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PROCEEDINGS AND DEBATES OF THE 100th CONGRESS

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United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 100th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Tuesday, January 6, 1987*

This being the day fixed by the 20th amendment of the Constitution of the United States and Public Law 99-613 for the annual meeting of the Congress of the United States, the Members-elect of the 100th Congress met in their Hall, and, at 12 o'clock noon, were called to order by the Clerk of the House of Representatives, Hon. Benjamin J. Guthrie.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Almighty and most gracious God, may Your blessing be upon this assembly and upon all who see their responsibilities for peace and justice in our Nation and in our world.

At this special moment in our history as a people we are thankful for those good gifts that have enriched our lives and given meaning to us. With hearts appreciative for the years past we pray for this new day and new opportunities of service.

We are grateful for the gifts of family, friends, and colleagues, for the gifts of understanding and tolerance, the gifts of perseverance, commitment and integrity, the gifts of faith and hope and love. O God, may Your spirit visit this place and abide in our hearts and minds.

Teach us, O God, not only to see the distinctiveness of our place in Your world, but allow us also to catch the vision of Your whole created world in ways that strengthen our human bonds, support the needy, comfort the afflicted, and protect the oppressed. May we do such good works that justice will roll down as waters and righteousness as an everflowing stream.

For the good gifts that are the heritage of our land, we offer our thanks and for the days ahead we implore Your benediction upon us. Amen.

The CLERK. Representatives-elect to the 100th Congress, this being the day fixed by the 20th amendment of the Constitution and Public Law 99-613 for the meeting of the 100th Congress and as the law directs, the Clerk of the House has prepared the official roll of the Representatives-elect.

Certificates of election covering the 435 seats in the 100th Congress have been received by the Clerk of the House of Representatives, and the names of those persons whose credentials show that they were regularly elected as Representatives in accordance with the laws of their respective States and of the United States will be called.

Without objection, the Representatives-elect will record their presence by electronic device, and their names will be reported in alphabetical order by States, beginning with the State of Alabama, to determine whether a quorum is present.

There was no objection.

The CLERK. The Chair would also like to state that Representatives-elect who have not picked up their voting ID cards may do so now in the Speaker's lobby.

The call was taken by electronic device, and the following Representatives-elect responded to their names:

[Roll No. 1]

ALABAMA

Callahan
Dickinson
Nichols
Bevill
Flippo
Erdreich
Harris

ALASKA

Young

ARIZONA

Rhodes
Udall
Stump
Kyl
Kolbe

ARKANSAS

Alexander
Robinson
Hammerschmidt
Anthony

CALIFORNIA

Bosco
Herger
Matsui
Fazio
Boxer
Miller
Dellums
Stark
Edwards
Lantos
Konnyu
Mineta
Shumway
Coelho
Panetta
Pashayan
Lehman
Lagomarsino
Thomas
Gallegly
Moorhead
Beilenson
Waxman
Roybal
Berman
Levine
Dixon
Hawkins
Martinez
Dymally
Anderson
Dreier
Torres
Lewis
Brown
McCandless
Dannemeyer
Badham
Lowery
Lungren
Packard
Bates
Hunter

COLORADO

Schroeder
Skaggs
Campbell
Brown
Hefley
Schaefer

CONNECTICUT

Kennelly
Gejdenson
Morrison
McKinney
Rowland
Johnson

DELAWARE

Carper

FLORIDA

Hutto
Grant
Bennett
Chappell
McCollum
MacKay
Gibbons
Young
Bilirakis
Ireland
Nelson
Lewis
Mack
Mica
Shaw
Smith
Lehman
Pepper
Fascell

GEORGIA

Thomas
Hatcher
Ray
Swindall
Lewis
Gingrich
Darden
Rowland
Jenkins
Barnard

HAWAII

Saiki
Akaka

IDAHO

Stallings

ILLINOIS

Hayes
Savage
Russo
Davis
Lipinski
Hyde
Collins
Rostenkowski
Yates
Porter
Annunzio
Crane
Fawell
Hastert
Madigan
Martin
Evans
Michel
Bruce
Durbin
Price
Gray

INDIANA

Visclosky
Sharp
Hiler
Coats
Jontz
Burton
Myers
McCloskey
Hamilton
Jacobs

IOWA

Leach
Tauke
Nagle
Smith
Lightfoot
Grandy

KANSAS

Roberts
Slattery
Meyers
Glickman

KENTUCKY

Hubbard
Natcher
Mazzoli
Bunning
Rogers
Hopkins
Perkins

LOUISIANA

Livingston
Boggs
Tauzin
Roemer
Huckaby
Baker
Hayes
Holloway

MAINE

Snowe

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

MARYLAND

Dyson
Bentley
Cardin
McMillen
Hoyer
Byron
Mfume
Morella

MASSACHUSETTS

Conte
Boland
Early
Frank
Atkins
Mavroules
Markey
Kennedy
Moakley
Studds
Donnelly

MICHIGAN

Pursell
Wolpe
Upton
Henry
Carr
Kildee
Traxler
Vander Jagt
Schuette
Bonior
Crockett
Hertel
Ford
Dingell
Levin
Broomfield

MINNESOTA

Penny
Weber
Frenzel
Vento
Sabo
Sikorski
Stangeland
Oberstar

MISSISSIPPI

Whitten
Espy
Montgomery
Dowdy
Lott

MISSOURI

Clay
Buechner
Gephardt
Skelton
Wheat
Coleman
Taylor
Emerson
Volkmer

MONTANA

Williams
Marlenee

NEBRASKA

Bereuter
Daub
Smith

NEVADA

Bilbray
Vucanovich

NEW HAMPSHIRE

Smith
Gregg

NEW JERSEY

Florio
Hughes
Howard
Smith
Roukema
Dwyer
Rinaldo
Roe
Torricelli
Rodino
Gallo
Courter
Saxton
Guarini

NEW MEXICO

Lujan
Skeen
Richardson

NEW YORK

Hochbrueckner
Downey
Mrazek
Lent
McGrath
Flake
Ackerman
Scheuer
Manton
Schumer
Towns
Owens
Solarz
Molinari
Green
Rangel
Weiss
Garcia
Biaggi
DioGuardi
Fish
Gilman
Stratton
Solomon
Boehlert
Martin
Wortley
McHugh
Horton
Slaughter
Kemp
LaFalce
Nowak
Houghton

NORTH CAROLINA

Jones
Valentine
Lancaster
Price
Coble
Rose
Hefner
McMillan
Ballenger
Clarke

NORTH DAKOTA

Dorgan

OHIO

Luken
Gradison
Hall
Oxley
Latta
McEwen
DeWine
Lukens
Kaptur
Miller
Eckart
Kasich
Pease
Sawyer
Wylie
Regula
Traficant
Applegate
Feighan
Oakar
Stokes

OKLAHOMA

Inhofe
Synar
Watkins
McCurdy
Edwards
English

OREGON

AuCoin
Smith, Robert
Wyden
DeFazio
Smith, Denny

PENNSYLVANIA

Gray
Borski
Kolter
Schulze
Yatron
Weldon
Kostmayer
Shuster
McDade
Kanjorski
Murtha
Coughlin
Coyne
Ritter
Walker
Gekas
Walgren
Goodling
Gaydos
Ridge
Murphy
Clinger

RHODE ISLAND

St Germain
Schneider

SOUTH CAROLINA

Ravenel
Spence
Derrick
Patterson
Spratt
Tallon

SOUTH DAKOTA

Johnson

TENNESSEE

Quillen
Duncan
Lloyd
Cooper
Boner
Gordon
Sundquist
Jones
Ford

TEXAS

Chapman
Wilson
Bartlett
Hall
Bryant
Barton
Archer
Fields
Brooks
Pickle
Leath
Wright
Boulter
Sweeney
de la Garza
Coleman
Stenholm
Leland
Combest
Gonzalez
Smith
DeLay
Bustamante
Frost
Andrews
Armey
Ortiz

UTAH

Hansen
Owens
Nielson

VERMONT

Jeffords

VIRGINIA

Bateman
Pickett
Bliley
Sisisky
Daniel
Olin
Slaughter
Parris
Boucher
Wolf

WASHINGTON

Miller
Swift
Bonker
Morrison
Foley
Dicks
Lowry
Chandler

WEST VIRGINIA

Mollohan
Staggers
Wise
Rahall

WISCONSIN

Aspin
Kastenmeier
Gunderson
Kleczka
Moody
Petri
Obey
Roth
Sensenbrenner

WYOMING

Cheney

□ 1215

The Clerk. The quorum call discloses that 426 Representatives-elect have answered to their names. A quorum is present.

ANNOUNCEMENT BY THE CLERK

The Clerk. The Clerk will state that credentials regular in form have been received showing the election of the Honorable Jaime B. Fuster as Resident Commissioner from the Commonwealth of Puerto Rico for a term of 4 years beginning January 3, 1985; the election of the Honorable Walter E. Fauntroy as Delegate from the District of Columbia; the election of the Honorable Ben Blaz as Delegate from Guam; the election of the Honorable Ron de Lugo as Delegate from the Virgin Islands; and the election of the Honorable Fofo I.F. Sunia as Delegate from American Samoa.

ELECTION OF SPEAKER

The Clerk. The next order of business is the election of the Speaker of the House of Representatives for the 100th Congress.

Nominations are now in order.

The Clerk recognizes the gentleman from Missouri [Mr. Gephardt].

□ 1225

Mr. GEPHARDT. Mr. Clerk, as chairman of the Democratic Caucus, I am directed by the unanimous vote of that caucus to present for election to the office of the Speaker of the House of Representatives for the 100th Congress the name of the Honorable Jim Wright, a Representative-elect from the State of Texas.

The Clerk. The Clerk now recognizes the gentleman from New York [Mr. Kemp].

Mr. KEMP. Mr. Clerk, as chairman of the Republican Conference, I am directed by the unanimous vote of that conference to present for election to the office of the Speaker of the House of Representatives of the 100th Congress the name of the Honorable Robert H. Michel, a Representative-elect from the State of Illinois.

The Clerk. The Honorable Jim Wright, a Representative-elect from the State of Texas, and the Honorable Robert H. Michel, a Representative-elect from the State of Illinois, have been placed in nomination.

Are there further nominations? There being no further nominations, the Clerk will appoint tellers.

The Clerk appoints the gentleman from Illinois [Mr. Annunzio], the gentleman from Minnesota [Mr. Frenzel], the gentlewoman from Colorado [Mrs. Schroeder], and the gentlewoman from Nebraska [Mrs. Smith].

The tellers will come forward and take their seats at the desk in front of the Speaker's rostrum.

The roll will now be called and those responding to their names will indicate by surname the nominee of their choice.

The reading clerk will now call the roll.

The tellers having taken their places, the House proceeded to vote for the Speaker.

The following is the result of the vote:

[Roll No. 2]

Wright—254

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi

Bilbray
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Daniel
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Rahall
Rangel
Ray
Richardson
Robinson
Rodino
Roe
Roemer
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

MICHEL—173

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton (IN)
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Frenzel
Gallegly
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Grandy
Green
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jeffords
Johnson (CT)
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McDade
McEwen
McGrath
McKinney
McMillan (NC)
Meyers
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Ravenel
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Rogers
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

ANSWERED "PRESENT"—2

Michel
Wright

□ 1310

The CLERK. The tellers agree in their tallies that the total number of votes cast is 429, of which the Honorable JIM WRIGHT of Texas has received 254 and the Honorable ROBERT H. MICHEL of Illinois has received 173 with two voting "present."

Therefore, the Honorable JIM WRIGHT of Texas is duly elected Speaker of the House of Representatives for the 100th Congress, having received a majority of the votes cast.

The Clerk appoints the following committee to escort the Speaker-elect to the chair: the gentleman from Illinois [Mr. MICHEL], the gentleman from Washington [Mr. FOLEY], the gentleman from Mississippi [Mr. LOTT], the gentleman from California [Mr. COELHO], the gentleman from Missouri [Mr. GEPHARDT], the gentleman from New York [Mr. KEMP], the gentleman from Texas [Mr. BROOKS], and the gentleman from Texas [Mr. ARCHER]. Without objection, the Clerk also appoints the distinguished former Speaker, the Honorable Thomas P. O'Neill, Jr., and the former minority leader, the Honorable JOHN J. RHODES, to join the escort committee.

There was no objection.

The CLERK. The committee will retire from the Chamber to escort the Speaker-elect of the House of Representatives to the chair.

The Doorkeeper announced the Speaker-elect of the House of Representatives of the 100th Congress, who was escorted to the chair by the committee of escort.

Mr. MICHEL. Mr. Speaker-elect and my colleagues, it has been customary, with several exceptions, for the vanquished in the contest for Speaker to present the victor to the House. Before doing so, I would like to ask unanimous consent, Mr. Speaker-elect, that I be permitted to personally address the House.

The SPEAKER-ELECT. Without objection.

Mr. MICHEL. With the outgoing Speaker and the minority leader of several years past escorting us into the Chamber, I was reminded of my having lost three similar elections to the distinguished former Speaker, as did JOHN RHODES before me. As you know, the former Speaker was fond of telling the story of how Republican aspirants had a longing on this chair, but that it was the only part of the anatomy that would be on it so far as our Republican side is concerned. And as I read Biblical Scripture, the admonition is that thou shalt not covet.

I have abided by that teaching, but I am afraid it will not diminish my desire to occupy the chair someday.

I want to publicly thank my Republican colleagues for again according me the very high honor of being your candidate for Speaker and, having lost the election in the contest, as preordained by last November's election, of now being your leader in the new Congress.

□ 1320

To our Democratic colleagues on the majority side, may I say that even though we in the minority are in the minority on our side, we intend to play a constructive role in the deliberations of this House and, to be sure, there will be times when partisanship prevails. But I hope there will be more occasions when good sense dictates that we work together in a bipartisan way for the good of our country.

It is very appropriate that we begin this historic 100th Congress on the birthday of one of our truly great Speakers, Sam Rayburn of Texas. Thirty years ago, JIM WRIGHT and BOB MICHEL served with Speaker Rayburn as junior Members of this body. I would hope our new Speaker-elect would want to emulate the manner in which his mentor presided over this House.

As we look back in our history, there were times when the Members knew far less about their incoming Speaker's abilities than we know about our Speaker-elect.

The distinguished gentleman from Texas has served in this body for 32 years, working skillfully and adroitly up through the ranks, so to speak, to become the 47th Member of this body to become its Speaker. He knows this institution inside out. He is familiar with the rules and with their many nuances.

He is, in fact, a product of this House. So I have no other recourse but to personally congratulate the distinguished gentleman from Texas for his notable marks of achievement that brought him to this pinnacle.

Our wish for him is that he rule this House wisely, with a firm and steady hand; that he look with equal favor to his left as well as to his right; and that he will preside with a high standard of fairness and impartiality.

Members of the House, it is my high privilege to present to you the new Speaker of the 100th Congress, the distinguished gentleman from the great State of Texas [Mr. Wright].

The SPEAKER. Let it be observed that the outsize gavel I am presently using is a gift from the Speaker of the Texas House of Representatives, Gib Lewis, who said he had been watching television coverage of the House on C-SPAN and could not understand why we in Congress were using what he called such wimpy, little gavels.

To be presented to this Chamber by my friend, Bob Michel, is as great an honor as I could expect or want. I cannot imagine anyone by whom I would prefer to be presented. Bob, with regard to your expressed aspirations and longing for the Chair, I just want to observe that you have done such a magnificent job as minority leader that I hope you will serve there for a long time to come.

Let me say in seriousness that the gentleman from Illinois, Bob Michel, is an outstanding exemplar of this institution and of the American two-party system. Sometimes he and I have been on opposite sides of political issues, but on other occasions we have worked in collaboration for things that sustain and strengthen this Nation that all of us love.

In the last Congress, the minority leader and I worked together in a completely bipartisan way along with the chairmen and ranking minority members of the committee to perfect legislation designed to combat terrorism and deadly drugs. I know that there will be similar opportunities in the future where the national interest overrides all other considerations and for the purposes of which the Members of this House will abolish the center aisle and work as one.

The vigorous clash of ideas in this forum and the healthy competition between political parties have always been part of the fuel that propels the engines of democracy. Yet, I think all of us know in the final analysis that he serves his party best who serves his country best. He serves his region best who serves his Nation first.

The things we celebrate today are the things that unite us; not the things that divide us. If I might speak two thoughts for all of us, Democrats and Republicans alike, the first would be a word of sincere thanks to the gentleman who served longer continuously in this office as Speaker than any predecessor, who 10 years ago broke from precedent to invite his immediate predecessor as Speaker to escort him down the aisle and to this rostrum, and who today has done that very great personal favor for me at my invitation.

For the grace and charm and wit, for the dedication and the skill that he shared with us these 10 years of his Speakership, for the example of high patriotism that he set and for the lasting inspiration that he leaves, our abiding thanks and abounding best wishes always to Thomas P. O'Neill, Jr.

A second sentiment which we all share today is a heartfelt wish for the President of the United States, for his personal health and well-being, and our earnest hopes and fervent prayers for his speedy recovery and early return, whole and happy, to the joys and challenges of the biggest job on Earth. Mr. President, get well.

Now, if the Members will allow me an intensely personal expression, I am deeply conscious that I did not get here alone. Truly, none of us did. The privilege which I have today is possible only because of the sacrificial gifts of love and time, energy, effort and substance, of encouragement and inspiration on the part of many people.

I want to acknowledge a special debt to the people of the 12th Congressional District of Texas without whose unflagging friendship and support I could not have attained this position.

Particularly, most particularly, to my family. To my wife Betty, who is my constant inspiration, and to my children, Jimmy, Ginger, Kay, and Lisa—thank you for your understanding all these years.

□ 1330

To stand here in this place at this time, by your choice, is a treasure more precious than any material possession and an honor more sublime than royalty. To be Speaker of the U.S. House of Representatives is the highest responsibility that can come to a lawmaker anywhere in the world. It is a gift which only the Members of this House can give. Aware of the greatness of your gift, I offer you the abounding thanks of a full and grateful heart. Aware of the responsibilities it entails, I pledge to do my very best to the end that all of us together may achieve the grand expectations of those who wrote the Constitution 200 years ago, and the contemporary hopes of our fellow Americans who last November elected us and sent us here to attend to the unfinished business of our Nation.

Today we observe a historic occasion. The beginning of this 100th Congress testifies to the durability and vitality of the Constitution of the United States, which now has made us the oldest Republic on Earth. The British Prime Minister, William Gladstone, called our Constitution the most perfect instrument of government ever set down by the hand of man at a given time. The system it put in motion has endured the crushing pressures of change and challenge for two centuries. Bombarded by recurrent social crisis and economic panic, it has remained intact. It survived the shattering experience of the Civil War which spilled our blood and drained our treasure and split our country temporarily in two. It has seen us safely through two major World Wars and cataclysmic international upheavals. And it is fully equal, by God's grace, to the needs of our present time.

We are its custodians. Those men of principle and vision who pend that deed to freedom had in mind a very special place for the Congress. Ours is a creative and dynamic role. We alone can legislate. Only we can appropriate. We are expected to initiate, to innovate, to see the obstacles on the road ahead and chart a path around them for our Nation.

This day, as the gentleman from Illinois already has pointed out, has a special additional significance to me. Today, January 6, marks the 105th anniversary of the birth of my mentor, Speaker Sam Rayburn, who had a sense of reverence for the orderly democratic processes of our institution. After 47 years in this House, he still viewed it with awe. The U.S. Congress, Mr. Rayburn said, is the highest theater anyone plays in upon this Earth today. And yet it is the very nature of our political system that those whom it exalts, it also humbles. Let no man or woman be deluded. Each of us who comes here is the recipient of a great privilege. We are here by the invitation and choice of our fellow citizens. We are ordinary men and women grappling with extraordinary problems. This is the people's House. This is the Nation's town hall. As Thaddeus Stevens once said, "This is not a government of kings and satraps. This is a government of the people, and Congress is the people."

So let us define our relationship with the other coequal branches in this delicately contrived balance of powers as we enter the third century of constitutional government, determined to make it work in our present age.

It will be my duty as your Speaker to defend and uphold the House in all relationships at all times in all places.

Still, we seek not confrontation, but cooperation.

To the Chief Executive, we extend the high respect which is his rightful due. We shall be attentive to his requests and supportive when possible. When he speaks for our Nation in international councils, we want him to succeed. Just as the President cannot legislate nor appropriate, so we cannot negotiate. The two branches need the cooperation of one another if our system is to work. And cooperation is a two-way street.

Just as the Nation does not want an imperial Presidency, neither does it want or need an enfeebled Presidency.

It deserves a Congress that is thoughtful, helpful, creative, neither suppinely submissive nor blindly obstructive.

We present ourselves to the President, therefore, not as a rival center of power but as a partner—not as a junior partner in the business of government, but as a full and equal partner. That is what the Constitution intends. We ask no more. We will settle for no less.

We enter the third century with serious problems. We should not deny them nor pretend they do not exist. But neither should we be hypnotized by them nor let them blind us to the good we can do.

In the past 6 years, this Government has doubled the national debt, added more than all previous generations combined. Unless we make dramatic changes, the public's debt will triple in the short span of this one decade. The American people want better than that. Future generations deserve better than that. We can do better than that.

In the past few years we have witnessed the growth of a staggering trade deficit. It is closing our factories, drying up American jobs, eroding our industrial base, making us dangerously dependent upon foreign countries. Just 4 years ago, we were the world's largest creditor Nation. Today we are the world's largest debtor Nation. We can do better than that, and we must.

For all of America's magnificent history, we have been an upwardly mobile people. Each generation has done a little better than the one before. It has been better educated, better employed, better housed. That is what we have called the American dream. As our country grew, more and ever more of our people entered the mainstream; fewer and ever fewer were denied.

We built for the future and dreamed a dream of a country in which the humblest child, born of the most improvident circumstances, might have as his or her birthright the opportunity to get as good a public education as anyone could get anywhere on Earth, the right to have meaningful work, and the right to have a piece of the action in American society. We have worked toward that goal.

Now we face a new and unaccustomed phenomenon, alien to our experience. The average 30-year old American couple today is finding it harder than their parents, not easier, to buy a new car; harder, not easier, to own a home. The average 45-year-old father and mother find it harder to send their children through college. The gap between the richest and poorest has widened.

Now, that is simply unacceptable. That is retrogression. America is not prepared to go into decline. We are not ready for downward mobility. Our future is not behind us. We can do better than that, and we must.

In these and other concerns—the plight of the family farm, the state of America's banking and credit systems, the need to rehabilitate our aging public infrastructure, our still unsatisfied thirst for true excellence in public education—in all of this let us be mindful above all of the obligation that we owe to future generations. It is their birthright that we hold in trusteeship. Let us so conduct ourselves in this 100th Congress that 200 years from now at the beginning of the 200th Congress, another generation of Americans may look back at this halfway point in this history and be grateful for our stewardship.

The very first act of the first Congress was a law prescribing the oath to be taken by every Speaker, by every President and Vice President, by every Member of the House and the Senate, by all officials of all the States upon entering public office. It is an oath to uphold and defend the Constitution of the United States.

As we individually and collectively take this ancient oath today, let us renew our vows. Let us with gratitude for the privilege that is ours ask Almighty God that He shall grant to each of us a portion of the vision to see the right, the courage to stand for the right, the honesty to admit human error, and the love that binds our Nation and our people together, to the end that we may continue to be not the envy of the world but an inspiration to the world and an instrument of His peace.

Now if the distinguished gentlemen from Mississippi, the dean of the House, the chairman of the Appropriations Committee, Mr. Whitten, will step to the well of the Chamber, I am prepared to take the oath of office.

Mr. Whitten then administered the oath of office to Mr. Wright of Texas.

[Applause, the Members rising.]

SWEARING IN OF MEMBERS

The SPEAKER. According to precedent, the Chair will swear in all Members of the House at this time.

The Members-elect and Delegates-elect and the Resident Commissioner-elect rose, and the Speaker administered the oath of office to them.

The SPEAKER. The gentlemen and gentlewomen are now Members of the 100th Congress of the United States.

□ 1345

The Chair recognizes the gentleman from Missouri [Mr. Gephardt].

MAJORITY LEADER

Mr. GEPHARDT. Mr. Speaker, as chairman of the Democratic Caucus, I have been directed to report to the House that the Democratic Members have selected as majority leader the gentleman from Washington, the Honorable Thomas S. Foley.

MAJORITY WHIP

Mr. GEPHARDT. Mr. Speaker, I have the honor and distinct pleasure to advise the Members of the House that the Democratic Members have selected the gentleman from California, the Honorable Tony Coelho, to act as majority whip for the 100th Congress.

MINORITY LEADER

Mr. KEMP. Mr. Speaker, our congratulations to you.

Mr. Speaker, as chairman of the Republican Conference, I am directed to notify the House that the gentleman from Illinois, the Honorable Robert H. Michel, has been selected by the Republican Members of the House as the minority leader of the House.

MINORITY WHIP

Mr. KEMP. Mr. Speaker, as chairman of the Republican Conference, I am directed by our conference to notify the House officially that the Republican Members have selected as our minority whip the gentleman from Mississippi, the Honorable Trent Lott.

ELECTION OF CLERK OF THE HOUSE, SERGEANT AT ARMS, DOORKEEPER, POSTMASTER, AND CHAPLAIN

Mr. GEPHARDT. Mr. Speaker, I offer a privileged resolution (H. Res. 1) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1

Resolved, That Donnald K. Anderson, of the State of California, be, and he is hereby, chosen Clerk of the House of Representatives;

That Jack Russ, of the State of Maryland, be, and he is hereby, chosen Sergeant at Arms of the House of Representatives;

That James T. Molloy, of the State of New York, be, and he is hereby, chosen

Doorkeeper of the House of Representatives;

That Robert V. Rota, of the Commonwealth of Pennsylvania, be, and he is hereby, chosen Postmaster of the House of Representatives; and

That Reverend James David Ford, of the Commonwealth of Virginia, be, and he is hereby, chosen Chaplain of the House of Representatives.

□ 1355

Mr. KEMP. Mr. Speaker, I will offer a substitute for the resolution just offered by the gentleman from Missouri [Mr. GEPHARDT], but before offering the substitute, I request that there be a division of the question on the resolution so that we may have a separate vote on the Office of the Chaplain.

The SPEAKER. The question is on agreeing to the portion of the resolution providing for the election of the Chaplain.

That portion of the resolution was agreed to.

SUBSTITUTE AMENDMENT OFFERED BY MR. KEMP

Mr. KEMP. Mr. Speaker, I offer a substitute amendment for the remainder of the resolution.

The Clerk read the substitute amendment, as follows:

Amendment offered by Mr. KEMP as a substitute for the remainder of the resolution offered by the gentleman by Missouri [Mr. GEPHARDT]:

Resolved, That Hyde H. Murray of the State of Maryland be and he is hereby chosen Clerk of the House of Representatives;

That Walter P. Kennedy, of the State of New Jersey, be, and he is hereby, chosen Sergeant at Arms of the House of Representatives;

That William R. Pitts, Jr., of the Commonwealth of Virginia, be, and he is hereby, chosen Doorkeeper of the House of Representatives;

That Ronald W. Lasch, of the Commonwealth of Virginia, be, and he is hereby, chosen Postmaster of the House of Representatives.

The SPEAKER. The question is on the substitute amendment offered by the gentleman from New York [Mr. KEMP].

The substitute amendment was rejected.

The SPEAKER. The question is on the remainder of the resolution offered by the gentleman from Missouri [Mr. GEPHARDT].

The resolution was agreed to.

The SPEAKER. Will the officers elected present themselves in the well of the House?

The officers-elect presented themselves at the bar of the House and took the oath of office.

The SPEAKER. Congratulations.

NOTIFICATION TO SENATE OF ORGANIZATION OF THE HOUSE

Mr. FOLEY. Mr. Speaker, I offer a privileged resolution (H. Res. 2) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 2

Resolved, That the Senate be informed that a quorum of the House of Representatives has assembled, that Jim Wright, a Representative from the State of Texas, has been elected Speaker; and Donnald K. Anderson, a citizen of the State of California, has been elected Clerk of the House of Representatives of the One Hundredth Congress.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE TO NOTIFY THE PRESIDENT OF THE UNITED STATES OF THE ASSEMBLY OF THE CONGRESS

Mr. FOLEY. Mr. Speaker, I offer a privileged resolution (H. Res. 3) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 3

Resolved, That a committee of two Members be appointed by the Speaker on the part of the House of Representatives to join with a committee on the part of the Senate to notify the President of the United States that a quorum of each House has assembled and Congress is ready to receive any communication that he may be pleased to make.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to join the committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled, and that the Congress is ready to receive any communication that he may be pleased to make, the gentleman from Washington [Mr. FOLEY] and the gentleman from Illinois [Mr. MICHEL].

AUTHORIZING THE CLERK TO INFORM THE PRESIDENT OF THE UNITED STATES OF THE ELECTION OF THE SPEAKER AND THE CLERK OF THE HOUSE OF REPRESENTATIVES

Mr. WHITTEN. Mr. Speaker, I offer a privileged resolution (H. Res. 4) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES 4

Resolved, That the Clerk be instructed to inform the President of the United States that the House of Representatives has elected Jim Wright, a Representative from the State of Texas, Speaker; and Donnald K. Anderson, a citizen of the State of California, Clerk of the House of Representatives of the One Hundredth Congress.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed the following resolutions:

S. RES. 1

Resolved. That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

S. RES. 2

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

S. RES. 6

Resolved. That the House of Representatives be notified of the election of John C. Stennis, a Senator from the State of Mississippi, as President pro tempore.

S. RES. 9

Resolved. That the House of Representatives be notified of the election of the Honorable Walter J. Stewart, as Secretary of the Senate.

RULES OF THE HOUSE

Mr. FOLEY. Mr. Speaker, I offer a privileged resolution (H. Res. 5) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 5

Resolved, That the Rules of the House of Representatives of the Ninety-ninth Congress, including all applicable provisions of law and concurrent resolutions adopted pursuant thereto which constituted the Rules of the House at the end of the Ninety-ninth Congress, are hereby adopted as the Rules of the One Hundredth Congress, with the following amendments:

(1) In rule X, amend clause 1(e)(1)(C) by striking out "beginning after 1974" immediately after "five successive Congresses".

(2) In rule X, amend clause 1(r) by striking from the title the words "Science and Technology" and inserting in lieu thereof "Science, Space, and Technology". In rule X, amend clause 3(f) by striking "Science and Technology" and inserting in lieu thereof "Science, Space, and Technology".

(3) In rule X, amend clause 2 by striking paragraph (c) and redesignating paragraph "(d)" as "(c)".

(4) In rule XI, amend clause 4(c) by inserting "(but only on the day after the calendar day on which such Member announces to the House his intention to do so)" immediately after "question of privilege".

(5) In rule XI, amend clause 5(f) by:

(a) redesignating subparagraphs "(3), (4), and (5)" as subparagraphs "(4), (5), and (6)" respectively;

(b) striking out "subparagraph (4)" and inserting in lieu thereof "subparagraph (5)" in subparagraph (4) as so redesignated by paragraph (1) of this amendment; and

(c) striking out subparagraphs (1) and (2) and inserting in lieu thereof the following:

"(f)(1) For continuance of necessary investigations and studies by—

"(A) each standing committee and select committee established by these rules; and

"(B) except as provided in subparagraph (2), each select committee established by resolution;

there shall be paid out of the contingent fund of the House such amounts as may be necessary for the period beginning at noon on January 3 and ending at midnight on March 31 of each year.

"(2) In the case of the first session of a Congress, amounts shall be made available under this paragraph for a select committee established by resolution in the preceding Congress only if—

"(A) a reestablishing resolution for such select committee is introduced in the present Congress; and

"(B) no resolution of the preceding Congress provided for termination of funding of investigations and studies by such select committee at or before the end of the preceding Congress.

"(3) Each committee receiving amounts under this paragraph shall be entitled, for each month in the period specified in subparagraph (1), to 9 per centum (or such lesser per centum as may be determined by the Committee on House Administration) of the total annualized amount made available under expense resolutions for such committee in the preceding session of Congress.".

(6) In rule XIV, amend clause 1 by adding at the end thereof the following new sentence: "Debate may include references to actions taken by the Senate or by committees thereof which are a matter of public record, and to the pendency or sponsorship in the Senate of bills, resolutions and amendments, but may not include other references to individual Members of the Senate, expressions of opinion concerning Senate action, or quotations from Senate proceedings.".

(7) In rule XLIII, amend clause 4 by striking out "$35" and inserting in lieu thereof "$50".

(8) In rule XLIII, amend clause 9 by inserting "age" immediately before "or national origin".

(9) In rule XLVIII, amend clause 7(c)(1) by striking out "paragraph (b)(2)" and inserting in lieu thereof "paragraphs (a) or (b)".

(10) In rule XLVIII, amend clause 1(a) by striking out "sixteen" and inserting in lieu thereof "seventeen".

Mr. FOLEY (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the Record.

The SPEAKER pro tempore (Mr. Gephardt). Is there objection to the request of the gentleman from Washington?

Mr. WALKER. Mr. Speaker, reserving the right to object, I do so to ask the gentleman if the rules package that he is asking that the reading be suspended on is what the Members were previously informed about? There have been no changes in that?

Mr. FOLEY. The gentleman is correct.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The SPEAKER pro tempore. The gentleman from Washington [Mr. Foley] is recognized for 1 hour.

Mr. FOLEY. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi [Mr. Lott], and I yield myself 30 minutes.

Mr. Speaker, at this time I yield such time as he may desire to the gentleman from Texas [Mr. Frost].

Mr. FROST. Mr. Speaker, the recommended rules changes embodied in House Resolution 5 comprise a relatively modest package of changes and additions to the rules of the House and, with one exception, make very small changes in the way we do business in the House of Representatives. At this time, I would like to take a few minutes to briefly summarize these recommended changes.

The first amendment strikes paragraph 2(c) of rule X, and by doing so deletes the current requirement that at the beginning of each Congress representatives of the Committee on Government Operations meet with representatives of other standing committees of the House to discuss and assist in coordinating oversight activities for the new Congress, and for the Committee on Government Operations to publish a report to the House about such oversight activities within 60 days after the Congress convenes.

Because this same oversight information is submitted to the Committee on House Administration as part of each committee's annual budget justifications and is published by the Committee on House Administration with the omnibus committee funding resolution, elimination of this requirement that the Committee on Government Operations must publish this report will not result in any lessening of the responsibilities of the committees of the House to determine at the start of each new Congress what oversight responsibilities they intend to undertake in the coming 2 years. Rather, this amendment to the rules of the House eliminates duplicative publications while at the same time ensures that a published record is available to the public regarding the intentions of the committees of the House in fulfilling their oversight responsibilities.

The second amendment eliminates grandfather language in clause 1(e)(1)(c) of rule X which was incorporated in the rules for those Members who began service on the Budget Committee when it was constituted in August 1974. This amendment is technical in nature and affects no sitting Member of Congress.

The third amendment merely changes the name of the Committee on Science and Technology to the Committee on Science, Space, and Technology by amending clause 1(r) of rule X.

The fourth rules change is to clause 4(c) of rule XI. This rule currently allows any member of the Committee on Rules to call up a rule, joint rule, or order of business resolution reported from the Committee on Rules that has not been called up for consideration within 7 legislative days. Since that rule attaches a privileged status to such reports, the member of the Rules Committee calling it up for consideration is required to be recognized by the Speaker except when matters of equal or higher privilege might be pending.

This rules change would require any member of the Committee on Rules seeking to call up a rule, joint rule, or order of business resolution under the provisions of clause 4(c) of rule XI to have notified the House of his intention on the preceding day. By requiring this notice, the minority will still be entitled to call up pending rules, as will any other member of the committee, but the House will have advance notice of such member's intention and the leadership can schedule the business of the day around that member's intended action.

The fifth rules change expands upon an amendment adopted by the House in the 99th Congress. Two years ago, the House amended clause 5(f) of rule XI to provide for automatic funding for all standing and certain select committees for the first 3 months of the first session of a Congress. This proposed rules change will make that automatic funding mechanism applicable to the first 3 months of the second session of a Congress as well.

This amendment retains the funding entitlement which allows committees to spend for each month of the interim funding period 9-percent of the total annualized amount made available to each committee under the expense resolution for the committees for the preceding session of Congress. However, this amendment goes one step beyond the language adopted 2 years ago by allowing the Committee on House Administration to establish interim funding at a lower percentage without adoption of an expense resolution authorizing such a lower level of funding. This authority would be exercised by the Committee on House Administration if in its determination sufficient funds were not available to support a 9-percent monthly entitlement. This authority could be used by the Committee on House Administration in order to comply with a sequestration order issued under the Balanced Budget and Emergency Deficit Control Act of 1985 or if insufficient funds are available to fund the committees at the 9-percent level.

The sixth rules change is the only proposed change that will significantly alter the way we do business in the House of Representatives. This amendment to rule XIV modifies the practices of the House to allow direct reference to the Senate during House debate.

As Members are aware, Jefferson's Manual prohibits the direct reference to the Senate by a Member of the House of Representatives during debate. Because Jefferson's stands in force in the House like a House rule, this prohibition has led to some very artful attempts to refer to the other body. In those cases when a Member does not make reference to the Senate in an artful and circumlocutious manner, the Chair has the responsibility to admonish that Member to abide by the restrictions embodied in Jefferson's Manual.

The amendment before Members alters the current practice in the House and will allow factual reference to the Senate, its actions, as well as its inactions, bills, resolutions, and amendments, and their Senate sponsors, and to the status of those bills, resolutions, and amendments. The amendment does not, however, allow characterizations of the Senate or its Members, and it does not allow expression of personal opinion about the Senate or its Members.

This amendment preserves and protects the spirit of Jefferson's by recognizing that it would serve no useful purpose in the maintenance of comity between the two Houses to allow the membership of the House to characterize or express personal opinion, either good or bad; but at the same time the amendment does recognize that we live in a modern world where immediacy of information compels us to take note of the actions of our colleagues on the other side of the Capitol. I believe this amendment will allow Members the freedom to make necessary reference to the Senate but will not allow for name-calling, which would lessen the dignity of debate in the House.

The seventh amendment to the rules of the House amends clause 4 of rule XLIII to increase from $35 to $50 or less the fair market value of a gift, not including personal hospitality of an individual, which may be accepted by a Member, officer, or employee of the House in any calendar year, not to be counted toward the aggregate of $100 or more in value which may be accepted, directly or indirectly, from any person—other than a relative—having direct interest in legislation before the Congress or who is a foreign national or agent of a foreign national.

The eighth rules change proposes to amend clause 9, rule XLIII to prohibit discrimination in employment by any Member, officer, or employee of the House on the basis of age, as well as on the basis of race, color, religion, sex, or national origin which are currently expressly prohibited in the rules of the House. In the 99th Congress, amendments were adopted to the Age Discrimination in Employment Act to prohibit any age discrimination in employment. The provisions of that act do not apply to Congress and as a matter of constitutional separation of powers, the House is acting, through this amendment, to establish its own protections against age discrimination through an exercise in rulemaking power.

The ninth amendment is a technical amendment to clause 7(c)(1) of rule XLVIII to clarify what information may be made public by the Permanent Select Committee on Intelligence and the amendment does not in any way restrict, alter, or expand the amount of information that the committee may vote to disclose.

The ninth and final amendment also amends rule XLVIII to increase the size of the Intelligence Committee from 16 to 17 members.

□ 1405

Mr. Speaker, that concludes my explanation of the package of rules amendments embodied in the resolution pending.

Mr. LOTT. Mr. Speaker, I thank the gentleman from Washington [Mr. FOLEY] for yielding me the customary 30 minutes for discussion on the rules package, and I yield myself such time as I may consume.

Mr. Speaker, back in 1965, our former colleague from Missouri, Congressman Bolling, published a book entitled "House Out of Order." In that book he charged that the House was not functioning properly because power was too concentrated in senior committee chairmen and the Rules Committee, neither of which he felt were representative of the American people.

That book helped spark a congressional reform revolution over the next decade. It gave us the Legislative Reorganization Act, the War Powers Resolution, the Budget Act, the committee reform amendments, and numerous King Caucus reforms that further opened the House and dispersed power.

While many of the reforms of that turbulent decade have been beneficial, others have had the opposite effect—particularly those that gave rise to a proliferation of semiautomous subcommittees. As a result, the House is probably more out order today than it was 22 years ago.

The fact is, Mr. Speaker, this House is failing miserably at its three primary responsibilities: policymaking, oversight, and controlling the purse strings. The heart of the policy process in the House, our committee system, has clogged arteries as a result of layers of fatty tissue. Congressional oversight is something that is largely overlooked. And our purse strings are hopelessly tangled in budget and appropriations hoops that dominate our sessions yet still come out days late and dollars short on savings.

Why aren't our authorizing committees doing their jobs? For one thing, they get organized late each Congress and then only work 2 or 3 days a week. When they finally do start reporting bills, they are lucky if their legislation can be squeezed in between budget and appropriations measures. For another thing, our committees—like Gulliver—are hamstrung and tied down by a Lilliputian system of subcommittees and staff, ensuring duplication, conflict, and delays.

What about our constitutional powers of the purse? Despite the landmark Budget Reform Act of 1974, the fact is we are doing a much worse job of budgeting today than we were 22 years ago. Not only do we have bigger deficits, but we still can't get our spending bills enacted on time.

The fact is, Mr. Speaker, last year we did much worse on enacting regular appropriations bills than we did 22 years ago: Whereas in the 89th Congress we at least enacted two appropriation bills prior to the start of the fiscal year in each session, in the 99th Congress we had enacted none by the start of the fiscal new year in either session. And whereas in the 89th Congress all the regular appropriations bills were eventually enacted separately in both sessions, in the 99th Congress only six money bills were separately enacted in the first session; and in the second session, we achieved the ultimate in purse string paralysis: Not one appropriation bill was separately enacted. Instead, we ended up enacting one omnibus money bill that rolled everything into one ball of wax—the largest spending bill in the history of the Republic.

Mr. Speaker, as we approach the commemoration of the 200th anniversary of our Constitution this year, we would do well to examine this sorry state of affairs and vow to restore this House to its proper role under that document. What we are proposing on this side is a "Bicentennial House Restoration Project" that reforms House rules and procedures in such a way as to revitalize the policy, oversight, and budgetary processes of this body.

First, we propose to organize our committees earlier, within 3 legislative days after their election, so we can hit the ground running. Second, we propose more 5-day workweeks so committees can do their policy and oversight jobs properly. Third, we propose to limit committees to no more than six subcommittees, and Members to no more than four subcommittee assignments, and to abolish the joint referral of bills—all to allow for more conscientious legislating and less duplication of effort.

With the reduction of subcommittees and Member assignments, we feel it will be possible to accomplish our other reforms: a 10-percent reduction in committee staffs and the elimination of proxy voting and one-third quorum rules. We should no longer have need for these phantom legislative devices that were found necessary because Members could not attend all their committee and subcommittee meetings and hearings. Abolishing these phantom devices, together with our requirement for equitable party ratios on committees, should help to ensure more conscientious, representative, and accountable legislating at the committee level, and less need to rewrite bills once they reach the floor.

We would also require formal adoption of committee oversight agendas to ensure a more systematic approach to fulfilling that important responsibility of the Congress.

In the area of budget reform, our package calls for a special task force to report back in 3 months its recommendations for improving the budget process.

Also in the area of budget reform, we propose a rule to require a two-thirds vote to consider any waiver of Budget Act rules, and a prohibition against the inclusion of extraneous materials in reconciliation bills.

In the appropriations area, we propose a formula whereby any short-term continuing appropriations of 30 days or less comply with a set formula providing only for the lower of certain amounts; and that long-term continuing appropriations bills conform to the same rules as regular appropriations bills regarding unauthorized and legislative provisions and cost estimates.

We would also require that such long-term bills contain the full text of language to be enacted rather than references to other bills, and that provisions not previously adopted by the House be subject to amendment and not be protected against points of order except by two-thirds vote. If we are going to start legislating in such omnibus bills let's subject them to strict rules and procedures.

Mr. Speaker, we urge the defeat of the previous question on this resolution so that our Republican Leader, Mr. MICHEL, may be recognized to at least offer this "Bicentennial House Restoration Project" of reforms. Defeating the previous question does not necessarily imply support for our package, but it does indicate a willingness to at least debate them for an hour, consider them on their merits, and then have a direct or them before voting on the resolution reported from the Democratic Caucus.

Let's make this 100th Congress a truly historic one by adopting this package of House reforms that will permit this House to once again fully realize its constitutional role and potential.

□ 1415

Now, Mr. Speaker, after the vote on the previous question we are entitled on this side of the aisle to offer a motion to commit with instructions. We will as we have in the past take advantage of that opportunity. There will be a motion offered to commit with instructions. Those instructions would be this: during the 100th Congress, this historic Congress, no bill, joint resolution or amendment shall be reported or considered if it contains any provision to increase marginal tax rates from the 15- and 28-percent rates for individuals or the 24-percent top rates for business as provided for by the Tax Reform Act of 1986, Public Law 99-514, or which reduces or eliminates deductions or credits unless matched dollar for dollar by further reducing tax rates. For the purposes of this paragraph, any provision to delay the effective dates of such rates shall be construed as a tax increase. We should clearly air this issue the first day of this 100th Congress. We should say this first day, in adopting this motion to commit with instructions, that we will not allow for individual tax rate increases beyond what we just passed late last year. The American people are still in doubt as to exactly what was in that tax reform package. They thought they had their rates reduced and to have discussion now which I have been shocked to hear that we might come right back and in less than a year, in fact, in only perhaps weeks, that the House of Representatives, the Congress would presume to consider raising individual tax rates is beyond my comprehension, and the American people need to know on this first day in this first vote that they will not have to worry about that issue.

Others will speak more to this particular point on the motion to commit and also on the rules in a moment.

Following is the proposed House Republican rules package for the 100th Congress:

THE BICENTENNIAL HOUSE RESTORATION PROJECT

Introduction.—As the Nation prepares to commemorate the 200th Anniversary of the Constitution, the new Congress would do well to consider its current condition in the context of the Framers' original intent. While the architects of the Constitution intentionally designed a divided system as a check against the unbridled exercise of power, it is doubtful they ever envisioned the parliamentary paralysis that currently besets the Congress.

The impressive legislative record of the 99th Congress belies this sorry state of affairs; but its roots continue to lurk just beneath the surface, waiting to entangle the 100th Congress in even greater difficulties.

Part of the problem is obviously political—the lack of consensus over how to meet competing and growing demands on relatively diminishing resources. But part of the problem is also the inability of Congress to forge such a consensus in a rational and deliberative fashion. The policy-making process of Congress is virtually in shambles.

The authorizing committees, which should comprise the heart of that process, are rapidly approaching irrelevance—squeezed-out by the budget and appropriations processes, and caught-up in jurisdictional infighting and subcommittee strangulation. Oversight of Federal agencies and programs and the policy changes which should flow from such oversight are either relegated to backburners at the committee level or, if they are reported to the full House, are either not scheduled or are often given inadequate time for debate and the consideration of options under procedures which increasingly limit the participation of individual Members of Congress.

While the budget and appropriations processes increasingly dominate each session of a Congress, they are working less and less as originally intended. Deadlines are ignored, targets missed, rules waived, and regular appropriations bills not enacted. Reconciliation bills, designed to reduce deficits, are chocked-full of spending add-ons and other extraneous matters. Appropriations bills, which are only supposed to fund programs already enacted, are increasingly being used as authorization vehicles as well. Hundreds of programs and projects are renewed from year-to-year in such money bills without prior authorization. And, as a new fiscal year approaches, they are all rolled into a massive, omnibus money bill known as a "continuing resolution" that is a monument to the irresolution of Congress.

The Republican Conference urges that, in the coming historic year, the House embark on a comprehensive, "Bicentennial House Restoration Project." The blueprint follows.

House Restoration Project.—The Bicentennial House Restoration Project consists of three major areas for reform: House organization and scheduling, committee procedures, and the budget-appropriations process.

A. HOUSE ORGANIZATION AND SCHEDULING REFORM

The Problem.—Each new Congress takes roughly three to four months to get organized before it begins to report major bills for consideration. By then, it is Spring and the beginning of the budget season, followed by appropriations and reconciliation. As a result, few authorization bills are considered before the budgetary crunch which continues in the House until late July. The House usually recesses in August, and a good part of September and October are taken wrapping-up appropriations and reconciliation bills. For some reason, second sessions aren't much quicker in getting off the ground, even though the House and its committees are already organized. Some authorizing committees are reluctant to bring certain bills to the floor early due to budgetary and political uncertainties. Many don't mind having their authorization provisions folded into the protective cover of a reconciliation or continuing appropriations bill since these are usually not subject to amendment.

The Solution.—The Restoration Project contains the following proposals for organization and scheduling reform:

House committees would be elected within seven legislative days of the convening of a new Congress, and would be required to hold their organizational meetings not later than three legislative days after their election.

The Speaker would be required to issue a schedule at the beginning of each session that would include target dates for the consideration of specified, major legislation, weeks in which the House would be in session (with full, five-day work weeks assumed unless otherwise indicated), periodic district work periods, and the target date for the adjournment of the session. Moreover, the Speaker would be required to consult with the minority leader in developing each week's legislative schedule.

Measures could not be scheduled under suspension of the rules (a procedure allowing only limited debate and no amendments): (a) except by direction of the committee of jurisdiction or the chairman and ranking minority member; (b) if they exceed $50 million in cost for any year; (c) if they have not been noticed in the Record, with any amendments, at least one day in advance; and (d) if they are constitutional amendments.

B. COMMITTEE REFORM

The Problem.—The House committee system is chaotic and impotent due in large part to the lack of legislative or oversight agendas, a sprawling jungle of semi-autonomous subcommittees (148 in the 99th Congress) and excess staff, overlapping jurisdictions both within and among committees, the referral of the same bills to more than one committee, skewed party ratios that produce unrepresentative bills, and phantom voting devices like proxy voting and one-third quorums necessitated by poor attendance.

The Solution.—The Restoration Project contains the following recommendations for reforming the committee system:

Committees would be required to formally adopt oversight agendas at the beginning of each Congress;

The joint referral of the same bills to more than one committee would be abolished, though sequential and split referrals would be retained subject to time limits and with a principal committee designated by the Speaker;

All committees (except Ethics, which is bipartisan) would be required to reflect the party ratio to the House;

All committees (except Appropriations) would be limited to no more than six subcommittees;

All Members would be limited to no more than four subcommittee assignments;

Proxy voting would be abolished;

Majority quorums would be restored for transacting business; and

The House would adopt an overall committee staff limit with conforming sublimits for each committee; the minority would be entitled to up one-third of the investigative staff; and overall staff would be reduced by 10% from the 99th Congress.

C. BUDGET AND APPROPRIATIONS PROCESS REFORM

The Problem.—The House is preoccupied for a good part of each year with budgetary matters, whether they be the budget resolution, reconciliation, the debt limit increase, or appropriations bills—all to the detriment of the authorization process. This authorization squeeze-out in turn makes the reconciliation, debt or appropriations bills convenient box cars for unrelated legislative programs and provisions that might otherwise not make it out of the station. Partly due to this excess baggage and partly due to the difficulty in forging acceptable fiscal policies, existing budget deadlines and targets are not being met and enforcement rules are being waived with increasing frequency.

The Solution.—The Restoration Project contains the following proposals for budget and appropriations process reform:

A Special House Task Force on Budget Process Review would be created to report back by March 31, 1987, on whether the budget process should be continued, modified, or terminated. Any bill or resolution reported by the task force would be privileged for consideration in the House after April 15, 1987, and could be called-up by any Member as privileged after April 20, 1987. The task force is encouraged to meet with Senate counterparts in developing budget process changes.

A point of order would lie against any provision in a reconciliation bill, or amendment thereto, which is not related to achieving the purposes of the directives to House committees contained in the most recently agreed to budget resolution. The Budget Committee (in consultation with CBO) would determine whether the provision is related or not.

All reports from the Committee on Rules on order of business resolutions waiving points of order against bills which violate provisions of the Budget Act must contain an explanation of and justification for such waivers, including a summary or text of any letter received from the Budget Committee regarding such waivers. It would not be in order to consider any resolution waiving any provision of the Budget Act except by a two-thirds vote of the House.

The present restriction on limitation amendments to appropriations bills would be abolished.

Short term continuing appropriations (30-days or less) could only provide spending in the lowest amount of the House- or Senate-passed bills, conference agreements, or previous years spending level, and this provision could only be waived by a two-thirds vote.

Long-term continuing appropriations measures (effective for longer than 30 days) would be required to contain the full text of any language to be enacted, and reports on such CRs would be required to include cost estimates (not currently required). The prohibition against unauthorized and legislative provisions in general appropriations bills would be extended to such long-term continuing appropriations measures. A two-thirds House vote would be required to waive these requirements against, or deny amendment to, a provision in such a continuing not previously agreed to by the House.

SUMMARY BY PARAGRAPH OF REPUBLICAN HOUSE RULES SUBSTITUTE (100TH CONGRESS, JANUARY 6, 1987)

(1) *House Scheduling Reform.*—The Speaker would be required at the beginning of each session to announce a legislative program for the session that would include target dates for the consideration of major legislation, weeks in which the House would be in session (with full, five-day work weeks assumed unless otherwise indicated), district work periods, and the target date for adjournment. The Speaker would also be required to consult with the minority leader in developing each week's legislative program.

(2) *Oversight Reform.*—Committees would be required to formally adopt and submit to the Government Operations Committee by March 1st of the first session their oversight plans for that Congress. The Government Operations Committee, after consultation with the majority and minority leaders, would report the plans to the House by March 15th together with its recommendations, and those of the joint leadership group to assure coordination between committees. The Speaker would be authorized to appoint ad hoc oversight committees for specific tasks from the membership of committees with shared jurisdiction. Committees would be required to include an oversight section in their final activity report at the end of a Congress.

(3) *Multiple Referral of Legislation.*—The joint referral of bills to two or more committees would be abolished, while split and sequential referrals would be retained, subject to time limits and designation by the Speaker of a committee of principal jurisdiction.

(4) *Early Committee Organization.*—Committees must be elected within seven legislative days of the convening of a new Congress and must hold their organization meeting not later than three legislative days after their election.

(5) *Committee Ratios.*—The party ratios on committees would be required to reflect that of the full House (except for Standards of Official Conduct which is bipartisan). The requirement would extend to select and conference committees as well.

(6) *Subcommittee Limits.*—No committee (except appropriations) could have more than six subcommittees, and no Member could have more than four subcommittee assignments.

(7) *Proxy Voting Ban.*—All proxy voting on committees would be prohibited.

(8) *Majority Quorums.*—A majority of the membership of a committee would be required for the transaction of any business.

(9) *Budget Waivers.*—Any report from the Committee on Rules on a resolution waiving any provisions of the Budget Act against any bill would be required to include an explanation and justification of the waiver together with a summary or text of any comments received from the Budget Committee regarding the waiver. It would not be in order to consider any resolution waiving any provision of the Budget Act except by a two-thirds vote of the House.

(10) *Committee Staffing.*—Committee funding resolutions could not be considered until the House has first adopted a resolution from the House Administration Committee setting an overall limit on committee staffing for the session. The minority would be entitled up to one-third of the investigative staff funds, on request. The overall committee staff limit for the 100th Congress could not be more than 90% of the total at the end of the 99th Congress.

(11) *Appropriation Reforms.*—The present restrictions on offering limitation amendments would be abolished. Short-term continuing appropriations (30-days or less) could only provide for the lesser spending amounts and more restrictive authority as provided in either the House or Senate passed bills, the conference agreement, or the previous year's Act, and a two-thirds House vote would be required to waive this requirement. Long-term continuing appropriations measures (more than 30-days) would be required to contain the full text of the provisions to be enacted; the present prohibition on legislative language and unauthorized matters in appropriations measures would be extended to long-term CRs. Points of order and amendments to provisions in long-term CRs not previously agreed to by the House would only be

denied by a two-thirds vote. Cost estimates would be required in reports on long-term CRs. Reports on all general appropriations bills, including long-term CRs would be required to include not only a listing of legislative provisions contained in the measures (as presently required), but of all unauthorized activities being funded by the measure.

(12) *Reconciliation Limitation.*—It would not be in order to report in a reconciliation bill, or consider as an amendment thereto, a provision which is not related to a committee's reconciliation instructions to either reduce spending or raise revenues. Determination would be made by the Budget Committee in consultation with the Congressional Budget Office.

(13) *Suspension of the Rules.*—Measures could not be considered under the suspension of the rules procedure except by direction of the committee(s) of jurisdiction or on the request of the chairman and ranking minority member of such committee(s). No measure could be considered under suspension which authorizes or appropriates more than $50 million for any fiscal year. Notice of any suspension must be placed in the Congressional Record at least one day in advance of its consideration together with the text of any amendment to be offered to it. No constitutional amendment could be considered under suspension.

(14) *Budget Process Sunset Review.*—A Special Task Force on Budget Process review would be appointed by the Speaker composed of 15 members, not more than eight of whom would be from the same political party, with the chairman named by the Speaker. The purpose of the task force would be to study and review the operation and effectiveness of the congressional budget process with a view to determining whether it should be continued, modified or terminated. The task force would be authorized and encouraged to hold joint meetings and hearings with representatives of the Senate to ensure maximum cooperation and coordination in considering and developing any modifications in the budget process.

The task force would be required to report back to the House not later than March 31, 1987, its findings and recommendations (by bill or resolution if necessary). Any bill or resolution reported by the task force would be privileged for consideration in the House after April 15, 1987, and could be called-up as privileged by any Member after April 20, 1987. It would be considered in the Committee of the Whole and subject to amendment under the five-minute rule.

The task force would cease to exist after April 30, 1987.

H. RES. 5

An Amendment in the Nature of a Substitute Offered by Mr. Lott

Strike all after the resolving clause and insert in lieu thereof the following:

"That the Rules of the House of Representatives of the Ninety-ninth Congress, including all applicable provisions of law and concurrent resolutions adopted pursuant thereto which constituted the rules of the House at the end of the Ninety-ninth Congress, be, and they are hereby, adopted as the Rules of the House of Representatives of the One Hundredth Congress, with the following amendments included as part thereof, to wit:

"HOUSE SCHEDULING REFORM"

"(1) In Rule I, add the following new clause:

"10. (a) At the beginning of each session of the Congress the Speaker shall, after consultation with the minority leader and the chairmen of the committees of the House, announce a legislative program for the session which shall include: (1) target dates for the consideration of specified major budgetary, authorization and appropriations bills; (2) an indication of those weeks during which the House will be in session (which, unless otherwise indicated, shall be assumed to be full, five-day work weeks for the conduct of committee and House floor business); (3) those weeks set aside for district work periods (which shall be scheduled at periodic intervals), holidays, and other recesses; and (4) the target date for the adjournment of that session.

"(b) The Speaker shall ensure that the minority leader is fully consulted in developing the legislative program for the House each week.".

"OVERSIGHT REFORM"

"(2)(a) In Rule X, clause 2(c) is amended to read as follows:

"(c)(1) Not later than March 1 in the first session of a Congress each standing committee of the House shall, in a meeting which is open to the public and with a quorum present, adopt and submit to the Committee on Government Operations its oversight plans for that Congress. In developing such plans each committee shall, to the maximum extent feasible—

"(A) consult with other committees of the House which have jurisdiction over the same or related laws, programs, or agencies within its jurisdiction with the objective of assuring that such laws, programs, or agencies are reviewed in the same Congress and that there is maximum coordination between such committees in the conduct of such reviews; and such plans shall include an explanation of what steps have been and will be taken to assure such coordination and cooperation;

"(B) give priority consideration to including in its plans the review of those laws, programs, or agencies operating under permanent budget authority or permanent statutory authority; and

"(C) have a view toward insuring that all significant laws, programs, or agencies within its jurisdiction are subject to review at least once every ten years.

"(2) Not later than March 15 in the first session of a Congress, after consultation with the Speaker, the majority leader, and the minority leader, the Committee on Government Operations shall report to the House the oversight plans submitted by each committee together with any recommendations which it, or the House leadership group referred to above, may make to assure the most effective coordination of such plans and otherwise achieve the objectives of this clause.".

"(b) In Rule X, clause 2 is amended by adding the following new paragraph:

"(e) The Speaker, with the approval of the House, may appoint special ad hoc oversight committees for the purpose of reviewing specific matters within the jurisdiction of two or more standing committees.".

"(c) In Rule XI, clause 1(d) is amended to read as follows:

"(d)(1) Each committee shall submit to the House not later than January 2 of each odd-numbered year, a report on the activities of that committee under this rule and Rule X during the Congress ending on January 3 of such year.

"(2) Such report shall include separate sections summarizing the legislative and oversight activities of that committee during that Congress.

"(3) The oversight section of such report shall include a summary of the oversight plans submitted by the committee pursuant to clause 2(c) of Rule X, a summary of the actions taken and recommendations made with respect to each such plan, and a summary of any additional oversight activities undertaken by that committee, and any recommendation made or actions taken thereon.".

"MULTIPLE REFERRAL OF LEGISLATION"

"(3) In Rule X, clause 5(c), is amended to read as follows:

"(c) In carrying out paragraphs (a) and (b) with respect to any matter, the Speaker shall initially refer the matter to one committee which he shall designate as the committee of principal jurisdiction; but, he may also refer the matter to one or more additional committees, for consideration in sequence (subject to appropriate time limitations), either on its initial referral or after the matter has been reported by the committee of principal jurisdiction; or refer portions of the matter to one or more additional committees (reflecting different subjects and jurisdictions) for the exclusive consideration of such portion or portions; or refer the matter to a special ad hoc committee appointed by the Speaker, with the approval of the House, from the members of the committees having legislative jurisdiction, for the specific purpose of considering that matter and reporting to the House thereon; or make such other provisions as may be considered appropriate.".

"COMMITTEE ELECTIONS AND ORGANIZATION"

"(4) In Rule X, clause 6(a)(1), the first sentence is amended to read as follows: "The standing committees specified in clause 1 shall be elected by the House within seven legislative days after the commencement of each Congress, from nominations submitted by the respective party caucuses, and said committees shall hold their organizational meetings not later than three legislative days after their election.".

"COMMITTEE RATIOS"

"(5)(a) In Rule X, clause 6(a) is amended by adding at the end thereof the following new subparagraph:

"(3) The membership of each committee (and each subcommittee, task force, or subunit thereof), shall reflect the ratio of majority to minority party Members of the House at the beginning of the Congress. This subparagraph shall not apply to the Committee on Standards of Official Conduct which shall be constituted as provided for in subparagraph (2). For the purpose of this clause, the Resident Commissioner from Puerto Rico and the Delegates to the House shall not be counted in determining the party ratio of the House and the committees on which they serve.".

"(b) In Rule X, clause 6(f) is amended by inserting after the first sentence the following: "The membership of each such select committee (and of any subcommittee, task force or subunit thereof), and of each such conference committee, shall reflect the ratio of the majority to minority party Members of the House at the time of its appointment.".

"SUBCOMMITTEE LIMITS"

"(6) In Rule X, clause 6(d) is amended to read as follows:

"(d)(1) Each standing committee of the House (except the Committee on the Budget) that has more than twenty members, shall establish at least four subcommittees; but, in no event shall any standing committee (except the Committee on Appropriations) establish more than six subcommittees.

"(2) No Member may serve at any one time as a member of more than four subcommittees of committees of the House.

"(3) For the purposes of this paragraph, the term 'subcommittee' includes any panel, task force, special subcommittee, or any subunit of a standing committee, or any select committee, which is established for a period of longer than six months in any Congress.".

"PROXY VOTING BAN"

"(7) In Rule XI, clause 2(f) is amended to read as follows:

"(f) No vote by any member of any committee or subcommittee with respect to any measure or matter may be cast by proxy.".

"MAJORITY QUORUMS"

"(8) In Rule XI, clause 2(h)(2) is amended to read as follows:

"(2) A majority of the members of each committee or subcommittee shall constitute a quorum for the transaction of any business, including the markup of legislation.".

"BUDGET WAIVERS"

"(9) In Rule XI, clause 4 is amended by adding at the end thereof the following new paragraph:

"(e)(1) Whenever the Committee on Rules reports a resolution providing a special order of business for the consideration of any measure and such resolution waives points of order against the measure matter for failure to comply with any provision of the Congressional Budget Act of 1974, as amended, the report accompanying such resolution shall include an explanation of, and justification for, the waiver, and a summary (or the full text) of any comments received by the committee from the chairman of the Committee on the Budget regarding the waiver.

(2) It shall not be in order, except by a vote of not less than two-thirds of the Members voting, to consider any rule or order from the Committee on Rules which waives any of the provisions of the Congressional Budget Act of 1974, as amended.".

"COMMITTEE STAFFING"

"(10) In Rule XI, clause 5 is amended by inserting the following new paragraph (a), and by redesignating existing paragraphs accordingly:

"(a)(1) It shall not be in order in the House to consider any primary expense resolution until the Committee on House Administration has reported, and the House has adopted, a resolution establishing an overall ceiling for House committee staff personnel for that year.

"(2) In developing any primary expense resolution, the Committee on House Administration shall specify in the resolution the number of staff positions authorized by the resolution. The committee shall verify in the report accompanying any such primary expense resolution that the number of staff positions authorized by such resolution is in conformity with the overall ceiling on such positions established by the House.

"(3) In no event shall the total number of additional staff positions authorized by all such primary expense resolutions, taken together with the number of staff positions authorized by clause 6 of this rule (providing for professional and clerical staff), exceed the ceiling established by the House for that year.

"(4) In allocating staff positions pursuant to the overall ceiling established by the House, the committee shall take into account the past and anticipated legislative and oversight activities of each committee.

"(5) In any supplemental expense resolution, the committee shall specify the number of additional staff positions, if any, authorized by such resolution, and shall indicate in the report accompanying any such resolution whether the additional staff positions are in conformity with or exceed the overall ceiling established by the House.

"(6) It shall not be in order in the House to consider any supplemental expense resolution authorizing additional staff positions in excess of the overall ceiling established by the House except by a vote of two-thirds of the Members voting, a quorum being present.

"(7) It shall not be in order in the House to consider any primary or supplemental expense resolution for a committee unless the report on such resolution includes a statement verifying that the committee has adopted and complied with a committee rule entitling the minority party on such committee, upon the request of a majority of such minority, to not less than one-third of the funds provided for committee staff pursuant to each primary or supplemental expense resolution.

"(8) For the purposes of the One-hundredth Congress, the overall ceiling for committee staff in a resolution reported by the committee pursuant to subparagraph (1), or contained in any amendment thereto, shall not exceed 90 percentum of the total committee staff personnel employed at the end of the Ninety-ninth Congress.".

"APPROPRIATION REFORMS"

"(11)(a) In Rule XXI, clause 2 is amended by striking the second sentence of paragraph (c) and paragraph (d) in its entirety, and by inserting the following new paragraph (d):

"(d)(1) For the purposes of House Rules, a 'general appropriation bill' shall include any bill or joint resolution making continuing appropriations for the Federal government in a fiscal year for a period in excess of thirty days, and any such measure shall include the fulll text of the language proposed to be enacted (as opposed to mere references to other bills which have been reported or passed by either House, or agreed to by a committee of conference).

"(2) The provisions of clause 2(1)(3)(B) of Rule XI shall apply to any 'general appropriation bill' as defined in subparagraph (1).

"(3) For the purposes of this clause, all points of order shall be considered as having been reserved against any general appropriation bill at the time it was reported.".

(b) In Rule XXI, clause 2 is amended by inserting the after subparagraph (d) the following new subparagraph:

"(e) It shall not be in order to consider any bill or joint resolution making continuing appropriations for a period of thirty days or less unless such measure only provides appropriations in the lesser amount and under the more restrictive authority of the pertinent appropriations measure: as passed by the House; as passed by the Senate; agreed to by a committee of conference; or enacted for the preceding fiscal year.".

(c) In Rule XXI, clause 3 is amended by striking the period at the end thereof, inserting in lieu thereof a comma, and adding the following: "and shall contain a list of all appropriations contained in the bill for any expenditure not previously authorized by law.".

(d) In Rule XI, clause 2(l)(3)(B) is amended by striking "(other than continuing appropriations)" and inserting in lieu thereof "(other than continuing appropriations, except as provided by clause 2(d) of Rule XXI)".

(e) In Rule XI, clause 4(b) is amended by adding at the end thereof the following: "It shall not be in order, except by a vote of not less than two-thirds of the Members voting, to consider any rule or order from the Committee on Rules which waives the provisions of clause 2(e) of Rule XXI against the consideration of any short-term, continuing appropriations measure as defined therein; or which waives the provisions of clause 2 of Rule XXI against, or denies amendment to, any provision in a long-term, continuing appropriation measure (as defined by clause 2(d) of Rule XXI) if said provision has not been previously considered and agreed to by the House.".

"RECONCILIATION LIMITATION"

"(12) In Rule XXI, add the following new clause:

"8.(a) No provision shall be reported in the House in any reconciliation bill pursuant to the most recently agreed to concurrent resolution on the budget, or be in order as an amendment thereto in the House or Committee of the Whole, which is not related to achieving the purposes of the directives to House committees contained in such concurrent resolution.

"(b) Nothing in this clause shall be construed to prevent the consideration of any provision in a reconciliation bill, or any amendment thereto, which achieves savings greater than those directed of a committee and which conforms to paragraph (c) of this clause, or to prevent the consideration of motions to strike made in order by the Committee on Rules to achieve the purposes of the directives.

"(c) For the purposes of this clause, a provision shall be considered related to achieving the purposes of directives contained in the most recently agreed to concurrent resolution on the budget if it is estimated by the House Committee on the Budget, in consultation with the Congressional Budget Office, to effectuate or implement a reduction in budget authority or in new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act, or to raise revenues, or both, and, in the case of an amendment, if it is within (in whole or in part) the jurisdiction of any committee instructed in the concurrent resolution.

"(d) The point of order provided for by this clause shall not apply to Senate amendments or to conference reports.

"(e) For the purposes of this clause, all points of order shall be considered as having been reserved against a reconciliation bill at the time it was reported.".

"SUSPENSION OF THE RULES"

"(13) In Rule XXVII, clause 1 is amended by inserting after "1." the designation "(a)", and by inserting after paragraph (a) the following new paragraphs:

"(b) It shall not be in order to entertain a motion to suspend the rules to consider any measure or matter unless by direction of the committee or committees of jurisdiction over the measure or matter, or unless a written request is filed with the Speaker by the chairman and ranking minority member of the committee or committees having jurisdiction over the measure or matter, asking for its consideration under suspension of the rules.

"(c) A motion to suspend the rules to consider any measure or matter shall not be in order if the measure or matter would enact or authorize the enactment of new budget authority or new spending authority in excess of $50,000,000 for any fiscal year; nor shall it be in order to entertain a motion to suspend the rules to consider any joint resolution which proposes to amend the Constitution.

"(d) It shall not be in order to entertain a motion to suspend the rules to consider any measure or matter unless written notice is placed in the Congressional Record of its scheduled consideration at least one legislative day prior to its consideration, and such notification shall include the numerical designation of the measure or matter, its short title, and the text of any amendments to be offered thereto, and the date on which the measure or matter is scheduled to be considered.".

"BUDGET PROCESS SUNSET REVIEW"

"(14)(a) There is hereby established in the House of Representatives a Special Task Force on Budget Process Review (hereinafter referred to as the "task force").

"(b) The task force is authorized and directed to study and review the operation and effectiveness of the congressional budget process and its impact on the operations of the House with a view to determining whether such process should be continued in its present form, modified, or terminated. Such study shall included, but shall not be limited to, the following matters—

"(I) the success of the budget process in achieving the goals of the Congressional Budget Act of 1974;

"(II) the impact of the budget process on the authorization and appropriations processes in the House;

"(III) the success of the budget process in meeting the deficit reduction goals of the Balanced Budget and Emergency Deficit Control Act of 1985;

"(IV) the effectiveness of the various enforcement mechanisms in the budget process; and

"(V) the impact of the budget process on relations between the House, the Senate, and the Executive Branch.

"(c) The task force shall be composed of 15 Members of the House who shall be appointed by the Speaker, not more than eight of whom shall be from the same political party, and one of whom he shall designate as chairman.

"(d)(I) For the purposes of carrying out this paragraph the task force is authorized to hold hearings, and sit and act at such times and places within the Nation's Capital, whether the House is in session or has recessed.

"(II) The task force is authorized and encouraged to hold joint meetings and hearings with representatives of the Senate to ensure maximum cooperation and consultation in considering and developing any modifications in the budget process.

"(e) In carrying out its functions under this paragraph the task force is authorized to appoint not more than three staff not currently employed by the House Representatives (one of whom shall be assigned to the service of the minority members). The task force shall otherwise utilize existing House personnel who shall be made available to the task force upon request.

"(f)(I) The task force is authorized and directed to report to the House (by bill or resolution if it is deemed appropriate) as soon as practicable during the present Congress but not later than March 31, 1987, the results of its study and review together with its recommendations as to whether the congressional budget process should be continued in its present form, in modified form, or should be terminated.

"(II) Any bill or resolution reported by the task force shall be privileged for consideration in the House after April 15, 1987, and may be called up for consideration by any Member of the House after April 20, 1987, if the House has not previously moved to its consideration. Consideration shall be in the Committee of the Whole and the bill or resolution shall be subject to amendment under the five-minute rule.

"(g) The task force shall cease to exist on April 30, 1987.".

Mr. LOTT. Mr. Speaker, first I would like to yield 3 minutes to the distinguished gentleman from Pennsylvania who wished to speak on a particular point in the rules reform package.

Mr. GEKAS. I thank the gentleman.

Mr. Speaker, the package of rules that has been presented by the majority preserves, as I understand it, it preserves for yet another term the poisonous practice of proxy voting in committee. It is poisonous. Every single Member of the Congress knows that. And what is news to many Members of the Congress or could be news is that the American public understands what this proxy voting is all about. They know more than we believe that they know, that the business of the Congress, the actual gut of what we accomplish in the Congress of the United States is accomplished on the committee level and in the subcommittee level. They also knew very well that what happens on the floor of the House of Representatives following the work of the committees is simply a final formality, replete with dramatics and theatrics that we put together in order to reemphasize what has already been done in committee. Therefore the American public knows full well that the business of the American public is accomplished when it is accomplished at the subcommittee and committee level. That is why it is extremely important that there be no proxy voting.

Can you imagine, to have a vital subject such as taxation, or foreign policy, or crime control, or constitutional change, or anything of that magnitude and some even more stupendously important than those that I have outlined, to be able to be voted in or voted down by virtue of a chairman sitting there in subcommittee and voting his colleagues by a written vote without knowing in the final analysis how they really would be voting on that occasion. That is what is the poisonous practice of proxy which we must eliminate.

Yet this package of rules that we are asked to adopt by the majority preserves that practice and preserves it because the majority knows it serves its interests best to preserve it. I say that we must vote down the previous question and allow a substitute package to prevail which will eliminate the practice of proxy voting. I say to you a "pox" on your proxy; it is time to eliminate it and to allow the individual district of the Member who speaks for that district in that subcommittee to cast the single most important vote that has to be initiated at the outset of any piece of legislation.

That is why as the majority should take pride in the fact that we recognize this evil of proxy voting and are willing to stake our reputations, and our voting records, and our prestige, and our districts, and our own honor in order to eliminate proxy voting.

I thank the gentleman for yielding.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. GRADISON].

Mr. GRADISON. I thank the gentleman for yielding time to me.

Mr. Speaker, this Congress faces a tough job in trying to reduce the Federal deficit to the Gramm-Rudman-Hollings target of $108 billion for fiscal year 1988. We must cut the deficit by more than $65 billion, compared with the $38 billion reduction we needed to make last year at this time.

As a result, some Democrats are proposing to help meet the target by raising taxes. You, Mr. Speaker, suggested delaying the reduction in the top tax rate for individuals to 28 percent which is scheduled for next year. Others are talking about import fees and value-added taxes.

Increasing taxes to cut the deficit should be a last resort, not a means of dodging our responsibility to trim Government spending. Raising income taxes also would constitute an unforgivable breach of faith with the American people, who were promised tax reform, not higher taxes.

With good reason, the public also would question whether, in the long run, such higher taxes were being used to reduce the deficit. After all, this House has a history of spending every tax dollar that becomes available and then some. Would higher taxes be used to perpetuate unnecessary programs? Would higher taxes threaten economic growth?

Let's jettison the tax hike idea right now, and show the public that we have the courage to give priority to reducing the deficit the proper way—by cutting the fat from the Federal Government.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire [Mr. GREGG].

Mr. GREGG. I thank the gentleman.

Mr. Speaker, today we are going to take up one of the most important matters that this Congress may address in its entire term of office here. It is perfectly appropriate that we should take it up at this point at the opening day of the 100th Congress because this Congress represents a milestone in American history. For 200 years this country has functioned under a form of government which, if you will recall, arose out of a collection of individuals outraged at taxtion without representation. It arose out of the fact that the English Parliament passed the Stamp Act, which forced the American people at that time to pay a tax which they did not think was due and which they did not think was owing and which they had no part in choosing.

Today we have the opportunity to reaffirm the values which form this Government by stating once again our opposition to taxation, by reestablishing our commitment to our belief that when we passed that tax law last year which said we would reduce the rates of all Americans as to what taxes they were going to pay, that we are going to stand by that commitment. We will say to the American people that that ink is dry and that we will not change it. I think it is unfortunate that the new leadership of this House has chosen to seek a path of considering the reversal of that great decision which we made last year, of raising taxes on the American people. That is not a choice that the American people wanted when this country was formed, and it is not a choice which the American people want today. We should stand by the law which we passed last year. We should continue the rates at their lower level and under no circumstances should we give in to the concept that the American people should be taxed more.

□ 1430

That is where we should be addressing the problem.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentlewoman from Illinois [Mrs. MARTIN].

Mrs. MARTIN of Illinois. Mr. Speaker, on a day when Members, both old and new, are suffused with joy and have a strong feeling of brotherhood toward fellow Members of both parties and are generally being thrilled at being sworn in, before they get sworn at tomorrow, it is probably foolish to bring up a discussion of the Rules.

Rules discussions are generally esoteric, and yet, what we do today on these votes is really going to define what we do the rest of the year. So with small chance of success, I would still ask any Members who might be listening to look at suggestions given by the minority that I think would have a positive, nonpartisan effect on what we do around here in the House.

I refer the Members specifically to two. One is the suspension of the rules when it concerns reconciliation limitation. Whomever the majority may be, Democratic or Republican, are finding it increasingly impossible to say no to other Members and other committee chairmen who wish to use the reconciliation bill as a vehicle for whatever could not pass in other ways and will provide, in their view, a car in which they can put some new passengers.

All this does is simply say that the reconciliation vehicle is what the Budget Act said it should be. It is there to cut spending, or to raise revenues, but it is not there to add on new programs and new costs to the Federal Government.

This would be an asset to whomever is in the majority because then they would have a rule they could depend on so that they would have backup when they wish to say no. I have seen budget chairmen and former budget chairmen impossibly muddled by other subcommittee chairmen and other chairmen, and find themselves ultimately with a reconciliation bill that they full well know is well beyond what it should be.

More importantly, within the same Republican document is something that I would hope could be added to the Democratic document, even if the Republican document would not pass. That is a budget process sunset review.

The Speaker would appoint eight members of one party, seven of another, to see what has happened to the budget process. As a member of that committee, and one who must be slightly masochistic because I enjoy the process, it is obvious that it is not working. The House does not meet the time limits; the House does not meet its schedule; the House does not meet the goals, and we find Members increasingly frustrated.

We have arguments between the Appropriations Committees and the authorizing committees. We know the budget process is affecting those arguments, and in the end, all we have left is the lack of comity, rather than the fullness of results.

What we are asking for is that we review this process and make the changes needed so we all benefit.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. MADIGAN].

Mr. MADIGAN. Mr. Speaker, at the outset, if I may, just piggybacking on the remarks of the gentleman from Ohio [Mr. GRADISON] and the gentlewoman from Illinois [Mrs. MARTIN], in speaking about some of the remarks that have been made earlier by our newly elected Speaker, I want to say that the remarks that we had made today are certainly not intended in any way to be an embarrassment to him.

But with regard to any proposed changes in the tax bill, let me say at the outset that I did not vote for the tax bill, but even having not voted for it, I do not believe that it should be changed. I do not think that it should be changed in the 100th Congress for two very good reasons.

The first of those, Mr. Speaker, I think should be very obvious to everyone. We cannot be changing the Tax Code of the United States every year or two because no business or individual can possibly plan for anything under those kinds of circumstances.

The second is less obvious, Mr. Speaker, and deals with this institution, of which we are Members. It is too easy for this body to meet its budget responsibilities by directing one committee of the House of Representatives to meet our target by producing new revenue. That is very difficult many times for the members of that committee to do, and at a given point in time, it may be impossible. Thus, our failure as an institution appears to be their failure as a committee, and that is very unfair, in my judgment, to the members of that committee, but the process by which we would do that, by which we duck our responsibilities to have a responsible budget is unfair to the country as a whole.

We can do away with those kinds of problems by doing away with that procedure by voting with the distinguished minority whip on the rules changes that he would want to make today. For those reasons, I would urge every Member of this institution, regardless of his or her affiliation, to look closely at this and support the motion of the gentleman from Mississippi [Mr. LOTT].

I thank the gentleman for yielding.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I am afraid that opening day is very often one of those days when we do a lot of serious business that no one takes seriously. However, in this particular instance, I hope the Members will take seriously the action that is being brought before us by the minority whip.

We should, first of all, defeat the previous question so that we bring a real rules reform package to the floor, discuss it, and hopefully adopt it.

More than that, we ought to make a commitment to the commitment that we made last year. The motion to commit by the gentleman from Mississippi [Mr. LOTT] will, in fact, enforce our commitment to the American people last year with regard to taxes.

We made a commitment; now we ought to stick to it. The problem is that the American people are now hearing mixed signals about that commitment on tax reform. Some in Congress are calling for increased taxes. Some would have us renege on last year's promises.

Today we can state clearly our intent. We can say clearly that the rules of the House will prohibit any action taken to raise taxes.

Last year, at the end of the Congress, some of us, in anticipation of exactly the scenario we now find ourselves in, put a resolution in that would have asked this Congress not to raise taxes. One hundred and thirty-five Members, on a bipartisan basis, signed onto that resolution. The language we have before us today is that resolution now adopted in a way that would have the rules of the House reflect that particular kind of promise.

It is almost the exact language of what we said in that resolution last year.

Mr. Speaker, I would urge this House to protect last year's tax reform. I would urge this House to go on record saying that we are not going to raise taxes for America's working families. I would urge this House, as its first substantive action, to say flatly, no new taxes. I would urge this House to adopt the motion to commit by the gentleman from Mississippi [Mr. Lott], and also to defeat the previous question.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. Mack].

Mr. MACK. Mr. Speaker, it is hard to believe that last October, one of the messages that we tried to get out before the election was that, in fact, there was a strong feeling that was coming from the Democrats in the House that there was a need to change the tax package that had just been passed.

We had warned that there was going to be an attempt to increase the tax rates from 15 and 28 to some higher level. I had gone so far as to say that specifically what was going to be done was to freeze the tax rates in 1988 at the level that they are in 1987.

We had warnings from the gentleman from Illinois [Mr. Rostenkowski]. We have had warnings and recent warnings from the Speaker of the House. We have had warnings from the chairman of the Committee on the Budget in the other body.

All these statements imply that there are insufficient revenues flowing into the Federal coffers. Let me indicate to you the estimate for 1988. Total revenue is $916 billion. That is an increase of 1988 over 1987 of $75 billion. No tax increase, just the growth in the Nation alone produces $75 billion in new revenues.

What is being told by those who are making the statements that we ought to freeze the rates is, again, there is not enough money for the Federal Government.

I say to each of the Members of the Congress, those of you specifically who signed the pledge—and there were some 92 of you that did that—and the 135 who signed the resolution, or agreed to support the resolution, you cannot back down now. This is the first opportunity that the 100th Congress has to make its statement about what its objectives are as far as controlling expenditures and raising taxes.

□ 1540

If we do not stop it now, those who say that the Federal Government does not have enough money or does not have enough revenue will want to reach into your pocket one more time.

So, Mr. Speaker, I urge the adoption of the motion to commit.

The SPEAKER pro tempore (Mr. Gephardt). The gentleman from Mississippi [Mr. Lott] has 4 minutes remaining.

Mr. LOTT. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut [Mrs. Johnson].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I urge my colleagues to vote no on ordering the previous question and to support the motion to commit with instructions.

Toward the end of the last session many Members of this House, Democrats and Republicans, stood around on this floor and lamented how poorly this body runs, how inefficiently it operates, and how hampered we are by our own process in addressing the Nation's interests. So I implore the Members to vote no on ordering the previous question so that the Republican proposal to restructure our process can be fully debated.

It is high time that we reschedule ourselves into a 5-day work week like our constitutents. It is high time that we eliminate the overlapping jurisdictions and the multiple referrals that prevent the Congress from addressing those issues on which the vitality of our economy and the quality of our lives and the quality of the future for our children truly depend. It is high time that we eliminate proxy voting, and that we guarantee that the Members who enjoy the privilege of serving in this body are accountable for their actions.

Mr. LAGOMARSINO. Mr. Speaker, I urge a "no" vote on the previous question. A "no" vote will open up the procedure and allow consideration of our proposed reform package, the bicentennial House restoration project.

A "yes" vote is a vote to continue doing business the same old way. That's not what this new Congress should be doing in the year of our bicentennial. Last year's session was a procedural nightmare, an exercise in parlimentary paralysis. We passed none of our regular appropriations bills. We missed virtually every one of our budget deadlines.

In the face of the record, how can we go back to business as usual? If this motion succeeds, we will not even be allowed to debate any changes. Should we open the 100th Congress by closing our minds?

The bicentennial restoration project will restore orderly procedure in the House. It will break us free of the encrusted barnacles that have built up, layer by layer, on our committee apparatus. It will make the operation of the House more open, more efficient, and more responsive to the people.

What does the bicentennial restoration project do? It attacks the problems that burden the present operation of the House in three ways: First, by House organization and scheduling reform. It calls on the leadership to set reasonable deadlines and work schedules, and to meet those deadlines. Second, committee reform. It cuts through the tangle of subcommittees which has overgrown the House and ensures a fair shake to the minority. Third, budget and appropriation reform. This area was surely the sore spot in last year's legislative record. It would appear our authorizing committees may rapidly be approaching irrelevance, with policy decisions routinely enacted in continuing resolutions devised by appropriations staffers. I don't think the appropriations chairmen relish this task; it has been forced upon them by our own dalliance and by the pressure of time.

Mr. Speaker, there are many other things that need to be addressed in the operations of this, the people's house. More than our own reform package even covers. But the very first step, here on this first day of the 100th Congress, is to be allowed to discuss changes. A "yes" vote on the previous question forecloses that possibility absolutely—and with it, the possibility for making this a better and more productive Congress. I hope the Members on both sides will acknowledge this need, vote "no" on the previous question, and allow free and open debate to begin.

If not, then I would urge Members to directly address one of the key issues of this session—by recommitting the rules to committee with instructions to disallow any increase in the new, lower tax rates for individual and corporations which we enacted last year. It's the least of the resolutions we can make in this new year.

Mr. LOTT. Mr. Speaker, may I inquire, does the gentleman on the other side have any requests for time or any remarks that he wishes to make?

Mr. FROST. Mr. Speaker, I wish to advise the minority that the majority will, of course, reserve its right to close the debate. We have no other requests for time.

Mr. LOTT. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I have completed the service of one term in this House. Having been in Washington now for 2 years, I have heard a lot of very impressive speeches, I have heard some things I have liked and some things I have been very impressed with, but I have also heard and read some very ludicrous things. Probably the most ludicrous thing that sticks out in my mind is the contention from the Washington Post that the American Government is underfunded, that the National Government is underfunded.

That is just plain silly, Mr. Speaker. The problem is that the Federal Government that we have is too big, it is intrusive in our lives, and it takes too much of our money. The truth of the matter is that the American citizen is overtaxed.

We promised the citizens of this country tax relief in the last Congress. It was not an easy vote for most of us. Many of us felt that we had to give up too much to get the reductions in rates that we granted the American taxpayers. But at this time, Mr. Speaker, we cannot afford to go back on that promise and raise the taxes to our American taxpayers.

Mr. LOTT. Mr. Speaker, for the balance of the time that we have, I wish to yield myself such time as I may consume to wrap this up.

I would just like to emphasize that we are very serious about the reform package we have offered today. We think this would help the institution. It is not offered in any kind of partisan vein. We would like to make the House work, and it has serious problems.

With regard to our motion to commit, I would like to emphasize to my colleagues that this motion is a vote that can definitely clear the air for the American people on whether or not there will be an effort to increase individual tax rates in the 100th Congress. If the motion to commit is passed or if it is accepted by this House, we will put this issue to rest. But I want to emphasize that if you, in the alternative, vote "no" on the motion to recommit, you are saying that you want to have the opportunity to have a tax increase in rates for individuals.

Mr. Speaker, it is very clear, and we felt that this is an issue that should be brought up on this first day and resolved once and for all.

Mr. Speaker, I have no further requests for time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume, and I will just address the House briefly.

The Democratic Caucus and its caucus committee have worked very carefully to improve and upgrade the rules. We have a carefully considered package that is presented to the Members. I am going to urge, of course, a "yes" vote on the previous question and a "no" vote on the motion to commit.

I would like to make one observation. My friends on the minority side have presented their own package. They have argued against gimmickry. They have said that things should be done in a straightforward manner, and then, on the other hand, they are offering a motion to commit which contains the ultimate gimmick, trying to write substantive tax law into the rules of the House.

It is clear or it should be clear to everyone that this motion to commit should be rejected so that we will have the opportunity to deal with substantive legislation dealing with taxes on a yes-or-no, up-or-down basis later in the session in the normal course of business.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 236, nays 168, not voting 30, as follows:

[Roll No. 3]

YEAS—236

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Daniel
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Grant
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Howard
Hubbard
Huckaby
Hughes
Hutto
Jenkins
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Murphy
Murtha
Nagle
Natcher
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Price (IL)
Price (NC)
Rahall
Rangel
Ray
Richardson
Robinson
Rodino
Roe
Roemer
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Sawyer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—168

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton (IN)
Callahan
Chandler
Cheney
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Crane
Dannemeyer
Daub
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Frenzel
Gallegly
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Grandy
Green
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Johnson (CT)
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McDade
McEwen
McGrath
McKinney
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Rogers
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stump
Sundquist
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOT VOTING—24

Annunzio
Bilbray
Bosco
Campbell
Clinger
Davis (IL)
Flake
Gordon
Hochbrueckner
Hoyer
Johnson (SD)
Livingston
Luken, Thomas
McCollum
Mfume
Morrison (CT)
Mrazek
Owens (UT)
Pickett
Ravenel
Savage
Scheuer
Smith (TX)
Sweeney

□ 1500

The Clerk announced the following pair:

On this vote:

Mr. Annunzio for, with Mr. Clinger against.

Mr. BENNETT and Mr. RODINO changed their votes from "nay" to "yea."

Mr. HARRIS changed his vote from "present" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

MOTION TO COMMIT OFFERED BY MR. LOTT

Mr. LOTT. Mr. Speaker, I offer a motion to commit.

The SPEAKER pro tempore (Mr. GEPHARDT). The Clerk will report the motion to commit.

The Clerk read as follows:

Mr. Lott moves to commit the resolution H. Res. 5 to a select committee to be appointed by the Speaker on the same day this motion is adopted, and to be composed of five members, not more than three of whom shall be from the same political party, and one of whom the Speaker shall designate as chairman, with instructions to report back to the same House within one legislative day with only the following amendment:

At the end of the resolution, and the following new paragraph:

(11) In Rule XXI, clause 5 is amended by adding at the end thereof the following:

"(c) During the One Hundredth Congress, no bill, joint resolution, or amendment shall be reported or considered if it contains any provision to increase marginal tax rates from the 15 to 28 per centum rates for individuals or the 34 per centum top rate for businesses as provided for by the Tax Reform Act of 1986 (Public Law 99-514), or which reduces or eliminates deductions or credits unless matched dollar for dollar by further reducing tax rates. For the purposes of this paragraph, any provision to delay the effective dates of such rates shall be construed as a tax increase.".

Mr. LOTT (during the reading). Mr. Speaker, I ask unanimous consent that the motion to commit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there object to the request of the gentleman from Mississippi?

□ 1515

Mr. WALKER. Reserving the right to object, Mr. Speaker, before we dispense with the reading, I wish the gentleman would explain to us what is in his motion.

Mr. FROST. Point of order, Mr. Speaker.

Mr. WALKER. Mr. Speaker, I am reserving the right to object and simply asking for an explanation, as is typical House procedure, of what is in the resolution.

The SPEAKER pro tempore. The gentleman reserves the right to object.

Mr. WALKER. Mr. Speaker, I reserve the right to object, and yield to the gentleman from Mississippi [Mr. LOTT] to explain briefly what the motion is that we have before the House.

Mr. LOTT. I thank the gentleman for yielding.

Mr. Speaker, that is why I did ask unanimous consent for us to suspend the reading, so that the Members would know what they are about to vote on.

The SPEAKER pro tempore. Regular order is demanded. Is there objection to dispensing with the reading?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I yield to the gentleman from Mississippi to explain what is in the motion.

The SPEAKER pro tempore. Does the gentleman object?

Mr. LOTT. Mr. Speaker, this is the motion to instruct which would say that there could not be tax-rate increases this year.

The SPEAKER pro tempore. Does the gentleman object?

Mr. WALKER. Mr. Speaker, I withdraw my reservation.

Mr. LOTT. Mr. Speaker, I withdraw my unanimous-consent request.

The SPEAKER pro tempore. The Clerk will conclude the reading of the motion.

The Clerk concluded the reading of the motion.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to commit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to commit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. LOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 175, nays 240, not voting 13, as follows:

[Roll No. 4]

YEAS—175

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Bosco
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton (IN)
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Frenzel
Gallegly
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Grandy
Green
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jeffords
Johnson (CT)
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McDade
McEwen
McGrath
McKinney
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Roemer
Rogers
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NAYS—240

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Carper
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Daniel
Darden
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Grant
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Howard
Hoyer
Hubbard
Huckaby
Hutto
Jacobs
Jenkins
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Nelson
Nichols
Nowak
Oakar
Obey
Olin
Ortiz
Owens (NY)
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Price (IL)
Price (NC)
Rahall
Rangel
Ray
Richardson
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Sawyer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stallings

Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—13

Cardin
DeFazio
Flake
Gordon
Hughes
Johnson (SD)
Mfume
Oberstar
Owens (UT)
Pickett
Ravenel
Savage
Scheuer

□ 1535

Mr. TOWNS and Mr. LEHMAN of California changed their votes from "yea" to "nay."

Mr. GINGRICH changed his vote from "nay" to "yea."

So the motion to commit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. GEPHARDT). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 245, nays 172, not voting 11, as follows:

[Roll No. 5]

YEAS—245

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Bevill
Biaggi
Bilbray
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Carper
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Daniel
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flippo
Florio
Foglietta
Foley
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jenkins
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Rahall
Rangel
Ray
Richardson
Robinson
Rodino
Roe
Roemer
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—172

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton (IN)
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Frenzel
Gallegly
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Grandy
Green
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jeffords
Johnson (CT)
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McDade
McEwen
McGrath
McKinney
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Rogers
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOT VOTING—11

Berman
Bosco
Byron
Cardin
Dingell
Flake
Ford (MI)
Johnson (SD)
Ravenel
Savage
Schulze

□ 1545

Mr. WATKINS changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks concerning the adoption of the rules just passed.

The SPEAKER pro tempore (Mr. GEPHARDT). Is there objection to the request of the gentleman from Washington?

There was no objection.

PROVIDING FOR CONSIDERATION ON TOMORROW OR ANY DAY THEREAFTER OF A RESOLUTION CREATING A SELECT COMMITTEE TO INVESTIGATE COVERT ARMS DEALS WITH IRAN

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that it shall be in order on Wednesday, January 7, 1987, or any day thereafter to consider in the House a resolution introduced today by myself, on my behalf and on behalf of Mr. MICHEL of Illinois, Mr. HAMILTON of Indiana and Mr. CHENEY of Wyoming, creating a select committee to investigate covert arms deals with Iran, if offered by me, and that the resolution be debatable for not to exceed 1 hour, equally divided and controlled by Representative FOLEY and Representative MICHEL of Illinois and that the previous question shall be considered as ordered on the resolution to final adoption without intervening motion.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

COMPENSATION OF CERTAIN MINORITY EMPLOYEES

Mr. MICHEL. Mr. Speaker, I offer a resolution (H. Res. 6) and ask unanimous consent for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution as follows:

H. RES. 6

Resolved, That pursuant to the Legislative Pay Act of 1929, as amended, the six minority employees authorized therein shall be the following named persons, effective January 3, 1987, until otherwise ordered by the House, to-wit: William R. Pitts, Junior, Walter P. Kennedy, Hyde H. Murray, Ronald W. Lasch, C. Jay Pierson, and Dave Gribbin, each to receive gross compensation pursuant to the provisions of House Resolution 119, Ninety-fifth Congress, as enacted into permanent law by section 115 of Public Law 95-94.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HOUR OF MEETING OF HOUSE OF REPRESENTATIVES

Mr. FROST. Mr. Speaker, I offer a privileged resolution (H. Res. 7) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 7

Resolved, That until otherwise ordered the hour of daily meeting of the House shall be 12 o'clock meridian until January 20, 1987; and that from January 21, 1987, until May 1, 1987, the hour of daily meeting of the House shall be 12 o'clock meridian on Mondays and Tuesdays, 2 o'clock post meridiem on Wednesdays, and 11 o'clock ante meridiem on all other days of the week; and that from May 16, 1987, until the end of the first session, the hour of daily meeting of the House shall be 12 o'clock meridian on Mondays and Tuesdays and 10 o'clock ante meridiem on all other days of the week.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE SPEAKER OR HIS DEPUTY TO ADMINISTER OATH OF OFFICE TO THE HONORABLE JOSEPH E. BRENNAN AT PORTLAND, ME

Mr. FOLEY. Mr. Speaker, I offer a resolution (H. Res. 8) and I ask unanimous consent for its immediate consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington.

There was no objection.

The Clerk read the resolution, as follows:

H. Res. 8

Whereas Joseph E. Brennan, a Representative-elect from the State of Maine, from the First District thereof, has been unable to appear in person to be sworn as a Member of the House, and there being no contest or question as to his election: Therefore be it

Resolved, That the Speaker, or deputy named by him, be, and he is hereby, authorized to administer the oath of office to the Honorable Joseph E. Brennan at Portland, Maine, on or after January 9, 1987, and that the said oath be accepted and received by the House as the oath of office of the said Joseph E. Brennan.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT OF COMMITTEE TO NOTIFY THE PRESIDENT OF THE UNITED STATES OF THE ASSEMBLY OF CONGRESS

Mr. FOLEY. Mr. Speaker, your committee appointed on the part of the House to join a like committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled and is ready to receive any communication that he may be pleased to make has performed that duty. The President asked us to report that he will be pleased to deliver his message at 9 p.m. on January 27, 1987, to a joint session of the two Houses.

JOINT SESSION OF THE CONGRESS—STATE OF THE UNION MESSAGE

Mr. FOLEY. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 1) and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. Con. Res. 1

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall assemble in the Hall of the House of Representatives on Tuesday, January 27, 1987, at 9 o'clock post meridiem, for the purpose of receiving such communication as the President of the United States shall be pleased to make to them.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. GEPHARDT. Mr. Speaker, I offer a privileged resolution (H. Res. 9) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 9

Resolved, That the following named Members, Resident Commissioner, and Delegates, be, and they are hereby, elected to the following standing committees of the House of Representatives:

Committee on Appropriations: Jamie L. Whitten, Mississippi, Chairman; Edward P. Boland, Massachusetts; William H. Natcher, Kentucky; Neal Smith, Iowa; Sidney R. Yates, Illinois; David R. Obey, Wisconsin; Edward R. Roybal, California; Louis Stokes, Ohio; Tom Bevill, Alabama; Bill Chappell, Jr., Florida; Bill Alexander, Arkansas; John P. Murtha, Pennsylvania; Bob Traxler, Michigan; Joseph D. Early, Massachusetts; Charles Wilson, Texas; Lindy (Mrs. Hale) Boggs, Louisiana; Norman D. Dicks, Washington; Matthew F. McHugh, New York; William Lehman, Florida; Martin Olav Sabo, Minnesota; Julian C. Dixon, California; Vic Fazio, California; W.G. Hefner, North Carolina; Les AuCoin, Oregon; Daniel K. Akaka, Hawaii; Wes Watkins, Oklahoma; William H. Gray III, Pennsylvania; Bernard J. Dwyer, New Jersey; William Hill Boner, Tennessee; Steny H. Hoyer, Maryland; Bob Carr, Michigan; Robert J. Mrazek, New York; Richard J. Durbin, Illinois; Ronald D. Coleman, Texas; Alan B. Mollohan, West Virginia.

Committee on the Budget: William H. Gray III, Pennsylvania, Chairman; Thomas S. Foley, Washington; Mike Lowry, Washington; Butler Derrick, South Carolina; George Miller, California; Pat Williams, Montana; Howard Wolpe, Michigan; Martin Frost, Texas; Vic Fazio, California; Marty Russo, Illinois; Ed Jenkins, Georgia; Marvin Leath, Texas; Charles E. Schumer, New York; Barbara Boxer, California; Buddy MacKay, Florida; Jim Slattery, Kansas; Chester G. Atkins, Massachusetts; James Oberstar, Minnesota; Frank Guarini, New Jersey; Richard Durbin, Illinois; Mike Espy, Mississippi.

Committee on Foreign Affairs: Dante B. Fascell, Florida, Chairman; Lee H. Hamilton, Indiana; Gus Yatron, Pennsylvania; Stephen J. Solarz, New York; Don Bonker, Washington; Gerry E. Studds, Massachusetts; Dan Mica, Florida; Howard Wolpe, Michigan; George W. Crockett, Jr., Michigan; Sam Gejdenson, Connecticut; Mervyn M. Dymally, California; Tom Lantos, California; Peter H. Kostmayer, Pennsylvania; Robert G. Torricelli, New Jersey; Lawrence J. Smith, Florida; Howard L. Berman, California; Mel Levine, California; Edward F. Feighan, Ohio; Ted Weiss, New York; Gary L. Ackerman, New York; Buddy MacKay, Florida; Morris K. Udall, Arizona; Chester Atkins, Massachusetts; James Clarke, North Carolina; Jaime Fuster, Puerto Rico; James Bilbray, Nevada.

Committee on Public Works and Transportation: James J. Howard, New Jersey, Chairman; Glenn M. Anderson, California; Robert A. Roe, New Jersey; Norman Y. Mineta, California; James L. Oberstar, Minnesota; Henry J. Nowak, New York; Nick Joe Rahall II, West Virginia; Douglas Applegate, Ohio; Ron de Lugo, Virgin Islands; Gus Savage, Illinois; Fofo I.F. Sunia, American Somoa; Douglas Bosco, California; Robert A. Borski, Pennsylvania; Joe Kolter, Pennsylvania; Tim Valentine, North Carolina; Edolphus Towns, New York; William O. Lipinski, Illinois; J. Roy Rowland, Georgia; Rober E. Wise, Jr., West Virginia; Kenneth J. Gray, Illinois; Peter J. Visclosky, Indiana; James A. Traficant, Jr., Ohio; Jim Chapman, Texas; Martin Lancaster, North Carolina; Louise Slaughter, New York; John Lewis, Georgia; Peter DeFazio, Oregon; Benjamin Cardin, Maryland; Bill Grant, Florida; David Skaggs, Colorado; James Hayes, Louisiana.

Committee on Rules: Claude Pepper, Florida, Chairman; Joe Moakley, Massachusetts; Butler Derrick, South Carolina; Anthony C. Beilenson, California; Martin Frost, Texas; David E. Bonior, Michigan; Tony P. Hall, Ohio; Alan Wheat, Missouri; Sala Burton, California (when sworn).

Committee on Ways and Means: Dan Rostenkowski, Illinois, Chairman; Sam Gibbons, Florida; J.J. Pickle, Texas; Charles B. Rangel, New York; Fortney H. Stark, California; Andrew Jacobs, Jr., Indiana; Harold E. Ford, Tennessee; Ed Jenkins, Georgia;

Richard A. Gephardt, Missouri; Thomas J. Downey, New York; Frank Guarini, New Jersey; Marty Russo, Illinois; Donald J. Pease, Ohio; Robert T. Matsui, California; Beryl Anthony, Jr. Arkansas; Ronnie G. Flippo, Alabama; Byron L. Dorgan, North Dakota; Barbara B. Kennelly, Connecticut; Brian J. Donnelly, Massachusetts; William J. Coyne, Pennsylvania; Michael A. Andrews, Texas; Sander Levin, Michigan; Jim Moody, Wisconsin.

Mr. GEPHARDT (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. AUCOIN). Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. GEPHARDT] is recognized for 1 hour.

Mr. GEPHARDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would simply say that by direction of the Democratic Caucus, this resolution contains the names of the Members that we wish to nominate for the Committee on Appropriations, the Committee on the Budget, the Committee on Foreign Affairs, the Committee on Public Works and Transportation, the Committee on Ways and Means, and the Committee on Rules. I would ask that the resolution be agreed to.

The SPEAKER pro tempore. The question is on the resolution offered by the gentleman from Missouri [Mr. GEPHARDT].

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. MICHEL. Mr. Speaker, I offer a privileged resolution (H. Res. 10) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 10

Resolved. That the following named Members, be, and they are hereby, elected to the following standing committees of the House of Representatives:

Committee on Foreign Affairs: William Broomfield, Michigan; Benjamin Gilman, New York; Robert Lagomarsino, California; James Leach, Iowa; Toby Roth, Wisconsin; Olympia Snowe, Maine; Henry Hyde, Illinois; Gerald Solomon, New York; Doug Bereuter, Nebraska; Bob Dornan, California; Chris Smith, New Jersey; Connie Mack, Florida; Michael DeWine, Ohio; Dan Burton, Indiana; vacancy; vacancy; vacancy.

Committee on House Administration: Bill Frenzel, Minnesota; Bill Dickinson, Alabama; Bob Badham, California; Newt Gingrich, Georgia; Bill Thomas, California; Barbara Vucanovich, Nevada; Pat Roberts, Kansas.

Committee on Public Works and Transportation: John Paul Hammerschmidt, Arkansas; Bud Shuster, Pennsylvania; Arlan Stangeland, Minnesota; Newt Gingrich, Georgia; Bill Clinger, Pennsylvania; Guy Molinari, New York; Clay Shaw, Florida; Bob McEwen, Ohio; Thomas Petri, Wisconsin; Don Sundquist, Tennessee; Nancy Johnson, Connecticut; Ron Packard, California; Sherwood Boehlert, New York; Tom DeLay, Texas; Sonny Callahan, Alabama; Dean Gallo, New Jersey; Helen Bentley, Maryland; Jim Lightfoot, Iowa; John Rowland, Connecticut; vacancy.

Committee on Rules: Jimmy Quillen, Tennessee; Delbert Latta, Ohio; Trent Lott, Mississippi; Gene Taylor, Missouri.

Mr. MICHEL (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. GEPHARDT). Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. MICHEL] is recognize for 1 hour.

Mr. MICHEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I might proceed for one moment for the purpose of advising the Members of the House that on our side of the aisle, we are making temporary appointments to the Committee on Foreign Affairs, Committee on House Administration, Committee on Public Works and Transportation, and the Committee on Rules that we might be able to facilitate any legislation coming up during the course of this week prior to our having made the kind of decisions in our committee on committees that would fill out the full complement of the various committees; standing and select committees of the House of Representatives.

The SPEAKER pro tempore. The question is on the resolution offered by the gentleman from Illinois [Mr. MICHEL].

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE SPEAKER TO DECLARE A RECESS ON TUESDAY, JANUARY 27, 1987

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that on Tuesday, January 27, 1987, it may be in order for the Speaker to declare a recess at any time subject to the call of the Chair.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ADJOURNMENT OF THE HOUSE FROM THURSDAY, JANUARY 8, 1987, TO TUESDAY, JANUARY 20, 1987

Mr. FOLEY. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 2) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 2

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, January 8, 1987, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, it stand ajourned until 12 o'clock meridian on Tuesday, January 20, 1987, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House, after consultation with the minority leader of the House, shall notify the Members of the House to reassemble whenever, in his opinion, the public interest shall warrant it.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would like to insert in the RECORD an announcement from the Speaker concerning the introduction and referral of bills, floor privileges, recognition for unanimous-consent requests, and recognition for 1-minute speeches and special orders.

The Speaker's announced instructions to the Doorkeeper and Sergeant at Arms in the 98th Congress on January 25, 1983, and in the 99th Congress on January 21, 1986, regarding strict enforcement of rule XXXII—specifying those persons having the privileges of the floor during sessions of the House, will be applied during the 100th Congress.

ANNOUNCEMENT BY THE SPEAKER, JANUARY 25, 1983

The SPEAKER. The Chair wishes to make the following announcement concerning privileges of the floor for House staff during the 98th Congress.

Rule XXXII strictly limits those persons to whom the privileges of the floor during sessions of the House are extended, and that rule prohibits the Chair from entertaining requests for suspension or waiver of that rule. As reiterated as recently as August 22, 1974, by Speaker Albert under the principle stated in Deschler's Procedure, chapter 4, section 3.4, the rule strictly limits the number of committee staff permitted on the floor at one time during the consideration of measures reported from their committees. This permission does not extend to Members' personal staff except when a Member has an amendment actually pending during the 5-minute rule. To this end, the Chair requests all Members and committee staff to cooperate to assure that not more than the proper number of staff are on the floor, and then only during the actual consideration of measures reported from their committees.

The Chair will again extend this admonition to all properly admitted majority and minority staff by insisting that their presence on the floor, including the areas behind the rail, be restricted to those periods during which their supervisors have specifically requested their presence. The Chair stated this policy in the 97th Congress, and an increasing number of Members have insisted on strict enforcement of the rule. The Chair has consulted with and has the concurrence of the minority leader with respect to this policy and has directed the Doorkeeper and the Sergeant at Arms to assure proper enforcement of the rule.

ANNOUNCEMENT BY THE SPEAKER, JANUARY 21, 1986

The **SPEAKER**. The Chair desires to make the following announcement concerning privileges of the floor for House staff during the 2d session of the 99th Congress.

Rule XXXII strictly limits those persons to whom the privileges of the floor during sessions of the House are extended, and that rule prohibits the Chair from entertaining requests for suspension or waiver of that rule. As reiterated by the Chair on January 25, 1983, and January 3, 1985, and as stated in chapter 4, section 3.4 of Procedure in the House of Representatives, the rule strictly limits the number of committee staff on the floor at one time during the consideration of measures reported from their committees. This permission does not extend to Members' personal staff except when a Member's amendment is actually pending during the 5-minute rule. It also does not extend to personal staff of Members who are sponsors of pending bills or who are engaging in special orders. The Chair requests the cooperation of all Members and committee staff to assure that only the proper number of staff are on the floor, and then only during the consideration of measures reported from their committees.

The Chair is making this statement and reiterating this policy because of concerns expressed by many Members about the number of committee staff on the floor during the last weeks of the first session.

The Chair will institute the following procedure for the remainder of the 99th Congress. The Chair requests each chairman, and each ranking minority member, to submit to the Doorkeeper a list of staff who are to be allowed on the floor during the consideration of a measure reported by their committee. Each staff person should exchange his or her ID for a "committee staff" badge which is to be worn while on the floor. The Chair has consulted with the minority leader and will continue to consult with him. The Chair has furthermore directed the Doorkeeper and the Sergeant at Arms to assure proper enforcement of rule XXXII.

The Speaker's guidelines announced during the 98th Congress on March 3, 1983, regarding unanimous-consent requests for committees to sit during the 5-minute rule will continue to apply during the 100th Congress.

ANNOUNCEMENT BY THE SPEAKER MARCH 3, 1983

The **SPEAKER**. The Chair announces that he will recognize Members to make requests for committees to sit during the 5-minute rule only at certain times during the legislative day. While the precedents indicate that such requests when pending are not votes requiring the presence of a quorum, the Chair wishes to avoid the need for a call of the House pending such requests but at the same time to assure predictability as to when he will accord recognition. Therefore, the Speaker intends to set up the following guidelines:

First, as has been established by precedent, permission to sit shall require unanimous consent if the permission pertains to a day for which the program has not been announced. Thus, prior to the announcement of the legislative program for the following week, only one objection would be required to prevent a committee from sitting. Following the announcement by the majority leader, or his designee, of the program for the next week, the Chair would entertain requests for committees to sit during that following week and 10 objections would then be required. The Chair wants it to be clearly understood that the first available opportunity in the House following the announcement of the program is an appropriate time for considering requests pertaining to the following week if the announcement comes before the completion of all legislative business.

Second, the Chair will not entertain requests on days when all votes on legislative matters have been postponed to a later date; however, the Chair will accept requests for committee hearings to be held later in the week if the request has the concurrence of the ranking minority member of the committee or subcommittee.

Third, on days when legislative business is to be conducted, and when rollcall votes are in order on legislation, the Chair will recognize during the 1-minute speech period at the beginning of the day for requests that committees sit provided that the Chair has been notified and has received assurance that the minority leader, or his designee, has been notified at 5 minutes before the request is to be entertained.

Fourth, the Chair will bestow recognition at times during the legislative day other than during the 1-minute period only when he is assured that the ranking minority member of the committee or subcommittee involved supports the request for the hearings or meeting.

Requests that have been objected to by 10 or more Members pursuant to clause 2(i) of rule XI may not be renewed on the same day unless the Chair is assured that the objections have been withdrawn.

The Chair will in no instance entertain requests after the legislative business of the day has been concluded; that is, after leaves of absence have been laid down or unanimous consent requests from the majority and minority tables have been entertained at the end of the day.

The Chair would also announce that the Speaker's statement in the 98th Congress on January 3, 1983, regarding signing of bills and resolutions, his determination of committee jurisdiction on a joint or sequential basis, and regarding the Speaker's discretionary authority to refer nongermaine Senate amendments to House bills to the committees of appropriate jurisdiction, will continue to apply in the 100th Congress.

ANNOUNCEMENT BY THE SPEAKER JANUARY 3, 1983

The **SPEAKER**. The Chair would like to make a statement concerning the introduction and reference of bills and resolutions.

As Members are aware, they have the privilege today of introducing bills. Heretofore on the opening day of a new Congress, several hundred bills have been introduced. It will be readily apparent to all Members that it may be a physical impossibility for the Speaker to examine each bill for reference today. The Chair will do his best to refer as many bills as possible, but he will ask the indulgence of Members if he is unable to refer all the bills that may be introduced. Those bills which are not referred and do not appear in the RECORD as of today will be included in the next day's RECORD and printed with a date as of today.

The Chair has advised all officers and employees of the House that are involved in the processing of bills that every bill, resolution, memorial, petition, or other material that is placed in the hopper must bear the signature of a Member. Where a bill or resolution is jointly sponsored, the signature must be that of the Member first named thereon. The bill clerk is instructed to return to the Member any bill which appears in the hopper without an original signature. This procedure was inaugurated in the 92d Congress. It has worked well, and the Chair thinks that it is essential to continue this practice to insure the integrity of the process by which legislation is introduced in the House.

The Chair also desires to announce that pursuant to the authority granted him in rule X, clause 5, he will continue the practice of basing sequential referral of bills and resolutions on the subject matter contained in any amendment recommended by the committee or committees first reporting, as well as upon the matter in the original text of the bill or resolution.

The Chair will also exercise his authority in particular situations to designate a primary committee among those to whom a bill may be jointly referred and may impose time limits on committees having a secondary interest following the report of the primary committee.

The Chair intends to use his referral authority in a manner which will maintain the flow of legislation to the floor and thus enhance the ability of the House to complete its legislative schedule within the time limits fixed by law and the rules of this body.

With respect to Senate amendments, the Chair will continue judiciously to exercise his authority including his referral authority under rule XXIV to insure that major new proposals contained in Senate amendments, which are not germane to the original House measure, receive consideration by the committee with subject-matter jurisdiction in the House.

Also, the Speaker's statement in the 98th Congress on January 25, 1984, with respect to recognition for unanimous-consent requests for the consideration of bills and resolutions will apply during the 100th Congress, as will the Speaker's policy for recognition for "1-minute speeches" and special orders, alternating between both sides of the aisle, announced on August 8, 1984, and implemented on September 5, 1984.

ANNOUNCEMENT BY THE SPEAKER RELATING TO SPECIAL ORDERS AND 1-MINUTE SPEECHES AUGUST 18, 1984

The **SPEAKER**. After consultation with and concurrence by the minority leader, the Chair announces that he will institute a new policy of recognition for "1-minute" speeches and for special order requests. Beginning September 5, the Chair will alternate recognition for 1-minute speeches between majority and minority Members, in the order in which they seek recognition in the well under present practice from the Chair's right to the Chair's left, with possible exceptions for Members of the leadership and Members having business requests. The Chair, of course, reserves the right to limit 1-minute speeches to a certain period of time or to a special place in the program on any given day, with notice to the leadership.

With respect to recognition for "special order speeches" at the end of legislative business of the day, the Chair will recognize first those Members who wish to address the House for 5 minutes or less, alternating between majority and minority members, otherwise in the order in which those permissions were granted by the House. Thereafter, the Chair will recognize those Members who wish to address the House for longer than 5 minutes up to 1 hour, alternating between majority and minority members in the order in which those permissions were granted by the House.

Thus all Members can continue to obtain permissions to address the House in the same ways as are presently utilized, either by requests made by the acting majority and minority leaders at the end of the day through their respective Cloak Rooms or by individual requests agreed to on the floor for that day or for a future day. For the request to be entertained, it should state "permission to address the House at the conclusion of legislative business, consistent with the Speaker's announced policy of recognition". Thus, Members should be on notice that a special order for more than 5 minutes, although agreed to at a prior time, may be preceded by a series of special orders of 5 minutes or less, or by a longer special order of a Member of the other party.

Further refinements of this policy based upon experience may be announced by the Chair in the future after consultation with the minority leader.

The Chair would like to make a statement concerning the introduction and reference of bills and resolutions.

As Members are aware, if they have been sworn, they have the privilege today of introducing bills. If there is a large number of bills introduced, it will be readily apparent to all Members that it may be a physical impossibility for the Speaker to examine each bill for reference today. The Chair will do his best to refer as many bills as possible, but he will ask the indulgence of Members if he is unable to refer all the bills that may be introduced. Those bills which are not referred and do not appear in the RECORD as of today will be included in the next day's RECORD and printed with a date as of today.

The Chair has advised all officers and employees of the House that are involved in the processing of bills that every bill, resolution, memorial, petition, or other material that is placed in the hopper must bear the signature of a Member. Where a bill or resolution is jointly sponsored, the signature must be that of the Member first named thereon. The bill clerk is instructed to return to the Member any bill which appears in the hopper without an original signature. This procedure was inaugurated in the 92d Congress. It has worked well, and the Chair thinks that it is essential to continue this practice to ensure the integrity of the process by which legislation is introduced in the House.

The Chair also desires to announce that pursuant to authority conferred upon him in clause 5, rule x, the sequential referral of any bills and resolutions in the 100th Congress from a committee initially reporting thereon to a second or subsequent committee will be based upon the subject matter contained in any amendment recommended by a reporting committee, as well as upon the original text of the bill or resolution, or in certain cases, in lieu of the original text.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
January 5, 1987.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Prusuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from the White House as follows:

1. At 10:50 a.m. on Tuesday, December 16, 1986 and said to contain a special message from the President in accordance with the Impoundment Control Act of 1974, including Section 1014 (2 U.S.C. 685(a)); and

(2) At 12:10 p.m. on Monday, January 5, 1987 and said to contain a special message from the President in accordance with the Impoundment Control Act of 1974, including Section 1014 (2 U.S.C. 685(a)).

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

REPORT ON DEFERRALS OF BUDGET AUTHORITY AND REVISED DEFERRALS OF BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—(H. DOC. NO. 100-5)

The SPEAKER pro tempore (Mr. GEPHARDT) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

(For message, see proceedings of the Senate of today, January 6, 1987.)

NEW RESCISSIONS AND DEFERRALS UNDER THE IMPOUNDMENT CONTROL ACT OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—(H. DOC. NO. 100-6)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

(For message, see proceedings of the Senate of today, January 6, 1987.)

PROPOSED BUDGET OF THE PRESIDENT, FISCAL YEAR 1987—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—(H. DOC. NO. 100-11)

The SPEAKER pro tempore laid before the House the following communication from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed, and the accompanying communication containing recommendations for executive, legislative, and judicial salaries was also referred to the Committee on Post Office and Civil Service and ordered printed as part 2 of that House Document.

(For message, see proceedings of the Senate of today, January 6, 1987.)

☐ 1610

APPOINTMENT OF MEMBER OF THE JUDICIARY TO ADMINISTER OATH TO THE HONORABLE JOSEPH E. BRENNAN AT PORTLAND, ME

The SPEAKER pro tempore (Mr. GEPHARDT). Pursuant to the authority of House Resolution 8, 100th Congress, the Chair announces on behalf of the Speaker that the Speaker has appointed the Honorable Frank M. Coffin, circuit judge, First Judicial Circuit, U.S. Court of Appeals, to administer the oath of office to the Honorable Joseph E. Brennan.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair wishes to announce that in the case an adjournment resolution or an amendment to an adjournment resolution comes from the Senate during the 1-minute speeches, it will be considered at that time.

INTRODUCTION OF BALANCED BUDGET AMENDMENT LEGISLATION TO 100TH CONGRESS, 1ST SESSION

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYLIE. Mr. Speaker, during the recent holiday season, my wife and I were blessed to spend much of our time with family members including our two wonderful young grandchildren. As these two beautiful girls played with their "pa-pa," I couldn't help but wonder what kind of future this Congress will leave for them. It is this legacy that prompts me to introduce legislation amending our Constitution to require Federal spending not exceed revenues except in time of war or economic necessity as declared by Congress.

Today, the enormous Federal deficit remains the overriding issue of concern on the minds of most Americans. Yet this public outcry has largely been ignored by Congress, which annually succumbs to the pressures to increase spending.

Despite the best intentions of the Gramm-Rudman deficit reduction law, there appears no end in sight to growing Federal spending.

That is why we need a constitutional prohibition on spending to curb Congress' appetite. Only by a constitutional amendment will we live within our means. My legislation is quite simple. It would amend the Congressional Budget Act of 1974 and the Budget and Accounting Act of 1921, to provide that Federal expenditures not exceed Federal revenues, except in time of war or economic necessity declared by Congress. The declaration by Congress would require a two-thirds affirmative vote.

Thirty-two States have already taken action to call for a constitutional convention in order to require a balanced budget. However, I do not feel we in Congress should abdicate our authority in this manner, simply because we lack the political courage and fortitude to take action. It is becoming increaingly clear that we need this constitutional restraint to correct our failing budget process.

It is easy to continue spending money we don't have. But this unlimited credit comes at a price that far exceeds any unsury law limits in our country. This debt is not being financed out of our own pockets but rather, from the financial futures of our children and grandchildren.

This picture for the future is indeed troubling.

But we, as Members of the historic 100th Congress, have the opportunity to alter this bleak scenario and pass truly historic legislation to see that our debts are not financed out of the future of our children and grandchildren.

A TRIBUTE TO JACKIE A. STRANGE ON THE OCCASION OF HER RETIREMENT FROM THE POSTAL SERVICE

(Mr. HUBBARD asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, on this the first day of the 100th Congress it's a pleasure for me to pay tribute to my friend Jackie Anderson Strange, who retired last Friday, January 2, as Deputy Postmaster General of the United States.

Jackie Strange, a native of Georgia and, I'm proud to say, a former Kentuckian, has been praised by postal officials across the United States.

Postmaster General Preston R. Tisch said recently:

> In leaving active duty, Jackie Strange will be altering a relationship with this organization that is of more than 40 years standing; she is refocusing a distinguished professional career that has been marked by levels of integrity, dedication and commitment of the highest order.
>
> Mrs. Strange's stewardship as the chief operating officer for the U.S. Postal Service, one of the nation's largest, most effective regulated businesses, has been skillful, dynamic and productive.

A career employee who entered the postal system in 1946, Jackie Strange has held numerous managerial positions, including district manager, Assistant Postmaster General for Procurement and Supply and Southern Regional Postmaster General. As Deputy Postmaster General, she is second in command in the Postal Service and one of the highest ranking women in Government.

My wife Carol and I are privileged to be among the hundreds attending a retirement dinner in Jackie Strange's honor tonight at the Washington Hilton Hotel.

Congratulations and best wishes to the highest ranking woman ever to serve the U.S. Postal System—Jackie Anderson Strange.

A TRIBUTE TO THE CLEVELAND BROWNS ON THEIR SUPER BOWL QUEST

(Ms. OAKAR asked and was given permission to address the House for 1 minute.)

Ms. OAKAR. Mr. Speaker, as we all know, we live in the greatest country in the world, and one of the great things about our country is that we have a great love for professional sports.

I am from a town, Cleveland, OH, that is very, very exciting. It is a wonderful town in and of itself, but the morale of the town has just been tremendously lifted because the Cleveland Browns are on their way to the Super Bowl. It means an awful lot to my hometown and, I think to all sports lovers in this great country of ours. Healthy competition among cities and among areas is good for the soul, and it is surely good for my hometown of Cleveland.

So right on Browns, we are proud of you.

Mr. GEKAS. Mr. Speaker, will the gentlewoman yield?

Ms. OAKAR. I am happy to yield to the gentleman from Pennsylvania.

Mr. GEKAS. For the remaining portion of the gentlewoman's time, I wish she would accord just as much of her greetings to the Penn State National Champions as she has to the Cleveland Browns.

Ms. OAKAR. I love Penn State. My mother was born in Pennsylvania.

Mr. GEKAS. There you go.

Ms. OAKAR. I have no problem with Penn State. But I am speaking now about the Cleveland Browns and professional sports, and we are really proud of the Cleveland Browns.

□ 1620

THE PRESIDENT: FAR FROM A LAMEDUCK—AN AMERICAN EAGLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GEKAS] is recognized for 5 minutes.

Mr. GEKAS. Mr. Speaker, this day would not be complete if we were not to individually and collectively extend our best wishes to the President of the United States who is at this moment convalescing and recuperating from surgery and conducting the business of this country notwithstanding the trauma of those surgical procedures.

This is a further indication of the strength and will of this particular President who has led us now in 6 tumultuous years and has, just as the letter issued by him and recorded in the minutes of the CONGRESSIONAL RECORD of today, outlining the advances this country has made on the economic front, on the strengthening of our defenses, on the opportunities for our young, on the new economies that are bringing new employment and a new stability to our Nation. These are the handiwork of Ronald Reagan, the President of the United States.

I want to record my support here, now, today, for the President and to tell him in no uncertain terms that there are many of us in the Congress and outside the Congress, American citizens all, who want to see him continue his personal leadership and personal struggle for the advancement of our Nation for the remaining 2 years of his incumbency.

To those who would say that Ronald Reagan is a lameduck and who, for personal or political reasons, want to see the Presidency weakened, I say that despite your ill wishes or lack of foresight, we will not permit this Presidency nor the aegis of the President himself to be weakened in the remaining 2 years.

It was said that because he no longer has a Senate led by people of his own party and that the minority in the House of Representatives is only as capable of producing legislation as the Democratic majority will permit it to do so, nevertheless, we want the President to know that we will not abandon him; that we will support his endeavors; that we want his Presidency to succeed and it will succeed.

Far from being a lameduck, Mr. President, you are the leader of this Nation, the leader of the free world; not a bird of a feather of a lameduck but rather the American eagle leading our Nation to further greatness, to further strength, to further opportunity for every citizen in the greatest country that the world has ever developed.

NICK BUCCI: AN AUTHENTIC HERO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. FISH] is recognized for 5 minutes.

Mr. FISH. Mr. Speaker, acts of apparent bravery and heroism often are the result of unavoidable circumstance. True heroism, however, is reflected by the selfless who choose the needs of others over their own.

Such heroism was exemplified by a constituent of mine during the Dupont Plaza Hotel fire on New Year's Eve in San Juan, PR. Nick Bucci, a fitness center operator and body builder from Newburgh, NY, had to decide between his own safety and the safety of the other hotel guests on that disastrous night in San Juan.

Nick and his wife, Bonnie, who is 6 months pregnant, were vacationing at the Dupont Plaza Hotel on the night of the fire. The couple were in their room when the fire started. Unable to get to the lower floors, Nick and Bonnie made their way to the penthouse. Nick hoisted himself from the balcony onto the roof. He then lifted his wife Bonnie up to safety.

Evacuation helicopters then began to arrive. Nick had the option to save himself immediately. He could have left with his wife on the first helicopter. He chose to stay. Nick pulled 70 people up from the penthouse to the waiting helicopters on the roof. Without Nick's assistance, many people would not have had the strength to save themselves, and, no doubt, the death toll would have been higher.

On this tragic New Year's Eve, Nick Bucci, a man with options, made the right and heroic decision. His bravery was not the result of circumstance. It was the genuine article.

Mr. GILMAN. Mr. Speaker, I rise in support of my colleague from the mid-Hudson Valley of New York [Mr. FISH] and commend him for calling to the attention of this body the rare, courageous acts of Nick Bucci.

For those of us from Nick's home county of Orange County, we were not surprised by his unselfish act of bravery. For years, he has been known in his home town of Newburgh and throughout the surrounding communities as an outstanding athlete, a successful businessman, and a well-respected community leader. Nick's initiative and determination in the face of crisis, leading him to save at least a dozen people from the Dupont Plaza Hotel inferno—including his own pregnant wife—were no surprise to his friends and neighbors who know him.

It has been said that a hero is an ordinary individual who, when faced with a crisis, responds in an extraordinary fashion. Nick Bucci certainly qualifies as a hero in risking his life and limb to help others. However, it is only due to a lifetime of concern for physical fitness and for a value being placed on human life that Nick Bucci was equipped and ready when this crisis came.

One of my own constituents, 18-year-old Lisa Abt of Middletown, was among those who were saved from this fiery disaster. We join with her in expressing our gratitude to Nick Bucci and the others like him who gave no regard to their own safety and put the lives of others ahead of their own.

Mr. Speaker, Nick Bucci is worthy of the praise of this entire body and I invite you to join with me in this commendation.

H. R. 22—THE BIENNIAL BUDGETING ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, in recent years our work on the Federal budget has come to dominate the congressional agenda. We begin the debate on spending cuts, tax changes, the impact of deficits on the economy, and the political implications of budget votes within hours of our arrival in the House Chamber for the beginning of the new session, and these issues monopolize our time and energy through the spring, summer, and fall, pushing aside other issues of national importance.

Also, because we begin the budget debate so quickly we get virtually no chance to do any serious thinking about what our long-term goals for the Federal budget should be and the best path to achieve those goals. We start making basic decisions on taxes and spending before our greatest resources on the budget—House committees—get a chance to hold hearings and debate policy alternatives.

This failure to do the proper budget groundwork results at the end of the year in the crisis of continuing resolutions—huge spending bills which must be passed to avoid a Government shutdown; 1986 marked the 10th straight year Congress failed to complete its budget work on time—1976 was the last year we passed all of our appropriations bills before the start of the fiscal year. Our record last year: none of the 13 regular appropriation bills were enacted before October 1.

This deterioration of the budget process paints an embarrassing picture of the Congress and the Federal Government for the rest of the country, to say nothing of the implications for spending policy. Who believes we are really doing a good job of debating spending issues when we are faced with a $600 billion bill passed in the last-minutes of the congressional session?

Yes; there are some spending and tax issues we need to debate on a yearly basis. But why not clear the budget underbrush by placing that 90 to 95 percent of the budget which does not change dramatically on a 2-year appropriations track? This would leave us more time to focus on the real issues, allow Federal agencies to plan, and set the stage for a more orderly budget process at the end of each congressional session.

The bill RALPH REGULA and I are introducing today would place Congress on a 2-year schedule for all budget action.

First introduced in 1977, the Biennial Budgeting Act proposes that the first year of each congressional term be devoted to formal oversight of programs and agencies, to the reporting by the Budget Committees of a budget resolution, and the reporting by the legislative committees of all authorizing legislation. Early in the second year authorization bills and a budget resolution would be passed, making way for consideration of biennial appropriation bills, which would be adopted before the beginning of the 2-year fiscal period.

This approach would yield three basic benefits: More oversight by Congress of existing programs, more time for thoughtful planning of a new budget, and more time to consider nonbudgetary matters. It would take us away from the stop-and-go funding we now engage in, where too many decisions result from last-minute panic instead of proper planning and extended debate.

Specifically, the bill would provide for the following schedule.

FIRST YEAR

The committees of each House would spend the first 6 months of the first session conducting oversight hearings on existing programs and policies. Following these hearings, the authorizing committees would have another 6 months to report out new legislation. The Budget Committees would report out a concurrent budget resolution by November 30, which would allow legislative committees time to incorporate guidelines in the resolution into their work.

SECOND YEAR

Each House would devote itself to working on new authorizing legislation, with a deadline of March 10 for passage of these measures. March 31 is set as the deadline for passage of a budget resolution covering the next 2 fiscal years, after which 2-year appropriation bills would be considered. By April 15, the Appropriations Committees are to report out their bills. Under the act action on appropriation bills is to be completed by the seventh day after Labor Day.

SUPPORT FOR 2-YEAR BUDGET

Support for a 2-year budget schedule has increased in recent years. The Packard Commission—the President's blue ribbon commission on defense management—report stated that "a two-year appropriation for defense would stop the yearlong chaos of budget making that we now have." Senator PETE DOMENICI of the Senate Budget Committee recently expressed support for a 2-year cycle in testimony before a Senate Committee, Defense Secretary Caspar Weinberger has said that biennial defense budgeting would save "a tremendous amount of time and resources," and former Congressional Budget Office Director Alice Rivlin continues to be strong advocate of the idea. In the summer 1986 issue of the Brookings Review, Ms. Rivlin outlined the following advantages of a 2-year budget.

> The managers of federal programs and the recipients of Federal grants could plan programs more effectively if they could assume funding for a longer period. They could spend more time managing and less time preparing and defending budgets and adjusting to funding changes. And Congress, relieved of annual budget battles, could devote more attention to long-run issues and more careful oversight of Federal programs. . . . It is time to move the whole process to a two-year schedule.

At the end of the 98th Congress the House Rules Committee Task Force on the Budget Process considered the 2-year budget as one of its four major budget process reform options. In the task force report a first step toward 2-year budgeting was recommended: 2-year authorizations. The Committee on Rules report on the bill that evolved from the task force, H.R. 5247 (Rept. 98–1152), also recognized the need for this first step, stating that:

> Extending the duration of authorizations (making them multiyear) would certainly reduce the time spent on authorization legislation in hearings, markup, floor debate and conference, and would increase the likelihood that authorizations will be in place before the House should begin consideration of appropriation bills. There is no doubt that requiring all annual authorizations to be extended to multiyear authorizations would help resolve some timetable difficulties.

The committee report also encouraged studies of the feasibility of placing some annually financed programs on a 2-year appropriation cycle.

I am pleased that the idea of a 2-year budget is attracting more attention and I hope Congress will take a close look at the advantages of a biennial timetable during its 100th session. Yes; it is always difficult to focus on the budget process while the debate rages over how to reduce the budget deficit, but if we do not search for ways to improve the process we will simply be sentencing Congress to a repeat of the budget chaos that has characterized recent years.

Again, under the current system there is simply too little time to investigate which Federal programs are working and which are not, what tax policy makes sense, and too little thought is given to long-term budget strategy. We need to revamp our current timetable so that Congress can debate what the responsibilities of Government should be, what programs are needed to carry out those responsibilities, and how we are going to pay for those programs.

The yearly scramble to assemble a deficit reduction plan which can pass has eclipsed virtually all efforts at formulating a rational budget path for the coming decade. With $180 billion deficits staring us in the face we do not, frankly, have the luxury of continuing our ad hoc approach to the budget. It is essential that we conduct oversight of Federal programs and try to devise a budget path which will reduce deficits and keep essential Government programs effective. Without a 2-year budget process the chances of fulfilling these responsibilities are, in my opinion, slim.

I hope Members will take a close look at my 2-year budget bill and I look forward to discussing the concept with my colleagues in the coming months.

H.R. 22

A bill to amend the Congressional Budget Act of 1974 to provide for a two-year budgeting cycle, to provide for separate and timely consideration each of authorizing legislation, budget resolutions, and appropriations, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Biennial Budgeting Act of 1987".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress hereby finds and declares that the present annual budgeting process of the Congress—

(1) allows too little time for the fulfillment by the Congress of its legislative oversight responsibilities;

(2) allows too little time for the review and consideration by the Congress of authorizing legislation, of budget resolutions, and of appropriation bills; and

(3) allows too little time for the evaluation of costly and complicated Federal programs and consequently contributes to the unrestrained growth of the Federal budget.

(b) PURPOSE.—It is the purpose and intent of the Congress in this Act to establish a more thorough and timely process for the enactment of the Federal budget by—

(1) establishing a two-year cycle for the adoption of the budget;

(2) providing clearly allocated time for the holding of oversight hearings by the several committees of each House in order to review the various programs and agencies of the Federal Government; and

(3) requiring that consideration of authorizing legislation, of the budget, and of appropriation bills and resolutions be separate and distinct, thus allowing full evaluation of the need for and the merits and costs of the various programs and agencies of the Federal Government.

SEC. 3. ESTABLISHMENT OF TWO-YEAR CYCLE FOR CONGRESSIONAL BUDGET PROCESS.

Section 300 of the Congressional Budget Act of 1974 is amended to read as follows:

"TIMETABLE

"SEC. 300. The timetable with respect to the congressional budget process for any Congress (beginning with the One Hundredth and first Congress) is as follows:

"First Session

"On or before:	Action to be completed:
January 3	President submits current services budget.
15th day after Congress meets.	President submits his budget for 2-fiscal-year period beginning in succeeding calendar year (the 2-fiscal-year budget period). All committees begin oversight hearings with respect to 2-fiscal-year budget period.
June 30	Committees complete oversight hearings and submit their reports thereon.
July 1	All committees begin legislative work for 2-fiscal-year budget period.
October 31	Committees and joint committees submit reports to Budget Committee with respect to 2-fiscal-year budget period.
November 10	Congressional Budget Office submits report to Budget Committee with respect to 2-fiscal-year budget period.
November 30	Budget Committees in both Houses report first concurrent resolution on budget for 2-fiscal-year budget period.
December 31	Committees report bills and resolutions authorizing new budget authority and providing new spending authority for 2-fiscal-year budget period.

Second Session

"On or before:	Action to be completed:
January 3	President submits current services budget.
15th day after Congress meets.	President submits revised budget for 2-fiscal-year budget period.
March 10	Congress completes action on bills and resolutions authorizing new budget authority and providing new spending authority for 2-fiscal-year budget period.
March 31	Congress completes action on concurrent resolution on budget for 2-fiscal-year budget period.
April 15	Appropriations Committee reports bills and resolutions providing new budget authority for 2-fiscal-year budget period.
7th day after Labor Day.	Congress completes action on bills and resolutions providing new budget authority and new entitlement authority for 2-fiscal-year budget period.
September 25	Congress completes action on reconciliation bill or resolution, or both, implementing concurrent resolution.
October 1	2-fiscal-year budget period begins.

SEC. 4. OVERSIGHT ACTIVITIES.

(a) Oversight Activities.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end thereof the following new section:

"OVERSIGHT ACTIVITIES OF COMMITTEES

"Sec. 312. During the period beginning on the 15th day after the Congress meets in each odd-numbered year and ending June 30 of such year, each standing committee of the House of Representatives and the Senate shall review and study the application, administration, execution, and effectiveness of those laws (or parts of laws) the subject matter of which is within the jurisdiction of that committee and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, each such committee (during such period) shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that committee (whether or not any bill or resolution had been introduced with respect thereto). The findings and determinations made by each such committee as a result of its oversight activities under the preceding provisions of this section in any year shall be reported to the House of Representatives or the Senate no later than June 30 of such year, and shall constitute the basis for such committee's legislative work with respect to the 2-fiscal-year budget period beginning on October 1 in the succeeding year.".

(b) Conforming Amendment.—The table of contents in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding after the item relating to section 311 the following new item:

"Sec. 312. Oversight activities of committees.".

SEC. 5. CONFORMING AMENDMENTS TO CONGRESSIONAL BUDGET ACT.

(a) Section 2(2) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking out "each year" and inserting in lieu thereof "biennially".

(b) Section 3 of such Act is amended by adding at the end thereof the following new paragraph:

(11) The term '2-fiscal-year budget period' means the period of 2 complete fiscal years beginning on October 1 in any even-numbered year.".

(c)(1) Section 202(f)(1) of such Act is amended—

(A) by striking out "February 15 of each year" and inserting in lieu thereof "November 10 of each odd-numbered year"; and

(B) By striking out "October 1 of that year" and inserting in lieu thereof "October 1 of the succeeding year".

(2) Section 202(f)(3) of such Act is amended to read as follows:

"(3) On or before January 15 of each even-numbered year, the Director, after consultation with the appropriate committeees of the House of Representatives and Senate, shall submit to the Congress a report listing (A) all programs and activities funded during the 2-fiscal-year budget period ending September 30 of that calendar year for which authorizations for appropriations have not been enacted for that period, and (B) all programs and activities for which authorizations for appropriations have been enacted for such period, but for which no authorizations for appropriations have been enacted for the 2-fiscal-year budget period beginning October 1 of that calendar year.".

(d)(1) Section 301(a) of such Act is amended by striking out "April 15 of each year" in the first sentence and inserting in lieu thereof "March 31 of each even-numbered year".

(2) Section 301(d) of such Act is amended by striking out "February 25 of each year" and inserting in lieu thereof "October 31 of each odd-numbered year".

(3) Section 301(e) of such Act is amended—

(A) by striking out "fiscal year" in the first sentence and inserting in lieu thereof "2-fiscal-year budget period"; and

(B) by striking out "such fiscal year" and "such period" in paragraph (6) and inserting in lieu thereof "the first fiscal year of such 2-fiscal-year budget period" and "such 5-year period", respectively.

(e)(1) Section 307 of such Act is amended to read as follows:

"APPROPRIATION BILLS

"(a) Except as provided in subsection (b), all bills and resolutions containing appropriations or otherwise provided budget authority for any 2-fiscal-year budget period shall be reported in the House of Representatives and Senate no later than April 15 of the year in which such period begins.

"(b) If the Committee on Appropriations of the House of Representatives or the Senate determines that changes in circumstances with the passage of time require a waiver of subsection (a) with respect to any bill or resolution providing supplemental appropriations or otherwise providing budget authority for any period, such committee may report, and the House or Senate may consider and adopt, a resolution waiving the application of such subsection in the case of such bill or resolution.".

(2) The table of contents in section 1(b) of such Act is amended by striking out "all appropriation bills to be completed by June 10" in the item relating to section 307 and inserting in lieu thereof "appropriation bills".

(f) Section 308 of such Act is amended—

(1) by striking out "such fiscal year" in paragraph (1)(A) of subsection (a) and inserting in lieu thereof "such 2-fiscal-year budget period"; and

(2) by striking out "such fiscal year" and "such period" (each place it appears) in subsection (c) and inserting in lieu thereof "the first fiscal year of such 2-fiscal-year budget period" and "such 5-year period", respectively.

(g) Section 309 of such Act is amended by inserting "of each even-numbered year" after "July" and by striking out "annual".

(h) Section 310 of such Act is amended—

(1) by striking out "June 15 of each year" in subsection (f)(1) and inserting in lieu thereof "September 25 of each even-numbered year";

(2) by striking out "(1) In General.—" in subsection (f)(1); and

(3) by striking out paragraph (2) of such subsection (f).

(i) Section 401(b)(1) of such Act is amended by striking out "the fiscal year which begins during the calendar year in which" and inserting in lieu thereof "the first 2-fiscal-year budget period which begins after".

(j)(1) Section 402 of such Act is amended—

(A) in the heading by inserting "; REQUIRED REPORTING DATE" after "AUTHORITY"; and

(B) by adding at the end thereof the following new subsection:

"(b) Required Reporting Date.—The Congress shall complete action on all bills and resolutions directly or indirectly authorizing the enactment of new budget authority for a 2-fiscal-year budget period no later than March 10 preceding the beginning of such period.".

(2) The table of contents in section 1(b) of such Act is amended in the item relating to section 402 by inserting "; required reporting date" after "authority".

(k) Section 904(a) of such Act is amended by inserting "(as enacted or as amended by the Biennial Budgeting Act of 1987)" after "and IV" in the matter preceding paragraph (1).

(l) The following sections of such Act are amended by striking out "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period": 3(1); (4)(A), (4)(B), and (4)(C); 202(f)(1); 301(a)(1), (b)(3), and (d) (first sentence; 302(c) and (f); 303 (a)(1), (a)(2), (a)(3), (a)(4), (a)(5), (b); 304(a); 307(a); 308(a)(1) (before subparagraph (A)), (a)(1)(A), (b)(1), and (c); 309 (first sentence); 310(a) (first sentence), (a)(1)(A), (a)(1)(C), (a)(1)(D), (d), and (f); 311 (a), (b), and (c); 401 (a) and (b)(2); and 402(a).

(m) The following sections of such Act are amended by striking out "such year" each place it appears and inserting in lieu thereof "such period": 3(1); and 303(a) (after paragraph (5)).

SEC. 6. AMENDMENTS TO BUDGET PROCESS PROVISIONS OF TITLE 31 OF THE UNITED STATES CODE.

(a) So much of section 1105(a) of title 31 of the United States Code as precedes paragraph (1) thereof is amended to read as follows:

"(a) The President shall transmit to the Congress, during the first 15 days of the first session of each Congress beginning with the One-hundred and first Congress the budget for the 2-fiscal-year budget period (as defined in paragraph (11) of section 3 of the Congressional Budget Act of 1974) beginning on October 1 of the succeeding calendar year. The budget so transmitted shall include a tentative budget for each of the two fiscal years in such period, shall contain the President's budget message together with summary data and text and supporting detail, and shall set forth in such form and detail as the President may determine (with respect to each such fiscal year) the following:".

(b) Section 1105(a)(5) of title 31 of the United States Code is amended by striking out "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting in lieu thereof "each such fiscal year and the 3 fiscal years after the second such year".

(c) Section 1105(a)(6) of title 31 of the United States Code is amended by striking out "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting in lieu thereof "each such fiscal year and the 3 fiscal years after the second year".

(d) Section 1105(a)(9) of title 31 of the United States Code is amended by striking out "ensuing fiscal year for which the budget is submitted" and inserting in lieu thereof "2-fiscal-year budget period involved".

(e) Section 1105(a)(12) of title 31 of the United States Code is amended—

(1) by striking out "fiscal year" in subparagraph (A) and inserting in lieu thereof "2-fiscal-year budget period"; and

(2) by striking out "each of the 4 fiscal years after that year" and inserting in lieu thereof "each of the 3 fiscal years after such period".

(f) Section 1105(a)(13) of title 31 of the United States Code is amended by striking out "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(g) Section 1105(a)(14) of title 31 of the United States Code is amended by striking out "that year" and inserting in lieu thereof "the 2-fiscal-year budget period".

(h) Section 1105(a) of title 31 of the United States Code is further amended by adding at the end thereof (after and below paragraph (24)) the following new sentences: "During the first 15 days of the second session of each such Congress the President shall transmit to the Congress any revisions he may desire to make in the budget transmitted in the first session of that Congress. In applying the succeeding provisions of this section with respect to any budget transmitted to the Congress for a 2-fiscal-year budget period, the term 'ensuing fiscal year' shall be deemed to read 'first year of the 2-fiscal-year budget period involved', and other references to fiscal years shall be deemed to be references to the 2-fiscal-year budget periods in which the years involved respectively fall.".

SEC. 7. EFFECTIVE DATE.

Except as specifically otherwise indicated, the amendments made by this Act shall become effective on the first day of the first session of the One-hundred and first Congress.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, today I have introduced the 1987 House and Community Development Act and it represents the efforts of a subcommittee, the largest subcommittee in the whole Congress within the Banking Committee, the full chairman of the Committee on Banking, the Honorable FERNAND ST GERMAIN, is cosponsoring with me on this occasion.

Since 1981, I have introduced what in the last two Congresses has been identified as H.R. 1. The reason for the concern of the shelter, the housing and the community needs of our Nation are easy to perceive once one has a chance to hear the witnesses throughout the country as we have in the subcommittee. We have had constant and sustained and most comprehensive hearings, not only in Washington, but in every one of the single, main, rural, sectional, and urban areas of our country. From the dense East in New York, Philadelphia, in such areas as far away as Los Angeles, and in between we have visited every single urban area in our sections of our country since 1981.

We have been into the rural sections from the eastern seashore, where the States of Virginia, Maryland, and Delaware meet. It has been very clear to us that we have a shelter crisis in our country. As far as our communities are concerned, whether they are rural or urban, we have a major crisis. We have very, very, I believe, negligently, allowed what is in high-faulting terms called the infrastructure of our cities. The water systems, the sewage systems, the streets, to crumble around our very ears, at a time when the Federal commitment for this type of activity has been diminished if not totally abdicated by this administration. In housing, the House of Representatives has risen to its responsibility.

□ 1630

Last year we passed out not once, but three times, the basic reauthorization legislation only to see it languish and die in the Senate under the steady drumfire opposition of the leadership then at the time and also the administration's unceasing opposition to housing programs; so that this reintroduction represents what we consider to be the minimal trying needs of our Nation in the way of shelter and community development programs.

I know in my heart of hearts that our society is going to have to pay a heavy societal price in the way of social disorder for the neglect that we have allowed to accumulate just within the last 6 years; so we must rise to the occasion, no matter how demoralizing the past might have been.

It is with a deep sense of the discharge of a serious obligation that we have reintroduced this legislation, or rather introduced it this first day of the session.

I am attaching to it and ask that it appear in the RECORD, a summary of the legislation and a schedule of obligation and authorization that we are requesting.

Mr. Speaker, today I am introducing a bill entitled "The Housing and Community Development Act of 1987" which would reauthorize the assisted housing programs administered by the Department of Housing and Urban Development [HUD] and the Farmers Home Administration [FmHA] as well as reauthorizing the Community Development Block Grant Program, the Urban Development Action Grant Program and other programs administered by HUD and FmHA. In addition, this bill would authorize $350 million in emergency assistance for homeless people and would set forth a structure of long-term assistance to provide on a more permanent basis decent, safe, and affordable housing for people with no shelter.

As the Members are aware, the House in the last session passed our housing authorization bill, H.R. 1, on four separate occasions but the Senate under Republican leadership did not deem it important enough to address the housing needs of our Nation. My effort this year as contained in this bill is built on the structure of H.R. 1 of last year. It not only reauthorizes and sets funding levels for numerous HUD and FmHA programs that provide housing for low-income people but it sets forth major changes in the operations and administration of these assisted Housing and Community Development Block Grant Programs. This bill does contain authorization levels that are somewhat above the levels that were maintained in last year's authorization bill and I believe it necessary and important to set forth the minimal level of assistance that I believe is necessary for the Congress to address itself to this year.

None of us could walk the streets of our communities this winter without seeing numerous people attempting to shelter themselves against the elements without a place to call their home. It is tragic that this administration and the past Congress have demonstrated little concern toward the housing needs of low-income people, especially when we have today in every community in this country homeless people wandering our streets like some Third World nation. This bill begins the attmept to address our housing needs and I invite my colleagues on both sides of the aisle to join me in support of these efforts and in support of my subcommittee's effort to pass as quickly as possible the major housing and homeless legislation.

Mr. Speaker, I am inserting as part of my remarks a short summary of my introduced bill and a table containing the program levels set forth in the bill.

SHORT SUMMARY OF H.R. 4, HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1987

H.R. 4, the proposed Housing and Community Development Act of 1987, introduced by Housing Subcommittee Chairman Gonzalez on January 6, 1987, contains a findings and purpose section and seven titles.

TITLE I—SHELTER ASSISTANCE FOR THE HOMELESS AND DISPLACED

Title I contains the authorization of shelter programs for the homeless. The bill authorizes $200 million in fiscal year (FY) 1988 for the Emergency Food Distribution and Shelter Program for the homeless (FEMA); $50 million in FY 1988 for a Second Stage Housing Demonstration program for the homeless to enable non-profit organizations to develop and operate housing and supportive services for the homeless; and $100 million for an Emergency Shelter Grant Program to provide grants to states, units of local government, and to private nonprofit organizations to provide specific essential services for the homeless.

TITLE II—HOUSING ASSISTANCE

Title II contains authorization and program amendments for the federally assisted low-income housing programs and provides for FY 1988 approximately $11.9 billion in budget authority which will assist approximately 105,500 new subsidized housing units, including 10,000 public housing and 2,000 Indian housing units, 12,000 Sec. 8/202 elderly and handicapped units, 75,000 Sec. 8 regular existing units, and 6,500 Sec. 8 moderate rehabilitation units.

The bill also authorizes for FY 1988: $1.6 billion in public housing operating subsidies; $15 million for public housing child care grants; $150 million for the Housing Development Grant Program (HODAG); $75 million for the Rental Rehabilitation Program; $75 million for a Multifamily Preservation Improvement Fund; $10 million for the Congregate Services Program; $10 million for the HUD/HHS Demonstration Program; and $620 million for Sec. 202 elderly loans.

TITLE III—RURAL HOUSING

Title III contains authorization and extensions for the Farmers Home Administration (FmHA) rural housing programs and provides an overall total for insured and guaranteed loans during FY 1988 of $3.238 billion to assist approximately 86,777 units, including $1.7 billion for Sec. 502 subsidized homeownership loans, $20 million for Sec. 514 farmworker rental housing loans, $1.5 billion for Sec. 515 low income and elderly subsidized rental housing loans, $1 million for Sec. 524 Site loans, and $17 million for Sec. 504 home repair loans. Additional authorizations include: $1 million for Sec. 509 construction defects payments, $13 million for Sec. 504 repair grants, $11 million for Sec. 516 farmworker rental housing grants, $8 million for Sec. 523 Mutual and Self-Help Grants, $216 million for Sec. 521 Rental Assistance Payments and $5 million for Sec. 533 Housing Preservation Grants.

TITLE IV—MORTGAGE INSURANCE AND SECONDARY MORTGAGE MARKET PROGRAMS

Title IV extends the FHA Mortgage Insurance programs and the federal flood and crime insurance programs for one year, and permanently extends the Home Mortgage Disclosure Act. The bill contains program amendments for the mortgage insurance and secondary mortgage market programs.

The bill provides a cap of 3.8 percent for certain FHA mortgage premiums; prohibits user fees for FNMA and FHLMC as well as a cap on the GNMA mortgage-backed securities fee; provides $100 billion for the FHA insurance commitment for FY 1988; prohibits the use of FHA single family mortgage insurance by investors; provides mortgage insurance and refinancing insurance for hospitals, nursing homes, intermediate care facilities, and board and care homes; increases to not more than 20% of the aggregate number of FHA mortgages HUD's authority to insure adjustable rate single family mortgages (ARMS); establishes a home equity conversion mortgage insurance demonstration program; provides for at least one FHA processing office in each state and includes additional amendments for insurance programs.

TITLE V—COMMUNITY DEVELOPMENT AND MISCELLANEOUS PROGRAMS

Title V authorizes for FY 1988: $3.4 billion for the Community Development Block Grant Program including $60 million for the Secretary's Discretionary Fund; $300 million for the Urban Development Action Grant Program; extends the Sec. 312 Rehabilitation Loan program for FY 1988; $15 million for the Urban Homesteading Program; $150 million for the Sec. 108 loan guarantee limits; $19 million for the Neighborhood Reinvestment Corporation; $10 million for the Fair Housing Initiatives Program; $6 million for housing counseling; $20 million for HUD research; $38 million for Flood Insurance Studies and Surveys; and $10 million for the Neighborhood Development Demonstration Program. The bill amends the UDAG project selection criteria and prohibits the use of UDAG grants for business relocations.

TITLE VI—NEHEMIAH HOUSING OPPORTUNITY GRANTS

Title VI authorizes the Nehemiah Housing Opportunity Grants program at $150 million for FY 1988. This program is designed to assist in providing families with single family housing in certain depressed areas of the United States.

TITLE VII—ENTERPRISE ZONE DEVELOPMENT

Title VII provides for Enterprise Zone Development by authorizing HUD to designate 100 areas nationwide (33 of which are to be in rural areas) as enterprise zones in order to stimulate investment and job creation in urban and rural areas.

HUD AND FARMERS HOME PROGRAMS

[Budget authority in millions]

HUD housing	Fiscal year 1986 funding levels after sequestration		Fiscal year 1987 appropriations bill		Fiscal year 1988 H.R. 4 estimate	
	Units	Budget authority	Units	Budget authority	Units	Budget authority
Public housing:						
New construction	4,785	937	(4,500)	[1] 200	10,000	682
Indian	1,914	313	2,000	138	2,000	144
Modernization		1,436		1,437		1,500
Amendments/lease adjustments		19		75		
Subtotal	6,699	2,705	2,000	1,850	12,000	2,326
Section 8:						
202	11,484	1,608	12,000	1,603	12,000	1,667
Moderate rehab	9,570	883	7,500	716	6,500	646
Regular existing	30,624	2,362	10,000	790	75,000	6,170
New vouchers	34,452	742	50,000	1,151	0	0
Property disposal	(4,785)	350	(3,000)	227	(6,000)	472
Loan management	(4,749)	86	(10,000)	188	(10,000)	585
Conversions	(957)	49	0	0		
Opt-Out/demolitions	(3,350)	72	(3,500)	72		
Amendments		537		909		
Subtotal	86,130	6,689	79,500	5,656	93,500	9,540
Total Pub. Housing/Sec. 8 [2]	92,829	9,394	81,500	7,506	105,500	11,866
Operating subsidies		1,421		[3] 1,350		1,600
Sec. 202 loan levels		(604)		(593)		(620)
Sec. 202 budget authority [4]		522		508		525
Subtotal		11,337		9,364		13,991
Other programs:						
Nehemiah					10,000	150
HHS/HUD Demonstration						10
FHIP						10
P.H. child care						15
HODAG	3,589	72	5,000	100	7,500	150
Multifam. Capital Improve						75
Emergency shelter grants		0		10		100
FEMA/HUD homeless		70		70		200
Second stage homeless		0		5		50
Rental rehabilitation	(18,888)	72	(35,000)	200	(12,632)	75
HUD research		16		17		20
Congregate services		3		3		10
Housing counseling		3		4		6
Flood Ins. studies/surveys		35		36		38
Urban homesteading		11		12		15
Neigh. Reinvestment Corporation		18		19		19
Neigh. Development Demonstration [5]		0		(2)		10
Subtotal	3,589	300	5,000	476	17,500	953

HUD AND FARMERS HOME PROGRAMS—Continued

[Budget authority in millions]

HUD housing	Fiscal year 1986 funding levels after sequestration		Fiscal year 1987 appropriations bill		Fiscal year 1988 H.R. 4 estimate	
	Units	Budget authority	Units	Budget authority	Units	Budget authority
Total HUD Housing	96,418	11,637	86,500	9,840	123,000	14,944
CDBG		2,990		3,000		3,400
UNAG		316		225		300
Sec. 108 loan guarantee limit		(213)		(150)		(150)
312 Rehab. loans		(81)		(91)		(91)
FHA credit limit		[7](142)		[7](100)		(100)
GNMA-MBS guarantee limit		[7](175)		[7](150)		
Grand total HUD		14,943		13,065		18,644
FmHA rural housing:						
Rural Housing Loans [6] (Inc. RAP)		3,340		3,063		3,125
FmHA loans:						
Sec. 502 Homeownership	29,495	(1,340)	28,308	(1,340)	34,991	(1,700)
Sec. 504 Repair	4,051	(11)	3,886	(11)	4,580	(17)
Sec. 514 Farm labor	478	(11)	459	(11)	773	(20)
Sec. 515 Rural rental	18,318	(670)	17,580	(670)	45,647	(1,500)
Sec. 524 Site loans		(1)		(1)		(1)
Subtotal	52,342	(2,033)	50,233	(2,033)	85,991	(3,238)
Rural housing support programs:						
Sec. 504 Repair grants		14		13		13
Sec. 509 Construct defects		1		1		1
Sec. 516 Farm labor grants		10		10		11
Sec. 523 Self-help grants		8		8		8
Sec. 521 RAP	(14,511)	(160)	(13,987)	(160)		(216)
Sec. 533 Preser. grants	3,062	19	3,092	19	786	5
Subtotal FmHA support		52		51		38
Total FmHA	55,404	3,392	53,325	3,114	86,777	3,163
Grand total HUD and FmHA	151,822	18,335	139,825	16,179	209,777	21,807

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[1] Approp. Conference provides $200 million in new budget authority and $44 million in sec. 8 recaptures to be used either for public housing new construction or rehabilitation of obsolete projects. These funds will make available approx. 4,500 reconstructed public housing units.

[2] Budget authority for H.R. 4 and fiscal year 1987 Appropriations represents the use of capital grant funding for public housing development and modernization while fiscal year 1986 Appro. after sequestration is done through long-term financing.

[3] Approp. Conference estimates an additional $175 million from fiscal year 1986 carryovers to be available for use in fiscal year 1987.

[4] Budget authority estimates by CBO reflect all activity in the account, including repayments; fiscal year 1987 HUD Approp. bill for sec. 202 budget authority level is estimated by HUD (CBO estimates unavailable.)

[5] Fiscal year 1987 HUD Conference funds the Neighborhood Development Demo. program at $2 million from CDBG funds.

[6] There is minimal direct correlation between the budget authority level and the program level in a given year. Budget authority amounts primarily constitute the estimated appropriations necessary for prior years obligations, including interest credit subsidies and rental assistance payments. The fiscal year 1987 Appropriation provides an additional $642 million budget authority for FmHA loan asset sales which is not reflected in the chart. The fiscal year 1988 budget authority level does not include the impact of net new loans in fiscal year 1988.

[7] In billions.

Source: Subcommittee on Housing and Community Development.

CONSTITUTIONAL AMENDMENTS TO PROVIDE FOR DIRECT ELECTION OF PRESIDENT AND SINGLE 6-YEAR TERM

The SPEAKER pro tempore. (Mr. HUBBARD). Under a previous order of the House, the gentleman from Texas [Mr. BROOKS] is recognized for 5 minutes.

Mr. BROOKS. Mr. Speaker, today I am introducing two resolutions proposing amendments to the Constitution. The amendments would provide a single 6-year term for the President and Vice President and would call for the direct popular election of those officials.

It is very possible that the pressure and distraction imposed on a President by a campaign for reelection adversely affects his ability to govern effectively. In order to correct this problem, the first proposed constitutional amendment that I am sponsoring would allow our Chief Executive to concentrate solely on the job he or she was elected to do—govern our Nation—by specifying that the President shall serve a single, 6-year term. Rather than worrying about how decisions made early in his or her term will affect reelection possibilities, or attempting to score political points in order to enhance those opportunities, future Presidents under a single 6-year term will be able to pursue their agenda and to seek to put their goals into action.

The other proposed amendment would provide for the direct election of the President. The current electoral college framework, providing for all of a State's electoral votes to go to the leading candidate, runs counter to the principle of equal representation that underlies our democratic form of government. Further, the electoral college carries with it the ever present danger that at some point we will elect an individual as President who failed to gain a majority of the popular vote.

Direct election is the only way we elect all of our other public officials in this country. It is the one system that is consistent with our democratic principles.

Under my amendment, a candidate receiving at least 40 percent of the popular vote would be elected. If no candidate received 40 percent, a runoff election would be held between the highest finishers. The latter provision would discourage minor candidates and would ensure that the victorious candidate had received a true mandate from the voters.

Mr. Speaker, there is no more appropriate time than this bicentennial year of our Constitution to examine these provisions relating to the Office of President and to consider amending them to reinforce the democratic underpinnings of the Office of Chief Executive. In doing so, we will go into our third century of constitutional government with a Presidency that is able to govern effectively.

INTRODUCTION OF H.R. 2, SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. ANDERSON] is recognized for 5 minutes.

Mr. ANDERSON. Mr. Speaker, I am pleased today to be introducing the Surface Transportation and Uniform Relocation Assistance Act of 1987, which is being designated as H.R. 2. It is our intention to bring this legislation to the floor for consideration and passage quickly, perhaps as soon as this Thursday, January 8.

Obviously, such swift consideration represents a departure from the way that the Public Works and Transportation Committee, and the House leadership, would ordinarily move legislation of this significance. But it is for that very reason; that this bill is so significant, that the determination has been made to expedite its passage.

The legislation I am introducing, and which we will soon have before us, is virtually identical to titles I-IV of

H.R. 3129 from the 99th Congress, which passed the House on August 15 by a vote of 345 to 34. Modifications have been restricted to date changes that reflect the passage of time since last August, the elimination of provisions which were enacted as part of other legislation during the 99th Congress, technical and conforming changes and the excision of a single provision so that current law will be retained pertaining to the uniform application of just compensation. But for those adjustments, H.R. 2 will be identical to titles I-IV of the legislation which was passed by this body by a 10-to-1 margin 5 months ago.

Mr. Speaker, the Federal highway, highway safety, and public transit trust-funded programs have expired. No new money for any of these programs has been released since October 1. While States have been able to obligate funds authorized in previous years, those too are growing scarce. As of December 30, the total backlog in the highway program was less than $4.4 billion, with much of this only available for obligation in categories that the States deem to be of low priority. For example, though States were prepared to obligate over $800 million of Federal-aid primary funds in the just-concluded first quarter of fiscal year 1987, it is thought they were able to actually obligate only about $274 million.

According to the American Association of State Highway and Transportation Officials, each month's delay in enactment of this legislation will increase the number of highway projects delayed into the next fiscal year. Even if enacted by February 1, 424 projects valued at $683.7 million will be delayed. If enactment slips to March 1, 767 projects around the country, valued at $1.19 billion, will be postponed until next year, and the corresponding figures for a May 1 enactment rise to 1,500 projects costing over $2.3 billion.

When work is delayed costs increase, and I would hope that each of our colleagues considers that factor; that since these highway projects must be built eventually, delays increase costs and so give our taxpayers less bang for their user-fee bucks.

No less worthy of consideration is the fact that delays cost jobs. The Commerce Department estimates that 60 jobs, direct and indirect, are created for each $1 million of highway construction. So, according to the Highway Users Federation for Safety and Mobility, a failure to pass this bill until May 1 could cost 138,000 jobs.

Of course, the transit capital trust-funded program is also being delayed, and this too could result in employment dislocation. Each $100 million in transit capital funding equates to about 7,600 jobs, and so delays in that sector could have a devastating impact. According to the American Public Transit Association, some transit industry suppliers have indicated that they may begin layoffs by March in the absence of this legislation. And, as with highways, delays in passing this bill will hold up much-needed work and freeze local funds that are available to match the Federal moneys, and so are now being unused.

Finally, no price tag can be attached to the lives that may be lost because of delays in funding our highway safety programs.

Mr. Speaker, the bill being introduced today is not unfamiliar to many of our colleagues. As I have indicated, it is virtually identical to titles I-IV of H.R. 3129, from the 99th Congress, which passed by a 10-to-1 margin. It enjoys the bipartisan support of both, our committee leadership and the leadership of the House.

Mr. Speaker, because there is only a limited supply of this bill available in committee print form, I am attaching a copy, along with a section-by-section analysis, so that all our colleagues may completely familiarize themselves with the generalities and specifics of the legislation.

SECTION-BY-SECTION ANALYSIS, SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT OF 1987

TITLE I—FEDERAL-AID HIGHWAY ACT OF 1987

Section 101

Short Title

Provides that title I of the bill may be cited as the "Federal-Aid Highway Act of 1987."

Section 102

Approval of Interstate Cost Estimate and Extension of Interstate Program

Approves the use of the apportionment factors contained in revised table 5 of the Committee Print 100-1 of the House Committee on Public Works and Transportation to apportion the Interstate construction funds authorized for fiscal year 1988 and requires the Secretary of Transportation to transmit an estimate of the remaining cost to complete the Interstate system within ten days subsequent to January 2, 1989, to the Congress to apportion Interstate construction funds authorized for fiscal years 1991, 1992 and 1993.

Section 103

Interstate Substitute Program

Directs the Secretary to apportion funds authorized for highway and transit projects substituted for withdrawn Interstate System projects under section 103(e)(4) of title 23, United States Code, for fiscal year 1987 on the basis of factors contained in Committee Print 100-2.

Amends section 103(e)(4) of title 23, United States Code, to increase the period of availability for Interstate substitute funds from two years to four years. Subsection (b) also requires the Secretary to transmit to the Congress proposed apportionment factors for highway and transit substitute projects, representing 75 percent of authorization in the case of highways and 50 percent in the case of transit, as soon as practicable after January 2, 1987.

The distribution of substitute highway and transit funds is continued through fiscal year 1991 with substitute highway project funds distributed with twenty-five percent of the funds available in a fiscal year for substitute highway projects allocated at the discretion of the Secretary. The remaining seventy-five percent of the substitute highway funds is apportioned on the basis of estimates of the cost to complete substitute highway projects prepared by the Secretary and approved by the Congress.

The distribution of substitute transit funds provides for fifty percent of the funds available in a fiscal year for substitute transit projects to be allocated at the discretion of the Secretary. The remaining fifty percent of the substitute transit funds are apportioned on the basis of the estimates of the cost to complete substitute transit projects prepared by the Secretary and approved by the Congress.

The Secretary will use the apportionment factors contained in Committee Print 100-2 of the House Committee on Public Works and Transportation to apportion funds made available for Interstate substitute projects for fiscal year 1987. A revised cost estimate would be submitted to the Congress as soon as practicable after January 2, 1987 for approval by the Congress to apportion Interstate substitute project funds made available for fiscal years 1988, 1989, 1990, and 1991 subject to changes in state estimates in the division of funds between substitute highway and transit projects, subject to amounts made available in prior fiscal years and subject to reapportionment of funds for one year of funds which lapse after three years.

Provides authorization levels for the Interstate transfer highway and transit program. Funds authorized under this program for transit projects are appropriated, an action which is required for non-contract authority programs. This subsection also would amend current law by authorization of "such sums as may be necessary" through fiscal year 1991 in order to accommodate funding levels that may occur as a result of state changes in the division of funds between substitute highway and transit projects. For Interstate transfer highway projects, this section authorizes $825 million, out of the Highway Trust Fund (other than the Mass Transit Account), for each of the fiscal years 1986 through 1991.

Would add $100 million to the unobligated balance of current state entitlements under the Interstate transfer transit program as a one-time compromise measure to help offset anticipated future inflation in transit construction costs. To avoid biasing future decisions with respect to state changes in the division of funds between substitute highway and transit projects, these additional sums are intended solely for the benefit of current state transit transfer programs as they are contained in Committee Print 100-2 and in the amounts derived by application of the apportionment factors therein.

Would also eliminate the deadline in current law for having substitute projects under construction or under contract for construction and treats certain non-Federal expenditures in the past on a substitute highway in Portland, Oregon, as the non-Federal share of highway transfer funds that may be spent on that highway in the future.

Makes a series of technical conforming amendments to section 103(c) of title 23, United States Code.

Section 104

Interstate Authorizations

Reduces and extends the authorizations for Interstate construction by $3.0 billion for fiscal year 1988 and $3.3 billion for each of the fiscal years 1989 through 1992 and authorizes $2.0 billion for fiscal year 1993. Interstate construction funds are available for obligation one year prior to the fiscal year for which authorized. The Interstate construction funds are authorized through fiscal year 1993 at levels which will provide the states sufficient funds to complete the System.

Section 105

Obligation Limitation

Subsection (a) of this section provides a limitation of $12.6 billion for each of the fiscal years 1988 through 1991 on obligations for Federal-aid highway and highway safety construction programs.

Subsection (b) provides for the exclusion of obligation constraints for emergency relief projects; for minimum allocations; for bridge projects on Federal dams; for bridge projects under section 147 of the Surface Transportation Assistance Act of 1978, as amended; for the Woodrow Wilson Bridge located in the District of Columbia, Maryland, and Virginia; for a demonstration project in Altoona, Pennsylvania on Route 220; for a demonstration project in Illinois demonstrating the benefits of constructing usable segments of high-volume facilities; for Union Station; for a railroad-highway relocation project in Carbondale, Illinois; for motor carrier safety grants under section 404 of the Surface Transportation Assistance Act of 1982; for grants to states providing systematic inspection and service of protection devices at ConRail crossings; for highway demonstration projects provided in the Federal-Aid Highway Act of 1986; for a study of the bridge formula; for a feasibility study in California utilizing a highway electrification system as a source of energy for highway vehicles; for a study to determine the cost-effectiveness of upgrading Route 219 in Pennsylvania and New York to Interstate standards; and for a feasibility study for constructing a bypass highway around Sebastopol, California.

Subsection (c) would distribute obligational authority among the states each fiscal year on the relative basis of each state's share of apportioned and allocated Federal-aid highway and highway safety construction programs for the fiscal year.

Subsection (d) limits the total first quarter obligations to twenty-five percent and limits each state's first quarter obligations to thirty-five percent of its share of the annual obligation limitation for fiscal years 1988 through 1991.

Subsection (e) continues the priorities in existing law for the August 1 redistribution of unused obligation authority for fiscal years 1988 through 1991 with equal priority being given on the one hand to those states with large unobligated balances and on the other to those states which are receiving reduced apportionments as a result of the Federal-Aid Highway Act of 1981, or the STAA of 1982.

Subsection (f) is intended to address the problem of the states which have accumulated a significant backlog of unobligated apportionments or allocations for a variety of reasons, and are unable to eliminate that backlog by virtue of the fact that obligational authority is distributed to a state each year on the basis of funds apportioned or allocated to that state in that year; in essence, with obligational authority being distributed only on the basis of new funding, the backlog is perpetuated. Subsection (f) would allow each state that uses up its obligational authority in a fiscal year as well as any obligational authority redistributed to it on August 1, to obligate an additional 10 percent of its backlogged Federal-aid funds, provided that the total of such additional amounts nationwide does not exceed 5 percent of all backlogged funds.

Subsection (g) is a conforming amendment to assure that funds allocated under the minimum allocation program do not affect the distribution of annual obligation authority.

Section 106

Authorizations

Provides authorizations to be made available in fiscal years 1987, 1988, 1989, 1990, and 1991 for various Federal-aid highway programs out of the Highway Trust Fund (other than the Mass Transit Account).

For the Interstate 4R program $2.830 billion per fiscal year for each of the fiscal years 1988, 1989, 1990, 1991 and 1992.

For the primary system $2.305 billion per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

For the secondary system $600 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

For the urban system $750 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

For Indian reservation roads $90 milion per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

For forest highways $57.5 million for each of the fiscal years 1987 and 1988, $57.2 million for each of the fiscal years 1989 and 1990 and $60 million for fiscal year 1991.

For public lands highways $20 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990, and 1991.

The House bill authorizes $45 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990, and 1991 for parkways and park highways. The entire cost of any parkway or park highway on the Federal-aid system shall be paid out of the Highway Trust Fund. Any parkway or park highway not on the Federal-aid system shall be paid from the general funds of the Treasury. Annual appropriations are limited to $45 million regardless of the source of the funds.

The House bill provides for the continuation of the Disadvantaged Business Enterprise Program for fiscal years 1987, 1988, 1989, 1990 and 1991, and adds women to the rebuttable presumption of being disadvantaged. Each State shall annually survey and compile a list of small business concerns.

Section 107

Apportionment—Interstate 4R and Primary Formulas

The House bill changes the Interstate 4R formula from one which apportions funds 55 percent on the basis of Interstate land miles and 45 percent on the basis of Interstate vehicle miles traveled (with no state receiving less than ½ percent of the total amounts apportioned) to a formula which apportions funds 50 percent on the basis of Interstate vehicle miles traveled, 25 percent on the basis of gasoline consumption, and 25 percent on the basis of diesel fuel consumption.

The House bill also continues through 1991 the formula in existing law for distribution of Federal-aid primary funds.

Section 108

Elimination of Roadside Obstacles

The House bill amends the definition of construction as used in title 23 to include the removal of roadside obstacles. Under existing law, obstacle removal is generally authorized in connection with, or as an ancillary feature of, general highway construction. This amendment would allow states to use Federal-aid funds to remove roadside obstacles as a discrete Federal-aid project. This change is not intended to affect the application of section 123 of title 23, United States Code, regarding the relocation of utility facilities. However, where a state elects to carry out a discrete project for the removal of metal or plastic pipelines, relocation of adjoining pipe and appurtenances, to the extent necessary for continued pipeline utilization, should be considered within the purview of this definition.

In many areas of the country, roadside mailboxes have been installed that present a clear hazard to the motoring public. Tests have shown that some single and multiple mailbox installations are not safe. The United States Postal Service should work in concert with the Secretary and the states to address this serious problem. The American Association of State Highway and Transportation Officials has published a guide on erecting mailboxes on highways which offers great promise in addressing this roadside obstacle problem.

Section 109

Contracting for Engineering and Design Services

The House bill brings procurement of engineering and design services for Federal-aid highway projects into conformity with Title IX of the Federal Property and Administrative Services Act of 1949, which requires qualifications-based selection of these services when they are procured by Federal agencies for any project except Federal-aid highway projects, as they are not direct Federal procurements. Under the bill, the Federal selection procedures or equivalent state qualifications-based selection requirements for selecting firms for programs management, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, surveying, mapping, or related services, shall apply to such contracts awarded or administered by recipients of funds authorized by the bill.

Section 110

Limitations Concerning South Africa on Awards of Contracts

This section amends section 112(b) of title 23, United States Code, for the letting of Federal-aid highway construction project contracts. This subparagraph will allow for the establishment of limitations on the awarding of contracts concerning South Africa under specific conditions. A state or local governmental body which received Federal funds will be permitted to prohibit or restrict the awarding of contracts to businesses which conduct business in South Africa. Competitive bid procedures will continue to be required for the awarding of project contracts. However, if the lowest bidder does not comply wiht the terms and conditions put forth by the state or local government, the next lowest bidder who complies with these terms will be awarded the contract. Any contract limitations established by the state or local government may be enforced only after an agreement has been reached with the Secretary. This agreement will ensure that any increase in project costs which results from state or local contract requirements will be absorbed by the state or local government. This section permits states and local governments the flexibility to enact laws restricting or prohibiting the awarding of contracts to businesses which conduct business in South Africa. No additional costs will be incurred by the Federal government if such laws are enacted.

Section 111

Standardized Contract Clause Concerning Site Conditions

The bill would amend section 112 of title 23, United States Code, to direct the Secretary of Transportation to issue regulations establishing and requiring a standardized contract clause in all Federal-aid highway contracts. The standardized contract clause would provide for the equitable adjustment of contract terms in each of the following situations:

1. In situations where site conditions differ from those specified in the contract.
2. In situations where work has been suspended by order of the state (other than a suspension of work caused by the fault of the contractor or by weather).
3. In situations where there are material changes in the scope of work specified in the contract.

The purpose is to address the serious problems stemming from the lack of consistency in general conditions clauses in Federal-aid highway contracts. When a contractor successfully bids on highway construction work, he or she expects to be compensated for the necessary work to be performed. It is generally assumed that the documents initially developed for the project cover all matters which may arise on the job. However, this is not always the case. Contractors will often experience differing site conditions, suspensions of work, and material changes in the scope of work to be performed. And all too often, the contract between the contractor and the state will not contain provisions providing for equitable adjustments concerning these changed conditions.

This has proven to be very frustrating and costly for the contractor. Today there is no uniformity in procedures or remedy available to a contractor seeking an adjustment in price or a contract time extension for a Federal-aid highway contract. Current claim litigation is too costly, last too long and leads to different decisions depending on the state involved.

The bill would seek to redress this situation by directing the Secretary of Transportation to issue regulations providing for standardized contract clauses concerning different site conditions, suspensions of work, and material changes in the scope of work. As a result, two things will be achieved. Each state will be required to have fair and equitable provisions governing changed conditions. In addition, there will be uniformity among the states, thereby eliminating much of the frustration being experienced by contractors who must deal currently with the nonuniform and disparate procedures of the fifty states.

It is the intent of the Committee that the regulations be issued as expeditiously as possible, and that the Secretary consult with the states and the contractors in the promulgation of such regulations. The regulations should address three basic areas: (1) differing site conditions; (2) suspension of work; and (3) material changes in the scope of work.

First, the regulations should address differing site conditions. One of the primary problems faced by a highway contractor is differing site conditions. In preparing his or her bid, the contractor must often rely on the information provided by the state highway agency with respect to such things as the quantity of cut or fill, the percentage of removal, location of structures and their placement and similar items. Once the job commences, the contractor may find that the actual work is much greater than the original estimate. Less than one-half of the states have differing site condition clauses in their specifications.

It is the intent of the Committee that the regulations to be promulgated by the Secretary provide for a standard contract clause with respect to (1) subsurface or latent physical conditions at the site differing materially from those indicated in the contract, and (2) unknown physical conditions at the site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided in the contract.

Moreover, the Committee expects that the standardized contract clause would contain the common elements of existing changed condition clauses. For example, some of the common elements are as follows: (A) the "discovery" of alleged conditions must be "reported" so that suitable evaluations of the undisturbed site may be undertaken; (B) where the evaluation discloses a bona fide change in the character of the work to be performed, adjustment to the contract terms may be provided; (C) no adjustment will be provided if the site is disturbed (by contract operations) prior to the evaluation of the site conditions; and (D) no adjustment will be provided if "changed condition" are asserted after final payment.

The purpose of the changed conditions clause is to take at least some of the gamble on subsurface conditions out of the bidding. Bidders will not need to increase their bid in order to cover the risk of unknown conditions. They will not have any "disasters" on account of unknown conditions. Nor will they have any "windfalls". The government will benefit from more accurate bidding, without inflation for risks which may not materialize. It will pay for different subsurface work only when it is encountered and was not indicated in the project documents and/or specifications.

Second, the regulations must address suspensions in work ordered by the state. Delays or suspensions of work can be very costly to a contractor. Quite often these increased costs are not currently reimbursable in most state highway contracts.

These delays or suspensions are not the fault of the contractor seeking reimbursement for the costs. They may be the result of another contractor's failure to perform, failure of a utility to properly relocate its facilities, lack of sufficient state personnel to supervise the job, and for other reasons.

In order to address this problem, the bill directs the Secretary to issue regulations providing for a standardized contract clause governing delays or suspensions of work. Of course, relief would not be provided where the delay or suspension was caused by the fault or negligence of the contractor (or any of its subcontractors) or by the weather. The Committee expects that the standardized clause would require the contractor to notify the state of the claim within a specified time.

And third, the regulations should address material changes in the scope of work to be performed. Most highways contracts provide for the negotiation of price when major changes are made in a job. A problem arises when the change affects other parts of the work but the contractor only receives compensation for the work actually performed under the change order. Typically, a contractor expects a certain level of productivity of a job which is factored into the bid price. A change of work may substantially alter the productivity on the entire job. The Committee intends that an equitable adjustment be made in the entire contract price, not just an adjustment for the extra work. An example of the situation described can occur when utility relocations are in excess of that called for in the plans. This is not only extra work but slows down other parts of the job as well. Under the Committee proposal, the state will negotiate a price for the extra work and examine the entire contract to determine how it is affected. If a material effect exists, the contractor would be entitled to an equitable adjustment in the total contract price.

The bill does not represent some new or unique concept. The standardized contract provisions being proposed are currently contained in all direct Federal contracts. The proposed legislation would merely make those same contract clauses and requirements also apply to Federal-aid highway contracts administered by the states.

In addition to providing for contract uniformity, it is the hope and expectation of the Committee that the standardized contract clauses will reduce contract prices and decrease the overall cost of Federal-aid road construction. This is because the contingency amounts now included in bid prices as a hedge against the inherent risks a contractor takes when he or she bids a job without such contracts clauses would no longer be necessary.

The Committee also wants to note that any dispute between a state highway agency and a contractor would involve a state contract, and that states courts would retain jurisdiction, as they do now in resolving disputes over contract provisions required by Federal statute.

Section 112

Convict Produced Materials

The bill amends section 114(b) of title 23, United States Code, which prohibits the use of convict labor on highway construction projects, to permit the use of materials produced by convict labor only at prison facilities producing convict-made materials for Federal-aid construction projects prior to July 1, 1985. A qualified prison facility is limited to the production levels for Federal-aid construction projects during the 12-month period prior to July 1, 1985.

The bill also provides several technical and conforming amendments to other provisions of law to limit convict produced materials on Federal-aid highway construction projects.

Section 113

Signs Identifying Funding Sources

The bill requires states that erect signs on projects without direct Federal funding showing the source of funding to erect signs on all Federal-aid projects displaying the source and amounts of funds. The section is intended to require those states that have adopted innovative funding strategies using a mixture of funds to provide the public with a factual statement of the funding sources. It is not intended to require those states that do not have a practice of erecting signs at construction sites to begin such a practice.

Section 114

Advanced Construction

The bill deletes a restriction in section 115 of title 23, United States Code, which limits Federal payment for interest on bonds issued in connection with any advance construction Interstate project under construction on January 1, 1983, and substitutes in lieu thereof a provision to permit Federal reimbursement for bond interest in connection with any advance construction Interstate or primary project on which the proceeds of bonds were used or will be used, subject to certain limitations. The bill also allows states to secure approval of advance construction primary projects without having exhausted all primary apportionments.

Currently, the dollar value of advance construction projects that may be approved for the various categories of assistance is limited to a state's unobligated balances and anticipated apportionments for the individual categories. The bill would increase this dollar volume for the individual categories by an amount equivalent to a state's current year apportionment. Advance construction approvals create no obligation of the Federal government.

Section 115

Interstate Discretionary Funds

The bill amends section 118(b)(2) of title 23, United States Code, to revise the priority for the availability of Interstate construction discretionary funds. The Secretary shall prioritize the allocation of these funds first, for high cost projects which are on segments not open to traffic and to high cost projects for construction of high occupancy vehicle (HOV) lanes and other lanes on the Harbor Freeway in Los Angeles County, California; second, for projects which are high cost in relation to a state's apportionment; and third, for conversion of advance construction Interstate projects. The State of California would be eligible for the receipt of Interstate construction discretionary funds for the construction of high occupancy vehicle and other lanes on the Harbor Freeway, although the state may not have obligated all of its Interstate construction apportionments.

Under existing law, Interstate construction apportionments are available for obligation for two years, after which time any unobligated funds lapse to the discretionary fund. Subsection (a) would allow a state to reduce the period of availability of its apportioned Interstate construction funds from two years to one year.

The bill amends the Interstate 4R discretionary program by setting aside $200 million annually from the Interstate 4R authorization for discretionary projects. In selecting projects for funding, the Secretary shall give priority consideration to projects costing more than $10 million on high-volume urban routes or high truck-volume rural routes. The Secretary is also directed to consider how a state has used apportioned Interstate 4R funds in the past to determine to what extent the state merits discretionary funding currently in that the Secretary should not look too favorably upon the request of a state that has used excessive amounts of the Interstate 4R funds to construct new routes which have been designated under 139(b) of title 23, United States Code. However, the Secretary is directed not to consider whether a state has used or intends to use any of its apportioned Interstate 4R funds on routes designated under section 139(a) of title 23, United States Code, or whether it intends to exercise its unconditional right to transfer 20 percent of its 4R funds to primary as authorized by the reported bill.

Under existing law, Interstate 4R apportionments are available for obligation for four years, after which time any unobligated funds lapse to the Interstate 4R discretionary fund. Subsection (c) would reduce this period of availability from four years to three years.

Section 116

Flexibility of Use of Highway Funds

This provision will grant Puerto Rico a similar degree of flexibility as that accorded the State of Alaska. This flexibility will allow Puerto Rico to use funds from the different program categories to suit its particular highway needs and priorities, allowing the Commonwealth of Puerto Rico to expand and upgrade its infrastructure in order to attain stateside levels. This type flexibility would permit Puerto Rico to advance such projects as the new access road in San Lorenzo.

Section 117

Interstate-Primary Program

Present law, under section 105 of the Surface Transportation Assistance Act of 1978, permits a state to transfer any part of its Interstate 4R apportionment to its primary apportionment if a state certifies and the Secretary accepts the state's certification that the amounts to be transferred are in excess of the state's Interstate 4R needs. Many states desiring such a transfer have experienced difficulty showing that the amounts to be transferred are in excess of the state's Interstate 4R needs; and thus, the transfers have not occurred.

The Committee believes the enactment of policies which will require the states to invest sufficient funds for the preservation and improvement of the 42,500-mile National System of Interstate and Defense Highways is absolutely essential. However, the Committee also understands the needs in many states for new construction and reconstruction of primary highways, particularly important connectors to the Interstate System. Thus, the Committee bill includes a provision to permit states to transfer up to 20 percent of their Interstate 4R funds each year to primary projects unconditionally. The provision also permits these funds to be used at the same 90 percent Federal matching share as for Interstate projects, except where law provides for a higher matching share. Any state desiring to transfer more than 20 percent, however, must continue to justify the transfer as under existing law. The Committee believes the additional flexibility authorized by this section will permit states to make important investments on priority projects such as the Fall Line Freeway connecting Columbus, Macon and Augusta, Georgia, the Florence to Myrtle Beach connector in South Carolina, the Rice Road Interchange access road on Route 219 in New York, and the FAP 410 corridor in southern Illinois.

The bill also codifies and makes technical amendments to a provision in existing law authorizing a state to use Interstate 4R funds on Interstate toll roads if it signs an agreement that the road will become free to the public upon the collection of sufficient tolls to liquidate the outstanding debt at the time the agreement was signed and establish a sinking fund for operations and maintenance. If the road is not freed in accordance with the agreement, all Federal funds spent on the road must be repaid to the Treasury.

Section 118

Federal Share Payable

This section of the House bill would amend section 120(d) of title 23, United States Code, adding to the projects and activities eligible for 100 percent Federal financing of the cost of construction to include the installation of traffic signs, highway lights, guardrails, and impact attenuators. These devices are reported by the Federal Highway Administration to be among the most safety cost-effective improvements that may be made to a highway. The Committee believes this preferential match will lead to greater safety on the Nation's highways.

The Committee strongly urges the Secretary to include Federal Highway Administration's Highway Safety Program Standard 13, and resultant FHWA procedures, as safety priorities in traffic control device programs undertaken in conjunction with the states and their political subdivisions. This program, which calls for each state and its political subdivision to have a traffic control devices program, includes an inventory and periodic review of existing devices, as well as a maintenance schedule adequate to ensure proper operations and timely repair of control devices. Such a schedule would require daytime and nighttime inspections.

AASHTO's "Highway Design and Operational Practices Related to Highway Safety" provides additional support for Standard 13, because it emphasizes the benefits to be derived from a good traffic control operational review to detect problems as they develop, as well as the need to maintain a high level of service on the highway facility.

In addition, the Federal Highway Administration's "Traffic Control Devices Handbook" recommends an inventory and dating procedure that complies with the standard established when the Committee wrote the National Highway Safety Act of 1966.

The Committee requests that the Secretary make the inventory results available to the Committee in order that the Committee may properly assess the need for future legislation regarding traffic control devices.

The FHWA issues an Annual Report on Highway Safety Improvement Programs which includes a listing of highway safety equipment that has proved to be particularly cost-effective. Impact attenuators are among the type of equipment that has consistently demonstrated a high benefit/cost ratio and so they have consequently been added to the items eligible for 100 percent Federal funding under section 120(d) of title 23. The Committee intends the term "impact attenuator" to mean crash cushions that have been accepted by the Federal Highway Administration.

Subsection (b) amends the listing of priority primary routes which are eligible for a Federal funding match of at least 95 percent (rather than the 75 percent applicable to conventional primary projects), if a state elects to use its primary funds on such routes. The listing of priority primary routes appears in Committee Print 100-3.

Subsection (c) amends section 120 of title 23, United States Code, to allow a state to set the Federal match for Federal-aid projects on the Great River Road at not greater than 95 percent, but not less than 75 percent.

Subsection (d) is intended to provide incentives to the states to use coal ash in their highway construction projects. The ash produced by coal-burning electric generating plants and other users of coal has a well-established record of successful use in highway construction. Fly ash has been used in pozzolanic and cement stabilized roadbases, cement stabilized subbases, as a mineral filler in asphalt paving, in grouting and for soil stabilization. Bottom ash and/or boiler slag (collectively termed power plant aggregates) have been used in pozzolanic and cement stabilized roadbases and as aggregate in asphalt paving. Ample data exists supporting the technical feasibility of using coal ash in paving applications.

The utility industry produces tens of millions of tons of ash each year. Only about 20 percent is used at present. The remainder is disposed of as a waste.

Thus, promoting the reuse of power plant ash will conserve energy and reduce costs. The production of power plant ash requires essentially no energy—it is a by-product of the generation of electricity. In addition to reducing energy costs, the use of coal ash in transportation construction projects around the country appears, from comparative bid prices, to yield significant cost savings. Moreover, increased use of coal ash will reduce disposal costs for utilities generating ash and thereby produce cost savings for consumers as well.

Section 119

Emergency Relief

The bill adds a new subsection (d) to section 125 of title 23 which makes the territories eligible for emergency relief assistance. Subsection (b) imposes a $5 million annual limitation on emergency relief funding for the territories. The amendments are made retroactive to April 15, 1983, to cover a recent disaster.

The bill also increases the limit on emergency relief grants for each state for each disaster from $30 million to $50 million and increases the limit to $100 million for each state for each disaster occurring in calendar 1986. The bill would also allow the Secretary to reimburse the State of Utah from emergency relief funds to compensate for its use of Interstate 4R funds to repair I-80 which was damaged by flooding of the Great Salt Lake in 1983 in an amount not to exceed $30 million. The reimbursed funds shall only be available for Interstate 4R projects.

Section 120

Vehicle Weight Limitations

The bill provides for two classes of vehicles, a temporary modification of the bridge formula contained in section 127 of title 23, United States Code, so called because it prescribes limitations on axle loadings to prevent undue concentration of weight within overall gross vehicle weight limitations, thus preventing harm to bridges on the Interstate System.

Existing law provides that two consecutive sets of tandem axles may carry a gross load of 34,000 pounds each, providing the overall distance between the first and last axles of such consecutive sets of tandem axles is 36 feet or more. This in effect requires 36 feet between the second and fifth axles on the conventional 18-wheel, five-axle, tractor-semitrailer combination common to the trucking industry. Because of ambiguities in interpretation of the bridge formula since its enactment in the mid-1970's, tank trucks have been acquired and placed in service which, while complying with overall gross vehicle weights, inadvertently would trigger the bridge formula prohibitions when loaded to capacity.

This situation was called to the Committee's attention because of tighter enforcement policies which have been pursued by the Federal Highway administration. In view of the relatively small number of such vehicles, the Committee believes a temporary modification of this requirement—terminating on September 1, 1988—to provide for 30 feet between the axles in question is altogether reasonable. Much the same can be said of freight containers widely used in intermodal transport by truck and ocean-going vehicles. Shorter containers, which occasion the use of vehicles with lesser spacing between the second and fifth axles of five axle vehicles, are in widespread use but are in the process of being phased out in favor of longer containers which will occasion the use of longer trailers which eventually will meet the bridge formula requirements. The Committee has concluded that fairness dictates the inclusion of these vehicles as well.

The bill also provides the definition of ocean container incorporated by reference in the statutory language:

An article of transport equipment:

(a) of a permanent character and accordingly strong enough to be suitable for repeated use;

(b) specially designed to facilitate the carriage of goods by one or more modes of transport, without intermediate reloading;

(c) fitted with devices permitting its ready handling, particularly its transfer from one mode of transport to another;

(d) so designed as to be easy to fill and empty;

(e) having an internal volume of 35.3 ft^3 or more.

The term "freight container" includes neither vehicles nor conventional packing.

Section 121

Tolls

This bill amends section 129(e) of title 23, United States Code, to permit the collection of tolls on Interstate 75, Alligator Alley, in the State of Florida, to be used for repayment of costs incurred by the state and liquidation of indebtedness incurred to finance any cost associated with a feature of the project as recommended by the final environmental impact statement or any revision thereof which the Secretary determines is ineligible for Interstate construction funding.

Section 122

Highway Beautification

Subsection (a)(1) establishes a new program for the control of outdoor advertising which changes the existing program in a number of ways. The changes in current law are as follows:

New section 131(b) strengthens the enforcement provisions and takes away some of the discretion the Secretary now has to not impose sanctions. If a state fails to exercise effective control, the Secretary must reduce that state's Federal-aid highway apportionment by at least 5%, but not more than 10%. The penalty is "mandatory" in the sense that the Secretary no longer will have broad authority to suspend the imposition of the penalty based on a finding of public interest. The Secretary retains the discretion to determine what constitutes a failure to exercise effective control within the guidelines of this section.

The definition of "effective control" (new section 131(c)) is changed by the addition of a new class of exempt signs—"Farm produce signs." This is a limited exclusion to provide an opportunity to farmers to erect on or off premise signs which advertise the sale of their own agricultural products to the public. Such signs are to be "seasonal" or "temporary", and should be allowed only at about the time that the agricultural products being advertised for sale are harvested. A farmer could also advertise a "pick your own" operation.

Also added to subsection (c) are four new provisions: (1) All states must have an annual inventory or permit system (new section 131(c)(2)); (2) The states must ensure that unlawful signs, or signs for which just compensation has been paid, are removed within 90 days (new section 131(c)(3)). This section is intended to result in the expeditious removal of signs which no longer have a right to remain in place. The provision is intended to encourage states that have excessively cumbersome procedures which allow such signs to remain in place for months to develop more efficient methods of operation; (3) The states are required to prohibit clearance of vegetation in front of signs except in conformance with guidelines to be issued by the Secretary (new section 131(c)(4)). Current practice by the Department of Transportation allows too much discretion to the states. Such guidelines should establish procedures for undertaking vegetation control, requirements for landscaping or other aesthetic improvements as a condition of vegetation control, sign owner's assumption of the costs of such vegetation control and landscaping improvements, requirements to maintain safety and traffic flow during the period of such vegetation control and landscaping improvements, and requirements to carry out such control and improvements under the direct supervision of the state or a qualified landscape architect and pursuant to plans and specifications approved by the state. It is intended that vegetation control and landscaping improvement projects shall not detract from the aesthetic qualities of the right-of-way; (4) The states may not allow nonconforming signs to be expanded or to be changed so as to enhance their visibility or useful life. Ordinary maintenance of nonconforming signs may continue, although the current practice of allowing virtually new signs to be erected over a period of years should stop.

The House provision would generally prohibit the erection of any new signs in a commercial or industrial area after July 1, 1987 (new section 131(d)). Current law allows signs to be erected and maintained in zoned and unzoned commercial and industrial areas, in conformance with an agreement between the Secretary and each state. These agreements limit the size, lighting and spacing of permitted signs and define what consitutes an unzoned commercial or industrial area. In order to be allowed, a sign must actually have been in existence before July 1, 1987. Any signs which are erected after July 1, 1987, are excluded from the requirement to receive just compensation. This makes clear that a state need not pay compensation for signs erected after July 1, 1987, even if the state were not to come into compliance until well after July 1, 1987. Further, for highways added to the primary system after July 1, 1987, only signs erected before July 1, 1987, must be compensated upon removal. In spite of the general prohibition on the erection of new signs in commercial and industrial areas *after* July 1, 1987, if a lawful sign which was in existence before July 1, 1987, and located in a commercial or industrial area is removed without compensation. The new sign would still have to comply with the agreement between the state and the Secretary. The trade-off can be accomplished on a statewide or more localized basis, as a state wishes. Trades cannot be made between states. Finally, subsection (d) is amended to prohibit new unzoned commercial and industrial areas from being recognized after July 1, 1987. "Unzoned commercial and industrial areas," for purposes of the Highway Beautification Act are defined in agreements between the Secretary and each state. Only unzoned areas already being used for outdoor advertising will be recognized after July 1, 1987.

Subsection (e) is amended to terminate the requirement to remove nonconforming signs. After October 1, 1988, the decision to remove nonconforming signs would be entirely a state matter. In spite of this subsection, the Secretary should require the removal of signs which were erected in violation of the new requirements added by this Act. Otherwise, a state would be rewarded for being slow about coming into compliance. Thus, for example, signs erected in commercial and industrial areas after July 1, 1987, (except pursuant to new section 131(d)(2)(C) would have to be removed, even if the complying state law were not passed until after July 1, 1987.

Subsection (g) is amended to allow the Secretary and the individual states to agree on a Federal share for just compensation which is less than the current 75%, and to limit the use of salvage material from signs removed with compensation.

Subsection (h) is amended to strengthen to control of signs on Federal lands. Each Federal land owning agency must issue regulations that impose controls at least as stringent as those imposed by the state in which the Federal land is located. Indian reservation lands of the independent Indian Nations would be entirely exempt from the Highway Beautification Act. Each Federal agency must issue implementing procedures within 12 months of the enactment of this section.

To fund the program, the states could use up to ¼ of 1 percent of the total of their Interstate 4R and primary funds for outdoor advertising control. Funds are not authorized to be expended for actions not required or permitted by section 131. For example, Federal funds would not be available to participate in the cost of acquiring any signs erected in commercial and industrial areas on or after July 1, 1987.

The bill strikes the current provision, now numbered section 131(q), as to the restudy of tourist oriented signs. This study was completed long ago, and need not be done again.

The amendments to section 131 would generally become effective on October 1, 1988 (subsection (a)(3)). However, the "Interim Amendments" (subsection (b) of the House Bill), make the provisions dealing with farm produce signs, signs in commercial and industrial areas, funding, and control of signs on Federal lands effective immediately (as spelled out in the Interim Amendments).

Section 123

Bridge Program

The bill increases the amounts set aside for the discretionary bridge program through fiscal year 1991, to carry out section 144(g)(2) of title 23, United States Code, from $200 million to $250 million.

Also the bill would amend section 144(h) of title 23, United States Code, by eliminating from applicability of the General Bridge Act the requirement of Coast Guard Bridge permits for bridges over water which are navigable waters of the United States solely because they are subject to tidal influence. The amendment would exclude applicability of the General Bridge Act for those bridges over waters which are used by recreational boating, fishing, and other small vessels with a length of 21 feet or less.

The bill would modify the rquirement for the Secretary to submit a bridge report to the Congress each year and substitute a requirement that it be submitted biennially along with the Highway Conditions and Performance Report.

The bill amends section 144 of title 23, United States Code, to allow the State of Arkansas to apply for assistance for construction of a highway bridge to replace ferryboat service being provided for motor vehicles on January 3, 1983. The Federal share payable for the construction of any such project is 80 percent. The remaining total costs of deficient bridges in the State of Arkansas will be reduced by the total cost of any highway bridges constructed in the state for replacement of ferryboat service. This adjustment is necessary to preclude diversion of bridge funds from other states.

The provision of law which set in place investment criteria for administering discretionary bridge funds, section 161 of the Surface Transportation Assistance Act of 1982, also contained a provision grandfathering discretionary bridges already eligible for funding under the discretionary program. The Committee intended, as reflected in the Committee's report accompanying the House-passed version of the 1982 Act, that the Acosta Bridge in Jacksonville, Florida, be one such grandfathered bridge. Unfortunately, the Administration has taken a different view.

The bill clarifies that the Acosta Bridge is to be treated as a grandfathered bridge and shall be funded to completion using discretionary bridge funds.

Section 124

Minimum Allocation

The bill allows states to expend one-half percent of their minimum allocation funds (section 157) on transportation planning in urban areas (section 134) and allows states to expend one and one-half percent of their minimum allocation funds (section 157) on research and planning (section 307). The bill also provides that any Federal-aid highway funds withheld for noncompliance of the national maximum speed limit or for noncompliance of the national minimum drinking age laws or any other provision of law shall be treated as having been apportioned in such year to the states in order to determine the amounts allocated under section 157 of title 23, United States Code (minimum allocation), and extends the life of the minimum allocation program permanently.

Section 125

National Bridge Inspection Program

The bill amends chapter 1 of title 23, United States Code, to replace an outdated section and add a new section 151 (National Bridge Inspection Program). The Secretary, in consultation with state highway departments and knowledgeable private organizations and individuals, is required to establish national bridge inspection standards for the proper safety inspection and evaluation of all highway bridges. The Secretary shall establish inspection standards that at a minimum specify the method by which inspections shall be carried out, establish a maximum time period between inspections, establish bridge inspector qualifications, require written bridge inspection reports and inventories for all highway bridges, and establish a national certification procedure for highway bridge inspectors. In cooperation with the state highway departments, the Secretary shall develop a training program to provide assistance to government highway bridge inspectors. The training program shall be revised periodically to take into account new and improved bridge inspection techniques. Federal-aid highway funds under section 104(a), section 307(a) and section 144 of title 23, United States Code, may be used to carry out the national bridge inspection program.

The National Society of Professional Engineers through its National Institute for Certification in Engineering Technologies (NICET) has in place six certification programs for highway engineering technicians that were developed in cooperation with FHWA and AASHTO. A new NICET certification program entitled, "Bridge Safety Inspection", which is in the final stages of development, could serve as a valuable foundation for public and private sector initiatives.

This NICET Bridge Safety Inspection certification is job task specific and nationally applicable with a significant written examination component that can be used to determine specific training needs.

The bill also provides two conforming amendments to chapter 1 of title 23, United States Code, to add section 151 to the analysis for chapter 1 of such title and to amend section 116 to shift requirements under the new bridge inspection program to this section.

Section 126

Income from Rights-of-way

This section provides that the net income a state receives after September 30, 1987, from the use, lease, or sale of right-of-way airspace acquired using Federal assistance from the Highway Trust Fund (other than the Mass Transit Account) shall be used for projects under chapter 1 of title 23, United States Code.

Section 127

Strategic Highway Research Program

This section amends section 307 of title 23, United States Code, to establish a strategic highway research program. The Secretary, in consultation with state highway and transportation officials, shall establish a program to carry out research development and technology transfer activities strategically important to the national highway transportation system. The Secretary shall make grants, enter into cooperative agreements, and make advance payments to carry out the strategic highway research program. Federal-aid highway funds are set aside for fiscal years 1987 through 1991, not to exceed ¼ of one percent of the funds authorized for the Federal-aid highway systems, and the Interstate highway transfer program, the bridge replacement and rehabilitation program, the elimination of hazards of railroad-highway crossings under section 203 of the Highway Safety Act of 1973, and the elimination of hazards under section 152 of title 23, United States Code. Interstate construction and 4R funds set aside for the strategic highway research program are available on October 1 of the fiscal year preceding the fiscal year for which such sums are authorized. The strategic highway research program funds are available for the fiscal year in which they are made available and a period of three years following the fiscal year for which funds are made available.

Section 128

Wildflowers

This section would require that not less than one-fourth of one percent of Federal-aid funds expended by a state in any fiscal year for landscaping be expended for the planting of native wildflower seeds and seedlings. The requirements of this section may be waived if wildflowers cannot be grown satisfactorily or planting areas are limited.

Section 129

Technical Amendments

Subsection (a) of this section contains a series of purely technical amendments to the Surface Transportation Assistance Act of 1982 (STAA). Paragraph (1) corrects a reference to title 23 in the Surface Transportation Assistance Act of 1982. Paragraph (2) changes the second section 126 of the STAA (Bicycle Transportation) to section 126A to avoid having duplicative section numbers. Paragraph (3) strikes out "(a)" the first place it appears in section 133 of the STAA (Vehicle Weight, Length, and Width Limitations) as there is no subsection (b) to section 133. Paragraph (F4) corrects the reading of section 163 of the STAA (Use of High Occupancy Vehicle Lanes). Paragraph (5) is a technical amendment to section 165 of the STAA. Paragraph (6) treats boat haulers and automobile carriers equally under section 411(d) of the STAA.

Subsection (b) contains a series of purely technical amendments to title 23, United States Code. Paragraph (1) updates the analysis for chapter 1 of title 23 relating to sections 127 (Vehicle Weight Limitations) and 146 (Carpool and Vanpool Projects). Paragraph (2) is a technical amendment to correct a phrase and properly reference the definition for a "forest road or trail" under section 101(a). Paragraph (3) strikes out a redundant provision of section 120(f) of title 23 providing a 100% Federal match for emergency relief projects on Federal lands highways. Paragraph (4) contains a change to the first sentence of section 122 of title 23 (Payments to States for bond retirement) to conform to a change in the same sentence made by the STAA. Paragraph (5) amends section 125 of title 23 (Emergency relief) to eliminate inappropriate references to a Federal-aid program structure contained in the Senate-passed version of the STAA which was dropped in conference. Paragraph (6) adds language to section 144 of title 23 (Bridge replacement and rehabilitation) restoring provisions inadvertently omitted to provide a normal 4-year period of availability for apportioned bridge funds with provision for reapportionment of funds not obligated within the period of availability. Paragraph (7) amends section 204(b) of title 23 (Federal lands highways program) to add mention of the Secretary of Transportation inadvertently omitted in the second sentence.

Subsection (c)(1) amends section 104 of the Marine Protection, Research and Sanctuaries Act of 1972 (as added by section 424 of the STAA) to add the phrase "to ———", which was inadvertently omitted.

Subsection c(2) would correct an error in the Commercial Motor Vehicle Safety Act of 1986. Subsection (d) would codify section 111 of the STAA (Vending Machine) in title 23 and eliminate a cutoff date of October 1, 1983, inadvertently included in section 111 which imposes a time restriction on the placement of vending machines in rest and recreation areas in rights-of-way of the Interstate System.

Subsection (e) would amend Pub. L. 98-229 to permit the State of Maryland to transfer up to $100 million of its Interstate construction funds to rehabiliate the Jones-Falls Expressway in Baltimore, subject to certain conditions, rather than exactly $100 million as provided by existing law.

Subsection (f) is a technical amendment to exempt the construction of park roads or parkways from the application of section 303(c) of title 49 and section 138 of title 23, United States Code.

Subsection (g) repeals several outdated provisions of title 23, including section 211 (relating to timber access road hearings), 213 (relating to Rama Road), 219 (relating to safer off-system roads), and 322 (relating to demonstration project-rail crossings), and two other provisions of law, section 119 of the Federal-Aid Highway Amendments of 1974 (relating to bikeway demonstration program) and section 141 of the Federal-Aid Highway Act of 1978 (relating to bicycle program).

Subsection (h) updates references of the Federal-aid highway systems in section 123 of title 23, United States Code.

Subsection (i) provides a technical exception to section 111 of title 23, United States Code, for State Police Barracks in Quincy, Massachusetts.

Section 130

BUY AMERICA

This section reinstates cement under the Buy America provision of the Surface Transportation Assistance Act of 1982 as regards all foreign cement porduced in North America.

This section also increases the domestic content requirement from 50 percent to 85 percent for rolling stock acquired under the Urban Mass Transportation Act and increases the bid price differential for foreign manufacturers from 10 percent to 25 percent. However, the 85 percent domestic content requirement does not apply to procurements made pursuant to contracts entered into before January 6, 1987.

The Committee has taken this action because of its concern that there is existing overcapacity in the rolling stock manufacturing industry. Further entrants into this market would exacerbate the problem of overcapacity and lead to a loss of further jobs in the domestic rolling stock industry. The Committee also notes that foreign countries with rolling stock manufacturers typically have domestic preference requirements which exclude American manufacturers from selling in those countries.

Section 131

Implementation of Certain Orders

This section provides that in implementing any sequestration order issued by the President (pursuant to Pub. L. 99-177) which specifies a percentage reduction in funding for the Federal-aid highway, mass transit and highway safety programs, the Secretary of Transportation shall apply such percentage reduction equally to each highway, mass transit and highway safety program or project for which budget authority is provided by this Act or amendment, notwithstanding the identification in the program and financing schedule contained in Appendix to the Budget of the United States Government.

Section 132

Project Eligibility

Subsection (a) provides that a project on the Interstate System in Boston, Massachusetts, for the depression of the Central Artery and construction of the Third Harbor Tunnel consisting of four lanes is deemed to be eligible for construction with Interestate construction funds. The cost to complete such project shall be included in the 1985 Interstate Cost Estimate and any other ICE submitted to the Congress by the Secretary.

Subsection (b) provides that prior to the apportionment of Interstate construction funds in fiscal years 1987, 1988, and 1989, the Governor of Massachusetts and the Secretary may mutually agree on an obligation schedule for the project and transfer the balance of funds that would otherwise be apportioned to Massachusetts to Interstate construction discretionary fund.

Section 133

Park and Ride Lots

This section authorizes Federal participation in the construction of four park and ride facilities and direct access connectors between such facilities and HOV lanes being constructed on Interstate 95 in the vicinity of Fort Lauderdale, Florida. Federal participation in the cost of the park and ride and related facilities would be limited to $84 million, which is a reduction of about $20 million in the estimated Federal cost of the facilities as reflected in the approved 1985 Interstate Cost Estimate. This reduced cost of $84 million would be included in any further ICE. The State of Florida is authorized to use Interstate 4R funds to cover any cost of the facilities in excess of $84 million.

Section 134

Planning Design and Construction

This section provides that the State of Arkansas may use Interstate System funds apportioned to it for the planning, design and construction of U.S. 71 in Arkansas from I-40 to the Missouri line as a four-lane facility. Since Arkansas is one of several states to have received the minimum one-half of one percent of Interstate System authorizations provided by law, the effect of this provision is to place this project on an equal footing with Interstate 4R work in use of the State's apportionment.

Section 135

Transfer of Interstate Lanes

Subsection (a) provides that the costs included in the 1985 Interstate Cost Estimate for high occupancy vehicle (HOV) lanes on the Harbor Freeway in Los Angeles County, California, are to remain eligible for Interstate construction funds that the cost to complete such HOV lanes are to be included in any future Interstate Cost Estimate (ICE) unless such lanes are transferred under subsection (c).

Subsection (b) authorizes the transfer of amounts included in the Interstate Cost Estimate for HOV lanes on the Harbor Freeway to a substitute transit project for construction of a fixed guideway system on or adjacent to the Harbor Freeway.

Subsection (c) provides that upon the approval of any substitute transit project, funding for such fixed guideway project shall come from general revenues of the Treasury in a sum equal to the Federal share included in the latest ICE approved by Congress for the HOV lanes on the Harbor Freeway.

Subsection (d) extends the deadline of September 30, 1986, for substitute projects to be under construction or under contract for construction three years in the case of a transfer of the HOV lanes authorized under subsection (b). In order to comply with the required deadline extension, sufficient Federal funds must be available for the substitute transit project.

Subsection (e) requires the administration of the transfer of the HOV lanes on the Harbor Freeway under the provision of section 103(e)(4) of title 23, United States Code, except that the requirement of Secretarial approval of any withdrawals and substitute projects by September 30, 1983, do not apply, the prohibition against withdrawal of certain statutory designated segments do not apply, and the Federal Highway Administration is required to administer this section. The Federal share of the substitute project shall be as provided by section 120(c) of title 23, United States Code.

Subsection (f) defines the eligible Interstate lanes subject to transfer under this section.

Section 136

Modification of Interstate Transfer Concept Plans

Subsection (a) allows the Governor of the State of Maryland to request modifications to their Interstate substitution concept plan with respect to the withdrawal of Interstate Route I-83 in the city of Baltimore. The State of Maryland may include a substitute highway project in the concept plan to complete the National Freeway in Western Maryland. The State of Maryland may further modify the concept plan to include substitute projects that serve the urbanized area from which the Interstate route has been withdrawn.

Subsection (b) allows the State of Connecticut to request modifications to their Interstate substitution concept plan to include substitute highway and mass transit projects to serve the transportation needs of the urbanized area from which the Interstate route has been withdrawn.

Subsection (c) allows the Governor of Massachusetts to request modifications to Massachusetts' Interstate substitution concept plan to include a primary system segment in the vicinity of Acton, Concord, Lincoln and Lexington, Massachusetts, and other substitute highway and transit projects serving the area from which the interstate route was withdrawn as the Governor may request.

Subsection (d) requires the Secretary to approve a request for modifications of the Interstate transfer concept plans upon the request of the Governor of the State of Maryland, Connecticut or Massachusetts under subsection (a), (b), or (c) provided the request for modifications is submitted to the Secretary prior to September 30, 1987, and the modifications do not increase the amount of funds available to the Secretary to incur obligations from the Federal share of substitute projects under the transfer concept plan.

Subsection (e) provides that the modifications to the transfer concept plans for the States of Maryland, Connecticut or Massachusetts, upon approval, shall be deemed to have met the September 30, 1983, deadline for approval of substitute projects.

Section 137

Payback

Under section 103(e)(7) of title 23, United States Code, in any case where the withdrawal of an Interstate route under section 103(e)(4) of title 23 occurred after November 6, 1978, the state under certain circumstances is required to pay back to the Federal government an amount equivalent to the amount of Federal funds expended on the route for right-of-way acquisition. The amount paid back is then recredited to the unobligated balance of the state's Interstate construction apportionment.

With the withdrawal of I-478 in New York, commonly known as the Westway project, the State of New York zeroed out its costs to complete the Interstate System. Section 138 provides that any amounts repaid on account of I-478 expenditures are to be recredited to the state's primary apportionment, rather than its Interstate construction apportionment which the state by law would be prohibited from using and which eventually would lapse.

Section 138

Expenditure of Funds in Virgin Islands

This section would prohibit the expenditure of Federal highway funds under project agreements approved after January 1, 1986, for the planning, design and construction of a highway in Charlotte Amalie, Virgin Islands, extending eastward from the Windward Passage Hotel paralleling the existing waterfront and requiring extensive landfill along the waterfront.

Subsection (b) requires the Secretary, in cooperation with the Virgin Island Department of Public Works, to review existing studies to determine the most feasible alternatives to the construction of the highway and report to Congress within 180 days on the results of the review.

Section 139

Exemption from Right-of-Way Restriction

This section authorizes the continued operation of a duty-free liquor store currently owned by Can-Am Warehouse Company, located in part on the right-of-way of Interstate Route 94 in Michigan and in the vicinity of the interchange of I-94 and Michigan State Route 25, in Port Huron area. Expansion and renovation of the Blue Water Bridge Plaza have brought the facility under the provisions of section 111 of title 23, United States Code, which prohibits certain commercial establishments on right-of-way on the Interstate System, creating the need for this amendment to permit continued operation of the facility. This provision does not affect any lease arrangement between the Can-Am Warehouse company and the Michigan Department of Transportation.

Section 140

Donation of Lands

This section provides that the value of any lands that are donated or dedicated to the State of California for the construction or relocation of State Route 73 between I-405 and I-5 in Orange County shall be credited toward the non-Federal share of such project. The remainder shall be credited to the non-Federal share of other projects in five California counties.

It is anticipated that the Route 73 realignment and extension may be constructed in phases. It is therefore the intent of the Committee that any excess credit accumulated as result of the donation of the right-of-way for initial phases of the project be applied to other projects in the region only after determination by the California Transportation Commission that the value of the right-of-way donation satisfies the non-Federal share of the full Route 73 project.

A project such as this one can have considerable impact on the municipalities benefitting from the transportation improvements provided. The Committee therefore believes that such municipalities, including certain cities located along the coast line, should have their views with respect to project alignment and design taken into account through the environmental assessment process, consistent with the fundamental objectives of the highway project.

Section 141

Shirley Highway Traffic Restrictions

This provision continues the demonstration project authorized in Public Law 98-205, as it concerns Shirley Highway by continuing the HOV restrictions from the hours of 6-9 a.m. Northbound, and 3:30-6:00 p.m., Southbound, Monday through Friday. Further, this provision mandates the use of these HOV lanes at all times by motorcycles.

Section 142

Railroad Relocation Demonstration Program

This section extends the authorizations for railroad-highway crossing demonstration projects for fiscal years 1987 through 1991 with "such sums as may be necessary." Also, there is made available out of the Highway Trust Fund (other than the Mass Transit Account) contract authority not to exceed $5 million for fiscal year 1987, for acquisition of rights-of-way, construction of a temporary bypass, the initial construction to depress rail lines for the railroad relocation demonstration project in Carbondale, Illinois. The funds made available for this project shall remain available until expended and shall not be subject to any obligation ceiling.

Section 143

Maintenance of Certain Railroad-Highway Crossings

This section provides for a demonstration project in the Northeast for the systematic inspection and service of protective devices at railroad-highway crossings over which the Consolidated Rail Corporation operates. The term "protective devices" as used in this section is to mean crossings with either flashing light signals or automatic gates or both. The demonstration project is to reimburse the Consolidated Rail Corporation for 50 percent of the cost it incurs for the inspection and servicing of such protective devices. Funds to carry out this section are authorized based on the relative railroad-highway crossings over which ConRail operates rail vehicles and the number of crossings with protective devices within each state. The successful implementation of this demonstration project will provide important data for the section 213 study and could serve as a model for the railroad-highway crossing program after the existing section 203 funds expire at the end of fiscal year 1991.

Each of the states which participate in this demonstration project under this section shall report to DOT by June 30, 1991, the results of such projects and the effectiveness of such projects in improving the safety at railroad-highway crossings. The Secretary shall submit a report to the Congress no later than September 30, 1991, of the same nature.

There is authorized to be appropriated to the Secretary to carry out this section $4.5 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991, out of the Highway Trust Fund (other than the Mass Transit Account).

Section 144

Projects

Subsection (a) describes projects authorized under this section.

Paragraph (1) authorizes the demonstration of the manner in which design and construction of a highway project in Passaic County, New Jersey, can be accelerated using procedures adopted to carry out section 141 of the Federal-Aid Highway Act of 1976 and established pursuant to section 129 of the Surface Transportation Assistance Act of 1982. The Committee intends that this project be carried out on Route 21 in Passaic County, New Jersey. The final report on the project should explain the time savings, give a description of the procedures used to accelerate design and construction, indicate how the techniques differed from those used on the project authorized by section 141 of the Federal-Aid Highway Act of 1976, and provide an analysis of the costs and benefits of the accelerated completion.

The Committee intends and expects the project to be completed within a construction schedule which will result in cost and time savings. In order to insure the immediate construction of this badly-needed project, this project need not comply with Federal-aid highway project procedures which have been established administratively. Also, in order to accomplish the objectives of the demonstration project, all procedures and regulations not founded on statutory requirements are subject to waiver if considered to be in the public interest. In line with the Council on Environmental Quality (CEQ) guidelines and in an effort to streamline the environmental processing, a short and concise EIS shall be developed with the assistance of Federal Highway Administration environmental specialists.

Paragraph (2) authorizes a highway project in Brick Township, New Jersey, to demonstrate methods of improving traffic operations and reducing accidents at a high volume rotary intersection and a highway project on a route connecting to another rotary intersection in Wall Township, New Jersey.

Paragraph (3) authorizes a highway project on Route 219 in the vicinity of Johnstown, Pennsylvania, to demonstrate methods by which such project enhances highway safety and economic development in an area of high unemployment. Additional authorizations are provided under subsection (d).

Paragraph (4) authorizes a highway project to demonstrate the economic growth and development benefits of widening and improving traffic signalization of a heavily traveled segment of the Federal-aid urban system connecting a community college and a large commercial center in the City of Fort Smith, Arkansas.

Paragraph (5) authorizes a project to demonstrate the economic and safety benefits of constructing a grade separation between a railroad line and a highway at 21st Street in Moorhead, Minnesota, and of reconstructing two deteriorated segments of Route 2, where it passed through Fosston and Bagley, Minnesota.

Paragraph (6) authorizes a project to demonstrate methods of improving traffic flow on State Highway 22 between Interstate Route 75 and U.S. Route 127 in Northern Kentucky.

Paragraph (7) authorizes a demonstration project in the vicinity of the Ontario International Airport in San Bernardino County, California, to demonstrate methods of improving highway access to an airport projected to incur a substantial increase in traffic.

Paragraph (8) authorizes a project to allow for the comparison of various advanced delineation techniques to close a gap on Route 220, which runs between Altoona and Tyrone Borough in Blair County, Pennsylvania.

Paragraph (9) authorizes preliminary engineering, design, and initial right-of-way acquisition and relocation activities for a 3-mile extensions of limited access highways connecting to the northern and southern termini of I-49 in Lafayette and Shreveport, Louisiana.

Paragraph (10) authorizes preliminary engineering and design of a highway project to demonstrate the most cost-effective method of improving Interstate access for passengers and cargo moving to and from the Port of Miami, Florida.

Paragraph (11)(A) authorizes preliminary engineering, design, right-of-way acquisition, relocation activities and initial construction in connection with a project to demonstrate methods of improving highway safety and accelerating reconstruction of a two-lane segment of U.S. 71 between its junction with I-40 and I-540 in the vicinity of Fort Smith, Arkansas, and the boundary between the States of Arkansas and Missouri as a four-lane facility.

Paragraph (11)(B) authorizes preliminary engineering, design, right-of-way acquisition, relocation activities and initial construction in connection with a project to demonstrate methods of improving highway safety and accelerating reconstruction of a two-line segment of U.S. 71 between the boundary between the States of Arkansas and Missouri and the vicinity of Carthage, Missouri, as a four-lane facility.

Paragraph (12) authorizes a highway project in the vicinity of Sanford, Florida, to demonstrate methods of reducing costs and expediting construction of an interchange in the vicinity of Route 46A and an Interstate route by contracting with a private business to design and construct the project.

Paragraph (13) authorizes a project in the vicinity of San Jose and Santa Clara, California, to demonstrate a unified method of reducing traffic congestion where a highway intersects with two other highways in a railroad crossing in a one-quarter-mile segment.

Paragraph (14) authorizes a demonstration project in the vicinity of the C&O Canal in the District of Columbia for the purpose of substantially improving vehicle access at a major traffic generator without decreasing the efficiency of a Federal-aid primary highway. Georgetown University would dedicate at least 2.5 acres of land as a scenic easement.

Paragraph (15) authorizes a highway grade separation project on a route on the Federal-aid urban system in the vicinity of Compton, California to demonstrate methods of relieving traffic congestion and enhancing economic development.

Paragraph (16) authorizes a highway project to demonstrate methods by which construction of a grade separation for a railroad crossing of a primary highway, enhances urban redevelopment and the effectiveness of a planned transportation center in Modesto, California.

Paragraph (17) authorizes the Secretary to provide for preliminary engineering, design, utility relocation, land acquisition and initial construction in connection with a highway project for construction of two additional lanes on a two-lane, 106-mile highway on the Federal-aid primary system which begins in the vicinity of Columbia, Missouri, and ends in the vicinity of Lancaster, Missouri. This project will demonstrate methods of improving highway safety, reducing traffic congestion and encouraging economic development.

Paragraph (18) authorizes a highway project to demonstrate the advantages of joint development and use of air rights in the construction of a deck over a depressed portion of I-93 in East Milton, Massachusetts.

Paragraph (19) authorizes a highway project in the vicinity of Fairhope and Foley, Alabama, to demonstrate methods of accelerating the widening of a high volume segment of a primary highway necessary for rapid evacuation of individuals during emergency weather conditions.

Paragraph (20) authorizes a highway project in Campbell County, Kentucky, to demonstrate the economic benefits to a port facility, industrial complex, and foreign trade zone, and methods of enhancing highway safety, by reconstruction of a two-lane segment of Kentucky Route 9 connecting Interstate 75 with a port facility as a four-lane highway.

Paragraph (21) authorizes a highway project to demonstrate the safety benefits of providing additional and improved vehicular passing opportunities on, adding truck climbing lanes to, and straightening a 50-mile segment to Route 20, in Jo Daviess and Stephenson Counties, Illinois.

Paragraph (22) authorizes a highway project to eliminate an at-grade rail-highway crossing on Basin Street in Allentown, Pennsylvania, and to replace it with a separate crossing. Currently, 26 trains a day cross Basin Street, a major thoroughfare traveled by over 20,000 cars daily. The project shall be carried out in such a way as to reduce traffic delays for both rail and motor vehicle traffic and to minimize the impact on the surrounding urban environment.

Paragraph (23) authorizes a highway project to demonstrate methods of improving safety on Highway 86 in Riverside County, California, designated as a priority primary route.

Paragraph (24) authorizes improvements to Fuhrman Boulevard, an access road which parallels Lake Erie along the outer harbor in the City of Buffalo. This project is designed to demonstrate methods of stimulating the reuse of Buffalo's waterfront by construction of a new connector off Buffalo's central business district and will foster new regional recreational, residential and commercial development.

Paragraph (25) authorizes a highway project to replace a ramp which provides access to an industrial area in Cleveland, Ohio, to demonstrate the relationship between infrastructure improvement and economic vitality.

Paragraph (26) directs the Secretary to carry out a project for the construction of a bridge to cross the Tennessee River in Lauderdale and Colbert Counties, Alabama, in the vicinity of Patton Island between O'Neal Bridge and Wilson Dam, for the purpose of demonstrating methods of improving highway transportation and enhancing economic development.

Paragraph (27) authorizes a highway project to upgrade an east-west state route between Port Clinton and Toledo, Ohio, for the purpose of demonstrating methods of improving traffic flow between a recreational area and a metropolitan area.

Paragraph (28) authorizes three highway projects in Chicago, Illinois: (A) to rehabilitate a drawbridge over the north branch of the Chicago River and realign an adjacent intersection which will demonstrate the latest innovative bridge repair techniques on a bascule bridge; (B) to remove and replace an existing bridge on Lake Shore Drive in the Jackson Park Historic District and the Midway Plaissance with a new bridge in the same location and to widen the approach road to such bridge which will demonstrate the historic recreation of a national register bridge and replacement of a deteriorated bridge; and (C) to carry out a highway project between Chicago Avenue and Clayburn Avenue to divest a bridge over Goose Island which will demonstrate methods of reducing municipal and Federal burdens for rehabilitation and maintenance of a surplus highway facility.

Paragraph (29) directs the Secretary to carry out two highway projects for the widening and resurfacing of Northline Road and Ecorse Road in Wayne County, Michigan, to demonstrate the contributions which such improvements can provide in terms of safety and economic vitality in a depressed area characterized by both industrial and residential activity.

Paragraph (30) authorizes seven highway projects in Cook County, Illinois: (A) to carry out a highway project which demonstrates methods of utilizing a low cost alternative to reconstruction of a one-mile segment of an east-west road between Nagel and Oak Park Avenues, Chicago, Illinois, which is deficient due to soil conditions; (B) to construct three parking facilities adjacent to the Rock Island commuter rail lines in Southwest Chicago, Illinois, which will demonstrate the effectiveness of construction of parking facilities in relieving on street parking congestion and unsafe parking practices; (C) to carry out a highway project in Oak Lawn, Illinois, which demonstrates methods of improving highway safety by widening and resurfacing a four-lane major arterial with lane widths which are less than minimum state and Federal standards; (D) to carry out a highway project which demonstrates methods of improving highway safety and access to a segment of the Interstate System by reconstruction of a congested major arterial in Calumet Park and Blue Island, Illinois; (E) to construct the first level of a two level addition to an existing park and ride facility in the vicinity of Cumberland Station on the O'Hare Rapid Transit Line, Chicago, Illinois, which will demonstrate methods of reducing commuter traffic and traffic congestion and increasing utilization of available capacity on a rapid transit line; (F) to carry out a highway project to demonstrate the benefits of utilizing precast, prefabricated concrete structural segments in the reconstruction of an elevated road on Western Boulevard in the southwestern portion of Chicago, Illinois, in order to minimize traffic disruption during the reconstruction; and (G) to carry out a highway project for the construction of two park/ride lots at sites where future stations are to be located on the Southwest Rapid Transit Line in Chicago, Illinois, and to which buses now provide mass transit service. Such project shall be carried out before the beginning of service on such rapid transit line in order to demonstrate methods of facilitating the transfer of passengers between different modes of transportation and of establishing ridership before the opening of a rapid transit line.

Paragraph (31) authorizes a highway project on a north-south route on the Federal-aid primary system in Kansas City, Missouri, to demonstrate methods by which construction of the first and southern-most phase of a 5-phase highway project will facilitate construction of the full 5-phase project.

Paragraph (32) authorizes the upgrading of a two-lane primary highway in Kentucky, Route 461, as a major access highway to South Fork River and Recreation Area and to upgrade the existing traffic corridor which includes Interstate 75 and Route 27. This project will demonstrate methods of improving highway safety and traffic congestion problems and methods of improving access to a natural river and recreation area.

Paragraph (33) authorizes the construction of an interchange between a highway on the Interstate System, I-35, and a county highway in the vicinity of Pine City, Minnesota, to demonstrate methods of enhancing economic development and improving highway safety and traffic flow.

Paragraph (34) authorizes the reconstruction of a two-lane bridge across the Salinas River in Paso Robles, California, to demonstrate methods of enhancing highway safety and economic development.

Paragraph (35) authorizes the widening and renovation of the Sunrise Highway from Wheeler Road to Veterans Memorial Highway in the Town of Islip, Suffolk County, New York, to demonstrate techniques to accelerate upgrading of an existing highway to freeway standards with minimum disruption of traffic.

Paragraph (36) authorizes the construction of two highway projects in the State of Connecticut. The State shall use the latest construction techniques in reconstructing Old Turnpike Road in the vicinity of Southington and modify the horizontal and vertical alignment of Main Street south of Kent Center to demonstrate methods of solving safety and flooding problems.

Paragraph (37) authorizes a highway project to construct a bridge across the Toms River in the Township of Dover, New Jersey, to demonstrate methods of reducing traffic congestion on an existing bridge and facilitating the redevelopment of the central business district in the Township of Dover, New Jersey.

Paragraph (38) authorizes a highway project in Los Angeles County, California, to demonstrate methods of improving vehicular circulation related to the intermodal transportation of port related traffic and to alleviate congestion caused by increased port activities.

Paragraph (39) authorizes preliminary engineering and design for a highway project on the Southern Expressway in Allegheny County, Pennsylvania, to demonstrate methods of improving economic development and airport terminal placement.

Paragraph (40) authorizes a highway project in Steuben County, New York, to demonstrate the extent to which the economy of an industrialized high unemployment area can be improved by completion of key elements of a modern, grade-separated access controlled highway which serves the area.

Paragraph (41)(A) authorizes a highway project in Sonoma County, California, to demonstrate the extent to which traffic congestion is relieved by reconstruction of State Route 12 between Santa Rosa and Petaluma.

Paragraph (41)(B) authorizes the acquisition of right-of-way for the construction of high occupancy vehicle lanes adjacent to State Route 101 between San Rafael and Healdsburg, California, to demonstrate the extent to which traffic congestion is relieved on State Route 101.

Paragraph (42) authorizes the reconstruction of an access road to Voyageurs National Park, Minnesota, to demonstrate methods of enhancing use of a national park and reducing traffic congestion.

Paragraph (43) authorizes a highway project for replacing an existing functionally obsolete bridge across the Savannah River in Savannah, Georgia, with a modern, high-level structure to demonstrate methods of improving safety and the free flow of both vehicular and waterborne traffic, including traffic related to national defense.

Paragraph (44) authorizes a highway project to construct a two-lane highway between the Township of New Sewickly, Pennsylvania, and the Borough of Conway, Pennsylvania, to demonstrate methods of accommodating increasing truck traffic and improving highway safety.

Paragraph (45) authorizes a highway project to upgrade a 1.3 mile access road to the Johnstown Flood National Memorial in the vicinity of Croyle Township, Pennsylvania, to demonstrate methods of improving public access to a flood memorial.

Paragraph (46) authorizes a highway project in Lawrence, Massachusetts, for the construction of a service road which provides access between Massachusetts Avenue and Merrimack Street substantially along an alignment located between the Shawsheen River and an Interstate route to demonstrate methods of enhancing the benefits of an economic rehabilitation project under construction by construction of a service road.

Paragraph (47) authorizes four highway projects in Baton Rouge, Louisiana: (A) to demonstrate the benefits of reducing traffic in the immediate vicinity of a split-diamond interchange which connects an east-west highway on the Interstate System, two 4-lane highways not on the Interstate System, and a 2-lane highway not on the Interstate System by providing a direct exit lane from the Interstate System; (B) to demonstrate the benefits of reducing traffic congestion in the immediate vicinity of a convergence of an east-west highway and a north-south highway on the Interstate System by construction of an additional lane; (C) to study the most cost-effective methods of reducing traffic congestion in the immediate vicinity of (i) a diamond interchange which connects an east-west highway on the Interstate System and 4-lane highway not on the Interstate System, and (ii) a nearby intersection of such 4-lane highway and a 2-lane service road; (D) to demonstrate the efficacy of reducing traffic congestion and improving traffic flow in the immediate vicinity of a highway on the Interstate System to connect such highway to a metropolitan airport terminal access road by construction of a direct access off-ramp link.

Paragraph (48) authorizes a highway project in Minden, Louisiana, to demonstrate methods of enhancing economic development by construction of a frontage road which provides Minden, Louisiana, alternative access to a highway immediately connecting to a highway on the Interstate System.

Paragraph (49) authorizes a project for research, development and implementation of a computerized transportation management system to assist the City of Anaheim, California, and adjoining jurisdictions in managing highway traffic congestion caused in part by an Interstate route passing through an area of concentrated population and commercial development to demonstrate the usefulness of such a system in reducing traffic congestion.

Paragraph (50) authorizes a highway project connecting the Isle of Palms, South Carolina, to the mainland to demonstrate the reduction in traffic congestion, improved emergency preparedness, and increased accessibility to a sea island by construction of a high-level fixed span bridge over a high-volume intracoastal waterway segment.

Paragraph (51) authorizes a highway project to demonstrate methods of improving highway safety by making improvements to a road providing direct access from the Fort Campbell Military Reservation to the City of Clarksville, Tennessee.

Paragraph (52) authorizes a highway project to reconstruction and rehabilitate a highway between Shenandoah and Clarinda, Iowa, to demonstrate methods by which improved highway transportation in an economically depressed rural area will increase economic activity in the rural area.

Paragraph (53) authorizes a highway project to expand a highway which connects with an Interstate route in the vicinity of Oceanside, California, with another Interstate route in the vicinity of Escondido, California, to demonstrate methods of reducing traffic congestion and accidents.

Paragraph (54) authorizes a highway project for preliminary engineering and design to construct a bypass highway to connect an east-west Interstate route in St. Charles County, Missouri, with the Interstate beltway around St. Louis, Missouri, to demonstrate methods of alleviating traffic congestion, especially commuter traffic congestion.

Paragraph (55) authorizes a highway project for construction of four grade separations on a four-lane bypass route in the vicinity of Jonesboro, Arkansas, to demonstrate methods of improving highway safety.

Paragraph (56) authorizes the construction of three highway projects in Illinois: (A) to reconstruct a segment of approximately 1.4 miles of a state route connecting to an Interstate route in the vicinity of Mt. Vernon, Illinois, to demonstrate methods of improving highway safety; (B) to upgrade a principal route through the village of Evansville, Illinois, to demonstrate methods of improving traffic flow; and (C) to improve a road leading to landmark in the vicinity of Alto Pass, Union County, Illinois, to demonstrate the methods of improving access to such a landmark and of enhancing tourism.

Paragraph (57) authorizes a highway project between Concord, California, and West Pittsburgh, California, to demonstrate methods of improving highway safety and traffic flow by lowering the grade of, realigning, and widening an existing highway on the Federal-aid primary system.

Paragraph (58) authorizes a highway project in Atlanta, Georgia, to demonstrate methods of improving highway safety and reducing traffic accidents by reconstruction of a 3.8 mile segment of Peachtree Industrial Boulevard between Interstate Route I-285 and the fork of Georgia State Route 141 as a 6-lane controlled access freeway with one-way frontage roads in each direction.

Paragraph (59) authorizes a highway project to reconstruct a highway on the Federal-aid primary system between Open Fork Road and Road Fork of Big Creek Road in Pike County, Kentucky, to demonstrate methods of improving highway safety in a mountainous area.

Paragraph (60) authorizes a highway project to demonstrate the economic growth and development benefits of reconstructing a segment of road in Madison County, Illinois, which serves a high-growth industrial area.

Paragraph (61) authorizes a highway project to extend a highway on the Appalachian development highway system between River View in Erwin, Tennessee, and Sam's Gap on the North Carolina-Tennessee border to demonstrate methods of improving transportation in a mountainous area.

Paragraph (62) authorizes a highway project for the construction of a parkway connecting to an Interstate route, in accordance with the recommendations to the New River Parkway Authority, in the vicinity of New River, West Virginia, to demonstrate the benefits to recreation, tourism, and industrial, economic and community development.

Paragraph (63) authorizes a highway project for the construction of approximately 30 miles of a two-lane road on the Federal-aid primary system between Kitanning and Brookville, Pennsylvania, to demonstrate cost-effective methods of improving rural highways to accommodate wider and longer trucks.

Paragraph (64) authorizes preliminary engineering and design for the construction of a highway connecting Aurora-Hoyt Lakes and Silver Bay, Minnesota, to demonstrate methods of reducing traffic congestion in and around a recreational area.

Paragraph (65) authorizes preliminary engineering and design for the reconstruction of the Chelyan Bridge in Kanawha County, West Virginia, to demonstrate methods of improving traffic flow in a rural area.

Paragraph (66) authorizes the construction of a road on an east-west Federal-aid primary route which connects Manteo and Whalebone, North Carolina, and traverses Roanoke Sound to demonstrate methods of improving tourism, commercial enterprise, and water and highway transportation.

Paragraph (67) authorizes the construction of a controlled access freeway which connects Interstate Route I-55 in the vicinity of Morton, Illinois, to demonstrate methods of improving highway safety and reducing traffic congestion.

Paragraph (68) authorizes the construction of an interchange which connects Interstate route I-80 and Sparks Boulevard in the City of Sparks, Nevada, to demonstrate methods of improving economic development and diversification, and eliminating traffic and highway safety hazards.

Paragraph (69) authorizes the Secretary to make a grant for construction of a ground access highway project to the Burbank-Glendale-Pasadena airport, California, to the airport authority to demonstrate methods of coordinating construction of ground access to an airport and construction of terminal and parking facilities at such airport.

Paragraph (70) authorizes preliminary engineering and design for a highway project to increase the capacity of a tunnel in the vicinity of an airport serving El Segundo, California, to demonstrate methods of mitigating increased traffic congestion which is projected to result from completion of a segment of the Interstate System.

Paragraph (71) authorizes preliminary engineering and design, environmental analysis, and implementation of environmental mitigation measures for a highway project to demonstrate methods of improving access to, and alleviating congestion on the Nimitz Freeway and its access roads, including access roads from Oakland International Airport and Alameda Island, California.

Paragraph (72) authorizes the construction of a north-south limited access trafficway of approximately 4 miles in length which will connect an east-west Interstate route to a reservoir and a university research park to demonstrate methods of reducing traffic congestion and facilitating the usage by motorists on the Interstate System of recreational facilities.

Paragraph (73) authorizes a highway project to relocate and reconstruction a 3.5-mile segment of U.S. traffic route 119 from the vicinity of the Uniontown Bypass at Chadville, Pennsylvania, to Pennsylvania Legislative Route 26082 in the vicinity of Fairchance, Pennsylvania, to demonstrate methods of enhancing the development of a major industrial site.

Paragraph (74) authorizes the construction of an interchange on an Interstate route which will provide access to Chambersburg, Pennsylvania, to demonstrate improved access and traffic congestion relief in the area.

Paragraph (75) authorizes the construction of an overpass over Interstate 10 in the vicinity of Beaumont, Texas, which will relieve traffic congestion on I-10 and provide direct access between the central business district and the west section of the City.

Paragraph (76) authorizes a highway project for construction of an access road from County Road 413 in St. Louis County, Minnesota, to a recreational complex on the Bois Forte Chippewa Reservation to demonstrate methods of providing jobs and enhancing economic development in a severely and chronically depressed area.

Paragraph (77) authorizes site selection, environmental studies, design and engineering for replacement or expansion of a bridge connecting Gloucester County with York County and the cities of Newport News and Hampton, Virginia, for the purpose of demonstrating methods of facilitating the resolution of Federal intra-governmental conflicts.

Paragraph (78) authorizes a highway project in Arcola, Texas, to demonstrate methods by which construction of a grade separation project between the intersection of two highways, State Highway 6 and Farm-to-Market Road 521, and a railroad crossing Missouri Pacific Railroad, improves traffic flow and highway safety at the intersection of these two important hurricane evacuation routes.

Paragraph (79) authorizes the completion of the construction of a previously authorized railroad-highway relocation project in Hammond, Indiana, to demonstrate methods of eliminating railroad-highway grade crossings. The Secretary shall reimburse the City of Hammond, Indiana, for any non-Federal funds used to advance any part of the railroad highway relocation project prior to the receipt of Federal funds.

Paragraph (80) authorizes a project for the relocation of the terminus of the Lockport Expressway (I-990) two miles from its present location at North French Road and construct an interchange at its new terminus at Millersport Highway in Erie County, New York, to demonstrate methods of enhancing highway safety and reducing traffic congestion and delays at the terminus of an Interstate route.

Paragraph (81) authorizes the remaining design work for a highway project for construction of a grade separation on a route on the Federal-aid primary system in the vicinty of Tampa, Florida, to demonstrate methods of relieving motor vehicle congestion resulting from the transportation of freight to and from areas for the transshipment of waterborne commerce.

Subsection (b) requires the Secretary to furnish Congress reports on the projects carried out under this section.

Subsection (c) provides authorizations for the demonstration projects contained in section 146.

Subsection (d) authorizes an additional $16 million in fiscal year 1987 through 1991 out of the general funds of the Treasury, to carry out the highway project on Route 219 in Johnstown, Pennsylvania, authorized by subsection (a)(3) to demonstrate methods of enhancing safety and economic development in areas of high unemployment.

Subsection (e) provides contract authority for the projects authorized in section 146 (except for subsection (d)) and also provides that the Federal share of project costs shall be 100 percent.

Section 145

Cumberland Gap National Historical Park, Virginia

This section provides that parkway funds shall be available to upgrade from 2 lanes to 4 lanes a highway providing access to the Cumberland Gap National Historical park in Virginia.

Section 146

Delaware River Bridges

This section incorporates the provisions of H.R. 4408, as introduced March 26, 1986, with changes to subsection (c). This section would allow the Delaware River Joint Toll Bridge Commission (Commission) to continue tolls on the existing Delaware Water Gap Bridge on I-80 and to impose tolls on the uncompleted bridge under construction on I-78. The section would also amend the Interstate Compact between the States of New Jersey and Pennsylvania to allow the Commission to use the tolls collected on its toll bridges for expenses of any of the bridges under its jurisdiction.

It is the Committee's intent that the provisions of this section be construed consistently with the interpretations in the letter of the Department of Transportation dated June 18, 1986. Most importantly, if there is any conflict between the language in the first four subsections and the language in the last subsection dealing with the changes to the Interstate Compact, the provisions in the first four subsections control.

Subsection (c) was revised from the language in H.R. 4408 to emphasize that nothing in the section is intended to give the Commission a special status under the General Bridge Act of 1906, the Act of August 21, 1935, and the General Bridge Act of 1946 (see generally, 33 United States Code Secs. 491-533). Specifically, 33 United States Code 526 provides that the Secretary of Transportation may prescribe "reasonable rates" for passage over bridges between states. As long as this provision applies generally to other Interstate bridges, it is the Committee's intent that it apply to the Commission's bridges as well. This subsection is not, however, intended to create a new or independent role of review and approval by any Federal agency. If the general review statutes were modified, this section should be read consistently with those other revisions.

Section 147

Highway Designation

Directs that a portion of a highway in Oklahoma be designated as "United States Highway 377."

Section 148

Bridge Naming

This section requires that the bridge crossing the Mississippi River on I-80 near Le Clare, Iowa, be designated as the "Fred Schwengel Bridge." Any reference to the bridge in law, map, regulation, document or record of the United States shall be referenced as the "Fred Schwengel Bridge."

Section 149

Study of Apportionment Formulas

This section requires the Secretary of Transportation to conduct a study of the apportionment and allocation of Federal financial assistance made available to the states out of the Highway Trust Fund (other than the Mass Transit Account) for substitute highway and transit projects under the Interstate transfer provision, the Federal-aid primary system, the Federal-aid secondary system, the Interstate System, the Interstate System reconstruction, bridge rehabilitation and replacement, hazard elimination, minimum allocation, and the railroad crossing program. Such study is to determine whether such funds are being apportioned and allocated equitably, taking into account relative needs of the states and relative amount of taxes generated within each state and paid into the Highway Trust Fund for highway purposes.

Section 150

Bridge Formula and Motor Vehicle Study

This section requires the Transportation Research Board of the National Academy of Sciences to submit to Congress a report on the effects of the bridge formula contained in section 127 of title 23, United States Code, specifying axle loading and axle spacings necessary to protect Interstate highway bridges within the overall gross vehicle weight prescribed by law. The report is to include assessment of costs and benefits of existing law as well as alternative means of achieving the same purposes, in terms of costs and benefits to business, governments and the general public. The Committee intends that the study focus particularly on the problems of compliance associated with short-wheelbase vehicles used for heavy hauling in such industries as construction and solid waste collection; this is a transportation activity in which configuration of longer vehicles with additional axles does not appear feasible in view of the need for vehicles to maneuver through relatively narrow streets. The study also should take into account the types, and their load-bearing characteristics, of most bridges found on the Interstate System. This provision does not modify either the bridge formula in existing law or the provision of section 127 grandfathering in all axle loadings on groups of two or more consecutive axles which states determine to have been lawful on the date of enactment of the Federal-Aid Highway Amendments of 1974.

Section 151

Study of Highway Bridges Which Cross Rail Lines

This section requires the Secretary of Transportation to conduct a comprehensive study and investigation of improvement and maintenance needs for highway bridges which cross Amtrak rail lines, principally in the Northeast corridor, and determine who is responsible for the repair and maintenance of the so-called "orphan" highway bridges. There are approximately 213 bridges for which neither Amtrak nor the states claim responsibility. Not later than thirty months after the date of enactment, the Secretary shall submit a report to Congress on the results of the study along with recommendations on how these needs can be addressed on a long-term and continuing basis in a cost-effective manner.

Section 152

Parking for Handicapped Persons

The Committee finds that handicapped motorists have experienced enormous difficulty in traveling among the states. Handicapped motorists who are allowed by law to use specially designated handicapped parking spaces in the state in which they reside are sometimes denied the same privilege in other states. The refusal of certain states to recognize the handicapped parking symbols of other states often results in large fines for handicapped motorists traveling outside of their state of residence.

The problems of non-reciprocity of handicapped parking symbols is particularly acute in states which experience a large influx of senior citizens in winter. Handicapped motorists who live near the border of a state also find it difficult to go to work, to the store, or to other places of business without serious difficulty. The Committee believes that if an individual is considered handicapped in one state, he or she should also be considered handicapped in any other state.

This section requires the Secretary of Transportation to study any problems encountered by handicapped persons in parking motor vehicles and whether or not each state should establish parking privileges for handicapped persons and grant to nonresidents of the state the same such parking privileges as are granted to residents. The Secretary is required to complete the study within 180 days of the enactment of this Act and report to Congress the results of the study on this matter.

If the Secretary determines that states should establish parking privileges for handicapped persons and grant to nonresidents of the state the same parking privilege as are granted to residents, the Secretary would be required to develop a model state law that would solve the deficiencies of current state handicapped parking laws.

In developing the uniform state law, the Secretary is required to consider the advantages of our commonly-found elements of handicapped parking laws which, if used in a uniform state law, would make it easier to ensure handicapped parking privileges reciprocity.

To encourage states to enact handicapped parking laws similar or identical to the uniform law drafted by the Secretary, the Secretary shall provide a copy of the uniform state law to each state and to Congress.

The Secretary shall annually report to Congress on the extent to which each state has adopted the proposed uniform state law. If state efforts to adopt the uniform state law are inadequate, the Committee may consider additional actions to resolve the inadequacies in state handicapped parking laws.

Section 153

Feasibility Study of Using Highway Electrification Systems

Since 1979, the Committee has followed the development work ongoing on Santa Barbara, California's Electric Bus Project. The Committee notes with approval the cooperation and funding that Santa Barbara, the California Department of Transportation (Caltrans), and UMTA have each provided this project, which to date has focused only on the transit application of roadway powered electrification.

In order to complement and build upon this existing program, this section directs the Secretary to participate in an effort coordinated by Caltrans to determine if a stronger automobile/highway orientation to this technology exists. Funding of $2,910,000 is provided for this effort.

Given the significant local contribution provided to date by both Santa Barbara and the State of California, and, given the broad, national benefit of this research effort, the Committee directs the Secretary to refrain from any and all efforts aimed at either requiring additional local matching funds for the activities listed in subsection (a) or imposing any grant conditions other than those contained in subsection (b). While the Committee has chosen not to require a local match, it firmly believes that the funding authorized under subsection (c) will serve as a nucleus of funding for a larger, overall program attracting contributions from other public agencies and the private sector.

It is the Committee's intent that the activities funded under this section extend from highway electrification to the related technology of highway automation. In addition to the construction of test facilities and land acquisition, funds authorized under this section may be used for engineering, design, development, testing, research, planning and economic studies.

Caltrans, as the designate recipient, will have lead responsibility on the effort. In making such a designation, the Committee assumes that Caltrans will collaborate with various other public and private sector representatives which have been participating in this development effort to date. The Committee expects Caltrans to take maximum advantage of this prior work, which continues under funding through the Santa Barbara project, by contracting with public and private agencies with expertise in these technologies for execution of the principal parts of this research and development effort. In view of current plans to utilize the Institute of Transportation Studies, University of California (UC/ITS), in developing the test facility and completing the Santa Barbara project, the Committee urges that collaboration with UC/ITS to be continued in execution of these efforts.

The Committee intends that the report on the results of this research effort called for under subsection (b)(2), include an examination of the long-term social and economic impact of highway electrification and automation technologies as applied on a large scale. Such an examination focusing on the Southern California region, prepared by the Southern California Association of Governments (SCAG), would be responsive to this requirement.

Section 154

Cost Effectiveness Study of Highway Upgrading

This section authorizes $1 million for a study to determine the cost-effectiveness of upgrading Route 219 in Pennsylvania and the 28-mile segment from Springville to Salamanca in New York to Interstate standards, the feasibility of partial finacing with toll revenues, of using reclaimed strip mining lands for the projects, and avoiding encroachment on sensitive environmental areas. The Secretary is directed to submit a report to Congress on the results of the study along with any recommendations within one year of the date of enactment.

Section 155

Bridge Management Study

This section directs the Secretary to conduct an investigation and study to determine whether the states should be required to establish comprehensive bridge management programs to assist in the development of priorities for bridge improvements. With the capability to establish priorities and anticipate workload, a state can effectively plan and budget for its bridge program. The Secretary shall submit a report to Congress on the results of the bridge management study together with any recommendations, not later than 180 days after the date of enactment of this Act.

Section 156

State Maintenance Program Study

This section directs the Secretary to enter into appropriate arrangements with the National Academy of Sciences to conduct a complete investigation of the appropriateness of establishing minimum Federal guidelines for maintenance of the Federal-aid primary, secondary, and urban systems similar to those established for the Interstate System. The Secretary shall report to Congress the results of the investigation and study along with any recommendations, not later than 18 months after entering into such arrangements.

Section 157

Highway Feasibility Study

This section authorizes the Secretary to carry out a study of the feasibility and necessity for constructing to appropriate standards a proposed highway along a route from Shreveport, Louisiana, to Texarkana, Fort Smith, and Fayetteville, Arkansas, and Carthage and Kansas City, Missouri. The results of the study shall be submitted to Congress not later than one year after the date of enactment of this Act and the study shall update the previous feasibility study conducted under section 143(b) of the Federal-Aid Highway Act of 1973.

Section 158

California Feasibility Study

This section directs the Secretary to study the feasibility and necessity of constructing a bypass highway around Sebestopol, California. The results of such study shall be submitted to Congress within 9 months and shall contain the Secretary's recommendations with respect to the location and design of such highway.

Section 159

New York Feasibility Study

This section directs the Secretary to study the feasibility and necessity of constructing a major inland highway route or alternative to New York Route 5 to connect Buffalo's central business district with the Southtowns. The Secretary is directed to submit a report to Congress on the results of the study along with any recommendations within one year of the date of enactment.

Section 160

Prohibition on Widening Certain Routes Through Historic District

This section prohibits the use of Federal funds for a highway project in or near the historic district in Hudson, Ohio, unless approved by the village council of Hudson, Ohio.

Section 161

Urban High Density Program

Technical modification to an urban high density highway project in Indiana. Provides no additional budget authority.

Section 162

Ferry Boat Service

Authorizes a ferry boat service study to study the feasibility of service on the Missouri River between Springfield, South Dakota, and Niobrara, Nebraska.

TITLE II—HIGHWAY SAFETY ACT OF 1987

Section 201

Short Title

This section provides that this title may be cited as the "Highway Safety Act of 1987."

Section 202

Highway Safety

This section provides authorization for appropriations out of the Highway Trust Fund for highway safety activities administered by the Federal Highway Administration and the National Highway Traffic Safety Administration.

Subsection (a)(1) provides authorizations for bridge replacement and rehabilitation of $1.755 billion per fiscal year for each of fiscal years 1987-1991. Under subsection (a)(2), projects for the elimination of hazards under section 152 of title 23, United States Code, are authorized at $170 million annually for FY 1987-1991.

Subsection (a)(3) provides authorizations for carrying out the highway safety programs under section 402 of title 23, United States Code, by the National Highway Traffic Safety Administration, in the amount of $123 million annually for FY 1988-1991.

Subsection (a)(4) provides authorizations for carrying out section 403 of title 23, United States Code, by the National Highway Traffic Safety Administration, in the amount of $33 million annually for FY 1987-1991.

Subsection (a)(5) provides authorizations for carrying out section 402 of title 23, United States Code, by the Federal Highway administration, in the amount of $10 million annually for FY 1987-1991.

Subsection (a)(6) provides authorizations for carrying out sections 307(a) and 403 of title 23, United States Code, by the Federal Highway Administration, in the amount of $10 million annually for FY 1987-1991.

Subsection (b) provides authorizations for carrying out section 402 of title 23, United States Code, by the National Highway Traffic Safety Administration, in the amount of $123 million for FY 1987; requires the obligation of not less than $20 million of such authorizations for the purpose of enforcing the national maximum speed limit; and extends until September 30, 1987 the requirement that each State spend not less than 8 percent of the amounts apportioned to it, for programs concerning the use of child restraint systems in motor vehicles.

Subsection (c)(1) requires the obligation of not less than $20 million annually out of the funds authorized for section 402 of title 23, United States Code, for FY 1988-1991, for the purpose of enforcing the national maximum speed limit.

Subsection (c)(2) requires each State to expend not less than 2 percent of the amount apportioned to it under section 402 of title 23, United States Code, for FY 1988-1991, for programs to encourage the use of safety belts by occupants of motor vehicles.

Subsection (d) limits the obligations for highway safety programs carried out by the National Highway Traffic Safety Administration under section 402 of title 23, United States Code, to $126,000,000 for each of fiscal years 1987-1991, and the obligations for highway safety programs carried out by the Federal Highway Administration under such section to $10 million for each of fiscal years 1987-1991.

Section 203

55 MPH Speed Limit

Subsection (a)(1) amends section 154(f) of title 23, United States Code, to establish a weighted formula for determining the compliance of the States with the national maximum speed limit. The formula assigns a weight to the percentage of vehicles in a State travelling in three speed ranges—above 55 but not above 60 mph, above 60 but not above 65 mph, and above 65 mph. It further distinguishes between limit access highway and other 55 mph highways by assigning a higher weight to the percentages of vehicles exceeding 55 mph on the other highways. The compliance score for a State is determined by adding the weighted value for limited access highways to the weighted value for other highways and dividing by 100.

The subsection further provides that if a State's compliance score exceeds 625, the Secretary shall reduce the State's apportionment of Federal-aid highway funds under each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of title 23 in an aggregate amount of not less than 2.5 percent but not more than 5 percent of the amount to be apportioned for the following fiscal year, and not less than 5 percent but not more than 10 percent in the case of subsequent fiscal years.

The subsection further amends section 154(f) to define "55 mph highway" to include any undivided highway with a speed limit of 50 mph on the Federal-aid primary system in a State in which the statutory State maximum speed limit is 50 mph.

Subsection (3) provides that the amendments to section 154(f) apply with respect to compliance data collected after September 30, 1986, and reductions in apportionments based on such data.

Subsection (4) provides that in the case of any State for which apportionments are or have been withheld on the basis of data collected before the effective date of the amendments, the Secretary shall make the apportionment if data collected during the first fiscal year after the amendments are in effect show that the State is in compliance with section 154(f). The subsection further provides that the program shall be administered through the National Highway Traffic Safety Administration and that the amendments shall take effect not later than October 1, 1987.

Section 204

Alcohol Traffic Safety Programs

This section amends the eligibility requirements for an alcohol traffic safety grant under section 408 of title 23, United States Code, to permit states which do not meet the full criteria for basic grants to obtain modified basic grants under certain circumstances.

Subsection (a) adds two new subsections to section 408(e). Under new subsection (4), a State which is unable to suspend licenses with sufficient promptness would be eligible for a modified grant if the Secretary determines that the State is suspending licenses within 120 days of the citation and is making reasonable progress in further reducing the time before suspension. Under new subsection (5), a State which does not in all cases suspend a driver's license for intoxication, and which would therefore not qualify for a basic grant, may receive a modified grant if the Secretary determines that the State permits such drivers to retain their licenses only upon a showing of hardship, only to the degree necessary to relieve the hardship, and only in numbers not exceeding 20 percent of first offenders and 15 percent of repeat offenders.

Subsection (b) limits the amount of such modified grant to 20 percent of the amount apportioned to an eligible State for Fiscal Year 1983 under section 402 of title 23, United States Code.

Subsection (c) provides that the sums authorized for the Alcohol Traffic Safety Program shall be available until expended.

Subsection (d) provides for a series of conforming amendments.

Subsection (e) provides for a demonstration of certain drug and alcohol testing technology.

Section 205

School Bus Safety Measures

This section directs the Secretary to commission the National Academy of Sciences to conduct a study to determine the most effective means of protecting children who are transported in school buses and to report its findings and recommendations to the Secretary and to the Congress.

Five million dollars is authorized to be set aside, at the Secretary's discretion, for each of fiscal years 1989, 1990, and 1991 for grants to States that implement the school bus safety measures found by the Secretary, upon review of the Academy's findings and recommendations, to be the most effective in protecting the safety of children in or around school buses.

Section 206

Standards for Splash and Spray Suppression Devices

This section amends section 404 of the Surface Transportation Assistance Act of 1982 by providing that the Secretary shall not issue regulations on the performance and installation of splash and spray suppressant devices until the Secretary determines, after testing, that available technology can substantially improve the visibility of drivers and that the standards will protect the public from an unreasonable risk of death or injury caused by splash and spray from trucks.

The section also requires that the Secretary determine that there exist three or more unaffiliated manufacturers of devices meeting the standards to be established.

Section 207

Use of Reports as Evidence

This section prohibits the introduction into evidence of any priority listing of roadside or railroad-highway crossing hazards prepared pursuant to section 152 of title 23, United States Code (hazard elimination), and section 203 of the Highway Safety Act of 1973 (Railroad-Highway Crossing). This is to encourage greater accuracy and completeness in the compilation of such lists, by preventing these lists from being used in any judicial proceeding, thereby improving their quality as a basis for programming.

Section 208

Emergency Call Boxes

This section authorizes the use of hazard elimination funds under section 152 of title 23, United States Code, for the installation or replacement of emergency call boxes.

Section 209

Railroad-Highway Crossing Authorizations

This section provides authorizations of $140 million per year for each of the fiscal years 1987-1991 to carry out projects for the elimination of hazards at railroad-highway crossings under section 203 of the Federal-Aid Highway Act of 1973.

Section 210

National Driver Register Amendments

Subsection (a) of this section provides for a twelve-month extension for the Secretary to promulgate procedures for the orderly transition from the currently used recordkeeping system of motor vehicle driving records of individuals to the National Driver Register system. The Secretary is required to publish a notice of a proposed rulemaking six months prior to promulgation of the final rule.

Subsection (b) amends section 207 of the National Driver Register Act of 1982. It extends the implementation of the pilot test program by twelve months, requires the pilot program to be in operation within sixteen months after the pilot states are selected and requires a report to the Congress on the pilot test program within six months after the end of the program. The final report on the program, documenting the extent and level of participation in the Register and reporting on its effectiveness, shall be submitted not later than three years after the establishment of a fully electronic Register system.

Section 211

Highway Safety Program Amendments

This section amends section 402 of title 23, United States Code, in several respects. Subsection (a) changes "standards" to "guidelines" to allow more flexibility in State highway safety programs.

Subsection (b) deletes a provision for the waiver of standards.

Subsection (c) deletes paragraph (b)(1)(D), thereby eliminating the requirement that a State have a comprehensive driver training program as a condition for a grant under section 402.

Subsection (d) amends subsection (j) to direct the Secretary, through rulemaking and in consultation with the States, to determine those programs most effective in reducing accidents, injuries, and deaths. Only those programs meeting the criteria established under the rulemaking would be eligible to receive Federal funds under the section.

Section 212

Highway Safety Education and Information

This section amends section 209 of the Highway Safety Act of 1978 to direct the Secretary to conduct a national media campaign to inform the public of techniques, methods, and practices to reduce the number and severity of highway accidents. The Secretary is to begin this campaign not later than 180 days after the submission of reports on the pilot projects carried out under subsection (b) of section 209.

The section further provides that funds authorized by section 209 are not subject to obligation limitations and that such funds may not be used for any program conducted as part of the implementation of Federal Motor Vehicle Safety Standard No. 208.

Section 213

Railroad-Highway Crossing Needs Study

This section authorizes the Secretary, in consultation with the Association of American Railroads and the American Association of State Highway and Transportation Officials, to conduct a comprehensive study and investigation of national railroad-highway crossing improvement and maintenance needs. Not later than 30 months after the date of enactment, the Secretary shall submit a report to Congress on the results of the study along with recommendations on how those needs can best be addressed on a long-term and continuing basis in a cost-effective manner.

Section 214

Older Driver Study

This section directs the Secretary to commission the National Academy of Sciences to conduct a comprehensive study and investigation of problems which may lessen the safety and mobility of older drivers and to examine means of addressing these problems. The Academy is to report its findings to the Secretary and the Congress not later than 24 months after the date of enactment of the Act.

Subsection (d) directs the Secretary to develop a pilot program of highway safety improvements to enhance the safety and mobility of older drivers, and instructs the Secretary to encourage the States to carry out the pilot program with highway safety improvement funds. The Secretary shall report to Congress on the effectiveness of such program not later than three years after the date of enactment of the Act.

Section 215

Recission of Contract Authority

This section provides that $148 million of unobligated contract authority available for airport development and planning pursuant to section 505(a) of the Airport and Airway Improvement Act of 1982 is rescinded. This recission does not reduce the balance in the Airport and Airway Trust Fund.

TITLE III—FEDERAL MASS TRANSPORTATION ACT

Section 301

Short Title

This section provides that this title may be cited as the "Federal Mass Transportation Act of 1987."

Section 302

Letters of Intent; Multi-Year Contracts

Section 302(a) would amend section 3(a)(4) of the UMT Act to provide multi-year contract authority for certain long-term projects. The existing "letter of intent" concept would be deleted and replaced by a "multi-year contract" concept, but the procedural process would remain essentially the same as under current law. Thirty days advance notice of any such contract to the Committee on Public Works and Transportation of the House and the Committee on Banking, Housing, and Urban affairs of the Senate would continue to be required. Moreover, as under existing law, the amount stipulated in a multi-year contract to carry out a fixed guideway project must be sufficient to complete an operable segment. As under current law, an operable segment for the purpose of this section may be greater or lesser than a minimal operable segment defined in a project Environmental Impact Statement drafted pursuant to the National Environmental Policy Act. Should additional funds become available for a project, it may be committed as an addition to an operable segment. In addition, the amounts that may be made subject to a multi-year contract by the Secretary under this section for projects authorized by section 21(a)(2)(C) (i), (ii) (iii) or (iv) cannot exceed the total available authorizations made available therein, less an amount reasonably estimated by the Secretary to be necessary for grants under section 3 which are not covered by multi-year contracts or letters of intent which have been entered into before the date of enactment. Other commitments for funding which have been made prior to May 9, 1984, contingent upon subsequent, and as of that date, unmet preconditions, shall not be considered as committing funds when the Secretary determines under this section the amounts available for multi-year contracts.

The significant change under this section is that the Secretary would be able to enter into multi-year contracts that would obligate funds for fiscal year 1987, subject to the requirements specified herein and the obligation limitation contained in section 320(c), and take the first step in obligating funds from future year authorizations, subject to further Congressional review and approval, and subject to the amount so specified under section 320(b) for each fiscal year. Obligation of funds for fiscal year 1988 and future fiscal years is subject to annual Congressional review and approval of the Secretary's actions under section 303. Such a contract shall not be subject to any future availability of funds (except for the limitation relating to the amounts necessary to cover projects other than those covered by multi-year contracts, approved allocations under section 303 for fiscal year 1987 and subsequent fiscal years, the anti-deficiency provision in the Transit Account of the Highway Trust Fund, or any obligation limitation other than as set forth in section 21(a)(2)(F)).

In years other than FY 1987, funds are not available to finance grants and loans until the process provided for under section 3(i)(3) is completed with the enactment of a public law. Annually it is the clear intent of the Committee regarding multi-year contracts that funds can be obligated for a fiscal year only to the extent authorized for such fiscal year.

Section 302(b) provides for a series of conforming amendments to section 3(a) of the Urban Mass Transportation Act.

Section 302(c) would provide that this section shall take effect October 1, 1986, and shall not affect any letter of intent issued before that date.

Section 303

Annual Congressional Approval

Section 303 provides for an annual process that, except for FY 1987, must be undertaken before certain funds authorized by section 3 of the UMT Act may be made available. Within 30 days of enactment, and by January 20 of each year thereafter, the Secretary shall submit to the House Committee on Public Works and Transportation and the Senate Committee on Banking, Housing, and Urban Affairs a proposal recommending the amount under section 21(a)(2)(C)(iv) that should be made available for bus and bus-related activities, rail modernization, and the construction and extension of fixed guideway systems. Included in this transmittal shall be recommendations on amounts to be distributed among applicants for rail modernizations and fixed guideway construction and extension projects. The Secretary's transmittal must reflect any multi-year contracts entered into under section 3(a)(4) of the UMT Act, and for new starts and extensions, must be consistent with criteria established by section 305.

No funds may be made available under section 3 unless Congress acts upon, and the President approves, legislation relating to the Secretary's proposal. The legislation may allocate funds in a manner identical to that recommended by the Secretary, or may revise in any manner the distribution which was submitted.

Upon approval by law of the funding allocation passed by Congress, the Secretary shall make the legislated amounts available for the fiscal year approved and in a manner consistent with such law.

Section 304

Advance Construction

Section 304 would provide advance construction approval authority to the Secretary under sections 3 and 9 of the UMT Act and section 103(e)(4) of title 23, United States Code. This would be similar to the advance construction authority now available under the Federal highway program. Currently, applicants for UMTA capital assistance cannot be reimbursed by the Department for costs incurred on a project before the project is approved by the Secretary or before the Secretary permits the recipient to incur costs.

Section 304(a) would amend section 3 of the UMT ACT to permit applicants to be reimbursed for the Federal share of costs incurred locally on a project if the Secretary approves the project before costs are incurred and the project complies with all relevant Federal requirements. In addition, eligible costs may include interest earned and payable on local bonds if the proceeds of such issuances were applied to the project. To be eligible for reimbursement, such interest costs may not exceed the excess of the cost of the project at the time Federal reimbursement is sought over the project's actual costs.

Under section 304(a), the Secretary's advance construction approval does not mean that Federal funds must eventually be applied against the project. Rather, it means that local costs incurred remain eligible for Federal reimbursement if the Secretary decides to fund the project.

Section 304(b) would provide similar advance construction approval authority to the Secretary for the section 9 formula grant program. Under this section, the recipient must first have obligated all of its section 9 apportioned funds before it may seek advance construction approval for capital projects. In addition, the Secretary may grant construction approval only if an authorization is in effect for the future fiscal year at issue, and the advance construction authority granted may not exceed the recipient's expected apportionment under that future fiscal year. Costs eligible for reimbursement under this section include bond interest costs incurred in connection with the project, subject to the same limitations applicable under section 3 provisions.

Section 305

New Fixed Guideway Criteria

Section 305 amends section 3 of the UMT Act by adding a new subsection (k) relating to new fixed guideway or new extension projects.

Requests for Federal funding for new fixed guideway projects—or new extensions to existing systems—will be subject to careful evaluation by the Secretary and the Congress. Because it is expected that requests for funding of such projects will greatly surpass amounts available, it is essential that reasonable criteria be utilized to evaluate which of the projects are most deserving of Federal investment. Once determined, those projects should receive funding. Those new fixed guideways or extensions which are recommended for funding should be those, based on the results of alternatives analysis and preliminary engineering, which best contribute to the achievement of program goals, are cost-effective relative to other projects, and are supported by an acceptable degree of financial commitment from sources other than the UMT Act, including evidence of stable and dependable funding sources to construct, maintain and operate the proposed project, together with the remainder of the transit system in the urbanized area.

In determining a project's transportation cost-effectiveness, effectiveness measures should include but need not be limited to both the potential to attract new transit riders and the potential for reducing the travel time of existing riders. Moreover, a project's cost should include reasonable estimates of operating and maintenance costs in addition to total capital expenditures. Cost-effectiveness should be measured with respect to a future base condition. That base condition should correspond to the optional utilization of existing transit and highway facilities through reasonable and practical low-cost transit service, traffic engineering and other improvements.

The Committee believes that the project evaluation process should encourage maximum contributions from State and local as well as private sources. The Committee believes that the utilization of benefit assessment districts should be encouraged by these criteria, as such districts provide an assured base on private capital. The Committee also acknowledges the benefits of incorporating existing infrastructure as a technique of reducing costs and improving the cost-effectiveness of section 3 capital investments.

The Committee recognizes that a project is developed essentially in five sequential phases: system planning, alternatives analysis, preliminary engineering, final design and construction. With respect to commitments of section 3 funds, a project should be reviewed under the new starts criteria and may be selected for advancement at the conclusion of alternative analysis. The Committee expects that a low-rated project will not be advanced into preliminary engineering through a commitment of Section 3 funds, although preliminary engineering may be carried out with Section 9, or other funds at local discretion. All projects will be reviewed and rated according to the criteria at the completion of preliminary engineering. A decision to allow an agency to proceed with preliminary engineering does not indicate any commitment by the Federal Government with respect to construction. It is possible that an area may spend Federal funds or other funds for preliminary engineering and yet not be chosen for a final funding commitment due to their low rating compared to other projects or the limited availability of funding.

The Committee directs UMTA not to approve multi-year contracts or grants for fixed guideway projects when the Federal share of a project would exceed the uncommitted balance under the new start portion of the discretionary program. The uncommitted balance is considered that amount of funding currently authorized, less existing letters of intent, full-funding contracts, multi-year contracts and grant obligations. Any such commitment which has been predicated upon some subsequent and as yet unmet conditions shall not be considered as a commitment of funds when determining the amounts available for grant or multi-year contract purposes. At such time as the recipient has come into compliance with the preconditions, the commitment should be honored by UMTA when practicable.

With respect to the degree of non-Federal financing, the Committee recognizes that a number of cities will be competing for a limited amount of funding. Thus, the willingness of an area to request a smaller share of the cost of a project under this section may be taken into consideration. In addition, to differentiate among closely competing projects, the Department should consider factors relating to an area's ability to have stable and reliable sources of funds to maintain and operate the proposed system once it is built.

The guidelines developed by the Secretary should directly take into account the economic development effects of the project and the opportunity for joint development of project components, a concept the Committee believes Federal policy should encourage. They should also take into account other factors, such as the degree of community and local government support, participation of disadvantaged business enterprises, and other specific program and related social goals.

Section 306

Authorization of Appropriations for Interstate Substitution Program

Section 306 would provide authorization levels for the Interstate transfer-transit program. Once funds under this program are appropriated, an action which is required for this non-contract authority program, half are made available on the basis of a formula and half are available at the discretion of the Secretary. The formula funds may be made available only after Congress has approved the Interstate substitute cost estimate. This section would extend the program for fiscal years 1987, 1988, 1989, 1990 and 1991, and authorizes appropriations of "such sums as may be necessary" in order to accommodate funding level changes that may occur with respect to state changes in the division of funds between substitute highway and transit projects.

Section 307

Rates for Elderly and Handicapped Persons

Section 307 would permit New York City to continue to use its preferential fare system for elderly and handicapped persons which incorporates a free return ride upon payment of a generally applicable full fare in lieu of complying with the half-fare requirement in section 5(m) of the UMT Act, provided such system is available for use by all elderly and handicapped persons after 120 days after enactment.

Section 308

Financial Planning

Section 308 amends Section 8(a) of the UMT Act by providing that the local planning process shall include an analysis and development of long-term financial plans for regional urban mass transit improvements and the revenue available from current and potential sources to implement such improvements.

Section 309

Block Grant Program Amendments

Section 309(a) provides for added flexibility in the UMTA grant submittal and approval process, consistent with the original intent of the Section 9 program to facilitate the flow of formula funds. Specific language is added to section 9(e) which explicitly allows for the approval of grants for a partial program of projects.

The Committee recognizes that various types of transit capital projects as well as operating assistance projects may not necessarily be developed and finalized for submission simultaneously in a single grant request. The Committee wishes to ensure that funding for projects that are otherwise ready to proceed will not be delayed because another project contained in the required program of projects may not be ready for approval.

Section 309(b) permits the use of the additional amounts above the fiscal year 1985 levels of revenues generated from the sale of advertising and concessions by mass transportation properties to be credited toward the non-Federal share for capital or operating assistance. Each recipient of funds under Section 9 shall submit an annual report to the Secretary on the revenues derived from the sale of advertising and concessions.

Section 309(c) permits small urbanized areas with populations of two hundred thousand or less to use capital assistance funds apportioned under section 9 for operating assistance. In other words, no operating assistance cap would be applicable to these areas. This new flexibility for small urbanized areas is effective in fiscal years beginning after September 30, 1986.

Section 309(d) would extend through fiscal year 1991 the provision authorized under section 9(1) of the UMT Act, which permits section 9 recipients to trade in 3 dollars of that portion of their section 9 apportionment that can only be used for capital expenses for 2 dollars of operating assistance.

Section 309(d)(1) would amend section 9(1) to restrict the ability of a recipient to use the trade-in provision in any fiscal year in which it receives a section 3 discretionary capital grant. Under section 309(d)(1), a recipient which receives a section 3 grant could only carry out a section 9(1) transfer if the section 3 grant was for emergency repairs, made pursuant to a letter of intent or full funding contract which predates the enactment of section 309(d)(1), or is for a project which has a high priority on the plan prepared by the Secretary for allocation of section 3 funds in the year the transfer occurs. Section 309(d)(1) provides further that any recipient of funds which carried out such a transfer of funds in fiscal year 1983, and which received Federal assistance under section 1139(b) of the Omnibus Budget Reconciliation Act of 1981, which provided transition assistance for operators of commuter rail operations previously provided by the Consolidated Rail Corporation, shall continue to be eligible to transfer under this section. Such a recipient would be restricted in the percentage of the total available section 3 funds it may receive in any year in which it utilizes the transfer, to the percentage it received in fiscal year 1983.

Section 309(d)(2) would extend the transfer option through fiscal year 1991 and amend the existing requirement for recipients which avail themselves of the trade-in provision to certify that they will not need to use and will not use capital assistance for operating assistance in fiscal year 1985. Under section 309(d)(2) recipients would certify that they would not need to use capital assistance for operating assistance after fiscal year 1991.

Section 309 (d)(3) would limit the uses of the discretionary funds that the Secretary receives as a result of the trade-in provision to capital bus and bus-related activities.

Similarly, section 309(d)(4) would amend section 3(a) of the UMT Act to restrict a recipient's ability to receive a section 3 grant in a fiscal year in which it carries out a transfer under section 9(1). If a recipient has carried out a section 9(1) transfer, it could only receive a section 3 grant for emergency repairs, made pursuant to a letter of intent or full funding contract which predates the enactment of section 309(d)(4), or for a project which has a high priority on the plan prepared by the Secretary for allocation of section 3 funds in the year the transfer occurs. Any recipient which utilizes the transfer and remains eligible for section 3 funding in the same year for a project which the secretary deems to be of high priority, must agree that the Federal share of the project for which section 3 funding is received shall be reduced by the amount of capital assistance transferred under section 309 of this Act.

Section 309(e) expands the flexibility of the program by allowing a governor to transfer amounts appropriated for urbanized areas of less than 200,000, to any urbanized or non-urbanized area in the State upon approval of responsible local elected officials and publicly owned operators of mass transportation services in each area to which the funding was originally appropriated. However, this subsection permits a transfer without the approval of such officials and operators if no approvable grant application is pending within 90 days of the time such amounts would lapse.

Section 309(f) includes a requirement that formal notice of the apportionment of section 9 and section 18 formula funds be published by UMTA not later than 10 days following the date on which such funds are appropriated or the start of each fiscal year, whichever is later, subject to the enactment of appropriations. The new timing requirement is being included to provide UMTA grantees with as much notice as is possible regarding funding levels in order to facilitate budgeting and programming, and, ultimately, to improve the flow of UMTA funds.

Section 309 (g) and (h) provide technical and conforming amendments.

Section 310

University Transportation Centers

Section 310 would increase contract authority to fund the university transportation centers program authorized under section 11(b) of the Urban Mass Transportation Act. For each fiscal year from fiscal year 1987 through fiscal year 1991, section 310 would provide $5,000,000 from the Mass Transit Account of the Highway Trust Fund and $5,000,000 from the Highway Trust Fund other than from the Mass Transit Account. These amounts would not be subject to any obligation limitations.

Section 310 also amends section 11(b) to provide more explicit criteria which a recipient of funds must meet. Further, it establishes a national advisory council to coordinate research carried out by grant recipients, to disseminate results of the research, to act as a clearing-house between grant recipients and the transportation industry, and to review and evaluate programs carried out by grant recipients.

Section 311

Sole Source Procurements

Section 311 is intended to enhance the ability of section 9 grant recipients to operate in an efficient manner by permitting the procurement of associated capital maintenance items by contracting directly with the original manufacturer or supplier of the item to be replaced without prior Secretarial approval if the recipient first certifies to the Secretary that the manufacturer or supplier is the only source of the item, and that the price is no higher than that paid for such item by like customers.

Section 312

Procurement of Engineering and Design Service

Section 312 brings procurement of engineering and design services for mass transit projects into conformity with Title IX of the Federal Property and Administrative Services Act of 1949, which requires qualifications-based selection of these services when they are procured by Federal agencies for any project except grant-in-aid projects, as they are not direct Federal procurements. Under the new section, the Federal selection procedures or equivalent State qualifications-based selection requirements for selecting firms for program management, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, surveying, mapping, or related services, shall apply to such contracts awarded or administered by recipients of funds authorized by this Act.

Section 313

Limitations Regarding South Africa

Section 313 amends section 12(b) of the Urban Mass Transportation Act of 1964, relating to limitations on contract awards. This amendment will allow for the establishment of limitations on the awarding of contracts concerning South Africa under specific conditions. Any recipient of a grant under this Act will be permitted to prohibit or restrict the awarding of contracts to businesses which conduct business in South Africa. Competitive bid procedures will continue to be required for the awarding of project contracts. However, if the lowest bidder does not comply with the terms and conditions put forth by the recipient of a grant under this Act, the next lowest bidder who complies with these terms will be awarded the contract. Any contract limitations established by the recipient of a grant may be enforced only after an agreement has been reached with the Secretary. This agreement will ensure that any increase in project costs which results from the contract requirements established by the recipient of a grant will be absorbed by the grant recipient. This section permits grant recipients the flexibility to enact laws restricting or prohibiting the awarding of contracts to businesses which conduct business in South Africa. No additional costs will be insured by the Federal Government if such laws are enacted.

Section 314

Bus Remanufacturing and Overhauling of Rolling Stock

Section 314(a) amends the definition of construction in section 12(c) of the UMT Act to make clear that a bus remanufacturing project which extends the economic life of a bus eight years or more is eligible for capital assistance under the UMT Act.

Section 314(a) also amends the definition of construction in section 12(c) of the UMT Act to clarify that overhauls of transit rolling stock are eligible for capital assistance under the UMT Act, including the section 3 and section 9 programs, even though the overhauls do not extend the useful life of the rolling stock.

Section 314(b) expands the coverage of "associated capital maintenance items" under section 9 for rolling stock by reducing the minimum value of related equipment and materials from 1 percent to ½ percent of the current fair market value of the rolling stock for which the equipment and materials are to be used. The definition is also expanded to include a project for the reconstruction (by the grant recipient's employers or by contract) of any equipment and materials that would otherwise qualify as an "associated capital maintenance item" after construction.

Section 314(c) would mandate an 80 percent Federal match for any capital project carried out under section 9.

Section 314(d) brings the maintenance requirements of section 3 into line with the stronger mandatory maintenance requirements of section 9.

Section 314(e) provides technical and conforming amendments.

Section 315

Limitation on Private Enterprise Participation

Section 315 clarifies that the UMT Act is not to be interpreted in a manner to allow the Secretary to impose specific requirements on grant recipients and transit service providers respecting levels of competitive bidding or private enterprise participation they must achieve in the provision of mass transit services and functions. This section also clarifies that the UMT Act shall not be construed in a manner to infringe on the rights of recipients to determine the extent and amount of mass transit services and functions to be carried out by private enterprise. Local decision makers and not the Secretary shall decide who the service or function provider will be and the extent and amount of mass transit services and functions that will be carried out by the private sector. While grant applicants are expected to involve the private sector in the development of their programs and projects, the Committee believes such decisions are best made at the State and local level and should not be influenced or determined by specific Federal requirements.

The Committee intends that the private sector will retain the opportunity that continues in force under sections 3, 8, and 9 of the UMT Act to participate "to the maximum extent feasible."

Section 316

Bus Testing Facility

The Committee believes that when Federal funds are used in the procurement of a bus, the bus model should have first been tested to ensure that it will be able to withstand the rigors of transit service.

Only new model buses must be tested. A new model bus is meant to mean the first ten buses off the production line that are built for delivery to a U.S. transit authority and: (1) are of a new design that has not been used in transit service before, or (2) a modified bus, i.e., one which has been used in transit service in the U.S., but is now being produced with a distinctly different component or components.

The Committee believes that a bus testing facility shall be established by renovating a facility in Altoona, Pennsylvania which was constructed, in part with Federal funds, to train rail personnel.

The Secretary shall enter into a contract with a qualified person to operate and maintain the facility. The person operating the facility will collect fees to operate and maintain the facility with the Secretary approving the rates charged.

The Urban Mass Transportation Administration shall establish guidelines for the facility using the Urban Mass Transportation Administration report "UMTA-IT-06-0219-09-1-First Article Transit Bus Testing Plan" as their guideline.

Section 317

Audits of Bus Purchases

This section would amend section 12 to require an independent pre-award and post delivery audit for any grant for the purchase of transit rolling stock use to carry passengers in revenue service to assure compliance with Federal motor vehicle safety standards, Buy American requirements, and adherence to bid specifications requirements.

In providing for independent pre-award audit of a vehicle's compliance with safety requirements, Buy American and bid specifications, it is the Committee's intent that rolling stock produced for other transit agencies and records of transactions involving that rolling stock be sufficient for these audits.

Section 318

Protection of Private Contracting Rights

Section 318 of the House bill is a clarifying amendment to section 13(c) of the UMT Act. It provides that the labor protection arrangements under section 13(c) may not restrict or limit the rights of the recipient of UMTA assistance to enter into a contract or other arrangements for the provision of mass transportation services by private entities.

Section 319

Federal Share for Elderly and Handicapped Projects

The Committee continues to believe that recipients should be encouraged to provide service that is accessible to the elderly and the handicapped. This section provides for a 95 percent Federal share for those capital projects funded with Federal assistance under Section 3, 9, or 18, which are not required by Federal law.

Section 320

Authorizations

Section 320 would provide authorizations through fiscal year 1991 to carry out various provisions of the Urban Mass Transportation Act. In addition, this section would provide limitations on the available contract authority for specific activities within the section 3 discretionary grant program as well as limitations for section 8 planning activities, section 16(b) activities to meet the special transportation needs of elderly and handicapped persons, and section 4(i) activities to implement innovative methods and techniques.

Section 320(a) would provide authorizations from the general fund, to carry out sections 9 and 18, of $2,100 million for fiscal year 1987, $2,150 million for fiscal year 1988, $2,200 million for fiscal year 1989, $2.250 million for fiscal year 1990, and $2,300 million for fiscal year 1991.

For fiscal year 1987, section 320(b) would make available a minimum of $100,000,000 for section 3 bus and bus-related activities; $405,000,000 for section 3 rail modernization projects; $405,000,000 for section 3 new start and extension projects; $100,000,000 for general section 3 activities; $45,000,000 for section 8 planning activities; and a total of $35,000,000 for section 16(b) and section 4(i) activities. For each of the fiscal years 1988, 1989, 1990 and 1991, section 320(b) would make available a minimum of $170,000,000 for section 3 bus and bus-related activities; $680,000,000 for section 3 rail modernization projects; $680,000,000 for section 3 new start and extension projects; $170,000,000 for general section 3 activities; $50,000,000 for section 8 planning activities; and a total of $40,000,000 for section 16(b) and section 4(i) activities. These authorizations would be funded from the Mass Transit Account of the Highway Trust Fund. It is the Committee's intent that the amount of contract authority provided for the authorizations contained in this subsection not exceed the amounts specified for each fiscal year.

Section 320(c) would stipulate that funds made available from the Mass Transit Account would remain available until expended. It would also stipulate that the maximum amount of contract authority obligated by the Secretary from the Mass Transit Account, except for obligations under sectios 9A and 11(b), cannot exceed $995 million for FY 1987 and $1,795 million for each of the fiscal years 1988, 1989, 1990, and 1991. The maximum limitation set forth in section 320(c) would exceed the minimum level set forth in section 320(b) by $5,000,000 in each fiscal year 1988, 1989, 1990 and 1991. The difference between these amounts would enable the Secretary to draw down on current unobligated balances.

For research, training and administration, section 320(d) would authorize from the general fund $50 million for each fiscal year 1987, 1988, 1989, 1990 and 1991.

Sections 320 (e) and (f) provide technical and conforming amendments.

Section 321

Project Management Oversight

Section 321 authorizes up to one-half of one percent of the annual authorizations for section 3 discretionary programs, section 9 and section 18 formula funds, and funds appropriated to construct major public transportation projects substituted for Interstate segments pursuant to section 103(e)(4) of title 23, United States Code, to be made available to UMTA to contract directly with independent consultants to provide construction management oversight on project construction.

This section would allow the Secretary to use grant program funds to contract directly for construction management oversight on these major capital projects. Such contracts could be for individual projects or for groups of projects, as the Secretary deems appropriate. They would be funded by ½ of 1% of the funds available under each of the following programs: Sec 3, 9, 18 and interstate substitute, with a 100% Federal share. In addition to having a direct reporting relationship with the consultant performing construction management oversight as under the current arrangement, UMTA would have a direct contractual relationship with the consultant. This should allay fears that the construction management oversight process may be compromised by involving the recipient.

Section 322

Bicycle Facilities

Section 322 makes eligible and provides for a 90 percent Federal share for bicycle transit projects to be funded under Section 4, 9, or 18 of the UMT Act. Projects which are used to provide access for bicycles to mass transit facilities, provide shelters and parking facilities for bicycles in or around mass transit facilities, or to install racks or other equipment for transporting bicycles on mass transit vehicles.

Section 323

Transit Technical Amendments

Section 323 would make several technical amendments to the Urban Mass Transportation Act and the Surface Transportation Assistance Act of 1982.

Section 323(a)(1) would correct a typographical error by substituting "approval" for "approach" in section 5(h)(1) of the UMT Act.

Section 323(3)(2) would correct another typographical error by substituting "section" for "action" in section 5(j)(1) of the UMT Act.

Section 323(a)(3) extends a provision applicable to section 5 funds to section 9 funds.

Section 323(a)(4) would correct section 9(1)(3) of the UMT Act by substituting "1984" for "1983", and thereby removing a requirement for the Secretary to consider a non-existent apportionment under section 9.

Section 323(a)(5) would designate a second section 16(c) in the UMT Act as section 16(d).

Section 323(a)(6) would remove an unnecessary "; and" in section 17(d) of the UMT Act.

Finally, section 323(b) would remove an unnecessary "(a)" in section 303 in the Surface Transportation Assistance Act of 1982.

Section 324

Los Angeles Metro Rail Project

This section would direct the Secretary to enter into a multi-year contract with the Southern California Rapid Transit District for funding to completion the Minimum Operable Segment-1, and to complete the locally preferred Minimum Operable Segment-2 alternative of the Downtown Los Angeles to the San Fernando Valley Metro Rail Project. The contract shall include at least $110 million in fiscal year 1987 and at least $190 million in each of fiscal years 1988, 1989, 1990, and 1991. It is the Committee's intent that this section, in and of itself, does not provide contract authority in excess of the amounts specified in section 320(b), and further, that effective for fiscal year 1988, the obligation of funds in any fiscal year is contingent upon their approval each year under section 303 of this Act.

Section 325

Transit Bridge Lanes Project

This section would direct the Secretary to enter into a multi-year contract with the Mississippi River Bridge Authority of the Louisiana Department of Transportation and Development for funding to completion transit lanes on the Greater New Orleans Bridge No. 2. The contract shall include $18,750,000 in fiscal year 1988. It is the Committee's intent that this section, in and of itself, does not provide contract authority in excess of the amounts specified in section 320(b), and further, that effective for fiscal year 1988, the obligation of funds is contingent upon their approval under Section 303 of this Act.

Section 326

Increased Operating Assistance During Construction of Interstate Project

Section 326 allows the Fort Lauderdale and Miami, Florida, urbanized areas to exceed the amount of the Section 9 apportionments which they would otherwise be entitled to use for operating assistance beginning in fiscal year 1988 by a total of $4.4 million annually during those fiscal years in which onsite construction is being carried out on I-95 in Dade, Broward and Palm Beach Counties. This increased operating assistance may only be used to operate commuter rail service, the need for which will be enhanced during periods of construction on the Interstate segment.

Section 327

Feasibility Study

This section authorizes the Secretary to make a grant to study the feasibility of constructing and operating an electric trolley bus line using technology being developed for the Santa Barbara transit system.

Section 328

Feasibility Study—Abandoned Trolley Service

This section directs the Secretary to conduct a study, in cooperation with the City of Philadelphia, on the feasibility of restoring light rail trolley service to corridors on which that service had previously been provided but subsequently abandoned. The feasibility study shall be completed within one year from the date of enactment.

Section 329

Comprehensive Transit Plan

This section directs the Secretary, in cooperation with the Virgin Island Department of Public Works, to analyze and study the mass transit needs of the Virgin Islands and develop a comprehensive mass transit plan which is to be transmitted to the Congress not later than one year after date of enactment of the Act.

Section 330

Bus Carrier Certificates for Recipients of Governmental Assistance

Section 330 amends subsections 10922(c) (1) and (3) of title 49, United States Code. The intent is to clarify entry policy for interstate motor carriers of passengers.

Subsection 330(a) amends subsection 10922(c)(1) by revising that subsection so as to clarify the entry tests to be used by the Interstate Commerce Commission (Commission) for interstate motor carriers of passengers. The tests are set forth in subparagraphs (A) through (D) of section 10922(c)(1).

Section 10922(c)(1)(A) establishes the entry test for regular route operations for persons (as defined in title 49), including private recipients of governmental assistance (as defined in subsection 10922(c)(1)(F)(ii)). The entry test is that the person or private recipients must be fit and that issuance of the certificate is consistent with the public interest.

Section 10922(c)(1)(B)(i) establishes the entry test for charter and special operations for private recipients of governmental assistance. The test is identical to the test in subsection (c)(1)(A).

Section 10922(c)(1)(B)(ii) establishes the entry test for charter and special operations for persons other than private recipients of governmental assistance. The test is fitness, only. The burden of proof for fitness is upon the applicant.

Section 10922(c)(1)(C) establishes the **entry test for charter and special operations for public recipients of governmental assistance (as defined in section** 10922(c)(1)(F)(i)). There are two entry tests. One is for interstate service within the area in which mass transportation services are provided. Here, the test is fitness only. The burden of proof for fitness is on the applicant. The second test is for interstate service beyond the area in which mass transportation services are provided. The second test is a two-prong test. First, the applicant must be fit, willing and able. And second there must not be any persons who are providing or who are willing and able to provide the service sought to be performed by the public recipient. The new test for public recipients of governmental assistance is meant to preclude them from acquiring interstate charter rights beyond the areas in which they provide mass transportation services. Under the new test, they will be able to secure charter authority only if no person or private recipient is providing the service or is willing and able to provide the proposed service. In almost every circumstance, this will preclude the public recipient from securing new interstate charter authority. This provision in no way alters any requirements imposed upon a public recipient by the Urban Mass Transportation Act or any regulations issued pursuant thereto.

Section 10922(c)(1)(D) establishes the entry test for public recipients of governmental assistance for regular route authority. The test is fitness and that issuance of the certificate is consistent with the public interest. The burden of proof for fitness is on the applicant. The burden of proof on the public interest test is on the person objecting to the issuance of the certificate.

Section 10922(c)(1)(E) defines a public recipient as a person. This is done to assure that where States and municipalities operate or seek to operate a bus service they are covered by the necessary provisions of Title 49. Although it is clear that most public boards and public corporations are subject to the pertinent provision of Title 49, there is some question as to whether States or subdivisions thereof are. This is meant to resolve the issue.

It should be noted here that subsection 12(f) of the Urban Mass Transportation Act provides a process whereby a State or subdivision thereof may be granted an exemption from regulation by the Interstate Commerce Commission for mass transportation services. The new entry provisions do not change the availability of that exemption.

Section 10922(c)(1)(F) denies private recipients and public recipients of governmental assistance.

Section 330(b) amends section 10922(c)(3) of title 49, United States Code. It does so in two ways. First, it adds a new subparagraph (E) to section 10922(c)(3). Subparagraph (E) requires the Commission to consider a new criterion in reaching a determination of public interest. This criterion is the amount and extent of governmental financial assistance that has been given or will be given to the applicant for the purchase or operation of buses. It is, of course, only relevant where a public interest determination is required to be made by the Commission, and its major use will be where an applicant is a private recipient of governmental assistance.

The new provision simply adds another factor to the public interest criteria which must be considered by the Commission in conjunction with other public interest criteria already mandated.

Subsection (b) also adds language that pertains solely to applications by public recipients of governmental financial assistance for interstate regular route service pursuant to new subparagraph (D) of section 10922(c)(1). This permits the Commission to consider the status of a protestant in this type of application proceeding. It is meant to afford such protestants extra consideration where a public recipient's proposed operation will competitively infringe upon the existing operations of a person or private recipient of governmental assistance. Here again, it is only one factor for consideration, and it, in and of itself, should not be determinative of the outcome of the application proceeding.

Subsection (c) is a conforming amendment.

Section 331

Utilization Requirement for Certificates Authorizing Interstate Bus Operations

Section 331 amends section 10922(c) (2) of title 49, United States Code. This amendment requires that a condition be attached to all certificates that are issued by the Interstate Commerce Commission (Commission) which authorize intrastate regular route bus operations. The condition limits the authority of the bus carrier to provide intrastate service on only those routes over which the bus carrier is conducting interstate operations.

The Bus Regulatory Reform Act of 1982 conferred authority upon the Commission to issue intrastate operation rights for regular route service to interstate bus carriers, provided the service was to be provided on the bus carrier's authorized interstate regular routes. The purpose of conferring that authority upon the Commission was to eliminate State "closed door" policies and to prevent any reimposition of those policies. The "closed door" policy imposed costly restrictions upon the carriers and impaired service to bus patrons. Plainly, it was not in the public interest.

The power conferred upon the Commission is limited, that is, the Commission may not grant intrastate operating authority where there is no interstate nexus. Consequently, it can only be used to allow intrastate operations on an interstate route on which the carriers have or will have authority to provide interstate service. Moreover, the interstate service must be a substantial bona fide interstate service and it must involve acutal service in more than one State.

Thus, it should now be clear to the Commission that its authority to grant intrastate operating rights is restricted to those situations where the bus carrier has or intends to provide substantial interstate service. Where a carrier has already acquired intrastate authority, it must be conducting actual interstate service on the route. Any carrier that does not provide interstate service on the route in question should not be able to retain the Commission-conferred intrastate authority, but it should be required to obtain the intrastate authority from the appropriate State.

The Commission in determining whether or not the new condition is met must find that there is in fact substantial interstate service on the route; however, the interstate and intrastate service need not be identical nor must they be provided in the same vehicle. Finally, there must be actual interstate service in more than one State.

The preemptive authority in the Bus Regulatory Reform Act was given to the Commission so as to eliminate existing wasteful restrictions imposed upon the carriers and the public. If a carrier desires to provide only intrastate service on a route, it must seek that authority from the appropriate State. If a carrier is providing only intrastate service on a route, it must hold the requisite authority from the State in which the route in question is located.

Finally, the Committee with this amendment intends to clarify the intent of section 10922(c)(2) as enacted. The Commission does have the power to grant intrastate authority and it should continue to do so, but it should do so only where it is consistent with Congressional intent.

TITLE IV—UNIFORM RELOCATION ACT AMENDMENTS OF 1987

Section 401

Short Title

Provides this title may be cited as the "Uniform Relocation Act Amendments of 1987."

Section 402

Definitions

402(a)

Eliminates references in the definition of a Federal agency to the National Capital Housing Authority and the District of Columbia Redevelopment Land Agency. These entities are included in the new definition of "State Agency", as having power of eminent domain. The definition is also amended to include any person with the Federal power of eminent domain.

402(b)

Adds to the definition of "State Agency" any entity that has State power of eminent domain. This brings under the Act the displacing activities of private development corporations and public utilities where displacement occurs as a result of a federally funded program or project.

Limits the applicability of the Act by defining the term "Federal financial assistance" to exclude programs involving a mortgage interest subsidy to a person which is used to purchase a private residence.

402(d)

Amends the definition of a "displaced person" to include certain persons, businesses and farm operations displaced by activities other than acquisition—namely rehabilitation, demolition and other displacing activities prescribed by the Lead Agency, which would entitle such persons to major benefits under the Act.

Comparable Replacement Dwelling

402(e)

"Comparable replacement dwelling" means any dwelling that is decent, safe and sanitary; adequate in size to accommodate the occupants; functionally equivalent and substantially the same as the acquired dwelling with respect to the number of rooms and living space; within the financial means of the displaced person; in an area not subject to unreasonable adverse conditions; and in a location generally not less desirable than the displaced person's dwelling with respect to public utilities, facilities, services and the displaced person's place of employment.

Displacing Agency

402(e)

"Displacing agency" includes Federal and state agencies with the power of eminent domain. The definition also covers projects advanced by private parties without the power of eminent domain if the project is undertaken pursuant to a Federal or Federally-assisted program or project and results in a person's permanent displacement.

Lead Agency

402(e)

The Department of Transportation is the agency designated to promulgate uniform rules implementing the Act that every Federal agency must follow.

Appraisal

402(e)

"Appraisal" is defined to mean a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of value of an adequately described property as to a certain date, supported by relevant market information.

Business

101(7)(D)

Corrects a technical oversight to insure that all displaced businesses, to include outdoor advertising displays, may receive the additional moving or relocation benefits authorized by this bill under section 202 of the Act.

Section 403

Certification

Allows heads of Federal agencies to discharge their responsibilities under the Act by accepting a certification from a state agency that it will perform such responsibilities in accordance with State laws, regulations, directives and standards which will accomplish the purpose and effect of the Act and regulations issued thereunder. Prior to accepting a certification, the Federal agency must provide interested parties with an opportunity for public review and comment and consult with interested local governments. Further, the head of the lead agency, in coordination with the other Federal agencies whose programs are subject to the Act, is required to monitor and review the enforcement and compliance of any state agency certification accepted under this section and to report to Congress thereon on a biennial basis.

Paragraph (4) authorizes the Federal agency to withdraw its approval of the state certification, in whole or in part, if the state agency fails to comply with its certification or state law.

Section 404

Declaration of Findings and Policy

Provisions of existing law which establish the Act's policy to provide for fair and equitable treatment for persons displaced as a result of Federal or Federally-assisted programs or projects so that they don't suffer disproportionate injuries or hardship is retained essentially unchanged. The bill adds a subsection of congressional findings declaring that displacement can be caused by a number of activities, including rehabilitation, demolition, code enforcement as well as acquisition; that relocation policies must assure fair, uniform and equitable treatment by Federal, state and local agencies of all affected persons and assure equal treatment of persons in essentially similar circumstances; and that minimizing the adverse impact displacements have on businesses is essential to maintaining the social and economic wellbeing of communities. The bill includes additional policy statements promoting minimization of waste, fraud and mismanagement and a reduction in unnecessary administrative costs borne by states and state agencies. Also, the bill intends that activities under the Act to improve the conditions of the poor be coordinated with existing housing programs.

Section 405

Moving and Related Expenses

The House bill makes four changes in section 202. First, the bills adds a new provision to provide additional compensation for reasonable expenses, up to $10,000, necessary to reestablish a farm operation, non-profit organization or small business at its new site.

Second, the bill eliminates the specific fixed moving costs schedule for tenants and homeowners (up to $300 moving cost, $200 dislocation allowance to cover incidental moving expenses) which could be chosen in lieu of actual moving expenses, and substitutes an unspecified moving expense and dislocation allowance to be determined according to a schedule established by the lead agency.

Third, the bill raises the $10,000 ceiling in existing law on the amount a displaced business, non-profit organization or farm operation may receive in lieu of itemized expenses for moving and other expenses (property loss and searching expenses) to $20,000, and the minimum amount is lowered from $2,500 to $1,000.

Finally, the bill deletes the requirement that the amount paid in lieu of itemized expenses under this section must be equal to the average annual net earning of a business or farm operation in favor of criteria to be established in lead agency regulations subject to the same limits. Also eliminated is the prohibition against payment if relocation can occur without loss of patronage or if they are part of an enterprise having at least one other business establishment not being acquired.

Section 406

Replacement Housing for Homeowners

Raises the ceiling on relocation payments for comparable replacement housing from $15,000 to $22,500 and changes the formula to be used to compute the mortgage interest differential payment. The provision would also require that the displaced person purchase and occupy a new dwelling within one year after final payment for the acquired dwelling or the date on which he was provided referrals to replacement housing, whichever is later.

Section 407

Replacement Housing for Tenants and Certain Others

Increases the current $4,000 payment ceiling to $6,000 for comparable rental units and maintains the period of rental subsidy at four years. In addition, the bill explicitly requires that a payment to a low-income displaced person take into account that person's income. Further, the displacing agency may make a rental subsidy available in monthly installment payments. Finally, the bill eliminates the requirement to match any amount of rental subsidy over $2,000 applied to a downpayment on a replacement dwelling and restricts the amount of the payment to what an owner occupant could have received if he had qualified as a displaced homeowner under section 203.

Section 408

Relocation Planning, Assistance Coordination and Advisory Services

Requires the displacing agency to prepare a relocation analysis at an early stage in the planning of a program or project in order to recognize and resolve problems associated with displacement. The relocation plan should be designed to minimize and adverse impacts on displaced persons as well as to expedite program or project advancement and completion.

Existing law is amended to include farm operations among the businesses for which information on alternative locations must be provided; to require that an agency provide a displaced person with a reasonable opportunity to relocate to a comparable replacement dwelling except in the case of a disaster or emergency; and to provide technical assistance to persons applying for assistance under other Federal or state programs.

Subsection (e) would require that when two or more Federal agencies are providing assistance to a geographically or functionally related activity, the agencies agree on a cognizant agency whose procedures will apply to such activities. If the agencies cannot agree, then the lead agency shall designate a cognizant agency.

Subsection (f) authorizes advisory services for re-renters excluded from the definition of a "displaced person" under section 101(6).

Section 409

Housing Replacement by Federal Agency as Last Resort

The bill amends 206(a) to require that the lead agency shall promulgate a regulation to the effect that this section may not be used to exceed the new payment ceilings under sections 203 and 204, except on a case-by-case basis, for good cause.

The bill retains essentially unchanged the assurances that a person shall not be required to move from his dwelling unless comparable replacement housing is available to that person.

Section 410

Assurances

Section 210 of existing law, which prohibits Federal payments for a project unless the recipient provides adequate assurances of compliance with the Act, is amended to conform to the use of the newly defined term "displacing agency."

Section 411

Federal Share of Costs

Section 211(a) is amended to delete outdated language establishing coverage under the Act for projects undertaken before July 1972. "State Agency" is amended to read "displacing agency" to conform with the amendment made under 101(11).

Section 211(b) is an amendment to expand the present prohibition on duplication of compensation occurring when a displaced person receives payments under state law which serve essentially the same purpose as those provided under the Act.

Section 412

Duties of Lead Agency and Salvage Operations

Requires the lead agency to: (1) issue uniform, government-wide regulations for use by all Federal agencies in administering the Act; (2) coordinate, with the assistance of other Federal agencies, relocation activities under Title II of the Act with Federal and federally assisted housing programs; (3) monitor, in coordination with other Federal agencies, the implementation and enforcement of the Act, and report to Congress on any major issues or problems associated with the Act; and (4) perform other duties that pertain to the purposes of the Act.

The bill retains with some modification a feature of existing law authorizing an appeals procedure for a person aggrieved by a determination as to his eligibility, the amount of a payment, or other factors under this Act.

The Commonwealth of Massachusetts is required to assist and coordinate the salvage operations and reconstruction of the Great House in City Square, Charlestown, Massachusetts, during depression and reconstruction of the Central Artery.

Section 413

Payments Under Other Laws

Provides that a relocation payment received under this Act shall count in determining a person's eligibility under any Federal law providing low-income housing assistance.

Section 414

Transfer of Surplus Property

Provides that the amount to be paid to GSA by a state after it disposes of surplus property transferred to the state by the Federal Government for the purpose of providing replacement housing required by this title will reflect only the net amounts received for such property, rather than all amounts as is currently the case.

Section 415

Repeals

Sections 214, 217 and 219 of the Act are repealed.

Section 416

Uniform Policy on Real Property

Incorporates a new provision under section 301(2) requiring the head of the lead agency to promulgate procedures under which acquiring agencies may forego an appraisal for acquisition or the donation of low-value property.

Further amends section 301 to define an uneconomic remnant of property as one with little or no value or utility to the owner which is left alter the partial acquisition of his property for a Federal or federally assisted project. The bill maintains the requirement that the head of the agency offer to acquire such an uneconomic remnant so that the owner or occupant would be eligible for the full benefits under that Act.

Adds a new paragraph (10) to section 301, to allow donations under the Act.

Section 417

Assurances

Makes a conforming amendments to section 305 substituting the terms "acquiring agency" for the term "State Agency." An "acquiring agency" is defined as an agency with state eminent domain authority and a state agency or person who does not have such authority to the extent provided by the lead agency by regulation.

Section 418

Effective Date

Section 213 of the Act regarding the duties of the lead agency takes effect on the date of enactment of this Act, and the remainder of the Act takes effect 24 months from the date of enactment.

[Committee Print]
January 2, 1987
[Showing H.R. 2 to be introduced on January 6, 1987]

H.R. 2

A bill to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Surface Transportation and Uniform Relocation Assistance Act of 1987".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Secretary defined.

TITLE I—FEDERAL-AID HIGHWAY ACT OF 1987

Sec. 101. Short title.
Sec. 102. Approval of interstate cost estimate and extension of interstate program.
Sec. 103. Approval of cost estimate and authorization of appropriations for Interstate substitute projects.
Sec. 104. Authorizations of appropriations for Interstate System construction.
Sec. 105. Obligation ceiling.
Sec. 106. Authorization of appropriations.
Sec. 107. Interstate 4R and primary formulas.
Sec. 108. Elimination of roadside obstacles.
Sec. 109. Contracting for engineering and design services.
Sec. 110. Limitations concerning South Africa on awards of contracts.
Sec. 111. Standardized contract clause concerning site conditions.
Sec. 112. Convict produced materials.
Sec. 113. Signs identifying funding sources.
Sec. 114. Advanced construction.
Sec. 115. Interstate discretionary funds.
Sec. 116. Flexibility of use of highway funds.
Sec. 117. Interstate 4R program.
Sec. 118. Federal share.
Sec. 119. Emergency relief.
Sec. 120. Tank trucks.
Sec. 121. Extension of tolls to finance certain ineligible construction expenses.
Sec. 122. Highway beautification.
Sec. 123. Bridge program.
Sec. 124. Minimum allocation.
Sec. 125. National bridge inspection program.
Sec. 126. Income from airspace rights-of-way.
Sec. 127. Strategic highway research program.
Sec. 128. Planting of native wildflowers.
Sec. 129. Highway technical amendments.
Sec. 130. Buy America.
Sec. 131. Implementation of certain orders.
Sec. 132. Project eligibility.
Sec. 133. Eligibility of park and ride facilities.
Sec. 134. Planning, design, and construction.
Sec. 135. Transfer of interstate lanes.
Sec. 136. Modification of interstate transfer concept plans.
Sec. 137. Payback of right-of-way expenses.
Sec. 138. Expenditure of Federal highway funds in Virgin Islands.

Sec. 139. Exemption from right-of-way restriction.
Sec. 140. Donation of lands.
Sec. 141. Shirley Highway traffic restrictions.
Sec. 142. Railroad relocation demonstration program.
Sec. 143. Maintenance of certain railroad-highway crossings.
Sec. 144. Demonstration projects.
Sec. 145. Cumberland Gap National Historical Park, Virginia.
Sec. 146. Delaware River bridges.
Sec. 147. Highway designation.
Sec. 148. Bridge naming.
Sec. 149. Study of apportionment formulas.
Sec. 150. Bridge formula study.
Sec. 151. Study of highway bridges which cross rail lines.
Sec. 152. Parking for handicapped persons.
Sec. 153. Feasibility study of using highway electrification systems.
Sec. 154. Cost effectiveness study of highway upgrading.
Sec. 155. Bridge management study.
Sec. 156. State maintenance program study.
Sec. 157. Highway feasibility study.
Sec. 158. California feasibility study.
Sec. 159. New York feasibility study.
Sec. 160. Limitation on widening certain routes through historic district.
Sec. 161. Urban high density program.
Sec. 162. Ferry boat service.

TITLE II—HIGHWAY SAFETY ACT OF 1987

Sec. 201. Short title.
Sec. 202. Highway safety.
Sec. 203. 55 mph speed limit.
Sec. 204. Alcohol traffic safety programs.
Sec. 205. School bus safety measures.
Sec. 206. Standards for splash and spray suppressant devices.
Sec. 207. Use of certain reports as evidence.
Sec. 208. Emergency call boxes.
Sec. 209. Railroad-highway crossings authorizations.
Sec. 210. National driver registration amendments.
Sec. 211. Highway safety program amendments.
Sec. 212. Highway safety education and information.
Sec. 213. Railroad-highway crossing needs.
Sec. 214. Older driver study.
Sec. 215. Rescission of contract authority.

TITLE III—FEDERAL MASS TRANSPORTATION ACT OF 1987

Sec. 301. Short title.
Sec. 302. Letters of intent; multi-year contracts.
Sec. 303. Approval of funding levels and allocations of funds.
Sec. 304. Advance construction.
Sec. 305. Criteria for new starts.
Sec. 306. Authorization of appropriations for substitute projects.
Sec. 307. Rates for elderly and handicapped persons.
Sec. 308. Long-term financial planning.
Sec. 309. Block grant program amendments.
Sec. 310. University transportation centers.
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TITLE IV—UNIFORM RELOCATION ACT AMENDMENTS OF 1987

Sec. 401. Short title.
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Sec. 415. Repeals.
Sec. 416. Uniform policy on real property acquisition practices.
Sec. 417. Assurances.
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SEC. 2. SECRETARY DEFINED.

As used in this Act, the term "Secretary" means the Secretary of Transportation.

TITLE I—FEDERAL-AID HIGHWAY ACT OF 1987

SEC. 101. SHORT TITLE.

This title may be cited as the "Federal-Aid Highway Act of 1987".

SEC. 102. APPROVAL OF INTERSTATE COST ESTIMATE AND EXTENSION OF INTERSTATE PROGRAM.

(a) FISCAL YEAR 1988.—The Secretary shall apportion for fiscal year 1988 the sums authorized to be appropriated for such year by section 108(b) of the Federal-Aid Highway Act of 1956 for expenditure on the National System of Interstate and Defense Highways, using the apportionment factors contained in revised table 5 of the committee print numbered 100-1 of the Committee on Public Works and Transportation of the House of Representatives.

(b) EXTENSION OF INTERSTATE PROGRAM THROUGH FICSAL YEAR 1993.—

(1) EXTENSION OF ICE APPROVAL PROCESS.—Section 104(b)(5)(A) of title 23, United States Code, is amended by inserting after "September 30, 1990." the following: "The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above, and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1989. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal years 1991, 1992, and 1993.".

(2) CONFORMING AMENDMENT.—The second paragraph of section 101(b) of such title is amended (A) by striking out "thirty-four years'" and inserting in lieu thereof "thirty-seven years' ", and (B) by striking out "1990" and inserting in lieu thereof "1993".

SEC. 103. APPROVAL OF COST ESTIMATE AND AUTHORIZATION OF APPROPRIATIONS FOR INTERSTATE SUBSTITUTE PROJECTS.

(a) FISCAL YEAR 1987.—The Secretary shall apportion for fiscal year 1987 the sums to be apportioned for such year under section 103(e)(4) of title 23, United States Code, for expenditure on substitute highway and transit projects, using the apportionment factors contained in the committee print numbered 100-2 of the Committee on Public Works and Transportation of the House of Representatives.

(b) AUTHORIZATION OF APPROPRIATIONS; PERIOD OF AVAILABILITY OF APPORTIONED FUNDS; EXTENSION OF SUBSTITUTE ICE APPROVAL PROCESS.—Section 103(e)(4) of title 23, United States Code, is amended to read as follows:

"(4) INTERSTATE SUBSTITUTE PROGRAM.—

"(A) WITHDRAWAL OF APPROVAL.—Upon the joint request of a State Governor and the local governments concerned, the Secretary may withdraw his approval of any route or portion thereof on the Interstate System which was selected and approved in accordance with this title, if he determines that such route or portion thereof is not essential to completion of a unified and connected Interstate System and if he receives assurances that the State does not intend to construct a toll road in the traffic corridor which would be served by the route or portion thereof.

"(B) SUBSTITUTE PROJECTS.—When the Secretary withdraws his approval under this paragraph, a sum equal to the Federal share of the cost to complete the withdrawn route or portion thereof, as that cost is included in the latest Interstate System cost estimate approved by Congress, or up to and including the 1983 interstate cost estimate, whichever is earlier, subject to increase or decrease, as determined by the Secretary based on changes in construction costs of the withdrawn route or portion thereof as of the date of approval of each substitute project under this paragraph, or the date of approval of the 1983 interstate cost estimate, whichever is earlier, shall be available to the Secretary to incur obligations for the Federal share of either public mass transit projects involving the construction of fixed rail facilities or the purchase of passenger equipment including rolling stock, for any mode of mass transit, or both, or projects authorized under any highway assistance program under this section; or both, which will serve the area or areas from which the interstate route or portion thereof was withdrawn, which are selected by the responsible local officials of the area or areas to be served, and which are selected by the Governor or the Governors of the State or the States in which the withdrawn route was located if the withdrawn route was not within an urbanized area or did not pass through and connect urbanized areas, and which are submitted by the Governors of the States in which the withdrawn route was located.

"(C) DEADLINE FOR APPROVAL AND WITHDRAWAL.—Substitute projects under this paragraph may not be approved by the Secretary under this paragraph after September 30, 1983, and the Secretary shall not approve any withdrawal of a route under this paragraph after such date; except that (i) with respect to any route which on the date of the enactment of the Federal-Aid Highway Act of 1978 was under judicial injunction prohibiting its construction, the Secretary may approve substitute projects and withdrawals on such route until September 30, 1986; and (ii) with respect to any route which on May 12, 1982, was under judicial injunction prohibiting its construction, the Secretary may approve substitute projects and withdrawals on such route until September 30, 1985.

"(D) PROJECT APPROVAL; FEDERAL SHARE.—Approval by the Secretary of the plans, specifications, and estimates for a substitute project shall be deemed to be a contractual obligation of the Federal Government. The Federal share of each substitute project shall not exceed 85 percent of the cost thereof.

"(E) AVAILABILITY OF FUNDS FOR SUBSTITUTE PROJECTS.—

"(i) TIME PERIOD.—The sums apportioned and the sums allocated under this paragraph for public mass transit projects shall remain available for the fiscal year for which apportioned or allocated, as the case may be, and for the three succeeding fiscal years. The sums apportioned and the sums allocated under this paragraph for projects under any highway assistance program shall remain available for the fiscal year for which apportioned or allocated, as the case may be, and for the three succeeding fiscal years.

"(ii) REAPPORTIONMENT.—Any sums which are apportioned or allocated to a State for a fiscal year and are unobligated (other than an amount which, by itself, is insufficient to pay the Federal share of the cost of a substitute project which has been submitted by the State to the Secretary for approval) at the end of the second fiscal year succeeding such fiscal year shall be apportioned or allocated, as the case may be, among those States which have obligated all sums (other than such an amount) apportioned or allocated, as the case may be, to them for such second succeeding fiscal year. Such reapportionments shall be in accordance with the latest approved estimate of the cost of completing substitute projects, and such reallocations shall be at the discretion of the Secretary.

"(F) ADMINISTRATION OF TRANSIT FUNDS.—The sums obligated for mass transit projects under this paragraph shall become part of, and be administered through, the Urban Mass Transportation Fund.

"(G) AUTHORIZATION OF APPROPRIATIONS FOR HIGHWAY PROJECTS.—For the fiscal year ending September 30, 1983, $257,000,000 shall be available out of the Highway Trust Fund for expenditure at the discretion of the Secretary for projects under highway assistance programs. There shall be available, out of the Highway Trust Fund (other than the Mass Transit Account), to the Secretary for expenditure under this paragraph for projects under highway assistance programs $700,000,000 per fiscal year for each of fiscal years 1984 and 1985, $693,825,000 for fiscal year 1986, and $825,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

"(H) DISTRIBUTION OF SUBSTITUTE HIGHWAY FUNDS.—

"(i) BETWEEN DISCRETIONARY AND APPORTIONED PROGRAMS.—Twenty-five percent of the funds made available by subparagraph (G) for each of fiscal years 1984, 1985, 1986, 1987, 1988, 1989, 1990, and 1991 for substitute highway projects under this paragraph shall be distributed at the discretion of the Secretary. The remaining 75 percent of such funds shall be apportioned in accordance with cost estimates approved by Congress.

"(ii) FY 1984 APPORTIONMENT.—The Secretary shall make an estimate of the cost of completing substitute highway projects under this paragraph and transmit the same to the Senate and the House of Representatives as soon as practicable after the date of enactment of the Highway Improvement Act of 1982. Upon approval of such cost estimate by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute highway projects for fiscal year 1984.

"(iii) FY 1985, 1986, AND 1987 APPORTIONMENTS.—The Secretary shall make a revised estimate of the cost of completing substitute highway projects under this paragraph and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1984, and upon approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute highway projects for fiscal years 1985, 1986, and 1987.

"(iv) FY 1988, 1989, 1990, AND 1991 APPORTIONMENTS.—The Secretary shall make a revised estimate of the cost of completing substitute highway projects under this paragraph and transmit the same to the Senate and the House of Representatives as soon as practicable after the date of the enactment of the Federal-Aid Highway Act of 1987. Upon approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute highway projects for fiscal year 1988. Subject to changes in State estimates in the division of funds between substitute highway and transit projects, subject to amounts made available in prior fiscal years, and subject to the availability and reapportionment of funds under subparagraph (E), the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute highway projects for fiscal years 1989, 1990, and 1991.

"(I) AUTHORIZATION OF APPROPRIATIONS FOR TRANSIT PROJECTS.—There are authorized to be appropriated for liquidation of obligations incurred for substitute transit projects under this paragraph the sums provided in section 4(g) of the Urban Mass Transportation Act of 1964.

"(J) DISTRIBUTION OF SUBSTITUTE TRANSIT FUNDS.—

"(i) BETWEEN DISCRETIONARY AND APPORTIONED PROGRAMS.—Fifty percent of the funds appropriated for each fiscal year beginning after September 30, 1983, for carrying out substitute transit projects under this paragraph shall be distributed at the discretion of the Secretary. The remaining 50 percent of such funds shall be apportioned in accordance with cost estimates approved by Congress.

"(ii) FY 1984 APPORTIONMENT.—The Secretary shall make an estimate of the cost of completing substitute transit projects under this paragraph and transmit the same to the Senate and the House of Representatives as soon as practicable after the date of the enactment of the Highway Improvement Act of 1982. Upon approval of such cost estimate by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute transit projects for fiscal year 1984.

"(iii) FY 1985, 1986, AND 1987 APPORTIONMENTS.—The Secretary shall make a revised estimate of the cost of completing substitute transit projects under this paragraph and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1984, and upon approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute transit projects for fiscal years 1985, 1986, and 1987.

"(iv) FY 1988, 1989, 1990, AND 1991 APPORTIONMENTS.—The Secretary shall make a revised estimate of the cost of completing substitute transit projects under this paragraph and transmit the same to the Senate and the House of Representatives as soon as practicable after the date of the enactment of the Federal-Aid Highway Act of 1987. Upon approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute transit projects for fiscal year 1988. Subject to changes in State estimates in the division of funds between substitute highway and transit projects, subject to amounts made available in prior fiscal years, and subject to the availability and reapportionment of funds under subparagraph (E), the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute transit projects for fiscal years 1989, 1990, and 1991.

"(K) REDUCTION OF INTERSTATE APPORTIONMENT.—

"(i) IN GENERAL.—Unobligated apportionments for the Interstate System in any State where a withdrawal is approved under this paragraph shall, on the date of such approval, be reduced in the proportion that the Federal share of the cost of the withdrawn route or portion thereof bears to the Federal share of the total cost of all interstate routes in that State as reflected in the latest cost estimate approved by the Congress.

"(ii) EXCEPTION.—In any State where the withdrawal of an interstate route or portion thereof has been approved under this section prior to the date of the enactment of the Federal-Aid Highway Act of 1976, the unobligated apportionments for the Interstate System in that State on such date of enactment shall be reduced in the proportion that the Federal share of the cost to complete such route or portion thereof, as shown in the latest cost estimate approved by Congress prior to such approval of withdrawal, bears to the Federal share of the cost of all interstate routes in that State, as shown in such cost estimate; except that the amount of such proportional reduction shall be credited with the amount of any reduction in such State's Interstate apportionment which was attributable to the Federal share of any substitute project approved under this paragraph prior to such date of enactment.

"(L) APPLICABILITY OF UMTA.—

"(i) SUPPLEMENTARY FUNDS.—Funds available for expenditure to carry out the purposes of this paragraph shall be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964.

"(ii) Labor protection.—The provisions of section 3(e)(4) of the Urban Mass Transportation Act of 1964 shall apply in carrying out this paragraph.

"(M) Limitation on interstate designations.—After the date of the enactment of the Federal-Aid Highway Act of 1978, the Secretary may not designate any mileage as part of the Interstate System pursuant to this paragraph or under any other provision of law. The preceding sentence shall not apply to a designation made under section 139 of this title.

"(N) Open to traffic requirement.—After September 30, 1979, the Secretary shall not withdraw his approval under this paragraph of any route or portion thereof on the Interstate System open to traffic before the date of the proposed withdrawal. Any withdrawal of approval of any such route or portion thereof before September 30, 1979, is hereby determined to be authorized by this paragraph.

"(O) Limitation on substitution for statutorily designated routes.—Any route or segment which was statutorily designated after March 7, 1978, to be on the Interstate System shall not be eligible for withdrawal or substitution under this subsection.".

(c) Additional Amount for Substitute Transit Projects.—

(1) Authorization.—In addition to the total amount available to the Secretary under section 103(e)(4)(B) of title 23, United States Code, there is authorized to be appropriated to the Secretary for fiscal years beginning after September 30, 1986, $100,000,000 to incur obligations under such section for the Federal share of either public mass transit projects, or the purchase of passenger equipment, described in such section.

(2) Limitation on obligations.—Any funds appropriated pursuant to paragraph (1) may only be obligated for projects substituted for any segment of an interstate route the approval of which is withdrawn under section 103(e)(4) of such title before January 1, 1986.

(3) Apportionment factors.—Notwithstanding section 103(e)(4) of such title, funds appropriated pursuant to paragraph (1) shall be made available in accordance with the apportionment factors contained in the committee print numbered 100-2 of the Committee on Public Works and Transportation of the House of Representatives.

(d) Contract Deadline for Substitute Projects.—

(1) Elimination.—Subsection (e) of section 107 of the Federal-Aid Highway Act of 1978 (23 U.S.C. 103 note) is amended—

(A) in the first sentence by striking out "and all Interstate substitute projects pursuant to subsection (e)(4) of section 103 of title 23, United States Code (for which the Secretary finds that sufficient Federal funds are available)"; and

(B) in the second sentence by striking out "and in the case" and all that follows through the period at the end of such subsection and inserting in lieu thereof a period.

(2) Effective date.—The amendments made by paragraph (1) shall take effect September 29, 1986.

(e) Inclusion of Certain Costs as Non-Federal Share.—If the State of Oregon completes construction of a segment of an east-west highway which segment connects 158th Avenue and Cornelius Pass Road in Washington County, Oregon, with funds made available under section 103(e)(4) of title 23, United States Code, the Secretary shall include as part of the non-Federal share of the cost of construction of such segment all funds expended by private land developers after January 1, 1980, on construction of such segment.

(f) Conforming Amendments.—(1) Section 103(e) of title 23, United States Code, is amended—

(A) by inserting "Interstate System.—" before "(1) The Interstate";

(B) in paragraph (1) by inserting "Designation; mileage limitation.—" before "The Interstate";

(C) in paragraph (2) by inserting "Modifications.—" before "In addition";

(D) in paragraph (3) by inserting "Additional mileage for improved efficiency.—" before "In addition";

(E) in paragraph (5) by inserting "Limitation on refunds for withdrawals before November 6, 1978.—" before "Notwithstanding" and by striking out "; and" at the end of such paragraph and inserting in lieu thereof a period;

(F) in paragraph (6) by inserting "Limitation on refunds for withdrawals on and after November 6, 1978.—" before "Notwithstanding" and by striking out the semicolon at the end of such paragraph and inserting in lieu thereof a period;

(G) in paragraph (7) by inserting "Additional limitation on refunds.—" before "In any" and by striking out "; and" at the end of such paragraph and inserting in lieu thereof a period;

(H) in paragraph (8) by inserting "Protection of property rights.—" before "Nothing";

(I) in paragraph (9) by inserting "Limitation on funding of modified mileage projects.—" before "Interstate mileage";

(J) by indenting paragraph (1) and aligning such paragraph and paragraphs (2), (3), (5), (6), (7), (8), and (9) with paragraph (4) of such section, as amended by subsection (b) of this section; and

(K) by aligning subparagraphs (A) and (B) of paragraphs (5) and (6) with subparagraph (A) of such paragraph (4).

(2) Section 107(c)(2) of the Highway Improvement Act of 1982 (23 U.S.C. 103 note) is amended—

(A) by striking out "the second sentence" and inserting in lieu thereof "subparagraph (B)"; and

(B) by striking out "such sentence" and inserting in lieu thereof "such subparagraph".

SEC. 104. AUTHORIZATION OF APPROPRIATIONS FOR INTERSTATE SYSTEM CONSTRUCTION.

The first sentence of subsection (b) of section 108 of the Federal-Aid Highway Act of 1956 is amended by striking out "and" after "September 30, 1987," and all that follows through the period at the end of such sentence and inserting in lieu thereof the following: ", the additional sum of $3,000,000,000 for the fiscal year ending September 30, 1988, the additional sum of $3,300,000,000 for the fiscal year ending September 30, 1989, the additional sum of $3,300,000,000 for the fiscal year ending September 30, 1990, the additional sum of $3,300,000,000 for the fiscal year ending September 30, 1991, the additional sum of $3,300,000,000 for the fiscal year ending September 30, 1992, and the additional sum of $2,000,000,000 for the fiscal year ending September 30, 1993.".

SEC. 105. OBLIGATION CEILING.

(a) General Limitation.—Notwithstanding any other provision of law (other than subsection (f) of this section), the total of all obligations for Federal-aid highways and highway safety construction programs shall not exceed—

(1) $12,600,000,000 for fiscal year 1988;

(2) $12,600,000,000 for fiscal year 1989;

(3) $12,600,000,000 for fiscal year 1990; and

(4) $12,600,000,000 for fiscal year 1991.

(b) Exceptions.—The limitations under subsection (a) shall not apply to obligations—

(1) under section 125 of title 23, United States Code;

(2) under section 157 of such title;

(3) under section 320 of such title;

(4) under section 147 of the Surface Transportation Assistance Act of 1978;

(5) under section 9 of the Federal-Aid Highway Act of 1981;

(6) under sections 131(b) and 131(j) of the Surface Transportation Assistance Act of 1982;

(7) under section 118 of the National Visitor Center Facilities Act of 1968;

(8) under section 163(p)(2) of the Federal-Aid Highway Act of 1973;

(9) under section 404 of the Surface Transportation Assistance Act of 1982; and

(10) under sections 143, 144, 150, 153, 154, and 158 of this Act.

No obligation constraints shall be placed upon any ongoing emergency project carried out under section 125 of title 23, United States Code, or section 147 of the Surface Transportation Assistance Act of 1978.

(c) Distribution of Obligation Authority.—For each of fiscal years 1988, 1989, 1990, and 1991 the Secretary shall distribute the limitation imposed by subsection (a) by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to each State for such fiscal year bears to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to all the States for such fiscal year.

(d) Limitation on Obligation Authority.—During the period October 1 through December 31 of each of fiscal years 1988, 1989, 1990, and 1991, no State shall obligate more than 35 percent of the amount distributed to such State under subsection (c) for such fiscal year, and the total of all State obligations during such period shall not exceed 25 percent of the total amount distributed to all States under such subsection for such fiscal year.

(e) Redistribution of Unused Obligation Authority.—Notwithstanding subsections (c) and (d), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction which have been apportioned or allocated to a State, except in those instances in which a State indicates its intention to lapse sums apportioned under section 104(b)(5)(A) of title 23, United States Code;

(2) after August 1 of each of fiscal years 1988, 1989, 1990, and 1991, revise a distribution of the funds made available under subsection (c) for such fiscal year if a State will not obligate the amount distributed during such fiscal year and redistribute sufficient amounts to those States able to obligate

amounts in addition to those previously distributed during such fiscal year giving priority to those States having large unobligated balances of funds apportioned under section 104 of title 23, United States Code, and giving priority to those States which, because of statutory changes made by the Surface Transportation Assistance Act of 1982 and the Federal-Aid Highway Act of 1981, have experienced substantial proportional reductions in their apportionments and allocations; and

(3) not distribute amounts authorized for administrative expenses and Federal lands highways programs.

(f) Additional Obligation Authority.—

(1) In general.—Subject to paragraph (2), a State which after August 1 and on or before September 30 of fiscal year 1988, 1989, 1990, or 1991 obligates the amount distributed to such State in such fiscal year under subsections (c) and (e) may obligate for Federal-aid highways and highway safety construction on or before September 30 of such fiscal year an additional amount not to exceed 10 percent of the aggregate amount of funds apportioned or allocated to such State—

(A) under sections 104, 144, and 152 of title 23, United States Code,

(B) for highway assistance projects under section 103(e)(4) of such title, and

(C) under section 203 of the Highway Safety Act of 1973,

which are not obligated on the date such State completes obligation of the amount so distributed.

(2) Limitation on additional obligation authority.—During the period August 2 through September 30 of each of fiscal years 1988, 1989, 1990, and 1991, the aggregate amount which may be obligated by all States pursuant to paragraph (1) shall not exceed 5 percent of the aggregate amount of funds apportioned or allocated to all States—

(A) under sections 104, 144, and 152 of title 23, United States Code,

(B) for highway assistance projects under section 103(e)(4) of such title, and

(C) under section 203 of the Highway Safety Act of 1973,

which would not be obligated in such fiscal year if the total amount of obligational authority provided by subsection (a) for such fiscal year were utilized.

(3) Limitation on applicability.—Paragraph (1) shall not apply to any State which on or after August 1 of fiscal year 1988, 1989, 1990, or 1991, as the case may be, has the amount distributed to such State under subsection (c) for such fiscal year reduced under subsection (e)(2).

(g) Conforming Amendment.—Section 157(b) of title 23, United States Code, is amended by striking out the period at the end of the last sentence and inserting in lieu thereof "and section 105(c) of the Federal-Aid Highway Act of 1987.".

SEC. 106. AUTHORIZATION OF APPROPRIATIONS.

(a) From the Highway Trust Fund.—For the purpose of carrying out the provisions of title 23, United States Code, the following sums are hereby authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account):

(1) Interstate 4R program.—For resurfacing, restoring, rehabilitating, and reconstructing the National System of Interstate and Defense Highways $2,830,000,000 per fiscal year for each of fiscal years 1988, 1989, 1990, 1991, and 1992.

(2) Federal-aid primary system.—For the Federal-aid primary system in rural areas, including the extensions of the Federal-aid primary system in urban areas, and the priority primary routes $2,305,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(3) Federal-aid secondary system.—For the Federal-aid secondary system in rural areas $600,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(4) Federal-aid urban system.—For the Federal-aid urban system $750,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(5) Indian reservation roads.—For Indian reservation roads $90,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(6) Forest highways.—For forest highways $57,500,000 per fiscal year for each of fiscal years 1987 and 1988, $57,185,000 per fiscal year for each of fiscal years 1989 and 1990, and $60,000,000 for fiscal year 1991.

(7) Public lands highways.—For public lands highways $20,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(b) Parkways and Park Highways.—

(1) In general.—For the purpose of carrying out the provisions of title 23, United States Code, there is hereby authorized to be appropriated for parkways and park highways $45,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(2) Payment of cost.—The entire cost of any parkway or park highway on any Federal-aid system paid under the authorization contained in this subsection shall be paid from the Highway Trust Fund (other than the Mass Transit Account).

(c) Disadvantaged Business Enterprises.—

(1) General rule.—Except to the extent that the Secretary determines otherwise, not less than 10 percent of the amounts authorized to be appropriated under this Act shall be expended with small business concerns owned and controlled by socially and economically disadvantaged individuals. The term "socially and economically disadvantaged individuals" has the meaning such term has under section 8(d) of the Small Business Act (15 U.S.C. section 637(d)) and relevant subcontracting regulations promulgated pursuant thereto; except that women shall be presumed to be socially and economically disadvantaged individuals for purposes of this subsection.

(2) Annual listing of disadvantaged business enterprises.—Each State shall annually survey and compile a list of the small business concerns referred to in paragraph (1) and the location of such concerns in the State.

SEC. 107. INTERSTATE 4R AND PRIMARY FORMULAS.

(a) Revision of 4R Formula.—Section 104(b)(5)(B) of title 23, United States Code, is amended to read as follows:

"(B) For resurfacing, restoring, rehabilitating, and reconstructing the Interstate System:

"50 percent in the ratio that vehicle miles traveled on lanes on the interstate routes designated under sections 103 and 139(c) of this title (other than those on toll roads not subject to a Secretarial agreement provided for in section 105 of the Federal-Aid Highway Act of 1978) in each State bears to the total of all such vehicle miles in all States; 25 percent in the ratio that gasoline used by motor vehicles on highways in such State bears to the total of gasoline used by motor vehicles on highways in all States; and 25 percent in the ratio that diesel fuel used by motor vehicles on highways in such State bears to the total of diesel fuel used by motor vehicles on highways in all States.

The Secretary shall establish such rules and regulations as may be necessary to carry out this subparagraph.".

(b) Extension of Primary Formula.—Section 108 of the Highway Improvement Act of 1982 (23 U.S.C. 104 note) is amended by striking out "and 1986" each place it appears and inserting in lieu thereof "1986, 1987, 1988, 1989, 1990, and 1991".

SEC. 108. ELIMINATION OF ROADSIDE OBSTACLES.

The second undesignated paragraph of section 101(a) of title 23, United States Code, relating to the definition of construction, is amended by inserting after "grade crossings," the following: "elimination of roadside obstacles,".

SEC. 109. CONTRACTING FOR ENGINEERING AND DESIGN SERVICES.

(a) In General.—Section 112(b) of title 23, United States Code, is amended by striking out "Construction" and inserting in lieu thereof "(1) In general.—Subject to paragraphs (2) and (3), construction" and by adding at the end thereof the following new paragraph:

"(2) Contracting for engineering and design services.—Each contract for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services with respect to a project subject to the provisions of subsection (a) of this section shall be awarded in the same manner as a contract for architectural and engineering services is negotiated under title IX of the Federal Property and Administrative Services Act of 1949 or equivalent State qualifications-based requirements.".

(b) Conforming Amendments.—Such section is further amended—

(1) by inserting "Bidding Requirements.—" after "(b)"; and

(2) by indenting paragraph (1), as designated by subsection (a) of this section, and aligning such paragraph with paragraph (2), as added by such subsection.

SEC. 110. LIMITATIONS CONCERNING SOUTH AFRICA ON AWARDS OF CONTRACTS.

Section 112(b) of title 23, United States Code, is further amended by adding at the end thereof the following new paragraph:

"(3) Limitations concerning South Africa on awards of contracts.—A State or local governmental body that is a recipient of Federal funds under this title may prohibit or otherwise limit the award of contracts by including in its contracts terms and conditions related to the contractor's business in South Africa in accordance with a State or local law if the State or local governmental body first enters into an agreement with the Secretary that any costs incurred as a result of such prohibition or limitation which are in excess of the costs that would otherwise have been incurred with respect to such project under this title will not, for purposes of this title, be considered to be a cost of such project.".

SEC. 111. STANDARDIZED CONTRACT CLAUSE CONCERNING SITE CONDITIONS.

Section 112 of title 23, United States Code, is amended by redesignating subsection (e), and any references thereto, as subsection (f), and by inserting after subsection (d) the following new subsection:

"(e) Standardized Contract Clause Concerning Site Conditions.—The Secretary shall issue regulations establishing and requiring, for inclusion in each contract entered into with respect to any project approved under section 106 of this title—

"(1) a standardized contract clause concerning each of the following conditions:

"(A) site conditions differing from those specified in the contract;

"(B) suspensions of work ordered by the State (other than a suspension of work caused by the fault of the contractor or by weather); and

"(C) material changes in the scope of work specified in the contract; and

"(2) equitable adjustment of contract terms to take into account such conditions.".

SEC. 112. CONVICT PRODUCED MATERIALS.

(a) In General.—Subsection (b) of section 114 of title 23, United States Code, is amended to read as follows:

"(b) Convict Labor and Convict Produced Materials.—

"(1) Limitation on convict labor.—Convict labor shall not be used in construction of highways or portions of highways located on a Federal-aid system unless it is labor performed by convicts who are on parole, supervised release, or probation.

"(2) Limitation on convict produced materials.—Materials produced by convict labor may only be used in such construction—

"(A) if such materials are produced by convicts who are on parole, supervised release, or probation from a prison; or

"(B) if such materials are produced by convicts in a qualified prison facility and the amount of such materials produced in such facility for use in such construction during any 12-month period does not exceed the amount of such materials produced in such facility for use in such construction during the 12-month period ending July 1, 1985.

"(3) Qualified prison facility defined.—As used in this subsection, 'qualified prison facility' means any prison facility in which convicts, during the 12-month period ending July 1, 1985, produced materials for use in construction of highways or portions of highways located on a Federal-aid system.".

(b) Conforming Amendments.—(1) Subsection (a) of such section is amended by inserting "Construction Work In General.—" before "The construction of".

(2) Section 202 of the Departments of Commerce, Justice, State, the Judiciary, and Related Agencies Appropriation Act, 1985 is hereby repealed.

(3) Section 1761(d) of title 18, United States Code, is hereby repealed.

SEC. 113. SIGNS IDENTIFYING FUNDING SOURCES.

Section 114(a) of title 23, United States Code, is further amended by adding at the end thereof the following new sentence: "If a State has a practice of erecting on projects under actual construction without Federal-aid highway assistance signs which indicate the source or sources of any funds used to carry out such projects, such State shall erect on all projects under actual construction with any funds made available out of the Highway Trust Fund signs which are visible to highway users and which indicate each governmental source of funds being used to carry out such federally assisted projects and the amount of funds being made available by each such source.".

SEC. 114. ADVANCED CONSTRUCTION.

(a) Limitation.—Paragraph (2) of section 115(a) of title 23, United States Code, is amended to read as follows:

"(2) Limitation.—The aggregate amount of funds which the Secretary is authorized to pay to a State with respect to highway substitute projects, projects on a Federal-aid system, or bridge projects under applications approved under this section shall not, at any time during a fiscal year, exceed an amount equal to—

"(A) two times the aggregate amount of funds apportioned or allocated to the State for expenditure under section 103(e)(4), 104, or 144 of this title, as the case may be, in such fiscal year; plus

"(B) the aggregate amount of funds apportioned or allocated to the State for expenditure under such section which, on the last day of the preceding fiscal year, have not been obligated and remain available for obligation by such State; plus

"(C) the aggregate amount which the Secretary determines, by using the most recent apportionment or allocation factors, would be apportioned or allocated to the State for expenditure under such section in each succeeding fiscal year for which funds are authorized to be appropriated to carry out such section; less

"(D) the aggregate amount of funds apportioned or allocated to the State for expenditure under such section which have been obligated in such fiscal year.".

(b) Primary System Projects.—

(1) In general.—Section 115(b)(1) of such title, is amended—

(A) by inserting before "Interstate System" each place it appears "Federal-aid primary or"; and

(B) by inserting after "Interstate System" the second place it appears ", as the case may be".

(2) Exemption of funds.—Section 115(a)(1) of such title is amended—

(A) by inserting "and Federal-aid primary funds" after "Interstate funds"; and

(B) by inserting "or a Federal-aid primary system project funded under section 104(b)(1) of this title or section 108 of the Highway Improvement Act of 1982" after "104(b)(5) of this title".

(c) Removal of Limitation on Bond Interest.—Section 115(b)(2) of such title is amended by striking out "under construction on January 1, 1983, on the Interstate System" and inserting in lieu thereof "constructed before, on, or after January 1, 1983, on the Federal-aid primary or Interstate System".

(d) Conforming Amendments.—Section 115 of such title is amended—

(1) in subsection (a) by inserting "Authorization of Payment.—" after "(a)";

(2) in subsection (a)(1) by striking out "When" and inserting in lieu thereof "Requirements.—Subject to paragraph (2), when";

(3) in subsection (a) by indenting paragraph (1) and aligning such paragraph with paragraph (2), as amended by subsection (a) of this section;

(4) in subsection (a)(1) by aligning subparagraphs (A) and (B) with subparagraphs (A), (B), (C), and (D) of such paragraph (2); and

(5) in subsection (b)(1) by striking out "When" and inserting in lieu thereof "Subject to subsection (a)(2), when".

SEC. 115. INTERSTATE DISCRETIONARY FUNDS.

(a) Construction Funds; Additional Priority Project.—Paragraph (2) of section 118(b) of title 23, United States Code, is amended to read as follows:

"(2) Interstate construction funds.—

"(A) Period of availability.—Except as otherwise provided in this subsection, sums apportioned for the Interstate System in any State shall remain available for expenditure in that State until the end of the fiscal year for which authorized. Upon request of the State, the Secretary shall reduce the period of availability of such sums by one fiscal year.

"(B) Discretionary projects.—Sums not obligated within the time period prescribed by subparagraph (A) shall lapse and be made available by the Secretary for projects on the Interstate System (other than projects for which sums are apportioned under section 104(b)(5)(B)) in accordance with the following priorities:

"(i) First, for—

"(I) high cost projects which directly contribute to the completion of a segment of the Interstate System which is not open to traffic; and

"(II) high cost projects for construction of high occupancy vehicle lanes and other lanes on any highway in Los Angeles County, California, designated as a part of the Interstate System by section 140 of the Federal-Aid Highway Act of 1978 and the costs of construction of which are included in the interstate cost estimate for 1985.

"(ii) Second, for projects of high cost in relation to a State's apportionment.

"(iii) Third, for projects with respect to which the Secretary may make payments under section 115 of this title.

"(C) Limitation on states eligible for discretionary funds.—Sums may only be made available under this paragraph in any State in a fiscal year if—

"(i)(I) the Secretary determines that the State has obligated all of its apportionments under section 104(b)(5)(A) of this title other than an amount which, by itself, is insufficient to pay the Federal share of the cost of a project on the Interstate System which has been submitted by the State to the Secretary for approval; or

"(II) the State certifies to the Secretary that the State will obligate before August 1 of the fiscal year all of its apportionments under section 104(b)(5)(A) other than such an insufficient amount; and

"(ii) the applicant for a project with respect to which the Secretary may not make payments under section 115 of this title is willing and able to—

"(I) apply the funds to a ready-to-commence project, and

"(II) in the case of construction work, begin work within 90 days of obligation.

"(D) Exception to limitation.—The Secretary may make funds available to the State of California for construction of high occupancy vehicle and other lanes described in subparagraph (B)(i)(II) whether or not such State has met the requirements of clause (i) of subparagraph (C).

"(E) Limitation on secretary's discretion.—If, within 365 days after any sums become available for obligation under this paragraph, the Secretary does not make such sums available for first priority projects under subparagraph (B)(i) of this paragraph, the Secretary shall make such sums available for carrying out second and third priority projects under subparagraph (B) of this paragraph.

"(F) Period of availability of discretionary funds.—Sums made available pursuant to this paragraph shall remain available until expended.".

(b) Set Aside of 4R Funds for 4R Discretionary Projects.—Section 118(c) of such title is amended by inserting "Set Asides for Interstate Discretionary Projects.—" after "(c)", by inserting "(1) Set aside for construction projects.—" before "Before", and by adding at the end thereof the following new paragraph:

"(2) SET ASIDE FOR 4R PROJECTS.—Before any apportionment is made under section 104(b)(5)(B) of this title, the Secretary shall set aside $200,000,000 for obligation by the Secretary in accordance with subsection (b)(3) of this section.".

(c) LIMITATIONS ON STATES AND PROJECTS ELIGIBLE FOR 4R DISCRETIONARY FUNDS.—Paragraph (3) of section 118(b) of such title is amended to read as follows:

"(3) INTERSTATE 4R FUNDS.—

"(A) PERIOD OF AVAILABILITY.—Any amount apportioned to a State for the Interstate System under section 104(b)(5)(B) of this title shall continue to be available for expenditure in that State for a period of one year after the close of the fiscal year for which such sums are authorized.

"(B) DISCRETIONARY PROJECTS.—Sums not obligated within the time period prescribed by subparagraph (A) shall lapse and be made available by the Secretary for projects for resurfacing, restoring, rehabilitating, and reconstructing any route or portion thereof on the Interstate System (other than any highway designated as a part of the Interstate System under section 139 and any toll road on the Interstate System not subject to an agreement under section 105 of the Federal-Aid Highway Act of 1978). Such funds shall be made available by the Secretary to any other State applying for such funds, if the Secretary determines that—

"(i) the State has obligated all of its apportionments under section 104(b)(5)(B) other than an amount which, by itself, is insufficient to pay the Federal share of the cost of a project for resurfacing, restoring, rehabilitating, and reconstructing the Interstate System which has been submitted by such State to the Secretary for approval; and

"(ii) the applicant is willing and able to (I) obligate the funds within one year of the date the funds are made available, (II) apply them to a ready-to-commence project, and (III) in the case of construction work, begin work within 90 days of obligation.

"(C) PRIORITY CONSIDERATION FOR CERTAIN PROJECTS.—In selecting projects to fund under subparagraph (B), the Secretary shall give priority consideration to any project the cost of which exceeds $10,000,000 on any high volume route in an urban area or a high truck-volume route in a rural area.

"(D) FACTORS TO CONSIDER IN SELECTION OF RECIPIENTS.—In selecting States to receive funds under subparagraph (B) in a fiscal year, the Secretary shall—

"(i) consider whether a State has obligated in such fiscal year and the two preceding fiscal years any funds apportioned to the State under section 104(b)(5)(B) of this title (other than funds transferred by the State under section 119(f)(2)) for projects on a segment of the Interstate System designated under section 139(b) of this title and, if so, the amount of such funds;

"(ii) not consider whether a State has transferred funds under section 119(f)(2) of this title in such fiscal year and the two preceding fiscal years; and

"(iii) not consider whether a State has obligated in such fiscal year and two preceding fiscal years any funds apportioned under section 104(b)(5)(B) of this title for projects on a segment of the Interstate System designated under section 139(a) of this title.

"(E) PERIOD OF AVAILABILITY OF DISCRETIONARY FUNDS.—Sums made available pursuant to this paragraph shall remain available until expended.".

(d) CONFORMING AMENDMENTS.—(1) The matter preceding the first colon in section 104(b) of such title is amended by inserting after "subsection (a) of this section" the following: "and the set asides authorized by subsection (f) of this section and sections 118(c) and 307(d) of this title".

(2) Section 118(b) of such title is amended—

(A) in paragraph (1) by inserting "PERIODS OF AVAILABILITY OF FUNDS; DISCRETIONARY PROJECTS.—" before "(1)";

(B) in paragraph (1) by inserting "PERIOD OF AVAILABILITY OF NON-INTERSTATE FUNDS.—" before "Sums";

(C) in paragraph (4) by inserting "OBLIGATION AS EQUIVALENT TO EXPENDITURES; EFFECT OF RELEASE OF FUNDS.—" before "Sums"; and

(D) by indenting paragraph (1) and aligning such paragraph and paragraph (4) with paragraph (2), as amended by subsection (a) of this section.

(3) Section 118(c) of such title is further amended by indenting paragraph (1), as designated by subsection (b) of this section, and aligning such paragraph with paragraph (2), as added by such subsection (b).

(e) TREATMENT OF UNUSED RIGHT-OF-WAY.—Section 118(b) of title 23, United States Code, is amended by adding at the end the following:

"(5) TREATMENT OF UNUSED RIGHT-OF-WAY.—Notwithstanding any other provision of law, the value of unused right-of-way acquired under section 104(b)(5)(A) or section 118(b)(2) of this title in the State of Arizona may be credited to the unobligated balance of funds apportioned to the State under section 104(b)(5)(B) if requested by the State and approved by the Secretary.".

SEC. 116. FLEXIBILITY OF USE OF HIGHWAY FUNDS.

Section 118(f) of title 23, United States Code (relating to availability of sums apportioned to the State of Alaska), is amended by inserting "and the Commonwealth of Puerto Rico" after "the State of Alaska".

SEC. 117. INTERSTATE 4R PROGRAM.

(a) IN GENERAL.—Section 119 of title 23, United States Code, is amended by adding at the end thereof the following new subsections:

"(e) TOLL ROAD AGREEMENTS.—The Secretary may approve a project pursuant to subsection (a) on a toll road only if an agreement satisfactory to the Secretary has been reached with the State highway department and each public authority with jurisdiction over such toll road prior to the approval of such project that the toll road will become free to the public upon the collection of tolls sufficient to liquidate the cost of the toll road or any bonds outstanding at the time constituting a valid lien against it, and the cost of maintenance and operation and debt service during the period of toll collections. Such agreement shall contain a provision requiring that if, for any reason, a toll road receiving Federal assistance under this section does not become free to the public upon collection of sufficient tolls as specified in the first sentence of this subsection, Federal funds used for projects on such toll road pursuant to this subsection shall be repaid to the Federal Treasury. Any agreement entered into under section 105 of the Federal-Aid Highway Act of 1978 before the date of the enactment of this subsection shall be treated as an agreement entered into under this subsection.

"(f) TRANSFER OF FUNDS FOR PRIMARY SYSTEM PROJECTS.—

"(1) UPON CERTIFICATION ACCEPTANCE.—If a State certifies to the Secretary that any part of the sums apportioned to the State under 104(b)(5)(B) of this title are in excess of the needs of the State for resurfacing, restoring, rehabilitating, or reconstructing Interstate System routes and the Secretary accepts such certification, the State may transfer such excess part to its apportionment under section 104(b)(1).

"(2) UNCONDITIONAL.—Notwithstanding paragraph (1), a State may transfer to its apportionment under section 104(b)(1) of this title—

"(A) in fiscal year 1987, an amount not to exceed 20 percent of the funds apportioned to the State under section 104(b)(5)(B) which are not obligated at the time of the transfer; and

"(B) in any fiscal year thereafter, an amount equal to 20 percent of the funds apportioned to the State under section 104(b)(5)(B) for such fiscal year.

The Federal share for a project carried out with funds transferred under this paragraph shall be that set forth in section 120(c) of this title, except that the Federal share for a project on a priority primary route designated in the committee print referred to in section 120(k) shall be that set forth in section 120(k).".

(b) CONFORMING AMENDMENTS.—(1) Section 119(a) of such title is amended by striking out "section 105 of the Federal-Aid Highway Act of 1978" and inserting in lieu thereof "subsection (e)".

(2) Section 105 of the Federal-Aid Highway Act of 1978 is amended by striking out all that follows the first sentence.

SEC. 118. FEDERAL SHARE.

(a) CERTAIN HIGHWAY SAFETY CONSTRUCTION PROJECTS.—Section 120(d) of title 23, United States Code, is amended by inserting after "vanpooling" the following: "or for installation of traffic signs, highway lights, guardrails, or impact attenuators".

(b) PRIORITY PRIMARY PROJECTS.—Section 120 of such title is amended by redesignating the second subsection (i) and subsections (j) and (k) (and any reference thereto) as subsections (j), (k), and (l), respectively, and in subsection (k) as so redesignated by striking out "97-61" and inserting in lieu thereof "100-3".

(c) GREAT RIVER ROAD.—Section 120 of such title is amended—

(1) in subsection (k), as redesignated by subsection (b), by striking out ", 148, and 155," and inserting in lieu thereof "and 155"; and

(2) by adding at the end thereof the following new subsection:

"(m) GREAT RIVER ROAD PROJECTS.—Notwithstanding any other provision of this section, this title, or any other law, in any case where a State elects to use funds apportioned to it for any Federal-aid system for any project under section 148 of this title, the Federal share payable on account of such project shall be 95 percent of the cost thereof; except that if a State requests that the Federal share payable on account of such project be a percentage of the cost of such project which is less than 95 percent but not less than 75 percent, such percentage shall be the Federal share payable on account of such project.".

(d) INCENTIVE PROGRAM FOR THE USE OF COAL ASH.—

(1) CONGRESSIONAL FINDINGS.—The Congress hereby finds and declares (A) that it is in the national interest to encourage and promote utilization by the States of materi-

als which are produced from coal ash in highway and bridge construction projects under title 23, United States Code, and (B) that the use of such materials in such projects conserves energy, encourages resource recovery, and reduces the cost of such projects.

(2) Increased federal share.—Notwithstanding sections 119, 120, and 144 of title 23, United States Code, in each of fiscal years 1987, 1988, 1989, 1990, and 1991, the percentage specified in such sections as the Federal share of the cost payable on account of any highway or bridge construction project in which materials produced from coal ash are used in significant amounts shall be increased by adding 5 percent to such percentage; except that in no case shall the Federal share payable on account of any project exceed 95 percent of the cost of such project as a result of increasing such Federal share under this subsection.

SEC. 119. EMERGENCY RELIEF.

(a) Obligation Ceiling.—Section 125(b) of title 23, United States Code, is amended by striking out "$30,000,000" and all that follows through "1985) in any State." and inserting in lieu thereof "$50,000,000 ($55,000,000 with respect to natural disasters and catastrophic failures occurring in calendar year 1985 or $100,000,000 with respect to natural disasters and catastrophic failures occurring in calendar year 1986) in any State.".

(b) Territories.—

(1) Treated as states.—Section 125 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) Treatment of Territories.—For purposes of this section, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands shall be considered to be States and parts of the United States, and the chief executive officer of each such territory shall be considered to be a Governor of a State.".

(2) Limitation on obligations.—The first sentence of subsection (b) of such section 125 is amended by inserting "(1)" before "obligations" and by inserting before the period at the end the following: ", and (2) the total obligations for projects under this section in any fiscal year in the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands shall not exceed $5,000,000".

(3) Effective date.—The amendments made by paragraphs (1) and (2) shall take effect April 15, 1983.

(c) Eligible Project.—A project to repair or reconstruct any portion of an interstate route in the vicinity of Salt Lake City, Utah, which was damaged by flooding of the Great Salt Lake that occurred in 1983 shall be eligible for assistance under section 125 of title 23, United States Code, and the Secretary is authorized to reimburse, with funds made available under such section, the State of Utah for any work carried out on such project. Funds reimbursed to such State pursuant to this subsection shall be treated as if such funds are apportioned to such State under section 104(b)(5)(B) of title 23, United States Code.

SEC. 120. TANK TRUCKS.

(a) Exception to General Vehicle Weight Rule.—The second sentence of subsection (a) of section 127 of title 23, United States Code (relating to vehicle weight limitations for the Interstate system), is amended—

(1) by inserting "(1)" before "is thirty-six feet or more";

(2) by inserting after "thirty-six feet or more" the following: ", or (2) in the case of a motor vehicle hauling any tank trailer, dump trailer) or ocean transport container before September 1, 1988, is 30 feet or more; and

(3) by inserting after "except in the case of the overall gross weight of any group of two or more consecutive axles" the following: "on any vehicle (other than a vehicle comprised of a motor vehicle hauling any tank trailer or ocean transport container or dump trailer on or after September 1, 1988)".

(b) Ocean Transport Container Defined.—Such section 127 is amended by adding at the end thereof the following new subsection:

"(c) Ocean Transport Container Defined.—For purposes of this section, the term 'ocean transport container' has the meaning given the term 'freight container' by the International Standards Organization in Series 1, Freight Containers, 3rd Edition (reference number IS0668-1979(E)) as in effect on the date of the enactment of this subsection.".

(c) Conforming Amendments.—Such section is further amended—

(1) in subsection (a) by inserting "In General.—" before "No funds"; and

(2) in subsection (b) by inserting "Reasonable Access.—" before "No State".

SEC. 121. EXTENSION OF TOLLS TO FINANCE CERTAIN INELIGIBLE CONSTRUCTION EXPENSES.

(a) In General.—Section 129(e) of title 23, United States Code, is amended by striking out the semicolon at the end of paragraph (1) and inserting in lieu thereof the following: ", except for such indebtedness as may be incurred to finance any cost associated with a feature of the project on the toll road in which the Secretary does not permit Federal participation with funds apportioned under section 104(b)(5)(A) of this title and which is recommended to be included as a part of the project by the final environmental impact statement with respect to such project;".

(b) Conforming Amendments.—Such section is further amended—

(1) in paragraph (2) by inserting "(A)" after "applied to", by inserting "(i)" after "only", and by striking out "toll road and" and inserting in lieu thereof "toll road, (ii) any indebtedness incurred to finance any cost of such a feature, and (iii) any funds advanced by the State to finance any cost of such a feature, and (B)"; and

(2) by striking out the period at the end thereof and inserting in lieu thereof "and repay all such indebtedness and funds advanced.".

SEC. 122. HIGHWAY BEAUTIFICATION.

(a) New Program.—

(1) General rules.—Section 131 of title 23, United States Code, as amended by subsections (b) and (c) of this section, is amended by striking out subsections (a) through (q) and inserting in lieu thereof the following:

"(a) Findings.—The Congress hereby finds and declares that the erection and maintenance of outdoor advertising signs, displays, and devices in areas adjacent to the Interstate System and the Federal-aid primary system should be controlled in order to protect the public investment in such highways, to promote the safety and recreational value of public travel, and to preserve natural beauty.

"(b) Reduction in Apportionments.—Federal-aid highway funds apportioned on or after January 1, 1968, to any State which the Secretary determines has not made provision for effective control of the erection and maintenance along the Interstate System and the Federal-aid primary system of outdoor advertising signs, displays, and devices which are within 660 feet of the nearest edge of the right-of-way and visible from the main traveled way of such system, and Federal-aid highway funds apportioned on or after January 1, 1975, or after the expiration of the next regular session of the State legislature, whichever is later, to any State which the Secretary determines has not made provision for effective control of the erection and maintenance along the Interstate System and the Federal-aid primary system of those additional outdoor advertising signs, displays, and devices which are more than 660 feet off the nearest edge of the right-of-way, located outside of urban areas, visible from the main traveled way of such system, and erected with the purpose of their message being read from such main traveled way shall be reduced by such amount as the Secretary determines appropriate but not less than 5 percent, and not more than 10 percent, of the amounts which would otherwise be apportioned to such State under section 104 of this title, until such time as such State shall provide for such effective control. Any amount which is withheld from apportionment to any State under this subsection shall be reapportioned to the other States.

"(c) Effective Control.—

"(1) General rule.—Effective control means that such signs, displays, or devices after January 1, 1968, if located within 660 feet of the right-of-way, and on or after July 1, 1975, or after expiration of the next regular session of the State legislature, whichever is later, if located beyond 660 feet of the right-of-way, located outside of urban areas, visible from the main traveled way of such system, and erected with the purpose of their message being read from such main traveled way, shall, pursuant to this section, be limited to—

"(A) directional and official signs and notices which signs and notices shall include, but not be limited to, signs and notices pertaining to natural wonders, scenic and historical attractions, which are required or authorized by law, which shall conform to national standards hereby authorized to be promulgated by the Secretary under this section, which standards shall contain provisions concerning lighting, size, number, and spacing of signs, and such other requirements as may be appropriate to implement this section;

"(B) signs, displays, and devices advertising the sale or lease of property upon which they are located;

"(C) signs, displays, and devices, including those which may be changed at reasonable intervals by electronic process or by remote control, advertising activities conducted on the property on which they are located;

"(D) signs lawfully in existence on October 22, 1965, determined by the State, subject to the approval of the Secretary, to be landmark signs, including signs on farm structures or natural surfaces, of historic or artistic significance the preservation of which would be consistent with the purposes of this section;

"(E) signs, displays, and devices advertising the distribution by nonprofit organizations of free coffee to individuals traveling on the Interstate System or the Federal-aid primary system; and

"(F) temporary or seasonal signs, displays, and devices advertising locations at which consumers may harvest and purchase agricultural commodities from farmers producing such commodities which signs, displays, and devices do not exceed 150 square feet.

For the purposes of this subsection, the term 'free coffee' shall include coffee for which a donation may be made, but is not required.

"(2) ANNUAL INVENTORY.—As part of effective control, each State shall maintain an annual inventory of all outdoor advertising signs, displays, and devices required to be controlled pursuant to this section. Such inventory shall identify all such signs which are illegal, which are nonconforming, and which are conforming under State law. An inventory shall not be required in States which the Secretary determines have a permit and enforcement system which requires a permit for all lawful signs required to be controlled by this section and has the capability of promptly identifying all unlawful signs.

"(3) REMOVAL DATE.—As part of effective control, each State shall assure that signs, displays, and devices required to be removed by this section shall be removed within 90 days of—

"(A) if not entitled to receive just compensation pursuant to this section, the date upon which they become unlawful or October 1, 1988, whichever is later; or

"(B) if entitled to receive just compensation pursuant to this section, the date upon which such compensation is paid.

"(4) EFFECT OF UNLAWFUL ALTERATIONS.—Except as provided under guidelines issued by the Secretary, no State, as part of effective control, may allow or undertake any vegetation removal or other alteration of the highway right-of-way if the purpose of such removal or alteration is improving the visibility of any outdoor advertising sign, display, or device located outside the right-of-way. If the owner of a sign, display, or device undertakes or has undertaken vegetation removal or other alteration of the right-of-way not in accordance with such guidelines, the sign, display, or device shall, for purposes of this section, be treated as unlawful as of the date of such removal or alteration.

"(5) LIMITATION ON PERMITTING.—As part of effective control, no State may permit any person to modify any outdoor advertising sign, display, or device which does not conform with this subsection or subsection (d) of this section to improve its visibility or its useful life. Nothing in this paragraph shall be construed to prevent the owner of a sign, display, or device or a person employed by such owner from performing routine maintenance of such sign, display, or device.

"(d) COMMERCIAL AND INDUSTRIAL AREAS.—

"(1) GENERAL RULE.—In order to promote the reasonable, orderly, and effective display of outdoor advertising while remaining consistent with the purposes of this section, signs, displays, and devices whose size, lighting, and spacing, consistent with customary use is determined by agreement between the several States and the Secretary may be erected and maintained within 660 feet of the nearest edge of the right-of-way within areas adjacent to the Interstate System and Federal-aid primary system which are zoned industrial or commercial under the authority of State law, or in unzoned commercial or industrial areas as may be determined by agreement between the several States and the Secretary. The States shall have full authority under their own zoning laws to zone areas for commercial or industrial purposes, and the actions of the States in this regard will be accepted for the purposes of this section. Whenever a bona fide State, county, or local zoning authority has made a determination of customary use, such determination will be accepted in lieu of controls by agreements in the zoned commercial or industrial areas within the geographical jurisdiction of such authority. Nothing in this subsection shall apply to signs, displays, and devices referred to in subparagraphs (B) and (C) of subsection (c)(1) of this section.

"(2) LIMITATION ON NEW SIGNS.—

"(A) GENERAL RULE.—Subject to the provisions of this paragraph, after July 1, 1987, no new sign, display, or device may be erected pursuant to the authority of this subsection.

"(B) APPLICABILITY OF JUST COMPENSATION REQUIREMENTS.—Except as provided in subparagraph (C), any sign, display, or device lawfully erected under State law after July 1, 1987, shall not be subject to the provisions of subsection (g), relating to just compensation.

"(C) EXCEPTION.—A State may permit a person, at his or her option, to erect in such State a sign, display, or device in accordance with the requirements of paragraph (1) upon removal without payment of just compensation under subsection (g) of a sign, display, or device lawfully erected under this subsection; except that the total number of signs, displays, and devices erected and maintained under this subsection shall not exceed the number of signs, displays, and devices lawfully erected before July 1, 1987, pursuant to the authority of this subsection in such State and in existence on July 1, 1987.

"(3) LIMITATION ON UNZONED COMMERCIAL AREAS.—After July 1, 1987, no area which on such date is not designated as an unzoned commercial or industrial area for purposes of paragraph (1) may be established in such State for purposes of paragraph (1).

"(e) LIMITATION ON REMOVALS.—The Secretary shall not require a State to remove any sign, display, or device lawfully erected which does not conform to this section. Nothing in this subsection shall prevent a State from removing any sign, display, or device.

"(f) PUBLIC INTEREST SIGNS.—The Secretary shall, in consultation with the States, provide within the rights-of-way for areas at appropriate distances from interchanges on the Interstate System, on which signs, displays, the devices giving specific information in the interest of the traveling public may be erected and maintained. The Secretary may also, in consultation with the States, provide within the rights-of-way of the Federal-aid primary system for areas in which signs, displays, and devices giving specific information in the interest of the traveling public may be erected and maintained. Such signs shall conform to national standard to be promulgated by the Secretary.

"(g) JUST COMPENSATION.—

"(1) GENERAL RULE.—Just compensation shall be paid upon the removal of any outdoor advertising sign, display, or device lawfully erected under State law and not permitted under subsection (c) of this section, whether or not removed pursuant to or because of this section. The Federal share of such compensation shall be 75 percent or such lesser percentage as may be agreed upon by the Secretary and the State. Such compensation shall be paid for the following:

"(A) The taking from the owner of such sign, display, or device of all right, title, leasehold, and interest in such sign, display, or device.

"(B) The taking from the owner of the real property on which the sign, display, or device is located, of the right to erect and maintain such signs, displays, and devices thereon.

"(2) LIMITATION ON USE OF MATERIALS.—A sign, display, or device acquired with funds made available pursuant to this section may be disposed of by sale or other means to a private party only if the State receives satisfactory written assurances that the material out of which such sign, display, or device is constructed will not be used to construct or reconstruct an outdoor advertising sign, display, or device.

"(h) PUBLIC LANDS.—

"(1) GENERAL RULE.—All public lands or reservations of the United States (other than lands held in trust for Indian nations, reservations, or allotted tribal members) which are adjacent to any portion of the Interstate System and the Federal-aid primary system shall be controlled in accordance with the provisions of this section and the national standards promulgated by the Secretary.

"(2) REGULATIONS.—No outdoor advertising sign, display, or device shall be permitted on land owned or controlled by the United States (other than lands held in trust for Indian nations, reservations, or allotted tribal members), unless such sign, display, or device conforms to regulations issued by the Federal agency with jurisdiction over, or responsibility for, such land. Such regulations shall be at least as stringent as the requirements of this section and the requirements of the State in which the land is located. The regulations required by this paragraph shall be developed in consultation with the Secretary of Transportation and shall be promulgated within 12 months after the date of the enactment of the Federal-Aid Highway Act of 1987.

"(i) REST AREAS.—In order to provide information in the specific interest of the traveling public, and State highway departments are authorized to maintain maps and to permit information directories and advertising pamphlets to be made available at safety rest areas. Subject to the approval of the Secretary, a State may also establish information centers at safety rest areas and other travel information systems within the rights-of-way for the purpose of informing the public of places of interest within the State and providing such other information as a State may consider desirable. The Federal share of the cost of establishing such a information center or travel information system shall be that which is provided in section 120 for a highway project on that Federal-aid system to be served by such center or system.

"(j) BONUS PAYMENTS.—Any State highway department which has, under this section as in effect on June 30, 1965, entered into an agreement with the Secretary to control the erection and maintenance of outdoor advertising signs, displays, and devices in areas adjacent to the Interstate System shall be entitled to receive the bonus payments as set forth in the agreement, but no such State highway department shall be entitled to such payments unless the State maintains the control required under such agreement. Permission by a State to erect and maintain information displays which may be changed at reasonable intervals by electronic process or remote control and which provide public service information or advertising activities conducted on the property on which they are located shall not be considered a breach of such agreement or the control required thereunder. Such payments shall be paid only from appropriations made available to carry out this section. The provisions of this subsection shall not be construed to exempt any State from controlling outdoor advertising as otherwise provided in this section.

"(k) Stricter State Laws.—Subject to compliance with subsection (g) of this section for the payment of just compensation, nothing in this section shall prohibit a State from establishing standards imposing stricter limitations with respect to signs, displays, and devices on the Federal-aid highway systems than those established under this section.

"(l) Procedures.—Not less than 60 days before making a final determination to withhold funds from a State under subsection (b) of this section, or to do so under subsection (b) of section 136, or with respect to failing to agree as to the size, lighting, and spacing of signs, displays, and devices or as to unzoned commercial or industrial areas which signs, displays, and devices may be erected and maintained under subsection (d) of this section, or with respect to failure to approve under subsection (g) of section 136, the Secretary shall give written notice to the State of his proposed determination and a statement of the reasons therefor, and during such period shall give the State an opportunity for a hearing on such determination. Following such hearing, the Secretary shall issue a written order setting forth his final determination and shall furnish a copy of such order to the State. Within 45 days of receipt of such order, the State may appeal such order to any United States district court for such State, and upon the filing of such appeal, such order shall be stayed until final judgment has been entered on such appeal. Summons may be served at any place in the United States. The court shall have jurisdiction to affirm the determination of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the United States court of appeals for the circuit in which the State is located and to the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. If any part of an apportionment to a State is withheld by the Secretary under subsection (b) of this section or subsection (b) of section 136, the amount so withheld shall not be reapportioned to the other States as long as a suit brought by such State under this subsection is pending. Such amount shall remain available for apportionment in accordance with the final judgment and this subsection. Funds withheld from apportionment and subsequently apportioned or reapportioned under this section shall be available for expenditure for three fiscal years after the date of such apportionment or reapportionment, as the case may be.

"(m) Funding.—A State may use to carry out this section in any fiscal year beginning after September 30, 1988, not to exceed ¼ of 1 percent of—

"(1) funds apportioned in such fiscal year to such State for the Federal-aid primary system under section 104(b)(1) of this title or section 108 of the Surface Transportation Assistance Act of 1982; and

"(2) funds apportioned in such fiscal year to such State for resurfacing, restoring, rehabilitating, and reconstructing the Interstate System under section 104(b)(5)(B) of this title.

"(n) Retention of Directional Signs.—The Secretary may approve the request of a State to permit retention in specific areas defined by such State of directional signs, displays, and devices lawfully erected under State law in force at the time of their erection which do not conform to the requirements of subsection (c)—

"(1) where such signs, displays, and devices are in existence on the date of the enactment of subsection (o) of this section as this section was in effect on the day before the date of the enactment of the Federal-Aid Highway Act of 1987; and

"(2) where the State demonstrates that such signs, displays, and devices—

"(A) provide directional information about goods and services in the interest of the traveling public; and

"(B) are such that removal would work a substantial economic hardship in such defined area.

"(o) Directional Information Program.—

"(1) Development assistance.—During the implementation of State laws enacted to comply with this section, the Secretary shall encourage and assist the States to develop sign controls and programs which will assure that necessary directional information about facilities providing goods and services in the interest of the traveling public will continue to be available to motorists. To this end, the Secretary shall restudy and revise as appropriate existing standards for directional signs authorized under subsections (c)(1)(A) and (f) to develop signs which are functional and esthetically compatible with their surroundings. The Secretary shall employ the resources of other Federal departments and agencies, including the National Endowment for the Arts, and employ maximum participation of private industry in the development of standards and systems of signs developed for those purposes.

"(2) Deferral of removal.—Among other things, the Secretary shall encourage States to adopt programs to assure that removal of signs providing necessary directional information, which also were providing directional information on June 1, 1972, about facilities in the interest of the traveling public, be deferred until all nonconforming signs are removed.".

(2) Effective date.—The amendments made by paragraph (1) of this subsection shall take effect October 1, 1988; except that the regulations required by subsection (h)(2) of section 131, as added by such paragraph (1), shall be promulgated within 12 months after the date of the enactment of this Act.

(b) Interim Amendments.—

(1) Limitation on new commercial zone signs.—Section 131(d) of title 23, United States Code, is amended by inserting "(1)" before "In order to promote" and by adding at the end thereof the following new paragraphs:

"(2)(A) Subject to the provisions of this paragraph, after July 1, 1987, no new sign, display, or device may be erected pursuant to the authority of this subsection.

"(B) Except as provided in subparagraph (C), any sign, display, or device lawfully erected under State law after July 1, 1987, shall not be subject to the provisions of subsection (g), relating to just compensation.

"(C) A State may permit a person, at his or her option, to erect in such State a sign, display, or device in accordance with the requirements of paragraph (1) upon removal without payment of just compensation under subsection (g) of a sign, display, or device lawfully erected under this subsection; except that the total number of signs, displays, and devices erected and maintained under this subsection shall not exceed the number of signs, displays, and devices lawfully erected before July 1, 1987, pursuant to the authority of this subsection in such State and in existence on July 1, 1987.

"(3) After July 1, 1987, no area which on such date is not designated as an unzoned commercial or industrial area for purposes of paragraph (1) may be established in such State for purposes of paragraph (1).".

(2) Funding.—Section 131(m) of title 23, United States Code, is amended to read as follows:

"(m) A State may use to carry out this section in any fiscal year beginning after September 30, 1986, not to exceed ¼ of 1 percent of—

"(1) funds apportioned in such fiscal year to such State for the Federal-aid primary system under section 104(b)(1) of this title or section 108 of the Surface Transportation Assistance Act of 1982; and

"(2) funds apportioned in such fiscal year to such State for resurfacing, restoring, rehabilitating, and reconstructing the Interstate System under section 104(b)(5)(B) of this title.".

(3) Farm produce signs.—Section 131(c) of such title is amended by striking out "and" at the end of clause (4) and by striking out the period at the end of such section and inserting in lieu thereof the following: ", and (6) temporary or seasonal signs, displays, and devices advertising locations at which consumers may harvest and purchase agricultural commodities from farmers producing such commodities which signs, displays, and devices do not exceed 150 square feet.".

(4) Federal share.—Section 131(g) of such title is amended by inserting after "75 per centum" the following: "or such lesser percentage as may be agreed upon by the Secretary and the State".

SEC. 123. BRIDGE PROGRAM.

(a) Discretionary Program.—Section 144(g) of title 23, United States Code, is amended to read as follows:

"(g) Set Asides.—

"(1) Discretionary bridge program.—Of the amount authorized per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991 by section 202 of the Highway Safety Act of 1987, all but $250,000,000 per fiscal year shall be apportioned as provided in subsection (e) of this section. $250,000,000 per fiscal year of the amount authorized for each of such fiscal years shall be available for obligation on the date of each such apportionment in the same manner and to the same extent as the sums apportioned on such date, except that the obligation of such $250,000,000 shall be at the discretion of the Secretary.

"(2) Eligible discretionary projects.—Amounts made available by paragraph (1) for obligation at the discretion of the Secretary may be obligated only—

"(A) for a project for a highway bridge the replacement or rehabilitation cost of which is more than $10,000,000, and

"(B) for a project for a highway bridge the replacement or rehabilitation cost of which is less than $10,000,000 if such cost is at least twice the amount apportioned to the State in which such bridge is located under subsection (e) for the fiscal year in which application is made for a grant for such bridge.

"(3) Off-system bridges.—Not less than 15 percent nor more than 35 percent of the amount apportioned to each State in each of fiscal years 1987, 1988, 1989, 1990, and 1991, shall be expended for projects to replace or rehabilitate highway bridges located on public roads, other than those on a Federal-aid system. The Secretary after consultation with the State and local officials may, with respect to a State, reduce the requirement for expenditure for bridges not on a Federal-aid system when the Secretary determines that such State has inadequate needs to justify such expenditure.".

(b) Applicability of the General Bridge Act of 1948.— Section 144(h) of such title is amended—

(1) by striking out "which are not subject to the ebb and flow of the tide, and" and inserting in lieu thereof "(1)"; and

(2) by striking out the period at the end thereof and inserting in lieu thereof ", and (2) which are (a) not tidal, or (b) if tidal, used only by recreational boating, fishing, and other small vessels less than 21 feet in length.".

(c) Inventories and Reports.—Section 144(i) of such title is amended to read as follows:

"(i) Inventories and Reports.—The Secretary shall—

"(1) report to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives on projects approved under this section;

"(2) annually revise the current inventories authorized by subsections (b) and (c) of this section;

"(3) report to such committees on such inventories; and

"(4) report to such committees such recommendations as the Secretary may have for improvements of the program authorized by this section.

Such reports shall be submitted to such committees biennially at the same time as the report required by section 307(e) of this title is submitted to Congress.".

(d) Bridges to Replace Certain Ferryboat Services.—

(1) In general.—Section 144 of such title is amended by redesignating subsection (m), and any references thereto, as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) Bridges to Replace Ferryboat Service.—Notwithstanding any other provision of this section or any other law, upon application of the State of Arkansas for assistance for construction of a highway bridge to replace ferryboat service which was being provided in such State for motor vehicles on January 3, 1983, the Secretary may approve under this section a project for such construction at a Federal share payable of 80 percent of the cost thereof.".

(2) Conforming modification of apportionment formula.—Subsection (e) of such section is amended by inserting after the third sentence the following new sentence: "For purposes of the preceding sentence, the total cost of deficient bridges in the State of Arkansas and in all States shall be reduced by the total cost of any highway bridges constructed under subsection (m), relating to replacement of ferryboat service.".

(e) Discretionary Bridge Criteria.—Section 161 of the Highway Improvement Act of 1982 (23 U.S.C. 144 note) is amended by inserting before the period at the end of the second sentence ", including a bridge replacement of which was partially funded under the Supplemental Appropriations Act, 1983 (97 Stat. 341)".

SEC. 124. MINIMUM ALLOCATION.

(a) Planning as a Fundable Item; Treatment of Withheld Apportionments.—Section 157 of title 23, United States Code, is amended by redesignating subsection (c), and any references thereto, as subsection (e) and by inserting after subsection (b) the following new subsections:

"(c) Limitation on Planning Expenditures.—One-half of one percent of amounts allocated to each State under this section in any fiscal year may be available for expenditure for the purpose of carrying out the requirements of section 134 of this title (relating to transportation planning). One and one-half percent of the amounts allocated to each State under this section in any fiscal year may be available for expenditure for the purpose of carrying out activities referred to in subsection (c) of section 307 of this title (relating to transportation planning and research).

"(d) Treatment of Withheld Apportionments.—For purposes of subsection (a), any funds which, but for section 154(f) or 158(a) of this title or any other provision of law under which Federal-aid highway funds are withheld from apportionment, would be apportioned to a State in a fiscal year under a section referred to in subsection (a) shall be treated as being apportioned in such year.".

(b) Extension of Program.—

(1) In general.—Subsection (a) of section 157 of title 23, United States Code, is amended by striking out "September 30, 1984, September 30, 1985, and September 30, 1986," and inserting in lieu thereof "on or after September 30, 1984,".

(2) Authorization of appropriations.—Subsection (e) of such section 157, as redesignated by subsection (a) of this section, is amended by striking out "September 30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986" and inserting in lieu thereof "on or after September 30, 1983".

SEC. 125. NATIONAL BRIDGE INSPECTION PROGRAM.

(a) In General.—Chapter 1 of title 23, United States Code, is amended by striking out section 151 (relating to pavement marking demonstration program) and inserting in lieu thereof the following:

"§ 151. National bridge inspection program

"(a) National Bridge Inspection Standards.—The Secretary, in consultation with the State highway departments and interested and knowledgeable private organizations and individuals, shall establish national bridge inspection standards for the proper safety inspection and evaluation of all highway bridges.

"(b) Minimum Requirements of Inspection Standards.—The standards established under subsection (a) shall, at a minimum—

"(1) specify, in detail, the method by which such inspections shall be carried out by the States;

"(2) establish the maximum time period between inspections;

"(3) establish the qualification for those charged with carrying out the inspections;

"(4) require each State to maintain and make available to the Secretary upon request—

"(A) written reports on the results of highway bridge inspections together with notations of any action taken pursuant to the findings of such inspections; and

"(B) current inventory data for all highway bridges reflecting the findings of the most recent highway bridge inspections conducted; and

"(5) establish a procedure for national certification of highway bridge inspectors.

"(c) Training Program for Bridge Inspectors.—The Secretary, in cooperation with the State highway departments, shall establish a program designed to train appropriate governmental employees to carry out highway bridge inspections. Such training program shall be revised from time to time to take into account new and improved techniques.

"(d) Availability of Funds.—To carry out this section, the Secretary may use funds made available pursuant to the provisions of section 104(a), section 307(a), and section 144 of this title.".

(b) Conforming Amendments.—(1) The analysis for chapter 1 of such title is amended by striking out the item relating to section 151 and inserting in lieu thereof the following:

"151. National bridge inspection program.".

(2) Section 116 of such title (relating to highway maintenance) is amended by striking out subsections (d) and (e).

SEC. 126. INCOME FROM AIRSPACE RIGHTS-OF-WAY.

(a) Requirement.—Chapter 1 of title 23, United States Code, is amended by striking out section 156 (relating to highways crossing Federal projects) and inserting in lieu thereof the following:

"§ 156. Income from airspace rights-of-way

"Net income received by any State after September 30, 1987, from the use, lease, or sale of any airspace associated with any project carried out before, on, or after the date of the enactment of the Federal-Aid Highway Act of 1987 in whole or in part with Federal assistance made available from the Highway Trust Fund (other than the Mass Transit Account) shall be used by such State to carry out projects eligible for Federal assistance under this chapter.".

(b) Conforming Amendment.—The analysis for such chapter is amended by striking out the item relating to section 156 and inserting in lieu thereof the following:

"156. Income from airspace rights-of-way.".

SEC. 127. STRATEGIC HIGHWAY RESEARCH PROGRAM.

Section 307 of title 23, United States Code (relating to research and planning), is amended by redesignating subsections (d) and (e) (and any references thereto) as subsections (e) and (f), respectively, and by inserting after subsection (c) the following new subsection:

"(d) Strategic Highway Research Program.—

"(1) Establishment.—The Secretary, in consultation with the American Association of State Highway and Transportation Officials, shall carry out such research, development, and technology transfer activities as the Secretary determines to be strategically important to the national highway transportation system.

"(2) Cooperative agreements.—The Secretary may make grants to, and enter into cooperative agreements with, the American Association of State Highway and Transportation Officials and the National Academy of Sciences to carry out such activities under this subsection as the Secretary determines are appropriate. Advance payments may be made as necessary to carry out such cooperative agreements.

"(3) Period of availability.—Funds set aside to carry out this subsection shall remain available for the fiscal year in which such funds are made available and the three succeeding fiscal years.

"(4) Set aside.—As soon as practicable after the date of the enactment of the Federal-Aid Highway Act of 1987 in fiscal year 1987 and on October 1 of each of fiscal years 1988, 1989, 1990, and 1991, the Secretary shall set aside to carry out this subsection not to exceed ¼ of 1 percent of the funds authorized to be appropriated for such fiscal year for the Federal-aid systems, for highway assistance programs under section 103(e)(4) of this title, for bridge replacement and rehabilitation under section 144 of this title, for elimination of hazards under section 152 of this title, and for elimination of hazards of railway-highway crossings under section 203 of the Highway Safety Act of 1973. In the case of funds authorized for apportionment on the Interstate System, the Secretary shall set aside that portion of such funds (subject to the overall limitation of ¼ of 1 percent) in the year next preceding the fiscal year for which such funds are authorized for such System.".

SEC. 128. PLANTING OF NATIVE WILDFLOWERS.

Section 319 of title 23, United States Code, is amended by inserting "(a) Landscape and Roadside Development.—" before "The Secretary" and by adding at the end thereof the following new subsection:

"(b) Planting of Native Wildflowers.—Notwithstanding any other provision of law, not less than ¼ of 1 percent of the funds expended under landscaping contracts under this title in any State in any fiscal year beginning after the date of the enactment of this subsection shall be used for the planting of native wildflower seeds and seedlings. The requirements of this subsection may be waived by the Secretary if the State certifies that such native wildflowers or seedlings cannot be grown satisfactorily or planting areas are limited.".

SEC. 129. HIGHWAY TECHNICAL AMENDMENTS.

(a) Surface Transportation Assistance Act of 1982.—(1) The third sentence of section 108(d) of the Surface Transportation Assistance Act of 1982 is amended by striking out "this title," and inserting in lieu thereof "title 23, United States Code,".

(2) The second section 126 of such Act (relating to bicycle transportation) is amended by striking out "Sec. 126." and inserting in lieu thereof "Sec. 126A.".

(3) Section 133 of such Act is amended by striking out "(a)" the first place it appears.

(4) The first sentence of section 163 of such Act is amended to read as follows: "Notwithstanding any other provision of this Act or any other law, no funds apportioned or allocated to a State for Federal-aid highways shall be obligated for a project for constructing, resurfacing, restoring, rehabilitating, or reconstructing a Federal-aid highway which has a lane designated as a carpool lane unless the use of such lane includes use by motorcycles.".

(5) Section 165(b) of such Act is amended by inserting "or" after the semicolon at the end of clause (3).

(6) Section 411(d) of such Act (relating to length limitations) is amended by inserting "and boat" after "automobile".

(b) Title 23.—(1) The analysis for chapter 1 of title 23, United States Code, is amended (A) in the item relating to section 127 by striking out "and width", and (B) by striking out the item relating to section 146 and inserting in lieu thereof:

"146. Carpool and vanpool projects.".

(2) The fifth undesignated paragraph of section 101(a) of such title is amended by striking out "forest or trail" and inserting in lieu thereof "forest road or trail". The thirteenth undesignated paragraph of such section (relating to the definition of "park road") is amended by inserting before the period at the end thereof "and that is owned by the United States".

(3) The first sentence of section 120(f) of such title is amended by striking out ": *Provided,*" and all that follows through the period at the end of such sentence and inserting in lieu thereof a period.

(4) The first sentence of section 122 of such title is amended by inserting "or for substitute highway projects approved under section 103(e)(4) of this title" before "and the retirement".

(5)(A) Subsection (b) of section 125 of such title is amended by striking out "the Interstate System, the Primary System, and on any routes functionally classified as arterials or major collectors" each place it appears and inserting in lieu thereof "the Federal-aid highway systems, including the Interstate System".

(B) Subsection (c) of such section is amended by striking out "routes functionally classified as arterials or major collectors" and inserting in lieu thereof "on any of the Federal-aid highway systems".

(6) Subsection (e) of section 144 of such title is amended by adding at the end thereof the following: "Funds apportioned under this section shall be available for expenditure for the same period as funds apportioned for projects on the Federal-aid primary system under this title. Any funds not obligated at the expiration of such period shall be reapportioned by the Secretary to the other States in accordance with this subsection.".

(7) The second sentence of section 204(b) of such title is amended by inserting "the Secretary or" before "the Secretary of the Interior".

(c) Miscellaneous.—(1) Section 104(i)(4)(D) of the Marine Protection, Research, and Sanctuaries Act of 1972, as added by section 424 of the Surface Transportation Assistance Act of 1982, is amended by inserting "to ______" after "grant a permit".

(2) Section 12019(5) of the Commercial Motor Vehicle Safety Act of 1986 is amended by striking out "and" and by inserting "or" before "semitrailer operated".

(d) Vending Machines.—Section 111 of title 23, United States Code, is amended by inserting "(a) In General.—" before "All agreements" and by adding at the end thereof the following new subsection:

"(b) Vending Machines.—Notwithstanding subsection (a), any State may permit the placement of vending machines in rest and recreation areas, and in safety rest areas, constructed or located on rights-of-way of the Interstate System in such State. Such vending machines may only dispense such food, drink, and other articles as the State highway department determines are appropriate and desirable. Such vending machines may only be operated by the State. In permitting the placement of vending machines, the State shall give priority to vending machines which are operated through the State licensing agency designated pursuant to section 2(a)(5) of the Act of June 20, 1936, commonly known as the 'Randolph-Sheppard Act' (20 U.S.C. 107a(a)(5)). The costs of installation, operation, and maintenance of vending machines shall not be eligible for Federal assistance under this title.".

(e) Maryland Interstate Transfer.—Section 7 of the Act entitled "An Act to apportion certain funds for construction of the National System of Interstate and Defense Highways for fiscal year 1985 and to increase the amount authorized to be expended for emergency relief under title 23, United States Code, and for other purposes", approved March 9, 1984 (98 Stat. 55-56), is amended—

(1) in the first sentence by inserting "not to exceed" before "$100,000,000";

(2) in the second sentence by striking out "$100,000,000" and inserting in lieu thereof "an amount equal to the amount of such funds"; and

(3) in the third sentence by striking out "$100,000,000" and inserting in lieu thereof "an amount equal to the amount of funds transferred under this section".

(f) Park Roads.—(1) Section 303(c) of title 49, United States Code, is amended by inserting before "requiring the use" the following: "(other than any project for a park road or parkway under section 204 of title 23)".

(2) The third sentence of section 138 of title 23, United States Code, is amended by inserting before "which requires" the following: "(other than any project for a park road or parkway under section 204 of this title)".

(g) Repeal of Outdated Provisions.—

(1) Title 23.—The following sections of title 23, United States Code, and the items in the analysis for chapters 2 and 3 of such title relating to such sections are repealed: 211 (relating to timber access road hearings), 213 (relating to Rama Road), 219 (relating to safer off-system roads), and 322 (relating to demonstration project—rail crossings).

(2) Other highway laws.—Section 119 of the Federal-Aid Highway Amendments of 1974 (relating to bikeway demonstration program) and section 141 of the Federal-Aid Highway Act of 1978 (relating to bicycle program) are repealed.

(h) Relocation of Utility Facilities.—Section 123(a) of title 23, United States Code, is amended by striking out "the Federal-aid primary or secondary" and all that follows through "urban areas," and inserting in lieu thereof "any Federal-aid system,".

(i) State Police Barracks.—Notwithstanding any of the provisions of section 111 of title 23, United States Code, the Commonwealth of Massachusetts is authorized to construct a State Police Barracks, including customary access and egress on State owned property, at the intersection of I-93 and route 3 in Quincy, Massachusetts.

SEC. 130. BUY AMERICA.

(a) Limitation on the Use of Certain Foreign Cement.—Section 165(a) of the Surface Transportation Assistance Act of 1982 is amended by inserting before the period at the end thereof the following: "and unless none of the finished cement and cement clinker used in such project is produced or manufactured in any foreign country".

(b) Rolling Stock Exception.—

(1) Increase in domestic content percentage.—Section 165(b)(3) of such Act is amended by striking out "50" and inserting in lieu thereof "85".

(2) Limitation on application.—The amendment made by paragraph (1) shall not apply to procurements made pursuant to contracts entered into before January 6, 1987.

(c) Increase in Project Cost Exception.—Paragraph (4) of section 165(b) of such Act is amended by striking "10 per centum" and all that follows through the period at the end of such section and inserting in lieu thereof "25 percent.".

SEC. 131. IMPLEMENTATION OF CERTAIN ORDERS.

In implementing any order issued by the President which provides for or requires a percentage reduction in new budget authority, unobligated balances, obligated balances, new loan guarantee commitments, new direct loan obligations, spending authority, or obligation limitations for the Federal-aid highway, mass transit and highway safety programs and with respect to which the budget account activity as identified in the program and financing schedule contained in the Appendix to the Budget of the United States Government for such programs includes more than one specific highway, mass transit, or highway safety program or project for which budget authority is provided by this Act or an amendment made by this Act, the Secretary shall apply the percentage reduction equally to each such specific program or project.

SEC. 132. PROJECT ELIGIBILITY.

(a) Project Description.—Notwithstanding any other provision of law, policy, and regulation and any interpretation thereof, construction of the alternative for any interstate route which is recommended in any final environmental impact statement (1) submitted by the State of Massachusetts in September 1983, and (2) approved by the Secretary thereafter, shall be eligible for funds authorized under section 108(b) of the Federal-Aid Highway Act of 1956 and is included as an eligible project in the 1985 interstate cost estimate, and the costs of such construction shall be included in any future interstate cost estimate. Subject to the approval of the Secretary of such impact statement, the Secretary shall enter into project agreements consistent with the provisions of title 23 of the United States Code for construction of such project.

(b) Apportionment Adjustment.—

(1) Agreement.—Upon agreement of the Secretary and the Governor of the State of Massachusetts, the Secretary shall reduce the amount of funds to be apportioned to such State under section 104(b)(5)(A) of title 23, United States Code, in each of fiscal years 1987, 1988, and 1989 to an amount sufficient to meet the obligation schedule which the Secretary and such Governor establish for construction of the project described in subsection (a) for such fiscal year.

(2) Availability of funds for discretionary projects.—Upon making any reduction under paragraph (1) in the amount of funds apportioned to the State of Massachusetts under such section in such fiscal year, the Secretary shall make available for projects in accordance with section 118(b)(2) of such title an amount equal to the amount of such reduction.

SEC. 133. ELIGIBILITY OF PARK AND RIDE FACILITIES.

(a) Eligibility for Interstate Construction Funds.—Notwithstanding any other provision of law, policy, and regulation and any interpretation thereof, construction in the vicinity of Fort Lauderdale, Florida, of 4 park and ride facilities and direct access connectors between such facilities and high occupancy vehicle lanes being constructed on a north-south interstate route which connects Miami and Jacksonville, Florida, shall be eligible for funds (not to exceed $84,000,000) authorized under section 108(b) of the Federal-Aid Highway Act of 1956 and is included as an eligible project in the 1985 interstate cost estimate, and the cost of such construction not to exceed $84,000,000 shall be included in any future interstate cost estimate. The Secretary shall enter into project agreements consistent with the provisions of title 23 of the United States Code for construction of such facilities and connectors.

(b) Size of Facilities.—The size of each park and ride facility constructed pursuant to subsection (a) shall be sufficient to accommodate commuter demand anticipated 20 years after the date on which construction of such facility is approved.

(c) Eligibility for 4R Funding.—Notwithstanding any other provision of law, if construction of the facilities and direct access connectors described in subsection (a) costs more than $84,000,000, the State of Florida may use funds apportioned to it under section 104(b)(5)(B) of title 23, United States Code, to complete construction of such facilities and connectors.

SEC. 134. PLANNING, DESIGN, AND CONSTRUCTION.

Notwithstanding any other provision of law, the State of Arkansas may use funds apportioned to it under section 104(b)(5)(A) of title 23, United States Code, for the planning, design, and construction from Interstate Route I-40 to the boundary between Arkansas and Missouri of a two-lane north-south highway which is on the Federal-aid primary system in Arkansas and passes through an urbanized area.

SEC. 135. TRANSFER OF INTERSTATE LANES.

(a) Eligibility of Interstate Lane Project.—Any project to construct eligible interstate lanes, as defined in subsection (f), shall be eligible for funds authorized under section 108(b) of the Federal-Aid Highway Act of 1956 and shall be included as an eligible project in any future interstate cost estimate unless the costs of such project are made not eligible for such funds by subsection (c).

(b) Approval of Substitute Transit Project.—Notwithstanding any other provision of law, upon the joint request of the Governor of the State of California and the local governments concerned, the Secretary may approve a substitute transit project for construction of a fixed guideway system in lieu of construction of any eligible interstate lanes if such substitute project is in or adjacent to the proposed right-of-way for such lanes.

(c) Eligibility for Federal Assistance.—Upon approval of any substitute transit project under subsection (b), the costs of construction of the eligible interstate lanes for which such project is substituted shall not be eligible for funds authorized under section 108(b) of the Federal-Aid Highway Act of 1956 and a sum equal to the Federal share of such costs, as included in the latest interstate cost estimate approved by Congress, shall be available to the Secretary to incur obligations under section 103(e)(4) of title 23, United States Code, for the Federal share of the costs of such substitute project.

(d) Limitation on Eligibility.—By September 30, 1989, any substitute transit project approved under subsection (b) (for which the Secretary finds that sufficient Federal funds are available) must be under contract for construction or construction must have commenced. If any such substitute transit project is not under contract for construction or construction has not commenced by such date, then immediately after such date, the Secretary shall withdraw approval of such project and no funds shall be appropriated under the authority of section 103(e)(4) of title 23, United States Code, for any such project.

(e) Administrative Provisions.—

(1) Status of substitute transit projects.—A substitute transit project approved under subsection (b) shall be deemed to be a substitute transit project for purposes of section 103(e)(4) of title 23, United States Code (other than subparagraphs (C) and (O)), except that the Federal share for such project shall be the Federal share applicable to the construction of the eligible interstate lanes for which such project is substituted.

(2) Reduction of unobligated interstate apportionments.—Unobligated apportionments for the Interstate System in the State of California shall, on the date of approval of a substitute transit project under subsection (b), be reduced in the proportion that the Federal share of the costs of the construction of the eligible interstate lanes for which such project is substituted bears to the Federal share of the total cost of all interstate routes in that State as reflected in the latest cost estimate approved by Congress.

(3) Administration through FHWA.—The Secretary shall administer this section through the Federal Highway Administration.

(f) Eligible Interstate Lanes Defined.—For purposes of this section, the term "eligible interstate lanes" means any high occupancy vehicle lanes and other lanes—

(1) which are to be constructed on any highway in Los Angeles County, California, designated as a part of the National System of Interstate and Defense Highways by section 140 of the Federal-Aid Highway Act of 1978, and

(2) the costs of construction of which are included in the interstate cost estimate for 1985.

SEC. 136. MODIFICATION OF INTERSTATE TRANSFER CONCEPT PLANS.

(a) Request for Modification by Maryland.—The Governor of the State of Maryland may request a modification of the transfer concept plan approved with respect to withdrawal of a portion of a north-south interstate route in such State and withdrawal of an interstate route which is a spur of a north-south interstate route in such State under section 103(e)(4) of title 23, United States Code—

(1) to include a substitute highway project to upgrade an 18-mile segment on the Federal-aid primary system in the vicinity of Cumberland, Maryland, and

(2) to include such substitute highway and mass transit projects which meet the requirements of such section (other than subparagraph (C)) as such Governor may request.

(b) Request for Modification by Connecticut.—The Governor of the State of Connecticut may request a modification of any transfer concept plan approved with respect to withdrawal of a portion of any interstate route in such State under section 103(e)(4) of title 23, United States Code, to include such substitute highway and mass transit projects which meet the requirements of such section (other than subparagraph (C)) as such Governor may request.

(c) Request for Modification by Massachusetts.—The Governor of the State of Massachusetts may request a modification of any transfer concept plan approved with respect to withdrawal of a portion of any interstate route in such State under section 103(e)(4) of title 23, United States Code—

(1) to include substitute highway projects to upgrade a segment on the Federal-aid pri-

mary system in the vicinity of Acton, Concord, Lincoln, and Lexington, Massachusetts, and

(2) to include such substitute highway and mass transit projects which meet the requirements of such section (other than subparagraph (C)) as such Governor may request.

(d) CRITERIA FOR APPROVAL.—Notwithstanding section 103(e)(4) of title 23, United States Code, the Secretary shall approve a modification under subsection (a), (b), or (c) if the Governor of the State of Maryland, Connecticut, or Massachusetts, as the case may be—

(1) submits a request for such modification to the Secretary before September 30, 1987; and

(2) such modification will not result in any increase in the amount of funds available to the Secretary to incur obligations for the Federal share of substitute projects under the transfer concept plan.

(e) EFFECT OF APPROVAL.—Upon approval of a modification under this section, substitute projects described in such modification for inclusion in the transfer concept plan shall be deemed to meet the requirements of subparagraph (C) of section 103(e)(4) of title 23, United States Code.

SEC. 137. PAYBACK OF RIGHT-OF-WAY EXPENSES.

(a) EFFECT OF REPAYMENT.—Upon repayment by the State of New York to the Treasurer of the United States of an amount as determined by the Secretary to be equal to the amount of Federal funds expended to acquire property for the portion of I-478 which was withdrawn from the Interstate System in accordance with the provisions of section 103(e)(4) of title 23, United States Code, the State of New York shall be absolved of any further responsibility for repayment and will be deemed to have fully met all of the repayment requirements of section 103(e)(7) of such title.

(b) USE OF REPAID FUNDS.—The amount repaid to the United States under this section shall be deposited to the credit of the appropriation for "Federal-Aid Highway (Trust Fund)". Such repayment shall be credited to the unprogrammed balance of funds apportioned to the State of New York in accordance with section 104(b)(1) of title 23, United States Code. The amount so credited shall be in addition to all other funds then apportioned to such State and shall be available for expenditure in accordance with the provisions of such title.

SEC. 138. EXPENDITURE OF FEDERAL HIGHWAY FUNDS IN VIRGIN ISLANDS.

(a) LIMITATION.—

(1) IN GENERAL.—Notwithstanding any other provision of law and subject to paragraph (2), no Federal funds shall be expended for the planning, design, and construction of any highway which extends eastward from the vicinity of the Windward Passage Hotel on the western fringe of Charlotte Amalie, Virgin Islands, and a segment of which parallels the existing Charlotte Amalie waterfront and requires extensive landfill along the waterfront.

(2) EXCEPTION.—Federal funds may be expended under a project agreement entered into before January 1, 1986, for planning and design of a highway described in paragraph (1).

(b) FEASIBLE ALTERNATIVES.—

(1) REVIEW.—The Secretary, in cooperation with the Virgin Islands Department of Public Works, shall review existing studies relating to traffic congestion in and around Charlotte Amalie, Virgin Islands, for the purpose of determining feasible alternatives to construction of a highway described in subsection (a) which will reduce traffic congestion in and around Charlotte Amalie.

(2) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall report to Congress on the results of the review under this subsection.

SEC. 139. EXEMPTION FROM RIGHT-OF-WAY RESTRICTION.

A facility located in part on the right-of-way of Interstate Route I-94 in Michigan and in the vicinity of the interchange of I-94 and Michigan State Route 25 is hereby exempt from the restrictions contained in section 111 of title 23, United States Code, prohibiting certain commercial establishments on rights-of-way of the Interstate System. Such exemption shall be for the purpose of permitting the Michigan Department of Transportation to enter into a lease agreement allowing the use of such facility for the sale of only those articles which are for export and for consumption outside the United States.

SEC. 140. DONATION OF LANDS.

(a) MARKET VALUE OF DONATED LANDS AS PROJECT COSTS.—Notwithstanding any other provision of law, the fair market value of any lands which have been or in the future are donated or dedicated to the State of California and which are necessary for the right-of-way for relocation and construction of California State Route 73 in Orange County, California, from its interchange with Interstate Route I-405 to its interchange with Interstate Route I-5—

(1) shall be included as a part of the cost of such relocation and construction project, and

(2) shall be credited first toward payment of the non-Federal share of the cost of such relocation and construction project.

(b) CREDIT FOR EXCESS VALUE OF DONATED LANDS ABOVE PROJECT COSTS.—If the fair market value of the lands referred to in subsection (a) exceeds the non-Federal share of the relocation and construction project referred to in subsection (a), then the excess amount, upon the request of the State of California, shall be credited toward the non-Federal share of the cost of any other project on the Federal-aid system in Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties, California.

(c) RECORDED IRREVOCABLE OFFER OF DONATION TREATED AS DONATION.—To further the purposes of this section and section 323 of title 23, United States Code, any recorded irrevocable offer of dedication or donation of property within the right-of-way for the project referred to in subsection (a) shall be considered as part of the State right-of-way acquisition for purposes of this section if such offer is irrevocable and effective no later than such time as the State of California requests final reimbursement for the Federal share.

(d) LIMITATION.—In no case shall the amount of Federal-aid reimbursement to the State of California on account of the relocation and construction project referred to in subsection (a) exceed the actual cost to the State for such project.

SEC. 141. SHIRLEY HIGHWAY TRAFFIC RESTRICTIONS.

(a) EXPRESS LANES.—

(1) RUSH HOUR RESTRICTIONS.—The State of Virginia and the District of Columbia shall prohibit the use of the Shirley Highway express lanes by a vehicle other than a bus, an emergency vehicle, a vehicle carrying four or more persons, and a motorcycle—

(A) on northbound lanes, during the hours of 6 o'clock ante meridiem to 9 o'clock ante meridiem on Monday through Friday, exclusive of holidays, and

(B) on southbound lanes, during the hours of 3:30 o'clock post meridiem to 6 o'clock post meridiem on Monday through Friday, exclusive of holidays.

The State of Virginia and the District of Columbia may not prohibit the use of such lanes during such hours by a bus, an emergency vehicle, a vehicle carrying four or more persons, or a motorcycle.

(2) USE OF EXPRESS LANES AT OTHER TIMES.—The State of Virginia and the District of Columbia may not prohibit the use of the Shirley Highway express lanes during hours other than the hours described in paragraph (1) by a vehicle which is not also prohibited from using the other lanes of the Shirley Highway.

(b) DEFINITIONS.—For purposes of this section—

(1) EMERGENCY VEHICLE.—The term "emergency vehicle" includes a public utility vehicle on legitimate emergency business.

(2) MOTORCYCLE.—The term "motorcycle" means a motor vehicle designed to travel on not more than three wheels in contact with the ground.

(3) SHIRLEY HIGHWAY EXPRESS LANES.—The term "Shirley Highway express lanes" means the high occupancy vehicle lanes on Interstate Route I-395 in the District of Columbia and Virginia and on Interstate Route I-95 from its intersection with Interstate Route I-395 to Woodbridge, Virginia.

(c) ENFORCEMENT.—The Secretary shall withhold 1 percent of the amount required to be apportioned to the State of Virginia or to the District of Columbia under sections 104 and 144 of title 23, United States Code, on the first day of the fiscal year succeeding any fiscal year in which the State of Virginia or the District of Columbia, as the case may be, is in violation of any provision of this section.

(d) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this section.

SEC. 142. RAILROAD RELOCATION DEMONSTRATION PROGRAM.

Section 163(p) of the Federal-Aid Highway Act of 1973 (23 U.S.C. 130 note) is amended—

(1) by inserting "(1)" after "(p)";

(2) by inserting "and such sums as may be necessary for the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990, and September 30, 1991," after "September 30, 1986,"; and

(3) by adding at the end thereof the following new paragraph:

"(2) There is authorized to be appropriated, out of the Highway Trust Fund (other than the Mass Transit Account), not to exceed $5,000,000 for fiscal year 1987, for acquisition of rights-of-way, construction of a temporary bypass, and initial construction to depress rail lines for the project described in the second sentence of subsection (d) of this section. Funds authorized by this paragraph shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of the project for which such funds are authorized shall be determined under this section and such funds shall remain available until expended and shall not be subject to any obligation limitation.".

SEC. 143. MAINTENANCE OF CERTAIN RAILROAD-HIGHWAY CROSSINGS.

(a) Grants for Demonstration Programs.—The Secretary shall make a grant to each State which has located within its boundaries a railroad-highway crossing over which the Consolidated Rail Corporation operates rail vehicles to carry out a demonstration program of providing systematic inspection and service of protective devices at such crossings.

(b) Purpose of Grants.—Any demonstration program carried out under this section shall reimburse the Consolidated Rail Corporation for 50 percent of the cost of inspecting and servicing protective devices at railroad-highway crossings in such State over which such corporation operates rail vehicles.

(c) Apportionment of Funds.—Sums made available to carry out this section shall be apportioned among those States which have located within their boundaries railroad-highway crossings over which the Consolidated Rail Corporation operates rail vehicles in the ratio that the number of such crossings with protective devices in each such State bears to the total number of such crossings with protective devices in all such States.

(d) Amount of Grant; Federal Share.—The amount of a grant made to a State under this section shall be equal to the amount of funds apportioned to such State under this section in any fiscal year and shall be available to pay 50 percent of the costs incurred by such State in developing and conducting its demonstration program in such fiscal year.

(e) Reports.—Each State conducting a demonstration program under this section shall report to the Secretary not later than June 30, 1991, on the results of such program and the effectiveness of such program in improving safety at railroad-highway crossings. The Secretary shall submit a report to Congress not later than September 30, 1991, on the results of demonstration programs carried out under this section and the effectiveness of such programs in improving safety at railroad-highway crossings.

(f) Authorization of Appropriations.—There is authorized to be appropriated to the Secretary to carry out the provisions of this section, out of the Highway Trust Fund (other than the Mass Transit Account), $4,500,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(g) Applicability of Title 23.—Funds authorized by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of a demonstration program under this section shall be determined in accordance with the provisions of subsection (d) of this section, and such funds shall remain available until expended and shall not be subject to any obligation limitation.

SEC. 144. DEMONSTRATION PROJECTS.

(a) Project Descriptions.—

(1) Passaic county, new jersey.—The Secretary shall utilize the procedures adopted to carry out the demonstration project under section 141 of the Federal-Aid Highway Act of 1976 and the methods for processing highway projects required to be established by section 129 of the Surface Transportation Assistance Act of 1982 to accelerate design and construction of a highway project which completes a gap on the Federal-aid primary system in an urban area along the Passaic River in Passaic County, New Jersey, and for which most of the right-of-way has been acquired.

(2) Brick township, new jersey.—The Secretary shall carry out a highway project to demonstrate methods of improving traffic operations and reducing accidents (A) at a high-volume rotary intersection in Brick Township, New Jersey, and (B) on a route connecting such intersection with another high-volume rotary intersection in Wall Township, New Jersey.

(3) Johnstown, pennsylvania.—The Secretary shall carry out a demonstration project in the vicinity of Johnstown, Pennsylvania, for the purpose of demonstrating methods by which a highway construction project on a segment of the Federal-aid primary system will enhance highway safety and economic development in an area of high unemployment.

(4) Fort smith, arkansas.—The Secretary shall carry out a highway project to demonstrate the economic growth and development benefits of widening a segment of the Federal-aid urban system connecting a community college and a large commercial center in the vicinity of Fort Smith, Arkansas, and of improving traffic signalization on such segment.

(5) Minnesota.—The Secretary shall carry out a demonstration project on the Federal-aid urban system for the purpose of demonstrating the economic and safety benefits of constructing a grade separation between a railroad line and a highway in the vicinity of Moorhead, Minnesota, and of reconstructing two deteriorated segments of a major east-west highway on the Federal-aid primary system in the vicinities of Fosston and Bagley, Minnesota.

(6) Dry ridge, kentucky.—The Secretary shall carry out a highway project to demonstrate methods of improving traffic flow and safety on a portion of a Kentucky State highway which connects an interstate route in the vicinity of Dry Ridge, Kentucky, with a highway on the Federal-aid primary system in the vicinity of Owenton, Kentucky.

(7) San bernardino county, california.—The Secretary shall carry out a demonstration project in the vicinity of the Ontario International Airport in San Bernardino County, California, for the purpose of demonstrating methods of improving highway access to an airport which is projected to incur a substantial increase in air service.

(8) Altoona, pennsylvania.—The Secretary shall carry out a highway project to close a gap of approximately 12 miles in a multilane limited access road connecting the city of Altoona to the borough of Tyrone in Blair County, Pennsylvania, for the purpose of demonstrating state of the art delineation technology. For comparison purposes, the highway section to be constructed shall connect a highway section constructed with current delineation technology and an older highway section constructed with traditional delineation technology. The project shall demonstrate the latest horizontal and vertical delineation techniques and utilize innovative techniques in highway delineation treatments to improve traffic control and highway safety. All delineation elements shall be designed to provide the optimum life-cycle costs, thereby maximizing the highway safety benefits and minimizing future maintenance costs. The Secretary shall provide necessary technical assistance in the design and construction of the project. Upon completion of the project, the highway shall be added to the Federal-aid primary system.

(9) Louisiana.—

(A) Lafayette.—The Secretary is authorized to carry out a highway project to demonstrate the benefits to traffic flow and transportation of labor and materials by construction of a highway to provide limited continuous access between an interstate route and a highway on the Federal-aid primary system in Lafayette, Louisiana.

(B) Shreveport.—The Secretary is authorized to carry out a highway project which will demonstrate methods of reducing traffic congestion in the central business district of Shreveport, Louisiana, improving access to such district, providing highway continuity, and satisfying national defense requirements by connecting an interstate route with another interstate route which serves as a bypass around such city.

(10) Miami, florida.—The Secretary is authorized to carry out a highway project which will demonstrate the most cost effective method of improving interstate motor vehicle access for passengers and cargo moving to and from the port of Miami, Florida.

(11) Arkansas-missouri.—

(A) Bella vista, arkansas.—The Secretary is authorized to carry out a highway project in the State of Arkansas on a segment of a north-south highway on the Federal-aid primary system from the vicinity of the junction of Interstate Routes I-40 and I-540 to the boundary between the States of Arkansas and Missouri in the vicinity of Bella Vista, Arkansas, for the purpose of demonstrating methods of improving highway safety and of accelerating highway construction. Such project shall increase the number of lanes on such segment from two to four.

(B) Carthage, missouri.—The Secretary is authorized to carry out a highway project on a segment of a north-south highway on the Federal-aid primary system from the vicinity of Carthage, Missouri, to the boundary between the States of Arkansas and Missouri in the vicinity of Noel, Missouri, for the purpose of demonstrating methods of improving highway safety and accelerating highway construction. Such project shall increase the number of lanes on such segment from two to four.

(C) Design features; technical assistance.—The projects authorized by subparagraphs (A) and (B) of this paragraph shall also demonstrate the latest high-type geometric design features and new advances in highway traffic control and safety hardware. All design elements, including the highway pavement, shall be designed to provide the best life-cycle costs, thereby minimizing future maintenance costs. The Secretary shall provide necessary technical assistance in the design and construction of such projects.

(12) Sanford, florida.—The Secretary shall carry out a highway project to demonstrate methods of reducing costs and expediting construction of an interchange in the vicinity of Sanford, Florida, and the intersection of route 46A and an interstate route by contracting with a private business to design and construct such project.

(13) San jose, california.—The Secretary is authorized to carry out a demonstration project in the vicinity of San Jose and Santa Clara, California, for the purpose of demonstrating a unified method of reducing traffic congestion on a Federal-aid urban highway which is the result of the intersection of such highway with two other Federal-aid urban highways and a railroad crossing in a one-quarter mile segment of such highway.

(14) District of Columbia.—

(A) Project description.—The Secretary shall carry out a demonstration project in the vicinity of the C&O Canal in the District of Columbia for the purpose of substantially improving motor vehicle access at a major traffic generator without decreasing the efficiency of a Federal-aid primary highway. The Secretary shall enter into such arrangements as may be necessary to carry out such project with the Secretary of the Interior.

(B) Limitation.—No Federal assistance shall be provided to carry out the demonstration project under this paragraph until private sources dedicate at least 2.5 acres of land as a scenic easement for project purposes.

(15) Compton, California.—The Secretary shall carry out a highway project for construction of a grade separation on a route on the Federal-aid urban system in Compton, California, for the purpose of demonstrating methods of relieving traffic congestion and enhancing economic development.

(16) Modesto, California.—The Secretary shall carry out a highway project to demonstrate methods by which construction of a grade separation for a railroad crossing of a highway on the Federal-aid primary system enhances urban redevelopment and the effectiveness of a planned transportation center in Modesto, California.

(17) Columbia, Missouri.—The Secretary shall carry out a highway project for construction of two additional lanes on a two-lane 106-mile highway on the Federal-aid primary system which begins in the vicinity of Columbia, Missouri, and ends in the vicinity of Lancaster, Missouri, for the purpose of demonstrating methods of improving highway safety, reducing traffic congestion, and encouraging economic development.

(18) East Milton, Massachusetts.—The Secretary is authorized to carry out a highway project to demonstrate the advantages of joint development and use of air rights in the construction of a deck over a depressed portion of an interstate route in East Milton, Massachusetts.

(19) Fairhope, Alabama.—The Secretary, in cooperation with the State of Alabama, shall carry out a highway project in the vicinity of Fairhope and Foley, Alabama, to demonstrate methods of accelerating the widening of a highway traffic segment of highway on the Federal-aid primary system necessary for the rapid evacuation of individuals during emergency weather conditions.

(20) Wilder, Kentucky.—The Secretary shall carry out a highway project in the vicinity of Wilder in Campbell County, Kentucky, to demonstrate the economic benefits to a port facility, industrial complex, and foreign trade zone and methods of enhancing highway safety by reconstruction of a segment of a highway on the Federal-aid urban system which connects an interstate route with a port facility. Such project shall increase the number of lanes on such highway from two to four and may include realignment of such highway.

(21) Jo Daviess, Illinois.—The Secretary shall carry out a highway project to demonstrate the safety benefits of providing additional and improved vehicular passing opportunities on, adding truck climbing lanes to, and straightening, a 50-mile segment of an east-west highway on the Federal-aid primary system which carries a high volume of traffic in Jo Daviess and Stephenson Counties, Illinois.

(22) Allentown, Pennsylvania.—The Secretary is authorized to carry out a highway project in the city of Allentown, Pennsylvania, for the purpose of demonstrating methods of accelerating construction to eliminate a major rail-highway crossing at grade, reducing traffic delays for both rail and motor vehicle traffic, and minimizing the impact on the surrounding urban environment.

(23) Riverside, California.—The Secretary shall carry out a highway project to demonstrate methods of improving safety on a highway on the Federal-aid primary system in Riverside, California, which is designated as a priority primary route under section 147 of title 23, United States Code, by committee print numbered 100-3 of the Committee on Public Works and Transportation of the House of Representatives.

(24) Buffalo, New York.—The Secretary shall carry out a highway project in Buffalo, New York, for the purpose of demonstrating methods of facilitating redevelopment of a waterfront area by construction of a connector off a highway on the Federal-aid primary system. Upon completion of the project, the connector shall be added to the Federal-aid urban system.

(25) Cleveland, Ohio.—The Secretary shall carry out a highway project to replace a ramp which provides access to an industrial area of Cleveland, Ohio, for the purpose of demonstrating the relationship between infrastructure improvement and economic vitality.

(26) Patton Island, Alabama.—The Secretary shall carry out a highway project to construct a bridge to cross the Tennessee River in Lauderdale and Colbert Counties, Alabama, in the vicinity of Patton Island, Alabama, for the purpose of demonstrating methods of improving highway transportation and enhancing economic development.

(27) Port Clinton, Ohio.—The Secretary shall carry out a highway project to upgrade an east-west State route between Port Clinton and Toledo, Ohio, for the purpose of demonstrating methods of improving traffic flow between a recreational area and a metropolitan area.

(28) Chicago, Illinois.—The Secretary shall carry out the following highway projects in Chicago, Illinois:

(A) A highway project to rehabilitate a drawbridge over the north branch of the Chicago River and realign an adjacent intersection which will demonstrate the use of the latest innovative bridge repair techniques on a bascule bridge.

(B) A highway project to remove and replace an existing bridge on Lake Shore Drive in the Jackson Park Historic Landscape District and the Midway Plaissance with a new bridge in the same location and to widen the approach road to such bridge which will demonstrate the historic recreation of a national register bridge and replacement of a deteriorated bridge.

(C) A highway project between Chicago Avenue and Claybourn Avenue to disinvest a bridge over Goose Island which will demonstrate methods of reducing municipal and Federal burdens for rehabilitation and maintenance of a surplus highway facility.

(29) Wayne County, Michigan.—The Secretary shall carry out two road improvement projects in Wayne County, Michigan, to demonstrate the benefits of enhancing safety and improving economic vitality of a depressed area.

(30) Cook County, Illinois.—

(A) Chicago.—The Secretary shall carry out a highway project which demonstrates methods of utilizing a low cost alternative to reconstruction of a 1 mile segment of an east-west road between Nagle and Oak Park Avenues, Chicago, Illinois, which is deficient due to soil conditions.

(B) Southwest Chicago.—The Secretary shall carry out a highway project to construct three parking facilities adjacent to the Rock Island commuter rail lines in Southwest Chicago, Illinois, which will demonstrate the effectiveness of construction of parking facilities in relieving on-street parking congestion and unsafe parking practices.

(C) Oak Lawn.—The Secretary shall carry out a highway project in Oak Lawn, Illinois, which demonstrates methods of improving highway safety by widening and resurfacing a four-lane major arterial with lane widths which are less than minimum State and Federal standards.

(D) Calumet Park.—The Secretary shall carry out a highway project which demonstrates methods of improving highway safety and access to a segment of the Interstate System by reconstruction of a congested major arterial in Calumet Park and Blue Island, Illinois.

(E) Cumberland Station.—The Secretary shall carry out a highway project to construct the first level of a two level addition to an existing park and ride facility in the vicinity of Cumberland Station on the O'Hare Rapid Transit Line, Chicago, Illinois, which will demonstrate methods of reducing commuter traffic and traffic congestion and increasing utilization of available capacity on a rapid transit line.

(F) Elevated road.—The Secretary shall carry out a highway project to demonstrate the benefits of utilizing precast, prefabricated concrete structural segments in the reconstruction of an elevated road on a major artery in the southwestern portion of Chicago, Illinois, in order to minimize traffic disruption during the reconstruction.

(G) Parking facilities.—The Secretary shall carry out a demonstration project for the construction of two parking lots at sites (i) where future stations are to be located on the Southwest Rapid Transit Line in Chicago, Illinois, and (ii) to which buses now provide mass transit service. Such project shall be carried out before the beginning of service on such rapid transit line in order to demonstrate methods of facilitating the transfer of passengers between different modes of transportation and of establishing ridership before the opening of a rapid transit line.

(31) Kansas City, Missouri.—The Secretary shall carry out a highway project on a north-south route on the Federal-aid primary system in Kansas City, Missouri, to demonstrate methods by which construction of the first and southern-most phase of a 5-phase highway project will facilitate construction of the full 5-phase project. Construction of the 5-phase project—

(A) will connect the northern terminus of another route on the Federal-aid primary system and an east-west interstate route,

(B) will demonstrate the interrelationship between construction of a major urban transportation artery and economic development initiatives in facilitating reinvestment in an urban area experiencing economic decay, and

(C) will demonstrate methods of reducing traffic congestion through construction of a roadway that is compatible with adjacent residential neighborhoods and commercial areas.

(32) Mount Vernon, Kentucky.—The Secretary is authorized to carry out a highway project on a segment of the Federal-aid primary system which connects Interstate Route I-75 in the vicinity of Mount Vernon,

Kentucky, with Kentucky State Route 80 in the vicinity of Shopville, Kentucky, for the purposes of demonstrating methods of improving highway safety and traffic flow and improving access to a national river and recreation area.

(33) PINE CITY, MINNESOTA.—The Secretary is authorized to carry out a highway project in Pine City, Minnesota, to demonstrate methods of enhancing economic development and improving highway safety and traffic flow by construction of an interchange between a highway on the Interstate System and a county State-aid highway.

(34) PASO ROBLES, CALIFORNIA.—The Secretary is authorized to carry out a highway project in the city of Paso Robles, California, to construct a two-lane, east-west bridge which will span the Salinas River, a highway, and a railroad line and will be located south of the existing bridges spanning such river in such city, for the purposes of demonstrating methods of improving highway safety and traffic flow and enhancing economic development.

(35) SUFFOLK COUNTY, NEW YORK.—The Secretary is authorized to carry out a highway project from Wheeler Road to Veterans Memorial Highway in the town of Islip, Suffolk County, New York, for the purpose of demonstrating construction techniques to accelerate upgrading of an existing highway to freeway standards with minimum disruption of traffic.

(36) CONNECTICUT.—

(A) SOUTHINGTON.—The Secretary shall carry out a highway project to demonstrate the latest construction techniques in reconstructing a north-south segment of highway on the Federal-aid urban system in the vicinity of Southington, Connecticut.

(B) KENT CENTER.—The Secretary shall carry out a highway project to change horizontal and vertical alignment of a north-south highway on the Federal-aid primary system south of Kent Center, Connecticut, to demonstrate methods of solving safety and flooding problems.

(37) DOVER TOWNSHIP, NEW JERSEY.—The Secretary is authorized to carry out a highway project to construct a bridge across the Toms River in the township of Dover, New Jersey, for the purpose of demonstrating methods of reducing traffic congestion on an existing bridge and facilitating the redevelopment of the central business district of such township.

(38) LOS ANGELES COUNTY, CALIFORNIA.—The Secretary is authorized to carry out a highway project in Los Angeles County, California, for the purpose of demonstrating methods of improving vehicular circulation related to the intermodal transportation of port-related traffic and alleviating congestion caused by increased port activities.

(39) GREATER PITTSBURGH INTERNATIONAL AIRPORT.—The Secretary shall carry out in the vicinity of the Greater Pittsburgh International Airport a highway project for construction of a highway which is designated as a priority primary route under section 147 of title 23, United States Code, by committee print numbered 100-3 of the Committee on Public Works and Transportation of the House of Representatives to demonstrate methods of improving economic development and airport terminal placement.

(40) STEUBEN COUNTY, NEW YORK.—The Secretary shall carry out a highway project in Steuben County, New York, for the purpose of demonstrating the extent to which the economy of an industrialized high unemployment area can be improved by completion of key elements of a modern, grade-separated access controlled highway which serves such area.

(41) SONOMA AND MARIN COUNTIES, CALIFORNIA.—

(A) SANTA ROSA.—The Secretary shall carry out a highway project for the purpose of demonstrating the extent to which traffic congestion is relieved by reconstruction of a north-south arterial which (i) connects Santa Rosa, California, and Petaluma, California, (ii) is parallel to a major north-south segment of the Federal-aid primary system, and (iii) serves as an alternative for traffic between such cities.

(B) HEALDSBURG.—The Secretary shall carry out a highway project for the purpose of demonstrating the extent to which traffic congestion is relieved on the major north-south segment of the Federal-aid primary system described in subparagraph (A) by construction of high occupancy vehicle lanes along a right-of-way which is parallel to such segment and connects San Rafael, California, and Healdsburg, California.

(42) VOYAGEURS NATIONAL PARK, MINNESOTA.—The Secretary shall carry out a highway project which demonstrates methods of enhancing use of a national park and reducing traffic congestion by reconstruction of an access road to Voyageurs National Park, Minnesota.

(43) SAVANNAH, GEORGIA.—The Secretary, in cooperation with the State of Georgia, shall carry out a highway project for replacing an existing functionally obsolete bridge across the Savannah River in Savannah, Georgia, with a modern, high-level structure for the purpose of demonstrating methods of improving safety and the free flow of both vehicular and waterborne traffic including traffic related to national defense.

(44) NEW SEWICKLY, PENNSYLVANIA.—The Secretary shall carry out a highway project to construct a 2-lane highway between the township of New Sewickly, Pennsylvania, and the borough of Conway, Pennsylvania, for the purpose of demonstrating methods of accommodating increasing truck traffic and improving highway safety.

(45) CROYLE TOWNSHIP, PENNSYLVANIA.—The Secretary shall carry out a highway project to upgrade a 1.3 mile access road to the Johnstown Flood National Memorial in the vicinity of Croyle Township, Pennsylvania, for the purpose of demonstrating methods of improving public access to a flood memorial.

(46) LAWRENCE, MASSACHUSETTS.—The Secretary shall carry out in Lawrence, Massachusetts, a highway project to demonstrate methods of enhancing the benefits of an economic rehabilitation project under construction by construction of a service road which provides access between Massachusetts Avenue and Merrimack Street substantially along an alignment located between the Shawsheen River and an interstate route.

(47) BATON ROUGE, LOUISIANA.—

(A) The Secretary shall carry out a highway project in the vicinity of Baton Rouge, Louisiana, for the purpose of demonstrating the benefits of reducing traffic congestion in the immediate vicinity of a split-diamond interchange which connects an east-west highway on the Interstate System, 2 4-lane highways not on such System, and a 2-lane highway not on such System by providing—

(i) a direct exit lane from the westbound lanes of the highway on such System to one of such 4-lane highways;

(ii) a direct access ramp and acceleration lane from such 4-lane highway to the eastbound lanes of the highway on such System; and

(iii) a direct exit lane from the eastbound lanes of the highway on such System to the other of such 4-lane highways.

(B) The Secretary shall carry out a highway project in the vicinity of Baton Rouge, Louisiana, for the purpose of demonstrating the benefits of reducing traffic congestion in the immediate vicinity of a convergence of an east-west highway on the Interstate System and a north-south highway on such System by construction of an additional ramp lane.

(C) The Secretary shall carry out a highway project in the vicinity of East Baton Rouge, Louisiana, for the purpose of demonstrating the most cost-effective methods of reducing traffic congestion in the immediate vicinity of (i) a diamond interchange which connects an east-west highway on the Interstate System and a 4-lane highway not on such System, and (ii) a nearby intersection of such 4-lane highway and a 2-lane service road.

(D) The Secretary shall carry out a highway project in the vicinity of northeast Baton Rouge, Louisiana, for the purpose of demonstrating the efficacy of reducing traffic congestion and improving traffic flow in the immediate vicinity of a highway on the Interstate System to connect such highway to a metropolitan airport terminal access road by construction of a direct access off-ramp link.

(48) MINDEN, LOUISIANA.—The Secretary shall carry out a highway project for the purpose of demonstrating methods of enhancing economic development by construction of a frontage road which provides Minden, Louisiana, alternative access to a highway immediately connecting to a highway on the Interstate System.

(49) ANAHEIM, CALIFORNIA.—The Secretary shall carry out a project for research, development, and implementation of a computerized transportation management system to assist the city of Anaheim, California, and adjoining jurisdictions in managing highway traffic congestion caused in part by an interstate route passing through an area of concentrated population and commercial development for the purpose of demonstrating the usefulness of such a system in reducing traffic congestion.

(50) ISLE OF PALMS, SOUTH CAROLINA.—The Secretary shall carry out a highway project connecting the Isle of Palms, South Carolina, to the mainland for the purpose of demonstrating the reduction in traffic congestion, improved emergency preparedness, and increased accessibility to a sea island by construction of a high-level fixed span bridge over a high-volume intracoastal waterway segment.

(51) CLARKSVILLE, TENNESSEE.—The Secretary shall carry out a highway project to demonstrate methods of improving highway safety by making improvements to a road providing direct access from the Fort Campbell Military Reservation to the city of Clarksville, Tennessee.

(52) CLARINDA, IOWA.—The Secretary shall carry out a highway project to reconstruct and rehabilitate a highway between Shenandoah and Clarinda, Iowa, for the purpose of demonstrating methods by which improved highway transportation in an economically depressed rural area will increase economic activity in such area.

(53) SAN DIEGO COUNTY, CALIFORNIA.—The Secretary shall carry out a highway project

to expand a highway which connects an interstate route in the vicinity of Oceanside, California, with another interstate route in the vicinity of Escondido, California for the purpose of demonstrating methods of reducing traffic congestion and accidents.

(54) St. Charles County, Missouri.—The Secretary shall carry out a highway project to construct a bypass highway to connect an east-west interstate route in St. Charles County, Missouri, with the interstate beltway around St. Louis, Missouri, for the purpose of demonstrating methods of alleviating traffic congestion, especially commuter traffic congestion.

(55) Jonesboro, Arkansas.—The Secretary shall carry out a highway project for construction of four grade separations on a four-lane bypass route in the vicinity of Jonesboro, Arkansas, for the purpose of demonstrating methods of improving highway safety.

(56) Illinois.—

(A) Mt. Vernon.—The Secretary is authorized to carry out a highway project to reconstruct a segment of approximately 1.4 miles of a State route connecting to an interstate route in the vicinity of Mt. Vernon, Illinois, for the purpose of demonstrating methods of improving highway safety.

(B) Evansville.—The Secretary is authorized to carry out a highway project to upgrade a principal route through the village of Evansville, Illinois, for the purpose of demonstrating methods of improving traffic flow.

(C) Union county.—The Secretary is authorized to carry out a highway project to improve a road leading to a landmark in the vicinity of the city of Alto Pass, Union County, Illinois, for the purpose of demonstrating methods of improving access to such a landmark and of enhancing tourism.

(57) Concord, California.—The Secretary shall carry out a highway project between Concord, California, and West Pittsburg, California, for the purpose of demonstrating methods of improving highway safety and traffic flow by lowering the grade of, realigning, and widening an existing highway on the Federal-aid primary system.

(58) Georgia.—The Secretary shall carry out a highway project which demonstrates methods of improving highway safety and reducing traffic accidents by reconstruction of a 3.8 mile segment of highway between Interstate Route I-285 and the fork of Georgia State Route 141 as a 6-lane controlled access freeway with one-way frontage roads in each direction.

(59) Pike county, Kentucky.—The Secretary shall carry out a highway project to reconstruct a highway on the Federal-aid primary system between Open Fork Road and Road Fork of Big Creek Road in Pike County, Kentucky, for the purpose of demonstrating methods of improving highway safety in a mountainous area.

(60) Madison county, Illinois.—The Secretary shall carry out a highway project to demonstrate the economic growth and development benefits of reconstructing a segment of road in Madison County, Illinois, which serves a high-growth industrial area.

(61) Erwin, Tennessee.—The Secretary shall carry out a highway project to extend, approximately 15 miles, a highway on the Appalachian development highway system between River View in Erwin, Tennessee, and Sam's Gap on the North Carolina-Tennessee border for the purpose of demonstrating methods of improving transportation in a mountainous area.

(62) New river, West Virginia.—The Secretary is authorized to carry out a demonstration project to construct a parkway connecting to an interstate route, in accordance with the recommendations of the New River Parkway Authority, in the vicinity of the New River, West Virginia, for the purpose of demonstrating benefits to recreation, tourism, and industrial, economic, and community development.

(63) Kittanning-Brookville, Pennsylvania.—The Secretary is authorized to carry out a project for reconstruction of approximately 30 miles of a two-lane road on the Federal-aid primary system between Kittanning and Brookville, Pennsylvania, for the purpose of demonstrating cost-effective methods of improving rural highways to accommodate wider and longer trucks.

(64) Aurora-Hoyt Lakes, Minnesota.—The Secretary is authorized to carry out a project for construction of a highway connecting Aurora-Hoyt Lakes and Silver Bay, Minnesota, for the purpose of demonstrating methods of reducing traffic congestion in and around a recreational area.

(65) Kanawha county, West Virginia.—The Secretary shall carry out a highway project which demonstrates methods of improving traffic flow in a rural area by reconstruction of the Chelyan Bridge in Kanawha County, West Virginia.

(66) Roanoke sound, North Carolina.—The Secretary shall carry out a highway project which demonstrates methods of improving tourism, commercial enterprise, and water and highway transportation by construction of a bridge on an east-west Federal-aid primary route which connects Manteo and Whalebone, North Carolina, and traverses Roanoke Sound.

(67) Lincoln, Illinois.—The Secretary shall carry out a highway project which demonstrates methods of improving highway safety and reducing traffic congestion by construction of a controlled access freeway which connects Interstate Route I-55 in the vicinity of Lincoln, Illinois, and Interstate Route I-74 in the vicinity of Morton, Illinois.

(68) Sparks, Nevada.—The Secretary shall carry out a highway project which demonstrates methods of improving economic development and diversification, and eliminating traffic and highway safety hazards by construction in the city of Sparks, Nevada, of an interchange which connects Interstate Route I-80 and Sparks Boulevard.

(69) Burbank-Glendale-Pasadena airport, California.—The Secretary shall carry out a highway project which demonstrates methods of coordinating construction of ground access to an airport and construction of terminal and parking facilities at such airport. The Secretary shall carry out such project at the Burbank-Glendale-Pasadena Airport, California, by making a grant for construction of such ground access to the airport authority for such airport.

(70) El Segundo, California.—The Secretary shall carry out a highway project to increase the capacity of a tunnel in the vicinity of an airport serving El Segundo, California, which will demonstrate methods of mitigating increased traffic congestion which is projected to result from completion of a segment of the Interstate System.

(71) Alameda island, California.—The Secretary shall carry out a highway project to demonstrate methods of improving access to, and alleviating congestion on, a north-south route designated as part of the Interstate System under section 139 of title 23, United States Code, and its access roads, including access roads from Oakland International Airport and Alameda Island, California, to such interstate route.

(72) Douglas county, Kansas.—The Secretary shall carry out a highway project in Douglas County, Kansas, to demonstrate methods of reducing traffic congestion and facilitating the usage by motorists on the Interstate System of recreational facilities by construction of a north-south limited access trafficway of approximately 4 miles in length which will connect an east-west interstate route to a reservoir and a university research park.

(73) Chadville, Pennsylvania.—The Secretary shall carry out a highway project to relocate and reconstruct to 4 lanes a 3.5-mile north-south segment of the Federal-aid primary system from the vicinity of Uniontown Bypass at Chadville, Pennsylvania, to Pennsylvania Legislative Route 26082 in the vicinity of Fairchance, Pennsylvania, which will demonstrate methods of enhancing the development of a major industrial site.

(74) Chambersburg, Pennsylvania.—The Secretary shall carry out a highway project which demonstrates how construction of an interchange on a north-south interstate route will provide access to Chambersburg, Pennsylvania, and relieve traffic congestion on an existing interchange on such interstate route.

(75) Beaumont, Texas.—The Secretary shall carry out a highway project which demonstrates how construction of an overpass over an interstate route in the vicinity of the city of Beaumont, Texas, will relieve traffic congestion on such interstate route and provide direct access between the central business district of such city and another part of such city.

(76) St. Louis county, Minnesota.—The Secretary shall carry out a highway project for the construction of an access road from County Road 413 in St. Louis County, Minnesota, to a recreational complex on the Bois Forte Chippewa Reservation (Vermilion Sector) to demonstrate methods of providing jobs and enhancing economic development in a severely and chronically depressed area.

(77) Gloucester county, Virginia.—The Secretary, in consultation with the Governor of Virginia, the Secretary of Defense, and the Secretary of the Interior, shall carry out site selection and environmental studies and design and engineering for replacement or expansion of a bridge connecting Gloucester County with York County and the cities of Newport News and Hampton, Virginia, for the purpose of demonstrating methods of facilitating the resolution of Federal intra-governmental conflicts.

(78) Arcola, Texas.—The Secretary shall carry out a highway project in Arcola, Texas, which demonstrates methods by which construction of a grade separation project between the intersection of 2 highways and a railroad crossing improves traffic flow and highway safety.

(79) Hammond, Indiana.—The Secretary shall enter into such arrangements as may be necessary to carry out a demonstration project in Hammond, Indiana, for the relocation of railroad lines for the purpose of eliminating railroad-highway grade crossings. If the city of Hammond, Indiana, elects to carry out all or any portion of the demonstration project authorized by this paragraph before the funds authorized to be appropriated to carry out this paragraph are made available, the Secretary shall reimburse with such funds the city for the costs of carrying out such project or portion.

(80) Erie county, New York.—The Secretary is authorized to carry out a highway

project in Erie County, New York, to demonstrate methods of enhancing safety and reducing traffic congestion and delays at the terminus of an interstate route by relocating the terminus of such route.

(81) TAMPA, FLORIDA.—The Secretary is authorized to carry out the remaining design work for a highway project for construction of a grade separation on a route on the Federal-aid primary system in the vicinity of Tampa, Florida, for the purpose of demonstrating methods of improving motor vehicle access between rapidly growing urban areas as well as relieving motor vehicle congestion resulting from the transportation of freight to and from areas for the transshipment of waterborne commerce.

(b) REPORTS.—

(1) IN GENERAL.—Not later than January 31 of calendar years 1988, 1989, 1990, and 1991, the Secretary shall submit to Congress a report on the status of the projects authorized by this section and on the results of any such projects which are completed in the preceding fiscal year.

(2) PASSAIC COUNTY, NEW JERSEY.—Not later than 180 days after completion of the demonstration project under subsection (a)(1), the Secretary shall submit a report to Congress on the results of such project (including the timesavings), along with a description of the procedures used to accelerate design and construction of such project, a summary of the manner in which the techniques used in carrying out such project in an urban area differed from the techniques used in the demonstration project carried out under section 141 of the Federal-Aid Highway Act of 1976 in a rural area, and an analysis of the costs and benefits of the accelerated completion of the project conducted under such paragraph (1).

(3) ALTOONA, PENNSYLVANIA.—Not later than 1 year, 6 years, and 11 years after the completion of the state of the art delineation technology project under subsection (a)(8), the Secretary shall submit reports to the Congress, including but not limited to the results of such project, the effects of using the best delineation technology on safety and other considerations, recommendations for applying the results to other highway projects, and any changes that may be necessary by law to permit further use of such delineation techniques.

(4) ARKANSAS-MISSOURI.—Not later than 1 year, 6 years, and 11 years after the completion of the projects under subsection (a)(11), the Secretary shall submit reports to the Congress, including but not limited to the results of such projects, the effects of using design features and advances described in such paragraph on safety and other considerations, recommendations for applying the results to other highway projects, and any changes that may be necessary by law to permit further use of such features and advances.

(c) AUTHORIZATION OF APPROPRIATIONS FROM HIGHWAY TRUST FUND.—There is authorized to be appropriated, out of the Highway Trust Fund (other than the Mass Transit Account)—

(1) to carry out subsection (a)(1) $5,000,000 for fiscal year 1987; $28,000,000 for fiscal year 1988, $12,000,000 for fiscal year 1989, and $5,000,000 for fiscal year 1990;

(2) to carry out subsection (a)(2) $6,800,000 for fiscal year 1987 and $13,200,000 for fiscal year 1988;

(3) to carry out subsection (a)(3) $12,000,000 for fiscal year 1987;

(4) to carry out subsection (a)(4) $8,500,000 for fiscal year 1987;

(5) to carry out subsection (a)(5) $3,000,000 for fiscal year 1987 and $2,000,000 for fiscal year 1988;

(6) to carry out subsection (a)(6) $1,600,000 for fiscal year 1987, $2,300,000 for fiscal year 1988, and $16,600,000 for fiscal year 1989;

(7) to carry out subsection (a)(7) $4,000,000 for fiscal year 1987, $4,000,000 for fiscal year 1988, $4,000,000 for fiscal year 1989, $17,000,000 for fiscal year 1990, and $9,000,000 for fiscal year 1991;

(8) to carry out subsection (a)(8) $3,000,000 for fiscal year 1987, $8,000,000 for fiscal year 1988, $18,000,000 for fiscal year 1989, $26,000,000 for fiscal year 1990, and $35,000,000 for fiscal year 1991;

(9) to carry out preliminary engineering and design, initial utility relocation, and land acquisition under subsection (a)(9) $6,000,000 for fiscal year 1987, $15,000,000 for fiscal year 1990, and $19,000,000 for fiscal year 1991;

(10) to carry out preliminary engineering and design under subsection (a)(10) $1,300,000 for fiscal year 1987, $4,500,000 for fiscal year 1988, and $4,500,000 for fiscal year 1989;

(11)(A) to carry out preliminary engineering and design, utility relocation, land acquisition, and initial construction under subsection (a)(11)(A) $5,000,000 for fiscal year 1987, $5,000,000 for fiscal year 1988, $10,000,000 for fiscal year 1989, $10,000,000 for fiscal year 1990, and $15,000,000 for fiscal year 1991; and

(B) to carry out preliminary engineering and design, utility relocation, land acquisition, and initial construction under subsection (a)(11)(B) $5,000,000 for fiscal year 1987, $5,000,000 for fiscal year 1988; $10,000,000 for fiscal year 1989, $10,000,000 for fiscal year 1990, and $15,000,000 for fiscal year 1991;

(12) to carry out subsection (a)(12) $200,000 for fiscal year 1987, $200,000 for fiscal year 1988, $6,200,000 for fiscal year 1989, and $7,400,000 for fiscal year 1990;

(13) to carry out subsection (a)(13) $8,000,000 for fiscal year 1987, $8,000,000 for fiscal year 1988, $7,000,000 for fiscal year 1989, and $6,000,000 for fiscal year 1990;

(14) to carry out subsection (a)(14) $2,000,000 for fiscal year 1987 and $6,000,000 for fiscal year 1988;

(15) to carry out subsection (a)(15) $8,500,000 for fiscal year 1987;

(16) to carry out subsection (a)(16) $2,000,000 for fiscal year 1987, $5,000,000 for fiscal year 1989, $5,000,000 for fiscal year 1990, and $2,000,000 for fiscal year 1991;

(17) to carry out preliminary engineering and design, utility relocation, land acquisition, and initial construction under subsection (a)(17) $2,000,000 for fiscal year 1988, $4,000,000 for fiscal year 1989, $4,000,000 for fiscal year 1990, and $2,000,000 for fiscal year 1991;

(18) to carry out subsection (a)(18) $3,500,000, for fiscal year 1987;

(19) to carry out subsection (a)(19) $700,000 for fiscal year 1987, $3,100,000 for fiscal year 1989, $8,000,000 for fiscal year 1990, and $9,200,000 for fiscal year 1991;

(20) to carry out subsection (a)(20) $1,200,000 for fiscal year 1987 and $7,800,000 for fiscal year 1988;

(21) to carry out subsection (a)(21) $5,000,000 for fiscal year 1987;

(22) to carry out subsection (a)(22) $1,000,000 for fiscal year 1987, $2,000,000 for fiscal year 1988, and $3,000,000 for fiscal year 1989;

(23) to carry out subsection (a)(23) $3,000,000 for fiscal year 1987, $3,000,000 for fiscal year 1988, and $3,000,000 for fiscal year 1989;

(24) to carry out subsection (a)(24) $1,500,000 for fiscal year 1987 and $11,000,000 for fiscal year 1988;

(25) to carry out subsection (a)(25) $4,500,000 for fiscal year 1990 and $4,500,000 for fiscal year 1991;

(26) to carry out subsection (a)(26) $4,000,000 for fiscal year 1988, $4,000,000 for fiscal year 1989, $4,000,000 for fiscal year 1990, and $4,000,000 for fiscal year 1991;

(27) to carry out subsection (a)(27) $7,500,000 for fiscal year 1987 and $7,500,000 for fiscal year 1988;

(28)(A) to carry out subsection (a)(28)(A) $6,600,000 for fiscal year 1987;

(B) to carry out subsection (a)(28)(B) $4,500,000 for fiscal year 1987; and

(C) to carry out feasibility studies and preliminary engineering and design under subsection (a)(28)(C) $900,000 for fiscal year 1987;

(29) to carry out subsection (a)(29) $3,900,000 for fiscal year 1987;

(30)(A) to carry out subsection (a)(30)(A) $400,000 for fiscal year 1987;

(B) to carry out subsection (a)(30)(B) $1,435,000 for fiscal year 1987;

(C) to carry out subsection (a)(30)(C) $1,700,000 for fiscal year 1987;

(D) to carry out subsection (a)(30)(D) $1,050,000 for fiscal year 1987;

(E) to carry out subsection (a)(30)(E) $3,500,000 for fiscal year 1987; and

(F) to carry out subsections (a)(30)(F) and (a)(30)(G) $2,000,000 for fiscal year 1987 and $3,000,000 for fiscal year 1989;

(31) to carry out subsection (a)(31) $5,000,000 for fiscal year 1989 and $10,000,000 for fiscal year 1990;

(32) to carry out subsection (a)(32) $3,000,000 for fiscal year 1987, $6,900,000 for fiscal year 1988, and $6,100,000 for fiscal year 1989;

(33) to carry out subsection (a)(33) $2,600,000 for fiscal year 1987;

(34) to carry out subsection (a)(34) $1,100,000 for fiscal year 1987, $1,000,000 for fiscal year 1988, $1,000,000 for fiscal year 1989, and $1,000,000 for fiscal year 1990;

(35) to carry out preliminary engineering and design and initial construction under subsection (a)(35) $9,750,000 for fiscal year 1987;

(36) to carry out subsection (a)(36) $3,850,000 for fiscal year 1987;

(37) to carry out subsection (a)(37) $1,500,000 for fiscal year 1987 and $500,000 for fiscal year 1988;

(38) to carry out subsection (a)(38) $4,000,000 for fiscal year 1987, $11,000,000 for fiscal year 1988, $18,000,000 for fiscal year 1989, $19,000,000 for fiscal year 1990, and $22,000,000 for fiscal year 1991;

(39) to carry out preliminary engineering and design under subsection (a)(39) $5,500,000 for fiscal year 1987;

(40) to carry out subsection (a)(40) $4,500,000 for fiscal year 1990 and $4,500,000 for fiscal year 1991;

(41)(A) to carry out subsection (a)(41)(A) $2,600,000 for fiscal year 1988, $2,600,000 for fiscal year 1989, $2,500,000 for fiscal year 1990, and $2,800,000 for fiscal year 1991; and

(B) to carry out land acquisition under subsection (a)(41)(B) $10,000,000 for fiscal year 1987, $10,000,000 for fiscal year 1988, and $5,000,000 for fiscal year 1989;

(42) to carry out subsection (a)(42) $2,000,000 for fiscal year 1988 and $2,530,000 for fiscal year 1989;

(43) to carry out subsection (a)(43) $10,000,000 for fiscal year 1988, $13,000,000

for fiscal year 1989, $17,000,000 for fiscal year 1990, and $14,000,000 for fiscal year 1991;

(44) to carry out subsection (a)(44) $13,400,000 for fiscal year 1990;

(45) to carry out subsection (a)(45) $720,000 for fiscal year 1987;

(46) to carry out subsection (a)(46) $300,000 for fiscal year 1987, $1,000,000 for fiscal year 1988, and $2,700,000 for fiscal year 1989;

(47) to carry out subsection (a)(47) $7,800,000 for fiscal year 1987 and $6,200,000 for fiscal year 1989;

(48) to carry out subsection (a)(48) $750,000 for fiscal year 1987;

(49) to carry out subsection (a)(49) $500,000 for fiscal year 1987, and $400,000 for fiscal year 1988;

(50) to carry out subsection (a)(50) $5,000,000 for fiscal year 1990 and $5,000,000 for fiscal year 1991;

(51) to carry out subsection (a)(51) $5,000,000 for fiscal year 1988;

(52) to carry out subsection (a)(52) $500,000 for fiscal year 1988, $3,000,000 for fiscal year 1989, $3,000,000 for fiscal year 1990, and $2,500,000 for fiscal year 1991;

(53) to carry out subsection (a)(53) $2,000,000 for fiscal year 1988, $5,000,000 for fiscal year 1989, and $5,000,000 for fiscal year 1990;

(54) to carry out preliminary engineering and design under subsection (a)(54) $5,000,000 for fiscal year 1988 and $8,000,000 for fiscal year 1989;

(55) to carry out subsection (a)(55) $2,500,000 for fiscal year 1987, $3,200,000 for fiscal year 1989, $2,600,000 for fiscal year 1990, and $5,000,000 for fiscal year 1991;

(56)(A) to carry out subsection (a)(56)(A) $1,300,000 for fiscal year 1987;

(B) to carry out subsection (a)(56)(B) $308,000 for fiscal year 1987; and

(C) to carry out subsection (a)(56)(C) $350,000 for fiscal year 1987;

(57) to carry out land acquisition under subsection (a)(57) $5,000,000 for fiscal year 1987;

(58) to carry out subsection (a)(58) $5,000,000 for fiscal year 1987, $5,500,000 for fiscal year 1988, and $9,500,000 for fiscal year 1989;

(59) to carry out subsection (a)(59) $1,000,000 for fiscal year 1989, $7,000,000 for fiscal year 1990, and $7,000,000 for fiscal year 1991;

(60) to carry out subsection (a)(60) $2,200,000 for fiscal year 1987;

(61) to carry out subsection (a)(61) $5,000,000 for fiscal year 1987, $2,000,000 for fiscal year 1988, and $13,000,000 for fiscal year 1989;

(62) to carry out subsection (a)(62) $1,000,000 for fiscal year 1987, $3,000,000 for fiscal year 1988, $9,000,000 for fiscal year 1989, and $4,600,000 for fiscal year 1990;

(63) to carry out subsection (a)(63) $2,000,000 per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990, and 1991;

(64) to carry out preliminary engineering and design under subsection (a)(64) $1,500,000 for fiscal year 1987;

(65) to carry out preliminary engineering and design under subsection (a)(65) $2,000,000 for fiscal year 1987;

(66) to carry out subsection (a)(66) $1,000,000 for fiscal year 1988, $800,000 for fiscal year 1989, $12,100,000 for fiscal year 1990, and $6,100,000 for fiscal year 1991;

(67) to carry out subsection (a)(67) $7,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991;

(68) to carry out subsection (a)(68) $4,000,000 per fiscal year for each of fiscal years 1987 and 1988;

(69) to carry out subsection (a)(69) $2,000,000 per fiscal year for each of fiscal years 1987 and 1988 and $3,000,000 for fiscal year 1989;

(70) to carry out preliminary engineering and design under subsection (a)(70) $1,500,000 for fiscal year 1987 and $1,500,000 for fiscal year 1988;

(71) to carry out preliminary engineering and design, environmental analysis, and implementation of environmental mitigation measures under subsection (a)(71) $3,000,000 per fiscal year for each of fiscal years 1987, 1988, and 1990;

(72) to carry out subsection (a)(72) $5,000,000 per fiscal year for each of fiscal years 1987 and 1988;

(73) to carry out subsection (a)(73) $2,500,000 per fiscal year for each of fiscal years 1989 and 1990 and $5,000,000 for fiscal year 1991;

(74) to carry out subsection (a)(74) $5,000,000 for fiscal year 1988;

(75) to carry out subsection (a)(75) $6,000,000 for fiscal year 1987;

(76) to carry out subsection (a)(76) $1,000,000 for fiscal year 1987;

(77) to carry out subsection (a)(77) $5,000,000 for fiscal year 1988;

(78) to carry out subsection (a)(78) $2,500,000 per fiscal year for each of fiscal years 1987 and 1988;

(79) to carry out subsection (a)(79) $2,815,000 for fiscal year 1989 and $2,815,000 for fiscal year 1990;

(80) to carry out subsection (a)(80) $2,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991; and

(81) to carry out subsection (a)(81) $400,000 for fiscal year 1987.

(d) Authorization of Appropriations From General Fund.—In addition to amounts authorized by subsection (c), there is authorized to be appropriated to carry out subsection (a)(3) $16,000,000 for fiscal years beginning after September 30, 1987, and ending before October 1, 1991.

(e) Applicability of Title 23.—Funds authorized by this section (other than subsection (d)) shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of any project under this section shall be 100 percent, and such funds shall remain available until expended and shall not be subject to any obligation limitation.

SEC. 145. CUMBERLAND GAP NATIONAL HISTORICAL PARK, VIRGINIA.

(a) Section 160(a) of the Federal-Aid Highway Act of 1973 (87 Stat. 278) is amended by adding the following new sentences at the end thereof: "After completion of the reconstruction and relocation of Route 25E through the Cumberland Gap National Historical Park (including construction of a tunnel and the approaches thereto), funds available for parkways, notwithstanding the definition of parkways in subsection (a) of section 101, title 23, United States Code, shall be available to finance the cost of upgrading from 2 lanes to 4 lanes a highway providing access from such route through that portion of the Cumberland Gap National Historical Park which lies within the State of Virginia. The project referred to in the preceding sentence shall not delay or affect in any way the reconstruction and relocation of Route 25E (including construction of a tunnel and approaches thereto).".

(b) Subsection (b) of section 160 of such Act is amended by inserting after "rights-of-way" the following: "including approaches in the State of Virginia".

SEC. 146. DELAWARE RIVER BRIDGES.

(a) Repayment of Federal Funds Invested On I-80 Bridge.—

(1) In general.—The Delaware River Joint Toll Bridge Commission (hereinafter in this section referred to as the "Commission"), in conjunction with the State highway agencies of the States of Pennsylvania and New Jersey, shall enter into an agreement with the Secretary to repay to the Treasury of the United States any Federal funds which previously have been obligated or otherwise expended by the Federal Government with respect to the Delaware Water Gap Bridge on I-80. Such repayment shall be credited to the Highway Trust Fund.

(2) Effect of repayment.—Upon such repayment, such States and the Commission shall be free of all restrictions contained in title 23, United States Code, and any regulation or agreement thereunder, with respect to the collection or imposition of tolls or other charges for such bridge or the use thereof.

(b) Agreement to Construct I-78 Toll Bridge.—If the State of Pennsylvania, the State of New Jersey, and the Commission determine to operate the uncompleted bridge under construction in the vicinity of Easton, Pennsylvania, and Phillipsburg, New Jersey, on I-78 as a toll bridge, such States, the Commission, and the Secretary shall enter into an agreement with respect to such I-78 bridge project as provided in section 129 of title 23, United States Code, notwithstanding the requirements of section 301 of such title or any existing agreement.

(c) Right of Review by Federal Agencies.—The Commission's authority to fix, charge or collect any fees, rentals, tolls, or other charges shall be as provided in its compact and supplements thereto (including the supplemental agreement described in subsection (e)); except that paragraph (c) of such supplemental agreement shall not be construed to eliminate the necessity for review and approval by any Federal agency, as may be required under applicable Federal law, to determine that the tolls charged by the Commission are reasonable and just consistent with the Commission's responsibilities under such compact and supplements thereto.

(d) Limitations.—

(1) No tolls on existing nontoll bridges.—Nothing in this section shall be construed to grant congressional consent to the imposition of tolls by the Commission on any existing and operating bridge under the Commission's jurisdiction on which tolls were not charged and collected on January 1, 1986.

(2) Nonapplicability to I-895 corridor.—Nothing in this section shall constitute congressional approval to construed any additional toll bridge in the previously designated I-895 corridor.

(e) Supplemental Agreement.—

(1) Consent of congress.—The consent of the Congress is hereby given to the supplemental agreement, described in paragraph (2), concerning the Delaware River Joint Toll Bridge Commission, which agreement has been enacted by the State of Pennsylvania on December 18, 1984, as Act 206, laws of 1984, and by the State of New Jersey on October 21, 1985, as Public Law 1985, chapter 342.

(2) DESCRIPTION OF AGREEMENT.—The agreement referred to in paragraph (1) reads substantially as follows:

"SUPPLEMENTAL AGREEMENT BETWEEN THE COMMONWEALTH OF PENNSYLVANIA AND THE STATE OF NEW JERSEY

"SUPPLEMENTING THE COMPACT OR AGREEMENT ENTITLED 'AGREEMENT BETWEEN THE COMMONWEALTH OF PENNSYLVANIA AND THE STATE OF NEW JERSEY CREATING THE DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION AS A BODY CORPORATE AND POLITIC AND DEFINING ITS POWERS AND DUTIES, AS HERETOFORE AMENDED AND SUPPLEMENTED, TO ESTABLISH THE PURPOSES FOR WHICH THE COMMISSION MAY FIX, CHARGE, AND COLLECT TOLLS, RATES, RENTS, AND OTHER CHARGES FOR THE USE OF COMMISSION FACILITIES AND PROPERTIES'

"The Commonwealth of Pennsylvania and the State of New Jersey do solemnly covenant and agree, each with the other, as follows:

"(a)(1) Notwithstanding any other provision of the compact hereby supplemented, or any provision of law, State or Federal to the contrary, as soon as the existing outstanding bonded indebtedness of the commission shall be refunded, defeased, retired, or otherwise satisfied and thereafter, the commission may fix, charge, and collect tolls, rates, rents, and other charges for the use of any commission facility or property and in addition to any purpose now or heretofore or hereafter authorized for which the revenues from such tolls, rates, rents, or other charges may be applied, the commission is authorized to apply or expend any such revenue for the management, operation, maintenance, betterment, reconstruction, or replacement (A) of the existing nontoll bridges, formerly toll or otherwise, over the Delaware River between the State of New Jersey and the Commonwealth of Pennsylvania heretofore acquired by the commission pursuant to the provisions of the act of the State of New Jersey approved April 1, 1912 (Chapter 297), and all supplements and amendments thereto, and the act of the Commonwealth of Pennsylvania approved May 8, 1919 (Pamphlet Laws 148), and all supplements and amendments thereto, and (B) of all other bridges within the commission's jurisdiction and control. Betterment shall include but not be limited to parking areas for public transportation services and all facilities appurtenant to approved projects.

"(2) The commission may borrow money or otherwise incur indebtedness and provide from time to time for the issuance of its bonds or other obligations for one or more of the purposes authorized in this supplemental agreement. The commission is authorized to pledge its tolls, rates, rents, and other revenues, or any part thereof, as security for the repayment, with interest, of any moneys borrowed by it or advanced to it for any of its authorized purposes, and as security for the satisfaction of any other obligation assumed by it in connection with such loan or advances.

"(3) The authority of the commission to fix, charge, and collect fees, rentals, tolls or any other charges on the bridges within its jurisdiction, including the bridge at the Delaware Water Gap, is confirmed.

"(4) The covenants of the State of New Jersey and the Commonwealth of Pennsylvania as set forth in Article VI of the compact to which this is a supplemental agreement shall be fully applicable to any bonds or other obligations issued or undertaken by the commission. Notwithstanding Article VI or any other provision of the compact, the State of New Jersey and the Commonwealth of Pennsylvania may construct a bridge across the Delaware River in the vicinity of Easton, Pennsylvania, and Phillipsburg, New Jersey, within 10 miles of the existing toll bridge at that location. All the rest and remainder of the compact, as amended or supplemented, shall be in full force and effect except to the extent it is inconsistent with this supplemental agreement.

"(b) The commission is authorized to fix, charge, or collect fees, rentals, tolls, or any other charges on the proposed bridge to be constructed in the vicinity of Easton, Pennsylvania, and Phillipsburg, New Jersey, in the same manner and to the same extent that it can do so for other toll bridges under its jurisdiction and control: *Provided*, That the United States Government has approved the bridge to be a part of the National System of Interstate and Defense Highways with 90 percent of the cost of construction to be contributed by the United States Government: *And provided further*, That the non-Federal share of such bridge project is contributed by the commission. The commission is further authorized in the same manner and to the same extent that it can do so for all the other toll bridges under its jurisdiction and control to fix, charge, and collect fees, rentals, tolls or any other charges on any other bridge within its jurisdiction and control if such bridge has been constructed in part with Federal funds.

"(c) The consent of Congress to this compact shall constitute Federal approval of the powers herein vested in the commission and shall also constitute authority to the United States Department of Transportation or any successor agency and the intent of Congress to grant and Federal approvals required hereunder to permit the commission to fix, charge, and collect fees, rentals, tolls, or any other charges on the bridges within its jurisdiction to the extent provided in subsections (a) and (b) and this subsection and the compact.

"(d) Notwithstanding the above provisions, the commission shall not fix, charge, or collect fees, rentals, tolls, or any other charges on any of the various bridges formerly toll or otherwise over the Delaware River between the State of New Jersey and the Commonwealth of Pennsylvania heretofore acquired by the commission pursuant to the provisions of the act of the State of New Jersey approved April 1, 1912 (chapter 297), and all supplements and amendments thereto, and the act of the Commonwealth of Pennsylvania approved May 8, 1919 (Pamphlet Laws 148), and all supplements and amendments thereto.

"(e) At any time that the commission shall be free of all outstanding indebtedness, the State of New Jersey and the Commonwealth of Pennsylvania may, by the enactment of substantially similar acts, require the elimination of all tolls, rates, rents, and other charges on all bridges within the commission's jurisdiction and control and, thereafter, all costs and charges in connection with the construction, management, operation, maintenance, and betterment of bridges within the jurisdiction and control of the commission shall be the financial responsibility of the States as provided by law.".

SEC. 147. HIGHWAY DESIGNATION.

The portion of Oklahoma State Route 99 between United States Route 70 and Interstate Route I-44 which portion is on the Federal-aid primary system shall hereafter be designated as "United States Highway 377". Any reference in a law, map, regulation, document, record or other paper of the United States to such highway shall be held to be a reference to "United States Highway 377".

SEC. 148. BRIDGE NAMING.

The bridge crossing the Mississippi River on Interstate Route I-80 near Le Claire, Iowa, shall hereafter be known and designated as the "Fred Schwengel Bridge". Any law, regulation, document, or record of the United States in which such bridge is referred to shall be held to refer to such bridge as the "Fred Schwengel Bridge".

SEC. 149. STUDY OF APPORTIONMENT FORMULAS.

(a) STUDY DESCRIPTION.—The Secretary shall make a full and complete study regarding the apportionment and allocation of Federal financial assistance made available out of the Highway Trust Fund (other than the Mass Transit Account) under sections 103(e)(4), 104(b), 144, 152, and 157 of title 23, United States Code, and section 203 of the Highway Safety Act of 1973 for the purpose of determining whether or not such assistance is being equitably apportioned and allocated among the States, taking into account the relative needs of the States for highway improvements and the estimated tax payments attributable to highway users in each State paid into the Highway Trust Fund (other than the Mass Transit Account).

(b) CONSULTATION.—In conducting the study under this section, the Secretary shall consult with other agencies of the Federal Government and with agencies of State and local governments.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report on the results of such study to Congress, together with recommendations for legislation for modifying the formulas apportioning and allocating the assistance referred to in subsection (a) to conform to the objectives of such study.

SEC. 150. BRIDGE FORMULA STUDY.

(a) CONTRACT WITH TRANSPORTATION RESEARCH BOARD.—The Secretary shall enter into appropriate arrangements with the Transportation Research Board of the National Academy of Sciences to conduct a comprehensive study of the effects of enforcement of the limitations on vehicle weights imposed by application of the formula contained in section 127(a) of title 23, United States Code.

(b) CONSULTATION WITH CERTAIN TRANSPORTATION INTERESTS.—The Transportation Research Board shall conduct the study under this section only after consulting transportation officials, representatives of the motor truck manufacturing industry, and representatives of the trucking industry (including special permit haulers and users of construction and other vehicles which engage in heavy hauling operations).

(c) REPORT.—

(1) DEADLINE.—Not later than 24 months after the date of the enactment of this Act, the Transportation Research Board shall report to the Secretary and Congress on the results of the study conducted under this section.

(2) CONTENTS.—The report shall include—

(A) an assessment of the potential costs and benefits of enforcing the limitations on vehicle weights imposed by application of the formula contained in section 127(a) of title 23, United States Code,

(B) any recommendations of such Board concerning modifications of such formula, and

(C) an examination of alternative means of regulating truck weights on bridges.

The report shall also identify optimal axle loading and spacing requirements taking into account all costs and benefits to business, government, and the general public.

(d) Authorization of Appropriations.—There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) $500,000 for fiscal year 1987 for conducting the study under subsection (a).

(e) Applicability of Title 23.—Funds authorized by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, and such funds shall remain available until expended and shall not be subject to any obligation limitation.

SEC. 151. STUDY OF HIGHWAY BRIDGES WHICH CROSS RAIL LINES.

(a) Needs Investigation.—The Secretary shall conduct a comprehensive study and investigation of improvement and maintenance needs for highway bridges which cross rail lines and whose ownership has been disputed. Such study and investigation shall assess—

(1) railroad and highway needs relating to safety, capacity, and mobility and the needs of communities affected by such bridges;

(2) the feasibility of addressing these needs on a comprehensive, national basis; and

(3) the responsibility of railroad and highway authorities in addressing these needs.

(b) Report.—Not later than 30 months after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the Secretary's study and investigation along with recommendations on how the bridge needs referred to in subsection (a) may best be addressed on a long term basis in a cost effective manner.

SEC. 152. PARKING FOR HANDICAPPED PERSONS.

(a) Study.—The Secretary shall conduct a study for the purpose of determining—

(1) any problems encountered by handicapped persons in parking motor vehicles; and

(2) whether or not each State should establish parking privileges for handicapped persons and grant to nonresidents of the State the same parking privileges as are granted to residents.

(b) Report.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under subsection (a).

(c) Development of Proposed Uniform State Law.—

(1) Requirement.—If the Secretary determines under subsection (a) that each State should establish parking privileges for handicapped persons and grant to nonresidents of the State the same parking privileges as are granted to residents, the Secretary shall develop a proposed uniform State law with respect to parking privileges for handicapped persons and submit a copy of the proposed uniform State law to Congress and each State.

(2) Factors to consider.—In developing the proposed uniform State law, the Secretary shall consult with the States and shall consider any advantages—

(A) of ensuring that parking privileges for handicapped persons may be utilized whether a handicapped person is a passenger or a driver;

(B) of the use of the international symbol of access as the exclusive symbol identifying parking zones for handicapped persons and identifying vehicles that may park in such parking zones;

(C) of displaying the international symbol of access on license plates or license plate decals and on identification placards; and

(D) of designing any identification placard so that the placard is easily visible when placed in the interior of any vehicle.

(3) Report.—If a proposed uniform State law with respect to parking privileges for handicapped persons is developed and submitted to Congress under paragraph (1), the Secretary shall report to Congress within 12 months after the date of such submission and each year thereafter on the extent to which each State has adopted the proposed uniform State law.

SEC. 153. FEASIBILITY STUDY OF USING HIGHWAY ELECTRIFICATION SYSTEMS.

(a) Grant Purpose.—The Secretary shall make a grant to the California Department of Transportation for the purpose of determining the feasibility and applicability of utilizing a highway electrification system as a source of energy for highway vehicles. Such grant shall cover the costs of activities necessary to make such determination, including (but not limited to) necessary land acquisition, construction of a test facility, research, planning, analysis, and engineering.

(b) Grant Conditions.—A grant may only be made under this section if the California Department of Transportation agrees—

(1) to conduct, through the test facility to be constructed under such grant, a study to determine the feasibility and applicability of using a highway electrification system as a source of energy for highway vehicles, and

(2) to submit to the Secretary a report on the results of such study not later than three years after the date such construction is completed.

(c) Authorization of Appropriations.—There is authorized to be appropriated to carry out subsection (a) of this section, out of the Highway Trust Fund (other than the Mass Transit Account), $970,000 per fiscal year for each of the fiscal years 1987, 1988, and 1989.

(d) Applicability of Title 23.—Funds authorized by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of acquisition and construction of the test facility described in subsection (a) shall be 100 percent, and such funds shall remain available until expended and shall not be subject to any obligation limitation.

SEC. 154. COST EFFECTIVENESS STUDY OF HIGHWAY UPGRADING.

(a) Study.—The Secretary shall conduct a study—

(1) to determine the cost-effectiveness of carrying out a project to upgrade Route 219—

(A) between its intersection with Interstate Route I-80 near Dubois, Pennsylvania, and its intersection with the boundary between New York and Pennsylvania near Bradford, Pennsylvania; and

(B) between its intersection with New York Route 242 near Ellicottville, New York, and its intersection with New York Route 17 (Southern Tier Expressway) in Salamanca, New York;

to the geometric and construction standards adopted for the National System of Interstate and Defense Highways;

(2) to determine the feasibility of partially financing such project with toll revenues, of using reclaimed strip mining lands for right-of-way for such project, and of avoiding encroachment upon national and State forests and State game lands in carrying out such project; and

(3) to determine the alignment on which such project should be carried out.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report to Congress on the results of the study conducted under this section together with any recommendations the Secretary may have concerning the project described in subsection (a).

(c) Authorization of Appropriations.—There is authorized to be appropriated, out of the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $1,000,000 for fiscal year 1987.

(d) Applicability of Title 23.—Funds authorized by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of the study under this section shall be 100 percent, and such funds shall remain available until expended and shall not be subject to any obligation limitation.

SEC. 155. BRIDGE MANAGEMENT STUDY.

(a) Investigation and Study.—The Secretary shall make a full and complete investigation and study of State bridge management programs for the purpose of determining whether or not States participating in the Federal bridge replacement and rehabilitation program under section 144 of title 23, United States Code, need to establish a comprehensive bridge management program.

(b) Report.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of the investigation and study conducted under subsection (a) together with recommendations (including legislative and administrative recommendations) concerning State establishment of comprehensive bridge management programs and any minimum requirements of such programs which the Secretary considers appropriate based on the findings of such investigation and study.

SEC. 156. STATE MAINTENANCE PROGRAM STUDY.

(a) Investigation and Study.—The Secretary shall enter into appropriate arrangements with the National Academy of Sciences to conduct a complete investigation of the appropriateness of establishing minimum Federal guidelines for maintenance of the Federal-aid primary, secondary, and urban systems.

(b) Report.—Not later than 18 months after the date the Secretary completes making the arrangements under subsection (a), the National Academy of Sciences shall submit to the Secretary and Congress a report on the results of the investigation and study conducted under subsection (a) together with recommendations (including legislative and administrative recommendations) concerning establishment of minimum Federal guidelines for maintenance of the Federal-aid primary, secondary, and urban systems.

SEC. 157. HIGHWAY FEASIBILITY STUDY.

(a) Study.—The Secretary, in cooperation with the States of Louisiana, Arkansas, and

Missouri, shall study the feasibility and necessity of constructing to appropriate standards a proposed highway along a route from Shreveport, Louisiana, to Texarkana, Fort Smith, and Fayetteville, Arkansas, and Carthage and Kansas City, Missouri. Such study shall update the feasibility study conducted under section 143(6) of the Federal-Aid Highway Act of 1973.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under this section.

SEC. 158. CALIFORNIA FEASIBILITY STUDY.

(a) Study.—The Secretary shall study the feasibility and necessity of constructing a bypass highway around the city of Sebastopol, California.

(b) Report.—Not later than 9 months after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under this section. Such report shall compare the costs and benefits of constructing the highway referred to in subsection (a) and shall include the recommendations of the Secretary concerning the location of such highway and appropriate design standards for such highway.

(c) Authorization of Appropriation.—There is authorized to be appropriated, out of the Highway Trust Fund (other than the Mass Transit Account), to carry out this section $100,000 for fiscal year 1987.

(d) Applicability of Title 23.—Funds authorized by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code; except that the Federal share of the cost of the study under this section shall be 100 percent, and such funds shall remain available until expended and shall not be subject to any obligation limitation.

SEC. 159. NEW YORK FEASIBILITY STUDY.

(a) Study.—The Secretary shall study the feasibility and necessity of constructing a major highway on an inland route as an alternative to New York Route 5 from the central business district of Buffalo, New York, to the towns immediately south of Buffalo, New York.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report to Congress on the results of the study conducted under this section together with any recommendations the Secretary may have concerning the project described in subsection (a).

SEC. 160. LIMITATION ON WIDENING CERTAIN ROUTES THROUGH HISTORIC DISTRICT.

None of the funds authorized by this Act or any other Act or any amendment made by this Act may be obligated for a project to widen any State route through the historic district of the village of Hudson, Ohio, or for a project to construct an alternative or bypass route for such a route within 1 mile of such historic district, unless specifically approved by the village council of the village of Hudson, Ohio.

SEC. 161. URBAN HIGH DENSITY PROGRAM.

Of amounts available under the urban high density program, $2,806,675 is rescinded. $2,806,675 shall be made available out of the Highway Trust Fund by the Secretary for reconstruction of an interchange on an urban high density project designated in the State of Indiana in accordance with section 146 of title 23, United States Code (as such section was in effect on August 13, 1973).

SEC. 162. FERRY BOAT SERVICE.

(a) Study.—The Secretary, in consultation with the highway departments of the States of Nebraska and South Dakota, shall conduct a study to determine the feasibility and cost of establishing public ferry boat service on the Missouri River which connects a Federal-aid highway in the vicinity of Niobrara, Nebraska, with a Federal-aid highway in the vicinity of Springfield, South Dakota, and which meets the requirements of section 129(g) of title 23, United States Code.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report to Congress on the results of the study conducted under this section together with any recommendations the Secretary may have concerning the establishment of the ferry boat service described in subsection (a).

TITLE II—HIGHWAY SAFETY ACT OF 1987

SEC. 201. SHORT TITLE.

This title may be cited as the "Highway Safety Act of 1987".

SEC. 202. HIGHWAY SAFETY.

(a) Authorizations of Appropriations.—The following sums are authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account):

(1) Bridge replacement and rehabilitation.—For bridge replacement and rehabilitation under section 144 of title 23, United States Code, $1,755,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(2) Elimination of hazards.—For projects for elimination of hazards under section 152 of title 23, United States Code, $170,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(3) NHTSA highway safety programs.—For carrying out section 402 of title 23, United States Code, by the National Highway Traffic Safety Administration $123,000,000 for fiscal years 1988, 1989, 1990, and 1991.

(4) NHTSA highway safety research and development.—For carrying out section 403 of such title by the National Highway Traffic Safety Administration $33,000,000 for fiscal years 1987, 1988, 1989, 1990, and 1991.

(5) FHWA highway safety programs.—For carrying out section 402 of such title by the Federal Highway Administration $10,000,000 for fiscal years 1987, 1988, 1989, 1990, and 1991.

(6) FHWA highway safety research and development.—For carrying out sections 307(a) and 403 of such title by the Federal Highway Administration $10,000,000 per fiscal year for fiscal years 1987, 1988, 1989, 1990, and 1991.

(b) Extension of NHTSA Highway Safety Programs for Fiscal Year 1987.—Section 203(a) of the Surface Transportation Assistance Act of 1982 is amended—

(1) in paragraph (1) by striking out "and" and by inserting before the period at the end of such paragraph ", and $123,000,000 for the fiscal year ending September 30, 1987";

(2) in paragraph (2) by striking out "and" and by inserting "and September 30, 1987" after "1986,"; and

(3) in paragraph (4)(B) by striking out "and September 30, 1986," and inserting in lieu thereof "September 30, 1986, and September 30, 1987,".

(c) Minimum Obligations of NHTSA Highway Safety Authorizations.—

(1) Enforcement of 55 mph speed limit.—Out of the funds authorized to be appropriated under subsection (a)(3) of this section for each of fiscal years 1988, 1989, 1990, and 1991, not less than $20,000,000 per fiscal year shall be obligated under section 402 of title 23, United States Code, for the purpose of enforcing the 55-miles-per-hour speed limit established by section 154 of such title.

(2) Safety belt programs.—Each State shall expend each fiscal year not less than 2 percent of the amount apportioned to it for such fiscal year of the sums authorized by subsection (a)(3) of this section, for programs to encourage the use of safety belts by drivers of, and passengers in, motor vehicles.

(d) Obligation Ceiling for Highway Safety Programs.—Notwithstanding any other provision of law, the total of all obligations for highway safety programs carried out by the National Highway Traffic Safety Administration under section 402 of title 23, United States Code, shall not exceed $126,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991, and the total of all obligations for highway safety programs carried out by the Federal Highway Administration under such section shall not exceed $10,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

SEC. 203. 55 MPH SPEED LIMIT.

(a) Weighted Compliance Formula.—

(1) In general.—Section 154(f) of title 23, United States Code, is amended to read as follows:

"(f) Enforcement.—

"(1) Determination of compliance; penalty.—If the compliance score of a State as determined by application of the formula set forth in paragraph (2) to the data submitted by such State pursuant to subsection (e) of this section for any fiscal year exceeds 625, the Secretary shall reduce the State's apportionment of Federal-aid highway funds under each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of this title in an aggregate amount of not less than 2.5 percent but not more than 5 percent, of the amount to be apportioned for the following fiscal year, in the case of the first fiscal year in which the score of such State as so determined exceeds 625, and not less than 5 percent, but not more than 10 percent, in the case of subsequent fiscal years.

"(2) Compliance formula.—For purposes of this section, the formula for determining the compliance score of a State for any fiscal year under this section shall be as follows:

$$\text{State Score} = \frac{X(A+5B+10C)+Y(2D+20E+40F)}{100}$$

"(3) FORMULA FACTORS.—For purposes of the formula in paragraph (2)—

"(A) X equals the percentage of the vehicle miles of travel in a fiscal year in a State on 55 mph highways which occur on limited access highways;

"(B) Y equals 100 minus X;

"(C) A equals the percentage of vehicles traveling in the fiscal year in the State on limited access highways at speeds in excess of 55 miles per hour but not in excess of 60 miles per hour;

"(D) B equals the percentage of vehicles traveling in the fiscal year in the State on limited access highways at speeds in excess of 60 miles per hour but not in excess of 65 miles per hour;

"(E) C equals the percentage of vehicles traveling in the fiscal year in the State on limited access highways at speeds in excess of 65 miles per hour;

"(F) D equals the percentage of vehicles traveling in the fiscal year in the State on 55 mph highways (other than limited access highways) at speeds in excess of 55 miles per hour but not in excess of 60 miles per hour;

"(G) E equals the percentage of vehicles traveling in the fiscal year in the State on such 55 mph highways at speeds in excess of 60 miles per hour but not in excess of 65 miles per hour; and

"(H) F equals the percentage of vehicles traveling in the fiscal year in the State on such 55 mph highways at speeds in excess of 65 miles per hour.

"(4) DEFINITIONS OF TERMS.—For purposes of this section—

"(A) 55 MPH HIGHWAY.—The term '55 mph highway' means—

"(i) any public highway with a speed limit which is posted on or after January 1, 1983, at 55 miles per hour, except that such term does not include any highway on which the posted speed limit has been reduced after such date based on legitimate traffic safety requirements as determined by the Secretary; and

"(ii) any undivided public highway with a speed limit of 50 miles per hour which is on the Federal-aid primary system, and on which access is not fully controlled, in a State in which the statutory State maximum speed limit is 50 miles per hour on public highways on the primary system.

"(B) LIMITED ACCESS HIGHWAY.—The term 'limited access highway' means any divided 55 mph highway or segment on which access is fully controlled.".

(2) CONFORMING AMENDMENTS.—(A) Section 154(e) of such title is amended—

(i) by striking out "public highways with speed limits posted at fifty-five miles per hour" and inserting in lieu thereof "55 mph highways";

(ii) by striking out "which takes into account the variability of speedometer readings and" and inserting in lieu thereof "which take into account"; and

(iii) by adding at the end thereof the following: "Data submitted under this subsection shall be in such form as the Secretary determines by rule is necessary to carry out subsection (f).".

(B) Section 154(h) of such title is amended by striking out "the percentage" and all that follows through "miles per hour" and inserting in lieu thereof "the compliance score for such State".

(3) APPLICABILITY.—The amendments made by paragraphs (1) and (2) shall apply with respect to—

(A) data collected under section 154(e) of title 23, United States Code, after September 30, 1986, and

(B) reductions in apportionments based on such data.

(4) APPORTIONMENT OF CERTAIN WITHHELD FUNDS.—In the case of any State described in section 154(f)(4)(A)(ii) of title 23, United States Code, from which funds are or have been withheld under section 154(f) of such title based on data collected before the effective date of the amendments made by this section, the Secretary shall promptly apportion such funds to such State if the Secretary determines, based on data collected during the first fiscal year in which the amendments made by this section are in effect, that the State is in compliance with such section 154(f).

(b) ADMINISTRATION THROUGH NHTSA.—

(1) IN GENERAL.—Section 154 of such title is amended by adding at the end thereof the following new subsection:

"(i) ADMINISTRATION THROUGH NHTSA.—The Secretary shall carry out this section and section 141(a) of this title through the National Highway Traffic Safety Administration.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect as soon as practicable after the date of the enactment of this Act but not later than October 1, 1987.

SEC. 204. ALCOHOL TRAFFIC SAFETY PROGRAMS.

(a) MODIFICATION OF PROMPT SUSPENSION REQUIREMENT FOR BASIC GRANTS.—Section 408(e) of title 23, United States Code, is amended by adding at the end thereof the following new paragraph:

"(4) MODIFIED BASIC GRANTS FOR LESS THAN PROMPT SUSPENSION.—For purposes of this section, a State which would be eligible for a basic grant but for the suspension of drivers' licenses referred to subparagraph (A) of paragraph (1) of this subsection not being made promptly shall be eligible for such a grant if the Secretary, under such regulations as the Secretary may issue, determines that such State is suspending drivers' licenses within 120 days of the determination of probable cause and is making reasonable progress in further reducing the time period between such determination and suspension.

"(5) MODIFIED BASIC GRANTS FOR RESTRICTED LICENSES IN HARDSHIP CASES.—For purposes of this section, a State which does not in all cases suspend drivers' licenses of individuals who are determined, as a result of chemical tests, to be intoxicated or who refuse to submit to such tests but which is otherwise eligible for a basic grant, shall be eligible for such a grant if the Secretary, under such regulations as the Secretary may issue, determines that—

"(A) the only cases in which the State does not suspend the drivers' licenses of such individuals are those cases in which—

"(i) a showing of hardship is made, and

"(ii) the driver's license is restricted in a manner which permits the individual to drive only to the extent necessary to relieve such hardship;

"(B) during any calendar quarter, not more than 20 percent of the total number of such cases involving first offenders results in restricted licenses; and

"(C) during any calendar quarter, not more than 15 percent of the total number of such cases involving repeat offenders results in restricted licenses.".

(b) AMOUNT OF MODIFIED BASIC GRANT.—Section 408(d)(1) of such title is amended—

(1) by inserting "(A) IN GENERAL.—" before "Subject"; and

(2) by adding at the end thereof the following new paragraph:

"(B) MODIFIED BASIC GRANTS.—Subject to subsection (c), the amount of a basic grant made under this section for any fiscal year to any State which is eligible for such a grant under subsection (e)(4) or (e)(5) shall equal 20 percent of the amount apportioned to such State for fiscal year 1983 under section 402 of this title.".

(c) AVAILABILITY OF FUNDS.—Section 408(g) of such title is amended by inserting before the period at the end of the second sentence the following: "and except that sums authorized by this subsection shall remain available until expended".

(d) CONFORMING AMENDMENTS.—(1) Section 408(d) of such title is amended—

(A) by inserting "AMOUNTS OF GRANTS.—" after "(d)";

(B) in paragraph (1) by inserting "BASIC GRANTS.—" after "(1)" the first place it appears;

(C) in paragraph (1) by indenting subparagraph (A), as designated by subsection (b) of this section, and aligning such subparagraph with subparagraph (B) of such paragraph, as added by such subsection;

(D) in paragraph (2) by inserting "SUPPLEMENTAL GRANTS.—" before "Subject to";

(E) in paragraph (3) by inserting "SPECIAL GRANTS.—" before "Subject to"; and

(F) by indenting paragraph (1) and aligning such paragraph and paragraphs (2) and (3) with paragraph (4) of subsection (e), as added by subsection (a) of this section.

(2) Section 408(e) of such title is amended—

(A) by inserting "ELIGIBILITY CRITERIA.—" after "(e)";

(B) in paragraph (1) by inserting "BASIC GRANTS.—" before "For purposes";

(C) in paragraph (2) by inserting "SUPPLEMENTAL GRANTS.—" before "For purposes";

(D) in paragraph (3) by inserting "SPECIAL GRANTS.—" before "For purposes";

(E) by indenting paragraph (1) and aligning such paragraph and paragraphs (2) and (3) with paragraph (4), as added by subsection (a) of this section;

(F) by aligning the subparagraphs of paragraphs (1) and (3) with subparagraph (A) of paragraph (5), as added by such subsection (a); and

(G) by aligning the clauses of subparagraphs (A) and (C) of paragraph (3), including subclauses (I) and (II) of paragraph (3)(A)(ii), with clause (i) of paragraph (5)(A), as added by such subsection (a).

(e) DEMONSTRATION OF CERTAIN DRUG AND ALCOHOL TESTING TECHNOLOGY.—

(1) IN GENERAL.—The Secretary is authorized to test a new drug and alcohol testing technology which measures corneal retinal potential as exhibited in the brain function wave form and to determine the potential for applying such technology in preventing drug and alcohol related traffic deaths.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall report to Congress on the effectiveness and the potential for application of the technology described in paragraph (1).

SEC. 205. SCHOOLBUS SAFETY MEASURES.

(a) STUDY.—

(1) NATIONAL ACADEMY OF SCIENCES.—Not later than 30 days after the date of the enactment of this Act, the Secretary shall undertake to enter into appropriate arrangements with the National Academy of Sciences to conduct a comprehensive study and investigation of the principal causes of fatalities and injuries to schoolchildren riding in schoolbuses and of the use of seatbelts in

schoolbuses and other measures that may improve the safety of schoolbus transportation. The purpose of the study and investigation is to determine those safety measures that are the most effective in protecting the safety of schoolchildren while boarding, leaving, and riding in schoolbuses.

(2) Report.—In entering into any arrangements with the National Academy of Sciences for conducting the study and investigation under this subsection, the Secretary shall request the National Academy of Sciences to submit, not later than 18 months after date on which such arrangements are completed, to Congress and the Secretary a report on the results of such study and investigation. The report shall contain a list of those safety measures determined by the Academy to be most effective in protecting the safety of schoolchildren while boarding, leaving, and riding in schoolbuses.

(3) Review of report.—Upon receipt of the report under paragraph (2), the Secretary shall review such report for the purpose of determining those safety measures that are the most effective in protecting the safety of schoolchildren while boarding, leaving, and riding in schoolbuses. Not later than 2 months after the date of receipt of such report, the Secretary shall publish in the Federal Register a list of those safety measures which the Secretary determines are the most effective in protecting the safety of such children.

(4) Information.—Upon request of the National Academy of Sciences, the Secretary shall furnish to the Academy any information which the Academy deems necessary for the purpose of conducting the study and investigation under this subsection.

(b) Schoolbus Safety Grant Program.—

(1) Set-aside.—Before apportioning any funds made available to carry out section 402 of title 23, United States Code, for each of fiscal years 1989, 1990, and 1991, the Secretary may set aside an amount not to exceed $5,000,000 for making grants to States to implement those schoolbus safety measures published by the Secretary under subsection (a).

(2) Application.—Any State interested in receiving under this subsection a grant to implement schoolbus safety measures in fiscal year 1989, 1990, or 1991 shall submit to the Secretary an application for such grant. Applications under this subsection shall be submitted at such time and in such form and contain such information as the Secretary may require by regulation.

(3) Limitation.—No State shall receive more than 30 percent of the funds set aside pursuant to this subsection for any fiscal year in grants under this subsection.

SEC. 206. STANDARDS FOR SPLASH AND SPRAY SUPPRESSANT DEVICES.

Section 414 of the Surface Transportation Assistance Act of 1982 (49 U.S.C. 2314) is amended by redesignating subsection (c), and any references thereto, as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) Notwithstanding subsection (b), the Secretary shall not establish final minimum standards with respect to the performance and installation of splash and spray suppression devices for use on truck tractors, semitrailers, or trailers until—

"(1) the Secretary has determined that there is available technology that can (A) substantially reduce splash and spray from truck tractors, semitrailers, and trailers, and (B) substantially improve visibility of drivers, as demonstrated during testing under wind, rain, and wet roadway conditions in actual highway use;

"(2) the Secretary has determined that the standards based on such technology will result in protecting the public from unreasonable risk of death or injury due to accidents resulting from splash and spray from truck tractors, semitrailers, and trailers; and

"(3) the Secretary has determined that there exists 3 or more unaffiliated manufacturers capable of manufacturing devices meeting the standards to be established.".

SEC. 207. USE OF CERTAIN REPORTS AS EVIDENCE.

Notwithstanding any other provision of law, no report, list, schedule, or survey prepared by or for a State pursuant to section 152 of title 23, United States Code, or section 203 of the Highway Safety Act of 1973 shall be admitted as evidence or used in any suit or action for damages arising out of any matter referred to in such report, list, schedule, or survey.

SEC. 208. EMERGENCY CALL BOXES.

Section 101(a) of title 23, United States Code, is amended in the tenth undesignated paragraph (relating to the definition of highway safety improvement project) by inserting after "pavement marking," the following: "installs or replaces emergency motorist-aid call boxes,".

SEC. 209. RAILROAD-HIGHWAY CROSSINGS AUTHORIZATIONS.

The first sentence of section 203(b) of the Highway Safety Act of 1973 is amended by striking out "and" the first place it appears and by striking out the period at the end and inserting in lieu thereof ", and $140,000,000 for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990, and September 30, 1991.".

SEC. 210. NATIONAL DRIVER REGISTER AMENDMENTS.

(a) 12-Month Extension of Deadline for Final Rules.—Section 203(c)(1) of the National Driver Register Act of 1982 is amended—

(1) by striking out "eighteen months" and inserting in lieu thereof "24 months"; and

(2) by inserting "publish notice of a proposed rulemaking and, within 6 months after the last day of such 24-month period," after "title,".

(b) Pilot Test Program.—Section 207 of such Act is amended—

(1) in subsection (a) by striking out "and implement, within two years after the date of enactment of this title,";

(2) in subsection (b)—

(A) by striking out "and shall, within thirty" and insert in lieu thereof ", within 30"; and

(B) by striking out "select" and inserting in lieu thereof "and shall select, within 12 months after the last day of such 30-month period,";

(3) in subsection (d) by striking out "two years after the date of enactment of this title," and inserting in lieu thereof "16 months after the selection of the four pilot States under subsection (b),"; and

(4) by striking out subsection (f) and inserting in lieu thereof the following:

"(f) Not later than 6 months after the conclusion of the pilot program the Secretary shall submit to Congress a report on such program. Such report shall include—

"(1) an evaluation of the technology utilized in such program;

"(2) an evaluation of such program;

"(3) a projection of accomplishments which would result from the acquisition of electronic transfer equipment and methods by States other than those which participated in such program; and

"(4) any recommendations of the Secretary concerning the desirability of extending the authorization of appropriations for this title beyond fiscal year 1987.".

(c) Report by Secretary.—Section 210 of such Act is amended—

(1) by striking out "the expiration of the four-year period following the date of enactment of this title," and inserting in lieu thereof "3 years after the establishment of a fully electronic Register system under section 203,"; and

(2) by striking out the last sentence.

SEC. 211. HIGHWAY SAFETY PROGRAM AMENDMENTS.

(a) Guidelines.—Section 402 of title 23, United States Code, is amended by striking out "standard" and "standards" each place they appear and inserting in lieu thereof "guideline" and "guidelines", respectively.

(b) Waivers for Experimental Programs.—Subsection (a) of such section is amended by striking out the last sentence.

(c) Elimination of Certain Condition.—Subsection (b)(1) of such section is amended by striking out subparagraph (D), relating to comprehensive driver training programs, and by redesignating subparagraphs (E) and (F) (and any references thereto) as subparagraphs (D) and (E), respectively.

(d) Rulemaking Process.—Subsection (j) of such section is amended to read as follows:

"(j) Rulemaking Process.—The Secretary shall, not later than September 1, 1987, begin a rulemaking process to determine those programs most effective in reducing accidents, injuries, and deaths. Not later than April 1, 1988, the Secretary shall promulgate a final rule establishing those programs determined to be most effective in reducing accidents, injuries, and deaths. If such rule is promulgated by April 1, 1988, then it shall take effect October 1, 1988. If such rule is not promulgated by April 1, 1988, it shall take effect October 1, 1989. After a rule is promulgated in accordance with this subsection, the Secretary may from time to time thereafter revise such rule under a rulemaking process described in the first sentence of this subsection. Any rule under this subsection shall be promulgated taking into account consideration of the States having a major role in establishing programs described in the first sentence of this subsection. When a rule promulgated in accordance with this subsection takes effect, only those programs established by such rule as most effective in reducing accidents, injuries, and deaths shall be eligible to receive Federal financial assistance under this section.".

SEC. 212. HIGHWAY SAFETY EDUCATION AND INFORMATION.

(a) National Highway Safety Campaign.—Subsection (d) of section 209 of the Highway Safety Act of 1978 is amended to read as follows:

"(d) Utilizing those techniques, methods, and practices determined most effective under subsection (b), the Secretary of Transportation shall conduct a national highway safety campaign utilizing the local and national television and radio to educate and inform the public of techniques, methods, and practices to reduce the number and severity of highway accidents. Not later than the 180th day after the date of submission of the first report to Congress required by subsection (b) of this section, the Secretary shall commence the conduct of such campaign.".

(b) Limitation on Obligations.—Subsection (h) of such section is amended by adding at the end thereof the following: "None of the amounts authorized by this subsection shall be available for obligation for any education or information program conducted in connection with the implementation of Federal Motor Vehicle Safety Standard 208 (49 C.F.R. 571.208).".

(c) Obligation Ceiling.—Subsection (i) of such section is amended by inserting before the period at the end the following: "and except that the funds authorized to be appropriated to carry out this section shall not be subject to any obligation limitation".

SEC. 213. RAILROAD-HIGHWAY CROSSING NEEDS.

(a) Study.—The Secretary, in consultation with the Association of American Railroads and the American Association of State Highway and Transportation Officials, shall conduct a comprehensive study and investigation of national railroad-highway crossing improvement and maintenance needs. Such study and investigation shall assess—

(1) railroad and highway needs relating to crossing safety, capacity, and mobility and the needs of communities affected by railroad-highway crossings;

(2) the feasibility of addressing these needs on a corridor or system basis; and

(3) the responsibility of rail and highway authorities in addressing these needs.

In carrying out such study, the Secretary shall consider the progress and the results of the programs and projects conducted before, on, or after the date of the enactment of this Act to improve safety at railroad-highway crossings.

(b) Report.—Not later than 30 months after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the Secretary's study and investigation along with recommendations on how the needs referred to in subsection (a) can best be addressed on a long term and continuing basis in a cost-effective manner. Such report and recommendations shall take into account the results of the programs and projects referred to in subsection (a).

SEC. 214. OLDER DRIVER STUDY.

(a) Contract.—Not later than 30 days after the date of the enactment of this Act, the Secretary shall undertake to enter into appropriate arrangements with the National Academy of Sciences to conduct a comprehensive study and investigation of (1) problems which may inhibit the safety and mobility of older drivers using the Nation's roads, and (2) means of addressing these problems.

(b) Report.—In entering into any arrangement with the National Academy of Sciences for conducting such study and investigation, the Secretary shall request the National Academy of Sciences to report to the Secretary and Congress not later than 24 months after the date of the enactment of this Act on the results of such study and investigation, together with its recommendations.

(c) Availability of Information.—The Secretary shall furnish to such Academy at its request any information which the Academy deems necessary for the purpose of conducting the investigation and study authorized by this section.

(d) Pilot Program.—

(1) Development of program.—The Secretary shall develop, in conjunction with the study carried out under this section, a pilot program of highway safety improvements to enhance the safety and mobility of older drivers. The program shall be designed to apply known technology at sites in rural and urban areas and on different types of highways and to determine the daytime and nighttime effectiveness of such technology.

(2) States encouraged to carry out program.—The Secretary shall encourage the States to carry out the pilot program developed under paragraph (1) with funds available for highway safety improvement projects. In particular, the Secretary shall encourage States with a high percentage of older drivers to give high priority to carrying out the pilot program.

(3) Evaluation and report.—Not later than 3 years after the date of the enactment of this Act, the Secretary shall evaluate the pilot program under this subsection and shall report to Congress on the effectiveness of such program in improving the safety and mobility of older drivers.

SEC. 215. RESCISSION OF CONTRACT AUTHORITY.

$148,000,000 of unobligated contract authority available for airport development and planning pursuant to section 505(a) of the Airport and Airway Improvement Act of 1982 is rescinded. This rescission does not reduce the balance in the Airport and Airway Trust Fund.

TITLE III—FEDERAL MASS TRANSPORTATION ACT OF 1987

SEC. 301. SHORT TITLE.

This title may be cited as the "Federal Mass Transportation Act of 1987".

SEC. 302. LETTERS OF INTENT; MULTI-YEAR CONTRACTS.

(a) General Rule.—Section 3(a)(4) of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"(4) Multi-year contracts.—

"(A) Prenotification of congress.—Subject to the provisions of this paragraph, the Secretary may enter into a multi-year contract with an applicant to carry out a project under this section if, at least 30 days before such contract becomes effective, the Secretary notifies, in writing, the Committee on Public Works and Transportation of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate of such contract and submits a summary and copy of such contract to such committees.

"(B) Limitation on amounts stipulated.—The total amount stipulated for any fiscal year (including any future fiscal year) under all multi-year contracts entered into under this paragraph shall not exceed the amount authorized to be appropriated out of the Mass Transit Account of the Highway Trust Fund to carry out this section for such fiscal year, less an amount reasonably estimated by the Secretary to be necessary for grants under this section which are not covered by a multi-year contract.

"(C) Operable segment.—The amount stipulated in a multi-year contract to carry out a fixed guideway project shall be sufficient to complete an operable segment.

"(D) Applicability of other laws.—Notwithstanding any other provision of law, a multi-year contract entered into under this paragraph shall not be subject to—

"(i) any future availability of funds for obligation, except as provided in subparagraph (B), subsection (i) of this section, and section 9503(e)(4) of the Internal Revenue Code of 1954, and

"(ii) any obligation limitation, except an obligation limitation imposed by section 21(a)(2)(F).".

(b) Conforming Amendments.—Section 3(a) of such Act is amended —

(1) by inserting "Grant and Loan Programs.—" before "(1) The Secretary";

(2) in paragraph (1) by inserting "General authority.—" before "The Secretary is";

(3) in paragraph (3) by inserting "Approved program of projects.—" before "The Secretary";

(4) in paragraph (5) by inserting "Decreased commuter rail service.—" before "The Secretary";

(5) in paragraph (6) by inserting "Labor intensive projects.—" before "In";

(6) by indenting paragraph (1) and aligning such paragraph and paragraphs (3), (5), and (6) with paragraph (4), as amended by subsection (a) of this section; and

(7) by aligning subparagraphs (A), (B), (C), (D), and (E) of paragraph (1) with subparagraph (A) of such paragraph (4).

(c) Effective Date.—The amendments made by subsections (a) and (b) of this section shall take effect on the date of the enactment of this Act and shall not affect any letter of intent issued before such date.

SEC. 303. APPROVAL OF FUNDING LEVELS AND ALLOCATIONS OF FUNDS.

Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(i) Funding Levels and Allocations of Funds.—

"(1) Submission to congress.—Not later than 30 days after the date of the enactment of this Act and each January 20 thereafter, the Secretary shall prepare and transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate—

"(A) a proposal of the total amount of funds which should be made available under section 21(a)(2)(C)(iv) of this Act to finance for the fiscal year beginning on October 1 of such year grants and loans for each of the following:

"(i) the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities,

"(ii) rail modernization, and

"(iii) construction of new fixed guideway systems and extensions to fixed guideway systems; and

"(B) a proposal of the allocation of the funds to be made available (including any funds proposed to be made available pursuant to clauses (ii) and (iii) of subparagraph (A)) for such fiscal year to finance grants and loans for rail modernization and for construction of new fixed guideway systems and extensions to fixed guideway systems among applicants for such assistance.

"(2) Special provisions.—The proposals submitted under paragraph (1) of this subsection shall reflect multi-year contracts entered into under subsection (a)(4) of this section; amounts stipulated for each fiscal year under full funding contracts executed under such subsection before the date of the enactment of this subsection; and, in the case of projects for which letters of intent have been issued under such subsection before such date of enactment but for which full funding contracts have not been executed before such date, amounts stipulated for each fiscal year under such letters of intent.

"(3) Approval required.—Notwithstanding any other provision of this section, no funds may be made available to finance grants and loans under this section for any fiscal year beginning after September 30, 1987, until a proposal transmitted by the

Secretary under this subsection for such year (including any revisions thereof) is approved by law.

"(4) Effect of approval.—Upon approval by law of a proposal transmitted under this subsection for any fiscal year beginning after September 30, 1987, the Secretary shall make the amount of funds approved under this subsection available for obligation for such fiscal year and shall allocate the funds for such fiscal year in accordance with the allocations approved under this subsection.".

SEC. 304. ADVANCE CONSTRUCTION.

(a) Discretionary Grant Program.—Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(j) Advance Construction.—

"(1) Approved project.—Upon application of a State or local public body which carries out a project described in this section or a substitute transit project described in section 103(e)(4) of title 23, United States Code, or portion of such a project without the aid of Federal funds in accordance with all procedures and requirements applicable to such a project and upon the Secretary's approval of such application, the Secretary may pay to such applicant the Federal share of the net project costs if, prior to carrying out such project or portion, the Secretary approves the plans and specifications therefor in the same manner as other projects under this section or such section 103(e)(4), as the case may be.

"(2) Bond interest.—

"(A) Eligible cost.—Subject to the provisions of this paragraph, the cost of carrying out a project or portion thereof, the Federal share of which the Secretary is authorized to pay under this subsection, shall include the amount of any interest earned and payable on bonds issued by the State or local public body to the extent that the proceeds of such bonds have actually been expended in carrying out such project or portion.

"(B) Limitation on amount.—In no event shall the amount of interest considered as a cost of carrying out a project or portion thereof under subparagraph (A) be greater than the excess of—

"(i) the amount which would be the estimated cost of carrying out the project or portion if the project or portion were to be carried out at the time the project or portion is converted to a regularly funded project, over

"(ii) the actual cost of carrying out such project or portion (not including such interest).

"(C) Changes in construction cost indices.—The Secretary shall consider changes in construction cost indices in determining the amount under subparagraph (B)(i).".

(b) Block Grant Program.—Section 9 of such Act is amended by adding at the end thereof the following new subsection:

"(p) Advance Construction.—

"(1) Approved project.—When a recipient has obligated all funds apportioned to it under this section and proceeds to carry out any project described in this section (other than a project for operating expenses) or portion of such a project without the aid of Federal funds in accordance with all procedures and all requirements applicable to such a project, except insofar as such procedures and requirements limit a State to carrying out projects with the aid of Federal funds previously apportioned to it, the Secretary, upon application by such recipient and his approval of such application, is authorized to pay to such recipient the Federal share of the costs of carrying out such project or portion when additional funds are apportioned to such recipient under this section if, prior to carrying out such project or portion, the Secretary approves the plans and specifications therefor in the same manner as other projects under this section.

"(2) Limitation on projects.—The Secretary may not approve an application under this subsection unless an authorization for this section is in effect for the fiscal year for which the application is sought beyond the currently authorized funds for such recipient. No application may be approved under this subsection which will exceed—

"(A) the recipient's expected apportionment under this section if the total amount of funds authorized to be appropriated to carry out this section for such fiscal year were so appropriated, less

"(B) the maximum amount of such apportionment which could be made available for projects for operating expenses under this section.

"(3) Bond interest.—

"(A) Eligible cost.—Subject to the provisions of this paragraph, the cost of carrying out a project or portion thereof, the Federal share of which the Secretary is authorized to pay under this subsection, shall include the amount of any interest earned and payable on bonds issued by the recipient to the extent that the proceeds of such bonds have actually been expended in carrying out such project or portion.

"(B) Limitation on amount.—In no event shall the amount of interest considered as a cost of carrying out a project or portion under subparagraph (A) be greater than the excess of—

"(i) the amount which would be the estimated cost of carrying out the project or portion if the project or portion were to be carried out at the time the project or portion is converted to a regularly funded project, over

"(ii) the actual cost of carrying out such project or portion (not including such interest).

"(C) Changes in construction cost indices.—The Secretary shall consider changes in construction cost indices in determining the amount under subparagraph (B)(i).".

SEC. 305. CRITERIA FOR NEW STARTS.

(a) General Rule.—Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(k) Criteria For New Starts.—No grant or loan for construction of a new fixed guideway system or extension of any fixed guideway system may be made under this section unless the Secretary determines that the proposed project—

"(1) is based on the results of an alternatives analysis and preliminary engineering,

"(2) is cost-effective, and

"(3) is supported by an acceptable degree of local financial commitment, including evidence of stable and dependable funding sources to construct, maintain, and operate the system or extension.

In making grants and loans under this section, the Secretary may also consider such other factors as the Secretary deems appropriate. The Secretary shall issue guidelines that set forth the means by which the Secretary will evaluate cost-effectiveness, results of alternatives analysis, and degree of local financial commitment.".

(b) Limitation on Applicability.—The amendment made by subsection (a) of this section shall not apply to any project for which a letter of intent has been issued under section 3(a)(4) of the Urban Mass Transportation Act of 1964 before the date of the enactment of this Act.

SEC. 306. AUTHORIZATION OF APPROPRIATIONS FOR SUBSTITUTE PROJECTS.

Section 4(g) of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"(g) Authorization of Appropriations For Substitute Projects.—There are authorized to be appropriated—

"(1) not to exceed $600,000,000 for fiscal year 1982,

"(2) not to exceed $365,000,000 for fiscal year 1983,

"(3) not to exceed $380,000,000 for fiscal year 1984,

"(4) not to exceed $390,000,000 for fiscal year 1985,

"(5) not to exceed $400,000,000 for fiscal year 1986, and

"(6) such sums as may be necessary for fiscal years 1987, 1988, 1989, 1990, and 1991, to carry out public transportation projects substituted for Interstate segments withdrawn under section 103(e)(4) of title 23, United States Code.".

SEC. 307. RATES FOR ELDERLY AND HANDICAPPED PERSONS.

(a) Exception to General Rule.—Section 5(m) of the Urban Mass Transportation Act of 1964 is amended by striking out "The" and inserting in lieu thereof "(1) In general.—Except as provided in paragraph (2) of this subsection, the" and by adding at the end thereof the following new paragraph:

"(2) Exception.—An applicant whose existing fare collection system does not reasonably permit the collection of half fares may continue to use a preferential fare system for elderly and handicapped persons which was in effect on or before November 26, 1974, and which incorporates the offering of a free return ride upon payment of the generally applicable full fare, except that such a system may be used after the 120th day following the date of the enactment of this paragraph only if such system is available for use by all elderly and handicapped persons.".

(b) Conforming amendments.—Such section is further amended—

(1) by inserting "Rates for Elderly and Handicapped Persons.—" after "(m)"; and

(2) by indenting paragraph (1), as designated by subsection (a) of this section, and aligning such paragraph with paragraph (2), as added by such subsection.

SEC. 308. LONG-TERM FINANCIAL PLANNING.

Section 8(a) of the Urban Mass Transportation Act of 1964 is amended by inserting before the period at the end of the third sentence the following: "and development of long-term financial plans for regional urban mass transit improvements and the revenue available from current and potential sources to implement such improvements".

SEC. 309. BLOCK GRANT PROGRAM AMENDMENTS.

(a) Funding of Partial Programs of Projects.—Section 9(e)(2) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new sentence: "A grant may be made under this section to carry out, in whole or in part, a program of projects.".

(b) Transit Advertising Revenues.—

(1) Exclusion from operating revenues.—Section 9(k)(1) of such Act is amended by inserting after the third sentence the following new sentence: "For purposes of the preceding sentence, 'revenues from the operation of a public mass transportation system' shall not include the amount of any

revenues derived by such system from the sale of advertising and concessions which is in excess of the amount of such revenues derived by such system from the sale of advertising and concessions in fiscal year 1985.".

(2) Annual report.—Section 9(e) of such Act is amended by adding at the end thereof the following new paragraph:

"(4) Annual report to secretary.—Each recipient (including any person receiving funds from a Governor under this section) shall submit to the Secretary annually a report on the revenues such recipient derives from the sale of advertising and concessions.".

(c) Removal of Operating Assistance Limitation for Small Urbanized Areas.—

(1) In general.—Section 9(k)(2) of such Act is amended to read as follows:

"(2) Limitations on amount of operating assistance.—The amount of funds apportioned under this section which may be used for operating assistance shall not exceed—

"(A) with respect to an urbanized area with a population of 1,000,000 or more, 80 percent of the amount of funds apportioned for fiscal year 1982 under paragraphs (1)(A), (2)(A), and (3)(A) of section 5(a) of this Act to such area; and

"(B) with respect to an urbanized area with a population of 200,000 or more and less than 1,000,000, 90 percent of funds so apportioned to such area.".

(2) Conforming amendments.—Section 9(l)(1)(A) of such Act is amended—

(A) by inserting "of funds apportioned under this section to an urbanized area with a population of 200,000 or more" after "any recipient"; and

(B) by striking out the last sentence.

(3) Applicability.—The amendments made by paragraphs (1) and (2) shall apply to fiscal years beginning after September 30, 1986.

(d) Trade-In for Operating Assistance.—

(1) Limitation on general rule.—Section 9(l) of such Act is amended by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) Trade-in for operating assistance.—Any recipient of a grant under section 3 of this Act in any fiscal year beginning after September 30, 1986, may not carry out a transfer under this subsection in such fiscal year, unless—

"(A) the grant under section 3 is—

"(i) for emergency repairs, as determined by the Secretary;

"(ii) made pursuant to a letter of intent issued, or full funding contract executed, under section 3(a)(4) of this Act before the date of enactment of this subparagraph; or

"(iii) for a project which has a high priority on the plan prepared by the Secretary for allocation of resources under section 3 of this Act for such fiscal year and for an amount which has been reduced in accordance with section 3(a)(7) of this Act; or

"(B) such recipient received Federal assistance under section 1139(b) of the Omnibus Budget Reconciliation Act of 1981 and carried out a transfer under this subsection in the fiscal year ending September 30, 1983, and the percentage of the funds appropriated to carry out section 3 of this Act which such recipient will receive in grants under such section 3 in such fiscal year beginning after September 30, 1986, will not exceed the percentage of the funds appropriated to carry out such section 3 which such recipient received in grants under such section 3 in the fiscal year ending September 30, 1983.".

(2) Extension of trade-in program.—Such section 9(l) is further amended—

(A) in paragraph (1)(A) by striking out "and 1984" and inserting in lieu thereof ", 1984, 1987, 1988, 1989, 1990, and 1991"; and

(B) in paragraph (2)(B) by striking out "three-year" and by striking out "1985" and inserting in lieu thereof "1992".

(3) Limitation on discretionary grants.—Section 9(l)(3) of such Act is amended—

(A) by inserting before the period at the end of the first sentence "for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities"; and

(B) in the last sentence by striking out "discretionary construction grants" and inserting in lieu thereof "such discretionary grants".

(4) Conforming amendment to section 3.—Section 3(a) of such Act is amended by adding at the end thereof the following new paragraphs:

"(7) Limitation on eligibility of recipients using section 9 trade-in.—Except as provided in paragraph (8) of this subsection, any recipient which carries out a transfer under section 9(l) of this Act for a fiscal year beginning after September 30, 1986, may not receive a grant under this section in such fiscal year, unless such grant is—

"(A) for emergency repairs, as determined by the Secretary;

"(B) made pursuant to a letter of intent issued, or full funding contract executed, under paragraph (4) of this subsection before the date of enactment of this subparagraph; or

"(C) for a project which has a high priority on the plan prepared by the Secretary for allocation of resources under this section for such fiscal year;

and unless, in the case of projects referred to in subparagraph (C), such recipient agrees with the Secretary that the amount of the Federal grants for such projects, as determined under section 4(a) of this Act, shall be reduced in the aggregate by an amount equal to the amount of the capital assistance transferred under such transfer.

"(8) Percentage of funds limitation.—Any recipient which—

"(A) carries out a transfer under section 9(l) of this Act for any fiscal year beginning after September 30, 1986,

"(B) received Federal assistance under section 1139(b) of the Omnibus Budget Reconciliation Act of 1981, and

"(C) carried out a transfer under section 9(l) of this Act in the fiscal year ending September 30, 1983,

may not receive in grants under this section in such fiscal year beginning after September 30, 1986, a percentage of the funds made available to carry out this section in such fiscal year greater than the percentage of funds appropriated to carry out this section which such recipient received in grants under this section in the fiscal year ending September 30, 1983.".

(e) Apportionments With Respect to Small Urbanized Areas.—

(1) Availability to governors.—Section 9(m)(2) of such Act is amended to read as follows:

"(2) Small urbanized areas.—Sums apportioned under subsection (d) with respect to any urbanized area with a population of less than 200,000 shall be made available to the Governor for expenditure in such area.".

(2) Transfers.—Section 9(n)(1) of such Act is amended to read as follows:

"(n) Transfers of Funds.—

"(1) Small urbanized areas.—The Governor may transfer an amount apportioned under subsection (d) for expenditure in an urbanized area of less than 200,000 population to supplement funds apportioned to the State under section 18(a) of this Act or to supplement funds apportioned to other urbanized areas within the State. The Governor may make such transfers only after approval by responsible local elected officials and publicly owned operators of mass transportation services in each area with respect to which the funding was originally apportioned pursuant to subsection (d); except that, if the period of availability under subsection (o) of the funds proposed to be transferred will end within 90 days, the Governor may make such transfer without such approval if no approvable grant application is pending under this section for any project in such area. The Governor may transfer an amount of the State's apportionment under section 18(a) to supplement funds apportioned for expenditure in the State under subsection (d). Amounts transferred shall be subject to the capital and operating assistance limitations applicable to the original apportionments of such amounts.".

(3) Conforming amendment.—Subsection (d) of section 9 of such Act is amended by striking out "which urbanized areas" and inserting in lieu thereof "which an urbanized area".

(f) Date of Apportionment.—Section 9 of such Act is further amended by adding at the end thereof the following new subsection:

"(q) Date of Apportionment.—Funds appropriated to carry out this section for any fiscal year shall be apportioned in accordance with the provisions of this section not later than the tenth day following the date on which such funds are appropriated or October 1 of such fiscal year, whichever is later.".

(g) Technical Amendments.—(1) Section 9(e) of such Act is amended by adding at the end thereof the following new paragraph:

"(5) Acceptance of certification.—No grant shall be made under this section to any recipient in any fiscal year unless the Secretary has accepted a certification for such fiscal year submitted by such person pursuant to this subsection.".

(2) Section 9(g) of such Act is amended by striking out paragraph (4).

(h) Conforming Amendments.—

(1) Section 9(e).—Section 9(e) of such Act is amended—

(A) by inserting "Grant Requirements.—" before "(1) The provisions";

(B) in paragraph (1) by inserting "Applicable provisions.—" before "The provisions";

(C) in paragraph (2) by inserting "Program of projects.—" before "To receive";

(D) in paragraph (3) by inserting "Annual certification.—" before "Each recipient";

(E) by indenting paragraph (1) and aligning such paragraph and paragraphs (2) and (3) with paragraph (4), as added to such section by subsection (b)(2) of this section; and

(F) by aligning subparagraphs (A), (B), (C), (D), (E), (F), (G), and (H) of paragraph (3) with subparagraph (A) of section 9(k)(2), as amended by subsection (c)(1) of this section.

(2) Section 9(k).—Section 9(k) of such Act is amended—

(A) by inserting "Federal Share.—" after "(k)";

(B) by inserting "In general.—" after "(1)"; and

(C) by indenting paragraph (1) and aligning such paragraph with paragraph (2), as amended by subsection (c)(1) of this section.

(3) Section 9(l).—Section 9(l) of such Act is amended—

(A) by inserting "Trade-In Program.—" before "(1)(A) Notwithstanding";

(B) in paragraph (1) by inserting "In general.—" before "(A) Notwithstanding";

(C) in paragraph (1)(A) by inserting "Authorization; limitation.—" before "Notwithstanding";

(D) in paragraph (1)(B) by inserting "Trade-in of section 5 capital apportionment.—" before "Notwithstanding any";

(E) in paragraph (2) by inserting "Certification.—" before "Any recipient";

(F) in paragraph (3) by inserting "Set-aside for discretionary grants.—" before "Whenever";

(G) by indenting paragraph (1) and aligning such paragraph and paragraphs (2) and (3) with paragraph (4), as amended by subsection (d)(1) of this section; and

(H) by aligning the subparagraphs of paragraphs (1) and (2) with subparagraph (B) of such paragraph (4).

(4) Section 9(m).—Section 9(m) of such Act is amended—

(A) by inserting "Recipients of Apportionments.—" before "(1) The Governor";

(B) in paragraph (1) by inserting "In general.—" before "The Governor"; and

(C) by indenting paragraph (1) and aligning such paragraph with (2), as amended by subsection (e)(1) of this section.

(5) Section 9(n).—Section 9(n) of such Act is amended—

(A) in paragraph (2) by inserting "Large urbanized areas.—" before "A designated"; and

(B) by aligning paragraph (2) with paragraph (1), as amended by subsection (e)(2) of this section.

SEC. 310. UNIVERSITY TRANSPORTATION CENTERS.

(a) Grant Program; National Advisory Council.—Section 11(b) of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"(b) University Transportation Centers.—

"(1) Grants for establishment and operation.—In addition to grants authorized by subsection (a) of this section, the Secretary shall make grants to one or more nonprofit institutions of higher learning to establish and operate one regional transportation center in each of the ten Federal regions which comprise the Standard Federal Regional Boundary System.

"(2) Responsibilities.—The responsibilities of each transportation center established under this subsection shall include, but not be limited to, the conduct of infrastructure research concerning transportation and research and training concerning transportation of passengers and property and the interpretation, publication, and dissemination of the results of such research. The responsibilities of one of such centers may include research on the testing of new model buses.

"(3) Application.—Any nonprofit institution of higher learning interested in receiving a grant under this subsection shall submit to the Secretary an application in such form and containing such information as the Secretary may require by regulation.

"(4) Selection criteria.—The Secretary shall select recipients of grants under this subsection on the basis of the following criteria:

"(A) The regional transportation center shall be located in a State which is representative of the needs of the Federal region for improved transportation services and facilities.

"(B) The demonstrated research and extension resources available to the grant recipient for carrying out this subsection.

"(C) The capability of the grant recipient to provide leadership in making national and regional contributions to the solution of both long-range and immediate transportation problems.

"(D) The grant recipient shall have an established transportation program or programs encompassing several modes of transportation.

"(E) The grant recipient shall have a demonstrated commitment to supporting ongoing transportation research programs with regularly budgeted institutional funds of at least $200,000 per year.

"(F) The grant recipient shall have a demonstrated ability to disseminate results of transportation research and educational programs through a statewide or regionwide continuing education program.

"(G) The projects which the grant recipient proposes to carry out under the grant.

"(5) Maintenance of effort.—No grant may be made under this section in any fiscal year unless the recipient of such grant enters into such agreements with the Secretary as the Secretary may require to ensure that such recipient will maintain its aggregate expenditures from all other sources for establishing and operating a regional transportation center and related research activities at or above the average level of such expenditures in its 2 fiscal years preceding the date of enactment of this subsection.

"(6) Federal share.—The Federal share of a grant under this subsection shall be 50 percent of the costs of establishing and operating the regional transportation center and related research activities carried out by the grant recipient.

"(7) National advisory council.—

"(A) Establishment; functions.—The Secretary shall establish in the Department of Transportation a national advisory council to coordinate the research and training to be carried out by the grant recipients, to disseminate the results of such research, to act as a clearinghouse between such centers and the transportation industry, and to review and evaluate programs carried out by such centers.

"(B) Members.—The council shall be composed of the directors of the regional transportation centers and 19 other members appointed by the Secretary as follows:

"(i) Six officers of the Department of Transportation one of whom represents the Office of the Secretary, one of whom represents the Federal Highway Administration, one of whom represents the Urban Mass Transportation Administration, one of whom represents the National Highway Traffic Safety Administration, one of whom represents the Research and Special Programs Administration, and one of whom represents the Federal Railroad Administration.

"(ii) Five representatives of State and local governments.

"(iii) Eight representatives of the transportation industry and organizations of employees in such industry.

A vacancy in the membership of the council shall be filled in the manner in which the original appointment was made.

"(C) Term of office; pay; chairman.—Each of the members appointed by the Secretary shall serve for a term of 5 years. Members of the council shall serve without pay. The chairman of the council shall be designated by the Secretary.

"(D) Meetings.—The council shall meet at least annually and at such other times as the chairman may designate.

"(E) Agency information.—Subject to subchapter II of chapter 5 of title 5, United States Code, the council may secure directly from any department or agency of the United States information necessary to enable it to carry out this subsection. Upon request of the Chairman of the council, the head of such department or agency shall furnish such information to the council.

"(F) Termination date inapplicable.—Section 14 of the Federal Advisory Committee Act shall not apply to the council.

"(8) Administration through office of secretary.—Administrative responsibility for carrying out this subsection shall be in the Office of the Secretary.

"(9) Allocation of funds.—The Secretary shall allocate funds made available to carry out this subsection equitably among the Federal regions.

"(10) Technology transfer set-aside.—Not less than 5 percent of the funds made available to carry out this subsection for any fiscal year shall be available to carry out technology transfer activities.".

(b) Authorizations for Appropriations; Contract Authority.—Section 21 of such Act is amended by adding at the end thereof the following new subsection:

"(c) University Transportation Centers.—

"(1) Amount of funds.—There shall be available to the Secretary to carry out section 11(b) of this Act for each of fiscal years 1987, 1988, 1989, 1990, and 1991 $5,000,000 out of the Highway Trust Fund (other than the Mass Transit Account) and $5,000,000 out of such Mass Transit Account.

"(2) Contract authority.—Notwithstanding any other provision of law, approval by the Secretary of a grant with funds made available by paragraph (1) shall be deemed a contractual obligation of the United States for payment of the Federal share of the cost of the project.

"(3) Exemption from obligation ceiling.—Funds made available out of the Mass Transit Account of the Highway Trust Fund by this subsection shall not be subject to any obligation limitation.

"(4) Period of availability.—Funds made available by this subsection shall remain available until expended.".

(c) Conforming Amendment.—Section 11(a) of such Act is amended by inserting "Grant Program.—" before "The Secretary".

SEC. 311. SOLE SOURCE PROCUREMENTS.

(a) General Rule.—Section 12(b) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new paragraph:

"(3) Sole source procurement contracts.—Any recipient of a grant under section 9 of this Act who is procuring an associated capital maintenance item under section 9(j) of this Act may, without receiving prior approval of the Secretary, contract directly with the original manufacturer or supplier of the item to be replaced if such recipient first certifies in writing to the Secretary—

"(A) that such manufacturer or supplier is the only source for such item; and

"(B) that the price of such item is no higher than the price paid for such item by like customers.".

(b) Conforming Amendments.—Such section is further amended—

(1) by inserting "Contract Requirement s." before "(1) All contracts";

(2) by inserting "Noncompetitive bid contracts.—" before "All contracts";

(3) by inserting "Rolling stock acquisition contracts.—" before "In lieu of"; and

(4) by indenting paragraph (1) and aligning paragraphs (1) and (2) with paragraph (3), as added by subsection (a) of this section.

SEC. 312. CONTRACTING FOR ENGINEERING AND DESIGN SERVICES.

Section 12(b) of the Urban Mass Transportation Act of 1964 is further amended by adding at the end thereof the following new paragraph:

"(4) Contracting for engineering and design services.—Each contract for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services with respect to a project for which a loan or grant is made under this Act shall be awarded in the same manner as a contract for architectural and engineering services is negotiated under title IX of the Federal Property and Administrative Services Act of 1949 or equivalent State qualifications-based requirements.".

SEC. 313. LIMITATION CONCERNING SOUTH AFRICA ON AWARDS OF CONTRACTS.

Section 12(b) of the Urban Mass Transportation Act of 1964 is further amended by adding at the end thereof the following new paragraph:

"(5) Limitations concerning South Africa on awards of contracts.—A recipient of a grant under this Act may prohibit or otherwise limit the award of contracts with respect to a project under this Act by including in its contracts terms and conditions related to the contractor's business in South Africa in accordance with a State or local law if such recipient first enters into an agreement with the Secretary that any costs incurred as a result of such prohibition or limitation which are in excess of the costs that would otherwise have been incurred with respect to such project under this Act will not, for purposes of this Act, be considered to be a cost of such project.".

SEC. 314. BUS REMANUFACTURING AND OVERHAULING OF ROLLING STOCK.

(a) Inclusion in Definition of Construction.—Section 12(c)(1) of the Urban Mass Transportation Act of 1964 is amended by inserting "(A)" after "such term also means" and by inserting before the semicolon at the end thereof the following: ", (B) any bus remanufacturing project which extends the economic life of a bus 8 years or more, and (C) any project for the overhaul of rolling stock (whether or not such overhaul increases the useful life of the rolling stock)".

(b) Expansion of Associated Capital Maintenance Items.—

(1) Inclusion of less expensive items.—(1) The second sentence of section 9(j) of such Act is amended by striking out "1 per centum" and inserting in lieu thereof "one-half of one percent".

(2) Inclusion of certain reconstructed items.—Section 9(j) of such Act is further amended by inserting "Eligible Activities.—" after "(j)", by inserting "(1) In general.—" before "Grants", and by adding at the end the following new paragraph:

"(2) Inclusion of certain reconstructed items.—A project for the reconstruction (whether by employees of the grant recipient or by contract) of any equipment and materials each of which, after reconstruction, will have a fair market value no less than one half of 1 percent of the current fair market value of rolling stock comparable to the rolling stock for which the equipment and materials are to be used shall be considered a project for construction of an associated capital maintenance item under this section.".

(c) Federal Share of Construction Projects.—The first sentence of section 9(k)(1) of such Act is amended by striking out "shall not exceed" the first place it appears and inserting in lieu thereof "shall be".

(d) Maintenance Requirement.—Section 3(a)(2)(A) of such Act is amended to read as follows:

"(2) Limitations on assistance.—

"(A) Minimum qualifications of applicants.—No grant or loan shall be provided under this section unless the Secretary determines that the applicant—

"(i) has or will have the legal, financial, and technical capacity to carry out the proposed project;

"(ii) has or will have satisfactory continuing control, through operation or lease or otherwise, over the use of the facilities and the equipment; and

"(iii) has or will have sufficient capability to maintain the facilities and equipment, and will maintain, such facilities and equipment.".

(e) Conforming Amendments.—(1) Section 9(j) of such Act is further amended by indenting paragraph (1), as designated by subsection (b)(2) of this section, and aligning such paragraph (1) with paragraph (2), as added to such section by subsection (b)(2).

(2) The first sentence of section 9(k)(1) of such Act is further amended by striking out "(including capital maintenance items)" and inserting in lieu thereof "(including any project for the acquisition or construction of an associated capital maintenance item)".

(3) Section 3(a)(2) of such Act is amended—

(A) by inserting "Limitations on property acquisition loans.—" after "(B)";

(B) by inserting "Limitation on payment for operating expenses and procurements.—" after "(C)"; and

(C) by aligning subparagraphs (B) and (C) with subparagraph (A), as amended by subsection (a) of this section.

SEC. 315. LIMITATION ON PRIVATE ENTERPRISE PARTICIPATION.

(a) In General.—Section 12(d) of the Urban Mass Transportation Act of 1964 is amended by inserting "(1) Limitation on regulation of rates.—" before "None" and by adding at the end thereof the following new paragraph:

"(2) Limitation on private enterprise participation.—None of the provisions of this Act shall be construed to authorize the Secretary to prescribe a specific level of private enterprise or competitive bid participation in the provision of mass transportation services and the conduct of mass transportation functions. None of the provisions of this Act shall be construed to infringe on the rights of the recipients of Federal financial assistance under this Act to determine the extent and amount of mass transportation services and functions to be carried out by private enterprise.".

(b) Conforming Amendments.—(1) Section 9(e) of such Act is amended by inserting "12(d)," after "12(c),".

(2) Section 12(d) of such Act is further amended—

(A) by inserting "Limitations on Construction of Act.—" after "(d)"; and

(B) by indenting paragraph (1), as designated by subsection (a), and aligning such paragraph with paragraph (2) of such section, as added by such subsection.

SEC. 316. BUS TESTING.

(a) Requirement.—Section 12 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(h) Bus Testing.—

"(1) Requirement.—No funds appropriated or made available pursuant to this Act after September 30, 1989, may be obligated or expended for the acquisition of a new bus model unless a bus of such model has been tested at a facility established under section 316(b) of the Federal Mass Transportation Act of 1987.

"(2) New bus model defined.—As used in this subsection, the term 'new bus model' means a bus model which has not been used in mass transportation service in the United States before the date of production of such model or a bus model which has been used in such service but which is being produced with a major change in configuration or components.".

(b) Bus Testing Facility.—

(1) Establishment.—The Secretary shall establish a facility for testing new bus models for maintainability, reliability, safety, performance, structural integrity, fuel economy, and noise. Such facility shall be established by renovation of a facility constructed with Federal assistance for the purpose of training rail personnel.

(2) Operation.—The Secretary shall enter into a contract with a qualified person to operate and maintain the facility established under paragraph (1) for testing new bus models for maintainability, reliability, safety, performance, structural integrity, fuel economy, and noise. Such contract may provide for the testing of rail cars and other vehicles at such facility.

(3) Collection of fees.—Under the contract entered into under paragraph (2), the person operating and maintaining the facility shall establish and collect fees for the testing of vehicles at the facility. Such fees shall be subject to the approval of the Secretary.

(4) New bus model defined.—For purposes of this subsection, the term "new bus model" has the meaning such term has under section 12(h)(2) of the Urban Mass Transportation Act of 1964.

(5) Funding.—There shall be available to the Secretary out of the Mass Transit Account of the Highway Trust Fund for establishment of the facility under paragraph (1) $200,000 for fiscal year 1987 and $3,000,000 for fiscal year 1988. Funds made available by this paragraph shall remain available until expended and shall not be subject to any obligation limitation.

SEC. 317. PREAWARD AND POSTDELIVERY AUDIT OF BUS PURCHASES.

Section 12 of the Urban Mass Transportation Act of 1964 is further amended by adding at the end thereof the following new subsection:

"(i) Preaward and Postdelivery Audit of Bus Purchases.—For the purpose of assuring compliance with Federal motor vehicle safety requirements, the requirements of section 165 of the Surface Transportation Assistance Act of 1982 (relating to purchases of American products), and bid specifications requirements of recipients of grants under this Act, the Administrator shall issue regulations requiring a preaward and postdelivery audit with respect to any grant under this Act for the purchase of buses and other rolling stock. For the purposes of such audit, manufacturer certification shall not be sufficient, and independent inspections and auditing shall be required.".

SEC. 318. PROTECTION OF PRIVATE CONTRACTING RIGHTS.

Section 13(c) of the Urban Mass Transportation Act of 1964 is amended by inserting after the third sentence the following new sentence: "Such arrangements may not restrict or limit the rights of the recipient of such assistance to enter into a contract or other arrangements for the provision of mass transportation services by private entities.".

SEC. 319. FEDERAL SHARE FOR ELDERLY AND HANDICAPPED PROJECTS.

Section 16 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(e) Increased Federal Share of Certain Nonrequired Projects.—Notwithstanding any other provision of this Act, the Federal share under sections 3, 9, and 18 of this Act for each capital improvement project which enhances the accessibility for elderly and handicapped persons to public transportation service and which is not required by Federal law (including any other provision of this Act) shall be 95 percent of the net project cost of such project.".

SEC. 320. AUTHORIZATION OF APPROPRIATIONS.

(a) Sections 9 and 18.—Section 21(a)(1) of the Urban Mass Transportation Act of 1964 is amended by striking out "and" after "1985," and by inserting after "1986," the following: "$2,100,000,000 for the fiscal year ending September 30, 1987, $2,150,000,000 for the fiscal year ending September 30, 1988, $2,200,000,000 for the fiscal year ending September 30, 1989, $2,250,000,000 for the fiscal year ending September 30, 1990, and $2,300,000,000 for the fiscal year ending September 30, 1991,".

(b) Sections 3, 4(i), 8, and 16(b).—Section 21(a)(2) of such Act is amended by redesignating subparagraph (C) (and any references thereto) as subparagraph (D) and by inserting after subparagraph (B) the following new subparagraph:

"(C) Authorizations from mass transit account.—

"(i) Buses under section 3.—There shall be available for obligation from the Mass Transit Account of the Highway Trust Fund to finance grants and loans under section 3 of this Act for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities not less than $100,000,000 for fiscal year 1987 and $170,000,000 per fiscal year for each of fiscal years 1988, 1989, 1990, and 1991.

"(ii) Rail modernization under section 3.—There shall be available for obligation from the Mass Transit Account of the Highway Trust Fund to finance grants and loans under section 3 of this Act for rail modernization not less than $405,000,000 for fiscal year 1987 and $680,000,000 per fiscal year for each of fiscal years 1988, 1989, 1990, and 1991.

"(iii) New construction under section 3.—There shall be available for obligation from the Mass Transit Account of the Highway Trust Fund to finance grants and loans under section 3 of this Act for construction of new fixed guideway systems and extensions to fixed guideway systems not less than $405,000,000 for fiscal year 1987 and $680,000,000 per fiscal year for each of fiscal years 1988, 1989, 1990, and 1991.

"(iv) General section 3.—In addition to amounts made available by the preceding clauses of this subparagraph, there shall be available for obligation from the Mass Transit Account of the Highway Trust Fund to finance grants and loans under section 3 of this Act not less than $100,000,000 for fiscal year 1987 and $170,000,000 per fiscal year for each of fiscal years 1988, 1989, 1990, and 1991.

"(v) Section 8.—There shall be available for obligation from the Mass Transit Account of the Highway Trust Fund to carry out section 8 of this Act not less than $45,000,000 for fiscal year 1987 and $50,000,000 per fiscal year for each of fiscal years 1988, 1989, 1990, and 1991.

"(vi) Sections 4(i) and 16(b).—There shall be available for obligation from the Mass Transit Account of the Highway Trust Fund to carry out sections 4(i) and 16(b) of this Act not less than $35,000,000 for fiscal year 1987 and $40,000,000 per fiscal year for each of fiscal years 1988, 1989, 1990, and 1991.".

(c) Period of Availability; Obligation Ceiling.—Section 21(a)(2) of such Act is further amended by adding at the end thereof the following new subparagraphs:

"(E) Period of availability.—Funds made available by this paragraph shall remain available until expended.

"(F) Obligation ceiling.—Notwithstanding any other provisions of law, the total of all obligations under the Urban Mass Transportation Act of 1964 (other than sections 9A and 11(b)) from the Mass Transit Account of the Highway Trust Fund shall not exceed $995,000,000 for fiscal year 1987 and $1,795,000,000 per fiscal year for each of fiscal years 1988, 1989, 1990, and 1991.".

(d) Sections 6, 10, 11(a), 12(a), and 20.—Section 21(b) of such Act is amended by striking out "and" after "1984," and by striking out the period at the end of the first sentence and inserting in lieu thereof ", and $50,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990, and September 30, 1991.".

(e) Removal of Limitation on the Source of Funding for Innovative Management Grants.—Section 4(i) of such Act is amended by striking out ", using sums available pursuant to section 4(c)(3)(A) of this section,".

(f) Conforming Amendments.—(1) Section 16(b) of such Act is amended by striking out the last sentence.

(2) Section 21(a)(2)(D) of such Act (as redesignated by subsection (b) of this subsection) is amended by striking out "and (B)" and inserting in lieu thereof ", (B), and (C)".

(3) Section 21(a)(4) of such Act is amended by striking out "and 1986" and inserting in lieu thereof "1986, 1987, 1988, 1989, 1990, and 1991".

(4) Section 21(a) of such Act is amended—

(A) by inserting "In General.—" before "(1) There is";

(B) in paragraph (1) by inserting "Sections 9 and 18.—" before "There is";

(C) in paragraph (2) by inserting "Sections 3, 4(i), 8, and 16(b).—" before "(A) There";

(D) in paragraph (2)(A) by inserting "Fiscal year 1983.—" before "There";

(E) in paragraph (2)(B) by inserting "Fiscal years 1984 and 1985.—" before "There";

(F) in paragraph (2)(D), as redesignated by subsection (b) of this section, by inserting "Contract Authority.—" before "Notwithstanding";

(G) in paragraph (3) by inserting "1983 set-aside for section 18.—" before "In";

(H) in paragraph (4) by inserting "Set-aside for section 18.—" before "In";

(I) in paragraph (5) by inserting "Set-aside for section 8.—" before "Of";

(J) by indenting paragraph (1) and aligning such paragraph and paragraphs (2), (3), (4), and (5) with paragraph (1) of subsection (c) of section 21 of such Act, as added by section 310(b) of this Act; and

(K) by aligning subparagraphs (A), (B), and (D) of paragraph (2) with subparagraph (C), as inserted in such section 21 by subsection (b) of this section.

SEC. 321. CONSTRUCTION MANAGEMENT OVERSIGHT.

(a) In General.—The Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"SEC. 23. CONSTRUCTION MANAGEMENT OVERSIGHT.

"(a) Authority to Use Funds.—Beginning October 1, 1987, the Secretary may use not to exceed ½ of 1 percent of—

"(1) the funds made available for any fiscal year by section 21(a)(2)(C) to carry out section 3 to contract with any person to oversee the construction of any major project under section 3;

"(2) the funds appropriated for any fiscal year pursuant to section 21(a)(1) to carry out section 9 to contract with any person to oversee the construction of any major project under section 9;

"(3) the funds appropriated for any fiscal year pursuant to section 21(a)(1) to carry out section 18 to contract with any person to oversee the construction of any major project under section 18; and

"(4) the funds appropriated for any fiscal year pursuant to section 4(g) to contract with any person to oversee the construction of any major public transportation project substituted for an Interstate segment withdrawn under section 103(e)(4) of title 23, United States Code.

"(b) Federal Share.—Any contract entered into under subsection (a) shall provide for the payment by the Secretary of 100 percent of the cost of carrying out the contract.".

(b) Conforming Amendments.—(1) Section 9(a) of such Act is amended by inserting after "section 21(a) of this Act" in paragraphs (1) and (2) the following: "and not used under section 23(a)(2)".

(2) Section 21(a)(4) of such Act is amended by inserting after "subsection" the following: "and not used under section 23(a)(3)".

SEC. 322. BICYCLE FACILITIES.

The Urban Mass Transportation Act of 1964 is further amended by adding at the end thereof the following new section:

"SEC. 24. BICYCLE FACILITIES.

"(a) Eligibility.—For purposes of this Act, a project to provide access for bicycles to mass transportation facilities, to provide shelters and parking facilities for bicycles in or around mass transportation facilities, or to install racks or other equipment for transporting bicycles on mass transportation vehicles shall be deemed to be a construction project eligible for assistance under sections 4, 9, and 18 of this Act.

"(b) Federal Share.—Notwithstanding sections 4(a), 9(k), and 18(e), the Federal share under this Act for any project to provide access for bicycles to mass transportation facilities, to provide shelters and parking facilities for bicycles in or around mass transportation facilities, or to install racks or other equipment for transporting bicycles on mass transportation vehicles shall be 90 percent of the cost of such project.".

SEC. 323. TRANSIT TECHNICAL AMENDMENTS.

(a) URBAN MASS TRANSPORTATION ACT.—(1) Section 5(h)(1) of the Urban Mass Transportation Act of 1964 is amended by striking out "approach" and inserting in lieu thereof "approval".

(2) Section 5(j)(1) of such Act is amended by striking out "action" and inserting in lieu thereof "section".

(3) Section 5(n)(2) of such Act is amended by inserting "and section 9" after "this section".

(4) Section 9(l)(3) of such Act is amended by striking out "1983" and inserting in lieu thereof "1984".

(5) Section 16 of such Act is amended by redesignating the second subsection (c) as subsection (d).

(6) Section 17(d)(4) of such Act is amended by striking out "; and".

(b) SURFACE TRANSPORTATION ASSISTANCE ACT OF 1982.—Section 303 of the Surface Transportation Assistance Act of 1982 is amended by striking out "(a)" the first place it appears.

SEC. 324. MULTI-YEAR CONTRACT FOR METRO RAIL PROJECT.

Notwithstanding any other provision of law, not later than the 90th day after the publication of the final environmental impact statement prepared as a result of alignment changes necessary to avoid tunneling through the methane risk areas identified in the task force report of the city of Los Angeles dated June 10, 1985, the Secretary shall issue a project record of decision and enter into a multi-year contract under section 3 of the Urban Mass Transportation Act of 1964, as amended by this Act, with the Southern California Rapid Transit District to complete Minimum Operable Segment-1 and to complete the locally preferred Minimum Operable Segment-2 alternative of the Downtown Los Angeles to the San Fernando Valley Metro Rail Project. Notwithstanding any other provision of law, such contract shall include at least $110,000,000 in fiscal year 1987 and $190,000,000 in each of fiscal years 1988, 1989, 1990, and 1991. Notwithstanding any other provision of law, the final environmental impact statement for Minimum Operable Segment-2 shall be completed, approved by the Secretary, and filed with the Environmental Protection Agency not later than July 31, 1987.

SEC. 325. MULTI-YEAR CONTRACT FOR TRANSIT BRIDGE LANES.

Notwithstanding any other provision of law, the Secretary shall enter into a multi-year contract under section 3 of the Urban Mass Transportation Act of 1964, as amended by this Act, with the Mississippi River Bridge Authority of the Louisiana Department of Transportation and Development to complete transit lanes on the Greater New Orleans Bridge No. 2. Notwithstanding any other provision of law, such contract shall include $18,750,000 in fiscal year 1988.

SEC. 326. INCREASED OPERATING ASSISTANCE DURING CONSTRUCTION OF INTERSTATE PROJECT.

Upon request of the State of Florida and the designated recipients under section 9 of the Urban Mass Transportation Act of 1964 for the urbanized areas of Fort Lauderdale and Miami, Florida, the amount of funds apportioned after September 30, 1987, under such section with respect to such urbanized areas which may otherwise be used for operating assistance under such section shall be increased by $4,400,000 for each fiscal year in which onsite construction is being carried out on a 40-mile segment of Interstate Route I-95 in Dade, Broward, and Palm Beach Counties, Florida. The increased operating assistance may only be used for commuter rail service provided as a maintenance-of-traffic measure during the period in which the construction is being carried out.

SEC. 327. FEASIBILITY STUDY.

Section 314(a) of the Surface Transportation Assistance Act of 1982 is amended to read as follows:

"SEC. 314. (a) Upon request of a local public body eligible to receive a grant under the Urban Mass Transportation Act of 1964, the Secretary of Transportation shall make a grant to such public body to conduct a feasibility study to examine the possibility of constructing and operating an electric bus line with the advanced and environmentally sound electric bus technology that is being developed in the State of California for the Santa Barbara transit system.".

SEC. 328. FEASIBILITY STUDY OF ABANDONED TROLLEY SERVICE.

(a) STUDY.—The Secretary, in cooperation with the city of Philadelphia, Pennsylvania, shall conduct a study of the feasibility of restoring trolley service to corridors on which trolley service has been abandoned in such city.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a).

SEC. 329. COMPREHENSIVE TRANSIT PLAN FOR THE VIRGIN ISLANDS.

(a) STUDY.—The Secretary, in cooperation with the Virgin Islands Department of Public Works, shall study and analyze the mass transportation needs of the Virgin Islands for the purpose of developing a comprehensive mass transportation plan for the Virgin Islands.

(b) REPORT AND PLAN.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study and analysis conducted under subsection (a) together with a copy of the mass transportation plan which the Secretary recommends for the Virgin Islands.

SEC. 330. BUS CARRIER CERTIFICATES FOR RECIPIENTS OF GOVERNMENTAL ASSISTANCE.

(a) GENERAL RULE FOR NEW ENTRANTS.—Section 10922(c)(1) of title 49, United States Code, is amended to read as follows:

"(c) MOTOR COMMON CARRIERS OF PASSENGERS.—

"(1) INTERSTATE TRANSPORTATION.—

"(A) REGULAR-ROUTE TRANSPORTATION.—The Commission shall issue a certificate to a person (including any private recipient of governmental assistance) authorizing that person to provide regular-route transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor common carrier of passengers if the Commission finds that the person is fit, willing, and able to provide the transportation to be authorized by the certificate and to comply with this subtitle and regulations of the Commission, unless the Commission finds, on the basis of evidence presented by any person objecting to the issuance of the certificate, that the transportation to be authorized by the certificate is not consistent with the public interest.

"(B) SPECIAL AND CHARTER TRANSPORTATION.—

"(i) PRIVATE RECIPIENTS OF ASSISTANCE.—The Commission shall issue a certificate to a private recipient of governmental assistance authorizing that recipient to provide special or charter transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor common carrier of passengers if the Commission finds that the recipient is fit, willing, and able to provide the transportation to be authorized by the certificate and to comply with this subtitle and regulations of the Commission, unless the Commission finds, on the basis of evidence presented by any person objecting to the issuance of the certificate, that the transportation to be authorized by the certificate is not consistent with the public interest.

"(ii) OTHER PERSONS.—The Commission shall issue a certificate to a person (other than a private recipient of governmental assistance) authorizing that person to provide special or charter transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor common carrier of passengers if the Commission finds that the person is fit, willing, and able to provide the transportation to be authorized by the certificate and to comply with this subtitle and regulations of the Commission.

"(C) PUBLIC RECIPIENTS FOR CHARTER TRANSPORTATION.—The Commission shall issue a certificate to a public recipient of governmental assistance authorizing that recipient to provide special or charter transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor common carrier of passengers if the Commission finds that—

"(i) the recipient is fit, willing, and able to provide the transportation to be authorized by the certificate and to comply with this subtitle and regulations of the Commission; and

"(ii)(I) no motor common carrier of passengers (other than a motor common carrier of passengers which is a public recipient of governmental assistance) is providing, or is willing and able to provide, the transportation to be authorized by the certificate; or

"(II) the transportation to be authorized by the certificate is to be provided entirely in the area in which the public recipient provides regularly scheduled mass transportation services.

"(D) PUBLIC RECIPIENTS FOR REGULAR-ROUTE TRANSPORTATION.—The Commission shall issue a certificate to a public recipient of governmental assistance authorizing that recipient to provide regular-route transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor common carrier of passengers if the Commission finds that the recipient is fit, willing, and able to provide the transportation to be authorized by the certificate and to comply with this subtitle and regulations of the Commission, unless the Commission finds, on the basis of evidence presented by any person objecting to the issuance of the certificate, that the transportation to be authorized by the certificate is not consistent with the public interest.

"(E) TREATMENT OF CERTAIN PUBLIC RECIPIENTS.—Subject to provisions of section 12(f) of the Urban Mass Transportation Act of 1964, any public recipient of governmental assistance which is providing or seeking to provide transportation of passengers subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title shall, for purposes of this subtitle, be treated as a person which is providing or seeking to provide transportation of passengers subject to such jurisdiction.

"(F) Definitions.—In this subsection—

"(i) Public recipient of governmental assistance.—The term 'public recipient of governmental assistance' means—

"(I) any State,

"(II) any municipality or other political subdivision of a State,

"(III) any public agency or instrumentality of one or more States and municipalities and political subdivisions of a State,

"(IV) any Indian tribe,

"(V) any corporation, board, or other person owned or controlled by any entity described in subclause (I), (II), (III), or (IV), and

"(VI) any corporation, board, or other person owned by, controlled by, or under common control with, any entity described in subclause (I), (II), (III), (IV), or (V),

which before, on, or after the date of the enactment of this paragraph received governmental financial assistance for the purchase or operation of any bus.

"(ii) Private recipient of governmental assistance.—The term 'private recipient of governmental assistance' means any person (other than a person described in clause (i)) who before, on, or after the date of the enactment of this paragraph received governmental financial assistance in the form of a subsidy for the purchase, lease, or operation of any bus.".

(b) Public Interest Finding.—Section 10922(c)(3) of title 49, United States Code, is amended by striking out "and" at the end of subparagraph (C), by striking out the period at the end of subparagraph (D) and inserting in lieu thereof "; and", and by adding at the end thereof the following new subparagraph:

"(E) the amount and extent of governmental financial assistance which the applicant for the certificate received before, on, or after the date of the enactment of this subparagraph for the purchase or operation of buses.

In addition, in making any finding relating to public interest under paragraph (1)(D) of this subsection, the Commission shall consider whether or not the person objecting to issuance of the certificate is a motor common carrier of passengers which is providing, or is willing and able to provide, the transportation to be authorized by the certificate.".

(c) Conforming Amendment.—Section 10922(c)(3) of title 49, United States Code, is amended by striking out "(1)(A)" and inserting in lieu thereof "(1)".

SEC. 331. UTILIZATION REQUIREMENT FOR CERTIFICATES AUTHORIZING INTRASTATE BUS OPERATIONS.

(a) General Rule.—Section 10922(c)(2) of title 49, United States Code, is amended by adding at the end thereof the following new subparagraph:

"(J) Limitation on intrastate certificates.—Each certificate issued under this paragraph to provide intrastate transportation of passengers on any route shall be subject to a condition which limits the authority of the carrier to provide intrastate transportation service under the certificate only if the carrier provides regularly scheduled interstate transportation service on the route.".

(b) Retroactive Applicability.—The amendment made by subsection (a) shall apply to any certificate issued under section 10922(c)(2) of title 49, United States Code, before, on, or after the date of the enactment of this Act.

TITLE IV—UNIFORM RELOCATION ACT AMENDMENTS OF 1987

SEC. 401. SHORT TITLE.

This title may be cited as the "Uniform Relocation Act Amendments of 1987".

SEC. 402. DEFINITIONS.

(a) Federal Agency Defined.—Section 101(1) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (hereinafter in this title referred to as the "Uniform Act") (42 U.S.C. 4601(1)) is amended to read as follows:

"(1) The term 'Federal agency' means any department, agency, or instrumentality in the executive branch of the Government, any wholly owned Government corporation, the Architect of the Capitol, the Federal Reserve banks and branches thereof, and any person who has the authority to acquire property by eminent domain under Federal law.".

(b) State Agency Defined.—Section 101(3) of the Uniform Act (42 U.S.C. 4601(3)) is amended to read as follows:

"(3) The term 'State agency' means any department, agency, or instrumentality of a State or of a political subdivision of a State, any department, agency, or instrumentality of two or more States or of two or more political subdivisions of a State or States, and any person who has the authority to acquire property by eminent domain under State law.".

(c) Interest Reduction Payments as Federal Financial Assistance.—Section 101(4) of the Uniform Act (42 U.S.C. 4601(4)) is amended by inserting ", any interest reduction payment to an individual in connection with the purchase and occupancy of a residence by that individual," after "insurance".

(d) Displaced Person Defined.—Section 101(6) of the Uniform Act (42 U.S.C. 4601(6)) is amended to read as follows:

"(6) The term 'displaced person' means—

"(A) any person who moves from real property, or moves his personal property from real property—

"(i) as a direct result of a written notice of intent to acquire or the acquisition of such real property in whole or in part for a program or project undertaken by a Federal agency or with Federal financial assistance, or

"(ii) as a direct result of rehabilitation, demolition, or such other displacing activity as the lead agency may prescribe, under a program or project undertaken by a Federal agency or with Federal financial assistance in any case in which the person is a residential tenant and the head of the displacing agency determines that such displacement is permanent; and

"(B) solely for the purposes of sections 202 (a) and (c) and 205 of this title, any person who moves from real property, or moves his personal property from real property—

"(i) on which such person conducts a business or farm operation, as a direct result of a written notice of intent to acquire or the acquisition of such real property in whole or in part for a program or project undertaken by a Federal agency or with Federal financial assistance; or

"(ii) on which such person conducts a small business or a farm operation or a business defined by section 101(7)(D), as a direct result of rehabilitation, demolition, or such other displacing activity as the lead agency may prescribe, under a program or project undertaken by a Federal agency or with Federal financial assistance where the head of the displacing agency determines that such displacement is permanent.

Such term does not include a person who has been determined, according to criteria established by the head of the lead agency, to be either in unlawful occupancy of the displacement dwelling or to have occupied such dwelling for the purpose of obtaining assistance under this Act. Such term also does not include, in any case in which the displacing agency acquires property for a program or project, any person (other than a person who was an occupant of such property at the time it was acquired) who occupies such property on a rental basis for a short term or a period subject to termination when the property is needed for the program or project.".

(e) Comparable Replacement Dwelling, Displacing Agency, Lead Agency, and Appraisal Defined.—Section 101 of the Uniform Act (42 U.S.C. 4601) is amended by adding at the end thereof the following new paragraphs:

"(10) The term 'comparable replacement dwelling' means any dwelling that is (A) decent, safe, and sanitary; (B) adequate in size to accommodate the occupants; (C) within the financial means of the displaced person; (D) functionally equivalent and substantially the same as the replacement dwelling with respect to number of rooms and living space; (E) in an area not subject to unreasonable adverse environmental conditions; and (F) in a location generally not less desirable than the location of the displaced person's dwelling with respect to public utilities, facilities, services, and the displaced person's place of employment.

"(11) The term 'displacing agency' means any Federal agency carrying out a program or project, and any State, State agency, or person carrying out a program or project with Federal financial assistance, which causes a person to be a displaced person.

"(12) The term 'lead agency' means the Department of Transportation.

"(13) The term 'appraisal' means a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.".

(f) Conforming Amendment.—Section 101(7)(D) of the Uniform Act (42 U.S.C. 4601(7)(D)) is amended by striking out "(a)" after "202".

SEC. 403. CERTIFICATION.

Title I of the Uniform Act is amended by adding at the end thereof the following new section:

"CERTIFICATION

"Sec. 103. (a)(1) Notwithstanding sections 210 and 305 of this Act, the head of a Federal agency may discharge any of his responsibilities under this Act, by accepting a certification by a State agency that it will perform such responsibility if the head of such Federal agency finds that such responsibility will be performed in accordance with State laws, regulations, directives, and standards which will accomplish the purpose and effect of this Act. Prior to accepting a certification under the preceding sentence, the head of the Federal agency shall provide interested parties with an opportunity for public review and comment and shall consult with interested local general purpose governments.

"(2) The head of the lead agency shall issue guidelines and regulations to carry out this section.

"(3) The head of the lead agency shall, in coordination with other Federal agencies, monitor from time to time, and report biennially to the Congress on, State agency implementation of this section. A State agency shall make available any information required for such purpose.

"(4) After consultation with the head of the lead agency, the head of a Federal agency may rescind his acceptance of any certification under this section, in whole or in part, if the State agency fails to comply with such certification or with State law.

"(b) The head of a Federal agency may withhold his approval of any Federal financial assistance to or contract or cooperative agreement with any displacing agency found to have failed to comply with any certification under this section or with a State law.".

SEC. 404. DECLARATION OF FINDINGS AND POLICY.

Section 201 of the Uniform Act (42 U.S.C 4621) is amended to read as follows:

"DECLARATION OF FINDINGS AND POLICY

"Sec. 201. (a) The Congress finds and declares that—

"(1) displacement as a direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance is caused by a number of activities, including rehabilitation, demolition, code enforcement, and acquisition;

"(2) relocation assistance policies must provide for fair, uniform, and equitable treatment of all affected persons;

"(3) the displacement of businesses often results in their closure;

"(4) minimizing the adverse impact of displacement of businesses is essential to maintaining the economic and social well-being of communities; and

"(5) implementation of this Act has resulted in burdensome, inefficient, and inconsistent compliance requirements and procedures which will be improved by establishing a lead agency and allowing for State certification and implementation.

"(b) This title establishes a uniform policy for the fair and equitable treatment of persons displaced as a direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance. The primary purpose of this title is to ensure that such persons shall not suffer disproportionate injuries as a result of programs and projects designed for the benefit of the public as a whole and to minimize the hardship of displacement on such persons.

"(c) It is the intent of Congress that—

"(1) Federal agencies shall carry out this title in a manner which minimizes waste, fraud, and mismanagement and reduces unnecessary administrative costs borne by States and State agencies in providing relocation assistance;

"(2) uniform procedures for the administration of relocation assistance shall, to the maximum extent feasible, assure that the unique circumstances of any displaced person are taken into account and that persons in essentially similar circumstances are accorded equal treatment under this Act; and

"(3) the improvement of housing conditions of economically disadvantaged persons under this title shall be undertaken, to the maximum extent feasible, in coordination with existing Federal, State, and local governmental programs for accomplishing such goals.".

SEC. 405. MOVING AND RELATED EXPENSES.

(a) Business Reestablishment Expenses.—Section 202(a) of the Uniform Act (42 U.S.C. 4622(a)) is amended—

(1) by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following:

"(a) Whenever a program or project to be undertaken by a displacing agency will result in the displacement of any person, the head of the displacing agency shall provide for the payment to the displaced person of—";

(2) by striking out "and" at the end of paragraph (2);

(3) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(4) by adding at the end thereof the following:

"(4) actual reasonable expenses necessary to reestablish a displaced farm, nonprofit organization, or small business at its new site, but not to exceed $10,000.".

(b) Alternative Residential Allowance.—Section 202(b) of the Uniform Act (42 U.S.C. 4622(b)) is amended by striking out all that follows "may receive" and inserting in lieu thereof "an expense and dislocation allowance, which shall be determined according to a schedule established by the head of the lead agency.".

(c) Alternative Business Allowance.—Section 202(c) of the Uniform Act (42 U.S.C. 4622(c)) is amended to read as follows:

"(c) Any displaced person eligible for payments under subsection (a) of this section who is displaced from the person's place of business or farm operation and who is eligible under criteria established by the head of the lead agency may elect to accept the payment authorized by this subsection in lieu of the payment authorized by subsection (a) of this section. Such payment shall consist of a fixed payment in an amount to be determined according to criteria established by the head of the lead agency, except that such payment shall not be less than $1,000 nor more than $20,000.".

SEC. 406. REPLACEMENT HOUSING FOR HOMEOWNER.

Section 203(a) of the Uniform Act (42 U.S.C. 4623(a)) is amended—

(1) by striking out "Federal" in the portion of paragraph (1) preceding subparagraph (A) and inserting in lieu thereof "displacing";

(2) by striking out "$15,000" and inserting in lieu thereof, "$22,500";

(3) by striking out "acquired by" and all that follows through "market" in paragraph (1)(A) and inserting in lieu thereof "acquired by the displacing agency, equals the reasonable cost of a comparable replacement dwelling";

(4) by striking out paragraph (1)(B) and inserting in lieu thereof the following:

"(B) The amount, if any, which will compensate such displaced person for any increased interest costs and other debt service costs which such person is required to pay for financing the acquisition of any such comparable replacement dwelling. Such amount shall be paid only if the dwelling acquired by the displacing agency was encumbered by a bona fide mortgage which was a valid lien on such dwelling for not less than one hundred and eighty days immediately prior to the initiation of negotiations for the acquisition of such dwelling."; and

(5) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) The additional payment authorized by this section shall be made only to a displaced person who purchases and occupies a decent, safe, and sanitary replacement dwelling within one year after the date on which such person receives final payment from the displacing agency for the acquired dwelling or the date on which the displacing agency's obligation under section 205(c)(3) of this Act is met, whichever is later, except that the displacing agency may extend such period for good cause. If such period is extended, the payment under this section shall be based on the costs of relocating the person to a comparable replacement dwelling within one year of such date.".

SEC. 407. REPLACEMENT HOUSING FOR TENANTS AND CERTAIN OTHERS.

Section 204 of the Uniform Act (42 U.S.C. 4624) is amended to read as follows:

"REPLACEMENT HOUSING FOR TENANTS AND CERTAIN OTHERS

"Sec. 204. (a) In addition to amounts otherwise authorized by this title, the head of a displacing agency shall make a payment to or for any displaced person displaced from any dwelling not eligible to receive a payment under section 203 which dwelling was actually and lawfully occupied by such displaced person for not less than ninety days immediately prior to (1) the initiation of negotiations for acquisition of such dwelling, or (2) in any case in which displacement is not a direct result of acquisition, such other event as the head of the lead agency shall prescribe. Such payment shall consist of the amount necessary to enable such person to lease or rent for a period not to exceed four years, a comparable replacement dwelling, but not to exceed $6,000. At the discretion of the head of the displacing agency, a payment under this subsection may be made in periodic installments. Computation of a payment under this subsection to a low-income displaced person for a comparable replacement dwelling shall take into account such person's income.

"(b) Any person eligible for a payment under subsection (a) of this section may elect to apply such payment to a down payment on, and other incidental expenses pursuant to, the purchase of a decent, safe, and sanitary replacement dwelling. Any such person may, at the discretion of the head of the displacing agency, be eligible under this subsection for the maximum payment allowed under subsection (a), except that, in the case of a displaced homeowner who has occupied the displacement dwelling for at least ninety days but not more than one hundred and eighty days immediately prior to the initiation of negotiations for the acquisition of such dwelling, such payment shall not exceed the payment such person would otherwise have received under section 203(a) of this Act had the person occupied the displacement dwelling for one hundred and eighty days immediately prior to the initiation of such negotiations.".

SEC. 408. RELOCATION PLANNING, ASSISTANCE COORDINATION, AND ADVISORY SERVICES.

Section 205 of the Uniform Act (42 U.S.C. 4625) is amended to read as follows:

"RELOCATION PLANNING, ASSISTANCE COORDINATION, AND ADVISORY SERVICES

"Sec. 205. (a) At an early stage in the planning of a program or project undertaken by a Federal agency or with Federal financial assistance and before the commencement of any actions which will cause displacements, a relocation analysis shall be developed by the displacing agency to assist it in the recognition and successful resolution of those problems associated with the displacements of individuals, families, businesses and farm operations in order to minimize adverse impacts on displaced persons and to expedite program or project advancement and completion.

"(b) The head of any displacing agency shall ensure that the relocation assistance advisory services described in subsection (c) of this section are made available to all persons displaced by such agency. If such agency head determines that any person occupying property immediately adjacent to the property where the displacing activity occurs is caused substantial economic injury as a result thereof, the agency head may make available to such person such advisory services.

"(c) Each relocation assistance advisory program required by subsection (b) of this section shall include such measures, facilities, or services as may be necessary or appropriate in order to—

"(1) determine, and make timely recommendations on, the needs and preferences, if any, of displaced persons for relocation assistance;

"(2) provide current and continuing information on the availability, sales prices, and rental charges of comparable replacement dwellings for displaced homeowners and tenants and suitable locations for businesses and farm operations;

"(3) assure that a person shall not be required to move from a dwelling unless the person has had a reasonable opportunity to relocate to a comparable replacement dwelling, except in the case of—

"(A) a major disaster as defined in section 102(2) of the Disaster Relief Act of 1974;

"(B) a national emergency declared by the President; or

"(C) any other emergency which requires the person to move immediately from the dwelling because continued occupancy of such dwelling by such person constitutes a substantial danger to the health or safety of such person;

"(4) assist a person displaced from a business or farm operation in obtaining and becoming established in a suitable replacement location;

"(5) supply (A) information concerning other Federal and State programs which may be of assistance to displaced persons, and (B) technical assistance to such persons in applying for assistance under such programs; and

"(6) provide other advisory services to displaced persons in order to minimize hardships to such persons in adjusting to relocation.

"(d) The head of a displacing agency shall coordinate the relocation activities performed by such agency with other Federal, State, or local governmental actions in the community which could affect the efficient and effective delivery of relocation assistance and related services.

"(e) Whenever two or more Federal agencies provide financial assistance to a displacing agency other than a Federal agency, to implement functionally or geographically related activities which will result in the displacement of a person, the heads of such Federal agencies may agree that the procedures of one of such agencies shall be utilized to implement this title with respect to such activities. If such agreement cannot be reached, then the head of the lead agency shall designate one of such agencies as the agency whose procedures shall be utilized to implement this title with respect to such activities. Such related activities shall constitute a single program or project for purposes of this Act.

"(f) Notwithstanding section 101(6) of this Act, in any case in which a displacing agency acquires property for a program or project, any person who occupies such property on a rental basis for a short term or a period subject to termination when the property is needed for the program or project shall be eligible for advisory services to the extent determined by the displacing agency.".

SEC. 409. HOUSING REPLACEMENT BY FEDERAL AGENCY AS LAST RESORT.

Section 206 of the Uniform Act (42 U.S.C. 4626) is amended to read as follows:

"HOUSING REPLACEMENT BY FEDERAL AGENCY AS LAST RESORT

"SEC. 206. (a) If a program or project undertaken by a Federal agency or with Federal financial assistance cannot proceed on a timely basis because comparable replacement dwellings are not available, and the head of the displacing agency determines that such dwellings cannot otherwise be made available, the head of the displacing agency may take such action as is necessary or appropriate to provide such dwellings by use of funds authorized for such project. The head of the displacing agency may use this section to exceed the maximum amounts which may be paid under sections 203 and 204 on a case-by-case basis for good cause as determined in accordance with such regulations as the head of the lead agency shall issue.

"(b) No person shall be required to move from his dwelling on account of any program or project undertaken by a Federal agency or with Federal financial assistance, unless the head of the displacing agency is satisfied that comparable replacement housing is available to such person.".

SEC. 410. ASSURANCES.

Section 210 of the Uniform Act (42 U.S.C. 4630) is amended by striking out "State agency" the first place it appears and inserting in lieu thereof "displacing agency (other than a Federal agency)", by striking out "State agency" the second place it appears and inserting in lieu thereof "displacing agency", and by striking out "decent, safe, and sanitary" in paragraph (3) and inserting in lieu thereof "comparable".

SEC. 411. FEDERAL SHARE OF COSTS.

(a) GENERAL RULE.—Section 211(a) of the Uniform Act (42 U.S.C. 4631(a)) is amended to read as follows:

"(a) The cost to a displacing agency of providing payments and assistance pursuant to titles II and III shall be included as part of the cost of a program or project undertaken by a Federal agency or with Federal financial assistance. A displacing agency, other than a Federal agency, shall be eligible for Federal financial assistance with respect to such payments and assistance in the same manner and to the same extent as other program or project costs.".

(b) LIMITATION.—Section 211(b) of the Uniform Act (42 U.S.C. 4631(b)) is amended to read as follows:

"(b) No payment or assistance under title II or III of this Act shall be required or included as a program or project cost under this section, if the displaced person receives a payment required by State law which is determined by the head of the lead agency to have substantially the same purpose and effect as such payment under this section.".

SEC. 412. DUTIES OF LEAD AGENCY; SALVAGE OPERATION.

(a) DUTIES OF LEAD AGENCY.—Section 213 of the Uniform Act (42 U.S.C. 4633) is amended to read as follows:

"DUTIES OF LEAD AGENCY

"SEC. 213. (a) The head of the lead agency shall—

"(1) develop, publish, and issue, with the active participation of other Federal agencies responsible for funding relocation and acquisition actions, and in coordination with State and local governments, such regulations as may be necessary to carry out this Act;

"(2) ensure that relocation assistance activities under this Act are coordinated with low-income housing assistance programs or projects by a Federal agency or a State or State agency with Federal financial assistance;

"(3) monitor, in coordination with other Federal agencies, the implementation and enforcement of this Act and report to the Congress, as appropriate, on any major issues or problems with respect to any policy or other provision of this Act; and

"(4) perform such other duties as may be provided by law as relate to the purposes of this Act.

"(b) The head of the lead agency is authorized to establish such regulations and procedures as he may determine to be necessary to assure—

"(1) that the payments and assistance authorized by this Act shall be administered in a manner which is fair and reasonable and as uniform as practicable;

"(2) that a displaced person who makes proper application for a payment authorized for such person by this title shall be paid promptly after a move or, in hardship cases, be paid in advance; and

"(3) that any aggrieved person may have his application reviewed by the head of the Federal agency having authority over the applicable program or project or, in the case of a program or project receiving Federal financial assistance, by the State agency having authority over such program or project or the Federal agency having authority over such program or project if there is no such State agency.".

(b) SALVAGE OPERATION.—Notwithstanding any other provision of law, the Commonwealth of Massachusetts is required to assist and coordinate the salvaging of the foundation and associated structures of the historic Great House in City Square, Charlestown, Massachusetts; to store the salvaged material during the suppression and reconstruction of the interstate at Charlestown, Massachusetts; and to assist and coordinate the incorporation of the Great House's foundation and related structures into the reconstruction of City Square at Charlestown, Massachusetts.

SEC. 413. PAYMENTS UNDER OTHER LAWS.

Section 216 of the Uniform Act (42 U.S.C. 4636) is amended by inserting after "Federal law" the following: "(except for any Federal law providing low-income housing assistance)".

SEC. 414. TRANSFER OF SURPLUS PROPERTY.

Section 218 of the Uniform Act (42 U.S.C. 4638) is amended by inserting "net" after "all".

SEC. 415. REPEALS.

Sections 214, 217, and 219 of the Uniform Act (42 U.S.C. 4634 and 4637) are hereby repealed.

SEC. 416. UNIFORM POLICY ON REAL PROPERTY ACQUISITION PRACTICES.

(a) WAIVER OF APPRAISAL.—Section 301(2) of the Uniform Act (42 U.S.C. 4651(2)) is amended by inserting the following before the period at the end thereof: ", except that the head of the lead agency may prescribe a procedure to waive the appraisal in cases involving the acquisition by sale or donation of property with a low fair market value".

(b) Acquisition of Uneconomic Remnant.—Section 301(9) of the Uniform Act (42 U.S.C. 4651 (9)) is amended to read as follows:

"(9) If the acquisition of only a portion of a property would leave the owner with an uneconomic remnant, the head of the Federal agency concerned shall offer to acquire that remnant. For the purposes of this Act, an uneconomic remnant is a parcel of real property in which the owner is left with an interest after the partial acquisition of the owner's property and which the head of the Federal agency concerned has determined has little or no value or utility to the owner.".

(c) Section 301 of the Uniform Act (42 U.S.C. 4651) is amended by adding at the end thereof the following new paragraph:

"(10) A person whose real property is being acquired in accordance with this title may, after the person has been fully informed of his right to receive just compensation for such property, donate such property, any part thereof, any interest therein, or any compensation paid therefor to a Federal agency, as such person shall determine.".

SEC. 417. ASSURANCES.

Section 305 of the Uniform Act (42 U.S.C. 4655) is amended by inserting "(a)" after "Sec. 305.", by striking out "a State agency" the first place it appears and inserting in lieu thereof "an acquiring agency", by striking out "State agency" the second place it appears and inserting in lieu thereof "acquiring agency", and by adding at the end thereof the following new subsection:

"(b) For purposes of this section, the term 'acquiring agency' means—

"(1) a State agency (as defined in section 101(3)) which has the authority to acquire property by eminent domain under State law, and

"(2) a State agency or person which does not have such authority, to the extent provided by the head of the lead agency by regulation.".

SEC. 418. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect 2 years after the date of enactment of this Act, except that the amendment made by section 412 of this title (to the extent such amendment prescribes authority to develop, publish, and issue rules and regulations) shall take effect on the date of enactment of this Act.

OUR BURGEONING DEFICIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. Dannemeyer] is recognized for 60 minutes.

Mr. DANNEMEYER. Mr. Speaker, probably the one issue that will occupy the agenda of the House and the Senate almost during the entire length of the ensuing 100th Congress will be what to do about the burgeoning deficit, the growth in the national debt, the increased cost of annual interest expense, and from the political standpoint to establish accountability in the process for who is responsible for this fiscal mess in which we now find ourselves. It is on this subject that I would like to speak for a period of time this afternoon.

I note with interest, at least the press reported during the course of the time when Congress was in recess that our Speaker-elect, the gentleman from Texas [Mr. Wright], was considering an option to rescind the reductions in tax rates which the last Congress approved. Members will recall that by an act of Congress last year the maximum tax rate in 1987 will be reduced from 50 to 39.5 and in 1988 it is projected to drop to 28 percent as a maximum rate.

The Speaker has indicated that he may want to give consideration to rescinding these reductions and in his eloquent way this is not a tax increase; that is, the rescission of a reduction is not a tax increase. If he keeps saying it often enough, maybe you will get to the point where you believe it.

I mention this because it illustrates the contrast between the two philosophies that are struggling to govern the House of Representatives and the Senate of the United States; namely, in struggling to reduce the growth of this debt balloon which every day, every minute, every second is getting bigger and bigger.

Do we do it by raising taxes or do we do it by cutting spending or a combination of both and which party, if there is any difference, is projecting which direction the Nation should go?

In preparing for this special order this afternoon, I asked my staff to prepare an analysis of what has happened to the 5 budget years for which President Reagan is responsible in terms of recommending a budget to the House and the Senate and then what has been the response of Congress to this recommendation of the President in terms of spending, because among the movements that will take place in the political forum, one will hear these comments: "Well, we are in this fiscal problem because this President is not responsible in his fiscal policies."

On the other side, people will say, "Well, it's the Congress."

And in the House they will say it is the Senate, and in the Senate they will say it is the House and, of course, the Democrats in the House will blame the Republicans and the Republicans will blame the Democrats.

Where in the world does a citizen of America try to figure out and establish accountability in the process, in the political process, so that the citizens of this country can take what action they deem appropriate, if any, regarding the fiscal mess we now find ourselves in?

In making this analysis, I asked my staff to prepare this assessment of what has happened to the President's request. I find in those 5 years for which this President is responsible, 1982, 1983, 1984, 1985, and 1986, that the following has been the result of what this President has recommended:

In 1982, President Reagan recommended that Congress spend $695.8 billion. Congress spent $745.7 billion.

In 1983, the President recommended that Congress spend $757.6 billion. The actual outlays were $808.3 billion.

In 1984, the President recommended that Congress spend $848.5 billion. Congress actually ended up spending $851.8 billion.

In 1985, the President recommended that Congress appropriate $925.5 billion. The actual outlays came to $946 billion.

Then in 1986, the President recommended that Congress spend $973.7 billion, and the actual outlays were $989.8 billion.

The data indicates quite clearly that in each of the years that this President has made a recommendation that Congress has appropriated more than what the President has recommended.

What is even more interesting is to break down the totals of the recommendations between certain categories, because I think these categories are of interest to the American people. For example, national defense and Medicare and Social Security, the interest on the debt, and then for the purpose of this analysis today I have put all of their recommendations into a category called other. In other words, those six categories, national defense, Medicare, Social Security, net interest and other—or five categories, excuse me, represent the total of all Federal spending during the fiscal year.

In this instance it is interesting to contrast what has happened in those categories. For example, in the 5 fiscal years to which I have made reference, 1982 through 1986, President Reagan has recommended for defense that Congress appropriate $1,213 billion over 5 years. During that 5 years, Congress has appropriated $1,148.5 billion. In other words, Congress has appropriated $64.2 billion less over that 5-year span for defense than the President has asked for.

In the area of Medicare, the President has requested over that 5-year span that Congress spend $298.7 billion. Congress responded by appropriating $292.7 billion, or $6 billion less than what the President asked for.

In Social Security, the President asked that Congress appropriate in that 5-year span $904.1 billion and Congress appropriated $892.3 billion, or $11.8 billion less than the President asked for.

In the category of net interest, the President asked for the Congress to appropriate $557 billion. Congress appropriated $550.4 billion. Congress appropriated $6.6 billion less than the President asked for.

In the fifth category, this is where I think it begins to get interesting, because over this 5-year span President Reagan asked Congress to appropriate $1.228 trillion, and Congress responded by appropriating $1.457.4 trillion, or $229.4 billion more than the President asked for.

Now, shortly in my comments I will get into a better identification of what is included within the category of "other," my fifth category, so that Members will have an opportunity for a better understanding of what is included in that category where the President has requested a certain level of spending and over the course of the last 5 fiscal years Congress has exceeded that request by some $229.4 billion.

Now, what does this tell us, really? What it says, very candidly and very simply, is that the people of America can change Presidents every year for the balance of this century if they choose to do that, and it is not going to have much of an impact on spending in the U.S. Government.

□ 1645

The reason I say that is because the agency or the entity that is responsible for the spending level of the Nation, of the U.S. Government, is not the President of the United States, able as he may be. Presidents propose, and Congresses dispose.

The relevance of this figure that is in this category of "other" over the past 5 fiscal years is—I will repeat it—Congress has spent $229.4 billion more than the President asked be spent.

Now bear in mind that when Congress in a particular year appropriates more than the President asks be spent, that merely establishes the level of spending from which we start for the next year, because once the spending system gets to be a part of the spending stream, it is almost impossible to dislodge it.

So in that figure of $229.4 billion, an effort should be made to find out how much of that excess spending over what the President asked be spent over the course of the 5 years is involved in this projected deficit that we saw in fiscal year 1986 that closed last September 30, where the deficit was close to $200 billion, and how much will that be in the projected deficit for the coming fiscal year that the President has asked or projected be set as $173.2 billion.

In other words, in the projection of the deficit for the next fiscal year, 1988, which begins October 1 of this year, how much of that $229.4 billion, if it had not become a part of the spending stream of the U.S. Government, would or could have been a reduction in the deficit that we will experience in each of the fiscal years that we have served here plus as many years in the future that we can project?

In making that analysis, I would like to go back to 1983, because I think that year, fiscal year 1983, because it indicates quite clearly when the system began to distort so dramatically in terms of the Reagan Presidency with respect to fiscal policy.

In that year, which bear in mind was the second budget cycle that this President Reagan submitted his full budget request to Congress, in the category of "other" for that year the President requested $195.1 billion. Congress actually appropriated that year $285.3 billion, an increase in that one category of some $90 billion beyond what the President asked be spent.

Now if you take that figure of $195.1 billion for fiscal year 1983 and you extrapolate by adding to it for each of the ensuing 3 fiscal years an amount to represent inflation, which I would estimate over that span would be roughly 12 to 15 percent, you would find that had we followed the recommendations of this President for spending totals relating to "other" in fiscal year 1983 and the ensuing years that the spending level in those programs for fiscal year 1986 would have been about $215 billion, whereas in fact we spent $312 billion in that year.

My point is that you can extrapolate, I think, on a reasonable basis that approximately $100 billion of the annual deficit which we had in 1986 and which we will have in the current fiscal year of 1987, and that we will have in the ensuing years so long as we have deficits, about $100 billion of that results directly from excess spending by the Congress of the United States over and beyond what this President has aked be spent.

Now that is not the total elimination of the deficit, but it is a pretty good whack at it. In other words, if we could reduce the deficit by $100 billion in fiscal year 1987, we would borrow just that much less money, and we would be just that much closer to balancing the budget of the U.S. Government.

Well, then Members may ask, "Well, what do you include within the category of "other?" I would like to show the Members, item by item, how in response to the President's request in fiscal year 1983 that we spend for the category of "other" $195.1 billion, that we ended up spending $285 billion, or some $90 billion more.

These are the items that are included within the category of "other," not all of them but most of them, making up that category of some $90 billion more:

Item 270 in the budget process, energy, the President requested $4.2 billion; Congress appropriated $9.4 billion, an increase of $5.2 billion.

Category 300, natural resources and environment, the President requested $9.9 billion; Congress appropriated $12.7 billion, an increase of $2.8 billion.

Category 350, agriculture, the President requested $4.5 billion; Congress appropriated $22.9 billion, an increase of $18.4 billion more than the President asked for.

Category 370, commerce and housing credit, the President asked for $1.6 billion; Congress appropriated $6.7 billion, an increase of $5.1 billion.

Category 400, transportation, the President requested $19.6 billion; Congress appropriated $21.3 billion, an increase of $1.7 billion.

Category 500, education, training, employment, and social services, the President requested $21.6 billion; the outlays were $26.6 billion, an increase of over $5 billion beyond what the President asked for.

Category 550, health, less Medicare, the President asked for $22.7 billion; Congress appropriated $28.6 billion, an increase of $5.9 billion.

Category 600, income security, less Social Security, the President asked for $88.2 billion; Congress appropriated—now get this $122.6 billion, an increase of some $34.4 billion.

And then finally, item 950, undistributed offsetting receipts, the President requested $43.5 billion, and actually there were $34 billion coming in, so there is a reduction there of the deficit of some $9.5 billion.

These are not the entire identification of all the items that comprise "other," but I have read to the Members' attention here the major ones. These total whereby Congress appropriated $90 billion more than the President asked for.

In this political dialog that will take place between the President and the Congress, the figures indicate quite clearly, aside from the politics of the issue, that President Reagan has been most responsible in recommending a spending program for the budget of the U.S. Government that is consistent with the public interest in terms of balancing the budget far beyond what the Congress has been able to accomplish.

In other words, when the Congress as a body appropriates $229.4 billion more over 5 years in the category of "other" beyond what the President has asked for, can there really be any question in the minds of anybody in this country who is responsible for this fiscal mess in which we find ourselves?

□ 1655

I noticed today when the Speaker, Mr. WRIGHT, gave his eloquent statement to the Members relating to the issues facing the country, when he talked about the deficit Mr. WRIGHT used the term, and I made a note of this so I could reflect it accurately, that Government had produced the deficit, Government. Well, that is true. Government has produced the deficit because we are all a part of the Government of the United States serving in the White House or in the Senate or in the House of Representatives.

But the truth of the matter is, Mr. Speaker, that within the confines and identification of the Government of the United States there is an executive branch that spends the money and there is the Congress of the United States that appropriates the money and I and the other 433 Members of this House who have voting rights in this House are responsible for this fiscal mess that we are in because we are the body that controls the level of spending in the U.S. Government, not the President of the United States.

In case Members are interested as to who in the Congress of the United States, particularly the House or the Senate, is responsible for this level of spending, I would like to bring to the Members' attention one of the compilations that are produced here in Washington by various organizations. This one purports to reflect the voting status of each Member serving in the House of Representatives and the U.S. Senate in the year 1985. The National Taxpayers produces this publication. Once a year it produces an analysis which indicates where each Member of the House and the Senate stands in terms of responsibility or accountability for the level of spending in this country.

The National Taxpayers Union, in considering votes for 1985, analyzed 211 House rollcall votes and 207 Senate rollcall votes. Each of those votes were related to a proposal to increase spending, to raise taxes, to lower taxes, an amendment to cut spending or an amendment to add spending. In other words, this analysis purports to show accountability for Members of the House for the year 1985 of where the Members of the House stand relating to accountability on who is responsible for this level of spending. With respect to these 211 House rollcall votes which were selected, the National Taxpayers divided each of us into one of 4 categories. The higher the percentage ratings, the better the Member was in terms of voting taxpayers' interests. In other words, the higher percentage number you received, the more concerned you are for voting for the interest of taxpayers, of reducing spending; and, conversely, the lower the number that you received, the more the Member is inclined to be in favor of voting additional money for the various special interests that receive all of the Federal spending that goes on in this country. They divided all of the Members into 4 categories: good, if you had 61 percent or more; fair, 47 to 60 percent; average, 32 to 46 percent; and big spender was 31 percent or less.

In this analysis, they listed 38 Members of the House in 1985 who had the worst scores in terms of representing taxpayers' interests here in the House, and they had an analysis which indicated those with the 36 best scores in terms of representing and voting for taxpayers' interests.

I want to make clear to my colleagues in the House that in this analysis—it is just one of many that are available here in Washington—there is not effort to impugn the integrity or the honesty or ability of any Member who is rated. That is a given fact, that a Member has just as much integrity whether their rating is low or high, and I want to make that clear. All this indicates is that each of us has a record in terms of accountability for establishing the spending level that exists in this country so the people of America can determine in this dialog that I indicated in the beginning of our remarks that will take place over the next 2 years of the 100th Congress, who truly is accountable for this fiscal mess we are in.

I would like to read those with the worst scores; that is, with the worst rating that are in the category of big spenders here in the Congress of the United States. Wilson of Texas with 18 percent, Pepper of Florida with 18 percent, Murtha of Pennsylvania with 18 percent, Bustamante of Texas with 19 percent, Alexander of Arkansas with 20 percent, Frost of Texas with 20 percent, Mollohan of West Virginia with 20 percent, Ortiz of Texas with 20 percent, Chappell of Florida with 21 percent, Hoyer of Maryland with 22 percent, Aspin of Wisconsin for 22 percent, Dowdy of Mississippi with 23 percent, Fazio of California with 23 percent, Price of Illinois with 23 percent, Hatcher of Georgia with 23 percent, Long of Louisiania with 23 percent, Boggs of Louisiana with 24 percent, Stratton of New York with 24 percent, Gonzalez of Texas with 24 percent, Brooks of Texas with 25 percent, Wright of Texas with 25 percent, Bevill of Alabama with 25 percent, de la Garza of Texas with 25 percent, Rose of North Carolina with 25 percent, Dixon of California with 25 percent, Manton of New York with 25 percent, Coleman of Texas with 26 percent, Fascell of Florida with 26 percent, Dicks of Washington with 26 percent, Whitten of Mississippi with 26 percent, Biaggi of New York with 26 percent, Lipinski of Illinois with 26 percent, Rahall of West Virginia with 26 percent, Hefner of North Carolina with 26 percent, Natcher of Kentucky with 26 percent, Whitley of North Carolina with 26 percent, Udall of Arizona with 26 percent, and Roe of New Jersey with 26 percent.

I will say again each of the Members of the House of Representatives who voted on fiscal matters in 1985 are recorded in this analysis State by State. The worst scores that I have described are the 38 Members that I have just read.

In the assessment of the National Taxpayers Union, the best scores are 36 enumerated as follows: Sensenbrenner of Wisconsin with 80 percent, Smith of New Hampshire, 76 percent, Crane of Illinois, 76 percent, Dreier of California, 75 percent, Archer of Texas, 74 percent, Tauke of Iowa, 74 percent, Walker of Pennsylvania, 74 percent, Lungren of California, 73 percent, Smith of Oregon, 73 percent, Gregg of New Hampshire, 72 percent, Shumway of California, 72 percent, Armey of Texas, 72 percent, Dannemeyer of California, 72 percent, Brown of Colorado, 72 percent, DeLay of Texas, 72 percent, Frenzel of Minnesota, 71 percent, Zschau of California, 71 percent, Hansen of Utah, 70 percent, Stump of Arizona, 70 percent, Barton of Texas, 70 percent, Nielson of Utah, 69 percent, Swindall of Georgia, 69 percent, Moorhead of California, 69 percent, Solomon of New York, 69 percent, Mack of Florida, 69 percent, Bartlett of Texas, 68 percent, Roberts of Kansas, 68 percent, Cheney of Wyoming, 68 percent, Craig of Idaho, 68 percent, Miller of Washington, 67 percent, Fields of Texas, 67 percent, Hiler of Indiana, 67 percent, Leach of Iowa, 66 percent, Hartnett of South Carolina, 66 percent, Porter of Illinois, 66 percent, and Burton of Indiana, 66 percent.

Again I will observe to my colleagues that each of the Members who served in the first year of the 99th Congress, 1985, their record is in this analysis. I have merely read those with the best scores in the assignment of the National Taxpayers Union, 36 of them, and those 39 with the worst scores.

□ 1705

This does not mean to say that you won't find Republicans that are big spenders or Democrats who are voting for taxpayers; because that certainly is the case; but in the assessment of this organization, the 38 with the worst scores, the biggest spenders, are all Democrats and the 36th with the best scores, those voting for taxpayers have the best scores, totaling the numbers that I have indicated.

If persons in this country are interested in how their Member from their district voted on particular issues, they can contact the National Taxpayers Union at 325 Pennsylvania Avenue, Washington, DC 20003, and I am sure they will provide you with information as to where their Member stands on that issue.

I think it is relevant, because with this debt bubble growing bigger all the time, this Member has been privileged to serve in the Congress for the last 8 years, beginning my ninth year here. Based on the sense of what I have seen come out of the Congress the last session, the 95th, the 94th, and the 93d and the 92d, over that 8-year span; at least here in the House of Representatives the sense of the body has been to candidly increase this debt bubble almost with each month that passes.

In other words, we do not have a sense, in the House, to reduce the debt bubble or at least stop its getting bigger, and that is a tragic thing for all of us, particularly when you reflect on the comment of our Speaker, and I will refer to it again, in his opening comments when he said: "It is a tragedy in America today when a 30-year-old couple has a more difficult time to buy their own home or an automobile than their parents did when they entered the family formation stage in their life," and that is true.

What the Speaker said is, we must do better than that. We commend that, because we must do better, but the reality of the matter is, the gentleman who made that comment, Mr. WRIGHT of Texas, our Speaker, is one of the biggest spenders in the House of Representatives. In 1985 he had a rating of 25 percent. You cannot have it both ways. You cannot be for curbing runaway spending and at the same time voting to keep it going. You have got to make a choice.

In this debate that is going to take place over the next 2 years of the 100th Congress, which I think will encompass most of the time of all of us; namely, who is responsible for this level of spending.

I think the people of the country should seriously reflect on what their Member of Congress is doing in terms of accountability and the voting process for keeping this runaway debt-creation process going. If there is any salvation for any of this, for our children and our grandchildren and our great-grandchildren of saving this Nation from what inevitably is an economic debacle that we are starting right in the face, if we are honest with ourselves, because if we do not develop the tendency in this body to lessen the pressure for the building of this debt bubble, every month that goes by that debt bubble gets bigger and we run the risk that it is going to explode.

If that debt bubble explodes, the consequences to the economy of America and to the Western World are absolutely profound, because it will have fulfilled one of the prognostications of that great patron saint of the competing economic system in the world today; namely, Marxism, Karl Marx wrote on an occasion that, ultimately the capitalist system will collapse on its own head because the capitalists will fight over who gets to sell the rope with which they will hang themselves.

We in America are faced with a very practical dilemma, because each of us serving in the House—there isn't a day that goes by when someone interested in continuing the money spending spree does not stand outside that door, lobbying Members of Congress when they come on to the floor of the House for a vote; or we do not get a delegation in our office saying to you, or this Member of Congress: "You've got to keep spending going for this program or that program," in some cases speaking in a metaphor, that the Republic will collapse if we don't keep certain programs going.

We all know what that pressure is. The tragedy of the country is in terms of developing the consensus for reducing this debt bubble is the taxpayers of America who are paying the bill, and absolute cynical analysis of it is all in part, since we are creating so much debt, the unborn kids that are not around to protest for themselves, that are going to be saddled with this debt; they are not here to voice their objection to this debacle that we are placing on their shoulders.

So in the debate that takes place over the next 2 years, I would hope that we will have accountability, by our votes, which I think we will; and the people of this country can evaluate each of us, Democrat or Republican; and from this Member's perspective, I believe the people of this country have just about come to the point where frankly, if we want to save our Nation from an economic disaster, we are going to have to throw the rascals out.

And by a rascal, I mean a big spender. If it is a Democrat, throw him out; if it is a Republican, throw him out; and put Members in this Congress who have the sense about them and the courage to say to those people that stand outside that door wanting us to continue this flow of money: "Vote, Congressman, to slowly reduce that deficit bubble before it bursts and destroys the very Nation of which all of us are very proud."

One of the main means by which I think we can reduce that debt bubble, and I would hope that in the ensuing 2 years we will have an opportunity to do it, is to focus our attention on one of the most rapidly rising elements of the whole budget process; namely, interest on the national debt.

In 1982, the President asked $82.6 billion for this category; Congress appropriated $85 billion. Over the course of the 5 years of the Reagan Presidency, the President asked for $557 billion for interest cost expense; Congress appropriated $550.4 billion, a reduction of $6.6 billion, lower than the President's request.

This is not really what you could categorize as one of those items about which we have a great deal of discretion, because if we do not pay the interest on the debt, we will be admitting to the world that we are defaulting, in effect, we are bankrupt so we are stuck with that obligation.

The U.S. Government, in fact in the President's budget request for the coming fiscal year, it is estimated that 10-year T-note rate is 6.6 percent, the 91-day T-bill rate is 5.6 percent. All of us wish that rate could be lower.

When you figure that the national debt is in excess of $2 trillion, and the annual gross interest expense on that debt is a little less than $200 billion, you can extrapolate easily to see that the outstanding interest cost to maintain the national debt is about 9½ percent average.

It is true we are selling some of our debt today, hopefully in the ensuing fiscal year, at 5.6 and 6.6 percent; but the fact of the matter is, in order to sell the debt of the U.S. Government in preceding years, during the Reagan Presidency and even before that in the 1970's, some of the debt had to be marked at 8, 9, 10, 11, 12, and 13 percent. So all of this debt, at varying rates of interest, is figured in the average that I just related.

One of the options that I hope Congress will consider in this 2 years adopting, is one that many of us in the House have talked about from time to time; namely, the necessity of reducing the cost of the interest expense of maintaining the national debt.

□ 1715

Before 1971, the U.S. Government could sell its debt for some 3 percent a year, that could be contrasted with the average cost of maintaining the national debt today of over 9.5 percent. If we restore the system that we had whereby we could sell debt at 3 percent per year and refinance the national debt at that lower interest rate, I believe it is obvious for all of us that we would drive out of the cost of maintaining the cost of the national debt some 6 percent annually. You multiply 6 percent by $2 trillion, and the annual interest cost reduction is about $120 billion. That interest cost reduction, I believe, should be nonpartisan or a bipartisan matter around which we can unite in order to achieve. This Member from California will be frank to admit that when the Congress appropriated $229.4 billion in the category of "other" between 1982 and 1986 that probably illustrates one of the two great philosophical divisions between the two major parties in America. Democrats in the House have a tendency to vote and to sustain and expand social programs which fit into this category of "other"; Republicans, on the other hand, have a tendency to accentuate and support defense programs. All of this is a part of a political mix.

That does not mean to say the Democrats are unconcerned about defense or that the Republicans are unconcerned about social programs, not at all. It just means that in the sense of the direction of the two parties they have a tendency to protect the turf in those areas first and then take care of other matters otherwise.

What I mention this for is that in the area of the reduction of the interest cost expense we should be devoid of those partisan considerations which divide us. On a matter of that magnitude of reducing the cost of the interest expense of maintaining a national debt it is a policy step of major significance but one that we are going to have to discuss sooner rather than later and it is directly resolved in reducing the size of this debt bubble that is staring us all in the face. Restoring honest money to America by backing our currency with gold is a step that we must take in order to reduce the cost of interest expense on the national debt.

It is beneficial to all of us in the country, to the U.S. Government, because the U.S. Government will have achieved one of the biggest steps in reducing the interest cost of maintaining the national debt leading to a balanced budget, and it has significance to the people of the Nation because it means that persons who want to acquire their own homes can look forward to a 5-percent or 6-percent annual interest rate, persons who want to finance a college education can borrow that money at 5 or 6 percent rather than 9 to 11 percent; business people will be able to consider a prime rate of 3 or 4 points lower than what we see today, namely 7.5 percent.

Least of all, or perhaps most of all, depending on your point of view, I will say it again, the U.S. Government would be able to sell its debt at 3 percent, which would, in and of itself, be the most significant step that this country can take in terms of reducing the annual interest cost of maintaining the national debt and in so doing taking a constructive step toward balancing the Federal budget.

Mr. Speaker, I thank you for time this afternoon, and I yield back the balance of my time.

HEALTH BILLS WILL ASSIST IN PREVENTING OCCUPATIONALLY RELATED DEATHS AND DISABLEMENTS

The SPEAKER pro tempore (Mr. HUBBARD). Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 60 minutes.

Mr. GAYDOS. Mr. Speaker, it is an unfortunate fact of life that American working men and women, whether they work in a factory, in an office, or in the fields, are at great risk of cancer, heart, and lung disease, and a wide variety of other deadly and disabling diseases and illnesses because they are exposed to the more than 50,000 toxic and hazardous substances and materials being used in the workplace.

It is also an unfortunate fact of life that too many of those American workers, whether in factories, offices, or fields, will be exposed to those substances and that as many as 100,000 will die each year, another 400,000 will become newly disabled each year, and untold numbers will suffer severe illness directly attributable to exposures to those toxic and hazardous substances and materials.

But, since I believe that it is a fact of life that those deaths, disablements, and illnesses can be prevented, I am introducing two important pieces of health legislation—the High Risk Occupational Disease Notification and Prevention Act of 1987 and the Farmworker Health and Safety Act of 1987.

If these bill titles sound familiar, they should. I introduced both bills during the 99th Congress. The High Risk Occupational Disease Notification and Prevention Act creates a program with three primary goals.

First, it is directed to identifying specific worker populations at high risk of diseases resulting from exposures to those toxic and hazardous substances I mentioned a moment ago.

Second, it provides for notifying the individual workers in those identified populations at risk and encouraging them to enter into a program of health surveillance and counseling.

And, finally, I believe it eventually will lead to the prevention and elimination of those diseases and their causes because owners and operators of business in which workers are suffering from these diseases because of exposures to the toxic and hazardous substances will make the kinds of changes necessary to improve working conditions.

What kinds of changes am I talking about? I am talking about the introduction of new and improved engineering systems that will eliminate the chances for exposures to occur. I am talking about the switch to newer and less or nontoxic substances. And, finally, I am talking about the development of new and more easily usable personal safety equipment for individual workers.

The Farmworker Health and Safety Act, too, is aimed at reducing and preventing disease, but its primary focus is on farmworkers engaged in the hand-harvesting of crops. It creates a Federal field sanitation standard that requires farmowners and operators to provide toilets, handwashing facilities, and drinking water in the fields.

Why is this bill even necessary? Quite simply, too many farmworkers are suffering too many incidences of disease and illness related to exposures to pesticides and heat.

Current studies show that farmworkers are 3½ times more likely to suffer from urinary tract infections than the general population; that farmworkers are 3.8 times more likely to develop skin infections from pesticide exposures; that farmworkers are 4.1 times more likely to suffer heat related illnesses, that farmworkers are 11 times more likely to suffer from gastrointestinal and parasitic infections; and that farmworkers are 25 times more likely to suffer from all kinds of pesticide-related disease and illnesses than the general population.

Just making toilets, drinking water, and handwashing facilities available in the fields, at a cost of just a few cents per day per worker, will reduce the extent and intensity of these diseases and illnesses and could, according to many experts in the health professions, prevent them from occurring at all.

Both of these bills go to the heart of the worker health issue. Both bills were the subjects of extensive hearings and intensive review in the last Congress. The High Risk Occupational Disease Notification and Prevention Act, better known as H.R. 1309 in the 99th Congress, was the subject of six hearings by the Subcommittee on Health and Safety before extensive subcommittee markup sessions at which time numerous amendments, including a substitute bill, were considered. It then faced an intensive markup by the full Committee on Education and Labor where, again, many amendments were considered.

The bill I have introduced today, very closely resembles the measure as it was reported by the Committee on Education and Labor. The program remains in the Department of Health and Human Services because it is a health program.

The Risk Assessment Board, the group that will be determining which worker populations are at risk is a nine-member board, consisting of the Assistant Secretary of Health, five Public Health Service career or commissioned officers with particular medical, health, or scientific skills, and three nongovernmental physicians, two of whom must have backgrounds in occupational medicine.

The bill I have introduced still leaves the notification process to the Secretary of Health and Human Services [HHS] and permits the Secretary to certify private industry notification programs, if an individual company desires to operate its own.

The legislation still requires that 10 health centers, which will provide education, training, and technical assistance to personal physicians and other health and social service professionals who serve persons who have been notified that they are in a population at risk, be established initially from among the education resource centers of the National Institute for Occupational Safety and Health [NIOSH], and similar facilities of the National Institutes for Environmental Health Sciences, the National Cancer Institute, and other private and governmental organizations that apply. Further, the bill still calls for at least 50 centers, no fewer than one in each State, to be created within 5 years.

Further, the bill still only requires that employers assume the financial responsibility for providing the health surveillance and counseling for current employees whose exposure occurred while in that employ.

But perhaps the best way to describe the bill is by outlining in simple style what it does and does not do. First, the do's.

First, the bill does provide for identifying worker populations at high risk of disease.

Second, it does require the Secretary of Health and Human Services to individually notify those workers in the identified populations, but permits private employers to seek certification of their own notification programs if they wish to continue them.

Third, it does encourage notified workers to participate in a program of health surveillance and counseling, but does not require worker participation.

Fourth, it does require the establishment of health centers, which already exist, to provide assistance to notified workers, their families and their medical, health, and social service counselors.

Fifth, it does protect notified workers against discrimination on the basis on their being notified.

Sixth, it does provide for more research into the causes of occupational diseases and means of preventing those diseases as well as the development of new and better surveillance procedures and techniques. One change from the previous legislation is that now the Secretary of HHS may make grants to the certified health centers, universities, and other institutions and organizations that meet criteria established by the Secretary.

Seventh, it does provide for a hearing process before the risk assessment board before the board's findings and recommendations are submitted to the Secretary and clarifies the judicial review process.

Eighth, it does provide for the transfer of an employee to a job where there is no exposure if the employee's physician and the company's representative agree. If there is no agreement, the revised bill provides for a third opinion.

And now, the don'ts.

First, it does not duplicate the hazard communication standard promulgated by the Occupational Safety and Health Administration [OSHA]. The OSHA standard provides information about toxic substances only to current workers, not those who retired, changed jobs, or changed their job status. Further, the OSHA standard does not inform a worker of his or her risk of disease as a result of an extended period of exposure or a single high exposure.

Second, it does not create a new bureaucracy. The framework for the Risk Assessment Board exists in the Public Health Service which is already part of the Department of HHS and permits the expertise in occupational disease study already developed by NIOSH, a part of the Centers for Disease Control in HHS, to be more easily utilized.

Third, it does not require a huge outlay of Federal dollars. There is an authorization of $25 million for each of the first 2 years of the program. A previous review by the Congressional Budget Office notes that, even if the program were to receive the full appropriation, only about 60 percent of the money, some $15.8 million, would likely be spent in the first year.

Fourth, it does not require additional burdensome recordkeeping requirements for employers. The only required paperwork from employers is certification to the Secretary of HHS that a program is in place to provide for the testing, evaluation, and health surveillance and counseling for notified employees.

Fifth, it does not add extensive costs for employers. As I mentioned earlier, the only cost for an employer is to provide for the testing, evaluation, and health surveillance and counseling of current workers who have been notified because of an exposure that occurred while working for that employer. The employer may provide those same services to current workers whose exposure occurred while they worked for someone else, but he may pass those costs along to the employee. Further, if an employer already has a notification and health monitoring program in place, there is nothing in the bill that would prevent continuation of the program once certification is secured from the Secretary of HHS.

Sixth, it does not change the rules with regard to workmen's compensation claims or other kinds of liability, and does not guarantee any new rights insofar as either is concerned.

In the final analysis, the High Risk Occupational Disease Notification and Prevention Act of 1987 is a cost-effective, workable program which, when coupled with the Occupational Safety and Health Act of 1970, the Federal Mine Safety and Health Act of 1977, and the Farmworker Health and Safety Act of 1987—which I am also introducing today—completes the cycle for worker health and safety.

The savings to American business in preventing or reducing production losses and by trimming high health insurance premiums as well as other medical and health program costs more than overcomes any costs to employers associated with the program, which are negligible.

As I explained earlier, the Farmworker Health and Safety Act is aimed at both reducing illness and disease among those farmworkers who hand-harvest fruits, vegetables, and other crops, and providing them with the dignity they deserve.

There is no reason why farmworkers should be denied this basic right. No other workers in our society are faced with the same kind of restriction. The real tragedy is that our Secretary of Labor is still delaying action on an OSHA field sanitation standard, waiting to see what kinds of actions the individual States take. At this time, 19 States and territories have a field sanitation standard of sorts, 13 are still working on them, and another 19 have indicated they will be taking no action at all.

The Secretary says he will decide in April if there is a real need for a Federal standard. He says that if a sufficient number of States act, he won't. At the same time, however, he hasn't said what will constitute sufficient State action.

Personally, if there is any single group of workers in this country that are deserving of a national health standard, it is those farmworkers who travel from State to State. Why should they be required to memorize a host of different standards? Because they travel, they should have only one basic standard.

There is one change in the current bill. Under the new legislation, any State that already has a field sanitation standard at least as effective as the Federal standard would be able to keep that standard operational, provided the standard, with any accompanying inspection program, is certified by the Secretary of Labor.

It has been 15 years since the farmworkers began their drive to have in place a field sanitation standard. We cannot and should not wait any longer.

The High Risk Occupational Disease Notification and Prevention Act of 1987 and the Farmworker Health and Safety Act of 1987 are necessary legislation. As I noted, both are cost effective for employers because of ultimate reduced lost time due to illness.

Both programs are cost effective for government as well because a healthy work force helps us as a nation to be more competitive with other nations and reduces the drain on our health care system.

There currently is a big drain on the public health system of social security disability and Medicare to provide for those workers and their families who have died from work-related diseases or are currently disabled.

These two programs will have a positive effect on our economy, our country's ability to compete, and, most importantly, on the men and women to be served by them.

These workers deserve our assistance. I thank those Members who have signed on as original cosponsors and I urge others to join us in winning the war against workplace-caused cancers and other deadly and disabling diseases.

The battle is in our hands. If we fail, we are consigning too many American workers to unreasonable early death and disability. Now is the time to act!

□ 1730

THE AMERICAN CONSTITUTION

The **SPEAKER** pro tempore (Mr. MADIGAN). Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I want to speak on this opening day of the 100th Congress as a former history teacher who also serves on the Bicentennial Commission of the Congress, looking at our own celebration, which may surprise my colleagues, will occur in 2 years. While this is the 100th Congress, that is, in fact, the end of the 200-year cycle. In 1989, we will be celebrating the actual anniversary because Congress, as we know it, first came into being in 1789, rather than in 1787.

However, 1787 is a very historic year. It was the year in which the Founding Fathers, deciding that the Articles of Confederation simply were not working, called a meeting in Philadelphia, a meeting which met in secret for 4 months, presided over by George Washington, and wrote the Constitution of the United States.

They did so because they thought they were at a point in time where America was threatened by concerns that were a function of exactly the kinds of concerns that we have. They were threatened by a currency whose value was in doubt, the Continental currency which became the Articles of Confederation money. It was paper money that was virtually worthless, and just as today we talk about the dollar rising and falling in value in the world market, in the 1780's, American money was declining rapidly in value.

The Founding Fathers were worried because the American economy was not competitive in the world market and there was a real danger that Britain, in many ways the Japan of its day, would kill American jobs and would drive us into a situation in which we were not able to protect American factories and have Americans work in the high-technology jobs of the 1780's.

Finally, the Founding Fathers were driven by a belief that if they did not act, they would find themselves in a position in which foreign governments would interfere in the independence of the 13 independent Colonies.

As we stand here, 200 years later, in what is the longest single success in modern times in terms of self-government, as we stand here on the first day of the 100th Congress, at the beginning of an era of beginning to look now at the third century of freedom and of self-government, we tend to forget what a miracle the American Constitution has been, how unusual this process of everyday folks hiring the people who have power, deciding voluntarily who will speak for them, who will vote for them, who will tax them over time.

It is, as President Reagan said in his first inaugural in 1981, one of the miracles of the modern world that in America, we swap power without violence; that in America, we choose who will decide our fate, voluntarily with the ballot, rather than a battle.

□ 1740

And as we meet today at the beginning of this 100th Congress, it is also appropriate to note that in that tradition this is the anniversary of the 1941 statement of the four freedoms by Franklin Delano Roosevelt. It was on that date in 1941 that President Roosevelt sent to the Congress his message calling for freedom of speech and expression, calling for freedom of worship, and calling for freedom from want and freedom from fear. Those were the values that President Roosevelt believed deeply were the key to America's future, the key to the world's future, for he believed, as the Declaration of Independence suggests, that it is not just the American right to be free, it is the right to be free across the planet; it is not just the American right to speak out, it is a right held by human beings across the planet; it is not just an American right to worship in the church or synagogue of your choice, to worship in the mosque of your choice, it is the right of all human beings across the planet; it is not just the right of Americans to have freedom from want and to seek prosperity, but it is the right of all human beings everywhere; and it is not just the right of Americans to be free from fear, from the fear of a neighboring country invading you, to be free from the fear of secret police, to be free from the fear of a dictator, it is the right of all human beings.

I carry us back on this first day of the 100th Congress to those two great events: 200 years ago, the development of the Constitution, and 46 years ago, the development of the four freedoms by Franklin Roosevelt, to suggest that all of us, liberal and conservative, Democrat and Republican, should take stock of where we are and know that we have a chance to turn the 100th Congress into a historic opportunity, we have a chance for the American people to lead us to that opportunity.

Let me say that all of us who were elected last year, I think, should look with a great deal of concern at those elections. In almost every election in America last year, with only a few exceptions, in almost every election more people did not vote than voted for the winner. In many elections more people did not vote than voted for the winner and the loser. On the average across this country, 39 percent of the American people voted last year, the lowest turnout since 1942 when we were in the middle of a war and many people were not home to vote.

Now, that should cause all of us who are in the business of self-government, all of us who are in the business as politicians, and our staffs and the news media that covers us, to stop and take stock. That means that while 39 percent of the American people thought what we were doing mattered, 61 percent thought that the elections and the candidates and the process were so irrelevant that it did not matter. Oh, we had headlines every day, headlines on Iran, headlines on the budget, headlines on this proposal and that proposal, but the fact is that where it mattered, in the marketplace of human beings, 61 percent, 6 out of every 10 Americans voted "no" on the whole process and said, "It isn't even worth my going down to my local school, to my local voting booth and casting my ballot. It doesn't matter."

Now, I would suggest that that should concern us because it means that as political leaders, as participants in the process of self-government, we are not dealing with problems that people think matter. We could make the argument that everything is going so well that people have no concern. But if you ride on any airplane or any train, if you go into any cafe or stop by any Sunday school or synagogue class, or talk to folks on the street or in any local mall, you will discover that they have many things they worry about. They worry about their jobs and their children. They worry about drugs, they worry about the quality of education, they worry about violence around the planet, and they worry about whether or not they will be healthy and how much being unhealthy will cost them. They worry about what will happen as they grow older. What they will say to you is that nothing the politicians of America were saying mattered.

So I want to take some time today to suggest at the beginning of this 100th Congress that the real way to make it historic is to rethink what we are doing from the ground up, just as the Founding Fathers rethought what they were doing from the ground up, to recognize that virtually all the posturing, almost all the petty politics, and almost all the ideological talk is irrelevant.

Let me suggest why that is true. We live in a world where modern technology allows those who advocate violence and terror to pursue their goals with the same speed and efficiency as those who advocate principles of self-government and freedom. As a result, the forces of tyranny and terrorism threaten the very survival of freedom as we know it.

Let me be very blunt about this as an American, as a Congressman, as a politician, and as a history teacher. We take for granted the security of our country, our neighborhoods, and ourselves, and yet in the history of the world that is crazy. All that stops us from being Afghanistan or Lebanon or Nicaragua is the wisdom and the luck of our parents and our grandparents and 200 years of preparedness. It would not take much for bombs to go off in Washington as they have in Paris, and Paris is hardly a city people think of as being backward. It would not take much for a terrorist to operate in America as they have in West Germany. The process of self-government and of freedom is very fragile. In the age of the jet airplane, of television, and of plastic explosives, the ideologies of tyranny lead people to tear apart that fabric of freedom and self-government and of physical safety. For over 40 years, an alliance of free nations has contained the Soviet empire and curtailed international terrorism.

Now, I have been moved in making this talk, frankly, after reading a very fine book called "The Wise Men," a study of men who were mostly Democrats and mostly, by the standards of conservative Republicans, fairly liberal, but men who after World War II had the courage to think about reality, to change their beliefs, and to do what they thought was necessary to preserve freedom. They created the Free World Alliance, the Marshall Plan, and the North Atlantic Treaty Organization, and they had the courage to defend Korea from communist attack in 1950.

But this Free World Alliance which they left us depends on the United States for military and economic strengths, as well as diplomatic and political leadership. Without a strong America, the Free World Alliance cannot survive. Yet today five dangerous gaps threaten to undermine our Government and our economy and thus our very ability to lead the free world. If these gaps continue to grow, they may lead to the collapse of the Free World Alliance before the end of this century. Let us consider these five gaps which have widened dangerously in recent years.

First, there is an enormous gap between the amount of Government spending we can afford and still have a strong, growing economy and the amount our Government is currently spending. If we raise taxes to close the gap between revenues and outlays, we will crush our economy in the short run. If we continue to borrow the money necessary to finance our Federal deficits, we will crush the economy in the long run and overwhelm our children and grandchildren with debt, inflation, or, in the worst case, both.

Second, there is an increasing gap between America's commitment to competing in the world market and our loss of foreign and domestic markets to foreign competitors. We are suffering from the fundamental problem that America has become less flexible, less innovative, and less competitive. We simply don't produce desirable goods and services as quickly, as efficiently, and as economically as our major competitors.

Third, there is a dramatic gap between the amount of private savings set aside for retirement and health care and the stunning increase in longevity and health care costs. When Franklin Roosevelt proposed Social Security with retirement at age 65, the average American only lived to be 63. Today the average American lives to be 74. In fact, the fastest growing age group in America is those over 85. The rising cost of retirement is compounded by the rising cost of health care. By wiping out epidemics and developing new technologies which allow heroic efforts to maintain life, we have eliminated most of the inexpensive ways in which people die. While we have improved both the quality and length of life these improvements have been reflected in the dramatic increase in the cost of health care.

□ 1750

Fourth, there is a growing gap between the take-home pay standard of living and quality of life Americans want and what they are getting. American real income went up steadily from 1945 to 1965 but has been stagnant for the last 20 years. America is a melting pot fueled by progress and prosperity. If people cannot work toward the opportunities of the American dream, many will turn toward redistributionist policies that will divert resources away from private jobs and economic growth; toward more bureaucracy and more government.

Fifth, there is a large and growing gap in the political, economic, and military policies of the nations which comprise the free world alliance. When free nations refuse to act in the face of terrorism or propose pacifism in response to Soviet aggression, the gap between the effort needed to maintain freedom and safety and the effort we now have becomes tragically clear.

We can no longer afford to simply be an alliance of governments. In an age of global television, telephones, and air travel, we must unavoidably become an alliance of free people, yet we lack the strategy and the structures necessary to sustain an alliance of free people. Indeed, we are only beginning to realize the magnitude of change this shift will require.

Let us face it: If it were not for the Soviet Empire, America could respond to the first four gaps by simply accepting decay and decline as being less challenging than change. After all, Great Britain ranked second and Argentina ranked seventh in standard of living in 1920. Today, Britain ranks 20th, and Argentina 47th. Both are continuing to decline relative to other countries. People can choose bad policies for what they consider overriding cultural, social or political values. People could decide, for example, that they like being able to backpack and they do not want to earn more money. They can decide that they like living in a neighborhood and they do not want a new expressway. They can decide that they would prefer to have a life of leisure or a life in which they never move to get a better job because they want to stay in one place and accept a lower standard of living.

But the problem that our generation has to confront is the reality that an America which refuses to close these gaps may soon become an America that is no longer safe or free. The truth is that the slow, steady increase of the Soviet Empire's military power can only be contained by an America that is economically and militarily competitive. A free world alliance built around a decaying America will soon disappear.

Let me reinforce that. If we were like Britain in 1941, we could hold the line, hoping that an America would save us. But if we grow weak, where is our savior going to come from? From Brazil? Still, I think, 50 to 100 years away from development. From Japan? An island country whose entire size of that is California?

The fact is, and everyone in our generation has to face up to this, there is a Soviet Empire, it is dangerous, and if it is to be contained, if terrorism is to be suppressed, the only people on the planet who are big enough, who are rich enough, and who are strong enough to organize a free-world alliance are the Americans.

If we quit, if we decide we cannot solve our budget deficits, we cannot solve our trade deficit and become competitive, we cannot deal with the problems of retirement and health care, we cannot face up to the need to rethink what we are doing so we reestablish our standard of living, increase the options for our people; we decide we cannot bear the burden of a worldwide alliance of free people, then the absolute reality we have to confront is that we will live in a world that is incredibly dangerous and we will give to our children and grandchildren a world of unbelievable horrors.

Unfortunately, faced with those realities and those five gaps, America today is a country whose proposed new ideas are two or three magnitudes smaller than our problems. Let me be very clear about this.

A magnitude is an enormous jump. The best example I can give is imagine that we in Washington decided to go to Los Angeles by tomorrow night. A distance of approximately 2,500 miles. The only solution to get there by tomorrow night is an airplane. You cannot take a train and get there overnight; you cannot take a car and get there overnight; you cannot walk and get there overnight.

Now, let us suppose that a politician came in who was two magnitudes too small in his proposed solution and he got up and said to the House, "Why don't we take a car and drive for a half-hour and we will be 25 miles west." That would be two magnitudes too small. We want to go 2,500 miles; he or she is offering to get us 25 miles.

Someone else came in and said, "No, no; let's walk west for an hour, we can get 2½ miles." That would be three magnitudes too small, because we are trying to reach, under this hypothetical problem, Los Angeles, 2,500 miles away by tomorrow night.

We would not have to have, in the commonsense, every-day world of real people a committee hearing on whether or not walking west 2½ miles would get us to Los Angeles. We would just say automatically, "That won't work." Nor would we have to have 5 days of committee hearings on the idea of driving west 25 miles to get to Los Angeles. We would all know, as a commonsense matter, that would not work.

Let me suggest to my colleagues and to the country that similarly every idea I have seen in the 8 years I have served in this House to get the budget under control is at least two and sometimes three magnitudes too small. It would be fine if we had a $5 billion deficit; a $10 billion deficit. It is almost irrelevant given the size deficit we have.

The ideas I have heard from those who are protectionist and those who are not about how to deal with the trade deficit are ideas that are two or three magnitudes too small. They just simply do not get the job done. They do not make America competitive again; they do not get us back in the world market. They do not solve the problem of competing with Japan and winning or competing with West Germany and winning.

Similarly, people in this House and in politics in America who run and hide from reality, who say, "Please do not tell me that the No. 1 group growing in America is people over 85 because I do not want to talk about Social Security. Please do not tell me that health care costs are going to go up every year and have under Reagan as they did under Carter, because I do not want to think about the problem."

The solutions we find in this House are not solutions; they are two or three magnitudes too small. Certainly working Americans know that the incomes they are getting are not increasing the way their parents' did. Their options are not increasing the way their parents did, and there are no significant proposals to solve that in this body or in this city.

Finally, watch the Iran Committee, watch the whole process of pursuing the question of a Marine lieutenant colonel, of a Navy admiral, as though that was the problem. The problem in America in terms of Iran and Nicaragua, in terms of the Reagan doctrine, in terms of how we lead the future, is a vastly bigger problem than the question of what did or did not happen on one particular day or another in Geneva or in Tehran or in Tel Aviv.

Trying to close magnitude gaps in the context of a Washington, bureaucratic, governmental debate is a hopeless task. Faced with this challenge and this opportunity, annual budgets and congressional subcommittees are worse than irrelevant; they are positively destructive because they absorb the time, the effort, and the thought that need to be directed to systemic solutions.

Let me say it this way: When the people who ought to be in charge of thinking about, who have been hired by the American people, the Congressmen, the Senators, the President, ought to be thinking about fundamental solutions. We instead spend our days preparing for press conferences over trivia, we spend our nights studying up for hearings over modest matters and we literally have our attention, our staffs and our schedules diverted away from what really matters so that in a sense the urgent drives away the important.

Imagine that George Washington had been convinced that an annual budget mattered more than the Constitutional Convention. Imagine that James Madison had been convinced that his congressional committee in New York mattered more than the Convention in Philadelphia. Imagine that Alexander Hamilton avoided helping write the Federalist Papers because he was busy giving speeches on each week's news events.

The focus on daily detail is fundamentally destructive in a Congress because it is the nature of a Congress to be so cumbersome and so slow and so complicated that in the long run it is only effective to look at big issues.

□ 1800

It takes a Congress so long to make up its mind, and should. We are, after all, bringing in the other 435 Members of the House and 100 Members of the Senate in order to talk about big issues. By the time we have brought this many people, each of them representing a half million citizens, get them in this large room, work through an issue, fight it out, often takes 6, 8 or 10 years. You cannot afford to deal with tiny issues if it is going to take 10 years.

To phrase it differently, elephants can afford a long time to give birth because they give very big births. Mice cannot afford that because they are not around long enough.

This Congress is by nature an elephant. It is big. It is long. It is slow. It is cumbersome. Therefore, it has no focus on big issues because those are the only things that can decide efficiently for the country at large.

Societal challenges require solutions of societalwide scope and magnitude. It is especially appropriate that we begin to develop these solutions in 1987 as we celebrate the bicentennial of the Constitution.

As I mentioned earlier, our Founding Fathers faced a crisis of similar proportion. The Articles of Confederation simply were not working. Government debt was piling up with no end in sight. Our currency was of uncertain value. Our economy was inadequately prepared for international competition. Foreign governments threatened our freedom and our security.

Faced with a societywide challenge and frustrated by several years of tinkering with ineffective results, the Founding Fathers had the courage to face the problems head on and to invent solutions as large as necessary to achieve a prosperous, safe, free America.

Dumas Malone, the great biographer of Thomas Jefferson, once commented that the Founding Fathers were different from modern politicians because they studied the past and thought about the future. We still profit from their courage and their daring efforts; yet if we study the past and think about the future, our generation must have the courage to rethink every assumption and institution we have inherited, and I mean literally every assumption and every institution we have inherited.

The first reform I have proposed in 1987 is to create a Social Security system we can count on which will be prosavings and pro-American jobs in the world market. By shifting our current Social Security system to one based on individual retirement accounts, we would increase private savings and lower interest rates. This notice is a proposal which would guarantee every person 40 years old or older the current Social Security system, but would offer those under 40 a long-term individual retirement savings which would allow them to prepare for their future and which in the very first year would create $84 billion in savings in IRA's. It would lead to a 60-percent increase in savings for America in the first year.

A prosavings policy will help shrink the budget deficit since payment on interest on the Federal debt are now the third biggest item in the Federal budget and a prosavings policy would bring down interest rates.

By shifting the current Social Security payroll tax, which is an antijobs tax applying only to American goods, we would create a pro-American jobs policy that would help our trade deficit by encouraging American exports and discouraging imports; by replacing the FICA current tax with a value-added tax which could be applied to imports and could be rebated on exports.

My point is this. If these five gaps threaten America enough that we can think through and discuss a more stable, more desirable Social Security system, then these gaps are dangerous enough to justify rethinking all of our institutions.

I deliberately chose to talk about a permanent stable Social Security system you could count on because I wanted to make the point that almost all Americans, in my judgment all Americans, are patriotic enough that if they really are worried about their country's future, there are no sacred cows. They are willing to look at anything as long as it is fair, it is out in the open, it is above board, and they know that reasonable precautions will be taken so that no one will be left in the lurch.

Now is the time to rethink our systems based on the tremendous changes underway in the world we live in.

The combined revolutions of science, technology, and management, are transforming productivity, opportunity, and possibility at a speed literally never before seen by humans.

Think of it, 84 years ago man flew for the first time. Today man has stood on the Moon and we take transoceanic supersonic travel for granted.

In 1945 the only computer in the world used vacuum tubes and was the size of a two-story building. Today desktop computers are vastly more powerful and useful than that initial machine, while costing only a tiny fraction as much. Indeed, our original computer's electric bill would buy one of today's minicomputers.

In my lifetime, we have moved from penicillin as a miracle and polio as a dread threat to biotechnologies that promise to transform both health care and agriculture. We are living through a fundamental transformation from an assembly line-industrial society to a scientific-information industrial society. This third wave of change, as Alvin Toffler called it, can be compared only to the rise of agriculture and the industrial revolution. It is truly the third great transition in human history. Yet today, virtually all our major institutions are still locked into the habits, structures, and assumptions of that earlier era.

Our military staffs are shaped more by Moltke's 1843 response to the Prussian railroad than by the reality of worldwide instantaneous global communications and multidimensional cultural, political, military conflicts. Our health care attitudes respond more to the 1910 Flexner report than to the opportunities of biotechnology, expert systems and electronic communications. Our education system is shaped more by the 1843 invention of the Massachusetts public school and the 1890's introduction to America of German graduate schools than by the lifetime learning opportunities of television, videotape, and home computers. Our civil service is in a straitjacket invented with good intentions by the 1880 reforms against the spoils system rather than in a citizen-oriented responsive mode shaped by the information, office equipment, and management revolutions of the last 30 years.

In field after field, our institutions remain resistant to the opportunities of the immediate past, uninterested about the opportunities of the present and uninformed about the opportunities of the future. In 1955, America led the world economically, culturally, politically, and militarily in large part because we were the pioneering institution in making our great transition to a scientific-information-industrial society. For a variety of reasons we lost our leadership in adapting to the new breakthroughs. It is amazing, but true, that if we had changed and learned rapidly enough to maintain our relative leadership we would today be 40 percent richer per person (and our Federal budget would be balanced).

That is, literally, if we were as far ahead of Japan today as we were, in fact, if we were as far ahead of Japan today as we were in 1955, we would in fact be four times as rich as we are.

The fact is that in 1965 the average American bought four times as much with their labor as the Japanese. Today, the Japanese buy as much as or slightly more than we do; so if we had grown at the same rate as Japan from 1965 to 1986, we would be four times as rich as we are today; but one does not have to assume that. Simply imagine that we had maintained a relative position of leadership over Sweden, Germany, South Korea, Taiwan, and Japan, a range of countries, not all in Asia, we would be so much richer per person today that our increased revenue for the Federal Government would balance the Federal budget. We would be 50 percent better educated than we are today and our defenses would be so technologically advanced that the Soviets would not be a serious threat, as indeed in 1955 they were not a serious threat.

An America that met the challenge of our scientific-information-industrial revolution would have more powerful, more flexible, less expensive health care, and educational systems. It would be an America leading the world toward the dream of freedom, prosperity and safety for all.

Our model should be Benjamin Franklin's patience and persistence in proposing a united colonies at the Albany Conventions in 1754, then helping write the Declaration of Independence in 1776 and finally participating in the Constitutional Convention of 1787. For 33 years Franklin worked as printer, writer, scientist, civic activist, businessman, colonial legislator, ambassador, and Founding Father. While none of us can be a Franklin, each of us can learn from him.

Similarly, President Reagan's role has been vital in establishing the base from which a cultural-political movement can grow. From his first nationwide speech in 1964 to his first inaugural in 1981 Ronald Reagan patiently and persistently crisscrossed America on behalf of a safe, secure, prosperous America. All of us who wish to move beyond the welfare state toward an opportunity society stand on Ronald Reagan's shoulders.

When Ronald Reagan took office in 1981, inflation was at 13 percent, interest rates were 22 percent, and our economy was on the verge of collapse. President Reagan pulled us back from the brink of economic disaster. That achievement makes him the most important President since Franklin Roosevelt. However, we cannot expect President Reagan to solve all of our problems during his remaining 2 years in office.

In a free society, no one man can create solutions for a Nation of 250 million people. Each one of us must do our part to invent an opportunity society. While Ronald Reagan is buying us the time to do the job that must be done, it is our generation that must rise to the challenge.

Our solutions must be as large and bold as the problems they are designed to address. Most politicians will back away from large, bold proposals, because they feel the American people are frightened by change. That attitude underestimates the courage and intelligence of the American people. Given adequate information and committed leadership, the American people will support dramatic changes. The American people know, as Franklin Roosevelt taught us, that "We have nothing to fear but fear itself." Indeed, the courage to accept change is the American way of life.

This was driven home to me at a meeting of the American Association of Retired Persons in Cedartown, GA.

I asked the question, "How many of you lived in a house without electricity?" Two-thirds of those attending raised their hands. Think of it. They had experienced other dramatic changes in their personal lives.

From gas lamps to electric lights, to refrigerators and freezers, air conditioners, radio, television, cable, videotape recorders, electric stoves, microwaves, washers and dryers, dish washers, the list is virtually endless and the changes were intensely personal.

Those people in Cedartown, GA, knew that life had changed, that in most ways those changes had been for the better.

The question they were willing to listen to was, what new changes are necessary and how do we Americans make them?

I would suggest that the real dividing in American politics in the next decade will be between those who maintain that we can avoid fundamental change and those who believe that we must totally rethink our welfare state.

I have no argument with those who dislike my proposed solutions and offer their own solutions. There is enough work to be done for all of us to contribute. My argument is with those who will object to my proposals, but have no positive ideas of their own. Their negativism and their nitpicking is part of the problem, not part of the solution.

Let me carry you back to that original discussion of how to get from Washington to Los Angeles in one day. There are many airlines to take. There are many kinds of airplanes to take. One can talk about which of these ways should we get to Los Angeles. That is a reasonable argument at the same level of magnitude, about the same general type of problem; but if somebody says, "I don't want to take your airline, I don't want to take your airplane, I'm going to walk," that is not a solution, and it should not be allowed to get by by pretending it is a solution. That is a cop-out.

When someone says, "I don't want to take your airplane or your airline," and then you say, "Fine. Which one do you want?"

And they say, "Let's not discuss it." That is not a solution.

The argument in American politics, whether between liberals and conservatives and between Republicans and Democrats is an argument basically between those, or should be an argument about how do we get to the right kind of solution, rather than a choice between solutions.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 1. Concurrent resolution providing for an adjournment of the Senate and the House of Representatives.

☐ 1815

MESSAGE FROM THE SENATE

The **SPEAKER**. The Chair lays before the House the following message from the Senate.

The Clerk read as follows:

S. CON. RES. 1

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Tuesday, January 6, 1987, Wednesday, January 7, 1987, Thursday, January 8, 1987, or Friday, January 9, 1987, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Monday, January 12, 1987, and that when the House of Representatives adjourns on Thursday, January 8, 1987, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Tuesday, January 20, 1987, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House, after consultation with the minority leader of the House, shall notify the Members of the House to reassemble whenever, in his opinion, the public interest shall warrant it.

The **SPEAKER**. The question is on the Senate concurrent resolution.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBERS OF HOUSE OFFICE BUILDING COMMISSION

The **SPEAKER**. Pursuant to the provisions of 40 United States Code, 175 and 176, the Chair appoints the gentleman from Washington [Mr. FOLEY], and the gentleman from Illinois [Mr. MICHEL], as members of the House Office Building Commission to serve with himself.

The gentleman from Georgia [Mr. GINGRICH] is recognized to complete his special order.

THE AMERICAN CONSTITUTION

Mr. **GINGRICH**. Mr. Speaker, let me take just one moment to congratulate you on what I know is a high honor, and in this House the highest honor we can pay any Member. I look forward to working with you in these coming 2 years.

Mr. Speaker, let me just go on to say that the real question that we face in the 100th Congress, the real question we are going to face in the Presidential races in both parties, is an argument I think between the future and the past, rather than between just the right and the left. It is an argument about whether we need to have solutions large enough to be real, or whether America can be healthy while avoiding the challenge of the five gaps I outline.

Let me move back toward concluding by reminding people about the scale of those gaps: A huge budget deficit at the Federal level, one which threatens in the long run to undermine our currency and to crush our children with enormous debt; an enormous trade deficit, because we are simply not competitive in the world market at the present time, one which threatens to impoverish our country and make us poorer and poorer, year by year, while killing jobs; an enormous difference between the amount of time people used to live, and the amount of time they are going to live in the future. I saw recently that it was estimated that the last baby-boomer would be alive in the year 2069. As people live longer, as more of us live longer, as health care becomes better, we are finding ourselves caught in a trap where we don't save enough while we are productive to take care of ourselves later. When the baby-boom generation starts to retire, that problem will become catastrophic unless we confront it today.

Fourth, a tremendous difference between the American dream our parents went after, the kind of life they expected, the increase in income they hoped for, and where we are. If we are going to have a good, clean environment—and I used to teach environmental studies—that is going to take more resources. If we are going to be able to rebuild our infrastructure of highways and ports and dams, that is going to take real resources. If we are going to be able to make sure that every child gets the best possible education, that is going to take real resources. And if we are not growing economically, if we are not creating the new technology and the new jobs, if we are not competing in the world market, we are not going to have those resources.

Finally, the unavoidable reality that we share this planet with terrorists who would kill us and disrupt our civilization, and with a Soviet empire that would conquer us and eliminate our civilization.

How do we remain prosperous enough to hold ourselves together as a society? How do we adjust to the reality of aging? How do we balance our Federal budget? How do we become competitive in the world market, and do all four of those while maintaining a free-world alliance that contains the Soviet empire?

Those of us who believe that America faces real challenges will find the American people intuitively agree and are hungry for leadership. Those who believe the liberal welfare state can continue on without major changes will find the American people skeptical and disbelieving. The American people know that each generation must earn the right to be free, prosperous, and safe.

Let me make a suggestion to my colleagues. The 61 percent who stayed home knew that in 1986 neither Republicans nor Democrats, neither liberals or conservatives, were talking about the fundamental big issues that will shape the future. The 61 percent who stayed home knew that no one had had the courage yet to break out of the language of Washington, of the mind-set of Washington, of the straitjacket of Washington, and talk candidly about just how much change it would take.

Ronald Reagan, in his first inaugural in 1981, said "We have every right to dream heroic dreams, after all, we are Americans." The President knows that being an American is not a function of color, sex, or nationality. President Reagan knows and most Americans will agree that being an American is a process, a set of principles, and a way of pursuing personal happiness while working together for the common good.

Over the coming weeks, I will offer a series of proposals for fundamental change, change that will affect every aspect of American life, change that will allow us to close these gaps, change that will lead to the kind of opportunity society government in the nineties that will allow us to rebuild and reestablish freedom first for the alliance of freedom, and then for all human beings.

These proposals will be offered in the belief that the overwhelming majority of Americans are ready to face reality, to think through solutions, and to work to maintain the right to dream heroic dreams, and more importantly, the ability to give our children the right to dream heroic dreams.

Let me close with Benjamin Franklin's admonition at the close of the Constitutional Convention. "To get the bad customs of a country changed," he wrote, "and new ones, though better, introduced, it is necessary first to remove the prejudices of the people, enlighten their ignorance, and convince them that their interests will be promoted by the proposed changes, and this is not the work of a day."

In the spirit of 200 years ago, this 100th Congress has the opportunity, an historic opportunity, to begin that process which Benjamin Franklin described to once again reaffirm our right, as President Reagan said, to dream heroic dreams.

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the special order of the gentleman from New York [Mr. FISH] on today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

APPOINTMENTS MADE BY THE SPEAKER AFTER SINE DIE ADJOURNMENT

The SPEAKER. Pursuant to the order of the House of October 18, 1986, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker did on December 15, pursuant to section 4302 of Public Law 99-570, appoint the Honorable James Shannon of Lawrence, MA, as a member of the National Trust for Drug-Free Youth.

Pursuant to the order of the House of October 18, 1986, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker did, pursuant to section 2(b) of Public Law 98-183, on December 15 appoint Ms. Mary Frances Berry of Washington, DC, as a member of the Commission on Civil Rights.

Pursuant to the order of the House of October 18, 1986, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker did, pursuant to section 304 of Public Law 99-603, on December 29 appoint the following individuals to serve as members of the Commission on Agricultural workers:

Archbishop Roger Mahony of Los Angeles, CA; and

Ms. Dolores Huerta of Keene, CA.

Pursuant to the order of the House of October 18, 1986, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker did, pursuant to section 601 of Public Law 99-603, on December 29 appoint the following individuals to serve as members of the Commission for the Study of Migration and Cooperative Economic Development:

Gov. Toney Anaya of the State of New Mexico;

Mr. Garner J. Cline of McLean, VA; and

Mr. Timothy S. Healy of Washington, DC.

Pursuant to the order of the House of October 18, 1986, empowering the Speaker to appoint commissions, boards, and committees authorized by law or by the House, the Speaker did on December 15, pursuant to section 203 of Public Law 99-660, appoint the gentleman from Georgia [Mr. ROWLAND] as a member of the National Commission to Prevent Infant Mortality on the part of the House.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GEKAS) to revise and extend their remarks and include extraneous material:)

Mr. DANNEMEYER, for 60 minutes, today.

Mr. GEKAS, for 5 minutes, today.

Mr. FISH, for 5 minutes, today.

Mr. GINGRICH, for 60 minutes, today.

(The following Members (at the request of Mr. HUBBARD) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. BROOKS, for 5 minutes, today.

Mr. GAYDOS, for 60 minutes, today.

Mr. GAYDOS, for 60 minutes, on January 7.

(The following Members (at the request of Mr. GINGRICH) to revise and extend their remarks and include extraneous material:)

Mr. GAYDOS, for 60 minutes, on January 20.

Mr. GAYDOS, for 60 minutes, on January 21.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. OBEY, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,350.

(The following Members (at the request of Mr. GEKAS) and to include extraneous matter:)

Mr. MCKINNEY in two instances.

Mr. GILMAN in five instances.

Mr. DORNAN of California.

Mr. THOMAS of California.

Mr. GREEN in two instances.

Mr. COURTER in two instances.

Mr. GRADISON.

Mr. SCHULZE.

Mr. Young of Alaska.
Mr. Clinger.
Mr. Coats.
Mr. Daub.
Mr. Shumway in two instances.
Mr. Sensenbrenner.
Mr. Quillen.
Mr. Fields.
Mr. Badham in three instances.
Mr. Lagomarsino.
Mr. Broomfield in two instances.
Mr. Roth in 10 instances.
Mr. McDade in three instances.
Mr. Pursell in two instances.
Mr. Frenzel in five instances.
Mr. Goodling.
Mr. Dreier of California.
Mr. Lent.
Mr. Horton.
Mr. Miller of Ohio in six instances.
Mr. Gallo in two instances.
Mr. Hammerschmidt in two instances.
Mr. Dannemeyer.

(The following Members (at the request of Mr. Hubbard) and to include extraneous matter:)

Mr. Rostenkowski.
Mr. Hoyer in five instances.
Mr. Frank.
Mrs. Lloyd in five instances.
Mr. Ackerman.
Mr. Anderson in 10 instances.
Mr. Gonzalez in 10 instances.
Mr. Hamilton in 10 instances.
Mr. Brown of California in 10 instances.
Mr. Annunzio in six instances.
Mr. Jones of Tennessee in 10 instances.
Mr. Boner of Tennessee in five instances.
Mr. de la Garza in 10 instances.
Mr. Roe.
Mr. Jones of North Carolina.
Mr. Scheuer.
Mr. Fazio.
Mr. Kastenmeier.
Mr. Matsui.
Mr. Stark in three instances.
Mr. Kostmayer.
Mr. Smith of Florida.
Mr. Howard in two instances.
Mr. Kildee in two instances.
Mr. Anthony.
Mr. Swift in two instances.
Mrs. Schroeder in three instances.
Mr. Udall in four instances.
Mr. Boner of Tennessee.
Mr. St Germain in two instances.
Mr. Roybal.
Mr. Mineta in five instances.
Mr. Coelho.
Mr. Beilenson.
Mr. Clay in two instances.
Mr. Biaggi in 20 instances.
Mr. Bryant in six instances.
Mr. Dellums.
Mr. Barnard.
Mr. Leland.
Mr. Clay.
Mr. Weiss in six instances.
Mr. Miller of California.
Mr. Oberstar in four instances.
Mr. Levine of California.
Mr. Obey.
Mr. Lehman of California.
Mrs. Boggs.
Mr. Yatron.
Mr. Brooks.

ADJOURNMENT

Mr. GINGRICH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6:25 p.m.), the House adjourned until tomorrow, Wednesday, January 7, 1987, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Director, Office of Management and Budget, transmitting a Soil Conservation Service plan for the Lower Des Plaines Tributaries, IL, pursuant to 16 U.S.C. 1005; to the Committee on Agriculture.

2. A letter from the Secretary of Agriculture, transmitting a report on agricultural research, extension, and teaching activities for 1985, pursuant to 7 U.S.C. 3125; to the Committee on Agriculture.

3. A letter from the Assistant Secretary for Health, Department of HHS; Assistant Secretary for Science and Education, Department of Agriculture, transmitting a fourth progress report on the Human Nutrition Research and Information Management [HNRIM] System, covering the period July 1985 through June 1986, pursuant to Public Law 97-98, section 1427; to the Committee on Agriculture.

4. A letter from the Principal Deputy Assistant Secretary of Defense (Comptroller), transmitting a report of the value of property, supplies, and commodities provided by the Berlin Magistrate for the quarter July 1, 1986 through September 30, 1986, pursuant to Public Law 99-190, section 8014 (99 Stat. 1205); to the Committee on Appropriations.

5. A letter from the Comptroller General of the United States, transmitting information concerning the President's first special message for fiscal year 1987 and a review of all impoundments contained in that message, pursuant to 2 U.S.C. 685 (H. Doc. No. 100-08); to the Committee on Appropriations and ordered to be printed.

6. A letter from the Architect of the Capitol, transmitting a report of all expenditures during the period April 1, 1986 through September 30, 1986, from the moneys appropriated to the Architect of the Capitol, pursuant to 40 U.S.C. 162b; to the Committee on Appropriations.

7. A letter from the Director, Office of Management and Budget, transmitting a cumulative report on rescissions and deferrals of budget authority as of December 1, 1986, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 100-10); to the Committee on Appropriations and ordered to be printed.

8. A letter from the Executive Associate Director, Office of Management and Budget, transmitting notification that the appropriation to the Veteran's Administration for "Compensation and Pensions" has been reapportioned on a basis that indicates the necessity for a supplemental estimate of the appropriation, pursuant to 31 U.S.C. 1515(b)(2); to the Committee on Appropriations.

9. A letter from the Secretary of Defense, transmitting a report of a violation of title 31, section 1341(a)(1)(A), by the Department of the Air Force, which prohibits obligation of funds before an appropriation is made unless authorized by law, pursuant to 31 U.S.C. 1351; to the Committee on Appropriations.

10. A letter from the Secretary of Defense, transmitting three reports of violations of title 31, United States Code, section 1517, by the Department of the Navy, which prohibits the obligation or expenditure of funds in excess of an apportionment or a subdivision of an apportionment, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

11. A letter from the director, the office of Management and Budget, transmitting a cumulative report on rescissions and deferrals of budget authority as of November 1, 1986, pursuant to 2 U.S.C. 685(e) (H.Doc. No. 100-9); to the Committee on Appropriations and ordered to be printed.

12. A letter from the Assistant Secretary of Defense (Comptoller), transmitting a listing of contract award dates for the period January 1, 1987 to February 28, 1987, Pursuant to 10 U.S.C. 139(b); to the Committee on Armed Services.

13. A letter from the Assistant Secretary of Defense (Comptroller), transmitting the selected acquisition reports [SAR's] and SAR summary tables for the quarter ending September 30, 1986, pursuant to 10 U.S.C 139a(b)(1) and (f) (96 Stat. 740); to the Committee on Armed Services.

14. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a listing of supplemental contract award dates for the period November 1, 1986 to December 30, 1986, pursuant to 10 U.S.C. 139(b); to the Comptroller on Armed Services.

15. A letter from the Assistant Secretary of Defense (Comptroller), transmitting notification of the plan to study the conversion to contractor performance of various functions at the Navy activities listed, pursuant to 10 U.S.C. 2304 nt; to the Committee on Armed Services.

16. A letter from the Assistant Secretary of Defense, Force Management and Personnel, Department of Defense, transmitting a report on the audit of the American Red Cross for the year ending June 30, 1986, pursuant to 36 U.S.C. 6; to the Committee on Armed Services.

17. A letter from the Director, Defense Security Assistance Agency, transmitting a copy of the Department of the Air Force's proposed letter(s) of offer to Turkey for defense articles estimated to cost $50 million or more (Transmittal No. 87-08), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

18. A letter from the Director, Defense Security Assistance Agency, transmitting a copy of the Department of the Army's proposed letter(s) of offer to the People's Republic of China for defense articles estimated to cost $50 million or more (Transmittal No. 87-01), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

19. A letter from the Director, Defense Security Assistance Agency, transmitting a copy of the Department of the Navy's proposed letter(s) of offer to Greece for defense articles estimated to cost $50 million or more (Transmittal No. 87-05), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

20. A letter from the Director, Defense Security Assistance Agency, transmitting a copy of the Department of the Air Force's proposed letter(s) of offer to the Federal Republic of Germany for defense articles estimated to cost $50 million or more (Transmittal No. 87-11), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

21. A letter from the Principal Deputy Assistant Secretary of the Army (Installations and Logistics), transmitting notification of the decision to convert to contractor performance the installation support function at Fort Hamilton, NY, pursuant to 10 U.S.C. 2304 nt; to the Committee on Armed Services.

22. A letter from the Principal Deputy Assistant Secretary of the Army (Installations and Logistics), transmitting notification of the decision to convert to contractor performance the commissary shelf stocking function at Fort Bliss, TX, pursuant to 10 U.S.C. 2304 nt; to the Committee on Armed Services.

23. A letter from the Acting Director, Selective Service System, transmitting the Selective Service System's semiannual report; to the Committee on Armed Services.

24. A letter from the Deputy Assistant Secretary of Defense (Comptroller Administration), transmitting notification of the Department of the Air Force's decision to exercise the provision for exclusion of the clause concerning examination of records by the Comptroller General from a proposed contract with the Government of Morocco concerning adaptation and maintenance of petroleum facilities at Mohammedia, pursuant to 10 U.S.C. 2313(c); to the Committee on Armed Services.

25. A letter from the Director, Federal Emergency Management Agency, transmitting the materials for operation of the national defense stockpile for the period October 1985 through March 1986, pursuant to 50 U.S.C. 98h-2(b); to the Committee on Armed Services.

26. A letter from the Secretary of Housing and Urban Development, transmitting the third report on the Rental Rehabilitation Program covering fiscal year 1986, pursuant to 42 U.S.C. 1437o(n) (September 1, 1937, ch. 896, sec. 17(n) (97 Stat. 1206)); to the Committee on Banking, Finance and Urban Affairs.

27. A letter from the Assistant Secretary of the Treasury (Legislative Affairs), transmitting a report on the effects of IMF-imposed stabilization programs on basic human needs in countries to which loans are made by the Fund, pursuant to 22 U.S.C. 286e-9(b); to the Committee on Banking, Finance and Urban Affairs.

28. A letter from the Chairman, Board of Directors, Federal Deposit Insurance Corporation, transmitting the fourth annual report of net worth certificates purchased, pursuant to 12 U.S.C. 1823 nt.; to the Committee on Banking, Finance and Urban Affairs.

29. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 6-217, "Inheritance and Estate Tax Revision Act of 1986", pursuant to D.C. Code sec. 1-233(c)(1); to the Committee on the District of Columbia.

30. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 6-218, "D.C. Employees Child Care Facilities Act of 1986", and report, pursuant to D.C. Code sec. 1-233(c)(1); to the Committee on the District of Columbia.

31. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 6-219, "Education in Partnership with Technology Corporation Establishment Act of 1986", and report, pursuant to D.C. Code sec. 1-233(c)(1); to the Committee on the District of Columbia.

32. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 6-220, "D.C. Enterprise Zone Study Commission Act of 1986", and report, pursuant to D.C. Code sec. 1-233(c)(1); to the Committee on the District of Columbia.

33. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 6-221, "D.C. Interior Licensure Act of 1986", and report, pursuant to D.C. Code sec. 1-233(c)(1); to the Committee on the District of Columbia.

34. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 6-222, "State Energy Plans Submission Requirement Act of 1986", and report, pursuant to D.C. Code sec. 1-233(c)(1); to the Committee on the District of Columbia.

35. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 6-223, "D.C. Mental Health Information Act of 1978 Temporary Amendment Act of 1986", pursuant to D.C. Code sec. 1-233(c)(1); to the Committee on the District of Columbia.

36. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 6-224, "D.C. Legislature Compensation Comparability Amendment Act of 1986", and report, pursuant to D.C. Code sec. 1-233(c)(1); to the Committee on the District of Columbia.

37. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 6-225, "Closing of a Segment of G Street, N.W., Adjacent to Squares 565 and 567, S.O. 84-251, Act of 1986", and report, pursuant to D.C. Code sec. 1-233(c)(1); to the Committee on the District of Columbia.

38. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 6-227, "Authorization for the Establishment of a Public School of Law for the District of Columbia Amendment Act of 1986", and report, pursuant to D.C. Code sec. 1-233(c)(1); to the Committee on the District of Columbia.

39. A letter from the Auditor, District of Columbia, transmitting a copy of his report entitled, "Review of the District of Columbia General Hospital Commission Advisory Board", pursuant to D.C. Code sec. 47-117(d); to the Committee on the District of Columbia.

40 A letter from the Auditor, District of Columbia, transmitting a copy of his report entitled, "Review of Public Law 96-122 on the Method of Computation Used to Determine Survivor Benefits for Police and Firefighters", pursuant to D.C. Code sec. 47-117(d); to the Committee on the District of Columbia.

41. A letter from the District of Columbia Auditor, transmitting a report entitled: "Review of the D.C. Energy Office's Operation and Programs Pursuant to D.C. Law 3-132", pursuant to D.C. Code sec. 1-233(c)(1); to the Committee on the District of Columbia.

42. A letter from the Secretary of Education, transmitting final regulations for the Guaranteed Student Loan and PLUS Programs, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

43. A letter from the Secretary of Education, transmitting final regulations for student assistance general provisions, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

44. A letter from the Secretary of Education, transmitting final regulations for assistance for local educational agencies in areas affected by Federal activities and arrangements for education of children where local educational agencies cannot provide suitable free public education, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

45. A letter from the Secretary of Education, transmitting a copy of final regulations for the student assistance general provisions and Pell Grant Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

46. A letter from the Secretary of Education, transmitting a copy of final regulations and final selection criteria for the student assistance general provisions, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

47. A letter from the Secretary of Education, transmitting a copy of final regulations for the State Student Incentive Grant Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

48. A letter from the Secretary of Education, transmitting a copy of final regulations for the student assistance general provisions, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

49. A letter from the Secretary of Education, transmitting a copy of notice of final funding priority for research and demonstration projects in research training, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

50. A letter from the Secretary of Education, transmitting notice of final priority for the Fund for the Improvement of Postsecondary Education [FIPSE] Lecture Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

51. A letter from the Secretary of Education, transmitting notice of final priority for the planning grants for the National Center for Research in Vocational Education, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

52. A letter from the Secretary of Education, transmitting a report on the evaluation of the American Indian Vocational Rehabilitation Program (Navajo Vocation Rehabilitation Program (NVRP)), pursuant to 29 U.S.C. 751; to the Committee on Education and Labor.

53. A letter from the Secretary of Energy, transmitting a report on residential energy conservation financing, supply and installation activities of public utilities, pursuant to 42 U.S.C. 8217(g); to the Committee on Energy and Commerce.

54. A letter from the Secretary of Health and Human Services, transmitting a report on Federal activities undertaken to inform the public of the health consequences of smoking, pursuant to 15 U.S.C. 1341(c); to the Committee on Energy and Commerce.

55. A letter from the Secretary of Health and Human Services, transmitting a report entitled "The Health Consequences of Involuntary Smoking", pursuant to 15 U.S.C. 1341(c); to the Committee on Energy and Commerce.

56. A letter from the Secretary of Transportation, transmitting a report on progress toward completion of the Northeast corridor improvement project, pursuant to Public Law 94-210, section 703(1)(D); to the Committee on Energy and Commerce.

57. A letter from the Chairman, National Mediation Board, transmitting notification of the appointment of an arbitrator to resolve a longstanding labor-management dispute between the Marine Central Railroad Co., the Portland Terminal Co., and the Brotherhood of Maintenance of Way Employees, with a copy of his award in the arbitration, pursuant to Public Law 99-431; to the Committee on Energy and Commerce.

58. A letter from the General Counsel, Department of Energy, transmitting notification of a meeting related to the International Energy Program to be held in Paris, France, on December 10, 1986; to the Committee on Energy and Commerce.

59. A letter from the Administrator, Environmental Protection Agency, transmitting the report on waste minimization, pursuant to 42 U.S.C. 6982(r); to the Committee on Energy and Commerce.

60. A letter from the General Counsel, Department of Energy, transmitting an amended notice of meetings related to the International Energy Program; to the Committee on Energy and Commerce.

61. A letter from the Chairman, Interstate Commerce Commission, transmitting a report on the passthrough of savings on food and grocery transportation, pursuant to 49 U.S.C. 10732(b); to the Committee on Public Works and Transportation.

62. A letter from the Chairman, United States Railway Association, transmitting the final report on the work of the United States Railway Association; to the Committee on Energy and Commerce.

63. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of a proposed license for the export to the Federal Republic of Germany of Patriot air defense missile components, pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

64. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on illegal payments in connection with international security assistance in El Salvador, pursuant to 22 U.S.C. 2394a; to the Committee on Foreign Affairs.

65. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification that the President intends to exercise his authority under section 506(a) of the Foreign Assistance Act in order to authorize the furnishing of $20 million in emergency military assistance to Honduras, pursuant to 22 U.S.C. 2318(b)(2); to the Committee on Foreign Affairs.

66. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of the amendment of a manufacturing license agreement to sell S-70A (Military Designation UH-60) helicopters manufactured in the United Kingdom to the NATO member countries, pursuant to 22 U.S.C. 2753(d)(3) (AECA sec. 3(d)(3), 94 Stat. 3131; 95 Stat. 1519); to the Committee on Foreign Affairs.

67. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs; transmitting notification of a proposed license for the export of major defense equipment involving the export to the People's Republic of China of 2,000 AN/PVS-5 night vision goggles (Transmittal No. MC-1-87), to the Committee on Foreign Affairs.

68. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs; transmitting notification of a proposed license for the export to Israel of tactical radio communications assemblies for the VHF-99 radio system receiver/transmitter RT-3090, pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

69. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed lease of defense articles to the North Atlantic Treaty Organization (CINCIBERLANT), (Transmittal No. 2-87), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

70. A letter from the Director, Defense Security Assistance Agency, transmitting notification that the President intends to exercise his authority under section 506(a) of the Foreign Assistance Act in order to authorize the furnishing of $10 million in emergency military assistance to the Philippines, pursuant to 22 U.S.C. 2318(b)(2); to the Committee on Foreign Affairs.

71. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, Department of State, transmitting notification of a proposed authorization for the export and assembly of major defense equipment sold commercially under a contract in the amount of $14,000,000 or more; notification of the proposed issuance of an export license and manufacturing agreement (Transmittal No. MC-46-86), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

72. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, Department of State, transmitting notification of a proposed technical assistance agreement with the Saudi Amoudi Group, Saudi Arabia, relating to the maintenance, training and operation of an Air Defense Modernization Program (Peace Shield) for the Government of Saudi Arabia (Transmittal No. Mc-35-86), pursuant to 22 U.S.C. 2776(d); to the Committee on Foreign Affairs.

73. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for the production of significant military equipment in a country not a member of the North Atlantic Treaty Organization (Transmittal No. MC-5-87), pursuant to 22 U.S.C. 2776(d); to the Committee on Foreign Affairs.

74. A letter from the Assistant Secretary, Legislative and Intergovernmental Affairs, Department of State, transmitting the copy of the certification to authorize Military Assistance and Sales for Guatemala that was to have been included with the letter forwarded under date of December 8, 1986, pursuant to Public Law 99-83, section 703(a)(1) (99 Stat. 240); to the Committee on Foreign Affairs.

75. A letter from the Comptroller, Department of State, transmitting a report of allocations of foreign assistance, pursuant to 22 U.S.C. 2413(a); to the Committee on Foreign Affairs.

76. A letter from the Director, Defense Security Assistance Agency, transmitting the annual report on the operation of the special defense acquisition fund for fiscal year 1986, pursuant to 22 U.S.C. 2795b(a); to the Committee on Foreign Affairs.

77. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Air Force's intent to issue Letter(s) of Offer to the Federal Republic of Germany to sell certain defense articles or services (Transmittal No. 87-11), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

78. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Air Force's intent to issue Letter(s) of Offer to Turkey to sell certain defense articles or services (Transmittal No. 87-08), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

79. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Army's intent to issue Letter(s) of Offer to the Egypt to sell certain defense articles or services (Transmittal No. 87-02), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

80. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed Letter(s) of Offer to Spain for defense articles and services (Transmittal No. 87-09), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

81. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Navy's intent to issue letter(s) of offer to the United Kingdom to sell certain defense articles or services (Transmittal No. 87-07), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

82. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer to Spain for defense articles and services (Transmittal No. 87-06), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

83. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer to Greece for defense articles and services (Transmittal No. 87-05), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

84. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Army's intent to issue letter(s) of offer to the Egypt to sell certain articles or services (Transmittal No. 87-03), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

85. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Army's intent to issue letter(s) of offer to the People's Republic of China to sell certain articles or services (Transmittal No. 87-01), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

86. A communication from the President of the United States, transmitting a bimonthly report on progress toward a negotiated solution of the Cyprus problem, pursuant to 22 U.S.C. 2373(c); to the Committee on Foreign Affairs.

87. A communication from the President of the United States, transmitting certification that Pakistan does not possess a nuclear explosive device and that proposed assistance will reduce the risk that they will possess such device, pursuant to 22 U.S.C. 2375(e); to the Committee on Foreign Affairs.

88. A letter from the Secretary of State, transmitting notification that the President intends to exercise his authority under section 506(a) of the Foreign Assistance Act in order to authorize the furnishing of $15 million in emergency military assistance to Chad, pursuant to 22 U.S.C. 2318(b)(2); to the Committee on Foreign Affairs.

89. A communication from the President of the United States, transmitting a report on developments concerning the continuing national emergency with respect to Iran, pursuant to 50 U.S.C. 1703 (H. Doc. No. 100-12); to the Committee on Foreign Affairs and ordered to be printed.

90. A communication from the President of the United States, transmitting notification that the Iran emergency is to continue in effect beyond November 14, 1986, pursuant to 50 U.S.C. 1622(d) (H. Doc. No. 100-14); to the Committee on Foreign Affairs and ordered to be printed.

91. A communication from the President of the United States, transmitting a report on developments concerning the continuing national emergency with respect to Nicaragua, pursuant to 50 U.S.C. 1703 (H. Doc. No. 100-13); to the Committee on Foreign Affairs and ordered to be printed.

92. A communication from the President of the United States, transmitting notification of the continuation of the national emergency with respect to Libya, pursuant to 50 U.S.C. 1622(d) (H. Doc. No. 100-7); to the Committee on Foreign Affairs and ordered to be printed.

93. A letter from the Secretary of Commerce, transmitting the annual Report on Export Administration for Fiscal Year 1985, pursuant to 50 U.S.C. app. 2413; to the Committee on Foreign Affairs.

94. A letter from the Director, Defense Security Assistance Agency, transmitting the fourth quarter report on commercial and governmental military exports, together with a list of all security assistance surveys authorized for foreign countries, pursuant to 22 U.S.C. 2776(a); to the Committee on Foreign Affairs.

95. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on progress in the case involving the disappearance of Drug Enforcement Administration agent Enrique Camarena Salazar, disappearances of U.S. citizens, and the general safety of U.S. tourists in Mexico, pursuant to Public Law 99-93, section 134(c) (99 Stat. 421); to the Committee on Foreign Affairs.

96. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of terrorism related travel advisories for Chile and Suriname, pursuant to 22 U.S.C. 2656e; to the Committee on Foreign Affairs.

97. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of terrorism related travel advisories for El Salvador and Kuwait, pursuant to 22 U.S.C. 2656e; to the Committee on Foreign Affairs.

98. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of terrorism related travel advisories for Nigeria, Pakistan, and Suriname, pursuant to 22 U.S.C. 2656e; to the Committee on Foreign Affairs.

99. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

100. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

101. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

102. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

103. A letter from the Acting Assistant Secretary for Legislative and Intergovernmental Affairs, Department of State, transmitting notification of terrorism related travel advisories for China, Cyprus, Honduras, Papua New Guinea, Syria, Tanzania, and Turkey, pursuant to 22 U.S.C. 2656e; to the Committee on Foreign Affairs.

104. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other that treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

105. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

106. A letter from the Administrator, Agency for International Development, transmitting a report on additional ways to provide development assistance through nongovernmental organizations, pursuant to 22 U.S.C. 2151u nt; to the Committee on Foreign Affairs.

107. A letter from the Director, Office of Management and Budget, transmitting a determination that additional amounts are necessary to maintain the authorized level of operation of RFE/RL, Inc., because of adverse fluctuations in foreign currency exchange rates, pursuant to 22 U.S.C. 2877(a)(2); to the Committee on Foreign Affairs.

108. A letter from the Inspector General, Department of Agriculture, transmitting a correction to the semiannual report of the activities of the Department's Inspector General covering the period April 1, 1986, through September 30, 1986, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

109. A letter from the Secretary of Agriculture transmitting a report on the activities of the Inspector General, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

110. A letter from the Inspector General, Department of Energy, transmitting a copy of the semiannual activities report of the Department's Office of Inspector General during the secord half of fiscal year 1986, April 1 to September 30, 1986, pursuant to 42 U.S.C. 7138(c); to the Committee on Government Operations.

111. A letter from the Inspector General, Department of Health and Human Services, transmitting the semiannual report of the Office of Inspector General for the period April 1, 1986, through September 30, 1986, pursuant to 42 U.S.C. 3524(a); to the Committee on Government Operations.

112. A letter from the Administrator, General Services Administration, transmitting a report on the acquisition cost of all real property disposed of during fiscal year 1986, pursuant to 40 U.S.C. 484(o); to the Committee on Government Operations.

113. A letter from the Secretary of Labor, transmitting the semiannual report of the Inspector General for the period April 1, 1986, through September 30, 1986, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

114. A letter from the Secretary of Transportation, transmitting the semiannual report of the activities of the Inspector General for the period ended September 30, 1986, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

115. A letter from the Secretary of the Treasury, transmitting a report on the operation and status of the State and Local Government Fiscal Assistance Trust Fund, pursuant to Public Law 99-272, section 14001(a)(8) (100 Stat. 328); to the Committee on Government Operations.

116. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued by GAO during September 1986, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

117. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued by GAO during September 1986, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

118. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued by GAO during September 1986, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

119. A letter from the Administrator, Veterans' Administration, transmitting notice of an altered Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

120. A letter from the Administrator, Veterans' Administration, transmitting notice of an altered Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

121. A letter from the Assistant Secretary of the Treasury (Management), transmitting notice of a proposed change to a Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

122. A letter from the Chairman, U.S. Consumer Product Safety Commission, transmitting an evaluation of the Commission's internal accounting and administrative control systems for year ended September 30, 1986, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

123. A letter from the Deputy Assistant Secretary for Natural Resources and Environment, Department of Agriculture, transmitting notice of a proposed new Federal records system by the Forest Service, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

124. A letter from the Acting Under Secretary for Small Community and Rural Development, Department of Agriculture, transmitting notification of a revised system of Federal records submitted by the Farmers Home Administration, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

125. A letter from the Deputy Director, Office of Workers, Compensation Programs,

Department of Labor, transmitting notice of a proposed computer matching program, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

126. A letter from the Assistant Secretary for Administration, Department of Transportation, transmitting notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

127. A letter from the Assistant Secretary for Administration, Department of Transportation, transmitting notice of a new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

128. A letter from the Deputy Assistant Secretary of Defense, transmitting notice of a proposed new Federal records system submitted by the Department of the Air Force, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

129. A letter from the Deputy Assistant Secretary of Defense, transmitting notification of a proposed new record system submitted by the Department of the Army, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

130. A letter from the Administrator, Environmental Protection Agency, transmitting the semiannual report on the activities of the inspector general for the period from April 1, 1986 to September 30, 1986, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

131. A letter from the Chairman, Equal Employment Opportunity Commission, transmitting an evaluation of the Commission's internal accounting and administrative control systems for the year ended September 30, 1986, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

132. A letter from the Chairman, Farm Credit Administration, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

133. A letter from the Vice President—Personnel and Benefits, Farm Credit Services, transmitting a copy of the 12th district farm credit retirement and thrift plan reports for plan year 1985, pursuant to 31 U.S.C. 9503(a)(1); to the Committee on Government Operations.

134. A letter from the Vice President—Human Resources, Farm Credit Services, transmitting a report on the retirement plan for employees of the association and banks of the ninth farm credit district for the plan year ending February 28, 1986, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

135. A letter from the Chairman, Federal Communications Commission, transmitting an evaluation of the Commission's internal accounting and administrative control systems for the year ended September 30, 1986, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

136. A letter from the Director, Federal Emergency Management Agency, transmitting notice of an altered Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

137. A letter from the Chairman, Federal Labor Relations Authority, transmitting an evaluation of the Board's internal accounting and administrative control systems for the year ended December 31, 1986, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

138. A letter from the Chairman, Federal Maritime Commission, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

139. A letter from the Comptroller General, General Accounting Office, transmitting a report on the audit of the Senate Building Beauty Shop's financial statements for 1986 and 1985 (GAO/AFMD-87-9; November 1986); to the Committee on Government Operations.

140. A letter from the Administrator, General Services Administration, transmitting the semiannual report of the inspector general for the period ending September 30, 1986, pursuant to Public Law 95-452, section 5(b); to the Committee on Government Operations.

141. A letter from the Chairman, Interstate Commerce Commission, transmitting an evaluation of the Commission's internal accounting and administrative control systems for the year ended September 30, 1986, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

142. A letter from the Assistant Director for Administration, National Science Foundation, transmitting notification of a proposed new system of Federal records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

143. A letter from the Chairman, Nuclear Regulatory Commission, transmitting notice of proposed changes to two Federal records systems, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

144. A letter from the Chairman, Nuclear Regulatory Commission, transmitting an evaluation of the Commission's internal accounting and administrative control systems for the year ended December 31, 1986, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

145. A letter from the Executive Vice President, Vice President and Treasurer, Overseas Private Investment Corporation, transmitting an evaluation of the Corporation's internal accounting and administrative control systems for the year ended December 31, 1986, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

146. A letter from the Administrator, Panama Canal Commission, transmitting an evaluation of the Board's internal accounting and administrative control systems for the year ended September 30, 1986, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

147. A letter from the Chairman, Postal Rate Commission, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

148. A letter from the Secretary of Agriculture, transmitting an evaluation of the Department's internal accounting and administrative control systems for the year ended September 30, 1986, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

149. A letter from the Secretary of Commerce, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

150. A letter from the Secretary of Defense, transmitting the semiannual report of the inspector general for the period April 1, 1986 to September 30, 1986, pursuant to Public Law 95-452, Section 5(b) (96 Stat. 750); to the Committee on Government Operations.

151. A letter from the Secretary of Education, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

152. A letter from the Secretary of Education, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

153. A letter from the Secretary of Education, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

154. A letter from the Secretary of Health and Human Services, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

155. A letter from the Secretary of Transportation, transmitting an evaluation of the Department's internal accounting and administrative control systems for the year ended September 30, 1986, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

156. A letter from the Chairman, Securities and Exchange Commission, transmitting an evaluation of the Commission's internal accounting and administrative control systems for the year ended September 30, 1986, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

157. A letter from the Acting Director, Selective Service System, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

158. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

159. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting an evaluation of the Board's internal accounting and administrative control systems for the year ended September 30, 1986, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

160. A letter from the Director, U.S. Arms Control and Disarmament Agency, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

161. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

162. A letter from the Chairman, U.S. International Trade Commission, transmitting an evaluation of the Commission's internal accounting and administrative control systems for the year ended September

30, 1986, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

163. A letter from the Records Officer, U.S. Postal Service, transmitting notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

164. A letter from the Vice President, Human Resources, Farm Credit Banks of Springfield, transmitting the annual report for the Farm Credit Banks of Springfield retirement plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

165. A letter from the Clerk, U.S. House of Representatives, transmitting a quarterly report of the Clerk of the House of Representatives covering receipts and expenditures of appropriations and other funds for the period July 1, 1986 through September 30, 1986, pursuant to 2 U.S.C. 104a (H. Doc. No. 100-15); to the Committee on House Administration and ordered to be printed.

166. A letter from the Assistant Secretary of the Interior for Indian Affairs, transmitting a proposed plan for the use and distribution of funds awarded the Leech Lake Band of the Chippewa Indians in Docket No. 188 before the U.S. Claims Court, pursuant to 25 U.S.C. 1402(a), 1404; to the Committee on Interior and Insular Affairs.

167. A letter from the Assistant Secretary of the Interior for Indian Affairs, transmitting a proposed plan for the use and distribution of funds awarded the Rincon Band of Mission Indians in Docket 80-A before the U.S. Claims Court, pursuant to 25 U.S.C. 1402(a), 1404; to the Committee on Interior and Insular Affairs.

168. A letter from the Secretary of the Interior, transmitting the sixth annual report on oil and gas leasing, exploration and development activities on Federal Lands in Alaska, other than on the north slope or the national petroleum reserve, pursuant to Public Law 96-487, section 1008(b)(4); to the Committee on Interior and Insular Affairs.

169. A letter from the Secretary of the Interior, transmitting the 1985 annual report for the Office of Surface Mining Reclamation and Enforcement [OSMRE], which includes the agency's biennial report on State anthracite regulatory programs, pursuant to 30 U.S.C. 1211(f), 1267(g), 1295, 30 U.S.C. 1279(b); to the Committee on Interior and Insular Affairs.

170. A letter from the Secretary of the Interior, transmitting a copy of an approved loan application from the United Water Conservation District, Ventura County, CA, pursuant to 43 U.S.C. 422d; to the Committee on Interior and Insular Affairs.

171. A letter from the Director, Fish and Wildlife Service, Department of the Interior, transmitting a report on Public Lands Cleanup Day activities for 1986, pursuant to 36 U.S.C 169i-1(c)(1); to the Committee on Interior and Insular Affairs.

172. A letter from the Chief Justice, Supreme Court of the United States transmitting the proceedings of the Judicial Conference of the United States held on September 18 and 19, 1986, pursuant to 28 U.S.C. 331; to the Committee on the Judiciary.

173. A letter from the Attorney General of the United States, transmitting a report on the administration of the Foreign Agents Registration Act of 1938, as amended for calendar year 1985, pursuant to 22 U.S.C. 621; to the Committee on the Judiciary.

174. A letter from the Attorney General of the United States, transmitting the annual report of the Attorney General for fiscal year 1985, pursuant to 28 U.S.C. 522; to the Committee on the Judiciary.

175. A letter from the Commissioner, Immigration and Naturalization Service, transmitting a copy of the order granting defector status in the case of Agnes Heller, pursuant to 8 U.S.C. 1182(a)(28)(1); to the Committee on the Judiciary.

176. A letter from the Chairman, Federal Trade Commission, transmitting a report on the operation of premerger notification provisions of the Clayton Act, pursuant to 15 U.S.C. 18a(j); to the Committee on the Judiciary.

177. A letter from the Chairman, Board of Directors, Future Farmers of America, transmitting a report and financial audit for the period ending August 31, 1986, pursuant to Public Law 88-504, section 3 (36 U.S.C. 1103); to the Committee on the Judiciary.

178. A letter from the Adjutant General, Military Order of the Purple Heart of the United States of America, transmitting a report and financial audit, pursuant to Public Law 88-504, section 3 (36 U.S.C. 1103); to the Committee on the Judiciary.

179. A letter from the Secretary of the Interior, transmitting a report of the Fish and Wildlife Service on the administration of the Marine Mammal Protection Act of 1972 for the period January 1, 1985 to December 31, 1985, pursuant to 16 U.S.C. 1373(f); to the Committee on Merchant Marine and Fisheries.

180. A letter from the Fiscal Assistant Secretary, Department of the Treasury, transmitting a report on amounts actually deposited in the Panama Canal Commission Fund during fiscal year 1986, pursuant to 22 U.S.C. 3712(c)(2); to the Committee on Merchant Marine and Fisheries.

181. A letter from the Deputy Assistant to the President for Management and Administration, transmitting an aggregate report on White House personnel for fiscal year 1986, pursuant to 3 U.S.C. 113; to the Committee on Post Office and Civil Service.

182. A letter from the Director, Office of Personnel Management, transmitting the "Compensation Report" for 1984; to the Committee on Post Office and Civil Service.

183. A letter from the U.S. Merit Systems Protection Board, Special Counsel, transmitting a report on the Administrator of Veterans' Affairs investigation into allegations of mismanagement, a gross waste of funds, abuse of authority, and a substantial and specific danger to the public health or safety by officials of the Veteran's Administration Medical Center, Fresno, CA, pursuant to 5 U.S.C. 1206(b) (5) (A); to the Committee on Post Office and Civil Service.

184. A letter from the Special Counsel, Merit Systems Protection Board, transmitting a report on the Secretary of the Navy's investigation into allegations of mismanagement, a gross waste of funds, abuse of authority, and a substantial and specific danger to the public health or safety in the construction of an electrical power substation at Moffett Field, CA, pursuant to 5 U.S.C. 1206(b)(5)(A); to the Committee on Post Office and Civil Service.

185. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a copy of a report by the Secretary of Agriculture on the findings and conclusions of his investigation into allegations of falsification of travel reimbursement claims and leave records, pursuant to 5 U.S.C. 1206(b)(5) (A); to the Committee on Post Office and Civil Service.

186. A letter from the Chairman, Board of Governors, U.S. Postal Service, transmitting the semiannual report on the civil misrepresentation activities of the U.S. Postal Service, pursuant to 39 U.S.C. 3013 (97 Stat. 1317); to the Committee on Post Office and Civil Service.

187. A letter from the Administrator, Federal Aviation Administration, transmitting the Aviation's semiannual report on the effectiveness of the Civil Aviation Security Program for the period January 1 through June 30, 1986, pursuant to 49 U.S.C. app. 1356(a); to the Committee on Public Works and Transportation.

188. A letter from the Secretary of Transportation, transmitting a report regarding Safety-Related Devices, pursuant to 49 U.S.C. app. 2516(a); to the Committee on Public Works and Transportation.

189. A letter from the Secretary of Transportation, transmitting a report on the "Transportation and Environmental Studies of the I-395/I-95 Express Lane High Occupancy Vehicle Facility," which summarizes the operational and environmental consequences of the demonstration, pursuant to Public Law 98-205, section 3; to the Committee on Public Works and Transportation.

190. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report from the Chief of Engineers, Department of the Army, on Boggy Creek, Austin, TX, together with other pertinent reports (H. Doc. No. 100-16); to the Committee on Public Works and Transportation and ordered to be printed.

191. A letter from the Secretary of Commerce, transmitting a study entitled "The Domestic Mining and Processing Industries—A Strategic Resource," pursuant to 30 U.S.C. 1604(c); to the Committee on Science, and Technology.

192. A letter from the Secretary of Energy, transmitting the eighth annual report on the Automotive Technology Development Program, pursuant to 42 U.S.C. 5914; to the Committee on Science and Technology.

193. A letter from the Administrator, Environmental Protection Agency, transmitting a report entitled "Long-Range Research Agenda for 1987-1991," pursuant to 42 U.S.C. 4361; to the Committee on Science and Technology.

194. A letter from the Director, National Science Foundation, transmitting a report on research facility needs of universities, pursuant to 42 U.S.C. 1886; to the Committee on Science and Technology.

195. A letter from the Secretary of Commerce, transmitting the annual report on ocean pollution, monitoring, and research covering fiscal year 1984; to the Committee on Science and Technology.

196. A letter from the Executive Secretary, Department of Defense, transmitting a report on Department of Defense procurement from small and other business firms for October 1985 through August 1986, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

197. A letter from the Executive Secretary, Department of Defense, transmitting a report on Department of Defense procurement from small and other business firms for October 1985 through July 1986, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

198. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the 1986 annual report on the performance of the industrial applications centers and on their ability to interact with the Nation's small business community, pursuant to 15 U.S.C. 648(f); to the Committee on Small Business.

199. A letter from the Chairman, Board of Veterans Appeals, Veterans' Administration, transmitting a copy of the decision entered by the Board of Veterans Appeals in the case of Mrs. Mary A. Hubbard; to the Committee on Veterans' Affairs.

200. A communication from the President of the United States, transmitting notification of the intent to add the Republic of the Marshall Islands and the Federated States of Micronesia to the list of beneficiary developing countries under the Generalized System of Preferences, pursuant to 19 U.S.C. 2465(b); to the Committee on Ways and Means.

201. A letter from the U.S. Trade Representative, transmitting a report on the operation of the International Coffee Agreement, pursuant to 19 U.S.C. 1356n; to the Committee on Ways and Means.

202. A letter from the Secretary of Labor, transmitting the first quarter report of fiscal year 1986 on the expenditure and need for worker adjustment assistance training funds under the Trade Act of 1974, pursuant to Public Law 93-618, section 236(a)(2) (95 Stat. 885); to the Committee on Ways and Means.

203. A letter from the Secretary of Treasury, transmitting a report on net receipts from the windfall profit tax and their disposition for fiscal years 1984 and 1985, pursuant to 26 U.S.C. 4986n.t.; to the Committee on Ways and Means.

204. A letter from the Under Secretary for International Trade, Department of Commerce, transmitting a report entitled "United States Trade Performance in 1985 and Outlook"; to the Committee on Ways and Means.

205. A letter from the Assistant Secretary of Defense (Comptroller), transmitting notification of transfers of authorizations within the Department of Defense, pursuant to Public Law 98-525, section 1501(c) (98 Stat. 2626) and Public Law 99-145, section 1401; jointly, to the Committees on Armed Services and Appropriations.

206. A letter from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting notification of the decision to convert the family housing maintenance function at Offutt Air Force Base, NE, to contractor performance, pursuant to Public Law 99-500, section 9078; jointly, to the Committees on Armed Services and Appropriations.

207. A letter from the Administrator, Agency for International Development and the First Vice President and Chairman, Eximbank of the United States, transmitting the semiannual report on the amount and extension of credits under the Trade Credit Insurance Program [TCIP], pursuant to 22 U.S.C. 2184(g); jointly, to the Committees on Banking, Finance and Urban Affairs and Foreign Affairs.

208. A letter from the Secretary of Labor, transmitting the annual report on the administration of the Black Lung Benefits Act during calendar year 1985, pursuant to 30 U.S.C. 936(b); jointly, to the Committees on Education and Labor and Ways and Means.

209. A letter from the Director, Office of Civilian Radioactive Waste Management, Department of Energy, transmitting a plan for providing storage capacity for spent fuel from civilian nuclear power, pursuant to Public Law 97-425, section 135(f); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

210. A letter from the Secretary of Health and Human Services, transmitting a report entitled, "Alternative Methods of Reimbursement for Home Health Services under Federal Programs," pursuant to Public Law 97-414, section 6(c); jointly, to the Committees on Energy and Commerce and Ways and Means.

211. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a report of the nondisclosure of safeguards information by the Nuclear Regulatory Commission for the quarter ending September 30, 1986, pursuant to 42 U.S.C. 2167(e); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

212. A letter from the Secretary of State, transmitting a copy of the certification to authorize military assistance and sales for Guatemala, together with the justification for the certification, pursuant to Public Law 99-83, section 703(a)(1) (99 Stat. 240); jointly, to the Committees on Foreign Affairs and Appropriations.

213. A letter from the Director, Office of Legislative Affairs, Agency for International Development, transmitting a report on the allocation of funds for development assistance, pursuant to Public Law 99-500; jointly, to the Committees on Foreign Affairs and Appropriations.

214. A letter from the Director, Defense Security Assistance Agency, transmitting revisions to the fiscal year 1987 security assistance program submitted on December 15, 1986; jointly, to the Committees on Foreign Affairs and Appropriations.

215. A letter from the Comptroller General of the United States, transmitting views on the Department of Defense's organizational options and plans for strategic defense initiative technical support (GAO/NSIAD-87-43), pursuant to Public Law 99-591, section 213(c); jointly, to the Committees on Government Operations and Armed Services.

216. A letter from the Comptroller General of the United States, transmitting an assessment of the Secretary of Commerce's July 1986 report on extending foreign policy controls on exports to South Africa (GAO/NSIAD-87-3, October 1986); jointly, to the Committees on Government Operations and Foreign Affairs.

217. A letter from the Secretary of the Interior, transmitting the annual report with respect to actions taken to recruit and train Indians to qualify them for positions subject to Indian preference; the annual report on actions taken to place non-Indians employed by the Bureau of Indian Affairs in other Federal agencies, pursuant to 25 U.S.C. 472a(d) and 22 U.S.C. 472a(e)(2); jointly, to the Committees on Interior and Insular Affairs and Post Office and Civil Service.

218. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a request that the annual report on the safety research program be discontinued; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

219. A letter from the Assistant Secretary of the Army (Civil Works), transmitting the Corps of Engineers' emergency contingency plans to prevent or control near-term flooding along the Great Lakes, pursuant to Public Law 99-349, chapter IV (100 Stat. 724); jointly, to the Committees on Public Works and Transportation and Appropriations.

220. A letter from the Secretary of Health and Human Services, transmitting a report on the implementation of the Medicare hospice benefit contained in section 1861(dd) of the Social Security Act, pursuant to 42 U.S.C. 1395f nt., 1395x nt.; jointly, to the Committees on Ways and Means and Energy and Commerce.

221. A letter from the Assistant Secretary for Planning and Evaluation, Department of Health and Human Services, transmitting a report entitled "National Long-Term Care Channeling Demonstration"; jointly, to the Committees on Ways and Means and Energy and Commerce.

222. A letter from the Assistant Secretary for Economics, Department of Agriculture, transmitting recommendations for programs to alleviate adverse impact of export embargoes on agricultural commodities, pursuant to 7 U.S.C. 1736k (2), (3); jointly, to the Committees on Agriculture, Foreign Affairs and Appropriations.

223. A letter from the Comptroller General of the United States, transmitting a report entitled "Financial Audit—Solar Energy and Energy Conservation Bank's Financial Statements for 1981 Through 1985" (GAO/GFMD*-87-7); jointly, to the Committees on Government Operations; Banking, Finance and Urban Affairs; and Energy and Commerce.

224. A letter from the Comptroller General, General Accounting Office, transmitting his unqualified opinion on the financial statements of the Gorgas Memorial Institute to Tropical and Preventive Medicine, Inc., for the years ended September 30, 1985 and 1984; jointly, to the Committees on Government Operations, Foreign Affairs, and Energy and Commerce.

225. A letter from the Chairman, National Transportation Safety Board, transmitting a copy of the Board's submission to OMB which identifies the increased retirement costs for fiscal years 1987 and 1988, including a request for additional funding to cover these cost increases, pursuant to 49 U.S.C. app. 1903(b)(7); jointly, to the Committees on Appropriations, Public Works and Transportation, Energy and Commerce, and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on October 17, 1986, the following report was filed on December 16, 1986]

Mr. GRAY of Pennsylvania: Committee on the Budget. Activities and summary report of the Committee on the Budget, House of Representatives, 99th Congress (Rept. 99-1017). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on October 17, 1986, the following report was filed on December 16, 1986]

Mr. FUQUA: Committee on Science and Technology Summary of Activities of the Committee on Science and Technology, House of Representatives for the 99th Congress (Rept. 99-1018). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on October 17, 1986, the following reports were filed on December 18, 1986]

Mr. DIXON: Permanent Select Committee on Intelligence. Summary of activities during the 99th Congress (Rept. 99-1019).

Referred to the Committee of the Whole House on the State of the Union.

Mr. LELAND: Select Committee on Hunger. Progress report on the activities of the Select Committee on Hunger during the 99th Congress (Rept. No. 99-1020). Referred to the Committee of the Whole House on the State of the Union

Mr. MILLER of California: Select Committee on Children, Youth, and Families. A report on the activities for the year 1985 of the Select Committee on Children, Youth, and Families (Rept. No. 99-1021). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Select Committee on Children, Youth, and Families. Report on teen pregnancy: What is being done? A state-by-state look (Rept. No. 99-1022). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Select Committee on Children, Youth, and Families. Report on safety net programs: Are they reaching poor children? (Rept. 99-1023). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on October 17, 1986, the following report was filed on December 19, 1986]

Mr. RANGEL: Select Committee on Narcotics Abuse and Control. Annual report for the year 1985 of the Select Committee on Narcotics Abuse and Control (Rept. 99-1024). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on October 17, 1986, the following reports were filed on December 22, 1986]

Mr. HOWARD: Committee on Public Works and Transportation. Report on the summary of legislative activities—Committee on Public Works and Transportation (Rept. 99-1025). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Report of the activities of the House Committee on Government Operations, 99th Congress, first and second sessions, 1985-86 (pursuant to House Rule XI, 1(d)) (Rept. 99-1026). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Select Committee on Children, Youth, and Families. Report on the activities for the year 1986 of the Select Committee on Children, Youth, and Families, House of Representatives, 99th Congress, second session (Rept. 99-1027). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on October 17, 1986, the following report was filed on December 29, 1986]

Mr. ANNUNZIO: Committee on House Administration. Report on the activities of the Committee on House Administration during the 99th Congress (Rept. 99-1028). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on October 17, 1986, the following reports were filed on December 30, 1986]

Mr. RODINO: Committee on the Judiciary. Report on the activities of the Committee on the Judiciary (Rept. 99-1029). Referred to the Committee of the White House on the State of the Union.

Mr. FORD of Michigan: Committee on Post Office and Civil Service. Report of the legislative and review activities of the Committee on Post Office and Civil Service (Rept. 99-1030). Referred to the Committee of the Whole House on the State of the Union.

[Submitted December 31, 1986]

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. Summary of activities: A report of the Committee on Banking, Finance and Urban Affairs, House of Representatives, 99th Congress (Rept. 99-1031). Referred to the Committee of the Whole House on the State of the Union.

Mr. ASPIN: Committee on Armed Services. Report of the activities of the Committee on Armed Services for the 99th Congress (Rept. 99-1032). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAMILTON: Committee on Armed Services. Report on the activities of the Permanent Select Committee on Intelligence of the House of Representatives during the 99th Congress (Rept. No. 99-1033). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELLUMS: Committee on the District of Columbia. Activities and summary report of the Committee on the District of Columbia, House of Representatives, 99th Congress, 1985-86 (Rept. No. 99-1034). Referred to the Committee of the Whole House on the State of the Union.

Mr. FASCELL: Committee on Foreign Affairs. Report on legislative review activities of the Committee on Foreign Affairs (Rept. No. 99-1035). Referred to the Committee of the Whole House on the State of the Union.

Mr. MITCHELL: Committee on Small Business. Summary of activities: A report of the Committee on Small Business, House of Representatives, 99th Congress (Rept. No. 99-1036). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. Report of committee activities, 99th Congress, January 3, 1985 through October 18, 1986 (Rept. 99-1037). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. Report on the activities of the Committee on Energy and Commerce for the 99th Congress (Rept. 99-1038). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANGEL: Select Committee on Narcotics Abuse and Control. Annual report for the year 1986 of the Select Committee on Narcotics Abuse and Control, 99th Congress (Rept. 99-1039). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA: Committee on Agriculture. Report on activities during the 99th Congress (Rept. 99-1040). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. Report on legislative and review activities of the Committee on Interior and Insular Affairs of the House of Representatives during the 99th Congress (Rept. 99-1041). Referred to the Committee of the Whole House on the State of the Union.

Mr. PEPPER: Committee on Rules. Report on survey of activities of the House Committee on Rules, 99th Congress (Rept. 99-1042). Referred to the Committee of the Whole House on the State of the Union.

Mr. MONTGOMERY: Committee on Veterans' Affairs. Activities report of the Committee on Veterans' Affairs, House of Representatives, 99th Congress (Rept. 99-1043). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HOWARD (for himself, Mr. Hammerschmidt, Mr. Roe, Mr. Stangeland, Mr. Nowak, Mr. Anderson, Mr. Andrews, Mr. Applegate, Mr. Archer, Mr. Atkins, Mr. Bateman, Mrs. Bentley, Mr. Bevill, Mr. Bliley, Mr. Boehlert, Mr. Borski, Mr. Bosco, Mrs. Boxer, Mr. Brown of California, Mr. Bustamante, Mr. Callahan, Mr. Cardin, Mr. Carper, Mr. Chandler, Mr. Chapman, Mr. Clarke, Mr. Clinger, Mr. Coleman of Texas, Mrs. Collins, Mr. Courter, Mr. Crockett, Mr. Darden, Mr. DeFazio, Mr. de Lugo, Mr. Dicks, Mr. Dingell, Mr. DioGuardi, Mr. Dorgan of North Dakota, Mr. Downey of New York, Mr. Durbin, Mr. Dwyer of New Jersey, Mr. Dyson, Mr. Eckart, Mr. Evans, Mr. Fascell, Mr. Fazio, Mr. Feighan, Mr. Fields, Mr. Fish, Mr. Florio, Mr. Foglietta, Mr. Ford of Michigan, Mr. Frank, Mr. Gallo, Mr. Gejdenson, Mr. Gilman, Mr. Gonzalez, Mr. Goodling, Mr. Gradison, Mr. Grant, Mr. Green, Mr. Guarini, Mr. Gunderson, Mr. Hamilton, Mr. Hayes of Louisiana, Mr. Henry, Mr. Horton, Mr. Hoyer, Mr. Hughes, Mrs. Johnson of Connecticut, Mr. Jontz, Mr. Kanjorski, Mr. Kastenmeier, Mr. Kildee, Mr. Kleczka, Mr. LaFacle, Mr. Lantos, Mr. Lehman of Florida, Mr. Leland, Mr. Levin of Michigan, Mr. Lewis of Florida, Mr. Lightfoot, Mr. Lipinski, Mr. Lowery of California, Mr. Thomas A. Luken, Mr. MacKay, Mr. Manton, Mrs. Martin of Illinois, Mr. Matsui, Mr. McCollum, Mr. McDade, Mr. McGrath, Mr. McHugh, Mr. McKinney, Mr. McMillan of North Carolina, Mr. Miller of California, Mr. Mineta, Mr. Molinari, Mr. Moody, Mr. Mrazek, Mr. Murphy, Mr. Natcher, Mr. Neal, Mr. Nelson of Florida, Ms. Oakar, Mr. Oberstar, Mr. Olin, Mr. Owens of New York, Mr. Packard, Mr. Panetta, Mr. Perkins, Mr. Rahall, Mr. Richardson, Mr. Rinaldo, Mr. Rodino, Mr. Rose, Mr. Rostenkowski, Mrs. Roukema, Mr. Rowland of Georgia, Mr. Rowland of Connecticut, Mr. Russo, Mr. Savage, Mr. Saxton, Mr. Scheuer, Miss Schneider, Mr. Schuette, Mr. Schumer, Ms. Slaughter of New York, Mr. Sensenbrenner, Mr. Shaw, Mr. Shuster, Mr. Sikorski, Mr. Skaggs, Mr. Smith of Iowa, Mr. Smith of New Jersey, Mr. Solomon, Mr. St Germain, Mr. Stallings, Mr. Stratton, Mr. Studds, Mr. Sundquist, Mr. Sunia, Mr. Swift, Mr. Thomas of Georgia, Mr. Torres, Mr. Torricelli, Mr. Towns, Mr. Traficant, Mr. Valentine, Mr. Vento, Mr. Visclosky, Mr. Williams, Mr. Wilson Mr. Wise, Mr. Wolpe, Mr. Wortley, Mr. Wyden, and Mr. Yates):

H.R. 1. A bill to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes; to the Committee on Public Works and Transportation, and also to the Committee on Merchant Marine and Fisheries for consideration of such provisions of the bill as fall within that committee's jurisdiction pursuant to clause 1(n), rule X.

By Mr. ANDERSON (for himself, Mr. Howard, Mr. Hammerschmidt, Mr. Shuster, Mr. Michel, Mr. Andrews, Mr. Applegate, Mr. Atkins, Mr. AuCoin, Mrs. Bentley, Mr. Bevill, Mr. Boehlert, Mr. Borski, Mr. Bosco, Mrs. Boxer, Mr. Bustamante, Mrs. Byron, Mr. Callahan, Mr. Chandler, Mr. Chapman, Mr. Clinger, Mr. de Lugo, Mr. Gallo, Mr. Gejdenson, Mr. Gingrich, Mr. Grant, Mr. Gray of Illinois, Mrs. Johnson of Connecticut, Mr. Kolter, Mr. Lightfoot, Mr. Lipinski, Mr. Martinez, Mr. McEwen, Mr. Mineta, Mr. Molinari, Mr. Mollohan, Mrs. Morella, Mr. Murphy, Mr. Nielson of Utah, Mr. Nowak, Mr. Oberstar, Mr. Packard, Mrs. Patterson, Mr. Perkins, Mr. Petri, Mr. Rahall, Mr. Ritter, Mr. Roe, Mr. Rowland of Georgia, Mr. Savage, Mr. Schuette, Mr. Shaw, Ms. Slaughter of New York, Mr. Smith of Iowa, Mr. Spratt, Mr. Stangeland, Mr. Sundquist, Mr. Sunia, Mr. Thomas of Georgia, Mr. Traficant, Mr. Visclosky, Mr. Wilson, and Mr. Wise):

H.R. 2. A bill to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the Relocation Assistance Program, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. GEPHARDT (for himself, Mr. Bonker, Mr. Gibbons, Mr. Rostenkowski, Mr. Fascell, Mr. Dingell, Mr. St Germain, Mr. de la Garza, Mr. Hawkins, Mr. Coelho, Mr. Pickle, Mr. Rangel, Mr. Stark, Mr. Ford of Tennessee, Mr. Downey of New York, Mr. Guarini, Mr. Russo, Mr. Pease, Mr. Matsui, Mr. Anthony, Mr. Flippo, Mr. Dorgan of North Dakota, Mrs. Kennelly, Mr. Donnelly, Mr. Coyne, Mr. Hubbard, Mr. Kleczka, Mr. Kanjorski, Mr. Thomas A. Luken, Mr. Synar, Mr. Mica, Mr. Manton, Ms. Oakar, Mr. LaFalce, Mr. Levin of Michigan, Ms. Kaptur, Mr. Fauntroy, Mr. Erdreich, Mr. Ford of Michigan, Mr. Clay, Mr. Biaggi, Mr. Murphy, Mr. Kildee, Mr. Martinez, Mr. Hayes of Ilinois, Mr. Perkins, Mr. Eckart, Mr. Dowdy of Mississippi, Mr. Florio, Mr. Frank, Mr. Rose, Mr. Jones of Tennessee, Mr. Murtha, Mr. Williams, Mr. Ackerman, Mr. Alexander, Mr. Anderson, Mr. Annunzio, Mr. Applegate, Mr. Atkins, Mr. Barnard, Mr. Bennett, Mr. Bevill, Mr. Bilbray, Mrs. Boggs, Mr. Boland, Mr. Boner of Tennessee, Mr. Bonior of Michigan, Mr. Borski, Mr. Boucher, Mrs. Boxer, Mr. Brooks, Mr. Bryant, Mrs. Byron, Mr. Bustamante, Mr. Campbell, Mr. Cardin, Mr. Carper, Mr. Chapman, Mr. Clarke, Mr. Coleman of Texas, Mrs. Collins, Mr. Conyers, Mr. Cooper, Mr. Crockett, Mr. Daniel, Mr. Derrick, Mr. Durbin, Mr. Dwyer of New Jersey, Mr. Edwards of California, Mr. Evans, Mr. Fazio, Mr. Feighan, Mr. Foglietta, Mr. Frost, Mr. Gaydos, Mr. Gejdenson, Mr. Glickman, Mr. Gonzalez, Mr. Grant, Mr. Gray of Illinois, Mr. Gray of Pennsylvania, Mr. Hall of Ohio, Mr. Hall of Texas, Mr. Harris, Mr. Hefner, Mr. Hertel, Mr. Hochbrueckner, Mr. Hoyer, Mr. Huckaby, Mr. Hughes, Mr. Jacobs, Mr. Jones of North Carolina, Mr. Jontz, Mr. Kastenmeier, Mr. Kolter, Mr. Kostmayer, Mr. Lancaster, Mr. Lantos, Mr. Lehman of California, Mr. Leland, Mr. Lipinski, Mrs. Lloyd, Mr. MacKay, Mr. McCloskey, Mr. Markey, Mr. Mavroules, Mr. Mazzoli, Mr. Miller of California, Mr. Mineta, Mr. Moakley, Mr. Mollohan, Mr. Moody, Mr. Morrison of Connecticut, Mr. Nagle, Mr. Natcher, Mr. Nelson of Florida, Mr. Nichols, Mr. Nowak, Mr. Oberstar, Mr. Obey, Mr. Olin, Mr. Ortiz, Mr. Owens of New York, Mr. Panetta, Mr. Pepper, Mr. Price of North Carolina, Mr. Rahall, Mr. Richardson, Mr. Robinson, Mr. Rodino, Mr. Roe, Mr. Roemer, Mr. Sabo, Mr. Sawyer, Mrs. Schroeder, Mr. Sharp, Mr. Skelton, Mr. Smith of Florida, Mr. Staggers, Mr. Stallings, Mr. Stokes, Mr. Stratton, Mr. Swift, Mr. Tauzin, Mr. Torres, Mr. Torricelli, Mr. Towns, Mr. Traficant, Mr. Traxler, Mr. Udall, Mr. Valentine, Mr. Vento, Mr. Visclosky, Mr. Volkmer, Mr. Walgren, Mr. Watkins, Mr. Weiss, Mr. Whitten, Mr. Wise, Mr. Wolpe, and Mr. Yatron):

H.R. 3. A bill to enhance the competitiveness of American industry, and for other purposes; jointly, to the Committees on Ways and Means, Agriculture, Banking, Finance and Urban Affairs, Education and Labor, Energy and Commerce, and Foreign Affairs.

By Mr. GONZALEZ (for himself and Mr. St Germain):

H.R. 4. A bill to amend and extend certain laws relating to housing, community and neighborhood development and preservation and shelter assistance for the homeless and displaced, and for other purposes; to the Committee on Banking, Finance, and Urban Affairs.

By Mr. HAWKINS (for himself and Mr. Goodling):

H.R. 5. A bill to improve elementary and secondary education, and for other purposes; to the Committee on Education and Labor.

By Mr. HAWKINS (for himself and Mr. Goodling):

H.R. 6. A bill to establish programs to promote effective schools and to encourage joint parent-child educational approaches, and for other purposes; to the Committee on Education and Labor.

By Mr. MINETA (for himself and Mr. Gephardt):

H.R. 7. A bill to require reauthorizations of budget authority for Government programs at least every 10 years, to provide for review of Government programs at least every 10 years, and for other purposes; jointly, to the Committees on Rules, and Government Operations.

By Mr. MINETA (for himself, Mr. Howard, Mr. Hammerschmidt, and Mr. Gingrich):

H.R. 8. A bill to ensure equitable treatment of aviation users and to ensure development of the Airport and Airway System; jointly, to the Committees on Public Works and Transportation, and Ways and Means.

By Mr. MINETA (for himself, Mr. Hammerschmidt, and Mr. Gingrich):

H.R. 9. A bill to amend the Congressional Budget Act of 1974 to provide more equitable treatment of dedicated user taxes; to the Committee on Rules.

By Mr. OBERSTAR (for himself, Mr. Clinger, and Mr. Nowak):

H.R. 10. A bill to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965; jointly to the Committees on Public Works and Transportation, and Banking, Finance and Urban Affairs.

By Mr. MINETA (for himself, Mr. Howard, Mr. Hammerschmidt, and Mr. Gingrich):

H.R. 11. A bill to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1987, 1988, and 1989, and for other purposes; jointly to the Committees on Public Works and Transportation, and Energy and Commerce.

By Mrs. SCHROEDER (for herself, Mr. Gephardt, Mr. Conte, Mr. AuCoin, Mr. Downey of New York, Mr. Green, Mr. Leach of Iowa, Mr. Markey, and Miss Schneider):

H.R. 12. A bill to provide for a mutual, simultaneous, and verifiable moratorium on the testing of nuclear warheads; jointly, to the Committees on Foreign Affairs, and Armed Services.

By Mr. McDADE:

H.R. 13. A bill to amend the Trade Act of 1974 to ensure reciprocal trade opportunities, and for other purposes; jointly to the Committees on Ways and Means, Foreign Affairs, Energy and Commerce, the Judiciary, and Rules.

By Mr. HUGHES:

H.R. 14. A bill to designate certain river segments in New Jersey as study rivers for potential inclusion in the National Wild and Scenic River System; to the Committee on Interior and Insular Affairs.

By Mr. MICHEL (for himself, Mr. Lott, Mr. Kemp, Mr. Cheney, Mr. Lewis of California, Mrs. Martin of Illinois, Mr. Lagomarsino, Mr. Vander Jagt, Mr. Duncan, Mr. Lent, and Mr. Crane):

H.R. 15. A bill entitled the "Trade Partnership Act of 1987"; jointly, to the Committees on Ways and Means; Banking, Finance and Urban Affairs; the Judiciary; and Energy and Commerce.

By Mr. HAWKINS:

H.R. 16. A bill to establish a program to provide part-time school year and full-time summer employment to economically disadvantaged youth who are pursuing further education or training leading to meaningful unsubsidized employment; to the Committee on Education and Labor.

By Mr. UDALL:

H.R. 17. A bill to identify, commemorate, and preserve the legacy of historic landscapes of Frederick Law Olmsted, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. UDALL (for himself, Mr. Vento, Mr. Martinez, and Mr. Kildee):

H.R. 18. A bill to establish the American Conservation Corps, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Education and Labor.

By Mr. MICHEL:

H.R. 19. A bill to provide a new extended unemployment compensation program for certain areas of high unemployment; to the Committee on Ways and Means.

By Mr. CLAY:

H.R. 20. A bill to amend title 5, United States Code, to restore to Federal civilian employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 21. A bill to amend title 39, United States Code, to restore to Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PANETTA (for himself and Mr. Regula):

H.R. 22. A bill to amend the Congressional Budget Act of 1974 to provide for a 2-year budgeting cycle, to provide for separate and timely consideration each of authorizing legislation, budget resolutions, and appropriations, and for other purposes; jointly, to the Committees on Rules, and Government Operations.

By Mr. MADIGAN:

H.R. 23. A bill to revise the basis for computation of emergency compensation under the 1986 feed grains programs; to the Committee on Agriculture.

By Mr. RUSSO (for himself, Mr. Fazio, and Mr. Miller of California):

H.R. 24. A bill to allow the Tax Reform Act of 1986 to be applied and administered as if the 3-year basis recovery rule applicable to employees' annuities had not been repealed; to the Committee on Ways and Means.

By Mrs. SCHROEDER (for herself, Mr. Horton, Mr. Clay, Mr. Garcia, Mr. LeLand, Mr. Yatron, Ms. Oakar, Mr. Sikorski, Mr. McCloskey, Mr. Ackerman, Mr. Dymally, Mr. Bates, Mr. Bereuter, Mr. Berman, Mr. Boehlert, Mr. Borski, Mrs. Boxer, Mr. Bruce, Mr. Bryant, Mr. Clinger, Mrs. Collins, Mr. Daub, Mr. Derrick, Mr. Dorgan of North Dakota, Mr. Edwards of California, Mr. Evans, Mr. Fascell, Mr. Fauntroy, Mr. Fazio, Mr. Foglietta, Mr. Frank, Mr. Gejdenson, Mr. Gilman, Mr. Glickman, Mr. Gray of Illinois, Mr. Guarini, Mr. Hamilton, Mr. Howard, Mr. Hoyer, Mr. Jacobs, Mr. Kildee, Mr. Kleczka, Mr. Levin of Michigan, Mr. Manton, Mr. Martinez, Mr. Matsui, Mr. Mineta, Mr. Morrison of Connecticut, Mr. Rahall, Mr. Roe, Mr. Scheuer, Mr. Denny Smith, Mr. Smith of Florida, Ms. Snowe, Mr. Stark, Mr. Torres, Mr. Towns, and Mr. Yates):

H.R. 25. A bill to amend title 5, United States Code, to strengthen the protections available to Federal employees against prohibited personnel practices, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ST GERMAIN (for himself and Mr. Wylie):

H.R. 26. A bill to preserve the authority of the Federal banking supervisory agencies to arrange interstate acquisitions and mergers for failed or failing banks, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 27. A bill to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ST GERMAIN:

H.R. 28. A bill to limit the number of days a depository institution may restrict the availability of funds which are deposited in any account; to the Committee on Banking, Finance and Urban Affairs.

H.R. 29. A bill to permanently authorize the Home Mortgage Disclosure Act of 1975, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HAWKINS:

H.R. 30. A bill to establish comprehensive programs of education, training, and employment assistance in the States to enable families receiving public assistance benefits to achieve long-term self-sufficiency; to the Committee on Education and Labor.

By Mr. JEFFORDS:

H.R. 31. A bill to amend section 201(d)(1)(D) and (E) of the Agricultural Act of 1949; to the Committee on Agriculture.

By Mr. BROOMFIELD:

H.R. 32. A bill to provide for forfeiture of Federal employees retirement benefits upon conviction of the felony of unauthorized disclosure of the identity of a covert agent, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DAUB:

H.R. 33. A bill to provide for a biennial budget for the United States, to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to remove the Comptroller General and the Director of the Congressional Budget Office from participation in the deficit reduction process under the Act, and to amend the Impoundment Control Act of 1974; jointly, to the Committees on Government Operations, and Rules.

By Mr. FRENZEL:

H.R. 34. A bill to lower for a 2-year period the column 2 duty on certain large offset printing machines; to the Committee on Ways and Means.

H.R. 35. A bill to provide for temporary duty-free treatment for cyclosporine; to the Committee on Ways and Means.

H.R. 36. A bill to continue the existing temporary duty-free treatment of certain coarse wools until the close of December 31, 1992; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 37. A bill to provide for payments in lieu of real property taxes, with respect to certain real property owned by the Federal Government; to the Committee on Government Operations.

By Mr. KASTENMEIER:

H.R. 38. A bill to amend title 38, United States Code, to provide a presumption of service connection for the occurrence of post-traumatic stress disorders in veterans who serve in Southeast Asia during the Vietnam era; to the Committee on Veterans' Affairs.

By Mr. UDALL (for himself, Mr. Howard, Mr. Rodino, Mr. Fish, Mr. Bonior of Michigan, Mr. Kastenmeier, Mr. Green, Mr. Edwards of California, Mr. Roybal, Mrs. Boxer, Mr. Vento, Mr. Moakley, Mr. Mrazek, Mr. Smith of Florida, Mr. Beilenson, Mr. Panetta, Mr. Kildee, Mr. Durbin, Mr. Conyers, Mr. Dellums, Mr. Levine of California, Mr. de Lugo, Mr. Thomas A. Luken, Mr. Lipinski, Mr. Boehler, and Mr. Rose):

H.R. 39. A bill to designate certain lands in Alaska as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. HAWKINS:

H.R. 40. A bill to provide employment opportunities to long-term unemployed individuals in high unemployment areas in projects to repair and renovate vitally needed community facilities, and for other purposes; to the Committee on Education and Labor.

By Mr. ANTHONY:

H.R. 41. A bill to amend the Internal Revenue Code of 1986 to make permanent certain provisions relating to certain employee stock ownership plans; to the Committee on Ways and Means.

By Mr. ARCHER:

H.R. 42. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Way and Means.

By Mr. ARCHER (for himself and Mr. Crane):

H.R. 43. A bill to allow the President an item veto in appropriations bills; to the Committee on the Judiciary.

H.R. 44. A bill to repeal the windfall profit tax on domestic crude oil; to the Committee on Ways and Means.

By Mr. BARNARD:

H.R. 45. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain air transportation; to the Committee on Ways and Means.

By Mr. BENNETT:

H.R. 46. A bill to amend title 37, United States Code, to prevent military personnel from suffering a loss in the after-tax levels of military compensation due to changes in the application of Federal income tax laws to otherwise deductible housing expenses; to the Committee on Armed Services.

By Mr. BENNETT (for himself, Mr. Rangel, Mr. Gilman, Mr. Montgomery, and Mr. Shaw):

H.R. 47. A bill to amend title 10, United States Code, to authorize members of the Armed Forces to assist civilian law enforcement agencies in drug-interdiction operations outside the United States; to the Committee on Armed Services.

H.R. 48. A bill to amend title 37, United States Code, to revise the pay and allowances of members of the Armed Forces to provide a program of deferred compensation for career military personnel who serve 20 or more years of active duty; to the Committee on Armed Services.

H.R. 49. A bill to amend title 37, United States Code, to repeal a limitation on the total amount of basic allowance for quarters and variable housing allowance to a member of the uniformed services; to the Committee on Armed Services.

By Mr. BARNARD:

H.R. 50. A bill to authorize depository institution holding companies to engage in certain financial, securities, real estate, and insurance activities, to provide for the safe and sound operation of depository institutions, and for other purposes; to the Committee on Banking, Finance, and Urban Affairs.

By Mr. FAUNTROY:

H.R. 51. A bill to provide for the admission of the State of New Columbia into the Union; to the Committee on the District of Columbia.

By Mr. BENNETT:

H.R. 52. A bill to establish a Conventional Defense Advisory Board within the Department of Defense; to the Committee on Armed Services.

H.R. 53. A bill to amend title 10, United States Code, to regulate the discharge of members of the Armed Forces, and for other purposes; to the Committee on Armed Services

By Mr. BENNETT (for himself and Mr. Montgomery):

H.R. 54. A bill to amend title 10, United States Code, to establish a program to provide high school graduates with technical training in skills needed by the Armed Forces in return for a commitment for enlisted service in the Armed Forces; to the Committee on Armed Services.

H.R. 55. A bill to amend section 504 of the Rehabilitation Act of 1973 to eliminate discrimination against handicapped or disabled individuals in programs provided by a recipient of Federal financial assistance; to the Committee on Education and Labor.

H.R. 56. A bill to entitle the "Comprehensive Substance Abuse Education Act of 1987"; to the Committee on Education and Labor.

H.R. 57. A bill to require the Director of the National Institute of Mental Health to develop, publish, and distribute information on suicide prevention; to the Committee on Energy and Commerce.

H.R. 58. A bill to establish the Crisis Management Council for the purpose of studying international political, economic, and military happenings, and for other purposes; to the Committee on Foreign Affairs.

H.R. 59. A bill to direct the President to support a professorship on constitutional democracy established at the Santo Tomas University in the Republic of the Philippines, and to provide for financial support for such professorship from contributions by veterans of World War II in the Pacific and veterans of the Korean and Vietnam wars; to the Committee on Foreign Affairs.

H.R. 60. A bill to authorize the Architect of the Capitol to accept gifts and bequests of personal property and money for the benefit of the Capitol Buildings Art Collection; to the Committee on House Administration.

H.R. 61. A bill to commemorate the Bicentennial of the Constitution of the United States with exhibits and programs relating to the history of democracy and by the establishment of Democracy Hall; to the Committee on House Administration.

H.R. 62. A bill to establish a series of six regional Presidential primaries at which the public may express its preference for the nomination of an individual for election to the Office of President of the United States; to the Committee on House Administration.

H.R. 63. A bill to amend title 28 of the United States Code to limit the jurisdiction of courts established by Congress under article III of the Constitution of the United States over State cases; to the Committee on the Judiciary.

H.R. 64. A bill to prohibit any act or threat of violence in a labor dispute and any conspiracy to accomplish such act or threat and to impose criminal and civil penalties therefor; to the Committee on the Judiciary.

By Mr. PEPPER:

H.R. 65. A bill to amend title XVIII of the Social Security Act to provide for a part C program to furnish comprehensive catastrophic and preventive benefits through prepaid plans; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. BENNETT:

H.R. 66. A bill to amend title 13, United States Code, to require that the most currently produced population data obtained by the Census Bureau be used in determining benefits received by State and local governments under Federal programs; to the Committee on Post Office and Civil Service.

By Mr. HOCHBRUECKNER:

H.R. 67. A bill to provide for State and local government approval of emergency evacuation plans, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT:

H.R. 68. A bill to amend section 4101(f) of title 38, United States Code, with respect to the designation of certain Veterans' Administration outpatient clinics as centers of geriatric research, education, and clinical activities; to the Committee on Veterans' Affairs.

H.R. 69. A bill to provide for Veterans' Administration general medical and surgical hospital at Jacksonville, FL, and to achieve cooperation with the University of Florida College of Medicine in its activities in Jacksonville; to the Committee on Veterans' Affairs.

H.R. 70. A bill to amend the National Security Act of 1947 with respect to the staff of the National Security Council; jointly, to the Committee on Armed Services, and the Permanent Select Committee on Intelligence.

H.R. 71. A bill to abolish the National Security Council, and for other purposes; jointly, to the Committee on Armed Services, and the Permanent Select Committee on Intelligence.

By Mr. BENNETT (for himself and Mr. Chappell):

H.R. 72. A bill to amend title 28 of the United States Code to change the types of hearings which a magistrate may conduct, and to change the jurisdiction for the consideration of, and the standards for the granting of, writs of habeas corpus by Federal courts upon application of persons in custody pursuant to judgments of State courts; to the Committee on the Judiciary.

By Mr. BENNETT (for himself, Mr. Smith of Florida, Mr. Ireland, and Mr. Chappell):

H.R. 73. A bill to reform procedures for collateral review of criminal judgments, and for other purposes; to the Committee on the Judiciary.

By Mr. BENNETT (for himself, Mr. Ortiz, Mr. Bereuter, Mr. Hertel, and Mr. Hughes):

H.R. 74. A bill to establish the title of States in certain abandoned shipwrecks, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Merchant Marine and Fisheries.

By Mrs. BENTLEY:

H.R. 75. A bill to reform the process for filling vacancies which occur on the Interstate Commerce Commission, the Federal Maritime Commission, and the National Transportation Safety Board; jointly, to the Committees on Energy and Commerce, Merchant Marine and Fisheries, and Public Works and Transportation.

By Mrs. BENTLEY (for herself and Mr. Lagomarsino):

H.R. 76. A bill to restrict payments to alien recipients of Social Security benefits and other purposes; to the Committee on Ways and Means.

By Mrs. BENTLEY (for herself, Mr. Mack, and Mr. Denny Smith):

H.R. 77. A bill to reduce narcotics smuggling; jointly, to the Committees on Foreign Affairs and the Judiciary.

By Mr. BIAGGI:

H.R. 78. A bill to amend the Truth in Lending Act to limit the rate of interest which may be charged on credit card accounts; to the Committee on Banking, Finance and Urban Affairs.

H.R. 79. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage and to index it to 50 percent of the average hourly wage in the private sector; to the Committee on Education and Labor.

H.R. 80. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to increase the amount of benefits payable with respect to the death of public safety officers, and for other purposes; to the Committee on the Judiciary.

By Mr. CARR:

H.R. 81. A bill to amend the Internal Revenue Code of 1954 to allow individuals to direct that part or all of their income tax refunds be contributed to a trust fund established for the relief of domestic and international hunger, and to establish a commission to oversee the distribution of such contributions; jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. BIAGGI:

H.R. 82. A bill to amend the Merchant Marine Act, 1920 to require vessels used to transport sewage sludge to be built in the United States; to the Committee on Merchant Marine and Fisheries.

H.R. 83. A bill to establish a national lottery to reduce the Federal deficit; to the Committee on Ways and Means.

H.R. 84. A bill to amend chapter 44 of title 18, United States Code, to prohibit sale, delivery, and importation of certain nonmetal firearms, and to require the Administrator of the Federal Aviation Administration to conduct research to improve effectiveness of airport security devices with respect to detection of nonmetal firearms; jointly, to the committees on the Judiciary and Public Works and Transportation.

By Mr. BROOMFIELD:

H.R. 85. A bill to eliminate security assistance and arms export preferences for New Zealand, and for other purposes; to the Committee on Foreign Affairs.

H.R. 86. A bill to amend section 794 of title 18, United States Code, to provide more severe penalties for certain forms of espionage; to the Committee on the Judiciary.

By Mr. MARKEY (for himself, Mr. Dingell, Mr. Lent, Mr. Moorhead, Mr. Gejdenson, Mr. Latta, Mr. Sharp, Mr. Thomas A. Luken, Mr. Walgren, Mr. Rinaldo, Mr. Swift, Mrs. Collins, Mr. Nielson of Utah, Mr. Wyden, Mr. Eckart, Mr. Bliley, Mr. Slattery, Mr. Sikorski, Mr. Coelho, Mr. Vander Jagt, Mr. Cooper, Mr. Upton, Mr. Mineta, Mr. McDade, Mr. Boucher, Mr. Martin of New York, Mr. Foglietta, Mr. Robinson, Mr. Regula, Mr. Beilenson, Mr. Henry, Mr. Gordon, Mr. Petri, Mr. Schumer, Mr. Jeffords, Mr. Hughes, Mr. Wolpe, Miss Schneider, Mr. Skelton, Mr. Boehlert, Mr. Howard, Mr. Hoyer, Mr. Mrazek, Mr. Wortley, Mr. Feighan, Mr. Bevill, Mr. Green, Mr. Williams, Mr. Lantos, Mr. Moody, Mr. Pursell, Mr. Wheat, Mr. Levin of Michigan, Mr. Chapman, Mr. Leach of Iowa, Mr. Frank, Mr. Visclosky, Mr. Levine of California, Mr.

Torres, Mr. Panetta, Mr. Duncan, Mr. Downey of New York, and Mrs. Boxer):

H.R. 87. A bill to amend the Energy Policy and Conservation Act with respect to energy conservation standards for appliances; to the Committee on Energy and Commerce.

By Mr. CARR:

H.R. 88. A bill to amend the Internal Revenue Code of 1954 to allow the deduction of an additional exemption amount for certain physically disabled taxpayers; to the Committee on Ways and Means.

By Mr. CHAPMAN:

H.R. 89. A bill to provide that the recreation portions of the project for Cooper Lake and Channels, Texas, shall be constructed at full Federal expense; to the Committee on Public Works and Transportation.

By Mr. HAWKINS:

H.R. 90. A bill to establish programs of education and training designed to improve the competitiveness of American workers in international trade, and for other purposes; to the Committee on Education and Labor.

By Mr. CLINGER:

H.R. 91. A bill to amend the Public Works and Economic Development Act of 1965 to establish a National Public Works Corporation for purposes of providing financial assistance to States and local governments for the construction, rehabilitation, and repair of certain public facilities, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. COATS:

H.R. 92. A bill to establish a Department of Trade as an executive department of the Government of the United States, and for other purposes; to the Committee on Government Operations.

H.R. 93. A bill to amend the Internal Revenue Code of 1986 to provide for the establishment of, and the deduction of contributions to, education savings accounts; to the Committee on Ways and Means.

H.R. 94. A bill to amend the Internal Revenue Code of 1986 to provide for the establishment of, and the deduction of contributions to, housing savings accounts; to the Committee on Ways and Means.

By Mrs. COLLINS:

H.R. 95. A bill to strengthen the development of children and the functioning of families by establishing a comprehensive Federal child care program designed to improve the quality and availability of child care services while protecting parental rights, and for other purposes; to the Committee on Education and Labor.

By Mr. CRANE (for himself and Mr. Dannemeyer):

H.R. 96. A bill to authorize and direct the General Accounting Office to audit the Federal Reserve Board, the Federal Advisory Council, the Federal Open Market Committee, and Federal Reserve banks and their branches; to the Committee on Banking, Finance and Urban Affairs.

By Mr. CRANE:

H.R. 97. A bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities; to the Committee on Education and Labor.

H.R. 98. A bill to repeal the Davis-Bacon Act, and for other purposes; to the Committee on Education and Labor.

H.R. 99. A bill to provide for the confidentiality of medical and dental records of patients not receiving assistance from the Federal Government, and for other purposes; to the Committee on Energy and Commerce.

By Mr. FASCELL:

H.R. 100. A bill to require the Secretary of the Treasury to mint gold and silver coins in commemoration of the 100th Congress; to the Committee on Banking, Finance and Urban Affairs.

By Mr. EDWARDS of California (for himself, Mr. Rodino, Mr. Fish, Mrs. Schroeder, Miss Schneider, Mr. Torres, Mr. Levin of Michigan, Mr. Leach of Iowa, Mr. Visclosky, Mr. Horton, Mr. Anderson, Mr. Gejdenson, Mr. Moody, Mr. Beilenson, Mrs. Kennelly, Mr. Gonzalez, Mr. Gephardt, Mr. Wheat, Mr. Early, Mr. Studds, Mr. Green, Mr. Hamilton, Mrs. Johnson of Connecticut, Mr. Smith of Florida, Mr. Fazio, Mr. Ackerman, Mr. Scheuer, Mr. Kildee, Mr. Mineta, Mrs. Morella, Mr. Fascell, Mr. Guarini, Mr. Vento, Mr. Florio, Mr. McCloskey, Mr. Kastenmeier, Mr. Pickle, Mr. Stratton, Mr. Fauntroy, Mr. Ford of Michigan, Mr. Hoyer, Mr. Walgren, Mr. Frank, and Mr. Boucher):

H.J. Res. 1. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. WOLPE (for himself, Mr. Ackerman, Mr. Atkins, Mr. AuCoin, Mr. Bateman, Mrs. Bentley, Mr. Biaggi, Mr. Bonker, Mrs. Boxer, Mr. Bruce, Mr. Bustamante, Mr. Carr, Mr. Coelho, Mrs. Collins, Mr. Crockett, Mr. de la Garza, Mr. Dymally, Mr. Eckart, Mr. Fazio, Mr. Feighan, Mr. Frank, Mr. Gallo, Mr. Gejdenson, Mr. Gephardt, Mr. Gray of Pennsylvania, Mr. Green, Mr. Guarini, Mr. Hall of Ohio, Mr. Horton, Mr. Howard, Mr. Hoyer, Mr. Hughes, Mr. Jacobs, Mrs. Johnson of Connecticut, Ms. Kaptur, Mr. Kastenmeier, Mr. Kildee, Mr. Kostmayer, Mr. LaFalce, Mr. Levin of Michigan, Mr. Levine of California, Mr. Lipinski, Mr. Lowry of Washington, Mr. MacKay, Mr. McHugh, Mr. Martinez, Mr. Morrison of Connecticut, Mr. Mrazek, Mr. Murphy, Ms. Oakar, Mr. Oberstar, Mr. Panetta, Mr. Rahall, Mr. Ritter, Mr. Roe, Mr. Scheuer, Miss Schneider, Mr. Solarz, Mr. Spratt, Mr. Synar, Mr. Torres, Mr. Vento, Mr. Visclosky, Mr. Walgren, Mr. Weiss, Mr. Wilson, and Mr. Wise):

H.J. Res. 2. Joint resolution to direct the President to report on the status of implementation of the recommendations of the President's Commission on Industrial Competitiveness; to the Committee on Banking, Finance and Urban Affairs.

By Mr. de la GARZA (for himself and Mr. Madigan):

H.J. Res. 3. Joint resolution to recognize the 100th anniversary of the enactment of the Hatch Act of March 2, 1887, and its role in establishing our Nation's system of State agricultural experiment stations; to the Committee on Agriculture.

By Mr. KASTENMEIER:

H.J. Res. 4. Joint resolution calling for a verifiable comprehensive treaty banning the testing, production, deployment and use of all space-based weapons for use against space, air or ground targets, and ground-based or air-based weapons for use against satellites and the dismantling of existing weapons systems; to the Committee on Foreign Affairs.

By Mr. BROOKS:

H.J. Res. 5. Joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States; to the Committee on the Judiciary.

H.J. Res. 6. Joint resolution proposing an amendment to the Constitution of the United States to provide for single 6-year terms for the President and Vice President, and to repeal the 22d article of amendment to the Constitution; to the Committee on the Judiciary.

By Mr. ARCHER:

H.J. Res. 7. Joint resolution proposing an amendment to the Constitution of the United States requiring the submission of balanced Federal funds budgets by the President and action by the Congress to provide revenues to offset Federal funds deficits; to the Committee on the Judiciary.

By Mr. ARCHER (for himself, Mr. Armey, Mr. Badham, Mr. Bartlett, Mr. Barton of Texas, Mr. Bennett, Mr. Bilirakis, Mr. Blaz, Mr. Bliley, Mr. Boulter, Mr. Brown of Colorado, Mr. Burton of Indiana, Mr. Coats, Mr. Combest, Mr. Courter, Mr. Crane, Mr. Daniel, Mr. Dannemeyer, Mr. Daub, Mr. DeLay, Mr. DeWine, Mr. Dreier of California, Mr. Duncan, Mr. Emerson, Mr. Fawell, Mr. Fields, Mr. Fish, Mr. Frenzel, Mr. Gallo, Mr. Gekas, Mr. Gibbons, Mr. Gregg, Mr. Hansen, Mr. Hunter, Mr. Ireland, Mrs. Johnson of Connecticut, Mr. Kemp, Mr. Kolbe, Mr. Lagomarsino, Mr. Lewis of Florida, Mr. Lightfoot, Mr. Livingston, Mr. McCandless, Mr. McGrath, Mr. McMillan of North Carolina, Mr. Mack, Mr. Miller of Washington, Mr. Moorhead, Mr. Nielson of Utah, Mr. Oxley, Mr. Packard, Mr. Petri, Mr. Ritter, Mr. Roberts, Mr. Roth, Mr. Rowland of Connecticut, Mr. Saxton, Mr. Schuette, Mr. Sensenbrenner, Mr. Shumway, Mr. Denny Smith, Mr. Smith of New Hampshire, Mr. Solomon, Mr. Spence, Mr. Stenholm, Mr. Stump, Mr. Sweeney, Mr. Vander Jagt, Mrs. Vucanovich, Mr. Weber, Mr. Wilson, Mr. Wylie, and Mr. Chandler):

H.J. Res. 8. Joint resolution proposing an amendment to the Constitution of the United States allowing an item veto in appropriations bills; to the Committee on the Judiciary.

By Mr. BARTON of Texas (for himself, Mr. Mr. DeLay, Mr. Smith of New Hampshire, Mrs. Vucanovich, Mr. Dornan of California, Mr. Coble, Mr. Armey, Mr. Mack, Mr. Lagomarsino, Mr. Emerson, Mr. Donald E. Lukens, Mr. Bartlett, Mr. Gunderson, Mr. Craig, Mr. Boulter, Mr. Schuette, and Mr. Miller of Ohio):

H.J. Res. 9. Joint resolution proposing an amendment to the Constitution to Federal budget procedures; to the Committee on the Judiciary.

By Mr. BENNETT:

H.J. Res. 10. Joint resolution proposing an amendment to the Constitution of the United States allowing an item veto in appropriations; to the Committee on the Judiciary.

H.J. Res. 11. Joint resolution proposing an amendment to the Constitution to provide that, except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year; to the Committee on the Judiciary.

H.J. Res. 12. Joint resolution proposing an amendment to the Constitution to provide for the direct election of the President and Vice President and to authorize Congress to establish procedures relating to the nomination of Presidential and Vice-Presidential candidates; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H.J. Res. 13. Joint resolution proposing an amendment to the Constitution of the United States establishing English as the official language of the United States; to the Committee on the Judiciary.

By Mrs. COLLINS:

H.J. Res. 14. Joint resolution to provide for the designation of September 1, 1987, as "Working Mother's Day"; to the Committee on Post Office and Civil Service.

By Mr. CRANE:

H.J. Res. 15. Joint resolution proposing an amendment to the Constitution of the United States providing that no person may be elected to the House of Representatives more than three times, and providing that no person may be elected to the Senate more than once; to the Committee on the Judiciary.

By Mr. DANNEMEYER:

H.J. Res. 16. Joint resolution to disapprove the action of the District of Columbia Council approving the Prohibition of Discrimination in the Provision of Insurance Act of 1986; to the Committee on the District of Columbia.

By Mr. de la GARZA:

H.J. Res. 17. Joint resolution to designate the third week in June 1987 as "National Dairy Goat Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. DURBIN (for himself, Mr. Gordon, Mr. Lipinski, Mr. Jones of North Carolina, Mr. Kleczka, Mrs. Bentley, Mr. Nielson of Utah, and Mr. Bonior of Michigan):

H.J. Res. 18. Joint resolution proposing an amendment to the Constitution of the United States to provide for 4-year terms for Representatives in certain cases; to the Committee on the Judiciary.

By Mr. EMERSON:

H.J. Res. 19. Joint resolution proposing an amendment to the Constitution of the United States to prohibit compelling the attendance of a student in a public school other than the public school nearest the residence of such student; to the Committee on the Judiciary.

H.J. Res. 20. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

By Mr. GAYDOS:

H.J. Res. 21. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right to life; to the Committee on the Judiciary.

By Mr. GUARINI:

H.J. Res. 22. Joint resolution proposing an amendment to the Constitution of the United States to provide for a single 6-year term for President and Vice President, and to repeal the 22d article of amendment to the Constitution; to the Committee on the Judiciary.

By Mr. HUNTER (for himself, Mr. Bates, Mr. Lowery of California, Mr. Packard, Mr. Hyde, Mr. Dannemeyer, Mr. Dickinson, Mr. Gregg, Mr. Dreier of California, Mr. Dornan of California, Mr. Ritter, and Mr. Badham):

H.J. Res. 23. Joint resolution designating May 1988 as "Air/Space America Month"; to the Committee on Post Office and Civil Service.

By Mr. KILDEE:

H.J. Res. 24. Joint resolution to designate November 17, 1987, as "National Community Education Day"; to the Committee on Post Office and Civil Service.

By Mr. LAGOMARSINO:

H.J. Res. 25. Joint resolution opposing the Soviet Union's invasion and 7-year occupation of Afghanistan against the national will of the Afghan people; to the Committee on Foreign Affairs.

H.J. Res. 26. Joint resolution proposing an amendment to the Constitution of the United States to prohibit any Member of Congress sentenced for conviction of a felony during a session of Congress from continuing to serve as a Member of such Congress after the date of such sentencing; to the Committee on the Judiciary.

H.J. Res. 27. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; to the Committee on the Judiciary.

H.J. Res. 28. Joint resolution proposing an amendment to the Constitution of the United States limiting annual increases in Federal budget outlays and new Federal budget authority; to the Committee on the Judiciary.

H.J. Res. 29. Joint resolution proposing an amendment to the Constitution of the United States to require a two-thirds vote of each House to increase taxes; to the Committee on the Judiciary.

H.J. Res. 30. Joint resolution proposing an amendment to the Constitution of the United States allowing an item veto in appropriations acts; to the Committee on the Judiciary.

H.J. Res. 31. Joint resolution proposing an amendment to the Constitution of the United States relating to the compensation of Senators and Representatives, providing that no increase in compensation shall take effect earlier than the following Congress; to the Committee on the Judiciary.

By Mr. LEWIS of Florida:

H.J. Res. 32. Joint resolution designating the month of May 1987 as "National Child Safety Awareness Month"; to the Committee on Post Office and Civil Service.

By Mr. MILLER of Ohio:

H.J. Res. 33. Joint resolution proposing an amendment to the Constitution of the United States with respect to the English language; to the Committee on the Judiciary.

By Mr. MYERS of Indiana:

H.J. Res. 34. Joint resolution to authorize the President to issue a proclamation designating the week beginning on November 22, 1987 and November 20, 1988 as "National Family Week"; to the Committee on Post Office and Civil Service.

By Mr. OBERSTAR (for himself, Mr. Kildee, Mr. Sikorski, Mr. Stangeland, Mr. Daub, and Mr. Weber):

H.J. Res. 35. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

By Mr. QUILLEN:

H.J. Res. 36. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or threat of war as determined by the Congress; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. ROTH:

H.J. Res. 37. Joint resolution to establish a bipartisan National Commission on Deficit Reduction; to the Committee on Government Operations.

By Mr. SHUMWAY:

H.J. Res. 38. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. STUMP (for himself, Mr. Udall, Mr. Kolbe, Mr. Kyl, and Mr. Rhodes):

H.J. Res. 39. Joint resolution to recognize and acknowledge that February 14, 1987, will mark the 75th anniversary of Arizona statehood and to designate the year 1987 as Arizona's Diamond Jubilee; to the Committee on Post Office and Civil Service.

By Mrs. VUCANOVICH:

H.J. Res. 40. Joint resolution to designate May 7, 1987, as National Barrier Awareness Day; to the Committee on Post Office and Civil Service.

By Mr. WALKER (for himself and Mr. Ritter):

H.J. Res. 41. Joint resolution affirming the legislative intent under the Social Security Act to provide for increases in old-age insurance benefits with due regard to increases in the cost of living; to the Committee on Ways and Means.

By Mr. FOLEY:

H. Con. Res. 1. Concurrent resolution providing for a Joint Session of Congress to receive a message from the President on the State of the Union; considered and agreed to.

H. Con. Res. 2. Concurrent resolution providing for a conditional adjournment of the House from January 8 to January 20, 1987; considered and agreed to.

By Mr. BROOMFIELD:

H. Con. Res. 3. Concurrent resolution to condemn Soviet actions in implanting listening devices in the United States Embassy building being constructed in Moscow and to support the President policy on when the Soviet Union may begin to use its recently constructed chancery building in the District of Columbia; to the Committee on Foreign Affairs.

By Mrs. COLLINS:

H. Con. Res. 4. Concurrent resolution expressing the sense of the Congress that the Office of Personnel Management should provide certain vocational rehabilitation services in its administration of the civil service disability retirement program; to the Committee on Post Office and Civil Service.

By Mrs. COLLINS (for herself, Mr. Bliley, Mr. Fawell, Mr. Porter, and Mr. Wortley):

H. Con. Res. 5. Concurrent resolution expressing the sense of the Congress that Abe Stolar, a citizen of the United States and a former resident of Chicago, and his family, be allowed to emigrate from the Soviet Union; to the Committee on Foreign Affairs.

By Mr. CRANE:

H. Con. Res. 6. Concurrent resolution expressing the sense of the Congress with respect to the right of all Americans to keep and bear arms in defense of life or liberty and in the pursuit of all other legitimate endeavors; to the Committee on the Judiciary.

By Mr. CRANE (for himself, Mr. Daub, Mr. Lent, Mr. Fawell, Mr. Emerson, Mr. Hammerschmidt, Mr. Kemp, Mr. Fish, Mr. Moorhead, Mr. Lagomarsino, Mr. Gallo, Mr. Porter, and Mr. Baker):

H. Con. Res. 7. Concurrent resolution expressing the sense of the Congress that the rate reductions contained in the Tax Reform Act of 1986 should not be delayed; to the Committee on Ways and Means.

By Mr. DANNEMEYER:

H. Con. Res. 8. Concurrent resolution expressing the sense of the Congress respecting the enactment by the States of certain laws relating to the acquired immune deficiency syndrome; jointly, to the Committees on Energy and Commerce, and the Judiciary.

By Mr. DONNELLY:

H. Con. Res. 9. Concurrent resolution condemning the use of plastic or rubber bullets by British security forces in Northern Ireland and calling upon the Government of the United Kingdom to end the use of such bullets against civilians; to the Committee on Foreign Affairs.

By Mr. DORNAN of California (for himself and Mr. Dannemeyer):

H. Con. Res. 10. Concurrent resolution expressing the sense of Congress with respect to congressional action on the President's budget for fiscal year 1988 for activities related to the acquired immune deficiency; to the Committee on Energy and Commerce.

By Mr. MOAKLEY:

H. Con. Res. 11. Concurrent resolution directing the Commissioner of Social Security and the Secretary of Health and Human Services to immediately conduct a study and report to Congress on steps which can be taken to correct the benefit disparity known as the notch problem, in order to insure fair and equitable treatment for those who have based their retirement plans on the social security benefit levels which existed or were projected, during most of their working lifetimes, under the pre-1977 law; to the Committee on Ways and Means.

By Mr. GEPHARDT:

H. Res. 1. Resolution electing officers of the House of Representatives; considered and agreed to.

By Mr. FOLEY:

H. Res. 2. Resolution to inform the Senate that a quorum of the House had assembled and had elected Jim Wright, a Representative from the State of Texas, Speaker, and Donnald K. Anderson, a citizen of the State of California, Clerk, considered and agreed to.

By Mr. FOLEY:

H. Res. 3. Resolution providing for a committee to notify the President of the assembly of the Congress; considered and agreed to.

By Mr. WHITTEN:

H. Res. 4. Resolution to inform the President of the United States of the election of Speaker and Clerk of the House of Representatives; considered and agreed to.

By Mr. FOLEY:

H. Res. 5. Resolution adopting the Rules of the House of Representatives for the 100th Congress; considered and agreed to.

By Mr. MICHEL:

H. Res. 6. Resolution relating to the compensation of certain minority employees; considered and agreed to.

By Mr. FROST:

H. Res. 7. Resolution fixing the daily hour of meeting of the House; considered and agreed to.

By Mr. FOLEY:

H. Res. 8. Resolution authorizing the Speaker to administer the oath of office to Representative Joseph E. Brennan from the State of Maine; considered and agreed to.

By Mr. GEPHARDT:

H. Res. 9. Resolution designating membership on certain standing committees of the House; considered and agreed to.

By Mr. MICHEL:

H. Res. 10. Resolution designating membership on certain standing committees of the House; considered and agreed to.

By Mr. RANGEL (for himself and Mr. Gilman):

H. Res. 11. Resolution to establish the Select Committee on Narcotics Abuse and Control; to the Committee on Rules.

By Mr. FOLEY (for himself, Mr. Michel, Mr. Hamilton, and Mr. Cheney):

H. Res. 12. Resolution creating a Select Committee to Investigate Covert Arms Transactions with Iran; to the Committee on Rules.

By Mr. MILLER of California (for himself, Mr. Coats, Mr. Lehman of Florida, Mr. Fish, Mrs. Schroeder, Mr. Wolf, Mrs. Boggs, Mr. McHugh, Mr. Weiss, Mr. Anthony, Mrs. Boxer, Mr. Levin of Michigan, Mr. Morrison of Connecticut, Mr. Rowland of Georgia, Mr. Sikorski, Mr. Wheat, Mr. Martinez, Mr. Evans, Mr. Kastenmeier, Mr. Clay, Mr. Rodino, Mr. Vento, Mr. Levine of California, Mrs. Kennelly, Mrs. Lloyd, Mr. Smith of Florida, Mr. Kildee, Mr. McKinney, Mr. Matsui, and Mr. Edwards of California):

H. Res. 13. Resolution to establish the Select Committee on Children, Youth, and Families; to the Committee on Rules.

Mr. LELAND (for himself, Mrs. Roukema, Mr. Ackerman, Mr. Akaka, Mr. Anderson, Mr. Andrews, Mr. Applegate, Mr. Atkins, Mr. Barnard, Mr. Bennett, Mr. Bereuter, Mr. Berman, Mr. Bevill, Mr. Biaggi, Mr. Boland, Mr. Bonker, Mr. Borski, Mr. Boucher, Mrs. Boxer, Mr. Brooks, Mr. Broomfield, Mr. Brown of California, Mr. Bruce, Mr. Bryant, Mr. Bustamante, Mr. Carr, Mr. Chandler, Mr. Clay, Mr. Coelho, Mr. Conte, Mr. Cooper, Mr. Coyne, Mr. Crockett, Mr. de la Garza, Mr. Derrick, Mr. Dicks, Mr. Dixon, Mr. Donnelly, Mr. Dorgan of North Dakota, Mr. Dowdy of Mississippi, Mr. Downey of New York, Mr. Dellums, Mr. Duncan, Mr. Dwyer of New Jersey, Mr. Dymally, Mr. Edwards of California, Mr. Evans, Mr. Fazio, Mr. Feighan, Mr. Fish, Mr. Foglietta, Mr. Ford of Tennessee, Mr. Ford of Michigan, Mr. Frank, Mr. Frost, Mr. Garcia, Mr. Gejdenson, Mr. Gephardt, Mr. Gilman, Mr. Gonzalez, Mr. Gordon, Mr. Gray of Illinois, Mr. Gray of Pennsylvania, Mr. Gunderson, Mr. Hall of Texas, Mr. Hamilton, Mr. Hayes of Illinois, Mr. Hefner, Mr. Hertel, Mr. Horton, Mr. Hoyer, Mr. Hutto, Mr. Ireland, Mr. Jacobs, Mr. Jeffords, Ms. Kaptur, Mr. Kastenmeier, Mrs. Kennelly, Mr. Kildee, Mr. Kleczka, Mr. Kolter, Mr. Kostmayer, Mr. LaFalce, Mr. Lantos, Mr. Leath of Texas, Mr. Lehman of California, Mr. Lehman of Florida, Mr. Levin of Michigan, Mr. Levine of California, Mr. Lewis of California, Mrs. Lloyd, Mr. Lowery of California, Mr. Lowry of Washington, Mr. Lujan, Mr. Thomas A. Luken, Mr. Manton, Mr. Markey, Mr. Martin of New York, Mr. Martinez, Mr. Matsui, Mr. Mavroules, Mr. Mazzoli, Mr. McDade, Mr. McGrath, Mr. McHugh, Mr. McKinney, Mr. Miller of California, Mr. Mineta, Mr. Moody, Mr. Morrison of Washington, Mr. Mrazek, Mr. Natcher, Mr. Neal, Mr. Nowak, Mr. Oberstar, Mr. Ortiz, Mr. Owens of New York, Mr. Panetta, Mr. Penny, Mr. Porter, Mr. Rahall, Mr. Richardson, Mr. Ritter, Mr. Rodino, Mr. Roe, Mr. Roybal, Mr. Sabo, Mr. Saxton, Mr. Scheuer, Mrs. Schroeder, Mr. Schumer, Mr. Skelton, Mr. Smith of Florida, Mr. Robert F. Smith, Ms. Snowe, Mr. Spratt, Mr. Staggers, Mr. Stangeland, Mr. Stokes, Mr. Tallon, Mr. Thomas of Georgia, Mr. Torres, Mr. Torricelli, Mr. Towns, Mr. Traficant, Mr. Traxler, Mr. Udall, Mr. Valentine, Mr. Vento, Mr. Watkins, Mr. Waxman, Mr. Wheat, Mr. Williams, Mr. Wise, Mr. Wolf, Mr. Wortley, Mr. Wyden, Mr. Yatron, Mr. Durbin, Mr. Howard, Mr. Morrison of Connecticut, and Mr. Stark):

H. Res. 14. Resolution to establish the Select Committee on Hunger; to the Committee on Rules.

By Mr. BENNETT:

H. Res. 15. Resolution expressing the sense of the Congress that the United States should place greater emphasis on the improvement of the capabilities of the United States conventional forces, particularly in cooperation with other member nations of the North Atlantic Treaty Organization; joinly, to the Committees on Armed Services, and Foreign Affairs.

By Mr. CONTE (for himself, Mr. Donnelly, Mr. Sharp, Mr. Horton, Mr. Moakley, Mr. Studds, Mr. Jeffords, Mr. DioGuardi, Mr. Markey, Mr. St Germain, Mr. Frank, Mr. Coats, Miss Schneider, Mr. Mavroules, Mr. Downey of New York, Mr. Rangel, Mrs. Kennelly, and Mr. Dwyer of New Jersey):

H. Res. 16. Resolution expressing the House of Representatives' opposition to an imposition of an import fee on crude oil and refined products; to the Committee on Ways and Means.

By Mr. CRANE (for himself and Mr. Gilman):

H. Res. 17. Resolution to amend the Rules of the House of Representatives to require a rollcall vote on the passage of bills making appropriations and bills providing revenue; to the Committee on Rules.

By Mr. DONNELLY (for himself, Mr. Conte, Mrs. Kennelly, Mr. Downey of New York, Mr. Rangel, Mr. Sharp, Mr. Horton, Mr. Moakley, Mr. Studds, Mr. Jeffords, Mr. DioGuardi, Mr. Markey, Mr. St Germain, Mr. Frank, Mr. Coats, Miss Schneider, Mr. Mavroules, and Mr. McGrath):

H. Res. 18. Resolution expressing the House of Representatives' opposition to an imposition of an import fee on crude oil and refined products; to the Committee on Ways and Means.

By Mr. EDWARDS of Oklahoma:

H. Res. 19. Resolution to amend the Rules of the House of Representatives to require a rollcall vote on passage of any measure making appropriations or providing revenue; to the Committee on Rules.

By Mr. GUARINI:

H. Res. 20. Resolution establishing the House of Representatives foreign Student Intern Program; to the Committee on House Administration.

By Mr. IRELAND (for himself, Mr. Lewis of Florida, and Mr. McCollum):

H. Res. 21. Resolution expressing the sense of the House of Representatives regarding the agreement between the United States and the European Community on citrus and pasta, and for other purposes; to the Committee on Ways and Means.

By Mr. SMITH of Iowa:

H. Res. 22. Resolution authorizing the House Administration Committee to investigate, recount, and report on contested elections for the House of Representatives; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

1. By the SPEAKER: Memorial of the Legislature of the State of Nebraska, relative to the stockholders of the Valentine and O'Neill Production Credit Associations; to the Committee on Agriculture.

2. Also, memorial of the Legislature of the State of Maine, relative to oil companies; to the Committee on Energy and Commerce.

3. Also, memorial of the 18th Legislature of Guam, relative to the closing of the local passport office; to the Committee on Foreign Affairs.

4. Also, memorial of the Legislature of the State of Florida, relative to the designation of "Space Pioneers Memorial Day"; to the Committee on Post Office and Civil Service.

5. Also, memorial of the Legislature of the State of Florida, relative to recognition of the "Lake Worth, Intracoastal, Heritage Corridor"; to the Committee on Post Office and Civil Service.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1. By the SPEAKER: Petition of the national president, Naval Reserve Association, Alexandria, VA, relative to the association's national conference; to the Committee on Armed Services.

2. Also, petition of the National Association of State Mine Inspection Agencies, relative to mine health and safety; to the Committee on Education and Labor.

3. Also, petition of the Prime Minister and Minister of Finance, Commonwealth of the Bahamas, Nassau, N.P., Bahamas, relative to South Africa; to the Committee on Foreign Affairs.

4. Also, petition of the Council of the City of New York, NY, relative to a mandatory prison term for the possession of the drug "crack"; to the Committee on the Judiciary.

5. Also, petition of Ofelia Soriano, Tarlac, Philippines, relative to citizenship; to the Committee on the Judiciary.

6. Also, petition of Judith F. Green, DePere, WI, relative to citizenship; to the Committee on the Judiciary.

7. Also, petition of the City Council, North Olmsted, OH, relative to the Social Security System; to the Committee on Ways and Means.

8. Also, petition of the City Council, New York, NY, relative to the passage of H.R. 4938 and H.R. 5080; to the Committee on Ways and Means.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS

The following registrations were submitted for the third calendar quarter 1986:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.......... ◆

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
	(Mark one square only)			

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◆

AFFIDAVIT

[Omitted in printing]

PAGE 1 ◆

Organization or Individual Filing	Employer/Client
Leanne J. Abdnor, 2000 Pennsylvania Avenue, NW, #3580 Washington, DC 20006	Koppelman Fuel Development Corp
Burt J. Abrams, Milbank Tweed Hadley & McCloy One Chase Manhattan Plaza New York, NY 10005	Rockefeller Group, Inc
Matthew J. Abrams, CANAMCO 1828 L Street, NW, #660 Washington, DC 20036	Dominion Marine Assn
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	Bear Stearns
Do	Commercial Metals Co
Do	Dash Trading Co
Do	Electronic Processing, Inc
Do	Fleet Delivery Service, Inc
Do	GTE Corporation
Do	Hall Real Estate Group
Do	Thermo-Electron Co
Alcalde Henderson O'Bannon & Rousselot, 1901 N. Fort Myer Drive, #1204 Rosslyn, VA 22209	Brown Boveri Corp
Do	Consolidated Freightways
Do	Regular Common Carrier Conference
Do	Texas Air Corp
American Amusement Machine Assn, 205 The Strand Alexandria, VA 22314	
American Assn of Museums, 1055 Thomas Jefferson St., NW, #428 Washington, DC 20007	
Christopher E. Anders, 1667 K Street, NW, #660 Washington, DC 20006	Marlowe & Co (For:Graphic Communications Int'l Union)
Bette Anderson, 1020 19th Street, NW Washington, DC 20036	Anderson Benjamin Read & Haney (For:U.S. Banknote Corp)
Owen W. Anglum, 1667 K Street, NW, #650 Washington, DC 20006	Armco
Animal Political Action Committee, P.O. Box 2706 Washington, DC 20013	
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Avenue, NW Washington, DC 20036	All Industry Television Station Music License Committee
Do	ConAgra
Do	Stephen Goldberg
Do	Pyramid Lake Paiute Tribal Council
Paul Arneson, 1701 Pennsylvania Ave., NW, #940 Washington, DC 20006	Design Professionals Coalition
Eddie T. Arnold, 3620 Peartree Court, #32 Silver Spring, MD 20906	
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	EXEL Limited
Lud Ashley, P.C., 1735 New York Avenue, NW, 6th Fl. Washington, DC 20006	Central States of Omaha
Nicholas J. Ashooh, 1000 Elm Street P.O. Box 330 Manchester, NH 03105	Public Service Co of New Hampshire
Austin Industries, Inc, P.O. Box 1590 Dallas, TX 75221	
ACS Systems, Inc, 360 Herndon Parkway Herndon, VA 22070	
APCO Associates, 1200 New Hampshire Ave., NW Washington, DC 20036	Recording Industry Assn of America
Baker & Botts, 1701 Pennsylvania Ave., NW Washington, DC 20006	Gerald D. Hines Interests
Frederick Wm. Banig, 900 15th Street, NW Washington, DC 20005	United Mine Workers of America
Douglas P. Bates, 1615 L Street, NW, #1350 Washington, DC 20036	Business Roundtable
Ann F. Bavaria, 35 North Sixth Street Reading, PA 19601	Meridian Bancorp, Inc
M. Wendell Belew Jr., 2100 M Street, NW, #603 Washington, DC 20036	Long Lake Energy Corp
James P. Bellis Sr., 1629 K St., NW, #1100 Washington, DC 20006	Palumbo & Cerrell, Inc (For:European Community)
Dave Berick, 1616 P Street, NW Washington, DC 20036	Union of Concerned Scientists
Berliner & Maloney, 1101 17th Street, NW, #1004 Washington, DC 20036-4798	Embassy of Belize
Do	Government of Barbados, Ministry of Finance & Planning
Berman Bergner & Boyette, 1016 16th Street, NW, #700 Washington, DC 20036	Republic of Korea
Beveridge & Diamond, P.C., 1333 New Hampshire Ave, NW Washington, DC 20036	Metal Box America, Inc
Do	Town of Oyster Bay Industrial Development Agency
Hugh L. Binford, 50 Coe Road, #223 Belleair, FL 33516	
Birch Horton Bittner Pestinger & Anderson, 12th Floor 1155 Connecticut Ave., NW Washington, DC 20036	Alaska NOLs Coalition
Bishop Liberman Cook Purcell & Reynolds, 1200 17th Street, NW, 7th Fl. Washington, DC 20036	Technicon Data Systems Corp
David A. Blair, 5205 Leesburg Pike, #505 Falls Church, VA 22041	National Beer Wholesalers Assn
Richard R. Blake Jr., 777 14th Street, NW Washington, DC 20005	National Assn of Realtors
Vera Steiner Blore, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.
Blue Cross & Blue Shield Assn, 1709 New York Avenue, NW, #303 Washington, DC 20006	
Blum Nash & Railsback, 1133 15th Street, NW, #1100 Washington, DC 20005	Animal Health Institute
Charles R. Blumenfeld, Bogle & Gates 2100 Bank of California Center Seattle, WA 98164	Coalition of Independent Timber Growers
Nancy Bothne, 2001 S Street, NW, #312 Washington, DC 20009	Farmworker Justice Fund, Inc
Bracy Williams & Company, 1000 Connecticut Avenue, NW, #304 Washington, DC 20036	Arkla, Inc
Do	Confederated Salish & Kootenai of the Flathead Reservation
Sally M. Brain, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	West Side Rail Development Foundation, Inc
Carolyn L. Brehm, 1660 L Street, NW Washington, DC 20036	General Motors Corp
Broadhurst Brook Mangham & Hardy, 1730 Pennsylvania Ave., NW, #300 Washington, DC 20006	Primark Corp
Wolf Brueckmann, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.
Thomas L. Buckmaster, 1225 Connecticut Avenue, NW, #300 Washington, DC 20036	Citizens for Sensible Control of Acid Rain
Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036	American Insurance Assn
Do	Chester Solid Waste Assn
Do	National Foundation for Infectious Diseases
Do	Softgel Assn
Busby Rehm and Leonard, P.C., 1330 Connecticut Ave., NW, #200 Washington, DC 20036	American Citizens Abroad
Do	Guam Contractors Assn
M. Caldwell Butler, P.O. Box 720 Roanoke, VA 24004	Bradley Associates
Michael F. Butler, Andrews & Kurth 1730 Pennsylvania Avenue, NW Washington, DC 20006	Lazard Freres & Co, et al.
Cahill Gordon & Reindel, 80 Pine Street New York, NY 10005	Exel Limited, et al.
Charles J. Campisi, 1300 19th Street, NW, #501 Washington, DC 20036	National Comm to Preserve Social Security
Laura Van Etten Cannata, 1700 Pennsylvania Avenue, NW, #525 Washington, DC 20006	Equitable Life Assurance Society of the U.S.
Caplin & Drysdale, Chtd, One Thomas Circle, NW Washington, DC 20005	J. Paul Getty Trust
Do	Swig Investment Co
Carmen & Muss, 1901 Pennsylvania Avenue, NW, #900 Washington, DC 20006	LGH Venture
Alexandra Carr, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group
Daniel Joseph Cassidy, 1611 North Kent Street, #805 Arlington, VA 22209	Citizens for Educational Freedom
Cassidy and Associates, Inc, Metropolitan Square 655 15th St., NW, #1100 Washington, DC 20005	American Hospital in Shanghai Foundation
Do	Fudan Foundation
Do	Global Broadcasting Group, Inc
Chadbourne & Parke, 1101 Vermont Avenue, NW Washington, DC 20005	Inspiration Resources Corp
Do	Timex Corp
Chambers Associates, Inc, 1625 K Street, NW, #200 Washington, DC 20006	Belk Stores Services, Inc
Citizens for Stabilizing Corporate Taxes & Foreign Policy, P.O. Box 1036 Guthrie, OK 73044-1036	
Cleary Gottlieb Steen & Hamilton, 1752 N Street, NW Washington, DC 20036	Refiners' Negotiating Committee
Coan Couture Lyons & Moorhead, 1625 Eye St., NW, #1015 Washington, DC 20006	State Street Development Co of Boston
Ernest Allen Cohen, Journal Square Plaza Jersey City, NJ 07306	Radio Officers Union, Dist 3, NMEBA AFL-CIO
Collier Shannon Rill & Scott, 1055 Thomas Jefferson St., NW, #308 Washington, DC 20007	Municipal Castings Fair Trade Council
Do	National Coalition of Fresh Potato Processors
Do	National Pasta Assn
Do	Petroleos de Venezuela, S.A.
William P. Collins, 444 No. Capitol St., NW, #711 Washington, DC 20001	Keefe Company (For:Republic of the Philippines)
Do	Keefe Company (For:Southern Co Services, Inc)
Committee to Support the Antitrust Laws, 1401 New York Avenue, NW, #620 Washington, DC 20005	
Robert J. Conlan, 110 Maryland Avenue, NE, #409 Washington, DC 11383	National Peace Institute Foundation
William M. Corcoran, 1050 Connecticut Avenue, NW, #800 Washington, DC 20036	Allied-Signal, Inc
Corman Law Offices, 1420 16th Street, NW Washington, DC 20036	Cloverleaf Group, Inc
Do	Connell Rice & Sugar Co, Inc
Do	Ryder System, Inc
Do	Systems Leasing Corp
Do	Winn Development Co
Covington & Burling, 1201 Pennsylvania Avenue, NW P.O. Box 7566 Washington, DC 20044	Hallmark Cards, Inc
Do	Marathon U.S. Realties, Inc
Tamara Cox, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Evans Grain Co)
Do	Gray & Co Public Communications Int'l, Inc (For:National Sunflower Assn)
Do	Gray & Co Public Communications Int'l, Inc (For:Nebraska Wheat Board)
Do	Gray & Co Public Communications Int'l, Inc (For:Renewable Fuels Assn)
Do	Gray & Co Public Communications Int'l, Inc (For:Valmont Industries)
Ronald Crawford, F/P Research Associates 1700 K Street, NW, #303 Washington, DC 20006	BIZCAP, Inc
Mary Dent Crisp, 21 Dupont Circle, NW Washington, DC 20036	Business Executives for National Security, Inc
Crowell & Moring, 1100 Connecticut Ave., NW Washington, DC 20036	City of North Miami

Organization or Individual Filing	Employer/Client
Herminia L. Cubillos, 20 F Street, NW, 2nd Floor Washington, DC 20001	National Council of La Raza
CR Associates, 2010 Massachusetts Avenue, NW Washington, DC 20036	Alzheimer's Disease & Related Disorders Assn
D L Associates, Inc, 1730 Rhode Island Avenue, NW, #210 Washington, DC 20036	Metropolitan Insurance Cos
William K. Dabaghi, Arter & Hadden 1919 Pennsylvania Ave., NW, #400 Washington, DC 20006	American Coalition for Flexible Exchange Rates
Darnoc Enterprises of DC, Inc, 1700 K Street, NW Washington, DC 20006	
Susan A. Davis, 1818 N Street, NW, #350 Washington, DC 20036	Susan Davis International (For:Turkish Republic of Northern Cyprus)
Davis & Harman, 1455 Pennsylvania Avenue, NW, #1200 Washington, DC 20004	Dyna Span Corp
Do	ICH Corporation
Do	Tenenbaum-Hill Associates
Susan Davis International, 1818 N Street, NW, #350 Washington, DC 20036	Turkish Republic of Northern Cyprus
Dechert Price & Rhoads, 1730 Pennsylvania Avenue, NW, #1100 Washington, DC 20006	Rohm & Haas Co
Deloitte Haskins & Sells, 655 15th Street, NW, #700 Washington, DC 20005	Lin Pac International PLC, et al.
George B. Delta, Silverstein & Mullens 1776 K Street, NW Washington, DC 20006	Rockefeller Group, Inc
Dewey Ballantine Bushby Palmer & Wood, 1775 Pennsylvania Ave., NW Washington, DC 20006	Catholic Health Assn of the U.S.
Do	Duke Endowment
Do	Federation of American Health Systems
Ann Sanders Dickey, 300 Maryland Avenue, NE Washington, DC 20002	Federal Express Corp
Norman Dickinson, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Canadian Institute of Steel Construction
Dickinson Wright Moon Van Dusen & Freeman, 1901 L St., NW, #801 Washington, DC 20036	Allied Signal, Inc
Do	Chicago & Northwestern Transportation
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	American Discount Stamps
Do	Fiat USA
Do	Inslaw, Inc
Do	Iroquois Gas, Inc
Do	Ocean State Power
Walter E. Diercks, Rubin Winston & Diercks 1730 M Street, NW, #412 Washington, DC 20036	Outdoor Advertising Assn of America, Inc
Sharon Pratt Dixon, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co
Dow Lohnes & Albertson, 1255 23rd St., NW Washington, DC 20037	Canadian Institute of Steel Construction
Dudek Communications, 902 Pennsylvania Avenue, SE Washington, DC 20003	Lyonnaise des Eaux Group
Dulles Access Transit Corp, Washington National Airport Washington, DC 20001	
Duncan Weinberg & Miller, P.C., 1615 M Street, NW, #800 Washington, DC 20036	National Assn of State Energy Officials
Pauline Dunlap, 1201 McDuffie, #222 Houston, TX 77019	
Raymond Durazo, 1625 Eye Street, NW, #500 Washington, DC 20006	Ketchum Public Relations
Dyer Ellis Joseph & Mills, Watergate, #1000 600 New Hampshire Avenue, NW Washington, DC 20037	Apex Marine Corp
Do	Crowley Maritime Corp
Marsha A. Echols, Law Offices of Max N. Berry 3213 O Street, NW Washington, DC 20007	National Assn for the Specialty Food Trade, Inc
Laurence A. Elgin, 2762 Woodley Place, NW Washington, DC 20008	Jersey Arms Works, Inc
Walter Evans Jr., 2254 David Raines Rd., Apt. 123 Shreveport, LA 71107	
William Ferguson Jr., The Ferguson Company 1875 Eye Street, NW, #1275 Washington, DC 20006	Aries Properties, Inc
Do	Gavin Associates
Jack Ferguson Associates, Inc, 203 Maryland Ave., NE Washington, DC 20002	BellSouth D.C.
Do	Dick Fischer Development, Inc
Do	Global Marine, Inc
Do	Haida Corporation
Do	Pyro Power
Do	Joseph E. Seagram & Sons, Inc
Do	Standard Oil/BP North America, Inc
Do	We All Need H-3 Committee
Marshall S. Filler, 2033 M Street, NW, #700 Washington, DC 20006	Eastern Airlines, Inc
Do	Texas Air Corp
Robert E. Finch, 2400 E. Commercial Blvd., #500 Ft. Lauderdale, FL 33308	Ameriserv, inc
Finkelstein Thompson Levenson & Lewis, 2828 Pennsylvania Avenue, NW, #200 Washington, DC 20007	Manivest Corporation
Finley Kumble Wagner Heine Underberg Manley Myerson & Casey, 1120 Connecticut Ave., NW, #465 Washington, DC 20036	City of Inglewood
Michael A. Forscey, 1735 New York Avenue, NW Washington, DC 20006	Metropolitan Life & Affiliated Cos
French & Company, 1317 F St., NW, #307 Washington, DC 20004	Montgomery Ward & Co, Inc
Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW Washington, DC 20004	Bristol Bay Native Corp
Do	Copley Investors Limited Partnership
Linda Parke Gallagher, 1818 N Street, NW, #350 Washington, DC 20036	Linda Parke Gallagher & Associates (For:National Corp for Housing Partnerships)
Jose A. Gemeil, 1725 DeSales Street, NW, #804 Washington, DC 20036	Samuel E. Stavisky & Associates, Inc (For:Federacion Nacional de Cafeteros de Colombia)
Alvin J. Geske, 1016 16th Street, NW, 6th Floor Washington, DC 20036	Renewable Fuels Assn
Gibson Dunn & Crutcher, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	Merrill Lynch Bank & Trust Co
Kenneth W. Gideon, 1150 Connecticut Avenue, NW Washington, DC 20036	Bizcap, Inc
Joseph L. Gilbert, 4324 Georgia Avenue, NW Washington, DC 20011	National Business League
Gold & Liebengood, Inc, The Willard Office Building 1455 Pennsylvania Avenue, NW, #950 Washington, DC 20004	Transportation Infrastructure Advisory Group
John Gordley, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Evans Grain Co)
Do	Gray & Co Public Communications Int'l, Inc (For:Hyundai Motor America)
Do	Gray & Co Public Communications Int'l, Inc (For:National Sunflower Assn)
Do	Gray & Co Public Communications Int'l, Inc (For:Renewable Fuels Assn)
Do	Gray & Co Public Communications Int'l, Inc (For:Valmont Industries)
Robert K. Gray, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Seminole Indian Tribe of Florida)
Do	Gray & Co Public Communications In'tl, Inc (For:Waterman Steamship Corp)
Mary Scott Guest, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	Riverton Investment Corp
Lewis Gulick, 1008 N. Randolph Street, #206 Arlington, VA 22201	TCR Services, Inc
GFE, Ltd, 1701 K Street, NW, #705 Washington, DC 20006	DESC Comercio Exterior, S.A. de C.V.
Anthony L. Hadley, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute
James W. Harff, 1818 N Street, NW, #350 Washington, DC 20036	Susan Davis International (For:Turkish Republic of Northern Cyprus)
Thomas C. Harper, 30 Montgomery Street Jersey City, NJ 07302	Radio Officers Union
J. William W. Harsch, 6th Floor 1722 Eye Street, NW Washington, DC 20006	Wormser Engineering, Inc
Thomas D. Hart, 1050 Connecticut Avenue, NW, #800 Washington, DC 20036	Allied-Signal, Inc
Janet Hathaway, 1412 16th Street, NW Washington, DC 20036	National Wildlife Federation
Conrad K. Hausman, P.O. Box 2724 Arlington, VA 22202	Darnoc Enterprises of DC, Inc
Arnold I. Havens, 1818 N Street, NW Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Burlington Northern, Inc)
Do	Eckert Seamans Cherin & Mellott (For:CSX Corp)
Bill Hecht and Associates, Inc, 499 South Capitol Street, SE, #507 Washington, DC 20003	Boy Scouts of America
Do	Church Alliance
Do	Illinois Dept of Energy & Natural Resources
Do	Kaiser Steel Corp
Do	Mutual Fairness Taxation Assn
Edward D. Heffernan, 1513 16th St., NW, 4th Fl. Washington, DC 20036	American Southwest Financial Corp
Do	Sealaska Corp
Do	Shell Oil Co
Bernard G. Heinzen, Bernard G. Heinzen, Ltd Two Mellon Bank Center Philadelphia, PA 19102	Kent Shoemoker
Heron Burchette Ruckert & Rothwell, 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007	Bell & Howell/Columbia Pictures Video Services, Inc
Do	Beuck Co
Do	Central Contra Costa Sanitary District
Do	Clark County Sanitation District
Do	Gulf South Engineering, Inc
Do	Ralph G. Martinez & Associates
Do	McCarren International Airport
Do	National Council on Teacher Retirement
Do	Oceanic Institute
Do	RCA
Do	State Maritime Schools
Walter F. Hoffmann, 418 7th Street, SE Washington, DC 20003	Campaign for U.N. Reform
Hogan & Hartson, 815 Connecticut Ave., NW Washington, DC 20006	American Psychological Assn
Do	Caremark/Home Health Care of America
Do	GL International Trade, Inc
Do	SouthernNet, Inc
Do	University of Pennsylvania
Niels C. Holch, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Energy Security Policy)
Do	Gray & Co Public Communications Int'l, Inc (For:Sencit Enterprises, Inc)
Holden Kidwell Hahn & Crapo, P.O. Box 129 Idaho Falls, ID 83402	George Hatch, et al.
Robert Horvitz, 1634 15th Street, NW Washington, DC 20009	Association of North American Radio Clubs

Organization or Individual Filing	Employer/Client
Henry W. Hubbard, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Energy Security Policy)
Do	Gray & Co Public Communications Int'l, Inc (For:Vietnam Veterans of America)
Dana Hughes, 122 C Street, NW, 4th Fl. Washington, DC 20001	Children's Defense Fund
Peter W. Hughes, 1300 19th Street, NW, #501 Washington, DC 20036	National Comm to Preserve Social Security
Vester T. Hughes Jr., Hughes & Hill 1000 Mercantile Dallas Building Dallas, TX 75201	Austin Industries, Inc
Do	ICH Corp
Janet L. Hunter, Int'l Business-Gov't Counsellors, Inc 1625 Eye Street, NW Washington, DC 20006	Xerox Corp
Michael Hussey, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors
Karen Hutchison, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc
Floyd H. Hyde, 815 15th Street, NW, #709 Washington, DC 20005	Floyd H. Hyde Associates (For:Alameda, CA, et al.)
Gary Hymel, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Energy Security Policy)
Do	Gray & Co Public Communications Int'l, Inc (For:Sencit Enterprises, Inc)
Do	Gray & Co Public Communications Int'l, Inc (For:Valmont Industries, Inc)
Do	Gray & Co Public Communications Int'l, Inc (For:Waterman Steamship Corp)
Marie Infante, 1200 15th Street, NW Washington, DC 20005	American Health Care Assn
ICH Corp, 42211 Norbourne Boulevard Louisville, KY 40207	
Jellinek Schwartz Connolly & Freshman, Inc, 1350 New York Avenue, NW, #400 Washington, DC 20005	Adolph Coors Co
Do	California Assn of Sanitation Agencies
Do	County Sanitation Districts of Orange County
Do	East Bay Municipal Utility District
Do	IBM Corp
Do	Las Virgenes Municipal Water District
Do	Los Angeles County Sanitation District
Jersey Arms Works, Inc, 13 Circle Lane Cherry Hill, NJ 08003	
Michael E. Johns, 2033 M Street, NW, #900 Washington, DC 20036	National Assn of Arab Americans
Geo. Allen Johnston, 1300 19th Street, NW, #501 Washington, DC 20036	National Comm to Preserve Social Security
Jones Consulting Group, Inc, 300 Metropolitan Square 655 15th Street, NW Washington, DC 20005	
Jones Day Reavis & Pogue, 655 15th St., NW Washington, DC 20005	Morgan Grenfell & Co Ltd
Patricia Jordan, The Ferguson Co 1875 Eye Street, NW, #1275 Washington, DC 20006	Aries Properties, Inc
Do	Berg-Revoir Corp
Do	City of Alhambra
Do	City of Baldwin Park
Do	City of Inglewood
Do	City of Oceanside
Do	City of Provo
Do	City of Redondo Beach
Do	City of South Salt Lake
Do	Gavin Associates
Do	Imperial Irrigation District
Do	Irvine Co
Do	Long Beach Transit
Do	Oceanside Redevelopment Agency
Do	Santa Cruz Properties
Robert E. Juliano, 1099 22nd Street, NW, #404 Washington, DC 20037	American Express Co
Robert E. Juliano Associates, 2555 M Street, NW Washington, DC 20037	International Speedway Corp
Do	ICH Corp
Do	Rentar Industries, Inc
Nancy E. Kantola, 1401 New York Avenue, NW, #1100 Washington, DC 20005	National Cooperative Business Assn
Kaye Scholer Fierman Hays & Handler, 1575 I Street, NW, #1150 Washington, DC 20005	Coalition for Prompt Pay
Robert J. Keefe, 444 N. Capitol Street, #711 Washington, DC 20001	Keefe Co (For:Republic of the Philippines)
David A. Keene, 919 Prince Street Alexandria, VA 22314	Marine Engineers Beneficial Assn
Keene Monk & Associates, Inc, 919 Prince Street Alexandria, VA 22314	Apex Marine
Do	Mortgage Guaranty Insurance Corp
Mary Linda Kemp, 815 15th Street, NW, #709 Washington, DC 20005	Floyd H. Hyde Associates (For:Alameda, CA, et al.)
Kendall & Associates, Inc, 50 E St., SE Washington, DC 20003	ALC Communications Corp
Do	Hogan & Hartson (for Timex Group, Ltd)
Do	Rose Communications
Stephanie Kennan, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons
Gregory Kilgore, 1101 16th Street, NW Washington, DC 20036	Scientific Apparatus Makers Assn
Kilpatrick & Cody, 2501 M St., NW, #500 Washington, DC 20037	Clean Water Action Project
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Generic Pharmaceutical Industry Assn
Kathleen N. Kingscott, 1801 K Street, NW, #1200 Washington, DC 20006	IBM Corp
Mary Brice Kirtley, 888 17th Street, NW, #300 Washington, DC 20006	ConAgra, Inc
Carla Kish, 1921 Kalorama Road, NW Washington, DC 20009	Stop H-3 Assn of Hawaii
Gary D. Knight, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute
Darrell Knuffke, 1400 Eye Street, NW Washington, DC 20005	Wilderness Society
Carol R. Koch, 401 Wythe Street Alexandria, VA 22314	National Assn of Children's Hospitals & Related Institutions
Timothy S. Kolly, 1250 Ivy Creek Drive Charlottesville, VA 22901	Worrell Enterprises, Inc
Kominers Fort Schlefer & Boyer, 1401 New York Ave., NW, 12th Fl. Washington, DC 20005	Marathon LeTourneau Co, et al.
Do	Oregon Economic Development Dept
Do	Pacific Coast Council of Freight Forwarders
Do	Portland Development Commission
Hugh A. Krentz, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Canadian Institute of Steel Construction
Kutak Rock & Campbell, 1101 Connecticut Avenue, NW Washington, DC 20036	Financial Security Assurance Co
Do	Municipal Bond Insurance Assn
Keith Lamonica, 136 East South Temple Salt Lake City, UT 84111	
Robert D. Lamson, 21 Dupont Circle, NW Washington, DC 20036	Business Executives for National Security
Mary C. Landon, 1220 L Street, NW, #510 Washington, DC 20005	American Resort & Residential Development Assn
Phyllis Landrieu, 4600 Venus Street New Orleans, LA 70112	National Medical Enterprises, Inc
William C. Lane, 100 N.E. Adams Street Peoria, IL 61629-1460	Caterpillar, Inc
Lane Powell Moss & Miller, 3800 Ranier Bank Tower Seattle, WA 98101-2647	Cavenham Forest Industries, Inc
Richard Langan, 1801 K Street, NW Washington, DC 20006	Price Waterhouse (For:Tom's Foods)
Latham Watkins & Hills, 1333 New Hampshire Ave., NW, #1200 Washington, DC 20036	National Corp for Housing Partnerships
Laughter Power Group, c/o Communications Consultants P.O. Box 23378 Washington, DC 20026-3378	
Laxalt Corporation, 214 Massachusetts Ave., NE, #380 Washington, DC 20002	W. R. Grace & Co
Do	Peter Kiewit Sons', Inc
Ira M. Lechner, 1899 L Street, NW, #800 Washington, DC 20036	National Assn of Police Organizations, Inc
Leighton & Regnery, 1667 K Street, NW Washington, DC 20006	American Dairy Products Institute
Do	ALPO Petfoods, Inc
Do	Clorox Co
Do	Correctional Services Providers Institute
Do	Express Foods Co, Inc
Do	General Instrument Corp
Do	GTE Products Corp
Do	Johnson & Johnson
Do	Leprino Foods, Inc
Do	Merrick's, Inc
Daniel Lesmez, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.
Morris J. Levin, 1050 17th St., NW Washington, DC 20036	Independent JOA Publishers Assn
Harris W. LeFew, 300 Pratt Street Luke, MD 21540-1099	Westvaco Corp
Richard A. Lidinsky Jr., 655 15th Street, NW, #300 Washington, DC 20005	Sea Containers America, Inc
William Lilley III, 1730 K Street, NW, #703 Washington, DC 20006	American Business Conference
Roger Lindberg, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Cayman Islands)
Do	Gray & Co Public Communications Int'l, Inc (For:Energy Security Policy)
Do	Gray & Co Public Communications Int'l, Inc (For:Seminole Tribe of Florida)
Andrew D. Lipman, Pepper Hamilton & Scheetz 1777 F Street, NW Washington, DC 20006	Norlight, Inc
Luedtke & Demarest, 1920 N Street, NW, #400 Washington, DC 20036	Ergon, Inc
Sylvester Lukis, 1155 15th Street, NW, #504 Washington, DC 20005	Ziff-Davis Technical Information Services Co
David J. Madden, 10044 South Artesian Avenue Chicago, IL 60642-3626	
Cliff Madison Government Relations, Inc, P.O. Box 3482 Granada Hills, CA 91344	Federal Express
Daniel C. Maldonado, 10000 Falls Rd., #306 Potomac, MD 20854	Research Society on Alcoholism
Manatt Phelps Rothenberg Tunney & Evans, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	American Institute of Real Estate Appraisers
Do	Coalition to Save the Polygraph

Organization or Individual Filing	Employer/Client
Do	General Instruments Corp
Do	State Street Development Co of Boston
Manchester Associates, Ltd, 1155 15th Street, NW, #811 Washington, DC 20005	Eldorado Resources, Ltd
Frank Mankiewicz, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Bell Atlantic Management Systems)
Do	Gray & Co Public Communications Int'l, Inc (For:Greer Ingratsci, et al)
Do	Gray & Co Public Communications Int'l, Inc (For:Sencit Enterprises, Inc)
Do	Gray & Co Public Communications Int'l, Inc (For:Stroh Brewery Co)
Do	Gray & Co Public Communications Int'l, Inc (For:Vietnam Veterans of America)
Donald F. Massey, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Energy Security Policy)
Do	Gray & Co Public Communications Int'l, Inc (For:Euromissile)
Do	Gray & Co Public Communications Int'l, Inc (For:Hyundai Motor America)
Do	Gray & Co Public Communications Int'l, Inc (For:Seminole Tribe of Florida)
Do	Gray & Co Public Communications Int'l, Inc (For:Waterman Steamship Corp)
Dawson Mathis, 2100 M Street, NW, #603 Washington, DC 20036	Long Lake Energy Corp
Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	Attorneys' Liability Assurance Society Ltd
Do	City of Evanston, Illinois
Do	Lutheran General Health Care System
Do	Voluntary Hospital Assn
Rosemary A. Mazon, 1050 Connecticut Avenue, NW, #800 Washington, DC 20036	Allied-Signal, Inc
McClure & Trotter, 1100 Connecticut Ave., NW, #600 Washington, DC 20036	Bankers Trust Co
Jack McDonald, 1489 Chain Bridge Road, #200 McLean, VA 22101	Jack McDoanld Co (For:Belz Enterprises)
Do	Jack McDonald Co (For:Jacques Borel Enterprises, Inc)
Jack McDonald Co, 1489 Chain Bridge Road, #200 McLean, VA 22101	Belz Enterprises
Do	Jacques Borel Enterprises, Inc
Rick McElheny, 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Hyundai Motor America)
Christine W. McEntee, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn
Edward T. McMahon, 218 D Street, SE Washington, DC 20003	Coalition for Scenic Beauty
McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005	Bear Stearns & Co, Inc
Do	Citibank, N.A.
Do	Commercial Law League of America
Do	Edens & Avant
Do	Elliott & Zweben, P.C.
Do	Louisiana Pacific Corp
Do	Merck & Co, Inc
Do	Monarch Group
Do	National Medical Enterprises
Do	PalmettoNet
Do	US Sprint
Do	Variable Annuity Life Insurance Co
Stephen Meeter, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Hyundai Motor America)
Robert G. Moch, Roberts & Shefelman 800 Fifth Avenue, #4100 Seattle, WA 98104	Justin E. Marshall
John V. Moller, 1155 15th Street, NW, #1010 Washington, DC 20005	Manchester Associates, Ltd (For:Eldorado Resources, Ltd)
Peter K. Monk, KMA & Associates, Inc P.O. Box 1015 Middleburg, VA 22117	Paris Savings & Loan
Morgan Lewis & Bockius, Suite 800 North 1800 M St., NW Washington, DC 20036	Ryder System, Inc
Do	Scotch Whisky Assn
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	Cowles Media Co
Do	Miller & Schroeder Municipals, Inc
Mudge Rose Guthrie Alexander & Ferndon, 2121 K Street, NW, #700 Washington, DC 20037	GSP Coalition of U.S. Businesses
Daniel J. Murphy, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Cote d'Azur Development)
Do	Gray & Co Public Communications Int'l, Inc (For:Greer Ingrasci, et al.)
William T. Murphy Jr., Barrett Montgomery & Murphy 2555 M Street, NW, #100 Washington, DC 20037	Myerson/Allen & Co
Do	Options Policy Assn (TOPA)
National Assn of Olympic Businesses, 24640 Upper Rim Rock Rd. Idyllwild, CA 92349-3365	
National Coalition of Fresh Potato Processors, 1010 11th Street, #300 Sacramento, CA 95814	
Robert B. Nicholas, Blum Nash & Railsback 1133 15th Street, NW, #1100 Washington, DC 20005	Animal Health Institute
Nossaman Guthner Knox & Elliott, 1140 19th St., NW, #600 Washington, DC 20036	California Co-Compost Systems
Do	Mortgage Marketing Service Co, Inc
Do	Santa Fe Minerals Corp
Silas O. Nunn, 1110 Vermont Avenue, NW, #1250 Washington, DC 20005	Shipbuilders Council of America
Frank J. O'Connell, 148 South Maple Avenue Kingston, PA 18101	Pennsylvania Power & Light Co
O'Connell & Kittrell, 1710 Rhode Island Avenue, NW, #600 Washington, DC 20036	California Legislature
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Soc of Cataract & Refractive Surgery
Do	Drexel Burnham Lambert, Inc
Do	Embassy of Bolivia
Do	Grocery Manufacturers of America, Inc
Do	Journal Newspapers
Do	Owens-Illinois
Do	Small Advertisers Counsel
Bartley M. O'Hara, 1919 Pennsylvania Ave., NW, #300 Washington, DC 20006	Burlington Northern, Inc
Bridget O'Keefe, 2000 Pennsylvania Avenue, NW Washington, DC 20006	Mayer Brown & Platt
Benjamin L. Palumbo, 1629 K St., NW Washington, DC 20006	European Community
Marie Pampush, 14049 NW Cornelius Pass Road Portland, OR 97231	Friends of the Columbia Gorge
Benjamin G. Parks III, 1919 Pennsylvania Avenue, #300 Washington, DC 20006	National Forest Recreation Assn
Parrish and Company, Inc, 1825 Eye Street, NW, #400 Washington, DC 20006	Aerospatiale Helicopter Corp
Do	Oy Wartsila Ab
DeLane Pate, c/o Dow, Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Laurel Steel Products Ltd
Patton Boggs & Blow, 2550 M St., NW, #800 Washington, DC 20037	B. P. North America
Do	Bear Stearns Realty Co
Do	EXEL Limited
Do	Government of Iceland
Do	Hotel Dieu Hospital
Do	New York Life Insurance Co
Do	OTASCO, Inc
Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036	Inter-Con Security Systems, Inc
Do	Philippine Sugar Regulatory Administration
Paul Weiss Rifkind Wharton & Garrison, 1615 L Street, NW Washington, DC 20036	Cook Inlet Region, Inc
Do	75 State Street Limited Partnership
Stephan Petry, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn
Evelyn A. Petschek, Patterson Belklnap Webb & Tyler 30 Rockefeller Plaza New York, NY 10112	NL Industries, Inc
Paula J. Pettavino, 1110 Vermont Avenue, NW, #1250 Washington, DC 20005	Shipbuilders Council of America
Annabelle Petys, 2801 N. Tampa Street Tampa, FL 33602	
Steven J. Pfister, 1000 Connecticut Avenue, NW Washington, DC 20036	National Retail Merchants Assn
Pierson Ball & Dowd, 1200 18th St., NW Washington, DC 20036	Horovitz Testamentary Trust
Pirtle Morisset Schlosser & Ayer, 2520 Columbia Center, 701 Fifth Avenue Seattle, WA 98104-7005	Central Council of Tlingit & Haida Tribes of Alaska
Do	Colville Confederated Tribes
Do	Confederated Tribes of the Goshute Reservation
Do	Hoopa Valley Tribe
Do	Makah Indian Tribe
Do	Red Lake Band of Chippewa Indians
Do	Rosebud Sioux Tribe
Do	Sault Ste. Marie Chippewa Tribal Council
Do	Seneca-Cayuga Tribe of Oklahoma
Do	Shoshone-Bannock Tribe-Fort Hall Reservation
Do	Tulalip Tribes of Washington
Do	Ukpeagvik Inupiat Corp
John F. Pontius, 130 North Carolina Avenue, SE Washington, DC 20003	Meadows Recovery Center
Phillip Porte & Assocs, Inc, 3845 N. 26th St. Arlington, VA 22207	National Dialysis Assn
Powell Goldstein Frazer & Murphy, 1110 Vermont Ave., NW, #1050 Washington, DC 20005	Bayley Seton Hospital
Do	Belz Investment Co
Do	Massachusetts Housing Finance Agency
Do	Project on the Federal Social Role
Do	Urban Properties
Mary Jane Preston, 1012 14th Street, NW, #403 Washington, DC 20005	U.S. Student Assn

Organization or Individual Filing	Employer/Client
Preston Thorgrimson Ellis & Holman, 1735 New York Avenue, NW, #500 Washington, DC 20006	Alaska Loggers Assn
Do	University of Washington
Do	Western Airlines, Inc
Robert N. Pyle & Associates, 1701 K St., NW, #1004 Washington, DC 20007	Ceramatec, Inc
Do	Stratcor
Do	Welch's
Harold P. Quinn Jr., 1575 Eye Street, NW, #525 Washington, DC 20005	Mining & Reclamation Council of America
Rainbow Lobby, 236 Massachusetts Avenue, NE, #409 Washington, DC 20002	
Dale L. Reistad, 1726 M Street, NW, #1000 Washington, DC 20036	Electronic Funds Transfer Assn
Leslie Sue Ritts, Morgan Lewis & Bockius 1800 M Street, NW Washington, DC 20036	National Environmental Development Assn
John S. Rivers, 1110 Vermont Avenue, NW Washington, DC 20005	Shipbuilders Council of America
Rivkin Radler Dunne & Bayh, 1575 I Street, NW, #1025 Washington, DC 20005	Renewable Fuels Assn
Jane Robbins, Robertson Monagle & Eastaugh 1050 Thomas Jefferson St., NW Washington, DC 20007	Crowley Maritime Corp
William A. Roberts, 444 North Capitol Street, #711 Washington, DC 20001	Keefe Co (For:Capitol Metropolitan Transportation Authority)
Michelle Robinson, 100 Maryland Avenue, NE Washington, DC 20002	Council for a Livable World
Rogers & Wells, 1737 H Street, NW Washington, DC 20006	Citicorp
Do	Republic National Bank
Daniel Romanko, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Canadian Steel Producers Assn
Fred B. Rooney, 1050 Connecticut Ave., NW, 12th Fl. Washington, DC 20036	Inter-Con Security Systems, Inc
Hilary Rosen, 1050 Connecticut Avenue, NW, #300 Washington, DC 20036	Association of Local Housing Finance Agencies
Do	Central Arizona Water Conservation District
Do	National Assn of Housing & Redevelopment Officials
Do	Recording Industry Assn of America
Richard Rosser, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities
James S. Rubin, Kleinfeld Kaplan & Becker 1140 19th Street, NW Washington, DC 20036	Great Lakes Products, Inc
Randall M. Russell, 517 C Street, NE Washington, DC 20002-5809	Lesher and Associates, Inc
Russo Watts & Rollins, 655 15th Street, NW, #250 Washington, DC 20005	European Negociants, Inc
Do	National Corp for Housing Partnerships
Do	National Investment Development Corp
Susan L. Sadtler, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn
Myron G. Sandifer III, 1489 Chain Bridge Road, #200 McLean, VA 22101	Jack McDonald Co (For:Belz Enterprises)
Do	Jack McDonald Co (For:Jacques Borel Enterprises, Inc)
Robert J. Schenk, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.
Patricia Schifferle, 1400 Eye Street, NW, 10th Floor Washington, DC 20005	Wilderness Society
Scribner Hall & Thompson, Suite 700 1875 Eye Street, NW Washington, DC 20006	Aetna Life & Casualty Insurance Co
Do	National Life Insurance Co of Vermont
J. Peter Segall, 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Hyundai Motor America)
Do	Gray & Co Public Communications Int'l, Inc (For:Seminole Tribe of Florida)
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW Washington, DC 20037	ConAgra, Inc
Shearman & Sterling, 53 Wall Street New York, NY 10005	Arnold & S. Bleichroeder
Peggy A. Sheehan, 1401 New York Avenue, NW, #1100 Washington, DC 20005	National Cooperative Business Assn
Richard D. Shelby, 444 No. Capitol Street, NW, #711 Washington, DC 20001	Keefe Co (For:Republic of the Philippines)
Steve Silver, Robertson Monagle & Eastaugh 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Amselco Minerals, Inc
Do	Crowley Maritime Corp
Leonard L. Silverstein, Silverstein & Mullens 1776 K Street, NW Washington, DC 20006	Rockefeller Group, Inc
Skadden Arps Slate Meagher & Flom, 919 18th Street, NW Washington, DC 20006	Biomass One Operating Co, Inc
Do	California Agricultural Power Commission
Do	Kohlberg Kravis & Roberts Co
Do	KTI Energy, Inc
Do	Lazard Freres
Paul A. Skrabut Jr., 1629 K Street, NW Washington, DC 20006	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)
Francis J. Skrobiszewski, 100 W. Alexandria Avenue Alexandria, VA 22301	KMA & Associates, Inc (for Paris Savings & Loan)
Dale D. Skupa, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos
Leroy Smith, 1660 Lanier Place, NW, #412 Washington, DC 20009	Washington Office on Africa
Clair A. Snyder, 35 North Sixth Street Reading, PA 19601	Meridian Bancorp, Inc
South African Sugar Assn, Norwich Union House, 8th Floor Durban Club Place Durban 4001 Republic of South Africa	
Sparber Shevin Shapo Heilbronner & Book, 1455 Pennsylvania Avenue, NW, #1455 Washington, DC 20004	City of East Cleveland
Do	City of Miami
David P. Stang, P.C., Suite 601 1629 K St., NW Washington, DC 20006	Concerned Opthamologists of Texas
Mick Staton Associates, Inc, 8712 Gateshead Road Alexandria, VA 22309	Delchamps, Inc
Samuel E. Stavisky, 1725 Desales Street, NW, #804 Washington, DC 20036	Samuel E. Stavisky & Associates, Inc (For:Federacion Nacional de Cafeteros de Colombia)
Samuel E. Stavisky & Associates, Inc, 1725 Desales Street, NW, #804 Washington, DC 20036	Federacion Nacional de Cafeteros de Colombia
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Cement Importers Assn
Do	Citizens Savings Financial Corp
Do	Co-Operative Central Bank
Do	CSO Company
Do	Primark Corporation
Sterling Drug, Inc, 1615 L St., NW, #920 Washington, DC 20036	
Terence P. Stewart, Stewart and Stewart I00I Connecticut Avenue, NW, #910 Washington, DC 20036	Cabot Corp
Lawrence J. Suffredin Jr., 69 W. Washington, #1250 Chicago, IL 60602	City of Evanston, Illinois
Ronald F. Sullivan, Thelen Marrin Johnson & Bridges Two Embarcadero Center, #2200 San Francisco, CA 94111	Ponderay Newsprint Co
William F. Sutherland, 1400 K Street, NW Washington, DC 20005	American Advertising Federation
Sutherland Asbill & Brennan, 1666 K Street, NW, #800 Washington, DC 20006	Minnesota Mutual Life Insurance Co
Douglass W. Svendson Jr., 1730 Rhode Island AVenue, NW, #417-19 Washington, DC 20036	Hollywood Marine Service, Inc
Swidler & Berlin, Chtd, 1000 Thomas Jefferson St., NW #500 Washington, DC 20007	All-Industry Television Station Music Licensing Committee
Robert Taft Jr., 1620 Eye St., NW, #800 Washington, DC 20006	Taft Stettinius & Hollister (For:Effective Spray Control Organizatin)
Walter G. Talarek, 1850 Centennial Park Drive, #300 Reston, VA 22091	Chapman Chemical Co
Keith Tarr-Whelan, 1300 19th Street, NW, #501 Washington, DC 20036	National Comm to Preserve Social Security
Riley K. Temple, Kadison Pfaelzer Woodard Quinn & Rossi 2000 Pennsylvania Avenue, NW, #7500 Washington, DC 20006	NYNEX
Frank Thompson Jr., 1020 Prince Street Alexandria, VA 22314	Metal Trades Department, AFL-CIO
Thompson & Mitchell, 1120 Vermont Avenue, NW, #1000 Washington, DC	Midwest Stone Institute
Do	Mutual Fairness Taxation Assn
Bernard C. Topper Jr., Milbank Tweed Hadley & McCloy 1 Chase Manhattan Plaza New York, NY 10005	Consumers Power Co
Touche Ross & Co, 1900 M Street, NW Washington, DC 20036	Heller Ehrman White & McAuliffe
Jeffrey B. Trammell, 1020 19th Street, NW Washington, DC 20036	Anderson Benjamin Read & Haney (For:Moore McCormack Resources)
Do	Anderson Benjamin Read & Haney (For:U.S. Banknote Corp)
Trilling & Kennedy, 1900 L Street, NW, #310 Washington, DC 20036	Ace Metal Fabricators, et al.
Patrick R. Tyson, Constangy Brooks & Smith 2400 Peachtree Center Bldg 230 Peachtree Street, NW Atlanta, GA 30303	National Assn of Manufacturers
Van Dyk Associates, Inc, 2550 M St., NW, #300 Washington, DC 20037	UAL, Inc
Van Ness Feldman Sutcliffe & Curtis, P.C., 7th Floor 1050 Thomas Jefferson St., NW Washington, DC 20007	Matthews & Wright, Inc
Do	Washington Gas Light Co
Verstandig & Associates, Inc, 1455 Pennsylvania Avenue, NW, #1180 Washington, DC 20004	John I. Haas Co, Inc
Vinson & Elkins, 1455 Pennsylvania Ave., NW Washington, DC 20004-1007	American Airlines, Inc
Do	Attorney's Liability Assurance Society Ltd
Do	Bear Stearns & Co, Inc
Do	Southern California Edison
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	Enron Corp
Do	Investment Co Institute
Do	Robert A. Levy
Do	Sharon Steel Corp
Do	Weil Gotshal & Manges
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	Allied-Signal, Inc
Do	ACE Limited
Do	Cogentrix, Inc
Do	Henley Group
Do	Miller Tabak Hirsch & Co
Do	Newmont Mining Corp
Do	Securities Industry Assn
Wallace & Edwards, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Flue-Cured Tobacco Cooperative Stabilization Corp
Barbara F. Warden, 1710 Broadway New York, NY 10019	International Ladies Garment Workers Union
Jerry B. Waters, 777 14th Street, NW, #680 Washington, DC 20005	Farmland Industries
Webster Chamberlain & Bean, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Mesaba Aviation, Inc
Weiner Mccaffrey Brodsky & Kaplan, P.C., 1350 New York Ave., NW, #800 Washington, DC 20005	MidSouth Rail Corp

Organization or Individual Filing	Employer/Client
Wellford Wegman & Hoff, 1775 Pennsylvania Ave., NW, #450 Washington, DC 20006	National Assn of Counties
Eleanor Wenner, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc
Wexler Reynolds Harrison & Schule, Inc, Suite 600 1317 F Street, NW Washington, DC 20004	Marathon Oil Co
John C. White, 1899 L Street, NW, #500 Washington, DC 20036	Louis Dreyfus Corp
Raymon M. White Jr., 5501 Seminary Road, Apt. 2211-South Falls Church, VA 22041	Harris Corp
Steven C. White, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn
Elizabeth D. Whitley, 499 S. Capitol Street, SW, #411 Washington, DC 20003	National Council of Agricultural Employers
Andrew F. Wiessner, Kogovsek & Associates 3600 S. Yosemite, #830 Denver, CO 80237	CSX Corp
Do	Flex, Inc
Do	Sierra Club
Do	Western Land Exchange Co
Wiley Rein & Fielding, 1776 K Street, NW Washington, DC 20006	Committee of Domestic Nitrogen Producers
Do	Oklahoma Steel & Wire Co
Wilkinson Barker Knauer & Quinn, 1735 New York Ave., NW Washington, DC 20006	Central States Health & Life Co of Omaha
Williams & Jensen, P.C., 1101 Connecticut Ave., NW Washington, DC 20036	Echo Bay Mines, Ltd
Do	Financial Security Assurance
Do	Prolerize-Shiabo-Neu
Harriet D'Nell Williamson, 1775 K Street, NW Washington, DC 20006	United Food & Commercial Workers Int'l Union
William F. Wilson, 231 W. Michigan Street Milwaukee, WI 53201	Wisconsin Electric Power Co
Winston & Strawn, #500 2550 M St., NW Washington, DC 20037	Metrocenter Corp
Winthrop Stimson Putnam & Roberts, 1155 Connecticut Ave., NW, #1000 Washington, DC 20036	Connecticut Liquidity Investment Fund, Inc
Do	Pentech Corp
Megan McGrath Wolfe, 1726 M Street, NW, #300 Washington, DC 20036	Schering-Plough Corp
G. Kent Woodman, 1818 N Street, NW Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Burlington Northern, Inc)
David A. Wormser, Pepper Hamilton & Scheetz 1777 F Street, NW Washington, DC 20006	Norlight, Inc
Robert Wurwarg, Milbank Tweed Hadley & McCloy One Chase Manhattan Plaza New York, NY 10005	Rockefeller Group, Inc
Mary J. Yarrington, 1300 19th Street, NW, #501 Washington, DC 20036	National Comm to Preserve Social Security
Mehmet Yildiz, 1559 Rockville Pike, #78 Rockville, MD 20852	Citizens Alliance, Inc
Thane Young, The Ferguson Company 1875 Eye Street, NW, #1275 Washington, DC 20006	Aries Properties, Inc
Do	Gavin Associates
John R. Zagame, John R. Zagame Associates, Inc 1001 Prince Street Alexandria, VA 22314	Bayley Seton Hospital
Barry Zigas, 1012 14th Street, NW, #1006 Washington, DC 20005	National Low Income Housing Coalition

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the third calendar quarter 1986:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.......... ◆

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◆

AFFIDAVIT

[Omitted in printing]

PAGE 1 ◆

NOTE ON ITEM "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)
6. $..............TOTAL for this Quarter (Add items "1" through "5")
7. $..............Received during previous Quarters of calendar year
8. $..............TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $..............TOTAL now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

12. $..............."Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": ....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and address of Contributor* (*"Period"* from Jan. 1 through.............................., 19.......)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures
9. $..............TOTAL for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year
11. $..............TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $..............TOTAL now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
A-K Associates, Inc, 1225 8th Street, #590 Sacramento, CA 95814	American Ambulance Assn	10,395.00	16,447.55
Do	County of Napa		
Do	Director of Timber Counties Coalition	6,187.50	9,475.47
Do	Golden Gate Bridge Highway & Transportation District	6,300.00	15,598.88
Do	Hemet Valley Flying Service		
Do	International Fire Management		
Do	Pathologist Practice Association	6,000.00	9,756.80
Do	Stratos Tanker, Inc		
Do	Unitary Tax Campaign	14,167.98	13,285.84
Robert J. Aagre, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S	360.00	39.00
Julie Abbot, 2030 M Street, NW Washington, DC 20036	Common Cause	5,590.02	
Christian M. Abeel, 70 Pine Street, 39th Floor New York, NY 10270	American International Group, Inc		
Paul C. Abenante, 3rd Floor 1111 14th St., NW Washington, DC 20005	American Bakers Assn	756.00	3.00
Samuel F. Abernethy, Four World Trade Center, 8th Fl. New York, NY 10048	Coffee Sugar & Cocoa Exchange, Inc		
Thomas G. Abernethy Sr., 3973 Stuart Place Jackson, MS 39211	U.S. Cane Sugar Refiners' Assn	166.67	154.67
Burt J. Abrams, Milbank Tweed Hadley & McCloy One Chase Manhattan Plaza New York, NY 10005	Rockefeller Group, Inc		
Matthew J. Abrams, CANAMCO 1828 L Street, NW, #660 Washington, DC 20036	Dominion Marine Assn		
Charles A. Acquard, 1400 K Street, NW, #500 Washington, DC 20005	Handgun Control, Inc	6,540.80	
Action for Children's Television, 20 University Road Cambridge, MA 02138		19,161.90	43.56
Charles Adams, 9749 Independence Ave., Chatsworth, CA 91311	Chad Therapeutics, Inc		
John J. Adams, 2000 Pennsylvania Ave., NW, #900 Washington, DC 20006	Ethyl Corporation		
Do	Vepco		
Kenneth R. Adams, 1850 K Street, NW, #210 Washington, DC 20006	Cabot Corporation		
Sandra Lee Adamson, P.O. Box 44026 Washington, DC 20026	L/5 Society	1,300.00	223.48
Hobson H. Adcock, 700 Anderson Hill Rd. Purchase, NY 10577	Pepsico, Inc		
Robert O. Aders, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Terrance M. Adlhock, 1111 19th St., NW, #303 Washington, DC 20036	Southern California Edison Co	2,000.00	1,500.00
John Michael Adragna, Spiegel & Mcdiarmid 2600 Virginia Avenue, NW Washington, DC 20037	City of Starke, Florida		
Aerospace Industries Assn of America, Inc, 1725 Desales St., NW Washington, DC 20036		20,041.94	20,041.94
Agendas International, 820 Second Avenue, #1302 New York, NY 10017	Ministerio del Exterior, Republic of Nicaragua		
Robert S. Agman, 100 Indiana Ave., NW Washington, DC 20001	Labor Management Maritime Committee, Inc	1,508.40	107.81
Creigh H. Agnew, 2001 L St., NW, #304 Washington, DC 20036	Weyerhaeuser Company		
David J. Aho, 1667 K Street, NW, #710 Washington, DC 20006	Baxter Travenol Laboratories, Inc	2,000.00	180.00
Deborah L. Aiken, 1850 K Street, NW Washington, DC 20006	American Council of Life Insurance		
Herbert Allen Ailsworth, 1615 L Street, NW, #420 Washington, DC 20036	Sandoz, Inc		85.00
Air Conditioning & Refrigeration Institute, 1501 Wilson Boulevard, #600 Arlington, VA 22209		727.30	727.30
Air Products & Chemicals, Inc, 1730 Pennsylvania Ave., NW, #265 Washington, DC 20006			4,010.50
Air Traffic Control Assn, Inc, 2020 North 14th Street, #410 Arlington, VA 22201		2,117.62	2,117.62
Randolf H. Aires, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Sears Roebuck & Co	2,250.00	8.50
Michael A. Aisenberg, 1331 Pennsylvania Ave., NW, #600 Washington, DC 20004	Digital Equipment Corp	14,950.00	
Donna A. Akers, 1800 M Street, NW, #700 South Washington, DC 20036	Dow Chemical Co		
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	Ad Hoc Coalition to Prevent Employee Leasing Abuses		
Do	Adler & Shaykin		
Do	Amerada Hess Corporation	100.00	
Do	American International Group, Inc		
Do	American Telephone & Telegraph Co	600.00	
Do	Archer Daniels Midland Company		
Do	Atcor, Inc		
Do	Bear Stearns	4,050.00	76.00
Do	Beneficial Corporation	3,975.00	98.00
Do	Cambrian & General		
Do	Capital Markets Group	1,000.00	19.00
Do	Celanese Corp	6,050.00	114.00
Do	Clark Enterprises, Inc	2,450.00	38.00
Do	Coalition for Fair Capital Reimbursement	9,500.00	171.00
Do	Coalition of Service Industries, Inc		
Do	Commercial Metals Co	300.00	
Do	Continental Airlines, Inc		
Do	Dallas Area Rapid Transit	6,200.00	114.00
Do	Dash Trading Co	1,800.00	19.00
Do	E & J Gallo Winery		
Do	Electronic Processing, Inc	1,100.00	19.00
Do	Embassy of the People's Republic of China		
Do	Fair Marketing Coalition		
Do	Farm Credit Banks of Springfield		
Do	First Union Bank		
Do	Fleet Delivery Service, Inc		
Do	Frupac International Corp		
Do	Geico Corporation		
Do	General Motors Corp		
Do	General Space Corp	4,100.00	76.00
Do	Goldman Sachs & Co		
Do	W. R. Grace & Co	7,200.00	133.00
Do	Guardian Industries	5,450.00	95.00
Do	Gulf & Western Industries, Inc	2,100.00	38.00
Do	GTE Corporation	250.00	
Do	Hall Real Estate Group		
Do	Houston Oilers	1,800.00	19.00
Do	International Assn of Auditorium Managers		
Do	International Taxi Assn		
Do	InterFirst Corporation		
Do	Ivan Boesky & Co	100.00	
Do	Peter Kiewit Sons', Inc	5,700.00	95.00
Do	Kohlberg Kravis Roberts & Co		
Do	Levi Strauss & Co	6,450.00	114.00
Do	Lone Star Steel Co		
Do	Marriott Corporation		
Do	Mesa Petroleum Co	6,050.00	114.00
Do	Metropolitan Transit Authority of Harris County	5,000.00	95.00
Do	Military Accessories Service Assn, Inc		
Do	Morgan Stanley & Co, Inc	33,825.00	627.00
Do	Motion Picture Assn of America, Inc	9,750.00	171.00
Do	Mt. Sinai Medical Center		
Do	Mutual Fairness Taxation Assn	2,500.00	38.00
Do	National Football League	7,350.00	133.00
Do	Nederlander Theatres	1,360.00	19.00
Do	New York Air		
Do	News America	7,260.00	133.00
Do	North County Resource Recovery Assn		
Do	Prairie Producing Co		
Do	Purolator, Inc	3,250.00	57.00
Do	Rauscher Pierce Refsnes, Inc		
Do	Research Corporation	850.00	19.00
Do	Ringling Bros Barnum & Bailey Combined Shows, Inc		
Do	RJR Nabisco, Inc	6,300.00	114.00
Do	Sea Alaska	550.00	
Do	Southern California Edison Co	5,825.00	114.00
Do	St. Luke's Roosevelt Hospital Center	350.00	
Do	Texaco, Inc		
Do	Texas Air Corp		
Do	Thermo-Electron Co	650.00	
Do	Tipperary Corp		
Do	Wertheim & Co	500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Western Governors Policy Office		
Alaska Pulp Corp, c/o James F. Clark 240 Main St., #800 Box 1211 Juneau, AK 99802			2,100.00
James J. Albertine, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Alcalde Henderson O'Bannon & Rousselot, 1901 N. Fort Myer Drive, #1204 Rosslyn, VA 22209	Americans for the National Dividend Act, Inc	3,000.00	
Do	Brown Boveri Corp	21,000.00	
Do	Carnival Cruise Lines	3,000.00	
Do	Computer Sciences Corp	1,500.00	
Do	Consolidated Freightways	9,000.00	
Do	Dade County Aviation Department	1,500.00	
Do	Dade County Seaport Authority	3,000.00	
Do	Jim Walter Corp	15,000.00	
Do	Norwegian Caribbean Lines	3,000.00	
Do	Regular Common Carrier Conference	6,000.00	
Do	Royal Caribbean Cruise Line	3,000.00	
Do	Tampa Electric Co	1,500.00	
Do	Tampa Port Authority	3,000.00	
Do	Texas Air Corp	2,000.00	
Frederick K. Alderson, 1730 M Street, NW, #607 Washington, DC 20036	Arizona Public Service Company	1,150.00	320.00
C. Eddie Aldrete, P.O. Box 9527 Austin, TX 78766	Texas Agricultural Cooperative Council		
Donald C. Alexander, Cadwalader Wickersham & Taft 1333 New Hampshire Ave., NW Washington, DC 20036	Air Transport Assn of America	25.00	
Do	American Financial Corp		
Do	ALIGNPAC	187.50	
Do	Baldwin-United Corporation		
Do	Bechtel Group, Inc	62.50	
Do	Disabled American Veterans		
Do	Eastern Air Lines, Inc		
Do	Family Life Insurance Co		
Do	GSF Energy, Inc	37.50	
Do	Mortgage Guaranty Insurance Corp	75.00	
Do	PepsiCo, Inc		
Do	Scott Paper Co	12.50	
Do	Texas Industries, Inc		
Alexander & Associates, Inc, 400 C Street, NE Washington, DC 20002	GATX Corp	20,000.00	
Do	National Structured Settlements Trade Assn	12,000.00	
Do	Rolls Royce Motors, Inc	10,000.00	
John D. Allan, c/o Doh Lohnes & Albertson 1255 23rd St., NW Washington, DC 20037	Stelco, Inc		
Maxton Allcox, 400 First St., NW, Rm 801 Washington, DC 20001	Brotherhood of Maintenance of Way Employes	14,373.81	
Alliance for Acid Rain Control, 444 N. Capitol Street, #339 Washington, DC 20001			1,439.62
Alliance for Capital Access, 1919 Pennsylvania Ave., NW, #704 Washington, DC 20006		175,000.00	43,208.89
Alliance of American Insurers, 1501 Woodfield Road, #400 West Schaumburg, IL 60195			16,507.44
Alliance to Save Energy, 1925 K Street, NW, #507 Washington, DC 20006			2,544.91
Alliance Against Handguns, P.O. Box 75700 Washington, DC 20013			
Allied Acid Rain Prohibition, 11573 Embers Court Reston, VA 22091			
Alltel Corporation, 100 Executive Parkway Hudson, OH 44236			4,806.00
Joseph C. Allwarden, 220 Daniel Webster Hwy South Merrimack, NH 03054	Kollsman Instrument Co		300.00
Michael J. Altier, 1000 Connecticut Avenue, NW Washington, DC 20036	National Retail Merchants Assn	250.00	20.00
Thomas H. Altmeyer, 1575 I Street, NW, #525 Washington, DC 20005	Mining & Reclamation Council of America	3,000.00	70.00
Susan E. Alvarado, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,500.00	1,658.00
Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue, NW Washington, DC 20016			5,000.00
Amalgamated Transit Union, Natl Cap Div. 689, 2001 9th Street, NW, #300 Washington, DC 20001			
Robert P. Ambrose, 14615 Lone Oak Road Eden Prairie, MN 55344	Cooperative Power Association	4,000.00	83.36
American Academy of Family Physicians, 1740 West 92nd St. Kansas City, MO 64114		13,242.23	13,242.23
American Advertising Federation, 1400 K Street, NW, #1000 Washington, DC 20005			5,150.00
American Arts Alliance, 1319 F Street, NW, #307 Washington, DC 20004-1182		219,987.39	101,927.09
American Assn for Counseling & Development, 5999 Stevenson Avenue Alexandria, VA 22304		33,173.00	24,298.96
American Assn for Respiratory Therapy, 1720 Regal Row, #112 Dallas, TX 75235		2,347.56	24,859.05
American Assn of Equipment Lessors, 1300 North 17th St., #1010 Arlington, VA 22209			
American Assn of Meat Processors, P.O. Box 269 Elizabethtown, PA 17022		63.72	1,644.85
American Assn of Museums, 1055 Thomas Jefferson St., NW, #428 Washington, DC 20007		16,092.00	32,351.00
American Automobile Assn, 8111 Gatehouse Rd. Falls Church, VA 22047			
American Bankers Assn, 1120 Connecticut Avenue, NW Washington, DC 20036		44,079.82	44,079.82
American Business Conference, Inc, 1730 K Street, NW, #703 Washington, DC 20006		3,250.00	1,712.33
American Camping Association, Bradford Woods Martinsville, IN 46151		6,817.45	6,809.85
American Cement Trade Alliance, Inc, 1331 Pennsylvania Ave., NW Washington, DC 20004			
American Chamber of Commerce of the Dominican Republic, P.O. Box 95-2 Santo Domingo Dominican Republic			
American Council for Capital Formation, 1850 K Street, NW, #520 Washington, DC 20006		3,174.00	6,200.00
American Council of Life Insurance, Inc, 1850 K St., NW Washington, DC 20006		451,698.25	451,698.25
American Farm Bureau Federation, 225 Touhy Ave Park Ridge, IL 60068		110,621.00	110,621.00
American Fed of Labor & Congress of Industrial Organizations, 815 16th St., NW Washington, DC 20006			131,145.92
American Feed Industry Assn, 1701 N. Ft. Myer Dr. Arlington, VA 22209		3,240.00	3,240.00
American Frozen Food Institute, 1700 Old Meadow Rd., #100 Mclean, VA 22102		6,000.00	6,000.00
American Health Care Assn, 1200 15th Street, NW Washington, DC 20005		230,132.40	57,199.94
American Hellenic Institute Public Affairs Committee, Inc, 1730 K St., NW Washington, DC 20006		500.00	
American Honey Producers Assn, P.O. Box 368 Minco, OK 73059		3,531.95	7,267.38
American Hotel & Motel Assn, 888 Seventh Ave. New York, NY 10019		21,444.53	11,965.69
American Institute of Merchant Shipping, 1000 16th Street, NW, #511 Washington, DC 20036			2,394.00
American Insurance Assn, 85 John St. New York, NY 10038		4,498.00	4,498.00
American International Group, Inc, 70 Pine Street New York, NY 10005			42,220.00
American Israel Public Affairs Comm, 500 N. Capitol St., NW, #300 Washington, DC 20001		94,635.00	137,325.52
American Land Title Assn, 1828 L St., NW Washington, DC 20036			2,140.00
American League for Exports & Security Assistance, Inc, 122 C St., NW, #740 Washington, DC 20001		2,500.00	10,770.33
American Library Assn, 50 E. Huron St. Chicago, IL 60611		515.50	7,912.78
American Malting Barley Assn, Inc, 735 North Water Street, #908 Milwaukee, WI 53202			
American Meat Institute, PO Box 3556 Washington, DC 20007			6,500.00
American Medical Assn, 535 North Dearborn St. Chicago, IL 60610			49,822.02
American Medical Care & Review Assn, 5410 Grosvenor Lane, #210 Bethesda, MD 20814			84.08
American Metal Detectors Manufacturers' Assn, 2814 National Dr. Garland, TX 75401			
American Newspaper Publishers Assn, Box 17407 Dulles International Airport Washington, DC 20041		11,385.70	11,385.70
American Nuclear Energy Council, 410 1st St., SE Washington, DC 20003		32,461.86	56,988.93
American Nurses' Assn, 2420 Pershing Rd Kansas City, MO 64108		30,074.25	30,074.08
American Optometric Assn, c/o Dr. John D. Tumblin 600 Maryland Avenue, SW, #400e Washington, DC 20024		68.46	449.95
American Paper Institute, Inc, 260 Madison Ave. New York, NY 10016			6,706.92
American Petroleum Institute, 1220 L St., NW Washington, DC 20005		404,293.24	223,393.59
American Physical Therapy Assn, 1111 N. Fairfax St. Alexandria, VA 22314		4,876.84	4,876.84
American Podiatric Medical Assn, 20 Chevy Chase Circle Washington, DC 20015			16,725.49
American Postal Workers Union, AFL-CIO, 817 14th St., NW Washington, DC 20005		117,532.14	183,403.13
American Public Transit Assn, 1225 Connecticut Ave., NW Washington, DC 20036		78,130.00	78,130.00
American Pulpwood Assn, 1025 Vermont Avenue, NW Washington, DC 20005			
American Radio Relay League, Inc, 225 Main St. Newington, CT 06111			205.00
American Retreaders' Assn, P.O. Box 17203 Louisville, KY 40217		500.00	500.00
American Seed Trade Assn, 1030 15th Street, NW, #964 Washington, DC 20005			14,585.00
American Short Line Railroad Assn, 2000 Massachusetts Ave., NW Washington, DC 20036			
American Soc for the Prevention of Cruelty to Animals, 441 E. 92nd Street New York, NY 10128			6,529.00
American Soc of Anesthesiologists, 1111 14th Street, NW, #501 Washington, DC 20005			24,175.00
American Soc of Hospital Pharmacists, 4630 Montgomery Avenue Bethesda, MD 20814			1,275.00
American Soybean Association, 600 Maryland Avenue, SW, #510 Washington, DC 20024		12,600.00	9,826.49
American Space Foundation, 111 Massachusetts Ave., NW, #200 Washington, DC 20001			
American Textile Machinery Assn, 7297 N. Lee Hwy. Falls Church, VA 22042		250.00	250.00
American Textile Manufacturers Institute, Inc, 1101 Connecticut Avenue, NW, #300 Washington, DC 20036		40,239.39	52,205.18
American Veterans of World War II, Korea & Vietnam (AMVETS), 4647 Forbes Boulevard Lanham, MD 20706		6,950.47	6,950.47
American Veterinary Medical Assn, 1522 K Street, NW, #828 Washington, DC 20005			
American Waterways Operators, Inc, 1600 Wilson Boulevard, #1000 Arlington, VA 22209		271,344.00	278.89
Americans for Immigration Control, Inc, P.O. Box 738 Monterey, VA 24465		16,268.36	16,268.36

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Americans for Tax Reform, 1800 M Street, NW, #475 Washington, DC 20036			54,269.05
Ameriserv, Inc, The Paragon Center 2400 East Commercial Blvd., #500 Fort Lauderdale, FL 33308			
Morris J. Amitay, P.C., 444 N. Capitol Street, NW, #712 Washington, DC 20001	Nathan Lewin (for 47th Street Photo)	7,500.00	
Do	Northrop Corp	3,000.00	
Do	Pan American World Airways, Inc	4,500.00	
Do	Thompson Medical	3,000.00	
Jan S. Amundson, 1331 Pennsylvania Ave., #1500 N. Washington, DC 20005	National Assn of Manufacturers		
Christopher E. Anders, 1667 K Street, NW, #660 Washington, DC 20006	Marlowe & Co (For:Graphic Communications Int'l Union)	3,009.00	3,009.00
Edward Andersen, 1616 H St., NW Washington, DC 20006	National Grange	8,450.00	
Stephen O. Andersen, 2000 L Street, NW, #802 Washington, DC 20036	Consumer Energy Council of America		
Byron Anderson, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,002.70
Desiree C. Anderson, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council		
H. Kim Anderson, Virginia Petroleum Council 1001 E. Broad Street Richmond, VA 23219	American Petroleum Institute		
J. Lem Anderson, 4111 Franconia Rd. Alexandria, VA 22310	Temple-Inland		
James A. Anderson Jr., 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors		
Romilda R. Anderson, 10 Westport Road Wilton, CT 06897	Richardson-Vicks, Inc.	1,200.00	1,837.45
Steven C. Anderson, 1700 Old Meadow Rd. Mclean, VA 22102	American Frozen Food Institute	5,000.00	
William C. Anderson, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		87.50
Anderson & Pendleton, 1000 Connecticut Avenue, NW, #707 Washington, DC 20036	Corporacion Nacional del Cobre de Chile		
Do	Military Mission of Chile		
Anderson Benjamin & Read, Inc, 1020 19th St., NW, #520 Washington, DC 20036	U.S. Banknote Corp.		
Robert B. Andrews, 1100 Connecticut Avenue, NW, #620 Washington, DC 20036	Mobil Oil Corp	500.00	
William Robert Andrews, 1745 Jefferson Davis Highway Arlington, VA 22202	Rockwell International Corp	3,600.00	
Andrews & Kurth, 1747 Pennsylvania Avenue, NW Washington, DC 20006	Space Services Inc of America		
Jack R. Angell, 1101 17th Street, NW, #704 Washington, DC 20036	United Gas Pipe Line Co		
Anglo American Auto Auctions, Inc, 2 International Plaza Dr., #600 Nashville, TN 37217			
J. Donald Annett, 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc	500.00	
Philip H. Anns, 1101 Vermont Avenue, NW, #405 Washington, DC 20005	A. H. Robins, Inc	1,600.00	205.00
Tobias Anthony, 1819 H Street, NW, #510 Washington, DC 20006	American Coal Ash Association, Inc		
Patrick S. Antrim, 1800 K Street, NW Washington, DC 20006	Bank of America	1,158.57	202.53
Apartment & Office Building Assn, 1413 K Street, NW, #600 Washington, DC 20005			
Paul W. Arcari, 201 N. Washington Street Alexandria, VA 22314	Retired Officers Assn	2,121.00	
John Archer, 8111 Gatehouse Rd. Falls Church, VA 22047	American Automobile Assn		
John Christian Archer, 2530 W. Meredith Drive Vienna, VA 22180	Brown & Root, Inc		
R. M. Julie Archuleta, 1747 Pennsylvania Avenue, NW, 3rd Fl. Washington, DC 20006	Occidental Chemical Corp	297.60	230.55
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Avenue, NW Washington, DC 20036	All Industry Television Station Music License Committee		212.17
Do	Ameritech		79.10
Do	Breed Corporation	25,000.00	
Do	Central States SE & SW Areas Health Welfare & Pension Funds	15,216.45	1,691.82
Do	ConAgra		179.85
Do	Stephen Goldberg		351.43
Do	Guardian Life Insurance Co of America	46,219.10	1,149.79
Do	Hoesch Rohr Ag	2,633.79	751.17
Do	Hoesch Tubular Products Co		
Do	Independent Federation of Flight Attendants	5,000.00	1,038.62
Do	Motor and Equipment Manufacturers Association		
Do	Pyramid Lake Paiute Tribal Council		1,006.77
Do	Toshiba America, Inc	8,763.90	3,335.11
Do	Toyota Motor Corporation		5.08
Do	Tubular Corp of America, Inc		6.43
Do	TVW Paper Machines, Inc		
Arkansas Assn of Bank Holding Companies, 114 East Capitol Ave. Little Rock, AR 72201			
John A. Armstrong, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
W. Stanley Armstrong, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Julie L. Arnold, 1667 K St., NW, #710 Washington, DC 20006	Baxter Travenol Laboratories, Inc		
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	EXEL Limited		136.40
Do	Fluor Corporation	175.00	
Do	Sacramento Municipal Utility District	1,500.75	62.65
Nan Aron, 600 New Jersey Avenue, NW Washington, DC 20001	Alliance for Justice	68.74	
Asbill Junkin Myers & Buffone, 1607 New Hampshire Ave., NW Washington, DC 20009	Coalition on Smoking or Health	18,650.00	15,332.67
Lud Ashley, P.C., 1735 New York Avenue, NW, 6th Fl. Washington, DC 20006	American International Group, Inc	10,098.00	
Do	Central States of Omaha	5,000.00	
Do	Federal Home Loan Mortgage Corp	5,000.00	
Do	Grocery Manufacturers of America, Inc	18,820.00	166.42
Do	Irving Trust Co	3,333.33	
Do	ISFA Corporation		
Do	Manville Corporation	17,000.00	
Do	National Assn of State Savings & Loan Supervisors		
Do	J. C. Penney Co, Inc	11,025.00	
Joseph Ashooh, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Nicholas J. Ashooh, 1000 Elm Street P.O. Box 330 Manchester, NH 03105	Public Service Co of New Hampshire	800.00	781.26
Asian Pacific Economic Educational Cultural Organization, P.O. Box 891 Manila, Philippine			
Asphalt Roofing Manufacturers Association, 6288 Montrose Road Rockville, MD 20852		125,000.00	325.00
Associated Builders & Contractors, Inc, 729 15th St., NW Washington, DC 20005		17,500.00	
Associated Credit Bureaus, Inc, P.O. Box 218300 16211 Park 10 Place Houston, TX 77084		1,500.00	
Associated Employers, Inc, 1222 N. Main, #315A San Antonio, TX 78212			
Associated General Contractors of America, 1957 E St., NW Washington, DC 20006			
Association for a Better New York, 355 Lexington Avenue New York, NY 10017		55,000.00	68,786.97
Association of American Publishers, 2005 Massachusetts Ave., NW Washington, DC 20036		7,679.05	7,679.05
Association of American Railroads, American Railroads Building 50 F Street, NW Washington, DC 20001		114,737.59	114,737.59
Association of American Veterinary Medical Colleges, 1522 K Street, NW, #828 Washington, DC 20005			
Association of Data Processing Service Organizations, 1300 North 17th Street, #300 Arlington, VA 22209			
Association of Government Accountants, 727 South 23rd Street, #100 Arlington, VA 22202			
Association of Thrift Holding Companies, 900 17th Street, NW, #500 Washington, DC 20006		4,511.00	4,511.00
Association of Trial Lawyers of America, 1050 31st St., NW Washington, DC 20007		17,430.00	17,430.00
Association of Urban Universities, 1225 Connecticut Ave., NW, #300 Washington, DC 20036		3,000.00	345.22
George J. Aste, 1825 K St., NW, #607 Washington, DC 20006	United Airlines, Inc	500.00	
Astro Satellite Television Receiver Owners, Inc, 2530 S. Parker Road, #600 Aurora, CO 80014			
Atlantic Richfield Co, 515 South Flower Street Los Angeles, CA 90071			1,286.45
Fritz E. Attaway, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc		
John J. Auciello, P.O. Box 269 Elizabethtown, PA 17022	American Assn of Meat Processors		
Audio Recording Rights Coalition, P.O. Box 33576 1145 19th Street, NW Washington, DC 20033		205,000.00	203,266.65
Claire H. Austin, 214 Massachusetts Ave, NE, #350 Washington, DC 20002	Russell Corporation	1,000.00	62.00
John D. Austin Jr., 1920 N Street, N.w. Washington, DC 20036	American Mining Congress		
Richard E. Austin, 2550 M Street, NW, #770 Washington, DC 20037	RJR Nabisco, Inc	702.00	
Ronald R. Austin, 1201 16th Street, NW Washington, DC 20036	Overseas Education Assn	574.09	76.23
Austin Industries, Inc, P.O. Box 1590 Dallas, TX 75221			4,367.85
Automotive Parts Rebuilders Assn, 6849 Old Dominion Drive Mclean, VA 22101			
John S. Autry, 2000 L Street, NW, #810 Washington, DC 20036	Sperry Corporation	3,500.00	2,500.00
William H Axtman, 950 N. Glebe Rd., Rm. 160 Arlington, VA 22203	American Boiler Manufacturers Assn, Inc		
Michael G. Ayre, P.O. Box 130 Levis P.Q. Canada G6V 6N7	Versatile Davie, Inc		
Merribel Symington Ayres, Suite 540 1875 Eye Street, NW Washington, DC 20006	Champion International Corp		
Azanian Coalition, P.O. Box 76615 Washington, DC 20013-6615			
APCO Associates, 1200 New Hampshire Ave., NW Washington, DC 20036	Amok, Ltd, et al.	1,417.50	79.74
Do	ASEA AB	510.00	
Do	Canadian Forest Industries Council	7,221.25	582.97
Do	Canadian Meat Council	2,591.25	
Do	Outboard Marine Corp	602.50	
Do	Recording Industry Assn of America		35.35
Do	Sacramento Public Utility District, et al.	380.00	71.75
Do	West Mexico Vegetable Distributors Assn		
Dale R. Babione, 1700 N. Moore St. Rosslyn, VA 22209	Boeing Company	4,668.62	543.83
Richard Anthony Baenen, 1735 New York Avenue, NW, #600 Washington, DC 20006	NANA Regional Corp, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	People's Republic of Angola		
Do	Shee Atika, Inc		
L. A. Bafalis, Governmental Consulting Services, Inc 241 S. Woods Road Palm Beach, FL 33480	Davis & Harman		
William T. Bagatelas, 1730 K Street, NW, #319 Washington, DC 20006	American Hellenic Institute Public Affairs Committee, Inc		
Carl E. Bagge, Coal Building Washington, DC 20036	National Coal Assn	3,310.00	582.60
Joan N. Baggett, 815 15th St., NW Washington, DC 20005	International Union of Bricklayers & Allied Craftsmen	8,000.00	359.56
Brent A. Baglien, 725 15th Street, NW Washington, DC 20005	National Grain & Feed Assn	540.77	
George F. Bailey Jr., P.O. Box 21 Montgomery, AL 36101	CSX Transportation		
James Michael Bailey, 910 17th St., NW, #210 Washington, DC 20006	Association of U.S. Night Vision Manufacturers		
Paul C. Bailey Jr., 108 Columbus St. Arlington, VA 22204	Southern Company Services, Inc	1,489.40	497.45
William W. Bailey, 1050 17th Street, NW, #650 Washington, DC 20036	Merck & Co, Inc	2,000.00	260.10
Judith L. Baird, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	250.00	
John Baize, Capitol Gallery Bldg., #510 600 Maryland Avenue, SW Washington, DC 20024	American Soybean Association	2,073.75	392.68
Edward R. Bajer, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	400.00	
Emil F. Baker, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn		
Gerald E. Baker, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,000.00	512.30
James Jay Baker, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	976.25	198.19
Lisa Baker, 1730 K Street, NW, #703 Washington, DC 20006	American Business Conference, Inc	96.92	25.00
Baker & Botts, 1701 Pennsylvania Ave., NW Washington, DC 20006	Gerald D. Hines Interests		
Do	Natural Resource Management Corp		
Baker Worthington Crossley Stansberry & Woolf, P.O. Box 2866 Nashville, TN 37219	Conwood Corporation	10,000.00	
S. Eason Balch, P.O. Box 306 Birmingham, AL 35201	Balch & Bingham (For:Southern Company Services, Inc)	2,550.00	423.75
Patricia A. Baldi, 645 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society	280.00	3,793.40
H. R. Balikov, 333 Thornall St. Edison, NJ 08818	J. M. Huber Corp		
Christian Ballantyne, 214 N. Henry Street, #203 Madison, WI 53703	Sierra Club	847.00	
Ballard Spahr Andrews & Ingersoll, 1850 K Street, NW, #1100 Washington, DC 20006	Arthur Andersen & Co		
Do	U.S. Committee for UNICEF		
Debra T. Ballen, 1025 Connecticut Avenue, NW, #415 Washington, DC 20036	American Insurance Assn	2,000.00	200.00
Thomas M. Balmer, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs		
Henchi Balos, P.O. Box 48 Majuro, Marshall Islands	Republic of the Marshall Islands (RMI)		
Michael Baly III, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	6,000.00	258.98
Charles E. Bangert, P.C., 1825 Eye Street, NW, #300 Washington, DC 20006	Business Roundtable		
Bank of Boston Corporation, 100 Federal St. Boston, MA 02110			
James T. Banks, 1155 Connecticut Avenue, NW, #800 Washington, DC 20036	Waste Management, Inc	5,000.00	
E. W. Baragar, 1700 North Moore St., 20th Fl. Rosslyn, VA 22209	Boeing Company	1,476.54	1,019.14
Robert O. Barker, 4000 Town Center, #540 Southfield, MI 48075-1406	National Assn of Manufacturers	1,500.00	
William J. Barnds, 1000 Connecticut Avenue, NW Washington, DC 20036	Japan Economic Institute of America	500.00	
Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006	Brown-Forman Corp		
Do	Heublein, Inc		
Do	Hiram Walker & Sons, Inc		
Do	Rukert Marine Corp	2,487.50	47.83
Do	Schieffelin & Co		
Do	Joseph E. Seagram & Sons, Inc		
Do	Stratton Hats, Inc		27.85
Do	Texas Citrus and Vegetable Import Association	2,349.50	49.52
Barnett & Alagia, 250 South County Rd. Palm Beach, FL 33480	Cuban American Public Affairs Council		
Do	Dairymen, Inc	10,780.00	1,519.92
Barnett Sivon Schott & Shay, P.C., 1090 Vermont Ave., NW, #810 Washington, DC 20005	Citibank, N.A	1,665.00	30.00
Neil D. Baron, Booth & Baron 122 East 42nd St. New York, NY 10168	Standard & Poor's Corporation		
David M. Barrett, Barrett Hanna Daily & Gaspar 2555 M Street, NW, #100 Washington, DC 20037	Allied Tube & Conduit Corp		
Do	Energy Consumers & Producers Assn		
Robert E. Barrett, 69844 Highway 111, Suite C Rancho Mirage, CA 92270	Rockwell International Corp	15,000.00	
Robert W. Barrie, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	2,000.00	
Roger V. Barth, 1735 Eye St., NW, #715 Washington, DC 20006	American Assn for Clinical Chemistry Inc		
Linda L. Bartlett, 1100 17th Street, NW, #601 Washington, DC 20036	Kraft, Inc	750.00	
James E. Bartley, 1090 Vermont Avenue, NW, #410 Washington, DC 20005	National Industrial Transportation League	7,000.00	61.00
Do	Procompetitive Retail Steering Committee		
Mark A. Bartner, 100 Maryland Avenue, NE Washington, DC 20002	Religious Coalition for Abortion Rights, Inc	5,749.98	63.30
Diane Bateman, 1015 18th Street, NW Washington, DC 20036	Fertilizer Institute	15,000.00	1,999.44
Robert E. Bates Jr., 1100 Connecticut Ave, NW Washington, DC 20036	Mobil Oil Corp	1,125.00	
Catharine R. Batky, 1050 Connecticut Avenue, NW Washington, DC 20036	Burlington Northern, Inc	750.00	336.33
Laurie C. Battle, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	1,563.00	
John F. Battles, Massachusetts Petroleum Council 11 Beacon St., #515 Boston, MA 02108	American Petroleum Institute		
John L. Bauer Jr., 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	3,000.00	606.93
Barbara Bauman, 1990 M Street, NW, #480 Washington, DC 20036	Detroit Edison Company	450.00	25.00
Barry H. Bauman, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	1,600.00	353.14
Ann F. Bavaria, 35 North Sixth Street Reading, PA 19601	Meridian Bancorp, Inc		
James R. Baxter, 1101 15th St., NW, #1040 Washington, DC 20005	National Construction Employers Council		
Richard 'Sandy' Beach, 1730 Rhode Island Ave., NW, #810 Washington, DC 20036	Credit Union National Assn, Inc	300.00	22.06
Tina Marts Beach, 1331 Pennsylvania Avenue, NW, #700 Washington, DC 20004	General Electric Co	372.00	
Bruce A. Beam, 1667 K St., NW, #450 Washington, DC 20006	American Electric Power Service Corp	306.96	252.61
Bear West Company, Inc, 9 Exchange Place, #1000 Salt Lake City, UT 84111	Rocky Mountain Energy Co	1,587.50	587.31
Michael K. Beard, 100 Maryland Ave., NE Washington, DC 20002	National Coalition to Ban Handguns		
Donald S. Beattie, 400 First St., NW Washington, DC 20001	Railway Labor Executives' Assn	2,932.60	
Barbara F. Beatty, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Hubert Beatty, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Laura L. Beaty, 806 N. Jefferson St. Arlington, VA 22205	National Parks & Conservation Association	377.55	5.40
Gerald F. Beavan, 190 Highland Drive Centerville, MA 02632	Capital Holding Corp	15,000.00	8,089.00
Edward A. Beck III, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	8,958.33	226.00
Steven M. Beckman, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	6,312.84	12.00
William W. Beddow, 1101 15th St., NW, #1000 Washington, DC 20005	National Constructors Association	1,750.00	
Jon Charles Bednerik, 11 Embarcadero West, #202 Oakland, CA 94607	Western Independent Bankers	500.00	
Robert M. Beers, 2101 E Street, NW Washington, DC 20037	American Foreign Service Assn	3,570.00	1,826.00
Edwin L. Behrens, 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	30.00	
James Beizer, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Mark Belanger, 805 Third Avenue New York, NY 10022	Major League Baseball Players Assn		
Donald K. Belch, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Stelco, Inc	210.00	347.41
M. Wendell Belew Jr., 2100 M Street, NW, #603 Washington, DC 20036	American Electronics Laboratories, Inc		
Do	Coalition for the Advancement of Industrial Technology		
Do	Coalition Against Double Taxation, Inc		
Do	Crowley Maritime Corp		
Do	Griffin Corp		
Do	Massachusetts Mutual Life Insurance Co		
Denise Bell, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	468.08
Howard H. Bell, 1400 K St., NW, #1000 Washington, DC 20036	American Advertising Federation		
Winston Everett Bell, P.O. Box 26543 Las Vegas, NV 89126			
Mary K. Bellamy, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
James P. Bellis Sr., 1629 K St., NW, #1100 Washington, DC 20006	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)	9,600.00	
Do	Palumbo & Cerrell, Inc (For:NutraSweet Co)	9,600.00	
Do	Palumbo & Cerrell, Inc (For:Southern California Rapid Transit District)	9,600.00	
Benchmarks, Inc, 3248 Prospect Street, NW Washington, DC 20007	Campania Minera de las Cuevas S.A. de C.V.	10,000.00	345.56
Bruce Benefield, 1000 Wilson Blvd., #2600 Arlington, VA 22209	TRW, Inc	400.00	
Benner Burnett & Coleman, 1401 New York Avenue, NW Washington, DC 20005	Messerschmitt Bolkow-Blohm Gmbh, et al	600.00	200.00
Do	Schnitzer Steel Products Co		
Daniel Bennet, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Beverly L. Bennett, 1850 K Street, NW Washington, DC 20006	American Council of Life Insurance, Inc	2,500.00	
David E. Bennett, 740 Hillgrove Avenue Western Springs, IL 60558	West Central Municipal Conference		
Douglas P. Bennett, 3236 Prospect Street, NW Washington, DC 20007	American Express Co	8,000.00	125.00
Do	Association of Executive Search Consultants, Inc		
Do	Corning Associates	22,000.00	175.00
John C. Bennison, 4400 Macarthur Blvd., NW Washington, DC 20007	American Soc of Travel Agents	8,000.00	
Benoit Smith & Laughlin, 2001 Jefferson Davis Highway, #501 Arlington, VA 22202	Econopure		
Do	Hughes Aircraft Company		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Frederick S. Benson III, 2001 L Street, NW, #304 Washington, DC 20036	Weyerhaeuser Company		
Tom Benson, 501 Union Street, #506 Nashville, TN 37219	Tennessee Railroad Assn		
James E. Benton, N. J. Petroleum Council 170 W. State St. Trenton, NJ 08608	American Petroleum Institute	65.00	32.97
George L. Berg Jr., 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	5,438.00	58.11
Rebecca J. Berg, 900 17th Street, NW, #1100 Washington, DC 20006	Sea-Land Corporation	450.00	127.46
Richard Scott Berg, 1250 Connecticut Avenue, NW, #210 Washington, DC 20036	National Forest Products Assn		
O. M. Berge, 12050 Woodward Ave. Detroit, MI 48203	Brotherhood of Maintenance of Way Employes		
Bob Bergland, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	230.00	59.00
Edwin M. Bergsmark, Three Seagate Toledo, OH 43603	Toledo Trust Company	450.00	402.50
Jane W. Bergwin, 1050 17th Street, NW, #490 Washington, DC 20036	Consumers Power Co	3,448.00	1,266.00
Peter A. A. Berle, 950 Third Avenue New York, NY 10022	National Audubon Society	1,000.00	
Berliner & Maloney, 1101 17th Street, NW, #1004 Washington, DC 20036-4798	Embassy of Belize	1,650.00	61.67
Do	Government of Barbados, Ministry of Finance & Planning	15,708.50	787.76
Carol Lee Berlinsky, 1001 Prince Street Alexandria, VA 22314	John R. Zagame Associates, Inc (For:National Music Publishers Assn, Inc)	6,000.00	124.80
Ellen Berman, 2000 L St., NW, #802 Washington, DC 20036	Consumer Energy Council of America		
Jason S. Berman, 1133 21st Street, NW, #400 Washington, DC 20036	Warner Communications, Inc	15,000.00	12,448.84
Jay Harris Berman, 400 N. Washington St. Alexandria, VA 22314	National Assn of Professional Insurance Agents		
William R. Berman, 8111 Gatehouse Rd. Falls Church, VA 22047	American Automobile Assn		
Berman Bergner & Boyette, 1016 16th Street, NW, #700 Washington, DC 20036	Blaw Knox	2,000.00	2,130.04
Do	China External Trade Development Council	2,000.00	1,771.44
Do	First Atlantic Investment Corp	1,000.00	1,118.52
Do	Flo-Sun Land Corp	500.00	2,218.52
Do	Kingdom of Saudi Arabia	6,000.00	2,256.90
Do	Malone and Hyde	2,000.00	1,325.00
Do	Natural Gas Supply Assn	1,800.00	2,720.86
Do	Okeelanta Corp	2,500.00	3,066.03
Do	Salomon Brothers, Inc	3,000.00	2,630.28
Robert P. Bermingham, 1050 Connecticut Avenue, NW, #760 Washington, DC 20036	Union Oil Co of California		
Mary E. Bernhard, 1090 Vermont Avenue, NW, #500 Washington, DC 20005	Flexible Packaging Association		
Charles Bernhardt, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Donald C. Berno, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	7,500.00	
Bernstein Shur Sawyer & Nelson, One Momument Square Portland, ME 04101	Penobscot Energy Recovery Co	903.30	156.91
Max N. Berry, 3213 O St., NW Washington, DC 20007	American Importers Meat Products Group		
Do	Centre National Interprofessionnel de L'Economic Laitiere		
Do	Committee to Assure the Availability of Casein		
Do	Federation des Exportateurs de Vins & Spiritueux de France		
Willard M. Berry, 900 17th Street, NW, #514 Washington, DC 20006	National Foreign Trade Council, Inc	5,000.00	475.00
Eve Berton, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
John F. Betar, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos	1,000.00	90.00
Better Working Environments, Inc, 3716 Scripps Way Las Vegas, NV 89103			1,500.00
Robert Betz, 1010 Vermont Avenue, NW, #1116 Washington, DC 20005	Robert Betz Associates, Inc (For:Alabama Hospital Association)	5,250.00	222.23
Beveridge & Diamond, P.C., 1333 New Hampshire Ave, NW Washington, DC 20036	Metal Box America, Inc		735.00
Do	Town of Oyster Bay Industrial Development Agency	2,001.38	937.50
Beverly Enterprises, Inc, 1901 N. Fort Myer Drive, #302 Rosslyn, VA 22209			25,496.95
Cheryl Beversdorf, 1200 15th Street, NW Washington, DC 20005	American Health Care Assn	2,873.44	299.99
Joan T. Bier, 1726 M Street, NW, #701 Washington, DC 20036	International Minerals & Chemical Corp		
James N. Bierman, 1775 Pennsylvania Ave., NW Washington, DC 20006	Foley & Lardner (For:City of Kenosha, Wisconsin)		
Do	Foley & Lardner (For:Kohlberg Kravis Roberts & Co)		
Moe Biller, 817 14th St., NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	8,631.50	
Kevin W. Billings, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	2,513.38	627.65
Leon G. Billings, Inc, 1660 L St., NW, #809 Washington, DC 20036	Irvine Company	21,114.09	
Do	State of Montana	6,800.00	
Hugh L. Binford, 50 Coe Road, #223 Belleair, FL 33516			
Birch Horton Bittner Pestinger & Anderson, 12th Floor 1155 Connecticut Ave., NW Washington, DC 20036	Alascom, Inc		
Do	Alaska Power Authority		
Do	Alaska Teamsters-Employer Pension Trust		
Do	Alaska Teamsters-Employer Welfare Trust		
Do	Amerada Hess Corp		
Do	Calista Corp		
Do	City of St. George		
Do	CP National Corp		
Do	First Federal Bank of Alaska, S.B.		
Do	North Slope Borough		
Do	Sealaska Corp		
Do	St. George Tanaq Corp		
Do	Teamsters Local 959		
Do	Westinghouse Electric Corp		
Do	Yukon Pacific Corp		
Robert J. Bird, 888 16th Street, NW Washington, DC 20006	Zachry, Inc		
Charles O. Bishop, 1225 Connecticut Ave., NW Washington, DC 20036	American Public Transit Assn	6,650.00	104.00
Bishop Liberman Cook Purcell & Reynolds, 1200 17th Street, NW, 7th Fl. Washington, DC 20036	Audio Recording Rights Coalition	9,729.00	
Do	CNA Insurance Co of Chicago, Illinois		
Do	National Mass Retailing Institute	3,500.00	
Do	Technicon Data Systems Corp		
Do	Texaco, Inc	1,018.00	
Do	Texas Gas Transmission Corp	1,670.00	
Do	Tobacco Institute	28,946.25	318.29
Dennis A. Bitz, 999 Meredith Court Sonoma, CA 95476	Bechtel Power Corporation		
Gerrie Bjornson, 1825 Eye Street, NW, #400 Washington, DC 20006	B.F. Goodrich Co	100.00	
Black Manafort Stone & Kelly, P.C., 211 N. Union St., 3rd Fl. Alexandria, VA 22314	Allied Signal Companies	22,500.00	595.69
Do	American Health Care Assn	18,750.00	355.85
Do	Bethlehem Steel Corp	22,500.00	541.31
Do	Chicago RTA	9,000.00	1,008.87
Do	Derecktor Shipyards	7,500.00	778.42
Do	Diamond Star Corp	30,000.00	576.11
Do	Government of the Bahamas	45,000.00	
Do	Johnson & Johnson	30,000.00	720.70
Do	Kaman Aerospace	45,000.00	5,848.75
Do	Purolator Courier		
Do	Salomon Brothers, Inc	54,000.00	456.42
Do	Tobacco Institute	22,500.00	508.10
Do	Trans World Airlines, Inc	18,000.00	148.00
Do	U.N.I.T.A.	75,000.00	1,444.90
Do	U.S. Lines	18,500.00	189.67
Do	Union Pacific Corp	22,500.00	677.11
Joseph W. Blackburn, P.O. Box 55727 2222 Arlington Ave., So. Birmingham, AL 35255	Sirote Permutt Friend Friedman Held & Apolinsky, P.C. (For:Norwood Clinic, Inc, et al.).		
Do	Sirote Permutt Friend Friedman Held & Apolinsky, P.C. (For:University of Alabama Health Services, et al.).	20,000.00	2,582.00
Robert J. Blackwell, One Thomas Circle, NW, #900 Washington, DC 20005	American Trading Transportation Co, Inc		
Do	Cove Maritime Companies		
Do	Crest Tankers, Inc		
Do	Enserch Corporation	2,813.00	649.14
Do	Equity Carriers I, Inc		
Do	Equity Carriers III, Inc		
Do	Falcon Tankers, Inc		
Do	Sun Transport, Inc		
Do	Trinidad Corporation		
Do	Victory Carriers, Inc		
Bev D. Blackwood, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
David A. Blair, 5205 Leesburg Pike, #505 Falls Church, VA 22041	National Beer Wholesalers Assn		159.23
Neal B. Blair, Suite J 11244 Waples Mill Rd. Fairfax, VA 22030	Free the Eagle & Target, Inc	12,658.70	
Helen Blank, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	1,471.74	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Bryant C. Blewett, P.O. Box 24305 Oakland, CA 94623	Clorox Company		
Jerald Blizin, 1201 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Hill & Knowlton, Inc		
John R. Block, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
L. Thomas Block, One Wall Street New York, NY 10015	Irving Trust Co	4,000.00	1,000.00
Peter L. Blocklin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,700.00	
Holton E. Blomgren, 1015 15th Street, NW, #1220 Washington, DC 20005	National Manufactured Housing Federation	1,100.00	45.00
Douglas M. Bloomfield, 500 N. Capitol St., NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	19,174.98	432.74
Mark Bloomfield, 1850 K St., NW, #520 Washington, DC 20006	American Council for Capital Formation	2,625.00	
Vera Steiner Blore, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S	250.00	34.00
John B. Blount Jr., 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	318.54
Blue Cross & Blue Shield Assn, 1709 New York Avenue, NW, #303 Washington, DC 20006			48,986.50
Jared O. Blum, 1776 K Street, NW Washington, DC 20006	Direct Selling Association	300.00	212.09
Robert A. Blum, Three Embarcadero Center 28th Floor San Francisco, CA 94111	Mccutchen Doyle Brown & Enersen (For:Permanente Medical Group, Inc)		3,190.50
Blum Nash & Railsback, 1133 15th Street, NW, #1100 Washington, DC 20005	ADAPSO	3,000.00	
Do	Direct Marketing Assn	3,000.00	
Do	Disclosure, Inc		
Do	Journal of Commerce, Inc	1,845.00	
Charles R. Blumenfeld, Bogle & Gates 2100 Bank of California Center Seattle, WA 98164	Coalition of Independent Timber Growers	7,950.00	
Do	Pacific Seafood Processors Assn		
Patti Blumer, 1667 K Street, NW, #430 Washington, DC 20007	American Dietetic Assn		
William J. Boarman, P.O. Box 157 Colorado Springs, CO 80901	International Typographical Union		
Boat Owners Assn of the U.S., 880 S. Pickett St. Alexandria, VA 22304		50,000.00	37,750.00
Seth M. Bodner, 386 Park Avenue South New York, NY 10016	National Knitwear & Sportswear Assn	1,312.50	
Larry A. Boggs, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Timothy A. Boggs, 1133 21st Street, NW, #400 Washington, DC 20036	Warner Communications, Inc	14,400.00	11,228.34
Bogle and Gates, One Thomas Circle, NW, #900 Washington, DC 20005	Alaskan Factory Trawlers Assn	2,000.00	
Do	Alliance for Fair Trade	35,000.00	
Do	American Fair Trade Council		
Do	Coalition for Clean Water	1,000.00	
Do	Northwest Apparel & Textile Assn	1,000.00	
Do	Pacific Seafood Processors Assn	300.00	
Robert Z. Bohan, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn		
Patricia Boinski, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	27.00	
Robert J. Bolger, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	1,500.00	
Bernadette Bolton, 400 First Street, NW, #800 Washington, DC 20001	Brotherhood of Railroad Signalmen	300.00	
Sharon E. Bomer, 727 N. Washington Street Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn	1,060.00	551.74
Joseph C. Bonanno Jr., P.O. Box 2624 Saratoga, CA 95070-0624			
A. Dewey Bond, P.O. Box 3556 Washington, DC 20007	American Meat Institute	500.00	
Edward N. Bond, 1700 North Moore St. Rosslyn, VA 22209	Boeing Company	1,200.00	130.69
Sharon Lee Bonitt, 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Bonsib, Inc, P.O. Box 1807 Washington, DC 20013			
Gaylon B. Booker, 1918 N. Parkway Memphis, TN 38112	National Cotton Council of America		
W. Dan Boone, 345 Park Ave. New York, NY 10154	Union Pacific Corp and Alliance for Clean Energy		
John K. Booth, 1850 K Street, NW Washington, DC 20006	American Council of Life Insurance, Inc		
Diane Boratyn, 1230 31st St., NW, #5 Washington, DC 20007	D Boratyn, Ltd		
Edward T. Borda, 1625 Eye St., NW, #1023 Washington, DC 20006	Association of General Merchandise Chains	4,000.00	
Richard H. Bornemann, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	2,000.01	291.37
Patricia A. Borowski, 400 North Washington Street Alexandria, VA 22314	National Assn of Professional Insurance Agents	900.00	360.00
Laurence D. Bory, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	900.00	
G. Stewart Boswell, 1611 North Kent St., #800 Arlington, VA 22209	American Apparel Manufacturers Assn, Inc	7,417.67	276.13
M. L. Boswell, 1235 Jefferson Davis Highway, #500 Arlington, VA 22202	Italian Advanced Industries, Inc		
Nancy Bothne, 2001 S Street, NW, #312 Washington, DC 20009	Farmworker Justice Fund, Inc	438.38	
Charles G. Botsford, 1730 M St., NW, #515 Washington, DC 20036		1,500.00	393.00
Mary M. Bourdette, 122 C St., NW, 4th Fl. Washington, DC 20001	Children's Defense Fund of the Washington Research Project	4,917.90	68.79
James G. Bourie, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS	6,800.00	150.47
Albert D. Bourland, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S		10.00
Laura L. Bourne, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Frank J. Bowden Jr., Associated Petroleum Industries of Pa P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute		
James J. Bowe, 4 World Trade Center New York, NY 10048	Coffee Sugar & Cocoa Exchange, Inc		
Rodney A. Bower, 8701 Georgia Avenue, #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Robert R. Bowers, West Virginia Petroleum Council Suite 714 Atlas Bldg. Charleston, WV 25301	American Petroleum Institute	1,250.00	778.98
Doug B. Bowles, 205 Spring Hill Terrace Roswell, GA 30075	Georgia Power Co	9,745.50	16,848.32
Richard P. Bowling, 1020 Princess Street Alexandria, VA 22314	Truck Trailer Manufacturers Assn	1,000.00	
Jim D. Bowmer, P.O. Box 844 Temple, TX 76503	Tribal Council of the Coushatta Tribe of Louisiana		839.42
Bowmer Courtney Burleson Pemberton & Normand, P.O. Box 844 Temple, TX 76503	Tribal Council of the Coushatta Tribe of Louisiana		5,809.27
Joan Costain Bowyer, 1015 15th St., NW Washington, DC 20005	Phelps Dodge Corp	150.00	
John G. Boyd, 1801 K St., NW Washington, DC 20006	International Business Machines Corp	1,161.00	201.00
Robert K. Boyd, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	2,850.00	853.85
Bracewell & Patterson, 1825 Eye Street, NW, #1200 Washington, DC 20006	American Gas Assn	1,050.00	418.95
Do	American Insurance Assn		
Do	Appalachian Energy Group	525.00	209.48
Do	Chemical Manufacturers Assn, Inc	2,100.00	837.90
Do	Computer Dealers & Lessors Assn, Inc	525.00	209.48
Do	COMDISCO, Inc	525.00	209.48
Do	Dresser Industries, Inc		
Do	Enron Corp	1,050.00	418.95
Do	Gallagher, Chtd		
Do	Liberty Bank & Trust of New Jersey	875.00	349.13
Do	Louisiana Land & Exploration Co	700.00	279.30
Do	National Cable Television Assn, Inc	1,925.00	768.08
Do	Pennsylvania Natural Gas Associates		
Do	Southdown/Pelto Oil Company		
Do	U.S. Tuna Foundation		
Do	Valero Energy Corporation	1,800.00	718.20
Bracy Williams & Company, 1000 Connecticut Avenue, NW, #304 Washington, DC 20036	American Southwest Financial Co	30,000.00	810.00
Do	Arkla, Inc	5,000.00	240.00
Do	California Nickel Corp		
Do	City of Tucson	7,000.00	220.00
Do	Confederated Salish & Kootenai of the Flathead Reservation		
Do	CSX Corporation	12,000.00	390.00
Do	Daylight Saving Time Coalition	8,000.00	210.00
Do	Energy Absorption Systems, Inc	8,000.00	200.00
Do	Estes Company	3,000.00	230.00
Do	Pratt & Whitney Aircraft Group	5,000.00	165.00
Do	Southern Arizona Water Resources Association	3,000.00	240.00
Frank W. Bradley, 1700 K St., NW Washington, DC 20006	Chevron USA, Inc	4,500.00	
Wayne W. Bradley, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	750.00	48.68
Dennis M. Bradshaw, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Carren Bragg, 1901 L Street, NW, #303 Washington, DC 20036	Colt Industries, Inc		
Charles G. Bragg, P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America	1,340.00	159.50
David C. Branand, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	General Dynamics Corp		
Robert M. Brandon, 1300 Connecticut Ave., NW, #401 Washington, DC 20036	Citizen Action	2,000.00	
Do	Citizen/Labor Energy Coalition		
Richard D. Brannick, P.O. Box 550 Dexter, NY 13634	National Border Patrol Council		
William C. Brashares, Mintz Levin Cohn Ferris Glovsky & Popeo 1825 Eye St., NW, #1201 Washington, DC 20006	Smith Barney Harris Upham & Co, Inc	2,000.00	
Christian N. Braunlich, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
Roy Braunstein, 817 14th St., NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	9,862.34	
Donald H. Brazier, P.O. Box 12266 Seattle, WA 98102	Dollar Savings Bank, et al		
Harold E. Brazil, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co	337.10	
Noel Brazil, 600 Maryland Avenue, SW, #400 Washington, DC 20024	American Optometric Assn		
Edward T. Breathitt, 1050 Connecticut Ave., NW Washington, DC 20036	Norfolk Southern Corp	1,000.00	
Roy S. Bredder, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	52.50

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Bregman Abell Kay & Simon, 1156 15th St., NW, #1212 Washington, DC 20005	Air Transport Assn of America		
Do	American Car Rental Assn	5,000.00	
Do	American Fed of Labor & Congress of Industrial Organizations		
Do	Committee for Tax Equity		
Do	National Car Rental System, Inc		
Do	Norfolk Southern Corp		
Do	Ryder Systems, Inc		
Do	Trans World Airlines, Inc		
Do	Truck Renting & Leasing Assn	5,000.00	
James Patrick Brennan, 5999 Stevenson Avenue Alexandria, VA 22304	American Assn for Counseling & Development	5,327.00	309.10
Michael J. Brennan, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	10,800.00	349.92
Peter E. Brereton, 900 Euclid Avenue Cleveland, OH 44101	Ameritrust Co, Nat'l Assn	625.00	1,118.29
Thomas M. Bresnahan III, 1700 K Street, NW, #1204 Washington, DC 20006	Chevron USA, Inc	400.00	
Albert E. Brewster, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp		96.70
Robert J. Brinkmann, 1627 K Street, NW, #400 Washington, DC 20006	National Newspaper Assn	5,000.00	111.55
Belva B. Brissett, 1771 N St., NW Washington, DC 20036	National Assn of Broadcasters	1,500.00	601.75
Elizabeth Y. Britton, 2550 M Street, NW Washington, DC 20037	RJR Nabisco, Inc	384.27	164.85
Martha M. Broad, 1350 New York Ave., NW, #300 Washington, DC 20005	Natural Resources Defense Council, Inc		
Broadhurst Brook Mangham & Hardy, 1730 Pennsylvania Ave., NW, #300 Washington, DC 20006	GNB, Inc		
Do	Northwest Pipeline Corp		
Do	Sunmar Shipping, Inc		
Stephen W. Broadie, 1629 K Street, NW Washington, DC 20006	Alliance of American Insurers	1,500.00	77.72
Marina L. Brockmann, 1025 Connecticut Ave., NW Washington, DC 20036	Society of the Plastics Industry, Inc		
William M. Brodhead, 900 Marquette Building Detroit, MI 48226	Plunkett Cooney Rutt Watters Stanczyk & Pedersen, P.c. (For:City of Detroit, Michigan).	7,500.00	75.01
Do	Plunkett Cooney Rutt Watters Stanczyk & Pedersen (For:Detroit Educational TV Foundation).	1,725.00	20.50
Do	Plunkett Cooney Rutt Watters Stanczyk & Pedersen, P.c. (For:Michigan Consolidated Gas Co).	16,095.00	7,335.77
Do	Plunkett Cooney Rutt Watters Stanczyk & Pedersen (For:National Bank of Detroit)	480.00	
David A. Brody, 1640 Rhode Island Ave., NW Washington, DC 20036	Anti-Defamation League of B'nai B'rith	4,000.00	
Marcia D. Brody, 1522 K Street, NW, #828 Washington, DC 20005	American Veterinary Medical Assn		
Nancy B. Broff, 600 New Jersey Ave., NW Washington, DC 20001	Alliance for Justice	525.00	
Phillip J. Broman, 919 18th Street, NW, #600 Washington, DC 20006	Toyota Motor Sales, USA, Inc	80.00	108.25
Michael D. Bromberg, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	4,500.00	
Brook Associates, Inc, 605 14th Street, NW, #405 Washington, DC 20005	Northern Textile Assn	7,500.00	7,500.00
E. R. Brooks, P.O. Box 2121 Corpus Christi, TX 78403	Central Power & Light Co		
Mary E. Brooks, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	4,716.10	147.70
Mario Brossi, 1776 K Street, NW Washington, DC 20006	Direct Selling Association		
Donald G. Brotzman, 1400 K St., NW Washington, DC 20005	Rubber Manufacturers Assn	10,000.00	
Cheryl Brown, 1667 K Street, NW, #710 Washington, DC 20006	Baxter Travenol Laboratories, Inc	1,000.00	
David S. J. Brown, 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co	700.00	341.68
Diane R. Brown, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	3,000.00	598.93
Donald K. Brown, 1121 L St., #810 Sacramento, CA 95814	Crowley Maritime Corp		
Do	Summa Corporation		
Doreen L. Brown, 1001 Connecticut Ave., NW Washington, DC 20036	Consumers for World Trade		
Ellen B. Brown, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,440.00	1,217.89
George L. Brown, 1000 Wilson Boulevard Arlington, VA 22209	Grumman Corporation	1,250.00	6,195.83
James P. Brown, Brown & Associates 301 Sovereign Court, #102 St. Louis, MO 63011	City of St. Louis - City Hall		
Jesse P. Brown Jr., 1918 N. Parkway Memphis, TN 38112	National Cotton Council of America	2,875.00	27.27
Vincent D. Brown, Nebraska Petroleum Council P.O. Box 95063 Lincoln, NB 68509	American Petroleum Institute	3,000.00	1,312.67
Virginia Brown, 15th & M streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
William E. Brown, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	117.60	298.47
William R. Brown, 122 C Street, NW, #200 Washington, DC 20001	Council of State Chambers of Commerce	292.95	
William Y. Brown, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	5,000.00	
Brown & Finn, Chtd, 1920 N Street, NW, #510 Washington, DC 20036	Regency Electronics, Inc	1,373.00	
Do	Satellite Television Industry Assn/S.P.A.C.E	10,680.00	
Do	Satellite TV Viewing Rights Superfund, Inc	15,855.00	
Kathryne M. Bruner, 1025 Connecticut Ave., NW Washington, DC 20036	GA Technologies, Inc	750.00	380.44
William K. Brunette, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	417.69	85.45
Michael E. Brunner, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	1,000.00	9.50
J. Charles Bruse, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Allstate Insurance Group	800.00	252.96
Bryan Cave McPheeters & McRoberts, 1015 15th Street, NW, #1000 Washington, DC 20005	McDonnell Douglas Corp		
Do	Miller & Chevalier Chtd (for Western Savings & Loan Assn...)		
Do	Washington University		
Dawn M. Brydon, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs		
Buchanan Ingersoll, P.C., 1667 K Street, NW, 9th Fl. Washington, DC 20006	International District Heating Assn		
Lana Buck, 1319 F Street, NW Washington, DC 20004	National Assn of Private Psychiatric Hospitals	100.00	
Judith A. Buckalew, 1667 K Street, NW, #500 Washington, DC 20006	International Assn for Financial Planning, Inc	15,500.00	3,947.44
Thomas L. Buckmaster, 1225 Connecticut Avenue, NW, #300 Washington, DC 20036	Citizens for Sensible Control of Acid Rain	1,250.00	
G. N. Buffington, 2230 California Street, NW Washington, DC 20008	National Assn of Real Estate Investment Trusts, Inc	7,523.75	32.29
Building Owners & Managers Assn International, 1250 Eye St., NW, #200 Washington, DC 20005			
Douglas W. Bulcao, 1101 Connecticut Ave., NW, #300 Washington, DC 20036	American Textile Manufacturers Institute, Inc	9,660.00	72.00
Darrel D. Bunge, Minnesota Petroleum Council 386 N. Wabasha St., #1025 St. Paul, MN 55102	American Petroleum Institute	534.00	1,001.57
David A. Bunn, 1211 Connecticut Avenue, NW, #406 Washington, DC 20036	Hearst Corporation	1,000.00	
Do	Magazine Publishers Assn, Inc	3,000.00	
Do	Parcel Shippers Assn	2,000.00	
J. Thomas Burch Jr., 1000 Thomas Jefferson Street, NW, #600 Washington, DC 20007	Burch and Bennett, P.C. (For:M.A.N. Truck & Bus Corp)		
Norman D. Burch, 1101 Vermont Ave., NW, #401 Washington, DC 20005	College of American Pathologists	5,200.00	102.50
Burch and Bennett, P.C., 1000 Thomas Jefferson Street, NW, #600 Washington, DC 20007	M.A.N. Truck & Bus Corp		
David G. Burden, 200 E. Randolph Dr. Chicago, IL 60601	Amoco Corporation		
Paul F. Burdett, Suite 700 South 1800 M Street, NW Washington, DC 20036	Merrell Dow Pharmaceuticals, Inc		93.40
Robert J. Burdick, 1126 16th Street, NW Washington, DC 20036	Oil Chemical & Atomic Workers Int'l Union	2,961.00	
Clair W. Burgener, P.O. Box 8186 Ranch Santa Fe, CA 92067	G A Technologies, Inc		
Harriet Hunt Burgesss, 82 Second Street San Francisco, CA 94105	Trust for Public Lands	5,832.00	2,940.00
Gerard P. Burke, 1117 Spotswood Drive Silver Spring, MD 20904	International Air Leases, Inc		
Kevin Burke, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,500.00	420.63
Francis X. Burkhardt, 1750 New York Ave., NW Washington, DC 20006	International Brotherhood of Painters & Allied Trades		
Burley & Dark Leaf Tobacco Export Assn, 1100 17th St., NW Washington, DC 20036		33,916.75	900.00
Mahlon A. Burnette III, 631 Walker Road Great Falls, VA 22066	Grocery Manufacturers of America, Inc	547.50	
Charles S. Burns, 1015 15th St., NW Washington, DC 20005	Phelps Dodge Corp	1,200.00	
Timothy F. Burns, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	2,000.00	171.18
Burr Pease & Kurtz, Inc, 810 N St. Anchorage, AK 99501	Eklutna, Inc		
Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036	American Insurance Assn	250.00	12.00
Do	Arthur Andersen & Co	250.00	24.00
Do	Blue Cross & Blue Shield Assn		
Do	Chester Solid Waste Assn	130.00	5.00
Do	City of Philadelphia	130.00	2.50
Do	CBS, Inc		
Do	Hankin Management-Arsenal Business Center Associates	520.00	10.00
Do	Morgan Stanley & Co, Inc	10,425.00	590.42
Do	Pennsylvania Economic Development Assn	65.00	5.00
Do	Philadelphia Industrial Development Corp	130.00	2.50
Do	Philadelphia Port Corp		
Do	Philip Morris, Inc	2,150.00	
Do	Port of Wilmington		
Do	R. P. Scherer Corp	225.00	
Do	Sears Roebuck & Co		
Do	South Jersey Port Corp	450.00	
Do	Temple University	390.00	5.00
Frank Burtnett, 5999 Stevenson Avenue Alexandria, VA 22304	American Assn for Counseling & Development	1,041.87	
Barbara L. Bush, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	200.00	
E. Philip Bush, 300 Lincoln Plaza, Lb-5 Dallas, TX 75201	Taylor & Mizell		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
James J. Butera, 4th Floor 1101 15th St., NW Washington, DC 20005	National Council of Savings Institutions	10,000.00	487.67
Helen C. Butler, 1630 Connecticut Avenue, NW, #202 Washington, DC 20009	Taiwan Power Company	4,500.00	
Michael F. Butler, Andrews & Kurth 1730 Pennsylvania Avenue, NW Washington, DC 20006	Space Industries, Inc		
Patrick Butler, 1875 Eye Street, NW, #1110 Washington, DC 20006	Times Mirror Co		
William A. Butler, 801 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society	5,000.00	150.00
Mrs. H. E. Butt, 3700 Ocean Drive Corpus Christi, TX 78411			
Mary Jane Butterfield, 1818 N Street, NW, #350 Washington, DC 20036	Susan Davis International (For:Turkish Republic of Northern Cyprus)	2,364.62	38.50
Cadwalader Wickersham & Taft, 1333 New Hampshire Ave., NW, 7th Fl. Washington, DC 20036	Asphalt Roofing Manufacturers Association		
Roy C. Cahoon, 6100 Knollwood Dr. Falls Church, VA 22041	National Automatic Merchandising Assn		
Morrison G. Cain, 1625 I St., NW, #1023 Washington, DC 20006	Association of General Merchandise Chains	6,250.00	
Alan Caldwell, 2550 M Street, NW, #770 Washington, DC 20037	RJR Nabisco, Inc	1,200.00	
Frank W. Calhoun, 3400 Texas Commerce Tower Houston, TX 77002	Houston Endowment, Inc		
James Callan, 1726 M Street, NW, #1000 Washington, DC 20036	Electronic Funds Transfer Assn	375.00	
Peter E. Callanan, 1100 Connecticut Ave., NW Washington, DC 20036	Honeywell, Inc	250.00	645.00
John C. Callihan, 299 Park Avenue New York, NY 10171	Westvaco Corporation		
Calorie Control Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342			
Gordon L. Calvert, Box 34-531 Bethesda, MD 20817	Commericial Law League of Amer, Comm Coll. Agency Section		
Donald L. Calvin, 11 Wall St. New York, NY 10005	New York Stock Exchange, Inc		
Cambridge International, Inc, 1600 Wilson Boulevard, #713 Arlington, VA 22209	Avco Lycoming	200.00	
Do	Ford Aerospace & Communications Corp	175.00	
Do	FMC Corporation	175.00	500.00
Do	General Dynamics Land Systems	200.00	786.00
Do	General Dynamics Valley Systems Division	200.00	
Do	Lockheed-California Co	175.00	
Do	Lockheed-Georgia Co	150.00	
Do	Norden Systems, Inc	180.00	400.00
Arthur E. Cameron, 316 Pennsylvania Ave., SE, #402 Washington, DC 20003	Amerace Corporation, et al.	6,006.00	
Do	American Greyhound Track Operators Assn	1,667.00	
Do	Hall Signs, Inc, et al.	2,499.00	
Do	Safetran Systems Corporation	5,475.00	
Do	Signal Communications		
Do	Syro Steel Co	3,750.00	
Do	3M Company	12,438.00	
Nancy Camm, 1800 K Street, NW, #900 Washington, DC 20006	Bank of America	135.69	241.21
Camp Carmouche Barsh Hunter Gray Hoffman & Gill, 2550 M St., NW, #275 Washington, DC 20037	Bellsouth Corp		
Do	Champlin Petroleum Company		
Do	Chemical Manufacturers Assn, Inc	9,900.00	
Do	Georgia-Pacific Corp		
Do	Goldman Sachs & Co	1,000.00	
Do	Mobil Oil Corp	2,000.00	
Do	Natural Gas Supply Assn	2,000.00	
Do	Occidental Petroleum Corp	1,125.00	
Do	Pennzoil Co	2,000.00	
Do	PPG Industries, Inc	550.00	
Do	Sears Roebuck & Co	20,276.25	9,150.00
Do	South Central Bell		
Do	Texaco, Inc	2,000.00	
Campaign for U.N. Reform-Political Education Committee, 418 7th St., S.E. Washington, DC 20003		3,245.80	8,328.58
C. R. Campbell Jr., 1850 M St., NW, #1200 Washington, DC 20036	GTE Corporation	2,000.00	
Carl C. Campbell, 1030 15th St., NW, Suite 700 Washington, DC 20005	National Cotton Council of America	600.00	
Charles Argyll Campbell, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers		5.60
Charles O. Campbell, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	900.00	100.00
Jeanne Campbell, Campbell-Raupe, Inc 1015 15th Street, NW, #907 Washington, DC 20005	Algonquin Gas Transmission		
Do	American Nuclear Energy Council		
Do	Invest to Compete Alliance		
Do	LTV Aerospace & Defense Co		
Do	New England Life		
Do	Pitney Bowes		
Do	Riffe Petroleum Co		
Do	Texas Utilities Services, Inc		
Do	Union Pacific Corp		
Do	Westinghouse Corp		
Jerry L. Campbell, 1201 Chestnut St. Chattanooga, TN 37402	Tennessee Valley Public Power Assn		
Thomas D. Campbell & Associates, Inc, 517 Queen Street Alexandria, VA 22314	Cyprus Minerals Co	5,000.00	295.86
Charles J. Campisi, 1300 19th Street, NW, #501 Washington, DC 20036	National Comm to Preserve Social Security	8,530.00	
Canadian Coalition on Acid Rain, 112 St. Clair Avenue, #504 Toronto, Ontario Canada M4v 2y3		13,229.20	4,991.31
Candlelighters, 123 C St., SE Washington, DC 20003			
Anne C. Canfield, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	480.00	
Edward F. Canfield, 1331 Pennsylvania Avenue, NW, #524 Washington, DC 20004	Casey Scott & Canfield, P.C. (For:Association for Regulatory Reform)		
H. Spofford Canfield, 1015 15th Street, NW, #900 Washington, DC 20005	Enron Corp	2,000.00	
Laura Van Etten Cannata, 1700 Pennsylvania Avenue, NW, #525 Washington, DC 20006	Equitable Life Assurance Society of the U.S.	75.00	
Do	National Restaurant Assn		
Sharon F. Canner, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	186.80	
W. Dean Cannon Jr, 9800 S. Sepulveda Blvd., #500 Los Angeles, CA 90045	California League of Savings Institutions	3,000.00	1,026.88
David L. Cantor, 1133 15th Street, NW, #1200 Washington, DC 20005	Porter Wright Morris & Arthur (For:Coalition for Environmental Energy Balance)	268.00	
Anne Gavaghan Cantrel, 1667 K Street, NW Washington, DC 20005	Baxter Travenol Laboratories, Inc		
Gary Capistrant, 1200 15th Street, NW Washington, DC 20005	American Health Care Assn	3,764.50	96.25
Capital Advocates, 1127 11th Street, #950 Sacramento, CA 95814	Crowley Maritime Corp	1,875.00	10,126.63
Caplin & Drysdale, Chtd, One Thomas Circle, NW Washington, DC 20005	Ad Hoc Comm on Dual Resident Companies	36,836.00	1,016.92
Do	Council on Foundations, Inc	7,175.00	98.00
Do	Gregory Government Securities, Inc	1,326.00	67.33
Do	J. Paul Getty Trust	2,350.00	117.20
Do	Swig Investment Co	25,138.50	307.92
Robert Capozzi, 1015 18th Street, NW, #702 Washington, DC 20003	ISFA Corporation		
Denise A. Cardman, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Norval E. Carey, 1025 Connecticut Ave., NW #704 Washington, DC 20036	Gulf Oil Corp (for GA Technologies, Inc)	3,140.00	513.53
Robert B. Carleson, 1201 Pennsylvania Ave., NW Washington, DC 20004	KMG Main Hurdman (For:ICC Industries, Inc)	250.00	
Anne E. Carlson, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	640.00	
Robert E. Carlstrom Jr., 1627 K Street, NW, #200 Washington, DC 20006	St. Joe Minerals Corp	6,000.00	226.76
Carmen & Muss, 1901 Pennsylvania Avenue, NW, #900 Washington, DC 20006	LGH Venture		140.00
Carmen Leof & Associates, Inc, 1667 K Street, NW, #950 Washington, DC 20006	CareerCom		
Robert A. Carmines, 1111 14th Street, NW Washington, DC 20005	American Dental Assn		
Bertram W. Carp, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	4,250.00	
Chapin Carpenter Jr., 1211 Connecticut Avenue, NW, #406 Washington, DC 20036	Magazine Publishers Assn, Inc	2,000.00	
Cy Carpenter, 12025 E 45th Ave. Denver, CO 80251	Farmers' Educational & Co-Operative Union of America	12,814.73	453.48
George D. Carpenter, 6110 Center Hill Road Cincinnati, OH 45224	Procter & Gamble Manufacturing Co	62.72	
Jack Carpenter, 1920 N St. NW Washington, DC 20036	American Mining Congress		
Alexandra Carr, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	1,076.92	
Susan Carr, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	1,063.00	
John R. Carson, 20 Chevy Chase Circle Washington, DC 20015	American Podiatric Medical Assn	16,000.00	
David C. Carter, 1156 15th St., NW, #1019 Washington, DC 20005	U.S. Beet Sugar Assn		
John R. Carter, 1000 Wilson Blvd., #2600 Arlington, VA 22209	TRW, Inc	130.00	
Joseph L. Carter Jr., 412 First St., SE, #200 Washington, DC 20003	Association of American Railroads	1,289.75	206.19
Terrie M. Carter, 1667 K Street, NW, #370 Washington, DC 20006	Deere & Company	31.25	
David Cartwright, 1155 15th Street, NW Washington, DC 20005	National Small Business Assn	1,231.00	
James P. Carty, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	500.00	
Susan B. Carver, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	1,112.00	1,965.89
Allen R. Caskie, 1850 K Street, NW Washington, DC 20006	American Council of Life Insurance, Inc	4,062.00	
Eugene I. Casraiss Jr., 1757 N St., NW Washington, DC 20036	United Auto Aerospace & Agricultural Implement Workers	12,756.49	140.60
J. Warren Cassidy, 1600 Rhode Island Avenue, NW Washington, DC 20036	National Rifle Assn of America	1,937.50	
Lawrence J. Cassidy, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	13,929.00	
Cassidy and Associates, Inc, Metropolitan Square 655 15th St., NW, #1100 Washington, DC 20005	Alexander Graham Bell Assn for the Deaf	150.00	
Do	Alloy Technology		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	American Hospital in Shanghai Foundation	150.00	
Do	Anatolia College Board of Trustees		
Do	Arizona State University		
Do	Atlanta University	100.00	
Do	Barry University	200.00	20.00
Do	Boston College	400.00	19.10
Do	Boston University	200.00	
Do	Broadhead Investments, Inc	600.00	4.50
Do	Brown University	200.00	
Do	Catholic University of America		
Do	Centex Communications, Inc		
Do	Columbia University	100.00	19.75
Do	Crane Company		
Do	Drexel University		
Do	Fudan Foundation	200.00	27.95
Do	Global Broadcasting Group, Inc	500.00	
Do	Indiana University	200.00	
Do	Mount Sinai Medical Center		
Do	NeoRx	50.00	
Do	New England College of Optometry		
Do	Northwestern University		
Do	O'Connell Management Co		
Do	Ocean Spray Cranberries, Inc	200.00	41.25
Do	Oceanic Institute	100.00	
Do	Pirelli Cable Corporation	550.00	41.15
Do	Polytechnic Institute of New York	100.00	16.00
Do	Pyramid Companies		
Do	Rochester Institute of Technology	350.00	77.75
Do	Rocky Mountain Energy Co	100.00	34.00
Do	Tufts University	200.00	60.00
Do	U.S. Repeating Arms		
Do	United Hospitals		
Do	University of Alabama in Huntsville	250.00	
Do	University of Bridgeport		
Do	University of Southern Mississippi	200.00	23.95
Do	University of Vermont	50.00	8.00
Mark A. Casso, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	700.00	
Luis Eduardo Castaneda, P.O. Box 364 Buena Vista Station Miami, FL 33137	New Generation Lobby		
John J. Castellani, 27th Floor 1000 Wilson Blvd. Arlington, VA 22209	TRW, Inc	14,000.00	
Rita L. Castle, 100 NE Adams Street Peoria, IL 61629	Caterpillar Tractor Co	2,000.00	1,956.00
Alan W. Cathcart, 1200 18th Street, NW Washington, DC 20036	Lee Toomey & Kent (For:R.J. Reynolds Industries, Inc, et al.)		
G. Thomas Cator, 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates, Inc (For:Association of Small Business Development Centers).		
Do	National Assn of Development Companies (NADCO)	1,350.00	1,350.00
Do	Neece Cator & Associates, Inc (For:Small Business United)	1,350.00	1,350.00
Do	Neece Cator & Associates, Inc (For:Southeastern Lumber Manufacturers Assn)	1,300.00	1,300.00
Michael Caudell-Feagan, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	1,288.45	
Joseph E. Cavanagh, 1125 15th St., NW Washington, DC 20005	International Brotherhood of Electrical Workers, AFL-CIO-CLC	6,000.00	117.90
Michael F. Cavanagh, 1919 Pennsylvania Avenue, NW, #300 Washington, DC 20004	Electronic Mail Assn		98.45
Gordon Cavanaugh, 509 C Street, NE Washington, DC 20002	Roisman Reno & Cavanaugh (For:Council of Large Public Housing Authorities)	11,618.73	538.73
Red Cavaney, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc	1,800.00	
Nicholas G. Cavarocchi, 6th Floor 2010 Massachusetts Avenue, NW Washington, DC 20036			
Cederberg & Associates, 7100 Sussex Place Alexandria, VA 22307	Grumman Corporation	200.00	
Do	Martin Marietta Corp	200.00	
Cellular Telecommunications Industry Assn, 1150 17th St., NW, #607 Washington, DC 20036			
Centerior Energy Corp, P.O. Box 94661 Cleveland, OH 44101-4661			4,633.60
David Certner, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	417.69	339.00
Chadbourne & Parke, 1101 Vermont Avenue, NW Washington, DC 20005	Applied Energy Services, Inc	1,000.00	15.00
Do	Burnett & Hallamshire Holdings Plc		
Do	BATUS, Inc		
Do	Catalyst Energy Development Corp	17,193.00	370.38
Do			
Do	ENESCO	672.00	69.27
Do	Fieldcrest Mills, Inc	300.00	3.35
Do	Independent Power Systems International, Inc	800.00	15.00
Do	Inspiration Resources Corp	900.00	15.00
Do	Lawson Mardon Group Limited		
Do	Manufacturers Life Insurance Co & Maine Fidelity Lic		
Do	Napp Chemicals, Inc	800.00	8.75
Do	Oxbow Geothermal Corp	500.00	
Do	Peat Products of America, Inc	500.00	5.00
Do	PLM Power Company		
Do	Ruan Companies	2,524.00	65.98
Do	Timex Corp	1,000.00	25.00
Do	Wells Fargo Leasing Corp		
Chadwell & Kayser, Ltd, 8500 Sears Tower Chicago, IL 60606-6592	Harza Engineering Co	4,500.00	
Henry Chajet, 1920 N St., NW Washington, DC 20036	American Mining Congress	150.00	40.00
Dean S. Chalios, 1350 New York Avenue, NW, #900 Washington, DC 20005	International Franchise Assn		
Durwood Chalker, P.O. Box 660164 2121 San Jacinto Street, #2500 Dallas, TX 75266-0164	Central & South West Corp		
Mark G. Chalpin, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects	1,970.00	
Terry M. Chamberlain, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Jeannette A. Chambers, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors	1,065.00	32.63
Ed Chandler, 7901 Westpark Drive Mclean, VA 22102	National Machine Tool Builders' Assn	9,900.00	500.00
William J. Chandler, 1511 K Street, NW, #1100 Washington, DC 20005	Natural Resources Defense Council, Inc	5,000.00	678.52
William C. Chapman, 2801 Fort Scott Drive Arlington, VA 22202	Multinational Business Services, Inc, et al	26,390.00	8,268.36
Richard M. Charlton, 1331 Pennsylvania Avenue, NW, #1300N Washington, DC 20004	Electronic Data Systems Corp		
Peggy Charren, 971 Memorial Drive, #504 Cambridge, MA 02138	Action for Children's Television		
Leslie Cheek III, 1025 Connecticut Avenue, NW, #414 Washington, DC 20036	Crum & Forster Corp	26,000.00	811.22
Chemical Specialties Manufacturers Assn, Inc, 1001 Connecticut Avenue, NW, #1120 Washington, DC 20036		2,642.61	188.60
William B. Cherkasky, 1350 New York Ave., nW, #900 Washington, DC 20005	International Franchise Assn		
Larry Chernikoff, 3734 Northampton Street, NW Washington, DC 20015	Chernikoff & Co (For:National Symphony, et al.)	7,800.00	118.75
Chesebrough-Pond's, Inc, Nyala Farm Road Westport, CT 06881-0850			4,690.75
Marlana Chickos, 1111 14th Street, NW, #900 Washington, DC 20005	National Apartment Assn		
Children's Television Workshop, One Lincoln Plaza New York, NY 10023			
Robert A. Chlopak, Kiernan O'Brien & Larocca 1050 Thomas Jefferson St., NW Washington, DC 20007	Coalition Against Double Taxation, Inc	10,050.00	567.35
J. Samuel Choate Jr., 1101 Connecticut Ave., NW, #405 Washington, DC 20036	J. Samuel Choate, Jr., P.C. (For:Association of Progressive Rental Organizations)		
Leslie Christensen, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	2,250.00	200.00
Jack E. Christy, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	507.69	
James T. Christy, 1730 Pennsylvania Ave., NW, #265 Washington, DC 20006	Air Products & Chemicals, Inc	1,800.00	114.75
Chugach Electric Assn, Inc, P.O. Box 196300 Anchorage, AK 99519-6300			5,173.44
Donald T. Chunn, Route 2, Box 89 Columbia, TN 38401	Title Associates, Inc		
Chwat/Weigend Associates, 400 First Street, NW, #816 Washington, DC 20001	American Home Sewing Assn, Inc	500.00	500.00
Do	American Pipe & Accessories League (apal)	3,000.00	3,000.00
Do	Associated Locksmiths of America	1,200.00	1,200.00
Do	Coalition on Alcoholic Beverage Procurement	3,000.00	3,000.00
Do	National Assn of Companion Sitter Agencies & Referral Serv	375.00	375.00
Do	National Assn of Tobacco Distributors	3,000.00	3,000.00
Do	National Licensed Beverage Assn	3,000.00	3,000.00
Do	National Weather Service Employees Organization	300.00	300.00
Charisse Victoria Ciambrone, 2029 Griffith Avenue Las Vegas, NV 89104			
Cigar Assn of America, Inc, 1100 17th Street, NW, #1201 Washington, DC 20036			584.25
Citizen Action, 1300 Connecticut Ave., NW, #401 Washington, DC 20036		6,000.00	6,031.75
Citizen/Labor Energy Coalition, 1300 Connecticut Ave., NW, # 401 Washington, DC 20036		2,500.00	2,500.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Citizens for Sensible Control of Acid Rain (CSCAR), 1225 Connecticut Avenue, NW, #300 Washington, DC 20036		347,917.00	1,671,517.00
Citizens for Stabilizing Corporate Taxes & Foreign Policy, P.O. Box 1036 Guthrie, OK 73044-1036			
Donald D. Clancy, 6507 Leeds Lane Cincinnati, OH 45215	American Continental Corp	1,200.00	
Do	Grocery Manufacturers of America, Inc	26,550.00	2,496.30
Bob Clark, Suite 1908 400 Madison St. Alexandria, VA 22314	Ryder Systems, Inc		
Dennis B. Clark, 311 First Street, NW Washington, DC 20001	National Restaurant Assn		
James F. Clark, Robertson, Monagle, Eastaugh & Bradley 240 Main St., # 800, PO Box 1211 Juneau, AK 99802	Alaska Pulp & Resources, Inc	1,150.00	
James W. Clark Jr., 600 Maryland Avenue, SW, #400 Washington, DC 20024	American Optometric Assn	68.46	160.49
Jordan Clark, 15th & M streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Joseph J. F. Clark, 1725 K St., NW, #1111 Washington, DC 20006	Eaton Associates, Inc		
Julie Clark, 1625 K St., NW, #800 Washington, DC 20006	National Legal Aid & Defenders Assn	10,631.25	162.35
Phillip A. Clark, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	4,300.00	
Rudy I. Clark, 5342 Woodbury Woods Lane Fairfax, VA 22032	Air Force Sergeants Assn, Inc		
Vernon A. Clark, 1899 L St., NW, #403 Washington, DC 20036	Outdoor Advertising Assn of America, Inc	2,438.00	827.00
Scott Charles Clarkson, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	2,000.00	197.47
Claymark Corporation, Inc, c/o Milbank Tweed Hadley & Mccloy 30 Rockefeller Plaza, Rm. 5600 New York, NY 10112			
Cleary Gottlieb Steen & Hamilton, 1752 N Street, NW Washington, DC 20036	Bear Stearns & Co	300.00	3.63
Do	Public Securities Assn	2,000.00	28.63
Do	Refiners' Negotiating Committee		18.75
Do	Synthetic Organic Chemical Manufacturers Assn, Inc	2,400.00	
Do	Union Oil Co of California, et al.		45.00
Jacqueline W. Clements, 1015 15th Street, NW, #900 Washington, DC 20005	Enron Corp	1,500.00	
Ronald D. Clements, 1111 19th St., NW, 9th Floor Washington, DC 20036	Edison Electric Institute	3,544.87	784.01
Cleveland Electric Illuminating Co, 55 Public Square P.O. Box 5000 Cleveland, OH 44113			9,229.54
W. M. Click, Box 719 Dallas, TX 75221	Southland Corporation		
Clifford & Warnke, 815 Connecticut Ave., NW Washington, DC 20006	Australian Meat & Live-Stock Corp	1,200.00	400.00
Do	Joint Corporate Comm on Cuban Claims	600.00	180.00
Do	J. C. Maxtone-Mailer	600.00	259.35
Do	Proprietary Association	750.00	268.00
Dexanne Clohan, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	3,769.00	
Edward T. Cloonan, 70 Pine Street, 39th Floor New York, NY 10270	American International Group, Inc		
Stanley A. Cmich, 1700 Gateway Boulevard, SE Canton, OH 44707	Fiscal Associates, Inc		
Do	Gibbons & Grable Co		
Do	Timken Co		
Do	White Engines, Inc		
Coalition for Alternatives in Nutrition & Healthcare, Inc, P.O. Box B-12 Richlandtown, PA 18955		2,103.00	3,138.00
Coalition to Keep Alaska Oil, AFL-CIO Building 815 16th Street, NW, #309 Washington, DC 20006		6,500.00	6,500.00
Coalition Against Double Taxation, Inc, c/o Kiernan O'brien & Larocca 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007.		55,070.49	109,456.39
Coan Couture Lyons & Moorhead, 1625 Eye St., NW, #1015 Washington, DC 20006	A - C Valley Corporation		
Do	Westinghouse Electric Corp		
Richard B. Cobb, Petroleum Council of Ga 230 Peachtree St., NW, #1500 Atlanta, GA 30303	American Petroleum Institute	750.00	1,382.71
Coffee Sugar & Cocoa Exchange, Inc, 4 World Trade Center, 8th Fl. New York, NY 10048			
John J. Coffey, 1700 K Street, NW, #1204 Washington, DC 20006	Chevron USA, Inc	1,100.00	
Don V. Cogman, 1100 Connecticut Avenue, NW, #535 Washington, DC 20036	MAPCO, Inc	4,750.00	
Dan Cohen, 500 North Capitol Street, NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	11,250.00	939.57
Daniel L. Cohen, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	2,000.00	100.00
David Cohen, 1616 P St., NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	8,750.00	181.00
Cohen & White, 2934 M St., NW Washington, DC 20007	Computer & Communications Industry Assn	1,484.50	155.05
Linda Colancecco, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	4,575.00	
E. William Cole, 1050 Connecticut Avenue, NW, #760 Washington, DC 20036	Union Oil Co of California	700.00	57.00
Randall I. Cole, 1050 Connecticut Avenue, NW, #200 Washington, DC 20036	Burlington Northern, Inc	1,000.00	374.92
Cole & Corette, P.C., 1100 Vermont Avenue, NW, #900 Washington, DC 20005	Ad Hoc Ski Footwear Committee		
Do	Chase Manhattan Bank, N.A.		
Do	Government of the Netherlands Antilles	1,660.00	32.45
Do	James D. & Lois M. Larosa and James D. Larosa		
Do	Lotus Development Corp		
Do	Millipore Corporation	20.00	
Colette R. Coleman, 311 First Street, NW Washington, DC 20001	National Restaurant Assn		
Emilio G. Collado III, Collado Associates 1405 Montague Drive Vienna, VA 22180	American Watch Assn, Inc	1,500.00	17.75
John M. Collier, 4436 Perrier St. New Orleans, LA 70115	Southern Forest Products Assn		
Collier Shannon Rill & Scott, 1055 Thomas Jefferson St., NW, #308 Washington, DC 20007	American Frozen Food Institute		
Do	American Meat Institute		
Do	American Textile Machinery Assn		
Do	Bicycle Mfgrs Assn of Amer, Inc	1,750.00	1,750.00
Do	Crop Insurance Research Bureau		
Do	Cylinder Manufacturers Association		
Do	Ferros Scrap Consumers Coalition		
Do	Food Marketing Institute		
Do	Footwear Industries of America		
Do	Independent Lubricant Manufacturers Assn	650.00	650.00
Do	Inland Steel Corp	4,000.00	4,000.00
Do	Kaiser Steel Corp	1,500.00	1,500.00
Do	Municipal Castings Fair Trade Council	500.00	500.00
Do	National Assn of Convenience Stores	2,125.00	2,125.00
Do	National Broiler Council		
Do	National Coalition of Fresh Potato Processors	125.00	125.00
Do	National Hairdressers & Cosmetologists Assn		
Do	National Pasta Assn	6,600.00	6,600.00
Do	Norris Industries	5,000.00	5,000.00
Do	Outdoor Power Equipment Institute		
Do	Petroleos de Venezuela, S.A.	2,000.00	2,000.00
Do	Pittsburgh Corning Corporation		
Do	Secondary Lead Smelters Assn, Inc		
Do	Smokeless Tobacco Council, Inc		
Do	Society of Independent Gasoline Marketers of America	6,675.00	6,675.00
Do	Specialty Steel Industry of the United States	4,650.00	4,650.00
Terese Colling, 2062 N. 14th St. Arlington, VA 22201	Media General, Inc	1,520.00	409.75
Mary M. Collins, 1120 20th Street, NW, #600 South Washington, DC 20036	Union Pacific Corp	1,500.00	
Michael A. Collins, 13106 Ivy Drive Beltsville, MD 20705	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	6,000.00	521.01
William P. Collins, 444 No. Capitol St., NW, #711 Washington, DC 20001	UNIAO Nacional Para Independencia Total DeAngola	15,000.00	
Dominique Colon, 2000 L Street, NW Washington, DC 20036	Medtronic, Inc		
Colorado Ski Country USA, Inc, Suite A-201 1410 Grant Street Denver, CO 80203			
Kent W. Colton, 15th & M streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Columbia Gorge United, Box 328 Stevenson, WA 98648		3,002.00	5,663.64
Clark S. Colvin, P.O. Box 16321 Seattle, WA 98116	Washington State Public Lands Assn		
Committee for Constitutional Integrity, 1156 15th St., NW, #1212 Washington, DC 20005			
Committee for Do-It-Yourself Household Moving, 1725 K St., NW, #401 Washington, DC 20005			
Committee for Humane Legislation, Inc, 11 West 60th St. New York, NY 10023		8,889.50	5,418.89
Committee for Private Education, 1025 Michigan Avenue, NE Washington, DC 20017			
Committee for Proposition Thirty, P.O. Box 915 Hartselle, AL 35640			
Committee for Reasonable Inventory Accounting Rules, 1700 Pennsylvania Ave., NW, #600 Washington, DC 20006			1,312.50
Committee to Assure the Availability of Casein, 3213 O St., NW Washington, DC 20007		53,500.00	
Committee to Protect the Family, 5881 Leesburg Pike, #204 Falls Church, VA 22041		902,304.08	664,325.02
Committee to Support the Antitrust Laws, 1401 New York Avenue, NW, #620 Washington, DC 20005			6,550.00
Common Cause, 2030 M St., NW Washington, DC 20036		2,509,642.00	575,118.89
Communications Management, Inc, 1925 North Lynn Street, #1140 Arlington, VA 22209	Citizens for Sensible Control of Acid Rain (CSCAR)	926,964.00	489,652.00
Community Nutrition Institute, 2001 S St., NW, #530 Washington, DC 20009			
Lance Compa, 1411 K St., NW, #410 Washington, DC 20005	United Electrical Radio & Machine Workers of America	6,209.48	
Competitive Enterprise Institute, 611 Pennsylvania Avenue, SE Washington, DC 20003		26,100.00	72.17
Computer & Communications Industry Assn, 1500 Wilson Blvd., #512 Arlington, VA 22209			
Edward C. Cone Jr., P.O. Box 1788 Forest Park, GA 30051	Southeastern Lumber Manufacturers Assn		
Conference of State Bank Supervisors, 1015 18th St., NW Washington, DC 20036			5,785.45

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Gary L. Conkling, P.O. Box 500, Y3-439 Beaverton, OR 97077	Tektronix, Inc	7,833.00	
Jeanne K. Connelly, 1875 Eye St., NW, #540 Washington, DC 20006	Champion International Corp		
Robert J. Conner Jr., 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	500.00	1,633.05
Stephen N. Conner, Route 1, Box 506 Easton, MD 21601	Foreign Ministry of Kingdom of Saudi Arabia		
John J. Connolly, 499 S. Capitol Street, #501 Washington, DC 20003	Bill Hecht & Associates, Inc	2,500.00	
Susan Connolly, 1615 H St., N.w. Washington, DC 20061	U.S. Chamber of Commerce	2,500.00	
Brian L. Connor, 1420 King Street Alexandria, VA 22314	National Society of Professional Engineers	2,000.00	
Catherine Connor, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	700.00	
Richard J. Connor Jr., 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	562.50	
Jerry C. Connors, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	1,000.00	100.00
C. Judith Conrad, 1111 14th Street, NW Washington, DC 20005	American Dental Assn	1,000.00	190.75
Gregory E. Conrad, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Mark R. Conrad, 1200 Peavey Building Minneapolis, MN 55479	Norwest Corporation	12,000.00	4,890.00
Sheila A. Consaul, 1020 19th St., NW Washington, DC 20036	Balcor Co	7,250.00	7,648.35
Conservative Alliance, 108 N. Alfred Street Alexandria, VA 22314		52,147.01	36,832.76
Consolidated Rail Corporation, P.O. Box 23451 Washington, DC 20026			18,456.00
Consumer Energy Council of America, 2000 L St., NW, #802 Washington, DC 20036			
Consumers for World Trade, 1001 Connecticut Ave., NW Washington, DC 20036			
Consumers Opposed to Secret Tax (COST), P.O. Box 93711 Milwaukee, WI 53203			1,050.00
Consumers Union of U.S., Inc, 256 Washington St. Mount Vernon, NY 10550			6,990.00
John J. Contney, 1250 E. Hollandale Beach Blvd. Hollandale, FL 33009	Textile Rental Services Assn of America		
Daniel J. Conway, 1025 Connecticut Avenue, NW, #512 Washington, DC 20036	Reinsurance Assn of America		
Emery S. Conyers, P.O. Box 1706 Midland, MI 48640	Dow Chemical Co		
Alexandra W. Cook, 1331 Pennsylvania Avenue, NW, #1300N Washington, DC 20004	Electronic Data Systems Corp	240.00	40.86
Frederck N. Cook, Vermont Petroleum Association P.O. Box 566 Montpelier, VT 05602	American Petroleum Institute	450.00	
K. Richard Cook, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	425.00	
Thomas M. Cook, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Eileen D. Cooke, 110 Maryland Ave., NE, Suite 101, Box 54 Washington, DC 20002	American Library Assn	2,259.00	
Stoney Cooks, 433 6th Street, NE Washington, DC 20002	South/North Development Group, Ltd	14,999.99	253.93
Benjamin Y. Cooper Jr., 1730 North Lynn St. Arlington, VA 22209	Printing Industries of America, Inc	8,500.00	
C. William Cooper, 603 Broad St. Sewickley, PA 15143	United Distribution Companies		
Chester L. Cooper, 1616 P St., NW, #410 Washington, DC 20036	American Academy of Arts & Sciences		
Jesse D. Cooper, 1860 Lincoln Street, #400 Denver, CO 80295	Rocky Mountain Oil & Gas Assn	2,600.00	12.46
Kathy J. Cooper, 1700 K St., NW, #1204 Washington, DC 20006	Chevron USA, Inc	100.00	
Mitchell J. Cooper, 1001 Connecticut Ave., NW Washington, DC 20036	Footwear Div, Rubber Mfgrs Assn	16,500.00	
Coordinating Comm for Rail Competition, 1511 K Street, NW, #643 Washington, DC 20005			
Darrell Coover, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	2,000.00	811.00
Curtis B. Copeland, 2000 M Street, NW, #500 Washington, DC 20036	Wood Lucksinger & Epstein (For:CHAD Therapeutics, Inc)		80.00
Michael J. Copps, 1660 L St., NW, #1000 Washington, DC 20036	Collins and Aikman Corp	9,875.00	4,535.38
John J. Corbett, Spiegel & Mcdiarmid 1350 New Yrok Ave., NW Washington, DC 20005	Committee for Financing Public Transportation Facilities		
John F. Corcoran, 1050 Connecticut Ave., NW, #740 Washington, DC 20036	Norfolk Southern Corp	1,000.00	
Patrick H. Corcoran, 1725 K St., NW, #1205 Washington, DC 20006	Association of Oil Pipelines		
Alfred C. Cordon, 1920 N St., NW Washington, DC 20036	Buffalo Broadcasting Co, Inc		
Corman Law Offices, 1420 16th Street, NW Washington, DC 20036	American Bakers Assn		
Do	Bank Amerilease Group	50.00	
Do	Cargill Leasing Corp	50.00	
Do	Cloverleaf Group, Inc	4,125.00	
Do	Connell Finance Co, Inc	50.00	
Do	Connell Rice & Sugar Co, Inc	4,350.00	
Do	CCS Automation Systems, Inc		
Do	Dominion Property Company	9,500.00	
Do	EDS Financial Corporation	50.00	
Do	First Chicago Leasing Corp	50.00	
Do	First National Bank of Boston	50.00	
Do	First National Bank of Minneapolis	50.00	
Do	General Electric Credit Corp	50.00	
Do	Grobstein Blankstein Goldman & Co	5,425.00	
Do	GATX Corporation	10,475.00	
Do	GATX Leasing Corp	50.00	
Do	Institute of Electrical & Electronics Engineers, Inc	4,350.00	
Do	International Assn of Geophysical Contractors	4,700.00	
Do	Investment Partnership Assn	2,200.00	
Do	Kelso & Company	1,600.00	
Do	Manufacturers Hanover Leasing Corp	50.00	
Do	MCA, Inc	15,150.00	
Do	National Structured Settlements Trade Assn	13,450.00	
Do	Petersen Publishing Co	1,250.00	
Do	Republic National Bank of New York	3,650.00	
Do	Ryder System, Inc	3,750.00	
Do	Solar Energy Industries Assn	200.00	
Do	State of Michigan		
Do	Systems & Applied Sciences Corp		
Do	Systems & Applied Sciences Corp Technologies		
Do	Systems Leasing Corp	1,250.00	
Do	Texas Air Corp	1,800.00	
Do	U.S. League of Savings Institutions	250.00	
Do	Winn Development Co	5,000.00	
Bennett J. Corn, Four World Trade Center New York, NY 10048	Coffee Sugar & Cocoa Exchange, Inc		
Corn Refiners Assn, Inc, 1001 Connecticut Ave., NW Washington, DC 20036		5,599.00	2,339.00
Larry C. Cornwell, 2203 North Lois Ave., #500 Tampa, FL 33607	North American Telephone		
Ernest J. Corrado, 1000 16th St., NW, #511 Washington, DC 20036	American Institute of Merchant Shipping	2,356.00	38.00
Mary Marcotte Corrigan, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
Richard L. Corrigan, 1201 Pennsylvania Avenue, NW, #250 Washington, DC 20004	CH2M Hill	2,000.00	
Marty Corry, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	507.69	819.18
Allan D. Cors, 1800 K St., NW, Suite 1104 Washington, DC 20006	Corning Glass Works	3,000.00	
William R. Corson, 1707 H St., NW Washington, DC 20006	Penthouse International, Ltd		
Philip S. Corwin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
R. H. Cory, 1005 Congress Avenue, #795 Austin, TX 78701	Central & South West Services, Inc	350.00	347.21
Cosmetic Toiletry & Fragrance Assn, Inc, 1110 Vermont Ave., NW, #800 Washington, DC 20005			
J. Daniel Costello, 1615 H St., NW Washington, DC 20006	U.S. Chamber of Commerce	2,850.00	225.00
Michael E. Costello, 1090 Vermont Avenue, NW, #600 Washington, DC 20005	Texas Eastern Transmission Corp		924.05
Mary Alice Cotter, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	312.50	
Council for Languages and Other Int'l Studies, 20 F Street, NW, 4th F. Washington, DC 20001		11,685.50	11,606.29
Council for Rural Housing and Development, 2300 M St., NW Washington, DC 20036		4,000.00	4,000.00
Council of State Chambers of Commerce, 122 C St., NW, #200 Washington, DC 20001		1,069.99	951.40
Council on Alternate Fuels, 1301 Pennsylvania Ave., NW, #325 Washington, DC 20006			
Council on Democracy Education & Assistance, 729 15th Street, NW, #940 Washington, DC 20005		16,000.00	
William R. Courtney, P.O. Box 844 Temple, TX 76503	Tribal Council of the Coushatta Tribe of Louisiana		
James Cousins, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	13,500.00	
Mark Covall, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	100.00	
John F. Cove, 918 16th St., NW, #702 Washington, DC 20006	Cove Associates, Inc (For:Association of U.S. Night Vision Manufacturers)		
Covington & Burling, 1201 Pennsylvania Avenue, NW P.O. Box 7566 Washington, DC 20044	American Assn of Oral & Maxillofacial Surgeons		
Do	American Council on Education	2,465.66	11.00
Do	American Honda	2,550.00	
Do	American Watch Assn	52,000.00	1,300.00
Do	Association of Maximum Service Telecasters, Inc		
Do	Coalition for Effective Tax Reform	17,000.00	218.91
Do	Coalition to Preserve The Integrity of American Trademarks	9,000.00	7,130.00
Do	Commonwealth of Puerto Rico	1,795.00	180.82
Do	CEO Tax Group	2,650.00	386.46
Do	Enserch Corp	1,190.00	
Do	ERISA Industry Committee	1,700.00	9.50
Do	General Mills, Inc		8.61

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Hallmark Cards, Inc		29.08
Do	International Business Machines	4,207.50	4.05
Do	Investment Company Institute	7,500.00	271.63
Do	Midwest Television, Inc		
Do	National Football League		
Do	Norfolk Southern Corp		
Do	Pacific Stock Exchange, Inc		
Do	Post-Newsweek Stations, Inc		
Do	Solar Energy Industries Assn	300.00	4.75
Do	Telocator Network of America	2,760.00	10.87
Do	Wesleyan University, et al.	1,500.00	38.85
Eugene S. Cowen, 1150 17th St., NW Washington, DC 20036	Capitol Cities/ABC	175.50	
C. Deming Cowles, 6th Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007	Bering Sea Fishermen's Assn		121.24
Do	Municipality of Anchorage	6,200.00	1,232.27
Do	United Fishermen of Alaska		89.77
Archibald Cox, 2030 M St., NW Washington, DC 20036	Common Cause	5,483.76	
C. Bryan Cox, PO Box 139 Kansas City, MO 64141	Kansas City Life Insurance Co		
C. Richard Cox, 800 Briar Creek Road Charlotte, NC 28232	Belk Stores Services, Inc		
Jeffrey T. Cox, 1420 King St. Alexandria, VA 22314	National Society of Professional Engineers	1,250.00	
Tamara Cox, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Evans Grain Co)		
Do	Gray & Co Public Communications Int'l, Inc (For:National Sunflower Assn)	62.50	
Do	Gray & Co Public Communications Int'l, Inc (For:Nebraska Wheat Board)	62.50	
Do	Gray & Co Public Communications Int'l, Inc (For:Renewable Fuels Assn)		
Do	Gray & Co Public Communications Int'l, Inc (For:Valmont Industries)	41.66	
James K. Coyne, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	900.00	
John Cozart, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Iowa Pork Producers Assn)		
W. O. Craft Jr., Craft & Loesch 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20008	Edison Electric Institute		
Donald Forsyth Craib III, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Sears Roebuck & Co	157.00	
William C. Cramer, 818 Connecticut Ave., NW Washington, DC 20006	Cramer & Haber, P.C. (For:Canaveral Port Authority)		
Do	Cramer & Haber, P.C. (For:City of Miami)		
Do	Cramer & Haber, P.C. (For:City of Miami Beach)		
Do	Cramer & Haber, P.C. (For:Dade County)		
Do	Cramer & Haber, P.C. (For:Dade County International Airport)		
Do	Cramer & Haber, P.C. (For:Department of Education, State of Florida)		
Do	Cramer & Haber, P.C. (For:Florida Alliance)		
Cramer & Haber, P.C., 818 Connecticut Ave., NW Washington, DC 20036	Canaveral Port Authority	6,750.00	25.00
Do	City of Miami		
Do	City of Miami Beach	750.00	209.07
Do	Dade County	6,666.68	
Do	Dade County International Airport	6,000.00	
Do	Department of Education, State of Florida		
Do	Florida Alliance		2,203.83
Eric F. Craven, P.O. Box 2943 Fort Worth, TX 76113	Texas-New Mexico Power Co	8,150.62	1,902.47
Ronald Crawford, F/P Research Associates 1700 K Street, NW, #303 Washington, DC 20006	BIZCAP, Inc	1,500.00	
William D. Crawford, 400 First St., NW Washington, DC 20001	Brotherhood of Railway Carmen of the U.S. & Canada	2,032.53	
Richard C. Creighton, 1331 Pennsylvania Ave., NW, #910 Washington, DC 20004	American Cement Trade Alliance, Inc	9,375.00	58.10
Douglas P. Crew, 100 N.E. Adams Street Peoria, IL 61629	Caterpillar Tractor Co		
Anne Crichton Crews, 8787 Stemmons Freeway Dallas, TX 75247	Mary Kay Cosmetics, Inc		
Joseph M. Cribben, 6900 Valley Brook Dr. Falls Church, VA 22042	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	1,750.00	
P. H. Croft, 2000 Massachusetts Ave., NW Washington, DC 20036	American Short Line Railroad Assn		
Robert W. Cromartie, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	40.00	
Charles H. Cromwell, Inc, 6709 Georgia St. Chevy Chase, MD 20815	General Electric Co		
Do	McDonnell Douglas Helicopters		
Do	Northrop Corp		
Lauren J. Cronin, 1331 Pennsylvania Avenue, NW Washington, DC 20004	Kaiser Cement Corporation		
Rae E. Cronmiller, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	180.00	
John M. Cross, 1201 Pennsylvania Ave., NW, #700 Washington, DC 20004	Hill & Knowlton, Inc		
Colleen Crossland, 444 N. Capitol Street, NW, #718 Washington, DC 20001	Pacific Telesis Group	15,450.00	
David T. Crow, 1015 18th St., NW Washington, DC 20036	Fertilizer Institute	10,000.00	3,542.20
Crowell & Moring, 1100 Connecticut Ave., NW Washington, DC 20036	Asarco Inc		
Do	Associated Gas Distributors		
Do	Avon Products, Inc		20.00
Do	Brooklyn Union Gas Co	185.00	10.00
Do	Central Nebraska Public Power & Irrigation District	70.00	5.00
Do	City of North Miami	3,506.25	50.00
Do	Communications Satellite Corp		20.00
Do	Contractors Liability & Indemnification Alliance	1,160.00	25.00
Do	Control Data Corporation		
Do	Cook Inlet Region, Inc	625.00	15.00
Do	Eli Lilly & Company	337.50	10.00
Do	Emery Worldwide		
Do	Meridian Minerals Co	701.25	25.00
Do	National Assn of Wholesaler-Distributors	1,462.50	10.00
Do	Nebraska Public Power District	70.00	5.00
Do	Pan American World Airways, Inc; Pan Am World Services	200.00	20.00
Do	Regional Airline Association		
Do	Risk & Insurance Management Society	19,273.00	10.00
Do	Sterling Drug, Inc		
Do	Tiffany & Co	100.00	20.00
Do	Trust for Public Lands	5,562.50	100.00
Do	United Cities Gas Co		
Do	Western Governors Assn	825.00	20.00
Cuba Claims Association, PO Box 014004 Miami, FL 33101			
Cuban American Public Affairs Council, 1000 Thomas Jefferson St., NW Washington, DC 20007			
Herminia L. Cubillos, 20 F Street, NW, 2nd Floor Washington, DC 20001	National Council of La Raza	1,250.00	1,050.00
Jonathan W. Cuneo, 1401 New York Avenue, NW, #620 Washington, DC 20005	Committee to Support the Antitrust Laws	4,800.00	514.48
Scott S. Cunningham, 1100 15th Street, NW Washington, DC 20005	Union Carbide Corp		
John T. Curran, 815 16th St., NW, #603 Washington, DC 20006	Laborers' Intl Union of North America, AFL-CIO	17,018.75	511.50
Do	National Coordinating Comm for Multiemployer Plans		
Kathleen L. Curry, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities		
Edward P. Curtis Jr., Genesee Public Affairs, Inc 36 W. Main Street Rochester, NY 14614	Lake Ontario Cement Limited	2,800.00	809.65
M. Rupert Cutler, 1325 G St., NW, #103 Washington, DC 20005	Population-Environment Balance		
Everett E. Cutter, 620 SW Fifth Avenue Bldg., Suite 912 Portland, OR 97204	Oregon Railroad Assn		
CF Industries, Inc, Salem Lake Dr. Long Grove, IL 60047			1,000.00
Norman E. D'Amours, 1217 Evermay Court Mclean, VA 22101	Alcalde Henderson O'Bannon & Rousselot	24,000.00	
Do	Credit Union National Assn, Inc	3,000.00	
Do	Marine Midland Banks, Inc	18,000.00	
William D. D'Onofrio, 1800 W. 8th St. Wilmington, DE 19805	National Assn for Neighborhood Schools, Inc		
William K. Dabaghi, Arter & Hadden 1919 Pennsylvania Ave., NW, #400 Washington, DC 20006	American Coalition for Flexible Exchange Rates	6,192.00	91.40
Do	Coalition for Regional Banking & Economic Development	1,900.00	1,680.08
Do	Houston Clearing House Assn	4,068.00	903.54
Daedalus Enterprises, Inc, P.O. Box 1869 Ann Arbor, MI 48106			
Stephen J. Daigler, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
William Kay Daines, 1616 H St., NW Washington, DC 20006	American Retail Federation	550.00	225.00
Dairy Farmers for Responsible Farm Policy, 517 C Street, NE Washington, DC 20002		7,000.00	2,033.88
Lewis I. Dale, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	3,352.07
James G. Dalton, 1420 King St. Alexandria, VA 22314	National Society of Professional Engineers	2,500.00	
Robert C. Daly, 919 18th Street, NW, #600 Washington, DC 20006	Toyota Motor Sales, USA, Inc		
John M. Damgard, 1825 Eye Street, NW, #1040 Washington, DC 20006	Futures Industry Assn, Inc		
Damrell Damrell & Nelson, P.C., 1625 I Street Modesto, CA 95354	Norfolk Southern Corp		
Do	Turlock Irrigation District		
Tracy Danese, P.O. Box 14000 Juno Beach, FL 33408	Florida Power & Light Co		3,261.40
John E. Daniel, 1133 15th Street, NW, #1200 Washington, DC 20005	Ohio Edison Co		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
David C. Daniels, 1608 K Street, NW Washington, DC 20006	American Legion	6,044.00	21.75
David S. Danielson, 600 Maryland Avenue, SW, #400-E Washington, DC 20024	American Optometric Assn		
Charles Franklin Daoust, P.O. Box 12910 Charleston, SC 29412	Kiawah Island Co Ltd		
Colleen A. Darling, 1730 Rhode Island Avenue, NW, #204 Washington, DC 20036	Japanese American Citizens League	4,163.22	5.35
Richard C. Darling, 1156 15th St., NW Washington, DC 20005	J. C. Penney Co, Inc	100.00	50.00
Diane Davenny Darneille, 1726 M St., NW, #300 Washington, DC 20036	Schering-Plough Corp	1,840.00	2,905.34
Craig D. Dart, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
John C. Datt, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	10,825.00	
John B. Davenport Jr., 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	120.00	
Davenport & Seay, One Thomas Circle, NW, #375 Washington, DC 20005	City of Detroit, Michigan	28,843.98	12,436.26
Theodore S. J. Davi, 371-106 Burgundy Ln. Longwood, FL 32779			
Earl F. David, 1825 K St., NW, #1107 Washington, DC 20006	Phillips Petroleum Co	1,000.00	
Daniel I. Davidson, 1350 New York Ave., NW Washington, DC 20005	Spiegel & Mcdiarmid (For:Northern California Power Agency)		
James H. Davidson, 1250 Connecticut Ave., NW, #650 Washington, DC 20036	American Newspaper Publishers Assn	7,084.51	
James H. Davidson & Associates, Inc, 1250 Connecticut Ave, NW, #650 Washington, DC 20036	Magazine Publishers Assn, Inc	8,826.77	
Do	National Assn of Industrial & Office Parks	28,425.58	
Do	Rouse Company	26,434.38	
David R. Davis, 620 W. Roosevelt Road, Suite D-1 Wheaton, IL 60187	American Petroleum Institute		
Drew M Davis, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn	157.82	52.00
Edward M. Davis, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	6,333.33	909.62
Fred G. Davis, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	4,444.48	1,026.50
Kenneth E. Davis, Suite 1210 1667 K St., NW Washington, DC 20006	Rohm & Haas Co	500.00	23.50
Ovid R. Davis, P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company		
Robert Davis, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	1,250.00	696.00
Susan A. Davis, 1818 N Street, NW, #350 Washington, DC 20036	Susan Davis International (For:Turkish Republic of Northern Cyprus)	1,153.92	229.80
W. Kenneth Davis, 209 Fairhills Dr. San Rafael, CA 94901	Bechtel Group, Inc		
Davis & Harman, 1455 Pennsylvania Avenue, NW, #1200 Washington, DC 20004	American General Life Insurance Co	611.77	41.68
Do	American Horse Council	131.70	51.64
Do	Bankers Trust Co		
Do	Bethlehem Steel Corp	1,350.00	32.23
Do	Capital Holding Corp	76.40	5.00
Do	Chicago Board of Trade	1,312.50	45.64
Do	Coalition Against Double Taxation, Inc	1,056.38	16.00
Do	Committee of Annuity Insurers	702.05	18.00
Do	CNA Insurance	200.00	7.50
Do	Dresser Industries	1,800.00	60.20
Do	Dyna Span Corp	525.00	14.50
Do	Florida Power & Light	311.08	7.00
Do	Florida Sugar Cane League, Inc	120.00	
Do	Hill Country Life Insurance Co		5.00
Do	ICH Corporation		7.50
Do	Lincoln Life Improved Housing, Inc	92.50	9.00
Do	Lincoln National Life Insurance Co	175.00	12.00
Do	National Assn of Life Companies	420.00	12.00
Do	National Cattlemen's Assn	166.00	17.90
Do	Property/Casualty Group	3,000.00	38.00
Do	Stock Information Group	1,174.75	16.00
Do	Sunrise Company	75.00	
Do	Tenenbaum-Hill Associates		
Do	Winthrop Financial Assn	375.00	5.00
Davis Graham & Stubbs, 1001 22nd St., NW, #500 Washington, DC 20037	Municipal Subdistrict, No. Colorado Water Conservancy Dist	3,967.65	3,967.65
Do	Northern Colorado Water Conservancy District	2,209.05	2,209.05
Davis Hockenberg Wine Brown & Koehn, 2300 Financial Center Des Moines, IA 50309	E&J Gallo Winery		
Do	Northwestern Bell (Iowa Div)		
Susan Davis International, 1818 N Street, NW, #350 Washington, DC 20036	Turkish Republic of Northern Cyprus	15,000.00	16,976.28
Davis Polk & Wardwell, 1575 Eye St., NW Washington, DC 20005	Ernst & Whinney	2,300.00	44.00
Do	Kohlberg Kravis Roberts & Co		
Do	Manville Corporation		
Do	Morgan Guaranty Trust Co		
Do	Norwest Corporation		
Do	U.S. Trust Corp	200.00	20.00
Donald S. Dawson, 1220 L St., NW, #310 Washington, DC 20005	Opticians Assn of America		
Do	Virgin Islands Gift & Fashion Shop Assn		
Do	Virgin Islands Merchants Assn		
Gaston De Bearn, 1050 Connecticut Avenue, NW, #401 Washington, DC 20036	Hoffmann-La Roche, Inc		
Ralph De La Cruz, 1225 Connecticut Avenue, NW Washington, DC 20036	American Public Transit Assn	2,960.00	
O. Mark De Michele, 411 North Central Avenue P.O. Box 21666 Phoenix, AZ 85014	Arizona Public Service Company		
John Russell Deane III, 1607 New Hampshire Ave., NW Washington, DC 20009	American Metal Detectors Manufacturers, Inc		
Do	Auto International Assn	262.35	130.42
Do	Coalition of Automotive Assns	259.88	123.35
Do	Specialty Equipment Market Assn	1,472.62	698.92
Debevoise & Plimpton, 1777 F St., NW Washington, DC 20006	Sony Corp of America	6,837.00	
Dechert Price & Rhoads, 1730 Pennsylvania Avenue, NW, #1100 Washington, DC 20006	Center for Civic Education	2,656.25	53.40
Do	Colorado Westmoreland, Inc		93.26
Do	Constitutional Rights Foundation		19.14
Do	Rohm & Haas Co		
Do	Templeton Growth Fund, Ltd	11,217.50	
Do	Towers Perrin Forster & Crosby, Inc	1,369.75	
Do	Yonkers Racing Corp		
Mark O. Decker, 1101 17th Street, NW, #700 Washington, DC 20036	National Assn of Real Estate Investment Trusts, Inc	1,200.00	
Do	Pension Real Estate Assn		
Winston M. Decker, 1522 K St., NW, #828 Washington, DC 20005	American Veterinary Medical Assn		
Richard A. Deem, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
Brian Deery, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
George K. Degnon Associates, Inc, 1311-A Dolley Madison Bldg., #3a Mclean, VA 22101	Association of State & Territorial Health Officials		1,000.00
Mary Elise Degonia, 600 Maryland Avenue, SW West Wing, Suite 300 Washington, DC 20024	70001 Training & Employment Institute	500.00	20.00
Gene A. Del Polito, 1341 G Street, NW, #500 Washington, DC 20005	Third Class Mail Association	600.00	
Thomas J. Delaney, 1111 North 19th Street, #700 Arlington, VA 22209	National Assn of Federal Credit Unions	1,500.00	
Delaney & Young, Chtd, 1629 K Street, NW, #1000 Washington, DC 20006	National Assn of Independent Insurers	12,000.00	904.89
Do	Transamerica Insurance Services	15,075.00	708.89
Mary C. Delmer, 1575 Eye Street, NW, #200 Washington, DC 20005	American Cyanamid Co		
Michael J. Deloose, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors	645.00	22.29
George B. Delta, Silverstein & Mullens 1776 K Street, NW Washington, DC 20006	Rockefeller Group, Inc		
Tania Demchuk, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	100.00	150.00
Willard L. Demory, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Bell Atlantic Management Services)	5,500.00	
Do	Gray & Co Public Communications Int'l, Inc (For:United Airlines, Inc)	550.00	
Bradford T. Dempsey, Dempsey Associates, Ltd 919 Pennsylvania Avenue Harrisburg, PA 17112			
George H. Denison, 4801 Massachusetts Ave., NW, #400 Washington, DC 20016	Cruise America Line, Inc		
Do	N U S Corporation	450.00	
Do	National Office Products Assn		
Do	Westinghouse Electric Corp	375.00	
John H. Denman, Missouri Oil Council 428 E. Capital St., #203 Jefferson City, MO 65101	American Petroleum Institute	890.00	913.79
Robert A. Denman, 600 Maryland Avenue, SW, #202w Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	5,137.44	25.89
Thomas J. Dennis Sr., 1667 K St., NW, #450 Washington, DC 20006	American Electric Power Service Corp		
Edward A. Dent, 3115 N St., NW Washington, DC 20007	Americans for the National Voter Initiative Amendment		
Wells Denyes, 1919 Pennsylvania Ave., NW Washington, DC 20006	Eastman Chemicals Division	2,800.00	328.40
Martin L. Depoy, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	479.94
Gregory L. Depriest, 1735 Desales Street, NW Washington, DC 20036	Association of Maximum Service Telecasters, Inc		
Lloyd J. Derrickson, 1828 L St., NW, #906 Washington, DC 20036	Merrill Lynch & Co, Inc	6,500.00	
Michael Desanto, 11436 Schuykill Rd. Rockville, MD 20852	Greater Washington/Maryland Service Station Assn	500.00	
Samuel L. Devine, 170 Burning Tree Drive Naples, FL 33942	American Continental Corp	600.00	
R. Daniel Devlin, 1825 Eye Street, NW, #350 Washington, DC 20006	Trans World Airlines, Inc	375.00	
Dewey Ballantine Bushby Palmer & Wood, 1775 Pennsylvania Ave., NW Washington, DC 20006	Amax, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	American Can Co		
Do	American Stock Exchange, Inc		
Do	Bear Stearns & Co, Inc	920.00	
Do	Benefecial Corporation		
Do	Browning-Ferris Industries, Inc		
Do	Catholic Health Assn of the U.S.		
Do	Chase Manhattan Corp	95.00	
Do	Chrysler Corporation	690.00	
Do	Committee for Future Investment in America's Past	460.00	
Do	Dee Corporation PLC		
Do	Digital Equipment Corp	460.00	
Do	Duke Endowment	460.00	
Do	Federal National Mortgage Assn		
Do	Federation of American Health Systems	920.00	
Do	General Electric Pension Trust		
Do	Hanschell Inniss, Ltd		
Do	Hershey Foods Corp		
Do	Historic Landmarks for Living		
Do	Housing Resources Corp		
Do	Integrated Resources, Inc	1,380.00	
Do	Labor-Industry Coalition for International Trade	115.00	
Do	Marriott Corporation	920.00	
Do	National Assn for Home Care	95.00	
Do	Nynex Corporation	475.00	
Do	Salomon Inc		
Do	Joseph E. Seagram & Sons, Inc	1,840.00	
Do	Semiconductor Industry Association	8,911.50	
Do	Sybedon Corporation		
Do	Teachers Insurance & Annuity Assn of America		
Do	Tobacco Row Associates	920.00	
Do	U.S. Coalition for Fair Lumber Imports		641.60
Doris J. Dewton, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Kendall P. Dexter, 9 Country Club Road Mobile, AL 36608	MacMillan Bloedel, Inc	2,400.00	1,440.00
James U. DeFrancis, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	3,000.00	528.00
Diamond Shamrock Corp, 919 18th St., NW, #400 Washington, DC 20006			
Charles J. Dibona, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	1,875.00	
John M. Dickerman, 1015 15th St., NW, #700 Washington, DC 20005	National Lumber & Building Material Dealers Assn		
Chester T. Dickerson Jr., 1101 17th St., NW, #604 Washington, DC 20036	Monsanto Co		725.85
Ann Sanders Dickey, 300 Maryland Avenue, NE Washington, DC 20002	Federal Express Corp		6,000.00
Elaine Dickinson, 880 S. Pickett Street Alexandria, VA 22304	Boat Owners Assn of the U.S.	4,000.00	
Gary Alan Dickinson, 2 International Plaza Dr., #600 Nashville, TN 37217	Anglo American Auto Auctions, Inc		
William E. Dickinson, 206 N. Washington St., #300 Alexandria, VA 22314	Salt Institute	250.00	250.00
Dickinson Wright Moon Van Dusen & Freeman, 1901 L St., NW, #801 Washington, DC 20036	Allied Signal, Inc	4,200.00	4,200.00
Do	Chicago & Northwestern Transportation	8,600.00	8,647.36
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	Advance Publications	410.00	
Do	American Discount Stamps	19,935.00	
Do	American Greyhound Track Operators Assn	69,655.00	
Do	ABD Securities Corp		
Do	Bear Stearns & Co	1,300.00	
Do	Boundary Gas, Inc	50.00	
Do	Car Audio Specialists Assn (CASA)		
Do	Children's Hospital		
Do	Fairchild Industries, Inc	62.50	
Do	Federal National Mortgage Assn	982.00	
Do	Federated Cash Management Systems	3,200.00	
Do	Fiat USA	645.00	
Do	Inslaw, Inc	62.50	
Do	Iroquois Gas, Inc	2,781.25	
Do	Marine Engineers' Beneficial Assn	1,156.25	
Do	National Fed of Societies for Clinical Social Work	4,000.00	
Do	Ocean State Power	437.50	
Do	Paulucci Enterprises	6,951.25	
Do	Providence Hospital	5,989.00	
Do	Saco Defense, Inc		
Do	States of Arkansas, et al.	1,875.00	
Do	Symbion, Inc		
Rick Diegel, 1125 15th Street, NW Washington, DC 20005	International Brotherhood of Electrical Workers, AFL-CIO-CLC	2,281.25	150.00
Larry L. Dildine, 1801 K Street, NW Washington, DC 20006	Price Waterhouse (For:Investment Co Institute)		
George Dillard, 5128 Sauer, Suite A Houston, TX 77004	Kaleidoscope Research & Marketing Group		
Thomas A. Dine, 444 North Capitol St, NW, #412 Washington, DC 20001	American Israel Public Affairs Comm	15,937.50	1,947.83
James C. Dinegar, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	6,731.00	
Direct Selling Association, 1776 K Street, NW Washington, DC 20006			212.09
Barry B. Direnfeld, Rivkin Radler Dunne & Bayh 1575 I Street, NW, #1025 Washington, DC 20005	New Energy Co of Indiana		10.00
Harley M. Dirks, 400 First Street, NW, #712 Washington, DC 20002	Health & Medicine Counsel of Washington		
Do	Professional Services Council		
Disabled American Veterans, 3725 Alexandria Pike Cold Spring, KY 41076		104,794.31	104,794.31
Barbara A. Dixon, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc	1,920.00	
Sharon Pratt Dixon, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co	406.05	
Margaret R. DiPaula, 1700 K Street, NW, #1204 Washington, DC 20006	Chevron USA, Inc	160.00	
Dobrovir & Gebhardt, 1025 Vermont Avenue, NW, #1105 Washington, DC 20005	New York State Ophthalmological Society	6,392.90	61.40
Julie Domenick Doerr, 1600 M St., NW Washington, DC 20036	Investment Company Institute	159.60	82.50
Eileen Marie Doherty, 1000 Connecticut Avenue, NW Washington, DC 20036	Japan Economic Institute of America	500.00	
James F. Doherty, 1129 20th St., NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
John D. Doherty Jr., 900 17th Street, NW, #706 Washington, DC 20006	Chase Manhattan Bank, N.A.	196.00	25.09
James M. Dolan Jr., 220 Eye Street, NE, #210 Washington, DC 20002	Patlex Corporation	11,250.00	483.30
Domestic Petroleum Council Trade Association, 1627 K Street, NW, #910 Washington, DC 20006			
Nancy A. Donaldson, 110 Maryland Avenue, NE, #211 Washington, DC 20002	Women's Action for Nuclear Disarmament, Inc, et al	1,593.58	
John F. Donelan, Donelan Cleary Wood & Maser, P.c. 1275 K St., NW, #850 Washington, DC 20005	Procompetitive Rail Steering Committee	11,971.00	143.03
Andrew J. Donelson, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	
Thomas E. Donley, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce		
Sally S. Donner, 4th Fl. 1710 Rhode Island Ave., NW Washington, DC 20036	General Foods Corporation	1,114.58	99.15
Mary K. Donny, 1401 New York Avenue, NW, #1100 Washington, DC 20005	National Cooperative Business Assn		
Paul M. Donovan, Laroe Winn & Moerman 1120 G Street, NW, #800 Washington, DC 20005	Chlorine Institute, Inc	5,137.50	4.80
Do	Coordinating Comm for Rail Competition		
William Donovan, 1111 N. 19th St, #700 Arlington, VA 22209	National Assn of Federal Credit Unions	2,500.00	25.00
Francis X. Dooley, 525 School St., SW Washington, DC 20024	American Road & Transportation Builders Assn	7,500.00	575.00
Linda L. Doorfee, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	6,058.00	
Ira Dorfman, 3rd Floor 1111 14th St., NW Washington, DC 20005	American Bakers Assn	611.62	4.00
Kevin L. Dorn, 4816 South 29th Street Arlington, VA 22206	General Aviation Manufacturers Assn	9,208.00	
James A. Dorsch, 1750 K St., NW Washington, DC 20006	Health Insurance Assn of America, Inc	257.25	10.00
Dean R. Dort II, 1667 K Street, NW, #370 Washington, DC 20006	Deere & Company	522.50	
Michael I. Dougherty, Pillsbury Center MS 3771 Minneapolis, MN 55402	Pillsbury Co	500.00	
Sally L. Douglas, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	2,250.00	200.00
Theodore Douglas, 6554 Coventry St. Louis, MO 63033			
Dow Lohnes & Albertson, 1255 23rd St., NW Washington, DC 20037	Chicago City Colleges		
Do	Cox Enterprises, Inc	3,562.00	85.00
Do	Multimedia, Inc	170.00	20.00
Do	National Cable Television Assn, Inc	821.00	20.00
Charles P. Downer, 7901 Westpark Drive Mclean, VA 22102	National Machine Tool Builders' Assn	4,450.00	250.00
John H. Downs Jr., 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn		
John P. Doyle Jr., 8600 Boundbrook Lane Alexandria, VA 22309	J. P. Doyle Enterprises, Inc	1,000.00	
William A. Doyle, 2346 S. Rolfe Street Arlington, VA 22202	Harris Corporation	2,850.00	1,358.90
Ronald W. Drach, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	16,473.60	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
James E. Drake, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	5,272.00	
Paul A. Drazek, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	7,813.00	23.00
Dressendorfer-Laird, Inc, 1730 Rhode Island Avenue, NW, #210 Washington, DC 20036	Briggs & Stratton	250.00	
Do	General Dynamics Corp	250.00	
Do	Science Applications, Inc	250.00	
Joan Albert Dreux, 600 Pennsylvania Avenue, SE, #211 Washington, DC 20003	National Assn of Casualty & Surety Agents	3,000.00	1,678.78
Jerome L. Dreyer, 1300 N. 17th St. Suite 300 Arlington, VA 22209	Association of Data Processing Service Organizations		
Stephen D. Driesler, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council	2,565.00	140.37
William B. Driggers, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	200.00	
John P. Dring, 1331 Pennsylvania Ave., NW, #565 Washington, DC 20004	Texas Gas Transmission Corp	1,500.00	426.89
Kevin J. Driscoll, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Dorothy J. Drummer, 1730 K St., NW, #703 Washington, DC 20006	American Business Conference, Inc	438.46	25.00
Fran Du Melle, 1101 Vermont Avenue, NW, #402 Washington, DC 20005	American Lung Assn	2,890.00	1,135.00
Ernest Dubester, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	14,590.03	225.00
Morgan D. Dubrow, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	185.00	
Dudek Communications, 902 Pennsylvania Avenue, SE Washington, DC 20003	Lyonnaise des Eaux Group	8,000.00	3,000.00
Tim Dudgeon, 1250 Eye Street, NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	200.00
Jane McPike Dudley, 1101 15th Street, NW, #1000 Washington, DC 20005	National Constructors Association	1,250.00	
Mary Jane C. Due, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Ann Anderson Duff, 1776 F St., NW Washington, DC 20006	National Assn of Manufacturers	1,200.00	
Michael J. Duff, 1101 16th Street, NW Washington, DC 20036	Scientific Apparatus Makers Assn	1,400.00	132.00
Joseph R. Dugan, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs		
Francis J. Duggan, 50 F Street, NW, #12800 Washington, DC 20001	Association of American Railroads	790.51	125.26
Dulles Access Transit Corp, Washington National Airport Washington, DC 20001			14,933.77
Mervin E. Dullum, 1629 K St., NW, #204 Washington, DC 20006	Delta Air Lines, Inc	200.00	111.50
Amy K. Dunbar, 405 Marlborough Street Boston, MA 02115	National Assn of Bond Lawyers and Palmer & Dodge		4,848.91
Don R. Duncan, 1825 K St.,nw Suite 1107 Washington, DC 20006	Phillips Petroleum Co	4,500.00	147.67
Leslie Delong Duncan, 1925 K Street, NW, #206 Washington, DC 20006	Alliance to Save Energy	22.89	
William C. Duncan, 1050 17th Street, NW, #410 Washington, DC 20036	Japan Automobile Manufacturers Assn	1,800.00	599.33
Duncan Weinberg & Miller, P.C., 1615 M Street, NW, #800 Washington, DC 20036	Guam Power Authority		
Do	Kenai Natives Assn, Inc		
Do	Mid West Electric Consumers' Assn, Inc		
Do	National Assn of State Energy Officials		
Do	State of North Dakota		
Do	Western Fuels Association, Inc		
Pauline Dunlap, 1201 McDuffie, #222 Houston, TX 77019			500.00
Mari Lee Dunn, 1850 K St., NW, #520 Washington, DC 20006	American Council for Capital Formation		
Patrick W. Dunn, 4400 Seattle First National Bank Bldg. 1001 Fourth Ave. Plaza #4400 Seattle, WA 98154	Riddell Williams Bullitt & Walkinshaw (For:Friends of the Columbia River Gorge)		
John H. Dunne, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
James A. Dupree, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	2,625.00	1,391.00
Joseph L. Duran, 100 Federal St. Boston, MA 02110	First National Bank of Boston		
Margaret A. Durbin, 1850 K Street, NW Washington, DC 20006	American Council of Life Insurance, Inc	2,000.00	
B. J. Durham, P.O. Box 2121 Corpus Christi, TX 78403	Central Power & Light Company		
David Durham, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,250.00	131.42
Ed Durkin, 101 Constitution Avenue, NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America		
Duryea Murphy Davenport & Van Winkle, 711 Capitol Way Olympia, WA 98501	State of Nevada, Nuclear Waste Project Office	4,738.00	779.96
Dutko & Associates, 412 First St., SE, #40 Washington, DC 20003	Miguel H. Agosto	1,000.00	
Do	American Consumer Trade Council	22,800.00	
Do	Associates of North America		
Do	Colorado River Municipal Water District (CRMWD)	13,818.75	
Do	Communications Satellite Corp	12,318.75	
Do	D & B Wholesale Cosmetics, Inc	1,031.25	
Do	DSC Communications	10,843.75	
Do	Granger Associates		
Do	Gulf & Western Industries, Inc	22,500.00	
Do	Hart-Culp International		
Do	Large Scale Program Institute	843.75	
Do	MedMax		
Do	Model Imperial Supply Co, Inc		
Do	Oklahoma State University	4,000.00	
Do	PacifiCare Health Systems	7,656.25	
Do	Pitts Energy Group	2,887.50	
Do	R-Max		
Do	Southland Corporation	3,037.50	
Do	M. Stevens Cosmetics Co	937.50	
Do	US Sprint	27,693.75	
Do	Wessely Energy Corp		
Peggy L. Duxbury, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004	National Assn of Manufacturers		
Duncan Dwelle, Esprit 900 Minnesota Avenue San Francisco, CA 94107	American Fair Trade Council	2,000.00	
Henry I. Dworshak, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Denis J. Dwyer, 700 North Fairfax St. Alexandria, VA 22314	Railway Progress Institute	525.00	
Roderick T. Dwyer, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
William J. Dyess, Wm. Dyess Associates 4444 Dexter Street, NW Washington, DC 20007	B.V. Stevedore Co Quick Dispatch	4,306.25	89.24
Dykema Gossett Spencer Goodnow & Trigg, 1752 N St., NW, 6th Fl. Washington, DC 20036	Total Petroleum, Inc		
Dynalectron Corporation, 1313 Dolley Madison Blvd. Mclean, VA 22101			2,535.00
Talis Dzenitis, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Sears Roebuck & Co	500.00	
DGA International, Inc, 1818 N Street, NW Washington, DC 20036	Dir Intl Aff of the Gen Del for Armements		
Do	Societe Nationale D'Etude et de Const de Moteurs D'Aviation	1,169.00	126.58
Do	Sofreavia	660.00	149.22
Dennis J. Earhart, 1753 Euclid St, NW Washington, DC 20009	Bear West Co, Inc (for Rocky Mountain Energy Co)	595.31	
Earle Grovatt & Assoc, Inc, 55 W. Main Street Freehold, NJ 07728	Dickinson Business School	3,000.00	725.00
Jack D. Early, 1155 15th St., NW, #514 Washington, DC 20005	National Agricultural Chemicals Assn	375.00	46.50
Catherine East, 1275 K Street, NW, #750 Washington, DC 20005	National Women's Political Caucus	1,998.98	56.68
George H. Eatman, 1800 Connecticut Ave., NW Washington, DC 20009	Slurry Technology Assn	1,000.00	
Charles H. Eaton, 1725 K St., NW, #1111 Washington, DC 20006	Eaton Associates, Inc		
Robert E. L. Eaton, 1725 K St., NW, #1111 Washington, DC 20006	Eaton Associates, Inc		
Eaton Associates, Inc, 1725 K St., NW, #1111 Washington, DC 20006			
Robert E. Ebel, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	1,450.00	1,059.00
Marsha A. Echols, Law Offices of Max N. Berry 3213 O Street, NW Washington, DC 20007	National Assn for the Specialty Food Trade, Inc		
William Echols, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
N. Boyd Ecker, 1100 Connecticut Ave., NW Washington, DC 20036	Mobil Oil Corp	1,500.00	45.80
Robert C. Eckhardt, 323 D ST., NE Washington, DC 20002	Central & Southwest Corp	6,666.64	
Do	Certain Texas Claimants Lawyers		
Do	Investment Company Institute	5,000.00	
Do	State of Texas	2,800.00	
Do	Western Fuels Association, Inc	9,999.99	
Patricia K. Economos, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
William R. Edgar, 1620 Eye St., NW, #501 Washington, DC 20006	Gates Learjet Corporation		
Helen H. Edge, 700 N. Fairfax St. Alexandria, VA 22314	Railway Progress Institute	487.50	
Arthur B. Edgeworth Jr., 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	4,688.00	
Edison Electric Institute, 9th Floor 1111 19th St., NW Washington, DC 20036			87,957.48
V. Anne Edlund, 1620 Eye St., NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Stephen L. Edmiston, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	14,726.40	308.67
Ed Edmondson, 416 Court St., P.O. Box 11 Muskogee, OK 74402	American Inland Waterways Committee		
Do	Association of Oklahoma General Contractors		
Do	Cherokee Nation		
Do	Doss Aviation, Inc		
Do	IU International Management Corp		
Do	Oklahoma Assn of Electric Coops		
Do	U.S. Maritime Committee, Inc		
Christine A. Edwards, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	684.00	63.50
J. Rodney Edwards, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
William A. Edwards, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	7,987.86	822.48

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Paul S. Egan, 1608 K St., NW Washington, DC 20006	American Legion	9,750.00	270.39
Karen Ehrnman, 1522 K Street, NW, #1120 Washington, DC 20005	American College of Nurse-Midwives		
Yvonne B. Eider, 400 First Street, NW, #800 Washington, DC 20001	Friends of Animals, Inc		281.09
Jill W. Eiland, 507 Second Street, NE Washington, DC 20002	Portland General Electric Co		
Robert F. Eisen, 111 West 40th Street New York, NY 10018	Greenwood Mills Marketing Co		1,841.00
Albert C. Eisenberg, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects	9,000.00	205.98
Linda S. Eisnaugle, 225 W. 34th Street New York, NY 10001	National Commercial Finance Assn		
H. J. Elam III, 1201 Maple St. Greensboro, NC 27405	Cone Mills Corp	26,000.00	9,285.00
Jane Elder, 214 N. Henry St., #203 Madison, WI 53703	Sierra Club	2,887.50	2,253.23
Electronic Funds Transfer Assn, 1726 M Street, NW, #1000 Washington, DC 20036			200.00
Eileen Elgin, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,600.00	
George K. Eliades, 7297 Lee Highway Falls Church, VA 22042	Society of American Wood Preservers, Inc	2,000.00	1,275.00
C. M. Elkins Associates, 1100 17th St., NW, #310 Washington, DC 20036	Delaware & Hudson Railway Co		
Do	Missouri Kansas Texas Railroad		
J. Burton Eller Jr., 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Charles W. Elliott, Wisconsin Petroleum Council 25 W. Main St., #703 Madison, WI 53703	American Petroleum Institute	36.00	
Christine Elliott-Groves, 600 Maryland Avenue, SW, #700 Washington, DC 20024	National Fed of Independent Business	2,250.00	200.00
John M. Ellis, 1120 Fairfield Avenue Roseville, CA 95678	Nor-Cal Federal Coalition		
Keith H. Ellis, 1015 18th St.,nw Washington, DC 20036	Conference of State Bank Supervisors	3,800.00	220.53
Emergency Committee for American Trade, 1211 Connecticut Ave. Washington, DC 20036		82,219.30	85,188.73
Emerson Electric Co, 8000 Florissant St. Louis, MO 63136			1,023.84
Irene R. Emsellem, 1800 M Street, NW Washington, DC 20036	American Bar Assn	400.00	50.00
Lowell J. Endahl, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Energy Consumers & Producers Assn, Box 1726 Petroleum Plaza Seminole, OK 74868		15,262.50	923.15
Ralph Engel, 1001 Connecticut Ave., NW, #1120 Washington, DC 20036	Chemical Specialties Manufacturers Assn, Inc	138.63	31.00
Steven L. Engelberg, 2033 M St., NW, #404 Washington, DC 20036	American Assn for Marriage & Family Therapy		
Do	Contract Staffing of America	7,500.00	230.50
Do	National Staff Leasing Assn	15,000.00	157.40
John T. Engelen, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Michael D. Engelhardt, P.O. Box 24305 Oakland, CA 94623	Clorox Co		
Joseph J. English, 1010 Vermont Avenue, NW Washington, DC 20005	Stewart-Warner Corp	10,000.00	183.23
Patricia A. English, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		40.14
Christopher Engquist, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Richard Engram Jr., P.O. Box 506 Merchants & Miners Bank Bldg. Welch, WV 24801			
Kimberly Neilsen Epstein, 2626 Pennsylvania Ave., NW Washington, DC 20036	National Telephone Cooperative Assn	1,862.50	541.14
Epstein Becker Borsody & Green, P.C., 1140 19th St., NW, #900 Washington, DC 20036	National Cable Television Assn, Inc	6,037.00	
Do	Voluntary Hospitals of America, Inc		
Paul A. Equale, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	18,308.00	
John M. Erskine Jr., 1122 Colorado, Suite 208 Austin, TX 78701	Amoco Corporation		
Martha M. Escutia, 20 F Street, NW, #200 Washington, DC 20001	National Council of La Raza		
Ingolf G. Esders, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	6,473.62	123.61
Jane B. Esterly, Karl A. Funke & Associates 729 2nd Street, NE Washington, DC 20002	United South & Eastern Tribes, et al	1,500.00	400.00
John T. Estes, 2550 M St., NW, #770 Washington, DC 20037	RJR Nabisco, Inc	2,500.00	1,345.60
Stephen E. Eure, 1711 King Street Alexandria, VA 22314	Potato Chip/Snack Food Assn	5,250.00	5,250.00
European Travel Commission, 630 Fifth Avenue New York, NY 10111			
Andreas W. Evans, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Billy Lee Evans, 499 South Capitol St., SW, #507 Washington, DC 20003	Bill Hecht & Associates, Inc	2,000.00	
C. Lawrence Evans Jr., 51 Louisiana Avenue, NW Washington, DC 20001	Acacia Mutual Life Insurance Co		
Elaine Evans, 1133 21st Street, NW, #500 Washington, DC 20036	National Hydropower Assn		
Joseph O. Evans, Apartment 21 4401 Lee Hwy. Arlington, VA 22207			
Robert D. Evans, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Ellen E. Eves, New Murphy Rd. and Concord Pike Wilmington, DE 19897	ICI Americas, Inc		
Wayne S. Ewing, Associated Petroleum Industries of Pa P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute		
Robbie G. Exley, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Paul K. Eyer, 122 C Street, NW, #875 Washington, DC 20001	American Osteopathic Assn	1,400.00	
EDS Corporation, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004			1,519.65
F/P Research Associates, 1700 K St., NW, #303 Washington, DC 20006	CEO Tax Group	1,000.00	
Do	National Cable Television Assn, Inc	500.00	
Michael W. Faber, Reid & Priest 1111 19th Street, NW, #1100 Washington, DC 20036	Committee of Corporate Telecommunications Users		
Thomas L. Fagan, 1755 Jefferson Davis Highway, #900 Arlington, VA 22202	Gould, Inc		
Robert R. Fahs, 1101 15th St., NW, #205 Washington, DC 20005	Cargill Inc	2,500.00	
Fair Tax Foundation, Inc, 2025 I Street, NW, #813 Washington, DC 20006		876.00	24,497.00
Dale W. Fallat, P.O. Box 119 Maumee, OH 43537	Andersons		
F. S. Fallon Jr., P.O. Box 600 Eglin AFB, FL 32542-7606			
Peter M. Fannon, 1818 N Street, NW, #410 Washington, DC 20036	National Assn of Public Television Stations	600.00	150.00
Thomas B. Farley II, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	7,400.00	148.90
David M. Farmer, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	2,900.00	153.72
Farmers' Educational & Co-Operative Union of America, 600 Maryland Ave., SW, #202w Washington, DC 20024		123,003.00	80,914.93
John W. Farquhar, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	300.00	
Dagmar T. Farr, 1750 K Street, N.w. Washington, DC 20006	Food Marketing Institute	450.00	
Christopher G. Farrand, 1120 20th Street, NW, #720 Washington, DC 20036	Peabody Holding Co, Inc		300.00
Michael Farrar, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc	200.00	
Dennis D. Farrell, 1801 K Street, NW, #1200 Washington, DC 20006	IBM Corp	1,800.00	370.00
Joseph A. Farrell, 1600 Wilson Boulevard, #1000 Arlington, VA 22209	American Waterways Operators, Inc		
Marcus G. Faust, 2121 K St., NW, #880 Washington, DC 20037	Central Utah Water Conservancy District	9,875.82	592.23
Do	Desert Research Institute	3,367.05	77.21
Do	Edison Electric Institute	437.50	
Do	Public Service Co of New Mexico	15,096.82	519.74
Do	Sierra Pacific Power Co	19,956.54	460.27
Do	Standard Oil Co (Ohio)	11,250.00	
Jane Fawcett-Hoover, 801 18th St., NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	58.34	
William D. Fay, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	6,430.00	4,470.62
Federal Company, 1755D Lynnfield Road, #149 Memphis, TN 38119			42,374.41
Federation for American Afghan Action, 11244 Waples Mill Road, Suite J Fairfax, VA 22030		1,244.39	6,401.01
Federation of Aids-Related Organizations/Aids Action Council, 729 8th Street, SE, #200 Washington, DC 20003		46,519.45	44,374.90
Federation of American Controlled Shipping, 50 Broadway New York, NY 10004		1,933.43	1,933.43
Federation of American Health Systems, 1111 19th St., NW, #402 Washington, DC 20036		9,920.00	9,920.00
Federation of American Scientists, 307 Massachusetts Ave., NE Washington, DC 20002			2,565.20
Robert Feenstra, 13545 Euclid Avenue Ontario, CA 91761	Milk Producers Council (For:Dairy Farmers for Responsible Dairy Policy)		
Donald M. Fehr, 805 Third Ave. New York, NY 10022	Major League Baseball Players Assn		
Kenneth E. Feltman, 1660 L Street, NW, #715 Washington, DC 20036	Employers Council on Flexible Compensation	200.00	
Randolph Fenninger, 10,000 Falls Road, #306 Potomac, MD 20854	American Assn of Colleges of Osteopathic Medicine	3,000.00	
Do	American Gastroenterological Assn		
Do	American Soc for Gastrointestinal Endoscopy		
Do	American Soc of Anesthesiologists	1,000.00	
Do	American Urological Assn/Amer Assn of Clinical Urologists	1,200.00	
Judith W. Fensterer, 242 E. 80th Street New York, NY 10021	Generic Pharmaceutical Industry Assn	454.00	
Fensterwald Alcorn & Bowman, P.C., 1000 Wilson Blvd., #900 Arlington, VA 22209	Concerned Federal Railroad Administration Employees	187.00	13.09
Do	Equity for National Guard Technicians	340.00	23.79
George F. Fenton Jr., 1920 N Street, NW Washington, DC 20036	American Mining Congress	240.00	
Edward T. Fergus, 100 Gold St. New York, NY 10292	Prudential-Bache Securities, Inc	750.00	
Betsy Ferguson, 1875 Eye St., NW, #1110 Washington, DC 20006	Times Mirror Co		
Fred E. Ferguson, 122 C Street, NW, #200 Washington, DC 20001	Council of State Chambers of Commerce		
William Ferguson Jr., The Ferguson Company 1875 Eye Street, NW, #1275 Washington, DC 20006	Aries Properties, Inc		
Do	Berg-Revoir Corp		
Do	City of Alhambra		
Do	City of Baldwin Park		
Do	City of Inglewood		
Do	City of Oceanside		
Do	City of Provo	2,000.00	112.23
Do	City of Redondo Beach		
Do	City of South Salt Lake		
Do	Gavin Associates		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Imperial Irrigation District		
Do	Irvine Company	5,312.50	54.69
Do	Long Beach Transit		
Do	Oceanside Redevelopment Agency		
Do	Santa Cruz Properties, Inc		
John L. Festa, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Fiber Fabric & Apparel Coalition for Trade, 1101 Connecticut Ave., NW, #300 Washington, DC 20036		56,875.00	605,272.31
Fred C. Fielding, 1725 Jefferson Davis Hwy, #900 Arlington, VA 22202	AM General Corporation		
C. H. Fields, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	6,937.00	21.40
Herbert A. Fierst, 610 Ring Bldg. 1200 18th St., NW Washington, DC 20036	Council of Forest Industries of B.C.	31,251.00	1,015.00
Marshall S. Filler, 2033 M Street, NW, #700 Washington, DC 20006	Air Transport Assn of America	3,817.50	3,817.50
Do	Eastern Airlines, Inc	1,172.50	1,172.50
Do	Texas Air Corp	2,677.50	2,677.50
Fine & Ambrogne, Exchange Place Boston, MA 02109	Smith College		
Lawrence A. Fineran, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers	125.00	
William A. Finerfrock, 1117 N. 19th Street, #300 Arlington, VA 22209	American Academy of Physician Assistants	9,250.00	339.61
Matthew P. Fink, 1600 M St., NW Washington, DC 20036	Investment Company Institute	192.30	16.00
Nelson L. Fink, 378 Valley Oak Court Waldorf, MD 20601	Air Force Sergeants Assn, Inc		
Sheldon I. Fink, Sonnenschein, Carlin, Nath & Rosenthal 8000 Sears Tower Chicago, IL 60606	Investment Counsel Assn of America, Inc	17,500.00	1,642.21
Finley Kumble Wagner Heine Underberg Manley Myerson & Casey, 1120 Connecticut Ave., NW, #465 Washington, DC 20036	American College of Neuropsychopharmacology	2,685.00	9.00
Do	American Protestant Health Assn	3,475.00	36.00
Do	Association of British Insurers	1,759.00	
Do	AVW Electronic Systems, Inc	3,215.25	
Do	City of Inglewood	350.00	
Do	Committee on Problems of Drug Dependence, Inc	280.00	
Do	Committee Against Retroactivity		
Do	Development Corp for Israel		
Do	Direct Broadcast Satellite Corp		
Do	FMI-Hammer Joint Venture	7,862.50	
Do	General Dynamics Corp		
Do	Giant Food, Inc		
Do	Golden Nugget, Inc	1,120.80	
Do	Government of Antigua & Barbuda		
Do	Group Hospitalization & Medical Services, Inc		
Do	Home Insurance Co	20,589.00	
Do	Mutual Protection Trust Cooperative of American Physicians	52,265.22	
Do	National Assn of Alcoholism Treatment Programs, Inc	1,120.00	6.00
Do	National Assn of Senior Living Industries (NASLI)	1,075.00	
Do	National Limousine Assn	775.00	16.00
Do	Norfolk Southern Corp	1,500.00	
Do	Occidental Petroleum Corp	9,275.00	
Do	Population Crisis Committee	12,275.00	
Do	RCA Corp		
Do	Savoy Industries		
Do	Small Business Council of America	184.00	
Do	Society of Real Estate Appraisers		
Do	State of Maryland		
Do	Syncor Int'l Corp/Nat'l Assn of Nuclear Pharmacies	14,390.50	30.70
Do	TechAmerica Group, Inc	11,560.00	16.45
Do	Tel-Optik, Ltd		
Do	Turner Broadcasting System, Inc		
Do	TRT Telecommunications Corp		
Do	United Satellite Action		
Stephen A. Finn, P.O. Box 520783 - General Mail Facility Miami, FL 33152	Burger King Corp		
Thomas D. Finnigan, 1100 15th Street, NW, 12th Fl. Washington, DC 20005	Union Carbide Corp		
M. J. Fiocco, 1090 Vermont Ave., NW, #410 Washington, DC 20005	National Industrial Transportation League	5,000.00	59.00
First Data Resources, Inc, 1900 N. Beauregard St., #110 Alexandria, VA 22311			
First National Bank of Boston, 100 Federal St. Boston, MA 02110			16,587.49
Richard L. Fischer, 1615 M St., NW, #200 Washington, DC 20036	Amoco Corporation		
Deborah A. Fischione, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange	3,000.00	1,715.00
Donald W. Fisher, 3814 Ivanhoe Lane Alexandria, VA 22310	American Group Practice Assn, Inc		
Dwight R. Fisher, 600 Maryland Avenue, SW, #700 Washington, DC 20024	National Fed of Independent Business	700.00	100.00
Janet S. Fisher, 1333 New Hampshire Avenue, NW Washington, DC 20036	Atlantic Richfield Co		
John Fisher, 140 Oklahoma Road Cook, WA 98605	Columbia Gorge United		
William P. Fisher, 311 First Street, NW Washington, DC 20001	National Restaurant Assn		
Fisher Wayland Cooper & Leader, 1255 23rd Street, NW, #800 Washington, DC 20037-1125	International Communications Assn	2,000.00	400.00
Charles L. Fishman, P.C., 1717 K Street, NW, #502 Washington, DC 20036	Carolina Power & Light Co		
Do	Consolidated Edison Co of New York, Inc		
Do	Stone & Webster Engineering Corp		
Do	Westinghouse Electric Corp		
David H. Fiske, Fiske & Associates 1776 K Street, NW, #900 Washington, DC 20006	Software Publishers Assn	1,200.00	42.00
Patrick E. Fitch, 1755 Jefferson Davis Highway, #900 Arlington, VA 22202	Gould, Inc		
Lauri J. Fitz, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Cote d'Azur Development)	600.00	
Thomas H. Fitzpatrick, 410 Asylum Street Hartford, CT 06103	American Petroleum Institute		
Alan M. Fitzwater, 3800 Continental Plaza 777 Main Street Fort Worth, TX 76102	Burlington Northern Railroad	22,500.00	5,324.69
Hilliard J. Fjord, 602 Main St., #600 Cincinnati, OH 45202	Ohio River Co	3,000.00	550.00
Susan G. Flack, 1825 K St., NW, #603 Washington, DC 20006	Batus D.C.	2,000.00	15.00
Daniel V. Flanagan Jr., 12 Third Street, NE Washington, DC 20002	Flanagan & Associates, Inc (For:Memorial Sloan-Kettering Cancer Center)	1,500.00	200.00
Do	Virginia Power		
James J. Flanagan, 25 Research Dr. Westborough, MA 01581	New England Power Service Co	1,018.50	163.80
David H. Fleck, 777 East Wisconsin Avenue Milwaukee, WI 53202-5367	Foley & Lardner (For:City of Kenosha, Wisconsin)		
Fleishman-Hillard, Inc, 1225 Connecticut Ave., NW, #303 Washington, DC 20036	Ability Information Systems--Computer Software		
Frank R. Fleming, 9749 Independence Avenue Chatsworth, CA 91311	CHAD Therapeutics, Inc		3,020.00
Michael Fleming, 1300 17th St., #1010 Arlington, VA 22209	American Assn of Equipment Lessors		
Felipe M. Floresca, 67 Wall Street, #2509 New York, NY 10005			
Florida Business Associates, 1575 Eye Street, NW, #530 Washington, DC 20005	CSX Transportation Systems	4,245.00	
Do	General Development Corp	20,889.00	
Do	Westinghouse Electric Corp	5,802.00	
Richard A. Flye, Mckenna Conner & Cuneo 1575 Eye Street, NW Washington, DC 20005	Fertilizer Institute	1,422.50	
Foley & Lardner, 1775 Pennsylvania Ave., NW Washington, DC 20006	City of Kenosha, Wisconsin	2,000.00	562.91
Do	Kohlberg Kravis Roberts & Co	2,595.00	21.36
Gary L. Fontana, Thelen Marrin Johnson & Bridges 2 Embarcadero Center San Francisco, CA 94111	Hawaiian Electric Co, Inc	380.00	32.05
Do	Thermal Power Co	228.00	14.65
Food & Allied Service Trades Dept, AFL-CIO, 815 16th Street, NW, #408 Washington, DC 20006		14,137.00	14,137.00
Food Marketing Institute, 1750 K St., NW Washington, DC 20006			15,210.00
Foodservice & Lodging Institute, 1919 Pennsylvania Ave., NW Washington, DC 20006			
Hubert V. Forcier, 2300 Multifoods Tower Minneapolis, MN 55402	American Lutheran Church	1,250.00	103.13
James E. Ford, 1333 New Hampshire Avenue, NW Washington, DC 20036	Atlantic Richfield Co		
Donald D. Foreman, 200 E. Randolph Dr. Chicago, IL 60601	Amoco Corporation		
Foreman and Company, 1826 Jefferson Place, NW, #201 Washington, DC 20036	Audio Recording Rights Coalition		
Do	Camp Carmouche Barsh Hunter Gray Hoffman & Gill, P.C.	2,000.00	60.00
Do	Greene O'Reilly Agnew & Broillet		
Forest Farmers Assn, P.O. Box 95385 Atlanta, GA 30347			514.00
Mark A. Forman, 345 Park Ave., 31st Fl New York, NY 10154	Union Pacific Corp	625.00	
Sallie H. Forman, 1825 K St., NW Washington, DC 20006	National Broadcasting Co, Inc	1,000.00	140.73
Carol E. Forrestel, 1015 15th Street, NW, #900 Washington, DC 20005	Enron Corp	1,500.00	
Larry Forrester, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos		
Michael A. Forscey, 1735 New York Avenue, NW Washington, DC 20006	Metropolitan Life & Affiliated Cos	18,394.00	858.08
Do	Tobacco Institute	25,437.50	2,255.15
Bruce Foster, 1111 19th Street, NW, #303 Washington, DC 20036	Southern California Edison Co	2,940.00	1,500.00
John P. Fowler, 1187 National Press Building Washington, DC 20045	Ad Hoc Comm in Defense of Life, Inc	866.00	1,035.75
Fox Group, USA Ltd, P.O. Box 1831 Charleston, SC 29402	Camp Carmouche Barsh... (for Sears Roebuck & Co), et al.	4,500.00	
Donald Fraher, 633 E Street, NW Washington, DC 20004	American Symphony Orchestra League	9,646.02	836.91

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
John R. Frahm, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	3,000.00	
David E. Franasiak, 1001 22nd Street, #600 Washington, DC 20037	Standard Oil Co (Ohio)		
Frances E. Francis, Spiegel & Mcdiarmid 1350 New York Ave., NW Washington, DC 20037	Northern California Power Agency, et al.		
Douglas L. Francisco, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		81.50
David C. Frankil, 918 16th Street, NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	750.00	504.70
Walter L. Frankland Jr., 1717 K St., NW Washington, DC 20006	Silver Users Assn, Inc	1,591.50	246.79
Ellis B. Franklin, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
George Franklin, 1 Kellogg Square Battle Creek, MI 49016-3599	Kellogg Company	3,000.00	325.00
James R. Franklin, 1185 Avenue of the Americas New York, NY 10036	J. P. Stevens & Co, Inc		7,359.03
Thomas C. Franks, 5th Floor 1220 L St., NW Washington, DC 20005	American Resort & Residential Development Assn	1,500.00	222.99
John B. Franz, P.O. Box 10568 Pompano Beach, FL 33061			
Marian C. Franz, 2121 Decatur Place, NW Washington, DC 20008	National Council for a World Peace Tax Fund	645.00	371.00
Charles L. Frazier, 475 L'enfant Plaza, SW, #2250 Washington, DC 20024	National Farmers Organization	5,333.00	3,691.58
Fran Frazier, 1730 K Street, NW, #703 Washington, DC 20006	American Business Conference	81.34	133.97
Gregory W. Frazier, P.O. Box 427 Englewood, CO 80151	International Energy Brokers, Inc		
Robert M. Frederick, 1616 H St., NW Washington, DC 20006	National Grange	5,000.00	
Ann Todd Free, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	600.00	
Free the Eagle, 11244 Waples Mill Rd., Suite J Fairfax, VA 22030		34,384.22	243,259.54
D. Michal Freedman, 2030 M Street, NW Washington, DC 20036	Common Cause	8,342.02	
Joel Freedman, 1600 M St., NW, 5th Floor Washington, DC 20036	Hartford Fire Insurance Co	5,000.00	
James O. Freeman, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	6,260.00	
Lewis R. Freeman Jr., 1025 Connecticut Ave., NW, #409 Washington, DC 20036	Society of the Plastics Industry, Inc		
Mary Ann Freeman, 1331 Pennsylvania Ave, NW Washington, DC 20005	General Electric Co.	175.00	620.03
Paula A. Freer, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	Marathon Oil Co		
Ronna Freiberg, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Budd Company)		
Do	Gray & Co Public Communications Int'l, Inc (For:Government of the Cayman Islands)	640.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Greer Ingrasci, et al.)	1,620.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Joint Maritime Congress)		
Do	Gray & Co Public Communications Int'l, Inc (For:Republic of Turkey)		
Do	Gray & Co Public Communications Int'l, Inc (For:Shaklee Corporation)		
Do	Gray & Co Public Communications Int'l, Inc (For:Shirco Infrared Systems, Inc)		
Do	Gray & Co Public Communications Int'l, Inc (For:Stroh Brewery Co)	720.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Title Insurance Industry Coalition)		
Do	Gray & Co Public Communications Int'l, Inc (For:Transit America)		
Verrick O. French, French & Company 1317 F Street, NW Washington, DC 20004	Hong Kong Trade Development Council	2,100.00	
French & Company, 1317 F St., NW, #307 Washington, DC 20004	Artery Organization, Inc	2,000.00	
Do	Montgomery Ward & Co, Inc	2,000.00	
Do	Wheels, Inc	1,800.00	
Sara Hamric Freund, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
Annette P. Fribourg, 3900 Wisconsin Ave., NW Washington, DC 20016	Federal National Mortgage Assn	20,250.00	1,175.71
G. William Frick, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute		
Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co.	10,912.50	
Do	Lonza, Inc	5,221.50	14.70
Do	Schenley Industries, Inc		
Philip P. Friedlander Jr., 1250 Eye Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn		
James M. Friedman, 1100 Citizens Bldg. Cleveland, OH 44114	Cleveland Electric Illuminating Co.	31,736.00	530.69
Do	Coalition for Environmental Energy Balance	11,374.00	1,147.25
Gay H. Friedmann, 1150 Connecticut Ave., NW, #717 Washington, DC 20036	Southern California Gas Co	9,000.00	194.68
Friends of Animals, Inc, 400 First Street, NW, #800 Washington, DC 20001		2,000.00	4,290.43
Owen V. Frisby, 900 17th St., NW Washington, DC 20006	Chase Manhattan Bank, N.A.	230.00	19.09
Susan T. Fritschler, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	2,169.35	564.02
Allyn M. Fritts, 1298 Woodside Drive Mclean, VA 22102	New Bedford Seafood Council, Inc		
Charles H. Fritts, 1111 14th St., NW, #900 Washington, DC 20005	National Apartment Assn	10,125.00	196.29
William D. Fritts Jr., 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Charles H. Fritzel, 499 S. Capitol St., SE, #401 Washington, DC 20003	National Assn of Independent Insurers	400.00	520.00
Jeffrey Fritzlen, 1120 20th Street, NW, #600-S Washington, DC 20036	Union Pacific Corp	2,000.00	
Catherine J. Frompovich, P.O. Box B-12 Richlandtown, PA 18955	Coalition for Alternatives in Nutrition & Healthcare, Inc		195.03
Marcy Stephens Frosh, 2030 M Street, NW Washington, DC 20036	Common Cause	7,547.16	66.00
Claudia R. Fuquay, 727 North Washington Street Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn	1,230.00	595.03
Futures Industry Assn, Inc, 1825 Eye Street, NW, #1040 Washington, DC 20006			
David H. Fyock, 600 Maryland Ave., SW, #520 Washington, DC 20024	GPU Service Corporation	2,592.00	615.08
G-4 Children's Coalition, 1666 K St., NW, Rm. 1100 Washington, DC 20006		1,359.66	21,943.40
James E. Gaffigan, 1899 L St., NW, #607 Washington, DC 20036	Travel & Tourism Government Affairs Policy Council	1,875.00	
Deborah Gahs, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
John G. Gaine, Landfield Becker & Green 1818 N Street, NW, #300 Washington, DC 20036	Board of Trade of the City of Chicago		
Do	Search Group, Inc	4,917.44	
Norman S. Gaines, 2550 M St., NW, #770 Washington, DC 20037	RJR Nabisco, Inc	2,200.00	858.67
Joe H. Galis, D.C. 1, 19000 SW 377 St. Florida City, FL 33034			
Linda Parke Gallagher, 1818 N Street, NW, #350 Washington, DC 20036	Linda Parke Gallagher & Associates (For:National Corp for Housing Partnerships)	5,560.00	410.00
Karl Gallant, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	3,000.00	518.22
Mark Gallant, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,200.00	
Curtis B. Gans, 421 New Jersey Avenue, SE Washington, DC 20003	Committee for the Study of the American Electorate	7,599.00	
William R. Ganser Jr., 4804 Folse Dr. Metairie, LA 70002	Southern Forest Products Assn	2,950.00	
Nicole Gara, 1117 North 19th Street, NW, #300 Arlington, VA 22209	American Academy of Physician Assistants		
Sherwin Gardner, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	250.00	
Gardner Carton & Douglas, 1875 I St., NW Washington, DC 20006	Midcon Corp		
Nancy Garland, 600 Maryland Avenue, SW, #400 Washington, DC 20024	American Optometric Assn		
Edward A. Garmatz, 2210 Lake Ave. Baltimore, MD 21213	Baltimore Gas & Electric Co		
Mary Leslie Garmon, 1010 Massachusetts Avenue, NW Washington, DC 20001	National Food Brokers Assn		
Garrett & Company, 1630 Connecticut Avenue, NW, #202 Washington, DC 20009	Taiwan Power Company	3,000.00	4,500.00
Grenville Garside, 1050 Thomas Jefferson St., NW, 7th Fl. Washington, DC 20007	Van Ness Feldman Sutcliffe & Curtis, P.c. (For:Central & South West Corp)		
Ann Lakin Garver, 1101 Connecticut Ave., NW, #300 Washington, DC 20036	American Textile Manufacturers Institute, Inc	50.00	30.00
E. June Garvin, Ohio Petroleum Council 88 E. Broad, #1960 Columbus, OH 43215	American Petroleum Institute	3,000.00	1,605.71
Mary A. Garza, 2555 Pennsylvania Avenue, NW, #407 Washington, DC 20037	Jeweler's Coalition	1,500.00	30.50
Do	Zale Corporation	500.00	20.00
Gas Appliance Manufacturers Assn, Inc, 1901 North Moore Street Arlington, VA 22209		564.00	564.00
Vernon Gasaway, 191 Sands Street, Apt. 5j Brooklyn, NY 11201			
Lillian B. Gaskin, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Frank T. Gasper, 8104 River Falls Drive Potomac, MD 20854	Moog, Inc	950.00	258.00
Philip Gasteyer, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	3,625.00	
Bruce A. Gates, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Anne Gaudet, 444 No. Capitol Street, NW, #711 Washington, DC 20001	UNIAO Nacional Para Independencia Total DeAngola	3,500.00	
Fred Gebler, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	Electronic Data Systems Corp	160.00	
Garry Geffert, 2001 S Street, NW, #312 Washington, DC 20009	Farmworker Justice Fund, Inc	1,961.40	30.65
Fred Gehringer, P.O. Box 1002 Chino, CA 91710			
Ruthann Geib, 1156 15th Street, NW, #1020 Washington, DC 20005	American Sugarbeet Growers Assn		
Ronald L. Geigle, 1030 15th Street, NW, #1100 Washington, DC 20005	Health Industry Manufacturers Assn		
Robert C. Gelardi, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Do	Robert H. Kellen Company (For:Infant Formula Council)	900.00	
Morton A. Geller, 100 Federal St. Boston, MA 02110	First National Bank of Boston		
Jose A. Gemeil, 1725 DeSales Street, NW, #804 Washington, DC 20036	Samuel E. Stavisky & Associates, Inc (For:Federacion Nacional de Cafeteros de Colombia).	500.00	50.00
General Aviation Manufacturers Association, 1400 K Street, NW, #801 Washington, DC 20005			20,435.00
General Instrument Corporation, 2033 M St., NW, #800 Washington, DC 20036		1,800.00	47.50
Generic Pharmaceutical Industry Assn, 200 Madison Ave., #2404 New York, NY 10016		14,730.37	14,370.37
Fred J. Gentile, 195 Montague Street Brooklyn, NY 11201	Brooklyn Union Gas Co		
John Gentille, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Nancy Whorton George, 499 South Capitol Street, SW, #400 Washington, DC 20003	Enron	2,000.00	
Do	Transco, Inc	2,000.00	
Geothermal Resources Assn, P.O. Box 598 Davis, CA 95617-0598			
George W. Gephart, P.O. Box 1475 Baltimore, MD 21203	Baltimore Gas & Electric Co		
Joseph G. Gerard, 918 16th St., NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	1,500.00	1,360.56
Louis Gerber, 1925 K St., NW Washington, DC 20006	Communications Workers of America	6,227.52	191.22

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Daniel R. Gerkin, 1575 I Street, NW, #525 Washington, DC 20005	Mining & Reclamation Council of America	1,000.00	
Phyllis H. Gerstell, 1850 K St., NW Washington, DC 20006	American Council of Life Insurance, Inc	1,500.00	
Alvin J. Geske, 1016 16th Street, NW, 6th Floor Washington, DC 20036	LTV Corp		
Do	Renewable Fuels Assn		24.00
Dorothy F. Gevinson, 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	34.33	
Danny Ghorbani, 10506 Cavalcade Street Great Falls, VA 22066	Association for Regulatory Reform	4,950.00	112.00
William C. Gibb, 1050 Thomas Jefferson St., NW, 6th Fl Washington, DC 20007		5,000.00	
William T. Gibb, 1850 K St., NW Washington, DC 20006	American Council of Life Insurance, Inc		
Wayne Gibbens, 1919 Pennsylvania Ave., NW, #503 Washington, DC 20006	Mid-Continent Oil & Gas Assn	17,000.00	226.00
Anne Marie Gibbons, Third Floor 2301 M Street, NW Washington, DC 20037	American Public Power Assn	500.00	
Gibson Dunn & Crutcher, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	American International Group, Inc	20,387.50	10,333.06
Kenneth W. Gideon, 1150 Connecticut Avenue, NW Washington, DC 20036	Bizcap, Inc	773.50	23.75
Do	Weston Municipal Utility District	1,387.50	59.71
William G. Giery, 1919 Pennsylvania Ave., NW Washington, DC 20006	Foodservice & Lodging Institute		
William L. Gifford, 100 Interpace Parkway Parsippany, NJ 07054	GPU Nuclear Corp		
Pamela Gilbert, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	3,726.88	
Richard Gilbert, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,222.00	
Michael Gildea, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	15,019.03	259.68
John E. Giles, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	1,080.00	448.00
Floyd H. Gilkey, 2111 Harbor Drive Annapolis, MD 21401	Chesapeake Industries, Inc		
Mary Ann Gilleece, 1713 Maple Hill Place Alexandria, VA 22302	Allied Defense Industries	200.00	
Michael Gilliland, 1025 Connecticut Avenue, NW, #415 Washington, DC 20036	American Insurance Assn	1,200.00	
Maureen Gilman, 1730 K Street, NW, #1100 Washington, DC 20006	National Treasury Employees Union	10,000.00	263.63
Ginn Edington Moore & Wade, 803 Prince Street Alexandria, VA 22314	American Polygraph Assn	20,000.00	143.30
Do	Garrett Corporation	12,600.00	91.71
Do	Gulfstream Aerospace Corp	3,000.00	22.15
Do	Lockheed Corporation	3,000.00	22.92
Do	Lockheed-Georgia Co	9,000.00	63.05
Do	Mechanical Technology, Inc	3,325.00	23.42
Do	Rockwell International Corp	12,000.00	86.15
Do	Texas Instruments, Inc	12,000.00	85.98
Do	Turner Broadcasting System, Inc	2,000.00	14.52
Do	U.S. Cane Sugar Refiners' Assn	2,000.00	13.90
Do	Watkins Associated Industries, Inc	2,000.00	14.33
Gerard Giovaniello, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	620.68
Brenda M. Girton, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Sears Roebuck & Co	200.00	
Francis J. Gist, 1511 K Street, NW, #809 Washington, DC 20005			
Michael J. Giuffrida, 204 E Street, NE Washington, DC 20002	National Frozen Food Association	2,000.00	
Donna Gleason, 2000 L Street, NW, #810 Washington, DC 20036	Sperry Corporation		
Law Offices of Thos Gleason, One State Street Plaza New York, NY 10004	International Longshoremen's Assn, AFL-CIO		
Robert Gleason, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	8,958.65	446.22
Donald R. Glenn, 1627 K Street, NW, #200 Washington, DC 20006	Energy Research Corp		
Raymond A. Glennon, 1730 Pennsylvania Avenue, NW, #265 Washington, DC 20006	Air Products & Chemicals, Inc	1,800.00	295.75
Global USA, Inc, Global House 1823 Jefferson Place, NW Washington, DC 20036	Fanuc Ltd		
Do	Hitachi Ltd		
Do	Komatsu Ltd		
Do	Kyocera Corporation		
Do	Mazak Corporation		
Do	Samsung Semiconductor & Telecommunication Co		
Gnau & Associates, Inc, 1945 Southfield Rd. Birmingham, MI 48009	Doctor's Hospital		
Do	Ford Aerospace & Communications Corp		
Do	Intech Systems		
Do	Intergy, Inc		
Do	Primark Corporation		
Stephanie R. Godley, 1611 N. Kent Street, #800 Arlington, VA 22209	American Apparel Manufacturers Assn, Inc	1,000.00	50.00
James W. Godlove, 1825 K Street, NW, #1107 Washington, DC 20006	Phillips Petroleum Co	1,020.00	81.38
Jean C. Godwin, Laroe Winn & Moerman 1120 G Street, NW, #800 Washington, DC 20005	Coordinating Comm for Rail Competition		
Richard P. Godwin, P.O. Box 3965 San Francisco, CA 94119	Bechtel Civil & Minerals, Inc		
Judith M. Goff, 375 Jackson Street St. Paul, MN 55101	Farm Credit Services	600.00	238.09
A. James Golato, 2300 M St., NW, #800 Washington, DC 20037	H&R Block, Inc		
Harvey S. Gold, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Gold & Liebengood, Inc, The Willard Office Building 1455 Pennsylvania Avenue, NW, #950 Washington, DC 20004	Aerojet Ordnance Co	7,515.00	1,048.00
Do	American Academy of Ophthalmology	1,400.00	789.00
Do	ALIGNPAC	12,090.00	1,143.00
Do	Bank of America	1,761.00	252.00
Do	H. E. Butt Grocery Co	18,000.00	1,033.00
Do	Chemical Bank	1,761.00	252.00
Do	Chemical Manufacturers Assn	6,230.00	1,143.00
Do	Citicorp	1,761.00	252.00
Do	City of Pueblo, et al	4,500.00	919.00
Do	College of American Pathologists	5,000.00	1,143.00
Do	Conrail Acquisition Corp, Inc	15,000.00	963.00
Do	Doremus & Co	2,470.00	878.00
Do	Electronic Data Systems Corp	12,500.00	1,143.00
Do	Energy Research Corp #200	8,400.00	1,018.00
Do	Equitable Life Assurance Society of the U.S	25,000.00	1,143.00
Do	Eye Bank Assn of America	500.00	1,143.00
Do	Federated Investors, Inc	6,250.00	1,143.00
Do	Fiat, USA	48,000.00	1,143.00
Do	First Boston Corp	5,000.00	743.00
Do	Ford Motor Co	225.00	775.00
Do	Investment Company Institute	19,012.00	1,143.00
Do	Mariott Group/Marriott Corp	2,250.00	897.00
Do	Marist College		763.00
Do	Martin Marietta Corp	5,000.00	891.00
Do	MCI Communications	31,200.00	1,143.00
Do	National Football League	4,674.00	1,143.00
Do	National School Transportation Assn	4,653.00	1,143.00
Do	National Venture Capital Assn		743.00
Do	Outdoor Advertising Assn of America, Inc	2,000.00	743.00
Do	Phillips Petroleum Co	11,500.00	1,143.00
Do	Professional Services Council	14,850.00	1,143.00
Do	Public Securities Assn	27,000.00	1,143.00
Do	Texas Cattlefeeders Assn	5,450.00	1,143.00
Do	Texas Commerce Bank	1,761.00	252.00
Do	Ticor Title Insurance Co	7,500.00	1,089.00
Do	Times Mirror Co	5,338.00	1,143.00
Do	Tobacco Institute	30,000.00	1,143.00
Do	Transportation Infrastructure Advisory Group		743.00
Do	Washington Metropolitan Area Transit Authority	15,750.00	743.00
James R. Golden, 2792 N. Quebec Street Arlington, VA 22207	Ford Motor Co	655.00	512.90
Golden Freda & Schraub, P.C., 1625 Massachusetts Avenue, NW, #300 Washington, DC 20036	Atlantic Satellite Comm, Inc & Earth Station Satellite		
Ronald L. Goldfarb, Goldfarb & Singer 918 16th Street, NW, #503 Washington, DC 20003	Washington Independent Writers, Inc		
Robert H. Goldsborough, 5508 Lombardy Place Baltimore, MD 21210	Americans for Immigration Control, Inc	6,000.00	
Benson S. Goldstein, 1010 North Fairfax Street Alexandria, VA 22314	National Soc of Public Accountants		
Helane L. Goldstein, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	1,862.50	436.75
Ruth M. Goltzer, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation	3,307.99	107.52
John Gonella, 412 First St., SE, #200 Washington, DC 20036	Association of American Railroads	800.55	73.95
Helen C. Gonzales, 236 Massachusetts Ave., NE, #504 Washington, DC 20002	National Consumer Law Center	229.19	
Ruth Gonze, Third Floor 2301 M Street, NW Washington, DC 20037	American Public Power Assn	3,000.00	
David R. Goode, 8 N. Jefferson Street Roanoke, VA 24042	Norfolk Southern Corp	5,290.00	1,605.70
Charles E. Goodell, 1818 N Street, NW Washington, DC 20036	DGA International, Inc (for Sofreavia)		
Do	DGA International, Inc (for SNECMA)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Thomson-CSF		
Susan Goodman, 1730 K Street, NW, #703 Washington, DC 20006	American Business Conference	69.23	25.00
Richard F. Goodstein, 1150 Connecticut Avenue, NW, #600 Washington, DC 20036	Browning-Ferris Industries, Inc	210.00	100.00
Lee M. Goodwin, Wickwire Gavin & Gibbs, P.C. 1133 21st Street, NW Washington, DC 20036	Kaiser Power Corp	200.00	
Do	National Hydropower Assn	500.00	
Do	Purpa Coalition, Inc		
Robert F. Goodwin, 1850 K St., NW, Suite 275 Washington, DC 20006	Meredith Corp	40.00	23.50
John Gordley, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Evans Grain Co)		
Do	Gray & Co Public Communications Int'l, Inc (For:Hyundai Motor America)		
Do	Gray & Co Public Communications Int'l, Inc (For:Iowa Pork Producers Assn)		
Do	Gray & Co Public Communications Int'l, Inc (For:National Sunflower Assn)	1,200.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Renewable Fuels Assn)		
Do	Gray & Co Public Communications Int'l, Inc (For:Valmont Industries)	800.00	
Randall C. Gordon, 725 15th Street, NW Washington, DC 20005	National Grain & Feed Assn		
Stephen Gordon, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
William Gordon, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	2,000.00	239.38
Millicent Gorham, 600 Maryland Ave., SW, #400e Washington, DC 20024	American Optometric Assn		
David W. Gorman, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	13,322.40	188.48
James D. Gormley, 1400 K Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Association	6,058.00	
Ann M. Gosier, 1920 N St., NW Washington, DC 20036	American Mining Congress	30.00	10.00
Peter Gossens, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities		
John T. Gould Jr., One Champion Plaza Stamford, CT 06921	Champion International Corp		
Gould, Inc, 1755 Jefferson Davis Highway, #900 Arlington, VA 22202			32.30
Government Strategies, Inc, 1518 Walnut Street, #1600 Philadelphia, PA 19102	Lukens, Inc	10,800.00	3,143.00
Hugh J. Gownley, 1818 N St., NW Washington, DC 20036	DGA International, Inc (For:SNECMA)		
Edmund Graber, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	1,000.00	500.00
John R. Graff, 4230 King Street Alexandria, VA 22302	International Assn of Amusement Parks & Attractions		
Elaine Graham, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Lawrence T. Graham, 1401 New York Avenue, NW, #400 Washington, DC 20005	National Food Processors Assn	500.00	100.00
John K. Gram, 610 S.w. Broadway, #608 Portland, OR 97205	Public Timber Purchasers Group	1,781.25	530.00
Frances Turk Granahan, 1090 Vermont Avenue, NW, #600 Washington, DC 20005	Texas Eastern Transmission Corp		48.35
Grange Mutual Casualty Co, 650 South Front Street Columbus, OH 43206			
James I. Granger, 1911 Jefferson Davis Highway, #1002 Arlington, VA 22206	Piper Aircraft Corporation	500.00	235.00
William W. Grant, 1150 Connecticut Ave., NW, #710 Washington, DC 20036	Utah International, Inc		465.34
James L. Granum, 1050 Connecticut Ave., NW Washington, DC 20036	Norfolk Southern Corp	1,000.00	
Grassroots, Nat'l Assn of Farm Credit System Stockholders, 501 Alabama Street P.O. Box 1070 Jacksonville, TX 75766			
Karla L. Graue, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	892.00	
Ruth P. Graves, 600 Maryland Ave., SW, #500 Washington, DC 20024	Reading Is Fundamental, Inc		
Thomas P. Graves, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn		
David C. Gray, 2939 Van Ness Street, NW, #108 Washington, DC 20008	American Camping Association	4,500.00	691.16
Do	Portsmouth-Kittery Armed Services Committee, Inc	2,250.00	939.22
James A. Gray, 7901 Westpark Dr. Mclean, VA 22102	National Machine Tool Builders' Assn	906.00	25.00
Robert K. Gray, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Bell Atlantic Management Services)		
Do	Gray & Co Public Communications Int'l, Inc (For:Budd Company)		
Do	Gray & Co Public Communications Int'l, Inc (For:Canadian Asbestos Information Centre)		
Do	Gray & Co Public Communications Int'l, Inc		
Do	Gray & Co Public Communications Int'l, Inc (For:Hyundai Motor America)		
Do	Gray & Co Public Communications Int'l, Inc (For:HTB Corporation)		
Do	Gray & Co Public Communications Int'l, Inc (For:Iowa Pork Producers Assn)		
Do	Gray & Co Public Communications Int'l, Inc (For:Joint Maritime Congress)		
Do	Gray & Co Public Communications Int'l, Inc (For:Mutual of Omaha)		
Do	Gray & Co Public Communications Int'l, Inc (For:Republic of Turkey)		
Do	Gray & Co Public Communications Int'l, Inc (For:Shaklee Corporation)		
Do	Gray & Co Public Communications Int'l, Inc (For:Stroh Brewery Co)		
Do	Gray & Co Public Communications Int'l, Inc (For:Tesoro Petroleum Corp)		
Do	Gray & Co Public Communications Int'l, Inc (For:Title Insurance Industry Coalition)		
Do	Gray & Co Public Communications Int'l, Inc (For:Tobacco Institute)		
Do	Gray & Co Public Communications Int'l, Inc (For:U.S. Banknote Corp)		
Do	Gray & Co Public Communications Int'l, Inc (For:United Airlines, Inc)		
Mark E. Grayson, 1201 Pennsylvania Ave., NW, #700 Washington, DC 20004	Hill & Knowlton, Inc		
Mary R. Grealy, 1111 19th Street, NW, #402 Washington, DC 20036	Federation of American Health Systems	1,500.00	
Great American Reserve Insurance Co, 2020 Live Oak P.O. Box 388 Dallas, TX 75221			1,520.00
Greater Washington/Maryland Service Station Assn, 9420 Annapolis Rd., #307 Lanham, MD 20706		1,000.00	1,000.00
James R. Greco, P.O. Box 3151 Houston, TX 77001	Browning-Ferris Industries, Inc		
Donald R. Greeley, 1101 17th St., NW, #307 Washington, DC 20036	Celanese Corp	2,500.00	360.05
George R. Green, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	450.00	
Kaylene H. Green, 555 New Jersey Ave., NW, #880 Washington, DC 20001	Bath Iron Works Corp	500.00	230.52
Leon Green Jr., 1133 21st Street, NW, #500 Washington, DC 20036	Clean Coal Coalition, Inc		
Micah S. Green, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	2,000.00	750.17
Randy Green, 600 Maryland Avenue, SW, #510 Washington, DC 20024	American Soybean Association	5,005.00	294.53
Wayne Green, Enterprises, Inc Route 202 North Peterborough, NH 03458	73, Inc		
H. Thomas Greene, 412 1st St., SE Washington, DC 20003	National Automobile Dealers Assn	7,500.00	
Marci E. Greenstein, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	2,330.00	398.45
Dale W. Greenwood, 612 Hoge Bldg. Seattle, WA 98104	Washington Railroad Assn		
Sarah Massengale Gregg, 1667 K Street, NW, #710 Washington, DC 20006	Baxter Travenol Laboratories, Inc		
Saunders Gregg, PO Box 2628 Houston, TX 77252	Entex, Inc	471.00	1,280.03
John D. Gregory, 1330 Lady St., #606 P.O. Box 12458 Columbia, SC 29211	Camp Carmouche Barsh... (for Sears Roebuck & Co)		
Do	Multifamily Housing Association		
Do	Norfolk Southern Corp	2,150.00	
William G. Greif, 1155 15th St., NW Washington, DC 20005	Bristol-Myers Co	500.00	
Ginny Grenham, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	280.00	274.42
Mariana E. Griesmer, 1010 Wisconsin Ave, NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Ellen Griffee, 1413 K Street, NW, 10th Fl. Washington, DC 20005	Association of Science-Technology Centers	6,994.00	134.05
Randall Griffin, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	3,500.00	74.30
Tom W. Griffith, 1448 Duke St., #100 Alexandria, VA 22314	National Rural Letter Carriers Assn	25,974.00	
Mark N. Griffiths, Smith Bucklin & Associates 1101 Connecticut Ave, NW, #700 Washington, DC 20036	National Assn of Metal Finishers	750.00	
Jack Grimes, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Norman E. Grimm Jr., 8111 Gatehouse Road Falls Church, VA 22047	AAA Potomac		
Olga Grkavac, 1300 North 17th St., #300 Arlington, VA 22209	Association of Data Processing Service Organizations		
Grocery Manufacturers of America, Inc, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007			4,864.89
James J. Grogan, P.O. Box 19614 Irvine, CA 92714	Lincoln Savings & Loan Assn	10,000.00	2,500.00
James N. Groninger, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	629.10
Groom & Nordberg, Chtd, 1775 Pennsylvania Avenue, NW, #700 Washington, DC 20006	Aluminum Company of America		
Do	American Petrofina, Inc		
Do	American Petroleum Institute	250.00	10.00
Do	Bankers Life Company	200.00	10.00
Do	Baxter Travenol Laboratories, Inc		
Do	Chevron Corporation	200.00	10.00
Do	Colorado-Ute		
Do	Connecticut General Insurance Co		
Do	Eli Lilly & Company	150.00	8.00
Do	Equitable Life Assurance Society of the U.S.		
Do	Goldman Sachs & Co		
Do	John Hancock Mutual Life Insurance Co		
Do	Minnesota Mutual Life Insurance Company		
Do	Murphy Oil USA, Inc		
Do	New York City Teachers Retirement System		
Do	Ocean Drilling & Exploration Co		
Do	Phillips Petroleum Co	100.00	8.00
Do	Physicians Mutual Insurance Co	400.00	50.00
Do	Prudential Insurance Co of America	500.00	50.00
Do	Puerto Rico, USA Foundation	350.00	40.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	R.J. Reynolds	50.00	6.00
Do	Reading & Bates Corporation		
Do	Southern California Edison Co	100.00	8.00
Do	Union Texas Petroleum Corp	100.00	8.00
Do	Westinghouse Electric Corp		
Nina G. Gross, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	495.73
Ed Grosswiler, 920 SW Sixth Avenue 1400 Public Service Building Portland, OR 97204	Pacific Power & Light Co	2,426.00	
Walter B. Grubbs, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Co		
John T. Grupenhoff, 10,000 Falls Rd., #306 Potomac, MD 20854	American Academy of Dermatology	3,150.00	199.70
Do	American Academy of Otolaryngology-Head & Neck Surgery	400.00	199.80
Do	American Gastroenterological Assn	1,200.00	181.20
Do	American Soc for Gastrointestinal Endoscopy	1,200.00	182.80
Do	American Soc of Clinical Oncology	600.00	207.70
Do	American Urological Assn/Amer Assn of Clinical Urologists	860.00	181.40
Do	Association of American Cancer Institutes	1,110.00	192.70
Do	Cooley's Anemia Foundation	200.00	178.90
Do	National Hemophilia Foundation	400.00	194.40
Gerald M. Guarilia, 70 North Main Street Wilkes-Barre, PA 18711	Blue Cross of Northeastern Pennsylvania		
Kenneth A. Guenther, One Thomas Circle, NW, #950 Washington, DC 20005	Independent Bankers Assn of America		
Mary Scott Guest, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	CSX Corp	10,000.00	
Do	Dillon Reed & Co, Inc	25,000.00	
Do	LF Rothschild Unterberg Towbin, Inc	12,000.00	
Do	Michigan State Housing Development Authority		
Do	O'Connor & Hannan	5,000.00	
Do	South Carolina State Family Farm Development Authority		
Clark J. Guild Jr., Guild Hagen & Clark, Ltd 102 Roff Way Reno, NV 89505	Motion Picture Assn of America, Inc		
James E. Guirard Jr., 1730 Rhode Island Avenue, NW, #419-19 Washington, DC 20036	BASF Chemicals Corp		77.82
Do	KMS Fusion, Inc	450.00	267.04
Do	Rexnord Defense Systems, Inc	1,000.00	540.85
Do	Textron Marine Systems, Inc	2,000.00	467.40
Do	Walk-Haydel & Associates, Inc		
Jerome R. Gulan, 1155 15th St., NW, #710 Washington, DC 20005	National Small Business Assn	3,183.00	
Jack Gullahorn, P.O. Box 571 Austin, TX 78767	Coastal Conservation Assn	2,000.00	
Gun Owners of America, Inc, 5881 Leesburg Pike, #204 Falls Church, VA 22041		159,401.52	125,860.94
Dan A. Gunderson, Minnesota Petroleum Council 386 N. Wabasha St., #1025 St. Paul, MN 55102	American Petroleum Institute	54.00	91.37
David Gusky, 1016 16th Streeet, NW Washington, DC 20036	National Fed of Federal Employees	1,099.20	
Susan L. Gustafson, 8111 Gatehouse Road Falls Church, VA 22047	American Automobile Assn		
Paul D. Guth, 1200 Four Penn Center Philadelphia, PA 19103	Philadelphia Stock Exchange		
Ned H. Guthrie, 209 Hayes Avenue Charleston, WV 25314	American Fed of Musicians	3,916.25	4,893.72
Alvin M. Guttman, 818 Connecticut Ave., NW, #300 Washington, DC 20006	Towing & Recovery Assn of America, Inc		
Daniel Guttman, Spiegel & Mcdiarmid 1350 New York Ave., NW Washington, DC 20005	Service Employees International Union, AFL-CIO		
Dallas E. Gwynn, Balcor Plaza 4849 Golf Road Skokie, IL 60077	Balcor Co	19,500.00	10,658.46
GA Assn of Petroleum Retailers, Inc, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083			
GFE, Ltd, 1701 K Street, NW, #705 Washington, DC 20006	Consejo Empresarial Mexicano Para Asuntos Internacionales	1,030.10	5,966.72
Jane Scherer Haake, 1667 K Street, NW, #420 Washington, DC 20006	Mead Corporation	350.00	
Dana W. Haas, 1920 N St., NW, #720 Washington, DC 20036	Kansas City Power & Light Co, et al	3,000.00	3,607.47
George Hacker, 1501 16th Street, NW Washington, DC 20036	Center for Science in the Public Interest	1,150.00	38.00
Craig Hackler, 400 N. Capitol St., NW, #320 Washington, DC 20001	Beneficial Management Corp of America	500.00	
Do	Cadillac Fairview U.S., Inc	10,000.00	
Do	International Chiropractic Assn		
Loyd Hackler, 1616 H St., NW Washington, DC 20006	American Retail Federation	1,000.00	60.00
Charles W. Hackney Jr., 15th & M sts., NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
William G. Haddeland, 1025 Connecticut Avenue, NW Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Gene P. Haflich, Indiana Petroleum Council 714 Harrison Building Indianapolis, IN 46204	American Petroleum Institute	1,265.74	970.06
Thomas M. Hagan, 1005 Congress Ave., #795 Austin, TX 78701	Central & South West Services, Inc	372.00	222.25
Hagedorn-Cando, Inc, 1704 23rd St., So. Arlington, VA 22202	Hansen Engine Corp	1,000.00	
Do	Davy McKee Corp		
Do	Yankee Energy Co	1,000.00	
Ann Hagemann, 1735 Desales St., NW, #400 Washington, DC 20036	Association of Maximum Service Telecasters, Inc		
Kenneth C.O. Hagerty, 1612 K Street, NW, #1100 Washington, DC 20006	American Electronics Assn	2,000.00	850.00
Bruce N. Hahn, 9300 Livingston Rd. Ft. Washington, MD 20744	National Tooling & Machining Assn	12,923.10	1,621.41
Peter H. Hahn, 1100 17th St., NW, #1000 Washington, DC 20036	Chromalloy American Corp		
Thomas F. Hairston, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California	6,000.00	1,582.22
Randolph M. Hale, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		
Hale and Dorr, 1455 Pennsylvania Avenue, NW Washington, DC 20004	Indian Land Claim Committee		
Do	Town of Mashpee		
Beverly Halem, P.O. Box 1419 Cocoa, FL 32922	Halem Industries, Inc		
Martin Haley Companies, Inc, 1015 15th St., NW Washington, DC 20005	M&M/Mars		
Edwin K. Hall, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	5,000.00	903.12
Richard F. Hall, 1700 K Street, NW, #502 Washington, DC 20006	Pacific Resources, Inc	500.00	
William F. Hall, P.O. Box 803887 Chicago, IL 60680-3887	Midwest Public Affairs-Management Consulting Group		
Marian Hall-Crawford, 316 Pennsylvania Avenue, SE, #301 Washington, DC 20003	San Diego Gas & Electric	1,385.00	2,800.72
Paul Hallisay, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,250.00	384.23
Joseph Halow, 1747 Pennsylvania Ave., NW, #1175 Washington, DC 20006	North American Export Grain Assn, Inc		
Maurice E. Halsey, P.O. Box 190 Aurora, IL 60507	Northern Illinois Gas Company	2,000.00	
Paul T. Haluza, 1325 Pennsylvania Ave., NW Washington, DC 20004	Motor and Equipment Manufacturers Association	3,000.00	34.45
Hamel & Park, 888 16th Street, NW Washington, DC 20006	Beneficial Foundation		
Do	Estate of Helen Wodell Halbach		
Do	Graeper-Van Noy-Wagner, Inc		
Do	Grand Trunk Corp	2,385.00	110.93
Do	Puerto Rico League of Savings Institutions		
Do	Skylink Corporation, Inc		
Do	Tandy Corporation		
J. Lee Hamilton, 1331 Pennsylvania Avenue, NW, #1550N Washington, DC 20004-1703	National Assn of Manufacturers	228.96	
James L. Hamilton III, 818 Connecticut Ave., NW Washington, DC 20006	USX Corp	665.00	108.44
Philip W. Hamilton, 1825 K St., NW Washington, DC 20006	American Soc of Mechanical Engineers		
Violet B. Hamilton, 4-21 Astoria Blvd., #5b Long Island City, NY 11102	Astoria Tenants Organization		600.00
Susan Woodward Hamlin, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Amy R. Hammer, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation	740.00	584.52
Timothy A. Hanan, 1100 Connecticut Avenue, NW Washington, DC 20036	Mobil Oil Corp	1,500.00	
D. Michael Hancock, 100 Maryland Avenue, NE Washington, DC 20002	National Coalition to Ban Handguns		
Nolan W. Hancock, 1126 16th St., NW Washington, DC 20036	Oil Chemical & Atomic Workers International Union	5,549.00	
Ted Handel, Third Floor 2301 M Street, NW Washington, DC 20037	American Public Power Assn	4,000.00	
Handgun Control, Inc, 1400 K Street, NW, #500 Washington, DC 20005		706,273.00	219,899.00
James M. Hanley, 300 Metropolitan Square 655 15th Street, NW Washington, DC 20005	Alliance of Non-Profit Mailers	7,500.00	
Elisabeth Hanlin, 2000 L St., NW, #810 Washington, DC 20036	Sperry Corporation		
Thomas H. Hanna, 300 New Center Building Detroit, MI 48202	Motor Vehicle Manufacturers Assn of the U.S., Inc	125.00	34.50
Frederick J. Hannett, 655 15th Street, NW 300 Metropolitan Square Washington, DC 20005	American Medical International	4,500.00	51.50
Hansell & Post, 1667 K St., NW, #500 Washington, DC 20006	CSX Corporation		
Do	Rockwell International Corp	8,000.00	25.17
Do	United Family Life Insurance Co	16,240.00	109.27
Christopher W. Hansen, 1700 N. Moore Street Rosslyn, VA 22209	Boeing Co	3,108.27	1,591.24
Erling Hansen, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
J. E. Hansen, 400 1st St., NW Washington, DC 20001	Brotherhood of Railroad Signalmen	350.00	
Daniel J. Hanson Sr., 525 School St., SW Washington, DC 20024	American Road & Transportation Builders Assn	22,662.00	640.60
Peter J. Hapworth, 1015 15th Street, NW, #200 Washington, DC 20005	National Pork Producers Council	1,000.00	9.00
Robert N. Harbor, P.O. Box 1492 El Paso, TX 79978	El Paso Natural Gas Co		
Ralph Harding, Suite 717 Watergate 2600 Virginia Avenue, NW Washington, DC 20037	Sugar Regulatory Administration	60,000.00	40,135.72
Eugene J. Hardy, 1100 17th St., NW, #1000 Washington, DC 20036	Gerber Products Co	500.00	25.50
James W. Harff, 1818 N Street, NW, #350 Washington, DC 20036	Susan Davis International (For:Turkish Republic of Northern Cyprus)	1,859.38	588.36
Jon Harkavy, 205 East 42nd Street New York, NY 10017	Risk & Insurance Management Society, Inc		
Charles N. Harkey, 453 New Jersey Avenue, SE Washington, DC 20003	Beneficial Management Corp of America	1,581.00	
Dan R. Harlow, 717 N. Harwood Street Dallas, TX 75201	Diamond Shamrock Corp	1,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Patricia L. Harmening, 316 Pennsylvania Ave., SE, #301 Washington, DC 20003	San Diego Gas & Electric	635.00	2,727.06
Wiley C. Harrell Jr., 1211 Connecticut Ave., NW, #502 Washington, DC 20036	Anheuser-Busch Companies, Inc		
Toni Harrington, 955 L'enfant Plaza North, SW, #905 Washington, DC 20024	American Honda Motor Co, Inc	200.00	150.86
Crane B. Harris, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects	1,000.00	
Marilyn A. Harris, 818 Connecticut Avenue, NW Washington, DC 20006	USX Corporation	470.00	13.40
Milton E. Harris, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Harris Steel Group, Inc		
Richard M. Harris, 525 School St., SW Washington, DC 20024	American Road & Transportation Builders Assn	16,920.00	517.02
Sandra Zeune Harris, 1120 20th Street, NW, #700 Washington, DC 20036	Williams Companies	100.00	
Harris & Berg, 1101 30th St., NW, #103 Washington, DC 20007	Association of Food Industries, Inc		16.00
Do	Cheese Importers Assn of America, Inc	2,500.00	18.00
Do	Committee of Domestic Steel Wire Rope & Specialty Cable Mfrs		
Do	P. L. Thomas & Co, Inc, et al		
Jim Harrison, 1225 Connecticut Ave., NW, 306 Washington, DC 20036	Association of Urban Universities		20.62
Anne Harrison-Clark, 1725 H Street, NW, #814 Wsahington, DC 20006	March of Dimes Birth Defects Foundation	4,125.00	29.35
J. William W. Harsch, 6th Floor 1722 Eye Street, NW Washington, DC 20006	Solv-Ex Corporation	1,620.00	722.29
William H. Harsha, 1102 Delf Drive Mclean, VA 22101	Wm. H. Harsha & Assoc, Inc (For:Airline Pilots Assn)	5,000.00	
Do	William H. Harsha & Associates, Inc (For:Norfolk Southern Corp)	10,000.00	
Jayne A. Hart, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,750.00	45.00
Lynn S. Hart, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	3,000.00	
Susan P. Hart, 1600 M Street, NW Washington, DC 20036	Investment Company Institute		
Gabriel A. Hartl, 2020 N. 14th Street, #410 Arlington, VA 22201	Air Traffic Control Assn, Inc		
Arthur W. Hartmann, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Edwin Harold Harvey, 1016 16 St., NW Washington, DC 20036	National Fed of Federal Employees		
Clifford J. Harvison, 2200 Mill Rd. Alexandria, VA 22314	National Tank Truck Carriers, Inc		
Holly Hassett, 1730 Rhode Island Avenue, NW, #206 Washington, DC 20036	Hershey Foods Corp		
Lewis B. Hastings, 1776 K St., NW, #300 Washington, DC 20006	Motorola, Inc	3,000.00	
Walter A. Hasty Jr., 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	133.75	
Janet Hathaway, 1412 16th Street, NW Washington, DC 20036	National Wildlife Federation	8,840.00	
Gary R. Hattal, 8701 Georgia Avenue, #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Howard M. Haug, 100 East 42nd St. New York, NY 10017	National Foreign Trade Council, Inc	17,000.00	1,859.24
James N. Haug, 55 E. Erie Street Chicago, IL 60611	American College of Surgeons		
Barbara S. Haugen, 1401 New York Ave., NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc	4,300.00	
Marilyn Beth Haugen, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Barbara J. Haugh, 1050 Connecticut Avenue, NW, #760 Washington, DC 20036	Union Oil Co of California		4,514.18
Mary W. Haught, 1800 K St., NW, #820 Washington, DC 20006	Sun Co, Inc	725.00	43.29
Arnold I. Havens, 1818 N Street, NW Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Burlington Northern, Inc)	9,780.00	513.94
Do	Eckert Seamans Cherin & Mellott (For:CSX Corp)	10,790.00	165.79
Charles W. Havens III, 1333 New Hampshire Avenue, NW Washington, DC 20036	Leboeuf Lamb Leiby & Macrae		
Kathryn Joann Hawes, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Sidney G. Hawkes, 1667 K St., NW, #420 Washington, DC 20006	Mead Corporation	1,250.00	40.00
Charles E. Hawkins III, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
John H. Hawkins Jr., 600 N. 18th St. Birmingham, AL 35291	Alabama Power Co	14,928.90	
Paul M. Hawkins, 25 Audubon Place Hilton Head, SC 29928	Colonial Life & Accident Insurance Co	25.00	71.10
David J. Hayes, 815 Connecticut Ave., NW Washington, DC 20006	American Electronics Assn		13.01
Do	Hogan & Hartson (For:Semiconductor Industry Association)		11.86
Robert G. Hayes, Bogle and Gates One Thomas Circle, NW, #900 Washington, DC 20005	American Fishing Tackle Manufacturers Assn	2,000.00	
Do	Coastal Conservation Assn	2,000.00	
Do	Kalama Chemical, Inc	1,000.00	
R. Michael Haynes, 1156 15th Street, NW, #1101 Washington, DC 20005	National Assn of Small Business Investment Companies	3,000.00	
Robert A. Haynos, 4711 Hunt Circle Harrisburg, PA 17112	Harsco Corporation	17,400.00	1,471.67
Holly Elisabeth Hazard, 400 First Street, NW, #800 Washington, DC 20001	Committee for Humane Legislation, Inc		
Do	Friends of Animals, Inc	3,750.00	268.02
Health Insurance Assn of America, Inc, 1025 Connecticut Ave., NW Washington, DC 20036		1,072.97	1,072.97
Robert L. Healy, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	300.00	
Keith Heard, 1030 15th St., NW, #700 Washington, DC 20005	National Cotton Council of America	10,750.00	
Charles L. Hebner, New Murphy Road & Concord Pike Wilmington, DE 19897	ICI Americas, Inc		
Bill Hecht, 499 South Capitol Street, SE, #501 Washington, DC 20003	Brown & Williamson Tobacco Corp	2,500.00	
Do	Bill Hecht & Associates, Inc	7,500.00	
Do	Los Angeles Raiders	500.00	
Do	Southern California Rapid Transit District	2,000.00	
Bill Hecht and Associates, Inc, 499 South Capitol Street, SE, #507 Washington, DC 20003	American Gas Assn		
Do	American Security Council	500.00	
Do	Boy Scouts of America	1,000.00	
Do	Church Alliance	2,000.00	
Do	Crowley Maritime Corp		
Do	CSX Corporation	2,000.00	
Do	Footwear Retailers of America	500.00	
Do	Government of the Republic of Panama	2,000.00	
Do	Hong Kong Trade Development Council	2,000.00	
Do	Illinois Dept of Energy & Natural Resources	1,000.00	
Do	Irvine Company	2,000.00	
Do	Kaiser Steel Corp	500.00	
Do	Mutual Fairness Taxation Assn	1,500.00	
Do	Traweek Investment Co, Inc	1,000.00	
Do	Western Growers Association	2,500.00	
Herbert A. Hedden, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
William N. Hedeman Jr., Beveridge & Diamond, P.C. 1333 New Hampshire Avenue, NW Washington, DC 20036	Superfund Contractors Coalition, et al	95,000.00	32,168.66
Jay Hedlund, 2030 M St., NW Washington, DC 20036	Common Cause	10,946.28	260.87
John Heffner, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
M. L. Hefti, 1700 North Moore Street, 21th Fl. Rosslyn, VA 22209	Boeing Company	1,653.06	1,705.49
Robert E. Heggestad, 1331 Pennsylvania Avenue, NW, #524 Washington, DC 20004	Casey Scott & Canfield, P.C. (For:Association for Regulatory Reform)		
John F. Heilman, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	18,200.00	338.39
Robert M. Heine, 1701 Pennsylvania Avenue, NW Washington, DC 20006	Conoco, Inc	1,000.00	
Richard L. Hellwege, 1911 Jefferson Davis Highway, #1002 Arlington, VA 22202	Lear Siegler, Inc		
Edward A. Helme, 444 N. Capitol Street, #339 Washington, DC 20001	Alliance for Acid Rain Control	805.00	2.00
Suzanne C. Helmick, One Nationwide Plaza Columbus, OH 43216	Nationwide Insurance Co	600.00	696.00
Thomas M. Helscher, 1101 17th Street, NW, #604 Washington, DC 20036	Monsanto Co	450.00	342.27
Craig R. Helsing, 499 S. Capitol St., SW, #507 Washington, DC 20005	Bill Hecht & Associates, Inc	1,000.00	
Carol C. Henderson, 110 Maryland Ave., NE, #101, Box 54 Washington, DC 20002	American Library Assn	977.00	
Kathleen M. Henderson, 1025 Vermont Ave., NW, #500 Washington, DC 20005	Miles Laboratories, Inc		
Carol Diane Hendricks, 2601 Park Center Drive, #c804 Alexandria, VA 22302	American Maritime Officers Service		
Dennis A. Henigan, 1775 Pennsylvania Ave., NW Washington, DC 20006	Foley & Lardner (For:City of Kenosha, Wisconsin)		
C. Dayle Henington, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20036	Chicago Mercantile Exchange		
Hennessy Associates, 152 Washington Avenue Albany, NY 12210		4,000.00	1,360.00
George F. Hennrikus Jr., 201 N. Washington St. Alexandria, VA 22314	Retired Officers Assn	6,031.00	
LeAnn Hensche, 2550 M St., NW, #770 Washington, DC 20037	RJR Nabisco, Inc	205.00	80.09
David A. Henson, 100 N.e. Adams Street Peoria, IL 61629	Caterpillar Tractor Co	125.00	39.87
Bruce Heppen, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
George B. Herbert Sr., 6601 Southpoint Drive, #245 Jacksonville, FL 32216	J M Family Enterprises, Inc	26.25	3.00
Mary Lyn Herdt, 1001 22nd Street, NW Washington, DC 20037	Standard Oil Co (Ohio)		
William Hermelin, 1200 15th Street, NW Washington, DC 20005	American Health Care Assn	4,768.81	
Catherine L. Heron, 1600 M St., NW Washington, DC 20036	Investment Company Institute	346.62	29.50
Heron Burchette Ruckert & Rothwell, 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007	Aerojet General Corp		907.85
Do	American Grape Growers Alliance for Fair Trade	10,953.53	152.23
Do	Association of Floral Importers of Florida	52,106.16	510.98
Do	Bay Area Rapid Transit District	2,051.74	1,001.61
Do	Bell & Howell/Columbia Pictures Video Services, Inc	1,052.77	274.24
Do	California Almond Growers Exchange	8,724.63	425.45
Do	California Assn of Rehabilitation Professionals	520.11	0.75
Do	California Student Loan Finance Corp		0.75
Do	Cellular Telecommunications Industry Assn	3,500.09	445.99
Do	Central Utah Water Conservancy District	3,778.83	767.94
Do	Chicago Mercantile Exchange	10,659.70	1,290.41

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Clark County Regional Flood Control District	1,750.00	180.85
Do	Credit-Rite	750.00	908.99
Do	Desert Research Institute	474.19	156.88
Do	Disney Development Co		5.44
Do	Farm Labor Alliance	42,254.29	5,659.79
Do	G.C. Services Corp	10,805.50	1,130.96
Do	Girling Health Care, Inc	7,095.19	1,159.82
Do	Granite Rock Co	387.89	1,146.40
Do	Grocery Manufacturers of America, Inc	10,798.32	2,253.90
Do	GSF Energy, Inc	9,275.61	2,718.06
Do	Hughes Aircraft Co	6,385.05	2,676.92
Do	Independent Cement Corp	3,172.06	
Do	Massport/Commonwealth of Massachusetts	3,317.93	1,517.19
Do	Metropolitan Water District of Southern California	5,025.00	586.31
Do	Mid-Valley Water Authority	3,616.79	280.05
Do	National Assn of Insurance Commissioners	9,427.65	340.01
Do	National Assn of Manufacturers		0.75
Do	National Council on Teacher Retirement	950.84	66.88
Do	National Medical Care	9,090.82	3,719.90
Do	National Potato Council	2,469.35	2,112.51
Do	NTEC - Northeast Texas Electric Cooperative, Inc	17,936.21	176.94
Do	Piedmont Aviation, Inc	8,681.38	5,073.05
Do	Rice Growers Assn of California	2,542.46	280.05
Do	Safecard Services, Inc	18.44	1.44
Do	Southwestern Power Resources Assn	2,664.09	271.51
Do	Sun-Diamond Growers of California	29,202.43	2,499.52
Do	Sunkist Growers, Inc	20,317.57	2,552.07
Do	Tex-La	65,511.77	924.06
Do	Time Energy Systems, Inc		0.75
Do	Tri/Valley Growers	2,651.95	990.57
Do	U.S. Telephone Association	99.06	84.78
Do	University of Nevada/Las Vegas	1,580.53	843.56
Do	University of Nevada/Reno	4,254.30	1,175.44
Do	Westlands Water District	5,611.21	1,923.61
Jo-Ann T. Herrick, 1800 K Street, NW, #530 Washington, DC 20006	Tesoro Petroleum Corp	1,500.00	
Barry Alexander Herring, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Laurel Steel Products, Ltd		
Fred Hervey, 2645 E. Washington P.O. Box 29021 Phoenix, AZ 85038	Reduce Our Debt Foundation		
Ted Allen Heydinger, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	2,900.00	128.30
Dale E. Heydlauff, 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Consumers United for Rail Equity (C.U.R.E.)		
Do	Illinois Commerce Commission		
Do	Illinois Environmental Protection Agency		
G. Brockwel Heylin, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Robert G. Hibbert, P.O. Box 3556 Washington, DC 20007	American Meat Institute	1,000.00	
Paul T. Hicks, Rhode Island Petroleum Assn 154 Francis St. Providence, RI 02903	American Petroleum Institute	350.00	
J. Thomas Higginbotham, One Mellon Bank Center, #2002 Pittsburgh, PA 15258	Mellon Bank N.A., et al.	2,000.00	904.69
Carol A. Higgins, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	126.09	128.47
Vern F. Highley, 1735 I Street, NW, #716 Washington, DC 20006		6,000.00	250.00
William H. Highsmith Jr., 1620 Eye Street, NW Washington, DC 20006	Tonya, Inc (For:City of Philadelphia, PA, et al.)	6,000.00	
Clifton T. Hilderley Jr., 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Gerald 'Jerry' Hill, 6 Executive Park Drive Atlanta, GA 30329	Amoco Corporation		
J. Eldred Hill Jr., 600 Maryland Ave., SW, #603 Washington, DC 20024	UBA, Inc	2,000.00	
Patricia Hill, 1619 Massachusetts Avenue, NW Washington, DC 20036	American Paper Institute, Inc	1,312.50	119.42
Robert B. Hill, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	400.00	824.02
Edward Joseph Hillings, 1015 15th St., NW, #900 Washington, DC 20005	Enron Corp	7,500.00	
John L. Hills, Rt. 1, Box 645 Purcellville, VA 22132	Sundstrand Corporation	2,013.35	
Heidi A. Hiltgen, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	1,000.00	500.00
Stanley E. Hilton, Laroe Winn & Moerman 1120 G Street, NW, #800 Washington, DC 20005	Coordinating Comm for Rail Competition		
John M. Himmelberg, Scott Harrison & Mcleod 2501 M Street, NW, #400 Washington, DC 20037	Florida Fruit & Vegetable Assn	3,000.00	
Do	Florida Tomato Exchange	1,500.00	
Rick Hind, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	4,799.97	
Sheila K. Hixson, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	1,710.85
Lawrence S. Hobart, 2301 M St., NW, #300 Washington, DC 20037	American Public Power Assn	1,000.00	
Claude E. Hobbs, 1801 K St., NW Washington, DC 20006	Westinghouse Electric Corp	2,500.00	60.00
Scott Hodes, 180 North La Salle St., #3800 Chicago, IL 60601	Zalman C. Bernstein		
Do	Investment Company Institute	17,300.00	
Irvin A. Hoff, 20 N. Live Oak Rd. Hilton Head Island, SC 29928	U.S. Cane Sugar Refiners' Assn	1,250.00	332.19
Thomas F. Hoffman, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Consolidation Coal Co	63.00	45.00
William L. Hoffman, 516 First Street, SE Washington, DC 20003	American University of Beirut	11,856.00	1,223.85
Do	Bitupol, Inc	9,000.00	404.39
Walter F. Hoffmann, 418 7th Street, SE Washington, DC 20003	Campaign for U.N. Reform	2,250.00	
F. Nordy Hoffmann and Assoc, Inc, 400 N. Capitol St., NW, #327 Washington, DC 20001	Archer Daniels Midland Company		
Do	Conrail Acquisition Corp, Inc	4,000.00	
Do	International Telephone & Telegraph Corporation	1,000.00	
Do	Marine Engineers' Beneficial Assn	1,000.00	
Do	Wilmorite, Inc		
Hogan & Hartson, 815 Connecticut Ave., NW Washington, DC 20006	American Electronics Assn	6,562.50	
Do	American Psychological Assn		30.40
Do	Caremark/Home Health Care of America		127.25
Do	Control Data Corp	7,967.50	
Do	Council of European & Japanese National Shipowners' Assn	23,250.00	139.13
Do	Economics Laboratory, Inc	3,278.75	
Do	GL International Trade, Inc		
Do	International Comm of Passenger Lines (ICPL)		143.52
Do	Manufacturers Hanover Trust Co	11,790.00	1,358.73
Do	May Department Stores Co	2,112.50	
Do	Meharry Medical College		
Do	National Hospice Organization	13,957.72	10.30
Do	Rohn & Haas Co	656.25	26.00
Do	Scientific Apparatus Makers Assn		
Do	SouthernNet, Inc		
Do	Storage Technology Corp	29,007.50	
Do	Timex Corporation	11,050.00	64.50
Do	Toyota Motor Sales, USA, Inc	6,096.25	83.00
Do	University of Pennsylvania		7.00
Philip A. Hogue, 150 S. Washington St., #100 Falls Church, VA 22046	International Technical Expertise Ltd		
Richard F. Hohlt, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	7,728.00	52.75
Walter Holan, 20 North Wacker Drive Chicago, IL 60606	Profit Sharing Council of America		
Bruce E. Holbein, 111 Powdermill Rd. (b79) Maynard, MA 01754	Digital Equipment Corp	17,500.00	
Michele O'Donnell Holbrook, 10 Lafayette Squrae, Rm. 900 Buffalo, NY 14203	National Fuel Gas Distribution Corp, et al	1,950.00	3,244.75
Niels C. Holch, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Energy Security Policy)	2,800.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Hoopa Valley Indians)		
Do	Gray & Co Public Communications Int'l, Inc (For:Lane Industries)	700.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Republic of Turkey)		
Do	Gray & Co Public Communications Int'l, Inc (For:Sencit Enterprises, Inc)	437.50	
Do	Gray & Co Public Communications Int'l, Inc (For:Shaklee Corporation)		
Do	Gray & Co Public Communications Int'l, Inc (For:Title Insurance Industry Coalition)	350.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Tobacco Institute)		
Do	Gray & Co Public Communications Int'l, Inc (For:U.S. Banknote Corp)		
Holden Group, Inc, 11365 West Olympic Boulevard Los Angeles, CA 90064			1,519.80
Holden Kidwell Hahn & Crapo, P.O. Box 129 Idaho Falls, ID 83402	Blaine Larsen, et al		
Philip C. Holladay, 1025 Connecticut Avenue, NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Brigid A. Holleran, 2550 M Street, NW, #640 Washington, DC 20037	CF Industries, Inc	500.00	95.00
Thomas L. Holloway, 1800 K Street, NW, #1018 Washington, DC 20006	Union Electric Co, et al	2,500.00	3,366.66

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Wendell M. Holloway, 815 Connecticut Ave., NW, #900 Washington, DC 20006	Ford Motor Co		
Diane S. Holmes, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	357.75	89.03
E. Y. Holt Jr., 1111 North 19th St., #700 Arlington, VA 22209	National Assn of Federal Credit Unions		
Fred H. Holt, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute	75.00	
John F. Holtz, NJ Petroleum Council 150 West State Street Trenton, NJ 08608	American Petroleum Institute		
Home Recording Rights Coalition, P.O. Box 33576 Washington, DC 20033			300.00
Pete Homer Jr., 4905 Arroyo Chamisa, NE Albuquerque, NM 87111			
Karen C. Hontz, 1875 Eye St., NW, #940 Washington, DC 20006	Gulf & Western Management Company	2,500.00	85.00
Edwin M. Hood, 1725 K Street, NW, #1102 Washington, DC 20006	National Steel & Shipbuilding Co	1,873.50	47.50
Hoog & Associates, 1877 Broadway, #405 Boulder, CO 80302	National Assn of Broadcasters		
Billy E. Hooper, 1522 K Street, NW, #828 Washington, DC 20005	Association of American Veterinary Medical Colleges		
Candice Shy Hooper, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	5,570.00	2,414.35
Marian Hopkins, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	3,750.00	583.15
Virginia E. Hopkins, 1620 Eye St., NW, #800 Washington, DC 20006	Taft Stettinius & Hollister (For:Kings Entertainment Co)		
Do	Taft Stettinius & Hollister (For:Taft Broadcasting Company)		
Do	Taft Stettinius & Hollister (For:Telephone & Data Systems, Inc)		
Do	Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc)		
Hopkins & Sutter, Three First National Plaza, #4200 Chicago, IL 60602	Montgomery Ward & Co, Inc		
Robert Jack Horn, 1990 M St., NW, #480 Washington, DC 20036	Detroit Edison Company	750.00	25.00
Harry J. Horrocks II, 40 Ivy Street, SE Washington, DC 20003	National Lumber & Building Material Dealers Assn	10,500.00	
Robert Horvitz, 1634 15th Street, NW Washington, DC 20009	Association of North American Radio Clubs	802.00	1,093.95
Sanford D. Horwitt, 5935 N. 5th Road Arlington, VA 22203	Committee for Humane Legislation, Inc		
Do	Friends of Animals, Inc		
Hospital Corp of America, 2000 L Street, NW, #200 Washington, DC 20035			19,332.40
William J. Hotes, 919 18th St., NW, #400 Washington, DC 20006	Diamond Shamrock Corp	1,000.00	361.32
Margaret A. Houlihan, 1620 I St., NW, #703 Washington, DC 20006	Bechtel Power Corporation		
Thomas B. House, 1700 Old Meadow Rd. Mclean, VA 22102	American Frozen Food Institute	1,000.00	
Jack W. Houston, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083	GA Assn of Petroleum Retailers, Inc		
John H. F. Hoving, The Hoving Group 910 17th Street, NW, #318 Washington, DC 20006	Valsan Re-Engining, Inc	7,500.00	
Hoving Group, 910 17th St., NW, #318 Washington, DC 20006	Eagle-Picher Industries, Inc	1,000.00	
Do	Western-Southern Life Insurance	500.00	
Charles O. Howard, 2501 Girard Avenue South Minneapolis, MN 55105	Great Northern Iron Ore Properties	6,300.00	6,014.82
John Howard, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	250.00	40.00
Robert M. Howard, 815 Connecticut Avenue, NW Washington, DC 20006	Ford Motor Co	835.20	845.16
Senga Howat, 1155 15th Street, NW, #710 Washington, DC 20005	National Small Business Assn	1,231.00	
Gary Howell, 1745 Jefferson Davis Highway, #1006 Arlington, VA 22202	Texas Instruments, Inc	400.00	
J. William Howell, 1801 K St., NW Washington, DC 20006	International Business Machines Corp	308.05	
John A. Howes, 1050 17th St., NW, #490 Washington, DC 20036	Consumers Power Co	6,000.00	1,266.00
Clifford T. Howlett Jr., 1875 Eye St., NW, #400 Washington, DC 20006	Georgia-Pacific Corp	2,750.00	
Paul R. Huard, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	3,504.38	
Henry W. Hubbard, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Energy Security Policy)	127.50	
Do	Gray & Co Public Communications Int'l, Inc (For:Republic of Turkey)		
Do	Gray & Co Public Communications Int'l, Inc (For:Vietnam Veterans of America)		
Mark Huber, 718 N. Carolina Avenue, SE Washington, DC 20003	Americans for Tax Reform	1,250.00	
Margaret Renken Hudson, 600 Maryland Avenue, SW, #695 Washington, DC 20024	National Fed of Independent Business	2,250.00	200.00
Dana Hughes, 122 C Street, NW, 4th Fl. Washington, DC 20001	Children's Defense Fund	675.00	
David Emery Hughes, 2211 Congress St. Portland, ME 04122	Union Mutual Life Insurance Co		
Gary E. Hughes, 1850 K St., NW Washington, DC 20006	American Council of Life Insurance, Inc		
Peter W. Hughes, 1300 19th Street, NW, #501 Washington, DC 20036	American Assn of Retired Persons	1,562.41	
Do	National Comm to Preserve Social Security	3,960.00	3,960.00
Richard H. Hughes, P.O. Box 880 Valley Forge, PA 19482	Avtex Fibers, Inc		
Sharon M. Hughes, 1401 New York Avenue, NW, #400 Washington, DC 20005	National Food Processors Assn	500.00	54.11
Vester T. Hughes Jr., Hughes & Hill 1000 Mercantile Dallas Building Dallas, TX 75201	Austin Industries, Inc	3,500.00	867.85
Do	Mrs. H. E. Butt		
Do	ICH Corp		
Do	Lomas & Nettleton Financial Corp	500.00	991.12
Do	National Realty Committee		
Do	Sammons Enterprises, Inc		
William Hughes, 1522 K St., NW, #836 Washington, DC 20005	National Assn of Federal Veterinarians	19.86	
Hughes Hubbard & Reed, 1201 Pennsylvania Ave., NW, #300 Washington, DC 20004	American Institute of Certified Public Accountants	4,000.00	9.00
Do	Anglo American Auto Auctions, Inc		
Do	Grocery Manufacturers of America, Inc		
Do	47th Street Photo		
Edward L. Huie, Wheaton Plaza North, #415 Wheaton, MD 20902	National Assn of Air Traffic Specialists	6,563.48	949.52
Randall K. Hulme, 6 E Street, SE Washington, DC 20003	Peter Fenn & Associates, Inc		
Thomas Humber, 1825 K Street, NW, #603 Washington, DC 20006	Brown & Williamson Tobacco Corp	1,500.00	62.00
Margot Smiley Humphrey, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc)		
Francis M. Hunt, 1800 M Street, NW, #700s Washington, DC 20036	Dow Chemical Co	550.00	294.00
Peter C. Hunt, 195 Montague St. Brooklyn, NY 11201	Brooklyn Union Gas Co		
Richard M. Hunt, 1800 K St., NW, #622 Washington, DC 20006	NL Industries, Inc	4,775.00	
James C. Hunter, 1747 Pennsylvania Avenue, NW, #300 Washington, DC 20006	Cities Service Oil & Gas Corp	1,110.00	121.50
Michael M. Hunter, 1600 M St., NW Washington, DC 20036	International Telephone & Telegraph Corporation	2,150.00	82.00
Milton F. Huntington, Maine Petroleum Assn 283 Water St. Augusta, ME 04330	American Petroleum Institute		
Hunton & Williams, P.O. Box 1535 Richmond, VA 23212	American Insurance Assn	1,932.00	76.83
Do	Edison Electric Institute	21,693.75	1,169.82
Do	Historic Ricefields Assn		
Do	Long Island Lighting Co		
Adele M. Hurley, 112 St. Clair Ave., West, #504 Toronto, Ontario Canada M4V 2Y3	Canadian Coalition on Acid Rain		66.80
Ronald A. Hurst, 5410 Grosvenor Lane, #210 Bethesda, MD 20814	American Medical Care & Review Assn		62.38
Hurt Richardson Garner Todd & Cadenhead, 1100 Peachtree Center Harris Tower 233 Peachtree Street, NE Atlanta, GA 30043.	National Assn of Pension Consultants & Administrators, Inc	2,539.00	
Cathy Hurwit, 1300 Connecticut Ave., NW, #401 Washington, DC 20036	Citizen Action	4,000.00	31.75
Do	Citizen/Labor Energy Coalition	1,000.00	
Benjamin Melvin Hurwitz, 1925 K St., NW, #200 Washington, DC 20006	Mitchell Energy & Development Corp		100.00
Geoffrey B. Hurwitz, 1667 K St., NW, #1210 Washington, DC 20006	Rohm & Haas Co	500.00	36.45
Michael Hussey, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	138.83
Raymond W. Hussey, 29400 Lakeland Blvd. Wickliffe, OH 44092	Lubrizol Corporation	700.00	1,142.45
Philip A. Hutchinson, 490 L'enfant Plaza, #3210 Washington, DC 20024	Volkswagen of America, Inc	250.00	
Robert E. Hutchinson, P.O. Box 29021 2645 East Washington Phoenix, AZ 85034	Reduce Our Debt Foundation		
James L. Hutchison, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
Karen Hutchison, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Jean Hutter, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	4,115.50	38.05
Helena C. Hutton, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	
Randy Huwa, 2030 M St., NW Washington, DC 20036	Common Cause	9,187.52	
B. F. Hyde, Tennessee Petroleum Council 211 7th Avenue, North, 4th Fl. Nashville, TN 37219	American Petroleum Institute	1,800.00	1,407.81
Isabel E. Hyde, 1800 K Street, NW, #800 Washington, DC 20006	Goodyear Tire & Rubber Co	2,550.00	
Floyd H. Hyde Associates, 815 15th St., NW, #709 Washington, DC 20005	Alameda, California	950.65	468.12
Do	Clark County, Nevada	1,841.63	478.03
Do	Fresno City, California	1,376.27	500.34
Do	Fresno County, California	1,400.00	481.71
Do	Gary, Indiana	1,317.10	492.11
Do	San Bernardino, California	1,531.49	457.30
Do	San Leandro, California	882.45	478.93
Gary Hymel, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Agriculture for Market Oriented Policies).		
Do	Gray & Co Public Communications Int'l, Inc (For:Budd Company)		
Do	Gray & Co Public Communications Int'l, Inc (For:Canadian Asbestos Information Centre).		
Do	Gray & Co Public Communications Int'l, Inc (For:Energy Security Policy)	100.00	
Do	Government of the Cayman Islands		
Do	Gray & Co Public Communications Int'l, Inc (For:Greer Ingrasci, et al.)	250.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Hitachi America Ltd)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Gray & Co Public Communications Int'l, Inc (For:Hyundai Motor America)		
Do	Gray & Co Public Communications Int'l, Inc (For:HTB Corporation)		
Do	Gray & Co Public Communications Int'l, Inc (For:Joint Maritime Congress)	50.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Lane Industries)		
Do	Gray & Co Public Communications Int'l, Inc (For:Mutual of Omaha)	100.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Rauschenberg Overseas Cultural Interchange).		
Do	Gray & Co Public Communications Int'l, Inc (For:Republic of Korea)		
Do	Gray & Co Public Communications Int'l, Inc (For:Republic of Turkey)	4,450.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Sencit Enterprises, Inc)	100.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Shaklee Corporation)		
Do	Gray & Co Public Communications Int'l, Inc (For:Shirco Infrared Systems, Inc)		
Do	Gray & Co Public Communications Int'l, Inc (For:Stroh Brewery Co)	50.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Title Insurance Industry Coalition)	150.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Tobacco Institute)		
Do	Gray & Co Public Communications Int'l, Inc (For:U.S. Banknote Corp)		
Do	Gray & Co Public Communications Int'l, Inc (For:United Airlines, Inc)	50.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Valmont Industries, Inc)		
Robert D. Hynes Jr., 1825 K St., NW, #807 Washington, DC 20006	National Broadcasting Co, Inc	500.00	60.11
Brian M. Hyps, 2215 Constitution Avenue, NW Washington, DC 20037	American Pharmaceutical Assn	1,000.00	460.86
Richard H. Ichord, 499 S. Capitol St., SW, #520 Washington, DC 20003	AAI Corporation	618.75	177.07
Do	Emerson Electric Co	630.00	790.90
Do	Washington Industrial Team, Inc	300.00	
Ronald K. Ikejiri, 1000 Potomac Street, NW, #401 Washington, DC 20007	Francis McGinnis & Rees		
Annelise Ilschenko, 120 Cameron Street, #203 Alexandria, VA 22314			
Tom Imeson, 920 S.w. Sixth Avenue 1400 Psb Portland, OR 97204	Pacific Power & Light Co	1,500.00	
Independent Consultants, Inc, 400 North Capitol St., NW, #320 Washington, DC 20001	Cadillac Fairview/California, Inc	2,500.00	
Independent Data Communications Manufacturers Assn, c/o Squire Sanders & Dempsey 1201 Pennsylvania Ave., NW Washington, DC 20004.		300.00	300.00
Independent Insurance Agents of America, Inc, 100 Church St. New York, NY 10007		30,790.00	30,790.00
Independent Lubricant Manufacturers Assn, 1055 Thomas Jefferson Street, NW Washington, DC 20007		650.00	650.00
Independent Producers Group, 1120 KSB & T Building 125 N. Market Wichita, KS 67202		1,479.25	8,636.85
Indiana Hi-Rail Corporation, Rr 1, Box 242 Connersville, IN 47331			50.00
Industrial Biotechnology Assn, 2115 E. Jefferson St. Rockville, MD 20852		7,500.00	7,551.00
Infant Formula Council, 5775 Peachtree-Dunwoody Rd. Suite 500-D Atlanta, GA 30342		2,000.00	900.00
Charles E. Ing, 919 18th Street, NW, #600 Washington, DC 20006	Toyota Motor Sales, USA, Inc	528.00	400.05
Dick Ingram, P.O. Box 571 Austin, TX 78767	Coastal Conservation Assn		
Robert A. Ingram, 1050 17th Street, NW, #650 Washington, DC 20036	Merck & Co, Inc	1,000.00	184.40
Andrea L. Innes, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	5,562.00	219.32
Institute of Foreign Bankers, Suite 303 East, Rm. 23 200 Park Ave. New York, NY 10017		5,261.54	5,261.54
Institute of Makers of Explosives, 1120 19th St., NW, #310 Washington, DC 20036			
Int'l Union, United Auto Aerospace & Agric Implement Workers, Workers of America (uaw) 8000 E. Jefferson Detroit, MI 48214.		118,022.08	118,022.08
Integrated Resources, Inc, 666 Third Avenue, 4th Fl. New York, NY 10017			9,380.00
International Assn of Bridge Struct & Ornamental Iron Wkrs, 1750 New York Ave., NW Washington, DC 20006			10,800.00
International Brotherhood of Painters & Allied Trades, 1750 New York Ave., NW Washington, DC 20006			
International Brotherhood of Teamsters, 25 Louisiana Ave., NW Washington, DC 20001			90,982.00
International Communications Industries Assn, 3150 Spring St. Fairfax, VA 22031		15,905.00	5,566.43
International Longshoremen's Assn, AFL-CIO, 17 Battery Place, #1500 New York, NY 10004			48,285.72
International Taxicab Assn, 3849 Farragut Avenue Kensington, MD 20895			2,500.00
International Union of Bricklayers & Allied Craftsmen, 815 15th St., NW Washington, DC 20005			14,466.56
Investment Company Institute, 1600 M St., NW Washington, DC 20036			17,677.85
Investment Counsel Assn of America, Inc, 20 Exchange Place New York, NY 10005			19,654.71
Thomas L. Irmen, P.O. Box 119 Maumee, OH 43537	Andersons		
Iron Ore Lessors Assn, Inc, 2081 First National Bank Bldg Saint Paul, MN 55101		3,874.03	15,970.81
Itel Container Corp, 55 Francisco Street, 6th Fl San Francisco, CA 94133			
Marilyn J. Ittner, 1001 22nd Street, NW Washington, DC 20037	Standard Oil Co (Ohio)		
Ivins Phillips & Barker, Chtd, 1700 Pennsylvania Avenue, NW Washington, DC 20006	American Textile Manufacturers Institute, Inc		
Do	Aramco Services Co		
Do	Employee Relocation Council		
Do	Limited, Inc	87.50	
Do	Oberlin College		
ICH Corp, 42211 Norbourne Boulevard Louisville, KY 40207			
Robert A. Jablon, Spiegel & Mcdiarmid 2600 Virginia Ave., NW Washington, DC 20037	Ft. Pierce Utilities Auth of the City of Ft. Pierce, et al.		
Charles R. Jackson, 219 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	6,500.00	29,092.10
Glenn Jackson, 1660 L Street, NW, #601 Washington, DC 20036	Interstate Natural Gas Assn of America	300.00	
William P. Jackson Jr., Jackson & Jessup, P.C. 3426 N. Washington Boulevard Arlington, VA 22201	City of Tuscaloosa	2,385.00	3,975.00
Do	Osborne Truck Line, Inc, et al	1,960.00	2,940.00
Stephen Jacobs, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,500.00	650.00
E. A. Jaenke & Associates, Inc, 777 14th St., NW, #666 Washington, DC 20005	Farmland Industries, Inc		
Do	University of Kansas	250.00	
Daniel L. Jaffe, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers		
Jaffe Snider Raitt & Heuer, P.C., 1800 First National Building Detroit, MI 48226			
Edward L. Jaffee, 1730 Rhode Island Avenue, NW, #713 Washington, DC 20036	PPG Industries, Inc	64.00	11.00
Raymond C. Janus, c/o Christopher L. Meyer P.O. Box 88 E Unit Ashland, KY 41101			
Do	New Generation Lobby		
Japan Economic Institute of America, 1000 Connecticut Ave., NW Washington, DC 20036		1,417.13	1,417.13
Japanese American Citizens League, 1765 Sutter Street San Francisco, CA 94118			
Joseph J. Jaquay, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Evelyn Jarvis-Ferris, 444 Market Street San Francisco, CA 94111	Shaklee Corporation		
Jerry J. Jasinowski, 1776 F Street, N.w. Washington, DC 20006	National Assn of Manufacturers	2,000.00	
Sonia S. Jasso, 815 16th Street, NW, #707 Washington, DC 20006	Labor Council for Latin American Advancement		
Joseph A. Jeffrey, 1920 N St., NW, #300 Washington, DC 20036	American Mining Congress	600.00	
Philip F. Jehle, 1150 Connecticut Ave., NW, #310 Washington, DC 20036	SmithKline Beckman Corp		
Jellinek Schwartz Connolly & Freshman, Inc, 1350 New York Avenue, NW, #400 Washington, DC 20005	Adolph Coors Co	40,037.00	389.41
Do	ASARCO, Inc	28,900.00	314.28
Do	California Assn of Sanitation Agencies	2,176.50	467.25
Do	County Sanitation Districts of Orange County	102.00	29.93
Do	East Bay Municipal Utility District	2,979.90	113.11
Do	IBM Corp	605.00	16.19
Do	Las Virgenes Municipal Water District		
Do	Los Angeles County Sanitation District	7,030.00	455.48
Jonathan P. Jelling, 301 West Maple Avenue 6th Floor Tower Vienna, VA 22180	Vela, Inc		
Joseph S. Jenckes, Suite 300 1710 Rhode Island Ave., NW Washington, DC 20036	Abbott Laboratories	5,000.00	
Linda Jenckes, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc	300.00	5.50
David M. Jenkins II, 1025 Vermont Avenue, NW, #500 Washington, DC 20005	Miles Laboratories, Inc		
Jenner & Block, 21 Dupont Circle, NW Washington, DC 20036	Adhesive & Sealant Council, Inc		
Do	American Assn of Electromyography & Electrodiagonosts		
Do	American Assn of Nurse Anesthetists		
Do	American Dental Assistants Assn		
Do	American Dental Trade Assn		
Do	American Film Marketing Assn		
Do	American Soc for Cataract & Refractive Surgery		
Do	American Soc of Assn Executives		
Do	Association of Operating Room Nurses		
Do	Auto Glass Industry Comm		
Do	Cable TV Admin & Marketing Society, Inc		
Do	Citicorp Capital Investors, Ltd	4,920.00	37.16
Do	International Soc for Hybrid Microelectronics		
Do	Metropolitan Transit Authority	9,705.63	775.70
Do	National Glass Association		
Do	San Francisco Public Utilities Commission	1,887.43	112.57
James C. Jennings, 3255 Grace St., NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Jennings Strouss & Salmon, 111 West Monroe Phoenix, AZ 85003	Shamrock Foods Co.		
Rusty L. Jesser, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	1,000.00	
Nancy H. Jessick, 1331 Pennsylvania Ave., NW, #720 Washington, DC 20004	Hiram Walker & Sons, Inc		
Kataejar U. Jibas, P.O. Box 921 Majuro, Marshall Islands	Bikini/Kili/Ejit Council		
Ronald P. Johnsen, 1250 Eye St., NW, #703 Washington, DC 20005	Columbia Gas System Service Corp	175.00	437.47
Calvin P. Johnson, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	14,590.03	2,071.75
Carl T. Johnson, 1455 Pennsylvania Ave., NW, #500 Washington, DC 20004	Corning Glass Works	700.00	
Clifford T. Johnson, 1700 North Moore Street Rosslyn, VA 22209	Boeing Military Airplane Company		
H. Bradley Johnson, 1920 N St., NW Washington, DC 20036	American Mining Congress		
James A. Johnson, 2550 M St., NW, #500 Washington, DC 20037	Shearson Lehman Brothers, et al		
Jess Johnson Jr., 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Joel L. Johnson, 122 C St., NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	4,000.00	255.66
John B. Johnson, Alabama Petroleum Council P.O. Box 4220 Montgomery, AL 36195	American Petroleum Institute	1,487.50	1,208.36
Johnny Johnson, Box 1255 Majuro, Marshall Islands	Bikini/Kili/Ejit Council		
Kay Johnson, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	607.00	
Kenneth A. Johnson, Pillsbury Center Minneapolis, MN 55402	Pillsbury Company		
L. Oakley Johnson, 1455 Pennsylvania Avenue, NW, #900 Washington, DC 20004	American International Group, Inc	5,000.00	
Larry W. Johnson, P.O. Box 3000 Leesburg, VA 22075	Vocational Industrial Clubs of America, Inc		
Nancie S. Johnson, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Conoco, Inc	1,200.00	
Paul W. Johnson, 1225 Connecticut Ave., NW, #303 Washington, DC 20036	Fleishman-Hillard, Inc (For:Ability Information Systems–Computer Software)		
Rady A. Johnson, 200 East Randolph Drive Mail Code 3706 Chicago, IL 60601	Amoco Corporation		
Richard W. Johnson Jr., 219 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	7,274.88	125.00
Thomas G. Johnson, One Shell Plaza, #4868 P.O. Box 2463 Houston, TX 77001	Shell Oil Co		
Johnson & Smith, P.O. Drawer 5587 Spartanburg, SC 29304	Michelin Tire Corp	4,820.00	5,548.75
Barbara W. Johnston, 1150 Connecticut Ave. NW #710 Washington, DC 20036	Utah International, Inc		
David Johnston, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Geo. Allen Johnston, 1300 19th Street, NW, #501 Washington, DC 20036	National Comm to Preserve Social Security	5,241.00	
James D. Johnston, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,600.00	3,451.60
Joint Task Force on Fed Financial Assist. for Law Students, 10th St. Newton Industrial Common Newton, PA 18940			
Mary K. Jolly, 1600 Rhode Island Avenue, NW Washington, DC 20036	National Rifle Assn of America	913.75	84.87
Herbert A. Jolovitz, 900 17th Street, NW Washington, DC 20006	Owens-Corning Fiberglas Corporation	1,431.00	
Anthony L. Jones, 1620 Eye Street, NW Wahsington, DC 20006	Tonya, Inc (For:City of Philadelphia, PA, et al.)	10,000.00	
Beverly E. Jones, Wickwire Gavin & Gibbs, P.C. 1133 21st Street, NW, #500 Washington, DC 20036	American Independent Refiners Assn	300.00	20.00
Do	Consolidated Natural Gas Co	3,000.00	110.00
Do	Kaiser Power	1,100.00	17.00
Do	National Hydropower Assn	625.00	9.00
Do	Purpa Coalition, Inc	250.00	11.00
Ernest W. Jones, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Gerald R. Jones, 2000 L St., NW, #810 Washington, DC 20036	Sperry Corporation		
James E. Jones, 40 Franklin Rd., SW P.O. Box 2021 Roanoke, VA 24022	Appalachian Power Company		
James E. Jones Jr., 1629 K St., NW, #1010 Washington, DC 20006	Alliance of American Insurers	410.00	125.00
Roy C. Jones, 717 2nd St., NW, #300 Washington, DC 20002	Moral Majority, Inc	12,000.00	
Wiley N. Jones, 1667 K St., NW, #600 Washington, DC 20006	Southern Pacific Transport Co	1,000.00	500.00
Jones & Winburn, 50 E Street, SE Washington, DC 20003	American Assn of Equipment Lessors	3,000.00	
Do	American Automotive Leasing Assn, Inc	1,300.00	111.09
Do	Burlington Northern, Inc	1,500.00	486.66
Do	Chancellor Corporation	3,000.00	76.00
Do	City of Baton Rouge	3,000.00	771.90
Do	Hartford Fire Insurance Group	1,500.00	300.00
Do	McDonnell Douglas Corp	1,300.00	118.75
Do	National Assn of ASCS County Office Employees (NASCOE)	800.00	232.00
Do	R.J. Reynolds Tobacco Co	1,500.00	
Do	United Companies Life Insurance Companies	1,600.00	1,538.00
Jones Day Reavis & Pogue, 655 15th St., NW Washington, DC 20005	Automotive Dismantlers & Recyclers Assn, Inc		
Do	Competitive Telecommunications Assn		
Do	Embassy of the People's Republic of China	26,540.50	90.00
Do	Los Angeles County	23,222.00	21.75
Do	Los Angeles Memorial Coliseum Commission	33,270.00	
Do	Mississippi Chemical Corp		
Do	National Assn of State Auditors Comptrollers & Treasurers		
Do	Pfizer, Inc	3,600.00	73.47
Do	South African Sugar Assn	20,000.00	2,051.75
Do	SCM Corp		
Do	Westinghouse Electric Corp		
De Soto Jordan, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	EDS Corporation	220.00	129.79
Patricia Jordan, The Ferguson Co 1875 Eye Street, NW, #1275 Washington, DC 20006	Aries Properties, Inc		
Do	Berg-Revoir Corp		
Do	City of Alhambra	100.00	11.80
Do	City of Baldwin Park		
Do	City of Inglewood		
Do	City of Oceanside		
Do	City of Provo		
Do	City of Redondo Beach	150.00	24.82
Do	City of South Salt Lake		
Do	Gavin Associates		
Do	Imperial Irrigation District		
Do	Irvine Co		
Do	Long Beach Transit		
Do	Oceanside Redevelopment Agency		
Do	Santa Cruz Properties		
Mary Lou Joseph, 2025 M Street, NW Washington, DC 20036	National Public Radio		
Tomaki Juda, Box 208 Majuro, Marshall Islands	Bikini/Kili/Ejit Council		
Ardon B. Judd Jr., 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc		
Robert E. Juliano, 1099 22nd Street, NW, #404 Washington, DC 20037	American Express Co	10,000.00	
Do	Hotel & Restaurant Employees & Bartenders Intl Union	21,250.02	1,514.36
Do	International Speedway Corp	7,500.00	
Robert E. Juliano Associates, 2555 M Street, NW Washington, DC 20037	Aetna Life & Casualty Insurance Co	10,000.00	
Do	ICH Corp	3,000.00	
Do	National Academies of Practice	2,500.00	
Do	National Assn of Broadcasters		
Justice Fellowship, P.O. Box 17181 Washington, DC 20041			
Geza Kadar, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Kadison Pfaelzer Woodard Quinn & Rossi, 2000 Pennsylvania Ave., NW Washington, DC 20036	Baskin-Robbins		
H. Richard Kahler, 100 N.E. Adams Street Peoria, IL 61629	Caterpillar Tractor Co		
Jim Kaitz, 1667 K Street, NW, #710 Washington, DC 20006	Baxter Travenol Laboratories, Inc		
Suzanne Kalfus, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
James L. Kane Jr., 1315 Vincent Place Mclean, VA 22101			
Donald J. Kaniewski, 905 16th St., NW Washington, DC 20006	Laborers' Intl Union of North America, AFL-CIO	11,749.00	82.46
James W. Kanouse, 1700 North Moore Street, 21st Floor Rosslyn, VA 22209	Boeing Company	2,555.30	1,596.64
Nancy E. Kantola, 1401 New York Avenue, NW, #1100 Washington, DC 20005	National Cooperative Business Assn	2,500.00	68.00
Wayne S. Kaplan, 1200 18th Street, NW Washington, DC 20036	Lee Toomey & Kent (For:Cargill, Inc, et al.)		
Do	Lee Toomey & Kent (For:RJR Nabisco, Inc, et al.)		
Kaplan Russin & Vecchi, 1218 16th Street, NW Washington, DC 20036	American Chamber of Commerce of the Dominican Republic		
Gene Karpinski, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	5,250.00	
Howard C. Katz, 4 World Trade Center New York, NY 10048	J. Aron & Co (For:Coffee Sugar & Cocoa Exchange, Inc)		
Everett E. Kavanaugh, 1110 Vermont Ave., NW, #800 Washington, DC 20005	Cosmetic Toiletry & Fragrance Assn, Inc		
Lisa E. Kazel, 1331 Pennsylvania Avenue, NW, #1550N Washington, DC 20004-1703	National Assn of Manufacturers		
Richard F. Keating, 1211 Connecticut Ave., NW, #502 Washington, DC 20036	Anheuser-Busch Companies, Inc		
Robert J. Keefe, 444 N. Capitol Street, #711 Washington, DC 20001	Keefe Co (For:Republic of the Philippines)		
Do	Keefe Company (For:UNIAO Nacional Para Independencia Total DeAngola)		
Do	Keefe Company (For:Westinghouse Electric Corp)		
Vicki R. Keenan, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	700.00	
David A. Keene, 919 Prince Street Alexandria, VA 22314	National Tax Limitation Committee	4,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Keene Monk & Associates, Inc, 919 Prince Street Alexandria, VA 22314	Apex Marine	4,000.00	
Do	Government of Republic of Liberia		
Do	Mortgage Guaranty Insurance Corp	5,000.00	
Do	Valsan Re-Engining, Inc		48.25
Keith Keeney, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Robert C. Keeney, 727 N. Washington St. Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn	2,204.00	1,251.14
Robin E. Keeney, 1828 L Street, NW Washington, DC 20036	American Land Title Assn	1,890.00	
Kendell W. Keith, 725 15th Street, NW Washington, DC 20005	National Grain & Feed Assn		
Jerilyn Fay Kelle, 110 Maryland Avenue, NE, #211 Washington, DC 20002	Women's Action for Nuclear Disarmament, Inc, et al	1,187.50	
William D. Kelleher, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,500.00	
Robert H. Kellen, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 20342	Robert H. Kellen Co (For:Calorie Control Council)		
Donald W. Keller, P.O. Box 3331 Houston, TX 77253	Quintana Petroleum Corp		
Keller & Heckman, 1150 17th Street, NW, #1000 Washington, DC 20036	Specialty Advertising Assn Int'l	1,040.00	156.00
Paul J. Kelley, 2727 North Central Ave. Phoenix, AZ 85004	U-Haul Intl, Inc		6,250.00
Ty Kelley, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	1,500.00	
Kelley Drye & Warren, 1330 Connecticut Ave., NW Washington, DC 20036	ITT Consumer Financial Corp	630.00	2.50
Do	Society of the New York Hospital	3,285.00	64.20
Stephen G. Kellison, 1720 Eye Street, NW, 7th Floor Washington, DC 20006	American Academy of Actuaries		
Stephen S. Kellner, 1001 Connecticut Ave., NW, #1120 Washington, DC 20036	Chemical Specialties Manufacturers Assn, Inc	899.72	
Carol A. Kelly, 1285 Avenue of the Americas New York, NY 10019	Equitable Life Assurance Society of the U.S.	375.00	10.00
Edward L. Kelly, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	80.00	
Ernest B. Kelly III, 950 L'enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	1,500.00	306.00
Harold V. Kelly, 1025 Thomas Jefferson St., NW, #511 W. Washington, DC 20007	LTV Corporation		
James J. Kelly, P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	3,000.00	
John F. Kelly, 1828 L Street, NW # 906 Washington, DC 20036	Merrill Lynch & Co, Inc	2,000.00	
Peter M. Kelly, Bell Boyd & Lloyd 70 W. Madison, #3200 Chicago, IL 60602	Balcor/American Express, Inc		
Mark L. Kemmer, 1660 L Street, N.w. Washington, DC 20036	General Motors Corp	2,500.00	883.92
Coletta Kemper, 1401 New York Avenue, NW, #720 Washington, DC 20005	National Assn of Insurance Brokers	1,000.00	
William T. Kendall, 50 E St., SE Washington, DC 20003	Alliance for Free Enterprise		
Kendall & Associates, Inc, 50 E St., SE Washington, DC 20003	ALC Communications Corp	500.00	
Do	Heller Ehrman White & McAuliffe		
Do	Hogan & Hartson (for Timex Group, Ltd)	1,000.00	
Do	Hogan & Hartson (for Volume Shoe Corp)		
Do	Manville Corporation	500.00	
Do	Rose Communications	500.00	
Do	Toyota Motor Sales, USA, Inc	1,000.00	
Do	Williams Technologies, Inc	250.00	
Do	Worldwide Information Resources, Inc		
Frances Ann Kenkel, 1331 Pennsylvania Ave., NW, #719 Washington, DC 20004	Association of Private Pension & Welfare Plans, Inc		
Stephanie Kennan, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	334.62	23.40
Joseph W. Kennebeck, 490 L'enfant Plaza, SW, #3210 Washington, DC 20024	Volkswagen of America, Inc	300.00	
Art Kennedy, Box 200576 Anchorage, AK 99520	Alaska Resource Analysts, Inc		
Do	Koniag, Inc		
Michael E. Kennedy, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Robert P. Kennel, 3013 Leefield Drive Herndon, VA 22071	National Wood Energy Assn, Inc		
Do	Ultrasystems, Inc		15,000.00
Jeremiah J. Kenney Jr., 12th Fl. 1100 15th St., NW Washington, DC 20005	Union Carbide Corp		441.90
Brendan Kenny, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	5,050.00	512.30
J. H. Kent, Kent & O'Connor 1211 Connecticut Avenue, NW Washington, DC 20036	American Soc of Plastic & Reconstructive Surgery		
Do	American Supply Association	7,061.82	3,566.65
Do	American Warehousemen's Association		
Do	Gould, Inc		
Do	Intermedics, Inc		
Do	International Assn of Airport Duty Free Stores	9,783.01	4,977.64
Do	National Customs Brokers & Forwarders Assn of America	10,601.18	5,369.59
Do	Transportation Lawyers Assn		
Vytautas Kerbelis, P.O. Box 44 Sea Harbor, ME 04675	ARAS	600.00	900.00
Michael J. Kerrigan, 1925 K Street, NW, #504 Washington, DC 20006	Smokeless Tobacco Council, Inc		
Paul T. Kerrigan, 400 First Street, NW, #819 Washington, DC 20001	Brotherhood of Locomotive Engineers	415.17	53.68
Dale Rodney Ketcham, 1980 N. Atlantic Ave., #918 Cocoa Beach, FL 32931			
Robert M. Ketchel, 1331 Pennsylvania Ave., NW, #895 Washington, DC 20004	General Electric Co		100.00
Dorothy A. Keville, 2215 Constitution Ave., NW Washington, DC 20037	American Pharmaceutical Assn	1,000.00	1,332.00
Do	Mothers Without Custody, Inc		
Gilbert W. Keyes, P.O. Box 3999 (mail Stop 8c-68) Seattle, WA 98124	Boeing Aerospace Co	492.58	485.46
G. Chandler Keys III, 1301 Pennsylvania Avenue, NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Earline A. Keyser, 1620 I St., NW, #703 Washington, DC 20006	Bechtel Power Corporation		
Kiawah Island Co Ltd, P.O. Box 12910 Charleston, SC 29142			
Richard F. Kibben, 200 Park Ave., #2222 New York, NY 10166	Business Roundtable		
Brian D. Kidney, 444 N. Capitol Street, NW, #718 Washington, DC 20001	Pacific Telesis Group	15,450.00	
William S. Kies, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	200.00	
Ingolf N. Kiland Jr., 1660 L Street, NW Washington, DC 20036	General Motors Corp	3,000.00	2,856.35
William P. Killmer, 1331 Pennsylvania Avenue, NW, #910 Washington, DC 20004	American Cement Trade Alliance, Inc	1,875.00	358.35
Mary K. Killorin, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	1,500.00	
Kilpatrick & Cody, 2501 M St., NW, #500 Washington, DC 20037	Chemical Fuels Corp		317.75
Do	City of Atlanta	5,845.00	6.00
Do	Clean Water Action Project		26.10
Do	B. W. Croswell	3,000.00	
Do	Furniture Rental Assn of America	2,000.00	53.55
Do	PepsiCo, Inc	19,845.00	229.58
Do	Sierra Club Legal Defense Fund	6,200.00	9.44
Eun Sang Kim, 1030 15th Street, NW, #776 Washington, DC 20005	Korean Traders Assn	1,120.00	390.00
Hee Jin Kim, 1030 15th Street, NW, #776 Washington, DC 20005	Korean Traders Assn	870.00	370.00
Roberta D. Kimball, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Richard H. Kimberly, 1201 Pennsylvania Avenue, NW, #730 Washington, DC 20004	Kimberly-Clark Corp	4,956.25	254.69
Kimberly-Clark Corp, 401 North Lake Street Neenah, WI 54956			6,420.94
James L. Kimble, 1025 Connecticut Ave., NW, #415 Washington, DC 20036	American Insurance Assn		
Ann Ottoson King, 1620 Eye Street, NW, #800 Washington, DC 20006	Taft Stettinius & Hollister (For:Recordings Import Trade Committee)		
Edward H. King, 200 Wilmot Rd. Deerfield, IL 60015	Walgreen Co		
W. Russell King, 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	Freeport McMoran, Inc	500.00	204.00
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Alabama State Docks Department		24.48
Do	Antitrust Remedies Reform Group, et al.		
Do	Camberent Financial Group	17,737.50	7,202.08
Do	Damson Oil Corp		
Do	Dorchester Partners		
Do	General Aviation Manufacturers Association	2,320.00	96.50
Do	General Electric Credit Corp		
Do	Generic Pharmaceutical Industry Assn		25.00
Do			439.48
Do	Lincoln Property Co, et al	15,252.50	4,216.04
Do	Matra S.A. Sofretu S.A. and Combustion Engineering, Inc	2,015.00	
Do	Milliken & Company	600.00	
Do	National Assn of Bond Lawyers		2,671.27
Do	Noro Realty Advisors, Inc		214.81
Do	Piedmont Securities Co & Guaranty Investment Co		
Do	Robert W. Woodruff Estate		
Do	State of Georgia		
Do	SunTrust Banks, Inc		
Do	Woodruff Foundation		
Daniel T. Kingsley, 1655 N. Ft. Myer Dr., #700 Arlington, VA 22209	National Venture Capital Association	51,000.00	6,195.18
Roger P. Kingsley, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Janie A. Kinney, 1050 17th Street, NW, #650 Washington, DC 20036	Merck & Co, Inc	2,300.00	700.00
Marcia Y. Kinter, 1600 Wilson Boulevard, #1000 Arlington, VA 22209	American Waterways Operators, Inc		
Cecilia Anne Kirby, 1819 L Street, NW, #600 Washington, DC 20036	American Hotel & Motel Assn	1,209.85	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Kirby Gillick Schwartz & Tuohey, P.C., 1220 L Street, NW, #310 Washington, DC 20005	America West Airlines, Inc		
Do	Lake Ontario Cement, Ltd	4,907.00	46.74
Alan G. Kirk II, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co	12.12	
John R. Kirk, Bingham, Dana & Gould 100 Federal St. Boston, MA 02110	First National Bank of Boston		
Kirkpatrick & Lockhart, 1900 M St., NW, #800 Washington, DC 20036	American Council of Life Insurance, Inc		
Do	Calvert Group, Ltd		
Do	Columbia Pictures Industries, Inc	1,235.00	
Do	County of Suffolk, New York		
Do	Grocery Manufacturers of America, Inc		
Do	Investors Fiduciary Trust Co	6,153.00	
Do	Paine Webber Jackson & Curtis, Inc		
Do	H. K. Porter Company, Inc		
Do	Republic National Bank of New York		
Do	Whitney National Bank of New Orleans		
Kirlin Campbell & Keating, One Farragut Square South Second Floor Washington, DC 20006	Council of European & Japanese National Shipowners' Assn	16,800.00	261.86
Robert A. Kirshner, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	500.00	
Mary Brice Kirtley, 888 17th Street, NW, #300 Washington, DC 20006	ConAgra, Inc	200.00	
William J. Kissick, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Algoma Steel Corp, Ltd		
Ralph W. Kittle, Route 2, Box 10 Keswick, VA 22947	McNair Law Firm	2,000.00	1,030.00
Dean Kleckner, 225 Touhy Avenue Park Ridge, IL 60068	American Farm Bureau Federation	2,750.00	
Richard P. Kleeman, 2005 Massachusetts Ave., NW Washington, DC 20036	Association of American Publishers		
James A. Klein, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	1,750.00	219.09
Kline Knopf & Wojdak, Inc, 355 N. 21st Street, #105 Camp Hill, PA 17011	General Public Utilities Corp		
William J. Klinefelter, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	6,635.06	
Michael R. Klipper, 1600 I St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	496.60	136.60
David M. Klucsik, 1415 Wyckoff Road Wall, NJ 07719	New Jersey Natural Gas Co		
John F. Klucsik, 2300 M Street, NW, #800 Washington, DC 20037	Roy F. Weston, Inc (For:Inmont Division-BASF Corp)		
Glenn Knapp, 773 Dartmouth Ave. San Carlos, CA 94070			
John A. Knebel, 1920 N Street, NW, #300 Washington, DC 20036	American Mining Congress	1,080.00	
Gary D. Knight, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	58.45	6.40
Peter E. Knight, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	8,000.00	348.31
Knights of Columbus, Columbus Plaza New Haven, CT 06507			
Keith R. Knoblock, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Albert B. Knoll, 1800 K Street, NW, #820 Washington, DC 20006	Sun Co, Inc	1,500.00	859.23
Robert L. Knous Jr., 1410 Grant Street, #a-201 Denver, CO 80203	Colorado Ski Country USA, Inc		
Mark S. Knouse, 1825 K St., NW, #603 Washington, DC 20006	Batus D.C.	2,000.00	10.00
C. Neal Knox, Neal Knox Associates Box 6537 Silver Spring, MD 20906		3,000.00	200.00
Ruth E. Kobell, 600 Maryland Ave., SW, #202 Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	3,405.17	95.19
Bradley R. Koch, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	145.90	
Carol R. Koch, 401 Wythe Street Alexandria, VA 22314	National Assn of Children's Hospitals & Related Institutions	600.00	
George W. Koch, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	713.67	
Gary J. Kohn, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	96.32	106.51
Michael S. Koleda, 1301 Pennsylvania Ave., NW, #325 Washington, DC 20004	Council on Alternate Fuels		
Daine K. Koller, 1899 L Street, NW, #403 Washington, DC 20036	Outdoor Advertising Assn of America, Inc	338.00	2,599.00
John C. Kolojeski, Laroe Winn & Moerman 1120 G Street, NW, #800 Washington, DC 20005	Chlorine Institute, Inc	5,137.50	4.80
Nicholas Kominus, 1001 Connecticut Ave., NW Washington, DC 20036	U.S. Cane Sugar Refiners' Assn	806.25	120.00
Eugene P. Kopp, Suite 600 South 1120 20th Street, NW Washington, DC 20036	Union Pacific Corp	1,250.00	
Steven Kopperud, 1701 N. Ft. Myer Drive Arlington, VA 22209	American Feed Industry Assn	3,240.00	
Horace R. Kornegay, 1875 I St., NW, #800 Washington, DC 20006	Tobacco Institute		
Kerrill K. Kornegay, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	1,875.00	2,130.30
Ronald W. Kosh, 8111 Gatehouse Road Falls Church, VA 22047	AAA Potomac		
Nicholas P. Koskores, 1455 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	New England Council, Inc		
Gerald J. Kovach, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	2,000.00	484.01
Kenneth S. Kovack, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	10,921.59	
Joan M. Kovalic, 2300 M Street, NW, #800 Washington, DC 20037	Roy F. Weston, Inc (For:Inmont Division-BASF Corp)		702.22
Mylio S. Kraja, 1608 K St., NW Washington, DC 20006	American Legion	3,088.02	451.85
Joseph H. Kramer III, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Budd Company)		
Do	Gray & Co Public Communications Int'l, Inc (For:HTB Corporation)		
Do	Gray & Co Public Communications Int'l, Inc (For:Transit America)		
Stephen W. Kraus, 1850 K St., NW Washington, DC 20006	American Council of Life Insurance, Inc	1,000.00	
Raymond R. Krause, Pillsbury Center Ms 3771 Minneapolis, MN 55402	Pillsbury Company	1,500.00	420.00
Earl R. Kreher, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	84.00	
Lawrence E. Kreider, 1015 18th St., NW Washington, DC 20036	Conference of State Bank Supervisors		
Katherine Krell, 1901 L St., NW, #320 Washington, DC 20036	Ogilvy Mather & Washington		
Jay Kriegel, Kriegel Communications 437 Madison Avenue, 19th Fl. New York, NY 10022	Association for a Better New York	40,000.00	2,391.16
Kroger Company, 1014 Vine St. Cincinnati, OH 45201			3,344.00
James C. Krone, 1152 Haslett Road P.O. Box 99 Haslett, MI 48840	Roses, Inc	750.00	
Keith R. Krueger, 600 Maryland Ave., SW, #400 Washington, DC 20024	American Optometric Assn		
Paul R. Kruse, 1155 15th St., NW Washington, DC 20005	Pennzoil Co	625.00	200.00
Thomas A. Kube, 8111 Gatehouse Road Falls Church, VA 22047	American Automobile Assn		
Philip Kugler, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers		
Lloyd R. Kuhn, 1725 Desales St., NW Washington, DC 20036	Aerospace Industries Assn of America, Inc	18,802.00	
Sara E. Kuhn, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects	1,600.00	
Thomas R. Kuhn, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	11,953.25	770.66
Rebecca L. Kupper, 655 15th Street, NW 300 Metropolitan Square Washington, DC 20005	American Medical International	3,900.00	145.50
Ester Kurz, 500 North Capitol St., NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	14,250.00	332.49
Kutak Rock & Campbell, 1101 Connecticut Avenue, NW Washington, DC 20036	Citicorp Investment Bank	1,855.73	1,651.61
Do	Financial Security Assurance Co		705.72
Do	Municipal Bond Insurance Assn	827.79	2,792.55
James La Sala, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Labor Bureau, Inc, 1101 15th Street, NW, #1010 Washington, DC 20005			
Labor Management Maritime Committee, Inc, 100 Indiana Avenue, NW Washington, DC 20001		8,812.00	9,582.00
Joseph L. Lach, 1025 Connecticut Avenue, NW, #214 Washington, DC 20036	Manville Products Corp	500.00	
John D. Lacopo, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	EDS Corporation	64.00	40.00
Robert A. Ladig, Scott Plaza Philadelphia, PA 19113	Scott Paper Co	2,750.00	934.95
Sandra L. Lafevre, 2500 Riva Road, SE Annapolis, MD 21401	Nationwide Insurance Co		
Steven R. Lainoff, 1200 18th Street, NW Washington, DC 20036	Lee Toomey & Kent (For:R.J. Reynolds Industries, Inc, et al.)		
Robert Lamb, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	5,000.00	158.83
David F. Lambert III, 1401 New York Ave., NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc	2,000.00	
David R. Lambert, 1030 15th St., NW, #964 Washington, DC 20005	American Seed Trade Assn	6,000.00	
James E. Lamble, 1620 Eye Street, NW, #703 Washington, DC 20006	Bechtel Power Corporation		
Stephen K. Lambright, One Busch Place St. Louis, MO 63118	Anheuser-Busch Companies, Inc		14.25
Virginia B. Lamp, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,400.00	377.14
Virginia A. Lampley, 1818 N St., NW, #600 Washington, DC 20036	DGA International, Inc (For:Dir Intl Aff of the Gen Del for Armements)		
Do	DGA International, Inc (For:Societe Nationale D'Etude et de Const de Moteurs D'Aviation).	417.50	97.73
Ray H. Lancaster, 1331 Pennsylvania Ave., NW, #565 Washington, DC 20004	Texas Gas Transmission Corp	3,000.00	84.27
L. Charles Landgraf, 1333 New Hampshire Avenue, NW Washington, DC 20036	Leboeuf Lamb Leiby & Macrae		
Thomas M. Landin, One Franklin Plaza Philadelphia, PA 19101	SmithKline Beckman Corp		
Landis Cohen Singman & Rauh, 1019 19th St., NW, #500 Washington, DC 20036	American Soc of Composers Authors & Publishers	8,000.00	
Do	NFL Players Association	5,000.00	
Moon Landrieu, 717 Girod Street New Orleans, LA 70130	Mainstreets Coalition		
Phyllis Landrieu, 4600 Venus Street New Orleans, LA 70112	National Medical Enterprises, Inc	5,000.00	2,000.00
David W. Landsidle, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	2,000.00	146.55
Albert E. Lane, P.O. Box 37152 Cincinnati, OH 45222	Media-Independence-Competition-Medcom-Mic		
Do	People Opposed to Energy Lobby - Potel		
Scott H. Lane, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,000.00	
William C. Lane, 100 N.E. Adams Street Peoria, IL 61629-1460	Caterpillar, Inc		
Lane & Edson, P.C., 2300 M Street, NW Washington, DC 20036	City of Baltimore	600.00	
Do	Council for Rural Housing and Development	4,000.00	
Adrienne C. Lang, 1111 14th Street, NW, #501 Washington, DC 20005	American Soc of Anesthesiologists	1,300.00	
Joseph L. Lang, 1100 N Street, Suite 2E Sacramento, CA 95814	Mattco Forge, Inc		
Do	Roses, Inc	3,500.00	14,088.58

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	West Coast Fabricators & Steel Industry Assn	7,500.00	14,088.59
Richard Langan, 1801 K Street, NW Washington, DC 20006	Price Waterhouse (For:Tom's Foods)	600.00	5.00
Robin W. Lanier, 1000 Connecticut Ave., NW Washington, DC 20036	National Retail Merchants Assn		
Wayne R. Lapierre Jr., 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,276.25	
Clifford Laplante, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	1,230.00	
Lillie E. Largent, P.O. Box 1085 Martinsburg, WV 25401	National Peach Council		
J. Stephen Larkin, 9225 Katy Freeway, #401 Houston, TX 77024	Petroleum Equipment Suppliers Assn	1,430.00	767.15
William L. Larsen, 1025 Connecticut Avenue, NW, #415 Washington, DC 20036	American Insurance Assn		
Mary Ellen Larson, 1420 King Street Alexandria, VA 22314	National Soc of Professional Engineers	1,250.00	
Reed E. Larson, 8001 Braddock Road, #600 Springfield, VA 22160	National Right to Work Committee		
Latham Watkins & Hills, 1333 New Hampshire Ave., NW, #1200 Washington, DC 20036	Wilshire Terrace Cooperative Housing Corp	710.21	115.21
Theodore A. Lattanzio, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	976.25	
Joan H. Lavor, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
George H. Lawrence, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	3,000.00	
Elizabeth Lawson, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S	4,424.03	19.80
Janie L. Lawson, 1025 Connecticut Avenue, NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Laxalt Corporation, 214 Massachusetts Ave., NE, #380 Washington, DC 20002	W. R. Grace & Co	600.00	
Do	Motion Picture Assn of America, Inc	3,250.00	
Do	Norfolk Southern Corp		
Do	Peter Kiewit Sons', Inc	500.00	
Do	Purolator Courier	600.00	
Do	R. T. Vanderbilt Co, Inc		
Sally Ann LaHue, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	2,000.00	268.96
Ernest M. Le Sueur, 453 New Jersey Avenue, SE Washington, DC 20003	Beneficial Management Corp of America		
Leach Biesty & McGreevy, 1619 New Hampshire Ave., NW Washington, DC 20009	Washington Psychiatric Society	5,250.00	19.70
League of American Investors, 32123 Lindero Canyon Road Westlake Village, CA 91361			
League of Women Voters of the U.S., 1730 M St., NW Washington, DC 20036		63,279.79	63,279.79
League to Save Lake Tahoe, 2197 Lake Tahoe Blvd. P.O. Box 10110 South Lake Tahoe, CA 95731			1.84
Thomas B. Leary, Hogan & Hartson 815 Connecticut Avenue, NW Washington, DC 20006	Business Roundtable	45,534.03	
Richard J. Lease, 2145 Boise Drive Las Cruces, NM 88001			
Leboeuf Lamb Leiby & Macrae, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036	British Insurance Assn		
Do	General Conf of the 7th Day Adventists Church Risk Mgt Svcs		125.00
Do	Underwriters at Lloyd's London		
Thomas J. Lee Jr., P.O. Box 2628 Houston, TX 77252	Entex, Inc		
Lee Toomey & Kent, 1200 18th Street, NW Washington, DC 20036	Cargill, Inc, et al.		
Do	RJR Nabisco, Inc	14,000.00	
L. Courtland Lee, Inc, 3814 West Street Landover, MD 20785	Minerals Exploration Coalition, Inc	1,200.00	135.00
Lefevere Lefler Kennedy O'Brien & Drawz, 2000 First Bank Place West 120 South 6th Street Minneapolis, MN 55402	City of New Brighton		
Peter A. Lefkin, 1025 Connecticut Avenue, NW, #415 Washington, DC 20036	American Insurance Assn		
Legislative Studies Institute, Inc, 2400 E. Commercial Blvd., #500 Fort Lauderdale, FL 33308	Ameriserv, Inc		
Leslie A. Lehmann, 111 SW Columbia, #800 Portland, OR 97201	Nerco, Inc	6,675.00	118.80
Lehrfeld & Henzke, P.C., 1301 Pennsylvania Ave., NW, #1110 Washington, DC 20004	Knights of Columbus		
Leighton & Regnery, 1667 K Street, NW Washington, DC 20006	Correctional Services Providers Institute		
Terry L. Leitzell, Bogle and Gates One Thomas Circle, NW, #900 Washington, DC 20005	American Shrimpboat Association		
Do	Marine Construction & Design Co		
Do	Oceantrawl Corporation		
Do	Port of Seattle	2,000.00	
Joseph L. Leitzinger, 900 4th Ave. Seattle, WA 98164	Simpson Investment Co	462.00	153.00
Robert A. Lembo, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	2,000.00	100.00
Laverne Still Lemen, 1030 15th St., NW, #700 Washington, DC 20005	National Cotton Council of America		
Lynette Lenard, 1050 Connecticut Avenue, NW, #300 Washington, DC 20036	RJR Nabisco, Inc	2,500.00	
Thomas J. Lengyel, 1000 16th Street, NW, #511 Washington, DC 20036-5705	American Institute of Merchant Shipping		
Betty Jane Leonard, P.O. Box 19109 Greensboro, NC 27419	Unifi, Inc		503.31
Burleigh C. W. Leonard, 2550 M Street, NW, #770 Washington, DC 20037	RJR Nabisco, Inc	600.00	702.46
Earl T. Leonard Jr., P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company	1,716.00	2,376.59
Lloyd Leonard, 1730 M St., NW Washington, DC 20036	League of Women Voters of the U.S	6,194.83	33.75
Rodney E. Leonard, 2001 S Street, NW, #530 Washington, DC 20009	Community Nutrition Institute		
Charles Leppert Jr., 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	103.39	
Richard L. Lesher, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S		
William Gene Lesher, 517 C Street, NE Washington, DC 20002	Lesher and Associates, Inc		
Lesher and Associates, Inc, 517 C Street, NE Washington, DC 20002	Dairy Farmers for Responsible Dairy Policy		
Daniel Lesmez, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S		
William J. Lessard Jr., 1300 19th Street, NW, #310 Washington, DC 20036	National Comm to Preserve Social Security & Medicare	3,125.00	
Leva Hawes Mason & Martin, 1220 19th St., NW, #700 Washington, DC 20036	Finnigan Corporation		
Do	Scientific Apparatus Makers Assn	300.00	1.60
Milton Levenson, P.O. Box 3965 San Francisco, CA 94119	Bechtel Power Corporation		
Leventhal & Senter, 2000 K Street, NW, #600 Washington, DC 20006-1809	Aeronautical Radio, Inc		
Do	Pan American Satellite Corp		12.00
S. R. Levering, Route 2 Ararat, VA 24053	U.S. Committee for the Oceans		
Morris J. Levin, 1050 17th St., NW Washington, DC 20036	Association of American Railroads	2,500.00	
Do	Independent JOA Publishers Assn		
Harry Levine Jr., 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co	57.00	
Kenneth S. Levine, 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	977.50	
Ellen Levinson, 2001 Kalorama Road, NW, #3 Washington, DC 20009	Coalition for Food Aid Policy & Programs	3,000.00	
Do	National Cooperative Business Assn	6,996.71	
Lawrence E. Levinson, 1875 Eye St., NW, #940 Washington, DC 20006	Gulf & Western Industries, Inc	2,750.00	80.00
David Levy, 7000 Central Avenue, NE P.O. Box 1453 Minneapolis, MN 55432	Medtronic, Inc	20.00	356.17
James F. Levy, 1010 Whaley Street Columbia, SC 29201	Vista, Inc		
Leslie Levy, 500 North Capitol St., NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	600.00	
David A. Lewis, 1601 Connecticut Ave., NW, #800 Washington, DC 20009	Friends of the Earth		
Michael R. Lewis, 1133 15th St., NW, #640 Washington, DC 20005	International Longshoremen's & Warehousemen's Union	10,300.00	755.18
Richard Lewis, 1025 Vermont Ave., NW Washington, DC 20005	American Pulpwood Assn		
William H. Lewis, Morgan Lewis & Bockius 1800 M Street, NW Washington, DC 20036	U.S. Gypsum Co	10,000.00	500.00
John F. Leyden, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	4,187.49	
James Patton LeGory, 8823 Southwick Street Fairfax, VA 22031	Oxford Group Limited		
Lynn H. LeMaster, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	2,590.58	540.85
William J. Lhota, 215 N. Front Street Columbus, OH 43215	Columbus and Southern Ohio Electric Co	375.00	249.25
Richard A. Lidinsky Jr., 655 15th Street, NW, #300 Washington, DC 20005	Sea Containers America, Inc		
William C. Lienesch, 238 10th St., SE Washington, DC 20003	National Parks & Conservation Association	898.00	33.85
Ross W. Lillard, 920 Main Street Kansas City, MO 64105	Stinson Mag & Fizzell (For:Farmland Industries, Inc)		
Diane Palmer Lilly, 1200 Peavey Building Minneapolis, MN 55479	Norwest Corporation		
Lincoln Savings & Loan Assn, P.O. Box 19614 Irvine, CA 92714			3,739.21
Stephen R. Lindauer, 1957 E Street, NW Washington, DC 20515	Associated General Contractors of America		
Roger Lindberg, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Cayman Islands)		
Do	Gray & Co Public Communications Int'l, Inc (For:Energy Security Policy)		
Do	Gray & Co Public Communications Int'l, Inc (For:Seminole Tribe of Florida)	42.45	
Kathleen M. Linehan, 1875 Eye St., NW, #500 Washington, DC 20006	Philip Morris, Inc	1,125.00	145.00
Paul E. Linet, One Devonshire Place, #1002 Boston, MA 02109	Bitupol, Inc	6,000.00	1,504.47
Linton Mields Reisler & Cottone, 1015 18th St., NW, #200 Washington, DC 20036	Iowa Department of Transportation	4,841.00	118.41
Do	Lake Superior District Power Co	565.00	
Do	Madison Gas & Electric Co	1,325.00	
Do	Metropolitan Sanitary District of Greater Chicago	5,876.00	
Do	Michigan Dept of Transportation	5,246.00	37.08
Do	Northern States Power Co	1,525.00	
Do	Oregon Department of Transportation	3,750.00	
Do	State of Colorado, Dept of Highways	2,970.00	48.60
Do	State of IL, Dept of Transportation	8,504.00	85.13
Do	State of IL, Dept of Transportation, Div of Water Resources	3,648.00	
Do	Superior Water Light & Power Co	261.00	
Do	Wisconsin Electric Power Co	6,865.00	631.46
Do	Wisconsin Fuel and Light Co	247.00	
Do	Wisconsin Natural Gas Co	938.00	
Do	Wisconsin Power & Light Co	3,651.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Wisconsin Public Service Corp	2,612.00	
Andrew D. Lipman, Pepper Hamilton & Scheetz 1777 F Street, NW Washington, DC 20006	MCI Telecommunications Corp		
Do	Norlight, Inc	1,700.00	
Hershel Lipow, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects		
Linda A. Lipsen, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	2,160.00	
Lisboa Associates, Inc, 1317 F St., NW, #400 Washington, DC 20004	College of the Virgin Islands	2,062.50	
John M. Lison, 200 West Adams, #2015 Chicago, IL 60606	Atcor, Inc		
Barbara A. Little, 1155 15th St., NW, #611 Washington, DC 20005	Ethyl Corporation	1,500.00	
Charles B. Little, 600 Maryland Ave., SW, #603 Washington, DC 20024	UBA, Inc	1,000.00	
Thomas W. Little, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	750.00	
William F. Little, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	487.00	842.60
Roy Littlefield, 15900 Pinecroft Lane Bowie, MD 20716	American Retreaders' Assn	500.00	
Do	Greater Washington/Maryland Service Station Assn	500.00	
E. Geoffrey Littlehale, 1100 15th Street, NW Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	41.50
Theodore M. Littman, 2230 E. Imperial Ave. El Segundo, CA 90245	Rockwell International Corp		
David A. Litvin, 1001 22nd St., NW, #600 Washington, DC 20037	Standard Oil Company (Ohio)	62.50	161.60
E. F. Livaudais Jr., 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co		
Robert W. Lively, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	115.00	
Livestock Marketing Association, 301 E. Armour Blvd. Kansas City, MO 64111			
Richard D. Lloyd, 600 Maryland Avenue, SW, #520 Washington, DC 20024	GPU Service Corporation		
Lobel Novins Lamont & Flug, 1275 K St., NW, #770 Washington, DC 20005	Generic Pharmaceutical Industry Assn	10,189.72	164.98
Paul Locigno, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	21,324.67	
Robert F. Lockhart Jr., 490 L'enfant Plaza East, SW Washington, DC 20024	Tenneco, Inc		
Lomas & Nettleton Financial Corp, P.O. Box 655644 Dallas, TX 75265			1,491.12
Law Ofcs of Sheldon London, 1725 DeSales St., NW, #401 Washington, DC 20036	American Hardware Manufacturers Assn		
Robert S. Long, 919 18th Street, NW, #400 Washington, DC 20006	Diamond Shamrock Corp	1,000.00	10.35
Robert W. Long, 1920 N St., NW Washington, DC 20036	American Mining Congress		
William E. Long, One Nationwide Plaza Columbus, OH 43216	Nationwide Insurance Co	600.00	
John H. Lonnquist, 1025 Connecticut Ave., NW, #214 Washington, DC 20036	Manville Corporation	1,500.00	
Susan J. Loomis, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	5,000.00	500.00
Gerald D. Lore, 1050 Connecticut Avenue, NW, #401 Washington, DC 20036	Hoffmann-La Roche, Inc		
Philip J. Loree, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	200.00	150.78
Robert E. Losch, P.C., 1716 New Hampshire Ave., NW Washington, DC 20009	American Dredging Co, et al	25,000.00	3,275.64
Timothy Lovain, 3713 Gunsten Rd. Alexandria, VA 22302	Denny Miller Associates	9,000.00	
Paula D. Lucak, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	8,250.06	38.50
Daniel P. Lucas, 777 14th St., NW, Washington, DC 20005	National Assn of Realtors		
James D. Lucas, 25 South Charles Street Baltimore, MD 21201	First Maryland Bancorp		
Do	First National Bank of Maryland		1,854.49
Mrs. Freddie H. Lucas, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,000.00	1,101.75
William L. Lucas, 2021 K Street, NW, #300 Washington, DC 20006	Primark Corporation	500.00	
Charles Emmet Lucey, 1200 New Hampshire Avenue, NW, #200 Washington, DC 20036	Catholic Press Assn		
Do	Manatt Phelps Rothenberg Tunney & Evans		
Peter J. Luciano, 923 15th Street, NW Washington, DC 20005	Transportation Institute	5,000.00	
Luedtke & Demarest, 1920 N Street, NW, #400 Washington, DC 20036	Ergon, Inc		
Do	Pitts Energy Group		
Do	Southland Corporation	350.00	
Do	US Telecom, Inc		
Kathy K. Luhn, 5205 Leesburg Pike, #505 Falls Church, VA 22041	National Beer Wholesalers Assn, Inc		160.72
Lukens, Inc, 50 South First Avenue Coatesville, PA 19320			
Sylvester Lukis, 1155 15th Street, NW, #504 Washington, DC 20005	City of Miami	3,750.00	
Do	City of Miami Beach	2,500.00	
Do	Dade County, Florida	4,166.66	
Do	Ziff-Davis Technical Information Services Co	3,000.00	
J.C. Luman & Associates, 1030 15th Street, NW, #720 Washington, DC 20005	National Assn of Personnel Consultants		
Michael L. Lunceford, 8787 Stemmons Freeway Dallas, TX 75247	Mary Kay Cosmetics, Inc		
Milton F. Lunch, 1420 King St. Alexandria, VA 22314	National Society of Professional Engineers	1,000.00	
Christian J. Lund, 1825 I Street, NW, #700 Washington, DC 20006	United Technologies Corporation	18,372.00	
Lund & O'Brien, 1625 Eye St., NW Washington, DC 20006	Federation of American Controlled Shipping	900.00	156.44
Do	Pennsylvania Power & Light Co	1,945.75	167.00
Francis M. Lunnie Jr., 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20005	National Assn of Manufacturers		
David C. Luttrell, 1422 W. Peachtree St., NW, #612 Atlanta, GA 30309	National Assn of Manufacturers		
W. Fletcher Lutz, 727 South 23rd St., #100 Arlington, VA 22202	Association of Government Accountants		
Timothy P. Lynch, 1901 N. Fort Myer Dr., #204 Arlington, VA 22209	Roadway Express, Inc	425.00	200.00
John E. Lynn, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects	2,000.00	
William T. Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	5,411.00	5,411.00
Joseph H. Macaulay, 1455 Pennsylvania Ave., NW, #900 Washington, DC 20004	U.S. Surgical Corporation		
Anthony R. Macchia, 4 World Trade Center New York, NY 10048	Coffee Sugar & Cocoa Exchange, Inc		
James E. Mack, 9005 Congressional Court Potomac, MD 20854	National Assn of Mirror Manufacturers		
Do	Peanut Butter & Nut Processors Assn		
James H. Mack, 7901 Westpark Dr. Mclean, VA 22102	National Machine Tool Builders' Assn	16,243.00	500.00
Timothy MacCarthy, 1620 I Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	2,346.00	
Jack A. MacDonald, 1901 N. Fort Meyer Drive, #302 Rosslyn, VA 22209	Beverly Enterprises, Inc	6,250.00	75.00
Miriam A. MacDonald, 1025 Connecticut Avenue, NW, #1010 Washington, DC 20036	Metropolitan Life Insurance Cos	1,000.00	
Wendy L. MacDonald, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
John H. Madigan Jr., 1575 Eye Street, NW, #1025 Washington, DC 20005	American Cancer Society	5,000.00	1,150.00
Cliff Madison Government Relations, Inc, P.O. Box 3482 Granada Hills, CA 91344	Burbank-Glendale-Pasadena Airport Authority	2,000.00	
Do	City of Avalon	750.00	
Do	Federal Express	10,500.00	
Do	Mark Air, Inc	4,000.00	
Do	Southern California Rapid Transit District	5,000.00	
Susan Magaw, P.O. Box 3556 Washington, DC 20007	American Meat Institute	2,000.00	
James N. Magill, 200 Maryland Avenue, NE Washington, DC 20002	Veterans of Foreign Wars of the U.S	4,500.00	231.00
A. John Maguire, 1030 15th Street, NW Washington, DC 20005	National Cotton Council of America	18,750.00	1,394.14
W. Terry Maguire, Box 17407 Dulles International Airport Washington, DC 20041	American Newspaper Publishers Assn	1,125.00	
John F. Mahoney, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	5,378.00	
Terence P. Mahony, 1825 K Street, NW, #807 Washington, DC 20006	National Broadcasting Co, Inc	500.00	167.27
Robert L. Maier, 900 17th St., NW, #1000 Washington, DC 20006	Kaiser Aluminum & Chemical Corp	245.00	15.00
Steven R. Maimon, P.O. Box 7579 Washington, DC 20044	Ibus Group, Ltd		
Ellen L. Maitland, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		
R. Roger Majak, 1700 N. Moore Street, #1620 Arlington, VA 22209	Tektronix, Inc	10,300.00	1,713.54
Major League Baseball Players Assn, 805 Third Avenue New York, NY 10022			
K. Wayne Malbon, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	775.00	15.00
Daniel C. Maldonado, 10000 Falls Rd., #306 Potomac, MD 20854	American Soc of Anesthesiologists	22,875.00	656.30
Do	Association of Univ Programs & Occupational Health & Safety	1,600.00	115.42
Do	Los Angeles Alliance for Equitable Customs Staffing	1,000.00	9.05
Do	National Hemophilia Foundation	1,600.00	30.37
Do	Research Society on Alcoholism	1,000.00	49.51
Andrew T. Malleck, 400 First Street, NW Washington, DC 20001	Brotherhood of Maintenance of Way Employes	9,875.00	
David Mallino, 815 16th Street, NW Washington, DC 20006	Industrial Union Department, AFL-CIO	12,850.00	974.55
J. Wilson Malloy Jr., 1919 Pennsylvania Ave., NW Washington, DC 20006	Eastman Chemicals Division	850.00	86.00
Robert H. Maloney, 490 L'enfant Plaza East, SW Washington, DC 20024	Tenneco, Inc		
William R. Maloni, 3900 Wisconsin Avenue, NW Washington, DC 20016	Federal National Mortgage Assn	24,250.00	1,403.83
Management & Government Resources, 1305 Mt. Holly Road Burlington, NJ 08016	Burlington Coat Factory	18,160.00	9,385.84
Manatt Phelps Rothenberg Tunney & Evans, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	Alliance for a Capital Access	4,105.00	
Do	American Bankers Assn	1,935.00	
Do	American Petrofina, Inc	5,293.75	
Do	Boeing Company		
Do	Bowling Proprietors' Assn of America	67.50	
Do	Chronar Corporation	275.00	
Do	Coalition for Tax Reform	5,340.00	
Do	Coalition to Save the Polygraph	210.00	
Do	Connecticut National Bank		
Do	Empire Blue Cross & Blue Shield	5,130.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	First Pennsylvania Bank		
Do	Flying Tiger Line, Inc	210.00	
Do	General Instruments Corp	150.00	
Do	Government of Cyprus	2,885.00	
Do	Government of Jamaica	1,350.00	
Do	Jamaican Broadcasting Corp		
Do	Money Store	735.00	
Do	New World Pictures		
Do	Northrop Corp	2,820.00	
Do	Philip Morris, Inc	9,945.00	
Do	Rollins Environmental Services	125.00	
Do	Rollins, Inc		
Do	RLC Corporation		
Do	Security First Group	1,050.00	
Do	Southern California Rapid Transit District	11,725.00	
Do	State Street Development Co of Boston	3,030.00	
Do	Donald T. Sterling & Associates		
Do	Superior Training Services	5,608.75	
Do	Traweek Investment Co, Inc	2,835.00	
Katherine T. Mance, 1616 H Street, NW Washington, DC 20006	American Retail Federation	400.00	55.00
Manchester Associates, Ltd, 1155 15th Street, NW, #811 Washington, DC 20005	Corporacion Del Cobre (USA), Inc	4,087.50	3,040.27
Do	Eldorado Resources, Ltd	15,000.00	9,776.25
Do	Nissan Motor Company, Ltd		
Susan Manes, 2030 M Street, NW Washington, DC 20036	Common Cause	11,750.04	180.85
Frank Mankiewicz, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Bell Atlantic Management Systems)	450.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Government of the Cayman Islands)	300.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Greer Ingratsci, et al)	1,350.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Lane Industries)		
Do	Gray & Co Public Communications Int'l, Inc (For:Republic of Turkey)		
Do	Gray & Co Public Communications Int'l, Inc (For:Sencit Enterprises, Inc)	900.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Stroh Brewery Co)	1,050.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Title Insurance Industry Coalition)		
Do	Gray & Co Public Communications Int'l, Inc (For:United Air Lines)		
Do	Gray & Co Public Communications Int'l, Inc (For:Vietnam Veterans of America)	600.00	
Donald W. Mann, 60-B Franklin St. Tenafly, NJ 07666	Negative Population Growth, Inc		
Richard J. Mannix, 195 Montague St. Brooklyn, NY 11201	Brooklyn Union Gas Co		
Manufactured Housing Institute, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202			4,900.00
John V. Maraney, 324 East Capitol St., NE Washington, DC 20003	National Star Route Mail Contractors Assn		
March for Life, Inc, PO Box 2950 Washington, DC 20013		8,542.70	10,129.87
Maritime Institute for Research & Industrial Development, 1133 15th St., NW, #600 Washington, DC 20005			14,491.00
Richard Mark, 1616 P St., NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	8,749.98	2,095.71
Richard P. Markey, 729 15th St., NW Washington, DC 20005	Associated Builders & Contractors, Inc		
Lawrence D. Markley, P.O. Box 196300 Anchorage, AK 99519	Chugach Electric Assn, Inc	4,069.00	1,104.44
Marc L. Marks, 1801 K Street, NW Washington, DC 20006	Westinghouse Electric Corp		
Ronald Anthony Marks, 10 Waterside Plaza, #2b New York, NY 10010			
Luther A. Markwart, 1156 15th St., NW, #1019 Washington, DC 20005	American Sugarbeet Growers Assn		
Ernest Robert Marlow, 1126 16th Street, NW, #410 Washington, DC 20036-1081	International Chemical Workers Union	5,000.00	
Howard Marlowe, 1667 K St., NW, #660 Washington, DC 20006	Coalition to Keep Alaska Oil	6,500.00	
Do	Graphic Communications International Union, AFL-CIO, CLC	4,285.50	4,285.50
Marlowe & Company, 1667 K Street, NW, #660 Washington, DC 20006	Graphic Communications Int'l Union	7,294.50	7,294.50
Chalmers H. Marquis, 1818 N St., NW, #410 Washington, DC 20036	Children's Television Workshop		
Do	National Assn of Public Television Stations	600.00	150.00
Dan Marriott, 900 Kennecott Building Salt Lake City, UT 84133	Guardian Life Insurance Co of America		
Lori A. Marsden, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	200.00	
C. Travis Marshall, 1776 K St., NW, #300 Washington, DC 20006	Motorola, Inc	1,500.00	21.25
Dianne D. Marshall, 1331 Pennsylvania Avenue, NW, #910 Washington, DC 20004	American Cement Trade Alliance, Inc	750.00	36.95
Scott Marshall, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	507.69	53.50
Thomas A. Martens, P.O. Box 10110 SO. Lake Tahoe, CA 95731	League to Save Lake Tahoe	50.01	
David F. Martin, 2020 14th Street, North Arlington, VA 22201	American Standard Inc	750.00	
Donald N. Martin, Donald N. Martin & Company, Inc 630 Fifth Ave. New York, NY 10111			
Fred J. Martin Jr., 1800 K Street, NW Washington, DC 20006	Bank of America	1,186.64	307.65
J. Ross Martin, Kansas Petroleum Council 1414 Merchants Nat'l Bank Bldg. 8th & Jackson Topeka, KS 66612	American Petroleum Institute	700.00	742.62
John M. Martin Jr., 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Katherine E. Martin, 50 F Street, NW Washington, DC 20001	Association of American Railroads	598.80	156.98
Larry K. Martin, 1611 North Kent Street, #800 Arlington, VA 22209	American Apparel Manufacturers Assn, Inc	2,600.00	75.00
Robert L. Martin, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S	2,500.00	
James C. Martinelli, 1025 Connecticut Avenue, NW, #300 Washington, DC 20036	Environmental Management Consultants, Inc		
Vilma S. Martinez, 612 S. Flower Street, 5th Floor Los Angeles, CA 90017	Munger Tolles & Rickershauser (For:Spanish International Communications Corp)	1,403.00	81.85
Ernest Marty, 85 Ridge St. North Sidney, Nsw 2060 Australia			
Judith Marty, 85 Ridge St. North Sydney, Nsw 2060 Australia			
Merrill D. Marxman, 7937 Lake Pleasant Drive Springfield, VA 22153	Marxman & Associates, Inc		
Maryland People's Counsel, 231 E. Baltimore Street, 9th Fl. Baltimore, MD 21202			213.19
Mike M. Masaoka, Suite 520, The Farragut Bldg. 900 17th St., NW Washington, DC 20006	American Japanese Trade Comm		
Do	Japan Telescopes Manufacturers Assn	200.00	
Do	Nisei Lobby		
Do	Toyota Motor Sales, USA, Inc	750.00	
Do	West Mexico Vegetable Distributors Assn	500.00	
Mark A. Maslyn, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	5,687.00	140.46
W. A. Mason, P.O. Box 21106 Shreveport, LA 71156	Southwestern Electric Power Co	119.66	34.11
Ned W. Massee, 299 Park Avenue New York, NY 10171	Westvaco Corporation		701.00
Donald F. Massey, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Agriculture for Market Oriented Policies).		
Do	Gray & Co Public Communications Int'l, Inc (For:Canadian Asbestos Information Centre).		
Do	Gray & Co Public Communications Int'l, Inc (For:Cote d'Azur Development)	595.60	
Do	Gray & Co Public Communications Int'l, Inc (For:Euromissile)	618.75	
Do	Gray & Co Public Communications Int'l, Inc (For:Government of the Cayman Islands)		
Do	Gray & Co Public Communications Int'l, Inc (For:Hitachi America Ltd)		
Do	Gray & Co Public Communications Int'l, Inc (For:Hoopa Valley Indian Reservation)	91.60	
Do	Gray & Co Public Communications Int'l, Inc (For:Hyundai Motor America)		
Do	Gray & Co Public Communications Int'l, Inc (For:Joint Maritime Congress)	458.20	
Do	Gray & Co Public Communications Int'l, Inc (For:Lane Industries)		
Do	Gray & Co Public Communications Int'l, Inc (For:Mutual of Omaha)		
Do	Gray & Co Public Communications Int'l, Inc (For:Rauschenberg Overseas Cultural Interchange).		
Do	Gray & Co Public Communications Intl, Inc (For:Republic of Korea)		
Do	Gray & Co Public Communications Int'l, Inc (For:Republic of Turkey)	5,293.50	
Do	Gray & Co Public Communications Int'l, Inc (For:Seminole Tribe of Florida)	1,351.90	
Do	Gray & Co Public Communications Int'l, Inc (For:Stroh Brewery Co)	275.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Tesoro Petroleum Corp)	68.75	
Do	Gray & Co Public Communications Int'l, Inc (For:Title Insurance Industry Coalition)	45.80	
Do	Gray & Co Public Communications Int'l, Inc (For:United Airlines, Inc)	526.90	
Do	Gray & Co Public Communications Int'l, Inc (For:Waterman Steamship Corp)	91.60	
James D. Massie, 1730 Rhode Island Avenue, NW, #400 Washington, DC 20036	Freeport McMoran, Inc	300.00	157.00
Julie Mathews, 2030 M Street, NW Washington, DC 20036	Common Cause	4,800.00	
Dawson Mathis, 2100 M Street, NW, #603 Washington, DC 20036	Dawson Mathis & Associates (For:American Electronic Laboratories, Inc)		
Do	Jack Mcdonald Co (For:Coalition for the Advancement of Industrial Technology)		
Do	Coalition Against Double Taxation, Inc		
Do	Dawson Mathis & Associates (For:Consumers Power Co)		
Do	Dawson Mathis & Associates (For:Crowley Maritime Corp)		
Do	Griffin Corp		
Do	Dawson Mathis & Associates (For:Massachusetts Mutual Life Insurance Co)		
Do	Dawson Mathis & Associates (For:Pacific Gas & Electric Co)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Dawson Mathis & Associates (For:Southeastern Peanut Assn)		
Do	Dawson Mathis & Associates (For:Westinghouse Electric Corp)		
Mary Helen Mathis, 444 North Capitol St., #711 Washington, DC 20001	Keefe Company (For:Carteret Savings & Loan)	180.00	
Do	Keefe Company (For:Cordish & Embry Associates)		
Do	Keefe Company (For:Essex County)	1,600.00	
Do	Keefe Company (For:New York University)	1,200.00	
Do	Keefe Co (For:University of the Sacred Heart)	190.00	
Do	Keefe Company (For:University of Medicine & Dentistry of New Jersey)	280.00	
Do	Keefe Co (For:University of Miami)	90.00	
Dawson Mathis & Associates, 1800 M Street, NW, #950 North Washington, DC 20036	American Electronic Laboratories, Inc.		
Do	Consumers Power Co.		
Do	Crowley Maritime Corp.		
Do	Massachusetts Mutual Life Insurance Co		
Do	Pacific Gas & Electric Co		
Do	Southeastern Peanut Assn		
Do	Westinghouse Electric Corp.		
Peter K. Matt, Spiegel & McDiarmid 1350 New York Avenue, NW Washington, DC 20005-4798	Northern California Power Agency, et al.		
Do	Sacramento Municipal Utility District		
Peter Mattheis, 1050 Connecticut Avenue, NW Washington, DC 20036	Baker & Hostetler (For:Soap & Detergent Assn)		
Charles D. Matthews, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	3,000.00	
Robert A. Matthews, 700 North Fairfax St. Alexandria, VA 22314	Railway Progress Institute	1,071.87	
Suzette Matthews, 1726 M Street, NW, #800 Washington, DC 20008	Air Traffic Control Assn, Inc	2,117.62	2,117.62
Joseph M. Mattingly, 1901 North Moore Street Arlington, VA 22209	Gas Appliance Manufacturers Assn, Inc.		
Marshall L. Matz, Scott Harrison & Mcleod 2501 M Street, NW, 4th Fl. Washington, DC 20037	American School Food Service Assn	9,000.00	2,262.16
C.V. & R.V. Maudlin, 1511 K Street, NW, #535 Washington, DC 20005	Brass and Bronze Ingot Institute		
Anthony F. Mauriello, New York State Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute		
Michael Mawby, 2030 M Street, NW Washington, DC 20036	Common Cause	10,250.04	212.00
Thomas H. Maxedon, Kentucky Petroleum Council 612-A Shelby Street Frankfort, KY 40601	American Petroleum Institute		
Nancy Maxwell, 444 No. Capitol Street, NW, #711 Washington, DC 20001	Keefe Co (For:UNIAO Nacional Para Independencia Total DeAngola)	1,500.00	
William A. Maxwell, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	2,000.00	51.14
Albert E. May, 1627 K Street, NW, 1200 Washington, DC 20006	Council of American-Flag Ship Operators	5,250.00	19.56
Jerry C. May, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Walter R. May, 7004 Park Terrace Drive Alexandria, VA 22307	Yellow Freight System, Inc.	12,720.00	1,868.00
Mayberry and Leighton, 1667 K St. NW, 9th Fl. Washington, DC 20006	American Dairy Products Institute		
Do	ALPO Petfoods, Inc		
Do	Clorox Company		
Do	Express Foods Co, Inc		
Do	General Instrument Corporation		
Do	GTE Products Corp		
Do	Johnson & Johnson		
Do	Leprino Foods, Inc		
Do	Merrick's, Inc.		
Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	Alliance for Philanthropy	250.00	
Do	Attorneys' Liability Assurance Society Ltd		
Do	Brunswick Corp	750.00	
Do	Business Roundtable		
Do	City of Evanston, Illinois	90.00	
Do	Comdisco, Inc		
Do	Contract Staffing of America	250.00	
Do	Copeland Companies	375.00	
Do	Goldman Sachs & Co.	375.00	
Do	GATX Corporation		
Do	Hewlett-Packard Co.		
Do	Household Commercial Financial Services, Inc	375.00	
Do	Inland Steel Corp		
Do	JMB Realty Corp	1,000.00	
Do	Lasalle Partners, Inc	125.00	
Do	Lutheran General Health Care System		
Do	Merrill Lynch Capital Markets		
Do	National Assn of Broadcast Employees & Technicians		
Do	National Staff Leasing Assn	250.00	
Do	RTS Capital Corp		
Do	Sears Roebuck & Co		
Do	Shearson Lehman Brothers, Inc		
Do	Union Station Venture		
Do	Voluntary Hospital Assn		
Martin Mayfield, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	450.00	285.15
Jeffrey G. Mays, 600 Maryland Ave., SW, #400e Washington, DC 20024	American Optometric Assn		
Michael J. McAdams, 1015 18th Street, NW Washington, DC 20036	Fertilizer Institute	10,000.00	2,181.01
H. Wesley McAden, 1155 15th St., NW, #504 Washington, DC 20005	J. G. Boswell Co.	3,000.00	
Do	New York Cotton Exchange	2,000.00	
Do	Supima Association of America	2,000.00	
Douglas E. McAllister, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Ann McBride, 2030 M St., NW Washington, DC 20036	Common Cause	13,457.93	426.50
R. G. McBride, Mississippi Petroleum Council P.O. Box 42 Jackson, MS 39205	American Petroleum Institute	500.00	
Stephen C. McCaffrey, 1828 N. Meridian Street Indianapolis, IN 46202	United Way of Indianapolis		
Julie P. McCahill, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn		
John D. McCallum, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co.		
Katherine S. McCarter, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	2,566.00	
Carolyn Kim McCarthy, 7901 Westpark Drive Mclean, VA 22102	National Machine Tool Builders' Assn	1,700.00	500.00
James R. McCarthy, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
McCarty Noone & Williams, 490 L'enfant Plaza East, SW, #3306 Washington, DC 20024	American Medical Technologists	900.00	29.39
Robin W. McClung, 1667 K St., NW, #1210 Washington, DC 20006	Rohm & Haas Co.	500.00	97.62
McClure & Trotter, 1100 Connecticut Ave., NW, #600 Washington, DC 20036	Bankers Trust Co.		10.23
Do	Coca-Cola Company		805.27
Do	Gulf & Western Industries, Inc		658.85
Do	Mobil Oil Corp	11,978.75	538.36
Do	National Assn of Small Business Investment Cos		5.48
Do	Ross Capital Corp		50.39
Mark L. McConaghy, 1801 K St., NW, #700 Washington, DC 20006	Price Waterhouse (For:Ceo Tax Group, et al.)	2,120.00	264.00
Do	Price Waterhouse (For:Toyota Motor Kentucky, Inc)	5,300.00	15.00
Robert S. McConnaughey, 1850 K St., NW Washington, DC 20006	American Council of Life Insurance, Inc		
Hugh T. McCormick, 520 Madison Avenue New York, NY 10022	LeBoeuf Lamb Leiby & MacRae (For:General Conf of the 7th Day Adventists Church Risk Mgt Svcs).		125.00
Margaret M. McCormick, 5017 Forbes Avenue Pittsburgh, PA 15213	Carnegie-Mellon University	5,208.03	2,658.52
Alvin McCoy, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Dennis R. McCoy, 1120 Connecticut Avenue, NW Washington, DC 20036	United Gas Pipe Line Co		
James K. McCracken, 111 Massachusetts Avenue, NW, #200 Washington, DC 20001			
Albert L. McDermott, 1819 L Street, NW, #600 Washington, DC 20036	American Hotel & Motel Assn	2,162.62	
Marianne McDermott, 1350 New York Avenue, NW, #615 Washington, DC 20005	Greeting Card Assn		
Mark T. McDermott, Joseph, Powell, Mcdermott & Reiner, P.c. 1300 19th Street, NW, #400 Washington, DC 20036	Civil Pilots for Regulatory Reform		
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006	American Dental Hygienists' Assn	12,000.00	
Do	California Assn of Children's Hospitals	3,855.00	205.00
Do	Federation of Japan Salmon Fisheries Cooperative Assn		
Do	Juvenile Diabetes Foundation, International	3,250.00	118.00
Do	Outpatient Opthalmic Surgery Society	1,685.00	
Do	Society for Office Based Surgery	375.00	
Do	Tuna Research Foundation, Inc		
Jack McDonald, 1489 Chain Bridge Road, #200 McLean, VA 22101	Jack McDonald Co (For:American Express Corp)		
Do	Jack McDonald Co (For:Coalition for the Advancement of Industrial Technology)	5,000.00	
Do	Jack McDonald Co (For:Dow Corning Corp)		
Do	Jack McDonald Co (For:Municipal Financial Consultants)		
Do	Jack McDonald Co (For:Royal Zenith Corp)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Michael D. McDonald, Maryland Petroleum Assn 60 West St. Annapolis, MD 21401	American Petroleum Institute	150.00	
Jack McDonald Co, 1489 Chain Bridge Road, #200 McLean, VA 22101	American Express Corp		
Do	Coalition for the Advancement of Industrial Technology	5,000.00	
Do	Dow Corning Corp		
Do	Municipal Financial Consultants		
Do	Royal Zenith Corp		
Patrick J. McDonough, 5999 Stevenson Avenue Alexandria, VA 22304	American Assn for Counseling & Development		
Marian E. McDowell, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	2,475.97	352.68
Dinah D. McElfresh, 1255 23rd Street, NW, #850 Washington, DC 20037	Hauck & Associates (For:National Assn for Child Care Management)		
Rick McElheny, 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Hyundai Motor America)	275.00	
Do	Gray & Co Public Communications Int'l, Inc (For:International Brotherhood of Teamsters).		
Christine W. McEntee, 50 F Street, NW, #II00 Washington, DC 20001	American Assn of Retired Persons	413.44	204.51
Robert H. McFadden, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Donna Lee McGee, 1726 M St., NW, #401 Washington, DC 20036	Burlington Industries, Inc	2,500.00	1,011.50
Gale W. McGee, 122 C Street, NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	2,500.00	200.00
P. Anne McGhee, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	450.00	
Robert M. McGlotten, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	15,769.00	1,476.28
Phyllis M. McGovern, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	52.42	4.60
Jeanne H. McGowan, 1025 Connecticut Avenue, NW, #415 Washington, DC 20036	American Insurance Assn		
Christopher C. McGrath, New York State Petroleum Council 156 William St. New York, NY 10038	American Petroleum Institute		
Richard L. McGraw, 950 L'enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp		
McGuiness & Williams, 1015 15th Street, NW, #1200 Washington, DC 20005	American Polygraph Assn		
Do	Borg-Warner Corp		
Do	City of West Lafayette		
Do	Coin Depot Corp		
Do	International Theatrical Agencies Assn		
Do	National Assn of Orchestra Leaders		
Do	National Manufactured Housing Assn		
Do	Pony Express Courier Corp		
Do	Wells Fargo Armored Service Corp		
Joseph M. McGuire, 1501 Wilson Blvd. Arlington, VA 22209	Air Conditioning & Refrigeration Institute		
Peter E. McGuire, 1219 28th Street, NW Washington, DC 20007	Hotel Employees & Restaurant Employees Int'l Union		
Do	National Assn of Retired & Veteran Railway Employees		
McHale Cook & Welch, P.C., 1100 Chamber of Commerce Building Indianapolis, IN 46204	Estate of Mabel R. Ladd		
McHenry & Staffier, P.C., 1300 19th St., NW, #408 Washington, DC 20036	Foothills Pipe Lines (Yukon) Ltd	1,312.50	
Do	Nova, An Alberta Corp		
Do	Novacor Chemicals, Ltd		
Do	Pan-Alberta Gas Ltd	1,312.50	
James E. McInerney Jr., 122 C Street, NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	3,000.00	555.91
Clarence M. McIntosh Jr., 400 First St., NW Washington, DC 20001	Railway Labor Executives' Assn	1,277.86	
James T. McIntyre Jr., Hansell & Post, 1667 K St., NW, #500 Washington, DC 20006	Ogden Corp	997.50	.61
Robert McIntyre, 1313 L St., NW Washington, DC 20005	Citizens for Tax Justice	6,229.49	
Jan E. McKenzie, 1111 19th St., NW, #702 Washington, DC 20036	Edison Electric Institute	5,686.75	245.31
Robert T. McKernan, 1619 Massachusetts Ave., NW Washington, DC 20036	American Paper Institute, Inc	250.00	
William Colm McKeveny, 30 Rockefeller Plaza New York, NY 10112	American Pulpwood Assn		
C. A. 'Mack' McKinney, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	10,025.00	198.64
Steven G. McKinney, P.O. Box 306 Birmingham, AL 35201	Balch & Bingham (For:Southern Company Services, Inc)	400.00	256.70
Thomas I. McKnew Jr., 1667 K St., NW, #600 Washington, DC 20006	Santa Fe Southern Pacific Corp	1,500.00	
James D. McLaughlin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	750.00	
John P. McLaughlin, 1747 Pennsylvania Avenue, NW Washington, DC 20006	Merrell Dow Pharmaceuticals, Inc		
Do	Pharmaceutical Manufacturers Assn	1,462.50	
William F. McManus, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	600.00	
James D. McMillan, 1899 L St., NW, #1100 Washington, DC	Exxon Corporation	1,700.00	492.76
McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005	Allied-Signal, Inc	2,014.17	271.98
Do	Amalgamated Clothing & Textile Workers Union	2,746.30	39.81
Do	American Petroleum Institute		
Do	Bear Stearns & Co, Inc	1,280.00	101.73
Do	Bell South Corp	19,020.55	1,496.95
Do	Beneficial Management Corp of America	2,654.53	95.39
Do	Bradley Properties	720.00	159.24
Do	Bristol-Myers Co		21.16
Do	Business Roundtable	13,014.71	1,735.09
Do	Carolina Urocorp		
Do	Chase Manhattan Bank, N.A		
Do	Citibank, N.A		
Do	Colt Industries, Inc	7,078.48	124.36
Do	Commercial Law League of America		
Do	CBS, Inc	45,803.86	482.38
Do	Dart & Kraft, Inc	588.00	113.00
Do	Elliott & Zweben, P.C		
Do	Enserch Corporation	2,376.76	135.43
Do	Food Marketing Institute	1,760.00	724.66
Do	General Mills Corporation		
Do	Georgia-Pacific Corp	12,155.78	344.12
Do	GTE Corporation	1,615.42	174.40
Do	Hospital Corp of America	8,875.00	
Do	Intellectual Property Owners, Inc		
Do	Louisiana Pacific Corp		
Do	Marriott Corp	5,338.50	8,479.95
Do	Mesa Petroleum Co		
Do	Metropolitan Insurance	9,091.40	474.05
Do	Milliken Mills	3,126.44	780.42
Do	Monarch Group		
Do	National Assn of Realtors		50.74
Do	National Football League		
Do	Norfolk Southern Corp		1,088.20
Do	Northwestern Mutual Life Insurance Co	2,873.30	466.74
Do	Pacific Theatres	2,463.40	119.12
Do	PalmettoNet		7.62
Do	Pharmaceutical Manufacturers Assn		
Do	R.J. Reynolds Tobacco Co	3,036.38	27.15
Do	SmithKline Beckman Corp	695.67	174.06
Do	Sony Corp of America	8,419.62	169.88
Do	Texas Gas Transmission Corp		
Do	Texas Oil & Gas Corp		
Do	Times Mirror Co	5,534.34	246.68
Do	Union Pacific Corp	785.25	31.23
Do	US Sprint		114.14
Do	Variable Annuity Life Insurance Co		
Do	Waste Management, Inc		4.74
Do	Westinghouse Electric Corp	12,499.44	901.56
Kathryn M. McNamara, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Sears Roebuck & Co	320.00	160.00
Laramie Faith McNamara, 1000 Wilson Blvd., #2700 Arlington, VA 22209	TRW, Inc	1,000.00	
Patrick H. McNamara, McNamara & Associates, Inc 450 Fifth Street, NW, #900 South Washington, DC 20001-5130	Dow Chemical USA		13,620.00
Peter F. McNeish, 1156 15th Street, NW, #1101 Washington, DC 20005	National Assn of Small Business Investment Cos	3,000.00	
Michael J. McShane, 1101 30th Street, NW, #500 Washington, DC 20007	National Computer Systems		135.00
Robert McVicker, 2001 Jefferson Davis Hwy Arlington, VA 22202	Kollsman Instrument Co		
Joseph F. Meadow, 7100 Baltimore Avenue College Park, MD 20740	United Action for Animals, Inc	1,800.00	
John K. Meagher, 1025 Thomas Jefferson Street, NW Washington, DC 20007	LTV Corporation	3,000.00	900.00
Francis X. Meaney, 1825 Eye Street, NW Washington, DC 20006	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Goldman Sachs & Co)		
Do	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Securities Industry Assn)	2,000.00	
Medtronic, Inc, 7000 Central Ave., NE Minneapolis, MN 55432			869.77

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Colise G. Medved, 1800 Diagonal Rd., #500 Alexandria, VA 22314	Penn Central Corporation		
Stephen Meeter, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Hyundai Motor America)		
William H. Megonnell, 1111 19th St., NW, 9th Floor Washington, DC 20036	Edison Electric Institute	2,204.42	135.24
Karen A. Mehl, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Richard A. Mehler, 1818 N Street, NW, #200 Washington, DC 20036	Automotive Parts Rebuilders Assn		
Larry Mehlhaff, 23 N. Scott Sheridan, WY 82801	Sierra Club	6,500.00	3,610.63
Michelle Meier, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	1,000.00	
Memel Jacobs Pierno Gersh & Ellsworth, 1800 M Street, NW, #1000-N Washington, DC 20036	Eskaton Health Corp		
Do	National Assn of Public Hospitals		
Howard A. Menell, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co		
Edward L. Menning, 1522 K St., NW, #836 Washington, DC 20005	National Assn of Federal Veterinarians		
Jane Mentzinger, 2030 M Street, NW Washington, DC 20036	Common Cause	5,825.04	34.00
Merit Stainless Steel, Inc, 28332 Hayes Road Roseville, MI 48066			24.68
Edward A. Merlis, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	2,925.00	
Edward L. Merrigan, 6000 Connecticut Ave., NW Washington, DC 20815	Central Gulf Lines, Inc	7,500.00	126.30
Do	GATX Corp	30,000.00	58.50
Do	National Assn of Recycling Industries, Inc	10,000.00	17.84
Do	Rolls-Royce Motors, Inc	14,306.25	162.91
Do	John Tudor		
Nancy Jo Merrill, 1725 K St., NW, #814 Washington, DC 20006	March of Dimes Birth Defects Foundation		
Merrill Lynch & Co, Inc, 1828 L St., NW, #906 Washington, DC 20036			17,500.00
Richard P. Merski, 1455 Pennsylvania Avenue, NW, #900 Washington, DC 20004	American International Group, Inc	5,000.00	120.00
Noah D. Mesel, The Ferguson Company 1875 Eye Street, NW, #1275 Washington, DC 20006	Berg-Revoir Corporation		
Do	City of Alhambra		
Do	City of Baldwin Park		
Do	City of Inglewood		
Do	City of Oceanside		
Do	City of Provo	100.00	13.80
Do	City of Redondo Beach		
Do	City of South Salt Lake	100.00	13.80
Do	Imperial Irrigation District		
Do	Irvine Company		
Do	Long Beach Transit		
Do	Oceanside Redevelopment Agency		
Do	Santa Cruz Properties		
Harold E. Mesirow, 21 Dupont Circle, NW Washington, DC 20036	Lillick Mchose & Charles (For:Foss Launch & Tug Company, et al.)		
Do	Western Pioneer, Inc		
Neil T. Messick, 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co	1,200.00	
Jean L. Mestres, 1747 Pennsylvania Avenue, NW, #300 Washington, DC 20006	Cities Service Oil & Gas Corp	784.70	250.00
Andrea L. Methven, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc		
Christopher L. Meyer, P.O. Box 888, E Unit Ashland, KY 41101			
Do	New Generation Lobby		
M. Barry Meyer, 900 19th Street, NW Washington, DC 20006	Aluminum Assn	200.00	25.00
Larry D. Meyers, 412 First Street, SE Washington, DC 20003	American Beekeeping Federation	1,000.00	
Do	Committee for the Production & Research of Agric Chemicals	15,000.00	
Do	CPEX Pacific, Inc	1,800.00	
Do	Hucheng International Co		
Do	National Peanut Growers Group	18,000.00	
Do	Nuclear Waste Task Force	7,500.00	
Do	Rice Belt Warehouse, Inc	4,500.00	
Do	Sam Kane Packing		
Do	Texas Cotton Marketing	5,000.00	
David R. Mica, Florida Petroleum Institute 325 John Knox Rd., #F-210 Tallahassee, FL 32303	American Petroleum Institute		
Michael G. Michaels, P.O. Box 7000-E-Box 310 Texarkana, TX 75501			
James G. Michaux, P.O. Box 70297 Washington, DC 20088	Federated Dept Stores, Inc	550.00	
Laurie Michel, 1850 K Street, NW, #1100 Washington, DC 20006	Ballard Spahr Andrews & Ingersoll (For:Arthur Andersen & Co)		
Thomas A. Micheletti, 1111 19th Street, NW, #303 Washington, DC 20036	Southern California Edison Co	3,750.00	1,500.00
Kathleen Michels, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	4,410.13	111.52
Ronald A. Michieli, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn		
Mid-Continent Oil & Gas Assn, 711 Adams Office Bldg. Tulsa, OK 74103		2,665.60	37,241.07
Roger E. Middleton, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,400.00	31.00
Migrant Legal Action Program, Inc, 2001 S St., NW, #310 Washington, DC 20009			
Lisa Mihaly, 122 C Street, NW, 4th Fl. Washington, DC 20001	Children's Defense Fund of the Washington Research Project	1,561.60	
Janice I. Milazzo, 1001 22nd Street, NW Washington, DC 20037	Standard Oil Co (Ohio)		
Milbank Tweed Hadley & Mccloy, 1825 Eye St., NW Washinton, DC 20006	Claymark Corporation, Inc		
Do	Joint Task Force on Fed Financial Assist. for Law Students		
Miles & Stockbridge, 1701 Pennsylvania Ave., NW, #500 Washington, DC 20006	Black and Decker Manufacturing Company		410.00
Do	Pepsico, Inc		275.00
Do	Pizza Hut, Inc		410.00
Clinton R. Miller, 5001 Seminary Road, #1330 Alexandria, VA 22311	National Health Federation	1,000.00	3,300.00
Dale Miller, 4000 Reno Road, NW Washington, DC 20008	Texasgulf, Inc	11,250.00	290.83
David H. Miller, 900 17th Street, NW Washington, DC 20006	Chase Manhattan Bank, N.A.	181.25	24.09
Deborah Imle Miller, 15th & M sts., NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Grant Miller, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	125.00
Harris C. Miller, 1747 Pennsylvania Avenue, #300 Washington, DC 20006	Occidental Chemical Corp	1,330.00	88.41
Jeffrey T. Miller, P.O. Box 1933 East Hanover, NJ 07936	Nabisco Brands, Inc		
Joseph E. Miller Jr., 1608 K Street, NW Washington, DC 20006	American Legion	7,386.00	4.00
Lawrence E. Miller, 1522 K Street, NW, #828 Washington, DC 20005	American Veterinary Medical Assn		
Paul J. Miller, 8000 Sears Tower Chicago, IL 60606	Investment Counsel Assn of America, Inc		
Richard G. Miller, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,836.64	782.96
Robert H. Miller, 490 L'enfant Plaza East, SW, #2202 Washington, DC 20024	Tenneco, Inc		
Robin Miller, 1925 K Street, NW Washington, DC 20006	Alliance to Save Energy		
Miller & Chevalier, Chtd, Metropolitan Square 655 15th Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	3,628.51	
Do	National Assn of Temporary Services, Inc		
Do	Organization for Fair Taxation of Int'l Investments	55,000.00	
Denny Miller Associates, Inc, 400 N. Capitol St., NW, #325 Washington, DC 20001	Boeing Company	3,000.00	
Do	Marine Engineers' Beneficial Assn	3,000.00	
Do	Port of Tacoma	1,125.00	
Do	Rockcor, Inc	2,520.00	
Do	State of Washington, Dept of Transportation	15,962.50	
Miller Cassidy Larroca & Lewin, 2555 M St., NW, #500 Washington, DC 20037	47th Street Photo	5,000.00	
Miller Hamilton Snider & Odom, 256 State St., P.O. Box 46 Mobile, AL 36601	Camp Carmouche Barsh... (for Sears Roebuck & Co)		
Do	Colonial Bancgroup, Inc		
Christine Topping Milliken, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	3,528.00	227.00
Jeanne Milliken, 1101 16th Street, NW Washington, DC 20036	Independent Petroleum Assn of America		31.18
John C. Milliner Jr., P.O. Box 1788 Forest Park, GA 30051	Southeastern Lumber Manufacturers Assn		
Amy J. Millman, 1875 Eye St., NW, #500 Washington, DC 20006	Philip Morris, Inc	650.00	150.00
Robert G. Mills, 450 Maple Ave., East, #204 Vienna, VA 22180	U.S. Defense Committee	2,400.00	
Richard V. Minck, 1850 K St., NW Washington, DC 20006	American Council of Life Insurance, Inc	1,500.00	
Mining & Reclamation Council of America, 1575 I Street, NW, #525 Washington, DC 20005			
Joseph G. Minish, 66 Sheridan Avenue West Orange, NJ 07052	Bayamon Federal Savings		131.00
Do	Chrysler Corporation		
Do	U.S. League of Savings Institutions		443.00
Andrew E. Mishkin, Beveridge & Diamond, P.C. 1333 New Hampshire Avenue, NW Washington, DC 20036	Lower Naugatuck Valley Regional Resource Recovery Project	1,529.03	
Do	Town of Oyster Bay Industrial Development Agency		
Edward F. Mitchell, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co	519.03	
Joanne Mitchell, 2020 K Street, NW, #435 Washington, DC 20006	Commodity Exchange, Inc	2,000.00	2,224.50
Thomas F. Mitchell, 1875 Eye St., NW, #400 Washington, DC 20006	Georgia-Pacific Corp		
Stacey J. Mobley, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
Robert G. Moch, Roberts & Shefelman 800 Fifth Avenue, #4100 Seattle, WA 98104	Justin E. Marshall		1,843.12
David T. Modi, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
Robert M. Moliter, 1331 Pennsylvania Ave., NW, #865 Washington, DC 20004	General Electric Co	370.00	
John V. Moller, 1155 15th Street, NW, #1010 Washington, DC 20005	Manchester Associates (For:Corporacion Nacional del Cobre de Chile)	1,875.00	61.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Manchester Associates, Ltd (For:Eldorado Resources, Ltd)	4,687.50	114.04
Do	Manchester Associates, Ltd (For:Nissan Motor Company, Ltd)		
Robert A. Molofsky, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO	5,000.00	164.50
Michael J. Molony, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	60.00	
C. Manly Molpus, P.O. Box 3556 Washington, DC 20007	American Meat Institute	1,000.00	
Christopher Monek, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Peter K. Monk, KMA & Associates, Inc P.O. Box 1015 Middleburg, VA 22117	Omega Recovery Corp		3,075.00
Michael Monroney, 1000 Wilson Blvd., #2700 Arlington, VA 22209	TRW, Inc	1,000.00	
Alfredo C. Montoya, 815 16th Street, NW, #707 Washington, DC 20006	Labor Council for Latin American Advancement		
James P. Mooney, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	6,125.00	
Alan J. Moore, 1667 K St., NW, #600 Washington, DC 20006	Santa Fe Southern Pacific Corp	1,000.00	
Carlos Moore, 1101 Connecticut Avenue, NW, #300 Washington, DC 20036	American Textile Manufacturers Institute, Inc	880.00	46.50
Francis B. Moore, 3003 Butterfield Road Oak Brook, IL 60521	Waste Management, Inc	5,000.00	2,249.05
William D. Moore, Commerce Center 30 Exchange Terrace Providence, RI 02903	Greater Providence Chamber of Commerce		
Judith Morehouse, 1700 N. Moore Street Rosslyn, VA 22209	Boeing Company	1,848.00	
Dudley Digges Morgan III, 4900 Baronne New Orleans, LA 70115	Southern Forest Products Assn	11,812.50	
E. Joyce Morgan, 1920 N St., NW Washington, DC 20036	American Mining Congress		
J. Railton Morgan, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,000.00	
Peter Denis Morgan, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	175.31
Morgan Lewis & Bockius, Suite 800 North 1800 M St., NW Washington, DC 20036	Artery Organization, Inc	18,625.00	74.24
Do	Business Roundtable		
Do	David B. Causey	14,900.00	996.58
Do	Committee for Cap Formation Through Dividend Reinvestment		
Do	Consolidated Natural Gas Co		
Do	Republic National Bank of New York	2,037.00	507.76
Do	Ryder System, Inc	40,000.00	83.59
Do	Scotch Whisky Assn		
Do	Wheels, Inc	60,975.00	3,447.96
Robert E. Morin, 600 New Hampshire Avenue, NW, #354 Washington, DC 20037	Society of Real Estate Appraisers		
James A. Morrill, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	6,000.00	230.79
Janelle Morris, 1828 L Street, NW, #906 Washington, DC 20036	Merrill Lynch & Co, Inc	1,500.00	
Loretta C. Morris, 1725 K Street, NW, #814 Washington, DC 20006	March of Dimes Birth Defects Foundation	1,062.50	48.30
Tessa Morris, 1155 Connecticut Ave., NW, #1130 Washington, DC 20036	Security Pacific National Bank		
W. Patrick Morris, 1110 Vermont Avenue, NW Washington, DC 20005	Shipbuilders Council of America	1,500.00	
William C. Morrison, 2001 North Adams St. Arlington, VA 22201	Meat Importers Council of America, Inc	875.00	
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	City and County of San Francisco	720.00	15.75
Do	Community Redevelopment Agencies Assn	1,998.50	
Do	Cowles Media Co	1,317.00	
Do	Institute for Community Econ, Inc	35.00	
Do	Mastercard International, Inc, et al.	7,041.00	
Do	Miller & Schroeder Municipals, Inc	852.60	8.40
Do	National Electrical Manufacturers Assn		
Do	Rosenberg Real Estate Equity Fund, Inc	1,105.20	
Valerie T. Morse, 453 New Jersey Ave., SE Washington, DC 20003	Beneficial Management Corp of America	540.00	
Frank D. Moruzzi, 1235 Jefferson Davis Highway, #500 Arlington, VA 22202	Italian Advanced Industries, Inc		
George R. Moses, 1518 K St., NW, #202 Washington, DC 20005	M/A-Com, Inc	2,400.00	
Do	TRW, Inc	960.00	
Russell N. Mosher, 950 N. Glebe Rd., #160 Arlington, VA 22203	American Boiler Manufacturers Assn, Inc		
Dorothy J. Moss, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
Moss Associates, Inc, 2450 Virginia Ave., NW Washington, DC 20037	Association of Bank Holding Cos	900.00	
Gerald J. Mossinghoff, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	1,000.00	
Beth Moten, 1016 16th St., NW, Washington, DC 20036	National Fed of Federal Employees	7,555.20	
Motion Picture Assn of America, Inc, 1600 Eye Street, NW Washington, DC 20006		25,488.50	25,488.50
John J. Motley, 600 Maryland Ave., SW, #695 Washington, DC 20024	National Fed of Independent Business	2,250.00	200.00
L. A. Motley and Company, 1800 K Street, NW, #1000 Washington, DC 20006	Adical	44,980.00	939.91
Motor and Equipment Manufacturers Association, 1325 Pennsylvania Ave., NW Washington, DC 20004			3,034.45
Motor Vehicle Manufacturers Assn of the U.S., Inc, 300 New Center Bldg. Detroit, MI 48202		4,684.00	4,684.00
Thomas O. Moulton Jr., 444 North Capitol St., NW, #718 Washington, DC 20001	Pacific Telesis Group	12,000.00	
Albert E. Mullin Jr, 111 Powdermill Rd. (b79) Maynard, MA 01754	Digital Equipment Corp	15,000.00	
Tracy Mullin, 1000 Connecticut Ave., NW, #700 Washington, DC 20036	National Retail Merchants Assn	300.00	25.00
Robert J. Mullins, Suite 202-W 600 Maryland Avenue, SW Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	9,878.40	157.98
Donna T. Mundy, 2211 Congress Street Portland, ME 04122	Union Mutual Life Insurance Co	500.00	370.02
Daniel J. Murphy, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Cote d'Azur Development)	350.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Government of the Cayman Islands)	1,750.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Greer Ingrasci, et al.)	175.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Republic of Turkey)	875.00	
Elizabeth A. Murphy, 1901 N. Fort Myer Drive, #204 Arlington, VA 22209	Roadway Express, Inc		
George F. Murphy Jr., 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	450.00	67.01
Lester L. Murphy Jr., P.O. Box 4267 Topeka, KS 66604	Kansas Electric Cooperatives, Inc		
Paul T. Murphy, 900 17th St., NW, #514 Washington, DC 20006	National Foreign Trade Council, Inc	5,750.00	370.00
Gordon L. Murray, 1911 Jefferson Davis Highway, #1002 Arlington, VA 22202	Lear Siegler, Inc/Energy Products Div	50.60	50.60
James E. Murray, One Farragut Square South Washington, DC 20006	Brown Wood Ivey Mitchell & Petty (For:National Assn of Small Business Investment Cos, et al.).		
Margaret R. Murray, 2501 M St., NW, #400 Washington, DC 20037	American Assn of Crop Insurers	3,495.00	
Do	Chicago Board of Trade	60.00	
Do	National Rural Telecom Assn	780.00	
Do	United Egg Producers	60.00	
Murray & Scheer, 2550 M St., NW, #695 Washington, DC 20037	American Cyanamid Co	500.00	
Do	Bear Stearns & Co	500.00	
Do	Chicago Milwaukee St. Paul & Pacific Railroads	400.00	
Do	Cleveland Cliffs Iron Co	250.00	
Do	Connecticut Mutual Life Insurance Co	500.00	
Do	Industry Council for Tangible Assets	400.00	
Do	Iron Ore Lessors Assn, Inc	250.00	
Do	LTV Corporation	450.00	
Do	Massachusetts Mutual Life Insurance Co	500.00	
Do	Mutual Benefit Life	500.00	
Do	Nabisco Brands, Inc	500.00	
Do	National Business Aircraft Assn	500.00	
Do	National Council of Coal Lessors	300.00	
Do	New England Mutual Life Insurance Co	500.00	
Do	Penn Mutual Life Insurance Co	500.00	
Do	Provident Mutual Life Insurance Co of Philadelphia	500.00	
Do	Shubert Organization, Inc	400.00	
Do	Swaziland Sugar Assn	400.00	
Lawrence P. Mutter, 6849 Old Dominion Dr. Mclean, VA 22102	Automotive Parts Rebuilders Assn		
Fred J. Mutz, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	4,000.00	
Paul J. Myer, 1150 17th St., NW, 11th Floor Washington, DC 20036	Capitol Cities/ABC, Inc		
Gary D. Myers, 1015 18th Street, NW Washington, DC 20036	Fertilizer Institute	4,500.00	
Alan Y. Naftalin, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc)		
Stephen M. Nagler, 20415 Nordhoff St., P.O. Box 2158 Chatsworth, CA 91311	Patlex Corporation		
Diane M. Nash, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	7,700.00	
John Francis Nash Jr., 214 Massachusetts Ave., NE, #420 Washington, DC 20002	Milliken & Company	5,000.00	2,300.00
Frances E. Nathan, 455 Fifth Avenue New York, NY 10016	New York Public Library	5,588.70	
Hardy L. Nathan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	750.00	
National Agricultural Chemicals Assn, 1155 15th St., NW Washington, DC 20005		6,079.50	6,079.50
National Air Carrier Assn, 1730 M St., NW, #710 Washington, DC 20036			
National Assn for Biomedical Research, 818 Connecticut Ave., NW, #303 Washington, DC 20006		131,925.00	11,848.93
National Assn for Neighborhood Schools, Inc, 335 Locust St. Pittsburgh, PA 15218		1,583.72	6,993.41
National Assn for Uniformed Services, 5535 Hempstead Way Springfield, VA 22151		4,292.17	3,372.77
National Assn of Air Traffic Specialists, Wheaton Plaza North, #415 Wheaton, MD 20902			7,513.00
National Assn of Aircraft & Communications Suppliers, Inc, 23871 Madison Torrance, CA 90505		40.00	10.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
National Assn of Chain Drug Stores, Inc, P.O. Box 1417-D49 Alexandria, VA 22313			11,872.12
National Assn of Federal Veterinarians, 1522 K St., NW, #836 Washington, DC 20005			19.86
National Assn of Independent Colleges & Universities, 122 C St., NW, #705 Washington, DC 20001			39,033.00
National Assn of Insurance Brokers, Inc, 1401 New York Ave., NW, #720 Washington, DC 20005		7,945.00	7,945.00
National Assn of Manufacturers, 1331 Pennsylvania Ave., NW, #1500 Washington, DC 20004-1703		88,258.01	88,258.01
National Assn of Mutual Insurance Cos, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268			
National Assn of Pension Consultants & Administrators, Inc, 359 E. Paces Ferry Rd., NE Atlanta, GA 30305			3,330.23
National Assn of Real Estate Investment Trusts, Inc, 1101 17th St., NW, #700 Washington, DC 20036			9,760.04
National Assn of Stevedores, 2011 I Street, NW, #601 Washington, DC 20006		3,250.00	2,580.00
National Assn of Temporary Services, Inc, 119 South Saint Asaph Street Alexandria, VA 22314			
National Assn of Truck Stop Operators, Inc, 1199 N. Fairfax Street, #801 Alexandria, VA 22314		350.00	350.00
National Broiler Council, 1155 15th St., NW Washington, DC 20005		2,750.00	2,750.00
National Business Aircraft Assn, 1200 18th St., NW Washington, DC 20036			
National Cable Television Assn, Inc, 1724 Massachusetts Ave., NW Washington, DC 20036		43,704.54	43,704.54
National Cattlemen's Assn, 5420 S. Quebec Street P.O. Box 3496 Englewood, CO 80155			4,000.00
National Coalition of Fresh Potato Processors, 1010 11th Street, #300 Sacramento, CA 95814		125.00	125.00
National Coalition to Ban Handguns, 100 Maryland Ave., NE Washington, DC 20002			
National Comm for Citizens in Education, 10840 Little Patuxent Pkwy., #301 Columbia, MD 21044-3199			
National Comm to Preserve Social Security, 1300 19th Street, NW, #310 Washington, DC 20036		680,515.00	680,516.00
National Commercial Finance Assn, 225 W. 34th St. New York, NY 10001			
National Community Action Foundation, Inc, 2100 M Street, NW, #604A Washington, DC 20037		95,578.85	39,884.00
National Cooperative Business Assn, 1401 New York Ave., NW, #100 Washington, DC 20005		27,250.00	14,238.47
National Cotton Council of America, P.O. Box 12285 Memphis, TN 38182		51,986.40	51,986.40
National Council of Agricultural Employers, 499 S. Capitol St, SW #411 Washington, DC 20003		10,912.50	3,100.00
National Council of Savings Institutions, 1101 15th St., NW, #400 Washington, DC 20005		22,875.04	
National Electrical Manufacturers Assn, 2101 L St., NW Washington, DC 20037		5,130.31	5,130.31
National Fed of Federal Employees, 1016 16th Street, NW Washington, DC 20036		20,946.65	20,946.65
National Fed of Independent Business, 150 W. 20th Ave. San Mateo, CA 94403		24,200.00	24,200.00
National Fertilizer Solutions Assn, 10777 Sunset Office Drive, #10 St. Louis, MO 63127			
National Food Processors Assn, 1401 New York Avenue, NW, #400 Washington, DC 20005		5,104.11	5,104.11
National Foreign Trade Council, Inc, 100 East 42nd St. New York, NY 10017		51,591.24	51,591.24
National Grain & Feed Assn, 725 15th St., NW Washington, DC 20005			970.77
National Grange, 1616 H St., NW Washington, DC 20006		20,700.00	20,700.00
National Guard Assn of the U.S., One Massachusetts Ave., NW Washington, DC 20001		420,707.00	489.94
National Industrial Transportation League, 1090 Vermont Ave., NW, #410 Washington, DC 20005		14,000.00	12,745.00
National Knitwear & Sportswear Assn, 386 Park Avenue South New York, NY 10016			1,463.06
National League of Postmasters of the U.S., 1023 North Royal Street Alexandria, VA 22314			35,473.00
National Multi Housing Council, 1250 Connecticut Ave., NW, #620 Washington, DC 20036			7,125.67
National Newspaper Assn, 1627 K St., NW, #400 Washington, DC 20006		67,466.68	5,911.55
National Office Machine Dealers Assn, 222 S. Riverside Plaza, #2700 Chicago, IL 60606			
National Organization for Women, 1401 New York Ave., NW, #800 Washington, DC 20005			4.10
National Peach Council, P.O. Box 1085 Martinsburg, WV 25401			
National Pest Control Assn, 8100 Oak St. Dunn Loring, VA 22027			
National Public Affairs Corp, 900 17th Street, NW Washington, DC 20006	Westinghouse Electric Corp	300.00	
National Realty Committee, 1250 Connecticut Ave., NW, #303 Washington, DC 20036		3,190.21	3,190.21
National Retail Merchants Assn, 1000 Connecticut Avenue, NW Washington, DC 20036			3,865.00
National Right to Work Committee, 8001 Braddock Rd., #600 Springfield, VA 22160		6,946.47	6,946.47
National Rural Electric Cooperative Assn, 1800 Massachusetts Ave., NW Washington, DC 20036			2,899.68
National Rural Letter Carriers Assn, 1448 Duke St., #100 Alexandria, VA 22314		21,130.00	21,419.00
National Security Traders Assn, Inc, One World Trade Center, #4511 New York, NY 10048			4,375.00
National Small Business Assn, 1155 15th Street, NW, #710 Washington, DC 20005		7,000.00	509.28
National Small Business Index, R.r. #1 Aitkin, MN 56431			
National Society of Professional Engineers, 1420 King Street Alexandria, VA 22314		12,500.00	10,100.00
National Soft Drink Assn, 1101 16th St., NW Washington, DC 20036			416.07
National Strategies & Marketing Group, 1919 Pennsylvania Ave., NW, #704 Washington, DC 20006	Alliance for Capital Access	26,250.00	
Do	PGA Tour, Inc	15,000.00	4.26
Do	U.S. Sprint	12,000.00	844.33
National Telephone Cooperative Assn, 2626 Pennsylvania Ave., NW Washington, DC 20037		13,560.00	1,921.84
National Tire Dealers & Retreaders Assn, 1250 Eye Street, NW, #400 Washington, DC 20005		6,590.00	6,590.00
National Tour Assn, Inc, 546 E. Main Street Lexington, KY 40508		27,464.00	27,464.00
National Venture Capital Association, 1655 N. Fort Meyer Dr., #700 Arlington, VA 22209			109,227.16
National Wood Energy Assn, Inc, 10382 Democracy Lane Fairfax, VA 22030		20,000.00	7,500.00
National-American Wholesale Grocers' Assn, 201 Park Washington Court Falls Church, VA 22046		12,000.00	12,000.00
Karen J. Neale, 2501 M Street N.w. Washington, DC 20037	Chemical Manufacturers Assn, Inc	465.00	140.80
Jeffrey Nedelman, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	199.15	
Allen Neece Jr., 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates, Inc (For:Association of Small Business Development Centers).	1,400.00	1,400.00
Do	Neece Cator & Associates, Inc (For:National Venture Capital Association)	1,300.00	1,300.00
Do	Neece Cator & Associates, Inc (For:Small Business United)	1,350.00	1,350.00
Neece Cator & Associates, Inc, 1050 17th Street, NW Washington, DC 20036	Association of Small Business Development Centers		
Do	National Venture Capital Association	1,300.00	1,300.00
Do	Small Business United	1,350.00	1,350.00
Do	Southeastern Lumber Manufacturers Assn	1,300.00	1,300.00
Mary Elizabeth Neese, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Savings Institutions	2,000.00	198.50
Laura C. Nehf, 1101 Connecticut Avenue, NW, #405 Washington, DC 20036	J. Samuel Choate, Jr., P.c. (For:Association of Progressive Rental Organizations)		
Stanley Nehmer, 1320 19th Street, NW, #600 Washington, DC 20036	Lead-Zinc Producers Committee	500.00	350.00
Neill & Company, Inc, 900 17th St., NW, #400 Washington, DC 20006	Arab Republic of Egypt		20,908.48
Do	Hashemite Kingdom of Jordan	55,000.00	5,684.65
Do	Republic of Gabon		1,448.31
Neill Mullenholz & Shaw, 900 17th St., NW, #400 Washington, DC 20006	Florida East Coast Railway Co		
Do	National Council Social Security Management Assns, Inc	2,000.00	500.00
Do	National Farm & Power Equipment Dealers Assn	1,500.00	
Do	PHH Group, Inc		250.00
Do	Senior Executives Assn	5,000.00	250.00
Do	Soo Line Corporation	2,500.00	1,342.83
Douglas J. Neilson, 8111 Gatehouse Road Falls Church, VA 22047	AAA Potomac		
Carolyn B. Nelson, #2 Metroplex Dr., Suite 500 Birmingham, AL 35209	Metropolitan Properties, Inc		
Mark D. Nelson, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20036	E. I. du Pont de Nemours & Co		
Thomas C. Nelson, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Mark Nestlen, 1616 H Street, NW Washington, DC 20006	National Grange	4,500.00	
Network, 806 Rhode Island Ave., NE Washington, DC 20018		25,150.84	24,833.00
E. John Neumann, 1100 Connecticut Ave., NW, #820 Washington, DC 20036	Baltimore Gas & Electric Co	1,558.19	3,120.98
New York Comm of Intl Comm of Passenger Lines, 74 Trinity Place New York, NY 10006			
William B. Newman Jr., P.O. Box 23451 Washington, DC 20024	Consolidated Rail Corporation	5,000.00	
Newman & Holtzinger, P.C., 1615 L St., NW, #1000 Washington, DC 20036	Utility Nuclear Waste Management Group		
James R. Nicholas, 8659 Baypine Road, #305 Jacksonville, FL 32216	Communication Planning Corp		
Do	North American Telephone		
Thomas Nickels, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	5,143.96	372.42
Patrick J. Nilan, 817 14th St., NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	10,481.38	2,511.55
Nissan Motor Corporation in U.S.A., 1919 Pennsylvania Avenue, NW, #707 Washington, DC 20006			
Ellen Nissenbaum, 236 Massachusetts Avenue, NW, #305 Washington, DC 20002	Center on Budget & Policy Priorities	801.15	30.00
Nixon Hargrave Devans & Doyle, One Thomas Circle, NW, #800 Washington, DC 20005	American Free Trade Assn, Inc	12,142.75	182.85
Do	Bausch & Lomb	233.50	
John L. Noble, One Baxter Parkway Deerfield, IL 60015	Baxter Travenol Laboratories, Inc		
Barbara D. Nocera, 955 L'enfant Plaza, SW, #905 Washington, DC 20024	American Honda Motor Co, Inc	200.00	66.60
A. Allan Noe, 1828 L Street, NW, #710 Washington, DC 20036	Chesebrough-Pond's, Inc	1,500.00	539.93
Robert W. Nolan, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn	100.00	
Walker F. Nolan, 1111 19th St., NW, 9th Fl. Washington, DC 20036	Edison Electric Institute	10,090.91	1,059.65
H. Christopher Nolde, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	750.00	242.00
Robert I. Nooter, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	5,750.00	46.50
David F. Norcross, 2201 State Highway 38 Cherry Hill, NJ 08002	American Maritime Officers Service	13,381.90	55.50
Do	Pittsburgh & Lake Erie Railroad Co	56,765.00	4,103.57
Grover G. Norquist, 718 North Carolina Ave., SE Washington, DC 20003	Americans for Tax Reform	3,750.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Julia J. Norrell, 1850 K St., NW Washington, DC 20006	American Council of Life Insurance, Inc	5,325.00	125.25
North American Export Grain Assn, Inc, 1747 Pennsylvania Ave., NW, #1175 Washington, DC 20006			
North American Telecommunications Assn, 2000 M St., NW, #550 Washington, DC 20036		19,350.00	19,350.00
Northeast Utilities Service Co, Selden St. Berlin, CT 06037			1,063.22
Northern Telecom, Inc, 600 Maryland Avenue, SW, #605 Washington, DC 20024			
Mary Jane Norville, 600 Maryland Avenue, SW, #695 Washington, DC 20024	National Fed of Independent Business	2,250.00	200.00
Nathan Note, Box 373 Majuro, Marshall Islands	Bikini/Kili/Ejit Council		
P. Michael Nugent, Suite 1300, North Tower 1331 Pennsylvania Ave., NW Washington, DC 20004	EDS Corporation		
Patrick J. Nugent, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	2,000.00	54,650.67
Ralph D. Nurnberger, 500 North Capitol Street, NW, #300 Washington, DC 20001	American Israel Public Affairs Comm	11,763.48	317.69
Nutter McClennen & Fish, 333 Market Street, 27th Floor San Francisco, CA 94105	Merit Stainless Steel, Inc		133.61
C. D. Nyberg, P.O. Box 800 Austin, MN 55912	Geo. A. Hormel & Co		
NL Industries, Inc, 1230 Avenue of The Americas New York, NY 10020			10,436.06
Hubert K. O'Bannon, P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	2,550.00	
George O'Bea Jr., 815 16th Street, NW, #701 Washington, DC 20006	United Paperworkers International Union		
Coleman C. O'Brien, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	8,775.00	
John F. O'Brien, Connecticut Petroleum Council 410 Asylum St. Hartford, CT 06103	American Petroleum Institute		
Mary Eileen O'Brien, 1800 M St., NW, Suite 710 South Washington, DC 20036	Dow Corning Corp		
Raymond V. O'Brien, 1600 M St., NW Washington, DC 20036	International Telephone & Telegraph Corporation	1,000.00	90.00
Rosemary L. O'Brien, 2550 M St., NW, #640 Washington, DC 20037	CF Industries, Inc	500.00	75.60
Thomas H. O'Brien, 2600 Virginia Avenue, NW, #800 Washington, DC 20037	Harris Corporation	2,500.00	1,884.70
David S. O'Bryon, 7297 Lee Highway, Unit N Falls Church, VA 22042	American Textile Machinery Assn	250.00	250.00
Frank J. O'Connell, 148 South Maple Avenue Kingston, PA 18101	Pennsylvania Power & Light Co	240.00	82.85
James J. O'Connell, 1201 Pennsylvania Avenue, NW Washington, DC 20004	Control Data Corporation	536.50	271.20
Richard T. O'Connell, Richard T. O'Connell & Associates, Inc 3208 Traveler Street Fairfax, VA 22030	Chocolate Manufacturers Assn of the USA		
Do	National Confectioners Assn of the U.S.		
Terrence M. O'Connell II, 444 N. Capitol Street, #711 Washington, DC 20001	Keefe Company (For:UNIAO Nacional Para Independencia Total DeAngola)	2,500.00	
Do	Keefe Company (For:Westinghouse Electric Corp)		
William B. O'Connell, 111 East Wacker Dr. Chicago, IL 60601	U.S. League of Savings Institutions	21,437.00	3,158.82
O'Connell & Kittrell, 1710 Rhode Island Avenue, NW, #600 Washington, DC 20036	California Legislature	10,925.00	362.07
Charles Albert O'Connor Jr., 2300 S. 24th Road, #533 Arlington, VA 22206			
Emily O'Connor, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	88.87	88.87
George E. O'Connor, 600 New Hampshire Avenue, NW Washington, DC 20037	New York Life Insurance Company	7,000.00	3,100.00
K. James O'Connor Jr., 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	900.00	96.50
Patrick C. O'Connor, Kent & O'connor, Inc 1211 Connecticut Avenue, NW Washington, DC 20036	American Supply Association	7,061.82	3,445.61
Do	American Warehousemen's Association		
Do	National Fleet Administrators Assn		
Do	Steel Tank Institute		
Do	Transportation Lawyers Assn		
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	Alliance for Capital Access	4,000.00	
Do	American Bus Assn	5,705.65	
Do	American Businesses for Int'l Trade	7,000.00	
Do	American Clinical Laboratory Assn	1,250.00	
Do	American Family Life Assurance Co		
Do	American Inst of Certified Public Accountants	8,219.00	
Do	American Insurance Assn	10,025.00	
Do	American Soc of Assn Executives	1,500.00	
Do	American Soc of Cataract & Refractive Surgery	2,429.00	
Do	American Trucking Assns, Inc		
Do	Armco, Inc		
Do	Association of Independent Television Stations, Inc		
Do	Association of Investment Management Sales Executives	3,000.00	
Do	California Student Loan Finance Corp	1,551.64	
Do	Center for Environmental Education, Inc		
Do	Chamber of Commerce of the U.S.		
Do	ChemWaste Management, Inc	3,506.25	
Do	Children's Hospital National Medical Center	4,814.97	
Do	City of Minneapolis	1,100.00	
Do	Coca-Cola Company	2,000.00	
Do	Connaught Laboratories, Inc	5,902.75	
Do	Consolidated Rail Corporation	3,552.50	
Do	CNA Insurance	2,735.10	
Do	Dimensions, Inc		
Do	Distilled Spirits Council of the U.S., Inc	12,000.00	
Do	Drexel Burnham Lambert, Inc		
Do	Eastern Michigan University	204.33	
Do	Electronic Data Systems Corp	1,000.00	
Do	Embassy of Ecuador		
Do	Glass Packaging Institute		
Do	Grocery Manufacturers of America, Inc		
Do	Health Care Financing Study Group	4,750.00	
Do	Hennepin County	800.00	
Do	Historic Landmarks for Living	3,575.00	
Do	Hules Mexicanos, S.A.		
Do	Industrias Negromex, S.A. de C.V.	2,000.00	
Do	Insurance Assn of Connecticut	960.00	
Do	International Racquet Sports Assn	1,234.50	
Do	Investment Company Institute		
Do	Journal Newspapers		
Do	Kawasaki Kisen Kaisha, Ltd	551.90	
Do	Mercedes-Benz of North America, Inc		
Do	Merrill Lynch & Co, Inc		
Do	Mexican Cement Chamber	5,000.00	
Do	Miller & Schroeder Financial, Inc	3,000.00	
Do	National Apartment Assn	5,483.00	
Do	National Club Association		
Do	Owens-Illinois	1,500.00	
Do	Pacific Telesis Group	17,368.00	
Do	J. C. Penney Co, Inc		
Do	Primark Corp	3,750.00	
Do	Prudential Insurance Co of America	2,062.50	
Do	Joseph E. Seagram & Sons, Inc	1,284.17	
Do	Securities Industry Assn	10,496.00	
Do	Small Advertisers Counsel		
Do	SmithKline Beckman Corp	503.50	
Do	U.S. Tuna Foundation		
Do	United American Hydropower Corp	5,000.00	
Do	Westinghouse Electric Corp	3,000.00	
Grady O'Cummings III, 198 MacDougal Ct. Brooklyn, NY 11233			
Thomas A. O'Day, 1629 K St., NW, #1010 Washington, DC 20006	Alliance of American Insurers	1,250.00	
Ashton J. O'Donnell, 50 Beale St., P.O. Box 3965 San Francisco, CA 94119	Bechtel National, Inc		
Daniel J. O'Grady, 815 16th Street, NW, #408 Washington, DC 20006	Food & Allied Service Trades Dept, AFL-CIO	445.00	
Jane O'Grady, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	15,019.03	480.01
Terri O'Grady, 1600 Rhode Island Avenue, NW Washington, DC 20036	National Rifle Assn of America	788.75	310.35
Barbara E. O'Hara, 4400 Macarthur Blvd., NW Washington, DC 20007	American Soc of Travel Agents	125.00	
O'Keefe Ashenden Lyons & Ward, One First National Plaza - Suite 5100 Chicago, IL 60603	American Invsco Corporation		
Kathleen O'Leary, 1250 Eye St., NW, #703 Washington, DC 20005	Columbia Gas Distribution Companies	4,000.00	266.87
Michael A. O'Malley, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS	6,800.00	150.47
O'Melveny & Myers, 1800 M St., NW Washington, DC 20036	Amax, Inc		
Do	Association of Telephone Telegraph & Related Telematics Inds	2,457.80	77.57
Do	Dulles Access Transit Corp	14,400.00	533.77
Do	Holden Group, Inc (Public Employer Benefits Council)	34,500.00	1,519.80
Sarah E. O'Neil, 1600 M St., NW Washington, DC 20036	Investment Company Institute	55.48	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Joseph P. O'Neill, 1616 H Street, NW Washington, DC 20006	American Retail Federation	2,200.00	250.00
O'Neill and Athy, P.C., 1333 New Hampshire Avenue, NW, #660 Washington, DC 20036	Allegheny County Commission		
Do	Association of Progressive Rental Organizations		
Do	Bank of New England		
Do	Beer Industry Alliance		
Do	BHC, Inc		
Do	Chris-Craft Industries, Inc	4,100.00	
Do	Commercial Union Insurance Cos		
Do	Connecticut Bank & Trust Corp		
Do	Conrail Acquisition Corp, Inc	2,720.00	
Do	Cruise America Line, Inc	2,500.00	
Do	Glass Packing Institute		
Do	Housing America Foundation	8,500.00	
Do	Marriott Corp		
Do	Massachusetts General Hospital	1,625.00	
Do	Milk Industry Foundation		
Do	New England Deaconess Hospital	1,250.00	
Do	Northwestern Mutual Life		
Do	Retail Industry Trade Action Coalition	1,980.00	
Do	Sears Roebuck & Co	1,350.00	
Do	Texas Utilities Co		
Do	U.S. Football League		
Do	U.S. Steel	1,250.00	
J. Denis O'Toole, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	6,500.00	
John E. O'Toole, 1899 L Street, NW Washington, DC 20036	American Assn of Advertising Agencies	2,500.00	750.00
M. Diane O'Toole, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp		
Stephen E. O'Toole, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,000.00	1,866.54
Jana R. Oakley, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers		
Paul C. Oakley, 50 F Street, NW Washington, DC 20001	Association of American Railroads	480.00	
Harry R. Obley, One Mellon Bank Center Pittsburgh, PA 15258	Mellon Bank N.A. and Mellon National Corp	2,000.00	2,124.61
Kim M. Oboz, 1020 19th Street, NW, #700 Washington, DC 20036	U S West, Inc	1,300.00	1,905.04
Larry A. Oday, 2000 M St., NW, #500 Washington, DC 20036	Wood Lucksinger & Epstein (For:CHAD Therapeutics, Inc)		
Bradford C. Oelman, 900 17th Street, NW, #508 Washington, DC 20006	Owens-Corning Fiberglas Corporation		
Neil H. Offen, 1776 K Street, NW Washington, DC 20006	Direct Selling Association		
Donald G. Ogilvie, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,500.00	
Marion Browne Oglesby Jr., 499 South Capitol Street, SW, #507 Washington, DC 20003	Bill Hecht & Associates, Inc	4,000.00	
Philip M. Ola, 1919 Pennsylvania Avenue, NW, #400 Washington, DC 20006	Steel Service Center Institute		
Michael D. Oldak, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	100.00	
R. Teel Oliver, 1050 17th Street, NW, #650 Washington, DC 20036	Merck & Co, Inc	687.50	500.00
W. James Ollinger, 3200 National City Center Cleveland, OH 44114	Baker & Hostetler (For:Railroad Employees Mutual Assn)		
Van R. Olsen, 1156 15th St., NW, #1019 Washington, DC 20006	U.S. Beet Sugar Assn		
Gerald L. Olson, Pillsbury Center, Ms 3771 Minneapolis, MN 55402	Pillsbury Company		
Richard C. Olson, 1001 22nd St., NW, #350 Washington, DC 20037	Dynalectron Corporation	2,419.00	116.00
Roy E. Olson, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
Clark Onstad, 1201 Pennsylvania Ave., NW, #300 Washington, DC 20004	Texas Air Corp and Continental Air Lines	10,000.00	8,312.00
Philip C. Onstad, 500 West Putnam Avenue Greenwich, CT 06832	Control Data Corporation	200.00	
Oppenheimer Wolff Foster Shepard & Donnelly, 1317 F Street, NW, #700 Washington, DC 20004	Korean Footwear Exporters Assn		
Charles J. Orasin, 1400 K Street, NW, #500 Washington, DC 20005	Handgun Control, Inc	6,708.45	
Organ. for Protection & Advancement of Small Telephone Cos, 2301 M Street, NW, #530 Washington, DC 20037			
Abraham Orlofsky, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	1,124.16	
Elvira J. Orly, 1050 Connecticut Ave., NW, #800 Washington, DC 20036	Allied-Signal, Inc	123.00	
David S. Osterhout, 1000 Wilson Boulevard Arlington, VA 22209	Allied Signal, Inc/Bendix Aerospace Sector	3,000.00	
Kevin D. Ott, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	290.00	
Cliff Ouse, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	25.00	
Outboard Marine Corp, 100 Seahorse Drive Waukegan, IL 60085-2195			
Gene E. Overbeck, 1101 17th Street, NW Washington, DC 20036	American Airlines, Inc	2,125.00	174.20
Overseas Education Assn, 1201 16th Street, NW Washington, DC 20036		1,250.00	759.32
J. Allen Overton, 1920 N St., NW, #300 Washington, DC 20006	American Mining Congress		
Thomas J. Owens, P.O. Box 12266 Seattle, WA 98102	Dollar Savings Bank, et al	52,762.50	9,846.83
Do	Irwin Shidler McBroom...(for Plaintiffs/WPPSS Securities...)	24,412.50	4,883.86
William H. Owens Jr., 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	374.69
William J. Owens, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	900.00	100.00
Joanne M. Oxley, 1228 17th Street, NW Washington, DC 20036	Air Conditioning Contractors of America	1,000.00	12,817.60
R. Ray Paabo, 1667 K St., NW, #600 Washington, DC 20006	Santa Fe Southern Pacific Corp	1,000.00	
Lee W. Paden, P.O. Box 201 Tulsa, OK 74102	Public Service Co of Oklahoma		
Pagonis & Donnelly Group, 1620 I Street, NW, #603 Washington, DC 20006	Algoma Steel Corp, Ltd, et al		
Do	Brown Boveri Corp		
Do	Dow Chemical USA	7,500.00	128.59
Do	Harrah's, Inc		
Do	Holiday Corp	3,398.13	
Do	Nord Resources Corp		
John M. Palatiello, 210 Little Falls Street Falls Church, VA 22046	American Cong. on Survey. & Mapp./Amer Soc of Photogrammetry	9,528.00	2,072.47
Henry S. Palau, 201 N Washington St. Alexandria, VA 22134	Retired Officers Assn		
Cindy Grant Pallatino, 1101 Vermont Avenue, NW, #405 Washington, DC 20005	A. H. Robins Co	200.00	81.00
Benjamin L. Palumbo, 1629 K St., NW Washington, DC 20006	Business Executives for National Security, Inc	3,000.00	
Do	NutraSweet Co	9,000.00	
Palumbo & Cerrell, Inc, 1629 K St., NW Washington, DC 20006	American Soc of Composers Authors & Publishers	34,000.00	
Do	R.J. Reynolds Tobacco Co	9,000.00	
Do	Southern California Rapid Transit District	19,550.00	
Peter J. Pantuso, 7900 Westpark Drive, #514 Mclean, VA 22102	National Confectioners Assn of the U.S.		400.00
Marcia Pape-Daniels, 1201 Pennsylvania Ave., NW, #250 Washington, DC 20004	CH2M Hill	750.00	
G. Oliver Papps, N.j. Petroleum Council 170 W. State St. Trenton, NJ 08608	American Petroleum Institute		
Juley R. Para, 450 Maple Ave., East, #204 Vienna, VA 22180	U.S. Defense Committee	200.00	
Herschell E. Parent, 460 Twin City Bank One Riverfront Place North Little Rock, AR 72114	American Petroleum Institute		
Nancy L. Parke, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Alan A. Parker, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	5,000.00	100.00
David N. Parker, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute		
John N. Parker, 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Oil Corp	375.00	
Kimberly C. Parker, 817 14th Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	9,462.02	1,269.87
Benjamin G. Parks III, 1919 Pennsylvania Avenue, #300 Washington, DC 20006	National Forest Recreation Assn	450.00	
Do	National Inholders Assn	5,500.00	800.00
Carl M. Parks, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Allstate Insurance Group	700.00	95.00
Ken Parmelee, 1448 Duke Street Alexandria, VA 22314	National Rural Letter Carriers Assn	14,286.00	1,699.00
Parry and Romani Associates, Inc, 233 Constitution Avenue, NE Washington, DC 20002	American Family Life Assurance Co	1,500.00	
Do	Association for the Advancement of Human Rights in Japan	1,400.00	
Do	Care Enterprises	4,500.00	
Do	Generic Pharmaceutical Industry Assn	2,000.00	207.61
Do	Herbalife International		
Do	Hotel Employees & Restaurant Employees Int'l Union		
Do	International Brotherhood of Teamsters	2,250.00	
Do	Johnson & Johnson	6,700.00	
Do	Kirkland & Ellis	2,400.00	
Do	Knudsen Corporation	800.00	
Do	Manville Corporation	1,500.00	
Do	Motion Picture Assn of America, Inc	4,800.00	215.50
Do	National Beer Wholesalers of America	1,000.00	80.00
Do	Pharmaceutical Manufacturers Assn	750.00	120.00
Do	T.I.M.E.-DC, Inc	2,400.00	
Do	TechAmerica, Inc	2,400.00	81.15
Do	United Food & Commercial Workers International Union	1,350.00	
Charles C. Partridge, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	2,070.03	
Jack Partridge, 1014 Vine St. Cincinnati, OH 45201	Kroger Company	2,500.00	408.00
John V. Parziale, 818 Connecticut Ave., NW, 9th Fl. Washington, DC 20006	Marathon Oil Co		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
David J. Passamaneck, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS	6,800.00	150.47
Kris Pathuis, 8500 Byron Road Zeeland, MI 49464	Herman Miller, Inc		
Gary B. Patterson, Delaware Petroleum Council P.O. Box 1429 Dover, DE 19903	American Petroleum Institute		319.51
Richard M. Patterson, 1800 M St., NW, #700 South Washington, DC 20036	Dow Chemical Co	500.00	239.50
Kenton H. Pattie, 3150 Spring St. Fairfax, VA 22031	International Communications Industries Assn	3,913.00	1,064.43
David J. Pattison, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Patton Boggs & Blow, 2550 M St., NW, #800 Washington, DC 20037	Air Products & Chemicals, Inc	500.00	
Do	Aiwa America, Inc	1.73	0.05
Do	Akai America, Ltd	2.73	0.07
Do	Aluminum Company of America	250.00	
Do	American Broadcasting Co, Inc		
Do	American Congress on Surveying & Mapping	60.00	
Do	American Express Co		
Do	American Insurance Assn	1,437.50	61.70
Do	American International Automobile Dealers Assn		
Do	American Maritime Assn		
Do	American Public Power Assn		
Do	Association of Trial Lawyers of America	6,752.50	2,176.69
Do	Atlantic Richfield		
Do	ALTA Technology		
Do	AT&T	250.00	
Do	B. P. North America	700.00	70.00
Do	Bear Stearns Realty Co	5,132.50	21.42
Do	Biogen		
Do	Brownsville Shrimp Assn		
Do	Cadawalader Wickersham & Taft		
Do	California State University		
Do	Carlson Companies, Inc		
Do	Champion International Corp		
Do	Chelsea Property Owners		
Do	Chicago Board Options Exchange		
Do	Chippendale Investment Co	4,535.00	
Do	Chrysler Corporation		
Do	City of Azusa	67.19	
Do	City of Banning	67.19	
Do	City of Colton	67.19	
Do	City of Riverside	67.19	
Do	City of Santa Clara	67.19	
Do	Coalition for National Airport	4,125.00	
Do	Coalition on State Use Taxes	3,000.00	
Do	Columbia, Inc	0.26	0.01
Do	Committee of Railroad Shippers		
Do	Computerland Corporation		
Do	Consolidated Rail Corporation	2,741.00	
Do	Council of Graduate Schools	600.00	18.34
Do	Crowley Maritime Corp	1,137.50	66.93
Do	Dealer Action Association	542.50	172.13
Do	Dredging Industry Size Standards Committee (DISSC)	6,710.00	517.31
Do	Duty Free Shoppers, Ltd	1,135.00	83.37
Do	E. I. du Pont de Nemours & Co	250.00	
Do	EXEL Limited	187.50	21.42
Do	Fidelity Investors		
Do	Flint Industries		
Do	Ford Motor Co	250.00	
Do	Fuji Photo Film USA, Inc	5.93	0.16
Do	Government of Iceland	300.00	
Do	GTE Corporation	250.00	
Do	Hitachi Sales Corp of America	79.01	2.10
Do	Hotel Dieu Hospital	1,237.50	21.42
Do	E. F. Hutton Life Insurance Company	2,980.00	14.28
Do	Institute of Scrap Iron & Steel, Inc	140.00	
Do	Intermedics, Inc		
Do	Investment Partner Assn		
Do	IC Industries		
Do	Johnson & Johnson	250.00	
Do	Kaiser Aluminum & Chemical Corp		
Do	Kenwood USA Corporation	1.73	0.05
Do	Lazard Frere & Co	140.00	
Do	Liggett Group, Inc		
Do	Litton Industries, Inc		
Do	Loan America Financial Corp		
Do	Loop, Inc	2,020.00	
Do	Marathon Oil Co		
Do	Mars, Inc		
Do	Mass Mutual	1,500.00	40.81
Do	Matson Navigation Co		
Do	Matsushita Electric Corp of America	139.41	3.70
Do	Maxell Corp of America	10.76	0.29
Do	Metropolitan Life	600.00	20.34
Do	Mitsubishi Electric Sales of America, Inc	29.03	0.77
Do	Mocatta Metals Corp		
Do	MCI Telecommunications, Inc	1,465.00	14.00
Do	Nakamichi USA Corp	1.50	0.04
Do	National Assn of Independent Colleges & Universities	750.00	
Do	National Cable Television Assn, Inc	1,215.00	14.00
Do	National Gypsum Co	13,815.00	
Do	National Marine Manufacturers Assn	3,500.00	49.72
Do	National Soft Drink Assn		
Do	New Process Co		
Do	New York Life Insurance Co	150.00	9.30
Do	Northern California Power Agency	67.19	
Do	Northwestern Mutual Life	450.00	15.50
Do	NEC Electronics (USA) Inc	4.31	0.12
Do	Onkyo USA Corp	0.95	0.03
Do	Options Clearing Corp		
Do	Overseas Military Sales Group		
Do	OSG Bulk Ships, Inc		
Do	OTASCO, Inc	185.00	40.14
Do	Paine Webber, Inc	830.00	14.28
Do	Pearson Investments, Ltd		
Do	Pioneer Electronics (USA), Inc	2.36	0.06
Do	Public Utilities Department	67.19	
Do	Reader's Digest Assn, Inc		
Do	Republique D'Haiti		
Do	Retail Industry Trade Action Coalition	8,612.50	161.95
Do	Retail Tax Committee	925.00	1,491.10
Do	Rice Millers' Assn		
Do	Sacramento Public Utility District	67.19	
Do	Sansui Electronics Corp	2.47	0.07
Do	Sanyo Electronics, Inc	67.88	1.81
Do	Sharp Electronics Corp	42.58	1.14
Do	Shell Oil Co	750.00	
Do	Smokeless Tobacco Council, Inc	682.50	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Sony Corp of America	43.26	1.15
Do	Squibb Corporation		
Do	State of LA, Dept of Conservation		
Do	Sultantate of Oman	495.00	36.00
Do	Teac Corp of America	2.10	0.05
Do	Toshiba America, Inc	25.78	0.69
Do	TDK USA Corp	13.34	36.00
Do	U.S. Lines	250.00	28.56
Do	U.S. Steel	250.00	
Do	Union Camp Corporation		
Do	Union Pacific Corp	750.00	
Do	Unitary Tax Campaign		
Do	US JVC Corporation	47.25	1.26
Do	Yamaha Electronics Corp, USA	0.63	0.02
Andrew R. Paul, 1875 Eye Street, NW, #940 Washington, DC 20006	Gulf & Western Management Company	5,000.00	137.80
Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036	Associated Life Ins Group Nat'l Policyholder Advisory Comm	10,786.50	
Do	CalMat Company	2,062.50	
Do	GAF Corporation	6,651.50	
Do	Kawasaki Motors Corp, USA	175.00	
Do	National Business Aircraft Assn		
Do	Security Life of Denver	7,989.00	
Richard A. Paysor, 1415 Elbridge Payne Rd., #135 St. Louis, MO 63017	First Capitol Associates - Gateway, Inc		
Ronald Pearson, 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa		
Russell H. Pearson, 1156 15th Street, NW, #1015 Washington, DC 20005	J. C. Penney Co, Inc		
Pearson and Pipkin, Inc, 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa	11,000.00	258.87
James M. Peirce Jr., 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	1,671.88	
LeeAnn Pelham, 2030 M Street, NW Washington, DC 20036	Common Cause	4,987.50	126.66
Pelton Research Center, 1400 S. Joyce Street Arlington, VA 22202	Help, Inc		
Humberto R. Pena, 1155 15th St., NW Washington, DC 20005	Bristol-Myers Co	500.00	
Rich Pennell, 725 15th Street, NW Washington, DC 20005	National Grain & Feed Assn		
James C. Pennington, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	1,018.94	
Pennsylvania Power & Light Co, 2 N. 9th St. Allentown, PA 18101			2,112.75
Dominic V. Pensabene, 1700 K St., NW, #1204 Washington, DC 20006	Chevron USA, Inc	1,263.00	
Gregory M. Pensabene, 1667 K St., NW, #600 Washington, DC 20006	Santa Fe Southern Pacific Corp	2,700.00	
Pension Real Estate Assn, 1101 17th Street, NW, #700 Washington, DC 20036			
Pepper & Corazzini, 1776 K St., NW Washington, DC 20006	Tempo Enterprises, Inc	1,955.00	22.40
Pepper Hamilton & Scheetz, 1777 F Street, NW Washington, DC 20006	Mutual Life Insurance Co of New York		
Do	North American Telephone Assn		
Barbara K. Pequet, 1311 Quincy St., NE Washington, DC 20017	American Soc for The Prevention of Cruelty to Animals	3,250.00	1,500.00
Victor J. Perini Jr., 1776 Massachusetts Ave., NW Washington, DC 20036	Highway Users Federation for Safety & Mobility		
James W. Perkins, 1 Beacon Street, Rm. 2200 Boston, MA 02108	National Assn of Bond Lawyers, et al		2,430.78
Robert A. Perkins, 1100 Connecticut Avenue, NW Washington, DC 20036	Chrysler Corporation	15,000.00	450.00
Perkins Coie, 1110 Vermont Ave., NW, #1200 Washington, DC 20005	Aerospace Industries Assn of America, Inc		
Do	Boeing Company		
Do	Burlington Northern, Inc		
Do	Kootznoowoo, Inc		
Do	Ormat Systems, Inc		
Gary J. Perkinson, 453 New Jersey Avenue, SE Washington, DC 20003	Beneficial Management Corp of America	850.00	
Ernest Michael Perley, 112 St Clair Avenue, West, #504 Toronto, Ontario M4v 2y3	Canadian Coalition on Acid Rain		72.75
Jeffry L. Perlman, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S	2,400.00	495.66
Kate M. Perry, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation		
Susan Perry, 1025 Connecticut Avenue, NW Washington, DC 20036	American Bus Assn	2,687.50	75.00
John J. Pesch, 3422 Stoneybrae Drive Falls Church, VA 22044	Northrop Corp		
Phillips S. Peter, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	100.00	
Geoffrey G. Peterson, 1250 Eye St., NW, #900 Washington, DC 20004	Distilled Spirits Council of the U.S., Inc	2,000.00	400.00
Lars E. Peterson, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	450.00	
Mary B. Peterson, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,000.00	2,126.71
Mary Jo Peterson, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	1,000.00	500.00
Sheryl L. Peterson, 122 C Street, NW, #875 Washington, DC 20001	American Osteopathic Assn	600.00	
Peterson Engberg & Peterson, 1730 M St., NW, #907 Washington, DC 20036	Federated Research Corp	22,800.00	977.90
Susan F. Petniunas, 1025 Connecticut Ave., NW, #214 Washington, DC 20036	Manville Corporation	500.00	
Michael J. Petrina Jr., 1110 Vermont Avenue, NW, #800 Washington, DC 20005	Cosmetic Toiletry & Fragrance Assn, Inc		
Stephan Petry, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	10.00	
Paula J. Pettavino, 1110 Vermont Avenue, NW, #1250 Washington, DC 20005	Shipbuilders Council of America	1,100.00	
Brian T. Petty, 1901 L St., NW, #702 Washington, DC 20036	International Assn of Drilling Contractors		
Peyser Associates, Inc, 1000 Vermont Street, NW, #400 Washington, DC 20005	Basix Corp	15,675.00	336.96
Do	Department of Public Property	2,500.00	65.57
Do	Metro	5,250.00	64.57
Do	Metropolitan Toledo Consortium	11,863.25	284.49
Do	New York State Bridge Authority	4,500.00	35.35
Do	Regional Transit Authority	16,000.00	721.69
Do	Sacramento Regional Transit	1,500.00	13.02
Do	Southeastern Pennsylvania Transit Authority		61.68
Sueanne Pfifferling, 1350 New York Avenue, NW, #400 Washington, DC 20005	New York Power Authority	3,250.00	188.57
James R. Phalen, 1100 Connecticut Avenue, NW, #535 Washington, DC 20036	MAPCO, Inc	3,400.00	
Pharmaceutical Manufacturers Assn, 1100 15th Street, NW Washington, DC 20005		28,640.25	28,640.25
Marshall A. Pharr, 6103 Adirondack Amarillo, TX 79106	Southwestern Public Service Co	4,209.75	321.93
Dennis J. Phelan, 1401 New York Avenue, NW, #400 Washington, DC 20005	National Food Processors Assn	3,750.00	200.00
Do	Pacific Seafood Processors Assn	7,500.00	580.00
William C. Phelps, 2929 Allen Parkway Houston, TX 77019	American General Corporation	6,800.00	5,167.55
Barbara Phillips, 2000 M St., NW, #230 Washington, DC 20036	Telocator Network of America	9,000.00	236.60
Bernard R. Phillips III, P.O. Box 4267 Topeka, KS 66604	Kansas Electric Cooperatives, Inc	2,763.05	1,364.76
Deborah M. Phillips, 2033 M St., NW, #800 Washington, DC 20036	General Instrument Corporation		
Deirdre B. Phillips, 100 Federal Street Boston, MA 02110	Bank of Boston Corporation		
Do	First National Bank of Boston		
John D. Phillips, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	4,500.00	656.00
Patricia Lynn Phillips, 12907 Melville Lane Fairfax, VA 22033	National Assn of State Agencies for Food Distribution	6,000.00	
William G. Phillips, 417 Sixth Street, SE Washington, DC 20003	Association of Univ Programs & Occupational Health & Safety	7,150.00	2,004.47
Do	Association of University Environmental Health Centers	4,800.00	1,039.12
Do	Metal Trades Department, AFL-CIO	5,000.00	567.30
Paul J. Phoenix, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Joan Piccolo, 1776 K Street, NW, #300 Washington, DC 20006	Motorola, Inc	3,000.00	
Paulette C. Pidcock, 1100 Connecticut Avenue, NW, #530 Washington, DC 20036	Baltimore Gas & Electric Co	248.66	156.14
Robert R. Pierce, 1701 18th St., NW Washington, DC 20036	National Parks & Conservation Association	397.50	12.50
Theodore M. Pierce, 1300 North 17th St., #300 Arlington, VA 22209-3899	ADAPSO - The Computer Software & Services Industry Assn		
Wayne Pierce, 101 Constitution Avenue, NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	21,125.00	813.51
Stuart F. Pierson, Verner, Liipfert, Bernhard, & Mcpherson 1660 L St., NW, #1100 Washington, DC 20036	LTV Corp, et al		
Pierson Ball & Dowd, 1200 18th St., NW Washington, DC 20036	Dun & Bradstreet Corp	2,500.00	
Do	El Pomar		
Do	International Futures Exchange (Bermuda) Ltd		
Do	Intex Holdings (Bermuda) Ltd		
Do	National Assn of Casualty & Surety Agents		
Do	Securities Industry Assn	2,750.00	
Do	Stewart & Stevenson Services, Inc		
Pierson Semmes & Finley, 1054 31st Street, NW Washington, DC 20007	Hershey Trust Co	100.00	4.45
Do	Mauritius Sugar Syndicate	875.00	552.99
Do	Six Flags Corporation		
John H. Pilcher, 1776 F Street, NW Washington, DC 20006	National Assn of Manufacturers	125.00	
Pillsbury Madison & Sutro, 1667 K St., NW, #1100 Washington, DC 20006	Pfizer, Inc		
Do	Quadrex Corporation		
Do	Temis Ramires de Arellano		
Pilots Rights Association, P.O. Box 7000-367 Redondo Beach, CA 90277			
Valerie F. Pinson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	1,113.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Piper & Marbury, 36 S. Charles Street Baltimore, MD 21201	Consolidated Rail Corporation		456.96
Do	First Maryland Bancorp		
Do	First National Bank of Maryland		
Robert Pipkin Jr., Pearson & Pipkin, Inc 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa		
Lillian M.S. Pitcaithly, 1730 K St., NW, #703 Washington, DC 20006	American Business Conference, Inc	161.54	25.00
Virginia L. Pitcher, 2000 L St., NW, #200 Washington, DC 20036	American College of Emergency Physicians	2,292.00	32.00
Plains Cotton Growers, Inc, 4510 Englewood Lubbock, TX 79414			
Reuben C. Plantico, 111 SW Columbia, #800 Portland, OR 97201	Nerco, Inc	4,475.00	1,171.64
Wyll W. Pleger, 1730 Rhode Island Ave., NW, #213 Washington, DC 20036	Brown & Root, Inc		
Ronald L. Plesser, Blum Nash & Railsback 1133 15th St., NW, #1100 Washington, DC 20005	ADAPSO	3,000.00	
Do	Direct Marketing Assn	3,000.00	
Do	Disclosure, Inc		
Do	Journal of Commerce, Inc	1,350.00	
Martha Rachel Plotkin, 2300 M Street, NW, #910 Washington, DC 20037	Police Executive Research Forum	926.81	54.10
John A. Poindexter, 3805 West Alabama Houston, TX 77027	Columbia Gulf Transmission Co		
Marc R. Poirier, Spiegel & Mcdiarmid 1350 New York Ave., NW Washington, DC 20005	Northern California Power Agency, et al		
Jean S. Polatsek, 1919 Pennsylvania Ave., NW, #300 Washington, DC 20006	American College of Surgeons		
Michael A. Poling, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Mindy Pollack, 1025 Connecticut Ave., NW, #512 Washington, DC 20036	Reinsurance Assn of America		79.65
Susan Pollack, 900 Minnesota Street San Francisco, CA 94107	American Fair Trade Council	2,000.00	
Michele Pollak, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	441.92	181.25
Alfred M. Pollard, 1155 Connecticut Ave., NW, #1130 Washington, DC 20036	Security Pacific National Bank		
Raymond K. Pope, 2000 L Street, NW, #200 Washington, DC 20036	AMFAC, Inc	4,063.00	522.50
Population-Environment Balance, 1325 G St., NW #1003 Washington, DC 20005			4,046.01
Edward T. Porcaro, 1025 Connecticut Ave., NW, #1010 Washington, DC 20036	Metropolitan Life & Affiliated Cos	1,000.00	
Port of Seattle, P.O. Box 1209 Seattle, WA 98111			1,455.95
Phillip Porte & Assocs, Inc, 3845 N. 26th St. Arlington, VA 22207	American Medical Records Assn	2,000.00	
Do	National Assn of Medical Directors of Respiratory Care	5,000.00	
Carol Alice Porter, 1612 K St., NW, #1101 Washington, DC 20036	Wildlife Legislative Fund of America	4,765.44	
Porter Wright Morris & Arthur, 41 South High Street Columbus, OH 43215	Coalition for Environmental Energy Balance	46,642.56	4,868.49
Carol Jean Poulos, 122 C Street, NW, #800 Washington, DC 20001	Concerned Women for America	1,000.00	
John Michael Powderly, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	9,952.59	
Robert D. Powell, 1300 19th St., NW, #400 Washington, DC 20036	National Business Aircraft Assn		
Powell Goldstein Frazer & Murphy, 1110 Vermont Ave., NW, #1050 Washington, DC 20005	Bayley Seton Hospital	576.00	
Do	Coalition for the Advancement of Industrial Technology	14,750.00	
Do	Coalition for Employment Through Exports		
Do	Council of State Housing Agencies	2,635.00	
Do	Federal National Mortgage Assn		
Do	Lieberman Corp	350.00	
Do	Massachusetts Housing Finance Agency	3,580.00	
Do	National Investment Development Corp		
Do	National Multi Housing Council	190.00	
Do	Starrett Housing Corp	1,100.00	
Do	SKW Alloys, Inc		
Do	Urban Properties	1,250.00	
John J. Power, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	15,019.03	941.17
Frederick W. Powers III, 223 Perimeter Center Parkway P.O. Box 89000 Atlanta, GA 30338	Siemens Energy & Automation, Inc		
Graydon R. Powers Jr., 1101 16th St., NW Washington, DC 20036	Scientific Apparatus Makers Assn		
Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036	Dollar Bank, Federal Savings Bank	16,610.00	1,015.78
Robert L. Pratt, 101 First Ave. Waltham, MA 02254	Thermo Electron Corporation	2,325.00	981.21
Preston Thorgrimson Ellis & Holman, 1735 New York Avenue, NW, #500 Washington, DC 20006	Alaska Pulp Corp		
Do	Alleghany Corporation	3,043.50	
Do	American Nuclear Insurers		
Do	American President Lines	3,675.50	
Do	Bellingham Cold Storage		
Do	Boeing Company	75.00	
Do	Calista Corp		
Do	Coalition for the Advancement of Industrial Technology	2,800.00	
Do	Computer & Business Equipment Manufacturers Assn		
Do	Council of American-Flag Ship Operators	375.00	
Do	COMPACT		
Do	Data General Corp	1,137.50	
Do	Electronic Industries Assn		
Do	Grant County Public Utility District		
Do	Hudson Waterways		
Do	Martin Marietta Corp	75.00	
Do	McDonnell Douglas Corp	75.00	
Do	Moore McCormack Resources, Inc		
Do	Mutual Atomic Energy Liability Underwriters		
Do	National Council on Compensation Insurance		
Do	Port of Seattle		
Do	Professional Services Council		
Do	Reinsurance Assn of America		
Do	Scientific Apparatus Makers Assn		
Do	Snohomish County Public Utility District No. 1		
Do	Spokane County	561.00	
Do	Sunmar Shipping, Inc		
Do	Templeton Growth Fund, Ltd		
Do	Tennessee Gas Pipeline Co		
Do	Transportation Institute	2,600.00	
Do	Tri-City Industrial Development Council	569.00	
Do	Western Airlines, Inc		
Keith A. Pretty, 1615 M Street, NW, #200 Washington, DC 20036	Amoco Corporation	1,500.00	769.41
James M. Price, P.O. Box 11248 Knoxville, TN 37919	Sierra Club	2,211.25	
Robert V. Price, 1150 Connecticut Avenue, NW, #600 Washington, DC 20036	Browning-Ferris Industries, Inc	4,500.00	250.00
Thomas J. Price, 410 First Stret, SE Washington, DC 20003	American Nuclear Energy Council	4,687.50	488.65
Patricia Pride, 1129 20th St., NW Washington, DC 20036	Financial Accounting Foundation	472.50	52.70
Sharon D. Prinz, 2121 K Street, NW, #830 Washington, DC 20037	Stephens Overseas Services, Inc		
Jerry C. Pritchett, 5410 Grosvenor Ln., #120 Bethesda, MD 20814	Mechanical Contractors Assn of America, Inc		
Pro-Life Congressional District 11, P.O. Box 727 San Carlos, CA 94070		2,718.85	744.99
Pro-Life CDAC 12, P.O. Box 7145 Menlo Park, CA 94025		152.00	445.82
Sydney Probst, 1250 Eye Street, NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	200.00
Procompetitive Rail Steering Committee, 1090 Vermont Avenue, NW, #410 Washington, DC 20005			12,568.85
Stuart E. Proctor Jr., 2626 Pennsylvania Ave., NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	346.80
Professional Managers' Assn, P.O. Box 7762, Ben Franklin Station Washington, DC 20044		4,081.67	4,402.43
Profit Sharing Council of America, 20 N. Wacker Drive Chicago, IL 60606			
Project Advisory Group, 1029 Vermont Ave., NW, #860 Washington, DC 20005			253.64
Proprietary Association, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036			3,587.50
Proskauer Rose Goetz & Mendelsohn, 300 Park Avenue New York, NY 10022	Integrated Resources, Inc		
Protect the Innocent, Inc, 1501 North Bosart Avenue Indianapolis, IN 46201-1717			
Prudential-Bache Securities, Inc, 100 Gold St. New York, NY 10292			750.00
James C. Pruitt, 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc	240.00	
Public Citizen Health Research Group, 2000 P St., NW, #708 Washington, DC 20036		13.63	17.11
Public Employee Department, AFL-CIO, 815 16th St., NW Washington, DC 20006		58,875.38	20,015.34
Public Employer Benefits Council, 1800 M Street, NW Washington, DC 20036			
Public Timber Purchasers Group, 610 SW. Broadway, #608 Portland, OR 97205		40,334.88	3,375.59
Philip N. Pulizzi Jr., 1000 16th Street, NW, #800 Washington, DC 20036	Bethlehem Steel Corp	95.00	
David E. Pullen, 1025 Connecticut Ave., NW, #214 Washington, DC 20036	Manville Corporation	1,000.00	
John R. Purcell, 204 E Street, NE Washington, DC 20002	National Frozen Food Association	500.00	
William E. Pursley, 1025 Connecticut Avenue, NW Washington, DC 20036	Shell Oil Co	500.00	
Sue P. Purvis, P.O. Box 14042(d2b) St. Petersburg, FL 33733	Florida Power Corp	2,300.00	773.83
Do	Florida Progress Corp	550.00	459.00
Earle W. Putnam, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Howard Pyle III, 4930 Quebec St., NW Washington, DC 20016	Houston Lighting & Power Company	3,600.00	
Robert N. Pyle & Associates, 1701 K St., NW, #1004 Washington, DC 20007	Ceramatec, Inc	2,750.00	75.00
Do	Elkem Metals Company	4,250.00	90.00
Do	Independent Bakers Assn	3,000.00	600.00
Do	Stratcor	6,000.00	110.00
Do	Welch's	3,750.00	65.00
John R. Quarles Jr., Morgan Lewis & Bockius 1800 M St., NW Washington, DC 20036	National Environmental Development Assn Clean Air Act Proj		
William A. Quinlan, 3045 Riva Rd. Riva, MD 21140	National Candy Wholesalers Assn, Inc		
Do	Retail Bakers of America		
Arthur Lee Quinn, 1015 15th Street, NW, #200 Washington, DC 20005	Government of Belize		18.96
Do	Government of Republic of Panama	3,000.00	180.49
Do	Sugar Assn of the Caribbean	4,500.00	54.67
George Gregory Raab, 2000 L Street, NW Washington, DC 20036	Medtronic, Inc	80.00	39.60
Theresa Rabel, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,500.00	378.79
Clifford Raber, One Mcdonald's Plaza Oak Brook, IL 60521	McDonald's Corp		
W. A. Radziewicz, 400 First Street, NW Washington, DC 20001	Brotherhood of Railroad Signalmen	350.00	
Tess A. Rae, 1850 K Street, NW Washington, DC 20006	American Council of Life Insurance, Inc		
Robert A. Ragland, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	50.00	
Roderic W. Rahe Jr., 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	700.00	
Railroad Retirement Assn, 210 7th St., SE, #517 Washington, DC 20003			
Railway Labor Executives' Assn, 400 First St., NW, #804 Washington, DC 20001		67,200.00	169,584.40
Railway Progress Institute, 700 North Fairfax St. Alexandria, VA 22314			
Rainbow Alliance, 236 Massachusetts Avenue, NE Washington, DC 20002		5,138.00	6,680.05
Maggy H. Ralbovsky, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	1,000.00	
John C. Ramig, 1730 M Street, NW, #900 Washington, DC 20036	Stoel Rives Boley Fraser & Wyse (For:Association of O & C Counties)		
Do	Stoel Rives Boley Fraser & Wyse (For:Pacificorp)	5,889.00	1,022.71
Kathleen Marie Ramsey, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	7.50	
Craig J. Rancourt, 2000 Pennsylvania Ave., NW, #3700 Washington, DC 20006	American Assn of Classified School Employees	11,475.85	1,586.28
Donald A. Randall, P.C., 321 D Street, NE Washington, DC 20002	Automotive Service Assn	3,650.24	
Do	National Independent Dairy-Foods Assn	500.00	
Randolph & Truitt, 1752 N Street, NW, #801 Washington, DC 20036	Tanadgusix Corporation		
James D. Range, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	5,000.00	
D. Michael Rappoport, P.O. Box 52025 Phoenix, AZ 85072	Salt River Project	1,680.00	2,759.10
Magda Ratajski, One Commercial Place Norfolk, VA 23510-2191	Norfolk Southern Corp		
John W. Rauber Jr., 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn		
Craig Raupe, Campbell-Raupe, Inc 1015 15th Street, NW, #907 Washington, DC 20005	Algonquin Gas Transmission		
Do	American Nuclear Energy Council		
Do	Invest to Compete Alliance		
Do	LTV Aerospace & Defense Co		
Do	New England Life		
Do	Pitney Bowes		
Do	Riffe Petroleum Co		
Do	Texas Utilities Services, Inc		
Do	Union Pacific Corp		
Do	Westinghouse Electric Corp		
G. David Ravencraft, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
John K. Rayburn, 1801 K Street, NW Washington, DC 20006	Westinghouse Electric Corp	235.00	30.00
Raymark Corporation, 100 Oakview Drive Trumbull, CT 06611			
David A. Raymond, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	3,187.00	587.40
Richard J. Razook, 200 South Biscayne Blvd. 4900 Southeast Financial Center Miami, FL 33131	Thomson Zeder Bohrer Werth Adorno & Razook (For:Burger King Corp)	15.00	
Julian O. Read, 1005 Congress Avenue, #500 Austin, TX 78701	Central & South West Corp		
Reading Is Fundamental, Inc, 600 Maryland Ave., SW, #500 Washington, DC 20560			
Stephen F. Ready, 129 Cabrillo, #201 Costa Mesa, CA 92627	National Bicycle Dealers Assn		
Sydney C. Reagan, 10 Duncannon Ct., Glen Lakes Dallas, TX 75225	Southwestern Peanut Shellers Assn		
Recon/Optical, Inc, 550 West Northwest Highway Barrington, IL 60010			
John M. Rector, 205 Daingerfield Rd. Alexandria, VA 22314	National Assn of Retail Druggists	700.00	150.00
Jo Reed, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	443.08	77.45
Michael L. Reed, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	32.30
Reed Roberts Tax Credit Assistance Corp, 55 Charles Lindbergh Blvd., #cs-101 Uniondale, NY 11553			
Benjamin F. Reeves, 1100 17th Street, NW Washington, DC 20036	Burley & Dark Leaf Tobacco Export Assn	900.00	
J. Ronald Reeves, Washington National Airport Washington, DC 20001	U.S. Air, Inc	2,000.00	181.25
Reichler & Appelbaum, 888 17th St., NW, #1101 Washington, DC 20006	Permanent Mission of the Republic of Seychelles		
Do	Republic of Nicaragua	6,000.00	
Charlotte Reid, 2466 Chatham Road Aurora, IL 60506	Motorola, Inc		
Michael W. Reid, 817 14th Street, NW Washington, DC 20005	Alliance to Save Energy	639.74	
Do	American Postal Workers Union, AFL-CIO	2,467.61	606.85
Reid & Priest, 1111 19th Street, NW Washington, DC 20036	Associated Natural Gas Company, et al		
Do	City of Philadelphia		
Do	Connecticut Natural Gas Corp	10,315.00	367.80
Do	Dillon Read & Co, Inc	22,885.25	462.10
Do	Duke Power Co, et al	19,057.50	22,178.32
Do	Edison Electric Institute	588.00	
Do	Kentucky Utilities Co		
Do	Pennsylvania Shipbuilding Co		
Do	People Express Airlines, Inc		
Reid & Riege, P.C., One State Street Hartford, CT 06103	Wesleyan University	2,640.00	
Maryalyce Reilly, 1010 North Fairfax Street Alexandria, VA 22314	National Society of Public Accountants		
Nooley Reinheardt, Nooley Reinheardt & Assoc. P.O. Box 23190 Washington, DC 20024	Rural Builders Council of California		
Harry O. Reinsch, 50 Beale St. P.O. Box 3965 San Francisco, CA 94119	Bechtel Power Corporation		
Reinsurance Assn of America, 1025 Connecticut Avenue, NW, #512 Washington, DC 20036			79.65
Dale L. Reistad, 1726 M Street, NW, #1000 Washington, DC 20036	Electronic Funds Transfer Assn	375.00	
Religious Coalition for Abortion Rights, Inc, 100 Maryland Avenue, N.e. Washington, DC 20002		94,176.53	13,642.77
Zev M. Remba, 1111 14th Street, NW Washington, DC 20005	Academy of General Dentistry		
John W. Rendon Jr., 1439 Rhode Island Ave., NW Washington, DC 20005	Rendon Company		
Rendon Company, 1439 Rhode Island Ave., NW Washington, DC 20005			
Sarah M. Renfroe, 16805 Weld County Rd. 19 1/2 Platteville, CO 80651	Public Service Co of Colorado		
Diane Rennert, 2005 Massachusetts Avenue, NW Washington, DC 20036	Association of American Publishers	4,300.00	382.68
David M. Repass, 1801 K Street, NW, #700 Washington, DC 20006	Price Waterhouse (For:Eagle-Picher Industries, Inc)		
Resources Fund, Inc, 810 18th St., NW, #804 Washington, DC 20006			
Retired Officers Assn, 201 N. Washington St. Alexandria, VA 22314		84,842.00	21,953.69
John H. Reurs, 74 Trinity Place New York, NY 10006	New York Comm of Intl Comm of Passenger Lines		
Vincent P. Reusing, 1025 Connecticut Avenue, NW, #1010 Washington, DC 20036	Metropolitan Life & Affiliated Cos	1,000.00	
Alan V. Reuther, 1757 N Street, NW Washington, DC 20036	United Auto Aerospace & Agricultural Implement Workers	15,635.23	223.21
Allan R. Rexinger, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036	Proprietary Association	3,437.50	150.00
Mark E. Rey, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,500.00	
Renee Reymond, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		
Mary Anne Reynolds, 8111 Gatehouse Road Falls Church, VA 22047	American Automobile Assn		
Mary Anne Reynolds, 8111 Gatehouse Road Falls Church, VA 22047	AAA Potomac		
Frederick W. Rhodes, 1800 K Street, NW, #800 Washington, DC 20006	Goodyear Tire & Rubber Co	3,000.00	
John J. Rhodes, Hunton & Williams 2000 Pennsylvania Avenue, NW Washington, DC 20006	Central Arizona Water Conservation District	400.00	
Do	Rocky Mountain Energy Co	3,000.00	
Do	Western Savings & Loan Assn		
Grace Ellen Rice, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	6,750.00	135.55
Lois D. Rice, 1201 Pennsylvania Avneue, NW Washington, DC 20004	Control Data Corporation		
M. Lee Rice, 1110 Vermont Avenue, NW Washington, DC 20005	Shipbuilders Council of America	1,000.00	
Theron J. Rice, 1700 Pennsylvania Ave., NW, #900 Washington, DC 20006	Conoco, Inc		
Rice Genocide Research, 3046 Roosevelt Street Detroit, MI 48216			233.11
James E. Rich Jr., 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Richard Richards, Law Office of Richard Richards 1050 Thomas Jefferson Street, NW, 6th Fl Washington, DC 20007	Hughes Aircraft Company		60.11
Do	Sikorsky Aircraft	2,916.66	5.21
Do	Universidad Autonoma de Guadalajara	900.00	247.43
Alan H. Richardson, 2301 M St., NW Washington, DC 20037	American Public Power Assn	2,500.00	
Donna Richardson, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	4,932.01	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
John C. Richardson, 520 Madison Avenue New York, NY 10022	Leboeuf Lamb Leiby & Macrae (For:British Insurance Assn, et al.)		
Lois Richerson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	981.00	
Gerald L. Richman, Laroe Winn & Moerman 1120 G Street, NW, #800 Washington, DC 20005	Coordinating Comm for Rail Competition		
Larry D. Rickards, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	500.00	97.00
Don L. Ricketts, 2550 M Street, NW, #695 Washington, DC 20037	Bear Stearns & Co		
Do	General American Life Insurance Co		
Do	Massachusetts Mutual Life Insurance Co		
Do	Northwestern Mutual Life		
Glenn Wadsworth Riddell, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Laurel Steel Products Ltd, et al		
Judy Noel Riddle, 6630 W. Broad St. Richmond, VA 23230	Lawyers Title Insurance Co		
Lowell J. Ridgeway, North Dakota Petroleum Council P.O. Box 1395 Bismarck, ND 58502	American Petroleum Institute		
E. George Riedel, 1600 M Street, NW Washington, DC 20036	International Telephone & Telegraph Corporation	3,500.00	150.00
E. Philip Riggin, 1608 K St., NW Washington, DC 20006	American Legion	12,507.00	431.07
Pat Riley, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Susan Riley, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council	1,921.25	
John F. Ring, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	4,819.50	
Dale P. Riordan, 3900 Wisconsin Avenue, NW Washington, DC 20016	Federal National Mortgage Assn		
Kevin J. Riordan, 1700 K St., NW, #1204 Washington, DC 20006	Chevron USA, Inc	325.00	225.00
John S. Rippey, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Cos	1,325.00	65.00
Riselli & Pressler, 2033 M Street, NW, #504 Washington, DC 20036	Professional Managers' Assn		
Carol A. Risher, 2005 Massachusetts Ave., NW Washington, DC 20036	Association of American Publishers	2,000.00	13.02
Nancy J. Risque, 655 15th Street, NW, #250 Washington, DC 20005	Russo Watts & Rollins, Inc		
Jeanne M. Ritchie, 1850 K Street, NW Washington, DC 20006	American Council of Life Insurance, Inc		
James E. Ritchie & Associates, 499 S. Capitol St., SW, #400 Washington, DC 20003	Gaming Industry Assn of Nevada, Inc	3,200.00	3,503.09
Do	Golden Nugget, Inc		
Do	National Assn of Off-Track Betting	1,900.00	5,007.41
Do	National Assn of Optometrists & Opticians, Inc	12,612.26	5,127.64
Do	Nevada Resort Assn	4,800.00	5,254.65
Leslie Sue Ritts, Morgan Lewis & Bockius 1800 M Street, NW Washington, DC 20036	National Environmental Development Assn		
Valentin Riva, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
John S. Rivers, 1110 Vermont Avenue, NW Washington, DC 20005	Shipbuilders Council of America		
Phillip W. Rivers, 1050 17th St., NW #500 Washington, DC 20036	Texaco, Inc	82.35	
Rivkin Radler Dunne & Bayh, 1575 I Street, NW, #1025 Washington, DC 20005	American Can Co	2,000.00	40.00
Do	American Cancer Society	1,562.50	500.00
Do	ALC Communications Corp	3,879.69	150.00
Do	Borg-Warner Corp		
Do	Dow Chemical Co	6,153.00	345.00
Do	Food Marketing Institute	3,000.00	35.00
Do	Gunnar Dana Associates		55.00
Do	National Basketball Assn	15,000.00	40.00
Do	Nippon Yusen Kaisha (NYK) Line	21,013.00	559.20
Do	Renewable Fuels Assn	525.00	60.00
Do	Simon & Associates, Inc		
Do	Sugar Users Group		
Do	Tiffany & Co		40.00
Jane Robbins, Robertson Monagle & Eastaugh 1050 Thomas Jefferson St., NW Washington, DC 20007	Crowley Maritime Corp		
Do	Ratkovich Bowers & Perez, Inc	1,232.00	
Do	Standard Oil Co		
Perry A. Roberts, 8000 Florissant St. Louis, MO 63136	Emerson Electric Co		260.12
Richard W. Roberts, 100 East 42nd St. New York, NY 10017	National Foreign Trade Council, Inc	500.00	
William A. Roberts, 444 North Capitol Street, #711 Washington, DC 20001	Keefe Co (For:University of Miami)	750.00	
Do	Keefe Company (For:UNIAO Nacional Para Independencia Total DeAngola)	12,600.00	
Do	Keefe Company (For:Westinghouse Electric Corp)		
William F. Roberts, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	400.00	
Gordon C. Robertson, 1412 16th Street, NW Washington, DC 20036	International Assn of Fish & Wildlife Agencies	8,769.17	106.08
Betty S. Robinson, 1757 N St., NW Washington, DC 20036	United Auto Aerospace & Agricultural Implement Workers	12,729.54	140.00
Charles A. Robinson Jr., 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	147.89	
Ernestine S. Robinson, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Kenneth L. Robinson, 1111 N. 19th Street, #700 Arlington, VA 22209	National Assn of Federal Credit Unions		
Thomas E. Robinson, 1101 17th St., NW, #700 Washington, DC 20036	National Assn of Real Estate Investment Trusts, Inc	1,000.00	
Do	Pension Real Estate Assn		
Antoinette K. Roche, 1025 Connecticut Avenue, NW Washington, DC 20036	GA Technologies, Inc	2,000.00	350.00
James Anthony Rock, 1730 M Street, NW, #607 Washington, DC 20036	Montana Power Co & Washington Water Power Co	750.00	1,266.49
David W. Roderer, 3900 Wisconsin Avenue, NW Washington, DC 20016	Federal National Mortgage Assn		
Rodey Dickason Sloan Akin & Robb, 20 First Plaza, #700 Albuquergue, NM 87103	Navajo Tribe		
Quincy Rodgers, 2033 M Street, NW, #800 Washington, DC 20036	General Instrument Corporation	1,800.00	47.50
Jose Luis Rodriguez, 1000 Thomas Jefferson St., NW Washington, DC 20007			
Jack E. Roebel, 712 Commerce Bldg. 127 W. Berry Street Fort Wayne, IN 46802	Sheet Metal Workers Mid-States Health & Benefit Trust		
Donald L. Rogers, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Cos	2,387.50	
Gardiner Rogers, 105 Forrest Avenue, Suite 7 Narberth, PA 19072	Task Force on Immigration Control	181.25	56.10
James T. Rogers, 311 First Street, NW Washington, DC 20001	National Restaurant Assn		
Keith Rogers, 47 Lafayette Place, Apt. 6d Greenwich, CT 06830	U.S. Tobacco Company		
Margaret Rogers, 1025 Connecticut Ave., NW, #409 Washington, DC 20036	Society of the Plastics Industry, Inc	2,500.00	
Nancy Rogers, 815 16th Street, NW Washington, DC 20006	Industrial Union Department, AFL-CIO	11,713.00	121.40
Rogers & Wells, 1737 H Street, NW Washington, DC 20006	American Express Co		240.00
Do	Associated Press	2,500.00	74.50
Do	Candle Corp		40.00
Do	Cementos Anahuac del Golfo, S.A.		
Do	Citicorp		
Do	Liz Claiborne, Inc	1,000.00	274.00
Do	Desert Palace, Inc		
Do	Dreyfus Corporation	2,500.00	401.40
Do	Franzia, Fred T. John C. & Joseph S.		
Do	Grocery Manufacturers of America, Inc	500.00	64.00
Do	Internoor Trade, Inc		
Do	Investment Partnership Assn		240.00
Do	Kamehameha Schools/Bernice P. Bishop Estate		
Do	Liga Agricola Industrial de la Cana de Azucar	250.00	
Do	Merrill Lynch & Co, Inc		
Do	Merrill Lynch Hubbard		
Do	National Assn of Bedding Manufacturers		
Do	Pan American World Airways, Inc		
Do	Pan American World Services, Inc		
Do	Republic National Bank		
Do	Rutgers, The State University of New Jersey		87.00
Do	Teachers Insurance & Annuity Assn/College Ret. Equities Fund		
Carole M. Rogin, 1255 23rd Street, NW, #850 Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
Do	Hauck & Associates, Inc. (For:National Assn for Child Care Management)		
Peter Rogoff, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	3,975.00	405.00
Richard A. Rohrbach, 1615 M Street, NW, #570 Washington, DC 20036	Boise Cascade Corp	22,250.00	846.00
Stephen F. Rohrkemper, 150 S. Washington St., #100 Falls Church, VA 22046	International Technical Expertise Ltd		
Eric D. Roiter, Debevoise & Plimpton 1777 F Street, NW Washington, DC 20006	Security Pacific Corp	2,401.00	
Jack Rollins, 1201 16th Street, NW Washington, DC 20036	Overseas Education Assn & National Education Assn		
John F. Rolph III, 1200 New Hampshire Ave., NW, #350 Washington, DC 20036	Citibank, N.A.	1,000.00	
Kenneth S. Rolston Jr, 1025 Vermont Ave., NW, #1020 Washington, DC 20005	American Pulpwood Assn		
Daniel Romanko, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Canadian Steel Producers Assn	75.00	172.50
Michael J. Romig, 1850 K Street, NW Washington, DC 20006	American Council of Life Insurance, Inc	2,500.00	
Fred B. Rooney, 1050 Connecticut Ave., NW, 12th Fl. Washington, DC 20036	American Iron & Steel Institute	1,250.00	
Do	Association of American Railroads	1,350.00	
Do	CalMat Company	1,150.00	
Do	Crawford Fitting Co	1,150.00	
Do	Denver & Rio Grande Western Railroad Co	1,200.00	
Do	Lone Star Industries, Inc	1,150.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	M Life Insurance Co	1,350.00	
Do	Paul Hastings Janofsky & Walker (For:Security Life of Denver)	1,250.00	
John C. Roots, 1333 New Hampshire Ave., NW, #1001 Washington, DC 20036	Atlantic Richfield Co	364.45	
Ropes & Gray, 1001 22nd St., NW, #700 Washington, DC 20037	Amherst College; Wellesley College		
Do	Reebok International Ltd		
Rose Schmidt Chapman Duff & Hasley, 1825 Eye St., NW, #300 Washington, DC 20006	Annual Charges Policy Group	243.00	
Do	Cigar Assn of America, Inc		
Lester L. Rosen, 1025 Vermont Avenue, NW, #500 Washington, DC 20005	Miles Laboratories, Inc		
Richard Rosen, 5010 Wisconsin Ave., NW, #118 Washington, DC 20016			
Albert B. Rosenbaum III, 2200 Mill Rd. Alexandria, VA 22314	National Tank Truck Carriers, Inc		
Richard Rosenbaum, 666 Third Ave., 4th Fl. New York, NY 10017	Integrated Resources, Inc	7,000.00	1,779.65
Sara Rosenbaum, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	2,743.00	
Roger C. Rosenthal, 2001 S St., NW, #310 Washington, DC 20009	Migrant Legal Action Progran, Inc		
Roses, Inc, 1152 Haslett Road P.O. Box 99 Haslett, MI 48840		14,206.50	16,509.53
Gail E. Ross, 918 16th St., NW, #503 Washington, DC 20006	Washington Independent Writers, Inc		
Joe Ross, P.O. Box 1582 Little Rock, AR 72203-1582			
Lawrence J. Ross, 1700 K Street, NW Washington, DC 20006			
Nancy Ross, 1830 17th Street, NW Washington, DC 20009	Rainbow Alliance		2,384.75
William F. Ross, South Carolina Petroleum Council 716 Keenan Bldg. Columbia, SC 29201	American Petroleum Institute	657.00	814.03
Alan J. Roth, Spiegel & Mcdiarmid 2600 Virginia Ave., NW Washington, DC 20037	Ft. Pierce Utilities Auth of the City of Ft. Pierce, et al		
Barry N. Roth, 1120 20th Street, NW, #700 Washington, DC 20036	Williams Companies	100.00	
John C. Rother, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	865.39	
Mike I. Rothfeld, 450 Maple Avenue, E., #204 Vienna, VA 22180	U.S. Defense Committee	600.00	
Edwin Rothschild, 1300 Connecticut Ave., NW, #401 Washington, DC 20036	Citizen/Labor Energy Coalition	1,500.00	
Donald D. Rounds, South Dakota Petroleum Council P.O. Box 669 Pierre, SD 57501	American Petroleum Institute		
William C. Rountree, Suite 600 1001 22nd St., NW Washington, DC 20037	Standard Oil Co (Ohio)		
Michael O. Roush, Capital Gallery East, #695 600 Maryland Ave. Washington, DC 20024	National Fed of Independent Business	2,250.00	200.00
John H. Rousselot, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Savings Institutions	10,000.00	
Ann M. Rowan, One Thomas Circle, NW, #900 Washington, DC 20005	National Comm to Preserve Social Security & Medicare		
Do	Oakland Coliseum		
Do	Port of Oakland		
Eugene F. Rowan, 2550 M Street, NW Washington, DC 20037	National Assn of Chain Drug Stores, Inc	350.00	
Do	Revco D.S., Inc	43.75	
Ted Rowland, 47 W. 34th Street, #807 New York, NY 10001	International Footwear Assn		
Charles Rowton, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation	525.00	
Roxton, Inc, 2000 S. Eads Street, #1003 Arlington, VA 22202	Global Identification Corp		
Robert S. Royer, Royer & Shacknai 1747 Pennsylvania Ave., NW Washington, DC 20006	American Military Sales		
Do	Chrysler Military Sales Corp		
Do	City of Akron, Ohio		
Do	Ford Riff & Burgess		
Do	Harley-Davidson Military Sales		
Do	International Futures Exchange		
Do	Intex Holdings (Bermuda) Ltd		
Do	Michigan Trade Exchange		
Do	Morgan Stanley & Co, Inc		
Do	Overseas Military Sales Group		
Do	Phillips Petroleum		
Do	Securities Industry Assn		
Royer Shacknai & Mehle, 1747 Pennsylvania Avenue, NW Washington, DC 20006	Municipal Finance Industry Assn		
Do	John Nuveen & Co, Inc		
Do	Trans Continental Services, N.V.		
Tobi Z. Rozen, 888 16th St., NW Washington, DC 20006	Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs		
Eugene T. Ruane, 1325 G Street, NW, #1003 Washington, DC 20005	Population-Environment Balance	1,009.00	18.00
Joseph T. Ruble, 1300 North 17th Street, #300 Arlington, VA 22209	ADAPSO - The Computer Software & Services Industry Assn		
Barbara A. Rudolph, 1901 N. Fort Myer Drive, #302 Rosslyn, VA 22209	Beverly Enterprises, Inc	3,375.00	312.20
Camille Kearns Rudy, 1346 Chestnut, #800 Philadelphia, PA 19107	Greater Philadelphia Chamber of Commerce		
Henry C. Ruempler, 1200 New Hampshire Avenue, NW, #350 Washington, DC 20036	Citibank, N.A.	500.00	
Ronald R. Rumbaugh, 5205 Leesburgh Pike, #505 Falls Church, VA 22041	National Beer Wholesalers of America		
John Runyan, 1730 North Lynn St., #409 Arlington, VA 22209	Printing Industries of America, Inc	500.00	
Morgan S. Ruph, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS	6,800.00	150.47
Robert A. Rusbuldt, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	American Insurance Assn		
Do	Independent Insurance Agents of America, Inc	17,500.00	
Domenic R. Ruscio, 6th Floor 2010 Massachusetts Avenue, NW Washington, DC 20036			
Barry Russell, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		40.00
Dorothea L. Russell, 1120 Vermont Avenue, NW, #1120 Washington, DC 20005	National Candy Wholesalers Assn, Inc		
Randall M. Russell, 517 C Street, NE Washington, DC 20002-5809	Lesher and Associates, Inc		
Robert M. Russell, 2170 Piedmont Rd., NE Atlanta, GA 30324	Orkin Exterminating Co, Inc		
Russo Watts & Rollins, 655 15th Street, NW, #250 Washington, DC 20005	Louis F. Beechrel Jr.		
Do	Campbell Soup Co	2,000.00	
Do	CIC Enterprises	500.00	
Do	Handbag Importers Committee	500.00	
Do	Management Insights, Inc	500.00	
Do	McDonnell Douglas	2,000.00	
Do	Metropolitan Analysis & Retrieval Systems, Inc	500.00	
Do	Norfolk Southern Corp		
Do	Presidential Airways, Inc	3,000.00	
Do	Russ Berrie & Co, Inc	1,000.00	
Do	Sears Roebuck & Co	5,000.00	
Do	U.C. Consultants, Inc	250.00	
Wally Rustad, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	80.00	
Herman Max Ruth, P.O. Box 1000 Otisville, NY 10963			
J. T. Rutherford & Associates, Inc, 1301 N. Courthouse Rd., #1802 Arlington, VA 22201	American Assn of Bioanalysts/Intl Soc of Clinical Lab Techs		320.10
Do	American College of Radiology		420.10
Do	American Optometric Assn		325.40
Sheryl P. Rutledge, Charles L. Fishman, P.C. 1717 K Street, NW, #502 Washington, DC 20036	Washington Gas Light Co	702.00	139.00
Ella Marice Ryan, 1156 15th St., NW Washington, DC 20005	J. C. Penney Co, Inc	100.00	
Frank T. Ryan, 1400 K Street, NW Washington, DC 20005	Rubber Manufacturers Assn	2,500.00	
George J. Ryan, 915 Rockefeller Building Cleveland, OH 44113	Lake Carriers' Assn		
John F. Ryan, 1600 M Street, NW Washington, DC 20036	International Telephone & Telegraph Corporation		
Joseph Ryan, 2033 M St., NW, #800 Washington, DC 20036	General Instrument Corporation		
Thomas L. Ryan, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA		
RBC Associates, 324 Fourth Street, NE Washington, DC 20002	Ann Arbor Railroad	7,500.00	6,253.13
Do	Bangor & Aroostook Railroad	6,750.00	6,705.70
Do	Chicago & North Western Transportation Corp	31,500.00	6,851.51
Do	Delaware Otsego System	18,000.00	6,504.80
Do	Genesee & Wyoming Corp	750.00	6,253.13
RJR Nabisco, Inc, 1100 Reynolds Blvd. Winston-Salem, NC 27106			15,889.94
Paul R. Sacia, Suite 202, West Wing 600 Maryland Avenue, SW Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	4,523.06	47.43
John K. Sage, One Post Street, #3275 San Francisco, CA 94104	McKesson Corp	500.00	
Anthony J. Saggese Jr., 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc	400.00	
James H. Sammons, 535 North Dearborn Street Chicago, IL 60610	American Medical Assn	1,800.00	
Sammons Enterprises, Inc, 403 South Akard Dallas, TX 75202			
Sanders Schnabel & Brandenburg, P.C., 1110 Vermont Avenue, NW, #600 Washington, DC 20005	American Soc of Assn Executives	3,149.31	932.34
Stephen E. Sandherr, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	500.00
Myron G. Sandifer III, 1489 Chain Bridge Road, #200 McLean, VA 22101	Jack McDonald Co (For:Coalition for the Advancement of Industrial Technology)		
Do	Jack McDonald Co (For:Dow Corning Corp)		
Do	Jack McDonald Co (For:Municipal Financial Consultants)		
Do	Jack McDonald Co (For:Royal Zenith Corp)		
Charles E. Sandler, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	6,000.00	
Peter G. Sandlund, 1725 Eye St., NW, #315 Washington, DC 20006	Council of European & Japanese National Shipowners' Assn	300.00	
Bruce W. Sanford, 1050 Connecticut Avenue, NW, #1100 Washington, DC 20036	Society of Professional Journalists, Sigma Delta Chi		
James D. Santini, Bible Santini Hoy Miller & Lrachok 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007	Homestake Mining Co	2,875.00	1,393.73
Do	Lorimar Productions	12,000.00	17.72

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Marlene C. McGuirl	1,500.00	34.54
Do	National Tour Assn, Inc	9,000.00	1,590.06
Do	Noranda Exploration, Inc		7.01
Charles Sapp, 3500 Texas Commerce Tower Houston, TX 77002	Houston Endowment, Inc		
Ronald A. Sarasin, 311 First Street, NW Washington, DC 20001	National Restaurant Assn		
John S. Satagaj, 1250 I Street, NW, #500 Washington, DC 20005	American Assn of Nurserymen		
Klara B. Sauer, 9 Vassar Street Poughkeepsie, NY 12601	Scenic Hudson, Inc		
Albert C. Saunders, 1100 15th St., NW #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	10.20
Mary Jane Saunders, 1300 N. 17th Street, #300 Arlington, VA 22209	ADAPSO, the Computer Software & Services Industry Assn		
Richard N. Sawaya, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	300.00	
John D. Sawyer, 2101 L Street, NW, #501 Washington, DC 20037			
Thomas C. Sawyer, 1825 K Street, NW Washington, DC 20006	National Broadcasting Co, Inc	5,000.00	10,445.45
Robert Wayne Sayer, 4545 42nd Street, NW Washington, DC 20016	GCA Corp		
Laurie S. Schaffer, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	180.00	
William T. Schapaugh, 1030 15th Street, NW Washington, DC 20005	American Seed Trade Assn	5,000.00	
Mary L. Schapiro, 1825 Eye St., NW, #1040 Washington, DC 20006	Futures Industry Assn, Inc		
C. M. Schauerte, P.O. Box 3247 Houston, TX 77253	American General Corporation		
Deborah Schechter, 1501 16th Street, NW Washington, DC 20036	Center for Science in the Public Interest		
Jay T. Scheck Jr., Rt. 202-206 North Somerville, NJ 08876	American Hoechst Corporation		
Schell & Co, Inc, 1776 K Street, NW, #700 Washington, DC 20006	Fuller Co		
Do	GATX Corp		
Robert J. Schenk, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Kenneth D. Schloman, 1600 Rhode Island Avenue, N.w. Washington, DC 20036	National Rifle Assn of America	976.25	36.35
Richard M. Schmidt Jr., Suite 600 1333 New Hampshire Ave., NW Washington, DC 20036	Association of American Publishers	500.00	
Arthur C. Schmitt, 3705 S. George Mason Drive, Apt. 301 So. Falls Church, VA 22041	Oxford Group, Limited		
Robert Richard Schmitt, P.O. Box 3563 Omaha, NB 68103-0563			
Schnader Harrison Segal & Lewis, Suite 1000 1111 19th St., NW Washington, DC 20036	Savin Corporation		
Do	Toyota Motor Corporation	2,108.00	80.95
Mark L. Schneider, 1001 22nd Street, NW, #600 Washington, DC 20037	Standard Oil Co (Ohio)		
Robert V. Schneider, 360 Herndon Parkway, #2100 Herndon, VA 22070	ACS Systems, Inc		
Do	Telesciences Corp		
Theresa A. Schneider, 1120 19th Street, NW, #310 Washington, DC 20036-3605	Institute of Makers of Explosives		
Thomas J. Schneider, 1300 19th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee	1,695.00	87.80
Abraham Schneier, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	2,250.00	200.00
Frank Schneller, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Paul Schoellhamer, 888 17th Street, NW Washington, DC 20003	Northwest Airlines, Inc	1,000.00	100.00
Nancy L. Schoenig, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	5,890.50	
Jack J. Schramm, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	5,000.00	
Marsha Schramm, 1627 K St., NW, #910 Washington, DC 20006	Domestic Petroleum Council, Inc		
A. Kolbet Schrichte, Suite 500 1133 15th Street, NW Washington, DC 20005	American Logistics Association		
H. B. W. Schroeder, 1050 17th Street, NW, #490 Washington, DC 20036	Consumers Power Co	8,000.00	1,266.00
Leah Webb Schroeder, 1030 15th Street, NW, #100 Washington, DC 20005	Health Industry Manufacturers Assn		
N. Donald Schroeder, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401	American Petroleum Institute	320.00	153.79
Judy Schub, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	482.31	325.10
Mark Schultz, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	5,000.00	13.90
Richard F. Schultz, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	12,240.80	194.41
Robert L. Schulz, c/o Iowa Petroleum Council 1012 Fleming Bldg. Des Moines, IA 50309	American Petroleum Institute	709.00	1,048.99
Ralph D. Schumack, 1800 M Street, NW, #325 South Washington, DC 20036	Dow Corning Corp		408.50
James H Schuyler, 15th & M sts., NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Alan R. Schwartz, Blum Nash & Railsback 1133 15th Street, NW, #1100 Washington, DC 20005	Disclosure, Inc		
Do	Journal of Commerce, Inc	495.00	
Elinor Schwartz, 318 S. Abingdon Street Arlington, VA 22204	California State Lands Commission	7,800.00	622.25
Elizabeth Nash Schwartz, 1700 N. Moore St. Rosslyn, VA 22209	Boeing Company	2,700.00	550.64
Richard Schwartz, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	4,000.00	
Steve Aaron Schwartz, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Richard S. Schweiker, 1850 K Street, NW Washington, DC 20006	American Council of Life Insurance, Inc	2,350.00	
Scientific Apparatus Makers Assn, 1101 16th St., NW Washington, DC 20036		6,989.57	2,632.45
Michael Sciulla, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	6,000.00	
Douglas W. Scott, 730 Polk Street San Francisco, CA 94108	Sierra Club		
Ellen Scott, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	6,325.00	
Gregory R. Scott, 1875 Eye St., NW, #500 Washington, DC 20006	Philip Morris, Inc	675.00	130.00
Hugh Scott, Scott Harrison & McLeod 2501 M Street, NW, #400 Washington, DC 20037	Federal National Mortgage Assn		1,194.21
James L. Scott, 1919 Pennsylvania Ave., NW, #703 Washington, DC 20006	American Healthcare Institute	10,500.00	190.00
John N. Scott, 1825 K Street, NW, #1107 Washington, DC 20006	Phillips Petroleum Co	222.00	863.79
Scribner Hall & Thompson, Suite 700 1875 Eye Street, NW Washington, DC 20006	Aetna Life & Casualty Insurance Co		10.00
Do	CNA Financial Corp		12,993.34
Do	National Life Insurance Co of Vermont		6.00
Do	Provident Life & Accident Insurance Co		
Do	Security Enterprises, Inc		
Do	Security Life of Denver Insurance Co	29,665.00	
Do	St. Paul Companies		
Do	Transamerica Corporation		
Do	Transamerica Occidental Life Insurance Co		
Do	Unionmutual Life Insurance Co	30,525.00	
Do	USLIFE Corporation		
Scrivens Goldstone & Co, 5857 S. Gessner, #287 Houston, TX 77036			
Thomas Andrew Scully, 950 L'enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	1,500.00	198.45
Timothy Scully, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	9,839.80	
Earl W. Sears, P.O. Box 12285 Memphis, TN 38112	National Cotton Council of America	1,712.50	45.42
Pamela Sederholm, Box 719 Dallas, TX 75221	Southland Corporation		240.00
J. Peter Segall, 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Government of the Cayman Islands)	4,837.50	
Do	Gray & Co Public Communications Int'l, Inc (For:Hyundai Motor America)	2,212.50	
Do	Gray & Co Public Communications Int'l, Inc (For:International Brotherhood of Teamsters).		
Do	Gray & Co Public Communications Int'l, Inc (For:Seminole Tribe of Florida)	600.00	
H. Richard Seibert Jr., 1331 Pennsylvania Ave., NW, #1500 N Washington, DC 20004-1703	National Assn of Manufacturers	2,100.00	
George H. Seidel Jr., Associated Petroleum Industries of Pa P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute		
Paul J. Seidman, Federal Bar Building, #1000 1815 H Street, NW Washington, DC 20006	National Tooling & Machining Assn	6,375.00	501.29
M. Frank Sellers, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce (For:Business Alliance on Government Competition)	5,000.00	206.11
Stanton P. Sender, 633 Pennsylvania Ave., NW Washington, DC 20004	Sears Roebuck & Co	2,400.00	115.45
Stuart D. Serkin, 1800 Connecticut Avenue, NW Washington, DC 20009	Slurry Technology Assn	1,000.00	
Seven Months Session for Congress, 4210 Spicewood Road, #202 Austin, TX 78759			209.00
Seward & Kissel, 818 Connecticut Avenue, NW, #800 Washington, DC 20006	Daily Dollar Reserves, Inc	86.00	
Do	Furman Selz Mager Dietz & Birney, Inc		
Do	Gordon Forte Management Co		
Do	GT Partners		
Do	KAR Management, Inc		
Do			
J. Richard Sewell, 1111 19th St., NW, #1102 Washington, DC 20036	Florida Power & Light Co	2,000.00	463.16
Seyfarth Shaw Fairweather & Geraldson, 1111 19th St., NW Washington, DC 20036	Agricultural Producers	34,331.25	
Do	American Soc of Pension Actuaries	12,600.00	181.69
Do	Flxible Corp	6,985.00	
Do	Johnson & Higgins		
Jonah Shacknai, 1747 Pennsylvania Avenue, NW Washington, DC 20006	Merrell Dow Pharmaceuticals, Inc		
Do	Pharmaceuticals Manufacturers Assn	656.25	
Donna S. Shaffer, 1933 Belmont Ridge Ct. Reston, VA 22091	Pride Air, Inc		
Victoria McKenzie Shain, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	1,000.00	
Thomas A. Shallow, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
James M. Shamberger, 1025 Connecticut Ave., NW, #512 Washington, DC 20036	Reinsurance Assn of America		
James R. Shanahan, 1801 K Street, NW, #700 Washington, DC 20006	Price Waterhouse (For:Investment Co Institute)		
Do	Price Waterhouse (For:Toyota Motor Kentucky, Inc)	4,560.00	20.00
Deborah L. Shannon, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council	1,325.00	21.61
Bernard M. Shapiro, 1801 K Street, NW, #700 Washington, DC 20006	Price Waterhouse (For:Eagle-Picher Industries, Inc)	265.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Price Waterhouse (For:Investment Co Institute)	265.00	
Gary J. Shapiro, 2001 Eye Street, NW Washington, DC 20006	Electronic Industries Assn		
Daniel E. Shaughnessy, 1008 N. Randolph St., #206 Arlington, VA 22201	Western Great Lakes Maritime Assn		
Luther W. Shaw, 1155 15th St., NW, #900 Washington, DC 20005	National Agricultural Chemicals Assn	5,625.00	33.00
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW Washington, DC 20037	Americans for Tax Reform		
Do	Atlas Minerals Division	19,141.20	
Do	Committee for Private Education		
Do	ConAgra, Inc		
Do	Emerson Electric Co		
Do	Federal Company	38,490.00	3,884.41
Do	Institute of Foreign Bankers	4,800.00	461.54
Do	Investment Company Institute	900.00	
Do	Investment Counsel Assn of America, Inc	512.50	
Do	Knights of Columbus		
Do	National Automobile Dealers Assn	17,370.00	762.27
Do	Utility Nuclear Waste Management Group		
Donald B. Shea, 1750 K Street, NW Washington, DC 20006	U.S. Brewers Assn, Inc		
Shea & Gould, 1627 K St., NW, #1000 Washington, DC 20006	Park Tower Realty Corp, et al		
Do	Park Tower Times Square Associates	29,250.00	
Do	Philip Morris, Inc & Affiliates		
Do	Reliance Group Holdings, Inc, et al		304.10
Do	Screen Actors' Guild, et al	3,700.00	358.80
James V. Sheahan, 223 Perimeter Ctr. Pkwy. P.O. Box 89000 Atlanta, GA 30338	Siemens-Allis, Inc		
John J. Sheehan, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	12,817.83	
Patricia Q. Sheehan, 1667 K Street, NW, #410 Washington, DC 20006	Johnson & Johnson		
Peggy A. Sheehan, 1401 New York Avenue, NW, #1100 Washington, DC 20005	National Cooperative Business Assn	1,950.00	91.73
Shaun M. Sheehan, 1111 19th Street, NW, #1000 Washington, DC 20036	Tribune Broadcasting Co	3,000.00	499.32
Kathleen Sheekey, 3rd Floor 2030 M Street, NW Washington, DC 20036	Common Cause	11,762.52	324.22
C. Douglas Shelby, Florida Petroleum Council 325 John Knox Rd., #F-210 Tallahassee, FL 32303	American Petroleum Institute	815.40	1,047.03
Zack H. Shelley Jr., 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	200.00	
Robert G. Shepherd Jr., 300 Maryland Avenue, NE Washington, DC 20002	Federal Express Corp		11,150.00
Frank A. Sherer, Munson Road Middlebury, CT 06762	Timex Group Ltd	230.00	
Seymour Sheriff, 1126 Woodward Bldg. Washington, DC 20005	Man-Made Fiber Producers Assn, Inc		
Dale Sherwin, 1735 I St., NW, #717 Washington, DC 20006	Staley-Continental, Inc	5,000.00	275.96
Nelson T. Shields, 1400 K St., NW Washington, DC 20015	Handgun Control, Inc	2,754.00	
R. Philip Shimer, Suite 405 444 N. Capital St., NW Washington, DC 20001	Western Governors Assn		
Shipley Smoak Henry & Holdgreiwe, 910 17th Street, NW, #320 Washington, DC 20006	Bluejay Oil Company		
Do	Fort Sill Gardens, Inc		
Do	Steadman Mutual Funds		
Do	Steadman Security Corporation		
Do	WBNO Radio and WLKM Radio		
Elizabeth Shipley-Moses, 1107 Jackson Court Falls Church, VA 22046	Society for Nutrition Education	67.00	
Harvey A. Shipman, 1800 Diagonal Road, #500 Alexandria, VA 22314	Penn Central Corporation		
John B. Shlaes, 1111 19th Street, NW Washington, DC 20036	Edison Electric Institute	556.36	
Mary Frances Shlagel, Suite 760 1050 Connecticut Ave., NW Washington, DC 20036	Union Oil Co of California		
Scott Shotwell, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,600.00	
A. Z. Shows, Rm 203 1801 Columbia Rd., NW Washington, DC 20009			
Sana F. Shtasel, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	961.15	26.62
John Shuey, P.O. Box 3151 Houston, TX 77253	Browning-Ferris Industries, Inc		
Sidley & Austin, 1722 Eye Street, NW Washington, DC 20006	Donrey, Inc	42,857.52	
Do	Peoria Journal Star, Inc	2,607.88	
Elisa Siegel, 919 18th Street, NW, #400 Washington, DC 20006	Diamond Shamrock Corp	1,000.00	51.32
Mark A. Siegel & Associates, Suite 368 400 North Capitol Street, NW Washington, DC 20001	Archer Daniels Midland Company		
Do	Commonwealth of Puerto Rico	40,417.58	5,388.23
Do	Money Store	10,323.21	323.21
Do	Power Authority of the State of New York	14,835.82	691.99
Siegel Mandell Davidson, P.C., One Whitehall Street New York, NY 10004	Sigallo, Ltd		
James V. Siena, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects	2,000.00	
William A. Signer, 444 North Capitol St., NW, #711 Washington, DC 20001	Keefe Company (For:Chamber of Commerce of Puerto Rico)		
Do	Keefe Company (For:Committee for Employment Opportunities)	300.00	
Do	Keefe Company (For:Dormitory Authority)	1,500.00	
Do	Keefe Company (For:Greater New York Hospital Assn)	1,500.00	
Do	Keefe Company (For:Management Insights, Inc)	4,000.00	
Do	Keefe Company (For:Puerto Rico Economic Development Administration)	10,000.00	
Do	Keefe Company (For:Securities Industry Assn of Puerto Rico)	9,000.00	
Do	Keefe Company (For:Solar Lobby)	1,200.00	
Do	Keefe Company (For:Targeted Management Consultants)	4,000.00	
Do	Keefe Co (For:Washington Public Power Supply System)		
Mark Silbergeld, 2001 S Street, SW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	3,700.00	20.00
David Silver, 1600 M St., NW Washington, DC 20036	Investment Company Institute	189.57	
Steve Silver, Robertson Monagle & Eastaugh 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Alaska Pulp Corp	950.00	
Do	Apex Marine Corp	2,006.00	
Do	Bollinger Machine Shop & Shipyard, Inc		
Do	Bristol Bay Native Corp	3,025.00	
Do	Crowley Maritime Corp	340.00	
Do	Moore McCormack Bulk Transport, Inc	986.00	
Do	Noranda Mining, Inc	4,382.00	
Do	Ratkovich Bowers & Perez, Inc		
Do	Standard Oil Co		
Silver Users Assn, Inc, 1717 K St., NW Washington, DC 20006		150.00	3,422.29
David Silvers, 666 Third Avenue, 4th Floor New York, NY 10017	Integrated Resources, Inc	1,000.00	358.60
Leonard L. Silverstein, Silverstein & Mullens 1776 K Street, NW Washington, DC 20006	Rockefeller Group, Inc		
Silverstein & Mullens, 1776 K St., NW Washington, DC 20006	Association for Advanced Life Underwriting	5,000.00	
Do	Bristol-Myers Co		
Do	GATX Corporation		
Do	Music Corp of America, Inc		
Do	National Assn of Home Builders of the U.S.		
Do	Rolls-Royce Motors, Inc		
M. P. Simmons, P.O. Box 860 Valley Forge, PA 19482	Certainteed Corp		
Gary D. Simms, 1720 EYE ST., NW Washington, DC 20006	American Academy of Actuaries		
Neil A. Simon, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Philip Simon, 2030 M Street, NW Washington, DC 20036	Common Cause	4,264.03	
Stanley C. Simon, Ginsberg & Forman 820 Hartford Building Dallas, TX 75201	Southland Corporation	28,462.00	6,498.50
William Douglas Simon, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Talmage E. Simpkins, 100 Indiana Ave., NW Washington, DC 20001	Labor Management Maritime Committee, Inc	1,508.00	223.64
C. Kyle Simpson, 9 Greenway Plaza, #714 Houston, TX 77046	Coastal Corporation		
William G. Simpson, 1155 15th St., NW Washington, DC 20005	First Mississippi Corporation	2,000.00	
Do	Food Marketing Institute	5,000.00	
Do	Mississippi Power & Light Company	2,000.00	
Do	State of Mississippi	4,000.00	
Albert M. Sims, 1935 Wilson Lane, #204 Mclean, VA 22102	Performance Engineering, Inc		
Ivan E. Sinclair, 1000 Wilson Boulevard, #2700 Arlington, VA 22209	TRW, Inc	1,000.00	
James W. Singer III, 1100 15th Street, NW Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	
Richard L. Sinnott, One Thomas Circle, NW, #900 Washington, DC 20005	National Comm to Preserve Social Security & Medicare	27,000.00	
Richard L. Sinnott & Co, Suite 900 One Thomas Circle, NW Washington, DC 20005	Oakland Coliseum	3,500.00	
Do	Port of Oakland	9,000.00	
Skadden Arps Slate Meagher & Flom, 919 18th Street, NW Washington, DC 20006	Air Products & Chemicals, Inc	1,800.00	
Do	Anheuser-Busch Companies, Inc	5,400.00	
Do	Baker International	3,400.00	
Do	Beecham, Inc	5,650.00	
Do	Biomass One Operating Co, Inc	2,000.00	
Do	California Agricultural Power Commission	2,000.00	
Do	California Student Loan Finance Corp		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Cities Service Oil & Gas Corp		
Do	Coalition Against Double Taxation, Inc	1,050.00	
Do	Drexel Burnham Lambert, Inc	47,500.00	
Do	Foster Wheeler Energy Corp	4,000.00	
Do	General Development Corp	5,400.00	
Do	General Oriental	4,800.00	
Do	JMB Realty Corp	1,300.00	
Do	Kohlberg Kravis & Roberts Co	3,000.00	
Do	KTI Energy, Inc	2,000.00	
Do	Lazard Freres	1,000.00	
Do	Mesa Petroleum	4,500.00	
Do	Mojave Pipeline Co	1,000.00	
Do	Morton-Thiokol, Inc	800.00	
Do	Ocean Thermal Corp		
Do	Sann - Howe	5,400.00	
Do	Transco Energy Company		
Gregg P. Skall, Baker Hostetler 1050 Connecticut Ave., NW Washington, DC 20006	Daytime Broadcasters Assn		
Do	Uniden Corp of America		
James H. Skidmore, 1156 15th St., NW, #1201 Washington, DC 20005	NCR Corporation		
Cynthia Elliot Skiff, 8111 Gatehouse Road Falls Church, VA 22047	American Automobile Assn		
Barney J. Skladany Jr., 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Oil Corp	1,125.00	
Scott Sklar, 1730 N. Lynn St., #610 Arlington, VA 22209	Solar Energy Industries Assn	6,000.00	
Paul A. Skrabut Jr., 1629 K Street, NW Washington, DC 20006	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)	5,500.00	
Francis J. Skrobiszewski, 100 W. Alexandria Avenue Alexandria, VA 22301	KMA & Associates (Omega Recovery Corp)	3,075.00	
F. Slatinshek & Associates, Inc, 1102 Belle Vista Dr. Alexandria, VA 20007	Grumman Aero Corp, et al	300.00	
Robert G. Slaughter, 1615 M ST., NW, #200 Washington, DC 20036	Amoco Corporation		
Joshua J. Slavitt, 450 Maple Ave., E., #204 Vienna, VA 22180	U.S. Defense Committee	1,500.00	
Barry S. Slevin, 1000 Potomac Street, NW Washington, DC 20007	Seifman Semo Slevin & Marcus, P.C. (For:United Food & Commercial Workers International Union).		
William T. Slider, 15th & M streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Ronald J. Slinn, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
Deborah Sliz, 2301 M Street, NW Washington, DC 20037	American Public Power Assn	2,500.00	
John E. Sloan Jr., Capital Gallery East, #695 600 Maryland Avenue, SW Washington, DC 20024	National Fed of Independent Business	1,150.00	200.00
Richard S. Sloan, 1700 K Street, NW, #1100 Washington, DC 20006	Challenge America, Inc	12,000.00	
Slurry Technology Assn, 1800 Connecticut Ave., NW Washington, DC 20009		37,500.00	
Small Business Council of America, Inc, P.O. Box 4299 Columbus, GA 31904		7,760.00	9,618.35
Smathers Hickey & Smathers, 1050 Connecticut Avenue, NW, #1230 Washington, DC 20036	American Horse Council	3,666.00	
Do	Florida East Coast Railway Co	750.00	
Do	National Hockey League	1,500.00	
Do	Pennzoil Co	6,000.00	
Donald E. Smiley, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation		
James R. Smircina, P.O. Box 5000 Cleveland, OH 44101	Cleveland Electric Illuminating Co		
Christine M.B. Smith, 1700 K Street, NW, #502 Washington, DC 20006	Pacific Resources, Inc	500.00	
Daniel T. Smith, P.O. Box 660074 Dallas, TX 75266	International Airline Passengers Assn, Inc		
Diane E. Smith, 8881 Rosemont Detroit, MI 48228	Artists Products Celebrity Development		
Elizabeth M. Smith, 815 16th St., NW, #310 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	5,667.00	114.62
Frederick P. Smith Jr., 1120 19th Street, NW, #310 Washington, DC 20036-3605	Institute of Makers of Explosives		
Gordon L. Smith, 1201 Pennsylvania Ave., NW, #700 Washington, DC 20004	Hill & Knowlton, Inc (For:Florists' Transworld Delivery Assn)	2,500.00	
Harold W. Smith, 208 Laurel Drive Peekskill, NY 10566	City Manager of the City of Yonkers, New York		
Hugh H. Smith, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co		
James P. Smith, 1300 N. 17th St., #1000 Arlington, VA 22209	Hospital Corp of America	1,600.00	
Jeffrey A. Smith, 919 18th Street, NW, #600 Washington, DC 20006	Toyota Motor Sales, USA, Inc		
Jennifer L. Smith, 900 17th Street, NW, #520 Washington, DC 20006	West Mexico Vegetable Distributors Assn	300.00	
Julian H. Smith Jr., 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	17,511.00	12,420.24
Michael E. Smith, 55 Public Square, Rm. 624 P.O. Box 5000 Cleveland, OH 44113	Cleveland Electric Illuminating Co	82.21	70.66
Michael J. Smith Jr., 777 14th Street, NW, 5th Floor Washington, DC 20005	National Assn of Realtors	1,500.00	18.55
Michael P. Smith, 485 Lexington Ave. New York, NY 10017	New York State Bankers Assn	440.00	989.00
Ronald E. Smith, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc		
Shalah Smith, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	2,450.00	698.39
Susan Snyder Smith, 7900 Westpark Drive, #514 Mclean, VA 22102	Chocolate Manufacturers Assn of the USA	250.00	172.07
Wayne H. Smithey, 815 Connecticut Ave., NW Washington, DC 20006	Ford Motor Co	7,012.00	731.00
Smokeless Tobacco Council, Inc, 1925 K Street, NW, #504 Washington, DC 20006		4,432.50	4,432.50
Clair A. Snyder, 35 North Sixth Street Reading, PA 19601	Meridian Bancorp, Inc		
David F. Snyder, 1000 Nationwide Dr. Harrisburg, PA 17105	Nationwide Insurance Co	600.00	210.58
J. R. Snyder, 400 1st St., NW, #704 Washington, DC 20001	United Transportation Union		900.00
John M. Snyder, 600 Pennsylvania Ave., S.e. Suite 205 Washington, DC 20003	Citizens Comm for the Right to Keep & Bear Arms	9,000.00	
Kenneth F. Snyder, 3200 National City Center Cleveland, OH 44114	Baker & Hostetler (For:Railroad Employees Mutual Assn)		
Wallace S. Snyder, 1400 K Street, NW, #1000 Washington, DC 20005	American Advertising Federation	5,000.00	
Snyder Ball Kriser & Assoc, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003	General Motors Corp	150.00	
Alan C. Sobba, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Society for Animal Protective Legislation, P.O. Box 3719 Georgetown Station Washington, DC 20007		56,033.39	43,156.17
Edmund T. Sommer Jr., 1627 K Street, NW, #1200 Washington, DC 20006	Council of American-Flag Ship Operators		
Edward J. Sondey, 195 Montague Street Brooklyn, NY 11201	Brooklyn Union Gas Co		
Charles R. Sonnier, Sonnier & Hebert P.O. Drawer 1040 Abbeville, LA 70511	Coushatta Tribe of Louisiana		
E. Richard Soper, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Roberta Lee Sorensen, 1101 Vermont Ave., NW, #604 Washington, DC 20000	College of American Pathologists	6,360.00	56.30
Walter Larke Sorg, 1625 Eye St., NW, #204 Washington, DC 20006	Southeastern Dredge Owners Assn Size Standard Appeal Comm	9,000.00	380.15
South/North Development Group, Ltd, 610 Fourth Place, SW Washington, DC 20002	Government of the People's Republic of Angola	34,103.25	64,638.97
Southwestern Peanut Shellers Assn, 10 Duncannon Ct. Dallas, TX 75225			
Space Services, Inc of America, 7015 Gulf Freeway, #140 Houston, TX 77087			
Thomas J. Spangler, 1730 K Street, NW, #1100 Washington, DC 20006	National Treasury Employees Union	10,000.00	152.30
Sparber Shevin Shapo Heilbronner & Book, 1455 Pennsylvania Avenue, NW, #1455 Washington, DC 20004	City of East Cleveland	1,533.00	14.00
Do	City of Miami	415.00	
John D. Sparks, 6th Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007	Consumers United for Rail Equity (C.U.R.E.)	840.00	40.00
Ian D. Spatz, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation	2,004.73	79.85
Specialized Carriers & Rigging Association, Suite 616 2200 Mill Rd. Alexandria, VA 22314			
John F. Speer Jr., 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs		
William C. Spence, 3805 W. Alabama Houston, TX 77027	Columbia Gulf Transmission Co		
George Spiegel, Spiegel & Mcdiarmid 2600 Virginia Ave., NW Washington, DC 20037	Northern California Power Agency		
Spiegel & McDiarmid, 1350 New York Ave., NW Washington, DC 20005	Ft. Pierce Utiliities Authority, et al		
Do	Northern California Power Agency, et al		
Do	Public Transportation Facilities		
Do	Sacramento Municipal Utility District		
Do	Service Employees International Union, AFL-CIO		
Larry N. Spiller, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	200.00	
Peter A. Spina, 150 East 42nd Street New York, NY 10017	Mobil Oil Corp	900.00	
Frances Spivy-Weber, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society	3,000.00	
Earl C. Spurrier, The Madison Building, #514 1155 15th Street, NW Washington, DC 20005	National Agricultural Chemicals Assn		
Mark G. Spurrier, 400 Kenilworth Drive Towson, MD 21204	Baltimore County Police Department, et al		
Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW Washington, DC 20004	American Cement Trade Alliance, Inc		
Do	American Chamber of Commerce in Germany		
Do	American Soc of Anesthesiologists	682.50	
Do	Association of Data Processing Service Organizations		
Do	Can-Am Corporation		
Do	Chase Manhattan Bank National Assn	50,000.00	
Do	Independent Data Communications Manufacturers Assn	300.00	
Do	Microband Corp of America		
Do	National Collegiate Athletic Assn	4,830.00	157.30
Do	Public Securities Assn		
Do	Samaritan Health Services	8,363.50	63.08
Do	Tymnet, Inc		
John W. Sroka, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Janet G. St. Amand, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	1,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Connell Stafford, P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company	400.00	526.00
David E. Stahl, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,200.00	
Melvin R. Stahl, Suite 1410 1235 Jefferson Davis Hwy. Arlington, VA 22202	Motorcycle Industry Council, Inc		
Elvis J. Stahr Jr., 1815 H Street, NW, #600 Washington, DC 20006	Cassidy & Associates, Inc		
Do	National Audubon Society		
Tyrone Stallworth, 220 North Devillers Street Pensacola, FL 32501			
Standard Oil Co (Ohio), 1001 22nd St., NW, #600 Washington, DC 20037			35,101.08
David P. Stang, P.C., Suite 601 1629 K St., NW Washington, DC 20006	Amoco Corporation	2,393.53	
Do	Concerned Opthamologists of Texas	228.27	
Do	Employee Stock Ownership Assn	1,348.66	
Do	McDermott, Inc	679.86	
Do	National Assn of Royalty Owners, Inc	542.27	
Do	Small Business Council of America, Inc	616.10	
Joseph M. Stanton, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Melvin L. Stark, 1025 Connecticut Ave., NW, #415 Washington, DC 20036	American Insurance Assn	15,000.00	750.00
Lois Starkey, Suite 511 1745 Jefferson Davis Hwy. Arlington, VA 22202	Manufactured Housing Institute	900.00	100.00
John F. Stasiowski, 5205 Leesburg Pike, #505 Falls Church, VA 22041	National Beer Wholesalers of America		
Frank M. Staszesky Jr., 1620 Eye St., NW, #703 Washington, DC 20006	Bechtel Power Corporation		
David Michael Staton, 1615 H Street, NW Washington, DC 20062	Citizen's Choice, Inc	2,000.00	
James D. Staton, 320 Timberbrook Drive Waldorf, MD 20601	Air Force Sergeants Assn, Inc		
Mick Staton Associates, Inc, 8712 Gateshead Road Alexandria, VA 22309	Delchamps, Inc	405.00	
Samuel E. Stavisky, 1725 Desales Street, NW, #804 Washington, DC 20036	Samuel E. Stavisky & Associates, Inc (For:Broadcast Music, Inc)		40.00
Do	Samuel E. Stavisky & Associates, Inc (For:Federacion Nacional de Cafeteros de Colombia).	1,500.00	100.00
Samuel E. Stavisky & Associates, Inc, 1725 Desales Street, NW, #804 Washington, DC 20036	Broadcast Music, Inc	100.00	80.00
Do	Federacion Nacional de Cafeteros de Colombia	2,000.00	701.56
Randolph J. Stayin, 1620 Eye St., NW, #800 Washington, DC 20006	Taft Stettinius & Hollister (For:Effective Spray Control Organization)	1,928.75	60.42
Do	Taft Stettinius & Hollister (For:James Graham Brown Foundation)		
Do	Taft Stettinius & Hollister (For:Machinery Dealers National Association)	36.25	
Do	Taft Stettinius & Hollister (For:Special Comm for Workplace Product Liability Reform).		
Do	Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc)	127.75	
John Howard Stecker, 2020 Live Oak Dallas, TX 75221	Great American Reserve Insurance Co	1,500.00	
Henry J. Steenstra Jr., 1000 Wilson Boulevard, #2600 Arlington, VA 22209	TRW, Inc	1,006.00	2,812.00
Ramona C. Stelford, 1818 N Street, NW Washington, DC 20036	DGA International, Inc (For:Societe Nationale D'Etude et de Const de Moteurs D'Aviation).		
Charles W. Stellar, 5410 Grosvenor Lane, #210 Bethesda, MD 20814	American Medical Care & Review Assn		21.70
Jack L. Stempler, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	75.00
Stephens Overseas Services, Inc, 114 East Capitol Avenue Little Rock, AR 72201	National Office Machine Dealers Assn		
Do			
Stephens, Inc, 114 East Capitol Avenue Little Rock, AR 72201			
Victor Stepsay, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	13,298.00	
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Citizens Savings Financial Corp	990.00	
Do	Co-Operative Central Bank	470.00	
Do	CSO Company	1,248.00	
Do	Trailways, Inc		
Sterling Drug, Inc, 1615 L St., NW, #920 Washington, DC 20036			
Richard W. Sternberg, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	125.00	
Michael E. Steward, 7957 Revenna Lane Springfield, VA 22153	Puget Sound Power & Light Co	3,850.00	451.03
Eugene L. Stewart, 1001 Connecticut Ave., NW, #910 Washington, DC 20036	Roses, Inc	2,165.02	2,165.02
Terence P. Stewart, Stewart and Stewart I00I Connecticut Avenue, NW, #910 Washington, DC 20036	Cabot Corp	2,783.34	54.12
Walter J. Stewart, Suite 700 1100 15th St., NW Washington, DC 20005	Sonat, Inc		
Warren E. Stickle, Suite 1120 1001 Connecticut Avenue, NW Washington, DC 20036	Chemical Specialties Manufacturers Assn, Inc	1,604.26	157.60
Don Stillman, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	1,495.86	12.00
Edward W. Stimpson, Suite 801 1400 K St., NW Washington, DC 20005	General Aviation Manufacturers Association	5,169.00	
John J. Stocker, 1110 Vermont Avenue, NW Washington, DC 20005	Shipbuilders Council of America	3,300.00	
Stockholders of America, Inc, 1625 Eye St., N.w. # 724a Washington, DC 20006		5,959.00	450.25
Dennis C. Stolte, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	5,687.00	99.76
Jane C. Stone, 51 Gibraltar Drive Morris Plains, NJ 07950	National Assn of Manufacturers	600.00	
Jay Stone, Jay Stone and Associates, Inc 412 First Street, SE, #50 Washington, DC 20003	Manville Corporation	2,000.00	
Do	Massachusetts Mutual Life Insurance Co	2,000.00	
Floyd E. Stoner, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	1,000.00	
William M. Stover, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	1,000.00	
Luther J. Strange III, 1100 15th Street, NW, #700 Washington, DC 20005	Sonat, Inc		
Terrence D. Straub, 818 Connecticut Avenue, N.w. Washington, DC 20006	USX Corporation	250.00	324.54
Ronald J. Streck, P.O. Box 238 Alexandria, VA 22313	National Wholesale Druggists' Assn		
W. Melvin Street, Suite 400 1627 K Street, NW Washington, DC 20006	National Newspaper Assn		
Richard H. Streeter, 1729 H Street, NW Washington, DC 20006	Cast North America Ltd		
Roger J. Stroh, 727 N. Washington Street Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn		
Rolf Erik Stromberg, 1010 Duke Street Alexandria, VA 22314	American Assn of Port Authorities	11,250.00	
Albert E. Strong, Suite 1500 North 1331 Pennsylvania Avenue, NW Washington, DC 20004	National Assn of Manufacturers		
George W. Strong, 2242 Bartlett Houston, TX 77098	Enron		
Stroock & Stroock & Lavan, 1150 17th St., NW Washington, DC 20036	J. Aron & Co, Inc	600.00	10.00
Do	Dreyfus Corporation	1,120.00	20.00
Do	Dreyfus Dollar Fund		
Do	Fiat, S.p.A	1,120.00	20.00
George Strumpf, 624 9th St., NW, #700 Washington, DC 20001	Group Health Assn of America, Inc		
Dorothy E. Stucke, 1004 Duke Street Alexandria, VA 22314	American Subcontractors Assn		
Susan Stuebing, 311 First St., NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	1,900.00	10.50
Walter B. Stults, 1156 15th Street, NW, #1101 Washington, DC 20005	National Assn of Small Business Investment Cos	4,000.00	
Eugene F. Sturgeon, 182 Crater Lane Kensington, CT 06037	Northeast Utilities Service Co	752.43	310.79
Lawrence J. Suffredin Jr., 69 W. Washington, #1250 Chicago, IL 60602	City of Evanston, Illinois	3,600.00	463.00
Ann Sullivan, 1660 L Street, NW, #601 Washington, DC 20036	Interstate Natural Gas Assn of America	300.00	
Austin P. Sullivan Jr., P.O. Box 1113 Minneapolis, MN 55440	General Mills, Inc		
Charles S. Sullivan, 11 15th Street, NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants	2,952.50	2,591.14
Gael M. Sullivan, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20005	LTV Corporation	2,344.00	755.40
Harold R. Sullivan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	750.00	
Margaret Cox Sullivan, 1625 Eye St., NW, #724a Washington, DC 20006	Stockholders of America, Inc		
Marty R. Sullivan, P.O. Box 970 Ft. Worth, TX 76101	Texas Electric Service Co	90.00	144.25
Patrick J. Sullivan, 815 Sixteenth Street, N.w. Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	10,088.45	1,076.87
Pauline Sullivan, #11 15th St., NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants	300.00	
Richard J. Sullivan, 1225 Connecticut Ave., NW, #303 Washington, DC 20036	Fleishman-Hillard, Inc (For:Ability Information Systems--Computer Software)		
Ronald F. Sullivan, Thelen Marrin Johnson & Bridges Two Embarcadero Center, #2200 San Francisco, CA 94111	Ponderay Newsprint Co	10,000.00	3,745.38
Sullivan & Cromwell, 1775 Pennsylvania Ave., NW Washington, DC 20006	American International Group, Inc		
Do	BP North America, Inc		
Do	Esselte Business Systems, Inc		
Do	Goldman Sachs & Co		
Do	Grand Met USA, Inc		
Do	Kidder Peabody & Co, Inc		
Do	Securities Industry Assn		5,065.00
John B. Summers, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,500.00	56.22
William F. Sutherland, 1400 K Street, NW Washington, DC 20005	American Advertising Federation		
Sutherland Asbill & Brennan, 1666 K Street, NW, #800 Washington, DC 20006	American Industrial Clay & Georgia Kaolin	1,893.50	26.33
Do	Anglo-American Clays Corp	1,893.50	26.32
Do	Committee Against Revising Staggers		12,500.00
Do	Council of Industrial Boiler Owners	5,000.00	5,000.00
Do	Engelhard Minerals & Chemicals Corp	1,893.50	26.32
Do	J. M. Huber Corp	1,893.50	26.33
Do	Industrial Oil Consumers Group		
Do	Nord Resources Corp	1,893.50	26.32
Do	Process Gas Consumers Group		
Do	Thiele Kaolin Co	1,893.50	26.22
W. Thomas Suttle, 1755 Willard St., NW, #4 Washington, DC 20009	Institute of Electrical & Electronics Engineers	2,750.00	9,937.17

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
William W. Suttle, 1025 Connecticut Ave., NW, #415 Washington, DC 20036	American Insurance Assn	540.00	19.70
Douglass W. Svendson Jr., 1730 Rhode Island AVenue, NW, #417-19 Washington, DC 20036	Hollywood Marine Service, Inc	600.00	30.00
Do	Shell Oil Co	300.00	20.00
Do	Union Pacific Corp	450.00	25.00
David L. Swanson, Craft & Loesch 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Clean Coal Technology Coalition	1,303.75	11.41
Do	Edison Electric Institute		0.30
Do	GA Technologies, Inc	1,500.00	1.23
Irving W. Swanson, 11212 Farmland Drive Rockville, MD 20852	Harris Corporation	21,800.00	2,575.38
Deborah Swartz, Economic Consulting Services, Inc 1320 19th St., NW Washington, DC 20036	Luggage & Leather Goods Manufacturers of America, Inc	500.00	350.00
Do	National Knitwear & Sportswear Assn	500.00	350.00
Do	Neckwear Assn of America, Inc	500.00	350.00
Do	Outboard Marine Corp	5,500.00	500.00
David A. Sweeney, 25 Louisiana Ave., NW Washington, DC 20001	International Brotherhood of Teamsters	19,430.31	
William R. Sweeney Jr., 220 Eye St., NE, #210 Washington, DC 20002	American Nuclear Energy Council		
Do	National Investment Development Corp	12,722.38	543.21
Robert D. Swezey Jr., 1133 19th St., NW Washington, DC 20036	MCI Communications Corp	250.00	8.10
Swidler & Berlin, Chtd, 1000 Thomas Jefferson St., NW #500 Washington, DC 20007	Airco, Inc		
Do	All-Industry Television Station Music Licensing Committee	3,225.15	
Do	Lucasfilm, Ltd		
Do	MD People's Counsel (Natl Assn of State Util. Consumer Advo)	8,508.75	129.95
Do	National Council of Community Hospitals	5,348.75	
Christopher J. Swift, 3200 National City Center Cleveland, OH 44114	Baker & Hostetler (For:Railroad Employees Mutual Assn)		
Tricia L. Swift, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	3,500.00	
Richard P. Swigart, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Randall Swisher, 2301 M Street, NW Washington, DC 20037	American Public Power Assn	2,500.00	
Ronald G. Sykes, 1660 L Street, NW Washington, DC 20036	General Motors Corp	2,500.00	3,344.02
David A. Sykuta, Illinois Petroleum Council P.O. Box 12047 Springfield, IL 62791	American Petroleum Institute	700.00	1,175.85
Christopher U. Sylvester, 1831 Briar Ridge Court Mclean, VA 22101	Garrison Diversion Conservancy District	3,000.00	238.01
Systematics, Inc, 114 East Capitol Ave. Little Rock, AR 72201			
Robert Taft Jr., 1620 Eye St., NW, #800 Washington, DC 20006	Taft Stettinius & Hollister (For:Grocery Manufacturers of America, Inc)		
Do	Taft Stettinius & Hollister (For:Inmont Corp)		
Do	Taft Stettinius & Hollister (For:James Graham Brown Foundation)	3,971.25	99.54
Do	Taft Stettinius & Hollister (For:Kings Entertainment Co)		
Do	Taft Stettinius & Hollister (For:Machinery Dealers National Association)		
Do	Taft Stettinius & Hollister (For:Recordings Import Trade Committee)		
Do	Taft Stettinius & Hollister (For:Special Comm for Workplace Product Liability Reform).	770.00	
Do	Taft Stettinius & Hollister (For:Taft Broadcasting Company)	200.00	
Do	Taft Stettinius & Hollister (For:Telephone & Data Systems, Inc)		
Do	Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc)		
Taggart & Associates, Inc, 1015 15th Street, NW, #200 Washington, DC 20005	Animal Health Institute		
Do	Association of American Railroads		
Do	Marion Laboratories, Inc		
Do	Telephone & Data Systems, Inc		
Walter G. Talarek, 1850 Centennial Park Drive, #300 Reston, VA 22091	Chapman Chemical Co		
Kirk Talbott, Weisgall Law Office 1300 19th Street, NW Washington, DC 20036	Bikini/Kili/Ejit Council		
Doyle Talkington, 1015 15th Street, NW, #200 Washington, DC 20005	National Pork Producers Council	1,000.00	9.00
Tanaka Walders & Ritger, 1919 Pennsylvania Ave., NW, #303 Washington, DC 20006	Electronic Industries Assn of Japan		
Do	Japan Automobile Tire Manufacturers Assn (JATMA)		
Susan Tannenbaum, 2030 M St., NW Washington, DC 20036	Common Cause	5,792.52	137.25
Augustine D. Tantillo, 214 Massachusetts Ave., NE, #350 Washington, DC 20002	Russell Corporation	4,500.00	87.00
Target, Inc, 11244 Waples Mill Road, Suite J Fairfax, VA 22030			
Keith Tarr-Whelan, 1300 19th Street, NW, #501 Washington, DC 20036	National Comm to Preserve Social Security	1,567.00	
John F. Tate, 450 Maple Avenue, E., #204 Vienna, VA 22180	U.S. Defense Committee		
M. Louise Tate, 450 Maple Avenue, E., #204 Vienna, VA 22180	U.S. Defense Committee	900.00	
Susan Tatum, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	2,475.00	
Graca Da Silva Tavares, 17 Perkins Street West Newton, MA 02165			
Charles A. Taylor III, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	1,000.00	
Charles E. Taylor, 1801 K Street, NW, #1200 Washington, DC 20006	IBM Corp	2,000.00	900.00
Elizabeth L. Taylor, 529 14th Street, NW, #425 Washington, DC 20045	Puerto Rico Federal Affairs Administration	6,000.00	
Jefferson D. Taylor, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		
Margie A. Taylor, P.O. Box 21 Montgomery, AL 36101	CSX Transportation		
Peggy Taylor, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	15,269.02	456.85
R. William Taylor, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Robert C. Taylor, 3000 Lincoln Plaza, Lb-5 Dallas, TX 75201	Taylor & Mizell		
William S. Taylor, 239 W. New York Avenue Las Vegas, NV 89107			
Taylor & Mizell, 3000 Lincoln Pl., Lb5 Dallas, TX 75201			
Elayne L. Tempel, 1016 16th St., NW, Washington, DC 20006	National Fed of Federal Employees		
Norman J. Temple, 155 Dresden Avenue Gardiner, ME 04345	Central Maine Power Co, et al.		
Tempo Enterprises, Inc, P.O. Box 702160 Tulsa, OK 74170			3,518.03
Paul M. Tendler, 1090 Vermont Ave., NW Washington, DC 20005	Paul Tendler Associates, Inc (For:American Licensed Practical Nurses Assn)		
Do	Paul Tendler Associates, Inc (For:Bascom, Inc)		
Do	Tendler & Biggins (For:Geodesco)		
Do	Paul Tendler Associates, Inc (For:National Institute of Tenants)		
Do	Paul Tendler Associates, Inc (For:Rasch Elektronik)		
Do	Paul Tendler Associates, Inc (For:Schoeneman, Inc)		
Do	Tendler & Biggins (For:Solargistics Corp)		
Do	Paul Tendler Associates, Inc (For:Southeastern Exporters)		
Tennessee Home Medical Providers Assn, Inc, P.O. Box 421 Knoxville, TN 37901			
Betty-Grace Terpstra, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	4,000.00	334.91
James Terrell, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	4,375.00	303.29
Michelle C. Tessier, 1818 N Street, NW, #410 Washington, DC 20036	National Assn of Public Television Stations	600.00	150.00
James G. Tetirick, 1156 15th Street, NW, #1015 Washington, DC 20005	J. C. Penney Co, Inc		
Thacher Proffitt & Wood, Suite 512 1140 Connecticut Ave., NW Washington, DC 20036	Amoskeag Savings Bank	160.00	93.96
Do	Ensign Savings Bank		
Do	Maine Savings Bank	160.00	93.96
Do	Massachusetts Bankers Assn	808.60	323.73
Do	Mutual Savings Central Fund, Inc		
Do	New Hampshire Savings Bank	160.00	93.96
Do	Salomon Brothers, Inc	14,223.10	340.63
Mary Kay Thatcher, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	5,125.00	30.20
Karen E. Theibert, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Alan J. Thiemann, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators, Inc	350.00	
Douglas E. Thierwechter, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	Marathon Oil Co		
Third Class Mail Association, 1333 F Street, NW, #710 Washington, DC 20004-1108		600.00	600.00
Edlu J. Thom, 919 18th Street, NW, #400 Washington, DC 20006	Diamond Shamrock Corp		
Doris I. Thomas, 15th & M sts., NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Gordon M. Thomas, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
James M. Thomas Jr., 2001 9th Street, NW, #300 Washington, DC 20001	Amalgamated Transit Union, Natl Cap Local 689		
John W. Thomas, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute		
Patricia Thomas, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	9,302.40	
Randi Parks Thomas, 1101 17th Street, NW, #603 Washington, DC 20036	Tuna Research Foundation, Inc	918.00	
Robert L. Thomas, 1319 F St., NW Washington, DC 20004	National Assn of Private Psychiatric Hospitals	50.00	
Sarah M. Thomas, 1325 G Street, NW, #1003 Washington, DC 20005	Population-Environment Balance	2,125.00	32.00
Thomas E. Thomason, 1620 Eye Street, NW, #703 Washington, DC 20006	Bechtel Power Corporation		
Barbara Thompson, 1401 New York Avenue, NW, #1100 Washington, DC 20005	National Cooperative Business Assn	2,500.00	108.00
Bruce E. Thompson, 1828 L Street, NW, #906 Washington, DC 20036	Merrill Lynch & Co, Inc	7,500.00	
Frank Thompson Jr., 1020 Prince Street Alexandria, VA 22314	Boilermakers Iron Ship Bldrs Blacksmiths Forgers & Helpers	2,500.00	327.04
Do	Metal Trades Department, AFL-CIO	13,500.00	
Do	Sheet Metal Workers Int'l Assn	3,000.00	230.06
Kenneth W. Thompson, 2021 K Street, NW, #300 Washington, DC 20006	Primark Corporation	2,200.00	
Marilyn A. Berry Thompson, 444 North Capitol Street, #711 Washington, DC 20001	Keefe Company (For:American Business Coalition, Inc)		
Do	Keefe Company (For:Carteret Savings & Loan)	900.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Keefe Company (For:Cordish & Embry Associates)		
Do	Keefe Company (For:Dormitory Authority)	1,900.00	
Do	Keefe Company (For:Essex Company)	8,000.00	
Do	Keefe Company (For:Mutual Benefit Insurance Co)	9,000.00	
Do	Keefe Company (For:New York University)	6,000.00	
Do	Keefe Co (For:University of the Sacred Heart)	950.00	
Do	Keefe Company (For:University of Medicine & Dentistry of New Jersey)	1,400.00	
Do	Keefe Co (For:University of Miami)	450.00	
Michael F. Thompson, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	700.00	100.00
Nancy Thompson, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc		
Robert L. Thompson Jr., P.O. Box 70 Fort Mill, SC 29715	Springs Industries, Inc		4,361.08
W. Reid Thompson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co	23.38	
Thompson & Mitchell, One Mercantile Center, #3400 St. Louis, MO 63101	American Inland Waterways Committee		3,040.42
Do	Cold Finished Steel Bar Institute	1,950.00	79.00
Do	Contact Lens Manufacturers Assn	5,400.00	140.00
Do	Crown Life Insurance Co	15,000.00	1,075.79
Do	Midwest Stone Institute	1,050.00	
Thompson Hine & Flory, 1920 N St., NW, #700 Washington, DC 20036	Alltel Corporation	4,806.00	
Thompson Mann & Hutson, 1730 Pennsylvania Ave., NW, #1250 Washington, DC 20006	Daniel International Corp	17,673.75	6,317.78
Parker D. Thomson, 200 South Biscayne Blvd. 4900 Southeast Financial Center Miami, FL 33131	Thomson Zeder Bohrer Werth Adorno & Razook (For:Burger King Corp)		
Thomson Zeder Bohrer Werth Adorno & Razook, 200 South Biscayne Blvd. 4900 Southeast Financial Center Miami, FL 33131	Burger King Corp	4,828.01	1,838.00
Richard B. Thornburg, Suite 505 5205 Leesburg Pike Falls Church, VA 22041	National Beer Wholesalers of America		407.86
John A. Thorner, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn		
William R. Thornhill, 10614 Tarrington Houston, TX 77024	Tennessee Gas Transmission Co	625.00	600.00
Margo Thorning, 1850 K St., NW, #520 Washington, DC 20006	American Council for Capital Formation	214.00	
Tighe Curhan & Piliero, 1750 Pennsylvania Avenue, NW Washington, DC 20006	Ad Hoc Comm of Mutual Fund Managers	1,310.95	
Do	American Stock Exchange, Inc	500.00	
Do	Integrated Resources, Inc		
Do	Investment Company Institute	5,258.27	
Do	NL Industries		
Do	Prudential Lines, Inc		
Do	Town of Andover, Massachusetts	500.00	
Do	Villa Banfi, USA		
Wallace Tillman, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	150.00	
Patti A. Tilson, Suite 520 900 17th Street, NW Washington, DC 20006	Toyota Motor Sales, USA, Inc	500.00	
Timmons & Co, Inc, 1850 K St., NW, #850 Washington, DC 20006	American Inland Waterways Committee	357.50	
Do	American Petroleum Institute	806.22	
Do	American Trucking Assns	1,666.25	
Do	Amoco Corporation	698.75	
Do	Anheuser-Busch Companies, Inc	2,795.00	
Do	Association of Trial Lawyers of America	2,177.50	
Do	Boeing Company	537.50	
Do	Brown Group, Inc	215.00	
Do	Capital Cities/ABC, Inc	913.75	
Do	Capital Markets Group	747.50	
Do	Chrysler Corporation	1,236.25	
Do	Eastern Air Lines, Inc	2,257.50	
Do	H. J. Heinz Co	430.00	
Do	Major League Baseball	913.75	
Do	Middle South Services, Inc	1,417.50	
Do	Morgan Stanley & Co, Inc	2,242.50	
Do	National Rifle Assn of America	430.00	
Do	Northern Telecom, Inc	430.00	
Do	Northrop Corp	322.50	
Do	NutraSweet Co	760.00	
Do	G. D. Searle & Co	341.25	
Alan R. Timothy, 303 East 17th Avenue, #880 Denver, CO 80203	Adolph Coors Co	6,690.00	15,048.21
G. Wayne Tingle, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	125.00
William C. Tinklepaugh, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs		
Constance D. Tipton, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs		310.80
E. Linwood Tipton, 888 16th St., NW Washington, DC 20006	Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs		
Eben S. Tisdale, 1550 Wilson Blvd., #600 Arlington, VA 22209	Hewlett-Packard Co	3,000.00	314.43
Title Associates, Inc, Rt.2, Box 89 Columbia, TN 38401			
Francis M. Tivnan, Massachusetts Petroleum Council 11 Beacon Street Boston, MA 02108	American Petroleum Institute		
Tobacco Associates, Inc, Suite 912 1101 17th St., NW Washington, DC 20036			4,229.73
James R. Tobin, One Becton Drive Franklin Lakes, NJ 07653	Becton Dickinson & Co	2,000.00	
Robert Tobin, 1187 National Press Bldg. Washington, DC 20045	Ad Hoc Comm in Defense of Life, Inc	1,733.32	3,660.70
James S. Todd, 535 North Dearborn Street Chicago, IL 60610	American Medical Assn	500.00	
M. Douglas Todd, Suite 2300 1000 Wilson Boulevard Arlington, VA 22209	Northrop Corp		
David R. Toll, 2121 K Street, NW, #880 Washington, DC 20037	Public Service Co of Colorado		
Do	Western Utilities Clean Air Group		
William R. Tolley Jr., PO Box 37 Melbourne, FL 32919	Harris Corporation		202.00
Edward Tonat, 6723 Brigadoon Drive Bethesda, MD 20817	Robert Goff & Associates, Inc		
William D. Toohey, 1899 L St., NW, #600 Washington, DC 20036	Travel Industry Assn of America		
Peter W. Tooker, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Vincent G. Torrusio, 12374 Sparrow Hawk St. Louis, MO 63146	MICO, Inc		
Total Petroleum, Inc, 999 18th Street, Suite 2201 Denver, CO 80202			
John G. Toth, 2408 Wanda Way Reston, VA 22091	Reston Adviser Committee		
Frank V. Toti Jr., 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	2,250.00	200.00
Touche Ross & Co, 1900 M Street, NW Washington, DC 20036	Heller Ehrman White & McAuliffe		
Gilbert D. Tough, 70 North Main St. Wilkes-Barre, PA 18711	Blue Cross of Northeastern Pennsylvania		
Wanda Townsend, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	962.00	
Jeffrey B. Trammell, 1020 19th Street, NW Washington, DC 20036	Anderson Benjamin Read & Haney (For:Moore McCormack Resources)	350.00	
Travel & Tourism Government Affairs Policy Council, Suite 607 1899 L Street, NW Washington, DC 20036		1,885.00	1,885.00
Travel Industry Assn of America, 1899 L St., NW Washington, DC 20036			
Ernest B. Tremmel, Inc, 5908 Rossmore Drive Bethesda, MD 20014	Burns & Roe, Inc		
Cheryl B. Trent, MP 0.78R Cape Horn Rd. Washougal, WA 98771	Columbia Gorge United		
Trilling & Kennedy, 1900 L Street, NW, #310 Washington, DC 20036	Ace Metal Fabricators, et al	22,680.14	18,148.22
Sally A. Triplett, 1725 Desales Street, NW, #804 Washington, DC 20036	Samuel E. Stavisky & Associates, Inc (For:Broadcast Music, Inc)		40.00
Eugene M. Trisko, 9817 Rosensteel Avenue Silver Spring, MD 20910	Stern Bros, Inc		
Vincent Trivelli, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	12,317.50	53.20
Michael G. Troop, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	4,600.00	8.00
Robert C. Troup, 730 Smith Ridge Rd. New Canaan, CT 06840			
George G. Troutman, Suite 1100 1090 Vermont Ave., NW Washington, DC 20005	Bell Helicopter Textron, Inc	150.00	
Alexander B. Trowbridge, 1776 F Street, NW Washington, DC 20006	National Assn of Manufacturers	1,500.00	
Thomas L. Trueblood, 401 North Michigan Ave. Chicago, IL 60611	Navistar International Corp	1,000.00	2,917.11
Trust for Public Lands, 82 Second St. San Francisco, CA 94105			19,322.00
Paul E. Tsongas, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	H.N. Gorin Associates, Inc		
Do	Leading Edge Products, Inc		
Do	Mutual Savings Central Fund, Inc		
Motoyuki Tsutsui, 919 18th Street, NW, #600 Washington, DC 20006	Toyota Motor Sales, USA, Inc		
Anh Tu, R.R. 1, Box 147C Queenstown, MD 21658	Project Advisory Group	127.72	19.00
Tucker & Vaught, Western Federal Savings Bldg., #1330 718 17th St. Denver, CO 80202	Manville Corporation	1,500.00	
Shannon B. Tuel, 311 First Street, NW Washington, DC 20001	National Restaurant Assn		
Tuna Research Foundation, Inc, 1101 17th St., NW Washington, DC 20036		733.85	2,327.95
Brian Turner, 815 16th Street, NW Washington, DC 20006	Industrial Union Department, AFL-CIO	15,686.45	
J. Terry Turner, 2200 Mill Rd, Alexandria, VA 22314	Interstate Carriers Conference	500.00	150.00
Jane L. Turner, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Richard F. Turney, 1725 K St., NW Washington, DC 20006	Courtney McCamant & Turney	300.00	
S. Diane Turpin, 1919 Pennsylvania Ave., NW, #300 Washington, DC 20006	American College of Surgeons		
Twentieth Century Enterprises, 3615 Wisconsin Avenue, NW Washington, DC 20016			
Patrick R. Tyson, Constangy Brooks & Smith 2400 Peachtree Center Bldg 230 Peachtree Street, NW Atlanta, GA 30303	National Assn of Manufacturers	992.00	992.00
U.S. Cane Sugar Refiners' Assn, 1001 Connecticut Ave., NW Washington, DC 20036		3,656.40	4,904.51

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
U.S. Defense Committee, 450 Maple Avenue, E., #204 Vienna, VA 22180		8,628.52	8,628.52
U.S. League of Savings Institutions, 111 E. Wacker Dr. Chicago, IL 60601			174,936.70
U.S. Public Interest Research Group, 215 Pennsylvania Avenue Washington, DC 20003		67,959.97	46,501.42
Jerry G. Udell, 1616 H St., NW Washington, DC 20006	American Retail Federation	350.00	65.00
Kenji Ueno, 919 18th Street, NW, #600 Washington, DC 20006	Toyota Motor Sales, USA, Inc	80.00	72.00
Philip J. Ufholz, 1025 Connecticut Avenue, NW, #1010 Washington, DC 20036	Metropolitan Life & Affiliated Cos	1,000.00	
Steven W. Unglesbee, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Unifi, Inc, P.O. Box 19109 Greensboro, NC 27419			957.31
Union Mutual Life Insurance Co, 2211 Congress St. Portland, ME 04122			
United Brotherhood of Carpenters & Joiners of America, 101 Constitution Ave., NW Washington, DC 20001			21,938.51
United Fresh Fruit & Vegetable Assn, 727 N. Washington St. Alexandria, VA 22314		4,494.00	2,397.91
United Gas Pipe Line Co, PO Box 1478 Houston, TX 77001			
United International Consultants, 1800 Diagonal Road Alexandria, VA 22314		92,500.00	
United Irish & American Society of Illinois, Box 219 3400 W. 111th Street Chicago, IL 60655			
United Services Automobile Assn, 9800 Fredericksburg Road San Antonio, TX 78288			
United Way of Indianapolis, Community Service Council of Metro Indianapolis 1828 N. Meridian Street Indianapolis, IN 46202			
A. Russell Upshaw Jr., 1030 15th Street, NW Washington, DC 20005	Eastern Airlines		190.00
Uranium Producers of America, c/o Covington & Burling 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044		99,357.05	57,016.52
Marian S. Urnikis, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	1,050.00	
Utility Nuclear Waste Management Group, c/o Edison Electric Institute 1111 19th St., NW Washington, DC 20036			
Ronald D. Utt, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.		27.00
Grayce K. Uyehara, 1730 Rhode Island Avenue, NW, #204 Washington, DC 20036	Japanese American Citizens League Legislative Education Comm	1,950.00	83.50
Robert E. Vagley, 1025 Connecticut Avenue, NW, #415 Washington, DC 20036	American Insurance Assn		
Anthony Valanzano, 1850 K Street, NW Washington, DC 20006	American Council of Life Insurance, Inc	5,000.00	
Jack J. Valenti, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	525.00	
Van Dyk Associates, Inc, 2550 M St., NW, #300 Washington, DC 20037	American Gas Assn	6,250.00	700.00
Do	UAL, Inc	500.00	
Van Fleet Associates, Inc, Suite 102 499 South Capitol St., SW Washington, DC 20003	Cadillac Gage	12,939.00	
Do	Ford Aerospace & Communications Corp	3,300.00	
Do	Marconi Electronics	6,000.00	
H. B. Van Gieson, 1700 North Moore Street Rosslyn, VA 22209	Boeing Company	1,451.15	384.25
Nick L. Van Nelson, Suite 540 1875 Eye Street, NW Washington, DC 20006	Champion International Corp		
Daniel W. Van Ness, P.O. Box 17181 Washington, DC 20041	Justice Fellowship		
Van Ness Feldman Sutcliffe & Curtis, P.C., 7th Floor 1050 Thomas Jefferson St., NW Washington, DC 20007	Ad Hoc Group for Geothermal Energy	1,614.00	43.25
Do	Alaska Eskimo Whaling Commission		
Do	American Inst of Certified Public Accountants	760.00	
Do	American President Lines	1,520.00	106.64
Do	Arctic Slope Regional Corp	1,095.00	
Do	BRAE Corporation	80.00	7.00
Do	Chugach Electric Assn, Inc		
Do	Clean Coal Technology Coalition		
Do	Clean Energy Coalition	251.50	
Do	Collier Enterprises	1,865.00	
Do	Cominco Alaska		
Do	Consumers United for Rail Equity (C.U.R.E.)	33,215.00	1,121.64
Do	Hawaiian Electric Company, Inc		
Do	Jacobs Engineering Group, Inc		
Do	LUZ International Ltd	838.00	52.92
Do	Matthews & Wright, Inc	178.50	
Do	Peabody Holding Co, Inc		
Do	Recording Industry of America		
Do	Republic of Palau	127.50	
Do	State of Alaska		
Do	State of LA, Dept of Natural Resources		
Do	Texas Air Corp		
Do	Tranquillity Irrigation District	755.00	14.00
Do	Union Carbide Corp	2,100.00	
Norman C. VanderNoot, New Hampshire Petroleum Council 23 School Street Concord, NH 03301	American Petroleum Institute	182.00	
Martha A. Vanier, 119 Oronoco Street P.O. Box 1417-D50 Alexandria, VA 22313	Animal Health Institute		
Karl VanVeen, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Robert C. Varah, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc	217.70	299.24
Variable Annuity Life Insurance Co, 2929 Allen Parkway Houston, TX 77019			55,184.51
Theresa Varner, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	460.39	
Jay N. Varon, Suite 1000 1775 Pennsylvania Avenue, NW Washington, DC 20006	Foley & Lardner (For:Kohlberg Kravis Roberts & Co)		
George F. Vary, 1667 K St., NW Washington, DC 20006	Armco, Inc	700.00	357.58
Jennifer Vasiloff, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	3,992.00	66.50
Donald R. Vaughan, P.O. Box 1288 Asheboro, NC 27204	Stedman Corporation		
Robyn E. Vaughan, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Lisa A. Vehmas, 1920 N Street, NW, #300 Washington, DC 20036	American Mining Congress		
Kristin Lea Vehrs, 1110 Vermont Avenue, NW, #1160 Washington, DC 20005	American Assn of Zoological Parks & Aquariums	500.00	205.34
Do	Texas Shrimp Assn	2,000.00	525.00
Alfred H. Velarde, 301 West Maple Avenue 6th Floor Tower Vienna, VA 22180	Vela, Inc		
Nicholas A. Veliotes, 2005 Massachusetts Avenue, NW Washington, DC 20036	Association of American Publishers		
Venture Entrepreneurs, Inc, 1201 San Marco Blvd., #204 Jacksonville, FL 32207			
Jerry T. Verkler, 1660 L Street, NW, #601 Washington, DC 20036	Interstate Natural Gas Assn of America	6,250.00	48.00
Frank Verrastro, 1155 15th Street, NW, #600 Washington, DC 20005	Pennzoil Co	937.50	
Linda Vickers, 1706 23rd St., South Arlington, VA 22202	Communicating for Agriculture, Inc		
Do	National Assn of Crop Inusrance Agents		
Rudolph A. Vignone, 1800 K St., NW, #800 Washington, DC 20006	Goodyear Tire & Rubber Co	4,500.00	
Ralph Vinovich, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	5,000.00	257.20
Vinson & Elkins, 1455 Pennsylvania Ave., NW Washington, DC 20004-1007	Attorney's Liability Assurance Society Ltd		45.00
Do	Bank of America		161.00
Do	Capital Markets Group		
Do	Citicorp		161.00
Do	Conwood Corporation		
Do	Federal Land Bank Assns of Texas Stockholders' Defense Fund	230.00	
Do	Alfred C. Glassell Jr.		
Do	Guardian Savings & Loan		
Do	International Raw Materials, Ltd	520.00	
Do	John Hancock Mutual Life Insurance		
Do	Metropolitan Transit Authority		270.00
Do	Pacific Texas Pipeline Transportation Co.		
Do	Pennzoil Co	120.00	
Do	Provident Life & Accident Insurance Co		24.80
Do	Public Service Co of New Mexico	2,517.50	66.80
Do	Salomon Brothers, Inc		
Do	Section 936 Steering Committee		
Do	Southern Star Shipping Co, Inc	4,160.00	39.20
Do	Texas Commerce Bank		161.00
Do	Travelers Insurance Co.	5,140.00	9.60
Do	Warburg Pincus Capital Corp		78.40
Do	Warner Amex Cable Communications, Inc		
Walter D. Vinyard Jr., Zuckert, Scoutt, Rasenberger & Johnson 888 17th St., NW, 7th Fl. Washington, DC 20006	Continental Insurance Companies	7,500.00	
Do	National Fraternal Congress of America	500.00	
Virginia Association of Railway Patrons, P.O.box 867 Richmond, VA 23207		110.00	5.40
George A. Viverette Jr., 8111 Gatehouse Road Falls Church, VA 22047	American Automobile Assn		
Jesse S. Vogtle, 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	41,000.00	1,758.94
Nick J. Volcheff, 2509 E. San Miguel Phoenix, AZ 85016	AT&T		
Volkswagen of America, Inc, 490 L'enfant Plaza, SW, #3210 Washington, DC 20024			620.00
Douglas K. Vollmer, 801 18th St., NW Washington, DC 20006	Paralyzed Veterans of America	12,137.49	
Volpe Boskey & Lyons, Suite 602 918 16th Street, NW Washington, DC 20006	American Assn of Equipment Lessors		
Kurt Vorndran, 2030 M Street, NW Washington, DC 20036	Common Cause	362.50	
Vorys Sater Seymour & Pease, 1828 L Street, NW, #1111 Washington, DC 20036	Cabot Corporation	19,080.50	2,507.36

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Committee of Publicly Owned Companies		
Do	Executive Jet Aviation	11,047.00	181.27
Do	Grocery Manufacturers of America, Inc	12,230.00	
Do	Limited, Inc	13,977.50	477.00
Do	Ohio Deposit Guaranty Fund		
Do	Ohio Manufacturers Assn		
Do	Pittsburgh & Lake Erie Railroad Co	34,012.00	1,777.78
Do	Toledo Trustcorp	21,600.00	2,878.70
Do	Winrock International Agricultural Development Service	1,500.00	101.03
W.A.W. War Against Women, 1224 Freemont Roseburg, OR 97470			
R. B. Wackerle, 1000 Wilson Boulevard, #2300 Arlington, VA 22209	Northrop Corp		
Sadami Wada, 9 West 57th Street New York, NY 10019	Sony Corp of America		
Robert J. Wager, 3rd Floor 1111 14th St., NW Washington, DC 20005	American Bakers Assn	2,341.50	4.00
Kerri Wagner, 1155 15th Street, NW Washington, DC 20005	National Broiler Council	1,250.00	
Howard W. Wahl, 15740 Shady Grove Rd. Gaithersburg, MD 20877	Bechtel Eastern Power Corp		
Christine M. Waisanen, New Murphy Road & Concord Pike Wilmington, DE 19897	ICI Americas, Inc		
Herbert R. Waite, 100 Federal St. Boston, MA 02110	Bank of Boston Corporation		
Do	First National Bank of Boston	7,750.00	8,837.49
Angela S. Waldorf, N.C. Petroleum Council P.O. Box 167 Raleigh, NC 27602	American Petroleum Institute		
Robert E. Waldron, Associated Petroleum Industries of Michi 930 Michigan Natl Tower, PO Box 10070 Lansing, MI 48901	American Petroleum Institute	875.00	1,116.34
Jean A. Walker, 122 C Street, NW, #200 Washington, DC 20001	Council of State Chambers of Commerce		
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	Agrico Chemical Company, et al.	10,000.00	
Do	Akin Gump Strauss Hauer & Feld	5,000.00	
Do	Alabama Power Co	10,000.00	
Do	Aluminum Company of America	750.00	
Do	American Telephone & Telegraph Co	750.00	
Do	Arthur Anderson & Co		
Do	Anheuser-Busch Companies, Inc	3,750.00	
Do	Broadcast Music, Inc	15,000.00	
Do	Champion International Corp	750.00	
Do	Coalition for Jobs Growth & Int'l Competitiveness	10,000.00	
Do	Council for Effective Tax Reform	2,250.00	
Do	CBS, Inc	3,000.00	
Do	CSX Corporation	7,500.00	
Do	Dealer Bank Assn	8,167.00	
Do	Dresser Industries, Inc		
Do	E. I. du Pont de Nemours & Co	750.00	
Do	Enron Corp	1,500.00	
Do	Ford Motor Co	750.00	
Do	Goodyear Tire & Rubber Co	750.00	
Do	Green Bay Packaging, Inc	1,000.00	
Do	GTE Corporation	750.00	
Do	Independent Refiners Coalition	11,250.00	
Do	Investment Co Institute		
Do	IBM	1,500.00	
Do	Korn/Ferry International	4,000.00	
Do	Robert A. Levy	1,000.00	
Do	Lone Star Steel Co	1,563.00	
Do	Northville Industries Corp		
Do	Northwestern Mutual Life Insurance Co	3,125.00	
Do	Owens-Illinois	750.00	
Do	Procter & Gamble Manufacturing Co	750.00	
Do	Public Securities Assn		
Do	Scott Paper Co	750.00	
Do	Shell Oil Co	3,750.00	
Do	Songwriters Guild		
Do	Transamerica Corporation	3,750.00	
Do	U.S. Fidelity & Guaranty Co	6,750.00	
Do	Union Carbide Corp	750.00	
Do	Uniroyal, Inc	3,750.00	
Do	Vulcan Materials Co	2,500.00	
Do	Weil Gotshal & Manges		
Do	Weyerhaeuser Company	3,000.00	
Do	Wometco Broadcasting Corp	2,500.00	
Martin A. Wall, 1025 Vermont Avenue, NW, #800 Washington, DC 20005	American Osteopathic Hospital Assn	658.00	270.00
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	Ad Hoc Comm on Coal Taxation	1,500.00	
Do	Allied-Signal, Inc	750.00	
Do	American Council on Education	1,000.00	
Do	ACE Limited	500.00	
Do	Balcor Co	1,000.00	
Do	Brinks, Inc	1,000.00	
Do	Cantor Fitzgerald & Co, Inc	1,000.00	
Do	Cogentrix, Inc	500.00	
Do	Donovan Leisure Newton & Irvine	1,500.00	
Do	Esselte Business Systems, Inc	1,500.00	
Do	Footwear Retailers of America	1,500.00	
Do	General Mills	1,000.00	
Do	Henley Group	500.00	
Do	Hong Kong Trade Development Council	1,500.00	
Do	JMB Realty Corp	1,000.00	
Do	Life of Virginia	1,000.00	
Do	Miller Tabak Hirsch & Co	1,000.00	
Do	Morgan Guaranty Trust Co	1,500.00	
Do	National Venture Capital Assn	1,000.00	
Do	New York State Bankers Assn	1,500.00	
Do	Newmont Mining Corp	1,000.00	
Do	Pharmaceutical Manufacturers Assn	1,500.00	
Do	Securities Industry Assn	500.00	
Do	Torchmark Corporation	1,000.00	
Do	Wine & Spirits Wholesalers of America, Inc	1,000.00	
Henry Scott Wallace, 1815 H Street, NW, #550 Washington, DC 20006	National Assn of Criminal Defense Lawyers	10,500.00	50.00
Raymond C. Wallace, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Wallace & Edwards, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Alabama Farm Bureau Federation	1,500.00	
Do	American Sugar Cane League of the USA, Inc	3,750.00	
Do	Cotton Warehouse Assn of America	4,550.00	
Do	Fiber Fabric & Apparel Coalition for Trade	7,400.00	
Do	Merchants Grain & Transportation, Inc	2,500.00	
Do	National Cotton Council of America	312.50	
Do	Service Corporation International	600.00	
Lionel L. Wallenrod, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
R. Douglas Wallin Jr., 1235 Jefferson Davis Hwy. Arlington, VA 22202	Emerson Electric Co		823.12
Charles S. Walsh, Fleischmen & Walsh 1725 N St., NW Washington, DC 20036	National Cable Television Assn, Inc		
James P. Walsh, Davis Wright Todd Riese & Jones 1752 N St., NW, #800 Washington, DC 20036	American Tunaboat Assn	500.00	
Henry L. Walther, 450 Maple Avenue, E., #204 Vienna, VA 22180	U.S. Defense Committee	3,000.00	
Ralph H. Waltz, Box 208 Majuro, Marshall Islands	Bikini/Kili/Ejit Council		
William C. Wampler, 412 First Street, SE Washington, DC 20003	Social Security Benefit Protection Service		
Do	Sterling Drug, Inc	24,000.00	
Herbert C. Wamsley, 1255 23rd Street, NW, #850 Washington, DC 20037	Intellectual Property Owners, Inc	17,539.00	
Bonnie B. Wan, 1201 Pennsylvania Avenue, #730 Washington, DC 20004	Kimberly-Clark Corp		
John F. Wanamaker, 201 N. Washington, St. Alexandria, VA 22314	Retired Officers Assn	2,127.00	
Alan S. Ward, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Baker & Hostetler (For:Soap & Detergent Assn)		
Justin R. Ward, 1350 New York Avenue, NW, #300 Washington, DC 20005	Natural Resources Defense Council, Inc		
Stephen E. Ward, 1919 Pennsylvania Avenue, NW, #503 Washington, DC 20006	Mid-Continent Oil & Gas Assn	7,535.34	230.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Thomas J. Ward, 70 N. Main Street Wilkes-Barre, PA 18711	Blue Cross of Northeastern Pennsylvania		
Richard D. Warden, 1757 N St., NW Washington, DC 20036	United Auto Aerospace & Agricultural Implement Workers	17,940.76	210.00
Jack Ware, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	8,290.00	278.85
Michael O. Ware, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Conoco, Inc	1,750.00	
Peter F. Warker, Suite 2700 1000 Wilson Boulevard Arlington, VA 22209	TRW, Inc	1,250.00	
Ernest R. Warner Jr., 1818 N St., NW Washington, DC 20036	DGA International, Inc (For:Dir Intl Aff of the Gen Del for Armements)		
Do	DGA International, Inc (For:Sofreavia)	660.00	149.22
Do	DGA International, Inc (For:SNECMA)	751.50	28.85
William H. Warner, 1201 Pennsylvania Avenue, NW Washington, DC 20004	Control Data Corporation	175.00	112.45
Christine M. Warnke, Suite 300 1101 Connecticut Avenue, NW Washington, DC 20036	American Textile Manufacturers Institute, Inc	400.00	224.00
B. Jack Warren, P.O. Box 95385 Atlanta, GA 30347	Forest Farmers Assn	233.00	281.00
Barbara J. Washburn, 1201 Pennsylvania Avenue, NW, #370 Washington, DC 20004	Control Data Corporation	594.50	118.95
Washington Independent Writers, Inc, 1341 G St., NW, #205 Washington, DC 20005			
Washington Industrial Team, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003	Hughes Aircraft Company	1,800.00	904.05
Koichi Watanabe, 919 18th Street, NW, #600 Washington, DC 20006	Toyota Motor Sales, USA, Inc		
Waterbed Manufacturers Assn, 2500 Wilshire Boulevard, #603 Los Angeles, CA 90057			
Millie Waterman, 5656 Corduroy Road Mentor, OH 44060	National Congress of Parents & Teachers		860.75
Ronald D. Waterman, 4802 Tabard Place Annandale, VA 22003	Milwaukee County-Intergovernmental Relations	12,000.00	40.00
Do	Wisconsin Counties Assn	5,025.00	40.00
Jerry B. Waters, 777 14th Street, NW, #680 Washington, DC 20005	Farmland Industries	2,400.00	
Clarke R. Watson, 769 Detroit Street Denver, CO 80206	Westland Companies, Inc		
John L. Watson III, One World Trade Center, #4511 New York, NY 10048	National Security Traders Assn, Inc	4,375.00	
Leroy Watson, 1616 H Street, NW Washington, DC 20006	National Grange	2,750.00	
Carolyn Herr Watts, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	50.00	
Douglas R. Watts, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	1,488.24	
George B. Watts, 1155 15th St., NW Washington, DC 20005	National Broiler Council	1,500.00	
Bruce H. Watzman, 1130 17th Street, N.w. Washington, DC 20036	National Coal Assn	6,200.00	762.91
William H. Weatherspoon, North Carolina Petroleum Council PO Box 167 Raleigh, NC 27602	American Petroleum Institute	2,000.00	2,914.70
A. Vernon Weaver, 114 East Capitol Ave. Little Rock, AR 72201	Stephens Overseas Services, Inc		
Frederick L. Webber, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn		
Webster & Sheffield, 1200 New Hampshire Ave., NW, #350 Washington, DC 20036	Asarco Corporation		
Do	Mazda Motor Manufacturing (USA) Corp		
Do	Pogo Producing Co		
Webster Chamberlain & Bean, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Better Working Environments, Inc	1,500.00	
Do	International Taxicab Assn	2,500.00	
Do	Miller Brewing Co	1,200.00	262.00
Do	Waterbed Manufacturers Assn		
Robert R. Weed, 111 Massachusetts Ave., NW, #200 Washington, DC 20001	American Space Foundation		
Charles W. Wegner Jr., 400 N. Washington St. Alexandria, VA 22314	National Assn of Professional Insurance Agents	500.00	3,350.00
Theodore F. Weihe, 1800 Massachusetts Avenue, NW Washington, DC 20036	U.S. Overseas Cooperative Development Committee	2,812.00	
Steven A. Wein, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Weiner Mccaffrey Brodsky & Kaplan, P.C., 1350 New York Ave., NW, #800 Washington, DC 20005	Chicago Central & Pacific RR	1,040.00	32.00
Do	Coordinating Council on Manufactured Housing Finance		
Do	Foremost Insurance Co		
Do	Gulf & Mississippi Railroad	490.00	6.00
Do	National Manufactured Housing Finance Assn		
Do	Task Force on Usury Legislation		
Donald G. Weinert, 1420 King St. Alexandria, VA 22314	National Society of Professional Engineers	1,500.00	
Tamara Weinstein, 1830 17th Street, NW, #704 Washington, DC 20036	Rainbow Alliance		
Arthur E. Weisberg, 2200 First Bank Place East Minneapolis, MN 55402	Dorsey & Whitney		
Arthur A. Weiss, 1800 First National Building Detroit, MI 48226	Jaffe Snider Raitt & Heuer, P.C.		
David Weiss, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,250.00	254.64
Joel J. Weiss, P.O. Box 520783-General Mail Facility Miami, FL 33152	Burger King Corp		
Don Welch, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Co		
Kathleen Welch, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	3,692.28	
Jerry Welcome, P.O. Box 3556 Washington, DC 20007	American Meat Institute	2,000.00	
Paul S. Weller Jr., Agri/Washington 1629 K St., NW, #1100 Washington, DC 20006	American Soc of Composers Authors & Publishers	7,500.00	
Wellford Wegman & Hoff, 1775 Pennsylvania Ave., NW, #450 Washington, DC 20006	Canadian Embassy	1,250.00	
Do	Coalition to Save Revenue Sharing		
Do	Coalition Against Double Taxation, Inc	3,000.00	
Do	CBS, Inc		
Do	Department of Natural Resources, Province of Manitoba		
Do	Family Service America		
Do	Grants & Contracts Projects, United Way of America		
Do	Long Lake Energy Corp	2,000.00	
Do	Lukens, Inc		
Do	Manville Corporation	3,000.00	
Do	Ministry of the Environment	1,250.00	
Do	Mitex		
Do	National Assn of Counties	15,190.00	
Do	National Corp for Housing Partnerships	10,000.00	
Do	National Hydro Assn	10,000.00	
Do	VMS Realty	3,750.00	
L. H. Wells, Suite 200 1025 Connecticut Avenue, NW Washington, DC 20036	Shell Oil Co	500.00	
Fred Wertheimer, 2030 M St., NW Washington, DC 20036	Common Cause	16,450.02	284.00
Charles M. West, 205 Daingerfield Road Alexandria, VA 22314	National Assn of Retail Druggists	1,500.00	300.00
Ford B. West, 1015 18th Street, NW Washington, DC 20036	Fertilizer Institute	25,000.00	241.26
G. Franklin West, 499 S. Capitol St., SW, #507 Washington, DC 20003	Bill Hecht & Associates, Inc	2,500.00	
Pamela R. West, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	2,250.00	127.00
W. P. West Jr., 1629 K St., NW Room 204 Washington, DC 20006	Delta Air Lines, Inc	273.00	162.52
West Coast Fabricators & Steel Industry Assn, 2324 Navy Drive Stockton, CA 95206		20,000.00	15,860.58
West Mexico Vegetable Distributors Assn, PO Box 848 Nogales, AZ 85621			1,000.00
Harry H. Westbay III, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	250.00	287.54
Mary Louise Westmoreland, 1400 K Street, NW, #500 Washington, DC 20005	Handgun Control, Inc	10,592.28	
John F. Wetzel Jr., 50 F St., NW Washington, DC 20001	Association of American Railroads	224.82	161.98
William Wewer, 1300 19th Street, NW, #310 Washington, DC 20036	National Comm to Preserve Social Security	12,800.00	
Wexler Reynolds Harrison & Schule, Inc, Suite 600 1317 F Street, NW Washington, DC 20004	Aetna Life & Casualty	37.50	11.00
Do	Allied-Signal, Inc		
Do	American Airlines, Inc	8,875.00	
Do	Blue Cross & Blue Shield Assn	19,837.50	409.30
Do	Coalition for Motor Carrier Regulatory Reform		21.00
Do	Coalition to Preserve Dual Residency Cos	675.00	
Do	Communications Satellite Corp	2,560.00	117.69
Do	Coopers & Lybrand	805.00	6.00
Do	Dealer Bank Assn	500.00	12.00
Do	Foothills Pipe Lines (Yukon) Ltd	2,260.00	68.90
Do	General Motors Corp		
Do	Macfadden Holdings, Inc	1,635.00	71.00
Do	Manville Corporation	6,180.00	63.00
Do	Marathon Oil Co	710.00	
Do	Morgan Stanley & Co, Inc	1,710.00	16.00
Do	Motion Picture Assn of America, Inc	2,700.00	166.80
Do	MCI Communications Corp	4,080.00	229.11
Do	National Cable Television Assn, Inc	8,200.00	24.00
Do	New England Electric System		
Do	Northwest Airlines, Inc		
Do	Nova, An Alberta Corp		
Do	Novacor Chemicals, Ltd		
Do	Pyramid Lake Paiute Tribe of the Pyramid Lake Reservation	25,274.00	858.06
Do	Security Investment Co		
Do	Training Media Distributors Assn		
Do	Viacom International, Inc	6,420.00	271.11
Do	Wilmer Cutler & Pickering	1,905.00	36.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Robert G. Weymueller, 1101 Vermont Avenue, NW, #402 Washington, DC 20005	American Lung Assn	3,870.00	3,339.00
Brian B. Whalen Jr., 401 N. Michigan Ave. Chicago, IL 60611	Navistar International Corp	1,250.00	4,746.43
Leonard P. Wheat, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn		
Clyde A. Wheeler Jr., Bishop Liberman Cook Purcell & Reynolds 1200 17th Street, NW Washington, DC 20036	American Petroleum Institute	2,500.00	
Do	Kidder Peabody & Co, Inc	1,000.00	
June M. Whelan, Suite 600 S 1120 20th Street, NW Washington, DC 20036	Union Pacific Corp	1,250.00	
John C. Whitaker, 2021 L Street, NW, #320 Washington, DC 20036-4909	Union Camp Corporation	669.00	32.30
Deborah A. White, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	45.00	
George E. White Jr., P.O. Box 61000 New Orleans, LA 70161	Middle South Services, Inc	2,918.01	367.47
John C. White, 1899 L Street, NW, #500 Washington, DC 20036	Camp Carmouche Barsh Hunter Gray Hoffman & Gill, P.C.		
Do	Chicago Mercantile Exchange		
Do	Coastal Corp		
Do	Comtran, Ltd		
Do	Louis Dreyfus Corp		
John Thomas White II, Suite 2202 490 L'Enfant Plaza East, SW Washington, DC 20024	Tenneco, Inc		
Margita E. White, 1730 M Street, NW, #407 Washington, DC 20036	Television Operators Caucus, Inc		
Raymon M. White Jr., 5501 Seminary Road, Apt. 2211-South Falls Church, VA 22041	Harris Corp	3,500.00	4,784.21
Sam White, 412 First Street, SE Washington, DC 20003	American Beekeeping Federation		
Do	Committee for the Production & Research of Agric Chemicals	5,000.00	
Do	Independent Cattlemen's Assn		
Do	National Peanut Growers Group	18,000.00	
Do	Nuclear Waste Task Force	7,500.00	
Do	Sam Kane Packing		
White Fine & Verville, Suite 1100 1156 15th St., NW Washington, DC 20005	American Educators of Arkansas, Inc, et al.	17,500.00	
Do	United Education & Software		
Richard M. Whiting, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos	1,100.00	
Elizabeth D. Whitley, 499 S. Capitol Street, SW, #411 Washington, DC 20003	National Council of Agricultural Employers	1,500.00	150.00
James A. Whitman, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
William F. Whitsitt, 1800 K St., NW Suite 820 Washington, DC 20006	Sun Co, Inc	1,600.00	242.14
William E. Wickert Jr., 1000 16th Street, NW, #800 Washington, DC 20036	Bethlehem Steel Corp	325.00	
Mary Frances Widner, 1620 Eye St., NW Washington, DC 20006	American Inst of Certified Public Accountants	500.00	14,776.61
Phillip R. Wiedmeyer, 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	17,140.11	17,383.98
Andrew F. Wiessner, Kogovsek & Associates 3600 S. Yosemite, #830 Denver, CO 80237	American Ski Federation	5,000.00	
Do	CSX Corp	5,000.00	
Do	Flex, Inc		278.00
Do	Sierra Club		
Do	Western Land Exchange Co	2,500.00	344.00
W. Scott Wilber, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,975.00	
Robert E. Wilbur, 3000 Lincoln Pl., Lb5 Dallas, TX 75201	Taylor & Mizell		
Thomas D. Wilcox, P.C., 2011 Eye Street, NW, #601 Washington, DC 20006	National Assn of Stevedores	1,830.00	1,830.00
Harry G. Wiles II, 499 S. Capitol Street, SW, #401 Washington, DC 20003	National Assn of Independent Insurers	1,500.00	420.00
Wiley Rein & Fielding, 1776 K Street, NW Washington, DC 20006	CBS, Inc		
Guenther O. Wilhelm, Suite 1100 1899 L Street, NW Washington, DC 20036	Exxon Corporation		
Carl B. Wilkerson, 1850 K Street, NW Washington, DC 20006	American Council of Life Insurance, Inc		
Bruce W. Wilkinson, 2203 North Lois Ave., #500 Tampa, FL 33607	North American Telephone		
Dean M. Wilkinson, 1611 Connecticut Avenue, NW Washington, DC 20009	Greenpeace, USA	176.89	32.05
Wilkinson Barker Knauer & Quinn, 1735 New York Ave., NW Washington, DC 20006	American Assn of Presidents of Independent Colleges & Univs	1,706.24	34.93
Do	Bonneville International Corp	2,584.00	165.45
Do	Central States Health & Life Co of Omaha	4,475.69	524.31
Do	Grocery Manufacturers of America, Inc	4,304.00	97.42
Do	Manville Corporation	36,282.31	
Do	Mountain States Telephone & Telegraph Co	4,893.87	65.71
Do	Nana Regional Corp, Inc		
Do	National Assn of Independent Colleges & Universities	3,031.86	142.47
Do	Northwestern Bell Telephone Co	4,893.87	65.71
Do	Pacific Northwest Bell Telephone Co	4,893.87	65.71
Do	J. C. Penney Co, Inc	30,450.00	531.21
Do	Shee Atika, Inc		
Do	U.S. West, Inc	4,893.87	65.71
Ralph E. Willham, 1750 New York Ave., NW Washington, DC 20006	Sheet Metal Workers International Assn	11,850.00	
Annelise Williams, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,200.00	
Floyd L. Williams, 15th & M streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Harding Dec. Williams, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	4,000.00	
Lee Williams, 1616 H St., NW Washington, DC 20006	American Retail Federation	1,700.00	
Leonard B. Williams, 1000 16th Street, NW, #800 Washington, DC 20036	Bethlehem Steel Corp	105.00	
Lucinda L. Williams, 1155 15th Street, NW, #400 Washington, DC 20005	National Medical Enterprises, Inc	4,980.00	
Perry F. Williams, 225 Main St. Newington, CT 06111	American Radio Relay League, Inc	108.00	97.00
Robert E. Williams, 1825 K St., NW, #607 Washington, DC 20006	United Airlines, Inc	1,500.00	
Thomas F. Williams, 6812 Old Kent Road Amarillo, TX 79109	Southwestern Public Service Co	2,800.00	936.06
Williams & Connolly, 839 17th St., NW Washington, DC 20006	Peter Sharp & Co		752.00
Sandra Williamson, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
David K. Willis, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Willkie Farr & Gallagher, 818 Connecticut Avenue, NW Washington, DC 20036	American Trucking Assns, Inc		
Do	Companhia Siderurgica Paulista (COSIPA)		
Do	Comptroller of the State of New York	3,605.00	591.00
Do	Japan Iron & Steel Exporters' Assn		
Do	National Venture Capital Assn		
Do	Yamaha Motor Co, Ltd, et al.		
Charlotte M. Wilmer, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	130.00	
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	American Cyanamid Co	4,064.00	52.50
Do	Apache Corporation		
Do	Boeing Company		
Do	Chemical Manufacturers Assn, Inc		
Do	Citicorp		
Do	CBS, Inc	55.00	30.43
Do	G-4 Children's Coalition	16,789.59	306.67
Do	Handgun Control, Inc		
Do	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Do	People of Enewetak	1,397.50	1,403.50
Do	University Patents, Inc	1,082.50	
Charles D. Wilson, 2021 L Street, NW, #320 Washington, DC 20036-4909	Union Camp Corporation	1,107.00	49.40
Dena L. Wilson, Suite 1000 1600 Wilson Blvd. Arlington, VA 22209	American Waterways Operators, Inc	8,000.00	278.89
Don T. Wilson, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	775.00	35.00
Dorothy Wilson, 4201 Cathedral Avenue, NW, #607-E Washington, DC 20016	Coalition of Concerned Charities		
G. Peter Wilson, 249 Maitland Avenue P.O. Box 1119 Altamonte Springs, FL 32701	Institute of Internal Auditors, Inc		
H. Graham Wilson, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Kerrie Bunting Wilson, 1575 Eye Street, NW, #1060 Washington, DC 20005	American Cancer Society	3,000.00	175.00
Robert C. Wilson, 499 S. Capitol St., SW, #520 Washington, DC 20003	RMI, Inc		
Do	Washington Industrial Team, Inc	300.00	
Robert Gary Wilson, 1730 Rhode Island Avenue, NW Washington, DC 20036	PPG Industries, Inc	40.00	12.00
William F. Wilson, 231 W. Michigan Street Milwaukee, WI 53201	Wisconsin Electric Power Co	126.00	115.06
John P. Winburn, 50 E Street, SE Washington, DC 20005	E&J Gallo Winery		
Windels Marx Davies & Ives, 1701 Pennsylvania Avenue, NW Washington, DC 20006	Norfolk Southern Corp	12,000.00	6.94
Joseph B. Winkelmann, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	355.35
Kathleen J. Winn, 1155 15th St., NW Suite 602 Washington, DC 20006	Pennzoil Co	475.00	
Marie Winslow, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
J. Sam Winters, Clark Thomas Winters & Newton P.O. Box 1148 Austin, TX 78767	Security Life of Denver		7.50
Winthrop Stimson Putnam & Roberts, 1155 Connecticut Ave., NW, #1000 Washington, DC 20036	Connecticut Liquidity Investment Fund, Inc		10.00
Do	E. F. Hutton & Co, Inc		
Do	Navajo Nation		20.00
Do	Pentech Corp		17.50
Do	Singer Co		1,405.21

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Robert V. Witeck, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Agriculture for Market Oriented Policies).		
Do	Gray & Co Public Communications Int'l, Inc (For:Canadian Asbestos Information Centre).		
Do	Gray & Co Public Communications Int'l, Inc (For:Hyundai Motor America)		
Do	Gray & Co Public Communications Int'l, Inc (For:Joint Maritime Congress)		
Do	Gray & Co Public Communications Int'l, Inc (For:Lane Industries)		
Do	Gray & Co Public Communications Int'l, Inc (For:Mutual of Omaha)		
Do	Gray & Co Public Communications Int'l, Inc (For:Republic of Turkey)		
Do	Gray & Co Public Communications Int'l, Inc (For:Stroh Brewery Co)		
Do	Gray & Co Public Communications Int'l, Inc (For:United Airlines, Inc)		
Walter J. Witek Jr., 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
Glenn P. Witte, 888 16th St., NW Washington, DC 20006	Milk Industry Foundation/Int'l Assn of Ice Cream Mfrs		
Herman C. Witthaus, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,000.00	1,000.03
Clinton Wolcott, 1016 16th Street, NW Washington, DC 20006	National Fed of Federal Employees		
James Wolf, 1925 K St., NW, #206 Washington, DC 20006	Alliance to Save Energy	1,005.64	
James E. Wolf, 2020 14th St., North Arlington, VA 22201	American Standard Inc	1,000.00	
Megan McGrath Wolfe, 1726 M Street, NW, #300 Washington, DC 20036	Schering-Plough Corp		
Sidney M. Wolfe, 2000 P St., NW, #708 Washington, DC 20036	Public Citizen Health Research Group	13.63	17.11
Bernard Wolfman, c/o Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Mutual Savings Central Fund, Inc	1,084.00	
Ronald Wolsey, One North Charles St., #1520 Baltimore, MD 21201	Amoco Corporation		
Don Womack, Suite 303 1825 K St., NW Washington, DC 20006	Texas Utilities Services, Inc	2,575.00	214.31
John L. Wood, 2121 San Jacinto St. P.O. Box 660164 Dallas, TX 75266	Central & South West Corp		
S. Roy Woodall Jr., 655 15th Street, NW, #530 Washington, DC 20005	National Assn of Life Companies	1,287.51	432.00
G. Kent Woodman, 1818 N Street, NW Washington, DC 20036	Eckert Seamans Cherin & Mellott (For:Burlington Northern, Inc)	2,445.00	128.49
Do	Eckert Seamans Cherin & Mellott (For:Norfolk Southern Corp)	4,000.00	200.00
Thomas C. Woods, 1660 L Street, NW Washington, DC 20036	General Motors Corp	2,500.00	189.63
Perry W. Woofter, Suite 530 1800 K St. NW Washington, DC 20006	Tesoro Petroleum Corp	3,000.00	
Howard E. Woolley, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,500.00	167.92
World Zionist Organization - American Sector, Inc, 515 Park Avenue New York, NY 10022	World Zionist Organization Jerusalem, Israel		
Worldwide Information Resources, Ltd, 1717 K Street, NW, #706 Washington, DC 20006	Avon Products, Inc		
Do	Equitable Life Assurance Society of the U.S.		
Do	Pan American World Airways, Inc		
Do	State of Montana		
Do	Toyota Motor Sales, USA, Inc		
Do	Transportation Group, Inc		
W. Robert Worley, 1736 Creek Crossing Road Vienna, VA 22180	Southern Company Services, Inc	1,710.00	934.26
David A. Wormser, Pepper Hamilton & Scheetz 1777 F Street, NW Washington, DC 20006	Norlight, Inc	1,593.75	
Worthen Banking Corporation, 114 East Captiol Avenue Little Rock, AR 72201			
Joseph T. Wrabek, Box 70 Cascade Locks, OR 97014	Columbia Gorge United		
Alan D. Wright, P.O. Box 5000 Cleveland, OH 44101	Centerior Energy Corp, et al	2,812.40	54.16
David L. Wright, Anderson Hill Rd. Purchase, NY 10577	Pepsico, Inc		679.50
Kenneth Wu, 1755 Jefferson Davis Highway, #900 Arlington, VA 22202	Gould, Inc		32.30
Robert Wurwarg, Milbank Tweed Hadley & McCloy One Chase Manhattan Plaza New York, NY 10005	Rockefeller Group, Inc		
Wilson W. Wyatt Jr., 1825 K St., NW, #603 Washington, DC 20006	Batus D.C.	2,000.00	16.00
Thomas L. Wylie, 1800 K Street, NW, #820 Washington, DC 20006	Sun Co, Inc	5,355.00	106.55
Marc D. Yacker, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	450.00	
Kenneth P. Yale, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	145.75
T. Albert Yamada, Suite 520 900 17th St., NW Washington, DC 20006	Toyota Motor Sales, USA, Inc	500.00	
Do	West Mexico Vegetable Distributors Assn	500.00	
Nancy Foster Yanish, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Debra T. Yarbrough, 1020 19th Street, NW, #700 Washington, DC 20036	U S West, Inc		
Edward R. Yawn, 1111 19th St., NW Washington, DC 20036	Edison Electric Institute	1,242.99	236.74
Linda Yeldezian, 2030 M Street, NW Washington, DC 20036	Common Cause	4,215.49	
Kim Yelton, 8120 Fenton St. Silver Spring, MD 20910	Americans United for Separation of Church and State	7,670.67	22.68
Jack Yelverton, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn		
Richard K. Yep, 5999 Stevenson Avenue Alexandria, VA 22304	American Assn for Counseling & Development	6,953.76	284.23
Paul Yestrumskas, Gate Post Lane Southbury, CT 06488	Timex Group Ltd	3,600.00	814.86
Mehmet Yildiz, 1559 Rockville Pike, #78 Rockville, MD 20852	Citizens Alliance, Inc	3,600.00	
Edward L. Yingling, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	6,000.00	6.00
Larry E. Yoakam, 650 S. Front Street Columbus, OH 43206	Grange Mutual Casualty Co		
D. Scott Yohe, 1629 K St., NW, #204 Washington, DC 20006	Delta Air Lines, Inc	390.00	410.00
Andrew Yood, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
Edward A. Yopp, 1200 Golden Key Circle, #141 El Paso, TX 79925	West Texas Higher Education Servicing Corp		
Roberta Lynn Youmans, 509 C Street, NE Stanton Park Washington, DC 20002	Roisman, Reno & Cavanaugh (For:National Housing Law Project)	1,937.51	
John Andrew Young, 1899 L Street, NW, #500 Washington, DC 20036	Coastal Corporation		
Thane Young, The Ferguson Company 1875 Eye Street, NW, #1275 Washington, DC 20006	Aries Properties, Inc		
Do	Berg-Revoir Corp		
Do	City of Alhambra		
Do	City of Baldwin Park		
Do	City of Inglewood		
Do	City of Norwalk		
Do	City of Oceanside	1,700.00	22.22
Do	City of Provo	2,000.00	117.73
Do	City of Redondo Beach	1,500.00	22.22
Do	City of South Salt Lake	1,000.00	24.95
Do	Gavin Associates		
Do	Imperial Irrigation District	5,000.00	22.22
Do	Irvine Company	5,312.50	36.50
Do	Long Beach Transit		
Do	Maritime Center at Norwalk		
Do	Oceanside Redevelopment Agency		
Do	Santa Cruz Properties, Inc		
Thomas F. Youngblood, 1819 L Street, NW, #600 Washington, DC 20036	American Hotel & Motel Assn	1,431.00	
Betsy Younkins, 1220 L Street, NW, #1200 Washington, DC 20005	American Petroleum Institute	6,000.00	175.20
Eugene A. Yourch, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	200.00	
David E. Yudin, 1707 H Street, NW, #500 Washington, DC 20006	Bus Transit Caucus	1,125.00	
Do	Regional Transportation District	1,266.00	64.50
Ralph Zaayenga, 1800 K Street, NW, #820 Washington, DC 20006	Sun Co, Inc	400.00	154.81
John R. Zagame, John R. Zagame Associates, Inc 1001 Prince Street Alexandria, VA 22314	Bayley Seton Hospital	4,000.00	177.70
John R. Zagame Associates, Inc, 1001 Prince Street, #116 Alexandria, VA 22314	National Music Publishers Assn, Inc	12,000.00	6,873.25
Michael Zagorac Jr., 8333 Bryan Dairy Rd. P.O. Box 4689 Clearwater, FL 33518	Jack Eckerd Corp		
Lynn Zakupowsky, 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co	1,500.00	
Barnaby W. Zall, 1424 16th Street, NW, #707 Washington, DC 20036	Fair Congressional Task Force, Inc		
Do	Federation for American Immigration Reform		
John S. Zapp, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	4,900.00	
Vincent Justin Zecca, 315 West Cuthbert Road Westmont, NJ 08108			
Leo C. Zeferetti, 9912 Fort Hamilton Parkway Brooklyn, NY 11209	Building & Construction Trades Dept, AFL-CIO		
Do	New York Telephone		
Do	Pratt & Whitney		
Do	Transportation Institute		
Denis R. Zegar, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Philip F. Zeidman, 1401 New York Ave., NW, #900 Washington, DC 20005	American Business Conference, Inc		
Don J. Zeller, 1615 M Street, NW, #200 Washington, DC 20036	Amoco Corporation	1,850.00	410.41
Ronald L. Ziegler, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators, Inc		
Michael J. Zimmer, 1133 21 St., NW, #500 Washington, DC 20036	Clean Coal Coalition, Inc		
Do	Cogeneration Coalition, Inc	500.00	
Do	Consolidated Natural Gas Co	300.00	
Do	Purpa Coalition, Inc		
Charles O. Zuver, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	5,000.00	

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the second calendar quarter of 1986 were received too late to be included in the published reports for that quarter:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.......... ◆

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report. ◆

AFFIDAVIT

[Omitted in printing]

PAGE 1 ◆

Note on Item "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) If This Report Is for an Employer.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) If This Report Is for an Agent or Employee.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. Receipts (Including Contributions and Loans):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)
6. $..............Total for this Quarter (Add items "1" through "5")
7. $..............Received during previous Quarters of calendar year
8. $..............Total from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $..............Total now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

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12. $..............."Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": ....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and address of Contributor*
	(*"Period"* from Jan. 1 through.............................., 19.......)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	Total

Note on Item "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) If This Report Is for an Agent or Employee. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. Expenditures (Including Loans) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures
9. $..............Total for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year
11. $..............Total from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $..............Total now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	Total

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Leanne J. Abdnor, 2000 Pennsylvania Avenue, NW, #3580 Washington, DC 20006	Venners & Co, Ltd (For:Koch Industries)	19,500.00	2,263.73
Paul C. Abenante, 3rd Floor 1111 14th St., NW Washington, DC 20005	American Bakers Assn	756.00	2.50
Ablondi & Foster, P.C., 1776 K Street, NW, #606 Washington, DC 20006	Taiwan Textile Federation		
Action, Inc, 333 Pennsylvania Ave., SE Washington, DC 20003	American Indian Higher Education Consortium		
John J. Adams, 2000 Pennsylvania Ave., NW, #900 Washington, DC 20006	Ethyl Corporation		
Do	Vepco		
Matthew T. Adams, 1200 18th Street, NW Washington, DC 20036	Lee Toomey & Kent (For:Cargill, Inc, et al.)		
Elizabeth Agle, 530 7th St., SE Washington, DC 20003	National Clean Air Coalition, Inc	2,387.82	149.16
William E. Albers, Albers Bequai & Gerrity 499 South Capitol St., SW, #407 Washington, DC 20003	Coalition to Assure Safe Business Practices		
Alcalde Henderson O'Bannon & Rousselot, 1901 N. Fort Myer Drive, #1204 Rosslyn, VA 22209	Americans for the National Dividend Act, Inc	3,000.00	
Do	Brown Boveri Corp	21,000.00	
Do	Carnival Cruise Lines	3,000.00	
Do	Computer Sciences Corp	1,500.00	
Do	Consolidated Freightways	9,000.00	
Do	Dade County Aviation Department	1,500.00	
Do	Dade County Seaport Authority	3,000.00	
Do	Jim Walter Corp	15,000.00	
Do	Norwegian Caribbean Lines	3,000.00	
Do	Regular Common Carrier Conference	6,000.00	
Do	Royal Caribbean Cruise Line	3,000.00	
Do	Tampa Electric Co	1,500.00	
Do	Tampa Port Authority	3,000.00	
Do	Texas Air Corp	2,000.00	
C. Eddie Aldrete, P.O. Box 9527 Austin, TX 78766	Texas Agricultural Cooperative Council		
Nancy L. Alexander, 245 Second Street, NE Washington, DC 20002	Friends Comm on National Legislation	4,163.69	
Susan Alexander, 1400 Eye St., NW Washington, DC 20005	Wilderness Society	1,240.04	397.70
John D. Allan, c/o Doh Lohnes & Albertson 1255 23rd St., NW Washington, DC 20037	Stelco, Inc	3,000.00	429.39
Alliance Against Handguns, P.O. Box 75700 Washington, DC 20013			
Irwin P. Altschuler, Brownstein Zeidman & Schomer 1401 New York Ave., NW, #900 Washington, DC 20005	Camara de la Industria de Transformacion de Nuevo Leon		
Robert Alvarez, 218 D St., SE Washington, DC 20003	Environmental Policy Institute	1,532.01	
Jerome A. Ambro Associates, 2301 S. Jefferson Davis Dr., #719 Arlington, VA 22202	Associated Universities	6,187.50	6,026.44
Do	County of Suffolk, New York	17,800.00	17,152.18
American Apparel Manufacturers Assn, Inc, 1611 N. Kent Street, #800 Arlington, VA 22312		47,662.57	47,662.57
American Arts Alliance, 1319 F Street, NW, #307 Washington, DC 20004-1182		48,308.80	91,462.57
American Assn for Respiratory Therapy, 1720 Regal Row, #112 Dallas, TX 75235		3,226.41	30,041.52
American Assn of Exporters & Importers, 11 West 42nd Street, 30th Fl. New York, NY 10036			5,396.68
American Assn of Presidents of Independent Colleges & Univs, Box 723 Rexburg, ID 83440		15,900.00	8,459.62
American Chamber of Commerce of the Dominican Republic, P.O. Box 95-2 Santo Domingo Dominican Republic			
American Dental Assn, 211 E. Chicago Ave. Chicago, IL 60611		3,181.16	14,810.11
American Fed of State County & Municipal Employees, 1625 L St., NW Washington, DC 20036			90,340.20
American Frozen Food Institute, 1700 Old Meadow Rd., #100 Mclean, VA 22102		6,000.00	6,000.00
American Gas Assn, 1515 Wilson Boulevard Arlington, VA 22209		30,875.00	30,875.00
American Hospital Assn, 840 N. Lake Shore Dr. Chicago, IL 60611		59,439.51	59,439.51
American Library Assn, 50 E. Huron St. Chicago, IL 60611		2,313.25	9,207.93
American Medical Peer Review Assn, 440 First Street, NW, #510 Washington, DC 20001			
American Medical Student Assn, 1910 Association Drive Reston, VA 22091			6,182.70
American Movers Conference, 2200 Mill Road Alexandria, VA 22314			2,328.00
American Optometric Assn, c/o Dr. John D. Tumblin 600 Maryland Avenue, SW, #400e Washington, DC 20024			
American Refugees in America, P.O. Box 222 Orange, MA 01364			
American Seed Trade Assn, 1030 15th Street, NW, #964 Washington, DC 20005			14,585.00
American Soc for Medical Technology, 1725 Desales St., NW, #403 Washington, DC 20036		2,498.00	4,484.82
American Space Foundation, 111 Massachusetts Ave., NW, #200 Washington, DC 20001		33,983.06	2,181.71
American Trucking Assns, Inc, 2200 Mill Road Alexandria, VA 22314		10,290.06	90,946.73
American Veterinary Medical Assn, 1522 K Street, NW, #828 Washington, DC 20005			
American Wood Preservers Institute, 1945 Gallows Road, #405 Vienna, VA 22180			8,263.95
David R. Amerine, Brownstein Zeidman & Schomer 1401 New York Ave., NW, #900 Washington, DC 20005	Camara de la Industria de Transformacion de Nuevo Leon		
Ameriserv, Inc, The Paragon Center 2400 East Commercial Blvd., #500 Fort Lauderdale, FL 33308			
Christopher E. Anders, 1667 K Street, NW, #660 Washington, DC 20006	Marlowe & Co (For:Graphic Communications Int'l Union)	3,625.00	3,644.80
Stephen O. Andersen, 2000 L Street, NW, #802 Washington, DC 20036	Consumer Energy Council of America		
Arne Anderson, 80 F St., NW Washington, DC 20001	American Fed of Government Employees	9,889.63	
James A. Anderson Jr., 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors		
Scott G. Anderson, 1050 Connecticut Ave., NW Washington, DC 20036	Burlington Northern, Inc	1,900.00	1,806.85
Steven C. Anderson, 1700 Old Meadow Rd. Mclean, VA 22102	American Frozen Food Institute	5,000.00	
Anderson & Pendleton, 1000 Connecticut Avenue, NW, #707 Washington, DC 20036	Corporacion Nacional del Cobre de Chile		
Do	Military Mission of Chile		
L. J. Andolsek, 1533 New Hampshire Avenue, NW Washington, DC 20036	National Assn of Retired Federal Employees	605.00	
David R. Andrews, Three Embarcadero Center San Francisco, CA 94111	McCutchen Doyle Brown & Enersen (For:Castle & Cooke, Inc)		1,610.00
Do	McCutchen Doyle Brown & Enersen (For:Rohr Industries, Inc)		
John A. Armstrong, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Paul Arneson, 1701 Pennsylvania Ave., NW, #940 Washington, DC 20006	National Assn of Water Cos	3,120.00	360.77
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	American Assn of Exporters & Importers	540.00	
Do	Asea AB	4,102.50	24.35
Do	Canadian Forest Industries Council	1,187.50	117.35
Do	Canadian Meat Council	135.00	92.05
Do	Consejo Empresarial Mexicano Para Asuntos Internacionales	225.00	
Do	CSX Corporation	228.75	
Do	Inter-Local Pension Fund of the Graphic Communications	6,230.00	61.44
Do	National Coordinating Comm for Multiemployer Plans	15,312.00	2,042.92
Do	Recording Industry Assn of America, Inc	4,023.75	58.00
Do	Sacramento Municipal Utility District		4.90
Do	Sacramento Public Utility District, et al.		
Do	State of Israel		
Do	State Farm Mutual Automobile Insurance Co	4,998.75	826.53
Do	Venezolana de Cementos Ca	428.25	115.44
Association of American Foreign Service Women, P.O. Box 8068 Washington, DC 20024			
Association of Maximum Service Telecasters, Inc, 1735 Desales St., NW, #400 Washington, DC 20036			387.10
Association of Private Pension & Welfare Plans, Inc, 1331 Pennsylvania Ave., NW, #719 Washington, DC 20004		4,421.23	4,421.23
Lloyd G. Ator Jr., 1801 K St., NW, #700 Washington, DC 20006	Price Waterhouse (For:Security Pacific National Bank)		
Joe H. Ausley Jr., 431 First Street, SE Washington, DC 20003	Ames Industrial Corp, et al.	3,000.00	1,274.67
Richard E. Austin, 2550 M Street, NW, #770 Washington, DC 20037	RJR Nabisco, Inc	702.00	56.00
Ronald R. Austin, 1201 16th Street, NW Washington, DC 20036	Overseas Education Assn	553.53	5.00
Avon Products, Inc, 9 West 57th St. New York, NY 10019		296.75	60.00
Michael G. Ayre, P.O. Box 130 Levis P.Q. Canada G6V 6N7	Versatile Davie, Inc		
Azanian Coalition, P.O. Box 76615 Washington, DC 20013-6615			
Craig H. Baab, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	32.00
Robert A. Bacha, 2000 P St., NW, #505 Washington, DC 20036	Cook and Bacha (For:Contractors Liability & Indemnification Alliance)		
Do	Cook and Bacha (For:Westinghouse Electric Corp)	3,400.00	167.88
James Michael Bailey, 910 17th St., NW, #210 Washington, DC 20006	Association of U.S. Night Vision Manufacturers		
David Baker, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	3,693.71	48.10
Baker & McKenzie, 815 Connecticut Ave., NW Washington, DC 20006	Cambridge Research & Development Group		561.09
Do	National Building Granite Quarries Assn	22,769.00	123.18
Do	Stein Roe & Farnham	23,779.80	4,717.18
Do	Sundstrand Corp		
H. R. Balikov, 333 Thornall St. Edison, NJ 08818	J. M. Huber Corp		465.61
Michael Baly III, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	5,800.00	473.93
Philip A. Bangert, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Baraff Koerner Olender & Hochberg, P.C., 2033 M Street, NW, #203 Washington, DC 20036	College Football Association		
Do	Major Indoor Soccer League		
Do	National Assn of Collegiate Directors of Athletics	1,450.00	
Do	National Basketball Assn	2,055.00	
Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006	Dow Chemical Co	1,463.33	58.94
Barnett & Alagia, 250 South County Rd. Palm Beach, FL 33480	Cuban American Public Affairs Council		
Do	Dairymen, Inc	10,780.00	1,780.06

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Neil D. Baron, Booth & Baron 122 East 42nd St. New York, NY 10168	Standard & Poor's Corporation		
James C. Barr, 1840 Wilson Blvd Arlington, VA 22201	National Milk Producers Federation	3,300.00	
David M. Barrett, Barrett Hanna Daily & Gaspar 2555 M Street, NW, #100 Washington, DC 20037	Energy Consumers & Producers Assn.		
Barrett Montgomery & Murphy, 2555 M Stret, NW, #100 Washington, DC 20037	Multifamily Housing Association	30,000.00	
Barrett Smith Schapiro Simon & Armstrong, 1201 Pennsylvania Avenue, NW, #821 Washington, DC 20004	Coffee Sugar & Cocoa Exchange, Inc	1,600.00	
Do	Commodity Exchange, Inc	1,900.00	
Do	Hugo Neu & Sons, Inc		
Do	Irving Trust Co		
Do	Metropolitan Transportation Authority		
Do	New York Cotton Exchange	1,600.00	
Do	New York Mercantile Exchange	1,600.00	
Catharine R. Batky, 1050 Connecticut Avenue, NW Washington, DC 20036	Burlington Northern, Inc	750.00	114.44
John L. Bauer Jr., 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	2,000.00	453.84
Richard 'Sandy' Beach, 1730 Rhode Island Ave., NW, #810 Washington, DC 20036	Credit Union National Assn, Inc	300.00	325.99
Michael K. Beard, 100 Maryland Ave., NE Washington, DC 20002	National Coalition to Ban Handguns		
Louis Beer, 1000 Thomas Jefferson St., NW, #600 Washington, DC 20007	M.A.N. Truck & Bus Corp		
Donald K. Belch, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Stelco, Inc	1,375.00	1,101.87
Benchmarks, Inc, 3248 Prospect Street, NW Washington, DC 20007	Campania Minera de las Cuevas S.A. de C.V.	5,000.00	124.48
Benner Burnett & Coleman, 1401 New York Avenue, NW Washington, DC 20005	Messerschmitt Bolkow-Blohm Gmbh, et al.		
Do	Omninet Corporation		
Do	Schnitzer Steel Products Co		
Douglas P. Bennett, 3236 Prospect Street, NW Washington, DC 20007	Association of Executive Search Consultants, Inc		
Nancy C. Benson, 1575 Eye St., NW, #220 Washington, DC 20005	American Cyanamid Co	1,150.00	338.50
Diana Berardocco, 1660 L Street, NW, #915 Washington, DC 20036	Avon Products, Inc		
Bob Bergland, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	315.00	65.00
Dave Berick, 1616 P Street, NW Washington, DC 20036	Environmental Policy Institute	1,981.84	
Christopher Berka, 3 Embarcadero Center San Francisco, CA 94111	McCutchen Doyle Brown & Enersen (For:Castle & Cooke)		990.00
Do	McCutchen Doyle Brown & Enersen (For:Rohr Industries, Inc)		
Ellen Berman, 2000 L St., NW, #802 Washington, DC 20036	Consumer Energy Council of America		
Berman Bergner & Boyette, 1016 16th Street, NW, #700 Washington, DC 20036	Malone and Hyde	2,000.00	1,325.00
Rachelle B. Bernstein, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	3,750.00	187.76
Pat Billings, 624 9th Street, NW, #700 Washington, DC 20001	Group Health Assn of America, Inc	3,375.00	
Robert J. Bird, 888 16th Street, NW Washington, DC 20006	Zachry, Inc		
Bishop Liberman Cook Purcell & Reynolds, 1200 17th Street, NW, 7th Fl. Washington, DC 20036	American Rice, Inc	22,625.00	
Do	Audio Recording Rights Coalition	3,938.00	
Do	Board of Trade of Kansas City, MO, Inc	6,249.99	
Do	CNA Insurance Co of Chicago, Illinois	443.00	
Do	Enserch Corporation	1,035.00	
Do	First Colony Life Insurance		
Do	Five State Rice Producers Legislative Group	41,479.16	
Do	Iowa Beef Processors, Inc	4,688.75	
Do	Kilpatrick Life Insurance Company		
Do	Manufacturers Hanover Bank		
Do	Monumental Life Insurance Company		
Do	Pesticide Producers Assn	28,281.25	
Do	Pioneer Corp	132,695.35	
Do	Pipe Line Gas Transmission Coalition	977.50	
Do	Planters Peanuts	1,562.50	
Do	Rio Grande Industries	2,782.50	
Do	Salomon Brothers, Inc	24,590.00	
Do	Technicon Data Systems Corp	4,000.00	
Do	Texaco, Inc	800.00	
Do	Texas Gas Transmission Corp	2,509.00	
Do	Tobacco Institute	20,198.75	104.13
Do	Volvo Car B.V.		
Do	Western Peanut Growers' Assn	6,567.50	
Roger Blacklow, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	7,154.73	1,001.95
Bowen Blair Jr., 519 S.w. Third Ave., #810 Portland, OR 97204	Friends of the Columbia Gorge	420.00	
Kenneth T. Blaylock, 80 F St., NW Washington, DC 20001	American Fed of Government Employees	21,850.57	5,821.21
Donald T. Bliss, 1800 M Street, NW Washington, DC 20036	O'Melveny & Myers (For:Santa Fe International Corp)		
Richard W. Bliss, 3242 Grace Street, NW Washington, DC 20007	Amax, Inc		
Do	Environmental Science & Engineering		
Do	Fluor Corporation	2,090.00	125.63
Do	National Paint & Coatings Assn, Inc	600.00	77.06
Do	Pb-Kbb, Inc		
Do	St. Joe Minerals Corp	214.00	20.86
Do	Varian Emimac	900.00	70.39
Virginia B. Bliss, 1725 K Street, NW Washington, DC 20006	Courtney McCamant & Turney	300.00	
Blue Cross & Blue Shield Assn, 1709 New York Avenue, NW, #303 Washington, DC 20006			104,403.51
Blum Nash & Railsback, 1133 15th Street, NW, #1100 Washington, DC 20005	Animal Health Institute	3,330.00	15.00
Do	ADAPSO	6,300.00	6.00
Do	Direct Marketing Assn	2,000.00	
Do	Disclosure, Inc		
Do	Journal of Commerce, Inc	5,625.00	10.00
Charles R. Blumenfeld, Bogle & Gates 2100 Bank of California Center Seattle, WA 98164	Pacific Seafood Processors Assn		
Jon L. Boisclair, 1025 Thomas Jefferson Street, NW, #502E Washington, DC 20007	Transit Advertising Assn		
Do	Winston Network, Inc		
Robert J. Bolger, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	1,500.00	
Edward N. Bond, 1700 North Moore St. Rosslyn, VA 22209	Boeing Company	500.00	
John E. Bonitt, 1050 Connecticut Ave., NW, #800 Washington, DC 20036	Allied-Signal, Inc	600.00	75.00
Bonner & Associates, Inc, 1625 K Street, NW, #300 Washington, DC 20006	Blue Cross & Blue Shield Assn	71,875.51	59,208.21
Bonneville Associates, 200 E. South Temple, #300 Salt Lake City, UT 84111	Western Regional Council		
Albert D. Bourland, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.		
Doug B. Bowles, 205 Spring Hill Terrace Roswell, GA 30075	Georgia Power Co	9,745.50	11,191.33
Bowman Conner Touhey & Petrillo, 2828 Pennsylvania Avenue, NW, #203 Washington, DC 20007	American Automar Corp	585.88	53.09
Do	Council of American-Flag Ship Operators	1,757.64	149.26
Do	National Assn of Aircraft & Communications Suppliers, Inc	1,000.00	38.18
Do	Walsh-Healey Coalition	900.00	73.73
Robert K. Boyd, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	3,550.00	549.33
Charles N. Brady, 8111 Gatehouse Rd. Falls Church, VA 22047	American Automobile Assn		
Raymond F. Bragg Jr., 2135 R Street, NW Washington, DC 20008	Agrifuels Refining Corp, et al.	100.00	
Do	American Independent Refiners Assn	300.00	
Do	National Hydropower Assn	200.00	
Stuart J. Brahs, 1331 Pennsylvania Ave., NW, #719 Washington, DC 20004	Association of Private Pension & Welfare Plans, Inc	1,490.48	
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	General Dynamics Corp		
Do	Metropolitan Transportation Authority		
Do	Zenith Radio Corp		
Roy S. Bredder, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	30.00
Anna-Liza Brennan, 1411 K Street, NW, #850 Washington, DC 20005	Americans for Democratic Action	1,500.00	184.81
Michael J. Brennan, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	10,800.00	512.05
Martha M. Broad, 1350 New York Ave., NW, #300 Washington, DC 20005	Natural Resources Defense Council, Inc	6,500.00	30.00
Broadhurst Brook Mangham & Hardy, 1730 Pennsylvania Ave., NW, #300 Washington, DC 20006	CSX Corporation	11,216.25	2,509.55
Brook Associates, Inc, 605 14th Street, NW, #405 Washington, DC 20005	Northern Textile Assn	7,500.00	7,500.00
Philip A. Brooks, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	660.00	
Mario Brossi, 1776 K Street, NW Washington, DC 20006	Direct Selling Association	300.00	17.50
Diane R. Brown, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	2,000.00	697.38
Ellen B. Brown, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,440.00	712.05
John J. Brown, 1125 17th St., NW Washington, DC 20036	International Union of Operating Engineers	8,500.00	915.00
Marguerite Bracy Brown, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	10,436.28	135.47
Ralph Brown, Suite 107 701 S. 22nd Street Omaha, NB 68102	M.O.A.A.I.O.A. & Subs, Inc		
Shirle L. Brown, P.O. Box 663, Gpo New York, NY 10016	SLB Enterprises		
Brown & Seymour, 100 Park Avenue, #2606 New York, NY 10017	Gray Panthers		
Brown Todd & Heyburn, 1600 Citizens Plaza Louisville, KY 40202	Brown & Williamson Tobacco Corp		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005	Camara de la Industria de Transformacion de Nuevo Leon	14,812.50	7,315.37
Do	Canadian Financial Corporation		
Do	National Corp for Housing Partnerships		
Do	National Housing Rehabilitation Assn		
Do	New York State Urban Development Corp		
Do	Roosevelt Raceway Associates Limited Partnership		
Do	Schochet Associates		
Kathryne M. Bruner, 1025 Connecticut Ave., NW Washington, DC 20036	GA Technologies, Inc	750.00	453.80
Bryan Cave McPheeters & McRoberts, 1015 15th Street, NW, #1000 Washington, DC 20005	McDonnell Douglas Corp		
Do	Miller & Chevalier Chtd (for Western Savings & Loan Assn...)	5,000.00	
Do	Washington University		
W. Scott Bryant, American Express Plaza 39th Floor New York, NY 10004	American Express Co	4,818.00	23,975.70
Susan M. Buffone, 5217 Westwood Dr. Bethesda, MD 20816	National Parks & Conservation Association	225.00	
Building Owners & Managers Assn International, 1250 Eye St., NW, #200 Washington, DC 20005			
Linda Knell Bumbalo, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	6,202.00	236.00
Barbara G. Burchett, 1615 L St., NW, #1220 Washington, DC 20036	Hallmark Cards, Inc		
Robert J. Burdick, 1126 16th Street, NW Washington, DC 20036	Oil Chemical & Atomic Workers Int'l Union	2,961.00	
Diane B. Burke, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	8,892.24	158.00
Sally J. Burke, Scott Harrison & Mcleod 2501 M Street, NW, #400 Washington, DC 20037	American Assn of Crop Insurers	202.50	
Do	United Egg Producers		
Michael Burns, 21 Dupont Circle, NW, #401 Washington, DC 20036	Business Executives for National Security	5,209.00	48.00
Busby Rehm and Leonard, P.C., 1330 Connecticut Ave., NW, #200 Washington, DC 20036	Automobile Importers of America, Inc	8,375.00	20.00
James J. Butera, 4th Floor 1101 15th St., NW Washington, DC 20005	National Council of Savings Institutions	10,000.00	58.26
M. Caldwell Butler, P.O. Box 720 Roanoke, VA 24004	National Conference of Bankruptcy Judges	2,700.00	
Do	Norfolk Southern Corp	14,475.00	
John Butts, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		
John R. Cady, 1711 King Street Alexandria, VA 22314	Potato Chip/Snack Food Assn		
John D. Cahill, 444 N. Capitol Street, NW Washington, DC 20001	Massachusetts Bay Transportation Authority	3,000.00	
Do	Massachusetts Port Authority	11,625.00	
Roy C. Cahoon, 6100 Knollwood Dr. Falls Church, VA 22041	National Automatic Merchandising Assn		
James Callan, 1726 M Street, NW, #1000 Washington, DC 20036	Electronic Funds Transfer Assn	375.00	375.00
Peter E. Callanan, 1100 Connecticut Ave., NW Washington, DC 20036	Honeywell, Inc	325.00	660.00
Donald L. Calvin, 11 Wall St. New York, NY 10005	New York Stock Exchange, Inc		
Campaign for U.N. Reform-Political Education Committee, 418 7th St., S.E. Washington, DC 20003		5,804.77	6,677.83
Jeanne Campbell, Campbell-Raupe, Inc 1015 15th Street, NW, #907 Washington, DC 20005	Algonquin Gas Transmission		
Do	American Nuclear Energy Council		
Do	Bodine's Inc Food Products		
Do	Invest to Compete Alliance		
Do	New England Life		
Do	Pitney Bowes		
Do	Riffe Petroleum Co		
Do	Texas Air Corp		
Do	Texas Utilities Services, Inc		
Do	Union Pacific Corp		
Robert P. Canavan, 1201 16th St., NW Washington, DC 20036	National Education Assn	2,808.00	239.50
Sharon M. Canavan, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America	8,156.00	779.00
William F. Canis, 1730 Pennsylvania Avenue, NW, #450 Washington, DC 20006	Caterpillar Tractor Co	2,500.00	207.43
Dave Cannard, 113 W. 1st Vancouver, WA 98660	Friends of the Columbia Gorge		
Laura Van Etten Cannata, 1700 Pennsylvania Avenue, NW, #525 Washington, DC 20006	Equitable Life Assurance Society of the U.S.		
Capitol Marketing Services, 923 Riva Ridge Avenue Great Falls, VA 22066			
Peter Carlson, 218 D St., SE Washington, DC 20003	Environmental Policy Institute	988.25	
Bruce J. Carlton, 444 North Capitol St., NW, #801 Washington, DC 20001	Joint Maritime Congress	2,422.80	
Carmen Leof & Associates, Inc, 1667 K Street, NW, #950 Washington, DC 20006	CareerCom		
Robert A. Carmines, 1111 14th Street, NW Washington, DC 20005	American Dental Assn		
George D. Carpenter, 6110 Center Hill Road Cincinnati, OH 45224	Procter & Gamble Manufacturing Co	114.42	
John R. Carter, 1000 Wilson Blvd., #2600 Arlington, VA 22209	TRW, Inc	410.00	
Eugene I. Casraiss Jr., 1757 N St., NW Washington, DC 20036	United Auto Aerospace & Agricultural Implement Workers	15,198.02	57.60
Luis Eduardo Castaneda, P.O. Box 364 Buena Vista Station Miami, FL 33137	New Generation Lobby		
Gordon Cavanaugh, 509 C Street, NE Washington, DC 20002	Roisman Reno & Cavanaugh (For:Council of Large Public Housing Authorities)	11,618.73	485.08
Center for Law and Education, Inc, Larsen Hall, 6th Floor 14 Appian Way Cambridge, MA 02138		1,492.15	565.82
Henry Chajet, 1920 N St., NW Washington, DC 20036	American Mining Congress	165.00	25.00
Jeannette A. Chambers, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors	1,065.00	142.64
Chambers Associates, Inc, 1625 K Street, NW, #200 Washington, DC 20006	American Hospital Assn		
Do	American Postal Workers Union, AFL-CIO	2,437.50	
Do	Apache Corporation		
Do	Bear Stearns & Co		
Do	Belk Stores Services, Inc	1,638.75	
Do	Coalition of Publicly Traded Limited Partnerships	3,250.00	
Do	Commissioned Officers Assn of the U.S. Public Health Service		
Do	Manville Corporation	3,460.00	
Do	Metcalf & Eddy/KVB Group	1,812.50	
Do	National Assn of Retired Federal Employees		
Do	State of Idaho, Dept of Employment	950.00	
Do	U S West, Inc		
William J. Chandler, 1511 K Street, NW, #1100 Washington, DC 20005	Natural Resources Defense Council, Inc	5,000.00	473.00
Nancy Chapman, 1728 Church Street, NW Washington, DC 20036	Nan Chapman Associates (For:National Assn of Margarine Manufacturers)	400.00	
William Chasey Organization, 855 La Jolla Corona Ct. La Jolla, CA 92037	City of Chula Vista	12,000.00	4,400.00
Do	City of North Las Vegas	15,000.00	4,800.00
Do	City University	9,000.00	4,000.00
Do	Industrial Data Link		
Do	Life Insurance Coalition of America		
Do	National University	9,000.00	4,000.00
Do	Professional Asset Management, Inc		
Do	Syncrotech Software Corp		
Chesebrough-Pond's, Inc, Nyala Farm Road Westport, CT 06881-0850			6,496.45
J. Samuel Choate Jr., 1101 Connecticut Ave., NW, #405 Washington, DC 20036	J. Samuel Choate, Jr., P.C. (For:Association of Progressive Rental Organizations)		
Donna M. Cirolia, 1518 K Street, NW, #401 Washington, DC 20005	Water Quality Association:		
Citizens Political Action Committee, P.O. Box 645 228 South A Street, #2 Oxnard, CA 93032			
Julie Clark, 1625 K St., NW, #800 Washington, DC 20006	National Legal Aid & Defenders Assn	10,631.25	130.25
Clifford & Warnke, 815 Connecticut Ave., NW Washington, DC 20006	Joint Corporate Comm on Cuban Claims	600.00	180.00
Charles M. Clusen, 1400 Eye St., NW Washington, DC 20005	Wilderness Society	3,142.18	8.00
Coalitions for America, 721 Second Street, NE Washington, DC 20002		5,200.00	10,766.17
Cohen & White, 2934 M St., NW Washington, DC 20007	Computer & Communications Industry Assn	1,125.00	40.82
Collier Shannon Rill & Scott, 1055 Thomas Jefferson St., NW, #308 Washington, DC 20007	Bicycle Mfgrs Assn of Amer, Inc	2,800.00	2,800.00
Do	Footwear Industries of America		
Do	Municipal Castings Fair Trade Council	660.00	660.00
Do	Norris Industries	500.00	500.00
Do	Specialty Steel Industry of the United States	13,050.00	13,050.00
Eileen M. Collins, 50 F Street, NW Washington, DC 20001	American Hospital Assn	526.68	133.95
Stephen J. Collins, 1620 Eye St., NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Tim Colton, P.O. Box 498 Chester, PA 19016	Pennsylvania Shipbuilding Co	1,215.00	45.00
Carol A. Colza, Roger B. Schagrin, P.c. 1112 16th St., NW, #1000 Washington, DC 20036	Committee on Pipe & Tube Imports	17,875.00	
Comiskey & Hunt, 4023 Chain Bridge Road Fairfax, VA 22030	Computer Systems & Resources		
Committee for Do-It-Yourself Household Moving, 1725 K St., NW, #401 Washington, DC 20005			
Committee to Support the Antitrust Laws, 1401 New York Avenue, NW, #620 Washington, DC 20005			5,500.00
Communications Management, Inc, 1925 North Lynn Street, #1140 Arlington, VA 22209	American Council of Life Insurance, Inc		
Do	Citizens for Sensible Control of Acid Rain (CSCAR)	338,732.00	381,833.00
Do	Natural Gas Supply Assn		
Do	Philip Morris USA	405,363.00	272,695.00
Concerned Women for America, c/o Carol Poulos 122 C Street, NW, #800 Washington, DC 20001		22,224.24	22,224.24
Bert M. Concklin, 1500 Planning Research Drive Mclean, VA 22102	Planning Research Corporation		1,156.03
Conference of State Bank Supervisors, 1015 18th St., NW Washington, DC 20036			5,843.71
Robert J. Conner Jr., 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	500.00	799.05

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
John J. Connolly, 499 S. Capitol Street, #501 Washington, DC 20003	Bill Hecht & Associates, Inc	2,500.00	
Kathy P. Conrad, 1420 King St. Alexandria, VA 22314	National Society of Professional Engineers		
Thomas L. Conrad, 2001 Eye Street, NW Washington, DC 20006	Electronic Industries Assn		
Conservative Alliance, 108 N. Alfred Street Alexandria, VA 22314		184,636.44	34,869.21
Consolidated Edison Co of New York, Inc, 4 Irving Place New York, NY 10003			
Consolidated Rail Corporation, P.O. Box 23451 Washington, DC 20026			17,679.51
Consumer Energy Council of America, 2000 L St., NW, #802 Washington, DC 20036			
Consumer Federation of America, 1424 16th St., NW, #604 Washington, DC 20036		156,364.00	59,247.00
Consumers Opposed to Secret Tax (COST), P.O. Box 93711 Milwaukee, WI 53203			551.00
Richard Conti, 74 North Pearl St. Albany, NY 12207	Hospital Association of New York State	428.15	689.51
John A. Conway, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Peter W. Coogan, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Mutual Savings Central Fund, Inc		
Harry N. Cook, 1130 17th St., NW Washington, DC 20036	National Waterways Conference, Inc		
Brian D. Cooney, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	6,600.00	320.00
Mark N. Cooper, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	300.00	
Peter Coppelman, 1400 Eye St., NW Washington, DC 20005	Wilderness Society		
Larry C. Cornwell, 2203 North Lois Ave., #500 Tampa, FL 33607	North American Telephone		
Alfred W. Cortese Jr., 655 15th Street, NW, #1200 Washington, DC 20005	General Motors Corp	5,575.00	
Mary Alice Cotter, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council		
Coudert Brothers, 200 Park Avenue New York, NY 10166	Bune Management Corp, et al	35,649.00	4,770.95
Council for a Livable World, 20 Park Plaza Boston, MA 02116			36,366.85
C. Richard Cox, 800 Briar Creek Road Charlotte, NC 28232	Belk Stores Services, Inc	2,500.00	
Eric Cox, 418 7th St., SE Washington, DC 20003	Campaign for U.N. Reform-Political Education Committee	2,874.99	
Credit Union National Assn, Inc, 1730 Rhode Island Ave., NW, #810 Washington, DC 20036		1,200.00	650.03
Ken A. Crerar, 1611 N. Kent Street, #900 Arlington, VA 22209	Footwear Industries of America	3,000.00	83.33
Robert W. Cromartie, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	60.00	
Rae E. Cronmiller, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	175.00	
John M. Cross, 1201 Pennsylvania Ave., NW, #700 Washington, DC 20004	Hill & Knowlton, Inc		
Crowell & Moring, 1100 Connecticut Ave., NW Washington, DC 20036	Cook Inlet Region, Inc		
Do	Meridian Minerals Co	5,816.25	75.00
Do	Trust for Public Lands	625.00	20.00
Barry M. Cullen, 1620 Eye St., NW, #700 Washington, DC 20006	International Paper Co		310.56
William E. Cumberland, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America	9,562.00	
Mary Elizabeth Curry, 444 North Capitol St., NW Washington, DC 20001	American Hospital Assn		
Edward P. Curtis Jr., Genesee Public Affairs, Inc 36 W. Main Street Rochester, NY 14614	Lake Ontario Cement Limited		
Jay B. Cutler, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	5,880.00	901.75
CPT Corporation, 8100 Mitchell Road P.O. Box 295 Minneapolis, MN 55440			
Norman E. D'Amours, 1217 Evermay Court Mclean, VA 22101	Alcalde Henderson O'Bannon & Rousselot	24,300.00	
Do	Credit Union National Assn, Inc	3,000.00	
Do	Marine Midland Banks, Inc	18,000.00	
Daedalus Enterprises, Inc, P.O. Box 1869 Ann Arbor, MI 48106			
Donald W. Dalrymple, 1575 I St., NW Washington, DC 20005	American Cynamid Company (For:Lederle Laboratories)	1,800.00	865.36
Damrell Damrell & Nelson, P.C., 1625 I Street Modesto, CA 95354	Norfolk Southern Corp	1,540.00	393.60
John C. Datt, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	10,824.99	
John B. Davenport Jr., 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	150.00	
Davenport & Seay, One Thomas Circle, NW, #375 Washington, DC 20005	City of Detroit, Michigan	31,329.56	14,131.37
Theodore S. J. Davi, 371-106 Burgundy Ln. Longwood, FL 32779			
Susan A. Davis, 1818 N Street, NW, #350 Washington, DC 20036	Susan Davis International (For:Turkish Republic of Northern Cyprus)	62.50	
Davis Polk & Wardwell, 1575 Eye St., NW Washington, DC 20005	Morgan Guaranty Trust Co	200.00	16.00
Davis Wright Todd Riese & Jones, 1752 N St., NW, #800 Washington, DC 20036	Grocery Manufacturers of America, Inc		
Harry F. Day, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Robert Debragga, 26 Flander Rd. Rfd #1, Box 239 Stonington, CT 06388	Project Cure, Inc		507.32
Winston M. Decker, 1522 K St., NW, #828 Washington, DC 20005	American Veterinary Medical Assn		
John J. Degnan, Shanley & Fisher, P.C. 131 Madison Avenue Morristown, NJ 07960	Sharp Electronics Corp		
Claire L. Del Real, 655 15th Street, NW 300 Metropolitan Square Washington, DC 20005	International Medical Centers, Inc		
Gail Deloach, P.O. Box 8091 Falls Church, VA 22041	Friendship Hill Assn		
Deloitte Haskins & Sells, 655 15th Street, NW, #700 Washington, DC 20005	Arkansas Electric Cooperative Corp	5,500.00	
Do	Hydril Co		
Do	Lin Pac International PLC, et al	127,028.70	7,985.00
Do	Union Pacific Corp		
Michael J. Deloose, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors	645.00	
Elizabeth C. Demato, 5210 Auth Way Camp Springs, MD 20746	Seafarers International Union	3,000.00	187.15
Michael Desanto, 11436 Schuykill Rd. Rockville, MD 20852	National Coalition of Independent College & Univ Students		
R. Daniel Devlin, 1825 Eye Street, NW, #350 Washington, DC 20006	Trans World Airlines, Inc	350.00	
Dickinson Wright Moon Van Dusen & Freeman, 1901 L St., NW, #801 Washington, DC 20036	Allied Signal, Inc	8,400.00	
Do	Chicago & Northwestern Transportation	12,900.00	
Do	Garrett Corporation	4,000.00	
Timothy V. A. Dillon, 1331 Pennsylvania Ave., NW, #905 Washington, DC 20004	Westlands Water District	3,000.00	233.18
Michael F. Dineen, 600 Pennsylvania Ave., SE, #206 Washington, DC 20003	Lumbermens Mutual Casualty Co (For:Federal Kemper Life Assurance Co)	29.52	4.00
Do	Lumbermens Mutual Casualty Co (For:Kemper Financial Services, Inc)	44.29	105.93
Do	Lumbermens Mutual Casualty Co (For:Kemper Investors Life Insurance Co)	14.76	4.00
Do	Lumbermens Mutual Casualty Company	1,800.00	199.54
Michael Dinnerstein, 1727 Mass. Ave., NW, #603 Washington, DC 20036	National Tax Policy Institute for the Public Interest		
Patsy B. Dix, 1201 16th St., NW Washington, DC 20036	National Education Assn	2,517.00	152.00
James F. Doherty, 1129 20th St., NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
Domestic Petroleum Council Trade Association, 1627 K Street, NW, #910 Washington, DC 20006			
Domestic Wildcatters Assn, P.O. Box 53660 Houston, TX 77052			
Thomas F. Donnelly, 955 L'enfant Plaza, SW, #1202 Washington, DC 20024	National Water Resources Assn	3,125.00	
Thomas J. Donohue, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	11,000.00	
Donohue & Associates, Inc, 11445 Isaac Newton Square So. Reston, VA 22090			
Ira Dorfman, 3rd Floor 1111 14th St., NW Washington, DC 20005	American Bakers Assn	366.97	2.50
May Del Rio Dorfman, 380 Second Avenue New York, NY 10010	Planned Parenthood of New York City, Inc	90.87	
Theodore Douglas, 6554 Coventry St. Louis, MO 63033			
Dow Lohnes & Albertson, 1255 23rd St., NW Washington, DC 20037	Chicago City Colleges		
Jane Lind Downey, 2200 Mill Rd Alexandria, VA 22314	American Movers Conference	863.00	
John C. Doyle Jr., 218 D St., SE Washington, DC 20003	Environmental Policy Institute	704.83	
Anthony V. Dresden, 444 N. Capitol Street, NW, #801 Washington, DC 20001	Joint Maritime Congress		
Stephen D. Driesler, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council	2,565.00	499.25
John P. Dring, 1331 Pennsylvania Ave., NW, #565 Washington, DC 20004	Texas Gas Transmission Corp	1,500.00	68.10
Evelyn Dubrow, 1710 Broadway New York, NY 10019	International Ladies' Garment Workers Union	12,330.63	3,119.25
Morgan D. Dubrow, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	170.00	
Douglas F. Duerr, 1730 Rhode Island Ave., NW, #810 Washington, DC 20036	Credit Union National Assn, Inc		
Michael J. Duff, 1101 16th Street, NW Washington, DC 20036	Scientific Apparatus Makers Assn	1,400.00	214.00
Michael F. Duffy, 1920 N St. NW Washington, DC 20036	American Mining Congress	45.00	6.00
Judy C. Durand, 1120 20th Street, NW, #600s Washington, DC 20036	Union Pacific Corp	666.00	1,251.22
Ed Durkin, 101 Constitution Avenue, NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America		
William J. Dyess, Wm. Dyess Associates 4444 Dexter Street, NW Washington, DC 20007	B.V. Stevedore Co Quick Dispatch	2,931.25	96.35
Dykema Gossett Spencer Goodnow & Trigg, 1752 N St., NW, 6th Fl. Washington, DC 20036	Total Petroleum, Inc		
Donald R. Ebe, 1800 K St., NW, #800 Washington, DC 20006	Goodyear Tire & Rubber Co	4,000.00	
Ed Edmondson, 416 Court St., P.O. Box 11 Muskogee, OK 74402	Association of Oklahoma General Contractors	1,743.00	992.00
Michael D. Edwards, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Edwards Associates, 507 Second St., NE Washington, DC 20002	Confederated Tribes of Warm Springs		
Jill W. Eiland, 507 Second Street, NE Washington, DC 20002	Portland General Electric Co		
Timothy L. Elder, 1730 Pennsylvania Ave., NW, #450 Washington, DC 20006	Caterpillar Tractor Co	2,500.00	1,472.50
Electronic Funds Transfer Assn, 1726 M Street, NW, #1000 Washington, DC 20036			400.00
C. M. Elkins Associates, 1100 17th St., NW, #310 Washington, DC 20036	Delaware & Hudson Railway Co		
Do	Missouri Kansas Texas Railroad		
Do	Pittsburgh & Lake Erie Railroad Co		
Keith H. Ellis, 1015 18th St.,nw Washington, DC 20036	Conference of State Bank Supervisors	3,800.00	191.07
Dorothy A. Ellsworth, 1300 Connecticut Ave., NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	14,331.39	247.50
Lowell J. Endahl, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Steven L. Engelberg, 2033 M St., NW, #404 Washington, DC 20036	American Assn for Marriage & Family Therapy		
John M. Erskine Jr., 1122 Colorado, Suite 208 Austin, TX 78701	Amoco Corporation	534.00	495.60

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Mark Esherick, 1601 Connecticut Ave, NW, #400 Washington, DC 20009	Zero Population Growth, Inc	1,537.00	6.00
Jane B. Esterly, Karl A. Funke & Associates 729 2nd Street, NE Washington, DC 20002	United South & Eastern Tribes, et al.		
Billy Lee Evans, 499 South Capitol St., SW, #507 Washington, DC 20003	Bill Hecht & Associates, Inc	2,000.00	
Rae Forker Evans, 1615 L St., NW, #1220 Washington, DC 20036	Hallmark Cards, Inc		
Robert J. Evans, 812 RIDGEFIELDS ROAD Kingsport, TN 37660			
Fawn K. Evenson, 1611 N. Kent St., #900 Arlington, VA 22209	Footwear Industries of America	5,000.00	95.45
Ellen E. Eves, New Murphy Rd. and Concord Pike Wilmington, DE 19897	ICI Americas, Inc		
Robbie G. Exley, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Jane Fawcett-Hoover, 801 18th St., NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	63.34	
Frederick Fedeli, 1400 K St., NW Washington, DC 20005	American Psychiatric Assn	2,013.00	983.50
Federal Company, 1755D Lynnfield Road, #149 Memphis, TN 38119			
Federal Express Corp, 2990 Airways #404 Memphis, TN 38116			10,950.00
Federal Judges Association, 1355 Market Street, #155 San Francisco, CA 94103		13,600.00	12,444.15
Federal Kemper Life Assurance Co, Kemper Bldg. D-3 Long Grove, IL 60049			80.63
George F. Fenton Jr., 1920 N Street, NW Washington, DC 20036	American Mining Congress	90.00	
Jack Ferguson Associates, Inc, 203 Maryland Ave., NE Washington, DC 20002	Dillingham Construction Group	16,593.75	1,813.28
Do	Foss Maritime Co	1,287.50	773.52
Do	Midland Capital Corp		
Do	Northwest Alaska Natural Gas Pipeline Co	6,250.00	883.78
Do	Joseph E. Seagram & Sons, Inc		
Do	U.S. Borax & Chemical Corp	9,375.00	958.13
Do	We All Need H-3 Committee	4,000.00	956.40
Do	Western Forest Industries Assn	2,750.00	
Manuel D. Fierro, 1901 N. Fort Myer Dr., #202 Rosslyn, VA 22209	Fond Du Lac Reservation		
Do	Great Lakes Indian Fish & Wildlife Commission		
Fine & Ambrogne, Exchange Place Boston, MA 02109	Smith College		
Finley Kumble Wagner Heine Underberg Manley Myerson & Casey, 1120 Connecticut Ave., NW, #465 Washington, DC 20036	American College of Neuropsychopharmacology	1,000.00	30.00
Do	American Protestant Health Assn	15,000.00	200.00
Do	Committee on Problems of Drug Dependence, Inc	333.00	30.00
Do	National Assn of Alcoholism Treatment Programs, Inc	2,000.00	100.00
Do	Puerto Rico Department of Health	7,500.00	
Stephen A. Finn, P.O. Box 520783 - General Mail Facility Miami, FL 33152	Burger King Corp		
Madeline Fishel, 1400 Eye Street, NW Washington, DC 20005	Wilderness Society	2,353.32	90.64
Barry Flamm, 1400 Eye Street, NW Washington, DC 20005	Wilderness Society	433.33	30.20
Florida Business Associates, 1575 Eye Street, NW, #530 Washington, DC 20005	ETA Systems, Inc	5,300.00	
Ruth Flower, 245 Second St., NE. Washington, DC 20002	Friends Committee on National Legislation	4,367.49	
Delores A. Flowers, 517 C Street, NE Washington, DC 20002	Lyng and Lesher, Inc		
John J. Flynn, 1125 17th Street, NW Washington, DC 20036	International Union of Operating Engineers	7,500.00	255.00
David H. Foerster, 1201 16th St., NW Washington, DC 20036	National Education Assn		
Foley & Lardner, 1775 Pennsylvania Ave., NW Washington, DC 20006	Phosphate Rock Export Association	145.50	15.65
Footwear Retailers of America, 1319 F St., NW, #700 Washington, DC 20004			3,600.00
Foresight Science & Technology, Inc, 2000 P St., NW, #305 Washington, DC 20036	National Coalition for Science & Technology	675.00	1,329.99
Do	Society for American Archaeology	2,487.00	2,509.38
Marti Forman, 2400 E. Commercial Blvd., #500 Ft. Lauderdale, FL 33308	Ameriserv, Inc		1,096.66
Larry Forrester, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos		
Richard C. Fortuna, 2916 Stephenson Pl., NW Washington, DC 20015	Hazardous Waste Treatment Council	1,500.00	1,500.00
Alan Fox, 1424 16th Street, NW, #604 Washington, DC 20036	Consumer Federation of America	5,624.00	
Chuck Fox, 218 D Street, SE Washington, DC 20003	Environmental Policy Institute	24.78	
David E. Franasiak, 1001 22nd Street, #600 Washington, DC 20037	Standard Oil Co (Ohio)		
Peter M. Frank, 1667 K St., NW, #250 Washington, DC 20006	Kerr-McGee Corp	2,500.00	1,454.48
George Franklin, 1 Kellogg Square Battle Creek, MI 49016-3599	Kellogg Company	3,000.00	325.00
Charles L. Frazier, 475 L'enfant Plaza, SW, #2250 Washington, DC 20024	National Farmers Organization	5,250.00	3,623.51
Gregory W. Frazier, P.O. Box 427 Englewood, CO 80151	International Energy Brokers, Inc		
Lewis R. Freeman Jr., 1025 Connecticut Ave., NW, #409 Washington, DC 20036	Society of the Plastics Industry, Inc		
Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Indian National Bank		
Do	Assiniboine Tribe		
Do	Doyon, Limited		
Do	Klamath Tribe		
Do	Miccosukee Tribe of Indians of Florida		
Do	Nez Perce Tribe		11.95
Do	Pueblo of Laguna		
Do	Seneca Nation of Indians		
Gay H. Friedmann, 1150 Connecticut Ave., NW, #717 Washington, DC 20036	Southern California Gas Co	9,000.00	298.58
Friends of the Columbia Gorge, 519 SW Third, #810 Portland, OR 97204		403.03	7,328.81
Friends Committee on National Legislation, 245 2nd St., NE Washington, DC 20002			26,724.88
Charles H. Fritts, 1111 14th St., NW, #900 Washington, DC 20005	National Apartment Assn	10,125.00	175.99
Curtis B. Gans, 421 New Jersey Avenue, SE Washington, DC 20003	Committee for the Study of the American Electorate		
Nicole Gara, 1117 North 19th Street, NW, #300 Arlington, VA 22209	American Academy of Physician Assistants		
Frank T. Gasper, 8104 River Falls Drive Potomac, MD 20854	Moog, Inc		
Fred Gebler, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	Electronic Data Systems Corp		
Garry Geffert, 2001 S Street, NW, #312 Washington, DC 20009	Farmworker Justice Fund, Inc	1,827.67	62.91
Margaret L. Gehres, 1615 L Street, NW, #1350 Washington, DC 20036	Business Roundtable	1,350.00	5.00
Fred Gehringer, P.O. Box 1002 Chino, CA 91710			
Ronald L. Geigle, 1030 15th Street, NW, #1100 Washington, DC 20005	Health Industry Manufacturers Assn		
Fred J. Gentile, 195 Montague Street Brooklyn, NY 11201	Brooklyn Union Gas Co		
Geothermal Resources Assn, P.O. Box 598 Davis, CA 95617-0598			
Gerard Byler & Associates, Inc, 1100 17th Street, NW, #1000 Washington, DC 20036	Blackfeet Tribal Council		
Do	Colville Business Council	976.00	
Do	Commissioned Officers Assn of the U.S. Public Health Service	150.00	
Do	Leech Lake Reservation Business Committee	274.00	
Do	Minnesota Chippewa Tribe	176.00	
Do	Papago Tribe of Arizona	2,581.00	
Do	Quechan Indian Tribe		
Do	San Carlos Apache Tribe	1,630.00	
Do	Tulalip Tribes	1,540.00	
Do	White Earth Tribal Council	421.00	
Dorothy F. Gevinson, 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	50.00	
William C. Gibb, 1050 Thomas Jefferson St., NW, 6th Fl Washington, DC 20007			
Gibson Dunn & Crutcher, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	CalFed, Inc	9,575.00	3,008.85
Do	Citizens & Southern Georgia Corp		
Do	Merrill Lynch Bank & Trust Co	5,592.50	967.36
Do	Prudential Bank & Trust Co	5,167.50	1,030.62
Do	Washington Mutual Savings Bank	4,660.00	826.58
Sue Gift, 2550 M Street, NW, #275 Washington, DC 20037	Camp Carmouche Barsh Hunter Gray Hoffman & Gill, P.C.		
Richard Gilbert, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,222.00	
Maureen Gilman, 1730 K Street, NW, #1100 Washington, DC 20006	National Treasury Employees Union	10,000.00	305.02
James T. Glenn, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004	CSX Corporation		
Horace D. Godfrey, 918 16th St., NW, #701 Washington, DC 20006	Godfrey Associates, Inc		
Godfrey Assoc, Inc, 918 16th St., NW, #701 Washington, DC 20006			
Donna Gold, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Patricia R. Goldman, 444 North Capitol Street, NW Washington, DC 20001	American Hospital Assn	3,733.24	228.24
Linda F. Golodner, 815 15th Street, NW, #516 Washington, DC 20005	National Consumers League		
Helen C. Gonzales, 236 Massachusetts Ave., NE, #504 Washington, DC 20002	National Consumer Law Center	353.76	
Charles E. Goodell, 1818 N Street, NW Washington, DC 20036	DGA International, Inc (for Sofreavia)		
Do	DGA International, Inc (for SNECMA)		
Do	Thomson-CSF		
William Gordon, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	2,000.00	193.68
Ann M. Gosier, 1920 N St., NW Washington, DC 20036	American Mining Congress	15.00	4.50
Peter Gossens, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	7,858.00	296.00
George B. Gould III, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	13,029.69	2,816.37
John K. Gram, 610 S.w. Broadway, #608 Portland, OR 97205	Public Timber Purchasers Group	1,781.25	473.00
Grange Mutual Casualty Co, 650 South Front Street Columbus, OH 43206			
Graphic Communications International Union, AFL-CIO, CLC, 1900 L Street, NW Washington, DC 20036		83,836.00	107,719.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Ruth P. Graves, 600 Maryland Ave., SW, #500 Washington, DC 20024	Reading Is Fundamental, Inc	210.00	62.70
Thomas P. Graves, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	125.00	
James W. Green, 1201 16th St., NW Washington, DC 20036	National Education Assn		
Kaylene H. Green, 555 New Jersey Ave., NW, #880 Washington, DC 20001	Bath Iron Works Corp	300.00	115.37
Eldon V. C. Greenberg, Galloway & Greenberg 1835 K St., NW, #801 Washington, DC 20006	Southeastern Fisheries Assn, Inc	1,799.52	774.12
Ellen F. Greenberg, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	2,737.50	62.00
Phyllis Greenberger, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	2,013.00	1,604.07
Robert Greenstein, 236 Massachusetts Ave, NE, #305 Washington, DC 20002	Center on Budget & Policy Priorities	642.51	56.00
John M. Greer, 1900 L Street, NW Washington, DC 20036	Graphic Communications International Union, AFL-CIO, CLC	83,836.00	107,719.00
Janice M. Gregory, 1726 M St., #1101 Washington, DC 20036	Erisa Industry Council	4,900.00	120.83
Randall Griffin, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	4,000.00	563.50
Tom W. Griffith, 1448 Duke St., #100 Alexandria, VA 22314	National Rural Letter Carriers Assn	13,046.00	
Jerome Grossman, 20 Park Plaza Boston, MA 02116	Council for a Livable World	4,167.18	
Gun Owners of America, Inc, 5881 Leesburg Pike, #204 Falls Church, VA 22041		244,987.03	262,742.46
John E. Gunther, 1615 L Street, NW, #1230 Washington, DC 20036	Mortgage Insurance Companies of America		
Leland M. Gustafson, 1726 M St., NW, 1100 Washington, DC 20036	Pacific Gas & Electric Co	3,477.00	2,467.56
Ned H. Guthrie, 209 Hayes Avenue Charleston, WV 25314	American Fed of Musicians	3,087.00	5,377.98
Richard E. Gutting Jr., 2000 M St., NW, #580 Washington, DC 20036	National Fisheries Institute	6,000.00	72.47
GA Assn of Petroleum Retailers, Inc, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083			
GFE, Ltd, 1701 K Street, NW, #705 Washington, DC 20006	Consejo Empresarial Mexicano Para Asuntos Internacionales	929.18	7,631.50
Glenn M. Hackbarth, 314 G Humphrey Bldg #200 Independence Ave., SW Washington, DC 20201	Bonneville Associates, Inc (For:Intermountain Health Care, Inc)		
Kenneth C.O. Hagerty, 1612 K Street, NW, #1100 Washington, DC 20006	American Electronics Assn	2,000.00	100.00
Hale and Dorr, 1455 Pennsylvania Avenue, NW Washington, DC 20004	Avondale Industries, Inc		15.79
Hale Foundation, 422 First Street, SE, #208 Washington, DC 20003		28,252.00	11,213.26
Cheryl A. Haley, 444 North Capitol St., NW, #500 Washington, DC 20001	American Hospital Assn	1,847.52	310.84
John F. Hall, 1945 Old Gallows Road, #405 Vienna, VA 22180	American Wood Preservers Institute		
Jerald V. Halvorsen, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	15,000.00	1,130.35
Martin Hamburger, 100 Maryland Ave., NE Washington, DC 20002	Peace Political Action Committee	2,964.03	
Hamel & Park, 888 16th Street, NW Washington, DC 20006	Puerto Rico League of Savings Institutions		
Stanley Hamilton, 2200 Mill Rd., Alexandria, VA 22314	Interstate Carriers Conference	500.00	150.00
Nolan W. Hancock, 1126 16th St., NW Washington, DC 20036	Oil Chemical & Atomic Workers International Union	5,549.00	
James M. Hanley, 300 Metropolitan Square 655 15th Street, NW Washington, DC 20005	Alliance of Non-Profit Mailers	7,500.00	100.00
Hannaford Co, Inc, 655 15th St., NW, #200 Washington, DC 20005	Ocean Shipholdings, Inc	1,666.66	490.81
Do	Producer's Gas Co	750.00	13.22
Do	Royal Embassy of Saudi Arabia	9,000.00	12,168.44
Do	Triple A Shipyards		
Frederick J. Hannett, 655 15th Street, NW 300 Metropolitan Square Washington, DC 20005	American Medical International		
Christopher W. Hansen, 1700 N. Moore Street Rosslyn, VA 22209	Boeing Co	1,342.21	431.62
James W. Harff, 1818 N Street, NW, #350 Washington, DC 20036	Susan Davis International (For:Turkish Republic of Northern Cyprus)	5,175.00	80.88
Wiley C. Harrell Jr., 1211 Connecticut Ave., NW, #502 Washington, DC 20036	Anheuser-Busch Companies, Inc		350.00
J. William W. Harsch, 6th Floor 1722 Eye Street, NW Washington, DC 20006	Solv-Ex Corporation	10,715.21	1,302.71
Lewis B. Hastings, 1776 K St., NW, #300 Washington, DC 20006	Motorola, Inc	3,000.00	
Charles L. Hebner, New Murphy Road & Concord Pike Wilmington, DE 19897	ICI Americas, Inc		
Bill Hecht, 499 South Capitol Street, SE, #501 Washington, DC 20003	Brown & Williamson Tobacco Corp	2,500.00	
Do	Bill Hecht & Associates, Inc	7,500.00	
Do	Los Angeles Raiders	500.00	
Do	Southern California Rapid Transit District	2,000.00	
Bill Hecht and Associates, Inc, 499 South Capitol Street, SE, #507 Washington, DC 20003	American Gas Assn	500.00	
Do	American Security Council	500.00	
Do	Church Alliance	1,500.00	
Do	Crowley Maritime Corp	1,000.00	
Do	CSX Corporation	2,000.00	
Do	Footwear Retailers of America	1,500.00	
Do	Government of the Republic of Panama	2,000.00	
Do	Hong Kong Trade Development Council	1,500.00	
Do	Irvine Company	2,000.00	
Do	Traweek Investment Co, Inc	2,000.00	
Do	Western Growers Association	2,000.00	
Edward D. Heffernan, 1513 16th St., NW, 4th Fl. Washington, DC 20036	Camp Carmouche Barsh Hunter Gray Hoffman & Gill, P.C.	1,000.00	
Do	CSX Corporation	1,875.00	107.58
Do	Ductile Iron Pipe Research Assn		
Do	Harza Engineering Co	300.00	
Helicopter Assn International, 1619 Duke Street Alexandria, VA 22314			23,951.00
Suzanne C. Helmick, One Nationwide Plaza Columbus, OH 43216	Nationwide Insurance Co	600.00	412.00
Craig R. Helsing, 499 S. Capitol St., SW, #507 Washington, DC 20005	Bill Hecht & Associates, Inc	1,000.00	
Donald E. Henderson, 130 E. Washington Street Indianapolis, IN 46204	Indiana Farm Bureau, Inc	6,500.00	1,946.00
Richard Dean Henderson, 2022 P Street, NW Washington, DC 20036	Private Truck Council of America, Inc		40.00
Mary Lyn Herdt, 1001 22nd Street, NW Washington, DC 20037	Standard Oil Co (Ohio)	25.00	10.00
Stephen Herm, 2020 K St., NW, #200 Washington, DC 20006	National Fed of Federal Employees		
Lawrence R. Herman, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc		
Herrick & Smith, 100 Federal Street Boston, MA 02110	Smith College		
William G. Herrold, 1111 19th St., NW, #608 Washington, DC 20036	Institute of Electrical & Electronics Engineers		
Edward Hidalgo, 1828 L St., NW, #1111 Washington, DC 20036	Norfolk Southern Corp		
David M. Higgins, 333 South Grand Ave., #3930 Los Angeles, CA 90071	Structured Settlements Trade Assn		
Vern F. Highley, 1735 I Street, NW, #716 Washington, DC 20006		6,000.00	250.00
William H. Highsmith Jr., 1620 Eye Street, NW Washington, DC 20006	Tonya, Inc (For:City of Philadelphia, PA, et al.)	6,000.00	
Sharon L. Hildebrandt, 444 N. Capitol Street, NW Washington, DC 20001	American Hospital Assn		
John L. Hills, Rt. 1, Box 645 Purcellville, VA 22132	Sundstrand Corporation	1,983.30	
Maureen K. Hinkle, 645 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society	3,587.49	803.97
J. D. Hittle, 3137 S. 14th St. Arlington, VA 22204	KMS Industries, Inc	1,500.00	
Do	LTV Aero-Space & Defense Co	2,500.00	180.45
Sheila K. Hixson, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	1,577.07
Lawrence S. Hobart, 2301 M St., NW, #300 Washington, DC 20037	American Public Power Assn	1,000.00	
Hogan & Hartson, 815 Connecticut Ave., NW Washington, DC 20006	Home Health Services & Staffing Assn	120.00	
Do	Mercedes-Benz of North America, Inc	2,412.50	
William J. Holayter, 1300 Connecticut Avenue, NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	7,882.13	
Diane S. Holmes, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	337.50	41.38
Moses D. Holmes Jr., 1201 16th St., NW Washington, DC 20036	National Education Assn	2,808.00	162.50
John Holton, 2550 M Street, NW, #275 Washington, DC 20037	Camp Carmouche Barsh Hunter Gray Hoffman & Gill, P.C.		
Lois Holwerda-Hoyt, 600 Maryland Avenue, SW, #770 Washington, DC 20024	American Academy of Family Physicians	1,937.50	195.42
Harry J. Horrocks II, 40 Ivy Street, SE Washington, DC 20003	National Lumber & Building Material Dealers Assn	10,500.00	
Sanford D. Horwitt, 5935 N. 5th Road Arlington, VA 22203	Committee for Humane Legislation, Inc		
Hospital Association of New York State, 74 N. Pearl St. Albany, NY 12207		5,886.00	5,886.00
Thomas B. House, 1700 Old Meadow Rd. Mclean, VA 22102	American Frozen Food Institute	1,000.00	
Jack W. Houston, 900 N. Hairston Road, Suite D Stone Mountain, GA 30083	GA Assn of Petroleum Retailers, Inc		
Allynn Howe, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	8,769.39	
Karl T. Hoyle, 1730 Rhode Island Ave., NW, #810 Washington, DC 20036	Credit Union National Assn, Inc	300.00	252.50
Betty Hudson, 1627 K Street, NW, #200 Washington, DC 20006	Fluor Corporation	15,000.00	596.56
Tony R. Huerta, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	7,788.43	
Steven D. Huff, 111 East Wisconsin Avenue, #1800 Milwaukee, WI 53202	National Employee Benefits Institute		
Richard H. Hughes, P.O. Box 880 Valley Forge, PA 19482	Avtex Fibers, Inc		
Gregory A. Humphrey, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers	17,791.69	60.00
Peter C. Hunt, 195 Montague St. Brooklyn, NY 11201	Brooklyn Union Gas Co		
Richard M. Hunt, 1800 K St., NW, #622 Washington, DC 20006	NL Industries, Inc	4,775.00	
Hunton & Williams, P.O. Box 1535 Richmond, VA 23212	American Insurance Assn	543.75	175.80
Do	Edison Electric Institute	25,257.00	526.04
Gerard F. Hurley, 1625 I St., NW, #609 Washington, DC 20006	National Club Association		
Dewey M. Hutchins, 1919 Pennsylvania Ave., NW, #705 Washington, DC 20006	Eastman Kodak Co	500.00	204.00
Floyd H. Hyde Associates, 815 15th St., NW, #709 Washington, DC 20005	Alameda, California	1,098.35	3,299.28
Do	Clark County, Nevada	1,495.20	1,988.85
Do	Fresno City, California	990.13	3,197.51
Do	Fresno County, California	1,200.00	1,859.88
Do	Gary, Indiana	441.02	2,536.85

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Patterson, New Jersey		
Do	San Bernardino, California	1,261.55	2,320.19
Do	San Leandro, California	915.71	3,466.30
Ronald K. Ikejiri, 1000 Potomac Street, NW, #401 Washington, DC 20007	Francis McGinnis & Rees		
Andrea L. Innes, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	5,562.00	551.62
Institute of Foreign Bankers, Suite 303 East, Rm. 23 200 Park Ave. New York, NY 10017		1,300.00	1,300.00
International Assn of Bridge Struct & Ornamental Iron Wkrs, 1750 New York Ave., NW Washington, DC 20006			10,800.00
International Assn of Machinists & Aerospace Workers, 1300 Connecticut Ave., NW Washington, DC 20036			29,061.27
International Business & Economic Research Corp, 2121 K St., NW, #700 Washington, DC 20008	American Assn of Exporters & Importers/Textile & Apparel Grp		
Do	Trade Industry & Customs Dept, Gov't of Hong Kong		
International Union of Operating Engineers, 1125 17th St., NW Washington, DC 20036		22,500.00	1,430.00
Interstate Carriers Conference, 1616 P Street, NW Washington, DC 20036		500.00	150.00
Investment Counsel Assn of America, Inc, 20 Exchange Place New York, NY 10005			379.35
Charles C. Irions, 2200 Mill Rd. Alexandria, VA 22314	American Movers Conference	1,454.00	
John Isaacs, 100 Maryland Ave., NE Washington, DC 20002	Council for a Livable World	7,697.48	
Marilyn J. Ittner, 1001 22nd Street, NW Washington, DC 20037	Standard Oil Co (Ohio)		
Ivins Phillips & Barker, Chtd, 1700 Pennsylvania Avenue, NW Washington, DC 20006	American Textile Manufacturers Institute, Inc		
Do	Aramco Services Co		
Do	Employee Relocation Council		
Do	Pechiney Corporation		
Do	Rochester Tax Council		
Timothy P. James, 1125 17th Street, NW Washington, DC 20036	International Union of Operating Engineers	6,500.00	260.00
Joseph A. Jeffrey, 1920 N St., NW, #300 Washington, DC 20036	American Mining Congress	400.00	
Philip F. Jehle, 1150 Connecticut Ave., NW, #310 Washington, DC 20036	SmithKline Beckman Corp		
Jellinek Schwartz Connolly & Freshman, Inc, 1350 New York Avenue, NW, #400 Washington, DC 20005	Adolph Coors Co	58,487.75	986.60
Do	ASARCO, Inc	48,848.00	1,297.84
Do	California Assn of Sanitation Agencies	2,101.00	119.81
Do	County Sanitation Districts of Orange County	2,219.50	181.82
Do	East Bay Municipal Utility District	2,709.35	208.31
Do	IBM Corp	724.00	25.75
Do	Las Virgenes Municipal Water District		
Do	Los Angeles County Sanitation District	3,147.50	369.19
Kempton B. Jenkins, 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	400.00	462.54
Jenner & Block, 21 Dupont Circle, NW Washington, DC 20036	Adhesive & Sealant Council, Inc		
Do	American Assn of Electromyography & Electrodiagonosts		
Do	American Assn of Nurse Anesthetists		
Do	American Dental Assistants Assn		
Do	American Dental Trade Assn		
Do	American Film Marketing Assn		
Do	American Soc for Cataract & Refractive Surgery		
Do	American Soc of Assn Executives		
Do	Association of Operating Room Nurses		
Do	Auto Glass Industry Comm		
Do	Cable TV Admin & Marketing Society, Inc		
Do	Citicorp Capital Investors, Ltd	2,840.00	77.66
Do	Dental Gold Institute		
Do	International Soc for Hybrid Microelectronics		
Do	Metropolitan Transit Authority	1,169.37	160.16
Do	National Glass Association		
Do	San Francisco Public Utilities Commission	1,963.76	22.33
Do	Walker Urquhart & Co		
Jennings Strouss & Salmon, 111 West Monroe Phoenix, AZ 85003	Shamrock Foods Co		
Ronald P. Johnsen, 1250 Eye St., NW, #703 Washington, DC 20005	Columbia Gas System Service Corp	175.00	686.67
Beth Johnson, 6220 Gaston Avenue, #609 Dallas, TX 75214	Sierra Club	5,272.50	2,503.73
Bruce Johnson, Law Offices of Bruce Johnson 1718 Connecticut Ave., NW, #310 Washington, DC 20009	Columbia Savings & Loan Assn	1,196.58	550.00
Do	First Boston Corp		5,998.52
Do	FAIC Securities, Inc	9,000.00	546.00
Do	Kidder Peabody & Co, Inc	3,750.00	700.00
Do	Morgan Stanley & Co, Inc	15,000.00	1,245.49
James E. Johnson, 11510 Georgia Avenue, #115 Wheaton, MD 20902	James E. Johnson & Associates, Inc		
Barbara W. Johnston, 1150 Connecticut Ave. NW #710 Washington, DC 20036	Utah International, Inc		
Joint Maritime Congress, 444 N. Capitol St. Washington, DC 20001		29,246.23	29,246.23
Allan R. Jones, 2200 Mill Rd. Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	580.95
Anthony L. Jones, 1620 Eye Street, NW Wahsington, DC 20006	Tonya, Inc (For:City of Philadelphia, PA, et al.)	10,000.00	
Beverly E. Jones, Wickwire Gavin & Gibbs, P.C. 1133 21st Street, NW, #500 Washington, DC 20036	National Hydropower Assn		
Roy C. Jones, 717 2nd St., NW, #300 Washington, DC 20002	Moral Majority, Inc	9,000.00	
Jones & Winburn, 50 E Street, SE Washington, DC 20003	American Assn of Equipment Lessors	6,000.00	852.10
Do	American Automotive Leasing Assn, Inc	1,300.00	208.01
Do	Burlington Northern, Inc	2,000.00	417.32
Do	California Hospital Association	5,000.00	189.00
Do	Chancellor Corporation		154.01
Do	City of Baton Rouge		1,189.06
Do	E&J Gallo Winery		
Do	Hartford Fire Insurance Group	1,500.00	269.08
Do	McDonnell Douglas Corp	2,000.00	447.81
Do	National Assn of ASCS County Office Employees (NASCOE)	833.33	227.71
Do	R.J. Reynolds Tobacco Co	3,000.00	70.68
Do	United Companies Life Insurance Companies	1,600.00	960.93
Robert E. Juliano, 1099 22nd Street, NW, #404 Washington, DC 20037	American Express Co	10,000.00	
Do	Hotel & Restaurant Employees & Bartenders Intl Union	21,250.02	2,764.70
Do	International Speedway Corp	7,500.00	
Robert E. Juliano Associates, 2555 M Street, NW Washington, DC 20037	Aetna Life & Casualty Insurance Co	10,000.00	
Do	National Academies of Practice	2,500.00	
H. Richard Kahler, 100 N.E. Adams Street Peoria, IL 61629	Caterpillar Tractor Co		
James A. Kaitz, 1101 16th Street, NW Washington, DC 20036	Scientific Apparatus Makers Assn	1,100.00	226.47
Dennis R. Kanin, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Leading Edge Products, Inc		
Do	Mutual Savings Central Fund, Inc		
Eric H. Karp, 45 Bromfield Street Boston, MA 02108	Edward Blankstein, Inc	2,565.00	121.00
Patricia L. Katson, 300 Independence Ave., SE Washington, DC 20003	Liberty Lobby, Inc	5,500.00	
Kaye Scholer Fierman Hays & Handler, 1575 I Street, NW, #1150 Washington, DC 20005	American Psychoanalytic Assn		
Keck Mahin & Cate, 1730 Pennsylvania Avenue, NW, #350 Washington, DC 20006	Schwinn Bicycle Co	1,051.25	
David A. Keene, 919 Prince Street Alexandria, VA 22314	National Tax Limitation Committee	4,500.00	
Keiki Kehoe, 218 D St., SE Washington, DC 20003	Environmental Policy Institute	517.60	
William D. Kelleher, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,500.00	
Paul J. Kelley, 2727 North Central Ave. Phoenix, AZ 85004	U-Haul Intl, Inc		
Ty Kelley, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	1,500.00	
Carol A. Kelly, 1285 Avenue of the Americas New York, NY 10019	Equitable Life Assurance Society of the U.S.	450.00	10.00
Deborah Marquis Kelly, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	2,500.00	58.00
James J. Kelly, P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	3,000.00	
Kemper Financial Services, Inc, 120 South Lasalle Street Chicago, IL 60603			150.22
Kemper Investors Life Insurance Co, 120 South Lasalle Street Chicago, IL 60603			30.92
Frances Ann Kenkel, 1331 Pennsylvania Ave., NW, #719 Washington, DC 20004	Association of Private Pension & Welfare Plans, Inc		
Robert P. Kennel, 3013 Leefield Drive Herndon, VA 22071	National Wood Energy Assn, Inc		
Do	Ultrasystems, Inc		
Vytautas Kerbelis, P.O. Box 44 Sea Harbor, ME 04675	ARAS		
T. Michael Kerr, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	11,355.78	252.12
Gene Kimmelman, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	7,523.00	
Aubrey C. King, 1625 Eye Street, NW, #609 Washington, DC 20006	National Club Association		
Ruby King-Williams, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Roger P. Kingsley, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Peter C. Kirby, 1400 Eye St., NW Washington, DC 20005	Wilderness Society		
Kirkpatrick & Lockhart, 1900 M St., NW, #800 Washington, DC 20036	Columbia Pictures Industries, Inc	1,351.00	
Do	Grocery Manufacturers of America, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	H. K. Porter Company, Inc		
Do	Search Group, Inc	4,592.90	
Do	Wolverine World Wide, Inc		
William J. Kissick, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Algoma Steel Corp, Ltd	90.00	169.31
Glenn Knapp, 773 Dartmouth Ave. San Carlos, CA 94070			
John A. Knebel, 1920 N Street, NW, #300 Washington, DC 20036	American Mining Congress	1,800.00	30.00
Peter E. Knight, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	8,000.00	496.47
Keith R. Knoblock, 1920 N St., NW Washington, DC 20036	American Mining Congress	40.00	
C. Neal Knox, Neal Knox Associates Box 6537 Silver Spring, MD 20906		3,000.00	500.00
Darrell Knuffke, 1400 Eye Street, NW Washington, DC 20005	Wilderness Society	257.24	602.44
Thomas G. Kobus, 1112 16th St., NW, #2000 Washington, DC 20036	National Parking Association	30,754.23	
Bradley R. Koch, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	142.97	
Paul E. Kohl, 440 West 23 Street New York, NY 10011	18th Cong Dist for Pro-Life Activities		
Kojm Asssociates, 2906 S. Grant Street Arlington, VA 22202	Technicum Int'l Corp and Pacific-Sierra Research Corp		
Paul A. Korody Jr., 888 17th Street, NW, #300 Washington, DC 20006	ConAgra, Inc	730.00	
Lawrence E. Kreider, 1015 18th St., NW Washington, DC 20036	Conference of State Bank Supervisors		
Philip Kugler, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers		
Jerome Kurtz, 1615 L Street, NW, #1300 Washington, DC 20037	Paul Weiss Rifkin... (for Howard Hughes Medical Institute)		
Kutak Rock & Campbell, 1101 Connecticut Avenue, NW Washington, DC 20036	Financial Security Assurance Co	786.46	1,391.88
Do	Municipal Bond Insurance Assn		392.98
Laborers' Intl Union of North America, AFL-CIO, 905 16th St., NW Washington, DC 20006			29,576.04
Bruce C. Ladd Jr., 1776 K Street, NW Washington, DC 20006	Motorola, Inc	16,500.00	91.00
David P. Lambert, 1800 K St., NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
David R. Lambert, 1030 15th St., NW, #964 Washington, DC 20005	American Seed Trade Assn	6,000.00	
Moon Landrieu, 717 Girod Street New Orleans, LA 70130	Mainstreets Coalition		
Lane & Edson, P.C., 2300 M Street, NW Washington, DC 20036	National Assn of Energy Service Cos		
Do	National Leased Housing Assn	900.00	
Lane & Mittendorf, 1750 K Street, NW, #1200 Washington, DC 20006	Equity Programs Investment Corp		
Do	Floating Point Systems, Inc	3,040.00	
Do	Independent Producers Group	19,755.57	695.36
Do	Nike, Inc	3,796.25	
Reed E. Larson, 8001 Braddock Road, #600 Springfield, VA 22160	National Right to Work Committee		
Warren Lasko, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America		
Latham Watkins & Hills, 1333 New Hampshire Ave., NW, #1200 Washington, DC 20036	Wilshire Terrace Cooperative Housing Corp	456.25	9.32
Kathryn M. Lavriha, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	8,250.00	67.65
George H. Lawrence, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	3,000.00	
Sally Ann LaHue, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	2,000.00	224.22
League of American Investors, 32123 Lindero Canyon Road Westlake Village, CA 91361			
Lechner & Butsavage, P.C., 1819 H ST., NW, #1125 Washington, DC 20006	National Assn of Police Organizations		
Gerard Lavery Lederer, 1620 Eye Street, NW Washington, DC 20006	Tonya, Inc (For:City of Philadelphia, PA and City of Birmingham, AL)	7,500.00	
Julie S. Lee, 444 North Capitol St., NW, #801 Washington, DC 20001	Joint Maritime Congress		
David A. Leff, 444 North Capitol Washington, DC 20001	Joint Maritime Congress	793.20	
Legislative Studies Institute, Inc, 2400 E. Commercial Blvd., #500 Fort Lauderdale, FL 33308	Ameriserv, Inc		
Mary Nell Lehnhard, 1709 New York Ave., NW Washington, DC 20006	Blue Cross & Blue Shield Assn	332.20	
Dale Lestina, 1201 16th St., NW Washington, DC 20036	National Education Assn	3,134.00	158.50
Raymond D. Lett, 201 James Thurber Court Falls Church, VA 22046	Marxman & Associates, Inc		
Morris J. Levin, 1050 17th St., NW Washington, DC 20036	Association of American Railroads	2,500.00	
Barbara W. Levine, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	634.50	
James F. Levy, 1010 Whaley Street Columbia, SC 29201	Vista, Inc		
Roger N. Levy, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc		
Stuart A. Lewis, 1919 Pennsylvania Ave., NW, #300 Washington, DC 20006	Manufacturers Hanover Corp	700.00	
Do	National Bank of Detroit	500.00	
Robert G. Liberatore, 1100 Connecticut Avenue, NW Washington, DC 20036	Chrysler Corporation	2,250.00	350.05
Terry L. Lierman, 1156 15th Street, NW, #1102 Washington, DC 20005	Albert and Diane Kaneb		
Lincoln Savings & Loan Assn, P.O. Box 19614 Irvine, CA 92714			12,989.59
Donald Lindsey, 8213 S. Richmond Chicago, IL 60652	Brotherhood of Locomotive Engineers		
Linton Mields Reisler & Cottone, 1015 18th St., NW, #200 Washington, DC 20036	Iowa Department of Transportation	4,196.00	24.53
Do	Lake Superior District Power Co	592.00	
Do	Madison Gas & Electric Co	1,383.00	
Do	Metropolitan Sanitary District of Greater Chicago	6,525.00	
Do	Michigan Dept of Transportation	4,095.00	
Do	Northern States Power Co	1,598.00	
Do	Oregon Department of Transportation	3,000.00	24.52
Do	State of Colorado, Dept of Highways	2,970.00	
Do	State of IL, Dept of Transportation	8,601.00	48.31
Do	State of IL, Dept of Transportation, Div of Water Resources	2,457.00	27.44
Do	Superior Water Light & Power Co	276.00	
Do	Wisconsin Electric Power Co	8,378.00	495.18
Do	Wisconsin Fuel and Light Co	247.00	
Do	Wisconsin Natural Gas Co	938.00	
Do	Wisconsin Power & Light Co	3,849.00	
Do	Wisconsin Public Service Corp	4,363.00	
Theodore M. Littman, 2230 E. Imperial Ave. El Segundo, CA 90245	Rockwell International Corp		
David A. Litvin, 1001 22nd St., NW, #600 Washington, DC 20037	Standard Oil Company (Ohio)	50.00	160.00
Robert W. Lively, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	115.00	
Karen Lockwood, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn	3,375.55	176.46
Law Ofcs of Sheldon London, 1725 DeSales St., NW, #401 Washington, DC 20036	American Hardware Manufacturers Assn		
William E. Long, One Nationwide Plaza Columbus, OH 43216	Nationwide Insurance Co	600.00	1,337.39
Sara L. Loveland, P.O. Box 65-761 Washington, DC 20035	S.O.S. - Small Business Jobs		
Charles M. Loveless, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	10,722.44	228.00
William F. Ludlam Sr., P.O. Box 5282 Virginia Beach, VA 23455	ARBA Licensees Assn		623.30
Luedtke & Demarest, 1920 N Street, NW, #400 Washington, DC 20036	Cenergy Exploration Co		
Do	Mitchell Energy & Development Corp		
Do	Murchison Oil & Gas, Inc		
Do	Pitts Energy Group	411.25	
Do	Southland Corporation		
Do	Texas Oil & Gas Corp		
Do	US Telecom, Inc		
Do	Wessely Energy Corp		
Lukens, Inc, 50 South First Avenue Coatesville, PA 19320			
Sylvester Lukis, 1155 15th Street, NW, #504 Washington, DC 20005	City of Miami	3,750.00	
Do	City of Miami Beach	2,500.00	
Do	Dade County, Florida	4,166.66	
Do	Ziff-Davis Technical Information Services Co	3,000.00	
Lumbermens Mutual Casualty Company, Long Grove, IL 60049			3,212.25
William T. Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	5,057.00	5,545.00
M.O.A./AIOA & Subs, Inc, 701 S. 22nd, #107 Omaha, NB 68102			
Sheila MacDonald, 3231 Beech Street, NW Washington, DC 20015	National Taxpayers Union	4,644.00	
Peter T. Madigan, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	833.33	222.65
Cliff Madison Government Relations, Inc, P.O. Box 3482 Granada Hills, CA 91344	Burbank-Glendale-Pasadena Airport Authority	2,500.00	
Do	City of Avalon	750.00	
Do	Mark Air, Inc	4,000.00	
Do	Patrick & Henderson, Inc		
Do	Southern California Rapid Transit District	2,500.00	
Linda J. Maher, 1140 Connecticut Ave., NW, #1006 Washington, DC 20036	Turner Broadcasting System, Inc	6,500.00	370.92
Mary Mahon, 380 Second Avenue New York, NY 10010		40.85	164.25
Michael C. Maibach, 3065 Bowers Avenue Santa Clara, CA 95051	Intel Corporation	12,000.00	2,216.79
Steven R. Maimon, P.O. Box 7579 Washington, DC 20044	Ibus Group, Ltd		
J. Wilson Malloy Jr., 1919 Pennsylvania Ave., NW Washington, DC 20006	Eastman Chemicals Division	900.00	95.00
Manatos & Manatos, Inc, 1750 New York Ave., NW, #210 Washington, DC 20006	Washington Coordinating Counicl on Productivity		
Peter T. Mangione, 1319 F Street, NW, #700 Washington, DC 20004	Footwear Retailers of America	600.00	
Frank Mankiewicz, The Power House 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:Government of the Cayman Islands)	150.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Lane Industries)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Gray & Co Public Communications Int'l, Inc (For:Republic of Turkey)	750.00	
Do	Gray & Co Public Communications Int'l, Inc (For:Title Insurance Industry Coalition)		
Richard J. Mannix, 195 Montague St. Brooklyn, NY 11201	Brooklyn Union Gas Co		
John V. Maraney, 324 East Capitol St., NE Washington, DC 20003	National Star Route Mail Contractors Assn		
Louis T. March Associates, Inc, 328 N. Royal Street Alexandria, VA 22314	Americans for Immigration Control, Inc	1,900.00	
Richard P. Markey, 729 15th St., NW Washington, DC 20005	Associated Builders & Contractors, Inc		
Howard Marlowe, 1667 K St., NW, #660 Washington, DC 20006	Graphic Communications International Union, AFL-CIO, CLC	6,550.00	6,655.50
Ronald L. Marsching, 41 East Hill Road Woodbury, CT 06798	Timex Group Ltd		
Robert L. Martin, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,500.00	
Stephen I. Martin, Hartford Plaza Hartford, CT 06115	Hartford Fire Insurance Co		
Merrill D. Marxman, 7937 Lake Pleasant Drive Springfield, VA 22153	Marxman & Associates, Inc		
Richard D. Mathias, 1660 L St., NW, #901 Washington, DC 20036	Pan American World Airways, Inc		
Peter K. Matt, Spiegel & McDiarmid 1350 New York Avenue, NW Washington, DC 20005-4798	Northern California Power Agency, et al		
Do	Sacramento Municipal Utility District		
Albert E. May, 1627 K Street, NW, 1200 Washington, DC 20006	Council of American-Flag Ship Operators	5,250.00	26.91
Arnold Mayer, 1775 K St., NW Washington, DC 20006	United Food & Commercial Workers International Union	19,615.38	355.01
Jeffrey G. Mays, 600 Maryland Ave., SW, #400e Washington, DC 20024	American Optometric Assn		
Richard G. McAlee, 233 East Redwood Street Baltimore, MD 21202	Gordon Feinblatt Rothman Hoffberger & Hollander (For:Sinai Hospital of Baltimore, Inc).		
Douglas E. McAllister, 1920 N St., NW Washington, DC 20036	American Mining Congress	45.00	7.10
McAllister & Jennings, 912 Kings Highway Shreveport, LA 71104	Kast Metals Corp		
John A. McCahill, 1250 Connecticut Ave, NW Washington, DC 20036	U.S. Olympic Committee		
Ross L. McCall, 11510 Georgia Avenue, #115 Wheaton, MD 20902	St. Ella Ltd, Inc		
Katherine S. McCarter, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	2,566.00	
John L. McConnell, 1800 K St., NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Margaret M. McCormick, 5017 Forbes Avenue Pittsburgh, PA 15213	Carnegie-Mellon University	4,416.39	390.50
Marianne McDermott, 1350 New York Avenue, NW, #615 Washington, DC 20005	Greeting Card Assn		
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006	American Dental Hygienists' Assn	12,000.00	
Do	Banks of Iowa		
Do	California Assn of Children's Hospitals	4,005.00	258.50
Do	Caterpillar Tractor Co		
Do	Federal Kemper Life Assurance Co		
Do	Federation of Japan Salmon Fisheries Cooperative Assn		
Do	Juvenile Diabetes Foundation, International	3,500.00	138.00
Do	Kemper Investors Life Insurance Co		
Do	Lumberman Mutual Co		
Do	Outpatient Opthalmic Surgery Society	1,795.00	
Do	Public Employees Retirement Assn of Colorado	466.25	25.00
Do	Regional Municipal Securities Assn	1,815.25	65.00
Do	Society for Office Based Surgery	385.00	
Do	Tuna Research Foundation, Inc		
Dinah D. McElfresh, 1255 23rd Street, NW, #850 Washington, DC 20037	Hauck & Associates (For:National Assn for Child Care Management)		
Rick McElheny, 3255 Grace Street, NW Washington, DC 20007	Gray & Co Public Communications Int'l, Inc (For:International Brotherhood of Teamsters).		
Michael McGehee, 1411 E. Abingdon Drive Alexandria, VA 22314	Research to Prevent Blindness, Inc	4,187.50	1,066.07
Christopher C. McGrath, New York State Petroleum Council 156 William St. New York, NY 10038	American Petroleum Institute		
Peter E. McGuire, 1219 28th Street, NW Washington, DC 20007	Hotel Employees & Restaurant Employees Int'l Union		
McHale Cook & Welch, P.C., 1100 Chamber of Commerce Building Indianapolis, IN 46204	Estate of Mabel R. Ladd		
Michael R. McLeod, Scott Harrison & Mcleod 2501 M St., NW Washington, DC 20037	American Assn of Crop Insurers	125.00	
Do	Chicago Board of Trade	6,150.00	
Do	United Egg Producers		
William F. McManus, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	475.00	
C. W. McMillan, 2021 K Street, NW, #306 Washington, DC 20006	McMillan & Farrell Associates, Inc	10,000.00	345.29
McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005	Hospital Corp of America	4,350.00	
John Edward McNally, 11417 Orleans Way Kensington, MD 20895			
Cynthia A. McNeill, 1217 Elm Street Denver, CO 80220	McNeill & Company		
McNeill & Company, 1217 Elm Street Denver, CO 80220			
Michael J. McShane, 1101 30th Street, NW, #500 Washington, DC 20007	National Computer Systems		
Francis X. Meaney, 1825 Eye Street, NW Washington, DC 20006	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Securities Industry Assn)	5,000.00	
Nanine Meiklejohn, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	6,913.38	39.00
Kenneth F. Melley, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
James T. Melville, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Algoma Steel Corp, Ltd	52.06	175.80
Howard A. Menell, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co		
Harold E. Mesirow, 21 Dupont Circle, NW Washington, DC 20036	Lillick Mchose & Charles (For:Foss Launch & Tug Company, et al.)		
Do	Western Pioneer, Inc		
Laurie J. Micciche, 3900 Wisconsin Avenue, NW Washington, DC 20016	Fannie Mae	9,561.53	1,164.54
Paul J. Mignini Sr., 815 16th Street, NW, #310 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	3,646.00	98.00
Sharon Mihnovets, 2809 S. Joyce St. Arlington, VA 22202			
Janice I. Milazzo, 1001 22nd Street, NW Washington, DC 20037	Standard Oil Co (Ohio)		
Fred Millar, 218 D St., SE Washington, DC 20003	Environmental Policy Institute	21.66	
Clinton R. Miller, 5001 Seminary Road, #1330 Alexandria, VA 22311	National Health Federation	1,000.00	3,300.00
Marye T. Miller, 2135 R St., NW Washington, DC 20008	Ray F. Bragg, Inc (For:American Independent Refiners Assn)	50.00	
Miller & Chevalier, Chtd, Metropolitan Square 655 15th Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	3,254.26	
Do	American Electronics Assn	2,000.00	26.17
Do	Coalition for the Advancement of Industrial Technology	4,375.25	68.65
Do	Computer & Business Equipment Manufacturers Assn	2,120.50	24.68
Do	Semiconductor Industry Assn	200.00	
Denny Miller Associates, Inc, 400 N. Capitol St., NW, #325 Washington, DC 20001	Boeing Company	3,000.00	
Do	Marine Engineers' Beneficial Assn	3,000.00	
Do	Port of Tacoma	1,125.00	
Do	Rockcor, Inc	2,520.00	
Do	State of Washington, Dept of Transportation	7,789.00	
Miller Hamilton Snider & Odom, 256 State St., P.O. Box 46 Mobile, AL 36601	Colonial Bancgroup, Inc		
Christine Topping Milliken, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	3,397.00	228.00
Richard V. Minck, 1850 K St., NW Washington, DC 20006	American Council of Life Insurance, Inc	1,500.00	
Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1025 Washington, DC 20006	Houghton Mifflin Company	833.15	
Michael J. Molony, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	60.00	
John C. Monsul, 923 Riva Ridge Drive Great Falls, VA 22066			
Nancy Jacks Montgomery, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
Walter K. Moore, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		523.48
Vincent L. Morelli, 555 New Jersey Ave., NW, #880 Washington, DC 20001	Congoleum Corporation	2,000.00	253.03
John Morgan, 1925 K St., NW Washington, DC 20006	Communications Workers of America		
Gerald D. Morris, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers	14,583.31	80.00
James Morrison, 21 Dupont Circle, NW, #401 Washington, DC 20036	Business Executives for National Security	1,934.00	50.00
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	Consolidated Freightways	755.00	
Michael L. Morton, 918 16th Street, NW, #701 Washington, DC 20006	Godfrey Associates, Inc		
Beth Moten, 1016 16th St., NW, Washington, DC 20036	National Fed of Federal Employees	7,853.92	
Mudge Rose Guthrie Alexander & Ferndon, 2121 K Street, NW, #700 Washington, DC 20037	American Assn of Exporters-Importers-Textile & Apparel Group	45.00	6.00
Do	Basin Electric Power Cooperative		
Do	Footwear Retailers of America		
Do	Government of Hong Kong	735.00	11.00
Do	Japan Lumber Importers Assn		
James S. Mulhern, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation	3,225.00	79.19
Richard J. Muller, 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	2,000.00	105.00
Multifamily Housing Association, 2550 M St., NW, #100 Washington, DC 20037			
Edward L. Murphy, 1313 L Street, NW, 2nd Floor Washington, DC 20005	National Assn of Government Employees	42.50	325.75
Jeanne Marie Murphy, 1730 Rhode Island Avenue, NW, #810 Washington, DC 20036	Credit Union National Assn, Inc	300.00	71.54
Keith Murphy, Kemp Klein Endelmen & Beer 1000 Thomas Jefferson St., NW, #600 Washington, DC 20007	M.A.N. Truck & Bus Corp		
Richard E. Murphy, 414 West Braddock Rd. Alexandria, VA 22302	Service Employees International Union, AFL-CIO		
Gordon L. Murray, 1911 Jefferson Davis Highway, #1002 Arlington, VA 22202	Lear Siegler, Inc/Energy Products Div	167.75	167.75
James E. Murray, One Farragut Square South Washington, DC 20006	Brown Wood Ivey Mitchell & Petty (For:National Assn of Small Business Investment Cos, et al.).		
Margaret R. Murray, 2501 M St., NW, #400 Washington, DC 20037	American Assn of Crop Insurers	270.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Chicago Board of Trade	3,720.00	
Do	National Rural Telecom Assn	705.00	
Do	United Egg Producers	450.00	
Rosemary Griffin Murray, 1660 L St., NW, #901 Washington, DC 20036	Pan American World Airways, Inc		
Sarah Muyskens, 1400 Eye St., NW Washington, DC 20005	Wilderness Society	995.30	
Karen J. Nardi, Three Embarcadero Center San Francisco, CA 94111	McCutchen Doyle Brown & Enersen (For:Castle & Cooke, Inc)		
Do	McCutchen Doyle Brown & Enersen (For:Rohr Industries, Inc)		
Diane M. Nash, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	6,600.00	
National Assn of Atomic Veterans, P.O. Box 409 Eldon, MO 65026			
National Assn of Chain Drug Stores, Inc, P.O. Box 1417-D49 Alexandria, VA 22313			9,848.82
National Assn of Energy Service Companies, 2330 M St., NW Washington, DC 20037			
National Assn of Home Builders of the U.S., 15th & M Sts., NW Washington, DC 20005		47,757.03	88,902.64
National Assn of Independent Colleges & Universities, 122 C St., NW, #705 Washington, DC 20001			72,105.00
National Assn of Letter Carriers, 100 Indiana Ave., NW Washington, DC 20001		5,146,522.47	562,542.36
National Assn of Margarine Manufacturers, 1625 I St., NW, #1024-A Washington, DC 20006			675.00
National Assn of Mutual Insurance Cos, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268			
National Assn of Realtors, 777 14th St., NW Washington, DC 20005			142,393.51
National Assn of Retired Federal Employees, 1533 New Hampshire Ave., NW Washington, DC 20036		3,625.00	3,845.00
National Assn of Truck Stop Operators, Inc, 1199 N. Fairfax Street, #801 Alexandria, VA 22314			
National Assn of Wheat Growers, 415 2nd St., NE, #300 Washington, DC 20002		1,130.00	11,060.00
National Automobile Dealers Assn, 8400 Westpark Drive Mclean, VA 22102			17,575.00
National Clean Air Coalition, Inc, 530 7th St., SE Washington, DC 20003		16,458.18	20,410.85
National Club Association, 1625 Eye St., NW, #609 Washington, DC 20006			
National Coal Assn, 1130 17th Street, NW Washington, DC 20036		1,668,174.30	16,251.97
National Coalition to Ban Handguns, 100 Maryland Ave., NE Washington, DC 20002			
National Comm for Citizens in Education, 10840 Little Patuxent Pkwy., #301 Columbia, MD 21044-3199			
National Community Action Foundation, Inc, 2100 M Street, NW, #604A Washington, DC 20037		60,081.63	53,613.00
National Consumers League, 815 15th Street, NW, #516 Washington, DC 20005			
National Council of Agricultural Employers, 499 S. Capitol St, SW #411 Washington, DC 20003		11,555.00	2,550.00
National Council of Savings Institutions, 1101 15th St., NW, #400 Washington, DC 20005		88,991.99	771.52
National Education Assn, 1201 16th St., NW Washington, DC 20036		77,754.45	77,754.45
National Employee Benefits Institute, 2550 M St., NW, #303 Washington, DC 20037		960.36	9,704.44
National Family Planning & Reproductive Health Assn, Inc, 122 C St., NW, #380 Washington, DC 20001		41,838.00	2,117.00
National Leased Housing Assn, 2300 M St., NW, #260 Washington, DC 20037		900.00	900.00
National Milk Producers Federation, 1840 Wilson Blvd. Arlington, VA 22201		12,575.89	12,575.89
National Multi Housing Council, 1250 Connecticut Ave., NW, #620 Washington, DC 20036			11,501.07
National Parking Association, 1112 16th St., NW Washington, DC 20036			44,161.95
National Realty Committee, 1250 Connecticut Ave., NW, #303 Washington, DC 20036		3,090.69	3,090.69
National Rifle Assn of America, 1600 Rhode Island Ave., NW Washington, DC 20036		101,439.16	232,185.94
National Rural Electric Cooperative Assn, 1800 Massachusetts Ave., NW Washington, DC 20036			3,215.32
National Rural Letter Carriers Assn, 1448 Duke St., #100 Alexandria, VA 22314		15,636.00	16,451.00
National Tax Policy Institute for the Public Interest, 933 President Street Brooklyn, NY 11215			
National Tour Assn, Inc, 546 E. Main Street Lexington, KY 40508		31,891.00	31,891.00
National Wood Energy Assn, Inc, 10382 Democracy Lane Fairfax, VA 22030		51,440.00	22,800.00
Michael W. Naylor, 1050 Connecticut Ave., NW, #800 Washington, DC 20036	Allied-Signal, Inc		
Mary Elizabeth Neese, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Savings Institutions	2,000.00	128.17
Laura C. Nehf, 1101 Connecticut Avenue, NW, #405 Washington, DC 20036	J. Samuel Choate, Jr., P.c. (For:Association of Progressive Rental Organizations)		
Neill Mullenholz & Shaw, 900 17th St., NW, #400 Washington, DC 20006	National Council Social Security Management Assns, Inc	2,000.00	500.00
Do	PHH Group, Inc		
Do	Senior Executives Assn	5,000.00	250.00
Mark D. Nelson, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20036	E. I. du Pont de Nemours & Co		
Frederick H. Nesbitt, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	9,026.86	1,857.85
Network, 806 Rhode Island Ave., NE Washington, DC 20018		24,604.53	28,360.48
William B. Newman Jr., P.O. Box 23451 Washington, DC 20024	Consolidated Rail Corporation	5,000.00	
Robert B. Nicholas, Blum Nash & Railsback 1133 15th Street, NW, #1100 Washington, DC 20005	Animal Health Institute	3,330.00	15.00
A. Allan Noe, 1828 L Street, NW, #710 Washington, DC 20036	Chesebrough-Pond's, Inc	1,500.00	783.73
Robert I. Nooter, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	5,750.01	18.95
David F. Norcross, 2201 State Highway 38 Cherry Hill, NJ 08002	American Maritime Officers Service	1,998.50	240.84
North American Telecommunications Assn, 2000 M St., NW, #550 Washington, DC 20036		18,180.00	18,180.00
James Norton, 1400 Eye St., NW Washington, DC 20005	Wilderness Society	2,340.56	1,279.90
Nossaman Guthner Knox & Elliott, 1140 19th St., NW, #600 Washington, DC 20036	California Student Loan Finance Corp	1,600.00	700.00
Michael Novelli, 3012 Cambridge Place, NW Washington, DC 20007	Pacific Potomac Services		
NL Industries, Inc, 1230 Avenue of The Americas New York, NY 10020			10,348.54
Hubert K. O'Bannon, P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	2,550.00	
Elizabeth O'Brien, 2550 M Street, NW, #275 Washington, DC 20037	Camp Carmouche Barsh Hunter Gray Hoffman & Gill, P.C.		
Rindy O'Brien, 1400 Eye Street, NW Washington, DC 20005	Wilderness Society	1,771.63	
Charles Albert O'Connor Jr., 2300 S. 24th Road, #533 Arlington, VA 22206			
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Family Life Assurance Co		
Do	American Trucking Assns, Inc		
Do	California Student Loan Finance Corp	2,289.47	
Do	Consolidated Rail Corporation	6,643.75	
Do	CNA Insurance	2,835.05	
Do	Distilled Spirits Council of the U.S., Inc		
Do	Eastern Michigan University	409.80	
Do	Joseph E. Seagram & Sons, Inc	1,804.05	
Grady O'Cummings III, 198 MacDougal Ct. Brooklyn, NY 11233			
Bartley M. O'Hara, 1919 Pennsylvania Ave., NW, #300 Washington, DC 20006	Grocery Manufacturers of America, Inc	2,218.75	110.94
Do	International Union of Bricklayers & Allied Craftsmen	6,000.00	30.00
Do	Norfolk Southern Corp	1,587.50	79.38
Kathleen O'Leary, 1250 Eye St., NW, #703 Washington, DC 20005	Columbia Gas Distribution Companies		
Law Offices of John O'Neal, P.C., 600 New Hampshire Avenue, NW, #626 Washington, DC 20037	National Rural Telecom Assn	2,712.50	
Donald K. O'Neill, 1000 Wilson Blvd., #2600 Arlington, VA 22209	TRW, Inc		
M. Diane O'Toole, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp		
Kim M. Oboz, 1020 19th Street, NW, #700 Washington, DC 20036	U S West, Inc	2,300.00	1,905.04
Thomas J. Oden, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation	4,062.48	199.22
Marion Browne Oglesby Jr., 499 South Capitol Street, SW, #507 Washington, DC 20003	Bill Hecht & Associates, Inc	4,000.00	
Michael D. Oldak, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	99.00	
Philip C. Onstad, 500 West Putnam Avenue Greenwich, CT 06832	Control Data Corporation	200.00	
Orrick Herrington & Sutcliffe, 555 Capitol Mall, #1200 Sacramento, CA 95814	Cone Mills Corp		
Cliff Ouse, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	25.00	
Cathy E. Overly, 1730 K Street, NW Washington, DC 20006	National Treasury Employees Union	10,500.00	485.68
Overseas Education Assn, 1201 16th Street, NW Washington, DC 20036		1,250.00	636.69
Jack W. Owen, 444 North Capitol St., NW, #500 Washington, DC 20001	American Hospital Assn	716.15	16.25
William H. Owens Jr., 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	779.18
P/M Consulting, Inc, 3030 McKinney Ave., #1001 Dallas, TX 75204	Syscon Corporation	6,000.00	
Do	Talley Corporation	9,000.00	
Joel Packer, 1201 16th Street, NW Washington, DC 20036	National Education Assn	2,227.00	122.05
Ronald C. Paddock, 6990 N. Solaz Segundo Tucson, AZ 85718	Anderson Corporation		
Lee W. Paden, P.O. Box 201 Tulsa, OK 74102	Public Service Co of Oklahoma		
Geri Palast, 1313 L St., NW Washington, DC 20015	Service Employees International Union, AFL-CIO, CLC	9,375.00	284.21
Andrew Palmer, 218 D St., SE Washington, DC 20003	Environmental Policy Institute	13.96	
Gerard Paul Panaro, Webster Chamberlain & Bean 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Retail Bakers Assn		
Stephen J. Paradise, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Judith E. Park, 1533 New Hampshire Ave., NW Washington, DC 20036	National Assn of Retired Federal Employees	13,529.00	
Prudence H. Parks, 1100 H Street, NW Washington, DC 20080	Washington Gas Light Co	381.97	64.43
Ken Parmelee, 1448 Duke Street Alexandria, VA 22314	National Rural Letter Carriers Assn	12,238.00	1,910.00
Tom E. Paro, 1735 DeSales St., NW Washington, DC 20036	Association of Maximum Service Telecasters, Inc	348.00	
Peace Political Action Committee, 100 Maryland Avenue, NE Washington, DC 20002			22,147.81
Pennsylvania Power & Light Co, 2 N. 9th St. Allentown, PA 18101			1,720.84
Pepper & Corazzini, 1776 K St., NW Washington, DC 20006	Tempo Enterprises, Inc	2,422.50	24.00
Robert A. Perkins, 1100 Connecticut Avenue, NW Washington, DC 20036	Chrysler Corporation	15,000.00	450.00
Jeffry L. Perlman, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,440.00	815.64
Leonard Perlman, 5999 Stevenson Avenue Alexandria, VA 22304	American Assn for Counseling & Development		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
David F. Perry, 74 North Pearl St. Albany, NY 12207	Hospital Association of New York State	403.85	706.17
Sueanne Pfifferling, 1350 New York Avenue, NW, #400 Washington, DC 20005	New York Power Authority	6,475.00	387.96
Barbara Phillips, 2000 M St., NW, #230 Washington, DC 20036	Telocator Network of America	8,500.00	189.56
John D. Phillips, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	4,875.00	469.00
Paul J. Phoenix, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Joan Piccolo, 1776 K Street, NW, #300 Washington, DC 20006	Motorola, Inc	3,000.00	
Theodore M. Pierce, 1300 North 17th St., #300 Arlington, VA 22209-3899	ADAPSO - The Computer Software & Services Industry Assn		
Pierson Ball & Dowd, 1200 18th St., NW Washington, DC 20036	American Academy of Pediatrics	21,811.37	
Do	Dun & Bradstreet Corp	2,500.00	
Do	El Pomar		
Do	Genentech	12,756.88	
Do	Infectious Diseases Society of America	6,230.15	
Do	International Futures Exchange (Bermuda) Ltd		
Do	Intex Holdings (Bermuda) Ltd		
Do	Lee Enterprises - Call-It-Co		
Do	National Assn for Biomedical Research	6,307.60	
Do	National Assn of Casualty & Surety Agents		
Do	Securities Industry Assn	2,750.00	
Do	Stewart & Stevenson Services, Inc		
Pierson Semmes & Finley, 1054 31st Street, NW Washington, DC 20007	Oklahoma Natural Gas Company	580.00	79.47
Pillsbury Madison & Sutro, 1667 K St., NW, #1100 Washington, DC 20006	Quadrex Corporation		
Do	Temis Ramires de Arellano		
Piper & Marbury, 36 S. Charles Street Baltimore, MD 21201	Consolidated Rail Corporation		1,669.75
Ronald L. Plesser, Blum Nash & Railsback 1133 15th St., NW, #1100 Washington, DC 20005	ADAPSO	6,300.00	6.00
Do	Direct Marketing Assn	2,000.00	
Do	Disclosure, Inc		
Do	Journal of Commerce, Inc	3,562.50	5.00
John A. Poindexter, 3805 West Alabama Houston, TX 77027	Columbia Gulf Transmission Co		
Donna Potemken, 50 F Street, NW Washington, DC 20001	American Hospital Assn	3,797.13	91.56
Powell Goldstein Frazer & Murphy, 1110 Vermont Ave., NW, #1050 Washington, DC 20005	Alliance for Medical Nutrition	4,000.00	4,000.00
Do	Association of American Universities		
Do	Bear Stearns & Co		
Do	Bernstein Carter & Deyo		
Do	Coalition for Competition		
Do	Coalition for Employment Through Exports		
Do	Flood Control Advisory Committee	2,498.00	
Do	International Telecommunications Satellite Organization		
Do	Jacques Borel Enterprises, Inc	410.00	
Do	SKW Alloys, Inc		
Do	Westinghouse Electric Corp	77,036.00	
Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036	Banker's Assn for Foreign Trade	8,600.00	175.00
Pro-Life Congressional District 11, P.O. Box 727 San Carlos, CA 94070		270.61	1,523.50
Project Advisory Group, 1029 Vermont Ave., NW, #860 Washington, DC 20005			1,380.80
Project Cure, Inc, 2020 K Street, NW, #350 Washington, DC 20006		25,538.60	172,471.52
Protect the Innocent, Inc, 1501 North Bosart Avenue Indianapolis, IN 46201-1717			
Pryor Cashman Sherman & Flynn, 410 Park Avenue New York, NY 10022	O. Edmund Clubb		
Do	Population Crisis Committee		
Public Timber Purchasers Group, 610 SW. Broadway, #608 Portland, OR 97205		24,750.00	3,998.70
W. Bruce Quackenbush Jr., 8400 Corporate Drive, #506 Landover, MD 20785	Research/Strategy/Management		
D. R. Quartel, Jr., Inc, 67 Observatory Circle, NW Washington, DC 20008	International Taxicabs Assn	9,000.00	900.00
Arthur Lee Quinn, 1015 15th Street, NW, #200 Washington, DC 20005	Government of Belize		53.45
Do	Government of Republic of Panama	3,000.00	11.29
Do	Sugar Assn of the Caribbean	4,500.00	135.24
Ragan & Mason, 900 17th St., NW Washington, DC 20006	American Ship Building Co	1,000.00	54.39
Do	Bechtel Corp	46,220.00	56.12
Do	Government of Bermuda	3,000.00	138.56
Do	National Bulk Carriers, Inc	4,500.00	
Do	R.J. Reynolds Industries, Inc		
Do	R.J. Reynolds Tobacco Co		
Do	Sea-Land Industries, Inc	20,000.00	1,064.63
Do	Security Pacific Leasing Corporation		
Do	Security Pacific National Bank		
Do	Stimson Lumber Co & Miller Redwood Co	3,000.00	31.50
Thomas F. Railsback, Blum Nash & Railsback 1133 15th St., NW, #1100 Washington, DC 20005	CSX Corporation	4,221.00	
Do	Federal Judges Association	210.00	
Do	National Council of U.S. Magistrates	855.00	
Do	Walt Disney Productions	3,780.00	
Rainbow Alliance, 236 Massachusetts Avenue, NE Washington, DC 20002		4,341.00	3,823.90
Maggy H. Ralbovsky, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	1,000.00	37.00
Robert A. Rapoza Associates, 2001 S Street, NW Washington, DC 20007	Campaign for Community-Based Economic Development	1,020.00	60.00
Do	Friends of the Rural Development Loan Fund	3,300.00	
D. Michael Rappoport, P.O. Box 52025 Phoenix, AZ 85072	Salt River Project	1,680.00	4,464.82
Craig Raupe, Campbell-Raupe, Inc 1015 15th Street, NW, #907 Washington, DC 20005	Algonquin Gas Transmission		
Do	American Nuclear Energy Council		
Do	Invest to Compete Alliance		
Do	LTV Aerospace & Defense Co		
Do	New England Life		
Do	Pitney Bowes		
Do	Riffe Petroleum Co		
Do	Texas Air Corp		
Do	Texas Utilities Services, Inc		
Do	Union Pacific Corp		
Do	Westinghouse Electric Corp		
Reading Is Fundamental, Inc, 600 Maryland Ave., SW, #500 Washington, DC 20560			734.70
Sydney C. Reagan, 10 Duncannon Ct., Glen Lakes Dallas, TX 75225	Southwestern Peanut Shellers Assn		
Recording Industry Assn of America, Inc, 888 Seventh Avenue, 9th Fl. New York, NY 10106		4,123.75	4,196.50
J. Mitchell Reese, 1700 K Street, NW, #1204 Washington, DC 20006	Chevron USA, Inc	400.00	
Robert S. Reese Jr., 2200 Mill Rd Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	1,869.52
William Reffalt, 1400 Eye St., NW Washington, DC 20005	Wilderness Society	6,656.50	157.30
Kathleen Reinburg, 2000 P Street, NW, #305 Washington, DC 20036	Foresight Science & Technology, Inc (For:Society for American Archaeology)	937.00	
Nooley Reinheardt, Nooley Reinheardt & Assoc. P.O. Box 23190 Washington, DC 20024	Rural Builders Council of California		
Reserve Officers Assn of the US, 1 Constitution Ave., NE Washington, DC 20002		2,991.47	13,531.92
Alan V. Reuther, 1757 N Street, NW Washington, DC 20036	United Auto Aerospace & Agricultural Implement Workers	18,972.94	419.97
Reynolds Allen & Cook, 1667 K Street, NW, #300 Washington, DC 20006	Granada Management Corp		
Edmund B. Rice, 444 North Capitol St., NW, #500 Washington, DC 20001	American Hospital Assn	3,563.42	
Heather S. Richards, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Richard Richards, Law Office of Richard Richards 1050 Thomas Jefferson Street, NW, 6th Fl Washington, DC 20007	Esquel Enterprises Ltd		
Do	Hughes Aircraft Company	3,125.00	
Do	National Armored Car Assn, Inc	500.00	9.71
Do	Sikorsky Aircraft		
Do	Universidad Autonoma de Guadalajara	1,400.00	69.82
Alan H. Richardson, 2301 M St., NW Washington, DC 20037	American Public Power Assn	3,000.00	
Douglas B. Richardson, 2001 Wisconsin Avenue, NW, #100 Washington, DC 20007	GeoResearch, Inc		
Steve Richardson, 1400 Eye Street, NW Washington, DC 20005	Wilderness Society	1,509.05	25.05
Riddell Holroyd & Butler, 1331 Pennsylvania Avenue, NW, #1215 Washington, DC 20004	H. F. Ahmanson & Co	6,250.00	
Do	Associates Corp of North America		
Do	Beneficial Corporation	3,000.00	
Do	W. K. Kellogg Foundation	6,250.00	
Norbert J. Riedy Jr., 1400 Eye Street, NW Washington, DC 20005	Wilderness Society	897.92	
Siert F. Riepma, 1625 I St., NW, #1024-A Washington, DC 20006	National Assn of Margarine Manufacturers		675.00
John F. Ring, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	6,285.00	
James E. Ritchie & Associates, 499 S. Capitol St., SW, #400 Washington, DC 20003	Gaming Industry Assn of Nevada, Inc	3,200.00	4,654.51
Do	National Assn of Off-Track Betting	1,900.00	5,382.01

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	National Assn of Optometrists & Opticians, Inc	12,763.00	5,368.27
Do	Nevada Resort Assn	4,800.00	6,984.15
Rivkin Radler Dunne & Bayh, 1575 I Street, NW, #1025 Washington, DC 20005	Gunnar Dana Associates		90.00
Do	Renewable Fuels Assn	1,462.50	50.00
Charles A. Robinson Jr., 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	173.24	
Michelle Robinson, 100 Maryland Avenue, NE Washington, DC 20002	Council for a Livable World	2,459.74	
Antoinette K. Roche, 1025 Connecticut Avenue, NW Washington, DC 20036	GA Technologies, Inc	2,000.00	350.00
Michael J. Rock, 50 F Street, NW Washington, DC 20001	American Hospital Assn	1,157.53	
Terrence L. Rogers, 1325 Massachusetts Ave., NW Washington, DC 20005	American Fed of Government Employees	11,963.56	14,151.52
Peter Rogoff, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	3,380.00	408.00
Fred B. Rooney, 1050 Connecticut Ave., NW, 12th Fl. Washington, DC 20036	Kawasaki Motors Corp, USA	200.00	
Michael F. Rosanio, 1620 I Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc		
Leslie Rose, 624 9th Street, NW, #700 Washington, DC 20001	Group Health Assn of America, Inc	2,625.00	
Nancy Ross, 1830 17th Street, NW Washington, DC 20009	Rainbow Alliance		1,815.75
Joseph L. Rosso, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	3,214.40
Marcus Roth, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	5,922.77	
William C. Rountree, Suite 600 1001 22nd St., NW Washington, DC 20037	Standard Oil Co (Ohio)		
John H. Rousselot, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Savings Institutions	10,000.00	
Roxton, Inc, 2000 S. Eads Street, #1003 Arlington, VA 22202	Global Identification Corp		
Gloria Cataneo Rudman, Suite 801 444 N. Capitol St., NW Washington, DC 20001	Joint Maritime Congress	6,696.00	
Camille Kearns Rudy, 1346 Chestnut, #800 Philadelphia, PA 19107	Greater Philadelphia Chamber of Commerce		
Ronald R. Rumbaugh, 5205 Leesburgh Pike, #505 Falls Church, VA 22041	National Beer Wholesalers of America		
Nancy Russell, 4921 SW Hewett Blvd. Portland, OR 97221	Friends of the Columbia Gorge		
Wally Rustad, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	50.00	
David A. Ruth, American Express Tower World Financial Center New York, NY 10285	American Express Co		
Sheryl P. Rutledge, Charles L. Fishman, P.C. 1717 K Street, NW, #502 Washington, DC 20036	Washington Gas Light Co	440.00	101.00
Patricia Ryan, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	1,598.00	1,009.81
RBC Associates, 324 Fourth Street, NE Washington, DC 20002	Bangor & Aroostook Railroad	6,750.00	5,971.92
Do	Chicago & North Western Transportation Corp	42,000.00	7,016.24
Do	Delaware Otsego System	18,000.00	6,232.22
Do	Genesee & Wyoming Corp	750.00	3,572.92
Do	Pittsburg & Shawmut Railroad	2,100.00	5,739.37
S.O.S. Small Business Jobs, 41 E. 42nd St., #1220 New York, NY 10017			
Abe Sacks, Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Tree Island Steel Co, Ltd		
David J. Sadd, 2033 M Street, NW, #900 Washington, DC 20036	National Assn of Arab Americans	4,280.00	304.00
James D. Santini, Bible Santini Hoy Miller & Lrachok 1025 Thomas Jefferson St., NW, #700 Washington, DC 20007	Homestake Mining Co		
Do	Marlene C. McGuirl		
Oakley H. Saunders, 3505 Springdale Avenue Baltimore, MD 21216	Chas R. Drew Post Grad Med School	8,333.00	
Thomas C. Sawyer, 1825 K Street, NW Washington, DC 20006	National Broadcasting Co, Inc	5,000.00	1,003.06
Mark S. Schacht, 1900 K St., #200 Sacramento, CA 95814	California Rural Legal Assistance, Inc		8,458.45
Harold A. Schaitberger, 1750 New York Ave. Washington, DC 20006	International Assn of Fire Fighters	13,763.94	915.26
William T. Schapaugh, 1030 15th Street, NW Washington, DC 20005	American Seed Trade Assn	5,000.00	
Mary L. Schapiro, 1825 Eye St., NW, #1040 Washington, DC 20006	Futures Industry Assn, Inc		
Richard H. Scheck, 2509 E. Thousand Oaks Blvd., #474 Thousand Oaks, CA 91362			
Thomas G. Schendt, 111 East Wisconsin Ave., #1800 Milwaukee, WI 53202	National Employee Benefits Institute		
Robert Richard Schmitt, P.O. Box 3563 Omaha, NB 68103-0563			
Mark L. Schneider, 1001 22nd Street, NW, #600 Washington, DC 20037	Standard Oil Co (Ohio)		
Leonard Schneidman, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Mutual Savings Central Fund, Inc		
Marsha Schramm, 1627 K St., NW, #910 Washington, DC 20006	Domestic Petroleum Council, Inc		
William B. Schultz, Suite 700 2000 P St., NW Washington, DC 20036	Public Citizen, Inc		
Ralph D. Schumack, 1800 M Street, NW, #325 South Washington, DC 20036	Dow Corning Corp		1,185.58
James H Schuyler, 15th & M sts., NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Schwabe Williamson Wyatt Moore & Roberts, Suite 302 1000 Potomac St., NW Washington, DC 20007	Mountain States Energy, Inc	705.60	954.67
Do	Public Generating Pool	20,317.00	39.25
Do	State of Oregon, City of Portland, Oregon Metro	3,070.94	4,155.51
Alan R. Schwartz, Blum Nash & Railsback 1133 15th Street, NW, #1100 Washington, DC 20005	Disclosure, Inc		
Do	Journal of Commerce, Inc	2,062.50	5.00
Richard P. Schweitzer, 2022 P Street, NW Washington, DC 20036	Private Truck Council of America, Inc		40.00
Carl F. Schwensen, 415 2nd St., NE, #300 Washington, DC 20002	National Assn of Wheat Growers	4,450.00	
Schwinn Bicycle Co, 1856 North Kostner Avenue Chicago, IL 60639			1,051.25
Scientific Apparatus Makers Assn, 1101 16th St., NW Washington, DC 20036		7,000.00	4,525.50
Michael Scott, 1400 Eye St., NW, 10th Fl. Washington, DC 20005	Wilderness Society	2,628.64	199.66
Thomas W. Scoville, 444 N. Capitol Street, NW, #801 Washington, DC 20001	Joint Maritime Congress	1,705.00	
Sarah Setton, 1511 K St., NW Washington, DC 20005	Sugar Assn, Inc	150.00	8.00
Victoria McKenzie Shain, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	1,000.00	
William H. Shaker, 500 N. Washington St., #201 Falls Church, VA 22046	National Tax Limitation Committee	750.00	
Shamrock Foods Co, 2228 N. Black Canyon Phoenix, AZ 85009			
Gary J. Shapiro, 2001 Eye Street, NW Washington, DC 20006	Electronic Industries Assn		10,952.89
Monica M. Sheehan, 50 F Street, NW, #1100 Washington, DC 20001	American Hospital Assn		
Patricia Q. Sheehan, 1667 K Street, NW, #410 Washington, DC 20006	Johnson & Johnson		
Robert G. Shepherd Jr., 300 Maryland Avenue, NE Washington, DC 20002	Federal Express Corp		10,950.00
Dale Sherwin, 1735 I St., NW, #717 Washington, DC 20006	Staley-Continental, Inc	5,000.00	678.54
John Terry Shively, Box 101758 Anchorage, AK 99510	Alaska Fed of Natives, Inc	9,000.00	5,897.45
Elaine Shocas, 555 New Jersey Avenue, NW Washington, DC 20001	American Fed of Teachers	8,062.50	80.00
Sidley & Austin, One First National Plaza Chicago, IL	Broadacre Development Co		500.00
Sierra Club, 730 Polk Street San Francisco, CA 94109		306,188.12	306,188.12
Stephen Silbiger, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	14,686.62	252.34
Ronald G. Sills, 1105 Nob Hill Court Roseville, CA 95678	Geo-Seis Helicopters, et al.		
Marsha J. Simon, 1334 G St., NW, 3rd Fl. Washington, DC 20005	Villers Advocacy Associates	4,016.61	132.55
William Douglas Simon, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc	1,166.66	577.00
Marcus W. Sisk Jr., 2828 Pennsylvania Ave., NW, #203 Washington, DC 20037	Tosco Corporation	2,960.00	
Gregg P. Skall, Baker Hostetler 1050 Connecticut Ave., NW Washington, DC 20006	Daytime Broadcasters Assn		
Do	Uniden Corp of America		
James H. Skidmore, 1156 15th St., NW, #1201 Washington, DC 20005	NCR Corporation		
Scott Sklar, 1730 N. Lynn St., #610 Arlington, VA 22209	Solar Energy Industries Assn	6,000.00	
Kathleen M. Skrabut, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	6,000.00	36.80
Ruth L. Sky, 2211 Congress St. Portland, ME 04122	Union Mutual Life Insurance Co		
Deborah Sliz, 2301 M Street, NW Washington, DC 20037	American Public Power Assn		
Don S. Smith, The Smith Firm 1730 Pennsylvania Ave., NW, #300 Washington, DC 20006	Kern River		
Do	Northwest Pipeline Corp		
Elizabeth M. Smith, 815 16th St., NW, #310 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	5,667.00	71.00
Ellen S. Smith, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	2,300.00	1,325.62
Hugh H. Smith, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co		
Jeffrey A. Smith, 919 18th Street, NW, #600 Washington, DC 20006	Toyota Motor Sales, USA, Inc		
Michael J. Smith Jr., 777 14th Street, NW, 5th Floor Washington, DC 20005	National Assn of Realtors		
Patrick F. Smith Jr., Suite 1101 1730 K Street, NW Washington, DC 20006	National Treasury Employees Union	13,000.00	
Velma Smith, 218 D Street, SE Washington, DC 20003	Environmental Policy Institute	680.86	
Smith Dawson Associates, Inc, 1000 Connecticut Ave., NW, #304 Washington, DC 20036	City of Eugene, Oregon	8,499.00	
Do	Colorado Dept of Labor	4,275.00	
Do	Illinois Diversatech Corp		
Do	N.Y. Metropolitan Transportation Agency	24,750.00	25,680.00
Do	Power Packaging, Inc	6,900.00	418.00
Do	San Francisco P.V.C.	10,350.00	10,350.00
Randall D. Snodgrass, 1400 Eye St., NW Washington, DC 20005	Wilderness Society	4,366.31	372.31
Larry S. Snowhite, 1825 Eye St., NW Washington, DC 20006	Envirite Corporation		
Do	GSX Corporation		
Do	Liberty Mutual Insurance Co		
Do	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Lion Lines, Ltd)		
Do	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Mass. Construction Indus. Council Truck Weight Comm).		
Do	Massachusetts Education Loan Authority	833.15	
Do	New England Education Loan Marketing Corp	647.90	
Do	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Securities Industry Assn)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Edward F. Snyder, 245 2nd St., NE Washington, DC 20002	Friends Committee on National Legislation	5,516.64	
Vincent R. Sombrotto, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	3,612.36	
Edward J. Sondey, 195 Montague Street Brooklyn, NY 11201	Brooklyn Union Gas Co		
Terry Sopher, 1400 Eye St., NW, 10th Fl. Washington, DC 20005	Wilderness Society	2,740.70	232.71
Southern Forest Products Assn, P.O. Box 52468 New Orleans, LA 70152		29,797.29	29,797.29
Southwestern Peanut Shellers Assn, 10 Duncannon Ct. Dallas, TX 75225			
Thomas J. Spangler, 1730 K Street, NW, #1100 Washington, DC 20006	National Treasury Employees Union	9,500.00	373.65
John D. Sparks, 6th Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007	Consumers United for Rail Equity (C.U.R.E.)	950.00	80.00
Specialized Carriers & Rigging Association, Suite 616 2200 Mill Rd. Alexandria, VA 22314			
Philip Speser, 2000 P St., NW, #305 Washington, DC 20036	Foresight Science & Technology, Inc (For:National Coalition for Science & Technology).		
Do	Foresight Science & Technology, Inc (For:Society for American Archaeology)	1,100.00	
Robert P. St. Louis, Suite 880 555 New Jersey Ave., NW Washington, DC 20001	Congoleum Corporation	1,000.00	720.41
Vivian Escobar Stack, 2010 Massachusetts Avenue, NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc		
Linda Staheli, 100 Maryland Avenue, NE Washington, DC 20002	Council for a Livable World, et al.	2,894.43	
Standard Oil Co (Ohio), 1001 22nd St., NW, #600 Washington, DC 20037			33,988.98
J. C. Steen, 412 First Street, SE, #301 Washington, DC 20003	McDonnell Douglas Corp	600.00	228.78
Do	Snyder Ball Kriser & Assocs (for Allison Gas Turbine Div)	600.00	234.11
Henry J. Steenstra Jr., 1000 Wilson Boulevard, #2600 Arlington, VA 22209	TRW, Inc	1,348.00	
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Outboard Marine Corp	13,362.77	664.58
Richard W. Sternberg, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	110.00	
H. Donald Stewart, 188 W. Main Street Penns Grove, NJ 08069			
S. Lynn Stewart, 3 Embarcadero Center San Francisco, CA 94111	McCutchen Doyle Brown & Enersen (For:Castle & Cooke, Inc)		
Do	McCutchen Doyle Brown & Enersen (For:Rohr Industries, Inc)		
Kenneth F. Stinger, 2200 Mill Rd Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	1,491.70
Stephen Storch, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Stovall Spradlin Armstrong & Israel, 1819 H Street, NW, #700 Washington, DC 20006	Commission on Future Political Status & Transition	10,000.00	45.00
Ronald J. Streck, P.O. Box 238 Alexandria, VA 22313	National Wholesale Druggists' Assn		
George Strumpf, 624 9th St., NW, #700 Washington, DC 20001	Group Health Assn of America, Inc	885.00	
Richard J. Sullivan, 1225 Connecticut Ave., NW, #303 Washington, DC 20036	Fleishman-Hillard, Inc (For:Ability Information Systems--Computer Software)		
Sullivan & Worcester, 1025 Connecticut Ave., NW Washington, DC 20036	Marion Laboratories, Inc	14,800.00	
John B. Summers, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,500.00	
Sutherland Asbill & Brennan, 1666 K Street, NW, #800 Washington, DC 20006	American Industrial Clay & Georgia Kaolin	4,492.17	2,095.58
Do	Anglo-American Clays Corp	4,492.17	2,095.58
Do	Engelhard Minerals & Chemicals Corp	4,492.17	2,095.58
Do	J. M. Huber Corp	4,492.17	2,095.58
Do	Nord Resources Corp	4,492.16	2,095.60
Do	Thiele Kaolin Co	4,492.16	2,095.62
Rosemarie Sweeney, Suite 770 600 Maryland Ave., SW Washington, DC 20024	American Academy of Family Physicians	3,000.00	2,910.69
Swidler & Berlin, Chtd, 1000 Thomas Jefferson St., NW #500 Washington, DC 20007	Airco, Inc		
Do	All-Industry Television Station Music Licensing Committee	10,393.75	
Do	General Mills, Inc		
Do	Lucasfilm, Ltd		
Richard P. Swigart, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Scott R. Swirling, 122 C St., NW, #380 Washington, DC 20001	National Family Planning & Reproductive Health Assn, Inc	861.51	
Z. Michael Szaz, 7209 Monticello Blvd. Springfield, VA 22150	American Hungarian Federation		
Do	Embassy of the Democratic Republic of Somalia		
Tanaka Walders & Ritger, 1919 Pennsylvania Ave., NW, #303 Washington, DC 20006	Electronic Industries Assn of Japan		
Do	Japan Automobile Tire Manufacturers Assn (JATMA)		
Margaret J. Taylor, 1050 Connecticut Ave., NW, #200 Washington, DC 20036	Burlington Northern, Inc	1,750.00	78.03
William S. Taylor, 239 W. New York Avenue Las Vegas, NV 89107			
Techlaw - Aica, 12030 Sunrise Valley Drive, #200 Reston, VA 22091		1,170.90	2,670.90
Tempo Enterprises, Inc, P.O. Box 702160 Tulsa, OK 74170			
Paul M. Tendler, 1090 Vermont Ave., NW Washington, DC 20005	Tendler & Biggins (For:Advanced Cellular Phone Co)		
Do	Paul Tendler Associates, Inc (For:American Licensed Practical Nurses Assn)		
Do	Paul Tendler Associates, Inc (For:Bascom, Inc)		
Do	Tendler & Biggins (For:Geodesco)		
Do	Paul Tendler Associates, Inc (For:National Institute of Tenants)		
Do	Paul Tendler Associates, Inc (For:Rasch Elektronik)		
Do	Paul Tendler Associates, Inc (For:Schoeneman, Inc)		
Do	Tendler & Biggins (For:Solargistics Corp)		
Do	Paul Tendler Associates, Inc (For:Southeastern Exporters)		
David D. Tews, 1050 Thomas Jefferson St., NW, 6th Fl. Washington, DC 20007	Esquel Enterprises Ltd		
Diane Kay Thomas, 2727 29th St., NW, #634 Washington, DC 20008	American Assn of Minority Enterprise Small Bus. Invest Cos	6,596.00	
Patricia Thomas, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	10,843.12	
Thomas E. Thomason, 1620 Eye Street, NW, #703 Washington, DC 20006	Bechtel Power Corporation		
Barbara Thompson, 1401 New York Avenue, NW, #1100 Washington, DC 20005	National Cooperative Business Assn	5,000.00	180.00
Samuel C. Thompson Jr., Schiff Hardin & Waite 1101 Connecticut Avenue, NW, #600 Washington, DC 20036	Chicago Board Options Exchange		
Thompson & Bussart, 1919 Pennsylvania Avenue, NW, #850 Washington, DC 20006	Central States SE & SW Areas Health & Welfare & Pension Fund	9,220.00	
Do	Westinghouse Electric Corp	976.00	
Thompson Hine & Flory, 1920 N St., NW, #700 Washington, DC 20036	American Tie Fabric Assn		16.95
Do	National Pork Producers Council	5,247.00	235.15
Do	Orkin Exterminating Co, Inc		83.10
Gil Thurm, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
Wallace Tillman, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	150.00	
Gary G. Timmons, 1201 16th Street, NW Washington, DC 20036	National Education Assn	2,372.00	20.75
Michael L. Tiner, 1775 K St., NW Washington, DC 20006	United Food & Commercial Workers International Union	11,153.86	827.94
Ron Tipton, 1400 Eye St., NW Washington, DC 20005	Wilderness Society	629.61	16.00
Total Petroleum, Inc, 999 18th Street, Suite 2201 Denver, CO 80202			
Jay C. Townley, 1856 North Kostner Avenue Chicago, IL 60639	Schwinn Bicycle Co		
Thomas J. Trabucco, 1533 New Hampshire Avenue, NW Washington, DC 20036	National Assn of Retired Federal Employees	11,502.00	
Transportation Institute, 923 15th St., NW Washington, DC 20005			5,457.38
Trilling & Kennedy, 1900 L Street, NW, #310 Washington, DC 20036	Ace Metal Fabricators, et al	30,128.28	35,450.24
Robert C. Troup, 730 Smith Ridge Rd. New Canaan, CT 06840			
Paul E. Tsongas, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	H.N. Gorin Associates, Inc	2,925.00	162.87
Do	Humane Soc of the U.S. and M.S.P.C.A.	3,487.50	17.10
Do	Leading Edge Products, Inc		
Do	Mutual Savings Central Fund, Inc		
Anh Tu, R.R. 1, Box 147C Queenstown, MD 21658	Project Advisory Group	255.44	28.90
Jon R. Tumler, 1110 Vermont Avenue, NW, #1075 Washington, DC 20005	Public Securities Assn	7,875.00	396.59
B. Elizabeth Tunney, 124 Salem Church Road Mechanicsburg, PA 17055	Retail Wholesale & Dept Store Union	7,995.00	1,562.78
J. C. Turner, 1125 17th Street, NW Washington, DC 20036	International Union of Operating Engineers		
Turner Broadcasting System, Inc, 1140 Connecticut Ave., NW Washington, DC 20036			6,986.13
Richard F. Turney, 1725 K St., NW Washington, DC 20006	Courtney McCamant & Turney	300.00	
Max Turnipseed, 1155 15th Street, NW, #611 Washington, DC 20005	Ethyl Corporation	1,425.00	92.40
U.S. Recreational Ski Association, 221 West Dyer Road Santa Ana, CA 92707			
Gilman Udell, 1750 New York Avenue, NW Washington, DC 20006	International Assn of Fire Fighters	4,500.00	405.06
Mark J. Ugoretz, 1726 M Street, NW, #1101 Washington, DC 20036	Erisa Industry Committee	2,375.00	
Lewis K. Uhler, 500 N. Washington St., #201 Falls Church, VA 22046	National Tax Limitation Committee	135.00	
United Food & Commercial Workers International Union, 1775 K St., NW Washington, DC 20006		102,586.46	49,175.45
United Services Automobile Assn, 9800 Fredericksburg Road San Antonio, TX 78288			
Uranium Producers of America, c/o Covington & Burling 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044		143,652.25	141,492.13
Ronald D. Utt, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.		64.31
Mary Uyeda, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	2,158.00	122.25
Grayce K. Uyehara, 1730 Rhode Island Avenue, NW, #204 Washington, DC 20036	Japanese American Citizens League Legislative Education Comm	1,950.00	163.00
Richard Van Deuren, 111 E. Wisconsin Avenue, NW, #1800 Milwaukee, WI 53202	National Employee Benefits Institute		12.00
John A. Vance, 1726 M St., NW, #1100 Washington, DC 20036	Pacific Gas & Electric Co	5,484.00	5,458.24
Robert C. Varah, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc	720.00	1,013.75
George F. Vary, 1667 K St., NW Washington, DC 20006	Armco, Inc	700.00	308.54
Donald R. Vaughan, P.O. Box 1288 Asheboro, NC 27204	Stedman Corporation		
Venture Entrepreneurs, Inc, 1201 San Marco Blvd., #204 Jacksonville, FL 32207			
Robert J. Verdisco, 1901 Pennsylvania Avenue, NW, #200 Washington, DC 20006	National Mass Retailing Institute	5,000.00	208.60
Verner Liipfert Bernhard Mcpherson & Hand, Chtd, 1660 L Street, NW, #1000 Washington, DC 20036	Associated Ferrari Dealers of North America		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Brown & Root, Inc	725.00	
Do	Gencorp	2,840.00	
Do	John F. Kennedy Center for the Performing Arts		
Do	Mutual of America	1,650.00	
Do	Norfolk Southern Corp	2,547.50	
Do	Rayburn Country Electric Cooperative, Inc	200.00	
Do	Travelers Corporation	6,604.00	
Do	John Tudor		
Do	TRW, Inc		
John Veronikas, P.O. Box 888, Unit E Ashland, KY 41101	New Generation Lobby		
Douglas K. Vollmer, 801 18th St., NW Washington, DC 20006	Paralyzed Veterans of America	10,444.80	
Robert J. Wager, 3rd Floor 1111 14th St., NW Washington, DC 20005	American Bakers Assn	2,048.81	3.00
Wagner & Baroody, Inc, 1100 17th Street, NW, #804 Washington, DC 20036	Alfin Fragrance	3,625.00	937.61
Do	American Business Press		
Do	Canadian General Electric	10,843.75	2,851.61
Do	Chicago & Northwestern Railroad		
Do	CSX Corporation	9,593.75	7,843.46
Do	Daewoo International Corp	14,875.00	6,090.60
Do	Mobil Oil Corp		
Do	National Beer Wholesalers of America	8,125.00	2,613.91
Do	National Debt Repayment Foundation	187.50	28.58
Do	North American Bancorporation		
Do	United Nations Educational Scientific & Cultural Organ.		
Christine M. Waisanen, New Murphy Road & Concord Pike Wilmington, DE 19897	ICI Americas, Inc		
Charles S. Walsh, Fleischmen & Walsh 1725 N St., NW Washington, DC 20036	National Cable Television Assn, Inc		
G. L. 'Lew' Walts, 11319 Sunset Hills Road Reston, VA 22090	National Turkey Federation		
Richard D. Warden, 1757 N St., NW Washington, DC 20036	United Auto Aerospace & Agricultural Implement Workers	22,207.58	237.00
Washington Gas Light Co, 1100 H St., NW Washington, DC 20080			4,448.12
Washington Office on Africa, 110 Maryland Ave., NE, #112 Washington, DC 20002		12,440.31	36,088.81
Ronald D. Waterman, 4802 Tabard Place Annandale, VA 22003	Milwaukee County-Intergovernmental Relations	12,000.00	40.00
Do	Wisconsin Counties Assn	5,025.00	40.00
Carolyn Herr Watts, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	50.00	
Andrew H. Webber, 440 First Street, NW, #510 Washington, DC 20001	American Medical Peer Review Assn		
Susan Weber, 1601 Connecticut Ave., NW, 4th Fl. Washington, DC 20009	Zero Population Growth, Inc	23.00	
Paul Weckstein, Suite 504 236 Massachusetts Ave., NE Washington, DC 20002	Center for Law and Education, Inc	347.92	
Lee J. Weddig, Suite 580 2000 M St., NW Washington, DC 20036	National Fisheries Institute	4,000.00	95.00
Robert R. Weed, 111 Massachusetts Ave., NW, #200 Washington, DC 20001	American Space Foundation	300.00	
Eileen J. Weiner, 233 East Redwood Street Baltimore, MD 21202	Gordon Feinblatt Rothman Hoffberger & Hollander (For:Sinai Hospital of Baltimore, Inc).		
Tamara Weinstein, 1830 17th Street, NW, #704 Washington, DC 20036	Rainbow Alliance		
Stanley A. Weiss, Suite 401 21 Dupont Circle, NW Washington, DC 20036	Business Executives for National Security		
Wellford Wegman & Hoff, 1775 Pennsylvania Ave., NW, #450 Washington, DC 20006	National Assn of Counties	9,751.00	
William B. Welsh, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	17,805.90	182.24
Thomas F. Wenning, 1910 K St., NW, #700 Washington, DC 20006	National Grocers Assn		
G. Franklin West, 499 S. Capitol St., SW, #507 Washington, DC 20003	Bill Hecht & Associates, Inc	2,500.00	
Curtis E. Whalen, 490 L'enfant Plaza, SW, #3202 Washington, DC 20024	Transco Energy Company	5,000.00	3,632.60
Leonard P. Wheat, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
John C. White, 1899 L Street, NW, #500 Washington, DC 20036	Camp Carmouche Barsh Hunter Gray Hoffman & Gill, P.C.	4,000.00	
Do	Chicago Mercantile Exchange		
Do	Coastal Corp	8,000.00	
Do	Comtran, Ltd		
Do	Louis Dreyfus Corp		
Richard C. White, 1122 First City Bank Bldg. El Paso, TX 79999	Edward Downs		
William R. White, Kaplan, Russin & Vecchi 1218 16th Street, NW Washington, DC 20036	Consolidated Rail Corporation		
Do	Council for Labor Management Cooperation		
Do	Lincoln Savings & Loan Assn		
Do	Nationwide Insurance Co		
Elizabeth D. Whitley, 499 S. Capitol Street, SW, #411 Washington, DC 20003	National Council of Agricultural Employers	1,500.00	150.00
James A. Whitman, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
Steven C. Whitney, 14 W. Wyatt Ave. Alexandria, VA 22301	National Parks & Conservation Association	850.00	75.00
Dennis J. Whittlesey, Keck Mahin & Cate 1730 Pennsylvania Ave., NW Washington, DC 20006	Cow Creek of Umpqua Tribe of Indians		192.63
Do	Cowlitz Indian Tribe		202.88
Do	Sioux, Inc	75.00	5.93
Wickwire Lewis Goldmark & Schoor, 500 Maynard Bldg. Seattle, WA 98104	Arctic Slope Regional Corp	375.00	228.40
Bruce W. Wilkinson, 2203 North Lois Ave., #500 Tampa, FL 33607	North American Telephone		
Dean M. Wilkinson, 1611 Connecticut Avenue, NW Washington, DC 20009	Greenpeace, USA	74.48	14.82
Harding Dec. Williams, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	4,000.00	
Margie R. Williams, 415 2nd St., NE, #300 Washington, DC 20002	National Assn of Wheat Growers	2,340.00	
Williams & Jensen, P.C., 1101 Connecticut Ave., NW Washington, DC 20036	American Home Products		
Do	American Hospital Assn	280.00	29.69
Do	American Physical Therapy Assn		
Do	American Real Estate Committee	2,187.50	42.99
Do	Association of Progressive Rental Organizations	926.00	59.39
Do	Bato Company		
Do	Century 21 Real Estate Corp	50.00	6.75
Do	Cigna	1,065.00	36.44
Do	Committee for Employment Opportunities		
Do	Committee for Fairness in Real Estate Taxation	890.00	37.80
Do	D'Ancona & Pflaum		
Do	Estee Lauder, Inc		
Do	Federation for American Immigration Reform	400.00	58.04
Do	First Boston Corp	410.00	25.65
Do	First Data		6.75
Do	Freight Forwarders Institute		
Do	General Electric Co	156.00	16.20
Do	Goldome FSB	287.50	2.70
Do	Higher Education Assistance Foundation	250.00	29.69
Do	Houston Endowment, Inc	632.50	22.94
Do	IU International Management Corp		
Do	Kellogg Company		
Do	Kelly Appleman Hart & Hallman	137.50	16.20
Do	Miller and Leher		70.19
Do	Mustang Fuel Corporation		
Do	National Assn for Home Care		
Do	National Assn of Water Companies		
Do	National Cable Television Assn, Inc	1,350.00	109.33
Do	Nationwide Insurance Co		
Do	Norfolk Southern Corp	2,625.00	145.78
Do	Paralyzed Veterans of America	17.00	1.36
Do	Pharmaceutical Manufacturers Assn		190.33
Do	Recording Industry Assn of America, Inc	100.00	14.85
Do	Southland Royalty Co		
Do	Student Loan Marketing Assn	550.00	58.04
Do	Texaco, Inc	1,865.00	130.94
Do	Texas Air Corp	2,327.50	153.88
Do	U.S. Telephone Communications, Inc	262.50	14.85
Do	Universal Foods, Inc		
Do	USAA Financial Service Co	250.00	29.67
Willkie Farr & Gallagher, 818 Connecticut Avenue, NW Washington, DC 20036	American Red Cross Retirement System		
Do	American Trucking Assns, Inc		
Do	Comptroller of the State of New York		
Charlotte M. Wilmer, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	130.00	
David W. Wilmot, 1029 Vermont Ave., NW, #300 Washington, DC 20005	Anheuser-Busch Companies, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
H. Graham Wilson, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
Judy Winchester, 3900 Wisconsin Avenue, NW Washington, DC 20016	Federal National Mortgage Assn		
Windels Marx Davies & Ives, 1701 Pennsylvania Avenue, NW Washington, DC 20006	Norfolk Southern Corp		752.39
James L. Winston, 1730 M Street, NW, #708 Washington, DC 20036	National Assn of Black Owned Broadcasters		
Rebecca Wodder, 1400 Eye Street, NW, 10th Fl. Washington, DC 20005	Wilderness Society	187.43	
Burton C. Wood, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America	16,125.00	5,052.00
G. Kent Woodman, 1818 N Street, NW Washington, DC 20036	Baskin & Steingut, P.c. (For:Norfolk Southern Corp)	1,250.00	
Brenda J. Wright, Suite 2600 1000 Wilson Blvd. Arlington, VA 22209	TRW, Inc	1,153.44	
Frances C. Wright, 2550 M Street, NW, #275 Washington, DC 20037	Camp Carmouche Barsh Hunter Gray Hoffman & Gill, P.C.		
Wyman Bautzer Christensen Kuchel & Silbert, Suite 580 600 New Hampshire Ave., NW Washington, DC 20037	American Boiler Manufacturers Assn, Inc		
Do	Automotive Dismantlers & Recyclers Assn, Inc		
Do	Bristol Bay Native Corp		
Do	Eklutna, Inc		
Do	Filmways, Inc		
Kenneth P. Yale, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	15.00
Nancy Foster Yanish, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Roberta Lynn Youmans, 509 C Street, NE Stanton Park Washington, DC 20002	Roisman, Reno & Cavanaugh (For:National Housing Law Project)	1,937.51	
Judith A. Young, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	1,500.00	136.89
Kathryn Eleanor Young, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.		
Janice Zarro, Suite 715-16 1660 L St., NW Washington, DC 20036	Avon Products, Inc	60.75	40.00
Vincent Justin Zecca, 315 West Cuthbert Road Westmont, NJ 08108			
Sharon G. Zedd, 1945 Old Gallows Road, #405 Vienna, VA 22180	American Wood Preservers Institute	5,000.00	739.95
Zero Population Growth, Inc, 1601 Connecticut Ave., NW, 4th Fl. Washington, DC 20009		4,206.00	4,028.00
Ronald L. Ziegler, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators, Inc		
Judith Ziewacz, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation	1,650.00	
Ziontz Pirtle Morrisset Ernstoff & Chestnut, Metropolitan Park, 16th Floor 1100 Olive Way Seattle, WA 98101	Tulalip Indian Tribe		
31st Pro Life Congressional District Action Comm, 8654 Bonview Terrace Williamsville, NY 14221			

SENATE—*Tuesday, January 6, 1987*

The sixth day of January being the day prescribed by House Joint Resolution 755 for the meeting of the 1st session of the 100th Congress, the Senate assembled in its Chamber at the Capitol, at 12 noon.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

***For promotion cometh neither from the East, nor from the West, nor from the South; but God is the judge; He putteth down one and setteth up another*—Psalms 75:6-7.**

Eternal God, Supreme Lord of history and Ruler of the nations, make Your presence felt at this significant hour in the Senate of the United States.

In the light of Your truth from the psalmist, in the spirit of the finest intentions of our founders, and in the context of this consummately critical hour in domestic and world affairs, may this swearing-in ceremony represent the ultimate in statesmanship and political commitment. As the Senators make their sober pledge, may the reality of divine appointment and the trust of the people be pervasive.

We commend to Your gracious care the President and the First Lady. Give to them Your peace and to him rapid and total recovery.

In the name of Him who is truth and justice incarnate. Amen.

CREDENTIALS

The VICE PRESIDENT. The Chair lays before the Senate the credentials of 34 Senators elected to 6-year terms beginning on January 3, 1987, and the credentials of one Senator elected for an unexpired term. All certificates, the Chair is advised, are in the form suggested by the Senate or contain all the essential requirements of the form suggested by the Senate.

If there be no objection, the reading of the 35 certificates will be waived, and they will be printed in full in the RECORD.

The documents ordered to be printed in the RECORD are as follows:

STATE OF NORTH CAROLINA

CERTIFICATE OF ELECTION FOR UNEXPIRED TERM

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, Terry Sanford was duly chosen by the qualified electors of the State of North Carolina a Senator for the unexpired term ending at noon on the 3rd day of January, 1987, to fill the vacancy in the representation from said State in the Senate of the United States caused by the death of Senator John East.

Witness: His excellency our governor, and our seal hereto affixed at Raleigh this 21st day of November, in the year of our Lord, 1986.

JAMES G. MARTIN,
Governor.

STATE OF WASHINGTON

To the President of the Senate of the United States:

This is to certify that on the fourth day of November, nineteen hundred and eighty-six, Brock Adams was duly chosen by the qualified electors of the State of Washington a Senator from said state to represent said state in the Senate of the United States for a term of six years, beginning on the third day of January, nineteen hundred and eighty-seven.

In witness whereof, I have hereunto set my hand and caused the Seal of the State of Washington to be affixed at Olympia this 4th of December, A.D., nineteen hundred and eighty-six.

BOOTH GARDNER,
Governor of Washington.

STATE OF MISSOURI

CERTIFICATE OF ELECTION FOR UNITED STATES SENATOR, SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, Christopher (Kit) Bond was duly chosen by the qualified electors of the State of Missouri a Senator to represent Missouri in the United States Senate for a term of six years, beginning on the 3rd day of January, 1987.

In testimony whereof, I hereunto set my hand and cause to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, this 5th day of December, 1986.

JOHN ASHCROFT,
Governor.

STATE OF LOUISIANA

ELECTION PROCLAMATION

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, John Breaux was duly chosen by the qualified electors of the State of Louisiana a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1987.

Witness: His excellency our governor Edwin W. Edwards, and our seal hereto affixed at the City of Baton Rouge this 17th day of November, 1986.

EDWIN W. EDWARDS,
Governor of Louisiana.

STATE OF ARKANSAS

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the fourth day of November, 1986, the Honorable Dale Bumpers was duly chosen by the qualified electors of the State of Arkansas as a Senator from said State to represent said State in the Senate of the United States for a term of six years, beginning on the 3rd day of January, 1987, the vote being:

Honorable Dale Bumpers, 433,122; Asa Hutchinson, 262,313; Ralph Forbes, 52.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of Arkansas to be affixed at the Capitol in Little Rock on this 20th day of December in the year of our Lord nineteen hundred eighty-six.

BILL CLINTON,
Governor.

STATE OF NORTH DAKOTA

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, Kent Conrad was duly chosen by the qualified electors of the State of North Dakota a Senator from said State to represent said State in the Senate of the United States for a term of six years, beginning on the 3rd day of January, 1987.

Witness: His excellency our governor George A. Sinner, and our seal hereto affixed at Bismarck this 19th day of November in the year of our Lord 1986.

GEORGE A. SINNER,
Governor.

STATE OF CALIFORNIA

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, Alan Cranston was duly chosen by the qualified electors of the State of California a Senator from said State to represent said State in the Senate of the United States for a term of six years, beginning on the 3rd day of January, 1987.

In witness whereof I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 15th day of December 1986.

GEORGE DEUKMEJIAN,
Governor of California.

STATE OF NEW YORK

To the President of the Senate of the United States:

This is to certify that on the fourth day of November, 1986, Alfonse M. D'Amato was duly chosen by the qualified electors of the State of New York a Senator from said State to represent said State in the Senate of the United States for a term of six years, beginning on the 3rd day of January, 1987.

Witness: His excellency our governor Mario M. Cuomo, and our seal hereto affixed at Albany this sixteenth day of December, in the year nineteen hundred eighty-six.

MARIO M. CUOMO,
Governor.

STATE OF SOUTH DAKOTA

CERTIFICATE OF ELECTION

This is to certify, That on the 4th day of November, nineteen hundred and eighty-six, at a general election, Thomas A. Daschle was duly chosen by the qualified voters of

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

the State of South Dakota to the office of United States Senate for the term of six years, beginning the 3rd day of January, nineteen hundred and eighty-seven.

In witness whereof, We have hereunto set our hands and caused the Seal of the State to be affixed at Pierre, the Capital, this 24th day of November, nineteen hundred and eighty-six.

WILLIAM J. JANKLOW,
Governor.

STATE OF ILLINOIS

To the President of the Senate of the United States:

This is to certify that on the fourth day of November, nineteen hundred and eighty-six, Alan J. Dixon was duly chosen by the qualified electors of the State of Illinois, a Senator from said State, to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, nineteen hundred and eighty-seven.

Witness: His Excellency our Governor James R. Thompson, and our seal hereto affixed at the city of Springfield this twenty-fourth day of November, in the year of our Lord nineteen hundred and eighty-six.

JAMES R. THOMPSON,
Governor.

STATE OF CONNECTICUT

To the President of the Senate of the United States:

This is to certify that on the fourth day of November, nineteen hundred and eighty-six, Christopher J. Dodd was duly chosen by the qualified electors of the State of Connecticut Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, nineteen hundred and eighty-seven.

Witness: His Excellency our Governor, William A. O'Neill and our seal hereto affixed at Hartford, this twenty-sixth day of November, in the year of our Lord nineteen hundred and eighty-six.

WILLIAM A. O'NEILL,
Governor.

STATE OF KANSAS

CERTIFICATE OF ELECTION

To the President of the Senate of the United States:

This is to certify that on the fourth day of November, nineteen hundred eighty-six, Bob Dole was duly chosen by the qualified electors of the State of Kansas a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, nineteen hundred eighty-seven.

Witness: The Honorable John Carlin, our Governor, and our seal hereto affixed at Topeka, this twenty-first day of November, in the year of our Lord, nineteen hundred eighty-six.

JOHN CARLIN,
Governor.

COMMONWEALTH OF KENTUCKY

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To all to Whom These Presents Shall Come, Greeting:

Know Ye, That Wendell H. Ford, having been duly certified, that on the 4th day of November, 1986, was duly chosen by the qualified electors of the State of Kentucky a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1987.

I hereby invest the above named with full power and authority to execute and discharge the duties of the said office according to law. And to have and to hold the same, with all the rights and emoluments thereunto legally appertaining, for and during the term prescribed by law.

In testimony whereof, I have caused these letters to be made patent, and the seal of the Commonwealth to be hereunto affixed. Done at Frankfort, the 24th day of November in the year of our Lord one thousand nine hundred and eighty-six and in the one hundred and 95th year of the Commonwealth.

MARTHA LAYNE COLLINS,
Governor.

STATE OF GEORGIA

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, Wyche Fowler, Jr., was duly chosen by the qualified electors of the State of Georgia a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1987.

Witness: His excellency, Governor Joe Frank Harris, and our seal hereto affixed at the Capitol, in the City of Atlanta, this 16th day of December, in the year of our Lord 1986.

JOE FRANK HARRIS,
Governor.

STATE OF UTAH

CERTIFICATE OF ELECTION FOR A SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, Senator E.J. Jake Garn was duly chosen by the electors of the State of Utah a Senator from Utah to represent Utah in the Senate of the United States for the term of six years, beginning on the third day of January, 1987.

Witness: His excellency, our governor Norman H. Bangerter, and our seal hereto affixed at Salt Lake City, Utah, this 22nd day of December, in the year of our Lord 1986.

NORMAN H. BANGERTER,
Governor.

STATE OF OHIO

CERTIFICATE OF ELECTION

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, John Glenn was duly chosen by the qualified electors of the State of Ohio a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, 1987.

Witness: His Excellency, our Governor Richard F. Celeste, and our Seal hereto affixed at Columbus, Ohio, this 15th day of December, in the year of Our Lord nineteen hundred eighty-six.

RICHARD F. CELESTE,
Governor.

STATE OF FLORIDA

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the fourth day of November, A.D., 1986, Bob Graham was duly chosen by the qualified electors of the State of Florida a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3d day of January, 1987.

Witness: His excellency our governor, Bob Graham, and our seal hereto affixed at Tallahassee, this 17th day of November, in the year of our Lord 1986.

BOB GRAHAM,
Governor.

STATE OF IOWA

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the fourth day of November, 1986, Charles E. Grassley was duly chosen by the qualified electors of the State of Iowa a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, 1987.

Witness: His excellency our governor Terry E. Branstad, and our seal hereto affixed at Des Moines, Iowa, this eighth day of December in the year of our Lord 1986.

TERRY E. BRANSTAD,
Governor.

STATE OF SOUTH CAROLINA

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, Ernest F. Hollings was duly chosen by the qualified electors of the State of South Carolina a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3d day of January, 1987.

Witness: His excellency our Governor Richard W. Riley, and our seal hereto affixed at Columbia, South Carolina, this 14th day of November, in the year of our Lord 1986.

RICHARD W. RILEY,
Governor.

STATE OF HAWAII

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the fourth day of November, 1986, Daniel K. Inouye was duly chosen by the qualified electors of the State of Hawaii a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1987.

Witness: His excellency our governor George R. Ariyoshi, and our seal hereto affixed at Honolulu, Hawaii this 25th day of November, in the year of our Lord 1986.

GEORGE R. ARIYOSHI,
Governor.

STATE OF WISCONSIN

To the President of the Senate of the United States:

I, Anthony S. Earl, Governor of the State of Wisconsin, do hereby certify that on the Fourth day of November, 1986, Robert W. Kasten, Jr., was duly chosen by the electors of the State of Wisconsin a Senator to represent said State in the Senate of the United States for the term of six years, beginning on the Third day of January, 1987.

In testimony whereof, I have hereunto set my hand and caused the Great Seal of the State of Wisconsin to be affixed. Done at the Capitol, in the City of Madison, this 9th day of December, in the year of our Lord, One Thousand, Nine Hundred and Eighty-Six.

ANTHONY S. EARL,
Governor.

STATE OF VERMONT

CERTIFICATE OF ELECTION

To the President of the Senate of the United States:

This is to certify that on the fourth day of November, 1986, Patrick J. Leahy was duly chosen by the qualified electors of the State of Vermont a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, 1987.

Witness: Her Excellency our Governor Madeleine M. Kunin, and our seal hereto affixed at Montpelier this eighteenth day of December, in the year of our Lord 1986.

MADELEINE M. KUNIN,
Governor.

STATE OF ARIZONA

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, John McCain was duly chosen by the qualified electors of the State of Arizona as Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1987.

Witness: His excellency the Governor of Arizona, and the great seal of Arizona hereto affixed at Phoenix, the Capital, this 24th day of November, in the year of our lord, 1986.

BRUCE BABBITT,
Governor.

STATE OF MARYLAND

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, Barbara A. Mikulski was duly chosen by the qualified electors of the State of Maryland a Senator from said State to represent said State in the Senate of the United States for a term of six years, beginning on the 3rd day of January, 1987.

Witness: His Excellency our Governor, Harry Hughes, and our seal hereto affixed at the City of Annapolis, this 8th day of December, in the Year of Our Lord, One Thousand, Nine Hundred and Eighty-six.

HARRY HUGHES,
Governor.

STATE OF ALASKA

CERTIFICATE OF ELECTION

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, Frank H. Murkowski was duly chosen by the qualified voters of the State of Alaska a Senator from said State to represent said State in the Senate of the United States for a term of six years, beginning on the 3rd day of January, 1987.

Witness: I have hereunto set my hand and affixed hereto the Seal of the State of Alaska, at Juneau, the Capital, this 8th day of December, 1986.

STEVE COWPER,
Governor.

STATE OF OKLAHOMA

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the 4th day of November 1986 Don Nickles was duly chosen by the qualified electors of the State of Oklahoma a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1987.

Witness: His excellency our Governor George Nigh and our seal hereto affixed at Oklahoma City, Oklahoma this 12th day of November in the year of our Lord 1986.

GEORGE NIGH,
Governor.

STATE OF OREGON

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, Bob Packwood was duly chosen by the qualified electors of the State of Oregon a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning at noon on the 3rd day of January, 1987.

Witness: His excellency our Governor, Victor Atiyeh, and the Seal of the State of Oregon hereto affixed at Salem, Oregon this 1st day of December, in the year of our Lord 1986.

VICTOR ATIYEH,
Governor.

STATE OF INDIANA

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

This is to certify that on the 4th Day of November, 1986, Dan Quayle was duly chosen by the qualified electors of the State of Indiana a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of Janaury, 1987.

Witness: I, Robert D. Orr, hereto set my hand and cause to be affixed the Great Seal of State at the City of Indianapolis this 24th day of December, in the year of our Lord 1986.

ROBERT D. ORR,
Governor.

STATE OF NEVADA

To the President of the Senate of the United States:

This is to certify that at a general election held in the State of Nevada on Tuesday, the fourth day of November, nineteen hundred and eighty-six, Harry M. Reid was duly elected by the qualified electors of the State of Nevada a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, nineteen hundred and eighty-seven, having received the highest number of votes cast for said office at said election, as appears by the certificate of the duly constituted and qualified Board of Canvassers now on file in the office of the Secretary of State at Carson City, Nevada.

In Testimony Whereof, I have hereunto set my hand and caused the Great Seal of the State Nevada to be affixed at the State Capitol at Carson City, this first day of December, in the year of our Lord one thousand nine hundred and eighty-six.

RICHARD H. BRYAN,
Governor.

STATE OF NEW HAMPSHIRE

To the President of the Senate of the United States:

This is to certify that on the fourth day of November, nineteen hundred and eighty-six, Warren B. Rudman was duly chosen by the qualified electors of the State of New Hampshire a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the third day of January, nineteen hundred and eighty-seven.

Witness: His Excellency, our Governor John H. Sununu and our Seal hereto affixed at Concord this twenty-sixth day of November, in the year of our Lord nineteen hundred and eighty-six.

JOHN H. SUNUNU,
Governor.

STATE OF NORTH CAROLINA

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, Terry Sanford was duly chosen by the qualified electors of the State of North Carolina a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1987.

Witness: His excellency our governor, James G. Martin, and our seal hereto affixed at Raleigh this 26th day of November, in the year of our Lord 1986.

JAMES G. MARTIN,
Governor.

STATE OF ALABAMA

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, Richard Shelby was duly chosen by the qualified electors of the State of Alabama as a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3rd day of January, 1987.

Witness: His excellency our governor George C. Wallace, and our seal hereto affixed at Montgomery, Alabama this 18th day of November, in the year of our Lord 1986.

GEORGE C. WALLACE
Governor.

COMMONWEALTH OF PENNSYLVANIA

To the President of the Senate of the United States, Greetings:

This is to certify that on the fourth day of November, 1986, Arlen Specter was duly chosen by the qualified electors of the Commonwealth of Pennsylvania a Senator from Pennsylvania to represent Pennsylvania in the Senate of the United States for the term of six years, beginning on the third day of January, 1987.

Witness: His excellency our Governor Dick Thornburgh, and our seal thereto affixed at Harrisburg this ninth day of December, in the year of our Lord 1986.

DICK THORNBURGH,
Governor.

STATE OF IDAHO

CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

To the President of the Senate of the United States:

This is to certify that on the 4th day of November, 1986, Steve Symms was duly chosen by the qualified electors of the State of Idaho a Senator from said State to represent said State in the Senate of the United

States for the term of six years, beginning on the 3d day of January, 1987.

Witness: His excellency our governor John V. Evans, and our seal hereto affixed at Boise this 19th day of November, in the year of our Lord 1986.

John V. Evans,
Governor.

State of Colorado

Certificate of Election for Six-Year Term

To the President of the Senate of the United States:

This is to certify that on the fourth day of November, 1986, Timothy E. Wirth was duly chosen by the qualified electors of the State of Colorado a Senator from said State to represent said State in the Senate of the United States for a term of six years, beginning on the third of January, 1987.

Witness: His excellency our Governor Richard D. Lamm, and our seal hereto affixed at this tenth day of December, in the year of our Lord, 1986.

Richard D. Lamm,
Governor.

ADMINISTRATION OF OATH OF OFFICE

The VICE PRESIDENT. If the 34 Senators-elect will now present themselves at the desk in groups of four as their names are called, in alphabetical order, the Chair will administer their oaths of office.

The clerk will now read the names of the first group.

The legislative clerk called the names of Mr. Adams, Mr. Bond, Mr. Breaux, and Mr. Bumpers.

The VICE PRESIDENT. The Senators will please come forward.

These Senators, escorted by Mr. Evans, Mr. Danforth, Mr. Johnston, and Mr. Pryor, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the Official Oath Book.

[Applause, Senators rising.]

The VICE PRESIDENT. The clerk will read the names of the next four Senators.

The legislative clerk read the names of Mr. Conrad, Mr. Cranston, Mr. D'Amato, and Mr. Daschle.

The VICE PRESIDENT. The Senators will please come forward.

These Senators, escorted by Mr. Burdick, Mr. Wilson, Mr. Moynihan, and Mr. Pressler, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered by the Vice President; and they severally subscribed to the oath in the Official Oath Book.

[Applause, Senators rising.]

The VICE PRESIDENT. The clerk will read the names of the next four Senators.

The legislative clerk called the names of Mr. Dixon, Mr. Dodd, Mr. Dole, and Mr. Ford.

The VICE PRESIDENT. The Senators will please come forward.

These Senators, escorted by Mr. Simon, Mr. Weicker, Mrs. Kassebaum, and Mr. McConnell, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the Official Oath Book.

[Applause, Senators rising.]

The VICE PRESIDENT. The Clerk will read the names of the next four Senators.

The legislative clerk called the names of Mr. Fowler, Mr. Garn, Mr. Glenn, and Mr. Graham.

The VICE PRESIDENT. The Senators will please come forward.

These Senators, escorted by Mr. Nunn, Mr. Hatch, Mr. Metzenbaum, and Mr. Chiles, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the Official Oath Book.

[Applause, Senators rising.]

The VICE PRESIDENT. The clerk will read the names of the next group.

The legislative clerk called the names of Mr. Grassley, Mr. Hollings, Mr. Inouye, and Mr. Kasten.

The VICE PRESIDENT. The Senators will please come forward.

These Senators, escorted by Mr. Harkin, Mr. Thurmond, Mr. Matsunaga, and Mr. Proxmire, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the Official Oath Book.

[Applause, Senators rising.]

The VICE PRESIDENT. The clerk will read the names of the next group, please.

The legislative clerk called the names of Mr. Leahy, Mr. McCain, Ms. Mikulski, and Mr. Murkowski.

The VICE PRESIDENT. The Senators will come forward.

These Senators, escorted by Mr. Stafford, Mr. DeConcini, Mr. Sarbanes, and Mr. Stevens, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the Official Oath Book.

[Applause, Senators rising.]

The VICE PRESIDENT. The clerk will read the names of the next group.

The legislative clerk called the names of Mr. Nickles, Mr. Packwood, Mr. Quayle, and Mr. Reid.

The VICE PRESIDENT. Senators please come forward.

These Senators, escorted by Mr. Boren, Mr. Simpson, Mr. Lugar, and Mr. Hecht, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the Official Oath Book.

[Applause, Senators rising.]

The VICE PRESIDENT. The clerk will please read the names of the next group.

The legislative clerk called the names of Mr. Rudman, Mr. Sanford, Mr. Shelby, and Mr. Specter.

The VICE PRESIDENT. Will the Senators please come forward?

These Senators, escorted by Mr. Humphrey, Mr. Helms, Mr. Heflin, and Mr. Heinz, respectively, advanced to the desk of the Vice President: the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the Official Oath Book.

[Applause, Senators rising.]

The VICE PRESIDENT. The clerk will read the names of the final group.

The legislative clerk called the names of Mr. Symms and Mr. Wirth.

These Senators, escorted by Mr. Cochran and Mr. Armstrong, respectively, advanced to the desk of the Vice President; the oath prescribed by law was administered to them by the Vice President; and they severally subscribed to the oath in the Official Oath Book.

[Applause, Senators rising.]

The VICE PRESIDENT. The Senate will please be in order. Senators are asked to take their seats.

CALL OF THE ROLL

The VICE PRESIDENT. The majority leader is recognized.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 1]

Biden
Boschwitz
Cohen
Hatfield
McClure

The VICE PRESIDENT. A quorum is present.

LIST OF SENATORS BY STATES

Alabama. Howell Heflin and Richard C. Shelby.

Alaska. Ted Stevens and Frank H. Murkowski.

Arizona. Dennis DeConcini and John McCain.

Arkansas. Dale Bumpers and David Pryor.

California. Alan Cranston and Pete Wilson.

Colorado. William L. Armstrong and Timothy E. Wirth.

Connecticut. Lowell P. Weicker, Jr. and Christopher J. Dodd.

Delaware. William V. Roth, Jr. and Joseph R. Biden, Jr.

Florida. Lawton Chiles and Bob Graham.

Georgia. Sam Nunn and Wyche Fowler, Jr.

Hawaii. Daniel K. Inouye and Spark M. Matsunaga.

Idaho. James A. McClure and Steven D. Symms.

Illinois. Alan J. Dixon and Paul Simon.

Indiana. Richard G. Lugar and Dan Quayle.

Iowa. Charles E. Grassley and Tom Harkin.

Kansas. Robert Dole and Nancy Landon Kassebaum.

Kentucky. Wendell H. Ford and Mitch McConnell.

Louisiana. J. Bennett Johnston and John B. Breaux.

Maine. William S. Cohen and George J. Mitchell.

Maryland. Paul S. Sarbanes and Barbara A. Mikulski.

Massachusetts. Edward M. Kennedy and John F. Kerry.

Michigan. Donald W. Riegle, Jr. and Carl Levin.

Minnesota. David Durenberger and Rudy Boschwitz.

Mississippi. John C. Stennis and Thad Cochran.

Missouri. John C. Danforth and Christopher S. Bond.

Montana. John Melcher and Max Baucus.

Nebraska. Edward Zorinsky and J. James Exon.

Nevada. Chic Hecht and Harry Reid.

New Hampshire. Gordon J. Humphrey and Warren Rudman.

New Jersey. Bill Bradley and Frank R. Lautenberg.

New Mexico. Pete V. Domenici and Jeff Bingaman.

New York. Daniel Patrick Moynihan and Alfonse M. D'Amato.

North Carolina. Jesse Helms and Terry Sanford.

North Dakota. Quentin N. Burdick and Kent Conrad.

Ohio. John Glenn and Howard M. Metzenbaum.

Oklahoma. David L. Boren and Don Nickles.

Oregon. Mark O. Hatfield and Bob Packwood.

Pennsylvania. John Heinz and Arlen Specter.

Rhode Island. Claiborne Pell and John H. Chafee.

South Carolina. Strom Thurmond and Ernest F. Hollings.

South Dakota. Larry Pressler and Thomas A. Daschle.

Tennessee. Jim Sasser and Albert Gore, Jr.

Texas. Lloyd Bentsen and Phil Gramm.

Utah. Jake Garn and Orrin G. Hatch.

Vermont. Robert T. Stafford and Patrick J. Leahy.

Virginia. John W. Warner and Paul S. Trible, Jr.

Washington. Daniel J. Evans and Brock Adams.

West Virginia. Robert C. Byrd and John D. Rockefeller IV.

Wisconsin. William Proxmire and Bob Kasten.

Wyoming. Malcolm Wallop and Alan K. Simpson.

The VICE PRESIDENT. The majority leader is recognized.

Mr. BYRD addressed the Chair.

The VICE PRESIDENT. Will the Senate please be in order? The majority leader has been recognized.

Mr. BYRD. Mr. President, may we have order in the Senate?

The VICE PRESIDENT. Senators are asked to take their seats. The Senate will be in order.

The majority leader.

Mr. BYRD. Mr. President, I thank the Chair.

NOTIFICATION TO THE PRESIDENT

Mr. BYRD. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The VICE PRESIDENT. The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 1) informing the President of the United States that a quorum of each House is assembled.

The VICE PRESIDENT. Without objection, the resolution is considered and agreed to.

The resolution (S. Res. 1) reads as follows:

S. Res. 1

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

The VICE PRESIDENT. Pursuant to Senate Resolution 1, the Chair appoints the Senator from West Virginia, Mr. Robert C. Byrd, and the Senator from Kansas, Mr. Robert Dole, as members of the committee of the Senate to join the committee of the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

NOTIFICATION TO THE HOUSE

Mr. BYRD. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The VICE PRESIDENT. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 2) informing the House of Representatives that a quorum of the Senate is assembled.

The VICE PRESIDENT. Without objection, the resolution is considered and agreed to.

The resolution (S. Res. 2) reads as follows:

S. Res. 2

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

ELECTION OF THE PRESIDENT PRO TEMPORE OF THE SENATE

Mr. BYRD. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The VICE PRESIDENT. The clerk will state the resolution by title.

Mr. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from South Carolina, Mr. Thurmond, may be added as a cosponsor. I do this at his request.

The VICE PRESIDENT. Without objection, it is so ordered.

The clerk will now state the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 3) to elect John C. Stennis, a Senator from the State of Mississippi, to be President pro tempore of the Senate of the United States.

Mr. THURMOND addressed the Chair.

The VICE PRESIDENT. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I am very pleased to join as a sponsor of this resolution. The Democrats have a majority in the Senate. They are entitled to the President pro tempore. Senator Stennis is a worthy man to fill this position. He is a man of character, a man of ability, a man of dedication, and a man of compassion. I am very proud to have worked with him ever since I have been in the Senate. I feel the Senate is fortunate to have a man like him to be the President pro tempore. I move to second the nomination, as well as being a cosponsor, and move the nomination be closed and he be elected by acclamation.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to as follows:

S. Res. 3

Resolved, That John C. Stennis, a Senator from the State of Mississippi, be, and he is hereby, elected President of the Senate pro tempore, to hold office during the pleasure of the Senate, in accordance with rule I, paragraph 1, of the Standing Rules of the Senate.

ADMINISTRATION OF OATH TO SENATOR JOHN C. STENNIS AS PRESIDENT PRO TEMPORE OF THE SENATE FOR THE 100TH CONGRESS

The VICE PRESIDENT. The Senator from Mississippi will approach the rostrum. I appoint the Senator from West Virginia, Mr. BYRD; the Senator from Kansas, Mr. DOLE; the Senator from Mississippi, Mr. THAD COCHRAN; and the Senator from South Carolina, Mr. STROM THURMOND, as a committee to escort the President pro tempore of the Senate to the rostrum for the purpose of taking the oath.

The President pro tempore, escorted by Senator BYRD, Senator DOLE, Senator COCHRAN, and Senator THURMOND, advanced to the desk of the Vice President; the oath was administered to him by the Vice President; and he subscribed to the oath in the Official Oath Book.

[Applause, Senators rising.]

The PRESIDENT pro tempore (Mr. STENNIS). Mr. Vice President, and Members of the Senate, the floor is now open for offering resolutions that may be presented by any Member.

Mr. BYRD addressed the Chair.

The PRESIDENT pro tempore. I recognize the Senator from West Virginia.

NOTIFICATION TO THE PRESIDENT

Mr. BYRD. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the resolution.

The legislative clerk read as follows:

S. RES. 4

Resolved, That the President of the United States be notified of the election of John C. Stennis, a Senator from the State of Mississippi, as President pro tempore.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution will be considered and agreed to. [Laughter.]

CONGRATULATIONS TO THE PRESIDENT PRO TEMPORE

Mr. BYRD addressed the Chair.

The PRESIDENT pro tempore. The Senator from West Virginia is recognized.

Mr. BYRD. I send a resolution to the desk, and I ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the resolution.

The assistant legislative clerk read as follows:

S. RES. 5

Resolved, That the Majority Leader and the Minority Leader of the Senate, on behalf of the Senate, congratulate John C. Stennis, a Senator from the State of Mississippi, upon his election as President pro tempore of the United States Senate.

The PRESIDENT pro tempore. We will strictly follow the rule here. [Laughter.]

Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

[Applause, Senators rising.]

The PRESIDENT pro tempore. The Chair recognizes the Senator from West Virginia.

NOTIFICATION TO THE HOUSE OF REPRESENTATIVES OF ELECTION OF A PRESIDENT PRO TEMPORE OF THE SENATE

Mr. BYRD. Mr. President, I send a resolution to the desk and I ask unanimous consent that it be immediately considered.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The resolution will be reported. The clerk will report the resolution.

The legislative clerk read as follows:

S. RES. 6

Resolved, That the House of Representatives be notified of the election of John C. Stennis, a Senator from the State of Mississippi, as President pro tempore.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

Mr. BYRD addressed the Chair.

The PRESIDENT pro tempore. The Senator from West Virginia is recognized.

ELECTION OF WALTER J. STEWART AS SECRETARY OF THE SENATE

Mr. BYRD. Mr. President, I send to the desk a resolution and I ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the resolution.

The assistant legislative clerk read as follows:

S. RES. 7

Resolved, That Walter J. Stewart be, and he is hereby, elected Secretary of the Senate, beginning January 6, 1987.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

ADMINISTRATION OF OATH TO THE SECRETARY OF THE SENATE

The PRESIDENT pro tempore. The Secretary of the Senate will now present himself for the taking of the oath of office.

The Honorable Walter J. Stewart, escorted by the Honorable ROBERT C. BYRD, advanced to the desk of the Vice President; the oath prescribed by law was administered to him by the President pro tempore.

[Applause, Senators rising.]

NOTIFICATION TO THE PRESIDENT

Mr. BYRD. I send to the desk a resolution and I ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the resolution.

The legislative clerk read as follows:

S. RES. 8

Resolved, That the President of the United States be notified of the election of the Honorable Walter J. Stewart as Secretary of the Senate.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

NOTIFICATION TO THE HOUSE OF REPRESENTATIVES OF ELECTION OF SECRETARY OF THE SENATE

Mr. BYRD addressed the Chair.

The PRESIDENT pro tempore. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent for the immediate consideration of the resolution which I now sent to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution.

The assistant legislative clerk read as follows:

S. RES. 9

Resolved, That the House of Representatives be notified of the election of the Honorable Walter J. Stewart as Secretary of the Senate.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to as follows:

S. RES. 9

Resolved, That the House of Representatives be notified of the election of the Honorable Walter J. Stewart as Secretary of the Senate.

ELECTION OF HENRY KUUALOHA GIUGNI AS THE SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

Mr. BYRD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

I offer this resolution on behalf of Mr. INOUYE and myself.

The PRESIDENT pro tempore. The clerk will report the resolution.

The legislative clerk read as follows:

S. Res. 10

Resolved, That Henry Kuualoha Giugni, of the State of Hawaii, be, and he is hereby, elected Sergeant at Arms and Doorkeeper of the Senate.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

ELECTION OF DAVID J. PRATT AS SECRETARY FOR THE MAJORITY OF THE SENATE

Mr. BYRD addressed the Chair.

The PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the resolution.

The assistant legislative clerk read as follows:

S. Res. 11

Resolved, That David J. Pratt be, and he is hereby, elected Secretary for the Majority of the Senate.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

ELECTION OF HOWARD GREENE AS SECRETARY FOR THE MINORITY OF THE SENATE

Mr. DOLE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Kansas.

Mr. DOLE. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the resolution.

The legislative clerk read as follows:

S. Res. 12

Resolved, That Howard Greene be, and he is hereby, elected Secretary for the Minority of the Senate.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

HOUR OF DAILY MEETING

Mr. BYRD. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the resolution.

The assistant legislative clerk read as follows:

S. Res. 13

Resolved, That the hour of daily meeting of the Senate be 12 o'clock meridian unless otherwise ordered.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

AMENDMENT TO PARAGRAPH 2 AND 3 OF RULE XXV

Mr. BYRD addressed the Chair.

The PRESIDENT pro tempore. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I send to the desk a resolution amending rule XXV and I ask for its immediate consideration.

The PRESIDENT pro tempore. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 14) to amend paragraph 2 and 3 of Rule XXV of the Standing Rules of the Senate.

The PRESIDENT pro tempore. Is there any discussion?

Mr. METZENBAUM. Mr. President, would the leader be good enough to tell us what that is?

Mr. BYRD. Yes. This makes it possible for the distinguished Senator from Ohio to be on the Intelligence Committee in due time.

Mr. METZENBAUM. That is a wonderful resolution. [Laughter.]

Mr. HELMS addressed the Chair.

The PRESIDENT pro tempore. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I thank the Chair.

May we have the resolution read?

The PRESIDENT pro tempore. Yes. The clerk will read the resolution.

The legislative clerk read as follows:

S. Res. 14

Resolved, That Rule XXV, paragraph 2, of the Standing Rules of the Senate is amended as follows:

Strike the figure after "Agriculture, Nutrition, and Forestry" and insert in lieu thereof "18";

Strike the figure after "Armed Services" and insert in lieu thereof "20";

Strike the figure after "Banking, Housing, and Urban Affairs" and insert in lieu thereof "18";

Strike the figure after "Commerce, Science, and Transportation" and insert in lieu thereof "20";

Strike the figure after "Energy and Natural Resources" and insert in lieu thereof "19";

Strike the figure after "Environment and Public Works" and insert in lieu thereof "16";

Strike the figure after "Foreign Relations" and insert in lieu thereof "20";

Strike the figure after "Governmental Affairs" and insert in lieu thereof "14";

Strike the figure after "Judiciary" and insert in lieu thereof "14";

Sec. 2. Paragraph 3(a) of rule XXV of the Standing Rules of the Senate is amended as follows:

Strike the figure after "Budget" and insert in lieu thereof "24";

Strike the figure after "Rules and Administration" and insert in lieu thereof "16";

Strike the figure after "Veterans Affairs" and insert in lieu thereof "11";

Strike the figure after "Small Business" and insert in lieu thereof "18".

Sec. 3. Paragraph 3(c) of Rule XXV of the Standing Rules of the Senate is amended as follows:

Strike the figure after "Indian Affairs" and insert in lieu therof "8".

The PRESIDENT pro tempore. Are there any other requests?

The Chair hears none.

Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

Mr. BYRD. Mr. President, I answered the distinguished Senator from Ohio facetiously. I intended to correctly answer his question but the distinguished Senator from North Carolina, quite appropriately, asked that the resolution be read. So that is in full explanation of the resolution.

AMENDMENT TO RULE XXV

Mr. BYRD. Mr. President, I send a resolution to the desk dealing with rule XXV, and I ask unanimous consent to proceed to its immediate consideration.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 15) to amend paragraph 4 of rule XXV of the Standing Rules of the Senate.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 15) was considered and agreed to as follows:

S. Res. 15

Resolved, That paragraph 4 of Rule XXV is amended by striking all after subparagraph (g) and inserting in lieu thereof the following:

"(h)(1) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Armed Services and the Committee on Energy and Natural Resources may, during the Hundredth Congress, also serve as a member of the Committee on Governmental Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(2) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Rules and Administration may, during the Hundredth Congress, also serve as a member of the Committee on Veterans' Affairs and the Committee on Intelligence so long as his service as a member of each of such committees is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 3(a) and 3(b).

"(h)3)(A) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations may, during the Hundredth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(3)(B) A Senator who during the Hundredth Congress may serve as a member on those committees listed in subparagraph (a), as well as a member on the Special Committee on Aging, may, during the Hundredth Congress, also serve as a member of the Committee on the Budget so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3.

"(h)(4) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations and the Committee on Agriculture, Nutrition, and Forestry may, during the Hundredth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(5)(A) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Armed Services and the Committee on the Judiciary may, during the Hundredth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(5)(B) A Senator who during the Hundredth Congress serves on the Committee on Armed Services, the Committee on the Judiciary, and the Committee on Labor and Human Resources, and who serves as chairman of a committee listed in paragraph 2, may serve as chairman of two subcommittees of all committees listed in paragraph 2 of which he is a member.

"(h)(6)(A) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Agriculture, Nutrition, and Forestry and the Committee on Appropriations may, during the Hundredth Congress, also serve as a member of the Committee on the Judiciary so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(6)(B) A Senator who during the Hundredth Congress serves on the Committee on Agriculture, Nutrition, and Forestry, the Committee on Appropriations, and the Committee on the Judiciary, and who serves as chairman of a committee listed in paragraph 2, may serve as chairman of two subcommittees of all committees listed in paragraph 2 of which he is a member.

"(h)(7) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Energy and Natural Resources and the Committee on the Judiciary may, during the Hundredth Congress, also serves as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(8) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Environment and Public Works and the Committee on Finance may, during the Hundredth Congress, also serve as a member of the Committee on Governmental Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(9) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Agriculture, Nutrition and Forestry and the Committee on Finance may, during the Hundredth Congress, also serve as a member of the Committee on Governmental Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(10) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Banking, Housing and Urban Affairs and the Committee on Commerce, Science, and Transportation may, during the Hundredth Congress, also serve as a member of the Committee on Finance so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(11)(A) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations and the Committee on Banking, Housing, and Urban Affairs may, during the Hundredth Congress, also serve as a member of the Committee on Governmental Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(11)(B) A Senator who during the Hundredth Congress may serve as a member on those committees listed in subparagraph (a), as well as a member of the Committee on the Budget, may, during the Hundredth Congress, also serve as a member of the Committee on Small Business so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraphs 3(a) and 3(b).

"(h)(12) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on the Judiciary and the Committee on Labor and Human Resources may, during the Hundredth Congress, also serve as a member of the Committee on Foreign Relations so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(13) A Senator whose term begins on January 3, 1987 may serve as a member of the Committee on Commerce, Science and Transportation and the Committee on Foreign Relations and may, during the Hundredth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(14) A Senator whose term begins on January 3, 1987 may serve as a member of the Committee on Appropriations and the Committee on Environment and Public Works and may, during the Hundredth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2."

Mr. DOLE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Kansas.

AMENDMENT TO PARAGRAPH 4 OF RULE XXV OF THE STANDING RULES OF THE SENATE

Mr. DOLE. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the resolution as presented by the distinguished Senator from Kansas.

The legislative clerk read as follows:

A resolution (S. Res. 16) to amend paragraph 4 of rule XXV of the Standing Rules of the Senate.

The resolution (S. Res. 16) was agreed to, as follows:

S. RES. 16

Resolved, That paragraph 4 of Rule XXV is amended by adding at the end of paragraph (h) the following:

"(h)(15) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on the Judiciary, the Committee on Labor and Human Resources, the Committee on Armed Services, and the Committee on Veterans' Affairs may, during the Hundredth Congress, serve as a member of the Committee on the Judiciary, the Committee on Labor and Human Resources, the Committee on Armed Services, and the Committee on Veterans' Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(16) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations, the Committee on Commerce, Science and Transportation, the Committee on Governmental Affairs, and the Committee on Rules and Administration may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on Commerce, Science and Transportation, the Committee on Governmental Affairs, and the Committee on Rules and Administration so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(17) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Finance, the Committee on Governmental Affairs, and the Select Committee on Intelligence may, during the Hundredth Congress, also serve as a member of the Joint Economic Committee so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(18) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations, the Committee on Energy and Natural Resources, the Committee on Labor and Human Resources, and the Committee on Small Business may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on Energy and Natural Resources, the Committee on Labor and Human Resources, and the Committee on Small Business so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(19) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations, the Committee on Environment and Public Works, the Committee on Energy and Natural Resources, and the Committee on the Budget may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on the Budget, the Committee on Energy and Natural Resources, and the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(20) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Environment and Public Works and the Committee on Finance may, during the Hundredth Congress, also serve as a member of the Committee on Banking, Housing and Urban Affairs and the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(21) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Banking, Housing and Urban Affairs, the Committee on Finance, and the Special Committee on Aging may, during the Hundredth Congress, also serve as a member of the Committee on Governmental Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subidivision, as a member of more than three committees listed in paragraph 2.

"(h)(22) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Environment and Public Works, the Committee on Finance, the Committee on Governmental Affairs, the Select Committee on Intelligence may, during the Hundredth Congress, serve as a member of the Committee on Environment and Public Works, the Committee on Finance, the Committee on Governmental Affairs, and the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(23) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Agriculture, Nutrition and Forestry, the Committee on Appropriations, and the Committee on Government Affairs may, during the Hundredth Congress, serve as a member of the Committee on Agriculture, Nutrition and Forestry, the Committee on Appropriations, and the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(24) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Agriculture, Nutrition and Forestry, the Committee on Foreign Relations, the Committee on the Budget and the Committee on Veterans Affairs may, during the Hundredth Congress, serve as a member of the Select Committee on Small Business so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(25) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Environment and Public Works, the Committee on the Judiciary, and the Committee on Veterans Affairs may, during the Hundredth Congress, serve as a member of the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(26) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Armed Services and the Committee on Energy and Natural Resources may, during the Hundredth Congress, serve as a member of the Committee on Armed Services, the Committee on Environment and Public Works, the Committee on Rules and Administration, and the Select Committee on Intelligence so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(27) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Armed Services, the Committee on Governmental Affairs, and the Select Committee on Intelligence may, during the Hundredth Congress, also serve as a member of the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(28) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Commerce, Science and Transportation, the Committee on Foreign Relations, the Committee on Small Business, and the Special Committee on Aging may, during the Hundredth Congress, serve as a member of the Committee on Commerce, Science and Transportation, the Committee on Foreign Relations, the Committee on Environment and Public Works, the Committee on Small Business, and the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2, or as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(29) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Armed Services and the Committee on Environment and Public Works may, during the Hundredth Congress, serve as a member of the Committee on Armed Services, the Committee on Labor and Human Resources, and the Committee on the Judiciary so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(30) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Budget, the Committee on Environment and Public Works, the Commitee on Finance and the Joint Economic Committee may, during the Hundredth Congress, serve as a member of the Committee on Armed Services, the Committee on Environment and Public Works, the Committee on the Budget, and the Joint Economic Committee so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(31) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Finance, the Committee on the Judiciary, the Committee on Labor and Human Resources, the Special Committee on Aging and the Committee on the Budget may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on the Judiciary, the Committee on the Budget, and the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(32) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations, the Committee on Commerce, Science and Transportation, the Committee on the Budget, and the Committee on Small Business may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on Commerce, Science and Transportation, the Committee on the Budget, and the Committee on Small Business so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(33) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations, the Committee on Banking, Housing and Urban Affairs, the Committee on Small Business, and the Joint Economic Committee may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on Banking, Housing and Urban Affairs, the Committee on Small Business, and the Joint Economic Committee so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(34) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Energy and Natural Resources, the Committee on Foreign Relations, the Committee on Veterans' Affairs, and the Select Committee on Intelligence may, during the Hundredth Congress, serve as a member of the Committee on Energy and Natural Resources, the Committee on Foreign Relations, the Committee on Veterans' Affairs, and the Select Committee on Intelligence so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(35) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations, the Committee on Governmental Affairs, and the Committee on Small Business may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on Governmental Affairs, the Committee on Small Business, and the Committee on the Budget so long as his service as a member of each of such committees is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 3(a) and 3(b).

"(h)(36) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Agriculture, Nutrition, and Forestry, the Committee on Armed Services, the Special Committee on Aging and the Joint Economic Committee may, during the Hundredth Congress, serve as a member of the Committee on Agriculture, Nutrition, and Forestry, the Committee on Armed Services, the Committee on Commerce, Science, and Transportation, the Special Committee on Aging, and the Joint Economic Committee so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2, and as a member of more than two committees listed in paragraph 3(a) and 3(b)."

MAJORITY PARTY APPOINTMENTS TO SENATE COMMITTEES FOR THE 100TH CONGRESS

Mr. BYRD. Mr. President, I sent to the desk a resolution making the majority party appointments to committees and ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 17) making majority party appointments to Senate committees for the 100th Congress.

The resolution (S. Res. 17) was agreed to, as follows:

S. RES. 17

Resolved, That the following shall constitute the majority party's membership on the standing committees for the 100th Congress, or until their successors are chosen:

Committee on Agriculture, Nutrition, and Forestry: Mr. Leahy (Chairman), Mr. Zorinsky, Mr. Melcher, Mr. Pryor, Mr. Boren, Mr. Heflin, Mr. Harkin, Mr. Conrad, Mr. Fowler, and Mr. Daschle.

Committee on Appropriations: Mr. Stennis (Chairman), Mr. Byrd, Mr. Proxmire, Mr. Inouye, Mr. Hollings, Mr. Chiles, Mr. Johnston, Mr. Burdick, Mr. Leahy, Mr. Sasser, Mr. DeConcini, Mr. Bumpers, Mr. Lautenberg, Mr. Harkin, Ms. Mikulski, and Mr. Reid.

Committee on Armed Services: Mr. Nunn (Chairman), Mr. Stennis, Mr. Exon, Mr. Levin, Mr. Kennedy, Mr. Bingaman, Mr. Dixon, Mr. Glenn, Mr. Gore, Mr. Wirth, and Mr. Shelby.

Committee on Banking, Housing, and Urban Affairs: Mr. Proxmire (Chairman), Mr. Cranston, Mr. Riegle, Mr. Sarbanes, Mr. Dodd, Mr. Dixon, Mr. Sasser, Mr. Sanford, Mr. Shelby, and Mr. Graham.

Committee on Commerce, Science, and Transportation: Mr. Hollings (Chairman), Mr. Inouye, Mr. Ford, Mr. Riegle, Mr. Exon, Mr. Gore, Mr. Rockefeller, Mr. Bentsen, Mr. Kerry, Mr. Breaux, and Mr. Adams.

Committee on Energy and Natural Resources: Mr. Johnston (Chairman), Mr. Bumpers, Mr. Ford, Mr. Metzenbaum, Mr. Melcher, Mr. Bradley, Mr. Bingaman, Mr. Wirth, Mr. Fowler, and Mr. Conrad.

Committee on Environment and Public Works: Mr. Burdick (Chairman), Mr. Moynihan, Mr. Mitchell, Mr. Baucus, Mr. Lautenberg, Mr. Breaux, Ms. Mikulski, Mr. Reid, and Mr. Graham.

Committee on Finance: Mr. Bentsen (Chairman), Mr. Matsunaga, Mr. Moynihan, Mr. Baucus, Mr. Boren, Mr. Bradley, Mr. Mitchell, Mr. Pryor, Mr. Riegle, Mr. Rockefeller, and Mr. Daschle.

Committee on Foreign Relations: Mr. Pell (Chairman), Mr. Biden, Mr. Sarbanes, Mr. Zorinsky, Mr. Cranston, Mr. Dodd, Mr. Kerry, Mr. Simon, Mr. Sanford, Mr. Adams, and Mr. Moynihan.

Committee on Governmental Affairs: Mr. Glenn (Chairman), Mr. Chiles, Mr. Nunn, Mr. Levin, Mr. Sasser, Mr. Pryor, Mr. Mitchell, and Mr. Bingaman.

Committee on the Judiciary: Mr. Biden (Chairman), Mr. Kennedy, Mr. Byrd, Mr. Metzenbaum, Mr. DeConcini, Mr. Leahy, Mr. Heflin, and Mr. Simon.

Committee on Labor and Human Resources: Mr. Kennedy (Chairman), Mr. Pell, Mr. Metzenbaum, Mr. Matsunaga, Mr. Dodd, Mr. Simon, Mr. Harkin, Mr. Adams, and Ms. Mikulski.

APPOINTMENT OF MINORITY MEMBERS TO SENATE COMMITTEES AND RANKING MEMBERS

Mr. DOLE. Mr. President, I send a resolution to the desk and ask for its immediate consideration. Let me indicate what this resolution does.

The PRESIDENT pro tempore. May we have quiet in the Chamber?

The Senator from Kansas.

Mr. DOLE. Mr. President, this is a listing of the minority members of each committee with the ranking members, with the exception of the Committees on Agriculture and Foreign Relations. There will be no ranking members selected on those committees until sometime next week.

The PRESIDENT pro tempore. Is there further discussion?

Mr. LUGAR addressed the Chair.

The PRESIDENT pro tempore. The Senator from Indiana.

Mr. LUGAR. Mr. President, may I inquire of the basis for excluding ranking members on Foreign Relations and Agriculture? I make this request because the members of the Foreign Relations Committee met this morning and seven votes were cast for me to be the ranking member of the committee. There were no votes for other members. In my judgment, clearly I am the ranking member of the committee, subject to appeal to the conference. I would appreciate the inclusion of my name as ranking member of the Foreign Relations Committee.

Mr. DOLE. Mr. President, I would like to make a point that this matter has not yet been determined by the conference. There has been a request for a conference vote by the distinguished Senator from North Carolina which involves not only the Foreign Relations Committee but, as most Senators know, it involves the ranking member on the Agriculture Committee. So until the conference has acted, I would not be able to honor that request.

Mr. LUGAR. Mr. President, may I propound a further inquiry? I presume that the ranking members of other committees are based upon the action of the Republican members of their committees. They must have met at some point and determined that those members should be the ranking members under the rules of our conference. I would simply add that in the Foreign Relations Committee the Republicans have met and seven out of nine have indicated I ought to be ranking member. In my judgment, I ought to be listed as ranking member subject to the ratification of the members of our conference.

Mr. DOLE. Mr. President, if the Senator will yield, I think rather than taking care of the problem, I would ask that the resolution be amended to show the members of the various committees and that no ranking members be designated for any committee. Then we will resolve that entire question in conference.

Mr. LEAHY. Mr. President, will the Senator yield for a question?

Mr. DOLE. I yield.

Mr. LEAHY. Mr. President, the last thing in the world the Senator from Vermont wants to do is to interfere with whatever the Members of the Republican Party would do within their own conference. But because I do have an interest in how we are going to set up the Agriculture Committee, approximately when does the distinguished Senator from Kansas think that that may be resolved?

Mr. DOLE. Soon.

[Laughter.]

Mr. LEAHY. Soon. Then we can get on to taking care of the farm questions soon. I thank the Senator.

Mr. BYRD addressed the Chair.

The PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. Will the distinguished Republican leader yield?

Mr. DOLE. I yield.

Mr. BYRD. Mr. President, will the distinguished Republican leader consider allowing the resolution to be considered which allows the ranking members to be appointed? Mr. CHILES wants to begin hearings tomorrow on the budget. In the final analysis, that is the one thing that keeps this Senate busy. It takes so much of the time of the committee. Would that be agreeable to the distinguished leader?

Mr. DOLE. I am advised that this resolution covers only the A committees. The Budget Committee is not in this resolution.

Mr. BYRD. Very well.

The PRESIDENT pro tempore. The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 18) making minority appointments to the Senate committees for the 100th Congress.

The resolution (S. Res. 18) was agreed to as follows:

S. RES. 18

Resolved, That the following shall constitute the minority party's membership on the standing committees for the 100th Congress, or until their successors are chosen:

Committee on Agriculture, Nutrition, and Forestry: Mr. Helms, Mr. Dole, Mr. Lugar, Mr. Cochran, Mr. Boschwitz, Mr. McConnell, Mr. Bond, and Mr. Wilson.

Committee on Appropriations: Mr. Hatfield, Mr. Stevens, Mr. Weicker, Mr. McClure, Mr. Garn, Mr. Cochran, Mr. Kasten, Mr. D'Amato, Mr. Rudman, Mr. Specter, Mr. Domenici, Mr. Grassley, and Mr. Nickles.

Committee on Armed Services: Mr. Warner, Mr. Thurmond, Mr. Humphrey, Mr. Cohen, Mr. Quayle, Mr. Wilson, Mr. Gramm, Mr. Symms, and Mr. McCain.

Committee on Banking, Housing, and Urban Affairs: Mr. Garn, Mr. Heinz, Mr. Armstrong, Mr. D'Amato, Mr. Hecht, Mr. Gramm, Mr. Bond, and Mr. Chafee.

Committee on Commerce, Science, and Transportation: Mr. Danforth, Mr. Packwood, Mrs. Kassebaum, Mr. Pressler, Mr. Stevens, Mr. Kasten, Mr. Trible, Mr. Wilson, and Mr. McCain.

Committee on Energy and Natural Resources: Mr. McClure, Mr. Hatfield, Mr. Weicker, Mr. Domenici, Mr. Wallop, Mr. Murkowski, Mr. Nickles, Mr. Hecht, and Mr. Evans.

Committee on Environment and Public Works: Mr. Stafford, Mr. Chafee, Mr. Simpson, Mr. Symms, Mr. Durenberger, Mr. Warner, and Mr. Pressler.

Committee on Finance: Mr. Packwood, Mr. Dole, Mr. Roth, Mr. Danforth, Mr. Chafee, Mr. Heinz, Mr. Wallop, Mr. Durenberger, and Mr. Armstrong.

Committee on Foreign Relations: Mr. Lugar, Mr. Helms, Mrs. Kassebaum, Mr. Boschwitz, Mr. Pressler, Mr. Murkowski, Mr. Trible, Mr. Evans, and McConnell.

Committee on Governmental Affairs: Mr. Roth, Mr. Stevens, Mr. Cohen, Mr. Rudman, Mr. Heinz, and Mr. Durenberger.

Committee on the Judiciary: Mr. Thurmond, Mr. Hatch, Mr. Simpson, Mr. Grassley, Mr. Specter, and Mr. Humphrey.

Committee on Labor and Human Resources: Mr. Hatch, Mr. Stafford, Mr. Quayle, Mr. Thurmond, Mr. Weicker, Mr. Cochran, and Mr. Humphrey.

Mr. BYRD addressed the Chair.

The PRESIDENT pro tempore. The distinguished Senator from West Virginia.

MAJORITY PARTY APPOINTMENTS TO SENATE COMMITTEES UNDER PARAGRAPHS 3 (A), (B), AND (C) OF RULE XXV

Mr. BYRD. Mr. President, I send to the desk a resolution making majority party appointments to Senate committees under paragraphs 3 (a), (b), and (c) of rule XXV and ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 19) making majority party appointments to Senate committees under paragraphs 3 (a), (b), and (c) of Rule XXV.

Mr. CHAFEE. Mr. President, could we hear what that is all about? Are those the so-called B committees?

Mr. DOLE. Yes.

Mr. BYRD. Yes, Mr. President, I answer the Senator's question in the affirmative.

The resolution (S. Res. 19) was agreed to, as follows:

S. RES. 19

Resolved, That the following shall constitute the majority party's membership on the committees named in paragraph 3(a), (b), and (c) of Rule XXV for the 100th Congress, or until their successors are appointed:

Committee on the Budget: Mr. Chiles (Chairman), Mr. Hollings, Mr. Johnston, Mr. Sasser, Mr. Riegle, Mr. Exon, Mr. Lautenberg, Mr. Simon, Mr. Sanford, Mr. Wirth, Mr. Fowler, Mr. Conrad, and Mr. Dodd.

Committee on Rules and Administration: Mr. Ford (Chairman), Mr. Pell, Mr. Byrd, Mr. Inouye, Mr. DeConcini, Mr. Gore, Mr. Moynihan, Mr. Dodd, and Mr. Adams.

Committee on Small Business: Mr. Bumpers (Chairman), Mr. Nunn, Mr. Sasser, Mr. Baucus, Mr. Levin, Mr. Dixon, Mr. Boren, Mr. Harkin, Mr. Kerry, and Ms. Mikulski.

Committee on Veterans' Affairs: Mr. Cranston (Chairman), Mr. Matsunaga, Mr. DeConcini, Mr. Mitchell, Mr. Rockefeller, and Mr. Graham.

Select Committee on Ethics: Mr. Heflin (Chairman), Mr. Pryor, and Mr. Sanford.

Select Committee on Indian Affairs: Mr. Inouye (Chairman), Mr. Melcher, Mr. DeConcini, Mr. Burdick, and Mr. Daschle.

Special Committee on Aging: Mr. Melcher (Chairman), Mr. Glenn, Mr. Chiles, Mr. Pryor, Mr. Bradley, Mr. Burdick, Mr. Johnston, Mr. Breaux, Mr. Shelby, and Mr. Reid.

Mr. DOLE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Kansas.

MINORITY PARTY APPOINTMENTS TO SENATE COMMITTEES FOR THE 100TH CONGRESS AND DESIGNATING RANKING MEMBERS OF THOSE COMMITTEES

Mr. DOLE. Mr. President, I send a resolution to the desk and ask for its immediate consideration. These are the B committee appointments.

The PRESIDENT pro tempore. The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 20) making minority party appointments to Senate committees for the 100th Congress and designating ranking members of those committees.

The resolution (S. Res. 20) was agreed to, as follows:

S. RES. 20

Resolved, That the following shall constitute the minority party's membership on those Senate committees listed below for the 100th Congress, or until their successors are appointed:

Budget: Mr. Domenici (ranking member), Mr. Armstrong, Mrs. Kassebaum, Mr. Boschwitz, Mr. Symms, Mr. Grassley, Mr. Kasten, Mr. Quayle, Mr. Danforth, Mr. Nickles, and Mr. Rudman.

Rules and Administration: Mr. Stevens (ranking member), Mr. Hatfield, Mr. McClure, Mr. Helms, Mr. Warner, Mr. Dole, and Mr. Garn.

Small Business: Mr. Weicker (ranking member), Mr. Boschwitz, Mr. Rudman, Mr. D'Amato, Mr. Kasten, Mr. Pressler, Mr. Wallop, and Mr. Bond.

Veterans Affairs: Mr. Murkowski (ranking member), Mr. Simpson, Mr. Thurmond, Mr. Stafford, and Mr. Specter.

Select Committee on Ethics: Mr. Rudman (ranking member), Mr. Helms, and Mrs. Kassebaum.

Special Committee on Aging: Mr. Heinz (ranking member), Mr. Cohen, Mr. Pressler, Mr. Grassley, Mr. Wilson, Mr. Domenici, Mr. Chafee, Mr. Durenberger, and Mr. Simpson.

Select Committee on Indian Affairs: Mr. Evans (ranking member), Mr. Murkowski, and Mr. McCain.

EXPRESSING THE SENATE'S GRATITUDE FOR THE PRESIDENT'S EXCELLENT HEALTH AND BEST WISHES FOR HIS SPEEDY RECOVERY

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 2 minutes.

The PRESIDENT pro tempore. Without objection, the Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I am going to send a resolution to the desk on behalf of Mr. DOLE and myself. I ask unanimous consent that the resolution be read in full and that Senators who may wish to insert into the RECORD today statements in support of the resolution may have until the close of business today or until 6 o'clock today, whichever is the later time, to do so.

Mr. WILSON. Mr. President, will the majority leader yield for a question? I did not quite hear the distinguished leader.

Will the desk be open until 6 o'clock also for the introduction of bills?

Mr. BYRD. Mr. President, my request only had to do with the resolution at the desk. I also ask unanimous consent that Senators may have the right to have their names added as cosponsors until 6 o'clock tonight.

May I say to the Senator, there will be a time later today when Senators may make statements for the RECORD.

The PRESIDENT pro tempore. The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 21) expressing the Senate's gratitude for the President's excellent health and best wishes for his speedy recovery.

S. RES. 21

Whereas President Ronald Reagan underwent an operation to correct a painful prostate condition at the National Naval Medical Center in Bethesda, Maryland yesterday as well as the removal of four small intestinal growths found during a routine colonoscopic examination;

Whereas all medical reports available at this moment indicate that the President is in excellent health and unfailing good humor; and

Whereas the President has alleviated our concerns and relieved the anxieties of our whole nation by his openness and candor with respect to the medical procedures to be performed and the results following the completion of the medical procedures; Now, therefore, be it

Resolved, That the United States Senate expresses its heartfelt thanks for the continued excellent health of our President and our best wishes for his continued excellent health in the years to come.

SENATE RESOLUTION: SPEEDY RECOVERY FOR THE PRESIDENT

Mr. DOLE. Mr. President, today, President Reagan is reported in "excellent spirits" following his successful surgery at Bethesda Naval Hospital on Monday. Now, I understand it was a so-called "routine operation," but we all know that any trip to the operating room has its share of risks. Therefore, we were pleased to hear the good news from the President's doctors—that the operation "went smoothly" and that there was "nothing out of the ordinary."

So while the President is recovering—and while more tests are in order during his stay at the Navy Hospital—I am pleased to join Senator BYRD in wishing the President a speedy recovery.

The PRESIDENT pro tempore. The resolution is well spelled out and well said. The question is on agreeing to the resolution.

The resolution (S. Res. 21) was agreed to.

COMMENDING COMMUNITY OF CHASE, MD, FOR ITS ASSISTANCE IN AMTRAK TRAIN ACCIDENT

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for not more than 1 minute on a resolution which I am about to submit on behalf of myself and Mr. DOLE.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, this past Sunday there occurred a tragic Amtrak train accident in Chase, MD, resulting in the deaths of 15 passengers and injuries to at least 170 others. On that day, the people of Chase, MD, reacted immediately in providing aid and comfort to the survivors and rescue workers. It is because of their exemplary actions that I send the following resolutions to the desk and ask for its immediate consideration.

Mr. SARBANES. Mr. President, on Sunday, January 4, a terrible tragedy occurred when Amtrak train No. 94 crashed in Baltimore County, killing 15 passengers and seriously injuring more than 170 others. I am sure my colleagues share my shock and sadness at this catastrophe. The accident—Maryland's worst rail disaster—has caused much grief and suffering, and I extend to the families and friends of those killed my deepest sympathy.

The accident demonstrated anew that catastrophic events often call forth the finest in human qualities. I refer to the courageous and compassionate response of many individuals and organizations to this tragic event. I would especially like to commend the residents of the Harewood Park community, who were among the first to arrive on the scene of the accident to rescue victims. The people of Harewood Park not only helped passengers escape from the train, but also brought them into their homes to keep warm, to await medical help and to use telephones. Their actions in bringing aid and comfort to the train wreck victims were absolutely selfless and an example for all of us. On a day of disaster, the swift and heroic response of the residents of the Harewood Park community provided hope to the survivors of the disaster and brought each of us some solace.

In addition, emergency rescue squads from throughout Baltimore and Harford Counties responded quickly and ably to this sudden crisis in their community. Baltimore County used its disaster assistance plan and had 44 fire and rescue squads and ambulances on the scene. Fire department rescue personnel and paramedics were joined by special teams of surgeons, nurses, and support personnel from the Shock-Trauma Unit at the University of Maryland Hospital.

Within a short time after the accident, the Red Cross in Baltimore opened its offices on North Charles Street to receive blood donations. Over 1,000 Marylanders answered the emergency calls to donate blood on Sunday afternoon—a magnificent spontaneous response.

We in Maryland are proud and grateful to have people with such fine qualities in our society and we salute today all those who assisted in the rescue operation and opened their homes to the injured.

I ask unanimous consent to have printed in the RECORD editorials and articles relating to this tragedy.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Baltimore (MD) Sun, Jan. 6, 1987]

DISASTER ON MARYLAND RAILS

The sympathy of Marylanders goes out to the victims and families of victims in the train disaster near Chase. Normally, the 100-mph gliding of the passenger train out over the Bird River, as though on the water itself, is one of the scenic pleasures of railroading. Seconds before that illusion would greet riders on the Colonial from Washington for Boston, Sunday, terror and horror struck.

Accidents are statistically fated to occur, to be sure, but in modern railway operations they are less acceptable than in other modes of transport. The National Transportation Safety Board investigation must focus on several aspects of a national disaster that undercut confidence in train travel where it is essential, and disrupted transportation on the Eastern Seaboard for days.

One aspect is the performance of the double signal system, automated and human, which failed to stop the Conrail locomotives from lumbering into the path of the Amtrak passenger train. Another is the performance of the engineers of both trains. A third is the adequacy of the control system, among the most modern in America. And lastly is the mingling of high-speed and slow freight trains on the same tracks. Amtrak's safety record over 15 years has been extremely good. Something, or things, went wrong on Sunday. It would be reckless to guess prematurely at what.

A different field of scrutiny must be the emergency rescue effort. The first reaction is reassurance and pride in how well it worked. The Baltimore County Fire Department, which was in charge, and the state emergency medical system organized the care of victims with great efficiency. The police forces and hospitals coped extremely well. A caveat is that most of the 176 or more patients going to hospital emergency rooms were not severely injured. This was not the largest-scale medical emergency the Baltimore region might face, only the largest recently.

The tremendous outpouring of help by residents of the little community along the tracks is evidence of the goodness of the human spirit. Indeed, the location, with good people and good road access on both sides, was a blessing. A few hundred yards north, and some cars would have hurtled into the water, with those remaining on the causeway all but inaccessible to rescue.

The tremendous turnout of blood donors in Washington and Baltimore was another show of people refusing to remain uninvolved. If any improvement to the procedures can be suggested this early, it would be that the Red Cross might profitably have moved mobile blood donation units to hospitals where donors had to be turned away.

Lives of many people have been disrupted, of some shattered, and of at least 15 ended. This was the result of a mistake or mistakes that are not tolerable—not even once. But when disaster did strike without warning in eastern Baltimore county, the community and the state emergency medical system were up to it.

[From the Baltimore (MD) Evening Sun, Jan. 5, 1987]

600 Blood Donors Jam Red Cross HQ

(By Joan Jacobson)

Five hours after the train wreck, the line of blood donors led outside the Red Cross headquarters on North Charles Street and around the corner into the cold night.

Red Cross officials estimated 600 people volunteered to give blood there after they heard about the catastrophic accident yesterday.

Volunteer blood donors began arriving at 4:30 p.m. Within half an hour more than 100 people filled the main room of the blood center and lined down the hall.

Dr. Deborah Douglas, medical director for blood service, said she received a call about the wreck and immediately mobilized Red Cross staff to the regional center, which is usually closed on Sunday afternoons.

Many donors were already waiting at the door when staff members arrived, she said.

By early evening the entire Red Cross staff—including 25 to 30 nurses and 25 volunteers—were at work interviewing donors and taking blood, said Trish Beggarly, a staff nurse who drove in from her home in Bel Air.

Nurses wore street clothes, not having had time to change into their white uniforms. They rushed through the mob of waiting donors, equipping beds with supplies.

Douglas, who has directed the blood service for more than two years, said she had never before seen so many people willing to give blood to meet an emergency.

"It was almost like a party atmosphere," she said. Blood donors refused to leave, even when they were advised to go home because they would have to wait several hours. Many people waited three to four hours before giving blood, said Douglas.

One nurse collected a rubber band from each patient she drew blood from. "She had a bracelet of rubber bands three inches thick," Douglas said.

Many donors dropped what they were doing and went straight to the center.

City police officer Andrea Simmons came from her shift at Northeastern District, still in her police uniform.

She had heard about the wreck while at work, she said. When she arrived home, "I walked in the house and the TV was on and they said the Red Cross needed type O blood." She turned around and drove to the Red Cross.

Debra and Brian Birner of Dundalk drove to the Red Cross with their two small children after seeing ambulances and fire engines drive out of Middle River, where they were eating dinner. When they later realized the ambulances had driven to the wreck, they drove into Baltimore because Debra has type O blood, which was needed.

Douglas said the treatment of injured people will probably deplete Red Cross inventory of blood. Therefore, she said, increased blood donations will be needed for several days.

"Trauma victims can continue to need blood" after the initial accident, she said.

At Franklin Square Hospital in eastern Baltimore County, a hospital spokesman said 1,000 phone calls were taken from people interested in giving blood.

About 100 to 150 actually gave blood by early evening.

The Greater Baltimore Medical Center will accept blood donors by appointment this week. Donors are asked to call 828-GBMC and ask for the blood blank.

[From the Washington Post, Jan. 6, 1987]

Local Residents Opened Homes, Hearts: Some Climbed Into Wreckage; Others Played Piano and Made Sandwiches

(By Eugene L. Meyer and Lisa Leff)

West Twin Rivers, MD., Jan. 5.—Amtrak train riders, traveling at speeds up to 100 miles an hour, get only a fleeting glimpse of this tiny waterfront community near the Gunpowder River on their way north and south.

To the residents, the trains whizzing by day and night form a constant backdrop. Only a metal fence separates the blue-collar community from the tracks.

But in the wake of the train disaster here Sunday, neighbors scaled that barrier to help rescue injured riders. Then, the people of this tiny working-class enclave generously opened their homes and their modest red cinder block community center to scores of dazed and distraught survivors.

Cousins Michael Cooper and Robert Booker climbed the fence and dashed into a burning Amtrak car to help people out. Cooper, 17, rescued a baby who survived. But Booker, 19, watched helplessly as a train traveler died in his arms.

"First, I saw a pair of legs sticking out. I managed to pull some seats out from around him," Booker said. He said he gave the screaming man his shirt to put over his mouth. As he held him, Booker said, the man died.

"I carried a little baby out. It went limp in my arms," said Cooper. "I thought it was dead, but they told me it was okay."

Eleven-year-old Laura Higgins invited passenger Jane Whitney of Philadelphia to use the family phone. "I thought, 'What would I do if I'd been in a train accident?'" the youngster said. "I thought I'd need to use the phone to call my mother." Later, she played a piano to entertain nine survivors who filled her family's small blue cottage two blocks from the wreck site.

"The trains are an integral part of the community," said her mother, Louise Higgins, 39. "The kids play 'What color is the caboose?' and count the number of freight trains." The Higginses even have a pet hermit crab they call "Amtrak."

This Baltimore County subdivision of 85 homes sits at the northern tip of a peninsula where the Bird and Gunpowder rivers meet. It was founded in the 1920s as a working-class summer resort community. During World War II, cottages were winterized for families who came here from Pennsylvania and Virginia to work in the war production plants. When water and sewer service arrived 15 years ago, ramblers and split-levels sprang up.

For years, only one telephone line linked the community to the outside, and even now only one road leads out. Years ago, there was a grocery, later turned into a tavern. Today, there is just one store, in the neighboring community of Harewood Park, and the local elementary school is inconveniently located across the train tracks. There is no grade crossing.

"It's one way in and one way out," said Larry Higgins, Louise's husband and a Coast Guard welder. "It's a small, cut-off community that's quiet. Everybody knows everybody. It's like a family."

Residents are avid boaters, swimmers and crabbers. Last summer, the community chipped in to build a boat launching ramp. Neighbors have back yard beer and crab fests and picnics and parties at the community center.

And seemingly always, there have been the trains.

"I can remember the steam engines," said Frank Melka, 62, who retired from Martin Marietta, the aircraft plant six miles south of town where many residents work. "Your house shook with those steam engines going by." He reminisced near the crash scene today with longtime neighbors Helen Eurice and Carroll Clarke.

Eurice, 66, who moved here from Baltimore when she married in the 1930s, recalled windowsills "full of black cinders all the time from the steam engines."

Said Melka, "We used to visit the man who worked the track [switch] from a tower. There was no accident when he was here." Clarke, 66, said, "The switch was manually operated then. It's computer operated now."

Outside the railroad fence, Barbara and James Borror welcomed 30 survivors into their home. They gave them clothes and let them use their phone to make calls to Australia and to Trinidad and Tobago. They cooked hot dogs and hamburgers to feed the survivors and rescue workers.

"Word got around from neighbor to neighbor," said Eurice, who went to work at the community building. "People just accumulated there. They gathered whatever they had in their refrigerators and just showed up."

The PRESIDENT pro tempore. The clerk will report the resolution.

The assistant legislative clerk read as follows:

S. Res. 22

A resolution (S. Res. 22) commending the community of Chase, Maryland for its assistance to the rescue workers and the survivors of the Amtrak train accident of January 4, 1987.

Whereas a tragic Amtrak train accident occurred in Chase, Maryland, on Sunday, January 4, 1987;

Whereas the impact at nearly 100 miles per hour of the passenger train and a Conrail freight train resulted in the deaths of 15 passengers and injuries to at least 170 others;

Whereas the people of Chase, Maryland, without hesitation mobilized to provide aid and comfort to the injured;

Whereas residents scaled the fence separating them from the railroad tracks and assisted passengers in their escape from the burning wreckage;

Whereas other residents opened their homes to the survivors, providing clothes and allowing phone calls to concerned relatives in such far away places as Australia, Trinidad and Tobago;

Whereas the local community building was immediately transformed into a center providing food and shelter to the passengers and rescue workers; Now, therefore, be it

Resolved: That the United States Senate hereby commends the community of Chase, Maryland, for its spontaneous outpouring of assistance to the rescue workers and the passengers of the ill-fated Amtrak train.

The PRESIDENT pro tempore. If there is no further discussion, the question is on agreeing to the resolution.

The resolution with its preamble, was agreed to.

Mr. BYRD. Mr. President, I have been asked by Senators SARBANES and MIKULSKI to have their names added to the resolution, and I make that request.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent now that the two leaders may proceed for up to 10 minutes each, with statements only.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Chair now recognizes the two leaders, to proceed for 10 minutes each.

The Senate will be in order.

The Senator from West Virginia.

Mr. BYRD. Mr. President, I hope this time is not coming out of my 10 minutes or that of the distinguished minority leader.

The PRESIDENT pro tempore. The Chair cannot charge the 10 minutes until order is restored, at least to the extent that the speaker can be heard. We are waiting on the Senators who are making the noise, and when we proceed, we will charge the time to the speaker.

The Senator from West Virginia has 10 minutes.

Mr. BYRD. I thank the Presiding Officer.

Mr. President, for the information of all Senators, once the two leaders have made their statements, it will be my intention then to attempt to proceed to get Senate action on the bill that cleans up the Nation's waters and to get action on the resolution that creates a select committee to investigate the Iran-Contra matter. So Senators will be on notice.

Also, there will be at least one rollcall vote, if we can get to it, on the adoption of the select committee resolution.

THE NATION'S BUSINESS

Mr. BYRD. Mr. President, we begin today the process of doing the Nation's business. This is the 100th Congress of the United States, a historic Congress. It is a Congress that by its meeting here today vindicates and affirms the faith of our Founding Fathers that their great experiment in democracy would endure.

We begin the business of the Nation in an uncertain and unsettled time. The Iran misadventure has hurt the Presidency, made a shambles of American foreign policy, and called into question just how our foreign policy is formulated and implemented. More important, the American people are once again asking the question, what is going on in Washington? The current crisis is a crisis of trust. It is a testimony to the profound truth that if you do not trust the American people, then the American people will not trust you.

So our first duty in this new Congress is the restoration of public trust in the formulation of American foreign policy. It is clear that all parties—the President, the Congress, and the American people—want to know how the United States came to be in the position of selling arms to the terrorist nation of Iran and funneling those profits to the Contras in Nicaragua.

It is for that purpose that I am introducing with the Republican leader, Mr. DOLE, legislation to create a bipartisan Senate select committee to investigate all that has happened. The charge of the Senate select committee is to discover the facts, to ascertain if any laws have been broken, and to present its findings in such a way that there will be no lingering doubts in the minds of the American people. That is the charge.

I have every faith that the chairman of the committee, my distinguished colleague, Senator INOUYE, and his distinguished vice-chairman, Mr. RUDMAN, will conduct this investigation in a statesmanlike and bipartisan fashion—at such time as the resolution creating the committee is adopted—keeping in mind that one of the primary goals of this investigation is the restoration of the people's trust in the functioning of their Government; and trust in Government by the people is essential as we begin the 100th Congress.

Clearly, something happened on election day last November. The American people voted for change. And, change they will have. The time of business as usual is over. I believe we Democrats were placed back in the leadership of this Chamber for a very specific reason: To begin the task of fitting political actions and rhetoric to the reality of the world in which we live. The voters are telling us that they want to see a more moderate approach to domestic and foreign policy. They have demonstrated their faith in the importance of checks and balances.

And it is well to remember, as we begin this new Congress, that the tension between the executive branch and the legislative branch of our Government is a legitimate tension; a healthy and creative tension inherent in our democratic process. The Congress is a coequal branch of the Government. Coequal. We are not above the Presidency. We are not below the Presidency. We are the people's voice in a representative democracy.

It is my fervent hope that the White House will see the constitutional process of checks and balances as a healthy, positive process in restoring trust in our Government and in defining America's future. The Congress has the ability to help the President restore credibility to America's foreign policy, if only he will reach out to us. So we extend our hand.

It is my belief, that if the President reaches out to the Congress in strengthening America's arms control negotiating position; if he involves the Congress much more than has been shown up to now, he will then send a message to the Soviet Union that this current crisis will not divide America. We are united behind the President at the negotiating table and support his efforts for a fair and verifiable agreement.

All Americans want a strong America, a secure America, an America that can go to the negotiating table from a position of strength and unity. It is my intention to introduce legislation today, important legislation, to reauthorize the Senate arms control observer group. And, it is my intention, once the Committee on Foreign Relations has completed its work, to bring up for ratification two treaties governing nuclear testing. We must show our commitment to the arms control process. The Congress stands ready to work with the President.

Mr. President, our Nation's strength depends not only on military might, but also, to a large extent, on our ability to manage the Nation's economic affairs. They have not been managed well. Everyone is to blame: The President for sending the Congress budgets that are based on the economic principle of borrow, credit, and debt; the Congress for not resisting the temptation to put off till next year what it should have done last year.

So we are once again, as every Congress has been in the last 5 years, faced with the dilemma of how we deal with the Federal deficit. We have a limited set of options. It is clear that America no longer has any free spins on the wheel of fortune.

Yesterday, the President's Budget Office sent the Congress a budget that for the first time exceeds $1 trillion—a budget with a budget deficit that will be even greater than the official $107.8 billion. It has taken this administration just 5 years to add over $1 trillion to the national debt. If 5 months from now we are united on how we address the deficit, and we have the President on board, we will have made substantial progress. The process of moving the Federal deficit downward is, as we all know, a political process.

As Democrats, we are committed to keeping the budget deficit on a downward glide path. But like the *Voyager*, the experimental plane that flew around the world nonstop, we need two pilots—the Congress and the White House—working together in very cramped quarters. How we keep the deficit gliding down will depend to a large extent on the President's willingness to take the deficit problem out of the shadows of political rhetoric. The American people want the problem solved. They are tired of finger pointing. They want solutions.

I say this with special reference to the young people of America. Year in and year out we have been mortgaging their future by our unwillingness to pay our way. These young people are, as a recent Joint Economic Committee report indicated, heavily in debt from college loans as they begin their productive lives. On top of those debts, which they have assumed to become educated citizens, we are saddling them with an ever increasing national debt. This is wrong and well we know it.

When the day of reckoning comes, and surely it will come if we do not act now, surely these young people will have something to say to us about what we have done to their future. And, what will we say in reply? So I urge the President to work closely with the Congress to address this national problem.

A third great concern of the Congress in the months ahead must be America's continuing trade deficit. Currently, the United States has the dubious distinction of being the world's greatest debtor nation. America's trade imbalance is one of the principal causes.

Just 6 years ago, in 1981, the United States enjoyed a $13 billion surplus in its overall trade in goods and services. At that point, we were still strengthening our position as the world's largest creditor. Last year, we ran a deficit in goods and services exceeding $120 billion, which we financed by borrowing heavily from abroad.

Six years ago, we were the world's greatest exporting nation by far. We no longer lead in the race for world export markets. Both Germany and Japan now export more than the United States under current exchange rates.

In the month of November alone, the United States had a $19.2 billion trade deficit. We compiled a larger trade deficit in a single month than any other country in history has ever run in a year's time.

In addition, continued high interest rates have attracted billions of dollars in foreign investments. Last year alone, the United States borrowed $140 billion from foreign lenders and investors. It is this money and our willingness to go further into debt that has accounted for America's continued economic growth. Missing from current efforts to improve America's economic position is the understanding that we must compete in an interdependent global economy.

My distinguished colleague Senator BRADLEY of New Jersey has rightly stated that "competitiveness" is a "mush" word, a word that means everything and anything depending on who uses it. Clearly he is right for the moment. But the trade deficit numbers are not mush.

They are hard evidence that we are exporting our Nation's jobs and eroding our manufacturing base; we are not exporting the Nation's products.

We must restore balance to our trade account and stop borrowing so heavily from abroad. The trade deficit is only a critical symptom of our economic distress in the international arena. The real problem goes deeper.

As the U.S. economy has become intertwined with the economies of the rest of the world over the last two decades, we have not prepared America to excel in the new world marketplace. So as we proceed during this Congress, we must review not only our trade laws, but also our education and training policies, our science and technology policies and other economic policies from a different vantage point. We must look at creative new ways to make our products more appealing abroad and to open new markets for our exports. We must look at new ways to stop the erosion of our manufacturing and of our basic industries. Only then can we be sure of our national security.

This Congress, the 100th Congress of the United States, will send the President a trade bill.

We will send several pieces of legislation perhaps dealing with comprehensive subjects. Perhaps we ought to think in terms of broadening the debate. We will also be sending other legislation designed to treat the causes, not the symptoms, of our disastrous trade deficit and to promote American products abroad.

Mr. President, there are a great many other issues that confront this Congress. One of the most pressing is the need to reform how we finance our elections.

My distinguished colleague, Mr. BOREN, has worked diligently to keep this important subject before the Senate. Campaign finance reform must be high on our agenda.

Campaign finance reform will be one of my personal priorities. We cannot turn our democracy over to an aristocracy of money. Yet, year by year, we are insidiously chopping away at the very foundation of our democracy; namely, the ability of any citizen to enter the political arena regardless of his or her own economic status or ability to raise money.

Without campaign finance reform we will continue to subject our democratic process to control by the special interests and, more often, to the appearance of improper influence. So it is my hope and my intention that the Senate will move quickly to take up this important piece of business in the early months of the new Congress. As we convene the 100th Congress and celebrate the bicentennial of our Constitution, I believe that this and other steps aimed at restoring confidence in government are especially fitting.

Mr. President, there are a great many issues that will come before this Congress in the months ahead. I have touched on several of these in my opening remarks—our relationship with the President, the need to move forward on arms control, the deficit, the creation of a coherent trade policy, and the great necessity to reform how we finance our elections.

Other issues are also of great importance—repassage of the Clean Water Act, help for the American farmer, the development of a national policy regarding catastrophic illnesses, reauthorization of Federal education programs—and the need for this Congress to look searchingly at the whole question of what tools are used by America in furthering our broad foreign policy objectives.

America must meet the world on the terms that are offered. Terrorism, totalitarianism of the right and the left, and the abuse of human rights requires America to be prepared to use its military power. But must the military card be the only card that America is prepared to play? Or are there other ways—diplomatic and economic—that America with her allies, especially those in Latin America, can achieve our objectives. In months ahead this Congress will surely explore these questions.

Mr. President, this Congress, the 100th Congress of the United States, meets at a time of profound change in our country. We have been elected to guide America in a time when a simpler past gives way to a different and more complex future.

We are crossing the bridge from one America to another. By 1992, 6 years from now, Americans born since 1940 will dominate voting in Presidential elections. The America that we have been elected to lead is fundamentally new. How we define and prepare America under these new conditions will be the measure of our success.

Our task in the immediate, as we begin this historic Congress, is to get on with the business of the Nation with energy and initiative. Our task in the larger order: To lift up our sights and begin the process of defining America's future.

May I say in closing, Mr. President, that I consider it fortunate for me indeed to have as the distinguished leader on the other side of the aisle the illustrious son of the State of Kansas, Mr. Dole. He has served as a majority leader in this body. He has served well, and I am confident that I will have his cooperation as we attempt together to push the program of the Senate forward and to schedule from day to day the measures that are ready for consideration. I know in the very beginning what his tasks will be, having been in that same position myself not too long ago. He will represent his party. He will represent his conscience. He will represent the Nation.

We cannot always agree. There will be times when we will disagree, but disagreeing with my colleague on the other side of the aisle or any of my colleagues is a matter that is never personal and always as I go out of the Chamber, I know that Senator Dole will go out of the same Chamber feeling the same way. We leave the problems and the disagreements here and hopefully they will not be here on the next morning or the next day when we return for our business. Never can these matters of this kind be considered personal.

He is a great legislator. He is very wise. Indeed, I will need his cooperation.

We cannot move this legislation forward by ourselves. We need the cooperation on that side of the aisle.

I appeal to the distinguished minority leader for that cooperation. I hope that as minority leader I gave the distinguished majority leader at that time the cooperation that he needed in order to keep the business of the Senate moving forward. I pledge to him that it will be my intention to move the legislation expeditiously and to utilize the time of the Senate as best can be used and to complete the work of the Senate each day if possible, keeping in mind that the business of the people comes first and, second, that there is such a thing as quality of life. I want to be conscious of every Senator here, of the quality of life of every Senator on both sides of the aisle, the families of Senators, the loved ones of Senators, the health of Senators. I want to be mindful of all these things.

I want to move the business of the Senate forward, and I hope that we can avoid night sessions. I hope we will never have another one, but of course we will. But I hope that we can make those night sessions come as seldom as is possible and I hope that in the final anaylsis we can do our jobs well and complete the work of this first session of the 100th Congress and adjourn sine die at a reasonable time during the latter part of the year, hopefully no later than the first of October.

So having said that, I yield the floor to my very distinguished colleague.

The PRESIDENT pro tempore. The Senator from Kansas is recognized for 10 minutes.

Mr. DOLE. Mr. President, I thank the distinguished Presiding Officer and I want to extend my congratulations to this outstanding Senator from the great State of Mississippi. It is an honor to serve in this body with Senator Stennis for all of us, and I know the new Members will find that to be true in a very short time.

Mr. President, it is a new year and a new Congress, and yes, a new and different Senate. As we open the historic 100th Congress, let me welcome all of my new colleagues, Republicans and Democrats, to this great institution.

I want especially to congratulate the distinguished majority leader, Senator Byrd, who is once again the leader of this body. He has been a tireless and effective leader for his party. Our titles may have changed, as he just indicated, but we still have an obligation to cooperate and try to work together. I would say as far as improving the quality of life of this body, I stand prepared to do all I can to make that happen.

I recall the last year we had a meeting—maybe we can have another one this year, depending on the distinguished majority leader—where we had 70 Senators come to the meeting and talk about the quality of life, and I recall in that meeting the statement by the distinguished Presiding Officer, the distinguished Senator from Mississippi, Senator Stennis, that the leaders were powerless, that the Members in effect dictated what the leaders could and could not do; and he was absolutely correct.

I know one of the greatest frustrations I had, not so great that I wanted to lose it, one of the greatest frustrations I had as a majority leader was trying to accommodate every Senator and still get the work done because we were told, "We cannot vote on Monday," "I have to leave early on Friday," "I don't want to be here on Tuesday," "I would like to leave here Wednesday, but I will be here all day Thursday." That is 1 day. And then you have that 100 times or maybe 98 times. The leaders are generally here. So it does give us an opportunity. I cannot think of a better thing to happen in the 100th Congress than do precisely what the majority leader indicates he wants to do, to stop the all-night sessions. They may be necessary from time to time. I always thought they were necessary on the tax bill so that the staff finally went to sleep, the amendments would stop, and would complete the bill.

But it is a very difficult process, and I want to congratulate the Democrats. They have won the election. They are in the majority, and I congratulate them.

I believe that over the last 6 years, first with the leadership of the distinguished Senator from Tennessee, Senator Howard Baker, and hopefully the past 2 of those 6 years of my leadership and the leadership of other Republicans, we have been able to demonstrate to the American people our willingness to make hard choices. We did not achieve everything we wanted. Sometimes we had our disagreements with the other side; sometimes not.

More often we were able to work it out because again, as the distinguished majority leader has said, 55 to 45 is a majority, but you still need the cooperation of some of the 45.

And we are going to try to provide it—we are going to try to demonstrate it on this first day if we can, to get up a select committee resolution, work it out, pass it, and there will be a rollcall vote; to try to work out some accommodation, if we can, on the clean water bill, to protect the rights of those who have a different view, including the administration and the distinguished majority leader and others on both sides who want to pass the identical legislation we passed last year. So I just suggest that we have an opportunity.

And, again, I know that our distinguished President pro tempore will continue in the fine tradition we have had under his long-time friend and my long-time friend, the distinguished senior Senator from South Carolina, Senator Thurmond, who so ably occupied that office and carried out the responsibilities very well.

I must admit it is going to take a few days to adjust. I found myself this morning wanting to jump up and get order and do all those things leaders do. So, I hope that the distinguished Senator from West Virginia will be patient. We will not adjourn the Senate or anything like that—it might not be a bad idea from time to time, but we will not do that.

As I said to the Senator from West Virginia when I became the leader, there would be no surprises—and I hope I kept my word—I would not come to the Floor in his absence or doing something that would somehow frustrate the efforts of the minority or majority. And that is the kind of working relationship that we will continue to have.

So we will adapt to our new status on this side. We have had our first conference this morning. We had a number of statements by a number of my colleagues, Republicans, and we hope this is only a temporary position we find ourselves in, but that will be determined at a later time.

But now as the majority leader has indicated, we have other responsibilities, and I think we can carry them out. Notwithstanding the executive branch, we have our own responsibilities; notwithstanding our great respect for the President of the United States, we have our responsibilities. We are the people's representatives. We are elected by the people, many of us reelected in 1986. And I would guess that we have enough business to do to occupy nearly every day of this coming year.

I believe we will be judged by the state of the economy; by our relationships with our allies and adversaries; by the quality of life our citizens enjoy; and by the advance of democracy and freedom around the globe. We will be judged as leaders by whether we were willing to make the hard choices. And sometimes the choices are very difficult. Many times we cannot satisfy everyone who may have a particular point of view. But it would seem to me that if we make the hard choices now, we may have a brighter future for Americans down the road.

Certainly the challenges facing this 100th Congress are going to test our mettle day after day after day. Whether it is the budget, whether it is the trade deficit, whether it is the health care, whether it is saving the family farm, arms control, or aid to freedom fighters, the issues are as difficult as they are critical.

With all these policy decisions facing us, the Senate, and the country for that matter, cannot afford to be consumed by the Iranian arms sales affair. And that is the purpose of the select committee, to give the leadership, the distinguished majority leader, Senator BYRD, and myself, the time to carry out our responsibilities to take care of other legislation, and, I believe, the leadership of the distinguished Senator from Hawaii, Senator INOUYE, who I have known since we were back in the hospital together, back in Percy Jones Hospital, in Battle Creek, MI, 40 years ago. So we have known each other a long time. He is a man of outstanding integrity and character and will be totally fair; no doubt about it. And on the Republican side, the distinguished Senator from New Hampshire, Senator RUDMAN, again is an able lawyer and cooperates well with Members on both sides. I believe they have a balance on that select committee at the time that will serve the Nation and serve this body quite well.

But we do want to get on with the work quickly. I hope we can resolve any difference we might have today on the committee resolution.

As the Republican leader in the Senate, as a supporter of the President, and as a citizen, there is no one more committed than I to getting all the facts out. And I would say again today we could start by releasing the report of the Intelligence Committee to let the public know. We should not be afraid to let the public know what has been declassified. It is information that ought to be in the public domain. And again I would urge somehow we might accomplish that in the next few days.

In the long run, while we are in the process of digging up the facts, we should not lose our focus and we should not lose sight of our other responsibilities. We have got all kinds of problems. We always have all kinds of problems. And I hope that we can meet our responsibilities.

I would just say, finally, it is going to take cooperation. As I have indicated earlier, I intend to cooperate with the distinguished majority leader, and he is a distinguished majority leader. I have watched Senator BYRD over the years. I have tried to learn from Senator BYRD over the years. When it comes to the rules, I gave up. There is no one who can match Senator BYRD's knowledge of the rules. And I am not certain how it is going to work. Now that I am the minority leader, he can probably do most anything and I will never know the difference. But we will try to be alert and see what happens.

But I would just say that we ought to make a pledge today—and I am prepared to make that pledge today—while the slate is blank; I mean, there is nothing blocking us today—to write a record of achievement that we in the country can take pride in, not a partisan record, but a record.

There are problems that people demand we address and some we can address. And I think if we do that, it will be a record that we were worthy of the confidence and worthy of being U.S. Senators. And I am certainly pleased to participate in that effort and I do at this time, as I will every day that I am here to cooperate where I can with the majority leader.

We are going to have differences. There are going to be some Senators who may not agree; they may be on this side, they may be on the other side. But where we can, I am not one who likes to sit around and waste time. There are other things you can do with that time. In fact, I have just thought of a few.

REPUBLICAN LEADER OCCUPIES FRONT-ROW DESK

Mr. DOLE. Mr. President, as we meet in the 100th Congress, in anticipation of the Senate's bicentennial, we are more than ever mindful of the long history of this great institution. Most Senators are aware that they are Members of a continuous body that began in 1789; that they sit in this Chamber at desks once used by Henry Clay, Daniel Webster, and John C. Calhoun; that they occupy offices in the Senate Office Building once used by Robert Taft, Harry Truman, and Everett Dirksen; and that they serve on committees which were created in the early 19th century. For my part in the Senate bicentennial, I plan to deliver a series of regular "bicentennial minutes," short statements on significant people, unusual customs, and memorable events that took place in the Senate's life on that particular day.

For instance, I am standing at a desk that traditionally is assigned to the Republican floor leader. It would be a mistake to think that Republican leaders have always sat here, but this tradition is now 50 years old. On January 5, 1937, Charles McNary of Oregon became the first Republican leader to sit at this desk. Previously, it was occupied by a senior Republican, Arthur Capper of Kansas, while Republican Leader McNary sat several seats down on the front row. By contrast, Democratic leaders had been seated front and center on their side of the aisle since 1924. Out of a sense of symmetry, and in recognition of the growing role of the floor leader, the Republican leader moved to the aisle desk at the beginning of the 75th Congress. Senator Capper took the desk at his side. Here, over the next 50 years, have sat each of the Republican floor leaders: Wallace White, Kenneth Wherry, Robert Taft, William Knowland, Everett Dirksen, Hugh Scott, Howard Baker, and myself. I am proud to stand in that company, and to continue that tradition.

The PRESIDENT pro tempore. Would the Senator from West Virginia and others indulge me for just a minute? I was going to ask the Senator from Kentucky to serve now for a time as acting President pro tempore.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FORD). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, I object for just a moment. I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue.

The legislative clerk resumed the call of the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

CLEAN WATER LEGISLATION

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I apologize to the distinguished Senator from Nebraska [Mr. EXON] for objecting to the calling off of the quorum, the reason being Mr. DOLE and I are about ready to proveed with two very important pieces of business, and I would prefer that Senators wait until we get these items out of the way. There will be possibly a rollcall on at least one of them, hopefully, during the day. There will be a time later in the afternoon during which Senators may speak and introduce legislation.

Mr. President, I am about to ask unanimous consent to proceed with a consideration of what will be Senate bill No. 1, a bill to clean up the Nation's water. For the record only, the distinguished Republican leader and I have discussed this. But for the record so that the distinguished Republican leader will be protected as well as anyone else, may I say that under rule XIV, if there is an objection to the consideration of this bill today it would be my plan to adjourn today to go over until tomorrow, then adjourn tomorrow to go over to Thursday, and then adjourn Thursday to go over to Friday. In this way the bill can be forced onto the calendar through the mechanism of rule XIV.

I do not want to bring the Senate in tomorrow for that purpose. The distinguished Republican leader does not want to bring the Senate in tomorrow for that purpose. I believe, in discussing the matter with the distinguished Senator, that we will be able to work out a way whereby we will not have to come in tomorrow for the purpose of advancing the Senate bill dealing with the clean water to the General Calendar. Therefore, I yield to the distinguished Senator from Kansas, [Mr. DOLE] for his reaction.

I, at the moment, will ask unanimous consent. This is a bill which I am about to introduce which carries the same language as was included in the conference report that passed the Senate during the closing days of the 99th Congress to clean up the Nation's water, and the exact same language is included in this bill. I ask unanimous consent that the Senate proceed with the consideration of the bill which I am about to introduce.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I thank the distinguished majority leader.

What I would suggest, if it is agreeable, rather than come in and then come in again just to serve that purpose, I will have a substitute. It is, I think, a good clean water bill. It costs less money: Instead of 10 years and $18 billion, it has a 10-year total of about $12-plus billion. In the first couple of years the spending is pretty much the same. It will be $400 million the first year, $500 million the second year, but all the environmental provisions and the regulatory provisions are pretty much identical. I am talking about the cost of projects.

If the distinguished majority leader would agree, I would not object to a unanimous-consent request to put his bill on the calendar if in fact I could make the same request to put the bill that the administration has suggested on the calendar. We would just save that much time.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader. I think he has made an excellent suggestion. It will save the time of the Senate. If the Senate is able to complete action on the resolution creating a select committee on the Iran matter, then as I see it, the Senate would probably not be in tomorrow.

So I ask unanimous consent, Mr. President, that the bill which I send to the desk on behalf of Mr. BURDICK, Mr. STAFFORD, Mr. MITCHELL, and Mr. CHAFEE, be placed on the calendar.

This is with the understanding that Mr. DOLE will have a unanimous-consent request which he will make immediately following my request if it is granted.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kansas.

Mr. BURDICK. Will the Senator yield?

Mr. DOLE. Mr. President, I would make the same unanimous-consent request for the bill which I now send to the desk dealing with the Clean Water Act be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Again, I want to thank the distinguished Republican leader for his cooperation in resolving this matter which I think is a very amicable way and evenhanded and judicious way.

S. 1—THE WATER QUALITY ACT OF 1987

Mr. BYRD. Mr. President, I am pleased to introduce on behalf of Senators BURDICK, STAFFORD, MITCHELL, and CHAFEE, the Water Quality Act of 1987. This bill is identical to S. 1128, the Water Quality Act of 1986, which was approved unanimously by both the House and the Senate at the end of the 99th Congress and subsequently pocket vetoed by the President.

It is my intention that the Senate act expeditiously on this bill so that it may be returned to its rightful place—the President's desk.

I am not seeking confrontation. This is important and much needed legislation if we are to maintain this Nation's commitment to cleaning up our lakes and waterways. Swift action by the Congress is essential to the effort, because the President's veto has created unnecessary delay and uncertainty in the administration of the Clean Water Program.

For example, this bill provides needed adjustments to statutory compliance deadlines and other requirements under current law. These adjustments are critical to industrial sources that are now technically in violation of key compliance dates because of regulatory delays encountered by the Environmental Protection Agency in issuing certain regulations.

Further delay will also have a devastating impact on municipal wastewater treatment plant construction and State and local plans to comply with mid-1988 secondary treatment requirements—$1.2 billion, or one-half of the funds needed for the 1987 construction season, cannot be released without a new authorization and appropriation.

In my State of West Virginia, this could have the effect of denying local governments up to $151 million in construction grants necessary to begin the work needed to meet the July 1, 1988, compliance deadline. Enforcement action could be taken against those cities failing to meet the requirement, which, in turn, could result in fines and additional costs that local governments cannot afford.

Without authorization from the Congress as provided in this legislation, several new water quality initiatives must be postponed. These include new programs to control toxic pollutants, manage nonpoint sources of pollution, and to establish new water quality plans for the Nation's estuaries.

This legislation also contains a provision that will allow for the remining of abandoned coal mine sites with preexisting discharges. This is designed to encourage coal operators to remine these sites and improve the water quality of the area. This is of great importance to West Virginia where there are many abandoned mine lands and current Federal programs to reclaim these areas are inadequate to ensure a safe and adequate water supply.

Mr. President, this bill was approved with the support of all the Republicans and all the Democrats in the 99th Congress. This is bipartisan legislation. It is not budget-busting. It authorizes $18 billion in aid for wastewater treatment plant construction through fiscal year 1994, with annual amounts limited to $2.4 billion. Given the EPA's own estimate that $109 billion is needed by the year 2000 in order for all communities to be in full compliance with existing law, this is a small price to pay. Most importantly, this legislation includes capitalization for State water pollution control revolving funds. These revolving funds are designed to move States toward financial self-sufficiency for wastewater treatment construction.

As I said at the beginning, this legislation should not be viewed as confrontational. It is a crucial step in achieving one of our national priorities—clean water. And it is in keeping with the budget passed last year by Congress. I hope the President can see his way to join with the bipartisan majority in Congress and support this legislation.

I ask unanimous consent that I may yield to the distinguished Senator, Mr. BURDICK, who is the chief cosponsor of this measure, for a statement which I believe he is going to make, without my losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURDICK. Mr. President, I am pleased today to join over 70 of my colleagues in introducing Senate bill 1—the Water Quality Act of 1987.

The legislation will reauthorize one of the Nation's foremost environmental statutes—the Clean Water Act. It is identical to legislation approved by Congress last year but vetoed by the President after the end of the session.

Before proceeding, I would like to take a moment to express my appreciation to Senators CHAFEE, STAFFORD, BENTSEN, and MITCHELL for their tireless and excellent work on this legislation over the past 2 years.

Senator CHAFEE deserves special recognition as the architect of this vital legislation. The high quality of the legislation is largely due to his efforts.

Senator CHAFEE, along with other interested members of the Environment and Public Works Committee, developed this legislation in hearings early in 1985, brought it to the Senate floor in June of that year, and conducted a successful conference with the House in the summer of 1986.

The efforts of these Senators were so successful, that the final conference report was approved unanimously by both the House and Senate.

Unfortunately, President Reagan chose to veto the legislation.

I believe that the President missed a valuable opportunity when he vetoed the Clean Water Act reauthorization several months ago. He missed an opportunity to revise and improve many of our current water quality programs. He missed an opportunity to endorse new programs to address emerging pollution problems. And, he missed an opportunity to demonstrate to the American people that he shares their commitment to a safe environment and clean water.

In introducing this legislation today, we plan to give the President a second chance—another opportunity.

Much of the recent discussion of the bill has focused on a few of the major provisions of the bill. The President has criticized the level of funding for assistance to communities for construction of sewage treatment facilities. New programs to deal with toxic pollutants and pollutants from nonpoint sources have been discussed at length drawing positive comments.

It is important to remember, however, that this legislation includes some 70 provisions. Let me take a moment to briefly review some of these provisions.

The bill provides for management conferences to resolve water problems in estuaries. Some $12 million a year is authorized for the program.

The bill provides a program for the protection of the Chesapeake Bay. Grants to States to address pollution problems are included. Three million dollars per year is authorized for the EPA program office and $10 million is authorized for State grants.

Another provision would assure the continuation of the EPA Grant Lakes Program Office and direct the Office to assess water quality problems in the lakes and coordinate agency activities. An annual authorization of $11 million is provided.

The bill would revise and expand the current requirement for State reporting of lake quality and adds a new section providing for special lakes demonstration projects. An authorization of $30 million is provided for lakes programs with additional funding for demonstration projects.

The bill tightens provisions for waivers from secondary treatment for discharges of municipal sewage to marine waters.

The bill provides Indian tribes with a set aside of one-half of 1 percent of the construction grant fund for construction of sewage treatment works. Tribes are also granted new authority to act as States for the implementation of some programs under the Clean Water Act.

A new authority for administrative civil penalties is added to the law and changes are made to strengthen the civil and criminal penalties provisions of the act.

Finally, the bill provides a specific process for development of regulations governing permitting of municipal stormwater discharges.

Mr. President, I could go on to describe provisions addressing issues such as coal remining, sewage sludge, or the unique problems of communities ranging from San Diego to Boston.

The point to remember is that this legislation is far more than an authorization of sewage treatment grant money. It reaches into virtually every element of our water quality program and it addresses a wide range of water quality problems. Many of these pollution problems will go unchecked if we fail to enact this legislation.

Some of the most capable Members of the Congress have worked long and hard to develop this legislation. The final product has the support of the full spectrum of industry and environmental groups. And, I think it is clear that the American people want us to stand by our commitment to ensure that our rivers, lakes, and streams are of the highest quality.

I urge my colleagues to support this bill and I urge the President to take a second look and join us in supporting clean water and a safe environment.

Thank you, Mr. President.

Mr. MITCHELL. Mr. President, I join Senators BYRD, BURDICK, CHAFEE, STAFFORD, and others in introduction of the Water Quality Act of 1987.

This legislation will extend and strengthen one of our most fundamental environmental protection laws—the Clean Water Act.

Introduction of such a major reauthorization bill is usually a time to speak of the problems the bill will address, the difficult issues to be resolved, and the importance of hearing the views of interested groups as final legislation takes shape.

But the Water Quality Act of 1987 is unusual legislation. During the last Congress, under the leadership of Senators STAFFORD, BENTSEN, and CHAFEE, the Senate held full hearings on clean water issues and passed comprehensive amendments to the act.

The House also passed amendments to reauthorize the act and, in October of last year, both Houses passed, without a dissenting vote, the report of the House/Senate conference committee on the bill.

As we all know, President Reagan vetoed the bill.

I deeply regret the President's action. It was a major setback to our efforts to protect the environment and clean up our rivers, lakes and marine waters. And, it undermined our national commitment to clean water, a commitment which has been unwavering since the Clean Water Act was first passed in 1972.

The legislation we are introducing today is intended to undo the damage done by the President's veto. The bill is identical to the legislation approved by Congress late last year. Its enactment will get our clean water programs back on track and moving forward again.

So, in introducing this legislation today, we do not face the usual questions of defining problems or resolving issues. Rather, we must convince the President that his veto of the clean water legislation was misguided. And, if the President will not join us in support of this vital legislation, we must convince the Members of the House and Senate to override his veto of the bill.

Why should the President change his position and support this bill? And why should my colleagues vote to override a veto? I believe that there are three key reasons: This is good legislation; it is fiscally responsible legislation, and it is backed by the overwhelming support of the American people for clean water.

The Water Quality Act we are introducing today is good, solid, no frills legislation addressing some of our most pressing water pollution problems. Of the many provisions of the bill, several stand out.

The bill provides a new approach to control of toxic pollutants in water. Under the current law EPA is required to establish uniform, minimum controls for toxic pollutants. There is no assurance, however, that these controls will result in a safe level for a particular water body. Although the current law provides general authority for toxics control, this legislation initiates a specific process designed to identify and control these toxic substances.

The legislation requires States to identify waters that do not meet water quality standards due to the discharge of toxic pollutants; to adopt numerical criteria for the pollutants in such waters; and to establish effluent limitations for individual discharges to such water bodies.

This provision is an important addition to our ability to protect water quality and public health from increasing amounts of toxic chemicals.

Another key amendment of the bill provides for State programs to identify and control nonpoint source pollution, such as runoff from city streets and agricultural lands. These nonpoint sources of pollution are thought to cause over half of the remaining water pollution problems.

States will identify waters affected by nonpoint sources of pollution and develop programs to implement best management practices for controlling this pollution. State programs will include a schedule for implementation and will be coordinated with related Federal projects.

Finally, the bill provides State and local governments with a clear statement of future Federal involvement in treatment plant financing and allows them to finalize plans to meet the compliance deadlines established in the law. It provides for a transition from the current grant program to a program providing Federal support for State revolving loan funds. Establishment of loan funds will complete the process of transfer to State control of the municipal treatment construction program.

The second reason to support the bill is that the total funding authorizations are a reasonable and responsible compromise between the costs of the many, badly needed water quality projects and the need to control the Federal deficit.

President Reagan has cited his concern for the total authorization of $18 billion for assisting communities in funding of construction of sewage treatment facilities. The President proposed a funding level of $6 billion, and now seems to think that $12 billion might be acceptable. I believe we need to stick with the $18 billion figure for several reasons.

This amount is small compared to the total cost of needed projects, estimated by the EPA to be about $100 billion.

This authorization is spread over 9 years. The annual authorization for the first 6 years is $2.4 billion.

The annual authorization of $2.4 billion is a sharp drop from previous funding levels of between $4 and $5 billion.

Local communities will pick up a greater share of the costs of these projects. Previous amendments provided for the reduction in the Federal share from 75 percent to 55 percent of project cost. The proposed shift from grants to loans will continue this shift toward State and local funding of project costs.

Of the $18 billion, $8.4 billion will be used to capitalize State revolving loan funds. These State funds will be paid back by communities and will be a long-term investment in water quality facilities.

Finally, this total authorization is consistent with the commitment, made by the administration as part of the 1981 amendments to the Clean Water Act, to support funding at the $2.4 billion level through fiscal year 1991. In return for this long-term funding commitment, Congress agreed to lower annual appropriations, lower the Federal share of project costs, and limit the types of projects eligible for funding.

The third, and perhaps most important, reason the President should support this legislation is it has the overwhelming support of the American people. Both Houses of Congress passed the bill unanimously. Industry and environmental groups support the bill. And polls show that the public favors continued effort to improve water quality by large margins. Final enactment of this legislation is an important step toward carrying out this mandate.

In the budget outline he sent to the Congress recently, the President proposes to increase spending for foreign aid by $2.3 billion to a new record of $19.1 billion. If we can afford that, we can afford to keep America's water clean.

In conclusion, Mr. President, I hope that President Reagan will take another look at this bill. I think he will find that it is solid legislation, that its funding levels are reasonable and responsible, and that it has overwhelming public support.

If, however, the President vetoes the bill, I will do everything I can to convince my colleagues to override it.

Mr. SARBANES. Mr. President, as an original cosponsor, I want to thank my colleagues, Senators Burdick, Stafford, Mitchell, and Chafee for reintroducing today the Water Quality Act, which President Reagan vetoed last year. Following the veto, I indicated that passage of this important legislation early in the session would be one of my highest legislative priorities, and I applaud the members of the Senate Environment and Public Works Committee for their leadership. The clean-up of the Chesapeake Bay is the highest environmental priority in Maryland, and this bill is absolutely essential to that effort.

The Clean Water Act, first passed in 1972, has been an important element of the national effort to clean up our Nation's waterways. In many cases, we are now beginning to see the benefits from the investment made in clean water. Here in the Nation's Capital the water quality of the Potomac River is improving each year thanks to the partnership of the Federal Government, the States, and the District of Columbia. Yet much remains to be done. Many rivers and lakes in this country are still unsafe for drinking, fishing, and recreation.

The bill introduced today contains $52 million over a 4-year period for the Chesapeake Bay clean up effort. As you know, under the able leadership of our former colleague, Senator Charles McC. Mathias, Jr., the Federal Government recognized the critical importance of the Chesapeake Bay, this country's largest and most important tidal estuary. Enactment of this bill would further the goal of cleaning up the bay. It provides $3 million to support the work of the Office of Chesapeake Bay Programs in the Environmental Protection Agency as well as $10 million a year in grants.

In addition, the reauthorization of the Municipal Sewage Treatment Construction Program is a vital part of the multistate effort to improve the water quality of the Chesapeake. Under this bill, funds for treatment plants would still be available on a formula basis and would be recycled as States repaid loans under a revolving fund loan program.

Mr. President, passage of this legislation is an urgent priority, and I urge my colleagues in the Senate to give it the same overwhelming support this year that they did last year.

Mr. FOWLER. Mr. President, as the historic 100th Congress convenes, I am very proud to be a cosponsor of legislation which will reauthorize the Clean Water Act.

I was extremely disappointed last year by President Reagan's veto of the Clean Water Act, which was passed unanimously by both the House and Senate. The Clean Water Act which Congress sent to the President last session was a reasonable and effective measure, one that was a sound balance of our commitment to cleaning up our precious water resources and safeguarding the cities and industries that must help in reaching this critical goal. I believe Mr. Reagan's veto was ill advised and a mistake which we in Congress have a duty to rectify.

In the past decade, we have made great progress in cleaning up our Nation's waterways, and we must continue the steps taken rather than allow the type of pollution before strict controls were enacted. The measures called for in the Clean Water Act are crucial to cities throughout the Nation which are under a federally mandated deadline of July 1, 1988, to upgrade their facilities to secondary treatment standards. The President's veto already has created severe financial problems, not only for cities in Georgia but across the country, requiring slowdowns of many projects and the impending cancellation of others.

Mr. Reagan faulted the measure for what he calls "excessive budgetary levels." However, the President ignored one of the most important provisions of the measure—the mechanism for an orderly phaseout of the Construction Grants Program over the next 4 years in a way that ensures we do not simply walk away from those who have been promised help and who still need it to make sure our water resources are preserved. Municipal and State officials across America are willing to shoulder their part of this responsibility; we at the Federal level cannot abdicate our commitment.

I am heartened by the breadth of support demonstrated last session for reauthorization of the Clean Water Act, and I urge all of my colleagues to once again vote for this measure, which will result in a safer, clearer environment for us and the generations to come.

Mr. LAUTENBERG. Mr. President, I rise in strong support of S. 1, the Clean Water Act Amendments of 1987. This same legislation was unanimously adopted by both the House and Senate at the close of the last Congress. We knew then and we know now that this bill is a significant step forward in protecting this Nation's waterways, and deserves our support.

With its construction grants components, its nonpoint Source Pollution Program, its tightening of toxic discharge controls, and Storm Water Permitting Program, this legislation will do much to address major environmental challenges.

Unfortunately, President Reagan pocket vetoed this legislation. The administration asserted that the bill's authorization for construction grants was excessive. But this claim does not take account of the high costs of sewage treatment construction. It has been estimated that $109 billion is needed to finance such construction throughout the Nation, including $4.5 billion in my State of New Jersey.

Compared to these large needs, the bill before us is no budget buster. It is a rational downpayment on a major national problem. This legislation spreads $18 billion over 9 years for its Construction Grants Program. This sum is gradually allocated. And almost half of it—$8.4 billion—is targeted for State revolving loan funds. Such State loan funds will help create a self-sustaining source of money for States to finance local construction.

A strong Construction Grants Program is essential for economic development across this Nation. If we do not have the sewage treatment facilities to handle the wastes resulting from economic development, we cannot move aggressively forward with such development.

Mr. President, the costs of not enacting this legislation—the harm to our environment, the burdens on our States and localities, and the damage to economic development—far exceed those of this measure.

It is clear that this is a nation committed to the principles embodied in this measure. In the early 1970's, the people of this country made a fundamental decision that they wanted a concerted effort to clean up the Nation's waters—waters that are used for fishing, swimming, recreation, and drinking water.

This decision was made because of our growing awareness of and concern about water pollution. News accounts told us about Lake Erie being "dead," the polluted Cuyahoga River in Ohio so filled with oil and debris that it caught fire, millions of gallons of raw wastewaters being dumped into the country's major rivers, such as the Hudson River, and many fish kills and oil spills.

The Congress responded by passing the Federal Water Pollution Control Act Amendments of 1972. This act established a goal—to restore and maintain the integrity of the Nation's waters—which captured the essence of the Nation's desire for clean water.

Mr. President, during the 13 years this act has been implemented, impressive strides have been made in cleaning up our Nation's waters. But much remains to be done. The Clean Water Act Amendments of 1987 include a number of provisions which address problems which are preventing us from achieving the goal of the Clean Water Act.

Also of great importance is future funding for the construction grants program. Since passage of the Clean Water Act in 1972, Federal, State, and local sources have invested more than $56 billion in municipal wastewater treatment facilities, resulting in the construction or improvement of approximately 3,500 treatment facilities. Properly running sewage treatment facilities are an essential component for cleaning up the Nation's waters. For example, sewage treatment plants in 1983 were removing 65 percent more of the two principle conventional pollutants—suspended solids and biological oxygen demand—than they were a decade earlier.

Yet it is clear that the existing construction grants program is inadequate to meet remaining national needs. According to EPA, eligible construction needs through the year 2000 total $53 billion. Ineligible needs, those needs not eligible for Federal funding under the Clean Water Act, are more than $50 billion. According to estimates, New Jersey alone has $4.5 billion in eligible funding needs. New Jersey only receives approximately $100 million per year in existing Federal construction grant funding. Therefore it is imperative that we implement a new method of financing sewage facilities. A creative framework, which had its origins in New Jersey, is the concept of revolving loans.

The Clean Water Act Amendments of 1987 adopted this concept and will move us closer to the goal of providing an adequate source of stable funding for sewage treatment facilities. S. 1 would authorize $18 billion over 9 years for Federal sewer construction grants and loans. Under the bill, the Federal Government will gradually reduce categorical grants for sewage treatment facilities as it phases in a program of grants for States to capitalize State revolving loan funds.

These funds will provide the capital for municipal wastewater treatment facilities in the future. States can make low or no interest loans available to communities for construction of treatment facilities. As loans are repaid to the State revolving loan funds, the State will be able to loan money to additional communities.

In addition, Mr. President, this bill will help spur the construction of needed sewerage facilities. In the case of municipalities which proceed to begin construction with their own funds, refinancing is permitted from a State revolving loan fund. Presently, most municipalities wait until it is their turn to receive Federal construction grant funding before they begin constructing needed facilities. This refinancing feature of the revolving loan program would eliminate the disincentive for municipalities to move ahead quickly with construction that now exists with the grants program.

Municipalities are facing a 1988 deadline for installing sewage treatment facilities which provide secondary treatment. EPA has threatened to restrict development in municipalities which are not in compliance with the 1988 deadline. New Jersey imposed sewer bans in many municipalities and has warned others that they face such bans if the discharge from their sewage plants will not comply with requirements of the Clean Water Act. The reimbursement provisions in the conference report to S. 1128 should stimulate cities to meet the 1988 deadline.

Under the bill, States will have to enact legislation to give a legal entity of the State the powers prescribed in the act. During consideration of this legislation during the last Congress, the Environmental Pollution Subcommittee agreed that this legal entity can be an existing or new State entity or agency. When the States enact legislation to implement State revolving loan funds, they will have the flexibility to determine how the fund will operate subject to the requirements of this provision of the Clean Water Act.

For example, States would be able to establish loan terms based on the financial needs of municipalities with easier loan terms available to poorer municipalities. States can decide to initiate their loan funds prior to fiscal year 1989, the year they are required to do so. When States enact revolving loan legislation, they can determine whether to begin using their construction grant funds to capitalize their revolving loan funds prior to fiscal year 1989 and if so, under what terms.

Mr. President, I believe that the revolving loan concept contained in the bill will provide a stable source of funding for the construction of sewerage facilities while providing States with the flexibility to minimize the financial burden of these facilities on local municipalities.

The Clean Water Act amendments only slightly revised the allocation formula for construction grants. I would have preferred the Senate approach during the last Congress, which would have provided New Jersey with $15 million more in grant funds. But New Jersey stands to receive approximately the same amount it has been receiving—up to about $100 million this year—in such funds under S. 1. And the State will receive about $650 million over the life of the bill.

S. 1 also includes the Raw Sewage Abatement Act of 1985. This legislation, which I sponsored, limits the discharge of raw sewage by New York City. At the time I introduced this legislation, New York City was the only major municipality in the country which still discharged raw sewage and wastewater into surrounding waters, without preliminary treatment of its wastes. It did so because of the absence of sewage treatment facilities in two major drainage areas in New York City. Two court-ordered deadlines to cease this practice were disregarded by the city.

The provision that I sponsored imposed a cap on raw sewage discharges from the drainage areas in New York City which were without treatment plants, if the city failed to meet the deadlines for achieving advanced preliminary treatment contained in its current consent decree. If these deadlines were met, the cap would be unnecessary because all raw sewage discharges will cease. If the city failed to meet these deadlines, a cap was to be imposed in the drainage area in violation of the decree. It was to stay in effect until the city brought the affected plant on-line and it operated successfully for 6 months.

The imposition of a cap on raw sewage discharges upon a violation of the consent decree in effect said to the city of New York, "You cannot continue to grow without restraint if you cannot treat your wastes."

Upon violation of the cap, the city would be subject to the enforcement provisions in section 309 of the Clean Water Act. These penalties would be in addition to those provided for violation of the consent decree. They include tough civil and criminal penalties, and would enable EPA to seek a temporary or permanent injunction against the city, to bring civil actions against the city, and to initiate criminal prosecution in cases of negligence or falsification of records.

With the changes adopted in the conference report to section 309 of the Clean Water Act, a violation of the cap imposed by this amendment could result in substantial penalties of up to $50,000 a day. A violation stemming from a criminal conviction could lead to imprisonment.

Finally, Mr. President, the legislation states that it is the sense of the Congress that EPA should not extend the deadlines in the city's existing consent decree any further.

I am pleased to note that following my amendment, New York City finally began to comply with court-ordered schedules for construction of its North River and Red Hook sewage facilities. North River is currently on schedule to attain secondary treatment by 1991. Red Hook is on schedule to attain primary treatment by 1989. While Red Hook is on schedule, the fact that it is not operational means that discharge of raw sewage into the East River still continues. This legislation will ensure that New York's facilities stay on present compliance schedules, with no more extensions, and move us toward eliminating the dumping of raw sewage in the waterways of New York and New Jersey.

New Jersey has had its share of water quality problems. But treatment plants in northern New Jersey are all achieving primary treatment, and most of the major plants serving northern New Jersey are achieving secondary treatment, or are under construction to do so.

The New Jersey Department of Environmental Protection has imposed numerous sewer hookup bans in a number of New Jersey municipalities to improve compliance with the Clean Water Act. Several communities may finance the upgrading of their sewage treatment plants to secondary treatment without any Federal or State aid. In some cases, the Department of Environmental Protection in New Jersey required private sector parties to contribute to local efforts to upgrade sewage treatment facilities as the price of securing a sewer hookup permit and proceeding with planned development.

Mr. President, New Jersey and New York do not need to grow at each others' expense. Regional growth is good for both States. By the same token, Mr. President, this growth should be accompanied by appropriate environmental protection. It must not come at the expense of the environment. It must not come at the expense of New Jersey's tourist and commercial and recreational fishing industries.

Mr. President, these provisions in S. 1 will provide strong incentives for New York City to keep complying with its consent decree and bring its sewage treatment plants on line as quickly as possible.

S. 1 contains a number of other provisions which will strengthen this Nation's effort to clean up its water. These include:

Establishing a new program for cleaning up toxic "hot spots"—waters that will not meet water quality goals even after industrial dischargers have installed the best available cleanup technologies required under existing law;

Requiring States to develop plans for combating nonpoint source pollution, such as polluted runoff from city streets and farmland. Conferees agreed on a $400 million authorization to help States implement the plans;

Restricting the use of fundamentally different factor waivers from national discharge standards;

Prohibiting, except in certain narrowly defined circumstances, so-called backsliding, or weakening of cleanup standards when industrial and municipal discharge permits are renewed or reissued;

Establishing a national estuary program to solve pollution problems in interstate estuaries such as Delaware Bay and the Hudson-Raritan estuary;

Requiring EPA to establish toxic contaminant criteria for sewage sludge use and disposal and to establish a public health and environmental protection basis for these criteria;

Authorizing a total of $85 million for lake water quality activities, including demonstration projects at New Jersey's Deal Lake, Belcher Creek, and Greenwood Lake, as well as $15 million for acid mitigation projects;

Retaining the existing law's requirement that discharge permits be renewed every 5 years. The House bill would have extended the permit term to 10 years for certain discharges.

Mr. President, I believe that enactment of the Clean Water Act Amendments of 1987 represents a positive step in the Nation's effort to clean up its water resources, and I urge that we pass this legislation today.

Mr. DURENBERGER. Mr. President, we are today introducing the Water Quality Act of 1987. This is a bill to continue and expand the Nation's Clean Water Act which has since 1972 provided environmental protection for the quality of our lakes, streams, rivers, and estuaries.

This reauthorization of the Clean Water Act has been developed over many years and reflects a blending and compromise of all views including those heard in both Houses, those expressed by members of both parties, views of the Congress and the administration, views of industry and the environmental community. The Senator from Rhode Island, JOHN CHAFEE, has worked diligently for enactment of this legislation in the 98th, 99th, and, now, the 100th Congress. We owe him a great debt. He, as chairman of the Environmental Pollution Subcommittee in the last Congress, worked along with our distinguished chairman of the Environment and Public Works Committee at that time, Senator ROBERT STAFFORD of Vermont, to develop this bill in committee, here on the floor of the Senate and in the conference committee with Members of the House.

It was their effort which brought the conference report on the Water Quality Act of 1986 to the Senate last year where it was approved by a unanimous vote. It was also adopted unanimously by the House of Representatives. Mr. President, around here that is an almost unprecedented level of support for a major piece of legislation like this. The bill we introduce today is that same bill, and whatever parliamentary indignity this bill may suffer over the next few days, we must keep in mind that it was the unceasing effort of these two Members of the Senate which brought us to unanimous support of this fine bill at the end of the last Congress.

The bill adopted by the 99th Congress failed enactment due to a Presidential pocket veto. That was in my view a most unfortunate decision on the part of the President and his advisors. In my view, this legislation already includes much to accommodate the views, both budgetary and of a substantive nature, that were put forth by the administration and its representatives during the legislative process. Indeed, we understand that the administration will be presenting its own bill to reauthorize the Clean Water Act here in the 100th Congress and that the President's bill will be precisely the same as that we have passed, except that the construction grants program will be funded at a level of $12 billion rather than $18 billion over an 8-year period.

So our difference with the President comes down to a matter of budget priorities. I say to the President that the construction grants program has already made its contribution to deficit reduction. In 1981, when this administration came to office, grants to State and local governments to build sewage treatment projects were approximately $5 billion per year. The administration insisted on a greatly reduced program, one that was restructured to eliminate many of the then eligible activities. And after a year of tough debate, a compromise was reached between the Congress and the administration to reduce and restructure the Construction Grants Program. For its part, Congress understood that compromise to include a 10-year commitment to fund the Construction Grants Program at $2.4 billion annually. And that is precisely the level of funding this bill provides.

This bill fulfills the promises made in 1981 when the Construction Grants Program was last reauthorized. One need not rely on my testimony as to the agreement reached between the Congress and the administration back in 1981. The record is replete with references to that commitment. For instance in a committee hearing on the 1985 budget proposal, Mr. William Ruckelshaus, then Administrator of the Environmental Protection Agency, described that agreement in these terms:

> There is an understanding that there is an agreement with the Administration and with the Congress that for 10 years this level of funding, at least, is a commitment. If you will note the difference between what we submitted to the President in terms of our budget and what we are now requesting is somewhat less. We went down to $2.37 billion, and it went back up to $2.4 billion as a result of that commitment. That was something that the Administration puts back into our budget over our submission.

Mr. President, there you have Bill Ruckelshaus proposing a modest cut in the Construction Grants Program and somebody at OMB telling him to take it back up to $2.4 billion because the administration had committed to that level for 10 years. That's a pretty good indication that a clear and solid pledge for funding had been made as part of the 1981 reauthorization. Mr. Ruckelshaus is no longer at EPA, of course. And there have also been changes at OMB. But changes in advisors shouldn't be cause for abandoning commitments.

So it was unfortunate that this bill failed enactment last year. And I urge the President of the United States, in light of the history of this program, to reconsider his decision to withhold his signature from this bill. It is a good bill. It has broad support. It continues a necessary and successful program of the Federal Government. It is a tribute to the two members of our party, Senator CHAFEE and Senator STAFFORD, who had such a large role in bringing it to unanimous approval in both Houses of the last Congress.

Mr. BRADLEY. Mr. President, today, I join my colleagues in reintroducing in the Senate an historic and critical piece of environmental legislation for the Nation and New Jersey, the Clean Water Act. For too long, we have allowed inadequate sewage treatment facilities and other pollutants to threaten our coastlines and our water supplies. This Clean Water Act confirms the continued Federal commitment to local communities everywhere.

New Jersey is known for its miles of beautiful shoreline and lovely beaches. Yet too frequently, our shore communities have had to close their beaches during the summer months because of pollution. Millions of visitors flock to those beaches every year. Beach pollution which has occurred, in part, because of inadequate sewage facilities and, in part from improper disposal of garbage, has endangered public health and tarnished the State's most precious assets. This clean water bill takes an enormous step toward fixing this problem of ocean pollution. This bill specifically prohibits any waiver of requirements for secondary treatment of wastewater in the New York Bight area. The bill closes, once and for all, the site 12 miles from the New Jersey shore where sewage sludge is dumped. The bill prevents the use of the new 106-mile dumpsite by regions and cities outside of the New Jersey-New York area. Most importantly, the clean water bill provides funds to improve antiquated and inadequate local treatment facilities, which overflow during storms or are too small to handle the peak usage during summertime.

This bill represents a tremendous effort—4 years of hard work. Its many provisions will form the basis of a revitalized effort to ensure clean water for our citizens. Since 1981, the Federal appropriations for sewage treatment facilities have been halved while the Federal cost share has dropped from 75 to 55 percent of costs. This bill creates a new $18 billion program which combines grants with an innovative revolving loan program. Other provisions assist in the control of nonpoint pollution—for example water runoff from urban areas—and the cleanup of our lakes and streams.

Mr. President, New Jerseyans greatly value clean water and safe beaches. We recognize the threats to our water supply. We know that tough Federal cleanup standards and environmental regulations are essential but are not sufficient. We know it is a long and costly fight and hard-pressed communities need help in this fight. This bill shows that the Federal Government is not only demanding clean water but it is also willing to help provide the resources to achieve this result. Last fall, President Reagan vetoed this legislation. This action was ill-advised and a mistake. Congress was not then in session, and could not act to override the President's veto. Now we can, and we will.

Mr. MOYNIHAN. Mr. President, I rise on this first day of the 100th Congress as a cosponsor of S. 1, the Clean Water Act Amendments of 1987. It is fitting that this be the first order of business in the new Congress, because at the end of the 99th Congress, Members of the Senate and House voted unanimously to approve the conference report which S. 1 embodies.

When the President allowed the legislation to expire by reason of the so-called pocket veto on November 6, 1986, he placed in jeopardy 14 years of good, hard work. Congress is acting today to finish the task it began with passage of the original Clean Water Act of 1972—to clean up the Nation's waters. The sum of $18 billion authorized by the bill over 8 years will enable the Senate to ameliorate the worst cases of water pollution which threaten our drinking water particularly and our water resources generally. After 4 years, the Construction Grants Program which funds sewers and treatment plants on a 55-percent Federal, 45-percent State basis, will be converted into a revolving loan program, which will be self-sustaining. Therefore, this is not another huge Federal subsidy with no end in sight; rather, it is a targeted effort which ultimately will be self-perpetuating. As such, it leverages Federal funds, providing seed money for the States' own revolving loan pools.

CLEAN WATER IN NEW YORK

If this legislation passes, which we have every confidence it will, New York will receive $268 million annually in Federal grants through 1990, or nearly $1.1 billion of the $18 billion authorized across the Nation. This is the highest annual amount received by any State. California is the next highest recipient at $173 million annually; New Jersey receives $99 million, and Connecticut $30 million.

Without this legislation, a number of New York treatment facilities will be unable to meet the July 1, 1988, deadline mandated under the act for secondary treatment. The office of the attorney general of New York has already begun to notify municipalities which may not be able to meet their compliance schedules.

I need not remind New Yorkers of our dependence on clean water. The striped bass in the Hudson are too contaminated to be eaten safely. Long Island's aquifer which is the drinking water for 3 million people is being depleted and polluted. And under New York City's streets old leaky water mains reluctantly dispurse water to city residents.

Passage of the Clean Water Act Amendments of 1987 must be the cornerstone of our Federal water policy. The 99th Congress passed the Safe Drinking Water Act, which strengthened EPA's capacity to protect and to improve our country's drinking water supplies. The Safe Drinking Water Act contains the Sole Source Aquifer Protection Act, which I first introduced in 1982, designed to protect irreplaceable aquifers such as the one on Long Island. Together with national ground water legislation, which I am also introducing in the 100th Congress, these statutes will provide a comprehensive approach to maintaining and improving our water. We cannot afford to wait until these waters are polluted. It is much more expensive to clean up water—particular ground water—after contamination than to prevent it in the first place.

Mr. President, allow me to review the goals of the Clean Water Act.

GOALS OF 1972 CLEAN WATER ACT

The Federal Water Pollution Control Act was enacted in 1972 with an exuberantly optimistic set of goals. By 1983, the act envisioned clean rivers throughout the Nation; by 1985, it sought to eliminate altogether the discharge of pollutants into our waters.

Two major strategies were embodied in the act to achieve these goals. First, a large Federal grant program was established to help local areas construct sewage treatment plants. According to the Congressional Budget Office, $52 billion—in 1984 dollars—total has been spent by the Federal Government on this Construction Grant Program since 1972.

Second, the act required that all municipal and industrial wastewater be treated before being discharged into waterways, to remove pollutants ranging from organic materials, bacteria, and viruses to toxic chemicals and heavy metals.

Under the act's national pollutant discharge elimination system the Environmental Protection Agency established limits on the maximum allowable discharge of specific pollutants from treatment plants and industrial facilities. These limits were based on available detection and control technologies, and took into account the compliance costs to the regulated community. They are written into permits issued to all such discharging facilities.

Significant progress has been made toward cleaning up the Nation's waters. According to EPA's 1984 national water quality inventory, many of the most severe pollution problems of the 1960's and 1970's have been abated. Moreover, despite substantial growth in the Nation's population, industry, and development, overall water quality remained roughly stable between 1972 and 1982—a major accomplishment. A 1984 study by the Association of State and Interstate Water Pollution Control Administrators found that of 350,000 miles of streams and rivers monitored during this period, water quality improved in 13 percent, stayed the same in 84 percent, and declined in only 3 percent. We have been doing something—several things—right.

The Clean Water Act Amendments of 1986 strengthen and add to our currrent statutes. I will review briefly the most important provisions in these amendments.

CONSTRUCTION GRANTS FOR SEWAGE TREATMENT PLANTS

S. 1 authorizes $18 billion in Federal support over 8 years for the construction grants program, on a 55-percent Federal, 45-percent State basis. This program enables construction and upgrading of sewage treatment plants. The goal is to have all sewage treatment plants achieve secondary treatment by 1988—a process which removes 85 percent of solid and organic matter. In 1989, the revolving fund plan begins, the goal of which is to convert the States' Construction Grants Program into a self-financing program. Such an approach has worked extremely well in Texas and other States. The Governor will have the discretion to apportion grant funds and loan funds in order to meet the particular needs of his or her State. With wise planning, the States should make this transition without any disruption in their current schedules of priority work.

I am pleased that the current allocation formula for construction grants has been left virtually in place. This formula, which is based on the current EPA needs survey, correctly reflects the immediate needs in our urban areas in the Great Lakes and Chesapeake Bay regions. Our older cities place the greatest population pressures on the water systems, which also tend to be the oldest systems. New York receives $268 million annually under this allocation.

NONPOINT SOURCE POLLUTION

This bill provides $400 million to initiate the first national program to control nonpoint source pollution, primarily runoff from agriculture and urban areas. Scientists at EPA have determined that nonpoint source pollution—pollution not from a single pipe or outfall—is a significant contributor to degradation of water quality. This includes runoff contaminated by fertilizers and other chemicals, as well as runoff from city streets which often contains high levels of salts and oils.

As part of this effort, conferees worked diligently with cities and counties as well as with environmental groups to devise a stormwater permit system that would improve water quality without being too costly or too cumbersone for EPA to administer. A recent court decision had ordered EPA to issue permits for virtually all storm sewers, which would have required EPA to issue 50,000 more permits on top of the 65,000 point source permits EPA already issues. This would have diverted EPA personnel efforts from control of toxic contaminants in water to a paper shuffling exercise that would not be result in environmental improvements in most cases. The conference agreed on a provision which would require permits from industrial discharges to storm sewers, and from cities over 250,000 in population where those discharges are significant contributors to pollution.

CLEAN LAKES PROGRAM

S. 1 provides $85 million for a Clean Lakes Program which States can use to clean up silted lakes, and to lime acidified lakes.

ESTUARIES PROGRAM

The bill provides $48 million for an Estuary Research Program, which identifies several estuaries of national importance, including New York and New Jersey Harbor. Under this provision EPA can offer up to $10 million per year on a 50-percent matching basis to States to study and implement cleanup in the New York-New Jersey Harbor area.

BAN ON DUMPING OF SLUDGE IN THE NEW YORK BIGHT

The bill bans, as of December 1987, any additional users from dumping sewage sludge in the New York Bight 12 miles off Sandy Hook, NJ. The bill also restricts the use of the site 106 miles off the coast to those currently using the 12-mile site.

FUNDS FOR BOSTON TREATMENT PLANTS

S. 1 includes $100 million to fund sewage treatment plants in Boston Harbor, assisting Boston in complying with its court ordered directive to stop dumping sludge in the ocean.

GREAT LAKES OFFICE

The conferees agreed to establish a Great Lakes International Coordination Office within EPA to focus on control of toxic pollutants and achievement of goals in the Great Lakes Water Quality Agreement of 1978. The bill also establishes a Great Lakes Research Office with the National Oceanic and Atmospheric Administration to carry out a comprehensive Great Lakes research program, with special attention to sediment control projects.

The Great Lakes office program includes a $11 million annual authorization from 1987 to 1991 for a data base for monitoring and cleanup of the water quality of the lakes, and for priority cleanups of contaminated sediments in five target areas in the Nation, one of which is the Buffalo River in New York.

TOXIC HOTSPOTS

The Clean Water Act Amendments of 1987 establish a new Toxic Hotspot Program which requires EPA and the States to work together to identify toxic hotspots which require special attention and additional controls. EPA has already tentatively identified 34 of these areas which may require more stringent controls than the "best available technology" standard currently mandated by the act. Albany, Rochester, and Syracuse were areas in New York listed by EPA for this priority attention. In addition, the International Joint Commission has identified 42 areas of concern for toxic pollutants in the Great Lakes. These include the Buffalo River, Eighteen Mile Creek, Rochester Embayment, Oswego River, Niagara River and St. Lawrence River in New York. EPA will review the IJC's recommendations in augmenting its toxic hotspot program.

All in all, this is a most worthy bill. I join my chairman, Senator BURDICK, colleagues on the Environment and Public Works Committee, and other cosponsors in urging its immediate consideration and passage. I ask unanimous consent that an appendix listing priority water projects in New York State be printed in the RECORD at this point. I ask, too, that a report summarizing in detail the Great Lakes office and toxic pollutants provisions, prepared by the Northeast-Midwest Institute be printed as an appendix at this point in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

APPENDIX A

ESTIMATE OF FEDERAL CONTRIBUTION TO PRIORITY WATER TREATMENT FACILITIES IN NEW YORK STATE

	Estimated total cost	Estimated Federal share
Project (FY 1987):		
Ft. Covington (St. Lawrence County)	$2,726,000	$1,499,300
Village of Oxford (Chenango County)	4,610,600	2,535,830
Village of Gowanda (Cattaraugus County)	9,700,000	5,335,000
Village of Croghan (Lewis County)	2,700,000	1,485,000
Schuylerville (Washington County)	1,268,500	697,675
Cuba (Allegany County)	2,900,000	1,595,000
Cedar Creek Sewage Plant (Nassau County)	48,000,000	36,000,000
Mamaroneck Sewer District (Westchester County)	8,625,000	4,743,750
Dewey Eastman Tunnel (Monroe County)	24,300,000	13,365,000
City of Gloversville (Fulton County)	6,170,000	3,393,500
Batavia (Genesee County)	28,776,000	15,826,000
Buffalo (Erie County)	5,589,565	3,074,261
South Glens Falls (Saratoga County)	3,500,000	1,925,000
Chautauqua (Chautauqua County)	440,477	310,457
Binghamton (Broome County)	11,831,300	6,507,215
Cheektowaga (Erie County)	872,765	654,564
Cheektowaga (Erie County)	263,050	144,678
Great Neck (Nassau County)	16,277,681	8,952,724
Do	2,990,776	1,644,927
Westchester County (New Rochelle)	650,000	487,000
Greece (Monroe County)	1,043,500	573,925
Rochester (Monroe County)	13,500,000	10,125,000
LeRoy (Genesee County)	437,333	328,000
Owls Head (Brooklyn)	14,816,963	11,112,722
Do	48,588,494	36,441,370
Do	53,119,363	39,839,523
Oakwood Beach (Staten Island)	49,000,000	26,950,000
Do	5,000,000	3,750,000
Project (after 1987):		
Oakwood Beach (Staten Island)	100,000,000	NA
Owls Head (Brooklyn)	87,000,000	NA
Coney Island (Brooklyn)	280,000,000	NA
Bay Park (Nassau County)	53,000,000	NA
Mamaroneck (Westchester County)	116,000,000	NA
Rochester (Monroe County)	27,000,000	NA
Oriskamy Falls (Oneida County)	4,300,000	NA
Stillwater (Saratoga County)	1,300,000	NA
Bolivar (Allegany County)	2,200,000	NA

APPENDIX B

Attached is a detailed summary of the toxic hotspot provisions of the Clean Water Act Amendments, S. 1128 in the 99th Congress, S. 1 in the 100th Congress. Included is a list compiled by EPA in 1982, which EPA will augment under the new Act. EPA may add to its toxic hotspot list based on recommendations by the U.S.-Canadian International Joint Commission, which has identified 42 areas in the Great Lakes in the U.S. and Canada which are badly contaminated.

Source: Northeast Midwest Institute, Eric Schaeffer (202) 544-5200.

II. TOXIC HOTSPOTS (S. 1128)

Background

There are two primary approaches to controlling water pollution under the Clean Water Act. The first is to measure the quality of water into which pollutants are being released, to determine which industries are responsible for the pollution, and to require those parties to reduce their discharges by the amount needed to make the water at least "fishable and swimmable." The second is simply to require all industries to reduce their discharges to a predetermined level, based on the best pollution control that is economically achievable. The latter, "best available technology" (BAT) standard has been the exclusive method of regulations thus far, due to the technical difficulty of water-quality based permitting.

However, it has become clear that in certain areas, the water may remain unacceptably contaminated with toxic pollutants even after all the industries have applied BAT. In 1982, the EPA tentatively identified 34 of these areas; the 19 in the Northeast and Midwest are identified below.

Hartford, CT, Gary, IN, Des Moines, IA, Pittsfield, MA, Springfield, MA, Midland/Saginaw, MI, Minneapolis/St. Paul, MN, Passaic, NJ, Albany, NY, Rochester, NY, Syracuse, NY, Canton, OH, Dayton, OH, Lima, OH, Youngstown, OH, Allentown, PA. Philadelphia, PA, Pittsburgh, PA, Scranton, PA.

EPA stressed that the identification was preliminary, stating that "The list was compiled not from water samples but rather through paper and pencil calculations on toxic pollutants that may be present, based upon the industries that discharges to these waterways and the amount of toxic pollutants they discharge."

The United States-Canada International Joint Commission has identified 42 areas of the Great Lakes shoreline in the United States and Canada that are badly contaminated by toxic pollutants. It is possible that some of these areas on the U.S. side may eventually be listed for regulation under the toxic hotspot provision established by the conference report. Attachment 2 provides a list of the locations of the 42 "areas of concern" identified by the IJC, and their sources of contamination.

Conference report

The conference report requires EPA to develop guidelines for use by states in identifying those areas 1) where water quality would remain below the acceptable standard 2) due primarily to toxic pollution from industrial dischargers 3) after those industries had applied to their plants the best available technology for controlling pollution. The states then would have two years to identify the areas within their jurisdictions that fell under the federal guidelines. EPA would be required to identify any toxic hotspots within a state that failed to meet the deadline.

States then would have another two years to develop individual control strategies to further limit pollution from point sources, and an additional three years to bring water quality to the required standard by putting those strategies into effect. EPA would be required to develop and implement control strategies for those states that failed to meet the deadline. The conference report would allow the agency to waive the more stringent point source requirements for no more than five years for industries that could show that 1) the current control technology was the maximum economically feasible for that industry and 2) that it was sufficient to make "reasonable further progress" toward meeting water quality standards.

Part of the problem with water quality based permitting is that EPA has lagged behind in developing criteria that can be used to develop effective water quality standards. The conference report would require EPA to develop those criteria within three years of enactment, and would require states to incorporate them into the water quality standards upon which individual control strategies would be based.

III. GREAT LAKES (S. 1128)

Background

The National Academy of Sciences (NAS) reported last year that the population of the Great Lakes basin was exposed to appreciably more toxic substances than that of the U.S. as a whole, due in part to the consumption of contaminated fish from the area. The report criticized EPA's neglect of the U.S.-Canada Water Quality Agreement, a comprehensive treaty establishing ambitious goals for the elimination of toxic discharges to the Lakes. The NAS critique reflected concerns raised by the General Accounting Office in the latter's 1982 report highlighting the disorganization and underfunding characterizing U.S. Great Lakes programs.

Conference report

The conference report includes a title establishing for the first time a comprehensive U.S. program for the cleanup of the Great Lakes. The amendment provides explicit congressional recognition of the Water Quality Agreement, and designates EPA's Great Lakes National Program Office (GLNPO) as the lead agency responsible for U.S. compliance with the agreement. GLNPO would have to establish a toxics monitoring and surveillance network for the lakes, and to develop and coordinate a multi-agency program for cleanup.

ATTACHMENT 2

[Sources of pollution for Great Lakes areas of concern]

Area of Concern	In-place pollutants	Industrial point sources	Municipal point sources	Urban nonpoint	Rural nonpoint	Combined sewer overflows	Waste disposal sites	Unknown
Peninsula Harbour, Ontario	X	X						
Jackfish Bay, Ontario	X	X						
Nipigon Bay, Ontario	X	X						
Thunder Bay, Ontario	X	X						
St. Louis River, MN	X							X
Torch Lake, MI	X	X						X
Deer Lake-Carp River, MI	X							
Manistique River, MI	X	X	X					
Menominee River, WI/MI	X							
Fox River/S. Green Bay, WI	X	X	X					
Sheboygan Harbor, WI	X							
Milwaukee Estuary	X	X	X	X	X	X		
Waukegan Harbor, IL	X							
Grand Calumet River/Indiana Harbor Canal, IN	X	X	X	X		X		
Kalamazoo River, MI	X							
Muskegon Lake, MI								
White Lake, WI		X						
Saginaw River/Saginaw Bay, MI	X	X	X					
Collingwood Harbour, Ontario	X		X					X
Penetang Bay to Sturgeon Bay, Ontario			X	X	X			
Spanish River, Ontario	X	X						
Clinton River, MI	X	X	X	X	X	X		
Rouge River, MI	X	X	X	X	X	X		
Raisin River, MI	X	X	X	X	X	X		
Maumee River, OH	X	X	X	X	X	X		
Black River, OH	X	X	X	X	X	X	X	
Cuyahoga River, OH	X	X	X	X		X		
Ashtabula River & Harbor	X	X		X				
Wheatley Harbour, Ontario	X	X	X					X
Buffalo River, NY	X	X	X	X		X	X	
Eighteen Mile Creek, NY	X	X		X		X		
Rochester Embayment, NY	X	X	X	X		X		
Oswego River, NY	X	X	X	X		X	X	
Bay of Quinte, Ontario		X	X	X				
Port Hope, Ontario	X						X	
Toronto Waterfront, Ontario	X	X	X	X		X		
Hamilton Harbour, Ontario	X	X	X	X		X		
St. Mary's River, Ontario/MI	X	X	X	X		X		
St. Clair River, Ontario/MI	X	X	X			X		
Detroit River, Ontario/MI	X	X	X	X	X	X		X
Niagara River, Ontario/NY	X	X	X	X		X	X	
St. Lawrence River, Ontario/NY	X	X		X		X	X	

Source: Great Lakes Water Quality Board, 1985 Report to Great Lakes Water Quality, Report to the International Joint Commission (Kingston, Ontario, International Joint Commission 1985), p. 4.

The amendment earmarks $14.5 million for creation within the National Oceanic and Atmospheric Administration of a comprehensive environmental data base for the lakes, so that research gathered painstakingly through dozens of individual projects would be banked for future use. The amendment also earmarks $22 million for a special program to begin the task of cleaning up sediments contaminated by toxic pollutants at the Great Lakes areas of concern identified by the International Joint Commission.

These contaminated sediments are a prime source of the toxics infesting Great Lakes fish, and may be stirred up and released into the water by shipping or dredging activities. Five sites are mentioned specifically for demonstration cleanup to ensure that the program gets off the drawing board and to give Congress a basis for evaluating the agency's progress. The five sites are: Sheboygan Harbor, WI; Saginaw River, MI; Grand Calumet Harbor, IN; Ashtabula River, OH; Buffalo River, NY.

Mr. D'AMATO. Mr. President, I rise today to cosponsor the Clean Water Act Reauthorization being introduced by my colleagues on the Environment Committee. This bill is identical to the Clean Water Act Reauthorization I enthusiastically supported last year. Unfortunately, despite the fact that many of my colleagues and I contacted President Reagan repeatedly, asking him to sign this bill, this legislation was vetoed in November of last year.

It is vital that this legislation be passed quickly. It contains an authorization of $18 billion over 9 years for the EPA construction grants program. It contains an estuaries program important to Long Island Sound, as well as programs to protect the Great Lakes. It also provides new requirements for management of nonpoint sources of pollution, such as runoff from cities and agricultural areas.

Mr. President, this legislation is the result of extensive efforts during the last Congress, and it enjoys support from a wide range of industrial and environmental groups. It passed unanimously in both Houses last year. There is no reason why we should delay swift enactment of this bill. Therefore, I urge my colleagues in the Senate to join in cosponsoring this legislation.

Mr. WEICKER. Mr. President, today I have joined with a large number of my fellow Senators to reintroduce a bill amending and reauthorizing the Clean Water Act. This is the Nation's only comprehensive water control and management law and symbolizes this country's efforts to clean and safeguard our environment for future generations; 1986 saw near unanimous support for this bill, as introduced today, in Congress. Passage of the bill occurred at the end of the 99th Congress and we watched as the President pocket vetoed the bill which represented years of exhaustive work in both Houses of Congress.

I have no doubt, Mr. President, that this bill will be widely supported again and will indeed become law, possibly in the very near future. I strongly support the Clean Water Act and am very disappointed that the administration would not work with Congress, nor recognize the overwhelming support of this act in protecting our Nation's waterways.

Important among the provisions of this bill is the establishment of a National Estuary Program which will create a national effort in the protection and management of our estuarine and near shore marine areas. Intensive studies such as in the Chesapeake Bay and Long Island Sound should lead to answers and practices which will significantly reduce the inputs of pollution into these estuaries and restore these vast natural resources to a more usable and pristine state. The Construction Grants Program is also of vital importance to municipalities in developing wastewater treatment works. The creation of State revolving loan funds shifts future responsibility for construction costs to States and localities. My State of Connecticut has already created a State fund and is fully committed to continued construction and upgrading of water treatment works. This bill also contains important provisions to manage nonpoint source pollution and to strengthen enforcement and permit standards.

Mr. President, the early reintroduction and the very large support for this bill should be a clear signal to the administration that a failure to accept this reauthorization ignores the will of Congress and the concerns of our citizens throughout the Nation. It is my hope that this bill receives quick consideration and passage. Too many years have gone by for us not to reaffirm our commitment to this country's most important environmental act.

Mr. PELL. Mr. President, I am pleased to join in introducing the Clean Water Act in the 100th Congress. I hope that we will be able to expedite its consideration and passage and, once this is done, that the President will sign it into law without delay.

I commend the members of the Senate Environment and Public Works Committee, including the members of the Environmental Pollution Subcommittee, who labored long and hard to fashion this measure in the 99th Congress.

My colleague, the distinguished junior Senator from Rhode Island [Mr. CHAFEE] is one of those who devoted considerable skill and knowledge to fashioning this measure, which makes several changes to enhance our ability to combat water pollution.

This Clean Water Act authorizes $18 billion over 9 years for grants to help communities build wastewater treatment facilities. Unless we reauthorize this measure, construction delays and shutdowns will start to occur as funding runs out.

This measure also includes a new section designed to reduce pollution from so-called nonpoint sources, such as runoff from agricultural land and the pollutants washed by the rain from our city streets into our streams and rivers.

It also includes the creation of a program for cleaning up toxic hot spots—where quality goals will not be met even after polluters have installed the best available cleanup technologies required under existing law.

The bill, by and large, is an improvement and represents a concerted effort to address our Nation's water pollution problems. I must emphasize, however, that those pollution problems have not been resolved and are not going to just fade away without a continuing national effort to address them.

We set the national standard of "fishable, swimable water" and we made the commitment to put Federal taxpayers dollar to work on a long-range, costly, national effort to meet those standards. Communities that believes us then are finding themselves stuck with paying for the improvements now.

We should not lower our standards and we should not stick State and local communities with the total bill. We must not lower our sights to lesser goals by reducing the national standard. Likewise, we should not try to shift the enormous burden of wastewater treatment construction costs to the State and local governments.

When we first passed the Clean Water Act, along with other landmark environment laws, we made it clear that the Federal Government has a definite role in setting national environmental standards and an equally important role in helping to meet those standards. We must not abandon either of those vital roles.

Mr. HEINZ. Mr. President, water quality is among the most pressing problems that communities across the Nation must face. For State and local governments, this is not an easy time. The loss of revenue sharing, reductions in aid to State and local governments generally, and rising costs put our cities and towns into a tight squeeze. Sewage contruction is among the costliest undertakings, and yet it is critically needed if our drinking water is to be protected.

The slowdown in funding under the Clean Water Act, caused first by congressional delay in approving a reauthorization, and then a pocket veto, is endangering the very health of thousands. In Pennsylvania alone, the Environmental Protection Agency estimated our wastewater treatment needs in 1985 at over $2.1 billion. Even under the Clean Water Act, Pennsylvania receives only $96 million per year in Federal assistance. So it is going to be a while before Pennsylvania, or most States for that matter, find themselves fully meeting the need for protection from wastewater.

Nevertheless, the bill which my colleagues and I are introducing today is a fair and effective compromise which provides effective and timely Federal assistance, while assisting local communities to take on increasing responsibility for the protection of our water resources. I am very pleased to be among the 60 or so cosponsors of this measure, which passed both Houses of Congress unanimously.

Specifically, the legislation before us authorizes $18 billion through fiscal 1994 to aid in the construction of sewage treatment. This figure includes $8.4 billion for State revolving loan funds. These funds would help local communities to receive low-interest loans for future sewage construction.

A very important aspect of the bill for my State, and especially for the Susquehanna River and the Chesapeake Bay, is a new program to enhance control of nonpoint source pollution, such as pesticide and agricultural runoff. Nonpoint runoff is responsible for up to 50 percent of our water pollutants.

Equally important is the bill's increased controls on toxic discharges. In addition, estuaries, such as the Delaware River, and lakes, including Lake Erie, will receive increased protection.

Once more, Mr. President, I urge all my colleagues to support this measure, and help to see it enacted in the immediate future. We cannot tolerate a slowdown in construction and enforcement, and yet that is precisely what happens each day that we delay this bill.

Mr. DANFORTH. Mr. President, I am pleased to join as a cosponsor of the Water Quality Act of 1987. I think it appropriate that this bill is to be designated S. 1, since few measures considered by the 100th Congress would have as enduring an impact on our Nation.

S. 1 is identical to legislation vetoed by the President last fall. I do not take that action or the possibility of a second veto lightly. However, I am convinced that these amendments to the Clean Water Act are a responsible and necessary continuation of the Federal Government's commitment to pure, wholesome water throughout our land. Congress must never turn its back on that commitment.

Most immediately, the Water Quality Act would reauthorize the Wastewater Treatment Grants Program at a level of $9.6 billion through 1990. Drawing on Federal funds and their own matching contributions, the States would thereafter be required to establish revolving loan accounts for new construction. Revolving funds will give each State the flexibility to tailor the Construction Grants Program to its needs, and the certainty required for advance planning. Federal funding—amounting to $8.4 billion over fiscal years 1989 through 1994—will ber earmarked for the Revolving Loan Program. In concert with construction grants, these funds should ensure an orderly phaseout of direct Federal payments and allow the States to move forward with long-term strategies for improving water quality.

I am sure that every Member of the Senate has heard from constituents on the need to reauthorize the Wastewater Treatment Grants Program. Washington's inaction has wreaked havoc on construction schedules and planning in Missouri, making compliance with Federal requirements that much more difficult. Prompt passage of the Water Quality Act would bring $67.3 million to Missouri in each of the bill's first 3 years, and resume progress toward clean lakes, rivers, and streams throughout the Nation.

Without detailing the provisions of this legislation, I would mention that the bill addresses one threat to water quality that is particularly prevalent in rural America. Nonpoint pollution, including runoff from city streets, farm land, and mine sites, may account for as much as half of all pollution in our waters. By its very nature, though, nonpoint pollution is more difficult to control and regulate then emissions from pipes and similar "point sources."

Going beyond the Clean Water Act's current focus on municipal sewage and industrial wastes, S. 1 would authorize a new, $400 million program to combat nonpoint pollution. Especially in rural areas, success will depend upon flexibility and popular support. Instead of imposing standards and deadlines at the Federal level, therefore, the bill would initiate new State-Federal partnership. Each State would be required to submit a plan for managing nonpoint pollution to the Environmental Protection Agency, and Federal grants would be available to States whose programs are approved. I believe that nonpoint pollution and the related issue of ground water contamination should and will be addressed by the 100th Congress; the provisions of S. 1 are an excellent place to start.

Passed in 1972, the original Clean Water Act envisioned clean rivers throughout the Nation by 1983, and the elimination of polluting discharges by 1985. Now, almost 15 years later, it is clear that these goals were overly optimistic. Still, the Clean Water Act and other Federal statutes can be credited with a real improvement in the quality of our natural environment and daily life. Many of the most serious water pollution problems of 1972 have been abated, while the decline in overall water quality has been stopped and even reversed.

Mr. President, we should not stray from a course that will lead us to fishable, swimmable waters in every part of the United States. Passage of legislation to reauthorize and improve the programs of the Clean Water Act is an essential step toward that end. I look forward to prompt and favorable action on the Water Quality Act.

Mr. KERRY. Mr. President, I am pleased to rise today as a cosponsor of S. 1, the reauthorization of the Clean Water Act. As my colleagues well know, S. 1 is identical to the conference report that passed the House and Senate unanimously at the end of the 99th Congress and was subsequently vetoed by the President.

The President's veto was a shortsighted and misguided step backward. It has set back the cause of protecting the environment for future generations. The President has clearly abdicated his duty to lead. I am confident, however, that the Congress will today begin the process of showing the administration and the American people that when it comes to protecting the environment, we can speak harmoniously and with conviction.

S. 1 is the result of a great deal of committed work by members of the authorizing committees in both Houses of Congress who fashioned a bill that groups with many divergent interests have enthusiastically endorsed.

In addition to providing construction grant funding to States and localities that have in many cases exhausted their moneys, this legislation will strengthen restrictions on the pollution that is allowed to be discharged into the Nation's waters. Among the new provisions is one that for the first time provides funding and restrictions on so-called nonpoint source pollution which is the result of runoff from farm lands and from city streets.

S. 1 also recognizes that the needs of State and local governments in constructing treatment works has changed. Due to the success of the grants program which has provided more than $50 billion since 1972, the end of the time when the Federal Government provides the bulk of the capital construction costs is in view. S. 1 authorizes the grants program to continue for the next several years before replacing it with seed money for States to create revolving loan funds.

Massachusetts communities have participated in and benefited from the Construction Grants Program and the result has been greatly improved water quality in the commonwealth. But in addition to providing funding for the grants program and amending the discharge restrictions, S. 1 also recognizes some of the special cases that exist in the country that warrant the participation of the Federal Government.

In one case in particular, S. 1 authorizes the appropriation of $100 million to assist in the cleanup of Boston Harbor. While it is a small amount when compared to the $2 billion that it is estimated it will cost to complete the job, it serves as an affirmation of the importance of the cleanup and it will provide some early help to the Massachusetts Water Resources Authority which is the local agency charged with mounting this monumental task. The conferees have responded to the efforts of the Massachusetts delegation who have worked diligently and effectively to demonstrate the unique and severe problems that face Boston Harbor's future. We are indebted to both the Senate and House conferees for their consideration in this matter.

We must be ever vigilant in our efforts to monitor the effectiveness of environmental legislation and this reauthorization reflects the research that we have accumulated in the years since the Clean Water Act was first enacted in 1972. Certainly our unanimous vote in the last Congress indicates that a consensus exists around the need to modify and supplement environmental legislation. I am proud that today we are taking an important step toward advancing our environmental goals. I look forward to Senate floor consideration of S. 1 in the very near future.

The PRESIDING OFFICER. By a previous motion the distinguished Senator from West Virginia regains the floor.

Mr. BYRD. Mr. President, am I still recognized?

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I do not intend to hold the floor too much longer. But I do want to hold the floor a bit longer for reasons which will become evident.

I ask unanimous consent that I may yield to the distinguished Senator from Rhode Island [Mr. CHAFEE], who wishes to speak on the same matter. He is one of the chief cosponsors of the bill. I ask unanimous consent that I may yield to him for 5 minutes without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, first I want to thank the distinguished majority leader for yielding me 5 minutes.

Second, I want to thank the chairman of our full committee for the fine comments he has made about the work I have done on this particular piece of legislation, the clean water bill, in which I am joining him today as cosponsor, the bill we passed in the conference. It came out of the conference which we had with the House last year where I was privileged to be chairman of the Senate conferees.

That bill, as has been mentioned, passed last October in the Senate by a vote of 96 to 0, and was passed in the House by a vote of 408 to 0.

I was very disappointed when the President chose to pocket-veto the bill. At that time I promised we would be back pushing hard to get the identical bill enacted as soon as Congress reconvened. That is why we are here today—to let the American people know we care about clean water and that we are going to do our best to see that this bill becomes law as soon as possible.

This bill has been 5 years in the making. Failure to move quickly on this legislation will seriously delay the cleanup of our rivers and streams and jeopardize hundreds of projects around the country, including several projects in my State of Rhode Island.

It has been charged that this legislation is "budget-busting." That is simply not the case. Although the $18 billion authorized in the bill exceeds the administration's request, it is within current funding levels and conforms to the budget resolution. Although the $18 billion authorized by this bill may sound like a lot of money, and exceeds the administration request, it is a small sum compared to the estimated $100 billion needed to build all the public facilities required to clean up our waters. The bill is within current funding levels and conforms to the budget resolution.

I might say that there is an estimate that the need is for $100 billion and we are coming in with a bill of $18 billion, $2.4 billion a year, which, I would point out, is less than the 1980 amount which was voted.

In 1981 we arrived at an agreement with the administration to go for 10 years at $2.4 billion each year. When you think that this legislation at times has been as high as $5 billion, or close to that figure, the $2.4 billion is a reduction.

The funding level for construction grants lives up to the commitment made by Congress and the administration to support an annual appropriation of $2.4 billion over the 10-year period of 1981 through 1991. The bill even goes one step further. It phases out the construction grants program and turns over financial responsibility for the construction of wastewater facilities to the States by 1994. It will be over. It will be done with.

This legislation, as has been pointed out, also has a major overhaul under what we call the programmatic division. That is, the changes in the standards for clean water which are very important to improving the water quality of our Nation.

The Water Quality Act of 1987 assures compliance with a strong water quality standards program and provides for greater control of toxic, conventional and nonconventional pollutants. It establishes a new program to control pollution from nonpoint sources. It continues funding of wastewater treatment works at the $2.4 billion level through fiscal year 1991, while establishing a revolving loan fund to ease the transition to full State and local sufficiency.

I would like to take a few minutes to explain in greater detail a few of the key provisions of the bill.

The legislation tightens up several regulatory programs. One such program relates to nonconventional pollutants. Under current law modifications can be sought from strong discharge requirements for so-called nonconventional pollutants, many of which can be highly toxic. In an effort to severely limit the circumstances in which these weaker modifications can be given, the bill allows them for only five specific pollutants. If other pollutants are to be listed for a modification, EPA must go through a special procedure.

The legislation contains provisions which severely limit the opportunities for which discharges can obtain modifications for fundamentally different factors.

The bill also contains provisions continuing the Chesapeake Bay Program; it establishes a Great Lakes Water Quality Program and sets up a new National Estuary Program which provides that management conferences develop control strategies to clean up estuaries. This is especially important to the Narragansett Bay in Rhode Island which suffers from degradation of water quality. Funds are also set-aside for correction of combined sewer overflows which cause serious pollution in the Narragansett and other estuaries around the Nation.

A new Nonpoint Source Pollution Control Program is included in this legislation. The program would authorize $400 million over 4 years for States to develop comprehensive programs to abate such pollution sources as runoff from urban areas and farmlands which are often contaminated with toxic and other pollutants.

The bill beefs up the enforcement provisions of the act by increasing penalties for civil and criminal violations and adds a new authority for the Administrator to assess administrative penalties on violators. The EPA has new authority to assess penalties against unpermitted discharges. We expect the Agency to use this authority aggressively against illegal polluters even if a memorandum of agreement is not concluded with the Secretary of the Army. The corps enforcement record against illegal dumpers is not the strongest, and now EPA would have the authority to move against these polluters.

Compliance dates for industries for which effluent guidelines have not been promulgated have been extended to March 1989, or 3 years from date of promulgation, whichever is sooner. The bill strongly encourages EPA to finalize these guidelines so industries can comply with discharge requirements as soon as possible. Until such guidelines are promulgated, the Agency is expected to proceed under its current policy with respect to noncompliance of dischargers who will not meet the deadline.

A provision establishing a progressive Stormwater Control Program is included in the bill. Although the law now requires EPA to establish discharge requirements for the stormwater point sources, the Agency has been unable to develop a final permit program for these sources. This legislation sets up a program whereby EPA must issue permits for stormwater point source discharges in municipalities with populations over 250,000 within 4 years of enactment. Within 5 years of enactment, permits for stormwater point source discharges are required in cities with populations between 100,000 and 250,000. These discharge requirements are to contain control technology or other techniques to control these discharges. Requirements for stormwater discharges associated with industrial activities are unaffected by this provision. This provision provides the guidance EPA needs to rapidly implement this control program.

The bill contains a provision with respect to antibacksliding on best practicable judgment and water quality-based permits. The thrust of this provision is to generally prohibit affected permittees from weakening their discharge requirements as a result of subsequently promulgated guidelines. Only in very narrow circumstances can backsliding be permitted, and in no event can it be permitted even if, after a discharger leaves a stream, there is an improvement in water quality unless the test antidegradation policy test is met. That test states that water quality may be lowered only if widespread adverse social and economic consequences can be demonstrated through a full intergovernmental review process.

The bill extends the current $2.4 billion annual authorization for title II construction grants for 3 years. In fiscal years 1989 and 1990, the annual authorization for title II would be reduced to $1.2 billion. No further authorizations would be made for title II after fiscal year 1990.

Beginning in fiscal year 1989 and continuing in fiscal year 1990, $1.2 billion a year would be authorized specifically for capitalizing revolving loan funds under a new title VI of the law. Thereafter, the loan fund authorization would gradually be reduced by providing $1.8 billion in fiscal year 1992, $1.2 billion in fiscal year 1993, and $600 million in fiscal year 1994. After 1994, all authorizations for direct Federal contributions would end.

As I mentioned earlier, this approach lives up to the commitment made by Congress and the administration to support an annual appropriation of $2.4 billion over the 10-year period of 1981 through 1991 to meet the needs for construction of wastewater treatment facilities.

A slight change is made to the allotment formula for grants to the States and is identical to the bill approved last year.

The revolving loan fund embodied in this legislation will enable the States to eventually assume full responsibility for construction of wastewater treatment facilities in their jurisdictions.

Mr. President, I would like to conclude by saying this legislation gives us an opportunity to renew our commitment to the national goal of making all of our waters fishable and swimmable. The Water Quality Improvement Act of 1987 strengthens the existing provision of the Clean Water Act and establishes new cleanup programs which will greatly assist us in addressing a new generation of subtle—more devastating—problems posed by toxic pollution, stormwater discharges, nonpoint pollution and contamination of sludges.

I would hope my colleagues will again give this bill a resounding show of support and work with me to pass this legislation as soon as possible so we can continue the job of cleaning up our Nation's waters.

There has been talk of the President vetoing this legislation again. That would be a drastic mistake. This bill is within the agreed upon authorization level of $2.4 billion for wastewater treatment facilities passed by the Senate and the budget resolution. It provides for the orderly phaseout of the Construction Grants Program. And most importantly it gives the American people what has been reflected in public opinion polls conducted across the land—that they want clean water.

At this time, Mr. President, I wish to pay tribute not only to the present chairman of our committee, but also our former chairman, the distinguished Senator from Vermont [Mr. STAFFORD], who has been such a pillar in this effort from the beginning. Also, I would like to pay tribute to several other Senators who have worked so hard on this matter. Especially I would like to mention Senators MOYNIHAN, MITCHELL, and BENTSEN, as well as others, who have participated. I particularly think of those Senators.

I thank the majority leader for yielding.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. I yield to the Senator from Wisconsin without losing my right to the floor.

Mr. KASTEN. Mr. President, as an original cosponsor of the Clean Water Act, I urge that the Senate act decisively and quickly to adopt this critical legislation.

The Clean Water Act is one of the most important pieces of Federal legislation to protect the health and safety of millions of Americans. It is one of the most fundamental Federal laws protecting our Nation's environment. We can not tolerate any delay in adopting the Clean Water Act.

Many critical improvements are made in this legislation over current law. One of the most important new sections provides for comprehensive environmental management of the Great Lakes.

The Great Lakes contain 20 percent of the world's freshwater. Fully 95 percent of our Nation's fresh surface water is contained in these five lakes.

Yet the Federal efforts to manage and protect these tremendous resources are abysmal. Currently, no Federal agency is charged with overseeing the comprehensive environmental resources of the Great Lakes. The result is a bureaucratic maze that has resulted in mismanagement and environmental damage to the lakes.

Toxics contaminate the Great Lakes in each of the eight lake States. This contamination not only threatens wildlife and recreational use of the lakes, it also threatens human health.

For 3 years we have struggled with writing and adopting legislation to correct the abuses of the lakes. On a bypartisan basis, this section is now supported. An identical measure was approved by each House of Congress last year.

The future of the Nation's waters, and particularly the Great Lakes, is too important to delay. I hope this can be the first piece of legislation adopted by the 100th Congress. That milestone would set the tone for environmental and resource protection in the years ahead.

S. 1

(The text of the bill (S. 1), the Water Quality Act of 1987, is as follows:)

S. 1

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; AMENDMENTS TO FEDERAL WATER POLLUTION CONTROL ACT; DEFINITION OF ADMINISTRATOR.

(a) SHORT TITLE.—This Act may be cited as the "Water Quality Act of 1987".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents; amendments to Federal Water Pollution Control Act; definition of Administrator.
Sec. 2. Limitation on payments.

TITLE I—AMENDMENTS TO TITLE I

Sec. 101. Authorizations of appropriations.
Sec. 102. Small flows clearinghouse.
Sec. 103. Chesapeake Bay.
Sec. 104. Great Lakes.
Sec. 105. Research on effects of pollutants.

TITLE II—CONSTRUCTION GRANTS AMENDMENTS

Sec. 201. Time limit on resolving certain disputes.
Sec. 202. Federal share.
Sec. 203. Agreement on eligible costs.
Sec. 204. Design/build projects.
Sec. 205. Grant conditions; user charges on low-income residential users.
Sec. 206. Allotment formula.
Sec. 207. Rural set-aside.
Sec. 208. Innovative and alternative projects.
Sec. 209. Regional organization funding.
Sec. 210. Marine CSO's and estuaries.
Sec. 211. Authorization for construction grants.
Sec. 212. State water pollution control revolving funds.
Sec. 213. Improvement projects.

Sec. 214. Chicago tunnel and reservoir project.
Sec. 215. Ad valorem tax dedication.

TITLE III—STANDARDS AND ENFORCEMENTS

Sec. 301. Compliance dates.
Sec. 302. Modification for nonconventional pollutants.
Sec. 303. Discharges into marine waters.
Sec. 304. Filing deadline for treatment works modification.
Sec. 305. Innovative technology compliance deadlines for direct dischargers.
Sec. 306. Fundamentally different factors.
Sec. 307. Coal remining operations.
Sec. 308. Individual control strategies for toxic pollutants.
Sec. 309. Pretreatment standards.
Sec. 310. Inspection and entry.
Sec. 311. Marine sanitation devices.
Sec. 312. Criminal penalties.
Sec. 313. Civil penalties.
Sec. 314. Administrative penalties.
Sec. 315. Clean lakes.
Sec. 316. Management of nonpoint sources of pollution.
Sec. 317. National estuary program.
Sec. 318. Unconsolidated quaternary aquifer.

TITLE IV—PERMITS AND LICENSES

Sec. 401. Stormwater runoff from oil, gas, and mining operations.
Sec. 402. Additional pretreatment of conventional pollutants not required.
Sec. 403. Partial NPDES program.
Sec. 404. Anti-backsliding.
Sec. 405. Municipal and industrial stormwater discharges.
Sec. 406. Sewage sludge.
Sec. 407. Log transfer facilities.

TITLE V—MISCELLANEOUS PROVISIONS

Sec. 501. Audits.
Sec. 502. Commonwealth of the Northern Mariana Islands.
Sec. 503. Agricultural stormwater discharges.
Sec. 504. Protection of interests of United States in citizen suits.
Sec. 505. Judicial review and award of fees.
Sec. 506. Indian tribes.
Sec. 507. Definition of point source.
Sec. 508. Special provisions regarding certain dumping sites.
Sec. 509. Ocean discharge research project.
Sec. 510. San Diego, California.
Sec. 511. Limitation on discharge of raw sewage by New York City.
Sec. 512. Oakwood Beach and Red Hook Projects, New York.
Sec. 513. Boston Harbor and adjacent waters.
Sec. 514. Wastewater reclamation demonstration.
Sec. 515. Des Moines, Iowa.
Sec. 516. Study of de minimis discharges.
Sec. 517. Study of effectiveness of innovative and alternative processes and techniques.
Sec. 518. Study of testing procedures.
Sec. 519. Study of pretreatment of toxic pollutants.
Sec. 520. Studies of water pollution problems in aquifers.
Sec. 521. Great Lakes consumptive use study.
Sec. 522. Sulfide corrosion study.
Sec. 523. Study of rainfall induced infiltration into sewer systems.
Sec. 524. Dam water quality study.
Sec. 525. Study of pollution in Lake Pend Oreille, Idaho.

(c) AMENDMENT OF FEDERAL WATER POLLUTION CONTROL ACT.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Water Pollution Control Act.

(d) DEFINITION.—For purposes of this Act, the term "Administrator" means the Administrator of the Environmental Protection Agency.

SEC. 2. LIMITATION ON PAYMENTS.

No payments may be made under this Act except to the extent provided in advance in appropriation Acts.

TITLE I—AMENDMENTS TO TITLE I

SEC. 101. AUTHORIZATIONS OF APPROPRIATIONS.

(a) RESEARCH AND INVESTIGATIONS.—Section 104(u) is amended—

(1) in clause (1) by striking out "and" after "1975,", after "1980,", and after "1981,", and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and not to exceed $22,770,000 per fiscal year for each of the fiscal years 1986 through 1990,";

(2) in clause (2) by striking out "and" after "1981," and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and $3,000,000 per fiscal year for each of the fiscal years 1986 through 1990,"; and

(3) in clause (3) by striking out "and" after "1981," and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and $1,500,000 per fiscal year for each of the fiscal years 1986 through 1990,".

(b) GRANTS FOR PROGRAM ADMINISTRATION.—Section 106(a)(2) is amended by inserting after "1982" the following: ", such sums as may be necessary for fiscal years 1983 through 1985, and $75,000,000 per fiscal year for each of the fiscal years 1986 through 1990".

(c) TRAINING GRANTS AND SCHOLARSHIPS.—Section 112(c) is amended by striking out "and" after "1981," and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and $7,000,000 per fiscal year for each of the fiscal years 1986 through 1990,".

(d) AREAWIDE PLANNING.—Section 208(f)(3) is amended by striking out "and" after "1974," and after "1980," and by inserting after "1982" the following: ", and such sums as may be necessary for fiscal years 1983 through 1990".

(e) RURAL CLEAN WATER.—Section 208(j)(9) is amended by striking out "and" after "1981," and by inserting after "1982," the following: "and such sums as may be necessary for fiscal years 1983 through 1990,".

(f) INTERAGENCY AGREEMENTS.—Section 304(k)(3) is amended by inserting after "1983" the following: "and such sums as may be necessary for fiscal years 1984 through 1990".

(g) CLEAN LAKES.—Section 314(c)(2) is amended by striking out "and" after "1981," and by inserting after "1982" the following: ", such sums as may be necessary for fiscal years 1983 through 1985, and $30,000,000 per fiscal year for each of the fiscal years 1986 through 1990".

(h) GENERAL AUTHORIZATION.—Section 517 is amended by striking out "and" after "1981," and by inserting after "1982" the following: ", such sums as may be necessary for fiscal years 1983 through 1985, and $135,000,000 per fiscal year for each of the fiscal years 1986 through 1990".

SEC. 102. SMALL FLOWS CLEARINGHOUSE.

Section 104(q) is amended by adding at the end thereof the following new paragraph:

"(4) SMALL FLOWS CLEARINGHOUSE.—Notwithstanding section 205(d) of this Act, from amounts that are set aside for a fiscal year under section 205(i) of this Act and are not obligated by the end of the 24-month period of availability for such amounts under section 205(d), the Administrator shall make available $1,000,000 or such unobligated amount, whichever is less, to support a national clearinghouse within the Environmental Protection Agency to collect and disseminate information on small flows of sewage and innovative or alternative wastewater treatment processes and techniques, consistent with paragraph (3). This paragraph shall apply with respect to amounts set aside under section 205(i) for which the 24-month period of availability referred to in the preceding sentence ends on or after September 30, 1986.".

SEC. 103. CHESAPEAKE BAY.

Title I is amended by adding at the end the following new section:

"SEC. 117. CHESAPEAKE BAY.

"(a) OFFICE.—The Administrator shall continue the Chesapeake Bay Program and shall establish and maintain in the Environmental Protection Agency an office, division, or branch of Chesapeake Bay Programs to—

"(1) collect and make available, through publications and other appropriate means, information pertaining to the environmental quality of the Chesapeake Bay (hereinafter in this subsection referred to as the 'Bay');

"(2) coordinate Federal and State efforts to improve the water quality of the Bay;

"(3) determine the impact of sediment deposition in the Bay and identify the sources, rates, routes, and distribution patterns of such sediment deposition; and

"(4) determine the impact of natural and man-induced environmental changes on the living resources of the Bay and the relationships among such changes, with particular emphasis placed on the impact of pollutant loadings of nutrients, chlorine, acid precipitation, dissolved oxygen, and toxic pollutants, including organic chemicals and heavy metals, and with special attention given to the impact of such changes on striped bass.

"(b) INTERSTATE DEVELOPMENT PLAN GRANTS.—

"(1) AUTHORITY.—The Administrator shall, at the request of the Governor of a State affected by the interstate management plan developed pursuant to the Chesapeake Bay Program (hereinafter in this section referred to as the 'plan'), make a grant for the purpose of implementing the management mechanisms contained in the plan if such State has, within 1 year after the date of the enactment of this section, approved and committed to implement all or substantially all aspects of the plan. Such grants shall be made subject to such terms and conditions as the Administrator considers appropriate.

"(2) SUBMISSION OF PROPOSAL.—A State or combination of States may elect to avail itself of the benefits of this subsection by submitting to the Administrator a comprehensive proposal to implement management mechanisms contained in the plan which shall include (A) a description of proposed abatement actions which the State or combination of States commits to take within a specified time period to reduce pollution in the Bay and to meet applicable water quality standards, and (B) the estimated cost of the abatement actions proposed to be taken during the next fiscal year. If the Administrator finds that such proposal is consistent with the national policies set forth in section 101(a) of this Act and will contribute to the achievement of the national goals set forth in such section, the Administrator shall approve such proposal and shall finance the costs of implementing segments of such proposal.

"(3) FEDERAL SHARE.—Grants under this subsection shall not exceed 50 percent of the costs of implementing the management mechanisms contained in the plan in any fiscal year and shall be made on condition that non-Federal sources provide the remainder of the cost of implementing the management mechanisms contained in the plan during such fiscal year.

"(4) ADMINISTRATIVE COSTS.—Administrative costs in the form of salaries, overhead, or indirect costs for services provided and charged against programs or projects supported by funds made available under this subsection shall not exceed in any one fiscal year 10 percent of the annual Federal grant made to a State under this subsection.

"(c) REPORTS.—Any State or combination of States that receives a grant under subsection (b) shall, within 18 months after the date of receipt of such grant and biennially thereafter, report to the Administrator on the progress made in implementing the interstate management plan developed pursuant to the Chesapeake Bay Program. The Administrator shall transmit each such report along with the comments of the Administrator on such report to Congress.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated the following sums, to remain available until expended, to carry out the purposes of this section:

"(1) $3,000,000 per fiscal year for each of the fiscal years 1987, 1988, 1989, and 1990, to carry out subsection (a); and

"(2) $10,000,000 per fiscal year for each of the fiscal years 1987, 1988, 1989, and 1990, for grants to States under subsection (b).".

SEC. 104. GREAT LAKES.

Title I is amended by adding at the end the following new section:

"SEC. 118. GREAT LAKES.

"(a) FINDINGS, PURPOSE, AND DEFINITIONS.—

"(1) FINDINGS.—The Congress finds that—

"(A) the Great Lakes are a valuable national resource, continuously serving the people of the United States and other nations as an important source of food, fresh water, recreation, beauty, and enjoyment;

"(B) the United States should seek to attain the goals embodied in the Great Lakes Water Quality Agreement of 1978 with particular emphasis on goals related to toxic pollutants; and

"(C) the Environmental Protection Agency should take the lead in the effort to meet those goals, working with other Federal agencies and State and local authorities.

"(2) PURPOSE.—It is the purpose of this section to achieve the goals embodied in the Great Lakes Water Quality Agreement of 1978 through improved organization and definition of mission on the part of the Agency, funding of State grants for pollution control in the Great Lakes area, and improved accountability for implementation of such agreement.

"(3) DEFINITIONS.—For purposes of this section, the term—

"(A) 'Agency' means the Environmental Protection Agency;

"(B) 'Great Lakes' means Lake Ontario, Lake Erie, Lake Huron (including Lake St. Clair), Lake Michigan, and Lake Superior, and the connecting channels (Saint Mary's River, Saint Clair River, Detroit River, Niagara River, and Saint Lawrence River to the Canadian Border);

"(C) 'Great Lakes System' means all the streams, rivers, lakes, and other bodies of water within the drainage basin of the Great Lakes;

"(D) 'Program Office' means the Great Lakes National Program Office established by this section; and

"(E) 'Research Office' means the Great Lakes Research Office established by subsection (d).

"(b) GREAT LAKES NATIONAL PROGRAM OFFICE.—The Great Lakes National Program Office (previously established by the Administrator) is hereby established within the Agency. The Program Office shall be headed by a Director who, by reason of management experience and technical expertise relating to the Great Lakes, is highly qualified to direct the development of programs and plans on a variety of Great Lakes issues. The Great Lakes National Program Office shall be located in a Great Lakes State.

"(c) GREAT LAKES MANAGEMENT.—

"(1) FUNCTIONS.—The Program Office shall—

"(A) in cooperation with appropriate Federal, State, tribal, and international agencies, and in accordance with section 101(e) of this Act, develop and implement specific action plans to carry out the responsibilities of the United States under the Great Lakes Water Quality Agreement of 1978;

"(B) establish a Great Lakes system-wide surveillance network to monitor the water quality of the Great Lakes, with specific emphasis on the monitoring of toxic pollutants;

"(C) serve as the liaison with, and provide information to, the Canadian members of the International Joint Commission and the Canadian counterpart to the Agency;

"(D) coordinate actions of the Agency (including actions by headquarters and regional offices thereof) aimed at improving Great Lakes water quality; and

"(E) coordinate actions of the Agency with the actions of other Federal agencies and State and local authorities, so as to ensure the input of those agencies and authorities in developing water quality strategies and obtain the support of those agencies and authorities in achieving the objectives of such agreement.

"(2) 5-YEAR PLAN AND PROGRAM.—The Program Office shall develop, in consultation with the States, a five-year plan and program for reducing the amount of nutrients introduced into the Great Lakes. Such program shall incorporate any management program for reducing nutrient runoff from nonpoint sources established under section 319 of this Act and shall include a program for monitoring nutrient runoff into, and ambient levels in, the Great Lakes.

"(3) 5-YEAR STUDY AND DEMONSTRATION PROJECTS.—The Program Office shall carry out a five-year study and demonstration projects relating to the control and removal of toxic pollutants in the Great Lakes, with emphasis on the removal of toxic pollutants from bottom sediments. In selecting locations for conducting demonstration projects under this paragraph, priority consideration shall be given to projects at the following locations: Saginaw Bay, Michigan; Sheboygan Harbor, Wisconsin; Grand Calumet River, Indiana; Ashtabula River, Ohio; and Buffalo River, New York.

"(4) ADMINISTRATOR'S RESPONSIBILITY.—The Administrator shall ensure that the Program Office enters into agreements with the various organizational elements of the Agency involved in Great Lakes activities and the appropriate State agencies specifically delineating—

"(A) the duties and responsibilities of each such element in the Agency with respect to the Great Lakes;

"(B) the time periods for carrying out such duties and responsibilities; and

"(C) the resources to be committed to such duties and responsibilities.

"(5) BUDGET ITEM.—The Administrator shall, in the Agency's annual budget submission to Congress, include a funding request for the Program Office as a separate budget line item.

"(6) COMPREHENSIVE REPORT.—Within 90 days after the end of each fiscal year, the Administrator shall submit to Congress a comprehensive report which—

"(A) describes the achievements in the preceding fiscal year in implementing the Great Lakes Water Quality Agreement of 1978 and shows by categories (including judicial enforcement, research, State cooperative efforts, and general administration) the amounts expended on Great Lakes water quality initiatives in such preceding fiscal year;

"(B) describes the progress made in such preceding fiscal year in implementing the system of surveillance of the water quality in the Great Lakes System, including the monitoring of groundwater and sediment, with particular reference to toxic pollutants;

"(C) describes the long-term prospects for improving the condition of the Great Lakes; and

"(D) provides a comprehensive assessment of the planned efforts to be pursued in the succeeding fiscal year for implementing the Great Lakes Water Quality Agreement of 1978, which assessment shall—

"(i) show by categories (including judicial enforcement, research, State cooperative efforts, and general administration) the amount anticipated to be expended on Great Lakes water quality initiatives in the fiscal year to which the assessment relates; and

"(ii) include a report of current programs administered by other Federal agencies which make available resources to the Great Lakes water quality management efforts.

"(d) GREAT LAKES RESEARCH.—

"(1) ESTABLISHMENT OF RESEARCH OFFICE.—There is established within the National Oceanic and Atmospheric Administration the Great Lakes Research Office.

"(2) IDENTIFICATION OF ISSUES.—The Research Office shall identify issues relating to the Great Lakes resources on which research is needed. The Research Office shall submit a report to Congress on such issues before the end of each fiscal year which shall identify any changes in the Great Lakes system with respect to such issues.

"(3) INVENTORY.—The Research Office shall identify and inventory Federal, State, university, and tribal environmental research programs (and, to the extent feasible, those of private organizations and other nations) relating to the Great Lakes system, and shall update that inventory every four years.

"(4) RESEARCH EXCHANGE.—The Research Office shall establish a Great Lakes research exchange for the purpose of facilitating the rapid identification, acquisition, retrieval, dissemination, and use of information concerning research projects which are ongoing or completed and which affect the Great Lakes System.

"(5) RESEARCH PROGRAM.—The Research Office shall develop, in cooperation with the Coordination Office, a comprehensive environmental research program and data base for the Great Lakes system. The data base shall include, but not be limited to, data relating to water quality, fisheries, and biota.

"(6) MONITORING.—The Research Office shall conduct, through the Great Lakes Environmental Research Laboratory, the National Sea Grant College program, other Federal laboratories, and the private sector, appropriate research and monitoring activities which address priority issues and current needs relating to the Great Lakes.

"(7) LOCATION.—The Research Office shall be located in a Great Lakes State.

"(e) RESEARCH AND MANAGEMENT COORDINATION.—

"(1) JOINT PLAN.—Before October 1 of each year, the Program Office and the Research Office shall prepare a joint research plan for the fiscal year which begins in the following calendar year.

"(2) CONTENTS OF PLAN.—Each plan prepared under paragraph (1) shall—

"(A) identify all proposed research dedicated to activities conducted under the Great Lakes Water Quality Agreement of 1978;

"(B) include the Agency's assessment of priorities for research needed to fulfill the terms of such Agreement; and

"(C) identify all proposed research that may be used to develop a comprehensive environmental data base for the Great Lakes System and establish priorities for development of such data base.

"(f) INTERAGENCY COOPERATION.—The head of each department, agency, or other instrumentality of the Federal Government which is engaged in, is concerned with, or has authority over programs relating to research, monitoring, and planning to maintain, enhance, preserve, or rehabilitate the environmental quality and natural resources of the Great Lakes, including the Chief of Engineers of the Army, the Chief of the Soil Conservation Service, the Commandant of the Coast Guard, the Director of the Fish and Wildlife Service, and the Administrator of the National Oceanic and Atmospheric Administration, shall submit an annual report to the Administrator with respect to the activities of that agency or office affecting compliance with the Great Lakes Water Quality Agreement of 1978.

"(g) RELATIONSHIP TO EXISTING FEDERAL AND STATE LAWS AND INTERNATIONAL TREATIES.—Nothing in this section shall be construed to affect the jurisdiction, powers, or prerogatives of any department, agency, or officer of the Federal Government or of any State government, or of any tribe, nor any powers, jurisdiction, or prerogatives of any international body created by treaty with authority relating to the Great Lakes.

"(h) AUTHORIZATIONS OF GREAT LAKES APPROPRIATIONS.—There are authorized to be appropriated to the Administrator to carry out this section not to exceed $11,000,000 per fiscal year for the fiscal years 1987, 1988, 1989, 1990, and 1991. Of the amounts appropriated each fiscal year—

"(1) 40 percent shall be used by the Great Lakes National Program Office on demonstration projects on the feasibility of controlling and removing toxic pollutants;

"(2) 7 percent shall be used by the Great Lakes National Program Office for the program of nutrient monitoring; and

"(3) 30 percent shall be transferred to the National Oceanic and Atmospheric Administration for use by the Great Lakes Research Office.".

SEC. 105. RESEARCH ON EFFECTS OF POLLUTANTS.

In carrying out the provisions of section 104(a) of the Federal Water Pollution Control Act, the Administrator shall conduct research on the harmful effects on the health and welfare of persons caused by pollutants in water, in conjunction with the United States Fish and Wildlife Service, the National Oceanic and Atmospheric Administration, and other Federal, State, and interstate agencies carrying on such research. Such research shall include, and shall place special emphasis on, the effect that bioaccumulation of these pollutants in aquatic species has upon reducing the value of aquatic commercial and sport industries. Such research shall further study methods to reduce and remove these pollutants from the relevant affected aquatic species so as to restore and enhance these valuable resources.

TITLE II—CONSTRUCTION GRANTS AMENDMENTS

SEC. 201. TIME LIMIT ON RESOLVING CERTAIN DISPUTES.

Section 201 is amended by adding at the end thereof the following new subsection:

"(p) TIME LIMIT ON RESOLVING CERTAIN DISPUTES.—In any case in which a dispute arises with respect to the awarding of a contract for construction of treatment works by a grantee of funds under this title and a party to such dispute files an appeal with the Administrator under this title for resolution of such dispute, the Administrator shall make a final decision on such appeal within 90 days of the filing of such appeal.".

SEC. 202. FEDERAL SHARE.

(a) LIMITATION ON ELIGIBILITY AFTER 1990.—The last sentence of section 202(a)(1) is amended by inserting before the period at the end the following: "for any grant made pursuant to a State obligation which obligation occurred before October 1, 1990".

(b) PROJECTS UNDER JUDICIAL INJUNCTION.—Section 202(a)(1) is amended by adding at the end thereof the following: "Notwithstanding the first sentence of this paragraph, in the case of a project for which an application for a grant under this title has been made to the Administrator before October 1, 1984, and which project is under judicial injunction on such date prohibiting its construction, such project shall be eligible for grants at 75 percent of the cost of construction thereof.".

(c) PROJECTS UNDER JUDICIAL ORDER AND OTHER PROJECTS.—Section 202(a)(1) is amended by adding at the end thereof the following: "Notwithstanding the first sentence of this paragraph, in the case of the Wyoming Valley Sanitary Authority project mandated by judicial order under a proceeding begun prior to October 1, 1984, and a project for wastewater treatment for Altoona, Pennsylvania, such projects shall be eligible for grants at 75 percent of the cost of construction thereof.".

(d) BIODISC EQUIPMENT.—Section 202(a)(3) is amended by adding at the end thereof the following: "In addition, the Administrator is authorized to make a grant to fund all of the costs of the modification or replacement of biodisc equipment (rotating biological contactors) in any publicly owned treatment works if the Administrator finds that such equipment has failed to meet design performance specifications, unless such failure is attributable to negligence on the part of any person, and if such failure has significantly increased capital or operating and maintenance expenditures.".

(e) INNOVATIVE PROCESS.—The activated bio-filter feature of the project for treatment works of the city of Little Falls, Minnesota, shall be deemed to be an innovative wastewater process and technique for purposes of section 202(a)(2) of the Federal Water Pollution Control Act and the amount of any grant under such Act for such feature shall be 85 percent of the cost thereof.

(f) AVAILABILITY OF CERTAIN FUNDS FOR NON-FEDERAL SHARE.—Notwithstanding any other provision of law, Federal assistance made available by the Farmers Home Administration to any political subdivision of a State may be used to provide the non-Federal share of the cost of any construction project carried out under section 201 of the Federal Water Pollution Control Act.

SEC. 203. AGREEMENT ON ELIGIBLE COSTS.

Section 203(a) is amended by inserting "(1)" after "(a)", by designating the last sentence as paragraph (3) and indenting such sentence as a paragraph, and by inserting before paragraph (3) as so designated the following:

"(2) AGREEMENT ON ELIGIBLE COSTS.—

"(A) LIMITATION ON MODIFICATIONS.—Before taking final action on any plans, specifications, and estimates submitted under this subsection after the 60th day following the date of the enactment of the Water Quality Act of 1987, the Administrator shall enter into a written agreement with the applicant which establishes and specifies which items of the proposed project are eligible for Federal payments under this section. The Administrator may not later modify such eligibility determinations unless they are found to have been made in violation of applicable Federal statutes and regulations.

"(B) LIMITATION ON EFFECT.—Eligibility determinations under this paragraph shall not preclude the Administrator from auditing a project pursuant to section 501 of this Act, or other authority, or from withholding or recovering Federal funds for costs which are found to be unreasonable, unsupported by adequate documentation, or otherwise unallowable under applicable Federal cost principles, or which are incurred on a project which fails to meet the design specifications or effluent limitations contained in the grant agreement and permit pursuant to section 402 of this Act for such project.".

SEC. 204. DESIGN/BUILD PROJECTS.

Section 203 is amended by adding at the end the following new subsection:

"(f) DESIGN/BUILD PROJECTS.—

"(1) AGREEMENT.—Consistent with State law, an applicant who proposes to construct waste water treatment works may enter into an agreement with the Administrator under this subsection providing for the preparation of construction plans and specifications and the erection of such treatment works, in lieu of proceeding under the other provisions of this section.

"(2) LIMITATION ON PROJECTS.—Agreements under this subsection shall be limited to projects under an approved facility plan which projects are—

"(A) treatment works that have an estimated total cost of $8,000,000 or less; and

"(B) any of the following types of waste water treatment systems: aerated lagoons, trickling filters, stabilization ponds, land application systems, sand filters, and subsurface disposal systems.

"(3) REQUIRED TERMS.—An agreement entered into under this subsection shall—

"(A) set forth an amount agreed to as the maximum Federal contribution to the project, based upon a competitively bid document of basic design data and applicable standard construction specifications and a determination of the federally eligible costs of the project at the applicable Federal share under section 202 of this Act;

"(B) set forth dates for the start and completion of construction of the treatment works by the applicant and a schedule of payments of the Federal contribution to the project;

"(C) contain assurances by the applicant that (i) engineering and management assistance will be provided to manage the project; (ii) the proposed treatment works will be an operable unit and will meet all the requirements of this title; and (iii) not later than 1 year after the date specified as the date of completion of construction of the treatment works, the treatment works will be operating so as to meet the requirements of any applicable permit for such treatment works under section 402 of this Act;

"(D) require the applicant to obtain a bond from the contractor in an amount determined necessary by the Administrator to protect the Federal interest in the project; and

"(E) contain such other terms and conditions as are necessary to assure compliance with this title (except as provided in paragraph (4) of this subsection).

"(4) LIMITATION ON APPLICATION.—Subsections (a), (b), and (c) of this section shall not apply to grants made pursuant to this subsection.

"(5) RESERVATION TO ASSURE COMPLIANCE.—The Administrator shall reserve a portion of the grant to assure contract compliance until final project approval as defined by the Administrator. If the amount agreed to under paragraph (3)(A) exceeds the cost of designing and constructing the treatment works, the Administrator shall reallot the amount of the excess to the State in which such treatment works are located for the fiscal year in which such audit is completed.

"(6) LIMITATION ON OBLIGATIONS.—The Administrator shall not obligate more than 20 percent of the amount allotted to a State for a fiscal year under section 205 of this Act for grants pursuant to this subsection.

"(7) ALLOWANCE.—The Administrator shall determine an allowance for facilities planning for projects constructed under this subsection in accordance with section 201(l).

"(8) LIMITATION ON FEDERAL CONTRIBUTIONS.—In no event shall the Federal contribution for the cost of preparing construction plans and specifications and the building and erection of treatment works pursuant to this subsection exceed the amount agreed upon under paragraph (3).

"(9) RECOVERY ACTION.—In any case in which the recipient of a grant made pursuant to this subsection does not comply with the terms of the agreement entered into under paragraph (3), the Administrator is authorized to take such action as may be necessary to recover the amount of the Federal contribution to the project.

"(10) PREVENTION OF DOUBLE BENEFITS.—A recipient of a grant made pursuant to this subsection shall not be eligible for any other grants under this title for the same project.".

SEC. 205. GRANT CONDITIONS; USER CHARGES ON LOW-INCOME RESIDENTIAL USERS.

(a) INCLUSION OF PROJECT IN AREAWIDE PLAN.—Section 204(a)(1) is amended to read as follows:

"(1) that any required areawide waste treatment management plan under section 208 of this Act (A) is being implemented for such area and the proposed treatment works are included in such plan, or (B) is being developed for such area and reasonable progress is being made toward its implementation and the proposed treatment works will be included in such plan;".

(b) CONTINUING PLANNING PROCESS.—Section 204(a)(2) is amended to read as follows:

"(2) that (A) the State in which the project is to be located (i) is implementing any required plan under section 303(e) of this Act and the proposed treatment works are in conformity with such plan, or (ii) is developing such a plan and the proposed treatment works will be in conformity with such plan, and (B) such State is in compliance with section 305(b) of this Act;".

(c) USER CHARGES ON LOW-INCOME RESIDENTIAL USERS.—Section 204(b)(1) is amended by adding at the end thereof the following: "A system of user charges which imposes a lower charge for low-income residential users (as defined by the Administrator) shall be deemed to be a user charge system meeting the requirements of clause (A) of this paragraph if the Administrator determines that such system was adopted after public notice and hearing.".

(d) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act, except that the amendments made by subsections (a) and (b) shall take effect on the last day of the two-year period beginning on such date of enactment.

SEC. 206. ALLOTMENT FORMULA.

(a) FORMULA.—

(1) EXTENSION OF EXISTING FORMULA FOR 1986.—Section 205(c)(2) is amended by striking out "and September 30, 1985," and inserting in lieu thereof "September 30, 1985, and September 30, 1986,".

(2) FISCAL YEARS 1987-1990.—Section 205(c) is amended by adding at the end the following new paragraph:

"(3) FISCAL YEARS 1987-1990.—Sums authorized to be appropriated pursuant to section 207 for the fiscal years 1987, 1988, 1989, and 1990 shall be allotted for each such year by the Administrator not later than the 10th day which begins after the date of the enactment of this paragraph. Sums authorized for such fiscal years shall be allotted in accordance with the following table:

"States:

Alabama	.011309
Alaska	.006053
Arizona	.006831
Arkansas	.006616
California	.072333
Colorado	.008090
Connecticut	.012390
Delaware	.004965
District of Columbia	.004965
Florida	.034139
Georgia	.017100
Hawaii	.007833
Idaho	.004965
Illinois	.045741
Indiana	.024374
Iowa	.013688
Kansas	.009129
Kentucky	.012872
Louisiana	.011118
Maine	.007829
Maryland	.024461
Massachusetts	.034338
Michigan	.043487
Minnesota	.018589
Mississippi	.009112
Missouri	.028037
Montana	.004965
Nebraska	.005173
Nevada	.004965
New Hampshire	.010107
New Jersey	.041329
New Mexico	.004965
New York	.111632
North Carolina	.018253
North Dakota	.004965
Ohio	.056936
Oklahoma	.008171
Oregon	.011425
Pennsylvania	.040062
Rhode Island	.006791
South Carolina	.010361
South Dakota	.004965
Tennessee	.014692
Texas	.046226
Utah	.005329
Vermont	.004965
Virginia	.020698
Washington	.017588
West Virginia	.015766
Wisconsin	.027342
Wyoming	.004965
American Samoa	.000908
Guam	.000657
Northern Marianas	.000422
Puerto Rico	.013191
Pacific Trust Territories	.001295
Virgin Islands	.000527".

(b) EXTENSION OF MINIMUM ALLOTMENTS.—Section 205(e) is amended by striking out "and 1985" each place it appears and inserting in lieu thereof "1985, 1986, 1987, 1988, 1989, and 1990".

(c) COSTS OF ADMINISTRATION.—Section 205(g)(1) is amended by striking out "October 1, 1985" and inserting in lieu thereof "October 1, 1994".

(d) CONTROL OF POLLUTANTS FROM STORM SEWERS.—Section 211(c) is amended by striking out "1985," and inserting in lieu thereof "1990,".

SEC. 207. RURAL SET ASIDE.

(a) INCREASE IN MANDATORY SET ASIDE FOR RURAL STATES.—The first sentence of section 205(h) is amended by striking out "four per centum" and inserting in lieu thereof "a total (as determined by the Governor of the State) of not less than 4 percent nor more than 7½ percent".

(b) INCREASE IN AUTHORIZED SET ASIDE FOR OTHER STATES.—The second sentence of section 205(h) is amended by striking out "four per centum" and inserting in lieu thereof "7½ percent".

SEC. 208. INNOVATIVE AND ALTERNATIVE PROJECTS.

Section 205(i) is amended to read as follows:

"(i) SET-ASIDE FOR INNOVATIVE AND ALTERNATIVE PROJECTS.—Not less than ½ of 1 percent of funds allotted to a State for each of the fiscal years ending September 30, 1979, through September 30, 1990, under subsection (c) of this section shall be expended only for increasing the Federal share of grants for construction of treatment works utilizing innovative processes and techniques pursuant to section 202(a)(2) of this Act. Including the expenditures authorized by the preceding sentence, a total of 2 percent of the funds allotted to a State for each of the fiscal years ending September

30, 1979, and September 30, 1980, and 3 percent of the funds allotted to a State for the fiscal year ending September 30, 1981, under subsection (c) of this section shall be expended only for increasing grants for construction of treatment works pursuant to section 202(a)(2) of this Act. Including the expenditures authorized by the first sentence of this subsection, a total (as determined by the Governor of the State) of not less than 4 percent nor more than 7½ percent of the funds allotted to such State under subsection (c) of this section for each of the fiscal years ending September 30, 1982, through September 30, 1990, shall be expended only for increasing the Federal share of grants for construction of treatment works pursuant to section 202(a)(2) of this Act.".

SEC. 209. REGIONAL ORGANIZATION FUNDING.

Section 205(j)(3) is amended by adding at the end thereof the following: "In giving such priority, the State shall allocate at least 40 percent of the amount granted to such State for a fiscal year under paragraph (2) of this subsection to regional public comprehensive planning organizations in such State and appropriate interstate organizations for the development and implementation of the plan described in this paragraph. In any fiscal year for which the Governor, in consultation with such organizations and with the approval of the Administrator, determines that allocation of at least 40 percent of such amount to such organizations will not result in significant participation by such organizations in water quality management planning and not significantly assist in development and implementation of the plan described in this paragraph and achieving the goals of this Act, the allocation to such organization may be less than 40 percent of such amount.".

SEC. 210. MARINE CSO'S AND ESTUARIES.

Section 205 is amended by adding at the end thereof the following new subsection:

"(l) MARINE ESTUARY RESERVATION.—

"(1) RESERVATION OF FUNDS.—

"(A) GENERAL RULE.—Prior to making allotments among the States under subsection (c) of this section, the Administrator shall reserve funds from sums appropriated pursuant to section 207 for each fiscal year beginning after September 30, 1986.

"(B) FISCAL YEARS 1987 AND 1988.—For each of fiscal years 1987 and 1988 the reservation shall be 1 percent of the sums appropriated pursuant to section 207 for such fiscal year.

"(C) FISCAL YEARS 1989 AND 1990.—For each of fiscal years 1989 and 1990 the reservation shall be 1½ percent of the funds appropriated pursuant to section 207 for such fiscal year.

"(2) USE OF FUNDS.—Of the sums reserved under this subsection, two-thirds shall be available to address water quality problems of marine bays and estuaries subject to lower levels of water quality due to the impacts of discharges from combined storm water and sanitary sewer overflows from adjacent urban complexes, and one-third shall be available for the implementation of section 320 of this Act, relating to the national estuary program.

"(3) PERIOD OF AVAILABILITY.—Sums reserved under this subsection shall be subject to the period of availability for obligation established by subsection (d) of this section.

"(4) TREATMENT OF CERTAIN BODY OF WATER.—For purposes of this section and section 201(n), Newark Bay, New Jersey, and the portion of the Passaic River up to Little Falls, in the vicinity of Beatties Dam, shall be treated as a marine bay and estuary.".

SEC. 211. AUTHORIZATIONS FOR CONSTRUCTION GRANTS.

Section 207 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: "; and for each of the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988, not to exceed $2,400,000,000; and for each of the fiscal years ending September 30, 1989, and September 30, 1990, not to exceed $1,200,000,000.".

SEC. 212. STATE WATER POLLUTION CONTROL REVOLVING FUNDS.

(a) ESTABLISHMENT OF PROGRAM.—The Act is amended by adding at the end thereof the following new title:

"TITLE VI—STATE WATER POLLUTION CONTROL REVOLVING FUNDS

"SEC. 601. GRANTS TO STATES FOR ESTABLISHMENT OF REVOLVING FUNDS.

"(a) GENERAL AUTHORITY.—Subject to the provisions of this title, the Administrator shall make capitalization grants to each State for the purpose of establishing a water pollution control revolving fund for providing assistance (1) for construction of treatment works (as defined in section 212 of this Act) which are publicly owned, (2) for implementing a management program under section 319, and (3) for developing and implementing a conservation and management plan under section 320.

"(b) SCHEDULE OF GRANT PAYMENTS.—The Administrator and each State shall jointly establish a schedule of payments under which the Administrator will pay to the State the amount of each grant to be made to the State under this title. Such schedule shall be based on the State's intended use plan under section 606(c) of this Act, except that—

"(1) such payments shall be made in quarterly installments, and

"(2) such payments shall be made as expeditiously as possible, but in no event later than the earlier of—

"(A) eight quarters after the date such funds were obligated by the State, or

"(B) twelve quarters after the date such funds were allotted to the State.

"SEC. 602. CAPITALIZATION GRANT AGREEMENTS.

"(a) GENERAL RULE.—To receive a capitalization grant with funds made available under this title and section 205(m) of this Act, a State shall enter into an agreement with the Administrator which shall include but not be limited to the specifications set forth in subsection (b) of this section.

"(b) SPECIFIC REQUIREMENTS.—The Administrator shall enter into an agreement under this section with a State only after the State has established to the satisfaction of the Administrator that—

"(1) the State will accept grant payments with funds to be made available under this title and section 205(m) of this Act in accordance with a payment schedule established jointly by the Administrator under section 601(b) of this Act and will deposit all such payments in the water pollution control revolving fund established by the State in accordance with this title;

"(2) the State will deposit in the fund from State moneys an amount equal to at least 20 percent of the total amount of all capitalization grants which will be made to the State with funds to be made available under this title and section 205(m) of this Act on or before the date on which each quarterly grant payment will be made to the State under this title;

"(3) the State will enter into binding commitments to provide assistance in accordance with the requirements of this title in an amount equal to 120 percent of the amount of each such grant payment within 1 year after the receipt of such grant payment;

"(4) all funds in the fund will be expended in an expeditious and timely manner;

"(5) all funds in the fund as a result of capitalization grants under this title and section 205(m) of this Act will first be used to assure maintenance of progress, as determined by the Governor of the State, toward compliance with enforceable deadlines, goals, and requirements of this Act, including the municipal compliance deadline;

"(6) treatment works eligible under section 603(c)(1) of this Act which will be constructed in whole or in part before fiscal year 1995 with funds directly made available by capitalization grants under this title and section 205(m) of this Act will meet the requirements of, or otherwise be treated (as determined by the Governor of the State) under sections 201(b), 201(g)(1), 201(g)(2), 201(g)(3), 201(g)(5), 201(g)(6), 201(n)(1), 201(o), 204(a)(1), 204(a)(2), 204(b)(1), 204(d)(2), 211, 218, 511(c)(1), and 513 of this Act in the same manner as treatment works constructed with assistance under title II of this Act;

"(7) in addition to complying with the requirements of this title, the State will commit or expend each quarterly grant payment which it will receive under this title in accordance with laws and procedures applicable to the commitment or expenditure of revenues of the State;

"(8) in carrying out the requirements of section 606 of this Act, the State will use accounting, audit, and fiscal procedures conforming to generally accepted government accounting standards;

"(9) the State will require as a condition of making a loan or providing other assistance, as described in section 603(d) of this Act, from the fund that the recipient of such assistance will maintain project accounts in accordance with generally accepted government accounting standards; and

"(10) the State will make annual reports to the Administrator on the actual use of funds in accordance with section 606(d) of this Act.

"SEC. 603. WATER POLLUTION CONTROL REVOLVING LOAN FUNDS.

"(a) REQUIREMENTS FOR OBLIGATION OF GRANT FUNDS.—Before a State may receive a capitalization grant with funds made available under this title and section 205(m) of this Act, the State shall first establish a water pollution control revolving fund which complies with the requirements of this section.

"(b) ADMINISTRATION.—Each State water pollution control revolving fund shall be administered by an instrumentality of the State with such powers and limitations as may be required to operate such fund in accordance with the requirements and objectives of this Act.

"(c) PROJECTS ELIGIBLE FOR ASSISTANCE.—The amounts of funds available to each State water pollution control revolving fund shall be used only for providing financial assistance (1) to any municipality, intermunicipal, interstate, or State agency for construction of publicly owned treatment works (as defined in section 212 of this Act), (2) for the implementation of a management program established under section 319 of this Act, and (3) for development and implementation of a conservation and management plan under section 320 of this Act. The fund shall be established, maintained, and credited with repayments, and the fund balance shall be available in perpetuity for providing such financial assistance.

"(d) TYPES OF ASSISTANCE.—Except as otherwise limited by State law, a water pollution control revolving fund of a State under this section may be used only—

"(1) to make loans, on the condition that—

"(A) such loans are made at or below market interest rates, including interest free loans, at terms not to exceed 20 years;

"(B) annual principal and interest payments will commence not later than 1 year after completion of any project and all loans will be fully amortized not later than 20 years after project completion;

"(C) the recipient of a loan will establish a dedicated source of revenue for repayment of loans; and

"(D) the fund will be credited with all payments of principal and interest on all loans;

"(2) to buy or refinance the debt obligation of municipalities and intermunicipal and interstate agencies within the State at or below market rates, where such debt obligations were incurred after March 7, 1985;

"(3) to guarantee, or purchase insurance for, local obligations where such action would improve credit market access or reduce interest rates;

"(4) as a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the State if the proceeds of the sale of such bonds will be deposited in the fund;

"(5) to provide loan guarantees for similar revolving funds established by municipalities or intermunicipal agencies;

"(6) to earn interest on fund accounts; and

"(7) for the reasonable costs of administering the fund and conducting activities under this title, except that such amounts shall not exceed 4 percent of all grant awards to such fund under this title.

"(e) LIMITATION TO PREVENT DOUBLE BENEFITS.—If a State makes, from its water pollution revolving fund, a loan which will finance the cost of facility planning and the preparation of plans, specifications, and estimates for construction of publicly owned treatment works, the State shall ensure that if the recipient of such loan receives a grant under section 201(g) of this Act for construction of such treatment works and an allowance under section 201(l)(1) of this Act for non-Federal funds expended for such planning and preparation, such recipient will promptly repay such loan to the extent of such allowance.

"(f) CONSISTENCY WITH PLANNING REQUIREMENTS.—A State may provide financial assistance from its water pollution control revolving fund only with respect to a project which is consistent with plans, if any, developed under sections 205(j), 208, 303(e), 319, and 320 of this Act.

"(g) PRIORITY LIST REQUIREMENT.—The State may provide financial assistance from its water pollution control revolving fund only with respect to a project for construction of a treatment works described in subsection (c)(1) if such project is on the State's priority list under section 216 of this Act. Such assistance may be provided regardless of the rank of such project on such list.

"(h) ELIGIBILITY OF NON-FEDERAL SHARE OF CONSTRUCTION GRANT PROJECTS.—A State water pollution control revolving fund may provide assistance (other than under subsection (d)(1) of this section) to a municipality or intermunicipal or interstate agency with respect to the non-Federal share of the costs of a treatment works project for which such municipality or agency is receiving assistance from the Administrator under any other authority only if such assistance is necessary to allow such project to proceed.

"SEC. 604. ALLOTMENT OF FUNDS.

"(a) FORMULA.—Sums authorized to be appropriated to carry out this section for each of fiscal years 1989 and 1990 shall be allotted by the Administrator in accordance with section 205(c) of this Act.

"(b) RESERVATION OF FUNDS FOR PLANNING.—Each State shall reserve each fiscal year 1 percent of the sums allotted to such State under this section for such fiscal year, or $100,000, whichever amount is greater, to carry out planning under sections 205(j) and 303(e) of this Act.

"(c) ALLOTMENT PERIOD.—

"(1) PERIOD OF AVAILABILITY FOR GRANT AWARD.—Sums allotted to a State under this section for a fiscal year shall be available for obligation by the State during the fiscal year for which sums are authorized and during the following fiscal year.

"(2) REALLOTMENT OF UNOBLIGATED FUNDS.—The amount of any allotment not obligated by the State by the last day of the 2-year period of availability established by paragraph (1) shall be immediately reallotted by the Administrator on the basis of the same ratio as is applicable to sums allotted under title II of this Act for the second fiscal year of such 2-year period. None of the funds reallotted by the Administrator shall be reallotted to any State which has not obligated all sums allotted to such State in the first fiscal year of such 2-year period.

"SEC. 605. CORRECTIVE ACTION.

"(a) NOTIFICATION OF NONCOMPLIANCE.—If the Administrator determines that a State has not complied with its agreement with the Administrator under section 602 of this Act or any other requirement of this title, the Administrator shall notify the State of such noncompliance and the necessary corrective action.

"(b) WITHHOLDING OF PAYMENTS.—If a State does not take corrective action within 60 days after the date a State receives notification of such action under subsection (a), the Administrator shall withhold additional payments to the State until the Administrator is satisfied that the State has taken the necessary corrective action.

"(c) REALLOTMENT OF WITHHELD PAYMENTS.—If the Administrator is not satisfied that adequate corrective actions have been taken by the State within 12 months after the State is notified of such actions under subsection (a), the payments withheld from the State by the Administrator under subsection (b) shall be made available for reallotment in accordance with the most recent formula for allotment of funds under this title.

"SEC. 606. AUDITS, REPORTS, AND FISCAL CONTROLS; INTENDED USE PLAN.

"(a) FISCAL CONTROL AND AUDITING PROCEDURES.—Each State electing to establish a water pollution control revolving fund under this title shall establish fiscal controls and accounting procedures sufficient to assure proper accounting during appropriate accounting periods for—

"(1) payments received by the fund;

"(2) disbursements made by the fund; and

"(3) fund balances at the beginning and end of the accounting period.

"(b) ANNUAL FEDERAL AUDITS.—The Administrator shall, at least on an annual basis, conduct or require each State to have independently conducted reviews and audits as may be deemed necessary or appropriate by the Administrator to carry out the objectives of this section. Audits of the use of funds deposited in the water pollution revolving fund established by such State shall be conducted in accordance with the auditing procedures of the General Accounting Office, including chapter 75 of title 31, United States Code.

"(c) INTENDED USE PLAN.—After providing for public comment and review, each State shall annually prepare a plan identifying the intended uses of the amounts available to its water pollution control revolving fund. Such intended use plan shall include, but not be limited to—

"(1) a list of those projects for construction of publicly owned treatment works on the State's priority list developed pursuant to section 216 of this Act and a list of activities eligible for assistance under sections 319 and 320 of this Act;

"(2) a description of the short- and long-term goals and objectives of its water pollution control revolving fund;

"(3) information on the activities to be supported, including a description of project categories, discharge requirements under titles III and IV of this Act, terms of financial assistance, and communities served;

"(4) assurances and specific proposals for meeting the requirements of paragraphs (3), (4), (5), and (6) of section 602(b) of this Act; and

"(5) the criteria and method established for the distribution of funds.

"(d) ANNUAL REPORT.—Beginning the first fiscal year after the receipt of payments under this title, the State shall provide an annual report to the Administrator describing how the State has met the goals and objectives for the previous fiscal year as identified in the plan prepared for the previous fiscal year pursuant to subsection (c), including identification of loan recipients, loan amounts, and loan terms and similar details on other forms of financial assistance provided from the water pollution control revolving fund.

"(e) ANNUAL FEDERAL OVERSIGHT REVIEW.—The Administrator shall conduct an annual oversight review of each State plan prepared under subsection (c), each State report prepared under subsection (d), and other such materials as are considered necessary and appropriate in carrying out the purposes of this title. After reasonable notice by the Administrator to the State or the recipient of a loan from a water pollution control revolving fund, the State or loan recipient shall make available to the Administrator such records as the Administrator reasonably requires to review and determine compliance with this title.

"(f) APPLICABILITY OF TITLE II PROVISIONS.—Except to the extent provided in this title, the provisions of title II shall not apply to grants under this title.

"SEC. 607. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out the purposes of this title the following sums:

"(1) $1,200,000,000 per fiscal year for each of fiscal years 1989 and 1990;

"(2) $2,400,000,000 for fiscal year 1991;

"(3) $1,800,000,000 for fiscal year 1992;

"(4) $1,200,000,000 for fiscal year 1993; and

"(5) $600,000,000 for fiscal year 1994.".

(b) State-Option To Use Title II Funds.—Section 205 is amended by adding at the end thereof the following new subsection:

"(m) Discretionary Deposits Into State Water Pollution Control Revolving Funds.—

"(1) From construction grant allotments.—In addition to any amounts deposited in a water pollution control revolving fund established by a State under title VI, upon request of the Governor of such State, the Administrator shall make available to the State for deposit, as capitalization grants, in such fund in any fiscal year beginning after September 30, 1986, such amount of the amounts allotted to such State under this section for such fiscal year as the Governor considers appropriate; except that (A) in fiscal year 1987, such deposit may not exceed 50 percent of the amounts allotted to such State under this section for such fiscal year, and (B) in fiscal year 1988, such deposit may not exceed 75 percent of the amounts allotted to such State under this section for this fiscal year.

"(2) Notice requirement.—The Governor of a State may make a request under paragraph (1) for a deposit into the water pollution control revolving fund of such State—

"(A) in fiscal year 1987 only if no later than 90 days after the date of the enactment of this subsection, and

"(B) in each fiscal year thereafter only if 90 days before the first day of such fiscal year,

the State provides notice of its intent to make such deposit.

"(3) Exception.—Sums reserved under section 205(j) of this Act shall not be available for obligation under this subsection.".

(c) Report to Congress.—Section 516 is amended by adding at the end thereof the following new subsection:

"(g) State Revolving Fund Report.—

"(1) In general.—Not later than February 10, 1990, the Administrator shall submit to Congress a report on the financial status and operations of water pollution control revolving funds established by the States under title VI of this Act. The Administrator shall prepare such report in cooperation with the States, including water pollution control agencies and other water pollution control planning and financing agencies.

"(2) Contents.—The report under this subsection shall also include the following:

"(A) an inventory of the facilities that are in significant noncompliance with the enforceable requirements of this Act;

"(B) an estimate of the cost of construction necessary to bring such facilities into compliance with such requirements;

"(C) an assessment of the availability of sources of funds for financing such needed construction, including an estimate of the amount of funds available for providing assistance for such construction through September 30, 1999, from the water pollution control revolving funds established by the States under title VI of this Act;

"(D) an assessment of the operations, loan portfolio, and loan conditions of such revolving funds;

"(E) an assessment of the effect on user charges of the assistance provided by such revolving funds compared to the assistance provided with funds appropriated pursuant to section 207 of this Act; and

"(F) an assessment of the efficiency of the operation and maintenance of treatment works constructed with assistance provided by such revolving funds compared to the efficiency of the operation and maintenance of treatment works constructed with assistance provided under section 201 of this Act.".

SEC. 213. IMPROVEMENT PROJECTS.

(a) Avalon, California.—The Administrator shall make a grant of $3,000,000 from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of California for fiscal year 1987 to the city of Avalon, California, for improvements to the publicly owned treatment works of such city.

(b) Walker and Smithfield Townships, Pennsylvania.—Out of funds available for grants in the State of Pennsylvania under the third sentence of section 201(g)(1) of the Federal Water Pollution Control Act in fiscal year 1987, the Administrator shall make grants—

(1) to Walker Township, Pennsylvania, for developing a collector system and connecting its wastewater treatment system into the Huntingdon Borough, Pennsylvania, sewage treatment plant, and

(2) to Smithfield Township, Pennsylvania, for rehabilitating and extending its collector system.

(c) Taylor Mill, Kentucky.—Notwithstanding section 201(g)(1) of the Federal Water Pollution Control Act or any other provision of law, the Administrator shall make a grant of $250,000 from funds allotted under section 205 of such Act to the State of Kentucky for fiscal year 1986 to the city of Taylor Mill, Kentucky, for the repair and reconstruction, as necessary, of the publicly owned treatment works of such city.

(d) Nevada County, California.—Out of funds available for grants in the State of California under the third sentence of section 201(g)(1) of the Federal Water Pollution Control Act in fiscal year 1987, the Administrator shall make a grant for the construction of a collection system serving the Glenshire/Devonshire area of Nevada County, California, to deliver waste to the Tahoe-Truckee Sanitary District's regional wastewater treatment facility.

(e) Treatment Works for Wanaque, New Jersey.—In fiscal year 1987 and succeeding fiscal years, the Administrator shall make grants to the Wanaque Valley Regional Sewerage Authority, New Jersey, from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of New Jersey for such fiscal year, for the construction of treatment works with a total treatment capacity of 1,050,000 gallons per day (including a treatment module with a treatment capacity of 350,000 gallons per day). Notwithstanding section 202 of such Act, the Federal share of the cost of construction of such treatment works shall be 75 percent.

(f) Treatment Works for Lena, Illinois.—The Administrator shall make grants to the village of Lena, Illinois, from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of Illinois for fiscal years beginning after September 30, 1986, for the construction of a replacement moving bed filter press for the treatment works of such village. Notwithstanding section 202 of the Federal Water Pollution Control Act, the Federal share of the cost of construction of such project shall be 75 percent.

(g) Priority for Court-Ordered and Other Projects.—The State of Pennsylvania, from funds allotted to it under section 205 of the Federal Water Pollution Control Act, shall give priority for construction of—

(1) the Wyoming Valley Sanitary Authority Secondary Treatment project mandated under Federal court order, regardless of the date of start of construction made pursuant to the court order; and

(2) a project for wastewater treatment for Altoona, Pennsylvania.

SEC. 214. CHICAGO TUNNEL AND RESERVOIR PROJECT.

The Chicago tunnel and reservoir project may receive grants under the last sentence of section 201(g)(1) of the Federal Water Pollution Control Act without regard to the limitation contained in such sentence if the Administrator determines that such project meets the cost-effectiveness requirements of sections 217 and 218 of such Act without any redesign or reconstruction and if the Governor of the affected State demonstrates to the satisfaction of the Administrator the water quality benefits of such project.

SEC. 215. AD VALOREM TAX DEDICATION.

For the purposes of complying with section 204(b)(1) of the Federal Water Pollution Control Act, the ad valorem tax user charge systems of the town of Hampton and the city of Nashua, New Hampshire, shall be deemed to have been dedicated as of December 27, 1977. The Administrator shall review such ad valorem tax user charge systems for compliance with the remaining requirements of such section and related regulations of the Environmental Protection Agency.

TITLE III—STANDARDS AND ENFORCEMENTS

SEC. 301. COMPLIANCE DATES.

(a) Priority Toxic Pollutants.—Section 301(b)(2)(C) is amended by striking out "not later than July 1, 1984," and inserting after "of this paragraph" the following: "as expeditiously as practicable but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989".

(b) Other Toxic Pollutants.—Section 301(b)(2)(D) is amended by striking out "not later than three years after the date such limitations are established" and inserting in lieu thereof "as expeditiously as practicable, but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989".

(c) Conventional Pollutants.—Section 301(b)(2)(E) is amended by striking "not later than July 1, 1984," and inserting in lieu thereof "as expeditiously as practicable but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989, compliance with".

(d) Other Pollutants.—Section 301(b)(2)(F) is amended by striking "not" after "subparagraph (A) of this paragraph" and inserting in lieu thereof "as expeditiously as practicable but in no case", and by striking "or not later than July 1, 1984," and all that follows through the end of the sentence and inserting in lieu thereof "and in no case later than March 31, 1989.".

(e) Stricter BPT.—Section 301(b) is amended by adding at the end the following new paragraph:

"(3)(A) for effluent limitations under paragraph (1)(A)(i) of this subsection promulgated after January 1, 1982, and requiring a level of control substantially greater or based on fundamentally different control technology than under permits for an industrial category issued before such date, compliance as expeditiously as practicable but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989; and

"(B) for any effluent limitation in accordance with paragraph (1)(A)(i), (2)(A)(i), or (2)(E) of this subsection established only on the basis of section 402(a)(1) in a permit issued after enactment of the Water Quality Act of 1987, compliance as expeditiously as practicable but in no case later than three years after the date such limitations are established, and in no case later than March 31, 1989.".

(f) Deadlines for Regulations for Certain Toxic Pollutants.—The Administrator shall promulgate final regulations establishing effluent limitations in accordance with sections 301(b)(2)(A) and 307(b)(1) of the Federal Water Pollution Control Act for all toxic pollutants referred to in table 1 of Committee Print Numbered 95-30 of the Committee on Public Works and Transportation of the House of Representatives which are discharged from the categories of point sources in accordance with the following table:

Category	Date by which the final regulation shall be promlulgated
Organic chemicals and plastics and synthetic fibers.	December 31, 1986.
Pesticides	December 31, 1986.

SEC. 302. MODIFICATION FOR NONCONVENTIONAL POLLUTANTS.

(a) Listing of Pollutants.—Section 301(g) is amended by redesignating paragraph (2) (and any references thereto) as paragraph (3) and by striking out all that precedes subparagraph (A) of paragraph (1) and inserting in lieu thereof the following:

"(g) Modifications for Certain Nonconventional Pollutants.—

"(1) General authority.—The Administrator, with the concurrence of the State, may modify the requirements of subsection (b)(2)(A) of this section with respect to the discharge from any point source of ammonia, chlorine, color, iron, and total phenols (4AAP) (when determined by the Administrator to be a pollutant covered by subsection (b)(2)(F)) and any other pollutant which the Administrator lists under paragraph (4) of this subsection.

"(2) Requirements for granting modifications.—A modification under this subsection shall be granted only upon a showing by the owner or operator of a point source satisfactory to the Administrator that—".

(b) Procedure for Listing Additional Pollutants; Removal.—Section 301(g) is further amended by adding at the end thereof the following new paragraphs:

"(4) Procedures for listing additional pollutants.—

"(A) General authority.—Upon petition of any person, the Administrator may add any pollutant to the list of pollutants for which modification under this section is authorized (except for pollutants identified pursuant to section 304(a)(4) of this Act, toxic pollutants subject to section 307(a) of this Act, and the thermal component of discharges) in accordance with the provisions of this paragraph.

"(B) Requirements for listing.—

"(i) Sufficient information.—The person petitioning for listing of an additional pollutant under this subsection shall submit to the Administrator sufficient information to make the determinations required by this subparagraph.

"(ii) Toxic criteria determination.—The Administrator shall determine whether or not the pollutant meets the criteria for listing as a toxic pollutant under section 307(a) of this Act.

"(iii) Listing as toxic pollutant.—If the Administrator determines that the pollutant meets the criteria for listing as a toxic pollutant under section 307(a), the Administrator shall list the pollutant as a toxic pollutant under section 307(a).

"(iv) Nonconventional criteria determination.—If the Administrator determines that the pollutant does not meet the criteria for listing as a toxic pollutant under such section and determines that adequate test methods and sufficient data are available to make the determinations required by paragraph (2) of this subsection with respect to the pollutant, the Administrator shall add the pollutant to the list of pollutants specified in paragraph (1) of this subsection for which modifications are authorized under this subsection.

"(C) Requirements for filing of petitions.—A petition for listing of a pollutant under this paragraph—

"(i) must be filed not later than 270 days after the date of promulgation of an applicable effluent guideline under section 304;

"(ii) may be filed before promulgation of such guideline; and

"(iii) may be filed with an application for a modification under paragraph (1) with respect to the discharge of such pollutant.

"(D) Deadline for approval of petition.—A decision to add a pollutant to the list of pollutants for which modifications under this subsection are authorized must be made within 270 days after the date of promulgation of an applicable effluent guideline under section 304.

"(E) Burden of proof.—The burden of proof for making the determinations under subparagraph (B) shall be on the petitioner.

"(5) Removal of pollutants.—The Administrator may remove any pollutant from the list of pollutants for which modifications are authorized under this subsection if the Administrator determines that adequate test methods and sufficient data are no longer available for determining whether or not modifications may be granted with respect to such pollutant under paragraph (2) of this subsection.".

(c) Deadline for Approval of Modifications.—Section 301(j) is amended—

(1) in paragraph (2) by striking out "Any" and inserting in lieu thereof "Subject to paragraph (3) of this section, any"; and

(2) by adding at the end thereof the following new paragraphs:

"(3) Compliance requirements under subsection (g).—

"(A) Effect of filing.—An application for a modification under subsection (g) and a petition for listing of a pollutant as a pollutant for which modifications are authorized under such subsection shall not stay the requirement that the person seeking such modification or listing comply with effluent limitations under this Act for all pollutants not the subject of such application or petition.

"(B) Effect of disapproval.—Disapproval of an application for a modification under subsection (g) shall not stay the requirement that the person seeking such modification comply with all applicable effluent limitations under this Act.

"(4) Deadline for subsection (g) decision.—An application for a modification with respect to a pollutant filed under subsection (g) must be approved or disapproved not later than 365 days after the date of such filing; except that in any case in which a petition for listing such pollutant as a pollutant for which modifications are authorized under such subsection is approved, such application must be approved or disapproved not later than 365 days after the date of approval of such petition.".

(d) Conforming Amendments.—(1) Paragraph (3) of section 301(g), as redesignated by subsection (a) of this section, is amended by inserting "LIMITATION ON AUTHORITY TO APPLY FOR SUBSECTION (c) MODIFICATION.—" before "If an owner" and by aligning such paragraph with paragraph (4) of such section, as added by subsection (b) of this section.

(2) Paragraph (2) of section 301(g) (as designated by subsection (a) of this section) is amended by realigning subparagraphs (A), (B), and (C) with subparagraph (A) of paragraph (4), as added by subsection (b) of this section.

(e) Application.—

(1) General rule.—Except as provided in paragraph (2), the amendments made by this section shall apply to all requests for modifications under section 301(g) of the Federal Water Pollution Control Act pending on the date of the enactment of this Act and shall not have the effect of extending the deadline established in section 301(j)(1)(B) of such Act.

(2) Exception.—The amendments made by this section shall not affect any application for a modification with respect to the discharge of ammonia, chlorine, color, iron, or total phenols (4AAP) under section 301(g) of the Federal Water Pollution Control Act pending on the date of the enactment of this Act; except that the Administrator must approve or disapprove such application not later than 365 days after the date of such enactment.

SEC. 303. DISCHARGES INTO MARINE WATERS.

(a) Consideration of Other Sources of Pollutants.—Section 301(h)(2) is amended by striking out "such modified requirements will not interfere" and inserting in lieu thereof the following: "the discharge of pollutants in accordance with such modified requirements will not interfere, alone or in combination with pollutants from other sources,".

(b) Limitation on Scope of Monitoring.—

(1) General rule.—Section 301(h)(3) is amended by inserting before the semicolon at the end thereof the following: ", and the scope of such monitoring is limited to include only those scientific investigations which are necessary to study the effects of the proposed discharge".

(2) Limitation on applicability.—The amendment made by subsection (b) shall only apply to modifications and renewals of modifications which are tentatively or finally approved after the date of the enactment of this Act.

(c) Urban Area Pretreatment Program.—Section 301(h) is amended by redesignating paragraphs (6) and (7), and any references thereto, as paragraphs (7) and (8), respectively, and by inserting after paragraph (5) the following new paragraph:

"(6) in the case of any treatment works serving a population of 50,000 or more, with respect to any toxic pollutant introduced into such works by an industrial discharger for which pollutant there is no applicable pretreatment requirement in effect, sources introducing waste into such works are in compliance with all applicable pretreatment requirements, the applicant will enforce such requirements, and the applicant has in effect a pretreatment program which, in combination with the treatment of discharges from such works, removes the same amount of such pollutant as would be removed if such works were to apply secondary treatment to discharges and if such works had no pretreatment program with respect to such pollutant;".

(d) Primary Treatment for Effluent.—

(1) General rule.—Section 301(h) is amended by striking out the period at the end of paragraph (8) (as redesignated by subsection (c) of this section) and inserting in lieu thereof a semicolon and by inserting after such paragraph (8) the following new paragraph:

"(9) the applicant at the time such modification becomes effective will be discharging effluent which has received at least primary or equivalent treatment and which meets the criteria established under section 304(a)(1) of this Act after initial mixing in the waters surrounding or adjacent to the point at which such effluent is discharged.".

(2) Primary or equivalent treatment defined.—Such section is further amended by inserting after the second sentence the following new sentence: "For the purposes of paragraph (9), 'primary or equivalent treatment' means treatment by screening, sedimentation, and skimming adequate to remove at least 30 percent of the biological oxygen demanding material and of the suspended solids in the treatment works influent, and disinfection, where appropriate.".

(e) Limitations on Issuance of Permits.—Section 301(h) is further amended by adding at the end thereof the following new sentences: "In order for a permit to be issued under this subsection for the discharge of a pollutant into marine waters, such marine waters must exhibit characteristics assuring that water providing dilution does not contain significant amounts of previously discharged effluent from such treatment works. No permit issued under this subsection shall authorize the discharge of any pollutant into saline estuarine waters which at the time of application do not support a balanced indigenous population of shellfish, fish and wildlife, or allow recreation in and on the waters or which exhibit ambient water quality below applicable water quality standards adopted for the protection of public water supplies, shellfish, fish and wildlife or recreational activities or such other standards necessary to assure support and protection of such uses. The prohibition contained in the preceding sentence shall apply without regard to the presence or absence of a causal relationship between such characteristics and the applicant's current or proposed discharge. Notwithstanding any other provisions of this subsection, no permit may be issued under this subsection for discharge of a pollutant into the New York Bight Apex consisting of the ocean waters of the Atlantic Ocean westward of 73 degrees 30 minutes west longitude and northward of 40 degrees 10 minutes north latitude.".

(f) Application for Ocean Discharge Modification.—Section 301(j)(1)(A) is amended by inserting before the semicolon at the end thereof the following: ", except that a publicly owned treatment works which prior to December 31, 1982, had a contractual arrangement to use a portion of the capacity of an ocean outfall operated by another publicly owned treatment works which has applied for or received modification under subsection (h), may apply for a modification of subsection (h) in its own right not later than 30 days after the date of the enactment of the Water Quality Act of 1987".

(g) Grandfather of Certain Applicants.—The amendments made by subsections (a), (c), (d), and (e) of this section shall not apply to an application for a permit under section 301(h) of the Federal Water Pollution Control Act which has been tentatively or finally approved by the Administrator before the date of the enactment of this Act; except that such amendments shall apply to all renewals of such permits after such date of enactment.

SEC. 304. FILING DEADLINE FOR TREATMENT WORKS MODIFICATION.

(a) Extension.—The second sentence of section 301(i)(1) is amended by striking out "of this subsection." and inserting in lieu thereof "of the Water Quality Act of 1987.".

(b) Applicability.—The amendment made by subsection (a) shall not apply to those treatment works which are subject to a compliance schedule established before the date of the enactment of this Act by a court order or a final administrative order.

SEC. 305. INNOVATIVE TECHNOLOGY COMPLIANCE DEADLINES FOR DIRECT DISCHARGERS.

(a) Extension of Deadline.—Section 301(k) is amended by striking out "July 1, 1987," and inserting in lieu thereof "two years after the date for compliance with such effluent limitation which would otherwise be applicable under such subsection,".

(b) Extension to Conventional Pollutants.—Section 301(k) is amended by inserting "or (b)(2)(E)" after "(b)(2)(A)" each place it appears.

SEC. 306. FUNDAMENTALLY DIFFERENT FACTORS.

(a) General Rule.—Section 301 is amended by adding at the end the following new subsections:

"(n) Fundamentally Different Factors.—

"(1) General rule.—The Administrator, with the concurrence of the State, may establish an alternative requirement under subsection (b)(2) or section 307(b) for a facility that modifies the requirements of national effluent limitation guidelines or categorical pretreatment standards that would otherwise be applicable to such facility, if the owner or operator of such facility demonstrates to the satisfaction of the Administrator that—

"(A) the facility is fundamentally different with respect to the factors (other than cost) specified in section 304(b) or 304(g) and considered by the Administrator in establishing such national effluent limitation guidelines or categorical pretreatment standards;

"(B) the application—

"(i) is based solely on information and supporting data submitted to the Administrator during the rulemaking for establishment of the applicable national effluent limitation guidelines or categorical pretreatment standard specifically raising the factors that are fundamentally different for such facility; or

"(ii) is based on information and supporting data referred to in clause (i) and information and supporting data the applicant did not have a reasonable opportunity to submit during such rulemaking;

"(C) the alternative requirement is no less stringent than justified by the fundamental difference; and

"(D) the alternative requirement will not result in a non-water quality environmental impact which is markedly more adverse than the impact considered by the Administrator in establishing such national effluent limitation guideline or categorical pretreatment standard.

"(2) Time limit for applications.—An application for an alternative requirement which modifies the requirements of an effluent limitation or pretreatment standard under this subsection must be submitted to the Administrator within 180 days after the date on which such limitation or standard is established or revised, as the case may be.

"(3) Time limit for decision.—The Administrator shall approve or deny by final agency action an application submitted under this subsection within 180 days after the date such application is filed with the Administrator.

"(4) Submission of information.—The Administrator may allow an applicant under this subsection to submit information and supporting data until the earlier of the date the application is approved or denied or the last day that the Administrator has to approve or deny such application.

"(5) Treatment of pending applications.—For the purposes of this subsection, an application for an alternative requirement based on fundamentally different factors which is pending on the date of the enactment of this subsection shall be treated as having been submitted to the Administrator on the 180th day following such date of enactment. The applicant may amend the application to take into account the provisions of this subsection.

"(6) Effect of submission of application.—An application for an alternative requirement under this subsection shall not stay the applicant's obligation to comply with the effluent limitation guideline or categorical pretreatment standard which is the subject of the application.

"(7) Effect of denial.—If an application for an alternative requirement which modifies the requirements of an effluent limitation or pretreatment standard under this subsection is denied by the Administrator, the applicant must comply with such limitation or standard as established or revised, as the case may be.

"(8) Reports.—Every 6 months after the date of the enactment of this subsection, the Administrator shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the status of applications for alternative requirements which modify the requirements of effluent limitations under section 301 or 304 of this Act or any national categorical pretreatment standard under section 307(b) of this Act filed before, on, or after such date of enactment.

"(o) Application Fees.—The Administrator shall prescribe and collect from each applicant fees reflecting the reasonable administrative costs incurred in reviewing and processing applications for modifications submitted to the Administrator pursuant to subsections (c), (g), (i), (k), (m), and (n) of section 301, section 304(d)(4), and section 316(a) of this Act. All amounts collected by the Administrator under this subsection shall be deposited into a special fund of the Treasury entitled 'Water Permits and Related Services' which shall thereafter be available for appropriation to carry out activities of the Environmental Protection Agency for which such fees were collected.".

(b) Conforming Amendment.—Section 301(l) is amended by striking out "The" and inserting in lieu thereof "Other than as provided in subsection (n) of this section, the".

(c) Phosphate Fertilizer Effluent Limitation.—

(1) LIMITATION ON APPLICABILITY.—The effluent limitation established by the Administrator pursuant to section 301(b) of the Federal Water Pollution Control Act for the phosphate subcategory of the fertilizer manufacturing point source category shall not apply to facilities which had commenced construction on or before April 8, 1974, and for which the Administrator is proposing to revise the applicability of such limitations to exclude such facilities.

(2) ISSUANCE OF PERMIT.—As soon as possible after the date of the enactment of this Act, but not later than 180 days after such date of enactment, the Administrator shall issue permits under section 402(a)(1)(B) of the Federal Water Pollution Control Act with respect to the facilities described in paragraph (1). Such permits shall remain in effect until, after such date of enactment, issuance of a permit under effluent guidelines applicable to discharges for the phosphate subcategory.

SEC. 307. COAL REMINING OPERATIONS.

Section 301 is amended by adding at the end thereof the following:

"(p) MODIFIED PERMIT FOR COAL REMINING OPERATIONS.—

"(1) IN GENERAL.—Subject to paragraphs (2) through (4) of this subsection, the Administrator, or the State in any case which the State has an approved permit program under section 402(b), may issue a permit under section 402 which modifies the requirements of subsection (b)(2)(A) of this section with respect to the pH level of any pre-existing discharge, and with respect to pre-existing discharges of iron and manganese from the remined area of any coal remining operation or with respect to the pH level or level of iron or manganese in any pre-existing discharge affected by the remining operation. Such modified requirements shall apply the best available technology economically achievable on a case-by-case basis, using best professional judgment, to set specific numerical effluent limitations in each permit.

"(2) LIMITATIONS.—The Administrator or the State may only issue a permit pursuant to paragraph (1) if the applicant demonstrates to the satisfaction of the Administrator or the State, as the case may be, that the coal remining operation will result in the potential for improved water quality from the remining operation but in no event shall such a permit allow the pH level of any discharge, and in no event shall such a permit allow the discharges of iron and manganese, to exceed the levels being discharged from the remined area before the coal remining operation begins. No discharge from, or affected by, the remining operation shall exceed State water quality standards established under section 303 of this Act.

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) COAL REMINING OPERATION.—The term 'coal remining operation' means a coal mining operation which begins after the date of the enactment of this subsection at a site on which coal mining was conducted before the effective date of the Surface Mining Control and Reclamation Act of 1977.

"(B) REMINED AREA.—The term 'remined area' means only that area of any coal remining operation on which coal mining was conducted before the effective date of the Surface Mining Control and Reclamation Act of 1977.

"(C) PRE-EXISTING DISCHARGE.—The term 'pre-existing discharge' means any discharge at the time of permit application under this subsection.

"(4) APPLICABILITY OF STRIP MINING LAWS.—Nothing in this subsection shall affect the application of the Surface Mining Control and Reclamation Act of 1977 to any coal remining operation, including the application of such Act to suspended solids.".

SEC. 308. INDIVIDUAL CONTROL STRATEGIES FOR TOXIC POLLUTANTS.

(a) IN GENERAL.—Section 304 is amended by adding at the end thereof the following new subsection:

"(l) INDIVIDUAL CONTROL STRATEGIES FOR TOXIC POLLUTANTS.—

"(1) STATE LIST OF NAVIGABLE WATERS AND DEVELOPMENT OF STRATEGIES.—Not later than 2 years after the date of the enactment of this subsection, each State shall submit to the Administrator for review, approval, and implementation under this subsection—

"(A) a list of those waters within the State which after the application of effluent limitations required under section 301(b)(2) of this Act cannot reasonably be anticipated to attain or maintain (i) water quality standards for such waters reviewed, revised, or adopted in accordance with section 303(c)(2)(B) of this Act, due to toxic pollutants, or (ii) that water quality which shall assure protection of public health, public water supplies, agricultural and industrial uses, and the protection and propagation of a balanced population of shellfish, fish and wildlife, and allow recreational activities in and on the water;

"(B) a list of all navigable waters in such State for which the State does not expect the applicable standard under section 303 of this Act will be achieved after the requirements of sections 301(b), 306, and 307(b) are met, due entirely or substantially to discharges from point sources of any toxic pollutants listed pursuant to section 307(a);

"(C) for each segment of the navigable waters included on such lists, a determination of the specific point sources discharging any such toxic pollutant which is believed to be preventing or impairing such water quality and the amount of each such toxic pollutant discharged by each such source; and

"(D) for each such segment, an individual control strategy which the State determines will produce a reduction in the discharge of toxic pollutants from point sources identified by the State under this paragraph through the establishment of effluent limitations under section 402 of this Act and water quality standards under section 303(c)(2)(B) of this Act, which reduction is sufficient, in combination with existing controls on point and nonpoint sources of pollution, to achieve the applicable water quality standard as soon as possible, but not later than 3 years after the date of the establishment of such strategy.

"(2) APPROVAL OR DISAPPROVAL.—Not later than 120 days after the last day of the 2-year period referred to in paragraph (1), the Administrator shall approve or disapprove the control strategies submitted under paragraph (1) by any State.

"(3) ADMINISTRATOR'S ACTION.—If a State fails to submit control strategies in accordance with paragraph (1) or the Administrator does not approve the control strategies submitted by such State in accordance with paragraph (1), then, not later than 1 year after the last day of the period referred to in paragraph (2), the Administrator, in cooperation with such State and after notice and opportunity for public comment, shall implement the requirements of paragraph (1) in such State. In the implementation of such requirements, the Administrator shall, at a minimum, consider for listing under this subsection any navigable waters for which any person submits a petition to the Administrator for listing not later than 120 days after such last day."

(b) JUDICIAL REVIEW.—Section 509(b)(1) is amended—

(1) by striking out "and (F)" and inserting in lieu thereof "(F)"; and

(2) by inserting after "any permit under section 402," the following: "and (G) in promulgating any individual control strategy under section 304(l),".

(c) GUIDANCE TO STATES; INFORMATION ON WATER QUALITY CRITERIA FOR TOXICS.—Section 304(a) is amended by adding at the end the following new paragraphs:

"(7) GUIDANCE TO STATES.—The Administrator, after consultation with appropriate State agencies and on the basis of criteria and information published under paragraphs (1) and (2) of this subsection, shall develop and publish, within 9 months after the date of the enactment of the Water Quality Act of 1987, guidance to the States on performing the identification required by section 304(l)(1) of this Act.

"(8) INFORMATION ON WATER QUALITY CRITERIA.—The Administrator, after consultation with appropriate State agencies and within 2 years after the date of the enactment of the Water Quality Act of 1987, shall develop and publish information on methods for establishing and measuring water quality criteria for toxic pollutants on other bases than pollutant-by-pollutant criteria, including biological monitoring and assessment methods.".

(d) WATER QUALITY CRITERIA FOR TOXIC POLLUTANTS.—Section 303(c)(2) is amended by inserting "(A)" after "(2)" and by adding the following new subparagraph:

"(B) Whenever a State reviews water quality standards pursuant to paragraph (1) of this subsection, or revises or adopts new standards pursuant to this paragraph, such State shall adopt criteria for all toxic pollutants listed pursuant to section 307(a)(1) of this Act for which criteria have been published under section 304(a), the discharge or presence of which in the affected waters could reasonably be expected to interfere with those designated uses adopted by the State, as necessary to support such designated uses. Such criteria shall be specific numerical criteria for such toxic pollutants. Where such numerical criteria are not available, whenever a State reviews water quality standards pursuant to paragraph (1), or revises or adopts new standards pursuant to this paragraph, such State shall adopt criteria based on biological monitoring or assessment methods consistent with information published pursuant to section 304(a)(8). Nothing in this section shall be construed to limit or delay the use of effluent limitations or other permit conditions based on or involving biological monitoring or assessment methods or previously adopted numerical criteria.".

(e) MODIFICATIONS OF EFFLUENT LIMITATIONS.—

(1) IN GENERAL.—Section 302(b) is amended to read as follows:

"(b) MODIFICATIONS OF EFFLUENT LIMITATIONS.—

"(1) NOTICE AND HEARING.—Prior to establishment of any effluent limitation pursuant to subsection (a) of this section, the Administrator shall publish such proposed limitation and within 90 days of such publication hold a public hearing.

"(2) Permits.—

"(A) No reasonable relationship.—The Administrator, with the concurrence of the State, may issue a permit which modifies the effluent limitations required by subsection (a) of this section for pollutants other than toxic pollutants if the applicant demonstrates at such hearing that (whether or not technology or other alternative control strategies are available) there is no reasonable relationship between the economic and social costs and the benefits to be obtained (including attainment of the objective of this Act) from achieving such limitation.

"(B) Reasonable progress.—The Administrator, with the concurrence of the State, may issue a permit which modifies the effluent limitations required by subsection (a) of this section for toxic pollutants for a single period not to exceed 5 years if the applicant demonstrates to the satisfaction of the Administrator that such modified requirements (i) will represent the maximum degree of control within the economic capability of the owner and operator of the source, and (ii) will result in reasonable further progress beyond the requirements of section 301(b)(2) toward the requirements of subsection (a) of this section.".

(2) Conforming amendments.—Section 302(a) is amended—

(A) by inserting "or as identified under section 304(l)" after "in the judgment of the Administrator"; and

(B) by inserting "public health," after "protection of".

(f) Schedule for Review of Guidelines.—Section 304 is amended by adding at the end the following new subsection:

"(m) Schedule for Review of Guidelines.—

"(1) Publication.—Within 12 months after the date of the enactment of the Water Quality Act of 1987, and biennially thereafter, the Administrator shall publish in the Federal Register a plan which shall—

"(A) establish a schedule for the annual review and revision of promulgated effluent guidelines, in accordance with subsection (b) of this section;

"(B) identify categories of sources discharging toxic or nonconventional pollutants for which guidelines under subsection (b)(2) of this section and section 306 have not previously been published; and

"(C) establish a schedule for promulgation of effluent guidelines for categories identified in subparagraph (B), under which promulgation of such guidelines shall be no later than 4 years after such date of enactment for categories identified in the first published plan or 3 years after the publication of the plan for categories identified in later published plans.

"(2) Public review.—The Administrator shall provide for public review and comment on the plan prior to final publication.".

(g) Water Quality Improvement Study.—

(1) Study.—The Administrator shall study the water quality improvements which have been achieved by application of best available technology economically achievable pursuant to section 301(b)(2) of the Federal Water Pollution Control Act. Such study shall include, but not be limited to, an analysis of the effectiveness of the application of best available technology economically achievable pursuant to such section in attaining applicable water quality standards (including the standard specified in section 302(a) of such Act) and an analysis of the effectiveness of the water quality program under such Act and methods of improving such program, including site specific levels of treatment which will achieve the water quality goals of such Act.

(2) Report.—Not later than 2 years after the date of the enactment of this Act, the Administrator shall submit a report on the results of the study conducted under subsection (a) together with recommendations for improving the water quality program and its effectiveness to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 309. PRETREATMENT STANDARDS.

(a) Extension of Compliance Date by POTW.—Section 307 is amended by adding at the end the following:

"(e) Compliance Date Extension for Innovative Pretreatment Systems.—In the case of any existing facility that proposes to comply with the pretreatment standards of subsection (b) of this section by applying an innovative system that meets the requirements of section 301(k) of this Act, the owner or operator of the publicly owned treatment works receiving the treated effluent from such facility may extend the date for compliance with the applicable pretreatment standard established under this section for a period not to exceed 2 years—

"(1) if the Administrator determines that the innovative system has the potential for industrywide application, and

"(2) if the Administrator (or the State in consultation with the Administrator, in any case in which the State has a pretreatment program approved by the Administrator)—

"(A) determines that the proposed extension will not cause the publicly owned treatment works to be in violation of its permit under section 402 or of section 405 or to contribute to such a violation, and

"(B) concurs with the proposed extension.".

(b) Increase in EPA Employees.—The Administrator shall take such actions as may be necessary to increase the number of employees of the Environmental Protection Agency in order to effectively implement pretreatment requirements under section 307 of the Federal Water Pollution Control Act.

SEC. 310. INSPECTION AND ENTRY.

(a) Unauthorized Disclosure.—

(1) In general.—Section 308(b) is amended by striking out all that follows "Code" and inserting in lieu thereof a period and the following: "Any authorized representative of the Administrator (including an authorized contractor acting as a representative of the Administrator) who knowingly or willfully publishes, divulges, discloses, or makes known in any manner or to any extent not authorized by law any information which is required to be considered confidential under this subsection shall be fined not more than $1,000 or imprisoned not more than 1 year, or both. Nothing in this subsection shall prohibit the Administrator or an authorized representative of the Administrator (including any authorized contractor acting as a representative of the Administrator) from disclosing records, reports, or information to other officers, employees, or authorized representatives of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act.".

(2) Conforming amendment.—Section 308(a)(B) is amended by inserting "(including an authorized contractor acting as a representative of the Administrator)" after "or his authorized representative".

(b) Access by Congress.—Section 308 is amended by adding at the end the following new subsection:

"(d) Access by Congress.—Notwithstanding any limitation contained in this section or any other provision of law, all information reported to or otherwise obtained by the Administrator (or any representative of the Administrator) under this Act shall be made available, upon written request of any duly authorized committee of Congress, to such committee.".

SEC. 311. MARINE SANITATION DEVICES.

(a) State Regulation of Houseboats.—Section 312(f)(1) is amended by striking out "After" and inserting in lieu thereof "(A) Except as provided in subparagraph (B), after" and by adding at the end thereof the following:

"(B) A State may adopt and enforce a statute or regulation with respect to the design, manufacture, or installation or use of any marine sanitation device on a houseboat, if such statute or regulation is more stringent than the standards and regulations promulgated under this section. For purposes of this paragraph, the term 'houseboat' means a vessel which, for a period of time determined by the State in which the vessel is located, is used primarily as a residence and is not used primarily as a means of transportation.".

(b) State Enforcement.—Section 312(k) is amended by adding at the end the following: "The provisions of this section may also be enforced by a State.".

SEC. 312. CRIMINAL PENALTIES.

Section 309(c) is amended to read as follows:

"(c) Criminal Penalties.—

"(1) Negligent violations.—Any person who—

"(A) negligently violates section 301, 302, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or any requirement imposed in a pretreatment program approved under section 402(a)(3) or 402(b)(8) of this Act or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State; or

"(B) negligently introduces into a sewer system or into a publicly owned treatment works any pollutant or hazardous substance which such person knew or reasonably should have known could cause personal injury or property damage or, other than in compliance with all applicable Federal, State, or local requirements or permits, which causes such treatment works to violate any effluent limitation or condition in any permit issued to the treatment works under section 402 of this Act by the Administrator or a State;

shall be punished by a fine of not less than $2,500 nor more than $25,000 per day of violation, or by imprisonment for not more than 1 year, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $50,000 per day of violation, or by imprisonment of not more than 2 years, or by both.

"(2) Knowing violations.—Any person who—

"(A) knowingly violates section 301, 302, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or any requirement imposed in a pretreatment program approved under section 402(a)(3) or 402(b)(8) of this Act or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State; or

"(B) knowingly introduces into a sewer system or into a publicly owned treatment works any pollutant or hazardous substance which such person knew or reasonably should have known could cause personal injury or property damage or, other than in compliance with all applicable Federal, State, or local requirements or permits, which causes such treatment works to violate any effluent limitation or condition in a permit issued to the treatment works under section 402 of this Act by the Administrator or a State;

shall be punished by a fine of not less than $5,000 nor more than $50,000 per day of violation, or by imprisonment for not more than 3 years, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $100,000 per day of violation, or by imprisonment of not more than 6 years, or by both.

"(3) Knowing endangerment.—

"(A) General rule.—Any person who knowingly violates section 301, 302, 303, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State, and who knows at that time that he thereby places another person in imminent danger of death or serious bodily injury, shall, upon conviction, be subject to a fine of not more than $250,000 or imprisonment of not more than 15 years, or both. A person which is an organization shall, upon conviction of violating this subparagraph, be subject to a fine of not more than $1,000,000. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment shall be doubled with respect to both fine and imprisonment.

"(B) Additional provisions.—For the purpose of subparagraph (A) of this paragraph—

"(i) in determining whether a defendant who is an individual knew that his conduct placed another person in imminent danger of death or serious bodily injury—

"(I) the person is responsible only for actual awareness or actual belief that he possessed; and

"(II) knowledge possessed by a person other than the defendant but not by the defendant himself may not be attributed to the defendant;

except that in proving the defendant's possession of actual knowledge, circumstantial evidence may be used, including evidence that the defendant took affirmative steps to shield himself from relevant information;

"(ii) it is an affirmative defense to prosecution that the conduct charged was consented to by the person endangered and that the danger and conduct charged were reasonably foreseeable hazards of—

"(I) an occupation, a business, or a profession; or

"(II) medical treatment or medical or scientific experimentation conducted by professionally approved methods and such other person had been made aware of the risks involved prior to giving consent;

and such defense may be established under this subparagraph by a preponderance of the evidence;

"(iii) the term 'organization' means a legal entity, other than a government, established or organized for any purpose, and such term includes a corporation, company, association, firm, partnership, joint stock company, foundation, institution, trust, society, union, or any other association of persons; and

"(iv) the term 'serious bodily injury' means bodily injury which involves a substantial risk of death, unconsciousness, extreme physical pain, protracted and obvious disfigurement, or protracted loss or impairment of the function of a bodily member, organ, or mental faculty.

"(4) False statements.—Any person who knowingly makes any false material statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act or who knowingly falsifies, tampers with, or renders inaccurate any monitoring device or method required to be maintained under this Act, shall upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than 2 years, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $20,000 per day of violation, or by imprisonment of not more than 4 years, or by both.

"(5) Treatment of single operational upset.—For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.

"(6) Responsible corporate officer as 'person'.—For the purpose of this subsection, the term 'person' means, in addition to the definition contained in section 502(5) of this Act, any responsible corporate officer.

"(7) Hazardous substance defined.—For the purpose of this subsection, the term 'hazardous substance' means (A) any substance designated pursuant to section 311(b)(2)(A) of this Act, (B) any element, compound, mixture, solution, or substance designated pursuant to section 102 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, (C) any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act (but not including any waste the regulation of which under the Solid Waste Disposal Act has been suspended by Act of Congress), (D) any toxic pollutant listed under section 307(a) of this Act, and (E) any imminently hazardous chemical substance or mixture with respect to which the Administrator has taken action pursuant to section 7 of the Toxic Substances Control Act.".

SEC. 313. CIVIL PENALTIES.

(a) Violations of Pretreatment Requirements.—

(1) General rule.—Section 309(d) is amended by inserting ", or any requirement imposed in a pretreatment program approved under section 402(a)(3) or 402(b)(8) of this Act," after "section 404 of this Act by a State,".

(2) Savings provision.—No State shall be required before July 1, 1988, to modify a permit program approved or submitted under section 402 of the Federal Water Pollution Control Act as a result of the amendment made by paragraph (1).

(b) Increased Penalty.—

(1) General rule.—Section 309(d) is amended by striking out "$10,000 per day of such violation" and inserting in lieu thereof "$25,000 per day for each violation".

(2) Increased penalties not required under state programs.—The Federal Water Pollution Control Act shall not be construed as requiring a State to have a civil penalty for violations described in section 309(d) of such Act which has the same monetary amount as the civil penalty established by such section, as amended by paragraph (1). Nothing in this paragraph shall affect the Administrator's authority to establish or adjust by regulation a minimum acceptable State civil penalty.

(c) Factors To Consider in Determining Penalty Amount.—Section 309(d) is amended by adding at the end thereof the following: "In determining the amount of a civil penalty the court shall consider the seriousness of the violation or violations, the economic benefit (if any) resulting from the violation, any history of such violations, any good-faith efforts to comply with the applicable requirements, the economic impact of the penalty on the violator, and such other matters as justice may require. For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.".

(d) Violations of Section 404 Permits.—Section 404(s) is amended—

(1) by striking out paragraph (4);

(2) by redesignating paragraph (5) as paragraph (4); and

(3) in paragraph (4), as so redesignated—

(A) by striking out "$10,000 per day of such violation" and inserting in lieu thereof "$25,000 per day for each violation";

(B) by adding at the end thereof the following: "In determining the amount of a civil penalty the court shall consider the seriousness of the violation or violations, the economic benefit (if any) resulting from the violation, any history of such violations, any good-faith efforts to comply with the applicable requirements, the economic impact of the penalty on the violator, and such other matters as justice may require.".

SEC. 314. ADMINISTRATIVE PENALTIES.

(a) General Rule.—Section 309 is amended by adding at the end thereof the following:

"(g) Administrative Penalties.—

"(1) Violations.—Whenever on the basis of any information available—

"(A) the Administrator finds that any person has violated section 301, 302, 306, 307, 308, 318, or 405 of this Act, or has violated any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or in a permit issued under section 404 by a State, or

"(B) the Secretary of the Army (hereinafter in this subsection referred to as the 'Secretary') finds that any person has violated any permit condition or limitation in a permit issued under section 404 of this Act by the Secretary,

the Administrator or Secretary, as the case may be, may, after consultation with the State in which the violation occurs, assess a class I civil penalty or a class II civil penalty under this subsection.

"(2) Classes of penalties.—

"(A) Class I.—The amount of a class I civil penalty under paragraph (1) may not exceed $10,000 per violation, except that the maximum amount of any class I civil penalty under this subparagraph shall not exceed $25,000. Before issuing an order assessing a civil penalty under this subparagraph, the

Administrator or the Secretary, as the case may be, shall give to the person to be assessed such penalty written notice of the Administrator's or Secretary's proposal to issue such order and the opportunity to request, within 30 days of the date the notice is received by such person, a hearing on the proposed order. Such hearing shall not be subject to section 554 or 556 of title 5, United States Code, but shall provide a reasonable opportunity to be heard and to present evidence.

"(B) Class II.—The amount of a class II civil penalty under paragraph (1) may not exceed $10,000 per day for each day during which the violation continues; except that the maximum amount of any class II civil penalty under this subparagraph shall not exceed $125,000. Except as otherwise provided in this subsection, a class II civil penalty shall be assessed and collected in the same manner, and subject to the same provisions, as in the case of civil penalties assessed and collected after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code. The Administrator and the Secretary may issue rules for discovery procedures for hearings under this subparagraph.

"(3) Determining amount.—In determining the amount of any penalty assessed under this subsection, the Administrator or the Secretary, as the case may be, shall take into account the nature, circumstances, extent and gravity of the violation, or violations, and, with respect to the violator, ability to pay, any prior history of such violations, the degree of culpability, economic benefit or savings (if any) resulting from the violation, and such other matters as justice may require. For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.

"(4) Rights of interested persons.—

"(A) Public notice.—Before issuing an order assessing a civil penalty under this subsection the Administrator or Secretary, as the case may be, shall provide public notice of and reasonable opportunity to comment on the proposed issuance of such order.

"(B) Presentation of evidence.—Any person who comments on a proposed assessment of a penalty under this subsection shall be given notice of any hearing held under this subsection and of the order assessing such penalty. In any hearing held under this subsection, such person shall have a reasonable opportunity to be heard and to present evidence.

"(C) Rights of interested persons to a hearing.—If no hearing is held under paragraph (2) before issuance of an order assessing a penalty under this subsection, any person who commented on the proposed assessment may petition, within 30 days after the issuance of such order, the Administrator or Secretary, as the case may be, to set aside such order and to provide a hearing on the penalty. If the evidence presented by the petitioner in support of the petition is material and was not considered in the issuance of the order, the Administrator or Secretary shall immediately set aside such order and provide a hearing in accordance with paragraph (2)(A) in the case of a class I civil penalty and paragraph (2)(B) in the case of a class II civil penalty. If the Administrator or Secretary denies a hearing under this subparagraph, the Administrator or Secretary shall provide to the petitioner, and publish in the Federal Register, notice of and the reasons for such denial.

"(5) Finality of order.—An order issued under this subsection shall become final 30 days after its issuance unless a petition for judicial review is filed under paragraph (8) or a hearing is requested under paragraph (4)(C). If such a hearing is denied, such order shall become final 30 days after such denial.

"(6) Effect of order.—

"(A) Limitation on actions under other sections.—Action taken by the Administrator or the Secretary, as the case may be, under this subsection shall not affect or limit the Administrator's or Secretary's authority to enforce any provision of this Act; except that any violation—

"(i) with respect to which the Administrator or the Secretary has commenced and is diligently prosecuting an action under this subsection,

"(ii) with respect to which a State has commenced and is diligently prosecuting an action under a State law comparable to this subsection, or

"(iii) for which the Administrator, the Secretary, or the State has issued a final order not subject to further judicial review and the violator has paid a penalty assessed under this subsection, or such comparable State law, as the case may be,

shall not be the subject of a civil penalty action under subsection (d) of this section or section 311(b) or section 505 of this Act.

"(B) Applicability of limitation with respect to citizen suits.—The limitations contained in subparagraph (A) on civil penalty actions under section 505 of this Act shall not apply with respect to any violation for which—

"(i) a civil action under section 505(a)(1) of this Act has been filed prior to commencement of an action under this subsection, or

"(ii) notice of an alleged violation of section 505(a)(1) of this Act has been given in accordance with section 505(b)(1)(A) prior to commencement of an action under this subsection and an action under section 505(a)(1) with respect to such alleged violation is filed before the 120th day after the date on which such notice is given.

"(7) Effect of action on compliance.—No action by the Administrator or the Secretary under this subsection shall affect any person's obligation to comply with any section of this Act or with the terms and conditions of any permit issued pursuant to section 402 or 404 of this Act.

"(8) Judicial review.—Any person against whom a civil penalty is assessed under this subsection or who commented on the proposed assessment of such penalty in accordance with paragraph (4) may obtain review of such assessment—

"(A) in the case of assessment of a class I civil penalty, in the United States District Court for the District of Columbia or in the district in which the violation is alleged to have occurred, or

"(B) in the case of assessment of a class II civil penalty, in United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which such person resides or transacts business,

by filing a notice of appeal in such court within the 30-day period beginning on the date the civil penalty order is issued and by simultaneously sending a copy of such notice by certified mail to the Administrator or the Secretary, as the case may be, and the Attorney General. The Administrator or the Secretary shall promptly file in such court a certified copy of the record on which the order was issued. Such court shall not set aside or remand such order unless there is not substantial evidence in the record, taken as a whole, to support the finding of a violation or unless the Administrator's or Secretary's assessment of the penalty constitutes an abuse of discretion and shall not impose additional civil penalties for the same violation unless the Administrator's or Secretary's assessment of the penalty constitutes an abuse of discretion.

"(9) Collection.—If any person fails to pay an assessment of a civil penalty—

"(A) after the order making the assessment has become final, or

"(B) after a court in an action brought under paragraph (8) has entered a final judgment in favor of the Administrator or the Secretary, as the case may be,

the Administrator or the Secretary shall request the Attorney General to bring a civil action in an appropriate district court to recover the amount assessed (plus interest at currently prevailing rates from the date of the final order or the date of the final judgment, as the case may be). In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review. Any person who fails to pay on a timely basis the amount of an assessment of a civil penalty as described in the first sentence of this paragraph shall be required to pay, in addition to such amount and interest, attorneys fees and costs for collection proceedings and a quarterly nonpayment penalty for each quarter during which such failure to pay persists. Such nonpayment penalty shall be in an amount equal to 20 percent of the aggregate amount of such person's penalties and nonpayment penalties which are unpaid as of the beginning of such quarter.

"(10) Subpoenas.—The Administrator or Secretary, as the case may be, may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, or documents in connection with hearings under this subsection. In case of contumacy or refusal to obey a subpoena issued pursuant to this paragraph and served upon any person, the district court of the United States for any district in which such person is found, resides, or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the administrative law judge or to appear and produce documents before the administrative law judge, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(11) Protection of existing procedures.—Nothing in this subsection shall change the procedures existing on the day before the date of the enactment of the Water Quality Act of 1987 under other subsections of this section for issuance and enforcement of orders by the Administrator.".

(b) Reports on Enforcement Mechanisms.—The Secretary of the Army and the Administrator shall each prepare and submit a report to the Congress, not later than December 1, 1988, which shall examine and analyze various enforcement mechanisms for use by the Secretary or Administrator, as the case may be, including an administrative civil penalty mechanism. Each of such reports shall also include an examination, prepared in consultation with the Comptroller General, of the efficacy of the Secretary's or the Administrator's existing enforcement authorities and shall include recommendations for improvements in their operation.

(c) CONFORMING AMENDMENT.—Section 505(a) is amended by inserting "and section 309(g)(6)" after "Except as provided in subsection (b) of this section".

SEC. 315. CLEAN LAKES.

(a) ESTABLISHMENT AND SCOPE OF PROGRAM.—Section 314(a) is amended to read as follows:

"(a) ESTABLISHMENT AND SCOPE OF PROGRAM.—

"(1) STATE PROGRAM REQUIREMENTS.—Each State on a biennial basis shall prepare and submit to the Administrator for his approval—

"(A) an identification and classification according to eutrophic condition of all publicly owned lakes in such State;

"(B) a description of procedures, processes, and methods (including land use requirements), to control sources of pollution of such lakes;

"(C) a description of methods and procedures, in conjunction with appropriate Federal agencies, to restore the quality of such lakes;

"(D) methods and procedures to mitigate the harmful effects of high acidity, including innovative methods of neutralizing and restoring buffering capacity of lakes and methods of removing from lakes toxic metals and other toxic substances mobilized by high acidity;

"(E) a list and description of those publicly owned lakes in such State for which uses are known to be impaired, including those lakes which are known not to meet applicable water quality standards or which require implementation of control programs to maintain compliance with applicable standards and those lakes in which water quality has deteriorated as a result of high acidity that may reasonably be due to acid deposition; and

"(F) an assessment of the status and trends of water quality in lakes in such State, including but not limited to, the nature and extent of pollution loading from point and nonpoint sources and the extent to which the use of lakes is impaired as a result of such pollution, particularly with respect to toxic pollution.

"(2) SUBMISSION AS PART OF 305(b)(1) REPORT.—The information required under paragraph (1) shall be included in the report required under section 305(b)(1) of this Act, beginning with the report required under such section by April 1, 1988.

"(3) REPORT OF ADMINISTRATOR.—Not later than 180 days after receipt from the States of the biennial information required under paragraph (1), the Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the status of water quality in lakes in the United States, including the effectiveness of the methods and procedures described in paragraph (1)(D).

"(4) ELIGIBILITY REQUIREMENT.—Beginning after April 1, 1988, a State must have submitted the information required under paragraph (1) in order to receive grant assistance under this section.".

(b) DEMONSTRATION PROGRAM.—Section 314 is amended by adding at the end thereof the following new subsections:

"(d) DEMONSTRATION PROGRAM.—

"(1) GENERAL REQUIREMENTS.—The Administrator is authorized and directed to establish and conduct at locations throughout the Nation a lake water quality demonstration program. The program shall, at a minimum—

"(A) develop cost effective technologies for the control of pollutants to preserve or enhance lake water quality while optimizing multiple lakes uses;

"(B) control nonpoint sources of pollution which are contributing to the degradation of water quality in lakes;

"(C) evaluate the feasibility of implementing regional consolidated pollution control strategies;

"(D) demonstrate environmentally preferred techniques for the removal and disposal of contaminated lake sediments;

"(E) develop improved methods for the removal of silt, stumps, aquatic growth, and other obstructions which impair the quality of lakes;

"(F) construct and evaluate silt traps and other devices or equipment to prevent or abate the deposit of sediment in lakes; and

"(G) demonstrate the costs and benefits of utilizing dredged material from lakes in the reclamation of despoiled land.

"(2) GEOGRAPHICAL REQUIREMENTS.—Demonstration projects authorized by this subsection shall be undertaken to reflect a variety of geographical and environmental conditions. As a priority, the Administrator shall undertake demonstration projects at Lake Houston, Texas; Beaver Lake, Arkansas; Greenwood Lake and Belcher Creek, New Jersey; Deal Lake, New Jersey; Alcyon Lake, New Jersey; Gorton's Pond, Rhode Island; Lake Washington, Rhode Island; Lake Bomoseen, Vermont; Sauk Lake, Minnesota; and Lake Worth, Texas.

"(3) REPORTS.—The Administrator shall report annually to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate on work undertaken pursuant to this subsection. Upon completion of the program authorized by this subsection, the Administrator shall submit to such committees a final report on the results of such program, along with recommendations for further measures to improve the water quality of the Nation's lakes.

"(4) AUTHORIZATION OF APPROPRIATIONS.—

"(A) IN GENERAL.—There is authorized to be appropriated to carry out this subsection not to exceed $40,000,000 for fiscal years beginning after September 30, 1986, to remain available until expended.

"(B) SPECIAL AUTHORIZATIONS.—

"(i) AMOUNT.—There is authorized to be appropriated to carry out subsection (b) with respect to subsection (a)(1)(D) not to exceed $15,000,000 for fiscal years beginning after September 30, 1986, to remain available until expended.

"(ii) DISTRIBUTION OF FUNDS.—The Administrator shall provide for an equitable distribution of sums appropriated pursuant to this subparagraph among States carrying out approved methods and procedures. Such distribution shall be based on the relative needs of each such State for the mitigation of the harmful effects on lakes and other surface waters of high acidity that may reasonably be due to acid deposition or acid mine drainage.

"(iii) GRANTS AS ADDITIONAL ASSISTANCE.—The amount of any grant to a State under this subparagraph shall be in addition to, and not in lieu of, any other Federal financial assistance.".

(c) LAKE RESTORATION GUIDANCE MANUAL.—Section 304(j) is amended to read as follows:

"(j) LAKE RESTORATION GUIDANCE MANUAL.—The Administrator shall, within 1 year after the date of the enactment of the Water Quality Act of 1987 and biennially thereafter, publish and disseminate a lake restoration guidance manual describing methods, procedures, and processes to guide State and local efforts to improve, restore, and enhance water quality in the Nation's publicly owned lakes.".

(d) CONFORMING AMENDMENTS.—Section 314 is further amended—

(1) in subsection (b) by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (a) of this section";

(2) in subsection (c)(1) by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (b) of this section" and by striking out "this section" the second place it appears and inserting in lieu thereof "subsection (a) of this section"; and

(3) in subsection (c)(2) by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (b) of this section" and by striking out "this section" the second place it appears and inserting in lieu thereof "subsection (a) of this section".

SEC. 316. MANAGEMENT OF NONPOINT SOURCES OF POLLUTION.

(a) IN GENERAL.—Title III is amended by adding at the end the following new section:

"SEC. 319. NONPOINT SOURCE MANAGEMENT PROGRAMS.

"(a) STATE ASSESSMENT REPORTS.—

"(1) CONTENTS.—The Governor of each State shall, after notice and opportunity for public comment, prepare and submit to the Administrator for approval, a report which—

"(A) identifies those navigable waters within the State which, without additional action to control nonpoint sources of pollution, cannot reasonably be expected to attain or maintain applicable water quality standards or the goals and requirements of this Act;

"(B) identifies those categories and subcategories of nonpoint sources or, where appropriate, particular nonpoint sources which add significant pollution to each portion of the navigable waters identified under subparagraph (A) in amounts which contribute to such portion not meeting such water quality standards or such goals and requirements;

"(C) describes the process, including intergovernmental coordination and public participation, for identifying best management practices and measures to control each category and subcategory of nonpoint sources and, where appropriate, particular nonpoint sources identified under subparagraph (B) and to reduce, to the maximum extent practicable, the level of pollution resulting from such category, subcategory, or source; and

"(D) identifies and describes State and local programs for controlling pollution added from nonpoint sources to, and improving the quality of, each such portion of the navigable waters, including but not limited to those programs which are receiving Federal assistance under subsections (h) and (i).

"(2) INFORMATION USED IN PREPARATION.—In developing the report required by this section, the State (A) may rely upon information developed pursuant to sections 208, 303(e), 304(f), 305(b), and 314, and other information as appropriate, and (B) may utilize appropriate elements of the waste treatment management plans developed pursuant to sections 208(b) and 303, to the extent such elements are consistent with and fulfill the requirements of this section.

"(b) State Management Programs.—

"(1) In general.—The Governor of each State, for that State or in combination with adjacent States, shall, after notice and opportunity for public comment, prepare and submit to the Administrator for approval a management program which such State proposes to implement in the first four fiscal years beginning after the date of submission of such management program for controlling pollution added from nonpoint sources to the navigable waters within the State and improving the quality of such waters.

"(2) Specific contents.—Each management program proposed for implementation under this subsection shall include each of the following:

"(A) An identification of the best management practices and measures which will be undertaken to reduce pollutant loadings resulting from each category, subcategory, or particular nonpoint source designated under paragraph (1)(B), taking into account the impact of the practice on ground water quality.

"(B) An identification of programs (including, as appropriate, nonregulatory or regulatory programs for enforcement, technical assistance, financial assistance, education, training, technology transfer, and demonstration projects) to achieve implementation of the best management practices by the categories, subcategories, and particular nonpoint sources designated under subparagraph (A).

"(C) A schedule containing annual milestones for (i) utilization of the program implementation methods identified in subparagraph (B), and (ii) implementation of the best management practices identified in subparagraph (A) by the categories, subcategories, or particular nonpoint sources designated under paragraph (1)(B). Such schedule shall provide for utilization of the best management practices at the earliest practicable date.

"(D) A certification of the attorney general of the State or States (or the chief attorney of any State water pollution control agency which has independent legal counsel) that the laws of the State or States, as the case may be, provide adequate authority to implement such management program or, if there is not such adequate authority, a list of such additional authorities as will be necessary to implement such management program. A schedule and commitment by the State or States to seek such additional authorities as expeditiously as practicable.

"(E) Sources of Federal and other assistance and funding (other than assistance provided under subsections (h) and (i)) which will be available in each of such fiscal years for supporting implementation of such practices and measures and the purposes for which such assistance will be used in each of such fiscal years.

"(F) An identification of Federal financial assistance programs and Federal development projects for which the State will review individual assistance applications or development projects for their effect on water quality pursuant to the procedures set forth in Executive Order 12372 as in effect on September 17, 1983, to determine whether such assistance applications or development projects would be consistent with the program prepared under this subsection; for the purposes of this subparagraph, identification shall not be limited to the assistance programs or development projects subject to Executive Order 12372 but may include any programs listed in the most recent Catalog of Federal Domestic Assistance which may have an effect on the purposes and objectives of the State's nonpoint source pollution management program.

"(3) Utilization of local and private experts.—In developing and implementing a management program under this subsection, a State shall, to the maximum extent practicable, involve local public and private agencies and organizations which have expertise in control of nonpoint sources of pollution.

"(4) Development on watershed basis.—A State shall, to the maximum extent practicable, develop and implement a management program under this subsection on a watershed-by-watershed basis within such State.

"(c) Administrative Provisions.—

"(1) Cooperation requirement.—Any report required by subsection (a) and any management program and report required by subsection (b) shall be developed in cooperation with local, substate regional, and interstate entities which are actively planning for the implementation of nonpoint source pollution controls and have either been certified by the Administrator in accordance with section 208, have worked jointly with the State on water quality management planning under section 205(j), or have been designated by the State legislative body or Governor as water quality management planning agencies for their geographic areas.

"(2) Time period for submission of reports and management programs.—Each report and management program shall be submitted to the Administrator during the 18-month period beginning on the date of the enactment of this section.

"(d) Approval or Disapproval of Reports and Management Programs.—

"(1) Deadline.—Subject to paragraph (2), not later than 180 days after the date of submission to the Administrator of any report or management program under this section (other than subsections (h), (i), and (k)), the Administrator shall either approve or disapprove such report or management program, as the case may be. The Administrator may approve a portion of a management program under this subsection. If the Administrator does not disapprove a report, management program, or portion of a management program in such 180-day period, such report, management program, or portion shall be deemed approved for purposes of this section.

"(2) Procedure for disapproval.—If, after notice and opportunity for public comment and consultation with appropriate Federal and State agencies and other interested persons, the Administrator determines that—

"(A) the proposed management program or any portion thereof does not meet the requirements of subsection (b)(2) of this section or is not likely to satisfy, in whole or in part, the goals and requirements of this Act;

"(B) adequate authority does not exist, or adequate resources are not available, to implement such program or portion;

"(C) the schedule for implementing such program or portion is not sufficiently expeditious; or

"(D) the practices and measures proposed in such program or portion are not adequate to reduce the level of pollution in navigable waters in the State resulting from nonpoint sources and to improve the quality of navigable waters in the State;

the Administrator shall within 6 months of the receipt of the proposed program notify the State of any revisions or modifications necessary to obtain approval. The State shall thereupon have an additional 3 months to submit its revised management program and the Administrator shall approve or disapprove such revised program within three months of receipt.

"(3) Failure of state to submit report.—If a Governor of a State does not submit the report required by subsection (a) within the period specified by subsection (c)(2), the Administrator shall, within 30 months after the date of the enactment of this section, prepare a report for such State which makes the identifications required by paragraphs (1)(A) and (1)(B) of subsection (a). Upon completion of the requirement of the preceding sentence and after notice and opportunity for comment, the Administrator shall report to Congress on his actions pursuant to this section.

"(e) Local Management Programs; Technical Assistance.—If a State fails to submit a management program under subsection (b) or the Administrator does not approve such a management program, a local public agency or organization which has expertise in, and authority to, control water pollution resulting from nonpoint sources in any area of such State which the Administrator determines is of sufficient geographic size may, with approval of such State, request the Administrator to provide, and the Administrator shall provide, technical assistance to such agency or organization in developing for such area a management program which is described in subsection (b) and can be approved pursuant to subsection (d). After development of such management program, such agency or organization shall submit such management program to the Administrator for approval. If the Administrator approves such management program, such agency or organization shall be eligible to receive financial assistance under subsection (h) for implementation of such management program as if such agency or organization were a State for which a report submitted under subsection (a) and a management program submitted under subsection (b) were approved under this section. Such financial assistance shall be subject to the same terms and conditions as assistance provided to a State under subsection (h).

"(f) Technical Assistance for States.—Upon request of a State, the Administrator may provide technical assistance to such State in developing a management program approved under subsection (b) for those portions of the navigable waters requested by such State.

"(g) Interstate Management Conference.—

"(1) Convening of conference; notification; purpose.—If any portion of the navigable waters in any State which is implementing a management program approved under this section is not meeting applicable water quality standards or the goals and requirements of this Act as a result, in whole or in part, of pollution from nonpoint sources in another State, such State may petition the Administrator to convene, and the Administrator shall convene, a management conference of all States which contribute significant pollution resulting from nonpoint sources to such portion. If, on the basis of information available, the Administrator determines that a State is not meeting applicable water quality standards or the goals and requirements of this Act as a result, in whole or in part, of significant pollution from nonpoint sources in another State, the Administrator shall notify such States. The Administrator may convene a management conference under this paragraph not later than 180 days after giving such notification, whether or not the State which is not meeting such standards requests such conference. The purpose of such conference shall be to develop an agreement among such States to reduce the level of pollution in such portion resulting from nonpoint sources and to improve the water quality of such portion. Nothing in such agreement shall supersede or abrogate rights to quantities of water which have been established by interstate water compacts, Supreme Court decrees, or State water laws. This subsection shall not apply to any pollution which is subject to the Colorado River Basin Salinity Control Act. The requirement that the Administrator convene a management conference shall not be subject to the provisions of section 505 of this Act.

"(2) STATE MANAGEMENT PROGRAM REQUIREMENT.—To the extent that the States reach agreement through such conference, the management programs of the States which are parties to such agreements and which contribute significant pollution to the navigable waters or portions thereof not meeting applicable water quality standards or goals and requirements of this Act will be revised to reflect such agreement. Such management programs shall be consistent with Federal and State law.

"(h) GRANT PROGRAM.—

"(1) GRANTS FOR IMPLEMENTATION OF MANAGEMENT PROGRAMS.—Upon application of a State for which a report submitted under subsection (a) and a management program submitted under subsection (b) is approved under this section, the Administrator shall make grants, subject to such terms and conditions as the Administrator considers appropriate, under this subsection to such State for the purpose of assisting the State in implementing such management program. Funds reserved pursuant to section 205(j)(5) of this Act may be used to develop and implement such management program.

"(2) APPLICATIONS.—An application for a grant under this subsection in any fiscal year shall be in such form and shall contain such other information as the Administrator may require, including an identification and description of the best management practices and measures which the State proposes to assist, encourage, or require in such year with the Federal assistance to be provided under the grant.

"(3) FEDERAL SHARE.—The Federal share of the cost of each management program implemented with Federal assistance under this subsection in any fiscal year shall not exceed 60 percent of the cost incurred by the State in implementing such management program and shall be made on condition that the non-Federal share is provided from non-Federal sources.

"(4) LIMITATION ON GRANT AMOUNTS.—Notwithstanding any other provision of this subsection, not more than 15 percent of the amount appropriated to carry out this subsection may be used to make grants to any one State, including any grants to any local public agency or organization with authority to control pollution from nonpoint sources in any area of such State.

"(5) PRIORITY FOR EFFECTIVE MECHANISMS.—For each fiscal year beginning after September 30, 1987, the Administrator may give priority in making grants under this subsection, and shall give consideration in determining the Federal share of any such grant, to States which have implemented or are proposing to implement management programs which will—

"(A) control particularly difficult or serious nonpoint source pollution problems, including, but not limited to, problems resulting from mining activities;

"(B) implement innovative methods or practices for controlling nonpoint sources of pollution, including regulatory programs where the Administrator deems appropriate;

"(C) control interstate nonpoint source pollution problems; or

"(D) carry out ground water quality protection activities which the Administrator determines are part of a comprehensive nonpoint source pollution control program, including research, planning, ground water assessments, demonstration programs, enforcement, technical assistance, education, and training to protect ground water quality from nonpoint sources of pollution.

"(6) AVAILABILITY FOR OBLIGATION.—The funds granted to each State pursuant to this subsection in a fiscal year shall remain available for obligation by such State for the fiscal year for which appropriated. The amount of any such funds not obligated by the end of such fiscal year shall be available to the Administrator for granting to other States under this subsection in the next fiscal year.

"(7) LIMITATION ON USE OF FUNDS.—States may use funds from grants made pursuant to this section for financial assistance to persons only to the extent that such assistance is related to the costs of demonstration projects.

"(8) SATISFACTORY PROGRESS.—No grant may be made under this subsection in any fiscal year to a State which in the preceding fiscal year received a grant under this subsection unless the Administrator determines that such State made satisfactory progress in such preceding fiscal year in meeting the schedule specified by such State under subsection (b)(2).

"(9) MAINTENANCE OF EFFORT.—No grant may be made to a State under this subsection in any fiscal year unless such State enters into such agreements with the Administrator as the Administrator may require to ensure that such State will maintain its aggregate expenditures from all other sources for programs for controlling pollution added to the navigable waters in such State from nonpoint sources and improving the quality of such waters at or above the average level of such expenditures in its two fiscal years preceding the date of enactment of this subsection.

"(10) REQUEST FOR INFORMATION.—The Administrator may request such information, data, and reports as he considers necessary to make the determination of continuing eligibility for grants under this section.

"(11) REPORTING AND OTHER REQUIREMENTS.—Each State shall report to the Administrator on an annual basis concerning (A) its progress in meeting the schedule of milestones submitted pursuant to subsection (b)(2)(C) of this section, and (B) to the extent that appropriate information is available, reductions in nonpoint source pollutant loading and improvements in water quality for those navigable waters or watersheds within the State which were identified pursuant to subsection (a)(1)(A) of this section resulting from implementation of the management program.

"(12) LIMITATION ON ADMINISTRATIVE COSTS.—For purposes of this subsection, administrative costs in the form of salaries, overhead, or indirect costs for services provided and charged against activities and programs carried out with a grant under this subsection shall not exceed in any fiscal year 10 percent of the amount of the grant in such year, except that costs of implementing enforcement and regulatory activities, education, training, technical assistance, demonstration projects, and technology transfer programs shall not be subject to this limitation.

"(i) GRANTS FOR PROTECTING GROUNDWATER QUALITY.—

"(1) ELIGIBLE APPLICANTS AND ACTIVITIES.—Upon application of a State for which a report submitted under subsection (a) and a plan submitted under subsection (b) is approved under this section, the Administrator shall make grants under this subsection to such State for the purpose of assisting such State in carrying out groundwater quality protection activities which the Administrator determines will advance the State toward implementation of a comprehensive nonpoint source pollution control program. Such activities shall include, but not be limited to, research, planning, groundwater assessments, demonstration programs, enforcement, technical assistance, education and training to protect the quality of groundwater and to prevent contamination of groundwater from nonpoint sources of pollution.

"(2) APPLICATIONS.—An application for a grant under this subsection shall be in such form and shall contain such information as the Administrator may require.

"(3) FEDERAL SHARE; MAXIMUM AMOUNT.—The Federal share of the cost of assisting a State in carrying out groundwater protection activities in any fiscal year under this subsection shall be 50 percent of the costs incurred by the State in carrying out such activities, except that the maximum amount of Federal assistance which any State may receive under this subsection in any fiscal year shall not exceed $150,000.

"(4) REPORT.—The Administrator shall include in each report transmitted under subsection (m) a report on the activities and programs implemented under this subsection during the preceding fiscal year.

"(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out subsections (h) and (i) not to exceed $70,000,000 for fiscal year 1988, $100,000,000 per fiscal year for each of fiscal years 1989 and 1990, and $130,000,000 for fiscal year 1991; except that for each of such fiscal years not to exceed $7,500,000 may be made available to carry out subsection (i). Sums appropriated pursuant to this subsection shall remain available until expended.

"(k) CONSISTENCY OF OTHER PROGRAMS AND PROJECTS WITH MANAGEMENT PROGRAMS.—The Administrator shall transmit to the Office of Management and Budget and the appropriate Federal departments and agencies a list of those assistance programs and development projects identified by each State under subsection (b)(2)(F) for which individual assistance applications and projects will be reviewed pursuant to the procedures set forth in Executive Order 12372 as in effect on September 17, 1983. Beginning not later than sixty days after receiving notification by the Administrator, each Federal department and agency shall modify existing regulations to allow States to review individual development projects and assistance applications under the identified Federal assistance programs and shall accommodate, according to the requirements and definitions of Executive Order 12372, as in effect on September 17, 1983, the concerns of the State regarding the consistency of such applications or projects with the State nonpoint source pollution management program.

"(l) Collection of Information.—The Administrator shall collect and make available, through publications and other appropriate means, information pertaining to management practices and implementation methods, including, but not limited to, (1) information concerning the costs and relative efficiencies of best management practices for reducing nonpoint source pollution; and (2) available data concerning the relationship between water quality and implementation of various management practices to control nonpoint sources of pollution.

"(m) Reports of Administrator.—

"(1) Annual reports.—Not later than January 1, 1988, and each January 1 thereafter, the Administrator shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate, a report for the preceding fiscal year on the activities and programs implemented under this section and the progress made in reducing pollution in the navigable waters resulting from nonpoint sources and improving the quality of such waters.

"(2) Final report.—Not later than January 1, 1990, the Administrator shall transmit to Congress a final report on the activities carried out under this section. Such report, at a minimum, shall—

"(A) describe the management programs being implemented by the States by types and amount of affected navigable waters, categories and subcategories of nonpoint sources, and types of best management practices being implemented;

"(B) describe the experiences of the States in adhering to schedules and implementing best management practices;

"(C) describe the amount and purpose of grants awarded pursuant to subsections (h) and (i) of this section;

"(D) identify, to the extent that information is available, the progress made in reducing pollutant loads and improving water quality in the navigable waters;

"(E) indicate what further actions need to be taken to attain and maintain in those navigable waters (i) applicable water quality standards, and (ii) the goals and requirements of this Act;

"(F) include recommendations of the Administrator concerning future programs (including enforcement programs) for controlling pollution from nonpoint sources; and

"(G) identify the activities and programs of departments, agencies, and instrumentalities of the United States which are inconsistent with the management programs submitted by the States and recommend modifications so that such activities and programs are consistent with and assist the States in implementation of such management programs.

"(n) Set Aside for Administrative Personnel.—Not less than 5 percent of the funds appropriated pursuant to subsection (j) for any fiscal year shall be available to the Administrator to maintain personnel levels at the Environmental Protection Agency at levels which are adequate to carry out this section in such year.".

(b) Policy for Control of Nonpoint Sources of Pollution.—Section 101(a) is amended by striking out "and" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and by adding at the end thereof the following:

"(7) it is the national policy that programs for the control of nonpoint sources of pollution be developed and implemented in an expeditious manner so as to enable the goals of this Act to be met through the control of both point and nonpoint sources of pollution.".

(c) Eligibility of Nonpoint Sources.—The last sentence of section 201(g)(1) is amended by—

(1) striking out "sentence," the first place it appears and inserting in lieu thereof "sentences,";

(2) inserting "(A)" after "October 1, 1984, for"; and

(3) inserting before "except that" the following: "and (B) any purpose for which a grant may be made under section 319 (h) and (i) of this Act (including any innovative and alternative approaches for the control of nonpoint sources of pollution),".

(d) Reservation of Funds.—Section 205(j) is amended by adding at the end the following new paragraph:

"(5) Nonpoint source reservation.—In addition to the sums reserved under paragraph (1), the Administrator shall reserve each fiscal year for each State 1 percent of the sums allotted and available for obligation to such State under this section for each fiscal year beginning on or after October 1, 1986, or $100,000, whichever is greater, for the purpose of carrying out section 319 of this Act. Sums so reserved in a State in any fiscal year for which such State does not request the use of such sums, to the extent such sums exceed $100,000, may be used by such State for other purposes under this title.".

(e) Conforming Amendment.—Section 304(k)(1) is amended by inserting "and nonpoint source pollution management programs approved under section 319 of this Act" after "208 of this Act".

SEC. 317. NATIONAL ESTUARY PROGRAM.

(a) Purposes and Policies.—

(1) Findings.—Congress finds and declares that—

(A) the Nation's estuaries are of great importance for fish and wildlife resources and recreation and economic opportunity;

(B) maintaining the health and ecological integrity of these estuaries is in the national interest;

(C) increasing coastal population, development, and other direct and indirect uses of these estuaries threaten their health and ecological integrity;

(D) long-term planning and management will contribute to the continued productivity of these areas, and will maximize their utility to the Nation; and

(E) better coordination among Federal and State programs affecting estuaries will increase the effectiveness and efficiency of the national effort to protect, preserve, and restore these areas.

(2) Purposes.—The purposes of this section are to—

(A) identify nationally significant estuaries that are threatened by pollution, development, or overuse;

(B) promote comprehensive planning for, and conservation and management of, nationally significant estuaries;

(C) encourage the preparation of management plans for estuaries of national significance; and

(D) enhance the coordination of estuarine research.

(b) Management Program.—Title III is amended by adding at the end thereof the following new section:

"SEC. 320. NATIONAL ESTUARY PROGRAM.

"(a) Management Conference.—

"(1) Nomination of estuaries.—The Governor of any State may nominate to the Administrator an estuary lying in whole or in part within the State as an estuary of national significance and request a management conference to develop a comprehensive management plan for the estuary. The nomination shall document the need for the conference, the likelihood of success, and information relating to the factors in paragraph (2).

"(2) Convening of conference.—

"(A) In general.—In any case where the Administrator determines, on his own initiative or upon nomination of a State under paragraph (1), that the attainment or maintenance of that water quality in an estuary which assures protection of public water supplies and the protection and propagation of a balanced, indigenous population of shellfish, fish, and wildlife, and allows recreational activities, in and on the water, requires the control of point and nonpoint sources of pollution to supplement existing controls of pollution in more than one State, the Administrator shall select such estuary and convene a management conference.

"(B) Priority consideration.—The Administrator shall give priority consideration under this section to Long Island Sound, New York and Connecticut; Narragansett Bay, Rhode Island; Buzzards Bay, Massachusetts; Puget Sound, Washington; New York-New Jersey Harbor, New York and New Jersey; Delaware Bay, Delaware and New Jersey; Delaware Inland Bays, Delaware; Albemarle Sound, North Carolina; Sarasota Bay, Florida; San Francisco Bay, California; and Galveston Bay, Texas.

"(3) Boundary dispute exception.—In any case in which a boundary between two States passes through an estuary and such boundary is disputed and is the subject of an action in any court, the Administrator shall not convene a management conference with respect to such estuary before a final adjudication has been made of such dispute.

"(b) Purposes of Conference.—The purposes of any management conference convened with respect to an estuary under this subsection shall be to—

"(1) assess trends in water quality, natural resources, and uses of the estuary;

"(2) collect, characterize, and assess data on toxics, nutrients, and natural resources within the estuarine zone to identify the causes of environmental problems;

"(3) develop the relationship between the inplace loads and point and nonpoint loadings of pollutants to the estuarine zone and the potential uses of the zone, water quality, and natural resources;

"(4) develop a comprehensive conservation and management plan that recommends priority corrective actions and compliance schedules addressing point and nonpoint sources of pollution to restore and maintain the chemical, physical, and biological integrity of the estuary, including restoration and maintenance of water quality, a balanced indigenous population of shellfish, fish and wildlife, and recreational activities in the estuary, and assure that the designated uses of the estuary are protected;

"(5) develop plans for the coordinated implementation of the plan by the States as well as Federal and local agencies participating in the conference;

"(6) monitor the effectiveness of actions taken pursuant to the plan; and

"(7) review all Federal financial assistance program and Federal development project in accordance with the requirements of Executive Order 12372, as in effect on September 17, 1983, to determine whether such assistance program or project would be consistent with and further the purposes and objectives of the plan prepared under this section.

For purposes of paragraph (7), such programs and projects shall not be limited to the assistance programs and development projects subject to Executive Order 12372, but may include any programs listed in the most recent Catalog of Federal Domestic Assistance which may have an effect on the purposes and objectives of the plan developed under this section.

"(c) Members of Conference.—The members of a management conference convened under this section shall include, at a minimum, the Administrator and representatives of—

"(1) each State and foreign nation located in whole or in part in the estuarine zone of the estuary for which the conference is convened;

"(2) international, interstate, or regional agencies or entities having jurisdiction over all or a significant part of the estuary;

"(3) each interested Federal agency, as determined appropriate by the Administrator;

"(4) local governments having jurisdiction over any land or water within the estuarine zone, as determined appropriate by the Administrator; and

"(5) affected industries, public and private educational institutions, and the general public, as determined appropriate by the Administrator.

"(d) Utilization of Existing Data.—In developing a conservation and management plan under this section, the management conference shall survey and utilize existing reports, data, and studies relating to the estuary that have been developed by or made available to Federal, interstate, State, and local agencies.

"(e) Period of Conference.—A management conference convened under this section shall be convened for a period not to exceed 5 years. Such conference may be extended by the Administrator, and if terminated after the initial period, may be reconvened by the Administrator at any time thereafter, as may be necessary to meet the requirements of this section.

"(f) Approval and Implementation of Plans.—

"(1) Approval.—Not later than 120 days after the completion of a conservation and management plan and after providing for public review and comment, the Administrator shall approve such plan if the plan meets the requirements of this section and the affected Governor or Governors concur.

"(2) Implementation.—Upon approval of a conservation and management plan under this section, such plan shall be implemented. Funds authorized to be appropriated under titles II and VI and section 319 of this Act may be used in accordance with the applicable requirements of this Act to assist States with the implementation of such plan.

"(g) Grants.—

"(1) Recipients.—The Administrator is authorized to make grants to State, interstate, and regional water pollution control agencies and entities, State coastal zone management agencies, interstate agencies, other public or nonprofit private agencies, institutions, organizations, and individuals.

"(2) Purposes.—Grants under this subsection shall be made to pay for assisting research, surveys, studies, and modeling and other technical work necessary for the development of a conservation and management plan under this section.

"(3) Federal share.—The amount of grants to any person (including a State, interstate, or regional agency or entity) under this subsection for a fiscal year shall not exceed 75 percent of the costs of such research, survey, studies, and work and shall be made on condition that the non-Federal share of such costs are provided from non-Federal sources.

"(h) Grant Reporting.—Any person (including a State, interstate, or regional agency or entity) that receives a grant under subsection (g) shall report to the Administrator not later than 18 months after receipt of such grant and biennially thereafter on the progress being made under this section.

"(i) Authorization of Appropriations.—There are authorized to be appropriated to the Administrator not to exceed $12,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991 for—

"(1) expenses related to the administration of management conferences under this section, not to exceed 10 percent of the amount appropriated under this subsection;

"(2) making grants under subsection (g); and

"(3) monitoring the implementation of a conservation and management plan by the management conference or by the Administrator, in any case in which the conference has been terminated.

The Administrator shall provide up to $5,000,000 per fiscal year of the sums authorized to be appropriated under this subsection to the Administrator of the National Oceanic and Atmospheric Administration to carry out subsection (j).

"(j) Research.—

"(1) Programs.—In order to determine the need to convene a management conference under this section or at the request of such a management conference, the Administrator shall coordinate and implement, through the National Marine Pollution Program Office and the National Marine Fisheries Service of the National Oceanic and Atmospheric Administration, as appropriate, for one or more estuarine zones—

"(A) a long-term program of trend assessment monitoring measuring variations in pollutant concentrations, marine ecology, and other physical or biological environmental parameters which may affect estuarine zones, to provide the Administrator the capacity to determine the potential and actual effects of alternative management strategies and measures;

"(B) a program of ecosystem assessment assisting in the development of (i) baseline studies which determine the state of estuarine zones and the effects of natural and anthropogenic changes, and (ii) predictive models capable of translating information on specific discharges or general pollutant loadings within estuarine zones into a set of probable effects on such zones;

"(C) a comprehensive water quality sampling program for the continuous monitoring of nutrients, chlorine, acid precipitation dissolved oxygen, and potentially toxic pollutants (including organic chemicals and metals) in estuarine zones, after consultation with interested State, local, interstate, or international agencies and review and analysis of all environmental sampling data presently collected from estuarine zones; and

"(D) a program of research to identify the movements of nutrients, sediments and pollutants through estuarine zones and the impact of nutrients, sediments, and pollutants on water quality, the ecosystem, and designated or potential uses of the estuarine zones.

"(2) Reports.—The Administrator, in cooperation with the Administrator of the National Oceanic and Atmospheric Administration, shall submit to the Congress no less often than biennially a comprehensive report on the activities authorized under this subsection including—

"(A) a listing of priority monitoring and research needs;

"(B) an assessment of the state and health of the Nation's estuarine zones, to the extent evaluated under this subsection;

"(C) a discussion of pollution problems and trends in pollutant concentrations with a direct or indirect effect on water quality, the ecosystem, and designated or potential uses of each estuarine zone, to the extent evaluated under this subsection; and

"(D) an evaluation of pollution abatement activities and management measures so far implemented to determine the degree of improvement toward the objectives expressed in subsection (b)(4) of this section.

"(k) Definitions.—For purposes of this section, the terms 'estuary' and 'estuarine zone' have the meanings such terms have in section 104(n)(4) of this Act, except that the term 'estuarine zone' shall also include associated aquatic ecosystems and those portions of tributaries draining into the estuary up to the historic height of migration of anadromous fish or the historic head of tidal influence, whichever is higher.".

SEC. 318. UNCONSOLIDATED QUATERNARY AQUIFER.

Notwithstanding any other provision of law, no person may—

(1) locate or authorize the location of a landfill, surface impoundment, waste pile, injection well, or land treatment facility over the Unconsolidated Quaternary Aquifer, or the recharge zone or streamflow source zone of such aquifer, in the Rockaway River Basin, New Jersey (as such aquifer and zones are described in the Federal Register, January 24, 1984, pages 2946-2948); or

(2) place or authorize the placement of solid waste in a landfill, surface impoundment, waste pile, injection well, or land treatment facility over such aquifer or zone.

This section may be enforced under sections 309 (a) and (b) of the Federal Water Pollution Control Act. For purposes of section 309(c) of such Act, a violation of this section shall be considered a violation of section 301 of the Federal Water Pollution Control Act.

TITLE IV—PERMITS AND LICENSES

SEC. 401. STORMWATER RUNOFF FROM OIL, GAS, AND MINING OPERATIONS.

(a) Limitation on Permit Requirement.—Section 402(l) is amended by inserting "(1) Agricultural return flows.—" before "The Administrator" and by adding at the end thereof the following:

"(2) Stormwater runoff from oil, gas, and mining operations.—The Administrator shall not require a permit under this section, nor shall the Administrator directly or indirectly require any State to require a permit, for discharges of stormwater runoff from mining operations or oil and gas exploration, production, processing, or treatment operations or transmission facilities, composed entirely of flows which are from conveyances or systems of conveyances (including but not limited to pipes, conduits, ditches, and channels) used for collecting and conveying precipitation runoff and which are not contaminated by contact with, or do not come into contact with, any overburden, raw material, intermediate products, finished product, by-product, or waste products located on the site of such operations.".

(b) Conforming Amendments.—Section 402(l) is further amended—

(1) by inserting "Limitation on Permit Requirement.—" after "(1)"; and

(2) by indenting paragraph (1) of such section, as designated by subsection (a) of this section, and aligning such paragraph with paragraph (2) of such section, as added by such subsection (a).

SEC. 402. ADDITIONAL PRETREATMENT OF CONVENTIONAL POLLUTANTS NOT REQUIRED.

Section 402 is amended by adding at the end thereof the following new subsection:

"(m) Additional Pretreatment of Conventional Pollutants Not Required.—To the extent a treatment works (as defined in section 212 of this Act) which is publicly owned is not meeting the requirements of a permit issued under this section for such treatment works as a result of inadequate design or operation of such treatment works, the Administrator, in issuing a permit under this section, shall not require pretreatment by a person introducing conventional pollutants identified pursuant to section 304(a)(4) of this Act into such treatment works other than pretreatment required to assure compliance with pretreatment standards under subsection (b)(8) of this section and section 307(b)(1) of this Act. Nothing in this subsection shall affect the Administrator's authority under sections 307 and 309 of this Act, affect State and local authority under sections 307(b)(4) and 510 of this Act, relieve such treatment works of its obligations to meet requirements established under this Act, or otherwise preclude such works from pursuing whatever feasible options are available to meet its responsibility to comply with its permit under this section.".

SEC. 403. PARTIAL NPDES PROGRAM.

(a) Partial Permit Program.—Section 402 is amended by adding at the end the following:

"(n) Partial Permit Program.—

"(1) State submission.—The Governor of a State may submit under subsection (b) of this section a permit program for a portion of the discharges into the navigable waters in such State.

"(2) Minimum coverage.—A partial permit program under this subsection shall cover, at a minimum, administration of a major category of the discharges into the navigable waters of the State or a major component of the permit program required by subsection (b).

"(3) Approval of major category partial permit programs.—The Administrator may approve a partial permit program covering administration of a major category of discharges under this subsection if—

"(A) such program represents a complete permit program and covers all of the discharges under the jurisdiction of a department or agency of the State; and

"(B) the Administrator determines that the partial program represents a significant and identifiable part of the State program required by subsection (b).

"(4) Approval of major component partial permit programs.—The Administrator may approve under this subsection a partial and phased permit program covering administration of a major component (including discharge categories) of a State permit program required by subsection (b) if—

"(A) the Administrator determines that the partial program represents a significant and identifiable part of the State program required by subsection (b); and

"(B) the State submits, and the Administrator approves, a plan for the State to assume administration by phases of the remainder of the State program required by subsection (b) by a specified date not more than 5 years after submission of the partial program under this subsection and agrees to make all reasonable efforts to assume such administration by such date.".

(b) Return of State Permit Program to Administrator.—

(1) In general.—Section 402(c) is amended by adding at the end thereof the following new paragraph:

"(4) Limitations on partial permit program returns and withdrawals.—A State may return to the Administrator administration, and the Administrator may withdraw under paragraph (3) of this subsection approval, of—

"(A) a State partial permit program approved under subsection (n)(3) only if the entire permit program being administered by the State department or agency at the time is returned or withdrawn; and

"(B) a State partial permit program approved under subsection (n)(4) only if an entire phased component of the permit program being administered by the State at the time is returned or withdrawn.".

(2) Conforming amendment.—Section 402(c)(1) is amended by striking out "as to those navigable waters" and inserting in lieu thereof "as to those discharges".

SEC. 404. ANTI-BACKSLIDING.

(a) General Rule.—Section 402 is amended by adding at the end thereof the following new subsection:

"(o) Anti-Backsliding.—

"(1) General prohibition.—In the case of effluent limitations established on the basis of subsection (a)(1)(B) of this section, a permit may not be renewed, reissued, or modified on the basis of effluent guidelines promulgated under section 304(b) subsequent to the original issuance of such permit, to contain effluent limitations which are less stringent than the comparable effluent limitations in the previous permit. In the case of effluent limitations established on the basis of section 301(b)(1)(C) or section 303 (d) or (e), a permit may not be renewed, reissued, or modified to contain effluent limitations which are less stringent than the comparable effluent limitations in the previous permit except in compliance with section 303(d)(4).

"(2) Exceptions.—A permit with respect to which paragraph (1) applies may be renewed, reissued, or modified to contain a less stringent effluent limitation applicable to a pollutant if—

"(A) material and substantial alterations or additions to the permitted facility occurred after permit issuance which justify the application of a less stringent effluent limitation;

"(B)(i) information is available which was not available at the time of permit issuance (other than revised regulations, guidance, or test methods) and which would have justified the application of a less stringent effluent limitation at the time of permit issuance; or

"(ii) the Administrator determines that technical mistakes or mistaken interpretations of law were made in issuing the permit under subsection (a)(1)(B);

"(C) a less stringent effluent limitation is necessary because of events over which the permittee has no control and for which there is no reasonably available remedy;

"(D) the permittee has received a permit modification under section 301(c), 301(g), 301(h), 301(i), 301(k), 301(n), or 316(a); or

"(E) the permittee has installed the treatment facilities required to meet the effluent limitations in the previous permit and has properly operated and maintained the facilities but has nevertheless been unable to achieve the previous effluent limitations, in which case the limitations in the reviewed, reissued, or modified permit may reflect the level of pollutant control actually achieved (but shall not be less stringent than required by effluent guidelines in effect at the time of permit renewal, reissuance, or modification).

Subparagraph (B) shall not apply to any revised waste load allocations or any alternative grounds for translating water quality standards into effluent limitations, except where the cumulative effect of such revised allocations results in a decrease in the amount of pollutants discharged into the concerned waters, and such revised allocations are not the result of a discharger eliminating or substantially reducing its discharge of pollutants due to complying with the requirements of this Act or for reasons otherwise unrelated to water quality.

"(3) Limitations.—In no event may a permit with respect to which paragraph (1) applies be renewed, reissued, or modified to contain an effluent limitation which is less stringent than required by effluent guidelines in effect at the time the permit is renewed, reissued, or modified. In no event may such a permit to discharge into waters be renewed, reissued, or modified to contain a less stringent effluent limitation if the implementation of such limitation would result in a violation of a water quality standard under section 303 applicable to such waters.".

(b) Limitations on Revision of Certain Effluent Limitations.—Section 303(d) of the Act is amended by adding at the end thereof the following new paragraph:

"(4) Limitations on revision of certain effluent limitations.—

"(A) Standard not attained.—For waters identified under paragraph (1)(A) where the applicable water quality standard has not yet been attained, any effluent limitation based on a total maximum daily load or other waste load allocation established under this section may be revised only if (i) the cumulative effect of all such revised effluent limitations based on such total maximum daily load or waste load allocation will assure the attainment of such water quality standard, or (ii) the designated use which is not being attained is removed in accordance with regulations established under this section.

"(B) Standard attained.—For waters identified under paragraph (1)(A) where the quality of such waters equals or exceeds levels necessary to protect the designated use for such waters or otherwise required by applicable water quality standards, any effluent limitation based on a total maximum daily load or other waste load allocation established under this section, or any water quality standard established under this section, or any other permitting standard may be revised only if such revision is subject to and consistent with the antidegradation policy established under this section.".

(c) STUDY.—The Administrator shall study—

(1) the extent to which States have reviewed, revised, and adopted water quality standards in accordance with section 24 of the Municipal Wastewater Treatment Construction Grant Amendments of 1981; and

(2) the extent to which modifications of permits issued under section 402(a)(1)(B) of the Federal Water Pollution Control Act for the purpose of reflecting any revisions to water quality standards should be encouraged or discouraged.

The Administrator shall submit a report on such study, together with recommendations, to Congress not later than 2 years after the date of the enactment of this Act.

(d) CONFORMING AMENDMENT.—Section 402(a)(1) is amended by inserting "(A)" after "either" and by inserting "(B)" after "this Act, or".

SEC. 405. MUNICIPAL AND INDUSTRIAL STORMWATER DISCHARGES.

(a) Section 402 is amended by adding at the end thereof the following new subsection:

"(p) MUNICIPAL AND INDUSTRIAL STORMWATER DISCHARGES.—

"(1) GENERAL RULE.—Prior to October 1, 1992, the Administrator or the State (in the case of a permit program approved under section 402 of this Act) shall not require a permit under this section for discharges composed entirely of stormwater.

"(2) EXCEPTIONS.—Paragraph (1) shall not apply with respect to the following stormwater discharges:

"(A) A discharge with respect to which a permit has been issued under this section before the date of the enactment of this subsection.

"(B) A discharge associated with industrial activity.

"(C) A discharge from a municipal separate storm sewer system serving a population of 250,000 or more.

"(D) A discharge from a municipal separate storm sewer system serving a population of 100,000 or more but less than 250,000.

"(E) A discharge for which the Administrator or the State, as the case may be, determines that the stormwater discharge contributes to a violation of a water quality standard or is a significant contributor of pollutants to waters of the United States.

"(3) PERMIT REQUIREMENTS.—

"(A) INDUSTRIAL DISCHARGES.—Permits for discharges associated with industrial activity shall meet all applicable provisions of this section and section 301.

"(B) MUNICIPAL DISCHARGE.—Permits for discharges from municipal storm sewers—

"(i) may be issued on a system- or jurisdiction-wide basis;

"(ii) shall include a requirement to effectively prohibit non-stormwater discharges into the storm sewers; and

"(iii) shall require controls to reduce the discharge of pollutants to the maximum extent practicable, including management practices, control techniques and system, design and engineering methods, and such other provisions as the Administrator or the State determines appropriate for the control of such pollutants.

"(4) PERMIT APPLICATION REQUIREMENTS.—

"(A) INDUSTRIAL AND LARGE MUNICIPAL DISCHARGES.—Not later than 2 years after the date of the enactment of this subsection, the Administrator shall establish regulations setting forth the permit application requirements for stormwater discharges described in paragraphs (2)(B) and (2)(C). Applications for permits for such discharges shall be filed no later than 3 years after such date of enactment. Not later than 4 years after such date of enactment, the Administrator or the State, as the case may be, shall issue or deny each such permit. Any such permit shall provide for compliance as expeditiously as practicable, but in no event later than 3 years after the date of issuance of such permit.

"(B) OTHER MUNICIPAL DISCHARGES.—Not later than 4 years after the date of the enactment of this subsection, the Administrator shall establish regulations setting forth the permit application requirements for stormwater discharges described in paragraph (2)(D). Applications for permits for such discharges shall be filed no later than 5 years after such date of enactment. Not later than 6 years after such date of enactment, the Administrator or the State, as the case may be, shall issue or deny each such permit. Any such permit shall provide for compliance as expeditiously as practicable, but in no event later than 3 years after the date of issuance of such permit.

"(5) STUDIES.—The Administrator, in consultation with the States, shall conduct a study for the purposes of—

"(A) identifying those stormwater discharges or classes of stormwater discharges for which permits are not required pursuant to paragraphs (1) and (2) of this subsection,

"(B) determining, to the maximum extent practicable, the nature and extent of pollutants in such discharges; and

"(C) establishing procedures and methods to control stormwater discharges to the extent necessary to mitigate impacts on water quality.

Not later than October 1, 1988, the Administrator shall submit to Congress a report on the results of the study described in subparagraphs (A) and (B). Not later than October 1, 1989, the Administrator shall submit to Congress a report on the results of the study described in subparagraph (C).

"(6) REGULATIONS.—Not later than October 1, 1992, the Administrator, in consultation with State and local officials, shall issue regulations (based on the results of the studies conducted under paragraph (5)) which designate stormwater discharges, other than those discharges described in paragraph (2), to be regulated to protect water quality and shall establish a comprehensive program to regulate such designated sources. The program shall, at a minimum, (A) establish priorities, (B) establish requirements for State stormwater management programs, and (C) establish expeditious deadlines. The program may include performance standards, guidelines, guidance, and management practices and treatment requirements, as appropriate.".

SEC. 406. SEWAGE SLUDGE.

(a) IDENTIFICATION AND REGULATION OF TOXIC POLLUTANTS.—Section 405(d) is amended—

(1) by inserting "(1) REGULATIONS.—" before "The Administrator, after";

(2) by striking "(1)", "(2)", and "(3)" and inserting in lieu thereof "(A)", "(B)", and "(C)", respectively; and

(3) by adding at the end the following new paragraphs:

"(2) IDENTIFICATION AND REGULATION OF TOXIC POLLUTANTS.—

"(A) ON BASIS OF AVAILABLE INFORMATION.—

"(i) PROPOSED REGULATIONS.—Not later than November 30, 1986, the Administrator shall identify those toxic pollutants which, on the basis of available information on their toxicity, persistence, concentration, mobility, or potential for exposure, may be present in sewage sludge in concentrations which may adversely affect public health or the environment, and propose regulations specifying acceptable management practices for sewage sludge containing each such toxic pollutant and establishing numerical limitations for each such pollutant for each use identified under paragraph (1)(A).

"(ii) FINAL REGULATIONS.—Not later than August 31, 1987, and after opportunity for public hearing, the Administrator shall promulgate the regulations required by subparagraph (A)(i).

"(B) OTHERS.—

"(i) PROPOSED REGULATIONS.—Not later than July 31, 1987, the Administrator shall identify those toxic pollutants not identified under subparagraph (A)(i) which may be present in sewage sludge in concentrations which may adversely affect public health or the environment, and propose regulations specifying acceptable management practices for sewage sludge containing each such toxic pollutant and establishing numerical limitations for each pollutant for each such use identified under paragraph (1)(A).

"(ii) FINAL REGULATIONS.—Not later than June 15, 1988, the Administrator shall promulgate the regulations required by subparagraph (B)(i).

"(C) REVIEW.—From time to time, but not less often than every 2 years, the Administrator shall review the regulations promulgated under this paragraph for the purpose of identifying additional toxic pollutants and promulgating regulations for such pollutants consistent with the requirements of this paragraph.

"(D) MINIMUM STANDARDS; COMPLIANCE DATE.—The management practices and numerical criteria established under subparagraphs (A), (B), and (C) shall be adequate to protect public health and the environment from any reasonably anticipated adverse effects of each pollutant. Such regulations shall require compliance as expeditiously as practicable but in no case later than 12 months after their publication, unless such regulations require the construction of new pollution control facilities, in which case the regulations shall require compliance as expeditiously as practicable but in no case later than two years from the date of their publication.

"(3) ALTERNATIVE STANDARDS.—For purposes of this subsection, if, in the judgment of the Administrator, it is not feasible to prescribe or enforce a numerical limitation for a pollutant identified under paragraph (2), the Administrator may instead promulgate a design, equipment, management practice, or operational standard, or combination thereof, which in the Administrator's judgment is adequate to protect public health and the environment from any reasonably anticipated adverse effects of such pollutant. In the event the Administrator promulgates a design or equipment standard under this subsection, the Administrator shall include as part of such standard such requirements as will assure the proper operation and maintenance of any such element of design or equipment.

"(4) CONDITIONS ON PERMITS.—Prior to the promulgation of the regulations required by paragraph (2), the Administrator shall impose conditions in permits issued to publicly owned treatment works under section 402 of this Act or take such other measures as the Administrator deems appropriate to protect public health and the environment from any adverse effects which may occur from toxic pollutants in sewage sludge.

"(5) Limitation on statutory construction.—Nothing in this section is intended to waive more stringent requirements established by this Act or any other law.".

(b) Manner of Sludge Disposal.—Section 405(e) is amended to read as follows:

"(e) Manner of Sludge Disposal.—The determination of the manner of disposal or use of sludge is a local determination, except that it shall be unlawful for any person to dispose of sludge from a publicly owned treatment works or any other treatment works treating domestic sewage for any use for which regulations have been established pursuant to subsection (d) of this section, except in accordance with such regulations.".

(c) Implementation Through Permits.—Section 405 is further amended by adding at the end thereof the following:

"(f) Implementation of Regulations.—

"(1) Through section 402 permits.—Any permit issued under section 402 of this Act to a publicly owned treatment works or any other treatment works treating domestic sewage shall include requirements for the use and disposal of sludge that implement the regulations established pursuant to subsection (d) of this section, unless such requirements have been included in a permit issued under the appropriate provisions of subtitle C of the Solid Waste Disposal Act, part C of the Safe Drinking Water Act, the Marine Protection, Research, and Sanctuaries Act of 1972, or the Clean Air Act, or under State permit programs approved by the Administrator, where the Administrator determines that such programs assure compliance with any applicable requirements of this section. Not later than December 15, 1986, the Administrator shall promulgate procedures for approval of State programs pursuant to this paragraph.

"(2) Through other permits.—In the case of a treatment works described in paragraph (1) that is not subject to section 402 of this Act and to which none of the other above listed permit programs nor approved State permit authority apply, the Administrator may issue a permit to such treatment works solely to impose requirements for the use and disposal of sludge that implement the regulations established pursuant to subsection (d) of this section. The Administrator shall include in the permit appropriate requirements to assure compliance with the regulations established pursuant to subsection (d) of this section. The Administrator shall establish procedures for issuing permits pursuant to this paragraph.

"(g) Studies and Projects.—

"(1) Grant program; information gathering.—The Administrator is authorized to conduct or initiate scientific studies, demonstration projects, and public information and education projects which are designed to promote the safe and beneficial management or use of sewage sludge for such purposes as aiding the restoration of abandoned mine sites, conditioning soil for parks and recreation areas, agricultural and horticultural uses, and other beneficial purposes. For the purposes of carrying out this subsection, the Administrator may make grants to State water pollution control agencies, other public or nonprofit agencies, institutions, organizations, and individuals. In cooperation with other Federal departments and agencies, other public and private agencies, institutions, and organizations, the Administrator is authorized to collect and disseminate information pertaining to the safe and beneficial use of sewage sludge.

"(2) Authorization of appropriations.—For the purposes of carrying out the scientific studies, demonstration projects, and public information and education projects authorized in this section, there is authorized to be appropriated for fiscal years beginning after September 30, 1986, not to exceed $5,000,000.".

(d) Enforcement.—(1) Section 308(a)(4) is amended by inserting "405," before "and 504".

(2) Section 505(f) is amended by striking out "or" before "(6)", and by inserting before the period "; or (7) a regulation under section 405(d) of this Act,".

(3) Section 509(b)(1)(E) is amended by striking out "or 306" and inserting in lieu thereof "306, or 405".

(e) Removal Credits.—The part of the decision of Natural Resources Defense Council, Inc. v. U.S. Environmental Protection Agency, No. 84-3530 (3d. Cir. 1986), which addresses section 405(d) of the Federal Water Pollution Control Act is stayed until August 31, 1987, with respect to—

(1) those publicly owned treatment works the owner or operator of which received authority to revise pretreatment requirements under section 307(b)(1) of such Act before the date of the enactment of this section, and

(2) those publicly owned treatment works the owner or operator of which has submitted an application for authority to revise pretreatment requirements under such section 307(b)(1) which application is pending on such date of enactment and is approved before August 31, 1987.

The Administrator shall not authorize any other removal credits under such Act until the Administrator issues the regulations required by paragraph (2)(A)(ii) of section 405(d) of such Act, as amended by subsection (a) of this section.

(f) Conforming Amendments.—Section 405(d) is further amended—

(1) by inserting "Regulations.—" after "(d)";

(2) by indenting paragraph (1) (as designated by subsection (a)(1) of this section) and aligning such paragraph with paragraph (3), as added by subsection (a)(3); and

(3) in such paragraph (1) by aligning subparagraphs (A), (B), and (C) (as designated by subsection (a)(2) of this section) with subparagraph (C) of paragraph (2), as added by subsection (a)(3) of this section.

SEC. 407. LOG TRANSFER FACILITIES.

(a) Agreement.—The Administrator and Secretary of the Army shall enter into an agreement regarding coordination of permitting for log transfer facilities to designate a lead agency and to process permits required under sections 402 and 404 of the Federal Water Pollution Control Act, where both such sections apply, for discharges associated with the construction and operation of log transfer facilities. The Administrator and Secretary are authorized to act in accordance with the terms of such agreement to assure that, to the maximum extent practicable, duplication, needless paperwork and delay in the issuance of permits, and inequitable enforcement between and among facilities in different States, shall be eliminated.

(b) Applications and Permits Before October 22, 1985.—Where both of sections 402 and 404 of the Federal Water Pollution Control Act apply, log transfer facilities which have received a permit under section 404 of such Act before October 22, 1985, shall not be required to submit a new application for a permit under section 402 of such Act. If the Administrator determines that the terms of a permit issued on or before October 22, 1985, under section 404 of such Act satisfies the applicable requirements of sections 301, 302, 306, 307, 308, and 403 of such Act, a separate application for a permit under section 402 of such Act shall not thereafter be required. In any case where the Administrator demonstrates, after an opportunity for a hearing, that the terms of a permit issued on or before October 22, 1985, under section 404 of such Act do not satisfy the applicable requirements of sections 301, 302, 306, 307, 308, and 403 of such Act, modifications to the existing permit under section 404 of such Act to incorporate such applicable requirements shall be issued by the Administrator as an alternative to issuance of a separate new permit under section 402 of such Act.

(c) Log Transfer Facility Defined.—For the purposes of this section, the term "log transfer facility" means a facility which is constructed in whole or in part in waters of the United States and which is utilized for the purpose of transferring commercially harvested logs to or from a vessel or log raft, including the formation of a log raft.

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. AUDITS.

Section 501(d) is amended by inserting at the end the following new sentences: "For the purpose of carrying out audits and examinations with respect to recipients of Federal assistance under this Act, the Administrator is authorized to enter into noncompetitive procurement contracts with independent State audit organizations, consistent with chapter 75 of title 31, United States Code. Such contracts may only be entered into to the extent and in such amounts as may be provided in advance in appropriation Acts.".

SEC. 502. COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

(a) Defined as a State.—Section 502(3) is amended by inserting "the Commonwealth of the Northern Mariana Islands," after "Samoa,".

(b) Defined as Part of United States.—Section 311(a)(5) is amended by striking out "the Canal Zone," and inserting in lieu thereof "the Commonwealth of the Northern Mariana Islands,".

SEC. 503. AGRICULTURAL STORMWATER DISCHARGES.

Section 502(14) (relating to the definition of point source) is amended by inserting after "does not include" the following: "agricultural stormwater discharges and".

SEC. 504. PROTECTION OF INTERESTS OF UNITED STATES IN CITIZEN SUITS.

Section 505(c) is amended by adding at the end thereof the following new paragraph:

"(3) Protection of interests of United States.—Whenever any action is brought under this section in a court of the United States, the plaintiff shall serve a copy of the complaint on the Attorney General and the Administrator. No consent judgment shall be entered in an action in which the United States is not a party prior to 45 days following the receipt of a copy of the proposed consent judgment by the Attorney General and the Administrator.”.

SEC. 505. JUDICIAL REVIEW AND AWARD OF FEES.

(a) Location; Deadline for Appeal.—Section 509(b)(1) is amended—

(1) by striking out “transacts such business” and inserting in lieu thereof, “transacts business which is directly affected by such action”; and

(2) by striking out “ninety” and “ninetieth” and inserting in lieu thereof “120” and “120th”, respectively.

(b) Venue; Award of Fees.—Section 509(b) is amended by adding at the end thereof the following new paragraphs:

“(3) Venue.—

“(A) Selection procedure.—If applications for review of the same agency action have been filed under paragraph (1) of this subsection in 2 or more Circuit Courts of Appeals of the United States and the Administrator has received written notice of the filing of one or more applications within 30 days or less after receiving written notice of the filing of the first application, then the Administrator shall promptly advise in writing the Administrative Office of the United States Courts that applications have been filed in 2 or more Circuit Courts of Appeals of the United States, and shall identify each court for which he has written notice that such applications have been filed within 30 days or less of receiving written notice of the filing of the first such application. Pursuant to a system of random selection devised for this purpose, the Administrative Office thereupon shall, within 3 business days of receiving such written notice from the Administrator, select the court in which the record shall be filed from among those identified by the Administrator. Upon notification of such selection, the Administrator shall promptly file the record in such court. For the purpose of review of agency action which has previously been remanded to the Administrator, the record shall be filed in the Circuit Court of Appeals of the United States which remanded such action.

“(B) Administrative provisions.—Where applications have been filed under paragraph (1) of this subsection in two or more Circuit Courts of Appeals of the United States with respect to the same agency action and the record has been filed in one of such courts pursuant to subparagraph (A), the other courts in which such applications have been filed shall promptly transfer such applications to the Circuit Court of Appeals of the United States in which the record has been filed. Pending selection of a court pursuant to subparagraph (A), any court in which an application has been filed under paragraph (1) of this subsection may postpone the effective date of the agency action until 15 days after the Administrative Office has selected the court in which the record shall be filed.

“(C) Transfers.—Any court in which an application with respect to any agency action has been filed under paragraph (1) of this subsection, including any court selected pursuant to subparagraph (A), may transfer such application to any other Circuit Court of Appeals of the United States for the convenience of the parties or otherwise in the interest of justice.

“(4) Award of fees.—In any judicial proceeding under this subsection, the court may award costs of litigation (including reasonable attorney and expert witness fees) to any prevailing or substantially prevailing party whenever it determines that such award is appropriate.”.

(c) Conforming Amendment for Citizen Suit Actions.—The first sentence of section 505(d) is amended by inserting “prevailing or substantially prevailing” before “party”.

SEC. 506. INDIAN TRIBES.

Title V is amended by redesignating section 518, and any references thereto, as section 519 and by inserting after section 517 the following new section:

“SEC. 518. INDIAN TRIBES.

“(a) Policy.—Nothing in this section shall be construed to affect the application of section 101(g) of this Act, and all of the provisions of this section shall be carried out in accordance with the provisions of such section 101(g). Indian tribes shall be treated as States for purposes of such section 101(g).

“(b) Assessment of Sewage Treatment Needs; Report.—The Administrator, in cooperation with the Director of the Indian Health Service, shall assess the need for sewage treatment works to serve Indian tribes, the degree to which such needs will be met through funds allotted to States under section 205 of this Act and priority lists under section 216 of this Act, and any obstacles which prevent such needs from being met. Not later than one year after the date of the enactment of this section, the Administrator shall submit a report to Congress on the assessment under this subsection, along with recommendations specifying (1) how the Administrator intends to provide assistance to Indian tribes to develop waste treatment management plans and to construct treatment works under this Act, and (2) methods by which the participation in and administration of programs under this Act by Indian tribes can be maximized.

“(c) Reservation of Funds.—The Administrator shall reserve each fiscal year beginning after September 30, 1986, before allotments to the States under section 205(e), one-half of one percent of the sums appropriated under section 207. Sums reserved under this subsection shall be available only for grants for the development of waste treatment management plans and for the construction of sewage treatment works to serve Indian tribes.

“(d) Cooperative Agreements.—In order to ensure the consistent implementation of the requirements of this Act, an Indian tribe and the State or States in which the lands of such tribe are located may enter into a cooperative agreement, subject to the review and approval of the Administrator, to jointly plan and administer the requirements of this Act.

“(e) Treatment as States.—The Administrator is authorized to treat an Indian tribe as a State for purposes of title II and sections 104, 106, 303, 305, 308, 309, 314, 319, 401, 402, and 404 of this Act to the degree necessary to carry out the objectives of this section, but only if—

“(1) the Indian tribe has a governing body carrying out substantial governmental duties and powers;

“(2) the functions to be exercised by the Indian tribe pertain to the management and protection of water resources which are held by an Indian tribe, held by the United States in trust for Indians, held by a member of an Indian tribe if such property interest is subject to a trust restriction on alienation, or otherwise within the borders of an Indian reservation; and

“(3) the Indian tribe is reasonably expected to be capable, in the Administrator's judgment, of carrying out the functions to be exercised in a manner consistent with the terms and purposes of this Act and of all applicable regulations.

Such treatment as a State may include the direct provision of funds reserved under subsection (c) to the governing bodies of Indian tribes, and the determination of priorities by Indian tribes, where not determined by the Administrator in cooperation with the Director of the Indian Health Service. The Administrator, in cooperation with the Director of the Indian Health Service, is authorized to make grants under title II of this Act in an amount not to exceed 100 percent of the cost of a project. Not later than 18 months after the date of the enactment of this section, the Administrator shall, in consultation with Indian tribes, promulgate final regulations which specify how Indian tribes shall be treated as States for purposes of this Act. The Administrator shall, in promulgating such regulations, consult affected States sharing common water bodies and provide a mechanism for the resolution of any unreasonable consequences that may arise as a result of differing water quality standards that may be set by States and Indian tribes located on common bodies of water. Such mechanism shall provide for explicit consideration of relevant factors including, but not limited to, the effects of differing water quality permit requirements on upstream and downstream dischargers, economic impacts, and present and historical uses and quality of the waters subject to such standards. Such mechanism should provide for the avoidance of such unreasonable consequences in a manner consistent with the objective of the Act.

“(f) Grants for Nonpoint Source Programs.—The Administrator shall make grants to an Indian tribe under section 319 of this Act as though such tribe was a State. Not more than one-third of one percent of the amount appropriated for any fiscal year under section 319 may be used to make grants under this subsection. In addition to the requirements of section 319, an Indian tribe shall be required to meet the requirements of paragraphs (1), (2), and (3) of subsection (d) of this section in order to receive such a grant.

“(g) Alaska Native Organizations.—No provision of this Act shall be construed to—

“(1) grant, enlarge, or diminish, or in any way affect the scope of the governmental authority, if any, of any Alaska Native organization, including any federally-recognized tribe, traditional Alaska Native council, or Native council organized pursuant to the Act of June 18, 1934 (48 Stat. 987), over lands or persons in Alaska;

“(2) create or validate any assertion by such organization or any form of governmental authority over lands or persons in Alaska; or

“(3) in any way affect any assertion that Indian country, as defined in section 1151 of title 18, United States Code, exists or does not exist in Alaska.

“(h) Definitions.—For purposes of this section, the term—

“(1) ‘Federal Indian reservation’ means all land within the limits of any Indian reservation under the jurisdiction of the United States Government, notwithstanding the issuance of any patent, and including rights-of-way running through the reservation; and

“(2) ‘Indian tribe’ means any Indian tribe, band, group, or community recognized by the Secretary of the Interior and exercising governmental authority over a Federal Indian reservation.".

SEC. 507. DEFINITION OF POINT SOURCE.

For purposes of the Federal Water Pollution Control Act, the term "point source" includes a landfill leachate collection system.

SEC. 508. SPECIAL PROVISIONS REGARDING CERTAIN DUMPING SITES.

(a) Finding.—The Congress finds that the New York Bight Apex is no longer a suitable location for the ocean dumping of municipal sludge.

(b) General Rule.—Title I of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1401 et seq.) is further amended by inserting after section 104 the following new section:

"SPECIAL PROVISIONS REGARDING CERTAIN DUMPING SITES

"Sec. 104A. (a) New York Bight Apex.—(1) For purposes of this subsection:

"(A) The term 'Apex' means the New York Bight Apex consisting of the ocean waters of the Atlantic Ocean westward of 73 degrees 30 minutes west longitude and northward of 40 degrees 10 minutes north latitude.

"(B) The term 'Apex site' means that site within the Apex at which the dumping of municipal sludge occurred before October 1, 1983.

"(C) The term 'eligible authority' means any sewerage authority or other unit of State or local government that on November 2, 1983, was authorized under court order to dump municipal sludge at the Apex site.

"(2) No person may apply for a permit under this title in relation to the dumping of, or the transportation for purposes of dumping, municipal sludge within the Apex unless that person is an eligible authority.

"(3) The Administrator may not issue, or renew, any permit under this title that authorizes the dumping of, or the transportation for purposes of dumping, municipal sludge within the Apex after the earlier of—

"(A) December 15, 1987; or

"(B) the day determined by the Administrator to be the first day on which municipal sludge generated by eligible authorities can reasonably be dumped at a site designated under section 102 other than a site within the Apex.

"(b) Restriction on Use of the 106-Mile Site.—The Administrator may not issue or renew any permit under this title which authorizes any person, other than a person that is an eligible authority within the meaning of subsection (a)(1)(C), to dump, or to transport for the purposes of dumping, municipal sludge within the site designated under section 102(c) by the Administrator and known as the '106-Mile Ocean Waste Dump Site' (as described in 49 F.R. 19005).".

SEC. 509. OCEAN DISCHARGE RESEARCH PROJECTS.

(a) In General.—Notwithstanding any other provision of law, the Administrator is authorized to issue a research permit to the Orange County, California, Sanitation Districts for the discharge of preconditioned municipal sewage sludge into the ocean for the purpose of enabling research to be conducted in assessing and analyzing the effects of disposing of sewage sludge by pipeline into ocean waters—

(1) if the Administrator is satisfied that such local governmental agency is actively pursuing long-term land-based options for the handling of its sludge with special emphasis on remote disposal alternatives set forth in the 1980 LA/OMA sludge management project and on reuse of sludge or use of recycled sludge; and

(2) if the Administrator determines that there is no likelihood of an unacceptable adverse effect on the environment as a result of issuance of such permit and that such permit would meet the requirements of paragraph (2) of section 301(h) of the Federal Water Pollution Control Act, as amended by this Act, and of the sentences following the first sentence of such section if such permit were being issued under such section.

(b) Permit Terms.—

(1) Period.—The permit for the discharge of sludge shall be for a period of 5 years commencing on the date of such discharge and shall not be extended or renewed.

(2) Monitoring.—Such permit shall provide for monitoring (including whole effluent monitoring) of permitted discharges and other discharges into the ocean in the same area and the effects of such discharges (including cumulative effects) in conformance with requirements established by the Administrator, after consultation with appropriate Federal and State agencies, and for the reporting of such monitoring to Congress and the Administrator every 6 months.

(3) Volume of Discharge.—Such permit shall provide that the volume of such local agency's sludge disposed of by such experimental pipeline shall be no more than one and one-half times that being disposed of by such remote disposal and alternatives for the reuse of sludge and the use of recycled sludge. In no event shall the agency dispose of more than 50 percent of its sludge by the pipeline.

(4) Termination.—The permit shall provide for termination of the permit if the Administrator determines that the disposal of sewage sludge is resulting in an unacceptable adverse impact on fish, shellfish, and wildlife. The Administrator may terminate a permit issued under this section if the Administrator determines that there has been a decline in ambient water quality of the receiving waters during the period of the permit even if a direct cause and effect relationship cannot be shown. If the effluent from a source with a permit issued under this section is contributing to a decline in ambient water quality of the receiving waters, the Administrator shall terminate such permit.

(c) Limitation on Precedent.—The facts and circumstances described in subsection (a) present a unique situation which will not establish a precedent for the relaxation of the requirements of the Federal Water Pollution Control Act applicable to similarly situated discharges.

(d) Report.—Such districts shall report the results of the program and an analysis of such program to Congress under this section not later than four and one-half years after issuance of the permit.

SEC. 510. SAN DIEGO, CALIFORNIA.

(a) Purpose.—The purpose of this section is to protect the economy, public health, environment, surface water and public beaches, and water quality of the city of San Diego, California, and surrounding areas, which are endangered and are being polluted by raw sewage emanating from the city of Tijuana, Mexico.

(b) Construction Grants.—Upon approval of the necessary plans and specifications, the Administrator is authorized to make grants to the Secretary of State, acting through the American Section of the International Boundary and Water Commission (hereinafter in this section referred to as the "Commission"), or any other Federal agency or any other appropriate commission or entity designated by the President. Such grants shall be for construction of a project consisting of—

(1) defensive treatment works to protect the residents of the city of San Diego, California, and surrounding areas from pollution resulting from any inadequacies or breakdowns in wastewater treatment works and systems in Mexico; and

(2) treatment works in the city of San Diego, California, to provide primary or more advanced treatment of municipal sewage and industrial waste from Mexico, including the city of Tijuana, Mexico.

(c) Limitation on Grants.—Notwithstanding subsection (b), the Administrator may make grants for construction of treatment works described in subsection (b)(2) only if, after public notice and comment, the Administrator determines that treatment works in Mexico, in conjunction with any defensive treatment works constructed under this or any other Act, are not sufficient to protect the residents of the city of San Diego, California, and surrounding areas from water pollution originating in Mexico.

(d) Operation and Maintenance.—The Commission or such other agency, commission, or entity as may be designated under subsection (b) is authorized to operate and maintain any treatment works constructed under subsection (b) in order to accomplish the purposes of this section.

(e) Approval of Plans.—Any treatment works for which a grant is made under this section shall be constructed in accordance with plans developed by the Commission or such other agency, commission, or entity as may be designated under subsection (b), in consultation with the city of San Diego, and approved by the Administrator to meet the construction standards which would be applicable if such treatment works were being constructed under title II of the Federal Water Pollution Control Act.

(f) Federal Share.—Construction of the treatment works under subsection (b) shall be at full Federal expense less any costs paid by the State of California and less any costs paid by the Government of Mexico as a result of agreements negotiated with the United States.

(g) Ocean Outfall Permit.—Notwithstanding section 301(j) of the Federal Water Pollution Control Act, upon application of the city of San Diego, California, the Administrator may issue a permit under section 301(h) of such Act which modifies the requirements of section 301(b)(1)(B) of such Act to permit the discharge of pollutants for any ocean outfall constructed with Federal assistance under this section if the Administrator finds that issuing such permit is in the best interests of achieving the goals and requirements of such Act. The Administrator may waive the requirements of section 301(h)(5) of such Act with respect to the issuance of such permit if the Administrator finds that such waiver is in the best interests of achieving the goals and requirements of such Act.

(h) Treatment of San Diego Sewage.—If any treatment works constructed pursuant to this section becomes no longer necessary to provide protection from pollution originating in Mexico, the city of San Diego, California, may use such treatment works to treat municipal and individual waste originating in the city of San Diego and surrounding areas if the city of San Diego enters into a binding agreement with the Administrator to pay to the United States 45 percent of the costs incurred in the construction of such treatment works.

(i) Definitions.—For purposes of this section, the terms "construction" and "treatment works" have the meanings such terms have under section 212 of the Federal Water Pollution Control Act.

(j) Authorization of Appropriations.—There is authorized to be appropriated for fiscal years beginning after September 30, 1986, such sums as may be necessary to the Administrator to make grants under this section and such sums as may be necessary to the Commission or such other agency, commission, or entity as the President may designate under subsection (b), to carry out this section.

SEC. 511. LIMITATION ON DISCHARGE OF RAW SEWAGE BY NEW YORK CITY.

(a) In General.—

(1) North river plant.—If the wastewater treatment plant identified in the consent decree as the North River plant has not achieved advanced preliminary treatment as required under the terms of the consent decree by August 1, 1986, the city of New York shall not discharge raw sewage from the drainage area of such plant (as defined in the consent decree) into navigable waters after such date in an amount which is greater for any 30-day period than an amount equal to 30 times the average daily amount of raw sewage discharged from such drainage area during the 12-month period ending on the earlier of the date on which such plant becomes operational or March 15, 1986 (as determined by the Administrator), except as provided in subsection (b).

(2) Red hook plant.—If the wastewater treatment plant identified in the consent decree as the Red Hook plant has not achieved advanced preliminary treatment as required under the terms of the consent decree by August 1, 1987, the city of New York shall not discharge raw sewage from the drainage area of such plant (as defined in the consent decree) into navigable waters after such date in an amount which is greater for any 30-day period than an amount equal to 30 times the average daily amount of raw sewage discharged from such drainage area during the 12-month period ending on the earlier of the date on which such plant becomes operational or March 15, 1987 (as determined by the Administrator), except as provided in subsection (b).

(b) Waivers.—

(1) Interruption of plant operation.—In the event of any significant interruption in the operation of the North River plant or the Red Hook plant caused by an event described in subparagraph (A), (B), or (C) of paragraph (5) occurring after the applicable deadline established under subsection (a), the Administrator shall waive the limitation of subsection (a) with respect to such plant, but only to such extent and for such limited period of time as may be reasonably necessary for the city of New York to resume operation of such plant.

(2) Increased precipitation.—In the event that the volume of precipitation occurring after the applicable deadline established under subsection (a) causes the discharge of raw sewage to exceed the limitation under subsection (a), the Administrator shall waive the limitation of subsection (a) with respect to either or both such plants, but only to such extent and for such limited period of time as the Administrator determines to be necessary to take into account the increased discharge caused by such volume of precipitation.

(3) Variations in certain north river drainage area discharges.—In the event that an increase in discharges from the North River drainage area constituting a violation of subsection (a)(1) is due to a random or seasonal variation, and that any sewer hookup occurring, or permit for a sewer hookup granted, after July 31, 1986, is not responsible for such violation, the Administrator shall waive the limitation of subsection (a)(1), but only to such extent and for such limited period of time as the Administrator determines to be reasonably necessary to take into account such random or seasonal variation.

(4) Variations in certain red hook drainage area discharges.—In the event that an increase in discharges from the Red Hook drainage area constituting a violation of subsection (a)(2) is due to a random or seasonal variation, and that any sewer hookup occurring, or permit for a sewer hookup granted, after July 31, 1987, is not responsible for such violation, the Administrator shall waive the limitation of subsection (a)(2), but only to such extent and for such limited period of time as the Administrator determines to be reasonably necessary to take into account such random or seasonal variation.

(5) Circumstances beyond city's control.—The Administrator shall extend either deadline under paragraph (1) or (2) of subsection (a) to such extent and for such limited period of time as may be reasonably required to take into account any—

(A) act of war,

(B) unanticipated grave natural disaster or other natural phenomenon of an exceptional, inevitable, and irresistible character, the effects of which could not have been prevented or avoided by the exercise of due care or foresight, or

(C) other circumstances beyond the control of the city of New York, except such circumstances shall not include (i) the unavailability of Federal funds under section 201 of the Federal Water Pollution Control Act, (ii) the unavailability of funds from the city of New York or the State of New York, or (iii) a policy decision made by the city of New York or the State of New York to delay the achievement of advanced preliminary treatment at the North River plant or Red Hook plant beyond the applicable deadline set forth in subsection (a).

(c) Penalties.—Except as otherwise provided in subsection (b), any violation of subsection (a) shall be considered to be a violation of section 301 of the Federal Water Pollution Control Act, and all provisions of such Act relating to violations of such section 301 shall apply.

(d) Consent Decree Defined.—For purposes of this section, the term "consent decree" means the consent decree entered into by the Environmental Protection Agency, the city of New York, and the State of New York, on December 30, 1982, relating to construction and operation of the North River and Red Hook wastewater treatment plants.

(e) Cooperation.—The Administrator shall work with the city of New York to eliminate the discharge of raw sewage by such city at the earliest practicable date.

(f) Savings Clause.—Nothing in this section shall be construed as modifying the terms of the consent decree.

(g) Sense of Congress.—It is the sense of Congress that the Administrator should not agree to any further modification of the consent decree with respect to the schedule for achieving advanced preliminary treatment.

(h) Termination Dates.—

(1) North river plant.—The provisions of this section shall remain in effect with respect to the North River drainage area until such time as the North River plant has achieved advanced preliminary treatment (as defined in the consent decree) for a period of six consecutive months.

(2) Red hook plant.—The provisions of this section shall remain in effect with respect to the Red Hook drainage area until such time as the Red Hook plant has achieved advanced preliminary treatment (as defined in the consent decree) for a period of six consecutive months.

(i) Monitoring Activities.—The Administrator shall promptly establish and carry out a program within available funds to implement the monitoring activities which may be required under subsection (a).

(j) Establishment of Methodologies.—The Administrator shall establish the methodologies, data base, and any other information required for making determinations under subsection (b)—

(1) for the North River drainage area (as defined in the consent decree) by July 31, 1986, unless the requirements of subsection (h)(1) have been satisfied, and

(2) for the Red Hook drainage area (as defined by the consent decree) by July 31, 1987, unless the requirements of subsection (h)(2) have been satisfied.

(k) Violations.—In carrying out this section, if the Administrator finds that a violation of subsection (a) has occurred, the Administrator shall also determine, within 30 days after such finding, whether a provision of subsection (b) applies. If the Administrator requires information from the city of New York in order to determine whether a provision of subsection (b) applies, the Administrator shall request such information. If the city of New York does not supply the information requested by the Administrator, the Administrator shall determine that subsection (b) does not apply. The city of New York shall be responsible only for such expenses as are necessary to provide such requested information. Enforcement action pursuant to subsection (c) shall be commenced at the end of such 30 days unless a provision of subsection (b) applies.

SEC. 512. OAKWOOD BEACH AND RED HOOK PROJECTS, NEW YORK.

(a) Relocation of Natural Gas Facilities.—Notwithstanding any provision of the Federal Water Pollution Control Act, the Administrator shall pay, to the extent provided in appropriation Acts, in the same proportion as the Federal share of other project costs, all expenses for the relocation of facilities for the distribution of natural gas with respect to the entire wastewater treatment works known as the Oakwood Beach (EPA Grant Numbered 360392) and Red Hook (EPA Grant Numbered 360394) projects, New York.

(b) Authorization of Appropriations.—There is authorized to be appropriated for fiscal years beginning after September 30, 1986, not to exceed $7,000,000 to carry out this section.

SEC. 513. BOSTON HARBOR AND ADJACENT WATERS.

(a) Grants.—The Administrator shall make grants to the Massachusetts Water Resource Authority for purposes of—

(1) assessing the principal factors having an adverse effect on the environmental

quality of Boston Harbor and its adjacent waters;

(2) developing and implementing a management program to improve the water quality of such Harbor and waters; and

(3) constructing necessary waste water treatment works for providing secondary treatment for the areas served by such authority.

(b) Federal Share.—The Federal share of projects described in subsection (a) shall not exceed 75 percent of the cost of construction thereof.

(c) Emergency Improvements.—The Administrator is authorized and directed to make grants to the Massachusetts Water Resource Authority for a project to undertake emergency improvements at the Deer Island Waste Water Treatment Plant in Boston, Massachusetts. The Federal share of such project shall not exceed 75 percent of the cost of carrying out such improvements.

(d) Authorization of Appropriations.—There is authorized to be appropriated $100,000,000 to carry out this section for fiscal years beginning after September 30, 1986, to remain available until expended. Such sums shall be in addition to and not in lieu of any other amounts authorized to be appropriated under title II of the Federal Water Pollution Control Act.

SEC. 514. WASTEWATER RECLAMATION DEMONSTRATION.

(a) Authority to Make Grants.—The Administrator is authorized to make a grant to the San Diego Water Reclamation Agency, California, to demonstrate and field test for public use innovative processes which advance the technology of wastewater reclamation and which promote the use of reclaimed wastewater.

(b) Federal Share.—The Federal share of grants made under this section shall be 85 percent of the costs of conducting such demonstration and field test.

(c) Authorization of Appropriations.—There is authorized to be appropriated not to exceed $2,000,000 to carry out this section for fiscal years beginning after September 30, 1986.

SEC. 515. DES MOINES, IOWA.

(a) Grant.—The Administrator is authorized to make a grant to the city of Des Moines, Iowa, for construction of the Central Sewage Treatment Plant component of the Des Moines, Iowa, metropolitan area project. The Federal share of such project shall be 75 percent of the cost of construction.

(b) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section not to exceed $50,000,000 for fiscal years beginning after September 30, 1986. Such sums shall be in addition to and not in lieu of any other amounts authorized to be appropriated under title II of the Federal Water Pollution Control Act.

SEC. 516. STUDY OF DE MINIMIS DISCHARGES.

(a) Study.—The Administrator shall conduct a study of discharges of pollutants into the navigable waters and their regulation under the Federal Water Pollution Control Act to determine whether or not there are discharges of pollutants into such waters in amounts which, in terms of volume, concentration, and type of pollutant, are not significant and to determine the most effective and appropriate methods of regulating any such discharges.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study along with recommendations and findings concerning the most effective and appropriate methods of regulating any discharges of pollutants into the navigable waters in amounts which the Administrator determines under such study to be not significant.

SEC. 517. STUDY OF EFFECTIVENESS OF INNOVATIVE AND ALTERNATIVE PROCESSES AND TECHNIQUES.

(a) Effectiveness Study.—The Administrator shall study the effectiveness on waste treatment of innovative and alternative wastewater treatment processes and techniques referred to in section 201(g)(5) of the Federal Water Pollution Control Act which have been utilized in treatment works constructed under such Act. In conducting such study, the Administrator shall compile information, by State, on the types of such processes and techniques utilized, on the number of facilities constructed with such processes and techniques, and a description of such processes and techniques which have not performed to design standards. The Administrator shall also determine which States have not obligated the full amount set aside under section 205(i) of such Act for such processes and techniques and the reasons for each such State's failure to make such obligations.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for providing more effective incentives for innovative and alternative wastewater treatment processes and techniques.

SEC. 518. STUDY OF TESTING PROCEDURES.

(a) Study.—The Administrator shall study the testing procedures for analysis of pollutants established under section 304(h) of the Federal Water Pollution Control Act. Such study shall include, but not be limited to, an analysis of the adequacy and standardization of such procedures. In conducting the analysis of the standardization of such procedures, the Administrator shall consider the extent to which such procedures are consistent with comparable procedures established under other Federal laws.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit a report on the results of the study conducted under this subsection, together with recommendations for modifying the test procedures referred to in subsection (a) to improve their effectiveness, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 519. STUDY OF PRETREATMENT OF TOXIC POLLUTANTS.

(a) Study.—The Administrator shall study—

(1) the adequacy of data on environmental impacts of toxic industrial pollutants discharged from publicly owned treatment works;

(2) the extent to which secondary treatment at publicly owned treatment works removes toxic pollutants;

(3) the capability of publicly owned treatment works to revise pretreatment requirements under section 307(b)(1) of the Federal Water Pollution Control Act;

(4) possible alternative regulatory strategies for protecting the operations of publicly owned treatment works from industrial discharges, and shall evaluate the extent to which each such strategy identified may be expected to achieve the goals of this Act;

(5) for each such alternative regulatory strategy, the extent to which removal of toxic pollutants by publicly owned treatment works results in contamination of sewage sludge and the extent to which pretreatment requirements may prevent such contamination or improve the ability of publicly owned treatment works to comply with sewage sludge criteria developed under section 405 of the Federal Water Pollution Control Act; and

(6) the adequacy of Federal, State, and local resources to establish, implement, and enforce multiple pretreatment limits for toxic pollutants for each such alternative strategy.

(b) Report.—Not later than 4 years after the date of the enactment of this Act, the Administrator shall submit a report on the results of such study along with recommendations for improving the effectiveness of pretreatment requirements to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 520. STUDIES OF WATER POLLUTION PROBLEMS IN AQUIFERS.

(a) Studies.—The Administrator, in conjunction with State and local agencies and after providing an opportunity for full public participation, shall conduct studies for the purpose of identifying existing and potential point and nonpoint sources of pollution, and of identifying measures and practices necessary to control such sources of pollution, in the following groundwater systems and aquifers:

(1) the ground water system of the Upper Santa Cruz Basin and the Avra-Altar Basin of Pima, Pinal, and Santa Cruz Counties, Arizona;

(2) the Spokane-Rathdrum Valley Aquifer, Washington and Idaho;

(3) the Nassau and Suffolk Counties Aquifer, New York;

(4) the Whidbey Island Aquifer, Washington;

(5) the Unconsolidated Quaternary Aquifer, Rockaway River area, New Jersey;

(6) contaminated ground water under Litchfield, Hartford, Fairfield, Tolland, and New Haven Counties, Connecticut; and

(7) the Sparta Aquifer, Arkansas.

(b) Reports.—Not later than 2 years after the date of the enactment of this Act, the Administrator shall submit to Congress a report on the studies conducted under this section.

(c) Authorization of Appropriations.—There is authorized to be appropriated $7,000,000 for fiscal years beginning after September 30, 1986, to carry out this section.

SEC. 521. GREAT LAKES CONSUMPTIVE USE STUDY.

(a) Study of Consumptive Uses.—In recognition of the serious impacts on the Great Lakes environment that may occur as a result of increased consumption of Great Lakes water, including loss of wetlands and reduction of fish spawning and habitat areas, as well as serious economic losses to vital Great Lakes industries, and in recognition of the national goal to provide environmental protection and preservation of our natural resources while allowing for continued economic growth, the Secretary of the Army in cooperation with the Administrator, other interested departments, agencies, and instrumentalities of the United States, and the 8 Great Lakes States, is authorized to conduct a study of the effects of Great Lakes water consumption on economic growth and environmental quality in the Great Lakes region and of control measures that can be implemented to reduce the quantity of water consumed.

(b) MATTERS INCLUDED.—The study authorized by this section shall at a minimum include the following:

(1) a review of the methodologies used to forecast Great Lakes consumptive uses, including an analysis of the sensitivity of key variables affecting such uses;

(2) an analysis of the effect that enforcement of provisions of the Federal Water Pollution Control Act relating to thermal discharges has had on consumption of Great Lakes water;

(3) an analysis of the effect of laws, regulations, and national policy objectives on consumptive uses of Great Lakes water used in manufacturing;

(4) an analysis of the associated environmental impacts and of the economic effects on industry and other interests in the Great Lakes region associated with individual consumptive use control strategies; and

(5) a summary discussion containing recommendations for methods of controlling consumptive uses which methods maximize benefits to the Great Lakes ecosystem and also provide for continued full economic growth for consuming industries as well as other industries which depend on the use of Great Lakes water.

(c) GREAT LAKES STATES DEFINED.—For purposes of this section, the term "Great Lakes States" means Minnesota, Wisconsin, Illinois, Ohio, Michigan, Indiana, Pennsylvania, and New York.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal years beginning after September 30, 1986, $750,000 to carry out this section. Sums appropriated under this section shall remain available until expended.

SEC. 522. SULFIDE CORROSION STUDY.

(a) STUDY.—The Administrator shall conduct a study of the corrosive effects of sulfides in collection and treatment systems, the extent to which the uniform imposition of categorical pretreatment standards will exacerbate such effects, and the range of available options to deal with such effects.

(b) CONSULTATION.—The study required by this section shall be conducted in consultation with the Los Angeles City and County sanitation agencies.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit a report on the results of the study, together with recommendations for measures to reduce the corrosion of treatment works, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000 to carry out this section for fiscal years beginning after September 30, 1986.

SEC. 523. STUDY OF RAINFALL INDUCED INFILTRATION INTO SEWER SYSTEMS.

(a) STUDY.—The Administrator shall study problems associated with rainfall induced infiltration into wastewater treatment sewer systems. As part of such study, the Administrator shall study appropriate methods of regulating rainfall induced infiltration into the sewer system of the East Bay Municipal Utility District, California.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Administrator shall submit to Congress a report on the results of such study, along with recommendations on reasonable methods to reduce such infiltration.

SEC. 524. DAM WATER QUALITY STUDY.

The Administrator, in cooperation with interested States and Federal agencies, shall study and monitor the effects on the quality of navigable waters attributable to the impoundment of water by dams. The results of such study shall be submitted to Congress not later than December 31, 1987.

SEC. 525. STUDY OF POLLUTION IN LAKE PEND OREILLE, IDAHO.

The Administrator shall conduct a comprehensive study of the sources of pollution in Lake Pend Oreille, Idaho, and the Clark Fork River and its tributaries, Idaho, Montana, and Washington, for the purpose of identifying the sources of such pollution. In conducting such study, the Administrator shall consider existing studies, surveys, and test results concerning such pollution. The Administrator shall report to Congress the findings and recommendations concerning the study conducted under this section.

S. 76—WATER QUALITY ACT OF 1987

Mr. DOLE. Mr. President, at the request of the administration, today I am introducing its proposed reauthorization of the Clean Water Act.

At the outset, I want to urge my colleagues to treat this matter on the merits of the issues—the issue of the need to reauthorize the Clean Water Act as soon as possible. Any member of the committee can tell us the many points of complex controversy contained in a reauthorization of this vital environmental law. It was in conference most of the last Congress.

However, during the last Congress the administration failed to offer a reasonable or acceptable compromise to congressional proposals. To its credit, the administration has now offered such an approach, and it deserves a fair hearing.

Before we rush to judgment, rush toward the battle over the first veto of this Congress, I want, and I think the majority of my colleagues want, to ensure that the Congress has studied and deliberated over all alternatives.

The bill vetoed last year calls for spending $18 billion over 8 years, the administration's bill authorizes $12 billion over 7 years. That's quite a little bit of money for any Senator criticizing the President's budget request for next year and looking for other ways to reach the Gramm-Rudman-Hollings target of $108 billion.

One of the ways the administration's bill was able to save money and an important difference between the two bills is that the measure vetoed last year contained five special projects not contained in the administration bill. Why were these five selected, and why should they be allowed to circumvent the process that all other projects must follow? I am not sure, but I would like an answer before voting on this once again.

Another important difference is the amount of discretion afforded to the States. The bill I am introducing gives the States the discretion to spend up to 3.5 percent of the funds on nonpoint source controls, as opposed to simply adding another $400 million per year to the cost of the measure. In addition, States also receive the discretion to treat these grants as revolving loans, as opposed to spending more money to capitalize a revolving loan program.

The regulatory provisions of both bills are identical. Both responsibly address the need to protect our Nation's water resources. Let us not rush to judgment. Rather, let our committee of jurisdiction and expertise review the proposals and develop the best possible approach.

I ask unanimous consent that a statement explaining that proposal and a comparison of the legislative provisions of that proposal with the proposal introduced by the distinguished majority leader, Senator STAFFORD, Senator BURDICK, Senator CHAFEE, and others, and an additional fact sheet on the differences between the two bills be made part of the RECORD following my comments.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CLEAN WATER ACT REAUTHORIZATION

Eligibility: Identical to current CWA (secondary treatment, advanced treatment, infiltration/inflow correction, and new interceptors).

FY 1986-1993 Budget Authority Required: $12 Billion.

FUNDING ANALYSIS

[In billions of dollars]

	Budget authority			Outlays		
	Administration proposal ($6)	Current proposal ($12)	S. 1128 ($18)	Administration proposal ($6)	Current proposal ($12)	S. 1128 ($18)
Fiscal year:						
1986	2.4	1.8	2.4	3.1	3.1	3.1
1987	1.8	2.0	2.4	2.7	2.7	2.8
1988	1.2	2.0	2.4	2.4	2.3	2.5
1989	.6	1.9	2.4	2.2	2.2	2.8
1990	0	1.6	2.4	1.8	2.2	3.1
1991	0	1.2	2.4	1.3	2.0	3.1
1992	0	1.0	1.8	.9	1.8	3.2
1993	0	.5	1.2	.6	1.6	3.0
1994	0	0	.6	.4	1.3	2.1

Principal Features: First use of funds to maintain progress with the enforceable requirements of the act; States free to use funds for loans as well as grants; loan repayments may be used for broader eligibilities, including combined sewer overflows, collector sewers, etc.; FY 87 authority limited to $2 billion ($1.2 billion appropriated plus $800 million supplemental appropriation); outlays schedule for loans equal to outlay schedule for grants; loans buy out needs at same rate as grants; for first use, loan eligibilities same as grant eligibilities.

Rationale: Outlays significantly lower than under S. 1128; first use targets priority projects; strong environmental rationale; allows flexible use of grants and loans; no change required in the allotment formula or eligibilities.

WATER QUALITY ACT OF 1987

Congressional bill (S. 1128)	Administration proposal
Title II—Wastetreatment Grants:	
1. Authorized $18B through 1994 to finance the construction of municipal wastetreatment facilities.	1. Authorizes $12B through 1993 to help finance the construction of municipal wastetreatment facilities
2. Authorized State Revolving Funds, capitalized with federal funds, to continue the wastetreatment grant program.	2. Authorizes State discretionary use of wastetreatment funds as loans repayable to States to administer program.
3. Authorized 5 special projects within State annual allotments and 5 special projects in addition to normal grant program.	3. Authorizes no special interest projects; targets grant funds to most beneficial environmental projects.
4. (No provision)	4. States are authorized (not mandated) to use up to 3.5 percent of their allotment to implement nonpoint source controls.
Title III—Standards and Enforcement:	
1. Nonpoint source programs are authorized at $400M through 1991.	1. No separate program authorized.
2. $100M for Clean lakes; Estuary grant program is established with 75 percent Federal share.	2. Same.
3. Stormwater runoff requirements under current law are modified to ease the burden on municipal and industrial discharges.	3. Same
4. New industrial compliance deadlines, water quality standards programs and conditions for variances from Federal limitations are established.	4. Same.
5. Amendments to current law to improve state permit programs, allow coal remining and establish anti-backsliding policies are included.	5. Same.
6. Enforcement provisions are updated and expanded similar to other Federal laws. Administrative penalties are added to current law.	6. Same.
7. Adds citizen suit provisions allowing individuals to initiate enforcement action.	7. Same.
8. Reauthorizes existing programs such as Great Lakes, Chesapeake Bay at current or higher levels.	8. Same.

COMPARISON OF SELECT LEGISLATIVE PROVISIONS

Provision	Original administration proposal	Administration's new legislative proposal	S. 1128
Budget authority (billions)	$6	$12	$18.
Budget authority (years)	4	8	9.
Type of assistance	Grants	Grants/loans	Grants/loans.
Payment schedule	Grant payment rate	Grant payment rate	Grants: Grant rate. Loans: within 3 yr.
Outlays (fiscal years 1988–93)	$9.2	$12.1	$17.7.
Loan conditions	NA	Similar to S. 1128	20 percent match, market rate or less, 20 yr repayment, most title II requirements apply, repayments must go to dedicated account.
Eligibilities	Phased/segmented projects only	Current eligibilities, maintain progress with grants and loans nps and estuaries [1].	Current eligibilities, maintain progress nps and estuaries.
Allotment formulas	Revised to fit eligibilities	As proposed by Congress	As passed.

[1] 1st target noncompliers and significant water quality projects.

S. 76

(The text of the bill (S. 76), the Water Quality Act of 1987, is as follows:)

S. 76

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

(a) SHORT TITLE.—This Act may be cited as the "Water Quality Act of 1987".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents; amendments to Federal Water Pollution Control Act; definition of Administrator.

Sec. 2. Limitation on payments.

TITLE I—AMENDMENTS TO TITLE I

Sec. 101. Authorizations of appropriations.

Sec. 102. Chesapeake Bay.

Sec. 103. Great Lakes.

Sec. 104. Research on effects of pollutants

TITLE II—CONSTRUCTION GRANTS AMENDMENTS.
Sec. 201. Eligibilities, CSO, Dispute Resolution, Limitations.
Sec. 202. Federal share.
Sec. 203. Agreement on eligible costs.
Sec. 204. Design/build projects.
Sec. 205. Grant conditions; user charges on low-income residential users.
Sec. 206. Allotment formula.
Sec. 207. Rural set aside, Innovative and alternative projects, and Nonpoint source programs.
Sec. 208. Regional organization funding.
Sec. 209. Authorization for construction grants.
Sec. 210. Grants to States for making water pollution control loans.
Sec. 211. Ad valorem tax dedication.
TITLE III—STANDARDS AND ENFORCEMENTS
Sec. 301. Compliance dates.
Sec. 302. Modification for nonconventional pollutants.
Sec. 303. Discharges into marine waters.
Sec. 304. Filing deadline for treatment works modification.
Sec. 305. Innovative technology compliance deadlines for direct dischargers.
Sec. 306. Fundamentally different factors.
Sec. 307. Coal remining operations.
Sec. 308. Individual control strategies for toxic pollutants.
Sec. 309. Pretreatment standards.
Sec. 310. Inspection and entry.
Sec. 311. Marine sanitation devices.
Sec. 312. Criminal penalties.
Sec. 313. Civil penalties.
Sec. 314. Administrative penalties.
Sec. 315. Clean lakes.
Sec. 316. Management of nonpoint sources of pollution.
Sec. 317. National estuary program.
Sec. 318. Unconsolidated quaternary aquifer.
TITLE IV—PERMITS AND LICENSES
Sec. 401. Stormwater runoff from oil, gas, and mining operations.
Sec. 402. Additional pretreatment of conventional pollutants not required.
Sec. 403. Partial NPDES program.
Sec. 404. Anti-backsliding.
Sec. 405. Municipal and industrial stormwater discharges.
Sec. 406. Sewage sludge.
Sec. 407. Log transfer facilities.
TITLE V—MISCELLANEOUS PROVISIONS
Sec. 501. Audits.
Sec. 502. Commonwealth of the Northern Mariana Islands.
Sec. 503. Agricultural stormwater discharges.
Sec. 504. Protection of interests of United States in citizen suits.
Sec. 505. Judicial review and award of fees.
Sec. 506. Indian tribes.
Sec. 507. Definition of point source.
Sec. 508. Special provisions regarding certain dumping sites.
Sec. 509. Ocean discharge research project.
Sec. 510. Limitation on discharge of raw sewage by New York City.
Sec. 511. Study of de minimis discharges.
Sec. 512. Study of effectiveness of innovative and alternative processes and techniques.
Sec. 513. Study of testing procedures.
Sec. 514. Study of pretreatment of toxic pollutants.
Sec. 515. Studies of water pollution problems in aquifers.
Sec. 516. Great Lakes consumptive use study.
Sec. 517. Sulfide corrosion study.
Sec. 518. Study of rainfall induced infiltration into sewer systems.
Sec. 519. Dam water quality study.
Sec. 520. Study of pollution in Lake Pend Oreille, Idaho.

(c) AMENDMENT OF FEDERAL WATER POLLUTION CONTROL ACT.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Water Pollution Control Act.

(d) DEFINITION.—For purposes of this Act, the term "Administrator" means the Administrator of the Environmental Protection Agency.

SEC. 2. LIMITATION ON PAYMENTS.

No payments may be made under this Act except to the extent provided in advance in appropriation Acts.

TITLE I—AMENDMENTS TO TITLE I

SEC. 101. AUTHORIZATIONS OF APPROPRIATIONS.

(a) RESEARCH AND INVESTIGATIONS.—Section 104(u) is amended—

(1) in clause (1) by striking out "and" after "1975,", after "1980,", and after "1981,", and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and not to exceed $22,770,000 per fiscal year for each of the fiscal years 1986 through 1990,";

(2) in clause (2) by striking out "and" after "1981," and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and $3,000,000 per fiscal year for each of the fiscal years 1986 through 1990,"; and

(3) in clause (3) by striking out "and" after "1981," and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and $1,500,000 per fiscal year for each of the fiscal years 1986 through 1990,".

(b) GRANTS FOR PROGRAM ADMINISTRATION.—Section 106(a)(2) is amended by inserting after "1982" the following: ", such sums as may be necessary for fiscal years 1983 through 1985, and $75,000,000 per fiscal year for each of the fiscal years 1986 through 1990".

(c) TRAINING GRANTS AND SCHOLARSHIPS.—Section 112(c) is amended by striking out "and" after "1981," and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and $7,000,000 per fiscal year for each of the fiscal years 1986 through 1990,".

(d) AREAWIDE PLANNING.—Section 208(f)(3) is amended by striking out "and" after "1974," and after "1980," and by inserting after "1982" the following: ", and such sums as may be necessary for fiscal years 1983 through 1990".

(e) RURAL CLEAN WATER.—Section 208(j)(9) is amended by striking out "and" after "1981," and by inserting after "1982," the following: "and such sums as may be necessary for fiscal years 1983 through 1990,".

(f) INTERAGENCY AGREEMENTS.—Section 304(k)(3) is amended by inserting after "1983" the following: "and such sums as may be necessary for fiscal years 1984 through 1990".

(g) CLEAN LAKES.—Section 314(c)(2) is amended by striking out "and" after "1981," and by inserting after "1982" the following: ", such sums as may be necessary for fiscal years 1983 through 1985, and $30,000,000 per fiscal year for each of the fiscal years 1986 through 1990".

(h) GENERAL AUTHORIZATION.—Section 517 is amended by striking out "and" after "1981," and by inserting after "1982" the following: ", such sums as may be necessary for fiscal years 1983 through 1985, and $135,000,000 per fiscal year for each of the fiscal years 1986 through 1990".

SEC. 102. CHESAPEAKE BAY.

Title I is amended by adding at the end the following new section:

"SEC. 117. CHESAPEAKE BAY.

"(a) OFFICE.—The Administrator shall continue the Chesapeake Bay Program and shall establish and maintain in the Environmental Protection Agency an office, division, or branch of Chesapeake Bay Programs to—

"(1) collect and make available, through publications and other appropriate means, information pertaining to the environmental quality of the Chesapeake Bay (hereinafter in this subsection referred to as the "Bay");

"(2) coordinate Federal and State efforts to improve the water quality of the Bay;

"(3) determine the impact of sediment deposition in the Bay and identify the sources, rates, routes, and distribution patterns of such sediment deposition; and

"(4) determine the impact of natural and man-induced environmental changes on the living resources of the Bay and the relationships among such changes, with particular emphasis placed on the impact of pollutant loadings of nutrients, chlorine, acid precipitation, dissolved oxygen, and toxic pollutants, including organic chemicals and heavy metals, and with special attention given to the impact of such changes on striped bass.

"(b) INTERSTATE DEVELOPMENT PLAN GRANTS.—

"(1) AUTHORITY.—The Administrator shall, at the request of the Governor of a State affected by the interstate management plan developed pursuant to the Chesapeake Bay Program (hereinafer in this section referred to as 'the plan'), make a grant for the purpose of implementing the management mechanisms contained in the plan if such State has, within 1 year after the date of the enactment of this section, approved and committed to implement all or substantially all aspects of the plan. Such grants shall be made subject to such terms and conditions as the Administrator considers appropriate.

"(2) SUBMISSION OF PROPOSAL.—A state or combination of States may elect to avail itself of the benefits of this subsection by submitting to the Administrator a comprehensive proposal to implement management mechanisms contained in the plan which shall include (A) a description of proposed abatement actions which the State or combination of States commits to take within a specific time period to reduce pollution in the Bay and to meet applicable water quality standards, and (B) the estimated cost of the abatement actions proposed to be taken during the next fiscal year. If the Administrator finds that such proposal is consistent with the national policies set forth in section 101(a) of this Act and will contribute to the achievement of the national goals set forth in such section, the Administrator shall approve such proposal and shall finance the costs of implementing segments of such proposal.

"(3) FEDERAL SHARE.—Grants under this subsection shall not exceed 50 percent of the costs of implementing the management mechanisms contained in the plan in any fiscal year and shall be made on condition that non-Federal sources provide the remainder of the cost of implementing the management mechanisms contained in the plan during such fiscal year.

"(4) ADMINISTRATIVE COSTS.—Administrative costs in the form of salaries, overhead, or indirect costs for services provided and charged against programs or projects supported by funds made available under this subsection shall not exceed in any one fiscal year 10 percent of the annual Federal grant made to a State under this subsection.

"(c) REPORTS.—Any State or combination of States that receives a grant under subsection (b) shall, within 18 months after the date of receipt of such grant and biennially thereafter, report to the Administrator on the progress made in implementing the interstate management plan developed pursuant to the Chesapeake Bay Program. The Administrator transmit each such report along with the comments of the Administrator on such report to Congress.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated the following sums, to remain available until expended, to carry out the purposes of this section:

"(1) $3,000,000 per fiscal year for each of the fiscal years 1987, 1988, 1989, and 1990, to carry out subsection (a); and

"(2) $10,000,000 per fiscal year for each of the fiscal years 1987, 1988, 1989, and 1990, for grants to States under subsection (b).".

SEC. 103. GREAT LAKES.

Title I is amended by adding at the end the following new section:

"(a) FINDINGS, PURPOSE, AND DEFINITIONS.—

"(1) FINDINGS.—The Congress finds that—

"(A) the Great Lakes are a valuable national resource, continuously serving the people of the United States and other nations as an important source of food, fresh water, recreation, beauty, and enjoyment;

"(B) the United States should seek to attain the goals embodied in the Great Lakes Water Quality Agreement of 1978 with particular emphasis on goals related to toxic pollutants; and

"(C) the Environmental Protection Agency should take the lead in the effort to meet those goals, working with other Federal agencies and State and local authorities.

"(2) PURPOSE.—It is the purpose of this section to achieve the goals embodied in the Great Lakes Water Quality Agreement of 1978 through improved organization and definition of mission on the part of the Agency, funding of State grants for pollution control in the Great Lakes area, and improved accountability for implementation of such agreement.

"(3) DEFINITIONS.—For purposes of this section, the term—

"(A) 'Agency' means the Environmental Protection Agency;

"(B) 'Great Lakes' means Lake Ontario, Lake Erie, Lake Huron (including Lake St. Clair), Lake Michigan, and Lake Superior, and the connecting channels (Saint Mary's River, Saint Clair River, Detroit River, Niagara River, and Saint Lawrence River to the Canadian Border);

"(C) 'Great Lakes System' means all the streams, rivers, lakes, and other bodies of water within the drainage basin of the Great Lakes;

"(D) 'Program Office' means the Great Lakes National Program Office established by this section; and

"(E) 'Research Office' means the Great Lakes Research Office established by subsection (d).

"(b) GREAT LAKES NATIONAL PROGRAM OFFICE.—The Great Lakes National Program Office (previously established by the Administrator) is hereby established within the Agency. The Program Office shall be headed by a Director who, by reason of management experience and technical expertise relating to the Great Lakes, is highly qualified to direct the development of programs and plans on a variety of Great Lakes issues. The Great Lakes National Program Office shall be located in a Great Lakes State.

"(c) GREAT LAKES MANAGEMENT.—

"(1) FUNCTIONS.—The Program Office shall—

"(A) in cooperation with appropriate Federal, State, tribal, and international agencies, and in accordance with section 101(e) of this Act, develop and implement specific action plans to carry out the responsibilities of the United States under the Great Lakes Water Quality Agreement of 1978;

"(B) establish a Great Lakes system-wide surveillance network to monitor the water quality of the Great Lakes, with specific emphasis on the monitoring of toxic pollutants;

"(C) serve as the liaison with, and provide information to, the Canadian members of the International Joint Commission and the Canadian counterpart to the Agency;

"(D) coordinate actions of the Agency (including actions by headquarters and regional offices thereof) aimed at improving Great Lakes water quality; and

"(E) coordinate actions of the Agency with the actions of other Federal agencies and State and local authorities, so as to ensure the input of those agencies and authorities in developing water quality strategies and obtain the support of those agencies and authorities in achieving the objectives of such agreement.

"(2) 5-YEAR PLAN AND PROGRAM.—The Program Office shall develop, in consultation with the States, a five-year plan and program for reducing the amount of nutrients introduced into the Great Lakes. Such program shall incorporate any management program for reducing nutrient runoff from nonpoint sources established under section 316 of this Act and shall include a program for monitoring nutrient runoff into, and ambient levels in, the Great Lakes.

"(3) 5-YEAR STUDY AND DEMONSTRATION PROJECTS.—The Program Office shall carry out a five-year study and demonstration projects relating to the control and removal of toxic pollutants in the Great Lakes, with emphasis on the removal of toxic pollutants from bottom sediments. In selecting locations for conducting demonstration projects under this paragraph, priority consideration shall be given to projects at the following locations: Saginaw Bay, Michigan; Sheboygan Harbor, Wisconsin; Grand Calumet River, Indiana; Ashtabula River, Ohio; and Buffalo River, New York.

"(4) ADMINISTRATOR'S RESPONSIBILITY.—The Administrator shall ensure that the Program Office enters into agreements with the various organizational elements of the Agency involved in Great Lakes activities and the appropriate State agencies specifically delineating—

"(A) the duties and responsibilities of each such element in the Agency with respect to the Great Lakes;

"(B) the time periods for carrying out such duties and responsibilities; and

"(C) the resources to be committted to such duties and responsibilities.

"(5) BUDGET ITEM.—The Administrator shall, in the Agency's annual budget submission to Congress, include a funding request for the Program Office as a separate budget line item.

"(6) COMPREHENSIVE REPORT.—Within 90 days after the end of each fiscal year, the Administrator shall submit to Congress a comprehensive report which—

"(A) describes the achievements in the preceding fiscal year in implementing the Great Lakes Water Quality Agreement of 1978 and shows by categories (including judicial enforcement, research, State cooperative efforts, and general administration) the amounts expended on Great Lakes water quality initiatives in such preceding fiscal year;

"(B) describes the progress made in such preceding fiscal year in implementing the system of surveillance of the water quality in the Great Lakes System, including the monitoring of ground water and sediment, with particular reference to toxic pollutants;

"(C) describes the long-term prospects for improving the condition of the Great Lakes; and

"(D) provides a comprehensive assessment of the planned efforts to be pursued in the succeeding fiscal year for implementing the Great Lakes Water Quality Agreement of 1978, which assessment shall—

"(i) show by categories (including judicial enforcement, research, State cooperative efforts, and general administration) the amount anticipated to be expended on Great Lakes water quality initiatives in the fiscal year to which the assessment relates; and

"(ii) include a report of current programs administered by other Federal agencies which make available resources to the Great Lakes water quality management efforts.

"(d) GREAT LAKES RESEARCH.—

"(1) ESTABLISHMENT OF RESEARCH OFFICE.—There is established within the National Oceanic and Atmospheric Administration the Great Lakes Research Office.

"(2) IDENTIFICATION OF ISSUES.—The Research Office shall identify issues relating to the Great Lakes resources on which research is needed. The Research Office shall submit a report to Congress on such issues before the end of each fiscal year which shall identify any changes in the Great Lakes System with respect to such issues.

"(3) INVENTORY.—The Research Office shall identify and inventory Federal, State, university, and tribal environmental research programs (and, to the extent feasible, those of private organizations and other nations) relating to the Great Lakes System, and shall update that inventory every four years.

"(4) RESEARCH EXCHANGE.—The Research Office shall establish a Great Lakes research exchange for the purpose of facilitating the rapid identification, acquisition, retrieval, dissemination, and use of information concerning research projects which are ongoing or completed and which affect the Great Lakes System.

"(5) RESEARCH PROGRAM.—The Research Office shall develop, in cooperation with the Coordination Office, a comprehensive environmental research program and data base for the Great Lakes System. The data base shall include, but not be limited to, data relating to water quality, fisheries, and biota.

"(6) Monitoring.—The Research Office shall conduct, through the Great Lakes Environmental Research Laboratory, the National Sea Grant College Program, other Federal laboratories, and the private sector, appropriate research and monitoring activities which address priority issues and current needs relating to the Great Lakes.

"(7) Location.—The Research Office shall be located in a Great Lakes State.

"(e) Research and Management Coordination.—

"(1) Joint plan.—Before October 1 of each year, the Program Office and the Research Office shall prepare a joint research plan for the fiscal year which begins in the following calendar year.

"(2) Contents of plan.—Each plan prepared under paragraph (1) shall—

"(A) identify all proposed research dedicated to activities conducted under the Great Lakes Water Quality Agreement of 1978;

"(B) include the Agency's assessment of priorities for research needed to fulfill the terms of such Agreement; and

"(C) identify all proposed research that may be used to develop a comprehensive environmental data base for the Great Lakes System and establish priorities for development of such data base.

"(f) Interagency Cooperation.—The head of each department, agency, or other instrumentality of the Federal Government which is engaged in, is concerned with, or has authority over programs relating to research, monitoring, and planning to maintain, enhance, preserve, or rehabilitate the environmental quality and natural resources of the Great Lakes, including the Chief of Engineers of the Army, the Chief of the Soil Conservation Service, the Commandant of the Coast Guard, the Director of the Fish and Wildlife Service, and the Administrator of the National Oceanic and Atmospheric Administration, shall submit an annual report to the Administrator with respect to the activities of that agency or office affecting compliance with the Great Lakes Water Quality Agreement of 1978.

"(g) Relationship to Existing Federal and State Laws and International Treaties.—Nothing in this section shall be construed to affect the jurisdiction, powers, or prerogatives of any department, agency, or officer of the Federal Government or of any State government, or of any tribe, nor any powers, jurisdiction, or prerogatives of any international body created by treaty with authority relating to the Great Lakes.

"(h) Authorizations of Great Lakes Appropriations.—There are authorized to be appropriated to the Administrator to carry out this section not to exceed $11,000,000 per fiscal year for the fiscal years 1987, 1988, 1989, 1990, and 1991. Of the amounts appropriated each fiscal year—

"(1) 40 percent shall be used by the Great Lakes National Program Office on demonstration projects on the feasibility of controlling and removing toxic pollutants;

"(2) 7 percent shall be used by the Great Lakes National Program Office for the program of nutrient monitoring; and

"(3) 30 percent shall be transferred to the National Oceanic and Atmospheric Administration for use by the Great Lakes Research Office.".

SEC. 104. RESEARCH ON EFFECTS OF POLLUTANTS.

In carrying out the provisions of section 104(a) of the Federal Water Pollution Control Act, the Administrator shall conduct research on the harmful effects on the health and welfare of persons caused by pollutants in water, in conjunction with the United States Fish and Wildlife Service, the National Oceanic and Atmospheric Administration, and other Federal, State, and interstate agencies carrying on such research. Such research shall include, and shall place special emphasis on, the effect that bioaccumulation of these pollutants in acquatic species has upon reducing the value of aquatic commercial and sport industries. Such research shall further study methods to reduce and remove these pollutants from the relevant affected aquatic species so as to restore and enhance these valuable resources.

TITLE II—CONSTRUCTION GRANTS AMENDMENTS

SEC. 201. ELIGIBILITIES, CSOs, DISPUTE RESOLUTION, LIMITATIONS

(a) Section 201(g)(1) is amended by striking out the third sentence and inserting in lieu thereof: "Notwithstanding the preceding sentence, the Administrator is authorized to make grants to States for the provision of loans to municipalities or intermunicipal or interstate agencies for the construction of publicly owned treatment works, as provided under section 220. On and after October 1, 1987, grants under this section shall first be made for projects within the categories listed in the preceding sentence that are necessary to maintain progress, as determined by the Governor, to meet the enforceable deadlines, goals, and requirements of the Act.

(b) Section 201(n) is repealed and subsection 201(o) is redesignated 201(n).

(c) Section 201 is amended by adding at the end thereof the following new subsection:

"(o) Time Limit on Resolving Certain Disputes.—In any case in which a dispute arises with respect to the awarding of a contract for construction of treatment works by a grantee of funds under this title and a party to such dispute files an appeal with the Administrator under this title for resolution of such dispute, the Administrator shall make a final decision on such appeal within 90 days of the filing of such appeal.".

(d) Section 204(c) is amended by inserting "awarded a grant before October 1, 1990," immediately after "such facility and interceptors".

SEC. 202. FEDERAL SHARE.

(a) Section 202(a)(1) is amended by striking out the period at the end thereof and inserting in lieu thereof", for any such grants made before October 1, 1990.".

(b) Projects Under Judicial Injunction.—Section 202(a)(1) is amended by adding at the end thereof the following: "Notwithstanding the first sentence of this paragraph, in the case of a project for which an application for a grant under this title has been made to the Administrator before October 1, 1984, and which project is under judicial injunction on such date prohibiting its construction, such project shall be eligible for grants at 75 percent of the cost of construction thereof.".

(d) Biodisc Equipment.—Section 202(a)(3) is amended by adding at the end thereof the following: "In addition, the Administrator is authorized to make a grant to fund all of the costs of the modification or replacement of biodisc equipment (rotating biological contactors) in any publicly owned treatment works if the Administrator finds that such equipment has failed to meet design performance specifications, unless such failure is attributable to negligence on the part of any person, and if such failure has significantly increased capital or operating and maintenance expenditures.".

(e) Innovative Process.—The activated bio-filter feature of the project for treatment works of the city of Little Falls, Minnesota, shall be deemed to be an innovative wastewater process and technique for purposes of section 202(a)(2) of the Federal Water Pollution Control Act and the amount of any grant under such Act for such feature shall be 85 percent of the cost thereof.

(f) Availability of Certain Funds for Non-Federal Share.—Notwithstanding any other provision of law, Federal assistance made available by the Farmers Home Administration to any political subdivision of a State may be used to provide the non-Federal share of the cost of any construction project carried out under section 201 of the Federal Water Pollution Control Act.

SEC. 203. AGREEMENT ON ELIGIBLE COSTS.

Section 203(a) is amended by inserting "(1)" after "(a)", by designating the last sentence as paragraph (3) and indenting such sentence as a paragraph, and by inserting before paragraph (3) as so designated the following:

"(2) Agreement on eligible cost.—

"(A) Limitation on modifications.—Before taking final action on any plans, specifications, and estimates submitted under this subsection after the 60th day following the date of the enactment of the Water Quality Act of 1987, the Administrator shall enter into a written agreement with the applicant which establishes and specifies which items of the proposed project are eligible for Federal payments under this section. The Administrator may not later modify such eligibility determinations unless they are found to have been made in violation of applicable Federal statutes and regulations.

"(B) Limitation on effect.—Eligibility determinations under this paragraph shall not preclude the Administrator from auditing a project pursuant to section 501 of this Act, or other authority, or from withholding or recovering Federal funds for costs which are found to be unreasonable, unsupported by adequate documentation, or otherwise unallowable under applicable Federal cost principles, or which are incurred on a project which fails to meet the design specifications or effluent limitations contained in the grant agreement and permit pursuant to section 402 of this Act for such project.".

SEC. 204. DESIGN/BUILD PROJECTS.

Section 203 is amended by adding at the end the following new subsection:

"(f) Design/Build Projects.—

"(1) Agreement.—Consistent with State law, an applicant who proposes to construct waste water treatment works may enter into an agreement with the Administrator under this subsection providing for the preparation of construction plans and specifications and the erection of such treatment works, in lieu of proceeding under the other provisions of this section.

"(2) Limitation on projects.—Agreements under this subsection shall be limited to projects under an approved facility plan which projects are—

"(A) treatment works that have an estimated total cost of $8,000,000 or less; and

"(B) any of the following types of waste water treatment systems: aerated lagoons, trickling filters, stabilization ponds, land application systems, sand filters, and subsurface disposal systems.

"(3) REQUIRED TERMS.—An agreement under this subsection shall—

"(A) set forth an amount agreed to as the maximum Federal contribution to the project, based upon a competitively bid document of basic design data and applicable standard construction specifications and a determination of the federally eligible costs of the project at the applicable Federal share under section 202 of this Act;

"(B) set forth dates for the start and completion of construction of the treatment works by the applicant and a schedule of payments of the Federal contribution to the project;

"(C) contain assurances by the applicant that (i) engineering and management assistance will be provided to manage the project; (ii) the proposed treatment works will be an operable unit and will meet all the requirements of this title; and (iii) not later than 1 year after the date specified as the date of completion of construction of the treatment works, the treatment works will be operating so as to meet the requirements of any applicable permit for such treatment works under section 402 of this Act;

"(D) require the applicant to obtain a bond from the contractor in an amount determined necessary by the Administrator to protect the Federal interest in the project; and

"(E) contain such other terms and conditions as are necessary to assure compliance with this title (except as provided in paragraph (4) of this subsection).

"(4) LIMITATION ON APPLICATION.—Subsections (a), (b), and (c) of this section shall not apply to grants made pursuant to this subsection.

"(5) RESERVATION TO ASSURE COMPLIANCE.—The Administrator shall reserve a portion of the grant to assure contract compliance until final project approval as defined by the Administrator. If the amount agreed to under paragraph (3)(A) exceeds the cost of designing and constructing the treatment works, the Administrator shall reallot the amount of the excess to the State in which such treatment works are located for the fiscal year in which such audit is completed.

"(6) LIMITATION ON OBLIGATIONS.—The Administrator shall not obligate more than 20 percent of the amount allotted to a State for a fiscal year under section 205 of this Act for grants pursuant to this subsection.

"(7) ALLOWANCE.—The Administrator shall determine an allowance for facilities planning for projects constructed under this subsection in accordance with section 201(1).

"(8) LIMITATION ON FEDERAL CONTRIBUTIONS.—In no event shall the Federal contribution for the cost of preparing construction plans and specifications and the building and erection of treatment works pursuant to this subsection exceed the amount agreed upon under paragraph (3).

"(9) RECOVERY ACTION.—In any case in which the recipient of a grant made pursuant to this subsection does not comply with the terms of the agreement entered into under paragraph (3), the Administrator is authorized to take such action as may be necessary to recover the amount of the Federal contribution to the project.

"(10) PREVENTION OF DOUBLE BENEFITS.—A recipient of a grant made pursuant to this subsection shall not be eligible for any other grants under this title for the same project.".

SEC. 205. GRANT CONDITIONS; USER CHARGES ON LOW-INCOME RESIDENTIAL USERS.

(a) INCLUSION OF PROJECT IN AREAWIDE PLAN.—Section 204(a)(1) is amended to read as follows:

"(1) that any required areawide waste treatment management plan under section 208 of this Act (A) is being implemented for such area and the proposed treatment works are included in such plan, or (B) is being developed for such area and reasonable progress is being made toward its implementation and the proposed treatment works will be included in such plan;".

(b) CONTINUING PLANNING PROCESS.—Section 204(a)(2) is amended to read as follows:

"(2) that (A) the State in which the project is to be located (i) is implementing any required plan under section 303(e) of this Act and the proposed treatment works are in conformity with such plan, or (ii) is developing such a plan and the proposed treatment works will be in conformity with such plan, and (B) such State is in compliance with section 305(b) of this Act;".

(c) USER CHARGES ON LOW-INCOME RESIDENTIAL USERS.—Section 204(b)(1) is amended by adding at the end thereof the following: "A system of user charges which imposes a lower charge for low-income residential users (as defined by the Administrator) shall be deemed to be a user charge system meeting the requirements of clause (A) of this paragraph if the Administrator determines that such system was adopted after public notice and hearing.".

(d) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this Act, except that the amendments made by subsections (a) and (b) shall take effect on the last day of the two-year period beginning on such date of enactment.

SEC. 206. ALLOTMENT FORMULA.

(a) FORMULA.—

(1) EXTENSION OF EXISTING FORMULA FOR 1986.—Section 205(c)(2) is amended by striking out "and September 30, 1985," and inserting in lieu thereof "September 30, 1985, and September 30, 1986,".

(2) FISCAL YEARS 1987-1990.—Section 205(c) is amended by adding at the end the following new paragraph:

"(3) FISCAL YEARS 1987-1990.—Sums authorized to be appropriated pursuant to section 207 for the fiscal years 1987, 1988, 1989, and 1990 shall be alloted for each such year by the Administrator not later than the 10th day which begins after the date of the enactment of this paragraph. Sums authorized for such fiscal years shall be allotted in accordance with the following table:

"States:

Alabama	.011309
Alaska	.006053
Arizona	.006831
Arkansas	.006616
California	.072333
Colorado	.008090
Connecticut	.012390
Delaware	.004965
District of Columbia	.004965
Florida	.034139
Georgia	.017100
Hawaii	.007833
Idaho	.004965
Illinois	.045741
Indiana	.024374
Iowa	.013688
Kansas	.009129
Kentucky	.012872
Louisiana	.011118
Maine	.007829
Maryland	.024461
Massachusetts	.034338
Michigan	.043487
Minnesota	.018589
Mississippi	.009112
Missouri	.028037
Montana	.004965
Nebraska	.005173
Nevada	.004965
New Hampshire	.010107
New Jersey	.041329
New Mexico	.004965
New York	.111632
North Carolina	.018253
North Dakota	.004965
Ohio	.056936
Oklahoma	.008171
Oregon	.011425
Pennsylvania	.040062
Rhode Island	.006791
South Carolina	.010361
South Dakota	.004965
Tennessee	.014692
Texas	.046226
Utah	.005329
Vermont	.004965
Virginia	.020698
Washington	.017588
West Virginia	.015766
Wisconsin	.027342
Wyoming	.004965
American Samoa	.000908
Guam	.000657
Northern Marianas	.000422
Puerto Rico	.013191
Pacific Trust Territories	.001295
Virgin Islands	.000527".

(b) COSTS OF ADMINISTRATION.—Section 205(g)(1) is amended by striking out "October 1, 1985" and inserting in lieu thereof "October 1, 1994".

(c) CONTROL OF POLLUTANTS FROM STORM SEWERS.—Section 211(e) is amended by striking out "1985," and inserting in lieu thereof "1990,".

SEC. 207. RURAL SET ASIDE, INNOVATIVE AND ALTERNATIVE PROJECTS, AND NONPOINT SOURCE PROGRAMS

(a) Section 205(h) is amended by inserting after "October 1, 1978" the following: "and ending before October 1, 1987".

(b) Section 205(i) is amended by inserting after "beginning after September 30, 1981" the following: "and ending before October 1, 1987".

(c) Section 205 is amended by adding at the end thereof the following:

"(1) The Administrator is authorized to reserve for any fiscal year beginning on or after October 1, 1987 and ending before October 1, 1991, at the request of the Governor, a portion of the sum allotted and available for obligation to each State under this section, not to exceed 3.50 per centum for the fiscal year ending September 30, 1988; 5.32 per centum for the fiscal year ending September 30, 1989; 6.25 per centum for the fiscal year ending September 30, 1990; and 10.83 per centum for the fiscal year ending September 30, 1991. Sums so reserved shall be available for making grants to the States for nonpoint source management programs and groundwater quality protection activities under section 319 of this Act. Sums so reserved shall be available for making such grants for the same period as sums are available from state allotments under subsection (d) of this section, and any such grant shall be available for obligation only during such period. Any grant made from sums reserved under this subsection which has not been obligated by the end of the period for which available shall be added to the amount last allotted to such State under this section and shall be immediately available for obligation in the same manner and to the same extent as such last allotment.".

SEC. 208. REGIONAL ORGANIZATION FUNDING.

Section 205(j)(3) is amended by adding at the end thereof the following: "In giving such priority, the State shall allocate at least 40 percent of the amount granted to such State for a fiscal year under paragraph (2) of this subsection to regional public comprehensive planning organizations in such State and appropriate interstate organizations for the development and implementation of the plan described in this paragraph. In any fiscal year for which the Governor, in consultation with such organizations and with the approval of the Administrator, determines that allocation of at least 40 percent of such amount to such organizations will not result in significant participation by such organizations in water quality management planning and not significantly assist in development and implementation of the plan described in this paragraph and achieving the goals of this Act, the allocation to such organization may be less than 40 percent of such amount.".

SEC. 209. AUTHORIZATIONS FOR CONSTRUCTION GRANTS.

Section 207 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", and for the fiscal year ending September 30, 1986, not to exceed $1,800,000,000; for the fiscal year ending September 30, 1987, and for the fiscal year ending September 30, 1988, not to exceed $2,000,000,000; for the fiscal year ending September 30, 1989, not to exceed $1,900,000,000; for the fiscal year ending September 30, 1990, not to exceed $1,600,000,000; for the fiscal year ending September 30, 1991, not to exceed $1,200,000,000; for the fiscal year ending September 30, 1992, not to exceed $1,000,000,000; and for the fiscal year ending September 30, 1993, not to exceed $500,000,000.".

SEC. 210. GRANTS TO STATES FOR MAKING WATER POLLUTION CONTROL LOANS

Title II is amended by adding at the end thereof the following new sections:

"SEC. 220 GRANTS TO STATES FOR MAKING WATER POLLUTION CONTROL LOANS

"(a) General Authority.—Subject to the provisions of this title, the Administrator may make grants under this section to each State from the sums allotted to such State under section 205, for the purpose of (1) providing loans for construction of treatment works (as defined in section 212 of this Act) which are publicly owned, (2) implementing a management program under section 319, and (3) developing and implementing a conservation and management plan under section 320.

"(b) Schedule of Grant Payments.—The Administrator and each State shall jointly establish a schedule of payments under which the Administrator will pay to the State the amount of each grant to be made to the State under this section. Such schedule shall be based on the State's intended use plan under section 223(c). Such schedule shall provide for payments no more frequent than once per quarter year, in amounts and over periods that result in an outlay rate that approximates the rate for payments made under section 201(g)(1) grants, as determined by the Administrator. The average outlay rate for State grant payments under this section shall not exceed the average outlay rate for section 201(g)(1) grant payments.

"(c) Grant Agreements.—

"(1) General Rule.—To receive a grant with funds made available under this section, a State shall enter into an agreement with the Administrator.

"(2) Specific requirements.—Any agreement entered into by the Administrator under this section shall include, but not be limited to, the provisions listed below, and, in addition, such agreement may be entered into only after the State has established to the satisfaction of the Administrator that—

"(A) the State will accept grant payments with funds to be made available under this section in accordance with a payment schedule established jointly by the Administrator and the State under subsection (b);

"(B) the State will make available from State moneys an amount equal to at least 20 percent of each grant payment made under this section on or before the date on which each such payment will be made to the State;

"(C) the State will enter into binding commitments to provide assistance in accordance with the requirements of this section in an amount equal to 120 percent of the amount of each such grant payment within 1 year after the receipt of such grant payment;

"(D) all funds resulting from grants under this section, i.e. grant funds, matching funds, and loan repayment funds, will be expended in an expeditious and timely manner;

"(E) all such funds resulting from grants under this section will first be used to assure maintenance of progress, as determined by the Governor of the State, toward compliance with enforceable deadlines, goals, and requirements of this Act, including the municipal compliance deadline, in accordance with section 201(g)(1);

"(F) treatment works eligible under sections 201(g)(1) and 221(c) which will be constructed in whole or in part before fiscal year 1995 with funds from grants under this section will meet the requirements of sections 201(b), 201(g)(1), 201(g)(2), 201(g)(3), 201(g)(5), 201(g)(6), 201(n), 204(a)(1), 204(a)(2), 204(b)(1), 204(d)(2), 211, 218, and 511(c)(1) in the same manner as treatment works constructed with assistance under section 201(g)(1) other than by loans;

"(G) in addition to complying with the requirements of this title, the State will commit or expend each grant payment which it will receive under this title in accordance with laws and procedures applicable to the commitment or expenditure of revenues of the States;

"(H) in carrying out the requirements of section 223, the State will use accounting, audit, and fiscal procedures conforming to generally accepted government accounting standards;

"(I) the State will require as a condition of making loans from grants under this section that the recipients of such assistance will maintain project accounts in accordance with generally accepted government accounting standards; and

"(J) the State will make annual reports to the Administrator on the actual use of funds in accordance with section 223 of this title.

"(d) Applicability of Title II Provisions.—Except to the extent explicitly provided in this section and sections 221 and 223, other provisions of title II shall not apply to grants made under this section.".

"SEC. 221. WATER POLLUTION CONTROL LOANS.

"(a) Requirements for Obligation of Grant Funds.—Before a State may receive a grant under section 220 with funds made available under this title, the State shall first certify that it will comply with the requirements of this section.

"(b) Administration.—Grant funds received under section 220 shall be administered by the State to satisfy the requirements and objectives of this Act.

"(c) Projects Eligible for Assistance.—The Administrator is authorized to make grants under section 220 to States (1) for the provision of loans to municipalities or intermunicipal or interstate agencies for the construction of publicly owned treatment works for the eligible costs defined in 201(g)(1) and once such deadlines, goals and requirements have been addressed, loans may then be made for any projects within the definition of section 212 of this Act, (2) for the implementation of a management program established under section 319, and (3) for development and implementation of a conservation and management plan under section 320. The State shall make repayments from loans available in perpetuity for providing such financial assistance.

"(d) Types of Assistance.—A water pollution control grant to a State under this section may be used only—

"(1) to make loans, on the condition that—

"(A) such loans are made at or below market interest rates, including interest free loans, at terms not to exceed 20 years;

"(B) annual principal and interest payments will commence not later than 1 year after completion of any project and all loans will be fully amortized not later than 20 years after project completion;

"(C) the recipient of a loan will establish a dedicated source of revenue for repayment of loans;

"(D) the State will be credited with all payments of principal and interest on all loans; and

"(E) the State ensures that the total amount loaned from any fiscal year authorization shall not exceed, in the aggregate, the total amount that the projects funded would otherwise have received from Federal grants under section 201(g)(1).

"(2) to buy or refinance the debt obligation of municipalities and intermunicipal and interstate agencies within the State at or below market rates, where such debt obligations were incurred after March 1985;

"(3) as a source of revenue or security for the payment of principal or interest on revenue or general obligation bonds insured by the State if the proceeds of the sale of such bonds will be used to make loans.

"(e) Limitation to Prevent Double Benefits.—If a State makes, from its grant under section 220, a loan which will finance the cost of facility planning and the preparation of plans, specifications, and estimates for construction of publicly owned treatment works, the State shall ensure that if the recipient of such loan receives a grant under section 201(g) for construction of such treatment works and all allowance under section 201(l)(1) for non-Federal funds expended for such planning and preparation, such recipient will promptly repay such loan to the extent of such allowance.

"(f) Consistency With Planning Requirements.—A State may provide financial assistance from funds resulting from its grant under section 220 only with respect to a project which is consistent with plans, if any, developed under sections 205(j), 208, 303(e), 319, and 320 of this Act.

"(g) Priority List Requirement.—The State may provide financial assistance from funds resulting from its grants under section 220 only for projects on the State's priority list under section 216 of this Act. Such assistance may be provided regardless of the rank of such projects on such list.

"SEC. 222. CORRECTIVE ACTION.

"(a) Notification of Noncompliance.—If the Administrator determines that a State has not complied with its agreement with the Administrator under section 220 or any other requirement of this title, the Administrator shall notify the State of such noncompliance and the necessary corrective action.

"(b) Withholding of Payments.—If a State does not take corrective action within 60 days after the date a State receives notification of such action under subsection (a), the Administrator shall withhold additional payments to the State until the Administrator is satisfied that the State has taken the necessary corrective action.

"(c) Reallotment of Withheld Payments.—If the Administrator is not satisfied that adequate corrective actions have been taken by the State within 12 months after the State is notified of such actions under subsection (a), the payments withheld from the State by the Administrator under subsection (b) shall be made available for reallotment in accordance with the formula for allotment of funds under this title in effect at the time of such reallotment.

"SEC. 223. AUDITS, REPORTS, AND FISCAL CONTROLS; INTENDED USE PLAN.

"(a) Fiscal Control and Auditing Procedures.—Each State accepting a grant under section 220 shall establish fiscal controls and accounting procedures sufficient to assure proper accounting during appropriate accounting periods for such grants:

"(1) payments received;

"(2) disbursements made; and

"(3) balances at the beginning and end of the accounting period.

"(b) Annual Federal Audits.—The Administrator shall, at least on an annual basis, conduct or require each State to have independently conducted reviews and audits of grant funds received under section 220 as may be deemed necessary or appropriate by the Administrator to carry out the objectives of this section. Audits of the use of funds shall be conducted in accordance with the auditing procedures of the General Accounting Office, including chapter 75 of title 31, United States Code.

"(c) Intended Use Plan.—After providing for public comment and review for each fiscal year that the State expends grant funds under section 220, the State shall prepare a plan identifying the intended use of the grant amounts available. Such intended use plan shall include, but not be limited to—

"(1) a list of those projects for construction of publicly owned treatment works on the State's priority list developed pursuant to section 216 of this Act and a list of activities eligible for assistance under sections 319 and 320 of this Act;

"(2) a description of the State's short and long-term water pollution control goals and objectives;

"(3) information on the activities to be supported, including a description of project categories, discharge requirements under titles III and IV of this Act, terms of financial assistance, and communities served;

"(4) assurances and specific proposals for meeting the requirements of paragraphs (C), (D), (E), and (F) of section 202(c)(2) of this title; and

"(5) the criteria and method established for the distribution of funds.

"(d) Annual Report.—For each fiscal year that the State expends grant funds under section 220, the State shall provide an annual report to the Administrator describing how the State has met the goals and objectives for the previous fiscal year as identified in the plan prepared for the previous fiscal year pursuant to subsection (c), including identification of loan recipients, loan amounts, and loan terms.

"(e) Annual Federal Oversight Review.—The Administrator shall conduct an annual oversight review of each State plan prepared under subsection (c), each State report prepared under subsection (d), and other such materials as are considered necessary and appropriate in carrying out the purposes of this title. After reasonable notice by the Administrator to the State or the recipient of a loan, the State or loan recipient shall make available to the Administrator such records as the Administrator reasonably requires to review and determine compliance with this title.".

SEC. 211. AD VALOREM TAX DEDICATION.

For the purposes of complying with section 204(b)(1) of the Federal Water Pollution Control Act, the ad valorem tax user charge systems of the town of Hampton and the city of Nashua, New Hampshire, shall be deemed to have been dedicated as of December 27, 1977. The Administrator shall review such ad valorem tax user charge systems for compliance with the remaining requirements of such section and related regulations of the Environmental Protection Agency.

TITLE II—STANDARDS AND ENFORCEMENTS

SEC. 301. COMPLIANCE DATES.

(a) Priority Toxic Pollutants.—Section 301(b)(2)(C) is amended by striking out "not later than July 1, 1984," and inserting after "of this paragraph" the following: "as expeditiously as practicable but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989".

(b) Other Toxic Pollutants.—Section 301(b)(2)(D) is amended by striking out "not later than three years after the date such limitations are established" and inserting in lieu thereof "as expeditiously as practicable, but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989".

(c) Conventional Pollutants.—Section 301(b(2)(E) is amended by striking out "not later than July 1, 1984," and inserting in lieu thereof "as expeditiously as practicable but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989, compliance with".

(d) Other Pollutants.—Section 301(b)(2)(F) is amended by striking "not" after "subparagraph (A) of this paragraph" and inserting in lieu thereof "as expeditiously as practicable but in no case", and by striking "or not later than July 1, 1984," and all that follows through the end of the sentence and inserting in lieu thereof "and in no case later than March 31, 1989.".

(e) Stricter BPT.—Section 301(b) is amended by adding at the end the following new paragraph:

"(3)(A) for effluent limitations under paragraph (1)(A)(i) of this subsection promulgated after January 1, 1982, and requiring a level of control substantially greater or based on fundamentally different control technology than under permits for an industrial category issued before such date, compliance as expeditiously as practicable but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989; and

"(B) for any effluent limitation in accordance with paragraph (1)(A)(i), (2)(A)(i), or (2)(E) of this subsection established only on the basis of section 402(a)(1) in a permit issued after enactment of the Water Quality Act of 1987, compliance as expeditiously as practicable but in no case later than three years after the date such limitations are established, and in no case later than March 31, 1989.".

(f) Deadlines for Regulations for Certain Toxic Pollutants.—The Administrator shall promulgate final regulations establishing effluent limitations in accordance with sections 301(b(2)(A) and 307(b)(1) of the Federal Water Pollution Control Act for all toxic pollutants referred to in table 1 of Committee Print Numbered 95-30 of the Committee on Public Works and Transportation of the House of Representatives which are discharged from the categories of point sources in accordance with the following table:

Category	Date by which the final regulation shall be promulgated
Organic chemicals and plastics and synthetic fibers.	December 31, 1986
Pesticides	December 31, 1986

SEC. 302. MODIFICATION FOR NONCONVENTIONAL POLLUTANTS.

(a) Listing of Pollutants.—Section 301(g) is amended by redesignating paragraph (2) (and any references thereto) as paragraph (3) and by striking out all that precedes subparagraph (A) of paragraph (1) and inserting in lieu thereof the following:

"(g) Modifications for Certain Nonconventional Pollutants.—

"(1) General authority.—The Administrator, with the concurrence of the State, may modify the requirements of subsection (b)(2)(A) of this section with respect to the discharge from any point source of ammonia, chlorine, color, iron, and total phenols (4AAP) (when determined by the Administrator to be a pollutant covered by subsection (b)(2)(F)) and any other pollutant which the Administrator lists under paragraph (4) of this subsection.

"(2) Requirements for granting modifications.—A modification under this subsection shall be granted only upon a showing by the owner or operator of a point source satisfactory to the Administrator that—".

(b) Procedure for Listing Additional Pollutants; Removal.—Section 301(g) is further amended by adding at the end thereof the following new paragraphs:

"(4) Procedures for listing additional pollutants.—

"(A) General authority.—Upon petition of any person, the Administrator may add any pollutant to the list of pollutants for which modification under this section is authorized (except for pollutants identified pursuant to section 304(a)(4) of this Act, toxic pollutants subject to section 307(a) of this Act, and the thermal component of discharges) in accordance with the provisions of this paragraph.

"(B) Requirements for listing.—

"(i) Sufficient information.—The person petitioning for listing of an additional pollutant under this subsection shall submit to the Administrator sufficient information to make the determinations required by this subparagraph.

"(ii) Toxic criteria determination.—The Administrator shall determine whether or not the pollutant meets the criteria for listing as a toxic pollutant under section 307(a) of this Act.

"(iii) Listing as toxic pollutant.—If the Administrator determines that the pollutant meets the criteria for listing as a toxic pollutant under section 307(a), the Administrator shall list the pollutant as a toxic pollutant under section 307(a).

"(iv) Nonconventional criteria determination.—If the Administrator determines that the pollutant does not meet the criteria for listing as a toxic pollutant under such section and determines that adequate test methods and sufficient data are available to make the determinations required by paragraph (2) of this subsection with respect to the pollutant, the Administrator shall add the pollutant to the list of pollutants specified in paragraph (1) of this subsection for which modifications are authorized under this subsection.

"(C) Requirements for filing of petitions.—A petition for listing of a pollutant under this paragraph—

"(i) must be filed not later than 270 days after the date of promulgation of an applicable effluent guideline under section 304;

"(ii) may be filed before promulgation of such guideline; and

"(iii) may be filed with an application for a modification under paragraph (1) with respect to the discharge of such pollutant.

"(D) Deadline for approval of petition.—A decision to add a pollutant to the list of pollutants for which modifications under this subsection are authorized must be made within 270 days after the date of promulgation of an applicable effluent guideline under section 304.

"(E) Burden of proof.—The burden of proof for making the determinations under subparagraph (B) shall be on the petitioner.

"(5) Removal of pollutants.—The Administrator may remove any pollutant from the list of pollutants for which modifications are authorized under this subsection if the Administrator determines that adequate test methods and sufficient data are no longer available for determining whether or not modifications may be granted with respect to such pollutant under paragraph (2) of this subsection.".

(c) Deadline for Approval of Modifications.—Section 301(j) is amended—

(1) in paragraph (2) by striking out "Any" and inserting in lieu thereof "Subject to paragraph (3) of this section, any"; and

(2) by adding at the end thereof the following new paragraphs:

"(3) Compliance requirements under subsection (g).—

"(A) Effect of filing.—An application for a modification under subsection (g) and a petition for listing of a pollutant as a pollutant for which modifications are authorized under such subsection shall not stay the requirement that the person seeking such modification or listing comply with effluent limitations under this Act for all pollutants not the subject of such application or petition.

"(B) Effect of disapproval.—Disapproval of an application for a modification under subsection (g) shall not stay the requirement that the person seeking such modification comply with all applicable effluent limitations under this Act.

"(4) Deadline for Subsection (g) Decision.—An application for a modification with respect to a pollutant filed under subsection (g) must be approved or disapproved not later than 365 days after the date of such filing; except that in any case in which a petition for listing such pollutant as a pollutant for which modifications are authorized under such subsection is approved, such application must be approved or disapproved not later than 365 days after the date of approval of such petition.".

(d) Conforming Amendments.—(1) Paragraph (3) of section 301(g), as redesignated by subsection (a) of this section, is amended by inserting "Limitation on authority to apply for subsection (c) modification.—" before "If an owner" and by aligning such paragraph with paragraph (4) of such section, as added by such subsection (c).

(2) Paragraph (2) of section 301(g) (as designated by subsection (a) of this section) is amended by realigning subparagraphs (A), (B), and (C) with subparagraph (A) of paragraph (4), as added by subsection (b) of this section.

(e) Application.—

(1) General rule.—Except as provided in paragraph (2), the amendments made by this section shall apply to all requests for modifications under section 301(g) of the Federal Water Pollution Control Act pending on the date of the enactment of this Act and shall have the effect of extending the deadline established in section 301(j)(1)(B) of such Act.

(2) Exception.—The amendments made by this section shall not affect any application for a modification with respect to the discharge of ammonia, chlorine, color, iron, or total phenols (4AAP) under section 301(g) of the Federal Water Pollution Control Act pending on the date of the enactment of this Act; except that the Administrator must approve or disapprove such application not later than 365 days after the date of such enactment.

SEC. 303. DISCHARGES INTO MARINE WATERS.

(a) Consideration of Other Sources of Pollutants.—Section 301(h)(2) is amended by striking out "such modified requirements will not interfere" and inserting in lieu thereof the following: "the discharge of pollutants in accordance with such modified requirements will not interfere, alone or in combination with pollutants from other sources,".

(b) Limitation on Scope of Monitoring.—

(1) General rule.—Section 301(h)(3) is amended by inserting before the semicolon at the end thereof the following: ", and the scope of such monitoring is limited to include only those scientific investigations which are necessary to study the effects of the proposed discharge".

(2) Limitation on applicability.—The amendment made by subsection (b) shall only apply to modifications and renewals of modifications which are tentatively or finally approved after the date of the enactment of this Act.

(c) Urban Area Pretreatment Program.—Section 301(h) is amended by redesignating paragraphs (6) and (7), and any references thereto, as paragraphs (7) and (8), respectively, and by inserting after paragraph (5) the following new paragraph:

"(6) in the case of any treatment works serving a population of 50,000 or more, with respect to any toxic pollutant introduced into such works by an industrial discharger for which pollutant there is no applicable pretreatment requirement in effect, sources introducing waste into such works are in compliance with all applicable pretreatment requirements, the applicant will enforce such requirements, and the applicant has in effect a pretreatment program which, in combination with the treatment of discharges from such works, removes the same amount of such pollutant as would be removed if such works were to apply secondary treatment to discharges and if such works had no pretreatment program with respect to such pollutant;".

(d) Primary Treatment for Effluent.—

(1) General rule.—Section 301(h) is amended by striking out the period at the end of paragraph (8) (as redesignated by subsection (c) of this section) and inserting in lieu thereof a semicolon and by inserting after such paragraph (8) the following new paragraph:

"(9) the applicant at the time such modification becomes effective will be discharging effluent which has received at least primary or equivalent treatment and which meets the criteria established under section 304(a)(1) of this Act after initial mixing in the waters surrounding or adjacent to the point at which such effluent is discharged.".

(2) Primary or equivalent treatment defined.—Such section is further amended by inserting after the second sentence the following new sentence: "For the purposes of paragraph (9), 'primary or equivalent treatment' means treatment by screening, sedimentation, and skimming adequate to remove at least 30 percent of the biological oxygen demanding material and of the suspended solids in the treatment works influent, and disinfection, where appropriate.".

(e) Limitations on Issuance of Permits.—Section 301(h) is further amended by adding at the end thereof the following new sentences: "In order for a permit to be issued under this subsection for the discharge of a pollutant into marine waters, such marine waters must exhibit characteristics assuring that water providing dilution does not contain significant amounts of previously discharged effluent from such treatment works. No permit issued under this subsection shall authorize the discharge of any pollutant into saline estuarine waters which at the time of application do not support a balanced indigenous population of shellfish, fish and wildlife, or allow recreation in and on the waters or which exhibit ambient water quality below applicable water quality standards adopted for the protection of public water supplies, shellfish, fish and wildlife or recreational activities or such other standards necessary to assure support and protection of such uses. The prohibition contained in the preceding sentence shall apply without regard to the presence or absence of a causal relationship between such characteristics and the applicant's current or proposed discharge. Notwithstanding any other provisions of this subsection, no permit may be issued under this subsection for discharge of a pollutant into the New York Bight Apex consisting of the ocean waters of the Atlantic Ocean westward of 73 degrees 30 minutes west longitude and northward of 40 degrees 10 minutes north latitude.".

(f) Application for Ocean Discharge Modification.—Section 301(j)(1)(A) is amended by inserting before the semicolon at the end thereof the following: ", except that a publicly owned treatment works which prior to December 31, 1982, had a contractual arrangement to use a portion of the capacity of an ocean outfall operated by another publicly owned treatment works which has applied for or received modification under subsection (h), may apply for a modification of subsection (h), may apply for a modification of subsection (h) in its own right not later than 30 days after the date of the enactment of the Water Quality Act of 1987".

(g) GRANDFATHER OF CERTAIN APPLICANTS.—The amendments made by subsections (a), (c), (d), and (e) of this section shall not apply to an application for a permit under section 301(h) of the Federal Water Pollution Control Act which has been tentatively or finally approved by the Administrator before the date of the enactment of this Act; except that such amendments shall apply to all renewals of such permits after such date of enactment.

SEC. 304. FILING DEADLINE FOR TREATMENT WORKS MODIFICATION.

(a) EXTENSION.—The second sentence of section 301(i)(1) is amended by striking out "of this subsection." and inserting in lieu thereof "of the Water Quality Act of 1987.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall not apply to those treatment works which are subject to a compliance schedule established before the date of the enactment of this Act by a court order or a final administrative order.

SEC. 305. INNOVATIVE TECHNOLOGY COMPLIANCE DEADLINES FOR DIRECT DISCHARGES.

(a) EXTENSION OF DEADLINE.—Section 301(k) is amended by striking out "July 1, 1987," and inserting in lieu thereof "two years after the date for compliance with such effluent limitation which would otherwise be applicable under such subsection,".

(b) EXTENSION TO CONVENTIONAL POLLUTANTS.—Section 301(k) is amended by inserting "or (b)(2)(E)" after "(b)(2)(A)" each place it appears.

SEC. 306. FUNDAMENTALLY DIFFERENT FACTORS.

(a) GENERAL RULE.—Section 301 is amended by adding at the end the following new subsections:

"(n) FUNDAMENTALLY DIFFERENT FACTORS.—

"(1) GENERAL RULE.—The Administrator, with the concurrence of the State, may establish an alternative requrement under subsection (b)(2) or section 307(b) for a facility that modifies the requirements of national effluent limitation guidelines or categorical pretreatment standards that would otherwise be applicable to such facility, if the owner or operator of such facility demonstrates to the satisfaction of the Administrator that—

"(A) the facility is fundamentally different with respect to the factors (other than cost) specified in section 304(b) or 304(g) and considered by the Administrator in establishing such national effluent limitation guidelines or categorical pretreatment standards;

"(B) the application—

"(i) is based solely on information and supporting data submitted to the Administrator during the rulemaking for establishment of the applicable national effluent limitation guidelines or categorical pretreatment standard specifically raising the factors that are fundamentally different for such facility; or

"(ii) is based on information and supporting data referred to in clause (i) and information and supporting data the applicant did not have a reasonable opportunity to submit during such rulemaking;

"(C) the alternative requirement is no less stringent than justified by the fundamental difference; and

"(D) the alternative requirement will not result in a non-water quality environmental impact which is markedly more adverse than the impact considered by the Administrator in establishing such national effluent limitation guideline or categorical pretreatment standard.

"(2) TIME LIMIT FOR APPLICATONS.—An application for an alternative requirement which modifies the requirements of an effluent limitation or pretreatment standard under this subsection must be submitted to the Administrator within 180 days after the date on which such limitation or standard is established or revised, as the case may be.

"(3) TIME LIMIT FOR DECISION.—The Administrator shall approve or deny by final agency action an application submitted under this subsection within 180 days after the date such application is filed with the Administrator.

"(4) SUBMISSION OF INFORMATION.—The Administrator may allow an applicant under this subsection to submit information and supporting data until the earlier of the date the application is approved or denied or the last day that the Administrator has to approve or deny such application.

"(5) TREATMENT OF PENDING APPLICATIONS.—For the purposes of this subsection, an application for an alternative requirement based on fundamentally different factors which is pending on the date of the enactment of this subsection shall be treated as having been submitted to the Administrator on the 180th day following such date of enactment. The applicant may amend the application to take into account the provisions of this subsection.

"(6) EFFECT OF SUBMISSION OF APPLICATION.—An application for an alternative requirement under this subsection shall not stay the applicant's obligation to comply with the effluent limitation guideline or categorical pretreatment standard which is the subject of the application.

"(7) EFFECT OF DENIAL.—If an application for an alternative requirement which modifies the requirements of an effluent limitation or pretreatment standard under this subsection is denied by the Administrator, the applicant must comply with such limitation or standard as established or revised, as the case may be.

"(8) REPORTS.—Every 6 months after the date of the enactment of this subsection, the Administrator shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the status of applications for alternative requirements which modify the requirements of effluent limitations under section 301 or 304 of this Act or any national categorical pretreatment standard under section 307(b) of this Act filed before, on, or after such date of enactment.

"(o) APPLICATION FEES.—The Administrator shall prescribe and collect from each applicant fees reflecting the reasonable administrative costs incurred in reviewing and processing applications for modifications submitted to the Administrator pursuant to subsections (c), (g), (i), (k), (m), and (n) of section 301, section 304(d)(4), and section 316(a) of this Act. All amounts collected by the Administrator under this subsection shall be deposited into a special fund of the Treasury entitled 'Water Permits and Related Services' which shall thereafter be available for appropriation to carry out activities of the Environmental Protection Agency for which such fees were collected.".

(b) CONFORMING AMENDMENT.—Section 301(l) is amended by striking out "The" and inserting in lieu thereof "Other than as provided in subsection (n) of this section, the".

(c) PHOSPHATE FERTILIZER EFFLUENT LIMITATION.—

(1) LIMITATION ON APPLICABILITY.—The effluent limitation established by the Administrator pursuant to section 301(b) of the Federal Water Pollution Control Act for the phosphate subcategory of the fertilizer manufacturing point source category shall not apply to facilities which had commenced construction on or before April 8, 1974, and for which the Administrator is proposing to revise the applicability of such limitations to exclude such facilities.

(2) ISSUANCE OF PERMIT.—As soon as possible after the date of the enactment of this Act, but not later than 180 days after such date of enactment, the Administrator shall issue permits under section 402(a)(1)(B) of the Federal Water Pollution Control Act with respect to the facilities described in paragraph (1). Such permits shall remain in effect until, after such date of enactment, issuance of a permit under effluent guidelines applicable to discharges for the phosphate subcategory.

SEC. 307. COAL REMINING OPERATIONS.

Section 301 is amended by adding at the end thereof the following:

"(p) MODIFIED PERMIT FOR COAL REMINING OPERATIONS.—

"(1) IN GENERAL.—Subject to paragraphs (2) through (4) of this subsection, the Administrator, or the State in any case which the State has an approved permit program under section 402(b), may issue a permit under section 402 which modifies the requirements of subsection (b)(2)(A) of this section with respect to the pH level of any pre-existing discharge, and with respect to pre-existing discharges of iron and manganese from the remined area of any coal remining operation or with respect to the pH level of iron or manganese in any pre-existing discharge affected by the remining operation. Such modified requirements shall apply the best available technology economically achievable on a case-by-case basis, using best professional judgment, to set specific numerical effluent limitations in each permit.

"(2) LIMITATIONS.—The Administrator or the State may only issue a permit pursuant to paragraph (1) if the applicant demonstrates to the satisfaction of the Administrator or the State, as the case may be, that the coal remining operation will result in the potential for improved water quality from the remaining operation but in no event shall such a permit allow the pH level of any discharge, and in no event shall such a permit allow the discharges of iron and manganese, to exceed the levels being discharged from the remined area before the coal remining operation begins. No discharge from, or affected by, the remining operation shall exceed State water quality standards established under section 303 of this Act.

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) COAL REMINING OPERATION.—The term 'coal remining operation' means a coal mining operation which begins after the date of the enactment of this subsection at a site on which coal mining was conducted before the effective date of the Surface Mining Control and Reclamation Act of 1977.

"(B) REMINED AREA.—The term 'remined area' means only that area of any coal remining operation on which coal mining was conducted before the effective date of the Surface Mining Control and Reclamation Act of 1977.

"(C) Pre-existing discharge.—The term 'pre-existing discharge' means any discharge at the time of permit application under this subsection.

"(4) Applicability of strip mining laws.—Nothing in this subsection shall affect the application of the Surface Mining Control and Reclamation Act of 1977 to any coal remining operation, including the application of such Act to suspended solids.".

SEC. 308 INDIVIDUAL CONTROL STRATEGIES FOR TOXIC POLLUTANTS.

(a) In General.—Section 304 is amended by adding at the end thereof the following new subsection:

"(l) Individual Control Strategies for Toxic Pollutants.—

"(1) State list of navigable waters and development of strategies.—Not later than 2 years after the date of the enactment of this subsection, each State shall submit to the Administrator for review, approval, and implementation under this subsection—

"(A) a list of those waters within the State which after the application of effluent limitations required under section 301(b)(2) of this Act cannot reasonably be anticipated to attain or maintain (i) water quality standards for such waters reviewed, revised, or adopted in accordance with section 303(c)(2)(B) of this Act, due to toxic pollutants, or (ii) that water quality which shall assure protection of public health, public water supplies, agricultural and industrial uses, and the protection and propagation of a balanced population of shellfish, fish and wildlife, and allow recreational activities in and on the water;

"(B) a list of all navigable waters in such State for which the State does not expect the applicable standard under section 303 of this Act will be achieved after the requirements of sections 301(b), 306, and 307(b) are met, due entirely or substantially to discharges from point sources of any toxic pollutants listed pursuant to section 307(a);

"(C) for each segment of the navigable waters included on such lists, a determination of the specific point sources discharging any such toxic pollutant which is believed to be preventing or impairing such water quality and the amount of each such toxic pollutant discharged by each such source; and

"(D) for each such segment, an individual control strategy which the State determines will produce a reduction in the discharge of toxic pollutants from point sources identified by the State under this paragraph through the establishment of effluent limitations under section 402 of this Act and water quality standards under section 303(c)(2)(B) of this Act, which reduction is sufficient, in combination with existing controls on point and nonpoint sources of pollution, to achieve the applicable water quality standard as soon as possible, but not later than 3 years after the date of the establishment of such strategy.

"(2) Approval or disapproval.—Not later than 120 days after the last day of the 2-year period referred to in paragraph (1), the Administrator shall approve or disapprove the control strategies submitted under paragraph (1) by any State.

"(3) Administrator's action.—If a State fails to submit control strategies in accordance with paragraph (1) or the Administrator does not approve the control strategies submitted by such State in accordance with paragraph (1), then, not later than 1 year after the last day of the period referred to in paragraph (2), the Administrator, in cooperation with such State and after notice and opportunity for public comment, shall implement the requirements of paragraph (1) in such State. In the implementation of such requirements, the Administrator shall, at a minimum, consider for listing under this subsection any navigable waters for which any person submits a petition to the Administrator for listing not later than 120 days after such last day."

(b) Judicial Review.—Section 509(b)(1) is amended—

(1) by striking out "and (F)" and inserting in lieu thereof "(F)"; and

(2) by inserting after "any permit under section 402," the following: "and (G) in promulgating any individual control strategy under section 304(1),".

(c) Guidance to States; Information on water quality Criteria for Toxics.—Section 304(a) is amended by adding at the end the following new paragraphs:

"(7) Guidance to states.—The Administrator, after consultation with appropriate State agencies and on the basis of criteria and information published under paragraphs (1) and (2) of this subsection, shall develop and publish, within 9 months after the date of the enactment of the Water Quality Act of 1987, guidance to the States on performing the identification required by section 304(l)(1) of this Act.

"(8) Information on Water Quality Criteria.—The Administrator, after consulation with appropriate State agencies and within 2 years after the date of the enactment of the Water Quality Act of 1987, shall develop and publish information on methods for establishing and measuring water quality criteria for toxic pollutants on other bases than pollutant-by-pollutant criteria, including biological monitoring and assessment methods.".

(d) Water Quality Criteria for Toxic Pollutants.—Section 303(c)(2) is amended by inserting "(A)" after "(2)" and by adding the following new subparagraph:

"(B) Whenever a State reviews water quality standards pursuant to paragraph (1) of this subsection, or revises or adopts new standards pursuant to this paragraph, such State shall adopt criteria for all toxic pollutants listed pursuant to section 307(a)(1) of this Act for which criteria have been published under section 304(a), the discharge or presence of which in the affected waters could reasonably be expected to interfere with those designated uses adopted by the State, as necessary to support such designated uses. Such criteria shall be specific numerical criteria for such toxic pollutants. Where such numerical criteria are not available, whenever a State reviews water quality standards pursuant to paragraph (1), or revises or adopts new standards pursuant to this paragraph, such State shall adopt criteria based on biological monitoring or assessment methods consistent with information published pursuant to section 304(a)(8). Nothing in this section shall be construed to limit or delay the use of effluent limitations or other permit conditions based on or involving biological monitoring or assessment methods or previously adopted numerical criteria.".

(e) Modifications of Effluent Limitations.—

(1) In general.—Section 302(b) is amended to read as follows:

"(b) Modifications of Effluent Limitations.—

"(1) Notice and hearing.—Prior to establishment of any effluent limitation pursuant to subsection (a) of this section, the Administrator shall publish such proposed limitation and within 90 days of such publication hold a public hearing.

"(2) Permits.—

"(A) No reasonable relationship.—The Administrator, with the concurrence of the State, may issue a permit which modifies the effluent limitations required by subsection (a) of this section for pollutants other than toxic pollutants if the applicant demonstrates at such hearing that (whether or not technology or other alternative control strategies are available) there is no reasonable relationship between the economic and social costs and the benefits to be obtained (including attainment of the objective of this Act) from achieving such limitation.

"(B) Reasonable progress.—The Administrator, with the concurrence of the State, may issue a permit which modifies the effluent limitations required by subsection (a) of this section for toxic pollutants for a single period not to exceed 5 years if the applicant demonstrates to the satisfaction of the Administrator that such modified requirements (i) will represent the maximum degree of control within the economic capability of the owner and operator of the source, and (ii) will result in reasonable further progress beyond the requirements of section 301(b)(2) toward the requirements of subsection (a) of this section.".

(2) Conforming amendments.—Section 302(a) is amended—

(A) by inserting "or as identified under section 304(l)" after "in the judgment of the Administrator"; and

(B) by inserting "public health," after "protection of".

(f) Schedule for Review of Guidelines.—Section 304 is amended by adding at the end the following new subsection:

"(m) Schedule for Review of Guidelines.—

"(1) Publication.—Within 12 months after the date of the enactment of the Water Quality Act of 1987, and biennially thereafter, the Administrator shall publish in the Federal Register a plan which shall—

"(A) establish a schedule for the annual review and revision of promulgated effluent guidelines, in accordance with subsection (b) of this section;

"(B) identify categories of sources discharging toxic or nonconventional pollutants for which guidelines under subsection (b)(2) of this section and section 306 have not previously been published; and

"(C) establish a schedule for promulgation of effluent guidelines for categories identified in subparagraph (B), under which promulgation of such guidelines shall be no later than 4 years after such date of enactment for categories identified in the first published plan or 3 years after the publication of the plan for categories identified in later published plans.

"(2) Public review.—The Administrator shall provide for public review and comment on the plan prior to final publication.".

(g) Water Quality Improvement Study.—

(1) Study.—The Administrator shall study the water quality improvements which have been achieved by application of best available technology economically achievable pursuant to section 301(b)(2) of the Federal Water Pollution Control Act. Such study shall include, but not be limited to, an analysis of the effectiveness of the application of best available technology economically achievable pursuant to such section in attaining applicable water quality standards (including the standard specified in section 302(a) of such Act) and an analysis of the effectiveness of the water quality program

under such Act and methods of improving such program, including site specific levels of treatment which will achieve the water quality goals of such Act.

(2) Report.—Not later than 2 years after the date of the enactment of this Act, the Administrator shall submit a report on the results of the study conducted under subsection (a) together with recommendations for improving the water quality program and its effectiveness to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 309. PRETREATMENT STANDARDS.

(a) Extension of Compliance Date by POTW.—Section 307 is amended by adding at the end the following:

"(e) Compliance Date Extension for Innovative Pretreatment Systems.—In the case of any existing facility that proposes to comply with the pretreatment standards of subsection (b) of this section by applying an innovative system that meets the requirements of section 301(k) of this Act, the owner or operator of the publicly owned treatment works receiving the treated effluent from such facility may extend the date for compliance with the applicable pretreatment standard established under this section for a period not to exceed 2 years—

"(1) if the Administrator determines that the innovative system has the potential for industrywide application, and

"(2) if the Administrator (or the State in consultation with the Administrator, in any case in which the State has a pretreatment program approved by the Administrator)—

"(A) determines that the proposed extension will not cause the publicly owned treatment works to be in violation of its permit under section 402 or of section 405 or to contribute to such a violation, and

"(B) concurs with the proposed extension.".

(b) Increase in EPA Employees.—The Administrator shall take such actions as may be necessary to increase the number of employees of the Environmental Protection Agency in order to effectively implement pretreatment requirements under section 307 of the Federal Water Pollution Control Act.

SEC. 310. INSPECTION AND ENTRY.

(a) Unauthorized Disclosure.—

(1) In general.—Section 308(b) is amended by striking out all that follows "Code" and inserting in lieu thereof a period and the following: "Any authorized representative of the Administrator (including an authorized contractor acting as a representative of the Administrator) who knowingly or willfully publishes, divulges, discloses, or makes known in any manner or to any extent not authorized by law any information which is required to be considered confidential under this subsection shall be fined not more than $1,000 or imprisoned not more than 1 year, or both. Nothing in this subsection shall prohibit the Administrator or an authorized representative of the Administrator (including any authorized contractor acting as a representative of the Administrator) from disclosing records, reports, or information to other officers, employees, or authorized representatives of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act.".

(2) Conforming amendment.—Section 308(a)(B) is amended by inserting "(including an authorized contractor acting as a representative of the Administrator)" after "or his authorized representative".

(b) Access by Congress.—Section 308 is amended by adding at the end the following new subsection:

"(d) Access by Congress.—Notwithstanding any limitation contained in this section or any other provision of law, all information reported to or otherwise obtained by the Administrator (or any representative of the Administrator) under this Act shall be made available, upon written request of any duly authorized committee of Congress, to such committee.".

SEC. 311. MARINE SANITATION DEVICES.

(a) State Regulation of Houseboats.—Section 312(f)(1) is amended by striking out "After" and inserting in lieu thereof "(A) Except as provided in subparagraph (B), after" and by adding at the end thereof the following:

"(B) A State may adopt and enforce a statute or regulation with respect to the design, manufacture, or installation or use of any marine sanitation device on a houseboat, if such statute or regulation is more stringent than the standards and regulations promulgated under this section. For purposes of this paragraph, the term 'houseboat' means a vessel which, for a period of time determined by the State in which the vessel is located, is used primarily as a residence and is not used primarily as a means of transportation.".

(b) State Enforcement.—Section 312(k) is amended by adding at the end the following: "The provisions of this section may also be enforced by a State.".

SEC. 312. CRIMINAL PENALTIES.

Section 309(c) is amended to read as follows:

"(c) Criminal Penalties.—

"(1) Negligent violations.—Any person who—

"(A) negligently violates section 301, 302, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or any requirement imposed in a pretreatment program approved under section 402(a)(3) or 402(b)(8) of this Act or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State; or

"(B) negligently introduces into a sewer system or into a publicly owned treatment works any pollutant or hazardous substance which such person knew or reasonably should have known could cause personal injury or property damage or, other than in compliance with all applicable Federal, State, or local requirements or permits, which causes such treatment works to violate any effluent limitation or condition in any permit issued to the treatment works under section 402 of this Act by the Administrator of a State;

shall be punished by a fine of not less than $2,500 nor more than $25,000 per day of violation, or by imprisonment for not more than 1 year, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $50,000 per day of violation, or by imprisonment of not more than 2 years, or by both.

"(2) Knowing violations.—Any person who—

"(A) knowingly violates section 301, 302, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or any requirement imposed in a pretreatment program approved under section 402(a)(3) or 402(b)(8) of this Act or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State; or

"(B) knowingly introduces into a sewer system or into a publicly owned treatment works any pollutant or hazardous substance which such person knew or reasonably should have known could cause personal injury or property damage or, other than in compliance with all applicable Federal, State, or local requirements or permits, which causes such treatment works to violate any effluent limitation or condition in a permit issued to the treatment works under section 402 of this Act by the Administrator or a State;

shall be punished by a fine of not less than $5,000 nor more than $50,000 per day of violation, or by imprisonment for not more than 3 years, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $100,000 per day of violation, or by imprisonment of not more than 6 years, or by both.

"(3) Knowing endangerment.—

"(A) General rule.—Any person who knowingly violates section 301, 302, 303, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under 402 of this Act by the Administrator or by a State, or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State, and who knows at that time that he thereby places another person in imminent danger of death or serious bodily injury, shall, upon conviction, be subject to a fine of not more than $250,000 or imprisonment of not more than 15 years, or both. A person which is an organization shall, upon conviction of violating this subparagraph, be subject to a fine of not more than $1,000,000. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment shall be doubled with respect to both fine and imprisonment.

"(B) Additional provisions.—For the purpose of subparagraph (A) of this paragraph—

"(i) in determining whether a defendant who is an individual knew that his conduct placed another person in imminent danger of death or serious bodily injury—

"(I) the person is responsible only for actual awareness or actual belief that he possessed; and

"(II) knowledge possessed by a person other than the defendant but not by the defendant himself may not be attributed to the defendant;

except that in proving the defendant's possession of actual knowledge, circumstantial evidence may be used, including evidence that the defendant took affirmative steps to shield himself from relevant information;

"(ii) it is an affirmative defense to prosecution that the conduct charged was consented to by the person endangered and that the danger and conduct charged were reasonably foreseeable hazards of—

"(I) an occupation, a business, or a profession; or

"(II) medical treatment or medical or scientific experimentation conducted by professionally approved methods and such other person had been made aware of the risks involved prior to giving consent;

and such defense may be established under this subparagraph by a preponderance of the evidence;

"(iii) the term 'organization' means a legal entity, other than a government, established or organized for any purpose, and such term includes a corporation, company, association, firm, partnership, joint stock company, foundation, institution, trust, society, union, or any other association of persons; and

"(iv) the term 'serious bodily injury' means bodily injury which involves a substantial risk of death, unconsciousness, extreme physical pain, protracted and obvious disfigurement, or protracted loss or impairment of the function of a bodily member, organ, or mental faculty.

"(4) False statements.—Any person who knowingly makes any false material statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act or who knowingly falsifies, tampers with, or renders inaccurate any monitoring device or method required to be maintained under this Act, shall upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than 2 years, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $20,000 per day of violation, or by imprisonment of not more than 4 years, or by both.

"(5) Treatment of single operational upset.—For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.

"(6) Responsible corporate officer as 'person'.—For the purpose of this subsection, the term 'person' means, in addition to the definition contained in section 502(5) of this Act, any responsible corporate officer.

"(7) Hazardous substance defined.—For the purpose of this subsection, the term 'hazardous substance' means (A) any substance designated pursuant to section 311(b)(2)(A) of this Act, (B) any element, compound, mixture, solution, or substance designated pursuant to section 102 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, (C) any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act (but not including any waste the regulation of which under the Solid Waste Disposal Act has been suspended by Act of Congress), (D) any toxic pollutant listed under section 307(a) of this Act, and (E) any imminently hazardous chemical substance or mixture with respect to which the Administrator has taken action pursuant to section 7 of the Toxic Substances Control Act.".

SEC. 313. CIVIL PENALTIES.

(a) Violations of Pretreatment Requirements.—

(1) General rule.—Section 309(d) is amended by inserting ", or any requirement imposed in a pretreatment program approved under section 402(a)(3) or 402(b)(8) of this Act," after "section 404 of this Act by a State,".

(2) Savings provision.—No State shall be required before July 1, 1988, to modify a permit program approved or submitted under section 402 of the Federal Water Pollution Control Act as a result of the amendment made by paragraph (1).

(b) Increased Penalty.—

(1) General rule.—Section 309(d) is amended by striking out "$10,000 per day of such violation" and inserting in lieu thereof "$25,000 per day for each violation".

(2) Increased penalties not required under state programs.—The Federal Water Pollution Control Act shall not be construed as requiring a State to have a civil penalty for violations described in section 309(d) of such Act which has the same monetary amount as the civil penalty established by such section, as amended by paragraph (1). Nothing in this paragraph shall affect the Administrator's authority to establish or adjust by regulation a minimum acceptable State civil penalty.

(c) Factors To Consider in Determining Penalty Amount.—Section 309(d) is amended by adding at the end thereof the following: "In determining the amount of a civil penalty the court shall consider the seriousness of the violation or violations, the economic benefit (if any) resulting from the violation, any history of such violations, and good-faith efforts to comply with the applicable requirements, the economic impact of the penalty on the violator, and such other matters as justice may require. For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.".

(d) Violations of Section 404 Permits.—Section 404(s) is amended—

(1) by striking out paragraph (4);

(2) by redesignating paragraph (5) as paragraph (4); and

(3) in paragraph (4), as so redesignated—

(A) by striking out "$10,000 per day of such violation" and inserting in lieu thereof "$25,000 per day for each violation";

(B) by adding at the end thereof the following: "In determining the amount of a civil penalty the court shall consider the seriousness of the violation or violations, the economic benefit (if any) resulting from the violation, any history of such violations, any good-faith efforts to comply with the applicable requirements, the economic impact of the penalty on the violator, and such other matters as justice may require.".

SEC. 314. ADMINISTRATIVE PENALTIES.

(a) General Rule.—Section 309 is amended by adding at the end therefor the following:

"(g) Administrative Penalties.—

"(1) Violations.—Whenever on the basis of any information available—

"(A) the Administrator finds that any person has violated section 301, 302, 306, 307, 308, 318, or 405 of this Act, or has violated any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or in a permit issued under section 404 by a State, or

"(B) the Secretary of the Army (hereinafter in this subsection referred to as the 'Secretary') finds that any person has violated any permit condition or limitation in a permit issued under section 404 of this Act by the Secretary.

the Administrator or Secretary, as the case may be, may, after consultation with the State in which the violation occurs, assess a class I civil penalty or a class II civil penalty under this subsection.

"(2) Classes of penalties.—

"(A) Class I.—The amount of a class I civil penalty under paragraph (1) may not exceed $10,000 per violation, except that the maximum amount of any class I civil penalty under this subparagraph shall not exceed $25,000. Before issuing an order assessing a civil penalty under this subparagraph, the Administrator or the Secretary, as the case may be, shall give to the person to be assessed such penalty written notice of the Administrator's or Secretary's proposal to issue such order and the opportunity to request, within 30 days of the date the notice is received by such person, a hearing on the proposed order. Such hearing shall not be subject to section 554 or 556 of title 5, United States Code, but shall provide a reasonable opportunity to be heard and to present evidence.

"(B) Class II.—The amount of a class II civil penalty under paragraph (1) may not exceed $10,000 per day for each day during which the violation continues; except that the maximum amount of any class II civil penalty under this subparagraph shall not exceed $125,000. Except as otherwise provided in this subsection, a class II civil penalty shall be assessed and collected in the same manner, and subject to the same provisions, as in the case of civil penalties assessed and collected after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code. The Administrator and the Secretary may issue rules for discovery procedures for hearings under this subparagraph.

"(3) Determining amount.—In determining the amount of any penalty assessed under this subsection, the Administrator or the Secretary, as the case may be, shall take into account the nature, circumstances, extent and gravity of the violation, or violations, and, with respect to the violator, ability to pay, any prior history of such violations, the degree of culpability, economic benefit or savings (if any) resulting from the violation, and such other matters as justice may require. For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.

"(4) Rights of interested persons.—

"(A) Public notice.—Before issuing an order assessing a civil penalty under this subsection the Administrator or Secretary, as the case may be, shall provide public notice of and reasonable opportunity to comment on the proposed issuance of such order.

"(B) Presentation of evidence.—Any person who comments on a proposed assessment of a penalty under this subsection shall be given notice of any hearing held under this subsection and of the order assessing such penalty. In any hearing held under this subsection, such person shall have a reasonable opportunity to be heard and to present evidence.

"(C) Rights of interested persons to a hearing.—If no hearing is held under paragraph (2) before issuance of an order assessing a penalty under this subsection, any person who commented on the proposed assessment may petition, within 30 days after the issuance of such order, the Administrator or Secretary, as the case may be, to set aside such order and to provide a hearing on the penalty. If the evidence presented by the petitioner in support of the petition is material and was not considered in the issuance of the order, the Administrator or Secretary shall immediately set aside such order and provide a hearing in accordance with paragraph (2)(A) in the case of a class I civil penalty and paragraph (2)(B) in the case of a class II civil penalty. If the Administrator or Secretary denies a hearing under this subparagraph, the Administrator or Secretary shall provide to the petitioner, and publish in the Federal Register, notice of and the reasons for such denial.

"(5) FINALITY OF ORDER.—An order issued under this subsection shall become final 30 days after its issuance unless a petition for judicial review is filed under paragraph (8) or a hearing is requested under paragraph (4)(C). If such a hearing is denied, such order shall become final 30 days after such denial.

"(6) EFFECT OF ORDER.—

"(A) LIMITATION ON ACTIONS UNDER OTHER SECTIONS.—Action taken by the Administrator or the Secretary, as the case may be, under this subsection shall not affect or limit the Administrator's or Secretary's authority to enforce any provision of this Act; except that any violation—

"(i) with respect to which the Administrator or the Secretary has commenced and is diligently prosecuting an action under this subsection,

"(ii) with respect to which a State has commenced and is diligently prosecuting an action under a State law comparable to this subsection, or

"(iii) for which the Administrator, the Secretary, or the State has issued a final order not subject to further judicial review and the violator has paid a penalty assessed under this subsection, or such comparable State law, as the case may be,

shall not be the subject of a civil penalty action under subsection (d) of this section or section 311(b) or section 505 of this Act.

"(B) APPLICABILITY OF LIMITATION WITH RESPECT TO CITIZEN SUITS.—The limitations contained in subparagraph (A) on civil penalty actions under section 505 of this Act shall not apply with respect to any violation for which—

"(i) a civil action under section 505(a)(1) of this Act has been filed prior to commencement of an action under this subsection, or

"(ii) notice of an alleged violation of section 505(a)(1) of this Act has been given in accordance with section 505(b)(1)(A) prior to commencement of an action under this subsection and an action under section 505(a)(1) with respect to such alleged violation is filed before the 120th day after the date on which such notice is given.

"(7) EFFECT OF ACTION ON COMPLIANCE.—No action by the Administrator or the Secretary under this subsection shall affect any person's obligation to comply with any section of this Act or with the terms and conditions of any permit issued pursuant to section 402 or 404 of this Act.

"(8) JUDICIAL REVIEW.—Any person against whom a civil penalty is assessed under this subsection or who commented on the proposed assessment of such penalty in accordance with paragraph (4) may obtain review of such assessment—

"(A) in the case of assessment of a class I civil penalty, in the United States District Court for the District of Columbia or in the district in which the violation is alleged to have occurred, or

"(B) in the case of assessment of a class II civil penalty, in the United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which such person resides or transacts business,

by filing a notice of appeal in such court within the 30-day period beginning on the date the civil penalty order is issued and by simultaneously sending a copy of such notice by certified mail to the Administrator or the Secretary, as the case may be, and the Attorney General. The Administrator or the Secretary shall promptly file in such court a certified copy of the record on which the order was issued. Such court shall not set aside or remand such order unless there is not substantial evidence in the record, taken as a whole, to support the finding of a violation or unless the Administrator's or Secretary's assessment of the penalty constitutes an abuse of discretion and shall not impose additional civil penalties for the same violation unless the Administrator's or Secretary's assessment of the penalty constitutes an abuse of discretion.

"(9) COLLECTION.—If any person fails to pay an assessment of a civil penalty—

"(A) after the order making the assessment has become final, or

"(B) after a court in an action brought under paragraph (8) has entered a final judgment in favor of the Administrator or the Secretary, as the case may be,

the Administrator or the Secretary shall request the Attorney General to bring a civil action in an appropriate district court to recover the amount assessed (plus interest at currently prevailing rates from the date of the final order or the date of the final judgment, as the case may be). In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review. Any person who fails to pay on a timely basis the amount of an assessment of a civil penalty as described in the first sentence of this paragraph shall be required to pay, in addition to such amount and interest, attorneys fees and costs for collection proceedings and a quarterly nonpayment penalty for each quarter during which such failure to pay persists. Such nonpayment penalty shall be in an amount equal to 20 percent of the aggregate amount of such person's penalties and nonpayment penalties which are unpaid as of the beginning of such quarter.

"(10) SUBPOENAS.—The Administrator or Secretary, as the case may be, may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, or documents in connection with hearings under this subsection. In case of contumacy or refusal to obey a subpoena issued pursuant to this paragraph and served upon any person, the district court of the United States for any district in which such person is found, resides, or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the administrative law judge or to appear and produce documents before the administrative law judge, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(11) PROTECTION OF EXISTING PROCEDURES.—Nothing in this subsection shall change the procedures existing on the day before the date of the enactment of the Water Quality Act of 1987 under other subsections of this section for issuance and enforcement of orders by the Administrator.".

"(b) REPORTS ON ENFORCEMENT MECHANISMS.—The Secretary of the Army and the Administrator shall each prepare and submit a report to the Congress, not later than December 1, 1988, which shall examine and analyze various enforcement mechanisms for use by the Secretary or Administrator, as the case may be, including an administrative civil penalty mechanism. Each of such reports shall also include an examination, prepared in consultation with the Comptroller General, of the efficacy of the Secretary's or the Administrator's existing enforcement authorities and shall include recommendations for improvements in their operation.

(c) CONFORMING AMENDMENT.—Section 505(a) is amended by inserting "and section 309(g)(6)" after "Except as provided in subsection (b) of this section".

SEC. 315. CLEAN LAKES.

(a) ESTABLISHMENT AND SCOPE OF PROGRAM.—Section 314(a) is amended to read as follows:

"(a) ESTABLISHMENT AND SCOPE OF PROGRAM.—

"(1) STATE PROGRAM REQUIREMENTS.—Each State on a biennial basis shall prepare and submit to the Administrator for his approval—

"(A) an identification and classification according to eutrophic condition of all publicly owned lakes in such State;

"(B) a description of procedures, processes, and methods (including land use requirements), to control sources of pollution of such lakes;

"(C) a description of methods and procedures, in conjunction with appropriate Federal agencies, to restore the quality of such lakes;

"(D) methods and procedures to mitigate the harmful effects of high acidity, including innovative methods of neutralizing and restoring buffering capacity of lakes and methods of removing from lakes toxic metals and other toxic substances mobilized by high acidity;

"(E) a list and description of those publicly owned lakes in such State for which uses are known to be impaired, including those lakes which are known not to meet applicable water quality standards or which require implementation of control programs to maintain compliance with applicable standards and those lakes in which water quality has deteriorated as a result of high acidity that may reasonably be due to acid deposition; and

"(F) an assessment of the status and trends of water quality in lakes in such State, including but not limited to, the nature and extent of pollution loading from point and nonpoint sources and the extent to which the use of lakes is impaired as a result of such pollution, particularly with respect to toxic pollution.

"(2) SUBMISSION AS PART OF 305(b)(1) REPORT.—The information required under paragraph (1) shall be included in the report required under section 305(b)(1) of this Act, beginning with the report required under such section by April 1, 1988.

"(3) REPORT OF ADMINISTRATOR.—Not later than 180 days after receipt from the States of the biennial information required under paragraph (1), the Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the status of water quality in lakes in the United States, including the effectiveness of the methods and procedures described in paragraph (1)(D).

"(4) ELIGIBILITY REQUIREMENT.—Beginning after April 1, 1988, a State must have submitted the information required under paragraph (1) in order to receive grant assistance under this section.".

"(b) DEMONSTRATION PROGRAM.—Section 314 is amended by adding at the end thereof the following new subsections:

"(d) DEMONSTRATION PROGRAM.—

"(1) GENERAL REQUIREMENTS.—The Administrator is authorized and directed to establish and conduct at locations throughout the Nation a lake water quality demonstration program. The program shall, at a minimum—

"(A) develop cost effective technologies for the control of pollutants to preserve or enhance lake water quality while optimizing multiple lakes uses;

"(B) control nonpoint sources of pollution which are contributing to the degradation of water quality in lakes;

"(C) evaluate the feasibility of implementing regional consolidated pollution control strategies;

"(D) demonstrate environentally preferred techniques for the removal and disposal of contaminated lake sediments;

"(E) develop improved methods for the removal of silt, stumps, aquatic growth, and other obstructions which impair the quality of lakes;

"(F) construct and evaluate silt traps and other devices or equipment to prevent or abate the deposit of sediment in lakes; and

"(G) demonstrate the costs and benefits of utilizing dredged material from lakes in the reclamation of despoiled land.

"(2) GEOGRAPHICAL REQUIREMENTS.—Demonstration projects authorized by this subsection shall be undertaken to reflect a variety of geographical and environmental conditions. As a priority, the Administrator shall undertake demonstration projects at Lake Houston, Texas; Beaver Lake, Arkansas; Greenwood Lake and Belcher Creek, New Jersey; Deal Lake, New Jersey; Alcyon Lake, New Jersey; Gorton's Pond, Rhode Island; Lake Washington, Rhode Island; Lake Bomoseen, Vermont; Sauk Lake, Minnesota; and Lake Worth, Texas.

"(3) REPORTS.—The Administrator shall report annually to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate on work undertaken pursuant to this subsection. Upon completion of the program authorized by this subsection, the Administrator shall submit to such Committees a final report on the results of such program, along with recommendations for further measures to improve the water quality of the Nation's lakes.

"(4) AUTHORIZATION OF APPROPRIATIONS.—

"(A) IN GENERAL.—There is authorized to be appropriated to carry out this subsection not to exceed $40,000,000 for fiscal years beginning after September 30, 1986, to remain available until expended.

"(B) SPECIAL AUTHORIZATIONS.—

"(i) AMOUNT.—There is authorized to be appropriated to carry out subsection (b) with respect to subsection (a)(1)(D) not to exceed $15,000,000 for fiscal years beginning after September 30, 1986, to remain available until expended.

"(ii) DISTRIBUTION OF FUNDS.—The Administrator shall provide for an equitable distribution of sums appropriated pursuant to this subparagraph among States carrying out approved methods and procedures. Such distribution shall be based on the relative needs of each such State for the mitigation of the harmful effects on lakes and other surface waters of high acidity that may reasonably be due to acid deposition or acid mine drainage.

"(iii) GRANTS AS ADDITIONAL ASSISTANCE.—The amount of any grant to a State under this subparagraph shall be in addition to, and not in lieu of, any other Federal financial assistance.".

(c) LAKE RESTORATION GUIDANCE MANUAL.—Section 304(j) is amended to read as follows:

"(j) LAKE RESTORATION GUIDANCE MANUAL.—The Administrator shall, within 1 year after the date of the enactment of the Water Quality Act of 1987 and biennially thereafter, publish and disseminate a lake restoration guidance manual describing methods, procedures, and processes to guide State and local efforts to improve, restore, and enhance water quality in the Nation's publicly owned lakes.".

(d) CONFORMING AMENDMENTS.—Section 314 is further amended—

(1) in subsection (b) by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (a) of this section";

(2) in subsection (c)(1) by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (b) of this section" and by striking out "this section" the second place it appears and inserting in lieu thereof "subsection (a) of this section"; and

(3) in subsection (c)(2) by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (b) of this section" and by striking out "this section" the second place it appears and inserting in lieu thereof "subsection (a) of this section".

SEC. 316. MANAGEMENT OF NONPOINT SOURCES OF POLLUTION.

(a) IN GENERAL.—Title III is amended by adding at the end the following new section:

"SEC. 319. NONPOINT SOURCE MANAGEMENT PROGRAMS.

"(a) This section shall apply only to programs funded in whole or in part with sums reserved under section 205(l) of this Act.

"(b) STATE MANAGEMENT PROGRAMS.—

"(1) IN GENERAL.—The Governor of each State, for that State or in combination with adjacent States, may, after notice and opportunity for public comment, prepare and submit to the Administrator a management program which such State proposes to implement in the first four fiscal years beginning after the date of submission of such management program for controlling pollution added from nonpoint sources to the navigable waters within the State and improving the quality of such waters.

"(2) SPECIFIC CONTENTS.—Each management program proposed for implementation under this subsection should include each of the following:

"(A) An identification of the best management practices and measures which will be undertaken to reduce pollutant loadings resulting from each category, subcategory, or particular nonpoint source designated under paragraph (b)(1)(B), taking into account the impact of the practice on ground water quality.

"(B) An identification of programs (including, as appropriate, nonregulatory or regulatory programs for enforcement, technical assistance, financial assistance, education, training, technology transfer, and demonstration projects) to achieve implementation of the best management practices by the categories, subcategories, and particular nonpoint sources designated under subparagraph (A).

"(C) A schedule containing annual milestones for (1) utilization of the program implementation methods identified in subparagraph (B), and (ii) implementation of the best management practices identified in subparagraph (A) by the categories, subcategories, or particular nonpoint sources designated under paragraph (b)(1)(B). Such schedule shall provide for utilization of the best management practices at the earliest practicable date.

"(D) A certification of the attorney general of the State or States (or the chief attorney of any State water pollution control agency which has independent legal counsel) that the laws of the State or States, as the case may be, provide adequate authority to implement such management program or, if there is not such adequate authority, a list of such additional authorities as will be necessary to implement such management program. A schedule and commitment by the State or States to seek such additional authorities as expeditiously as practicable.

"(E) Sources of Federal and other assistance and funding (other than assistance provided under subsection (i) and (j)) which will be available in each of such fiscal years for supporting implementation of such practices and measures and the purposes for which such assistance will be used in each of such fiscal years.

"(F) An identification of Federal financial assistance programs and Federal development projects for which the State will review individual assistance applications or development projects for their effect on water quality pursuant to the procedures set forth in Executive Order 12372 as in effect on September 17, 1983, to determine whether such assistance applications or development projects would be consistent with the program prepared under this subsection; for the purposes of this subparagraph, identification shall not be limited to the assistance programs or development projects subject to Executive Order 12372 but may include any programs listed in the most recent Catalog of Federal Domestic Assistance which may have an effect on the purposes and objectives of the State's nonpoint source pollution management program.

"(3) UTILIZATION OF LOCAL AND PRIVATE EXPERTS.—In developing and implementing a management program under this subsection, a State should to the maximum extent practicable, involve local public and private agencies and organizations which have expertise in control of nonpoint sources of pollution.

"(4) DEVELOPMENT ON WATERSHED BASIS.—A State should, to the maximum extent practicable, develop and implement a management program under this subsection on a watershed-by-watershed basis within such State.

"(d) GRANT PROGRAM.—

"(1) GRANTS FOR IMPLEMENTATION OF MANAGEMENT PROGRAMS.—Upon submission by a State of a management program under subsection (b), the Administrator may make grants, subject to such terms and conditions as the Administrator considers appropriate, under this subsection to such State for the purpose of assisting the State in implementing such management program.

"(2) APPLICATIONS.—An application for a grant under this subsection in any fiscal year shall be in such form and shall contain such other information as the Administrator may require, including an identification and description of the best management practices and measures which the State proposes to assist, encourage, or require in such year with the Federal assistance to be provided under the grant.

"(4) LIMITATION ON USE OF FUNDS.—States may use funds from grants made pursuant to this section for financial assistance to persons only to the extent that such assistance is related to the costs of demonstration projects.

"(6) MAINTENANCE OF EFFORT.—No grant may be made to a State under this subsection in any fiscal year unless such State enters into such agreements with the Administrator as the Administrator may require to ensure that such State will maintain its aggregate expenditures from all other sources for programs for controlling pollution added to the navigable waters in such State from nonpoint sources and improving the quality of such waters at or above the average level of such expenditures in its two fiscal years preceding the date of enactment of this subsection.

"(7) REQUEST FOR INFORMATION.—The administrator may request such information, data, and reports as he considers necessary to make the determination of continuing eligibility for grants under this section.

"(j) GRANTS FOR PROTECTING GROUNDWATER QUALITY.—

"(1) ELIGIBLE APPLICANTS AND ACTIVITIES.—Upon submission by a State of a plan under subsection (b), the Administrator shall make grants under this subsection to such State for the purpose of assisting such State in carrying out groundwater quality protection activities which the Administrator determines will advance the State toward implementation of a comprehensive nonpoint source pollution control program. Such activities shall include, but not be limited to, research, planning, groundwater assessments, demonstration programs, enforcement, technical assistance, education and training to protect the quality of groundwater and to prevent contamination of groundwater from nonpoint sources of pollution.

"(2) APPLICATIONS.—An application for a grant under this subsection shall be in such form and shall contain such information as the Administrator may require.

"(k) CONSISTENCY OF OTHER PROGRAMS AND PROJECTS WITH MANAGEMENT PROGRAMS.—The Administrator shall transmit to the Office of Management and Budget and the appropriate Federal departments and agencies a list of those assistance programs and development projects identified by each State under subsection (c)(2)(F) for which individual assistance applications and projects will be reviewed pursuant to the procedures set forth in Executive Order 12372 as in effect on September 17, 1983. Beginning not later than sixty days after receiving notification by the Administrator, each Federal department and agency shall modify existing regulations to allow States to review individual development projects and assistance applications under the identified Federal assistance programs and shall accommodate, according to the requirements and definitions of Executive Order 12372, as in effect on September 17, 1983, the concerns of the State regarding the consistency of such applications or projects with the State nonpoint source pollution management program.

"(l) COLLECTION OF INFORMATION.—The Administrator shall collect and make available, through publications and other appropriate means, information pertaining to management practices and implementation methods, including, but not limited to, (1) information concerning the costs and relative efficiencies of best management practices for reducing nonpoint source pollution; and (2) available data concerning the relationship between water quality and implementation of various management practicies to control nonpoint sources of pollution.

(b) POLICY FOR CONTROL OF NONPOINT SOURCES OF POLLUTION.—Section 101(a) is amended by striking out "and" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and by adding at the end thereof the following:

"(7) it is the national policy that programs for the control of nonpoint sources of pollution be developed and implemented in an expeditious manner so as to enable the goals of this Act to be met through the control of both point and nonpoint sources of pollution.".

(d) CONFORMING AMENDMENT.—Section 304(k)(1) is amended by inserting "and nonpoint source pollution management programs approved under section 319 of this Act" after "208 of this Act".

SEC. 317. NATIONAL ESTUARY PROGRAM.

(a) PURPOSES AND POLICIES.—

(1) FINDINGS.—Congress finds and declares that—

(A) the Nation's estuaries are of great importance for fish and wildlife resources and recreation and economic opportunity;

(B) maintaining the health and ecological integrity of these estuaries is in the national interest;

(C) increasing coastal population, development, and other direct and indirect uses of these estuaries threaten their health and ecological integrity;

(D) long-term planning and management will contribute to the continued productivity of these areas, and will maximize their utility to the Nation; and

(E) better coordination among Federal and State programs affecting estuaries will increase the effectiveness and efficiency of the national effort to protect, preserve, and restore these areas.

(2) PURPOSES.—The purposes of this section are to—

(A) identify nationally significant estuaries that are threatened by pollution, development, or overuse;

(B) promote comprehensive planning for, and conservation and management of, nationally significant estuaries;

(C) encourage the preparation of management plans for estuaries of national significance; and

(D) enhance the coordination of estuarine research.

(b) MANAGEMENT PROGRAM.—Title III is amended by adding at the end thereof the following new section:

"SEC. 320. NATIONAL ESTUARY PROGRAM.

"(a) MANAGEMENT CONFERENCE.—

"(1) NOMINATION OF ESTUARIES.—The Governor of any State may nominate to the Administrator an estuary lying in whole or in part within the State as an estuary of national significance and request a management conference to develop a comprehensive management plan for the estuary. The nomination shall document the need for the conference, the likelihood of success, and information relating to the factors in paragraph (2).

"(2) CONVENING OF CONFERENCE.—

"(A) IN GENERAL.—In any case where the Administrator determines, on his own initiative or upon nomination of a State under paragraph (1), that the attainment or maintenance of that water quality in an estuary which assures protection of public water supplies and the protection and propagation of a balanced, indigenous population of shellfish, fish, and wildlife, and allows recreational activities, in and on the water, requires the control of point and nonpoint sources of pollution to supplement existing controls of pollution in more than one State, the Administrator shall select such estuary and convene a management conference.

"(B) PRIORITY CONSIDERATION.—The Administrator shall give priority consideration under this section to Long Island Sound, New York and Connecticut; Narragansett Bay, Rhode Island; Buzzards Bay, Massachusetts; Puget Sound, Washington; New York-New Jersey Harbor, New York and New Jersey; Delaware Bay, Delaware and New Jersey; Delaware Inland Bays, Delaware; Albemarle Sound, North Carolina; Sarasota Bay, Florida; San Francisco Bay, California; and Galveston Bay, Texas.

"(3) BOUNDARY DISPUTE EXCEPTION.—In any case in which a boundary between two States passes through an estuary and such boundary is disputed and is the subject of an action in any court, the Administrator shall not convene a management conference with respect to such estuary before a final adjudication has been made of such dispute.

"(b) PURPOSE OF CONFERENCE.—The purposes of any management conference convened with respect to an estuary under this subsection shall be to—

"(1) assess trends in water quality, natural resources, and uses of the estuary;

"(2) collect, characterize, and assess data on toxics, nutrients, and natural resources within the estuarine zone to identify the causes of environmental problems;

"(3) develop the relationship between the inplace loads and point and nonpoint loadings of pollutants to the estuarine zone and the potential uses of the zone, water quality, and natural resoures;

"(4) develop a comprehensive conservation and management plan that recommends priority corrective actions of pollution to restore and maintain the chemical, physical, and biological integrity of the estuary, including restoration and maintenance of water quality, a balanced indigenous population of shellfish, fish and wildlife, and recreational activities in the estuary, and assure that the designated uses of the estuary are protected;

"(5) develop plans for the coordinated implementation of the plan by the States as well as Federal and local agencies participating in the conference;

"(6) monitor the effectiveness of actions taken pursuant to the plan; and

"(7) review all Federal financial assistance program and Federal development project in accordance with the requirements of Executive Order 12372, as in effect on September 17, 1983, to determine whether such assistance program or project would be consistent with and further the purposes and objectives of the plan prepared under this section.

For purposes of paragraph (7), such programs and projects shall not be limited to the assistance programs and development projects subject to Executive Order 12372, but may include any programs listed in the most recent Catalog of Federal Domestic Assistance which may have an effect on the purposes and objectives of the plan developed under this section.

"(c) MEMBERS OF CONFERENCE.—The members of a management conference convened under this section shall include, at a minimum, the Administrator and representatives of—

"(1) each State and foreign nation located in whole or in part in the estuarine zone of the estuary for which the conference is convened;

"(2) international, interstate, or regional agencies or entities having jurisdiction over all or a significant part of the estuary;

"(3) each interested Federal agency, as determined appropriate by the Administrator;

"(4) local governments having jurisdiction over any land or water within the estuarine zone, as determined appropriate by the Administrator; and

"(5) affected industries, public and private educational institutions, and the general public, as determined appropriate by the Administrator.

"(d) Utilization of Existing Data.—In developing a conservation and management plan under this section, the management conference shall survey and utilize existing reports, data, and studies relating to the estuary that have been developed by or made available to Federal, interstate, State, and local agencies.

"(e) Period of Conference.—A management conference convened under this section shall be convened for a period not to exceed 5 years. Such conference may be extended by the Administrator, and if terminated after the initial period, may be reconvened by the Administrator at any time thereafter, as may be necessary to meet the requirements of this section.

"(f) Approval and Implementation of Plans.—

"(1) Approval.—Not later than 120 days after the completion of a conservation and management plan and after providing for public review and comment, the Administrator shall approve such plans if the plan meets the requirements of this section and the affected Governor or Governors concur.

"(2) Implementation.—Upon approval of a conservation and management plan under this section, such plan shall be implemented. Funds authorized to be appropriated under titles II and VI and section 319 of this Act may be used in accordance with the applicable requirements of this Act to assist States with the implementation of such plan.

"(g) Grants.—

"(1) Recipients.—The Administrator is authorized to make grants to State, interstate, and regional water pollution control agencies and entities, State coastal zone management agencies, interstate agencies, other public or nonprofit private agencies, institutions, organizations, and individuals.

"(2) Purposes.—Grants under this subsection shall be made to pay for assisting research, surveys, studies, and modeling and other technical work necessary for the development of a conservation and management plan under this section.

"(3) Federal share.—The amount of grants to any person (including a State, interstate, or regional agency or entity) under this subsection for a fiscal year shall not exceed 75 percent of the costs of such research, survey, studies, and work and shall be made on condition that the non-Federal share of such costs are provided from non-Federal sources.

"(h) Grant Reporting.—Any person (including a State, interstate, or regional agency or entity) that receives a grant under subsection (g) shall report to the Administrator not later than 18 months after receipt of such grant and biennially thereafter on the progress being made under this section.

"(i) Authorization of Appropriations.—There are authorized to be appropriated to the Administrator not to exceed $12,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991 for—

"(1) expenses related to the administration of management conferences under this section, not to exceed 10 percent of the amount appropriated under this subsection;

"(2) making grants under subsection (g); and

"(3) monitoring the implementation of a conservation and management plan by the management conference or by the Administrator, in any case in which the conference has been terminated.

The Administrator shall provide up to $5,000,000 per fiscal year of the sums authorized to be appropriated under this subsection to the Administrator of the National Oceanic and Atmospheric Administration to carry out subsection (j).

"(j) Research.—

"(1) Programs.—In order to determine the need to convene a management conference under this section or at the request of such management conference, the Administrator shall coordinate and implement, through the National Marine Pollution Program Office and the National Marine Fisheries Service of the National Oceanic and Atmospheric Administration, as appropriate, for one or more estuarine zones—

"(A) a long-term program of trend assessment monitoring measuring variations in pollutant concentrations, marine ecology, and other physical or biological environmental parameter which may affect estuarine zones, to provide the Administrator the capacity to determine the potential and actual effects of alternative management strategies and measures;

"(B) a program of ecosystem assessment assisting in the development of (i) baseline studies which determine the state of estuarine zones and the effects of natural and anthropogenic changes, and (ii) predictive models capable of translating information on specific discharges or general pollutant loadings within estuarine zones into a set of probable effects on such zones;

"(C) a comprehensive water quality sampling program for the continuous monitoring of nutrients, chlorine, acid precipitation dissolved oxygen, and potentially toxic pollutants (including organic chemicals and metals) in estuarine zones, after consultation with interested State, local, interstate, or international agencies and review and analysis of all environmental sampling data presently collected from estuarine zones; and

"(D) a program of research to identify the movements of nutrients, sediments and pollutants through estuarine zones and the impact of nutrients, sediments, and pollutants on water quality, the ecosystem, and designated or potential uses of the estuarine zones.

"(2) Reports.—The Administrator, in cooperation with the Administrator of the National Oceanic and Atmospheric Administration, shall submit to the Congress no less often than biennially a comprehensive report on the activities authorized under this subsection including—

"(A) a listing or priority monitoring and research needs;

"(B) an assessment of the state and health of the Nation's estuarine zones, to the extent evaluated under this subsection;

"(C) a discussion of pollution problems and trends in pollutant concentrations with a direct or indirect effect on water quality, the ecosystem, and designated or potential uses of each estuarine zone, to the extent evaluated under this subsection; and

"(D) an evaluation of pollution abatement activities and management measures so far implemented to determine the degree of improvement toward the objectives expressed in subsection (b)(4) of this section.

"(k) Definitions.—For purposes of this section, the terms 'estuary' and 'estuarine zone' have the meanings such terms have in section 104(n)(4) of this Act, except that the term 'estuarine zone' shall also include associated aquatic ecosystems and those portions of tributaries draining into the estuary up to the historic height of migration of anadromous fish or the historic head of tidal influence, whichever is higher.".

SEC. 318. UNCONSOLIDATED QUATERNARY AQUIFER.

Notwithstanding any other provision of law, no person may—

(1) locate or authorize the location of a landfill, surface impoundment, waste pile, injection well, or land treatment facility over the Unconsolidated Quaternary Aquifer, or the recharge zone or streamflow source zone of such aquifer, in the Rockaway River Basin, New Jersey (as such aquifer and zones are described in the Federal Register, January 24, 1984, pages 2946–2948); or

(2) place or authorize the placement of solid waste in a landfill, surface impoundment, waste pile, injection well, or land treatment facility over such aquifer or zone.

This section may be enforced under sections 309 (a) and (b) of the Federal Water Pollution Control Act. For purposes of section 309(c) of such Act, a violation of this section shall be considered a violation of section 301 of the Federal Water Pollution Control Act.

TITLE IV—PERMITS AND LICENSES

SEC. 401. STORMWATER RUNOFF FROM OIL, GAS, AND MINING OPERATIONS.

(a) Limitation on Permit Requirement.—Section 402(1) is amended by inserting "(1) Agricultural return flows.—" before "The Administrator" and by adding at the end thereof the following:

"(2) Stormwater Runoff From Oil, Gas, and Mining Operations.—The Administrator shall not require a permit under this section, nor shall the Administrator directly or indirectly require any State to require a permit, for discharges of stormwater runoff from mining operations or oil and gas exploration, production, processing, or treatment operations or transmission facilities, composed entirely of flows which are from conveyances or systems of conveyances (including but not limited to pipes, conduits, ditches, and channels) used for collecting and conveying precipitation runoff and which are not contaminated by contact with, or do not come into contact with, any overburden, raw material, intermediate products, finished product, by-product, or waste products located on the site of such operations.".

(b) Conforming Amendments.—Section 402(1) is further amended—

(1) by inserting "Limitation on Permit Requirement.—" after "(1)"; and

(2) by indenting paragraph (1) of such section, as designated by subsection (a) of this section, and aligning such paragraph with paragraph (2) of such section, as added by such subsection (a).

SEC. 402. ADDITIONAL PRETREATMENT OF CONVENTIONAL POLLUTANTS NOT REQUIRED.

Section 402 is amended by adding at the end thereof the following new subsection:

"(m) Additional Pretreatment of Conventional Pollutants Not Required.—To the extent a treatment works (as defined in section 212 of this Act) which is publicly owned is not meeting the requirements of a permit issued under this section for such treatment works as a result of inadequate design or operation of such treatment works, the Administrator, in issuing a permit under this section, shall not require pretreatment by a person introducing conventional pollutants identified pursuant to section 304(a)(4) of this Act into such treatment works other than pretreatment required to assure compliance with pretreatment standards under subsection (b)(8) of this section and section 307(b)(1) of this Act. Nothing in this subsection shall affect the Administrator's authority under sections 307 and 309 of this Act, affect State and local authority under sections 307(b)(4) and 510 of this Act, relieve such treatment works of its obligations to meet requirements established under this Act, or otherwise preclude such works from pursuing whatever feasible options are available to meet its responsibility to comply with its permit under this section.".

SEC. 403. PARTIAL NPDES PROGRAM.

(a) PARTIAL PERMIT PROGRAM.—Section 402 is amended by adding at the end the following:

"(n) PARTIAL PERMIT PROGRAM.—

"(1) STATE SUBMISSION.—The Governor of a State may submit under subsection (b) of this section a permit program for a portion of the discharges into the navigable waters in such State.

"(2) MINIMUM COVERAGE.—A partial permit program under this subsection shall cover, at a minimum, administration of a major category of the discharges into the navigable waters of the State or a major component of the permit program required by subsection (b).

"(3) APPROVAL OF MAJOR CATEGORY PARTIAL PERMIT PROGRAMS.—The Administrator may approve a partial permit program covering administration of a major category of discharges under this subsection if—

"(A) such program represents a complete permit program and covers all of the discharges under the jurisdiction of a department or agency of the State; and

"(B) the Administrator determines that the partial program represents a significant and identifiable part of the State program required by subsection (b).

"(4) APPROVAL OF MAJOR COMPONENT PARTIAL PERMIT PROGRAMS.—The Administrator may approve under this subsection a partial and phased permit program covering administration of a major component (including discharge categories) of a State permit program required by subsection (b) if—

"(A) the Administrator determines that the partial program represents a significant and identifiable part of the State program required by subsection (b); and

"(B) the State submits, and the Administrator approves, a plan for the State to assume administration by phases of the remainder of the State program required by subsection (b) by a specified date not more than 5 years after submission of the partial program under this subsection and agrees to make all reasonable efforts to assume such administration by such date.".

(b) RETURN OF STATE PERMIT PROGRAM TO ADMINISTRATOR.—

(1) IN GENERAL.—Section 402(c) is amended by adding at the end thereof the following new paragraph:

"(4) LIMITATIONS ON PARTIAL PERMIT PROGRAM RETURNS AND WITHDRAWALS.—A State may return to the Administrator administration, and the Administrator may withdraw under paragraph (3) of this subsection approval, of—

"(A) a State partial permit program approved under subsection (n)(3) only if the entire permit program being administered by the State department or agency at the time is returned or withdrawn; and

"(B) a State partial permit program approved under subsection (n)(4) only if an entire phased component of the permit program being administered by the State at the time is returned or withdrawn.".

(2) CONFORMING AMENDMENT.—Section 402(c)(1) is amended by striking out "as to those navigable waters" and inserting in lieu thereof "as to those discharges".

SEC. 404. ANTI-BACKSLIDING.

(a) **GENERAL RULE.—Section 402 is amended** by adding at the end thereof the following new subsection:

"(o) ANTI-BACKSLIDING.—

"(1) GENERAL PROHIBITION.—In the case of effluent limitations established on the basis of subsection (a)(1)(B) of this section, a permit may not be renewed, reissued, or modified on the basis of effluent guidelines promulgated under section 304(b) subsequent to the original issuance of such permit, to contain effluent limitations which are less stringent than the comparable effluent limitations in the previous permit. In the case of effluent limitations established on the basis of section 301(b)(1)(C) or section 303 (d) or (e), a permit may not be renewed, reissued, or modified to contain effluent limitations which are less stringent than the comparable effluent limitations in the previous permit except in compliance with section 303(d)(4).

"(2) EXCEPTIONS.—A permit with respect to which paragraph (1) applies may be renewed, reissued, or modified to contain a less stringent effluent limitation applicable to a pollutant if—

"(A) material and substantial alterations or additions to the permitted facility occurred after permit issuance which justify the application of a less stringent effluent limitation;

"(B)(i) information is available which was not available at the time of permit issuance (other than revised regulations, guidance, or test methods) and which would have justified the application of a less stringent effluent limitation at the time of permit issuance; or

"(ii) the Administrator determines that technical mistakes or mistaken interpretations of law were made in issuing the permit under subsection (a)(1)(B);

"(C) a less stringent effluent limitation is necessary because of events over which the permittee has no control and for which there is no reasonably available remedy;

"(D) the premittee has received a permit modification under section 301(c), 301(g), 301(h), 301(i), 301(k), 301(n), or 316(a); or

"(E) the permittee has installed the treatment facilities required to meet the effluent limitations in the previous permit and has properly operated and maintained the facilities but has nevertheless been unable to achieve the previous effluent limitations, in which case of limitations in the reviewed, reissued, or modified permit may reflect the level of pollutant control actually achieved (but shall not be less stringent than required by effluent guidelines in effect at the time of permit renewal, reissuance, or modification).

Subparagraph (B) shall not apply to any revised waste load allocations or any alternative grounds for translating water quality standards into effluent limitations, except where the cumulative effect of such revised allocations results in a decrease in the amount of pollutants discharged into the concerned waters, and such revised allocations are not the result of a discharger eliminating or substantially reducing its discharge of pollutants due to complying with the requirements of this Act or for reasons otherwise unrelated to water quality.

"(3) LIMITATIONS.—In no event may a permit with respect to which paragraph (1) applies be renewed, reissued, or modified to contain an effluent limitation which is less stringent than required by effluent guidelines in effect at the time the permit is renewed, reissued, or modified. In no event may such a permit to discharge into waters be renewed, reissued, or modified to contain a less stringent effluent limitation if the implementation of such limitation would result in a violation of a water quality standard under section 303 applicable to such waters.".

(b) LIMITATIONS ON REVISION OF CERTAIN EFFLUENT LIMITATIONS.—Section 303(d) of the Act is amended by adding at the end thereof the following new paragraph:

"(4) LIMITATIONS ON REVISION OF CERTAIN EFFLUENT LIMITATIONS.—

"(A) STANDARD NOT ATTAINED.—For waters identified under paragraph (1)(A) where the applicable water quality standard has not yet been attained, any effluent limitation based on a total maximum daily load or other waste loan allocation established under this section may be revised only if (i) the cumulative effect of all such revised effluent limitations based on such total maximum daily load or waste load allocation will assure the attainment of such water quality standard, or (ii) and the designated use which is not being attained is removed in accordance with regulations established under this section.

"(B) STANDARD ATTAINED.—For waters identified under paragraph (1)(A) where the quality of such waters equals or exceeds levels necessary to protect the designated use for such waters or otherwise required by applicable water quality standards, any effluent limitation based on a total maximum daily load or other waste load allocation established under this section, or any water quality standard established under this section, or any other permitting standard may be revised only if such revision is subject to and consistent with the antidegradation policy established under this section.".

(c) STUDY.—The Administrator shall study—

(1) the extent to which States have reviewed, revised, and adopted water quality standards in accordance with section 24 of the Municipal Wastewater Treatment Construction Grant Amendments of 1981; and

(2) the extent to which modifications of permits issued under section 402(a)(1)(B) of the Federal Water Pollution Control Act for the purpose of reflecting any revisions to water quality standards should be encouraged or discouraged.

The Administrator shall submit a report on such study, together with recommendations, to Congress not later than 2 years after the date of the enactment of this Act.

(d) CONFORMING AMENDMENT.—Section 402(a)(1) is amended by inserting "(A)" after "either" and by inserting "(B)" after "this Act, or".

SEC. 405. MUNICIPAL AND INDUSTRIAL STORMWATER DISCHARGES.

(a) Section 402 is amended by adding at the end thereof the following new subsection:

"(p) MUNICIPAL AND INDUSTRIAL STORMWATER DISCHARGES.—

"(1) GENERAL RULE.—Prior to October 1, 1992, the Administrator or the State (in the case of a permit program approved under section 402 of this Act) shall not require a permit under this section for discharges composed entirely of stormwater.

"(2) EXCEPTIONS.—Paragraph (1) shall not apply with respect to the following stormwater discharges:

"(A) A discharge with respect to which a permit has been issued under this section before the date of the enactment of this subsection.

"(B) A discharge associated with industrial activity.

"(C) A discharge from a municipal separate storm sewer system serving a population of 250,000 or more.

"(D) A discharge from a municipal separate storm sewer system serving a population of 100,000 or more but less than 250,000.

"(E) A discharge for which the Administrator or the State, as the case may be, determines that the stormwaterOdVMcharge contributes to a violation of a water quality standard or is a significant contributor of pollutants to waters of the United States.

"(3) PERMIT REQUIREMENTS.—

"(A) INDUSTRIAL DISCHARGES.—Permits for discharges associated with industrial activity shall meet all applicable provisions of this section and section 301.

"(B) MUNICIPAL DISCHARGE.—Permits for discharges from municipal storm sewers—

"(i) may be issued on a system- or jurisdiction-wide basis;

"(ii) shall include a requirement to effectively prohibit non-stormwater discharges into the storm sewers; and

"(iii) shall require controls to reduce the discharge of pollutants to the maximum extent practicable, including management practices, control techniques and system, design and engineering methods, and such other provisions as the Administrator or the State determines appropriate for the control of such pollutants.

"(4) PERMIT APPLICATION REQUIREMENTS.—

"(A) INDUSTRIAL AND LARGE MUNICIAPAL DISCHARGES.—Not later than 2 years after the date of the enactment of this subsection, the Administrator shall establish regulations setting forth the permit application requirements for stormwater discharges described in paragraph (2)(B) and (2)(C). Applications for permits for such discharges shall be filed no later than 3 years after such date of enactment. Not later than 4 years after such date of enactment, the Administrator, or the State, as the case may be, shall issue or deny each such permit. Any such permit shall provide for compliance as expeditiously as practicable, but in no event later than 3 years after the date of issuance of such permit.

"(B) OTHER MUNICIPAL DISCHARGES.—Not later than 4 years after the date of the enactment of this subsection, the Administrator shall establish regulations setting forth the permit application requirements for stormwater discharges described in paragraph (2)(D). Applications for permits for such discharges shall be filed no later than 5 years after such date of enactment. Not later than 6 years after such date of enactment, the Administrator or the State, as the case may be, shall issue or deny each such permit. Any such permit shall provide for compliance as expeditiously as practicable, but in no event later than 3 years after the date of issuance of such permit.

"(5) STUDIES.—The Administrator, in consultation with the States, shall conduct a study for the purposes of—

"(A) identifying those stormwater discharges or classes of stormwater discharges for which permits are not required pursuant to paragraphs (1) and (2) of this subsection,

"(B) determining, to the maximum extent practicable, the nature and extent of pollutants in such discharges; and

"(C) establishing procedures and methods to control stormwater discharges to the extent necessary to mitigate impacts on water quality.

Not later than October 1, 1988, the Administrator shall submit to Congress a report on the results of the study described in subparagraphs (A) and (B). Not later than October 1, 1989, the Administrator shall submit to Congress a report on the results of the study described in subparagraph (C).

"(6) REGULATIONS.—Not later than October 1, 1992, the Administrator, in consultation with State and local officials, shall issue regulations (based on the results of the studies conducted under paragraph (5)) which designate stormwater discharges, other than those discharges described in paragraph (2), to be regulated to protect water quality and shall establish a comprehensive program to regulate such designated sources. The program shall, at a minimum, (A) establish priorities, (B) establish requirements for State stormwater management programs, and (C) establish expeditious deadlines. The program may include performance standards, guidelines, guidance, and management practices and treatment requirements, as appropriate.".

SEC. 406. SEWAGE SLUDGE.

(a) IDENTIFICATION AND REGULATION OF TOXIC POLLUTANTS.—Section 405(d) is amended—

(1) by inserting "(1) REGULATIONS.—" before "The Administrator, after";

(2) by striking "(1)", "(2)", and "(3)", and inserting in lieu thereof "(A)", "(B)", and "(C)", respectively; and

(3) by adding at the end the following new paragraphs:

"(2) IDENTIFICATION AND REGULATION OF TOXIC POLLUTANTS.—

"(A) ON BASIS OF AVAILABLE INFORMATION.—

"(i) PROPOSED REGULATIONS.—Not later than November 30, 1986, the Administrator shall identify those toxic pollutants which, on the basis of available information on their toxicity, persistence, concentration, mobility, or potential for exposure, may be present in sewage sludge in concentrations which may adversely affect public health or the environment, and propose regulations specifying acceptable management practices for sewage sludge containing each such toxic pollutant and establishing numerical limitations for each such pollutant for each use identified under paragraph (1)(A).

"(ii) FINAL REGULATIONS.—Not later than August 31, 1987, and after opportunity for public hearing, the Administrator shall promulgate the regulations required by subparagraph (A)(i).

"(B) OTHERS.—

"(i) PROPOSED REGULATIONS.—Not later than July 31, 1987, the Administrator shall identify those toxic pollutants not identified under subparagraph (A)(i) which may be present in sewage sludge in concentrations which may adversely affect public health or the environment, and propose regulations specifying acceptable management practices for sewage sludge containing each such toxic pollutant and establishing numerical limitations for each pollutant for each such use identified under paragraph (1)(A).

"(ii) FINAL REGULATIONS.—Not later than June 15, 1988, the Administrator shall promulgate the regulations required by subparagraph (B)(i).

"(C) REVIEW.—From time to time, but not less often than every 2 years, the Administrator shall review the regulations promulgated under this paragraph for the purpose of identifying additional toxic pollutants and promulgating regulations for such pollutants consistent with the requirements of this paragraph.

"(D) MINIMUM STANDARDS; COMPLIANCE DATE.—The management practices and numerical criteria established under subparagraphs (A), (B), and (C) shall be adequate to protect public health and the environment from any reasonably anticipated adverse effects of each pollutant. Such regulations shall require compliance as expeditiously as practicable but in no case later than 12 months after their publication, unless such regulations require the construction of new pollution control facilities, in which case the regulations shall require compliance as expeditiously as practicable but in no case later than 2 years from the date of their publication.

"(3) ALTERNATIVE STANDARDS.—For purposes of this subsection, if, in the judgment of the Administrator, it is not feasible to prescribe or enforce a numerical limitation for a pollutant identified under paragraph (2), the Administrator may instead promulgate a design, equipment, management practice, or operational standard, or combination thereof, which in the Administrator's judgment is adequate to protect public health and the environment from any reasonably anticipated adverse effects of such pollutant. In the event the Administrator promulgates a design or equipment standard under this subsection, the Administrator shall include as part of such standard such requirements as well assure the proper operation and maintenance of any such element of design or equipment.

"(4) CONDITIONS ON PERMITS.—Prior to the promulgation of the regulations required by paragraphs (2), the Administrator shall impose conditions in permits issued to publicly owned treatment works under section 402 of this Act or take such other measures as the Administrator deems appropriate to protect public health and the environment from any adverse effects which may occur from toxic pollutants in sewage sludge.

"(5) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section is intended to waive more stringent requirements established by this Act or any other law.".

(b) MANNER OF SLUDGE DISPOSAL.—Section 405(e) is amended to read as follows:

"(e) MANNER OF SLUDGE DISPOSAL.—The determination of the manner of disposal or use of sludge is a local determination, except that it shall be unlawful for any person to dispose of sludge from a publicly owned treatment works or any other treatment works treating domestic sewage for any use for which regulations have been established pursuant to subsection (d) of this section, except in accordance with such regulations.".

(c) IMPLEMENTATION THROUGH PERMITS.—Section 405 is further amended by adding at the end thereof the following:

"(f) IMPLEMENTATION OF REGULATIONS.—

"(1) Through section 402 permits.—Any permit issued under section 402 of this Act to a publicly owned treatment works or any other treatment works treating domestic sewage shall include requirements for the use and disposal of sludge that implement the regulations established pursuant to subsection (d) of this section, unless such requirements have been included in a permit issued under the appropriate provisions of subtitle C of the Solid Waste Disposal Act, part C of the Safe Driking Water Act, the Marine Protection, Research, and Sanctuaries Act of 1972, or the Clean Air Act, or under State permit programs approved by the Administrator, where the Administrator determines that such programs assure compliance with any applicable requirements of this section. Not later than December 15, 1986, the Administrator shall promulgate procedures for approval of State programs pursuant to this paragraph.

"(2) Through other permits.—In the case of a treatment works described in paragraph (1) that is not subject to section 402 of this Act and to which none of the other above listed permit programs nor approved State permit authority apply, the Administrator may issue a permit to such treatment works solely to impose requirements for the use and disposal of sludge that implement the regulations established pursuant to subsection (d) of this section. The Administrator shall include in the permit appropriate requirements to assure compliance with the regulations established pursuant to subsection (d) of this section. The Administrator shall establish procedures for issuing permits pursuant to this paragraph.

"(g) Studies and Projects.—

"(1) Grant program; information gathering.—The Administrator is authorized to conduct or initiate scientific studies, demonstration projects, and public information and education projects which are designed to promote the safe and beneficial management or use of sewage sludge for such purposes as aiding the restoration of abandoned mine sites, conditioning soil for parks and recreation areas, agricultural and horticultural uses, and other beneficial purposes. For the purposes of carrying out this subsection, the Administrator may make grants to State water pollution control agencies, other public or nonprofit agencies, institutions, organizations, and individuals. In cooperation with other Federal departments and agencies, other public and private agencies, institutions, and organizations, the Administrator is authorized to collect and disseminate information pertaining to the safe and beneficial use of sewage sludge.

"(2) Authorization of appropriations.—For the purposes of carrying out the scientific studies, demonstration projects, and public information and education projects authorized in this section, there is authorized to be appropriated for fiscal years beginning after September 30, 1986, not to exceed $5,000,000.".

(d) Enforcement.—(1) Section 308(a)(4) is amended by inserting "405," before "and 504".

(2) Section 505(f) is amended by striking out "or" before "(6)", and by inserting before the period "; or (7) a regulation under section 405(d) of this Act,".

(3) Section 509(b)(1)(E) is amended by striking out "or 306" and inserting in lieu thereof "306, or 405".

(e) Removal Credits.—The part of the decision of Natural Resources Defense Council, Inc. v. U.S. Environmental Protection Agency, No. 84-3530 (3d. Cir. 1986), which addresses section 405(d) of the Federal Water Pollution Control Act is stayed until August 31, 1987, with respect to—

(1) those publicly owned treatment works the owner or operator of which received authority to revise pretreatment requirements under section 307(b)(1) of such Act before the date of the enactment of this section, and

(2) those publicly owned treatment works the owner or operator of which has submitted an application for authority to revise pretreatment requirements under such section 307(b)(1) which application is pending on such date of enactment and is approved before August 31, 1987.

The Administrator shall not authorize any other removal credits under such Act until the Administrator issues the regulations required by paragraph (2)(A)(ii) of section 405(d) of such Act, as amended by subsection (a) of this section.

(f) Conforming Amendments.—Section 405(d) is further amended—

(1) by inserting "Regulations.—" after "(d)";

(2) by indenting paragraph (1) (as designated by subsection (a)(1) of this section) and aligning such paragraph with paragraph (3), as added by subsection (a)(3); and

(3) in such paragraph (1) by aligning subparagraphs (A), (B), and (C) (as designated by subsection (a)(2) of this section) with subparagraph (C) of paragraph (2), as added by subsection (a)(3) of this section.

SEC. 407. LOG TRANSFER FACILITIES.

(a) Agreement.—The Administrator and Secretary of the Army shall enter into an agreement regarding coordination of permitting for log transfer facilities to designate a lead agency and to process permits required under sections 402 and 404 of the Federal Water Pollution Control Act, where both such sections apply, for discharges associated with the construction and operation of log transfer facilities. The Administrator and Secretary are authorized to act in accordance with the terms of such agreement to assure that, to the maximum extent practicable, duplication, needless paperwork and delay in the issuance of permits, and inequitable enforcement between and among facilities in different States, shall be eliminated.

(b) Applications and Permits Before October 22, 1985.—Where both of sections 402 and 404 of the Federal Water Pollution Control Act apply, log transfer facilities which have received a permit under section 404 of such Act before October 22, 1985, shall not be required to submit a new application for a permit under section 402 of such Act. If the Administrator determines that the terms of a permit issued on or before October 22, 1985, under section 404 of such Act satisfies the applicable requirements of sections 301, 302, 306, 307, 308, and 403 of such Act, a separate application for a permit under section 402 of such Act shall not thereafter be required. In any case where the Administrator demonstrates, after an opportunity for a hearing, that the terms of a permit issued on or before October 22, 1985, under section 404 of such Act do not satisfy the applicable requirements of sections 301, 302, 306, 307, 308, and 403 of such Act, modifications to the existing permit under section 404 of such Act to incorporate such applicable requirements shall be issued by the Administrator as an alternative to issuance of a separate new permit under section 402 of such Act.

(c) Log Transfer Facility Defined.—For the purposes of this section, the term "log transfer facility" means a facility which is constructed in whole or in part in waters of the United States and which is utilized for the purpose of transferring commercially harvested logs to or from a vessel or log raft, including the formation of a log raft.

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. AUDITS

Section 501(d) is amended by inserting at the end the following new sentences: "For the purpose of carrying out audits and examinations with respect to recipients of Federal assistance under this Act, the Administrator is authorized to enter into noncompetitive procurement contracts with independent State audit organizations, consistent with chapter 75 of title 31, United States Code. Such contracts may only be entered into to the extent and in such amounts as may be provided in advance in appropriation Acts."

SEC. 502. COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

(a) Defined as a State.—Section 502(3) is amended by inserting "the Commonwealth of the Northern Mariana Islands," after "Samoa,".

(b) Defined as Part of United States.—Section 311(a)(5) is amended by striking our "the Canal Zone," and inserting in lieu thereof "the Commonwealth of the Northern Mariana Islands,".

SEC. 503. AGRICULTURAL STORMWATER DISCHARGES.

Section 502(14) (relating to the definition of point source) is amended by inserting after "does not include" the following: "agricultural stormwater discharges and".

SEC. 504. PROTECTION OF INTERESTS OF UNITED STATES IN CITIZEN SUITS.

Section 505(c) is amended by adding at the end thereof the following new paragraph:

"(3) Protection of interests of United States.—Whenever any action is brought under this section in a court of the United States, the plaintiff shall serve a copy of the complaint on the Attorney General and the Administrator. No consent judgment shall be entered in an action in which the United States is not a party prior to 45 days following the receipt of a copy of the proposed consent judgment by the Attorney General and the Administrator.".

SEC. 505. JUDICIAL REVIEW AND AWARD OF FEES.

(a) Location; Deadline for Appeal.—Section 509(b)(1) is amended—

(1) by striking out "transacts such business" and inserting in lieu thereof, "transacts business which is directly affected by such action"; and

(2) by striking out "ninety" and "ninetieth" and inserting in lieu thereof "120" and "120th", respectively.

(b) Venue; Award of Fees.—Section 509(b) is amended by adding at the end thereof the following new paragraphs:

"(3) Venue.—

"(A) Selection procedure.—If applications for review of the same agency action have been filed under paragraph (1) of this subsection in two or more Circuit Courts of Appeals of the United States and the Administrator has received written notice of the filing of one or more applications within 30 days or less after receiving written notice of the filing of the first application, then the Administrator shall promptly advise in writing the Administrative Office of the United States Courts that applications have been filed in two or more Circuit Courts of

Appeals of the United States, and shall identify each court for which he has written notice that such applications have been filed within 30 days or less of receiving written notice of the filing of the first such application. Pursuant to a system of random selection devised for this purpose, the Administrative Office thereupon shall, within 3 business days of receiving such written notice from the Administrator, select the court in which the record shall be filed from among those identified by the Administrator. Upon notification of such selection, the Administrator shall promptly file the record in such court. For the purpose of review of agency action which has previously been remanded to the Administrator, the record shall be filed in the Circuit Court of Appeals of the United States which remanded such action.

"(B) Administrative provisions.—Where applications have been filed under paragraph (1) of this subsection in two or more Circuit Courts of Appeals of the United States with respect to the same agency action and the record has been filed in one of such courts pursuant to subparagraph (A), the other courts in which such applications have been filed shall promptly transfer such applications to the Circuit Court of Appeals of the United States in which the record has been filed. Pending selection of a court pursuant to subparagraph (A), any court in which an application has been filed under paragraph (1) of this subsection may postpone the effective date of the agency action until 15 days after the Administrative Office has selected the court in which the record shall be filed.

"(C) Transfers.—Any court in which an application with respect to any agency action has been filed under paragraph (1) of this subsection, including any court selected pursuant to subparagraph (A), may transfer such application to any other Circuit Court of Appeals of the United States for the convenience of the parties or otherwise in the interest of justice.

"(4) Award of fees.—In any judicial proceeding under this subsection, the court may award costs of litigation (including reasonable attorney and expert witness fees) to any prevailing or substantially prevailing party whenever it determines that such award is appropriate.".

(c) Conforming Amendment for Citizen Suit Actions.—The first sentence of section 505(d) is amended by inserting "prevailing or substantially prevailing" before "party".

SEC. 506. INDIAN TRIBES.

Title V is amended by redesignating section 518, and any references thereto, as section 519 and by inserting section 517 the following new section:

"SEC. 518. INDIAN TRIBES.

"(a) Policy.—Nothing in this section shall be construed to affect the application of section 101(g) of this Act, and all of the provisions of this section shall be carried out in accordance with the provisions of such section 101(g). Indian tribes shall be treated as States for purposes of such section 101(g).

"(b) Assessment of Sewage Treatment Needs; Report.—The Administrator, in cooperation with the Director of the Indian Health Service, shall assess the need for sewage treatment works to serve Indian tribes, the degree to which such needs will be met through funds alloted to States under section 205 of this Act and priority lists under section 216 of this Act, and any obstacles which prevent such needs from being met. Not later than 1 year after the date of the enactment of this section, the Administrator shall submit a report to Congress on the assessment under this subsection, along with recommendations specifying (1) how the Administrator intends to provide assistance to Indian tribes to develop waste treatment management plans and to construct treatment works under this Act, and (2) methods by which the participation in and administration of programs under this Act by Indian tribes can be maximized.

"(c) Reservation of Funds.—The Administrator shall reserve each fiscal year beginning after September 30, 1986, before allotments to the States under section 205(e), one-half of 1 percent of the sums appropriated under section 207. Sums reserved under this subsection shall be available only for grants for the development of waste treatment management plans and for the construction of sewage treatment works to serve Indian tribes.

"(d) Cooperative Agreements.—In order to ensure the consistent implementation of the requirements of this Act, an Indian tribe and the State or States in which the lands of such tribe are located may enter into a cooperative agreement, subject to the review and approval of the Administrator, to jointly plan and administer the requirements of this Act.

"(e) Treatment as States.—The Administrator is authorized to treat an Indian tribe as a State for purposes of title II and sections 104, 106, 303, 305, 308, 314, 319, 401, 402, and 404 of this Act to the degree necessary to carry out the objectives of this section, but only if—

"(1) the Indian tribe has a governing body carrying out substantial governmental duties and powers;

"(2) the functions to be exercised by the Indian tribe pertain to the management and protection of water resources which are held by an Indian tribe, held by the United States in trust for Indians, held by a member of an Indian tribe if such property interest is subject to a trust restriction on alienation, or otherwise within the borders of an Indian reservation; and

"(3) the Indian tribe is reasonably expected to be capable, in the Administrator's judgment, of carrying out the functions to be exercised in a manner consistent with the terms and purposes of this Act and of all applicable regulations.

Such treatment as a State may include the direct provision of funds reserved under subsection (c) to the governing bodies of Indian tribes, and the determination of priorities by Indian tribes, where not determined by the Administrator in cooperation with the Director of the Indian Health Service. The Administrator, in cooperation with the Director of the Indian Health Service, is authorized to make grants under title II of this Act in an amount not to exceed 100 percent of the cost of a project. Not later than 18 months after the date of the enactment of this section, the Administrator shall, in consultation with Indian tribes, promulgate final regulations which specify how Indian tribes shall be treated as States for purposes of this Act. The Administrator shall, in promulgating such regulations, consult affected States sharing common water bodies and provide a mechanism for the resolution of any unreasonable consequences that may arise as a result of differing water quality standards that may be set by States and Indian tribes located on common bodies of water. Such mechanism shall provide for explicit consideration of relevant factors including, but not limited to, the effects of differing water quality permit requirements on upstream and downstream dischargers, economic impacts, and present and historical uses and quality of the waters subject to such standards. Such mechanism should provide for the avoidance of such unreasonable consequences in a manner consistent with the objective of the Act.

"(f) Grants for Nonpoint Source Programs.—The Administrator shall make grants to an Indian tribe under section 319 of this Act as though such tribe was a State. Not more than one-third of 1 percent of the amount appropriated for any fiscal year under section 319 may be used to make grants under this subsection. In addition to the requirements of section 319, an Indian tribe shall be required to meet the requirements of paragraphs (1), (2), and (3) of subsection (d) of this section in order to receive such a grant.

"(g) Alaska Native Organizations.—No provision of this Act shall be construed to—

"(1) grant, enlarge, or diminish, or in any way affect the scope of the governmental authority, if any, of any Alaska Native organization, including any federally-recognized tribe, traditional Alaska Native council, or Native council organized pursuant to the Act of June 18, 1934 (48 Stat. 987), over lands or persons in Alaska;

"(2) create or validate any assertion by such organization or any form of governmental authority over lands or persons in Alaska; or

"(3) in any way affect any assertion that Indian country, as defined in section 1151 of title 18, United States Code, exists or does not exist in Alaska.

"(h) Definitions.—For purposes of this section, the term—

"(1) 'Federal Indian reservation' means all land within the limits of any Indian reservation under the jurisdiction of the United States Government, notwithstanding the issuance of any patent, and including rights-of-way running through the reservation; and

"(2) 'Indian tribe' means any Indian tribe, band, group, or community recognized by the Secretary of the Interior and exercising governmental authority over a Federal Indian reservation.".

SEC. 507. DEFINITION OF POINT SOURCE.

For purposes of the Federal Water Pollution Control Act, the term "point source" includes a landfill leachate collection system.

SEC. 508. SPECIAL PROVISIONS REGARDING CERTAIN DUMPING SITES.

(a) Finding.—The Congress finds that the New York Bight Apex is no longer a suitable location for the ocean dumping of municipal sludge.

(b) General Rule.—Title I of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1401 et seq.) is further amended by inserting after section 104 the following new section:

"SPECIAL PROVISIONS REGARDING CERTAIN DUMPING SITES

"Sec. 104A. (a) New York Bight Apex.—(1) For purposes of this subsection:

"(A) The term 'Apex' means the New York Bight Apex consisting of the ocean waters of the Atlantic Ocean westward of 73 degrees 30 minutes west longitude and northward of 40 degrees 10 minutes north latitude.

"(B) The term 'Apex site' means that site within the Apex at which the dumping of municipal sludge occurred before October 1, 1983.

"(C) The term 'eligible authority' means any sewerage authority or other unit of State or local government that on November 2, 1983, was authorized under court order to dump municipal sludge at the Apex site.

"(2) No person may apply for a permit under this title in relation to the dumping of, or the transportation for purposes of dumping, municipal sludge within the Apex unless that person is an eligible authority.

"(3) The Administrator may not issue, or renew, any permit under this title that authorizes the dumping of, or the transportation for purposes of dumping, municipal sludge within the Apex after the earlier of—

"(A) December 15, 1987; or

"(B) the day determined by the Administrator to be the first day on which municipal sludge generated by eligible authorities can reasonably be dumped at a site designated under section 102 other than a site within the Apex.

"(b) Restriction on Use of the 106-Mile Site.—The Administrator may not issue or renew any permit under this title which authorizes any person, other than a person that is an eligible authority within the meaning of subsection (a)(1)(C), to dump, or to transport for the purposes of dumping, municipal sludge within the site designated under section 102(c) by the Administrator and known as the '106-Mile Ocean Waste Dump Site' (as described in 49 F.R. 19005).".

SEC. 509. OCEAN DISCHARGE RESEARCH PROJECTS.

(a) In General.—Notwithstanding any other provision of law, the Administrator is authorized to issue a research permit to the Orange County, California, Sanitation Districts for the discharge of preconditioned municipal sewage sludge into the ocean for the purpose of enabling research to be conducted in assessing and analyzing the effects of disposing of sewage sludge by pipeline into ocean waters—

(1) if the Administrator is satisfied that such local governmental agency is actively pursuing long-term land-based options for the handling of its sludge with special emphasis on remote disposal alternatives set forth in the 1980 LA/OMA sludge management project and on reuse of sludge or use of recycled sludge; and

(2) if the Administrator determines that there is no likelihood of an unacceptable adverse effect on the environment as a result of issuance of such permit and that such permit would meet the requirements of paragraph (2) of section 301(h) of the Federal Water Pollution Control Act, as amended by this Act, and of the sentences following the first sentence of such section if such permit were being issued under such section.

(b) Permit Terms.—

(1) Period.—The permit for the discharge of sludge shall be for a period of 5 years commencing on the date of such discharge and shall not be extended or renewed.

(2) Monitoring.—Such permit shall provide for monitoring (including whole effluent monitoring) of permitted discharges and other discharges into the ocean in the same area and the effects of such discharges (including cumulative effects) in conformance with requriements established by the Administrator, after consultation with appropriate Federal and State agencies, and for the reporting of such monitoring to Congress and the Administrator every 6 months.

(3) Volume of discharge.—Such permit shall provide that the volume of such local agency's sludge disposed of by such experimental pipeline shall be no more than one and one-half times that being disposed of by such remote disposal and alternatives for the reuse of sludge and the use of recycled sludge. In no event shall the agency dispose of more than 50 percent of its sludge by the pipeline.

(4) Termination.—The permit shall provide for termination of the permit if the Administrator determines that the disposal of sewage sludge is resulting in an unacceptable adverse impact on fish, shellfish, and wildlife. The Administrator may terminate a permit issued under this section if the Administrator determines that there has been a decline in ambient water quality of the receiving waters during the period of the permit even if a direct cause and effect relationship cannot be shown. If the effluent from a source with a permit issued under this section is contributing to a decline in ambient water quality of the receiving waters, the Administrator shall terminate such permit.

(c) Limitation on Precedence.—The facts and circumstances described in subsection (a) present a unique situation which will not establish a precedent for the relaxation of the requirements of the Federal Water Pollution Control Act applicable to similarly situated discharges.

(d) Report.—Such districts shall report the results of the program and an analysis of such program to Congress under this section not later than 4½ years after issuance of the permit.

SEC. 510. LIMITATION ON DISCHARGE OF RAW SEWAGE BY NEW YORK CITY.

(a) In General.—

(1) North River Plant.—If the wastewater treatment plant identified in the consent decree as the North River plant has not achieved advanced preliminary treatment as required under the terms of the consent decree by August 1, 1986, the city of New York shall not discharge raw sewage from the drainage area of such plant (as defined in the consent decree) into navigable waters after such date in an amount which is greater for any 30-day period than an amount equal to 30 times the average daily amount of raw sewage discharged from such drainage area during the 12-month period ending on the earlier of the date on which such plant becomes operational or March 15, 1986 (as determined by the Administrator), except as provided in subsection (b).

(2) Red Hook Plant.—If the wastewater treatment plant identified in the consent decree as the Red Hook plant has not achieved advanced preliminary treatment as required under the terms of the consent decree by August 1, 1987, the city of New York shall not discharge raw sewage from the drainage area of such plant (as defined in the consent decree) into navigable waters after such date in an amount which is greater for any 30-day period than an amount equal to 30 times the average daily amount of raw sewage discharged from such drainage area during the 12-month period ending on the earlier of the date on which such plant becomes operational or March 15, 1987 (as determined by the Administrator), except as provided in subsection (b).

(b) Waivers.—

(1) Interruption of Plant Operation.—In the event of any significant interruption in the operation of the North River plant or the Red Hook plant caused by an event described in subparagraph (A), (B), or (C) of paragraph (5) occurring after the applicable deadline established under subsection (a), the Administrator shall waive the limitation of subsection (a) with respect to such plant, but only to such extent and for such limited period of time as may be reasonably necessary for the city of New York to resume operation of such plant.

(2) Increased Precipitation.—In the event that the volume of precipitation occurring after the applicable deadline established under subsection (a) causes the discharge of raw sewage to exceed the limitation under subsection (a), the Administrator shall waive the limitation of subsection (a) with respect to either or both such plants, but only to such extent and for such limited period of time as the Administrator determines to be necessary to take into account the increased discharge caused by such volume of precipitation.

(3) Variations in Certain North River Drainage Area Discharges.—In the event that an increase in discharges from the North River drainage area constituting a violation of subsection (a)(1) is due to a random or seasonal variation, and that any sewer hookup occurring, or permit for a sewer hookup granted, after July 31, 1986, is not responsible for such violation, the Administrator shall waive the limitation of subsection (a)(1), but only to such extent and for such limited period of time as the Administrator determines to be reasonably necessary to take into account such random or seasonal variation.

(4) Variations in Certain Red Hook Drainage Area Discharges.—In the event that an increase in discharges from the Red Hook drainage area constituting a violation of subsection (a)(2) is due to a random or seasonal variation, and that any sewer hookup occurring, or permit for a sewer hookup granted, after July 31, 1987, is not responsible for such violation, the Administrator shall waive the limitation of subsection (a)(2), but only to such extent and for such limited period of time as the Administrator determines to be reasonably necessary to take into account such random or seasonal variation.

(5) Circumstances Beyond City's Control.—The Administrator shall extend either deadline under paragraph (1) or (2) of subsection (a) to such extent and for such limited period of time as may be reasonably required to take into account any—

(A) act of war,

(B) unanticipated grave natural disaster or other natural phenomenon of an exceptional, inevitable, and irresistible character, the effects of which could not have been prevented or avoided by the exercise of due care or foresight, or

(C) other circumstances beyond the control of the city of New York, except such circumstances shall not include (i) the unavailability of Federal funds under section 201 of the Federal Water Pollution Control Act, (ii) the unavailability of funds from the city of New York or the State of New York, or (iii) a policy decision made by the city of New York or the State of New York to delay the achievement of advanced preliminary treatment at the North River plant or Red Hook plant beyond the applicable deadline set forth in subsection (a).

(c) Penalties.—Except as otherwise provided in subsection (b), any violation of subsection (a) shall be considered to be a violation of section 301 of the Federal Water Pollution Control Act, and all provisions of such Act relating to violations of such section 301 shall apply.

(d) Consent Decree Defined.—For purposes of this section, the term "consent decree" means the consent decree entered into by the Environmental Protection Agency, the city of New York, and the State of New York, on December 30, 1982, relating to construction and operation of the North River and Red Hook wastewater treatment plants.

(e) Cooperation.—The Administrator shall work with the city of New York to eliminate the discharge of raw sewage by such city at the earliest practicable date.

(f) Savings Clause.—Nothing in this section shall be construed as modifying the terms of the consent decree.

(g) Sense of Congress.—It is the sense of Congress that the Administrator should not agree to any further modification of the consent decree with respect to the schedule for achieving advanced preliminary treatment.

(h) Termination Dates.—

(1) North River Plant.—The provisions of this section shall remain in effect with respect to the North River drainage area until such time as the North River plant has achieved advanced preliminary treatment (as defined in the consent decree) for a period of six consecutive months.

(2) Red Hook Plant.—The provisions of this section shall remain in effect with respect to the Red Hook drainage area until such time as the Red Hook plant has achieved advanced preliminary treatment (as defined in the consent decree) for a period of six consecutive months.

(i) Monitoring Activities.—The Administrator shall promptly establish and carry out a program within available funds to implement the monitoring activities which may be required under subsection (a).

(j) Establishment of Methodologies.—The Administrator shall establish the methodologies, data base, and any other information required for making determinations under subsection (b)—

(1) for the North River drainage area (as defined in the consent decree) by July 31, 1986, unless the requirements of subsection (h)(1) have been satisfied, and

(2) for the Red Hook drainage area (as defined by the consent decree) by July 31, 1987, unless the requirements of subsection (h)(2) have been satisfied.

(k) Violations.—In carrying out this section, if the Administrator finds that a violation of subsection (a) has occurred, the Administrator shall also determine, within 30 days after such finding, whether a provision of subsection (b) applies. If the Administrator requires information from the city of New York in order to determine whether a provision of subsection (b) applies, the Administrator shall request such information. If the city of New York does not supply the information requested by the Administrator, the Administrator shall determine that subsection (b) does not apply. The city of New York shall be responsible only for such expenses as are necessary to provide such requested information. Enforcement action pursuant to subsection (c) shall be commenced at the end of such 30 days unless a provision of subsection (b) applies.

SEC. 511. STUDY OF DE MINIMIS DISCHARGES.

(a) Study.—The Administrator shall conduct a study of discharges of pollutants into the navigable waters and their regulation under the Federal Water Pollution Control Act to determine whether or not there are discharges of pollutants into such waters in amounts which, in terms of volume, concentration, and type of pollutant, are not significant and to determine the most effective and appropriate methods of regulating any such discharges.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study along with recommendations and findings concerning the most effective and appropriate methods of regulating any discharges of pollutants into the navigable waters in amounts which the Administrator determines under such study to be not significant.

SEC. 512. STUDY OF EFFECTIVENESS OF INNOVATIVE AND ALTERNATIVE PROCESSES AND TECHNIQUES.

(a) Effectiveness Study.—The Administrator shall study the effectiveness on waste treatment of innovative and alternative wastewater treatment processes and techniques referred to in section 201(g)(5) of the Federal Water Pollution Control Act which have been utilized in treatment works constructed under such Act. In conducting such study, the Administrator shall compile information, by State, on the types of such processes and techniques utilized, on the number of facilities constructed with such processes and techniques, and a description of such processes and techniques which have not performed to design standards. The Administrator shall also determine which States have not obligated the full amount set aside under section 205(i) of such Act for such processes and techniques and the reasons for each such State's failure to make such obligations.

(b) Report.—Not later than one year after the date of the enactment of this Act, the Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for providing more effective incentives for innovative and alternative wastewater treatment processes and techniques.

SEC. 513. STUDY OF TESTING PROCEDURES.

(a) Study.—The Administrator shall study the testing procedures for analysis of pollutants established under section 304(h) of the Federal Water Pollution Control Act. Such study shall include, but not be limited to, an analysis of the adequacy and standardization of such procedures. In conducting the analysis of the standardization of such procedures, the Administrator shall consider the extent to which such procedures are consistent with comparable procedures established under other Federal laws.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit a report on the results of the study conducted under this subsection, together with recommendations for modifying the test procedures referred to in subsection (a) to improve their effectiveness, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 514. STUDY OF PRETREATMENT OF TOXIC POLLUTANTS.

(a) Study.—The Administrator shall study—

(1) the adequacy of data on environmental impacts of toxic industrial pollutants discharged from publicly owned treatment works;

(2) the extent to which secondary treatment at publicly owned treatment works removes toxic pollutants;

(3) the capability of publicly owned treatment works to revise pretreatment requirements under section 307(b)(1) of the Federal Water Pollution Control Act;

(4) possible alternative regulatory strategies for protecting the operations of publicly owned treatment works from industrial discharges, and shall evaluate the extent to which each such strategy identified may be expected to achieve the goals of this Act;

(5) for each such alternative regulatory strategy, the extent to which removal of toxic pollutants by publicly owned treatment works results in contamination of sewage sludge and the extent to which pretreatment requirements may prevent such contamination or improve the ability of publicly owned treatment works to comply with sewage sludge criteria developed under section 405 of the Federal Water Pollution Control Act; and

(6) the adequacy of Federal, State, and local resources to establish, implement, and enforce multiple pretreatment limits for toxic pollutants for each such alternative strategy.

(b) Report.—Not later than 4 years after the date of the enactment of this Act, the Administrator shall submit a report on the results of such study along with recommendations for improving the effectiveness of pretreatment requirements to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 515. STUDIES OF WATER POLLUTION PROBLEMS IN AQUIFERS.

(a) Studies.—The Administrator, in conjunction with State and local agencies and after providing an opportunity for full public participation, shall conduct studies for the purpose of identifying existing and potential point and nonpoint sources of pollution, and of identifying measures and practices necessary to control such sources of pollution, in the following ground water systems and aquifers:

(1) the ground water system of the Upper Santa Cruz Basin and the Avra-Altar Basin of Pima, Pinal, and Santa Cruz Counties, Arizona;

(2) the Spokana-Rathdrum Valley Aquifer, Washington and Idaho;

(3) the Nassau and Suffolk Counties Aquifer, New York;

(4) the Whidbey Island Aquifer, Washington;

(5) the Unconsolidated Quaternary Aquifer, Rockaway River area, New Jersey;

(6) contaminated ground water under Litchfield, Hartford, Fairfield, Tolland, and New Haven Counties, Connecticut; and

(7) the Sparta Aquifer, Arkansas.

(b) Reports.—Not later than 2 years after the date of the enactment of this Act, the Administrator shall submit to Congress a report on the studies conducted under this section.

(c) Authorization of Appropriations.—There is authorized to be appropriated $7,000,000 for fiscal years beginning after September 30, 1986, to carry out this section.

SEC. 516. GREAT LAKES CONSUMPTIVE USE STUDY.

(a) Study of Consumptive Uses.—In recognition of the serious impacts on the Great Lakes environment that may occur as a result of increased consumption of Great Lakes water, including loss of wetlands and reduction of fish spawning and habitat areas, as well as serious economic losses to vital Great Lakes industries, and in recognition of the national goal to provide environmental protection and preservation of our natural resources while allowing for continued economic growth, the Secretary of the Army in cooperation with the Administrator, other interested departments, agencies, and instrumentalities of the United States, and the 8 Great Lakes States, is authorized to conduct a study of the effects of Great Lakes water consumption on economic growth and environmental quality in the Great Lakes region and of control measures that can be implemented to reduce the quantity of water consumed.

(b) MATTERS INCLUDED.—The study authorized by this section shall at a minimum include the following:

(1) a review of the methodologies used to forecast Great Lakes consumptive uses, including an analysis of the sensitivity of key variables affecting such uses;

(2) an analysis of the effect that enforcement of provisions of the Federal Water Pollution Control Act relating to thermal discharges has had on consumption of Great Lakes water;

(3) an analysis of the effect of laws, regulations, and national policy objectives on consumptive uses of Great Lakes water used in manufacturing;

(4) an analysis of the associated environmental impacts and of the economic effects on industry and other interests in the Great Lakes region associated with individual consumptive use control strategies; and

(5) a summary discussion containing recommendations for methods of controlling consumptive uses which methods maximize benefits to the Great Lakes ecosystem and also provide for continued full economic growth for consuming industries as well as other industries which depend on the use of Great Lakes water.

(c) GREAT LAKES STATES DEFINED.—For purposes of this section, the term "Great Lakes States" means Minnesota, Wisconsin, Illinois, Ohio, Michigan, Indiana, Pennsylvania, and New York.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal years beginning after September 30, 1986, $750,000 to carry out this section. Sums appropriated under this section shall remain available until expended.

SEC. 517. SULFIDE CORROSION STUDY.

(a) STUDY.—The Administrator shall conduct a study of the corrosive effects of sulfides in collection and treatment systems, the extent to which the uniform imposition of categorical pretreatment standards will exacerbate such effects, and the range of available options to deal with such effects.

(b) CONSULTATION.—The study required by this section shall be conducted in consultation with the Los Angeles City and County sanitation agencies.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit a report on the results of the study, together with recommendations for measures to reduce the corrosion of treatment works, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000 to carry out this section for fiscal years beginning after September 30, 1986.

SEC. 518. STUDY OF RAINFALL INDUCED INFILTRATION INTO SEWER SYSTEMS.

(a) STUDY.—The Administrator shall study problems associated with rainfall induced infiltration into wastewater treatment sewer systems. As part of such study, the Administrator shall study appropriate methods of regulating rainfall induced infiltration into the sewer system of the East Bay Municipal Utility District, California.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Administrator shall submit to Congress a report on the results of such study, along with recommendations to reduce such infiltration.

SEC. 519. DAM WATER QUALITY STUDY.

The Administrator, in cooperation with interested States and Federal agencies, shall study and monitor the effects on the quality of navigable waters attributable to the impoundment of water by dams. The results of such study shall be submitted to Congress not later than December 31, 1987.

SEC. 520. STUDY OF POLLUTION IN LAKE PEND OREILLE, IDAHO.

The Administrator shall conduct a comprehensive study of the sources of pollution in Lake Pend Oreille, Idaho, and the Clark Fork River and its tributaries, Idaho, Montana, and Washington, for the purpose of identifying the sources of such pollution. In conducting such study, the Administrator shall consider existing studies, surveys, and test results concerning such pollution. The Administrator shall report to Congress the findings and recommendations concerning the study conducted under this section.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. I thank the distinguished Presiding Officer.

SELECT COMMITTEE ON IRAN AND NICARAGUA

Mr. BYRD. Mr. President, I am about to ask unanimous consent that the Senate proceed to the consideration of a resolution establishing the select committee of the Senate to conduct an investigation. This resolution has been widely discussed.

I shall ask unanimous consent shortly that the Senate proceed to the immediate consideration of the resolution. If that consent is granted—Mr. President, may we have order in the Senate?

The PRESIDING OFFICER (Mr. BINGAMAN). The Senate will be in order.

The majority leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

Mr. President, the resolution will be open for amendment, of course, and would be subject to debate.

Before I make the request, may I say that I have modified the resolution in several ways, and I have not had an opportunity to inform the distinguished Republican leader of the modifications.

The modifications comport with the recommendations of Senators INOUYE and RUDMAN, the chairman and vice chairman of the select committee to be, and also comport with the recommendations of, or at least commands the support of, the incoming new chairman of the Senate Select Committee on Intelligence, Mr. BOREN.

Mr. President, for the benefit of the press and all Senators, particularly the distinguished Republican leader, the changes would be as follows:

On the first page, in the resolving clause establishing the select committee, the name of the select committee would be changed from "Select Committee on Secret Military Assistance to Iran and the Nicaraguan Contras" to the "Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition."

The next modifications which I will make, appear on page 7 of the resolution which Senators have in their hands. The first modification on page 7 states that the staff shall work for the select committee as a whole. Here is the modification: "shall report to the chairman and vice chairman."

So, what is being done here is this: The language did not provide that the staff would report to the chairman and the vice chairman. The language as appears in the resolution is as follows: "All staff shall work for the select committee as a whole and, except as otherwise provided by the select committee, shall be under the immediate direction of the staff director."

It is changed to read as follows: "All staff shall work for the select committee as a whole and shall report to the chairman and vice chairman, and, except as otherwise provided by the select committee, shall be under the direction of the chairman," instead of under the direction of the staff director.

The next modification on page 7 would provide for the designation by the majority and minority leaders of the Senate of one staff person to serve on the staff of the select committee, to serve as the liaison to the select committee on behalf of the distinguished Republican leader and the majority leader.

On page 17, the following language is added as (b)(1): "The Select Committee on Intelligence is hereby directed to prepare and provide to the select committee, in closed session, a report of its investigation into any matter described in section 1 of this resolution, which report shall include a summary of the testimony and chronology of events developed by the Select Committee on Intelligence, together with a listing of any unresolved questions and issues which it recommends be pursued by the select committee as soon as practicable."

May I say that the resolution gives to the select committee access, in any event, to the materials, documents, papers, et cetera—not only the Senate Select Committee on Intelligence but also any other committees that have investigative jurisdiction or jurisdiction which would put those committees into the possession of papers, documents, whatever, that the new select committee would require in order to carry out its mandate under the resolution creating the select committee.

The final modification is as follows: "The select committee shall make a final public report * * * at the earliest practicable date, but not later than August 1, 1987, provided that on or before August 1, 1987, a privileged motion made by the majority leader, to be debatable for no more than 1 hour, in the usual form, shall be in order, with the exception that no motion to reconsider, no motion to refer or commit, and no motion to table will be in order."

That privileged motion shall read as follows: "I move that the time be extended from August 1, 1987, to October 30, 1987, for the investigation and final report of the select committee."

So that the date for the final report of the select committee, as embraced in this resolution, is August 1, 1987, unless circumstances are such that the committee needs an extension of time; and the language that is now in the resolution provides for further action by the Senate on a privileged motion that the majority leader will be authorized to make.

Under the limitations I have stated, the Senate then may wish to extend the time to October 30, 1987, which is the date within the original resolution, before the modification.

That, I think, completes my statement with respect to modifications.

Before I ask unanimous consent that the Senate proceed to the consideration of the resolution, does the distinguished minority leader wish me to yield to him?

Mr. DOLE. If the distinguished majority leader will yield, as I understand, there were a couple of changes also on page 6.

Mr. RUDMAN. And 7.

Mr. BYRD. The distinguished Republican leader is correct.

On page 6, the top of the page, paragraph 2, "A majority of the voting members of the select committee shall constitute a quorum for the transaction of business." The change is as follows: the words "transaction of business" are stricken and inserted in lieu thereof are the following words "reporting a matter or recommendation to the Senate."

This would mean that the resolution then would read thusly: "A majority of the voting members of the select committee shall constitute a quorum for reporting a matter or recommendation to the Senate," and then going on using the present language or the language that is in the copy that has been circulated, "except that the select committee may fix a lesser number as a quorum for the purpose of taking testimony before the select committee or for conducting the business of the select committee."

The word "other" would be inserted just before "business" making the language read "except that the select committee may fix a lesser number as a quorum for the purpose of taking testimony before the select committee or for conducting the other business of the select committee."

Mr. DOLE. Mr. President, will the majority leader yield further?

Mr. BYRD. Yes.

Mr. DOLE. I am advised by the distinguished Senator from New Hampshire that on page 7 there was one omission, if the Senator will yield to the Senator from New Hampshire.

Mr. BYRD. Yes.

May I say, Mr. President, that I am not satisfied with the modification that I just read.

Mr. DOLE. The one on 6?

Mr. BYRD. The one on page 6.

So for the moment I would withhold that modification.

May we go to page 7?

Mr. RUDMAN. If the distinguished majority leader will yield, I believe on page 7 it has been agreed that on line 1 the sentence should end with a period after the word "staff" and all other should be stricken. I believe the chairman had discussed that with the committee and the committee felt they do not want that kind of delimitation.

I would make one other observation for the majority leader.

I believe that on the title page of Senate Resolution 1, the distinguished majority leader did in fact state a correction on page 5. I believe there is also a change that he inadvertently omitted in the midpart of that sentence the word "terrorist" in the first part which we had agreed to be stricken. Other than that, I believe that the distinguished majority leader's caption of this complicated legislation is absolutely correct.

Mr. BYRD. Mr. President, I thank the distinguished Senator. The distinguished Senator is correct. I overlooked the striking of the word "terrorist." We all know that Iran is a terrorist state and has been so designated by our own State Department.

I am striking the word "terrorist" from the preamble.

Now, the distinguished Senator called another inadvertent oversight to my attention, and I believe that was on page 5?

Mr. DOLE. Page 6.

Mr. BYRD. Page 6.

Mr. RUDMAN. I believe I said line 5.

Mr. DOLE. No, line 1.

Mr. RUDMAN. Line 1, page 7.

Mr. BYRD. Yes, line 1, page 7. The Senator is correct again as usual. There is a period at the end of the word "staff" in the first line of page 7 and the remaining words are stricken, they being "including a staff director and a chief counsel."

So that paragraph would read as follows. It is very short. "Section 3(a)(1) to assist the select committee in its investigation of the study, the chairman after consultation with the vice chairman and the approval of the select committee, shall appoint committee staff," period.

Were there any other changes?

Mr. RUDMAN. I thank the distinguished majority leader. That is now correct to my understanding.

Mr. DOLE. Will the Senator yield?

Mr. BYRD. Yes.

Mr. DOLE. Mr. President, we discussed the resolution. In fact, the distinguished Senator from New Hampshire clearly set forth the provisions of the resolution in the Republican conference meeting this morning. I think the change that has been made will accommodate, I guess with one or two exceptions, the concerns that were raised. There were some opposed to the resolution.

The distinguished Senator from Nevada, Senator HECHT, will speak in opposition to the resolution. But I know of no objection to considering the resolution.

It would be my hope we might be able to resolve one additional area and probably save several hours here. This is the area I discussed with the distinguished chairman of the Intelligence Committee, Senator BOREN. It would include not only the Select Committee on Intelligence being directed to prepare and provide to this select committee but at the same time release to the public a report which I am advised by the distinguished Senator from Oklahoma, Senator BOREN, would be probably different than the report that was discussed yesterday in the Intelligence Committee. If there could be some agreement on that, it might save an amendment and some few hours of debate. If not, we certainly have no objection to the consideration of the resolution with or without that change but there could be an amendment and there could be considerable debate.

I am perfectly willing we consider the resolution with or without that change. I hope there may be some way to work it out.

It is my view we could probably pass this resolution quickly if that could be done. There are questions that are going to be raised. I think they can be resolved by colloquies between the Senator from New Hampshire and the distinguished chairman, the Senator from Hawaii, Senator INOUYE.

I am advised that in those areas there may be some questions raised by Senators, but I do believe that it is our hope that we can pass this resolution this afternoon.

Mr. BYRD. Mr. President, do I still have the floor?

The PRESIDING OFFICER. Yes; the Senator from West Virginia has the floor.

Mr. BYRD. I thank the Chair. I only continue to hold it until we resolve this matter we are discussing here now on whether or not it will be called up.

I yield to the distinguished Senator from Hawaii with the same understanding as before.

Mr. INOUYE. Mr. President, I would like to join in the discussion on the leader's amendment to direct the Select Committee on Intelligence to prepare a report and to submit that to the Select Committee on Nicaragua and Iran.

I would hope that the Senate would leave it to the wisdom and judgment of the select committee to determine whether we should release and if so what portions of that Intelligence Committee report, because we have the responsibility of continuing this investigation, and if it is in our judgment not in the interest of our Nation or the committee's work to release any or all of that Intelligence Committee report I think we should have the privilege and the authority not to do so.

But to at this juncture, by this resolution, require the select committee to make public the findings, the allegations, the innuendoes that may be in the Intelligence Committee report may not only add to the confusion that we find in our Nation but very likely make our work that much more difficult.

I hope the Republican leader will leave it up to Senator RUDMAN and me to make a determination as to whether the Intelligence Committee report should be released all or in part.

I can assure you that we have been working on this matter in a thoroughly bipartisan manner. We have had full cooperation and I am certain Senator RUDMAN will be the first to state that I have maintained an open file with him. I have not hidden anything from him. I can assure you that everything I know he knows and I also am assured that everything he knows I know.

We want to start this committee on a bipartisan manner, proceed in a similar fashion, and to end in a manner that will be in the best interests of our Nation. We will try to do our work expeditiously, thoroughly, in a way that will not bring any disgrace to this body.

So I hope the Republican leader will agree with the majority leader and just permit the Intelligence Committee to report to us and just have it up to us as to what we do after that.

Mr. BOREN. Mr. President, will the distinguished majority leader yield?

Mr. BYRD. Yes; I ask unanimous consent that I may yield under the same conditions as heretofore noted.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Oklahoma.

Mr. BOREN. I thank the distinguished majority leader. I have just heard the conversation which has taken place. I want to associate myself with the remarks that have just been made by the Senator from Hawaii. All of us hope and plan to operate in a totally bipartisan fashion.

As I take on the responsibilities of the chairmanship of the Select Committee on Intelligence, I do so knowing that I am dealing with the national interest. I seek to deal with it as an American first, without regard to political considerations.

I would say to the distinguished minority leader that it is my hope that our committee—and I discussed this with Senator COHEN, the distinguished vice chairman—can put together a report in a deliberative fashion as quickly as possible, but thoroughly and carefully, judiciously, that can be passed on to the select committee that will be created by this resolution; and that, in addition, it is my hope and will certainly be my intent that we would attempt to make as much of the information public, release it to the public, as we possibly can, consistent with national security and consistent with the interests of the ongoing investigation which will be conducted by the select committee and the independent counsel. It would certainly be our intent to do so.

And if this legislation were to authorize us to proceed in that fashion, if it were to say that we were authorized to release as much as could be released, consistent with the national security and in the interest of fairness of the ongoing investigation, we would strive to do so. We would strive to do so as quickly and as thoroughly as possible and we would operate totally in good faith.

As we have been hearing the witnesses in that committee earlier, some of the witnesses appeared under promise of anonymity for national security reasons. Witnesses were, in essence, sequestered. They were asked not to discuss some details of their testimony with other witnesses that were before us because, of course, in any investigation it is sometimes important to keep information compartmentalized. But I know from speaking with him that the Senator from Maine shares my desire to work cooperatively to bring out as many of the facts as we can to the public, to summarize as much of the evidence as we can summarize and make as much public as possible. And it would be my intent to work in good faith to do so if this resolution were simply to authorize us to do so.

I think it might be inadvisable to direct us to release a public report at this point, in that, in consultation with the Senator from Hawaii and the Senator from New Hampshire, there might be certain information they felt we should not release in light of their ongoing investigation. Certainly, I want to assure everyone concerned that it is our desire to act in good faith to bring as many facts as we can, not only to the new committee, but also to the American people.

I want to assure both the majority leader and minority leader that if they should decide to put language in this resolution that authorize us and directs us to report to the select committee and authorizes us to make public as much as possible of that report, we will endeavor to do so in a good faith fashion. I hope that that would be the final resolution of this matter, to allow us to operate in this way, to use our discretion, under the assurance that, as chairman, and also having talked with Senator COHEN, I know that he as vice chairman will work with me, working together with other members of the committee, to try to make as much know to the public as we possibly can and as quickly as we can.

Mr. BYRD. Mr. President, will the distinguished Republican leader indicate again his proposal so that I might listen once more.

Mr. DOLE. Again, let me state that I have no real quarrel with anything that has been said. I think it is necessary that we start off on a totally nonpartisan or bipartisan basis. I think there were some who have read into yesterday's vote in the Intelligence Committee a display of partisanship. I do not believe that is accurate. We do not want that to spill over into the first day of the existence of the new committee.

On the other hand, I know the President of the United States had planned on issuing a statement this afternoon to again urge the Intelligence Committee to make this report public. There have been a lot of stories and a lot of speculation about what happened—some of it accurate and some of it inaccurate. But the net result is to bring down the President insofar as the public confidence is concerned as demonstrated by the polls.

The President, I think in good faith, indicated he was going to send his people up here to come before the Intelligence Committee. And it was always his impression—and I am not certain quite what it was based on, whether it was public statements or whatever—when the Intelligence Committee completed its work, it would make public, after declassification, all the information it could.

In my view, the President is correct. We should not try to manage what the public should hear. At the same time, we know that there are areas of national security that we should not release. And I have every confidence in the distinguished chairman of the Intelligence Committee, Senator BOREN.

It would seem to me we might be able to work out some language and then have some discussion on the floor—we have already had some—that would indicate his desire not to in any way interfere with the select committee chaired by Senator INOUYE, but at the same time to carry out what some feel to be a responsibility of the Intelligence Committee to release information that can be made public. No one knows, I have not read the report, that was discussed yesterday. As I understand it, not many people have. I do not know who it exonerates or who it embarrasses. I do not believe that should be the question.

But the question is, how soon will the American public have information based upon sworn testimony? And I believe the President of the United States is entitled to have that made public at the earliest possible date.

So that leads me to the original proposal that the distinguished Senator from Oklahoma and the Senator from New Hampshire brought to my attention. This language has since been stricken. Let me read the language I would suggest either be modified or included. These are the words "and the select committee shall release as much of the information in this report for the public which is consistent with the interest of the public and national security."

I think there has been a suggestion that we change the word "shall" to "may," and that would be satisfactory, because I have no question about the good faith of any Senator in this Chamber. My only quest has been to get everything out and get it out as quickly as we could.

If that were agreeable with the distinguished majority leader and we could have some debate after the resolution is before us, I think that would be very helpful. I thank the majority leader for yielding.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader. I believe and I hope that we can reach some amicable and appropriate resolution of this impending question that deals with the modification on page 17, or the proposed modification. May I say, however, so that the record will be clear on both sides, that we all want the public to know the facts. The public is entitled to know the facts. The public deserves to know the facts. The President is entitled for all the facts to be made known, and each of us has the responsibility, as far as each can promote such, to make the facts known to the public with respect to the arms sales or arms shipments to Iran and also with respect to the reported use of any moneys from such shipments or sales or transfers, diversion of such to the Nicaraguan Contras or for any other purpose that may be found to have been illegal, unethical or unauthorized.

Mr. President, nobody is well served by making available to the public only part of the record. The full record has not been written yet. Last evening we were discussing the release of a report to the public, the draft of which had not been read by Members who were going to be asked to vote on the release of that report. I do not have a vote as an ex officio member of the committee. I had not read the draft of the report. But there were also others who had not read the draft of the report. The draft had been prepared by the staff, working with the representatives of the White House, the National Security Council, and other agencies and representatives of the Government, the appropriate purpose of which was to be sure that any classified information would not be released. But there was at least one example that was made very clear in the presence of all who were there of the elimination of a good many sentences and/or paragraphs which were not classified. And so this Senator was unwilling to release—some days down the road, 10 days or 12 days, whatever it was—a report, make it public, which this Senator has not had a chance to read. The idea was, when I left the committee—I do not know exactly what went on after that—to release the report 10 or 12 days down the road. In the meantime, we could read the draft. I am not willing to buy a pig in the poke, take it "sight unseen" and say, "OK, I will vote to do that."

I want to make the facts public, too, and I am sure the President wants to make the facts public. The facts would long ago have been public but the President, in signing the January 17, 1986, finding, instructed the CIA to avoid informing the committees of the Congress. So for many months Congress and the public did not know anything about it, nothing.

Now the great rush is to get all the facts out, and we should get the facts out as soon as possible. But let us have all the facts. That is the purpose of creating the select committee, to develop the truth, the whole truth and nothing but the truth—the full facts, and lay them all out. When all the facts are laid out, I am sure that any persons who should be exonerated will be exonerated. But I think we make a mistake in prematurely releasing a partial record. There are witnesses who have not been heard. There are witnesses whose names probably even are not yet known who will need to be heard. And so on the part of those of us, lest there be some perception that it was a partisan vote last night as I have heard that it was—and as I say being an ex officio member, neither the distinguished minority leader nor I has a vote on that committee, but may I say that if we recall the days when Mr. Nixon was having his problem—and there were a lot of cries going up from the other side of the aisle, may I say, in this body and in the other, that the President ought to be "impeached"—this Senator was saying, "Let us go slow, let us go slow; let us not rush to judgment."

That is what I am saying at this point. Let us get the full facts. To release a report at this time, or force the select committee to do so, would be a disservice to that committee and could get in the way of its work and could likewise prove to be an impediment to the special counsel.

I will read the following, and I read this for the purpose of responding to the distinguished Republican leader to see if we might change the language so that it will fit with the language that is in the present law regarding the Select Committee on Intelligence. Section 8(a)—Senators will find this on page 137 of the book Senate Manual, Standing Orders of the Senate. Section 8(a), "The select committee may, subject to the provisions of this section, disclose publicly any information in the possession of such committee after a determination by such committee that the public interest"—the public interest—"would be served by such disclosure."

Now, the words "public interest" were not casually chosen in the enactment of that law. I wonder if the distinguished Republican leader and Mr. INOUYE and Mr. RUDMAN and Mr. BOREN those who have spoken thus far on that matter—would be agreeable to changing the language to read as follows: "The Select Committee on Intelligence is hereby directed to prepare and provide to the select committee, in closed session, report of its investigation into matters described in section 1 of this resolution, which report shall include a summary of the testimony and chronology of events developed by the Select Committee on Intelligence, together with a listing of unresolved questions and issues which it recommends be pursued by the select committee as soon as possible and the select committee may release as much of the information in this report to the public as it deems advisable which is consistent with the interest of the public and national security and is deemed to be by the committee in the public interest after a determination by such committee that the public interest would be served by such disclosure."

Mr. DOLE. Will the majority leader yield?

Mr. BYRD. Yes.

Mr. DOLE. I personally have no problem with that based on the statute, based on what I know to be the good faith of the distinguished chairman of that committee, Senator Boren. I have not talked to the ranking member on that committee, Senator Cohen, but I understand his objection yesterday, and he voted with the majority, was the report itself; that he felt it was too long, too cumbersome; he felt there could be a shorter summary that would in effect give the public as much information. So I have no objection. I am advised it is satisfactory to the distinguished ranking Republican on the new select committee, Senator Rudman, and I do believe it would serve the purpose. And if it were agreed to I would advise the White House, Don Regan specifically, that we are making an effort to accommodate not just the President; it is not a question of accommodating the President, but accommodating the American public, by getting out the information, by making as much of it public as advisable I think were the words used by the majority leader and consistent with the present statute because those words were chosen with care.

We could discuss it later, but I guess we could agree on this language if there would be some indication by the chairman of the Intelligence Committee that that matter would be proceeded with rather expeditiously.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader.

Does the Senator from Oklahoma wish me to yield?

Mr. BOREN. Yes.

Mr. BYRD. I yield.

Mr. BOREN. I think the solution which has been proposed is a very good one. I will repeat what I said earlier. We will operate in good faith and as expeditiously as we can to try to determine what information can be made public consistent with public interest and national security concerns.

There was a concern expressed by the Senator from Maine about the issuance of a report last night. I do not believe there was really any partisan feeling about that matter. It was a matter of judgment about whether or not, since many members of the committee had not had the opportunity to read the report, with the staff having worked many long hours, with a monumental job and acting very diligently, were simply not able to finish the revised drafts until just before the meeting. Therefore, virtually none of the 15 members of the committee had the opportunity to read the report. There was a feeling that perhaps it was too late and that a more concise summary of the testimony given to us could be put together.

I say simply that there was some difference of opinion on the committee, an honest difference of opinion about it. That reflected the opinion of the Senator from Maine, myself, and others. We certainly want to get as many of the facts out as we can, as quickly as we can, consistent with our responsibility to national security and to the select committee to make certain that anything we do will not hamper their ongoing investigation. We will want to carefully consult with the chairman and vice chairman of the new select committee as well to begin to put something together.

I assure the distinguished minority leader if this language is adopted we will certainly diligently operate in our committee to determine what can be made public and try to bring out the facts as quickly as we can, in addition to trying to make a helpful report to the select committee as it begins its work.

I see the distinguished Senator from Minnesota on the floor. He has certainly done outstanding work over the past 2 years chairing our committee. It has been my privilege to serve with him on that committee. He made a very great effort to try to have a report put together in time for our committee to act. Certainly, the work which he has done will be of great help as we try to go ahead and complete some kind of report which we can make.

I think this is a good suggestion which has been made, that the language is good language, and I assure all concerned that our committee will operate in good faith to carry out the spirit of that language.

Mr. DURENBERGER. I wonder if the distinguished majority leader will yield me some time?

Mr. BYRD. I yield to the distinguished chairman, the vice chairman of the Select Committee on Intelligence, without losing my right to the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. I rise for just a few minutes, Mr. President. Obviously, there is a temptation on an occasion like this on the chairman of the Intelligence Committee to explain why in the last couple of years we failed to do a good job of oversight so that we did not discover this little operation acting under our noses. Now that we know it has been operating under the President's nose, and he does not know a lot about it, you do not feel too badly about that.

There is a temptation, nonetheless, to take this occasion to let the people of this country as well as the President and our colleagues to know exactly what we on the Senate Select Committee on Intelligence know.

It is not a problem for me to reject the temptation because I am bound by the requirements of secrecy and the security process under which all of the testimony was taken.

Mr. President, I wish to take just a minute to clarify just a couple of points of fact, perhaps.

One is that when we entered into the process in the beginning of December to be the committee which would take as much testimony and gather as much evidence as possible on what is the covert action, nothing more than that, just the covert action involved in the Iran arms sale, we also undertook to do that as expeditiously as possible and to make the benefit of our work available to those who need to know the product as quickly as we possibly could do that.

At the end of the taking of testimony process on the 18th or 19th of December we discussed whether or not a public report could be made and what form it ought to take.

At that point in time it was clear we had 3 weeks of testimony taken from individuals under examination and we had a lot of documentary evidence as well gathered from all over the country. It would be very difficult to put together a meaningful body of information, but it was worth the try.

So we did that. The product of that is a document which is currently about 133 pages in length. I have it right here.

I think it very fairly summarizes what went on in the covert action in which the President decided to use arms sales as a medium of foreign policy and national security policy.

What it does not do, Mr. President, is arrive at some specific conclusions about what went wrong and who ought to be blamed.

We did not see that as our charge because ours was a preliminary effort.

Our effort was to be preliminary, to be intense, to get to all of the people involved as quickly as possible before they could, what people call, cook their stories, compare notes behind the scenes and make sure the public never knew what went on and make sure that then nobody could fix responsibility.

All along it was quite clear that our work would have to be succeeded by the work of others.

As we began our work, it became clear that an independent counsel would become necessary to cover some of the criminal elements. As we began our work, it became clear that this body and the House would come to judgment on a select committee process to pick up on our work.

But at no time, as chairman of this committee, was I ever under the impression that this committee, the committee of the 99th Congress under which this covert action was conducted by this administration, that this committee should not inform its colleagues and the administration and the public of this country, who are served or disserved, as the case may be, as to what we knew about the facts in this case.

It is for that reason, at the encouragement of the President of the United States, who is going to be, as he currently is, embarrassed, if you will, by this; at the urging of myself who is embarrassed that this happened on my watch, so to speak; the encouragement of the majority leader who has had the responsibility for the congressional part of national security policy, that we did make an effort to put together this report, which does not get in the way of select committee conclusions, does not get in the way of independent counsel's criminal conclusions, but merely lays out the facts as they are known to this committee and does it in a narrative fashion so the facts mean something rather than appear simply as a cold, sterile chronology of events.

My colleague and my successor, for whom I have an incredible amount of respect, has accurately indicated that one of the arguments used against the release of this report by this committee, the committee of the 99th Congress, is that the document that I hold in my hand today was completed only yesterday morning, and many of us including the Chair of the committee did not have an opportunity to read all 133, or whatever it is, pages of this document.

I made provision, as my colleagues who are here on the floor and who were in attendance at that meeting did, for that eventuality; that is, that I suggested that this report might be adopted subject to editorial or other modification and released sometime after the 12th of January, giving us all a normal 2 weeks maybe, week or 2 weeks, to examine it, come to some conclusions, make changes that we thought were appropriate, and then release it.

I cannot comment as others have on the fact of the vote or the result of the vote. Others have commented on it. But I can endorse what I understand to be the accommodation suggested here to the authorizing legislation by the resolution on this committee; that this report or something approximating this report—and I understand Senator DOLE has had a chance to look at this perhaps, and the new majority leader who was the minority leader, and an ex officio member of this committee, has this copy together with the original copy.

I know my colleague, my successor, has this copy and the preceding copy which we have all read. And I would hope that before we leave the floor today we can agree that the proposition that the leader has put before us in terms of modified language is appropriate, and that we can also agree that his commitment to us, his colleagues, and his commitment to the American people and the commitment of my successor, the chairman of this committee, who I know takes this responsibility very seriously, is to come as close to this report as is possible, given the realities that have been spoken to on this floor in terms of national security. But the important thing I think is for the people of this country as well as the people involved to have something that is meaningful.

We cannot wait until February when hearings begin. We cannot wait until October when a report is released to know that we already know, Mr. President.

So I urge my colleagues to give their immediate attention, and particularly to my successor to give his immediate personal attention to getting a report as much like this as possible out to the people of this country.

Mr. SPECTER. Will the majority leader yield? I have something along the same line.

Mr. BYRD. Mr. President, I will yield shortly for that purpose. The distinguished Republican leader and I no later than 3 o'clock need to carry out our duties as the Senate has mandated and inform the President that the Senate has established a quorum and is ready to do business.

But before I leave the floor, may I say to the distinguished Senator from Oklahoma, the people are going to know the truth. Let us be careful. Let us be careful that we do not act in a way that would deprive them in the final analysis of the full truth and all of the facts. Whoever should be exonerated will be exonerated. If there is nothing to hide, nothing to be found. But let us not push out here with a partial report. I will never vote to report a matter 10 days from now as sensitive as this without having read what I am voting to report 10 days from now.

May I say that the distinguished chairman of the Senate Intelligence Committee has done an extraordinarily good job. He has worked unceasingly, tirelessly, and, in the limited period in which the committee has had to work, he has done well. The committee deserves much admiration. Attendance at all hearings was good on both sides of the aisle. But in such limited time, obviously, any report that would be submitted at this time to the public would be incomplete, and it would be filled with gaps. There are witnesses who have not been heard, who must be heard, and some of whose names we do not even know. They may be in Israel. They may be in Central America. They may be somewhere else. All of this hurry to reveal to the public the facts which we do not yet know is not in the public interest. And that is what the law says. It uses the words "public interest."

Is it in the public interest, and is it in the interest of the President to release something now that is only partial in its nature? That is only part of the record? Is it in the interest of the public that that be done if perchance it impedes the work of the independent counsel, whose responsibility it is under the law, and whose responsibility it is under the court's mandate, to follow the threads, if the law has been broken, wherever they may lead, to prosecute one or more individuals, and to go before a grand jury, and to ask a court that "use immunity" be granted? Are we tying the independent counsel's hands? Has anyone asked the independent counsel how he feels about releasing this report? It could very well get in the way of the select committee. Why all the hurry?

It is all going to be revealed. Everything is going to be made known. But everything can only be made known after the select committee has done its work, and after the independent counsel has completed his work.

So let us not get in too big a rush here. Nobody is saying that the public should not know. But let us not confuse the public. Let us not fool the public into thinking that it is going to know everything merely if we release the report which I have not read, which the members of the committee have not read, and which has been "sanitized" by representatives of the White House, representatives of the National Security Council, and other entities whose representatives have appeared as witnesses. And in the course of "sanitizing" to remove classified material, we learned at least one glaring example last evening of testimony that was not classified that had been deleted.

I am not in favor of voting to release such a report at this time. And it is not political on my part. I have a responsibility to this institution. And I have a responsibility to the people of this country, my own constituency included. I have a responsibility to the President of the United States to help to do what I can to get to the bottom of the matter, get the facts, all the facts, nothing but the facts, the clear record, the complete record, and lay it all out.

As far as I am concerned that is what we are going to do. It is unfair to the American people to do anything less.

Mr. BOREN. Will the Senator yield?

Mr. SPECTER. Will the Senator yield?

Mr. BYRD. I should like to go with the distinguished Republican leader and call on the President.

Mr. President, I ask unanimous consent that I may now yield to the distinguished Senator from Pennsylvania [Mr. SPECTER], for 10 minutes, and that I may then yield 10 minutes to the distinguished Senator from Oklahoma [Mr. BOREN]—and that in this one instance I may be considered as having held the floor, even though I have to yield the floor; that Mr. HECHT may have 5 minutes; that Mr. HELMS may have 5 minutes all for the purpose only of making statements; and that when I return from having carried out the order of the Senate in calling the President, with my distinguished colleague, the minority leader, I may again have the floor.

Mr. SPECTER. I thank the distinguished majority leader for yielding to me at this time.

While he is still on the floor, I would say that a great many of the questions which the majority leader has raised would be answered when he has an opportunity to take the time to read the report.

I serve on the Intelligence Committee, and I have taken the time to read the report, and it answers many of the objections which Senator BYRD has raised here this afternoon.

In support of what Senator DURENBERGER, the outgoing chairman of the Intelligence Committee, has said, it is my view that the Intelligence Committee report ought to be released promptly, after the Members have had a chance to read it and make whatever suggestions or modifications they have.

As I read the report and analyze the situation, Mr. President, it is my firm view that the interests of the American people would be well served by knowing what the Intelligence Committee has found during the course of its investigation.

At the outset, when Senator DOLE and Senator BYRD announced their intention with respect to the select committee, it seemed to me in early December, that that would be a good idea. As the Intelligence Committee moved further into its investigation, however, and we moved ahead to interview witnesses and to spend long days in session, gathering the evidence, I had a doubt, based on the fact that the Intelligence Committee might well have moved ahead to make a determination of the very basic issues in this matter, that perhaps the complete investigation would not be fulfilled during the month of December, but a great deal could be completed.

As I say, I have read the report; and those of us on the Intelligence Committee, like the majority leader, have a responsibility to this institution and a responsibility to this country, and that report ought to be released because it answers a great many questions.

I do not believe that the majority leader, Senator BYRD, is correct in condemning the release of the report until he at least has had a chance to read the report.

I believe further, Mr. President, that the contents of the report ought to be released, through one process or another, perhaps by the new select committee, at the earliest possible date, and I would urge the select committee to move very promptly on the issue of immunity, limited-use immunity, for Admiral Poindexter and Lieutenant Colonel North.

I took the position in the Intelligence Committee's deliberations—and continue to strongly believe—that limited-use immunity should promptly be granted to Lieutenant Colonel North and Admiral Poindexter, so that there can be a determination on the issue of any Presidential involvement in the diversion of funds to the Contras. I am convinced that this could be done without prejudicing any possible prosecution of either Lieutenant Colonel North or Admiral Poindexter.

The distinguished majority leader has raised the issue of speed or undue haste, and I would say that there is no speed or undue haste in releasing the report or in moving ahead with that limited-use immunity, because the prosecution can be protected.

There is, in fact, a very important purpose to be served by moving ahead with speed, because there is a cloud now over the Presidency; the operation of the executive branch is impeded. For much of December, the entire executive branch was run out of room 219 in the Hart Senate Office Building, where we had the Chief of Staff, the Secretary of Defense, and the Attorney General. The executive branch was preoccupied, if not paralyzed, over this Iran matter and the diversion of funds to the Contras.

The Intelligence Committee did not seriously consider, as this Senator urged, a movement toward a grant of limited-use immunity to Poindexter and North. When the independent counsel was appointed on December 19, that was an occasion which could have activated the 10-day notice under the statute, and we could have moved ahead to obtain the testimony of North and Poindexter.

It should be borne in mind, Mr. President—and it is widely misunderstood—that once limited-use immunity is granted, it does not preclude the prosecution of prospective defendants, but only bars the use of their testimony or leads from their testimony.

There is a practice—which has been followed under Watergate and otherwise—to seal the evidence which is available, and that could have been accomplished and there would not have been any realistic danger to a further possible prosecution as to either North or Poindexter by very carefully limiting the questions to the President's role, the role of the Chief of Staff, and those who were in the chain of command.

Through that approach, this key testimony could have been obtained, and I urge the new Senate select committee to proceed in the same way.

When the distinguished majority leader talks about the role of the independent counsel, it should be noted that the law is plain, that Congress is the paramount determiner of when use immunity should be granted for issues of this sort.

This matter was litigated fully in the Watergate proceeding, when the select committee chaired by Senator Ervin pressed ahead over the vehement objection of Special Prosecutor Archibald Cox. The court held that once the congressional determination had been made, that was that, and Congress made the determination of what was in the public interest on such disclosure.

So it seems to me, Mr. President, that what ought to be done at the earliest moment is to make a disclosure to the American people, so that there is an understanding as to what has happened. Numerous witnesses were called, and it is that testimony summarized in the report which the Intelligence Committee has prepared.

I believe that once the distinguished majority leader has a chance to read it and others have had a chance to read it, they will see that there is much to be gained in the public interest from the release of that report.

That report has not been sanitized, Mr. President, as I read the report. It may be that there have been some items which, under the judgments of some, are classified and ought not be put in the public domain; and if there is a disagreement, that can be resolved. But I do not believe it is an accurate characterization, in any way, shape, or form, to say that the report has been sanitized.

Mr. President, there are matters of enormous importance that have to be accomplished by the President and the executive branch which are being impeded so long as the cloud hangs over the Presidency. There is the issue of arms control. There is the issue of the budget. There are many, many matters which require attention. I am not suggesting that any of the guilty should go free or that prosecutions should be impaired. With some experience as a prosecuting attorney, I know that limited use immunity can be granted to men like North and Poindexter, and the criminal prosecutions can be preserved, and testimony can be obtained on the very narrow range—the issue of any Presidential involvement.

I am not suggesting that there is any Presidential involvement, but that is a question which is in the public domain, and immunity ought to be granted. The testimony of North and Poindexter should be taken and can be obtained consistent with the preservation of their prosecutions.

The American people are entitled to know the facts at the earliest possible moment, and the American people ought not be denied the facts because of the kinds of theoretical objections the majority leader has raised without having read the report.

I yield the floor.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER (Mr. ZORINSKY). The Senator from Oklahoma is recognized.

Mr. BOREN. Mr. President, I want to clarify again the factual situation with which we are dealing. I think we have an honest difference of opinion.

The Senator from Minnesota felt very strongly last night that our committee should vote to issue a report. The majority of the members of the committee felt at that time the particular report before us should not be released for a number of reasons.

First of all, during the committee deliberations an assessment was made of how many members of the committee had had an opportunity at that point when the vote was to be taken, how many members of the committee had read this report, and, Mr. President, there was not a single member of the committee at that point who indicated that he had read the latest version of the report on which we were asked to vote.

I myself had seen an earlier draft over the weekend. I read that draft through thoroughly. Three or four other Senators, including the chairman, had read the earlier draft all the way through. But significant editorial changes were made in it before it was presented to us for a vote.

So, Mr. President, we were asked to vote on issuing a committee report with our names and our personal credibility attached to it, that none of the members of the committee had read, and then we were told we could have editorial changes made in that report by the staff at the discretion of the staff after members had had a chance to read the report, if members would give their suggestions to the staff for changes, in other words, delegating out to members of the staff who were not elected under the constitutional process, to act in the names of the Senators who were members of that committee.

Mr. President, I just in all honesty am not in the habit of delegating the right to someone else to put words in my mouth as a member of this Senate. I am not in the habit of voting on reports that the members of a committee, including myself, have not had an opportunity to read.

There was another question raised. Before many of the staff members of the committee and before many of the members of the committee themselves were given an opportunity to see the latest draft of which we were asked to vote, editorial changes were suggested by two members of the White House staff and one member of the National Security Council staff. We were unable at the time of the vote to have before us the draft to see what editorial changes had been suggested by the members of the White House staff.

So I would say, Mr. President, it is an honest difference of opinion. This Senator simply did not feel it would be in the interest of the Nation, or of the President of the United States, or of the credibility of the Intelligence Committee or the Senate as an institution to pass unread a report that had been edited by members of the White House staff, had not been read by the Senators on the committee and to delegate to the staff members on the committee the right to make further editorial changes in it before it was issued 10 or 12 days hence.

Having said that, let me say that I believe that the Senator from Minnesota and others acted in good faith to try to put together a report to try to summarize the extensive hearings which we had held, and I think the committee did a service. We were able to preserve testimony. We were able to take testimony under oath while it was still fresh and to pass on transcripts of that testimony to the successor select committee.

I think the committee has done a service. I think the chairman and vice chairman of that committee performed a service in their diligence in conducting those hearings.

But let me say again let us be fair. Let us be thorough. Let us give the American people the facts and let us make sure that we are not giving them a distorted view.

I am sure—and I speak for the Senator from Maine as well as for myself—in saying that we will diligently try to determine again in consultation with the chairman and vice chairman of the committee and with consideration for any concerns that might be voiced by the independent counsel to try to work toward passing on to that successor committee as much information as we can in a summary form and to determine as has been stated by the majority leader if in the national interest and the public interest we can release additional portions to the public as much as we can release to the public as much as is in the public interest, in the national security interest, to release.

I am committed to trying to do and to do it in a way that will not mislead the public but will indicate the nature, the very partial nature, the piecemeal nature of the information which we have recovered because I cannot answer the questions, has the law been violated, if so, by whom?

We do not even know at this point how much money actually changed hands and where that money ended up in terms of its final distribution.

Until we have the answers to those questions, we cannot answer the questions that are on the minds of the American public and indeed the kinds of questions that the President himself has raised.

But for a committee to issue a report, without reading it, to delegate to the staff the right to rewrite it, a report which has at least had editorial comment made upon it by members of the White House staff before it was even given to members of the committee itself I think would not serve the pulbic interest. It would not set this matter to rest. It would not have the effect of untangling the President from this controversy.

I come from a State, Mr. President, that is hard hit with all sorts of economic problems. I want to get on to other business of the country, the economic problems and the other challenges that we face, I do not want us to continue these deliberations longer than is absolutely necessary but for the sake of the country, for the sake of the President, we must be thorough, we must be judicious, we must act in a responsible manner, and the majority of the members of that committee last night acted in conscience and did in conscience what they thought was in the national interest, not for any political purpose because this is not a time for politics. This is a time for statesmanship and putting the national interest first.

I again assure my colleagues. Our committee will proceed in that spirit to try to bring out as many of the facts as we possible can.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 5 minutes.

Mr. HECHT. Thank you very much.

I agree with many of the remarks of my Republican colleagues today. I want to focus on the resolution that we are looking at at the moment.

What that resolution is going to do is form a new select committee.

I serve as a member of this Select Committee on Intelligence.

I want to compliment our distinguished former chairman, DAVID DURENBERGER, and his staff for an excellent job.

As Senator DURENBERGER said in the middle of December, about the 18th or 19th, one of those days, "We have this matter 95 percent put together. There is 5 percent of the puzzle we don't have."

At that time our President asked limited-use immunity for Admiral Poindexter and Lieutenant Colonel North. That was denied, and as a result, we were not able to finish our work by Christmas which we certainly could have done had we had the testimony of Lieutenant Colonel North and Admiral Poindexter.

Last night or yesterday morning before the President went in for surgery, he asked us to release a sanitized report. By that I mean taking out all classified information, so we could get this matter out to the American public.

But rather than clearing this matter up, what we are doing today is forming a new committee. I do not know at the moment how many committees have been formed in the House of Representatives and the Senate, but there are several. Also a special counsel is working as is the Tower commission.

I question why we need a new committee. We have all of the facts. I think what we are doing is dragging this on and on and on into the next year.

Let me tell you some of my fears, Mr. President. First of all, by dragging this out for many, many months, which is obviously going to happen, we are going to jeopardize further dealings with all countries. This is going to have a devastating effect on our present and future intelligence operations all around the world.

Mr. President, during the Christmas break when I was fortunate to be in my home State of Nevada with my family, I got a chance to talk to the people back home. Let me tell you what they want. The American people want the facts. The American people are willing to take the consequences and the American people want Congress to proceed with the job we have been elected to do, that is, to get on with the important business of running our country.

Mr. President, I am going to vote against this resolution and I urge my colleagues to do the same.

Thank you.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum until the arrival on the floor of the distinguished Republican leader and other Senators and that I may not lose my right to the floor by virtue of—Mr. President, I withdraw that request.

Mr. President, I believe the distinguished Senator from North Carolina, Mr. HELMS, had earlier indicated he wished to speak on this subject. I yield the floor for that purpose.

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 5 minutes.

Mr. HELMS. Mr. President, I thank the distinguished majority leader, and I thank the Chair.

I will say to my friend from West Virginia that I had wanted primarily to ask a few questions of Senator BOREN. He is not on the floor, so, if it is all right with you, let me yield back that time and request it later.

Mr. BYRD. Very well.

Mr. HELMS. Thank you.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. I thank the Chair.

Mr. President, in order that I may yield the floor and give other Senators the opportunity to get the floor in their own right, I send to the desk a resolution on behalf of myself, Mr. DOLE, and Mr. INOUYE, and Mr. RUDMAN, establishing the select committee which we have been discussing for quite some time on the floor, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 23) establishing a select committee of the Senate to conduct an investigation and study of activities by the National Security Council and other agencies of the United States Government with respect to the direct or indirect sale, shipment, or other provision of arms to Iran and the use of the proceeds from any such transaction to provide assistance to any faction or insurgency in Nicaragua or in any other foreign country, or to further any other purpose, and related matters.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DOLE. Mr. President, I understand the distinguished Senator from New Hampshire, Senator RUDMAN, and others on this side wish to speak, and there are certain colloquies they would like to enter into.

Let me indicate that I believe, with the modifications made by the majority leader, that the resolution should be approved. There are some questions as to the scope. There will be questions as to private funding of the Contras and there will be some questions raised about that. There are some who believe—and I am one of those—that if, in fact, that is going to be within the scope, then maybe we should determine whether or not there is any private funding for the Sandinistas. But, in any event, that will be raised by others.

I do believe that shortening the time period from October 30 to August 1 is a step in the right direction. If, in fact, we do want to complete action on this resolution at the earliest possible time, then certainly the August 1 date will be extremely helpful.

It is my understanding that it is the intention of the majority leader to complete action, the Senate's action, this session, before the end of October. If there is no report until the end of October, it means it goes over until next year. And if there are recommendations made by the committee, as I assume there will be recommendations made by the Select Committee on Legislation, then we would be in 1988 with this matter still before us with more hearings on legislation. It would seem to me we ought to be able to shorten that time, expedite it and complete work on this matter hopefully before August 1, but certainly no later than August 1.

The modification does provide that if the work cannot be completed, then there will be a vote. I have no quarrel with that, and I hope that would be satisfactory—I know the distinguished Senator from North Carolina, Senator HELMS, would like to pose some questions to the distinguished Senator from Oklahoma, Senator BOREN—regarding making information public. It seems to me, if someone wanted to, they could stand right on the Senate floor and read that report. It is not classified. I am not suggesting that, but I assume if the report is available, you could stand here and read it and it would be public. I am talking about the report that we discussed in the Intelligence Committee yesterday afternoon. And the release of that report was rejected by a vote of 7 to 6.

But I am convinced that the Senator from Oklahoma, Senator BOREN, who is the new chairman of that committee, is acting in good faith, along with Senator COHEN.

I have listened to Senator DURENBERGER and others. I do not agree that we have to wait until we have all the facts until we release the information. We may never have all the facts. In that case, we would never release any information. Who is going to determine when we have all the facts? Who is going to make the judgment there is nothing else out there that we do not know and therefore we can safely release this information to the public? Much of it, as I understand, has already been testified to in open hearings on the House side.

So I hope that there will be some expeditious handling of this matter. I also hope that those who are in the business of informing the public would help us obtain this information. In fact, I read a report in one of the papers this morning that sort of characterized much of the statement not made public. I do not know who the informer was or who the source was, but there was information in that article that indicated that somebody was talking to someone.

It is my belief that there have been all kinds of stories and innuendos, some have been accurate, some have been inaccurate, some had no truth at all in them. They have been on the nightly news. They have been headlines in papers across the country. And if there is some way to lay out the truth—maybe not all of it, but whatever we have—lay it out as it comes, as long as it does not undermine our security or the public interest, then I would have a hard time trying to defend not releasing it to the public.

That is what it is all about around here. We have open hearings when we can. We cannot exclude the press. We do not try to exclude the press. We adjourn to our offices and have informal discussions, things of that kind.

But when we are making judgments, it seems to me that if the information is declassified, there is no reason and really no right to withhold it from the American people. That is the point the President has been making. I hope that we can resolve that one area in this resolution. And if that can be done, I would see no reason for any extended debate, although there may be some reason I am not aware of.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. (Mr. SIMON). The Senator from North Carolina.

Mr. HELMS Mr. President, we are being asked to vote on a resolution that no Senator has read beyond the leadership. I just saw a copy of the amended form, or modified form. It looks like it was written with a pencil and edited with a typewriter.

I wonder if it would not be better to make a copy of the resolution, as offered, available to Senators and let us look at it. I do not like to legislate in the fashion that after the fact you find this wrong and that wrong.

Furthermore, there is a point about what do we owe the President of the United States. I have been in a position a number of times wherein I was faced with false charges. In the middle of 1986 the New York Times and others spread across the front page charges that "Helms to be probed by the FBI for alleged violations." Well, here we are into January 1987 and not one scintilla of information has been released to the public about that.

Now, I do not like to see the President of the United States hamstrung. Can we not at least say whether the President is guilty of any intentional misstatement or any other culpability? The President of the United States is the Chief Executive of this country charged with the conduct of foreign policy, and yet he has been hamstrung by innuendo, misrepresentations, flatout falsehoods, and nobody is willing to stand up and say the President is not guilty of this. I think the President, any President, whether he be Democrat or Republican, is entitled at some point early in the game to have the Senate Intelligence Committee or the House Intelligence Committee say, "We have no evidence," or, "We do have some evidence." To string this thing out even to August is totally irresponsible as far as I am concerned and I cannot vote under the circumstances of this legislation as it is now at the desk to create an additional investigating committee.

Let me ask anybody who knows—there are not many people on the floor—how many groups, entities, or organizations are investigating this matter today? Can anybody answer that for me? My question is, how many committees, commissions, or other entities are now investigating this matter? I cannot count them.

Mr. BYRD. Mr. President, that is the purpose of the resolution which I have submitted and I believe I have the cosponsorship——

Mr. HELMS. I am sorry, I cannot hear the Senator.

Mr. BYRD. I say the purpose of the resolution which I have submitted, with the cosponsorship of the distinguished Republican leader and Mr. RUDMAN and Mr. INOUYE, is to provide that there be a select committee in the Senate——

Mr. HELMS. I understand.

Mr. BYRD [continuing]. To do the investigating so as to avoid investigations by a plethora of committees, a plethora of committee staffs, and it is in the interest of concentrating the whole force, with the Senate's backing, of an investigation in one special committee.

Mr. HELMS. One committee in the House, one committee in the Senate.

Mr. BYRD. Yes.

Mr. HELMS. Then there is the one downtown and Lord knows how many others.

Mr. BYRD. Well, I know of no committee downtown. The President has appointed a board, or commission, to study the National Security Council, but that is not an investigative committee. As I understand it, the life of that commission or board, whatever it is called, is very short; it is not an investigative entity, and it is not expected to do the work that the select committee of the Senate and the select committee of the House will do.

Other than that, the independent counsel under the law has been appointed by the Court at the request of the Attorney General of the United States and that independent counsel, of course, will carry out a criminal investigation. If crimes have been committed and if persons are accused, it will be the function of that independent counsel to prosecute them. But as I see it, there will only be two committees, the Senate select committee and the House select committee which will go forward with this work.

Mr. HELMS. Could I ask the Senator if he personally knows of any culpability of the President or any evidence indicating that?

Mr. BYRD. No, I do not personally know—and I have said this publicly, not once but many times—I personally have no evidence that the President is culpable, of having knowingly violated a law, but that does not mean I know everything that is ultimately to be known. It would seem to me if he were a President of my party—he is my President, but if he were the President of my party, I should think that in the final analysis I would want all the facts, believing as I would, not having seen evidence to the contrary, that he is not guilty of having violated the law.

But I would not want to shutoff an investigation or do anything to impede an investigation. The result of my action then would be a hue and cry that there was a whitewash or that the people did not get the facts or that I tried to obstruct justice.

Mr. HELMS. But the Senator——

Mr. BYRD. I would want the complete facts, I would want all the facts. If my President is not guilty, he will not be found guilty.

Mr. HELMS. Of course, he is presumed innocent, under the system in this country.

Mr. BYRD. I beg the Senator's pardon?

Mr. HELMS. I said he is presumed innocent until he is proven guilty.

Mr. BYRD. Of course he is.

Mr. HELMS. But the Senator is saying as of now he knows of no culpability on the part of the President?

Mr. BYRD. As of now, I do not know of any violation of law on the part of anybody. I cannot go into a court and swear that this man is guilty or that man is guilty or that this man is not guilty or that man is not guilty. That is the purpose of having the independent counsel. He is going to find out if a law has been broken and, if so, by whom, and if someone has broken the law he will prosecute.

Mr. HELMS. That was the point I was making earlier. The independent counsel is already in place and I am sure will do his job. But let me ask the Senator, how much will this investigation cost the taxpayers, this additional investigation?

Mr. BYRD. Yes. We do not know what it will cost, but the legislation provides, whatever it costs, for it to come out of the contingent funds of the Senate. We do not know what the dollar costs are.

Mr. HELMS. But it is still the taxpayers' money.

Mr. BYRD. It is the taxpayers' money. If the Senator will allow me to interrupt for a moment——

Mr. HELMS. If I interrupted him, I apologize.

Mr. BYRD. No, the Senator did not interrupt me. May I say if we are going to talk in terms of costs, this is the 200th anniversary of the Constitution of the United States.

Mr. HELMS. Correct.

Mr. BYRD. And there is no price tag on the constitutional system which has been around for 200 years and which has worked very well and which will continue to work very well. Under our constitutional system, there is a doctrine that we speak of as checks and balances, and that is precisely what is being done here. The Congress has a constitutional responsibility of oversight, a constitutional responsibility of informing the people, a constitutional responsibility of legislating. Now, before it can legislate, it has to have hearings. In order to conduct its oversight responsibilities—I am saying this for the record; I am not telling the Senator anything he does not know, but its oversight responsibilities and its informing responsibilities, which Woodrow Wilson said were as important, if not more important, as legislative responsibilities, are done mostly by committees.

Now a problem has developed which we will not go into but which everybody has been reading about for quite some time and it is incumbent upon all of us to try to see what the facts are. There is no pricetag on that constitutional system. If there is one thing we can do in this 200th year of the writing of the Constitution, it would be to reassure the faith of the American people in that constitutional and political system, and one way of doing it is to find out about all of these things that we have been hearing, and the way to do it is to go at it, put our hand at the plow and develop the facts. The termination date is written into the resolution. It will not go on and on, like Tennyson's brook, forever, and whatever the costs may be those costs are justified. If a crime has been committed, the people want to see justice done, they want to see criminals brought to the courts.

If no crimes have been committed, then the people need to know that. But if while no crimes may have been committed, if there are improvements to be made in the structure of the National Security Council, in the way we formulate our foreign policy, in the way we carry out our covert policies in the interest of national security—if there are flaws, if there are weaknesses—if there can be improvements, then let us find out what they are because it is in the interest of the American people that we do that and this is the way we do it.

We simply close up shop and say, "Well, I do not believe so and so is guilty, so I will just forget about it," because that is one good way of assuring that it will happen over and over again.

I thank the distinguished Senator for yielding.

Mr. HELMS. Mr. President, I agree with the distinguished Senator about the price tag. I also feel that there ought not to be a price tag on the presumption of innocence. Yet I have heard castigations every night, innuendos, remarks, and all the rest of it.

I have known Ronald Reagan for a long time, long before he ran for public office and long before I did. He has had many, many occasions when it might have been more comfortable for him to have shaded the truth. Not once, Mr. President, has he ever done that.

Furthermore, at some point I think Congress ought to consider what it is doing in terms of being an obstruction to the President in the conduct of foreign policly.

I say to you, Mr. President, that if Franklin Roosevelt had been required to prosecute World War II under the same conditions and handicaps and obstructionism that Ronald Reagan faces every day of his life, the French people would have been making vichyssoise today out of sauerkraut because they would have lost the war.

At some point, Mr. President, we have to make up our minds whether really subconsciously, consciously, intentionally or unintentionally, we play politics with this issue.

The distinguished majority leader has just said that he knows of no evidence indicating culpability on the part of the President of the United States. I think that needs to be made clear.

As for another investigation, I do not think another one is necessary. We have enough people investigating, spending enough of the taxpayers' money. While I have the highest respect and admiration for DANNY INOUYE and WARREN RUDMAN, I just do not feel that another investigation, duplicating efforts, going back over the same treadmill, is worth it. I think we ought to get on with trying to balance the budget and some of the other problems facing this Nation.

I thank the Chair and I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, may I assure the distinguished Senator from North Carolina that we will get on with the other problems that confront this Nation. If we want this select committee, then the select committee itself will deal with this matter on a separate track. The select committee is proposed to be made up of six Democrats and five Republicans. The distinguished Republican leader and I are not on the select committee. We will be able to devote our energies to the other problems of the country.

I assure the distinguished Senator from North Carolina that I am going to do everything I possibly can to keep the other problems right up front, in full view and on a main track, but at the same time the select committee can be carrying on its important work.

It is not a matter solely of determining that somebody broke the law or did not break the law; it is also very important to know what went wrong, why did this happen, what was going on down in the basement of the White House, who was in charge.

Surely, all these things cannot be done by some colonel and admiral who are working in the basement of the White House. If all of the things that we hear were done by those two alone and with their knowledge alone, then we have reason for real concern because if they can engage this Nation and put it in danger, perhaps, and commit it to dangerous activities without someone above them knowing it, then we should be as equally concerned as we are if laws have been violated.

Somebody has to be in charge. That is one of the purposes of the investigation by the select committee: what went wrong? What is wrong with the way policy is formulated? What is wrong if covert operations can be carried out by two individuals in the basement of the White House without the Commander in Chief knowing what they may be committing this Nation to? Then we have cause for real alarm.

I feel that the Senate will well serve the people by enacting this legislation and I join with others in hoping that it will be enacted today.

I yield the floor.

Mr. RUDMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. I thank the Chair.

Mr. President, I just want to say a few brief words.

First, in response to the colloquy between the distinguished majority leader and the Senator from North Carolina, there is a preemption clause specifically designed by the majority and the Republican leaders to ensure economy of resources and energy of the Senate. That is found on page 4, paragraph C, line 17. That has been interpreted by all to mean that it is this select committee which will do this work, thus obviating the necessity of as many as a half dozen committees on this side of the Capitol being involved.

So there is certainly something to be said for that.

I want to just speak briefly to some of the comments made by, I believe, the Senator from Nevada.

I would like to believe that he is right, that all it would take would be another couple of witnesses and we can wind this whole thing up and be done with it. I am sure my friend from Hawaii shares my desire.

My experience before I came here indicates to me that anything as complex as this normally has facets that are undiscovered until one goes forward and this must go forward because there has been enought concern on the part of the American people that the truth must be known.

I want to briefly say about the chairman of this committee, the Senator from Hawaii, that I have known him a scant 6 years, but he is one I have respected for a long time before that, before I knew him.

He has demonstrated a fairness and sensitivity in what we have done up to now. I know if we were left to our own devices we will have a fair, thorough, bipartisan, careful inquiry into this matter.

Senator INOUYE, in the best traditions of the Senate, is going to try to make this committee an example of how an honest, bipartisan inquiry can be carried out and I will join him with everything that I can in my 6 years of experience here, very little in comparison to him, to make sure that that, in fact, does occur.

I want to thank him, one, for his generosity in deciding he would designate me as vice chairman of this committee rather than the normal. I would expect ranking member which would have been fine, but Senator INOUYE thought differently.

Second, I guess I can announce today with some certainty it will happen that the chairman has managed to work out a system where we will have a joint staff, a unified staff, not a Democratic staff and a Republican staff, but a unified staff. That is due to the efforts of the Senator from Hawaii, who is trying diligently to ensure that this matter is handled fairly and thoroughly.

I believe that there is a brief colloquy that, I will now have with the Senator from Hawaii to address a couple of issues where concerns were raised by Members, and rather than attempt to redraft what has already been fairly meticulously drafted legislative language, the Senator from Hawaii and I decided with agreement from those others that we might have this colloquy. So I would like to pose just two questions to our chairman.

Mr. President, in reference to section 1(b)(1)(iv)(III) of the resolution, is it the chairman's intention that the committee conduct a complete investigation of all private funding of the Nicaraguan Contras?

Mr. INOUYE. The intention of this section is to assure that the committee has sufficiently broad jurisdiction to look into all aspects of the issues we are investigating. It is not the intention of the committee to conduct an investigation into any private funding of the Contras in which there is no direct or indirect Government involvement.

Mr. Chairman, what I am trying to suggest is that without the section in question, the select committee would not be able to inquire into the event involving Mr. Hasenfus because as of this moment there has been no evidence to suggest that war materiel aboard the aircraft was paid for directly or indirectly by funds derived from the sale of arms to Iran.

But I think we should have this opportunity, and if it turns out that funds directly or indirectly were used, fine. If not, I can assure the Senator as chairman of the committee that the investigation will not go any further.

Mr. RUDMAN. I thank the chairman.

I have one additional question. This question is raised because of what lawyers refer to as the boilerplate in terms of the powers of the committee. Although anyone really ought to know that we cannot by language nullify any legal principle or privilege that exists. Nevertheless, I will ask the question since others have raised it.

I would also like to clarify section 5(d)(7)(A). In defining the committee subpoena power, are we denying the possibility of the President asserting executive privilege for some litigimate reason?

Mr. INOUYE. I would like to state that executive privilege is a legitimate Presidential prerogative. However, as the courts have determined that executive privilege cannot be asserted in all cases, it is important to clearly define the committee's subponea powers so that there is no question as to the committee's authority to obtain access to information and materials important to this investigation.

Mr. RUDMAN. I thank the chairman. I would again state to him that I know that everyone on this side of the aisle appreciates his leadership, and will work together to try to conduct this investigation thoroughly and as expeditiously as is possible.

I yield the floor.

Mr. INOUYE. Mr. President, I would like to thank my colleague from New Hampshire for his very generous words. I would like to join my vice chairman in assuring our colleagues in the U.S. Senate that this matter will be thoroughly considered, expeditiously handled, and honestly presented to the Senate and to the people of the United States.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I am somewhat heartened by the assurance of both the chairman and the vice chairman of the select committee that this investigation will be handled on an expeditious basis. However, I have to say that I am concerned about the termination date of August 1. My hope would be that they could beat that by a considerable amount of time. I know that in an earlier draft of the proposed resolution, the date was October 30, which I think would be entirely out of the question. It would seem to me that even August 1—that is 7 months' time. I am not sure. I have not been told whether the House has a termination date or not. Apparently the termination date for the House investigation is October 30.

Mr. President, let me say I did not agree with the arms sale. I think that the administration made a mistake. I think it is perfectly fine for Congress to be making an inquiry, making a thorough inquiry, getting the information out before the American people, doing so completely, and doing so quickly.

I myself believe that the Intelligence Committee should have granted immunity to Colonel North and Admiral Poindexter to compel their testimony. What is significant here is to get the information out, and not whether or not certain evidence is going to be available to prosecute two individuals. We have a national interest in getting the information before the American people, and then getting this issue behind us. It does not serve the national interest to belabor a point. It does not serve the national interest to keep an issue alive month after month after month after month.

Mr. President, three committees of the Congress have already held hearings on the Iran-Contra affair. Three committees of Congress have already held hearings. The Senate Intelligence Committee has held hearings, the House Intelligence Committee has held hearings, and the House Foreign Relations Committee has held hearings.

I do not know how long those hearings lasted but I was just talking to the outgoing chairman of the Senate Intelligence Committee, and he told me that his committee held 16 days of hearings. He told me that some of those days of hearings were 9 a.m. to 9 p.m. days. He told me that probably for those 16 days the average for the hearings was 8 to 10 hours a day for 16 days.

So, Mr. President, that would mean that one of the three committees that has had hearings has held maybe say 130 to 160 hours of hearings so far. Now we are setting up a select committee, and we are giving it 7 months to go into this matter. The House is setting up a separate committee. It has 10 months to conduct its hearings and investigations. Witnesses are going to be having scheduling problems, and probably already have going from one committee meeting to another.

Again, I do not minimize the importance of getting all the information out. I thought that we should have done a better job of getting it out. I thought that the information from our Intelligence Committee should have been made public, and that the two witnesses who did not testify should have been granted immunity and forced to testify so that everything would hang out and do so very, very quickly.

I do not begrudge our select committees the time to go into this matter in a very comprehensive fashion. But I think we have business to do before our country. I think that our Government has business to do, and I believe that all of us have a stake in having a President of the United States who is able to function and an executive branch of our Government that it able to function.

I think that the American people expect us to be making progress on some of these issues we have in the United States now. I think that if the American people got the impression that we were belaboring an issue and dragging it out and beating a dead horse, they would not appreciate our stewardship of a public trust.

So I have great confidence in the chairman and the vice chairman of this committee, each of whom is on the floor now. I think they are two of our finest Senators. But I implore them to beat this deadline of August 1 and get this matter exposed to the American people and get it behind us as quickly as we possibly can.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER (Mr. LEVIN). The Senator from New York.

Mr. MOYNIHAN . Mr. President, I rise for the twofold purpose of addressing the pride this Senator has—I think it is shared with this entire Chamber—in the Senator from Hawaii and the Senator from New Hampshire, two such eminently fairminded, capable, and experienced persons who will carry out this inquiry.

I can speak as one who has sat through more than the better part of the hearings held by the Select Committee on Intelligence which the Senator from Missouri has mentioned; and I must say, in all truth, that to meet their deadline will require very considerable exertion. The scope of things not known and things not knowable in this inquiry impress anyone who has just made the preliminary investigations that we were able to do.

I am not asking for any response, but I make a simple statement: As we inquire into the central issue involved here—which is, have the laws of the United States been abided by?—I hope that the committee might find some time to inquire into the whole question of international law as an element binding on American policymakers and American operatives.

The law of nations is the law of the United States, as provided by article I, section B, clause 10 of the Constitution. Much of the sadness we observe, much of the destruction we observe, began with a decision that was made in the executive branch to violate the law of nations with respect to the mining of Nicaraguan harbors, in contradiction to traditional and conventional international law. An executive branch alive to that responsibility would not have made that decision, or so I believe.

I was vice chairman of the Intelligence Committee when the chairman, our beloved former colleague, Senator Goldwater, and I learned—to our horror—that this mining had occurred and we had not been consulted.

The role of international law as binding on the operatives of this Nation is a real thing, one to which we committed ourselves in our Constitution two centuries ago, and to which we have committed ourselves over and over again in such matters as the Rio Treaty and the Organization of American States.

I hope this does not pass unnoticed by men who, although legislators, attain to the quality of jurists and who will be judging in the interests of nations as this matter proceeds.

Mr. INOUYE. Mr. President, I wish to respond to the very legitimate concern expressed by my dear friend from Missouri in the matter of time.

I should like to advise my colleagues that when I was asked as to what would constitute adequate time for consideration by the select committee, I suggested the end of this year. I based my response on a bit of experience I had a few years ago with the so-called Watergate Committee.

Mr. President, that committee spent 16 months carrying out the mandate of the U.S. Senate—3 of those months just to get itself organized. It took the Justice Department approximately 2 months to complete the process of security clearance.

Senator RUDMAN and I have arranged with the Justice Department, the Federal Bureau of Investigation, to carry out this process in 4 weeks, and that is setting aside just about everything, so that our staff people can be cleared to handle classified information.

The Watergate Committee took 3 months to complete its final report. I would hope that this select committee would be able to complete its final report in less than that—maybe a month.

To further assure my friend from Missouri that everything is being done to assure that this is not going to be a congressional circus, we have made tentative agreements with our House counterparts.

For example, first, we will have serving in the House committee a liaison person assigned by us. They will do the same. So it will not be a situation where secretly one side is trying to outdo the other, rushing for headlines, rushing for the big leak.

Second, and I think this is very important, we have made a tentative agreement—and the Senate committee has agreed upon this proposal—that we alternate the hearings. Instead of having two committees, as the Senator described, having hearings at the same time, and witnessing the spectacle of a witness running from one end of the Capitol to the other and trying to schedule himself at the same time with both committees, the House will meet for 1 week and we will meet the following week, and alternate.

I can assure the Senator that it will not be repetitive. We will be exchanging information, and we will be sharing classified material.

The chairman and the ranking member on the House side and Senator RUDMAN and I have committed to really meet the deadline. It is not going to be easy, but our meeting hours will be long. If one wishes to really expedite this matter, we should proceed after a thorough investigation has been conducted, so that on that basis we could proceed with public hearings. Right now, if we began our public hearings, it would be a sham. It would be a fishing expedition, and that would not add to the credibility of the U.S. Senate, and I would not want to be a party to that type of activity.

I just wish to assure my friend from Missouri that this select committee is committed to carry out its mandate in a nonpartisan, bipartisan manner. We will do our utmost to complete the work by August 1.

And if it is not possible, we will call upon the majority leader for an extension of time. But whatever it is, in that short period of time we will make every endeavor to come forth with an honest report after thorough consideration, without in any way damaging the credibility of this institution.

That, I promise you, sir.

The PRESIDING OFFICER. The minority leader.

Mr. DOLE. Mr. President, I understand there may not be any further requests for time here. If we could resolve this one area, then I am advised by the Senator from New Hampshire that the other matters have been clarified either through colloquy or statements. The record has been made. The legislative history has been made, and I think the only point of contention is the provision that was added on page 17. It would direct the Select Committee on Intelligence to release to the public a report prepared by Senator BOREN, the new chairman on that committee, along with Senator COHEN, the ranking Republican member of that committee, and as would serve the public interest and not violate national security would be made public.

It has been suggested that, "and the select committee may by a vote of the majority of the select committee, subject to the provisions of section 8 of Senate Resolution 400, 94th Congress, expose publicly such information in such report after determination by the select committee that the public interest would be served by such disclosure."

The only problem with that is first it says, "may" which means it is not mandatory, and then it says "by majority vote of the committee." If it becomes part of the majority, of course, we are not going to release it in any event. The language is rather meaningless in its present form. I mean it is an indication there could be a report and the report might be released if there was a majority vote.

As I understand section 8 of Senate Resolution 400, any member of the committee could require a vote by giving 5 days' notice. I assume that would be by reference a part of this provision.

So if I am a member of the Senate Intelligence Committee and I ask for a vote to release certain information to the public then within 5 days there must be a vote by the committee. If that is the case, then maybe it is not necessary to have a precise date. Obviously, if the majority does not want to release the report, they have the votes.

So it would seem to me there is nothing to be lost by saying that we should make the report public unless a majority determines not to do that. I would hope we might be able to resolve that provision.

I would repeat—I know the distinguished majority leader is looking at that provision—I cannot think of any greater responsibility we have than disclosing information that should be made public. It seems to me that is an obligation. I know it does not directly involve the select committee we are about to establish.

I do believe that a lot of minds have been made up on who may or may not be guilty of something, either malfeasance or misinformation or no information or failure to act based on reports that have been circulated in the last 6 or 7 weeks.

The sooner the facts are available, in my view, the sooner American people can then judge what they have heard and what they have seen and what they may have read with what the facts are as disclosed by the Intelligence Committee before they make a final judgment.

It does affect the President. It happens in this case the President is a Republican. But it also affects the Presidency.

It would seem to me that the President is willing to have the report released. If it is not classified, if someone should stand on this Senate floor as a colleague of mine did a few years back with the Pentagon Papers, and read it all into the record, as far as I know that could be done right now. There is nothing in that report that would in any way impact on the national security or the public interest, but I do understand there are legitimate concerns about that particular report, the one we discussed in the Intelligence Committee yesterday. That is why it would be our hope that perhaps with Senator BOREN and Senator COHEN could take a look at the report prepared by Senator DURENBERGER and his staff, make the necessary changes and then hopefully vote to release it to the public.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, there are two things I want to say at this point.

One is with reference to the distinguished minority leader's statement, and he has made this statement twice that I recall, that there is nothing to keep any Senator from standing on this floor right now and reading this report and making it public. I would say that if a Senator began to do that, any Senator may immediately rise and ask that the doors be closed, and that Senator who makes that request needs only a single second by any other Senator and the doors of the Senate will be automatically closed, the galleries will be cleared, and there will be a secret session.

So it is not quite so easy to just show up on the floor and say "Well, I will read this report. To heck with what the members of the committee may want. I am going to read it. It is going to be made public."

When that is done there is a protection against that and it is in the good interest of the public and the good interest of our national security that a Senator with one second can put this Senate into closed secret session and then, of course, all Senators know what the restrictions are upon them if they reveal what went on in that secret session. A Senator is subject to being expelled, and any employee or officer of the Senate who reveals what went on in that secret session is subject to the loss of his job and punishment for contempt.

So, having said that, let me go on to the matter that I think we need to resolve here at the moment.

May I say that I have modified the amendment and will further modify it to make some slight changes. I have the transcript of what I said that I would use as a modification thereof.

I make it clear that I did not say that we would incorporate the provisions of section 8 of Senate Resolution 400 of the 94th Congress. I did not say that.

Here is what I said. I will read the following and I read this for the purpose of responding to the distinguished Republican leader to see if we might change the language so that it will fit with the language that is in the present law regarding the Select Committee on Intelligence. Senators will find this on page 137 of the Senate Manual Standing Orders of the Senate. Section 8(a) quoting therefrom:

> The select committee may, subject to the provisions of this section, disclose publicly any information in the possession of such committee after a determination by such committee that the public interest would be served by such disclosure.

And I went on to say I wonder if the distinguished Republican leader, Mr. INOUYE, Mr. RUDMAN, and Mr. BOREN, those who have spoken thus far, would be agreeable to changing the language to read as follows. Here is the way I modify my amendment, exactly.

> The Select Committee on Intelligence is hereby directed to prepare and provide for the Select Committee, in closed session, a report of its investigation into matters described in section 1 of this resolution, which report shall include a summary of the testimony and the chronology of events developed by the Select Committee on Intelligence, together with a listing of unresolved questions and issues which it recommends be pursued by the Select Committee as soon as possible and the Select Committee may release as much of the information in this report to the public as it deems advisable which is consistent with the interest of the public and national security and is deemed to be by the committee in the public interest after a determination by such committee that the public interest would be served by such disclosure.

Now, that was it. And I was reading some verbiage from section 8(a) of that law to be sure that I included the words "public interest" therein—"public interest would be served by such disclosure."

The following words came out of that law, section 8(a): "After a determination by such committee that the public interest would be served by such disclosure."

That is all I took out verbatim of that law. So I would not want the distinguished Republican leader or any Senator to be under any false impression, not through their fault, perhaps through mine, as to the modification that I included in the resolution before I sent it to the desk.

Now, I prefer to leave the modification as it is. I think it is fair as it is. It included the language that had been posed to me and, after a discussion, we changed the word "shall" to "may." And the distinguished Republican leader then asked if I would yield and I said yes, and Mr. DOLE then said: "I personally have no problem with that based on the statute, based on what I know to be the good faith of the distinguished chairman of that committee, Senator BOREN," and so on.

Mr. DOLE. Will the majority leader yield?

Mr. BYRD. Yes, I am happy to yield.

Mr. DOLE. I do not believe I have any problem with that. I was handed another draft. Maybe it was not the majority leader's draft, but somebody handed me another draft which went back to section 8 and added a request for a majority vote.

Mr. BYRD. Yes, somebody handed me that, too. I apologize to the distinguished Republican leader. That was not my writing and is not my proposal. I do not think the person who wrote that did it—I am sure he did it with good intentions, and I think he misunderstood me. I think that is what led that language to be written. But when I saw it, I said, "That is not my modification."

Mr. DOLE. In other words, if I understand it correctly, your modification would be as you just read it there. I think, as read and modified with some technical modifications by the distinguished majority leader, in my view, based on the statements by Senator BOREN, Senator INOUYE, Senator RUDMAN, Senator DURENBERGER, the majority leader, this Senator, and others, I would have no objection to that modification.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader. I made some slight grammatical modifications. I have inserted commas and shifted the words "to be" from prior to the words by the committee to following the words by the committee, changed the word "this" report to "such" report and put in the article "a" to precede the word "report." So this modification is a grammatical improvement over the previous modification, but substantively is the same. I thank the Republican leader. I yield the floor.

The PRESIDING OFFICER. The resolution will be so modified.

The modification reads as follows:

On page 17, insert in lieu of the matter inserted between lines 13 and 14: "The Select Committee on Intelligence is hereby directed to prepare and provide to the select committee, in closed session a report of its investigation into matters described in Section 1 of this resolution, which report shall include a summary of the testimony and chronology of events developed by the Select Committee on Intelligence, together with a listing of unresolved questions and issues which it recommends be pursued by the select committee as soon as possible, and the select committee may release as much of the information in such report to the public as it deems advisable, consistent with the interest of the public and national security, and is deemed by the committee to be in the public interest after a determination by such committee that the public interest would be served by such disclosure."

The resolution, as modified, reads as follows:

S. RES. 23

Resolved,

ESTABLISHMENT OF THE SELECT COMMITTEE

SECTION 1. (a) There is established a select committee of the Senate to be known as the Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition (hereafter in this resolution referred to as the "select committee").

(b) The purpose of the select committee is—

(1) to conduct an investigation into, and study of, all matters which have any tendency to reveal the full facts about—

(A) any activity of—

(i) the National Security Council or of any member or staff thereof,

(ii) any other department, agency, or entity of the United States Government or of any officer or employee thereof,

(iii) any foreign government, or of any agency or instrumentality thereof, or of any officer or employee thereof, or

(iv) any other individual, group, corporation, entity, or organization,

which relates to—

(I) the direct or indirect sale, shipment, or other provision of arms, or the direct or indirect provision of materiel, funds, or other assistance, to Iran,

(II) the use of the proceeds from any transaction described in subclause (I) to provide assistance to any faction or insurgency in Nicaragua or in any other foreign country, or to further any political purpose or activity within the United States, or to further any other purpose of any nature whatsoever,

(III) the generation and use of any other money, item of value, or service to provide assistance to the Nicaraguan democratic resistance, or

(IV) the provision or coordination of support for persons or entitites engaged as insurgents in armed conflict with the Government of Nicaragua,

in order to determine whether any such activity was illegal, improper, unauthorized, or unethical;

(B) any other activity, circumstance, material, or transaction having a tendency to prove or disprove that any official of the United States Government, or any other person, acting either individually or in combination with others, engaged in any activity which was illegal, improper, unauthorized, or unethical, in connection with any activity described in subclause (I), (II), (III), or (IV) of clause (A) or in connection with the operations described in clause (C); and

(C) the suitability of the structure and operations of the National Security Council, and persons serving as staff, consultants, or agents thereto, for any function related to the formulation, implementation, or conduct of American national security policy; and

(2)(A) to make such findings of fact as are warranted and appropriate;

(B) to make such recommendations, including recommendations for new legislation and amendments to existing laws and any administrative or other actions, as the select committee may determine to be necessary or desirable; and

(C) to fulfill the Constitutional oversight and informing function of the Congress with respect to the matters described in this section.

(c) For purposes of this section, the term "Iran" includes the Government of Iran, any agency or instrumentality thereof, any officer or employee thereof, or any person purporting to represent the Government of Iran or any agency or instrumentality thereof, any national of Iran, or any person located in Iran.

MEMBERSHIP AND ORGANIZATION OF THE SELECT COMMITTEE

SEC. 2. (a)(1) The select committee shall consist of eleven members of the Senate, six of whom shall be appointed by the President pro tempore of the Senate from the majority party of the Senate upon the recommendation of the Majority Leader of the Senate, and five of whom shall be appointed by the President pro tempore of the Senate from the minority party of the Senate upon the recommendation of the Minority Leader of the Senate.

(2) Vacancies in the membership of the select committee shall not affect the authority of the remaining members to execute the functions of the select committee and shall be filled in the same manner as original appointments to it are made.

(3) For the purpose of paragraph 4 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member, chairman, or vice chairman of the select committee shall not be taken into account.

(b)(1) The chairman of the select committee shall be selected by the Majority Leader of the Senate and the vice chairman of the select committee shall be selected by the Minority Leader of the Senate. The vice chairman shall discharge such responsibilities as the select committee or the chairman may assign.

(2) A majority of the voting members of the select committee shall constitute a quorum for reporting a matter or recommendation to the Senate, except that the select committee may fix a lesser number as a quorum for the purpose of taking testimony before the select committee or for conducting the other business of the select committee.

(c)(1) The select committee shall promptly adopt rules and procedures not inconsistent with the rules and procedures of the Senate.

(2) The rules and procedures of the select committee shall—

(A) govern the proceedings of the select committee; and

(B) consistent with section 6 of this resolution—

(i) provide for the security of the records of the select committee and the protection of classified information and materials; and

(ii) prevent the unauthorized disclosure of information and materials obtained by the select committee in the course of its investigation and study.

STAFF OF THE SELECT COMMITTEE

SEC. 3. (a)(1) To assist the select committee in its investigation and study, the chairman, after consultation with the vice chairman and the approval of the select committee, shall appoint the committee staff.

(2) All staff shall work for the select committee as a whole, shall report to the Chairman and Vice Chairman and, except as otherwise provided by the select committee, shall be under the direction of the Chairman.

(b) To assist the select committee in its investigation and study, the Senate Legal Counsel and Deputy Senate Legal Counsel shall work with and under the jurisdiction and authority of the select committee.

(c) The Majority and Minority leaders of the Senate may each designate one staff person to serve on the staff of the select committee to serve as their liaison to the select committee.

(d) The Comptroller General of the United States is requested to provide from the General Accounting Office whatever personnel, investigatory, material, or other appropriate assistance may be required by the select committee.

PUBLIC ACTIVITIES OF THE COMMITTEE

SEC. 4. (a) Consistent with—

(1) the rights of persons subject to investigation and inquiry,

(2) considerations of national security, including the protection of sources and methods of intelligence gathering and analysis, and

(3) the interests of the relationship of the United States with other nations,

the select committee shall make every effort to fulfill the right of the public and the Congress to know the essential facts and implications of the activities of officials of the United States Government and other persons and entities with respect to the matters under investigation and study as described in section 1.

(b) In furtherance of the public's and Congress' right to know, the select committee—

(1) shall hold, as it considers appropriate, open hearings;

(2) may make interim reports to the Senate as it considers appropriate; and

(3) shall make a final comprehensive public report to the Senate which contains a description of all relevant factual determinations consistent with subsection (a) of this section and section 1(b)(2) and which contains recommendations for new legislation and other actions pursuant to the goal of an open, lawful, and effective conduct of American national security policy and, when necessary, lawful intelligence activities in support of American national security policy.

(c) The decision as to what matters shall be heard in closed or open session shall be determined by the select committee in accordance with paragraph 5(b) of rule XXVI of the Standing Rules of the Senate.

POWERS OF THE SELECT COMMITTEE

SEC. 5. (a) The select committee shall do everything necessary and appropriate under the laws and Constitution of the United States to make the investigation and study specified in section 1.

(b) The select committee is authorized to issue subpoenas for obtaining testimony and for the production of documentary or physical evidence. A subpoena may be authorized and issued by the select committee, acting through the chairman or any other member designated by the chairman, and may be served by any person designated by such chairman or other member anywhere within or without the borders of the United States to the full extent permitted by law. The chairman of the select committee, or any other member thereof, is authorized to administer oaths to any witnesses appearing before the committee.

(c) The select committee may exercise the powers conferred upon committees of the Senate by sections 6002 and 6005 of title 18, United States Code.

(d) The select committee is authorized to do the following:

(1) To employ and fix the compensation of such clerical, investigatory, legal, technical, and other assistants as the select committee considers necessary or appropriate.

(2) To sit and act at any time or place during sessions, recesses, and adjournment periods of the Senate.

(3) To hold hearings for taking testimony under oath or to receive documentary or physical evidence relating to the matters and questions it is authorized to investigate or study.

(4) To require by subpoena or order the attendance, as witnesses before the select committee or at depositions, of any person who may have knowledge or information concerning any of the matters the select committee is authorized to investigate and study.

(5) To take depositions and other testimony under oath anywhere within the United States or in any other country, to issue orders by the chairman or any other member designated by the chairman which require witnesses to answer written interrogatories under oath, to make application for issuance of letters rogatory, and to request, through appropriate channels, other means of international assistance, as appropriate.

(6) To issue commissions and to notice depositions for staff members to examine witnesses and to receive evidence under oath administered by an individual authorized by local law to administer oaths. The select committee, acting through the chairman, may authorize and issue, and may delegate to designated staff members the power to authorize and issue, commissions and deposition notices.

(7) To require by subpoena or order—

(A) any department, agency, entity, officer, or employee of the United States Government,

(B) any person or entity purporting to act under color or authority of State or local law, or

(C) any private person, firm, corporation, partnership, or other organization,

to produce for its consideration or for use as evidence in the investigation or study of the select committee any book, check, canceled check, correspondence, communication, document, financial record, paper, physical evidence, photograph, record, recording, tape, or any other material relating to any of the matters or questions such committee is authorized to investigate and study which they or any of them may have in their custody or under their control.

(8) To make to the Senate any recommendations, including recommendations for criminal or civil enforcement, which the select committee may consider appropriate with respect to—

(A) the willful failure or refusal of any person to appear before it, or at a deposition, or to answer interrogatories, in obedience to a subpoena or order;

(B) the willful failure or refusal of any person to answer questions or give testimony during his appearance as a witness before such committee, or at a deposition, or in response to interrogatories; or

(C) the willful failure or refusal of—

(i) any officer or employee of the United States Government,

(ii) any person or entity purporting to act under color or authority of State or local law, or

(iii) any private person, partnership, firm, corporation, or organization,

to produce before the committee, or at a deposition, or at any time or place designated by the committee, any book, check, canceled check, correspondence, communiucation, document, financial record, paper, physical evidence, photograph, record, recording, tape, or any other material in obedience to any subpoena or order.

(9) To procure the temporary or intermittent services of individual consultants, or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services under section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)).

(10) To use on a reimbursable basis, with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration of the Senate, the services of personnel of such department or agency.

(11) To use, with the prior consent of the chairman of any other Senate committee or the chairman of any subcommittee of any committee of the Senate, the facilities or services of any members of the staff of such other Senate committee whenever the select committee or its chairman considers that such action is necessary or appropriate to enable the select committee to make the investigation and study provided for in this resolution.

(12) To have access through the agency of any members of the select committee, staff director, chief counsel, or any of its investigatory assistants designated by the chairman, to any data, evidence, information, report, analysis, document, or paper—

(A) which relates to any of the matters or questions which the select committee is authorized to investigate or study;

(B) which is in the custody or under the control of any department, agency, entity, officer, or employee of the United States Government, including those which have—

(i) the power under the laws of the United States to investigate any alleged criminal activities or to prosecute persons charged with crimes against the United States; or

(ii) the authority to, or with in fact has, conducted intelligence gathering or intelligence activities,

without regard to the jurisdiction or authority of any other Senate committee; and

(C) which will aid the select committee to prepare for or conduct the investigation and study authorized and directed by this resolution.

(13) To report violations of any law to the appropriate Federal, State, or local authorities.

(14) To expend, to the extent the select committee determines necessary and appropriate, any moneys made available to such committee by the Senate to make the investigation, study, and reports authorized by this resolution.

(e) The level of compensation payable to any employee of the select committee shall not be subject to any limitation on compensation otherwise applicable to any employee of the Senate.

PROTECTION OF CONFIDENTIAL AND CLASSIFIED INFORMATION

SEC. 6. (a)(1) Before being given access to any classified information, any member of the staff of, or consultant to, the select committee shall have the appropriate security clearance and a need to know such information. The chairman of the select committee shall decide which select committee staff members and consultants are required to have security clearances.

(2) All staff members and consultants shall, as a condition of employment, agree in writing to abide by the conditions of an appropriate nondisclosure agreement promulgated by the select committee.

(3) The case of any Senator who violates the security procedures of the select committee may be referred to the Select Committee on Ethics of the Senate for the imposition of sanctions in accordance with the rules of the Senate. Any staff member or consultant who violates the security procedures of the select committee shall immediately be subject to removal from office or employment with the select committee or shall be subject to such other sanction as may be provided in the rules of the select committee.

(b)(1) Any classified information obtained by the select committee either directly from the Executive branch of the United States Government, through the Select Committee on Intelligence of the Senate, or by other means, shall be disclosed only in the same manner in which such information may be disclosed under the provisions of section 8 of Senate Resolution 400 (Ninety-fourth Congress, second session), except that references to the Select Committee on Intelligence in such section shall be deemed to be references to the select committee established under this resolution.

(2) The select committee shall make suitable arrangements, in consultation with the Select Committee on Intelligence of the Senate, for the physical protection and storage of classified information provided to the select committee.

(3) Upon the termination of the select committee pursuant to section 9 of this resolution, all records, files, documents, and other materials in the possession, custody, or control of the select committee, under appropriate conditions established by such committee, shall be transferred to the Select Committee on Intelligence of the Senate.

RELATION TO OTHER INVESTIGATIONS

SEC. 7. (a) In order to—

(1) expedite the thorough conduct of the investigation and study authorized by this resolution,

(2) promote efficiency among all the various investigations underway in all branches of the United States Government, and

(3) engender a high degree of confidence on the part of the public regarding the conduct of such investigation,

the select committee is encouraged—

(A) to seek the full cooperation of all relevant investigatory bodies, and

(B) to seek access to all information which is acquired and developed by such bodies.

(b)(1) The Select Committee on Intelligence is hereby directed to prepare and provide to the select committee, in closed session, a report of its investigation into matters described in Section 1 of this resolution, which report shall include a summary of the testimony and chronology of events developed by the Select Committee on Intelligence, together with a listing of unresolved questions and issues which it recommends be pursued by the select committee as soon as possible, and the select committee may release as much of the information in such report to the public as it deems advisable, consistent with the interest of the public and national security, and is deemed by the committee to be in the public interest after a determination by such committee that the public interest would be served by such disclosure.

(2) The select committee, through its members and appropriate staff, shall be provided full access to all records, files, documents and other materials in the possession, custody, or control of the Select Committee on Intelligence of the Senate, obtained or produced by the Select Committee on Intelligence of the Senate with respect to any matter described in section 1 of this resolution.

(3) All subpoenas issued by the Select Committee on Intelligence of the Senate on any matter described in section 1 of this resolution shall continue in force and may be enforced by the select committee as if issued by the select committee.

(c) The Senate requests that any independent counsel appointed pursuant to chapter 39 of title 28, United States Code, to investigate any matter related to a matter described in section 1 of this resolution, make available to the select committee, as expeditiously as possible, all documents and information which may assist the select committee in its investigation and study.

SALARIES AND EXPENSES

SEC. 8. Such sums as are necessary shall be available from the contingent fund of the Senate out of the Account for Expenses for Inquiries and Investigations for payment of salaries and other expenses of the select committee under this resolution, which shall include sums which shall be available for the procurement of the services of individual consultants or organizations thereof, in accordance with section 5(d)(9). Payments of expenses shall be disbursed upon vouchers approved by the chairman of the select committee, except that vouchers shall not be required for the disbursement of salaries paid at an annual rate.

REPORTS; TERMINATION

SEC. 9. (a)(1) The select committee shall make a final public report to the Senate of the results of the investigation and study conducted by such committee pursuant to this resolution, together with its findings and any recommendations at the earliest practicable date, but not later than August 1, 1987, provided that on or before August 1, 1987 a privileged motion made by the Majority Leader, to be debatable for no more than 1 hour, in the usual form, shall be in order, namely, "I move that the time be extended from August 1, 1987 to October 30, 1987 for the investigation by and final report of the select committee." The select committee shall also submit to the Senate such interim reports as it considers appropriate.

(2) The final report of the Select Committee may be accompanied by whatever classified or confidential annexes are necessary to protect classified or confidential information, particularly intelligence sources and methods.

(b) After submission of its final report, the select committee shall conclude its business and close out its affairs as expeditiously as practicable.

Mr. BYRD. Mr. President, I ask for the yeas and nays on the resolution.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. BYRD. Mr. President, in the interest of getting some business done while Senators may have 2 or 3 additional minutes to get to the floor before the vote, I am going to introduce some resolutions to provide for rules changes. I would assume they would be objected to and, in that case, they would go on the Calendar, under Motions and Resolutions Over, Under the Rule. But I want to do this today, in any event. If the distinguished Republican leader will bear with me if he wishes to object.

PROVIDING THAT SUBSTITUTE AMENDMENTS BE CONSIDERED AS FIRST-DEGREE AMENDMENTS UNDER CLOTURE

Mr. BYRD. Mr. President, I send a resolution to the desk to provide that substitute amendments be considered as first-degree amendments under cloture and I ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection having been heard to the immediate consideration of the resolution, the resolution will go over under rule XIV, paragraph 6.

The resolution reads as follows:

S. RES. 24

Resolved, That the third paragraph of paragraph 2 of Rule XXII of the Standing Rules of the Senate is amended by inserting the following immediately after the words "first degree" in the second sentence—

", which under cloture an amendment in the nature of a substitute shall be considered as an amendment in the first degree".

ESTABLISHING A PROCEDURE IN ORDER TO OVERTURN THE CHAIR ON QUESTIONS OF GERMANENESS UNDER CLOTURE

Mr. BYRD. Mr. President, I send a resolution to the desk to establish a procedure in order to overturn the Chair on questions of germaneness under cloture and I ask for its immediate consideration.

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection having been heard to the immediate consideration of the resolution, the resolution will go over under rule XIV, paragraph 6.

The resolution reads as follows:

S. RES. 25

Resolved, That the third paragraph of paragraph 2 of Rule XXII of the Standing Rules of the Senate is amended by adding the following new sentence:

"Whenever an appeal is taken under this rule from a decision of the Presiding Officer on the question of germaneness of an amendment, the vote necessary to overturn the decision of the Presiding Officer shall be three-fifths of the Senators duly chosen and sworn—except on a measure or motion to amend the Senate rules, in which case the necessary vote shall be two-thirds of the Senators present and voting.".

LIMITATION OF LEGISLATIVE AMENDMENTS

Mr. BYRD. Mr. President, I send a resolution to the desk to limit legislative amendments to the general appropriations bill and I ask unanimous concent for its immediate consideration.

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection again having been heard to the immediate consideration of this resolution, this resolution will also go over under rule XIV, paragraph 6.

The resolution reads as follows:

S. Res. 26

Resolved, That Rule XVI, paragraph 4, of the Standing Rules of the Senate is amended—

(1) by inserting "(a)" after "4"; and

(2) by adding at the end of such paragraph the following new subparagraph:

"(b) If a point of order is made by any Senator against an amendment to a general appropriations bill on the ground that such amendment proposes general legislation or proposes a limitation or restriction not authorized by law and is to take effect or cease to be effective upon the happening of a contingency, it shall not be in order to raise the defense of germaneness unless there is House legislative language to which that amendment could be germane remaining in the bill.".

GERMANENESS OR RELEVANCY OF AMENDMENTS

Mr. BYRD. Mr. President, I send a resolution to the desk to provide for germaneness or relevancy of amendments, and I ask unanimous consent for its immediate consideration.

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection having been heard to the immediate consideration of the resolution, the resolution will go over under rule XIV, paragraph 6.

The resolution reads as follows:

S. Res. 27

Resolved, That Rule XV of the Standing Rules of the Senate is amended—

(1) by inserting after "MOTIONS" in the caption a semicolon and the following: "GERMANENESS";

(2) by adding at the end thereof the following new paragraph:

"6. (a) At any time during the consideration of a bill or resolution, it shall twice be in order during a calendar day to move that no amendment, other than the reported committee amendments, which is not germane or relevant to the subject matter of the bill or resolution or to the subject matter of an amendment proposed by the committee which reported the bill or resolution, shall thereafter be in order. The motion shall be priviledged and shall be decided after one hour of debate, without any intervening action, to be equally divided and controlled by the Majority Leader and the Minority Leader or their designees.

"(b) If a motion made under subparagraph (a) is agreed to by an affirmative vote of three-fifths of the Senators present and voting, then any floor amendment not already agreed to (except amendments proposed by the Committee which reported the bill or resolution) which is not germane or relevant to the subject matter of the bill or resolution, or the subject matter of an amendment proposed by the Committee which reported the bill or resolution, shall not be in order.

"(c) When a motion made under subparagraph (a) has been agreed to as provided in subparagraph (b) with respect to a bill or resolution, points of order with respect to questions of germaneness or relevancy of amendments shall be decided without debate, except that the Presiding Officer may entertain debate for his own guidance prior to ruling on the point of order. Appeals from the decision of the Presiding Officer on such points of order shall be decided without debate.

"(d) Whenever an appeal is taken from a decision of the Presiding Officer on the question of germaneness of an amendment, or whenever the Presiding Officer submits the question of germaneness or relevancy of an amendment to the Senate, the vote necessary to overturn the decision of the Presiding Officer or hold the amendment germane or relevant shall be three-fifths of the Senators present and voting. No amendment proposing sense of the Senate or sense of the Congress language that does not directly relate to the measure or matter before the Senate shall be considered germane.".

WAIVER OF READING OF AMENDMENTS UNDER CLOTURE

Mr. BYRD. Mr. President, I send to the desk a resolution to waive the reading of amendments under cloture, and I ask unanimous consent for its immediate consideration.

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. Objection having been heard to the immediate consideration of this resolution, the resolution will go over under rule XIV, paragraph 6.

The resolution reads as follows:

S. Res. 28

Resolved, That rule XXII of the Standing Rules of the Senate is amended by striking the last sentence of paragraph 2 and inserting in lieu thereof the following:

"After cloture is invoked, the reading of any amendment, including House amendments, shall be dispensed with.".

ELECTRONIC VOTING

Mr. BYRD. Mr. President, in order to save the time of the Senate throughout the year and throughout a Congress, I send a resolution to the desk to provide for electronic voting in the Senate and I ask for its immediate consideration.

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. Objection having been heard to the immediate consideration of the resolution, the resolution will go over under rule XIV, paragraph 6.

The resolution reads as follows:

S. Res. 29

Resolved, That rule XII of the Standing Rules of the Senate is amended—

(1) by striking the first clause of paragraph 1 and inserting in lieu thereof the following; "Except as provided in paragraph 5 of this rule, when the yeas and nays are ordered,".

(2) by adding at the end thereof the following new paragraphs:

"5. Whenever the Majority Leader, with concurrence of the Minority Leader, shall determine, the names of Senators voting upon any roll call shall be recorded by electronic device. Senators shall have not more than fifteen minutes from the beginning of the roll call to have their vote recorded.

"6. The Majority Leader, with concurrence of the Minority Leader, may announce that any recorded vote that is scheduled to or does occur immediately after another recorded vote shall be no longer than five minutes in duration.".

ORDER FOR INTRODUCTION OF BILLS AND RESOLUTIONS

Mr. BYRD. Mr. President, I ask unanimous consent that Senators may be authorized to introduce bills and resolutions throughout the remainder of this day and to have statements printed in support thereof in the Record as though read.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE ARMS CONTROL OBSERVER GROUP

Mr. BYRD. Now, Mr. President, while we are waiting and we have the rollcall vote ordered on the resolution to create a select committee, I have discussed with the distinguished Republican leader a resolution that would extend the life of the Senate Arms Control Observer Group and I am prepared to send a resolution to the desk to extend the life of that group without naming the members thereof at this time. I have shown this resolution to the distinguished Republican leader. I believe that we have discussed it. I ask unanimous consent that the Senate proceed to the consideration immediately of this resolution.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. No objection.

The PRESIDING OFFICER. The Chair hears none. It is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A resolution, S. Res. 30, to reauthorize and redesignate the Senate Arms Control Observer Group.

The Senate proceeded to consider the resolution.

SENATE ARMS CONTROL OBSERVER GROUP

Mr. BYRD. Mr. President, the distinguished minority leader and I are today offering a resolution which would reauthorize, for the life of the 100th Congress, the Arms Control Observer Group. We are also redesignating, in this measure, the members of that successful monitoring and advising body.

The observer group was created by the Senate on February 28, 1985, in the early days of the 99th Congress. Its purpose is to supplement the activities of the Foreign Relations Committee by providing a more regular and systematic involvement of the full Senate in any arms control negotiations which the United States is officially undertaking with the Soviet Union, without in any sense assuming the role of participants or negotiators in such talks. While the Foreign Relations Committee oversees arms control negotiations on a continuing basis, the full Senate had, prior to the creation of this group, focused its attention only sporadically on the vital aspects of such talks, usually developing a knowledge and understanding of the issues being negotiated after the fact—that is, after a draft treaty had been signed by the executive branch. The result of this fitful process had been generally unsatisfactory, and we sought to avoid a recurrence of the problems of the 1970's, when three successive arms control treaties, signed by three Presidents, were never approved for ratification by the Senate. These include the SALT II Treaty of 1979, the Threshold Test Ban Treaty of 1974, and the Peaceful Nuclear Explosions Treaty of 1976.

The U.S. Senate has the constitutional responsibility of providing advice and consent in the making of treaties. This responsibility imposes upon Senators the obligation to become as knowledgeable as possible concerning the salient issues which are being addressed in the context of the negotiating process. Any accord with the Soviet Union to control or reduce our strategic weapons carries considerable weight for our Nation. It will vitally affect our national security and that of our allies. Any agreement must be undergirded by substantial national consensus to stand the test of time, and I believe that such a consensus is best achieved through the traditional treatymaking process which has been followed in the field of strategic arms control agreements.

I feel particularly strongly that it is far better for the United States to walk away from cosmetic agreements, which provide only the illusion of progress on arms reduction, and certainly, as well, walk away from any agreement which runs counter to either our own national security interests or those of our allies and friends. Only those arms reduction agreements which enhance our military security vis-a-vis the Soviet Union should be contemplated. I am sure that this sentiment is shared by all Members of this body.

Mr. President, the Senate Arms Control Observer Group acquitted itself admirably during the 99th Congress. The distinguished minority leader and I led the group's first trip to the Geneva talks from March 9 to 12, 1985, and subsequently, the group returned to Geneva to consult with our negotiators and to exchange views with the Soviet negotiators during each of the negotiating rounds, approximately every 3 months—with the exception of the last round, this past October, when the press of Senate business was too intense for the scheduled visit to be accomplished.

I think there has been a general consensus that the long-term cross-fertilization of views between the members of the group and our negotiators has been very healthy and, in fact, a new development in executive-legislative relations in this field. In addition to the visits to the negotiating site, the group developed excellent rapport with the key executive branch officials, such as Ambassador Paul Nitze and Ambassador Ron Lehman, here in Washington, and very satisfactory arrangements were developed for regular briefings of the group by those officials on the status of the negotiations and the perspective of the executive branch on where they were going. I might add that I believe the executive branch officials also benefited from the perspectives conveyed by the Senators on the group as to the status of those talks as well.

Mr. PRESIDENT, I have heard nothing but praise regarding the maturity, the responsibility, the continuing and steady high level of interest, the expertise and common sense of the Senators on this group in carrying out their responsibilities, and I congratulate them for that. I particularly want to commend the four cochairmen, including the distinguished Senator from Alaska, Mr. STEVENS, the distinguished Senator from Georgia, Mr. NUNN, the distinguished Senator from Rhode Island, Mr. PELL, and the distinguished Senator from Indiana, Mr. LUGAR, for their leadership in this regard.

One often hears the complaint from officials in the executive branch that Congress can't keep a secret. Well, I can think of no better refutation of that thesis than the history of this group. In accord with arrangements made with the Secretary of State, the Senators in this group received timely information on the sensitive details of the negotiations, regularly, week by week, over nearly a 2-year period. Mr. President, I cannot recount a single instance of a leak of any kind coming out of that group, to the news media, which in any way could be construed to compromise the information passed to the group. On the other hand, I cannot say the same for some officials of the executive branch, because it was often clear that substantial information was coming out of the executive branch, and I believe that there were instances when the information leakage could well have weakened the hands of our negotiators. I deplore that kind of behavior, and I am proud of the fact that the 12 Senators who participated as members of this group were above it. I have every reason to be confident that this will remain the case. For my part, I am appointing the same Senators from the Democratic side of the aisle to serve in the 100th Congress. Messrs. CLAIBORNE PELL and SAM NUNN will continue to serve as the Democratic cochairmen. In addition, I am renewing the appointments of the distinguished Senator from Massachusetts, Mr. KENNEDY, the distinguished Senator from New York, Mr. MOYNIHAN, and the distinguished Senator from Tennessee, Mr. GORE.

I am confident that the continuing process of monitoring the negotiations during the 100th Congress will put the Senate in a much better position to consider any treaty which might result from those talks. Furthermore, I am confident that the advice and consultation that the group can provide our negotiators during this process will provide a helpful perspective for them on the views of key Senators.

In closing, I would like also to extend my appreciation to the Secretary of State, Mr. Shultz, to our chief negotiator in Geneva, Ambassador Max Kampleman and his team, and to Mr. Nitze here in Washington, and his assistants, for their cooperation in this effort, and my hope for a continuation of the excellent relationship that has evolved during the life of this enterprise.

ARMS CONTROL OBSERVER GROUP

Mr. DOLE. Mr. President, I am pleased to join Senator BYRD today in introducing this resolution, reauthorizing a Senate Arms Control Observer Group for the 100th Congress.

VALUABLE CONTRIBUTION TO 99TH CONGRESS

The bipartisan observer group which we formed the first day of the 99th Congress served the Senate very well throughout that Congress. It monitored the arms control negotiations in Geneva; worked effectively with the Foreign Relations and Armed Services Committees, which have important responsibilities for arms control issues; and helped all of us achieve a better understanding of the complex issues under negotiation.

The members of the group—Republicans and Democrats—brought a true bipartisan spirit to their work. They also maintained a very cooperative relationship with the administration, including with the President's top arms control advisers here in Washington and with Max Kampelman's outstanding negotiating team in Geneva. They set a fine example for the rest of the Senate in how to go about dealing with these critical issues. All of them deserve our thanks—the administrative cochairman, Senator STEVENS; the other three cochairmen, Senators LUGAR, NUNN, and PELL; and all the other members of the group.

100TH CONGRESS NEEDS SIMILAR INPUT FROM GROUP

It is my expectation that the Arms Control Observer Group can provide an equally valuable service in the 100th Congress.

Arms control issues will remain central to our Nation's security, and a top priority of the administration. Building on the progress achieved in Reykjavik and Geneva, the President is determined to continue exploring every avenue to achieve a significant, balanced and verifiable nuclear arms reduction agreement with the Soviet Union. We can expect the talks in Geneva to be active, and we can reasonably hope they will be productive. It is useful, and important, that the Senate be represented in Geneva, and be heard in the counsels of the administration, as these events unfold.

The work of the observer group, as it did last Congress, will also impinge on our discussions and decisions on arms control-related issues across the board. And we have a great many of those issues to address—the nuclear testing treaties, SALT compliance, SDI and a whole host of others. While primary responsibility for consideration of those issues will continue to rest with Foreign Relations and Armed Services, the observer group can play an important role in keeping the Senate informed of the substance and evolution of those issues, especially as they are dealt with in the Geneva talks. And that input can be critical to the judgments the Senate finally draws.

ABLE, EXPERIENCED REPUBLICANS TO BE NAMED

Assuming we pass this resolution—and I expect it will get the unanimous support it deserves—I will be designating the Republican members in the coming days. We will have a very able, very experienced group of Republicans, just as we did last year. I expect that the majority leader will also name a good group of Democrats. And I am confident that, together, that bipartisan group will continue to perform ably and responsibly, for the Senate and for the country.

Mr. President, let me congratulate the distinguished majority leader. As my colleagues may recall—maybe not my new colleagues—it was the idea of the distinguished Senator from West Virginia, Senator BYRD, that we do this in the first instance and it has worked very successfully. I believe it should be continued and I am happy to cosponsor this resolution.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader. I compliment the members of the observer group on both sides and in particular I compliment Mr. STEVENS, who during the past few years has in particular done the administrative work of the group in a very fine and dedicated manner. I commend all Members on both sides of the aisle, Republicans and Democrats, who made up that group, and the Secretary of State, Mr Shultz, who originally did not let all of his weight down in supporting the resolution but upon several occasions observed to me that he was quite happy with the group and felt that it had contributed positively to his work and the work of the negotiators.

Now, Mr. President, have we acted on this resolution?

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the resolution.

The resolution (S. Res. 30) was agreed to, as follows:

S. RES. 30

Resolved, That the bipartisan group of Senators designated by S. Res. 86, 99th Congress (agreed to February 18, 1985) is hereby redesignated and reauthorized to act during the 100th Congress as official observers on the United States delegation to any formal arms reduction or control negotiations to which the United States is a party (which group shall hereinafter be referred to as the "Senate Observer Group") and S. Res. 86, 99th Congress is hereby amended. The Group shall be headed by four Senators, serving as Co-Chairmen, two from the Majority party, to be appointed by the Majority Leader, Robert C. Byrd, and two from the Minority party, to be appointed by the Minority Leader, Robert Dole, one from each party to be appointed as Administrative Co-Chairman. The Majority and Minority Leaders shall serve on the Group in an ex officio capacity, and shall each appoint, in addition three other Senators to serve as members of the Group. The appointments shall be made in writing to the President pro tempore of the Senate.

Only Senators appointed as members of the Group may participate in official travel and activities of the Group. In the event that either the Majority Leader or the Minority Leader does not travel on an official trip of the Observer Group, he may designate one other Senator not a member of the Group to travel and participate in the activities of the Group in his stead. Any vacancy occurring in the Senate Arms Control Observer Group shall be filled in the same manner in which the original appointment was made.".

SEC. 2. (a) The Senate Observer Group is authorized, from funds made available under section 3, to employ such staff (including consultants at a daily rate of pay) in the manner and at a rate not to exceed that allowed for employees of a standing committee of the Senate under paragraph (3) of section 105 (e) of the Legislative Branch Appropriation Act, 1968 (2 U.S.C. 61-1(e)), and incur such expenses as may be necessary or appropriate to carry out its duties and functions. Payments made under this section for receptions, meals, and food-related expenses shall be authorized, however, only for those actual expenses incurred by the Senate Observer Group in the course of conducting its official duties and functions, provided, that notwithstanding any other provision of this Resolution, such amounts received as reimbursement for such expenses shall not exceed $6,000 in any fiscal year. Amounts received as reimbursement for such food expenses shall not be reported as income, and the expenses so reimbursed shall not be allowed as a deduction under title 26 of the United States Code. This provision is effective with respect to expenditures incurred on or after February 28, 1985.

(b) Each Co-Chairman of the Senate Observer Group is authorized to designate a professional staff member. The Designated Group staff shall also include, a secretary selected by, and responsible to, the Majority, and a secretary selected by, and responsible to, the Minority. The funds necessary to compensate any such staff member who is an employee of a Senate or of a Senate Committee, who has been designated to perform service for the Senate Observer Group, such staff member shall continue to be paid by such Senator or such Committee, as the case may be, but the account from which such staff member is paid shall be reimbursed for his services (including agency contributions when appropriate) out of funds made available under section 3(a) of this resolution. The four professional staff members, authorized by this subsection, shall serve all of the members of the Senate Observer Group, and carry out such other functions as their respective Co-Chairmen may specify.

(c) The Majority and Minority Leaders may each designate one staff member to serve the Observer Group. Funds necesary to compensate leadership staff shall be transferred from the funds made available under section 3(b) of this resolution to the respective account from which such designated staff member is paid.

"(d) All foreign travel of the Group shall be authorized solely by the Majority and Minority Leaders, upon the recommendation of the Administrative Co-Chairmen. Participation by staff members in authorized foreign travel by the Group, access to all official activities and functions of the Group during such travel, and access to all classified briefings and information made available to the Group during such travel, shall be limited exclusively to delegation members with appropriate clearances. No travel or other funding shall be authorized by any Committee of the Senate for the use of staff, other than delegation staff, in regard to above mentioned activities, without the written authorization of the Majority Leader and the MinorityLeader to the Chairman of such Committee.".

SEC. 3. (a) The expenses of the Senate Observer Group shall be paid from the contingent fund of the Senate, out of the account of Miscellaneous Items, upon vouchers approved jointly by the Chairmen for Administrative purposes (except that vouchers shall not be required for the disbursement of salaries of employees who are paid at an annual rate). For any fiscal year, not more than $400,000 shall be expended for staff (including consultants) and for expenses (excepting expenses incurred for foreign travel).

(b) In addition to the amount referred to in section 3(a), for any fiscal year, not more than $150,000 shall be expended from the contingent fund of the Senate, out of the account for Miscellaneous Items, for Leadership staff as designated in section 2(c) for salaries and expenses (excepting expenses incurred for foreign travel).

(c)(1) Of the amount authorized in section 3(a), an amount not to exceed $50,000 may be spent by the Senate Observer Group, with the prior approval of the Committee on Rules and Administration, to procure the temporary services (not in excess of one year) or intermittent services, including related and necessary expenses, of individual consultants, or organizations thereof, to make studies or advise the Senate Observer Group.

(2) Such services in the cases of individuals or oranizations may be procured by contract as independent contractors, or in the case of individuals by employment at daily rates of compensation not in excess of the per diem equivalent to the highest gross rate of compensation which may be paid to a regular employee of a standing committee of the Senate. Such contracts shall not be subject to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provisions of law requiring advertising.

(3) Any such consultant shall be selected by the Administrative co-chairmen acting

jointly. The Senate Observer Group shall submit to the Committee on Rules and Administration information bearing on the qualifications of each consultant whose services are procured pursuant to this subsection, including organizations, and such information shall be retained by the Senate Observer Group and shall be made available for public inspection upon request.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was adopted.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RESOLUTION RELATING TO SOVIET POLICY TOWARD AFGHANISTAN

Mr. BYRD. Now, Mr. President, shortly I will have a resolution that deals with the Soviet policy toward Afghanistan.

I would expect to have a rollcall vote on that resolution. We could arrange to have that vote immediately following the vote on the resolution creating the select committee. But before I proceed I think Mr. MOYNIHAN has a suggested modification to the resolution.

Mr. MOYNIHAN. I have, Mr. President. May I speak to that?

Mr. BYRD. Yes.

Mr. DOLE. Is this on the Afghan?

Mr. BYRD. Yes, on the Afghan. I have not yet introduced it, but I yield to the distinguished Senator. I yield the floor so the distinguished Senator can comment on the resolution, a copy of which I have supplied.

Mr. MOYNIHAN. I thank the distinguished majority leader, and I relish the fact that this is the first occasion I have had this year to call him majority leader. It is a special pleasure.

Mr. President, it appears to me that this excellent resolution in support of the Afghan mujeheddin, freedom fighters as they have been called, needs something added to the declaration of our commitment to that purpose and our concern with the transparent cynicism of Soviet calls for amnesty and cease fires. I think it should be recorded that American military aid to the mujeheddin began within weeks of the Soviet invasion. The Soviet invasion took place at the end of December 1979. In mid-January, within weeks, the U.S. Government had commenced supplying small arms to the resistance which began almost immediately after the invasion took place.

I do not hesitate to bring this matter to the attention of the Senate in public because on February 15, 1980, the White House so announced. We made no secret of the fact that we were doing this, nor ought we have done so. The administration at the time imposed a grain embargo, canceled the Olympics and began supplying military aid. I think that commitment to supporting the Afghan resistance should continue. Mr. President, it is my hope that the amendment might be modified to provide for such an addition. In closing, Mr. President, might I ask that the newspaper report of the New York Times of February 16, 1980, recording this White House announcement be included in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[New York Times, February 16, 1980]

U.S. SUPPLYING AFGHAN INSURGENTS WITH ARMS IN A COVERT OPERATION

(By David Binder)

WASHINGTON.—The United States began an operation to supply light infantry weapons to Afghan insurgent groups in mid-January, White House officials said today.

The decision to funnel arms to rebel forces resisting Soviet troops in Afghanistan was made by the Special Coordination Committee of the National Security Council, which is chaired by Zbigniew Brzezinski, President Carter's national security adviser. It was subsequently approved by the President, a senior official of the council said.

The Central Intelligence Agency was assigned to carry out the covert mission, its first of this nature and magnitude since the Angolan civil war ended in 1976.

The arms being sent to Afghan insurgent groups are largely of Soviet design, including Kalashnikov AK-47 automatic rifles, according to the officials, who declined to specify whether the weapons were manufactured in the Soviet bloc or in China. Nor would they confirm reports that some of the arms might have come from stocks of Soviet weapons acquired by Egypt.

ARMS SHIPPED THROUGH PAKISTAN

The weapons are being shipped to the Afghan insurgents through Pakistan, which shares a long frontier with Afghanistan through rough and lightly populated terrain.

On Wednesday the Egyptian Ministry of Defense announced that it has begun a military training program for Afghans opposed to the Soviet military intervention in their homeland and that Egypt would send them back with weapons. Previously Western military officials had indicated that China and Iran had shipped limited amounts of weapons to the insurgents.

The Soviet Union has accused China and the United States of aiding the anti-Communist forces in Afghanistan ever since uprisings began against a Marxist Government that was installed by a coup in April 1978. Moscow began to criticize Egypt for involvement in the situation at about the time that the Soviet forces intervened in Afghanistan on Dec. 27.

Rumors that a C.I.A. covert operation had begun to help supply Afghan insurgents started circulating in Washington in the second week of January.

Disclosure of the secret supply program comes at a time when Government specialists on Afghan affairs say that the pace of fighting between insurgents and Soviet forces accelerated over the last two weeks.

The specialists said today that in their estimates the Soviet forces had incurred about 3,000 casualties since the intervention.

The American analysts added that Afghan insurgents and regular Afghan Army units that had gone over to the insurgent side had probably suffered twice or three times the number of casualties incurred by the Russians. They put the Soviet casualty rate at about 500 a week, of whom they said about one in six had probably been killed.

During the Vietnam War, by comparison, in the last week of September 1966 there were 970 American casualties, at a time when the fighting was intensifying.

The bulk of the fighting has taken place in the north and northeast of Afghanistan, the analysts said, with pitched battles being fought for control of the town of Narin, in the north, since Jan. 8. Narin is strategically located astride a major supply route running between the Soviet frontier and Kabul, they remarked, and was also the home base of the Afghan Army's 19th Division.

Mr. MOYNIHAN. I yield the floor and thank the Chair.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I send to the desk a certain modification which is agreeable to me and which has been proposed by Mr. MOYNIHAN, Mr. DOLE, and others. No action having been taken on the resolution, I believe I am entitled to make this modification.

The PRESIDING OFFICER. The resolution is so modified.

Is there further debate?

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Chair will ask if the modification has been sent to the desk.

The Chair thanks the majority leader and thanks the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. HUMPHREY. Mr. President, I want to speak for a few moments on this important subject. I commend the Senator from West Virginia and others who are involved in trying to focus the attention of the Senate, the executive department, and the American people on the outrages being daily committed, day in and day out, month in and month out, year in and year out, by the Soviet Army in Afghanistan.

Mr. President, 1 million people have died in Afghanistan. How many is 1 million? If you apply that ratio to the United States, you are talking about 16 million dead Americans. Imagine 16 million dead Americans. But for the Afghans, it is not a matter of imagination, it is a matter of daily reality.

By the way the casualties are not just or even primarily combatants, those bearing arms, but primarily the casualties, the dead and the wounded, are women, the elderly, and children.

Surely, every Member of this body has heard of the Soviet toy bombs disseminated by helicopters throughout the country and whose sole, explicit, exclusive purpose is to blow off the hands of children and to blow off their faces.

It is ironic, tragic, that the establishment is enchanted with Mr. Gorbachev's public smile, while in the remoteness and privacy of Afghanistan, children have their smiles and faces blown away by Mr. Gorbachev's bombs.

One million children, five million driven into foreign exile. How many is 5 million? One-third of the Afghan population. If you apply that ratio to the United States, you are referring to 80 million driven into exile.

It is a horrible thing going on in Afghanistan. I am very sorry to say that for our part or for the most part it is business as usual with the Soviet Union even though the Soviet Union leadership is dripping with the blood of innocent Afghan victims. There is business as usual and more than that business as usual, more friendly and warm than at any time since the invasion in 1979.

Mr. President, to address the resolution before the body, it once again calls upon the executive to investigate and to evaluate our policy of continuing to recognize, by maintaining an embassy in Kabul, this criminal regime, a puppet regime set up by a Soviet invasion, maintained for 7 years by over 100,000 Soviet troops using the most advanced weapons and the most indescribable kind of brutality and violence.

It calls upon the State Department to do something we asked them to do last summer, I would emphasize, last June 25.

This body adopted an amendment offered by the Senator from West Virginia and this Senator from New Hampshire which asked the administration to examine this policy of continuing to maintain an embassy at the seat of the government against which freedom fighters of Afghanistan are struggling at this hour with our encouragement, to examine that duplicitous policy and to examine also, at the same time, the wisdom of permitting this criminal regime to maintain an embassy here in Washington as though that were some kind of legitimate regime instead of a gang of criminals cooperating with the Soviets in the genocide of their own people.

We are asking for a second time now.

As far as I can determine, there was never any investigation by the State Department in response to last summer's Senate resolution, nor has there been, as far as I can uncover, even a communication to Senator BYRD or to this Senator from New Hampshire in response to that first request.

The resolution before us also asks again, as we did last summer, for the administration to determine whether Soviet actions in Afghanistan constitute the international crime of genocide. It is no small question. As far as we can tell, last summer's request went unheeded, not even a response in writing to this Senator at least or any other Senator that I know of. Indeed, the only followup I have gotten was a reply of December 18 from the State Department in which it says, "There is no United States policy with respect to continued recognition."

How about that for a statement of duplicity? How about that for having one foot on each side of the fence? They do not even have a policy. They say, "There is no United States policy with respect to continued recognition."

Well, that is not true. There is a policy. The de facto policy is that we have an embassy there at the seat of that regime propped up by 100,000 Soviet troops. That is our policy, whether the State Department can see it or not.

So I commend the Senator from West Virginia for renewing his effort in this important matter and I encourage my colleagues to join with us in trying to force the administration to take a stronger role, to bring some pressures to bear beyond the military pressure—diplomatic pressures, economic pressures, the pressures of international public opinion, in which latter categories we are failing to do anything at all, to the shame of this country and the principles for which it stands.

I thank the Chair.

Mr. BYRD. Mr. President, the distinguished Senator from South Carolina [Mr. HOLLINGS] wishes to address his remarks to the matter of creating a select committee. The yeas and nays have been ordered on that.

As soon as the distinguished Senator from South Carolina finishes his statement, I would be very happy to proceed with a vote on that. I understand Mr. GARN has to catch a plane. Then we can deal with the Afghan resolution.

SELECT COMMITTEE ON IRAN AND NICARAGUA

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I will be as brief as I possibly can. In fact, I have done my level best to just quietly go along on this issue for some time. However, Mr. President, it appears now that I am prepared to vote against the resolution and I take this opportunity to explain why.

What you have involved here, Mr. President, are three particular policies. One deals with the endeavor by the executive branch—the President and the White House—to open up lines of communication for an association or affiliation with a possible future successor Iranian Government. It is quite obvious that the Carter administration was found totally devoid of a policy after the fall of the shah, and we had not built up any inroads there since that time.

Yet, many people go mentally back to the loss of our Marines at Beirut, an act which we all regretted and condemned Iran for. Still we live in the real world and that is the reality by which we judge whether or not this Iran initiative was a good or bad policy. I think it was an honest endeavor and I do not think it was any kind of callous effort such as, "Heck, we can lose Marines any time we want to, but let us get on with the Iranians". It was not that kind of thing at all. Rather this administration was trying to open up channels of communciation with the future government. It did not work. But it was an honest effort.

Second, with respect to the hostages, it is now clear we were paying ransom while at the same time we were chastising everyone else not to. That was a mistake. But that is what we now know to have been the policy.

Third, there was the $100 million in aid to the Contras which Congress enacted on October 1. There are those around here who did not like that vote, and in my opinion are using every effort in order to thwart it, turn it back around, and reverse that policy. But I happen to support the President on that policy.

Those are the three policies involved here now. Bad or good, mistaken or not, that is what occurred. And it is also quite apparent to everyone involved in this area that the White House, and the administration were doing their dead-level best to keep the Contras alive until they could change the mind of the Congress and gain financial support last October.

In the meantime, the true question is not "what did he know and when did he know it," but rather "what did he give and when did he give it?" I am talking authority, not necessarily expressed authority, but apparent authority; not necessarily a written command or Executive order, but rather an environment. You run your office with an appropriate environment. We have a good working environment in the Senate. Indeed, while we are primarily U.S. Senators, we are also looking after our constituencies. I do not have a written order about that. But my staff knows when they help a South Carolina constituent that is what we are here for, and that is what keeps us here. I was pleased to be sworn in for the fifth time to serve South Carolina just a few hours ago.

Similarly, at the White House, if you could find a way to help the Contras and keep them alive until we could change the Congress' mind, an endeavor that went on for a good 4 years, that was certainly not opposed by President Reagan or that White

House. That was their particular environment.

In fact, we watched the news and we watched the bits of information inform us of this environment. The media criticized us for not exercising the fullest of oversight so we came up and we said you could not give direct aid. Then we saw other infringements. We saw more fudging and so we strengthened further the Boland amendment to cover direct or indirect aid. Then, there is the question about the legality of the Boland language, and the Iranian or American money used. There was a violation, but certainly the Congress and the Boland amendment did not proclaim it a felony and did not proclaim it a misdemeanor. We simply established a provision to restrict the expenditure of funds.

That is the law. Of course the Executive has sworn to uphold the law and I am not saying, "Let's disobey the law and forget it." It is not that kind of thing that warrants tying up the whole National Government for the next 6 or 9 months.

What really occurred in November when this Iran program broke apart is that President Reagan got the wrong advice. He was told by his administration, "Mr. President, you cannot know any of this. We have the Boland amendment, and a restriction is there. We have covert action reporting procedures and you know about that. In fact, you asked last January to get an opinion from your Attorney General that you did not have to inform the Congress about this program. But now we do not want to find you to be involved and know anything. It would hurt you to know." And that is the big mistake of advice that they are now bogged down in. Because if someone had come around and said, "Mr. President, it hurts you more not to know than to know, there is just too much information, too much of an involvement for you not to know all of this going around, you would end up after a 5- or 10-month investigation as the most ill-informed fellow that ever served in the White House as the President of these United States."

Look at the volume of information, and not just from specific witnesses but from your common sense. In the State Department you have the Assistant Secretary for Latin American Affairs, Mr. Elliott Abrams, calling up the Sultan of Brunei and saying "Put some money in the bank. America and the administration are in trouble. We need help." Then you get the Ambassador to Israel, the Ambassador to Labanon, the Ambassador to Nicaragua, the Ambassador to Costa Rica, the Ambassador to El Salvador, the Ambassador to Honduras, and others in the State Department involved. Common sense tells you the Secretary of State cannot come up here and realistically say, "There isn't anybody here except us chickens. We did not know that anything was going on." Yet they call in that Ambassador and put on a Hollywood act. Everybody thinks this is Hollywood East. All you have to do is put on an act and ignore the common sense of the public. Or you take the matter of the Defense Department. Reportedly tons of equipment and millions in reimbursement from bases all over this country were involved, yet the Secretary of Defense signs off on this activity while still maintaining, "there isn't anybody here except us chickens. I don't know anything about this policy." Come on. Who is kidding whom?

When you get the CIA, they told Mr. Casey but they also said: "Look, Mr. Casey, if we have you in this, you will have to tell the Intelligence Committee, and if you tell the Intelligence Committee, you might as well go on TV. So remember, you don't know anything. But let's use the mechanisms of the Central Intelligence Agency in support of the program and if you have to talk, say "I don't know anything. There isn't anybody here except us chickens. We don't know anything about what is going on."

The National Security Council, the Treasury Department, the Attorney General's Office, the Justice Department; you have six or seven agencies and departments, and almost a dozen countries involved here. But we are supposed to believe that they were all manipulated by a lieutenant colonel down in the White House basement. Come on.

(Mr. PROXMIRE assumed the chair.)

We have had reporting before the House that this particular lieutenant colonel would not act except without authority. That has been his life. He is not a wild card. He might skip a step. He is enthusiastic. He is gung ho. We, who serve, respect that kind of officer, and we understand that man is the military type. But as far as a criminal, no way. I do not think so.

Poindexter is also straightlaced. He was tops in Annapolis, 30 years of service, and ready to be CNO. Yet do we think that at 9 o'clock daily briefings, particularly after aid was approved by the Congress, that this program was kept secret from his boss? He must have at least said or suggested, "Mr. President, as you well know, we kept Contra aid alive. Now we have got $100 million." At least give him some idea to get some credit for it.

If the President would stop hollering criminal, then the Congress could go to work on other important issues. If he would only say, "Look, as President of the United States I cannot keep up with every agency and department." Everyone knows that. But as a general proposition, as John F. Kennedy said in the Bay of Pigs, "This was my policy. This was my mistake. I accept the responsibility for it."

These people could have overstepped their bounds and they could be reassigned. They are not criminals. But as long as he stands in the White House and says for example: "Get the FBI and cross-examine the Chief of Staff and find out what he knew and when he knew it" we will get nowhere. And, as an aside, he did not know anything. They kept him out of the loop, which was not difficult to do. But do we have to go through this entire process, to prove after 6 or 9 months that either the President of the United States misinformed the people of America or certainly he was ill-informed himself? Neither course serves the Presidency nor the Government itself; and it does not serve us in Congress, either.

This land is full of common sense, and the people out there understand that mistakes have been made. They understand the questions of policy and the differences we all have. They understand it and do not need a congressional investigation to go through and call witnesses in, day in and day out, to get to a conclusion they have already reached.

They are not going to like the results, and they are not going to like Congress for reaching those results.

That is why I, in a general sense, am opposed to this resolution and said that in the sessions we had in the Intelligence Committee. But I certainly understand the supporters of an investigation because the President was supposed to change his mind by the end of the year and say: "I assume the responsibility." But he did not and in fact he is still coming to Congress saying, "Mr. Congressman, will you investigate my staff and my White House?" That is a ludicrous position for all of us to be giving so much attention to.

Washington is the Olympics of emotion and sentiment. Everything is egregious, disastrous, or some other bit of hyperbole. But out there in the country, they want to just move on past this issue.

We have a President and he is going to be there for 2 years. We have the Congress with all these other important problems that should be confronted. And, yes, we have a news media that has a heyday selling more newspapers, with all their banner headlines and scandals.

But, I do not happen to think this was so scandalous. I can see a President operating this way and making these mistakes. It is not necessarily a so-called scandal. But what will be a scandal is if we go along and report a lot of this information before it is whole or complete. I refer to the latter part of this resolution, about the make public a report from the Intelligence Committee.

You can see the original requirement on the other side of the aisle: They want everything reported. They want to force feed the public and a report. But I am a member of the Intelligence Committee, and I voted with the majority yesterday that we just were not yet in a position to report.

It reminds me of the advent of Telstar, when G.K. Chesterton said: "One of greatest advances in communications came at a time when man had nothing to say."

Here are all the politicians. They are trying to make a report. But they also have been almost better then O.J. Simpson, ducking the press and sneaking out of the committee room so they would not have to report. Because you see, we only have five pieces of the story, not 95, as former chairman of the Intelligence Committee DURENBERGER said.

Common sense tells us what happened here. More witnesses could be called and following the money trail would produce some scandals, no doubt. But is it worth the time of the national Congress to be wrapped up on this? Are we going to play politics with this select committee and say we are going to force-feed a report?

We are ready, as Intelligence Committee members, to make a report in a closed session, to the new committee. And incidentally, Senator INOUYE is an outstanding member. Everyone knows my regard, also, for Senator RUDMAN. In fact, I have a high regard for the entire new committee. I do not think there is a better selection on either side of the aisle.

We are ready to sit down with the new committee and report the findings of the Intelligence Committee, and I would be glad to talk to the others, so we can bring this to a fast conclusion. We are prepared to do that.

Peruse what the former majority had in that document—they wanted to publish and you find that there are dunces running around in the White House. All, except, of course, the President himself. There are also some security breaches in the report and it is way too long.

It pays us as a committee to give our honest judgment, and we did, on yesterday afternoon. But now they are trying to force-feed me to make a bad report, and I am not in a position to do so.

Anxious as I am to take this hard work and bring it to a conclusion, I think we are on a 100-mile road, and we have only gone 15 or 20 miles down the road. It will be up to that select committee to go the same 20 miles plus the additional 80, in a coherent, responsible and professional manner.

We should not be politically forced into prematurely making a report, to be used over the next 6 to 9 months to contradict the work of the select committee by saying, "The Intelligence Committee reported something different." We are not in a position to report. There are all kinds of unfinished details in the chronology. Some of it, a good part of it, we think we know; but there could be some dramatic changes in this if we had all of the witnesses before the Intelligence Committee during this past month.

So, somewhere, sometime, somebody should get up and say, "I'm opposed to this."

We know the policy has been aid to the Contras. That has been the affirmative policy of President Reagan. He might not have known about the education department. He might not have understood or appreciated our environmental laws. I know he wants to do away with the inner city. And he has not been much for feeding the poor or providing health care. But he has been loyal and kept knowledgeable on Contras. That is his No. 1 policy.

On that particular score, I happen to feel—common sense tells me—that he has been generally informed. I support him in it. But for him to have that policy, going on over several years, and then claim he just found out about it is similar to the captain of the Love Boat finding out two passengers have fallen in love during the cruise and then saying, "Whoo! Get the police! How can that happen aboard this ship?" But that is what the President is saying, "I hope Congress can tell me what is going on in the Love Boat."

Everybody in America knows what is going on with the Contras. We do not need a committee to find it out.

But as long as the President hollers, "Criminals! Police!" we have to do something about it. But I wish he would quit hollering and call the people up, find out what happened, and move on with this thing, rather than making a Federal case out of it.

We have Senator NUNN, and Senator BOREN, Senator HATCH, and Senator COHEN—four members of the Intelligence Committee—who are members of the new select committee. I congratulate the leaders, the majority and minority both, for establishing that continuity with outstanding appointees. But we should not force a report that is not ready.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I congratulate the distinguished Senator from South Carolina on his statement. I think it serves an excellent purpose. I feel very much as he does that such a report should not be issued until such time as it is clearly in the public interest. I resisted the use of the word "shall." I have used the word "may."

The amendment was not my proposal to begin with. It was supported by Senator BOREN, Senator INOUYE, and Senator RUDMAN. I think considerable legislative history has been made here today, part of which I hope I contributed to, to the effect that we should not be rushed into issuing a public report until such time it is clearly in the public interest, knowing that in the final analysis it is all going to be laid out. It should be laid out but not prematurely and not an incomplete report. That is what all the fuss was about yesterday evening in the Intelligence Committee.

The distinguished Senator from South Carolina is on that committee, and I subscribe to his viewpoint in that respect entirely.

Mr. President, I yield the floor.

Mr. DOLE. Mr. President, I am pleased to join Senator BYRD today in introducing this resolution, establishing a Senate select committee to examine the issues of American arms sales to Iran and the possible diversion of money from those sales to the Democratic Resistance Forces in Nicaragua.

Since these issues first arose, I have been pushing hard for prompt and full disclosure of all the facts, to the Congress and to the American people. That is the only way to get this matter behind us, once and for all—so that the President, the Congress and the country can get on with the critical work that confronts us all.

Senator BYRD and I first proposed creation of this committee 6 weeks ago, as one important step in getting to the bottom of this affair quickly and efficiently. The President endorsed our proposal and promised his full cooperation.

OUTSTANDING LEADERS, TALENTED MEMBERS

And the committee we have put together can fulfill the important responsibilities we envisioned for it. It has outstanding leaders, in Chairman DAN INOUYE and Vice Chairman WARREN RUDMAN. It is composed of 11 talented and experienced members, 6 Democrats and 5 Republicans. I commend Senator BYRD for his selections from the Democratic side; I'm proud of mine, from this side.

FUNCTIONS OF COMMITTEE

By creating this committee, we have avoided the specter of a multitude of separate, overlapping, and competing investigations, by the many standing committees which might have had jurisdiction over various aspects of the Iran-Contra situation. The select committee will assume the sole authority to—and I quote the resolution—"fulfill the constitutional oversight and informing functions of Congress" on the issues described in its mandate. In effect, we are saying: the select committee will handle the investigation of these issues for the Senate; standing committees will be freed to do the other important work they have on their agendas.

At the same time, should the select committee, on the basis of its investigation, conclude that new legislation is needed, it will make that recommendation to the Senate and to the appropriate standing committees, so that they can perform their normal legislative function in holding hearings on and reporting out any resulting bills.

MANDATE AND POWERS OF COMMITTEE

Through this resolution, the Committee also gets the mandate it needs to do a complete investigation; and the investigative powers it might require to do a thorough job. Indeed, if we have erred at all, it may be in providing the committee with a broader investigative charter, and with more investigative power, than it will need to get to the whole truth. But we all recognized the importance of allowing the committee to move ahead smoothly wherever its investigation leads, and to uncover the facts quickly by all appropriate legal means. All of us, Republicans as well as Democrats, are determined to see this happen.

At the same time, I am heartened by what I understand to be the strong commitment of both the chairman and vice chairman to avoid fishing expeditions; and to keep the committee focused on the real issues here—the Iran arms sales and the possible diversion of money from those sales to the democratic resistance in Nicaragua. And I also understand that the chairman and the vice chairman will indicate in a colloquy a useful understanding on the matter of executive privilege, so that there should be no misunderstanding of the language of the resolution on access to executive branch documentation.

COMMITTEE SHOULD MOVE AS QUICKLY AS POSSIBLE

I am also pleased to note that—as a result of a series of discussions which have involved myself, the majority leader, and the chairman and vice chairman-designate of the committee—we have changed the date on which the committee's authorization will expire to August 1.

This is a good amendment. I expect that the committee can—and hope that it will—complete its work by the August 1 date. Thanks to the efforts of the Intelligence Committee, and to other investigative efforts, we have already compiled a mass of information about the Iran-Contra questions. To a significant degree, we already know what happened and why. While we do have gaps in our knowledge, we largely know where they are. And we have a good idea how to fill them in. Unless new avenues of investigation open up—and I doubt they will—the committee ought to be able to complete its work and issue its report by August 1. If such avenues do open up unexpectedly, then we have put procedures in place so that we can extend the life of the committee.

INTELLIGENCE COMMITTEE REPORT

Finally, I am very pleased that we have added to the resolution provisions for the select committee—at the earliest possible date—to release publicly a report covering the findings of the Intelligence Committee's investigation of the Iran-Contra affair. As the Senate knows, I have been pushing hard for this step, along with the President and with others. All of us believe that the public has the right—and the need—to get all the facts, as soon as possible. So I think this is a major improvement in this resolution, as well as in our entire handling of this matter.

SENATE REPUBLICANS PREPARED TO SUPPORT COMMITTEE

The select committee has a big and important job to do. As Republican leader, I stand ready to work with the committee and provide it whatever support I can. I am confident all 45 Senate Republicans—and I expect all 55 Senate Democrats—feel much the same way.

Let's pass this resolution unanimously. Let's put this committee to work. Let's get to the bottom of this affair. And then let's go forward with renewed unity and strength—into this new year, into this new Congress and into a future of great challenges and opportunities for America.

RELEASE OF INTELLIGENCE COMMITTEE REPORT GETTING ALL THE FACTS ON THE TABLE

It is clear that the first real business of this Congress will be to establish a select committee to investigate the Iran-Contra issue. That's as it should be. There is no priority higher than getting the full facts of this matter out on the table, for the Congress and the public to see. That is the only way we can put it behind us and get on with our other important work.

INTELLIGENCE COMMITTEE REPORT SHOULD BE MADE PUBLIC

The fact of the matter is, though, that—even before the select committee gets down to business—we already know a great deal about what happened and why. After a month of intensive work, and a series of sharply focused hearings, the Senate Intelligence Committee has compiled an excellent, quite comprehensive report of findings. It is not the final word on the Iran-Contra affair. If it was, we wouldn't need the select committee. But it does lay out what we know about the Iran-Contra affair now, and what we still need to find out.

The report ought to be made public, now. There is no good reason to deny to the public this important, extensive and well-organized body of information.

ALL OF US HAVE CALLED FOR FULL DISCLOSURE

For weeks and weeks, virtually all of us—myself, the majority leader, many of the members of the Intelligence Committee, and many others here today—we've been saying, over and over again: We have to get to the bottom of this; we have to get all the facts out; we have to let the American people know what really happened. The words Senate BYRD used earlier today, in his opening statement, were: "The American people want to know what is going on."

Well, every one of us who said that—we were absolutely right. The public does have a right to know what we have learned. The public does have a need to know what we have learned. And in fact, we have learned a great deal. Why not let the American people in on it?

PRESIDENT SEEKS RELEASE OF REPORT

The President has urged, in the strongest possible terms, that the committee release its report. He has nothing to hide. He wants the public to know as much as possible, as soon as possible, about this affair.

There are no national security concerns at issue. Appropriate administration officials have looked at the Intelligence Committee report. Working with committee members and staff, they have insured that all sensitive, national security information has been deleted.

And there are no legitimate concerns about compromising other investigations—either the select committee's or the independent counsel's. On the contrary, release of this report will facilitate the efforts of other investigations, particularly the select committee investigation.

RELEASING REPORT WILL CLEAR UP PUBLIC MISUNDERSTANDING

Fears that this is an incomplete report, that will somehow breed misunderstanding or mislead the public—those fears are also groundless. On the contrary, release of the Intelligence Committee report would very much help clarify what now is a very disjointed and dangerously confusing record of public disclosures on the Iran-Contra issue.

For weeks and weeks, we have been nearly buried under an avalanche of media reporting; comments by administration officials, Members of Congress and others; leaks from our various investigations; and the like. Much of what we've all heard and read has turned out to be inaccurate, distorted or misleading.

The Intelligence Committee report will not clear up every confusing point. But it can help us all immensely to make some sense out of this morass. Equally important, it can help us put to rest, once and for all, some of the phony accusations, unfounded rumors and irresponsible speculation to which we have all been subject.

I would also remind the Senate that the select committee we're setting up will hold a series of public hearings. Each one of those hearings will, in effect, be another, quote, "incomplete report," unquote, in the form of the testimony of one or two witnesses. That is the inevitable nature of any major congressional investigation—you build a case piece by piece, witness by witness. That's not always the best way, but it is the only way.

So it makes absolutely no sense to oppose the release of this kind of clear, well-organized, reasonably comprehensive report—while at the same time supporting the select committee, which will inevitably be presenting the public a case in bits and pieces. It just makes no sense.

THE BOTTOM LINE: THE PUBLIC'S RIGHT TO KNOW

The bottom line is this. Do we want the public to have all the available information? Or don't we?

I have made my position clear. I want all the facts out. The President has made his position clear. He wants all the facts out. Now it's time for each Senator to indicate his position, by his vote on this amendment.

The PRESIDING OFFICER. The question is on agreeing to the resolution as modified.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden] is necessarily absent.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. Boschwitz], the Senator from Rhode Island [Mr. Chafee], the Senator from Minnesota [Mr. Cohen], the Senator from Utah [Mr. Garn], the Senator from Oregon [Mr. Hatfield], the Senator from Idaho [Mr. McClure], and the Senator from Alaska [Mr. Murkowski] are necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. Garn], the Senator from Oregon [Mr. Hatfield], and the Senator from Alaska [Mr. Murkowski] would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 88, nays 4, as follows:

[Rollcall Vote No. 1 Leg.]

YEAS—88

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chiles
Cochran
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Heflin
Heinz
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth
Zorinsky

NAYS—4

Hecht
Helms
Hollings
Humphrey

NOT VOTING—8

Biden
Boschwitz
Chafee
Cohen
Garn
Hatfield
McClure
Murkowski

So the resolution (S. Res. 23), as modified, was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The PRESIDING OFFICER. The motion to lay on the table was agreed to.

ADDITION OF COSPONSORS TO AFGHANISTAN RESOLUTION

Mr. BYRD. Mr. President, for the information of Senators, there will be one more rollcall vote and I believe that it will occur shortly. It will be on the adoption of a resolution expressing the sense of the Senate with respect to the situation in Afghanistan. That resolution is submitted by myself on behalf of Mr. Dole, Mr. Humphrey, Mr. Moynihan, and Mr. Burdick. I shall ask unanimous consent that any other Senators who wish to add their names may do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. BYRD. Mr. President, now that action has been taken on the resolution creating the select committee, and the legislation dealing with the cleaning up the Nation's waters has been placed on the calendar, and the housekeeping resolutions, most of which have already been taken care of, will be completed before the end of this day, I ask unanimous consent that there may be a period for the transaction of routine morning business, following the next rollcall vote, and that Senators may speak therein for not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I ask unanimous consent that that period for the transaction of routine morning business not last beyond 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I should state for the benefit of Senators, the Senate will come in on next Monday at 12 noon. It will be my intention to move to take up the water bill, and there could be rollcall votes. If that measure is not disposed of on Monday, the Senate will be on it on Tuesday and the Senate will be on it daily until the matter is disposed of. So Senators may expect rollcall votes to occur on that matter and on other matters.

Once that matter is disposed of, if it is disposed of on Monday or Tuesday of next week, it would be my intention to come in at 2 or 3 o'clock in the afternoons or some such time thereafter for a few days to accommodate committees in conducting meetings so as to fulfill their oversight responsibilities and report legislation to the calendar for action on the floor. Mr. Chiles' committee, the Budget Committee, will meet tomorrow. There may be other committees meeting tomorrow.

It is my understanding that Mr. Chiles will have a Budget Committee meeting also on Thursday. I do not see him on the floor right at this moment. It is his intention to have hearings tomorrow and Thursday on the budget.

I do not presume to say beyond that what his plans are.

Let me say for the benefit of Members on my side of the aisle there will be a conference—I say it here because some will soon be leaving the Chamber so I say it here and apologize to the Senate for announcing a party conference at this point—there will be a party conference tomorrow beginning at 12:30 in room S-207 and lunch will be served. The conference will go along throughout the afternoon.

As I indicated sometime ago, that will be a plenary conference and it will last into the late afternoon and early evening, if we can finish. Otherwise, we will have a continuation of the conference the next day. I fully believe, however, we ought to complete our work in that conference tomorrow.

So that conference will begin at 12:30, with lunch.

Having said that, if there are any questions about the schedule, I will be glad to entertain those right now and then I will yield the floor and, hopefully, we will vote on the remaining resolution.

SENATE RESOLUTION (S. RES. 31)—EXPRESSING THE SENSE OF THE SENATE WITH RESPECT TO THE SITUATION IN AFGHANISTAN

Mr. BYRD. Mr. President, this resolution expresses the sense of the Senate with respect to Afghanistan. I call up the resolution, which is at the desk.

The PRESIDING OFFICER (Mr. MELCHER). The clerk will report the resolution.

The assistant legislative clerk read as follows:

A resolution (S. Res. 31) expressing the sense of the Senate with respect to the situation in Afghanistan.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the resolution.

Mr. BYRD. Mr. President, I ask for the yeas and nays on the resolution.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

SEVEN YEARS OF SOVIET TREACHERY

Mr. DOLE. Mr. President, I rise in strong support of the resolution on Afghanistan offered by the distinguished majority leader and the distinguished Senator from New Hampshire.

On December 27, we marked the seventh anniversary of the Soviet invasion of Afghanistan. For 7 long years, Soviet Forces have occupied that Nation. For 7 long years, Soviet power has subjugated the Afghan people. For 7 long years, Soviet terror and genocide have been waged against the Afghan population and culture.

And for those 7 long and terrible years, the Afghan people have struggled to win back their country and their freedom. Led by the democratic resistance forces, the Mujaheddin; with the direct material and political support of the United States; and with the moral support of free people everywhere, they have carried on a courageous struggle, in the face of overwhelming odds. And still they struggle today.

U.S. SUPPORT MUST REMAIN STRONG

As long as they must struggle—until the day when freedom is restored to Afghanistan—we must continue to provide strong, concrete help. We cannot be intimidated by Soviet threats, to us, to Pakistan or to the Mujaheddin. We cannot be dissuaded by phony Soviet peace overtures or negotiating proposals, such as we have recently seen. We cannot lose sight of the fact that our own long-term security is very much at stake in the immediate struggle of the Afghan people.

Let us serve notice once again on the Kremlin that we will be there as long as we have to. Let us pass this resolution today and unanimously.

PROVIDING FOR AN ADJOURNMENT FOR THE SENATE AND THE HOUSE OF REPRESENTATIVES

Mr. BYRD. Mr. President, I send to the desk a concurrent resolution and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 1) providing for an adjournment for the Senate and the House of Representatives.

S. CON. RES. 1

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Tuesday, January 6, 1987, Wednesday, January 7, 1987, Thursday, January 8, 1987 or Friday, January 9, 1987, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Monday, January 12, 1987, and that when the House of Representatives adjourns on Thursday, January 8, 1987, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Tuesday, January 20, 1987, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House, after consultation with the Minority Leader of the House, shall notify the Members of the House to reassemble whenever, in his opinion, the public interest shall warrant it.

Mr. BYRD. Mr. President, this will announce what the plans are for the Senate.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 1) was agreed to.

EXPRESSING THE SENSE OF THE SENATE WITH RESPECT TO THE SITUATION IN AFGHANISTAN

The Senate resumed consideration of the resolution.

The PRESIDING OFFICER. Is there further debate on the Senate resolution pertaining to Afghanistan? The question is on agreeing to the resolution. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] is necessarily absent.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Maine [Mr. COHEN], the Senator from Utah [Mr. GARN], the Senator from Oregon [Mr. HATFIELD], the Senator from Idaho [Mr. MCCLURE], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. GARN] and the Senator from Alaska [Mr. MURKOWSKI] would each vote "yea."

The PRESIDING OFFICER (Mr. PELL). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 92, nays 0, as follows:

[Rollcall Vote No. 2 Leg.]

YEAS—92

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chiles
Cochran
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth
Zorinsky

NAYS—0

NOT VOTING—8

Biden
Boschwitz
Chafee
Cohen
Garn
Hatfield
McClure
Murkowski

So the resolution (S. Res. 31), was agreed to, as follows:

S. RES. 31

Whereas December 27, 1986, marked the seventh anniversary of the Soviet invasion of Afghanistan;

Whereas the Soviet occupation has been characterized by extreme brutality and a campaign of indiscriminate violence that has taken the lives of an estimated 1 million Afghans, and displaced more than 4 million others;

Whereas the Special Rapporteur of the United Nations Commission on Human Rights, in his November 5, 1985, report documented examples of a barbaric Soviet military campaign against civilians, including attacks on women and children, and in a subsequent report of February 14, 1986, found the situation unchanged and concluded that the "only solution to the human rights situation in Afghanistan is the withdrawal of the foreign troops";

Whereas (the Soviet invasion was a major factor in the postponement of consideration by the Senate of the SALT II Treaty of 1979, and) the presence of Soviet troops in Afghanistan today continues to adversely affect the prospects for the long-term improvement of the United States-Soviet bilateral relationship in general;

Whereas the Soviet leadership appears to be engaged in a cynical and hypocritical public relations campaign aimed at portraying an ongoing staged withdrawal of Soviet troops from Afghanistan in the apparent belief that words will substitute for genuine action in shaping world opinion;

Whereas the offer by the Soviet puppet regime in Kabul for a cease-fire and amnesty in the name of "national reconciliation" is a transparent attempt to isolate the democratic resistance (the mujaheddin), confuse the populace and accomplish the surrender of the democratic resistance while the Soviet military occupation continues unabated; and

Whereas the Congress condemned Soviet policy toward and behavior in Afghanistan in Public Law 99-399, calling for appropriate provision of material support to the people of Afghanistan, so long as the Soviet military occupation continues: Now, therefore, be it

Resolved, That the Senate hereby—

(1) renews its condemnation of the continued Soviet invasion and occupation of the sovereign state of Afghanistan, against the will of the Afghan people, an activity which violates all standards of conduct befitting a responsible nation, which contravenes all recognized principles of international law, and which has been reflected in seven United Nations resolutions of condemnation;

(2) finds that recent Soviet representations concerning withdrawal of Soviet troops have been indisputably demonstrated to be a sham, are a cynical and calculated campaign of disinformation, and do not reflect genuine reductions in the Soviet occupation force, which continues to stand at an estimated 120,000 troops inside Afghanistan, with 30,000 more positioned in contiguous areas of the Soviet Union, available for use against the Afghan population;

(3) finds that recent offers of a ceasefire, amnesty, and a government of national reconciliation advanced by the Soviet puppet regime in Kabul fail to provide the essential framework for a settlement, undermine the prospects for genuine progress, and should be spurned by the Afghan resistance so long as Soviet troops continue to occupy Afghanistan;

(4) believes that the only acceptable formula for a settlement of the Afghan situation is one which results in a government genuinely representative of the Afghan people, outlines a definite timetable for the complete withdrawal of Soviet troops in the near future, and provides for the return of refugees in safety and dignity;

(5) renews its commitment, which was begun within weeks of the Soviet invasion of Afghanistan in December 1979 when the United States government began to supply light infantry weapons to Afghan freedom fighters, a fact made public by the White House on February 15, 1980, to support its people of Afghanistan through the provision of appropriate material support;

(6) urges the Secretary of State to—

(A) develop continued multilateral initiatives aimed at encouraging Soviet military withdrawal, the return of an independent and nonaligned status to Afghanistan, and a peaceful political settlement acceptable to the people of Afghanistan, including provision for the return of Afghan refugees in safety and dignity;

(B) develop a vigorous public information campaign to bring the facts of the situation in Afghanistan to the attention of the world on a frequent basis;

(C) encourage the Soviet leadership and the Soviet puppet regime in Kabul to remove the barriers erected against the entry into and reporting of events in Afghanistan by journalists;

(D) makes vigorous efforts to impress upon the Soviet leadership the penalty that continued military action in Afghanistan imposes upon the building of a long-term constructive relationship with the United States, because of the negative effect that Soviet policies in Afghanistan have on attitudes toward the Soviet Union among the American people and the Congress; and

(E) review United States policy with respect to the continued recognition of the Soviet puppet regime, and continued U.S. diplomatic presence in Kabul to determine whether such recognition and presence is in the interest of the United States and the people of Afghanistan;

(7) urges the Soviet Union to present, through its Afghan puppet representatives, an expeditious timetable of no more than four months in accord with the stated position of the government of Pakistan, for the complete withdrawal of its forces at the next session of United Nations-sponsored indirect negotiations in February 1987, with representatives of Pakistan; and

(8) urges the government of Pakistan to resist the pressure of the Soviet Union to accept anything less than such a timetable for withdrawal at those indirect United Nations-sponsored negotiations.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order there will now be a period for the transaction of routine morning business, which includes the introduction of bills and resolutions, for not to exceed 30 minutes, during which time Senators are permitted to speak for up to 5 minutes.

CENTRAL AMERICA—A NEW BEGINNING

Mr. DODD. Mr. President, just prior to the Christmas holidays, I spent almost 2 weeks visiting Mexico and the five Spanish-speaking Central American nations. I made the trip for several reasons. First, as the incoming chairman of the Subcommittee on Western Hemisphere Affairs of the Foreign Relations Committee, I felt it incumbent upon me to take a fresh, first-hand look at developments in the region and to discuss them in person with the leaders in the area. Second, I was especially interested in getting their reaction to the Iran-Contra funding scandal and assessing its impact on United States policy toward the region. Third, I wanted to visit Contra bases and other facilities in order to get an up-to-date reading on their activities and the war effort in general. Finally, I undertook this trip for the purpose of discussing the status of the Contadora peace initiative and the overall prospects for a diplomatic solution to the Nicaraguan conflict.

While it is difficult to measure the success of a trip like this one, I am convinced in my own mind that I accomplished what I set out to do, thanks to all of the people in the region who gave so generously of their time for the purpose of discussing and debating issues of mutual concern. In particular I am indebted to leaders of the region—to Vinicio Cerezo of Guatemala, to Napoleon Duarte of El Salvador, to Oscar Arias of Costa Rica, to Jose Azcona of Honduras, to Daniel Ortega of Nicaragua, and to Miguel de la Madrid of Mexico—for the opportunity to have met at length with each one of them. Their willingness to answer the myriad questions I asked stands as a tribute to their determination to help this gringo better understand the latino perspective on events in the region and in particular the impact of U. S. policy on them. I am also grateful for their forebearance in allowing me to speak to them in the kind of Spanish that the members of the Royal Academy in Madrid would have rejected out of hand.

Mr. President, as a result of my conversations with these heads of state, with top military officials, with a variety of political observers, with representatives of the church and the private sector, including business and labor, and with our own Embassy personnel, I am more convinced than ever that the military option being pursued in Central America serves neither our interest nor that of the region. The long and the short of it is this: It was flawed policy in the spring of 1981, it was a flawed policy in the winter of 1986, and it is a flawed policy today.

By any reasonable standard, success has repeatedly eluded the administration's policy in dealing with President Ortega and his fellow commandantes. In January 1987, is there anyone who doubts that the Sandinistas' political, military and economic ties to Moscow and Havana are stronger than they were in January 1981? In January 1987, is there anyone who doubts that there are more Cuban, Soviet and Soviet bloc advisers, both military and civilian, in Nicaragua than there were when Ronald Reagan took office? In January 1987, is there anyone who doubts that the size of the Sandinista armed forces bears any relationship to the rag-tag militia that overthrew the Samoza dynasty? And in January 1987, is there anyone who doubts that there is less political freedom in Nicaragua, less press freedom and less religious freedom than there was when President Reagan was inaugurated to serve his first term of office?

The conclusion is obvious: More of the same will not do it. More of the same will not prevent the existence of a Communist-run state in Nicaragua. I deplore that situation as much as anyone, but deploring the deplorable is no answer either.

The real answer, I suspect, is this: For the foreseeable future there is precious little, short of direct U.S. military intervention, that we can do to change the political orientation of the Sandinista government. That may not happen in our lifetime, but at the same time, I am firmly convinced that we can have a more positive impact on what the Sandinistas do and don't do if we stop waging war against them and begin treating them as we treat any number of other governments which have yet to earn our good housekeeping seal of approval.

Mr. President, there is every reason to believe that the Sandinista leadership is prepared to sign the kind of agreement that would go a long way toward eliminating our immediate national security concerns in that troubled region. Such an agreement would bar the establishment of foreign military bases, Soviet or otherwise, in Nicaragua. It would provide for the removal of all foreign military advisers. It would prohibit support for guerrilla movements elsewhere in the region. It would place limitation on the size and force structures of the military organizations in each of the Central American States, including Nicaragua. And it would provide for verification procedures in order to ensure compliance.

All of this we can get, and we can get it now. It may not add up to unconditional surrender on the part of the Sandinista government, but it certainly takes care of the legitimate security requirements of the folks in and around Harlingen, TX.

This stands in stark contrast to our current policy. Let's be honest about that policy—our support for the Contras is the foreign policy equivalent of the Edsel. We can continue to pump more dollars into the program; we can continue to tinker with the trim and tail-lights; we can fiddle with the hood ornaments and we can restyle the grill. But after we have done all of that—after we've had hours of meetings, hours of discussions, hours of debates—the reality is, we have still got an Edsel. That's why arms were sold to Iran and a portion of the proceeds used to fund the Contras: it was the National Security Council's last-ditch efforts to salvage the wreck. But like all wrecks, burial is inevitable. For the Contras, as a military force, this means an end to the funding. That will happen. The only questions are now how soon and in what manner. Will be prolong the agony? Will we contribute to more butchery and bloodletting? Will we wait until American military units have crossed the Rio Coco? And in the end, will there be that inevitable scene, American officials scrambling abroad a helicopter as it prepares to lift off from an embassy rooftop, with the local hires desperately clutching at the landing skids?

Had we faced up to these questions two decades ago in Southeast Asia, that scene at the United States Embassy in Saigon would never have taken place and a generation of Americans would not be left with the kind of political and social scar tissue that can never be erased. No, we cannot go back. We cannot redo or undo Southeast Asia. But we can learn from that experience, providing we have the political will and political courage to do it. To evidence that will, that courage, a new legislative direction will be required.

Accordingly, Mr. President, I am introducing legislation today which seeks to chart a different course for U.S. policy in Central America. This bill would authorize an additional $300 million in economic assistance in this fiscal year for Costa Rica, El Salvador, Guatemala, and Honduras. Clearly, Congress intended to provide this level of funding last year, but in the warning hours of the session, it was allowed to fall through the cracks. Given our own economic circumstances, it will not be easy to come up with these funds. But the need for this assistance is urgent and there is an outstanding commitment to provide it. If we are truly interested in bolstering democratic forces in Central America we will deliver on that commitment.

The next point on the policy compass is the money—the funding for the Contras, the funding that has allowed them to wage war against the people, if not the military forces, of Nicaragua. That funding must stop. No more funding for military equipment. No more funding for humanitarian assistance. No more funding, directly or indirectly, to supply the Contra war effort, period.

To reinforce this prohibition, my proposal also seeks to circumscribe other potential funding sources—namely, from allies or Third World aid recipients. Obviously this administration, even in the absence of the colonel and the admiral—is not above exerting pressure on foreign government to persuade them to maintain the Contra program. The temptation is particularly strong with respect to governments which receive economic or military assistance and/or participate in the foreign military sales program, whether on a cash or credit basis. In order to remove this temptation, this legislation would bar economic or military assistance and/or participate in the foreign military sales program, whether on a cash or credit basis. In order to remove this temptation, this legislation would bar economic or military assistance, or military sales, to any country which provdes financial or material assistance to the Contra forces or to one of their front organizations. So when the White House emissaries come knocking on the door in search of new funds for the Contras, the Government of Israel or the Government of South Korea or the government of any other country has a pretty good reason for slamming it in their face. Choosing between aid for the Contras or aid for themselves should be a pretty easy decision.

Finally, the legislation I am offering would direct that the funds previously appropriated for the Contras be used solely for the following purposes: First, these funds would be available to disband and relocate the Contra forces. Having been largely responsible for nurturing the growth and development of these forces, we cannot simply abandon them. We have a responsibility to facilitate their relocation and their resettlement. Second, these funds would be available to support the Contadora peace initiative or to help implement such an agreement. Diplomatic efforts to achieve a negotiated settlement to the Nicaraguan conflict deserve the full support of the United States Government. To the extent these diplomatic efforts require financial backing, we must make sure that it is readily at hand. Third, these funds would be available to support civilian democratic forces inside Nicaragua. These forces are alive in that wartown country, but they are not well. They need all the help and assistance we can provide. Indeed, if democracy has any future in Nicaragua it will be because of the dissidents inside Managua, not the week-end warriors in Miami.

Mr. President, in broad outline, these are the essential points contained in the proposal I am submitting today. In the days ahead, I hope my colleagues will have an opportunity to examine it in detail and give me the benefit of their thoughts on it. In the meantime, I will be talking to the new chairman of the Foreign Relations Committee, my distinguished friend and colleague from the State of Rhode Island, Senator CLAIBORNE PELL, about scheduling hearings on this proposal. I hope we can move forward with such hearings as soon as possible.

The fundamental purpose of these hearings will be to focus attention on the foreign policy options available to us in Central America. This seems to me to be of the utmost importance, if for no other reason than so much attention has been, is being and will continue to be focused on the Iranian-arms-sales-Contra-funding controversy. That's a major issue and it deserves all the attention and consideration it is receiving. But that attention and consideration must not be at the expense of the larger policy issues involved. Like the mining of Nicaraguan harbors in 1984, the Contra-funding scandal is but one aspect of the overall policy. Losing sight of the forest for the trees makes no more sense in foreign policy matters than it does in anything else.

Mr. President, sooner or later, we will have to think about the first step on the long road back to developing some kind of modus vivendi with the

Sandinistas. A security agreement that bars Soviet and other Communist forces and installations from Nicaragua offers an important first step in that direction. It would certainly be in our interests to have such an agreement. And in the broader, regional context—the future of Central America may depend on it.

Mr. President, from the rubble left by the administration's policy, I am hopeful that we can generate a new beginning, a new beginning that will restore respect for the values and the traditions of an inter-American system that we helped to forge in the aftermath of the Second World War. What the United States and the nations of Central America desperately need is a joint endeavor to reestablish those values and traditions and to build on them. Compared to what this administration has been doing in the region, those values and traditions, whether viewed from San Jose, Guatemala City, or Washington, DC, look better and better every day.

ECONOMIC ASSISTANCE TO CENTRAL AMERICAN DEMOCRACIES—S. 184

Mr. DODD. Mr. President, I am introducing a bill in conjunction with this matter that will very briefly do the following three things: It would terminate Contra funding at an appropriate time when that can be debated in the Senate, I presume sometime in February.

Second, it would also prohibit or at least reserve the right to cut off funding to any third country that provided assistance to the Contras. That would take into consideration the kind of situation we presently have encountered.

Third, it would provide assistance to the Contras for relocation; also, support for the balance of those funds; and assistance to the political elements inside Nicaragua that are opposed to the Sandinista government.

Last, it would provide some $300 million that we promised a year ago to the Central American nations, the democratic countries of Central America.

Mr. President, I ask unanimous consent that this bill, which I am introducing on behalf of myself and Senator WEICKER of Connecticut, be printed in the RECORD and referred to the appropriate committee of jurisdiction.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 184

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

STATEMENT OF POLICY

SECTION 1. (a) It is the policy of the United States to encourage and support the building of democracy, the restoration of peace, and the improvement of living conditions in the nations of Central America. The Congress believes that the efforts by the nations of Central America to build and maintain the social and economic institutions necessary to achieve self-sustaining growth and to provide opportunities to improve the quality of life for their people must rest primarily upon these nations' successfully marshalling their own economic and human resources.

(b) However, the Congress recognizes that, at the present time, the magnitude of the effort required to mobilize domestic resources is far in excess of what is presently available to these nations, particularly in light of the substantial external debt obligations confronting these countries.

(c) Therefore, the Congress finds that it is in the foreign policy interest of the United States to provide substantial economic assistance to the nations of Central America.

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. There are authorized to be appropriated to the President for assistance to the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) in accordance with the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, $300,000,000 for fiscal year 1987, which shall remain available until expended. Such sums shall in addition to amounts already appropriated for such purposes.

PROHIBITION

SEC. 3. (a) Notwithstanding any other provision of law and except as provided in subsection (c), no funds appropriated pursuant to any provision of law and no proceeds from the sale or other transfer of United States property, including any defense article, may be obligated or expended for or on behalf of the Nicaraguan democratic resistance on or after the date of enactment of this Act.

(b)(1) No defense article or other goods or technology subject to the jurisdiction of the United States may be exported to the Nicaraguan democratic resistance or to any agency thereof, and not such article, goods, or technology may be exported to the Nicaraguan democratic resistance or to any agency thereof by any person subject to the jurisdiction of the United States.

(2) The President shall prescribe such regulations as may be necessary to carry out paragraph (1).

(3) The authorities contained in section 38(e) of the Arms Export Control Act shall apply to violations of paragraph (1).

(c) Funds available for the Nicaraguan democratic resistance which are prohibited from obligation or expenditure pursuant to subsection (a) shall be available only—

(1) for relocation of the members of the Nicaraguan democratic resistance away from the areas of Honduras or Costa Rica bordering on Nicaragua;

(2) for support for a continuation of discussions under the auspices of the Contadora countries with a view toward resolving the armed conflict in Central America or for support for the implementation of an agreement relating to such conflict concluded by or through the Contadora countries; or

(3) for support for civilian democratic forces in Nicaragua, including such civilian democratic forces which are constituted as political parties, labor unions, and private sector organizations.

(d) No foreign country which provides assistance to the Nicaraguan democratic resistance on or after the date of enactment of this Act may be eligible to receive assistance under the Foreign Assistance Act of 1961 or the Arms Export Control Act.

Mr. DODD. I yield very briefly to my colleague from Connecticut, whom I have just seen enter the Chamber, for any comments he may have on this particular bill.

Mr. WEICKER. I thank my distinguished colleague. I commend him on the introduction of this bill.

I wonder if I might have 2 minutes in my own right so I do not have to take away from anyone. It is on the same subject matter.

Mr. DODD. Whatever time I have left, I yield.

Mr. WEICKER. I ask unanimous consent that I may have 2 minutes in my own right.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I support fully the investigation of those matters. The simple fact remains that the very matters that are being investigated were, at least insofar as the Contras were concerned, were matters of total public knowledge to the American public at large, to the Senate of the United States, to the House.

It stands to reason that grubby policies—and we all knew about the policy—beget grubby details. For everybody to feign shock and amazement is not, to me, the appropriate emotion, in light of what was known by the constitutional process of this Nation, which included not just the President but the Senate and the House and the American people.

The way we deal with this situation is to eliminate the policy. By that I mean the business of trying to overthrow by force a government that we recognize.

Swiss bank accounts and the channeling of money, should come as no surprise.

For those who come down on Mr. Reagan's head, I sort of refer to this as the King Henry the Second scenario. King Henry, in the presence of his knights, said, "Will nobody rid me of this troublesome thing?" The knights went out and murdered the archbishop. When they came back, the king threw up his hands and said, "I did not mean for you to do that."

Now the Nation throws up its hands when it learns the further details of everything this Nation stands for.

Investigation is fine, but what needs to be done here is to eliminate the policy that brought about the details now being investigated. It is fair to say that the swap of arms for hostages we did not know about. That is new matter. But the matter of the Contras is not something new to this body.

I commend the distinguished junior Senator from Connecticut for getting at the heart of the matter and saying let us be done with a bizarre policy—the first I can recall in the history of this Nation where, by force, we seek to overthrow a government we recognize.

If you want to face up to the matter and do not like the government, fine. Let us have a little debate on a declaration of war here. I do not think anybody is going to vote for that. But the surreptitious policy has been approved in a thousand ways, and there is pointing with shock to the President, when so many of our colleagues, Democrat and Republican, had a hand in it. The time to deal with it is now, and this legislation does just that.

Mr. President, if indeed there is concern about what we are now dealing with on the part of the Senate and the House and the Nation, instead of pointing the finger at the President of the United States, let us go ahead and take the appropriate action—end the policy. Otherwise, we are part of it. I do not think that continued funding finds much support among the American people at this juncture.

OUR NATION'S FOOD INSPECTION PROGRAM

Mr. WILSON. Mr. President, today marks the beginning of a new legislative session. Accordingly, I will ask my colleagues to support legislation that I intend to introduce in the upcoming weeks that will strengthen our Nation's inspection system for monitoring imported foods for illegal pesticide residues.

Mr. President, simply stated, the bitter irony of our situation is that American farmers are asked to comply with health standards for the protection of the American consumer, and rightly so, and yet we permit the importation of a flood of tainted foodstuffs from foreign lands where no such requirements are imposed.

There is a grave danger to the American consumer and a great inequity posed to the American farmer.

This legislation that I described I hope will have wide cosponsorship on both sides of the aisle. It is necessary both for the protection of health and to cure a competitive inequity.

As you know, Mr. President, one of the major responsibilities of the Food and Drug Administration is to protect the public from unsafe foods imported into the United States. Over 20 million tons of food enters the United States annually, up 43 percent from 1978, and that figure is expected to increase. Almost half of these products appear to be from developing countries, where consumer safety practices may be at low levels, if existent at all. Food safety and quality standards are also a concern with products from developed countries. Recent discoveries of tainted European wine and French brie cheese are two startling examples.

Food that is imported into this country is subject to U.S. regulations which establish levels of pesticide residues that are not allowed to be present on food, as determined by the Environmental Protection Agency. However, according to a recent, exhaustive study undertaken by the General Accounting Office, at the request of Representative Frank Horton and myself, the Food and Drug Administration's pesticide monitoring system provides at best limited protection against public exposure to illegal pesticide residues in imported food.

According to the GAO, large quantities of fruits and vegetables bearing pesticides banned by EPA, are regularly allowed into the United States. In fact, FDA annually samples less than 1 percent of approximately 1 million imported food shipments, with shipments from many countries that regularly export commodities to the United States going unsampled.

Yet, our Nation's farmers must comply with stringent U.S. pesticide laws that often require costly pesticide registration processes, while their foreign competitors are being allowed virtually unhindered access to our markets. I believe that this is extremely unfair and that it compounds that unfairness when those same foreign growers are allowed to ship their produce into this country under the very noses of FDA.

In fact, the GAO estimated that around 6 percent of all produce entering this country is tainted by pesticide whose use is forbidden to our own farmers.

Even more disturbing is that imported food shipments found to contain illegal pesticide residues will probably be marketed and consumed rather than re-exported or destroyed. Under current law, those commodities suspected of containing illegal residues are to be withheld from the marketplace until FDA completes its laboratory analysis. However, importers often ignore FDA's requirement and go on to distribute the commodities.

Although adequate enforcement regulations and penalties exist for FDA to utilize, importers who illegally distribute contaminated foods to the market are rarely penalized. Consequently, there is little incentive for importers not to distribute their contaminated shipments to market. The real irony is that the importer who complies with U.S. regulations by removing adulterated shipments from the marketplace incurs an economic loss, while those that do not, incur no economic loss. FDA's inaction in this case is, in my opinion, both dangerous and inexcusable. My legislation will direct the FDA Commissioner to improve implementation of the enforcement mechanisms that Congress has provided.

Additionally, this legislation will improve FDA's information gathering abilities, with a specific emphasis on pesticide usage by our foreign competitors. It will also redirect FDA's inspection resources to improve the monitoring of imported foods. Finally, the bill will require the FDA Commissioner to report annually to Congress on FDA's inspection activities.

In closing, Congress should approve legislation to ensure not only that FDA's Pesticide Monitoring Program provides maximum protection against public exposure to illegal pesticide residues in food, but also that our Nation's agricultural industry is provided with a fair environment in which to compete. I urge my colleagues to join me in my efforts.

PREMIER POET LAUREATE AN INSPIRING TEACHER

Mr. MATSUNAGA. Mr. President, a most interesting revelation about our first U.S. Poet Laureate, when he was a professor at the University of Minnesota nearly 40 years ago, appeared in the Minneapolis Star and Tribune recently. Robert Penn Warren was an outstanding, inspiring teacher and an unforgettable one, according to columnist James Shannon, whose commentary on the poet was entitled: "Overdue tribute to a teacher who made a lifelong difference." Because of its insights into the character of our Nation's premier poet laureate as an inspiring teacher of the young, I ask that Mr. Shannon's article be printed in the Record so that my colleagues and others may gain a further appreciation of the qualities of the gentleman and literary giant who has been named the first Poet Laureate of the United States. As the introducer of the legislation which created the office for the purpose of inspiring talented young Americans into the writing of poetry as an art, I am increasingly pleased over the choice of Robert Penn Warren.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Minneapolis Star and Tribune, Sept. 7, 1986]

OVERDUE TRIBUTE TO A TEACHER WHO MADE A LIFELONG DIFFERENCE

(By James Shannon)

The opening of the school year turns my thoughts to the debt I owe some great teachers who, in different ways, took me in hand years ago and helped me discover the difference between learning and doing homework. In my youth the term "mentor" had not acquired the currency it has today. Looking back I realize now that six, maybe eight, of my teachers over the years were also models and mentors for me.

On occasion I have been able to tell some of them how much richer my life has been because of their influence on it. One such mentor I have never thanked explicitly. Today I would like to make amends for this omission.

Thirty-eight years ago this month I began my first class in graduate school at the University of Minnesota. The course was "The Technique of the Novel." The teacher was Robert Penn Warren—novelist, poet, scholar, gentleman and teacher par excellence.

I can still recall many details of that first day in a third-floor room in Folwell Hall. Two modest red and white wall signs proclaimed "No Smoking." There were about a dozen of us in the class. Warren entered, carrying one sheet of paper and a pack of cigarettes. He lit up and started to talk as he paced back and forth in front of the blackboard.

From this single sheet he read off the titles of 10 novels we were to read, one a week for 10 weeks. For two hours each week we were to discuss the style and technique of a different author. We were all to buy paperback copies of the same edition of each text, so that we could mark them up and so that we could all cite the same words on the same page in analyzing a given passage.

Lighting a fresh cigarette from a spent one, Warren, moving all the time, asked us to do him a favor. He knew that the title of the course was "The Technique of the Novel." But he admitted that he could not define a novel. He had read several. He had written some. But he would have to ask us to proceed on the premise that we knew in some vague way what this term signified, even though none of us could define it.

Without notes or text he spoke easily and rapidly about the myriad elements a novelist must somehow balance and fuse. Even in such introductory remarks his evident passion for his subject conveyed intellectual excitement to me. I was charmed. My earlier sense of apprehension on Day One of graduate school melted away.

In later classes Warren never told us we ought to like something we read. By framing his comments as queries he drew us steadily into dialogue. Here was a widely published, successful author (he had just sold the movie rights to "All The King's Men") talking to us about writing, from the inside out.

His was an inductive method of close textual analysis, with dozens of questions about what works best in writing and why—the reverse of many pedants I had known who waxed eloquent about the beauty of a literary passage but with nary a clue as to why it was good writing. Warren pressed us for specific reasons whenever he sensed our agreement that a given passage did what its author intended.

In his class there was no such thing as a dumb question. Deeply courteous Southern gentleman that he is, Warren would take a poor question, fashion it into a good question, and give it an excellent answer. He taught me as much about courtesy between teacher and student as he did about rapport between a writer and a reader.

One day in his office I was present while he was being interviewed by a reporter from the New York Herald Tribune. In a classically inept question the reporter asked, "Dr. Warren, how does one go about writing a great novel?" Warren slowly looked out the window, at the floor, at the ceiling and then said, "I cannot tell you how any writer goes about writing a great novel. But I will tell you this. In order to write a very bad novel a writer must have a vast lack of interest in a host of other worthwhile topics." The wisdom in that one statement has been a guideline ever since for me about how to focus my energy and my time.

At the heart of my admiration of Robert Penn Warren is the fact that he is an accomplished and disciplined artist who made a decision early on to divide his time between the art of writing and the art of teaching. The Herald Tribune reporter also asked him why he continued to teach when his novels were best sellers. His simple reply was: "I could not write those novels unless I had regular contact with those irreverent students who have the audacity to question my judgments daily. They charge my batteries."

Warren is now Poet Laureate of the United States, the first person to hold this distinguished title. True to his own demanding principles, he has promised never to write testimonial verses for state occasions.

As one of his aging but grateful students I thank him from the heart for the tough-minded, graceful and generous guidance he gave many of us nearly 40 years ago, and for his fidelity to this day to the standards of personal and artistic integrity he exemplified then.

SENATOR JOHN STENNIS, THE FOURTH PRESIDENT PRO TEMPORE FROM MISSISSIPPI

Mr. COCHRAN. Mr. President, today Senator John Stennis was elected President pro tempore of the U.S. Senate. My senior colleague from Mississippi thereby became the fourth Senator from Mississippi to begin service as President pro tempore of the Senate.

Senators may notice that in the Senate Manual, a copy of which each Senator has in his desk, there is a listing of each Senator who has served in this capacity. Prior to 1890, it says that Senators were selected as Presidents pro tempore for the occasion only. But after 1890, the Senate provided that Senators who were selected as Presidents pro tempore would serve until the Senate otherwise ordered. Therefore, in the early days of the Senate, there were many Senators who served during the same session and in some sessions there were not any Presidents pro tempore selected.

But under the old rules, the first President pro tempore from Mississippi was George Poindexter. He was elected on June 28, 1834.

More than 100 years later, the second Mississippian was selected to serve as President pro tempore. Pat Harrison, a Senator who had risen to prominence as chairman of the Senate Finance Committee, was elected to serve in this capacity on January 6, 1941.

Our third President pro tempore was James O. Eastland. Many Senators who are serving now in the Senate recall serving when Senator Eastland presided as President pro tempore. He was elected on July 28, 1972. He served during four Congresses, the 92d, the 93d, the 94th and the 95th, as President pro tempore.

Now John Stennis, our fourth Mississippian, begins his service as the Senate's President pro tempore. The people of Mississippi are very proud of John Stennis and the fact that he has been elected to serve in this capacity.

I rise to congratulate him, Mr. President, and to commend him on his illustrious and distinguished career as a U.S. Senator. He was first elected on November 4, 1947 to fill an unexpired term and he has served with great distinction since that date. In November of this year, he will have served for 40 years as a U.S. Senator from the State of Mississippi.

Today the Washington Times carried a very good article, an excellent article, written by Cathryn Donohoe, about Senator Stennis, describing many of his traits and qualities that are the reasons why he is such a beloved Member of the U.S. Senate.

Mr. President, I ask unanimous consent that this fine article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Times, Jan. 6, 1987]

STENNIS—SENATE LEGEND IS ON DUTY AS 100TH CONGRESS OPENS

(By Cathryn Donohoe)

What the old man in the wheelchair hasn't lived through, he's heard tell of. The rest he can imagine.

"Your mother tells you something and you don't forget it," he says, blue eyes alight.

She was born two years before the War Between the States began, when the desk he uses on the Senate floor belonged to his predecessor, Jefferson Davis.

She told him about Vicksburg. "See, we were holding it down there, and as long as we had Vicksburg we had control of the river," he recalls, rolling out ri-vuh in those flush tones of Mississippi that make Northern speech sound pinched.

She told him about how Grant besieged the town. About how, when Vicksburg fell after 47 days, the law broke down and the bandits combed the land to take whatever they could find. And how his mother's mother, "out at home," put the table silver in a box and buried it.

He tamps imagined soil to show how she covered her cache, and snow-white French cuffs bob up and down above his office desk. He wears cuff links the size of quarters: on blue stones, in gold, the Great Seal of the United States.

Beside his desk, the flag of Mississippi incorporates the Stars and Bars of the Confederacy.

His mother's mother tried to hide their cattle in the swamps, and couldn't. She was a widow by Vicksburg's time. The cattle broke out through the trees. The marauders came through to get food for the Union army and took 'em all off, easy.

They missed the silver.

"Tore our country up bad, that war did," John Stennis says.

He tells it as if Vicksburg happened yesterday. From his vantage point at 85, it did: U.S. Grant died only 16 years before John Cornelius Stennis came along.

Today Mr. Stennis is the oldest fellow of a chamber that reveres stability. Dean of the Senate, this November he will have served 40 years.

He keeps a vision of America most have forgotten—"earning and doing for yourself rather than having government do everything for you"—and laces conversation with memories of legislative giants now gone.

He talks of Russell, Hayden, Javits, Vandenberg, Taft. And Lucius Quintus Cincinnatus Lamar, a Mississippi man who came to Washington more than a century ago.

His is a gentility that prompts him to call the 28th president "Mr." Wilson; to hand visitors his calling card, engraved and immaculate; to thank them for their time.

Some might call it the mellowness of age, some the old Southern tradition. But those who know John Stennis say that's just the way he is.

"I've never heard him raise his voice in conversation to anybody in the entire 38 years I've known him. He's always been thoughtful and considerate," says Russell Long. Second only to Mr. Stennis in Senate longevity, Mr. Long has just retired, at 68, as Louisiana's senior senator.

"It's part of his personality. It isn't just a matter of doing it because the etiquette books say so. That's the way he lives his life," Mr. Long says.

Sen. Thad Cochran, Mr. Stennis' Republican colleague from Mississippi, says his senior can find something commendable in everyone, no matter what their merit.

"He may be somebody that drives you crazy," Mr. Cochran laughs, "but it's always 'This senator, isn't he a worker? Isn't he a worker?' "

Yet Mr. Stennis can wheel and deal on issues that mean jobs for his state. "Think Mississippi," reads a plaque on his desk. And "jobs" in the Senate means the ultimately powerful Committee on Appropriations, a body that controls how much money—some would say "pork"—goes where.

Since 1955 the senator has used his committee seat to nickel-and-dime a total of $2 billion from Congress for the Tennessee-Tombigbee Waterway, a 234-mile canal project linking the coal fields of Tennessee to the Gulf of Mexico.

Forty years in the planning and building, called by its critics "an idea whose time has gone," the canal opened in 1985. Since then its economic benefit has not met expectations, but even today it is dear to Mr. Stennis' heart.

"There's never been any way found to carry heavy goods at lower cost than water travel, traveling on the water in small boats," he says.

Three years ago Mr. Stennis pulled rank to displace Wisconsin's Sen. William Proxmire as the committee's top Democrat, claiming the move would give him even greater breadth.

The result: John Stennis today becomes the committee's chairman when the 100th Congress convenes at noon and his party retakes the Senate.

With Mississippi's Rep. Jamie L. Whitten in charge of the House appropriations committee, one of the nation's poorest states now has a commanding claim to funds for agriculture, flood control and other public works.

Vicksburg is avenged.

Mr. Stennis also takes over the appropriations committee's subcommittee on defense—a key to the health of the Pascagoula shipyards on the Gulf—and remains a member of the Committee on Armed Services. It is a unique dual assignment that gives him a major voice in both military policy and military spending.

An internationalist schooled in the way of the old bipartisan foreign policy, Mr. Stennis has always supported a strong defense. Awards from military and veterans' groups dominate one wall of his outer office.

Yet he opposed American dabbling in Vietnam as early as 1954, and in 1971 was among the first to attempt a check on the president's war powers. In his view, a constitutional issue was at stake: Only Congress can declare war.

And to hear him talk today, the Reagan administration's tax-reduction program means that military outlays—including funds for the Strategic Defense Initiative—must be reined in to balance the budget. Lean days, and perhaps a sharp look at tax policy, may be in order.

"He gave you tax reduction to quick," Mr. Stennis says of the president.

Today the senator also resumes the job he gave up when the Republicans captured the Senate six years ago—its presidency pro tempore, a post reserved for the majority's senior member.

Four of his colleagues weren't born when John Stennis came to Washington in 1947. With them he can be expected to take the gentle mentor's role, much as he has with the incoming majority leader, 16 years younger and his junior by a dozen years.

"Stennis gave me a word of advice one day, and he did it in a very careful way," says Sen. Robert C. Byrd of West Virginia, who whenever he took the chair as a freshman would gavel down even Lyndon Johnson to bring order. And he would let his anger show.

"Stennis said, 'Doin' a great job doin' a great job. You're a man who gets order in this Senate. But be careful that you don't ever show that you're a little angry. Just keep on doin' like you're doin'. But if you get a little impatient or frustrated, don't let it show'."

John Stennis has never let it show. He sits erect, the left trouser leg of his dark blue suit folded under where a tumor was until two years ago. He has endured heart surgery and repeated bouts with pneumonia, and in 1973 almost died after muggers shot him twice in front of his Washington home.

He took 17 months to recover, and even dreamed then of a headline on a Mississippi paper. "Stennis Dies in His Sleep." Colleagues worried they would lose him.

But with the tenacity that pulled him through then, he keeps coming back. And he stays. As one late-night session flowed into another in the closing days of the last session, Mr. Byrd recalls, toward midnight he would repeatedly urge Mr. Stennis to go home and turn in—to no avail.

" 'Well, now, I don't want to go if you need me. If you think you need me or you think there's going to be a vote or something here, I don't want to go,' " Mr. Byrd remembers Mr. Stennis saying.

"He's always at his post of duty," the West Virginian says.

"Duty" to John Stennis can mean many things. It can mean the nuance of senatorial courtesy that requires members to stand when speaking on the Senate floor.

As if his colleagues expected him to meet that obligation, Mr. Stennis has had the old Davis desk altered to receive a wooden bar. To speak he grasps the bar and pulls himself up. And he stands.

"Duty" can mean stewardship and the integrity of one's vote. That issue is dear to Mr. Stennis' heart.

"It's the constitutional duty, and the fact that people are trusting us, to do the things that are necessary to make our system survive, even if it costs you your seat in the Senate," he says. "That's not written out there, but that's what the meaning is."

Russell Long recalls wondering how to vote, in 1951, on whether Senate hearings on Gen. Douglas MacArthur's dismissal as Korean War commander should be televised. The people liked the idea, but vital military information could spill out. He asked John Stennis what he thought.

"He has a way of holding his lips together tightly when he thinks something is very serious, and shaking his head, and he said, 'Russell, sometimes you have to vote to save this country even if it's not pupular'."

They voted "no."

"Duty" means a commitment to his state, "the home place." Mr. Stennis holds out his hand palm up, then brushes his fingertips down his thumb when he talks about the soil of Mississippi's Delta. His eyes sparkle. His speech, it seems, takes on an even more opulent tone.

"Ovun own the Big Rivuh, the Miss'sippi Rivuh, now, that's alloovial soil. Al-loovial soil," he says, working his fingers. "Ver'rich land, like the Nile valleh."

He may have come to the Senate a circuit court judge, but he learned his books in an agricultural high school and grew up on a cotton farm. He remembers when the boll weevils hit in 1910 and how the price of cotton dropped to 5 cents a pound in the Depression.

Those days are over now, he says. They don't even grow much cotton in his county anymore. His grown daughter's dresses say "Made in Hong Kong."

The economic realities make Mississippi a needy state. From that his devotion to the Senate springs. The U.S. Senate is a body where a state like Mississippi stands level with New York.

And from that comes a reverence for the Constitution and its framers—as men who, after months of wrangling that almost aborted the nation, in Philadelphia 200 years ago finally struck a Great Compromise on the nature of the Senate.

It gave each state two votes, the equal voice denied them in the House, and allowed a union of big states and small. Mississippi was a dream then, but John Stennis' feel for its stake in the proceedings is vivid.

"I wasn't there, now," Mr. Stennis warns a visitor as if honesty demanded it. Yet like a man who's pulled off a sharp deal and aches to tell about it, he bends forward and drops his vocie to a conspiratorial whisper. That bunch from the big, rich states could be just around the corner, after all.

"That was a highly unusual agreement," he confides urgently. "But they had to do that to get the Constitution. Delaware and all that crowd were gonn' pull out. Delaware, that's the smallest state, and New Jersey, they were gonn' pull out. And he told 'em so."

He did Gunning Beford of Delaware told 'em that if the small states didn't get their two votes, they would confederate and ally themselves with a foreign power. They got their two votes. Article I, Section 3 sealed the compact.

"And the fella says, 'Next year you're gonna repeal that and put it back to one' So they made 'em write it in there: 'This shall not be reduced except through the consent of the state in question.'

"So we got two forever," he says, and chuckles long over this obscure clause tacked to the tail of Article V, as if it were a steal.

"You got to hold to that Constitution, you know. That structure of government. It's the principles, you see," he says.

The principles John Stennis can derive from the Constitution today include civil rights for blacks. In 1982, under the rare pressure of a contested election, Mr. Stennis said "yes" for the first time to a civil rights measure, the extension of the Voting Rights Act of 1965.

The early days were different. Because the poll tax kept the poor—most of them black—from voting. Mississippi's black vote was minuscule.

According to Russell Long, "it was political suicide to be for the civil rights program, and if you opposed it, that more or less assured your re-election."

Mr. Stennis in this case did the popular thing, entering the Senate in favor of "a reasonable and proper segregation." Mr. Long remembers him as the only "uniform-wearing Confederate" besides himself on the rules committee in 1949, standing with him "like 'Horatius at the Bridge'" against a Republican civil rights onslaught.

On constitutional grounds, Mr. Stennis waged a protracted defense of the poll tax. He helped write The Southern Manifesto, a bitter attack by Southern legislators on the Supreme Court for its 1954 decision desegregating the schools.

Ten years later he co-sponsored an amendment to the Civil Rights Act that offered federal aid to blacks who would agree to resettle in states with small black populations.

His fight was long and harsh, but it is not hard to hear a wounded South in his 1970 critique of de facto segregation in the North: "There is one rule for the South and another rule beyond the South as to segregation, after all."

Even today, with a touch of the old obstinacy, Mr. Stennis will refer to the poll tax as a fair measure, one applied across the board to both black and white. "Everyone ought to pay some tax," he says.

Yet it's "history," he says, something that's "all straightened out now." And in 1982 he won the state 2-1 with black support.

If John Stennis runs again next year, wins and serves until Sept. 18, 1989, he will break the record for Senate longevity set by Carl Hayden of Arizona. He says he's too busy to think about that now; he has a job to do in Washington.

But Paul LaCoste of Jackson, Miss., the senator's finance chairman in 1982, says it wouldn't surprise him to see Mr. Stennis make the race again.

"He has never said anything that would lead me to believe, or make this supposition," Mr. LaCoste says. "It's just that you sort of know the man."

The pull can be strong. The senator's life and work are in Washington. His son and daughter have families of their own. His wife, "Miss Coy," died in 1983 after 54 years of marriage.

Yet "the home place" has a deep attraction. On a wall of his office Mr. Stennis keeps a watercolor of that place, "the little house" on 25 acres where he has lived for 50 years outside DeKalb. He looks at the painting and talks of the driveway, the town, the stands of *tim-buh*.

Then he tells of how his father's father used to send his cotton in ships down the Pearl River to market in New Orleans. And how his mother's father used to take his east to Gainesville, Ala., and put it south to Mobile on the Tombigbee. The families lived near one another, you see.

He reaches to the wall beside his desk and takes down a photograph. "My mother," he says.

The blurred picture shows a man, a woman, five young children and a baby in arms.

His mother is the infant.

She and his father are buried in a family cemetery at the old place. He goes out there on Sundays when he's home.

"You got to hold on to things, you know," he says.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. MELCHER. Mr. President, I ask unanimous consent to extend morning business under the same conditions for an additional 15 minutes.

The PRESIDING OFFICER (Mr. MATSUNAGA). Is there objection? Without objection, it is so ordered.

PUBLIC FINANCING OF SENATE ELECTIONS

Mr. BOREN. Mr. President, last year, through a lengthy process and after much deliberation about the need for reform, the Senate had an initial vote to make major changes in our system of campaign finance. I was pleased to be joined by many concerned and sympathetic colleagues who had firsthand knowledge and experience with the alarming trend toward runaway spending in elections funneled by an unhealthy amount of special interest money.

Now in the 100th Congress, on the heels of the last election cycle, we must bring a renewed focus on the problems caused by money in politics and the divisiveness it promotes.

Having talked to many Members and read the many news accounts of the increased tidal wave of money and the negative effect it has had on our election process, I again come to the floor of the Senate to discuss legislation on this issue which I am introducing with the distinguished majority leader and others. I am proud to join with him in this effort. Others have already joined us and we are just now commencing to seek cosponsors. Concern about this matter cuts across the spectrum of American politics. Senator TERRY SANFORD of North Carolina, the past president of Duke University, has joined in this bill as had Senator JOHN STENNIS of Mississippi, the President pro tempore of the Senate—Senator LAWTON CHILES, chairman of the Budget Committee and the senior Senator from Massachusetts and chairman of the Labor and Human Resources Committee have already joined in sponsoring the bill along with Senator BYRD and myself.

The legitimacy of our democratic political system rests on the integrity of the election process. We have a clear duty to act now to protect that integrity. We face a threat to our political system that can no longer be placed on the back burner.

Mr. President, the bill on which the Senate positively voted 69 to 30 last year was primarily directed at the undue influence of political action committees and the problems associated with the over $104 million they pumped into the system in the previous cycle. However, that bill never directly addressed the overriding problem, which was and is: limiting campaign expenditures.

Mr. President, in the last election cycle, there has been a continuing increase in the cost of winning a seat in this Chamber. In 1976, that figure was $609,000; in 10 years, that figure has gone to over $3 million.

This has been caused in part by the estimated $140 million of PAC contributions which went to Senate and House candidates. This is a 25-percent increase in just 2 years. And while final figures on independent expenditures on congressional races are not yet complete, it is very apparent it will easily exceed the $6 million in the 1984 election cycle.

There is only one way in which to practically limit campaign spending while staying within the confines of a 1976 Supreme Court decision—Buckley versus Valeo—that is through the implementation of a system of partial public financing, similar to the Presidential system, coupled with provisions which continue to encourage appropriate private contributions and participation at the grassroots.

In this bill, the proposal to limit total spending is added to the other components of S. 2 which limit PAC contributions, close the bundling loophole, clarify the definition of "independent expenditures," and limit the role of foreign interests in establishing PAC's. It stakes out a strong starting point as we begin to travel the road of comprehensive reform.

I believe, as does my principal cosponsor, Senate Majority Leader ROBERT C. BYRD, that with the serious threat posed to our constitutional system, the time is right to move toward this system.

Further, I introduce this bill as a starting point for work which is going forward in several forums. Both parties have had task forces working on campaign finance reform. I am privileged to chair the Democratic working group organized by Senator BYRD for that purpose. These groups, in addition to the Rules and Administration Committee, under the chairmanship of Senator WENDELL FORD, can serve as productive forums for the discussion of the many components of campaign finance reform which should be addressed in this Congress in a bipartisan fashion.

There are four key elements of this spending limitation bill.

First, it is strictly a voluntary system, applicable to only Senate general elections.

Second, qualification is very restrictive due to a high threshold requirement calling for several, in-State, small contributions to the participating candidate—whose election is then subject to a modest expenditure limit. Fringe candidates will not be able to meet threshold requirements.

Third, private grassroots contributions are not displaced by public funds. In fact, private contributors will be encouraged to participate as candidates seek to meet threshold requirements.

It should reverse the current sharp decline in the number of small contributors from the home States of the Members of Congress.

Fourth, the system has a ceiling on funds available from the Senate General Election Campaign Fund. Once a nonparticipating candidate exceeds by 200 percent, that State's spending limit is lifted.

The bill also includes the same aggregate limit on the amount of PAC contributions that a candidate can receive. Additionally, due to the vote by the Senate in August on the Boschwitz amendment, I have implemented a provision calling for an aggregate limit on the amount of PAC contributions that a national party can receive as well.

There are other issues which need to be studied and will be in the very near future. However, in an effort to again demonstrate the critical state of our current system, I am proud to join with Senator BYRD in introducing this bill on the first day of the Congress and to urge immediate consideration and quick debate.

Mr. President, at a time when the need for national leadership and consensus is so great—with looming budget deficits, a frightening trade imbalance, and grave concerns over foreign policy—we in the Congress must promote integrity within this body and unity among our citizens, rather than falling into the trap of division promoted by our system of having special economic interests or single-issue groups finance our campaigns.

Every action we take and every vote we cast is justifiably under scrutiny by the American people. If we allow our democratic system of elections to continually be placed on the auction block, we can never hope to fairly address the national needs of our country. Instead, our energies will be expended in raising money and bowing to the constant pressures of special interests. How can any institution effectively serve the needs of its people when its central concern centers around raising millions of dollars for reelection campaigns?

The 100th Congress must face this serious problem. Let's hope this Congress will be the one to have the fortitude to, in the words of our First Lady's national antidrug campaign slogan, "Just say, 'no'!"

"No" to increasing dependence on special interest campaign money.

"No" to spending time going from one fundraiser to the next instead of working on the problems we were elected to solve.

"No" to spending more time and money on 30-second negative ads attacking opponents, instead of meeting the people at the grassroots level and learning how we can better serve them.

And finally and most importantly, "no" to allowing another election cycle to pass without acting on this issue.

The flood of money now polluting our campaign finance system is like the drug to the addict. The longer we go without admitting we have the problem of addiction, the more ingrained the addiction becomes and the harder it will be to ever break the habit.

In conclusion, I ask unanimous consent that a summary of S. 2, and the bill text be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Senatorial Election Campaign Act of 1987."

SEC. 2. The Federal Election Campaign Act of 1971 (hereinafter referred to as "the Act") is amended by adding at the end the following new title:

"TITLE V—SPENDING LIMITS AND PUBLIC FINANCING FOR SENATE GENERAL ELECTIONS

"DEFINITIONS

"SEC. 501. For purposes of this title—

"(1) unless otherwise provided in this title the definitions set forth in section 301 of this Act apply to this title unless otherwise provided in the title;

"(2) the term 'authorized committee' means, with respect to any candidate for election to the United States Senate, any political committee which is authorized in writing by such candidate to accept contributions or make expenditures on behalf of such candidate to further the election of such candidate.

"(3) the term 'eligible candidate' means a candidate who is eligible under section 502 to receive payments under this title.

"(4) the term 'general election' means any election which may directly result in the election of a person to the United States Senate;

"(5) the term 'general election period' means the period beginning on the day after the date on which the candidate qualifies for the general election under the law of the state involved and ending on the date of the election or the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election, whichever occurs first.

"(6) the term 'Senate Fund' means the Senate General Election Campaign Fund maintained by the Secretary of the Treasury in the Presidential Campaign Fund established by section 9006(a) of the Internal Revenue Code of 1954, (26 U.S.C. § 9006(a)).

"(7) the term 'major party' means 'major party' as defined in section 9002(6) of the Presidential Election Campaign Fund Act, (26 U.S.C. § 9002(6)).

"(8) The term 'immediate family' means a candidate's spouse, and any child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister, of the candidate and the spouses of such persons and any child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate's spouse and the spouses of any such persons.

"ELIGIBILITY TO RECEIVE PAYMENTS

"SEC. 502. (a) To be eligible to receive payments under this title a candidate shall, within seven days after qualifying for the general ballot under the law of the State involved—

"(1) certify to the Commission under penalty of perjury that during the period beginning on January 1 of the calendar year preceding the year of the general election involved, or in the case of a special election during the period beginning on the day on which the vacancy occurs in the Senate office involved, such candidate has received contributions aggregating at least $250,000 or 20 percent of the limit set forth for such candidate in section 503(b), whichever is less;

"(2) certify to the Commission that 80 percent of such contributions have come from individuals residing in such candidate's state;

"(3) certify to the Commission that at least one other candidate has qualified for the same general election ballot under the law of the state involved;

"(4) agree in writing that such candidate and the candidate's authorized committees—

"(A) will not make any expenditure which exceeds the limitations established in section 503;

"(B) will not accept any contributions in violation of section 315;

"(C) will not accept any contribution for the general election involved except to the extent that such contribution is necessary to defray expenditures for such election that in the aggregate do not exceed the difference between the amount of the expenditure limitation established in section 503(b) and the amount of payments provided for in section 504(a) (1) and (2);

"(D) will deposit all payments received under this section at a national or State bank in a separate checking account which shall contain only funds so received. No expenditures of funds received under this section shall be made except by checks drawn on such account.

"(E) will furnish campaign records, evidence of contributions and other appropriate information to the Commission;

"(F) will cooperate in the case of any audit and examination by the Commission under Section 507;

"(G) apply to the Commission for a payment as provided for in Section 504.

"(b) For the purposes of subsection (a)(1) and sections 504 (a)(2) and (a)(6), in determining the amount of contributions received by a candidate and the candidate's authorized committees—

"(1) no contribution other that a gift of money made by a written instrument which identifies the person making the contribution shall be taken into account;

"(2) no contribution made through or by an intermediary or conduit as defined in section 315(a)(8) shall be taken into account;

"(3) no contribution received from any person other than an individual shall be taken into account, and no contribution received from an individual shall be taken into account to the extent such contribution exceeds $250 when added to the amount of all other contributions made by such individual to or for the benefit of such candidate during the applicable period specified in subsection (4); and

"(4) no contribution received prior to January 1 of the calendar year preceding the year of the general election involved or received after the date on which the general election involved is held shall be taken into account, and in the case of a special election no contribution received prior to the date on which the vacancy occurs in the Senate office involved or after the date on which such election is held shall be taken into account.

"LIMITATION ON EXPENDITURES

"SEC. 503. (a) No candidate who receives a payment for a general election under this title shall make expenditures from the personal funds of such candidate, or the funds of any member of the immediate family of such candidate, aggregating in excess of $20,000, for such general election.

"(b) No candidate who receives a payment for a general election under this title shall make expenditures for such general election which in the aggregate exceed $600,000 plus 25 cents multiplied by the voting age population of the state involved in such general election, provided that such limitation on expenditures shall be subject to the provisions of section 504 (b) and (c).

"(c) For purposes of this section, voting age population means the figures certified by the Commission under subsection (e) of Section 315.

"(d) For purposes of this section, the amount set forth in subsection (b) shall be increased at the beginning of each calendar year based on the increase in the price index as determined under section 315(c) provided that for purposes of determining such increase the term 'base period' used in section 315(c) shall means the calendar year 1987.

"ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS

"SEC. 504. (a) An eligible candidate shall be entitled to—

"(1) a payment under section 506 in the case of a major party candidate, in an amount equal to the difference between the limitation for such candidate provided in section 503(b) and the amount required to be raised by such candidate to establish eligibility under section 502(a)(1); or

"(2) matching payments under section 506 in the case of a candidate who is not a major party candidate, equal to the amount of each contribution received by such candidate and the candidate's authorized committees provided that in determining the amount of each such contribution the provisions of section 502(b) shall apply, the total amount of payments to which a candidate is entitled under this subsection shall not exceed 50 percent of the limitation set forth in section 503(b) applicable to such candidate, and the contributions required by section 502(a)(1) shall not be eligible for matching payments under this title.

"(3) the broadcast media rates provided under section 315(b) of Title 47 of the United States Code.

"(4) payments under section 506 equal to the aggregate total amount of the independent expenditures by any person in excess of $25,000 made in the general election involved in opposition to, or on behalf of an opponent of, such eligible candidate.

"(5) a payment under section 506 in the case of a major party candidate, equal in amount to the amount set forth in section 503(b) with regard to such candidate, if any candidate in the same general election not eligible to receive funds under this title either raises aggregate contributions or makes aggregate expenditures for such election which exceed the amount set forth under section 503(b) for such election.

"(6) matching payments under section 506, in the case of a candidate who is not a major party candidate, equal to the amount of each contribution received by such candidate and the candidate's authorized committees if any candidate in the same general election not eligible to receive payments under this title either raises aggregate contributions or makes aggregate expenditures for such election which exceed the amount set forth in section 503(b) for such election, provided that in determining the amount of each such contribution the provisions of section 502(b) shall apply, the total amount of payments to which a candidate is entitled under this subsection shall not exceed 50 percent of the limitation set forth in section 503(b) applicable to such candidate and contributions matched under subsection 504(a)(2) or required to be raised under section 504(a)(1) shall not be eligible to be matched under this subsection.

"(b) A candidate who receives payments under subsection (a)(4), (a)(5), or (a)(6) may spend such funds to defray expenditures in the general election without regard to the provisions of section 503(b).

"(c) A candidate who receives payments under this section may receive contributions and make expenditures for the general election without regard to the provisions of section 502(a)(4)(C) or 503(b) if and when any candidate in the same general election not eligible to receive payments under this section either raises aggregate contributions or makes aggregate expenditures for such election which exceed twice the amount provided in section 503(b) for such election.

"(d) Payments received by a candidate under this section shall be used only to defray expenditures incurred with respect to the general election period for such candidate. Such payments shall not be used: (1) To repay any loan to any person or to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate, (2) to make any expenditure other than expenditures to further the general election of such candidate, or (3) to make any expenditures which constitute a violation of any law of the United States or of the state in which the expenditure is made.

"CERTIFICATION BY COMMISSION

"SEC. 505. (a) No later than 48 hours after an eligible candidate files a request with the Commission to receive payments under section 504 the Commission shall certify such eligibility to the Secretary of the Treasury for payment in full of the amount to which such candidate is entitled. The request referred to in the preceding sentence shall contain—

"(1) such information and be made in accordance with such procedures as the Commission may provide by regulation; and

"(2) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) Certifications by the Commission under subsection (a) and all determinations made by the Commission under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 507 and judicial review under section 508.

"ESTABLISHMENT OF FUND; PAYMENTS TO ELIGIBLE CANDIDATES

"SEC. 506. (a) The Secretary shall maintain in the Presidential Election Campaign Fund ("Fund") established by paragraph 9006(a) of the Internal Revenue Code of 1954, in addition to any other accounts maintained under such section, a separate account to be known as the 'Senate Election Campaign Fund'. The Secretary shall deposit into the Senate Fund, for use by candidates eligible to receive payments under this title, the amounts available after the Secretary determines that the amounts in the Funds necessary for payments under subtitle H of the Internal Revenue Code of 1954 are adequate. The monies designated for such account shall remain available wihout fiscal year limitation.

"(b) Upon receipt of a certification from the Commission under section 505, the Secretary shall promptly pay to the candidate involved in the certification out of the Senate Fund the amount certified by the Commission.

"(c) If at the time of a certification by the Commission under section 505 for payment to an eligible candidate, the Secretary determines that the monies in the Fund and the Senate Fund are not, or may not be, sufficient to satisfy the full entitlement of all such eligible candidates, the Secretary shall withhold from such payment such amount as he determines to be necessary to assure that an eligible candidate will receive his or her pro rata share of his or her full entitlement. Amounts so withheld shall be paid when the Secretary determines that there are sufficient monies in the Senate Fund to pay such amounts, or portions thereof, to all eligible candidates from whom amounts have been withheld, but, if there are not sufficient monies in the Senate Fund to satisfy the full entitlement of an eligible candidate, the amounts so withheld shall be paid in such manner that each eligible candidate receives his or her pro rata share of his or her full entitlement.

"EXAMINATION AND AUDITS; REPAYMENTS

"SEC. 507. (a)(1) After each general election, the Commission shall conduct an examination and audit of the campaign account of 10 percent of the eligible candidates of each major party and 10 percent of all other eligible candidates, as designated by the Commission through the use of an appropriate statistical method of random selection to determine whether such candidates have complied with the expenditure limits and other conditions of eligibility and requirements under this title.

"(2) After each special election, the Commission shall conduct such an examination and audit of the campaign accounts of each eligible candidate in such election to determine whether such candidates have complied with the expenditure limits and other conditions of eligibility and requirements under this title.

"(3) The Commission may conduct an examination and audit of the campaign accounts of any eligible candidate in a general election if the Commission, by an affirmative vote of 4 members, determines that there exists reason to believe that such candidate has violated any provision of this title.

"(b) If the Commission determines that any portion of the payments made to a candidate under this title was in excess of the aggregate payments to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to the excess.

"(c) If the Commission determines that any amount of any payment made to a candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to 200 percent of the amount of such funds.

"(d) If the Commission determines that any candidate who has received payments under this title has made expenditures which in the aggregate exceed by 5 percent or less the limitation set forth in section 503(b), the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to the amount of excess expenditure.

"(e) If the Commission determines that any candidate who has received payments under this title has made expenditures exceeding by more than 5 percent the limitation set forth in section 503(b), the Commission shall so notify such candidate and such candidate shall pay the Secretary an amount equal to three times the amount of the excess expenditure.

"(f) Any amount received by an eligible candidate under this title may be retained for a period not exceeding 60 days after the date of the general election for the liquidation of all obligations to pay general election campaign expenses incurred during this general election period. At the end of such 60 day period any unexpended funds received under this title shall be promptly repaid to the Secretary.

"(g) No notification shall be made by the Commission under this section with respect to an election more than 3 years after the date of such election.

"(h) All payments received under this section shall be deposited in the Senate Fund.

"JUDICIAL REVIEW

"SEC. 508. (a) Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought.

"(b) The provisions of chapter 7 of title 5, United States Code, apply to the judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Commission.

"PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"SEC. 509. (a) The Commission is authorized to appear in and defend against any action instituted under this section and under section 508 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) The Commission is authorized through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under section 507 to be payable to the Secretary.

"(c) The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate to implement any provision of this title.

"(d) The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgements or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"REPORTS TO CONGRESS; REGULATIONS

"SEC. 510. (a) The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 505 for payment to each eligible candidate;

"(3) the amount of repayments, if any, required under section 507, and the reasons for each payment required; and

"(4) the balance in the Presidential Election Campaign Fund, and the balance in the Senate Fund and any other account maintained in the Fund.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) The Commission is authorized to prescribe such rules and regulations in accordance with the provisions of subsection (c), to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) Thirty days before prescribing any rules or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rules or regulation.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 511. There are authorized to be appropriated to the Commission for the purpose of carrying out functions under this title, such sums as may be necessary.

"SENATE FUND

"SEC. 512. Section 6096(a) of Title 26 of the Internal Revenue Code of 1954 is amended by striking "$1" whenever it appears in the subsection and inserting in lieu thereof "$2" and by striking "$2" whenever it apears in that subsection inserting in lieu thereof "$4".

"BROADCAST RATES

"SEC. 513. Section 315(b)(1) of the Communications Act of 1934 [47 U.S.C. 315(b)(1)] is amended by striking the semicolon and inserting in lieu thereof the following:

"provided that in the case of a candidate in an election which may directly result in the election of a person to the office of United States Senator, this provision shall only apply if such candidate has been certified by the Federal Election Commission as eligible to receive payments under Title V of the Federal Election Campaign Act;".

"CANDIDATE REPORTING REQUIREMENTS

"SEC. 3. Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. § 434) is amended by adding at the end thereof the following new subsections—

"(d)(1) Declaration by Senate candidates. Not later than the day after the date on which a candidate qualifies for the ballot for an election which may directly result in the election of a person to the office of Senator, each candidate in such election shall file with the Commission a declaration of whether or not such candidate intends to make expenditures in excess of the limitation on expenditures provided under section 503(b).

"(2) Any declaration filed pursuant to paragraph (1) may be amended or changed at any time within 7 days after the filing of such declaration. Such amended declaration may not be amended or changed further.

"(e) Notification by Senate Candidates. Any candidate who qualifies for the ballot for an election which may directly result in the election of a person to the office of Senator who is (i) not eligible to receive payments under section 502 and, (ii) who either raises aggregate contributions or makes aggregate expenditures for such election which exceed the amount specified in section 503(b) for such Senate election, shall file a report with the Commission within 24 hours after such contributions have been raised or such expenditures have been made setting forth the candidate's total contributions and total expenditures for such election. Such candidate thereafter shall file a report with the Commission within 24 hours after either raising aggregate contributions or making aggregate expenditures for such election which exceed twice the amount specified in section 503(b), setting forth the candidate's total contributions and total expenditures for such election.

"The Commission shall notify each candidate in the election involved eligible to receive payments under section 502 about each such report within 24 hours after the report has been filed.

"Notwithstanding the report requirement established in this subsection, the Commission may make its own determination that a candidate in an election which may directly result in the election of a person to the office of United States Senator who is not eligible to receive payments under section 502 has raised aggregate contributions or made aggregate expenditures for such election which exceed the amount specified in section 503(b) for such election or exceed double such amount. The Commission shall notify each candidate in the general election involved eligible to receive payments under section 502 about each such determination within 24 hours after such determination is made."

"(f) Independent Expenditures Relating to Senate Candidates. Any independent expenditures (including those described in subsection (b)(6)(B)(iii)) by any person with regard to an election which may directly result in the election of a person to the office of United States Senator which in the aggregate total more than $25,000 shall be reported by such person to the Commission within 24 hours after each independent expenditures are made. Thereafter, any independent expenditures by such person in the election aggregating more than $5,000 shall be reported by such person to the Commission within 24 hours after such independent expenditures are made.

"Such statements shall be filed with the Commission and Secretary of State for the state of the election involved and shall contain the information required by subsection (b)(6)(B)(iii) of the section and a statement under penalty of perjury by the person making the independent expenditures indicating whom the independent expenditures are actually intended to help elect or defeat. The Commission shall notify any candidate in the election involved who is eligible to receive payments under section 502 about each such report within 24 hours after the report is made.

"Notwithstanding the reporting requirements established in this paragraph, the Commission may make its own determination that a person has made independent expenditures with regard to an election which may directly result in the election of a person to the office of United States Senator that in the aggregate total more than $25,000, and thereafter that in the aggregate total more than $5,000.

"The Commission shall notify each candidate in the election involved eligible to receive payments under section 502 about each such determination within 24 hours after such determination is made."

"LIMITS ON CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES

"SEC. 4. Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. § 441a(a)(2)) is amended—

(1) by striking out "or" at the end of subparagraph (B);

(2) by striking out "$5,000." in subparagraph (C) and inserting in lieu thereof "$3,000;"; and

(3) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(4) by adding at the end the following new subparagraphs:

"(D) to any candidate and his authorized political committees with respect to—

"(i) a general or special election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress (including any primary election, convention, or caucus relating to such general or special election) which exceed $100,000 ($125,000 if at least two candidates qualify for the ballot in the general or special election involved and at least two candidates qualify for the ballot in a primary election relating to such general or special election) when added to the total of contributions previously made by multicandidate political committees, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election); or

"(ii) a runoff election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress which exceed $25,000 when added to the total of contributions previously made by muliticandidate political committees, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election, or

"(E) to any candidate and his authorized political committees with respect to—

"(i) a general or special election for the office of Senator (including any primary election, convention, or caucus relating to such general or special election) which exceed the greater of $175,000 ($200,000 if at least two candidates qualify for the ballot in the general or special election involved and at least two candidates qualify for the ballot in a primary election relating to such general or special election) or the amount equal to $35,000 times the number of Representatives to which the State involved is entitled, when added to the total of contributions previously made by multicandidate political committees, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election);

"(ii) a runoff election for the office of Senator which exceed the greater of $25,000 or the amount equal to $12,500 times the number of Representatives to which the State involved is entitled, when added to the total of contributions previously made by multicandidate political committees, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election; or

"(iii) a general or special election for the office of Senator (including any primary election, runoff election, convention, or caucus relating to such general or special election) which exceed $750,000 when added to the total of contributions previously made by multicandidate political committees, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election).".

"(F) to the political committees established and maintained by a national political party, which are not the authorized political committees of any candidate, in any two year election cycle, which, in the aggregate, exceed $2,000,000 when added to the total of contributions previously made by multicandidate political committees in such election cycle.

"INTERMEDIARY OR CONDUIT

"SEC. 5. Section 315 of the Federal Election Campaign Act of 1971 [2 U.S.C. § 441a(a)] is amended—

(1) by redesignating subsection (8) as subparagraph (8)(A);

(2) by adding at the end, the following new subparagraphs:

"(B) A gift, subscription, loan, advance or deposit of money or anything of value to a candidate shall be considered a contribution both by the original source of the contribution and by any intermediary or conduit if the intermediary or conduit (i) exercises any control or any direction over the making of the contribution; or (ii) solicits the contribution or arranges for the contribution to be made and directly or indirectly makes the candidate aware of such intermediary or conduit's role in soliciting or arranging the contribution for such candidate; or (iii) engages in any activities of the same kind which resulted in the intermediary or conduit reporting such activities to the Commission under subsection (A) prior to January 1, 1987.

"(C) For purposes of subsection (B), a contribution shall not be considered to be a contribution by an intermediary or conduit to the candidate if (i) the inter-intermediary or conduit has been retained by the candidate's committee for the purpose of fundraising and is reimbursed for expenses incurred in soliciting contributions; (ii) in the case of an individual, the candidate has expressly authorized the intermediary or conduit to engage in fundraising, or the individual occupies a significant position within the candidate's campaign organization; or (iii) in the case of a political committee, the intermediary or conduit is an authorized committee of the candidate."

"INDEPENDENT EXPENDITURES

"SEC. 6. (a) Section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. § 431 (17)) is amended by adding the following:

"For purposes of this subsection, an expenditure shall not constitute an expenditure in coordination, consultation, or concert with a candidate and shall not constitute an 'independent expenditure' where,

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure;

"(B) in the same election cycle, the person making the expenditure (including any officer, director, employee or agent of such person) is or has been authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or is or has been an officer of the candidate's authorized committees, or is or has been receiving any form of compensation or reimbursement from the candidate, the candidate's authorized committees, or the candidate's agent;

"(C) the person making the expenditure (including any officer, director, employee or agent of such a person) has communicated with, advised, or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(D) the person making the expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any services relating to the candidate's decision to seek Federal office; or

"(E) the person making the expenditure (including any officer, director, employee, or agent of such a person) has communicated or consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of election to Federal office, with: (i) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to Section 315(a), (d) or (h) in connection with the candidate's campaign; or (ii) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to Section 315(a), (d) or (h) in connection with the candidate's campaign.;

"(F) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agents are aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election; or

"(G) the expenditure is made by a person with the intention of seeking or obtaining any legislative benefit or consideration from the candidate by reason of the expenditure.

"INDEPENDENT EXPENDITURE BROADCAST DISCLOSURE

"SEC. 7. Section 318(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d(a)(3)) is amended by deleting the period and inserting the following:

"provided that, (a) whenever any person makes an independent expenditure through a broadcast communication on any television station, the broadcast communication shall include a statement clearly readable to the viewer that appears continuously during the entire length of such communication setting forth the name of such person and in the case of a political committee, the name of any connected or affiliated organization, and (b) whenever any person makes an independent expenditure through a newspaper, magazine, outdoor advertising facility direct mailing or other type of general public political advertising, the communication shall include, in addition to the other information required by this subsection, a clearly readable statement, setting forth in the case of a political committee, the name of any connected or affiliated organization and the name of the president or treasurer of such organization, and the following sentence: "The cost of presenting this communication is not subject to any campaign contribution committee limits."

"CONTRIBUTIONS BY FOREIGN NATIONALS

"SEC. 8. Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. § 441e) is amended—

(1) in subsection (a) by inserting after "foreign national" the first place it appears the following: "including any separate segregated fund or nonparty, multicandidate political committee of a foreign national"; and

(2) in subsection (b) by adding before the semicolon at the end thereof the following: ", but shall include any partnership, association, corporation, or subsidiary corporation organized under or created by the laws of the United States, a State, or any other place subject to the jurisdiction of the United States if more than 50 percent of such entity is owned or controlled by a foreign principal".

"PERSONAL LOANS

"SEC. 9. Section 315a of the Federal Election Campaign Act of 1971 [2 U.S.C. § 441a(a)] is amended by adding at the end thereof the following paragraph:

"(9) For purposes of this section, no contributions received by a candidate or the candidate's authorized committees shall be used to repay any loan by the candidate to the candidate or to the candidate's authorized committees."

"SEVERABILITY

SEC. 10. If any provision of this Act or any amendment made by this Act, or the application of any such provision of this Act of any amendment made by this Act, or the application of any such provision to any person or circumstance is held invalid, the validity of any other such provision and the application of such provision to other persons and circumstances shall not be affected thereby.

"EFFECTIVE DATE

"SEC. 11. This Act and the amendments made by this Act shall become effective for any election held more than one year after the date of enactment of this Act.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

SUMMARY OF THE BOREN-BYRD "SENATORIAL ELECTION CAMPAIGN ACT"

SPENDING LIMITS AND PUBLIC FINANCING FOR SENATE GENERAL ELECTIONS

The Act would establish a voluntary system of campaign spending limits for Senate general elections tied to partial public financing. Primary elections would not be covered. If a candidate elects to participate, the following provisions would apply:

A. Threshold

To be eligible for public financing, a candidate would first have to raise contributions from individuals which, in the aggregate, amount to $250,000 or 20% of the spending limit, whichever is less. Up to $250 of each individual contribution would count for threshold purposes and at least 80% of the contributions would be required to come from individuals residing in the candidate's state.

To be eligible to receive payments under the Act, a candidate would be required to certify to the FEC within 7 days after qualifying for the general election ballot in the candidate's state that he or she has raised contributions sufficient to satisfy the threshold.

B. Limitations

(1) *Limits on Personal Funds:* A participating candidate and his or her immediate family could contribute no more than $20,000 in personal funds to the candidate's general election campaign.

(2) *Limits on Overall Spending:* A participating candidate could spend in the general election no more than a total of $600,000 plus 25 cents multiplied by the voting age population of the candidate's state. This limit would be increased based on the CPI, similar to the spending limits in the presidential public financing system.

C. Benefits

(1) *Public funds:* The candidate of a major party who has met the qualifications would be eligible for public funds equal to the difference between the threshold amount and the campaign spending limit for the state. A participating candidate could not raise private contributions for the general election except to the extent they are necessary to make up any difference between the spending limit and the amount of public funds provided. The candidate of a minor party or an independent candidate who has met the qualifications would be eligible to receive matching payments of up to $250 for each individual contribution, subject to a limit of 50% of the overall spending limit. The contributions raised to meet the threshold requirement would not be matched.

(2) *Television costs*: A participating candidate would be entitled to receive the lowest unit rate costs for television advertisements, as presently provided by law. Non-participating candidates would no longer have this statutory benefit and individual stations could charge them regular commercial rates.

(3) *Independent expenditures*: If any individual or group makes independent expenditures of more than $25,000 in opposition to a participating candidate or in support of the participating candidate's opponent, the participating candidate would be eligible to receive additional public financing payments equal to the amounts being spent by the individual or group on independent expenditures, over and above $25,000.

(4) *Additional payments; suspension of spending limit*: If any non-participating candidate raises total contributions or makes total expenditures in excess of the spending limit for a participating candidate, participating candidates would be eligible for additional public financing payments. Each participating major party candidate would be eligible to receive an additional payment equal to 100% of the spending limit. Each participating minor party or independent candidate would be eligible to receive additional matching payments of 50% of the spending limit.

If a non-participating candidate raises total contributions or makes total expenditures for the general election in excess of double the spending limit, a participating candidate would be able to make additional expenditures and raise private contributions without regard to the restrictions otherwise established under the public financing system.

D. Source of public funding

The existing Presidential Election Campaign Fund would be increased by raising the dollar tax check-off from $1 to $2.

E. Effective date

The Act would be effective for any election held more than one year after the date of enactment of the Act.

AGGREGATE PAC LIMIT AND OTHER AMENDMENTS

Limit on PAC contributions

(1) *Aggregate limit for candidates*: All candidates would be subject to an overall limit on PAC contributions varying with the population of their state—with a low of $175,000 in small states and a cap of $750,000 in large states. This provision would be applicable to all candidates, regardless of whether they opt to participate in the spending limits and partial public financing system.

(2) *Individual PAC contribution limits*: The individual PAC contribution limit would be lowered from $5,000 to $3,000.

(3) *Aggregate limit for parties:* A separate $2 million limit per two-year election cycle would be established for the national political parties and for each of the congressional party campaign committees.

Bundling

This provision would close the bundling loophole in current law by requiring that contributions bundled or otherwise arranged by a PAC or other intermediary would count toward the intermediary's contribution limit, as well as the original contributor's limit.

Independent expenditures

This provision would further define when an independent expenditure has been coordinated with a candidate's campaign and is therefore required to be treated as a contribution and subject to the contribution limits of the Act.

In addition, televised advertisements financed by independent expenditures would be required to continuously display throughout the length of the advertisement the name of the individual, political committee, or organization that paid for it. Direct mailings would also have to clearly disclose who paid for them.

Foreign role in campaigns

This proposal would close the loophole in current law whereby foreign nationals are barred from making campaign contributions to federal candidates but foreign and U.S. subsidiaries are allowed to establish PACs which can make such contributions.

Loans

This provision would prohibit a candidate, or the candidate's authorized committee from repaying loans in excess of $20,000 made by the candidate to his campaign.

Senatorial Election Campaign Act Spending Limits

Alabama	1,326,000
Alaska	687,750
Arizona	1,178,000
Arkansas	1,028,250
California	5,481,250
Colorado	1,191,750
Connecticut	1,204,500
Delaware	716,250
Florida	2,807,500
Georgia	1,679,500
Hawaii	791,000
Idaho	770,250
Illinois	2,709,000
Indiana	1,598,250
Iowa	1,127,750
Kansas	1,046,250
Kentucky	1,275,750
Louisiana	1,381,500
Maine	815,000
Maryland	1,423,750
Massachusetts	1,714,500
Michigan	2,251,250
Minnesota	1,363,500
Mississippi	1,056,000
Missouri	1,525,500
Montana	748,000
Nebraska	889,500
Nevada	779,000
New Hampshire	786,250
New Jersey	2,025,000
New Mexico	850,500
New York	3,953,500
North Carolina	1,766,500
North Dakota	722,000
Ohio	2,567,750
Oklahoma	1,194,250
Oregon	1,094,000
Pennsylvania	2,844,000
Rhode Island	785,750
South Carolina	1,206,250
South Dakota	725,500
Tennessee	1,482,750
Texas	3,493,000
Utah	857,750
Vermont	698,750
Virginia	1,665,500
Washington	1,407,250
West Virginia	955,000
Wisconsin	1,472,750
Wyoming	687,250

Mr. BOREN. Mr. President, let me state again the pride I have in joining with the distinguished majority leader in offering this legislation. This is not a partisan matter. This is an American problem about which we are talking. We are talking about the integrity of this institution. We are talking about the integrity of the election process. How long will we wait, Mr. President? How many millions and millions of dollars will it take the average candidate spending in order to get elected before we realize that something has gone badly wrong with the present way in which we finance campaigns in this country?

Mr. President, my hope is we will not wait another year. The 100th Congress must face up to its responsibility to the American people in this area.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CHILES. Mr. President, I am pleased to join in introducing this legislation which takes aim at a critical issue facing our structure of Government: The influence of money on our political system.

The message of the 1986 congressional elections is the overwhelming importance of money to the electoral process. It has become the first, second, and third consideration of any candidate. Left unchecked, our representative system of Government is in danger.

This proposal we introduce today goes further than what Senator BOREN brought before the Senate last August and further than what the Senate endorsed by a 69-to-30 vote.

Our intention and hope is that this bill will be the vehicle for a serious reconsideration of the election laws this year.

Let me say to my colleagues, by the nature of the beast within all of us as politicians, each of us has given a lot of thought to the relationship between campaigns, money, how you get it, and how it affects the way you do your job.

We have just completed an election cycle. The trends are continuing. We are spending more money on campaigns. The role of PAC's and the "special interest" money they represent is increasing.

We are 2 years away from the next election. The time is right, the time is now, to address the changes needed.

I sense a growing consensus among the Members of this body that the trend toward more money in campaigns and bigger, richer, and more PAC's needs to be reversed. Just how to meet that goal is where the consensus breaks down.

But let us not forget why controlling and limiting PAC's is important. Let us not forget why reducing the amount of money spent in campaigns is important. It is not only what we as Senators privately know about how PAC's and special interest money are changing the relationship between ourselves and the individual constitutents who vote us their trust; it is also what the public is increasingly beginning to believe. It is what the public is increasingly beginning to perceive us to be.

A large part of the American public thinks this Congress is the best money can buy. That "special interests" prevail over the "public interest." Congress is running the risk of becoming rotten in the public's eye.

Mr. President, when I was first elected to the Senate in 1970, I had just come from walking the State of Florida. Our country was changing its views on its involvement in Vietnam. I heard a lot from folks on their loss of confidence in their leaders.

Shortly after I came here the country went through the Watergate crisis. Again, many people lost confidence in their leaders. A dominant theme in my years in the Congress has been the growing loss of confidence in public officials.

The ability of our constitutional form of government to provide for the common defense, promote the general welfare, and secure the blessing of liberty depends on the people's confidence in their leaders and their public institutions. I believe the decreasing number of voters in our electoral process is a symptom of this continuing loss of confidence. Too many people believe that the "special interest" PAC's and money count more than their individual votes.

Any thoughts about partisan or incumbent advantages which result of changing present laws will disappear if this body continues to ignore the need to reverse the erosion of public confidence in Congress. We need to act.

I want to join Senator BOREN, Senator BYRD, and others in inviting my colleagues to cosponsor this legislation. The Senate needs to commit itself to reforming the laws controlling how we get elected. The influence of PAC's should be curtailed. The amount of money in campaigns should be limited. The public already finances much of the Presidential elections.

I believe the partial public financing of Senate elections, with the right thresholds and limitations, is the way to change.

There are improvements that can be made to the package of changes contained in this bill. And I think the Senate will make improvements as we debate this legislation. But it is an important start. Through the approach of partial public financing we can limit the amount of money going to campaigns; we can limit the influence of PAC's and special interest money; we can control independent expenditures; and we can overcome constitutional barriers to these controls.

I think the time is here to take this step in restoring public confidence in our electoral process.

Mr. KENNEDY. Mr. President, it is a privilege to join Senator BOREN, the majority leader Mr. BYRD, Senator CHILES, and others in sponsoring what I regard as the most important legislation of the 100th Congress—reform of campaign financing.

Make no mistake about it. The scandal over congressional campaign financing is even worse than the scandal over Iran. It is bad enough that political campaigns have become star wars contests waged on the tube instead of in person. It is even worse that candidates themselves spend most of their waking hours hat in hand and telephone in ear, begging fat cats for fat contributions—and selling access, influence and yes, even votes in return.

Mark Twain once said that we have the "finest Congress money can buy"—and it's a disgrace to everything our democracy stands for.

This legislation will change all that. It is no secret that I had reservations about the Boren bill in the past Congress. Although it was a step in the right direction it did not contain the most important reform of all, the reform most worth fighting for—public financing of congressional elections.

This bill remedies that defect brilliantly, by adopting essentially the same provisions for Senate elections that already apply to Presidential elections—full public financing.

Under the leadership of Senator Russell Long, Congress first enacted public financing of Presidential general elections in 1966. After a bitter fight in 1967, the effective date was indefinitely postponed. But in 1971, Congress finally agreed that public financing for Presidential general elections was needed and should begin in 1976—and it has worked effectively ever since.

In 1973, in the wake of Watergate, the focus of reform turned again to Congress. That year, the Finance Committee reported—and the full Senate approved—a comprehensive election reform bill that expanded public financing to include Presidential primaries, and that also took the historic step of providing public financing for general elections to the Senate and House of Representatives.

But we could not get our Senate measure through the House of Representatives. The House rejected the bill out of hand, and returned it to the Senate, where further action was blocked by a filibuster as the session ended. In 1974, public financing was adopted for Presidential primaries, but the momentum for congressional reform had temporarily run out—and stayed out for more than a decade.

The rest is history—of the worst sort—the explosive growth of PAC's, the soaring cost of campaigns, Congress on the auction block, special interest money swamping the public interest. In every election cycle, the scandal deepens. The entire Congress is up to its ears in special interest crocodiles. The time has come to drain the swamp—and DAVID BOREN is just the Senator to do it.

We all know the traditional arguments that will be made against the use of public funds for financing political campaigns. But public funds are already being used at the present time. They are being used in the wide range of special interest amendments, the lucrative tax loopholes tucked into the Internal Revenue Code, and all the other nefarious payoffs that plague our system of private financing.

Public financing of elections is the wisest tax money any taxpayer will ever spend. The cost of this bill—$50 million a year—is the best investment in clean government any citizen can make. When we finally have an effective system for public financing, we will restore the integrity of our elections and make candidates truly accountable to the voters instead of the special interests. That is the challenge before us.

Senator BOREN and Common Cause are making a historic contribution to our democracy by undertaking this effort now. No one underestimates the difficulty of the task ahead, or the resistance of those in powerful public and private places who will stop at nothing to preserve the stranglehold of the status quo.

But I hope, in the weeks to come, as the wisdom of this idea is recognized, it will gather irresistible bipartisan and veto-proof support, so that by the time the current session of Congress ends, this great and overdue reform will finally be enacted into law, and our system of democracy will again be worthy of its name.

BOREN-BYRD CAMPAIGN FINANCE BILL

Mr. BYRD. Mr. President, this is a momentous day in American history—the convening of the 100th Congress. The Nation can take great pride in the fact that the system of government designed by the Founders in Philadelphia will soon mark its 200th anniversary. Much has changed in our Nation—and the world—since the Constitution was ratified and the first Congress was elected, but the dynamics of Government, the representative role of the legislature, and the fundamental importance of the citizens selecting their representatives via popular elections has not changed. Elections in which U.S. Senators and Representatives are chosen are, if anything, even more vital today to the preservation of our democratic system of government.

The sad truth, however, is that what we see today is the undue influence of money and those who have it and contribute it to congressional candidates—or, much more frequently, but virtually as troublesome, the impression or perception of such undue influence—in campaigns for election to the Senate or House and in the actions of those who have won election in such campaigns.

Unlike any number of other critical problems that face this Nation, this is not one the recognition of which, or the prescriptions for solution of which, break generally along party lines. This is not, in my view, a problem which is a Democratic problem or a Republican problem. It is a problem which confronts every candidate for the Senate or House. It is a situation which has a detrimental effect on the body politic regardless of location or political persuasion or ideology.

Today we face serious challenges to the integrity of representative democracy and the electoral process. They are the high cost of running for Congress, the excessive time it takes to raise funds, and the dangers of undue influence gained by special interests that contribute large sums of money. This campaign spending explosion is undermining public confidence in Congress and creates a sense that politics is only open to the affluent.

In 1971, and again in 1974, the Congress responded to public outcries over the campaign finance mess by enacting a sweeping reform of Presidential campaign financing procedures. While part of that legislation was stricken by the courts, the remaining parts have corrected some of the worst abuses in Presidential elections. While the public finance and disclosure provisions of the amended Federal Election Campaign Act are not perfect, it is fair to say they have made this part of our democracy more honest, and have permitted candidates to focus more on the election and less on courting wealthy contributors.

I believe we can do no less for congressional elections. We must face the diminishing appeal of public service that I believe largely is the result of the time demands and twisting of conscience that result from what I have termed the "congressional money chase." We must face the dilemma of low voter turnout which all evidence indicates results largely from the perception that only the wealthy and powerful—especially major campaign contributors—control our actions here.

I am proud to join the senior Senator from Oklahoma today in introducing legislation to confront these problems head-on. The legislation establishes spending limits for Senate campaigns, which are tied to a system of partial public financing—applying to general elections. Also, building on the measure introduced last year by Senators BOREN and Goldwater, which passed this body in an overwhelming bipartisan vote, this bill incorporates provisions limiting the role political action committees, or PAC's, will play in our congressional election.

These changes are overdue, but, as has been noted by those wiser than I, we cannot recreate history. What is in our hands is the ability to affect the future. There is no time like the present.

What, exactly, is the role of money in congressional election campaigns? During the course of the past 10 years, there has been an explosion in the cost of congressional campaigns. In 1986 the average amount spent on Senate campaigns was about $3 million. Some Senate races cost well over $10 million apiece. Total receipts in Senate races from PAC's have nearly doubled since 1976.

Much attention has been focused on a handful of races in the recent past where unprecedented amounts of money were spent, but the costs in virtually all States have mushroomed. PAC spending has played a dramatic role in most cases. In the 1983-84 election cycle, PAC's alone contributed about $105 million to congressional candidates. While the data are incomplete for the 1986 campaigns, data for the first 18 months of the 2-year campaign cycle indicate that PAC contributions likely were fully one-third higher than in 1983-84. The number of registered PAC's has increased from 608 to 4,421 involved in the 1986 Federal election. Even more startling is the fact that the proportion of total campaign receipts coming from PAC's has risen from 12 percent in 1977-78 to over 26 percent in 1985-86. It is hard to speculate about where this spending explosion will end. What we know is that the expenditure of these funds, from these sources, in these amounts yields an increasingly distrustful and cynical electorate.

This increasing spiral of campaign spending does not apply exclusively to Democratic or Republican candidates; it applies to both parties. It does not matter who starts the spending race; once it has begun, all candidates must do their best to compete effectively in raising and spending campaign funds, or they likely will become losing candidates on election day.

Such a process makes wealthy contributors and special interests more influential and powerful and diverts Senators from important duties to hit the fundraising trail. For both incumbents and challengers, this means less time articulating and debating issues during campaigns.

We need to stop and think about the consequences for the Congress of our current campaign finance situation: First, the campaign never stops. The Founding Fathers established staggered terms of office with the intention of giving Senators a longer time perspective between elections. For much of our history, this meant that this Chamber was able to direct more of its energy to the job of legislating. However, we find that what once was only true of the House is now true of both Chambers: The campaign never stops. All responsible legislators are concerned with their constituents, work for the betterment of their States, and seek to build strong ties with leaders among their respective constituencies. This is not what I mean by "the constant campaign." What I am identifying is the need to begin raising funds 5 and 6 years before the next election, the retention of campaign professionals and media consultants—expensive consultants, usually—by Senators years before they next face election, and the elevation of image over substance. All of this takes money—greater and greater amounts of money—and time. To raise the money, Senators start hosting fundraisers years before they next will be in an election. They all too often become fundraisers first, and legislators second.

This is perverse, and we must not allow it to continue. The Senate should not be a place for part-time legislators and full-time fundraisers. The Senate should be and must become again a place where Senators devote their full attention to careful consideration of the Nation's most pressing problems, devising legislative solutions to those problems, and serving the needs of their constituents.

Yet, if the trend of excessive campaign spending is not stopped, we will find it even more difficult to conduct the essential work of this body.

It is becoming more and more widely known and accepted as truth that one cannot seek election to the U.S. House or Senate without the certainty of being able to raise millions of dollars to spend in a campaign. It also is well known that candidates often face a disturbing choice between mortgaging their own personal resources when the money supply gets tight or campaign demands exceed contributions or the projected campaign budget. This almost certainly already has resulted in otherwise well-qualified candidates choosing not to seek election. That is a trend I fear is growing, and may begin to grow even more rapidly if nothing is done to our financing system. It will be a tragedy if the entrance requirement for service in this great forum is not intelligence, integrity, ability, and public spiritedness, but rather the willingness and ability to play the deadly earnest game of fundraising, or personal wealth and the willingness to spend it or risk it in order to gain election.

And of vital importance, there is a growing sense among voters that "money talks," and is talking more and more loudly in Washington as time goes on. An esteemed elder statesman of the Republican Party, our former colleague Barry Goldwater, said it this way: "PAC money is destroying the election process. It is breaking down public confidence in free elections and it is ruining the character and quality of campaigns". What former Senator Goldwater said was directed specifically to PAC contributions, but his point applies also to the overall level of spending and to large contributions from other sources. What he was identifying was the strong sense, if not the reality, that campaign contributions result in undue and inequitable influence, pressure, and, yes, occasionally corruption. Already there are a growing number who believe that if Members must seek contributions from independent groups, they will be expected to place those interests above those of the general public and its well-being. Public confidence in our electoral process, our Congress, and its decisions is simply indispensable to maintenance of our democratic form of government but our system of campaign financing fast is eroding that confidence.

If elections no longer are perceived to be free and open, but rather up for sale—even if this is not the reality, then we risk losing democracy itself. Without public confidence we lose it all. With each election come new and newly disturbing reports of increasing numbers of voters who just sit it out—who stay at home and fail to vote. I assert that one big reason is that many of them believe that only those candidates with big bucks—or those who have close friends with big bucks—get elected. They cannot get themselves excited, or even concerned, about elections when they do not anticipate the election of anyone who would be motivated by concern for their point of view. This is a prescription for upheaval if we allow it to persist, much less to grow.

The bill that Senator Boren and I are introducing today—with the welcome cosponsorship of a number of other Senators—is an attempt to confront this situation directly and effectively—to return the ability to Senators to concentrate on legislating and serving their constituents; to remove the perception that the Congress and its decisions are influenced by the highest bidder; and to return to a situation where campaigns are run on a reasonable budget and do not become races to see who can spend the most money the fastest.

The bill sets limits on contributions to their campaigns by Senate candidates and their families, and requires that contributions from candidates be direct rather than in the form of loans to the candidate by the candidate.

The bill sets voluntary limits on campaign spending for Senate candidates in general election campaigns in all States, based on each State's population—at the reasonable level of $600,000 plus 25 cents per person of voting age.

In exchange for acceptance of these limits, the bill provides some significant incentives.

The most important, of course, is partial public financing of general election campaigns. A major party candidate who raises 20 percent of his or her State's spending limit in contributions.

Counting only that part of any individual's or PAC's contribution that is $250 or less—will receive a payment from the Federal Government equal to the other 80 percent of the States general election spending limit.

Another incentive is that only participating candidates—those who accept both the voluntary spending limits and public financing—would be eligible for preferential television advertising rates now assured by law to all candidates for the Senate.

If a participating candidates opponent breaches the State's spending ceiling, the participating candidate will receive the nonparticipant's public financing allocation as well. If the nonparticipant spends more than the combined total of those two amounts, the participating candidate can keep the public funds received to that point, and no longer will be subject to spending limits and so can seek, obtain, and spend private contributions under the other provisions of law.

If a participating candidate is the target of independent expenditures by an individual or group, the participating candidate can receive additional public financing equal to the amount by which the independent expenditures exceed $25,000.

The public campaign financing provided by the bill will be funded by doubling the amount of the existing Federal income tax checkoff—now limited to Presidential campaign financing—from $1 to $2 per return. This checkoff, completely voluntary, does not increase any taxpayer's tax. Instead, it offers each taxpayer the opportunity to directly indicate that he, she, or they wish the checkoff amount to be used to publicly fund Federal elections. This checkoff is expected to produce the anticipated $50 million a year our bill is expected to cost.

The bill incorporates several limits on PAC contributions and other campaign financing practices which were a part of the Boren-Goldwater PAC limitation bill passed overwhelmingly in the Senate last year, including:

An aggregate limit on the amount of funds any Senate candidate can accept from all PAC's, set according to a State's population.

A reduction in the amount any PAC may give to a candidate—from $5,000 to $3,000;

A provision closing the so-called bundling loophole by requiring that contributions bundled or otherwise arranged by a PAC or other intermediary would count toward the PAC or other intermediary's contribution limit.

The bill requires that any media advertisement directed toward a congressional campaign must contain a message stating who authorized and paid for the ad, and, in the case of every such television ad, must continuously display on the screen the name of the organization, PAC, or individual who paid for it.

The bill includes a new limit on the amount any political party entity could receive from all PAC's—set at $2 million per calendar year.

Current law prohibits campaign contributions to Federal candidates from foreign nationals—but a loophole permits the U.S. subsidiaries of foreign-owned companies to form PAC's to make such contributions. Our bill closes this loophole.

Finally, this bill, when enacted, will take effect on January 1, 1988, and will apply to the 1988 Senate elections.

It is my strong belief that the great majority of Senators—of both parties—know that the current system of campaign financing is damaging the Senate, hurts their ability to be the best Senator for this Nation and for the citizens of their respective States that they could be, strains their family life by consuming even more time than their official responsibilities demand, and destroys the democracy we all cherish by eroding public confidence in its integrity. If we do not face a problem of this magnitude and fix it, we have no one but ourselves to blame for the tragic results.

I have every confidence that the Senate has the will and has the intention to make the needed changes. I base my confidence on the overwhelming vote last year by which we passed the Boren-Goldwater provisions as amended. I base it on my conversations with Senators of both parties who are worried, consumed, and offended by the current system of campaign financing and tell me they want to do something about it. And I base it on my reading of poll after poll of the American people—all showing that Americans want a change to campaigns that spend reasonable amounts of money rather than the incredible sums being spent in more and more races every 2 years.

It is my belief that the problem is beyond dispute. It is my belief that the time for change is now. And it is my belief that the Senate can pass, and I hope will pass, such a bill this year.

I hope that the bill that has been introduced by Senator Boren and me today will prove to be a sturdy starting point in this effort. I offer my highest commendation to the senior Senator from Oklahoma, who has been a tireless leader in the field of campaign finance reform, and who has chaired a Democratic conference working group on campaign finance reform that I appointed several months ago. I compliment him on his efforts to devise this legislation.

I intend to work vigorously, with him and with the other Senators who today have cosponsored this bill, to secure additional support. I believe that many other Members of both parties will join with us, and I pledge to work on this issue in an absolutely nonpartisan, bipartisan way—a pledge I fully believe every other cosponsor will make with me today.

I shall be working closely with the distinguished chairman of the Rules Committee, Mr. Ford, and the distinguished ranking member, Mr. Hatfield, to arrange for thorough but expeditious consideration and action by their committee, on which I am proud to serve as a member. I shall depend on their broad and deep knowledge of these issues, and I solicit their assistance.

Now is the time, Mr. President, and this is the issue. I deeply, fervently hope that when the first session of the landmark 100th Congress comes to a close later this year, we can look back with pride to the enactment of an historic campaign finance reform bill that benefits this great institution, and, instills greater faith in the American people toward this institution in this 200th year of our Constitution. Ours is an unparalleled democratic form of government, a representative democracy, a government of the people, by the people, and for the people. We can do it. We must do it.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, I have some unanimous-consent requests that I wish to propound and I have some additional resolutions that I wish to discuss with the distinguished Republican leader.

Following that, the Senate will go out for the day.

NONLEGISLATIVE PERIODS, CALENDAR YEAR 1987

Mr. BYRD. Mr. President, while I am awaiting the arrival of the distinguished Republican leader, I wish to state for the Record the nonlegislative periods during the calendar year 1987.

The Senate will not be in session on Wednesday, January 7; Thursday, January 8; and Friday, January 9. The Senate will reconvene on next Monday, January 12.

The Senate will not be in session on Monday, January 19.

In February, the Senate will not be in session on Monday, February 9; Tuesday, February 10; Wednesday, February 11; Thursday, February 12; and Friday, February 13. The Senate will reconvene on Monday, February 16.

The Senate will not be in session on Monday, April 13; Tuesday, April 14; Wednesday, April 15; Thursday, April 16; Friday, April 17; and Monday, April 20. The Senate will reconvene on Tuesday, April 21.

In May, the Senate will not be in session on Friday, May 22; Monday, May

25; and Tuesday, May 26. The Senate will reconvene on Wednesday, May 27.

In July, the Senate will not be in session on Thursday, July 2; Friday, July 3; and Monday, July 6. The Senate will reconvene on Tuesday, July 7.

The August recess, pursuant to law, section 198, title II U.S. Code, will begin on Saturday, August 8; in other words, at the close of business on Friday, August 7. That means close of business on Friday. So the recess will actually begin on Saturday, August 8. The Senate will reconvene on Wednesday, September 9.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that with respect to the several statements that I have made during the day, I may be permitted to revise and extend my remarks where those statements were not made in their entirety.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESOLUTION DESIGNATING ROBERT B. DOVE AS PARLIAMENTARIAN EMERITUS

Mr. DOLE. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A Senate resolution (S. Res. 32) designating Robert B. Dove as a Parliamentarian Emeritus.

The PRESIDING OFFICER. The question is on the adoption of the resolution.

The resolution was adopted, as follows:

S. RES. 32

Resolved, That Robert B. Dove be, and he is hereby, designated as a Parliamentarian Emeritus of the United States Senate.

Mr. DOLE. Mr. President, I thank the distinguished majority leader for his cooperation.

Mr. BYRD. I thank the distinguished Republican leader.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I have several unanimous-consent requests. I believe the distinguished Republican leader has copies of the requests. I shall take them in the order in which they appear, numbered 1 through 11.

AUTHORIZATION FOR ETHICS COMMITTEE TO MEET DURING THE SESSION OF THE SENATE

Mr. BYRD. Mr. President, I ask unanimous consent that for the duration of the 100th Congress, the Ethics Committee be authorized to meet during the session of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR SENATORS TO PRESENT BILLS AT THE DESK

Mr. BYRD. Mr. President, I ask unanimous consent that during the 100th Congress, Senators may be allowed to bring to the desk bills, joint resolutions, concurrent resolutions, and simple resolutions, for referral to appropriate committees.

The PRESIDING OFFICER. Without objection, it is so ordered.

DURATION OF ROLLCALL VOTES

Mr. BYRD. Mr. President, I ask unanimous consent that for the duration of the 100th Congress, there be a limitation of 15 minutes each upon any rollcall vote, with the warning signal to be sounded at the midway point, beginning at the last 7½ minutes, and when rollcall votes are of 10 minute duration, the warning signal be sounded at the beginning of the last 7½ minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR SECRETARY OF THE SENATE TO RECEIVE REPORTS AT THE DESK

Mr. BYRD. Mr. President, I ask unanimous consent that during the 100th Congress, it be in order for the Secretary of the Senate to receive reports at the desk when presented by a Senator at any time during the day of the session of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME ALLOTTED TO THE MAJORITY AND MINORITY LEADERS

Mr. BYRD. Mr. President, I ask unanimous consent that the majority and minority leaders may daily have up to 10 minutes each on each calendar day following the prayer and the disposition of the reading of, or the approval of, the Journal.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR PARLIAMENTARIAN OF THE HOUSE OF REPRESENTATIVES AND THREE ASSISTANTS TO HAVE THE PRIVILEGE OF THE SENATE FLOOR

Mr. BYRD. Mr. President, I ask unanimous consent that the Parliamentarian of the House of Representatives and his three assistants be given the privilege of the floor during the 100th Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRINTING OF CONFERENCE REPORTS AND STATEMENTS

Mr. BYRD. Mr. President, I ask unanimous consent that, notwithstanding the provisions of rule XXVIII, conference reports and statements accompanying them not be printed as Senate reports when such conference reports and statements have been printed as a House report, unless specific request is made in the Senate in each instance to have such a report printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEE ON APPROPRIATIONS TO FILE CERTAIN DOCUMENTS DURING RECESSES OF THE SENATE

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Appropriations be authorized during the 100th Congress to file reports during recesses of the Senate on appropriation bills, including joint resolutions, together with any accompanying notices of motions to suspend rule XVI, pursuant to rule V, for the purpose of offering certain amendments to such bills or joint resolutions, which proposed amendments shall be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR SECRETARY OF THE SENATE TO MAKE TECHNICAL AND CLERICAL CORRECTIONS

Mr. BYRD. Mr. President, I ask unanimous consent that, for the duration of the 100th Congress, the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossments of all Senate-passed bills and resolutions, Senate amendments to House bills and resolutions, Senate amendments to House amendments to Senate bills and resolutions, and Senate amendments to House amendments to Senate amendments to House bills or resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

PAYMENT OF SEVERENCE PAY TO CERTAIN DISPLACED SENATE COMMITTEE EMPLOYEES

Mr. BYRD. Mr. President, on behalf of myself, Mr. DOLE, Mr. FORD, and Mr. STEVENS, I submit a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 33) to provide for the payment of severance pay to certain displaced Senate committee employees and to authorize payment for accumulated leave to certain terminated employees in offices of

Senators who have ceased to serve as Members of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

S. Res. 33

Resolved, That (a) for purposes of this resolution:

(1) The term "committee" means a standing, select, joint, special committee, or commission of the Senate, whose funds are disbursed by the Secretary of the Senate.

(2) Except as otherwise specifically provided in this resolution, the terms "committee chairman" and "ranking minority member" mean the chairman and ranking minority member of a committee as of the beginning of the One Hundredth Congress.

(3) The term "eligible staff member" means an individual who—

(A) was a member of a staff of a committee, or subcommittee thereof on January 2, 1987, and

(B) during the calendar year 1986, was an employee of the Senate for at least one hundred and eighty-three days (whether or not his service was continuous).

(4) The term "displaced staff member" means an eligible staff member whose service as an employee of the Senate is terminated on or after January 2, 1987, solely and directly as a result of the reorganization of the staff of a committee caused by the transition to a Senate in which a majority of Senators are members of the Democratic Party, and who is certified as a displaced staff member by the committee chairman and ranking minority member of such committee.

(b)(1) The committee chairman and ranking minority member of each committee shall certify to the Committee on Rules and Administration the name of each displaced staff member of such committee before the later of—

(A) January 16, 1987, or

(B) the tenth day after the date on which the displaced staff member's service is terminated.

(2) A certification under this subsection shall be made no later than February 28, 1987.

(c) Under regulations prescribed by the Committee on Rules and Administration, and subject to the succeeding provisions of this resolution, each displaced staff member shall be entitled, upon application to the Secretary of the Senate and approval by the Committee on Rules and Administration, to be paid severance pay in one lump-sum payment in an amount equal to one month's basic pay.

(d) Severance pay under this resolution shall be paid from any available funds in the appropriation account entitled "Miscellaneous Items" within the contingent fund of the Senate.

(e) In the event of the death of a displaced staff member, any unpaid severance pay to which the displaced staff member is entitled shall be paid to the widow or widower or the displaced staff member or, if there is no widow or widower of such deceased displaced staff member, to the heirs at law or next of kin of such deceased displaced staff member.

(f) Severance pay paid under this resolution shall not be treated as compensation for purposes of any provision of title 5, United States Code, or of any other law relating to benefits accruing from employment by the United States, and the period of entitlement to such pay shall not be treated as a period of employment for purposes of any provision or law.

(g) For purposes of this resolution, the Office of the Secretary of the Senate and the Office of the Sergeant at Arms and Doorkeeper of the Senate, with respect to funds appropriated under the heading, "Salaries, Officers, and Employees", shall be considered a committee.

(h) For purposes of the preceding provisions of this resolution, the term "displaced staff member" also includes an eligible staff member (as defined in subsection (a)(3)) whose service as an employee of the Senate is terminated on or after January 2, 1987, as a result of reorganizations (or consolidations) of committees of the Senate or of the cessation of service by a Senator who on November 4, 1986, was serving as chairman or ranking minority member of a committee or a subcommittee thereof, and who is certified as a displaced staff member by the committee chairman and ranking minority member of such committee.

(i)(1) Subject to the succeeding provisions of this resolution, whenever the service of an individual who is an employee in a Senator's office or in the President pro tempore of the Senate's office is terminated because the Senator's service as a Member of the Senate ceases or the President pro tempore's service ceases (as the case may be), such individual shall be entitled to be paid in a lump sum for such accumulated leave, not in excess of thirty days, as the Senator in whose office he was employed shall certify to the Secretary of Senate to be due to such individual, or (in the case of an individual who is an employee in the President pro tempore's office) as the President pro tempore shall certify to the Secretary of the Senate to be due to such individual.

(2) No employee shall be entitled to a lump-sum payment under this subsection unless—

(A) he was an employee in a Senator's office or in the President pro tempore's office on or after November 1, 1986,

(B) his position in such office was terminated after such date and prior to January 6, 1987, and

(C) he was an employee of the Senate for at least one hundred and eighty-three days during calendar year 1986 (whether or not such service was continuous).

(3) The provisions of this subsection shall not apply to any individual who, at the time his service was terminated, was an employee in the office of a Senator who was appointed to fill an unexpired term.

(4) The amount payable to any individual under this subsection shall be paid from any available funds in the appropriation account entitled "Miscellaneous Items" within the contingent fund of the Senate.

(j) The amount of any payment to which an individual is entitled under this resolution shall be reduced (but not below zero) by an amount equal to the product of—

(1) the daily rate of basic pay of the individual on which such payment is based, multiplied by

(2) the number of days on which the individual is employed by the United States Government or the District of Columbia during the period beginning on the date of separation from service with respect to which the payment is being made and ending on the last day of the period for which the payment is being computed.

(k) Any payment under this resolution shall be made on the basis of the rate of basic pay of the individual on which such payment is based as of—

(1) November 1, 1986, or

(2) if such individual was not employed by the Senate on such date, on the first day preceding such date on which such individual was employed by the Senate.

(l)(1) Any application for a payment under this resolution shall be made before April 30, 1987.

(2) In the case of an employee of the Office of the Secretary of the Senate or of the Office of the Sergeant at Arms and Doorkeeper of the Senate who is separated from employment (and certified) after February 28, 1987, and before August 1, 1987, any application under this resolution shall be made before September 12, 1987.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was adopted.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE ASSISTANCE FOR SENATORS

Mr. BYRD. Mr. President, on behalf of myself, Mr. Dole, Mr. Ford, and Mr. Stevens, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 34) relating to legislative assistance for Senators.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That subsection (b) of section 111 of the Legislative Branch Appropriation Act, 1978 (P.L. 95-94) shall not be effective during the 100th Congress.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REAPPOINTMENT OF MICHAEL DAVIDSON AS SENATE LEGAL COUNSEL

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 95-521, reappoints Michael Davidson as Senate legal counsel, effective January 3, 1987, for a term to expire at the end of the 101st Congress.

REAPPOINTMENT OF MICHAEL DAVIDSON AS SENATE LEGAL COUNSEL

Mr. BYRD. Mr. President, on behalf of myself, and Mr. Dole, I send a resolution to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 35) relating to the reappointment of Michael Davidson as Senate Legal Counsel.

The **PRESIDING OFFICER**. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That the reappointment of Michael Davidson to be Senate Legal Counsel made by the President pro tempore of the Senate this day is effective as of January 3, 1987, and the term of service of the appointee shall expire at the end of the One Hundredth First Congress.

Mr. **BYRD**. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. **DOLE**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GRAMM-RUDMAN HAS FAILED; TIME TO MOVE TO PAY AS YOU GO

Mr. **PROXMIRE**. Mr. President, the administration claims that it has hit the $108 billion deficit bull's-eye with the 1988 budget proposal it has sent to the Congress. Distinguished Members of Congress hotly reject what the administration has done as blue smoke and mirrors. Why do Members of the Congress disagree with the administration? Congressional experts say the administration has savagely cut welfare programs, housing programs, education programs, nutrition programs. They charge that the administration reduced the deficit in part by proposing to sell valuable revenue-producing assets. The administration denied these charges. It claims it has acted responsibly to meet the requirements of the Gramm-Rudman law the Congress itself enacted. Some congressional leaders call for a tax increase. Some simply ask that Congress raise the Gramm-Rudman Federal deficit target of $108 billion for 1988 to something like $135 billion.

So who's right? Answer: they're both wrong, very wrong. Mr. President, a dispassionate observer would conclude that neither the Office of Management and Budget nor the complaining Members of Congress understood that this is not the first session of Congress of the United States. It is the 100th. Both OMB and congressional leaders seemed to have ignored history. They have learned nothing from it. Not even recent history. What would the administration and the Congress learn if they considered historical experience? They would learn that all administrations of both parties and all Congresses consistently and grossly underestimate deficits. But haven't those errors diminished in recent years with our supercomputer technology and our highs paid and intensely trained and expert staffs? No way. Consider the sorry record.

In the last 10 years, both the administration's highly respected OMB and Congress' equally esteemed CBO have consistently underestimated the upcoming deficit. Year after year, virtually without exception, it is the same story. These experts grossly overestimate revenues. They massively underestimate Federal spending. They end up with errors that are so grotesque they would be funny, if the consequences of these errors weren't so sad for our economy.

But hasn't the Gramm-Rudman Deficit Reduction Act made a difference? Has it? We have had a full year to test Gramm-Rudman. In the fiscal year that began on October 1, 1985, and ended on September 30, 1986, Gramm-Rudman was in full effect, sequestration and all. The administration came in with a budget that was hailed as taking the first big step toward deficit reduction. What happened? In the previous fiscal year 1985 the deficit had come in at about $210 billion. With Gramm-Rudman in effect, said OMB, we'll hammer that deficit down to $172 billion, right on target. And what was the reaction of the Congress? Congressional leaders said, sure you will; but Gramm-Rudman, they contended, made it easy. After all, $172 billion represented in their view an "easy" first year mark. So what happened? Did the deficit come in with the harsh discipline of Gramm-Rudman under $172 billion? No. At $172 billion? No. Did it come in even a dollar below the 1985 deficit level? No. What happened? In spite of all the so-called tough discipline of Gramm-Rudman, the deficit did not decrease at all. It increased. It broke all records for all time. It actually came in at $221 billion. How did this happen? What happened to the automatic sequestration that was supposed to require a proportionate cut in all nonexempt spending to force the deficit down to the target level? How could the "experts" miss by an astounding $50 billion? The answer is simple. As usual, the experts sharply overestimated the growth of the economy and therefore the revenues. They greatly underestimated Federal spending. Result: the Gramm-Rudman Deficit Reduction Act in its first year missed the target by $50 billion. It gave us a fat increase in the deficit. In fact, it presented the country with far and away its biggest deficit in history. Some deficit reduction act.

So is there any reason why Congress or the country should take the OMB seriously when they report to the Congress and the country that the President is recommending a budget that will be in deficit by $108 billion in 1988? Does any informed person in America believe Congress will do this? To do it means we reduce the Federal deficit by more than $100 billion over the next 2 years? Will we? Ha, ha, ha—and I might add ho, ho, ho. We won't. We are deceiving ourselves. We are deceiving the American people by pretending that we will.

Mr. President, there is one way and only one way to be sure we reduce the deficit. It is simple. It is effective. We simply refuse to raise the debt limit. Here's what we say. We say there will be no spending that is not paid for by a tax. None. We start now, this month. Not for 1988 spending but 1987 spending. We either cut spending—that's my preference—including spending we have already authorized and for which we have made appropriations, or, failing that, we raise taxes, at once. We can raise taxes by a prompt hike in everyone's withholding taxes.

If we don't do this, we are temporizing. We are kidding ourselves. We now know from our first-year experience that Gramm-Rudman does not work. What will work? No increase in the debt ceiling. No more borrowing. If we mean business, we'll do it.

EVEN DOT QUESTIONS THE EFFECT OF AIRLINE DEREGULATION

Mr. **PRESSLER**. Mr. President, the airline industry in the United States has been deregulated for over 8 years. While many herald the benefits of the unfettered competition the industry is currently enjoying, there are many of us who have been and remain concerned about the effect of deregulation on many of this Nation's air travelers.

I opposed airline deregulation when this legislation passed the Senate back in 1978. My concern was that service would be reduced and fares would increase in less populous, rural areas, like those in my home State of South Dakota. As I predicted, this has come to pass. It now costs more to fly 300 miles between South Dakota's two major cities than it does to fly 3,000 miles across the Nation. Service reductions at many of the smaller airports have also made air travel much less convenient for many rural residents.

The current wave of airline mergers, and the buying and selling of operating slots, will only serve to exacerbate these problems. A situation where only a handful of megacarriers control the industry could easily mean higher ticket prices. In addition, the outrageous prices of operating slots at several major airports will force carriers to focus their resources on the lucrative markets between major cities at the expense of service to less populated areas.

In the midst of these growing problems it is heartening to know that I am not alone in my concern. In the November 6, 1986, edition of Travel Management Daily, edited and published by my good friend, Martin Deutsch, several DOT officials voiced their concern that perhaps the Department has not controlled the deregulatory process as well as it should have. These officials questioned whether DOT's recent merger approvals and the buy-sell rule were truly in the best interest of consumers. I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks. I hope that in the future the Department of Transportation will pay closer attention to the effect of deregulation before, rather than after, it makes its decisions.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AIRLINE DEREGULATION

Less than two years after CAB sunset, there is a growing undercurrent of concern among certain Transportation Dept. officials that their agency many have "botched" deregulation. In private interviews with tm, several officials confided that the current move toward oligopoly—in which a few airlines will dominate the industry, perhaps driving fares higher—has been aided by an agency that has either failed to act or has taken the wrong action. "The consumer was supposed to be the main benefactor with deregulation, but it isn't turning out that way," one official said. "In fact, where we're heading now is precisely where we were before: large airline interests helped by the government." Sources said there is some feeling at DOT that the agency failed in its handling of three major issues: computer reservations systems, the buying and selling of slots at congested airports and mergers. "We should have made an investigation into the CRS system, a real investigation, and then divested it from the major vendors," the official said. "That, combined with the buy-sell slot rule and all these mergers, has really given power to a few." The buy-sell rule, according to another official, "all but killed" new entry. "Everyone was in the buying mode, not in the selling mode, which drove prices way up," he said. "Pan Am paid close to $1 million to Texas Air for each slot; what new entrant can afford that?" Certain officials also fear early justifications for approving mergers may have been off-base. "After we approved United's purchase of Pan Am's Pacific Division, we felt somewhat obligated to approve other things," another official remarked, "and with that justification we allowed Northwest to buy its major competitor. Was that right?" The bottom line, he said, continues to be new entry. "Who in their right mind would start an airline now?" he asked. "Where would you put it?"

Starting November 15, PEOPLExpress Airlines' frequent flyers program will be merged with those of Eastern Airlines, Continental Airlines and New York Air, permitting members to earn mileage credit and claim awards on all four carriers.

Now that the Democrats have won control of the Senate, Democratic senators will meet in December to choose new committee and subcommittee chairmen. The outcome is unclear, but based on Senate rules and seniority, it appears that the airline industry may have a tough time ahead in Washington. Chances are that the new chairman of the Senate aviation subcommittee will be Sen. James Exon (D-Neb.), a staunch critic of deregulation who has charged that it has made the skies less safe and caused airlines to abandon many small communities in recent years. A member of Exon's staff told tm the senator will vigorously scrutinize the actions of the Federal Aviation Administration and the airlines. But others disagree, saying that Exon has not shown much interest in the aviation industry and that he will not be as aggresive as his House counterpart, Rep. Norman Mineta (D-Calif.). On the transportation appropriations subcommittee, which oversees the funding of the Dept. of Transportation, the FAA, Amtrak and airports, Sen. Frank Lautenberg (D-N.J.) will be the likely successor to Sen. Mark Andrews (D-N.D.), who lost re-election. Lautenberg has consistently criticized the FAA for not working harder to hire new air traffic controllers and last year he attempted to add language to a Senate spending bill that would allow the rehiring of contollers fired in 1981. He later supported a bipartisan bill to make the Dept. of Justice, not DOT, responsible for approving airline mergers. Both the Senate commerce appropriations subcommittee, which provides funding for the U.S. Travel and Tourism Administration, and the Senate tourism subcommittee could become the prizes of Sen. Daniel Inouye (D-Haw.) if he chooses. Another Democratic senator from Hawaii, Spark Matsunaga, who unsuccessfully pushed for a 100% deduction for business meals and entertainment, would take the number two spot on the Senate Finance Committee. Sen. Dale Bumpers (D-Ark.), who supports preservation of national parks, is in line to be chairman of the public lands subcommittee.

The 195-room Best Western Hotel at New Orleans Airport has become a Ramada Inn.

WHY DOES THE DEFENSE DEPARTMENT OVERLOOK WISCONSIN'S RESEARCH EXCELLENCE?

Mr. PROXMIRE. Mr. President, which State university in the United States spent more money on research in 1985—the latest year for which we have figures—than any other State university? Was it a California university or a New York university or a Texas university, or maybe, considering it was research, a Massachusetts university? No. None of the above. It was the University of Wisconsin at Madison, which devoted a huge $208.4 million to research in 1985.

The Midwest really stars in research. Second to Wisconsin, of all the State universities in the country, was the University of Minnesota. The University of Wisconsin spent about 20 percent more than Minnesota. But Minnesota came in a proud second. Fourth was Michigan University.

Now, Mr. President, here is another indication of the immense economic potential of the Midwest and particularly of Wisconsin. It is well known that New England, and especially Massachusetts, has enjoyed an enormous economic resurgence in recent years because of that region's excellence in high technology, driven by intense research at some of the Nation's most eminent educational institutions. But why not Wisconsin and the rest of the Midwest?

Here is another indication of how grievously the Defense Department, which depends so heavily on technological excellence, is overlooking Wisconsin and the Midwest. It is true that the Pentagon recognizes and has procured the fastest computer in the world—the Cray computer which is designed and produced at Chippewa Falls, WI, and Rice Lake, WI. But there has been too little understanding in Washington that our great Midwestern State universities and especially the University of Wisconsin have developed extraordinary competence in research. Think of it. For years, our State has been at the top, number one in technological research, and at the very bottom—that is, 50th of 50 States—in the proportion of defense contracts on a per capita basis. Now, you figure that one out!

THE BEST WAY TO PREVENT NUCLEAR WAR

Mr. PROXMIRE. Mr. President, the greatest unanimity of opinion on any major issue in the world today is this proposition: The great powers in the world would develop policies that would give mankind the best chance to prevent the catastrophe of a nuclear war. The only question is, How do we do it? To date, we have relied not primarily on arms control, but on a military buildup. And why not? Don't we in the free world have the big advantages? Think of it. On our side, we have the world's most advanced and productive economy. We have the world's most advanced and successful military technology. We have an alliance that is far ahead of the rival alliance both economically and technologically. We have a much greater capacity to build a vastly superior military force so that the adversary will not attack, and if it does attack, it will be defeated. Is that enough?

Before the nuclear age, the military advantages made realistic and solid common sense. Now we know that a nuclear war can never be won and must never be fought. So the nuclear age has brought us an entirely different situation. We are relying on a military strength that does, indeed, constitute part, and a critical part, of how we can best prevent nuclear war. But it is not enough. It is a military strength we can never use without insuring a devastation not only for our adversary but for ourselves. No matter how massive our advantage might become over the Soviet Union, we know the Soviets will always have the nuclear capability to retaliate against the United States with an absolutely devastating nuclear attack or counterattack.

Consider the experience of recent history. We were 6 or 7 years ahead of the Soviet Union in developing the atomic bomb. But they developed their atomic bomb, too. We were 6 years ahead in developing the hydrogen bomb. But they begged, bought, borrowed and stole that, too. We were 5 or 6 years ahead in developing the multiindependently targeted re-entry MIRV'd missiles that carried a number of warheads that could be fired at different targets while in full flight but the Soviets developed those too. And so the nuclear arms race has gone. We lead. They follow. And quickly. Today, the two superpowers face each other armed with the ridiculous redundancy of 25,000 nuclear warheads each. Ten thousand of these nukes on each side are strategic intercontinental warheads. Fifteen thousand are tactical. Just 100 of the strategic warheads from each superpower that reached the adversary's cities would wipe out the adversary as an organized society, according to the National Academy of Science.

So the two superpowers and their respective alliances have reached a position of effective deadlock. If we can stabilize that deadlock, it could preserve superpower peace for many years to come. It has done just that for the past 40 years. This is nuclear deterrence. It is called by friends and foes alike mutually assured destruction of MAD. It is security based on the most basic and universal of human emotions—fear. It has one great advantage. It has worked. It works now. It will continue to work in the future, with one proviso.

Here is where arms control comes in. The nuclear arms race continues, as it has since 1945. So why do we need arms control? We need arms control to stabilize the deadlock that now prevents nuclear war. Without arms control, the technological arms race in labs in America and Russia and elsewhere will bring on even more devastating, smaller, cheaper nuclear weapons. Without arms control, those weapons will, as time goes on, find their way into the arsenal of scores of nations. Some time, some leader, somewhere, maybe in Central America, maybe in the Middle East, maybe in the Far East or southern Africa will use nuclear weapons. The other side will retaliate. That is one scenario. Here is another. Without arms control, somewhere, sometime, somewhere by sheer accident, a computer is much more likely to give off a false or misunderstood signal, "the attack is on." Retaliate or perish. It would be easy to dream up a score of other scenarios.

So what are the two great alternatives that face us? Alternative one is to forget arms control and rely on our great potential military advantages to "win" the arms race. Alternative two is to do three things: first, we negotiate a mutual, verifiable treaty to end nuclear weapons testing and in the process end the technological nuclear arms race. Second, we negotiate treaties to channel the offensive missiles of both superpowers into the least vulnerable, most stable mode—for example into mobile land, sea and air based deployment with single warhead missiles. Third, we abide by the Anti-Ballistic Missile Arms Control Treaty, which means ending the fabulously expensive and destabilizing star wars defense. That defense guarantees a continued all-out offensive nuclear weapons buildup by the other side to preserve its deterrent credibility.

In a world of nuclear weapons, there is no absolutely sure guarantee of safety. But a combination of arms control that ends the technological nuclear arms race being conducted in the world's great nuclear bomb laboratories, arms control that encourages a stable, virtually invulnerable nuclear deterrent and arms control that ends the star wars gambit, offers the most reasonable chance of continued human existence on this planet.

HOLLINGS INTERVIEWS ON THE IRAN-CONTRA AFFAIR

Mr. HOLLINGS. Mr. President, I wish to take this opportunity to set the record straight concerning a misunderstanding that occurred while the Senate stood in recess. I refer to a statement in early December by the then-chairman of the Intelligence Committee, Senator DURENBERGER, to the effect that I should resign from the committee because I had allegedly commented publicly on secret committee testimony.

On December 3, I appeared on the "Today" show, on national public radio, and before a press conference in the Capitol. On each occasion, I urged President Reagan to come forward with the full story about his involvement in the Iran-Contra affair. I made it scrupulously, even pedantically, clear that my opinions were based not on committee testimony but rather on common sense and elementary deduction. Indeed, at the time of my statements to the media, and to this day, I have never met Lieutenant Colonel North and no one has, of course, heard him testify on this matter.

In my Capitol press conference, I reiterated for emphasis more than 10 times that I was speaking not as a member of the Intelligence Committee but strictly as a Senator from South Carolina. Regrettably, this repeated caveat was not reported in the news accounts of my statements. As a result, Senator DURENBERGER, Senator THURMOND, newspaper columnist William F. Buckley, and others made misinformed criticisms of my remarks.

I specifically demanded from Senator DURENBERGER an explanation for his statement that I should resign from the Intelligence Committee for allegedly violating committee rules. He responded that he had made the comment in response to a hypothetical question from a reporter. Likewise, Mr. Buckley has communicated to me his dismay that news reports of my comments failed to make clear that those comments were not based on Intelligence Committee testimony.

Mr. President, to provide full documentation of this unfortunate misunderstanding, I ask unanimous consent that there be printed in the RECORD at the conclusion of my remarks the following documents:

First. Transcripts of my interviews with the media;

Second. My correspondence with Mr. Buckley, as well as his December 9 column from the New York Daily News;

Third. My own op-ed column from the December 14 New York Times;

Fourth. Senator THURMOND's December 5 press release regarding my statements, plus my responding press release of the same date; and

Fifth. Editorials from the "U.S. News & World Report."

Mr. President, in conclusion, let me observe that I began intelligence work as a member of the Hoover Commission task force investigating the CIA and all other intelligence agencies of the Federal Government in 1953 and 1954. Over the intervening 33 years, it has been my policy to strictly comply with the requirements of confidentiality, trust and secrecy. Indeed, during my 2 years on the Intelligence Committee, I have been one of the few Senators who steadfastly refuse to talk to the press about any committee proceedings—either immediately after committee hearings or at any other time.

This same policy will apply with equal force in the future: One, I will continue to speak my mind freely and frankly as a Senator from South Carolina. Two, I will never breach or in any manner compromise the secrets of the Intelligence Committee. As this incident has taught us, there is nothing mutually exclusive about these twin commitments.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Transcript: Wednesday, Dec. 3, 1986]

NBC TODAY

A little bit of snow in extreme northeastern Minnesota before the day is over.

Not bad, but some fog down here in the Mid-Atlantic States and the Southeast, and again some scattered showers. Some flash flood watches out for northern New Jersey and parts of southeastern New York. Not because of more rain today, but the rain that we've had, the run-off water. The streams are still rising.

Cooler air will be moving down to the Southeastern States. Florida will escape most of it. It's been 80 and 81—I mean 82 and 89 degrees. It'll be 79 in Miami today and a chance of scattered thundershowers. The West is best. We've not ignored the West, but most weather conditions in the Western States are so sensational, they're just good weather stories.

We don't even mention those because we have the problems in the East except another arctic blast invading the extreme Northern Plains and upper Mississippi. Temperature in Denver right now about 20, I believe, degrees. Here's what's happening in your world this morning.

(Local weather forecast)

Scott. John Connolly of Idaho Falls, Idaho is 100 years old today. Happy birthday.

7:09. Here's Jane.

HIT: 7:09:42

Jane Pauley. Thank you, Willard. On Close-Up this morning, Congress looks for answers in the Iran-contra connection. President Reagan has directed his staff to co-operate fully with Congressional committees, but what questions will Congress be asking?

Joining us now from our Washington newsroom are South Carolina Democrat Ernest Hollings, a member of the Senate Select Intelligence Committee, and Illinois Republican Representative Bob Michel, House Majority Leader. Gentlemen, good morning to you. Congressman Michel, you yesterday said that you were persuaded by the President that he was telling the truth. What convinced you that he was?

Congressman Robert Michel. Well, when I look at my president eyeball to eyeball and he tells us flat-out in answer to questions that this is what he knows and this is what he doesn't know or didn't know, wasn't advised of, well, I've got to take him certainly at his word, and I believe him.

Pauley. Senator Hollings, what about you?

Senator Ernest Hollings. I really think, and I say this in a bi-partisan fashion 'cause we're really interested in the institution of the presidency, we're interested in President Reagan. He restored the presidency in this country. The people trust him. I trust him. And I think now's the time for President Reagan to appoint himself to level with the American people.

This charade of all of this going on without any authority has just got to be satisfied, and the President has got to turn it around rather than win one for the Gipper. The Gipper's got to win one for the team and the country and say, "Look, they acted with my authority. I take the responsibility," and cut out all of this investigation. We'll have investigations going on around here for six months and get nowhere.

Pauley. You trust him, and yet you don't think he's telling the truth so far?

Senator Hollings. I don't think he's told the complete picture. No, I think he definitely knew from Poindexter and North what was going on. He approved the policy in January. He made a finding at that time on the Iranian sale, and all the cabinet members knew about it. They argued about it, but they approved it.

And the diversion of funds to the contras, he looked upon that in a sort of poetic justice fashion. He said, "Look, I'm screwing the Iranians on the amount of money and pleasing the Israelis on their policy. I'm freeing hostages, and I'm funding the contras." He thought it was a pretty good policy.

Pauley. Well, look at today's headline. The headlines keep coming. The plot thickens. The Washington Post tells about that Swiss bank account, reporting that it also helped CIA money to be diverted for clandestine support of the Afghan rebels. Now, wouldn't that contradict what the Attorney General has said to the effect that the bank account was controlled by Central American interests?

Senator Hollings. There'll be contradiction after contradiction, just like CIA Director Casey is going to change his story. There are going to be nothing but three or four months of changed stories, and it's all unnecessary. What happens is like Colonel North comes and takes the Fifth.

Now, if we grant him immunity, he's going to talk. I don't want to grant him immunity 'cause that's going to lead right on up to the top officials in this government. I don't want to catch them. I want them to catch themselves and give us a Merry Christmas in this country. This thing has bogged down into the darndest charade I ever heard of. Nothing could have happened of this sort without the President knowing it.

Pauley. Congressman Michel, I'm going to give you the floor on that. There's been a lot said.

Congressman Michel. Well, obviously, I'm disappointed in the revelations of the kind of things that are coming to public view at this juncture. The Senator and I know of some of the things that have heretofore been undisclosed and probably ought to continue to remain so, but through any kind of investigation of this kind, you're going to have little bits and dribbles coming out bit by bit.

I regret that, but from the standpoint of the President himself, I don't think he's been all that well-served in his White House staff. Back in the old days, when we had a triumvirate of three, the divisions of responsibility, I think, worked much better than what it worked for the President in most recent times.

Pauley. Didn't you give Chief of Staff Donald Regan your blessing yesterday?

Congressman Michel. I didn't give him my blessing. I just said maybe some of the criticism is undue, but this is a Presidential call. I think we have to when you're talking quite frankly with the President, we level with him, and then it's up to him to make some decisions. And I'm confident that as time moves along, there'll be other decisions the President will make that'll be in keeping with the will of the American people.

Pauley. To paraphrase Andrea Mitchell's report, should the Chief of Staff, Regan, have "the class" to step aside?

Congressman Michel. Well, I guess if I were in a similar situation, I personally would. I would've felt that I had let the President down, but that's for those individuals to make. I'm not one of these scalphunters around. There's always room for people to look for some scapegoat or one thing or another.

Pauley. Senator Hollings, you were shaking your head.

Senator Hollings. Oh, no. If Don Regan resigned in the next ten minutes, we'd still be looking for the truth. And our Intelligence Committee and other committees will come, and they're going to go right all the way through, and they acted with the general authority of the President of the United States.

The cabinet members knew while they disputed it. The Secretary of Defense, the Secretary of State—they all knew about it. The Vice President knew about the sale of arms to Iran. This whole idea that nobody knew anything and you had two wild cards down there, Poindexter, and North . . . They're military men used to acting, on the one hand, on orders; on the other hand, very intimate.

As was reported this morning, North was just like a son to President Reagan, and while President Reagan might not know anything about the Education Department or the Energy Department, he knows about contras. He likes that policy and he was kept informed on that particular policy. I'm positive of that.

Pauley. And I'm going to have to leave it at that, gentlemen. Senator Hollings, Congressman Michel. In a moment, we'll get some thoughts of two newspaper editors on all this. But first, this is Today on NBC.

[Transcript]

NATIONAL PUBLIC RADIO INTERVIEW ON WHITE HOUSE KNOWLEDGE OF IRANIAN/CONTRA ARMS CONNECTION

Bob Edwards. This is Morning Edition. I'm Bob Edwards. Profits from the secret arms sale to Iran reportedly were deposited into a Swiss bank account managed by the CIA. According to this morning's Washington Post, Congressional investigators have found that the money went into the same account that contained covert aid to the rebels fighting in Afghanistan. The Post reports that $250 million secretly approved by Congress was deposited into the account this year, as well as $250 million from Saudi Arabia. The report appears to contradict a statement made last week by Attorney General Edwin Meese. Meese said that money from the Iran deal was deposited in bank accounts which were under the control of representatives of the forces of Central America. Joining us now to discuss the disclosures about secret operations run by the National Security Council is Senator Ernest Hollings, D-SC. Senator Hollings is a member of the Senate Select Committee on Intelligence, which is investigating the matter. Senator, good morning.

Hollings. Hello, Bob.

Edwards. Is it possible that some of the money for the Afghan rebels may have gone to the Contras?

Hollings. Look, it could have. We haven't separated out the funds and of course I couldn't really discuss what's happened in the committee. I think the important thing at this particular moment is that this does not develop into a Watergate. At the moment, what we really need is for the President to appoint himself to level with the American people. This charade that all of them acted without authority is just that, a charade. And we all know it. And the truth of the matter is that we're getting into quicksand. The deeper we get in it'll be more difficult to get out. When Colonel North takes the fifth amendment, we could grant him immunity, and when we do we're going to catch the President. I'd rather the President sort of catch himself, so we won't have to take some extreme action later on and stretch this thing into next year. The President could come forward and say, "look, I like this policy. I wanted to fund the Iranians, for different reasons, and it didn't work. And Iranian money went to fund the Contras. There isn't any question about that. We look upon that as a violation, but I thought at the time it was Iranian money going, and I see now that was a little too clever. I made the mistake. I hate to admit it, but as far as I'm concerned I accept full responsibility. Everybody acted with my authority. And I'm going to give them executive privilege so we'd stop five or ten committees pawing around between now and next June, finding out whether or not it went to the Afghan rebels." Who knew, when did they know it? Did the Vice President know? What about the Attorney General? No, the Secretary of State disagreed. It's the big dog chasing its tail. If the President would come and level with the American people we could get on with the government, and have a Merry Christmas. People trust President Reagan, and they'll forgive him on this one. And if you fire Don Regan this morning we'd still have the same problem tomorrow, and that is that we haven't leveled with the American people that this was a policy that the President liked. That's what Washington can't get through it's thick head. The President was pleasing the Israelis, screwing the Iranians, funding the Contras and getting the hostages freed. He thought it was a heck of a good policy. Now, he violated the provisions of the Boland Act, but nobody is going to rack him up on that.

EDWARDS. This is starting to have repercussions for a number of other countries. According to the Post sources, Saudi Arabia also deposited money in that account for the Afghan rebels. Do you think the Saudi's have reason to fear some of their money might have gone to the Contras?

HOLLINGS. I don't think they've got any fear about it. I think they knew what was going on. We act like government starts just because we learn a bit in the news. All of this has been going on. Everybody knows the Afghan rebels have been getting some support from somewhere. It couldn't have come out of thin air. The fact is it might have come from them is nothing to get all excited about.

EDWARDS. What about the Meese statement last week that the money was under the control of representatives of the forces in Central America? Do you think when he made that statement he knew the details of the Iran arms sale?

HOLLINGS. I don't know. But I think that he knew generally—not the details—that's the whole thing, how they all get by. None of them really knew each little detail. Not even Colonel North could know each little detail. But they knew generally what was happening, and that the contras were getting the assistance. And they were all acting with Presidential authority. Colonel North is not any wild cannon, or loose cannon on the deck, nor is Poindexter. They're both military men, throughout their careers. They're used to taking orders and carrying out policies. That's what they were doing. We're acting like they didn't.

EDWARDS. How about the CIA director, William Casey?

HOLLINGS. He was carrying on too, and he's had to counter a statement he made last week. He said he didn't know anything about it, and now he comes forward yesterday and says, "Oh yes I did." These things will continue on and on and on. And what I'm trying to get to is: save not only President Reagan but the Presidency as an institution. We've got two more years in this particular term. No real grievous thing has happened. It's hurt us with our allies. It's hurt us with respect to the confidence the Congress has in its policies being carried out when we say don't use that money. But now even Congress has changed that policy, so this is much ado about all kinds of investigations over your own government that you can't stabilize the Presidency. I think the main problem is for us in the government to stabilize the Presidency itself.

EDWARDS. Senator, thank you very much.

TRANSCRIPT OF HOLLINGS PRESS CONFERENCE ON IRAN-CONTRA AFFAIR, DECEMBER 3, 1986

HOLLINGS. We're coming down into quicksand. If Colonel North takes the Fifth and we give him immunity, then we get into deeper quicksand and before long we catch the President. I prefer that he catch himself.

The fact of the matter is President Reagan has reestablished the presidency so to speak. The people of America trust the President. I trust him. With that store of goodwill, it ought to be used at this time to come and level with the American people and reestablish the presidency itself.

I think that's the great concern we have: to not put the government and the presidency through a six month wrangle of five-to-six different committees; we got a special commission; we've got an independent counsel or special prosecutor; we've got the FBI; we've got the Intelligence Committee; we'll get a joint committee. There's no way to avoid five-to-six-to-seven committees all pawing all over the government and everybody suggesting that everybody be fired. If all the above were fired in the next two minutes, we'd still have the problem of the authority. No one in this country believes that either Colonel North or Admiral Poindexter acted without authority. I'm absolutely conviced military men, as they are, acting under orders and acting on a program that the President was vitally interested in.

That's where Washington makes a mistake. Washington can't contemplate the President being informed. They generally have the impression that he's not well informed on the facets of government. Perhaps they are correct about the Department of Education or the Department of Energy, that he'd like to abolish, but when it comes to Contras, he's informed. He Likes Contras. he understands the problem there and he keeps well informed on that score.

On the other hand, this town can't understand this President with this particular policy. The fact of the matter is that they can't understand the government selling anything and making a profit—they don't know how to act around here. The truth of the matter is that in disposing these arms in Iran and making a profit he not only pleased Israel—conformed to their policy, they've been shipping arms for at least five years to Iran—he screwed the Iranians, freed the hostages, and he funded the Contras. The President said, "Look, I'm getting with it. I've got policy going here finally." Of course, it was wrong. He should not be dealing with the Iranians. And you can't go in two different directions: saying you can't pay ransom while I'm paying ransom. So, it was wrong; there is no doubt about that.

But there is nothing wrong with the President coming forward at this particular point and saying, "I acted out of the national security interests, compassion for the hostages, yes, I understood Iranian money—I thought of it as Iranian money, it was an overcharge, it was not government funds as the Boland Amendment contemplated it was Iranian money going directly to the Contras. If I could get the Iranians to support the Contras, that was a pretty good deal. I think now that was probably a little too clever. I made a mistake. I hate to admit it, but I am going to have to exact executive privilege for all connnected, because they all acted with my authority. I take the responsibility. Let's everybody have a Merry Christmas.

REPORTER. What did the President know and how did he know it?

HOLLINGS. Oh, you can spend six months doing that. I think he knew it all, generally speaking. You know that and I know that.

REPORTER. Senator Durenberger says that you violated the rules . . .

HOLLINGS. Senator Durenberger has not said that I violated any rules, because I never referred to anything in the Intelligence Committee.

REPORTER. He says, sir, that you violated the rules of the Committee and that he will ask you either to stay on the Committee and keep your mouth shut or leave the Committee.

HOLLINGS. I can't believe that. I haven't talked about anything in the Committee.

REPORTER. Does this mean you are just basing this on personal . . .

HOLLINGS. That's right, absolutely.

REPORTER. . . . nothing that you've heard in Intelligence?

HOLLINGS. No.

PHIL JONES. . . . nothing you have heard in the Committee?

HOLLINGS. No, I've read everything in the newspaper.

PHIL JONES. You are convinced right now . . .

HOLLINGS. I was not even there when Colonel North . . . when I refer to Colonel North, I have never seen Colonel North to my knowledge in my life.

PHIL JONES. Senator, you said here that you're going to . . . that before long we will catch the President.

HOLLINGS. That's right, we will. If a man comes up and he takes the Fifth Amendment and we grant him immunity, I would oppose that immunity. I would oppose that immunity because I don't want to go down that long path.

PHIL JONES. But you are convinced right now, based on what you have read and the other intelligence information you have that Ronald Reagan has broken the law?

HOLLINGS. No. I haven't based anything on the intelligence information. You're getting into Senator Durenberger, which I can't believe he said, because I haven't referred to anything in the Intelligence Committee. You folks have seen me each day in the stakeout there and I haven't given a conference at all on the Intelligence Committee. I'm not talking about breaking the law. I'm talking about the policy of reestablishing the presidency in this country and saving the government and the country itself at this particular point. There's no reason to develop a Watergate over a six month period with five investigative committees at least and possibly many more and going into now Afghanistan and going into other things. I don't think that serves the interests, the security interests or the domestic interests, of this country.

PHIL JONES. Before we leave Durenberger, you said that you can't believe that he had said this. Let me tell you, he did say—if you haven't been over there so far—he said, "When I get in there and I find Fritz Hollings, I'm going to tell him he ought to be a Member or get off, because he has broken the rules of the Committee."

Hollings. I haven't broken any rule of the Committee. How could I have? What have I said about the Intelligence Committee?

Reporter. The fact that you're saying this and you have sat in on the Committee hearings is it unfair for the public to think that you have heard something through the committee that bolsters what you're trying to tell us?

Hollings. No, I just referred for example to Colonel North, who I didn't even see in the Committee. That's why I am making it absolutely clear. I've stated this in the Committee before we heard a witness.

Reporter. You said we're going to catch the President. Catch him at what?

Hollings. Catch him at having given the authority generally, having known about what happened.

Marty Tolchin. Senator Hollings, you did hear Mr. McFarlane, and apparently nothing . . .

Hollings. I hadn't confirmed that I've heard Mr. McFarlane or not.

Marty Tolchin. Nothing that you have heard as a member of that Committee has dissuaded you from this account?

Hollings. I wouldn't comment on anything that I heard in that Committee. I've been very careful about that. You know that.

Reporter. What is it that might you think the President could say or should say that he hasn't said in four previous television appearances? What is he still waiting for?

Hollings. That he assumes really the responsiblity, that they generally acted with his authority. No President, no individual in a government this size can know every little detail. But I'm confident that he must have known. Well, he signed, as we all know in the news, with respect to a finding in January for the Iranian sale. In the matter of monies thereby going to the Contras thereafter, I'm confident that he must have known about it. I can't see Colonel North acting on his own, never have believed that.

Reporter. Senator, what do you think is ultimately going to happen and is it going to happen sooner rather than later? Are we inevitably headed for another type of Watergate situation?

Hollings. Well, that's what I've said in my opening comment that I'm afraid that is exactly what we're going to do. Because you can go witness after witness after witness after leak after report. Many things that I have read in the newspaper I understand to be wrong, but I haven't changed my opinion. I've watched this thing from afar. I came back in town and I'm very well persuaded that we need the President to come right up on top of the table and level with the American people and that's the only way we're going to solve this problem.

Reporter. Are you saying that Ronald Reagan has lied to the Nation at this point?

Hollings. You keep asking me that and I'm not going to call the President a liar. What I'm saying is that the people have acted with his authority. It was a mistake. He should assume that responsibility. The more we investigate and the deeper we get into this with all of these committees, we're going to be on a diversion here of non-government and just headlines. We're going to be in your business for the next six months. And I think we all for the good of the country should get out of it.

Phil Jones. Once the President has taken your advice and said "Yes, I gave them the authority one way or the other, they were acting on what I wanted done," then what do you propose: that all investigations stop?

Hollings. No, they can continue with the independent prosecutor and the investigations, but I would certainly give him executive privilege. . . . Say, "They acted with my authority and just come to me if you want to know who did what. I did it." That's what the President's got to say and do.

Phil Jones. Senator, should anything be done to the President?

Hollings. No, I don't think anything should be done to the President. Everyone knows the policy. We've now confirmed the Contra aid policy. We'll continue to question dealing with the Iranians, but that's no grievous error. To do anything to the President? No, I don't suggest that. On the contrary, I'm trying to reestablish and bolster him.

Reporter. Senator, you said that you didn't get this from the Intelligence Committee, but how do you know that the people under him acted with his authority?

Hollings. I'm just like, I heard when I came back in town, Senator Dole, he said, "Only Ripley would believe that." And I think you folks are having a heyday trying to believe what you don't believe yourselves. You just keep writing it as if it were true and you don't believe it. And so you all are just going to have a good six months period going through and prove why you don't believe it. Why don't we just on top of the table . . . Nobody in this room believes that North acted without authority. Now I was not even there when North came, so I don't know what he did. But I saw reported in the news that he took the Fifth Amendment. And he took the Fifth Amendment not because he was afraid of lying, he was afraid of telling the truth. And that's my own idea.

Reporter. Do you actually believe President Reagan after he has said repeatedly that he did not have any knowledge is going to say "I knew what was going on"? Do you expect a complete reversal from this man?

Hollings. Oh, yes. He reversed on the hostage policy. He was saying all along, "Let's don't pay ransom." And he was berating our allies not to do it and at that same time he was doing it. That's not too much trouble. A little awkward for him, but he can do that. And he can say I made a mistake in good faith. He was acting in the security interest. He was acting for believable policy, as he believed it, and supportable policy, as he supports it. This isn't any Watergate. But if you are going to follow through and assume . . . All of you people are trying to get the headlines "So and So called So and So a Liar," "So and So Tried To Say Something Out of That Intelligence Committee." I have been absolutely clear not to say anything out of that Intelligence Committee and know it.

Reporter. You mentioned several times the possibility of giving Colonel North immunity, is that being discussed in the Committee?

Hollings. I wouldn't say what was being discussed or not being discussed. I say I wouldn't want to do it.

Reporter. You would not want to do it?

Hollings. No, I would not want to do it, because I know the inevitable result, because of my belief he acted with authority.

Reporter. Senator, I don't understand what you think is going to happen once the President comes clean. Aren't these investigations going to continue?

Hollings. Yes, but most of them, if he gives executive privilege, most of them come down to a manageable state and we can go on and get to work with the government. I can tell you that. He said in the original instance also he assumed responsibility. I remember him saying that. Now why doesn't he really assume that responsibility?

Reporter. If the trail does lead to the President, why not give North the immunity so that he couldn't take the Fifth, and then you could follow the trail to the President?

Hollings. I don't want to follow the trail to the President; that's the exact point of my appearance here today. I just don't think that's in the good interest of the country. He's obviously been acting with authority; that fellow's made talks all over the country. Everybody's known it. That's not in any Intelligence Committee information and I've been reading, just like you folks have, and he's been almost like reported in the morning paper a son to the President. And this is something he's conferred with regularly, I happen to believe that. And that hasn't been stated in the Intelligence Committee.

Reporter. The President told the Republican leaders of Congress yesterday that he didn't know anything about the contra connection. Senator Dole was very specific about that. He said he absolutely didn't know anything about the contra connection.

Hollings. I don't believe that, and Ripley doesn't believe it, and I don't believe Dole believes it.

Reporter. The question I have now is do you have any specific information that leads you not to believe it, or is it just a general feeling.

Hollings. Just circumstantial evidence, just knowing the parties and everything about it. Yes, that's all.

Reporter. If the President does not do as you suggest he do, come clean in other words, then do you want to proceed down this trail that you think will eventually lead to the President, and if so, how best do you do that?

Hollings. No, I don't want to proceed down the trail. I can see the trail. Don't mind doing it, but it's just going to take a lot of time and wasted effort and leaks and stories and headlines and then like I say it think it will develop perhaps into a Watergate. I'd like to avoid that.

Reporter. Do you then follow, if the President does do as you suggest, to stop it there?

Hollings. Oh no, I don't suggest we stop. We have a responsibility even if you appointed a joint committee in the next ten seconds, we in the Intelligence Committee have to look at the requirements there and how that was conducted with respect to being notified and those other particular provisions. So the Intelligence Committee will continue its hearings.

Reporter. Senator, do you think that there should be a Joint Select Committee, or how do you think . . .

Hollings. Oh yeah, I think Joint Committees, fire Regan or don't fire Regan, whatever ya'll want to do, suits me fine. I mean you all coming up, you know, like Sealtest ice cream with a new flavor, and the President just overreacts and does just what you folks want done, and you all think that solves the problem. You can appoint fifty committees, or one Joint Committee, or no committee, you're not going to solve this with the American people until you come clean, and they know he knew, and we know he knew, and that he generally acted with authority, and that's my feel about it.

Marty Tolchin. Senator Hollings, are you telling us that as a member of the Intelligence Committee . . .

Hollings. No, I'm not telling you as a member of the Intelligence Committee. I'm telling you as Senator Hollings from South Carolina. Right, all right.

Marty Tolchin. Are you telling us that as a member of the Senate Intelligence Committee . . .

Hollings. No, I'm not talking as a member of the Intelligence Committee. I'm not going to assume your question. I've been in the court and tried more cases than you have. Now.

Marty Tolchin. . . . that this has played no role whatever . . .

Hollings. No, not in anything I've said, I can tell you that. And members of the Intelligence Committee would know my particular feelings because I expressed this feeling at the very outset.

Phil Jones. Senator, if you have been in court and tried more cases than Marty Tolchin of the New York Times, why do you then want to convict the President on circumstantial evidence?

Hollings. I'm not trying to convict the President on circumstantial evidence; I'm trying to free the country from this morass.

Reporter. Senator, there's been a lot said here this morning of what the President did or didn't lie. How would you state it, that he misstated the facts in the public interest?

Hollings. Yeah, I think he probably overspoke the situation, and took the advice that look, if you just set aside Poindexter, and North, it'll go away. But that didn't fly, and the Commission didn't fly, and the independent counsel didn't fly, and the Joint Committee is not going to fly, is my point. You're going to have to come up and come clean on the whole thing and just generally say that this was an important matter and everyone knows of my interest in the contras, and I just can't see that happening in a National Security Council with these two top officials of that council and the President not know it.

Reporter. Senator, you're saying that the President, it's up to him. He's got to come clean . . .

Hollings. Yes, I think that's the only . . .

Reporter. . . .and the Congress doesn't do anything?

Hollings. No, let the Congress go merrily on its way, but I think we can get some other work done. I think yes, we'll have a responsibility, and we'll have to go into these committees, but it won't develop into one of these Watergate type hearings of a leak, and a story and a confirmation and a denial and a changed statement by Mr. Casey and a this and a that every day. To be asked about . . . now in Afghanistan when I woke up this morning.

Reporter. So is it to the President to set the record straight?

Hollings. Yeah, it's up to the President. Only the President can do that I believe.

Reporter. President . . . is it conceivable to you that Ronald Reagan did not have knowledge and that Donald Regan did?

Hollings. No, I don't think so. I think the way it works over there, that President Reagan would want to know about this, and I can't see Mr. Regan not telling him if he knew anything about it.

Pye Chamberlayne. Senator Hollings, does the President risk impeachment in your view if he does not follow your advice?

Hollings. No, I don't think he'll ever risk impeachment, but we could get down to some kind of untoward conduct if we keep following this thing down its natural course because I think, in addition to the President, members of the Cabinet were fairly well briefed from time to time—I'm confident just over the system that they work under. And that's been stated publicly in the press. Now, yes, maybe one secretary agreed and another one disagreed, and everything else, but general knowledge and being apprised, everyone knew whether they agreed or disagreed.

Steve Roberts. What I'm unclear about is if all these things happened, if everybody knew about it, if all these laws were broken, just by coming out and saying we made a mistake, is that going to absolve the President and all his Cabinet of any further blame, or do you feel things have to be done in the way of punishment or penalty, or how will we have to deal with it once they admit their mistake?

Hollings. Steve, I'm not trying a criminal case, I'm trying a political case. And I'm saying for the good of the body politic, especially for the Presidency as an institution, the President would do well to come forth and just tell the truth on this thing, and say, "Well, I couldn't know and I didn't know, like I stated, everything in detail, but I'll have to agree that they acted with my authority."

Reporter. Senator Hollings, the President's words on Monday were that he flat out did not know the details of this until Meese told him on the Monday after the weekend investigation. How could the President survive an absolute flip-flop on this by now saying what you want him to say, which is that he did know?

Hollings. Well, I think he can survive the flip-flop if you call it that, and I think he should survive the flip-flop, and I think we all ought to have a Merry Christmas.

Reporter. Senator, you say you've held these views since the very beginning . . .

Hollings. Right.

Reporter. And yet you didn't call a press conference . . .

Hollings. No, I haven't called a press conference. I've studiously avoided ya'll from the Intelligence Committee.

Reporter. What caused you to decide to do it today?

Hollings. Well, my local press have been asking, and I wanted to come to them and I appreciate your attendance. I don't know who invited you, but I thank the Lord, you know. We're in the political business . . . but Chris Weston, Lee Bandy, and all the rest, and so I said, "Well, anybody else." It'd be easier because I'm trying to get home, I haven't been home in a long time.

Phil Jones. With all due respect, I do not follow your logic. On one hand, you are saying the President's got to get this passing for the good of the nation . . .

Hollings. Right.

Phil Jones. On the other hand, you're saying that a Congressional investigation should go forward and . . .

Hollings. Oh yeah, I don't want to appear here to stop the Congressional investigation. This is not an either . . . this is a very complicated world in Washington, Phil.

Phil Jones. . . . it's not going to work. You've been around here for a long time. You know when the Congressional investigation continues . . .

Hollings. Sure they do.

Phil Jones. . . . the whole controversy is just going to continue to mount and mount.

Hollings. Right.

Phil Jones. Don't you?

Hollings. No, I would think that if the President assumes the responsibility, which he said. Now, how's he flip-flop and say I don't assume the responsibility. There's another flip-flop. We don't worry about flip-flops. I think they acted with the authority of the President, and I don't think that's going to stop. And my intent is not to stop—Joint Committees, Intelligence Committees, commissions, and all the rest of the thing. But I think, if it's pretty well proved and understood from the President's own lips, that they generally acted with authority, then all the steam . . . we've approved the contra policy and everybody knows now. You've been reporting in the press, that this have been Israeli policy, to get arms to Iran, for over five years. So, there we are, and why the big hoopala?

The only reason is because the President puts us all in a box when he maintains that he didn't know anything about it, it's all news to him. I can't believe it's all news to him.

Reporter. Senator, if laws were broken in the course of carrying out this policy, should the people who broke those laws be absolved of responsibility?

Hollings. No, I think you've got the independent counsel or prosecutor . . .

Reporter. . . . But you said we should invoke executive privilege. If he invokes executive privilege, that means that these people will not have to . . .

Hollings. Could be, could be. The world won't end with that.

Reporter. Senator, so for the sake of saving the Presidency, it would be worth letting these people off the hook if they broke the law.

Hollings. We got the Harry Byrd amendment that says you should balance the budget. Lock up the Congress. We've violated that since 1980. Terrible fellows up here. Ya'll don't get riled up about that. You just don't like the contra policy. And none of us of course like the Iranian policy and the hostage policy. No one agrees with that one; the President made a bad mistake on that.

Reporter. If laws were broken under the scenario you're describing, what's your penalty for the people who broke them?

Hollings. Well, it depends on whether you can prove it.

Reporter. And what if you can or cannot?

Hollings. I don't know.

Reporter. Senator Hollings, in the U.S. selling arms to Iran, are we backing the right party in that war? What kind of message are we sending to . . .

Hollings. I don't know. That's what you folks up here call an oxymoron, an Iranian moderate. I couldn't find any.

Reporter. What do you call it in South Carolina?

Hollings. Thieves. All of them.

Reporter. Senator Hollings, what you're saying is adds up to accusing the President of lying about the Iranian. . .

Hollings. You keep on saying that. I'm not accusing him of lying.

Reporter. Well, if you're not accusing him of lying, what are you really accusing him of doing?

Hollings. I'm not accusing him of doing anything except not leveling with the American people. I think he should be more forthright and full on the entire matter with respect to these persons acting with authority. You all don't ask the question. I mean, he says the fellow's a hero; he doesn't think he's a criminal . . . Colonel North . . . that's what the President says. How can he think if he didn't know anything he was doing, he was a hero and everything else of that kind, and want him indicted. You ask him, does he want Colonel North locked up? I don't think he does.

Phil Jones. How would you describe Colonel North?

Hollings. I think he's generally a patriot. And I think he's a military gung-ho fellow, and I've been with those military gung-ho fellows, and one thing about them—they act with authority. I can't see him, over the last couple of years as you've reported, make some hundred talks. Every time a group would come to Washington, he'd give them the old pep talk about the aid to the contras, the aid to the contras—you all act like he never heard of contras before. You know it and I know it; he has been gung-ho leading the way soliciting Ross Perot and all of these other folks. Now when he comes, and do ya'll go along with the President not knowing anything about North and contras? Come on. You ought to read your own newspapers. Excuse me, that's right, you're on TV.

Reporter. Senator, what about these calls for the removal of Don Regan. What's your sense of that?

Hollings. I think Don Regan is a very capable fellow. I think he lacks the political touch. And obviously, the Republicans know him better. I don't know him that well. I respect him and I can't understand, and that's why the President doesn't just outright get rid of him. If he really thought he was a crook and criminal, and ought to be investigated by a commission and an FBI, and the next thing I saw on the TV was, yes, the chief of staff was being interrogated by the FBI or something like that. He doesn't really believe that otherwise he would have disposed of Mr. Regan. Mr. Regan was part and parcel of the policy and the authority and the President knew about it.

Reporter. Has Don Regan helped the President or hurt the President over the last year, including the summit and including what's happening now with Iran?

Hollings. I don't know, because I don't know who gave the advice on this idea, but, gee, ain't nobody here but us chickens, I never heard of this contra aid thing before. I mean, that's outrageous nonsense, you know that. For the President to act that way; I mean, he's a pretty good Hollywood actor but whoever told him to put on that one. Change that thing and level with the American people, that's what I'm saying.

Reporter. But you're saying that the President doesn't have to fire Regan to clear the decks.

Hollings. Well, I think if he fired him in the next ten minutes he'd still have the same problem. He's got to come himself and be more forthright with the American people.

Reporter. Senator, do you have any thoughts about the Vice-President, what he knew?

Hollings. No, I think as a member of the Cabinet and the Security Council, the National Security Council, I think he would be fairly well briefed on this. I don't know of my own knowledge, but I am confident he knew generally of the Iranian arms policy, whatever went on.

Reporter. Senator, whatever happened to the principle of plausible deniability?

Hollings. Yeah, that's one of the things that works on plausible deniability that's not working on this occasion. We use that in Intelligence. That's constant and that's where you get in trouble. That's where you get in trouble; you know, what a tangled web we weave when first we practice to deceive. And when you get into that situation where you say, "Look, I'm telling you, but remember, if this ever comes out, I never told you and you never knew anything about it." That happens from time to time in the Intelligence game, and I think maybe we might be caught up in that situation where everybody's trying to call him a liar, this that and everything else of that kind. He's got the trust of the American people, the President has, on December the second, or whatever date this is. But this will continue to be deteriorated and diminished and lost unless he levels with the American people, and that's the only solution.

These committees and getting rid of Regan and all are out of the whole cloth, this isn't the problem. The American people want the President to come clean on this score and back up his team on a policy that was questionable, perhaps a mistake. Let him say "I hate to admit it but this was a mistake. This was my policy; contras has now been approved by the Congress. So what. And I've gotten into enough trouble with my allies on this hostage, no ransom while I'm paying ransom. So I apologize for the whole thing, but at least we don't have to go through this." You can go ahead, have your meetings, but then this diffuses this whole thing. And he protects his crowd out there, and we've got a White House, and we've got a President, and we've got a government. Otherwise, we've just got one big grand investigation going on for the next five or six months in this country and I'd like to avoid it, and I think somebody ought to speak out about it. And you don't have to be on the Intelligence Committee to speak out about it.

Phil Jones. Senator, you have said all of these people are trying to call him a liar about it. Who . . . why are they trying to call him a liar?

Hollings. The people asking the questions, cause they put that in the question you see what I mean. I'm trying not to call him a liar.

Reporter. Do you have to try?

Hollings. I keep on trying, yeah. Thank you all very much.

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(Guests: H. Ross Perot, Founder, Electronic Data Systems; Representative Robert F. Michel (R., Ill.), House Minority Leader; Senator Ernest F. Hollings (D., S.C.), Member, Intelligence Committee; Howard H. Baker, Jr., Former Senate Majority Leader.)

(Interviewed by: David Brinkley—ABC News; Sam Donaldson—ABC News; George F. Will—ABC News Analyst.)

Mr. Brinkley. Coming next, H. Ross Perot, who founded Electronic Data Systems, and who arranged on his own the rescue of hostages in Iran, and who's been asked several times to put up some millions to bail out hostages. And, shortly, Senator Ernest Hollings of the Select Committee on Intelligence; and former Senator Howard Baker, and Representative Bob Michel. In a moment.

(Announcements.)

Mr. Brinkley. Mr. Perot in Irving, Texas, thank you very much for coming in today. Pleased to have you with us.

Mr. Perot. Good to be with you.

Mr. Brinkley. Thank you. Here with us are George Will of ABC News, and Sam Donaldson, ABC News White House Correspondents. Now, Mr. Perot, as I understand it, representatives of the White House have come to you more than once and asked you to put up substantial amounts of money, millions, to be used to bail out hostages. Is that correct?

Mr. Perot. That's right. It goes back to 1969; spans four presidents. Had someone ask me the other day, he said, why didn't they call you before 1969? I didn't have any money before 1969.

[Laughter.]

Mr. Brinkley. Well, question two: You put up the money because you wanted to help people in trouble. Now tell me, if an American can be seized, held for a time, and then turned in for a million or two of Ross Perot's money, none of us is safe. Isn't that true?

Mr. Perot. Well, none of us are safe now. You have—as you all understand, terrorists have a message they want to send to the world. As long as they get massive media coverage, which they're certainly assured of getting, and properly should get anytime they seize an American, they have an opportunity to get their message over. My heart goes out to the poor devil who was picked off the streets; is bound and gagged in a closet, being tortured and beaten; and then when I get a call from the government and say, will you help us, I just feel a moral obligation to do it and make no apologies for having done it. I don't expect to get any more calls. But in the event that I do, I'll continue to help. And that's just the way I feel about it.

Mr. Will. Mr. Perot, you have said that the reason the government does indeed call you is that the government has a policy against it not paying ransom. Now isn't that, however, a distinction without a difference, as our allies would be construing this? That if the government makes a quiet call to a private citizen and says, do this in our name and for our purposes and at this request, isn't it really paying ransom?

Mr. Perot. Well, in the final analysis, if the money changes hands, you've paid ransom. The difference is, it's not taxpayer money; it's not government money; it's private funds. This is an old practice. It—it's an—you have to be creative and unconventional. Because we like to think in this country that everybody operates under our system of justice. The facts are, terrorists operate under no rules. So you have to use creative and unconventional means to try to deal with the problem. Every president feels tremendous compassion toward Americans who are held hostage. And everybody in the administration, no matters whose administration it might be, looks for creative ways to get those people released.

Mr. Will. One of the questions about the creative and unconventional methods used, not just by this President but by the three others who've called upon you for help, is the extent to which they specifically directed this. Is it your impression that when Mr. North approached you, he was speaking, not just the President's clear wishes and desires for an outcome, but his—the President's tactical intentions as well?

Mr. Perot. I assume that everything had been properly cleared, because I've worked with the National Security Council for so many years. My sense has always been, it's very well organized. Very well controlled. I've never met a loose cannon in the National Security Council. The people are very bright, very dedicated, very principled, and incredibly hard working people. So they're people you feel very comfortable dealing with. They've always been meticulous to a fault in my dealings with them to the point that sometimes I felt the process was over controlled.

Mr. Donaldson. But Mr. Perot, is it not a fact that Colonel North never said to you, the President has asked me to do this? Or: I have the President's permission or authority.

Mr. Perot. No, he never said that. Neither did anyone else. And I would have felt it would have been improper, well, I'll have to have something in writing from the President before I can help you.

Mr. Donaldson. All right, you say you would help the government ransom U.S. hostages. What about the business of money to the contra rebels in Nicaragua? You've made the point that you wouldn't help do that.

Mr. Perot. No, I'm not—

Mr. Donaldson. And yet you favor the contras, so why not?

Mr. Perot. Well, I have—I've taken the hard position—now, the government's never approached me on that one, interestingly enough. Some of the private groups have come around to see me. And I said, look, if we're going to have a war in this country, Congress has to go make that decision, not private individuals. And there's a second problem, that it costs so much to wage a war, you're never going to be able to fund it by private individuals. But the primary problem is, that's a decision Congress must make. And that's not something we can do individually.

Mr. Donaldson. Well, you know the President's in deep trouble right now. How does he get out of it?

Mr. Perot. I think it's very simple. Get all the facts on the table. Now, it's human nature to want to look after yourself in a crisis. So you got all these people down the line that are being very self-protective, and understandably. My advice would be to get all of them in a room; for the President to look them in the eye and say, "Look, we've got a whole nation here. There are millions of people who depend upon us. I want everybody in this room to stop thinking about himself. I want you all to go home tonight. I want you to write down everything you did. Leave nothing out. I want you to stop worrying about what's going to happen to you and start worrying about what's going to happen to our country. We simply can't afford to spend months getting to the bottom of this. We have other things that are so much more important than this, but if you folks won't just come clean, every single one of you, we're going to have to go through process of special prosecutors, Congressional hearings, and so on and so forth, and distract this nation for months, and really hurt this country. So tomorrow morning——"

Mr. Donaldson. But how do you know they can afford to come clean? How do you know if anyone writes it all down it won't show that there were great illegalities even by the highest administrator of the land?

Mr. Perot. No, my sense is that if everybody put down everything on paper and handed it out publicly in the morning, we would all read it. And the severest critic would say, boy, were those dumb mistakes. Now, whoever made those dumb mistakes doesn't have any patent on dumb mistakes or bad judgment. We all make dumb mistakes and exercise bad judgment. But then it's over with. Now, I will bet a very substantial sum that whoever made the worst mistake did it with the best of intentions; just bad judgment. Now, American people can understand bad judgment because we all have bad judgment from time to time. But then we clean this thing out and get it over with. So I'd like to compress the process by having everybody do it. I believe that if you put the pressure on them, that if the right leadership put the pressure on them, if our leadership put the pressure on them, they'd do it.

Mr. Brinkley. Mr. Perot——

Mr. Donaldson. But what if they broke the law and they'd have to go to jail for this bad judgment? I mean, do you expect them to write it down and then say, take me away?

Mr. Perot. No, no. If that came up in the meeting, I'd say, well, fellas, if that's the way it is, that's the way it is. But look, you're here. Now I know enough about the people around the National Security Council to know that they're very highly principled people. And if they concluded that they had made such a serious mistake that they should be punished for it—and I doubt if that's true, frankly—but if they did, I believe they'd take the heat rather than see the country suffer. I think that's the way to get it over with.

Mr. Will. The President says that Colonel North is an American hero. What's your impression of Colonel North?

Mr. Perot. Well, I've met a lot of these guys. See, the first—my first day-to-day contact in the National Security Council was an Army Colonel named Alexander Haig. So I've dealt with a whole string of them, General Scowcroft, right on through, you name it. Colonel North is a very fine man. He's a very dedicated man. I have absolutely no reason to question his integrity or his principles. Now, let's assume that somebody up or down that chain made a series of mistakes. And I say, let's get them up on the table; get it over with; and go ahead and face the real problem that face this country. Interestingly enough, this is not one of the country's biggest problems. It's going to become a big problem, because it's an open sore.

Mr. Brinkley. Mr. Perot, thank you. Thank you very much for coming in today.

Mr. Perot. Thank you. Good to be with you.

Mr. Brinkley. Pleasure to have you with us. Coming next, Senator Ernest Hollings. Democrat, South Carolina, of the Select Committee on Intelligence; and, shortly, former Senator Howard Baker and Representative Bob Michel. In a moment.

(Announcements.)

Mr. Brinkley. Senator Hollings, as the first guest on our first program a little over five years ago, back again, we're happy to have you.

Senator Hollings. Thank you. I'm glad to be back home.

Mr. Brinkley. Thanks for coming in. Now, do I understand correctly that you say you have evidence that Mr. Reagan knew all about this all the time?

Senator Hollings. No, I'm much like Ross Perot. I'm not talking as a member of the Intelligence Committee.

Mr. Brinkley. No, but just talk as a Senator from South Carolina.

Senator Hollings. As a Senator from South Carolina, knowing that you've got five departments of governments—of the government involved, and at least five countries internationally, and you got 12 shipments and 5,000 tons to Iran, knowing that this is the principal policy and concern, namely, aid to the contras of this particular President, I can't see this occurring without some implied authority from the President. And I think the President's really made two mistakes. Number one, he hadn't confessed to the so-called implied authority; perhaps confessed is a bad word because there's nothing wrong. But I could well see him saying, I hope we can——

Mr. Donaldson. Nothing wrong?

Senator Hollings. No, look, I'm trying to get aid to the contras, and I can't convince the Congress of doing it. I hope somehow we can do it, and if you folks around can convince some of these countries. We find our State Department has been soliciting as well as North making talks and everything else, if some way aid can be gotten to the contras until I can change the Congress' mind, don't tell me anything about it. See, he's not lying about when he knew. The important question is not just what he knew and when did he know it, but what did he give and when did he give it. Because that's implied authority. That's the real question in this case.

Mr. Brinkley. Your assumption—it's an assumption, I gather.

Senator Hollings. It's an assumption, definitely.

Mr. Brinkley. That based on all this evidence——

Senator Hollings. That's right.

Mr. Brinkley [continuing]. All these people and countries involved, he must have known.

Senator Hollings. He must have known indirectly. I mean, he can't see it occurring around him—and by the way it was a success up until October, and Congress had its mind—had its mind changed. And I'm convinced somebody must have intimated to the President that it is working. I mean, you see that countries have been solicited by the Assistant Secretary of State.

Mr. Will. Now, it is your aim as a Senator and as a citizen to get this behind us you say and get on to something else.

Senator Hollings. Right. I'm not trying to convict the President or catch the President. I'm sort of trying to catch a falling flag, like Dick Whelan said in his book. We ought to get this behind us. And as even Durenberger agreed on yesterday, the President is the only one who can help us do that.

Mr. Will. And what is the quickest way to do that? There are several matters. They're technical terms, but we have to deal with them. One is the granting of immunity by the committees of Congress. Another is the President insisting on executive privilege. Are these apt to slow down, hasten; what's the right strategy?

Senator Hollings. Well, I think the right strategy is, number one, come up front and say, look—and the President's moving in that direction; he said yesterday that he thought some mistakes had been made. That's quite a concession. Secondly, he's got to say, look, as I told the American people the truth. I didn't know about it until such-and-such a time. That's not too important. But I can understand now where those who acted in good faith for the security of the country and in pursuance of my policy of getting aid to the contras. It was a sort of implied authority. And quit treating them like criminals. When the President comes out on his principal and says, get the FBI. It's like the captain of "Love Boat" finding somebody on board ship making love and saying, "Oh, my heavens. Let's get the FBI. Let's get a commission. Let's get the Congress, a prosecutor." That's nonsense, and everybody knows it. These folks are all good

Americans. You can't tell me that the two military men in the White House, Admiral Poindexter and Colonel North, acted without any authority whatsoever.

Mr. Will. On this question of implied authority, in the little hypothetical scenario you drew——

Senator Hollings. Right.

Mr. Will [continuing]. You had the President saying, "Don't tell me about it." Now, is that—not just speaking of this President, but this has—covert activity has been going on with all Presidents, certainly in the postwar period. Is it your understanding, as someone of vast experience in this town and experience on the Intelligence Committee, that the kind of thing gets said?

Senator Hollings. Oh, yes. I take all of my experience—30 years ago when I served on the Hoover Commission, the Clark task force spending two years investigating all of the intelligence activities. That was under Allen Dulles and General Cabell. So I—look, I've been in this 30 years. And no one's ever interviewed me about intelligence, and no one ever will, what goes on. But yes, the answer is absolutely——

Mr. Brinkley. You mean in the closed committee, what goes on?

Senator Hollings. Exactly. That's right. I never have abused any evidence whatsoever. But I know from my experience, the President first treated it as a crime. And he won't come up—and when I say, come clean and say, I know these men. And they're good men, and they're not criminals. On the one hand, he fires them. On the other hand, he gives them a farewell party and calls them heroes. Let's get with the program, and get with the truth.

Mr. Donaldson. Well, I'm intrigued, if I understand you correctly, by your thesis that—under your scenario the President did nothing wrong. If I understand what you're saying, it is that the President would say something like, well, Congress has cut off the money.

Senator Hollings. Right.

Mr. Donaldson. And said, we ought not fund the contras. But I think it's important. I want you to go out and raise money and fund the contras. And you don't think the President has done anything wrong?

Senator Hollings. No, I don't say, I want you to go out and raise money. I said, if there is anyway that money can be gotten to these contras, I'd be the happiest man in Washington. There's no doubt in mind. Now, this——

Mr. Donaldson. So what is the President's responsibility, then——

Senator Hollings. Wait a minute, Sam. This is not criminality. This is policy. Arms to Iran is not a crime; it's policy. You know, ransom for hostages is a matter of politics.

Mr. Donaldson. You're talking about the skimming of the cash for the contras?

Senator Hollings. And aid to the contras is not a crime. It's a limitation on spending; yes, he went against that. But Congress has limited itself regularly with respect to the Harry Byrd amendment, that you shall not spend more money than what you take in. We've been violating that ourselves for the past——

(Laughter.)

Senator Hollings. So don't worry about that.

Mr. Donaldson. So when the Boland Amendment said this government would do nothing directly or indirectly to overthrow the government of Nicaragua——

Senator Hollings. That's right.

Mr. Donaldson [continuing]. Having you people go out and raise money to fund the contras to overthrow the government of Nicaragua is not a crime in your book?

Senator Hollings. Not a crime, but that's an offense against the Congressional wishes. And I think the American people see it. I don't think we approve of that.

Mr. Donaldson. Well, what Congressional law should the President obey if he may pick and choose?

Senator Hollings. Well, where's the felony? Where's the misdemeanor? What are you going to do? I don't think it serves the country well to catch the President even if you could catch him. Because it is policy and not criminal activity involved. But over the six months, treating like——

Mr. Donaldson. You don't mean that, do you, Senator?

Senator Hollings. Yessirree.

Mr. Donaldson. You mean that the president of the United States, let's forget Ronald Reagan; you're talking about the presidency now——

Senator Hollings. Presidency of the United States.

Mr. Donaldson [continuing]. Can do anything he wants to do——

Senator Hollings. No.

Mr. Donaldson [continuing]. And it's not good for the country to catch him?

Senator Hollings. No, he's not doing anything he wants to do. He's been following for five years aid to contra policy. He got through humanitarian aid, but he hasn't got through the military aid. Now, he's gotten through military aid, and even the Congress approves that particular policy.

Mr. Donaldson. Well, may I ask you——

Mr. Brinkley. I have one quick question.

Senator Hollings. Yes, sir?

Mr. Brinkley. Then our time is up. Do you think Donald Regan should go? There are those who do.

Senator Hollings. I don't think that helps it one way or the other. I don't know. The President has to determine that. But if Don Regan—that's all politics. Get rid of him in two minutes. You've still got the same problem. The American people know North, they know Poindexter, they know the Secretary of State and everybody else was acting, the Defense Department with all these shipments of arms through there. What are you going to do, find them all criminals? They were all following policy, not criminality.

Mr. Will. Do we need a special prosecutor for all the Senators and Congressmen who violated the Byrd Amendment?

Senator Hollings. Yeah, let's get one for that.

Mr. Brinkley. Senator, thank you.

Senator Hollings. Thank you very much.

Mr. Brinkley. Thanks very much for coming.

Senator Hollings. Yes, sir.

Mr. Brinkley. We look forward to seeing you again. Coming next, former Senator and former Senate majority leader, Howard Baker; and the Republican leader in the House now and in the next Congress, Bob Michel of Illinois. In a moment.

(Announcements.)

Mr. Brinkley. Senator Baker, Congressman Michel, thanks very much for coming in. Happy to have you with us. Now, there was a crowd on the sidewalk in front of the White House yesterday, I think it was, carrying signs, protesting about Iran. The signs were waved at drivers coming down Pennsylvania Avenue, and they said, "Honk if you think they're lying." Now, if you were driving by, would you honk?

Mr. Baker. No, I wouldn't honk. But I tell you what, I sure would tell the President, if I had the chance, that this thing is festering and going to get out of control just for that sort of reaction unless we get all these circumstances out and published as soon as possible. I think he's in grave danger, not because of the substance necessarily, but because of the technique and the timing.

Mr. Brinkley. Mr. Michel, would you honk?

Representative Michel. Of course not. Because I've talked to the President personally about it. He's looked me straight on in the eye, and said: This is the extent of what I've known. And I think we've all been taken through the steps on that. And I have the fullest confidence in the President that that's exactly how he feels. And I think those of us who know him quite well and his method of operation, it's very plausible for us. Now, it may not be for the general public out there, because we know people are a little bit more attentive to detail. Some may be candidates currently today who would be——

Mr. Will. Say some more about that, why it is—what you know about the President's way of behaving makes this more——

Representative Michel. Well, we all know that he is one for delegating a great deal of authority, and probably not devoting himself to a number of the details. And I'm thinking in terms of Howard Baker having served in the legislature, or Bob Dole or Jack Kemp or whomever. You know, we'd probably get much more detail if they were elected president to the legislative process and some of the details, rather than thinking always in terms of the overall view. And I think part of that, then, when it comes to this thing, when there are so many things involved and down to finite details, that it's quite plausible that the President, on the real key area there where he should have made a decision or absolutely said, no, at this juncture, was really not there to say it.

Mr. Will. Senator Baker, you say this is apt to get out of control. Now, you served on the Watergate committee. How do you keep it—both sides, from it getting out of control? I'm specifically thinking, should, in order to facilitate this process, should immunity be granted by the Congressional committees? And how far should the President stand by executive privilege, not just thinking of this case but the general integrity of the Presidency?

Mr. Baker. Well, I think the overall and fundamental question of the integrity of the Presidency is the survival of the Presidency, and we just simply can't have another Watergate, and another destroyed administration. So I think the President needs to jettison any thought of executive privilege, and not be in opposition, as I don't believe he will be, to a grant of Congressional use immunity. I think he simply must get the facts out and do it promptly and be ahead of the committee and head of the special prosecutor and be in the lead in disclosing those facts to the public.

Mr. Will. If you were President, how do you do that? I mean, we just heard Mr. Perot say, send everyone home and tell them to come back at 9:00 with their blue books full of the details. Is that how you'd do it?

Mr. Baker. Yes, that's pretty much the way you'd do it. I think that, you know, a President is in a unique position as commander in chief as well as President. And I guess in my mind's eye, what I would have done is, summon up everyone into the Oval Office, as Perot said, and I'd said, look, you know, you have really put me in a bad spot.

I didn't know about this and you're about to destroy me. Now what did you do?

Mr. Will. The President went out and gave a speech, his first speech on this subject, in which he said, all the arms could have fit in one cargo plane. Now all speeches the President gives are vetted through a large interagency process. Isn't it obvious that someone had to read that who knew that was false?

Mr. Baker. I think it's obvious.

Mr. Will. Now, how do you find that guy?

Mr. Baker. You've just got to do it that way. And you may not find the facts. But the President—the President has to make the effort.

Mr. Donaldson. Mr. Michel—go ahead if you——

Representative Michel. Well, I've said before, you know, that the President hasn't been well served in that staff operation. And it's up to him at this particular juncture, you know, to say, well, yes, I've made mistakes and they have made mistakes. And we can now make a fresh start, possibly.

Mr. Will. Didn't someone allow—

Representative Michel. It's still his call ultimately.

Mr. Will. Didn't someone allow, knowingly allow, the President to go out and say something they knew was false?

Representative Michel. Well, it's quite obvious.

Mr. Donaldson. Well, we've been talking about people below the President. But really, this President is going to be saved or not on what the President knew, the famous Baker question, when did he know it. And there's precedent—President Gerald Ford, when questions about his pardon of Richard Nixon came up, came up to Capitol Hill and testified before the House Judiciary Committee. Would it be a good idea if President Reagan comes up and talks to these select committees when they get formed?

Representative Michel. Well, I don't know. That's a judgment call. He'd probably even by willing, if you just asked him point blank maybe to do that. I'm not altogether sure I'd want to subject my President to that kind of thing. But he has said that anything the committees would like to have, we're going to certainly come forward with it. I tell you, I see the striking contrast to Watergate. There's no bunker mentality at the White House, as far as I'm concerned, from the Presidency, as there was, I think, at the time of the Nixon affair. And that is different. And I don't think we ought to just——

Mr. Donaldson. You ought to come down the press room sometimes, Mr. Michel. You might change your view of that.

Representative Michel. Well, I've been down there. And you folks are very probing.

Mr. Donaldson. Well, Senator Baker, what about you? Do you think the President should make his testimony available in some way?

Mr. Baker. I don't think so, really. You know, that's a bridge he'll have to cross if the circumstances warrant it. But I tell you what I really do think. I think that the President—the President needs to make sure that he is getting all the facts. I think your earlier question about people not—even now giving all the information is terribly relevant and terribly frightening. And I think this President has to make it clear that he's just mad as he can be that somebody, and maybe several people, are putting his whole administration and his lifetime record in public service in jeopardy.

Mr. Will. Is he angry——

Mr. Brinkley. To protect their own necks.

Mr. Will. Is he angry?

Mr. Baker. I don't know.

Representative Michel. Howard and I have talked about that a little bit, because frankly, I've made some comment to the effect that both those critical mornings, I think, Monday and Tuesday, when we had some real let-your-hair-down meetings with the President, I think both mornings he kind of began with a little Irish story, you know. The general feeling, I don't feel as, him coming into the room as Howard, I think, would have probably felt, by golly now, I was let down, or this was wrong, and we're going to correct this baby. That wasn't his mental attitude.

Mr. Donaldson. He hasn't said anything was wrong. He said mistakes were made in the execution of his policy which, again yesterday, he defended as being right and proper. Hasn't his anger been directed at his critics, the press, the sharks in the water and all of that?

Representative Michel. Well, I think at one moment the President maybe said something about the press that might have been uncharacteristic for him, frankly, from the point——

Mr. Donaldson. Mr. Michel, let me ask you about the Secretary of State George Shultz apparently did in soliciting money from the Sultan of Brunei in order to fund the contras. Was that a proper action?

Representative Michel. Well, I know there's the letter of the law and the spirit of the law. But I think we've all—those of us who supported actions for the contras certainly made no mistake. If ever I was out on the public stump some place would say, well, if there's something available from private sources that is not in contravention of the law specifically with Federal funds, why, maybe some of that ought to be done to bridge the gap.

Mr. Donaldson. So you think it was a proper action, is that it?

Representative Michel. Well, I don't have any real serious criticism of it myself.

Mr. Brinkley. Congressman Michel, Senator Baker, thank you.

[From the Daily News, Dec. 9, 1986]

COMMON SENSE SAYS LITTLE

(By William F. Buckley)

Sen. Fritz Hollings may know, by the time these words appear, the gravity of what he has done, but he ought not to underestimate it. The words that flashed out on radio and television, after a day's extended hearings with Vice Adm. John Poindexter and with former NSC adviser Robert McFarlane, were that the President of the United States "knew it all."

It wasn't until the following day that the press could report a slight amplification: Sen. Hollings was reporting not on the basis of what he had heard but on what was "common sense."

The reprimand by the chairman, Sen. David Durenberger, was fast and very sharp. The chairman rebuked his colleague in sharp tones: "Tell him he ought to be a member of the committee or get off because he has broken the ground rules of the committee."

But the damage was done.

Because there isn't very much of a dramatic nature that hangs on the proceedings save the answer to the question: Did President Reagan lie to the American people? Those who know Mr. Reagan are prepared to stake their own credibility on Mr. Reagan's truthfulness in his assertion of ignorance of the Iranian money that went to Nicaragua. All the rest—the arms sent to Iran, the independence of the NSC, the ignorance of the chief of staff—are complaints that have to do with judgment and with tables of organization.

To repair the latter, a respected three-man team has been convened to make recommendations. To acquit himself of the former, President Reagan will need to suffer to the extent that public opinion consolidates around the conclusion that his search for Iranian moderates was misconceived.

But on the matter of Mr. Reagan and the public, there is no compromising.

Sen. Hollings said that common sense was the basis of his conclusion in the matter of President Reagan. Well, common sense can hardly be defined by studying Sen. Hollings' activity. Coming out of a room surrounded by electronic devices to foreclose against penetration by outsiders, Mr. Hollings promptly advertised his conclusion the effect of which was to anticipate the judgment of the investigating body. And what makes it all especially perplexing is that the thing we are exploring is a departure from common sense.

Surely common sense would suggest that a President was informed of a transaction arguably illegal and in any event scandalous. But Mr. Reagan has made exactly that point, namely that the secret operation was kept even from him.

So Sen. Hollings on the one hand says that which is obvious—that common sense would suppose the President would know about so egregious a covert operation—and on the other hand Sen. Hollings urges the conviction that that which is common sense obviously is what prevailed. He is saying something that, stretched out on a syllogistic frame, would read something like: Proposition A: Three-quarters of the U.S. Pacific Fleet was at Pearl Harbor on Dec. 7, 1941. Proposition B: It would not be common sense for the commander in chief to put three-quarters of the U.S. fleet in Pearl Harbor at a time an enemy might attack. Therefore, the Japanese could not have attacked Pearl Harbor on Dec. 7.

Mr. Hollings has violated Senate committee rules, congressional etiquette and the ground rules of ethical behavior. It doesn't make common sense for him to have done such a thing.

U.S. Senate,

Washington, DC, December 16, 1986.

William F. Buckley, Jr.,
Editor, National Review,
New York, NY.

Dear Mr. Buckley: Your attack on me in the December 9 New York Daily News and elsewhere recalls Oscar Wilde's dictum on public debate. "If you can't answer a man's arguments, all is not lost. You can still call him vile names." You ignore the substance of my indictment of the President, opting to defend Mr. Reagan by blaming the media and impugning the character of his critics. This, of course, is the Pat "Stonewall" Buchanan school of presidential defense. It failed miserably 12 years ago, and it won't work this time around either.

Specifically, you accuse me of violating "Senate committee rules, congressional etiquette and the ground rules of ethical behavior." How does it violate either etiquette or ethics for an elected public official to give voice to what (according to every poll I've seen) the majority of Americans believe, i.e., that the President has yet to come forward with the full truth about his knowledge of and involvement in the Irangate affair?

Interestingly enough, you and I are in fundamental agreement on the logic of Mr. Reagan's involvement. I concur completely with your statement that "Surely common sense would suggest that a President was informed of a transaction arguably illegal and in any event scandalous." From that point, however, we part company. You blithely embrace the President's plea of innocence by virtue of ignorance. I, as a former trial attorney, have retained a skeptical attitude and have urged a complete airing of the facts. Indeed, memories of Gulf of Tonkin and Watergate are too fresh to permit any other approach.

Furthermore, I categorically reject—and personally resent—your claim that I have violated committee rules by speaking my mind on the subject of Irangate. There is no comprehensive gag order restraining Intelligence Committee members, and, as you well know, Sen. DURENBERGER and others have become fixtures on the evening news and Sunday talk shows.

However, I would point out that during my two years on the Committee, I have been one of several Senators who steadfastly refuse to talk to the press about Committee proceedings—either immediately after Committee hearings or at any other time. I began intelligence work as a member of the Hoover Commission task force investigating the CIA and all other intelligence agencies of the federal government in 1953 and 1954. Over the intervening 33 years, I have never leaked or otherwise compromised classified information.

Ask your journalistic colleagues here on Capitol Hill. You will not find a single instance of my discussing Intelligence Committee proceedings or information with a member of the media. I have made it scrupulously, even pedantically, clear that my opinions regarding the President's involvement in the contra connection are based not on Committee testimony but rather on common sense and elementary deduction. In any case, I would remind you that Intelligence Committee testimony in recent days has mostly consisted of repetitions of "On advice of counsel, I respectfully plead the Fifth"—hardly anyone's idea of riveting or edifying fare.

Let me also point out several other inaccuracies in your rather slapdash column: You write that my statement to the effect that the President "knew it all" "flashed out on radio and television after a day's extended hearings with Vice Adm. John Poindexter and with former NSC adviser Robert McFarlane." First, there was nothing "extended" about the Poindexter hearing; he pleaded the Fifth several times, then promptly retreated. Second, the news reports resulted from my interview on the TODAY show and NPR on December 3. Poindexter and McFarlane didn't testify until December 4.

Senator Durenberger's "rebuke" was an emotional outburst in response to an exaggerated hypothetical question. Soon after his statement, I asked him what rule or ethics or reason would cause him to react so strongly. He replied that he had made the comment in response to a hypothetical question from a reporter.

I have not been playing this national tragedy for personal publicity or gain. Indeed, I have declined more than a dozen invitations to appear on talk shows like your own. I did appear, finally, on the Brinkley show on December 7, and it is obvious from the record that I wasn't "advertising" (to use your word). I simply stated that I wasn't going to go along with this charade of silence regarding the emperor's lack of clothes.

You hardly need be a member of the Intelligence Committee to realize that President Reagan created an environment in which aid to the contras—by hook or by crook—was a top priority. The vital question is not so much "What did he know and when did he know it" as "What did he give and when did he give it"—authority, that is.

The President's authority was either explicit or implied. Either way, no one can persuade me that Adm. Poindexter and company were buccaneers operating on their own. They were doing the President's bidding.

For the President, now, to shout "Police!," "Get the FBI," "Appoint a commission," and so on, is absurdly disingenuous. It's like the captain of the Love Boat expressing surprise and outrage that people are falling in love aboard his ship. It just won't wash. And that conclusion, Mr. Buckley, is just a matter of common sense.

Sincerely,

ERNEST B. HOLLINGS.

NATIONAL REVIEW;

New York, NY, December 29, 1986.

Hon. ERNEST HOLLINGS,
Senate Office Building,
Washington, DC.

DEAR FRITZ: Just got back from a week's vacation and saw your fustian communication. I am sorry about that rather extraordinary anomaly, namely that the fuss was about a broadcast you made the day before you heard testimony. That was not made clear in the two newspapers in Chicago I read the day I wrote the piece you object to, nor was it even hinted at that the rebuke by Senator Durenberger had to do with a hypothetical point. What it boils down to, it seems to me, is that the public conceive of you as a judge in a tribunal and for that reason expect judicious declarations from you. It amuses me that you resent this, because in a way I do too, having for years thought your candor one of your greatest charms. I'd be disappointed if Barry Goldwater ever became a judge—it would rob me of much of the fun in life. But I am not here to counsel you on how to do your duties. My counsel is only made publicly.

With cordial personal regards,

WM. F. BUCKLEY, Jr.

[From the New York Times, Dec. 14, 1986]

COME CLEAN, MR. PRESIDENT

(By Ernest F. Hollings)

WASHINGTON.—Like a grade B Hollywood remake, the arms-for-hostages deal is rapidly degenerating into President Reagan's Watergate. It recalls the adage that historical phenomena always happen twice—the first time as tragedy, the second time as farce.

The trouble is, nobody is laughing anymore. What started as a grade B remake has now evolved into a first class scandal. However, this crisis need not destroy the Administration.

Since taking office in 1981, Mr. Reagan has restored the Presidency to authority and pre-eminence. The American people have genuine affection for the President. They trust him. To maintain that high standing, Mr. Reagan must, as he himself has said, "fully inform" the nation about the environment he created in which this escapade was hatched.

No, I am not talking about cashiering Donald Regan or reining in the National Security Council. Those actions are necessary, but they fail to tackle the core problem: the mortal blow that has been dealt to the President's credibility and standing.

When all is said and done, Mr. Reagan is the "who" in all the hoopla surrounding this crisis. And the fact is that the vast majority of the American people do not believe the President is telling the full truth about his knowledge and involvement. As with Watergate 12 years ago, what hurts most is not the violation of laws but the wanton betrayal of trust.

The President's plea of ignorance stands on two increasingly wobbly legs. The first is the shield of "plausible deniability" for the President—the standard ingredient of any illegal covert operation. Unfortunately, as Senator Bob Dole has observed, not even Ripley of "Believe It or Not" could believe that Lieut. Col. Oliver L. North and Vice Adm. John M. Poindexter—schooled in obedience and loyal to the chain of command—acted without higher authority, indeed, without the highest authority.

The second line of the President's defense is the widespread impression that he is laid back and poorly informed about even the most important activities of his Administration. True, he may be indifferent to 95 percent of his Administration's initiatives, but he has engaged passionately in the remaining 5 percent. And at the top of that personal Reagan agenda are the contras and the Beirut hostages. It is inconceivable that Admiral Poindexter's daily briefings with Mr. Reagan would not include detailed updates on the President's pet project: assisting the contras.

The truth will out. The only question is whether it will be volunteered or extracted. The President has retreated to his bunker. Colonel North and Admiral Poindexter, two fine officers, have dutifully fallen on their swords by taking the Fifth Amendment to protect their Commander in Chief. But the rest of the White House is leaking like a colander.

Lesson No. 1 of freshman politics is that when you have damaging information that inevitably is going to come to light, you take the initiative and reveal it yourself with the appropriate "spin." Ignoring this dictum, the President has opted to let the truth leak out in a slow drip—a Chinese water torture is eroding his popularity and power.

Mr. Reagan can and must halt the slide. He cannot acknowledge "full responsibility" and call in the Federal Bureau of Investigation and special counsel to catch the criminal while at the same time giving farewell parties to the accused and calling them national heroes. He must lay bare the unvarnished facts about his Administration's dealings with Iran and the contras. This will prevent the paralysis of our Government and allow Mr. Reagan to move decisively to reconstitute and restore his Presidency. Who doubts that Congress and the American people would respond positively to such a decisive act of candor?

STATEMENT BY SENATOR STROM THURMOND REGARDING REMARKS MADE BY SENATOR ERNEST F. HOLLINGS ABOUT PRESIDENT REAGAN, DECEMBER 5, 1986

I was shocked and amazed by statements made earlier this week by my Democratic colleague, Senator Hollings, which strongly insinuate that the President has not been truthful about the details of the Iranian arms deal, and specifically about the diversion of funds to the Nicaraguan Contras.

After learning of Senator Hollings' statements, I contacted the Chairman of the Select Committee on Intelligence, Senator Durenberger, to determine if the Committee had reached that particular conclusion, and he informed me that it had not.

Furthermore, he told me there has not been any evidence thus far in the Intelligence Committee hearings to suggest that the President has not told the truth or had any involvement with or knowledge of the diversion of funds to the Contras.

In addition, he expressed his concern—and that of some of his colleagues on the Committee—about the basic unfairness and the inappropriate nature of the charge raised by my fellow South Carolina Senator.

Indeed, Senator Durenberger said he was so surprised by these remarks that he took the extraordinary step—one I cannot recall happening in my tenure here—of publicly suggesting that Senator Hollings consider withdrawing from the Intelligence Committee's review of this matter because his objectivity may have been compromised.

While I have always had high regard for Senator Hollings and a good working relationship with him, I simply could not allow his statements to go unchallenged. Frankly, I believe his statements have called into question his objectivity in this matter, but I think the issue of his continued participation in the Iran arms inquiry is something that is best resolved by himself and Senator Durenberger.

In addition, I am dismayed and deeply concerned, not only about what Senator Hollings has said, but the general circus atmosphere which has surrounded this entire episode.

In the 32 years I have served in the Senate, I have seen and been involved in special investigations of all kinds: independent counsels; Watergate; Billygate; Koreagate; Briefing Book-Gate; Vesco; Abscam; and a host of others. All of them had one similarity: Anyone willing to make outrageous statements before getting all of the facts was guaranteed time on the evening news.

The Iranian arms incident is no exception.

I did not come here to blindly defend the President of the United States. However, I think it is important to take into consideration the character and reputation of the person involved. In this case, we are talking about a man who has twice been elected president by overwhelming margins; one of the most popular presidents in this Nation's history; a man with a long and unblemished public service career; and an individual I know to have always been honest and forthright with the American people.

At the very least, and I mean the very least, President Reagan is entitled to a judgment based on the facts, not on innuendo or assumption.

As members of Congress—and this is especially true for those individuals participating in this investigation—we owe something very important to the American people who are watching our handling of this incident. We owe them a professional approach to our work. All of us want a full and complete accounting of what has transpired. Our inquiry, and the probe by the independent counsel, should be broad enough to involve all relevant facts and individuals.

However, our citizens do not want to see us run roughshod over peoples' rights in a zealous pursuit of headlines and political gamesmanship.

HOLLINGS RESPONDS TO THURMOND'S ATTEMPT TO DISCREDIT HIS VIEWS REGARDING IRANIAN ARMS DEAL

CHARLESTON, S.C.—Statement of Senator Ernest F. Hollings, D-S.C.:

"I am pleased to see in today's Washington Post that Senator David Durenberger, Chairman of the Senate Select Committee on Intelligence, agrees with my assessment of the current situation. He is quoted as saying, 'The country needs to put this behind it as soon as possible. The president is in the best position to do that at this point and time.' This is exactly what I stated in my news conference two days ago.

"My interest is to help the president and help the country. I stated in my news conference that President Reagan had the trust of the American people. He has my trust.

"The news media has constantly tried to have me call the president a liar. What I have said is that the president has not fully informed the American people.

"The bottom line is: did Vice Admiral John Poindexter and Lieutenant Colonel Oliver North act with presidential authority? I remain convinced that they had the authority, either directly or indirectly. No two people working in the White House on a Contra policy involving five departments of government and five or more countries would dare this without implied authority. The American people know this.

"On Wednesday, my views, time and again, were emphasized as those of a United States Senator from South Carolina, not as a member of the Intelligence Committee. I have never intimated any information about the work or testimony from the Intelligence Committee.

"I am only sorry to see my senior colleague, Senator Thurmond, in his zeal to discredit me, talk about evidence before the Intelligence Committee that was told to him by Chairman Durenberger. They are the ones violating the rules, but they do not seem to realize it."

[From U.S. News & World Report, Dec. 22, 1986]

THE INFORMER AND THE INFORMED

To cushion his fall on the way down, Ivan Boesky sold out the very people who helped him on the way up. He carried a secret wiretap on his person and his phone to entrap other insider traders and mitigate his own punishment. Wall Street and beyond condemns him for the lawbreaking; yet it loathes him for leading the authorities to other lawbreakers. The paradox lies in our simultaneous respect for law and revulsion at betrayal. Even before Judas Iscariot, the informer was universally despised.

Why then do we place people like Vice Adm. John Poindexter and Lt. Col. Oliver North in the position essentially of asking them to inform on others and to inform on themselves? The answer given is that it is in the national interest to resolve the current crisis over arms sales to Iran and the *contras* by having these officials reveal what they knew—but it is in the national interest also to get to the bottom of insider trading and stamp it out. The distaste for Boesky, it may be said arises from the spectacle of a man trying to save his own skin. Are Admiral Poindexter and Colonel North not simply doing the same thing when they take the Fifth Amendment on the ground that they do not want to incriminate themselves? No. The parallel is false. They may, for a start, be trying to save other people's skins. Secondly, self-interest is secondary here.

These men have been placed in an unfair position. For the first time in history, an active-duty admiral has taken the Fifth before a congressional committee. The nation is especially moved by the moral agony of Colonel North, who wants the truth to come out but is temporarily its self-interested obstructor.

Poindexter and North have devoted their entire careers to the service of the country. Their actions, unlike Boesky's, were undertaken not for personal gain but for public interest—or at least their perception of it. It is not only that they did what they believed was best for the country but clearly what they believed their Commander in Chief also chose to be in the national interest.

Even if Chief of Staff Donald Regan or President Reagan did not directly authorize the diversion of funds to the *contras*, who can doubt that this was clearly what they both wished? When Henry II asked, "Who will rid me of this troublesome priest?" it was not so much a question as an order.

So, in one form or another, the basic responsibility lies with the President and his chief of staff. It is not Poindexter and North who should be in the public glare. The President and his chief of staff should have said early on that they themselves took full responsibility for all the actions of their subordinates, known and unknown, and accepted all the consequences. Whatever was done was in the name of their policy. The spectacle of subordinate staff in the dock is demeaning to the office of President. The issue is essentially political, not criminal. If there has been violation of the law, it is violation of laws that really do not have sanctions. It's a technical violation that is fairly frequent. For example, the Congress has violated its own Gramm-Rudman law that also has no sanctions. The violation here is also only momentarily a violation of congressional will: Soon after the Swiss-bank funds were diverted, Congress itself voted $100 million for the *contras*. And there is substantial precedent for presidential initiative. Who can forget the lend-lease policy of President Roosevelt to help England that technically skirted the legal requirements and the will of Congress? Who will forget Jefferson's purchase of Louisiana, contrary to American law? The policies that lie at the root of the current crisis where those of establishing ties to Iran by arms sales and helping the *contras*. Such policies may have been unwise but were essentially part of normal political controversy.

What has become the central issue is the unwillingness of the President to accept full political responsibility, to acknowledge his mistakes and to recognize that to restore public confidence he must make wholesale changes to his staff beginning with Donald Regan. The moment may very well have passed when the President could have stayed out front on this issue and not suffered the political damage. Now, every day of confusion, denial and leak is a day of sad subtraction from a Presidency of significant achievement.

WELCOME TO SENATOR BREAUX

Mr. JOHNSTON. Mr. President, it is with great pleasure that I welcome to this Chamber my new colleague from Louisiana, JOHN BREAUX.

JOHN's election to the Senate in November followed a long and difficult campaign, against tremendous odds. But, most importantly, it was always a positive, respectable campaign. His victory should tell us a great deal, not just about JOHN BREAUX's qualifications as a U.S. Senator, but about his high regard for the political process

Elected to the House of Representatives in 1972 and, until recently, serving as dean of the Louisiana delegation, JOHN has proven himself to be an outstanding legislator. I have no doubt that each of you will come to appreciate his skills and talents as I have through the close personal and professional relationship we have shared over the years.

I know that my State of Louisiana and the Nation will benefit greatly by JOHN's service here in the Senate. I am delighted to welcome him as a friend and colleague and look forward to working with him in the years ahead.

Mr. WARNER. Mr. President, on December 10, 1986, a distinguished colleague was honored at the Department of Defense in one of the most impressive and moving ceremonies I have ever witnessed.

I am referring to the Armed Forces salute to Senator Barry Goldwater on the eve of his retirement from this great body.

Senator Goldwater served the American people faithfully and well for over five decades—three of these as a U.S. Senator.

His wise counsel and unparalleled common sense benefited virtually every Member now serving in the Senate.

His record of selfless dedication to the common good—to America—reflects the very best that this Nation has to offer.

He was a friend, a truly gentle man, and a patriot.

I ask unanimous consent that the ceremony transcript be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

ARMED FORCES SALUTE TO SENATOR BARRY M. GOLDWATER

PRESENTATION OF THE DEPARTMENT OF DEFENSE MEDAL FOR DISTINGUISHED PUBLIC SERVICE

To Barry M. Goldwater in recognition of thirty years of exemplary service to the American people and the security of the United States of America.

Beginning with the Eighty-Third Congress in 1953 and extending to the One Hundredth Congress in 1987, Senator Goldwater's exceptional leadership as an active member of the United States Senate, including the Chairmanship of the Senate Committee on Armed Services and oversight of its Subcommittees, has been instrumental in preserving the national security of the United States. Through his dedicated efforts for a strong national defense and his tempered and prudent stewardship of materiel and fiscal resources, the United States has maintained a strong and effective deterrent force. He has consistently worked to facilitate Congressional approval of Defense programs that are critical to the long term security of the United States, while simultaneously ensuring that approved programs have contributed maximum deterrent capability for the resources invested.

In his service under seven Presidents, he has always placed his determination for a strong America above partisan political considerations. His distinguished contributions are in the highest tradition of service to the Nation and deserve the lasting gratitude of all its citizens.

As a tribute to his outstanding accomplishments, and on behalf of the men and women—both military and civilian—of the Department of Defense, it is with great pleasure that I present Senator Barry Morris Goldwater the Department of Defense Medal for Distinguished Public Service.

CASPAR W. WEINBERGER,
Secretary of Defense.

PRESENTATION OF THE ARMY DECORATION OF DISTINGUISHED CIVILIAN SERVICE AWARD

Senator Barry M. Goldwater is awarded the decoration for distinguished civilian service.

Citation: The honorable Barry M. Goldwater is cited for his dedicated service both as a member and chairman of the Senate Armed Services Committee and his extraordinary contributions to the accomplishments of the United States Army. During his stewardship as chairman, Senator Goldwater played a significant role in the revitalization and modernization of the Army, and as a result today's Army is better able to carry out its mission than ever before. A strong supporter of conventional forces, he has advocated many of the Army's vital programs including enhancements for Army aviation, and communications, particularly mobile subscriber equipment, defensive chemical measures and binary chemicals, and the Bradley fighting vehicle. His support of the Army personnel programs and the enhancement of reserve components has placed the future of the Army on the path of continued improvement and excellence. Finally, as a watchdog on pricing of contracts and a key supporter of multiyear contracts, he has helped to ensure that the Nation received the most possible for its defense dollars. Senator Goldwater has established himself as a true American patriot. His support of the United States Army and selfless service to the Nation stand as a worthy example for all Americans to emulate.

JOHN O. MARSH. JR.,
Secretary of the Army.

PRESENTATION OF THE NAVY DISTINGUISHED PUBLIC SERVICE AWARD

In appreciation of Distinguished Public Service to the Department of the Navy The Secretary of the Navy takes pleasure in presenting the distinguished public service award to Senator Barry M. Goldwater for services set forth in the following citation: For outstanding service and achievement in a position of great responsibility to the United States Government. Serving as a member of Congress for over thirty-five years, Senator Goldwater was an unswerving proponent of a strong Navy and national defense. His personal dedication, strong commitment to excellence, and visionary leadership were instrumental in the rebuilding of the Navy into a modern naval force capable of protecting U.S. interests around the world. As Chairman of the Senate Armed Forces Committee, his professionalism and leadership were inspiring to military and civilian alike, fostering a spirit of cooperation at all levels of Armed Services. His astute knowledge of maritime and national security affairs earned him a reputation in world, national defense, and Navy forums. The nation owes a debt of gratitude to Senator Goldwater. Senator Goldwater's singular distinctive accomplishments and strong leadership will influence military strategy and readiness well into the century.

JOHN F. LEHMAN, JR.,
Secretary of the Navy.

PRESENTATION OF THE AIR FORCE DECORATION FOR EXCEPTIONAL CIVILIAN SERVICE AWARD

Department of the Air Force presents the decoration for exceptional civilian service to Senator Barry M. Goldwater.

Citation: In recognition of thirty years of distinguished service in the United States Senate during which he was an ardent supporter of the United States Air Force from its inception to the present day. Senator Goldwater's support and direction of major weapon systems from the B-36 bomber through the B-1 bomber and the F-100 fighter to the F-16 fighter have ensured the ongoing modernization of the Air Force. His visionary accomplishments have charted the course for the growth of the United States Air Force from infancy to space. Senator Goldwater has been a staunch supporter of people programs resulting in the highest quality personnel in the United States Air Force. For these accomplishments he has earned the gratitude, respect, and admiration of every individual who has served in the United States Air Force.

E.C. ALDRIDGE, JR.,
Secretary of the Air Force

REMARKS BY ADM. WILLIAM J. CROWE, JR. CHAIRMAN, JOINT CHIEFS OF STAFF

Chairman Goldwater, ladies and gentlemen, it is a great pleasure to welcome you to these ceremonies as we pay tribute to a man who has been one of this nation's most prominent citizens and leaders for more than three decades, Senator Barry Goldwater. Every American owes this strong advocate for national defense a great debt of gratitude. In turn, Mr. Chairman, we in the Pentagon—and I speak for all the U.S. military when I say that—feel privileged to have this opportunity to show our appreciation today, as you prepare for what some have called "retirement", but I suspect it will be a rather active retirement.

Not long ago, a report in the local media quoted Senator Goldwater to the effect that the new DoD reorganization law bearing his name is, in his words, "The only thing I ever did that was worth a damn." Now, I certainly don't want to quarrel with the Senator here, but I would like to grasp this opportunity to present a different viewpoint. Even aside from any judgments that history may render concerning that legislation, I would argue that Barry Goldwater's legacy to this nation is much larger, much broader, and much deeper than that particular assessment admits.

Especially for those who have devoted their professional lives to the cause of national defense, two dimensions of his career in Washington stand out with particular clarity. The first is the role he played in the resurrection of the American spirit after our experience in Vietnam and the debates and doubts of the 1970s. Many of you remember those rather depressing times well: in some quarters, our armed services were ridiculed—and even reviled; public cynicism about leadership and about the process of national governance was widespread; the country's international vision was clouded, and its defenses fell into disrepair.

Through all of that turmoil and confusion, Barry Goldwater stood on high ground as a standard-bearer for patriotism, national service, and for dedication. He kept the faith of our founders, and with clear-eyed focus on national purposes and needs, he marked the place for his fellow Americans to return to after years of disillusionment, disappointment, and strategic wandering. The restoration of strength and stature this nation has achieved in the 1980s rests, ultimately, on that solid foundation. Indeed, it could not have been achieved—and cannot be maintained—without it.

I would suggest that Senator Goldwater's second large-scale contribution has to do with his continuing example of selfless, straightshooting service to his country in the best Arizona example. First and always, his animating concern has been a concept of the national interest, not something smaller. His career has provided an abiding lesson for all citizens, for all those who aspire to civic leadership, and especially for Americans who now wear the uniform of our armed forces in times that are better and safer largely because of his efforts.

A quarter century ago, just as he was rising to national prominence, Barry Goldwater did something that is now the rage in Washington—he wrote a book. Its title featured a significant word, "conscience"—that has always been important to him, although we don't see it so much in writings these days. Twenty years later, he wrote another book entitled, "With No Apologies". It is an inspiring testament to Barry Goldwater—and to this country—that a man who came to Washington dedicated to abiding principles, and who never shrank from any contest, from any battle, can now leave justifiably confident of his fidelity to those core values. So much for the cynics, carpers, and hangers-back.

As we go forward in the effort to enhance this Republic's defenses, I know that we will continue to hear from Barry Goldwater. He will always prod us to do better. And, just as importantly, we can be sure that he will keep the need for national strength in the forefront of the public mind that has tended—all too often in our history—to overlook that inescapable fact of international life.

I would submit that keeping America strong is doing the right thing, and that has certainly been one of the premises of Barry Goldwater's life. I am confident that he will continue to be in the vanguard of that effort in retirement just as he has been in the vanguard of that effort as an Airman, as a Senator, and as Chairman of the Senate Armed Services Committee.

With that, and before we give the Senator himself a chance to make some typically modest denials of these accolades, I am very pleased to turn the microphone to a man who has led the massive turnaround of our military fortunes which Barry Goldwater has helped make possible, our Secretary of Defense, Mr. Caspar Weinberger.

REMARKS BY THE HONORABLE CASPAR W. WEINBERGER, SECRETARY OF DEFENSE

Secretary Weinberger, Secretary Harrington and distinguished members of the Senate and the House, it is a very great honor for me to be a part of this ceremony today and to share with you a few thoughts on one or two other aspects of Senator Goldwater's career that complement and supplement the very fine but not in any way flattering estimate that Admiral Crowe has just given.

One thing we've always known about Senator Goldwater is where he stands. Although he and I have never really disagreed on anything, and I think back today to a time about 22 years ago when I had the great privilege of introducing him again at a somewhat smaller and less colorful gathering in San Francisco. The same things that I said at that time were perfectly applicable now because he has never changed and he has been unswerving in his devotion to the ideals that so appealed to me then.

He's been blunt, he's been straight forward and he's very far from shallow, he is very deep. These are probably the very best ways to describe him—that deep honesty, that bluntness and that straight forwardness. All too often, I've found, and I know he has, that politics breeds a blandness or an aversion to holding your ground on an issue. It's easier that way—if you get back into the middle where everybody is. That's never been the Senator's problem nor his way. We've needed men like him in the Senate, and in the country, and we've been very fortunate to have had him.

Few public figures of our time have such a reputation for persistent and painstaking dedication to the common good. I really have to say today that extremism in praise of Barry Goldwater is no vice because it is true. Barry Goldwater has the reputation of being a prophet—a hard thing to sustain and he's done it over all of these years.

When he entered the Senate, and when he entered the national arena from the Senate in the 1960s, his ideas were said to be extreme because at that time everyone knew that government spending was the only way to cure poverty and everyone knew that government regulation was the only way to control the marketplace and everyone knew that local governments were not qualified to run their own affairs—everyone that is except Barry Goldwater and a very few others—one of whom happens to be the President of the United States.

What Barry Goldwater taught us in the early 60s is now common opinion. He has had that enormously gratifying thing happen, he's lived to see the prophesies come true and the opinions he espoused now held as part of a common knowledge.

The unorthodox opinions of the conscience of American conservatism have now taken root and they're embraced by all except the most unreconstructed liberal. We've all learned from the Senator, indeed America has been his classroom now for over 30 years. There are a few slow learners out there, of course, but they're far outnumbered by those who have been touched by the consistently perceptive and vigorously argued ideas of Barry Goldwater.

I think there are three lessons that stand out among the many he has taught us. They certainly stand out for me. First, do not get involved in wars you do not intend to win. Secondly, government regulation of our lives easily and quickly becomes the regimentation of freedom. And third, despite all her faults and shortcomings, it is perfectly all right to love America.

The Senator recognized far earlier than most the great potential damage to democracies that engage in drawn-out conflicts in which there is no prospect of victory. Barry Goldwater was right about the war in Vietnam. We began by questioning that war—we ended by questioning ourselves.

Clear goals and a means to achieve those goals must guide the use of force by this nation. Our big problem was that we didn't listen well enough to the Senator. Long before it was popular, Barry Goldwater was telling us that the best way to build a strong economy was simply to leave people alone. Let the entrepreneur experiment, let the free thinker innovate, let the risk taker take a chance. And if government would only allow the natural American spirit of enterprise the room to breathe, the economic engine of freedom would know no bounds.

For many years the self-doubts that were spawned by the events of the late 1960s, as Adm. Crowe has said, drove patriotism out of our homes and replaced it with nihilistic whinings. All we really had to do was to listen and to learn from Senator Goldwater. Yes, America could make mistakes, but even our errors stem from our desire to do good. If we search the volumes of world history, we'll discover that this great sprawling republic of ours is the freest, and the most prosperous and the strongest nation that the world has ever known.

Barry Goldwater knew this when so many wished to doubt. Barry Goldwater knew it when so many turned their backs on America. The debt that we owe to him, I think, cannot be measured in the legislation he has written, or in the speeches he's given, or even in the lessons he's taught. Rather, we owe him thanks for simply telling us the truth as he saw it; for being the kind of person we would wish our children and our grandchildren to be—honest, wise and patriotic in the finest sense of the term.

Ladies and gentlemen, I have had many privileges and honors since I took this post, none exceeds the one I feel now as I present to you, Senator Barry Goldwater.

REMARKS BY THE HONORABLE BARRY M. GOLDWATER, UNITED STATES SENATOR

Secretary Weinberger, Admiral Crowe, distinguished leaders of the Armed Services, my friends from the House and Senate and my staff, my brothers in uniform, you know this is one of those days that I should have listened to my mother and stayed in bed. Because you stand up here and listen to all these nice things said about you and you don't know what the hell to say. I will say to the Admiral, however, that when that piece of legislation was passed we didn't expect to come over here today and find it all accomplished. And you wonder what I am going to be doing in the years ahead, I will be sort of like that bulldog in the Marines. I will be watching you, and if you get out of line a little bit here and there, we will try and do something to help you out.

As I stand here today, I think back over 60 years when I first put on a uniform in a military school and had the rare privilege of having as an instructor a Major later to become General Sandy Patch, who taught me about the honor of wearing the uniform, and being forever prideful of it. And I have never forgotten it.

I might remind all of you and all my colleagues in the Congress that when we stand up and place our hand on the Bible, raise the other hand, the oath we take is to defend the Constitution of the United States against all enemies foreign and domestic. I have often reminded my friends that that does not mean the Constitution of Arizona or the Constitution of Nebraska or the Constitution or any other state or any other country. It means our Constitution.

The document that made it possible to establish a government to protect those freedoms that were given to us, or recognized as a gift by God in the Declaration of Independence. That is the primary duty of every man who serves in the Congress. It is not what he can do for his state or his back yard, it is what he can do about his own country. And I maintain through years of experience, years of association with men that I can see sitting around here for whom I have the greatest respect, that the way to stay at peace in this world is to have a force so competent, so skilled and so strong that no other country or combination of countries will ever dare do anything to upset us.

I am proud to stand here today in the presence of the Secretaries, the commanding Admirals and Generals in front of all you gentlemen in uniform, and say that never in my life have I known such a high quality of enlisted men and officers as we have now. And I think I can promise you under the new Congress with the leadership that you will have in the Senate, and I hope in the House, a continuation of the efforts to keep you strong and to keep you modern.

I love those damned things but they ought to quit for a while (aircraft overhead).

I don't know. . . . You know long before they built that nasty place over there, this used to be the landing strip, and the first time that I ever landed in Washington I landed here. But they make a lot of noise.

I don't know if I can ever say thank you for this; I'll go to bed tonight thinking, God Almighty, why didn't you say this or say that, and I will go home and dream about it, tell lies to my grandchildren about it. But it is the most memorable day of my life, and to all of you that are responsible for it—starting with Cappy, my old friend who damned near beat me in California—that would have been a blessing.

I just want to say thank you from the bottom of my heart, and to assure you that when you remember the words of George Washington, that all Americans owe service, that you will live that thought, with that thought in your life forever. Not necessarily service in uniform, but I think of the old Biblical instruction, "Do unto others as you would have them do unto you." And that is what you are doing. You are helping to keep this America strong and safe, and we owe you our thanks and in return we want to do our own service. I thank you and I salute you.

JOE C. MORRIS ASSUMES CHAIRMANSHIP OF U.S. LEAGUE OF SAVINGS INSTITUTIONS

Mr. DOLE. Mr. President, I rise today to invite my colleagues to join me in congratulating Joe C. Morris of Emporia, KS, on the occasion of his assuming the chairmanship of the U.S. League of Savings Institutions at their 94th annual convention held in San Francisco last November. The U.S. League, with more than 3,400 savings and loan associations and savings banks as members, is the primary trade organization serving the $1.1 trillion savings institutions business.

Joe Morris is chairman of Western Financial Corp. and president of its sole subsidiary, Columbia Savings Association of Emporia, a federally chartered institution with 15 offices and assets of $475 million. During his 14 years as chief executive officer of Columbia Savings Association in Emporia, Joe has been deeply involved in savings institutions matters at both the State and national levels. He has served in numerous capacities with the U.S. League, including that of vice chairman, and has served the Kansas League of Savings Institutions as its chairman as well as a director.

Despite his active business schedule, Joe Morris has always found time to serve his community. He has served two terms on the Emporia Board of Education and is a member of a special presidential advisory committee at Emporia State University. In addition, he has served as director of Emporia Enterprises, a group formed to encourage industrial development and foster economic growth.

Joe Morris is an honors graduate of Kansas University, where he received the Alpha Kappa Psi scholarship key for being the highest ranking senior in the university's school of business. In 1981, the Kansas Kiwanis Foundation honored Joe, his wife, Susan, and their three sons as Kansas Family of the Year.

We Kansans are proud of Joe Morris and his long list of accomplishments, Mr. President, and we wish him every success during his 1-year term as chairman of the U.S. League of Savings Institutions.

THE TAX TREATMENT OF STUDENT LOAN INTEREST

Mr. KERRY. Mr. President, one of the most significant accomplishments of the 99th Congress was the enactment of a sweeping tax reform measure, H.R. 3838. I supported that measure, Mr. President, along with a majority of my colleagues from both sides of the aisle, because the tax bill represented genuine reform. The bill closed unfair loopholes, eliminated tax shelters and other mechanisms which were distorting investment patterns and encouraging tax avoidance, and most importantly, Mr. President, the tax bill reduced the burden of taxation on ordinary working Americans, including some 6 million of the working poor who will be eliminated from the tax rolls entirely.

But no tax bill has ever been perfect, and H.R. 3838 was no exception. I, along with many of my colleagues, cited a number of objections to various parts of the bill last year. As I stated during the debate on final passage of the bill last September:

> One change that I believe is both unfair and unwise is the elimination of the tax deductible treatment of interest on student loans. This change is applied retroactively. Changing the rules of the game in mid-play is never fair, but it is particularly contemptuous when the victims are recent graduates with small incomes and substantial expenses and have come from poor and working-class families without the means to finance higher education without loans.
>
> What makes this change unwise as well as unfair is that it will add sharply to the cost of higher education and deny many gifted and able students the opportunity to achieve their potential and make their greatest contributions to our society.

Mr. President, it is urgent that we immediately address this problem during 1987, the first transition year to the new Tax Code.

In considering the tax treatment student loans, and the increased burden on borrowers these changes will mean, we should consider carefully the findings of a report released last week by the Joint Economic Committee. It noted that during the past decade there has been a quintupling of annual student loan volume, and that real indebtedness levels, after adjusting for inflation, are significantly higher than they were 10 or 15 years ago. A 1984 study of the cumulative debt of seniors at 22 private 4-year colleges and universities found that 43 percent of the students were graduating with over $7,500 in loans. A full 6 percent of the seniors were leaving school with debts exceeding $12,500.

Of even greater concern is the finding that student loans have evolved from the former role as a convenience for the middle class, and "are now used by many students from lower income families as well."

The report notes that these higher loan levels raise a number of questions about the impact on individual well-being. A student graduating with $10,000 in debt and a job paying $18,000 a year will have loan payments of nearly 8 percent of pretax income in the first year. When we consider the growing cost of housing, and of other expenses associated with getting started in life, it becomes very clear why some educators have asked what the long-term effect of student borrowing will be on career choices, and even more fundamental decisions about marriage, family size and so on.

Is it fair or wise for the Congress of the United States to make this situation worse by retroactively increasing the real cost of loan repayment by eliminating interest deductions? I believe that clearly, it is not.

In my mind, there is no question about whether we should amend the recent tax reform bill to allow the continued deduction of student loan interest; there are however, some serious questions about the fairest and most cost-effective way for us to do so.

If, for example, we were to allow any student borrower to deduct any and all interest on educational loans, we would create a clear incentive for more affluent students to pay cash for consumer goods, automobiles, and the like—and to borrow money to pay for school. This would not only undermine the provisions in tax reform which disallow the deduction for consumer interest; it would also put an added strain on the capital resources available for student loan financing. Clearly, we have to explore all available options for limiting student loan interest deductions to those students who borrow out of necessity.

Mr. President, I am committed to working with the Finance Committee and any of my colleagues who share my concern with this problem to find an equitable solution. I am currently discussing this issue with educators, student financial aid analysts, tax specialists and others. In the next several weeks I plan to propose legislation to address this problem.

SELECT COMMITTEE RESOLUTION

Mr. KERRY. Mr. President, I want to express my strong support for the resolution offered by the distinguished majority leader which would create a select committee to investigate any potential wrong-doing associated with the sale of arms to Iran and the diversion of profits from those sales to the Contras.

It is regrettable that the Senate is compelled to create such a committee in an effort to get at the truth in this matter. But it is essential that we do so if we are to exercise those responsibilities conferred upon us by the Constitution we are all sworn to uphold. We are not dealing just with the issue of possible wrong-doing on the part of present or former officials of this Government. We are dealing with the most fundamental underpinning of our great democracy—that of the rule of law.

Earlier today, during the swearing in ceremonies held for 34 of our colleagues, I was reminded of the unique responsibilities demanded of each and every one of us in this body. In our oath of office, we pledge ourselves to defend the Constitution of this great Nation from enemies foreign and domestic.

There has been considerable concern expressed that, by launching this investigation, we may be crippling yet another President—that it is the office of the Presidency itself which is at stake. I share that concern. But our paramount responsibility—or allegiance if you will—is to the Constitution representing the people—not to the President. That is what is unique about our particular form of democracy.

Our Founding Fathers enshrined, within the Constitution of the United States, the separation of powers among the three branches of our Government. In so doing, an intricate system of checks and balances between and among the three branches was also carefully crafted.

As Mr. Justice Brandeis reminded us in his dissenting opinion in Myers against United States in 1926:

> The doctrine of the separation of powers was adopted by the Convention of 1787, not to promote efficiency, but to preclude the exercise of arbitrary power. The purpose was, not to avoid friction, but by means of the inevitable friction incident to the distribution of the governmental powers among three departments, to save the people from autocracy.

Mr. President, we are creating a select committee because there occurred a very serious breakdown in the foreign policy decisionmaking processes of our Government. What is even worse, is that the accountability in our system, that our Founding Fathers were so intent on constructing, has now been jeopardized. We are not dealing with just a foreign policy disaster. We are dealing with issues which are at the core of our democratic system. The focus of the select committee should be as broad as possible. By so doing, the Senate will be heeding the warning of that distinguished Justice, Felix Frankfurter, who in a concurring opinion in the 1952 case of Youngstown Co. against Sawyer observed:

> The experience through which the world has passed in our own day has made vivid the realization that the framers of our Constitution were not inexperienced doctrinaires. These longheaded statesmen had no illusion that our people enjoyed biological or psychological or sociological immunities from the hazards of concentrated power . . . The accretion of dangerous power does not come in a day. It does come, however slowly, from the generative force of unchecked disregard of the restrictions that fence in even the most distinterested assertion of authority.

In conclusion, Mr. President, it is our constitutional obligation that we are being called upon to carry out. This is not an investigation into wrongdoing. This is an exercise to reinforce, once again, that we are a nation of laws and not of men—that we are a nation committed to the spirit and intent of that document so carefuly written by our Founding Fathers and which, this year, we will celebrate its 200th anniversary. And as we launch this inquiry, I submit that far from weakening a President or the Office of the Presidency, we will be strengthening our constitutional democracy in the manner envisioned by our Founding Fathers.

ACID RAIN: A NATIONAL PROBLEM

Mr. KERRY. Mr. President, for years, those of us from the Northeast section of the country have been talking about the damage that acid rain has done to our lakes and streams, our forests, our historical structures and the health of our citizens. But perhaps a key point has been missed in explaining the problem. A United Press International wire story in yesterday's Washington Post demonstrates that acid rain is starting to also hit our centers of commerce and our local economies all across this Nation. It is now clear that it is not just the fish and wildlife or the forests of our Northeast States, but the economic strength in places as far away as the State of Florida. When we begin to address this issue in this session, we will have to consider all of these important factors and then enact a strong Acid Rain Control Program.

I ask unanimous consent that the article from Monday's Washington Post be included in the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 5, 1987]

FLORIDA PORT LOSES BMW'S BUSINESS OVER ACID RAIN

JACKSONVILLE, Jan. 4.—BMW has stopped shipping its luxury cars through the Port of Jacksonville because acid rain ruined the cars' paint, and other foreign auto makers are considering similar action because of pollution at the port, it was reported today.

Twenty foreign auto makers send about 565,000 cars a year to the United States through Jacksonville, according to the port authority.

BMW of North America Inc. halted its shipments after a summer shower Aug. 8 left the paint on 2,000 high-priced cars pocked and scarred. The acid rain shower, the worst of 11 recorded last year at the port, dissolved the paint on some cars down to the metal.

Other foreign auto makers have threatened to pull out because of the pollution, The Orlando Sentinel said, and the city has established a committee to meet the problem.

Acid rain is formed when sulfur dioxide, usually from industrial emissions, mixes with water droplets in the atmosphere to produce corrosive precipitation.

The Select Committee on Port Related Emissions was given a Jan. 13 deadline to determine the source of the pollution and develop a preliminary solution that "we can go to the importers with," committee Chairman Robert J. Gray said.

Gray said steamship emissions may be to blame, but that has not been proved. The city cited one steamship company and a paper manufacturer, but both firms have contested the actions, which call for a maximum fine of $500.

ROUTINE MORNING BUSINESS

REPORT ON CERTAIN BUDGET RESCISSIONS AND DEFERRALS—MESSAGE FROM THE PRESIDENT—PM-1

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations, the Committee on Armed Services, the Committee on the Budget, the Committee on Commerce, Science, and Transportation, and the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, including Section 1014, I herewith report seven new deferrals of budget authority totaling $5,017,441,000 and four revised deferrals of budget authority now totaling $5,131,425,194.

The deferrals affect accounts in Funds Appropriated to the President, and the Departments of Defense-Military, Health and Human Services, and Transportation.

The details of these deferrals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *December 15, 1986.*

BUDGET RESCISSIONS AND DEFERRALS—MESSAGE FROM THE PRESIDENT—PM-2

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Agriculture, Nutrition, and Forestry, the Committee on Appropriations, the Committee on the Budget, the Committee on Banking, Housing, and Urban Affairs, the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, the Committee on Finance, the Committee on Foreign Relations, the Committee on Governmental Affairs, the Committee on the Judiciary, the Committee on Labor and Human Resources, and the Committee on Veterans' Affairs:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, including Section 1014, I herewith report 73 new rescission proposals totaling $5,839,301,314, three new deferrals of budget authority totaling $28,716,462, and three revised deferrals of budget authority now totaling $34,850,024.

The rescissions affect programs in the Departments of Agriculture, Commerce, Defense-Military, Defense-Civil, Education, Energy, Interior, Justice, Labor, and Treasury, the Environmental Protection Agency, the National Aeronautics and Space Administration, the Veterans Administration, the Appalachian Regional Commission, the National Endowment for the Humanities, and the Selective Service System.

The deferrals affect programs in the Departments of Defense-Civil, Energy, Interior, and State.

The details of these rescission proposals and deferrals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *January 5, 1987.*

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following bills and joint resolutions:

October 16, 1986:

S. 426. An act to amend the Federal Power Act to provide for more protection to electric consumers.

S. 2062. An act to designate the Federal Building and United States Courthouse to be constructed and located in Newark, New Jersey, as the "Martin Luther King, Jr. Federal Building and United States Courthouse".

S. 2069. An act to make certain amendments to the Job Training Partnership Act.

S. 2788. An act to designate the Federal building located in San Diego, California, as the "Jacob Weinberger Federal Building".

S. 2884. An act to amend the Fair Labor Standards Act of 1938 to require that wages based on individual productivity be paid to handicapped workers employed under certificates issued by the Secretary of Labor.

S.J. Res. 280. Joint resolution designating the month of November 1986 as "National Alzheimer's Disease Month".

S.J. Res. 385. Joint resolution to designate October 23, 1986, as "National Hungarian Freedom Fighters Day".

S.J. Res. 395. Joint resolution to designate the period October 1, 1986, through September 30, 1987, as "National Institutes of Health Centennial Year".

On October 17, 1986:

S. 1965. An act to reauthorize and revise the Higher Education Act of 1965, and for other purposes.

On October 20, 1986:

S. 816. An act to establish the Pine Ridge National Recreation Area and Soldier Creek Wilderness in the State of Nebraska, and for other purposes.

On October 21, 1986:

S. 2048. An act to encourage international efforts to designate the shipwreck of the R.M.S. Titanic as an international maritime memorial and to provide for reasonable research, exploration, and, if appropriate, salvage activities with respect to the shipwreck.

On October 22, 1986:

S. 1124. An act to amend title 49, United States Code, to reduce regulation of surface freight forwarders, and for other purposes.

S. 2266. An act to establish a ski area permit system on national forest lands, and for other purposes.

S.J. Res. 169. Joint resolution to commemorate the bicentennial anniversary of the first patent and the first copyright laws.

S.J. Res. 299. Joint resolution to designate the week of December 7, 1986, through December 13, 1986, as "National Alopecia Areata Awareness Week".

S.J. Res. 304. Joint resolution to designate the week of November 16, 1986, through November 22, 1986, as "National Arts Week".

S.J. Res. 306. Joint resolution to designate the week beginning November 23, 1986, as "National Adoption Week".

S.J. Res. 311. Joint resolution designating the week beginning November 9, 1986, as "National Women Veterans Recognition Week".

S.J. Res. 396. Joint resolution to designate the week of October 26, 1986, through November 1, 1986, as "National Adult Immunization Awareness Week".

On October 24, 1986:

S. 1917. An act to promote immunization and oral rehydration in developing countries, to promote democracy in Haiti, to protect tropical and biological diversity in developing countries, to authorize increased funding for the Child Survival Fund and international narcotics control assistance, and for other purposes.

On October 27, 1986:

S. 197. An act for the relief of Elga Bouilliant-Linet.

S. 1082. An act granting the consent of Congress to the Arkansas-Mississippi Great River Bridge Construction Compact.

S. 1352. To enhance the carrying out of fish and wildlife conservation and natural resource management programs on military reservations, and for other purposes.

S. 1562. An act to amend title 31, United States Code, with respect to the fraudulent use of public property or money.

S. 1895. An act for the relief of Marlboro County General Hospital Charity, of Bennettsville, South Carolina.

S. 2129. An act to amend the Product Liability Risk Retention Act of 1981 to include coverage of other lines of liability insurance, and for other purposes.

S. 2320. An act to amend an act to add certain lands on the Island of Hawaii to Hawaii Volcanoes National Park, and for other purposes.

S. 2370. An act to authorize the Francis Scott Key Park Foundation, Inc. to erect a memorial in the District of Columbia.

S. 2506. An act to establish a Great Basin National Park in the State of Nevada, and for other purposes.

S. 2750. An act to establish a property tax fund for the Houlton Band of Maliseet Indians in furtherance of the Maine Indians Claims Settlement Act of 1980, and for other purposes.

S. 2914. An act to extend through fiscal year 1988 SBA Pilot Programs under section 8 of the Small Business Act.

S.J. Res. 232. Joint resolution to designate October 6, 1986, through October 10, 1986, as "National Social Studies Week".

S.J. Res. 308. Joint resolution to designate March 25, 1987, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy".

S.J. Res. 322. Joint resolution to designate December 7, 1986, as "National Pearl Harbor Remembrance Day" on the occasion of the anniversary of the attack on Pearl Harbor.

S.J. Res. 339. Joint resolution to designate the week of November 30, 1986, through December 6, 1986, as "National Home Care Week".

S.J. Res. 352. Joint resolution to designate the week beginning October 19, 1986, as "Gaucher's Disease Awareness Week".

S.J. Res. 392. Joint resolution to designate the month of December 1986, as "Made in America Month".

S.J. Res. 407. Joint resolution designating November 12, 1986, as "Salute to School Volunteers Day".

S.J. Res. 410. Joint resolution to designate the period commencing February 9, 1987, and ending February 15, 1987, as "National Burn Awareness Week".

S.J. Res. 414. Joint resolution to designate March 16, 1987, as "Freedom of Information Day".

S.J. Res. 418. Joint resolution to designate February 4, 1987, as "National Women in Sports Day".

S.J. Res. 422. Joint resolution commemorating the 100th anniversary of the birth of the first Prime Minister of the State of Israel, David Ben-Gurion.

October 28, 1986:

S. 209. An act to amend section 3718 of title 31, United States Code, to authorize contracts retaining private counsel to furnish legal services in the case of indebtedness owed the United States.

S. 475. An act to amend section 408 of the Motor Vehicle Information and Cost Savings Act to strengthen, for the protection of consumers, the provisions respecting disclosure of motor vehicle mileage when motor vehicles are transferred.

S.J. Res. 367. Joint resolution to designate October 23, 1986, as "National Kidney Program Day".

November 3, 1986:

S. 2948. An act to authorize the President to promote posthumously the late Lieutenant Colonel Ellison S. Onizuka to the grade of Colonel.

November 6, 1986:

S. 386. An act to confirm a conveyance of certain real property by the Southern Pacific Transportation Company to Ernest Pritchett and his wife, Dianna Pritchett, and for other purposes.

S. 511. An act to change the name of the Loxahatchee National Wildlife Refuge, Florida, to the Arthur R. Marshall Loxahatchee National Wildlife Refuge.

S. 1200. An act to amend the Immigration and Nationality Act to revise and reform the immigration laws, and for other purposes.

S. 1230. An act to amend the patent laws implementing the Patent Cooperation Treaty.

S. 1311. An act to authorize the Board of Regents of the Smithsonian Institution to construct the Charles McC. Mathias, Jr. Laboratory for Environmental Research in Edgewater, Maryland, and to designate the United States Courthouse and Customhouse in Louisville, Kentucky, as the "Gene Snyder United States Courthouse and Customhouse."

S. 2852. An act to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the Peninsula Airport Commission, Virginia, for airport purposes.

S. 2864. An act to provide for a Deputy Secretary of Labor, an Assistant Secretary of Labor for Administration and Management, three additional Assistant Secretaries of Labor, and for other purposes.

S.J. Res. 43. Joint resolution authorizing establishment of a memorial to honor the American Armored Force.

S.J. Res. 268. Joint resolution providing for reappointment of Murray Gell-Mann as a citizen regent of the Board of Regents of the Smithsonian Institution.

S.J. Res. 336. Joint resolution to express the sense of Congress on recognition of the contributions of the seven Challenger astronauts by supporting establishment of a Childen's Challenge Center for Space Science.

S.J. Res. 427. Joint resolution reaffirming our friendship and sympathy with the people of El Salvador following the devastating earthquake of October 10, 1986.

November 7, 1986:

S. 332. An act for the relief of Ramzi Sallomy and Marie Sallomy.

S. 565. An act to provide for the transfer of certain lands in the State of Arizona, and for other purposes.

S. 2245. An act to authorize appropriations to carry out the Export Administration Act of 1979 and export promotion activities.

S. 2250. An act to strengthen the prohibition of kickbacks relating to subcontracts under Federal Government contracts.

S. 2351. An act to revise the boundaries of Olympic National Park and Olympic National Forest in the State of Washington, and for other purposes.

S. 2452. An act to provide for the naming or renaming of certain buildings of the United States Postal Service.

S. 2534. An act to authorize the acquisition and development of a mainland tour boat facility for the Fort Sumter National Monument, South Carolina, and for other purposes.

November 10, 1986:

S. 485. An act to amend the Alaska National Interest Lands Conservation Act of 1980 to clarify the treatment of submerged lands and ownership by the Alaskan Native Corporation.

S. 740. An act to promote the conservation of migratory waterfowl and to offset or prevent the serious loss of wetlands by the acquisition of wetlands and other essential habitat, and for other purposes.

S. 1236. An act to amend title 18 of the United States Code and other laws to make minor or technical amendments to provisions enacted by the Comprehensive Crime Control Act of 1984, and for other purposes.

S. 1374. An act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island.

S. 2000. An act to clarify the exemptive authority of the Securities and Exchange Commission.

S. 2648. An act to improve the public health through the prevention of injuries.

November 14, 1986:

S. 991. An act to amend certain provisions of the law regarding the fisheries of the United States, and for other purposes.

S. 1744. An act to require States to develop, establish, and implement State comprehensive mental health plans.

S. 2638. An act to authorize appropriations for fiscal year 1987 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, to improve the defense acquisition process, and for other purposes.

MESSAGES FROM THE HOUSE

At 5:11 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 1. Concurrent resolution providing for a Joint Session of Congress to receive a message from the President on the State of the Union; and

H. Con. Res. 2. Concurrent resolution providing for a conditional adjournment of the House from January 8 to January 20, 1987.

The message also announced that the House has agreed to the following resolution:

H. Res. 2. Resolution notifying the Senate of the election of the Speaker of the House of Representatives and the Clerk of the House of Representatives; and

H. Res. 3. Resolution notifying the Senate of the appointment of a committee on the part of the House to join with a like committee from the Senate to notify the President that a quorum of each House is assembled.

At 7:20 p.m., a message from the House of Representatives, delivered by Mr. Gregory, one of its clerks, announced that the House has agreed to the following concurrent resolution:

S. Con. Res. 1. Concurrent resolution providing for an adjournment of the Senate and the House of Representatives.

MEASURES REFERRED

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 2. Concurrent resolution providing for a conditional adjournment of the House from January 8 to January 20, 1987; to the Committee on Appropriations.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1. A communication from the Assistant Secretary of Health and Human Services (Health) and the Assistant Secretary of Agriculture (Science and Education), transmitting jointly, pursuant to law, the fourth progress report on the Human Nutrition Research and Information Management System; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2. A communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, a report on the transfer of certain DOD funds; to the Committee on Appropriations.

EC-3. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on a violation of law involving the overobligation of funds in excess of approved appropriations; to the Committee on Appropriations.

EC-4. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, notice of the intention of the Department of the Air Force to exercise the provision of law providing for the exclusion of the clause concerning examination of records by the Comptroller General, to the Committee on Armed Services.

EC-5. A communication from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmittting, pursuant to law, a report on the conversion of the grounds maintenance function at Offutt Air Force Base, Nebraska, to performance by contract; to the Committee on Armed Services.

EC-6. A communication from the Acting Director of the Selective Service System, transmitting, pursuant to law, the semiannual report of the Selective Service System for April 1, 1986 through December 30, 1986; to the Committee on Armed Services.

EC-7. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the annual report on the Rental Rehabilitation Program for fiscal year 1986; to the Committee on Banking, Housing, and Urban Affairs.

EC-8. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report under the Motor Carrier Safety Act regarding safety-related devices; to the Committee on Commerce, Science, and Transportation.

EC-9. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report under the Alaska National Interest Lands Conservation Act for fiscal year 1986; to the Committee on Energy and Natural Resources.

EC-10. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Export Controls—Assessment of Commerce Report on Extending Controls for South Africa"; to the Committee on Banking, Housing, and Urban Affairs.

EC-11. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report of a study entitled "The Domestic Mining and Processing Industries"; to the Committee on Energy and Natural Resources.

EC-12. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the "Long Range Research Agenda for 1987-1991"; to the Committee on Environment and Public Works.

EC-13. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report on Waste Minimization; to the Committee on Environment and Public Works.

EC-14. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the experience of the Department in implementing the Medicare Hospice Benefit; to the Committee on Finance.

EC-15. A communication from the Secretary of Labor, transmitting, pursuant to law, a report on the Expenditure and Need for Worker Adjustment Assistance Training Funds under the Trade Act of 1974; to the Committee on Finance.

EC-16. A communication from the Administrator of the Agency for International Development, transmitting, pursuant to law, a report on the Agency's Use of Private and Voluntary Organizations, Cooperatives, and the Private Sector; to the Committee on Foreign Relations.

EC-17. A communication from the Assistant Secretary of the Treasury (Legislative Affairs), transmitting, pursuant to law, a report on the impact of IMF-supported economic adjustment programs implemented during 1985 on the provision of basic human needs in program countries; to the Committee on Foreign Relations.

EC-18. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, travel advisories recently issued by the Department for Chile and Suriname; to the Committee on Foreign Relations.

EC-19. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to October 31, 1986; to the Committee on Foreign Relations.

EC-20. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to October 21, 1986; to the Committee on Foreign Relations.

EC-21. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Review of the D.C. Energy Office's Operation and Programs Pursuant to D.C. Law 3-132"; to the Committee on Governmental Affairs.

EC-22. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports issued by the General Accounting Office in September 1986; to the Committee on Governmental Affairs.

EC-23. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-217, adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-24. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Review of Public Law 96-122 on the Method of Computation Used to Determine Survivor Benefits for Police and Firefighters"; to the Committee on Governmental Affairs.

EC-25. A communication from the Secretary of the Postal Rate Commission, transmitting, pursuant to law, notice of the filing of a proposed increase of maximum size limits for carrier route third-class mail; to the Committee on Governmental Affairs.

EC-26. A communication from the Vice President of the Farm Credit Services (Personnel and Benefits), transmitting, pursuant to law, the Twelfth District Farm Credit Retirement and Thrift Plan for Plan Year 1985; to the Committee on Governmental Affairs.

EC-27. A communication from the Special Counsel of the Merit Systems Protection Board, transmitting, pursuant to law, the report of the Scretary of the Navy on the investigation into allegations of mismanagement, gross waste of funds, and danger to public safety in the construction of an electrical power substation at Moffett Field, California; to the Committee on Governmental Affairs.

EC-28. A communication from the Deputy Assistant Secretary of Agriculture (Natural Resources and Environment), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-29. A communication from the Special Counsel of the Merit Systems Protection Board, transmitting, pursuant to law, a report of the Secretary of Agriculture setting forth findings and conclusions of the Secretary's investigation into allegations of falsification of travel reimbursement claims and leave records; to the Committee on Governmental Affairs.

EC-30. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the fiscal year 1984 Compensation Report; to the Committee on Governmental Affairs.

EC-31. A communication from the Deputy Director of the Office of Workers' Compensation Programs, Department of Labor transmitting, pursuant to law, notice of a proposed computer matching program; to the Committee on Governmental Affairs.

EC-32. A communication from the Vice President of the Farm Credit Banks of Springfield (Human Resources), transmitting, pursuant to law, the annual report for the Farm Credit Banks of Springfield Retirement Plan for plan Year April 1, 1985 through March 31, 1986; to the Committee on Governmental Affairs.

EC-33. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report on actions taken to recruit and train Indians to quality them for positions subject to Indian preference for fiscal year 1985; to the Select Committee on Indian Affairs.

EC-34. A communication from the Adjutant General of the Military Order of the Purple Heart, transmitting, pursuant to law, the annual audit report of the Order for the year ended June 30, 1986; to the Committee on the Judiciary.

EC-35. A communication from the National Treasurer of the American Gold Star Mothers, Inc., transmitting, pursuant to law, the annual audit report of American Gold Star Mothers, Inc. for the year ended June 30, 1986; to the Committee on the Judiciary.

EC-36. A communication from the Executive Secretary, Office of the Secretary of Defense, transmitting, pursuant to law, a report on Department of Defense procurement from small and other business firms for October 1985 through July 1986; to the Committee on Small Business.

EC-37. A communication from the Vice President of Farm Credit Services (Human Resources), transmitting, pursuant to law, the annual report of the Retirement Plan for Employees of the Associations and Banks of the Ninth Farm Credit District for the plan year ended February 28, 1986; to the Committee on Agriculture, Nutrition, and Forestry.

EC-38. A communication from the Assistant Secretary of Agriculture (Economics), transmitting, pursuant to law, a report entitled "Embargoes, Surplus Disposal, and U.S. Agriculture"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-39. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the President's first special message for fiscal year 1987; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget, the Committee on Appropriations, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Foreign Relations, the Committee on Armed Services, the Committee on Energy and Natural Resources, the Committee on Labor and Human Resources, the Committee on Judiciary, the Committee on Commerce, Science, and Transportation, the Committee on Finance, and the Committee on Environment and Public Works.

EC-40. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on the source of the $100 million for the democratic resistence forces in Nicaragua; to the Committee on Appropriations.

EC-41. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on violations of law resulting from overobligation of authorized apportionments of appropriations; to the Committee on Appropriations.

EC-42. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget recissions and deferrals dated November 1, 1986; pursuant to the order of January 30, 1975, referred jointly to the Committee on Appropriations and the Committee on the Budget.

EC-43. A communication from the Fiscal Assistant Secretary of Treasury, transmitting, pursuant to law, a report on the actual amount of revenues deposited in the Panama Canal Commission Fund during fiscal year 1986; to the Committee on Armed Services.

EC-44. A communication from the Chairman of the Joint Chiefs of Staff, transmitting, pursuant to law, an unclassified and a classified report containing his assessment of the military implications of the United States decision to no longer comply with existing strategic offensive arms limitation agreements; to the Committee on Armed Services.

EC-45. A communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, selected acquisition reports and SAR summary tables for the quarter ended September 30, 1986; to the Committee on Armed Services.

EC-46. A communication from the Principal Deputy Assistant Secretary of Army (Installations and Logistics), transmitting, pursuant to law, a report on the conversion of the commissary shelf stocking function at Fort Bliss, Texas, to performance under contract; to the Committee on Armed Services.

EC-47. A communication from the President of the United States, transmitting, pursuant to law, a report on his decision to continue in effect the national emergency with respect to Iran; to the Committee on Banking, Housing, and Urban Affairs

EC-48. A communication from the President of the United States, transmitting, pursuant to law, a report on his decision to continue in effect the national emergency with respect to Nicaragua; to the Committee on Banking, Housing, and Urban Affairs.

EC-49. A communication from the Chairman of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, the fourth annual report on activities under title II of the Garn-St Germain Depository Institutions Act; to the Committee on Banking, Housing, and Urban Affairs.

EC-50. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Audit—Senate Beauty Shop's Financial Statements for 1986 and 1985"; to the Committee on Rules and Administration.

EC-51. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report on Export Administration for fiscal year 1985; to the Committee on Banking, Housing, and Urban Affairs.

EC-52. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, the budget request of the Board for fiscal year 1987; to the Committee on Commerce, Science, and Transportation.

EC-53. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report on the administration of the Marine Mammal Protection Act for calendar year 1985; to the Committee on Commerce, Science, and Transportation.

EC-54. A communication from the Administrator of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the semiannual report on the effectiveness of the Civil Aviation Security Program for the period January 1 through June 30, 1986; to the Committee on Commerce, Science, and Transportation.

EC-55. A communication from the Secretary of Energy, transmitting, pursuant to law, the annual report on the Automotive Technology Development Program for fiscal year 1986; to the Committee on Energy and Natural Resources.

EC-56. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report of the Office of Surface Mining Reclamation and Enforcement; to the Committee on Energy and Natural Resources.

EC-57. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a report on the nondisclosure of safeguards information by the Nuclear Regulatory Commission for the quarter ended September 30, 1986; to the Committee on Environment and Public Works.

EC-58. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report on Ocean Pollution Monitoring and Research for fiscal year 1984; to the Committee on Environment and Public Works.

EC-59. A communication from the Fiscal Assistant Secretary of the Treasury, transmitting, pursuant to law, the final monthly Treasury Statement of Receipts and Outlays of the U.S. Government for fiscal year 1986; to the Committee on Finance.

EC-60. A communication from the Commissioner of the United States Section, International Joint Commission, United States and Canada, transmitting, pursuant to law, a description of the Commission, its boards, and its activities during calendar year 1985; to the Committee on Foreign Relations.

EC-61. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period to November 14, 1986; to the Committee on Foreign Relations.

EC-62. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on certain defense articles, services, and training provided to Honduras; to the Committee on Foreign Relations.

EC-63. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, a report on actions taken by the democratic resistance in Nicaragua receiving assistance under the Act making appropriations for military contruction for the Department of Defense for the fiscal year ending September 31, 1987; to the Committee on Foreign Relations.

EC-64. A communication from the Attorney General of the United States, transmitting, pursuant to law, the annual report on the administration of the Foreign Agents Registration Act during calendar year 1985; to the Committee on Foreign Relations.

EC-65. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-66. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-225 adopted by the Council of October 7, 1986; to the Committee on Governmental Affairs.

EC-67. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-224 adopted by the Council of October 21, 1986; to the Committee on Governmental Affairs.

EC-68. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-223 adopted by the Council of October 21, 1986; to the Committee on Governmental Affairs.

EC-69. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-222 adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-70. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-221 adopted by the Council on October 7, 1966; to the Committee on Governmental Affairs.

EC-71. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-218 adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-72. A communication from the Special Counsel, Merit Systems Protection Board, transmitting, pursuant to law, a report on the investigation of the Administrator of Veterans' Affairs into allegations officials of a violation of law and regulations and endangering public health by the Veterans' Administration Medical Facility, Fresno, California; to the Committee on Governmental Affairs.

EC-73. A communication from the Executive Secretary of the Federal Reserve Employee Benefits System, transmitting, pursuant to law, the annual report on the Retirement Plan for Employees of the Federal Reserve System for the plan year ending December 31, 1985; to the Committee on Governmental Affairs.

EC-74. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-227 adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-75. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-220 adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-76. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-219 adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-77. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Review of the District of Columbia General Hospital Commission Advisory Board"; to the Committee on Governmental Affairs.

EC-78. A communication from the Assistant Secretary of the Treasury (Management), transmitting, pursuant to law, notice of proposed changes to an existing Privacy Act system of records; to the Committee on Governmental Affairs.

EC-79. A communication from the Assistant Secretary of the Interior (Indian Affairs), transmitting, pursuant to law, a proposed plan for the use and distribution of Leech Lake Band of Chippewa Indians judgment funds; to the Select Committee on Indian Affairs.

EC-80. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the ninth annual report pursuant to Section 201 of the Hart-Scott-Rodino Antitrust Improvements Act of 1976; to the Committee on the Judiciary.

EC-81. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the first biennial report entitled "Smoking and Health, A National Status Report"; to the Committee on Labor and Human Resources.

EC-82. A communication from the Assistant Secretary of Defense (Force Management and Personnel), transmitting, pursuant to law, a report on the audit of the American Red Cross, Combined Statement of Public Support, Revenues, and Expenses, and Changes in Net Assets; and Combined Statement of Functional Expenses for the Year Ended June 30, 1986; to the Committee on Labor and Human Resources.

EC-83. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for Student Assistance General Provisions; to the Committee on Labor and Human Resources.

EC-84. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for Assistance for Local Educational Agencies in Areas Affected by Federal Activities and Arrangements for Education of Children Where Local Educational Agencies Cannot Provide Suitable Free Public Education; to the Committee on Labor and Human Resources.

EC-85. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Guaranteed Student Loan and PLUS Programs; to the Committee on Labor and Human Resources.

EC-86. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a report on the initial commodity and country allocation tables showing current programming plans for food assistance under Public Law 480 for fiscal year 1987; to the Committee on Agriculture, Nutrition, and Forestry.

EC-87. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the annual report on the Nation's agricultural research and education (extension and teaching) activities for 1985; to the Committee on Agriculture, Nutrition, and Forestry.

EC-88. A communication from the Architect of the Capitol, transmitting, pursuant to law, a report of all expenditures during the period April 1, 1986 through September 30, 1986, from moneys appropriated to the Architect of the Capitol; to the Committee on Appropriations.

EC-89. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Strategic Defense Initiative Program: Expert's Views on DOD's Organizational Options and Plans for SDI Technical Support"; to the Committee on Armed Services.

EC-90. A communication from the Assistant Secretary of the Army (Installations and Logistics), transmitting, pursuant to law, notice of the recent discovery and emergency disposal of a suspected chemical bomblet at Dugway Proving Ground, Utah; to the Committee on Armed Services.

EC-91. A communication from the Principal Deputy Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, a report of the value of property, supplies, and commodities provided by the Berlin Magistrate for the quarter July 1, 1986, through September 30, 1986; to the Committee on Armed Services.

EC-92. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, notice of the intention of the Strategic Defense Initiative Organization intends to exercise the provision of law for exclusion of the clause concerning examination of records by the Comptroller General; to the Committee on Armed Services.

EC-93. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Audit: Solar Energy Conservation Bank's Financial Statements for 1981 Through 1985"; to the Committee on Banking, Housing, and Urban Affairs.

EC-94. A communication from the Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, the annual report of the Commission for fiscal year 1985; to the Committee on Commerce, Science, and Transportation.

EC-95. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report on the Department's administration of the Marine Mammal Protection Act for the year ended March 31, 1986; to the Committee on Commerce, Science, and Transportation.

EC-96. A communication from the Secretary of Transportation, transmitting, pursuant to law, the annual report on the relative cost of shipbuilding in the various coastal districts of the United States for 1985; to the Committee on Commerce, Science, and Transportation.

EC-97. A communication from the Secretary of Energy, transmitting, pursuant to law, the sixth annual report on financing, supply, and installation activities of public utilities in connection to the Residential Conservation Service Program, dated November 1986; to the Committee on Energy and Natural Resources.

EC-98. A communication from the Secretary of Energy, transmitting, pursuant to law, the quarterly report on the strategic petroleum reserve for the quarter July 1 through September 30, 1986; to the Committee on Energy and Natural Resources.

EC-99. A communication from the General Counsel of the Department of Energy, transmitting, pursuant to law, notice of a meeting related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC-100. A communication from the Director of the Office of Civilian Radioactive Waste Management, Department of Energy, transmitting, pursuant to law, the fourth annual report entitled "Implementation Plan for Deployment of Federal Interim Storage Facilities for Commercial Spent Fuel"; to the Committee on Environment and Public Works.

EC-101. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report on small quantity generators of hazardous waste, dated September 1986; to the Committee on Environment and Public Works.

EC-102. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report on the "Transportation and Environmental Studies of the I-395/I-95 Express Land High Occupancy Vehicle Facility"; to the Committee on Environment and Public Works.

EC-103. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled "Alternative Methods of Reimbursement for Home Health Services under Federal Program"; to the Committee on Finance.

EC-104. A communication from the Acting Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, the fifth 90 day report on the Camerena investigation, the investigations of the disappearance of United States citizens in the State of Jalisco, Mexico, and the general safety of the United States tourists in Mexico; to the Committee on Foreign Relations.

EC-105. A communication from the President of the United States, transmitting, pursuant to law, a report on occurrences with respect to the emergency in Iran since May 23, 1986; to the Committee on Foreign Relations.

EC-106. A communication from the Acting Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, travel advisories recently issued by the Department of State for China, Cyprus, Honduras, Papua New Guinea, Syria, Tanzania, and Turkey which have security implications for Americans traveling or residing in those countries; to the Committee on Foreign Relations.

EC-107. A communication from the Acting Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, a report on illegal or otherwise improper payments to two military officers of El Salvador; to the Committee on Foreign Relations.

EC-108. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty period prior to November 25, 1986; to the Committee on Foreign Relations.

EC-109. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Review of Department of Housing and Community's Property Management Administrations System of Maintenance, Practices, and Financial Controls: FY 1983-FY 1985"; to the Committee on Governmental Affairs.

EC-110. A communication from the Administrator of General Services, transmitting, pursuant to law, the semiannual report of the Inspector General, General Services Administration for the period ending September 30, 1986; to the Committee on Governmental Affairs.

EC-111. A communication from the Inspector General, Department of Health and Human Resources, transmitting, pursuant to law, the semiannual report of the Office of Inspector General for the period ending September 30, 1986; to the Committee on Governmental Affairs.

EC-112. A communication from the Special Counsel, Merit Systems Protection Board, transmitting, pursuant to law, a report on the Secretary's investigation into allegations of the theft of government property at the U.S. Naval Construction Batallion Center, Port Hueneme, California; to the Committee on Governmental Affairs.

EC-113. A communication from the Secretary of Labor, transmitting, pursuant to law, the semiannual report of the Inspector General, Department of Labor, for the period ending September 30, 1986; to the Committee on Governmental Affairs.

EC-114. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, NASA, for the period ending September 30, 1986; to the Committee on Governmental Affairs.

EC-115. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Agriculture, for the period ending September 30, 1986; to the Committee on Governmental Affairs.

EC-116. A communication from the Secretary of Education, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Education, for the period ending September 30, 1986; to the Committee on Governmental Affairs.

EC-117. A communication from the General Manager of the Tennessee Valley Authority, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-118. A communication from the Inspector General, Department of Energy, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Energy, for the period ended September 30, 1986; to the Committee on Governmental Affairs.

EC-119. A communication from the Assistant Director of the National Science Foundation (Administration), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-120. A communication from the Administrator of Veterans' Affairs, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Veterans' Administration, for the period ended September 30, 1986; to the Committee on Governmental Affairs.

EC-121. A communication from the Chairman of the Board of Governors of the United States Postal Service, transmitting, pursuant to law, a report on the Civil Misrepresentation Activities of the Postal Service for the period April 1 through September 30, 1986; to the Committee on Governmental Affairs.

EC-122. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-123. A communication from the Deputy Assistant to the President (Management and Administration), transmitting, pursuant to law, a report on personnel employed in the White House Office, the Executive Residence at the White House, the Office of the Vice President, the Office of Policy Development (Domestic Policy Staff), and the Office of Administration; to the Committee on Governmental Affairs.

EC-124. A communication from the Inspector General, General Services Administration, transmitting, pursuant to law, the semiannual report of the Inspector General, GSA, for the period ended September 30, 1986; to the Committee on Governmental Affairs.

EC-125. A communication from the Director of the Federal Emergency Management Agency, transmitting, pursuant to law, a report on three new Privacy Act systems of records; to the Committee on Governmental Affairs.

EC-126. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports issued by the General Accounting Office during October 1986; to the Committee on Governmental Affairs.

EC-127. A communication from the Acting Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, the annual report on the Foreign Service Retirement and Disability System for the plan year ended September 30, 1985; to the Committee on Governmental Affairs.

EC-128. A communication from the Administrator of General Services, transmitting, pursuant to law, a report covering the disposal of surplus Federal real property for historic monument and correctional facility purposes for fiscal year 1986; to the Committee on Governmental Affairs.

EC-129. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Audit—Gorgas Memorial Institute's Financial Statements for 1985 and 1984"; to the Committee on Governmental Affairs.

EC-130. A communication from the Chairman of the Board of Directors, Future Farmers of America, transmitting, pursuant to law, a report of the audit of the accounts of the Future Farmers of America for the period ending August 31, 1986; to the Committee on the Judiciary.

EC-131. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Student Assistance General Provisions; to the Committee on Labor and Human Resources.

EC-132. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations and final selection criteria for the Student Assistance General Provisions; to the Committee on Labor and Human Resources.

EC-133. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Student Assistance General Provisions and Pell Grant Program; to the Committee on Labor and Human Resources.

EC-134. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Student Incentive Grant Program; to the Committee on Labor and Human Resources.

EC-135. A communication from the Secretary of Labor, transmitting, pursuant to law, the annual report on the Administration of the Black Lung Benefits Program for calendar year 1985; to the Committee on Labor and Human Resources.

EC-136. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a copy of the report to the President entitled "Catastrophic Illness Expenses"; to the Committee on Labor and Human Resources.

EC-137. A communication from the Chairman of the National Mediation Board, transmitting, pursuant to law, a copy of the award in the labor-management dispute between the Maine Central Railroad Company, the Portland Terminal Company and the Brotherhood of Maintenance of Way Employees; to the Committee on Labor and Human Resources.

EC-138. A communication from the Executive Secretary, Office of the Secretary of Defense, transmitting, pursuant to law, a report from Department of Defense procurement from small and other business firms for October 1985 through August 1986; to the Committee on Small Business.

EC-139. A communication from the Administrator of Veterans' Affairs, transmitting, pursuant to law, a report on the extent to which activities at VA health care facilities have been performed by contractors; to the Committee on Veterans' Affairs.

EC-140. A communication from the Director of the Federal Emergency Management Agency, transmitting, pursuant to law, the stockpile report to the Congress for the period October 1985 through March 1986; to the Committee on Armed Services.

EC-141. A communication from the Secretary of the Interior, transmitting, pursuant to law, a copy of an application from the United Water Conservation District, Ventura County, California, for a loan under the Small Reclamation Projects Act; to the Committee on Energy and Natural Resources.

EC-142. A communication from the United States Trade Representative, transmitting, pursuant to law, the annual report on the operation of the International Coffee Agreement for coffee year 1985/86; to the Committee on Finance.

EC-143. A communication from the Acting Under Secretary of Agriculture (Small Community and Rural Development), transmitting, pursuant to law, a report on a revised Privacy Act system of records; to the Committee on Governmental Affairs.

EC-144. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Housing and Urban Development, for the period ended September 30, 1986; to the Committee on Governmental Affairs.

EC-145. A communication from the Office of the Secretary of Defense, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Defense, for the period ended September 30, 1986; to the Committee on Governmental Affairs.

EC-146. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Environmental Protection Agency, for the period ended September 30, 1986; to the Committee on Governmental Affairs.

EC-147. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a Soil Conservation Service plan for the Lower Des Plaines Tributaries, Illinois; to the Committee on Agriculture, Nutrition, and Forestry.

EC-148. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget rescissions and deferrals dated December 1, 1986; pursuant to the order of January 30, 1975, referred jointly to the Committe on Appropriations and the Committee on the Budget.

EC-149. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report for a supplemental estimate of appropriation for the Board for International Broadcasting; to the Committee on Appropriations.

EC-150. A communication from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, a report on the conversion of certain functions to performance by contract; to the Committee on Armed Services.

EC-151. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "DOD Schools—Funding and Operating Alternatives for Education of Dependents"; to the Committee on Armed Services.

EC-152. A communication from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting, pursuant to law, a report on the decision to convert the protective coating function at Tinker Air Force Base, Oklahoma to performance by contract; to the Committee on Armed Services.

EC-153. A communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, a listing of contract award dates for the period January 1, 1987 to February 28, 1987; to the Committee on Armed Services.

EC-154. A communication from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting, pursuant to law, a report on the decision to convert the telephone switchboard function at Luke Air Force Base, Arizona to performance by contract; to the Committee on Armed Services.

EC-155. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, notice of the extension of time for a determination in Cheney Line and Cement Co. v. Seaboard Syst. R., Inc.; to the Committee on Commerce, Science, and Transportation.

EC-156. A communication from the Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, a report on Customer Pickup of Food and Grocery Products; to the Committee on Commerce, Science, and Transportation.

EC-157. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, a copy of the Board's letter to OMB regarding the cost of the 3 percent raise for fiscal years 1987 and 1988; to the Committee on Commerce, Science, and Transportation.

EC-158. A communication from the Secretary of the Interior, transmitting, pursuant to law, the sixth annual progress report under the Alaska National Interest Lands Conservation Act for fiscal year 1986; to the Committee on Energy and Natural Resources.

EC-159. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Audit—Trans-Alaska Pipeline Liability Fund's Financial Statements for 1985"; to the Committee on Energy and Natural Resources.

EC-160. A communication from the Secretary of the Interior as Chairman of the Migratory Bird Conservation Commission, transmitting, pursuant to law, the annual report of the Commission for fiscal year 1986; to the Committee on Environment and Public Works.

EC-161. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the annual report on the State and Local Fiscal Assistance Trust Fund in fiscal year 1986; to the Committee on Finance.

EC-162. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to December 12, 1986; to the Committee on Foreign Relations.

EC-163. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, a copy of the certification to authorize military assistance to Guatemala; to the Committee on Foreign Relations.

EC-164. A communication from the Secretary of State, transmitting, pursuant to law, a certification for the purpose of providing military assistance and sales to Guatemala; to the Committee on Foreign Relations.

EC-165. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, travel advisories recently issued for El Salvador and Kuwait; to the Committee on Foreign Relations.

EC-166. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of the reports issued by the General Accounting Office for November 1986; to the Committee on Governmental Affairs.

EC-167. A communication from the Acting Under Secretary of Agriculture (Small Community and Rural Development), transmitting, pursuant to law, a report on proposed changes to a Privacy Act system of records; to the Committee on Governmental Affairs.

EC-168. A communication from the Secretary of the Postal Rate Commission transmitting, pursuant to law, a report on hearings scheduled relative to a parcel post rate complaint; to the Committee on Governmental Affairs.

EC-169. A communication from the Secretary of Transportation transmitting, pursuant to law, the semiannual report of the Inspector General for the period ended September 30, 1986; to the Committee on Governmental Affairs.

EC-170. A communication from the District of Columbia. auditor transmitting, pursuant to law, a report entitled "Follow-up Review of Lottery Board Security Personnel"; to the Committee on Governmental Affairs.

EC-171. A communication from the Secretary of Education transmitting, pursuant to law, a report on surplus real property disposed of to educational institutions; to the Committee on Governmental Affairs.

EC-172. A communication from the Chief Justice of the United States transmitting, pursuant to law, a report on the proceedings of the Judicial Conference of the United States; to the Committee on the Judiciary.

EC-173. A communication from the Secretary of Education transmitting, pursuant to law, a report on the American Indian Vocational Rehabilitation Program; to the Committee on Labor and Human Resources.

EC-174. A communication from the Secretary of Education transmitting, pursuant to law, notice of final priority for planning grants for the National Center for Research in Vocational Education; to the Committee on Labor and Human Resources.

EC-175. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the 1986 Surgeon General's report on the health consequences of smoking; to the Committee on Labor and Human Resources.

EC-176. A communication from the Secretary of Education transmitting, pursuant to law, notice of final funding priority for research and demonstration projects in research training; to the Committee on Labor and Human Resources.

EC-177. A communication from the Administrator of NASA transmitting, pursuant to law, the annual report of NASA on the performance of its industrial applications centers and their interaction with small business; to the Committee on Small Business.

EC-178. A communication from the Administrator of the Veterans Administration transmitting, pursuant to law, a report on the Sharing of Medical Resources Program; to the Committee on Veterans Affairs.

EC-179. A communication from the Chairman of the National Transportation Safety Board transmitting, pursuant to law, the 1985 annual report of the board; to the Committee on Commerce, Science, and Transportation.

EC-180. A communication from the Secretary of Energy transmitting, pursuant to law, a report on the Alaska Federal-Civilian Energy Efficiency Swap Act of 1980; to the Committee on Energy and Natural Resources.

EC-181. A communication from the Secretary of the Interior transmitting, pursuant to law, a report on an application for a loan by the county of San Bernardino, CA for a proposed Day Creek project; to the Committee on Energy and Natural Resources.

EC-182. A communication from the Assistant Secretary of State transmitting, pursuant to law, a determination to authorize continuation of certain assistance to Haiti; to the Committee on Foreign Relations.

EC-183. A communication from the Assistant Secretary of State transmitting, pursuant to law, a report on travel advisories issued for Nigeria, Pakistan, and Surinam relative to security and health; to the Committee on Foreign Relations.

EC-184. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the copies of international agreements, other than treaties, entered onto by the United States within the 60 days previous to December 30, 1986; to the Committee on Foreign Relations.

EC-185. A communication from the Executive Director of the Navajo and Hopi Indian Relocation Commission transmitting, pursuant to law, a report on the accounting systems in use by the Commission during fiscal year 1986; to the Committee on Governmental Affairs.

EC-186. A communication from the Chairman of the Commodity Futures Trading Commission transmitting, pursuant to law, an evaluation of the system of internal accounting and administrative control of the Commission for 1986; to the Committee on Governmental Affairs.

EC-187. A communication from the Chairman of the Farm Credit Administration transmitting, pursuant to law, an evaluation of the system of internal accounting and administrative control of the FCA for 1986; to the Committee on Governmental Affairs.

EC-188. A communication from the Director of the Federal Emergency Management Agency transmitting, pursuant to law, a report on changes in certain Privacy Act systems of records; to the Committee on Governmental Affairs.

EC-189. A communication from the Chairman of the Nuclear Regulatory commission transmitting, pursuant to law, a report on the Commission's system of internal accounting and administrative control for 1986; to the Committee on Governmental Affairs.

EC-190. A communication from the Acting Administrator of the Small Business Administration transmitting, pursuant to law, a report on the system of internal accounting and administrative control of the

SBA of 1986; to the Committee on Governmental Affairs.

EC-191. A communication from the Chairman of the Federal Communications Commission transmitting, pursuant to law, a report on the system of internal controls of the FCC during 1986; to the Committee on Governmental Affairs.

EC-192. A communication from the Secretary of Agriculture transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-193. A communication from the Secretary of Commerce transmitting, pursuant to law, a report on the activities of the Inspector General for April-September 1986; to the Committee on Governmental Affairs.

EC-194. A communication from the Chairman of the Consumer Product Safety Commission transmitting, pursuant to law, a report on the Commission's system of internal accounting and administrative control for 1986; to the Committee on Governmental Affairs.

EC-195. A communication from the Secretary of the Interior transmitting, pursuant to law, a report on the Department's system of internal accounting and administrative control for 1986; to the Committee on Governmental Affairs.

EC-196. A communication from the Inspector General of the Department of Agriculture transmitting, pursuant to law, his report for April-September 1986; to the Committee on Governmental Affairs.

EC-197. A communication from the Secretary of Housing and Urban Development transmitting, pursuant to law, a report on the Department's system of internal accounting and administrative control for 1986; to the Committee on Governmental Affairs.

EC-198. A communication from the Chairman of the International Trade Commission transmitting, pursuant to law, a report on the Commission's system of internal accounting and administrative control for 1986; to the Committee on Governmental Affairs.

EC-199. A communication from the District of Columbia auditor transmitting, pursuant to law, a report entitled "Review of Contract With Pitts Motor Hotel for Homeless Shelter"; to the Committee on Governmental Affairs.

EC-200. A communication from the Assistant Secretary of Transportation transmitting, pursuant to law, a report on the new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-201. A communication from the Chairman of the Securities and Exchange Commission transmitting, pursuant to law, a report on the Commission's system of internal accounting and administrative control for 1986; to the Committee on Governmental Affairs.

EC-202. A communication from the Acting Administrator of the Office of Juvenile Justice and Delinquency Prevention, Department of Justice, transmitting, pursuant to law, a report on Federal juvenile justice and delinquency prevention programs, 1986; to the Committee on the Judiciary.

EC-203. A communication from the President of the United States transmitting, pursuant to law, the Budget of the U.S. Government, 1988, together with recommendations for executive, legislative, and judicial salaries; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations, the Committee on the Budget, and the Committee on Governmental Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BYRD (for Mr. Burdick (for himself, Mr. Chafee, Mr. Mitchell, Mr. Stafford, Mr. Byrd, Mr. Moynihan, Mr. Adams, Mr. Armstrong, Mr. Baucus, Mr. Bentsen, Mr. Biden, Mr. Bingaman, Mr. Boren, Mr. Bradley, Mr. Bumpers, Mr. Chiles, Mr. Cohen, Mr. Conrad, Mr. Cranston, Mr. D'Amato, Mr. Danforth, Mr. Daschle, Mr. DeConcini, Mr. Dixon, Mr. Dodd, Mr. Domenici, Mr. Durenberger, Mr. Evans, Mr. Exon, Mr. Ford, Mr. Fowler, Mr. Glenn, Mr. Gore, Mr. Graham, Mr. Harkin, Mr. Heinz, Mr. Hollings, Mr. Humphrey, Mr. Inouye, Mr. Kasten, Mr. Kerry, Mr. Kennedy, Mr. Lautenberg, Mr. Leahy, Mr. Levin, Mr. Lugar, Mr. McConnell, Mr. Melcher, Mr. Metzenbaum, Ms. Mikulski, Mr. Nunn, Mr. Packwood, Mr. Pell, Mr. Pressler, Mr. Proxmire, Mr. Pryor, Mr. Reid, Mr. Riegle, Mr. Rockefeller, Mr. Roth, Mr. Rudman, Mr. Sanford, Mr. Sarbanes, Mr. Sasser, Mr. Simon, Mr. Specter, Mr. Symms, Mr. Thurmond, Mr. Trible, Mr. Warner, Mr. Weicker, Mr. Wilson, Mr. Wirth, and Mr. Zorinsky)):

S. 1. A bill to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes.

By Mr. BOREN (for himself, Mr. Byrd, Mr. Chiles, Mr. Kennedy, Mr. Stennis, and Mr. Sanford):

S. 2. A bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes; to the Committee on Rules and Administration.

By Mr. CRANSTON (for himself, Mr. Glenn, Mr. Metzenbaum, and Mr. Kerry):

S. 3. A bill to amend title II of the Social Security Act to provide that the combined earnings of a husband and wife during the period of their marriage shall be divided equally and shared between them for benefit purposes, so as to recognize the economic contribution of each spouse to the marriage and ensure that each spouse will have Social Security protection in his or her own right; to the Committee on Finance.

By Mr. CRANSTON (for himself, Mr. Riegle, Mr. Dodd, and Mr. Kennedy):

S. 4. A bill to provide assistance and coordination in the provision of childcare services for children living in homes with working parents, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. CRANSTON (for himself and Mr. Burdick):

S. 5. A bill to require the executive branch to enforce applicable equal employment opportunity laws and directives so as to promote pay equity by eliminating wage-setting practices which discriminate on the basis of sex, race, ethnicity, age, or disability, and result in discriminatory wage differentials; to the Committee on Governmental Affairs.

By Mr. CRANSTON (for himself, Mr. Matsunaga, Mr. DeConcini, Mr. Mitchell, Mr. Rockefeller, Mr. Graham, and Mr. Lautenberg):

S. 6. A bill to amend title 38, United States Code, to improve various aspects of Veterans' Administration health-care progams, to provide certain new categories of persons with eligibility for readjustment counseling from the Veterans' Administration, and to postpone the transition period for the Vet Center Program, to authorize the establishment of a pilot program for the furnishing of noninstitutional care to certain veterans, and to increase the per diem rates paid to States for providing care to veterans in State homes; and to prohibit the excessing of certain Veterans' Administration properties; and to promote greater emphasis of affiliated health-professional training institutions on geriatric training and research, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. CRANSTON:

S. 7. A bill to provide for the protection of the public lands in the California desert; to the Committee on Energy and Natural Resources.

S. 8. A bill to provide Federal financial assistance to facilitate the establishment of alliances between educational agencies and the private sector to increase the use of resources of the private and nonprofit sectors in the provision of elementary and secondary education, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. CRANSTON (for himself, Mr. Matsunaga, Mr. DeConcini, Mr. Mitchell, Mr. Rockefeller, Mr. Graham, and Mr. Lautenberg):

S. 9. A bill to amend title 38, United States Code, to increase the rates of disability compensation and dependency and indemnity compensation for veterans and survivors; to provide additional eligibility for certain educational or rehabilitation assistance to veterans and other eligible individuals with drug or alcohol abuse disabilities; to increase the maximum amount of a home loan which is guaranteed by the Veterans' Administration; to improve housing, automobile, and burial assistance programs for service-disabled veterans; and to extend and establish certain exemptions from sequestration for certain veterans' benefits; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. CRANSTON (for himself, Mr. Kennedy, and Mr. Gore):

S. 10. A bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. CRANSTON (for himself, Mr. Simpson, Mr. Matsunaga, Mr. DeConcini, Mr. Mitchell, Mr. Rockefeller, Mr. Stafford, Mr. Kennedy, Mr. Cohen, Mr. Chiles, Mr. Durenberger, Mr. Gore, Mr. Pressler, Mr. Sasser, Mr. Heinz, Mr. Kerry, Mr. Wilson, Mr. Simon, Mr. Leahy, Mr. Levin, Mr. Sarbanes, Mr. Riegle, Mr. Melcher, Mr. Johnston, Mr. Burdick, and Mr. Bingaman):

S. 11. A bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. CRANSTON (for himself, Mr. MURKOWSKI, Mr. MATSUNAGA, Mr. DECONCINI, Mr. MITCHELL, Mr. ROCKEFELLER, Mr. GRAHAM, and Mr. COHEN):

S. 12. A bill to amend title 38, United States Code, to remove the expiration date for eligibility for the educational assistance programs for veterans of the All-Volunteer Force; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. CRANSTON (for himself and Mr. WILSON):

S. 13. A bill to amend the Export Administration Act of 1979 to require the establishment and operation of the western regional export licensing office; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BYRD (for Mr. BIDEN (for himself, Mr. ROCKEFELLER, Mr. KERRY, and Mr. BUMPERS)):

S. 14. A bill to amend the Energy Reorganization Act of 1974 to create an independent Nuclear Safety Board; to the Committee on Environment and Public Works.

By Mr. BYRD (for Mr. BIDEN):

S. 15. A bill to provide the framework necessary to pursue a coordinated and effective national and international narcotics control policy; to the Committee on Governmental Affairs.

S. 16. A bill to facilitate United States compliance with certain numerical limitations governing strategic nuclear weapons; to the Committee on Armed Services.

By Mr. D'AMATO:

S. 17. A bill to provide additional funding for comprehensive drug law enforcement, prevention, and treatment; to the Committee on the Judiciary.

By Mr. MOYNIHAN:

S. 18. A bill to repeal the Balanced Budget and Emergency Deficit Control Act of 1985; to the Committee on the Budget and the Committee on Governmental Affairs, jointly pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other has thirty days of continuous session to report or be discharged.

S. 19. A bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to State and local educational agencies for dropout prevention programs; to the Committee on Labor and Human Resources.

By Mr. MOYNIHAN (for himself, Mr. BURDICK, Mr. MITCHELL, Mr. BAUCUS, and Mr. LAUTENBERG):

S. 20. A bill to provide for the protection of ground water through State standards, planning, and protection programs; to the Committee on Environment and Public Works.

By Mr. MOYNIHAN:

S. 21. A bill entitled the "Service Sector Data Collection Act of 1987"; to the Committee on Commerce, Science, and Transportation.

By Mr. PROXMIRE:

S. 22. A bill to amend the Communications Act of 1934 in order to recognize, strengthen, and further the objectives of the first amendment in relationship to radio and television broadcasting stations; to the Committee on Commerce, Science and Transportation.

By Mr. ROTH (for himself, Mr. MOYNIHAN, Mr. HEINZ, and Mr. BRADLEY):

S. 23. A bill to make changes in the Trade Adjustment Assistance Program; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 24. A bill to amend title II of the Social Security Act to waive, for 5 years, the 24-month waiting period for Medicare eligibility on the basis of a disability in the case of individuals with acquired immune deficiency syndrome (AIDS), to require the Secretary of Health and Human Services to make grants to State and local governments for the establishment of programs to test blood to detect the presence of antibodies to the human T-cell lymphotrophic virus and to make grants to eligible State and local governments to support projects for education and information dissemination concerning acquired immune deficiency syndrome, and for other purposes; to the Committee on Finance.

S. 25. A bill to amend chapter 44 of title 18, United States Code, to prohibit the manufacture, transfer, or importation of .25 caliber and .32 caliber ammunition; to the Committee on the Judiciary.

S. 26. A bill to extend authorization of the Federal Crime Insurance Program under the National Housing Act; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MOYNIHAN (for himself and Mr. BAUCUS):

S. 27. A bill to establish the American Conservation Corps, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MOYNIHAN:

S. 28. A bill to limit the grounds and improve the process for excluding aliens from the United States; to the Committee on the Judiciary.

S. 29. A bill to authorize the procurement and installation of cryptographic equipment at satellite communications facilities within the United States, and for other purposes; to the Committee on Armed Services.

S. 30. A bill entitled the "Exchange Rate Adjustment Act of 1987"; to the Committee on Banking, Housing, and Urban Affairs.

S. 31. A bill entitled the "Increased Market Access Promotion Act of 1987"; to the Committee on Finance.

S. 32. A bill to establish a National Commission on Deficit Reduction; to the Committee on Governmental Affairs.

By Mr. MOYNIHAN (for himself and Mr. RIEGLE):

S. 33. A bill entitled the "Social Security Trust Funds Management Act of 1987"; to the Committee on Finance.

S. 34. A bill to establish an independent agency, governed by a bipartisan board, to administer the old-age, survivors, and disability insurance program under title II of the Social Security Act, the supplemental security income program under title XVI of such Act, and the medicare program under title XVIII of such Act, and for other purposes; to the Committee on Finance.

By Mr. MOYNIHAN (for himself and Mr. HEINZ):

S. 35. A bill to charter the National Academy of Social Insurance; to the Committee on the Judiciary.

By Mr. MOYNIHAN:

S. 36. A bill to amend the Food Stamp Act of 1977 with respect to third party payments for certain temporary housing; to the Committee on Agriculture, Nutrition, and Forestry.

S. 37. A bill to amend part A of title IV of the Social Security Act to reduce the need for emergency assistance payments to provide temporary housing for destitute families and homeless AFDC families, and the expense of such payments, by authorizing grants to States for the construction or rehabilitation of permanent housing that such families can afford with their regular AFDC payments; to the Committee on Finance.

S. 38. A bill to increase the authorization of appropriation for the Magnet School Program for fiscal year 1987 to meet the growing needs of existing Magnet School Programs, and for the etablishment of new Magnet School Programs; to the Committee on Labor and Human Resources.

By Mr. MOYNIHAN (for himself, Mr. HEINZ, Mr. BOREN, Mr. PRYOR, Mr. MATSUNAGA, and Mr. RIEGLE):

S. 39. A bill to amend the Internal Revenue Code of 1986 to make the exclusion from gross income of amounts paid for employee educational assistance permanent; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 40. A bill to amend section 1 of the Atomic Energy Act of 1954, as amended, to clarify that no nuclear plant should operate without assurance from the Federal Government's experts on emergency preparedness that the public health and safety can and will be protected; to the Committee on Environment and Public Works.

By Mr. ROTH:

S. 41. A bill to establish a Commission on More Effective Government, with the declared objective of improving the quality of government in the United States and of restoring public confidence in government at all levels; to the Committee on Governmental Affairs.

S. 42. A bill to amend title 5, United States Code, to establish an optional early retirement program for Federal Government employees, and for other purposes; to the Committee on Governmental Affairs.

By Mr. MOYNIHAN:

S. 43. A bill to require that the positions of Director and Deputy Director of Central Intelligence be filled by career intelligence officers; to the Select Committee on Intelligence.

S. 44. A bill to amend the Atomic Energy Act of 1954, as amended, to establish a comprehensive, equitable, reliable, and efficient mechanism for full compensation of the public in the event of an accident arising out of activities of Nuclear Regulatory Commission licensees or undertaken pursuant to the Nuclear Waste Policy Act of 1982 involving nuclear materials, and to reduce the likelihood of such an accident; to the Committee on Environment and Public Works.

By Mr. PROXMIRE (for himself and Mr. GARN) (by request):

S. 45. A bill relating to recapitalization of FSLIC; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MOYNIHAN:

S. 46. A bill to disapprove of the President's proposed rescissions of the Community Development Block Program and the Urban Development Action Grant Program, and to require that funds withheld under the authority of the rescission requests be released immediately upon enactment; to the Committee on Appropriations.

S. 47. A bill to establish a grant program for the purpose of creating additional prison facilities or expanding existing facilities to alleviate the overcrowding resulting from the increase in drug crime convictions; to the Committee on Governmental Affairs.

S. 48. A bill to establish a demonstration program in New York City to offer voluntary departure from the United States to certain aliens arrested for narcotics-related offenses; to the Committee on the Judiciary.

S. 49. A bill to amend section 203 of the Federal Property and Administrative Services Act of 1949 to establish as a priority the conveyance of surplus Federal property for use as correctional facilities to alleviate the shortage of prison space resulting from the increase in drug crime convictions; to the Committee on Governmental Affairs.

S. 50. A bill to amend the Federal Election Campaign Act of 1971 to provide for the public financing of Senate general election campaigns, to change certain contribution limits for elections, and for other purposes; to the Committee on Rules and Administration.

By Mr. HATCH (for himself, Mr. Stafford, Mr. Kennedy, Mr. Glenn, Mr. Matsunaga, and Mr. Lugar):

S. 51. A bill to prohibit smoking in public conveyances; to the Committee on Commerce, Science, and Transportation.

By Mr. PRESSLER (for himself, Mr. Matsunaga, Mr. Moynihan, Mr. Domenici, Mr. Nickles, Mr. Warner, Mr. Murkowski, Mr. Dixon, Mr. Simon, and Mr. Bentsen):

S. 52. A bill to direct the cooperation of certain Federal entities in the implementation of the Continental Scientific Drilling Program; to the Committee on Energy and Natural Resources.

By Mr. PRESSLER (for himself and Mr. Daschle):

S. 53. A bill to provide for improvements to the Mount Rushmore Memorial; to the Committee on Energy and Natural Resources.

By Mr. PRESSLER:

S. 54. A bill to make foreign nationals ineligible for certain agricultural program loans, payments, or benefits, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

S. 55. A bill to authorize the Lyman Jones and West River rural water development projects; to the Committee on Energy and Natural Resources.

By Mr. DOMENICI (for himself and Mr. Bingaman):

S. 56. A bill to establish the El Malpais National Monument, the Masau Trail, and the Grants National Conservation Area in the State of New Mexico, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BOREN:

S. 57. A bill to provide interest rate on agricultural loans; to provide for the repayment of certain Federal Financing Bank loans; and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DANFORTH (for himself, Mr. Baucus, Mr. Wallop, Mr. Boren, Mr. Durenberger, Mr. Mitchell, Mr. Wilson, Mr. DeConcini, Mr. Kerry, Mr. Cranston, Mr. Bingaman, Mr. Riegle, and Mr. Symms):

S. 58. A bill to amend the Internal Revenue Code of 1986 to make the credit for increasing research activities permanent and to increase the amount of such credit; to the Committee on Finance.

By Mr. HECHT (for himself and Mr. Reid):

S. 59. A bill entitled the "National Forests and Public Lands of Nevada Enhancement Act of 1987"; to the Committee on Energy and Natural Resources.

By Mr. GARN (by request):

S. 60. A bill to entitled the "Financial Services Competitive Enhancement Act of 1987"; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. INOUYE:

S. 61. A bill to amend title 10, United States Code, to authorize certain disabled former prisoners of war to use Department of Defense commissary stores and post and base exchanges; to the Committee on Armed Services.

By Mr. STEVENS (for himself, Mr. Murkowski, and Mr. Danforth):

S. 62. A bill to improve efforts to monitor, assess, and to reduce the adverse impact of driftnets; to the Committee on Commerce, Science, and Transportation.

By Mr. STEVENS:

S. 63. A bill to establish a National Commission on Acquired Immune Deficiency Syndrome; to the Committee on Governmental Affairs.

By Mr. CHILES:

S. 64. A bill to amend the Agricultural Adjustment Act to permit marketing orders to provide for paid advertising for Florida-grown strawberries; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HECHT (for himself, Mr. Reid, Mr. Symms, Mr. Nickles, Mr. Gramm, Mr. McClure, Mr. Wallop, Mr. Grassley, Mr. Hatch, Mr. Cochran, Mr. Melcher, and Mr. Wilson):

S. 65. A bill entitled the "Highway Speed Modification Act of 1987"; to the Committee on Commerce, Science, and Transportation.

By Mr. BUMPERS:

S. 66. A bill to provide for competitive leasing for onshore oil and gas; to the Committee on Energy and Natural Resources.

By Mr. BUMPERS (for himself and Mr. Roth):

S. 67. A bill to amend the Tax Reform Act of 1986 by repealing a certain transition rule; to the Committee on Finance.

By Mr. TRIBLE:

S. 68. A bill to require the District of Columbia to reimburse Fairfax County, and Prince William County, for costs incurred in relation to the Lorton Prison; to the Committee on Governmental Affairs.

By Mr. TRIBLE (for himself and Mr. Warner):

S. 69. A bill to amend the Internal Revenue Code of 1986 to repeal the basis recovery rule for pension plans; to the Committee on Finance.

By Mr. TRIBLE (for himself and Mr. D'Amato):

S. 70. A bill to provide for the imposition of the death penalty for certain continuing criminal enterprise drug offenses; to the Committee on the Judiciary.

Mr. MATSUNAGA (for himself, Mr. Cranston, and Mr. Wilson):

S. 71. A bill to authorize the establishment of a Peace Garden on a site to be selected by the Secretary of the Interior; to the Committee on Energy and Natural Resources.

By Mr. GRAMM:

S. 72. A bill to amend the Social Security Act to assist employers in determining the authenticity of Social Security cards, to curtail the use, availability, and production of falsified Social Security cards, and for other purposes; to the Committee on Finance.

S. 73. A bill to provide preferential treatment on imported products assembled or processed from articles grown, produced, or manufactured in the United States; to the Committee on Finance.

By Mr. GRAMM (for himself, Mr. Pryor, Mr. Zorinsky, Mr. Symms, and Mr. Nunn):

S. 74. A bill to amend the Internal Revenue Code of 1986 to allow a charitable contribution deduction for certain amounts paid to or for the benefit of an institution of higher education; to the Committee on Finance.

By Mr. GRAMM (for himself, Mr. Rudman, and Mr. Hollings):

S. 75. A bill to revise the procedures set forth in the Balanced Budget and Emergency Deficit Control Act of 1985; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977.

By Mr. DOLE (by request):

S. 76. A bill to amend the Federal Water Pollution Control Act to provide for the renewal of the quality for the Nation's waters, and for other purposes.

By Mr. METZENBAUM (for himself, Mr. Glenn, Mr. Riegle, Mr. Levin, Mr. Dixon, and Mr. Simon):

S. 77. A bill to amend the act of August 18, 1941, with respect to the preparation of cost and benefit feasibility assessments regarding certain emergency flood control projects; to the Committee on Environment and Public Works.

By Mr. METZENBAUM (for himself, Mr. Glenn, Ms. Mikulski, and Mr. Sarbanes):

S. 78. A bill to amend the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. METZENBAUM (for himself, and Mr. Stafford):

S. 79. A bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. METZENBAUM:

S. 80. A bill to repeal the McCarran-Ferguson Act, and for other purposes; to the Committee on the Judiciary.

S. 81. A bill to amend the Older Americans Act of 1965 to establish the Alzheimer's Disease and related dementias home and community based services block grant; to the Committee on Labor and Human Resources.

By Mr. STAFFORD (for himself, Mr. Symms, Mr. Chafee, Mr. Durenberger, and Mr. Simpson):

S. 82. A bill to authorize appropriations for certain highways in accordance with title 23, United States Code, and for other purposes; to the Committee on Environment and Public Works.

By Mr. JOHNSTON (for himself, Mr. Evans, Mr. Metzenbaum, Mr. Ford, Mr. Wirth, Mr. Matsunaga, Mr. Pryor, Mr. Melcher, Mr. Bumpers, Mr. Kerry, Mr. Specter, Mr. Levin, Mr. Sarbanes, Mr. Burdick, Mr. Heinz, Mr. D'Amato, Mr. Warner, Mr. Gore, Mr. Harkin, Mr. Proxmire, Mr. Cochran, Mr. Kennedy, Mr. Bentsen, Mr. Kasten, Mr. Weicker, Mr. Adams, Mr. Quayle, and Mr. Biden):

S. 83. A bill to amend the Energy Policy and Conservation Act with respect to energy conservation standards for appliances; to the Committee on Energy and Natural Resources.

By Mr. JOHNSTON (for himself, Mr. Bumpers, Mr. Wirth, and Mr. Bingaman):

S. 84. A bill to amend the Land and Water Conservation Fund Act of 1965; to the Committee on Energy and Natural Resources.

By Mr. JOHNSTON (for himself, Mr. BINGAMAN, Mr. BREAUX, and Mr. DOMENICI):

S. 85. A bill to amend the Powerplant and Industrial Fuel Use Act of 1978 to repeal the end use constraints on natural gas, and to amend the Natural Gas Policy Act of 1978 to repeal the incremental pricing requirements; to the Committee on Energy and Natural Resources.

By Mr. GLENN:

S. 86. A bill to amend section 1105(c) of title 31, United States Code, to limit the amount of any increase in the public debt limit that the President may recommend for a fiscal year; to the Committee on Governmental Affairs.

S. 87. A bill to suspend for 2 years the duty on 1-(3-Sulfopropyl) pyridinium hydroxide; to the Committee on Finance.

S. 88. A bill to amend the tariff schedules of the United States to extend the suspension of duties on umbrella frames; to the Committee on Finance.

S. 89. A bill to amend the tariff schedules of the United States to correct the classification of certain pigments; to the Committee on Finance.

By Mr. CHILES (for himself and Mr. GRAHAM):

S. 90. A bill to establish the Big Cypress National Preserve addition in the State of Florida, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. INOUYE:

S. 91. A bill to amend title 38, United States Code, to modify the qualifications required for appointment to the positions of Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director of the Veterans' Administration; to the Committee on Veterans' Affairs.

S. 92. A bill to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish outpatient dental services and treatment for nonservice-connected disability to any war veteran who has a service-connected disability of 50 percent or more; to the Committee on Veterans' Affairs.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 93. A bill to provide that services furnished by a clinical psychologist in a rural health clinic need not be provided under the direct supervision of a physician in order to qualify for coverage under Medicare and Medicaid; to the Committee on Finance.

S. 94. A bill to amend titles XVIII and XIX of the Social Security Act to provide that pediatric nurse practitioner or pediatric clinical nurse specialist services are covered under part B of Medicare and are a mandatory benefit under Medicaid; to the Committee on Finance.

By Mr. KERRY:

S. 95. A bill to amend the Clean Air Act to control certain sources of sulfur dioxide and oxides of nitrogen to reduce acid deposition, and for other purposes; to the Committee on Environment and Public Works.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 96. A bill to amend titles XVIII and XIX of the Social Security Act to provide that psychiatric nurse practitioner or psychiatric clinical nurse specialist services are covered under part B of Medicare and are a mandatory benefit under Medicaid, and for other purposes; to the Committee on Finance.

S. 97. A bill to amend title XVIII of the Social Security Act to provide that psychologist services furnished by, or under arrangements made by, a hospice program are covered under Medicare; to the Committee on Finance.

S. 98. A bill to amend the Internal Revenue Code of 1986 to provide a credit for the purchase of child restraint systems used in motor vehicles; to the Committee on Finance.

By Mr. INOUYE:

S. 99. A bill to allow the Internal Revenue Code of 1986 to be applied and administered as if the 3-year basis recovery rule applicable to employees' annuities had not been repealed; to the Committee on Finance.

By Mr. D'AMATO:

S. 100. A bill to establish an Office of Inspector General in the Nuclear Regulatory Commission, and for other purposes; to the Committee on Environment and Public Works.

By Mr. INOUYE:

S. 101. A bill to amend titles XVIII and XIX of the Social Security Act to provide that a nurse practitioner or clinical nurse specialist may, in collaboration with a physician, certify or recertify the need for certain services, to provide for coverage of certain items and services furnished by a nurse practitioner or clinical nurse specialist, and for other purposes; to the Committee on Finance.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 102. A bill to amend the Job Training Partnership Act to include American Samoans in the Native American Employment and Training Programs; to the Committee on Labor and Human Resources.

S. 103. A bill to establish the position of Associate Director for Special Populations in the National Institute on Alcohol Abuse and Alcoholism and in the National Institute on Drug Abuse; to the Committee on Labor and Human Resources.

By Mr. INOUYE:

S. 104. A bill to recognize the organization known as the National Academies of Practice; to the Committee on the Judiciary.

S. 105. A bill to amend title 38, United States Code, to provide for the payment of incentive special pay to Veterans' Administration psychologists who obtain certain board certification in a professional specialty; to the Committee on Veterans' Affairs.

S. 106. A bill to amend title 10, United States Code, to provide that the Chief of the Army Nurse Corps be appointed in the regular grade of brigadier general; to the Committee on Armed Services.

S. 107. A bill for the relief of June Feldman; to the Committee on Governmental Affairs.

S. 108. A bill for the relief of Walter Chang; to the Committee on the Judiciary.

S. 109. A bill to permit the naturalization of certain Filipino war veterans; to the Committee on the Judiciary.

S. 110. A bill for the relief of Ms. Loida Queja Caberto; to the Committee on the Judiciary.

S. 111. A bill for the relief of Marivic Neri and Miyoshi Neri; to the Committee on the Judiciary.

S. 112. A bill for the relief of Pauline M. Lucas; to the Committee on the Judiciary.

S. 113. A bill for the relief of Fisi'itetefa P. Ma'ake; to the Committee on the Judiciary.

S. 114. A bill for the relief of Mr. Faalili Afele, Mrs. Liugalua Afele, and Ms. Siliolo Afele; to the Committee on the Judiciary.

S. 115. A bill for the relief of Marlene Sabina Lajola; to the Committee on the Judiciary.

S. 116. A bill for the relief of Mr. Fu Chuan Lee and Ms. Shon Ning Lee; to the Committee on the Judiciary.

S. 117. A bill for the relief of Mrs. Wo Chih-Chu Liao and sons, Chung-Chi, Feng-Yi, and Chi-Hung; to the Committee on the Judiciary.

S. 118. A bill for the relief of Jose U. Miranda, Violete Amore Miranda, and Michael Joseph Miranda; to the Committee on the Judiciary.

S. 119. A bill for the relief of Susan Rebola Cardenas; to the Committee on the Judiciary.

S. 120. A bill for the relief of Ms. Kinisimere Fonua Suschnigg; sons, Georg Cagilaba Suschnigg and Dariush Anthony Suschnigg; to the Committee on the Judiciary.

S. 121. A bill for the relief of Mrs. Araceli Gushiken; to the Committee on the Judiciary.

S. 122. A bill for the relief of Arron P.K. Yung; to the Committee on the Judiciary.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 123. A bill to amend title XVIII of the Social Security Act to provide that psychologist services are covered under part B of Medicare; to the Committee on Finance.

S. 124. A bill to amend title XVIII of the Social Security Act to provide that certified nurse-midwife services are covered under part B of Medicare; to the Committee on Finance.

By Mr. MELCHER:

S. 125. A bill to provide for the improvement of the operations of the Foreign Agricultural Service; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 126. A bill to amend titles XVIII and XIX of the Social Security Act to provide that gerontological nurse practitioner or gerontological clinical nurse specialist services are covered under part B of Medicare and are mandatory benefit under Medicaid, and for other purposes; to the Committee on Finance.

S. 127. A bill to amend title XVIII of the Social Security Act to provide that services furnished by a clinical social worker are covered under part B of Medicare when furnished by health maintenance organization to a member of that organization; to the Committee on Finance.

By Mr. INOUYE:

S. 128. A bill to amend title 10, United States Code, to authorize former members of the Armed Forces who are totally disabled as the result of a service-connected disability to travel on military aircraft in the same manner and to the same extent as retired members of the Armed Forces are entitled to travel on such aircraft; to the Committee on Armed Services.

By Mr. INOUYE (for himself, Mr. DECONCINI, Mr. MATSUNAGA, Mr. KENNEDY, and Mr. MURKOWSKI):

S. 129. A bill to authorize and amend the Indian Health Care Improvement Act, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. INOUYE:

S. 130. A bill to require that imports of fresh ginger root meet all the requirements imposed on domestic fresh ginger root; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. INOUYE (for himself and Mr. Matsunaga):

S. 131. A bill to amend title XVIII of the Social Security Act to clarify that payment may be made under part A for diagnostic or therapeutic services furnished by a psychologist under an arrangement with a hospital to an inpatient of such hospital who is entitled to benefits under such part; to the Committee on Finance.

By Mr. INOUYE:

S. 132. A bill to permit individuals who received National Health Service Corps scholarships to perform obligated service in such units of the Department of Defense as the Secretaries of Defense and Health and Human Services may determine by agreement; to the Committee on Labor and Human Resources.

S. 133. A bill to require the Secretary of Health and Human Services to establish a scholarship program to enable professional nurses to obtain advanced degrees in professions related to the practice of nursing; to the Committee on Labor and Human Resources.

S. 134. A bill to allow the psychiatric or psychological examinations required under chapter 313 of title 18, United States Code, relating to offenders with mental disease or defect to be conducted by a clinical social worker; to the Committee on the Judiciary.

S. 135. A bill to allow the psychiatric or psychological examinations required under chapter 313 of title 18, United States Code, relating to offenders with mental disease or defect to be conducted by a psychiatric nurse practitioner or a clinical nurse specialist; to the Committee on the Judiciary.

By Mr. INOUYE (for himself, Mr. DeConcini and Mr. Matsunaga):

S. 136. A bill to improve the health status of Native Hawaiians, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. INOUYE:

S. 137. A bill to direct the Secretary of the Army to determine the validity of the claims of certain Filipinos that they perform military service on behalf of the United States during World War II; to the Committee on Armed Services.

By Mr. INOUYE (for himself and Mr. Boren):

S. 138. A bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to permit distribution of certain State-inspected meat and poultry products, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SARBANES (for himself and Ms. Mikulski):

S. 139. A bill to direct the Secretary of Transportation to approve modifications of certain interstate highway transfer concept plans; to the Committee on Commerce, Science, and Transportation.

By Mr. INOUYE (for himself and Mr. Matsunaga):

S. 140. A bill to amend title XVIII of the Social Security Act to provide that psychologist services are covered under part B of Medicare; to the Committee on Finance.

By Mr. INOUYE:

S. 141. A bill to authorize reduced postage rates for certain mail matter sent to Members of Congress; to the Committee on Governmental Affairs.

By Mr. INOUYE (for himself, Mr. DeConcini, Mr. Matsunaga, and Mr. Murkowski):

S. 142. A bill to amend the Native American Programs Act of 1974 to authorize appropriations for fiscal years 1987 through 1991; to the Select Committee on Indian Affairs.

By Mr. INOUYE (for himself and Mr. DeConcini):

S. 143. A bill to establish a temporary program under which parenteral diacetylmorphine will be made available through qualified pharmacies for the relief of intractable pain due to cancer; to the Committee on Labor and Human Resources.

By Mr. INOUYE:

S. 144. A bill to amend the District of Columbia Code to provide for the service of psychiatric nurse practitioners and psychiatric nurse clinical specialists on the District of Columbia Commission on Mental Health; to the Committee on Governmental Affairs.

S. 145. A bill to increase the role of the Secretary of Transportation in administering section 901 of the Merchant Marine Act, 1936; to the Committee on Commerce, Science, and Transportation.

S. 146. A bill to further the development and maintenance of and adequate and well-balanced American merchant marine by requiring that certain mail of the United States be carried on vessels of United States registry; to the Committee on Commerce, Science, and Transportation.

S. 147. A bill to revise the laws regarding the transportation of Government cargoes in United States-flag vessels; to the Committee on Commerce, Science, and Transportation.

S. 148. A bill to amend the Shipping Act, 1916, to provide for jurisdiction over common carriers by water engaging in foreign commerce to and from the United States utilizing ports in nations contiguous to the United States; to the Committee on Commerce, Science, annd Transportation.

S. 149. A bill to provide for the service of clinical social workers on the District of Columbia Commission on Mental Health; to the Committee on Governmental Affairs.

By Mr. INOUYE (for himself and Mr. Matsunaga):

S. 150. A bill to provide financial assistance to community colleges and to Kamehameha Schools/Bishop Estate for demonstration grants designed to address the special needs of gifted and talented elementary and secondary school students who are Indian or Native Hawaiian, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. INOUYE:

S. 151. A bill to permit educational institutions with graduate programs in clinical social work to apply for grants and contracts to provide educational assistance to individuals from disadvantaged backgrounds; to the Committee on Labor and Human Resources.

S. 152. A bill to clarify that graduate programs in clinical psychology are health professions schools for purposes of title VII of the Public Health Service Act; to the Committee on Labor and Human Resources.

S. 153. A bill to specify that health maintenance organizations may provide the services of clinical social workers; to the Committee on Labor and Human Resources.

By Mr. INOUYE (for himself and Mr. Matsunaga):

S. 154. A bill to authorize the Secretary of Health and Human Services to make grants for the planning, development, establishment and operation of poison control centers; to the Committee on Labor and Human Resources.

By Mr. INOUYE:

S. 155. A bill to limit the costs resulting from acts of negligence in health care and to improve the level of health care services in the United States, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. INOUYE (for himself and Mr. Matsunaga):

S. 156. A bill to amend chapter 89 of title 5, United States Code, to provide authority for the direct payment or reimbursement to qualified clinical social workers to clarify certain provisions of such chapter with respect to coordination with State and local law, and for other purposes; to the Committee on Governmental Affairs.

S. 157. A bill to amend Native American Programs Act of 1974 to authorize the provision of financial assistance to agencies serving Native American Pacific Islanders (including American Samoan Natives); to the Select Committee on Indian Affairs.

By Mr. INOUYE:

S. 158. A bill to authorize the sale of certain fish in the State of Hawaii; to the Committee on Commerce, Science, and Transportation.

S. 159. A bill to amend title 10, United States Code, to authorize the appointment of health care professionals to the positions of the Surgeon General of the Army, the Surgeon General of the Navy, and the Surgeon General of the Air Force; to the Committee on Armed Services.

S. 160. A bill to amend titles 10 and 37, United States Code, to provide for constructive service credit for speciality nurses and to provide for incentive pay for speciality nurses assigned to remote locations within the Department of Defense; to the Committee on Armed Services.

S. 161. A bill to provide for the review of certain authority in certificates issued under the Federal Aviation Act of 1958, and for other purposes; to the Committee on Commerce, Science, and Transportation.

S. 162. A bill to amend title 37, United States Code, to provide for special pay for psychologists in the commissioned corps of the Public Health Service; to the Committee on Governmental Affairs.

S. 163. A bill to provide that a student enrolled in a graduate program in psychology shall be eligible for student loans under the health professions student loan program; to the Committee on Labor and Human Resources.

S. 164. A bill to transfer the National Institute of Mental Health to the National Institutes of Health; to the Committee on Labor and Human Resources.

S. 165. A bill to amend title 37, United States Code, to authorize special pay for certain officers of the Armed Forces who obtain certain professional board certifications as psychologists; to the Committee on Armed Services.

S. 166. A bill to amend section 1086 of title 10, United States Code, to provide for payment under the CHAMPUS Program of certain health care expenses incurred by certain members and former members of the uniformed services and their dependents to the extent that such expenses are not payable under Medicare, and for other purposes; to the Committee on Armed Services.

By Mr. INOUYE (for himself and Mr. Matsunaga):

S. 167. A bill to amend chapter 89 of title 5, United States Code, to provide authority for the direct payment or reimbursement to nurse midwives, nurse practitioners, and nurses, to clarify certain provisions of such chapter with respect to coordination with

State and local law, and for other purposes; to the Committee on Governmental Affairs.

S. 168. A bill to amend titles XVIII and XIX of the Social Security Act to provide that clinical social worker services are covered under part B of Medicare and are a mandatory benefit under Medicaid, and for other purposes; to the Committee on Finance.

By Mr. RIEGLE:

S. 169. A bill to provide Federal grants to States for programs to identify and aid individuals who have been exposed to the drug diethylstilbestrol [DES]; to the Committee on Labor and Human Resources.

S. 170. A bill to amend title II of the Social Security Act to repeal the separate definition of disability presently applicable to widows and widowers, and to provide in turn that the months of a widow's or widower's entitlement to SSI benefits on the basis of disability may be used in establishing his or her entitlement to medicare benefits on that basis; to the Committee on Finance.

S. 171. A bill to amend title II of the Social Security Act to extend the benefits of the delayed retirement credit to surviving spouses and surviving divorced spouses who work and whose widow's or widower's insurance benefits are higher than their old-age insurance benefits; to the Committee on Finance.

S. 172. A bill to amend title II of the Social Security Act to extend the benefits of the delayed retirement credit to surviving spouses and surviving divorced spouses who work and whose widow's or widower's insurance benefits are higher than their old-age insurance benefits; to the Committee on Finance.

S. 173. A bill to amend title II of the Social Security Act to provide that upon the death of one member of a married couple the surviving spouse or surviving divorced spouse shall automatically inherit the deceased spouse's earnings credits to the extent that such credits were earned during the period of their marriage; to the Committee on Finance.

S. 174. A bill to amend title II of the Social Security Act to provide that the combined earnings of a husband and wife during the period of their marriage shall be divided equally and shared between them for benefit purposes if they become divorced and either of them so elects; to the Committee on Finance.

S. 175. A bill to amend title II of the Social Security Act to provide that an individual's "years of coverage" for purposes of computing the special minimum benefit may include up to 10 additional years—not otherwise includible for that purpose—in which such individual had a child age 6 or under in his or her care; to the Committee on Finance.

S. 176. A bill to amend title XVIII of the Social Security Act to waive the late enrollment penalty under Medicare part B for any disabled individual who was covered under his own or his spouse's private employment-related health insurance; to the Committee on Finance.

S. 177. A bill to provide for a system of cost sharing for health care and uncompensated care, and for other purposes; to the Committee on Finance.

By Mr. RIEGLE (for himself and Mr. Cranston):

S. 178. A bill to amend the Social Security Act to provide for improved procedures with respect to disability determinations and continuing disability reviews and to modify the program for providing rehabilitation services determined under such act to be under a disability, and for other purposes; to the Committee on Finance.

By Mr. SIMON (for himself and Mr. Moynihan):

S. 179. A bill to amend the Federal Election Campaign Act of 1971 to provide for the public financing of Senate general election campaigns; to the Committee on Rules and Administration.

By Mr. RIEGLE:

S. 180. A bill to establish a Department of International Trade and Industry as an executive department of the Government of the United States, and for other purposes; to the Committee on Governmental Affairs.

S. 181. A bill entitled the "Public Safety Officers' Death Benefits Amendments of 1987"; to the Committee on the Judiciary.

S. 182. A bill to amend title 3, United States Code, and the Uniform Time Act of 1966 to establish a single poll closing time in the continental United States for Presidential general elections; to the Committee on Rules and Administration.

S. 183. A bill to provide for a program for the provision of child care services in public housing projects; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DODD (for himself and Mr. Weicker):

S. 184. A bill to provide economic assistance to the Central American democracies, and for other purposes; to the Committee on Foreign Relations.

By Mr. BURDICK (for himself, Mr. Moynihan, Mr. Bentsen, Mr. Baucus, Mr. Lautenberg, Mr. Breaux, Ms. Mikulski, Mr. Reid, Mr. Stafford, Mr. Symms, Mr. Wilson, and Mr. Chafee):

S. 185. A bill to authorize appropriations for certain highways in accordance with title 23, United States Code, and for other purposes; to the Committee on Environment and Public Works.

By Mr. RIEGLE:

S. 186. A bill to establish a national trade information policy, the Council on Trade Information, the U.S. Trade Data Bank, and for other purposes; to the Committee on Governmental Affairs.

By Mr. MELCHER:

S. 187. A bill to provide for the protection of Native American rights for the remains of their dead and sacred artifacts, and for the creation of Native American cultural museums; to the Select Committee on Indian Affairs.

By Mr. WEICKER (for himself and Mr. Dodd):

S. 188. A bill to amend title 28, United States Code, to provide for the appointment of one additional district judge for the District of Connecticut; to the Committee on the Judiciary.

By Mr. HEINZ:

S. 189. A bill to provide for the temporary suspension of the duty on crosslinked polyvinylbenzyltrimethylammonium chloride (cholestyramine resin USP); to the Committee on Finance.

S. 190. A bill to provide temporary suspension of the duty on mixtures of maneb, zineb, mancozeb, metiram, stabilizer, and application adjuvants; to the Committee on Finance.

S. 191. A bill to provide for the temporary suspension of the duty on mixtures of 1,1-bis(4-chlorophenyl)-2,2,2-trichloroethanol (dicofol) and application adjuvants; to the Committee on Finance.

S. 192. A bill relating to the tariff classification of slabs of iron or steel; to the Committee on Finance.

S. 193. A bill to provide for the temporary suspension of the duty on methylene blue which is used as a process stabilizer in the manufacture of organic chemicals; to the Committee on Finance.

S. 194. A bill to suspend the tariff on 1,5 naphthalene diisocyanate; to the Committee on Finance.

S. 195. A bill to provide for the temporary suspension of the duty on mixtures of 2,4,-dinitro-6-octyl phenyl crotonate, 2,6-dinitro-4-octyl phenyl crotonate and nitrooctyl phenols (dinocap), and on mixtures of dinocap with application adjuvants; to the Committee on Finance.

S. 196. A bill to provide for the temporary suspension of the duty on mixtures of mancozeb, dinocap, stabilizer and application adjuvants; to the Committee on Finance.

S. 197. A bill to extend through June 30, 1990, the suspension of import duties on synthetic rutile; to the Committee on Finance.

S. 198. A bill to extend for 3 years the existing duty-free treatment of certain needlecraft display models, and for other purposes; to the Committee on Finance.

S. 199. A bill to provide duty-free treatment for dicofol until Janaury 1, 1991, after the existing duty reduction for the chemical expires on September 30, 1985; to the Committee on Finance.

By Mr. NICKLES (for himself, Mr. Dole, Mr. Gramm, Mr. Domenici, Mr. Wallop, Mr. Hecht, Mr. Bumpers, and Mr. Symms):

S. 200. A bill to amend the Internal Revenue Code of 1954 to repeal the windfall profit tax on crude oil; to the Committee on Finance.

By Mr. HEINZ:

S. 201. A bill to temporarily exempt the duty on single-headed latch needles and hosiery knitting needles; to the Committee on Finance.

S. 202. A bill to extend for 5 years the existing temporary duty-free treatment of hosiery knitting machines, and double-headed latch needles; to the Committee on Finance.

S. 203. A bill to extend the existing temporary duty-free treatment for certain wools not finer than 46s; to the Committee on Finance.

S. 204. A bill to provide for the temporary suspension of the duty on 3-amino-3-methyl-1-butyne; to the Committee on Finance.

S. 205. A bill to amend the Tariff Schedules of the United States to change the tariff classification of silicone materials; to the Committee on Finance.

S. 206. A bill to amend the Tariff Schedules of the United States to change the tariff classification of certain work gloves; to the Committee on Finance.

By Mr. GORE:

S. 207. A bill to provide for partial public financing of general elections for candidates in campaigns for the U.S. Senate, and for other purposes; to the Committee on Rules and Administration.

S. 208. A bill to prohibit reprisal actions against officers and employees of Federal Government contractors for disclosing certain information to a Federal Government agency; to the Committee on Governmental Affairs.

S. 209. A bill to provide that Bell operating companies may provide information services and manufacture telecommunications equipment, subject to regulation by the Federal Communications Commission; to the Committee on Commerce, Science, and Transportation.

By Mr. KENNEDY (for himself and Mr. MELCHER):

S. 210. A bill to amend the Public Health Service Act to provide catastrophic health insurance coverage for elderly and disabled Americans; to the Committee on Labor and Human Resources.

By Mr. SYMMS:

S. 211. A bill to amend section 2254 of title 28, United States Code, to provide specific procedures for the consideration of writs of habeas corpus filed on behalf of individuals under a sentence of death; to the Committee on the Judiciary.

By Mr. HELMS:

S. 212. A bill to help prevent rape and other sexual violence by prohibiting dial-a-porn operations; to the Committee on Commerce, Science, and Transportation.

S. 213. A bill to restore the right of voluntary prayer in public schools and to promote the separation of powers; to the Committee on the Judiciary.

By Mr. SYMMS (for himself and Mr. MCCLURE):

S. 214. A bill to direct the Federal Energy Regulatory Commission to issue an order with respect to Docket No. EL-85-38-000; to the Committee on Energy and Natural Resources.

By Mr. SASSER:

S. 215. A bill to amend chapter 13 of title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. MITCHELL (for himself, Mr. CRANSTON, and Mr. MATSUNAGA):

S. 216. A bill to amend title 38, United States Code, to increase the per diem rates paid to States for providing care to veterans in State homes; to the Committee on Veterans' Affairs.

By Mr. PRESSLER:

S. 217. A bill to reform the tort law doctrine of joint and several liability; to the Committee on the Judiciary.

By Mr. HEINZ:

S. 218. A bill to amend the Federal Financing Bank Act of 1973 to establish a Federal Credit Program Revolving Fund under the direction of the Secretary of the Treasury with overall authority for Federal credit activity, including borrowing and credit management; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SASSER:

S. 219. A bill to amend the Trade Act of 1974 to reform the procedures for relief from injury caused by import competition and unfair trade practices; to the Committee on Finance.

By Mr. SYMMS (for himself, Mr. NICKLES, and Mr. MCCLURE):

S. 220. A bill to require the voice and vote of the United States in opposition to assistance by international financial institutions for the production of commodities or minerals in surplus, and for other purposes; to the Committee on Foreign Relations.

By Mr. RIEGLE:

S. 221. A bill to establish within the Department of Agriculture an Office of Emergency Aid for Farm Families to provide grants to States for emergency services to farm families, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

S. 222. A bill to strengthen the program for grants to States for dependent care programs, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GORE:

S. 223. A bill to establish the Food and Drug Administration by law, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. D'AMATO:

S. 224. A bill to amend and extend programs under the Urban Mass Transportation Act of 1964; to the Committee on Banking, Housing, and Urban Affairs.

S. 225. A bill to amend title II of the Social Security Act to protect the benefit levels of individuals becoming eligible for benefits in or after 1979 by eliminating the disparity (resulting from changes made in 1977 in the benefit computation formula) between those levels and the benefit levels of persons who become eligible for benefits before 1979; to the Committee on Finance.

S. 226. A bill to promote the safety of children receiving day care services by establishing a national program for the licensing of child day care providers, establishing a clearinghouse for information with respect to criminal records of employees of day care centers, and establishing a hotline for reporting of abuse of children receiving day care services, and for other purposes; to the Committee on Finance.

S. 227. A bill to amend the Securities Exchange Act of 1934 to impose additional restraints on corporate tender offers, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

S. 228. A bill to amend title 10, United States Code, to permit members of the Armed Forces, under certain circumstances, to wear items of religious apparel while in uniform; to the Committee on Armed Services.

S. 229. A bill to provide for adherence with the MacBride Principles by United States persons doing business in Northern Ireland; to the Committee on Finance.

S. 230. A bill to amend the Securities Exchange Act of 1934 with respect to the use of nonpublic information; to the Committee on Banking, Housing, and Urban Affairs.

S. 231. A bill to amend the Securities Exchange Act of 1934 with respect to the use of nonpublic information; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. WILSON:

S. 232. A bill to permit placement of a privately funded statue of Haym Salomon in the Capitol Building or on the Capitol Grounds and to erect a privately funded monument to Haym Salomon on Federal land in the District of Columbia; to the Committee on Rules and Administration.

By Mr. BOREN (for himself and Mr. BINGAMAN):

S. 233. A bill to amend the Internal Revenue Code of 1986 to encourage increased production of domestic crude oil, and for other purposes; to the Committee on Finance.

By Mr. CRANSTON:

S. 234. A bill to increase the amount of capital available to financial institutions and other agricultural lenders for loans to farmers by providing a secondary market for farm mortgages through the establishment of a federally chartered corporation, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. WILSON (for himself and Mr. CRANSTON):

S. 235. A bill to amend the Clean Air Act to provide that the Administrator of the Environmental Protection Agency shall have authority to regulate air pollution on and over the Outer Continental Shelf; to the Committee on Environment and Public Works.

By Mr. DOLE (for himself, Mr. COCHRAN, Mr. HELMS, Mr. BOSCHWITZ, Mr. LUGAR, Mr. WILSON, and Mr. MCCONNELL):

S. 236. A bill to amend the National School Lunch Act to improve the administration for the commodity distribution program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. THURMOND (for himself, Mr. METZENBAUM, and Mr. SPECTER):

S. 237. A bill to amend section 207 of title 18, United States Code, to prohibit Members of Congress and officers and employees of any branch of the U.S. Government from attempting to influence the U.S. Government or from representing or advising a foreign entity for a proscribed period after such officer or employee leaves Government service, and for other purposes; to the Committee on the Judiciary.

By Mr. THURMOND:

S. 238. A bill to amend section 534 of title 28, United States Code, to allow railroad police and private university or college police access to Federal Government criminal identification records; to the Committee on the Judiciary.

S. 239. A bill to establish an Intercircuit Panel, and for other purposes; to the Committee on the Judiciary.

By Mr. MURKOWSKI:

S. 240. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and the rates of disability compensation for disabled veterans and the rates of dependency and indemnity compensation for surviving spouses and children of veterans; to the Committee on Veterans' Affairs.

By Mr. D'AMATO:

S. 241. A bill to amend the Truth in Lending Act; to the Committee on Banking, Housing, and Urban Affairs.

S. 242. A bill to amend the Truth in Lending Act to impose a ceiling on credit card interest rates; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DIXON (for himself, Mr. GLENN, Mr. DANFORTH, and Mr. KENNEDY):

S. 243. A bill to amend United States Housing Act of 1937 to permit tenant management of public housing; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DIXON:

S. 244. A bill to amend the Federal Deposit Insurance Act; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BENTSEN (for himself and Mr. BURDICK):

S. 245. A bill to provide for the reimbursement of States for advance construction of highways; to the Committee on Environment and Public Works.

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 246. A bill to provide for a Veterans' Administration outpatient satellite clinic in central or southern Jersey; to the Committee on Veterans' Affairs.

By Mr. CRANSTON:

S. 247. A bill to designate the Kern River as a national wild and scenic river; to the Committee on Energy and Natural Resources.

By Mr. LAUTENBERG (for himself, Mr. MOYNIHAN, Mr. GRASSLEY, Mr. SIMON, Mr. WILSON, Mr. SPECTER, and Mr. BRADLEY):

S. 248. A bill to amend title 10, United States Code, to permit members of the Armed Forces to wear, under certain circumstances, items of apparel not part of the official uniform; to the Committee on Armed Services.

By Mr. DODD (for himself and Mr. Specter):

S. 249. A bill to grant employees parental and temporary medical leave under certain circumstances, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HUMPHREY (for himself, Mr. Roth, Mr. Symms, Mr. Zorinsky, and Mr. Helms):

S. 250. A bill to prevent fraud and abuse in HUD programs; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BRADLEY (for himself and Mr. Lautenberg):

S. 251. A bill to designate certain segments of the Maurice, the Manantico, and the Manumuskin Rivers in New Jersey as study rivers for inclusion in the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

By Mr. DeCONCINI (for himself and Mr. McCain):

S. 252. A bill to establish a San Pedro Riparian National Conservation Area; to the Committee on Energy and Natural Resources.

S. 253. A bill to convey Forest Service land to Flagstaff, AZ; to the Committee on Energy and Natural Resources.

By Mr. DIXON:

S. 254. A bill to provide a one-time amnesty from criminal and civil tax penalties and 50 percent of the interest penalty owed for certain taxpayers who pay previous underpayments of Federal tax during the amnesty period, to amend the Internal Revenue Code of 1954 to increase by 50 percent all criminal and civil tax penalties, and for other purposes; to the Committee on Finance.

By Mr. BOREN (for himself and Mr. Bingaman):

S. 255. A bill to repeal the windfall profit tax on domestic crude oil; to the Committee on Finance.

By Mr. DIXON:

S. 256. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to require expeditious consideration by the Congress of a proposal by the President to rescind all or part of any item of budget authority if the proposal is transmitted to the Congress on the same day on which the President approves the bill or joint resolution providing such budget authority; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee has 30 days of continuous session to report or be discharged.

By Mr. DIXON (for himself, Mr. Proxmire, Mr. Grassley, Mr. Levin, and Mr. Riegle):

S. 257. A bill to correct imbalances in certain States in the Federal tax to Federal benefit ratio by reallocating the distribution of Federal spending, and for other purposes; to the Committee on Governmental Affairs.

By Mr. D'AMATO:

S. 258. A bill to amend and extend laws relating to housing and community development; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CHILES:

S. 259. A bill to create a Department of Trade, to promote economic growth and trade expansion, to open foreign markets, to enhance the competitiveness of U.S. firms, and for other purposes; to the Committee on Governmental Affairs.

By Mr. THURMOND (for himself, Mr. Chiles, Mr. Hatch, Mr. Trible, Mr. D'Amato, Mr. Helms, Mr. Wilson, Mr. Grassley, and Mr. DeConcini):

S. 260. A bill to reform procedures for collateral review of criminal judgments, and for other purposes; to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself, Mr. Cranston, and Mr. Wilson):

S. 261. A bill to authorize the establishment of a Peace Garden on a site to be selected by the Secretary of the Interior; to the Committee on Energy and Natural Resources.

By Mr. FORD:

S. 262. A bill for the relief of land grantors in Henderson, Union, and Webster Counties, to the United States, and their heirs; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 263. A bill to amend the Tennessee Valley Authority Act; to the Committee on Environment and Public Works.

By Mr. HUMPHREY (for himself, Mr. Proxmire, Mr. Armstrong, Mr. Helms, Mr. Garn, and Mr. Gramm):

S. 264. A bill to amend the Internal Revenue Code of 1986 to deny status as a tax-exempt organization, and as charitable contribution recipient, for organizations which perform, finance, or provide facilities for abortions; to the Committee on Finance.

By Mr. HUMPHREY (for himself, Mr. Roth, Mr. Symms, and Mr. Zorinsky):

S. 265: A bill to require executive agencies of the Federal Government to contract with private sector sources for the performance of commercial activities; to the Committee on Governmental Affairs.

By Mr. HUMPHREY (for himself, Mr. Gramm, Mr. Zorinsky, Mr. Symms, and Mr. Helms):

S. 266. A bill to amend the Service Contract Act to reform the administration of such act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HUMPHREY (for himself, Mr. Grassley, Mr. Hecht, Mr. Gramm, Mr. Nickles, Mr. Helms, and Mr. Symms):

S. 267. A bill to limit the uses of funds under the Legal Services Corporation Act to provide legal assistance with respect to any proceeding or litigation which relates to abortion; to the Committee on Labor and Human Resources.

By Mr. HUMPHREY:

S. 268. A bill to amend title 5, United States Code, to provide child adoption benefits for Federal Government employees; to the Committee on Governmental Affairs.

S. 269. A bill to amend title 10, United States Code, to provide child adoption benefits for members of the Armed Forces; to the Committee on Armed Services.

S. 270 A bill to provide a transition period for the full implementation of the nonrecurring adoption expenses reimbursement program; to the Committee on Finance.

S. 271. A bill to amend section 1001 of the Public Health Service Act to permit family planning projects to offer adoption services; to the Committee on Labor and Human Resources.

By Mr. HUMPHREY (for himself and Mr. Helms):

S. 272. A bill to require certain individuals who perform abortions to obtain informed consent; to the Committee on Labor and Human Resources.

S. 273. A bill to require certain individuals who perform abortions to obtain informed consent; to the Committee on Labor and Human Resources.

S. 274. A bill to restrict the use of Federal funds available to the Bureau of Prisons to perform abortions; to the Committee on the Judiciary.

By Mr. WILSON (for himself and Mr. Cranston):

S. 275. A bill to amend the Wild and Scenic Rivers Act; to the Committee on Energy and Natural Resources.

By Mr. NICKLES:

S. 276. A bill to amend the Internal Revenue Code of 1954 to impose a fee on the importation of crude oil or refined petroleum products; to the Committee on Finance.

By Mr. THURMOND (for himself, Mr. Hatch, Mr. Trible, Mr. D'Amato, Mr. Helms, Mr. Wilson, Mr. Specter, Mr. DeConcini, and Mr. Grassley):

S. 277. A bill to establish constitutional procedures for the Imposition of the sentence of death, and for other purposes; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. Hatch, Mr. Trible, Mr. Helms, Mr. Wilson, Mr. DeConcini, and Mr. Zorinsky):

S. 278. A bill to amend title 18 to limit the application of the exclusionary rule; to the Committee on the Judiciary.

By Mr. DeCONCINI (for himself, Mr. Cranston, Mr. Matsunaga, Mr. Mitchell, Mr. Rockefeller, and Mr. Lautenberg):

S. 279. A bill to amend title 38, United States Code, to postpone the transition period for the Veterans' Administration Vet Center program and to delay the due date of certain reports related thereto; and to delay the due date of a report on post-traumatic disorder among Vietnam-era veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SPECTER (for himself and Mr. Dodd):

S. 280. A bill to provide, through greater targeting, coordination, and structuring of services, assistance to strengthen severely economically disadvantaged individuals and families by providing greater opportunities for employment preparation which can assist in promoting family economic stability; to the Committee on Labor and Human Resources.

S. 281. A bill to amend part A of title IV of the Social Security Act to promote the transition of severely economically disadvantaged individuals to unsubsidized employment; to the Committee on Finance.

By Mr. RIEGLE:

S. 282. A bill to amend the Internal Revenue Code of 1986 to permit individuals to receive tax-free distributions from an individual retirement account or annuity to purchase their first home, and for other purposes; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 283. A bill to require the General Accounting Office to conduct a study of the benefits and costs of modifying coverage under the medicare program to include different levels of extended care; to the Committee on Governmental Affairs.

By Mr. KENNEDY (for himself, Mr. Cohen, Mr. Byrd, Mr. Packwood, Mr. Adams, Mr. Baucus, Mr. Biden, Mr. Bingaman, Mr. Bradley, Mr. Burdick, Mr. Chafee, Mr. Cranston, Mr. Danforth, Mr. DeConcini, Mr. Dixon, Mr. Dodd, Mr. Durenberger, Mr. Evans, Mr. Glenn, Mr. Harkin, Mr. Heinz, Mr. Hollings, Mr. Inouye, Mr. Johnston, Mr. Kerry, Mr. Lautenberg, Mr. Leahy, Mr.

Levin, Mr. Matsunaga, Mr. Metzenbaum, Ms. Mikulski, Mr. Mitchell, Mr. Moynihan, Mr. Pell, Mr. Proxmire, Mr. Riegle, Mr. Rockefeller, Mr. Sarbanes, Mr. Simon, Mr. Specter, Mr. Stafford, Mr. Weicker, and Mr. Wirth):

S.J. Res. 1. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men; to the Committee on the Judiciary.

By Mr. INOUYE (for himself and Mr. Matsunaga):

S.J. Res. 2. Joint resolution to proclaim the month of March 1987 as National Social Work Month; to the Committee on the Judiciary.

By Mr. DOLE:

S.J. Res. 3. Joint resolution proposing an amendment to the Constitution relating to a Federal budget and tax limitation; to the Committee on the Judiciary.

By Mr. GRAMM:

S.J. Res. 4. Joint resolution proposing an amendment to the Constitution relating to Federal budget procedures; to the Committee on the Judiciary.

By Mr. D'AMATO (for himself and Mr. Riegle):

S.J. Res. 5. Joint resolution designating June 14, 1987, as "Baltic Freedom Day"; to the Committee on the Judiciary.

By Mr. DIXON:

S.J. Res. 6. Joint resolution proposing an amendment to the Constitution authorizing the President to disapprove or reduce an item of appropriations; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. Hatch, Mr. Nickles, Mr. Gramm, Mr. McConnell, and Mr. Helms):

S.J. Res. 7. Joint resolution proposing an amendment to the Constitution of the United States relating to voluntary school prayer; to the Committee on the Judiciary.

By Mr. HEFLIN:

S.J. Res. 8. Joint resolution proposing an amendment to the Constitution altering Federal budget procedures; to the Committee on the Judiciary.

By Mr. SARBANES (for himself, Mr. Glenn, Mr. Gore, Ms. Mikulski, Mr. Trible, and Mr. Warner):

S.J. Res. 9. Joint resolution to designate the week of March 1, 1987, through March 7, 1987, as "Federal Employees Recognition Week"; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. Nickles, Mr. McCain, Mr. Kasten, Mr. Hecht, Mr. Armstrong, Mr. Proxmire, Mr. Simpson, Mr. Helms, Mr. Humphrey, Mrs. Kassebaum, Mr. Grassley, and Mr. Wallop):

S.J. Res. 10. Joint resolution disapproving the recommendations of the President relating to rates of certain officers and employees of the Federal Government; to the Committee on Governmental Affairs.

By Mr. THURMOND (for himself, Mr. Hatch, Mr. Simon, Mr. Simpson, Mr. Grassley, Mr. Johnston, Mr. Specter, Mr. McConnell, Mr. Humphrey, Mr. Gramm, Mr. D'Amato, Mr. Cochran, Mr. Lugar, Mr. Kasten, Mr. Quayle, Mr. Helms, Mr. Zorinsky, Mr. Nickles, and Mr. Boren):

S.J. Res. 11. Joint resolution proposing an amendment to the Constitution relating to Federal balanced budget; to the Committee on the Judiciary.

By Mr. CRANSTON:

S.J. Res. 12. Joint resolution to establish a national policy for the taking of predatory or scavenging mammals and birds on public lands, and for other purposes; to the Committee on Environment and Public Works.

By Mr. SYMMS:

S.J. Res. 13. Joint resolution proposing an amendment to the Constitution of the United States with respect to the English language; to the Committee on the Judiciary.

By Mr. HELMS:

S.J. Res. 14. Joint resolution to designate the third week of June of each year as "National Dairy Goat Awareness Week"; to the Committee on the Judiciary.

By Mr. PRESSLER:

S.J. Res. 15. Joint resolution designating the month of November 1987 as "National Alzheimer's Disease Month"; to the Committee on the Judiciary.

By Mr. RIEGLE:

S.J. Res. 16. Joint resolution to designate the period commencing on April 5, 1987, and ending on April 11, 1987, as "World Health Week", and to designate April 7, 1987, as "World Health Day"; to the Committee on the Judiciary.

S.J. Res. 17. Joint resolution to designate the period commencing on April 19, 1987, and ending on April 25, 1987, as "National DES Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD:

S. Res. 1. Resolution informing the President of the United States that a quorum of each House is assembled; considered and agreed to.

S. Res. 2. Resolution informing the House of Representatives that a quorum of the Senate is assembled; considered and agreed to.

By Mr. BYRD (for himself and Mr. Thurmond):

S. Res. 3. Resolution to elect John C. Stennis, a Senator from the State of Mississippi, to be President pro tempore of the Senate of the United States; considered and agreed to.

By Mr. BYRD:

S. Res. 4. Resolution notifying the President of the United States of the election of a President pro tempore; considered and agreed to.

By Mr. BYRD (for himself and Mr. Dole):

S. Res. 5. Resolution congratulating John C. Stennis, a Senator from the State of Mississippi, on his election as President pro tempore of the United States Senate; considered and agreed to.

By Mr. BYRD:

S. Res. 6. Resolution notifying the House of Representatives of the election of a President pro tempore of the Senate; considered and agreed to.

S. Res. 7. Resolution electing Walter J. Stewart as Secretary of the Senate; considered and agreed to.

S. Res. 8. Resolution notifying the President of the United States of the election of a Secretary of the Senate; considered and agreed to.

S. Res. 9. Resolution notifying the House of Representatives of the election of a Secretary of the Senate; considered and agreed to.

By Mr. BYRD (for himself, Mr. Inouye, and Mr. Matsunaga):

S. Res. 10. Resolution electing Henry Kuualoha Giugni as the Sergeant-at-Arms and Doorkeeper of the Senate; considered and agreed to.

By Mr. BYRD:

S. Res. 11. Resolution electing David J. Pratt as Secretary for the Majority of the Senate; considered and agreed to.

By Mr. DOLE:

S. Res. 12. Resolution electing Howard Greene as Secretary for the Minority of the Senate; considered and agreed to.

By Mr. BYRD:

S. Res. 13. Resolution fixing the hour of daily meeting of the Senate; considered and agreed to.

S. Res. 14. Resolution to amend paragraph 2 and 3 of Rule XXV; considered and agreed to.

S. Res. 15. Resolution to amend paragraph 4 Rule XXV of the Standing Rules of the Senate; considered and agreed to.

By Mr. DOLE:

S. Res. 16. Resolution to amend paragraph 4 of Rule XXV of the Standing Rules of the Senate; considered and agreed to.

By Mr. BYRD:

S. Res. 17. Resolution making majority party appointments to Senate committees for the 100th Congress; considered and agreed to.

By Mr. DOLE:

S. Res. 18. Resolution making minority party appointments to Senate committees for the 100th Congress; considered and agreed to.

By Mr. BYRD:

S. Res. 19. Resolution making majority party appointments to Senate committees in paragraph 3(a), (b), and (c) of Rule XXV; considered and agreed to.

By Mr. DOLE:

S. Res. 20. Resolution making minority party appointments to Senate committees for the 100th Congress and designating ranking members of such committees; considered and agreed to.

By Mr. BYRD (for himself, Mr. Dole, Mr. Glenn, Mr. Bond, and Mr. Sanford):

S. Res. 21. Resolution expressing the Senate's gratitude for the President's excellent health and best wishes for his speedy recovery; considered and agreed to.

By Mr. BYRD (for himself, Mr. Sarbanes, Ms. Mikulski, and Mr. Dole):

S. Res. 22. Resolution commending the community of Chase, Maryland for its assistance to the rescue workers and the survivors of the Amtrak train accident of January 4, 1987; considered and agreed to.

By Mr. BYRD (for himself, Mr. Dole, and Mr. Inouye):

S. Res. 23. Resolution establishing a select committee of the Senate to conduct an investigation and study of activities by the National Security Council and other agencies of the United States Government with respect to the direct or indirect sale, shipment, or other provision of arms to Iran and the use of the proceeds from any such transaction to provide assistance to any faction or insurgency in Nicaragua or in any other foreign country, or to further any other purpose, and related matters; submitted and read.

By Mr. BYRD:

S. Res. 24. Resolution to provide that substitute amendments be considered as first degree amendments under cloture; submitted and read.

S. Res. 25. Resolution to establish a procedure in order to overturn the Chair on questions of germaneness under cloture; submitted and read.

S. Res. 26. Resolution to limit legislative amendments to general appropriations bills; submitted and read.

S. Res. 27. Resolution to provide for germaneness or relevancy of amendments; submitted and read.

S. Res. 28. Resolution to waive reading of amendments under cloture; submitted and read.

S. Res. 29. Resolution to provide for electronic voting in the Senate; submitted and read.

By Mr. BYRD (for himself and Mr. Dole):

S. Res. 30. Resolution to reauthorize and redesignate the Senate Arms Control Observer Group; considered and agreed to.

By Mr. BYRD (for himself, Mr. Dole, Mr. Humphrey, Mr. Moynihan, Mr. Burdick, Mr. Kasten, Mr. Metzenbaum, Mr. Trible, Mr. Thurmond, Mr. Helms, Mr. Rockefeller, Mr. Bentsen, Mr. Zorinsky, and Mr. Hecht):

S. Res. 31. Resolution expressing the sense of the Senate with respect to the situation in Afghanistan; considered and agreed to.

By Mr. DOLE:

S. Res. 32. Resolution designating Robert B. Dove as a Parliamentarian Emeritus; considered and agreed to.

By Mr. BYRD (for himself, Mr. Dole, Mr. Ford, and Mr. Stevens):

S. Res. 33. Resolution to provide for the payment of severance pay to certain displaced Senate committee employees and to authorize payment for accumulated leave to certain terminated employees in offices of Senators who have ceased to serve as Members of the Senate; considered and agreed to.

S. Res. 34. Resolution relating to legislative assistance for Senators; considered and agreed to.

By Mr. BYRD (for himself and Mr. Dole):

S. Res. 35. Resolution relating to the reappointment of Michael Davidson as Senate Legal Counsel; considered and agreed to.

By Mr. INOUYE:

S. Res. 36. Resolution to refer S. 108 entitled "A bill for the relief of Walter Chang" to the Chief Judge of the United States Claims Court for a report thereon; to the Committee on the Judiciary.

By Mr. GLENN:

S. Res. 37. Resolution expressing the sense of the Senate that the President should encourage foreign governments to ratify, accept, or approve the Convention on the Physical Protection of Nuclear Materials; to the Committee on Foreign Relations.

By Mr. MOYNIHAN:

S. Res. 38. Resolution establishing a Special Committee on Families, Youth, and Children; to the Committee on Rules and Administration.

By Mr. DODD (for himself and Mr. Specter):

S. Res. 39. Resolution establishing a Special Committee on Young Americans and Families; to the Committee on Rules and Administration.

By Mr. BYRD:

S. Res. 40. Resolution to provide for electronic voting in the Senate; to the Committee on Rules and Administration.

S. Res. 41. Resolution to provide for germaneness or relevancy of amendments; to the Committee on Rules and Administration.

S. Res. 42. Resolution to limit legislative amendments to general appropriations bills; to the Committee on Rules and Administration.

S. Res. 43. Resolution to establish a procedure in order to overturn the Chair on questions of germaneness under cloture; to the Committee on Rules and Administration.

S. Res. 44. Resolution to provide that substitute amendments be considered as first degree amendments under cloture; to the Committee on Rules and Administration.

S. Res. 45. Resolution to waive reading of amendments under cloture; to the Committee on Rules and Administration.

By Mr. DOLE (for himself, Mr. Wallop, Mr. Grassley, Mr. Quayle, Mr. Roth, Mr. Durenberger, Mr. Kasten, Mr. Symms, Mr. Rudman, Mr. Hatch, Mr. Trible, Mr. Bond, Mr. Gramm, Mr. Hecht, Mr. Armstrong, Mr. Wilson, Mr. Stevens, Mr. D'Amato, Mr. Thurmond, Mr. Simpson, Mr. Nickles, Mr. Cochran, Mr. Domenici, and Mrs. Kassebaum):

S. Res. 46. Resolution expressing the sense of the Senate regarding tax rates; to the Committee on Finance.

By Mr. FORD:

S. Res. 47. Resolution referring S. 262 to the Chief Commissioner of the United States Court of Claims; to the Committee on the Judiciary.

By Mr. THURMOND:

S. Res. 48. Resolution proposing a Senate Rule with respect to the impeachment of convicted felons; to the Committee on Rules and Administration.

By Mr. MOYNIHAN:

S. Res. 49. Resolution to establish a Commission on Senate Operations and Fiscal Procedures to make recommendations for improving the budget process; to the Committee on Rules and Administration.

S. Res. 50. Resolution in support of Canadian-American Comprehensive Trade Negotiations; to the Committee on Finance.

S. Res. 51. Resolution in support of Japanese-American "MOSS" Auto Parts Negotiations; to the Committee on Finance.

By Mr. LAUTENBERG (for himself, Mr. Dodd and Mr. Dixon):

S. Res. 52. Resolution to express the sense of the Senate regarding the Urban Development Action Grant Program; to the Committee on Appropriations.

S. Res. 53. Resolution to express the sense of the Senate regarding the Community Development Block Grant Program; to the Committee on Appropriations.

By Mr. BYRD:

S. Con. Res. 1. Concurrent resolution providing for an adjournment of the Senate and the House of Representatives; considered and agreed to.

By Mr. PRESSLER:

S. Con. Res. 2. Concurrent resolution expressing the sense of the Congress regarding the need for the negotiaiton of an international agricultural conservation reserve treaty; to the Committee on Foreign Relations.

By Mr. MOYNIHAN:

S. Con. Res. 3. Concurrent resolution to encourage the Congress to ensure that sufficient funds are provided under title I of the Elementary and Secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981, to meet the needs of all eligible educationally disadvantaged students; to the Committee on Labor and Human Resources.

S. Con. Res. 4. Concurrent resolution relating to tax-exempt 501(c)(3) bonds; to the Committee on Finance.

By Mr. GORE:

S. Con. Res. 5. Concurrent resolution to request the President to take appropriate actions toward the establishment of a cooperative international research program with respect to the greenhouse effect; to the Committee on Foreign Relations.

By Mr. HUMPHREY:

S. Con. Res. 6. Concurrent resolution expressing the sense of the Congress with respect to the denial of health insurance coverage for disabled adopted children; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CRANSTON (for himself, Mr. Glenn, Mr. Metzenbaum and Mr. Kerry):

S. 3. A bill to amend title II of the Social Security Act to provide that the combined earnings of a husband and wife during the period of their marriage shall be divided equally and shared between them for benefit purposes, so as to recongnize the economic contribution of each spouse to the marriage and ensure that each spouse will have Social Security protection in his of her own right; to the Committee on Finance.

SOCIAL SECURITY EQUITY ACT

Mr. CRANSTON. Mr. President, I am pleased to introduce S. 3, the proposed "Social Security Equity Act of 1987," which is identical to legislation I introduced in the past three Congresses—S. 3 in the 98th and 99th Congresses, and S. 3034 in the 97th Congress. This measure would incorporate the concept of "earning sharing" into the Social Security system. I am joined in sponsoring this legislation by the distinguished Senator from Ohio [Mr. Glenn], who served in the past several Congresses as the ranking minority member of the Senate Special Committee on Aging as well as the Senator from Ohio [Mr. Metzenbaum], and the Senator from Massachusetts [Mr. Kerry].

S. 3 is similar to earnings-sharing legislation which has been introduced in the House in past Congresses by Representative Mary Rose Oakar, who has served as the chair of that body's Select Committee on Aging's Task Force on Social Security and Women. Representative Oakar has been a tremendous leader in the effort to reform the Social Security system in a manner that would adequately and equitably deal with the needs of older women. It is a great pleasure to continue to work closely with Representative Oakar on this legislation, as well as on pay-equity legislation, S. 5, which I am also introducing today.

Mr. President, the basic concept underlying earnings sharing is relatively simple: marriage for Social Security purposes should be and would be regarded as a partnership. In order to compute benefits, all of the earnings of a married couple would be combined and divided equally between the spouses upon retirement or divorce. Each member of the couple would then have established for him or her an individual Social Security account. Earnings acquired before or after a marriage would go into this individual account along with whatever share each member acquired during marriage.

Mr. President, to understand the need for reform, it is necessary to understand the conditions of poverty and dependency which face millions of older women in our society and how the present system of determining Social Security benefits contributes to these and other problems.

OLD AGE AND POVERTY

Poverty in this country among elderly individuals is principally a problem afflicting women. Although women constitute about 60 percent of the aged population in 1984, they account for more than 71 percent of the elderly poor. In 1984, more than 2.3 million older women had incomes below the poverty line. The poverty rate of elderly women was 15 percent in 1984, compared to the 9-percent rate for older men. For unmarried elderly women—the poverty rate has exceeded 25 percent.

A 1984 report issued by the Women's Research and Education Institute [WREI] of the Congressional Caucus for Women's Issues, "Older Women: The Economics of Aging," succinctly summarizes the data which explain, in part, the reasons for this disproportionate representation of women among the elderly poor.

ELDERLY WOMEN LIKELY TO BE DEPENDENT ON SOCIAL SECURITY

First, Mr. President, women are far more likely than men to be almost totally dependent upon Social Security for income in their old age. Since Social Security was never intended to meet all of the financial needs of a retiree, Social Security alone seldom provides more than a marginal standard of income.

According to the WREI, report, in 1982, only 19 percent or less than 1 in 5 older women had any income from pensions and/or annuities, and only 13 percent of the unmarried elderly women received private pensions in contrast to 33 percent of married couples and 24 percent of unmarried men. Typically, these private pension benefits were low, especially those received by women who retired after years of working at low paying jobs or by women who, as surviving spouses, received reduced benefits from their deceased husband's pension plans.

Interest from assets, such as savings, provide only a minor source of income for many elderly persons, particularly for unmarried elderly women. In 1982, for example, the median income received by elderly persons from all assets amounted to only $1,540.

The importance of Social Security to elderly women is demonstrated by the fact that, according to the 1982 data, nearly three quarters of all unmarried women are dependent on Social Security for at least half of their total income. For almost 40 percent of them, is represents 90 percent or more of their total income. For 1.7 million of these women, Social Security represented 100 percent of their income. In contrast, only 17 percent of married couples and only 27 percent of unmarried males relied upon Social Security for 90 percent or more of their income.

As I will discuss in a moment, this dependence upon Social Security as the major source of their income by elderly women—especially elderly women living alone—when combined with the generally lower Social Security benefits received by these women is a key factor in the disproportionate representation of these women in the poverty population.

ELDERLY WOMEN LIKELY TO LIVE ALONE

Second, Mr. President, elderly women are far more likely than elderly men to be living alone in their old age. Only 40 percent of elderly women live with their husbands, about 20 percent live with other people—mostly family members—and more than 40 percent live alone. Among women over age 75, the percentage living with a husband drops to less than one-fourth and the percentage living alone increases to nearly one-half. These statistics and the likelihood that a woman will be alone in old age arise from higher male mortality rates coupled with the tendency of men to marry younger women. An elderly man is far more likely to be living with a wife: 7 of every 10 men aged 75 and older is living with a spouse while nearly 7 of every 10 women is a widow. Even at the younger ages, the difference in marital status is striking. Of those between age 65 and 74, almost 40 percent of the women are widowed compared to less than 10 percent of the males. Remarriage rates for these men are vastly higher than for women. As I indicated earlier, those elderly women living alone are far more likely to be poor than elderly women living with a spouse.

WOMEN'S SOCIAL SECURITY BENEFITS LIKELY TO BE LOWER

Third, although so many elderly women living alone depend upon Social Security as their principal and sometimes only source of income, their benefits are dramatically lower than the average benefits received by men. In 1982, nearly 4.5 million women were receiving Social Security benefits as widows based upon age—rather than because of disability or the presence of dependent children. Their benefits averaged $379 per month which, if it were the only or primary source of income wasn't very much in 1982. Another 3 million beneficiaries were wives of retired workers receiving a dependent spouse average monthly benefit of $213. In the event that these wives become widows, their monthly benefit would double to $416. The picture for divorced wives was even bleaker. Their benefits averaged $177 a month. For retired workers, the average benefit for women in 1982 was $335; for men, $438. More recent data show little change in these disparities. In 1985, the average benefit for retired female workers was $399; for men, $521.

ELDERLY WOMEN PREDOMINATE IN NEAR-POVERTY STATUS

Finally, although the disproportionate poverty status of elderly women frequently has drawn the most attention because of its staggering nature, the situation is equally grim for millions of elderly women just above the poverty line—which was $4,770 for individuals 65 and over in 1983. As of 1983, older women had a median personal income of $5,599 compared to the median income of $9,766 for older men. When the median income figures are broken down to show income distributions, an even more grim picture emerges. Forty-five percent of these women, or nearly 1 in every 2 had incomes of less than $5,000 in 1983; less than 1 in 5 men fell into this category. The 1984 statistics show a similar pattern. The 1984 median income for elderly women was $6,020—about 58 percent of that for elderly men—$10,450.

Mr. President, in every income category—whether it is private pensions, asset income, or Social Security—older women have dramatically fewer resources and less income in old age than do men. There are, of course, many factors which contribute to the economic hardships that face women in their retirement years. A lifetime of wage discrimination and pay inequities contribute enormously to these problems in old age—and there is a real need to do something further about eliminating those factors. That is the goal of the proposed "Pay Equity Act of 1987," S. 5, which I am also introducing today. But there is little question that a major contributing factor lies in the failure of the present Social Security benefit structure to take into account the changing roles and needs of American women.

HISTORICAL PERSPECTIVE

Mr. President, much of the problem lies in the fact that the Social Security System was developed in an era when the role of women in our society was far different from what it is today. In the 1930's when the Social Security Program was created, the typical American family consisted of a man who was a full-time worker and his wife who was a full-time, lifelong homemaker. The labor force participation of married women was less than 17 percent and fewer than 1 in 12 marriages ended in divorce. The Social Security benefit structure was thus established on the concept of a lifelong couple with one wage earner and a dependent spouse.

The situation has dramatically changed over the past 50 years and the "typical" family of the thirties and forties—even the fifties and sixties—is not the "typical" family of today. Women have become a major part of America's work force, enriching the world of work with their contributions and productivity, despite continuing wage discrimination and employment barriers. The percentage of married women in the work force exceeds 50 percent, and it has been estimated that 90 percent of all women spend some portion of their lives in the work force, many of them moving in and out of the roles of wage earners and homemakers as the needs of their families change. It is no longer true that women are likely to be either lifelong homemakers or lifelong wage earners; these roles are combined and interchanged throughout a lifetime.

Similarly, we must recognize, like it or not, that the status of marriage has changed dramatically over the past 50 years. Today, 1 of 3 marriages ends in divorce.

Mr. President, despite these massive changes in our society, the Social Security System has continued to operate on the basis of a philosophy designed for an era when most women did not work and when most women were part of a lifelong marriage. Consequently, the current system works well only for that very small number of women whose family and work patterns have not changed from the 1930's and 1940's. For the vast majority of women and families that no longer fit into that pattern, the system fails to provide either adequately or equitably for their needs.

CURRENT BENEFIT STRUCTURE

Under the current system, a woman can receive benefits as a covered worker based upon her own earnings record or she can receive benefits as a dependent wife, widow, or ex-wife of a covered worker, but she cannot receive both benefits. If she is entitled to both a worker's benefit and a dependent spouse's benefit, she receives only the higher of the two benefits and loses the other.

DEPENDENT SPOUSE BENEFIT

A dependent spouse benefit is equal to 50 percent of the benefit of the working spouse. Because many women have gaps in their work history due to absences from the workplace for childcare responsibilities and generally have much lower earnings records, many find that their benefits as a dependent spouse are greater then the benefits they would be entitled to receive on the basis of their own work history. Thus, many married women who enter the work force and make contributions to the Social Security System find that their years of work and contributions make little or no difference in their benefit levels. They are no better off than if they had never worked and never paid into the Social Security System.

DIVORCED OR WIDOWED SPOUSE BENEFITS

Mr. President, the inequities of the current system can be even more acute for those women who have been full-time homemakers and are displaced from that role either by divorce or the death of a spouse. After years of work as a homemaker in a marriage, a divorced woman may find herself without any work record of her own and eligible for Social Security benefits only as a dependent spouse. Although she may be of retirement age, she cannot receive any Social Security benefits unless the marriage lasted 10 years. Until enactment of the 1983 Social Security Amendments, she could not receive benefits until her former spouse reached age 62 and if he elected to continue working, she would receive no benefits at all until he retired or died. Fortunately, that particular inequity was corrected in the 1983 legislation, allowing these women of retirement age with at least a 10-year marriage to receive benefits regardless of whether the former spouse continued working.

However, the benefits received by a divorced spouse are likely to be woefully inadequate. The level of the dependent spouse benefit—50 percent of the primary benefit—was geared toward the notion of women whose marriages do not end in divorce and who will be able to rely upon a combination of their husband's 100-percent benefits and the additional 50-percent spouse benefit—in other words, 150 percent of the primary benefit. The spouse benefit by itself may well be insufficient to live on alone.

A widow is equally vulnerable under the present system. Unless she has been able to establish a sufficient Social Security account in her own name, she will be dependent upon the work and earnings record of her deceased spouse. Unable to build up sufficient credits in her own account and unable to add his credits to her account to the extent of her earnings after his death, she is likely to be left with a benefit level that condemns her to entering retirement in poverty.

ONE-WAGE EARNER VERSUS TWO-WAGE EARNER FAMILIES

The current system also discriminates against intact families with two-wage earners as contrasted with one-wage earner families. Under the benefit calculation formula, a two-earner couple is likely to receive less benefits at retirement than a one-earner couple with exactly the same lifetime earnings. Thus, one family with average monthly earnings of $1,000 and one-wage earner can ultimately receive higher benefits from Social Security than another family with the exact same average earnings but with two wage earners contributing to the total family income. This occurs because of the dependent spouse benefit and because of the formula which is used to calculate benefits.

The 1979 HHS report, "Social Security and the Changing Roles of Men and Women," (page 32) described this problem as follows:

> Since spouse's benefits are not payable to two-earner couples—unless one spouse has low average indexed monthly earnings [AIME]—a two-earner couple generally receives lower total benefits than a one-earner couple with the same total AIME. Benefits for two-earner couples with the same AIME can also vary dependent on the proportion of the total AIME earned by each spouse within the couple.
>
> For example, a one-earner couple each age 62 in 1980 with AIME of $1,000 would have a benefit of $648—a worker's benefit of $432 plus a spouse benefit of $216. If each spouse had one-half of the earnings, the benefit would be $544. Each would receive a worker's benefit of $272.

The HHS report also observed that, as in the case of couples, the survivor of a two-earner couple generally gets a lower benefit than the survivor of a one-earner couple with the same total AIME. For example, the report noted, at AIME of $1,000, the aged survivor's benefit is $432 if only one spouse was a paid worker and only $272—$160 less—if each spouse had AIME of $500—the same total earnings of $1,000.

As I noted earlier, this results from the interplay of the dependent spouse benefit and the weighted benefit formula.

DISABILITY PROTECTION

Finally, a woman who spends years working in the home has no disability protection under Social Security for herself or her dependents even though her disability could cause grave economic hardships for her family. Even if she has recently returned to the work force and is currently earning Social Security credits, she may not yet have met the insured status requirements for disability benefits if she becomes disabled soon after she reenters the work force.

MARRIAGE ALSO AN ECONOMIC PARTNERSHIP

Mr. President, it is time that we begin the task of revising the Social Security System to recognize and reflect the changing roles and responsibilities of both men and women in our society and provide for a more equitable recognition of their contributions to a family unit.

Marriage, insofar as economics are concerned, should be viewed as an interdependent partnership in which each spouse makes a contribution—either in the paid work force or as a homemaker or in some combination of roles—and both ought to accrue Social Security protection equally.

The view of female dependency which is a foundation of the present Social Security System belongs to a bygone era. Women today are achieving the status of equal partnership with men in every facet of our society. The Social Security System needs to be updated to reflect that partnership.

EARNINGS SHARING—A CONCEPT FOR TODAY'S MARRIAGE PARTNERSHIP

Mr. President, as I indicated at the outset, S. 3 would incorporate the concept of "earnings sharing" into the Social Security System. Marriage for Social Security purposes would be regarded as an economic partnership. In order to compute benefits, all of the earnings of a married couple would be combined and divided equally between the spouses upon retirement or divorce. Each partner would have established for him or her an individual Social Security account. Earnings acquired before or after a marriage would go into this individual account along with whatever share each partner acquired during marriage. The concept of dependency would be replaced by the concept of equality.

Although this is a major change from the current Social Security System of benefit accrual, it is a principle which is now applied in virtually every jurisdiction with respect to other assets acquired during a marriage. Upon the termination of a marriage, these other assets are generally divided equally between the husband and wife. It is similar to the concept of "community property" which has long existed in States like California. Interests in other pension programs are now generally considered part of the assets acquired during the marriage and are considered in the division of property between the couple upon the termination of the marriage. The same would be true if we incorporate the "earnings sharing" concept into the Social Security System. I think it is interesting to note, in this regard, that recently enacted Federal legislation has allowed these principles be to applied to military and civil service pensions.

There have, of course, been numerous proposals made to deal with the inequities and inadequacies of the current system. The "earnings-sharing" concept, however, has numerous advantages. It would eliminate the current discrimination against two-wage earner families. It would no longer be possible for them to receive less benefits than one-earner families with identical earnings records. It would recognize the value of the contribution of a homemaker and accord her a Social Security account in her own right. If divorce or death of a spouse should occur—and for a woman age 65 or older, the chances are very high that she will confront one of these situations—a woman could build upon the separate account created for her during her years of marriage, rather than be forced to start from scratch in establishing a Social Security account.

Likewise, credits from earnings she receives prior to marriage will be able to be added to her account accrued during marriage. The same, of course, would be true for the husband. Women who enter and leave the work force to fill the necessary child-rearing roles would no longer be unfairly penalized by gaps in their Social Security coverage.

Mr. President, earnings sharing has repeatedly been identified as the most direct and equitable approach to dealing with the variety of different problems facing women under the current system. Although various interim and single-purpose measures have been proposed, the attractiveness of the earnings-sharing approach is that it would help to resolve many of these problems.

VARIATIONS WITHIN THE EARNINGS-SHARING CONCEPT

Obviously, however, a proposal such as earnings sharing which calls for a major restructuring of the Social Security benefit system involves many complex and important questions. No one has seriously proposed a "pure" earnings-sharing model. Such a model would be far too harsh on many individuals. Thus, every earnings-sharing model which has been put forward has represented a modified earnings-sharing concept. For example, the legislation that Representative OAKAR and I have introduced provides for 100-percent inheritance of a couple's combined benefits—up to the ceiling for the applicable years—for the surviving spouse.

Other proposals advanced—for example, the model contained in the 1979 report "Social Security and the Changing Roles of Men and Women"—have proposed variations such as an 80-percent inheritance provision. Virtually all models include provisions to address the need to provide adequate protection for dependent children of deceased workers and special provisions to deal with disabled workers.

COST IMPLICATIONS

There is widespread agreement that the earnings-sharing concept itself would not entail any additional costs for the Social Security System. Indeed, a pure earnings-sharing model would probably result in substantial cost savings. Most of the modified earnings-sharing proposals which have been developed would be cost neutral. They would simply reallocate benefits on a more equitable basis. However, it is also generally recognized that a transition from the current system to a new system would entail certain transitional costs designed to protect various categories of beneficiaries from being unduly hurt during the transition period. What those costs would be depend in part upon how these transitional provisions are designed and the length of time for such a transition.

TRANSITION PERIOD

There are major decisions which must be made with respect to a transition period. Changes of this dimension and scope must be phased in over time so that individuals can make appropriate plans for their retirement years. The 1979 HHS report represented two models for a transition period. Representative OAKAR's legislation in past Congresses included the first model, which provides for a grandfathering of current benefits or benefits established under the earnings-sharing concept, whichever is greater until the year 2011. The other model proposed in the HHS report, providing for a lengthy delay in the effective date, is the one included in S. 3.

The Social Security changes proposed in S. 3 would not take effect with respect to any one over the age of 50 in 1988. Those under 50 would begin having Social Security accounts established and computed under this proposal henceforth. Because no one under age 50 could reach the minimum retirement age of 62 before 2000, no one under age 50 in 1988 would actually begin receiving benefits under this system until 2000 at the earliest. Different transition provisions are provided for individuals who might become eligible for Social Security disability benefits during this phase in. In no case, however, would a person who became disabled during this period ever receive less benefits as long as the disability continued than they would be entitled to under the old system.

Mr. President, each of the transition proposals presented in the HHS 1979 report are thus represented in the earnings-sharing measures which have been introduced in the Congress. I suspect, however, that a preferable approach lies somewhere in between the first option, the grandfathering of current benefits for a long period of time, and the second option, delaying the effective date of the new system. The complete grandfathering approach, although attractive from a beneficiaries perspective, would entail significant additional costs.

Conversely, although the second option of delaying the effective date would not have any additional cost implications, it would mean that none of the benefits of the new system would be realized by those women over age 50 who are rapidly approaching retirement. The need to develop a satisfactory transition mechanism was a major motivating factor behind my offering an amendment to the 1983

Social Security legislation directing HHS to prepare and submit to Congress a report on implementation of various models of earnings sharing in Social Security, including appropriate transition mechanisms.

1983 REPORT AMENDMENT

Mr. President, because of the need for substantial indepth analysis of the modifications that would be needed in any earnings-sharing proposal and the necessity of providing for an adequate transition process, when the 1983 Social Security legislation was before the Senate, I offered an amendment, which was enacted as section 344 of Public Law 98-21, to require the Department of Health and Human Services to submit to the Congress a report on implementation of earnings sharing. At the time that I offered this amendment, I explicitly stated that the mandated report should not be viewed as a study of the problems facing women under the Social Security System, but rather it should be focused upon how an earnings-sharing concept could be implemented. At the time I offered the amendment (March 16, 1983, CONGRESSIONAL RECORD, daily ed. S3045), I stated:

> I want to stress that this amendment does not call for another study. We did that in 1977. The 1977 social security amendments called for HHS to study the problems facing women under the social security system. The report developed as a result of the 1977 amendments presented the earnings-sharing model as one of two possible comprehensive approaches for dealing with these problems. * * * What needs to be done now is to work out and test the details on how a specific earnings-sharing model can be implemented, and determine what type of transition provisions are needed and what modifications in the basic earnings-sharing concept are necessary in order to provide adequate protection for various categories of beneficiaries.

I should note also that the distinguished minority leader, the Senator from Kansas [Mr. DOLE], who was then chairman of the Senate Finance Committee and the floor manager of the Social Security bill, also made it clear in his statement accepting my amendment that he, too, recognized that the amendment was not—I stress not—calling for another study of the problems facing women in Social Security, but was focused upon advancing the concept of earnings sharing beyond the study stage. The amendment as enacted called for the Department to submit its report to Congress by July 1, 1984.

Unfortunately, Mr. President, the Department failed to submit the statutorily mandated report on the date it was due. Moreover, the report which was finally submitted in January 1985 was disappointing in a number of respects.

Despite the clear legislative mandate to provide an implementation report and analysis, HHS insisted on conducting a survey of the views of interested organizations on the problems facing women under the Social Security System. Representative OAKAR and I, as well as a number of interested organizations, objected strenuously to this diversion of time and resources from the statutorily mandated task given to HHS. This survey cost the Federal taxpayers some $157,000 and basically provided no new insights into the issue. Some 100 pages of the final report are devoted to reviewing the results of the survey.

More importantly, Mr. President, the HHS report was disappointing in that HHS failed to design an earnings-sharing model or implementation plan. Instead of developing proposals and recommendations as was called for by the legislation, much of the report was devoted to critiquing existing earnings-sharing proposals—including an analysis of a so-called generic or pure earnings-sharing model. Since no one has seriously proposed that a pure earnings-sharing model be adopted, this analysis did little to advance the discussion of the earnings-sharing concept.

Consistently, the HHS report stressed the problems associated with implementation of earnings-sharing concepts and minimized or ignored the positive outcomes. For example, where its own statistics showed that nearly 54 percent of the elderly divorced women would get increased benefits under a modified earnings-sharing model, HHS described the outcomes as resulting in "some" divorced women getting increased benefits under this plan. In short, the HHS report betrays a pervasive negative approach to earnings sharing with little effort to identify constructive methods of dealing with the problems that transition to such a model would require.

CONGRESSIONAL BUDGET OFFICE REPORT

Mr. President, the 1983 amendment also provided for the Congressional Budget Office [CBO] to submit to Congress a report on the methodology, recommendations, and analyses used in the HHS report. CBO was not asked to provide recommendations itself, but simply to examine the HHS report. Nevertheless, there is little question that the CBO report has contributed significantly more to the understanding of the earnings-sharing concept than the HHS report.

First, the CBO report provides a neutral, unbiased, and concise description of earnings sharing and the benefits and disadvantages of attempting to implement this concept. Second, the CBO report placed some of the "loss" and "win" results in a more realistic perspective. For example, whereas the HHS report appeared almost to strain to suggest that significant numbers of Social Security recipients would not be benefited by earnings sharing, the CBO report concluded that the measure used by HHS to define "winners" and "losers" under earnings sharing—a 1-percent increase or decrease in benefits—was too small a range to be meaningful in long-range projections. The CBO report pointed out that since there will be substantial real benefit growth regardless of whether or not an earnings-sharing model is adopted, even a 5-percent "loss," relative to current law, would still result in substantial increases in basic benefits. In general, CBO noted that the earnings-sharing model would provide the greatest help to low-benefit recipients—those women most likely to be in the greatest need of assistance. This latter fact is buried deep inside the HHS report.

TECHNICAL COMMITTEE REPORT

Mr. President, in addition to the work done by HHS and CBO, for the past several years, a number of organizations and individuals interested in the earnings-sharing concept have been developing an earnings-sharing proposal for Social Security. Supported by a variety of funding sources, this group, called the Technical Committee for Social Security Reform for Women, has painstakenly worked through and developed both a modified earnings-sharing model and transition plan. Microsimulations done by the Urban Institute, with support from the House Select Committee on Aging, have shown that the Technical Committee's model would not only provide greater equity, but would assure significantly higher benefits for those classes of women who receive the lowest benefits under current law.

Mr. President, it is my understanding that in the next few months the Technical Committee will complete its report and proposal for a Social Security earnings-sharing model. I am confident that once that report is released the debate around Social Security earnings sharing will be significantly advanced.

CONCLUSION

Mr. President, as I indicated earlier, earnings sharing in Social Security would represent a major reform which obviously cannot be implemented overnight. But such an effort must begin now so that future generations of women will be adequately and equitably treated under the Social Security System. Social Security is vital to the security and well-being of millions of Americans—current retirees and disabled persons and future ones. This country has a major obligation to protect the system. But equally important is the obligation to make sure that the system remains responsive to the changing needs and roles within our population.

Over the years, the Social Security System has grown and responded to the changing needs in many ways, such as by the addition of disability coverage and the enactment of the Medicare Program. Earnings sharing is a concept that is part of that process of growth and responsiveness.

Mr. President, I ask unanimous consent that the full text of S. 3 be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Security Equity Act of 1987".

SEC. 2. SHARING OF EARNINGS BY MARRIED COUPLES.

(a) IN GENERAL.—Title II of the Social Security Act is amended by adding at the end the following new section:

"SHARING OF EARNINGS BY MARRIED COUPLES

"SEC. 234. (a)(1) For purposes of determining the eligibility of an individual and the spouse of such individual for old-age and disability benefits and the amount of such benefits to which each is or may become separately entitled, the combined earnings of such individual and such spouse shall, to the extent that such earnings are attributable to the marriage period of such individual and such spouse (as determined under paragraph (2)), be divided equally between them and shared in accordance with this section.

"(2)(A) Except as provided in subparagraph (B), for purposes of this section, the term 'marriage period' means the period—

"(i) beginning with the first day of the calendar year in which the marriage of an individual and the spouse of such individual occurs, and

"(ii) ending with the last day of the calendar year preceding the earliest calendar year in which such individual or such spouse dies, they are divorced, or one of them files application for old-age or disability insurance benefits.

"(B)(i) No marrige period shall begin for any individual and the spouse of such individual if their marriage occurs after such individual or such spouse has filed an application for old-age insurance benefits.

"(ii) No marriage period shall include a period for which such individual or such spouse is entitled to disability insurance benefits or the waiting period (as defined in section 223(c)(2)) with respect to such benefits.

"(iii) A marriage period shall include the 'earliest calendar year' referred to in clause (ii) of subparagraph (A) for purposes of recomputations for that year under section 215(f)(2), in any case where an individual or the spouse of such individual dies or they are divorced, unless the survivor (where one of them dies) or either of them (where they are divorced) is remarried later in the same year.

"(b)(1) Except to the extent otherwise provided in subsections (c), (d), and (e), an individual and the spouse of such individual shall each be credited for all of the purposes of this title with wages and self-employment income, for each calendar year for which either of them is credited with any wages and self-employment income without regard to this section during their marriage period, in an amount equal to—

"(A) 50 percent of the combined total of the wages and self-employment income otherwise credited to both of them for that year if (at the close of the month for which the benefit determinations involved are being made) they are both still living, or

"(B) 100 percent of such combined total, up to but not exceeding the maximum amount that may be counted for that year without exceeding the ceiling imposed for that year under section 215(e), if (at the close of such month) one of them has died.

"(2) Nothing in this section shall affect the crediting of wages and self-employment income to any individual for any calendar year not included in a marriage period of such individual; but to the extent that wages and self-employment income are credited pursuant to this section the other provisions of this title specifying the manner in which wages and self-employment income are to be credited shall (to the extent inconsistent with this section) not apply.

"(3) Except where the context requires otherwise, for purposes of this section, the term 'spouse' includes a divorced spouse, a surviving spouse, and a surviving divorced spouse.

"(c) Subsections (a) and (b) shall not apply with respect to the crediting of wages and self-employment income for any calendar year, in the case of any individual and the spouse of such individual, if—

"(1) as a result of the application of such subsections with respect to that year such individual or such spouse would cease to be a fully insured individual (as defined in section 314(a)); or

"(2) such individual or such spouse is applying for disability insurance benefits (or for the establishment of a period of disability) and as a result of the application of such subsections with respect to that year would cease to be insured for such benefits under section 223(c)(1) (or for such a period under section 216(i)(3)).

"(d) Subsections (a) and (b) shall not apply for purposes of determining the amount of the benefit payable to any individual for any month if—

"(1) the total amount of the wages and self-employment income credited to such individual for a marriage period, as determined without regard to this section, is higher than the total amount of the wages and self-employment income credited to such individual's spouse for that period, as so determined; and

"(2) such individual's spouse (taking subsections (a) and (b) into account) has not filed application for old-age or disability insurance benefits by the close of such month.

"(e) Notwithstanding any of the preceding provisions of this section—

"(1) benefits payable under subsection (d) or (h) of section 202 on the basis of the wages and self-employment income of any individual, and benefits payable under subsection (b), (c), (e), (f), or (g) of such section 202 (on the basis of such wages and self-employment income) to any person other than a spouse who has shared in or been credited with a part of such individual's earnings under subsections (a) and (b) of this section, shall be determined as though this section had not been enacted if—

"(A) the application of this section has changed such individual's primary insurance amount from what it would otherwise have been; and

"(B) the crediting of wages and self-employment income to such individual and the spouse of such individual without regard to this section would increase the amount of such benefits; and

"(2) in the application of section 203(a) (relating to maximum family benefits) with respect to benefits payable on the basis of the wages and self-employment income of any individual, where all or any part of the wages and self-employment income of such individual and the spouse of such individual was credited to them in accordance with this section, the primary insurance amount of such individual (and the crediting of such wages and self-employment income) shall be determined in accordance with this section but the benefits payable to any other person on the basis of the wages and self-employment income of such individual shall be determined without regard to this section.

"(f) Notwithstanding any other provision of this title, no wife's, husband's, widow's, or widower's insurance benefit shall be paid to any individual for any month under subsection (b), (c), (e), or (f) of section 202, and no individual shall be entitled to any such benefit, unless—

"(1) the period of such individual's marriage (to the spouse or former spouse on the basis of whose wages and self-employment income such benefit is payable) ended before the effective date of this section;

"(2) such individual is under the age of 62 (and is otherwise entitled to such benefit);

"(3) such benefit is payable without regard to age and solely by reason of such individual's having a child in his or her care; or

"(4) the application of this section to such individual is prevented by subsection (c) or (d), (or by clause (i) or (ii) of subsection (a)(2)(B)).

"(g) For purposes of subsections (a)(2) and (d), an individual's application for old-age or disability insurance benefits shall be deemed to have been filed on the first day of the first month for which (by reason of the operation of section 202(j) or 223(b)) such individual is entitled to such benefits.".

(b) CONFORMING CHANGES.—

(1) Section 202(b)(1) of the Social Security Act is amended by striking out "The wife" and inserting in lieu thereof "To the extent permitted by section 234(g), the wife".

(2) Section 202(c)(1) of such Act is amended by striking out "The husband" and inserting in lieu thereof "To the extent permitted by section 234(g), the husband".

(3) Section 202(e)(1) of such Act is amended by striking out "The widow" and inserting in lieu thereof "To the extent permitted by section 234(g), the widow".

(4) Section 202(f)(1) of such Act is amended by striking out "The widower" and inserting in lieu thereof "To the extent permitted by section 234(g), the widower".

(5) Section 205(c)(5) of such Act is amended—

(A) by striking out "or" at the end of subclause (I);

(B) by striking out the period at the end of subclause (J) and inserting in lieu thereof a semicolon and "or"; and

(C) by adding at the end the following new subclause:

"(K) to reflect any changes in the crediting of wages and self-employment income which may be necessitated by section 234.".

(6) Section 215(b) of such Act is amended by adding at the end the following new paragraph:

"(5) The determination of the wages and self-employment income to be credited to an individual under this subsection shall in all cases be made after the application of section 234.".

SEC. 3. EFFECTIVE DATE.

(a) In General.—Except as provided in subsection (b), the amendments made by this Act shall apply only to wages and self-employment income payable after December 31, 1988, to an individual who has not attained age 50 on or before such date, and only if—

(1) the spouse of such individual has not attained age 50 on or before such date; and

(2)(A) in the case of a benefit based upon the attainment by the wage earner of age 62, such individual and such spouse attain age 62;

(B) in the case of a benefit based upon the death of the wage earner, such death occurs after December 31, 1988, and the individual claiming such benefit attains age 62; and

(C) in the case of a benefit described in subparagraph (A) or (B) with respect to a divorced individual and spouse, the divorce occurs after December 31, 2001.

(b) Benefits Based on Disability.—In the case of a disability insurance benefit, and a widow's or widower's insurance benefit based upon disability—

(1) if an individual is entitled to such benefit before Janaury 1, 1989, the provisions of this Act shall not apply—

(A) for the period for which such individual continues to be entitled to such benefit, and

(B) in the case of an individual who continues to be entitled to such benefit until age 62, for the period such individual is entitled to an old-age insurance benefit;

(2) if—

(A) an individual becomes entitled to such benefit after December 31, 1988, and before January 1, 2001; and

(B) the total benefits payable to all individuals on the basis of the wages and self-employment income of the individual upon whose disability such entitlement is based (determined without regard to the provisions of this Act) exceeds the total of benefits payable to all individuals on the basis of the wages and self-employment income of the individual upon whose disability such entitlement is based, and to the spouse of such individual, under the provisions of this Act.

the provisions of this Act shall not apply for the period during which the conditions of subparagraph (B) continue to be met and during which such individual (i) continues to be eligible for such benefit, or (ii) in the case of such an individual who continued to be eligible for such benefit until age 62, is entitled to an old-age insurance benefit.

By Mr. CRANSTON (for himself, Mr. Riegle, Mr. Dodd, and Mr. Kennedy):

S. 4. A bill to provide assistance and coordination in the provision of child care services for children living in homes with working parents, and for other purposes; to the Committee on Labor and Human Resources.

CHILD CARE ASSISTANCE ACT OF 1987

Mr. CRANSTON. Mr. President, I am pleased to introduce S. 4, the proposed Child Care Assistance Act of 1987. This measure is based upon the legislation I first introduced in 1979 as S. 4, and have reintroduced in the past several Congresses. This legislation arose out of the recommendations and testimony presented during an extensive series of hearings which I chaired in 1977, 1978, and 1979 while I served as the chairman of the Subcommittee on Child and Human Development of the Labor and Human Resources Committee. It has been shaped by consultations over the past several years with numerous organizations and individuals concerned about the need to provide adequate, affordable child care services to the millions of American families who need and desire such services in order for one or both parents to remain in or enter the labor force. The changes in the bill in each successive Congress represent continuous refinements of the initial proposal. The basic framework and purpose remain the same—to increase assistance to working families in need of child care services and to help assure that children in child care receive appropriate care and services.

I am pleased to be joined in introducing this measure by the distinguished Senator from Michigan [Mr. Riegle], who served with me on the Child and Human Development Subcommittee when this legislation was being developed and was an original cosponsor of S. 4 when it was first introduced in 1979, as well as the distinguished Senator from Connecticut [Mr. Dodd], who served as the ranking minority member of the subcommittee of the Labor and Human Resources Committee which was the successor to the Child and Human Development Subcommittee and will serve as chairman of that subcommittee in the 100th Congress as well as serving as the cochairman of the Senate children's caucus, and the Senator from Massachusetts [Mr. Kennedy], the new chairman of the Labor and Human Resources Committee, who has also been a strong supporter and cosponsor of this legislation in the past.

Mr. President, as I will discuss in a few moments, there are other child care initiatives which I will also be pursuing in the 100th Congress. Reintroduction of S. 4 on the first day of the 100th Congress is intended to make clear our continuing commitment to a comprehensive approach to dealing with a wide array of needs in the area of child care.

Mr. President, I am pleased to report that a companion bill to S. 4 will be introduced in the House of Representatives by my good friend and colleague from California, Representative Edward Roybal, who also introduced the companions to S. 4 in the House in the 96th, 97th, 98th, and 99th Congresses, H.R. 1211, H.R. 573, H.R. 1741, and H.R. 894, respectively. Ed Roybal has a longstanding and deep commitment to the issue of child care, and I am delighted to continue working with him to develop sound and realistic proposals to meet the growing need for American families for high quality, yet affordable, child care.

BACKGROUND

Mr. President, during my prior three terms in the Senate, I have been deeply involved with issues relating to child care services for working parents. The lack of adequate child care is one of the most serious problems facing millions of families, and it serves as a major impediment to the attainment of economic security for countless numbers of women, children, and families.

As the chairman of the Child and Human Development Subcommittee, I chaired a series of hearings, both in Washington and in my own State of California, which focused upon the enormous and growing need for decent, affordable child care services for the millions of young children whose parents are in the work force.

During the past year, I held an extensive series of community forums throughout the State of California focused upon the child care crisis in my own State. At these community forums, I had the opportunity to meet with and hear the concerns of hundreds of Californians regarding the inadequacy of child care services.

Mr. President, it is not an exaggeration to say that what was once a major problem is now a major crisis. During the past 6 years under the Reagan administration, the Nation's inadequate supply of child care has deteriorated even further. At the same time that the Federal Government has reduced its funding for existing child care programs, the number of mothers of young children entering the labor force has continued to grow.

When I first began work on S. 4 in 1977, an estimated 50.7 percent of the mothers of children under age 18 and 40.9 percent of the mothers of children under age 6 were in the work force. By 1984, those numbers had increased to 65 percent and 52 percent, respectively. These figures translate to more than 9 million children under 6 and almost 15 million children between 6 and 13 whose mothers are employed. The 1985 figures reported by the Department of Labor showed that almost half—46.8 percent—of the mothers of children under age 1 and nearly two-thirds—65 percent—of those with children under the age of 3 were in the work force. The 1986 figures which will be released soon are expected to show a continued increase.

Indeed, it has been projected that by the year 1990 there will be 11.5 million children under the age of 6 and 17.2 million children between the ages of 6 and 13 whose mothers will be working. That represents an increase of almost 5 million children from the 24 million children under age 13 with mothers in the work force in 1984. A report just released by the Children's Defense Fund projects that if current trends continue, 34.4 million children over 6 will have a mother in the work force by 1995 and 14.6 million children under 6.

The data also indicate a wide disparity between the number of children with employed mothers and the number of available child care slots. The Department of Health and Human Services, in its last comprehensive reports issued in 1980 and 1981, has indicated that there were some 900,000 center-based and 5.2 million family day care places available. That's less than 1 place in 3 for the then 22 million under-age-13 children who had employed mothers. Reports from communities throughout the country show the situation has gotten worse, not better.

WHERE ARE THE CHILDREN AND WHAT IS HAPPENING TO THEM

What is happening to the two-thirds of the children for whom there were no slots?

We don't really know. We do know from census reports that almost 20 percent of the children between the ages of 6 and 13 whose mothers are working full time "take care of themselves" after school until a parent returns home. That means that millions of children, many as young as 6 years of age, are left for periods up to 4 hours a day in empty homes or in school yards or on the streets.

The census figures are also probably on the low side since in many States leaving a child of tender years alone without adult supervision can be considered child neglect, and many parents are reluctant to admit they leave their children alone. The Children's Defense Fund has estimated that as many as 6 to 7 million children under the age of 13 are probably left to fend for themselves for a large part of their day.

During the hearings on S. 4 held in the 95th and 96th Congresses, we heard parents from all over the country testify about the inadequacy of existing resources, the lengthy waiting lists, and the dismal alternatives faced by families. We heard of children being sent to live with relatives in other States because their parents could not find adequate, affordable child care. The large gap between the number of available child care places and the number of children needing care translated into very real and moving stories told by witness after witness. Similar hearings were held in 1984 by the House Select Committee on Children, Youth, and Families. The findings from those hearings are remarkably similar to those we arrived at during our Senate hearings.

The House committee, in its report issued in September of 1984, said of the problem:

> Waiting lists for family day care homes and centers for infants and after-school programs for school-aged children are commonplace. Child care for children who are ill or disabled is extremely limited, as is care for abused and neglected children, and for children of teen parents. Even preschool care, the most widely available of all child care, is inadequate in many communities.

Indeed, the problem has grown larger, not diminished.

One of the most tragic recent reports on the consequences of lack of adequate child care services involves the death of two young boys 2 months ago in Florida. These two Miami brothers—3 and 4 years of age—were left alone while their mother was at work. The makeshift child care arrangements utilized while the boys were on a waiting list for admission to a subsidized child care program had fallen through. The boys, left alone, crawled into a clothes dryer and closed the door which automatically activated the heat cycle. The two had been on the waiting list for over a year along with some 6,000 Dade County youngsters. Twenty-four thousand childern were on waiting lists statewide.

Mr. President, the Florida tragedy could have occurred in any number of communities throughout this country.

CHILD CARE DRASTICALLY CUT

As the number of children needing care has continued to escalate, resources for child care have been slashed. The Social Security Act title XX program, the major source of direct financial assistance to child care programs was reduced by 20 percent in fiscal year 1982 from $3.1 to $2.4 billion and the $200 million earmark for child care was eliminated. Child care is one of a number of social services these funds can be spent on. The estimates were at that time that some 150,000 families would lose their child care assistance under title XX as a result of those first-year Reagan cuts. Those projections have been substantiated by reports on how child care programs in various States have actually been hurt by the funding cutbacks.

The National Women's Law Center, in a report issued in April 1982, documented some of the impact. It found, for example, that in Alabama the number of title XX subsidized day care slots were reduced from 11,000 to 8,500. In Michigan, an almost 25-percent reduction in the number of children being served in child care programs was reported. In Massachusetts, eligibility for title XX was lowered to include only persons with income no greater than 70 percent of the State's median income. Arkansas and Illinois were reported to have imposed new, higher fee requirements, pushing many low-income families out of the program.

Mr. President, the Children's Defense Fund [CDF] completed a national survey on the impact of the Federal title XX cuts on State child care programs between 1981 and 1983. That report, entitled "Children and Federal Child Care Cuts," presents a devastating picture of what has happened to what was at best a dismally inadequate support system. CDF surveyed every State to gather information from State officials responsible for the child care programs funded under title XX. The report found that—

Thirty-two States were providing title XX child care to fewer children in 1983 than in 1981;

The total combined Federal and State spending for title XX child care dropped by 14 percent between 1981 and 1983;

Ten States tightened eligibility criterion so that fewer low-income working families were eligible for title XX child care;

Twenty States made it more difficult for low-income mothers in training programs to become eligible for title XX child care;

Nineteen States increased fees for services or imposed minimum fees that made it harder for low-income working families to afford title XX child care, forcing many families to move their children to less desirable child care arrangements;

Forty-two States made changes that threaten to lower the quality of title XX child care services;

Twenty-four States reduced funds for training child care workers;

Thirty-three States lowered their child care standards; and

Thirty-two States cut back on the number of child-care staff.

The CDF report concluded that there is no reason to believe that the many children who lost title XX child care were picked up by other programs. Indeed, one 1983 survey in New York State indicated that many children who lost title XX subsidies are staying home alone. That study estimated that at least one-sixth of the children affected by the funding cuts are regularly left unsupervised.

Mr. President, between May and July 1984, CDF did a followup survey of State officials responsible for the child-care programs funded under title XX. That report, entitled "Child Care: The States' Response—A Survey of State Child Care Policies, 1983–1984," found, at best, minor improvements in limited areas of child care since the first report was released, and concluded that the majority of States, although not having made further reductions, had not yet begun to restore the damage done in 1981. CDF found that 25 States were still spending less for child care in 1984 than they did in 1981, despite the increased need and inflation, and that 27 were serving fewer children under the title XX program in 1984 than they did in 1981.

Last month, the Children's Defense Fund released a further update entitled, "State Child Care Fact Book, 1986." This 1986 report on child care found that States' overall title XX social services block grant expenditures for child care in fiscal year 1986 were approximately 12 percent less than in 1981 when inflation is factored in. Although a number of States increased funding for child-care programs between 1985 and 1986, when child-care budgets are adjusted for inflation, the majority are spending less today than they did 5 years ago before the Reagan cutbacks. CDF found that in fiscal year 1986, 23 States were providing fewer children with child-care assistance through the title XX program than they did in 1981. Between fiscal year 1985 and fiscal year 1986, 11 States reduced the number of children served by their title XX-funded child-care programs.

CDF's 1986 report on child care did note that a handful of States have made some efforts to create new child-care initiatives. These new efforts, although praiseworthy, were described as far too small or too fragmented to lead toward a sensible pattern of services for working families or access to affordable child care for low-income families in the States involved.

Mr. President, the CDF report also noted that although Congress did restore some funds to title XX following the huge cut in 1981, the fiscal year 1987 funding level of $2.7 billion remains $200 million below the fiscal year 1981 level of $2.9. In real terms, adjusted for inflation, Federal funding for title XX is now only 72 percent of the 1981 level and 52 percent of the 1977 level. Given the enormous increase in the need for child-care assistance for low-income families, the decrease in support for these services is simply irrational and inexplicable as a matter of public policy.

CALIFORNIA CHILD CARE NEEDS

Mr. President, as I indicated at the outset, during the past year, I conducted an extensive series of community meetings about the child care crisis in California. I held 11 of these meetings specifically focused on child care issues. The number of people attending ranged from 75 to 100 to several hundred at some of these forums. Parents, child care providers, community workers, business and civic leaders, and just concerned citizens participated in these meetings.

Mr. President, California has long been recognized as a leader in the area of child care. Indeed, after World War II, when the federally funded child care programs established under the Lanham Act were shut down throughout the Nation, the State of California took over the funding of the California programs, thereby establishing a long history and tradition of support for child care in California.

Both the public and private sectors in California have contributed to building child care resources. California enjoys a unique and extensive system of child care resource and referral agencies, providing in each of the State's 58 counties a central source of information on existing child care services and resources and technical assistance to help develop new services.

Yet, by every measure, child care needs are not being met in my State. In many areas and for many children and families, the lack of child care services constitutes a crisis which threatens economic survival.

A year ago, the California Assembly Office of Research published a comprehensive report detailing the need for child care in California. That report, entitled "Caring for Tomorrow: A Local Government Guide to Child Care," estimated that 1.6 million California children needed care outside of the home while their parents work. By 1995, it was projected that 200,000 more children would need care. Yet, the current resources fall well below the existing need.

There are 6,600 licensed child care centers in California with a capacity for 330,000 children and 33,400 licensed family day care homes with a capacity of 198,000. Some 72,000 children are served in State subsidized programs. The supply and the demand simply do not match. In two areas, infant care and extended child care for schoolage children, the problems are particularly acute. The assembly research office estimated that more than 600,000 schoolage children in California go to empty homes each day after school.

Mr. President, in the numerous community meetings I held throughout the State, I learned about how these figures translated to dire shortages at the local level.

In Los Angeles, the United Way in May of 1986, published a report on the shortage of care for school-aged children, "Schools' Out in Los Angeles County: An Inventory Report." It found 239,000 kindergarten through sixth grade children in need of supervised care before and after school. Yet, Los Angeles County had only 46,621 spaces—licensed and unlicensed—for schoolaged children.

In Ventura County, the United Way issued a similar report in March of 1986, "Ventura County Child Care Report." It found a "widening gap between the need for child care and existing services." Noting that the shortage of child care and the increasing cost affects families across all income lines, the report highlighted the fact that Federal Government cutbacks had particularly eroded the availability of services for low-income children while the need was steadily increasing. In Ventura County, the average child care cost for a single mother with one child consumed approximately 18 percent of the family budget. This cost concurs with national statistics which indicate that child care has become the third largest expense in the average America family budget, following shelter and food costs.

The report also found that existing child-care centers in Ventura County had 1,500 children on waiting lists. In one city, Oxnard, there were 58 licensed spaces to serve the more than 6,300 infants residing in the city.

Mr. President, in Alameda County a child care action committee reported some 71,000 children needing care with only 27,288 licensed spaces available. The current shortage of child care in this community was described as "quickly approaching crisis levels."

In Sonoma County, a report prepared by the Community Child Care Council found that there were approximately 10,000 child-care spaces in child-care centers and family day care homes for almost 13,000 children needing care. As a result, one out of every five children requiring care were unable to find it. By 1990, the number of children in Sonoma County is projected to increase by more than 6,000, with an ever-increasing demand for child care services.

The Sonoma report also focused upon the escalating cost of child care for those families who could find it. The typical Sonoma family with one preschooler was spending at least $1 out of every $10 earned on child-care expenses. For families earning less than the county's mean income of $28,000, the percentage was higher.

Finally, Mr. President, a report on child care needs by the Orange County Commission on the Status of Women estimated that some 147,000 children under the age of 14 in that county would need child care by 1988. Yet, based upon existing spaces, the commission projected that over 13,000 infants, 10,000 preschoolers, and 80,000 school-age children would be unserved. The Orange County report estimated that working parents would expend between 18 to 49 percent of their yearly income on child-care services. For low-income families, assistance in meeting these costs was extremely limited. There were almost 6,000 low-income children on waiting lists for less than 1,800 subsidized child-care spaces—a ratio of more than 3 children waiting for every subsidized space available.

Mr. President, I could continue to cite the statistics in the various California communities, but the picture is clear. Even in a State like California which has a well-established commitment to child care, the need for services vastly exceeds the resources available. The withdrawal of Federal assistance in the past 6 years has accelerated a crisis already growing.

FEMINIZATION OF POVERTY

Mr. President, as serious as the problems are in the supply of safe, affordable child care today, there is simply no question that the need will grow in the decade ahead.

It is equally important to understand that these mothers are in the work force for one major reason: economic necessity. Two-thirds of the women in the work force are either sole providers or have husbands who earn less than $15,000. In 1983, 25 percent of the married women in the work force had husbands earning less than $10,000; 50 percent under $20,000 and nearly 80 percent less than $30,000. The earnings of these women play a critical role in the economic well-being of their families. For the one in six American families headed by a woman, of course, her earnings are a matter of simple survival.

Mr. President, although adequate child care is a matter which ought to concern every member of our society—male and female alike—there is little question that the lack of adequate child care has a major and profound impact upon the economic well-being of millions of women and children in this country. Increasingly, our Nation has been experiencing what has been graphically described as "the feminization of poverty." Although the number of families living in poverty has remained relatively constant over the past decade, the composition of those families has dramatically changed. The number of poor families headed by a male dropped from 3.2 to 2.6 million between 1969 and 1978, while the number headed by women increased from 1.8 million to 2.7 million. Families with female heads have a poverty rate six times that of male-headed families, and almost one-third of all female-headed families live below the poverty line.

Lack of affordable child care is a major factor in keeping these women and their children in poverty. The U.S. Commission on Civil Rights has published two important reports focusing on the factors that limit economic opportunities for women. The first report, "Women: Still in Poverty," published in July 1979, identified the lack of adequate child care as one of the key obstacles to low-income women getting out of poverty. The Commission noted:

> In the absence of safe affordable child care, women who would raise their families out of poverty must remain outside the labor force, or when compelled to work, place their children in circumstances detrimental to their wholesome growth.

The second report, "Child Care and Equal Opportunity for Women," published in July 1981, examined in even greater detail the extent to which lack of adequate child-care services restricts women, particularly in terms of employment opportunities.

Here is what this report found:

First, substantial numbers of women are prevented from taking paid work because of the unavailability or inadequacy of child care. The Commission noted that a number of studies suggest that approximately one of every five or six unemployed women is unemployed because she is unable to make satisfactory child-care arrangements.

Second, the unavailability of adequate child care limits employment opportunities for many women—either in terms of their hours of employment or their inability to seek or accept job promotions or acquire the training necessary for advancement.

Finally, lack of child care or inadequate child care can have a detrimental effect upon job performance. A UAW representative told the Civil Rights Commission that stress was a significant factor in industrial accidents and that worry about inadequate child care was cited as the single greatest cause of stress by a number of female assembly line workers participating at a 1978 conference on occupational health and working women. One of the key reasons a number of employers have recently become interested in helping their employees find or secure adequate child-care services is because of the recognition that lack of such care has a detrimental effect upon employee performance.

Mr. President, it is clear that the unavailability of adequate child care restricts, very substantially, the employment opportunities of working mothers and does so in a variety of ways. Adequate child care must be a cornerstone of any effort to provide equal opportunities in the work force to American women. Without such assistance, attainment of economic security will remain an elusive goal for millions and millions of women and their families.

THE WIDENING GAP IN FEDERAL ASSISTANCE

Mr. President, it is important, I believe, to focus for a moment on what appears to be a widening gap in Federal assistance for child-care services between families at different ends of the income spectrum.

On the one hand, as I have described, the little support which was once available to low-income families through title XX has been substantially reduced. At the time, Federal assistance for child-care expenses incurred by moderate and upper income families has been steadily increasing. Today, the largest source of Federal support for child-care costs—now estimated to be over $2 billion—is provided under this IRS child-care tax credit.

I cosponsored and supported the 1981 expansion of the child-care tax credit because I shared the view that increases in the credit were long overdue. Those changes, enacted as part of the 1981 tax bill, Public Law 97-34, increased the maximum amount of credit which could be claimed and included provisions giving more benefits to families on the lower end of the income scale. However, the measure which was approved by the Senate and which I strongly supported included provisions which would have made the credit refundable, thus allowing benefits to go to those low-income working families whose taxable income is too low to be affected by a nonrefundable tax credit. Unfortunately, however, the House conferees refused to accept the Senate refundability provisions from the benefits of the largest source of Federal support for child-care expenses.

Mr. President, in 1979, almost 80 percent of the benefits under the child-care tax credit went to families with annual incomes over $15,000. In 1982, 70 percent went to families with incomes over $20,000. Even had we succeeded in 1981 in targeting a greater proportion of the credit to lower income families, using the Tax Code as a primary vehicle for providing Federal financial assistance in meeting child-care expenses of working parents has major limitations in terms of helping those in greatest need of assistance. Even the Senate refundability provision would not have adequately resolved many of the problems faced by these families. Tax adjustments the following April do little to help families with limited cash resources to meet the weekly and monthly child-care fees that absorb major portions of their incomes.

With the new tax reform law, even fewer low-income families will receive child-care assistance through the tax credit since most will have no tax liability to apply the credit against. Although I was pleased that the final tax reform legislation continued the child-care tax credit, I fully recognize its limitations in reaching many of the families most in need of assistance in meeting child-care needs.

And, finally, a tax credit, regardless of who utilizes it, does little to increase the supply of adequate child care—a continuing, pervasive problem.

Thus, although bringing about a reasonable and fair child-care tax credit is an important part of an overall program to help working families meet their child-care needs, it cannot be the sole source of support. We need to find ways to help those families who are falling through the cracks, and that is what S. 4 is designed to do.

PURPOSES OF S. 4

Mr. President, the purpose of the proposed Child-Care Assistance Act of 1987 is to promote the availability and diversity of quality child-care services for all children and families who need such services by providing assistance to the States to expand the existing supply of child-care services, improve the quality of and coordination among child-care programs, and generally foster increased coordination of programs at the local, State, and Federal levels. Grants would be available to States, under the terms specified in the bill, to carry out these activities and to make additional resources available to help families find and meet the costs of child care. The bill would also create mechanisms to facilitate an assessment of the extent of the need for child-care services throughout the Nation, both an initial assessment within the next few years and continuing assessments periodically thereafter.

Additionally, and fundamentally, the bill is aimed at strengthening the functioning of families by seeking to assure that parents are not forced by lack of available programs or financial resources to place a child in an undesirable care facility or arrangement.

SUMMARY OF S. 4, THE PROPOSED CHILD CARE ASSISTANCE ACT OF 1987

Mr. President, for the benefit of my colleagues, I will describe the provisions of our bill.

Section 1 would establish the short title of the bill as the "Child-Care Assistance Act of 1987."

Section 2 would set forth the findings and purposes of the act. The findings pertain to the extent of the need for child-care services. The purposes of the act are to provide assistance to the States in improving the quality of and coordination among child-care services; to provide mechanisms for assessing the extent of the need for child-care services in the Nation; to promote at all governmental levels coordination of child-care programs and other services for children and their families; to promote the availability and diversity of quality child-care services for all children and families who need such services; to provide assistance to families whose financial resources are insufficient to pay the full cost of necessary child-care services; and to strengthen the functioning of families by seeking to assure that parents are not forced by lack of available programs or of financial resources to place a child in an undesirable care facility or arrangement.

Section 3 would direct that nothing in the act be construed to authorize any public agency or private organization or any individual associated therewith to interfere with, or to intervene in, any child-rearing decision of parents. The purpose of this legislation is to help parents who need financial or other assistance to secure the child care they want for their children—and not to diminish or interfere with the rights of parents.

Section 4 would provide for State participation under the act through the submission to the Secretary of Health and Human Services of a State plan providing for the specification of a State agency to be responsible for administration and oversight of a State plan designed to meet the need for child-care services within the State for preschool children and school-age children of working parents, with special attention to meeting the need for services of migrant children, disabled children, children with limited English-language proficiency, and other groups of children having special needs. The term "preschool" is used broadly to encompass children under the age of 6, including infants.

This State plan would provide the basic framework within each State for assessing child-care needs and for developing a plan for meeting those needs. Each State would have substantial flexibility to design the plan to meet its own particular needs within the parameters set by the act. The State agency specified under the plan would also be responsible for coordinating, to the maximum extent feasible, the provision of services under the act with other child-care programs and services assisted under other State or Federal laws and with other appropriate services, including health, nutrition, and social services, available to such children under other Federal and State programs.

In response to suggestions made by several witnesses at our 1979 hearings, section 4(a)(1) specifies that the State agency designated to administer the program should be an "appropriate" agency with the capacity to carry out programs. Such an agency should have an appropriate mission in terms of the welfare of children.

Section 4(a)(3)(A)(i) would provide that funds be distributed within the State, in accordance with the plan developed, to child-care providers that are licensed or are otherwise in compliance with State law and meet the quality standards developed by the Secretary for all child-care programs receiving Federal funds under the act. Various witnesses at our hearings during the 95th and 96th Congresses pointed out that in some States procedures other than licensing are used to regulate child-care providers. For example, in certain States, registration programs are used for some family day-care providers. This is still the case. The legislation provides that programs and providers that are in compliance with applicable State laws are eligible for participation. All providers, however, would also be subject to the second requirement—in section 4(a)(3)(A)(ii)—of meeting the quality standards applicable to programs funded under the act.

Section 4(a)(3)(b) would require States to distribute the funds by grants to or contracts with eligible child-care providers or, on a demonstration project basis, through alternative payment mechanisms. This limitation of alternative payment mechanisms to only demonstration projects is in response to the concerns expressed by some witnesses that some restrictions should be placed upon alternative payment mechanism approaches until thorough evaluations of their effectiveness have been completed. At the same time, other witnesses expressed support for the notion of developing innovative types of programs that would further enhance parental choices.

Various alternative payment programs have been developed in several States. For example, in California, alternative payment programs were created under the State's 1978 alternative child-care legislation, commonly referred to as the AB-3059 Program. Nineteen programs were established under this legislation. These programs act primarily as administrative mechanisms to pay for subsidized child care for eligible families; they do not generally provide child care directly. Payments are made either to the child-care providers under a vendor program or to the parents themselves under a voucher program. In a number of cases, the vendor/voucher program operate as part of an information and referral program. Assessment of these programs has been very favorable. Similar types of programs have also been established in Florida. The Community Coordinated Child Care for Central Florida Program is an example of a very effective alternative payment program.

However, in both California and Florida, these alternative payment programs are operated in conjunction with other services and safeguards to ensure that quality child care is provided. These approaches might not be feasible in other States, particularly where an inadequate supply of child care exists or where adequate safeguards are not in place to protect against misuse. Thus, the provisions limit utilization of alternative payment mechanisms to demonstration projects established under guidelines issued by the Secretary. These guidelines would be focused upon ensuring the quality of care and safeguards as well as that evaluations are made of the effectiveness of these programs.

Section 4 would also provide that a State could choose, in the development of its plan for expenditures of the funds under the act, to transfer a portion of funds to an umbrella-type organization—either public or private nonprofit—to distribute funds to child-care providers within a particular community. For example, a State might pass funds through to a city or county or a local nonprofit entity rather than deal itself directly with child-care providers.

Section 4(a)(3)(C)(i) would provide that priority for receipt of funds be given to child-care providers that provide priority for services for children on the basis of child and family need, taking into account factors such as family income, family size, and the special needs of children from households with a single parent, with particular emphasis on the provision of child-care services to families where lack of child care is or would be a barrier to the continuation or commencement of employment. Under this provision, the need of a child for continuity of care, for example, could be a factor in determining priority for services. As part of the overall focus of S. 4 upon meeting employment-related child-care needs, emphasis is placed upon services to families where lack of such services would be an obstacle to continued employment or attainment of employment.

Section 4(a)(3)(C)(ii) would provide that priority in the distribution of funds within a State be given to child-care providers that, to the maximum extent feasible, provide for an economic mix of children enrolled in the program. This provision, coupled with a requirement in section 4(a)(5) for the establishment of a sliding fee scale, based upon the services provided and family income adjusted for family size, is designed to promote programs which encourage an economic mix as well as to avoid the problems that occur presently when a family loses its assistance if a parent gets a raise or promotion. During our earlier hearings, we heard witnesses describe how parents were dropped from programs when their incomes rose slightly. A sliding fee scale which provides for an increase in family contributions as income rises is a far preferable approach.

Section 4(4)(a) would give the State agency the responsibility of making sure that funds will be distributed, to the maximum extent feasible, to a variety of child-care providers, including but not limited to child-care centers and family-day-care providers. In other words, parental choice should not be limited to a particular type of care. A diversity of providers is a key factor in promoting real parental choices.

Section 4(a)(4)(B) would give a priority in the distribution of funds to community-based programs which provide meaningful opportunities for parental involvement. The issue of whether only nonprofit providers should be eligible for receipt of public funds has been a difficult issue which has often divided the child-care community. On the one hand, some argue that allowing proprietary child-care programs to receive funds to provide services to eligible families would invite substantial problems. On the other hand, many argue that limiting participation, for example, only to nonprofit or public agencies, would restrict parental choice. Indeed, proprietary child-care programs now are major providers of child care in this country. Excluding them from participation would substantially limit the freedom of a parent to choose the particular program that the parent feels is best for his or her child. On balance, such an exclusion would undermine the fundamental philosophy underlying S. 4—that we should be assisting parents in securing child-care services and increasing their choices, not limiting them to a particular program. The most effective ways of ensuring that all providers—nonprofit and public as well as proprietary—provide quality care for children is to establish uniform standards applicable to all programs which seek such funds and to make reliable information about competing programs available to inquiring parents.

At the same time, I recognize the concerns expressed by those who fear that syndicated profitmaking programs may seek to dominate the program. Our modification of section 4 to provide a priority for funding of community-based programs—which could include local proprietary entities—with meaningful opportunities for parental involvement is designed to target limited funds toward those programs most likely to involve parents actively in the actual operation of the program, while still allowing other programs the opportunity to participate.

Section 4(a)(6) would further provide that the State's plan include provisions for the establishment of procedures for data collection to show how the child-care needs of the State are being met by programs assisted under the act, and the degree of unmet child-care needs within the State.

Section 4(a)(7) would specifically provide that the State plan must include a provision for the establishment, or support by grants to or contracts with public or private nonprofit entities, of resource-and-referral services. These provisions have been expanded to stress the fact that these programs not only help parents in locating child care, but also that they perform a host of other functions ranging from technical assistance and training services for existing child-care providers to needs-assessment information for potential child-care providers. These provisions for resource-and-referral programs, or information-and-referral as they are sometimes called, are a particularly important part of S. 4. I am proud to say that California has been a national leader in the establishment of and support for resource-and-referral programs. These programs have overwhelmingly demonstrated their effectiveness in dealing with a number of problems in the child-care area.

Mr. President, we did make some progress during the 98th and 99th Congresses with regard to Federal support for resource-and-referral programs with the enactment of section 109 of Public Law 98-558, the Human Services Reauthorization Act. Section 109 authorized the establishment of a grant program to the States for planning and development of dependent care programs. The authorization of appropriations for this program was extended in 1986 through fiscal year 1990. Congress appropriated $5 million in fiscal year 1986 and $5 million in fiscal year 1987 to fund the Dependent Care Block Grant Program.

Although child care resource-and-referral programs as well as school-aged child-care programs are eligible for grants under the 1984 law, funds are limited to startup or planning costs and cannot be used to provide for ongoing operating expenses. In contrast, S. 4 would provide for grants to support the actual operation of these types of programs.

Provisions are also included in sections 4(a) (8), (9), (10), and (11) of S. 4 to require the State plan to provide for the training of child-care personnel, for the development and implementation of State licensing or regulation of child-care providers, for the establishment of procedures for meaningful parental involvement in State and local planning, and for the monitoring and evaluation of programs and services provided under the act, and to require certain assurances that funds received under the act will be used to supplement, and not supplant, existing Federal funds used for the support of child-care services and related programs. For each fiscal year, the State would be limited to using no more than 10 percent of its funding for administration of the program.

Section 4(b) would provide, as part of the State plan requirements, for the establishment of a State advisory panel on child care. At least one-third of the members of the panel would be parents of children who are receiving or have recently received child-care services of the types supported under the act. Another one-third would be representatives of different types of child-care providers and individuals who are professionals in the field of child development or related fields.

The State advisory panel would be responsible for advising the State agency on the preparation and administration of the State plan, for reviewing and evaluating child-care programs and services provided under the act and other provisions of law, and would be authorized to prepare and submit, through the State agency, recommendations to the Secretary. Sufficient funds would be required to be made available under the State plan for the State advisory panel to carry out its functions, to obtain the services of such professional, technical, and clerical personnel as necessary, and to pay the reasonable expenses—as determined in accordance with guidelines prescribed by the Secretary—of the State panel members while carrying out their duties.

Section 4(c) would require the Secretary to approve any State plan which meets the requirements set forth in the act, and provide that the Secretary may not disapprove any State plan, except after reasonable notice, an opportunity to correct deficiencies in the plan, and notice of an opportunity for a hearing on the grounds for the disapproval.

Section 4(d) would provide that the specified State agency be required to provide the Secretary with a concise report on an annual basis describing activities, results, and performance of the State agency in meeting the objectives of the State plan and the purposes of the act.

Section 5 relates to the national administration of the act. The Secretary would be directed to designate an identifiable administrative unit within HHS and an individual within that administrative unit to be responsible for carrying out the provisions of the act, for coordinating other activities within HHS relating to child care, and for seeking to coordinate pertinent HHS child-care-related activities with those types of activities carried out by or under other Federal departments and agencies. The Secretary would also be directed to make available to such unit such staff and resources as are necessary for it to carry out effectively its functions under the act.

Section 5 also would provide for the establishment of a National Advisory Panel on Child Care Needs and Services, of which not less than one-third of the members must be parents of children who are receiving or have recently received child-care services of the type supported under the act and not less than one-third must be representatives of child-care providers, including representatives of different types of child-care programs and individuals who are professionals in the field of child development and related fields. One-third of the members serving on the National Advisory Panel would be required to be individuals who are serving on, or have served on, a State advisory panel established under the act.

The National Advisory Panel would be made responsible for reviewing Federal policies with respect to child-care services and advising the Secretary with resepct to the standards developed for programs receiving assistance under the act.

Section 5 further would require that the Secretary, after consulting with the National Advisory Panel, and not later than 12 months after the date of enactment of the act, prepare proposed standards to be applied to programs receiving assistance under the act and such other HHS-funded child-care programs as the Secretary may specify. The proposed standards would cover factors having a demonstrated impact on the quality of child care, including, but not limited to, such factors as group size and composition in terms of the number of teachers and the number and ages of children, the qualifications of the child-care providers, and the physical environment, parental involvement, and necessary support services—including but not limited to health, nutrition, and social services—for child-care programs. These standards would be published in the Federal Register for public comment and distributed to each State advisory panel and State agency designated or established under the act.

Mr. President, extensive work has already gone into the development of standards for federally supported child-care programs, and it is anticipated that the panel would utilize these materials.

Section 6 would provide authority to the Secretary to make direct grants to or contracts with public and private organizations for the support of innovative child-care demonstration projects in such areas as night time care and care for sick children, migrant children, disabled children, children with limited English-language proficiency, or other special needs populations. Projects funded under this section would have to have an evaluation component, and the Secretary would be required, not later than 6 months after the date of enactment, to establish regulations to carry out these provisions.

Section 7 would provide that States receiving assistance under the act shall submit to the Secretary every 2 years a report outlining the current status of child-care licensing or regulation within the State, the deficiencies, if any, in the existing licensing or regulating program, a plan by the State to expand its licensing or regulating program, and the types of assistance the State requires in order to make improvements in its licensing or regulating program. The Secretary would be authorized to make grants to States for the purpose of developing, improving, or implementing child-care licensing or regulating programs. Also, the Secretary, after consulting with the National Advisory Panel, would be mandated to develop a Model State Licensing or Regulating of Child Care Providers Act, to be used by the States as a guide to improving licensing or regulating of child-care providers, and to publish it in the Federal Register not later than 18 months after the date of enactment.

Again, in each of the provisions the word "regulation" or "regulating" has been added in recognition of the fact that some States may use other terms or systems for certain types of child care.

Section 8 would authorize the Secretary to make grants to, and enter into, contracts with institutions of higher education, State and local public agencies, and private organizations to provide training programs for child-care providers and employees. The Secretary would also be authorized to provide technical assistance to the States in planning, developing, and coordinating of child-care services, in developing, expanding, and implementing of State licensing or regulating of child-care programs, and in developing and conducting of teacher or child-care-provider training programs.

Section 9 would provide for an allotment of 1 percent of the total sums appropriated to be made available to Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands. The remainder of the sums appropriated would be allocated among the States based, with even weight, upon, first, each State's relative proportion of children living in homes where both parents are employed or seeking employment or where the child resides with only one parent and that parent is employed or seeking employment and, second, the State's relative proportion of children who reside in households having incomes which are equal to or less than one-half of the median income of the United States for families of the same size. Section 9 also would provide for reallotment of any State's allotment which is not utilized.

Section 10 would provide for the Secretary to make payments to each State having a plan approved under section 4 in the amount allotted under section 9, and provide that payments under the act may be made in installments, in advance, or by way of reimbursement, with necessary adjustment on account of overpayments or underpayments.

Section 11 would authorize the Secretary, after reasonable notice and opportunity for hearing, to withhold payments to any State where there has been a substantial failure to comply with any provision or any requirement set forth in the State's plan or with any applicable provision of the act. In the case of noncompliance by a particular program or project, further payments would be authorized to be limited to programs or projects under the State plan, or portions thereof, that are not affected by such noncompliance.

Section 12 would require the Secretary to carry out reviews and evaluations of the programs and activities carried out under the act and conduct studies on child-care needs for the purpose of providing information aimed at achieving the following purposes: enabling the Congress and the executive branch to seek to reach agreement upon specific, realistic objectives and expectations for programs and activities carried out under the act; assuring that programs and activities established and carried out under the act at the Federal, State, and local levels are likely to achieve progress toward such objectives and expectations; obtaining sufficient data to measure progress under the act and making those data available to the Congress and the executive branch; and enabling Congress and the executive branch to better understand the child-care needs of the Nation and how best to meet those needs in a cost-effective fashion. In carrying out these functions, the Secretary would be directed to consult with appropriate committees of the Congress and members of the executive branch, to examine representative samples of actual programs, to identify or develop cost-effective programs, and to determine how the results of such reviews and evaluations can best be disseminated and utilitized to achieve the purposes described. Also, the Secretary would be directed to prepare and transmit to the President and the Congress every 2 years on or before March 1 a concise report of activities and progress under the act.

Mr. President, the evaluation and oversight provisions of this bill were originally developed in close consultation with the General Accounting Office. In 1978, the Comptroller General released a report with respect to improving congressional oversight efforts. That report outlined a process for planning and carrying out congressional oversight programs. GAO staff provided great assistance to us in designing and drafting these provisions, and I am deeply appreciative of their efforts to assist us in building effective monitoring mechanisms into our legislative efforts.

Section 13 would set forth definitions of the various terms utilized in the act. A "child" would be defined as any individual who has not attained the age of 15 except that, with respect to eligibility for services, the definition of "child" may include a disabled individual who has not yet attained the age of 18. A "parent" would be defined to include any natural parent, foster parent, or legal guardian with whom the child resides.

Section 14 would authorize appropriations to carry out the provisions of the act of $200 million for fiscal year 1988 and such sums as may be necessary for each of the 4 succeeding fiscal years. Of the sums appropriated for any fiscal year, 75 percent would be earmarked for grants under section 4, relating to grants for carrying out the State plan; 5 percent for making grants under section 6, relating to demonstration projects; 5 percent for making grants under section 7, relating to licensing or regulating assistance; 5 percent for making grants or contracts under section 8(a), relating to training programs; and 10 percent for carrying out sections 5, 8(b), and 12, relating to national administration—including the reasonable expenses of the National Advisory Panel on Child Care Needs and Services—and training and technical assistance.

Mr. President, the level of authorization of appropriations for the first year—$200 million—represents the amount which had been available prior to fiscal year 1982 at the 100-percent Federal-funding mechanism for child-care services provided under title XX. It would thus represent simply a restoration of funding which was lost as a result of the Reagan administration's budget reductions. In subsequent years, apropriations would presumably be increased at reasonable rates consistent with the availability of Federal resources and national needs.

Mr. President, let me stress that this bill is not intended to meet the entire need for assistance in the child-care area. Rather, S. 4 would simply provide the framework for a modest and measured increase in support for those families with the greatest needs. In addition, built into the legislation are provisions for the collection of data to assess the extent to which additional funds are needed. Increases in future appropriations would be related to the evaluation of this information and assessments of effectiveness of the expenditures of the funds already appropriated.

Section 14 also would provide that no funds would be authorized to be appropriated for any fiscal year unless funds appropriated for the preceding fiscal year to carry out part A of title V of the Economic Opportunity Act of 1964, relating to the Head Start Program, are at least equal to the funds appropriated for that program for fiscal year 1987—approximately $1 billion.

OTHER INITIATIVES IN THE 99TH CONGRESS

Mr. President, as we move forward in our efforts to develop a comprehensive framework for child-care services along the lines envisioned in S. 4, there are certain other steps that can and should be taken to make child-care services more readily available and affordable.

Mr. President, during the 99th Congress, I joined with a number of other Senators, including the Senator from Massachusetts [Mr. Kennedy], the Senator from Connecticut [Mr. Dodd], the Senator from Michigan [Mr. Riegle], the Senator from Arizona [Mr. DeConcini], and the former Senator from Colorado [Mr. Hart], in introducing a series of smaller child-care initiatives—many of which are covered in a broader fashion in the comprehensive approach of S. 4. These separate initiatives were introduced as S. 803 through S. 810 on March 28, 1985. Many of the provisions of the bills introduced in the Senate were also included in legislation subsequently introduced as H.R. 2867 in the House of Representatives on June 25, 1985, by my colleague from California, Representative George Miller.

During the last Congress, progress was made on a number of these measures. For example, S. 804, introduced by the Senator from Connecticut [Mr. Dodd] to provide scholarship assistance to low-income child-care providers was incorporated into the Head Start reauthorization and enacted as part of Public Law 99-425. The 1986 Higher Education Act, Public Law 99-498, contained provisions relating to child-care services for low-income students similar to those included in S. 809, introduced by the Senator from Massachusetts [Mr. Kennedy]. S. 806, introduced by the Senator from Michigan [Mr. Riegle], contained the extension of the authorization of appropriations for the Dependent Care Block Grant Program also enacted in Public Law 99-425. Finally, provisions of my own legislation, S. 810, the proposed Child Care Standards Improvement Act, were adopted by the Senate on December 10, 1985, as part of the fiscal year 1986 continuing resolution. Unfortunately, we were unable to persuade the House conferees to retain these provisions in the final fiscal year 1986 continuing resolution.

Mr. President, I intend to reintroduce S. 810 in the 100th Congress, and I know that a number of the child-care bills introduced along with S. 810 will also be reintroduced. Although I believe that the comprehensive framework provided in legislation like S. 4 would ultimately be preferable to a segmented approach, I am prepared to do whatever I can to see that some progress—however limited—is made in addressing the child-care needs of millions of American families.

NEW ALLIANCE FOR BETTER CHILD CARE

Mr. President, I want to share with my colleagues some information on a new effort to build a consensus around child-care needs.

Last summer, I contacted a number of national organizations, ranging from child advocacy groups to senior citizens organizations to veterans and religious groups about the need to join together to address the child-care crisis. It was my view, and it continues to be my view, that the time has come for a broad range of diverse groups to develop a consensus and plan of action to move the issue of child care to the top of the national agenda. The response I received was overwhelmingly positive.

Since that time, a number of these groups have been meeting to discuss child-care needs and to develop a plan of action to address those needs. Tentatively called the Alliance for Better Child Care, this effort promises to bring together the energy and resources needed to make solving the child-care crisis a national priority. I look forward to working with the organizations and individuals involved in this important effort.

CONCLUSION

Mr. President, I believe that the proposed Child-Care Assistance Act of 1987, S. 4, addresses an important—and ever-growing—need in this country for a comprehensive, coordinated approach to child care. There is simply no question that the demand and need for child care will continue to grow. If we take steps today to design an efficient and cost-effective mechanism for meeting those needs, the ultimate savings will far outweigh the short-term expenditure.

Indeed, child care itself is both a short-term and a long-term investment in the future. Short-term expenditures may be almost immediately offset by increased tax revenues derived from parent earnings and reductions in governmental subsistence and other expenditures necessitated by the effects of lack of adequate child-care arrangements. Some longer term social costs, such as juvenile vandalism, delinquency, and child abuse and neglect, may also be reduced by prudent and cost-effective investments in child care today.

Mr. President, I am deeply grateful to the many individuals and organizations that have provided their insights, guidance, and encouragement in the development and formulation of this legislation. I very much hope that the introduction again of S. 4 will move us closer to enacting meaningful child-care legislation, legislation sorely needed and so long awaited. I look forward to working with my colleagues and interested individuals and organizations toward that end.

Mr. President, I ask unanimous consent that the text of S. 4 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 4

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child-Care Assistance Act of 1987".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) the number of children living in homes where both parents work or where children are living with a single parent who works has increased dramatically over the last decade;

(2) the number of licensed or regulated child-care openings is far short of the number required for children in need of child-care services;

(3) existing child-care programs are frequently filled to capacity and often have long waiting lists for admission;

(4) the lack of available child-care services results in many children being left—some all day—without adequate supervision;

(5) the rise in school vandalism, juvenile alcoholism, and serious juvenile crimes has been accompanied by an increase in the number of school-age children with working parents and without resources for after-school supervision;

(6) many parents are unable to afford adequate child-care services and do not receive any financial assistance for such services through any established program;

(7) the years from birth to age six are especially important in the development of a child and the care children receive during this period is critical to the developmental process;

(8) making adequate child-care services and alternatives available for working parents and parents seeking employment or to develop employment skills promotes and strengthens the well-being of families and the national economy; and

(9) there is a lack of coordination among existing child-care programs receiving Federal and State assistance and among such programs and other programs providing services to children and their families, and an absence of a coordinated administration of child-care programs and services at the Federal level.

(b) Recognizing that the parent is and must continue to be the primary influence in the life of the child and that the parent must have ultimate responsibility for decisions on how the child will be raised, it is the purpose of this Act—

(1) to provide assistance to States in improving the quality of and coordination among child-care programs and to provide additional resources for child-care services;

(2) to provide mechanisms for assessing the extent of the need for child-care services in the Nation;

(3) to promote coordination at all governmental levels of child-care programs and other services for children and their families;

(4) to promote the availability and diversity of quality child-care services for all children and families who need such services;

(5) to provide assistance to families whose financial resources are not sufficient for them to pay the full costs of necessary child-care services; and

(6) to strengthen the functioning of families by seeking to ensure that parents are not forced by lack of available programs or financial resources to place a child in an unsafe, unhealthy, or otherwise undesirable care facility or arrangement.

PROTECTION OF PARENTAL RIGHTS

SEC. 3. Nothing in this Act shall be construed to authorize any public agency or private organization or any individual associated therewith to interfere with, or to intervene in, any child-rearing decision of parents.

STATE ACTIVITIES

SEC. 4. (a) Any State desiring to participate in a program authorized by this Act shall submit to the Secretary a plan, not less often than biennially, in such detail and form as the Secretary deems necessary. Each such plan shall—

(1) specify an appropriate State agency (with the capacity to administer the programs and services authorized under this Act and to coordinate with other State and local agencies involved in the provision of services to children) to be designated or created as the State agency to act either directly or through arrangements with other State or local public agencies, as the State agency responsible for the administration and oversight of the plan submitted under this subsection (hereinafter in this Act referred to as the "State agency");

(2) provide that the specified State agency will—

(A) make an assessment of child-care needs in the State and an assessment of the effectiveness of programs and services funded under this Act and other provisions of law in meeting such needs;

(B) develop a plan designed to meet the need for child-care services within the State for preschool children and school-age children, with special attention to meeting the need for services of migrant children, disabled children, children with limited English-language proficiency, and other groups of children having special needs;

(C) coordinate, to the maximum extent feasible, the provision of services under this Act with other child-care programs and services funded under any State or other Federal law, and with other appropriate services, including social, health, mental health, and nutrition services, available to such children under other Federal and State programs; and

(D) prepare the reports required under subsection (d);

(3) provide that—

(A) funds under this Act will be distributed within the State in accordance with the plan submitted to the Secretary under this section and will be used for services provided only by child-care providers which—

(i) are licensed in the State or have applied for a renewal of such license and are determined by the State to be likely to be approved for renewal or, if not required to be licensed under applicable State law, have otherwise met the requirements of State law; and

(ii) meet the standards prescribed under section 5(c);

(B) funds will be distributed to eligible child-care providers by contract or grant either directly or, as provided in the State plan, through grants to or contracts with public or private nonprofit agencies for distribution to eligible child-care providers within a designated geographic area, or distributed through alternative payment demonstration projects under such terms as the Secretary prescribes for demonstration projects; and

(C) priority will be given to child-care providers in the State that provide assurances that—

(i) priority for services will be given to children on the basis of child and family need, taking into account such factors as family income, family size, and the special needs of children from households with a single parent, with particular emphasis on the provision of child-care services to families where lack of child care is or would be a barrier to the continuation or commencement of employment; and

(ii) each such child-care program will, to the maximum extent feasible, provide for an economic mix of children enrolled;

(4) provide that—

(A) funds will be distributed, to the maximum extent feasible, to a variety of child-care providers in each community, including but not limited to, child-care centers and family day-care providers; and

(B) priority will be given in the distribution of funds to community-based programs providing meaningful opportunities for parental involvement;

(5) provide for the establishment of sliding fee schedules based upon the services provided and family income adjusted for family size for children receiving services assisted under this Act;

(6) provide for the establishment of procedures for data collection and evaluation designed to show (in a manner not inconsistent with guidelines established by the Secretary)—

(A) how the child-care needs of the State are being met by programs funded under this Act including information as to the numbers of children being assisted, type of child care and child-care provider, numbers of programs and child-care providers, care givers, and support personnel utilized, and such other information as the Secretary considers necessary to explain how funds provided under this Act are being utilized;

(B) the degree to which child-care needs are not being met by programs funded under this Act or other programs;

(C) the extent to which the availability of child care has been increased, including but not limited to, numbers of licensed or regulated child-care openings, the extent to which existing child-care programs are filled, and the numbers and average time associated with waiting lists for admission to such programs; and

(D) how the purposes of the Act and the objectives of the State set forth in its State plan are being met;

(7) provide, by grants to or contracts with public or private nonprofit agencies, for the support or establishment of resource-and-referral services to assist in identifying existing child-care services, in providing information and referral to interested parents, and in providing information and technical assistance to existing and potential child-care providers and others concerned with the availability of child care;

(8) provide, by grant or contract, for the support of training programs for child-care personnel;

(9) establish procedures for the development and implementation of State licensing or regulating of child-care providers in accordance with the criteria prescribed pursuant to section 7(a);

(10) establish procedures for meaningful parental involvement in State and local planning, monitoring, and evaluation of child-care programs and services in the State;

(11) provide assurances that funds provided under this Act will be used to supplement, and not supplant, existing Federal funds used for the support of child-care services and related programs;

(12) provide, for each fiscal year, that the State will use for administration of the State plan for such fiscal year an amount not to exceed 10 percent of the funds distributed to such State, except that in the case of Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, the State will use for administrative costs an amount not to exceed 5 percent of the funds distributed to such State;

(13) provide for the establishment of a State Advisory Panel in accordance with subsection (b) and specify the amount of funds to be allocated to such panel; and

(14) provide for the establishment of reasonable opportunities to be heard for any parent, child-care provider, or child-care program which has been adversely affected or aggrieved by a decision of the State agency or any program funded under this Act.

(b)(1) The State Advisory Panel on Child Care established by the State shall be composed of not less than fifteen members—

(A) of which not less than one-third shall be parents of children who are receiving or have recently received child-care services of the type funded under this Act; and

(B) of which not less than one-third shall be representatives of child-care providers and care givers within the State, including representatives of different types of child-care programs (such as public, private, private nonprofit, center-based, and family day-care programs) and individuals who are professionals in the field of child development.

(2) The State Advisory Panel shall—

(A) advise the State on the preparation, and policy matters arising in the administration, of the State plan submitted under subsection (a);

(B) review and submit comments to the State agency on the State plan; and

(C) review and evaluate child-care programs and services funded under this Act and other provisions of law in the State and the progress of such programs and services in meeting the objectives of the State plan and the purposes of this Act and make recommendations, as appropriate, on the development of State standards and policies relating to child-care programs and the provision of child-care services,

and may prepare and, through the State agency, submit to the Secretary such recommendations and evaluations, together with such additional comments as that State agency considers appropriate.

(3) Each State Advisory Panel shall meet within thirty days after the beginning of each fiscal year and establish the time, place, and manner of its future meetings, except that such panel shall have not less than two public meetings each year at which the public is given an opportunity to express views concerning the administration and operation of the State plan.

(4) Each State Advisory Panel shall be authorized to obtain the services of such professional, technical, and clerical personnel and to contract for such other services as may be necessary to enable the panel to carry out its functions under this Act. Members of the State Advisory Panel, while serving on the business of the Panel, shall be reimbursed, in accordance with standards prescribed by the Secretary, for reasonable travel, subsistence, and other necessary expenses incurred by them in carrying out their duties as members of the State Advisory Panel. The Secretary shall ensure that funds sufficient for the purpose of this paragraph are made available to each panel from funds available for the administration of the State plan.

(c) The Secretary shall approve any State plan, and any modification thereof, if (after approval of the first such plan) the State agency has complied with the provisions of subsection (d) and if such plan complies with the provisions of subsections (a) and (b), and the Secretary shall not disapprove any State plan except after reasonable notice, an opportunity to correct deficiencies in the plan, and notice of an opportunity for a hearing.

(d) For the purpose of providing information to the Secretary and the Congress to aid in their understanding of the implementation and effectiveness of programs under this Act, the State agency, not later than December 1 of each year, shall prepare and submit to the Secretary, a concise report describing activities, results, and performance in the State in meeting the objectives of the State plan and the purposes of this Act. The report submitted under this subsection shall contain the results of the data collection, reviews, and evaluations carried out pursuant to subsections (a)(6) and (b)(2)(C).

NATIONAL ADMINISTRATION

SEC. 5. (a)(1) The Secretary shall designate an identifiable administrative unit and an individual in charge of such unit within the Department of Health and Human Services to carry out the provisions of this Act, to coordinate all activities of the Department relating to child care, and to seek to coordinate such activities with the pertinent activities of other Federal agencies.

(2) The Secretary shall make available to such unit such staff and resources as are necessary to enable it to carry out effectively its functions under this Act.

(b)(1) Within six months after the date of the enactment of this Act, the Secretary shall establish within the Office of the Secretary a National Advisory Panel on Child Care Needs and Services which shall be composed of not less than fifteen members—

(A) of which not less than one-third shall be parents of children who are receiving or have recently received child-care services of the type funded under this Act, and

(B) of which not less than one-third shall be representatives of child-care providers, including representatives of different types of child-care programs (such as public, private, private nonprofit, center-based, and family day-care programs) and individuals who are professionals in the field of child development and related fields.

Not less than one-third of the members serving on the National Advisory Panel shall be individuals who are serving on, or have served on, a State Advisory Panel established by a State under section 4(b).

(2) The National Advisory Panel shall review Federal policies with respect to child-care services and make recommendations to and advise the Secretary with respect to the standards developed by the Secretary pursuant to subsection (c) and may submit to the President and to the Congress such comments as it considers appropriate with respect to the reports of the Secretary submitted under section 12.

(3) The Secretary shall make available to the National Advisory Panel such personnel and technical assistance as are necessary to carry out effectively its functions under this section.

(4) Members of the National Advisory Panel who are not regular full-time employees of the United States shall, while attending meetings and conferences of the National Advisory Panel or otherwise engaged in the business of the Panel (including traveltime), be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for GS-18 in section 5332 of title 5, United States Code; and, while so serving on the business of the Panel away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United

States Code, for persons employed intermittently in the Government service.

(c)(1) After consultation with the National Advisory Panel, and not later than twelve months after the date of the enactment of this Act, the Secretary shall prepare and develop proposed standards to be applied to programs funded under this Act and such other child-care programs funded by the Department of Health and Human Services as the Secretary may specify. The standards developed pursuant to this subsection shall cover factors having a demonstrated impact on the quality of child care including, but not limited to—

(A) group size and composition in terms of the number of teachers and the number and age of children;

(B) the qualifications of the child-care provider;

(C) the physical environment;

(D) parental involvement; and

(E) necessary support services including but not limited to health, nutrition, and social services.

(2) After distribution for comment to each State agency and State Advisory Panel established under section 4(a)(13) and 4(b), the Secretary shall publish the proposed standards in the Federal Register.

(3) After taking into consideration any comments received by the Secretary with respect to the regulations proposed under paragraph (1) of subsection (c), but in no event later than one hundred and twenty days after the Secretary publishes proposed standards under paragraph (2), the Secretary shall publish in the Federal Register final standards to be applied to programs funded under this Act and such other child-care programs funded by the Department of Health and Human Services as the Secretary may specify.

(4) Until such time as the final standards have been adopted, programs funded under this Act shall comply with the requirements imposed upon child-care programs funded through payments made under title XX of the Social Security Act.

DEMONSTRATION PROJECTS

SEC. 6. (a) The Secretary is authorized to make grants to and enter into contracts with public agencies and private organizations to support innovative child-care demonstration projects, including projects providing nighttime care or care for sick children, migrant children, children with limited English-language proficiency, disabled children, or other special needs populations. No grant may be made under this section unless adequate funds are included in such grant to evaluate and report to the Secretary on the effectiveness of the approach of the program in meeting the child-care needs of the families being served.

(b) No grant may be made under this section unless an application is made to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary considers necessary. Not later than six months after the date of the enactment of this Act, the Secretary shall prescribe regulations to carry out the provisions of this section.

LICENSING IMPROVEMENT GRANTS

SEC. 7. (a) Each State receiving funds under this Act shall prepare a report to be submitted to the Secretary outlining the current status of child-care licensing or regulation within the State, deficiencies, if any, in the existing licensing or regulating program (including an assessment of the adequacy of staff to carry out effectively the State program), the plan of the State for expanding its licensing program to cover all types of child-care providers (except where children are being cared for in their own homes, by a relative, or on a less than full-time basis in a noncommercial, neighborhood setting, such as a cooperative play group or occasional child-care arrangements), and the types and amounts of assistance the State requires to make improvements in such licensing or regulating program. Each such State shall submit its report under this subsection not later than twelve months after it first receives a payment under section 10. The report submitted under this subsection shall include, separately, information with respect to center-based programs and family day-care programs.

(b) The Secretary is authorized to make grants to States submitting a report under subsection (a) for the purpose of developing, improving, or implementing its child-care licensing or regulating program. No grant may be made under this section unless the State submits an application to the Secretary therefor at such time, in such manner, and containing or accompanied by such information as the Secretary considers necessary.

(c) After consultation with the National Advisory Panel on Child Care Needs and Services and with the cooperation of the National Conference of Uniform Commissioners of State Laws, the Secretary shall develop a Model State Licensing or Regulating of Child Care Providers Act to be used by the States as a guide to improving licensing or regulating of child-care providers. Not later than eighteen months after the date of the enactment of this Act, the Secretary shall publish such Model Act in the Federal Register.

TRAINING AND TECHNICAL ASSISTANCE

SEC. 8. (a)(1) The Secretary is authorized to make grants to and enter into contracts with institutions of higher education, State and local public agencies, and private organizations to provide preservice and inservice training to teachers, other care givers, and administrative personnel involved in child-care programs, to recruit and train low-income parents for child-care positions, to provide specialized training in early childhood education for certified elementary school teachers who are unemployed, to train child-care resource and referral workers, to train persons in the provision of services to disabled children, migrant children, and children with limited English-language proficiency, and to develop and improve teacher certification criteria for child-care programs.

(2) The Secretary is authorized to provide technical assistance to States in planning, developing, and coordinating child-care services, in developing, expanding, and implementing State licensing or regulating of child-care programs, and in developing and conducting teacher or child-care-provider training programs with special attention to the factors described in paragraph (1).

(b) No grant may be made under this section unless an application is made to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary considers necessary.

ALLOTMENTS

SEC. 9. (a) From the sums appropriated pursuant to section 14(a) for each fiscal year, the Secretary shall allot not more than one percent among Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective needs.

(b) From the remainder of such sums, the Secretary shall allot—

(1) to each State the amount which bears the same ratio to 50 percent of such remainder as the number of children living in homes in which—

(A) both parents of such child are employed or seeking employment, or

(B) the child resides with only one parent and that parent is employed or seeking employment,

in such State bears to the number of such children in all States; and

(2) to each State an amount which bears the same ratio to 50 percent of such remainder as the number of children who reside in households having incomes which are equal to or less than one-half of the median income of the United States for families of the same size, as determined in accordance with criteria established by the Secretary, in such State bears to the number of such children in all States.

For the purpose of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(c) The Secretary shall obtain from the appropriate departments and agencies of the United States the most recent satisfactory data available in order to determine the allocation provided for in subsection (b).

(d) That portion of any State's allotment under subsection (b) for a fiscal year that the Secretary determines will not be required for the period for which such allotment is available shall be available, from time to time on such date during such period as the Secretary may fix, for reallotment to other States in proportion to the original allotment of such States under subsection (b) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates will be needed in such State and will be used for such period for carrying out State plans approved under this Act, and the total of such reduction shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (b) for such year.

PAYMENTS

SEC. 10. (a) From the amounts allotted to each State under section 9, the Secretary shall make a grant to each State having a plan approved under section 4 in an amount equal to the total sums to be expended by the State under the plan for the fiscal year for which the grant is to be made.

(b) Payments under this Act may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

WITHHOLDING OF GRANTS

SEC. 11. Whenever the Secretary, after reasonable notice and opportunity for a hearing to a State, finds—

(1) that there has been a failure to comply substantially with any provision or any requirements set forth in the State plan of that State approved under section 4, or

(2) that in the operation of any program or project funded under this Act there is a

failure to comply substantially with any applicable provision of this Act,

the Secretary shall notify such State of the findings and that no further payments may be made to such State under this Act (or, in the case of noncompliance by a particular program or project, that further payments to the State will be limited to programs or projects under the State plan, or portions thereof, not affected by such noncompliance) until the Secretary is satisfied that there is no longer any such failure to comply, or that the noncompliance will be promptly corrected.

REVIEW AND EVALUATION

SEC. 12. (a) The Secretary shall make reviews and evaluations of the programs and activities funded under this Act (to be conducted by persons not directly or indirectly involved in administration of the programs or activities to be reviewed or evaluated), and conduct studies of child-care needs for the purpose of providing information aimed at—

(1) enabling the Congress and the executive branch to seek to reach agreement upon specific, realistic objectives and expectations of achievement for programs and activities funded under this Act;

(2) determining whether the programs and activities established and carried out under this Act at the Federal, State, and local levels will be likely to achieve progress toward such objectives and expectations;

(3) ensuring that sufficient data necessary to ascertain such progress is collected and made available to the Congress and the executive branch; and

(4) improving the capability of the Congress and the executive branch to understand child-care needs in the Nation and how best to meet such needs in a cost-effective fashion.

(b) In carrying out reviews, evaluations, and studies under this section, the Secretary shall—

(1) ascertain the specific objectives and expectations for achievement regarding programs and activities carried out under this Act of appropriate managers and policymakers in the executive branch and of appropriate committees of the Congress;

(2) examine a representative sample of the actual operation and results of such programs and activities at the Federal, State, and local levels;

(3) compare the objectives and expectations for achievement with the actual operation and results of such programs and activities, including comparisons of the objectives of State plans with the actual operation and results under such plans and an assessment of the effects of increased availability of child care (including changes in the incidence of child abuse, school vandalism, and juvenile delinquency, and other relevant effects such as changes in health status, school attendance, and school performance);

(4) identify or develop programs and activities, or parts of programs and activities, that are able, or are likely to be able, to achieve in a cost-effective fashion progress toward such objectives and expectations; and

(5) determine how the results of such reviews, evaluations, and studies can best be disseminated and utilized to achieve the purposes described in subsection (a).

The Secretary shall prepare and transmit to the President and the Congress on or before March 1 of 1990 and every two years thereafter a concise report containing—

(1) a statement of specific, realistic objectives and expected progress toward such objectives over the next two years for the programs and activities funded under this Act, and a statement relating such objectives and expected progress to the purposes of this Act;

(2) the results of all comparisons made under subsection (b)(3), including comparisons necessary for judging the effectiveness with which State plans, and the objectives of such plans, are carried out at the State and local levels;

(3) the results of efforts under subsection (b)(4), including options or recommendations (or both) with respect to any legislative action that the Secretary considers necessary or desirable for achieving the purposes set forth in subsection (a); and

(4) plans for reviews, evaluations, and studies under this section for the ensuing year, including a statement detailing the programs and activities (or parts thereof) funded under this Act to be the subject of such reviews, evaluations, and studies.

(d) The Secretary shall prepare and transmit to the President and the Congress not later than four years after the date of the enactment of this Act a report on child-care needs in the Nation. Such report shall include, but not be limited to, a summary of the results of data collection under sections 4(a)(6)(A), 4(a)(6)(B), and 4(b)(2)(C) and any studies of child-care needs conducted by the Secretary under this section, a summary of other relevant research on child-care needs, and an analysis of options for more fully meeting such needs, including options for legislative action.

(e) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after the completion of a program, project, or activity authorized or assisted under this Act, have access for the purpose of audit and examination to any books, documents, papers, and records of entities receiving grants or contracts under this Act that in the opinion of the Secretary or the Comptroller General may be related or pertinent to assistance provided under this Act.

DEFINITIONS

SEC. 13. As used in this Act—

(1) "child" means any individual who has not attained the age of fifteen except that with respect to eligibility for services, the definition of "child" may include a disabled individual who has not yet attained the age of eighteen;

(2) "parent" includes any natural parent, foster parent, or legal guardian with whom the child resides;

(3) "Secretary" means the Secretary of Health and Human Services; and

(4) "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, America Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

AUTHORIZATION OF APPROPRIATIONS

SEC. 14. (a) Except as provided in subsection (b), there are authorized to be appropriated $200,000,000 for fiscal year 1988 and such sums as may be necessary for each of the four succeeding fiscal years for carrying out the provisions of this Act. Of the sums so appropriated for any fiscal year, 75 percent shall be used for making grants under section 4, relating to grants for carrying out the State plan; 5 percent shall be used for making grants under section 6, relating to demonstration projects; 5 percent shall be used for making grants under section 7, relating to licensing assistance; 5 percent shall be used for making grants or contracts under section 8(a), relating to training programs; and 10 percent shall be used for carrying out the provisions of sections 5, 8(b), and 12, relating to national administration (including the reasonable expenses of the National Advisory Panel on Child Care Needs and Services) and training and technical assistance.

(b) No funds are authorized to be appropriated for any fiscal year unless funds appropriated for the preceding fiscal year to carry out part A of title V of the Economic Opportunity Act of 1964, relating to Project Head Start, are at least equal to the funds appropriated for such part for fiscal year 1987.

By Mr. CRANSTON (for himself and Mr. BURDICK):

S. 5. A bill to require the executive branch to enforce applicable equal employment opportunity laws and directives so as to promote pay equity by eliminating wage-setting practices which discriminate on the basis of sex, race, ethnicity, age, or disability, and result in discriminatory wage differentials; to the Committee on Governmental Affairs.

PAY EQUITY ACT OF 1987

Mr. CRANSTON. Mr. President, I am pleased to introduce S. 5, the proposed Pay Equity Act of 1987. This legislation is virtually identical to the pay-equity legislation I introduced in the 98th Congress and—also as S. 5—in the 99th Congress. I am joined in sponsoring this measure by the distinguished Senator from North Dakota [Mr. BURDICK] who cosponsored this legislation in the last two Congresses as well.

Similar legislation has been introduced in the House by Representative MARY ROSE OAKAR with whom I have worked closely on this issue as well as on the Social Security earnings-sharing legislation, S. 3, which I am also introducing today.

Our legislation is aimed at helping bring an end to what is one of the most devastating economic problems facing millions of American women and their families and one of the most pervasive forms of employment discrimination in our society—the refusal of many employers in both the public and private sectors to pay female employees fair and equitable wages for the work they perform.

Mr. President, this type of discrimination against female employees has persisted despite applicable State and Federal laws and directives and court decisions outlawing gender-based wage discrimination. Unfortunately, the existence of these laws and court decisions has not been translated into elimination of these unlawful practices. What is clearly needed is a strong national commitment to ending once and for all the practice of paying certain employees lower wages because those employees are female.

S. 5 is intended to stimulate those Federal agencies responsible for enforcement of our Federal equal employment opportunity laws to begin an aggressive campaign to enforce these laws and help bring about an end to wage discrimination.

In addition to S. 5, I will soon be introducing with the Senator from Washington [Mr. EVANS], and numerous other cosponsors, a revised version of legislation, S. 519, which we introduced in the 99th Congress. S. 519 would provide for an objective, independent pay-equity study of the Federal work force. The provisions of the revised S. 519 are included as well in section 6 of S. 5. It is our intention to move as swiftly as possible with the provisions relating to the study of the Federal work force in the separate bill we will be introducing later this month.

THE PROBLEM: THE WAGE GAP

Mr. President, I am sure that every Member of this body is acutely aware of the enormous gap between the average earnings of female workers and the average earnings of male workers. In the 1950's, full-time female workers earned 64 cents on the average for every $1 earned by a full-time male worker. For the past decade, the ratio of male to female earnings has hovered around the 60-percent mark. Today, the ratio of male to female earnings is about 65 percent—the same ratio that existed in the 1950's notwithstanding all of the civil rights and equal employment opportunity laws and advancements in the intervening three decades.

In 1985, the median earnings—representing the point below and above which fall an equal number—for fully employed female workers—those working 50 or more weeks per year and 35 or more hours per week—was $16,252; for similarly employed males, it was $24,999. However, it is important to note that the mean—or average—earnings for this group was $18,088 for the female workers and $28,747 for male workers. This represents a ratio of 62.9 percent in terms of mean or average earnings, as compared to a ratio of 65 percent when dealing with median income data.

The difference in earnings for minority women, as compared to all male wage earners has consistently been even wider. For example, in 1985, the median earnings for black women in this category was $14,590; for Hispanic women it was $13,522. These represent a ratio of 58.4 percent and 54 percent, respectively, as compared to the median earnings for all male wokers in this category.

The disparity between the average wages earned by female workers and those earned by male workers exists today in every profession, occupation, or field of employment and at every level of experience. It persists in male-dominated fields. It persists in female-dominated fields. It persists in the new occupational fields that have not yet become sexually stereotyped.

Mr. President, the overall wage gap has been closely and repeatedly studied by researchers. Variables such as attachment to the work force, level of experience, education, job commitment, and similar factors have been examined in various studies. These studies attempting to explain the difference in earnings between male and female workers have been able to account for generally less than one-fourth and never more than one-half of the earnings differential on the basis of different labor-force participation patterns of male and female workers. Virtually every researcher has concluded that there remains a large gap which can be explained only by the existence of sex-based discriminatory employment policies.

PAY EQUITY: EQUAL PAY AND COMPARABLE PAY

Mr. President, two distinct forms of wage discrimination contribute to the earnings gap. The first involves the problem of equal pay for equal work. The second involves the problem of comparable pay for comparable work.

The first—equal pay for equal work—is relatively simple to understand and has clearly been unlawful since the passage of the Equal Pay Act in 1963. That law provides that it is unlawful for an employer to discriminate between employees on the basis of sex by paying lower wages than those paid to employees of the other sex for the same work. Prior to the enactment of the Equal Pay Act, many employers openly paid female workers lower wages for performing the same work as male workers.

Unfortunately, this practice continues today, albeit in more subtle forms. Employers no longer argue—as they did prior to 1963—in favor of lower pay for female workers on the grounds that women need less than male workers. Instead, they have developed creative rationalizations for paying women less than men for substantially identical work.

The Federal Equal Pay Act actually encourages this type of creativeness since it provides four defenses which an employer may raise when a violation of the act has been alleged. For example, the fourth defense—that the discrimination was based upon a factor other than sex—invites employers to develop arguments that the apparent discrimination is actually based upon a factor other than sex.

For example, employers have argued that the willingness of female workers to work for lower wages constitutes a factor other than sex which would justify setting their wages below those of male workers who would refuse to work at the lower wages.

Fortunately, the courts have, for the most part, rejected these thinly disguised discriminatory practices.

It is clear, however, that although it has been almost 25 years since passage of the Equal Pay Act, equal pay for equal work has not yet been fully achieved. Indeed, even more vigorous enforcement activities are needed today to deal with the more subtle and devious tactics used to justify the continuation of Equal Pay Act violations.

But, Mr. President, it is generally agreed that denial of equal pay for equal work is no longer the major factor contributing to the earnings gap. The major factor today is the concentration of female workers in a limited number of job classifications where the wages are lower than the education, training, skills, experience, effort, responsibility, or working conditions involved would otherwise warrant. The conclusion is virtually inescapable that a primary reason that wages are lower in these jobs is because they are filled predominantly by women. This problem, often referred to as the comparable worth issue, must be dealt with forcefully if we are ever to achieve equitable pay for all workers.

COMPARABLE PAY FOR WORK OF COMPARABLE WORTH

Mr. President, the concept of comparable pay for work of comparable worth stands for the relatively simple notion that the wages a worker earns should be based upon the value of the work performed, not the sex of the employee. Unfortunately, it is widely recognized that the wages paid in jobs and occupational fields dominated by female workers are lower than the wages paid in those jobs and occupational fields dominated by male workers that involve comparable education, skills, training, education, effort, responsibilities, and working conditions.

In the now classic case of *Lemons* v. *City and County of Denver*, 620 F.2d 228 (tenth circuit 1980), the nurses in the city of Denver public hospitals were paid less than the men who trim the trees in the city parks, not because of any greater intrinsic value of the work done by the tree trimmers or greater difficulty in finding individuals to trim trees, but simply because the tree trimmers were predominantly male and the nurses were predominantly female. The court held that the city's pay system did not violate title VII.

Numerous examples of this type of inequity have been found. In Montgomery County, MD, clerks in the county-operated liquor stores were found to earn more than teachers in the county schools. In New York and Wisconsin, the salaries for State parking lot attendants were considerably higher than wages paid to State clerical employees. In San Jose, CA, the salaries of librarians were below those paid to street-sweeper operators. In New York City, fire department dispatches—predominantly white males—were paid several thousand dollars a year more than police department dispatchers—predominantly black females. Dog pound attendants and zoo keepers were rated higher in a commonly used dictionary of occupational titles than nursery school teachers or day-care workers.

In each of these examples, one difference emerged: the higher wages were paid where employees were predominantly males and lower wages were paid where employees were predominantly females. In many cases, the employers' own numerical job-evaluation system gave the male-dominated jobs and the female-dominated jobs similar ratings; yet, the wages for the female jobs were nonetheless set lower than the male-dominated jobs.

Mr. President, although the phrase "comparable pay for work of comparable worth" has been useful in helping to understand the circumstances involved, the underlying issue is really simply one of wage discrimination based upon the sex of the employee. Hence, the term "pay equity," which also includes the better understood concept of equal pay for equal work, is a more accurate description of the effort which is ongoing to help reduce that portion of the wage gap which is attributable to sex-based discrimination.

In reality, comparable worth is simply a tool or technique for looking at wage disparities to determine if sex-based wage discrimination is present. A disparity alone may not indicate the existence of discrimination, but it certainly suggests a closer look is warranted. Although for clarity sake, I have used the comparable worth phraseology, I believe that pay equity is a more accurate and preferable term.

OPPONENTS OF COMPARABLE WORTH

Mr. President, those who oppose elimination of wage disparities based upon the devaluation of work that is performed predominantly by female workers make three basic arguments in opposition to these efforts. First, they argue that it is impossible to compare different jobs and establish their relative worth. Second, they contend it is not discrimination, but the invisible and neutral hand of the marketplace at work in creating these wage disparities. Third, they argue that even if it is discrimination, the cost of eliminating the inequities would be too great. Each of these arguments has an inherent weakness.

First, with respect to the so-called apples-and-oranges argument—that you can't compare different types of jobs—the fact is that different jobs are compared all the time by employers in establishing wage rates. Objective job-evaluation techniques have existed for many years, and they are widely used by employers in both the public and private sectors.

The National Academy of Sciences' Committee on Occupational Classification and Analysis in its important 1981 study, "Women, Work, and Wages: Equal Pay for Jobs of Equal Value," commissioned by the Equal Employment Opportunity Commission, noted the widespread use of such job-evaluation plans. As I will discuss in a few moments, these job-evaluation techniques provide an objective method of determining the value of different jobs and a promising approach to eliminating discriminatory wage-setting practices and the resulting wage differentials.

Second, the short answer to the argument that it is the marketplace, not discrimination, that determines wage rates, is that the so-called free marketplace has been radically altered by the presence of discrimination. Historical wage discrimination against female workers, once not only prevalent but acceptable, continues to distort the marketplace to depress the wages of women and to devalue the work performed by women.

Only in the past 24 years has it become unacceptable—legally and otherwise—to pay women less than men for precisely the same work or to exclude women from certain jobs or occupations. The effects of this *de jure* discrimination against female workers were built into most wage structures, and these effects continue to be felt. The argument that the marketplace is a neutral determinant of job value is clearly specious. A pure marketplace does not exist, given historical wage discrimination.

Moreover, our Nation has already made the decision as a matter of social policy that workers will not be left to whatever fate a so-called free market resolves for them. Protective labor laws do not permit employers to pay workers less than the minimum wage, even though some desperate workers might work for less, nor do they allow employers to set wages lower for minority workers, even though high unemployment rates among many minority groups might drive some of these workers to accept lower wages.

In short, a civilized and humane society does not countenance the exploitation of its workers. Women, like other classes of vulnerable workers, are entitled to the protection of the law against unfair exploitation.

COST IMPLICATIONS

Mr. President, the arguments that eliminating the wage difference would destroy the economy and cost billions and billions of dollars are vastly exaggerated. First, many of these estimates are based upon elimination of the entire wage gap. The studies I mentioned earlier have found that a certain portion of the gap—between one-fourth and one-half—is probably attributable to nondiscriminatory factors, including differences in female-worker labor-force participation patterns. No one has ever asserted that the entire gap is caused by discrimination.

Second, as to that portion of the wage gap that is attributable to discriminatory practices, it is not anticipated that the resulting inequities could be eliminated overnight. Even with the most vigorous commitment to eliminating wage inequities, the task is likely to be a long and tedious one. Indeed, in the quarter century since passage of the Equal Pay Act, those inequities have not been eliminated. Attainment of full pay equity is likely to be gradual and incremental.

Finally, Mr. President, the dire predictions of economic disaster simply haven't been borne out where voluntary wage adjustments to achieve pay equity have taken place.

Although most of the opponents point to the size of the judgment initially awarded in the case brought in Washington State, American Federation of State, County, and Municipal Employees v. State of Washington, what has taken place in the State of Minnesota is a much more instructive example of how a pay-equity policy can be implemented in a fiscally responsible manner.

The Washington State case involved a situation where State officials failed for years to act after a 1974 State-commissioned study had shown that State employees in traditionally female jobs received about 20-percent less on the average than State employees in traditionally male jobs of comparable value.

It was not until after a lawsuit was filed in 1983, that the State legislature took any action to eliminate the pay disparities. In 1983, it appropriated $1.5 million for this purpose. The Federal district court characterized this action as belated and a token representing at best a change in attitude by the State. Under the court's judgment, the plaintiffs were awarded back-pay adjustments to September 1979. It was this back-pay award, not simply the correction of the undervaluation of the women's jobs, that created the potential size of the judgment in the Washington State case.

The ninth circuit court of appeals subsequently reversed the trial court's decision in this case. The parties thereafter entered into a settlement which will provide for the expenditure of $46.5 million to correct sex-based inequities in the State's wage scales between 1986 and 1987 and an additional $10 million each July 1, beginning in 1987 and through 1992, to complete implementation of the plan to eliminate wage disparities.

In contrast, the Minnesota Legislature moved quickly to respond to the results of a report from a State-established task force on pay equity. In 1983, the Minnesota Legislature passed a bill providing for a phased-in equalization over 4 years. The annual cost of the pay-equity increases currently amounts to $26 million, or about 4 percent of the State's payroll budget, and 0.3 percent of the total State budget.

Local government efforts in this area have been numerous. In my own State of California, pay-equity adjustments have been negotiated in recent years for municipal workers in San Jose, Los Angeles, Long Beach, Pismo Beach, Anaheim, Fremont, Hayward, Berkeley, and Woodland. None of these municipalities have gone bankrupt as a result. The increases have been moderate and phased-in over time. For example, librarians in Long Beach won a 5-percent comparable-worth adjustment.

In San Jose, a 2-year agreement for pay-equity adjustments in 60 female-dominated classifications resulted in 5- to 15-percent increases for these categories over a 2-year period, costing a total of $1.4 million. Clerical workers in the city of Los Angeles negotiated pay-equity increases of between 1 and 8½ percent.

Obviously, voluntary and mutual efforts to identify and eliminate pay inequities through wage adjustments phased-in over reasonable periods of time are far preferable to accumulating large back-pay judgments. The costs, while not insubstantial, are clearly manageable when they are approached in this fashion.

Finally, whenever the issue of costs is discussed, it is important to remember that the costs of pay inequities are already being borne—by the underpaid workers. The price is being paid by the increasing feminization of poverty and in the cost of government assistance to those underpaid workers and their families who cannot survive on the meager wages produced by discriminatory employment practices. Society is also paying in terms of the loss of productivity and reduced consumer spending that results when workers are denied fair wages.

OTHER OPPOSING ARGUMENTS

Mr. President, some of the opponents of efforts to eliminate these types of pay inequities have also attempted to portray such activities as leading to the Federal Government setting the wages for all workers. This is clearly a distortion and scare tactic designed to avoid entering into a serious dialog about the problem and how to remedy it. There is absolutely nothing in the comparable-worth issue that would lead to such a result, any more than passage of the Equal Pay Act or title VII led to government control of wage-setting practices.

Former Secretary of Labor, Raymond Marshall, in a very thoughtful and comprehensive paper entitled, "The Employment and Earnings of Women: The Comparable Worth Debate," has aptly stated:

> A remedy for pay discrimination does not require that wages be equalized for men and women, only that the jobs valued on a nondiscriminatory basis. This does not lead to central planning or government wage fixing; the government does not have to fix wages to eliminate discrimination.

Mr. President, implementing pay equity means nothing more than requiring employers to eliminate discriminatory wage-setting practices. There are certainly legitimate issues for discussion regarding the concept of comparable worth, but dragging out the spectre to big government control of wages does not contribute to a responsible discussion of those issues.

IMPORTANCE OF RESOLVING THE COMPARABLE-WORTH PROBLEM

Mr. President, there are some who may argue that rather than attempting to resolve the difficult issues surrounding the comparable-worth problem, we should be focusing our attentions on eliminating the earnings gap by encouraging young women to enter nontraditional, male-dominated fields where the wages are likely to be higher and the advancement opportunities more open.

I believe we must do both.

I have long been deeply committed to opening up every occupational or professional field to women. The barriers which have blocked women seeking to enter male-dominated fields must be eliminated. Our educational systems must be encouraged to do a better job in preparing young women for the world of work and educating them about the jobs that will be emerging out of the new technologies. Their horizons should not be limited in any fashion by sexist stereotypes about what is or is not an appropriate field of employment for women or by false perceptions about the work force.

But at the same time that we are seeking to break down those barriers which have kept many women in job ghettos where the wages are low and the opportunities for advancement limited, it is important to recognize that the work performed in many of these "female-dominated" fields is important both to our economy and to our society. It we force our creative and talented teachers to leave our schools in order to get adequate compensation, or our Nation's nurses all to become doctors in order to gain the recognition and compensation they deserve, what would happen to the quality of our schools or our hospitals? We need good teachers as well as good nurses, regardless of their sex.

Moreover, Mr. President, whatever opportunities may exist for young women just entering or about to enter the work force, those women who have already acquired years of education, training, and experience in fields like teaching or nursing should not be required to abandon those career investments in order to earn a decent wage.

Finally, unless we resolve once and for all the ambivalence about the value of female workers that underlies the comparable-worth problem, the inequities are not likely to end. Indeed, as more and more women enter a new field, the wages there are likely to become depressed. History has already demonstrated this to be true. For example, bank tellers were once universally male. The job then represented a relatively well-trained position on the career ladder to higher management in the banking field. Today, bank tellers are predominantly female and the wages and advancement opportunities have been curtailed accordingly. It is unconscionable for a job to be devalued just because more women fill the positions.

GUNTHER VERSUS COUNTY OF WASHINGTON

Mr. President, until 1981, there was some disagreement as to the interrelationship of the Equal Pay Act, with its scope limited to matters relating to equal pay for equal work, and the broader coverage of title VII of the Civil Rights Act of 1964 with respect to discrimination on the basis of sex in all aspects of employment, including compensation. Some argued that the Bennett amendment to title VII limited its coverage to only those instances of wage discrimination which would be covered by the Equal Pay Act. Others, noting the broad purposes of Congress in enacting title VII, argued that an employer violated title VII when the wages of female workers were set below those paid to male workers, even though the jobs were not identical.

The issue was definitively resolved in the landmark decision of the Supreme Court in *Gunther* v. *County of Washington,* 452 U.S. 161 (1981).

Mr. President, the facts in the Gunther case are interesting because they show how blatant much of the wage discrimination against women can be. In Gunther, the employer evaluated the "worth" of both male and female correction guards and determined that the female guards should be compensated at a rate of 95 percent that of the male rate. Notwithstanding that determination, the county set the female wage rate at only 70 percent of the male rate while paying the male guards the full 100-percent value established in the job evaluation.

In Gunther the Supreme Court held that it would be a violation of title VII for an employer to set the wages of female workers below the value determined by the employer's own objective job evaluation while setting the wages of male workers at the full value. The Court correctly concluded that Congress intended title VII to prohibit "all practices in whatever form which create inequality in employment opportunity due to discrimination on the basis of race, religion, sex, or national origin" and to "strike at the entire spectrum of disparate treatment of men and women resulting from sex stereotypes."

Mr. President, wage discrimination in situations where the jobs involved are different—as well as where they are similar—is now clearly unlawful under title VII following Gunther. What remains to be settled is how this rule will be applied in particular fact situation and what evidence will suffice to demonstrate unlawful discrimination.

In the much discussed case involving the State of Washington, *AFSCME* v. *State of Washington,* 578 F. Supp. 846 (W.D. Wash. 1983), reversed, 770 F.2d 1401 (9th Cir. 1985), the district court had found evidence of intentional discrimination against female employees based primarily on the State's delay in implementing a State pay-equity study disclosing sex-based wage disparities between male- and female-dominated job classifications. On September 4, 1985, the ninth circuit court of appeals reversed the district court's decision. The appeals court found the evidence of intentional discrimination to be insufficient and flatly rejected the argument that the State was bound to implement the results of its own pay-equity study. The court stated that a study indicating that a particular wage structure would be more equitable should not categorically bind the employer who commissioned it and suggested that a contrary rule would "penalize rather than commend employers for their effort and innovation in undertaking such a study."

Although opponents of pay equity have claimed the ninth circuit decision as a great victory, a close reading of the decision and subsequent cases in other circuits makes it quite clear that each case turns upon the factual evidence produced by the plaintiffs. The court of appeals decision in the AFSCME case holds that the existence of wage disparities alone does not provide sufficient evidence of a title VII violation. But such disparities coupled with other evidence of discriminatory practices would state a cause of action. This point was made clear by the seventh circuit in the more recent case of *American Nurses Association* v. *State of Illinois,* 606 F. Supp. 1313 (N.D. Ill. 1985), reversed, 783 F.2d 716 (7th Cir. 1986). The district court dismissed the nurses' case on the grounds that "unequal pay for jobs alleged to be of comparable worth on the basis of an evaluative study which the employer commissioned but never adopted does not constitute a viable legal theory under title VII." The seventh circuit agreed that the complaint would have failed to state a claim under title VII if it had alleged discrimination based solely on the State's failure to implement the results of its pay-equity study. However, the appellate court found that the complaint included other allegations of intentional discrimination and remanded the case for futher proceedings.

Similar decisions have been reached in other pending pay-equity lawsuits including a district court decision in *AFSCME* v. *County of Nassau,* 609 F. Supp. 695 (E.D.N.Y 1985), an unreported district court decision in Hawaii, *Hawaii Government Employees Association* v. *State of Hawaii,* No. 84-1314 (D. Hawaii, Aug. 12, 1985) ("* * * [W]hile evidence of comparable work will not alone be sufficient to establish a prima facie case of sex discrimination, the comparability of jobs can be relevant to determining whether discriminatory animus can be inferred * * *", slip op. at 1, Aug. 12, 1985), and in an unreported district court case in California, *California State Employees Assoc.* v. *State of California,* No. C-84-7275 (N.D. Cal. Sept. 13, 1985) ("The ninth circuit's decision [in AFSCME] does not foreclose the application of title VII to wage disparities between job classifications held primarily by women and job classifications held primarily by men where a discriminatory animus is shown, even though the wage rates may have had their antecedents in market rates * * *", slip op. at 27).

Numerous other lawsuits are pending throughout the country. Where the evidence demonstrates the presence of sex-based wage discrimination, it is clear that a remedy exists under title VII. The emerging case law indicates that although wage disparities alone may not give rise to a title VII cause of action, such disparities can be used with other evidence to demonstrate that sex-based wage discrimination exists. Indeed, most proponents of pay equity have never contended that a disparity in wages between comparably evaluated jobs automatically constitutes a violation of law, since certain disparities can be attributable to legitimate compensable factors such as merit or seniority.

More important, the case law makes clear that a progressive employer can undertake a pay-equity study without fear that the results would automatically have to be implemented. A number of voluntary efforts—involving collaboration between labor and management—are underway in both the public and private sectors to identify and eliminate wage discrimination. Such voluntary, collaborative action is far preferable to resort to time-consuming and expensive litigation.

STATE, LOCAL, AND PRIVATE INITIATIVES

Mr. President, it has been estimated that in the past 4 years over 100 governmental initiatives have taken place in the area of comparable worth. These activities have included actions by State legislatures, city councils, county commissions, school boards, Governors' offices, and State administrative agencies. I ask unanimous consent that a summary of State and local pay-equity/comparable-worth initiatives that was included in the testimony of Nina Rothchild, commissioner for employee relations of the State of Minnesota, at the U.S. Civil Rights Commission consultation on comparable worth—June 1984—be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

APPENDIX

(To Testimony of Nina Rothchild, Commissioner of Employee Relations, State of Minnesota, published in "Comparable Worth: Issue for the 80's", a Consultation of the U.S. Commission on Civil Rights, June 6-7, 1984 (pg 127-28))

State and Year	Description
State Pay Equity Legislation	
Alaska: 1980	Adds specific comparable worth (CW) language to fair employment practices (FEP) law.
California:	
1981	Establishes CW as policy for State workers, requires annual reports.
1983	Prohibits local government ordinances or policies which preclude consideration of CW.
1983	Creates commission on status of women task force on CW.
1983	Adds specific CW language to FEP law. (Pending as of 5/1/84.)
Connecticut:	
1979	Pilot study for State workers.
1981	Full job evaluation (JE) study for State workers.
Hawaii:	
1981	(Resolution) Urges employers to adopt CW policies.
1982	Requires report and recommendations on CW for State employees.
Idaho: 1977	Provides for JE study on State employees.
Illinois:	
1982	Requires pilot CW study for civil service; $10,000.
1983	Requires comprehensive JE study for civil service. (Pending as of 5/1/84.)
1983	Includes CW standard in State equal pay act. (Pending as of 5/1/84.
Iowa: 1983	Establishes CW policy, requires JE study of civil service, appropriates $150,000 for study.
Kentucky: 1982	Allocates $14,000 for JE study.
Massachusetts: 1983	Requires JE study of civil service, appropriates $75,000 for study.
Michigan: 1982	Amends wage and hour law to prohibit wage secrecy policies.
Minnesota:	
1982	Establishes CW policy and process for civil service.
1983	Appropriates $21.8 million for CW increases.
1984	Requires local governments to implement CW.
Missouri: 1983	Requires report and recommendations on CW for civil service; establishes CW policy.
Montana: 1983	Requires "work toward the goal of establishing equal pay for comparable worth," study and annual report.
Nebraska: 1978	Requires preliminary civil service study.
Nevada: 1983	Requires preliminary civil service study.
New Jersey: 1984	Establishes task force to study civil service; appropriates $150,000. (Not yet signed by Governor as of 5/1/84.)
New Mexico: 1983	Appropriates $3.3 million in salary increases to lowest paid State workers.
Oregon: 1983	Requires JE/CW study for civil service; appropriates $300,000 for study.
Pennsylvania: 1983	Adds CW language to FEP law. (Pending as of 5/1/84.)
Virginia: 1984	Requires research on CW.

State and Year	Description
Washington:	
1977	Requires biennial update of 1974 JE study that had not yet been implemented.
1983	Establishes CW policy for civil service and sets up a 10-year implementation plan.
1983	Appropriates $1.5 million for salary increases to lowest paid workers.
Wisconsin: 1977	Establishes CW policy for civil service.
Other State-level Activity	
Illinois: 1983	AFSCME wins pay equity increases for word processing operators through arbitration.
Hawaii: 1983	AFSCME wins pay equity increases for nurses through arbitration.
Connecticut: 1983	AFSCME negotiates pay equity increases for clerical workers.

Local Government and Type	Description
Local Pay Equity Initiatives (a partial listing)	
Fresno, CA: City	Information gathering pay equity policy.
San Francisco, CA: City	Information gathering pay equity policy.
Sonoma County, CA: County	Information gathering.
South Lake Tahoe, CA: City	Information gathering.
Alameda County, CA: County	Information gathering.
Colorado Springs, CO: City	Information gathering implementation.
Berkeley, CA: City	Information gathering.
Montgomery County, MD: County	Information gathering.
Los Angeles Sch Di, CA: School	Information gathering.
Minnetonka SD, MN: School	Negotiated CW increases.
Osseo SD, MN: School	Information gathering.
Northfield SD, MN: School	Information gathering.
Tucson SD, AZ: School	JE study.
Chico SD, CA: School	JE study.
Manhattan Beach, CA: School	JE study.
Sacramento SD, CA: School	JE study negotiated by SEIU.
San Lorenzo SD, CA: School	JE study.
Hunter College, NY: School	JE study.
Virginia Beach, VA: City	JE study; implementation.
Bellevue, WA: City	JE study; implementation.
Renton, WA: City	JE study; implementation.
Seattle, WA: City	JE study.
Los Gatos, CA: City	Pay equity policy.
Long Beach, CA: City	Implementation.
Burlington, VT: City	Implementation.
Princeton, MN: City	JE study; implementation.
Los Angeles, CA: City	Pay equity increases negotiated (AFSCME).
Spokane, WA: City	Pay equity increases negotiated for all female-dominated classes (AFSCME).
Green Bay, WI: City	Pay equity increases for nurses of $118 per month (AFSCME).
San Mateo, CA: County	Pay equity increases negotiated (AFSCME).
San Jose, CA: City	Pay equity increases negotiated (AFSCME).
Hennepin County, MN: County	Pay equity increases negotiated for welfare eligibility technicians (AFSCME).
Belmont, CA: City	Pay equity increases negotiated (AFSCME).
Woodland Hills, PA: School	Pay equity increases negotiated; implementation on a 3-year schedule (SEIU).
Vacaville, CA: School	Negotiated for comparable worth committee and pay equity study (SEIU).
Mott Comm. College, MI: School	Negotiated for JE study and appeals procedure for classification decisions (SEIU).
Santa Clara, CA: County	Negotiated for reclassification of many jobs and pay equity adjustments (SEIU).

Mr. President, Ms. Rothchild, in her testimony also reviewed in detail the experience of the State of Minnesota in addressing and implementing a pay-equity initiative. Observing that Minnesota had gone further than other State in actual implementation of pay equity, she stated, "We now have the experience to show that implementation need not be extremely costly, chaotic, or controversial."

Mr. President, GAO, in connection with its work relating to a pay-equity study of the Federal work force, surveyed each of the States on pending and completed pay-equity activities. In September 1986, GAO issued a report, "Pay Equity: Status of State Activities" (GAO/GGD-86-141BR), which found that a majority of States had engaged in some pay-equity study or data collection activity. In July 1984, the National Governors Association formally adopted a resolution urging States to implement pay-equity principles.

In addition to these activities with respect to State and local public employees, pay equity has become a major issue at the bargaining table. On November 14, 1984, I placed in the CONGRESSIONAL RECORD (S14644, daily ed.) a report issued by the Communications Workers of America entitled "Closing the Wage Gap". This report not only provided a comprehensive overview of the pay-equity problem, but it also described some of the efforts made by this particular union to help close the wage gap through collective bargaining efforts. Although most of the activities that have taken place have been in the area of public employees, labor/management negotiations on pay-equity issues in the private sector, for example, between AT&T and the Communications Workers, have also been instituted.

Mr. President, a number of major companies have quietly begun their own pay equity initiatives. An article entitled "Comparable Worth: It's Already Happening" which appeared in the April 28, 1986, issue of Business Week provided a long and impressive list of companies such as BankAmerica, Chase Manhattan, IBM, Motorola, General Electric, and Control Data which are working on narrowing the wage gaps between male and female employees. These companies are reevaluating their wage systems and trying to ensure that factors used to evaluate jobs aren't biased against work usually done by women.

Clearly, Mr. President, these voluntary initiatives to identify and remedy pay inequities ought to be encouraged. S. 5 contains provisions directing the Equal Employment Opportunity Commission to develop and implement an education and information program aimed at assisting those employers seeking information on the various techniques that can be used to identify and eliminate pay inequities.

FEDERAL ENFORCEMENT ACTIVITIES

However, despite the considerable activity taking place in the States and in the courts, Federal efforts in this area are at a virtual standstill. Prior to the Reagan administration, the two agencies with primary responsibility for enforcement of Federal equal employment opportunity laws and directives—the Equal Employment Opportunity Commission [EEOC] and the Department of Labor's Office of Federal Contract Compliance Programs [OFCCP]—had begun activities in the comparable-worth area. EEOC filed an amicus curiae brief on the side of the plaintiffs in the Gunther case and commissioned the National Academy of Sciences study I mentioned earlier. In August 1981, shortly after the Gunther decision, EEOC, then under the acting chairmanship of J. Clay Smith, issued interim guidelines to its field offices to assist in identifying and processing cases in light of the Gunther decision. Similarly, OFCCP included in regulations published in December 1980 language clarifying that the prohibition against employment discrimination by Federal contractors encompassed wage differentials based upon comparable-worth principles.

However, under pressure from the Reagan administration those regulations were suspended. Thereafter, under the Reagan-appointed EEOC, work on comparable-worth cases has ceased.

Mr. President, EEOC is specifically charged by law and executive order with the responsibility of providing Federal leadership in matters relating to equal employment opportunity. It has clearly failed to me that responsibility in this area—as well as others I might add. S. 5 is designed to provide both EEOC and OFCCP with a specific congressional directive to enforce fully and aggresively the Federal laws and directives relating to unlawful employment practices.

JOB-EVALUATION TECHNIQUES

Mr. President, before I describe the specific provisions of S. 5, I want to take a few moments to discuss a specific issue related to the eliminations of unlawful wage discrimination—utilization of objective job-evaluation techniques.

As I indicated earlier, objective job-evaluation techniques have been utilized for many years by employers in both the public and private sectors as a basis for determining job classifications and wage rates. Job-evaluation techniques employ numerical rating systems to provide standards and measures of job worth that are used to estimate the relative worth of jobs. It has been reported that almost two-thirds of the adult working population is already paid on the basis of a job-evaluation scheme, and that virtually every large employer, including Federal and State Governments, uses some objective job-evaluation system to determine the relative worth or grade level of each job classification. GAO's survey of State pay-equity practices released in September 1986, that I mentioned earlier, found that 46 of 48 States responding to the survey used job evaluations to set pay for classified positions.

In a job-evaluation plan, pay ranges for a job are based on estimates of the worth of the jobs according to such criteria as the skill, effort, and responsibility required by the job and the working conditions under which it is performed. Pay for an individual, within the pay range, is set by the worker's individual characteristics, such as credentials, seniority, productivity, and quality of job performance.

Job-evaluation systems vary from employer to employer, both in terms of the criteria used and the relative weights. However, the concept of numerical rating and comparative measurement of different jobs is common to all job-evaluation systems.

The National Academy of Sciences in its 1981 study, "Women, Work and Wages: Equal Pay for Jobs of Equal Value", observed: . . . job evaluation plans provide measures of job worth that, under certain circumstances, may be used to discover and reduce wage discrimination for persons covered by a given plan. Job evaluation plans provide a way of systematically rewarding job for their content—for the skill, effort, and responsibility they entail and the conditions under which they are performed. By making the criteria of compensation explicit and by applying the criteria consistently, it is probable that pay differentials resulting from traditional stereotypes regarding the value of women's work or work customarily done by minorities will be reduced.

Mr. President, this study went on to state that existing job-evaluation techniques were by no means perfect. Many incorporated into them factors associated with sex, race, or ethnicity, and many utilized actual wages to figure into the computations, thereby perpetuating existing inequities; other problems in applying these plans universally were also raised. The Academy concluded, nevertheless, that statistical techniques exist that may be able to generate job worth scores from which components of wages associated with sex, race, or ethnicity have been at least partly removed. The Academy urged that these techniques be further developed.

It is also important to note that in many cases where the employer has utilized a job-evaluation plan to establish the comparative worth of different jobs, the employer has simply chosen not to apply the results of its own evaluation to the wages of the female workers. For example, as I mentioned earlier, in the Gunther case the employer arbitrarily paid the female workers 25-percent less than the employer's own job evaluation had determined was the comparative worth of the jobs.

Finally, Mr. President, it should be noted that the failure of an employer to utilize a job-evaluation system to set wages can give rise to an inference of intentional discrimination. In one case brought under the Equal Pay Act, *Taylor* v. *Charley Brothers,* 25 FEP Cases 602 (W.D.Pa. 1981), a Pennsylvania Federal district court found that an employer's intent to discriminate against female employees could be inferred from the fact, among other things, that it had not undertaken any evaluation that would have indicated the value of jobs held by either men or women. Employers seeking to avoid the impact of the Gunther decision by refusing to do their own objective job evaluations certainly run the risk of thereby providing evidence of intentional discrimination.

CONGRESSIONAL ACTION DURING THE 98TH AND 99TH CONGRESSES

Mr. President, during the last two Congresses, significant progress was made on pay-equity issues. First, the House of Representatives has twice passed by overwhelming margins legislation authored by Representative MARY ROSE OAKAR to provide for a study of the Federal job classification system to determine if sex-based wage discrimination exists. Although we were not successful in getting the Senate-companion legislation, S. 519, acted upon, our legislation gained 32 cosponsors shortly before the 99th Congress adjourned.

As the result of an agreement reached during the 98th Congress, the General Accounting Office submitted to Congress on March 1, 1985, an excellent and comprehensive report entitled, "Options for Conducting a Pay Equity Study of the Federal Pay and Classification Systems," (GGD-85-37). This GAO report highlighted the wage gap between male and female employees in the Federal work force and provided a blueprint for how a pay-equity study could be designed to determine the reasons for this wage gap. The Senate Subcommittee on Civil Service, Post Office, and General Services of the Governmental Affairs Committee held 4 days of hearings on this GAO report in May and July 1985. The analysis and recommendations made by the GAO report became the basis for the legislation—S. 519 in the Senate and H.R. 3008 in the House—to mandate this study.

Two major recommendations emerged in the GAO report regarding the conduct of a pay-equity study. Both of these recommendations are carried out in the House-passed bill in the 99th Congress and in the revised version of S. 519 which is included in S. 5.

First, GAO recommended that the study utilize both a job-content and an economic analysis. A job-content analysis looks at the jobs themselves—the difficulty, working conditions, and responsibilities associated with the job. An economic analysis attempts to measure and explain wage differentials using characteristics of individuals, occupations, and the work place to determine whether factors such as education, work experience, or occupation account for the wage differences. GAO observed that "use of both approaches can provide a clearer understanding of how Federal wages are set and would be less susceptible to charges that important explanatory variables have been ignored."

Second, GAO recommended that the study be carried out by an objective body. The report suggested a steering committee composed of representatives from affected groups and experts from various fields to direct the conduct of the study and report directly to Congress.

Subsequently, GAO provided a further legal analysis of existing laws relating to Federal classifications. That analysis submitted on July 29, 1986, demonstrated clearly that existing Federal law—section 5101 and 5341 of title 5, United States Code—already encompasses the elements of a job-worth or comparable-worth system. GAO observed in its July 29 report that "Implementation of [title 5] should result not only in equal pay for equal work, but also in (1) equal pay for different work which is valued equally in terms of difficulty, responsibility and qualification requirements, and (2) proportionate pay for work that differs in value." For example, section 5101(1)(B) provides that purpose of the General Schedule System is to provide a plan under which "variations in rates of basic pay will be proportional to substantial differences in the difficulty, responsibility, and qualification requirements of the work performed".

Last summer, Senator EVANS and I prepared an amended version of S. 519, which is reflected in the language of the legislation I am introducing today, to focus the study on determining whether these existing title 5 policies were being implemented. This change was intended to clarify that the pay-equity study would not establish any new Federal classification standard but rather would be premised on determining whether the pay-equity standards that have been set forth in title 5, United States Code, which was codified in the Classification Act of 1949, which in turn, incorporated the basic classification policies established by Congress in the Classification Act of 1923.

COVERAGE OF RACE, ETHNICITY, AGE, OR DISABILITY

Mr. President, throughout this statement I have focused upon the problems faced by women working in jobs held predominantly by females. Minority workers, older workers, and disabled workers are also affected by the types of discriminatory wage-setting practices which depress the wages of female workers. Although much more work has been done on focusing on the problems of pay equity in terms of sex-based wage discrimination, the legislation which was passed by the House last year, H.R. 3008, also called for examination of the problems faced by minority workers. The version of S. 5 that I introduced in the last Congress and the bill I am introducing today also covers discriminatory practices based upon sex, race, ethnicity, age, or disability. I believe that it is important that our efforts to attain pay equity extend to all groups which may be affected by discriminatory wage-setting practices.

OUTLINE OF LEGISLATION

Mr. President, as I indicated at the outset, S. 5 is aimed at compelling those Federal agencies responsible for enforcement of Federal equal employment opportunity laws to begin an aggressive campaign to enforce those laws and help bring about an end to wage discrimination against female workers. Certainly this could be accomplished by the executive branch without a congressional mandate. The law already prohibits wage discrimination. But the law is not self-executing.

Unfortunately, under the current administration it is highly unlikely that executive enforcement action will be taken voluntarily. Congress, however, has the power and the authority to direct these agencies to take appropriate action. Enactment of this legislation would provide the congressional mandate that is evidently necessary if there is to be any Federal enforcement action in this area. I do not believe that it is fair or appropriate to rely solely upon private litigants to enforce the law. The Federal Government has a role and responsibility to fulfill. It's time it did so.

SUMMARY OF PROVISIONS: "PAY EQUITY ACT OF 1987"

Mr. President, I would like to outline the provisions of S. 5:

Section 1 would establish the short title of the bill as the "Pay Equity Act of 1987."

Section 2 would set forth the findings and purposes of the act. The findings pertain to the existence of the earnings gap between male and female workers, its causes and impact upon individuals and our economy, and the failure of appropriate Federal agencies to enforce applicable laws and directives. The expressed purpose of the act is to help eliminate discriminatory wage-setting practices and resulting discriminatory wage differentials by, first, providing for the development and utilization of equitable job-evaluation techniques to promote the establishment of wage rates based upon the work performed rather than the sex, race, ethnicity, age, or disability of the employee; second, directing the Federal agencies charged with the responsibility for enforcement of Federal equal employment opportunity laws to help eliminate discriminatory wage-setting practices and discriminatory wage differentials; third, encouraging public and private employers to use equitable job-evaluation techniques in order to eliminate discriminatory wage-setting practices and discriminatory wage differentials; and, fourth, bringing the Federal Government's wage-setting practices into compliance with the purpose of the proposed act and the provisions of title V of the United States Code which provide that wages be proportional to the duties, difficulty, responsibility, or qualification requirements of the work performed and that equal pay should be provided for work of equal value performed by Federal employees.

Section 3 would set forth definitions of the various terms utilized in the act.

Section 4 would set forth specific actions to be taken by the Equal Employment Opportunity Commission [EEOC]. First, the Commission would be directed to issue guidelines for the identification and elimination of discriminatory wage-setting practices and discriminatory wage differentials.

Mr. President, the EEOC is charged by Executive order with the responsibility for providing leadership within the Federal Government on matters relating to the equal employment laws. Its nonaction on the important and urgent issue of pay equity is inexcusable. Employers are entitled to some guidance from the Commission to enable them to identify and eliminate discriminatory wage-setting practices. In the past, the Commission has made many important contributions to the development of equal employment opportunity law; for example, its early guidelines on employment testing issues contributed to the development and utilization of validated testing procedures. It should be fulfilling a similar role with respect to the development and utilization of equitable job-evaluation techniques.

In order to bring about appropriate coordination between the Commission and the Department of Labor's Office of Federal Contract Compliance Programs [OFCCP], the office responsible for enforcement of equal employment opportunity rules with respect to Federal contractors and subcontractors, section 4 of the bill would specifically require consultation with OFCCP in the promulgation of the Federal guidelines. Section 4 also would direct the Commission to develop and carry out a continuing program of education, information, and technical assistance with respect to the elimination of discriminatory wage-setting practices and discriminatory wage differentials and the development and utilization of equitable job-evaluation techniques.

Mr. President, in order to enhance adequate congressional oversight, section 4 contains provisions directing the Commission to make annual reports to the President and Congress on the steps it has taken, and plans to take, to carry out the proposed act. A self-evaluation of the effectiveness of the Commission's efforts is to be included in the report along with inclusion of such recommendations for statutory changes or administrative action, or both, as the Commission considers necessary to effectuate the purpose of the proposed act. The requirements with respect to this report have been made rather detailed in light of the fact that the Commission has shown no willingness voluntarily to take any action in this area.

Section 5 would set forth directives to the Secretary of Labor, acting through OFCCP, with regard to Federal contractors. One primary way in which the Federal Government has sought to eliminate discrimination in employment is to obligate Federal contractors and subcontractors to ensure nondiscrimination with regard to employment practices and to take affirmative steps to provide equal employment opportunities throughout all of their activities as a condition of the contract. Executive Order 11246, promulgated by President Johnson in 1965, provides this basic directive and requires that Federal contractors meet these requirements. The lead agency for enforcement of this Executive order is the Department of Labor, through OFCCP.

Section 5 would specifically direct the Secretary of Labor, acting through OFCCP, to issue guidelines to require Federal contractors to identify and eliminate discriminatory wage-setting practices and discriminatory wage differentials. Those guidelines would be issued after and should be consistent with the guidelines that would be required to be issued by EEOC under section 4. Section 5 also would required that such OFCCP guidelines also provide that Federal contractors required to submit written affirmative action plans or updates of existing plans include in such plans or updates—within a year after the guidelines are issued—a review of their wage-setting practices, an identification of any discrimination in those practices, and a plan of action to correct such discrimination. Section 5 would also strongly encourage these contractors to use equitable job-evaluation techniques by requiring OFCCP to conduct pay-equity compliance reviews for those who fail to do so.

Currently, OFCCP guidelines provide generally that Federal contractors with more than 50 employees and a contract of more than $50,000 must submit a written affirmative action plan and require annual updating of such plans. Section 5 would thus require those contractors to include in their written affirmative action plans additional material relating to discriminatory wage-setting practices and discriminatory wage differentials. Although the guidelines would not require every Federal contractor to adopt an equitable job-evaluation system for use in setting wage rates, they would provide a strong stimulus to do so.

Section 5 would further require the Secretary of Labor to submit to the President and Congress annual reports describing in detail the activities undertaken by the Department to carry out the provisions of the proposed act. Again, this reporting requirement is designed to give Congress adequate information to exercise its oversight responsibilities.

Mr. President, as I indicated earlier, section 6 contains the provisions of the revised version of S. 519 which the Senator from Washington [Mr. EVANS] and I developed during the 99th Congress. Prior to adjournment, S. 519 had 32 cosponsors.

Following the major recommendations contained in the GAO report, this section would provide for the establishment of an independent commission to select a consultant to carry out a study of the classification, grading, and pay-setting practices within and between the position-classification system and the job-grading system used for Federal jobs. The study would use both job evaluation and economic analysis techniques to determine whether the development or implementation of these processes result in the payment of rates of basic pay for positions in which either sex is numerically predominant or any race or ethnic group is disproportionately represented that are not in proportion to the duties, difficulty, responsibility, or qualification requirements of the work performed as required by the existing applicable provisions of title 5 of the United States Code. The legislation provides for a timetable for the completion of this study and provides that funds shall be allocated from the amounts appropriated to OPM for general operating purposes to pay the costs of carrying out such a study.

Section 7 would provide that each Federal agency required under section 717 of the Civil Rights Act to submit an equal employment opportunity plan must include in such plan, or update of an existing plan, information on its wage-setting practices and wage differentials. Again, we are building on a written plan already required to be prepared under section 717; this legislation would simply add to what that plan is required to include new information with respect to discriminatory wage-setting practices and discriminatory wage differentials. The required information would be required to be submitted within 1 year of the date of enactment.

Finally, Mr. President, section 8 would require the EEOC to provide the President and Congress with a detailed report on its enforcement activities relating to the Equal Pay Act. The statistics relating to the average earnings of women indicate a continuing failure to achieve equal pay for equal work. Congress needs a clear understanding of what the Commission has been able to do since responsibility for Equal Pay Act violations was transferred to it in 1978 and of what was done by the Department of Labor prior to the transfer. Section 8 also would require submission to the Congress of the Department of Labor's comments on the Commission's report.

FEMINIZATION OF POVERTY

Mr. President, pay equity is a matter of fundamental fairness. It is also a matter of economic necessity.

Our Nation has increasingly been experiencing what is graphically described as the feminization of poverty. Two out of three adults in this Nation living in poverty are women. As the National Advisory Council on Economic Opportunity noted in 1981, "Poverty among women is becoming one of the most compelling social facts of this decade."

Lack of comparable pay for work of comparable worth is a primary factor in producing this poverty rate.

For men in our society, poverty often comes as a consequence of joblessness and the way out of poverty is through employment. But many women live in poverty even though they already have jobs and are working full-time; their jobs just do not pay a living wage. The poverty rate for families headed by a full-time working woman is more than double that for households headed by full-time working men.

The National Advisory Council on Economic Opportunity also concluded that if working women earned the same wages that similarly qualified men now earn, the number of families living in poverty would be cut in half.

CONCLUSION

Mr. President, the elimination of discriminatory wage-setting practices that deny female workers a fair return for their labor should be of paramount importance to every American. The issue of wage discrimination is not a woman's issue or a special interest issue. It is a national issue. It goes to the very heart of our national commitment to the eradication of poverty, our commitment to a just society, and our commitment to revitalize our economy. Pay inequities must end. We cannot afford the enormous societal costs—in low morale, lost productivity, increased government support payments, and perpetuation of injustice—of allowing pay inequities to persist.

Mr. President, I ask unanimous consent that the text of S. 5 be inserted in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 5

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Pay Equity Act of 1987".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) the average earnings of full-time female workers are significantly lower than the average earnings of similarly situated male workers;

(2) this average earnings difference arises, in significant part, because wages paid in occupational fields or job classifications held predominantly by female workers are lower than those paid in occupational fields or job classifications held predominantly by male workers, and this differential results, in significant part, from wage-setting practices based on the sex of the employees, rather than any intrinsic differences in the comparable worth of the job as measured by the education, training, skills, experience, effort, responsibility, or working conditions required for the job or other factors exclusive of sex;

(3) because of these discriminatory wage differentials resulting from discriminatory wage-setting practices, many female workers are underpaid and undercompensated for their work efforts and thereby denied equal employment opportunities;

(4) these discriminatory wage-setting practices and discriminatory wage differentials result in depressing the wages, devaluing the work, and lowering the living standards of many female workers and contribute to the increasing number of women and children living at or near the poverty level and a consequent increase in their need for various forms of government assistance;

(5) the contributions of female workers are vital to our economy, and the continued existence and tolerance of these discriminatory wage-setting practices and discriminatory wage differentials prevent full utilization of the talents, skills, experience, and potential contributions of female workers and result in the exploitation of those workers.

(6) workers who are members of particular racial or ethnic groups, older workers, and disabled workers may experience similar discriminatory wage-setting practices and discriminatory wage differentials;

(7) these discriminatory wage-setting practices and discriminatory wage differentials persist despite applicable State and Federal equal employment opportunity laws and directives;

(8) the Federal agencies charged with the responsibility for enforcement of Federal equal employment opportunity laws and directives have failed to take action, pursuant to applicable such laws and directives, to seek to eliminate discriminatory wage-setting practices and discriminatory wage differentials; and

(9) objective job-evaluation techniques now exist which are utilized by many public and private employers to determine the comparative value of different jobs through a system which numerically rates the basic features and requirements of a particular job, and additional efforts should be made to develop, improve, and implement these techniques so as to help eliminate discriminatory wage-setting practices and discriminatory wage differentials.

(b) Recognizing that the elimination of discriminatory wage-setting practices and discriminatory wage differentials is in the public interest, the purpose of this Act is to help eliminate such practices and differentials by—

(1) providing for the development and utilization of equitable job-evaluation techniques that will promote the establishment

of wage rates based upon the work performed rather than the sex, race, ethnicity, age, or disability of the employee;

(2) providing to those Federal agencies charged with the responsibility for enforcement of Federal equal employment opportunity laws and directives specific guidance and direction to help eliminate discriminatory wage-setting practices and discriminatory wage differentials;

(3) encouraging and stimulating public and private employers to eliminate discriminatory wage-setting practices and discriminatory wage differentials through the development and utilization of equitable job-evaluation techniques in setting wage rates; and

(4) bringing the Federal Government's wage-setting practices into compliance with the purpose of this Act, the provisions of sections 5101 and 5341 of title 5, United States Code, which provide that rates of basic pay for federal positions are in proportion to the duties, difficulty, responsibility, or qualification requirements of the work performed, and section 2301(b)(3) of such title, which provides that equal pay should be provided for work of equal value in Federal employment.

DEFINITIONS

SEC. 3. As used in this Act except in section 6, the term—

(1) "Commission" means the Equal Employment Opportunity Commission established by section 705 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-4);

(2) "Secretary" means the Secretary of Labor;

(3) "Federal agency" means any agency of the Federal Government or the District of Columbia, including any executive agency as defined in section 105 of title 5, United States Code, the United States Postal Service and the Postal Rate Commission, and the Library of Congress, the General Accounting Office, and the Office of Technology Assessment;

"discriminatory wage-setting practices" means—

(A) the setting of wage rates paid for jobs held predominantly by female workers lower than those paid for jobs held predominantly by male workers or

(B) the setting of wage rates paid for jobs held by workers of a particular racial or ethnic group, older workers, or disabled workers lower than those paid for jobs held predominantly by other workers

based upon sex, race, ethnicity, age, or disability of the workers rather than any other factor although the work performed requires comparable education, training, skills, experience, effort, and responsibility, and is performed under comparable working conditions;

(5) "discriminatory wage differentials" means different rates of compensation resulting from utilization of discriminatory wage-setting practices;

(6) "job-evaluation technique" means an objective, quantitative method of rating positions within occupations based upon factors such as the skill, effort, responsibilities, qualification requirements, and working conditions involved so that comparisons may be made with respect to the positions and occupations involved; and

(7) "equitable job-evaluation technique" means a job-evaluation technique which, to the maximum extent feasible, does not include components for determining the comparative value of a job that reflect the sex, race, ethnicity, age, or disability of the employee.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION ACTIVITIES

SEC. 4. (a)(1) Not later than nine months after the date of the enactment of this Act, the Commission, in consultation with the secretary (acting through the Office of Federal Contract Compliance Programs in the Department of Labor), shall publish in the Federal Register, for public review and comment, proposed guidelines for the purpose of identifying and eliminating discriminatory wage-setting practices and discriminatory wage differentials. Such guidelines shall include recommendations for utilization of equitable job-evaluation techniques in setting rates for employees.

(2) Not later than one year after such enactment date, the Commission, in consultation with the Secretary (acting through the Office of Federal Contract Compliance Programs), shall publish final guidelines for the purpose described in paragraph (1).

(b) In order to effectuate the purpose of this Act, the Commission shall develop and carry out a continuing program of education and information, under which, among other things, the Commission shall—

(1) undertake and promote research into the development of equitable job-evaluation techniques;

(2) develop a program for maximum dissemination and utilization of such equitable job-evaluation techniques; and

(3) develop and implement a program for providing appropriate technical assistance to any public or private entity requesting such assistance to eliminate discriminatory wage-setting practices and discriminatory wage differentials.

(c) On February 1, 1989, and annually thereafter, the Commission shall submit to the President and the Congress a report describing in detail the activities of the Commission during the preceding fiscal year to carry out the provisions of subsection (b). Such report shall include an evaluation of the effectiveness of such activities, a description of the Commission's plans for carrying out the provisions of subsection (b) and effectuating the purpose of this Act during the fiscal year in which the report is submitted, and any recommendations for statutory changes or administrative action, or both (other than any measure which would result in a reduction in the rate of pay payable for any position), that the Commission considers necessary to effectuate such purpose.

FEDERAL CONTRACTS

SEC. 5. (a)(1) Not later than thirty days after the date of the publication final guidelines under section 4(a)(2), the Secretary (acting through the Office of Federal Contract Compliance Programs) shall publish in the Federal Register proposed guidelines for the purpose of requiring all contractors of the United States to identify and eliminate discriminatory wage-setting practices and discriminatory wage differentials. Such guideline shall—

(A) include provisions to encouarge all such contractors to develop and utilize equitable job-evaluation techniques in setting wages rates for employees;

(B) provide that each such contractor that is required by Federal law or directive to submit a written affirmative action plan shall (i) with respect to each such plan or update of each such plan submitted after the date of the publication of the final guidelines published pursuant to paragraph (2), include in such plan or update a review and identification of any discriminatory wage-setting practices and discriminatory wage differentials within such contractor's labor force and a plan of action to eliminate any such practices and differentials, or (ii) if such contractor does not submit such plan or update within one year after such publication date, submit, within such one-year period, an amendment to its existing plan which shall include the information described in subclause (i); and

(C) provide for compliance reviews of any such contractor that has failed to utilize equitable job-evaluation techniques in setting wage rates for employees.

(2) Not later than sixty days after the date of the publication of the proposed guidelines under paragraph (1), the Secretary shall publish final guidelines for the purpose described in paragraph (1).

(b) On February 1, 1989, and annually thereafter, the Secretary shall submit to the President and the Congress a report describing in detail the activities by the Office of Federal Contract Compliance Programs pursuant to subsection (a) undertaken during the preceding fiscal year and planned to be undertaken during the fiscal year in which the report is submitted. Such report shall include any recommendations for statutory changes or administrative action, or both (other than any measure which would result in a reduction in the rate of pay payable for any position), that the Secretary considers necessary to effectuate the purpose of this Act.

FEDERAL EMPLOYEE COMPENSATION STUDY

SEC. 6. (a) This section may be cited as the "Federal Employee Compensation Study Act of 1987".

(b) For the purpose of this section—

(1) the term "position" means employee positions that are subject to classification under chapter 51 of title 5, United States Code, or the job-grading system under subchapter IV of chapter 53 of such title;

(2) the term "Commission" means the Commission on Compensation established under subsection (c);

(3) the term "Director" means the Director of the Office of Personnel Management;

(4) the term "employee" means an individual to whom chapter 51 or subchapter IV of chapter 53 of such title applies;

(5) the term "labor organization" shall have the meaning given such term by section 7103(a)(4) of such title;

(6) the term "executive agency" shall have the meaning given such term by section 105 of such title;

(7) the term "job-evaluation analysis" means an objective quantitative method of rating positions within occupations based upon factors such as the skill, effort, responsibilities, qualification requirements, and working conditions involved so that comparisons may be made with respect to the positions and occupations involved; and

(8) the term "economic analysis" means a method analyzing differentials in pay between and among positions within occupations in order to determine if, and the extent to which, those differentials are attributable to factors such as seniority, merit, productivity, education or work experience, geographic factors, supply and demand factors, or any other factors exclusive of sex, race, or ethnicity.

(c) There is established a commission to be known as the Commission on Compensation Equity.

(d) In order to determine whether distinctions between rates of basic pay for Federal jobs in executive agencies of the United States Government reflect substantial differences in the duties, difficulty, responsibility, and qualification requirements of the work performed, in accordance with sections 5101 and 5341 of title 5, United States Code, and are not based on considerations of sex, race, or national origin, the Commission shall provide, by contract with the consultant selected pursuant to subsection (h), for—

(1) the conduct of a study of classification, grading, and pay-setting processes within and between the position classification system under chapter 51 of such title and the job-grading system under subchapter IV of chapter 53 of such title, using standard job-evaluation and economic analysis techniques, to determine whether the development or implementation of these processes result in the payment of rates of basic pay for positions in which either sex is numerically predominant or any race or ethnic group is disproportionately represented that are not in proportion to the duties, difficulty, responsibility, or qualification requirements of the work performed, and

(2) the preparation and submission of a report containing the findings of such study, including a list of any such positions and the extent of the differences in the rates of pay in such cases.

(e)(1) Not later than eighteen months after the date of the enactment of the Act, the Commission shall transmit to the appropriate Committees of the Congress the report required by subsection (d) and shall provide a copy of this report to the Director.

(2) The report shall include—

(A) the Commission's findings resulting from the study; and

(B) the Commission's recommendations (other than any recommendation which would result in a reduction in the rate of pay payable for any position) for any administrative or legislative actions, or both, that it considers appropriate (including any recommendations for modification of the provisions of subsection (g).

(3) Not later than ninety days after the Commission submits its report to the appropriate committees of the Congress pursuant to subsection (e)(1), the Director shall submit to such committees and the Commission a report commenting on the Commission's report and specifying the Director's plan (and timetable therefor) to carry out each of the Commission's recommendations or, in the event that the Director does not specify a plan to carry out one or more of such recommendations, the Director's reasons for not specifying such plan.

(4) Not later than sixty days after the Director submits the report to the appropriate committees of the Congress pursuant to subsection (e)(3), the Commission shall submit to such Committees any additional comments that the Commission considers appropriate in response to the Director's report.

(5) The study prepared by the consultant selected pursuant to subsection (h) and any findings, conclusions, recommendations, or comments by the consultant or the Commission under this section with respect to such study shall be considered to be of an advisory nature only.

(f)(1)(A) The Commission shall be composed of nine members as follows:

(i) Two appointed by the President of the United States.

(ii) One appointed by the majority leader of the Senate.

(iii) One appointed by the minority leader of the Senate.

(iv) One appointed by the Speaker of the House of Representatives.

(v) One appointed by the minority leader of the House of Representatives.

(vi) Three appointed by the Director to represent Federal employee labor organizations, one designated (and certified to the Director) by each of the three respective labor organizations representing, as exclusive representatives, the largest number of individuals occupying positions that are subject to chapter 51 or subchapter IV of chapter 53, of title 5, United States Code.

(B) Members of the Commission shall not be Members of Congress and shall, to the maximum extent practicable, be chosen from among persons who have extensive knowledge and technical expertise in the major areas of the Commission's consideration and study.

(2) All appointments under subsection (f) shall be made not later than sixty days after the date of the enactment of this Act.

(g)(1)(A) The President shall designate a Chairman of the Commission from among the Commission members. The Commission shall elect a Vice-Chairman from among its members. The Vice-Chairman shall act as Chairman in the event of the absence or incapacity of the Chairman.

(B) The Commission shall adopt such rules and regulations it considers necessary to establish its procedures and to govern the manner of its operations, its organization, and its personnel.

(C) Five members of the Commission shall constitute a quorum.

(D) Any vacancy in the Commission shall not affect its powers except with respect to satisfaction of the quorum requirements in subparagraph (C). Such vacancy shall be filled in the manner in which the original appointment was made.

(2) Each member of the Commission who is not an officer or employee of the United States Government shall be paid compensation at a rate equal to the daily equivalent of the rate of basic pay in effect for level IV of the Executive Schedule for each day the member is engaged in the performance of the duties of the Commission.

(3)(A) The Commission may appoint, terminate, and subject to subparagraph (B), fix the compensation of such personnel as it considers advisable to employ to assist in the performance of its duties, without regard to the civil services laws, the provisions of title 5, United States Code, or any other law relating to the number, classification, or compensation of employees. The Commission may also procure temporary and intermittent services in carrying out its responsibilities. The Chairman shall appoint an executive director of the Commission with the approval of a majority of the Commission members.

(B) An employee of the Commission may not receive compensation at a rate exceeding the rate of pay payable for grade GS-18 under section 5332 of title 5, United States Code.

(C) Service of an individual as a member of the Commission or as an employee of the Commission shall not be considered service in an appointive or elective position in the United States Government for the purposes of section 8344 of title 5, United States Code.

(4) All members and employees of the Commission and all individuals performing temporary or intermittent services for the Commission shall, while performing the duties of the Commission, be paid per diem, travel, and transportation expenses in the same manner as provided for under subchapter I of chapter 57 of title 5, United States Code.

(5)(A) The Commission or any member authorized by the Commission may, for the purposes of carrying out this section, hold such hearings and sit and act at such times and places, take such testimony, have such printing and binding done, enter into such contracts and other arrangements, with or without consideration or bond, and take any other actions that the Commission considers advisable, to the extent that amounts provided pursuant to subsection (j) are available. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(B) The Commission is authorized to obtain directly from any officer, department, agency, establishment, or instrumentality of the United States Government any information, suggestions, estimates, and statistics that the Commission considers necessary to carry out this section. Each such officer, department, agency, establishment, or instrumentality shall furnish, to the extent permitted by law, such information, suggestions, estimates, and statistics directly to the Commission, upon request made on behalf of the Commission.

(C) The Commission may use the United States mails and receive administrative support from the Administrator of General Services in the same manner and under the same conditions as departments and agencies of the United States Government.

(D) No officer or agency of the United States Government shall require the Commission to submit any report, recommendation, or other matter to any such officer or agency for approval, comment, or review before submitting such report, recommendation, or other matter to the Congress or Committees of the Congress or to the President.

(E) The Commission shall meet from time to time, as its members consider appropriate.

(g) The Commission shall cease to exist ninety days after the date on which it submits its comments pursuant to subsection (e)(4).

(h)(1) The Commission shall solicit from the Comptroller General of the United States, the Congressional Office of Technological Assessment, and the National Academy of Sciences, and the Comptroller General and the Office shall provide to the Commission not later than 60 days after the date of such solicitation, a list of consultants which on the basis of their objectivity, extensive knowledge, and technical expertise in the matters to be studied pursuant to this section are appropriate to conduct the study required by subsection (d).

(2) From among the consultants on the lists provided pursuant to paragraph (1), the Commission shall select one consultant to conduct such study.

(i) Nothing in this section shall be construed to limit any of the rights or remedies provided under the Civil Rights Act of 1964, section 6(d) of the Fair Labor Standards Act of 1938, or any other provision of law relating to discrimination on the basis of race, color, religion, sex, national origin, handicap or age.

(j) Of the sums appropriated to the Office of Personnel Management for general operating expenses for fiscal year 1988 and 1989, such amount as is estimated by the Comptroller General of the United States as necessary to carry out this section shall be made available to pay the expenses of the Commission and shall remain available for such purpose until September 30, 1990.

FEDERAL DEPARTMENT AND AGENCY EQUAL EMPLOYMENT OPPORTUNITY PLANS

SEC. 7. Each Federal agency responsible for submitting an equal employment opportunity plan pursuant to section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-16) shall include, in each such plan or update of such plan submitted to the Commission after the date of the enactment of this section, a review and identification of any discriminatory wage-setting practices and discriminatory wage differentials with respect to its labor force and a plan of action to eliminate any such practices and differentials. Any such agency which does not submit such plan or update within one year after such enactment date shall, not later than one year after such enactment date, submit an amendment to its existing plan which shall include the information described in the preceding sentence.

EQUAL PAY ACT REPORT

SEC. 8. (a) Not later than January 1, 1988, the Commission shall submit to the President and the Congress a report describing in detail the activities of the Commission with respect to enforcement of the provisions of the Equal Pay Act of 1963 (29 U.S.C. 206(d)) since the date of transfer of authority for Equal Pay Act enforcement activities to the Commission pursuant to Reorganization Plan Numbered 1 of 1978. Such report shall include with respect to such activities—

(1) information on the number of complaints received and processed by the Commission, their disposition, and the allocation of Commission resources to Equal Pay Act enforcement activities.

(2) a comparison of the disposition of, and allocation of resources to, these cases by the Commission to the disposition of, and allocation of resources to, similar cases by the Department of Labor prior to the transfer of such responsibilities to the Commission; and

(3) any recommendations for statutory changes or administrative action, or both, that the Commission considers necessary to carry out the provisions of such Act and effectuate the purpose of this Act.

(b) Not later than ninety days after the date of the submission of the report required by subsection (a), the Secretary shall submit to the President and the Congress a report commenting on the Commission's report and containing any recommendations for statutory changes or administrative action, or both, that the Secretary considers necessary to carry out the provisions of such Act and effectuate the purpose of this Act.

By Mr. CRANSTON (for himself, Mr. MATSUNAGA, Mr. DECONCINI, Mr. MITCHELL, Mr. ROCKEFELLER, Mr. GRAHAM, and Mr. LAUTENBERG):

S. 6. A bill to amend title 38, United States Code, to improve various aspects of Veterans' Administration health-care programs, to provide certain new categories of persons with eligibility for readjustment counseling from the Veterans' Administration and to postpone the transition period for the Vet Center Program, to authorize the establishment of a pilot program for the furnishing of noninstitutional care to certain veterans, and to increase the per diem rates paid to States for providing care to veterans in State homes; and to prohibit the excessing of certain Veterans' Administration properties; and to promote greater emphasis by affiliated health-professional training institutions on geriatric training and research, and for other purposes; to the Committee on Veterans' Affairs.

VETERANS' HEALTH-CARE IMPROVEMENT ACT OF 1987

Mr. CRANSTON. Mr. President, as the chairman of the Committee on Veterans' Affairs, I am today introducing S. 6 the proposed "Veterans' Health-Care Improvement Act of 1987." I am joined in introducing this measure by my good friends and colleagues on the Veterans' Affairs Committee, Senators MATSUNAGA, DECONCINI, MITCHELL, and ROCKEFELLER, as well as by Senator LAUTENBERG. This bill has as its basic purpose the continued maintenance and improvement of the VA's ability to meet the health-care needs of our Nation's veterans and their dependents. In view of my very strong concern that we must find ways to reduce the Federal deficit, this legislation seeks to find ways to improve VA programs without incurring any significant new costs.

SUMMARY OF PROVISIONS

Mr. President, the 10 substantive provisions in this measure would:

First, provide a basis for a 1-year extension—from October 1, 1987, until October 1, 1988—of the date by which the VA's Readjustment Counseling Program for Vietnam-era veterans is to begin a 2-year transition from being a program providing counseling services primarily through Vet Centers, which are located apart from the VA's general medical facilities, to being a program providing such services primarily through the VA's general medical facilities (section 4(b)).

Second, require the Administrator to conduct a 4-year pilot program through not less than 5 nor more than 10 demonstration projects where veterans eligible for and otherwise in need of VA institutional care would instead receive care, including health-related services from non-VA entities, in noninstitutional settings (section 5).

Third, increase the rates of per diem payments to State veterans' homes for eligible veterans (section 7).

Fourth, provide eligibility for VA readjustment counseling to (1) Armed Forces activity duty personnel who served during the Vietnam era, and (2) persons who served in the Armed Forces after the Vietnam era in combat situations (section 4(a)).

Fifth, provide for a revision of the statutory framework of the Office of the VA's Chief Medical Director so as to establish a second Associate Deputy Chief Medical Director position and to authorize the appointment of certain health-care professionals other than physicians to various positions in that office (section 8).

Sixth, provide authority for the VA to furnish services to a service-connected veteran or the spouse of a service-connected veteran to achieve pregnancy, for example through artificial insemination or in vitro fertilization, in cases in which a veteran's service-connected disability impairs procreative ability (section 2).

Seventh, revise eligibility for VA domiciliary care so as to reflect more accurately the VA's current philosophy and practice in furnishing that type of care (section 3).

Eighth, eliminate the Administrator's authority to restrict eligibility for VA health-care benefits (section 6).

Ninth, prohibit the VA from excessing certain lands located in southern California (section 9).

Tenth, set forth findings of Congress regarding the need to prepare for the impact of the aging of the U.S. population and of the importance of the Veterans' Administration playing a leadership role in that regard, particularly with reference to increasing the efforts by medical and other health-professional schools affiliated with the VA in training professionals to care for older patients and in research into the aging process and diseases associated with aging, and require a one-time report from the Administrator, due not later than March 1, 1988, on the VA's activities, and the success of those activities, to promote such increased efforts by affiliated schools (section 10).

VIETNAM VETERANS READJUSTMENT COUNSELING ISSUES

Mr. President, section 4 of the measure I am introducing contains two provisions relating to the VA's Readjustment Counseling Program for Vietnam veterans—one of which expands the categories of individuals who are eligible to request counseling through that program and the other of which provides a basis for delaying by 1 year, from October 1, 1987, to October 1, 1988, the date on which a 2-year transition in that program, which is described in more detail below, is to begin.

As the author of the legislation that initially established the VA's Readjustment Counseling Program—section 103 of Public Law 96-22, enacted in 1979—and various extensions of that program, I have been deeply interested in this program since its inception and have been very gratified over the years that the program has achieved such great success, helping so many veterans—over 500,000 thus far. At present, there are 189 Vet Centers—primarily storefront facilities located apart from other VA health-care facilities—across the Nation providing counseling and other assistance to eligible Vietnam-era veterans and their families. The two provisions in section 4, if enacted, will improve and strengthen this ongoing program.

EXTENSION OF READJUSTMENT COUNSELING ELIGIBILITY

Mr. President, under current law, section 612A of title 38, United States Code, eligibility for readjustment counseling services is limited to veterans of the Vietnam era. Provisions in section 4(a) of this measure would make two additional categories of individuals eligible for such services.

First, individuals who served during the Vietnam era but who are still on active duty—and thus are not "veterans" under the applicable title 38, United States Code, definition—would be made eligible for readjustment counseling. Although I am not aware of any data suggesting a widespread unmet need for counseling among active-duty personnel who served in Vietnam, I continue to hear from individuals working in the VA's Vet Center Program and also from such active-duty personnel directly about requests from active-duty personnel for such counseling. Indeed, I have been aware of informal efforts at some Vet Centers to provide services to active-duty personnel despite a lack of express authority to do so. I do not believe that any individual who served in the Armed Forces during the Vietnam era and feels a need for readjustment counseling should be barred from eligibility simply because he or she is still on active duty. Section 4(a) of the bill would remove that bar.

The second change in eligibility for readjustment counseling that would be made by this section of the bill would be to add certain service after May 7, 1975, the end of the Vietnam era, to the period of service that makes an individual eligible for readjustment counseling. Under this change, the Administrator, after consultation with the Secretary of Defense, would be authorized to specify that services during periods of time in specific locations where U.S. Armed Forces were under hostile fire would be qualifying service for readjustment counseling purposes. This provision recognizes that members of our Armed Forces are at times exposed to situations short of declared—such as existed in Beirut or Grenada, or in connection with our actions against Libya or that possibly exist today in Central America—that might produce the need for readjustment counseling to help deal with the psychological aftermath of their experiences. I want to stress my view that this authority, if enacted, should be used only in very limited circumstances in which our service personnel actually experienced combat situations.

I also note that it is my intention that the Vet Center Program would meet out of existing resources whatever increased demand for services resulted from enactment of either or both of these changes. I am not proposing nor would I expect that there would be any expansion in the size of the Vet Center Program as a result of the enactment of these provisions. Finally, with reference to the eligibility criteria, I note that other provisions in the section—discussed below—will require the VA Administrator to comment on the desirability of extending eligibility to veterans from earlier war periods.

DELAY IN TRANSITION PERIOD

There are a number of milestones in current law, as amended in 1983 by Public Law 98-160 and again last year in Public Law 99-576, which are related to a process whereby the existing readjustment counseling program is scheduled to undergo a 2-year transition beginning October 1, 1987, from a program providing services primarily through the Vet Centers to a program providing such services primarily through general VA health-care facilities, such as medical centers and outpatient clinics. The "primarily" criterion is generally construed—including by the VA's general counsel in a White Paper prepared last year—to require that by the end of the transition period a majority of readjustment counseling programs must be operated at traditional VA facilities.

The first of these milestones was October 1 of last year, the date by which the Administrator of Veterans' Affairs was mandated to submit a report to the two Veterans' Affairs Committees on the results of a comprehensive study of the prevalence and incidence among Vietnam veterans of posttraumatic stress disorder—PTSD—and other postwar psychological problems in readjusting after their service. Following that report, and taking the results of the study into consideration, the Administrator is required under current law to submit two additional reports before the transition period begins. The first of these is due on April 1, 1987, and is required to set forth the Administrator's evaluation of the VA's effectiveness in meeting the readjustment needs of Vietnam-era veterans and his opinion on whether the VA should go forward with the transition effort as in current law or whether there should be some modification of that requirement. The second report, due on July 1, 1987, must set forth the Administrator's plan for accomplishing the transition during fiscal year 1988 and 1989. Also, as a result of a provision which I authored last year and which was enacted in Public Law 99-576, there is a requirement for a third, midtransition report, due under current law by February 1, 1989, on the experience of the VA during the first year of the transition.

This approach of a comprehensive study together with sequenced reports was designed to enable the Congress to make informed decisions about the future of the Readjustment Counseling Program, including the nature and timing of its integration into other VA health-care facilities. However, in a May 12, 1986, letter transmitting proposed legislation to the Congress, and Veterans' Administration noted that the private contractors who are carrying out the study on PTSD and other postwar psychological problems, which was due last October 1, "have experienced delays in the study's design and initiation." In view of those delays, the VA proposed moving the due date for the report on the study back one year, to October 1, 1987.

Since the time of that initial notification of problems with the study's progress, it has become apparent that the study timetable has become seriously disrupted.

In May of last year, committee staff met with representatives of the VA and the study contractor, Research Triangle Institute, Inc., of North Carolina, to review various problems and allegations that had arisen about the scope and conduct of the study. Thereafter, on June 6, the chairmen and ranking minority members of both the House and Senate Committees on Veterans' Affairs wrote to the Office of Technology Assessment asking OTA to convene a panel to review the situation and make recommendations. OTA did that and on September 5 issued a report to the committee recommending some major alterations in the study personnel and VA supervisory relationship to the study.

On November 24, 1986, the VA responded to the OTA recommendations and, late last month, committee staff met with the VA, OTA, and representatives of the contractor. From the VA's reply and the followup meeting, it now appears that the VA is making a bona fide effort to put the study back on track and to complete it swiftly. According to the contractor, the interim study report will be submitted a year late, on October 1 of this year; the final report by December 31, 1988.

Because I continue to consider this PTSD/Vietnam veterans readjustment policies and needs assessment study vitally important and relevant to the potential needs of Vietnam-era veterans for readjustment counseling and related services, I believe that, as originally conceived, it definitely should be considered in the planning for and conduct of the transition period for the Vet Center Program.

The measure we are introducing today, in section 4(b), would provide that if, as it appears nearly inevitable at this point, the Administrator does not have the benefit inevitable at this point, the Administrator does not have the benefit of the results of this study in time to take them into account in preparing the April 1, 1987, transition-planning report, the start of the transition period will be delayed 1 year, until October 1, 1988. In addition, in the event of that contingency, our bill would extend for a similar period the due date of the three report requirements that I just described. It would also amend the requirements relating to two of the reports—first, to require the Administrator, as part of the report on plans for the transition of the Readjustment Counseling Program, to comment on the desirability of expanding eligibility for readjustment counseling to veterans of other wars, and second, to require that the report on the first year of the transition contain the Administrator's views on whether the transition requirement should be modified.

Mr. President, I note that I am joining with the Senator from Arizona [Mr. DECONCINI], also a cosponsor of this measure, in also introducing today a separate bill to delay the transition period and the three reporting provisions by 1 year. I very much hope that our committee will be able to move forward very rapidly with legislation to provide for a year's delay in the beginning of the transition period.

TECHNICAL CHANGE

Finally, Mr. President, I note that the bill contains, in section 4(b), a technical change in the terminology used to describe the transition period. Currently, the section 612(g)(1)(A) refers to providing readjustment counseling services "primarily through centers located in facilities situated apart from the health-care facilities operated by the Veterans' Administration for the provision of other health-care services under other provisions of this chapter." Our bill would refer to a program providing readjustment counseling through "Vet Centers" and define that term as "Facilities which are operated by the Veterans' Administration for the provision of services under this section and which are situated apart from Veterans' Administration general health-care facilities." No substitute change in the law would be made by this provision.

PILOT PROGRAM OF NONINSTITUTIONAL ALTERNATIVES TO INSTITUTIONAL CARE

Mr. President, section 5 of the bill would require the VA to conduct, from January 1, 1988, through December 31, 1991, a 4-year pilot program at not less than 5 nor more than 10 demonstration project sites to evaluate noninstitutional alternatives to institutional care. Through this pilot program, the VA would provide certain veterans with medical, rehabilitative, and other health services and, by contract with non-VA entities, with health-related services.

These health and health-related services would be provided in noninstitutional settings—such as the veteran's home or a board-and-care home—with the goal of avoiding institutional care, such as in a hospital, nursing home, or domiciliary facility, for the participants in the program.

Participation would be limited to veterans eligible for and otherwise in need of VA hospital, nursing home, or domiciliary care. Priority for care and services through the pilot program would be accorded to veterans in four categories: Those with service-connected disabilities; those who are 65 or older; those who are totally and permanently disabled; and those who are suffering from Alzheimer's disease or another form of dementia.

Mr. President, section 5 is, except for date changes and minor drafting changes, identical to section 204 of S. 2422 as reported by our committee last September. That provision—which was derived from section 8 of S. 2388, legislation I introduced on April 30, 1986, and from section 3 of S. 2445, as introduced by then-Chairman MURKOWSKI on May 8—was considered and passed by the Senate as part of an amendment to H.R. 5299 on September 30, 1986. Unfortunately, we were unable to gain House agreement on this pilot program and the provision was not included in the measure that was ultimately enacted as Public Law 99-576.

I am reintroducing this provision at this time because I remain convinced that, in light of current developments in health services which enable more individuals to receive needed care without being institutionalized and of the rapid increase in the number of veterans age 65 and older who may be seeking care from the VA in the years ahead, the VA must take steps to develop new approaches to addressing the health-care needs of veteran patients. By 1990 there will be 7.2 million veterans in this age group, and there will be 9 million veterans age 65 or older by the year 2000.

The kinds of new VA approaches this legislation envisions must include an emphasis on increased interaction with community entities that provide health and health-related services if the VA is to get the maximum health-care benefit out of every dollar spent. There also must be a greater emphasis on reducing the need for institutional care for veterans. In my view, this proposed pilot program is an appropriate response to these concerns.

With specific reference to the goal of avoiding institutional care and of providing services in an individual's home, I note that the VA, in its 1984 report, "Caring for the Older Veterans," set forth a number of objectives that were central to the agency's strategies for meeting the needs of the older veteran and that the first of these was:

> To sustain older individuals' independence, comfort, and contentment in their own home environment for as long as possible, providing supportive services to do so.

Clearly, this proposed pilot program would help reach that goal.

On the issue of increased VA-community interaction and cooperation, which the pilot program is also designed to address, I am convinced that the VA must make greater use of community resources which help to maintain individuals in their homes—such as homemaker, personal care, communal or at-home nutrition, and transportation assistance services—in order for the agency to respond in a reasonably adequate way to the growing demand for care that it faces as the veteran population ages so rapidly between now and the end of the century.

We must, of course, always be greatly concerned about the cost of any new programs. However, the bill limits the total expenditures over the life of this pilot program to 60 percent of the cost that would otherwise have been incurred by the VA if the veterans participating in the program had been furnished nursing home care instead of the noninstitutional services provided under the program. It is my intention—as it was the committee's intention last year—that this pilot program would be carried out through the use of funds that would otherwise be used for the provision of more costly intermediate care and that the balance of the funds would be applied to care for more veterans than would have been served in the absence of this new, innovative program.

SERVICES TO OVERCOME SERVICE-CONNECTED DISABILITY AFFECTING PROCREATION

Mr. President, section 2 of the bill would authorize the VA to furnish services to help a male or a female veteran or a male veteran's spouse achieve pregnancy in cases in which the veteran's service-connected disability impairs procreative ability.

As a result of my work on behalf of a woman veteran who had a service-connected disability which prevented her from becoming pregnant, I became aware of the fact that the VA does not believe that it has legal authority under current law to provide services to help overcome such a disability. In that case, the veteran was seeking an in vitro fertilization procedure. I have also been working for over a year with representatives of the Paralyzed Veterans of America, which has expressed a strong interest on behalf of its members in such services for males suffering from spinal cord injuries.

Although I do not believe that the VA's restrictive legal interpretation of its existing authority is correct—and did my utmost to bring about a change in that interpretation—I was not successful. Hence, we are proposing in this bill to provide express authority in order to remove any doubts that may exist on this issue.

I note that this provision is derived from section 8 of S. 2388, legislation which I authored last year and our committee favorably reported and the Senate passed in section 205 of S. 2422. Unfortunately, the House did not agree to this provision and it was not included in the measure that was ultimately enacted as Public Law 99-576.

Mr. President, because this new authority would be limited to cases in which a veteran's service-connected condition is impairing procreative ability, it would be targeted on those veterans as to whom the VA has always had the greatest responsibility—those disabled during their service. Because of this targeted focus, I anticipate that there would be a relatively limited number of veterans who would be eligible to be furnished these new services and an even smaller number who would wish to receive them. Thus, I do not foresee significant new costs associated with this proposed change in the law.

However, to the extent there are new costs associated with this new authority, it is my intention that they would be absorbed through a shift of funds from lower priority expenditures under the VA's medical care account, for which $9.4 billion has been appropriated for fiscal year 1987, and that, as a result, no new appropriations would be provided in connection with the new authority. The end result of such a shift in resources would be an increase in services available to service-connected disabled veterans to help overcome these disabilities.

INCREASE IN PER DIEM PAYMENTS TO STATE VETERANS' HOMES

Mr. President, under title 38, the VA participates in two separate programs of assistance to State veterans' homes—one, a program of per diem payments to the homes for care provided to eligible veterans; the other, a program of matching grants to the States for the construction, remodeling, or renovation of State home facilities.

The State Home Program is a vital adjunct to the VA's overall efforts, both now and in the years ahead, to meet the health-care needs of older veterans, and I strongly support the overall program.

Last year, in section 224 of Public Law 99-576, the authorization of appropriations—at the level of "such sums as may be necessary"—to be made to the VA for the purpose of making matching grants to the States was extended for 3 years, through fiscal year 1989. Section 7 of the bill we are introducing today would address the other element of the State Home program by increasing the authorized per diem rates from $7.30 to $8.70 for domiciliary care and from $17.05 and $15.25 to $20.35 for nursing home and hospital care, respectively. These proposed new per diem rates—which were last increased in April 1985—would enable the Federal Government to continue to shoulder an appropriate share of the total cost of providing care to eligible veterans in State home facilities.

The single most important element of the State Home Program is, in my view, nursing home care. The change we are proposing in the rate for nursing home care would restore the VA's share of the average cost of providing such care in State homes to approximately 25 percent, the level that was achieved following the last two increases in per diem rates in 1979 and 1984. The same percentage increase, 19.4 percent, required to increase the rate of nursing home care from $17.05 to $20.35, would be applied to the rate for domiciliary care, thus increasing that rate from $7.30 to $8.70.

The hospital care rate would be increased from $15.25 to $20.35 in order to eliminate the existing disparity between the rates for hospital and nursing home care. Only six States currently have State home hospital beds. Congress' goal is to encourage the addition of State Veterans' Home extended care beds and not hospital care beds.

Indeed, there is no authorization for the VA to make grants for construction of new State home hospital beds and last year, in section 224 of Public Law 99-576, we enacted a provision making expansion of existing State home hospital bed capacity the lowest priority for the expenditure of funds under that program. Hence, there is no longer any reason to continue to reimburse the States affected at unrealistic rates for their State Veterans' Home hospital beds in order to discourage the proliferation of these beds.

Finally, Mr. President, I note with favor that the administration's budget for fiscal year 1988 would request $42 million for State home construction, the same amount requested and appropriated for fiscal year 1987, a substitutional increase over the fiscal year 1986 level of $21 million.

ORGANIZATION OF THE DEPARTMENT OF MEDICINE AND SURGERY

Section 8 of this measure would amend section 4103 of title 38, relating to the organization of the Office of the Chief Medical Director [CMD], so as to establish one new position in that office, provide new flexibility in the appointment of individuals to other positions in the CMD's office, and to make various technical changes in the section.

This section is identical to section 215 of S. 2422 as reported by our committee last year, which, in turn, was derived in part from S. 2172, legislation introduced at the request of the administration. The provision derived from S. 2172 would establish a second Associate Deputy Chief Medical Director [ADCMD] as an assistant to the Chief Medical Director [CMD] and the Deputy CMD. The establishment of this position would enable the VA to carry out fully a reorganization of the CMD's office which was first proposed last year. As part of that reorganization, the former, single ADCMD position would be divided into two positions—an ADCMD for Operations, responsible for overseeing current operations of DM&S—currently this responsibility is carried out by a Director of Operations—and an ADCMD for program development and planning, responsible for overseeing planning and program management matters.

A second principal category of changes which would be made by this provision would authorize the Administrator to appoint, in addition to physicians, certain nonphysician health-care professionals—dentists, registered nurses, optometrists, pharmacists, podiatrists, and psychologists—to various positions in the CMD's office. Thus, these nonphysician professionals would be made eligible to serve in either of the ADCMD positions. In addition, these professionals—including dentists, who are already eligible—could be appointed to the positions of Assistant CMD [ACMD] and Medical Director. Also, in the case of one ADCMD position and not more than two ACMD positions, appointments would also be authorized to such positions of individuals who have served as Directors of VA health-care facilities. These changes in the description of the qualifications of appointees to the office of the CMD would not mandate any change from current appointment practices. Rather, the intent would be to provide greater flexibility in identifying candidates for the positions in question.

A related change would amend section 4103 so as to specify that all individuals appointed to positions in the Office of the CMD must be qualified in the administration of health services. Under current law, such a requirement is specified as a prerequisite only with reference to nonphysicians appointed to not more than two of the ACMD positions.

ELIGIBILITY FOR DOMICILIARY CARE

Mr. President, section 3 of this measure would authorize the VA to provide domiciliary care to veterans who are in need of such care for the purpose of receiving treatment or rehabilitation and who either have a service-connected disability or are incapacitated from earning a living and have no adequate means of support.

The issue of how eligibility for domiciliary care should be stated in the law arose 2 years ago in the context of the 1985 reconciliation legislation, the Consolidated Omnibus Budget Reconciliation Act of 1985, Public Law 99-272, which revised eligibility criteria for VA hospital, nursing home, and outpatient care. Under current law, section 610(b) of title 38, veterans are eligible for domiciliary care under two general categories: In the first category are service-connected disabled veterans who are suffering from a permanent disability or tuberculosis or a neuropsychiatric ailment and are incapacitated from earning a living and have no adequate means of support; in the second, more general category are veterans who are in need of domiciliary care and who are unable to defray the cost of such care. This statutory scheme is both terribly confusing as well as not consistent with current VA philosophy and practice.

As noted in the explanatory statement that accompanied the conference report on the reconciliation legislation—House Report No. 99-453, page 695—despite agreement among the conferees that the existing eligibility criteria for domiciliary care should be revised, it was not possible to reach a final agreement with reference to domiciliary care at that time and the final legislation left the eligibility unchanged. In reaching that result, however, the conferees noted that they were "not expressing satisfaction with the status quo" and also noted that both Committees on Veterans' Affairs planned to hold hearings in 1986 "to consider appropriate revisions to the eligibility for domiciliary care".

Last year, I introduced a provision relating to this issue in S. 2388 and our committee included that provision in S. 2422 as reported. Unfortunately, we were again unable to reach final agreement with our colleagues in the House on this issue and the Senate-passed provision was not included in the legislation enacted as Public Law 99-576. I remain convinced that there is a need for a new statutory eligibility standard for domiciliary care along the lines of the provision.

RULES AND REGULATIONS RELATING TO HOSPITAL, NURSING HOME, DOMICILIARY, AND MEDICAL CARE

Section 6 of the bill would amend section 621 of title 38, which relates to the Administrator Veterans' Affairs' authority to issue rules and regulations relating to the provision of medical care by the VA, so as to eliminate the Administrator's authority to prescribe limitations on the furnishing of such care. This authority in current law dates from the Economy Act of 1933, which was the single most negative legislative action in the area of veterans' affairs in U.S. history.

As far as I am aware, the VA, during the 18 years I have been in the Senate, has not relied on this authority in acting to limit any health-care benefits. However, in 1984, during congressional action on the reconciliation legislation, the VA's Office of General Counsel submitted to the staffs of the two Veterans' Affairs Committees an informal "white paper" which included a discussion of the availability of this provision in the event that the Administrator desired to provide access to health-care benefits on a different, more restrictive basis than prescribed in chapter 17 of title 38.

Without reference to whether an Administrator would ever choose to take such an action and without suggesting whether or not such an action would be lawful, I can see no basis for vesting in an executive branch official the appearance of having such a power to reverse the will of the Congress, particularly in light of the changes in VA health-care eligibility made by the Consolidated Omnibus Budget Reconciliation Act of 1985, Public Law 99-272, in which Congress mandated the provision of VA care to certain groups of veterans. Therefore, our bill proposes that this authority be replealed.

EXCESSING OF VA PROPERTIES IN SOUTHERN CALIFORNIA

Mr. President, section 10 of the bill would prohibit the Administrator from taking any action to declare as excess to the needs of the VA, to transfer to another Federal agency, or otherwise to relinquish any VA interest in, any portion of certain lands at two VA medical centers in southern California—46 acres at Sepulveda and 109 acres at West Los Angeles. This provision is subsistently identical to a measure I introduced in the 99th Congress (S. 2141), together with Senators MATSUNAGA, DECONCINI, MITCHELL, and ROCKEFELLER, to address the Administration's very ill-advised proposal to excess those parcels of land. Although I worked very hard on this issue in the last Congress, I was successful in achieving only a temporary solution to the problem. The provisions of this measure will, when enacted, constitute a permanent solution.

As my Senate colleagues may recall, on February 5, 1986, despite internal VA objections, the then Acting VA Administator was forced by OMB to propose to declare various parcels of land at these two southern California VA medical centers to be "no longer needed by the Veterans' Administration in carrying out its functions". If declared excess by the VA, this property would then be disposed of by the General Services Administration under Governmentwide disposal guidelines. After reconsidering the February 5 notice, the hereby appointed Administrator of Veterans' Affairs, Thomas K. Turnage, submitted a June 6, 1986, modification of the February 5 proposal. In each case, he reduced the amount of acreage to be excessed—in West Los Angeles from 109 to 80 acres and in Sepulveda from 46 to 32 acres.

On June 26, 1986, when the committee marked up the 1986 compensation and health-care legislation (S. 2422), I proposed an amendment, derived from S. 2141, which would have prohibited the Administrator from taking any action to declare as excess to the needs of the VA, to transfer to another Federal agency, or otherwise to relinquish any VA interest in, any portion of those parcels of land. My amendment failed in committee on a 5-to-5 vote.

Mr. President, although the Senate committee failed to approve my amendment regarding this land excessing proposal, the House approved a provision in H.R. 4623 to prohibit this land excessing and sale from occurring. After extensive discussions about this issue involving myself and the chairman of the Veterans' Affairs Committee in the other body, Mr. MONTGOMERY, who authored the House-passed prohibition, and then committee chairman in the Senate, Mr. MURKOWSKI, we were able to develop a compromise to prohibit the VA from proceeding with its plan to dispose of these lands.

Basically, Mr. President, section 234 of Public Law 99-576, as signed into law on October 28, 1986, prohibits the Administrator from taking any action before January 1, 1986, in connection with declaring the properties as excess, or with transferring them, relinquishing the VA's interest in them, or disposing of them, and would nullify any such action taken prior to that date. Thus, the VA is permitted to do nothing to dispose of these properties until July 1988 since, by rendering without effect any actions taken prior to January 1, 1988, in that connection, the new law nullifies the February 5, 1986, notice submitted by the Administrator under section 5022(a)(2) of title 38 and the June 7, 1986, letters to the committees modifying that notice. Current law, in section 5022(a)(2) of title 38, prohibits VA land from being declared excess and transferred to GSA until the expiration of a 180-day period beginning on the date that the VA submits to the Veterans' Affairs Committees a report on the facts concerning the proposed transaction. Thus, if the VA should wish to propose the excessing of any of these approximately 155 acres in the future, the earliest date on which it could submit a new section 5022(a)(2) notice would be January 1, 1988.

Although enactment of the time-limited prohibition provided a much-welcomed beathing period for California's veterans, Los Angeles commuters, West Los Angeles and Sepulveda neighbors and children, and the city and county of Los Angeles, it failed to provide a permanent and totally satisfactory solution to the administration's ill-conceived and short-sighted proposal. That is what our bill seeks to do.

Let me review the arguments against the American's proposal to sell-off this VA land with: First, these parcels provide important buffer zones between the facilities and the surrounding communities. I strongly believe that not all lands should be developed; open space is a valuable commodity, especially in highly congested areas such as West Los Angeles.

Second, retention of these lands is also necessary to provide latitude for possible expansion in the future. Possible uses mentioned in a 1986 VA task force report could include a planned new State veterans' home, veterans' recreation, and joint venture projects with UCLA or others. Specifically, I now understand that the State of California Department of Veterans' Affairs is actively pursuing the possibility of constructing a new State nursing home on the West Los Angeles property. In addition, a December 29, 1986, letter to me from Elwin V. Swenson, vice chancellor for institutional relations for UCLA, notes that some of the possible joint venture projects include an expansion of the Nursing Home Care Program, including a mental health component, a specialized Adult Day Care Program, the establishment of a pathology reference laboratory, a child-care facility, and other programs that the medical staff of the VA and the UCLA faculty are discussing but have not reached a specific recommendation on for the committee.

Mr. President, I ask unanimous consent that a copy of the vice chancellor's letter be printed in the RECORD at the conclusion of my remarks.

Third, a major portion of the land in question at West Los Angeles is either part of a deep ravine or separated from the facility by the ravine. Without massive landfill, this land is unattractive and difficult to utilize and would not have the commercial value OMB has attributed to it.

Fourth, the VA has used the ravine for waste disposal, including remnants of an old VA hospital that once stood on an adjacent site. This compounds problems for any developer since the contaminated soil would need to be removed and the substructure of the land shored up before landfilling is begun. Additionally, the parcel includes an area where the VA once disposed of radioactive waste, and digging in the area could be hazardous.

Fifth, conditions exist that suppress the market value of the property, including in the case of West Los Angeles, a country moratorium on new "access cuts" into Wilshire Boulevard. Also, the zoning for the VA land is "open space", and no development could be undertaken without a zoning variance—which is highly unlikely given the strong opposition to the administration's proposal by both the county board of supervisors and Los Angeles City officials. An August 15, 1986, letter prepared by the county counsel of Los Angeles County raised serious questions about the zoning applicable to the property and specifically the status of "the restrictive open space regulations" under the county general plan.

Sixth, Mr. President, the major veterans organizations—both nationally and in the State—have expressed and continue to express vigorous opposition to any excessing of this land.

Seventh, the surrounding communities in both West Los Angeles and Sepulveda strongly oppose the additional major construction activity and the resultant development that would occur, as well as the disruption of a number of existing leases and agreements with the VA regarding the use of some of the land proposed for excessing.

In short, I have not been able to identify any significant gain to be achieved by supporting the excessing of these properties beyond it resulting, at some distant point in time, in possibly increased revenues to the Federal Government. And it seems clear that the proceeds of any sales—especially in the case of West Los Angeles, where tremendous barriers to development exist—would be far, far less than the several hundred million dollars that the administration has projected. This possibility of revenue is far outweighed by the vigorous community and veteran organization opposition, the depressed value and condition of the land, its current "open space" zoning, and the fact that the administration has not demonstrated convincingly that the land could not be used for such purposes as sharing with medical schools, veterans' recreation, cemetery expansion, or a State nursing home.

REPORT ON CERTAIN ACTIVITIES OF MEDICAL AND OTHER HEALTH-PROFESSIONAL SCHOOLS AFFILIATED WITH THE VETERANS' ADMINISTRATION

Mr. President, it is abundantly clear at this time that a major public policy issue facing our Nation is how we will respond to the needs of our elderly citizens as the population ages. It has been estimated by the Census Bureau that by the year 2030, the proportion of the U.S. population age 65 and older will have risen to nearly 22 percent from the current level of approximately 12 percent. This fundamental shift in the composition of our society has significant implications for how national resources are to be allocated and how a wide range of services are to be furnished. Key among such services are those which help address the health-care needs of our population.

Although there are efforts—both governmental and nongovernmental—underway at present seeking to address the many challenges associated with this fundamental demographic change, I believe there is still a need for increased, focused efforts as we prepare to come to terms with the impact of the aging of our population.

Because veterans of military service cluster in age groups related to the periods of major conflicts—World War I, World War II, the Korean conflict, and the Vietnam conflict in this century—trends relating to the general population are realized differently in the veteran population. In the area of aging, the change in the overall population, which will peak around the first third of the next century, will be accelerated in the case of veterans. The veterans of World War II, who make up 37 percent of the total veteran population, are already approaching an average age of 65 and the veterans of the Korean conflict are just behind them.

Because of the large numbers of veterans who are entering the age range with the greatest need for health and health-related services, the VA, spurred on by active congressional interest, has been very active for a number of years in seeking ways to meet the needs of older veterans. In connection with these efforts, the agency has furnished a significant measure of care—on inpatient, outpatient, and extended care bases—to older veterans; has developed new approaches for furnishing such care, such as through the use of hospital-based home care, geriatric evaluation units, and adult day care health programs; has trained health-care professionals in the care of older patients; and has carried out and funded research into the diseases and disabilities associated with aging and into the aging process itself.

Mr. President, despite these many activities, I am concerned that the VA may not be taking full advantage of the potential influence that it has to motivate health-care training institutions which are affiliated with the VA to increase their efforts in the areas of training health-care professionals in the care of older patients and research related to aging issues. Through its affiliation agreements—the VA is affiliated with 101 medical schools, 59 dental schools, and 850 other health-care professional schools—the VA can play a significant role in influencing decisions made at affiliated institutions. Certainly, there has been some progress at the schools affiliated with the 10 VA medical centers that have Geriatric Research, Education, and Clinical Centers—GRECC's—centers of excellence mandated by section 4101(f) of title 38, United States Code. In fact, I specifically included in that law, a provision recognizing explicitly the need for a commitment on the part of the affiliated institution to action in the area of aging. Specifically, section 4101(f)(1)(C) provides that a GRECC can be established at a VA medical center only when the GRECC has arrangements with affiliated schools which provide education and training in geriatrics and at which medical residents and nursing or allied health personnel receive training and education in geriatrics through regular rotation through the VA medical center.

This use of the VA to promote action at affiliated institutions should be expanded. The VA should be seeking comprehensive action from all affiliated institutions, not only those affiliated with medical centers with a GRECC.

In order to gauge the extent to which the VA has had an impact on affiliated institutions in regard to their training and research efforts in the area of aging and the need for extension of legislative mandates such as those that apply to GRECC-affiliated institutions, section 10 of the measure we are introducing would require the Administrator to submit a report, not later than March 1, 1987, to the two Veterans' Affairs Committees setting forth detailed information with regard to such past, present, and planned efforts at affiliated institutions.

CONCLUSION

Mr. President, as I noted at the outset, the central purpose of this legislation is to bring about the continued improvement and updating of the VA's authority and capacity to meet the needs of our Nation's veterans and their dependents. I look forward to working on this measure with our committee's ranking minority member, Mr. MURKOWSKI, and the other members of the committee, with the VA, with the various veterans' service organizations, and with others interested in legislation affecting veterans.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following the December 29 letter from UCLA Vice Chancellor Svenson, which I previously described.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 6

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Health Care Improvement Act of 1987".

(b) REFERENCES TO TITLE 38.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. SERVICES TO OVERCOME SERVICE-CONNECTED DISABILITIES AFFECTING PROCREATION.

Clause (A) of section 601(6) is amended to read as follows:

"(A)(i) surgical services, (ii) services to achieve pregnancy in a veteran or a veteran's spouse where such services are necessary to overcome a service-connected disability impairing the veteran's procreative ability, (iii) dental services and appliances as described in sections 610 and 612 of this title, (iv) optometric and podiatric services, (v) (in the case of a person otherwise receiving care or services under this chapter) preventive health-care services as defined in section 662 of this title, (vi) (except under the conditions described in section 612(f)(1)(A)(i) of this title) wheelchairs, artificial limbs, trusses and similar appliances, special clothing made necessary by the wearing of prosthetic appliances, and such other supplies or services as the Administrator determines to be reasonable and necessary, and (vii) travel and incidental expenses pursuant to the provisions of section 111 of this title; and".

SEC. 3. ELIGIBILITY FOR DOMICILIARY CARE.

(a) IN GENERAL.—Subsection (b) of section 610 is amended to read as follows:

"(b) The Administrator, through Veterans' Administration facilities, may furnish such domiciliary care as the Administrator determines is needed by a veteran for the purpose of receiving treatment or rehabilitation if the Administrator finds, pursuant to regulations which the Administrator shall prescribe, that the veteran—

"(1) has a service-connected disability, or

"(2) is incapacitated from earning a living and has no adequate means of suppports.".

(b) CONFORMING AMENDMENT.—Section 622(g) is amended by striking out "section 610(b)(2) and" and inserting in lieu thereof "section".

SEC. 4. READJUSTMENT COUNSELING AND RELATED MENTAL HEALTH SERVICES.

(a) EXTENSION OF ELIGIBILITY.—Section 612A(a) is amended—

(1) by inserting "(1)" before "Upon", and

(2) adding at the end the following new paragraph:

"(2)(A) Upon the request of—

"(i) a person who is serving on active duty and who also served on active duty during the Vietnam era, or

"(ii) a person (I) who is a veteran or is serving on active duty, and (II) who served on active duty after May 7, 1975, in an area during a period in which hostilities (as defined in subparagraph (B) of this subsection) occurred in such area, the Administrator shall, within the limits of Veterans' Administration facilities, furnish counseling to assist such person in readjusting to civilian life or to active duty following service during such era or in such area.

"(B) For the purpose of subparagraph (A)(ii) of this subsection, the term 'hostilities' means a situation in which members of the Armed Forces were, as determined by the Administrator in consultation with the Secretary of Defense, subjected to danger from armed conflict comparable to the danger to which members of the Armed Forces have been subjected in battle with the enemy during a period of war.".

(b) DELAY IN TRANSITION PERIOD.—Section 612A(g) is amended—

(1) in paragraph (1)(A), by striking out "centers located" and all that follows through "such health-care facilities" and inserting in lieu thereof "Vet Centers to a program providing readjustment counseling services primarily through Veterans' Administration general health-care facilities";

(2) in paragraph (2)—

(A) in subparagraph (A), by striking out "(Public Law" and all that follows through "available)"; and

(B) in subparagraph (B)—

(i) by striking out "and" at the end of clause (i);

(ii) by striking out the period at the end of clause (ii) and inserting in lieu thereof a semicolon and "and"; and

(iii) by adding at the end the following new clause:

"(iii) the Administrator's analysis and findings (focusing on veterans who served in combat) as to whether or not veterans who served on active duty during World War II or the Korean conflict could benefit from services provided under this section and, if so, the Administrator's recommendations on the most desirable means by which such services could be furnished.";

(3) in paragraph (3), by striking out "(or" and all that follows through "available)";

(4) in paragraph (4), by striking out "experience" the first place it appears and all that follows and inserting in lieu thereof "Administrator's evaluation of the experience under as much of the transition as was carried out pursuant to paragraph (1) of this subsection prior to September 30, 1989, and, based on that evaluation, the results of the study required by section 102 of the Veterans' Health Care Amendments of 1983 (Public Law 98-160), and other pertinent information regarding the readjustment counseling program, the Administrator's opinion as to the extent to which the provision of readjustment counseling services under this section through Vet Centers is needed to meet the readjustment needs of veterans who served on active duty during the Vietnam era."; and

(5) by adding at the end the following new paragraph:

"(5) In the event that the study related to post-traumatic stress disorder referred to in subparagraph (A) of paragraph (2) of this subsection is not completed in sufficient time for the Administrator to give the results of the study consideration (as required by such subparagraph) in the preparation of the report which the Administrator is required by such subparagraph to submit not later than April 1, 1987, regarding the future direction of the program for providing readjustment counseling and mental health services pursuant to this section, the dates by which such report and the reports required by paragraphs (3) and (4) of this subsection must be submitted shall be postponed by 1 year and the 24-month period referred to in paragraph (1) of this subsection shall be deemed to be the 24-month period ending on September 30, 1990. In the event that the postponements described in the preceding sentence take effect, the Administrator shall promptly publish a notification thereof in the Federal Register and promptly so advise the Committees on Veterans' Affairs of the Senate and House of Representatives.".

"(6) For the purpose of this subsection—

"(A) The term 'Vet Centers' means facilities which are operated by the Veterans' Administration for the provision of services under this section and which are situated apart from Veterans' Administration general health-care facilities.

"(B) The term 'Veterans' Administration general health-care facilities' means health-care facilities operated by the Veterans' Administration for the furnishing of health-care services under this chapter, not limited to services provided through the programs established under this section.".

SEC. 5. PILOT PROGRAM OF NONINSTITUTIONAL ALTERNATIVES TO INSTITUTIONAL CARE.

(a) ESTABLISHMENT OF PILOT PROGRAM.—Subchapter 11 of chapter 17 is amended by adding at the end the following new section:

"SEC. 620C. Noninstitutional alternatives to institutional care; pilot program

"(a)(1) The Administrator, during the period beginning January 1, 1988, and ending December 31, 1991, and subject to subsection (c) of this section, shall conduct a pilot program under which veterans eligible under this chapter for and otherwise in need of hospital, nursing home, or domiciliary care will be furnished medical, rehabilitative, and health-related services in noninstitutional settings at not less than five nor more than ten demonstration project sites.

"(2) In selecting veterans for participation in the program, the Administrator shall accord priority to veterans who have service-connected disabilities, to veterans who are 65 years of age or older, to veterans who are totally and permanently disabled, and to veterans who are suffering from Alzheimer's disease or other forms of dementia.

"(b)(1)(A) In the conduct of the program, the Administrator shall (i) furnish appropriate health-related services solely through contracts with appropriate public and private agencies that provide such services, and (ii) in the case of each veteran furnished services under the program, appoint a Veterans' Administration health-care employee to furnsh case management services.

"(B) For the purposes of subparagraph (A) of this paragraph, 'case management' includes the coordination and facilitation of all services furnished to a veteran by the Veterans' Administration, either directly or through contract, including, but not limited to, screening, assessment of needs, planning, referral (including referral for services to be furnished by the Veterans' Administration, either directly or through a contract, or by an entity other than the Veterans' Administration), monitoring, reassessment, and follow up.

"(2) In order to evaluate the cost-effectiveness of utilizing certain health services of agencies other than the Veterans' Administration in cases in which no Veterans' Administration facility in the vicinity of a demonstration project provides such services, the Administrator, in not more than two of the demonstration projects, may utilize appropriate health services of appropriate public and private agencies that furnish such services.

"(3) The Administrator may provide in-kind assistance (through the services of Veterans' Administration employees and the sharing of other Veterans' Administration resources) to a facility furnishing services to veterans under subparagraph (1)(A)(i) of this subsection. Any such in-kind assistance shall be provided under a contract between the Veterans' Administration and the facility concerned. The Administrator may provide such assistance only for use solely in the furnishing of appropriate services under this section and only if, under such contract, the Veterans' Administration receives reimbursement for the full cost of such assistance, including the cost of services and supplies and normal depreciation and amortization of equipment. Such reimbursement may be made by reduction in the charges to the United States or by payment to the United States. Any funds received through such reimbursement shall be credited to funds allotted to the Veterans' Administration facility that provided the assistance.

"(c) The total cost of conducting the pilot program under this section shall not exceed 60 percent of the cost that would have been incurred by the Veterans' Administration during the period of the pilot program if the veterans furnished services under the pilot program had been furnished, instead, nursing home care under section 610 of this title. In any fiscal year, the cost of carrying out the pilot progam shall not exceed 65 percent of the cost that would have been so incurred during such year in furnishing the veterans who received services under the pilot program with nursing home care under such section 610.

"(d) Not later than April 1, 1991, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report setting forth the Administrator's evaluation, findings, and conclusions regarding the pilot program, and its results for the participating veterans, during its first 36 months. The report shall include a description of the conduct of the program (including a description of the veterans furnished services and of the services furnished under the pilot program), and any plans for administrative action, and any recommendations for legislation, that the Administrator considers appropriate to include in the report."

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 17 is amended by inserting after the item relating to section 620B the following new item:

"620C. Noninstitutional alternatives to institutional care; pilot program.".

SEC. 6. RULES AND REGULATIONS RELATING TO HOSPITAL, NURSING HOME, DOMICILIARY, AND MEDICAL CARE.

The text of section 621 is revised to read as follows:

"The Administrator shall prescribe all rules and regulations which are necessary and appropriate to govern the furnishing of hospital, nursing home, and domiciliary care and medical services under laws administered by the Veterans' Administration and which are consistent therewith, including such rules and regulations as are necessary and appropriate in order to promote good conduct on the part of persons who are receiving such care or services in Veterans' Administration facilities.".

SEC. 7. INCREASE IN PER DIEM RATES FOR CARE IN STATE HOMES.

Section 641(a) is amended by striking out clauses (1) through (3) and inserting in lieu thereof:

"(1) $8.70 for domiciliary care, and

"(2) $20.35 for nursing home and hospital care,".

SEC. 8. ORGANIZATION OF THE DEPARTMENT OF MEDICINE AND SURGERY.

(a) OFFICE OF THE CHIEF MEDICAL DIRECTOR.—Section 4103(a) is amended—

(1) by inserting "persons, each of whom shall be qualified in the administration of health services" after "following";

(2) in clause (3)—

(A) by striking out "The" and inserting in lieu thereof "Two";

(B) by striking out "Director" the first place it appears and inserting in lieu thereof "Directors";

(C) by striking out "an assistant" and inserting in lieu thereof "assistants"

(D) by striking out "shall be a qualified doctor of medicine" and inserting in lieu thereof "both shall be persons with specified qualifications"; and

(E) by adding at the end the following new sentence: "Not more than one Associate Deputy Chief Medical Director may be a person who is a person with specified qualifications solely by reason of clause (ii) of the last sentence of this subsection.";

(3) in clause (4)—

(A) in the first sentence, by striking out "who shall be" the first place it appears and inserting in lieu thereof "all of whom shall be persons with specified qualifications,";

(B) in the second sentence, by striking out "qualified in the administration of health services who are not doctors of medicine, dental surgery, or dental medicines" and inserting in lieu thereof "who are persons with specified qualifications solely by reason of clause (ii) of the last sentence of this subsection"; and

(C) in the last sentence, by striking out "qualified physician" and inserting in lieu thereof "person with specified qualifications";

(4) in clause (5)—

(A) by inserting a comma and "all of whom shall be persons with specified qualifications," after "Directors";

(B) by striking out the commas after "Administrator" and "Director"; and

(C) by striking out the second sentence;

(5) in clause (6), by inserting "upon the recommendation of the Chief Medical Director" after "Administrator";

(6) in clause (7)—

(A) by inserting a comma and "each of whom shall be licensed in the appropriate service field" after "Optometric Service;"; and

(B) by inserting "upon the recommendation of the Chief Medical Director" after "Administrator"; and

(7) by adding at the end the following new sentence: "For the purpose of this subsection, the term 'person with specified qualifications' means (i) a person meeting the requirements set forth in clause (1), (2), (3), (4), (5), (6), (7), or (8), of subsection (a) of section 4105 of this title, or (ii) a person who meets or has met the requirements set forth in clause (4) of such subsection.".

(b) TECHNICAL AMENDMENT.—Section 4103(b) (3) is amended by inserting a comma after "reappointed" and after "extended" and by striking out the comma after "reappointment."

SEC. 9. PROHIBITION AGAINST EXCESSING OF CERTAIN VETERANS' ADMINISTRATION PROPERTIES.

(a) Section 234 of Public Law 99-576 is repealed.

(b) The Administrator of Veterans' Affairs may not declare as excess to the needs of the Veterans' Administration, or otherwise take any action to dispose of, the land and improvements at the Veterans' Administration Medical Center, West Los Angeles, California (consisting of approximately 109 acres), and at the Veterans' Administration Medical Center, Sepulveda, California (consisting of approximately 46 acres), described in letters dated February 5, 1986 (and enclosed maps), from the Administrator to the Committees on Veterans' Affairs of the Senate and House of Representatives pursuant to section 5022(a)(2) of title 38, United States Code.

SEC. 10. REPORT ON CERTAIN ACTIVITIES RELATING TO TRAINING IN GERIATRICS OF MEDICAL AND OTHER HEALTH-PROFESSIONAL SCHOOLS AFFILIATED WITH THE VETERANS' ADMINISTRATION

(a) The Congress makes the following findings:

(1) In view of the estimate that, by the year 2030, the percentage of the United States' population that is age 65 and older will have risen to nearly 22 percent from the current level of approximately 12 percent, responding appropriately to the future health-care needs of the increasing elderly

population of the United States represents one of our Nation's greatest challenges.

(2) Because veterans cluster in age groups related to periods of major conflicts, the aging of the general population is accelerated in the case of veterans, and veterans of World War II and the Korean conflict will enter in the near future the age range with the greatest need for health and health-related services and constitute a very significant portion of the total veteran population.

(3) In response to the needs of the growing number of older veterans, the Veterans' Administration, pursuant to Congressional guidance and direction, has increased its efforts with respect to the development of new approaches to furnishing such care, the training of health-care professionals in the care of older patients, and the carrying out and funding of research into diseases and disabilities associated with aging and into the aging process.

(4) As a result of the Veterans' Administration's affiliation arrangements with 101 medical schools, 59 dental schools, approximately 500 nursing schools, and approximately 350 other health-care professional training institutions through which over 100,000 students and trainees receive training in Veterans' Administration facilities annually and the important role which those arrangements fulfill in those schools carrying out their education and training missions, the Veterans' Administration has a vital opportunity to improve efforts to train health-care professionals in the care of older patients and to heighten research activity into diseases and disabilities associated with aging and into the aging process.

(5) As an indication of the importance of the Veterans' Administration's role in promoting efforts by affiliated health-care professional training institutions, the Congress in Public Law 96-330, provided that no Veterans' Administration medical center could be designated as the site for a Geriatric Research, Education, and Clinical Center—centers of excellence in the area of aging research, education, and treatment—unless the Veterans' Administration medical center has arrangements with affiliated schools which provide education and training in geriatrics and which provide medical residents and nursing or allied health personnel with training and education in geriatrics through regular rotation through all bed components of the Veterans' Administration medical center.

(b)(1) In light of the findings in subsection (a), not later than March 1, 1987, the Administrator of Veterans' Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report regarding the Veterans' Administration's activities, and the success of those activities, designed to promote increased efforts by affiliated medical and other health-professional training schools (1) in training health-care professionals to care for older patients, and (2) in research into the aging process and diseases and disabilities associated with aging.

(2) The report shall include—

(A) information, for each academic year from 1980-81 through 1986-87, on the number of institutions affiliated with the Veterans' Administration (hereinafter in this paragraph referred to as "affiliated institutions"), broken down by type of institution and type of training, that—

(i) have a program through which students or trainees receive education and training in geriatrics through regular rotation through Veterans' Administration medical centers, nursing homes, domiciliary care facilities, or other units providing extended care to veterans; or

(ii) have a formal program providing education and training in geriatrics; or

(iii) have both such programs;

(B) information on the number of affiliated institutions (broken down by type of institution) that are planning to establish programs as described in subparagraph (A), together with a timetable for such actions;

(C) estimates of the costs, both to the Veterans' Administration and to the affiliated institutions, of the programs described in subparagraphs (A) and (B);

(D) estimates of the number of Veterans' Administration patients receiving care or who will receive care from the students or trainees participating in programs described in subparagraphs (A)(i) and (B);

(E) a descrition of the role of the Veterans' Administration in encouraging the establishment and continuation of the programs described in subparagraph (A); and

(F) the views of the Administrator on the feasibility and desirability of requiring, as a condition of the Veterans' Administration's entering into or continuing an affiliation agreement with a health-care professional training institution, the establishment with such institution of the appropriate type of arrangements described in subparagraph (C)(i) or (ii) of section 4101(f) of title 38, United States Code.

University of California, Los Angeles,
Office of the Chancellor,
Los Angeles, CA, December 29, 1986.

Senator Alan Cranston,
Committee on Veterans' Affairs, Russell Senate Office Building, Washington, DC.

Dear Senator Cranston: I thought that you would be interested in receiving the enclosed information regarding UCLA's longstanding relationship with the Veterans' Administration in West Los Angeles. This compilation of material will provide you with a complete background and overview of UCLA's past and present work with the VA.

In brief, UCLA's affiliation with the VA began in 1947 at the Wadsworth Hospital in West Los Angeles. UCLA's contracts cover all medical/surgical and psychiatric services provided by the VA, and include the Schools of Nursing, Public Health, and Dentistry. The UCLA School of Dentistry is currently working with the VA to provide staff for small on-site dental clinics at the West Los Angeles and Sepulveda facilities. The UCLA School of Nursing's Geriatric Nurse Practitioner program provides services in facilities at VA/Sepulveda, and its graduates are a primary source of staffing for the VA's domiciliary care beds at Sepulveda.

Under a ten-year cost-reimbursement contract for approximately $15.8 million with the National Cancer Institute, UCLA undertook to acquire a high linear energy transfer neutron generator ("cyclotron") costing approximately $4.5 million; construct facilities costing $3.6 million; conduct field tests and initiate clinical trials for a potential new form of cancer radiation therapy. The Clinical Neutron Therapy Research Facility is adjacent to the Wadsworth Hospital. Delivery and installation of the cyclotron was performed by UCLA employees and the UCLA Medical Center provided financing of $250,000 to help with final equipment fabrication problems stemming from the bankruptcy. You may recall that both you and your staff played an essential role in working out the details of the processing of the NCI contract for which we are all enormously appreciative.

In early 1983, formal agreement was reached with the VA to stage fine arts productions at the "Wadsworth Theater." UCLA provided $350,000 of structural and cosmetic improvements to the theater as well as offering free tickets for VA patients to all entertainment events. At least 20 tickets per event and frequently more are allocated to VA patients and families in coordination with Recreation Officers at both the VA Wadsworth and Brentwood Divisions.

For more than twenty-five years UCLA has been utilizing facilities in cooperation with the American Legion. In 1980, UCLA made a major renovation with the concurrence of the VA on the Jackie Robinson Baseball Stadium. One of the main reasons for this project was to provide a spectator sport for veterans. UCLA maintains and protects this land under a three-year renewable lease agreement. The Jackie Robinson Stadium was dedicated on February 7, 1981 and the ceremony was attended by representatives of the VA, UCLA, the Los Angeles Dodgers and many civic groups. On April 27, 1985, a statue of Jackie Robinson was unveiled at the Stadium.

As you may know, in February, 1986, a task force was established to develop long-range plans for the use of the land at the VA Medical Center. Director William Anderson asked me to represent UCLA on the committee along with Associate Dean Esther Hays from the Medical School. This committee in turn has reviewed the many joint programs between UCLA and the VA as well as taking into consideration the long term needs of the veterans. This was done in order to respond to the proposed possibility of declaring excess some of the land. It was clear to the committee that it was in the best interest of the VA as well as of service to the programmatic needs of UCLA to participate in the joint planning of opportunities and activities to benefit the veterans. Some of the new programs under discussion include: an expansion of the nursing home care program including a mental health component, a specialized adult day care program, the establishment of a pathology reference laboratory, a child care facility, and other programs that the medical staff of the VA and the UCLA faculty are discussing but have not reached a specific recommendation on the committee.

Mr. Anderson and I have talked about the possibility of UCLA providing assistance in reviewing the overall programmatic use of the VA land and the long term proposed plans of expansion of facilities for the veterans. UCLA is reviewing the most efficient use and design of the land on our campus and has offered the services of our land design experts to the VA. Mr. Anderson has been very appreciative of this offer and we look forward to working together on this project.

I hope that this information will be helpful to you. If I can provide you with additional information, please call me at (213) 825-4282.

Sincerely,

Elwin V. Svenson,
Vice Chancellor-Institutional Relations.

By Mr. CRANSTON:

S. 7. A bill to provide for the protection of the public lands in the California desert; to the Committee on Energy and Natural Resources.

S. 7: THE CALIFORNIA DESERT PROTECTION ACT OF 1987

Mr. CRANSTON. Mr. President, I introduce for appropriate reference the California Desert Protection Act. Except for technical amendments and map corrections, the bill is identical to S. 2061 which I sponsored in the 99th Congress.

The California Desert covers 25 million acres, from Death Valley National Monument south to the Mexican border, from the San Jacinto and San Bernardino Mountains east to the Colorado River—about one-fourth of California's land surface. Of this 25 million acres, approximately 12.1 million acres are public lands administered by the Department of the Interior's Bureau of Land Management.

In 1976, Congress enacted the Federal Land Policy and Management Act [FLPMA] which among its provisions established the California Desert Conservation Area and started a process for protecting the resources of the California Desert. FLPMA also called for wilderness review of the public lands administered by the BLM, including those in the California Desert.

The California Desert Protection Act continues this process of appropriately providing for protection of significant resources of the public lands in the California Desert.

I have worked closely with California conservationists to determine the highest and best use for each area within the California Desert. Our goal has been to establish in law the most appropriate pattern of protection to assure that all Californians and visitors to the desert will have the full value of these lands.

This legislation implements the conservationists' proposal, providing permanent, lasting protection for the beauty and wildness of the California Desert through the designation of national parks and wilderness areas.

The bill designates approximately 4.5 million acres of desert lands as wilderness to be administered by the BLM. It redesignates two national monuments—Death Valley and Joshua Tree—as national parks and makes appropriate additions to these units of the national park system. It creates a new Mojave National Park. It designates 3.9 million acres of national park wilderness in these three parks. Further, the bill completes a long pending proposal for the expansion of the Red Rock Canyon State Park, transferring 20,500 acres of BLM lands to the California Department of Parks and Recreation. And it creates protective units to be administered by the BLM for a botanical area—the Desert Lily Sanctuary—and an historical site—the Indian Canyons.

Mr. President, wilderness is a distinguishing characteristic of the public lands in the California Desert, one which affords an unrivalled opportunity for experiencing vast areas of the Old West essentially unaltered by man's activities. But the wilderness values of the California Desert are increasingly threatened by and especially vulnerable to impairment, alteration, and destruction by activities and intrusions associated with incompatible use and development. To assure that present and future generations will be able to enjoy the diverse resources of the desert, this bill gives statutory protection to 82 separate wilderness areas.

Three distinct areas within the California Desert fully qualify as national parks. The bill confers that status on Death Valley, Joshua Tree, and the east Mojave. First, the bill redesignates the existing Death Valley and Joshua Tree National Monuments as national parks and adds contiguous Federal lands of national park caliber. Estabished by Presidential proclamations in the 1930's, Death Valley and Joshua Tree today are recognized as major units of the National Park System. But the existing monument boundaries do not include all lands of significant natural, ecological, geological, archaeological, cultural, historical, and wilderness value, thus exposing them to incompatible development.

In 1977 the Western Regional Office of the National Park Service issued a report evaluating proposed additions to death Valley, including Panamint Valley, Saline Valley, and Eureka Valley. The report concluded that Death Valley "needs to be rounded out with several additions to better represent and preserve a superb example" of the California Desert. In 1979, the desert plan staff of the BLM prepared its report on the possible addition of the Eureka-Saline area to the park system. Like the Park Service, the BLM staff found this area "provides some of the finest and most diverse scenery in the California Desert" and reported that "analysis of natural and cultural themes represented by the area lead one to the unavoidable conclusion that the area qualifies for inclusion into the National Park System as a national park, or as an addition to Death Valley National Monument." My bill adds these remarkable areas to Death Valley as recommended by the National Park Service and BLM.

The proposed additions to Joshua Tree comprise areas that were part of the original monument established in 1936 to protect various objects of historical and scientific interest. However, in 1950 lands were removed from the monument because of commercial mining activity at Eagle Mountain. Associated with the now defunct Kaiser Steel operations at Fontana, CA, the Eagle Mountain mine has since closed. Fortunately some of these lands which were part of the monument were not mined and remain pristine and of national park caliber. This bill restores 245,000 acres of the previous deletions.

Lying between Death Valley and Joshua Tree is the vast Mojave Desert, an area of outstanding natural, cultural, historical, and recreational values now afforded only impermanent administrative protection as the East Mojave National Scenic Area. This area also has been evaluated by the BLM Desert Plan staff for its park potential and found to be highly qualified. The area contains sixteen mountain ranges, four dry lakes, a perennial stream, innumerable washes, mesas, buttes, badlands, cinder cones, lava beds, caves, California's most complex sand dune system, alluvial fans, bajadas, and many other expressions of geoligical and geographic interest. According to the BLM report "In all of the California Desert there is no finer grouping of different wildlife habitats." The report continues that "Many observers feel that the East Mojave embodies the finest scenery in the California Desert."

My bill recognizes these park values and provides the full statutory protection the area deserves by designating a 1.5 million acre Mojave National Park. The area involved is the same as the existing scenic area, with the exception of a small boundary change at Soda Springs where the boundary has been moved from the lakeshore to the ridgetop, adding about 6,000 acres. The Mountain Pass mine owned by Molycorp and the associated claims on lands dropped from the scenic area in 1983 remain outside the boundaries of the park.

I am aware that there are a number of mining claims, grazing permits, power transmission facilities, a natural gas pipeline, and communication cable within the proposed Mojave National Park. These valid existing rights are recognized in the bill and allowed to continue. However, the bill closes the proposed parklands to new mineral entry.

The bill also calls for a comprehensive management plan for the park and for a visitor center. No purchase of private lands within the park is contemplated, although the legislation does provide acquisition authority, with an emphasis on acquisition by exchange from willing landowners.

Additionally, the bill designates appropriate lands within all three parks as wilderness—a 3.2 million Death Valley Wilderness which incorporates the National Park Service's wilderness recommendations, 133,520 acres as additions to the existing Joshua Tree Wilderness, and 747,940 acres as the Mojave Wilderness.

Additional provisions include the transfer of 20,500 acres of BLM lands to the California Department of Parks and Recreation for inclusion in Red Rock Canyon State Park. The scenic cliffs of Red Rock Canyon are well known to travelers from southern California to the eastern Sierra. The area has been used many times as the setting for numerous western films. At the urging of local governments and citizens, the State of California in 1969 decided to establish this area as a State park. It's my understanding the State was to acquire the private lands and that the BLM would transfer the surrounding Federal lands necessary to complete the park. The State has virtually completed the private acquisitions, but the BLM has not conveyed its lands. My bill resolves the issue. The transfer is not intended to affect the city of Los Angeles' existing easement for power transmission lines.

The bill also gives statutory protection to the existing 2,040 acre Desert Lily Sanctuary. The Desert Lily grows only in the deep powder sand areas of the low desert—every fragile land. The lily is vulnerable to flooding from higher elevations. But as a result of the sanctuary protection, the Desert Lily has survived in wet years, blooming by the thousands throughout the area. Statutory protection, as provided in my bill, will insure that the BLM does not redesignate the area or reduce its size.

Finally, the bill designates the Indian Canyon National Historic Site, protecting an area now listed on the national register of historic places, but threatened by a golf course development. As the lands are not now in Federal ownership, the legislation directs the Secretary of the Interior to acquire them by exchange. And to ensure continued Indian control over their use, the bill provides for a cooperative management agreement between Interior and the Agua Caliente Band of Cahuilla Indians, with title to the land held in trust by the United States for the tribe.

Mr. President, with the passage of this bill, approximately 4.6 million acres of public lands in the California Desert administered by the BLM will remain available for other multiple uses—hunting, mining, grazing, and motorized recreation. Moreover, in drawing the boundaries of the areas to be protected, I have been careful to exclude major areas enjoyed by off-road vehicle enthusiasts and areas with known commercial resource conflicts.

In reintroducing the bill today, I am making a number of map corrections to ensure that several existing and planned activities are not affected by the legislation. Specifically, I have amended the boundaries of the proposed Chuckwalla Mountains Wilderness, to exclude private lands on which the State of California plans to construct a prison; the Granite Mountains Wilderness, to exclude private lands under consideration for a radioactive waste site; the North Algodones Dunes Wilderness, to exclude a designated off-road vehicle open area erroneously included; the Palo Verde Mountains Wilderness, to include lands accidentally ommitted; the Sacatar Trail Wilderness, to exclude the Los Angeles Department of Water and Power aquaduct tunnels; the Soda Mountains and Hollow Hills Wildernesses, to clarify that the IPP transmission line is outside the wilderness areas; the Death Valley Wilderness, to include all lands recommended by the National Park Service and exclude a road through the Greenwater Range; and the Mojave Wilderness, to exclude the Mojave Road.

Additionally I have made several technical changes. To eliminate the burden on the Secretary of Interior to determine within 2 years the validity of all mining claims in the new park areas, the bill now provides for validity determinations of unpatented mining claims only prior to the approval of plans of operation.

In light of a proposal for a new natural gas pipeline through an existing utility corridor in the East Mojave, I have amended the rights-of-way provision to accommodate this project.

In response to concerns of the tribal council of the Aqua Caliente Band of Cahuilla Indians, I have modified the Indian Canyons National Historic Site section to clarify that the present owners will receive full compensation for acquisition of any of their lands and to ensure tribal control over the national historic site and its irreplaceable tribal cultural resources.

Finally, to address the concern of the State lands commission about the inclusion of State lands within park and wilderness areas and possible impact on the State teachers retirement fund, the bill includes a new provision to facilitate exchanges with the State. I look forward to working with the State to resolve any remaining difficulties.

Mr. President, in the January 1987 issue of the National Geographic, Barry Lopez writes of the California Desert as "a place of hushed and intricate beauty," but threatened by the conflicting demands of various user groups. He also wrote:

> Dennis Casebier, a desert historian and longtime observer of conflicts over the desert's use, told me one day that conflict was no longer the central issue. "What's wrong" said Casebier, "is that we have no vision. How do all these different things—four-wheel drive tours and cattle ranching and geothermal development—relate to each other? BLM can't just make everyone happy. They've got to sit down and decide what they want the desert to look like in 20 years." Which is to say the country itself, the people acting through Congress, must decide what they want the Nation's public lands to look like in the future.

Twenty-six environmental and civic organizations have a vision of how they want the California Desert to look 20 years from now and in the years beyond. They believe the California Desert needs greater protection and support the California Desert Protection Act. I hope that the 100th Congress will consider this legislation and act to ensure that the California Desert is preserved for future generations to enjoy.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 7

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "California Desert Protection Act of 1987".

FINDINGS AND POLICY

SEC. 2. (a) The Congress finds and declares that—

(1) the federally owned desert lands of Southern California constitute a public wildland resource of extraordinary and inestimable value for this and future generations;

(2) these desert wildlands display unique scenic, historical, archeological, environmental, ecological, wildlife, cultural, scientific, educational, and recreational values used and enjoyed by millions of Americans for hiking and camping, scientific study and scenic appreciation;

(3) the public land resources of the California desert now face and are increasingly threatened by adverse pressures which would impair, dilute, and destroy their public and natural values;

(4) the California desert, embracing wilderness lands, units of the National Park System, other federal lands, state parks and other state lands, and private lands, constitutes a cohesive unit posing unique and difficult resource protection and management challenges;

(5) through designation of national monuments by Presidential proclamation, through enactment of general public land statutes (including section 601 of the Federal Land Policy and Management Act of 1976, 90 Stat. 2743, 43 U.S.C. 1701 et seq.) and through interim administrative actions, the federal government has begun the process of appropriately providing for protection of the significant resources of the public lands in the California desert; and

(6) statutory land unit designations are needed to afford the full protection which the resources and public land values of the California desert merit.

(b) In order to secure for the American people of this and future generations an enduring heritage of wilderness, national parks, and public land values in the California desert, it is hereby declared to be the policy of the Congress that—

(1) appropriate public lands in the California desert shall be included within the National Park System and the National Wilderness Preservation System, in order to—

(A) preserve unrivaled scenic, geologic, and wildlife values associated with these unique natural landscapes;

(B) perpetuate in their natural state significant and diverse ecosystems of the California desert;

(C) protect and preserve historical and cultural values of the California desert associated with ancient Indian cultures, patterns of western exploration and settlement, and sites exemplifying the mining, ranching and railroading history of the Old West;

(D) provide opportunities for compatible outdoor public recreation, protect and interpret ecological and geological features, and historic, paleontological, and archeological sites, maintain wilderness source values, and promote public understanding and appreciation of the California desert; and

(E) retain and enhance opportunities for scientific research in undisturbed ecosystems.

TITLE I—WILDERNESS ADDITIONS

FINDINGS

SEC. 101. The Congress finds and declares that—

(1) wilderness is a distinguishing characteristic of the public lands in the California desert, one which affords an unrivaled opportunity for experiencing vast areas of the Old West essentially unaltered by man's activities, and which merits preservation for the benefit of present and future generations;

(2) the wilderness values of desert lands are increasingly threatened by and especially vulnerable to impairment, alteration, and destruction by activities and intrustions associated with incompatible use and development; and

(3) preservation of desert wilderness necessarily requires the highest forms of protective designation and management.

DESIGNATION OF WILDERNESS

SEC. 102. In furtherance of the purposes of the Wilderness Act of 1964 (78 Stat. 890, 16 U.S.C. 1131 et seq.), and sections 601 and 603 of the Federal Land Policy and Management Act of 1976 (90 Stat. 2743, 43 U.S.C. 1701 et seq.), the following lands in the State of California, as generally depicted on maps, appropriately referenced, dated February 1986, (except as otherwise dated) are hereby designated as wilderness, and therefore, as components of the National Wilderness Preservation System—

(1) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately seventy-seven thousand three hundred eighty acres, as generally depicted on a map entitled "Argus Range Wilderness—Proposed", and which shall be known as the Argus Range Wilderness;

(2) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately sixty-one thousand three hundred twenty acres, as generally depicted on a map entitled "Avawatz Mountains Wilderness—Proposed", and which shall be known as the Avawatz Mountain Wilderness;

(3) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately ten thousand eight hundred seventy acres, as generally depicted on a map entitled "Bigelow Cholla Garden Wilderness—Proposed", and which shall be known as the Bigelow Cholla Garden Wilderness;

(4) certain lands in the California Desert Conservation Area, of the Bureau of Land Management and within the San Bernardino National Forest, which comprise approximately thirty-three thousand eight hundred acres, as generally depicted on a map entitled "Bighorn Mountain Wilderness—Proposed", and which shall be known as the Bighorn Mountain Wilderness;

(5) certain lands in the California Desert Conservation Area and the Yuma District, of the Bureau of Land Management, which comprise approximately forty-seven thousand five hundred seventy acres, as generally depicted on a map entitled "Big Maria Mountains Wilderness—Proposed", and which shall be known as the Big Maria Mountains Wilderness;

(6) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise thirteen thousand nine hundred forty acres, as generally depicted on a map entitled "Black Mountain Wilderness—Proposed", and which shall be known as the Black Mountain Wilderness;

(7) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately seven thousand two hundred acres, as generally depicted on a map entitled "Blackwater Well Wilderness—Proposed", and which shall be known as the Blackwater Well Wilderness;

(8) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately nine thousand five hundred twenty acres, as generally depicted on a map entitled "Bright Star Wilderness—Proposed", and which shall be known as the Bright Star Wilderness;

(9) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately forty-two thousand six hundred forty acres, as generally depicted on a map entitled "Cadiz Dunes Wilderness—Proposed", and which shall be known as the Cadiz Dunes Wilderness;

(10) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately eighty-five thousand nine hundred seventy acres, as generally depicted on a map entitled "Cady Mountains Wilderness—Proposed", and which shall be known as the Cady Mountains Wilderness;

(11) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately fifteen thousand seven hundred acres, as generally depicted on a map entitled "Carrizo Gorge Wilderness—Proposed", and which shall be known as the Carrizo Gorge Wilderness;

(12) certain lands in the California Desert Conservation Area and Yuma District, of the Bureau of Land Management and within the Havasu National Wildlife Refuge, which comprise approximately sixty-eight thousand three hundred acres, as generally depicted on a map entitled "Chemehuevi Mountains Wilderness—Proposed", and which shall be known as the Chemehuevi Mountains Wilderness;

(13) certain lands in the Bakersfield District, of the Bureau of Land Management, which comprise approximately fifteen thousand seven hundred acres, as generally depicted on a map entitled "Chimney Peak Wilderness—Proposed", and which shall be known as the Chimney Peak Wilderness;

(14) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately one hundred sixty-five thousand two hundred acres, as generally depicted on a map entitled "Chuckwalla Mountains Wilderness—Proposed", dated January 1987, and which shall be known as the Chuckwalla Mountains Wilderness;

(15) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise fifty thousand six hundred sixty acres, as generally depicted on a map entitled "Cleghorn Lakes Wilderness—Proposed", and which shall be known as the Cleghorn Lake Wilderness: *Provided*, That the Secretary of Interior may pursuant to an application filed by the Department of Defense, grant a right-of-way for, and authorize construction of, a road within the area depicted as "non-wilderness road corridor" on the map entitled "Cleghorn Lakes Wilderness—Proposed";

(16) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately forty thousand acres, as generally depicted on a map entitled "Clipper Mountains Wilderness—Proposed", and which shall be known as the Clipper Mountains Wilderness;

(17) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately fifty thousand eight hundred twenty acres, as generally depicted on a map entitled "Coso Range Wilderness—Proposed", and which shall be known as the Coso Range Wilderness;

(18) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately eighteen thousand six hundred acres, as generally depicted on a map entitled "Coyote Mountains Wilderness—Proposed", and which shall be known as the Coyote Mountains Wilderness;

(19) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately eight thousand six hundred forty acres, as generally depicted on a map entitled "Darwin Falls Wilderness—Proposed", and which shall be known as the Darwin Falls Wilderness;

(20) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately forty-nine thousand six hundred eighty acres, as generally depicted on a map entitled "Dead Mountains Wilderness—Proposed", and which shall be known as the Dead Mountains Wilderness;

(21) certain lands in the Bakersfield District, of the Bureau of Land Management, which comprise approximately thirty-six thousand three hundred acres, as generally depicted on a map entitled "Domelands Wilderness Additions—Proposed", and which shall be hereby incorporated in, and which shall be deemed to be a part of the Domeland Wilderness as designated by Public Laws 93-632 and 98-425;

(22) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately sixteen thousand one hundred acres, as generally depicted on a map entitled "El Paso Mountains Wilderness—Proposed", and which shall be known as the El Paso Mountains Wilderness;

(23) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately twenty-seven thousand one hundred acres, as generally depicted on a map entitled "Fish Creek Mountains Wilderness—Proposed", and which shall be known as the Fish Creek Mountains Wilderness;

(24) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately ten thousand two hundred forty acres, as generally depicted on a map entitled "Frog Creek Wilderness—Proposed", and which

shall be known as the Frog Creek Wilderness;

(25) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately thirty-four thousand five hundred ten acres, as generally depicted on a map entitled "Funeral Mountains Wilderness—Proposed", and which shall be known as the Funeral Mountains Wilderness;

(26) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately thirty-seven thousand seven hundred acres, as generally depicted on a map entitled "Golden Valley Wilderness—Proposed", and which shall be known as the Golden Valley Wilderness;

(27) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately seventy thousand two hundred forty acres, as generally depicted on a map entitled "Granite Mountains Wilderness—Proposed", dated January 1987, and which shall be known as the Granite Mountains Wilderness;

(28) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately thirty-one thousand seven hundred twenty acres, as generally depicted on a map entitled "Grass Valley Wilderness—Proposed", and which shall be known as the Grass Valley Wilderness;

(29) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately eight thousand eight hundred acres, as generally depicted on a map entitled "Great Falls Basin Wilderness—Proposed", and which shall be known as the Great Falls Basin Wilderness;

(30) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately twenty-nine thousand seven hundred forty acres, as generally depicted on a map entitled "Hollow Hills Wilderness—Proposed", dated January 1987, and which shall be known as the Hollow Hills Wilderness;

(31) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately twenty-eight thousand two hundred acres, as generally depicted on a map entitled "Ibex Wilderness—Proposed", and which shall be known as the Ibex Wilderness;

(32) certain lands in the California Desert Conservation Area, of the Bureau of Land Management and the Imperial National Wildlife Refuge, which comprise approximately thirty-nine thousand one hundred acres, as generally depicted on a map entitled "Indian Pass Wilderness—Proposed", and which shall be known as the Indian Pass Wilderness;

(33) certain lands in the California Desert Conservation Area and the Bakersfield District, of the Bureau of Land Management and within the Inyo National Forest, which comprise approximately two hundred ten thousand six hundred sixty acres, as generally depicted on a map entitled "Inyo Mountains Wilderness—Proposed", and which shall be known as the Inyo Mountains Wilderness;

(34) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately thirty-five thousand one hundred sixty acres, as generally depicted on a map entitled "Jacumba Wilderness—Proposed", and which shall be known as the Jacumba Wilderness;

(35) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately one hundred twenty-nine thousand eight hundred twenty acres, as generally depicted on a map entitled "Kelso Dunes Wilderness—Proposed", and which shall be known as the Kelso Dunes Wilderness;

(36) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, and the Sequoia National Forest, which comprise approximately eighty-eight thousand two hundred eighty acres, as generally depicted on a map entitled "Kiavah Wilderness—Proposed", and which shall be known as the Kiavah Wilderness;

(37) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately two hundred fifty-five thousand two hundred ninty acres, as generally depicted on a map entitled "Kingston Range Wilderness—Proposed", and which shall be known as the Kingston Range Wilderness;

(38) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately forty-nine thousand four hundred eighty acres, as generally depicted on a map entitled "Little Chuckwalla Mountains Wilderness—Proposed", and which shall be known as the Little Chuckwalla Mountains Wilderness;

(39) certain lands in the California Desert Conservation Area and the Yuma District, of the Bureau of Land Management, and within the Imperial National Wildlife Refuge, which comprise approximately thirty-nine thousand eight hundred sixty acres, as generally depicted on a map entitled "Little Picacho Wilderness—Proposed", and which shall be known as the Little Picacho Wilderness;

(40) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately thirty-three thousand two hundred forty acres, as generally depicted on a map entitled "Malpais Mesa Wilderness—Proposed", and which shall be known as the Malpais Mesa Wilderness;

(41) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately twenty-seven thousand one hundred acres, as generally depicted on a map entitled "Manly Peak Wilderness—Proposed", and which shall be known as the Manly Peak Wilderness;

(42) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately thirty-two thousand seven hundred twenty acres, as generally depicted on a map entitled "Mecca Hills Wilderness—Proposed", and which shall be known as the Mecca Hills Wilderness;

(43) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately fifty-four thousand nine hundred acres, as generally depicted on a map entitled "Mesquite Wilderness—Prosposed", and which shall be known as the Mesquite Wilderness;

(44) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately eleven thousand three hundred acres, as generally depicted on a map entitled "Middle Park Canyon Wilderness—Proposed" and which shall be known as the Middle Park Canyon Wilderness;

(45) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately twenty-two thousand nine hundred acres, as generally depicted on a map entitled "Newberry Mountains Wilderness—Proposed", and which shall be known as the Newberry Mountains Wilderness;

(46) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately one hundred ten thousand eight hundred eighty acres, as generally depicted on a map entitled "Nopah Range Wilderness—Proposed", and which shall be known as the Nopah Range Wilderness;

(47) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately thirty-one thousand forty acres, as generally depicted on a map entitled "North Algodones Dunes Wilderness—Proposed", dated January 1987, and which shall be known as the North Algodones Dunes Wilderness;

(48) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately ten thousand acres as generally depicted on a map entitled "North Coso Range Wilderness—Proposed", and which shall be known as the North Coso Range Wilderness;

(49) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately twenty-six thousand eight hundered forty acres, as generally depicted on a map entitled "North Mesquite Mountains Wilderness—Proposed", and which shall be known as the North Mesquite Mountains Wilderness;

(50) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately one hundred forty-six thousand one hundred ten acres, as generally depicted on a map entitled "Old Woman Mountains Wilderness—Proposed", and which shall be known as the Old Woman Mountains Wilderness;

(51) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately fifty-six thousand five hundred acres, as generally depicted on a map entitled "Orocopia Mountains Wilderness—Proposed", and which shall be known as the Orocopia Mountains Wilderness;

(52) certain lands in the California Desert Conservation Area and the Bakersfield District, of the Bureau of Land Management, which comprise approximately seventy-five thousand six hundred forty acres, as generally depicted on a map entitled "Owens Peak Wilderness—Proposed", and which shall be known as the Owens Peak Wilderness;

(53) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately seventy-four thousand eight hundred acres, as generally depicted on a map entitled "Pahrump Valley Wilderness—Proposed", and which shall be known as the Pahrump Valley Wilderness;

(54) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately two hundred fourteen thousand four hundred twenty acres, as generally depicted on a map entitled "Palen/McCoy Wilderness—Proposed", and which shall be known as the Palen/McCoy Wilderness;

(55) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately thirty-two thousand three hundred twenty acres, as generally depicted on a map entitled "Palo Verde Mountains Wilderness—Proposed", dated January 1987, and which shall be known as the Palo Verde Mountains Wilderness;

(56) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately seven thousand three hundred acres, as generally depicted on a map entitled "Picacho Peak Wilderness—Proposed", and which shall be known as the Picacho Peak Wilderness;

(57) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately forty-one thousand six hundred eighty acres, as generally depicted on a map entitled "Pinto Mountains Wilderness—Proposed", and which shall be known as the Pinto Mountains Wilderness;

(58) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately seventy-four thousand eight hundred forty acres, as generally depicted on a map entitled "Piper Mountain Wilderness—Proposed", and which shall be known as Piper Mountain Wilderness;

(59) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately thirty-nine thousand forty acres, as generally depicted on a map entitled "Piute Mountains Wilderness—Proposed", and which shall be known as Piute Mountains Wilderness;

(60) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately seventy-eight thousand eight hundred eighty acres, as generally depicted on a map entitled "Resting Spring Range Wilderness—Proposed", and which shall be known as the Resting Spring Range Wilderness;

(61) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately forty thousand eight hundred twenty acres, as generally depicted on a map entitled "Rice Valley Wilderness—Proposed", and which shall be known as the Rice Valley Wilderness;

(62) certain lands in the California Desert Conservation Area and the Yuma District, of the Bureau of Land Management, which comprise approximately twenty-four thousand one hundred acres, as generally depicted on a map entitled "Riverside Mountains Wilderness—Proposed", and which shall be known as Riverside Mountains Wilderness;

(63) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately thirty thousand one hundred acres, as generally depicted on a map entitled "Rodman Mountains Wilderness—Proposed", and which shall be known as the Rodman Mountains Wilderness;

(64) certain lands in the California Desert Conservation Area and the Bakersfield District, of the Bureau of Land Management, which comprise approximately fifty-two thousand six hundred acres, as generally depicted on a map entitled "Sacatar Trail Wilderness—Proposed", dated January 1987, and which shall be known as the Sacatar Trail Wilderness;

(65) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately fourteen thousand eight hundred acres, as generally depicted on a map entitled "Saddle Peak Hills Wilderness—Proposed", and which shall be known as the Saddle Peak Hills Wilderness;

(66) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately thirty-three thousand five hundred acres, as generally depicted on a map entitled "San Gorgonio Wilderness Additions—Proposed", and which are hereby incorporated in, and which shall be deemed to be a part of the San Gorgonio Wilderness as designated by Public Laws 88-577 and 98-425;

(67) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately fifty-three thousand two hundred forty acres, as generally depicted on a map entitled "Santa Rosa Wilderness Additions—Proposed", and which are hereby incorporated in, and which shall be deemed to be a part of the Santa Rosa Wilderness designated by Public Law 98-425;

(68) certain lands in the California Desert District, of the Bureau of Land Management, which comprise approximately thirty-five thousand four hundred acres, as generally depicted on a map entitled "Sawtooth Mountains Wilderness—Proposed", and which shall be known as the Sawtooth Mountains Wilderness;

(69) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately one hundred seventy-seven thousand acres, as generally depicted on a map entitled "Sheephole Valley Wilderness—Proposed", and which shall be known as the Sheephole Valley Wilderness;

(70) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately seventy thousand three hundred forty acres, as generally depicted on a map entitled "Slate Range Wilderness—Proposed", and which shall be known as the Slate Range Wilderness;

(71) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately ninety-two thousand six hundred ninety acres, as generally depicted on a map entitled "Soda Mountains Wilderness—Proposed", dated January 1987, and which shall be known as the Soda Mountains Wilderness;

(72) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately sixty-one thousand nine hundred fifty acres, as generally depicted on a map entitled "South Algodones Dunes Wilderness—Proposed", and which shall be known as the South Algodones Dunes Wilderness;

(73) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately twenty-six thousand six hundred fifty acres, as generally depicted on a map entitled "South Avawatz Mountains Wilderness—Proposed", and which shall be known as the South Avawatz Mountains Wilderness;

(74) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately sixteen thousand seven hundred eighty acres, as generally depicted on a map entitled "South Nopah Range Wilderness—Proposed", and which shall be known as the South Nopah Range Wilderness;

(75) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately nine thousand acres, as generally depicted on a map entitled "Stateline Wilderness—Proposed", and which shall be known as the Stateline Wilderness;

(76) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately eighty-one thousand six hundred acres, as generally depicted on a map entitled "Stepladder Mountains Wilderness—Proposed", and which shall be known as the Stepladder Mountains Wilderness;

(77) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately forty-seven thousand six hundred forty acres, as generally depicted on a map entitled "Surprise Canyon Wilderness—Proposed", and which shall be known as the Surprise Canyon Wilderness;

(78) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately seventeen thousand eight hundred twenty acres, as generally depicted on a map entitled "Sylvania Mountains Wilderness—Proposed", and which shall be known as the Sylvania Mountains Wilderness;

(79) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately thirty-three thousand seven hundred twenty acres, as generally depicted on a map entitled "Trilobite Wilderness—Proposed", and which shall be known as the Trilobite Wilderness;

(80) certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately one hundred forty-four thousand five hundred acres, as generally depicted on a map entitled "Turtle Mountains Wilderness—Proposed", and which shall be known as the Turtle Mountains Wilderness; and

(81) certain lands in the California Desert Conservation Area and the Yuma District, of the Bureau of Land Management, which comprise approximately seventy-five thousand five hundred acres, as generally depicted on a map entitled "Whipple Mountains Wilderness—Proposed", and which shall be known as the Whipple Mountains Wilderness.

ADMINISTRATION OF WILDERNESS AREAS

SEC. 103. Subject to valid existing rights, each wilderness area designated under this title shall be administered by the appropriate Secretary in accordance with the provisions of the Wilderness Act: *Provided,* That any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this title and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary who has administrative jurisdiction over the area.

FILING OF MAPS AND DESCRIPTIONS

SEC. 104. As soon as practicable after enactment of this title, a map and a legal description on each wilderness area designated under this title shall be filed by the Secretary concerned with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the House of Representatives, and each such map and description shall have the same force and effect as if included in this title: Provided, That correction of clerical and typographical errors in each such legal description and map may be made. Each such map and legal description shall be on file and available for public inspection in the office of the Director of the Bureau of Land Management, Department of the Interior, or the Chief of the Forest Service, Department of Agriculture, as is appropriate.

WILDERNESS REVIEW

SEC. 105. The Congress hereby finds and directs that lands in the California Desert Conservation Area, of the Bureau of Land Management not designated as wilderness by this Act have been adequately studied for wilderness designation pursuant to section 603 of the Federal Land Policy and Management Act (90 Stat. 2743, 43 U.S.C. 1701 et seq.), and are no longer subject to the requirement of section 603(c) of the Federal Land Policy and Management Act pertaining to the management of wilderness study areas in a manner that does not impair the suitability of such areas for preservation as wilderness.

DESIGNATION OF WILDERNESS STUDY AREA

SEC. 106. (a) In furtherance of the purposes of the Wilderness Act, the Secretary of Agriculture shall, before completion of the Inyo National Forest Land Resource and Management Plan, review certain lands in the California Desert Conservation Area, of the Bureau of Land Management, which comprise approximately forty-three thousand seven hundred acres, as generally depicted on a map entitled "White Mountains Wilderness Study Area—Proposed", dated February 1986, to determine their suitability or nonsuitability for preservation as wilderness and shall submit his recommendation to the President.

(b) The wilderness study area designated by subsection (a) shall be administered by the Secretary of the Interior in accordance with the provisions of section 603 (c) of the Federal Land Policy and Management Act.

TITLE II—DEATH VALLEY NATIONAL PARK

FINDINGS

SEC. 201. The Congress hereby finds that—

(1) proclamations by Presidents Herbert Hoover in 1933 and Franklin Roosevelt in 1937 established and expanded the Death Valley National Monument for the preservation of the unusual features of scenic, scientific, and educational interest therein contained;

(2) Death Valley National Monument is today recognized as major unit of the National Park System, having extraordinary values enjoyed by millions of visitors;

(3) the Monument boundaries established in the 1930's exclude and thereby expose to incompatible development and inconsistent management, contiguous federal lands of essential and superlative natural, ecological, geological, archeological, paleontological, cultural, historical and wilderness values;

(4) Death Valley National Monument should be substantially enlarged by the addition of all contiguous federal lands of national park caliber, and afforded full recognition and statutory protection as a national park; and

(5) the wilderness within Death Valley should receive maximum statutory protection by designation pursuant to the Wilderness Act.

ESTABLISHMENT OF DEATH VALLEY NATIONAL PARK

SEC. 202. There is hereby established the Death Valley National Park, as generally depicted on a map entitled "Death Valley National Park", dated February 1986, which shall be on file and available for public inspection in the offices of the Superintendent of the Park and the Director of the National Park Service, Department of the Interior. The Death Valley National Monument is hereby abolished as such, and the lands and interests therein are hereby incorporated within and made part of the new Death Valley National Park.

TRANSFER AND ADMINISTRATION OF LANDS

SEC. 203. Upon enactment of this title, the Secretary of the Interior shall transfer the lands under the jurisdiction of the Bureau of Land Management depicted on the map described in section 202 of this title, without consideration, to the administrative jurisdiction of the Director of the National Park Service for administration as part of the National Park System. The boundaries of the public lands and the national parks shall be adjusted accordingly. The areas added to the National Park System by this title shall be administered in accordance with the provisions of law generally applicable to units of the National Park System.

MAPS AND LEGAL DESCRIPTION

SEC. 204. Within six months after the enactment of this title, the Secretary shall file a legal description of the park designated under this title with the Energy and Natural Resources Committee of the United States Senate and the Interior and Insular Affairs Committee of the House of Representatives. Such legal description shall have the same force and effect as if included in this title, except that the Secretary may correct clerical and typographical errors in such legal description and in the map referred to in section 202. The legal description shall be on file and available for public inspection in the offices of the Superintendent of the Park and the Director of the National Park Service, Department of the Interior.

DISPOSITION UNDER MINING LAWS

SEC. 205. Subject to valid existing rights, the federal lands and interests therein added to the park system by this title are withdrawn from disposition under the public land laws and from entry or appropriation under the mining laws of the United States, from the operation of the mineral leasing laws of the United States, and from operation of the Geothermal Steam Act of 1970.

STUDY AS TO VALIDITY OF MINING CLAIMS

SEC. 206. The Secretary shall not approve any plan of operation prior to determining the validity of any unpatented mining claims within the additions to the park system and submit to Congress recommendations as to whether any valid or patented claims should be acquired by the United States, including the estimated acquisition costs of such claims, and a discussion of the environmental consequences of the extraction of minerals from these lands.

TITLE III—JOSHUA TREE NATIONAL PARK

FINDINGS

SEC. 301. The Congress hereby finds that—

(1) a proclamation by President Franklin Roosevelt in 1936 established Joshua Tree National Monument to protect various objects of historical and scientific interest;

(2) Joshua Tree National Monument today is recognized as a major unit of the National Park System, having extraordinary values enjoyed by millions of visitors;

(3) the Monument boundaries as modified in 1950 and 1961 exclude and thereby expose to incompatible development and inconsistent management, contiguous federal lands of essential and superlative natural, ecological, archeological, paleontological, cultural, historical and wilderness values;

(4) Joshua Tree National Monument should be enlarged by the addition of contiguous federal lands of national park caliber, and afforded full recognition and statutory protection as a national park; and

(5) the non-designated wilderness within Joshua Tree should receive maximum statutory protection by designation pursuant to the Wilderness Act.

ESTABLISHMENT OF JOSHUA TREE NATIONAL PARK

SEC. 302. There is hereby established the Joshua Tree National Park, as generally depicted on a map entitled "Joshua Tree National Park", dated February 1986, which shall be on file and available for public inspection in the offices of the Superintendent of the Park and the Director of the National Park Service, Department of the Interior. The Joshua Tree National Monument is hereby abolished as such, and the lands and interests therein are hereby incorporated within and made part of the new Joshua Tree National Monument.

TRANSFER AND ADMINISTRATION OF LANDS

SEC. 303. Upon enactment of this title, the Secretary of the Interior shall transfer the lands under the jurisdiction of the Bureau of Land Management depicted on the map described in section 302 of this title, without consideration, to the administrative jurisdiction of the Director of the National Park Service for administration as part of the National Park System. The boundaries of the public lands and the national parks shall be adjusted accordingly. The areas added to the National Park System by this title shall be administered in accordance with the provisions of law generally applicable to units of the National Park System.

MAPS AND LEGAL DESCRIPTION

SEC. 304. Within six months after the enactment of this title, the Secretary shall file a legal description of the park designated by this title with the Energy and Natural Resources Committee of the United States Senate and the Interior and Insular Affairs Committee of the House of Representatives. Such legal description shall have the same force and effect as if included in this title, except that the Secretary may correct clerical and typographical errors in such legal description and in the map referred to in section 302. The legal description shall be on file and available for public inspection in the offices of the Superintendent of the Park and the Director of the National Park Service, Department of the Interior.

DISPOSITION UNDER MINING LAWS

SEC. 305. Subject to valid existing rights, federal lands and interests therein added to the park system by this title are withdrawn from disposition under the public lands laws and from entry or appropriation under the mining laws of the United States, from the operation of the mineral leasing laws of the United States, and from the operation of the Geothermal Steam Act of 1970.

STUDY AS TO VALIDITY OF MINING CLAIMS

SEC. 306. The Secretary shall not approve any plan of operation prior to determining the validity of any unpatented mining claims within the park and submit to Congress recommendations as to whether any valid or patented claims should be acquired by the United States, including the estimated acquisition costs of such claims, and a discussion of the environmental consequences of the extraction of minerals from these lands.

TITLE IV—MOJAVE NATIONAL PARK

FINDINGS

SEC. 401. The Congress hereby finds that—

(1) Death Valley and Joshua Tree National Parks, as established by this Act, protect unique and superlative desert resources, but do not embrace the particular ecosystems and transitional desert type found in the Mojave Desert area lying between them on public lands now afforded only impermanent administrative designation as a national scenic area;

(2) the Mojave Desert area possesses outstanding natural, cultural, historical, and recreational values meriting statutory designation and recognition as a unit of the National Park System;

(3) the Mojave Desert area should be afforded full recognition and statutory protection as a national park; and

(4) the wilderness within the Mojave Desert should receive maximum statutory protection by designation pursuant to the wilderness Act.

ESTABLISHMENT OF THE MOJAVE NATIONAL PARK

SEC. 402. There is hereby established the Mojave National Park, comprising approximately one million five hundred thousand acres, as generally depicted on a map entitled "Mojave National Park", dated February 1986, which shall be on file and available for inspection in the offices of the Director of the National Park Service, Department of the Interior.

TRANSFER OF LANDS

SEC. 403. Upon enactment of this title, the Secretary of the Interior (hereinafter in this title referred to as the "Secretary") shall transfer the lands under the jurisdiction of the Bureau of Land Management depicted on the map described in section 402 of this title, without consideration, to the administrative jurisdiction of the Director of the National Park Service. The boundaries of the public lands shall be adjusted accordingly.

MAPS AND LEGAL DESCRIPTION

SEC. 404. Within six months after the enactment of this title, the Secretary shall file a legal description of the park designated under this title with the Energy and Natural Resources Committee of the United States Senate and the Interior and Insular Affairs Committee of the House of Representatives. Such legal description shall have the same force and effect as if included in this title, except that the Secretary may correct clerical and typographical errors in such legal description and in the map referred to in section 402. The legal description shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior.

ABOLISHMENT OF SCENIC AREA

SEC. 405. The East Majave National Scenic Area, designated on January 13, 1981 (46 FR 3994) and modified on August 9, 1983 (48 FR 36210), is hereby abolished.

ADMINISTRATION OF LANDS

SEC. 406. The Secretary shall administer the park in accordance with this title and with the provisions of law generally applicable to units of the National Park System, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4).

DISPOSITION UNDER MINING LAWS

SEC. 407. Subject to valid existing rights, federal lands within the park, and interests therein, are withdrawn from disposition under the public land laws and from entry or appropriation under the mining laws of the United States, from the operation of the mineral leasing laws of the United States, and from operation of the Geothermal Steam Act of 1970.

STUDY AS TO VALIDITY OF MINING CLAIMS

SEC. 408. The Secretary shall not approve any plan of operation prior to determining the validity of any unpatented mining claims within the park and submit to Congress recommendations as to whether any valid or patented claims should be acquired by the United States, including the estimated acquisition costs of such claims, and a discussion of the environmental consequences of the extraction of minerals from these lands.

REGULATION OF MINING

SEC. 409. Subject to valid existing rights, all mining claims located within the park shall be subject to such reasonable regulations as the Secretary may prescribe to assure that mining will, to the maximum extent practicable, be consistent with the protection of the scenic, scientific, cultural and other resources of the park, and any patent which may be issued after the date of enactment of this title shall convey title only to the minerals together with the right to use the surface of lands for mining purposes subject to such reasonable regulations.

GRAZING RIGHTS

SEC. 410. The Secretary shall permit those persons holding currently valid grazing permits within the boundary of the park to continue to exercise such permits consistent with other applicable law: Provided, however, that upon expiration of the current term of such permits, the permits shall not be renewed.

RIGHTS-OF-WAY

SEC. 411. Nothing in this title shall have the effect of terminating any validly issued right-of-way or right-of-use issued, granted, or permitted for

(a) systems for transmission or distribution of electric energy,

(b) pipelines for the transmission or distribution of natural gas or oil, and

(c) communication cables or lines within any utility corridor designated as of January 1, 1987.

PREPARATION OF MANAGEMENT PLAN

SEC. 412. Within three years of the date of enactment of this title, the Secretary shall submit to the Energy and Natural Resources Committee of the United States Senate and the Interior and Insular Affairs Committee of the House of Representatives a detailed and comprehensive management plan for the park. Such plan shall place emphasis on historical and cultural sites and ecological and wilderness values within the boundaries of the park and shall evaluate the feasibility of using the Kelso Depot and existing railroad corridor to provide public access to and a facility for special interpretive, educational and scientific programs within the park.

CONSTRUCTION OF VISITOR CENTER

SEC. 413. The Secretary is authorized to construct a visitor center in the park for the purpose of providing information through appropriate displays, printed material, and other interpretive programs, about the resources of the park.

ACQUISITION OF LANDS

SEC. 414. The Secretary is authorized to acquire all lands and interest in lands within the boundary of the park by donation, purchase, or exchange, except that—

(1) any lands or interests therein within the boundary of the park which are owned by the State of California, or any political subdivision thereof, may be acquired only by donation or exchange; and

(2) lands or interests therein within the boundary of the park which are not owned by the State of California or any political subdivision thereof may be acquired only with the consent of the owner thereof unless the Secretary determines, after written notice to the owner and after opportunity for comment, that the property is being developed, or proposed to be developed, in a manner which is detrimental to the integrity of the park or which is otherwise incompatible with the purpose of this title.

AUTHORIZATION OF APPROPRIATIONS

SEC. 415. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

TITLE V—NATIONAL PARK WILDERNESS

DESIGNATION OF WILDERNESS

SEC. 501. The following lands are hereby designated as wilderness in accordance with section (3) of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1132 (c)) and shall be administered by the Secretary of the Interior in accordance with the applicable provisions of the Wilderness Act.

(1) Death Valley National Park Wilderness, comprising approximately three million one hundred fifty-nine thousand seven hundred twenty acres, and potential wilderness additions comprising approximately twenty thousand four hundred acres, as generally depicted on a map entitled "Death Valley National Park Wilderness—Proposed", dated January 1987, and which shall be known as the Death Valley Wilderness;

(2) Joshua Tree National Park Wilderness Additions, comprising approximately one hundred thirty-three thousand five hundred acres, as generally depicted on a map entitled "Joshua Tree National Park Wilderness Additions—Proposed", dated February 1986, and which are hereby incorporated in, and which shall be deemed to be a part of the Joshua Tree Wilderness as designated by Public Law 94-567; and

(3) Mojave National Park Wilderness, comprising approximately seven hundred forty-seven thousand nine hundred forty acres, as generally depicted on a map entitled "Mojave National Park Wilderness—Proposed", dated February 1986, and which shall be known as the Mojave Wilderness.

FILING OF MAPS AND DESCRIPTIONS

SEC. 502. A map and description of the boundaries of the areas designated in section 501 of this title shall be on file and available for public inspection in the Office of the Director of the National Park Service, Department of the Interior, and in the Office of the Superintendent of each area designated in section 501. As soon as practicable after this title takes effect, maps of the wilderness areas and descriptions of their boundaries shall be filed with the Commission on Energy and Natural Resources of the United States Senate and the Commission on Interior and Insular Affairs of the House of Representatives, and such maps and descriptions shall have the same force and effect as if included in this title: Provided, That correction of clerical and typographical errors in such maps and descriptions may be made.

CESSATION OF CERTAIN USES

SEC. 503. Any lands (in section 501 of this title) which represent potential wilderness additions upon publication of the Federal Register of a notice by the Secretary of the Interior that all uses thereon prohibited by the Wilderness Act have ceased, shall thereby be designated wilderness. Lands designated as potential wilderness additions shall be managed by the Secretary of the Interior insofar as practicable as wilderness until such time as said lands are designated as wilderness.

ADMINISTRATION OF WILDERNESS AREAS

SEC. 504. The areas designated by section 501 of this title as wilderness shall be administered by the Secretary of the Interior in accordance Interior in accordance with the applicable provisions of the Wilderness Act governing areas designated by that title as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this title, and where appropriate, and reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

TITLE VI—MISCELLANEOUS PROVISIONS

TRANSFER OF LANDS TO RED ROCK CANYON STATE PARK

SEC. 601. Upon enactment of this title, the Secretary of the Interior shall transfer to the State of California certain lands within the California Desert Conservation Area, California, of the Bureau of Land Management, comprising approximately twenty thousand five hundred acres, as generally depicted on a map entitled "Red Rock Canyon State Park Additions", dated February 1986, for inclusion in the State of California Park System. Should the State of California cease to manage these lands as part of the state park system, ownership of the lands shall revert to the Department of the Interior to be managed as part of the California Desert Conservation Area to provide maximum protection for the area's scenic and scientific values.

DESERT LILY SANCTUARY

SEC. 602. (a) There is hereby established the Desert Lily Santuary within the California Desert Conservation Area, California, of the Bureau of Land Management, comprising approximately two thousand forty acres, as generally depicted on a map entitled "Desert Lily Sanctuary", dated February 1986. The Secretary of the Interior shall administer the area to provide maximum protection to the desert lily.

(b) Subject to valid existing rights, federal lands within the sanctuary, and interests therein, are withdrawn from disposition under the public land laws and from entry or appropriation under the mining laws of the United States, from the operation of the mineral leasing laws of the United States, and from operation of the Geothermal Steam Act of 1970.

INDIAN CANYONS NATIONAL HISTORIC SITE

SEC. 603. (a) There is hereby established the Indian Canyons National Historic Site, comprising approximately four hundred ninty acres, as generally depicted on a map entitled "Indian Canyons National Historic Site", dated February 1986.

(b) Upon enactment of this title, the Secretary of the Interior shall enter into negotiations to acquire by exchange the privately owned lands or interests therein within the national historic site designated by subsection (a). The value of the properties so exchanged either shall be equal or, if they are not equal, the values shall be equalized by the payment of cash to the grantor or to the Secretary as the circumstances require.

(c) The Secretary shall enter into a cooperative management agreement with the Agua Calients Band of Cahuilla Indians for the purposes of managing the Indian Canyons National Historic Site. Upon execution of the management agreement, the Secretary shall transfer title of the land to be held in trust for the Agua Caliente Band of Cahilla Indians as part of the Agua Caliente Indian Reservation and such transfer shall remain effective so long as the agreement remains in force and in effect.

LAND TENURE ADJUSTMENTS

SEC. 604. In preparing land tenure adjustment decisions within the California Desert Conservation Area, of the Bureau of Land Management, the Secretary shall give priority to consolidating federal ownership within the national park units and wilderness areas designated by this Act.

LAND EXCHANGES WITH THE STATE OF CALIFORNIA

SEC. 605. (a) The Secretary of the Interior shall exchange such public lands or interests in lands, as are of approximately equal value and selected by the State of California, acting through the State Lands Commission, for any state lands or interests therein located within the boundaries of the wilderness or the parks.

(b) Within six months from the date of enactment of this Act, the Secretary of the Interior shall notify the Chairman of the State Lands Commission what state lands or interests therein are within the wilderness areas or national park units designated by this Act. The notice shall include notice of the Secretary's duty to exchange public lands selected by the state for any state land contained within the boundaries of the wilderness areas or national park units. The notice shall contain a listing of all public lands within the boundaries of the state, which have not been withdrawn from entry and which have not been withdrawn from entry and which the Secretary identifies as available to the state in exchange for state lands within the wilderness areas or national park units.

(c) After the receipt of the list of available public lands, if the Chairman of the State Lands Commission gives notice to the Secretary of the state's selection of lands, the Secretary shall notify the Chairman in writing as to whether the Department of the Interior considers the state and federal lands to be of approximately equal value. In the case of disagreement between the Secretary and the Chairman as to relative value of the acquired and selected lands, the Secretary and the Chairman shall agree on the appointment of a disinterested independent appraiser who will review valuation data presented by both parties and determine the amount of selected land which best represents approximate equal value. Such determination will be binding on the Secretary and the State Lands Commission. The transfer of title to lands or interests therein to the State of California shall be completed within two years from the date of enactment of this Act.

By Mr. CRANSTON:

S. 8. A bill to provide Federal financial assistance to facilitate the establishment of alliances between educational agencies and the private sector to increase the use of resources of the private and nonprofit sectors in the provision of elementary and secondary education, and for other purposes; to the Committee on Labor and Human Resources.

ALLIANCE FOR EDUCATION ACT OF 1987

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to encourage and facilitate cooperative alliances between the private sector and the public schools. The Alliance for Education Act of 1987 will provide grants to develop model cooperative programs linking the needs of schools and the resources of the private sector, and the nonprofit sector, in order to marshal the full support of our communities for the betterment of education.

At all levels, Americans are reassessing our education system. We want quality. We want our children to be literate in every sense of the word. We want graduates of our school system to be fully functional as individuals, as members of a democratic society, and as contributors to a strong economy for the American future. Every major education reform report tells us that our vitality as a nation and our strength as a world economic power depends upon the job we do in our schools. We must raise school standards and performance in order to bring forth the full potential of this great Nation.

It is with this recognition, and in this spirit, that I introduce the Alliance for Education Act of 1987. Our schools are not discrete entities. They are part of the creative fabric of each community, of each State, of our entire Nation. If we are to revitalize education in America—and we must—our effort must be in partnership with every segment of the school community. For we've come to understand that excellence in education is everyone's responsibility.

Yet even though we know that raising education standards is the job of every segment of the community, and in spite of overwhelming public support for education, one of our contemporary tragedies is the lack of community involvement and parent interest in what schools teach and how they teach it. We must take action to realize that support. Too, we are just beginning to comprehend the value of linking the resources of the private and nonprofit sectors—business concerns, private community organizations, institutions of higher education, museums, libraries, educational television stations, as well as State and local governments. But unless we move ahead on these critical fronts, much of our talk about school reform will remain as rhetoric.

In order to encourage community partnerships in education, we must develop and disseminate model cooperative programs in two areas: One, alliances in which business shares its expertise and other resources with the schools; and two, alliances in which other segments of the community—many of them already active in educational efforts of their own—are invited to join the effort to enhance the curriculum.

Everyone can gain from this.

The fact is, the private business sector depends more and more upon education—education in schools and education in the corporation—to supply its skilled workers and to help its managers sustain quality and productivity. Some years ago, in my State of California, an organization of leaders of business and industry, called the California Roundtable, identified education as a priority issue for dealing with three persistent problems: One, a pervasive unemployment problem, particularly among minority youth in urban areas; two, the difficulty companies have in locating qualified entry-level employees; and three, an increasingly technical job market, requiring employees who have mastered the basics in high school and are therefore trainable. In fact, the Roundtable estimates that by 1990 half of all jobs in California will be technically based.

The Roundtable's concern about whether or not students are being adequately prepared for college and for work resulted in a comprehensive, independent research study, commissioned by the Roundtable, to determine the current level of student performance and ascertain areas where improvement is needed and where support can be provided. But the issue was not simply studied: Based on the organization's conviction that education was of paramount importance to the future of California business and industry, the Roundtable worked very successfully to enact a far-reaching set of education reforms for the State and to raise the funding level for education to the highest in the State's history.

The positive climate for education reform in California was greatly improved by the Roundtable's effort. In this instance, a keen business interest in schools resulted in substantial advancement for schools. In other areas of the country, collaborative efforts between business and schools have been more modest but no less effective. Chicago has a citywide Adopt-A-School Program, in which a network of industries work with schools at least once a week, for a year at least. St. Louis has a School Partnership Program, bringing together the resources of business and the resources of government and cultural agencies and colleges as well. In Los Angeles, the Atlantic Richfield Joint Education Project was started when employees of Atlantic Richfield volunteered to tutor children at innercity elementary schools several hours each week, and now the program involves other businesses and is citywide.

This kind of involvement is critical—for both education and for the economy.

In a recent interview, Labor Secretary William Brock said:

> One of the strangest things about the American economic-educational system is that it's been like two ships passing in the night. There's business on one side and educators on the other. They have very little contact or communication. Each seems to be somewhat intimidated by the other. Business has an enormous vested interest in seeing a much more effective public education system in place in this country quickly, and education, obviously, has an interest in finding out what the demands of the work place are going to be and how they can more effectively respond to them, because in that process they'll gain more support.

Secretary Brock is right. And what has happened in California via the Roundtable experience, and what is happening in other areas of the country where business is expressing an active interest in educational excellence must be given full encouragement. It is in the clear national interest for the Federal Government to fund model projects in business/education collaboration that can then be successfully undertaken in other areas of the country.

Other segments of the school community belong in this collaborative effort—museums, libraries, colleges, and universities, and other nonprofit organizations. Again and again, research suggests that when the total community actively supports schools, great power is generated to bring about change and improvement. In fact, there can likely be no effective education carried out in a setting where the community—including the family—is indifferent or even hostile to the schools.

Where community partnerships have been launched, they have been successful and varied. The University of North Dakota, for example, is working with 10 high schools in Grand Forks to improve student preparation for college. Faculty members and school staff have worked together—through conferences, assistance to teachers, and demonstration projects—in order to help teachers give students a better understanding of what college will be like and what skills they will need.

Promising activities for other communities can be programs in which the arts resources—and experts—in a community can work with the schools. In Boston, the nonprofit cultural education collaborative coordinates programs between Boston public schools and the city's outstanding performing companies, museums, and art centers, in Philadelphia, PATHS—a coalition of businesses, universities, and the Philadelphia public schools is developing a national model for improving humanities instruction in urban school districts. Operating from New York City, the Rockefeller Brothers Fund has identified schools with a distinguished arts program and recognizes excellence with $10,000 awards.

Cooperative programs can include alliances between schools and college math and science departments, nonprofit vocational training programs, programs for students with special needs, university and college efforts in teacher development, and in the health professions: In Manhattan, eighth and ninth graders at Joan of Arc Junior High School spend 1 day per week over a 2-year period at the New York University Medical Center Program studying laboratory techniques and basic sciences. As a result, numerous students from the program have entered the health professions as a career.

The possibilities for business/community alliances for schools are as limitless as the American imagination. And so are the potential results. From the California Roundtable experience, it is clear that business leaders can be a powerful positive force for education reform within a State—including the achieving of much greater financial support for schools. From a host of other experiences, in cities and in States around the Nation, it is clear that students can make more informed career decisions in encounters with professionals in business. Students can have access to expensive state-of-the-art equipment. Business can provide help in school management programs, and facilities and personnel for student instruction. And in urban areas, the corporate community can gear assistance to programs encouraging economically disadvantaged youth to stay in school, as has been done by the New York City Partnership.

One of the biggest gains for education through the alliances my bill encourages is a gain in support for schools and for the essential mission of our education system. Because of America's heterogeneity, our Nation's sheer size, and our emphasis on individuality, we must work hard and diligently to maintain a sense of unity in our educational effort. Trust, respect, and communitywide agreement on what schools should do and how they should do it can best be built if all segments of the community are represented and active in the schools.

The bill I introduce today provides for grants to begin building alliances between the public schools and the private and nonprofit sectors. Grants will be made to apply the full resources of the private and nonproft sections to elementary and secondary school needs in the community, to encourage business to work with educationally disadvantaged as well as gifted students, and to broaden the career awareness of secondary school students. Grants may also be made for developing model State statutes in support of cooperative ties between the private sector and schools, for academic internship programs, for tutorial and volunteer work, and for staff training. Federal support is on a declining scale, with the projects to be self-supporting at the end of the grant period. Grant criteria and program policy will be made by a presidentially appointed board composed of 15 members from specified backgrounds appointed by the President, and including the Secretaries of Education, Commerce, and Labor, and the chairman of the National Endowment for the Arts and the National Endowment for the Humanities. The Secretary of Education administers the program, conducts an annual evaluation of grants made under the act, and disseminates information in order to encourage the broadest possible use of successful strategies and methods.

Mr. President, I ask unanimous consent that the text of my bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 8

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Alliance for Education Act of 1987".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to encourage the creation of alliances between public schools and the private sector in order to—

(1) apply the resources of the private and nonprofit sectors of the community to the needs of the elementary and secondary schools in that community;

(2) encourage business to work with educationally disadvantaged students and with gifted students;

(3) apply the resources of communities for the improvement of elementary and secondary education; and

(4) enrich the career awareness of secondary school students to exposures to the private sector and their work.

DEFINITIONS

SEC. 3. As used in this Act—

(1) The term "Board" means the Alliance for Education Board established pursuant to section 6.

(2) The term "eligible alliance" means a local educational agency and business concerns, nonprofit private organizations, institutions of higher education, museums, libraries, educational television stations, and if the State agrees to participate, appropriate State agencies.

(3) The term "elementary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

(4) The term "institution of higher education" has the same meaning given that term by section 1201(a) of the Higher Education Act of 1965.

(5) The term "local educational agency" has the same meaning given that term under section 198(a)(10) of the Elementary and Secondary Education Act of 1965.

(6) The term "secondary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

(7) The term "Secretary" means the Secretary of Education.

(8) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

(9) The term "State educational agency" has the same meaning given that term under section 198(a)(17) of the Elementary and Secondary Education Act of 1965.

PROGRAM AUTHORIZED

SEC. 4. (a) The Secretary, subject to the general policies and criteria established by the Board and in accordance with the provisions of this Act, is authorized to make grants to eligible alliances to pay the Federal share of the costs of the activities described in section 5.

(b) There are authorized to be appropriated $30,000,000 for the fiscal year 1988 and for each of the three succeeding fiscal years to carry out the provisions of this Act.

AUTHORIZED ACTIVITIES

SEC. 5. (a) An eligible alliance may use payments received under this Act in any fiscal year for—

(1) model cooperative programs designed to apply the resources of the private and nonprofit sectors of the community to the elementary and secondary schools of the local educational agency in that community;

(2) projects designed to encourage business concerns and other participants in the eligible alliance, to work with educationally disadvantaged students and with gifted students in the elementary and secondary schools of local educational agencies;

(3) projects designed to apply the resources of the community to the elementary and secondary schools of the local educational agency in that community to improve the education of students in such schools;

(4) projects designed to enrich the career awareness of secondary school students through exposure to officers and employees of business concerns and other agencies and organizations participating in the eligible alliance for education;

(5) projects for statewide activities designed to carry out the purpose of this Act including the development of model State statutes for the support of cooperative arrangements between the private sector and the elementary and secondary schools within the State;

(6) special training projects for staff designed to develop skills necessary to facilitate cooperative arrangements between the private and nonprofit sectors and the elementary and secondary schools of local educational agencies;

(7) academic internship programs, including where possible academic credit, involving activities designed to carry out the purpose of this Act; and

(8) projects encouraging tutorial and volunteer work in the elementary and secondary schools of local education agencies by personnel assigned from business concerns and other participants in the eligible alliance.

ALLIANCE FOR EDUCATION BOARD

SEC. 6. (a)(1) There is established within the Department of Education an Alliance for Education Board.

(2) The Board shall be composed of 15 members as follows:

(A) Ten members shall be appointed by the President—

(i) of whom 2 shall be appointed from among individuals who are representatives of business concerns.

(ii) of whom 3 shall be appointed from among individuals who are representative of elementary and secondary school teachers and elementary and secondary school administrators.

(iii) of whom 2 shall be appointed from among chief State school officers.

(iv) of whom 3 shall be appointed from among members of the general public who by reason of experience or interest are qualified to serve on the Board.

(B) The Secretary of Education.

(C) The Secretary of Commerce.

(D) The Secretary of Labor.

(E) The Chairman of the National Endowment for the Arts.

(F) The Chairman of the National Endowment for the Humanities.

(3) The members of the Board listed in subparagraphs (B) through (F) shall be ex officio members of the Board.

(b) The Board shall establish general policies with respect to the functions of the Secretary under this Act including—

(1) guidelines for the establishment and operation of an eligible alliance under this Act;

(2) priorities for the approval of applications; and

(3) such other matters as the Secretary may prescribe.

(c) The Chairman of the Board shall be designated by the President from among the appointed members of the Board. Except as provided in subsection (d)(2), eight appointed members of the Board shall constitute a quorum.

(d) The Board shall meet at the call of the Chairman, except that—

(1) it shall meet not less than four times each year; and

(2) it shall meet whenever one-third of the appointed members request a meeting in writing, in which event seven of the appointed members shall constitute a quorum.

(e) Members of the Board who are not in the regular full-time employ of the United States shall receive, while engaged in the business of the Board, compensation for service at a rate to be fixed by the President, except that such rate shall not exceed the rate specified at the time of such service for grade GS-18 set forth in section 5332 of title 5, United States Code, including traveltime, and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed in Government service.

APPLICATION

SEC. 7. (a) Any eligible alliance which desires to receive a grant under this Act shall submit an application to the Secretary, at such time, in such manner, and accompanied by such additional information as the Secretary may reasonably require. Each such application shall—

(1) describe the activities for which assistance under this Act is sought;

(2) provide evidence that the eligible alliance meets the general criteria established by the Board pursuant to section 6;

(3) provide assurance that the eligible alliance will pay the non-Federal share of the activities for which assistance is sought from non-Federal sources;

(4) provide assurances that the eligible alliance will take such steps as may be available to it to continue the activities for which the eligible alliance is making application after the period for which assistance is sought; and

(5) provide such additional assurances as the Secretary determines to be essential to ensure compliance with the requirements of this Act.

(b) A consortium of eligible alliances may file a joint application under the provisions of subsection (a) of this section.

APPROVAL OF APPLICATION

Sec. 8. (a) The Secretary shall approve applications in accordance with the general policies criteria established by the Board under section 6.

(b) No application may be approved by the Secretary if the State educational agency notifies the Secretary that the application is inconsistent with State plans for elementary and secondary education in the State.

PAYMENTS; FEDERAL SHARE; LIMITATION

Sec. 9. (a)(1) The Secretary shall pay to each eligible alliance having an application approved under section 7 the Federal share of the cost of the activities described in the application.

(2) The Federal share—

(A) for the first year for which an eligible alliance receives assistance under this Act shall be 90 percent;

(B) for the second such year shall be 75 percent;

(C) for the third such year shall be 50 percent; and

(D) for the fourth such year 33⅓ percent.

(3) The non-Federal share of payments under this Act may be in cash or in kind fairly evaluated, including planned equipment or services.

(b) Not more than 15 percent, or 1,000,000, whichever is greater of the funds appropriated under this Act in any fiscal year may be paid to eligible alliance in any single State.

EVALUATION AND DISSEMINATION

Sec. 10. (a) The Secretary shall conduct an annual evaluation of grants made under this Act to determine—

(1) the type of activities assisted under this Act;

(2) the impact upon the educational characteristics of the elementary and secondary schools from activities under this Act;

(3) the extent to which activities assisted under this Act have improved or expanded the nature of support for elementary and secondary education in the community or in the State, as the case may be; and

(4) a list of specific activities assisted under this Act which show promise as model programs to carry out the purpose of this Act.

(b) The Secretary shall disseminate to State and local educational agencies and other participants in the eligible alliance program information relating to the activities assisted under this Act.

Section-by-Section Analysis

Section 1 provides that the Act may be cited as the "Alliance for Education Act of 1987".

PURPOSE

Section 2. The stated purpose of the Act is to encourage the creation of alliances between public schools and the private sector in order to apply the resources of the private and nonprofit sectors of the community to the needs of elementary and secondary schools in the community, to encourage business to work with educationally disadvantaged as well as gifted students, to apply community resources to improve elementary and secondary education, and to enrich the career awareness of secondary school students.

DEFINITIONS

Section 3. This section defines terms used in the Act. Several of the terms are defined in the customary manner. "Board" means the Alliance for Education Board established pursuant to the Act. "Eligible Alliance" means a local educational agency and business concerns, private organizations, institutions of higher education, museums, libraries, educational television stations, and State agencies.

PROGRAM AUTHORIZED

Section 4. (a) Authorizes the Secretary of Education to make grants in accordance with provisions of the Act; and (b) authorizes $30 million for the fiscal year 1988 and for each of three succeeding fiscal years.

AUTHORIZED ACTIVITIES

Section 5. This section states that a grantee may use payments received under the Act for model cooperative programs applying private and nonprofit sector resources to elementary and secondary schools in the community, for projects to encourage business and others in the alliance to work with educationally disadvantaged and with gifted students, for projects to apply community resources to improve the education of students in elementary and secondary schools in the community, for projects to enrich the career awareness of secondary school students, for statewide activities including the development of model State statutes for the support of cooperative ties between the private sector and schools, for special staff training projects, for academic internship programs, and for tutorial and volunteer work in elementary and secondary schools.

ALLIANCE FOR EDUCATION BOARD

Section 6. This section establishes within the Department of Education an Alliance for Education Board, composed of 15 members from specified backgrounds appointed by the President, and including the Secretaries of Education, Commerce, and Labor, and the Chairman of the National Endowment for the Arts and the National Endowment for the Humanities. The section sets forth duties of the Board, meeting criteria, and compensation for service including per diem in lieu of subsistence.

APPLICATION

Section 7. This section sets forth application criteria, including a requirement for assurances will pay the non-Federal share and assurances that steps will be taken to continue the activities covered under the application after the grant period.

APPROVAL OF APPLICATIONS

Section 8. This section directs the Secretary to approve applications in accordance with Board-established criteria, and specifies that no application may be approved that is deemed by the State education agency as inconsistent with State plans for elementary and secondary education.

PAYMENTS; FEDERAL SHARE; LIMITATION

Section 9. This section sets the Federal share of the cost of the activities funded as 90 percent for the first year, 75 percent for the second year, 50 percent for the third year, and 33⅓ percent for the fourth year. The non-Federal share may be in cash or in kind, and not more than 15 percent or $1,000,000 whichever is the greater of the funds appropriated under the Act in any fiscal year may be paid to eligible alliances in a single State.

EVALUATION AND DISSEMINATION

Section 10. This section directs the Secretary to conduct an annual evaluation of grants made under the Act in order to determine the types of activities assisted, the educational impact upon elementary and secondary schools, the extent to which assisted activities have improved or expanded support for schools, and those activities which show promise as model programs. Directs the Secretary to disseminate information on activities assisted under the Act.

By Mr. CRANSTON (for himself, Mr. Matsunaga, Mr. DeConcini, Mr. Mitchell, Mr. Rockefeller, Mr. Graham, and Mr. Lautenberg):

S. 9. A bill to amend title 38, United States Code, to increase the rates of disability compensation and dependency and indemnity compensation for veterans and survivors; to provide additional eligibility for certain educational or rehabilitation assistance to veterans and other eligible individuals with drug or alcohol abuse disabilities; to increase the maximum amount of a home loan which is guaranteed by the Veterans' Administration; to improve housing, automobile, and burial assistance programs for service-disabled veterans; and to extend and establish certain exemptions from sequestration for certain veterans' benefits; and for other purposes; to the Committee on Veterans' Affairs.

SERVICE-DISABLED VETERANS' BENEFITS IMPROVEMENT ACT OF 1987

Mr. CRANSTON. Mr. President, as the chairman of the Committee on Veterans' Affairs, I am today introducing S. 9, the proposed "Service-Disabled Veterans' Benefits Improvement Act of 1987." Joining with me as original cosponsors of this measure are five other committee members, Senators Matsunaga, DeConcini, Mitchell, Rockefeller, and Graham, all of whom serve with me on the committee, and the Senator from New Jersey [Mr. Lautenberg].

This measure would provide for a cost-of-living increase in the rates of disability compensation for veterans who suffer from service-connected disabilities and the rates of dependency and indemnity compensation [DIC] for the survivors of veterans who have died from service-connected causes (section 2). In addition, the bill would provide increases in the maximum amount of VA specially adopted housing assistance grants for certain severely disabled, service-connected veterans (section 3), increase the funeral and burial allowance for service-connected deaths (section 4), toll the eligibility period for GI Bill and certain other educational and vocational rehabilitation programs for veterans and other eligible persons who have been prevented from participating in such programs because of alcohol or drug dependence or abuse (section 5), increase the maximum loan guaranty under the VA's home-loan guaranty program (section 6), and increase the amount of the automobile assistance grant provided to certain severely disabled, service-connected veterans (section 7).

Finally, the measure (section 8) would also make permanent the Gramm-Rudman-Hollings sequestration exemptions—currently for fiscal year 1987 only—enacted late last year for the VA's program of vocational rehabilitation for certain service-connected disabled veterans (chapter 31) and the program of educational assistance for survivors and dependents of certain service-connected disabled veterans (chapter 35) and would create a permanent Gramm-Rudman-Hollings sequestration exemption for the VA's home-loan guaranty program (chapter 37).

COMPENSATION RATE INCREASE

The VA's service-connected disability compensation program is at the very heart of our system of veterans' benefits. The Committee on Veterans' Affairs has consistently attached the highest priority to the needs of service-connected disability veterans and the survivors of those who have made the ultimate sacrifice. Meeting the needs of the more than 2.2 million veterans who suffer from disabilities resulting from their service and the 340,000 survivors of those who died from service-connected disabilities will remain my No. 1 priority in veterans' affairs.

Mr. President, the legislation we are introducing today would, in section 2, provide for a compensation and DIC cost-of-living adjustment [COLA] equal to the COLA percentage to be provided for Social Security and VA pension benefits, effective December 1, 1987. As I and other members of the committee have noted on numerous occasions, our commitment to this approach remains strong.

The Congressional Budget Office [CBO] estimates that the Social Security increase will be 4.1 percent. If so, the compensation/DIC increase would cost approximately $352 million in budget authority and $317 million in outlays for fiscal year 1988.

SPECIALLY ADAPTED HOUSING ASSISTANCE

Mr. President, section 3 of our bill would increase by 12.5 percent, from $35,500 to $40,000, effective October 1, 1987, the maximum amount payable in specially adapted housing assistance, under the so-called wheelchair home program, to certain totally and permanently service-connected disabled veterans. The measure would also increase by 12.5 percent, from $6,000 to $6,750, effective October 1, 1987, the maximum amount payable in adapted housing assistance to certain veterans who suffer from service-connected blindness or who have suffered the loss or loss of use of two upper extremities. These programs are codified in chapter 21 of title 38, United States Code.

Under the wheelchair home program, the VA provides veterans who have certain permanent and total service-connected disabilities involving mobility impairments with cash assistance in acquiring suitable housing with adaptations made necessary by the nature of their disabilities. Under current law, these disabled veterans are eligible for a grant not to exceed 50 percent of the cost of the home and necessary land, up to a maximum of $35,500. Veterans eligible for housing assistance grants are principally quadriplegics, paraplegics, amputees, and certain others who, because of their service-connected disabilities, require the use of a wheelchair, braces, a cane, or crutches to move about. Their disabling conditions typically require ramps, special bathroom equipment, extra-large rooms and hallways, and various other adaptations that protect their health and safety.

Increases in the maximum amount of the grant have been provided periodically. When originally enacted in Public Law 80-702 in 1948, the specially adapted housing program provided for assistance of up to $10,000. Since then, the maximum amount of assistance has been increased on six occasions based on legislation I authored or coauthored. The last increase, to $35,500, derived from legislation I introduced in the 98th Congress, was made by Public Law 98-543 and was effective on January 1, 1985. At that time, according to the National Association of Realtors, the average cost of an existing home was $73,100. In October 1986, that average cost had increased to $79,700—a 9-percent increase. According to the latest projections compiled in August by the CBO, the Consumer Price Index is expected to increase by 3.9 percent in fiscal year 1987.

Thus, by raising the maximum limit of the assistance by 12.9 percent, to $40,100, effective October 1, 1987, our bill would counter the effects of inflation on the value of this benefit over the 2½ years preceding that date.

Similarly, our bill would also increase by 12.9 percent, from $6,000 to $6,775, effective October 1, 1987, the maximum amount of assistance for special housing adaptations that is available to certain veterans suffering from service-connected total blindness or the loss or loss of use of both upper extremities. This program of assistance, payable pursuant to section 801(b) of title 38, was enacted in 1980 based on legislation I authored. Under this program, an eligible veteran is entitled to up to a maximum of $6,000 for the purposes of making special adaptations that the Administrator determines are reasonable necessary because of the veteran's disability. This maximum amount was last increased from $5,000 to $6,000, effective January 1, 1985, when the wheelchair grant assistance maximum was increased.

In fiscal year 1985, under both programs, the VA made a total of 540 specially adapted housing grants with an average benefit payment of $29,286. In fiscal year 1986, 499 grants under both programs were made with an average benefit payment of $30,284. The VA has estimated that in fiscal year 1987, a total of 390 grants will be made with an average payment of $30,962.

Based on informal CBO estimates, the cost of providing for these increases would be approximately $2.4 million for fiscal year 1988.

FUNERAL AND BURIAL BENEFITS FOR SERVICE-CONNECTED DEATHS

Mr. President, section 4 of the measure we are introducing today would also provide for an increase of $900—from $1,100 to $2,250—in the allowance which the VA pays, at the request of the survivors, to defray the funeral and burial expenses for a veteran who dies of service-connected causes. This program is codified in chapter 23 of title 38, United States Code.

Until 1974, there was no difference between the funeral and burial benefits paid to the survivors of veterans who died from service-connected causes and those who died from non-service-connected causes. The amounts so provided for funeral and burial expenses were substantially less than the average funeral and burial costs in this country. In clear recognition of the greater Federal responsibility for service-connected deaths, the Congress corrected that situation, in part, by enacting legislation I proposed to increase substantially, from $250 to $800, the maximum allowance payable for such deaths. That legislation, section 5(a)(2) of the National Cemeteries Act of 1973 (Public Law 93-43), tied the amount of allowances payable to the amount payable under section 8134(a) of title 5, United States Code, on behalf of Federal employees who die from injuries sustained in the performance of their duties.

However, the $800 maximum payable under that title 5 provision was set in 1958 and has not been increased despite the very substantial rise in funeral and burial expenses over the past nearly 30 years. In 1978, the National Association of Funeral Directors estimated that the average cost of a funeral, including the basic funeral and the casket, had risen to $1,348. On the basis of this data, the Senate adopted my proposal for an increase in the maximum allowance to $1,500. In Public Law 95-479, the Congress raised the maximum to $1,100—approximately 82 percent of the average funeral cost.

According to the National Funeral Directors Association, a study by the Federation of Funeral Directors has found that the cost of an average adult funeral was $2,745 in 1986.

Mr. President, I have long felt that the highest priority of VA programs relating to burial and cemetery benefits should be assistance to the survivors of those veterans who die from service-connected causes. Hence, in view of the substantial increase in the cost of burial since 1978, our measure would increase the maximum allowance in such cases to $2,250, thereby restoring the 82-percent coverage.

Based on informal CBO estimates, the cost of providing for these increases would be approximately $8.8 million for fiscal year 1988.

TOLLING THE RUNNING OF DELIMITING PERIODS BY REASON OF DRUG OR ALCOHOL CONDITIONS

Mr. President, in the GI bill Improvement Act of 1977, Public Law 95-202, the Congress adopted legislation I proposed to amend the Vietnam Era GI bill and the Survivors' and Dependents' Educational Assistance (chapters 34 and 35, respectively) to grant extensions of the 10-year delimiting period in the case of an eligible veteran or an eligible spouse who is prevented from pursuing a program of education during that period due to a mental or physical disability not the result of willful misconduct. Similar authorities were subsequently incorporated in all of the educational assistance programs authorized by title 38—the chapter 30, new GI bill program, the chapter 31, Vocational Rehabilitation Program, and the chapter 32, Post-Vietnam Era Veterans Program. Under these provisions, the delimiting period does not run during any period of time that the veteran or eligible spouse is determined to have been unable to pursue training because of the disability.

However, there have been a number of instances in which the VA has denied a delimiting-period extension to an otherwise eligible veteran when the condition on which the veteran based his or her claim was an alcohol or drug abuse or dependence disability, which the VA considers categorically to be a condition due to willful misconduct. The VA has based its denial in these cases on the legislative history of the 1977 provision that addressed the issue of how determinations of disability should be made for the purposes of the extension. In particular, the report of the Veterans' Affairs Committee (S. Rept. No. 95-468) on the provision which was enacted as section 203(a)(1) of Public Law 95-202, in discussing the concept of "willful misconduct," stated at pages 69-70:

> In determining whether the disability sustained was a result of the veteran's own "willful misconduct," the Committee intends that the same standards be applied as are utilized in determining eligibility for other VA programs under title 38.

The report further referenced VA regulations and manual provisions relating to the determination of willful misconduct for the purposes of determining service-connected disability. Under the VA's interpretation of those standards, in section 3.301(C)(2) and (3) of title 38, Code of Federal Regulations, alcoholism and drug addiction and injuries proximately and immediately resulting from the effects of the deliberate ingestion of an alcoholic beverage or voluntary use of a drug—such as driving while under the influence of alcohol or a drug—are considered to be the result of willful misconduct.

In 1979, our committee reexamined the practical consequences of denying a delimiting period extension in such cases and the differences between awarding such an extension on the grounds of alcohol or drug disabilities and awarding other VA benefits, such as compensation or pension, based on such disabilities. As a result of this reexamination, the committee saw no substantial purpose to be served by denying a veteran a GI bill delimiting-period extension when the veteran had been prevented by a drug or alcohol disability, during part of all of the ordinary 10-year delimiting period, from using GI bill educational assistance. In fact, the committee noted its view that allowing extensions in such cases was desirable because helping veterans pursue their educations would have considerable value in contributing to achieving and maintaining the medical, social, and economic rehabilitation of veterans recovering from disabilities related to alcohol or drugs.

In contrast, the committee noted that some undesirable consequences might flow if a similar rule were applied for purposes of other VA benefit programs, such as service-connected compensation, where the rate and duration of benefits depend directly upon the severity and duration of the disability. If an individual were to be granted disability compensation for alcoholism or drug addiction, there would be a strong financial incentive established—in the form of a higher rate of compensation or the continuation of receipt of compensation—for the worsening or prolongation of the disability, either of which can, to a greater or lesser degree, be within the control of the veteran because they depend upon the amount, frequency, and duration of his or her consumption of alcoholic beverages or drugs.

Thus, the committee reported in S. 870—and the Senate passed in section 201(2) of H.R. 5288—a provision to establish that an alcohol or drug dependence or abuse disability from which a veteran or eligible spouse has recovered will not, solely for purposes of deciding requests for delimiting-period extensions, be considered to be the result of willful misconduct.

Similarly, in S. 1188, the bill reported by the committee in 1980 to revise and update chapter 31, relating to VA rehabilitation programs for service-connected disabled veterans, the Senate passed on September 4, 1980, a comparable provision to provide for the tolling of a service-connected disabled veteran's delimiting period for a chapter 31 rehabilitation program on account of an alcohol or drug disability.

However, despite the committee's strongest urgings, the House would accept neither the GI bill nor the rehabilitation program provision for delimiting-period extensions based on drug or alcohol disabilities.

In 1981, in S. 921, the Veterans' Programs Extension and Improvement Act of 1981, the Senate approved similar provisions, and again the House refused to accept them. In 1982, in S. 2913, the proposed Veterans' Compensation, Education, and Employment Amendments of 1982, the Senate passed these provisions with revisions to address certain concerns expressed by the VA; again the House refused to accept the Senate provisions. In 1984, the Senate again approved provisions in S. 2736, largely similar to those approved in 1982, and again, the House refused to accept them.

Mr. President, I continue to believe that the opportunity to use VA educational and rehabilitation benefits can be extremely important to the readjustment and rehabilitation of the Vietnam-era and service-connected disabled veterans involved and that the delimiting period extensions for those who were, but are no longer, prevented by alcohol or drug disabilities from using those benefits is fully consistent with the readjustment and rehabilitation goals of these programs. I am moving forward with this rehabilitative effort again at this point because of the great and concerted efforts made by both Houses late last year in enacting major new drug and alcohol abuse legislation, the Anti-Drug Abuse Act of 1986, Public Law 99-570. In that legislation, Congress clearly recognized the imperative of providing individuals who have drug or alcohol conditions with every reasonable opportunity to participate in programs that can help them return to full, productive lives.

In view of the present national priority on ending drug and alcohol dependency in our society, I am hopeful that the House committee and the Veterans' Administration will be willing to reconsider their opposition to these provisions which we have repeatedly passed in the Senate before.

Thus, the provisions in section 5 of the measure we are introducing today, which are derived from the provisions passed by the Senate in 1984, would amend chapters 30, 31, 32, 34, and 35 to permit the Administrator to extend delimiting periods in the cases of veterans and other eligible persons who have been prevented from using their education or rehabilitation entitlements under title 38 as a result of alcohol or drug dependence or abuse conditions.

In 1984, in connection with the S. 2736, CBO estimated that the number of veterans who would be affected by tolling extensions would be too small for the enactment of these provisions to result in a significant cost.

INCREASE IN LOAN GUARANTY MAXIMUM

Mr. President, the VA's home-loan guaranty is designed to substitute, in large measure, for the down payment that would otherwise be required when a veteran purchases a home. Under current law, the guaranty is limited to 60 perent of the loan amount or $27,500, whichever is the lesser, with regard to conventionally built homes and condominium apartments. Lenders are thus assured of the substantial protection afforded by the VA loan guaranty and are generally willing to make loans to veterans without the necessity of a downpayment or with a lower downpayment than would otherwise be required. The VA Home-Loan Guaranty Program is codified in chapter 37 of title 38, United States Code.

As my colleagues are well aware, housing prices have risen substantially since the most recent increase in the VA loan-guaranty maximum, enacted by the Congress, effective on October 1, 1980. According to data collected by the National Association of Realtors, the median purchase price of an existing home in October 1980 was $62,700. By October 1986—the most recent month for which data are available—the median purchase price of an existing home had risen by 27 percent to $79,700. In the case of new homes, the National Association of Home Builders advises that in calendar year 1980 the median purchase price was $64,600; by the end of calendar year in 1986, the price had risen to $91,400—an increase of 41.5 percent. In addition, according to the latest CBO projections, the Consumer Price Index is expected to increase by 3.9 percent in fiscal year 1987. Our bill adopts the more modest of the two 7-year increases measure. By raising the guaranty by 31 percent—the percentage increase in the existing home median purchase price plus the projected 3.9-percent fiscal year CPI increase—to $36,000, effective October 1, 1987, section 6 of this bill would help to ensure that the value of the VA home-loan guaranty keeps pace with increases in the housing market.

Mr. President, the continuing popularity of and demand for the VA's Home Loan Program is clearly evident. In fiscal year 1986, the VA guaranteed 313,469 home loans totaling a record $21.9 billion and issued commitments to guarantee loans totaling another $12.4 billion. This represented a significant increase over fiscal year 1985 when the VA guaranteed $11.45 billion in loans, representing 178,931 loans. But for hundreds of thousands of other veterans seeking to use their VA home-loan guaranty entitlements, the cost of housing is so high that they cannot find any decent housing for the maximim price—$110,000—which the VA loan-guaranty maximum will enable them to pay on a nodownpayment loan.

This increase will help ensure that, to the extent interest rates and other economic factors generally make home purchases possible, the VA Loan-Guaranty Program will continue to play the role Congress intends of helping veterans become homeowners.

This provision of S. 9, Mr. President, is similar to S. 2265 which I introduced in the 98th Congress and to S. 9 which I introduced in the 99th Congress—both of these bills proposed increases in the maximum to $35,000. Despite the passage by the House of Representatives in the 98th Congress (section 1 of H.R. 5617) and the passage by the Senate in the 99th Congress (section 303 of S. 1887) of provisions that would have substantially increased the loan-guaranty maximum and despite my best efforts, the enactment of an increase was not achieved.

Part of the reason for this reluctance to enact an increase in the last several years has been concern about the high rates of default and foreclosures on VA-guaranteed home loans. However, during that period the Congress and the administration have focused a great deal of attention on the program and the development of reasonable means to bring down the default and foreclosure rates and reduce the Government's liability in the event of a foreclosure. Thus, in the Deficit Reduction Act of 1984—Public Law 98-369—Congress enacted provisions establishing criteria for determining when the VA pays the guaranty on a property versus taking title to the property and limiting the number of vendee loans which the VA may make. Subsequently, in Public Law 99-576, enacted on October 28, 1986, Congress required the development of new underwriting criteria for the approval of VA home loans.

As a result of efforts such as these, I believe that those who have shied away from supporting an increase in the guaranty maximum may now consider the program to be on a firmer footing than previously and that these actions should create a more favorable environment for consideration of the need for an appropriate increase in the loan-guaranty maximum. I am committed to continuing to pursue the enactment of such an increase in the 100th Congress.

In 1985, the CBO estimated that the first-year cost of providing for an increase to $33,500 million would be zero budget authority and $6 million in outlays. An increase to $36,000 would entail similar costs.

AUTOMOBILE ASSISTANCE ALLOWANCE

Mr. President, section 7 of the measure we are introducing would also provide for an increase in the maximum amount of the automobile assistance allowance, provided by the VA to veterans with certain severe service-connected disabilities. The bill would increase by 10.9 percent, the allowance from $5,000 to $5,530, effective October 1, 1987.

The program of automobile assistance, now codified in chapter 39 of title 38, United States Code—was established by the Congress in Public Law 79-663, enacted in 1946. Under this program, veterans who have suffered the service-connected loss or loss of use of one or both feet, or one or both hands, or service-connected blindness are entitled to a one-time VA grant to assist them in purchasing an automobile. This is a highly deserving category of veterans, and I believe all of my colleagues would agree that this benefit for them should not be permitted to be diminished over the years by the rising cost of a new car.

That was the position of the Congress in 1970 when it enacted section 2 of Public Law 91-666, which I authored and which increased, effective January 11, 1971, the maximum amount of the allowance payable toward the purchase of an autombile or other conveyance from the original $1,600 to $2,800. According to the Senate report accompanying the Senate version of that legislation—Senate Report No. 91-1212, page 14—the purpose of the 1971 increase was to "reestablish, to an effective degree, the comparability which originally existed between the cost of an automobile or other conveyance and the monetary assistance provided for its purchase."

In 1974, 1978, 1981, and 1984, increases—based on legislation I authored—were enacted into law by Public Laws 93-548, 95-479, 97-66, and 98-543, respectively. Since the effective date of the last increase, January 1, 1985, the Bureau of Labor Statistics' Consumer Price Index component for new automobiles has risen by 6.7 percent. As previously noted, according to the latest CBO projections compiled in August 1986, the Consumer Price Index is expected to increase by 3.9 percent in fiscal year 1987.

Increasing the automobile assistance allowance by 10.6 percent, from $5,000 to $5,530, would thus help protect the value of this benefit from being eroded by inflation.

According to the VA, 909 veterans received automobile assistance allowances in fiscal year 1986 and the average benefit payment was $4,783. In fiscal 1987, the VA estimates that 550 veterans would receive assistance under this program.

The CBO has informally estimated that the cost of providing for this increase would be approximately $0.5 million for fiscal year 1988.

SEQUESTRATION EXEMPTIONS

Section 8 of our bill would modify provisions enacted in section 601 of the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986—Public Law 99-576—which provided exemptions from sequestration under the Balanced Budget and Emergency Deficit Control Act of 1985—Public Law 99-177—commonly referred to as "Gramm-Rudman," for certain VA programs—so as to provide for appropriate supplementations of those exemptions.

BACKGROUND

Either in the original Gramm-Rudman law or in subsequent legislation, Congress has enacted provisions making the following categories of VA programs at least temporarily or partially exempt from sequestration or similar reductions:

First, permanent exemptions were provided for most benefits for which entitlement is based on service-connected death or disability, including compensation paid to veterans with service-connected disabilities; dependency and indemnity compensation [DIC] paid to the survivors of those who died from service-connected causes; specially adapted housing grants, mortgage protection life insurance, and automobile and adaptive equipment grants for certain service-connected-disabled veterans; and burial benefits for those who die from service-connected causes. The compensation and DIC exemptions were enacted as permanent Gramm-Rudman exemptions in the original legislation, in section 255(b) of Public Law 99-177. Exemptions for the other benefits were enacted in the 1986 veterans' bill, section 601 of Public Law 99-576, effective beginning with fiscal year 1987.

Second, section 601 of Public Law 99-576 provided 1-year-only—fiscal year 1987—exemptions for two programs of benefits for which entitlement is based on service-connected death or disability; namely, vocational rehabilitation for certain service-connected-disabled veterans and educational assistance for the survivors of those who die from service-connected causes and the dependents of veterans with service-connected disabilities rated totally and permanently disabling.

Third, section 601 of Public Law 99-576 provided two VA revolving funds that are entirely self-sustaining—that is, never require appropriations and do not contribute to the budget deficit—namely the special therapeutic and rehabilitation activities fund, which is used to provide VA patients with compensated work therapy through contracts with private firms which pay into the fund amounts payable to the patients as compensation for the work they perform, and the canteen service revolving fund, which is used for the operation of canteen services, such as cafeterias and gift and snack shops, at VA medical facilities.

Fourth, section 255(g)(2) of Gramm-Rudman provided a permanent exemption for the Government's "prior legal obligations" under VA-administered insurance programs and, after the administration ruled, erroneously in my view, that that exemption did not cover insurance policy loans under those programs, Congress enacted in section 601 of Public Law 99-576 a permanent exemption for such loans, effective beginning in fiscal year 1987.

Fifth, in the case of VA-guaranteed home loans, Congress enacted two measures, Public Law 99-255 and section 1 of Public Law 99-322, raising the cap which the March 1, 1986, fiscal year 1986 sequestration order—based on what proved to be a far-too-low estimate of the volume of VA loan guaranty commitments that would be issued in fiscal year 1986 in absence of a cap—had placed on the making of VA loan guaranty commitments in fiscal year 1986. Ultimately, the second increase, to $38.28 million, made on the basis of an updated estimate as of mid-May of the fiscal year 1986 volume if uncapped, exceeded by about $4 billion the total amount of commitments issued by the VA in fiscal year 1986 and thus provided a de facto exemption for that year.

PROPOSED EXEMPTION FOR SERVICE-CONNECTED BENEFITS

Mr. President, as I have indicated, most service-connected VA benefits have been made permanently exempt from sequestration. Only in the cases of the VA's programs of rehabilitation for service-connected disabled veterans, under chapter 31 of title 38, United States Code, and the program of educational assistance for survivors and dependents, under chapter 35 of title 38, have the exemptions been limited to one year.

The history of the legislation, enacted in section 601 of Public Law 99-576, providing for these two limited restrictions is as follows:

On March 12, 1986, the then-chairman of the Veterans' Affairs Committee [Mr. Murkowski] and committee member DeConcini each introduced bills to provide exemption for various VA programs. Senator Murkowski's bill, S. 2186, would have provided no exemption for the chapter 35 dependents' and survivors' educational assistance and, in the case of the chapter 31 vocational rehabilitation program, would have provided an exemption limited to the cases of veterans with service-connected disabilities rated 50 percent or more disabling. Senator DeConcini's bill, S. 2187, and a subsequent measure that he introduced on May 8, S. 2423, would have provided permanent exemptions for both programs.

At the committee's June 26, 1986, meeting, then-Chairman Murkowski placed before the committee legislation, proposed to be reported as an original bill, that contained no exemption for the dependents' and survivors' educational assistance program. Thus, during the meeting, Senator DeConcini proposed an amendment to add a permanent exemption for the chapter 35 program. However, his amendment, which I, together with Senators Matsunaga, Mitchell, Rockefeller, and Specter, supported, failed by a tie vote of 6 to 6 to be adopted.

With respect to the chapter 31 program, the measure that Senator Murkowski put before the committee reflected a compromise agreement among the members of the committee to provide for a 1-year, fiscal year 1987 only, exemption for that program. As part of the compromise on the chapter 31 program, it was agreed that the committee would conduct a review of that program during the next Congress.

Although the House of Representatives passed legislation, in H.R. 5299, that would have permanently exempted both the chapter 31 and chapter 35 programs, the compromise agreement enacted in Public Law 99-576 on these and various other House and Senate measures contained only the 1-year exemptions for each program.

The bill we are introducing today would provide unrestricted exemptions for these programs, effective beginning in fiscal year 1987.

Mr. President, I regret that we were not able last year to enact permanent exemptions for these high-priority service-connected benefits and am hopeful that we will have better success this year. Regarding the chapter 31 program, I plan to honor the agreement reached last year in our committee for a review of that program during this Congress. However, I strongly believe that any problems that may come to light regarding the program should be remedied by administrative or legislative modifications of the program—not through a limitation on that sequestration exemption.

With respect to the chapter 15 program, I remain convinced that, in light of the high moral obligation which underlies this program, the sequestrian exemption for it should not be time limited. I see no basis for distinguishing between this program of recompense through educational assistance for those whose veteran spouse or parent has died as a result of a service-connected disability and the DIC program of recompense through cash assistance for those same spouses and dependents.

PROPOSED EXEMPTION FOR VA HOME LOAN GUARANTIES

Mr. President, as I have noted, Congress has not enacted a Gramm-Rudman exemption for the VA's home-loan guaranty program. However, in fiscal year 1986 Congress twice raised the cap that had been placed on the program under the March 1 sequester order, and the level to which the cap was raised ultimately exceeded the total amount of guaranty commitments that the agency issued during that fiscal year. Thus, the sequester order had no impact on the program in fiscal year 1986.

For fiscal year 1987 and subsequent years, despite efforts in both Houses last year to provide an exemption, no legislation has been enacted to exempt the program from sequestration.

Rather, in section 601 of Public Law 99-576, Congress enacted only a requirement for the VA, in any year in which a sequestration occurs, to report to the Congress on a monthly basis on the level of activity in the program.

In the Senate, Senator DECONCINI had introduced on May 8 a veterans' program Gramm-Rudman exemption bill, S. 2423, which included a permanent exemption for the program. The bill introduced by Senator MURKOWSKI, S. 2186, on March 12 did not include such an exemption.

The original bill reported by the committee contained no exemption—only the monthly reporting requirement.

The committee's stated reasoning was that, since Congress in fiscal year 1986 had already demonstrated its ability and willingness to enact legislation to protect this program and monthly reports would give the Congress clear opportunity to act to do so when and if the need for such action should arise, a statutory exemption was unnecessary.

Although the House passed, in H.R. 5299, a permanent exemption for the home loan program, in the negotiations on the overall legislation the committees reached agreement on only the monthly reporting requirement and the exemption was dropped.

I believe that this program should be exempted for essentially three reasons. First, as long as a fee is charged for the issuance of VA guaranties to veterans who have no service-connected disabilities, a sequestration cap reducing the total amount of guaranties issued in the year of the sequestration actually would increase—not decrease—the deficit in the fiscal year of the sequestration. For example, according to the August 20, 1986, "snapshot" report issued by the Directors of CBO and the Office of Management and Budget pursuant to section 251 of Gramm-Rudman, a fiscal 1987 sequestration reduction in the VA loan-guaranty program would have increased the fiscal year 1987 deficit by over $9 million. In subsequent years, the reduction in guaranties would be expected to reduce the deficit, but the extent of any such impact would be reduced by the steps that the VA is taking, as a result of provisions enacted in section 402 of Public Law 99-516, to tighten up its underwriting standards in order to avoid guaranteeing loans that would be the most likely to result in foreclosure.

Second, based on the experience in fiscal year 1986, it seems likely that, if the program is ever again threatened with a substantial interruption in the issuance of guaranty commitments due to sequestration, Congress would act swiftly to raise the sequestration cap in order to avoid such an interruption. Thus, an exemption would simply avoid the need for legislative action that would provide annual exemptions.

Third, if a sequestration reduction in the issuance of VA loan-guaranty commitments were actually to occur, it seems clear that the sequestration would operate extremely inequitably. The administration indicated in fiscal year 1986 that it would implement sequestration by cutting off the issuance of commitments when the sequestration cap was reached. Thus, the veterans whose home loan applications were approved after the cap is reached would be denied a guaranty at that point and would be at risk of having the purchase agreement fall through before the issuance of guaranty commitments is resumed at the start of the next fiscal year. Those veterans would in effect be denied the benefit in toto. Other veterans would be completely unaffected.

I consider it unacceptable for equally deserving veterans to be treated so differently with respect to this important benefit. Yet this is what a sequestration almost certainly would bring about.

Thus, our bill would provide an exemption for the VA's home-loan guaranty program.

MODIFICATION OF EFFECTIVE DATE OF EXEMPTIONS FOR TWO SELF-SUSTAINING REVOLVING FUNDS

Both the original House-passed H.R. 5299 and the Senate Veterans' Affairs Committee reported Gramm-Rudman exemptions bill, S. 2885, contained provisions for permanent exemptions for the VA's Special Therapeutic and Rehabilitation Activities Fund and Canteen Service Revolving Fund, and, as noted in the Senate Committee report—page 34 of S. Rept. No. 99-494—The administration supported these exemptions.

The rationale for these exemptions is that these revolving funds are self-sustaining, that is, they require no appropriation of tax funds and do not contribute to the deficit.

Both the House and Senate Veterans' Affairs Committees, in supporting these exemptions, did not believe that a retroactive effective date applicable to fiscal year 1986 was necessary or advisable. This was because the staffs were under the impression that the fiscal year 1986 sequestration meant only the imposition of caps of fiscal year 1986 obligations from the revolving funds, with the caps being at levels 4.3 percent below the estimated levels of obligations in the absence of sequestration; because the VA had informally advised the committees that, although the caps were an inconvenience, they entailed no hardship or significant adverse programmatic impact in fiscal year 1986; and because, since the bill was being enacted very near to or after the close of that fiscal year, a retroactive effective date was not expected to have any impact.

After final passage of the bill, however, we learned from the VA that Gramm-Rudman was being interpreted by the Office of Management and Budget in such a way as to require the VA to pay to the Treasury from these revolving funds the sequestered amounts—the differences between the estimated obligations and the caps and that the VA General Counsel agreed with that interpretation.

For the canteen fund, the payment was $8.1 million; for the rehabilitation activities fund, $100,000.

Mr. President, the effect of this required one-time payment—in light of the prospective, permanent exemption that has been enacted—was to reduce from $12 million to $4 million the amount available in the canteen fund to carry out planned renovations and equipment purchases, an obviously severe cutback. The source of this $8 million was amounts paid by VA hospital patients, employees, and visitors for goods and services they purchased at VA canteens. Obviously, the veteran-patient's expectation in making a purchase at a canteen shop is that the purchase price will go toward the cost of the merchandise to the canteen, with the markup being used for canteen operating expenses—for example, canteen-employee salaries—and capital costs. The effect of the sequestration was to extract a levy from—in essence to impose a hidden tax on—canteen operations that will obviously result in the postponement of needed improvements and thus the provision of shabbier, less efficient canteen services.

In case of the rehabilitation fund, the $100,000 loss for a program with an annual operating budget of only about $2.3 million means a significant administrative burden for a small, very worthwhile program that was established statutorily in 1976 by legislation I authored—section 105 of Public Law 94-581—and that I strongly support as a cost-effective means of helping disabled veterans regain economic productivity and become healthier, more self-sufficient individuals. In fact, we have just succeeded after a 2-year effort, in enacting section 205 of the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986, Public Law 99-576, a provision to strengthen this program by providing that payments to low-income, disabled veterans participating in the program will not be considered income so as to reduce the VA pensions of veteran participants.

It is very clear to me that, if this fiscal year 1986 payment requirement had come to light before final action on the 1986 veterans legislation enacted as Public Law 99-576, I, and I suspect others of us participating in the negotiations on the bill, would have done all possible—probably successfully in my view—to make these revolving fund exemptions retroactive to fiscal year 1986 and thus avoid the requirement for the payments.

To provide for a correction of the situation and mandate the return of the amounts involved to the revolving funds, our bill would provide for the exemptions for these two funds to take effect retroactively with respect to fiscal year 1986 and would specifically direct the Secretary of the Treasury to take such action as is necessary to implement the provision for a fiscal year 1986 exemption for these revolving funds.

Mr. President, I ask unanimous consent that the text of S. 9 be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 9

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) This Act may be cited as the "Service-Disabled Veterans' Benefits Improvement Act of 1987".

(b) Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION RATE INCREASES.

(a) In General.—(1) The Administrator of Veterans' Affairs shall, as provided in paragraph (2), increase, effective December 1, 1987, the rates of and limitations on Veterans' Administration disability compensation and dependency and indemnity compensation.

(2)(A) In the case of each of the rates and limitations in sections 314, 315(a), 362, 411, 413, and 414 of title 38, United States Code, that were increased by amendments made by title I of the Veterans' Compensation Rate Increase and Job Training Amendments of 1985 (Public Law 99-238), the Administrator shall further increase such rates and limitations, as in effect on November 30, 1987, by the same percentage that benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1, 1987, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(B) In the computation of increased rates and limitations pursuant to subparagraph (A), amounts of $0.50 or more shall be rounded to the next higher dollar amount and amounts of less than $0.50 shall be rounded to the next lower dollar amount.

(b) Special Rule.—The Administrator may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

(c) Publication Requirement.—At the same time as the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 1988, the Administrator shall publish in the Federal Register the rates and limitations being increased under this section and the rates and limitations as so increased.

SEC. 3. SPECIALLY ADAPTED HOUSING ASSISTANCE.

(a) Increase in Maximum Grants.—Section 802 is amended—

(1) in subsection (a), by striking out "$35,500" and inserting in lieu thereof "$40,100"; and

(2) in subsection (b), by striking out "$6,000" and inserting in lieu thereof "$6,775".

(b) Effective Date.—The amendments made by this section shall take effect on October 1, 1987.

SEC. 4. SERVICE-CONNECTED DEATH BENEFITS.

(a) Increase in Maximum Burial and Funeral Expenses Award.—Section 907 is amended by striking out "$1,100" and inserting in lieu thereof "$2,250".

(b) Effective Date.—The amendment made by this section shall take effect on October 1, 1987.

SEC. 5. TOLLING EDUCATIONAL AND REHABILITATION ASSISTANCE DELIMITING PERIODS BY REASON OF INCAPACITY DUE TO DRUG OR ALCOHOL CONDITIONS.

(a) Educational Assistance for Members of the All-Volunteer Force.—Section 1431(d) is amended—

(1) by inserting "(1)" before "In";

(2) by inserting at the end the following new paragraph:

"(2)(A) A condition referred to in paragraph (1) of this subsection is an alcohol or drug dependence or abuse condition of an eligible individual in a case in which it is determined, under regulations which the Administrator shall prescribe, that—

"(i) such individual has received recognized treatment or participated in a program of rehabilitation for the condition, and

"(ii) the condition is sufficiently under control to enable such individual to pursue such individual's chosen program of education under this chapter.

"(B)(i) Notwithstanding the provisions of paragraph (1) of this subsection, an eligible individual's application for and extension of the 10-year period for use of entitlement under this chapter because of such a condition may be granted if such individual files an application for the extension not later than 1 year after whichever of the following last occurs:

"(I) The last date of the delimiting period otherwise applicable under this section.

"(II) The termination of the last period of such treatment or such program of rehabilitation.

"(III) The date on which final regulations prescribed pursuant to subparagraph (A) of this paragraph are published in the Federal Register.

"(ii) The period of time during which, based on the existence of such a condition, such 10-year period does not run shall not exceed the lesser of—

"(I) the period during which the eligible individual was receiving treatment or participating in a program of rehabilitation for the condition plus such additional length of time as such individual demonstrates, to the satisfaction of the Administrator, that such individual was prevented by the condition from initiating or completing such program of education, or

"(II) 4 years.

"(iii) When such an extension is granted, the 10-year period with respect to such individual will again begin running on whichever of the following first occurs—

"(I) the first day, following the condition becoming sufficiently under control to enable such individual to pursue such individual's chosen program of education under this chapter, on which it is reasonably feasible, as determined in accordance with such regulations, for such individual to initiate or resume pursuit of a program of education with educational assistance under this chapter, or

"(II) the day after the fourth year of the extension.".

(b) Programs of Rehabilitation for Veterans With Service-Connected Disabilities.—Section 1503(b)(1) is amended—

(1) by inserting "(A)" before "In";

(2) by inserting "(other than a condition described in subparagraph (B)(ii) of this paragraph)" after "medical condition" in subparagraph (A), as so redesignated; and

(3) by inserting at the end the following new subparagraph:

"(B)(i) Subject to clauses (iii) and (iv) of this subparagraph, in any case in which the Administrator determines, under regulations which the Administrator shall prescribe, that a veteran has been prevented from participating in a vocational rehabilitation program under this chapter within the period of eligibility prescribed in subsection (a) of this section because a condition described in clause (ii) of this subparagraph made it infeasible for the veteran to participate in such a program, the 12-year period of eligibility shall not run during the period of time that the veteran was so prevented from participating in such a program.

"(ii) A condition referred to in clause (i) of this subparagraph is an alcohol or drug dependence or abuse condition of a veteran in a case in which it is determined, under regulations which the Administrator shall prescribe, that—

"(I) the veteran has received recognized treatment or has participated in a program of rehabilitation for the condition, and

"(II) the condition is sufficiently under control to enable the veteran to participate in a vocational rehabilitation program under this chapter.

"(iii) Clause (i) of this subparagraph applies only if the veteran has filed an application under this paragraph not later than 1 year after whichever of the following last occurs:

"(I) The last date of the period of eligibility otherwise applicable under this section.

"(II) The termination of the last period of such treatment or such program of rehabilitation.

"(III) The date on which final regulations prescribed pursuant to clause (i) of this subparagraph are published in the Federal Register.

"(v) The period of time during which, pursuant to clause (i) of this subparagraph, the 12-year period of eligibility does not run shall not exceed the lesser of—

"(I) the period during which the veteran was receiving treatment or participating in a program of rehabilitation for a condition described in clause (ii) of this subparagraph plus such additional length of time as the veteran demonstrates, to the satisfaction of the Administrator, that the veteran was prevented by such condition from participating in a vocational rehabilitation program under this chapter, or

"(II) 4 years.

"(vi) When pursuant to clause (i) of this subparagraph a period of eligibility does not run for a period of time, such period of eligibility shall again begin to run on whichever of the following first occurs—

"(I) the first day, following such condition becoming sufficiently under control to enable the veteran to participate in such program of vocational rehabilitation, on which it is reasonably feasible, in accordance with under such regulations, for the veteran to participate in such a program, or

"(II) the day after the period of eligibility has not run, pursuant to such clause, for a period of time equalling 4 years.".

(c) Educational Assistance for Post-Vietnam Era Veterans.—Section 1632(a) is amended—

(1) in paragraph (2)(A)—

(A) by inserting "or because of a condition (and under the circumstances) described in paragraph (4)(A) of this section," after "misconduct"; and

(B) by inserting "(except as provided in paragraph (4)(B) of this subsection)" after "length of time";

(2) in paragraph (3) by inserting "because of such disability," after "subsection"; and

(3) by inserting at the end the following new paragraph:

"(4)(A) A condition referred to in paragraph (2) of this subsection is an alcohol or drug dependence or abuse condition of an eligible veteran in a case in which it is determined, under regulations which the Administrator shall prescribe, that—

"(i) the veteran has received recognized treatment or participated in a program of rehabilitation for the condition, and

"(ii) the condition is sufficiently under control to enable the veteran to pursue the veteran's chosen program of education under this chapter.

"(B)(i) Notwithstanding the provisions of paragraph (2) of this subsection, an eligible veteran may be granted an extension of the applicable delimiting period because of such a condition if the veteran files an application for such extension not later than 1 year after whichever of the following last occurs:

"(I) The last date of the delimiting period otherwise applicable under this section.

"(II) The termination of the last period of such treatment or such program of rehabilitation.

"(III) The date on which final regulations prescribed pursuant to subparagraph (A) of this paragraph are published in the Federal Register.

"(ii) An extension of the applicable delimiting period because of such a condition shall not exceed the lesser of—

"(I) the period during which the veteran was receiving treatment or participating in a program of rehabilitation for the condition plus such additional length of time as the veteran demonstrates, to the satisfaction of the Administrator, that the veteran was prevented by the condition from initiating or completing such program of education, or

"(II) 4 years.

(iii) When such an extension is granted, the delimiting period with respect to the veteran will again begin running on whichever of the following occurs—

"(I) the first day, following the condition becoming sufficiently under control to enable the veteran to pursue the veteran's chosen program of education under this chapter, on which it is reasonably feasible, as determined in accordance with such regulations, for the veteran to initiate or resume pursuit of a program of education with educational assistance under this chapter, or

"(II) the day after the end of the fourth year of the extension.".

(d) Educational Assistance for Vietnam-Era Veterans.—Section 1662(a) is amended—

(1) in paragraph (1)—

(A) in the first sentence, by inserting "or because of a condition (and under the circumstances) described in paragraph (4) of this subsection," after "misconduct"; and

(B) in the second sentence, by inserting "because of such disability" after "sentence"; and

(2) by inserting at the end the following new paragraph:

"(4)(A) A condition referred to in paragraph (1) of this subsection is an alcohol or drug dependence or abuse condition of a veteran in a case in which it is determined, under regulations which the Administrator shall prescribe, that—

"(i) the veteran has received recognized treatment or participated in a program of rehabilitation for the condition, and

"(ii) the condition is sufficiently under control to enable the veteran to pursue the veteran's chosen program of education under this chapter.

"(B)(i) Notwithstanding the provisions of paragraph (1) of this subsection, a veteran may be granted an extension of the applicable delimiting period because of such a condition if the veteran files an application for the extension not later than 1 year after whichever of the following last occurs:

"(I) The last date of the delimiting period otherwise applicable under this section.

"(II) The termination of the last period of such treatment or such program or rehabilitation.

"(III) The date on which final regulations prescribed pursuant to subparagraph (A) of this paragraph are published in the Federal Register.

"(ii) An extension of the applicable delimiting period because of such a condition shall not exceed the lesser of—

"(I) the period during which the veteran was receiving treatment or participating in a program of rehabilitation for the condition plus such additional length of time as the veteran demonstrates, to the satisfaction of the Administrator, that the veteran was prevented by the condition from initiating or completing such program of education, or

"(II) 4 years.

"(iii) When such an extension is granted, the delimiting period with respect to the veteran will again begin running on whichever of the following first occurs—

"(I) the first day, following such condition becoming sufficiently under control to enable the veteran to pursue the veteran's chosen program of education under this chapter, on which it is reasonably feasible, as determined in accordance with such regulations, for the veteran to initiate or resume pursuit of a program of education with educational assistance under this chapter, or

"(II) the day after the end of the fourth year of the extension.".

(e) Educational Assistance for Survivors and Dependents.—Section 1712(b) is amended—

(1) in paragraph (2)—

(A) by inserting "or because of a condition (and under the circumstances) described in paragraph (4)(A) of this section," after "misconduct";

(B) by inserting "(except as provided in paragraph (4)(B)(ii) of this subsection)" after "length of time"; and

(C) by inserting "because of such disability," after "sentence"; and

(2) by inserting at the end the following new paragraph:

"(4)(A) A condition referred to in paragraph (2) of this subsection is an alcohol or drug dependence or abuse condition of an eligible person in a case in which it is determined, under regulations which the Administrator shall prescribe, that—

"(i) such person has received recognized treatment or participated in a program of rehabilitation for the condition, and

"(ii) the condition is sufficiently under control to enable such person to pursue such person's chosen program of education under this chapter.

"(B)(i) Notwithstanding the provisions of paragraph (2) of this subsection, an eligible person may be granted an extension of the applicable delimiting period because of such a condition if such person files an application for such extension not later than 1 year after whichever of the following last occurs:

"(I) The last date of the delimiting period otherwise applicable under this section.

"(II) The termination of the last period of such treatment or such program of rehabilitation.

"(III) The date on which final regulations prescribed pursuant to subparagraph (A) of this paragraph are published in the Federal Register.

"(ii) An extension of the applicable delimiting period because of such a condition shall not exceed the lesser of—

"(I) the period during which the eligible person was receiving treatment or participating in a program of rehabilitation for the condition plus such additional length of time as such person demonstrates, to the satisfaction of the Administrator, that such person was prevented by the condition from initiating or completing such program of education, or

"(II) 4 years.

"(iii) When such an extension is granted, the delimiting period with respect to such person will again begin running on whichever of the following first occurs—

"(I) the first day, following the condition becoming sufficiently under control to enable such person to pursue such person's chosen program of education under this chapter, on which it is reasonably feasible, as determined in accordance with such regulations, for such person to initiate or resume pursuit of a program of education with educational assistance under this chapter, or

"(II) the day after the end of the fourth year of the extension.".

SEC. 6. HOME-LOAN GUARANTY PROGRAM.

(a)(1) INCREASE IN MAXIMUM GUARANTY.—Section 1810(c) is amended by striking out "$27,500" and inserting in lieu thereof "$36,000".

(2) Section 1811(d)(2)(A) is amended by striking out "$27,500" both places it appears and inserting in lieu thereof "$36,000".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1987.

SEC. 7. AUTOMOBILE ASSISTANCE ALLOWANCE.

(a) INCREASE IN MAXIMUM ALLOWANCE.—Section 1902(a) is amended by striking out "$5,000" and inserting in lieu thereof "$5,530."

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 1987.

SEC. 8. EXEMPTION OF CERTAIN PROGRAMS FROM SEQUESTRATION.

(a) IN GENERAL.—Section 113 is amended—

(1) in subsection (a)—

(A) in clauses (4) and (5) by striking out "(but only with respect to fiscal year 1987)" each place it appears; and

(B) by adding at the end the following new clause:

"(6) Benefits under chapter 37 of this title, relating to housing and small business loans for certain veterans and for the spouses and surviving spouses of certain veterans.";

(2) by striking out subsection (e); and

(3) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(b) EFFECTIVE DATES.—(1) The amendments made by subsection (a) shall apply with respect to a sequestration ordered, or a sequestration law enacted, for a fiscal year after fiscal year 1986.

(2)(A) Notwithstanding subsection (b) of section 601 of the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986 (Public Law 99-576), clause (2) of subsection (b) of section 113 of title 38, United States Code, as added by subsection (a) of section 601 of such Act, shall apply with respect to a sequestration order issued, or a sequestration law enacted, for a fiscal year after fiscal year 1985.

(B) The Secretary of the Treasury shall take such action as is necessary to implement subparagraph (A) and shall, not later than 60 days after the date of the enactment of this Act, report to the appropriate Committees of the Congress on the action taken by the Secretary pursuant to this paragraph.

By Mr. CRANSTON (for himself, Mr. KENNEDY and Mr. GORE):

S. 10. A bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes; to the Committee on Labor and Human Resources.

THE EMERGENCY MEDICAL SERVICES AND TRAUMA CARE IMPROVEMENT ACT OF 1987

Mr. CRANSTON. Mr. President, today I am very pleased to be introducing S. 10, the proposed "Emergency Medical Services and Trauma Care Improvement Act of 1987." Joining me as the principal cosponsor of the bill is the chairman of the Labor and Human Resources Committee and the Senate's primary leader for over a decade of efforts to improve health care for all Americans, the Senator from Massachusetts [Mr. KENNEDY]. Joining as an original cosponsor as well is my distinguished colleague, the Senator from Tennessee [Mr. GORE].

Senator KENNEDY, as the chairman of the Labor Committee's Subcommittee on Health, was a principal cosponsor throughout the 1970's of the legislation I introduced which was enacted as the Emergency Medical Services Systems Act of 1973 and the 1976 and 1979 amendments to that act. I am delighted once more to be joining with the Senator from Massachusetts in the EMS initiative we are introducing today.

The goals of this legislation are twofold. First, it is designed to remove the barriers and rectify the problems that, in many parts of the country, prevent quick and efficient emergency medical services from being provided. Second, it would provide incentives for States and localities to establish well-coordinated regionalized trauma-care systems that would enable severely injured individuals to receive highly specialized trauma care as rapidly as possible following their injury.

SUMMARY OF PROVISIONS

The provisions of the bill may be briefly summarized as follows:

Section 2 would authorize the establishment of a Federal clearinghouse for information on EMS.

Section 3 would provide for improved coordination between State EMS and Department of Transportation offices with regard to emergency medical services.

Section 4 would permit Public Health and Health Services block grant funds to be used for equipment purchases to improve EMS communications systems; specify that loans under the Farmers Home Administration's Community Facilities Loan Program may be used for the purchase of EMS communications equipment and implementation of 911 systems; modify the community development block grant to permit recipients to use the funds for the implementation of 911 systems; and require the Federal Communications Commission to study the availability of radio frequency channels for communications between ambulances and hospitals and to develop a plan to ensure that sufficient frequencies are allocated for EMS purposes.

Section 5 would establish a new grant program to States for the purposes of the States providing funds to State and local regions to develop integrated trauma systems and to designated trauma centers to defray a portion of their uncompensated costs resulting from high-cost trauma patients.

Section 6 would require the Secretary of Health and Human Services [HHS] to study whether the current Medicare system and State Medicaid plans are providing financial disincentives for the establishment of trauma centers and, if so, to make recommendations for removing such disincentives.

Section 7 would require the Secretary of HHS to conduct a long-term comprehensive study on the economic and social impacts of trauma.

INJURY—STILL A LEADING CAUSE OF DEATH AND DISABILITY

Mr. President, in 1985, the prestigious National Academy of Sciences issued a report, "Injury in America," which assessed the magnitude and characteristics of injury, efforts to prevent and treat injury, and Federal support for injury research. It was conducted as a follow up to a landmark study conducted 20 years earlier by the National Research Council, entitled, "Accidental Death and Disability: The Neglected Disease of Modern Society." The National Academy of Sciences concluded that, tragically, insufficient progress had been made in injury control since the first study was reported.

Each year, more than 140,000 Americans die from injuries and 1 person in 3 suffers a nonfatal injury. Injury is the fourth leading cause of death among all Americans and the major killer of children and young adults. More Americans between the ages of 1 and 34 die from injuries than from all diseases combined.

Injury is also a leading cause of short- and long-term disability. More than 80,000 persons become permanently disabled from brain or spinal cord injuries each year. Over 4 million years of future worklife are lost to injury annually—nearly double that of heart disease or cancer.

Injury represents one of our most expensive health problems, costing $75 to $100 billion a year in direct and indirect costs. The societal costs from motor vehicle crashes alone in 1980 were estimated to be $36 billion, including costs of $7.5 billion and $3.5 billion to the Federal and State governments, respectively, in direct payments and revenue losses.

Accidents from firearms are another major source of severe injury in the United States. More than 20 percent of all injury deaths in 1982 were the result of firearms.

Mr. President, I agree with the Chairman of the NAS study that "injury is a public health problem whose toll is unacceptable." Serious injury affects Americans of every socioeconomic level, every ethnicity and race, every age group, and every community.

Mr. President, the time has come for our Nation to make a concerted effort to reduce drastically the impact of these tragedies. We must no longer let injuries—preventable and treatable injuries—rob our young people of their youth and cause pain and suffering to Americans everywhere.

Much of the death and disability resulting from injury—particularly severe injury—can be prevented or ameliorated by quick response teams providing prehospital care and through the accessibility and availability of sophisticated emergency hospital care when needed. The legislation we are introducing today is designed to ensure that injury and trauma victims—as well as others, such as heart attack victims, in need of emergency care—receive that kind of swift and effective medical attention. If enacted, this legislation will directly help save lives and reduce disability.

DEVELOPMENT OF EMERGENCY MEDICAL SERVICES

Mr. President, nearly 15 years ago, I first introduced legislation which was ultimately enacted as the Emergency Medical Services Systems Development Act of 1973 (Public Law 93-154). I introduced that legislation in order to improve the ability of communities to respond immediately and effectively to emergency medical crises. In the early 1970's, the state of emergency medical services [EMS] in this country was characterized by poorly trained ambulance and emergency room personnel, outdated equipment, little coordination of services in urban areas, and the absence of emergency care facilities in rural areas. Therefore, I introduced legislation to perfect and improve the 1973 act, and this legislation was enacted as the Emergency Medical Services Amendments of 1975 (Public Law 94-573) and the Emergency Medical Services Systems Amendments of 1979 (Public Law 96-142).

Only 5 percent of the Nation's ambulance attendants met even minimum standards of training recommended by national professional organizations. In fact, ambulance services in many communities were run by the local undertaker. Fewer than 25 hospitals in the entire Nation had physicians in their emergency departments 24 hours a day. Ambulances brought patients to the nearest hospital, or the hospital to which they were paid to take them, regardless of the type of medical emergency or the level of care the hospital was capable of providing. Total annual accidental deaths and prehospital cardiac deaths were at an all-time high.

However, new advances in medical technology—portable equipment for treating heart attack victims, fully-equipped mobile, critical-care units, and advanced methods of radio communications and telecommunications—that could drastically reduce the number of deaths and serious injuries from accidents were becoming available. All of this technology, as well as helicopter evacuation capabilities, had been brought together by our armed services in Vietnam to provide battlefield casualties with rapid, effective treatment, and paramedics trained in on-the-spot emergency medicine were returning from Vietnam.

The 1973 law was intended to help local communities use existing resources and generate other potential sources of support to plan and develop comprehensive and integrated EMS systems through a 5-year sequence—from preliminary planning to fully functioning, advanced systems. It provided for the leadership and authorized the funding needed to establish national standards for emergency medical care, organize cost-effective systems of care on a regional basis, and create the training programs necessary for the development of the skilled manpower needed to operate the systems.

The first 3 years of the grant support under the 5-year sequence provided for in the grant program were designed to enable a region to achieve basic life support [BLS] capacity. A BLS system consists of a regional system of care with central communication and dispatch capabilities, coordination of ambulances, and designation of appropriate emergency rooms in the area for differing degrees of injury. An effective BLS system can provide patient stabilization, airway management, hemorrhage control, shock management with initial wound care, fracture stabilization, and, under medical supervision, certain noninvasive treatments.

The last 2 years in the 5-year cycle were designed to enable a region to achieve advanced life support [ALS] capacity, which adds to the BLS system the trained paramedic who is in constant communication with a physician and who has the training and technology available to provide life-saving treatment to the patient on the way to the hospital. At the ALS level, mobile prehospital units are equipped with intravenous fluids, drugs, and some form of bioelectric communication and are staffed by paramedics with proper physician backup to provide expert diagnosis, treatment, and triage of critical conditions.

Mr. President, studies carried out in the early 1980's show that EMS saves lives. Data compiled by 98 EMS regions for calendar year 1979 demonstrated that the median number of fatalities per 100 motor vehicle accident injuries decreased as EMS systems developed. In areas served by EMS systems in the planning stages, there were 3.1 deaths per 100 injuries; in those served by systems having ALS capabilities, the rate was 1.8 deaths per 100 injuries.

Individual regions reported dramatic successes. For example, Clark County in Nevada showed a decrease of 23 percent in the early death rate for spinal cord injury victims from 1976 to 1981, during which time an EMS program was established. The rural EMS program in Charlottesville, VA, estimated in 1981 that the actual death risk from acute heart attacks had decreased 26 percent for all persons under 70 in its service area since the development of its EMS system.

On March 30, 1981, the country witnessed the life-saving capabilities of the EMS system in Washington, DC, which had received assistance from the EMS Grant Program during the late 1970's. On that date, President Reagan was shot. He was rushed to the George Washington University Hospital Trauma Center where a highly trained and expert emergency medical team removed the bullet near his heart. The President's emergency care was so successful because of the high state of readiness, training, and technological skill of the emergency medical team—results of a fully functioning EMS and trauma system. Dr. Benjamin Aaron, the surgeon who operated on the President, said that, "only because the President got prompt and highly skilled modern shock trauma care was he in no danger of dying."

Yet, in 1981, despite these successes and the fact that a majority of the 303 designated EMS regions had not yet completed the 5-year cycle, the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), as recommended by the administration, terminated the so-called categorical grant program, under which grants to regions were targeted for the development of EMS systems in accordance with national standards, and shifted the funding into the Preventive Health and Health Services [PHHS] block grant. During congressional hearings in 1981 on the proposed transfer, much concern was expressed that termination of the categorical grants would result in disarray and a breakdown in the coordination of the many systems which were in various phases of development throughout the country. I testified that repealing the categorical grant authority might send a signal to State and local governments that the Congress no longer placed a priority on the EMS program.

GAO REPORT ON EMS

Mr. President, 2 years ago, I sought to determine how EMS programs were faring under the block grant—whether the abandonment of the categorical grant program caused support for EMS to drop, development of EMS systems to slow, or fully functioning systems to break down. Since the Office of Emergency Medical Services within the Department of Health and Human Services was dismantled under the 1981 law, information regarding the present status of or funding for regional EMS programs was very difficult to obtain.

Preliminary data in a May 1984 General Accounting Office [GAO] report revealed that many States were assigning a low priority to the use of block grant funds for EMS programs and that funding for those programs decreased between 1981 and 1983.

In an effort to get more complete answers to the questions regarding EMS under the block grant, I, joined by my good friend from Massachusetts, then the ranking minority member and now the chairman of the Labor and Human Resources Committee, Mr. KENNEDY, requested the GAO to look into these issues—to review and analyze the levels of support and proficiency of EMS systems throughout the country.

I ask unanimous consent that a copy of our letter be printed in the RECORD at the conclusion of my remarks followed by the GAO's executive summary.

In response, the GAO investigated the status of EMS in 6 States—California, Massachusetts, Iowa, Pennsylvania, Florida, and Texas—and 18 localities within those States where programs were established under the categorical grant program. The States studied have about 30 percent of the total population of the Nation.

In general, the GAO found that in the six States surveyed overall expenditures for EMS initially fell soon after EMS' incorporation into the PHHS block grant in 1982. However, by 1985 most States had reversed that trend. For instance, California's EMS programs experienced a 40-percent reduction in funding during the period 1981 to 1983, but from 1983 to 1985, funding increased 52 percent. Nevertheless, the fiscal year 1985 total for the six States, $15 million, was still 16 percent below the fiscal year 1981 level, $17.8 million.

Mr. President, it is heartening that the GAO found that, in the absence of Federal leadership, States generally are assuming a more active leadership role in financing and regulating emergency medical services. Five of the six States reviewed have chosen to channel funds to most of the regions created under the categorical EMS program. According to a 1985 State survey conducted by the National Association of State EMS Directors, 76 percent of the regions—219 of 287 regions—in 37 of the 50 States were receiving funding from the State governments.

BLS emergency care is generally available in the 6 States and 18 local areas visited by the GAO. ALS is available to at least 50 percent of the population in all nine urban areas surveyed, although four of the eight rural areas had less than 50 percent of their populations covered. Rural areas have particular difficulty implementing ALS because the caseload of critically ill or injured victims is often too small to justify the expense of ALS or to maintain a high level of proficiency by the paramedics.

Mr. President, the GAO also identified areas in which gaps in emergency medical services still exist and in which Federal actions and leadership are desirable and made recommendations for congressional action in these areas.

IMPROVING DISSEMINATION OF INFORMATION ON EMS ACTIVITIES

Since the advent of the 1981 block grant, the Federal role in collecting and disseminating information on the successes and problems experienced by State and local agencies in EMS has been very limited. States are constantly upgrading their emergency and trauma care because of the emergence of new technologies and the development of new initiatives. State officials surveyed by the GAO indicated that they could benefit greatly by a program for sharing information regarding a wide variety of EMS-related matters, such as practices and policies governing regulation of air ambulance services and the establishment of trauma systems, research assessing the most effective service delivery methods, and the generation of new revenues for EMS activities.

Although the Association of State EMS Directors has begun to collect and disseminate information on State EMS activities, lack of funding for start-up costs for a clearinghouse is limiting the scope of its activities.

BILL PROVISION

In order to assist in the development of a nationwide EMS clearinghouse section 2 of S. 10 would authorize the appropriation of $500,000 to the Secretary of Health and Human Services for fiscal year 1988. Funding would be phased out in subsequent years—with appropriations of $300,000 authorized for fiscal year 1989 and $100,000 for fiscal year 1990. The Secretary would award the contract for a clearinghouse through a competitive grant process.

With the phasing out of Federal assistance, I am satisfied, as a result of discussions with State EMS officials, that over the 3 fiscal years, the clearinghouse could achieve self-sufficiency through subscriptions, user fees, or other means.

IMPROVING COORDINATION OF EMS EXPENDITURES

The GAO also found that many State transportation departments and State health departments do not coordinate expenditures for EMS-related functions. State transportation departments receive Federal highway safety funds from the Department of Transportation [DOT]; State health departments generally receive PHHS block grant moneys from the Department of Health and Human Services. In four of the six States the GAO visited during the fall of 1985, State transportation departments were not coordinating with the EMS offices when deciding to use DOT funds for EMS activities.

For example, in California, $1.3 million of Federal highway safety funds were spent on EMS in 1985. The State EMS office director informed the GAO that his office was not involved in that decision, and, consequently, could not determine whether the expenditures were consistent with the State plan or needs in the emergency medical services area.

Better coordination of EMS activities between State agencies could increase the effectiveness of such expenditures.

BILL PROVISION

To accomplish this, section 3 of S. 10 would require the State grantees of the State and Community Highway Safety Program and the PHHS block grant to provide assurances that both the State EMS director and State government highway safety representative have opportunities to participate in the development of all plans for EMS services and to review and comment on any proposals for the use of grants that may be applied to EMS-related purposes.

UPGRADING COMMUNICATIONS SYSTEMS

Mr. President, communications—between patient or other individual on the scene and central dispatcher, between dispatcher and ambulance or other emergency vehicle, and between emergency vehicle and hospital—are at the core of a successful EMS system.

First, individuals experiencing or witnessing a medical emergency must be able to gain access to the EMS system. This can best be accomplished through a single coordinated telephone system, such as the 911 emergency telephone number. As the GAO noted, a 911 system has two advantages. Callers need only remember one easily recognized 3-digit number, which is used wherever the system is implemented throughout the country, and an area-wide 911 system automatically routes the call to the most appropriate ambulance service or other emergency responder. In contrast, individuals living in or visiting areas without access to a single area-wide telephone number often experience substantial time delays in reaching the ambulance provider or fire department—thus losing precious time which can mean the difference between life and death.

Although the availability of 911 has grown, more than 50 percent of the population of the United States still does not have access. Lack of access is particularly widespread in rural areas. For example, in the regions visited by the GAO, six of the nine urban areas have 100 percent of the population covered by 911, while only two of the nine rural areas have complete coverage. I am very pleased that my own State of California recently completed implementing 911 throughout the entire State. In the 10 surveyed areas which the GAO found lacked complete 911 coverage, the most common factors cited as barriers to providing a 911 system were start-up and operating costs. Installing a basic 911 system costs an average of $250,000.

Second, the dispatch center must be able to transfer incoming calls to appropriate ambulance service providers as rapidly as possible. The number of times an incoming call is transferred and the amount of information that the dispatch center must obtain in order to make the transfer directly affect response time. For example, an enhanced 911 system, in which the address and telephone number of the incoming call are automatically displayed on a computer screen, reduces errors, speeds response time, and is particularly helpful when children call in for help. Again, lack of funds often prohibits the implementation of this advanced system, which can cost up to four times the amount of a basic 911 system.

Third, the ambulance or other emergency vehicle must be able to contact the base hospital during all phases of the medical emergency. Radio communications are essential for an ambulance to locate the medical emergency and to determine the most appropriate hospital to which the patient should be transported. In addition, in order to provide highly skilled, sophisticated care at the scene of the medical emergency, particularly ALS services for cardiac and trauma patients, paramedics must have radio contact with a physician in order to obtain medical direction. Too often, however, outmoded equipment and interference due to overcrowded radio frequencies hamper radio communications between ambulances and hospitals.

For example, the GAO reported that in Alameda County mountainous terrain blocks communications between the ambulance crew and the hospital in certain areas. Although a new tower would overcome this geographical barrier, Federal funding under the PHHS block grant is prohibited from being used for any such equipment purchases. Many other communities indicated to the GAO that the prohibition prevents them from upgrading and replacing old communications equipment.

New communications equipment is also needed by many communities to take advantage of new radio frequencies as they become available because competition for frequencies is fierce and interference is a major problem. The GAO found that in 10 of the 18 local areas, substantial radio interference from other emergency and nonemergency users exists.

Under Federal Communication Commission [FCC] rules, EMS providers share channels with other nonemergency medical-related users and EMS providers are not necessarily given priority in the allocation of new channels. At the same time, competition for frequencies is increasing markedly. The medical services frequencies in particular are extremely congested, especially in densely populated urban areas.

In 1985, the FCC projected severe shortfalls of available frequencies for public safety users in the 1990's in many major metropolitan areas, such as southern California, New York, and the Baltimore-Washington, DC, areas.

In April 1986, the FCC began taking action to help resolve the frequency-overcrowding problem. It designated an organization to review new license applications for emergency users and to recommend frequencies with the least likelihood of interference. The FCC also allocated a new and unused range of frequencies for public safety users, including EMS.

However, although I am pleased that the FCC has taken first steps to resolve some immediate problems, long-term solutions are still needed.

BILL PROVISIONS

In pursuit of such long-term solutions, section 4 of S. 10 would:

First, in order to improve rural communities' abilities to implement and operate 911 systems, amend the community Facilities Loan [CFL] Program under the Farmers Home Administration to specify expressly that CFL's may be used for 911 development and communications-equipment purchases. This modification is consistent with the intent of the CFR Program, which is designed to improve community facilities providing essential services to rural residents, including fire and rescue services and health benefits.

Second, in order to improve urgan areas' abilities to implement and operate 911 systems, modifythe community development block grant [CDBG] so that an urban community could use it for the development of a 911 system if at least 51 percent of the residents of the area involved have low or moderate incomes. This modification would preserve the intent of the CDBG Program to assist low-income communities.

Third, amend the prohibition against using PHHS block grant funds for equipment in order to permit expenditures for equipment to improve communications capabilities within an EMS system. In addition, States would be required to provide equal matching funds.

Fourth, require the FCC to assess the current and future availability of radio frequency channels for EMS communications between ambulances, both public and private, and hospitals and to establish a plan which ensures that the needs of EMS systems would be adequately provided for in making future allocations of frequencies.

IMPROVING TRAUMA CARE

Emergency medical services systems are integrated, coordinated systems designed to provide medical care to those with any unpredicted immediate need—whether for an injury or illness—and continued care once in an emergency facility. Within the general categories of persons in need of emergency care, victims of severe injury require time-sensitive, highly specialized care. Trauma systems specifically focus on the identification, care, and treatment of only severely injured victims and, therefore, could be considered a subset of an EMS system.

Time is of the essence for trauma victims. Death from trauma most often occurs during one of three times following the injury: First, within minutes after the injury, usually because of severe damage to the brain, spinal cord, or heart; second, within hours after an injury, usually from shock, internal bleeding, or damage to other organs; or third, within days or weeks after an injury, usually from infection or multiple organ failure.

Roughly 30 to 40 percent of the deaths from trauma fall into the second category, and virtually all of these deaths are unnecessary and preventable. But those trauma victims must receive immediate and highly skilled surgical intervention and other medical attention within what is called "the golden hour" following the initial trauma. This can best be accomplished through a well-coordinated and managed trauma system.

Trauma systems, by necessity, must include emergency medical services and, therefore, can function properly only if an EMS system is in place. Without efficient prehospital services, a trauma system would be ineffective. In addition, however, a trauma system must specifically provide for the identification and designation of trauma centers, which have specialized physicians, surgeons, and equipment immediately available on a 24-hour basis; a method to identify severe trauma victims in the pre-hospital phase; and the establishment of policies to ensure that all major trauma victims are transported to trauma centers.

In 1976, the American College of Surgeons [ACS] first published a document, entitled "Optimal Hospital Resources for Care of the Seriously Injured," outlining the resources needed for optimal care of injured patients. It recommended guidelines and suggested policies for the establishment of complete trauma systems. Since 1976 the ACS guidelines and policies have been periodically updated, most recently in October 1986.

The first component essential for trauma systems is the organization of trauma services at certain designated institutions. The ACS flatly rejects the notion that a severely injured patient should be taken to the nearest hospital. Rather, it advocates that patients generally be transported immediately to institutions with appropriate levels of skills and technology.

The ACS recommends a system of classifying trauma centers into one of three levels, depending on the availability of specialized surgical personnel and equipment, the frequency with which they perform surgical procedures related to trauma, and the presence of research and teaching activities. Level I and II trauma centers, for example, must have surgical and emergency medical personnel trained in trauma care, including neurosurgeons, available 24 hours a day. Level I centers must also have a wider variety of surgical and nonsurgical specialists on-call or promptly from other institutions as well as have teaching and research activities. Level III hospitals, which generally serve smaller communities, must demonstrate a commitment to trauma care commensurate with their resources.

It is more cost-effective and medically sound to concentrate scarce and expensive medical resources in a few hospitals. Medical outcomes improve as a facility has more experience in performing a given procedure, and all hospitals cannot afford to provide all types of specialized medical care.

The second essential component of a trauma system is triage—the classification of patients according to medical need. Various systems for identifying severe trauma patients have been developed; most use some form of numerical scoring. For example, the injury severity score [ISS] system assesses the level of injury in three different anatomical regions. A 1983 study showed that less than 6 percent of all patients treated for injury have an ISS of at least 15, which represents at least a 10-percent risk of dying from a single severe injury or multiple serious injuries. Paramedics and emergency medical technicians must be trained in an agreed-upon triage practice or scoring system in order to assure that severe trauma victims are accurately identified and taken to an appropriate trauma center.

Unfortunately, with any patient assessment system there are always a certain number of patients incorrectly identified as needing trauma-center care who could be adequately cared for at a typical community hospital. The incorrect routing of a patient to a trauma center is referred to as an overtriage. Policies should be designed to minimize overtriage as much as possible in order to prevent costly overuse of trauma centers, the inappropriate diversion of patients away from community hospitals, and, particularly in cases of accident victims who do not have severe injuries and who do not have insurance or another payment source, inappropriate transfers to trauma centers solely for financial reasons.

The third component necessary for a trauma system to function effectively is an efficient network of transfer and transport arrangements between hospitals and ambulance services participating in the system. Transport agreements must involve ambulance services to facilitate the prompt transport of patients to appropriate designated facilities within and between different jurisdictions. Transfer agreements are particularly important in rural areas, where distances are great and high-level trauma centers may not exist, so that victims who might be transported initially to a level III facility would then later be transferred to a level I or level II facility, if possible.

BARRIERS TO TRAUMA SYSTEM DEVELOPMENT

Ten of the 18 areas visited by the GAO do not have fully developed trauma systems. Five do not have designated trauma centers, five are without triage systems, and seven lack transfer and transport policies.

The GAO reported that economic and political factors are the major barriers to developing and implementing trauma systems. There is intense competition between hospitals—which often see trauma center designation as a way to improve the hospital's image and status within the community—to become designated trauma centers, and the process for designation can become vulnerable to local political pressures. Without a systematic approach for designating and accrediting trauma centers that includes a strict evaluation process, communities often find themselves with more so-called trauma centers than the population can support. As a result, many of these trauma centers do not meet the standards for trauma centers recommended by the ACS. Unfortunately, as the GAO noted, most States have not provided the leadership to overcome these political problems and competition between hospitals.

Conversely, the financial burdens that can accompany trauma center designation are a major problem for many trauma centers, particularly in urban centers that provide a high proportion of uncompensated care associated with trauma. For suburban centers, the majority of trauma patients sustain their injuries from falls or car accidents and are usually covered by some form of insurance. In cities, particularly in inner-city areas, trauma centers treat a higher number of injuries that are the result of knife or gunshot wounds. The costs are high and, most often, there is no insurance to cover them. This can lead to a severe financial crisis and compromise the ability of some institutions to provide quality trauma care.

California Medical Center [CMC], located in downtown Los Angeles, was forced to cease functioning as a trauma center because of the great losses it incurred. In July 1984, CMC was designated as a level II trauma center. It anticipated that 50 percent of its trauma patients would be indigent and that it would incur an annual loss of $1.5 million in the operation of the trauma center. However, it also expected that the additional nontrauma revenue resulting from the trauma center designation would eventually outweigh the losses associated with increased costs and indigent care.

Within months of CMC's designation, severely injured indigent patients were overloading the trauma center as well as many other areas of the hospital. At one point these problems caused the CMC emergency room to be closed for more hours than it was open.

Seven of every ten trauma patients that CMC treated had no insurance or other means of paying for their care. The hospital's overall percentage of nonpaying business had increased 158 percent since the opening of the trauma center. Also, instead of the trauma designation attracting new nontrauma revenue, the overcrowding caused some physicians to begin taking their revenue-producing patients to other facilities.

Had CMC's trauma center stayed operational for the whole year, it would have lost $5.3 million—more than triple what it expected to lose. But by February 1985, the trauma center closed.

CMC's experience and that of a number of other hospitals with trauma centers raise serious concerns about the ability of hospitals in inner cities to meet low-income urban residents' needs for trauma care.

The Federal Government's health financing programs also tend to create disincentives for regionalized trauma care. CMC's Medi-Cal—California's Medicaid Program—reimbursement rate, for example, amounted to less than half of its average cost for treating a major trauma victim.

In addition, Medicare's prospective payment system under which hospitals are paid a fixed amount according to the diagnosis related group [DRG] in which the illness or injury is classified, produces incentives that are contrary to the goal of regionalizing specialized medical care. The payment to hospitals of a rate determined to be the average cost for a particular DRG is based on the assumption that hospitals treat roughly equal numbers of high-cost and low-cost cases in each DRG. Trauma centers, however, are designed to treat the most severely injured patients having the greatest complexity and complications, while the less severely injured in the same DRG's go to lower level or community hospitals.

Thus, under the Medicare system, a trauma center's caseload is heavily weighted toward high-cost patients. Since operating a trauma center is extremely expensive and the average cost of treating a severely injured patient is over $30,000, losses for trauma centers can be very great. Although a very small number of trauma patients have Medicare coverage, up to 20 percent are covered by Medicaid and many State Medicaid plans are also adopting DRG payment systems.

Preliminary results from a study being conducted by the Johns Hopkins University show that indeed trauma centers are not fairly compensated under Medicare. Maryland has a fully functioning trauma system in place, with the Maryland Institute of Emergency Medical Services Systems [MIEMSS] serving as the level I trauma center. MIEMSS receives the most severe cases of trauma, while less severe cases are transported to lower level centers and community hospitals. For head and spinal injuries under one specific DRG, the study found that the average charges for patients at MIEMSS under this category were $35,300, as compared to community hospital charges, which averaged $8,300. The average statewide charge for this DRG is $22,900, resulting in a $12,400 deficit for MIEMSS.

TRAUMA SYSTEMS SAVE LIVES

Nevertheless, in those instances where the financial and political barriers have been overcome, there is a clear consensus that trauma systems work. Numerous studies have demonstrated that trauma systems result in dramatic reductions in death and disability.

For example, in 1980, Orange County, CA, established a trauma system comprised of five designated trauma centers. The system was established following the release of a study which showed that nonneurological trauma care was inadequate at hospitals without special trauma capabilities. Before implementation of the system, researchers found that 34 percent of the deaths occurring in trauma cases were preventable. After the system was in place, that figure dropped to 15 percent. Thus, more than half of the preventable deaths were in fact being avoided. Furthermore, none of the patients in the study died as a result of bypassing a conventional hospital in order to get to a trauma center.

In August 1984, San Diego implemented its regionalized trauma system. After 1 year of operation, the trauma death rate decreased by 55 percent. More than 90 percent of trauma deaths now occurring there are considered to be nonpreventable.

Finally, West Germany is an example of a country with excellent regional trauma care. It successfully transferred to civilian health care the knowledge and methods Americans developed in providing battlefield care in Vietnam. West Germany classifies hospitals according to their ability to provide trauma care and has established trauma centers along the main autobahns. A prehospital transport system comprised of helicopters and ambulances effectively ensures rapid access to them. It is estimated that 90 percent of the population is within 15 minutes of a trauma center.

As a consequence of this regionalized system, the mortality rate from motor vehicle accidents in West Germany has dropped from 16,000 per year in 1970 to 12,000 per year in 1983—a 25-percent reduction. That is consistent with findings that between 30 and 40 percent of trauma deaths are preventable.

I would also note once again the swift and very skillful response of the George Washington University Hospital—a level I trauma center—to President Reagan's 1981 gunshot wound. If not for the availability of the newest technologies and a team of physicians and nurses specifically trained in shock-trauma, the President might not have survived the assassination attempt.

The value of a trauma center lies not only in reduction in deaths and disabilities but also in positive financial contribution to society. Dr. Donald Trunkey, a surgeon at the University of California, San Francisco and expert in trauma care, estimates that the reduction in West German trauma deaths translates into an increase of $220 million in the gross national product and of $55 million in taxes. Trunkey speculates that if the death rate from injuries throughout the United States decreased by a comparable amount after implementing a regional trauma system, over the first 10 years, this country's GNP could be increased by more than $2 billion and the additional taxes paid could amount to more than half a billion dollars.

BILL PROVISIONS

Section 5 of S. 10 contains provisions designed to foster the development and continued operation of regionalized trauma-care systems. Thus, this section would require, beginning in fiscal year 1989, that each State annually submit, as part of its application for PHHS block grant funds, a State comprehensive emergency medical and trauma-care plan providing for the development of statewide trauma care systems and designation of trauma centers. Each State plan would be required to:

First, specify which entity would be authorized to designate trauma centers.

Second, establish a framework and set minimum standards for the implementation of regionalized trauma care systems, including guidelines for prehospital triage and transportation and for the resources and equipment needed by trauma facilities.

Third, establish minimum standards and requirements for designation of trauma centers, at least as stringent as the ACS guidelines, including the number and type of trauma cases necessary to assure that trauma facilities will provide an acceptable quality of care to trauma cases.

Fourth, establish a process for the accreditation and evaluation of designated centers and trauma systems.

Fifth, provide for the establishment of a centralized data reporting and analysis system that would accurately identify severely injured trauma patients at all facilities participating in trauma systems, identify the uncompensated trauma-care dollar volume by trauma hospital, and monitor patient care at facilities throughout the trauma systems.

Next, section 5 would establish a new program of trauma-care grants to the States, for which $75 million would be authorized to be appropriated for each of fiscal years 1988, 1989, and 1990. Up to 5 percent of a trauma grant could be used for State administrative expenses and up to 15 percent could go to counties, multicounty regions, or States for planning, implementation, and monitoring of trauma systems. Each trauma system plan must meet State standards and would be required to:

First, establish triage systems to be used by paramedics and emergency medical technicians to assess severity of injury;

Second, establish transport and transfer policies to facilitate prompt delivery of patients to appropriate designated facilities within and without its jurisdiction;

Third, establish criteria to identify or designate a trauma center;

Fourth, provide for public education on injury prevention and gaining access to the EMS system; and

Fifth, provide assurances, as part of the triage and transport/transfer policies that, under the trauma system, only patients properly identified as trauma victims would be transported directly or transferred to designated trauma centers.

The remainder of the block grant would be used to reimburse trauma centers—designated through a formal, competitive process pursuant to the State plan—for portions of their uncompensated trauma-care costs. The only trauma centers that would be eligible to receive block grant funds would be those which meet criteria consistent with the guidelines of the American College of Surgeons for level I or level II trauma centers and serve areas in which triage, transport, and transfer policies, as described earlier in the summary of trauma-system-plan requirements, have been implemented.

Institutions would provide to the State's centralized data collection office statistics reflecting utilization during the preceding fiscal year, including the number of major trauma victims, the number of inpatient days consumed by these major trauma victims, and the total amount appropriately billed for which there was no identifiable third-party payor source. Institutions would also provide information on the diagnosis of, treatment provided to, and outcome of care for trauma patients.

Beginning in fiscal year 1989, States would be required to submit reports to the Federal Government regarding the amount of uncompensated trauma care that was provided in hospitals participating in trauma systems.

Section 6 of S. 10 would require the Secretary of HHS to conduct a study of the financial impact on trauma centers of Medicare's DRG system and State reimbursement policies under Medicaid and report the results of the study to the Congress.

RESEARCH ON THE LONG-TERM IMPACT OF TRAUMA

Although trauma is the leading cause of death and disability in children and young adults, destroys the health, lives, and livelihoods of millions of people, and is the most costly of all major health problems, very little data are available about the long-term economic consequences of trauma. Knowledge about the chronic effects of injury on personal abilities in occupations and recreation and on social and psychological functioning is sorely lacking.

In contrast, for many health problems, such as cancers and cardiovascular diseases, long-term studies have provided valuable epidemiologic data on which to base intervention strategies.

BILL PROVISION

In order to establish an effective data collection base for evaluating the cost-effectiveness of trauma systems, section 7 of S. 10 would require the Secretary of HHS to conduct a comprehensive study on the long-term economic impact of trauma in the United States. The study would follow a multidisciplinary approach and draw on diverse fields such as epidemiology, statistics, biomedical engineering, behavioral sciences, health economics, and general economics in order to identify and evaluate the many factors that influence the impact and long-term outcome of a trauma incident. Such sums as are necessary for the study would be authorized to be appropriated.

CONCLUSION

Mr. President, before concluding I would like to take this opportunity to express my deep gratitude to the General Accounting Office for the excellent study it conducted on the present status of EMS. It specifically identified both the successes and current problems in EMS programs throughout the country. The data, information, and analyses in the report were extremely helpful in crafting this legislation.

Mr. President, since the enactment of the Emergency Medical Services Systems Development Act 14 years ago, we have made great progress in providing persons with swift and effective treatment in medical emergencies. However, as the GAO and NAS have reported, much still needs to be accomplished, particularly in the area of injury control. Hundreds of thousands of senseless and tragic deaths and lifelong disabilities occur each year from accidents and injuries. Many resulting from trauma are totally preventable and treatable—if we choose to place a priority on achieving that goal.

It is a goal within our grasp. We need only have the foresight and determination to organize and allocate medical resources to ensure that trauma victims are rapidly identified and transported to facilities specifically designed to provide the optimal level of care.

Mr. President, the legislation we are introducing has the potential to improve the ability of EMS systems to respond in medical emergencies and to help communities plan and implement regional trauma systems. I urge all my colleagues to support this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following the March 5, 1985, letter and GAO executive summary.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 10

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Medical Services and Trauma Care Improvement Act of 1987".

CLEARINGHOUSE ON EMERGENCY MEDICAL SERVICES

SEC. 2. (a) The Secretary of Health and Human Services (hereinafter referred to as the "Secretary") shall by contract provide for the establishment and operation of a National Clearinghouse on Emergency Medical Services (hereinafter referred to as the "Clearinghouse"). The Clearinghouse shall—

(1) foster the development of appropriate, modern emergency medical services and trauma care through the sharing of information among agencies and individuals involved in planning, furnishing, and studying such services and care;

(2) collect, compile, and disseminate information on the achievements of, and problems experienced by, State and local agencies in providing emergency medical services and trauma care;

(3) provide technical assistance relating to emergency medical services and trauma care to State and local agencies; and

(4) sponsor workshops and conferences on emergency medical services and trauma care.

(b) A contract entered into by the Secretary under this section may provide that the Clearinghouse shall charge fees or assessments in order to defray, and beginning with fiscal year 1990, to cover, the costs of operating the Clearinghouse.

(c) To carry out this section, there are authorized to be appropriated $500,000 for fiscal year 1988, $300,000 for fiscal year 1989, and $100,000 for fiscal year 1990.

(d) The authority of the Secretary to enter into contracts under this section shall be to such extent or in such amounts as are provided in appropriation acts.

COOPERATION BETWEEN STATE AGENCIES

SEC. 3. (a) 1905(c) of the Public Health Service Act is amended—

(1) by striking out "and" at the end of paragraph (5);

(2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following new paragraph:

"(7) agrees to provide the officer of the State government responsible for the administration of the State highway safety program with an opportunity to—

"(A) participate in the development of any plan by the State relating to emergency medical services, including the State plan required by section 1910B; and

"(B) review and comment on any proposal by any State agency to use any Federal grant or Federal payment received by the State for the provision of emergency medical services.".

(b) Paragraph (1) of section 402(b) of title 23, United States Code, is amended—

(1) by striking out the period at the end of each subparagraph and inserting in lieu thereof a comma,

(2) by adding "or" at the end of subparagraph (F), and

(3) by adding at the end thereof the following new subparagraph:

"(G) provide procedures that ensure that State officials who are responsible for the provision of emergency medical services within the State have the opportunity to—

"(i) participate in the development and implementation of the State highway safety program, "(ii) provide advice on the development and implementation of the State highway safety program, and

"(iii) review, and comment on, any proposals to use funds provided to the State under this section for emergency medical services.".

IMPROVING COMMUNICATIONS SYSTEMS

SEC. 4. (a)(1) The last sentence of section 1904(a)(1)(F) of the Public Health Service Act is amended by striking out "1905(c)(2))." and inserting in lieu thereof "1905(c)(2) and other than the purchase of communications equipment for such systems in accordance with paragraph (4))."

(2) Section 1904(a) of such Act is amended by adding at the end thereof the following new paragraph:

"(4) A State may not, under subparagraph (F) of paragraph (1), use amounts described in paragraph (1) to pay more than 50 percent of the costs of communications equipment for emergency medical services systems.".

(b) The first sentence of section 306(a)(1) of the Consolidated Farm and Rural Development Act is amended by inserting "emergency telephone service, communications equipment for emergency medical services," after "recreational developments,".

(c)(1) Section 105(c)(2) of the Housing and Community Development Act of 1974 is amended—

(A) by inserting "(A)" after the paragraph designation;

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively; and

(C) by adding at the end thereof the following new subparagraph:

"(B) The requirements of subparagraph (A) do not prevent the use of assistance under this title for the development, establishment, and operation for not to exceed 2 years after its establishment, of a uniform emergency telephone number system if the Secretary determines that—

"(i) such system will contribute substantially to the safety of the residents of the area served by such system;

"(ii) not less than 51 percent of the use of the system will be by persons of low and moderate income; and

"(iii) other Federal funds received by the grantee are not available for the development, establishment, and operation of such system due to the insufficiency of the amount of such funds, the restrictions on the use of such funds, or the prior commitment of such funds for other purposes by the grantee.

The percentage of the cost of the development, establishment, and operation of such a system that may be paid from assistance under this title may not exceed the percentage of the population to be served that is made up of persons of low and moderate income.".

(2)(A) The amendments made by this subsection shall be applicable to amounts made available for fiscal year 1987 and each succeeding fiscal year.

(B) Not later than the expiration of the 30-day period following the date of enactment of this Act, the Secretary of Housing and Urban Development shall notify each fiscal year 1987 grantee of assistance under section 106 of the Housing and Community Development Act of 1974 of the availability of such assistance for the development, establishment, and operation of a uniform emergency telephone number system in accordance with section 105(c)(2)(B) of such Act.

(C) Not later than the expiration of the 30-day period following the date of enactment of this Act, the Secretary of Housing and Urban Development shall by notice establish such requirements as may be necessary to carry out the amendments made by this subsection. Such notice shall not be subject to section 553 of title 5, United States Code, or section 7(o) of the Department of Housing and Urban Development Act.

(D) The Secretary of Housing and Urban Development shall issue such regulations, based on the notice required in subparagraph (C), as may be necessary to carry out the amendments made by this subsection. Such regulations shall be published for comment in the Federal Register not later than 90 days after the date of enactment of this Act.

(d) Not later then one year after the date of enactment of this Act, the Federal Communications Commission shall—

(1) complete a study of the availability of radio frequency channels for emergency medical services communications between ambulances and hospitals, including both public and private ambulances and hospitals;

(2) establish a plan to ensure that the needs of emergency medical services communications shall be adequately provided for in the allocation of frequencies; and

(3) submit a report to Congress containing such study and plan relating to emergency medical services communications.

IMPROVING EMERGENCY MEDICAL SERVICES AND TRAUMA CARE

SEC. 5. (a) Part of title XIX of the Public Health Service Act is amended by adding at the end thereof the following new section:

"STATE COMPREHENSIVE EMERGENCY MEDICAL SERVICES AND TRAUMA CARE PLAN

"SEC. 1910B. (a)(1) For each fiscal year, beginning with fiscal year 1989, each State shall submit a State comprehensive emergency medical services and trauma care plan (hereafter in this section referred to as the 'State plan') to the Secretary. Each State plan shall—

"(A) specify the public or private entity which will designate trauma centers in the State;

"(B) contain minimum standards and requirements for the designation of trauma centers by such entity, including standards and requirements for—

"(i) the number and types of trauma patients for whom such centers must provide care in order to ensure that such centers will have sufficient experience and expertise to be able to provide quality care for victims of injury; and

"(ii) the resources and equipment needed by such centers;

"(C) contain standards and requirements for the implementation of regional trauma care systems, including standards and guidelines for triage and transportation of trauma patients prior to care in designated trauma centers;

"(D) specify procedures for the accreditation and evaluation of designated trauma centers and trauma care systems; and

"(E) provide for the establishment in the State of a central data reporting and analysis system to—

"(i) identify severely injured trauma patients at all health care facilities within regional trauma care systems in the State;

"(ii) identify the total amount of uncompensated trauma care expenditures made for each fiscal year by each health care facility in the State; and

"(iii) monitor trauma patient care in each health care facility (including each designated trauma center) within regional trauma care systems in the State.

"(2) The Secretary shall promulgate regulations governing the establishment by States of standards and requirements under subparagraphs (B) and (C) of paragraph (1). Regulations promulgated under this paragraph shall be at least as stringent as the guidelines for the designation of trauma centers and for triage, transfer, and transportation policies specified by the American College of Surgeons in the Bulletin of the American College of Surgeons issues in October, 1986, except to the extent that the Secretary determines it infeasible or inadvisable to promulgate regulations under this paragraph which are not at least as stringent as such guidelines. If the Secretary make a determination under the preceding sentence, the Secretary shall, with the regulations promulgated under this paragraph, publish in the Federal Register an explanation for such determination.

"(b)(1) If the Secretary determines that a State has not, by the end of fiscal year 1989, developed the State plan required by subsection (a), the Secretary shall reduce the amount of the State's allotment under this part for fiscal year 1990 by the amount specified in paragraph (4).

"(2) If the Secretary determines that a State has not, by the end of fiscal year 1990, developed and substantially implemented the State plan required by subsection (a), the Secretary shall reduce the amount of the State's allotment under this part for fiscal year 1991 by the amount specified in paragraph (4).

"(3) If the Secretary determines that a State has not, by the end of fiscal year 1991, developed and completely implemented the State plan required by subsection (a), the Secretary shall reduce the amount of the State's allotment under this part for fiscal year 1992 and each succeeding fiscal year by the amount specified in paragraph (4). The Secretary shall discontinue the reduction under this subsection of a State's allotment under this part for a fiscal year if the Secretary determines that the State has, in the preceding fiscal year, developed and completely implemented the State plan required by subsection (a).

"(4) The amount referred to in paragraphs (1), (2), and (3) with respect to a State is the total amount expended by the State for administrative expenses for fiscal year 1987 from amounts paid to the State under section 1903 for such fiscal year.".

(b) Title XIX of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART C—TRAUMA CARE BLOCK GRANT

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 1931. For the purpose of allotments to States to carry out the activities described in section 1934, there are authorized to be appropriated $75,000,000 for each of the fiscal years 1988, 1989, and 1990.

"ALLOTMENTS

"SEC. 1932. (a) Except as provided in subsection (c), for fiscal year 1988, the secretary shall allot to each State an amount which bears the same ratio to the total amount appropriated under section 1931 for such fiscal year as the population of the State bears to the population of all States.

"(b)(1) Except as provided in subsection (c), for fiscal year 1989 and each of the succeeding fiscal years, the allotment of a State under this part shall be the sum of the amounts allotted to the State under paragraphs (2) and (3).

"(2) Two-thirds of the total amount appropriated under section 1931 for a fiscal year (beginning with fiscal year 1989) shall be allotted to States under this paragraph. The allotment of a State under this paragraph shall be the amount which bears the same ratio to the amount available for allotment under this paragraph as the population of the State bears to the population of all States.

"(3) One-third of the total amount appropriated under section 1931 for a fiscal year (beginning with fiscal year 1989) shall be allotted to States under this paragraph. The allotment of a State under this paragraph shall be the amount which bears the same ratio to the amount available for allotment under this paragraph as the total amount of uncompensated trauma care expenditures made by the State for the most recently completed fiscal year bears to the total amount of such expenditures made by all States for such fiscal year. In determining such expenditures for purposes of this paragraph, the Secretary shall consider the reports submitted under section 1935(f).

"(c) Notwithstanding subsections (a) and (b), the allotment of a State under this section for any fiscal year shall not be less than—

"(1) $500,000, or

"(2) two-thirds of one percent of the total amount appropriated to carry out this part for such fiscal year, whichever is the lesser amount.

"(d) To the extent that all the funds appropriated under section 1901 for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 1935 for the fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some State allotments are offset or repaid under section 1906(b)(3) (as such section applies to this part pursuant to section 1935(e));

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this subsection.

"(e)(1) If the Secretary—

"(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this part be provided directly by the Secretary to such tribe or organization, and

"(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this part,

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a), (b), or (c) for a fiscal year the amount determined under paragraph (2).

"(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a), (b), or (c) an amount which bears the same ratio to the State's allotment for the fiscal year involved under subsection (a), (b), or (c) as the population of the tribe bears to the population of the State.

"(3) The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization for which such a determination has been made.

"(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

"PAYMENTS UNDER ALLOTMENTS TO STATES

"SEC. 1933. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under section 1932 (other than any amount reserved under subsection (e) of such section) from amounts appropriated for that fiscal year.

"(b) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

"USE OF ALLOTMENTS

"SEC. 1934. (a)(1) Not more than 15 percent of the total amount paid to a State under section 1933 for a fiscal year may be used by a State to pay the costs of planning, implementing, and monitoring the operation of, county, regional, or State trauma care systems. Each trauma care system supported with amounts made available under this paragraph shall—

"(A) meet the standards and requirements established under the State plan under section 1910B(a)(1)(B);

"(B) provide for the use of triage procedures by paramedics and emergency medical technicians to assess the severity of injury incurred by trauma patients;

"(C) provide for the use of appropriate transportation and transfer policies to ensure the delivery of patients to designated trauma centers and other facilities within and outside of the jurisdiction of such system, including policies to ensure that only individuals appropriately identified as trauma patients are transferred to designated trauma centers;

"(D) conduct public education activities concerning preventing injuries and obtaining access to emergency medical services and trauma care; and

"(E) establish criteria and procedures, in accordance with the State plan required under section 1910B, for the identification and designation of trauma centers to participate in the trauma care system.

"(2) After the application of paragraph (1) of this subsection and of subsection (d) for a fiscal year, the amount available for such fiscal year to a State from the total amount paid to the State under section 1933 for such fiscal year shall be used by the State to reimburse designated trauma centers for such portions of the uncompensated trauma care expenditures of such centers as the State considers appropriate. In order to receive reimbursement of uncompensated trauma care expenditures under this paragraph, a designated trauma center shall—

"(A) be a center which—

"(i) meets the standards and requirements established by the State in accordance with the State plan required under section 1910B; and

"(ii) meets the guidelines for level I or level II trauma centers specified by the American College of Surgeons in the Bulletin described in section 1910B(a)(2);

"(B) serve an area in which the procedures and policies described in subparagraphs (B) and (C) of paragraph (1) have been implemented; and

"(C) maintain its designation as a designated trauma center throughout the fiscal year for which reimbursement is provided under this paragraph.

"(b) The Secretary, if requested by a State, shall provide technical assistance to the State in planning and operating activities to be carried out under this part.

"(c) A State may not use amounts paid to it under section 1933 to—

"(1) make cash payments to intended recipients of services;

"(2) purchase or improve land, purchase, construct, or permanently improve (other than through minor remodeling) any building or other facility, or purchase major medical equipment; or

"(3) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

The Secretary may waive the limitation contained in paragraph (2) upon the request of a State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will substantially assist in carrying out this part.

"(d) Not more than 5 percent of the total amount paid to a State under section 1933 for a fiscal year may be used for administering the funds made available under section 1933. The State shall pay from non-Federal sources the remaining costs of administering such funds.

"APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

"SEC. 1935. (a)(1) In order to receive an allotment for a fiscal year under section 1932, each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require.

"(2) Each application required under paragraph (1) for an allotment under section 1932 for a fiscal year shall contain—

"(A) assurances that the State will meet the requirements of subsection (b); and

"(B) the State plan required by section 1910B.

"(b) As part of the annual application required by subsection (a) for an allotment for any fiscal year, the chief executive officer of each State shall—

"(1) certify that the State agrees to use the funds allotted to it under section 1932 in accordance with the requirements of this part;

"(2) provide assurances that the State will require each health care facility in the State to provide to the system established pursuant to section 1910B(a)(1)(E) a report for each fiscal year which—

"(A) specifies the number of major trauma patients cared for by such facility during such fiscal year;

"(B) specifies the total number of inpatient hospital days used by such patients during such fiscal year;

"(C) describes the diagnoses, treatment, and treatment outcomes for such patients; and

"(D) specifies the total amount of uncompensated trauma care expenditures incurred by such facility for such patients for such fiscal yaar; and

"(3) certify that the State agrees that Federal funds made available under section 1933 for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, local, and other non-Federal funds.

"(c) The chief executive officer of a State shall, as part of the application required by subsection (a) for any fiscal year, also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1933 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as necessary to reflect substantial changes in the programs and activities assisted by the State under this part, and any revision shall be subject to the requirements of the preceding sentence.

"(e) Except where inconsistent with the provisions of this part, the provisions of section 1903(b), section 1906(a), paragraphs (1) through (5) of section 1906(b), and sections 1907, 1908, and 1909 shall apply to this part in the same manner as such provisions apply to part A of this title.

"(f) Each report (beginning with the report for fiscal year 1989) submitted by a State to the Secretary under section 1906(a)(1) (as such section applies to this part pursuant to subsection (e) of this section) shall include a separate statement which summarizes and analyzes the information provided to the State in the reports required under subsection (b)(2).

"DEFINITIONS

"SEC. 1936. (a) For purposes of this part, the terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.

"(b) For purposes of this part and section 1910B—

"(1) the term 'designated trauma center' means a trauma center designated in accordance with the State plan under section 1910B; and

"(2) the term 'uncompensated trauma care expenditures' means any amount which is expended by a health care facility to provide health care services to a trauma patient and for which such facility does not receive payment or reimbursement.".

(c) This section and the amendments made by this section shall take effect on October 1, 1987.

STUDY OR PAYMENTS TO TRAUMA CENTERS UNDER THE MEDICARE AND MEDICAID PROGRAMS

SEC. 6. (a) The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall conduct a study of the financial impact of the prospective payment system established under section 1886(d) of the Social Security Act on medical trauma centers and of possible modifications to that system to provide more adequate and appropriate payments to such centers. The study shall include recommendations with respect to whether separate payment rates should be established for such centers.

(b) The Secretary shall conduct a study of the policies adopted by States in reimbursing medical trauma centers under the medicaid program under title XIX of the Social Security Act. The study shall assess the adequacy and appropriateness of the reimbursements provided by States to such centers under such program and shall include recommendations with respect to whether the requirements imposed under such title should be modified in order to ensure that such centers are appropriately reimbursed.

(c) The Secretary shall report the results of the studies required by standards (a) and (b) to the Congress not later than one year after the date of enactment of this Act.

STUDY ON THE LONG-TERM ECONOMIC EFFECTS OF TRAUMA

SEC. 7. (a) The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall conduct a comprehensive multidisciplinary study of the long-term economic effects of incidences of trauma in the United States. In conducting the study, the Secretary shall utilize the services of individuals with appropriate expertise in such fields as epidemiology statistics, behavioral sciences, and health economics in order to identify and evaluate as many factors as possible that influence the impact and longterm outcome of a trauma incident.

(b) The Secretary shall report the results of the study required by subsection (a) to the Congress not later than one year after the date of enactment of this Act.

(c) To carry out this section, there are authorized to be appropriated such sums as may be necessary for fiscal year 1988.

U.S. SENATE,
Washington, DC, March 5, 1985.

Hon. CHARLES H. BOWSHER,
Comptroller General of the United States, U.S. General Accounting Office, Washington, DC.

DEAR CHARLES, On November 17, 1973, the Emergency Medical Services Systems Development Act (Public Law 93-154), was enacted in an effort to establish the mechanisms for the creation and coordination of life-saving health services. Senator Cranston was the Senate author of the new law and Senator Kennedy served as Chairman of the Health and Scientific Research Subcommittee of the Labor Committee at that time. In the early 1970s, the state of emergency medical services (EMS) was characterized by poorly trained ambulance and emergency room personnel, outdated equipment, little coordination of services in urban areas, and the absence of emergency care facilities in rural areas. The new law was designed to help local communities use existing resources and generate other potential sources of support to plan and develop comprehensive and integrated EMS system through a 5-year sequence from preliminary planning to fully functioning, advanced systems. Federal matching funds would decline and local contributions would increase over those 5-year periods until the systems would be self-sufficient.

Your Office has previously carried out a comprehensive and very helpful study of the EMS program. The July 13, 1976, GAO report, entitled "Progress, But Problems in Developing Emergency Medical Services Systems", stated, "The Emergency Medical Services Systems Act has stimulated interest and brought improvement in the delivery of emergency medical care." The report also recognized that progress toward achieving regional self-sufficiency was slower than envisioned in the Act. Thus the report concluded that "when Federal funding stops, continuation of regional systems providing EMS at the level planned or established with Federal support will not be assured."

Based on GAO's recommendations, we included in the Emergency Medical Services Amendments of 1976 (Public Law 94-573), which reauthorized appropriations for the EMS program, provisions to ensure that every effort was made by EMS systems to develop community-based sources of funding for the continued operation of the system. The GAO report was also very helpful in identifying the need for the coordination of Federally-supported activities related to emergency medical services, responsibility for which was assigned in Public Law 94-573 to an interagency committee.

In 1979, Congress again reauthorized appropriations for the EMS program for 3 years through FY 1982; in so doing it rejected a proposal for a 1982 phaseout of the program. It was noted at that time that if sufficient funds were made available during fiscal years 1979-1982 only an additional 3 years of federal funding would thereafter be needed in order for the majority of EMS programs to complete their cycles. In FY 1982, however, the program was transferred by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) into the Preventive Health and Health Services (PHHS) block grant.

During Congressional hearings in 1981 on the proposed program transfer, much concern was expressed that without accountability, leadership, or standards from the Federal government, there would be disarray and discoordination of the many systems which were in various phases of development throughout the country. (Hearings of the House Committee on Energy and Commerce Subcommittee on Health and the Environment on H.R. 2562, pages 146-147 (April 6-7, 1981)) In addition, it was felt by many, as Senator Cranston testified, that this move would send a clear signal to state and local governments that the Congress no longer placed a priority on this program and that the result could be a substantial loss of funding.

By 1982, when the EMS program was transferred to the PHHS block grant, 70 (23 percent) of the 303 EMS regions had completed the 5-year cycle and 66 (21 percent) were in the process of completing the final, advanced-life-support (ALS) stage, while 112 (37 percent) were in the second stage—development of a basic-life-support (BLS) system. Fifty regions (16.5 percent) had advanced only to the planning stage, and five regions had not applied for or received any funds. Since the dismantling in 1982 of the Office of Emergency Medical Services within the Health Services Administration in the Department of Health and Human Services upon incorporation of the EMS program into the block grant, information regarding the present status of or funding for regional EMS programs has been very difficult to obtain.

The information that does exist suggests that our predictions in 1981 have, unfortunately, come to pass. GAO's May 8, 1984, report, entitled "States Use Added Flexibility Offered by the Preventive Health and Health Services Block Grant", in which the implementation of the PHHS block grant in 13 states was reviewed and analyzed, stated that many states have assigned a low priority to the EMS program. The report also revealed that funding for EMS decreased between 1981 and 1983 in 10 of the 11 states for which complete data were available. That report provided the first indications of how states were distributing their block grant funds. However, complete information is still lacking regarding the progress of the development of EMS systems across the country.

In light of the achievements of the federal EMS program prior to 1982, the Federal investment over the years in the development of EMS systems, and the results presented in your May 1984 report, we believe that a detailed study of the experience of the EMS systems under the block grant is warranted. Therefore, as the ranking minority member of the Committee on Labor and Human Resources and as the Senate author of the enabling legislation, we request that you conduct such a study and that the report on it include:

(1) Information on the progress of the previously designated 303 EMS regions—specifically, data regarding the number of regions that have completed the cycle, that have advanced to the ALS, BLS, and planning stages, respectively, and that have still not begun the process. Please also evaluate what the impact has been on the development and coordination of EMS systems throughout the country of the transfer of authority for the program from the federal government to the states.

(2) An analysis, similar to the one contained in the 1984 report and expanded to include all 50 states and the District of Columbia, and the funding of EMS programs. Please include data regarding the overall levels of support for EMS in each region and a breakdown of federal (by PHHS block grant, categorical grant, and the Department of Transportation), state and local contributions.

(3) An analysis of the extent to which the current status of EMS programs meet the original goal of phasing out Federal program support in FY 1985.

(4) An analysis of the impact that the EMS program has had in reducing morbidity and mortality due to serious accidents, heart attacks, strokes, and similar incidents in which a swift medical response could save lives and minimize disabilities.

We very much appreciate the GAO's past excellent work in connection with this program and look forward to receiving a response from you, at your earliest convenience, regarding the conduct of the requested study. Please have your staff contact Barbara Masters (224-3553 for Senator Cranston) and David Nexon (224-7679 for Senator Kennedy) if you have any questions about this letter.

With warm regards,

Cordially,

EDWARD M. KENNEDY.
ALAN CRANSTON.

HEALTH CARE: STATES ASSUME LEADERSHIP ROLE IN PROVIDING EMERGENCY MEDICAL SERVICES

EXECUTIVE SUMMARY

Purpose

About 550,000 persons die from heart attack and another 140,000 die from injuries each year in the United States. Studies estimate that from 15 to 20 percent of injury and prehospital coronary deaths could be avoided with the delivery of appropriate emergency medical services.

At the request of Senators Alan Cranston and Edward M. Kennedy, GAO reviewed the status of emergency medical services programs in the United States, addressing the following questions:

What effect did the transition from federal to state leadership under the Preventive Health and Health Services block grant have on emergency medical services?

What are the significant issues and barriers affecting the appropriate and timely delivery of local emergency medical services?

While recognizing that states are now responsible for operating the program, the Senators also asked us to identify any actions the federal government could take to enhance states' progress.

Background

Emergency medical services are best delivered through a well-coordinated system of local providers. While local providers and governments have principal responsibility for delivering services, the federal government assumed a lead role in improving these services through categorical grant programs created under the 1966 Highway Safety Act and the 1973 Emergency Medical Services Systems Act.

In the early 1980's the federal government devolved much of its leadership responsibilities to states by folding the Emergency Medical Services Systems Act program into the Preventive Health and Health Services block grant. This prompted concerns that states would make less funds available for emergency medical services.

Between October 1985 and March 1986, GAO reviewed the activities in six states—California, Florida, Iowa, Massachusetts, Pennsylvania, and Texas—to assess their influence on the local delivery of emergency medical services. Within the 6 states, 18 urban and rural areas were selected for case studies.

Results in Brief

Bolstered by the conversion of federal categorical support to the more flexible block grant, states have assumed a more active leadership role in financing and regulating the local delivery of emergency medical services. Although initially reducing funds for emergency medical services in the first years of the block grant, the six states GAO visited have reversed this trend, as the emergency medical services community increasingly looks to them rather than the federal government for leadership.

Many local areas, however, have not yet adopted service delivery practices that have been shown to save lives. Quick telephone access through 911 is estimated to be available to less than 50 percent of the nation; advanced life support ambulance services are generally not available in most rural areas visited; and critically injured patients are not taken to the most appropriate hospital in some areas.

Progress in adopting these practices has been impeded by the costs of installing 911 and acquiring sophisticated ambulance services as well as the lack of cooperation among emergency medical service providers. State and local governments are in the best position to provide the primary impetus in overcoming barriers to further progress. Certain federal actions, however, could help enhance state and local leadership efforts.

Principal Findings

States Assume Leadership Role Under Block Grant

States have reversed the downward funding trends for emergency medical services initially experienced under the block grant. Funding in the six states visited decreased by 34 percent from 1981 to 1983. Although total funding has not returned to 1981 levels, funding increased by 28 percent from 1983 to 1985. Moreover, the states have increased their share of funding from 27 percent in 1981 to 50 percent in 1985.

Under the block grant, states have expanded their regulatory and programmatic roles and have generally kept the regional systems established under the 1973 federal categorical program. As of 1985, states continued support for 76 percent of these regional systems.

Although the block grant has worked well in engaging state leadership, federal highway safety funds expended by states for emergency medical services could be better coordinated with states' overall emergency medical services strategies. Four of the six states have used these funds to support emergency medical services without consulting with state emergency medical services offices.

Availability of 911 Varies Significantly

Although 911 expedites quick public access to emergency medical resources, it is estimated that more than 50 percent of the nation, primarily in rural areas, is still not covered. High installation and operating costs in rural areas GAO visited and the reluctance of urban ambulance services to join an areawide telephone receiving system are among the principal barriers to 911 implementation. While state-mandated coverage and financing arrangements could promote broader coverage, only six states nationwide have mandated 911 coverage and 26 have authorized a special funding mechanism.

Advanced Ambulance Care Limited in Rural Areas

Advanced life support ambulance services, most important to those in critical condition, are primarily found in urban areas. While all nine urban areas GAO visited have these services available to at least 50 percent of their population, only four of nine rural areas have such coverage. Low rural area caseloads often do not provide sufficient revenues to cover advanced life support fixed costs and preclude maintenance of staff medical skills.

States have taken many regulatory actions to upgrade the quality of advanced life support care. Of the 18 local areas visited, however, 10 reported that radio interference hampered communications between ambulance personnel and hospital physicians providing medical direction for field care. The Federal Communications Commission, which allocates radio channels, recently provided more channels, which could ameliorate the interference problem. Further, 10 areas indicated that outmoded communications equipment also limits effective ambulance-hospital communications. However, block grant funds may not be used to purchase new equipment.

Many Areas Have Not Adopted Trauma Care Systems

Although taking severely injured patients to specialized trauma centers increases survival chances, 10 of the 18 areas GAO visited do not have fully developed trauma systems to assure that critically injured patients are taken to these centers. The designation of a hospital as a trauma center may threaten other hospitals in the area with potential loss of patients and prestige. Due partly to these concerns within the medical community, states have done little to encourage the designation of trauma centers.

The new prospective payment system being implemented in Medicare and being adopted by some states in Medicaid to contain health care costs might discourage hospitals from specializing in costly trauma care. This system reimburses hospitals based on the average costs of treating patients. Trauma centers treating a disproportionate number of severely injured patients may not receive sufficient reimbursement under this averaging method to fully cover the higher costs associated with severe cases.

Matters for Congressional Consideration

Although state and local governments are in the best position to foster needed improvements, the Congress could consider actions in two areas to assist state and local efforts:

A federal loan program financing initial local 911 start-up costs could promote broader 911 coverage, particularly in rural areas, if the Congress decides that promotion of 911 is a desirable national goal. The Congress could explore modifying an existing loan program for rural telephone systems, administered by the Rural Electrification Administration in the Department of Agriculture, to permit existing loan funds to be used by local governments for 911 implementation.

The current prohibition on equipment purchases in the Preventive Health and Health Services block grant could be modified to permit local areas to replace outmoded communications equipment using block grant funds.

Recommendations

To avert a potentially negative federal effect on the development of specialized trauma care, GAO recommends that the Department of Health and Human Services determine whether federal Medicare and state Medicaid reimbursement rates have an adverse financial impact on trauma centers. The results of this analysis should be considered along with other factors in assessing the need for a change in trauma-related payment rates.

Agency Comments

The views of directly responsible officials were sought during GAO's work and have been incorporated in the report where appropriate. GAO did not request official agency comments on a draft of this report.

Mr. KENNEDY. Mr. President, I am very pleased to be joining as an original cosponsor with my good friend and colleague from California [Mr. CRANSTON] in introducing S. 10, the proposed "Emergency Medical Services and Trauma Care Improvement Act of 1987".

Mr. President, I applaud the efforts of the Senator from California [Mr. CRANSTON] who is once again demonstrating his long-standing commitment and leadership to bringing about improvements in health care for individuals with dire medical emergencies. I share his commitment to this end and fully support the purposes of this legislation to improve the quality and availability of emergency medical services and trauma care.

This bill grew out of a September 30, 1986, General Accounting Office report, jointly requested 2 years ago by the two of us, in which the current status of emergency medical services systems throughout the country were reviewed and analyzed. The results and recommendations of the report serve as the basis for this legislation.

Both Senator CRANSTON and I were deeply involved in the original establishment of the EMS Program, and I regard it as one of key parts of our national health care system.

Mr. President, I do have some concerns about one provision, section 5 in the bill, which would establish a program of trauma care grants to the States in order to help the States and local regions develop integrated trauma systems and to enable States to provide financial assistance to designated trauma centers to defray a portion of their uncompensated care costs resulting from high-cost trauma patients.

While I support the goals of the trauma grant program, I would like to study this particular proposal further. I will be working closely with the distinguished Senator from California [Mr. CRANSTON] in the months ahead to further develop and refine this legislation with a view toward its prompt enactment.

Mr. GORE. Mr. President, I am especially pleased to join my colleagues from California and Massachusetts in introducing this much needed legislation.

Trauma policy is not a new issue in the Congress and for good reason. Trauma is the most important, most tragic, and most expensive health problem in the United States today; 550,000 Americans die each year from cardiac arrest. There are 70 million persons injured each year seriously enough to require medical attention in an emergency facility. Between 400,000 and 500,000 of these individuals are permanently disabled. Another 140,000 lose their life. Injuries are the leading cause of death up to the age of 44. They cause more lost working years than all forms of cancer and heart disease combined, with an estimated yearly economic cost to our Nation at around $100 billion.

Yet if you sit down and talk with the trauma experts, as I have done in Tennessee, they will tell you that the greatest tragedy is that doctors aren't losing patients, the system is killing them. We have the ability to save at least 100,000 to 140,000 of these lives and prevent tens of thousands of permanently disabling injuries through appropriate and prompt treatment, but too often appropriate care is received too late.

The bill we are introducing today, the Emergency Medical Services and Trauma Care Improvement Act of 1987, will help provide all U.S. residents access to the appropriate care and as a result will save lives, prevent unnecessary suffering, and save money.

Dismal facts contained in the 1966 National Academy of Sciences' report, "Accidental Death and Disability—The Neglected Disease of Modern Society," and the understanding that through responsible Federal leadership Government could make an important difference, led Congress in 1966 to add emergency medical care among the provisions of the Highway Safety Act. In 1973, Congress enacted the Emergency Medical Services Systems Act to further improve services across the country.

A trauma care system is an organized approach to caring for the acutely injured patient. It is composed of four primary components: Access to care, prehospital care, hospital care, and rehabilitation. The 1966 and 1973 laws focused on the first two components: Access to care and prehospital care. These laws accomplished almost all of what they set out to do. The emergency medical services (EMS) we are familiar with: The new ambulances, the emergency medical technicians and paramedics, are all a result of the 1966 and 1973 laws.

While these were critical first steps, the next steps are equally critical, especially hospital care. It doesn't do much good to have a sophisticated system that insures prompt transfer to the hospital only to have the patient die because when they got there the appropriate medical personnel were unavailable.

In 1976, a task force of the American College of Surgeons published a landmark document titled "Optimal Hospital Resources for Care of the Seriously Injured." In it standards for trauma centers were first established. In 1979, Congress began work on establishing a process to designate trauma centers, but before this program was properly implemented disaster struck the trauma system. In 1981, the Emergency Medical Services System Act was repealed and the program was folded along with six other health programs into a Preventive Health block grant. While this provided States with a great deal of flexibility in implementing programs, progress on designating trauma centers all but stopped. It has left us with an efficient system of prehospital care, but in a muddle about the appropriate locations to which patients should be transported. The tragic result, patients dying not because of their injuries, but because the system has failed them.

The legislation we are introducing today is specifically designed to get us back on track designating trauma centers. It establishes tough standards endorsed by the medical experts that will help States resist potentially disasterous pressure coming from local hospitals to liberalize certifying standards. Some local hospitals may not like it. In some cases, they are afraid not being designated will hurt their ability to compete for patients in other services. While most hospitals are excellent, few can realistically make the commitment it takes to be a successful trauma center.

It is indeed a tragedy if recent changes in hospital reimbursement have prompted such fears, but it has made it all the more important that legislation addressing trauma center designation be enacted as soon as possible. The bill we are introducing today does just that.

By Mr. CRANSTON (for himself, Mr. SIMPSON, Mr. MATSUNAGA, Mr. DECONCINI, Mr. MITCHELL, Mr. ROCKEFELLER, Mr. STAFFORD, Mr. KENNEDY, Mr. COHEN, Mr. CHILES, Mr. DURENBERGER, Mr. GORE, Mr. PRESSLER, Mr. SASSER, Mr. HEINZ, Mr. KERRY, Mr. WILSON, Mr. SIMON, Mr. LEAHY, Mr. LEVIN, Mr. SARBANES, Mr. RIEGLE, Mr. MELCHER, Mr. JOHNSTON, Mr. BURDICK, and Mr. BINGAMAN):

S. 11. A bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes; to the Committee on Veterans' Affairs.

VETERANS' ADMINISTRATION ADJUDICATION PROCEDURE AND JUDICIAL REVIEW ACT

Mr. CRANSTON. Mr. President, I am today introducing S. 11, the proposed Veterans' Administration Adjudication Procedure and Judicial Review Act. I am delighted to note that I am joined by a strong bipartisan array of 25 original cosponsors, including my good friends and colleagues on the Veterans' Affairs Committee, our former chairman and my fellow whip, Senator SIMPSON, and Senators MATSUNAGA, DECONCINI, MITCHELL, ROCKEFELLER, and STAFFORD. Five of the cosponsors are members of the Judiciary Committee, including Senators SIMPSON and DECONCINI, who both serve on the Veterans' Affairs and Judiciary Committees.

Mr. President, this is the first Congress since the 94th Congress that my friend, the former Senator from Colorado, Gary Hart, is not taking the lead in introducing legislation to provide for judicial review of VA decisions. Senator Hart's deep and abiding interest in and strong leadership regarding the issue of judicial review of VA decisions was a great inspiration and we will miss his presence. It has been my privilege to join with Senator Hart as the principal cosponsor of this legislation over 3 years, and I am honored to be to be able to pick up the torch upon his retirement from the Senate.

PURPOSE OF THE BILL

The basic purpose of this measure is to ensure that veterans and other claimants before the VA receive all benefits to which they are entitled under law by providing them with the opportunity for judicial review of final decisions of the Administrator of Veterans' Affairs, or those acting for him, in denying claims for benefits or in establishing VA policies, regulations, or other guidance; by codifying certain internal procedures of the VA relating to the adjudication of benefit claims; by requiring that VA rulemaking processes comply with provisions of the Administrative Procedure Act relating to notice and comment; and by allowing claimants to pay attorneys reasonable fees for representation before the VA after a decision by the Board of Veterans' Appeals and for representation in judicial proceedings. My July 30, 1985, floor statement upon Senate passage of S. 367—the substantially identical measure from the last Congress—discusses the bill's provisions and purposes in detail, beginning at page 21398 of the daily edition of the CONGRESSIONAL RECORD. S. 367 was reported by the Veterans' Affairs Committee on July 8, 1985, and passed by the Senate on July 30, 1985. That floor statement accurately describes my intentions with respect to the bill we are introducing today.

BACKGROUND

Mr. President, legislation to provide for judicial review of decisions of the Veterans' Administration has been through an extended period of development in the Senate—beginning in the 94th Congress when the former Senator from Colorado [Mr. HART] first introduced such legislation. During this period, the Committee on Veterans' Affairs has held nine hearings on judicial review legislation, and the Judiciary Committee has held one such hearing. The Veterans' Affairs Committee has four times voted to report such legislation, and the Judiciary Committee twice, after referral of the reported bill for a period of time, has taken no action to amend the reported measures before being discharged from further consideration. The measures reported by the Veterans' Affairs Committees—S. 330 in the 96th Congress, S. 349 in the 97th Congress, S. 636 in the 98th Congress, and S. 367 in the last Congress—were passed by the Senate without dissent.

Unfortunately, until the last Congress, the House Veterans' Affairs Committee, to which the measures were referred in the other body, took no action on any of them. In the second session of the last Congress, the House committee held a number of hearings and conducted a markup on a companion measure, H.R. 585, introduced by my good friend from California, DON EDWARDS. Regrettably, despite the fact that H.R. 585 had 233 cosponsors, the House committee voted on July 16, 1986, to table the bill by a vote of 20 to 12.

Despite that action, I continue to hope that the Committee on Veterans' Affairs in the other body will work with us to develop a consensual approach on this important issue. I also look forward to working with the many veterans service organizations, other interested organizations and individuals, and colleagues on the two Veterans' Affairs Committees in the developing of such an approach.

NEED FOR THE BILL

Mr President, there are a number of strong reasons supporting the enactment of judicial review legislation, and I would like to highlight some of them briefly at this time.

FAIRNESS FOR INDIVIDUAL CLAIMANTS

One of the principal reasons judicial review is needed is to help ensure fairness to individual claimants before the VA. In saying this, I do not mean to indicate a belief that the Board of Veterans' Appeals—the final adjudicative body within the VA—in any way intends to deny to veterans such fairness or in any way routinely denies such fairness. To the contrary, I believe that the members of the Board are fairminded, conscientious individuals who make a concerted effort to carry out their responsibilities in an evenhanded fashion and that, by and large, most claimants before the VA are treated fairly.

However, I do know that the present system, which results in final, unappealable decisions by the Board, together with the statutory limit of $10 on the amount a claimant before the VA can pay an attorney for representation, leaves many disappointed claimants believing that they have been denied a full and fair opportunity to pursue their claims and that, as veterans, they are denied important rights that they and other citizens have in dealing with virtually all other Federal agencies.

In addition to this perception of a denial of justice, Mr. President, is the real possibility that actual injustices do occur under the current system, a problem that opportunity for judicial review would substantially ameliorate. Although I know that the VA claims-adjudication system is set up to be supportive of the veteran—as it should be—the VA is a very large and complex Federal agency, and unfair results do occur. I have long been concerned that the tremendous volume of claims handled by the Department of Veterans' Benefits and the Board of Veterans' Appeals provides a significant opportunity for some injustices to occur. On the basis of current trends, the number of these VA claims will continue to increase, thereby increasing the possibility of unintended unfair results.

REVIEW OF QUESTIONABLE AGENCY POLICIES

Mr. President, another principal reason for judicial review legislation is the need to establish a basis for the review of questionable agency actions restricting, withholding, or withdrawing VA benefits—actions that increase in frequency as there is greater pressure within the executive branch for the VA to act to achieve cost savings in current programs. There have been numerous examples of such actions in recent years—such as efforts by the VA to collect for the cost of health care provided to veterans who happen to be VA employees; attempts by the Agency, at the direction of the Office of Management and Budget, to restrict beneficiary travel reimbursement for eligible veterans; the VA's drawing overly restrictive regulations to implement the targeted GI bill delimiting date extension enacted in Public Law 97-72 as well as the radiation exposure health care eligibility enacted in that same public law; allegations that some VA stations are applying very stringent standards in cases in which Vietnam veterans are seeking to be granted service connection for posttraumatic stress disorder; the review of compensation awards to veterans in Puerto Rico; and what many believe is an overly aggressive debt-collection effort.

In addition to these examples of agency actions restricting benefits, there is also the potential for unduly restrictive legal opinions from the office of the general counsel which may operate to deny veterans' access to benefits to which they would otherwise be entitled. One example with which I was involved concerned a woman veteran who had a service-connected disability which prevented her from becoming pregnant. In the course of assisting her, I became aware of a general counsel opinion which held that the VA does not have legal authorization under current law to provide services to help overcome such a disability. Although I do not believe that the VA's restrictive interpretation of its existing authority is correct—and did my utmost to bring about a change in that interpretation—I was not successful. In fact, in other legislation I am introducing today—section 2 of S. 6—I am proposing to provide the agency with express authority in order to remove any doubts that may exist on this issue.

In each of these instances and in other similar cases, the lack of access to court review has serious implications. Although the Committees on Veterans' Affairs in both Houses do their utmost to oversee the activities of the VA, the limited resources of the committees do not allow for thorough review of and congressional action to resolve satisfactorily all of the legal and policy issues arising in such a large and complex agency. In addition, I do not believe that aggrieved veterans should have to be dependent for relief on congressional committee processes which, for all their virtues, cannot be fairly said to be designed to achieve or to be capable of achieving systematically an evenhanded dispensation of justice. Also, although the results of committee oversight are often salutary in terms of bringing about—either through legislation or administrative action under pressure—reversals of agency action, there is usually a long delay in having the correction made. In contrast, injunctive relief for irreparable injury can be a very speedy remedy.

If the veterans directly affected by various VA actions have access to court to challenge those actions, they would be guaranteed the opportunity to be heard by an entity outside of the VA and, in certain cases, to obtain urgent and timely relief. In particular, the VA's handling of claims based on exposure to agent orange or to radiation from the detonation of a nuclear weapon would benefit from outside review by allowing those who believe they have been harmed to have their claims tested in an independent forum.

Mr. President, in making these points, I do not want to be understood as suggesting that the VA is wrong on all or any of these issues. Rather, I am suggesting that outside review by the independent branch of Government established in our constitutional framework with the special responsibility of determining whether governmental action is legal and whether it is fundamentally fair would benefit all parties involved. The VA would have its processes subjected to appropriate scrutiny and, to the extent the agency's actions were upheld, would be vindicated. Likewise, to the extent the agency's actions were held unlawful or fundamentally unfair, steps could be taken to improve the process so as to ensure that the agency is fulfilling its mission to serve veterans in the best possible fashion. I am concerned that agency action that does not have the benefit of outside scrutiny may fail to address fully the legitimate needs of those the agency exists to serve, and I believe that providing for judicial review would basically correct this shortcoming.

REVIEW BY AN INDEPENDENT TRIBUNAL

Mr. President, another important reason in support of judicial review is related to the status of the Board of Veterans' Appeals. Fundamental principles of due process, as guaranteed by the Constitution, require an independent review of administrative action affecting individuals' liberty or property interests. Although there are earlier court decisions suggesting that veterans' benefits are gratuities and not worthy of general due process protections, such a viewpoint is no longer valid, if it ever was, either philosophically—veterans' benefits are earned by service in the military—or legally. A number of decisions rendered by the Supreme Court in the last two decades—for example, *Goldberg*. v. *Kelly*, 397 U.S. 254 (1970); *Board of Regents* v. *Roth*, 408 U.S. 564 (1972); *Goss* v. *Lopez*, 419 U.S. 565 (1975); and *Paul* v. *Davis*, 424 U.S. 693 (1976)—have held that various statutory governmental benefits are legal entitlements and, thus, protected property interests of the beneficiary.

Mr. President, I do not believe that review by the Board provides the required independent action required by due process. Although the Board is not directly under the control of the Administrator of Veterans' Affairs, it is far too bound up with the agency, in many informal ways, to be truly independent and more importantly its independence is restricted by law. Under section 4004(c) of title 38, the Board is "bound in its decisions by the regulations of the Veterans' Administration, instructions of the Administrator, and the precedent opinions of the chief law officer." I certainly do not mean to suggest any lack of integrity on the part of either the Administrator or VA General Counsel, but the fact is that the potential for them—and future incumbents in those offices—to restrict the decisionmaking authority of the Board significantly restricts that body's independence.

CLARIFY THE STATE OF THE LAW

A final purpose of judicial review legislation is to help clarify the state of the law on the scope of the current law provision that bars judicial review, section 211(a) of title 38. At present, there are some important differences between the various U.S. Court of Appeals regarding the sweep of this prohibition, and I am concerned that the U.S. Government contributes to this confusion by raising the 211(a) bar in cases in which it is not appropriate. Thus, the decision as to which Federal circuit a veteran brings an action may well determine the outcome of the case—a result that should be avoided.

Some courts have held, correctly I believe, that the 211(a) bar applies only to claims for benefits by individual veterans, while other courts have let the 211(a) bar preclude suits involving other than individual benefit decisions. A brief description of this split among the Federal courts of appeals can be found in the decision of the Court of Appeals for the D.C. Circuit in the case of *McKelvey* v. *Turnage*, 792 F.2d 194, 198 n.1 (D.C. Cir. (1986)).

Despite the agency's acknowledgement, in testimony before our committee in 1983, that some courts of appeals clearly have allowed veterans to bring actions challenging VA regulations on other than constitutional grounds, the U.S. Government, on behalf of the VA, continues to raise the section 211(a) statutory bar to judicial review in VA cases that do not involve individual claims for benefits.

SCOPE OF REVIEW

The last matter that I want to touch on involves the appropriate scope of review that a court would apply in the review of a VA fact decision. This issue has been a matter of long and involved discussion in our committee over the years, and I will not attempt to go over all that background. Rather, the one point I want to stress on this issue today is my belief that it is vital that whatever scope of review is chosen must provide some basis for court review of questions of fact. The bills passed by the Senate in 1981, 1983, and 1985 each included a very narrow scope of review of factual issues. The bill we are introducing today contains that same provision.

Our intent in providing only a very narrow basis on which a court could review a decision by the Board of Veterans' Appeals on a question of fact is to reaffirm the Board's role as the expert final arbiter of such questions. However, by refusing to limit the review to questions of law only and thus preclude all review of questions of fact—an approach that some have advocated—this legislation affords an opportunity to correct truly egregious decisions on fact questions. Although I believe that such decisions are rare, I do not believe that total preclusion of review of facts would be appropriate or productive. Indeed—and I believe this is a vitally important point—the very existence of the possibility of review even with such a very narrow window of reviewability would, I am confident, have the effect of preventing almost all such outrageous decisions from ever being made in the first instance.

FUNDAMENTAL FAIRNESS FOR VETERANS

Mr. President, I want to answer a question I am sometimes asked in view of our lack of success to date in getting judicial review legislation favorably considered in the other body. The question is usually posed along the following lines: "What is so wrong about the present system for adjudicating VA claims that you persist in pursuing this legislation?" Although I am fully able to respond to the issue posed in this way—as I did briefly earlier in my statement—I do not believe finding fault with the current system is a necessary step in making the case for judicial review. Rather, I believe the appropriate first question is whether there is any continuing reason—putting to one side the question of whether there ever was a valid reason—for denying veterans the same right of access to court review of VA benefits decisions that is available in the case of virtually every other Federal benefit.

Although there are some restrictions in current law on access to judicial review of some Federal agency actions, only one area in which a restriction exists, Federal employee workers' compensation benefits, is at all analogous to VA benefits and is an infinitely smaller benefit program than the combination of the myriad VA benefits programs codified with title 38 of United States Code. Moreover, those benefits programs which VA benefits programs most closely, denials of benefits under the Social Security Act—such as old age and survivors insurance, Social Security disability insurance, supplemental security income, and Medicare—are all able to be challenged in court.

When the issue is posed this way—why should veterans be denied rights available to others in their dealings with the Federal Government in directly analogous areas?—I have never heard a satisfactory answer justifying maintaining the current-law preclusion. I realize that concerns have been expressed that judicial review could have an undue impact on the agency's current claims adjudication processes. I have also heard concerns that providing for judicial review would make the VA claims process more adversarial, would create unnecessary delay, and would cost veterans money in the form of attorneys' fees. Although I fully recognize the genuineness of these concerns, I do not believe they are well founded. Briefly, here is why.

RESPONSES TO ARGUMENTS ABOUT JUDICIAL REVIEW

As to the possibility that providing for judicial review could have an untoward effect on the current VA system, the legislation that has been developed in the Senate over the years contains numerous provisions that have been designed expressly to avoid that result. These provisions would ensure that the VA's current, desirable adjudication practices and procedures would be protected by providing a statutory basis for them. In this way, not only would current processes be protected in the event of judicial review, but they would actually be strengthened by being set out in law rather than being based on regulations or, in some cases, on no more than informal past practice.

With reference to the concerns about judicial review causing undue delay or about it somehow making the veteran and the agency adversaries, it is important to remember that under this legislation, judicial review would be available only after a veteran's claim has been turned down by the regional office, and, on appeal, by the Board of Veterans' Appeals. At that point, it is difficult to see how providing for judicial review could create any delay. The VA proceedings would have run their normal course. A process no longer going anywhere can't be delayed. Moreover, once the claim is finally denied, the veteran and the VA are clearly in dispute. A veteran whose claim has been finally denied by the VA's highest appeal tribunal would not become an adversary of the VA by virtue of having court review available. Courts don't create adversarial situations; they resolve them.

Regarding attorneys' fees, to me it's almost incomprehensible that the current law limit of $10 on the amount that an attorney can be paid has survived to this time. Whatever behavior characterized the legal profession at the time the original limitation was enacted following the Civil War, it is no longer credible to insist that attorneys would prey on innocent veterans. I also am unable to accept the view that veterans, as a class, are so unable to protect themselves that there needs to be a barrier erected in law between them and attorneys. Let me be clear—I do not believe that most veterans with claims before the VA would be well advised to seek the assistance of an attorney. Certainly, were I asked, my first advice to a veteran with such a claim would be to contact a veterans' service officer. That is what I tell veterans today and what I would tell them were judicial review available. But the existence of the superb resource of representation before the VA by veterans' service officers in claims adjudication is not a reason for totally precluding a veteran from seeking to obtain the services of an attorney at the end of the internal VA process if the veteran wishes to do so.

On this point, I stress again that this legislation would not lift the $10 limit in a particular case until after the veteran has received an initial BVA decision. Thus, this legislation contemplates that the current practice of veterans being assisted by skilled veterans' service officers throughout the VA and BVA administrative process would continue to operate exactly as it does now.

It is important, however, if judicial review is authorized, that, as the measure would allow, a veteran, once he or she has received an initial BVA decision and has sought an attorney's assistance to appeal that decision, would be able to seek further BVA review before going to court. I realize that some have advocated limiting an attorney's involvement exclusively to a court's review of a case. Because this measure allows for court review only of the record made by the agency—and, in fact, expressly precludes de novo review of the claim—limiting an attorney's involvement to court proceedings would, in many instances, preclude a veteran from receiving any assistance from an attorney because the attorney would be unable to improve the agency record. Alternatively, the attorney could seek a remand from the court, a procedure that would result in an unnecessary use of court time and which would lead to further, unnecessary delay in the final resolution of the veteran's claim. Permitting an attorney representing a veteran to seek to reopen the BVA decision would avoid these problems. It would also have the further benefit of promoting the possibility of a claim being resolved finally before the BVA without resort to court action—a result which would be far more advantageous for the veteran in terms of speedy justice and the cost of the attorney's time.

I want to address one final argument that is sometimes raised as a reason for continuing the bar to judicial review—the possible impact of a new class of claimants on the Federal judiciary. Without detailing the various contentions on this point—and there have been widely differing views on this issue expressed before our committee over the years—I do not understand why veterans and others with claims before the VA should continue to be discriminated against and denied important rights because treating them fairly might enlarge the responsibilities of the court system. If the Federal court system is overburdened, the Congress should address that problem on an equitable basis by expanding available resources or limiting access to court on some basis that applies to all citizens. It is blatantly unfair and arbitrary to deal with perceived problems in the courts by singling out veterans for exclusion with respect to benefits earned by service in the military.

In any event, in my view, after a shakedown period in which the narrow scope-of-fact review had resulted in summary judgments against plaintiffs with poor cases and after the BVA had become accustomed to being subject to outside review and had adjusted its decisionmaking and decision-writing activities accordingly, I do not believe the amount of litigation would be a substantial burden on the Federal judiciary.

In summary, the reason I continue to propose this legislation is to provide access to justice for veterans as a matter of fundamental fairness.

COST ESTIMATE

Mr. President, when S. 367 was before the Senate in the last Congress, the Congressional Budget Office estimated that its first-year costs would be $2 million and the cost for the first 5 years would be $16 million. Although that estimate has not yet been updated, I see no reason for any change except for the effects of inflation. Thus, the final cost of this measure would be, I believe, a very modest cost to pay to ensure that veterans, their survivors, and other claimants before the VA are given a full and fair opportunity to have their claims for statutory benefits reviewed and evaluated as well as to challenge VA policies, regulations, guidelines, and legal interpretations.

CONCLUSION

Before concluding, Mr. President, I want to speak for a moment about my plans, as the newly elected chairman of the Veterans' Affairs Committee, with respect to S. 11. In the late seventies as the chairman of this committee and since 1981 as its ranking minority member, I have always believed we should press forward with the basic judicial review legislation and have acted accordingly. Under the able chairmanships of my friends from Wyoming [Mr. SIMPSON] and Alaska [Mr. MURKOWSKI], I strongly advocated prompt action on judicial review legislation.

Now, however, certain circumstances have changed. As I noted earlier, last year, for the first time the House committee held a markup on judicial review legislation and tabled the bill. In the course of the dialog leading up to that markup last July, many individuals' and organizations' positions became polarized. In contrast, judicial review has not heretofore been a controversial issue in the Senate. Actions within our committee and on the floor have most always been unanimous. It is my goal to continue this bipartisan, consensual approach.

But, given the polarization that has now occurred on this issue, I do not think that swift action can be taken to achieve such an approach. Rather, we need a cooling down and calming down period and a fairly extended dialog among all the principals concerned to try to find common ground. Therefore, I will shortly initiate discussions, along with the ranking minority member of our committee, Mr. MURKOWSKI, our most recent chairman with the veterans' service organizations and others toward this end. I would welcome the involvement with us in this effort of the chairman, Mr. MONTGOMERY, and newly designated ranking minority member of the House committee, Mr. SOLOMON.

Mr. President, I look forward to working with the cosponsors of this measure, and all of my colleagues on this important legislation in the months ahead.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 11

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Veterans' Administration Adjudication Procedure and Judicial Review Act".

(b) Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—ADJUDICATION PROCEDURES

SEC. 101. (a) Chapter 51 is amended by adding at the end of subchapter I the following new section:

"§ 3007. Burden of proof; benefit of the doubt

"(a) Except when otherwise provided by the Administrator in accordance with the provisions of this title, a claimant for benefits under laws administered by the Veterans' Administration shall have the burden of submitting evidence sufficient to justify a belief by a fair and impartial individual that the claim is well grounded. The Administrator shall assist a claimant in developing the facts pertinent to his or her claim.

"(b) When, after consideration of all evidence and material of record in any proceeding before the Veterans' Administration involving a claim for benefits under laws administered by the Veterans' Administration, there is an approximate balance of positive and negative evidence regarding the merits of an issue material to the determination of such claim, the benefit of the doubt in resolving each such issue will be given to the claimant, but nothing in this section shall be construed as shifting from a claimant to the Administrator the burden described in subsection (a) of this section.".

(b)(1) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part IV of such title are each amended in the item relating to chapter 51 by striking out "Applications" and inserting in lieu thereof "Claims".

(2) The heading of such chapter is amended to read as follows:

"CHAPTER 51—CLAIMS, EFFECTIVE DATES, AND PAYMENTS"

(c)(1) The table of sections at the beginning of such chapter is amended in the item relating to subchapter I by striking out "APPLICATIONS" and inserting in lieu thereof "CLAIMS"

(2) The heading of subchapter I of such chapter is amended to read as follows:

"Subchapter I—Claims"

(d) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 3006 the following new item:

"3007. Burden of proof; benefit of the doubt.".

SEC. 102. Section 3311 is amended by adding at the end the following new sentences: "Subpenas authorized under this section shall be served by any individual authorized by the Administrator by (1) delivering a copy thereof to the individual named therein, or (2) mailing a copy thereof by registered or certified mail addressed to such individual at such individual's last known dwelling place or principal place of business. A verified return by the individual so serving the subpena setting forth the manner of service, or, in the case of service by registered or certified mail, the return post office receipt therefor signed by the individual so served shall be proof of service.".

SEC. 103. Section 4001 is amended—

(1) in the second sentence of subsection (a), by inserting before the period at the end of such sentence "in a timely manner"; and

(2) by adding at the end thereof the following new subsection:

"(d) The Chairman of the Board shall submit a report to the appropriate committees of the Congress, not later than December 31, 1988, and annually thereafter, on the experience of the Board during the prior fiscal year together with projections for the fiscal year in which the report is submitted and the subsequent fiscal year. Such report shall contain, as a minimum, information specifying the number of cases appealed to the Board during the prior fiscal year, the number of cases pending before the Board at the beginning and end of such fiscal year, the number of such cases which were filed during each of the 24 months preceding the prior fiscal year and the then current fiscal year, respectively, the average length of time a case was before the Board between the time of the filing of an appeal and the disposition during the prior fiscal year, and the number of members of, and the professional, administrative, clerical, stenographic, and other personnel employed by, the Board at the end of the prior fiscal year. The projections for the current fiscal year and subsequent fiscal year shall include, for each such year, estimates of the number of cases to be appealed to the Board and an evaluation of the Board's ability, based on existing and projected personnel levels, to ensure timely disposition of such appeals as provided for by subsection (a) of this section.".

Sec. 104. Section 4003 is amended—

(1) in subsection (a), by inserting a comma and "after notice of such additional information is furnished to the claimant and the claimant is provided an opportunity to be heard in connection with such information," after "concerned"; and

(2) in subsection (b)—

(A) by striking out "When" and inserting in lieu thereof "(1) Except as provided in paragraph (2), when";

(B) by inserting a comma and "after notice of such additional information is furnished to the claimant and the claimant is provided an opportunity to be heard in connection with such information," after "concerned"; and

(C) by adding at the end thereof the following new paragraph:

"(2) When, without the vote of a temporary member designated under section 4001(c)(1) of this title or the vote of an acting member designated under section 4002(a)(2)(A)(ii) of this title, a section would be evenly divided, such member shall not vote.".

Sec. 105. Section 4004 is amended—

(1) in subsection (a)—

(A) by striking out "involving" in the first sentence and inserting in lieu thereof "for"; and

(B) by inserting before the period at the end of the second sentence "after affording the claimant an opportunity for a hearing and shall be based exclusively on evidence and material of record in the proceeding and on applicable provisions of law";

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) Except as provided in paragraph (2) of this subsection, when a claim is disallowed by the Board, it may not thereafter be reopened and allowed and no claim based upon the same factual basis shall be considered.

"(2) Following such a disallowance, the Board (directly or through the agency of original jurisdiction, as described in section 4005(b)(1) of this title)—

"(A) when new and material evidence is secured, shall, and

"(B) for good cause shown, may authorize the reopening of a claim and a review of the Board's former decision.

"(3) A judicial decision under subchapter 11 of chapter 71 of this title, upholding, in whole or in part, the disallowance of a claim shall not diminish the Board's authority set forth in paragraph (2) of this subsection to authorize the reopening of a claim and a review of the former decision."; and

(3) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) After reaching a decision in a case, the Board shall promptly mail notice of its decision to the claimant and the claimant's authorized representative, if any, at the last known address of the claimant and at the last known address of the claimant's authorized representative, if any. Each decision of the Board shall include—

"(1) a written statement of the Board's findings and conclusions, and reasons or bases therefor, on all material issues of fact and law and on matters of discretion presented on the record; and

"(2) an order granting appropriate relief or denying relief.".

Sec. 106. Section 4005(d)(5) is amended by striking out "will base its decision on the entire record and".

Sec. 107. Section 4009 is amended by adding after subsection (b) the following new subsection:

"(c) Whenever there exists in the evidence of record in an appeal case a substantial disagreement between the substantiated findings or opinions of two physicians with respect to an issue material to the outcome of the case, the Board shall, upon the request of the claimant and after taking appropriate action to attempt to resolve the disagreement, arrange for an advisory medical opinion in accordance with the procedure prescribed in subsection (b) of this section. If the Board denies the request of such claimant for such an opinion, the Board shall prepare and provide to the claimant and the claimant's authorized representative, if any, a statement setting forth the basis for its determination. Actions of the Board under this subsection, including any such denial, shall be final and conclusive, and no other official or any court of the United States shall have the power or jurisdiction to review any aspect of any such decision by an action in the nature of mandamus or otherwise, the provisions of subchapter II of chapter 71 of this title to the contrary notwithstanding.".

Sec. 108. (a) Chapter 71 is further amended by adding at the end threreof the following new sections:

"§ 4010. Adjudication procedures

"(a) For purposes of conducting any hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, the Administrator may administer oaths and affirmations, examine witnesses, and receive evidence.

"(b) Any oral, documentary, or other evidence, even though inadmissible under the rules of evidence applicable to judicial proceedings, may be admitted in a hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, but the Administrator, under regulations which the Administrator shall prescribe, may provide for the exclusion of irrelevant, immaterial, or unduly repetitious evidence.

"(c)(1) In the course of any proceeding before the Board, any party to such proceeding or such party's authorized representative shall be afforded opportunity—

"(A) to examine and, on payment of a fee prescribed pursuant to section 3302(b) of this title (not to exceed the direct cost of duplication), obtain copies of the contents of the case files and all documents and records to be used by the Veterans' Administration at such proceeding;

"(B) to present witnesses and evidence, subject only to such restrictions as may be set forth in regulations which the Administrator shall prescribe, pursuant to subsection (b) of this section, as to materiality, relevance, and undue repetition;

"(C) to make oral argument and submit written contentions, in the form of a brief or similar document, on substantive and procedural issues;

"(D) to submit rebuttal evidence;

"(E) to present medical opinions and request an independent advisory medical opinion pursuant to section 4009(c) of this title; and

"(F) to serve written interrogatories on any person, including any employee of the Veterans' Administration, which interrogatories shall be answered separately and fully in writing and under oath unless written objection thereto, in whole or in part, is filed with the Administrator by the person to whom the interrogatories are directed or such person's representative.

"(2) The fee provided for in paragraph (1)(A) of this subsection may be waived by the Administrator, pursuant to regulations which the Administrator shall prescribe, on the basis of the party's inability to pay or for other good cause shown.

"(3) In the event of any objection filed under paragraph (1)(F) of this subsection, the Administrator shall, pursuant to regulations which the Administrator shall prescribe establishing standards consistent with standards for protective orders applicable in the United States District Courts, evaluate such objection and issue an order (A) directing that, within such period as the Administrator shall specify, the interrogatory or interrogatories objected to be answered as served or answered after modification, or (B) indicating that the interrogatory or interrogatories are no longer required to be answered.

"(4) If any person upon whom interrogatories are served under paragraph (1)(F) of this subsection fails to answer or fails to provide responsive answers to any such interrogatories within 30 days after service or such additional time as the Administrator may allow, the Administrator shall, upon a statement or showing by the party who served such interrogatories of general relevance and reasonable scope of the evidence sought, issue a subpena under section 3311 of this title (with enforcement of such subpena to be available under section 3313 of this title) for such person's appearance and testimony on such interrogatories at a deposition on written questions, at a location within 100 miles of where such person resides, is employed, or transacts business.

"(d) In the course of any hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, an employee of the Veterans' Administration may at any time disqualify himself or herself, on the basis of personal bias or other cause, from adjudicating the claim. On the filing by a party in good faith of a timely and sufficient affidavit averring personal bias or other cause for disqualification on the part of such an employee, the Administrator shall determine the matter as a part of the record and decision in the case.

"(e) The transcript or recording of testimony and the exhibits, together with all papers and request filed in the proceeding, and the decision of the Board (1) shall constitute the exclusive record for decision in accordance with section 4004(a) of this title, (2) shall be available for inspection by any party to such proceeding, or such party's authorized representative, at reasonable times and places, and (3) on the payment of a fee prescribed under section 3302(b) of this title (not to exceed the direct cost of duplication), shall be copied for the claimant or such claimant's authorized representative within a reasonable time. Such fee may be waived by the Administrator, pursuant to regulations which the Administrator shall prescribe, on the basis of the party's inability to pay or for other good cause shown.

"(f) Notwithstanding section 4004(a) of this title, section 554(a) of title 5, or any other provision of law, adjudication and hearing procedures prescribed in this title and in regulations prescribed by the Administrator under this title for the purpose of administering veterans' benefits shall be exclusive with respect to hearings, investigations, and other proceedings in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration.

"§ 4011. Notice of procedural rights

"In the case of any disallowance, in whole or in part, of a claim for benefits under laws administered by the Veterans' Administration, the Administrator shall, at each procedural stage relating to the disposition of such a claim, beginning with disallowance after an initial review or determination, and including the furnishing of a statement of the case and the making of a final determination by the Board, provide to the claimant and such claimant's authorized representative, if any, written notice of the procedural rights of the claimant. Such notice shall be on such forms as the Administrator shall prescribe by regulation and shall include, in easily understandable language, with respect to proceedings before the Veterans' Administration, (1) descriptions of all subsequent procedural stages provided for by statute, regulation, or Veterans' Administration policy, (2) descriptions of all rights of the claimant expressly provided for in or pursuant to this chapter, of the claimant's rights to a hearing, to reconsideration, to appeal, and to representation, and of any specific procedures necessary to obtain the various forms of review available for consideration of the claim, and (3) such other information as the Administrator, as a matter of discretion, determines would be useful and practical to assist the claimant in obtaining full consideration of the claim.".

(b) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 4009 the following new items:

"4010. Adjudication procedures.

"4011. Notice of procedural rights.".

SEC. 109. (a) In order to evaluate the feasibility and desirability of alternative methods of (1) assuring the resolution of claims before the Administrator of Veterans' Affairs for benefits under laws administered by the Veterans' Administration as promptly and efficiently as feasible following the filing of a notice of disagreement pursuant to section 4005 (as amended by section 106 of this Act) or 4005A of title 38, United States Code, and (2) affording claimants the opportunity for a hearing before or review by a disinterested authority at a location as convenient and soon as possible for each claimant, the Administrator is authorized to conduct a study, commencing not more than 1 year after the date of the enactment of this Act, for a period of 24 months, involving either or both of the alternative methods described in subsection (b) of this section for resolution of claims.

(b)(1) In not more than three geographic areas, the Administrator is authorized to provide an intermediate-level adjudication process whereby each claimant may, within the time afforded such claimant under paragraph (3) of section 4005(d) or 4005A(b) of title 38, United States Code, to file an appeal, request a de novo hearing at the agency of original jurisdiction (as described in section 4005(b)(1) of such title) before a panel of three Veterans' Administration employees, each of whose primary responsibilities include adjudicative functions but none of whom shall have previously considered the merits of the claim at issue. Following such hearing, such panel shall render a decision and prepare a new statement of the case in accordance with the requirements of paragraphs (1) and (2) of section 4005(d) of such title. Such new statement of the case shall, for all purposes relating to appeals under chapter 71 of such title, be considered to be a statement of the case as required by paragraph (1) of such section 4005(d).

(2) In not more than three other geographic areas, the Administrator is authorized to provide for an enhanced schedule of visits, on at least a quarterly basis each year, by a panel or panels of the Board of Veterans' Appeals to conduct formal recorded hearings pursuant to section 4002 of such title in such areas.

(c) Not later than 6 months after the completion of such study, the Administrator shall report to the Congress on the results thereof, including an evaluation of the cost factors associated with each alternative studied and with any appropriate further implementation thereof, the impact on the workload of each regional office involved in such study, and the impact on the annual caseload of the Board of Veterans' Appeals resulting from each alternative studied, together with any recommendations for administrative or legislative action, or both, as may be indicated by such results.

SEC. 110. Section 3010(i) is amended—

(1) by inserting "(1)" after "(i)"; and

(2) by adding at the end the following new paragraph:

"(2) Whenever any disallowed claim is reopened and thereafter allowed on the basis of new and material evidence in the form of official reports from the proper service department, the effective date of commencement of the benefits so awarded shall be the date on which an award of benefits under the disallowed claim would have been effective had the claim been allowed on the date it was disallowed.".

TITLE II—VETERANS' ADMINISTRATION RULE MAKING

SEC. 201. (a) Subchapter II of chapter 3 is amended by adding at the end the following new section:

"§ 223. Rule making

"Notwithstanding the provisions of subsection (a)(2) of section 553 of title 5, the promulgation of rules and regulations by the Administrator, other than rules or regulations pertaining to agency management or personnel or to public property or contracts, shall be subject to the requirements of section 553 of title 5.".

(b) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 222 the following new item:

"223. Rule making.".

TITLE III—JUDICIAL REVIEW

SEC. 301. Section 211(a) is amended by striking out "sections 775, 784" and inserting in lieu thereof "sections 775 and 784 and subchapter II of chapter 71 of this title".

SEC. 302. (a) Chapter 71 is further amended—

(1) by inserting after the table of sections the following new heading:

"Subchapter I—General";

and

(2) by adding at the end thereof the following new subchapter:

"Subchapter II—Judicial Review

"§ 4025. Right of review; commencement of action

"(a) For the purposes of this chapter—

"(1) 'final decision of the Administrator' means—

"(A) a final determination of the Board of Veterans' Appeals pursuant to section 4004 (a) or (b) of this title; or

"(B) a dismissal of an appeal by the Board of Veterans' Appeals pursuant to section 4005 or 4008 of this title; and

"(2) 'claim for benefits' means—

"(A) an initial claim filed under section 3001 of this title;

"(B) a challenge to a decision of the Administrator reducing, suspending, or terminating benefits; or

"(C) any request by or on behalf of the claimant for reopening, reconsideration, or further consideration in a matter described in clause (A) or (B) of this paragraph.

"(b) Except as provided in subsection (f) of this section, after any final decision of the Administrator adverse to a claimant in a matter involving a claim for benefits under any law administered by the Veterans' Administration, such claimant may obtain a review of such decision in a civil action commenced within 180 days after notice of such decision is mailed to such claimant pursuant to section 4004(d) of this title. Such action shall be brought against the Administrator in the district court of the United States for the judicial district in which the plaintiff resides or the plaintiff's principal place of business is located, or in the district court of the United States for the judicial district where the principal offices of the Board of Veterans' Appeals (established under section 4001 of this title) are located.

"(c) The complaint initiating an action under subsection (a) of this section shall contain sufficient information to permit the Administrator to identify and locate the plaintiff's records in the custody or control of the Veterans' Administration.

"(d) Not later than 30 days after filing the answer to a complaint filed pursuant to subsection (a) of this section, the Administrator shall file a certified copy of the records upon which the decision complained of is based or, if the Administrator determines that the cost of filing copies of all such records is unduly expensive, the Administrator shall file a complete index of all documents, transcripts, or other materials comprising such records. After such index is filed and after considering requests from all parties, the court shall require the Administrator to file certified copies of such indexed items as the court considers relevant to its consideration of the case.

"(e) In an action brought pursuant to subsection (b) of this section, the court shall have the power, upon the pleadings and the records specified in subsection (d) of this section, to enter judgment in accordance with section 4026 of this title or remand the cause in accordance with such section or section 4027 of this title.

"(f)(1) No action may be brought under this section unless (A) the initial claim for benefits is filed pursuant to section 3001 of this title on or before the last day of the fifth fiscal year beginining after the effective date of this section, and (B) the complaint initiating such action is filed not more than 180 days after notice of the first final decision of the Administrator rendered after the last day of such fiscal year is mailed to the claimant pursuant to section 4004(d) of this title. If the case is reopened pursuant to section 4004(b)(2)(A) of this title within 180 days after such notice is mailed, the next final decision shall, for purposes of this subsection, be considered the first final decision of the Administrator.

"(2) No action may be brought under this section with respect to matters arising under chapters 19 and 37 of this title.

"§ 4026. Scope of review

"(a)(1) In any action brought under section 4025 of this title, the court, to the extent necessary to its decision and when presented, shall—

"(A) decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of an action of the Administrator;

"(B) compel action of the Administrator unlawfully withheld.

"(C) hold unlawful and set aside decisions, findings (other than those described in clause (D) of this paragraph), and conclusions of the Administrator found to be—

"(i) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law;

"(ii) contrary to constitutional right, power, privilege, or immunity;

"(iii) in excess of statutory jurisdiction, authority, or limitations, or in violation of a statutory right; or

"(iv) without observance of procedure required by law; and

"(D) in the case of a finding of material fact made in reaching a decision on a claim for benefits under laws administered by the Veterans' Administration, hold unlawful and set aside such finding when it is so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if such finding were not set aside.

"(2) Before setting aside any finding of fact under paragraph (1)(D) of this subsection, the court shall specify the deficiencies in the record upon which the court would set aside such finding and shall remand the case one time to the Administrator for further action not inconsistent with the order of the court in remanding the case. In remanding a case under the first sentence of this paragraph, the court shall specify a reasonable period of time within which the Administrator shall complete the ordered action. If the Administrator does not complete action on the case within the specified period of time, the case shall be returned to the court for its further action.

"(b) In making the determinations under subsection (a) of this section, the whole record before the court pursuant to section 4025(d) of this title shall be subject to review, and the court shall review those parts of such record cited by a party, and due account shall be taken of the rule of prejudicial error.

"(c) In no event shall findings of fact made by the Administrator be subject to trial de novo by the court.

"(d) When a final decision of the Administrator is adverse to a party and the sole stated basis for such decision is the failure of such party to comply with any applicable regulation of the Veterans' Administration, the court shall review only questions raised as to compliance with and the validity of the regulation.

"§ 4027. Remands

"(a)(1) In any action brought under section 4025 of this title, the court shall, on motion of the Administrator made before the expiration of the time specified for the filing of an answer to a complaint filed pursuant to subsection (b) of such section, allow a single remand of a case to the Administrator for further review by the Administrator. If such review is not completed within 90 days after the date of such remand, the matter shall be returned to the court for its action.

"(2)(A) At any time after the Administrator files an answer, the court may, in the exercise of its direction, remand the case to the Administrator for further action by the Administrator.

"(B) If either party shall apply to the court for leave to adduce additional evidence and shall show to the satisfaction of the court that such additional evidence is material and that there is good cause for granting such leave, the court shall remand the case to the Administrator and order such additional evidence to be taken by the Administrator.

"(C) In the case of a remand under subparagraph (A) or (B) of this paragraph, the court may specify a reasonable period of time within which the Administrator shall complete the required action.

"(b) After a case is remanded to the Administrator under subsection (a) of this section, and after further action by the Administrator, including consideration of any additional evidence, the Administrator shall modify, supplement, affirm, or reserve the findings of fact or decision, or both, and shall file with the court any such modification, supplementation, affirmation, or reversal of the findings of fact or decision or both, as the case may be, and certified copies of any additional records and evidence upon which such modification, supplementation, affirmation, or reversal was based. Any such modification, supplementation, affirmation, or reversal of the findings of fact or decision shall be reviewable by the court only to the extent provided in section 4026 of this title.

§ 4028. Survival of actions

"Any action brought under section 4025 of this title shall survive notwithstanding any change in the person occupying the office of Administrator or any vacancy in such office.

§ 4029. Appellate review

"The decisions of a district court pursuant to this chapter shall be subject to appellate review by the courts of appeals and the Supreme Court of the United States in the same manner as judgments in other civil actions.".

(b) The table of sections at the beginning of such chapter is amended—

(1) by inserting before the item relating to section 4001 the following new item:

"SUBCHAPTER I—GENERAL

and

(2) by adding after the item (added by section 108(b) of this Act) relating to section 4011 the following new items:

"SUBCHAPTER II—JUDICIAL REVIEW

"4025. Right of review; commencement of action.
"4026. Scope of review.
"4027. Remands.
"4028. Survival of actions.
"4029. Appellate review.".

SEC. 303. Section 1346(d) of title 28, United States Code, is amended by inserting before the period at the end thereof a comma and "except as provided in subchapter II of chapter 71 of title 38".

TITLE IV—ATTORNEYS' FEES

SEC. 401. Section 3404 is amended by striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Administrator shall approve reasonable attorneys' fees to be paid by the claimant to attorneys for representation before the Veterans' Administration in connection with a claim for benefits under laws administered by the Veterans' Administration, but in no event shall such attorneys' fees exceed—

"(1) for any claim resolved prior to or at the time that a final decision of the Administrator is first rendered, $10; or

"(2) for any claim resolved after such time—

"(A) if the claimant and an attorney have entered into an agreement under which no fee is payable to such attorney unless the claim is resolved in a manner favorable to the claimant, 25 percent of the total amount of any past-due benefits awarded on the basis of the claim; or

"(B) if the claimant and an attorney have not entered into such an agreement, the lesser of—

"(i) the fee agreed upon by the claimant and the attorney; or

"(ii) $500, or such greater amount as may be specified from time to time in regulations which the Administrator shall prescribe based on changed national economic conditions subsequent to the date of enactment of this subsection, except that the Administrator may, in the Administrator's discretion, determine and approve a fee in excess of $500, or such greater amount if so specified, in an individual case involving extraordinary circumstances warranting a higher fee.

"(d)(1) If, in an action brought under section 4025 of this title, the matter is resolved in a manner favorable to a claimant who was represented by an attorney, the court shall determine and allow a reasonable fee for such representation to be paid to the attorney by the claimant. When the claimant and an attorney have entered into an agreement under which the amount of the fee payable to such attorney is to be paid from any past-due benefits awarded on the basis of the claim and the amount of the fee is contingent on whether or not the matter is resolved in a manner favorable to the claimant, the fee so determined and allowed shall not exceed 25 percent of the total amount of any past-due benefits awarded on the basis of the claim.

"(2) If, in an action brought under section 4025 of this title, the matter is not resolved in a manner favorable to the claimant, the court, taking into consideration the likelihood at the time such action was filed that the claimant would prevail, may determine and allow a reasonable fee not in excess of $750 to be paid to the attorney by the claimant for the representation of such claimant.

"(e) To the extent that past-due benefits are awarded in proceedings before the Administrator or a court, the Administrator shall direct that payment of any attorneys' fee that has been determined and allowed under this section be made out of such past-due benefits, but in no event shall the Administrator withhold for the purpose of such payment any portion of benefits payable for a period subsequent to the date of the final decision of the Administrator or court making such award.

"(f) The provisions of this section shall apply only to cases involving claims for benefits under the laws administered by the Veterans' Administration, and such provisions shall not apply in cases in which the Veterans' Administration is the plaintiff or in which other attorneys' fee statutes are applicable.

"(g) For the purposes of this section—

"(1) the terms 'final decision of the Administrator' and 'claim for benefits' shall have the same meaning provided for such terms, respectively, in section 4025(a) of this title; and

"(2) claims shall be considered as resolved in a manner favorable to the claimant when all or any part of the relief sought is granted.

"(h) In an action brought under section 4025 of this title, the court may award to a prevailing party, other than the Administrator, reasonable attorneys' fees and costs in accordance with the provisions of subsection (d) of section 2412 of title 28, as in effect on the day before the effective date of the repeal of such subsection (as provided in section 204(c) of the Equal Access to Justice Act (Public Law 96-481; 94 Stat. 2329; 28 U.S.C. 2412 note)).".

SEC. 402. Section 3405 is amended—

(1) by striking out "or" after "title,"; and

(2) by striking out "him" and inserting in lieu thereof "such claimant or beneficiary, or (3) with intent to defraud, in any manner willfully and knowingly deceives, misleads, or threatens a claimant or beneficiary or prospective claimant or beneficiary under this title with reference to any matter covered by this title".

TITLE V—EFFECTIVE DATES

SEC. 501. This Act and the amendments made by this Act shall take effect on the first day of the first month beginning not less than 180 days after the date of enactment of this Act.

SEC. 502. A civil action authorized in subchapter II of chapter 71 of title 38, United States Code (as added by section 302(a) of this Act) may be instituted to review decisions of the Board of Veterans' Appeals rendered on or after April 1, 1987.

● Mr. SASSER. Mr. President, I am pleased to again join as an original cosponsor of the Veterans' Administration Adjudication Procedure and Judicial Review Act. This bill will allow veterans the right to seek judicial review of final claim decisions made by the Veterans' Administration and will raise to a reasonable amount the current $10 cap on legal fees for attorneys who represent veterans.

The United States has always placed a special emphasis on caring for its veterans. Veterans' benefits have traditionally encouraged many fine young men and women to join the Armed Forces. Yet, despite all the Federal programs and benefits offered veterans, current law relegates veterans to second-class citizenship as they try to secure their lawful benefits and services.

A 1933 law prohibits a veteran from taking the Veterans' Administration to court after a final decision has been made on his or her claim by the Board of Veterans Appeals. As a result, veterans who have grievances involving VA benefits do not have the same rights as other citizens to their day in court. Although the VA system works well for many veterans, it is becoming increasingly clear that it does not work well in a number of claims, such as those filed by veterans suffering from exposure to agent orange and atomic radiation.

In addition, an 1864 statute limits legal fees in veterans' benefits cases to $10. While this limit was important to protect Civil War veterans from rapacious lawyers, today, it effectively denies veterans legal representation as they pursue their claims within the VA system. Thus, it is clear that if we are going to allow veterans the right of judicial review, we should also raise the limit on legal fees to a reasonable amount to ensure that veterans have adequate legal representation in court.

The legislation we offer today removes the legal barriers veterans presently face in fighting to obtain benefits denied them by the VA. Similar legislation has passed the Senate the last four Congresses. It is my hope that we can overcome obstacles to enacting this measure in the 100th Congress. I believe we must enact this legislation promptly and I urge my colleagues in the Senate to continue their support for this important bill.

It is time that we allowed our veterans the basic right to have their day in court. It is a right that all American citizens deserve, most especially our veterans.●

By Mr. CRANSTON (for himself, Mr. MURKOWSKI, Mr. MATSUNAGA, Mr. DECONCINI, Mr. MITCHELL, Mr. ROCKEFELLER, Mr. GRAHAM, Mr. COHEN, and Mr. HOLLINGS):

S. 12. A bill to amend title 38, United States Code, to remove the expiration date for eligibility for the educational assistance programs for veterans of the All-Volunteer Force; and for other purposes; to the Committee on Veterans' Affairs.

NEW GI BILL CONTINUATION ACT

Mr. CRANSTON. Mr. President, as the chairman of the Committee on Veterans' Affairs, I am today introducing S. 12, the proposed "New GI Bill Continuation Act." Joining with me as original cosponsors of this measure are the former chairman and now ranking minority member of the committee, the Senator from Alaska [Mr. MURKOWSKI], as well as my fellow committee members from Hawaii, Arizona, Maine, West Virginia, and Florida, Senators MATSUNAGA, DECONCINI, MITCHELL, ROCKEFELLER, and GRAHAM, and the Senator from Maine [Mr. COHEN]. This measure would provide for the continuation—beyond the current June 30, 1988, eligibility expiration date—of both the program of educational assistance for members of the All-Volunteer Force under chapter 30 of title 38, United States Code, popularly known as the "New GI Bill," and the program of educational assistance for members of the Selected Reserve under chapter 106 of title 10, United States Code.

Mr. President, these programs were enacted in title VII of the Department of Defense Authorization Act, 1985 (Public Law 98-525), derived from legislation authored by the chairman of the House Committee on Veterans' Affairs and also a senior member of the House Armed Services Committee, Mr. MONTGOMERY, in the House and from legislation that I, along with Senators ARMSTRONG, COHEN, and others sponsored in this body. Under current law, the programs are established as a 3-year test of the recruitment and retention value of the educational assistance they offer. Under the chapter 30 program, a servicemember entering on active duty for the first time during the 3-year period from July 1, 1985, through June 30, 1988, who does not, upon entering on active duty, decline to participate in the program is entitled to basic educational assistance benefits—generally, $300 a month for 36 months for a total of $10,800—in exchange for completion of a 3-year tour of active duty. Alternatively, an individual who completes a 2-year tour of active duty and 4 years' service in the Selected Reserve is entitled to 36 months of basic educational assistance benefits of $250 a month. These basic benefits are paid for and administered by the Veterans' Administration. In return, the servicemember incurs a nonrefundable, $100-per-month, reduction in pay during the first 12 months of the service period. In addition, the service branches may offer recruits various kickers and other enrichments in order to enhance recruitment in critical skill areas or to encourage longer enlistments. These supplemental benefits are administered by the Veterans' Administration but are paid for by the individual service branch.

Under the chapter 106 program, with respect to the Selected Reserves, all reservists who enlist, reenlist, or extend for a period of not less than 6 years during the test period can receive a noncontributory educational benefit of up to $5,040 for undergraduate college education. These benefits are administered by the Veterans' Administration but paid for by the Department of Defense.

According to Department of Defense data, as of September 30, 1986, there were 205,548 participants in the chapter 30 programs and 34,613 in the chapter 106.

Our bill would provide for the indefinite continuation of these programs by elimination of the June 30, 1988, termination date of the period during which an individual must, in order to earn new GI bill benefits, enter on active duty, because a member of the Armed Forces, enlist or reenlist in the Selected Reserves, or extend his or her Selected Reserve service.

Mr. President, the chapter 30, new GI bill, program replaced the much less attractive Post-Vietnam Era Veterans' Educational Assistance Program—known as "VEAP"—which initially was suspended during the test period by Public Law 98-525 but now has been terminated for new enrollments by section 309 of Public Law 99-576, the Veterans' Benefits Improvements and Health-Care Authorization Act of 1986. Similarly, the chapter 106 program replaced a much less attractive program of educational assistance for the Selected Reserves which offered fewer benefits to fewer individuals.

As a coauthor of legislation in the Senate that helped lead to the enactment of the new GI bill, I have long believed in the value of educational assistance benefits as an effective tool for recruitment and retention in the All-Volunteer Armed Forces. I continue to believe it is vital that we do everything necessary to make the All-Volunteer Force work and to avoid recourse to conscription to meet our uniformed services personnel needs. The last thing our Nation needs at this point—especially for its young people—is a return to the divisiveness that inevitably accompanies a military draft.

In addition, I consider veterans' educational assistance a highly beneficial investment in our human resources by contributing to the educational development of the young men and women who serve in our Nation's military. The enormous contributions that have been made by the three predecessor GI bills to our Nation through the education and training of our citizenry and the increased productivity, gross national product, and tax revenues produced thereby are well known. The original World War II bill, signed into law on June 22, 1944, is often said to have had more impact on the American way of life than any law since the Homestead Act. Almost 20 million veterans have trained under GI bill programs since World War II.

In a March 1986 report entitled "The New GI Bill: Potential Impact of Ending it Early," the General Accounting Office discussed the recruitment and retention aspects of the administration's proposal submitted in connection with its fiscal year 1987 budget to terminate the new GI bill prior to the end of the test period. In the report, the GAO noted that, since the benefits are greater under the new GI bill than under VEAP and the Government pays a much greater proportion of the benefits, certain budgetary savings will always be produced by proposing termination of the new GI bill. However, the GAO also stated:

> While the potential impact of the New GI Bill on recruiting cannot be conclusively determined, Army statistics show a marked recruiting improvement since the New GI Bill was started on July 1, 1985. In addition, data obtained from the Reserve and National Guard components of the Army and Air Force show other improvements in enlistment, reenlistment, and extension statistics since the start of the New GI Bill.

Mr. President, although it may be that the impact of the new GI bill on Armed Forces recruitment and retention cannot at this time be conclusively determined, I believe that additional study and analysis will demonstrate clearly that the impact of the new GI bill is a positive one.

Certainly, some substantial data already exist in support of maintaining the new GI bill. For example, the new GI bill allows recruiters to penetrate the college-oriented market of young people. Not only does the use of educational benefits to recruit college-oriented young people benefit our Armed Forces, but it also benefits our country in terms of the development of a more highly educated labor force. As reported by the Department of Labor, in 1984 workers with college degrees had median earnings of $27,777. Workers who had completed only high school had median earnings of $18,350 and those with fewer than 4 years of high school earned only $14,776. There is no question that increased taxes paid over a lifetime of work on increased income repays many times the cost of the education borne by the taxpayer.

In addition, analyses conducted by the U.S. Army Recruiting Command show that educational assistance is the most cost-effective means of getting high-quality recruits—that is, recruits in mental categories I through III-A. According to a recent survey conducted by the Army, 35 percent of today's recruits cite the educational benefits as their principal reason for enlisting. Recruits in the upper-level mental category, the high-quality individuals our Armed Forces increasingly need, are attracted by educational benefits, not bonuses. Indeed, the Army survey found that the prospect of money for college is now the leading reason young men and women enlist, replacing a negative motivation: inability to get a civilian job. The effectiveness of the new GI bill in this regard is evidenced by the fact that Army high-quality contracts increased 10 percent during the first 12 months of the program's operation

For the Reserve components, the new GI bill has had an even greater recruiting impact with respect to quality. High-quality recruits in the Army Reserve components increased 24 percent for the first 12 months of the new GI bill. High school graduate recruits in Army Reserve components increased 9 percent and 6-year enlistments increased 28 percent during the same period.

Mr. President, according to Lt. Gen. Robert M. Elton, Deputy Chief of Staff for Personnel for the Army, if the new GI bill were to be terminated or expire the result would be an annual reduction of 6,000 high school graduates in the upper-mental category. This in turn would increase attrition by 1,400 losses at a cost in excess of $25 million. In addition, the termination of the new GI bill could contribute to a return to the difficulties experienced in recruitment and retention so prevalent in our Armed Forces during the late 1970's and early 1980's. For example, in fiscal year 1980, 57 percent of non-prior-service accessions were in the category IV mental category as compared with only 4 percent category IV's recruited during fiscal year 1986.

The new GI bill's value as a recruiting tool for our Armed Forces has recently been highlighted in an article entitled "GI Bill, Once a Reward, Is Now a Lure to Sign Up," which appeared in the December 5, 1986, New York Times.

Mr. President, I request unanimous consent that this article be printed in the RECORD at the conclusion of my remarks.

RESPONSE

Mr. CRANSTON. Mr. President, in summary, the new GI bill serves not only as an incentive to attract high quality young people into our Armed Forces and their Reserve components but also as a prudent, wise, and cost-effective investment in our Nation's human resources and a time-proven effective transition mechanism for members of our Armed Forces who elect to return to civilian life. There is no reason to perpetuate any uncertainty about the future of this program. I believe it would be very difficult to design a better, more cost-effective program than the new GI bill. It clearly should be made a part of the permanent framework of benefits provided to those who serve the Nation in our Armed Forces and taken into consideration on a continuing basis by those responsible for planning how best to meet the recruitment and retention needs of those forces.

Mr. President, before concluding my remarks, I want to take a moment to offer my congratulations to the administration for reversing its position on this issue. Last year, as I noted, the administration proposed in its fiscal year 1987 budget to terminate the new GI bill entirely. This year, in its fiscal year 1988 request, the administration has indicated that it will submit legislation to make the program a permanent recruitment and retention program for the Department of Defense. However, I note that we are not in complete agreement on this issue as the administration will propose that the Department of Defense be responsible for all funding of the program. I reject that approach and continue to believe that the VA should bear at the portion of the costs for basic benefits—that it does under current law—for what is, at least in part, a readjustment benefit.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point prior to the New York Times article together with an article that appeared in the January 5, 1987, issue of the Veterans of Foreign Wars' Washington Action Reporter entitled "The New GI Bill."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 12

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "New GI Bill Continuation Act".

SEC. 2 CONTINUATION OF THE ALL-VOLUNTEER FORCE VETERANS' EDUCATIONAL ASSISTANCE PROGRAM.

(a) Section 1411(a)(1)(A) of title 38, United States Code, is amended by striking out "during the period beginning on July 1, 1985, and ending on June 30, 1988," and inserting in lieu thereof "after June 30, 1985,".

(b) Section 1412(a)(1)(A) of such title is amended by striking out "during the period beginning on July 1, 1985, and ending on June 30, 1988," and inserting in lieu thereof "after June 30, 1985,".

SEC. 3. CONTINUATION OF EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE SELECTED RESERVE.

SEC. 4. Section 2132(a)(1) of title 10, United States Code, is amendment by striking out "during the period beginning on July 1, 1985, and ending on June 30, 1988" and inserting in lieu thereof "after June 30, 1985".

[From the New York Times, Dec. 5, 1986]

G.I. BILL, ONCE A REWARD, IS NOW A LURE TO SIGN UP

(By Richard Halloran)

WASHINGTON, Dec. 4.—At the end of World War II, Congress voted the first G.I. Bill of educational benefits to help transition back to civilian life for those who had served. Later the bill was extended to those who served in Korea and Vietnam.

Since the end of the draft and the advent of all-volunteer services in 1973, however, the purpose of the G.I. Bill has fundamentally changed. It has become less a reward and more an incentive to attract young recruits to all the services.

Today, halfway through a three-year test of a new version of the G.I. Bill, the Army has found in a survey that the prospect of money for college is now the leading reason young men and women enlist, replacing a negative motivation: inability to get a civilian job. The next reason given is to learn a skill.

BIG RISE IN PARTICIPATION

Army officers also say that 85 percent of new recruits today sign up for the new bill—they must commit to it at the beginning of their service—as against 38 percent under the old Veterans Educational Assistance Program, which ran from 1977 to 1985.

Perhaps most important, the officers report, the new bill has been a key reason that more than 90 percent of those enlisting today are high school graduates, who drill sergeants say make better soldiers than non-graduates.

"From the Army's standpoint," said Maj. Gen. William G. O'Lesky, director of military personnel management, "the test has been eminently successful."

But there are costs. The Government's contribution to benefits under the new bill is higher than it was under the Educational Assistance Program, although less than it was under the still earlier G.I. Bill. For a three year stint in the Vietnam War, the Government paid the veteran $16,128 in benefits; under the 1977-85 program, that dropped to $5,400; the new G.I. Bill costs the Government $9,600.

The new bill costs little now because few young people have served long enough to begin drawing benefits. For this fiscal year, the outlay will be only $400,000. By 1993, according to Army projections, it will have jumped to $400 million a year.

LESS THAN CIVILIAN GRANTS

As against Government aid to education for civilians, however, that is a relatively small sum. The Department of Education's budget last year for Pell Grants cost the taxpayers $3.9 billion.

Another cost of the G.I. Bill over the long run is that it does not help, and many hinder, efforts to retain experienced soldiers. The prospect of a large sum of money to help pay for college gives bright young people an incentive to leave.

But Army officers argue that their service, unlike the Navy and Air Force, which need many technicians, wants large numbers of "grunts," or combat soldiers, for a relatively short period. Only a small portion need be retained as sergeants. In addition, the Army offers bonuses for young men and women who enlist for four years and learn a needed skill. They can earn another bonus by re-enlisting.

Until 1977, all educational benefits under the G.I. Bill were paid by the Government. After that, each soldier, sailor, air force member or marine elected to contribute from $25 to $100 a month while in the service. The Government matched that, $2 for each $1 contribution, for a maximum benefit of $8,100.

But that program did little to overcome a military pay scale that lagged behind the civilian sector. Barely half of the Army's recruits in the late 1970's were high school graduates and the service met quotas only by enlisting people who passed the armed forces entrance tests with the lowest acceptable scores.

Then Congress in 1979 authorized the Army, but not the other services, to offer extra payments, known in the military as "kickers," to attract high school graduates and those who could score well. The added benefits were $8,000 for a two-year tour of service and $12,000 for three years.

The kickers, along with substantial raises in the early 1980's, improved recruiting. But many in Congress were still dissatisfied. That led to the new G.I. Bill, which became effective in July 1985, with a test to run until June 1988.

BENEFITS PAID FOR 3 YEARS

Today, a young person entering the Army or any of the other services must choose the G.I. Bill the day he or she joins and agree to contribute $100 a month of the $573 base pay for the first 12 months of service. After two years, the soldier's benefit is $9,000; for three years, $10,800. In either case, the benefits are paid monthly for 36 months while the ex-soldier is in an accredited college.

On top of the G.I. Bill is the Army's College Fund, the kicker a recruit may earn for enlisting in the combat arms, such as infantry, armor or artillery, for which only men are eligible. But men and women both may earn kickers by agreeing to train for a specialty the Army needs, including tank mechanic, electronic warfare specialist and parachute rigger. A soldier who serves for four years can leave with $25,200 in benefits.

The Army also began in 1985 to offer benefits to men and women who completed two years of college. They may enlist for two years in a specialty the army needs, then return to college in the Reserve Officers Training Corps for two years with a benefit worth $21,000

[From the VFW Washington Reporter, January 1987]

THE NEW G.I. BILL

(By Cooper T. Holt)

The Veterans of Foreign Wars should take great pride in the important role it has played in the development of the new GI Bill.

No doubt about it, the new GI Bill is, across the board, the best educational incentive the Department of Defense has to offer today.

Further, it is a low cost and highly patriotic means for this nation's young people, who could not otherwise afford it, to further their education and then fully achieve their potential both as mature individuals and as informed citizens.

All this is accomplished while providing the necessary high quality personnel to maintain our all volunteer armed forces.

Even so, a dark cloud in the form of certain Administration and OMB officials who view this highly beneficial program as overly generous has fallen over the new GI Bill. These shortsighted bureaucrats maintain the program is too expensive.

The VFW is incredulous at this assertion. The new GI Bill is dollar-for-dollar the most cost-effective means of recruitment now in existence. The Army has stated that the new GI Bill is saving it about $234 million a year in military personnel costs.

These savings come from attracting more intelligent and highly motivated people into the military. These bright, hardworking recruits pose fewer disciplinary problems and are more likely to complete their initial obligation.

This reduces wear and tear on equipment and brings down the overall training cost. Simply keeping high quality personnel in the military for the whole enlistment saves money because it cost $10,000 to recruit an individual. Additional money is saved by not having to duplicate the training for a new person.

The VFW would point to the fact that the size of this program in dollars in return for service to the nation pales in significance when compared to the massive Pell Educational Grant program of close to $4 billion annually.

Pell grants are provided with no expectation of service to the nation whatsoever in contrast to the new GI Bill which directly benefits both the participant and the country.

Now the all volunteer armed forces are generally regarded as a success. But it is generally understood that the military will come under pressure in the next five years because of fewer potential recruits and less money.

The pool of those 17 to 20 years old is shrinking. But late 1991 there will be just over 13 million in this age group, down from 17.5 million in 1980, that means the services will have to draw a higher percentage from the available pool.

At the same time, budget pressures are eroding many of the bonuses and financial incentives the Pentagon relies on to attract a soldier. Even after accounting for the recently approved 3 percent pay increase, enlisted soldiers and sailors next year will be paid 9.6 percent less than the Defense Department, figures they could earn in the private sector. That's the biggest gap in 10 years.

Compounding these problems is the uncertainty about the continued existence of the GI Bill educational benefit program. According to the Army, 35 percent of today's recruits cite educational benefits as their principal reason for enlisting. Addditionally, according to a 1985 new recruit survey, 43 percent, of the high quality recruits—those most needed to maintain the high-tech armed forces—would not have joined except for the GI Bill and Army college fund.

Thus, the future not only of the new GI Bill but also the all volunteer armed forces might depend on whether the armed services can convince White House budget planners that the educational benefits program can pay for itself by improving recruit quality and reducing turnover in personnel. The Veterans of Foreign Wars, for its part, stands ready to do everything in its power to ensure the continuation of this invaluable readjustment benefit for those young men and women who have chosen to serve in the armed forces.

Along with providing a highly motivated and capable armed forces, drawn from a full cross section of the population, the new GI Bill's indirect benefit to the nation is also profoundly felt. For example, the country benefits from a more highly educated populace. As reported by the Department of Labor in 1984, workers with college degrees had median earnings of $27,800. Those who had completed high school had median earnings of about $18,400 and those with fewer than four years of high school earned only about $14,800. Increased taxes paid on increased income more than repays the cost of this educational benefit.

As I have already stated, recruitment problems will become more severe through the years because of the continuing decline in the 18-year-old population. It will be necessary to recruit one out of every two eligible noncollege males by the early 1990s.

Furthermore, the manpower ceilings now in place increase the importance of recruiting quality young people as the nation seeks to maintain its worldwide commitments. It is more important than ever to value quality over quantity in the recruiting process.

With this in mind, the VFW points to the fact that the Army has estimated that the loss of the new GI Bill would result in an annual reduction of 6,000 upper half high school graduates. This would in turn increase annual attrition by 1,400 at a cost of more than $25 million. The Army expects a 10% lower job performance from those who replace the lost high quality personnel.

Quite honestly I just cannot see how the armed forces or the nation can afford to let this invaluable, educational and recruiting program go by the boards for lack of funding.

Our nation is served best by an educational incentive which most improves our people resource. Participation rates indicate that the new GI Bill is the incentive our military personnel will use the most and will therefore provide the greatest improvement to society as a whole. To my mind the time is right to make the new GI Bill permanent. With the termination of VEAP, the lackluster former educational assistance incentive program, a permanent new GI Bill is imperative.

As it stands right now, the new GI Bill is scheduled to expire in July of 1988. This in itself is hurting military recruitment since it is causing uncertainty about the continued wellbeing of the program.

As a readjustment mechanism for veterans returning to civilian life, an incentive to attract high quality young people into military service and a prudent investment in our nation's human resource, it will be difficult to design a better program than the new GI Bill. The cost of this program, when compared with the direct and indirect benefit to the nation, is finally very small indeed. In fact, there are few things that this nation has undertaken which have been so very profitable in both the short and long term. The armed forces and the nation cannot afford to have the new GI Bill killed. It is time to include it as a line item in the President's budget.

● Mr. MURKOWSKI. Mr. President, I rise to join with my colleague, Senator CRANSTON, who today again assumes the responsibilities of the chairmanship of the Committee on Veterans' Affairs, in introducing legislation which would make permanent the current veterans' education pilot program popularly known as the New GI Bill. I urge my colleagues to join me in supporting this important step in continuing the Nation's long and distinguished tradition of rewarding, and providing for the readjustment to civilian life, of those who secure and protect our freedom.

Balancing the obligations of the Nation to individual citizens against the obligations of individual citizens to their Nation is one of this body's most important functions. This interlocking tapestry of duty and responsibility is perhaps nowhere more vivid than in the protection of our independence and liberty.

The United States has no obligation more fundamental than ensuring that the freedoms and opportunities we enjoy are protected from those who would destroy them by force of arms. To meet this obligation to its citizens the Nation must impose upon them a corresponding duty to support the Armed Forces which defend both the Nation and the Constitution which protects our liberties. At times, that support must take the form of service in the Armed Forces.

When circumstances compel us to call Americans to arms we, in turn, have a responsibility to provide for the readjustment to civilian life of those who have protected our liberty. Veterans' benefits are one of the major tools we have to meet this responsibility.

In the early years of the Republic, we provided former soldiers with grants of land. This was a generous and appropriate benefit for an agricultural economy. In subsequent years we provided old age pensions for former soldiers. This was a generous and appropriate benefit in an era when Social Security was still a dream. Since World War II, we have provided education benefits to our returning servicemembers. In a nation increasingly dependent upon the knowledge and skills of its citizens, such a benefit works to the advantage of society as well as the veteran. In an economy where the future of an individual is dependent on his or her education, such a benefit allows an individual to prepare for a productive and independent life. An education benefit is uniquely appropriate to assist veterans in their readjustment to civilian life and to provide the United States with the productive and skilled citizens we will need to succeed in the highly competitive international economy we can expect to face in the future.

The education benefits of the original GI bill were limited to veterans who were called up during time of war. Thus, veterans of World War II and Korea received education benefits; veterans who served only during the peacetime period between World War II and Korea did not. In 1966, when the Vietnam-era GI bill was enacted, eligibility was retroactively extended to veterans of the peacetime period between the Korean conflict and the Vietnam era. The provision of education benefits for veterans of peacetime service acknowledged two changes in the defense of our Nation. First, we no longer maintain only a small professional military during times of peace. We must maintain large standing Armed Forces, ready for action at all times. This means that at any one time we must call upon millions of Americans to wear the uniform of the Armed Forces. In addition, service during peacetime is not always peaceful. The men and women of our Armed Forces have always stood ready to defend our liberty without regard to whether the Nation was at peace or war. However, rarely have peacetime servicemembers been required to attain and sustain a level of readiness and operational tempo comparable to that of today.

Rarely have peacetime servicemembers been subject to armed attack as they are today. Rarely have peacetime servicemembers been required to be ready to make the transition from peacetime to wartime on such short notice. We can be proud that the men and women who wear the uniforms of our Armed Forces are successfully meeting the challenges of the eighties. We must, however, remember the interwoven tapestry of reciprocal responsibility and duty created by their service. Mr. President, at the moment I speak, the men and women of our Armed Forces are on duty in defense of this body, the Constitution which created it, and the Nation which sustains us all. Their service imposes on this body an obligation to provide the tools for transition to civilian life when their service is completed. An education benefit is the ideal tool for that task. The Education Program created by chapter 30 of title 38, United States Code, commonly known as the New GI Bill, is the ideal education benefit to meet this need.

The new GI bill was conceived and created with the benefit of the experience and knowledge gained through the operation of the veterans' education programs which preceded it. The new GI bill is voluntary. Only those servicemembers who desire to participate in the program do so. Participants in the new GI bill do not make contributions to fund their participation. Instead, they elect to receive a lower rate of pay for the first year of their service. In comparison with earlier veterans' education programs the value of the educational opportunity created by the new GI bill is enhanced by both the servicemember's voluntary decision to participate and by the short-term sacrifice represented by the lower rate of monthly pay. A servicemember who knows that an honorable discharge will create an opportunity for education is more likely to provide enthusiastic and honorable service than one whose enlistment was motivated by the prospect of immediate gratification from a bonus or high rate of pay. In addition, the servicemember is more likely to derive long-term advantage from an investment in education than from the pleasures and objects which can be purchased with ready cash. This advantage, like the advantage to the Nation of skilled, knowledgeable citizens, will last throughout the individual's lifetime.

The new GI bill differs from the education program which preceded it in several important points. It provides a significantly greater monthly amount to the student in training. Thus, it is more likely to be successful in attracting recruits whose future plans include postsecondary education. Participation requires accepting a reduced rate of pay rather than making refundable contributions. Thus, the benefit is more likely to be used, providing both the individual and the Nation with the benefits of postsecondary education. In contrast with earlier programs it is voluntary; only those who want it will get it.

The new GI bill has been in operation since July 1985. It is successful. Representatives of the Armed Forces responsible for recruiting cite it as one of their most valuable tools in recruiting the high quality young men and women they need to ensure our Armed Forces will continue to be able to meet the challenges of the eighties. In addition to its success in this short-term goal, the new GI bill will also, as I have already mentioned, provide the long-term benefits of education to both the participants and the Nation.

I expect to see another, more subtle benefit accrue to the Nation and the Armed Forces as a result of the continued availability of the new GI bill. In his book, "The Straw Giant," Arthur Hadley describes what he calls the Great Divorce between those who make the decisions that guide all segments of our society and those who have served in the Armed Forces. In short, he is describing the costs that we all pay when decisionmakers have no military experience. Since education is a basic prerequisite for those who would seek decisionmaking positions; failure to provide an education benefit to former servicemembers would only perpetuate a condition which threatens to weaken our society and Armed Forces. The new GI bill is an important step in the necessary process of ensuring that those who have served in our Armed Forces will be able to obtain the education necessary to participate in the decisions that shape American life; not just at the highest levels of national power but also on the shop floor, in small businesses, in school, church, labor, and fraternal organizations, in the media and on the street. It is critical for the Nation's understanding of the capabilities and limits of military power that the graduates of America's higher education include those who have served in the Armed Forces.

Mr. President, it is clear the new GI bill should be a permanent program. The time to act is now. Under current law, individuals who enter the Armed Forces on or after July 1, 1988, will have no veterans' education program available to them. This year, Congress will be making decisions on the 1988 budget. This year, recruiting officers will be making decisions on their plans and strategies for recruiting the young men and women they will need to continue to meet the defense challenges of the eighties and nineties. This year, the young men and women of America will be making decisions about their future. If Congress fails to act quickly, these decisions will be made to fit a world in which, on July 1, 1988, there will be no veterans' education program.

Mr. President, I have discussed the reasons why failure to provide a veterans' education program would ill serve the Nation. I ask my colleagues to note that the joint introduction of this bill by my distinguished colleague Senator CRANSTON, the new chairman of the Committee on Veterans' Affairs, and myself as ranking minority member, is a strong signal that support for this measure is not a partisan issue. The new GI bill enjoys strong support on both sides of the aisle and in both bodies of Congress. I am confident this body will soon have an opportunity to make this important program a permanent one. I urge my colleagues to join with Senator CRANSTON and myself in supporting this important step toward providing the veterans' readjustment and education benefit needed by the Nation, the Armed Forces, and by individual veterans.●

By Mr. CRANSTON (for himself and Mr. WILSON):

S. 13. A bill to amend the Export Administration Act of 1979 to require the establishment and operation of the western regional export licensing office; to the Committee on Banking, Housing, and Urban Affairs.

WESTERN REGIONAL EXPORT LICENSING OFFICE ACT

Mr. CRANSTON. Mr. President, I am reintroducing today a bill to create a western regional Office of Export Administration. Our current export licensing policy is a significant and major impediment to our country's overall competitiveness. At a time of record high trade deficits, we must take action to make our businesses and our workers more competitive. We must look especially hard at those areas in which the Federal Government hampers export activities. U.S. export licensing practices is one of these areas.

I propose establishing a second export licensing office in the western region to alleviate the enormous administrative burdens the current licensing system places upon American businesses. There is presently one office, located in Washington, DC, which is responsible for issuing all export licenses. The second proposed office will also operate under the jurisdiction of the U.S. Department of Commerce and will have the authority to issue export licenses for all controlled products and commodities for export as designated by the Export Administration Act.

This proposal deals with only part of the export licensing problem: The administrative procedures businesses must contend with to obtain an export license. The source of many licensing problems stems from U.S. export control policy—the statutes and regulations that govern U.S. products for export. Export control policy has a major impact on U.S. competitiveness. Over the past decade, the Federal Government has increased the administrative and competitive burden on exporters through stricter licensing requirements, export controls and total embargoes. It is alarming to me to see reports that leading foreign electronic equipment manufacturers are beginning to redesign their products to incorporate fewer U.S. components. They cite the administrative complexity of the controls for increasing the cost of U.S. technology exports, delaying deliveries and creating business uncertainty.

Our costly and restrictive export licensing practices are mortgaging our future.

I support export controls on commercial goods and technologies when these items have critical military significance and are not otherwise available to controlled countries. But I vigorously oppose controls that impair our ability to compete in worldwide markets and do not provide a comparable national security benefit. Some of my colleagues and I are exploring changes to the Export Administration Act that will address the substantive concerns of U.S. exporters. We are seeking the advice and suggestions of those most knowledgeable about the situation and intend to embody the results in subsequent legislation.

The administrative burdens we place upon U.S. exporters is substantial. In fiscal year 1985, the Department of Commerce's Office of Export Administration received 125,000 license requests. Twenty-five percent came from my home State of California. The fastest growing markets for high-technology products are the newly industrializing economies on the Pacific Rim. California and other Western States can be expected to be on the leading edge of capturing those markets. The export potential in this area is enormous. Demand from the modernizing Asian countries for electronic technology is expected to grow for the foreseeable future. These facts alone justify a Department of Commerce export licensing presence on the west coast.

The President's Commission on Industrial Competitiveness estimated that the combined export licensing costs of the Departments of Commerce, Defense, State, and Energy was $30 million in 1984. It estimated that industry's annual expenditure was $35 to $40 million. One-third of this expenditure was due to controls imposed upon U.S. business with respect to our Cocom partners—a group of 15 countries that cooperate in restricting strategic exports to the Soviet Union and other Eastern bloc or controlled countries. The Commission also noted that licensing delays for exports of generally allowable technology to non-Cocom nations averaged 4 to 6 months in the United States. That delay was 2 months in France and the United Kingdom, and 1 month in Japan. As these numbers show, the competitive disadvantage to the United States is clear.

With a staff of only 280 individuals, the Office of Export Administration is required to handle not only tens of thousands of licensing requests—a number that is steadily increasing—but, in addition, is required to issue and monitor multiple-transaction licenses, issue commodity classification rulings and provide interpretive advice on a complex regulatory scheme. Although the staffing level has increased at the Office of Export Administration, I do not believe it is adequate to meet the demands we have placed upon it.

The Department of Commerce is aware of many of the deficiencies in the licensing process and has made considerable improvements in the processing time for license applications—even in the wake of budget costs. In testimony before the House Foreign Affairs Subcommittee on International Economic Policy and Trade, Dr. Paul Freedenberg, Assistant Secretary of Commerce for Trade Administration, testified that in the second quarter of fiscal year 1986, the average processing time for a free world case was 21 days. For exports to Cocom member countries, the cases are being processed on average in 2 weeks. I note, however, that these time periods do not reflect either the time to log in an application or the time to mail a license after it has been validated. This adds days—even weeks—to the total processing time. If a referral to the Department of Defense is required or there are questions about the classification of an item, for example, this can add months to the processing time. My intent in pointing this out is not to undercut the achievements and real improvements at the Department of Commerce, but to emphasize that the improvements may be overstated and highlight the need to make further inroads in expediting the licensing process. Although it is true that we have reduced the time it takes for businesses to obtain a routine license, we still must compete with nations like Japan, Canada, France, or Great Britain that have virtually no waiting period.

Other hidden delays arise when applications are returned for incomplete information. When licensing personnel determine a license application is deficient in any respect, for example, that a form lacks one or more required details, the license is not held until the applicant is notified and asked to submit corrected documentation. Instead, the entire license application is returned without action to the applicant by mail. The application may have been lodged at the Office of Export Administration for weeks before any review, and it may take several more weeks for the rejected application to be processed, mailed and received by an applicant in the United States. The situation for a foreign application for a reexport request can be much worse. Licensing documents destined for foreign applicants generally are sent by diplomatic pouch to the U.S. Embassy, which then mails them to the applicant—a process that can take an additional 5 or 6 weeks.

Unfortunately, these delays occur all too frequently. In fiscal year 1986, for example, the Department of Commerce returned without action 20,673 licenses—or in 1 out of 7 cases. We often fail to recognize the costs involved in handling incomplete applications in this way—costs accrue to both the exporter and to the Commerce Department. The loss of several months time to a business in this rejection process can create a commercial emergency where one did not otherwise exist. And since the Office of Export Licensing treats the resubmitted license as a new license, it must incur startup costs for that application all over again. Better communication and better access to licensing officials could help improve efficiency.

There are many other cases in which the exporter is often unable to establish meaningful contact with the reviewing agency to obtain guidance about either the prospects for a favorable licensing decision or the manner in which an application should be prepared.

I believe a west coast licensing office could improve public access to licensing officials so that businesses that want to export can receive timely advice on whether an item can be exported. As a general policy, the Office of Export Administration does not issue what it calls hunting licenses. By this it means a license to export based merely on a business inquiry or a person's desire to obtain foreign business. There must be an order from a foreign person or firm for a particular product or technical data before the export licensing office will consider any business' application. I find this attitude astounding. We should be welcoming potential exporters with open arms and make it convenient for U.S. businesses that want to make money overseas. Yet we ask business to spend considerable time and resources to obtain orders overseas when they do not even know if they will be permitted to export their goods.

Mr. President, I sympathize with the limited resources of the Commerce Department, but I find this lack of access unacceptable. The Federal Government should be aggressively helping our exporters. We must recognize how much we hurt U.S. exporters by these actions and the numerous ways we undermine our own competitiveness. I am talking about an attitude. I am talking about providing a disincentive to U.S. exporters that want to do business overseas. I am talking about making it almost impossible for small- and medium-sized high-technology businesses to export. In the long run, Mr. President, we are talking about the global competitiveness of the U.S. high-technology industries.

In part, the Commerce Department's closed-door policy represents an attempt to preserve the scarce time of its limited number of licensing officers and other policy personnel for actual review of license applications. The end result of this policy, however, is often inefficiency and delay. Exporters have difficulty in negotiating satisfactory conditions for approval of a license and in determining what supporting technical or other information is required for speedy evaluation of an application. If we would foster communication and a front door approach to the problems, we could reduce these delays.

All of the difficulties I have described are aggravated by an overloaded licensing system that creates problems for applicants and licensing officials alike. I believe that maintaining a west coast office of export licensing would improve the office's review function for western exporters. It would certainly improve public access to licensing officials so that businesses that want to export can receive timely advice on whether an item can be exported.

The Federal Government's attitude toward its exporters and potential exporters is inexcusable. We should be doing everything possible to help our exporters produce wealth. But we constantly throw obstacles before our competitive businesses when they try to export overseas. Mr. President, we shoot ourselves in the foot every step of the way. We are strangling exporters with redtape, bureaucracies, inconsistent policies, and a stubborn unwillingless to support our own people. We tell businesses they must fill out numerous forms, get the approval of the Department of Commerce, that may, in turn, need the approval of the Department of Defense, the Department of State, or the Department of Energy. Not only that, but should the company that received the U.S. product want to export to another company, it must ask the permission of the U.S. Government. We are the only Cocom member that legally enforces export controls over a licensed item after it has been exported.

Because trade has never been a central part of our domestic economic policy, we do not look at the problems from the viewpoint of the exporter. We do not look at the problems from the vantage point of the competitor. More often than not, trade takes a backseat behind every other consideration.

My proposal is straightforward: tell our businesses that we are with them. Provide them with the bare essential—decent access to a licensing process that the U.S. Government requires of them. We can send business a message that we want them to succeed and that we will help in any way possible.

To a California business executive the message is just the opposite. Washington is light years away. Not only does it often fail to recognize that the Pacific has surpassed the Atlantic in terms of trade, but it must be forced to respond to the business needs of the west coast. Last year, for example, as part of the Export Administration Act update, we had to require that the Office of Export Licensing remain open to accommodate the time difference between the east and the west coasts. We should not have to legislate these changes. The Federal Government should work for the good of the entire Nation.

When an eastern-based business runs into a licensing snag, it takes half a day to fly down to Washington to resolve it. That is often prohibitive for someone from California. It is expensive, it is time consuming, and it is unfair. It particularly hurts small- and medium-size businesses that cannot afford to hire a Washington attorney to resolve those snags.

I believe a western regional office can be established using existing resources and the existing Commerce regional office structure. In fact, I believe many time-saving efficiencies could be implemented now to decrease processing times for licenses. As world leaders in the field of technology we should use some of this technology for our own good. When a license has been granted, for example, a Commerce district office could be notified electronically within minutes and the paperwork released at the other end. This could save days of delay and thousands of dollars for the business involved. Unfortunately, the Federal Government does not think of the bottom line in this way.

I urge other Senators to join me in cosponsoring this initiative to create an export licensing office in the western region. It is a step we can take to reverse a closed-door export policy and one that could make a real difference in the way Americans do business overseas.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 13

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Western Regional Export Licensing Office Act of 1987".

(b) Section 15 of the Export Administration Act of 1979 (50 U.S.C. App. 2414) is amended by adding at the end thereof the following:

"(d) WESTERN REGIONAL OFFICE.—The Secretary shall establish and maintain a western regional office which shall have the authority to issue licenses for the export of goods and technology from the United States.".

By Mr. BYRD (for Mr. BIDEN (for himself, Mr. ROCKEFELLER, Mr. KERRY, and Mr. BUMPERS)):

S. 14. A bill to amend the Energy Reorganization Act of 1974 to create an independent Nuclear Safety Board; to the Committee on Environment and Public Works.

INDEPENDENT NUCLEAR SAFETY BOARD

● Mr. BIDEN. Mr. President, today I am pleased to be joined by Senators ROCKEFELLER, KERRY, and BUMPERS in introducing a bill to establish an independent Nuclear Safety Board. The need for independent reviews of nuclear accidents, along with the policies and practices that may have led to them, has been demonstrated repeatedly in this country over the past decade. It is time to reform the Nuclear Regulatory Commission [NRC] so these critical and credible reviews can take place.

S. 14 will establish a three-member board to take the lead in investigations of accidents at facilities licensed by the NRC. Allowing an independent board to lead investigations of accidents will correct a number of deficiencies in the existing structure that have hindered the effectiveness of the NRC, to the long-term detriment of the American nuclear energy industry. Studies of the NRC have found that there is the potential for conflict when the Commission looks into accidents in which it may bear partial responsibility. An independent review of serious problems at reactors and other nuclear power-related facilities removes any hint of conflict and assures all of us that nothing is overlooked or swept aside.

In the last year, the NRC has established "independent investigatory teams" [IIT] to study accidents at commercial nuclear powerplants. Unfortunately, the independent label is misleading because the teams are still under the control of the Commission, so the conditions for a less than forthright investigation remain. In fact, the instructions for the first IIT investigation did not direct the team to look for NRC responsibility in the accident. Even without that instruction, it is contrary to common sense to expect a group of NRC employees, who presumably would like to stay happily employed at the agency, to consistently develop the critical assessment that is needed for public credibility.

A safety board will have the additional benefit of concentrating investigatory experience in a single office. The existing IIT approach has the drawback of establishing an ad-hoc team for each accident. There is no development of accident investigation abilities through the IIT; the system ensures that inexperienced investigators will lead probes into the most serious situations. This is not an acceptable solution. An independent safety board allows vastly improved investigative practices and results.

To complement the accident investigation authority, S. 14 also grants the safety board the authority to look into operational glitches that may be precursors to larger problems. This will not be the most noticed responsibility of the safety board, but it will be the most challenging and important. For the safety board to live up to its potential, it is imperative to grant it the widest possible latitude in what it can study. The safety board should not be called on just to "clean up the mess" after an accident, but should also be able to prevent them from happening in the first place.

The safety board called for in S. 14 will not require any increase in either the Federal budget or the Federal bureaucracy. Staff and financial resources devoted to the safety board will be offset by reductions in the NRC. Most of these will come from the elimination of the office of analysis and evaluation of operational data [AEOD]. Shifting the responsibilities of this office to the independent safety board brings the benefits of critical analysis and avoids a duplication of effort.

This proposal is based on the repeated recommendations of numerous commissions that have analyzed the NRC and its operations. Time after time, when the NRC has been studied by outside groups, the conclusion is reached that a safety board is needed. These findings date back to the Kemeny Commission, looking into the accident at Three Mile Island in 1979, which found the need for "An Oversight Committee on Nuclear Reactor Safety * * * to examine on a regular basis the performance of the agency and the nuclear industry." The need was restated as recently as 1985 when a report prepared for the NRC by Brookhaven National Laboratory found that a safety board would be a major improvement in accident investigations.

Mr. President, as I have pointed out, there is a basic problem in the structure of the NRC that needs to be corrected. Under the current system, the NRC leads the investigation of accidents at most nuclear powerplants. A check of the NRC's record in this area shows the risk of a conflict of interest to be more than a hypothetical problem. Investigations of several accidents and mishaps at nuclear powerplants have raised the possibility of partial responsibility on the part of the NRC. But the reports filed by the NRC have failed to critically analyze the agency's own role. The facts that led to the accident may be spelled out, but the question of "Where was the NRC during all this?" begs to be answered.

Last year, I brought to the Senate's attention the results of the NRC's investigation of an accident at the Davis-Besse nuclear powerplant in Ohio. This accident was termed by experts the nearest we have come to a meltdown in this country since Three Mile Island. The investigation of the accident detailed the events that led to the failure of feedwater pumps at the plant.

But the report omitted any criticism of the fact that the NRC knew about problems with the feedwater pumps for 6 years, considered the problem to be serious, and still failed to see the shortfalls corrected. It would seem to be important, for the safety of all nuclear powerplants as well as Davis-Besse, to find out why the NRC was unable or unwilling to bring about the needed changes during those 6 years. If the NRC cannot critically review its own practices and take corrective action, as its record at Davis-Besse shows, an independent safety board should be established to ensure that this is done.

The demands placed on the NRC have changed since it was created in 1974. The early focus was on getting nuclear powerplants on line, an area which is no longer active. Congress should not be the last to recognize that the nuclear energy industry has changed in this country, and that the Federal regulatory structure also needs to evolve. The public needs greater assurance that the safe operation of nuclear powerplants is the No. 1 priority in action as well as word.

Mr. President, the infamous explosion and fire at the Soviet Union's Chernobyl nuclear powerplant clearly demonstrated what the risks are in nuclear energy. While the international nuclear community seems to be taking the lessons of Chernobyl to heart, the American industry seems to put most of its resources toward explaining the differences between the Chernobyl plant and American ones. Clearly, they are missing the point. Although the exact circumstances would be different, the record for American nuclear plants is not one that should let us assume that the same result could never happen here. There have been too many events that came dangerously close to going out of control to allow business as usual to continue.

We must strive for the highest level of excellence in the operation of our nuclear powerplants. It is disheartening to find that steps other countries willingly take to improve safety are so strongly opposed in this country. It should be unacceptable to the American public that foreign reactors are able to achieve better performance standards using technology that was largely invented or developed here. An independent nuclear safety board is a vital step toward seeing not only that our standards are raised, but also that they are met day in and day out.

Mr. President, I ask unanimous consent that the text of S. 14 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 14

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Independent Nuclear Safety Board Act of 1987".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that there is a great need for—

(1) vigorous investigation of events at facilities, or involving materials, licensed or otherwise regulated by the Nuclear Regulatory Commission; and

(2) continual review and assessment of licensing and other regulatory practices of the Nuclear Regulatory Commission, which assessment may result in conclusions critical of the Nuclear Regulatory Commission or its officials.

(b) The purpose of this Act is to establish an Independent Nuclear Safety Board which shall promote nuclear safety by—

(1) conducting independent investigations of events at facilities, or involving materials, licensed or otherwise regulated by the Nuclear Regulatory Commission;

(2) reviewing and assessing the licensing and other regulatory practices of the Nuclear Regulatory Commission;

(3) recommending to the Nuclear Regulatory Commission improvements in licensing and related regulatory practices; and

(4) informing the Congress of its investigation findings and recommendations.

ESTABLISHMENT OF NUCLEAR SAFETY BOARD

SEC. 3. Title II of the Energy Reorganization Act of 1974 (Public Law 93-438; 42 U.S.C. 5841 et seq.) is amended by adding at the end thereof the following new section:

"INDEPENDENT NUCLEAR SAFETY BOARD

"SEC. 212. (a) There is established an Independent Nuclear Safety Board (hereafter in this section referred to as the 'Board').

"(b)(1) The Board shall be composed of 3 members appointed by the President, by and with the advice and consent of the Senate, from among respected experts in the field of commercial nuclear energy with a demonstrated competence and knowledge relevant to the independent investigative and prescriptive functions of the Board. No more than 2 members of the Board shall be of the same political party. Not later than 90 days after the date of the enactment of this section, the President shall submit such nominations for appointment to the Board.

"(2) Any vacancy in the membership of the Board shall be filled in the same manner in which the original appointment was made.

"(3) No member of the Board shall have any significant financial relationship in any firm, company, corporation, or other business entity engaged in activities regulated by the Commission either as licensee or contractor, or have such a relationship within the two years preceding his appointment.

"(c)(1) The Chairman and Vice Chairman of the Board shall be designated by the President. The Chairman and Vice Chairman may be reappointed to such offices.

"(2) The Chairman shall be the chief executive officer of the Board and shall, subject to such policies as the Board may establish, exercise the functions of the Board with respect to—

"(A) the appointment and supervision of personnel employed by the Board;

"(B) the organization of any administrative units established by the Board; and

"(C) the use and expenditure of funds.

The Chairman may delegate any of the functions under this paragraph to any other member or to any appropriate employee or officer of the Board.

"(3) The Vice Chairman shall act as Chairman in the event of the absence or incapacity of the Chairman or in case of a vacancy in the office of Chairman.

"(d)(1) Except as provided under paragraph (2), the members of the Board shall serve for terms of 6 years. Members of the Board may be reappointed.

"(2) Of the members first appointed—

"(A) one shall be appointed for a term of 2 years;

"(B) one shall be appointed for a term of 4 years; and

"(C) one shall be appointed for a term of 6 years;

as designated by the President at the time of appointment.

"(3) Any member appointed to fill a vacancy occurring before the expiration of the term of office for which such member's predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of the member's term until a successor has taken office.

"(4) Any member of the Board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

"(e) Two members of the Board shall constitute a quorum, but a lesser number may hold hearings.

"(f) The Board shall have the following functions and authorities:

"(1)(A)(i) The Board shall investigate those events at any facility, or involving any materials, licensed or otherwise regulated by the Commission, which the Board determines to be significant because of possible adverse effects on the health or safety of the public or because such events could be the precursors of events that may adversely affect the health or safety of the public.

"(ii) The Board may request the Commission to make an investigation of the events described in division (i) and to report its findings to the Board in a timely fashion. Whenever the Commission concludes such an investigation, the Board may analyze the findings of the Commission for the purpose of making its own conclusions and recommendations.

"(B) The purpose of any Board investigation under this paragraph shall be—

"(i) to ascertain information concerning the circumstances of the event involved, and its implications for the public health and safety;

"(ii) to determine whether such event is part of a pattern of similar events at facilities, or involving any materials, licensed or otherwise regulated by the Commission which could adversely affect the public health or safety or which could be the precursor of events which could adversely affect the public health or safety; and

"(iii) to provide such recommendations to the Commission for changes in licensing, safety regulations and requirements, and other regulatory policy as may be prudent or necessary.

"(C) For the purpose of this paragraph, the term 'event' shall include an action or failure to act by any person, including the Commission as an organization and its staff, or a continuing series of actions or failures to act by any such person, including operational failures, that the Board determines to have a potentially adverse effect on public health as provided in this paragraph.

"(2) The Board shall have access to and may systematically analyze—

"(A) operational data from any facility, or involving any materials, licensed or otherwise regulated by the Commission to determine whether there exist certain patterns of events that indicate safety problems; and

"(B) operational data of the Commission including personnel and files.

"(3) The Board may conduct special studies pertaining to the nuclear safety at any facility, or involving any materials, licensed or otherwise regulated by the Commission.

"(4) The Board may evaluate suggestions received from the scientific and industrial communities, and from the interested public, on specific measures to improve safety at facilities, or involving materials, licensed or otherwise regulated by the Commission.

"(5)(A) The Board shall recommend to the Commission those specific measures that should be adopted to minimize the likelihood that events will occur at any facility, or involving materials, licensed or otherwise regulated by the Commission which could adversely affect the public health or safety. The Commission shall respond in writing to the recommendations of the Board within 120 days of receipt of such recommendations. Such written response shall detail specific measures adopted by the Commission in response to such recommendations, and explanations for its inaction on recommendations it chose to reject.

"(B) The recommendations of the Board made pursuant to subparagraph (A) shall also be sent to Congress.

"(6)(A) For purposes of investigations, the Board shall establish reporting requirements which shall be binding upon—

"(i) persons who operate, design, supply, maintain, or are otherwise involved with the operation or construction of, facilities licensed or otherwise regulated by the Commission; and

"(ii) persons who process, store, transport, use, or possess materials licensed or otherwise regulated by the Commission.

"(B)(i) The information which the Board may require to be reported under this paragraph may include any materials designated as classified material pursuant to the Atomic Energy Act of 1954, or any materials designated as safeguards information and protected from disclosure under section 147 of the Atomic Energy Act of 1954.

"(ii) Information received by the Board shall be made available to the public in accordance with the applicable provisions of subsections (a) and (b) of section 306 of the Independent Safety Board Act of 1974 (49 U.S.C. 1905).

"(7)(A) The Board or, on the authorization of the Board, any member thereof, may, for the purpose of carrying out the provisions of this section, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such evidence as the Board or an authorized member may find advisable.

"(B)(i) Subpenas may be issued only under the signature of the Chairman or any member of the Board designated by him and shall be served by any person designated by the Chairman or any member. The attendance of witnesses and the production of evidence may be required from any place in the United States at any designated place of hearing in the United States.

"(ii) Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board.

"(iii) Any person who willfully neglects or refuses to qualify as a witness, or to testify, or to produce any evidence in obedience to any subpena duly issued under the authority of this paragraph shall be fined not more than $5,000, or imprisoned for not more than 6 months, or both. Upon certification by the Chairman of the Board of the facts concerning any willful disobedience by any person to the United States attorney for any judicial district in which the person resides or is found, the attorney may proceed by information for the prosecution of the person for the offense.

"(8) The Board shall issue periodic reports which shall be made available to the Congress, and to Federal, State, and local government agencies concerned with safety at facilities, or involving materials, licensed or otherwise regulated by the Commission. Upon request, such reports shall be made available to other interested persons. Such reports shall contain recommendations of specific measures to reduce the likelihood of occurrence of nuclear events similar to those investigated by the Board and of corrective steps to enhance or improve safety conditions at such facilities investigated by the Board and other facilities as considered appropriate by the Board.

"(9) In accordance with the Civil Service laws and regulations, the Chairman of the Board is authorized to hire staff and employ consultants for the purpose of carrying out the functions and duties of the Board.

"(g)(1) There are hereby transferred to the Board—

"(A) all functions of the Office for the Analysis and Evaluation of Operational Data relating to the functions of the Board described in subsection (f); and

"(B) such personnel from the Office for the Analysis and Evaluation of Operational Data as the Director of the Office of Management and Budget determines are necessary to carry out the functions described in subsection (f).

"(2) There are hereby authorized to be appropriated for each of the fiscal years 1988, 1989, 1990, 1991, 1992, and 1993 the sum of $5,000,000.

"(3) The Board shall terminate at the end of fiscal year 1993.".●

By Mr. BYRD (for Mr. BIDEN):

S. 15. A bill to provide the framework necessary to pursue a coordinated and effective national and international narcotics control policy; to the Committee on Governmental Affairs.

NARCOTICS LEADERSHIP ACT

● Mr. BIDEN. Mr. President, no general would send an army into battle without a commander. No corporation would undertake massive investment and restructuring without a plan. Unfortunately, that is what we continue to do in our struggle against drug traffickers and drug abuse in America.

Just 3 months ago, we passed the most sweeping revision of the Federal Drug Control Program in almost two decades, providing new criminal laws, new funds for law enforcement, and new programs for education and treatment. But we will need more than money to carry the fight against drug abuse into the next decade.

What we need most of all is a new dimension of leadership. Today, I come before this body to introduce legislation that would provide one person with the full authority and responsibility for leading this Nation's struggle against drug abuse. This proposal, dubbed the "Drug Czar," has previously passed both Houses of Congress with overwhelming majorities. We have all recognized that leadership is a sorely missing link in our Drug Control Program.

I am introducing this bill on the first day of the 100th Congress to emphasize the critical need for leadership in this area, and I can assure my colleagues that it will receive swift and thorough review in the Judiciary Committee.

The need for action is clear. The price that this Nation pays for its seemingly insatiable demand for drugs is staggering:

Drug traffickers make more each year than the profits of all the Fortune 500 companies combined.

Drug abuse costs this Nation almost $60 billion per year in lost productivity, unemployment, health costs, and the like.

This year, the Federal Government alone will spend $2.4 billion on drug control, with billions more spent by State and local governments.

Of course, the costs that this Nation pays for its drug habit cannot be measured in economic terms alone. The price we pay must be measured in terms of the lost lives, broken families, and the dreams forsaken from drug abuse.

Despite the best efforts of this body, and this Congress, and even this administration—which has done a great deal in this area—we have not turned the corner on seriously reducing the supply of, or demand for, illicit drugs.

Five to six million Americans regularly use cocaine; one-half million Americans are addicted to heroin; over 20 million Americans abuse marijuana.

From 1975 to 1984, the amount of cocaine smuggled into the country quadrupled, and in 1986 it's estimated that 12 tons of heroin and up to 60,000 tons of marijuana will enter our borders.

And in the latest survey of graduating high school seniors, 61 percent—almost two-thirds—had tried an illicit drug, and over 17 percent used cocaine, the highest percentage ever reported.

Clearly, drug abuse is a national catastrophe. It poses a direct threat to the social and economic fabric of our cities and communities, and threatens our most precious resource—our children.

And many of the Members of this body must wonder why our efforts have not been more successful. I know the American people are wondering. In 1984, we passed the most massive revision of the Federal criminal code in history, with major changes to the organized crime and drug laws. And we have devoted an unprecedented amount of resources to this struggle. In fact, we've doubled the drug control budget in the last 5 years.

Yet, as the statistics I cited reveal, we are not winning this struggle.

That is because we are fighting a battle against well-armed and well-equipped drug traffickers and yet we have no commander. We are investing billions of dollars to protect our streets and families, and yet we have no national strategy.

Simply put, we have no leadership. I am not speaking of the personal and moral leadership that the President has devoted to the drug issue. Nor am I speaking about the part-time leadership to the Attorney General, the Vice President, or the White House Drug Abuse Adviser, who periodically announce their leadership on such high-profile initiatives as the Bolivia military operation or drug testing. Instead, I am speaking about the day-to-day leadership, over the long haul, that is sorely missing from our drug control efforts.

The problem lies in that several officials are in charge of the Federal Drug Control Program, each with his own agenda and agency turf to defend. As a result, no one is really in charge. Since no single official is held accountable for the success or failure of the Nation's drug policy, some officials are more interested in advancing their own political agenda than they are in working constructively with other agencies in a united fight against drug trafficking and abuse in America.

The lack of clear lines of authority and accountability, and the absence of a single, comprehensive strategy has undermined our drug control effort, both domestically and abroad.

The recent United States military assisted cocaine raids in Bolivia were plagued from the outset by poor planning, inadequate intelligence information, and press leaks that jeopardized the whole operation. The first two raids turned up a few bewildered peasants, but no cocaine. And almost immediately, our Defense, Justice, and State Departments were squabbling over who was responsible for what went wrong.

The United States Embassy in Mexico was directed by the State Department not to accept names from DEA for the lookout system, because DEA has refused to give State access to their sources. DEA retaliated, and has refused to submit names of known and suspected traffickers. As a result, visas have undoubtedly been issued to known drug traffickers.

Recently, the Customs Service has sought authority to fly "hot pursuit" missions in the Bahamas. The Coast Guard and State Department have opposed this change, citing Customs' primary role for protecting our borders. The Bahamian Government sided with Customs and hired a high-priced Washington, DC, public relations firm to persuade Congress to side with Customs. DEA officials were furious that they had to compete against big-name P.R. firms. In defense, the Prime Minister of the Bahamas said that the United States agencies often can't decide who should assist the local police, and in the meantime the smugglers escape.

For over 5 years, I have called for the creation of a single, Cabinet-level official who would be responsible for leading the Federal Drug Control Program. Vesting this person with Cabinet-level rank is essential if he is to have the clout necessary to end bureaucratic infighting and petty agency turf battles.

This official would be responsible for developing a long-range national and international drug strategy, with our priorities explicitly spelled out. Along these lines, this official would have the responsibility to plan program budgets. Giving this official this type of budget authority is essential if we are to ensure that every $1 of the $2.4 billion we will spend this year is spent wisely and efficiently in achieving the goals of our national plan.

In addition, this official would be responsible for leading this country's drug initiatives on both the supply and demand side of the drug abuse equation. For too long, we've placed too much reliance on law enforcement to solve this problem. But despite the tireless commitment of this Nation's law enforcement community, we need to recognize that the answer to solving the drug problem lies in a comprehensive approach, combining rigorous law enforcement with efforts aimed at the demand side, through education and prevention. Under my proposal, this recognition would become explicit, and our national strategy would be a comprehensive, unified plan, including all the necessary elements of a truly effective plan of action.

In 1982, I introduced a similar proposal, which quickly became titled the "Drug Czar." This bill was passed by both Houses of Congress with overwhelming majorities. The President, however, refused to take on the bureaucracy and, succumbing to the excuses of agency officials, vetoed the bill.

In 1983, Congress passed this legislation again. In the Senate it passed easily on a vote of 63 to 33. The President threatened to veto the bill again, and a compromise was reached, creating the National Drug Enforcement Policy Board. The Policy Board, chaired by the Attorney General, was charged with developing a national and international strategy, reviewing agency budgets, and overseeing implementation of the Federal drug control strategy.

To date, the Policy Board has simply failed to meet its mandate. Two years after the Board's creation we have no strategy. The Board has failed to develop a drug control budget. And when I say the Board has failed, I am not the only one who has recognized the Board's poor performance. The President's own Organized Crime Commission recently called the Board's performance "ambiguous" and declared that the Board has "failed to assert a clear leadership role." In the meantime, the Attorney General, the Vice President, and the White House Drug Adviser continue to lead this country's efforts, often in conflicting directions.

Two years is enough for this experiment. I believe it is time to place this enormous responsibility with one Cabinet level official who the Congress and the American people can look to as the leader in the struggle against drug abuse in this Nation.

I hope the President will now see the need for this very important piece of legislation, so that we can move this country toward our ultimate goal: a drug-free America. Thank you.

I ask unanimous consent that the text of the National Narcotics Leadership Act of 1987 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 15

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Narcotics Leadership Act of 1987".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress hereby makes the following findings:

(1) The flow of narcotics into the United States is a major and growing problem.

(2) The problem of illegal drug activity and drug abuse falls across the entire spectrum of Federal activities, both nationally and internationally.

(3) Illegal drug trafficking is estimated to be a $100,000,000,000 a year industry in the United States.

(4) The annual consumption of heroin in the United States remains in the range of four metric tons, sustaining one-half a million addicts, while cocaine consumption has increased sharply, with approximately five million to six million Americans using cocaine regularly.

(5) Drug abuse poses a threat to our most precious resource, our young people; with almost two-thirds of the graduating high school class of 1985 having used an illicit drug and 17 percent having used cocaine, the highest rate ever recorded since the survey has been taken.

(6) Such significant indicators of the drug problem as drug-related deaths, emergency room visits, hospital admissions due to drug-related incidents, and addiction rates are soaring.

(7) Increased drug trafficking is strongly linked to violent, addiction-related crime and studies have shown that over 90 per centum of heroin users rely upon criminal activity as a means of income.

(8) Much of the drug trafficking is handled by syndicates which results in increased violence and criminal activity because of the competitive struggle for control of the domestic drug market.

(9) Any effective solution to the Nation's drug problem must involve a comprehensive approach from all levels of government, combining rigorous law enforcement and supply reduction initiatives with efforts to reduce the demand for drugs through education, research, and treatment.

(10) The magnitude and scope of the problem requires a Director of National Drug Control Policy with the responsibility for the coordination and direction of all Federal efforts by the numerous agencies.

(11) Such a director must have broad authority and responsibility for making management, policy, and budgetary decisions with respect to all Federal agencies involved in attacking this problem so that a unified and efficient effort can be made to eliminate the illegal drug problem.

(b) PURPOSE.—It is the purpose of this Act to ensure—

(1) the development of a national policy with respect to drug abuse and control;

(2) proper direction and coordination of all Federal agencies involved in the effort to implement such a policy; and

(3) that a single, competent, and responsible high-level official of the United States Government, who is appointed by the President, by and with the advice and consent of the Senate, and who is accountable to the Congress and the American people, will be charged with the responsibility of coordinating the overall direction of United States policy, resources, and operations with respect to drug control and abuse.

SEC. 3. ESTABLISHMENT OF OFFICE.

(a) ESTABLISHMENT OF OFFICE.—There is established in the executive branch of the Government an office to be known as the "Office of the Director of National Drug Control Policy" (hereafter in this Act referred to as the "Office of the Director").

(b) DIRECTOR AND DEPUTY DIRECTORS.—(1) There shall be at the head of the Office of the Director, a Director of National Drug Control Policy (hereafter in this Act referred to as the "Director").

(2) There shall be two deputy directors of the Office of Director (hereafter in this Act referred to as the "Deputy Directors") as follows:

(A) A Deputy Director for Demand Reduction to be responsible for prevention, treatment, research, and private sector initiatives; and

(B) A Deputy Director for Drug Law Enforcement to be responsible for domestic drug law enforcement, border interdiction, and international narcotics control programs.

The Deputy Directors shall assist the Director in carrying out the Director's functions under this Act.

SEC. 4. APPOINTMENT AND DUTIES OF THE DIRECTOR AND DEPUTY DIRECTORS.

(a) APPOINTMENT.—(1) The Director and the Deputy Directors shall be appointed by the President, by and with the advice and consent of the Senate.

(2) The Director and the Deputy Directors shall each serve at the pleasure of the President. No person may serve as Director or a Deputy Director for a period of more than four years unless such person is reappointed to that same office by the President, by and with the advice and consent of the Senate. No person shall serve as Director or a Deputy Director while serving in any other position in the Federal Government.

(3) The Director shall be entitled to the compensation provided for in section 5312 of title 5, United States Code. The Deputy Directors shall be entitled to the compensation provided for in section 5314 of title 5, United States Code.

(b) FUNCTION OF DIRECTOR.—The Director shall serve as the principal director and coordinator of United States operations and policy on drug control and abuse.

(c) RESPONSIBILITIES OF DIRECTOR.—The Director shall have the responsibility, and is authorized to—

(1) develop, review, implement, and enforce United States Government policy with respect to drug control and abuse;

(2) direct and coordinate all United States Government efforts to halt the importation, manufacture, distribution, and use of illicit drugs within the United States;

(3) direct and coordinate all United States Government efforts and programs to reduce the demand for illicit drugs through education, prevention, research and treatment;

(4) develop in concert with other governmental entities budgetary priorities and budgetary allocations of entities of the United States Government with respect to drug control and abuse;

(5) prepare a National and International Drug Control Strategy as provided in section 5; and

(6) coordinate the collection and dissemination of information necessary to implement United States policy with respect to drug control and abuse.

(d) POWERS OF DIRECTOR.—In carrying out his responsibilities under subsection (c) the Director is authorized to—

(1) direct, with the concurrence of the Secretary or Director of the Cabinet level agency employing such personnel, the temporary reassignment of Government personnel within the United States Government in order to implement United States policy with respect to drug control and abuse;

(2) procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for the grade of GS-18 of the General Schedule;

(3) accept and use donations of property from all Government agencies; and

(4) use the mails in the same manner as any other department or agency of the Executive Branch.

(e) AUTHORITY OF DIRECTOR.—Notwithstanding any other provision of law, the Director shall have the authority to direct each department or agency with responsibility for drug control to carry out the policies established by the Director consistent with the general authority of each agency or department.

(f) INTELLIGENCE AUTHORITY.—Notwithstanding any other provision of law, the Director shall undertake no activities inconsistent with the authorities and responsibilities of the Director of Central Intelligence under the provisions of the National Security Act of 1947, as amended, or Executive Order 12333.

(g) GENERAL SERVICES ADMINISTRATION SUPPORT.—The Administrator of General Services shall provide to the Director on a reimbursable basis such administrative support services as the Director may request.

SEC. 5. PREPARATION AND SUBMISSION OF NATIONAL AND INTERNATIONAL DRUG CONTROL STRATEGY

(a) DEVELOPMENT AND SUBMISSION OF THE DRUG STRATEGY.—(1) The Director shall submit to the Congress, within 180 days after the date of enactment of this Act, and on February 1st of each year thereafter, a full and complete National and International Drug Control Strategy (hereafter in this section referred to as the "Drug Control Strategy"). If necessary, sections of the Drug Control Strategy that involve classified information may be presented to Congress in closed proceedings.

(2) The Drug Control Strategy shall be a forward looking blueprint for the Federal Government and the Nation to follow in reducing drug abuse, and shall contain projections for program and budget priorities and realistic and achievable projections for drug seizures, availability, purity, and drug usage for the next five years.

(3) Commencing with the second report, the Drug Control Strategy shall include a full and complete report reflecting accomplishments with respect to the United States policy and priorities in the previous year.

(b) GOALS AND PRIORITIES.—The Drug Control Strategy developed pursuant to subsection (a) shall include a full and complete list of goals and priorities in the areas of—

(1) international narcotics control;

(2) domestic and border drug law enforcement;

(3) reducing the demand for drugs, through education, prevention, treatment, and research; and

(4) cooperative efforts between the Federal and State and local governments in the area of drug control.

In addition, the Drug Control Strategy shall contain a full and complete assessment of how the budget priorities developed pursuant to subsection (a) reflect and implement the Federal drug control strategy.

SEC. 6. TERMINATION OF THE NATIONAL DRUG ENFORCEMENT POLICY BOARD.

(a) TERMINATION.—The National Drug Enforcement Policy Board is terminated 90 days after the appointment of the Director. Upon such termination, all records and property of the National Drug Enforcement Policy Board shall be transferred to the Office of the Director. The Director of the Office of Management and Budget shall take such actions as are necessary to facilitate such transfer.

(b) REPEAL.—(1) Chapter XIII of title II of the Comprehensive Crime Control Act of 1984 (Public Law 98-473) is repealed.

(2) Sections 103, 201, 202, 203, 204, and 206 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act (21 U.S.C. 1103, 1111, 1112, 1113, 1114, and 1116) are repealed. Section 205 of such Act is redesignated as section 201.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this Act, there are authorized to be appropriated $1,000,000 for fiscal year 1988, and such sums as may be necessary for each of the four succeeding fiscal years, to be available until expended.

SEC. 8. COORDINATED BUDGET SUBMISSION FOR FEDERAL DRUG CONTROL AND ENFORCEMENT AGENCIES.

Section 1105(a) of title 31, United States Code, is amended by adding at the end thereof the following:

"(26) a detailed request, in consultation with the Director for National and International Drug Operations and Policy, for Federal agencies responsible for drug abuse prevention and treatment and drug law enforcement.".

SEC. 9. EFFECTIVE DATE.

This Act and the amendments made by this Act shall be effective 90 days after the date of enactment of this Act.●

By Mr. D'AMATO:

S. 17. A bill to provide additional funding for comprehensive drug law enforcement, prevention, and treatment; to the Committee on the Judiciary.

COMPREHENSIVE DRUG LAW ENFORCEMENT, PREVENTION, AND TREATMENT ACT

● Mr. D'AMATO. Mr. President, one of the greatest accomplishments of the last Congress was enactment of the Anti-Drug Abuse Act of 1986. With the new resources and powers this bill makes available, we have the opportunity to mount the beginnings of a meaningful attack on the drug epidemic that plagues this Nation.

Drug and alcohol abuse constitutes a $200 billion annual drain on the American economy. In the workplace, it causes massive absenteeism, safety hazards, and losses in productivity. In the schools, substance abuse makes it impossible for teachers to teach and for students to learn. This epidemic is responsible for more than half of all crimes committed today.

Such an enormous problem will not be solved by one bill. So, while the Anti-Drug Abuse Act is an important beginning, it is only a beginning. The Comprehensive Drug Law Enforcement, Prevention, and Treatment Act will enable us to expand the campaign against substance abuse with the full commitment necessary.

Despite all the claims made on its behalf, and all its excellent provisions, the law we enacted in the fall is a very limited one. For example, it provides less than $200 million in new money to State and local drug abuse agencies for treatment and rehabilitation programs. That is enough for a year of residential treatment for fewer than 20,000 young people. Even with this new law, tens of thousands more who need help will not receive it.

As H.R. 5484 moved back and forth between the House of Representatives and the Senate during the month of October, it underwent several revisions. Unfortunately, not all of these changes improved the bill.

One of the unfortunate changes is the deletion of the provisions establishing a new Drug Asset Forfeiture Fund. Sections 1151 and 1152 providing for this special fund were contained in the version of H.R. 5484 that was printed in the CONGRESSIONAL RECORD on September 30, 1986. They can be found on page 27196.

Had these sections not been deleted, forfeited drug assets would be available for the following key purposes:

First. Federal drug law enforcement programs;

Second. Federal programs relating to education, prevention, treatment, rehabilitation, and research;

Third. State, local and nonprofit agencies with drug abuse responsibilities; and

Fourth. State and local law enforcement agencies for drug law enforcement efforts.

The bill I introduce today restores the deleted provisions. As the sponsor of S. 1583, the original Comprehensive Drug Law Enforcement, Prevention and Treatment Act introduced on August 1, 1985, I am pleased to note that two of the reforms contained in that bill were incorporated into H.R. 5484: The Justice and Customs forfeiture funds have been extended beyond fiscal year 1987 and made a permanent part of our antidrug arsenal; and the limitation on the authorized amount of the Customs Forfeiture Fund has been removed.

Each year, Federal drug law enforcement agents seize hundreds of millions of dollars in drug money and the proceeds of drug sales. As we make better use of our drug forfeiture laws, this amount is continuing to increase dramatically.

The bill I am introducing today will permit us to make all forfeited drug assets available for a sustained national war on drugs. It strengthens our support for the law enforcement purposes already established by law, and provides additional support for other drug law enforcement purposes, as well as for underfunded drug prevention, treatment, and research programs.

As our forfeiture efforts attain their full potential, this bill will enable us to hire hundreds of additional drug law enforcement agents, inspectors, investigators, and prosecutors. It will enable our drug law enforcement agencies to modernize their communications networks and investigative capabilities, to expand their money laundering and financial investigations against drug kingpins, to mount a more effective campaign against crack, heroin, designer drugs and other dangerous drugs, and to tend to a host of other law enforcement needs that are not now being met.

With the funds this bill makes available for effective education and prevention programs, we will be able to teach millions more children to say no to drugs while in the earliest grades when they are still reachable, and we will be able to counter the peer pressure to use drugs that develops as early as the fifth grade and continues throughout junior high school and high school.

We cannot ignore the long waiting lists of those already abusing drugs who now seek treatment. I urge my colleagues to support this bill to reach more people who need help in recovering from drug dependency.

Mr. President, we need massive reinforcements of people and resources, sustained over many years, to win the war on drugs. Welcome as the Anti-Drug Abuse Act of 1986 is, we cannot permit it to mark the height of our achievement. Millions of Americans who live in fear because of drug-related crime, millions of those who are drug and alcohol dependent, and millions of children who hope one day to attend drug-free schools, are telling us that we can, and we must, do better.

Whether we do so, and whether the drug bill we passed in October marks a historic turning point, or a short-lived moment of enthusiasm, depends on the actions we take in this Congress.

The Comprehensive Drug Law Enforcement, Prevention, and Treatment Act enables us to sustain the momentum begun in October. At no additional cost to the taxpayer, it can provide a much-needed new source of revenue and new resources for drug law enforcement, prevention, and rehabilitation. It can help make our homes, streets, schools, and workplaces safe again. It can help remove from the American economy the hundreds of billions of dollars in costs under which it is now straining.

In order to ensure a sustained and strengthened antidrug abuse campaign that is equal to the enormous challenges we face, I urge my colleagues to cosponsor this legislation and to give it their full support.

Mr. President, I ask that the full text of this bill be printed in the Record in its entirety at the conclusion of my remarks. Thank you, Mr. President.

There being no objection, the bill was ordered to be printed in the Record as follows:

S. 17

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. The Act may be cited as the "Comprehensive Drug Law Enforcement, Prevention, and Treatment Act."

FUNDING FOR DRUG LAW ENFORCEMENT, PREVENTION, AND TREATMENT PROGRAMS UNDER THE DEPARTMENT OF JUSTICE ASSETS FORFEITURE, FUND

Section 2. (a) Paragraph (1) of section 524(c) of Title 28, United States Code, is amended by—

(1) striking out "the following purposes of the Department of Justice";

(2) striking out "and" at the end of subparagraph (F);

(3) striking out the period at the end of subparagraph (G) and inserting in lieu thereof "; and"; and

(4) adding after subparagraph (G) the following:

"(H) disbursements to—

"(i) the Attorney General for transfer, through the Office of Justice Programs, after consultation with the Secretary of the Treasury, the Secretary of Health and Human Services, and the Secretary of Education, to enhance the following efforts:

"(a) Federal drug law enforcement agencies and programs;

"(b) Federal drug abuse agencies and programs relating to drug abuse education, prevention, treatment, rehabilitation, and research;

"(c) State, local, and nonprofit agencies with drug abuse responsibilities; and

"(d) State and local law enforcement agencies for drug law enforcement efforts.

Funds disbursed under this subparagraph shall not be used to supplement existing funds, but shall be used to supplement the amount of funds that would be otherwise available. Any funds appropriated under this subparagraph shall be divided into fourths and distributed on a basis of one-fourth for the purposes provided in clause (a), one-fourth for the purposes provided in clause (b), one-fourth for the purposes provided in clause (c), and one-fourth for the purposes provided in clause (d)."

FUNDING FOR DRUG LAW ENFORCEMENT, PREVENTION, AND TREATMENT PROGRAMS UNDER THE CUSTOMS FORFEITURE FUND

Section 3. (a) Subsection (a) of section 613a of the Tariff Act of 1930 (19 U.S.C. 1613a) is amended—

(1) by striking out "the following purposes of the United States Customs Services";

(2) in clause (3) by striking out "and" after the semicolon;

(3) in clause (4) by striking the period and inserting in lieu thereof "; and" ; and

(4) adding after clause (4) the following:

"(5) disbursements to—

"(A) the Secretary of the Treasury for transfer, after consultation with the Commissioner of Customs, the Attorney General, the Secretary of Health and Human Services, and the Secretary of Education, to enhance the following efforts:

"(i) Federal drug law enforcement agencies and programs;

"(ii) Federal drug abuse agencies and programs relating to drug abuse education, prevention, treatment, rehabilitation, and research;

"(iii) State, local, and nonprofit agencies with drug abuse responsibilities; and

"(iv) State and local law enforcement agencies for drug law enforcement efforts.

Funds disbursed under this subparagraph shall not be used to supplement existing funds, but shall be used to supplement the amount of funds that would be otherwise available. Any funds appropriated under this subparagraph shall be divided into fourths and distributed on a basis of one-fourth for the purposes provided in clause (i), one-fourth for the purposes provided in clause (ii), one-fourth for the purposes provided in clause (iii), and one-fourth for the purposes provided in clause (iv)."

Section 4. The provisions of this Act shall become effective on October 1, 1987.●

By Mr. MOYNIHAN:

S. 18. A bill to repeal the Balanced Budget and Emergency Deficit Control Act of 1985; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other has 30 days of continuous session to report or be discharged.

GRAMM-RUDMAN REPEAL ACT

● Mr. MOYNIHAN. Mr. President, I rise on this first day of the 100th Congress to introduce legislation to repeal the Gramm-Rudman-Hollings law, except for those provisions which affect restoration of moneys disinvested from the Social Security Security trust funds, and that section of the law which moves Social Security off budget.

During October, November, and December of 1985, and throughout the second session of the 99th Congress, I urged Congress first to oppose the original legislation, and subsequently to repeal it. There were 24 votes against GRH to begin with. By August 1986 there were 30 votes for repeal.

With the passage of Gramm-Rudman-Hollings, Congress attempted to give up its responsibility to set priorities and make decisions about how to spend Federal moneys. A series of declining deficit ceilings was enacted, along with a mechanism to automatically cut spending if Congress and the President could not agree on a more appropriate fiscal plan.

Eight months later, in July of 1986, the Supreme Court ruled that the process leading to the issuance of the sequester order by the President was unconstitutional—Congress would have to pass a law to enact reductions in spending. The next month, the original sponsors attempted to fix the law by amending it with a new process, one which they hoped would pass constitutional muster, for achieving automatic spending cuts. This effort received less support in the Senate than had the original legislation, but still it passed. The House of Representatives rejected the proposal, which would have given the Director of the Office of Management and Budget significant discretion over the content of future sequester orders.

I expect that in May, when Congress must once again increase the statutory limit on the Federal debt, we will revisit the question of whether or not to fix Gramm-Rudman-Hollings. Again, backed up against the disaster of the potential default of the Federal Government, the House and Senate will have to vote on a measure to force unelected officials to do our job: to solve our current fiscal crisis.

One thing is clear. The Gramm-Rudman-Hollings law has not lived up to the promises of its sponsors. The deficit ceilings have not been met: the deficit for fiscal year 1986 was $221 billion, not $172 billion as contemplated by the law in December 1985, or even $208 billion as expected in March 1986. For fiscal year 1987, the deficit will be greater than the $144 billion ceiling established in the law. The administration now reports an estimated fiscal year 1987 deficit of $174.5 billion, and the Congressional Budget Office's estimate is likely to be similar.

Several times last fall, I stated that Congress was not doing what it claimed. I predicted the fiscal year 1987 deficit would be $170 to $180 billion. The economy was growing slower than what we assumed.

Even earlier, on November 6, 1985, the day the Senate voted 74 to 24 in favor of the Gramm-Rudman-Hollings proposition, I warned that we would not hit the GRH targets because Gramm-Rudman-Hollings:

> . . . assumes we know what we're talking about, that we can predict when a recession is coming. We can't, and neither, in this matter, can anyone else. . .
>
> Economists do not know the future—they study, and barely know, the past. This is really an adventure in mad scientism, pretending to know what cannot be known.

Contained in the deficit ceilings of the original law were implicit assumptions about the performance of the United States and world economies. Real GNP growth would be about 3.5 percent for the foreseeable future. Interest rates, oil prices, and unemployment rates would fit in with such a growth pattern. In fact, economic growth has averaged closer to 2 or 2½ percent. Some predicted that; but nobody knew it. And assumptions about the cost of farm programs, and other entitlements are similarly imprecise, and have similarly large effects on estimates of what the deficit 6 months, 1 year, or 5 years away might be. We must make informed guesses about such matters, but we cannot rely on those judgments to the degree required by the Gramm-Rudman-Hollings formula.

We ought to stop this adventure in mad scientism. We should employ our energies and ingenuity to solving the deficit problem instead of creating new automatic cutting mechanisms, or inventing new accounting games, reducing the deficit by shifting expenditures back and forth between fiscal years. That is what happens when Congress makes promises that it cannot keep.

And that is perhaps the most troubling aspect of the law. In a moment of seeming passion, Congress passed a bad law—"a bad law whose time," according to some, "had come." Instead of repealing the law, Congress has felt obligated to at least appear to follow through. In so doing, we announce that we have met the requirements of the law. When the fiscal years end, and it becomes clear that we have not done what we said we did, we damage the integrity of Congress as an institution. And for that reason, if no other, we ought to repeal the law.

We ought not have a law on the books that assumes the disappearance of the business cycle, for we will have downturns in the economy during the next 4 years. We ought not have a law that assumes a predictive capacity about the economy that we simply do not have. We ought not have a law that gives incentives to Congress to invent accounting gimmicks, rather than address the structural deficit. And we ought not have a law that will, in the long run, cause the public to lose its trust in Congress.

In this, our 200th year of constitutional Government, let us return to operating as a Congress willing to take on its constitutional responsibilities, and capable of making choices. Let us move swiftly to repeal the Gramm-Rudman-Hollings law.

I ask unanimous consent that the text of S. 18 appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. THIS ACT MAY BE CITED AS THE "GRAMM-RUDMAN REPEAL ACT".

SEC. 2. REPEAL.

Except as provided in section 3, the Balanced Budget and Emergency Control Act of 1985 (title II of Public Law 99-177) is repealed.

SEC. 3. EXCEPTION.

Section 272 of the Balanced Budget and Emergency Deficit Control Act of 1985 (relating to restoration of trust fund investments), the amendments made by section 261 of such Act (relating to budgetary treatment of social security trust funds), section 310(g) of the Congressional Budget Act of 1974 (relating to point of order against reconciliation measures providing for changes in the OASDI program), and section 275 of such Act (to the extent that it relates to section 272 of such Act and to section 310(g) of the Congressional Budget Act of 1974) shall not be included in or affected by the repeal of such Act and shall be effective as if this Act had not been enacted.

SEC. 4 EFFECTIVE DATE; EFFECT OF REPEAL.

(a) EFFECTIVE DATE.—The repeal made by section 2 of this Act shall become effective on January 6, 1987.

(b) EFFECT OF REPEAL.—Provisions of law amended or repealed by the Balanced Budget and Emergency Deficit Control Act of 1985 are hereby restored or revived and shall be effective as if such Act not been enacted.●

By Mr. MOYNIHAN:

S. 19. A bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to State and local educational agencies for dropout prevention programs; to the Committee on Labor and Human Resources.

EDUCATIONAL ACHIEVEMENT INCENTIVE ACT

● **Mr. MOYNIHAN.** Mr. President, I rise today to introduce the Educational Achievement Incentive Act of 1987. The purpose of this bill is to prevent the young people of this country from leaving school before completing a high school education and to create incentives for students who have left school to return.

The high school dropout problem in America is more pervasive than many realize. There is estimated to be 4.3 million individuals, 16 to 24, who have failed to complete high school—approximately 9 percent of all persons in this age group. In some areas of this country, the dropout rate is as high as 48 percent. We simply can't afford not to address this problem.

The value of educating our young people transcends the immediate benefit to individual students and their families. A society is collectively strengthened by an educated work force. Economically, national productivity and international competitiveness are greatly enhanced. Politically, an educated electorate ensures an enlightened vote and thus, greater accountability by our elected officials.

Moreover, an educated individual is much more likely to be an employed and self-sufficient individual. Education means opportunity in the job market; without it, the ability to support oneself and family is severely limited, and the likelihood of needing public assistance greatly increased.

A high school dropout is more than twice as likely to be unemployed as a high school graduate. Of the approximately 3 million high school dropouts who could be employed in the civilian labor force—they are not disabled and don't have immediate family responsibilities—25.9 percent are unemployed.

But of the estimated 8.8 million people who have completed high school the unemployment rate is 12.7 percent. Thus, simply finishing the last 2 years of high school, can reduce the chance of unemployment by 50 percent.

Education also has a direct bearing on earning capacity. According to a study of families in poverty issued by the House Ways and Means Committee entitled "Children in Poverty," fathers who have completed a high school education earn more than 50 percent more than those who have not. Single mothers who received a high school diploma earn almost 90 percent more than those who did not.

Perhaps the most telling statistic: Almost half—48 percent—of all poor families receiving public assistance are headed by a person who failed to complete high school. The bill I introduce today, the Educational Achievement Incentive Act of 1987 deals with this problem by creating a program based on several of the most successful dropout prevention programs in the country. The bill authorizes $75 million to be distributed by the Secretary of Education to local educational agencies to implement dropout prevention programs, with $250,000 distributed to each State educational agency. In addition, special funds will be set aside for large urban areas with dropout rates higher than 35 percent, where the number of students affected is greatest.

This bill begins to provide the resources to give those students who are identified as potential dropouts the attention and guidance necessary to increase their chances of remaining in school to complete their high school education. By requiring applicants for funding to identify the primary reasons why students drop out, and structuring academic programs to address those problems, I believe we can increase their chance of staying in school, and if they have already left, returning to school.

For example, the most often cited reasons by dropouts for leaving school are poor grades, lack of attention from teachers and administrators, economic pressures, and family responsibilities. This bill requires that the applicant for funding identify the primary reasons for students dropping out within their district—with special emphasis on those individual problems which eventually cause a student to leave school. In the case of a dropout or potential dropout who cites the need to work as a reason for leaving school, that need should be taken into consideration when structuring that student's academic schedule. This bill encourages school districts to structure programs which allow flexibility for the student to meet these demands.

In my own State of New York, the New York City Board of Education is sponsoring programs which try to encourage students to attend school more often through individual counseling and flexible academic schedules which allow those that have to work the ability to do so while still enrolled in school. These programs also establish connections between elementary and secondary schools to aid students in making the change from one environment to the other. Last, there is a special counselor in the school system responsible for monitoring the academic progress of students to ensure that each student receives the necessary services and guidance to prevent them from dropping out.

With this type of program in place, New York City has been able to reduce its dropout rate for the first time in years—down 2.4 percent from 1984. This bill will enable school systems across the country to initiate similar programs and share in their success.

Therefore, I urge my colleagues to support this essential legislation. I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 19

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Educational Achievement Incentive Act of 1987".

PROGRAM AUTHORIZED

SEC. 2. The Elementary and Secondary Education Act of 1965 is amended—

(1) by redesignating title X as title XI,

(2) by redesignating sections 1001 through 1006 as sections 1101 to 1106, respectively; and

(3) by inserting the following new title after title IX:

"FINDINGS

"SEC. 1001. The Congress finds that—

"(1) there is estimated to be 4,300,000 individuals between the ages of 16 and 24 who have failed to complete high school in the United States, approximately 9 percent of all individuals in this age group;

"(2) in the academic year 1984-85, 612,000 students dropped out of school;

"(3) 35.6 percent of individuals who drop out of school, 147,000 youths, are unemployed;

"(4) nearly 50 percent of all families living in poverty are headed by an individual who has failed to complete high school; and

"(5) the most often cited reasons by dropouts for leaving school are poor grades, lack of attention from teachers and administrators, and economic and family responsibilities.

"PURPOSE

"SEC. 1002. It is therefore the purpose of this title to provide Federal support for programs and projects which seek to prevent elementary and secondary students from failing to complete a high school education by providing funds for local educational agencies to expand existing programs and establish new programs modeled after ongoing programs in New York, Los Angeles, Atlanta, Dade County, San Antonio, and Washington, District of Columbia, that have been recognized for high success rates in reducing the dropout rate among students.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1003. (a) There are authorized to be appropriated $75,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, and 1991 to carry out this title.

"(b) The Secretary shall reserve from amounts appropriated in each fiscal year such amounts as may be necessary to allocate $250,000 to each State educational agency. The funds allocated under this subsection shall be used for the development of innovative programs which address the student dropout problem across the State, technical assistance, and data collection.

"(c) Not more than 15 percent of any grant made under this title shall be used for administrative and clerical expenses.

"GRANTS TO LOCAL EDUCATIONAL AGENCIES

"SEC. 1004. A local educational agency may receive a grant under this title only if the local educational agency has demonstrated that the agency has cooperated with the appropriate State and local educational agencies within the area to use all existing resources to identify students at risk of dropping out of school and devise appropriate programs for such students.

"GRANT DISTRIBUTION; SPECIAL NEEDS RECIPIENTS; SPECIAL CONSIDERATION

"SEC. 1005. (a)(1) From 75 percent of the amount remaining in each fiscal year for distribution after meeting the requirements of section 1003(b), the Secretary shall distribute grants under this title, on a competitive basis, to local educational agencies which demonstrate the greatest need for assistance under this Act, based on the criteria set forth in subsection (b).

"(2)(A) The Secretary shall set aside the remaining 25 percent of the funds for a Special Needs Fund. The Secretary shall distribute grants from the Special Needs Fund to local educational agencies containing schools which—

"(i) have an enrollment of 250,000 or more elementary and secondary school students, and

"(ii) have a system-wide dropout rate in excess of 35 percent, based on the dropout rate for the year preceding the date of enactment of this Act.

"(B) The funds available to a local educational agency under this paragraph shall be in addition to any funds which the local educational agency receives under paragraph (1).

"(C) The Secretary shall allot amounts available under this paragraph to local educational agencies having an application approved under section 1006, including meeting the requirements of paragraph (5), based upon the number of students constituting the dropout rate calculated for the purpose of such paragraph (5).

"(b) The Secretary shall give special consideration—

"(1) in distributing grants under this title to applicants with very high numbers of school dropouts or very high percentages of school dropouts within the area of jurisdiction of the local educational agency;

"(2) to applicants which identify the primary reasons for dropping out, with special emphasis on attendance rates, discipline problems and marked low levels of reading and writing skills, beginning at the elementary school level; and

"(3) to applicants which address the individual needs of students and structure programs to provide the necessary attention, advice, and guidance to students who exhibit tendencies toward dropout, including assigning extra personnel, providing extra-curricular counseling and offering equivalent educational programs to encourage dropouts to return to school.

"(c) The minimum grant from funds available under subsection (a)(1) to a local educational agency under this title shall be $25,000 for each fiscal year.

"APPLICATION

"SEC. 1006. (a) IN GENERAL.—A grant under this title may be made only to a local educational agency which submits an application to the Secretary containing such information as may be required by the Secretary by regulation.

"(b) CONTENTS OF APPLICATIONS.—Each such application shall—

"(1) document the number of children who have been enrolled in the school system of the local educational agency that have failed to complete the elementary or secondary education;

"(2) set forth the rate of dropout per year among students by age level, as well as an estimate of the young individuals who are of school age but are not enrolled in school;

"(3) set forth a plan by which the local educational agency will ensure that the progress of each at-risk youth will be closely monitored and any relevant information about the youth will be recorded, together with a detailed outline of a system designed to ensure that the records of a student served under the program assisted under this title will be forwarded to any educational institution to which that student may transfer;

"(4) describe an ongoing program or proposal for a new program which will—

"(A) identify and reach out to potential school dropouts in all grade levels,

"(B) describe outreach activities designed to draw students back to school who have dropped out and are able to return to school on a part-time or full-time basis, and

"(C) analyze the cost-effectiveness of the dropout prevention program and return to school program, specifying how assistance under this title will be used by the local educational agency; and

"(5) set forth, in the case of a local educational agency which meets the requirements of paragraph (2) of section 1005(a), enrollment in the elementary and secondary schools of the agency for the year prior to the year for which the application is made, and the system-wide dropout rate for such year.

"AUTHORIZED ACTIVITIES

"SEC. 1007. Programs eligible for consideration for a grant under this title shall include—

"(1) early intervention programs beginning at the earliest point at which a child enters the school system, which address the factors which might cause a child to drop out of school, including poor attendance, discipline problems, low reading achievement, repeated grades, drug and alcohol abuse, and language barriers;

"(2) placement of one or more trained counselors who are solely responsible for the monitoring and counseling of at-risk youth at each school level, elementary and secondary, who meet regularly with such students both in and out of school;

"(3) contact with student and parents in the home to ensure attendance and parental involvement in student's progress, including personal visits to home and frequent calls to track the student's attendance;

"(4) tutorial services both during and after regular school hours to increase student's overall academic abilities;

"(5) encourage coordination with local institutions of higher education to provide exposure and utilization of facilities, including libraries, computers, scientific equipment and gyms, to at-risk high school students as an incentive and encouragement for high school students to continue their education;

"(6) provide students who exhibit a desire to enter vocational and technical employment fields a "Career Choice" curriculum which combines training for this field and basic high school academic skills, including the option of scheduling part-time work with their studies;

"(7) build communication networks with business and professional organizations within the community to enable students to receive guidance and career advice;

"(8) provide referral to community programs which address the noneducational needs of the dropout or potential dropout;

"(9) develop model high school equivalent education programs which will encourage dropouts to return to school by enabling them to attend courses on a flexible basis during the day or at night to finish their education; including targeting such programs to teenagers who have dropped out for reasons of economic and family responsibilities; and

"(10) such any other projects as the Secretary determines are designed to carry out the purpose of this title.

"GENERAL PROVISIONS

"SEC. 1008. (a) REVIEW OF PROGRAMS AND PROJECTS.—In any application from a local educational agency for a grant to continue a program or project for the second and third fiscal year following the first year for which the grant was awarded, the Secretary shall review the success and speed at which the program or project is meeting its stated objectives in its application as well as the general purpose of this title.

"(b) WITHHOLDING PAYMENTS.—Whenever the Secretary, after reasonable notice (at least 30 days), and opportunity for a hearing to any local educational agency, finds that the local educational agency has failed to comply substantially with the provisions set forth in its application approved under this title, the Secretary shall withhold payments under this title until the Secretary is satisfied that there is no longer any failure to comply.

"(c) ANNUAL REPORT.—The Secretary shall prepare and submit to Congress an annual report on January 1 on the activities assisted under this title during the preceding fiscal year.

"(d) AUDIT.—The Comptroller General shall have access for the purpose of audit and examination to any books, documents, papers, and records of any local educational agency receiving assistance under this title that are pertinent to the sums received and disbursed under this title.

"(e) REPORTING REQUIREMENT.—Each State and local educational agency receiving assistance under this title shall file an annual report with the Secretary detailing how the assistance was spent and illustrating any change in the school dropout rate in their area which is attributable to the implementation of the programs assisted under this title.

"(f) GRANTS MUST SUPPLEMENT, NOT SUPPLANT, OTHER FUNDS.—A local educational agency receiving funds under this title shall use the Federal funds only to supplement the funds that would, in the absence of such Federal funds, be made available from non-Federal sources for activities to prevent students from dropping out of elementary and secondary schools and to persuade dropouts to return to school and finish their education.

"DEFINITIONS

"SEC. 1009. As used in this title—

"(1) the term 'dropout' means an individual of school age who is not enrolled in school and who is not a high school graduate;

"(2) the terms 'State educational agency', 'local educational agency', 'elementary school', and 'secondary school' have the same meanings given those terms in section 198 of this Act; and

"(3) the term 'Secretary' means the Secretary of Education.".●

By Mr. MOYNIHAN (for himself, Mr. BURDICK, Mr. MITCHELL, Mr. BAUCUS, and Mr. LAUTENBERG):

S. 20. A bill to provide for the protection of ground water through State standards, planning, and protection programs; to the Committee on Environment and Public Works.

GROUNDWATER PROTECTION ACT

● Mr. MOYNIHAN. Mr. President, I rise today with my distinguished chairman, Senator BURDICK, and members of the Committee on Environment and Public Works, Senators MITCHELL, BAUCUS and LAUTENBERG in sponsoring "The Groundwater Protection Act of 1987." I share my colleagues hope that this bill will focus greater attention on ground water resources, a subject in which I have been interested for many years.

I first introduced the Sole Source Aquifer Protection Act, designed to protect underground sources for drinking water, in 1982. Many provisions of that aquifer protection bill are now incorporated in the Safe Drinking Water Act Amendments, which, I am happy to report, was passed by the 99th Congress.

In addition to the Safe Drinking Water Act, a number of Federal laws affect ground water management, including the Clean Water Act, Superfund, and the Resource Conservation and Recovery Act [RCRA]. These laws overlay a complex of State statutes, which differ markedly in their treatments of ground water resources. The Groundwater Protection Act would define the role of Federal Government, in terms that will most help the States develop ground water strategies tailored to their individual needs. For example, many Eastern States have shallow aquifers with indistinct boundaries, while in the West, many States have deep and distinct aquifers. Some States rely heavily on ground water for drinking supplies, others less so.

On Long Island, 3 million New Yorkers rely on one aquifer for their drinking water, and this aquifer is now threatened by toxic chemicals. In Nassau County alone, 119 of 389 public wells have detectable levels of synthetic organic chemicals. These chemicals come from diverse sources—solvents from industries and residents' homes, pesticides from farms, nitrates from lawn fertilizers, and numerous chemicals which have leached from landfills. Officials of the State of New York and of Long Island have made significant progress in protecting this ground water resource. In 1978, the New York State Legislature stated that preventing the pollution of ground waters and protecting ground waters for use as potable water, would be the State's ground water quality goals, to guide the department of envirionmental conservation in establishing and updating water quality standards and classifications. Long Island has since been designated a sole source aquifer by the U.S. Environmental Protection Agency, and is developing a ground water management plan.

This bill would recognize that different States have different needs and find themselves at different stages in ground water planning and management. We have heard repeatedly from State officials, asking that EPA provide basic research into ground water contaminants, so States can determine how to classify their waters. Our bill would direct EPA to establish criteria for 100 contaminants and provide States with documents specifying the physical, chemical, biological and radiological properties of contaminants risk to human health at various concentrations in ground water. Our bill directs the EPA Administrator, whenever possible, to make use of research developed under other environmental statutes and cooperate with other agencies that hold toxicological data.

Armed with a common set of federally developed data, the States will set their own ambient ground water standards. In general, ambient ground water standards must be at least as stringent as those for drinking water in the Safe Drinking Water Act. But the States are free to designate "special ground water systems" with standards more or less stringent, depending on the use of the water and the threat to human health and the environment.

The bill also would require that States develop an assessment or inventory of ground water resources, in consultation with the U.S. Geological Survey. And finally, the Ground Water Protection Act would mandate that States develop management strategies to ensure Federal, State, and local coordination to protect ground water resources and guarantee compliance with State regulations.

This legislation would authorize $25 million a year for 3 fiscal years, on a 75-percent Federal, 25-percent State cost-sharing basis, for States to undertake ground water assessment. In addition, the bill would provide $50 million over 5 fiscal years, on a 50-percent matching basis, to assist States in setting States standards, developing State management strategies, and operating protection and monitoring programs.

I enthusiastically support this legislation, as a reasoned balance of Federal and State roles in ground water management. I urge my colleagues to support this bill.

As chairman of the Subcommittee on Water Resources, Transportation and Infrastructure, I will make national ground water legislation a priority for the 100th Congress. I am aware that there are different approaches to the task of protection of ground water. It is my hope that this bill be a starting point for a bipartisan approach to ground water legislation. I, and my cosponsors welcome the advice and suggestions from other members of our committee, and from other Members of Congress.●

● Mr. LAUTENBERG. Mr. President, I rise in support of S. 20 the Ground Water Protection Act of 1987. I commend Senator MOYNIHAN for introducing this legislation, and am pleased to join Senators MITCHELL, BAUCUS, and others as an original cosponsor. This bill would establish a comprehensive program to protect the quality of vital resources: this Nation's ground water.

Ground water pollution is a significant national problem. A study by the Office of Technology Assessment found that ground water contamination has occurred in every State and is being detected with increasing frequency. Yet we lack sufficient information on this type of pollution. This contamination has adverse health, social, environmental, and economic impacts, which are likely to increase, if we do not act.

Ground water pollution is often found near heavily populated industrial areas, which are increasingly dependent on such water for their water supplies. Serving as a source of drinking water for about half of the Nation's population, ground water also accounts for some 40 percent of all agricultural irrigation supplies, and about 26 percent of industrial withdrawals.

My State of New Jersey has experienced a growing problem with ground water contamination. Over 60 percent of the drinking water in the State comes from ground water supplies. In southern New Jersey, it is as much as 90 percent. And droughts make these reserves and their protection even more critical.

Organic compounds, pesticides, and heavy metals are found in virtually all areas of the State. Hundreds of wells in New Jersey have been restricted or closed because of chemical contamination. Yet my State's efforts to respond to this contamination have been hampered by lack of comprehensive Federal legislation addressing this threat.

Mr. President, there are numerous Federal and State programs for detecting, correcting, and preventing ground water contamination. But these measures are limited in their ability to provide the necessary protection. They typically focus on sources of pollution, contaminants, or users.

The bill before us today, however, responds to the need for a comprehensive approach to coordinate and protect the quality of our ground water. OTA recommended that the Federal Government provide sustained financial and technical assistance to States for addressing the ground water problem. This legislation would establish such a comprehensive approach. The bill does this by requiring EPA to establish ground water quality criteria for ground water contaminants. States would then use these criteria to establish ground water contamination standards. States also would develop ground water resource assessments, monitoring programs, and protection strategies. EPA and the U.S. Geological Survey would be required to provide guidance to States for these activities. In addition, the bill directs EPA to assess State programs to assure they are consistent with the act, and to issue grants to States to carry out the purposes of the legislation.

Mr. President, this bill is meant to contribute to the process of achieving comprehensive ground water legislation. As the Environment and Public Works Committee reviews it, we will undoubtedly refine and strengthen the measure. Areas needing attention include the allocation formula for grants, the criteria to be used in setting water quality contaminant standards, and the extent to which the ground water program should be enforceable. The general structure and goals of the bill are sound, however. And I look forward to working with my colleagues on the Environment and Public Works Committee to address the problem at hand.●

● Mr. MITCHELL. Mr. President, I am today joining Senator MOYNIHAN in introducing a bill to provide for the protection of our ground water resources.

This bill is very similar to legislation which I introduced in the last Congress. I am pleased to join Senator MOYNIHAN in reintroduction of the bill and look forward to working with him on this and related issues before the Water Resources Subcommittee of the Environment and Public Works Committee.

Ground water is a natural resource of tremendous value. More than half of all Americans rely on it for drinking water. Three-quarters of our cities get their water supplies, totally or in part, from ground water.

Ninety percent of rural households have no source other than ground water for drinking water. In my home State of Maine, fully one-third of the entire population is served by private wells drawing on ground water.

Nationally, the demand for ground water is growing. Between 1950 and 1980 Americans increased their use of ground water from 34 to 89 billion gallons a day. In 1980, that amounted to a quarter of our Nation's total water use. And the trend continues. Ground water use is expected to reach 100 billion gallons a day this year.

This crucial resource is threatened with contamination on a wide scale. Ground water pollution problems have been documented by a number of recent, major studies from both public and private sources.

One study, conducted by the nonpartisan Congressional Office of Technology Assessment, found that ground water contamination "has occurred in every State and is being detected with increasing frequency." It concluded that: "the potential effects of contamination are significant and warrant national attention."

The Academy of Natural Sciences, in a report called "Ground Water Contamination in the United States," cited a wide range of contamination sources. It warned of threats to public health from both microbial and chemical contamination.

A major review of ground water pollution by the Environmental Protection Agency concluded that: "sufficient information is available to raise concerns that a widespread problem may exist."

The State of Maine has not escaped ground water pollution. Throughout the State, there are an increasing number of reports of ground water pollution problems associated with leaking underground storage tanks, waste disposal sites, and subsurface sewage disposal.

These are serious warnings. They ought not to be disregarded. Given the enormous importance of the resource, we have a duty to act before the problem is out of control.

Despite the importance of ground water, despite the clear and growing evidence of serious problems, no single, comprehensive Federal statute protects this resource.

We need a full and complete discussion of the best approach to protecting ground water. We need to hear the views of a wide range of interested parties including States, environmental groups, industry groups, technical experts, the administration and others.

When we have heard from interested groups and the public, we can consider the various approaches to ground water pollution control and address the many issues involved in developing comprehensive ground water legislation.

I hope that the bill we are introducing will help foster this much needed debate. I do not believe that it answers all the questions that can be raised. And, it may be that, after we have held hearings and discussed the issues, we will find that we want to adjust our approach.

While I consider this legislation preliminary in many ways, I believe it is valuable to provide an outline of an approach to the problem as a basis for comment and discussion.

The bill we are introducing would establish a comprehensive frame work within which ground water could be protected from pollution. While existing Federal and State programs provide needed protection of ground water from some specific sources of pollution, they offer only limited and uncoordinated protection of the overall resource.

The bill gives State governments a major role in ground water protection. They would define the ground water resources of their State. They would adopt standards for contaminants found in ground water. They would identify sources of contamination and monitor ground water quality. And, they would develop the various pollution control programs needed to assure that standards are met.

The Federal Government would be a partner with the States in protection of ground water. The Federal Government would conduct research, oversee State programs, and provide grant assistance to States.

The bill does not attempt to install the Federal Government as the single party responsible for comprehensive protection of ground water. It does seek to coordinate and focus the existing efforts of the Federal Government and the States.

Whether or not this partnership of Federal and State agencies is the best way to proceed is part of the debate I hope this legislation will encourage.

While part of the debate will focus on who should protect ground water, we will also need to consider how to protect it.

One suggested approach is to establish national or State programs containing performance standards for a series of specific pollution sources. Another approach is to establish ground water quality standards at the national or State level, much as we have done under the Clean Water Act.

Our legislation includes elements of both these approaches. The bill would provide for expansion of existing pollution source specific controls where needed, while setting out a procedure for development and adoption of scientifically sound standards for ground water contaminants.

A major issue associated with the concept of ground water quality standards is whether such standards should be established at the national or State level. The bill provides that States make the final decisions about how stringent ground water standards should be. State standards for ground water, however, would need to be at least as stringent as Federal drinking water standards in most cases.

In addition, the bill provides that standards adopted by States would establish the level of cleanup or control under Federal programs relating to protection of ground water quality.

My colleagues and others may have varying perspectives on this issue. I look forward to discussion and further development of this aspect of the bill.

Will States set standards which are sufficiently protective of ground water quality? I believe they will. The bill provides that EPA will assist States in setting standards.

Under the structure of this legislation, State decisions on standards would be based on a common set of Federal information documents for each ground water contaminant.

And the bill provides that the Environmental Protection Agency review, but not be required to approve, State standards, and provides for public participation in the process. States would revise and upgrade standards on a regular basis.

Once States establish ground water standards, they would develop an overall ground water program designed to assure that those standards are met.

The existing ground water programs, addressing several specific sources of contamination, would form the core of the overall State program. States would develop additional programs addressing other pollution sources as necessary to achieve ground water standards.

In addition, the bill recognizes that some sources of ground water pollution are of national concern. These sources include hazardous waste sites, undergound injection, solid waste disposal, subsurface sewage disposal, and pesticide use. Some of these sources, such as hazardous waste sites and underground injection, are already regulated under Federal statutes.

Most of the others are not. The bill would require each State to establish programs addressing these sources within 4 years, unless it can demonstrate that ground water quality standards can be reached without a program for that specific source.

In developing an overall control program, a State would have the flexibility to tailor its program to the most serious pollution sources in that State. And States would have the flexibility to balance the level of protection provided by standards, the effectiveness of programs, and the cost of programs. This provision for State flexibility is an essential element of our approach to protection of ground water.

Flexibility is especially important for States which have already taken some steps to assure the high quality of ground water. The State of Maine, for example, recently established a State ground water policy and has adopted innovative programs addressing ground water pollution from leaking underground storage tanks and disposal of pesticide containers.

Nothing in the legislation we are proposing would override such State initiatives. Indeed, this legislation is intended to foster and support individual State responses to ground water pollution.

Finally, States cannot take on major new responsibilities for ground water protection without assistance from the Federal Government. The bill includes a basic grant to provide States with $50 million a year to carry out ground water programs. This is about the level of assistance we provide to States under clean air and clean water programs.

Also, States would get short term assistance to help support ground water mapping and related work.

Mr. President, I believe this bill includes all the necessary building blocks of a comprehensive approach to protecting ground water. It sets up a workable partnership of Federal and State governments. And it offers a balance between the flexibility States need to tailor programs to their needs and the minimum standards and programs necessary to adequate protection of ground water throughout the country.

This bill is a beginning and the time to begin is now. Ground water pollution is an emerging problem on which we cannot turn our backs.

I look forward to working with my colleagues in the development of this legislation.●

By Mr. MOYNIHAN:

S. 21. A bill entitled the Service Sector Data Collection Act of 1987; to the Committee on Commerce, Science, and Transportation.

SERVICE SECTOR DATA COLLECTION ACT

Mr. MOYNIHAN. Mr. President, I rise today to introduce a bill of utmost importance to our understanding of the U.S. economy. The bill would require improved data collection of the service sector which, considering its growing dominance in the U.S. economy, is inadequately measured.

The service sector includes the services industry; finance, insurance, and real estate; wholesale and retail trade; government; and transportation, communications, and utilities. The service industry—a subset of the service sector—includes such fields as hotels, automotive repair, motion pictures, health services, business services, legal services, and private education.

By contrast, the goods producing sector generally includes manufacturing, mining, and construction. Agriculture, forestry, and fishing are also sometimes grouped in the goods producing sector, but are more frequently treated as a separate category.

The service sector dominates the U.S. economy as it accounted for 69 percent of GNP and 75 percent of employment in 1985.

The service sector is also the fastest growing sector in the economy and is providing the greatest number of new jobs. From 1960 to 1985, the service sector's share of employment has risen from 62 to 75 percent. From January 1980 to May 1986, almost 90 percent of the 9.2 million jobs created were in the service sector.

In addition, service sector trade now accounts for 25 percent of world trade, with the United States holding the largest share of services trade—21 percent in 1983.

And at a time when the United States is running record merchandise trade deficits—$148 billion in 1985—U.S. trade in services ran a $21 billion surplus.

Trade in services is also one of the key issues on the agenda of the new round of GATT talks.

However, despite the fact that the service sector dominates the U.S. economy, detailed information on services is lacking and available information is often inaccurate.

For example, a September 10, 1986, Office of Technology Assessment [OTA] report found that trade in services was $51 billion in surplus over the years 1982 to 1984—three times the official Federal Government figure.

And while the Federal Government collects trade statistics for about 10,000 categories of goods, it does do for only 40 categories of services.

As employment in the United States shifts substantially from the goods sector to the service sector, there is a major debate as to the desirability of that shift; that is, the quality of these new service jobs.

Some analysts claim that as employment shifts toward services, good jobs are being lost in exchange for inferior ones. A recent study prepared for the Joint Economic Committee finds that 58 percent of all net new employment between 1979 and 1984 paid annual wages of less than $7,000, compared with 20 percent during the period from 1973 to 1979.

Others argue that we are moving in the direction of promising skilled managerial and technical job opportunities. The question remains: Are we cooking each other's hamburgers and taking in each other's laundry or are we providing services in areas of U.S. international competitive advantage like banking and insurance?

I believe that we must study the service sector at least as carefully as the goods sector in order to fully understand the constant change that is characteristic of our economy and the ramifications of that change. After all, one can't know about a problem, much less do anything about it, until one learns to measure it.

The OTA report found that substantial improvements in data collection were possible at little or no additional cost—requiring as few as 2 person-years of effort to make significant progress.

My bill would direct the President to collect and disseminate information on service sector economic activity that is at least as complete and timely as information on the goods sector of the economy.

The Secretary of Commerce would be required to issue a new benchmark survey of unaffiliated service transactions including banking, computer software, brokerage, transportation, travel, tourism, engineering, and construction services. He would also be required to develop an index of leading indicators which includes measurement of service sector activity in more direct proportion to the service contribution to GNP.

Finally, the Bureau of Economic Analysis, the Census Bureau, and the Bureau of Labor Statistics would be directed to develop and implement a program to collect and disseminate a broader base of monthly information on the service sector.

My proposal would greatly enhance our data collection in a vital sector that has long been neglected and I urge my colleagues to support this legislation.

● I ask that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 21

SECTION 1. SHORT TITLE.

This title may be cited as "The Service Sector Data Collection Act of 1987".

SEC. 2. PURPOSE.

The President shall direct the appropriate agencies of the Federal Government to collect and disseminate information on service sector economic activity that is at least as complete and timely as information on the goods sector of the economy.

SEC. 3. IMPROVED SERVICE SECTOR DATA COLLECTION.

In furtherance of the objective set forth in Section (2), upon enactment of this Act—

(a) The Secretary of Commerce shall, within three months, issue a new benchmark survey, such as the BE-20 survey proposed by the Bureau of Economic Analysis, of unaffiliated service transactions, including but not limited to banking, computer software, brokerage, transportation, travel, engineering and construction services;

(b) The Secretary of Commerce and the Secretary of Labor shall immediately direct the Bureau of Economic Analysis, the Census Bureau, and the Bureau of Labor Statistics, to develop and implement a program to collect and disseminate a broader base of monthly information on the service sector; and

(c) The Secretary of Commerce shall, within one year, develop an index of leading indicators which includes measurement of service sector activity in more direct proportion to the services contribution to the Gross National Product account of the United States.●

By Mr. PROXMIRE:

S. 22. A bill to amend the Communications Act of 1934 in order to recognize, strengthen, and further the objectives of the first amendment in relationship to radio and television broadcasting stations; to the Committee on Commerce, Science, and Transportation.

FIRST AMENDMENT CLARIFICATION ACT

Mr. PROXMIRE. Mr. President, today I am introducing the First Amendment Clarification Act of 1987.

This bill is similar to a measure I first introduced in 1975 and then again in each subsequent Congress thereafter.

The major goal of this legislation is to give fuller meaning to our first amendment's guarantee of freedom of the press by abolishing the so-called fairness doctrine and the equal time rule.

FREE PRESS RIGHTS

The first amendment forbids the Congress from passing any law that might diminish our right to have a free press.

But, unfortunately, Congress has enacted a law which does just that. I refer, of course, to the Communications Act, which has abridged the rights of a part of the free press.

Other means of mass communication—newspapers, magazines, pamphlets, books, and motion pictures—have kept their free press rights. But not broadcasting.

In the most recent Roper poll released by the Television Information Office, 64 percent of the respondents said their main source of news was television while 14 percent cited radio. Clearly, television and radio are the dominant suppliers of news for the American people. Yet, because of government controls like the fairness doctrine and the equal time rule, broadcasters are second-class citizens when it comes to first amendment rights.

Freedom of the press is for the benefit of all Americans. If television and radio, the most popular disseminators of news and opinion, continue to be tied down by stifling Government regulation, the people of this Nation will continue to be the losers.

Mr. President, my bill aims to change this situation by giving broadcasters more of the first amendment freedom they deserve.

PURPOSE DEFINED

The first section of my bill defines its purpose: To recognize and confirm the applicability of the first amendment to broadcasting and to strengthen and further the objectives of the first amendment.

This purpose is to be accomplished by removing certain statutory and regulatory restrictions placed on broadcasters operating under the Communications Act of 1934.

Section 2 of my bill deals with the definition of "public interest, convenience, and necessity" under which broadcasters operate.

That phrase in the Communications Act is currently used to make broadcasters accountable to the Federal Communications Commission, after the fact, for everything they put on the air.

My proposal makes it clear that the term "public interest, convenience, and necessity" cannot be construed to give the FCC jurisdiction to require that any person be provided broadcast time, or to require that any viewpoint be given broadcast time.

Section 3 of my bill repeals that part of the Communications Act which permits the FCC to revoke the license of any station that willfully refuses or fails to allow a candidate for Federal office to buy reasonable amounts of broadcast time.

SECTION 315 REPEALED

Section 4 repeals section 315 of the Communications Act of 1934. Section 315 contains both the equal time rule and the basis for the FCC's fairness doctrine.

The equal time rule requires that when a candidate for public office is given or sold time, any other candidate for that same office must be given an equal opportunity.

That sounds great. But the equal time rule is an abridgment of the first amendment. It is governmental control over a part of the free press.

The fairness doctrine of the FCC requires that broadcasters afford reasonable opportunities for the presentation of contrasting viewpoints on controversial issues of public importance.

Unlike the equal time requirement, the fairness doctrine does not call for each viewpoint to receive the same amount of air time. Nor does it require that the other viewpoint be given in the same program.

Again, that sounds fine. But the fairness doctrine, like the equal time rule, violates the first amendment. Once more, a segment of the free press is being regulated by the Government.

PUBLIC BROADCASTING

Section 5 deals with a first amendment problem contained in section 396(g)(1)(A) of the Communications Act of 1934, which authorizes the Corporation for Public Broadcasting to "facilitate the full development of public telecommunications in which programs of high quality, diversity, creativity, excellence, and innovation, which are obtained from diverse sources, will be made available to public telecommunications entities. * * *" But this must be done "with strict adherence to objectivity and balance in all programs or series of programs of a controversial nature."

Such a Government-imposed standard is inappropriate and undesirable. Trying to enforce it can result in a chilling effect on the free play of ideas, which public broadcasting should help promote.

By simply deleting this standard, section 5 of my bill is designed to solve the first amendment problem it poses.

Mr. President, why is this legislation necessary and, indeed, crucial? There are many reasons.

First, these governmental controls on the free press are unconstitutional. They violate the first amendment's guarantee of freedom of the press.

UNNECESSARY REGULATION

Second, this kind of governmental regulation is unnecessary. Newspapers, operating without Government control, have improved vastly in fairness, objectivity, accuracy, and relevance over the years. Broadcasters deserve that same opportunity to be free.

Third, denying broadcasters their first amendment rights is self-defeating. The fairness doctrine, for example, does not stimulate the free expression of diverse ideas. Rather, it promotes the "sameness" of ideas. Stations avoid the airing of controversial issues because they fear a challenge to their license renewal or expensive litigation resulting from a fairness complaint.

Fourth, governmental controls like the fairness doctrine and the equal time rule are dangerous. Letting government be the final arbiter of "fairness," for example, confers immense power. This is especially true when that same government decides on the granting of broadcast licenses.

OBSOLETE ARGUMENT

Finally, those who favor continuing governmental regulation of the broadcasting media rely on an argument that is fast becoming obsolete: The so-called "scarcity rationale." In almost every city in America—regardless of size—there are more television signals available than daily newspapers. If radio stations are counted, as they must be, general audience broadcasting stations far outnumber general circulation newspapers. Moreover, economic pressures make it nearly impossible to establish a daily newspaper in a community where one already exists.

Mr. President, I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 22

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND STATEMENT OF PURPOSE

SECTION 1. (a) This act may be cited as the "First Amendment Clarification Act of 1987".

(b) It is the purpose of this Act to recognize and confirm the applicability of and to strengthen and further the objectives of the first amendment of the Constitution of the

United States by removing statutory and regulatory restrictions on broadcasters operating under the Communications Act of 1934.

DEFINITION OF PUBLIC INTEREST, CONVENIENCE, AND NECESSITY

SEC. 2. Section 309 of the Communications Act of 1934 is amended by adding at the end thereof the following:

"(j) Notwithstanding any other provision of this part, effective on and after the date of the enactment of this subsection for the purposes of this part, the term 'public interest, convenience, and necessity' may not be construed to give the Commission jurisdiction to require the provision of broadcast time to any person or for the expression of any viewpoint.".

REPEAL OF LICENSE OR CONSTRUCTION PERMIT REVOCATION POWER RELATING TO FACILITIES FOR CANDIDATES FOR FEDERAL PUBLIC OFFICE

SEC. 3. Section 312(a) of the Communications Act of 1934 is amended by inserting "or" at the end of clause (5), striking out the semicolon and "or" at the end of clause (6) and inserting in lieu thereof a period, and striking out clause (7).

REPEAL OF SECTION 315 RELATING TO FACILITIES FOR CANDIDATES FOR PUBLIC OFFICE

SEC. 4. Section 315 of the Communications Act of 1934 is repealed.

REPEAL OF CERTAIN LIMITATIONS ON CORPORATION FOR PUBLIC BROADCASTING

SEC. 5. Section 396(g)(1)(A) of the Communications Act of 1934 is amended by striking out all beginning with the comma following "telecommunications entitles" to the semicolon at the end thereof.

By Mr. ROTH (for himself, Mr. MOYNIHAN, Mr. HEINZ, and Mr. BRADLEY):

S. 23. A bill to make changes in the Trade Adjustment Assistance Program; to the Committee on Finance.

TRADE ADJUSTMENT ASSISTANCE

Mr. ROTH. Mr. President, I rise to introduce, along with my distinguished colleague, Senator MOYNIHAN of New York, a bill to extend and reform the Trade Adjustment Assistance Program.

This is the same proposal which we proposed and which passed the Senate and the House several times in the 99th Congress as part of the budget reconciliation process. It is a bill that has received overwhelming bipartisan support on Capitol Hill, passing the Finance Committee in September 1985 without objection and accepted by the House Ways and Means Committee in the budget reconciliation discussions.

The essential point of all this support is that in this Congress there is very broad recognition of the importance of the Trade Adjustment Assistance Program—or put more directly—of the need to help workers who lose their jobs to imports.

Why do Members, Republicans and Democrats alike, feel so strongly about helping workers hurt by trade?

The answer to this question requires a broader look at what is happening in trade and trade policy today.

In the 1970's this country, and many others, experienced an "energy shock." In the 1980's we—and we alone—are experiencing a second shock, a "trade shock." I say this not only because of the mind-boggling size of the global U.S. trade deficit and the fact that imports have hurt the full range of American industries from textiles to semiconductors. I characterize the American trade situation as a "shock" because underlying these figures is a profound anxiety about the unevenness of the international playing field for trade, what many call the erosion of the postwar international trading system. And if this weren't bad enough, this is all taking place in a world economy characterized by rapid and constant change—the appearance of new products and services and rapidly shifting comparative advantage.

We need a comprehensive trade policy to confront the trade shock. A comprehensive trade policy would be aimed at opening foreign markets to U.S. products, assuring fair competition in the U.S. market, improving U.S. competitiveness, and helping those hurt by trade. It is this latter point that the bill we are introducing today addresses.

Some may say that the U.S. trade deficit is finally going down, so there is no need to take special Government action now. The November trade statistics, which show an increase in the deficit, however, call the assumption that the trade deficit is going down into question. But even if the deficit is going down, it is expected to remain quite high for the next couple of years. The need for effective Government assistance for workers hurt by trade remains very compelling.

In fact, the Trade Adjustment Assistance Program was established in 1962 because it has long been recognized that even when there is a favorable balance of trade there will be losers, individuals whose jobs will be lost to import competition. With an unfavorable balance of trade, the number of losers multiplies. Today, the trade shock has driven this point home.

As I mentioned earlier, in the 99th Congress I pressed for this kind of assistance and with the strong support of my colleagues we did save the Trade Adjustment Assistance Program by incorporating an extension of the program and some improvements into the Consolidated Omnibus Budget Reconciliation Act (Public Law 99-272, April 7, 1986). Our efforts assured that workers who lose their jobs to imports would continue to receive cash benefits to help them and their families. We restored these benefits as well to workers who had been abruptly cut-off from the program in December, 1985. We extended the program for 6 years and we began to turn the program into a real "adjustment" program by providing for participation of workers in job search programs.

Enactment of these changes was clearly a victory.

But it is critical to remember that broad Congressional support for TAA in the 99th Congress did not emerge because the basic TAA Program was so good. Actually, support for the basic TAA Program was severely floundering at the beginning of that session.

It was the TAA reforms which I introduced in January 1985, as a part of a comprehensive trade bill, (S. 234) and later that year with Senator MOYNIHAN as a separate TAA proposal (S. 1544) which I believe rallied deep support for a continuation of the program.

Unfortunately, the final Budget Reconciliation Act did not include these key reforms: One, the use of a small import fee to fund the program, two, provision of up to $4,000 for retraining each worker hurt by trade, three, the requirement that in most instances, workers be in training to receive cash benefits and four, the proposal, particularly pressed by Senator BRADLEY, to expand the program to include workers in independent firms. That is why it is necessary to reintroduce today our TAA legislation as conferenced and that is why it is again necessary to make the case clear for the TAA Program.

I believe there are two basic reasons for reforming trade adjustment assistance.

First, as everyone knows, money is tight. Second, the program as currently structured has not achieved its principal purpose—adjustment by individuals and firms to import competition.

The bill we are introducing today corrects each of these problems.

A creative approach is proposed for funding the reformed program. A small fee—an adjustment fee—would be placed on imports to finance TAA. In effect, it would be a users fee for trade; those who benefit from trade would pay for the costs of trade. The bill puts a cap on this fee of 1 percent of the value of imports, but I would estimate that it would cost only one-tenth of a percent to finance the program set up in the bill.

The bill directs the President to obtain GATT approval as soon as possible for countries to be able to impose such a small fee on trade to fund adjustment programs. At the end of 2 years, the fee is imposed in any case.

Make no mistake, this is not a proposal for an import surcharge. The fee is small and the fee is capped by statute. I got this idea from a similar program that has been in place in Hong Kong for some time. Everyone thinks of Hong Kong as a totally free port, but in fact, Hong Kong assesses a small fee—one-twentieth of 1 percent—on all imports and exports. In the case of Hong Kong the fee is used to finance trade promotion programs.

The adjustment fee would be a small cost to trading nations to keep trade open and expanding, and I think America's traders are ready to pay it. The National Retail Merchants Association endorsed this idea soon after I introduced it in January 1985 as part of S. 234.

Internationally, the timing is also right. We are not the only country having trouble adjusting to new trade conditions and we are not the only country that is having budget problems. Other nations would have a clear national interest in signing onto this proposal in the GATT and that is the key ingredient for a successful negotiation.

But there is no point in placing a fee on trade to promote adjustment if the program in place is not designed to assure that objective. This is why this bill also includes a proposal for reform of the current program.

The changes are few, but they are critical. The bill does not propose a complete revamping of the TAA Program. In fact, all benefits now available to workers under TAA—additional unemployment compensation known as a "trade readjustment allowance," job search and job relocation allowances—would continue, but there is a key new eligibility requirement and an important new benefit.

The new eligibility requirement—any worker receiving benefits under the reformed program must be enrolled in or have completed a retraining program.

The new benefit—to pay for this training, each worker would be given a $4,000 job retraining voucher redeemable for training. Individuals would have a wide choice of training options: Programs under the Job Training Partnership Act, such as State training programs and private programs approved by the private industry councils established by that act; programs approved by the Secretary of Labor as well as training by private firms. This last option—training by private firms—I believe, in particular, will open up many new opportunities.

This legislation also removes an unfair anomaly in existing law which permits workers producing components parts or providing services in integrated manufacturing companies to receive TAA benefits, but precludes certification of workers in independent companies providing the same components or services by contract.

As far as the firms program is concerned, the bill would leave in place the Technical Assistance Program. This program has proved its usefulness. For example, in House hearings on TAA, testimony on benefits of technical assistance to the textile and footwear industries was submitted. The assistance is used not only for management and marketing advice, but also for research and development, for example, for automated apparel equipment. Importantly, this money is also used to help firms prepare petitions for help under this statute.

How much would this reformed program cost? Since TAA has already been extended in budget reconciliation, there would be no additional outlays until the program reforms come into effect.

The program reforms do not come into effect until 1 year after the import fee is imposed. During that year money would begin to build up in a trust fund set up to finance the program. The funding would continue to come from general revenues for up to 3 years depending on the timing of the GATT negotiations.

When the program changes are in effect CBO estimates prepared for the 99th Congress show that the cost of the program would be about $300 million a year. This $300 million would be entirely funded by revenues raised the previous year by the import fee.

The U.S. trade situation is very difficult. As a number of members have pointed out recently, this is a time for open minds, for unconventional proposals.

Today more than ever our workers need meaningful help in the fact of the trade-related dislocation. Imports now compete with nearly the full range of U.S. production. The proposal in this bill for the first time offers these workers a total package of relief—unemployment compensation, job search and relocation help and significant financing and options for retraining. A complete package is not available under any other Federal program.

And today more than ever the international trading system—the GATT—needs to be brought back to life. Trade intellectuals in the OECD and elsewhere have for some time now decried the need for "positive adjustment policies"—policies that facilitate the movement of people and resources from declining to growing industries—as the underlying problem dragging the trading system down. This proposal for a GATT-sanctioned import fee to finance adjustment provides a new tool to promote positive adjustment by GATT members.

I believe it offers, as well, a new tool for getting meaningful multilateral trade negotiations underway in the Uruguay round. It is traditional for nations to signal their seriousness about a new round of trade negotiations by taking a trade liberalizing action for example, lowering some tariffs. Agreement to the imposition of a small fee on imports would be an unconventional, even ironic, way to signal a strong commitment to the new round. But this fee could very well be the catalyst for movement on the issue that is central to establishing a fair and effective international trading system and to the success of any new negotiations, a new multilateral agreement on safeguards—situations in which countries can legally enact temporary trade restrictions. In these times I think a GATT agreement on this adjustment fee would perhaps more than any other simple action signal a renewed worldwide commitment to make the trading system work.

As you can see, I introduce this bill with great hopes. But I want to make it clear as well that I agree with the AFL-CIO comments on the Trade Adjustment Assistance Program included in a letter to Congressman GIBBONS, the chairman of the Ways and Means Committee.

The AFL-CIO does not view trade adjustment assistance as a substitute for a fair and effective trade policy. Nevertheless, the United States is faced with the tragic reality of devastated communities and wasted human resources due to imports. A Trade Adjustment Assistance Program that includes income support, training, and job search and relocation allowances is a first and necessary step to restoring and revitalizing the industrial strength of our country.

This bill has broad support in the Congress. It is time to make it law.

At this time, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 23

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE.

(a) WORKERS.—Section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended to read as follows:

"SEC. 222. GROUP ELIGIBILITY REQUIREMENTS.

"(a) The Secretary shall certify a group of workers (including workers in any agricultural firm or subdivision of an agricultural firm) as eligible to apply for adjustment assistance under this chapter if the Secretary determines that—

"(1) a significant number or proportion of the workers in such workers' firm or an appropriate subdivision of the firm have become totally or partially separated, or are threatened to become totally or partially separated,

"(2) sales or production, or both, of such firm or subdivision have decreased absolutely, and

"(3) increases of imports of articles like or directly competitive with articles—

"(A) which are produced by such workers' firm or appropriate subdivision thereof, or

"(B) to which such workers' firm, or appropriate subdivision thereof, provides essential parts or essential services,

contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production.

"(b) For purposes of subsection (a)(3), the term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.".

(b) Firms.—Subsection (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341(c)) is amended to read as follows:

"(c)(1) The Secretary shall certify a firm (including any agricultural firm) as eligible to apply for adjustment assistance under this chapter if the Secretary determines—

"(A) that a significant number or proportion of the workers in such firm have become totally or partially separated, or are threatened to become totally or partially separated,

"(B) that—

"(i) sales or production, or both, of such firm have decreased absolutely, or

"(ii) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and

"(C) increases of imports of articles like or directly competitive with articles—

"(i) which are produced by such firm, or

"(ii) to which such firm provides essential parts or essential services,

contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production.

"(2) For purposes of paragraph (1)(C), the term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.".

SEC. 2. CASH ASSISTANCE FOR WORKERS.

(a) Participation in Training Program Required.—

(1) Paragraph (5) of section 231(a) of the Trade Act of 1974 (19 U.S.C. 2291(a)(5)) is amended to read as follows:

"(5) Such worker—

"(A) is enrolled in a training program approved by the Secretary under section 236(a),

"(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a training program approved by the Secretary under section 236(a), or

"(C) has received a written statement certified under subsection (c) after the date described in subparagraph (B).".

(2) Subsection (b) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(b)) is amended to read as follows: "(b) If the Secretary determines that—

"(1) the adversely affected worker—

"(A) has failed to begin participation in the training program the enrollment in which meets the requirement of subsection (a)(5), or

"(B) has ceased to participate in such training program before completing such training program, and

"(2) there is no justifiable cause for such failure or cessation,

no trade adjustment allowance may be paid to the adversely affected worker under this part on or after the date of such determination until the adversely affected worker begins or resumes participation in a training program approved under section 236(a).".

(3) Subsection (c) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(c)) is amended to read as follows:

"(c)(1) If the Secretary finds that it is not feasible or appropriate to approve a training program for a worker under section 236(a), the Secretary shall submit to such worker a written statement certifying such finding.

"(2) If a State or State agency has entered into an agreement with the Secretary under section 239 and the State or State agency finds that it is not feasible or appropriate to approve a training program for a worker pursuant to the requirements of section 236(a), the State or State agency shall—

"(A) submit to such worker a written statement certifying such finding, and

"(B) submit to the Secretary a written statement certifying such finding and the reasons for such finding.

"(3) The Secretary shall submit to the Finance Committee of the Senate and to the Ways and Means Committee of the House of Representatives an annual report on the number of workers who received certifications under this subsection during the preceding year.".

(4) Paragraph (3) of section 239(a) of the Trade Act of 1974 (19 U.S.C. 2311(a)(3)) is amended to read as follows:

"(3) will make any certifications required under section 231(c)(2), and".

(b) Weekly Amounts of Readjustment Allowances.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended by striking out "under section 231(c) or 236(c)" in subsection (c) and inserting in lieu thereof "under section 231(b)".

(c) Limitation.—

(1) Paragraph (1) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(1)) is amended by striking out "52" and inserting in lieu thereof "78".

(2) Paragraph (3) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(3)) is amended to read as follows:

"(3) If the adversely affected worker has received a written statement certified under section 231(c) after the date the worker became totally separated, or partially separated, from adversely affected employment, paragraph (1) shall be applied with respect to such worker by substituting '52' for '78'.".

(3) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(A) by striking out subsection (b), and

(B) by redesignating subsection (e) as subsection (b).

SEC. 3. JOB TRAINING FOR WORKERS.

(a) Approval Required; Limitation on Costs.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended.

(1) by striking out "is available" in subsection (a)(1)(D) and inserting in lieu thereof "is reasonably available",

(2) by striking out "(to the extent appropriated funds are available)" in the first sentence of subsection (a)(1),

(3) by inserting "directly or through a voucher system" after "by the Secretary" in the second sentence of subsection (a)(1),

(4) by redesignating paragraphs (2), (3), and (4) of subsection (a) as paragraphs (3), (4), and (5), respectively, of subsection (a),

(5) by inserting after paragraph (1) of subsection (a) the following new paragraph:

"(2)(A) The aggregate amount of payments that may be made under paragraph (1) for any worker shall not exceed $4,000 for each partial separation or total separation.

"(B) The Secretary may issue more than one voucher under paragraph (1) to a worker with respect to any partial separation or total separation, but the aggregate value of such vouchers shall not exceed the amount of the limitation imposed by subparagraph (A) with respect to such separation.",

(6) by striking out subsection (c), and

(7) by redesignating subsections (d), (e), and (f) as subsections (c), (d), and (e), respectively.

(b) Agreements With the States.—Subsection (f) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(f)) is amended to read as follows:

"(f) Each cooperating State agency shall, in carrying out subsection (a)(2)—

"(1) advise each adversely affected worker to apply for training under section 236(a) at the time the worker makes application for trade readjustment allowances, and

"(2) as soon as practicable, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 236 and review such opportunities with the worker.".

SEC. 4. TERMINATION OF TRADE ADJUSTMENT ASSISTANCE.

Subsection (b) of section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended to read as follows:

"(b) No assistance, vouchers, allowances, or other payments may be provided under chapter 2, no technical assistance may be provided under chapter 3, and no duty shall be imposed under section 287, after September 30, 1991.".

SEC. 5. FUNDING OF TRADE ADJUSTMENT ASSISTANCE.

(a) Authorization of Appropriations.—

(1) Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out "1989, 1990, and 1991" and inserting in lieu thereof "and 1989".

(2) Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended by striking out "1989, 1990, and 1991" and inserting in lieu thereof "and 1989".

(b) Establishment of Trust Fund.—Chapter 5 of title II of the Trade Act of 1974 (19 U.S.C. 2391, et seq.) is amended by inserting after section 285 the following new section:

"SEC. 286. TRADE ADJUSTMENT ASSISTANCE TRUST FUND.

"(a) There is hereby established within the Treasury of the United States a trust fund to be known as the Trade Adjustment Assistance Trust Fund (hereinafter in this section referred to as the 'Trust Fund'), consisting of such amounts as may be transferred or credited to the Trust Fund as provided in this section or otherwise appropriated to the Trust Fund.

"(b)(1) The Secretary of the Treasury shall transfer to the Trust Fund out of the general fund of the Treasury of the United States amounts determined by the Secretary of the Treasury to be equivalent to the amounts received into such general fund that are attributable to the duty imposed by section 287.

"(2) The amounts which are required to be transferred under paragraph (1) shall be transferred at least quarterly from the general fund of the Treasury of the United States to the Trust Fund on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in paragraph (1) that are received into the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of, or less than, the amounts required to be transferred.

"(c)(1) The Secretary of the Treasury shall be the trustee of the Trust Fund, and shall submit an annual report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives on the financial condition and the results of the operations of the Trust Fund during the fiscal year preceding the fiscal year in which such report is submitted and on the expected condition and operations of the Trust Fund during the fiscal year in which such report is submitted and the 5 fiscal years succeeding such fiscal year. Such report shall be printed as a House document of the session of the Congress to which the report is made.

"(2)(A) The Secretary of the Treasury shall invest such portion of the Trust Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired—

"(i) on original issue at the issue price, or

"(ii) by purchase of outstanding obligations at the market price.

"(B) Any obligation acquired by the Trust Fund may be sold by the Secretary of the Treasury at the market price.

"(C) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

"(d) Amounts in the Trust Fund shall only be available—

"(1) for the payment of drawbacks and refunds of the duty imposed by section 287 that allowable under any other provision of Federal law, and

"(2) to the extent and in such amounts as may be provided by appropriation Acts, for making expenditures to carry out the provisions of chapters 2 and 3.

None of the amounts in the Trust Fund shall be available for the payment of loans guaranteed under chapter 3 or for any other expenses relating to financial assistance provided under chapter 3.".

(c) Conforming Amendments.—The table of contents for the Trade Act of 1974 is amended by inserting, after the item relating to section 285, the following new items:

"Sec. 286. Trade Adjustment Trust Fund.

"Sec. 287. Imposition of additional duty.".

SEC. 6. IMPOSITION OF SMALL UNIFORM DUTY ON ALL IMPORTS.

(a) Negotiations.—

(1) The President shall undertake negotiations necessary to achieve changes in the General Agreement on Tariffs and Trade that would allow any country to impose a small uniform duty on all imports to such country for the purpose of using the revenue from such duty to fund any program which assists adjustment to import competition.

(2) On the date that is 6 months after the date of enactment of this Act, the President shall submit to the Congress a report on the progress of negotiations conducted under paragraph (1).

(3) On the first day after the date of enactment of this Act on which the General Agreement on Tariffs and Trade allows any country to impose a duty described in paragraph (1), the President shall submit to the Congress a written statement certifying that the General Agreement on Tariffs and Trade allows such a duty.

(b) Imposition of Duty.—Chapter 5 of title II of the Trade Act of 1974 (19 U.S.C. 2391, et seq.), as amended by the preceding section of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 287. IMPOSITION OF ADDITIONAL DUTY.

"(a) In addition to any other duty imposed by law, there is hereby imposed a duty on all articles entered, or withdrawn from warehouse, for consumption in the customs territory of the United States.

"(b)(1) The rate of the duty imposed by subsection (a) shall be a uniform ad valorem rate proclaimed by the President at least 30 days prior to the date such rate takes effect which is equal to the lesser of—

"(A) 1 percent, or

"(B) a percentage that is sufficient to provide the funding necessary to carry out the provisions of chapters 2 and 3.

"(c)(1) Except as otherwise provided in this subsection, duty-free treatment provided with respect to any article under any other provision of law shall not prevent the imposition of duty with respect to such article by subsection (a).

"(2) No duty shall be imposed by subsection (a) with respect to—

"(A) any article (other than an article provided for in item 870.40, 870.45, 870.50, 870.55, or 870.60 of the Tariff Schedules of the United States) that is treated as duty free under schedule 8 of the Tariff Schedules of the United States, or

"(B) any article which has a value of less than $1,000.".

SEC. 7. TAXATION OF TRADE READJUSTMENT ASSISTANCE.

Section 85(c) of the Internal Revenue Code of 1954 is amended by inserting ", but not including payments of training costs, or training vouchers, provided under section 236 of the Trade Act of 1974 (19 U.S.C. 2296)" after "nature of unemployment compensation".

SEC. 8. EFFECTIVE DATES.

(a) In General.—Except as otherwise provided by this section, the amendments made by this Act shall take effect on the earlier of—

(1) the date that is 3 years after the date of enactment of this Act, or

(2) the date that is 1 year after the date that is 30 days after the date on which the President submits to the Congress the written statement described in section 6(a)(3).

(b) Additional Duty and Trust Fund.—

(1) The amendment made by section 6(b) shall apply to any article entered, or withdrawn from warehouse, for consumption after the earlier of—

(A) the date that is 2 years after the date of enactment of this Act, or

(B) the date that is 30 days after the date on which the President submits to the Congress the written statement described in section 6(a)(3).

(2) The amendments made by subsections (b) and (c) of section 5 shall take effect on the earlier of—

(A) the date that is 2 years after the date of enactment of this Act, or

(B) the date that is 30 days after the date on which the President submits to the Congress the written statement described in section 6(a)(3).

(c) Negotiations.—The provisions of section 6(a) shall take effect on the date of enactment of this Act.

(d) Income Tax Amendment.—The amendment made by section 7 shall apply to taxable years ending on or after the earlier of—

(1) the date that is 3 years after the date of enactment of this Act, or

(2) the date that is described in subsection (a)(2) of this section.

Mr. MOYNIHAN. Mr. President, today I rise to introduce legislation to extend the Trade Adjustment Assistance [TAA] Program, reform the program to emphasize worker retraining, and fund the revised TAA Program with a small fee on imports.

The TAA Program is the only Federal program specifically intended to assist workers who lose their jobs to imports. All told, since 1981, more than 3.4 million job opportunities have been lost to foreign imports. In the last decade TAA has provided extended unemployment and job retraining benefits to 1.5 million workers, including 114,000 in New York.

The bill I introduce today with Senator Roth contains the same provisions that were passed by both Houses of Congress twice in the fall of 1985, but which failed to be enacted at that time. Permit me to explain.

Our bill is essentially the same as legislation introduced on July 31, 1985 (S. 1544) and which was cosponsored by 10 members of the Finance Committee, unanimously passed the committee as an amendment in September 1985 as part of the fiscal year 1986 budget reconciliation bill, and was included in the final reconciliation bill that passed the Senate in November. In July, the House had included a 4-year extension of the TAA Program in its Budget Reconciliation Act.

During the subsequent conference, the House agreed to the Senate's provisions—with some minor changes—to reform and extend the program for 6 years. However, the House and Senate could not resolve all their differences on other reconciliation issues. And although each House twice passed reconciliation bills including TAA provisions, Congress did not send reconciliation legislation to the President during the 1st session of the 99th Congress.

When Congress resumed consideration of the bills in February 1986, the administration threatened to veto any bill that included the provision funding the TAA Program through the import fee. Since the fee was an integral part of the program's reform, Congress instead agreed to include a simple 6-year extension of the existing program—as I had proposed on the 1st day of the 99th Congress in S. 23—as part of the Consolidated Omnibus Reconciliation Act of 1985—Public Law 99-272.

We are reintroducing this legislation today because the need to reform and establish a secure source of funding for the TAA Program is more urgent than ever. The most recent monthly trade statistics show a November merchandise trade deficit of $19.2 billion—the worst ever. In 1986, the trade deficit will exceed $170 billion: more than quadruple the deficit in 1980. Since the administration took office, the cumulative trade deficit is approximately $600 billion.

Assisting workers to adjust in the face of this tidal wave of imports is the least we can do. I have always appreciated the benefits of an open trading system, but we must assist our workers in the pain of transition if we expect their support in preserving open markets.

Our legislation would provide $4,000 tax-free vouchers for retraining, give workers a wider choice of training programs, and expand eligibility for TAA to secondary workers—workers dislocated from independent firms that depend on supplying essential parts or service to firms that produce import impacted products. It would also require a worker to agree to retraining in order to receive a trade adjustment allowance, unless the State agency and Secretary of Labor agree that no training program is reasonably available or suitable for the displaced worker.

Finally, this bill would fund the program through a small fee on imports of up to 1 percent, although we estimate that funding the program would probably only require a duty of 0.1 to 0.25 percent. The President would be directed to obtain approval from the GATT members to impose this small duty, and he would be required to apply the duty as soon as the GATT approved it or after 2 years even without GATT approval. The resulting trust fund would be used to pay for TAA beginning in 3 years, and extend the current program until the revised program took effect—1 year after the fee is imposed.

The TAA Program is essential in our increasingly global economy whereby comparative advantage dictates the growth and decline of national industries.

By empasizing working retraining, a reformed TAA Program would more effectively assist displaced workers in their transition to new growth industries that require different skills. But workers who will have to be in retraining, understandably desire a secure source of funding for the TAA Program. A small import duty would ensure that this vital program continues to meet urgent needs.

I have heard much criticism of the import fee, especially from the President himself. But unlike the recently enacted 0.22 percent customs user fee which is to accure as general revenue, a TAA duty would be designated specifically for the purpose of funding the TAA Program. This linkage between imports and the workers that imports displace is an important aspect of this provision which distinguishes it from other general revenue measures. It is only fair that those who benefit from our open trade policy share in the costs of that policy. A secure TAA Program could even benefit importers by blunting support for more restrictive—indeed protectionist—trade measures.

I urge my colleagues to support this important legislation to extend and reform the Government's vital role in the international system of trade.

By Mr. MOYNIHAN:

S. 24. A bill to amend title II of the Social Security Act to waive, for 5 years, the 24-month waiting period for Medicare eligibility on the basis of a disability in the case of individuals with acquired immune deficiency syndrome [AIDS], to require the Secretary of Health and Human Services to make grants to State and local governments for the establishment of programs to test blood to detect the presence of antibodies to the human T-cell lymphotropohic virus and to make grants to eligible State and local governments to support projects for education and information dissemination concerning acquired immune deficiency syndrome, and for other purposes; to the Committee on Finance.

COMPREHENSIVE AIDS LEGISLATION

Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation that contributes to the battle against one of the worst health crises our Nation has ever faced—acquired immune deficiency syndrome, more commonly known as AIDS. The current administration, Congress and concerned health groups across the country have made it clear that the fight against AIDS is urgent and regrettably, only beginning.

AIDS poses a threat to all sectors of our society; men and women, homosexuals and heterosexuals, adults and children. For each of these groups, the number of those dying from the disease is growing at a startling rate. According to the Centers for Disease Control [CDC], as of December 31, 1986, there have been 29,003 cases of full-blown AIDS reported in this country and of those 29,003, 16,301 have died. Because of the danger to so many, Mr. President, I am offering comprehensive legislation that addresses the needs of all these individuals.

To begin with, we must assess our current Federal programs as to their effectiveness in handling the special needs of those stricken with AIDS. Part of the legislation I propose today will facilitate the availability of Medicare coverage on the basis of a disability—under title II of the Social Security Act—for those affected with AIDS.

Currently, there is a 24-month waiting period for disabled individuals before receiving Medicare benefits. This waiting period was established in order to ensure that only those who were truly disabled, enough so that they receive benefits for a full 2 years, would be eligible for additional health care coverage.

The AIDS patient simply cannot wait 24 months to receive this coverage. The average life expectancy of an AIDS patient, from the date of diagnosis, is between 11.2 and 13 months. Sadly enough, there is no hope that AIDS patients will overcome their disability, hence there is no reason to delay granting them Medicare coverage. These individuals have worked and contributed to society—by removing the current waiting period for Medicare coverage, we are simply giving AIDS patients the health care coverage they have earned and are in need of at once.

It is not just the individual who suffers as a result of AIDS, society suffers as well. AIDS is not only costly in terms of treatment but also in terms of lost human potential. The majority of AIDS patients are between the ages of 30 to 39, a time in life which is often viewed as the most promising. Every time AIDS takes the life of one of these individuals, society is robbed of their valuable contributions.

In order to avoid these losses, we must take steps to prevent the further spread of AIDS. This bill provides $20 million to State and local governments for the establishment of blood testing programs to detect the presence of antibodies to the HTLV-III virus. The purpose of these programs is to inform those who might be carrying the virus that they have it so that they can take active measures against spreading it.

Normally, these tests are used for screening blood in blood banks and hospitals. Alternative sites are necessary to provide the opportunity for confidential and voluntary testing while limiting the chance of infecting a community blood supply. Congress has already recognized the need for such sites by providing some funding for them. These have been successful programs, but still more are needed in certain parts of the country. In order to increase the number of sites, and maintain the programs operating now, additional funding is necessary.

Importantly, this legislation would provide confidentiality for those who receive this blood test. The great social stigma attached to having the AIDS virus is often unwarranted; the presence of the virus does not always lead to full-blown AIDS. Once infected, there is only a 25- to 50-percent chance of contracting the disease. Without this guarantee of confidentiality, those who are in the most need will not come forward. We must recognize that only after those individuals that have developed antibodies to the HTLV-III virus are informed of their presence, can they take steps to minimize the risk of passing it on to others.

In addition, this legislation provides funding for public information about AIDS. The Institute of Science and National Academy of Sciences recently recommended, in a report entitled "Confronting AIDS" that, "for at least the next several years, the most effective measure for reducing the spread of HIV infection is education of the public." This legislation authorizes $75 million toward that effort by making grants available to State and local governments for education and information dissemination projects concerning the prevention and treatment of AIDS.

Altering the course of the epidemic demands that those in high risk groups be informed on ways to protect themselves and seek assistance. Public education can dispel dangerous misconceptions about AIDS—such as the idea that AIDS can be spread through casual contact, which it cannot—which lead to discrimination against those carrying the virus. Above all, those at risk of infection should be informed of those behaviors and practices that minimize the danger.

Finally, this legislation directs the Secretary of Health and Human Services to conduct a survey on infants with AIDS. By 1991, it is estimated that a cumulative total of 3,000 newborn infants will have contracted AIDS. Already, hospitals in certain parts of the country have reported that as much as 15 percent of pediatric beds are already occupied by AIDS cases. The survey required by this legislation would determine the number of children living in hospital environments and those who have been placed in foster care as well as recommendations for improved care of those children stricken with AIDS who lack ongoing parental care and support. Though it may be the most tragic of all AIDS cases, clearly a great deal is unknown concerning the proper care of these stricken infants.

Mr. President, with no cure for this dread disease, we must care for those cruelly stricken, and take measures to assure others will not suffer. We do what simply must be done.

I urge all my colleagues to support this necessary legislation in our fight against AIDS. I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 24

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. 5-YEAR WAIVER OF 24-MONTH WAITING PERIOD FOR MEDICARE ELIGIBILITY FOR INDIVIDUALS WITH AIDS.

(a) IN GENERAL.—Section 226 of the Social Security Act (42 U.S.C. 426) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h)(1) Subject to paragraph (2), in the case of an individual who is medically determined to have acquired immune deficiency syndrome (AIDS) and who files an application for hospital insurance benefits under part A of title XVIII pursuant to this subsection, subsection (b) shall be applied as if—

"(A) in paragraph (2)(A), ' and has for 24 calendar months been entitled to,' were deleted;

"(B) in paragraph (2)(B), ', and has been for not less than 24 months,' were deleted;

"(C) in paragraph (2)(C)(ii), ', including the requirement that he has been entitled to the specified benefits for 24 months,' were deleted;

"(D) in the matter in the first sentence following subparagraph (C), 'first month' were substituted for 'twenty-fifth month'; and

"(E) in the second sentence, 'twenty-fourth' were deleted.

"(2) Paragraph (1) shall not result in an individual becoming entitled to hospital insurance benefits under part A of title XVIII for any month before the first month in which the individual both—

"(A) is medically determined to have acquired immune deficiency syndrome, and

"(B) has filed an application under paragraph (1).

"(3) For purposes of this subsection, an individual will be presumed to have acquired immune deficiency syndrome (AIDS) if the individual has been diagnosed, in accordance with standards established by the Secretary after consultation with the Director of the Centers for Disease Control, as having such disease.".

(b) EFFECTIVE DATE AND 5-YEAR SUNSET.—The amendments made by subsection (a) shall take effect on the first day of the first month that begins more than 45 days after the date of the enactment of this Act and shall apply to services furnished during the five-year period beginning on that first day.

SEC. 2. ESTABLISHMENT OF GRANT PROGRAM.

Part B of title III of the Public Health Service Act is amended by inserting after section 314 the following new sections:

"GRANTS FOR PROGRAMS TO TEST BLOOD FOR THE PRESENCE OF ANTIBODIES TO THE HTLV-III VIRUS

"SEC. 315. (a) The Secretary shall make grants to State and local governments to establish programs to test blood to detect the presence of antibodies to the human T-cell lymphotrophic virus (hereinafter referred to as the 'HTLV-III virus'). Programs supported with grants under this section shall—

"(1) provide for the conduct of such tests at locations other than blood banks and other sites where blood and plasma are collected for use for medical transfusions;

"(2) provide for the conduct of such tests with a method of testing blood for the presence of antibodies to the HTLV-III virus which has been certified by the Secretary;

"(3) provide for the conduct of such tests without charge to any individual requesting such tests; and

"(4) provide referral services for any such individual to—

"(A) community agencies and health care providers qualified to evaluate the results of such a test; and

"(B) counseling services for such individuals, including mental health, financial, and legal services.

"(b) Any grant received by a State or local government under this section may be used by such government to—

"(1) conduct the blood tests referred to in this section directly or through grants to, or contracts with, public or private hospitals, clinics, or health care organizations;

"(2) purchase appropriate materials and kits for the conduct of such tests;

"(3) provide training for personnel who will conduct such tests;

"(4) pay the costs of hiring and compensating personnel to conduct such tests;

"(5) process the results of such tests; and

"(6) carry out such other activities relating to the conduct of such tests as the Secretary may permit by regulation.

"(c) No grant may be made to a State or local government under this section unless an application therefor is submitted to the Secretary. Each such application shall contain—

"(1) a description of the populations or geographical areas which will be tested; and

"(2) such other information as the Secretary may by regulation prescribe.

"(d) No individual who conducts a blood test supported by a grant under this section may disclose, or may be compelled to disclose, the identity or any identifying characteristics of any individual who has been a subject of such a test unless authorized by an appropriate order of a court of competent jurisdiction to disclose such identity or characteristics. Such an order may only be granted after application showing that a clear and imminent danger to the public safety will result if such identity or characteristics are not disclosed. An individual who has been such a subject shall be afforded a reasonable opportunity to participate in, or object to, the application. In assessing such an application, the court shall weigh the public interest and the need for disclosure of the identity or identifying characteristics of such individual against the injury to such individual that will result from such disclosure. Upon granting of such an order, the court shall impose appropriate safeguards against unauthorized disclosure of such individual's identity or identifying characteristics.

"(e)(1) No part of a grant made under this section may be used to supplant State or local funds that would be available to such State or local government to carry out the testing program supported under this section in the absence of such grant.

"(2) Not more than 5 percent of a grant under this section may be used for costs incurred to administer such grant.

"(f) The total amount of a grant under this section shall be obligated by a State or local government not later than 2 years after such grant is received by such government. Any part of such grant which is not obligated within such 2-year period shall be repaid to the Secretary by the State or local government immediately after the expiration of such 2-year period.

"(g)(1) Each State or local government which receives a grant under this section shall keep such records as the Secretary may require by regulation to facilitate an effective audit.

"(2) The Secretary and the Comptroller General of the United States shall have access, for the purpose of audit and examination, to any books, documents, and records of each State or local government which receives a grant under this section, if, in the opinion of the Secretary or the Comptroller General, such books, documents, and records are related to the receipt or use of any such grant.

"(3) No books, documents, or records kept under the provisions of this section may be used—

"(A) to initiate or substantiate any criminal charges against an individual who has been the subject of a test supported with a grant under this section; or

"(B) to conduct any investigation with respect to such an individual; or

"(C) as evidence in any civil action or proceeding against such an individual.

"(h) Within 30 days after the end of each fiscal year, each State or local government which receives a grant under this section shall prepare and transmit a report to the Secretary which describes the activities conducted by the State or local government with such grant. Within 90 days after the end of each fiscal year, the Secretary shall prepare and transmit a report to the Congress which summarizes the reports prepared by State or local governments under the preceding sentence and which contains such recommendations and additional information as the Secretary considers appropriate.

"(i) To carry out this section, there are authorized to be appropriated $20,000,000 for fiscal year 1988, and such sums as may be necessary for each of the fiscal years 1989 and 1990.".

"GRANTS FOR EDUCATION AND INFORMATION PROJECTS CONCERNING ACQUIRED IMMUNE DEFICIENCY SYNDROME

"SEC. 315A. (a)(1) The Secretary shall make grants to eligible State and local governments to support—

"(A) projects of education and information dissemination concerning acquired immune deficiency syndrome and the prevention and treatment of such syndrome; and

"(B) projects to facilitate the transfer and communication of information concerning acquired immune deficiency syndrome among agencies of State and local governments.

"(2) A State or local government which receives a grant to support a project described in paragraph (1) may carry out such project through grants to community organizations or local chapters of national organizations concerned with acquired immune deficiency syndrome.

"(b) For purposes of this section, the term 'eligible State or local government' means a State or local government to which, during the six month period immediately preceding the date on which an application under this section is made, a number of cases of acquired immune deficiency syndrome has been reported which exceeds by 20 percent the number of such cases reported to such government during the preceding six month period.

"(c) No grant may be made to a State or local government under this section unless an application therefor is submitted to the Secretary. Each such application shall contain—

"(1) a description of the project to be conducted with the grant; and

"(2) such other information as the Secretary may by regulation prescribe.

"(d) No individual who carries out a project supported by a grant under this section may disclose, or may be compelled to disclose, the identity or identifying characteristics of any individual who receives services from such project unless the individual who receives such services consents to such disclosure or the individual carrying out such project is authorized by an appropriate order of a court of competent jurisdiction to disclose such identity or characteristics. Such an order may only be granted after application showing that a clear and imminent danger to the public safety will result if such identity or characteristics are not disclosed. An individual who has received services from such a project shall be afforded a reasonable opportunity to participate in, or object to, the application. In assessing such an application, the court shall weigh the public interest and the need for disclosure of the identity or identifying characteristics of such individual against the injury to such individual that will result from such disclosure. Upon granting of such an order, the court shall impose appropriate safeguards against unauthorized disclosure of such individual's identity or identifying characteristics.

"(e)(1) No part of a grant made under this section may be used to supplant State or local funds that would be available to such State or local government to carry out the project supported under this section in the absence of such grant.

"(2) Not more than 5 percent of a grant under this section may be used for costs incurred to administer the project supported with such grant.

"(3) The Federal share of the costs of any project supported under this section shall be 100 percent.

"(f) The total amount of a grant under this section shall be obligated by a State or local government not later than 2 years after such grant is received by such government. Any part of such grant which is not obligated within such 2-year period shall be repaid to the Secretary by the State or local government immediately after the expiration of such 2-year period.

"(g)(1) Each State or local government which receives a grant under this section shall keep such records as the Secretary may require by regulation to facilitate an effective audit.

"(2) The Secretary and the Comptroller General of the United States shall have access, for the purpose of audit and examination, to any books, documents, and records of each State or local government which receives a grant under this section, if, in the opinion of the Secretary or the Comptroller General, such books, documents, and records are related to the receipt or use of any such grant.

"(3) No books, documents, or records kept under the provisions of this section may be used—

"(A) to initiate or substantiate any criminal charges against an individual who receives services from a project supported with a grant under this section; or

"(B) to conduct any investigation with respect to such an individual; or

"(C) as evidence in any civil action or proceeding against such an individual.

"(h) Within 30 days after the end of each fiscal year, each State or local government which receives a grant under this section shall prepare and transmit a report to the Secretary which describes the activities conducted by the State or local government with such grant. Within 90 days after the end of each fiscal year, the Secretary shall prepare and transmit a report to the Congress which summarizes the reports prepared by State or local governments under the preceding sentence and which contains such recommendations and additional information as the Secretary considers appropriate.

"(i) To carry out this section, there are authorized to be appropriated $75,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 and 1990.".

SEC. 3. SURVEY ON CHILDREN WITH ACQUIRED IMMUNE DEFICIENCY SYNDROME.

The Secretary of Health and Human Services shall conduct, or shall provide for the conduct of, a survey to determine—

(1) the total number of children in the United States with acquired immune deficiency syndrome who have been abandoned by their parents and are living in hospital environments;

(2) the total number of children in the United States with acquired immune deficiency syndrome who have been placed in foster care;

(3) the problems encountered by social service agencies in placing children with acquired immune deficiency syndrome in foster care; and

(4) recommendations for improving the care of children with acquired immune deficiency syndrome who lack ongoing parental involvement and support.

By Mr. MOYNIHAN:

S. 25. A bill to amend chapter 44 of title 18, United States Code, to prohibit the manufacture, transfer, or importation of .25 caliber and .32 caliber ammunition; to the Committee on the Judiciary.

VIOLENT CRIME PREVENTION ACT

● Mr. MOYNIHAN. Mr. President, "Children Killing Children" the headline reads. The Washington Post tells the story of an 11-year-old boy killed with a handgun for want of a $20 shirt. "Check in" (hand over) the young shootist said.

The Nation's sixth largest city has a population of 1.1 million and a gun supply of 1.5 million. That is over one gun per man, per woman, and per child. Reporter Bill McAllister tells us, "handguns are considered by many to be an essential household appliance and the diploma of manhood on the streets." The result: 479 fatal shootings in Detroit during the first 11 months of 1986, 38 of the shootings, children under 17 killed with handguns. Detroit leads the Nation in murders, but they are not alone.

On November 19, 1986, Larry Davis, wanted for five drug-related murders in New York City shot his way through a police cordon. Six officers were wounded. Davis had with him an arsenal of crime: shotgun, .45 automatic pistol, and .32-caliber revolver.

I have supported handgun control, and will continue to do so. But, to date, it has not been allowed to work. Therefore, a proposition: if we cannot do something about those 60 million handguns out there, let us do something about the ammunition they shoot. A handgun is of no use without bullets. While we have a two-century supply of handguns, we have a mere 4-year supply of ammunition. Defang the cobra. Impossible? No. We just did it with armor-piercing cop killer bullets.

On October 16, 1986, the next to last day of the 99th Congress, I introduced S. 2929, the Violent Crime Prevention Act, prohibiting the manufacture, import, and sale of .25 and .32 caliber ammunition. I do so again today.

These are murderous rounds; rounds for small concealable guns; cop killer rounds. Two examples: In 1981, Cox Newspapers did a survey of 14,268 crime guns seized by police in 18 metropolitan areas during the first 9 months of 1979. Cox found that of the 15 most popular crime guns, 4 were of .25 or .32 caliber.

More to the point, of handguns fired at New York City police officers, 1975–85, one-quarter were .25 or .32 caliber. These are the choice weapons of criminals. They are not the choice weapons of hunters or marksmen. So let's get on with it. I do not propose to do away with all guns or all ammunition, only those which are obviously the criminal's choice.

Would this end the problem, the awful problem of handgun killings? No. It would reduce it. It would take one weapon out of the hands of a Larry Davis. And it might just save the lives of a few children who are not yet ready to check in.

Mr. President, I ask unanimous consent that the text of the bill, as well as an article appearing in the Washington Post on December 4, 1986, be printed in the RECORD at this point.

There being no objection, the bill and article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 4, 1986]

CHILDREN KILLING CHILDREN

(By Bill McAllister)

DETROIT, Dec. 3.—Jeffrey Hilson, 11, was wearing the new, dark purple silk shirt—the one he had begged his mother to buy—when he and a friend were confronted by two teen-age boys.

A 14-year-old flashed a small, .38-cal. revolver and, in the lingo of Detroit's streets, demanded that Jeffrey "check in"—hand over—the $20 shirt.

Jeffrey and his companion raised their hands, but Jeffrey, who had just entered the 6th grade, never had a chance to remove the shirt. His would-be robber fired a single bullet into his upper abdomen and dashed off.

Two hours and 49 minutes later, Jeffrey Hilson died on an operating table, one of 38 Detroit residents under 17 to be killed this year with handguns.

Those deaths and the handgun shootings of 333 other children here have stirred a sharp, racially tinged debate that has placed popular and powerful Mayor Coleman A. Young on the defensive.

"Our children are killing our children," said Elnora Arrington, whose 19-year-old son, Keith, was killed this summer by a high school classmate who pulled a .25-cal. silver pistol from a belt and shot him four times.

Arrington and others charge that these killings—part of what the Federal Bureau of Investigation says is the highest murder rate in the nation—could be stopped, or at least slowed, if Young would act. He has not, and his critics allege that Young, who runs City Hall with an iron hand and an acerbic tongue, has only inflamed the issue.

Asked recently on Canadian television what he thought of a proposed handgun freeze for the city, Young snapped:

I'll be damned if I'm going to collect guns in the city of Detroit while we're surrounded by hostile suburbs and the whole rest of the state who have guns and where you have vigilantes or practicing Ku Klux Klan in the wilderness with automatic weapons."

The mayor's characteristically blunt statement not only infuriated many suburban residents, but it put Young, long regarded as one of the nation's most successful big-city mayors, at odds with the city's chief prosecutor, its two daily newspapers, gun-control advocates and many of his fellow big-city mayors.

Most of the nation's large cities have lower handgun crime rates, and many have chief executives, such as Washington's Marion Barry and New York's Edward I. Koch, who long have championed tough gun laws.

No one here disputes that Detroit—the nation's sixth-largest city, with 1.1 million residents—is a tough town. Police estimate that there are 1.5 million guns in private hands.

FBI statistics show that Detroit's murder rate last year was almost double that of its closest rival, Dallas, and that the use of handguns in murders was well ahead of the rates in other major cities.

City officials point out that the overall crime rate here has dropped and that the number of murders peaked in 1974 at 714. They attribute the improvement to Young's restoration of 1,000 laid-off officers to the police force. But the murder rate this year is running slightly ahead of 1985, and police specifically declined to discuss why so many children are being killed with handguns.

The 479 fatal-shooting victims this year include five police officers, one of whom was killed the morning of Sept. 27, the mayor's proclaimed "No Crime Day." The officer was shot by a gun owner who mistook him for a prowler.

A bill narrowly passed by the City Council last week mandates a 60- to 90-day sentence for anyone using a handgun while committing a misdemeanor, extending a state law that requires a two-year sentence for the use of a handgun in a felony.

Facing mounting pressure from a vocal but small group of activists and a Monday deadline to act on the bill, Young indicated this week that he will not sign it, saying Michigan's jails are too crowded already. But he said he would announce by Christmas an anticrime package focusing on the problem of youths shooting each other.

The only element of it to be made public so far is an increase in the police department's gang squad.

"He believes that even if you could take away every gun in the city, you would still have crime here," said Young spokesman Bob Berg, who describes the 68-year-old mayor as a "no-nonsense, tough anticrime person."

Young's willingness to act could be decisive, said Neal Shine, senior managing editor of the Detroit Free Press, because "the only thing you have to understand about this city is that power absolutely and singularly rests in the hands of the mayor. . . . If he decides to ignore an issue, he's got a constituency that won't call him on it.

"The people here think so much of him that they'll avoid doing anything that smacks of divisiveness."

"Until Young indicated a willingness to address the issue, some people were furious that the city government appeared less concerned about the slaying of Detroit children than it did six years ago when Young dispatched a ranking detective to Atlanta to help investigate the serial murders of children there.

"Somehow, nobody in Detroit is alarmed," said the Rev. Walter E.W. Skerritt, a Baptist minister and head of a Young-appointed committee on youth. "There is a fear of something here. I don't know what it is. Maybe the people are waiting for their leaders."

"It is an incredible phenomenon," said John O'Hair, the city's Democratic prosecutor, who has broken with Young over the issue. "I don't know what the answer is, but something has to be done.

"The people in this city are poor," said Sister Angela M. Hibbard, a Catholic nun who this week arranged a prayer vigil for 41 children killed by handguns. It attracted only 100 people. "They don't know how to do anything for themselves. They don't know how to bitch and push.

The mayor's opponents say his views are a throwback to an era when a predominantly white police force ran Detroit as if it were, in Berg's words, "a white army of occupation."

The city's 1967 riots, which involved 43 deaths and $500 million in property damage, marked the end of that era and, some say, provided Young with a mandate for political and social change unseen in many major cities. The glistening towers of the Renaissance Center along the downtown waterfront are a monument to Young's political tenacity and economic influence.

At night, however, Young's well-lit downtown may be the safest place in a city where, according to chief juvenile court prosecutor Ron Schigar, many young people grow up believing that "If it's mine, it's mine, and if it's yours, it's mine if I can get it."

It is a deadly attitude in a city where handguns are considered by many to be an essential household appliance and the diploma of manhood on the streets.

"People are not coming into the city from the suburbs and killing us," said Charles Harper, a black psychologist who works with many juvenile criminals here. "We are killing ourselves."

The mayor's comments on guns have fueled the impression, said Hibbard, that "he perceives the black community as a community that needs to be armed and wants to be armed. Like Reagan on Star Wars, no amount of reason will shake that belief."

"Detroit is like a large, southern country town in many ways," said Skerritt, whose 19-year-old daughter survived a gunshot head wound inflicted by another teen-ager last year. "There is a love affair with the handgun here."

Despite Michigan's tough gun laws, many residents say handguns are available for the asking on some street corners. Police said the 14-year-old who shot Jeffrey Hilson paid $20 for his gun—the same price as the shirt he wanted. Arrington said her son's death so angered her that she went out on the street and 45 minutes later had purchased an Uzi automatic weapon for $45.

Young has said he would support a national law like the one in force across the narrow Detroit River in Windsor, Ontario, where handguns are outlawed—even for Detroit police officers accompanying Young on a visit there.

Police in that city of 200,000 have recorded one handgun murder in the past 15 months, and have posted warnings about Canada's strict gun laws at major crossings.

In Detroit, where murders occur at the rate of more than one a day, gunplay is almost random and children frequently are caught in the crossfire—some of it linked to the soaring trafficking in "crack," the concentrated form of cocaine.

Tanisha Baldwin, 8, of Houston, was visiting relatives when she was killed by shots fired into a family member's house in August. Police told reporters they thought the assailants fired into the wrong house in a dispute over drug territories.

Melody Rucker, 16, was gunned down this summer as she stood outside a friend's house saying goodbye to some of the 50 youngsters who had attended a chaperoned party there. Her assailants were thought to be party-crashers turned away earlier.

Prosecutors say that assaults over expensive running shoes and certain types of jackets are so frequent that many parents worry about the clothes their children wear to school. One jacket style, popularized by a defunct gang called "Good Boys Inc.," proved so attractive to robbers that its maker withdrew it from the Detroit market.

The gun problem is gang-related, according to psychologists and prosecutors who work in the city's juvenile courts.

"These kids are not sophisticated enough to form that type of relationship and friendships," said Schigar, the juvenile court prosecutor. For the most part they are loners, convinced "that everybody has to have a gun.

Prosecutors cite the remorselessness of the two teen-agers charged in Jeffrey Hilson's killing as typical of many young criminals here. The two suspects, age 14 and 15, allegedly continued on a mini-crime spree, attempting to steal a car and rob two other people at gunpoint while police, two blocks away, came to Jeffrey's aid.

The Rev. Orris Walker, speaking at the prayer vigil this week, blamed television for making "violence an acceptable way of life."

Others cited deterioration of the family and teen-age pregnancies. "A child can't teach a child," said Delores Dumas, grandmother of victim Keith Arrington.

While Detroit residents, including Young, have long prided themselves on their ability to overcome adversity, life here used to be easier for the poor and ill-educated.

"For years you could either finish high school or drop out and then sign up for a job on the [auto assembly] line and have a good job for life," Berg said. With robots replacing workers at the plants, "those jobs, if not all gone, are almost all gone," he said.

One-fourth of all workers here are unemployed, reflecting what officials say is the true extent of the "hopelessness" Young sees among many here. City officials note that 70 percent of Detroit's population is black, and they estimate that 62 percent of the city's black teen-agers have no jobs. Economist say further layoffs planned by the auto industry are likely to drive unemployment higher.

Even if unskilled jobs open in the auto industry, they are claimed by senior workers bumped from jobs that were eliminated.

Law enforcement officials say that the only high-paying jobs for unskilled laborers now are in the city's rampant illegal drug industry, running or selling drugs at wages of $100 a day or more. Any youngster with a legitimate job—at a fast-food restaurant, for instance—is ridiculed as working for "chump change," Schigar said.

As a result, nighttime Detroit can feel like a ghost town. "You don't want to go out in the streets and confront these kids," psychologist Harper said. "They're dangerous."

DETROIT'S 'HOSTILE SUBURBS'

YOUNG CITES STUDY, GOVERNMENT ACTIONS

DETROIT, Dec. 3.—Mayor Coleman A. Young's assertion that his city is surrounded by "hostile suburbs" is based on a recent University of Michigan study and the action of some area governments, according to his spokesman.

Sociologist Reynolds Farley, in a recently published study, found that Detroit and Chicago had the most racially segregated housing patterns in the nation. Detroit; which is 70 percent black, was ranked as the most segregated community by census tract, according to the study.

That survey, coupled with recent actions by some of Detroit's largely white suburbs, provide the foundation for Young's statement, according to Bob Berg, the mayor's press secretary.

Berg noted these recent actions by Detroit's neighboring localities:

Warren, a city of 161,134 residents, was sued by the Justice Department for having no blacks on its payroll of 924. According to the 1980 census, Warren, which abuts Detroit to the north, had 297 black residents.

Dearborn, a community of 86,544 southwest of downtown Detroit, has long had a reputation for being a whites-only enclave, and this year fought an unsuccessful battle to keep non-residents out of its public parks.

Grosse Pointe Park, a community of 13,761 east of Detroit, recently discussed building an earthen wall, partly to protect its Lake St. Clair shoreline but also to separate it from the city.

"If you try to build a wall and try to keep me out of your parks, he [Young] will consider that you're hostile to him," Berg said.—Bill McAllister

S. 25

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Violent Crime Prevention Act".

SEC. 2. Section 922(a) of title 18, United States Code, is amended by—

(1) striking out "and" at the end of paragraph (7);

(2) striking out the period at the end of paragraph (8) and inserting in lieu thereof a semicolon; and

(3) adding at the end thereof the following:

"(9) for any person to manufacture, transfer, or import .25 or .32 caliber ammunition, except that this paragraph shall not apply to—

"(A) the manufacture or importation of such ammunition for the use of the United States or any department or agency thereof or any State or any department, agency, or political subdivision thereof; and

"(B) any manufacture or importation for testing or for experimenting authorized by the Secretary; and

"(10) for any manufacturer or importer to sell or deliver .25 or .32 caliber ammunition, except that this paragraph shall not apply to—

"(A) the sale or delivery by a manufacturer or importer of such ammunition for the use of the United States or any department, agency, or political subdivision thereof; and

"(B) the sale or delivery by a manufacturer or importer of such ammunition for testing or for experimenting authorized by the Secretary.".

SEC. 3. Section 923(a)(1)(A) of title 18, United States Code, is amended to read as follows:

"(A) of destructive devices, ammunition for destructive devices, armor piercing ammunition, or .25 or .32 caliber ammunition, a fee of $1,000 per year;".

SEC. 4. Section 923(a)(1)(C) of title 18, United States Code, is amended to read as follows:

"(C) of ammunition for firearms other than destructive devices, or armor piercing or .25 or .32 caliber ammunition for any firearm, a fee of $10 per year.".

SEC. 5. Section 923(a)(2) of title 18, United States Code, is amended to read as follows:

"(2) If the applicant is an importer—

"(A) of destructive devices, ammunition for destructive devices, or armor piercing or .25 or .32 caliber ammunition for any firearm, a fee of $1,000 per year; or

"(B) of firearms other than destructive devices or ammunition for firearms other than destructive devices, or ammunition other than armor piercing or .25 or .32 caliber ammunition for any firearm, a fee of $50 per year.".

SEC. 6. Section 923 of title 18, United States Code, is amended by adding at the end thereof the following:

"(1) Licensed importers and licensed manufacturers shall mark all .25 and .32 caliber ammunition and packages containing such ammunition for distribution, in the manner prescribed by the Secretary by regulation.".

SEC. 7. Section 929(a)(1) of title 18, United States Code, is amended by—

"(1) inserting ", or with .25 or .32 caliber ammunition," after "possession of armor piercing ammunition"; and

"(2) inserting ", or .25 or .32 caliber ammunition," after "armor-piercing handgun ammunition".

SEC. 8. This Act and the amendments made by this Act shall take effect on the first day of the first calendar month which begins more than 90 days after the date of enactment of this Act.

By Mr. MOYNIHAN:

S. 26. A bill to extend authorization of the Federal Crime Insurance Program under the National Housing Act; to the Committee on Banking, Housing, and Urban Affairs.

EXTENSION OF FEDERAL CRIME INSURANCE PROGRAM

Mr. MOYNIHAN. Mr. President, I rise today to introduce a bill which extends authorization for the Federal Crime Insurance Program [FCIP] under the National Housing Act through September 1991. The continuation of this program is essential for the protection of residential and commercial property in those areas which are plagued by high crime rates.

Congress established the Federal Crime Insurance Program under the Housing and Urban Development Act in 1970, and last extended the program through September 30, 1987 as part of the Federal Housing Administration Reauthorization Act of 1986 (P.L. 99-430).

The program provides affordable insurance against robbery, theft, burglary and vandalism to tens of thousands of businesses and residents of high crime areas—insurance not otherwise affordable in the private insurance markets. In 1986, more than 30,000

FCIP policies were held by businesses and homeowners in over 23 States, at a total value of more than $350 million. Roughly one-third of FCIP beneficiaries are small businesses located in areas engulfed by crime and vandalism. Many of these businesses, absent support from the FCIP, might abandon their neighborhoods to further decay, taking with them jobs and eroding the tax base.

The Federal Crime Insurance Program is particularly important to New York State. More than 18,000 New York residents and businesses hold FCIP policies—57 percent of all policies issued—worth more than $200 million, in neighborhoods which vitally need continued support and investment. Between October 1985 and October 1986, $5.5 million in claims were paid to New Yorkers, comprising 68 percent of all claims paid during that time.

The FCIP serves an important segment of the population—no less important than similar programs which provide crop and flood insurance. The Federal Crime Insurance Program is an effective means to protect and encourage business investment in high-crime areas. I strongly urge my colleagues to reauthorize it for the next 4 years. I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 26

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF FEDERAL CRIME INSURANCE PROGRAM.

Section 1201(b)(1) of the National Housing Act (12 U.S.C. 1749bbb) is amended—

(1) by striking out "parts C and D shall terminate on September 30, 1987" in the matter preceding subparagraph (A), and inserting in lieu thereof "parts C and D shall terminate on September 30, 1991", and

(2) by striking out "September 30, 1986" in subparagraph (A) and inserting in lieu thereof "September 30, 1992".

By Mr. MOYNIHAN (for himself and Mr. Baucus):

S. 27. A bill to establish the American Conservation Corps, and for other purposes; to the Committee on Energy and Natural Resources.

AMERICAN CONSERVATION CORPS ACT

Mr. MOYNIHAN. Mr. President, today I rise—for the fourth time in 6 years—to introduce legislation to create an American Conservation Corps [ACC]. I have pledged to keep at this until we get it right, and I intend to fulfill that commitment.

The ACC is a program that will employ thousands of youth to perform much needed conservation and rehabilitation work on Federal, State, local, and Indian lands. Patterned after the highly successful Civilian Conservation Corps [CCC] of the New Deal era, the ACC would provide year-round and summer employment opportunities for disadvantaged youths between the ages of 16 and 25.

As we are all painfully aware, two elements of the Great Depression still linger: youth unemployment and deterioration of our national resources. In my own State of New York, 90,000 youths aged 16 to 19 were unemployed in the first 6 months of 1986. More than 20 percent of New York's unemployed are teenagers, and this reflects a pattern of youth unemployment that plagues the country. Nationwide, in November 1986—December's figures are not available until Friday—18.4 percent of Americans 16 to 19 were unemployed; 35.1 percent of black teenagers were unemployed. Of the 8.3 million unemployed Americans in November, 36.3 percent were under the age of 25.

The legislation I introduce today is the same as passed the Senate during the final week of the 99th Congress as part of a bill to establish the Cuyahoga Valley National Recreation Area (H.R. 4645). The bill authorizes $75 million annually for fiscal years 1987-89; 80 percent of the funds are administered by the Department of the Interior—Park Service lands, 25 percent; Indian lands, 5 percent; and State grants, 50 percent—and 20 percent by the Department of Agriculture—Forest Service lands, 15 percent; and other Federal agencies, 5 percent. Fifty percent of the funds would be awarded to States and localities in the form of competitive grants. Awards would be based on: the size of the State's unemployed youth population; the conservation, rehabilitation and improvement needs of the State's public lands; and local support for the program. States would be required to match the Federal funds, dollar to dollar.

Mr. President, I earlier referred to the ACC's tortuous legislative history. Permit me to explain. The measure was first introduced as the Public Lands Rehabilitation, Conservation and Improvement Act of 1981 (H.R. 4861). This bill was passed by the House on June 9, 1982, by a vote of 291 to 102. The House voted again, in December 1982, to approve the ACC, but the Senate did not act. Nor did the Senate act on S. 2061, a companion bill that Senator Mathias and I had introduced on February 3, 1982.

Thereafter, on the first day of the 98th Congress, Senator Mathias and I reintroduced the ACC legislation as S. 27. Our measure attracted bipartisan support from 22 cosponsors. The House overwhelmingly approved a companion bill on March 1, 1983, by a vote of 301 to 87. On May 13, 1983, the Senate Energy and Natural Resources Committee voted 18 to 1 to report H.R. 999 as a shell authorization bill, and Senator Mathias and I set about working with committee members to draft a compromise agreement to be offered as a substitute. Negotiations on the amendment, which was to delineate program details, required more than 1 year.

On October 3, 1984, the amendment was agreed to in the Senate by unanimous consent; 6 days later the Senate amendment was concurred to, and H.R. 999, as amended, was passed by the House by vote of 296 to 75. Yet despite such persistent support, President Reagan pocket vetoed the measure.

On January 3, 1985, this bill was again introduced in the House, (H.R. 99) and was passed by a vote of 193 to 191 on July 11, 1985. On October 17, an amended version of S. 27 was offered as part of a floor amendment to H.R. 4645, a bill to establish the Cuyahoga Valley National Recreation Area. The amendment, and the bill as amended, were passed by unanimous consent. Unfortunately, Senator McClure's amendment also included the provisions of a controversial bill to provide for competitive oil and gas leasing, provisions which the House found unacceptable. And so, Mr. President, the ACC once again failed to be enacted, despite the support of both Houses of Congress.

The bill I introduced today—Representative Udall is introducing identical legislation in the House—is the same text which passed the Senate during those waning hours of the 99th Congress. This time, I hope, we can finally do it right.

We have estimated that the ACC would provide jobs for approximately 28,000 youths annually. The legislation specifically directs the Secretaries of Interior and Agriculture to make special efforts in recruiting and employing economically, socially, educationally and physically disadvantaged youths at an hourly salary just below minimum wage.

The array of available work includes wildlife habitat and conservation, rehabilitation and improvement; urban revitalization; recreational area development and maintenance; road and trail maintenance and improvement; erosion, flood, drought and storm damage control; insect, disease, rodent and fire prevention and control; and improvement of abandoned railroad beds and rights of way; and energy conservation projects.

Mr. President, it is not often we have the ability to enact legislation that will unequivocally produce successful results. The Young Adult Conservation Corps returned $1.20 in appraised conversation work for each $1 expended. The YCC returned $1.04. State programs have done even better. The budget deficit looms, yes, but so does the future of the youth of this country. Which will be with us longer? I urge my colleagues to choose the latter.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 27

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "American Conservation Corps Act of 1987".

SEC. 2. CONGRESSIONAL FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) conserving or developing natural and cultural resources and enhancing and maintaining environmentally important lands and waters through the use of the Nation's young men and women is beneficial not only to the youth of the Nation by providing them with education and work opportunities but also for the Nation's economy and its environment; and

(2) through this work experience opportunity, the Nation's youth will further their understanding and appreciation of the natural and cultural resources in addition to learning basic and fundamentl work ethics including discipline, cooperation, understanding to live and work with others, and learning the value of a day's work for a day's wages.

(b) PURPOSE.—It is the purpose of this Act to—

(1)(A) enhance and maintain conservation, rehabilitation, and improvement work on public lands and Indian lands,

(B) improve and restore public lands and Indian lands, resources, and facilities,

(C) conserve energy, and

(D) restore and maintain community lands, resources, and facilities;

(2) establish an American Conservation Corps to carry out a program to improve, restore, maintain, and conserve these lands and resources in the most cost-effective manner;

(3) assist State and local governments and Indian tribes in carrying out needed public land and resource conservation, rehabilitation, and improvement projects;

(4) provide for implementation of the program in such manner as will foster conservation and the wise use of natural and cultural resources through the establishment of working relationships among the Federal, State, and local governments, Indian tribes, and other public and private organizations; and

(5) increase (by training and other means) employment opportunities for young men and women including, but not limited to, those who are economically, socially, physically, or educationally disadvantaged and who may not otherwise be productively employed.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) The term "public lands" means any lands or waters (or interest therein) owned or administered by the United States or by any agency or instrumentality of a State or local government.

(2) The term "program" means all activities carried out under the American Conservation Corps established by this Act.

(3) The term "program agency" means any agency designated by the Governor to manage the program in that State, and the governing body of any Indian tribe.

(4) The term "Indian tribe" means any Indian tribe, band, nation, or other group which is recognized as an Indian tribe by the Secretary of the Interior. Such term also includes any Native village corporation, regional corporation, and Native group established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1701 et seq.).

(5) The term "Indian" means a person who is a member of an Indian tribe.

(6) The term "Indian lands" means any real property owned by an Indian tribe, any real property held in trust by the United States for Indian tribes, and any real property held by Indian tribes which is subject to restrictions on alienation imposed by the United States.

(7) The term "employment security service" means the agency in each of the several States with responsibility for the administration of unemployment and employment programs, and the oversight of local labor conditions.

(8) The term "chief administrator" means the head of any program agency as that term is defined in paragraph (3).

(9) The term "enrollee" means any individual enrolled in the American Conservation Corps in accordance with section 5.

(10) The term "crew leader" means an enrollee appointed under authority of this Act for the purpose of supervising other enrollees engaged in work projects pursuant to this Act.

(11) The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(12) The term "economically disadvantaged" with respect to youths has the same meaning given such term in section 4(8) of the Job Training Partnership Act.

SEC. 4 AMERICAN CONSERVATION CORPS PROGRAM.

(a) ESTABLISHMENT OF AMERICAN CONSERVATION CORPS.—There is hereby established an American Conservation Corps.

(b) REGULATING AND ASSISTANCE.—Not later than 120 days after the enactment of this Act, the Secretary of the Interior and the Secretary of Agriculture, after consultation with the Secretary of Labor, shall jointly promulgate the regulations necessary to implement the American Conservation Corps established by this Act. Within 30 days after the enactment of this Act, the Secretary of the Interior and the Secretary of Agriculture shall establish procedures to give program agencies and other interested parties, including the public, adequate notice and opportunity to comment upon and participate in the formulation of such regulations. The regulations shall include provisions to assure uniform reporting on the activities and accomplishments of American Conservation Corps programs, demographic characteristics of enrollees in the American Conservation Corps, and such other information as may be necessary to prepare the annual report under section 10.

(c) PROJECTS INCLUDED.—The American Conservation Corps established under this section may carry out such projects as—

(1) conservation, rehabilitation, and improvement of wildlife habitat, rangelands, parks, and recreational areas;

(2) urban revitalization and historical and cultural site preservation;

(3) fish culture and habitat maintenance and improvement and other fishery assistance;

(4) road and trail maintenance and improvement;

(5)(A) erosion, flood, drought, and storm damage assistance and controls,

(B) stream, lake, and waterfront harbor and port improvement, and

(C) wetlands protection and pollution control;

(6) insect, disease, rodent, and fire prevention and control;

(7) improvement of abandoned railroad bed and right-of-way;

(8) energy conservation projects, renewable resource enhancement, and recovery of biomass;

(9) reclamation and improvement of strip-mined land; and

(10) forestry, nursery, and silvicultural operations.

(d) PREFERENCE FOR CERTAIN PROJECTS.—The program shall provide a preference for those projects which—

(1) will provide long-term benefits to the public;

(2) will instill in the enrollee involved a work ethic and a sense of public service;

(3) will be labor intensive; and

(4) can be planned and initiated promptly.

(e) LIMITATION TO PUBLIC LANDS.—Projects to be carried out by the American Conservation Corps shall be limited to projects involving other lands will provide a documented public benefit as determined by the Secretary of the Interior or the Secretary of Agriculture. The regulations promulgated under subsection (b) shall establish the criteria necessary to make such determinations.

(f) CONSISTENCY.—All projects carried out under this Act for conservation, rehabilitation, or improvement of any public lands or Indian lands shall be consistent with the provisions of law and policies relating to the management and administration of such lands, will all other applicable provisions of law, and with all management, operational, and other plans and documents which govern the administration of the area.

(g) APPLICATION PROCEDURES.—(1) Each program agency may apply for approval to participate in the American Conservation Corps under this Act.

(2) Applications for participation in the American Conservation Corps on Federal public lands shall be submitted to the Secretary of the Interior or the Secretary of Agriculture in such manner as is provided for by the regulations promulgated under subsection (b). Applications for participation in the American conservation Corps on non-Federal public lands or Indian Lands shall be submitted to the Secretary of the Interior. Applications for participation in the American Conservation Corps on projects on lands described in subsection (e) shall be submitted to the Secretary of Agriculture or the Secretary of the Interior as the case may be. No application may be submitted to the Secretary of the Interior or the Secretary of Agriculture before the 30-day period for review and comment by the Appropriate State Job Training Coordinating Council (established under the Job Training Partnership Act), if any, which shall consult with the appropriate Private Industry Council, or Councils, in the area in which a project is carried out. Comments of the State Job Training Coordinating Council and private Industry Council shall be forwarded to the Secretary at the time the grant application is submitted.

(3) Each application under this section must be approved by the Secretary of the Interior or the Secretary of Agriculture, as the case may be, and shall contain—

(A) a comprehensive description of the objectives and performance goals for the program, a plan for managing and funding the program, and a description of the types of projects to be carried out, including a description of the types and duration of training and work experience to be provided;

(B) a plan to make arrangements for certification of the training skills acquired by enrollees and award of academic credit to enrollees for competencies developed from training programs or work experience obtained under this Act;

(C) an estimate of the number of enrollees and crew leaders necessary for the proposed projects, the length of time for which the services of such personnel will be required, and the services which will be required for their support;

(D) a description of the location and types of facilities and equipment to be used in carrying out the programs; and

(E) such other information as the Secretary of the Interior and the Secretary of Agriculture shall prescribe.

(4) In approving the location and type of any facility to be used in carrying out the program, the Secretary of the Interior and the Secretary of Agriculture shall give due consideration to—

(A) the proximity of any such facility to the work to be done;

(B) the cost and means of transportation available between any such facility and the homes of the enrollees who may be assigned to that facility;

(C) the participation of economically, socially, physically, or educationally disadvantaged youths;

(D) the cost of establishing, maintaining, and staffing the facility.

Every effort shall be made to assign youths to facilities as near to their homes as practicable.

(5)(A) Every program shall have sufficient supervisory staff appointed by the chief administrator which may include enrollees who have displayed exceptional leadership qualities.

(B) No project shall be undertaken without the on-site presence of knowledgeable and competent supervision, and all projects undertaken shall be documented in advance in an approved written project plan.

(h) Local Participation.—Any State carrying out a program under this Act shall provide a mechanism under which local governments and nonprofit organizations within the State may be approved by the State to participate in the American Conservation Corps.

(i) Agreements.—Program agencies may enter into contracts and other appropriate arrangements with local government agencies and nonprofit organizations for the operation or management of any projects or facilities under the program.

(j) Joint Projects.—

(1) Department of labor.—The Secretary of the Interior and the Secretary of Agriculture are authorized to develop jointly with the Secretary of Labor regulations designed to allow, where appropriate, joint projects in which activities supported by funds authorized under this Act are coordinated with activities supported by funds authorized under employment and training statutes administered by the Department of Labor (including the Job Training Partnership Act). Such regulations shall provide standards for approval of joint projects which meet both the purposes of this Act and the purposes of such employment and training statutes under which funds are available to support the activities proposed for approval. Such regulations shall also establish a single mechanism for approval of joint projects developed at the State or local level.

(2) Department of defense.—The Secretary of the Interior, the Secretary of Agriculture, and program agencies may enter into agreements, jointly or separately, with the Secretary of Defense to assist the military by carrying out projects under this Act. Such projects may be carried out on a reimbursable basis or otherwise.

SEC. 5. ENROLLMENT, FUNDING, AND MANAGEMENT.

(a) Enrollment in Program.—(1)(A) Enrollment in the American Conservation Corps shall be limited to individuals who, at the time of enrollment, are—

(i) unemployed;

(ii) not less than 16 years or more than 25 years of age (except that programs limited to the months of June, July, and August may include individuals not less than 15 years and not more than 21 years of age at the time of their enrollment); and

(iii) citizens or nationals of the United States (including those citizens of the Northern Mariana Islands as defined in Public Law 98-213 (97 Stat. 1459)) or lawful permanent residents of the United States.

(B) Special efforts shall be made to recruit and enroll individuals who, at the time of enrollment, are economically disadvantaged.

(C) In addition to recruitment enrollment efforts required in subparagraph (B), the Secretary of the Interior and the Secretary of Agriculture shall make special efforts to recruit enrollees who are socially, physically, and educationally disadvantaged youths.

(D) Notwithstanding subparagraph (A), a limited number of special corps members may be enrolled without regard to their age so that the corps may draw upon their special skills which may contribute to the attainment of the purposes of the Act.

(2) Except in the case of a program limited to the months of June, July, and August, individuals who at the time of applying for enrollment have attained 16 years of age but not attained 19 years of age, and who are no longer enrolled in any secondary school shall not be enrolled unless they give adequate written assurances, under criteria to be established by the Secretary of the Interior and the Secretary of Agriculture, that they did not leave school for the express purpose of enrolling. The regulations promulgated under section 4(b) shall provide such criteria.

(3) The selection of enrollees to serve in the American Conservation Corps shall be the responsibility of the chief administrator of the program agency. Enrollees shall be selected from those qualified persons who have applied to, or been recruited by, the program agency, a State employment security service, a local school district with an employment referral service, an administrative entity under the Job Training Partnership Act, a community or community-based nonprofit organization, the sponsor of an Indian program, or the sponsor of a migrant or seasonal farmworker program.

(4)(A) Except for a program limited to the months of June, July, and August, any qualified individual selected for enrollment may be enrolled for a period not to exceed 24 months. When the term of enrollment does not consist of one continuous 24-month term, the total of shorter terms may not exceed 24 months.

(B) No individual may remain enrolled in the American Conservation Corps after that individual has attained the age of 26 years, except as provided in subsection (a)(1)(D) of this section.

(5) Within the American Conservation Corps the directors of programs shall establish and stringently enforce standards of conduct to promote proper moral and disciplinary conditions. Enrollees who violate these standards shall be transferred to other locations, or dismissed, if it is determined that their retention in that particular program, or in the Corps, will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees. Such disciplinary measures will be subject to expeditious appeal to the appropriate Secretary.

(b) Services, Facilities, Supplies.—The program agency shall provide facilities, quarters, and board (in the case of residential facilities), limited and emergency medical care, transportation from administrative facilities to work sites, and other appropriate services, supplies, and equipment. The Secretary of the Interior and the Secretary of Agriculture may provide services, facilities, supplies, and equipment to any program agency carrying out projects under this Act. Whenever possible, the Secretary of the Interior and the Secretary of Agriculture shall make arrangements with the Secretary of Defense to have logistical support provided by a military installation near the work site, including the provision of temporary tent centers where needed, and other supplies and equipment. Basic standards of work requirements, health, nutrition, sanitation, and safety for all projects shall be established and enforced.

(c) Requirement of Payment for Certain Services.—Enrollees shall be required to pay a reasonable portion of the cost of room and board provided at residential facilities into rollover funds administered by the appropriate program agency. Such payments and rates are to be established after evaluation of costs of providing the services. The rollover funds established pursuant to this section shall be used solely to defray the costs of room and board for enrollees. The Secretary of the Interior and the Secretary of Agriculture and the Secretary of Defense are authorized to make available to program agencies surplus food and equipment as may be available from Federal programs.

SEC. 6. FEDERAL AND STATE EMPLOYMENT STATUS.

Enrollees, crew leaders, and volunteers are deemed as being responsible to, or the responsibility of, the program agency administering the project on which they work. Except as otherwise specifically provided in the following paragraphs, enrollees and crew leaders in projects for which funds have been authorized pursuant to section 13 shall not be deemed Federal employees and should not be subject to the provisions of law relating to Federal employment:

(1) For purposes of subchapter I of chapter 81 of title 5, United States Code, relating to the compensation of Federal employees for work injuries, enrollees and crew leaders serving American Conservation Corps program agencies shall be deemed employees of the United States within the meaning of the term "employee" as defined in section 8101 of title 6, United States Code, and the provi-

sion of that subchapter shall apply, except—

(A) the term "performance of duty" shall not include any act of an enrollee or crew leader while absent from his or her assigned post of duty, except while participating in an activity authorized by or under the direction and supervision of a program agency (including an activity while on pass or during travel to or from such post of duty); and

(B) compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee's or crew leader's employment is terminated.

(2) For purposes of chapter 171 of title 28, United States Code, relating to tort claims procedure, enrollees and crew leaders on American Conservation Corps projects shall be deemed employees of the United States within the meaning of the term "employee of the Government" as defined in section 2671 of title 28, United States Code.

(3) For purposes of section 5911 of title 5, United States Code, relating to allowances for quarters, enrollees and crew leaders shall be deemed employees of the United States within the meaning of the term "employee" as defined in that section.

SEC. 7. USE OF VOLUNTEERS.

Where any program agency has authority to use volunteer services in carrying out functions of the agency, such agency may use volunteer services for purposes of assisting projects carried out under this Act and may expend funds made available for those purposes to the agency, including funds made available under this Act, to provide for services or costs incidental to the utilization of such volunteers, including transportation, supplies, lodging, subsistence, recruiting, training, and supervision. The use of volunteer services permitted by this section shall be subject to the condition that such use does not result in the displacement of any enrollee.

SEC. 8. TENNESSEE VALLEY AUTHORITY.

The Board of Directors of the Tennessee Valley Authority may accept the services of volunteers and provide for their incidental expenses to carry out any activity of the Tennessee Valley Authority except policymaking or law or regulatory enforcement. Such volunteers shall not be deemed employees of the United States Government except for the purposes of chapter 81 of title 5 of the United States Code, relating to compensation for work injuries, and shall not be deemed employees of the Tennessee Valley Authority except for the purposes of tort claims to the same extent as a regular employee of the Tennessee Valley Authority would be under identical circumstances.

SEC. 9. SPECIAL RESPONSIBILITIES.

(a) Pay.—(1) The rate of pay for enrollees shall be the equivalent of 95 percent of the pay rate for members of the Armed Forces in the enlisted grade E-1 who have served for four months or more on active duty, from which a reasonable charge for enrollee room and board shall be deducted by the program agency.

(2) Enrollees shall receive $50 cash incentive stipends for every three months of enrollment in the program.

(3) The rate of pay for crew leaders shall be at a wage comparable to the compensation in effect for grades GS-3 to GS-7.

(b) Coordination.—The Secretary of the Interior and the Secretary of Agriculture and the chief administrators of program agencies carrying out programs under this Act shall coordinate the programs with related Federal, State, local, and private activities.

(c) Certification and Academic Credit.—Pursuant to the provisions of subparagraphs (B) and (C) of section 4(g)(3), the Secretary of the Interior and the Secretary of Agriculture shall provide guidance and assistance to program agencies in securing certification of training skills or academic credit for competencies developed under this Act.

(d) Research and Evaluation.—The Secretary of the Interior shall provide for research and evaluation to—

(1) determine costs and benefits, tangible and otherwise, of work performed under this Act and of training and employable skills and other benefits gained by enrollees, and

(2) identify options for improving program productivity and youth benefits, which may include alternatives for—

(A) organization, subjects, sponsorship, and funding of work projects;

(B) recruitment and personnel policies;

(C) siting and functions of facilities;

(D) work and training regimes for youth of various origins and needs; and

(E) cooperative arrangements with programs, persons, and institutions not covered under this Act.

(e) CCC Sites.—The Secretary of the Interior, after consultation with the Secretary of Agriculture, shall study sites at which Civilian Conservation Corps activities were undertaken for purposes of determining a suitable location and means to commemorate the Civilian Conservation Corps. Not later than one year after the date of the enactment of this Act, the Secretary of the Interior shall submit a report to the Congress containing the results of the study carried out under this section. The report shall include cost estimates and recommendations for any legislative action.

(f) Study.—(1) Program agencies shall not use more than 10 percent of the funds available to them to provide training and educational materials and services for enrollees and may enter into arrangements with academic institutions or education providers, including local education agencies, community colleges, four-year colleges, area vocational-technical schools and community based organizations, for academic study by enrollees during nonworking hours to upgrade literacy skills, obtain a high school diploma or its equivalency, or college degrees, or enhance employable skills. Enrollees who have not obtained a high school diploma or its equivalency shall have priority to receive services under this subsection. Whenever possible, an enrollee seeking study or training not provided at his or her assigned facility shall be offered assignment to a facility providing such study or training.

(2) Standards and procedures with respect to the awarding of academic credit and certifying educational attainment in programs conducted under paragraph (1) shall be consistent with the requirement of applicable State and local law and regulations.

(g) Guidance and Placement.—Program agencies shall provide such job guidance and placement information and assistance for enrollees as may be necessary. Such assistance shall be provided in coordination with appropriate State, local, and private agencies and organizations.

SEC. 10. ANNUAL REPORT.

The Secretary of the Interior and the Secretary of Agriculture shall prepare and submit to the President and to the Congress at least once each year a report detailing the activities carried out under this Act in the preceding fiscal year. Such report shall be submitted not later than December 31 of each year following the date of enactment of this Act.

SEC. 11. LABOR MARKET INFORMATION.

The Secretary of Labor shall make available to the Secretary of the Interior and the Secretary of Agriculture and to any program agency under this Act such labor market information as is appropriate for use in carrying out the purposes of this Act.

SEC. 12. EMPLOYEE APPEAL RIGHTS.

(a) Federal Employees.—In the case of—

(1) the displacement of a Federal employee (including any partial displacement through reduction of nonovertime hours, wages, or employment benefits) or the failure to reemploy an employee in a layoff status, contrary to a certification under section 13(c) (1) or (2), or

(2) the displacement of such a Federal employee by reason of the use of one or more volunteers under section 7 of this Act,

such employee is entitled to appeal such action to the Merit Systems Protection Board under section 7701 of title 5, United States Code.

(b) Other Individuals.—In the case of—

(1) the displacement of any other individual employed (either directly or under contract with any private contractor) by a program agency or grantee, or the failure to reemploy an employee in layoff status, contrary to a certification under section 13(c) (1) or (2), or

(2) the displacement of such individual by reason of the use of one or more volunteers under section 7 of this Act,

the requirements contained in section 144 of the Job Training Partnership Act (Public Law 97-300) shall apply, and such individual shall be deemed an interested person for purposes of the application of such requirements.

(c) Definition.—For purposes of this section, the term "displacement" includes, but is not limited to, any partial displacement through reduction of nonovertime hours, wages, or employment benefits.

SEC. 13. AUTHORIZATION OF APPROPRIATIONS.

(a) Distribution of Funds.—Of the sums appropriated pursuant to subsection (g) to carry out this Act for any fiscal year—

(1) not less than 50 percent shall be made available to the Secretary of the Interior for expenditure by State program agencies which have been approved by the Secretary of the Interior for participation in the American Conservation Corps;

(2) not less than 15 percent shall be made available to the Secretrary of Agriculture for expenditure by agencies within the Department of Agriculture, subject to the provisions of subsection (e);

(3) not less than 5 percent shall be made available to the Secretary of Agriculture, under such terms as are provided for in regulations promulgated under section 4(b), for expenditure by other Federal agencies;

(4) not less than 25 percent shall be made available to the Secretary of the Interior for expenditure by agencies within the Department of the Interior, subject to the provisions of subsection (e), and for demonstration projects or projects of special merit carried out by any program agency or by any nonprofit organization or local government which is undertaking or proposing to undertake projects consistent with the purposes of this Act;

(5) not less than 5 percent shall be made available to the Secretary of the Interior for expenditure by the governing bodies of participating Indian tribes.

(b) AWARD OF GRANTS.—Within 60 days after enactment of appropriations legislation pursuant to subsection (g), any program agency may apply to the Secretary of the Interior for funds under this Act. In determining the allocation of funds among the program agencies, the Secretary shall consider each of the following factors:

(1) The proportion of the unemployed youth population of the State.

(2) The the conservation, rehabilitation, and improvement needs on public lands within the State.

(3) The amount of other support for the program and the extent to which the size and effectiveness of a program will be enhanced by the use of the Federal funds.

Any State receiving funds for the operation of any program under this Act shall be required to provide not less than 50 percent of the cost of such program.

(c) NON-DISPLACEMENT.—The Secretary of the Interior and the Secretary of Agriculture shall not fund any program or enter into any agreement with any program agency for the funding of any program under this Act unless the Secretary concerned or such agency certifies that projects carried out by the program will not—

(1) result in the displacement of individuals currently employed (either directly or under contract with any private contractor) by the program agency concerned (including partial displacement through reduction of nonovertime hours, wages, or employment benefits);

(2) result in the employment of any individual when any other person is in a layoff status from the same or substantially equivalent job within the jurisdiction of the program agency concerned;

(3) impair existing contracts for services; or

(4) result in the inability of persons who normally contract with the agency for carrying out projects involving forestry, nursery, or silvicultural operations on commercial forest land to continue to obtain contracts to carry out such projects.

For purposes of paragraph (4), the term "commercial forest land" means land in the National Forest System or land administered by the Secretary of the Interior through the Bureau of Land Management which is producing, or is capable of producing, 50 cubic feet per acre per year of industrial wood and which is not withdrawn from timber utilization by statute or administrative decision.

(d) STATE SHARE TO LOCAL GOVERNMENTS.—If, at the commencement of any fiscal year, any State does not have a program agency designated by the Governor to manage the program in that State, then during such fiscal year any local government within such State may establish a program agency to carry out the program within the political subdivision which is under the jurisdiction of such local government. Such local government program agency shall be in all respects subject to the same requirements as a State program agency. Where more than one local government within a State has established a program agency under this subsection, the Secretary of the Interior shall allocate funds between such agencies in such manner as he deems equitable.

(e) PROGRAMS ON FEDERAL LANDS.—Funds provided under this section to any Federal agency shall be used to carry out projects on Federal lands and to provide for the Federal administrative costs of implementing this Act. In utilizing such funds, the Federal agencies may enter into contracts or other agreements with program agencies and with local governments and nonprofit organizations approved under section 4(h).

(f) PAYMENT TERMS.—Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary of the Interior or the Secretary of Agriculture, as appropriate, finds necessary.

(g) USE OF FUNDS.—Contract authority under this Act shall be subject to the availability of appropriations. Funds provided under this Act shall only be used for activities which are in addition to those which would otherwise be carried out in the area in the absence of such funds. Not more than 10 percent of the funds made available to any program agency for projects during each fiscal year may be used for the purchase of major capital equipment.

(h) ADMINISTRATIVE EXPENSES.—The regulations under section 4(b) shall establish appropriate limitations on the administrative expenses of Federal agencies and program agencies carrying out programs under this Act. Such limitations shall insure that administrative expenses of such programs shall be minimized to the extent practicable taking into consideration the purposes of this Act and the nature of the programs carried out under this Act.

(i) APPROPRIATION LEVELS.—There is authorized to be appropriated for the purposes of carrying out this Act $75,000,000 for each of the fiscal years 1988 through 1990. Funds appropriated under this Act shall remain available until expended.

By Mr. MOYNIHAN:

S. 28. A bill to limit the grounds and improve the process for excluding aliens from the United States; to the Committee on the Judiciary.

REVISION OF ALIEN EXCLUSION ACT

● Mr. MOYNIHAN. Mr. President, for the past 35 years, legislation to bar nonimmigrant aliens on ideological grounds has exposed our Nation to needless ridicule and undermined the respect for free speech we hope to promote around the world. The bill I offer today would enable us to preserve our Nation's security without eroding our principles.

Two basic problems surround the denial of nonimmigrant visas under the Immigration and Nationality Act of 1952, widely referred to as the McCarran-Walter Act. The first is that McCarran-Walter provides grounds for exclusion that are overly broad, and in some cases wholly unrelated to the needs of U.S. security and foreign policy. Subsection 212(a)(28) of that act bars the entry of aliens who are members of anarchist, Communist or other proscribed organizations, or who advocate such proscribed beliefs. No evidence is required under this subsection that an alien would engage in activities endangering U.S. security or that admitting the alien would undermine U.S. foreign policy; the alien's purported ideology is alone sufficient to exclude him from entering the United States.

Choichiro Yatani recently discovered this in a most unpleasant fashion. A Japanese national who had been in the United States on a student visa since 1977, and who for the past 4 years was teaching and pursuing a Ph.D. at the State University of New York at Stony Brook, Mr. Yatani returned to the United States on July 7, 1986, after visiting the Netherlands (where he had obtained a new student visa at the U.S. Consulate in Amsterdam). But Mr. Yatani was detained upon his return to Kennedy Airport—and kept in detention away from his family for over a month, during which time his visa was revoked and he was threatened with deportation. The reason: according to the New York Times of August 22, 1986, Mr. Yatani was accused of being a member of a Japanese Communist student organization nearly 20 years ago.

And there have been dozens of other foreigners just as unlikely to threaten our security, who, nevertheless, have been slated for exclusion. Pierre Trudeau; Graham Greene; Gabriel-Garcia Marquez; the list goes on and on.

But the fact that such exclusions can seem almost laughably unjustified must not blind us to the damage they do. By excluding aliens on ideological grounds, we behave as if we were afraid of their ideas, lending those ideas a credence that might evaporate under proper scrutiny. Noting that several journalists were kept out or expelled from the United States in 1986, a global survey of press freedom published this month by the Freedom House states:

> Far better to have allowed them to enter and face their accusers. Invoking the [McCarran-Walter] act confounded friends and pleased adversaries who branded as hypocritical U.S. concerns for human rights.

We should limit the grounds for exclusion to cases where reasons of national security or foreign policy make such exclusions truly necessary, not merely exercises in self-humiliation.

The second major problem surrounding McCarran-Walter is that even when the Government claims such necessary grounds for exclusion, under subsections (212)(a) (27) or (29), current provisions for reviewing those claims are wholly inadequate. The Departments of State and Justice are usually reluctant to release the evidence they believe justifies their claims, particularly when disclosure of that evidence might compromise sensitive intelligence sources and methods. And this is a legitimate concern.

But in the absence of prior review outside the executive branch for visa denials, and with the reluctance of that branch to admit that U.S. citizens have the right to challenge such visa denials after the fact, abuses have occurred. Some visa denials made on the basis of alleged threats to security have been downright ludicrous. Farley Mowat, Canadian naturalist and author of "Never Cry Wolf", was denied entry into the United States on April 23, 1985. The primary reason: according to the New York Times of April 25, 1986, Mr. Mowat was deemed to pose a violent threat to U.S. Armed Forces, based on a report that he once claimed to have fired a .22 caliber rifle at a B-52 flying overhead.

By invoking McCarran-Walter where no threat exists to our security, we open our country and our most fundamental principles to unnecessary ridicule. When solid reasons do exist for excluding aliens, public support for such exclusions can be undermined by the perception—all too well-founded—that visa denials are frequently unjustified. And as demonstrated by the case of Patricia Lara, the lack of a viable means for reviewing exclusion evidence outside the executive branch can foster persistent doubts as to the justification for visa denials.

I stated on October 15, 1986, that "in the 100th Congress, we ought to examine the statute and see how it can be made to reflect what is best in our country, and not what comes from us in the legacy from a past which is as little honored in the present time as was the period of the Alien and Sedition Acts in the last decade of the 18th century. We are perfectly capable of protecting our security interests without embarrassing our Nation."

The legislation I propose today will help us do just that. This legislation addresses both of the problems surrounding McCarran-Walter: the need to limit grounds for exclusion to bona-fide national security and foreign policy requirements, and the need to improve the process by which exclusion requests are reviewed.

Eliminating subsection 212(a)(28) of McCarran-Walter, which provides the basis for excluding aliens on ideological grounds, will go far toward resolving the first problem. Many more visa denials are made on the basis of subsection (28) than of (27) or (29); in fiscal year 1986, a total of 559 visas were denied under subsection (28) after the review process provided by the so-called McGovern amendment. Only 33 visa denials were made during the same period on the basis of subsection (27), and 13 on the basis of (29).

But while relatively few denials are made on the basis of subsections (27) and (29), we still need the grounds provided by those subsections to exclude aliens who would undermine U.S. foreign policy or endanger our security. In particular, given the threat to foreign policy goals that could be posed by members of the PLO or other terrorist organizations, we must retain the basis for denying entry to such aliens under subsection (27), which provides for the exclusion of aliens who would "engage in activities prejudicial to the public interest."

However, we must also take measures to improve the process by which requests for such visa denials are reviewed. The legislation I propose today would do this by requiring that before any alien is denied a visa under subsections (27) or (29), the Attorney General (in consultation with the Secretary of State) shall apply for an order approving that denial to the special court established by the Foreign Intelligence Surveillance Act of 1978. This court is well-suited for considering the relatively small number of such applications that would be made; it already reviews over 500 requests each year for foreign intelligence wiretaps, and does so in a manner specifically designed to protect sensitive information.

Applications for orders to exclude aliens would need to include the factual basis for the Attorney General's knowledge or reasonable grounds for belief that permitting entry to the United States would violate subsections (27) or (29) (which would be redesignated (27) and (28) after amending McCarran-Walter to strike current subsection (28)). Applications would be denied if the court concluded that the Attorney General did not have such knowledge or reasonabie gounds for believing that entry of an alien would violate those subsections. A review process similar to that already established for wiretap requests would be initiated if the court denied a visa request. And as with the consideration of wiretap requests, my legislation would require that the court's proceedings be both expeditious and consistent with the security measures deemed necessary by the Attorney General and other officials.

This legislation also clarifies the standing of U.S. citizens to bring civil action when they had hoped to communicate with or listen to an alien, whose visa they allege was wrongfully denied on the basis of subsections (27) or (29). Together with the elimination of McCarran-Walter's exclusion of aliens on ideological grounds, and the requirements that exclusion requests be granted prior approval by a special court, this clarification of standing for civil action should do much to promote free speech while preserving national security.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows: To limit the grounds and improve the process for excluding aliens from the United States.

S. 28

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "Revision of Alien Exclusion Act of 1987."

Sec. 2. (a) Section 212(a) of the Immigration and Nationality Act (8 U.S.C. 1182(a)) is amended—

(1) by striking out paragraph (28); and

(2) by redesignating paragraphs (29) through (33) as paragraphs (28) through (32), respectively.

(b) Section 235(c) of the Immigration and Nationality Act is repealed.

Sec. 3. (a) Before any alien is denied a visa to the United States or is otherwise excluded from admission to the United States under paragraphs 27 or 28 of the Immigration and Nationality Act, as amended, the Attorney General (in consultation with the Secretary of State) shall apply for an order approving such denial to the court described in section 103 (a) of the Foreign Intelligence Surveillance Act of 1978. Such application shall include the factual basis for the Attorney General's knowledge or reasonable grounds for belief that issuing a visa permitting admission to the United States would violate paragraphs 27 or 28.

(b) An application for an order shall be denied by such court if the court concludes that the Attorney General does not have knowledge or reasonable grounds for belief that issuing a visa or permitting admission to the United States would violate paragraphs 27 or 28 of the Immigration and Nationality Act, as amended.

(c)(1) If any judge designated under section 103(a) of such Act denies an application for an order described in subsection (3)(a), such judge shall provide immediately for the record a written statement of each reason for his decision and, on motion of the United States, the record shall be transmitted, under seal, to the court of review established in section 103(b) of such Act.

(c)(2) If the court of review established in section 103(b) of such Act affirms the denial of the application for an order described in subsection (3)(a), then the Secretary of State shall promptly issue a visa to the alien or the Attorney General shall promptly admit the alien to the United States, as the case may be.

(d) In considering and reviewing applications to deny visas or exclude aliens from admission to the United States, the court and court of review described in section 103(a) and 103(b) of such Act shall conduct those proceedings as expeditiously as possible. The record of such proceedings, including applications made and orders granted, shall be maintained under security measures established by the Chief Justice of the United States in consultation with the Attorney General, Secretary of State and the Director of Central Intelligence.

Sec. 4. Any citizen of the United States or other person within the jurisdiction thereof who intends to communicate in person with, including attending a function for purposes of listening to, an alien who is denied a visa or excluded from admission into the United States on the basis of paragraphs 27 and 28 of Section 212(a) of the Immigration and Nationality Act, as amended, may bring a civil action on his or her own behalf against any official of the United States Government who is alleged to have wrongfully denied a visa to the alien or wrongfully excluded the alien from the United States. Any civil action under this section may be brought in the district in which the intended communication was to have occurred, in the district of the plaintiff's residence or principal place of business, in the district in which any defendant in the action resides, or in the District of Columbia. The district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to grant legal or equitable relief.●

By Mr. MOYNIHAN:

S. 29. A bill to authorize the procurement and installations of cryptographic equipment at satellite communications facilities within the United States, and for other purposes; to the Committee on Armed Services.

SATELLITE COMMUNICATIONS SECURITY

● Mr. MOYNIHAN. Mr. President, "the massive Soviet surveillance efforts from Cuba and elsewhere demonstrate * * * that the Soviet intelligence payoff from interception of unsecured communications is immense." This is the conclusion of the Senate Select Committee on Intelligence. In spite of a number of important communications security initiatives, such as the Secure Telephone Unit III Program, the Soviets continue to target critical communications paths within the United States from their diplomatic facilities in New York, San Francisco, and Washington, as well as from their satellite listening facility at Lourdes, Cuba. At risk is the Nation's telephone system which carries voice, facsimile, and teleprinter traffic for the U.S. military, civilian government agencies, defense conractors, and private citizens.

The military, government employees, and our constituents should know—must know—that more than half of all telephone calls in the United States made over any distance are vulnerable to interception. Moreover, calls the caller believes to be on less vulnerable circuits may be automatically switched to more vulnerable ones. Nevertheless, the Senate Select Committee on Intelligence found in their October 1986 review of U.S. counterintelligence that current plans do not fully respond to the threat to long-distance communications relayed over satellite links and intercepted from sites like the one in Cuba.

The Soviet facility at Lourdes, Cuba, is the largest and most sophisticated Soviet listening facility outside its national territory. Started in the mid-1960's, Lourdes has grown by 60 percent in the past decade alone. The facility is manned by 2,100 technicians—sometimes equivalent to half the Foreign Service officers in the State Department. Its ground station allows instant communication and relay with Moscow. This facility is a communications security threat.

The low-cost secure equipment developed under NSA's leadership will address the problem; I speak here of the STU-III Program. But efforts to neutralize the Soviet intercept operations should not depend so heavily on the marketplace. The pace is too slow, and some sources may choose simply not to buy the units at all, or not in sufficient quantity at $2,000 a copy. Moreover, there is the continued, human, problem of officials failing to follow strict security rules—"talking around" sensitive subjects on open lines. The initiative I introduce today is particularly user friendly. It is automatic and does not require any effort on the part of the user.

There are two ways to counter the Soviet threat to telecommunications: reroute circuits to more secure means, for example cable, or encrypt the substance of transmissions making them unintelligible to eavesdroppers. Although we are actively pursuing both countermeasures, there are still communications links which carry unclassified, but sensitive information, which also need protecting. Computers can sift through this wash of unclassified information and select key words or, perhaps, names for further analysis. National Security Decision Directive 145, which defines the President's telecommunications security policy states: "Such information, even if unclassified in isolation, often can reveal highly classified and other sensitive information when taken in aggregate."

In the past year the public has learned only too well the central role communications security and interception can play in the formulation of national policy. In an editorial, "The Russians are Listening" the New York Daily News called attention to an incident during the hijacking of the *Achille Lauro* in October 1985. The President was aboard Air Force One when he decided to order the Navy to force down the Egyptian airliner. The President's order was overheard by a ham radio operator. "And," the News asks, "who else?" A near miss.

The bombing of the Berlin nightclub in April 1986 was no miss. Communications intercepts, as reported in the New York Times, demonstrated a direct link between the bombing and Libyan fanatic Qadhafi. As a result, the President ordered United States forces to bomb targets in Libya. And there are other examples, but they remain classified, and justifiably so.

Today I introduce, for a second time, the Satellite Communications Security Act. This measure, as modified, will provide funding to encrypt selected sensitive domestic satellite communications. By this I mean those selected circuits carried over domestic commercial satellites having the greatest impact on the national defense and foreign policy of the United States. Such circuits will be selected by the Secretary of Defense with the review and concurrence of the Congress through the authorization and appropriations process.

I do not intend such an earmark of "sensitive" to prohibit information from ourselves. That is not the answer. The free exchange of information is one of our strengths. This legislation bars only information from the Soviets and their allies by making it unintelligible. Let me highlight that again—this legislation will not prohibit the access of the American public to information they are already entitled to.

A more expansive, and expensive, proposal in the 99th Congress received support. Although the Senate Defense authorization bill included $129 million to begin implementation of certain communications security enhancements and other programs, this sum was pared down to $44 million in conference. We did even less well with the appropriations process.

A major problem is that communications security has no constituency. It is often a stepchild in the defense budget process. There is no product involved. There are few jobs involved. You can never really be sure the Soviets did not get the message. But it is our national policy to "assure the security of sensitive Government national security information, and offer assistance in the protection of certain private sector information. . . ." NSDD-145 signed by President Reagan in September 1984 says just that. It will cost us some money, approximately $560 million over 5 years, but it would cost us so much more not to do so.

May I leave you with a thought. The New York Times reported on November 27, 1986, that Government agencies had received intercepts linking the sale of arms to Iran with the transfer of funds to the Contras. Similar intercepts from Lourdes or another site could provide the Soviets, and others, an advance look inside our decisionmaking we dare not give them.

Mr. President, I ask unanimous consent that the full text of the bill be printed at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 29

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) This Act may be cited as the "Satellite Communications Security Act of 1987".

(b) The purpose of this Act is to provide further for the security of satellite communications transmissions between facilities within the United States and to prevent the interception of, or access to, such transmissions by foriegn governments or other unauthorized parties.

(c)(1) To carry out the purposes of subseciton (b), the Secretary of Defense, acting through the National Security Agency and acting in cooperation with private enterprises engaged in satellite communications within the United States, is authorized to procure and install cryptographic equipment at satellite communications facilities within the United States.

(2) Any private enterprise owning a satellite communications facility at which equipment was installed under paragraph (1) shall be reimbursed by the Secretary of De-

fense for the costs incurred in operating and maintaining such equipment.

(d) The Provisions of subsections (b) and (c) shall apply only to any communications system utilizing direct satellite transmissions which—

(1) on reception, are switched through a common carrier system;

(2) have greatest impact on the national defense or foreign policy of the United States; and

(3) are carried on a circuit or service which—

(A) is leased by the United States Government;

(B) is related to national security, including any circuit leased by a private corporation or organization having a contract with the United States Government, particularly a contract with the Department of Defense; or

(C) is leased by any organization concerned with large financial transactions, commodities, stock transactions, or economic forecasts.

(e)(1) There are authorized to be appropriated to the Secretary of Defense for use by the National Security Agency such sums as may be necessary to carry out the provisions of this Act.

(2) Amounts appropriated under this subsection are authorized to remain available until expended.

(f) For purposes of this Act—

(1) the term "common carrier" has the same meaning as such term is defined in section 3(h) of the Communications Act of 1933 (47 U.S.C. 153(h)); and

(2) the term "United States" refers to the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.●

By Mr. MOYNIHAN:

S. 30. A bill entitled the "Exchange Rate Adjustment Act of 1987"; to the Committee on Banking, Housing, and Urban Affairs.

EXCHANGE RATE ADJUSTMENT ACT

Mr. MOYNIHAN. Mr. President, today I rise to introduce a bill to address a problem that has plagued this Nation's economy for 6 years: the continuing high value of the U.S. dollar.

A year and a half ago I introduced a bill containing several of the provisions of this bill—S. 1548—at a time when the problem of the "overvalued" dollar and its detrimental effect on U.S. trade balances occupied much congressional attention.

Since that time there have been developments that have led some to believe that our exchange rate woes are over. According to the Federal Reserve Board trade weighted basket of the currencies of 10 major trading nations, the dollar has depreciated 33 percent since its peak in February 1985 including a 37-percent drop against the yen and a 39-percent drop against the mark. The Fed figure weighs the dollar value of the 10 currencies of the Group of 10 nations by their shares of total world trade using trade data from 1972 to 1976.

These are important developments, indeed, but let me suggest that these figures are a bit misleading and that, in fact, the value of the U.S. dollar remains at an historically high level. According to that same Federal Reserve Board measure, the trade weighted value of the dollar remained 22 percent higher in October 1986 then the average level in 1980.

Moreover, if we look at a new measure of the dollar developed by the Dallas Federal Reserve Bank the evidence that the overvalued dollar program persists is even more startling. According to that measure—the X-131, which weighs the currencies of all 131 U.S. trading partners by their total bilateral trade with the U.S. (exports plus imports) using current trade data, the dollar was 82 percent higher in October 1986 than during 1980. And between its peak in February 1985 and October 1986, the dollar depreciated only 3 percent according to the X-131 currency index.

The tax on American exports and subsidy of foreign imports implicit in the dollar's high exchange rate since 1980 has contributed to a cumulative trade deficit of approximately $600 million in the last 6 years.

Under the floating exchange system prevailing since 1973, such deficits should depreciate the dollar, since foreign exchange must be bought with dollars to pay for the imports, and the increased supply of dollars should reduce the price of the dollar against foreign currencies.

But this has not happened. Instead the price of the dollar has risen sharply because of an extraordinary foreign demand for dollars to invest in this country. Relatively high U.S. interest rates, due to a great extent to unprecedented Federal budget deficits (a cumulative $1,030 billion since the beginning of 1981), have attracted foreign investment and hence a great demand for dollars to make those investments.

The price of the dollar is now largely determined by international investment flows, not trade flows. Foreign exchange transactions for investment purposes are estimated to be at least 10 times the amount needed to finance international trade transactions. And rapid and large scale capital flows are possible as a result of liberalized and computerized international financial markets.

In addition, international foreign exchange markets, like any market, are subject to numerous market imperfections. Decisions may be based on dated, erroneous, incomplete, or noneconomic information. Decisions may also be made in anticipation of the continuation of market trends—a "bandwagon effect."

The combination of large international capital flows and market imperfections have led to excessive short-term fluctuations and have contributed to the market overshooting a dollar price that reflects underlying trade realities.

There are also those who believe, and fear, that the combination of continuing merchandise trade and current account deficits, reduced expectations of economic growth in the United States, and market imperfections could produce a sharp drop in the demand for dollars to invest in the United States. Such a run on the dollar would lead to a sudden and sharp drop in the dollar's price, and a corresponding sudden rise in the cost of imported goods that could reignite inflation, causing a painful adjustment process and serious damage to the economy.

And so we have a volatile and overpriced currency that is inextricably linked to production and employment in this country. The time has come to develop a policy to contain this situation.

What, then, can we do to achieve a gradual and lasting reduction in the dollar's price, while guarding against the potential crisis of a precipitous fall in that price?

To begin with, we must take action to reduce the Federal budget deficit in order to reduce the high interest rates that attract foreign capital. In addition, the governments of all industrialized nations representing the major trading currencies must coordinate their macroeconomic policies.

The U.S. Government could also supplement and complement these actions through intervention in the foreign exchange markets to purchase substantial amounts of major foreign currencies with dollars thereby developing a "Strategic Foreign Currency Reserve." The acquisition of such a reserve could correct market imperfections, reduce the extent and slow the pace of exchange rate movements, resist further increases in the dollar's price, and assist its gradual decline in price.

A "Strategic Foreign Currency Reserve" would also provide the Treasury and Federal Reserve Board with the means to resist any sudden large drop in the dollar's price by selling foreign currencies in the Reserve and purchasing dollars thereby helping to support the dollar's price.

Of course, to be most effective, intervention by the Department of the Treasury or Federal Reserve Board should be coordinated, whenever possible, with intervention by the central banks of the countries constituting the Group of Ten.

The legislation I am proposing would direct the Department of the Treasury and the Federal Reserve Board to acquire such a Strategic Foreign Currency Reserve by exchanging at least $30 billion for the currencies of the Group of Ten countries within a 3-year period, and to coordinate that intervention wherever possible.

The Federal Government must also develop a policy regarding the price of the U.S. dollar against specific currencies.

Since February 1985, the currencies of several major U.S. trading partners have depreciated significantly against the dollar, particularly the yen and the mark.

The Secretary of the Treasury, apparently satisfied by this turn of events, agreed to abandon efforts to induce a further decrease in the value of the yen as part of an agreement of economic cooperation with Japan announced on October 31, 1986.

This concession was made in exchange for promises by Japan to stimulate its economy. However, the prospect of Japanese economic expansion is uncertain, and even with such an expansion there is a need for further appreciation of the yen against the dollar.

In addition, the currencies of several major U.S. trading partners have not adjusted significantly against the dollar. Since February 1985 the value of the South Korean won increased 4 percent; the Taiwan dollar decreased 7 percent; the Hong Kong dollar has not changed; and the Canadian dollar has increased 2 percent. These four countries alone account for about 30 percent of U.S. trade.

These currencies have not moved significantly with respect to the value of the dollar because those countries appear to formally tie or informally peg their currencies to the value of the U.S. dollar. This is certainly having an adverse effect on the U.S. balance of trade, as South Korea, Taiwan, Hong Kong, and Canada account for almost one-third of this year's U.S. trade deficit. (The 1986 U.S. trade deficit with these countries increased by over 10 percent over 1985.)

Exchange rates must be allowed to adjust to underlying economic fundamentals so that the United States may compete fairly in foreign trade and the Federal Government must negotiate with countries which formally or informally peg or tie their currencies to the U.S. dollar to ensure that this adjustment occurs.

The legislation I am introducing today would require the President to enter into negotiations on a priority and expedited bilateral basis with countries which formally tie or informally peg their currencies to the United States dollar (including Hong Kong, South Korea and Taiwan) to ensure that these countries regularly and promptly adjust the exchange rate between their currencies and the United States dollar to accurately reflect underlying economic fundamentals.

This bill would also require the President to issue a report that contains a discussion of exchange market developments over the previous 6 months, including the magnitude of changes in the values of the major currencies—and those currencies pegged or tied to the U.S. dollar—and the reasons for those changes.

Finally, I fear that the disparate appreciation—and depreciation—of the dollar against the currencies of U.S. trading partners is inadequately and possibly inaccurately reflected in commonly cited indices of changes in the exchange rate of the dollar.

The Federal Reserve System calculates the value of the dollar in the two ways I discussed earlier. In addition to those measures, the Department of Commerce calculates the value of the dollar against the currencies of the G-10 countries plus Austria, Denmark and Norway and weighs those currencies by their country's share of bilateral merchandise trade with the United States in 1983. The Morgan Guaranty Bank measures the dollar against a total of 15 currencies— adding Australia and Spain—and weighs those currencies by their country's share of bilateral merchandise trade with the United States in 1980. Merrill Lynch & Co., Inc. measures the dollar against the currencies of the 25 countries that were the biggest exporters to, and importers from the United States in 1985.

This bill would direct the Secretary of the Treasury and Chairman of the Federal Reserve Board to develop a more accurate index of the U.S. dollar's exchange rate and issue a report explaining their methodology in calculating the index.

In addressing our tremendous trade problem, we need to take action on a range of issues that are contributing to the malaise. The high price of the U.S. dollar is a key factor in this situation and I urge my colleagues to support these measures as a step toward maintaining U.S. economic prosperity.

I ask unanimous consent that the text of the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 30

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Sec. 1. Short Title.—This Act may be cited as the "Exchange Rate Adjustment Act of 1987."

Sec. 2. Findings.—

The Congress finds and declares that:

(1) Between January 1981 and February 1985, the exchange rate of the dollar against US trading partners appreciated 81% to 88% over its average 1980 level according to the Federal Reserve Bank of Dallas and the Federal Reserve Bank in Washington.

(2) Between February 1985 and October 1986, the exchange rate of the dollar depreciated only 3% to 33% according to the Federal Reserve measures.

(3) The current exchange rate of the dollar remains too high. According to the Federal Reserve measures, in October 1986 the average value of the dollar was 22% to 82% higher than in 1980.

(4) The overvalued dollar is a problem, not a source of pride. Administration officials have estimated that during the last few years the high price of the dollar was the single largest factor contributing to the US trade deficit.

(5) The high price of the dollar makes American goods more expensive in foreign markets, while foreign produced goods become cheaper in the Americans markets. Thus, the high price of the dollar acts as a tax on American exports and subsidy of foreign imports.

(6) The high price of the dollar has resulted in much of the growth in domestic demand being satisfied with foreign imports, not domestically produced goods, to the detriment of industrial production and employment in the US.

(7) The appreciation of the dollar has contributed to the "de-industrialization" of the United States. United States companies have: established plants abroad and imported finished products; imported major components and assembled the finished product in the US; and abandoned foreign markets. Foreign companies have been able to build distribution networks in the US and their increased export volume has permitted those companies to realize economies of scale and take advantage of state-of-the-art technology.

(8) These effects are not easily or quickly reversed by a subsequent depreciation in the value of the dollar. They occur, if at all, only after a protracted period of time.

(9) The value of the dollar has lost its relationship to international trade flows and is higher than is warranted by underlying factors such as relative productivity and inflation. The increase in the value of the dollar since 1980 occurred despite the existence of record merchandise trade and current account deficits totalling an estimated $600 billion and $410 billion respectively.

(10) The dollar's appreciation since 1980 occurred because foreign demand for dollars was so great that it exceeded the available supply, even taking into account the supply of dollars resulting from the need to pay for imports. This demand for dollars has been investment, not trade, generated.

(a) Foreign investors who have bought dollars with their currencies to directly and indirectly invest in the US have been attracted by higher real interest rates in the US than abroad (resulting from the administration's unprecedented budget deficits—a cumulative $1,030 billion since 1981), as well as expectations of greater economic growth and political stability.

(b) Foreign exchange transactions for investment purposes are estimated to be at least ten times the amount needed to finance international trade transactions. Rapid and large scale capital flows are possible as a result of liberalized and computerized international financial markets.

(11) The international foreign exchange market is subject to numerous market imperfections. Decisions may be based on dated, erroneous or noneconomic information or in anticipation of the continuation of market trends (often referred to as "speculative bubbles" or "bandwagon effects"). Such market imperfections have led to excessive short term fluctuations ("volatility") in the dollar's price and have contributed to

the market overshooting the correct dollar price ("misalignment").

(12) At some point in the future, the combination of continuing merchandise and current account deficits, reduced expectation of economic growth in the US, and market imperfections could lead to a sharp drop in the demand for dollars to invest in the US and a corresponding sharp drop in the value of the dollar. Such a sudden sharp drop in the value of the dollar would lead to a sudden and sharp rise in the cost of imported goods and could reignite pervasive inflation, causing a painful adjustment process and serious damage to the economy.

(13) The costs to the US economy associated with the dollar's persistent overvaluation and possible sudden drop in price in the future are, and would be, significant and should be avoided.

(14) In order to achieve a gradual, and lasting, reduction in the price of the dollar—

(a) the US Government must reduce the Federal budget deficit in order to reduce the high interest rates that are attracting foreign capital;

(b) the governments of foreign countries with underpriced currencies must stimulate economic growth in order to improve the desirability of investing in those countries; and

(c) the governments of the industrialized nations representing the major trading currencies must coordinate their macroeconomic policies.

(15) These actions can be complemented and supplemented by U.S. Government intervention in the foreign exchange markets. To be most effective, intervention by the Department of the Treasury or Federal Reserve Board should be coordinated, whenever possible, with intervention by the central banks of the countries constituting the Group of Ten.

(16) Intervention by the US Government in the foreign exchange markets to purchase substantial amounts of major foreign currencies with dollars, thereby developing a "Strategic Foreign Currency Reserve", could: correct market imperfections; influence the extent and pace of exchange rate movements; resist increases in the dollar's price; and assist its gradual decline in price. (A "Strategic Foreign Currency Reserve" would also provide the Treasury and Federal Reserve Board with the means to resist any sudden large drop in the dollar's price by selling foreign currencies in the Reserve and purchasing dollars, thereby helping to support the dollar's price.)

(17) Between 1973 and 1981 the US and all other G-10 nations used foreign exchange market intervention (to varying degrees) as a tool of exchange rate policy. During this period, the US Government bought or sold a total of $39.9 billion.

(18) From January 1, 1981 until September 22, 1985, however, the current administration pursued a "clean float" policy of intervening only in rare instances to calm disorderly markets (acquiring only approximately $4 billion in foreign currencies during this period).

(19) The administration maintained this policy despite:

(a) an unprecedented rise in the value of the dollar; and

(b) passage by the Senate in April 1985 of a Resolution urging the Secretary of the Treasury and the Chairman of the Federal Reserve Board to take steps, including intervention, to gradually lower the value of the dollar and the introduction of bills in the Senate in July 1985 requiring them to do so.

(20) On September 22, 1985, the United States joined with the other G-5 countries (Britain, France, West Germany and Japan) in announcing a coordinated program to reduce the value of the dollar, including intervention in foreign exchange markets.

(21) Since September 22, 1985, the G-5 Governments, including the United States, have taken action to reduce interest rate differentials and have intervened on a more extensive basis. However, such actions have been sporadic and partial.

(22) These efforts have assisted the dollar's significant depreciation against the German Mark (31%) and the Japanese Yen (32%). However, further depreciation of the dollar against the Yen is uncertain as a result of the October 31, 1986 agreement between the United States and Japanese Governments, under which the US Government indicated it would cease efforts to induce a further decrease in the value of the Yen in exchange for the Japanese Government's agreement to stimulate its economy.

(23) Neither the "Plaza Agreement," nor other action by the US Government, addressed the problem of countries which formally or informally peg their currencies to the dollar at exchange rates inconsistent with the underlying economic fundamentals.

(24) As a result, the dollar has depreciated minimally or not changed against the currencies of other countries (e.g. 7% against the New Taiwan Dollar and no change against the Hong Kong Dollar since February 1985) and has appreciated against other currencies (e.g. 2% against the Canadian Dollar and 4% against the South Korean Won since February 1985).

(25) The disparate appreciation (and depreciation) of the dollar against the currencies of US trading partners is inadequately and possibly inaccurately reflected in commonly cited indices of changes in the exchange rate of the dollar.

(a) The Federal Reserve system calculates the value of the dollar in two ways (those figures are used in this Section). The most commonly cited figure—prepared by the Federal Reserve Board in Washington—is calculated by comparing the dollar against the currencies of the G-10 countries and weights those currencies by their country's share of total world trade during 1972-1976. The Federal Reserve Bank of Dallas measures the dollar against the currencies of all US trading partners and weights those currencies by their share of total bilateral trade with the US (exports plus imports) using current trade data.

(b) Other organizations calculate the value of the dollar in different ways and obtain different estimates of the dollar's value. The Department of Commerce calculates the value of the dollar against the currencies of the G-10 countries plus Austria, Denmark and Norway and weights those currencies by their country's share of bilateral merchandise trade with the US in 1983. The Morgan Guaranty Bank measures the dollar against a total of 15 currencies (adding Australia and Spain) and weights those currencies by their country's share of bilateral merchandise trade with the US in 1980. Merrill Lynch & Company, Inc. measures the dollar against the currencies of the 25 countries that were the largest exporters to, and importers from, the US in 1985.

SEC. 3. Purpose.—

It is the purpose of this Act to require the United States Government to:

(1) intervene in foreign exchange markets to (a) purchase substantial amounts of major foreign currencies with dollars to resist and moderate increases in the dollar's price and to assist its gradual decline in price and (b) purchase substantial amounts of dollars with major foreign currencies to prevent sudden large drops in the dollar's price;

(2) negotiate with countries which formally or informally peg their currencies to the US dollar to ensure that those countries regularly and promptly adjust the exchange rate between their currencies and the US dollar to accurately reflect underlying economic fundamentals;

(3) develop a more accurate and timely index of the US dollar's exchange rate.

SEC. 4. STRATEGIC FOREIGN CURRENCY RESERVE.

(1) Acquisition.

(a) The Secretary of the Treasury and the Chairman of the Federal Reserve Board shall immediately acquire a Strategic Foreign Currency Reserve consisting of the currencies of the United States' major trading partners. The Secretary and the Chairman shall, as soon as possible but not later than three years from the date of enactment of this Act, exchange not less than $30 billion for such currencies.

(b) The Secretary and the Chairman: (i) shall purchase foreign currencies at those times that such action would be most effective in resisting and moderating increases in the dollar's price or in assisting its gradual decline; (ii) shall coordinate such purchases whenever possible with the central banks of the Group of Ten; and (iii) may take action to offset any effect of such purchases on the domestic money supply.

(c) In the event that the Secretary and the Chairman agree that fulfilling the requirements of subsection (a) with the time period set forth therein would be contrary to the purposes of this Act as set forth in Section 3, then they shall so notify Congress. Following receipt of such notice, Congress may, by joint resolution, extend the time within which the Secretary and Chairman shall complete acquisition of the Strategic Foreign Currency Reserve by one year.

(2) Use.

The Secretary of the Treasury and the Chairman of the Federal Reserve Board:

(a) shall use foreign currencies in the Reserve to purchase dollars in order to prevent sudden large drops in the price of the dollar;

(b) shall coordinate such purchases whenever possible with the central banks of the Group of Ten; and

(c) may take action to offset any effect of such purchases on the domestic money supply.

(3) Replenishment.

The Secretary of the Treasury and the Chairman of the Federal Reserve Board shall, at their discretion, subject to the provisions of subsection (1)(b) and notwithstanding the provisions of subsection (1)(a), purchase foreign currencies with any dollars acquired under subsection (2).

SEC. 5. NEGOTIATIONS.

(1) The President shall, immediately upon enactment of this Act, enter into negotiations on a priority and expedited basis with countries which formally or informally peg or tie their currencies to the US dollar (including Hong Kong, Korea and Taiwan) to ensure that those countries regularly and promptly adjust the exchange rate between their currencies and the US dollar to accurately reflect underlying economic fundamentals.

(2) The President shall, within 90 days of enactment of this Act, submit a report to

Congress listing the countries with which the United States entered into negotiations and detailing the results of those negotiations.

SEC. 6. INDEX OF EXCHANGE RATE MOVEMENTS.

(1) The Secretary of the Treasury and the Chairman of the Federal Reserve Board shall, within 90 days of enactment of this Act, develop an index of exchange rate movements for the US dollar which accurately reflects changes in the dollar's value and which is capable of being reported on a daily basis.

(2) The Secretary of the Treasury and the Chairman of the Federal Reserve Board shall, within 90 days of enactment of this Act, submit to Congress a report describing an index of exchange rate movements of the US dollars, including the reasons for:

(a) selecting certain countries, if all US trading partners are not included;

(b) weighting those countries' currencies by their share of total world trade or bilateral trade with the US;

(c) choosing a particular year for trade data, if not the most recent year;

(d) adjusting, if at all, for inflation in each country.

By Mr. MOYNIHAN:

S. 31. A bill entitled the Increased Market Access Promotion Act of 1987; to the Committee on Finance.

INCREASED MARKET ACCESS PROMOTION ACT

Mr. MOYNIHAN. Mr. President, I rise today to introduce the Increased Market Access Promotion Act of 1986. This legislation is identical to title II of S. 1860, the Trade Enhancement Act of 1985, introduced on November 20, 1985, by Senator DANFORTH, myself, and others and was cosponsored by one-third of the Senate in the 99th Congress. The same language was introduced on that day as a separate bill, S. 1862, by Senators CHAFEE, BRADLEY, DOLE, myself, and others.

The provisions of these bills, in tern, adopted many of the ideas set forth in my bill, S. 1505, the Increased Market Access Promotion Act of 1985, introduced on July 25, 1985.

The purpose of this bill is quite simple: To increase access for U.S. products, services, and investments in foreign markets by using the leverage inherent in denying access to the U.S. market.

Trade barriers in foreign countries which limit exports of U.S. goods, services, and investment present a serious problem for the United States. Japan is the nation most frequently cited for such practices, but other countries in the Far East and other areas of the world are guilty of acts, policies, and practices that constitute significant trade barriers.

For the second year, the Office of the U.S. Trade Representative [USTR] has issued a report of foreign trade barriers to U.S. exports. The 1986 report identifies barriers in 41 countries costing U.S. producers billions of dollars. For example, USTR estimates that United States firms lose $340 to $450 million each year in informatics hardware and software sales due to Brazilian restrictions. Future losses of such sales could reach $12 billion from 1985 to 1992.

Our representatives have tried to remove these barriers to U.S. exports through negotiations—too often to no avail. In part, this reflects the fact that foreign countries have little incentive to reduce their trade barriers because they believe correctly that the United States will do nothing in response. Which is to say, they believe that the President will not exercise his discretionary authority under section 301 of the Trade Act of 1974, as amended.

This has to change. We need to convince foreign countries that it is in their interest to eliminate their trade barriers.

I believe that requiring the President to use his existing authority under section 301 of the Trade Act of 1974, as amended, to retaliate against a country that persists in maintaining trade barriers by limiting that country's access to our markets can provide the leverage needed to convince that country to open its markets to U.S. exports of goods and services.

I might note, Mr. President, that I offer this bill today, as I offered my legislation in 1985, in part as an alternative to those who would restrict imports from foreign countries with large trade surpluses with the United States—without regard to the extent of those countries' trade barriers.

The message of those bills is "enough is enough: from now on, you can't send us any more than we send you"—even if a country's trade surplus with the United States reflects such factors as relative competitiveness, economic growth, fiscal and monetary policies, savings behavior, or exchange rates rather than trade barriers.

I believe that what we should be saying instead is:

> Unless you eliminate your trade barriers that keep out our exports, we will keep out of our markets as much as you keep out of your markets. However, if you eliminate your trade barriers and let our exports into your markets, then we will let your products into our markets—even if, as a result, you end up sending us more goods than we send you.

That is what my bill would do.

The bill would require:

First. Retaliation for all section 301 cases 15 to 18 months after an investigation is initiated, unless the unfair practice is eliminated or offset, or the USTR subsequently determines that the practice is not actionable under section 301.

Second. Self initiation of several section 301 cases. Under current law, the U.S. Trade Representative is required to compile an annual inventory of foreign unfair trade practices—the "National Trade Estimates." My bill would require USTR to estimate how much U.S. exports would increase absent those barriers and self-initiate several cases against the most onerous barriers which prevent a substantial amount of U.S. exports.

Third. Transfer of section 301 authority to USTR to enhance the leverage of those negotiating the elimination of unfair practices and to depoliticize the process given mandatory retaliation if those negotiations fail.

Fourth. Expansion of the definition of unfair trade practices to include a variety of government actions including targeting industries for special development and advancement, and actions that distort trade by giving that country's exports an unfair advantage, vis-a-vis U.S. exports, in third country markets.

Fifth. Termination of retaliation after 7 years unless the industry seeking access to the foreign market requests its continuation. In that case, since the retaliatory import restrictions had burdened consumers but had not convinced the foreign country to eliminate its unfair trade practice, USTR could substitute a different retaliatory measure to increase pressure on the foreign country.

Under current section 301 law, the President is authorized to "take all appropriate and feasible action within his power" to enforce U.S. rights under trade agreements and to eliminate trade barriers to U.S. exports if these barriers are "unjustifiable, unreasonable or discriminatory" and burden or restrict U.S. commerce.

This bill would build on existing law by requiring the President to take action in order to obtain the leverage necessary to eliminate foreign trade barriers, while blunting pressure to restrict imports without justification.

Finally, I would like to make the point that unfair foreign trade practices are only one reason for the poor U.S. trade performance. Others include, relatively poor productivity, the appreciation of the dollar from 1980 to 1985, slower growth in other developed countries, and reduced purchases by indebted LDC countries.

But eliminating such practices are important for two reasons: they result in lost U.S. exports, and unless and until the American public has confidence that its government is taking regular, swift and tough action to eliminate such practices, it will not be willing to address the other causes of our trade deficit.

As my colleagues know too well, we did not succeed in considering and passing trade legislation in the last Congress. I have little doubt that will change in the 100th Congress: I know that the new chairman of the Senate Finance Committee, Senator BENTSEN, and our Majority Leader, Senator BYRD, are committed to passing trade legislation as a top priority during the first session.

An important component of any such legislation must be the revision of section 301. The bill I introduce today is certainly not the only proposal that was made in the last Congress—H.R. 4800, and the staff draft prepared by the Senate Finance Committee staff, are two that come to mind. And I know that Senator BENTSEN is working with Finance Committee members to develop a bipartisan committee bill. But I believe that the provisions of S. 1860 represented a tough, workable, responsible approach to addressing unfair trade practices and should be considered in the formulation of trade legislation this Congress.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 31

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This title may be cited as the "Increased Market Access Promotion Act of 1987".

SEC. 2. REPORT ON BARRIERS TO MARKET ACCESS.

(a) ESTIMATE OF IMPACT OF BARRIERS.—Subparagraph (B) of section 181(a)(1) of the Trade Act of 1974 (19 U.S.C. 2241(a)(1)(B)) is amended to read as follows:

"(B) make an estimate of the increase in the volume and value of United States exports that would result from the elimination of each act, policy, or practice identified under subparagraph (A) (actual and relative to the aggregate amount of such United States exports).".

(b) INTERNATIONAL COMPETITIVENESS TO BE CONSIDERED.—Subparagraph (A) of section 181(a)(2) (19 U.S.C. 2241(a)(2)(A)) is amended to read as follows:

"(A) the international competitiveness of the goods or services involved;".

SEC. 3. INITIATION OF INVESTIGATIONS IN RESPONSE TO REPORT ON BARRIERS TO MARKET ACCESS.

Subsection (c) of section 302 of the Trade Act of 1974 (19 U.S.C. 2412(c)) is amended—

(1) by inserting "or (2)" after "under paragraph (1)" in paragraph (2),

(2) by redesignating paragraph (2) as paragraph (3), and

(3) by inserting after paragraph (1) the following new paragraph:

"(2) RESPONSE TO REPORT.—

"(A) IN GENERAL.—The Trade Representative shall initiate investigations on an annual basis under this chapter with respect to those acts, policies, and practices identified in each report submitted under section 181 which—

"(i) are likely to be acts, policies, or practices described in section 301(a)(1)(B), and

"(ii) constitute a barrier to, or distortion of, a significant portion of all the goods and services of the United States that the United States Trade Representative estimates would have been exported from the United States if all acts, policies, and practices identified in such report did not exist.

"(B) FACTORS TO BE CONSIDERED.—In determining which acts, policies, and practices should be the subject of an investigation initiated under subparagraph (A), the Trade Representative shall take into account—

"(i) the potential increase in United States exports that is estimated to occur from elimination of such act, policy, or practice, and

"(ii) the extent to which such act, policy, or practice nullifies or impairs any benefit to which the United States is entitled under any international trade agreement.".

SEC. 4. TRANSFER OF AUTHORITY TO THE UNITED STATES TRADE REPRESENTATIVE.

(a) IN GENERAL.—(1) Paragraph (1) of section 301(a) of the Trade Act of 1974 (19 U.S.C. 2411(a)(1)) is amended by striking out "President" and inserting in lieu thereof "United States Trade Representative (hereafter referred to in this chapter as the 'Trade Representative')".

(2) Paragraph (2) of section 301(a) of the Trade Act of 1974 (19 U.S.C. 2411(a)(2)) is amended by striking out "President" and inserting in lieu thereof "Trade Representative".

(3) Subsection (b) of section 301 of the Trade Act of 1974 (19 U.S.C. 2411(b)) is amended by striking out "President" and inserting in lieu thereof "Trade Representative".

(4) Subsection (c) of section 301 of the Trade Act of 1974 (19 U.S.C. 2411(c)) is amended—

(A) by striking out "President" each place it appears and inserting in lieu thereof "Trade Representative", and

(B) by striking out "United States Trade Representative (hereinafter in this chapter referred to as the 'Trade Representative')" in paragraph (2)(B) and inserting in lieu thereof "Trade Representative".

(5) Subsection (d) of section 301 of the Trade Act of 1974 (19 U.S.C. 2411(d)) is amended to read as follows:

"(d) ACTION BY TRADE REPRESENTATIVE ON OWN MOTION.—If the Trade Representative decides to take action under this section and no petition requesting action on the matter involved has been filed under section 302, the Trade Representative shall publish notice of his determination, including the reasons for the determination in the Federal Register. Unless he determines that expeditious action is required, the Trade Representative shall provide an opportunity for the presentation of views concerning the taking of such action.".

(6) Section 301 of the Trade Act of 1974 (19 U.S.C. 2411) is amended by striking out "PRESIDENT" in the section heading and inserting in lieu thereof "UNITED STATES TRADE REPRESENTATIVE".

(b) CONFORMING AMENDMENTS.—

(1) Section 302 of the Trade Act of 1974 (19 U.S.C. 2412) is amended—

(A) by striking out "United States Trade Representative (hereinafter in this chapter referred to as the 'Trade Representative')" in subsection (a)(1) and inserting in lieu thereof "Trade Representative",

(B) by striking out "President" in subsection (a)(1) and inserting in lieu thereof "Trade Representative", and

(C) by striking out "in order to advise the President concerning the exercise of the President's authority under section 301" in subsection (c)(1).

(2) Section 303 of the Trade Act of 1974 (19 U.S.C. 2413) is amended—

(A) by adding at the end thereof the following new subsection:

"(c) INTERAGENCY TRADE ORGANIZATION.—The Trade Representative shall consult with the interagency trade organization established under section 242(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1872) regarding any determination which is required to be made by the Trade Representative under this chapter.", and

(B) by striking out "UPON INITIATION OF INVESTIGATION" in the section heading.

(3) The table of contents of the Trade Act of 1974 is amended by striking out "upon initiation of investigation" in the item relating to section 303.

(4) The table of contents of the Trade Act of 1974 is amended by striking out "President" in the item relating to section 301 and inserting in lieu thereof "United States Trade Representative".

SEC. 5. MISCELLANEOUS AMENDMENTS TO SECTION 301 OF THE TRADE ACT OF 1974.

(a) BURDEN ON COMMERCE.—Section 301 of the Trade Act of 1974 (19 U.S.C. 2411) is amended—

(1) by inserting "(or threatens to burden or restrict)" after "restricts" in subsection (a)(1)(B)(ii),

(2) by striking out "or instrumentality" each place it appears, and

(3) by striking out "purpose of this section" in subsection (e) and inserting in lieu thereof "purpose of this chapter".

(4) by adding at the end of subsection (e) the following new paragraphs:

"(7) BURDEN ON UNITED STATES COMMERCE.—Acts, policies, and practices of a foreign country which burden United States commerce include, but are not limited to—

"(A) acts, policies, and practices which have an adverse effect on trade between the United States and another foreign country,

"(B) the subsidization of exports of such foreign country that results in the displacement of United States exports to another foreign country,

"(C) the imposition of import restrictions or export performance requirements that result in the diversion of the exports of another foreign country to United States markets, and

"(D) the enforcement of trade restraining agreements that result in the diversion of the exports of another foreign country to United States markets.

"(8) FOREIGN COUNTRY.—The term 'foreign country' includes any foreign instrumentality.".

(b) NEGOTIATED SETTLEMENTS; DENIAL OF GENERALIZED SYSTEM OF PREFERENCES.—Subsection (b) of section 301 of the Trade Act of 1974 (19 U.S.C. 2411(b)) is amended—

(1) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or", and

(2) by adding at the end thereof the following new paragraphs:

"(3) enter into binding agreements with such foreign country that fully offset or eliminate any burden or restriction on United States commerce resulting from the acts, policies, or practices of such foreign country described in subsection (a)(1)(B); or

"(4) withdraw, or refrain from proclaiming under title V—

"(A) the designation of such foreign country as a beneficiary developing country, or

"(B) the designation of any product of such foreign country as an eligible article.".

(c) UNREASONABLE PRACTICES.—Paragraph (3) of section 301(e) of the Trade Act of 1974 (19 U.S.C. 2411(e)(3)) is amended—

(1) by inserting "(or any combination thereof)" after "or practice" in the second sentence,

(2) by inserting "(including protection of any industry in its formative stages)" after "opportunities" in subparagraph (A),

(3) by striking out "or" at the end of subparagraph (B),

(4) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; or",

(5) by adding at the end thereof the following new subparagraph:

"(D) provision of adequate and effective protection against anti-competitive practices.".

(d) SERVICE SECTOR ACCESS AUTHORIZATION.—Paragraph (6) of section 301(e) of the Trade Act of 1974 (19 U.S.C. 2411(e)(6)) is amended by inserting ", or a foreign supplier of goods related to a service," after "supplier of services".

SEC. 6. ACTIONS IN RESPONSE TO INVESTIGATIONS UNDER TITLE III OF THE TRADE ACT OF 1974.

(a) IN GENERAL.—Section 304 of the Trade Act of 1974 (19 U.S.C. 2414) is amended to read as follows:

"SEC. 304. ACTIONS IN RESPONSE TO INVESTIGATIONS.

"(a) DETERMINATION OF UNFAIR PRACTICES.—

"(1) IN GENERAL.—By no later than 90 days after the date on which an investigation is initiated under section 302, the Trade Representative shall determine on the basis of such investigation whether—

"(A) the United States is being denied any rights to which the United States is entitled under any trade agreement, or

"(B) any act, policy, or practice of a foreign country is described in section 301(a)(1)(B).

"(2) PUBLICATION.—By no later than 90 days after the date on which an investigation is initiated under section 302, the Trade Representative shall publish in the Federal Register—

"(A) the determination made under paragraph (1) with respect to such investigation, and

"(B) if such determination is affirmative, a list of foreign goods and services (and their aggregate value) that could be subject to actions which the Trade Representative intends to take under subsection (b) or (c) of section 301 to enforce the rights and to offset or eliminate the acts, policies, and practices which were the subject of such affirmative determination.

"(b) ACTION REQUIRED TO BE TAKEN.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, the Trade Representative shall, by no later than the date that is 15 months after the date any investigation is initiated under section 302, take whatever actions under subsections (b) and (c) of section 301 that are necessary to—

"(A) enforce all rights, and

"(B) offset or eliminate all acts, policies, and practices,

which were the subject of an affirmative determination made under subsection (a)(1) with respect to such investigation.

"(2) DELAY IN TAKING ACTIONS.—The Trade Representative may delay taking action under paragraph (1) for a period not to exceed 90 days if—

"(A) either—

"(i) in the case of an investigation initiated under section 302(b), the petitioner requests such delay, or

"(ii) in the case of an investigation initiated under section 302(c), such delay is requested by the domestic industry that would benefit from enforcement of the rights, or elimination of the acts, policies, and practices, that were the subject of the affirmative determination under subsection (a)(1), and

"(B) such request is based on a determination made by the person making such request that adequate progress is being made to enforce such rights or to eliminate or reduce such acts, policies, and practices.

"(3) EXCEPTIONS.—The Trade Representative shall not be required to take action under subsection (b) or (c) of section 301 by reason of paragraph (1) if—

"(A) after the affirmative determination has been made under subsection (a)(1), the Trade Representative subsequently determines such affirmative determination was incorrect or is no longer valid, or

"(B) an agreement is entered into with the foreign country involved and—

"(i) representatives of the domestic industry described in paragraph (2)(A)(ii) and the petitioner, if any, agree that such agreement adequately offsets or eliminates the acts, policies, and practices and enforces the rights which were the subject of such affirmative determination, or

"(ii) the Trade Representative and either—

"(I) the representatives of such industry, or

"(II) the petitioner,

agree that such agreement adequately offsets or eliminates the acts, policies, and practices and enforces the rights which were the subject of such affirmative determination.

"(4) CONSIDERATION OF GATT DETERMINATIONS.—If any determination made by the Contracting Parties under the dispute settlement procedures of the General Agreement on Tariffs and Trade conflicts with, or differs from, a determination made by the Trade Representative under subsection (a)(1), the Trade Representative shall review the determination made under subsection (a)(1) for purposes of paragraph (3)(A).

"(c) REVIEW OF NECESSITY.—

"(1) IN GENERAL.—If—

"(A) a particular action has been taken under subsection (b) or (c) of section 301 by reason of subsection (b)(1) continuously during any 7-year period, and

"(B) neither the petitioner nor any representative of the domestic industry described in subsection (b)(2)(A)(ii) has submitted to the Trade Representative during the last 60 days of such 7-year period a written request for the continuation of such action,

such action shall terminate at the close of such 7-year period.

"(2) NOTICE OF POTENTIAL TERMINATION.—The Trade Representative shall notify by mail the petitioner and representatives of the domestic industry described in subsection (b)(3)(B) of any termination of action by reason of paragraph (1) at least 60 days before the date of such termination.

"(3) FORMAL REVIEW.—If a request is submitted under paragraph (1)(B) to continue taking a particular action under subsection (b) or (c) of section 301, the Trade Representative shall conduct a review of—

"(A) the effectiveness of—

"(i) such action, and

"(ii) other actions that could be taken (including actions against other products or services),

in achieving the objectives described in subsection (b)(1), and

"(B) the effects of such actions on the United States economy, including consumers.

The Trade Representative shall submit a report on such review to the Congress and shall include in such report any modifications the Trade Representative has made, or intends to make, in the actions taken under subsections (b) and (c) of section 301 as a result of such review.".

(b) CONFORMING AMENDMENTS.—

(1) The table of contents for the Trade Act of 1974 is amended by striking out the item relating to section 304 and inserting in lieu thereof the following:

"Sec. 304. Actions in response to investigations.".

(2) Subsection (b) of section 301 of the Trade Act of 1974 (19 U.S.C. 2411(b)) is amended—

(A) by inserting ", or upon the application of section 304(b)(1)" after "subsection (a)", and

(B) by striking out "in such subsection" and inserting in lieu thereof "in subsection (a)".

SEC. 7. COMPENSATION AUTHORITY.

Section 123 of the Trade Act of 1974 (19 U.S.C. 2133) is amended—

(1) by striking out "section 203" and inserting in lieu thereof "chapter 1 of title II or chapter 1 of title III", and

(2) by adding at the end thereof the following new subsection:

"(e) The provisions of this section shall apply by reason of action taken under chapter 1 of title III only if the President determines that action authorized under this section is necessary to meet the international obligations of the United States.".

By Mr. MOYNIHAN:

S. 32. A bill to establish a National Commission on Deficit Reduction; to the Committee on Governmental Affairs.

NATIONAL COMMISSION ON DEFICIT REDUCTION ACT

Mr. MOYNIHAN. Mr. President, I rise today, on the 1st day of the 100th Congress, to introduce legislation to create a National Commission on Deficit Reduction.

If the legislation appears to be familiar to some, it is. I introduced identical legislation in the 98th Congress, on November 18, 1983. It had become clear to me even then that broad bipartisan support for sensible and effective deficit reduction would not be forthcoming. Circumstances have not changed much.

In 1985, Congress passed the Gramm-Rudman-Hollings law, but that legislation, much as I predicted at the time, has not solved the problem. The deficit is now projected to be $175 billion for fiscal year 1987—$30 billion above the Gramm-Rudman-Hollings deficit ceiling, and only $10 billion below the deficit for fiscal year 1984.

Gramm-Rudman-Hollings has led to creative accounting gimmicks to be sure: shifts of expenditures from one fiscal year to another, unrealistic expectations for economic performance, and almost unbelievable assumptions about future revenue gains from increased tax compliance and enforcement activities. But this does not get at the structural deficit problem.

Making constitutional that part of Gramm-Rudman-Hollings which the Supreme Court found to be unconstitutional in the first place will not solve the problem either. It will only lead to more gimmicks.

Today I once again offer a solution to our seeming inability to achieve comprehensive, thoughtful, and effective deficit reduction. If the problem is as complex and serious as I believe it is, it deserves the attention and best efforts of the Nation's economic and political leadership. And so this legislation would create a bipartisan National Commission on Deficit Reduction comprised of 17 members. Five members of the administration—the Chairman of the President's Council of Economic Advisers, the Director of the Office of Management and Budget, the Secretary of the Treasury, and two others selected at the President's discretion. Another five would be selected from the membership of the Senate—three by the majority leader, and two by the minority leader. In a similar fashion, five members would be chosen from the House of Representatives. Finally, the Director of the Congressional Budget Office and the Chairman of the Board of the Federal Reserve System would serve on the Commission.

The Commission would investigate and identify the sources of the unprecedented growth of the cyclical and structural deficits in the elements of fiscal and monetary policies. The legislation further directs the Commission to identify the effect of the elements of the deficit on employment, on real interest rates, on capital formation and investment, and on the propects for continued strong economic growth. If we do not reduce the deficits in ways that encourage, rather than undermine the health and growth of the Nation's economy, we have accomplished little indeed.

It is also clear that examination of tax and spending policies alone will not be sufficient. The Commission must also examine the more general management of the economy and how it relates to deficits and deficit reduction alternatives. Specifically, the Commission will examine the relationship between monetary and fiscal policies, and how the coordination of those policies might be reformed as part of a solution to the deficit crisis.

The American public are rightfully demanding that we set the Nation's fiscal house in order and that we do so in a fair and equitable way. The Commission, therefore, is directed to make recommendations that ensure that the burdens of deficit reduction are equitably distributed and not borne disproportionately by any economic or social group. The Nation's elderly and poor, or the Nation's farmers and small businessmen, or the Nation's homeowners and investors, cannot be expected to bear all the costs for this unprecedented problem. We must know the impact of different approaches to reducing the deficit, separately and in combination, on the different economic and social groups of the Nation.

This is a most serious proposal. Having been a member of both the Senate Budget and Finance Committees for the past 10 years, I am well aware that the setting the Nation's accounts in order is the task of several committees of this Congress and offices and departments of the executive branch. However, my experiences have left me with the thought that a special forum will have to be created if we are to successfully deal with the Nation's current fiscal crisis. Such a forum was created and was helped to achieve consensus in restoring the viability of the Social Security Trust Funds—an effort I am proud to have been a part of.

I urge my colleagues to join in this effort to respond to the deficits which jeopardize the Nation's economic future.

I ask unanimous consent that the full text of my proposal be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 32

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, ,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Commission on Deficit Reduction Act".

ESTABLISHMENT OF COMMISSION

SEC. 2. (a) There is hereby established the National Commission on Deficit Reduction (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of seventeen members who shall be appointed by the President as follows:

(1) Five members from the executive branch of the Government, including the Chairman of the President's Council of Economic Advisors, the Director of the Office of Management and Budget, the Secretary of the Treasury, and two others;

(2) Five members from the Senate, three members to be named upon the recommendation of the majority leader, and two members to be named upon the recommendation of the minority leader;

(3) Five members from the House of Representatives, three to be named upon the recommendation of the majority leader and two to be named upon the recommendation of the minority leader;

(4) The Director of the Congressional Budget Office; and

(5) The Chairman of the Board of the Federal Reserve System.

(c) The Chairman of the Commission shall be the Director of the Congressional Budget Office.

(d) The Vice Chairman of the Commission shall be elected by the members of the Commission.

(e) The majority and minority leaders of the Senate, and the majority and minority leaders of the House of Representatives, shall make recommendations for the appointments to be made pursuant to subsection (b) of this section within fifteen days of the enactment of this Act.

(f) The President shall make all of the appointments in accordance with subsection (b) of this section after receiving the recommendations set forth in paragraphs (2), (3), and (4) of subsection (b) of this section, and such appointments shall be made no later than thirty days after the date of enactment.

(g) The first meeting of the Commission shall be called by the President within fifteen days following the date such appointments to the Commission are made.

(h) The term of office for members shall be for the term of the Commission.

(i) A vacancy in the Commission shall not affect its powers, and shall be filled in the same manner in which the original appointment was made.

(j) Ten members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

PURPOSES OF THE COMMISSION

SEC. 3. (a) The Commission shall conduct a comprehensive study of the elements of fiscal and monetary policies, with particular emphasis on the sources of cyclical and structural budget deficits and their effect on employment, real interest rates, capital formation and investment, and the vigor and viability of economic growth. This study shall include recommendations to reduce these deficits in the manner and to the extent required to promote reductions in unemployment and real interest rates, to encourage capital formations and investment, and to sustain vigorous economic growth. These recommendations shall ensure that the burden of deficit reduction is equitably distributed and not borne disproportionately by any one economic or social group.

(b) The comprehensive study undertaken by the Commission shall specifically address—

(1) the current and prospective economic factors and developments, in both the United States and abroad, that should be taken into account in making fiscal and monetary policies;

(2) all potential options which would result in deficit reductions, including a statement of the impact of each on the Nation's economy;

(3) the impact of deficit reduction options, separately and in combination, on different income and social groups; and

(4) the institutional arrangements required to achieve the appropriate degree of coordination in the making and implementation of fiscal and monetary policies, to achieve reductions in the budget deficit.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 4. (a) Members of the Commission who are also Members of the Congress shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Any Members of the Commission who are also in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties in the Commission.

(c) Members of the Commission who are also current members of the Federal Reserve System, shall serve without compensation in addition to that received for their services as members of the Federal Reserve System; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(d) Members shall be appointed for the life of the Commission.

POWERS OF THE COMMISSION

SEC. 5. (a)(1) The Commission or, on the authorization of the Commission, any subcommittee thereof, may, for the purpose of carrying out its functions and duties, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses, and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission or such subcommittee may deem advisable. Subpoenas may be issued to any person within the jurisdiction of the United States courts, under the signature of the Chairman or Vice Chairmen, or such members. In the case of failure of any witness to comply with any subpoena or to testify when summoned under authority of this section, the provisions of sections 102 through 104, inclusive, of the Revised Statutes (2 U.S.C. 192-194), shall apply to Congress.

(2) For purposes of section 552(e) of title 5, United States Code, the Commission shall not be considered to be an agency.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairmen, such information as the Commission deems necessary to carry out its function under this Act.

(c) Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(1) appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 of the General Schedule under section 5332 of such title, and

(2) procure temporary and intermittent services in accordance with the provisions of section 3109 of title 5, United States Code, but at rates not to exceed $200 per day for individuals.

(d) The Commission is authorized to enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the discharge of its duties to such extent and in such amount as are provided in appropriations Acts.

FINAL REPORT

SEC. 6. The Commission shall transmit to the President and to the Congress not later than one hundred and eighty days after the first meeting of the Commission, a final report containing a detailed statement of the findings and conclusions of the Commission, including its recommendations for administrative, and legislative action which it deems advisable. Any formal recommendation made by the Commission to the President and to the Congress must have the majority vote of the Commission as present and voting.

EXPIRATION OF THE COMMISSION

SEC. 7. Sixty days after the submission to Congress of the final report provided for in section 6 the Commission shall cease to exist.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the activities of the Commission.

EFFECTIVE DATE

SEC. 9. The provisions of this Act shall take effect upon the date of enactment of this Act.

By Mr. MOYNIHAN (for himself and Mr. RIEGLE):

S. 33. A bill entitled the "Social Security Trust Funds Management Act of 1987"; to the Committee on Finance.

SOCIAL SECURITY TRUST FUNDS MANAGEMENT ACT

● Mr. MOYNIHAN. Mr. President, on this first day of the 100th Congress, I rise to offer the Social Security Trust Funds Management Act of 1987, legislation to reform current investment practices governing the Social Security trust funds. During the 99th Congress, the Senate twice accepted identical language, but it was neither time enacted into law. Upon reintroduction, I am happy to have the support of my distinguished colleague from Michigan, Senator RIEGLE.

The intent of this bill is to prevent from happening again what never should have happened at all: The redemption, in the past 2 years, of Social Security trust fund assets in order to keep the Federal Government running. The Government resorted to this practice during those times when its ability to borrow additional funds to pay for the budget deficit had temporarily expired.

This legislation clarifies that the invested assets of the Social Security—old-age, survivors, and disability insurance—trust funds may be redeemed and used only to pay Social Security benefits and never to fund, or temporarily "float," other Government expenses.

Mr. President, it became clear in 1985, and again last year, that the Department of the Treasury manipulated Social Security trust fund moneys, in the fall of 1985 and 1984, in order to avoid the debt limit ceiling. I am afraid this is a problem which, unless addressed by corrective legislation threatens public confidence in the security of the trust funds.

Most Members of the Senate are acquainted with what occurred. But as a matter of record, those events bear restating. During 1985, the Secretary of the Treasury, as managing trustee of the Social Security trust funds, redeemed $6.9 billion of Social Security's—OASDI's—long-term securities in September, another $4.8 billion in October and $13.7 billion in November, drawing down these trust funds from $37 billion at the end of August to about $11 billion by November 12—a level not sufficient to pay 1 month's worth of benefits. The interest that the trust funds could have lost by such premature redemptions was estimated by the Social Security Office of the Actuary to be some $875 million. Moreover, the Treasury Department took a similar step the previous year, during the September-October 1984 debt limit impasse. At that time, $5.1 billion of Social Security's long-term bonds were prematurely cashed in, which could have resulted in a $382 million loss of interest to the trust funds.

Disinvestment of this magnitude was unprecedented. So, equally, was the concealment. Neither the congressional committees with jurisdiction over the program nor the public trustees of the system received any notification of these extraordinary steps. In late 1985, Treasury officials defended themselves by citing an October 22, 1985, letter from Secretary Baker to the conferees on the debt limit bill. That letter warned that Treasury was prepared to take the "extraordinary" step of disinvesting trust fund assets if the debt limit impasse had not been resolved by October 31. But what of the large-scale—indeed "extraordinary"—disinvestment of over $11 billion in bonds that had already taken place in early September and again in early October? We were not told of these.

On September 10, 1985, John J. Niehenke, then Acting Assistant Secretary of the Treasury, testified before the Senate Finance Subcommittee on Taxation and Debt Management. In his testimony—given just after $6.9 billion in Social Security bonds had been redeemed—Mr. Niehenke stated:

> Our current cash and debt projections indicate that the present debt limit of $1,823.8 billion should be adequate to meet the Treasury's needs until September 30.

Such was adequate to meet the Treasury's needs only after raiding the Social Security trust funds for nearly $7 billion. Yet, Mr. Niehenke made no mention of that.

On November 7, after much difficulty, I was able to have the Finance Committee's Subcommittee on Social Security and Public Assistance hold a hearing on this matter. We were allowed only one witness: former Treasury Deputy Assistant Secretary John J. Niehenke.

I believe the exchange I had with Mr. Niehenke reflects an extraordinary lack of candor. The transcript of that hearing will reveal an episode wherein I attempted to secure from Mr. Niehenke one basic, but important piece of information: The long-term investments held by the trust funds as of November 7—the day of the hearing. Such information would have revealed the disinvestments of early November. I had to drag this basic information out of him. Nor was he forthright about admitting to the September-October 1984 disinvestment, let alone suggesting that the resultant loss of interest to the trust funds be refunded.

In the wake of these hearings, Congress did act to make the trust funds whole. On November 12, 1985, the Senate adopted an amendment I offered along with Senator RIEGLE to fully correct the situation. The long-term bonds cashed in during the fall of 1985 were consequently restored to the trust funds, as was the interest lost as a result of the 1984 disinvestment.

Both the General Accounting Office and the Congressional Research Service have since looked into Treasury's practices. The GAO found that the Secretary's actions were—

> In violation of the Social Security Act,

but that—

> we cannot say that the Secretary acted unreasonably given the extraordinary situation in which he was operating.

More interesting, the CRS report on Social Security disinvestment speaks to the fiduciary responsibility of the Secretary of the Treasury, stating:

> [t]he conclusion seems inescapable that in enacting the Social Security Act Congress to a greater or lesser extent had certain features of private trust law in mind.

Comparing the Secretary's fiduciary responsibilities to those of private fiduciaries, CRS reasons that public officers who are responsible for holding, depositing, and investing public funds are properly held to an even higher standard than are private fiduciaries.

Mr. President, I am deeply disturbed by what has happened. Why weren't we informed in a timely manner of these disinvestments? Why were we left to our own devices to find out just what was being done with such large amounts of public moneys? Why weren't the other trustees, particularly the two public trustees, informed? Those of us who helped frame the 1983 Social Securities Amendments, which established the two public trustees, intended that they would act as public guardians of the funds. If recent events are any indication, these trustees may be completely ignored, unless we change the law.

In the wake of our revelations about past disinvestment practices, the Department of the Treasury tried to assure us that such covert disinvestment would cease. In a letter to me, Assistant Treasury Secretary Bruch Thompson stated:

> . . . as a matter of policy, the Secretary has directed that both Congress and the trustees be kept informed on significant matters affecting the Trust Funds.

Well and good. Since that time, the Department has made a real effort to keep us better apprised of anticipated problems. Yet the systemic weakness which precipitated massive disinvestment in the first place has yet to be addressed. Characteristic of a pattern we know all too well, we were unable to pass a timely debt limit increase again in 1986, once again endangering a number of Federal trust funds. In a letter—September 22, 1986—to members of the Senate Finance Committee, Treasury Secretary Baker warned us that absent a debt limit extension, he would be unable to complete the regular investment policy for assets in the civil service retirement and disability fund, the defense military retirement fund, or the Social Security trust funds. Indeed, the first two did lose interest payments as a result. And, thanks only to an unusually large cash surplus in the Social Security fund toward the end of the fiscal year, the OASDI trust funds did not lose any earnings interest as a result of noninvestment.

Mr. President, the whole experience suggests to me that it is time, past time, to change the law. Put simply, Treasury should not be allowed to engage in creative financing schemes that are tantamount to using Social Security moneys to float the rest of Government.

For this reason, I am reintroducing the Social Security Trust Funds Management Act. This legislation would first prohibit disinvestment of OASDI trust fund assets during a debt ceiling crisis for anything other than the timely payment of benefits and administrative expenses.

Second, the proposal mandates that uninvested Social Security tax receipts be invested in interest bearing Government obligations as soon as the debt ceiling is increased. This provision would prohibit the Government from using such balances as a loan to pay for any other operating expenses.

Third, the Social Security Trust Funds Management Act also would make a permanent appropriation to restore the trust funds to the amount they would have been at had disinvestment not been necessary.

Fourth, the managing trustee would be required to notify the Social Security Board of Trustees and the Congress 15 days in advance of an anticipated disinvestment; he would also be required to carry out his Social Security investment duties, notwithstanding any other of his duties arising by reason of the debt limit.

Mr. President, the earlier disinvestment actions of the Treasury Department would not have withstood the scrutiny to which private fiduciaries are subject. Our proposal would require the managing trustee to exercise the same degree of care in managing the trust funds as would be required of a private fiduciary.

And finally, with respect to reporting requirements, our legislation would require the managing trustee to report monthly to the trustees on the operation and status of the trust funds. The Secretary ought to be required specifically to keep his fellow trustees informed so that they may all be held accountable for such actions. More frequent meetings of the trustees would also help. In the past, they have met only once a year to sign the annual trustees report. The Board of Trustees would be required to meet semiannually to review trust fund operations and report to Congress on that review. And finally, to avoid the temptation to manipulate trust fund moneys, the proposal would eliminate normalized tax transfers after June 30, 1990. All other provisions of the bill would be effective upon enactment.

In closing, Mr. President, I would like to point out that extremely large surpluses will be building up in the trust funds in the near future. The 1983 Social Security Amendments are working to restore the system to financial health. In fact, the funds are in better shape than we had anticipated—so much better that in January 1986, 2 years ahead of schedule, OASI was able to fully repay the moneys it had previously borrowed from the HI fund.

Recent estimates by the Social Security Office of the Actuary indicate that by the end of the calendar year 1991, OASDI will have accumulated a surplus of nearly one-quarter of a trillion dollars—$247.5 billion. The cumulative surpluses are indicated in a table which I ask unanimous consent be printed in the RECORD following my remarks.

Long-term projections indicate the OASDI trust funds will reach one-half of a trillion dollars by 1995 and more than $1 trillion by the year 2000.

If current trust funds assets of about $40 billion have proved tempting targets for the Treasury Department, just think how tempting $1 trillion of such assets would be. The building of trust fund assets makes it even more important that we approve the legislation I propose in order to preclude any future manipulation of those funds.

My colleagues in the State recognized the need for more careful oversight of investment practices when they accepted the language of this bill last year—first, as a provision of the debt limit increase—House Joint Resolution 669—and again on September 19, as an amendment to the Sixth Omnibus Budget Reconciliation Act—S. 2706.

The House, however, insisted on its proposal—H.R. 5050—to prohibit disinvestment for any purpose, even if this resulted in Social Security checks not being mailed during a debt limit impasse. By the end of the 99th Congress, no legislation to prevent further disinvestment had been enacted.

Mr. President, I urge my colleagues to again support this important legislation, and I ask unanimous consent that the text of the bill, and a table be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

ESTIMATED OPERATIONS OF OASI AND DI TRUST FUNDS (ALTERNATIVE II–B ASSUMPTION)

[Calendar years 1986–2055]

Calendar year	Income excluding interest	Interest	Total income	Total outgo	Assets of end of year
Alternative II–B:					
1986	$211.6	$3.7	$215.3	$202.4	$44.4
1987	225.0	4.8	229.8	214.2	60.0
1988	253.6	6.6	260.2	229.1	91.1
1989	275.2	9.5	284.8	244.3	131.6
1990	304.7	13.2	318.0	263.2	186.4
1991	325.1	17.6	342.7	281.6	247.5
1992	348.2	22.0	370.2	299.9	317.8
1993	371.5	26.6	398.1	319.2	396.7
1994	397.2	31.7	428.9	339.8	485.8
1995	423.3	37.1	460.4	361.8	584.3
2000	578.6	72.6	651.2	465.1	1,329.2
2005	781.8	145.8	927.6	610.5	2,635.8
2010	1,048.1	258.7	1,306.8	862.0	4,616.4
2015	1,386.4	402.1	1,788.5	1,270.1	7,092.3
2020	1,819.1	552.4	2,371.5	1,883.8	9,639.4
2025	2,382.6	676.4	3,059.0	2,715.8	11,689.9
2030	3,134.3	743.4	3,677.7	3,761.5	12,738.6
2035	4,135.1	737.0	4,872.2	5,025.9	12,523.7
2040	5,446.0	647.5	6,093.5	6,544.9	10,890.1
2045	7,158.5	449.2	7,607.7	8,527.0	7,337.4
2050	9,403.0	61.8	9,464.8	11,225.3	409.9

Source: Actuarial Note, April 1986, Office of the Actuary Social Security Administration.

S. 33

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This title may be cited as the "Social Security Trust Funds Management Act of 1987".

SEC. 2. INVESTMENT AND RESTORATION OF TRUST FUNDS.

(a) Subsection (d) of section 201 of the Social Security Act (42 U.S.C. 401(d)) is amended—

(1) by striking out "(1) on original issue" and inserting in lieu thereof "(A) on original issue",

(2) by striking out "(2) by purchase" and inserting in lieu thereof "(B) by purchase";

(3) by striking out "It shall be" and inserting in lieu thereof "(1) It shall be", and

(4) by adding at the end thereof the following new paragraphs:

"(2) If—

"(A) any amounts in the Trust Funds have not been invested solely by reason of the public debt limit, and

"(B) the taxes described in clause (3) or (4) of subsection (a) with respect to which such amounts were appropriated to the Trust Funds have actually been received into the general fund of the Treasury of the United States,

such amounts shall be invested by the Managing Trustee as soon as such investments can be made without exceeding the public debt limit and without jeopardizing the timely payment of benefits under this title or under any other provision of law directly related to the programs established by this title.

"(3)(A) Upon expiration of any debt limit impact period, the Managing Trustee shall immediately—

"(i) reissue to each of the Trust Funds obligations under chapter 31 of title 31, United States Code, that are identical, with respect to interest rate and maturity, to public debt obligations held by such Trust Fund that—

"(I) were redeemed during the debt limit impact period, and

"(II) as determined by the Managing Trustee on the basis of standard investment procedures for such Trust Fund in effect on the day before the date on which the debt limit impact period began, would not have been redeemed if the debt limit impact period had not occurred, and

"(ii) issue to each of the Trust Funds obligations under chapter 31 of title 31, United States Code, that are identical with respect to interest rate and maturity, to public debt obligations which—

"(I) were not issued during the debt limit impact period, and

"(II) as determined by the Managing Trustee on the basis of such standard investment procedures, would have been issued if the debt limit impact period had not occurred.

"(B) Obligations issued or reissued under subparagraph (A) shall be substituted for obligations that are held by the Trust Fund, and for amounts in the Trust Fund that have not been invested, on the date on which the debt limit impact period ends in a manner that will ensure that, after such substitution, the holdings of the Trust Fund will replicate to the maximum extent practicable the obligations that would be held by such Trust Fund if the debt limit impact period had not occurred.

"(C) In determining, for purposes of this paragraph, the obligations that would be held by a Trust Fund if the debt limit impact period had not occurred, any amounts in the Trust Fund which have not been invested, and any amounts required to be invested under paragraph (2), shall be treated as amounts which were required to be invested upon transfer to the Trust Fund.

"(4) The Managing Trustee shall pay, on the first normal interest payment date that occurs on or after the date on which any debt limit impact period ends, to each of the Trust Funds, from amounts in the general fund of the Treasury of the United States not otherwise appropriated, an amount determined by the Managing Trustee to be equal to the excess of—

"(A) the net amount of interest that would have been earned by such Trust Fund during such debt limit impact period if—

"(i) amounts in such Trust Fund that were not invested during such debt limit impact period solely by reason of the public debt limit had been invested, and

"(ii) resumptions and disinvestments with respect to such Trust Fund which occurred during such debt limit impact period solely by reason of the public debt limit had not occurred, over

"(B) the sum of—

"(i) the net amount of interest actually earned by such Trust Fund during such debt limit impact periods, plus

"(ii) the total amount of the principal of all obligations issued or reissued under paragraph (3)(A) at the end of such debt limit impact period that is attributable to interest that would have been earned by such Trust Fund during such debt limit impact period but for the public debt limit.

"(5) For purposes of this section—

"(A) The term 'public debt limit' means the limitation imposed by subsection (b) of section 3101 of title 31, United States Code.

"(B) The term 'debt limit impact period' means any period for which the Secretary of the Treasury determines that the issuance of obligations of the United States is sufficient to orderly conduct the financial operations of the United States may not be made without exceeding the public debt limit.".

(b) Subsection (a) of section 201 of the Social Security Act is amended by adding at the end thereof the following new sentence: "All amounts so transferred shall be immediately available exclusively for the purpose for which amounts in the Trust Fund are specifically made available under this title or under any other provision of law directly related to the programs established by this title."

SEC. 3. REPEAL OF NORMALIZED TAX TRANSFER.

(a) Subsection (a) of section 201 of the Social Security Act is amended by striking out the matter following clause (4) and inserting in lieu thereof the following: "The amounts appropriated by clause (3) and (4) shall be transferred from the general fund of the Treasury of the United States to the Federal Old-Age and Survivors Insurance Trust Fund, and the amounts appropriated by clauses (1) and (2) of subsection (b) shall be transferred from the general fund of the Treasury to the Federal Disability Insurance Trust Fund, upon receipt by the general fund of taxes specified in clauses (3) and (4) of this subsection (as estimated by the Secretary). Proper adjustments shall be made in amounts subsequently transferred to the extent amounts previously transferred were in excess of, or were less than, the taxes specified in such clauses (3) and (4). All amounts so transferred shall be immediately available exclusively for the purpose for which amounts in the Trust Fund are specifically made available under this title or under other provisions of law directly related to the programs established by this title.".

(b) The amendment made by subsection (a) shall take effect on July 1, 1990.

SEC. 4. FAITHFUL EXECUTION OF DUTIES BY MEMBERS OF BOARD OF TRUSTEES OF TRUST FUNDS.

Section 201(c) of the Social Security Act is amended by striking the last sentence and inserting the following: "A person serving on the Board of Trustees (including the Managing Trustee) shall not be considered to be a fiduciary, but each such person shall faithfully execute the duties imposed on such person by this section. A person serving on the Board of Trustees (including the Managing Trustee) shall not be personally liable for actions taken in such capacity with respect to the Trust Funds.".

SEC. 5. REPORTS REGARDING THE OPERATION AND STATUS OF THE TRUST FUNDS.

Subsection (c) of section 201 of the Social Security Act is amended—

(1) by striking "once" in the fourth sentence and inserting "twice",

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively,

(3) by redesignating paragraphs (3), (4), and (5) as subparagraphs (D), (E), and (F), respectively,

(4) by inserting after subparagraph (B) (as redesignated by paragraph (2) of this section) the following:

"(C) Report to the Congress as soon as possible, but not later than the date that is 30 days after the first normal interest payment date occurring on or after the date on which any debt limit impact period for which the Managing Trustee is required to take action under paragraph (3) or (4) of subsection (d) ends, on—

"(i) the operation and status of the Trust Funds during such debt limit impact period, and

"(ii) the actions taken under paragraphs (3) and (4) of subsection (d) with respect to such debt limit impact period;",

(5) by striking out "in paragraph (2) above" and inserting in lieu thereof "in subparagraph (B) above",

(6) by inserting "(1)" after "(c)", and

(7) by adding at the end thereof the following:

"(2) The Managing Trustee shall report monthly to the Board of Trustees concerning the operation and status of the Trust Funds and shall report to Congress and to the Board of Trustees not less than 15 days prior to the date on which, by reason of the public debt limit, the Managing Trustee expects to be unable to fully comply with the provisions of subsection (a) or (d)(1), and shall include in such report an estimate of the expected consequences to the Trust Funds of such inability.".

SEC. 6. ELIMINATION OF UNDUE DISCRETION IN THE INVESTMENT OF TRUST FUNDS.

(a) Section 201(d) of the Social Security Act is amended, in the first sentence—

(1) by inserting "immediately" after "to invest"; and

(2) by striking ", in his judgment,".

(b)(1) Paragraph (2) of section 201(d) of the Social Security Act, as added by section 2 of this Act, is amended to read as follows:

"(2) If any amount in either of the Trust Funds is not invested solely by reason of the public debt limit, such amount shall be invested as soon as such investment can be made without exceeding the public debt limit and without jeopardizing the timely payment of benefits under this title or under any other provision of law directly related to the programs established by this title."

(2) The amendment made by paragraph (1) shall take effect on July 1, 1990.

SEC. 7. SALES AND REDEMPTIONS BY TRUST FUNDS.

Section 201(e) of the Social Security Act is amended—

(1) by inserting "(1)" after "(e)"; and

(2) by adding at the end the following:

"(2)(A) The Managing Trustee may effect any such sale or redemption with respect to either Trust Fund only for the purpose of enabling such Trust Fund to make payments authorized by this title or under any other provisions of law directly related to the programs established by this title. If either of the Trust Funds holds any amounts which are not invested by reason of the public debt limit, the Managing Trustee is nevertheless directed to make such sales and redemptions if, and only to the extent, necessary to assure timely payment of benefits and other payments authorized by this title or by any other provisions of law directly related to the programs established by this title, but the principal amount of obligations sold or redeemed pursuant to this sentence shall not exceed the principal amount of obligations that would have been sold or redeemed under normal operating procedures in order to make such payments.".

SEC. 8. EFFECTIVE DATE.

Except as otherwise provided by this title, the amendments made by this title shall take effect on the date of enactment of this Act.●

By Mr. MOYNIHAN (for himself and Mr. RIEGLE):

S. 34. A bill to establish an independent agency, governed by a bipartisan board, to administer the Old-Age, Survivors, and Disability Insurance Program under title II of the Social Security Act, the Supplemental Security Income Program under title XVI of such act, and the Medicare Program under title XVIII of such act, and for other purposes; to the Committee on Finance.

SOCIAL SECURITY ADMINISTRATIVE REORGANIZATION ACT

Mr. MOYNIHAN. Mr. President, I rise today, the first day of the 100th Congress, to introduce legislation to reorganize the Social Security Administration as an independent agency, governed by a five-member, bipartisan board. I am pleased that my distinguished colleague from Michigan, Senator RIEGLE, with whom I introduced identical legislation in the 98th and 99th Congresses, is joining me to offer it again today.

Our bill would establish an independent agency to administer the Old-Age, Survivors, and Disability Insurance [OASDI] Program, the Medicare Program, and the Supplemental Security Income [SSI] Program. These programs comprise the core of America's social safety net. OASDI and SSI provide essential income support to families who have lost a bread winner, to aged and disabled individuals and their dependents, and to indigent aged and disabled adults, respectively. Medicare insures that all elderly individuals and Social Security beneficiaries have access to basic health care.

Why should the Social Security Administration, which administers these vital programs, be made an independent agency?

The reason is simple: The operations of the Social Security Administration would be improved, and public confidence in the system strengthened, by establishing Social Security as an independent agency.

This is not a new idea—just one lately forgotten. The original Social Security Act of 1935 established an independent Social Security Board to administer the programs. In 1939, Social Security programs were made a part of the independent Federal Security Agency, where they remained until 1953. Only at that time, nearly 20 years after passage of the Social Security Act, was the Social Security Administration made part of the newly formed Department of Health, Education and Welfare. There it has remained.

Almost 30 years later in 1981, the National Commission on Social Security urged the President and Congress to create an independent agency to administer the Old Age, Survivors, Disability, Medicare, SSI, and Medicaid Programs. In 1983, the President's Commission on Social Security Reform, on which I served, stated its support for the concept of an independent Social Security Administration. The time has come to act on these recommendations.

The size of these programs, and their importance to nearly every American, recommend an independent agency. Simply put, the Social Security Administration has outgrown the Department of Health and Human Services. The benefits paid through the Social Security, Medicare, and SSI Programs today account for more than 90 percent of the Department's entire budget. In 1953, 6 million Americans received monthly Social Security checks; 33 years later, that number has increased sixfold. More than 37 million Americans receive monthly Social Security checks today, and 30 million aged and disabled citizens receive Federal insurance for the costs of hospitalization and medical treatment. Another 4.2 million of our most needy blind, aged, and disabled citizens receive SSI assistance.

The independent agency established under this legislation would be governed by a bipartisan, five-member board of directors, appointed by the President for staggered 15-year terms. The appointment of the directors would be subject to the advice and consent of the Senate. The board would be responsible for administration policy, including annual budget and legislative recommendations, and would provide the President and Congress with research, policy and actuarial analysis. The Commissioner also would devise and administer plans to improve the effectiveness of the administration's programs, and advise the board and Congress on the impact of legislative changes.

A board whose members served 15-year terms would likely be more stable than the current administrative structure of Social Security. In addition, because the 15-year terms would span several Presidential administrations, the board would also help deter policy proposals and actions which are designed to meet the short-term goals of any single administration, rather than the long-term goals of the Social Security System.

By assuring millions of Americans a dependable retirement income, basic health insurance coverage during old age, and protection in the event of disability, our social insurance programs have won widespread public support. The system has also earned a well-deserved reputation for administrative efficiency, fairness and public responsiveness. Recently, however, this reputation has been tarnished. In the last few years, for example, hundreds of thousands of disability beneficiaries were wrongfully terminated. Moreover, the Social Security Administration's computer system has been allowed to deteriorate, slowing administrative processes.

By establishing the Social Security Administration as an independent agency governed by a bipartisan board, we can help restore the high levels of efficiency and fairness for which SSA is deservedly famous, as well as insulate its vital programs from partisan politics.

I urge my colleagues to join me and Senator RIEGLE in support of this important initiative, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 34

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND TABLE OF CONTENTS

SECTION 1. This Act, with the following table of contents, may be cited as the "Social Security Administrative Reorganization Act".

TABLE OF CONTENTS

Sec. 1. Short title and table of contents.
Sec. 2. Establishment of an independent Social Security Agency; Social Security Board.
Sec. 3. Commissioner of Social Security.
Sec. 4. Transfer of functions.
Sec. 5. Transitional rules.
Sec. 6. Budgetary and fiscal affairs of the Social Security Agency.
Sec. 7. Technical and conforming amendments; rules of construction.
Sec. 8. Reports assessing organizational changes.
Sec. 9. Effective date and interim rules.

ESTABLISHMENT OF AN INDEPENDENT SOCIAL SECURITY AGENCY; SOCIAL SECURITY BOARD

SEC. 2. (a) Section 701 of the Social Security Act is amended to read as follows:

"SOCIAL SECURITY AGENCY; SOCIAL SECURITY BOARD

"SEC. 701. (a) There is hereby established, as an independent agency of the executive branch of the Government, a Social Security Agency (hereafter in this title referred to as the 'Agency').

"(b)(1) The Agency shall be headed by a Social Security Board (hereafter in this title referred to as the 'Board').

"(2)(A) Except as provided in subparagraph (B), the Board shall be composed of five members appointed by the President, by and with the advice and consent of the Senate.

"(B) For the period ending January 31, 1989, the Board shall be composed of three members appointed by the President, by and with the advice and consent of the Senate.

"(C) The members shall be chosen, on the basis of integrity, impartiality, and good judgment, from among individuals who, by reason of education, experience, and attainment, are exceptionally qualified to serve on the Board.

"(3)(A) Except as provided in subparagraphs (B) and (C), members shall be appointed for terms of fifteen years. A member of the Board may be removed only pursuant to a finding by the President of neglect of duty or malfeasance in office. The President shall transmit any such finding to the Speaker of the House of Representatives and the Majority Leader of the Senate not later than five days after the date on which such finding is made.

"(B) Of the members first appointed—

"(i) one shall be appointed for a term ending October 1, 1989,

"(ii) one shall be appointed for a term ending October 1, 1992,

"(iii) one shall be appointed for a term ending October 1, 1995,

"(iv) one shall be appointed for a term beginning February 1, 1989, and ending October 1, 1998, and

"(v) one shall be appointed for a term beginning February 1, 1989, and ending October 1, 2001,

as designated by the President at the time of appointment. Such members shall be appointed after active consideration of recommendations made by the Chairman of the Committee on Ways and Means of the House of Representatives and of recommendations made by the Chairman of the Committee on Finance of the Senate.

"(C) Any member appointed for a term after the commencement of such term shall be appointed only for the remainder of such term. A member may, with the approval of the President, serve for not more than one year after the expiration of his or her term until his or her successor has taken office.

"(4)(A) Except as provided in subparagraph (B), not more than three members of the Board shall be of the same political party.

"(B) For the period ending January 31, 1989, not more than two members of the Board shall be of the same political party.

"(5) A member of the Board may not, during his or her term as member, otherwise serve as an officer or employee of any government. If any member of the Board becomes an officer or employee of any government, he or she may continue to serve as a member of the Board not more than 30 days after the date he or she becomes an officer or employee of such government.

"(6)(A) Except as provided in subparagraph (B), three members of the Board shall constitute a quorum.

"(B) For the period ending January 31, 1989, two members of the Board shall constitute a quorum.

"(C) A lesser number may hold hearings.

"(7) A member of the Board shall be designated from time to time by the President to serve as Chairperson of the Board.

"(8) The Board shall meet at the call of the Chairperson or a majority of its members.

"(c) The Board shall—

"(1) govern by regulation the old-age, survivors, and disability insurance program under title II, the supplemental security income program under title XVI, and the medicare program under title XVIII,

"(2) appoint a Commissioner of Social Security, as described in section 702, to act for the Board as the chief operating officer of the Agency responsible for administering such programs,

"(3) make annual budgetary recommendations relating to the Agency and defend such recommendations before the appropriate committees of each House of the Congress,

"(4) make recommendations to the Congress and the President as to the most effective methods of providing economic security through social insurance, and, in consultation with the Commissioner of Social Security, as to legislation and matters of administrative policy concerning such programs,

"(5) provide the Congress and the President with the ongoing actuarial and other analysis undertaken by the Agency with respect to such programs and any other information relating to such programs, and

"(6) conduct policy analysis and research relating to such programs.

"(d)(1) The Office of the Board shall include an Office of the Actuary, to be headed by a Chief Actuary appointed by the Board. To the extent provided by the Board, the Office of the Actuary shall assist the Board in carrying out its actuarial functions.

"(2) The Office of the Board shall include an Office of Policy and Legislation, to be headed by a Director of Policy and Legislation appointed by the Board. To the extent provided by the Board, the Office of Policy and Legislation shall assist the Board in carrying out its functions relating to policy analysis, research, and legislation.

"(3) The Office of the Board shall include an Office of General Counsel, to be headed by a General Counsel appointed by the Board. The General Counsel shall serve as the principal legal counsel in the Agency and shall provide necessary legal advice and services to the Board and the Commissioner.

"(4) The Office of the Board shall include an Ombudsman, to be appointed by the Board. The Ombudsman shall represent the concerns of the public, including beneficiaries, with respect to the old-age, survivors, and disability insurance program under title II, the supplemental security income program under title XVI, and the medicare program under title XVIII, to the Board and the Commissioner.

"(5)(A) The Board shall appoint such additional attorneys, actuaries, and other employees as it considers necessary to carry out its functions.

"(B) The Board may appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, such technical or professional employees as the Board considers appropriate, and such employees may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(C) The Board may procure the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

"(D) Notwithstanding section 3133 of title 5, United States Code, the Director of the Office of Personnel Management shall authorize for the Agency a total number of Senior Executive Service positions equal to 150 percent of the number of such positions existing in the Social Security Administration of the Department of Health and Human Services on the day before the date of the enactment of the Social Security Administrative Reorganization Act, and the total number of such positions authorized for the Agency pursuant to such section 3133 shall not at any subsequent time be less than such number.

"(E) In addition to the positions of the Agency in the Executive Schedule specified in subchapter II of chapter 53 of title 5, United States Code, the Board may establish additional positions at levels IV and V of the Executive Schedule.

"(d)(1) The Board may establish, alter, consolidate, or discontinue such organizational units or components within the Agency as the Board considers necessary or appropriate to carry out its functions, except that this paragraph shall not apply with respect to any unit or component established by this Act.

"(2) The Board may assign duties, and delegate, or authorize successive redelegations of, authority to act and to render decisions, with respect to the functions of the Board under this section. Within the limitations of such delegations, redelegations, or assignments to officers or employees of the Agency, all official acts and decisions of such officers and employees shall have the same force and effect as though performed or rendered by the Board.

"(e) There shall be in the Agency an Office of the Inspector General, to be headed by an Inspector General appointed in accordance with the Inspector General Act of 1978.

"(f)(1) The Board, the Secretary, and the Secretary of the Treasury shall consult with each other and shall develop rules, regulations, practices, and forms which, to the extent appropriate for the efficient administration of titles II, XVI, and XVIII and the other provisions of this Act and the applicable provisions of the Internal Revenue Code of 1954, are designed to reduce duplication of effort, duplication of reporting, conflicting or overlapping requirements, and the burden on beneficiaries and other persons of compliance with the provisions of this Act.

"(2) In order to avoid unnecessary expense and duplication of functions, the Board, the Secretary, and the Secretary of the Treasury may make such arrangements or agreements for cooperation or mutual assistance in the performance of their functions under titles II, XVI, and XVIII and the other provisions of this Act and the applicable provisions of the Internal Revenue Code of 1954 as they find to be practicable and consistent with law.".

(b)(1) Section 5313 of title 5, United States Code (relating to level II of the Executive Schedule), is amended by adding at the end thereof the following new item:

"Chairperson of the Social Security Board, Social Security Agency.".

(2) Section 5314 of such title (relating to level III of the Executive Schedule) is amended by adding at the end thereof the following new item:

"Members of the Social Security Board, Social Security Agency (4).".

(3) Section 5315 of such title (relating to level IV of the Executive Schedule) is amended by adding at the end thereof the following new items:

"Inspector General, Social Security Agency.

"Chief Actuary, Social Security Agency.

"Director of Policy Analysis and Legislation, Social Security Agency.

"General Counsel, Social Security Agency.

"Ombudsman, Social Security Agency.".

COMMISSIONER OF SOCIAL SECURITY

SEC. 3. (a) Section 702 of the Social Security Act is amended to read as follows:

"COMMISSIONER OF SOCIAL SECURITY

"SEC. 702. (a) There shall be in the Agency an Office of the Commissioner, to be headed by a Commissioner of Social Security (hereinafter in this title referred to as the 'Commissioner') appointed by the Board. The Commissioner shall be chosen from among individuals who are, by reason of experience and attainment, especially qualified to manage a large-scale organization of the Government.

"(b)(1) The Commissioner shall be appointed for a term of five years, except that—

"(A) an individual appointed Commissioner for a term after the commencement of such term shall be appointed only for the remainder of such term,

"(B) an individual may, with the approval of the Chairperson of the Board, serve as Commissioner after the expiration of his or her term for not more than one year until his or her successor has taken office, and

"(C) the individual first appointed to the Office of Commissioner shall serve for a term ending January 31, 1989.

An individual may be appointed as Commissioner for successive terms, and

"(2) An individual may be removed from the Office of Commissioner before completion of his or her term only upon the vote of a majority of the full membership of the Board, pursuant to a finding by the Board of neglect of duty or malfeasance in office. The Board shall transmit any such finding to the Speaker of the House of Representatives and the Majority Leader of the Senate not later than five days after the date on which such finding is made.

"(3) Except as provided in paragraph (6) of subsection (c), an individual serving as Commissioner may not, during his or her term as Commissioner, otherwise serve as an officer or employee of any government. If an individual serving as Commissioner becomes an employee of any government, he or she may continue to serve as Commissioner not more than 30 days after the date on which he or she becomes an officer or employee of such government.

"(c) The Commissioner shall—

"(1) constitute the chief operating officer of the Agency, responsible for administering, in accordance with applicable statutes and regulations, the old-age, survivors, and disability insurance program under title II, the supplemental security income program under title XVI, and the medicare program under title XVIII,

"(2) establish and maintain an efficient and effective operational structure for the Agency,

"(3) devise and implement long-term plans to promote and maintain the effective implementation of such programs,

"(4) make annual budgetary recommendations of the Agency for the ongoing administrative costs of the Agency and defend such recommendations before the Board and before the appropriate Committees of each House of the Congress,

"(5) advise the Board and the Congress of the effect on the administration of such programs of proposed legislative changes in such programs,

"(6) serve as Secretary of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund, and

"(7) report in December of each year to the Board and the Congress concerning the administrative endeavors and accomplishments of the Agency.

"(d)(1) The Commissioner may establish, alter, consolidate, or discontinue such organizational units or components within the Office of the Commissioner as the Commissioner considers necessary or appropriate to carry out his or her functions.

"(2) The Commissioner may assign duties, and delegate, or authorize successive redelegations of, authority to act and to render decisions, with respect to the administration of the old-age, survivors, and disability insurance program under title II, the supplemental security income program under title XVI, and the medicare program under title XVIII to such officers and employees as the Commissioner may find necessary. Within the limitations of such delegations, redelegations, or assignments, all official acts and decisions of such officers and employees shall have the same force and effect as though performed or rendered by the Commissioner.

"(3)(A) The Commissioner shall appoint such additional employees as he or she considers necessary to carry out his or her functions.

"(B) The Commissioner may appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, such technical or professional employees as the Commissioner considers appropriate, and such employees may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(C) The Commissioner may procure the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

"(D) The Commissioner may delegate such powers of appointment and procurement to any of the employees in the Office of the Commissioner as he or she determines appropriate.

"(4) To the extent requested by the Commissioner, the Director of the Office of Personnel Management shall delegate to the Commissioner, pursuant to section 1104 of title 5, United States Code, and subject to applicable limitations under such title relating to delegations under such section, functions relating to—

"(A) recruitment and examination programs for entry level employees, and

"(B) classification and standards development systems and pay ranges for those job categories identified by the Commissioner in assuming such delegation.

The Director of the Office of Personnel Management shall provide any assistance requested by the Commissioner in assuming any such delegation.".

(b)(1) Section 5313 of title 5, United States Code (relating to level II of the Executive Schedule) is further amended by adding at the end thereof the following new item:

"Commissioner of Social Security, Social Security Agency.".

(2) Section 5315 of such title is amended by striking out the following item:

"Commissioner of Social Security, Department of Health and Human Services.".

TRANSFER OF FUNCTIONS

SEC. 4. (a) There are transferred to the Social Security Agency all functions carried out by the Secretary of Health and Human Services with respect to the programs and activities the administration of which is vested in the Social Security Agency by reason of this Act and the amendments made thereby. The Social Security Board shall prescribe such regulations as are necessary to allocate such functions in accordance with sections 701 and 702 of the Social Security Act (as amended by this Act).

(b)(1) There are transferred from the Department of Health and Human Services to the Social Security Board, for appropriate allocation by the Board by regulation in the Social Security Agency—

(A) the personnel employed in connection with the functions transferred by this Act and the amendments made thereby, and

(B) the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, or used in connection with such functions, arising from such functions, or available, or to be made available, in connection with such functions.

(2) Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(c) The position of Commissioner of Social Security in the Department of Health and Human Services is abolished.

TRANSITIONAL RULES

SEC. 5. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, promulgated, granted, or allowed to become effective, in the exercise of functions (A) which were exercised by the Secretary of Health and Human Services (or his delegate), and (B) which relate to functions which, by reason of this Act, the amendments made thereby, and regulations prescribed thereunder, are vested in the Social Security Board or the Commissioner of Social Security (as the case may be), and

(2) which are in effect at the time this Act takes effect,

shall (to the extent that they relate to functions described in paragraph (1)(B)) continue in effect according to their terms until modified, terminated, suspended, set aside, or repealed by such Board or Commissioner (as the case may be).

(b) The provisions of this Act (including the amendments made thereby) shall not affect any proceeding pending at the time this Act takes effect before the Secretary of Health and Human Services with respect to functions vested (by reason of this Act, the amendments made thereby, and regulations prescribed thereunder) in the Social Security Board or the Commissioner of Social Security, except that such proceedings, to the extent that they relate to such functions, shall continue before such Board or Commissioner (as the case may be). Orders shall be issued under any such proceeding, appeals taken therefrom, and payments shall be made pursuant to such orders, in like manner as if this Act had not been enacted, and orders issued in any such proceeding shall continue in effect until modified, terminated, superseded, or repealed by such Board or Commissioner (as the case may be), by a court of competent jurisdiction, or by operation of law.

(c) Except as provided in this subsection—

(1) the provisions of this Act shall not affect suits commenced prior to the date this Act takes effect; and

(2) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

No cause of action, and no suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of the Department of Health and Human Services, shall abate by reason of the enactment of this Act. Causes of action, suits, actions, or other proceedings may be asserted by or against the United States and the Social Security Agency, or such official of such Agency as may be appropriate, and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of a party, enter an order which will give effect to the provisions of this subsection (including, where appropriate, an order for substitution of parties).

(d) This Act shall not have the effect of releasing or extinguishing any criminal prosecution, penalty, forfeiture, or liability incurred as a result of any function which (by reason of this Act, the amendments made thereby, and regulations prescribed thereunder) is vested in the Social Security Board or the Commissioner of Social Security.

(e) Orders and actions of the Social Security Board and the Commissioner of Social Security in the exercise of functions vested in such Board or Commissioner (as the case may be) under this Act (and the amendments made thereby) shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been taken by the Secretary of Health and Human Services in the exercise of such functions immediately preceding the effective date of this Act. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function so vested in such Board or Commissioner shall continue to apply to the exercise of such function by such Board or Commissioner (as the case may be).

(f) In the exercise of the functions vested in the Social Security Board or the Commissioner of Social Security under this Act, the amendments made thereby, and regulations prescribed thereunder, such Board or Commissioner (as the case may be) shall have the same authority as that vested in the Secretary of Health and Human Services with respect to the exercise of such functions immediately preceding the vesting of the same in such Board or Commissioner, and actions of such Board or Commissioner shall have the same force and effect as when exercised by such Secretary.

BUDGETARY AND FISCAL AFFAIRS OF THE SOCIAL SECURITY AGENCY

SEC. 6. Section 703 of the Social Security Act is amended to read as follows:

"BUDGETARY AND FISCAL AFFAIRS OF THE SOCIAL SECURITY AGENCY

"SEC. 703. (a) Appropriations requests of the Social Security Agency for staffing and personnel shall be based upon comprehensive work force plans. The entire amount of appropriations provided for the administrative costs of the Social Security Agency shall be apportioned in the time period provided in title 31, United States Code, for apportionment and shall be apportioned for the entire period of availability without restriction or deduction by the apportioning officer or employee of the Office of Management and Budget or any other entity within the executive branch of the Federal Government, except as otherwise provided in this section.

"(b)(1) Authority of the Social Security Agency for automated data processing procurement and facilities construction shall be provided in the form of contract authority covering the total costs of such acquisitions, to be available until expended.

"(2) Amounts necessary for the liquidation of contract authority provided pursuant to this section are hereby made available from the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, Federal Hospital Insurance Trust Fund, and the Federal Supplemental Medical Insurance Trust Fund to the extent that the Social Security Board, with the concurrence of the Secretary of the Treasury, determines that any of such amounts to be provided from such Trust Fund are not necessary to meet the current obligations for benefit payments from such Trust Fund.

"(3) Funds appropriated for the Social Security Agency to be available on a contingency basis shall be apportioned only upon the occurrence of the stipulated contingency, as determined by the Social Security Board and reported to each House of the Congress.

"(c)(1) To the extent requested by the Commissioner, the Commissioner shall have—

"(A) all authorities permitted to be delegated under the provisions of Federal law codified under title 40 of the United States Code, that the Commissioner considers are necessary for the acquiring, operating, and maintaining of the facilities needed for the administration of programs for which the Commissioner is given responsibility under this Act,

"(B) all authorities permitted to be delegated under section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759), relating to the lease, purchase, or maintenance of automated data processing equipment, and

"(C) the authority to contract for any automated data processing equipment or services which the Commissioner considers necessary for the efficient and effective operation of such programs.

"(2) The Administrator of the General Services Administration shall provide any assistance requested by the Commissioner in assuming the delegations required under paragraph (1).".

TECHNICAL AND CONFORMING AMENDMENTS; RULES OF CONSTRUCTION

SEC. 7. (a) Title II (other than subsections (a), (b), and (c) of section 201), part B of title XI, title XVI (relating to supplemental security income for the aged, blind, and disabled), and title XVIII (other than subsection (b) of section 1817 and subsection (b) of section 1841) of the Social Security Act are each amended—

(1) by striking out, wherever it appears therein, "Secretary of Health and Human Services" or "Secretary of Health, Education, and Welfare" and inserting in lieu thereof "Commissioner",

(2) by striking out, wherever it appears therein, "Department of Health and Human Services" or "Department of Health, Education, and Welfare" and inserting in lieu thereof "Social Security Agency",

(3) by striking out, wherever it appears therein, "Department" (but only if it is used in reference to the Department of Health and Human Services or the Department of Health, Education, and Welfare) and inserting in lieu thereof "Social Security Agency", and

(4) by striking out, wherever it appears therein, each of the following words (but, in the case of any such word only if such word refers to the Secretary of Health and Human Services or to the Secretary of Health, Education, and Welfare): "Secretary", "Secretary's", "his", "him", and "he", and inserting in lieu thereof (in the case of the word "Secretary") "Commissioner", (in the case of the word "Secretary's") "Commissioner's", (in the case of the word "his") "the Commissioner's", (in the case of the word "him") "the Commissioner", and (in the case of the word "he") "the Commissioner".

(b)(1) Subsections (a) and (b) of section 201 of such Act are each amended—

(A) by striking out "Secretary of Health, Education, and Welfare" each place it appears and inserting in lieu thereof "Commissioner of Social Security", and

(B) by striking out "such Secretary" each place it appears and inserting in lieu thereof "the Commissioner of Social Security".

(2) Section 201(c) of such Act is amended—

(A) in the first sentence, by striking out "shall be composed of" and all that follows through "ex officio" and inserting in lieu thereof the following: "shall be composed of the Chairperson of the Social Security Board, and the Secretary of the Treasury, ex officio"; and

(B) by striking out "Social Security Administration" in the fourth sentence and inserting in lieu thereof "Social Security Agency".

(c)(1) Section 402 of such Act is amended by striking out "Administrator" each place it appears and inserting in lieu thereof "Secretary".

(2) Section 411 of such Act is amended—

(A) in subsection (a), by striking out "Secretary" and inserting in lieu thereof "Commissioner, at the request of the Secretary,", and by striking out "Social Security Administration" and inserting in lieu thereof "Social Security Agency"; and

(B) in subsection (b), by striking out "Secretary" each place it appears and inserting in lieu thereof "Commissioner".

(d)(1) Section 704 of such Act is amended—

(A) by inserting "and the Commissioner" after "Secretary" the first place it appears;

(B) by inserting "each" after "shall";

(C) by striking out "the functions with which he is charged" and inserting in lieu thereof "his or her functions"; and

(D) by striking out "of such" each place it appears and inserting in lieu thereof "of each such".

(2) Section 709(b)(2) of such Act is amended by striking out "(as estimated by the Secretary)" and inserting in lieu thereof "(as estimated by the Commissioner)".

(3) Title VII of such Act is further amended by adding at the end thereof the following new section:

"DUTIES OF SECRETARY

"SEC. 713. The Secretary shall perform the duties imposed upon him by this Act and shall also have the duty of studying and making recommendations as to the most effective methods of providing economic security and as to legislation and matters of administrative policy concerning the programs administered by the Secretary and related subjects; except that nothing in this section shall be construed to require the Secretary to make studies or recommendations with respect to programs administered by the Social Security Agency.".

(e)(1) Section 1101(a) of such Act is amended by adding at the end thereof the following new paragraph:

"(10) The term 'Commissioner' means the Commissioner of Social Security.".

(2) Section 1102 of such Act is amended by striking out "and the Secretary of Health, Education and Welfare" and inserting in lieu thereof "the Secretary of Health and Human Services, and the Commissioner of Social Security".

(3) Section 1106(a) of such Act is amended—

(A) by inserting "(1)" after "(a)";

(B) by striking out "Federal Security Agency" and inserting in lieu thereof "applicable agency";

(C) by striking out "Administrator" and inserting in lieu thereof "head of the applicable agency"; and

(D) by adding at the end thereof the following new paragraph:

"(2) For purposes of this subsection and subsection (b)—

"(A) the term 'applicable agency' means—

"(i) the Social Security Agency, with respect to matter transmitted to or obtained by such Administration or matter disclosed by such Agency,

"(ii) the Department of Health and Human Services, with respect to matter transmitted to or obtained by such Department or matter disclosed by such Department, or

"(iii) the Department of Labor, with respect to matter transmitted to or obtained by such Department or matter disclosed by such Department, and

"(B) the term 'head of the applicable agency' means, in the case of the Social Security Agency, the Commissioner of Social Security.".

(4) Section 1106(b) of such Act is amended—

(A) by striking out "Secretary" and inserting in lieu thereof "head of the applicable agency"; and

(B) by striking out "Department of Health, Education, and Welfare" and inserting in lieu thereof "applicable agency".

(5) Section 1106(c) of such Act is amended—

(A) by striking out "the Secretary" the first place it appears and inserting in lieu thereof "the Commissioner or the Secretary"; and

(B) by striking out "the Secretary" each subsequent place it appears and inserting in lieu thereof "such Commissioner or Secretary".

(6) Section 1106(d) of such Act is amended by inserting "the Commissioner and" after "this section".

(7) Section 1106(e) of such Act is amended—

(A) by striking out "by the Secretary" and inserting in lieu thereof "by the Commissioner, the Secretary,"; and

(B) by inserting "or the Commissioner" after "Secretary" the second and third places it appears.

(8) Section 1107(b) of such Act is amended by striking out "the Secretary of Health, Education, and Welfare" and inserting in lieu thereof "the Commissioner or the Secretary".

(9) Section 1110 of such Act is amended—

(A) by striking out "Secretary" each place it appears and inserting in lieu thereof "Commissioner";

(B) by striking out "he", "his", and "him" each place they appear and inserting in lieu thereof "the Commissioner", "the Commissioner's", and "the Commissioner", respectively; and

(C) by striking out "or makes them himself", in subsection (b)(1), and inserting in lieu thereof "or the Commissioner makes them".

(10)(A) Subsections (a), (b), and (i) of section 1122 of such Act are each amended by inserting "Commissioner and the" before "Secretary" each place it appears.

(B) Subsections (c), (d), (e), and (f) of such section are each amended—

(i) by striking out "the Secretary" each place it appears and inserting in lieu thereof "the Commissioner or the Secretary (as the case may be)"; and

(ii) by striking out "titles XVIII and XIX" each place it appears and inserting in lieu thereof "title XVIII or title XIX (as the case may be)".

(C) Subsection (j) of such section is amended by striking out "the Secretary" and inserting in lieu thereof "the Commissioner".

(11) Section 1123 of such Act is amended by striking out "Secretary" and inserting in lieu thereof "Commissioner".

(12)(A) Section 1124(a)(1) of such Act is amended—

(i) by inserting "(or, with respect to programs established under title XVIII, the Commissioner)" after "the Secretary";

(ii) by inserting ", the Commissioner," after "the Secretary" the first and second places it appears; and

(iii) by striking out "Secretary in" and inserting in lieu thereof "Secretary or the Commissioner, as the case may be, in".

(B) Section 1124(b) of such Act is amended by inserting "or the Commissioner, as the case may be" after "Secretary".

(13) Section 1126 of such Act is amended—

(A) by inserting ", the Commissioner," after "Secretary" each place it appears;

(B) by striking out "in the Department of Health, Education, and Welfare" and inserting in lieu thereof "in the Department of Health and Human Services, or the Inspector General in the Social Security Agency, as the case may be,"; and

(C) by striking out "notify the" and inserting in lieu thereof "notify such".

(14) Section 1127 of such Act is amended by striking out "Secretary" and inserting in lieu thereof "Commissioner".

(15)(A) Subsections (a) and (b) of section 1128 of such Act are each amended—

(i) by inserting "(or, with respect to title XVIII, the Commissioner)" after "Whenever the Secretary",

(ii) by striking out ", the Secretary";

(iii) by inserting "the Commissioner" after "(1)";

(iv) by inserting "the Secretary or the Commissioner (as the case may be)" after "(2)(A)";

(v) by inserting "the Secretary" before "may" in paragraph (2)(A);

(vi) by inserting "the Secretary" after "(B)"; and

(vii) in paragraph (3) of subsection (a) only, by inserting "the Secretary or the Commissioner (as the case may be)" after "(3)".

(B) Subsection (c) of such section is amended by inserting "or the Commissioner, as the case may be," after "Secretary" each place it appears.

(C) Subsection (d) of such section is amended—

(i) by inserting "or the Commissioners, as the case may be," after "Secretary" each place it appears; and

(ii) by striking out "Secretary's final decision" and inserting in lieu thereof "the final decision of the Secretary or the Commissioner, as the case may be,".

(16)(A) Subsection (a) of section 1128A of such Act is amended—

(i) in paragraph (1) by inserting "(or, with respect to claims under title XVIII, the Commissioner)" after "that the Secretary",

(ii) in paragraph (1)(B) by inserting "or the Commissioner" after "Secretary" the first place it appears, and

(iii) in paragraph (1)(B) by striking out "Secretary" the second and third places it appears and inserting in lieu thereof "Commissioner".

(B) Subsections (b) and (c) of such section are each amended by inserting "(or, with respect to claims under title XVIII, the Commissioner)" after "Secretary" each place it appears.

(C) Subsection (d) of such section is amended—

(i) by inserting "or the Commissioner" after "Secretary" each place it appears, and

(ii) by inserting "or the Commissioner's" after "Secretary's".

(D) Subsection (e) of such section is amended—

(i) by inserting "or the Commissioner (as the case may be)" after "the Secretary" the first place it appears, and

(ii) by inserting "or the Commissioner" after "Secretary" the second and third places it appears.

(E) Subsection (f) of such section is amended by inserting "or the Commissioner" after "Secretary" each place it appears.

(F) Subsection (g) of such section is amended by inserting "or the Commissioner's" after "Secretary's".

(17)(A) Section 1129 of such Act is amended by inserting "(in consultation with the Social Security Administration)" after "Secretary" in the second sentence of subsection (a) and in subsection (b)(1).

(B) Section 1129(b)(2) of such Act is amended by striking out "title XVIII or XIX" and inserting in lieu thereof "title XIX and the Commissioner may waive such requirements of title XVIII".

(18)(A) Section 1131 of such Act is amended by striking out "Secretary" each place it appears and inserting in lieu thereof "Commissioner".

(B)(i) Subsections (d) and (f) of section 6057 of the Internal Revenue Code of 1954 are each amended by striking out "Secretary of Health, Education, and Welfare" and inserting in lieu thereof "Commissioner of Social Security".

(ii) The caption of section 6057(d) of such Code is amended by striking out "Secretary of Health, Education, and Welfare" and inserting in lieu thereof "Commissioner of Social Security".

(f) Section 1817(b) of such Act is amended—

(1) by striking out "shall be composed of" and all that follows through "ex officio" and inserting in lieu thereof "shall be composed of the Chairperson of the Social Security Board and the Secretary of the Treasury, ex officio";

(2) by striking out "Administrator of the Health Care Financing Administration" and inserting in lieu thereof "Commissioner of Social Security"; and

(3) by striking out "Chief Actuarial Officer of the Health Care Financing Administration" and inserting in lieu thereof "Chief Actuary of the Social Security Agency".

(g) Section 1841(b) of such Act is amended—

(1) by striking out "shall be composed of" and all that follows through "ex officio" and inserting in lieu thereof "shall be composed of the Chairperson of the Social Security Board and the Secretary of the Treasury, ex officio";

(2) by striking out "Administrator of the Health Care Financing Administration" and inserting in lieu thereof "Commissioner of Social Security"; and

(3) by striking out "Chief Actuarial Officer of the Health Care Financing Administration" and inserting in lieu thereof "Chief Actuary of the Social Security Agency".

(h) The Inspector General Act of 1978 is amended—

(1) in section 2(1), by striking out "and the Veterans' Administration" and inserting in lieu thereof "the Veterans' Administration, and the Social Security Agency";

(2) in section 9(a)(1), by striking out "and" at the end of subparagraph (M), and by adding at the end thereof the following new subparagraph:

"(O) of the Social Security Agency, to the extent provided in the Social Security Administrative Reorganization Act, the functions of the Inspector General of the Department of Health and Human Services relating to the administration of the old-age, survivors, and disability insurance program under title II of the Social Security Act, the supplemental security income program under title XVI of such Act, and the medicare program under title XVIII of such Act; and";

(3) in section 11(1), by striking out "or" after "Transportation" and inserting in lieu thereof a comma, and by inserting after "Affairs," the following: "or the Commissioner of Social Security of the Social Security Agency,"; and

(4) in section 11(2), by striking out "or" after "Transportation", and by inserting after "Veterans' Administration," the following: "or the Social Security Agency,".

(i)(1) Whenever any reference is made in any provision of law (other than this Act or a provision of law amended by this Act), regulation, rule, record, or document to the Department of Health and Human Services with respect to such Department's functions under the old-age, survivors, and disability insurance program under title II of the Social Security Act, the supplemental security income program under title XVI of such Act, or the medicare program under title XVIII of such Act, such reference shall be considered a reference to the Social Security Agency.

(2) Whenever any reference is made in any provision of law (other than this Act or a provision of law amended by this Act), regulation, rule, record, or document to the Secretary of Health and Human Services with respect to such Secretary's functions under such programs, such reference shall be considered a reference to—

(A) the Social Security Board, with respect to functions described in section 701 of the Social Security Act (as amended by this Act), and

(B) the Commissioner of Social Security, with respect to functions described in section 702 of the Social Security Act (as amended by this Act).

(3) Whenever any reference is made in any provision of law (other than this Act or a provision of law amended by this Act), regulation, rule, record, or document to any other officer or employee of the Department of Health and Human Services with respect to such officer or employee's functions under such programs, such reference shall be considered a reference to the appropriate officer or employee of the Social Security Agency.

REPORTS ASSESSING ORGANIZATIONAL CHANGES

SEC. 8. (a) Five years after the date of the enactment of this Act, the Social Security Board, the Comptroller General of the United States, and the Secretary of Health and Human Services shall each submit to each House of the Congress a report setting forth in detail an assessment of the organizational changes made by this Act and the amendments made by this Act.

(b) Not later than one year after the date of the enactment of this Act, the Social Security Board, the Comptroller General of the United States, and the Secretary of Health and Human Services shall submit to each House of the Congress their recommendations for further technical and conforming amendments necessary to effectively and efficiently carry out the purposes of this Act.

EFFECTIVE DATE AND INTERIM RULES

SEC. 9. (a)(1) Sections 2, 3, 4, 5, and 7 of this Act shall take effect one year after date of enactment of this Act.

(2) Notwithstanding the effective date set forth in paragraph (1), effective on the date of the enactment of this Act—

(A) the initial members of the Social Security Board may be appointed before such effective date, after the date of the enactment of this Act, and the Commissioner of Social Security, the Inspector General, the Chief Actuary, the Director of Policy Analysis and Legislation, and the General Counsel of the Social Security Agency may be appointed by such Board at any time after such initial members of the Social Security Board have been appointed,

(B) the persons appointed under subparagraph (A) shall be compensated from the date they first take office, at the rates provided for in the amendments to title 5, United States Code, made by sections 2(b) and 3(b) of this Act,

(C) such compensation and related expenses of such persons shall be paid from funds available in the Department of Health and Human Services for the functions vested in the Social Security Agency by this Act and the amendments made thereby, and

(D) the Social Security Board and the Commissioner of Social Security may each utilize, as appropriate, the services of such officers, employees, and other personnel of the Department of Health and Human Services, and funds appropriated to the functions of such Department to be transferred by this Act and the amendments made thereby, for such period of time as may reasonably be needed to facilitate the orderly implementation of this Act.

(b) The amendment made by section 6 of this Act shall apply with respect to fiscal years beginning one year after the date of enactment of this Act.

By Mr. MOYNIHAN (for himself and Mr. HEINZ):

S. 35. A bill to charter the National Academy of Social Insurance.

NATIONAL ACADEMY OF SOCIAL INSURANCE

Mr. MOYNIHAN. Mr. President, on this 1st day of the 100th Congress, I rise to introduce a bill to grant a Federal charter to the National Academy of Social Insurance. I introduced identical legislation in the 99th Congress, but in the final rush of legislative action before the last Congress adjourned, we were unable to consider this worthy initiative.

The academy was established in May 1986 by a distinguished group of individuals from business, labor, Government, and the academic community. Although their professional backgrounds are diverse, each has achieved distinction in the field of social insurance. I am honored to serve as a member of the academy's organizing committee, together with my colleague, and the cosponsor of this bill, Senator HEINZ.

Mr. President, the Social Security Act of 1935 is perhaps the greatest piece of domestic legislation of this century. The original act and its subsequent amendments—including survivors, disability, and health insurance—affect nearly every American family.

In 1986, our Social Security System will pay nearly $200 billion in benefits to an average of 37 million retired and disabled individuals, their spouses and children, and to survivors of deceased workers. Annual payroll tax contributions of some $210 billion will be collected this year from about 125 million workers and 6 million employers. Together, the Old Age, Survivors, Disability, and Health Insurance [OASDHI] programs account for approximately 48 percent of all domestic expenditures made by the Federal Government.

The Social Security Act, Mr. President, represents a deliberate Federal policy to strengthen American families. In the not-so-distant past, the family that lost a breadwinner through death, disability, or advanced age was left to fend for itself. The very fortunate might manage on their own savings or with the help of relatives and friends. Chartiable contributions and locally funded public assistance, if available, might help. But when these alternatives failed—as they too often did—families broke down and frequently broke up.

It was to these problems that the Social Security Act addressed itself. In the original act and in succeeding amendments, Congress sought to help insulate family members from the disruption caused by the loss of a worker's earned income. This objective is laudable. It deserves great effort. Our social insurance programs make that effort, Mr. President, and they succeed. How else can we explain the unprecedented public and bipartisan political support enjoyed by a system that raises Federal revenues in sums second only to those raised by the income tax?

But neither problems nor solutions remain static. Today, our social insurance programs operate in an environment vastly changed from that of 50 years ago: changes in our economy and labor market, changes in our expectations concerning women and work, and perhaps most dramatic, changes in the demography of our population. The "aging" of America has been much discussed, but less well understood is the fact that, some 14 years ago, the American birthrate dropped below the reproduction level. Well below. It does not take any great insight to realize that this phenomenon has profound implications for the aged. In a word: Who will provide for them? Clearly, all of these changes pose new and serious challenges to our Social Security System.

That is why, Mr. President, the National Academy of Social Insurance is long overdue. Until now, there has been no organization of scholars and experts to plan and carry out a long-term education and research agenda, to promote an exchange of ideas, or to develop informed policy proposals.

If we are to assure the future health of the Social Security System, we ought to bring together experts from diverse disciplines. We ought to provide a forum for unfettered and bipartisan debate. We ought to provide clear, objective information to the millions of Americans who contribute toward and benefit from our social insurance programs.

Finally, Mr. President, we have a group of distinguished individuals intending to do all these things. I ask my colleagues to join with me and Senator HEINZ in formally recognizing and granting a charter to the National Academy of Social Insurance. In doing so, we encourage serious and ongoing study of the maturation and evolution of our Social Security System, we increase the availability of essential information to the public, and we signal congressional resolve to continue our social insurance programs, on a sound basis, into the 21st century and beyond.

Mr. President, I hope that the Senate will act early in the 100th Congress to grant a charter to the National Academy of Social Insurance. I ask unanimous consent that a copy of the bill and a list of the academy's organizing committee members be printed in the CONGRESSIONAL RECORD at this point.

NATIONAL ACADEMY OF SOCIAL INSURANCE

MEMBERS OF ORGANIZING COMMITTEE

Robert M. Ball; Henry Aaron; William Arnone; Merton C. Bernstein; Lisle Carter, Jr.; Wilbur J. Cohen; John Heinz; Erwin Hytner; Eric Kingson; Lane Kirkland; Nancy Altman Lupu; Theodore Marmor; Daniel Patrick Moynihan; Alicia H. Munnell; Robert J. Myers; Bert Seidman; Lawrence H. Thompson; Alexander B. Trowbridge; Elizabeth Wickenden; Howard Young.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 35

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CHARTER.

The National Academy of Social Insurance, organized and incorporated under the laws of the District of Columbia, is hereby recognized as such and is granted a charter.

SEC. 2. POWERS.

The National Academy of Social Insurance (in this Act referred to as the "Academy") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

SEC. 3. OBJECTS AND PURPOSES OF CORPORATION.

The objects and purposes for which the Academy is organized shall be those provided in its articles of incorporation and shall include—

(1) promoting an informed and nonpartisan study of, and education with respect to, social insurance,

(2) bringing together experts with diverse backgrounds to consider social insurance issues in an interdisciplinary way,

(3) assisting in the development of social insurance scholars and administrators,

(4) encouraging research and studies on topics of relevance to social insurance, and

(5) sponsoring seminars and other public meetings.

SEC. 4. SERVICE OF PROCESS.

With respect to service of process, the Academy shall comply with the laws of the State or States in which it is incorporated and the State or States in which it carries on its activities in furtherance of its corporate purposes.

SEC. 5. MEMBERSHIP.

Eligibility for membership in the Academy and the rights and privileges of members shall be as provided in the bylaws of the corporation.

SEC. 6. BOARD OF DIRECTORS; COMPOSITION; RESPONSIBLITIES.

The board of directors of the Academy and the responsibilities thereof shall be as provided in the articles of incorporation of the Academy and in conformity with the laws of the State or States in which it is incorporated.

SEC. 7. OFFICERS OF CORPORATION.

The officers of the Academy, and the election of such officers, shall be as is provided in the articles of incorporation of the Academy and in conformity with the laws of the State or States wherein it is incorporated.

SEC. 8. RESTRICTIONS.

(a) No part of the income or assets of the corporation shall inure to any member, officer, or director of the Academy or be distributed to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers and members of the Academy or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The Academy shall not make any loan to any officer, director, or employee of the corporation.

(c) The Academy and any officer and director of the corporation, acting as such officer or director, shall not contribute to, support, or otherwise participate in any political activity or in any manner attempt to influence legislation.

(d) The Academy shall have no power to issue any shares of stock nor to declare or pay any dividends.

(e) The Academy shall not claim congressional approval or Federal Government authority for any of its activities, other than by mutual agreement.

(f) The Academy shall retain and maintain its status as a corporation organized and incorporated under the laws of the District of Columbia.

SEC. 9. LIABILITY.

The Academy shall be liable for the acts of its officers and agents when acting within the scope of their authority.

SEC. 10. BOOKS AND RECORDS; INSPECTION.

The Academy shall keep correct and complete books and records of account and shall keep minutes of any proceeding of the Academy involving any of its members, the board of directors, or any committee having authority under the board of directors. The Academy shall keep at its principal office a record of the names and addresses of all members having the right of vote. All books and records of such corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

SEC. 11. AUDIT OF FINANCIAL TRANSACTIONS.

The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal laws", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(71) National Academy of Social Insurance.".

SEC. 12. ANNUAL REPORT.

The Academy shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit required by section 11 of this Act. The report shall not be printed as a public document.

SEC. 13. RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER.

The right to alter, amend, or repeal this Act is expressly reserved to the Congress.

SEC. 14. DEFINITION OF "STATE".

For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

SEC. 15. TAX-EXEMPT STATUS.

The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code. If the corporation fails to maintain such status, the charter granted hereby shall expire.

SEC. 16. TERMINATION.

If the corporation shall fail to comply with any of the restrictions or provisions of this Act the charter granted hereby shall expire.

By Mr. MOYNIHAN:

S. 36. A bill to amend the Food Stamp Act of 1977 with respect to third party payments for certain temporary housing; to the Committee on Agriculture, Nutrition, and Forestry.

THIRD PARTY PAYMENTS FOR CERTAIN TEMPORARY HOUSING

● Mr. MOYNIHAN. Mr. President, I rise today to right a wrong: Poor children and their families who are housed on an emergency basis in welfare hotels, because they cannot find permanent affordable housing, are suffering severe reductions in their food stamp benefits. In many instances, food stamp benefits have been slashed by more than half. For example, in New York City, a mother with two children living in a welfare hotel has seen her food stamp allotment drop from $122 per month to only $49 per month.

Poor children, Mr. President, are going hungry because of the Department of Agriculture's [USDA] interpretation of a provision in the Food Security Act of 1985 (Public Law 99-198). That provision (section 5(k)(2)) requires that third-party vendor payments made for household living expenses under the Aid to Families With Dependent Children [AFDC] Program be counted as income available to the household for purposes of calculating food stamp benefits. An exception is allowed, however, when such payments are for emergency assistance.

One might think that local government vendor payments to welfare-hotel landlords—payments made for emergency shelter on behalf of homeless AFDC households—would be excluded by USDA for purposes of food stamp benefit calculations under the statutory exception for emergency assistance. For reasons that mystify me, Mr. President, the Department does not view such vendor payments for temporary housing for homeless families with children as emergency assistance.

Consequently, when a State or local government is obliged to shelter homeless families with children in welfare hotels, and pays the rental fee to the hotel landlords on behalf of these families, USDA requires that the portion of the monthly rent equal to the State's AFDC shelter allowance be counted as income available to the household for food stamp purposes. That is why, Mr. President, poor children living in households who have lost their homes and who have the misfortune of being temporarily warehoused in so-called welfare hotels have now also lost over half of the nutrition assistance they were receiving under the Food Stamp Program.

I suggest that this was not congressional intent, Mr. President. When we passed the Food Security Act of 1985, we did not suspect that poor children would be deprived of food because they were also deprived of decent, affordable, permanent housing. These poor families with children do not choose to be homeless and they certainly do not choose to live in welfare hotels. They are there only because the Reagan administration has succeeded in getting the Federal Government out of the business of providing low-cost housing and local governments cannot find anyplace else for these families to go.

In fiscal year 1981, Federal budget authority for low-income subsidized housing was $30 billion. By fiscal year 1987, budget authority had plummeted to only $8 billion. That represents a 73-percent reduction before adjusting for inflation. Does anyone still wonder why we have thousands of homeless families?

I am introducing separate legislation to address, at least in part, the crisis of homelessness we now face in this Nation. However, as we fight that battle on other fronts, we must not permit the families now housed in welfare hotels to go hungry.

The bill I am introducing today would merely make clear that housing assistance payments made on behalf of poor families being sheltered in temporary housing, such as hotels, could not be used to reduce food stamp benefits if the temporary housing provided the families lacks facilities for preparing and cooking hot meals and refrigerating stored food.

After all, the hotel rooms usually available to homeless families are not designed for food storage, meal preparation, and the cooking of hot meals. I hasten to add that I do not consider warming hot dogs under tap water or using a hot plate balanced on a radiator or toilet seat to be cooking.

Clearly, Mr. President, the plight of poor families sheltered in welfare hotels is not analogous to poor families who are living in their own apartments. Both may suffer serious hardships, but those families being temporarily housed in welfare hotels face additional problems. For example, when a family with children is living in a welfare hotel room, it has no stove, no sink outside of the bathroom, no space for food preparation. There may not be sufficient refrigerated storage, assuming refrigerators are available at all. By contrast, most poor households living in apartments do have some kitchen space and basic appliances in their dwellings.

Moreover, many urban welfare families do not have cars with which to drive to major shopping areas. But at least apartment-dwelling families living in residential areas are somewhat more likely to be near a supermarket. Most welfare families living in hotels find themselves located in commercial, rather than residential areas. They are unable to take advantage of the economies of sales offered by larger grocery stores. Instead, these welfare-hotel families depend on small "mom and pop" convenience stores located in the vicinity of their downtown hotels. Such stores usually charge higher prices to meet their overhead and to compensate for low-volume sales. That means that welfare families forced by circumstances to shop in such stores need more assistance with purchasing food, not less.

Although the phenomenon of homeless families with children is not unique to New York City, perhaps nowhere is the shortage of decent low-income housing more acute. As a result, according to State and local officials, there are currently 4,192 families in New York City living in welfare hotels and each of these families has lost, on average, $77 per month in food stamp benefits. Another 870 families in upstate New York are losing an estimated $65 per month in food stamp benefits. Statewide, poor families living in welfare hotel are losing some $5.3 million per year in food stamp benefits as a direct result of USDA's interpretation of the current statute.

Let us not forget, Mr. President, who suffers these reductions in nutrition assistance. State officials estimate that over 12,000 children and 200 pregnant women are adversely affected by these cuts. Although State officials are trying to make up the loss, they cannot completely do so. This is due, in part, to the fact that whenever the State increases its supplementary restaurant allowance to such households, USDA counts these special funds as new household income and further reduces the families' food stamp benefits. Such a catch 22 would almost be amusing if people were not going hungry because of it.

We cannot permit this to continue. I urge my colleagues to join with me in correcting the ambiguity in current law that has pawned this situation. Housing assistance payments, made on behalf of homeless families temporarily sheltered in rooms that do not allow for the preparation and cooking of hot meals and the refrigerated storage of perishable foods, should not be counted as income for purposes of calculating food stamp benefits. My bill will make this clear.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 36

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. THIRD PARTY PAYMENTS FOR CERTAIN HOUSING.

Section 5(k)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(k)(2) is amended—

(1) in subparagraph (D) by striking out "or" at the end thereof.

(2) by redesignating subparagraph (E) as subparagraph (F), and,

(3) by inserting after subparagraph (D) the following new subparagraph:

"(E) housing assistance payments made on behalf of a household which is residing in temporary housing as defined by the state agency administering the assistance program, if such temporary housing lacks facilities for the preparation and cooking of hot meals and the refrigerated storage of food for home consumption; or".

SECTION 2. APPLICATION OF AMENDMENTS.

The amendments made by section 1 shall not apply with respect to allotments issued under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) to any household for any month beginning before the effective date of this Act.

SECTION 3. EFFECTIVE DATE.

The amendments made by this Act shall became effective 30 days after enactment.●

By Mr. MOYNIHAN:

S. 37. A bill to amend part A of title IV of the Social Security Act to reduce the need for emergency assistance payments to provide temporary housing for destitute families and homeless AFDC families, and the expense of such payments, by authroizing grants to States for the construction or rehabilitation of permanent housing that such families can afford with their regular AFDC payments; to the Committee on Finance.

PERMANENT HOUSING FOR HOMELESS FAMILIES ACT

Mr. MOYNIHAN. Mr. President, why does the city of New York pay $37,000 a year to house a homeless family in a "welfare hotel?" Many Americans, I am sure, recall this question posed by President Reagan during a press conference last fall. The President then went on to wonder aloud, "Why doesn't somebody build them a house for $37,000?"

Unfortunately, neither the President, nor many of his advisers, nor many Americans in general, know the answer. It is very simple. "Somebody" can't use Federal funds to build permanent homes for the homeless because current law prohibits it.

Astonishingly, the city of New York has spent up to $37,000 annually on temporary housing for homeless families, this amount representing the upper end on a scale of exorbitant and wasteful costs, and not an average cost per family. Such temporary housing generally consists of a small living area in one of some 61 private "welfare hotels" scattered about the city. The hotels are more often than not located in neighborhoods unfit for the many young children who live there; indeed, many of these exorbitant hotels can best be imagined as filthy, crime- and drug-infested tenements. Certainly, it would be both more cost effective and more humane to house these families in permanent residences. But, under current law, funds received under the emergency assistance section of the Federal Welfare Program may only be used to provide temporary shelter for the homeless.

Given the urgent need for safe, affordable housing for homeless families in every major city in this Nation, I think that's shameful. Therefore, today I wish to offer legislation, the Permanent Housing for Homeless Families Act, which will allow States and cities to spend the housing portion of their emergency assistance funds on up-front grants for the construction of permanent housing for the homeless. In addition, as the Emergency Assistance Program is operated on an entitlement basis, States may also continue to receive funds under the program to house their homeless families in shelters and hotels, while the construction of permanent facilities is underway. While far from an ideal solution, such temporary housing will need to be maintained for poor families with no alternative.

Instead of continuing to subsidize hotel landlords, the Federal Government may begin to work compassionately and cost effectively for a lasting solution to the tragedy of homelessness.

This legislation is also being introduced in the House by my colleague from New York, Representative CHARLES SCHUMER. It is similar to legislation he and I offered during the last Congress, S. 2879 and H.R. 5080 respectively.

Our bill will amend title IV—aid to families with dependent children—of the Social Security Act, to allow Federal matching funds under the existing Emergency Assistance Program to be used for the construction or renovation of permanent homes for poor families with children. Federal funds will only be made available, on an entitlement basis, to States and local governments meeting specified requirements.

Among these requirements, all units constructed or rehabilitated must be rented to an AFDC-eligible family that has been unable to obtain affordable housing, and would otherwise be left without shelter; before receiving funds the city and State would have to demonstrate that the permanent housing will reduce their total AFDC costs for the homeless over a 5-year period.

The Permanent Housing for Homeless Families Act is designed to ensure that the Federal Government actually saves money under the Emergency Assistance Programs after 5 years. And, as the burden for housing America's homeless cannot fall on the shoulders of Washington alone, this legislation requires participating State and local communities to contribute substantial resources of their own to any federally assisted construction. In brief, the State and local government's combined share of costs under this program must be 10 percentage points higher than their current share of AFDC payments. In the case of New York, then, the city and State would be required to contribute 60 percent, to the Federal Government's 40 percent of the cost.

As each of us knows all too well, our resources today are much too scarce to be squandered on short-term remedies to deep-seated problems. Whether $37,000 or not, the current use of funds under the Emergency Assistance Programs amounts to nothing more than that: a "quick fix" to the enormous problem of homelessness in our Nation's cities, a fix which helps put a roof over the heads of thousands of needy families, but offers nothing in the way of lasting solutions.

I believe this legislation offers a device through which the Federal, State, and local governments, with the indispensable assistance of the private sector, can begin to meet the long-term needs of America's homeless families and children. I urge my colleagues' support of this initiative early in the 100th Congress.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 37

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Permanent Housing for Homeless Families Act."

AUTHORIZATION OF GRANTS

SECTION 1. Part A of title IV of the Social Security Act is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF GRANTS TO PROVIDE PERMANENT HOUSING FOR FAMILIES THAT OTHERWISE WOULD REQUIRE EMERGENCY ASSISTANCE

"SEC. 416. (a) The Secretary may make a grant to any State for the construction or rehabilitation of permanent housing to serve individuals and families who would otherwise require emergency assistance in the form of temporary housing, if the State makes application for such a grant in the manner and form prescribed by the Secretary, furnishes the assurances required by subsection (b), and satisfies such other terms and conditions as the Secretary may prescribe to assure that the purposes of this section are effectively carried out.

"(b) A grant may be made to a State under subsection (a) only if such State (along with or as a part of its application) furnishes the Secretary with satisfactory assurances that—

"(1) the proceeds of the grant will be used exclusively for the construction or rehabilitation of permanent housing to be owned by the State, a political subdivision of the State, an agency or instrumentality of the State or of a political subdivision of the State, or a nonprofit organization;

"(2) all units assisted with funds from the proceeds of the grant will be used exclusively for rental to families which are eligible (at the time of the rental) for aid under the State's plan approved under section 402, provided that a family with some members who meet this requirement shall not be deemed ineligible because one or more other family members receive aid under title XVI of the Social Security Act—

"(B) have been unable to obtain decent housing at rents that can be paid with the portion of such aid allocated for shelter, and

"(C) if such housing were not available to them, would be compelled to live in a shelter for the homeless or in a hotel, motel, or other temporary accommodations paid for with emergency assistance or would be homeless;

"(3) at least 40 percent of the units in any housing project containing units assisted under this section will be rented to families described in paragraph (2);

"(4) the local jurisdiction in which such housing will be located is experiencing a critical shortage of housing units that are available to families eligible for aid under the State plan at rents that can be paid with the portion of such aid allocated for shelter;

"(5) whenever units assisted under this section become available for occupancy, the State will discontinue the use of an equivalent number of units of the most costly accommodations it has been using as temporary housing paid for with emergency assistance, except to the extent that such accommodations are demonstrably needed—

(i) in addition to the units so assisted, to take account of increases in the caseload under that program; or

(ii) because, due to the condition or location of such accommodations, or other factors, discontinuing the use of such units would not be in the best interests of needy families, provided that the State discontinues the use of an equivalent number of other units it has been using as temporary housing paid for with emergency assistance;

and only if the State, along with or as a part of its application, includes provisions (to be added to the State plan) for carrying out the requirements of paragraph (5).

"(c)(1) GRANT AMOUNT.—The average cost to the Federal Government per unit of housing constructed or rehabilitated with a grant under this section shall be an amount no greater than the standard yearly payment of emergency assistance required to provide housing for a family in a shelter for the homeless, a hotel or motel, or other temporary quarters for one year, as such standard is defined in subsection (d).

"(2) FIVE-YEAR COST SAVINGS REQUIREMENT.—The total of Federal payments to the State under this part over five years with respect to families who will live in housing assisted by a grant provided under this section must be lower as a result of the construction or rehabilitation of permanent housing with the grant (the "total grant cost" as calculated according to the definition in subsection (d)) than it would be if the State made emergency assistance payments at the level of the standard yearly payment during such five years period. The Secretary may extend this five year period for calculating cost savings to any period of no more than seven years if he determines than unusual circumstances have delayed completion of housing to be constructed or rehabilitated pursuant to this section and that it would be inequitable to measure costs savings over a five year period.

"(3) MINIMUM STATE SHARE.—Any grant to a State under subsection (a) shall be made only on condition that such State (and the local jurisdiction in which the housing is to be located) pay a percentage of the total cost of the construction or rehabilitation of such housing equal at least to the percentage of the current non-Federal share of aid to families with dependent children under the State plan which is applicable to that State (as determined under section 403(a) or 1118), increased by 10 percentage points, and that such State not require its political subdivisions to pay a higher percentage of the total costs of the construction or rehabilitation of such housing than these political subdivisions pay for aid given pursuant to the State plan approved under section 402.

"(d) DEFINITIONS.—For the purposes of this section—

"(1) the term 'emergency assistance' means emergency assistance to needy families with children as described in section 403(e) or regular payments for costs of temporary housing authorized as special items under the State plan;

"(2) the term 'standard yearly payment' means the total amount paid to provide housing for a family in a shelter for the homeless, a hotel or motel, or other temporary quarters for one year which is greater than 75 percent of all of the temporary accommodations paid for with emergency assistance, and less than 25 percent of which of such accommodations paid for with emergency assistance in the jurisdiction in which a grant provided under this section is to be used (i.e., the 75th percentile in the range of all payments of emergency assistance for temporary accommodations). Such amount shall be based on the State's actual experience with emergency assistance in that jurisdiction or, if no such experience is available, on the basis of the best available information acceptable to the Secretary, including, but not limited to, local hotel costs, and the costs of emergency assistance in cities with similar characteristics);

"(3) the term 'total grant cost' means the sum of Federal payments during the five-year period beginning on the date that construction or rehabilitation on housing assisted by a proposed grant under this section will begin, including the grant provided under this section, the Federal share of payments of emergency assistance for temporary housing during construction or rehabilitation (at a level equal to the standard yearly payment), and the Federal share of regular payments of aid under the State plan to such families during the remainder of such five-year period (or any longer period established by the Secretary pursuant to subsection (c), subparagraph 2 of this section).

"(e) Whenever a grant is made to a State under this section, the assurances required of the state under paragraphs (1) through (5) of subsection (b) and any other requirements imposed by the Secretary as a condition of such grant shall be considered, for purposes of section 404, as requirements imposed by or in the administration of the State's plan under section 402.".

EFFECTIVE DATE

SEC. 2. The amendment made by section 1 shall become effective upon enactment.

By Mr. MOYNIHAN:

S. 38. A bill to increase the authorization of appropriation for the Magnet School Program for fiscal year 1987 to meet the growing needs of existing magnet school programs, and for the establishment of new magnet school programs; to the Committee on Labor and Human Resources.

MAGNET SCHOOL PROGRAMS

● Mr. MOYNIHAN. Mr. President, I rise today to introduce the Magnet School Expansion Act. This bill would add $75 million to existing levels for magnet school programs, currently funded at $75 million, to support existing and new magnet school programs across the country. Magnet schools are schools which seek to attract a desegregated student body by offering a specialized and focused academic program. The concept of the magnet school has gained recognition as one of the most successful means of achieving desegegation in our Nation's school system.

As my colleagues know, the mandate to desegregate public schools is a Federal one, imposed on school systems by the Supreme Court in its decision in Brown versus Board of Education. Although the local control of education is a well-established principle in this Nation, the Federal Government has assumed the responsibility of enforcing this decision since it was handed down some 30 years ago.

We have tried many ways of accomplishing this goal: Both involuntary and voluntary with the latter certainly preferred in most cases. Magnet schools are almost universally recognized as an effective tool for desegregation. In cities where busing has drawn responses ranging from civil disobedience to violence, the creation of magnet schools has helped to bring about a level of integration and community support that was unthinkable 10 years previous.

Magnet schools are intended to attract students on a voluntary bsisis; thus, school boards shape the academic program to suit the needs of their local community in order to attract students of all races and backgrounds. By providing Federal assistance for such programs, as has been done since 1971, we are in fact trying to meet our constitutional obligation to end desegregation in our schools.

However, it appears that our current administration is less than fully committed to meeting this obligation. Since taking office, Ronald Reagan has succeeded in drastically reducing funding for desegregation programs in our public schools. In 1982, funding for magent schools was reduced by $124 million after being incorporated into a single block grant under chapter 2 of the Education Consolidation and Improvement Act of 1981. All of this while the President's representative in the Department of Justice argued in Federal court for the use of "voluntary incentives" rather than the use of mandatory busing. The irony of the administration's actions is inescapable—it is simply not possible to encourage voluntary desegregation without sufficient funds.

In response to the administration's actions, in 1982 and in 1983, I introduced the Emergency Aid Act to reestablish the program of special assistance for school desegregation activities which had existed prior to the Reagan administration. Later, in 1983, Senator Eagleton joined me in introducing a modified version of my earlier bill which would have provided $125 million annually to school districts implementing court ordered or voluntary school desegregation plans. Eventually, with the aid of Senators HATCH and STAFFORD, we succeeded in establishing a separate Magnet Schools Assistance Program under the Education for Economic Security Act, authorized at a level of $225 million for 3 years, in June 1984.

However, the administration failed to release the $75 million appropriated for the program for 1985 and asked for a rescission of the funds in the 1986 budget request. After 42 Senators joined me in sending Secretary Bennett a letter demanding the release of the funds, the program finally got underway. However, the delay in the release of funds meant that magnet schools were not able to use their money until the 1985-86 academic year, a full year after the legislation was enacted.

To underscore the need for an increased Federal commitment, I would point out that out of 126 school districts which applied for funding for this program in its first cycle, only 44 could be funded with existing funds. Not only does that leave 82 school districts, and countless individual schools, without means to implement desegregation programs but one must also consider all those districts that did not apply because of the limited funds available. My bill would raise the authorization of funding to $150 million, to ensure that more school districts can be funded and more students given equal educational opportunities.

I urge my colleagues to support this measure. Let us guarantee that every student will have equal opportunities to the best education possible and will enter adulthood free from discrimination in education based on race. Without Federal assistance for voluntary and court-ordered desegregation, local school districts across the country will, in all probability be unable to meet their obligation to prevent such discrimination. An obligation mandated by the Constitution—the foundation of the laws which each and every one of us has sworn to uphold. I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 38

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 701 of the Education for Economic Security Act, relating to Magnet schools assistance, is amended by striking out "1986, 1987, and 1988" and inserting in lieu thereof the following: "and 1986, 1987, and $150,000,000 for each of the fiscal years 1988 and 1989".●

By Mr. MOYNIHAN (for himself, Mr. HEINZ, Mr. BOREN, Mr. PRYOR, Mr. MATSUNAGA, and Mr. RIEGLE):

S. 39. A bill to amend the Internal Revenue Code of 1986 to make the exclusion from gross income of amounts paid for employee educational assistance permanent; to the Committee on Finance.

EMPLOYEE EDUCATIONAL ASSISTANCE ACT OF 1987

● Mr. MOYNIHAN. Mr. President, I rise today, along with five of my colleagues on the Senate Finance Committee, to introduce legislation to make permanent section 127 of the Internal Revenue Code, which permits employees to receive limited amounts of employer-provided educational assistance on a tax-free basis.

Since 1978, section 127 has made the benefits of educational advancement more readily available to working Americans. Section 127 permits an employee to exclude from income up to $5,250 in educational assistance provided by his or her employer, whether or not for education directly related to the employee's current job. Without this exclusion, the employee would owe taxes on an employer's reimbursement for education expenses unless the education maintains or improves skills required for the employee's current job or meets express conditions for holding such position. Thus section 127 is particularly important for employees in lower-skilled jobs that wish to undertake training to increase their skills.

Section 127 is scheduled to expire at the end of 1987, and the legislation that I introduce today would extend that section on a permanent basis.

Providing tax-free treatment of employer-provided educational assistance is a proven means of upgrading the skills of American workers. It is an incentive for enhancing productivity while helping workers to improve their job and career capabilities.

It is estimated that some 7 million American workers have furthered their education with employer-provided, tax-free educational assistance. The benefits of section 127 are used across a broad range of income groups, but the heaviest concentration of use is among middle- and lower-income employees. A recent survey conducted by the American Society for Training and Development found that 72 percent of recipients of section 127 educational assistance earn less than $30,000 annually. In fact, lower-income employees are more likely to participate in educational assistance programs: Employees earning less than $30,000 participate at a much greater rate, and participation rates decline as salary levels increase. Employees making less than $15,000 participate at almost twice the rate of those who earn over $50,000.

Section 127 has enabled working men and women who otherwise might not be able to afford a better education to further their studies without incurring additional income tax liabilities in the process. Section 127 has also fostered the retraining of American industrial workers whose jobs were threatened by rapidly changing technologies—keeping them employable without the added burden of additional taxes.

According to the American Electronics Association, the United States experienced a shortage of about 20,000 engineers between 1981 and 1985. To counter this troubling trend, almost half of America's largest electronic firms initiated section 127 educational assistance programs to encourage employees to pursue advanced degrees in electronics.

Mr. President, this opportunity for firms to assist in the training of their employees is of great value to the American economy as a whole. American private enterprise must continue to advance technologically if we are to remain competitive in the international economy.

Section 127 has also enabled thousands of public school teachers to receive advanced degrees, augmenting the quality of instruction in our public schools. A 1984 survey undertaken by the National Education Association found that almost 45 percent of all American public school systems provide tuition assistance to teachers seeking graduate credits and degrees. Enhancing our education system is a public benefit of the highest order.

Mr. President, I ask unanimous consent that the text of the legislation be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 39

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Employee Educational Assistance Act of 1987".

SEC. 2. EXCLUSION FOR EDUCATIONAL ASSISTANCE PROGRAMS MADE PERMANENT.

(a) In General.—Section 127 of the Internal Revenue Code of 1986 (relating to educational assistance programs) is amended by striking out subsection (d).

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 1986.●

By Mr. MOYNIHAN:

S. 40. A bill to amend section 1 of the Atomic Energy Act of 1954, as amended, to clarify that no nuclear plant should operate without assurance from the Federal Government's experts on emergency preparedness that the public health and safety can and will be protected; to the Committee on Environment and Public Works.

INTRODUCTION OF THE ATOMIC SAFETY ACT

● Mr. MOYNIHAN. Mr. President, I rise to offer something that we have not had, and that is much overdue: An Atomic Safety Act.

Congress enacted the Atomic Energy Act in 1954. It was a pioneering statute. It offered the revolutionary idea that there could be peaceful uses for the atom.

Mr. President, section 1 of that act is a declaration. It is not very long, but it says much about what we saw for the future of the atom some three decades ago, and I think it is important that we read it today:

> Atomic energy is capable of application for peaceful as well as military purposes. It is therefore declared to be the policy of the United States that—
>
> a. the development, use, and control of atomic energy shall be directed so as to make the maximum contribution to the general welfare, subject at all times to the paramount objective of making the maximum contribution to the common defense and security; and
>
> b. the development, use, and control of atomic energy shall be directed so as to promote world peace, improve the general welfare, increase the standard of living, and strengthen free competition in private enterprise.

All noble aims, but what about safety? Safety, of its own, is not mentioned in the declaration of the Atomic Energy Act.

That, Mr. President, is why an Atomic Safety Act is so necessary. In the world of 1987, a world that has learned of Three Mile Island and Chernobyl, nuclear safety must be the first thought, not an afterthought. As a priority, it must be second to none.

This bill goes beyond clarifying our intentions; it depends upon that clarity to change the way we assure that citizens who live near our nuclear powerplants are safe. It gives that assurance its proper place and priority.

To our credit, we did not wait for Chernobyl to demand emergency planning for areas outside of our nuclear plants; Three Mile Island was enough. After that vastly more modest disaster, Congress determined that real, substantive emergency plans needed to be in place for nearby communities. Our emergency planning experts in the Federal Emergency Management Agency would test them to assure us that they would work, and the Nuclear Regulatory Commission would be guided by their findings.

But we left a tremendous loophole, big enough for a nuclear powerplant. We left the Nuclear Regulatory Commission the discretion to approve some emergency plans regardless of whether FEMA reached a decision on whether they were adequate. This was a mistake, and we should undo it.

Perhaps the lofty language of the Atomic Energy Act misled us. And perhaps the more pragmatic language of the Atomic Safety Act will be better guidance.

There may be cases—in my State of New York, the Shoreham plant on Long Island is one—where State and local governments will not cooperate in planning for safe operation of a nuclear plant. This bill, the Atomic Safety Act, reminds us of what is most important: Our responsibility to assure that the public safety is protected. This case has brought confusion to what should be clear. Nothing is more important than the public health and welfare.

If the Federal experts on emergency planning can certify that a utility-produced emergency plan assures the public health and safety, so be it. But if they cannot tell, such a plant must not open. Period. No exceptions.

Mr. President, it is possible that there may be a future for nuclear fission in this country; it is possible, but I am far from sure. The economics of the enterprise seem rather bleak, and the political difficulties of choosing a suitable repository for the wastes most daunting. But if we cannot assure the public that the enterprise is being pursued responsibly—and that the necessary steps have been taken in every case to provide for their safety—then all the Atomic Energy Act's lofty prose will be for naught, and we shall have no nuclear power in this country.

I ask unanimous consent that the text of my bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 40

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

Section 1. This Act may be cited as the "Atomic Safety Act of 1987".

Sec. 2. (a) The Congress finds that further progress in the domestic nuclear programs of the United States will be difficult, at best, unless the Nation is assured of the safety of those programs.

(B) It is the intent of Congress that safety be an unsurpassed priority in matters pertaining to domestic nuclear power programs.

(C) It is the sense of the Congress that full and complete emergency planning is an essential element of the nuclear enterprise, and that no plant should operate without assurance from the Federal government's experts on emergency preparedness that the public health and safety can and will be protected.

Sec. 3. Subsection 1(a) of the Atomic Energy Act of 1954, as amended, is amended by striking the word "objective" and inserting in lieu thereof "objectives of protecting the public health and safety and".

Sec. 4. Notwithstanding any other provision of law, the Nuclear Regulatory Commission may not issue a license for the operation of any utilization facility unless there is an off-site emergency plan for that facility in place for which the Federal Emergency Management Agency has issued a finding regarding whether said plan will provide assurance that the public health and safety can and will be protected in an emergency. Any such finding made by the Agency after January 1, 1987 shall be made on the basis of an evaluation under criteria at least as protective of the public health and safety as those in use by the Agency and the Commission as of January 1, 1987 for the evaluation of state emergency plans. Any license issued by the Nuclear Regulatory Commission that is not based upon a finding made by the Federal Emergency Management Agency in accordance with the terms of this subsection shall be revoked upon enactment of this Act.●

By Mr. ROTH:

S. 41. A bill to establish a Commission on More Effective Government, with the declared objective of improving the quality of government in the United States and of restoring public confidence in government at all levels; to the Committee on Governmental Affairs.

COMMISSION ON MORE EFFECTIVE GOVERNMENT

Mr. ROTH. Mr. President, today I am introducing legislation to create a Commission on More Effective Government. It will be the purpose of this Commission to carry out a searching review of the organization and management of the executive branch of the Federal Government. Based on this analysis, the Commission will issue recommendations designed to improve the operation of government today and to help us meet the demands placed upon our public institutions in the coming decades.

This proposal is modeled after the very constructive reform commissions headed by former President Hoover in the late 1940's and early 1950's. Because of the nature of its mandate, its bipartisan composition, and its emphasis on implementation of reform recommendations, the Commission I am proposing today holds every promise of equaling the achievements of the two predecessor Hoover Commissions.

In the 32 years since the second Hoover Commission issued its final report, the Federal Government has grown enormously in the level of its expenditures, in the scope of its activities, and in the responsibilities it places on State and local governments and the private sector. With each incremental expansion of the Federal role, government has intruded further into the lives of our people and the operation of our private institutions.

Yet, while the Federal role has expanded during this period, the National Government's fiscal strength has deteriorated significantly, as we today face formidable annual deficits and a record-setting level of national debt. It is little wonder that citizen frustration with government is so high and confidence in the ability of government to perform adquately is so low.

These circumstances mandate a critical assessment of what new activities the Federal Government is capable of undertaking and an evaluation of how government can better carry out the duties that it currently performs. The Commission on More Effective Government, in a bipartisan, independent, and objective manner, will carry out this assignment. In its examination of the organization and management of the Federal executive branch, the Commission will not only identify long-needed improvements to be pursued but will help to create the awareness and desire for change that is crucial in overcoming the inertia and resistance that inevitably confront major reform.

Now, Mr. President, at some point before this legislation is enacted I know that someone will advance the argument that this idea duplicates the work of other commissions. The Grace Commission, for example, addressed some issues that fall within the mandate of the Commission on More Effective Government. I will anticipate this concern by saying now that the Commission I am proposing today possesses a far broader mandate than the Grace effort, which focused narrowly on cost-cutting in the Federal Government.

The elimination of needless expenditures in government is important and requires further attention. The Commission on More Effective Government should use the work product of the Grace Commission as a resource and build on this foundation for the implementation of reforms that receive bipartisan support.

Similarly, the Commission should review the fine work of the Ash Council of the early 1970's on matters of government organization and the comprehensive work of the U.S. Advisory Commission on Intergovernment Relations for recommendations in the realm of Federal-State-local government relations. Over the years the General Accounting Office has churned out libraries of reports chock full of reform recommendations, many of which have been ignored or only partially put in place. It would be the task of the Commission I am proposing to review this data base, consider which recommendations are worthy of action either in Congress or in the executive branch, and launch them off on the path toward implementation.

While the Commission members should be free to set their own agenda once they meet and organize, several issues stand out as important candidates for their consideration. In addition to the general organizational and management issues I have mentioned, the Commission should consider the emergence of what has been called third-party governance and assess what effect this development has had on our system. By third-party governance I mean the proliferation of government corporations and other quasi-governmental bodies that perform an ever-increasing number of public functions.

These organizations often operate outside of established procedures for hiring, firing, and paying personnel, and are only loosely accountable for their actions to the elected officials who create them and ostensibly oversee them. Of equal importance is the fact that we possess no clear and agreed-upon doctrine as to when the use of these organizations is appropriate. The Commission proposed by this legislation could make a substantial contribution by formulating criteria for the use of government corporations and guiding us toward a balance of flexibility and accountability in their operation.

Similarly, privatization is a much discussed but frequently misunderstood aspect of government service delivery. What is certain is that we have moved toward privatization of public functions in a major way. From 1970 to 1980 the size of the civilian executive branch work force decreased by 120,000 employees, as total Federal expenditures increased by 195 percent. In the same period expenditures for service contracts increased by 28 percent. This trend is further exemplified by the fact that the budgets of the Departments of Defense, Health and Human Services, and Education support four indirect workers for every person on the Federal payroll.

This process, however, like that of the use of government corporations, has developed willy-nilly with no clearly defined doctrine of when privatization is appropriate and when it is not, how to measure the quality of the goods and services thus received, and what the long-term costs are of this policy course. Here, too, the Commission on More Effective Government could do a great service to the Nation in developing a consensus theory of privatization in terms of when it should be used for and how its product should be measured.

The explosion of technology in recent decades has created great new opportunities as well as new challenges and sensitive public issues for our society. A good candidate for Commission review is the development of information, communication, and related technologies and how they can best be used to improve public sector performance without jeopardizing concerns such as our citizens' right to privacy.

The range of important issues for the Commission to address is expansive. In addition to those I have detailed could be added the shift toward heavy reliance on the administrative law process, the role of the Federal judiciary, the activities and the relationships of the multitude of independent Federal regulatory agencies and the nature of our legislated budgetary procedures. Each of these issues merits analysis and comment by the Commission and should be considered for inclusion on the agenda.

While the breadth of this mandate might appear to be too great for a single group, the key to the success of the Commission on More Effective Government will be in its composition and its work methods. The Commission will consist of 18 citizens with substantial records of accomplishment in government or in private life. The Commission will be strictly bipartisan, with six members appointed by the President, six appointed by the leadership in the Senate, and six appointed by the leadership of the House of Representatives. This collegiality and bipartisanship will provide the foundation for consensus in the development of a reform agenda.

If the Commission follows the successful pattern of the earlier Hoover

Commissions, it will rely on a small central staff and use task forces to examine the broad sweep of its subject areas. It will make great use of existing studies and writings—both public and private—to avoid duplication of effort. Public hearings will be used to ensure citizen participation, to focus attention on the work of the Commission, and to help build consensus support for its findings and recommendations. Coalition building must be one of the principle aims of the Commission from the outset in order to help ensure followthrough on the changes that it proposes.

As we begin the celebration of the 200th anniversary of the Constitution, I can think of no better way to strengthen the Government it undergirds than to create this review Commission and promptly let it begin its work. As one expert witness testified before the Committee on Governmental Affairs in 1981, in light of all of the changes that have occurred in government since the last comprehensive commission review, it is time to put down anchor and see where we are and where we ought to be. The Commission on More Effective Government will help us make these assessments and take the action steps required to implement needed reforms.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 41

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DECLARATION OF POLICY

SECTION 1. It is the policy of the Congress to develop a blueprint for better government in the United States, to set in motion processes by which the Federal Government can more effectively and responsively serve the people for whom it was created and can more rationally meet its present and future challenges, both national and international, and to encourage and justify the full restoration of public confidence in government at all levels.

ESTABLISHMENT OF COMMISSION

SEC. 2. For the purpose of carrying out the policy set forth in section 1, there is hereby established a commission to be known as the Commission on More Effective Government (in this Act referred to as the "Commission").

IMPLEMENTATION OF POLICY BY COMMISSION

SEC. 3. (a) In carrying out the policy set forth in section 1, the Commission shall consider and study the management, operation, and organization of the executive branch and of the independent regulatory agencies of the Federal Government, including the relationships of such entities to each other, to the other branches of the Federal Government, to their State and local governmental counterparts, and to the private sector. Such study and consideration shall give particular attention to the extent to which such relationships and established patterns of action meet or fail to meet governmental responsibilities and are adequate to meet the challenges of the future. Where appropriate and necessary, the Commission's consideration and study shall include the extent to which the policies implemented by the executive branch and the independent regulatory agencies detract from or enhance governmental management, operation, and organization.

(b) On the basis of its considerations and study under subsection (a), the Commission shall make recommendations, including but not limited to specific proposals for changes in Federal Law, regulation and administrative practices, to promote economy, effectiveness, efficiency, and managerial and political accountability, and to improve services and management in the transaction of the public business. Such recommendations shall include, where appropriate, recommendations for altering the present distribution of functions and activities among the Federal agencies and among the Federal, State, and local governments.

(c) In carrying out its consideration and study under subsection (a), the Commission shall avail itself of relevant information and data gathered by such public and private organizations and individuals as it deems appropriate.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The Commission shall be composed of eighteen members as follows:

(1) Six appointed by the President of the United States; a maximum of three from the executive branch, and the balance, persons who are not Federal officials.

(2) Six appointed by the Speaker of the House of Representatives; a minimum of two and a maximum of three from the House of Representatives, and the balance, persons who are not current Members of the House of Representatives.

(3) Six appointed by the President pro tempore of the Senate, upon the recommendations of the majority and minority leaders of the Senate; a minimum of two and a maximum of three from the Senate, and the balance, persons who are not current Members of the Senate.

Members of the Commission shall to the maximum extent possible be chosen from among persons who have particular knowledge and expertise in the major areas of the Commission's consideration and study. Of the members appointed by the President, one shall have had experience in government at the State or local level; of the members who are not Federal officials appointed by the Speaker of the House of Representatives, one shall have had governmental experience at the local level; and of the members who are not Federal officials appointed by the President pro tempore of the Senate, one shall have had governmental experience at the State level. In considering individuals for membership, preference shall be given to persons with a broad knowledge and understanding of the working of the Federal system of the United States of America.

(b)(1) Of the members appointed by the President from persons who are not Federal officials under subsection (a)(1), three shall be from the major political party which is not the party of the President, and at least two shall be persons not engaged in partisan political activity.

(2) Of the members appointed from the House of Representatives under subsection (a)(2), one shall be from the political party which is the majority party in the House and one shall be from the political party which is the minority party in the House. At his discretion, the Speaker may appoint either a second incumbent Representative from the majority party in the House or a former Representative from that same party. Of the remaining three members appointed under such subsection, two shall be persons not engaged in partisan political activity. Of these three remaining members one shall be from the political party which is the minority party in the House. In appointing members under subsection (a)(2) who are from the political party which is the minority party in the House, the Speaker shall obtain the advice and consent of the minority leader of the House.

(3) Of the members appointed from the Senate under subsection (a)(3), one shall be from the political party which is the majority party in the Senate and one shall be from the political party which is the minority party in the Senate. At his discretion, the President pro tempore of the Senate may appoint either a second incumbent Senator from the majority party in the Senate or a former Senator from that same party. Of the remaining three members appointed under such subsection, two shall be persons not engaged in partisan political activity. One of these three remaining members shall be from the political party which is the minority party in the Senate.

(4) For the purposes of this Act, the term "persons not engaged in partisan political activity" shall mean persons who for at least six months prior to appointment as a member of the Commission, have not occupied or sought elected public office, or have not served as an official of a State or national political party.

(c) The President shall select a Chairman from among the Commission members who are not Federal officials at the time of appointment. The selection by the President of the Chairman shall be subject to the approval of a majority vote of the members of the Commission, conducted by secret ballot. The Commission shall elect from among its members a Vice Chairman from the major political party which is not the party of the Chairman. The Commission shall adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, its organizations, and its personnel.

(d) Ten members of the Commission shall constitute a quorum.

(e) Any vacancy in the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made. Any individual appointed to fill a vacancy in the Commission shall be of the same political party as his predecessor.

(f) An individual who is appointed to the Commission in the status of a Member of Congress or in the status of a person in the executive branch of the Government, and who thereafter ceases to have such status, shall nevertheless continue as a member of the Commission and shall (if he has returned to private life except for his membership on the Commission) be treated as an individual appointed from private life for purposes of compensation under section 5.

COMPENSATION OF COMMISSION MEMBERS

SEC. 5. (a) The members of the Commission who are Members of Congress or who are in the executive branch of the Government shall serve on the Commission without any compensation in addition to that received for their services as Members of Congress or in the executive branch. The members of the Commission from private life shall each be paid compensation at a rate equal to the rate of basic pay in effect for level IV of the Executive Schedule when engaged in the performance of the duties vested in the Commission.

(b) All members of the Commission shall be reimbursed for travel as authorized by section 5703 of title 5, United States Code, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

COMMISSION STAFF

SEC. 6. (a) The Commission shall have power to appoint, terminate, and fix the compensation of such personnel as it deems advisable to assist in the performance of its duties, without regard to the civil service laws and without regard to the provisions of title 5, United States Code (or of any other law) relating to the number, classification, or compensation of employees. The Commission may also procure, as authorized by section 3109 of title 5, United States Code, temporary and intermittent services to the same extent as is authorized by law for agencies in the executive branch but at rates not to exceed the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule. The Chairman and Vice Chairman shall select an executive director for the Commission contingent upon confirmation by the Commission members.

(b) Service of an individual as a member of the Commission (or of an advisory council or committee under section 7) or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of any Federal law relating to conflicts of interest or otherwise imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with claims, proceedings, or matters involving the United States. Service as a member of the Commission (or of such an advisory council or committee), or as an employee of the Commission, shall not be considered service in an appointive or elective position in the Government for purposes of section 8344 of title 5, United States Code, or comparable provisions of Federal law.

ADVISORY COUNCILS AND COMMITTEES

SEC. 7. The Commission may establish (without regard to the Federal Advisory Committee Act) such advisory councils and advisory committees as it may deem appropriate to provide specialized assistance in the performance of the duties vested in the Commission by this Act. Members of such advisory councils and committees, while attending meetings of such councils or committees or while otherwise serving at the request of the Commission away from their homes or regular places of business (unless otherwise eligible for travel and subsistence expenses under chapter 57 of title 5, United States Code), may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for individuals in the Government serving without pay.

POWERS OF THE COMMISSION

SEC. 8. (a) The Commission or any member authorized by the Commission may, for the purpose of carrying out this Act, hold such hearings and sit and act at such times and places, take such testimony, have such printing and binding done, enter into such contracts and other arrangements (with or without consideration or bond, to such extent or in such amounts as are provided in appropriations Acts, and without regard to section 3709 of the Revised Statutes (41 U.S.C. 5)), make such expenditures, and take such other actions as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member. The provisions of the Federal Advisory Committee Act shall not apply to the Commission established under this Act.

(b) The Commission is authorized to secure directly from any officer, department, agency, establishment, or instrumentality of the Government such information, suggestions, estimates, and statistics as the Commission may require for the purpose of this Act; and each such officer, department, agency, establishment, or instrumentality is authorized and directed to furnish, to the extent permitted by law, such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

(c) Upon request of the Commission, the head of any Federal agency is authorized to make any of the facilities and services of such agency available to the Commission or to detail any of the personnel of such agency to the Commission, on a reimbursable basis, to assist the Commission in carrying out its duties under this Act, unless the head of such agency determines that urgent, overriding reasons will not permit the agency to make such facilities, services or personnel available to the Commission and so notifies the Chairman in writing.

(d) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(e) No officer or agency of the United States shall require the Commission to submit any report, recommendation, or other matter to any such officer or agency for approval, comment, or review before submitting such report, recommendation, or other matter to the Congress or to the President.

MEETINGS, PUBLIC INVOLVEMENT, REPORTS, EXPIRATION

SEC. 9. (a) The Commission shall first convene no later than six months after the date of enactment of this Act, and shall meet from time to time thereafter, as its members deem appropriate.

(b) Consistent with other provisions of this Act, the Commission shall structure its operations and activities to assure the appropriate and meaningful involvement of the public in its deliberations. In doing so, the Commission shall consider the desirability of holding public hearings, particularly in locations outside of the District of Columbia and of establishing toll-free telephone lines or other mechanisms whereby members of the public can readily contribute suggestions for Commission consideration.

(c) The Commission shall from time to time submit to the Congress and the President such reports as it may deem appropriate with respect to its activities under this Act. One year after the date of enactment of this Act, the Commission shall report to the Congress and the President on its agenda and its progress. Twenty-four months after the date of enactment of this Act, the Commission shall submit to the Congress and the President its final report with respect to such activities, including all of its findings and recommendations.

(d) Ninety days after the submission to the Congress and the President of its final report under subsection (c), the Commission shall cease to exist, except as provided under section 11(b).

PREPARATION FOR THE COMMISSION

SEC. 10. Upon enactment of this Act, the Comptroller General of the United States, the Director of the Congressional Research Service, the Director of the Congressional Budget Office, the Director of the Office of Technology Assessment, and the Chairman of the Advisory Commission on Intergovernmental Relations shall begin to prepare briefing papers for the Commission. Such briefing papers shall catalog and synthesive any recent reports, analyses, and recommendations of the respective organizations, and shall contain such other information deemed by the head of each such organization to be pertinent to the work of the Commission. The briefing papers shall be completed no later than four months after the date of enactment of this Act.

MONITORING AND FOLLOWUP ON COMMISSION RECOMMENDATIONS

SEC. 11. (a) For a period of four years after the Commission ceases to exist, the Comptroller General of the United States shall monitor the implementation of the recommendations of the Commission, and shall report periodically to the Congress and the President on the actions being taken to implement such recommendations.

(b) For a period of eighteen months after the Commission ceases to exist, a portion of the staff of the Commission shall continue to seek the consideration and implementation of the recommendations of the Commission. During such period, such staff shall be under the supervision of and shall report to the Director of the Office of Management and Budget.

(c) Upon submission of the Commission's final report to the President under section 9(c), the Director of the Office of Management and Budget, in coordination with the executive agencies, shall take action to (1) formulate the views of the executive agencies on the recommendations of the Commission; (2) to the extent practicable within the limits of their authority and resources, carry out recommendations of the Commission in which they concur; and (3) propose legislation needed to carry out or to provide authority to carry out other recommendations of the Commission in which they concur. At least once every six months, the Director of the Office of Management and Budget shall report to the Congress and the President on the status of action taken or to be taken as provided herein. A final report on the final disposition of the recommendations shall be submitted within four years after the submission of the Commission's final report under section 9(c).

EXPENSES OF THE COMMISSION

SEC. 12. There are hereby authorized to be appropriated $10,000,000 to carry out this Act.

By Mr. ROTH:

S. 42. A bill to amend title 5, United States Code, to establish an optional early retirement program for Federal Government employees, and for other purposes; to the Committee on Governmental Affairs.

EARLY RETIREMENT PROGRAM FOR FEDERAL EMPLOYEES

Mr. ROTH. Mr. President, today I rise to introduce a bill that gives about 400,000 Federal civilian employees the opportunity to voluntarily retire in 1987, thus saving the taxpayers several hundred million dollars.

This bill will enable many Federal Employees to retire almost immediately if they desire. A number of older Federal employees, although they now lack the age and service needed to retire under current law, are ready, willing, and able to retire as soon as they get a reasonable opportunity.

At the same time, this bill offers new opportunities to younger Federal employees—especially women and members of minority groups—who may be concerned about the shortage of minority groups—who may be concerned about the shortage of career opportunities in the Federal Government. By providing older workers with the opportunity to retire, younger employees may now look forward to brighter and more secure Federal careers.

Given the current period of budget uncertainty, the early retirement option provides a positive way to reduce the Federal payroll. It is no secret that during the next several years Federal outlays must be reduced sharply, or at least held in check. Private companies that need to cut costs commonly open up an early retirement window to give their employees a temporary option to retire.

In fact, the catalyst for the early retirement legislation is the example set by many private companies that have offered such plans in order to prevent layoffs, provide promotion opportunities, and job security for younger workers, and to cut costs in times of financial problems. Many corporations, including some of the largest in our country—General Motors, IBM, and Du Pont, have recently instituted early retirement programs.

I first introduced an early retirement bill during the 99th Congress. Our original bill was introduced as a starting point for discussion and recommendations. On May 15, 1986, the Governmental Affairs Committee held a hearing on the legislation. Since that time, we have worked hard to meet the concerns expressed about the bill. The current version attempts to meet those concerns, and I feel, succeeds in its efforts.

With the current Federal deficit crisis, the ability of the Government to offer early retirement to its work force is a rational, voluntary, and humane method for reducing cost without harming the morale and efficiency of the Government. This is an active plan to reduce the deficit.

Employees may qualify for retirement under any of the following four standards: any age with 25 years of service; age 50 with 20 years of service; age 55 with 15 years of service; age 57 with 5 years of service.

Under the early retirement provisions, employee benefits are allocated according to two categories. Those employees who retire at age 55 or over get full benefits. Employees who retire below the age of 55 take a benefit reduction of 2 percent for each year they retire before age 55. The retirement window will open for 90 days following a 60-day period after the legislation is passed.

There has been a great deal of concern expressed that this bill would hurt the Government's ability to "do its work"—that we would lose the most skilled, experienced, and productive members of our work force and that the hiring freeze would damage the ability of the Government to fulfill its mission. The changes made to the original bill take these concerns into consideration and, I feel, address them positively.

It is critical for the Government to retain certain occupations and efficiently continue projects that are critical to the missions of the agencies. In response to this concern, the President, or his designee, has the authority to exempt up to 25 percent of the agencies eligible early retirees, by occupational category, project, or geographic location. Although every employee should be given the opportunity to retire early, certain activities are of extreme importance to on-going Government functions.

To ensure a smooth transition of responsibilities, the legislation allows managers to hold over an employee who has elected early out, for up to 6 months, if the manager deems that the individual's skills are crucial to the job responsibilities or a work project. In addition, some positions will need to be refilled in order to permit the efficient working of the Federal Government. Therefore, the legislation permits the President to waive the freeze for positions that are determined to be vital to the performance of the agency's mission, or to allow rehiring where the costs of the program are borne by user fees.

The original legislation contained a 5-year freeze limitation on the Government's ability to rehire. We have lowered this to a 3-year freeze. This method steers a middle course between imposing a total ban on hiring replacements and giving agencies free rein to hire despite the need to act regarding the Federal deficit. One of the goals of the legislation is to prevent involuntary loss of jobs by encouraging voluntary retirements. This legislation would help shrink the deficit and treat our Federal personnel as fairly as possible.

Mr. President, while this optional early retirement window is brand new for the Government, it follows a trail blazed over the past 5 years by many of America's leading employers. In times of financial stress, this bill provides an efficient, yet compassionate way of reducing costs.

I welcome the comments of my colleagues, administration officials, employee groups, and Federal workers with an interest in this idea, and I hope the Government Affairs Committee will meet soon on this legislation.

Mr. President, this legislation has a great deal to offer, both to Federal employees and to the Government. I hope that it will be given timely consideration by the Senate.

By Mr. MOYNIHAN:

S. 43. A bill to require that the positions of Director and Deputy Director of Central Intelligence be filled by career intelligence officers; to the Select Committee on Intelligence.

REQUIRING CAREER INTELLIGENCE OFFICERS AS DIRECTOR AND DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE

• Mr. MOYNIHAN. Mr. President, "The protection of our national security . . . is too important a mission to subject to the vagaries of the political process or the partisan purposes of either party." These are William Casey's words, but they speak to a sentiment, a belief, many of us share—there is no room for partisan politics in the Intelligence Committee or in the Intelligence Community.

My esteemed colleague Senator Goldwater and I were in total agreement on this when we served together as chairman and vice chairman of the Select Committee on Intelligence. From this premise we derived a corollary: That the intelligence mission of the Central Intelligence Agency and its sister intelligence agencies is best carried out by professional intelligence officers, officers who should be led by DCI's worthy of the best professional cadre they lead. We felt strongly enough about this, that after considerable reflection and consultation, we introduced legislation, S. 3019, during the 98th Congress, to require that the positions of Director of Central Intelligence [DCI] and Deputy Director of Central Intelligence [DDCI] be filled with career intelligence officers. Recent events suggest that it is time to do so again.

There is too much at risk to consign the intelligence mission to political appointments, campaign aides, or, even, military officers not trained as intelligence officers—officials who might not understand that even at its best, "all that intelligence can promise is to improve the odds a bit, in our favor." This is not to say that politically appointed DCI's have been uniformly good or uniformly bad. Nor is this legislation aimed at any one Director of Central Intelligence. As Senator Goldwater noted with characteristic candor in 1984, "We have lived through a period of political appointments to the directorship of that body. Some have worked very well, some have worked badly, and some of them have been terrible."

A career intelligence officer with an institutional memory beyond one President and a strong interest in the long-term welfare of the Intelligence Community, I hope and expect, would help prevent such misadventures as: the mining of Nicaraguan harbors in 1983; and the arms transfers to Iran and cash transfers to the Contras in 1985 and 1986.

I think of John McMahon, Deputy Director of Central Intelligence, a career intelligence officer of 34 years, who having been asked by the National Security Council staff to provide transport for arms to Iran in November 1985, insisted that any further shipment be accompanied by a Presidential Intelligence Finding. And so it was on January 17, 1986, the President issued an intelligence finding and we have been hearing about the repercussions for some weeks now. I wonder, who did the President consult on this matter, career professionals with experience in the East, or political appointees?

As I told the first graduating class of the Defense Intelligence College in June 1984: "Just as democractic institutions require that a military profession be loyal to civil authority, so the profession of intelligence must see that the highest form of such loyalty is the exercise of independent professional judgment in the analysis of intelligence data. Call 'em as you see 'em." McMahon did so. Who will be next?

The legislation I introduce today, however, is more than a response to the Iran debacle, or mining of Nicaraguan harbors, it addresses the fundamental needs of the institutions and profession involved. The work of intelligence has become increasingly complex, requiring senior officials to master a vast array of highly sophisticated satellite and other technical collection systems as well as political, economic and military issues affecting virtually every country in the world. The most important development in the late 1970's, for example, was the replacement of our technical means of collection—the foundation for nuclear defense and the indispensable element of nuclear arms control. The positions of DCI and DDCI require more than a quick-study, they require career professionals.

Such a procedure does raise one concern that in a closed society—the intelligence community—it is crucial that outside civilian authority serve as both administrator and watchdog so that the abuse revealed to the Church and Pike Committees is not repeated. The key to oversight of the intelligence community, however, is not the Director of Central Intelligence, but the Congressional committees. The study of institutions tells us direction and oversight must not wear the same hat.

Finally, Mr. President, I believe this bill is a natural outgrowth of the task of institution building. During the 1970's the CIA and other intelligence agencies went through a difficult period of accusations and investigations. Resources, especially personnel, were significantly reduced. With the establishment of the Select Committee on Intelligence, we embarked upon a program to restore the strength and morale of these vital agencies. We may well have to do so again.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 43

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 102(a) of the National Security Act of 1947 (50 U.S.C. 403(a)) is amended by adding after the phrase "Provided, however," the following: "That the Director and Deputy Director of Central Intelligence shall be appointed from among career civilian or military intelligence officers, and Provided, further,"

By Mr. MOYNIHAN:

S. 44. A bill to amend the Atomic Energy Act of 1954, as amended, to establish a comprehensive, equitable, reliable, and efficient mechanism for full compensation of the public in the event of an accident arising out of activities of Nuclear Regulatory Commission licensees or undertaken pursuant to the Nuclear Waste Policy Act of 1982 involving nuclear materials, and to reduce the likelihood of such an accident; to the Committee on Environment and Public Works.

PRICE-ANDERSON ENHANCEMENT ACT

Mr. MOYNIHAN. Mr. President, I rise to offer most necessary and timely legislation, a bill to reauthorize and improve the Price-Anderson Act, which establishes the unique liability and compensation structure for domestic nuclear power. Without prompt action from this body, Price-Anderson will expire on August 1 of this year. Neither the public nor the industry would be well served by such a lapse.

But it is also our duty to be absolutely certain that our work on this vital matter reflects all that we have learned from the last three decades of nuclear power. There are important matters that the present law does not address, and regardless of our opinions on the wisdom of nuclear fission as a power source in the future, we must deal with it wisely as a technology that must be managed now.

The legislation that I now offer draws much of its strength from the fine proposal made in the 99th Congress by my esteemed colleague from Vermont, Mr. Stafford. As chairman of the Committee on Environment and Public Works in the last Congress, he worked until its very waning hours to try to fashion a compromise that was acceptable to all; his effort nearly succeeded. This bill, however, hearkens back to the original proposals made by the Senator from Vermont in 1985. They were sound then, and they remain sound today.

Our first concern when contemplating the unlikely, though proven, possibility of colossal disaster at a nuclear powerplant, must be to do what we can to see that it does not occur. This singular fact has been conspicuous by its absence in the Price-Anderson debate; I propose a remedy with this bill.

I join with those who have started with the proposition that the nuclear industry must stand prepared to provide full compensation to the victims of a severe nuclear accident. The limit that now caps liability at a fraction of $1 billion is a disgrace. The Nuclear Regulatory Commission proposed, at one time, that an annual payment—in the event of disaster—of $10 million for each reactor would not be unreasonable. So did the Senator from Vermont, in the last Congress.

This stream of payments, in excess of $1 billion annually, would bring meaning to the phrase "full compensation" by assuring that truly massive sums would be available to compensate accident victims in the event of disaster. And my legislation, unlike previous proposals, provides specific authority for the NRC to borrow from the Treasury if payments do not come in as fast as claims. Advances would be fully repaid, with interest, by payments in future years.

This bill also includes a key provision, sorely lacking in the proposals circulated at the end of the last Congress: real protection against inflation. If the half-billion dollars of protection that we started with in 1957 had been indexed for inflation, present coverage would be some $2 billion; in 20 more years time, some $6 billion. Perhaps more. These numbers do not indicate more money; they indicate precisely the same amounts of money. Many recent proposals raise liability limits substantially; some, to the same levels that we would have had if we had thought things through in 1956. But as we plan for the decades to come, the only proper policy is to provide future citizens with at least the same protection that we provide ourselves.

But providing compensation to accident victims is something with which we have all too much experience. I am confident that this body will produce a workable scheme. The vastly harder, but vastly more rewarding effort, is to arrange for accidents not to occur.

The business of the Nuclear Regulatory Commission is nuclear safety. I, for one, am not terribly impressed with the way that business is being conducted. But even if, by some chance, the NRC should suddenly be reformed—by themselves, or by us—the Commission would remain a regulatory agency, and the questions that they consider matters of "good enough" or "not good enough." Lowest common denominator questions. Barebones questions.

It is not enough for us to sit back and say that the NRC provides all the protection we need. That barely passing is good enough.

Mr. President, this bill proposes a radical notion: that we can enhance nuclear safety by providing incentives to go beyond the bare minimum on safety and performance. Perhaps it is not such a radical concept, really. It sounds perfectly reasonable to me.

Beyond the $160 million of liability insurance that each nuclear plant is required to carry, the bulk of the financial protection under Price-Anderson is provided by payments made by all nuclear utilities, for each of their reactors, in the event of a nuclear disaster at any one of them. I propose that the size of these payments ought not to be the same.

We do not have the kind of information on risk—the probabilities and consequences of all the possible nuclear disasters—that conventional insurance relies on, and we never shall. That is the nature of the problem, and that is why we demand that the public and the industry be protected by special legislation.

What we can do is choose to reward those utilities who run their operations in exemplary fashion. We can have a body of experts determine who they are, have the NRC identify them, and promise that if an accident occurs at any plant across the country in the coming year, they will bear a lesser financial burden than most because they did the most they could to avoid catastrophe. And we can do the same for those who run their plants least well.

I propose that we single out the best 10 percent of our plants, and the worst. A panel of experts such as the Accrediting Board of the Institute for Nuclear Power Operations would provide such advice to the NRC. And the NRC would announce that these groups would pay 20 percent less, and 20 percent more, respectively, if a disaster should occur within the coming year.

No doubt there will be those who will complain about the difficulties such distinctions pose. All this complication will not substantially affect the amounts available to compensate victims in a disaster. No utility executive will look forward to being judged—unless he is very, very confident of his nuclear operations. Many will fear that a place in the bottom 10 percent will have a real cost to them in today's financial markets, if not in some unlikely accident next year.

That is exactly what I hope they will fear.

It is abundantly clear that the professionals who run our nuclear plants do not expect to experience disaster personally. They do not believe that disaster will strike—and if it does, it will not be at their plant.

They are probably right, but I am still not comfortable.

I will be a great deal more comfortable when I know that the Nation's nuclear plants are competing with each other to be recognized for running exemplary operations, rather than joining together to face lowest common-denominator regulations.

I am confident that the 100th Congress will reauthorize the Price-Anderson Act. The need to make the resources of the entire nuclear industry available to protect the public is well recognized.

I hope that this Congress will also recognize the need to build incentives into the Price-Anderson system to reduce the chances of putting those financial resources to the test.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S.44

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Price-Anderson Enhancement Act of 1987."

SEC. 2. Section 170 b. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"b. The amount of financial protection required shall be the amount of liability insurance available from private sources, except that the Commission may establish a lesser amount on the basis of criteria set forth in writing, which it may revise from time to time, taking into consideration such factors as the following: (1) the cost and terms of private insurance, (2) the type, size, and location of the licensed activity and other factors pertaining to the hazard, and (3) the nature and purpose of the licensed activity: *Provided,* That for facilities designed for producing substantial amounts of electricity and having a rated capacity of 100,000 electrical kilowatts or more, the amount of financial protection required shall be the maximum amount available at reasonable cost and on reasonable terms from private sources. Such financial protection may include private insurance, private contractual indemnities, self insurance, other proof of financial responsibility, or a combination of such measures and shall be subject to such terms and conditions as the Commission may, by rule, regulation, or order, prescribe. In prescribing such terms and conditions for licenses required to have and maintain financial protection equal to the maximum amount of liability insurance available from private sources, the Commission shall, by rule initially prescribed not later than twelve months from the date of enactment of this Act, include, in determining such maximum amount, private liability insurance available under an industry retrospective rating plan providing for annually assessed premium charges deferred in whole or major part until public liability from a nuclear incident exceeds or appears likely to exceed the level of primary financial protection required of the licensee involved in the nuclear incident: *Provided further,* That such insurance is available to, and required of, all of the licensees of such facilities without regard to the manner in which they obtain other types of such financial protection: *Provided further,* That the maximum deferred premium which may be charged for all nuclear incidents under such a plan shall not be less than $10,000,000 per year or more than $15,000,000 per year for each facility required to maintain the maximum amount of financial protection except as provided further under this subsection: *Provided further,* That the above mentioned limits shall be in constant dollars as of January 1, 1987, and that the Commission shall adjust the maximum deferred premium for inflation as indicated by the Gross National Product deflator: *Provided further,* That the annual amount which may be charged a licensee shall not exceed the licensee's pro rata share, calculated on a yearly basis, of the aggregate public liability claims and costs rising out of nuclear incidents. Payment of any State premium taxes which may be applicable to any deferred premium provided for in this Act shall be the responsibility of the licensee and shall not be included in the retrospective premium established by the Commission. The Commission shall establish such requirements as are necessary to assure availability of funds to meet any assessment of deferred premiums within a reasonable time when due, and may provide reinsurance or shall otherwise guarantee the payment of such premiums in the event it appears that the amount of such premiums will not be available on a timely basis through the resources of private industry and insurance. Any agreement by the Commission with a licensee or indemnitor to guarantee the payment of deferred premiums may contain such terms as the Commission deems appropriate to carry out the purposes of this section and to assure reimbursement to the Commission for its payments made due to the failure of such licensee or indemnitor to meet any of its obligations arising under or in connection with financial protection required under this subsection including without limitation terms creating liens upon the licensed facility and the revenues derived therefrom or any other property or revenues of such licensee to secure such reimbursement and consent to the automatic revocation of any license.

"In order to establish the amount of the deferred premium established under this subsection, not later than one month after the date of enactment of the Price-Anderson Improvement Act of 1986, and every twelve months thereafter, the Commission shall collect and provide information relating to the operational performance and safety record of each licensed facility that is required to have the maximum amount of financial protection available pursuant to this subsection for the preceding twelve-month period, including (but not limited to) the reports prepared under the Systematic Assessment for Licensee Performance program, to the Institute for Nuclear Power

Operations or such other body of experts as the Commission deems appropriate and willing to undertake the evaluation required by this subsection. Based upon the information provided by the Commission, the Institute or such other body shall identify those facilities that constitute the 10 per centum of all facilities which have the best operational performance and safety record for the period for which information is available and those facilities that constitute the 10 per centum of all facilities which have the worst operational performance and safety record for the period for which information is available. Such identification shall be based on such safety-related aspects of operational performance as the number of abnormal occurrences, frequency of unscheduled maintenance, frequency of scheduled maintenance, and competence and training of operating personnel. Not later than three months after receipt of such information from the Commission, the Institute or such other body shall submit to the Commission such identification of facilities. The Commission, after notice and comment, including the opportunity for public hearing, and based on the identification of facilities submitted by the Institute or such other body, shall establish three classes of licensed facilities: the 10 per centum of all facilities which have the best operational performance and safety record for the period for which information is available, the 10 per centum of all facilities which have the worst operational performance and safety record for the period for which information is available, and the balance of all other facilities. Any petition for the judicial review of the placement of any facility in one of these three classes shall be filed within 90 days of the action of the Commission establishing such classes, and such action shall not be subject to judicial review in any proceeding involving the establishment or collection of any deferred premium. In the event of an accident for which deferred premiums are assessed, the deferred premium for a facility in the class of facilities with the best operational performance and safety record shall be one-fifth lower than that generally applicable to all facilities, notwithstanding the limits otherwise applicable under this subsection, and the deferred premium for a facility in the class of facilities with the worst operational performance and safety record shall be one-fifth higher than that generally applicable to all facilities, notwithstanding the limits otherwise applicable under this subsection. In the event that the Commission fails to establish the classes of facilities required by the preceding sentences prior to an accident for which deferred premiums are assessed, all facilities referred to in this subsection shall be assessed deferred premiums in an amount equal to the largest deferred premium that would otherwise be assessed for any such facility under this subsection."

"There are authorized to be appropriated in any fiscal year as repayable advances such sums as may be necessary to pay public liability claims from a nuclear incident that are in excess of the deferred premiums that will have been collected by the end of such fiscal year from such licensees. Advances made pursuant to the previous sentence shall be repaid to the general fund of the Treasury out of the deferred premiums received in subsequent fiscal years."

Sec. 3. Section 170 c. of the Atomic Energy Act of 1954, as amended, is amended by striking "August 1, 1987" wherever it appears, and inserting in lieu thereof "August 1, 2002".

Sec. 4. Section 170 d. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"d. (1)(A) In addition to any other authority the Secretary of Energy (hereinafter in this section referred to as the Secretary) may have, the Secretary is authorized until August 1, 2002, to enter into agreements of indemnification with the contractors of the Secretary for the construction or operation of production or utilization facilities or other activities under contracts for the benefit of the United States involving activities under the risk of public liability for a substantial nuclear incident.

"(B) The authority conferred upon the Secretary pursuant to paragraph (A) to enter into agreements of indemnification with contractors shall include contracts entered into by the Secretary for the purpose of carrying out such activities as the Secretary is authorized to undertake, pursuant to this Act or any other law, involving the storage or disposal of spent nuclear fuel, high-level radioactive waste, or transuranic waste, including the transportation of such materials to or from a storage or disposal site or facility, or test and evaluation facility, the treatment or packaging of such materials to be stored in, disposed of, or used in such a site or facility, and the identification, development, licensing, construction, operation, decommissioning, and post-decommissioning maintenance and monitoring of any such site or facility. For all such activities, the authority conferred upon the Secretary pursuant to subsection d. shall be the exclusive means of indemnification under this section.

"(C) With respect to such contractual activities for which the Secretary may make expenditures from the Nuclear Waste Fund established in section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222):

"(i) The Secretary shall enter into agreements of indemnification with each contractor of the Secretary carrying out such contractual activities under the risk of public liability for a nuclear incident. In such agreements of indemnification the Secretary may require the contractor to provide and maintain financial protection of such a type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with such contractual activities, including the storage, disposal, and related transportation of high-level radioactive waste and spent nuclear fuel. The Secretary shall indemnify the persons indemnified against such claims above the amount of financial protection required. Such indemnification shall include the reasonable costs of investigating and settling claims and defending suits to the extent that such costs are not covered by the amount of financial protection required.

"(ii) The Secretary shall make any payments required under an agreement of indemnification entered into under this subparagraph from amounts available through the Nuclear Waste Fund. The Secretary shall include the costs incurred by the Nuclear Waste Fund under this section in any review of whether the fees established to generate revenue for the Nuclear Waste Fund are sufficient to offset the costs incurred by the Nuclear Waste Fund, including the annual review by the Secretary pursuant to section 302(a)(4) of the Nuclear Waste Fund Policy Act of 1982 (42 U.S.C. 10222(a)(4)).

"(2) In such agreements of indemnification other than specified in subsection d. (1)(C) the Secretary may require the contractor to provide and maintain financial protection of such a type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with the contractual activity and shall indemnify the persons indemnified against such claims above the amount of financial protection required, in the amount of $500,000,000, excluding costs of investigating and settling claims and defending suits for damage in the aggregate for all persons indemnified in connection with such contract and for each nuclear incident: *Provided*, That this amount of indemnity shall be reduced by the amount that the financial protection required shall exceed $60,000,000.

"(3) In the case of nuclear incidents occurring outside the United States, the amount of the indemnity provided by the Secretary shall not exceed $100,000,000.

"(4) The provision of this subsection may be applicable to lump sum as well as cost type contracts and to contracts and projects financed in whole or in part by the Secretary.

"(5) A contractor with whom an agreement of indemnification has been executed and who is engaged in activities connected with the underground detonation of a nuclear explosive device shall be liable, to the extent so indemnified under this section, for injuries or damage sustained as a result of such detonation in the same manner and to the same extent as would a private person acting as principal, and no immunity or defense founded in the Federal, State, or municipal character of the contractor or of the work to be performed under the contract shall be effective to bar such liability.".

Sec. 5. Section 170 e. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"e. (1) With respect to liability for one or more nuclear incidents covered by an industry retrospective rating plan required by subsection 170 b., the aggregate payments in any year by or on behalf of persons indemnified, including the reasonable costs of investigating and settling claims and defending suits for damage, shall not be required to exceed the amount of financial protection provided in that year under subsection 170 b. The funds provided by financial protection under subsection 170 b. in any year by or on behalf of such persons indemnified, including the reasonable costs of investigating and settling claims and defending suits for damage, shall be the exclusive source of payments of public liability claims.

"(2) With respect to all other nuclear incidents, except as provided in subsection d. (1)(C), the aggregate liability for a single nuclear incident of persons indemnified, including the reasonable costs of investigating and settling claims and defending suits for damage, shall not exceed (a) the sum of $500,000,000 together with the amount of financial protection required of the licensee or contractor, or (b) if the amount of financial protection required of the licensee exceeds $60,000,000, such aggregate liability shall not exceed the sum of $560,000,000 or the amount of financial protection required of the licensee, whichever is greater: *Provided*, That in the event of a nuclear incident involving damages in excess of the amount of aggregate liability, Congress will thoroughly review the particular incident and will take whatever action is deemed necessary and appropriate to protect the public from the consequences of a disaster of such magnitude: And *Provided further*, That with respect to any nuclear incident occurring outside of the United States to which an agreement of indemnification entered into under the provisions of subsection 170 d. is applicable, such aggregate liability shall not exceed the amount of $100,000,000 together with the amount of financial protection required of the contractor.".

SEC. 6. Section 170 h. of the Atomic Energy Act of 1954, as amended, is amended—

(1) by inserting after "Commission" wherever it appears the following: "or the Secretary, as appropriate,"; and

(2) by inserting at the beginning of the last sentence the following: "Except with respect to activities indemnified under subsection d. (1)(C),".

SEC. 7. Section 170 i. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"i. After any nuclear incident which will probably require payments by the United States under this section or after any extraordinary nuclear occurrence, the Commission or the Secretary, as appropriate, shall make a survey of the causes and extent of damage which shall forthwith be reported to the Congress, to the Congressmen of the affected districts, and to the Senators of the affected States, and, except for information which would cause serious damage to the national defense of the United States, all final findings shall be made available to the public, to the parties involved and to the courts. The Commission and the Secretary shall report annually to the Congress on the operations under this section.".

SEC. 8. Section 170 k. of the Atomic Energy Act of 1954, as amended, is amended by striking out "August 1, 1987" wherever it appears and inserting in lieu thereof "August 1, 2002".

SEC. 9. Section 170 n. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"n. (1) With respect to any extraordinary nuclear occurrence to which an insurance policy or contract furnished as proof of financial protection or an indemnity agreement applies and which—

"(a) arises out of or results or occurs in the course of the construction, possession, or operation of a production or utilizaton facility, or

"(b) arises out of or results from or occurs in the course of transportation of source material, byproduct material, or special nuclear material to or from a production or utilization facility, or

"(c) during the course of the contract activity arises out of or results from the possession, operation, or use by a Department of Energy contractor or subcontractor of a device utilizing special nuclear material or byproduct material, or

"(d) arises out of or results from or occurs in the course of construction, possession, or operation of any facility licensed under section 53, 63, or 81 of this Act, for which the Commission has imposed as a condition of the license a requirement that the licensee have and maintain financial protection pursuant to subsection 170 a., or for which an indemnity agreement is executed pursuant to subsection 170 k., or

"(e) arises out of or results from or occurs in the course of transportation of source material, byproduct material, or special nuclear material to or from any facility licensed under section 53, 63, or 81 of this Act, for which the Commission has imposed as a condition of the license a requirement that the licensee have and maintain financial protection pursuant to section 170 a., or for which the indemnity agreement is executed pursuant to subsection 170 k., or

"(f) arises out of or results from or occurs in the course of activities undertaken by the Secretary, including activities undertaken by contract, in connection with the storage or disposal of high-level waste, spent fuel, or transuranic waste, including the transportation of such materials to or from a storage or disposal site or facility or test and evaluation facility, the treatment or packaging of such materials to be stored in, disposed of, or used in such a site or facility, and the identification, development, licensing, construction, operation, decommissioning, and post-decommissioning maintenance and monitoring of any such site or facility,

and which does not arise out of or result from or occur in the course of an activity for which the Secretary may make expenditures from the Nuclear Waste Fund, the Commission, or the Secretary, as appropriate, may incorporate provisions in indemnity agreements with licensees and contractors under this section, and may require provisions to be incorporated in insurance policies or contracts furnished as proof of financial protection, and, with respect to any extraordinary nuclear occurrence to which an insurance policy or contract furnished as proof of financial protection applies and which arises out of or results from or occurs in the course of an activity for which the Secretary may make expenditures from the Nuclear Waste Fund, the Secretary shall incorporate provisions in indemnity agreements and shall require provisions to be incorporated in insurance policies or contracts furnished as proof of financial protection, which waive (i) any issue or defense as to conduct of the claimant or fault of persons indemnified, (ii) any issue or defense as to charitable or governmental immunity, and (iii) any issue or defense based on any statute of limitations if suit is instituted within three years from the date on which the claimant first knew, or reasonably could have known, of his injury or damage and the cause thereof, but in no event more than thirty years after the date of the nuclear incident. The waiver of any such issue or defense shall be effective regardless of whether such issue or defense may otherwise be deemed jurisdictional or relating to an element in the cause of action. When so incorporated, such waivers shall be judicially enforceable in accordance with their terms by the claimant against the person indemnified. Such waivers shall not preclude a defense based upon a failure to take reasonable steps to mitigate damages, nor shall such waivers apply to injury or damage to a claimant or to a claimant's property which is intentionally sustained by the claimant or which results from a nuclear incident intentionally and wrongfully caused by the claimant. The waivers authorized in this subsection shall, as to indemnitors, be effective only with respect to those obligations set forth in the insurance policies or the contracts furnished as proof of financial protection and in the indemnity agreements. Such waivers shall not apply to, or prejudice the prosecution or defense of, any claim or portion of claim which is not within the protection afforded under (i) the terms of insurance policies or contracts furnished as proof of financial protection, or indemnity agreements, and (ii) the limit of liability or limit of payment provisions of subsection 170e.

"(2) With respect to any public liability action arising out of or resulting from an extraordinary nuclear occurrence, the United States district court in the district where the extraordinary nuclear occurrence takes place, or in the case of an extraordinary nuclear occurrence taking place outside the United States, the United States District Court for the District of Columbia, shall have original jurisdiction without regard to the citizenship of any party or the amount in controversy. Upon motion of the defendant or of the Commission or the Secretary, as appropriate, any such action pending in any State court or United States district court shall be removed or transferred to the United States district court having venue under this subsection. Process of such district court shall be effective throughout the United States.

"(3) With respect to any public liability action arising out of or resulting from any extraordinary nuclear occurrence, the Commission, or Secretary, as appropriate, shall, and any other indemnitor or other interested person may, submit to the district court having original jurisdiction pursuant to subparagraph (2), a plan for the disposition of pending claims and for the distribution of remaining funds available. Such a plan shall include an allocation of appropriate amounts for personal injury claims, property damage claims, and possible latent injury claims which may not be discovered until a later time and shall include establishment of priorities between claimants and classes of claims, as necessary to insure the most equitable allocation of available funds. Such court shall have all power necessary to approve, disapprove, or modify plans proposed, or to adopt another plan; and to determine the proportionate share of funds available for each claimant. The Commission or the Secretary, as appropriate, any other indemnitor, and any person indemnified shall be entitled to such orders as may be appropriate to implement and enforce the provisions of this section, including orders limiting the liability of the persons indemnified, orders approving or modifying the plan, orders staying the payment of claims and the execution of court judgments, orders apportioning the payments to be made to claimants, and orders permitting partial payments to be made before final determination of the total claims. The orders of such court shall be effective throughout the United States.".

SEC. 10. Section 170 o. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"o. Whenever the United States district court in the district where a nuclear incident occurs, or the United States district court for the District of Columbia in case of a nuclear incident occurring outside the United States, determines upon the petition of any indemnitor or other interested person that public liability from a single nuclear incident may exceed in any year the amount of financial protection available in that year under subsection 170 b., or the limit of liability under subsection 170 c. (2), as appropriate:

"(1) Total payments made by or for all indemnitors as a result of such nuclear incident shall not exceed 33⅓ per centum of such amount of financial protection, or 15 per centum of such limit of liability, as appropriate, without the prior approval of such court.

"(2) The court shall not authorize payments in excess of 33⅓ per centum of such amount of financial protection, or 15 per centum of such limit of liability, as appropriate, unless the court determines that such payments are or will be in accordance with a plan of distribution which has been approved by the court or such payments are not likely to prejudice the subsequent adoption and implementation by the court of a plan of distribution pursuant to subparagraph (3) of subsection (n).

"(3) In situations where public liability is limited by the provisions of subsection 170 e. (2), the Commission or the Secretary, as appropriate, shall, within ninety days after a court shall have made such determination, deliver to the Congress a supplement to the report prepared in accordance with subsection 170 i. of this Act, setting forth the estimated requirements for full compensation and relief of all claimants, and recommendations as to the relief to be provided.".

SEC. 11. Section 170 p. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"p. In the event of two or more nuclear incidents for which public liability claims require payment from the industry retrospective rating plan under subsection 170 b., and for which there are outstanding public liability claims:

"(1) The maximum amount of private insurance available in any year for all nuclear incidents under the industry restrospective rating plan shall be apportioned equally, in the manner prescribed herein, among the nuclear incidents in that year to which the industry retrospective rating plan applies. The maximum amount of private insurance available in any year under the industry retrospective rating plan to satisfy the aggregate public liability claims resulting from a single nuclear incident shall be the quotient obtained by dividing the maximum amount of private insurance available in that year by the number of nuclear incidents to which the industry retrospective rating plan applies in that year. In the event that the aggregate public liability claims resulting from any single nuclear incident(s) in any year are less than the quotient for that year, the amount of private insurance constituting the difference shall be apportioned equally, in the same manner, among the remaining nuclear incidents for which the aggregate public liability claims exceed the quotient for that year.

"(2) In the event that the amount of insurance available in any year under the industry retrospective rating plan for public liability claims for a nuclear incident is reduced, pursuant to subparagraph (1) of this subsection, from the amount specified originally in the plan of the district court prepared pursuant to subsection 170 n. (3), such district court shall modify the original plan as necessary to insure the most equitable allocation of available funds. For purposes of such modifications, the district court shall have the same powers and authority as in adopting the original plan.".

SEC. 12. Section 170 of the Atomic Energy Act of 1954, as amended, is amended by adding the following new subsection at the end thereof:

"q. The Commission and the Secretary shall submit to the Congress by August 1, 1998, detailed reports concerning the need for continuation or modification of the provisions of this section, taking into account the condition of the nuclear industry, availability of private insurance, and the state of knowledge concerning nuclear safety at that time among other relevant factors, and shall include recommendations as to the repeal or modification of any of the provisions of this section.".

DEFINITIONS

SEC. 13. (a) Subsection s. of section 11 of the Atomic Energy Act of 1954, as amended, is amended by adding at the end thereof the following: "For purposes of those activities that the Secretary of Energy is authorized or directed to undertake, pursuant to this Act or any other law, that involve the risk of public liability for a substantial nuclear incident as a result of the storage or disposal of spent nuclear fuel, high-level radioactive waste, or transuranic waste, including the transportation of such materials to or from a storage or disposal site or facility, or test and evaluation facility, the treatment or packaging of such materials to be stored in, disposed of, or used in any such a site or facility, and the identification, development licensing, construction, operation, decommissioning, and post-decommissioning maintenance and monitoring of such site or facility, the Secretary shall, to the extent that such activities are not undertaken by contract, be considered as if the Secretary were a contractor with whom an indemnity agreement has been entered into pursuant to subsection d. of this Act.".

(b) Subsection w. of section 11 of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"w. The term public liability means any legal liability arising out of or resulting from a nuclear incident, except: (i) claims under State or Federal workmen's compensation acts of employees of persons indemnified who are employed at the site of and in connection with the activity where the nuclear incident occurs; (ii) claims arising out of an act of war; (iii) whenever used in subsection 170 a., c., and k., claims for loss of, or damage to, or loss of use of property which is located at the site of and used in connection with the licensed activity where the nuclear incident occurs; and (iv) claims for punitive damages. Public liability also includes damage to property of persons indemnified, *Provided*, That such property is covered under the terms of the financial protection required, except property which is located at the site of and used in connection with the activity where the nuclear incident occurs.".

(c) Section 11 of the Atomic Energy Act of 1954, as amended, is amended by adding the following new subsection at the end thereof:

"dd. The term Nuclear Waste Fund means the Nuclear Waste Fund established in section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222).".

CONFORMING AMENDMENTS

SEC. 14. Subsections g., j., and m. of section 170 of the Atomic Energy Act of 1954, as amended, are amended by inserting after "Commission" wherever it appears the following: "or the Secretary, as appropriate,".

SEC. 15. Section 170. a. of the Atomic Energy Act of 1954, as amended, is amended by striking in the first sentence "the Commission" and inserting in lieu thereof "the Nuclear Regulatory Commission (hereinafter in the section referred to as "the Commission").

By Mr. PROXMIRE (for himself and Mr. GARN) (by request):

S. 45. A bill relating to recapitalization of FSLIC; to the Committee on Banking, Housing, and Urban Affairs.

RECAPITALIZATION OF THE FSLIC

Mr. PROXMIRE. Mr. President, I am today introducing, at the request of the administration, a bill relating to recapitalization of the FSLIC. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 45

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—RECAPITALIZATION OF FSLIC

SEC. 1001. SHORT TITLE.

This title may be cited as the "Federal Savings and Loan Insurance Corporation Recapitalization Act of 1986".

SEC. 1002. FINANCING CORPORATION ESTABLISHED.

The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended by inserting after section 20 the following new section:

"SEC. 21. FINANCING CORPORATION.

"(a) ESTABLISHMENT.—Notwithstanding any other - provision of law, the Board shall charter a corporation to be known as the Financing Corporation.

"(b) MANAGEMENT OF FINANCING CORPORATION.—

"(1) DIRECTORATE.—The Financing Corporation shall be under the management of a directorate composed of 3 members as follows:

"(A) The Director of the Office of Finance of the Federal Home Loan Banks (or the head of any successor to such office).

"(B) 2 members selected by the Chairman of the Federal Home Loan Bank Board from among the presidents of the Federal Home Loan Banks.

"(2) TERMS.—Each member appointed under paragraph (1)(B) shall be appointed for a term of 1 year.

"(3) VACANCY.—If any member leaves the office in which such member was serving when appointed to the Directorate—

"(A) such member's service on the Directorate shall terminate on the date such member leaves such office; and

"(B) the successor to the office of such member shall serve the remainder of such member's term.

"(4) EQUAL REPRESENTATION OF BANKS.—No president of a Federal Home Loan Bank may be appointed to serve an additional term on the Directorate until such time as the presidents of each of the other Federal Home Loan Banks have served as many terms on the Directorate as the president of such bank (before the appointment of such president to such additional term).

"(5) CHAIRPERSON.—The Chairman of the Federal Home Loan Bank Board shall select the chairperson of the Directorate from among the 3 members of the Directorate.

"(6) STAFF.—

"(A) NO PAID EMPLOYEES.—The Financing Corporation shall have no paid employees.

"(B) POWERS.—The Directorate may, with the approval of the Board, authorize the officers, employees, or agents of the Federal Home Loan Banks to act for and on behalf of the Financing Corporation in such manner as may be necessary to carry out the functions of the Financing Corporation.

"(7) ADMINISTRATIVE EXPENSES.—

"(A) IN GENERAL.—All administrative expenses of the Financing Corporation shall be paid by the Federal Home Loan Banks.

"(B) PRO RATA DISTRIBUTION.—The amount each Federal Home Loan Bank shall pay shall be determined by the Board by multiplying the total administrative expenses for any period by the percentage arrived at by dividing—

"(i) the aggregate amount the Board required such bank to invest in the Financing

Corporation (as of the time of such determination) under paragraphs (4) and (5) of subsection (d) (as computed without regard to paragraph (3) or (6) of such subsection); by

"(ii) the aggregate amount the Board required all Federal Home Loan Banks to invest (as of the time of such determination) under such paragraphs.

"(C) ADMINISTRATIVE EXPENSES DEFINED.—For purposes of this paragraph, the term 'administrative expenses' does not include—

"(i) issuance costs (as such term is defined in subsection (g)(5)(A));

"(ii) any interest on (and any redemption premium with respect to) any obligation of the Financing Corporation; or

"(iii) custodian fees (as such term is defined in subsection (g)(5)(B)).

"(8) REGULATION BY BOARD.—The Directorate shall be subject to such regulations, orders, and directions as the Board may prescribe.

"(9) NO COMPENSATION FROM FINANCING CORPORATION.—Members of the Directorate shall receive no pay, allowances, or benefits from the Financing Corporation by reason of their service on the Directorate.

"(c) POWERS OF FINANCING CORPORATION.—The Financing Corporation shall have only the following powers, subject to the other provisions of this section and such regulations, orders, and directions as the Board may prescribe:

"(1) To issue nonvoting capital stock to the Federal Home Loan Banks.

"(2) To invest in any security issued by the Federal Savings and Loan Insurance Corporation under section 402(b) of the National Housing Act.

"(3) To issue debentures, bonds, or other obligations and to borrow, to give security for any amount borrowed, and to pay interest on (and any redemption premium with respect to) any such obligation or amount.

"(4) To impose assessments in accordance with subsection (f).

"(5) To adopt, alter, and use a corporate seal.

"(6) To have succession until dissolved.

"(7) To enter into contracts.

"(8) To sue and be sued in its corporate capacity, and to complain and defend in any action brought by or against the Financing Corporation in any State or Federal court of competent jurisdiction.

"(9) To exercise such incidental powers not inconsistent with the provisions of this section or section 402(b) of the National Housing Act as are necessary or appropriate to carry out the provisions of this section.

"(d) CAPITALIZATION OF FINANCING CORPORATION.—

"(1) PURCHASE OF CAPITAL STOCK BY HOME LOAN BANKS.—

"(A) IN GENERAL.—Each Federal Home Loan Bank shall invest in nonvoting capital stock of the Financing Corporation at such times and in such amounts as the Board may prescribe under this subsection.

"(B) PAR VALUE; TRANSFERABILITY.—Each share of stock issued by the Financing Corporation to a Federal Home Loan Bank shall have par value in an amount determined by the Board and shall be transferable only among the Federal Home Loan Banks in the manner and to the extent prescribed by the Board at not less than par value.

"(2) AGGREGATE DOLLAR AMOUNT LIMITATION ON ALL INVESTMENTS.—The aggregate amount of funds invested by all Federal Home Loan Banks in nonvoting capital stock of the Financing Corporation shall not exceed $3,000,000,000.

"(3) MAXIMUM INVESTMENT AMOUNT LIMITATION FOR EACH HOME LOAN BANK.—The cumulative amount of funds invested in nonvoting capital stock of the Financing Corporation by each Federal Home Loan Bank shall not exceed the aggregate amount of—

"(A) the sum of—

"(i) the reserves maintained by such bank on December 31, 1985, pursuant to the requirement contained in the first 2 sentences of section 16; and

"(ii) the undivided profits (as defined in paragraph (7)) of such bank on such date; and

"(B) the sum of—

"(i) the amounts required to be carried to reserves after December 31, 1985, pursuant to the requirement contained in the first 2 sentences of section 16; and

"(ii) the undivided profits of such bank accruing after such date.

"(4) PRO RATA DISTRIBUTION OF 1ST $1,000,000,000 INVESTED IN FINANCING CORPORATION BY HOME LOAN BANKS.—With respect to the first $1,000,000,000 which the Board may require the Federal Home Loan Banks to invest in capital stock of the Financing Corporation under this subsection, the amount which each Home Loan Bank (or any successor to such bank) shall invest shall be determined by the Board by applying to the total amount of such investment by all such banks the percentage appearing in the following table for each such bank:

"Bank	Percentage
Federal Home Loan Bank of Boston	1.8629
Federal Home Loan Bank of New York	9.1006
Federal Home Loan Bank of Pittsburgh	4.2702
Federal Home Loan Bank of Atlanta	14.4007
Federal Home Loan Bank of Cincinnati	8.2653
Federal Home Loan Bank of Indianapolis	5.2863
Federal Home Loan Bank of Chicago	9.6886
Federal Home Loan Bank of Des Moines	6.9301
Federal Home Loan Bank of Dallas	8.8181
Federal Home Loan Bank of Topeka	5.2706
Federal Home Loan Bank of San Francisco	19.9644
Federal Home Loan Bank of Seattle	6.1422

"(5) PRO RATA DISTRIBUTION OF AMOUNTS REQUIRED TO BE INVESTED IN EXCESS OF $1,000,000,000.—With respect to any amount in excess of $1,000,000,000 which the Board may require the Federal Home Loan Banks to invest in capital stock of the Financing Corporation under this subsection, the amount which each Federal Home Loan Bank (or any successor to such bank) shall invest shall be determined by the Board by multiplying such excess amount by the percentage arrived at by dividing—

"(A) the sum of the total assets (as of the most recent December 31) held by all insured institutions which are members of such bank; by

"(B) the sum of the total assets (as of such date) held by all insured institutions which are members of any Federal Home Loan Bank.

"(6) SPECIAL PROVISIONS RELATING TO MAXIMUM AMOUNT LIMITATIONS.—

"(A) IN GENERAL.—If the amount any Federal Home Loan Bank is required to invest in capital stock of the Financing Corporation pursuant to a determination by the Board under paragraph (5) (or under subparagraph (B) of this paragraph) exceeds the maximum investment amount applicable with respect to such bank under paragraph (3) at the time of such determination (hereinafter in this paragraph referred to as the 'excess amount')—

"(i) the Board shall require each remaining Federal Home Loan Bank to invest (in addition to the amount determined under paragraph (5) for such remaining bank and subject to the maximum investment amount applicable with respect to such remaining bank under paragraph (3) at the time of such determination) in such capital stock on behalf of the bank in the amount determined under subparagraph (B);

"(ii) the Board shall require the bank to subsequently purchase the excess amount of capital stock from the remaining banks in the manner described in subparagraph (C); and

"(iii) the requirements contained in subparagraphs (D) and (E) relating to the use of net earnings available for dividends shall apply to such bank until the bank has purchased all of the excess amount of capital stock.

"(B) ALLOCATION OF EXCESS AMOUNT AMONG REMAINING BANKS.—The amount each remaining Federal Home Loan Bank shall be required to invest under subparagraph (A)(i) is the amount determined by the Board by multiplying the excess amount by the percentage arrived at by dividing—

"(i) the amount of capital stock of the Financing Corporation held by such remaining bank at the time of such determination; by

"(ii) the aggregate amount of such stock held by all remaining banks at such time.

"(C) PURCHASE PROCEDURE.—The bank on whose behalf an investment in capital stock is made under subparagraph (A)(i) shall purchase, annually and at the issuance price, from each remaining bank an amount of such stock determined by the Board by multiplying the amount available for such purchases (at the time of such determination) by the percentage determined under subparagraph (B) with respect to such remaining bank until the aggregate amount of such capital stock has been purchased by the bank.

"(D) LIMITATION ON DIVIDENDS.—The amount of dividends which may be paid for any year by a bank on whose behalf an investment is made under subparagraph (A)(i) shall not exceed an amount equal to 1/2 of the net earnings available for dividends of the bank for the year.

"(E) TRANSFER TO ACCOUNT FOR PURCHASE OF STOCK REQUIRED.—Of the net earnings available for dividends for any year of a bank on whose behalf an investment is made under subparagraph (A)(i), such amount as is necessary to make the purchases of stock required under subparagraph (A)(ii) shall be placed in a reserve account (established in such manner as the Board shall prescribe by regulations, orders and directions) the balance in which shall be available only for such purchases.

"(F) NET EARNINGS AVAILABLE FOR DIVIDENDS DEFINED.—For purposes of this paragraph, the term 'net earnings available for dividends' means the net earnings of a bank for any period as computed after reducing the amount of earnings for such period by the amount required to be carried (for such period) to reserves maintained by such bank pursuant to the first two sentences of section 16 of this Act.

"(7) UNDIVIDED PROFITS DEFINED.—For purposes of paragraph (3), the term 'undivided profits' means retained earnings minus the sum of—

"(A) that portion required to be carried to reserves maintained pursuant to the first two sentences of section 16 of this Act; and

"(B) the dollar amounts held by the respective Federal Home Loan Banks in special dividend stabilization reserves on December 31, 1985 as determined under the following table:

"Bank	Dollar amount
Federal Home Loan Bank of Boston	$3.2 million
Federal Home Loan Bank of New York	7.7 million
Federal Home Loan Bank of Pittsburgh	5.2 million
Federal Home Loan Bank of Atlanta	12.3 million
Federal Home Loan Bank of Cincinnati	5.9 million
Federal Home Loan Bank of Indianapolis	37.4 million
Federal Home Loan Bank of Chicago	6.0 million
Federal Home Loan Bank of Des Moines	32.7 million
Federal Home Loan Bank of Dallas	45.0 million
Federal Home Loan Bank of Topeka	13.7 million
Federal Home Loan Bank of San Francisco	21.9 million
Federal Home Loan Bank of Seattle	33.6 million

"(e) OBLIGATIONS OF THE FINANCING CORPORATION.—

"(1) LIMITATION ON AMOUNT OF OUTSTANDING OBLIGATIONS.—The aggregate amount of obligations of the Financing Corporation which may be outstanding at any time (as determined by the Board) shall not exceed the greater of—

"(A) 5 times the amount of the nonvoting capital stock of the Financing Corporation which is outstanding at such time; or

"(B) the sum of the face amounts (principal payable at maturity) of securities described in subsection (g)(2) which are held at such time in the segregated account established pursuant to such subsection.

"(2) NET PROCEEDS TO BE INVESTED IN CAPITAL OF FSLIC.—Subject to such terms and conditions as may be approved by the Board, the net proceeds of any obligation issued by the Financing Corporation shall be used to—

"(A) purchase capital certificates or capital stock issued by the Federal Savings and Loan Insurance Corporation under section 402(b)(1)(A) of the National Housing Act; or

"(B) refund any previously issued obligation the net proceeds of which were invested in the manner described in subparagraph (A).

"(3) LIMITATION ON TERM OF OBLIGATIONS.—No obligation of the Financing Corporation may be issued which matures—

"(A) more than 30 years after the date of issue; or

"(B) after December 31, 2026.

"(4) INVESTMENT OF UNITED STATES FUNDS IN OBLIGATIONS.—Obligations issued under this section by the Financing Corporation with the approval of the Board shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds the investment or deposit of which shall be under the authority or control of the United States or any officer of the United States.

"(5) MARKET FOR OBLIGATIONS.—All persons having the power to invest in, sell, underwrite, purchase for their own accounts, accept as security, or otherwise deal in obligations of the Federal Home Loan Banks shall also have the power to do so with respect to obligations of the Financing Corporation.

"(6) NO FULL FAITH AND CREDIT OF THE UNITED STATES.—Obligations of the Financing Corporation and the interest payable on such obligations shall not be obligations of, or guaranteed as to principal or interest by, the Federal Home Loan Banks, the United States, or the Federal Savings and Loan Insurance Corporation and the obligations shall so plainly state.

"(7) TAX EXEMPT STATUS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), obligations of the Financing Corporation shall be exempt from tax both as to principal and interest to the same extent as any obligation of a Federal Home Loan Bank is exempt from tax under section 13.

"(B) EXCEPTION.—The Financing Corporation, like the Federal Home Loan Banks, shall be treated as an agency of the United States for purposes of the first sentence of section 3124(b) of title 31, United States Code (relating to determination of tax status of interest on obligations).

"(8) OBLIGATIONS ARE EXEMPT SECURITIES.—Notwithstanding paragraph (6), obligations of the Financing Corporation shall be deemed to be exempt securities (within the meaning of laws administered by the Securities and Exchange Commission) to the same extent as securities which are direct obligations of the United States or are guaranteed as to principal or interest by the United States.

"(f) ASSESSMENT AUTHORITY OF THE FINANCING CORPORATION.—

"(1) IN GENERAL.—The Financing Corporation may assess, with the approval of the Board, on each insured institution an assessment for each semiannual period equal to ½ of an amount not to exceed 1/12th of 1 percent of the aggregate amount of all accounts of insured members of such insured institution for the year in which such semiannual period occurs.

"(2) SUPPLEMENTAL ASSESSMENT AUTHORIZED.—Upon the unanimous vote of the Directorate that additional funds are needed to pay the interest on the obligations of the Financing Corporation because no other funds are available, the Financing Corporation may assess, with the approval of the Board and in addition to any assessment assessed under paragraph (1), on each insured institution an assessment for each semiannual period of ½ of an amount not to exceed 1/8th of 1 percent of the aggregate amount of all accounts of insured members of such insured institution for the year in which such semiannual period occurs.

"(3) TOTAL AMOUNT OF ASSESSMENTS MAY NOT EXCEED INTEREST AND FINANCING COSTS.—The aggregate amount of assessments assessed under paragraphs (1) and (2) with respect to any semiannual period may not exceed—

"(A) the aggregate amount of—

"(i) issuance costs (as such term is defined in subsection (g)(5)(A)) incurred with respect to obligations issued during such semiannual period;

"(ii) interest paid on (and any redemption premium paid with respect to) obligations of the Financing Corporation during such semiannual period; and

"(iii) custodian fees (as such term is defined in subsection (g)(5)(B)) incurred during such period; minus

"(B) the aggregate amount of any payments under subsection (g)(4) during such semiannual period.

"(4) PAYMENT TO FINANCING CORPORATION.—All assessments assessed under paragraph (1) or (2) shall be paid to the Financing Corporation.

"(g) USE AND DISPOSITION OF ASSETS OF THE FINANCING CORPORATION NOT INVESTED IN FSLIC.—

"(1) IN GENERAL.—Subject to such regulations, restrictions, and limitations as may be prescribed by the Board, assets of the Financing Corporation which are not invested in capital certificates or capital stock issued by the Federal Savings and Loan Insurance Corporation under section 402(b)(1)(A) of the National Housing Act shall be invested in—

"(A) direct obligations of the United States,

"(B) obligations, participations, or other instruments of, or issued by, the Federal National Mortgage Association or the Government National Mortgage Association;

"(C) mortgages, obligations, or other securities for sale by, or which have been disposed of by, the Federal Home Loan Mortgage Corporation under section 305 or 306 of the Federal Home Loan Mortgage Corporation Act; or

"(D) any other security in which it is lawful for fiduciary and trust funds to be invested under the laws of any State.

"(2) SEGREGATED ACCOUNT FOR ZERO COUPON INSTRUMENTS HELD TO ASSURE PAYMENT OF PRINCIPAL.—The Financing Corporation shall invest in, and hold in a segregated account, noninterest bearing instruments—

"(A) which are securities described in paragraph (1); and

"(B) the total of the face amounts (principal payable at maturity) of which is approximately equal to the aggregate amount of principal on the obligations of the Financing Corporation,

to assure the repayment of principal on obligations of the Financing Corporation.

"(3) DOLLAR AMOUNT LIMITATION ON INVESTMENT IN ZERO COUPON INSTRUMENTS FOR SEGREGATED ACCOUNT—The aggregate amount invested by the Financing Corporation under paragraph (2) shall not exceed $2,200,000,000 (as determined on the basis of the purchase price).

"(4) EXCEPTION FOR PAYMENT OF ISSUANCE COSTS, INTEREST, AND CUSTODIAN FEES.—Notwithstanding the requirements of paragraph (1), the assets of the Financing Corporation referred to in paragraph (1) which are not invested under paragraph (2) may be used to pay—

"(A) issuance costs;

"(B) any interest on (and any redemption premium with respect to) any obligation of the Financing Corporation; and

"(C) custodian fees.

"(5) DEFINITIONS.—For purposes of this subsection—

"(A) ISSUANCE COSTS.—The term 'issuance costs'—

"(i) means issuance fees and commissions incurred by the Financing Corporation in connection with the issuance or servicing of any obligation of the Financing Corporation; and

"(ii) includes legal and accounting expenses, trustee and fiscal and paying agent charges, costs incurred in connection with preparing and printing offering materials, and advertising expenses, to the extent that any such cost or expense is incurred by the Financing Corporation in connection with issuing any obligation.

"(B) Custodian fees.—The term 'custodian fee' means—

"(i) any fee incurred by the Financing Corporation in connection with the transfer of any security to, or the maintenance of any security in, the segregated account established under paragraph (2); and

"(ii) any other expense incurred by the Financing Corporation in connection with the establishment or maintenance of such account.

"(h) Miscellaneous Provisions Relating to Financing Corporation.—

"(1) Treatment for certain purposes.—The Financing Corporation shall be treated as a Federal Home Loan Bank for purposes of sections 13 and 23.

"(2) Sunset provision for borrowing authority.—No net new borrowing may be made by the Financing Corporation after December 31, 1996.

"(3) Federal reserve banks as depositaries and fiscal agents.—The Federal Reserve banks are authorized to act as depositaries for or fiscal agents or custodians of the Financing Corporation.

"(4) Applicability of certain provisions relating to government corporation.—Notwithstanding the fact that no government funds may be invested in the Financing Corporation, the Financing Corporation shall be treated, for purposes of sections 9105, 9107, and 9108 of title 31, United States Code, as a mixed-ownership Government corporation which has capital of the Government.

"(i) Federal Savings and Loan Insurance Corporation Industry Advisory Committee.—

"(1) Establishment.—There is hereby established the Federal Savings and Loan Insurance Corporation Industry Advisory Committee (hereinafter in this subsection referred to as the 'Committee').

"(2) Membership.—

"(A) Appointment.—The Committee shall consist of 13 members selected as follows:

"(i) 1 member appointed by the Chairman of the Board from among individuals who are officers of insured institutions and who are not members of the Board or employees of the Board, the Federal Savings and Loan Insurance Corporation, or the Board of Directors of any Federal Home Loan Bank.

"(ii) 1 member elected from each Federal Home Loan Bank district (by the members of the Board of Directors of each such bank who were elected by the members of such bank) from among individuals who are officers of insured institutions.

"(B) Terms.—Members shall be appointed or elected for terms of 1 year.

"(C) Chairperson.—The member appointed under subparagraph (A)(i) shall be the chairperson of the Committee.

"(D) Vacancies.—Any vacancy on the Committee shall be filled in the manner in which the original appointment was made.

"(E) Pay and expenses.—Members of the Committee shall serve without pay but each member of the Committee shall be reimbursed, in such manner as the Board may prescribe by regulation, by the Federal Home Loan Bank which elected such member (and, in the case of the member appointed by the Chairman of the Board, by the Board) for expenses incurred in connection with attendance of such members at meetings of the Committee.

"(F) Meetings.—The Committee shall meet from time to time at the call of the chairperson or a majority of the members.

"(3) Duties of the committee.—The duties of the Committee are as follows:

"(A) To review the reports and budgets prepared pursuant to section 402(k) of the National Housing Act and any other matter which the Board may present for the Committee's consideration.

"(B) To confer with the Board on the reports, budgets, and other matters reviewed under subparagraph (A).

"(C) To prepare written comments and recommendations for the Board and the Federal Savings and Loan Insurance Corporation with respect the reports, budgets, and other matters reviewed under subparagraph (A) (which shall be submitted to the Board in a timely manner after each meeting).

"(4) Annual report.—

"(A) Required.—Not later than January 15 of each year, the Committee shall submit a report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

"(B) Contents.—The report required under subparagraph (A) shall describe the activities of the Committee during the preceding year and the reports and recommendations made by the Committee to the Board and the Federal Savings and Loan Insurance Corporation during such year.

"(5) Regulations.—The Board shall prescribe such regulations as the Board determines to be appropriate to avoid conflicts of interest with respect to the disclosure to and use by members of the Committee of information relating to the Board, the Federal Savings and Loan Insurance Corporation, the Federal Home Loan Banks, and the Federal Asset Disposition Association.

"(6) Federal advisory committee act does not apply.—The Federal Advisory Committee Act shall not apply to the Committee.

"(7) Termination.—The Committee shall terminate when the Financing Corporation terminates under subsection (j).

"(j) Termination of the Financing Corporation.—

"(1) In general.—The Financing Corporation shall be dissolved, as soon as practicable, after the earlier of—

"(A) the date by which all stock purchased by the Financing Corporation in the Federal Savings and Loan Insurance Corporation has been retired; or

"(B) December 31, 2026.

"(2) Board authority to conclude the affairs of financing corporation.—Effective on the date of the dissolution of the Financing Corporation under paragraph (1), the Board may exercise, on behalf of the Financing Corporation, any power of the Financing Corporation which the Board determines to be necessary to settle and conclude the affairs of the Financing Corporation.

"(k) Regulations.—The Board may prescribe such regulations as may be necessary to carry out the provisions of this section, including regulations defining terms used in this section.

"(l) Definitions.—For purposes of this section—

"(1) Insured institution.—The term 'insured institution' has the meaning given to such term by section 401(a) of the National Housing Act.

"(2) Insured member.—The term 'insured member' has the meaning given to such term by section 401(b) of the National Housing Act.

"(3) Directorate.—The term 'Directorate' means the directorate established in the manner provided in subsection (b)(1) to manage the Financing Corporation.".

SEC. 1003. MIXED OWNERSHIP GOVERNMENT CORPORATION.

Section 9101(2) of title 31, United States Code, is amended by adding at the end thereof the following new subparagraph:

"(K) The Financing Corporation.".

SEC. 1004. RECAPITALIZATION OF FSLIC.

Section 402(b) of the National Housing Act (12 U.S.C. 1725(b)) is amended to read as follows:

"(b) Issuance and Sale of Capital Certificates and Stock to Financing Corporation.—

"(1) Authorization to issue.—

"(A) In general.—Notwithstanding any other provision of law, the Corporation may issue—

"(i) nonredeemable capital certificates; and

"(ii) redeemable nonvoting capital stock.

"(B) Requirement relating to amount of stock.—The aggregate amount of stock issued by the Corporation under subparagraph (A)(ii) shall be equal to the aggregate amount of the investments made by the Federal Home Loan Banks in the capital stock of the Financing Corporation under section 21 of the Federal Home Loan Bank Act.

"(C) Certificates and stock may be sold only to financing corporation.—Capital certificates and stock issued under subparagraph (A) may be sold only to the Financing Corporation in the manner and to the extent provided in section 21 of the Federal Home Loan Bank Act and this subsection.

"(D) Proceeds of sale are part of primary reserve.—The proceeds of any sale of capital certificates or stock under this subparagraph shall be considered part of the primary reserve established by the Corporation pursuant to section 404(a).

"(E) No dividends.—The Corporation shall pay no dividends on any capital certificates or stock issued under this subparagraph.

"(2) Equity return account.—

"(A) In general.—The Corporation shall establish and maintain (until all capital certificates and stock issued under subparagraph (A) have been paid off and retired) an equity return account—

"(i) which shall consist only of amounts contributed in accordance with the requirements of subparagraph (B);

"(ii) which shall not be treated as reserves of the Corporation; and

"(iii) the earnings accruing in which shall be transferred in the manner provided in subparagraph (D).

"(B) Contributions to account.—

"(i) No contribution if reserves-to-accounts ratio is less than 0.5 percent.—No contribution shall be made to the equity reserve account established pursuant to subparagraph (A) in any year in which the reserves-to-accounts ratio is less than 0.5 percent.

"(ii) Annual contributions required.—Except as provided in clause (i), the Corporation shall make contributions to the equity reserve account established pursuant to subparagraph (A)—

"(I) at the end of each year beginning after 1996 through the final payoff year (as defined in clause (vii); and

"(II) in amounts determined under clauses (iii), (iv), (v), and (vi) of this subparagraph.

"(iii) AMOUNT OF PRIMARY CONTRIBUTION.—The primary contribution to the equity return account for any year for which a contribution is required to be made shall be the amount determined by dividing—

"(I) the aggregate amount of capital stock issued by the Corporation and purchased by the Financing Corporation under paragraph (1)(A); by

"(II) the number of years between the first year beginning after 1996 in which the reserves-to-accounts ratio is equal to or greater than 0.5 percent and the final payoff year (taking into account the first and last year described).

"(iv) AMOUNT OF ADDITIONAL CONTRIBUTION ALLOWED IF RESERVES-TO-ACCOUNTS RATIO DOES NOT EXCEED 1.25 PERCENT.—In any year in which the reserves-to-accounts ratio is equal to or greater than 1 percent but less than 1.25 percent, the Federal Home Loan Bank Board may require the Corporation to make an additional contribution of an amount not to exceed the amount determined by dividing—

"(I) the investment return amount (as defined in clause (viii)) computed at an annual compound rate not to exceed 6 percent; by

"(II) the number of years between the first year beginning after 1996 in which the reserves-to-accounts ratio was equal to or greater than 1 percent and the final payoff year (taking into account the first and last year described).

"(v) AMOUNT OF ADDITIONAL CONTRIBUTION ALLOWED IF RESERVES-TO-ACCOUNTS RATIO DOES NOT EXCEED 1.75 PERCENT.—In any year in which the reserves-to-accounts ratio is equal to or greater than 1.25 percent but less than 1.75 percent, the Federal Home Loan Bank Board may require the Corporation to make an additional contribution of an amount not to exceed the amount determined by dividing—

"(I) the investment return amount computed at an annual compound rate not to exceed 8 percent, minus the sum of any amounts contributed under clause (iv); by

"(II) the number of years between the first year beginning after 1996 in which the reserves-to-accounts ratio was equal to or greater than 1.25 percent and the final payoff year (taking into account the first and last year described).

"(vi) AMOUNT OF ADDITIONAL CONTRIBUTION ALLOWED IF RESERVES-TO-ACCOUNTS RATIO EXCEEDS 1.75 PERCENT.—In any year in which the reserves-to-accounts ratio is equal to or greater than 1.75 percent, the Federal Home Loan Bank Board may require the Corporation to make an additional contribution of an amount not to exceed the amount determined by dividing—

"(I) the investment return amount computed at an annual compound rate not to exceed 10 percent, minus the sum of any amounts contributed under clause (iv) or (v); by

"(II) the number of years between the first year beginning after 1996 in which the reserves-to-accounts ratio was equal to or greater than 1.75 percent and the final payoff year (taking into account the first and last year described).

"(vii) FINAL PAYOFF YEAR DEFINED.—For purposes of this subparagraph, the term 'final payoff year' means the year of maturity of the obligation of the Financing Corporation which, on January 1, 1997, has the longest remaining term to maturity of all the obligations of the Financing Corporation (under section 21 of the Federal Home Loan Bank Act) which are outstanding on such date.

"(viii) INVESTMENT RETURN AMOUNT.—For purposes of clauses (iv), (v), and (vi), the term 'investment return amount' means the amount which would be realized on the aggregate amount invested by the Financing Corporation in capital stock issued by the Corporation under paragraph (1) over the period of the investment if the return on the investment is computed at the rate described in subclause (I) of the respective clauses.

"(C) INVESTMENT OF AMOUNTS IN ACCOUNT.—Amounts accumulating in the equity return account may be invested in such manner as the Corporation determines.

"(D) TRANSFER OF EARNINGS TO PRIMARY RESERVE.—Earnings accruing on any investment (under subparagraph (C)) of amounts in the equity return account shall be transferred to the primary reserve account of the Corporation established pursuant to section 404(a) as such earnings are realized by the Corporation and shall not be treated as amounts in the account.

"(E) RETIREMENT OF CAPITAL STOCK USING BALANCE IN ACCOUNT.—Upon maturity of all obligations of the Financing Corporation under section 21 of the Federal Home Loan Bank Act, the Corporation shall pay off and retire any capital stock issued under paragraph (1)(A)(ii) using only amounts accumulated in the equity return account.

"(F) RESERVES-TO-ACCOUNTS RATIO DEFINED.—For purposes of this paragraph, the term 'reserves-to-accounts ratio' means, with respect to any year, the amount determined by dividing—

"(i) the amount of reserves of the Corporation (determined as of December 31 of the preceding year); by

"(ii) the aggregate amount of all accounts of all of its insured members (determined as of such date).

"(3) FINANCING CORPORATION DEFINED.—For purposes of this subsection, the term 'Financing Corporation' means the Financing Corporation established under section 21 of the Federal Home Loan Bank Act.

"(4) NO REDUCTION OR SUSPENSION OF INSURANCE PREMIUMS WHILE STOCK IS OUTSTANDING.—Notwithstanding any other provision of law, the provisions of subsections (b)(2), (d)(1)(B), and (g) of section 404 shall not apply as long as any share of capital stock issued under paragraph (1)(A)(ii) is outstanding.".

SEC. 1005. FSLIC AUTHORITY TO CHARGE PREMIUMS REDUCED BY AMOUNT OF FINANCING CORPORATION ASSESSMENTS.

Section 404 of the National Housing Act is amended by redesignating subsections (d) through (i) as subsections (e) through (j), respectively, and by inserting after subsection (c) the following new subsection:

"(d) AUTHORITY TO CHARGE PREMIUMS REDUCED BY AMOUNT OF FINANCING CORPORATION ASSESSMENTS.—Notwithstanding any other provision of this section, the sum of—

"(1) the amount of any premium required to be paid by any insured institution under subsection (b)(1); and

"(2) the amount of any premium authorized to be assessed by the Corporation under subsection (c) with respect to such institution,

for any period shall be reduced by the amount of any assessment paid for such period by such insured institution to the Financing Corporation pursuant to section 21(f) of the Federal Home Loan Bank Act.".

SEC. 1006. MISCELLANEOUS PROVISIONS.

(a) FEDERAL HOME LOAN BANK DIVIDENDS.—Section 16 of the Federal Home Loan Bank Act (12 U.S.C. 1436) is amended by adding at the end thereof the following new subsection:

"(c) EXCEPTION IN CASE OF LOSSES IN CONNECTION WITH FINANCING CORPORATION STOCK.—

"(1) IN GENERAL.—Notwithstanding subsection (a) of this section, if—

"(A) a Federal Home Loan Bank incurs a chargeoff or an expense in connection with such bank's investment in the stock of the Financing Corporation under section 21;

"(B) the Board determines there is an extraordinary need for the member institutions of the bank to receive dividends; and

"(C) the bank has reduced all reserves (other than the reserve account required by the first 2 sentences of subsection (a)) to zero,

the Board may authorize such bank to declare and pay dividends out of undivided profits (as such term is defined in section 21(d)(7)) or the reserve account required by the first 2 sentences of subsection (a).

"(2) REQUIREMENTS OF SECTION 21 NOT AFFECTED.—Notwithstanding any payment of dividends by any Federal Home Loan Bank pursuant to an authorization by the Board under paragraph (1), the applicable provisions of section 21 shall continue to apply with respect to such bank, and to such bank's investment in the Financing Corporation, in the same manner and to the same extent as if such payment had not been made.".

(b) CONFORMING AMENDMENT.—Section 402(h) of the National Housing Act (12 U.S.C. 1725(h)) is amended—

(1) by striking out "After the effective date" and inserting in lieu thereof "(1) After the effective date"; and

(2) by adding at the end thereof the following new paragraph:

"(2) The first three sentences of paragraph (1) shall not apply to stock issued by the Corporation to the Financing Corporation under subsection (b)(1)(A).".

(C) PRIORITY OF SECURED INTERESTS.—Section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) is amended by adding at the end thereof the following new subsection:

"(e) PRIORITY OF CERTAIN SECURED INTERESTS.—Notwithstanding any other provision of law, any security interest granted to a Federal Home Loan Bank by any member of any Federal Home Loan Bank or any affiliate of any such member shall be entitled to priority over the claims and rights of any party (including any receiver, conservator, trustee, or similar party having rights of a lien creditor) other than the claims of secured parties that are secured by actual perfected security interests that would be entitled to priority under otherwise applicable law.".

(d) FSLIC REPORT REQUIREMENTS.—Section 402 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"(k) REPORTS AND BUDGETS REQUIRED.—

"(1) QUARTERLY REPORTS AND BUDGETS.—Before the end of the 2-week period beginning on the first day of each calendar quarter, the Corporation shall complete a detailed written report and budget describing and explaining—

"(A) planned or anticipated activities and estimates of receipts and expenditures for such calendar quarter; and

"(B) the activities, receipts, and expenditures for the preceding calendar quarter.

"(2) SEMIANNUAL REPORT.—Before the end of the 30-day period beginning on the first day of each semiannual period, the Corporation shall complete a detailed written report and budget describing and explaining the activities, receipts, and expenditures for the preceding semiannual period.

"(3) SUBMISSION OF SEMIANNUAL REPORT TO CONGRESS.—The Corporation shall submit a copy of each semiannual report required under paragraph (2) to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

"(4) ACTIVITIES, ETC., OF FEDERAL ASSET DISPOSITION ASSOCIATION.—Activities, receipts, and expenditures of the Federal Asset Disposition Association (or any successor thereto) shall be included in any report or budget required under this subsection.

"(5) DEFINITIONS.—For purposes of this subsection—

"(A) ACTIVITIES.—The term 'activities' includes any activity engaged in with respect to any insured institution in financial difficulty.

"(B) SEMIANNUAL PERIOD.—The term 'semiannual period' means—

"(i) the period beginning on January 1 of any calendar year and ending June 30 of such year; and

"(ii) the period beginning on July 1 of any calendar year and ending December 31 of such year.".

By Mr. MOYNIHAN:

S. 46. A bill to disapprove of the President's proposed rescissions for the Community Development Block program and the Urban Development Action Grant program, and to require that funds withheld under the authority of the rescission requests be released immediately upon enactment; to the Committee on Appropriations.

DISAPPROVING RESCISSION OF COMMUNITY DEVELOPMENT BLOCK PROGRAM FUNDS

● Mr. MOYNIHAN. Mr. President, I rise today to introduce S. 46, legislation disapproving the proposed rescission of funding for the Community Development Block Grant [CDBG] and Urban Development Action Grant [UDAG] Programs, and requiring the release of the funds immediately upon enactment. The President's fiscal year 1988 budget proposes to rescind large amounts of budget authority—some $375 million from the CDBG program, and some $237.5 million from the UDAG program—in the current fiscal year.

During consideration of the fiscal year 1987 HUD appropriations bill, the House and Senate agreed to freeze the CDBG Program at $3 billion. Cities and communities in New York State, as well as the rest of the country, accepted this and planned accordingly. No city in my State, or anywhere in our Nation, can absorb the proposed reductions in Federal CDBG funding. Certainly, low-income housing initiatives, successful urban revitalization projects, and other economic development activities that are currently sponsored by CDBG funds are going to suffer—if they are not eliminated entirely.

Last year, New York State received approximately $360 million under the CDBG entitlement and Small Cities Program, the largest share in the Nation. I could not possibly list here all of the fine projects in New York State that have been supported with funding under the CDBG Program. Among them, the Village of Sag Harbor, on Long Island, will use their CDBG funds for flood and drainage control; while Liberty, NY, will create new housing units and increase services to village residents; and the village of Interlaken will construct a new well and extend water lines from Cayuga Lake. The city of Geneva can make necessary improvements in its Central Business District and the town of Van Etten—in Chemung County—can rehabilitate 106 substandard units of housing, with CDBG money. The city of New York uses their CDBG funds to provide day-care services, to rehabilitate residential housing, and other services for low-income families, the elderly and the homeless.

The administration's budget also included a rescission request for the Urban Development Action Grant [UDAG] Program, that was accompanied by a related proposal to terminate the program. To rescind funding for the UDAG Program now jeopardizes many of the proposals that are currently reviewed at the Department of Housing and Urban Development. Indeed the President's proposal will disrupt the annual January Metro UDAG round.

UDAG is a program that has helped create hundreds of thousands of jobs in severely distressed communities. UDAG's have provided the seed money on a partnership basis with local communities to stimulate private development. My own State of New York has benefited greatly from the UDAG Program. Over 63,000 jobs have been created and $2.8 billion in private investment has been generated since the UDAG Program's inception in 1977.

While we would do well to encourage our State and local governments to work toward greater independence, it is patently unfair to expect them to solve their multiple problems entirely on their own. By slashing Federal assistance under the CDBG Program, and terminating the UDAG funding, the Federal Government is pulling the rug out from under the progress already made. I strongly oppose the weakening of a Federal commitment to these important programs.

The community development block grant and urban development action grants have been important economic tools used by our cities and local governments. They've been successful. I urge my colleagues to join with me in opposition to these unfair requests that leave our local governments with a Hobson's choice: To reduce essential services or to increase taxes.

I ask unanimous consent that the text of my bill be printed in the RECORD as if read.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 46

Be it enacted by the Senate and the House of Representatives of the Congress of the United States assembled,

SECTION 1. COMMUNITY DEVELOPMENT BLOCK GRANTS.

(a) The Congress disapproves of the proposed rescission of budget authority 87-46 for the Community Development Block Grant program set forth in the special message transmitted by the President to the Congress on January 5, 1987.

(b) Immediately upon enactment, $375,000,000 of Community Development Block Grant funds withheld under the authority of such rescission request shall be made available for obligation.

SEC. 2. URBAN DEVELOPMENT ACTION GRANTS.

(a) The Congress disapproves of the proposed rescission of budget authority 87-47 for the Urban Development Action Grant program set forth in the special message transmitted by the President to the Congress on January 5, 1987.

(b) Immediately upon enactment, $237,500,000 of Urban Development Action Grant funds withheld under the authority of such rescission request shall be made available for obligation.●

By Mr. MOYNIHAN:

S. 47. A bill to establish a grant program for the purpose of creating additional prison facilities or expanding existing facilities to alleviate the overcrowding resulting from the increase in drug crime convictions; to the Committee on Governmental Affairs.

DRUG OFFENDER INCARCERATION ACT

● Mr. MOYNIHAN. Mr. President, I rise today to introduce the Drug Offender Incarceration Act of 1987, which is an effort to reduce the overcrowding problem in American prisons.

That a link between the crackdown on drug crimes and prison overcrowding exists is clear. A bill I introduced on the first day of the last Congress, S. 15, the State and Local Law Enforcement Assistance Act—which was subsequently enacted into law as part of the antidrug abuse package—recognized that resources were needed both for enforcing drug laws and for incarcerating offenders apprehended in these enforcement efforts.

Since the introduction of that bill 2 years ago, the call to launch a frontal attack on drug trafficking has grown even stronger. This resurgence of interest was inspired by many factors, not the least of which was the tragic death of a young University of Maryland athlete in June of last year. And our law enforcement forces responded to that call, as well they should have.

Yet what was not planned for was the aggravation of an equally momentous problem: the critical shortage of adequate jail and prison space. In 1986, the number of people arrested by the Federal Drug Enforcement Administration for major drug crimes jumped 35.8 percent to 12,819. An effort truly to be commended, but has anyone considered where these individuals, if convicted, will be imprisoned?

New York City is experiencing this problem firsthand. The benefits of an expansion effort at the Rikers Island jail complex were more than offset by the dramatic increase in arrests resulting from a major police campaign against crack. A New York Times editorial commented that the new crack arrests have imposed crushing new demands on the courts and a new flood of inmates on the jails, compounding an already explosive situation. Part of the jail overcrowding problems stems from the delays in transferring convicts to prisons which cannot accommodate new inmates.

There are, of course, two options available. Either cut back on drug arrests or provide more prison facilities. Society would not, nor should it, accept the first alternative. The second option comes at a price, but a price we must pay for fulfilling our commitment to combat drug abuse.

At some point, this country will have to heed the administration's own Task Force on Violent Crime, which in 1981 called for a 4-year $2 billion Federal assistance program to finance the construction of State prisons.

However, until this country is financially able to embark on a venture of that magnitude, I offer a more modest proposal. To deal with the twin goals of fighting drug trafficking and reducing the prison population, I am introducing the Drug Offender Incarceration Act of 1987.

The bill provides $50 million for the Attorney General to distribute in grants for prison construction to the States with greatest need. The Attorney General must give priority to applications which provide evidence of greater demand for prison space resulting from an increase in the number of drug crime convictions, and can demonstrate the insufficiency of existing prison facilities. The Federal share for such grants would not exceed 50 percent.

The construction of new correctional facilities in States which are successfully combating drug crimes but which cannot meet the increased demand for prison space will create incentives for further crack downs on such crimes. In addition, new prison facilities will take the pressure off crowded jails which are now holding convicts pending transfers to prisons.

Arresting drug criminals and keeping them off the streets is the major strategy behind the war on drugs. This bill will enhance that effort, and therefore deserves the support of my colleagues.

Mr. President, I ask for unanimous consent that the text of this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 47

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Drug Offender Incarceration Act."

SEC. 2. PURPOSE.

The purpose of this Act is to increase prison capacity to alleviate the overcrowding resulting from the increase in drug crime convictions in areas of the country which are experiencing the severest drug trafficking problems.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) the term "unit of local government" has the meaning given to such term in section 901(3) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3791(3)); and

(2) the term "drug offense" means a State felony similar to a felony described in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (21 U.S.C. 955a).

SEC. 4. GRANT AUTHORITY; PRIORITY.

(a) GRANT AUTHORITY.—The Attorney General shall make grants in accordance with section 5 to eligible states or units of local government that can demonstrate the greatest need for increased prison capacity.

(b) PRIORITY.—In determining need under subsection (a), the Attorney General shall give priority to states or units of local government which—

(1) provide evidence of an increase in the demand for prison space resulting from an increase in the number of drug crime convictions in the State or locality of the applicant;

(2) demonstrate the insufficiency of existing prison facilities to accommodate that need; and

(3) provide evidence that convicted drug offenders who would otherwise be incarcerated are being released or are incarcerated in substandard conditions, due to the lack of sufficient prison space.

SEC. 5. APPLICATION.

(a) SUBMISSION OF APPLICATION.—Each governor or head of each unit of local government desiring to receive a grant under this Act shall submit an application to the Attorney General at such time and in such form as the Attorney General may require.

(b) CONTENTS OF APPLICATIONS.—Each application submitted under subsection (a) shall include—

(1) a detailed description of the need for additional facilities based on—

(A) an increase in the number of drug offense convictions,

(B) the current prison capacity, and

(C) the number of convicted drug offenders who are either not incarcerated or are incarcerated in substandard conditions due to a lack of sufficient prison space;

(2) an assurance that any grant received by such applicant will be used for construction of new prison facilities or for the expansion of existing facilities;

(3) a detailed description of the plan for construction or expansion, including an estimate of the total cost and the amount of assistance requested for such project;

(4) an assurance that not later than three years after receiving a grant under this Act such applicant will repay to the Attorney General, for deposit in the general receipts of the Treasury of the United States, any part of such grant that is not expended in accordance with this Act, or with the assurances required under this section, beginning on the date such grant is received;

(5) an assurance that assistance received under this Act will not exceed 50 percent of the cost of the construction or expansion project;

(6) an assurance that the remaining funds for the project have been committed to by the State or unit of local government; and

(7) such other information as the Attorney General may require by rule.

(c) AMENDMENT OF APPLICATION.—An amendment of any application under this section shall be subject to approval in the same manner as an original application.

(d) INITIAL SOLICITATION OF APPLICATIONS.—Not later than 120 days after the date of enactment of this Act, the Attorney General shall solicit applications for grants to be made under this Act with funds appropriated for fiscal year 1988.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this Act $50,000,000 for fiscal year 1988.●

By Mr. MOYNIHAN:

S. 48. A bill to establish a demonstration program in New York City to offer voluntary departure from the United States to certain aliens arrested for narcotics-related offenses; to the Committee on the Judiciary.

CRIMINAL ALIEN DEPARTURE ACT

● Mr. MOYNIHAN. Mr. President, I rise to introduce the Criminal Alien Departure Act of 1987. The criminal justice system in this country is sinking under its own weight. To declare its resources taxed, personnel overburdened, and institutional capacity distended, is an understatement indeed. Many factors contribute to this sorry state; the proposal I offer today deals with only one such factor, but an important one nonetheless.

Illegal aliens arrested and convicted of crimes—all too often drug-related crimes—are putting an additional strain on our already crowded courts and prisons.

In New York City, for example, jail overcrowding has grown more acute with the spreading use of crack and cocaine. City jails presently house 13,524 inmates or 104.4 percent of capacity. The New York City Police Department estimates that between 2,200 and 2,500 illegal aliens are arrested annually for felony crimes, the majority of which are drug related.

As of August 1, 1986, a total of 3,371 inmates in New York State prisons reported birth in a foreign country. This represents 9 percent of the total inmate population. The cost of incarcerating these offenders is estimated at $67 million.

Our overcrowded criminal justice system has resulted in many criminal suspects being released without prosecution or imprisonment, thereby frustrating the efforts to fight drug abuse.

The bill I am introducing, the Criminal Alien Departure Act of 1987 is a step toward creating more jail space by deporting drug crime suspects who are in this country illegally, and individuals who have already been convicted of such crimes.

Specifically, the bill establishes a $5 million pilot program for New York City for purposes of using Immigration and Naturalization Service agents identify illegal aliens at the time of arrest for drug-related crimes, and determine whether they are amenable to deportation. (If the individual does not agree to expedited deportation, they are entitled to proceed to trial under our judicial system.)

A U.S. attorney would then review the matter to determine whether the voluntary departure of the illegal alien would be of more benefit to society than prosecution for the crime. Once approved by a U.S. attorney, the individuals would be deported before spending more of the limited resources of the criminal justice system. INS agents would also be assigned to prisons to identify illegal aliens who are already imprisoned.

Under the program, the INS will then have record of the individuals who have been deported, thereby ensuring that they will not be able to enter the country again.

I propose to try this plan on a pilot basis for 1 year in New York City where jail overcrowding has reached crisis proportions. At the end of the year, the attorney general will prepare a report to Congress detailing the numbers of illegal aliens deported, estimate the cost savings resulting from the program in lieu of prosecuting and incarcerating such individuals, and recommend whether the program should be instituted on a wider basis.

This is not a cure-all to the prison overcrowding problem. As I stated at the outset, many factors share the blame for this state of affairs. However, removing at least part of the illegal alien population from the criminal justice system will help unclog our courts and prisons, thereby allowing us to deal more effectively with criminals and criminal suspects who are in this country legally.

This bill also represents a continuation of our commitment to fighting the drug problem in this country by deporting individuals engaged in drug crimes, keeping them off our streets.

Therefore, I urge my colleagues to support this program on a trial basis, in the hope that it may later be expanded on the national level. A small measure perhaps; but whatever excess weight can be lifted from the criminal system will surely enhance the administration of justice in America.

Mr. President, I ask for unanimous consent that the text of this bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 48

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Criminal Alien Departure Act of 1987".

AUTHORITY

Sec. 2. (a) The Attorney General, acting through the district director of the Immigration and Naturalization Service for the district covering New York City, shall develop a demonstration program (hereafter in this Act referred to as the "program") to offer voluntary departure from the United States to any deportable alien arrested in New York City for an offense described in subsection (b) if the Assistant United States Attorney determines that the voluntary departure of such alien would benefit the United States more than the prosecution of such alien.

(b) An offense referred to in subsection (a) is any offense involving a violation of, or a conspiracy to violate, any law or regulation relating to the illicit possession of or traffic in narcotic drugs or marihuana, or a violation of, or a conspiracy to violate, any law or regulation governing or controlling the taxing, manufacture, production, compounding transportation, sale, exchange, dispensing, giving away, importation, exportation, or the possession for the purpose of the manufacture, production, compounding, transportation, sale, exchange, dispensing, giving away, importation, or exportation of opium, coca leaves, heroin, marihuana, any salt derivative or preparation of opium or coca leaves or isonipecaine or any addiction-forming or addiction-sustaining opiate.

DEMONSTRATION PROGRAM

Sec. 3. The program shall include—

(1) a system for identifying aliens described in section 2(a);

(2) the hiring of—

(A) additional supervisory agents and special agents of the Immigration and Naturalization Service (hereafter in this Act referred to as the "Service")—

(i) to identify aliens described in section 2(a); and

(ii) to be assigned to central locations for the arraignment of such aliens;

(B) additional special agents of the Service to be assigned to prison reception areas in New York City to identify aliens described in section 2(a);

(C) special agents of the Service to assist the local district attorney or the appropriate United States attorney in determining which eligible aliens should be offered voluntary departure from the United States;

(3) the acquisition of facilities for temporary detention of aliens pending their voluntary departure from the United States; and

(4) expenditures to cover the costs of aliens departing the United States under the program, where appropriate.

REPORT

Sec. 4. Twelve months after the date of enactment of this Act, the Attorney General shall prepare and transmit to the Congress a report setting forth with respect to the program during the preceding twelve-month period—

(1) a complete accounting of the expenditure of funds;

(2) the number of aliens eligible for voluntary departure from the United States and the number of such aliens that so departed;

(3) the estimated costs of departure for each such alien;

(4) the estimated cost savings which resulted from carrying out the program in lieu of prosecuting and incarcerating the same individuals; and

(5) recommendations as to whether the program should be instituted on a wider basis.

AUTHORIZATON OF APPROPRIATIONS

Sec. 5. There are authorized to be appropriated $5,000,000 for the fiscal year 1988 to carry out the program.●

By Mr. MOYNIHAN:

S. 49. A bill to amend section 203 of the Federal Property and Administrative Services Act of 1949 to establish as a priority the conveyance of surplus Federal property for use as correctional facilities to alleviate the shortage of prison space resulting from the increase in drug crime convictions; to the Committee on Governmental Affairs.

PRISON CONVERSION ENHANCEMENT ACT

● Mr. MOYNIHAN. Mr. President, my purpose in rising today is to introduce the Prison Conversion Enhancement Act of 1987. No one among us is unaware of the desperate conditions which characterize our State and Federal penal systems. Overcrowding is considered the most immediate and greatest concern. Corrections officials have stated that overcrowding is no longer an emergency, but a disaster.

The side effects of this acute condition are numerous. Overtaxed resources and severe crowding contribute to the neglect of what some consider to be an important element of incarceration—rehabilitation and education of inmates to protect society against recidivism. More importantly, however, overcrowding forces prosecutors, judges and prison officials to consider releasing some suspects and convicts with little or no time served. Surely the interests of society are jeopardized when our criminal justice system returns known criminals to the streets simply because we do not provide sufficient prison space. Indeed, a sad commentary on our system.

The solution is surprisingly simple. Add more prison capacity by expanding old or building new facilities. Yet the political reality is that this administration is less than committed to spending dollars on such an endeavor. Although the 1981 report of the Administration's Task Force on Violent Crime called for a 4-year $2 billion

Federal assistance program to finance the construction of State prisons, such an undertaking has yet to materialize.

There are less expensive alternatives to prison construction, although I believe that construction and renovation are necessary components of any section plan to reduce prison overcrowding. What I refer to is the transfer of Federal surplus property for use as correctional facilities.

Under current law, the General Services Administration, in coordination with the Department of Justice, can approve the transfer of surplus Federal property for prison use. However, there are varied interests competing for surplus property as it becomes available. Since 1981, only four such conversions to prisons have been made; the first being in Watertown, NY.

What I propose in the Prison Conversion Enhancement Act of 1987 is to establish as a priority the conveyance of surplus property for use as correctional facilities for the next 2 years. The GSA will be required to inform the Department of Justice and Governors of any available property which is suitable for a conversion to a prison facility. Advice as to the procedure for applying for conversion will be provided to Governors, and applications for prison conversions from the States will be considered on an expedited basis.

At the end of the 2 years, the Department of Justice will report to the Congress on the number of such conversions, and explain why any suitable properties were not converted.

The purpose of this bill is to increase the number of correctional facilities available without expending large sums of money to accomplish this goal. It is my hope that my colleagues will act quickly on this simple, straightforward means of alleviating the shameful overcrowding in our Nation's prisons.

Mr. President, I request unanimous consent that the text of this bill be included in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 49

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Prison Conversion Enhancement Act of 1987."

SEC. 2. PRIORITY FOR CORRECTIONAL FACILITIES.

Section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) is amended by adding at the end thereof the following new subsection:

"(q)(1) Notwithstanding any other provision of this section, for a period of two years following the date of enactment of this subsection, the Administrator of the General Services Administration shall consider available property which has potential to be converted into a correctional facility as a priority disposition. During such period, the Administrator of the General Services Administration shall inform the Attorney General and the Governor and State Correctional Facility officials of any available surplus property in such State which is suitable for conversion to a prison facility. At the time of identification of such property, the Administrator shall provide advice to such Governor as to the procedure for applying for conversion of the available property for prison use. Applications for prison conversion shall be considered by the Department of Justice and the General Services Administration on an expedited basis.

"(2) At the end of the two-year period provided in paragraph (1)—

"(A) the Attorney General shall report to the Congress on the number of surplus properties certified for use as prison facilities; and

"(B) the Administrator of the General Services Administration shall report to Congress on the number and location of properties which have been converted for use as prisons.

Such reports shall include descriptions of available property suitable for prison conversion which were not approved for prison use with an explanation as to why such approval was not granted.".●

By Mr. MOYNIHAN:

S. 50. A bill to amend the Federal Election Campaign Act of 1971 to provide for the public financing of Senate general election campaigns, to change certain contribution limits for elections, and for other purposes; to the Committee on Rules and Administration.

● Mr. MOYNIHAN. Mr. President, our elected form of government is beseiged by a crisis, a crisis which will continue to erode the process for selecting leaders first established by our Founders if an immediate and lasting solution is not found. I speak of the shameful cost of elections in America. Leadership positions are rapidly becoming bastions of the wealthy, because the process by which we elect our representatives has become reduced to one common denominator: money. Rather than red, white and blue, it is the color green which more appropriately symbolizes our elections. It is no coincidence that over half of the U.S. Senators, 53 to be precise, are millionaires. Few others can afford the undertaking.

A few numbers will tell the tale of the growing influence of money in American campaigns.

It is no longer uncommon for Senate candidates to spend between $5 to $10 million, and even beyond. Consider the $26 million North Carolina Senate race of 1984 and the nearly $25 million spent in the recent Senate race in California.

In 1974, the average amount spent by Senate candidates was $437,482. Ten years later, this average exceeded $2 million, with winning candidates spending nearly $3 million.

Although the final numbers are not calculated for the 1986 races, it is estimated that the combined cost of Senate. races in 1986 was $425 million; a staggering increase from the $88.2 million spent in 1974.

The role of independent expenditures has increased dramatically over the years. In 1978, $168,000 was spent in independent expenditures in Senate races; by 1984, that figure exceeded $4.6 million. For all Federal races combined that year, including Presidential, independent expenditures passed the $23 million mark.

The influence of political action committees also continues to rise. In the 1984 elections, approximately 30 percent of receipts in congressional elections were from PAC's; up from 13.7 percent in 1972. It is estimated that PAC's contributed $140 million to congressional candidates in the 1986 election; a significant increase from the $8.5 million contributed in 1972.

Although the power of money in elections has grown, there is hope. The reform process begun in the aftermath of Watergate 14-years ago can be reinvigorated. Public financing of Federal elections is an idea whose time may have come, albeit a bit late for some like President Teddy Roosevelt who first proposed the concept. The new Congress presents us with new opportunities to reverse the trend toward greater reliance on money, as the basis of a successful candidacy. The bill I am introducing today is one part of that effort.

The reforms embodied in the Senate Campaign Finance Act of 1987 combine a number of approaches to what I consider the three evils which threaten our democratic process: excessive influence of political action committees in relation to that of individuals; prohibitive cost of running for office; and uncontrolled independent expenditures.

To curtail the influence of PAC's, I propose the following: reducing the maximum political action committee contribution to $3,000 from $5,000, while increasing the ability of individuals to participate in the process by raising the individual limit to $2,000 from $1,000.

The amounts spent on campaigning can be kept down by limiting total expenditures and providing public financing. My bill would match each dollar of privately raised funds with public funds up to a maximum based on a state population formula for eligible candidates. The bill includes a built-in incentive to participate: participating candidates can receive additional public funds over the limit to the extent that their nonparticipating opponent spends over that amount. Expenditures from personal or family sources cannot exceed $20,000.

Finally, the benefits of independent expenditures will be significantly diminished under this proposal. If independent expenditures in excess of

$2,000 are made to oppose a candidate receiving public financing, or on behalf of a candidate who is not, the candidate receiving public funding is entitled to receive additional funds in the amount of the independent expenditures. Any person making independent expenditures will be required to report such activity to the Federal Election Commission and to each candidate in the election.

It is a start, and I believe a good one. The integrity of our electoral process is at stake; we are compelled to act. Let not our candidates be judged by their money, but by their qualifications, convictions, and ability.

Mr. President, I request unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 50

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Senate Campaign Finance Act of 1987".

CHANGES IN CONTRIBUTION LIMITS: DEFINITION OF INDEPENDENT EXPENDITURES

SEC. 2. (a) Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 is amended by striking out "$1,000" and inserting in lieu thereof "$2,000".

(b) Section 315(a)(2) of the Federal Election Campaign Act of 1971 is amended—

(1) by striking out "or" at the end of subparagraph (B);

(2) striking out "$5,000." in subparagraph (C) and inserting in lieu thereof "$3,000;".

(c) Section 301(17) of the Act is amended to read as follows:

"(17) The term 'independent expenditure' means an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate. For the purposes of this subsection, 'cooperation or consultation with any candidate' with respect to an election cycle means, but is not limited to the following—

"(A) the person making the independent expenditure communicates with, advises, or counsels the candidate at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal Office;

"(B) the person making the independent expenditure includes as one of its officers, directors, or other employees an individual who communicated with, advised or counseled the candidate at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office; and

"(C) the person making the independent expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any services relating to the candidate's decision to seek Federal office.".

SEC. 3 The Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new subchapter:

"Subchapter III—Public Financing of Senate General Election Campaigns

"DEFINITIONS

"SEC. 501. For purposes of this subchapter—

"(1) unless otherwise provided in this subchapter the definitions set forth in section 301 of this Act apply to this subchapter;

"(2) 'authorized committee' means, with respect to any candidate for election to the United States Senate, any political committee which is authorized in writing by such candidate to accept contributions, incur expenses, or make expenditures on behalf of such candidate to further the election of such candidate. Such authorization shall be addressed to the chairman of the political committee, and a copy of such authorization shall be filed by each candidate with the Commission. A withdrawal of any authorization shall be in writing and shall be addressed and filed in the same manner as the authorization;

"(3) 'candidate' means an individual who has been nominated for election to the office of United States Senator by a major or minor party or who has qualified to have his or her name on the general election ballot;

"(4) 'eligible candidate' means a candidate who is eligible, under section 502, for payments under this subchapter;

"(5) 'expenditure report period' with respect to an election means—

"(A) in the case of a major party candidate, the period beginning on the date such candidate becomes an eligible candidate and ending 30 days after the date of the election or the date such candidate is no longer an eligible candidate, whichever date is earlier; or

"(B) in the case of a candidate other than a candidate of a major party, the same period as the expenditure report period of the major party which has the shortest expenditure report period for such election;

"(6) 'election' means any regularly scheduled general, special, or runoff election, other than a primary election, held to elect a candidate to the United States Senate;

"(7) 'fund' means the Senate General Election Campaign Fund maintained by the Secretary of the Treasury in the Presidential Election Campaign Fund established by section 9006(a) of the Internal Revenue Code of 1954;

"(8) 'major party' means with respect to any election, a political party whose candidate for the office of United States Senator in any of the three preceding elections received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office;

"(9) 'minor party' means with respect to any election, a political party whose candidate for the office of Senator in any of the three preceding elections received, as the candidate of such party, 5 percent or more, but less than 25 percent of the total number of popular votes received by all candidates for such office;

"(10) the term 'qualified campaign expense' means an expense—

"(A) incurred by the candidate or the authorized committee of the candidate for the office of United States Senator to further his or her election to such office,

"(B) incurred within the expenditure report period, or incurred before the beginning of such period to the extent such expense is for property, services, or facilities used during such period, and

"(C) neither the incurring nor paying of which constitutes a violation of any law of the United States or of the State in which such expense is incurred or paid.

"An expense shall be considered as incurred by a candidate or an authorized committee if it is incurred by a person authorized by such candidate or such committee, as the case may be, for expense on behalf of such candidate or such committee.

"CONDITION FOR ELIGIBILITY FOR PAYMENTS

"SEC. 502. (a) In order to be eligible to receive any payments under this subchapter, the candidate shall agree, in writing—

"(1) to obtain and furnish to the Commission such evidence as it may request of the qualified campaign expenses and contributions of such candidate,

"(2) to keep and furnish to the Commission such records, books, and other information as it may request, and

"(3) to an audit and examination by the Commission under section 507 and to pay or repay any amounts required under such section.

"(b) To be eligible to receive payments under section 503, the candidate of a major party shall certify to the Commission, under penalty of perjury, that—

"(1) such candidate is seeking election to the United States Senate and such candidate and at least one other major party or minor party candidate have qualified for the election ballot under the law of the State involved,

"(2) such candidate and the authorized committees of such candidate will not incur qualified campaign expenses in excess of the aggregate payments to which they are entitled under section 503, unless otherwise provided in this subchapter,

"(3) no contributions to defray qualified campaign expenses have been or will be accepted by such candidate or any of the authorized committees of such candidate except to the extent necessary to make up any deficiency in payments received out of the fund because of the application of section 506(c), and

"(4) no contributions have been or will be accepted by such candidate or any authorized committees of such candidate to defray expenses which are not qualified campaign expenses.

"(c) In order to be eligible to receive any payments under this subchapter, a candidate other than a candidate of a major party shall certify to the Commission under penalty of perjury, that—

"(1) such candidate is seeking election to the United States Senate and such candidate and at least one other candidate of a major party have qualified for the election ballot under the law of the State involved,

"(2) such candidate and the authorized committees of such candidate will not incur qualified campaign expenses in excess of the aggregate payments to which an eligible candidate of a major party is entitled under section 503, unless otherwise provided in this subchapter, and

"(3) such candidate and the authorized committees of such candidate will accept and expend or retain contributions to defray qualified campaign expenses only to the extent that the qualified campaign expenses incurred by such candidate and the authorized committees of such candidate certified to under paragraph (2) exceed the aggregate payments received by such candidate out of the fund pursuant to section 506.

"(d) Certification for payment to a candidate shall be made by the Commission within 5 days after the date the Commission receives a certification from such candidate, pursuant to this section. Such certification shall be in such form and filed as the Commission shall prescribe by rule or regulation.

"(e)(1) To be eligible to receive any payment under this subchapter, a candidate shall certify to the Commission, under penalty of perjury, that such candidate will not knowingly make expenditures from his or her personal funds, or the personal funds of his or her immediate family in connection with such candidate's campaign for election in excesss of, in the aggregate, $20,000.

"(2) For purposes of this subchapter, the term 'immediate family' means the spouse, any child, parent, grandparent, brother, halfbrother, sister, or halfsister of the candidate, and the spouses of such persons.

"(f) If an individual ceases to be a candidate such individual—

"(1) shall no longer be eligible to receive any payments under this subchapter, except that such individual shall be eligible to receive payments to defray qaualified campaign expenses incurred while such person was an eligible candidate actively seeking election to the Senate; and

"(2) shall pay to the Secretary, as soon as practicable after the date upon which such individual ceases to be a candidate, an amount equal to the amount of payments received by such individual under this subchapter if such payments are not used to defray qualified campaign expenses.

"ENTITLEMENT OF ELIGIBLE CANDIDATES TO MATCHING PAYMENTS

"SEC. 503. (a) Subject to the provisions of this chapter—

"(1) each eligible candidate of a major party in an election shall be entitled to equal amounts under this subchapter in an amount which, in the aggregate, shall not exceed 50 percent of the expenditure limit applicable to such candidate based on this formula—

"(A) in each State with a voting-age population of 1,000,000 or less: $500,000";

"(B) in each State with a voting-age population greater than 1,000,000 but less than 3,000,000: an amount equal to 50 cents times such voting-age population; and

"(C) in each State with a voting-age population of 3,000,000 or over: an amount equal to 30 cents times such voting-age population, but not less than $1,500,000.

"(2) Subject to section 502(b), any eligible candidate of a major party shall be entitled to—

"(A) an initial payment under section 507 of $20,000; and

"(B) additional matching payments equal to the amount of contributions received, to be paid in multiples of $10,000 under section 507, if, with respect to each such payment, the eligible candidate and his authorized committees have received contributions aggregating $10,000, which have not been matched under this section, up to the maximum amount set forth in section 503(a).

"(3) An eligible candidate of a minor party in an election shall be entitled to a payment under this subchapter equal in the aggregate to an amount which bears the same ratio to the amount allowed under paragraph (1) for a major party as the number of popular votes received by the candidate for Senator of the minor party, as such candidate, in the preceding election bears to the average number of popular votes received by the candidates for Senator of the major parties in the preceding election.

"(4) An eligible candidate, other than a candidate of a major or minor party, who receives 5 percent or more of the total number of popular votes cast for the office of United States Senate in such election shall be entitled to payments pursuant to this subchapter equal in the aggregate to an amount which bears the same ratio to the amount allowed under paragraph (1) for a major party as the number of popular votes received by such candidate in such election bears to the average number of popular votes received in such election by the candidates for Senator of the major parties. All such payments shall be made at such time after the election as the Commission determines tha amount of payments such candidate is eligible for pursuant to this subparagraph. The Commission shall certify such amount to the United States Treasury for payment.

"(b) The aggregate payments to which an eligible candidate shall be entitled under paragraph (3) or (4) of subsection (a), shall not exceed an amount equal to the lesser of—

"(1) the amount of qualified campaign expenses incurred by an eligible candidate and the authorized committees of such candidate, reduced by the amount of contributions allowed to defray qualified campaign expenses received and expended or retained by an eligible candidate and such committees, or

"(2) the aggregate payments to which an eligible candidate of a major party is entitled under subsection (a)(1), reduced by the amount of contributions described in paragraph (1) of this subsection.

"(c) An eligible candidate shall be entitled to payments only—

"(1) to defray qualified campaign expenses incurred by an eligible candidate or the authorized committees of such candidate, or

"(2) to repay loans the proceeds of which were used to defray such qualified campaign expenses, or otherwise to restore funds (other than contributions to defray qualified campaign expenses received and expended by such candidate or such committees) used to defray such qualified campaign expenses.

"ADDITIONAL ENTITLEMENT OF OPPONENTS OF NONPUBLICLY FINANCED CANDIDATES; MATCHING OF INDEPENDENT EXPENDITURES

"SEC. 504. (a) Within 5 days after nomination by a major or minor party, and under such regulations as the Commission may prescribe, each candidate nominated by a major or minor party shall notify the Commission in writing of his or her intention to accept or not accept the funds to which he or she is entitled under section 503.

"(b)(1) A candidate of a major party who has elected to accept the funds for which he or she has qualified under section 503 and who is opposed by a major party candidate who has elected not to accept public funding shall be entitled to receive additional funds from the general fund of the United States Treasury, pursuant to paragraph (2).

"(2)(A) Subject to the provisions of subparagraph (P), a major party candidate eligible to receive funds pursuant to paragraph (1), shall receive additional funds in the amount of one dollar for every dollar of contributions or expenditures raised, incurred, or expended by the candidate not accepting funding.

"(B) Such additional funds shall only match those contributions or expenditures raised, incurred, or expended by the candidate not accepting funding which are in excess of the entitlement of such eligible candidate.

"(c) For purposes of implementing subsection (b), a candidate who elects not to accept public funding shall report his or her receipts and expenditures to the Commission—

"(1) monthly for contributions or expenditures received, incurred, or expended prior to 60 days prior to the date of the election;

"(2) weekly for contributions or expenditures received, incurred, or expended from 59 to 11 days prior to the date of the election; and

"(3) daily for contributions or expenditures received, incurred, or expended during the 10 days prior to the date of the election.

"(d) Notwithstanding the provisions of section 505—

"(1) if a major party candidate is eligible, pursuant to subsection (b), to receive additional funding because of contributions or expenditures received, incurred, or expended by such opponent between the date 59 days prior to the date of the election and the date of the election which are required to be reported by paragraph (2) or (3) of subsection (c), and

"(2) such eligible candidate files a request with the Commission stating that such candidate is eligible to receive such additional funds,

the Commission, within 24 hours after such request is filed, shall certify to the Secretary of the Treasury for payments to such eligible candidate.

"(e)(1) If, with respect to an election, a total of more than $2,000 in independent expenditures is made in opposition to, or on behalf of an opponent of, a candidate who is eligible to receive payments under section 502, such candidate shall receive additional payments equal to such total, but such payments shall not duplicate payments under subsection (b)(2)(A).

"(2)(A) Any person who makes independent expenditures shall notify the Commission and each candidate in the election not later than 48 hours after such independent expenditures total more than $2,000 and thereafter shall make such notification each time such person's additional independent expenditures total $1,000 or more.

"(B) No independent expenditure may be made unless such expenditure is reported as provided in subparagraph (A) at least 10 days before the date of the election.

"CERTIFICATION BY COMMISSION

"SEC. 505. (a) No later than 48 hours after a candidate files a request with the Commission to receive payments under section 503 or 504, the Commission shall certify such eligibility to the Secretary of the Treasury (hereinafter in this title referred to as the 'Secretary') for payment in full of the amount of which such candidate is entitled. The request referred to in the preceding sentence shall contain—

"(1) such information, and be made in accordance with such procedures, as the Commission may provide by regulation; and

"(2) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) Initial certifications by the Commission under subsection (a) and all determinations made by the Commission under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 508 and judicial review under section 510.

"ESTABLISHMENT OF ACCOUNT; PAYMENTS TO ELIGIBLE CANDIDATES

"SEC. 506. (a) The Secretary shall maintain in the Presidential Election Campaign Fund established by paragraph 9006(a) of the Internal Revenue Code of 1954, in addition to any accounts maintained under such section, a separate account to be known as the 'Senate General Election Campaign Fund'. The Secretary shall deposit into such fund, for use by a candidate eligible for payments under this subchapter, the amount available after the Secretary determines that amounts in the fund necessary for payments under subtitle H of the Internal Revenue Code of 1954 are adequate. The moneys designated for such account shall remain available without fiscal year limitation.

"(b) Upon receipt of a certification from the Commission under section 505, the Secretary shall promptly pay to the candidate, out of the fund, the amount certified by the Commission. Amounts paid to any such candidate shall be under the control of such candidate.

"(c) If at the time of a certification by the Commission under section 505 for payment to an eligible candidate, the Secretary determines that the moneys in the fund are not, or may not be, sufficient to satisfy the full entitlement of such eligible candidate, he shall withhold from such payment such amount as he determines to be necessary to assure that an eligible candidate will receive his or her pro rata share of his or her full entitlement. Amounts so withheld shall be paid when the Secretary determines that there are sufficient moneys in the fund to pay such amounts, or portions thereof, to all eligible candidates from whom amounts have been withheld, but, if there are not sufficient moneys in the fund to satisfy the full entitlement of an eligible candidate, the amounts so withheld shall be paid in such manner that each eligible candidate receives his or her pro rata share of his or her full entitlement.

"EXAMINATIONS AND AUDITS; REPAYMENTS

"SEC. 507. (a) Notwithstanding the provisions of section 311(b), after each election, the Commission shall conduct a thorough examination and audit of the qualified campaign expenses of each candidate of the United States Senate who received payments under this subchapter.

"(b)(1) If the Commission determines that any portion of the payments made to a candidate under this subchapter was in excess of the aggregate payments to which such candidate was entitled, it shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to the excess.

"(2) If the Commission determines that a candidate or any authorized committee of such candidate incurred qualified campaign expenses in excess of the aggregate payments to which the candidate was entitled under section 503, it shall notify such candidate of the amount of such excess and such candidate shall pay to the Secretary an amount equal to such amount.

"(3) If the Commission determines that a candidate or any authorized committee of such candidate accepted contributions, other than contributions to make up deficiencies in payments out of the fund because of the application of section 506(c) to defray qualified campaign expenses, other than qualified campaign expenses with respect to which payment is required under paragraph (2), it shall notify such candidate of the amount of the contributions so accepted, and such candidate shall pay to the Secretary an amount equal to such amount.

"(4) If the Commission determines that any amount of any payment made to a candidate under section 506 was used for any purpose other than—

"(A) to defray the qualified campaign expenses with respect to which such payment was made, or

"(B) to repay loans the proceeds of which were used to defray qualified campaign expenses,

It shall notify such candidate of the amount so used, and such candidate shall pay to the Secretary an amount equal to such amount.

"(5) No payment shall be required from a candidate under this subsection to the extent that such payment, when added to other payments required from such candidate under this subsection, exceeds the amount of payments received by such candidate under this subchapter.

"(c) No notification shall be made by the Commission under subsection (b) with respect to an election more than 3 years after the date of such election.

"(d) All payments received by the Secretary under subsection (b) shall be deposited in the Senate General Election Campaign Fund established in section 506.

"CRIMINAL PENALTIES

"SEC. 508. (a)(1) It shall be unlawful for an eligible candidate of a political party in an election or for any authorized committee of such candidate to knowingly and willfully incur qualified campaign expenses in excess of the aggregate payments to which an eligible candidate of a major party is entitled with respect to such election.

"(2) Any person who violates paragraph (1) shall be fined not more than $5,000, or imprisoned not more than one year, or both. In the case of a violation by any authorized committee, any officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $5,000, or imprisoned not more than one year, or both.

"(b)(1) It shall be unlawful for an eligible candidate of a major party in an election or for any authorized committee of such candidate to knowingly and willfully accept any contribution to defray qualified campaign expenses, except to the extent necessary to make up any deficiency in payments received out of the fund because of the application of section 506 or to defray expenses which would be qualified campaign expenses but for subparagraph (C) of section 501(10).

"(2) It shall be unlawful for an eligible candidate of a political party (other than an eligible candidate of a major party) in an election or for any authorized committee of such candidate to knowingly and willfully accept and expend or retain contributions to defray qualified campaign expenses in an amount which exceeds the qualified campaign expenses incurred with respect to such election by such eligible candidate and an authorized committee of such candidate.

"(3) Any person who violates paragraph (1) or (2) shall be fined not more than $5,000, or imprisoned not more than one year, or both. In the case of a violation by any authorized committee, any officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $5,000, or imprisoned not more than one year, or both.

"(c)(1) It shall be unlawful for any person who receives any payment under section 506, or to whom any portion of any payment received under such section is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

"(A) to defray the qualified campaign expenses with respect to which such payment was made, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expanded) which were used, to defray such qualified campaign expenses.

"(2) Any person who violates paragraph (1) shall be fined not more than $5,000, or imprisoned not more than five years, or both.

"(d)(1) It shall be unlawful for any person knowingly and willingly—

"(A) to furnish any false, fictitious, or fraudulant evidence, books, or information to the Commission under this subchapter, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this subchapter; or

"(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this subchapter.

"(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(e)(1) It shall be unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of an eligible candidate or any authorized committee of such candidate.

"(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

"(3) In addition to the panalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of an eligible candidate or any authorized committee of such candidate shall pay to the Secretary of the Treasury, for deposit in the general fund of the Treasury, an amount equal to 125 percent of the kickback or payment received.

"(f)(1) It shall be unlawful for any individual to disclose any information obtained under the provisions of this subchapter except as may be required by law.

"(2) Any person who violates paragraph (1) shall be fined no more than $5,000, or imprisoned not more than one year, or both.

"REPORTS TO CONGRESS; REGULATIONS

"SEC. 509. (a) The Commission shall, as soon as practicable after each election, but not to exceed 6 months, submit a full report to the Senate setting forth—

"(1) the qualified campaign expenses (shown in such detail as the Commission determines necessary) incurred by a candidate and the authorized committees of such candidate;

"(2) the amounts certified by it under section 505 for payment to each eligible candidate;

"(3) the amount of payments, if any, required from such candidate under section 507, and the reasons for each payment required; and

"(4) the balance in (A) the Presidential Election Campaign Fund, and (B) each account maintained in such fund, at the end of such calendar year.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) The Commission is authorized to prescribe such rules and regulations in accordance with the provisions of subsection (c), to conduct such examinations and audits (in addition to the examinations and audits required by section 507), to conduct such investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this subchapter.

"(c) Thirty days before prescribing any rule or regulation under subsection (b), the Commission shall transmit a statement with respect to such rule or regulation to the Senate, setting forth the proposed rule or regulation. The statement shall contain a detailed explanation and justification of such rule or regulation.

" PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"Sec. 510. (a) The Commission is authorized to appear in and defend against any action filed under section 511, either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) The Commission is authorized to appear, through attorneys and counsel described in subsection (a), in the district courts and other appropriate courts of the United States to seek recovery of any amounts determined to be payable to the Secretary of the Treasury as a result of any examination and audit made pursuant to section 507.

"(c) The Commission is authorized to petition the courts of the United States for declaratory or injunctive relief concerning any civil matter arising under this subchapter, through attorneys and counsel described in subsection (a). Upon application of the Commission, an action brought pursuant to this subsection shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal from the determination of such court shall lie to the Supreme Court of the United States. Judges designated to hear the case shall assign the case for hearing at the earliest practicable date, participate in the hearing and determination thereof, and cause the case to be in every way expedited.

"(d) The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court of the United States for certiorari to review judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"JUDICIAL REVIEW

"Sec. 511. (a) Any certification, determination, or other action by the Commission made or taken pursuant to the provisions of this subchapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court by any interested person. Any petition filed pursuant to this section shall be filed within thirty days after such certification, determination, or other action by the Commission.

"(b)(1) The Commission, the national committee of any political party, or any individual eligible to vote for a candidate is authorized to institute an action under this section, including an action for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this subchapter.

"(2) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this subsection and shall exercise such jurisdiction without regard to whether a person asserting rights under the provisions of this subsection has exhausted administrative or other remedies provided by law. Such proceedings shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal shall lie to the Supreme Court of the United States. Judges designated to hear the case shall assign the case for hearing at the earliest practicable date, participate in the hearing and determination thereof, and cause the case to be in every way expedited.".

Sec. 4. (a) Section 315(c) of the Federal Election Campaign Act of 1971 is amended by striking out "subsection (b) of this section and subsection (d) of this section" and inserting in lieu thereof "subsections (b) and (d) of this section and subsection (a) of section 503".

(b) Section 315(c)(2)(B) of the Federal Election Campaign Act of 1971 is amended by inserting before the period at the end thereof the following: ", except that with respect to the limitations established by subchapter III of this Act, the term 'base period' means the calendar year 1987".

Sec. 5. This Act and the amendments made by this Act shall become effective on January 1, 1989, and shall apply to campaigns for election to the Senate after such date.

AUTHORIZATION OF APPROPRIATIONS

Sec. 6. There are authorized to be appropriated to the Commission, for the purpose of carrying out its functions under this Act, such sums as may be necessary.●

By Mr. HATCH (for himself, Mr. Stafford, Mr. Kennedy, Mr. Glenn, Mr. Matsunaga, and Mr. Lugar):

S. 51. A bill to prohibit smoking in public conveyances; to the Committee on Commerce, Science, and Transportation.

PROHIBITING SMOKING IN PUBLIC CONVEYANCES

● Mr. HATCH. Mr. President, last summer I heard from a young woman, Anna Carroll. She is 45 years old and has emphysema, even though she has never smoked. Whenever she is around someone who smokes, she has difficulty breathing. In fact, her condition occasionally becomes so bad that she cannot work.

Cigarette smokers literally make Ann sick. They also make traveling life threatening. The noxious and obnoxious presence of cigarette smoke has made it impossible for Anna to use any public transportation.

After I read Anna's letter, I started considering the possibility of legislation to ban smoking on public conveyances, and an amazing thing happened. I discussed the idea with several other Senators and health organizations, and apparently the word got out.

People started sending stacks of mail to my office, encouraging me to introduce the legislation. Glamour magazine ran a story in support of the idea, and Ann Landers—the most widely read column in America—ran a story saying, "Four Cheers for Orrin!"

Senators don't usually get that much attention for legislation which has been introduced, let alone for legislation which is just being considered.

Mr. President, Anna is not alone. Tens of thousands of people with asthma and emphysema are effectively banished from public transportation because of cigarette smoke, and hundreds of thousands of Americans who suffer from heart disease put their well-being at risk every time they travel because the air around them has been poisoned by the smoking of others.

The scientific evidence that nonsmokers are injured by the smoke from others is now indisputable. The Surgeon General's report on the "Health Consequences of Involuntary Smoking," released last December, stated that involuntary smoking is a cause of disease, including lung cancer, in health nonsmokers, and simple separation of smokers and nonsmokers within the same airspace may reduce, but does not eliminate, exposure of nonsmokers to environmental tobacco smoke.

The National Academy of Science went further in its report of the "Airliner Cabin Environment," finding a number of reasons to support their recommendation to ban smoking from all commercial flights.

It is estimated that 5,000 nonsmokers die each year from exposure to the cigarette smoke of others. Several studies have shown that nonsmokers experience and immediate deterioration in lung function when exposed to passive smoke.

Mr. President, twice as many nonsmokers die from breathing the smoke of others as from any other carcinogens currently regulated as hazardous air pollutants under the Federal Clean Air Act.

Mr. President, it is time to realize that smoking doesn't just kill the smoker. It kills nonsmokers whose only mistake is being near a smoker. The 1,000 smokers who kill themselves every day with cigarettes are taking 12 to 15 nonsmokers with them.

If all of this is not bad enough, smoke from cigarettes affects the health of our children. Children who are exposed to cigarette smoke are more likely to get pneumonia and bronchitis. Furthermore, as you have already heard, cigarette smoke from others can cause life-threatening asthma attacks. In fact, some children stop having asthma attacks if they are no longer exposed to cigarette smoking.

Mr. President, the bottom line is that every time nonsmokers step on a plane or train or other public conveyances with smokers, they are shortening their lives.

Moreover, cigarette smoke in public conveyances presents another threat to our lives and well-being. Fatal aircraft accidents have been linked to careless cigarette smoking. A recent FAA study found that careless smoking was the cause of 6 percent of inflight fires.

Mr. President, the scientist have spoken on the health risks of passive smoking; the people have spoken on their desire to be protected from passive smoking; and now it is time for us in Congress to act.

To address this clear and present danger to the health and safety of the traveling public, today I am introducing legislation to ban smoking from all regularly scheduled, domestic public conveyances. In plain English, that means no more smoking on airplanes, buses, or trains—period.

Mr. President, there are a variety of excellent reasons why my colleagues should act to clear the air on public transportation: the poisoning of the American people by passive smoke, the damage cigarette smoke does to young children, and the threat to the safe operation of aircraft and vehicles. However, the strongest case for this legislation is Anna.

The question is simple: When a smoker's right to smoke comes in conflict with her right to clean air—breathable air—and her right to travel in this country, free of pain and discomfort, whose rights should prevail?

Most Americans think it should be the nonsmoker's right to breathe—and I agree.

In fact, a 1985 Gallup poll showed that 85 percent of nonsmokers, three of four former smokers, and, most interestingly, two of three smokers felt that smokers should not smoke around nonsmokers. A recent survey in my own State of Utah found 95 percent were in favor of banning smoking on public conveyances.

Mr. President, I don't see how any of my colleagues can disagree that we must protect those who have decided not to smoke. For the sake of their health and well-being—but especially for Anna—I urge my colleagues to join me in support of this legislation.

I ask unanimous consent that the bill, a copy of the letter from Anna M. Carroll, and a copy of the letter from the Coalition on Smoking OR Health be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, an follows:

S. 51

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Prohibition of Smoking in Public Conveyances Act of 1987".

FINDINGS

SEC. 2. The Congress finds that—

(1) tobacco smoke is a major contributor to indoor air pollution;

(2) current methods of separating smokers and nonsmokers on public conveyances have not effectively protected nonsmokers from exposure to tobacco smoke;

(3) exposure to cigarette smoke results in health hazards to nonsmokers, including lung cancer, respiratory infections, decreased respiratory function, and exacerbation of preexisting conditions of the heart and lungs;

(4) exposure to cigarette smoking is especially dangerous for children, elderly individuals, individuals with cardiovascular diseases, individuals with allergies, and individuals with respiratory conditions such as asthma or emphysema;

(5) children exposed to cigarette smoking on a chronic basis are more likely to contract pneumonia, bronchitis, throat infections, and ear infections, and are more likely to have asthma attacks;

(6) exposure to small amounts of tobacco smoke in a confined area such as an airplane cabin has been shown to cause discomfort because of the unique microclimatic conditions in such an area and because of the close proximity of passengers; and

(7) numerous studies have documented overwhelming public support for the protection of nonsmokers in public places.

PROHIBITED ACTS

SEC. 3. (a) It shall be unlawful for any person to smoke in any regularly scheduled public conveyance which is traveling within the United States.

(b)(1) It shall be unlawful for any person to smoke in a waiting area in a terminal for a public conveyance in the United States, except in a smoking area of such a terminal designated pursuant to paragraph (2).

(2) The owner or operator of a terminal for a public conveyance may designate a portion of a waiting area in the terminal as a smoking area. Such an area—

(A) shall be clearly marked; and

(B) must be physically separate from nonsmoking areas in such waiting area.

(c) It shall be unlawful to smoke in any public restroom in a terminal for a public conveyance.

PENALTIES

SEC. 4. (a) Any person who violates the provisions of subsection (a) of section 3 shall, on conviction thereof, be subject to a fine of $500.

(b) Any person who violates the provisions of subsection (b)(1) or subsection (c) of section 3 shall, on conviction thereof, be subject to a fine of $250.

INJUNCTIVE RELIEF

SEC. 5. (a) Any person who is aggrieved by a violation of section 3 may bring an action, in the district court of the United States for the district in which the violation occurred, for injunctive relief pursuant to Rule 65 of the Federal Rules of Civil Procedure.

(b) If a person who brings an action under subsection (a) prevails in such action, the court may award costs and reasonable fees and expenses of attorneys to such person.

STATE ENFORCEMENT

SEC. 6. Any law of a State or a political subdivision of a State—

(1) which relates to smoking in public conveyances, smoking in waiting areas in terminals for such conveyances, or smoking in public restrooms in such conveyances or terminals; and

(2) which is more restrictive than the provisions of this Act,

may be enforced by such State or political subdivision to the extent that such law is not inconsistent with the provisions of this Act.

DEFINITIONS

SEC. 7. For purposes of this Act—

(1) the term "public conveyance" means any vehicle of a privately or publicly owned common carrier providing passenger service, and including air, rail, boat, ship, or bus service;

(2) the term "smoke" means the possession of a lighted cigarette, cigar, or pipe which contains tobacco; and

(3) the term "United States" has the same meaning as in section 3(3) of the Federal Cigarette Labeling and Advertising Act.

ALEXANDRIA, VA,
July 18, 1986.

Hon. ORRIN G. HATCH,
U.S. Senate, 135 Russell Building, Washington, DC.

DEAR SENATOR HATCH: My name is Anna M. Carroll. I am 45 years old and have been diagnosed as having nonhereditary pulmonary emphysema. I have never smoked. My family didn't smoke. My husband doesn't smoke.

Experts on the hazards of passive smoking, including a research physicist at EPA, have told me that my emphysema is directly related to the fact that I was surrounded by chain smokers at work for more than 25 years (the same agency). Indeed, once I was no longer exposed directly to smokers on the job (the past six months), my vital capacity lung test showed a marked improvement.

The reason I am writing to you is because of the need for legislation to protect nonsmokers. It seems unfair that I, who have never smoked, must not only bear the brunt of a horrible disease caused by smokers, but must continue to be penalized by smokers when I attempt to travel by public transportation. I cannot take a bus or train. Even when I want to join a local tour group, I must first call up to see if smoking is permitted. If it is, I cannot participate. Travel by air has become a nightmare.

Recently, an airline told me if I wanted to be guaranteed a seat as far away from the smokers as possible, I would have to arrive at the gate an hour before departure time. I did, only to find there was no separate waiting area for nonsmokers. Airline and airport personnel only pointed fingers at somebody else-nobody would take responsibility. By the time I boarded the plane, I was in respiratory distress. The stewardess kept a close watch in case I suddenly required oxygen. I was unable to work the following day.

Tobacco smoke causes me chest pain and a struggle to breathe freely leaves me enervated. Now, even the smell of tobacco smoke causes anxiety attacks, particularly in situations where I cannot easily walk away.

Letters to the Secretary of Transportation, the FAA, airlines, etc., have done little to no good. There are no laws on the books, so nobody takes responsibility for protection of the innocent nonsmokers.

Senator, it is unfair that smokers have a choice—they can choose to travel by public modes of transportation and endanger the public health. I endanger no one, yet I am not free to travel wherever I please. Please do something to alleviate this problem. Your efforts will be greatly appreciated.

Sincerely.

ANNA M. CARROLL.

COALITION ON SMOKING OR HEALTH,
Washington, DC, July 28, 1986.

Hon. ORRIN HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: We are pleased to endorse and support your bill to ban smoking on all public conveyances. Medical evidence shows that tobacco smoke is a health hazard to nonsmokers, especially children, the elderly and those with preexisting heart and lung conditions. In addition, research has documented that nonsmokers exposed to the tobacco smoke of others have an increased risk of developing lung cancer, respiratory infections and deceased respiratory function.

More than three dozen states, and hundreds of muncipalities, have enacted policies to protect nonsmokers in public places from exposure to secondhand smoke. Currently, Congress is considering several bills which would limit smoking in U.S. Government buildings to designated areas. It is appropriate that this growing concern for nonsmokers be turned to the problem of smoking on public conveyances, where millions of nonsmokers, including children, are regularly exposed to tobacco smoke. Current methods of separating nonsmokers from smokers are not effective, and we commend you on the introduction of legislation which would prohibit smoking in any regularly scheduled public conveyance such as airlines, railways and buses, as well as in public waiting room and terminals.

We look forward to working with you towards passage of this important health legislation.

Sincerely,

American Lung Association, American Heart Association, American Cancer Society, American Public Health Association, American Dental Association, American Association of Dental Schools, American Diabetes Association, Action on Smoking and Health, American College of Osteopathic Pediatricians.

American Academy of Pediatrics, American College of Cardiology, American Licensed Practical Nurses Association, American Academy of Otolaryngology, American College of Chest Physicians, American Association of Respiratory Care, American Medical Students Association, Center for Science in the Public Interest, National Perinatal Association.

American Association of Cancer Institutes, Joint Council of Allergy and Immunology, Association of State and Territorial Health Officials, American Speech-Language-Hearing Association, Association of Schools of Public Health, American Association of Preferred Provider Organizations, Terri Gotthelf Lupus Research Institute, National Alliance of Senior Citizens, American Academy of Otolaryngic Allergy.●

By Mr. PRESSLER (for himself, Mr. MATSUNAGA, Mr. MOYNIHAN, Mr. DOMENICI, Mr. NICKLES, Mr. WARNER, Mr. MURKOWSKI, Mr. DIXON, Mr. SIMON, and Mr. BENTSEN):

S. 52. A bill to direct the cooperation of certain Federal entities in the implementation of the Continental Scientific Drilling Program; to the Committee on Energy and Natural Resources.

CONTINENTAL SCIENTIFIC DRILLING AND EXPLORATION

Mr. PRESSLER. Mr. President, I rise today on behalf of myself and Senators MATSUNAGA, MOYNIHAN, DOMENICI, NICKLES, WARNER, MURKOWSKI, DIXON, SIMON, and BENTSEN to introduce the Continental Scientific Drilling and Exploration Act. This legislation will move us an important step closer toward developing a national Continental Scientific Drilling Program [CSDP].

This measure is identical to the Continental Scientific Drilling and Exploration Act which I introduced early in the 99th Congress. That bill, which had 15 cosponsors, passed the Senate without objection following a hearing by the Committee on Energy and Natural Resources. At that hearing, witnesses from academia, government, and private industry expressed unanimous support for the bill and the importance of developing a Continental Scientific Drilling Program.

That enthusiasm has continued to grow during the past several months. I recently received a letter from Dallas Peck, Director of the U.S. Geological Survey—one of the key agencies involved in developing the CSDP—which is indicative of the continued support for this program. All three agencies have been consistent champions of the CSDP, and it has been a pleasure to work with them in developing this legislation.

The bill I am introducing today is straightforward and has no budgetary impact. It directs the Secretary of Energy, Secretary of Interior, and Director of the National Science Foundation to prepare and submit to Congress a report on the objectives, costs, and benefits of CSDP.

Specifically, that report would include the long- and short-term policy objectives of the CSDP; projected schedules of scientific and engineering events which would advance the objectives of the CSDP; estimates of funding levels needed to achieve the program's objectives; and the scientific, economic, technological, and social benefits which would be realized through the implementation of the program. This report would provide Congress with vital information it needs to make informed decisions as to how or even whether the United States should move closer toward a national scientific drilling program.

The Continental Scientific Drilling Program was conceived over 15 years ago, about the time that an International Ocean Drilling Program was generating its scientific data. That program provided invaluable information about the composition and evolution of the ocean floor, but also made scientists realize that they had little knowledge of the dynamics and physical properties of the Earth's continental crust.

Although continental drilling had been under way in the United States since 1859, the focus of most of that activity had been exploration for mineral resources. Those drill holes were usually not in locations or drilled to depths which would yield the most information about the Earth's crust.

Over the years, interest in the Continental Scientific Drilling Program has grown. Since the late 1970's, members of the academic and scientific communities have been working along with government and private industry to develop and fund a full-scale National Drilling Program. The potential benefits that could be realized from such a program are numerous.

By drilling deep into the Earth's crust, we can enhance our understanding of the formation and migration of petroleum and natural gas, and the dynamics behind the geothermal systems that provide energy for the generation of electrical power. The discovery and development of these and other potential energy sources will become more and more important to the economic and security interests of the United States over the coming decades.

In addition, understanding how liquids flow deep within the Earth's crust would help scientists ensure the proper disposal of hazardous wastes and toxic substances. Deep drilling is also the only way to obtain accurate measurements of the stresses and temperature changes associated with geological faults. Such information could one day enable scientists to predict potentially devastating earthquakes with greater accuracy.

Unfortunately, progress in the United States toward a national Continental Scientific Drilling Program has been slow. The United States has yet to make a commitment to deep drilling on the same scale as the Soviet Union or our European allies. The Soviets, for example, have been drilling a deep hole in the Kola Peninsula for over 15 years and have now reached a depth of over 39,000 feet. They are also drilling another hole in the Caucasus Mountains which has already reached a depth of 26,000 feet.

In the meantime, the West German Government recently committed to drill a 46,000- to 49,000-foot-deep hole.

In the meantime, the United States' deep drilling activities are still in their infancy. In December 1986, the Continental Scientific Drilling Program began its first dedicated deep hole at Cajon Pass, CA. This project, which will cost $8 million and go to a depth of 16,000 feet could yield valuable information about the stresses and dynamics of the San Andreas fault.

The Cajon Pass project is being conducted under the joint auspices of the U.S. Geological Survey and DOSECC—Deep Observation and Sampling of the Earth's Continental Crust, Inc.—a nonprofit consortium of universities established several years ago to help direct the implementation of the Continental Scientific Drilling Program. A recent article in the Washington Post titled "Scientists Hope Drilling Will Get to Bottom of San Andreas Fault," provides a detailed description of the Cajon Pass project. I ask unanimous consent that the article be inserted in the RECORD at the conclusion of my remarks.

While the CSDP is making some headway, we need to do more. The resources we have been willing to commit to this important program so far pale in comparison to those of other countries. It is important that the United States not be outpaced by other countries in realizing the scientific and technological developments that would accompany a deep drilling program. The benefits which could be attained in terms of natural resource development, hazardous waste disposal, and earthquake prevention are too important to allow our deep drilling efforts to languish.

The legislation I am introducing today will help us move forward in this important area. I stress again that this measure has no budgetary impact. The information that will be generated by the report called for in the bill will put the question of whether we want to proceed with a full-scale Continental Scientific Drilling Program squarely before the Congress. It is important that we take this important step so we can make other decisions vital to the successful development of a deep drilling program. I urge my colleagues to support this important measure, and ask unanimous consent that a copy of the legislation be printed in the RECORD, along with the previously mentioned letter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 52

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

PURPOSES

SEC. 2. The purpose of this Act is to—

(1) implement section 323 of the joint resolution entitled "Joint Resolution making continuing appropriations for the fiscal year 1985, and for other purposes", approved October 12, 1984 (Public Law 98-473; 98 Stat. 1875) which supports and encourages the development of a national Continental Scientific Drilling Program;

(2) enhance fundamental understanding of the composition, structure, dynamics, and evolution of the continental crust, and how such processes affect natural phenomena such as earthquakes, volcanic eruptions, transfer of geothermal energy, distribution of mineral deposits, the occurrence of fossil fuels, and the nature and extent of acquifers;

(3) advance basic earth sciences research and technological development;

(4) obtain critical data regarding the earth's crust relating to isolation of hazardous wastes; and

(5) develop a long-range plan for implementation of the Continental Scientific Drilling Program.

FINDINGS

SEC. 3. Congress finds that—

(1) because the earth provides energy, minerals, and water, and is used as a storage medium for municipal, chemical, and nuclear waste, an understanding of the processes and structures in the earth's crust is essential to the well being of the United States;

(2) there is a need for developing long-range plans for a United States Continental Scientific Drilling Program; and

(3) the Continental Scientific Drilling Program would enhance—

(A) understanding of the crustal evolution of the earth and mountain buidling processes;

(B) understanding of the mechanisms of earthquakes and volcanic eruptions and the development of improved techniques for prediction;

(C) understanding of the development and utilization of geothermal and other energy sources and the formation of and occurrence of mineral deposits;

(D) understanding of the migration of fluids in the earth's crust for evaluation of waste contamination and the development of more effective techniques for the safe subsurface disposal of hazardous wastes;

(E) understanding and definition of the size, source, and more effective use of acquifers and other water resources; and

(F) evaluation and verification of surface geophysical techniques needed for exploring and monitoring the earth's crust.

IMPLEMENTATION OF CONTINENTAL SCIENTIFIC DRILLING PROGRAM

SEC. 4. The Secretary of the Department of Energy, the Secretary of the Department of the Interior through the United States Geological Survey, and the Director of the National Science Foundation shall implement the policies of section 323 of the joint resolution entitled "Joint Resolution making continuing appropriations for the fiscal year 1985, and for other purposes", approved October 12, 1984 (Public Law 98-473; 98 Stat. 1875) by—

(1) taking such action as necessary to assure an effective, cooperative effort in furtherance of the Continental Scientific Drilling Program of the United States;

(2) taking all reasonable administrative and financial measures to assure that the Interagency Accord on Continental Scientific Drilling continues to function effectively in support of such program;

(3) assuring the continuing effective operation of the Interagency Coordinating Group to further the objectives of such program;

(4) taking such action to assure that the Interagency Coordinating Group receives appropriate cooperation from any Federal agency that can contribute to the objectives of such program, without adversely affecting any program or activity of such agency; and

(5) acting through the Interagency Coordinating Group, preparing and submitting to the Congress, within one hundred and eighty days after the enactment of this Act a report describing—

(A) long and short-term policy objectives and goals of the United States Continental Scentific Drilling Program;

(B) projected schedules of desirable scientific and engineering events that would advance United States objectives in the Continental Scientific Drilling Program;

(C) to the extent and for the duration that the Interagency Coordinating Group deems practicable, maximum, minimum, and intermediate levels of resources and funding that would be required by each participating Federal agency to carry out events pursuant to subparagraphs (A) and (B) at the various levels of effort;

(D) the scientific, economic, technological, and social benefits expected to be realized through the implementation of such program at each level described in subparagraph (C);

(E) a recommended course for interaction with the international community in a cooperative effort to achieve the goals and purposes of this Act;

(F) the extent of participation or interest shown to date in the Continental Scientific Drilling Program by—

(i) any other governmental agency;

(ii) any academic institution;

(iii) any organization in the private sector; and

(iv) any governmental or other entity in the international community;

(G) a plan to develop benefical cooperative relationships among the entities mentioned in subparagraph (F), to the extent that the Interagency Coordinating Group deems practicable; and

(H) any other information or recommendations that the Interagency Coodinating Group deems appropriate.

U.S. DEPARTMENT OF THE INTERIOR,
Reston, VA, December 11, 1986.

Hon. LARRY PRESSLER,
U.S. Senate,
Washington, DC.

DEAR SENATOR PRESSLER: On behalf of the Interagency Coordination Group (with representatives from the Department of Energy, National Science Foundation, and U.S. Geological Survey) for Continental Scientific Drilling (CSD), I want to thank you and your staff for your continuing support of CSD and sponsorship during the 99th Congress of S. 1026, the Continental Scientific Drilling and Exploration Act. We believe that CSD represents one of the major scientific frontiers in the earth sciences. We again appreciate your involvement with this issue and look forward to working with you in the future.

Sincerely yours,

DALLAS L. PECK,
Director.

[From the Washington Post, Dec. 26, 1986]

SCIENTISTS HOPE DRILLING WILL GET TO BOTTOM OF SAN ANDREAS FAULT

(By Jay Mathews)

CAJON PASS, CA.—The San Andreas Fault cuts through the scrub-covered mountains just west of here, the mystery of its destructive power hidden deep in the granite heart of the ancient ridges.

After laboratory tests, stress measurements, temperature recordings and thousands of manhours of seismograph reading, a small army of scientists has concluded that the only way to get at the truth is to go down after it. So they are digging a very deep hole—three miles, they hope—to see what is there and how it can help them predict the fault's next devastating jolt.

Funded by $5 million from the National Science Foundation and the U.S. Geological Survey, the drilling will be the deepest ever undertaken in the United States for research purposes. The Soviets have dug the world-record research hole—7.5 miles deep—on the Kola Peninsula. The Swedes are planning a three-mile hole, and the Germans and French have projects under way.

"It is something that has caught on," said U.S. Geological Survey (USGS) geologist Ray Weldon, part of the team of scientists working out of trailers next to the 198-foot blue-white-and-yellow drilling rig here.

Similar drilling activities under the sea "have revolutionized the understanding of the ocean floor," Weldon said. Here, in the frustrating search for reliable warning signs of major earthquakes, scientists are hoping to resolve a key theoretical dispute in the field of plate tectonics: They want to know why the continental plates that meet at the fault line sometimes jerk violently past each other, creating a temblor.

Stanford University geophysicist Mark Zoback, leader of the Cajon Pass bore-hole project, noted that the laboratory experiments he and others have conducted on rocks under stress show that significant friction—and heat—should occur at the fault line. The Pacific plate moves northwest past the North American plate about 2.4 inches every year, a quick march in geological terms. No other dry-land faults are known to slip that fast.

But more than 100 temperature measurements along the fault, some to a depth of 900 feet, have revealed none of the friction-generated heat predicted by laboratory tests. Zoback has detected stress near the fault, but, research with his wife, Mary Lou, a USGS geophysicist, indicates that its direction may actually weaken friction on the fault line.

The Cajon Pass hole is designed to descend 6,000 feet, deep enough to settle a persistent argument over whether the heat is there.

"It's awfully hard to argue that 100 independent heat flow determinations are all wrong, but they were taken in very shallow holes and may be unreliable," Zoback said. Some theorists, sometimes known as "high stressers," argue that the measurements are faulty or that the heat is dissipated by water flows. Others, called "low stressers," suggest that the plates slide past each other at the fault line more easily than scientists have expected. There may be friction between the bottom of the plate and the earth's hot, rigid mantle, a much deeper phenomenon that would be harder to measure.

The bore-hole measurements, Zoback said, are "critical for earthquake prediction." If the high stressers are right, their laboratory experiments are valid and can be used to look for warnings of quakes. If they are wrong, textbooks will have to be rewritten and old experiments put aside.

A small sign on the fence surrounding the drill site 50 miles northeast of Los Angeles announces the project as a joint venture of USGS and DOSECC—Deep Observation and Sampling of the Earth's Continental Crust Inc. The latter is a consortium of about 30 universities that support the project.

The drill crews, now cutting below the 800-foot level, have orders to take out regular core samples for study. The research team plans to measure stress at various depths using a bore hole televiewer developed by Mobil Oil Co.; it uses ultrasonic waves to probe the rock in the pitch dark. Pumping fluid into temporarily sealed-off portions of the hole can also measure stress.

Another Stanford geophysicist, Amos Nur, plans to measure the speed at which sound waves travel in different core samples. This provides an index of pore pressure, the amount of pressure transmitted by water in rock pores. Some laboratory experiments indicate that changes in pore pressure in fault zones foretell earthquakes. Nur hopes to find a practical way to measure such changes in the field.

The drilling crew, accustomed to looking for oil, must contend with the unusual difficulties of punching through granite. Only rarely is petroleum found under such hard igneous rock, so when "an oil crew hits granite, they go home," USGS engineer Thomas H. Moses Jr. said.

But an oil company that once tried to drill here still holds the mineral rights. It can take over the project if the scientists unexpectedly hit a gusher. Such a stroke of fortune, said Moses, "would turn this project into a pile of bleep."

Then, like a good scientist, he remembered that all happenstance is data. "Of course," he said with a grin, "it might raise a lot of other interesting questions."

By Mr. PRESSLER (for himself and Mr. DASCHLE):

S. 53. A bill to provide for improvements to the Mount Rushmore Memorial; to the Committee on Energy and Natural Resources.

MOUNT RUSHMORE IMPROVEMENTS ACT

Mr. PRESSLER. Mr. President, I rise today to introduce a bill which is important not only to my home State of South Dakota, but to the entire country. I am pleased to note that my distinguished new colleague, Senator DASCHLE, has joined me as a cosponsor.

The purpose of this legislation is to begin the process of obtaining much needed improvement at the Mount Rushmore National Memorial. As you know, Mr. President, Mount Rushmore is our Nation's shrine to democracy. That granite mountain, with its famous depiction of four of our greatest Presidents, has been a great source of tremendous national pride and inspiration ever since its completion in 1941. But as it nears its golden anniversary in 1991, the Mount Rushmore National Memorial is in serious need of substantial repairs.

No improvements have been made at the facilities on Mount Rushmore for well over 20 years. Since that time, visitation has nearly doubled. Originally designed to accommodate 1 million visitors per year, the memorial is currently experiencing acute overcrowding problems as it attempts to handle an annual visitation in excess of 2.5 million. As a result, much of the public is denied what could be a truly meaningful experience.

The current National Park Service personnel at Mount Rushmore do a tremendous job with the existing facilities. But, as a practical matter, the enormous and ever-increasing popularity of this national treasure has simply made obsolete the current physical plant. There is an ever increasing need to rush visitors through the memorial as quickly as possible in order to make way for those waiting. Interpretive programs have been severely curtailed. Parking is a nightmare. Priceless artifacts are stored rather than displayed. Security problems present a constant threat. The sculpture lighting is inadequate. Evening programs are severely limited. Overcrowding is an everyday occurrence. Indeed, visitors sometimes must be turned away. In short, the visitor's experience suffers.

The proposal I am forwarding today represents the first step in correcting these problems. It is our hope that most of the needed improvements could be completed in time for the celebration of Mount Rushmore's 50th anniversary. It is essential that we go forward with the proposed improvements in order that Americans from around the country can continue to not enjoy only the exhilarating experience of one of our greatest national monuments, but to better understand what the shrine to democracy is really all about.

But, Mr. President, not only is this legislation important for what it does, but for how it proposes to do it. The improvements could be made largely through private funds.

I am not proposing that we go to Uncle Sam and simply ask for the Federal Government to foot the bill. Because of the tremendous budgetary constraints of today the administration has already said it would oppose such an effort. In this time of strict fiscal restraint, we are going to have to come up with creative alternatives to funding badly needed public projects. That is our goal here. And, hopefully, this initiative might prove a model for other public projects which are or could be made conducive to private sector participation and support. What we are really attempting is to develop a joint initiative between the private and public sectors to raise the necessary funds.

I have been working over the past few months with the National Park Service and the Mount Rushmore National Memorial Society of Black Hills, a private nonprofit group formed in 1930 for the sole purpose of supporting Mount Rushmore, in an attempt to devise a plan by which the much needed improvements could be made. For numerous reasons, neither a wholly publicly financed nor a wholly privately financed initiative is feasible. Working together, we are attempting to develop a solution. The concept could lead to funding the needed improvements at a minimal cost to the Federal Government. This legislation would represent the first step in that process.

Before the plan can get off the ground, it is imperative that the National Park Service design a clearer blueprint of the technical and financial needs associated with the project. This could be done at a fraction of the cost of the project. That is the primary purpose of this bill. I urge my colleagues to support this initiative.

It is a project worthy of our attention. I think it is important that we fully explore these potential alternative sources of funding. In today's economy, we need to rethink our public financing policies, and develop new approaches to old problems. That is our purpose here. The approach suggested in this legislation could represent a means by which we would be able to carry out our responsiblity to the public and at the same time help ease the budgetary pressures of today.

The details of the proposal are explained more fully in the language of the bill itself and correspondence between myself and the National Park Service. Mr. President, I ask unanimous consent that the text of the bill and the correspondence be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 53

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mount Rushmore Improvements Act of 1987".

PURPOSE

Sec. 2. The purpose of this Act is to—

(1) initiate a proposal to develop a cooperative funding effort between the public and private sectors in order to provide needed improvements at Mount Rushmore National Memorial;

(2) encourage private sector participation in lending financial support to meet the needs of properties within the domain of the National Park Service and other agencies of the Federal Government which are conducive to private sector support;

(3) define and develop a schedule of planning, design, and construction events which will lead to the completion of the necessary upgrading and expansion of facilities at Mount Rushmore National Memorial before the fiftieth anniversary of such Memorial;

(4) enhance the programs, facilities, and services offered to the visiting public at Mount Rushmore National Memorial; and

(5) fulfill the needs identified in the 1980 General Management Plan of the National Park Service, as it relates to Mount Rushmore National Memorial.

FINDINGS

SEC. 3. Congress finds and declares that—

(1) no capital improvements have been realized at Mount Rushmore National Memorial since 1964;

(2) since 1964, visitation at Mount Rushmore National Memorial has nearly doubled;

(3) programs and services available to the general public at Mount Rushmore National Memorial currently are being limited to compensate for lack of adequate visitor facilities;

(4) Mount Rushmore National Memorial is in serious need of substantial capital improvements at this time;

(5) because of the fiscal and budetary constraints on the Federal Government, and the scarcity of resources available to the National Park Service for distribution throughout the National Park System, it is desirable to encourage private sector participation in raising the funds necessary for the needed improvements at Mount Rushmore National Memorial;

(6) private sector participation in funding needed improvements in the National Park Service and in other projects throughout the Federal Government which are conducive to such participation would—

(A) be of great benefit to the general public;

(B) further important but otherwise unattainable public policy goals;

(C) provide important financial and cultural improvements in local communities; and

(D) be consistent with efforts to reduce Federal spending and help balance the Federal budget; and

(7) the private and public sectors can and should engage in a cooperative effort to meet the public when it is impractical for either sector to meet the need by itself.

IMPLEMENTATION OF THE MOUNT RUSHMORE NATIONAL MEMORIAL IMPROVEMENTS

SEC. 4. No later than September 30, 1987, the National Park Service shall develop a comprehensive design and plan for the upgrade and expansion of facilities at Mount Rushmore National Memorial, consistent with the findings and purposes set forth herein, and report such design and plan to the Congress.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 5. There are authorized to be appropriated $500,000 for the purpose of carrying out the provisions of this Act.

U.S. SENATE, COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC, December 18, 1986.

MS. LORRAINE MINTZMYER,
Director, Rocky Mountain Region,
National Park Service,
Denver, CO.

DEAR MS. MINTZMYER: The purpose of this letter is to seek your professional opinion regarding a project I am initiating to upgrade and expand facilities at the Mt. Rushmore National Memorial.

It is my intention to propose legislation in the 100th Congress to implement needed improvements at Mt. Rushmore which were identified in the National Park Service's 1980 General Management Plan. For your information, enclosed is a copy of correspondence between me and the Mt. Rushmore National Memorial Society of Black Hills, which discusses the plan in more detail. As you know, these improvements are desperately needed as there has been virtually nothing done in this area since 1964, and visitation has nearly doubled from 1964 figures.

I envision the possibility of developing some type of cooperative effort between the private and public sectors to raise the needed funds. I understand the Administration's reluctance to endorse a complete federal funding of such a project. On the other hand, it would be unreasonable to expect that this type of project can be funded by entirely private donations. Indeed, as the enclosed correspondence indicates, this approach has been explored by the Mt. Rushmore Society and found to be unworkable because of the prohibitive start-up costs associated with a private fundraising effort.

It is my hope that we can formulate some type of private sector/public sector cooperative plan to accomplish the task. We need to develop creative public solutions to funding problems if we are to realize our twin goals of providing important government services and balancing the federal budget. Indeed, it is my hope that we can develop an approach which might serve as a model not only for other Park Service needs, but for other areas of the federal government as well.

Therefore, I am requesting information needed to go forward with this proposal as soon as possible. Specifically, I would request that you prepare for me a capability statement outlining the steps necessary to complete such a project in time for celebrating the 50th anniversary of Mt. Rushmore in 1991. In the capability statement, please answer the following questions:

If we embarked on such a program, what specific improvements should be made in order to modernize and expand the facilities commensurate with present needs? In addition to defining the specific individual improvements, please give me your opinion as to which of these would be most susceptible to private sector funding. Which could most logically be done by private sector funding and which are more appropriately left to the federal government?

How capable are you of defining a specific planning and design process? Assuming Congress appropriates $500,000 for this purpose, which I am proposing, could it be spent wisely in FY 1988? Is this figure a reasonable amount to seek for FY 1988 activities associated with such a project? Can the planning be completed in FY 1988?

Would the Park Service be receptive to state as well as private contributions toward funding these improvements?

What specific steps would the Park Service recommend/require to get this project under way?

Any additional information you deem relevant to my inquiry.

My interest in seeking this capability statement is to be in a better position to consider future budget requests and to have the information necessary to determine the feasibility of proceeding with this plan.

As stated earlier, there are groups outside the federal government interested in lending financial support to this project. But we need a clearer blueprint of the work needed and a more definite schedule of the events necessary to realize the Society's goal of completing the project for the 50th anniversary celebration.

A detailed capability statement would be most helpful in assessing the options available. In this time of austere budgetary constraints, it would be a serious mistake if we failed to explore what potentially could be a creative alternative to total federal funding.

As I hope to introduce this legislation on the first day of the 100th Congress, it would be greatly appreciated if you could provide me with the capability statement by January 1, 1987.

Thank you for your attention to this matter. If you should have any questions, please feel free to contact me or Kevin Schieffer of my staff at 202/224-5842. I look forward to your response.

Sincerely,

LARRY PRESSLER,
U.S. Senator.

U.S. DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE, ROCKY
MOUNTAIN REGIONAL OFFICE,
Denver, CO.

Hon. LARRY PRESSLER,
U.S. Senate,
Washington, DC.

DEAR SENATOR PRESSLER: This responds to your December 18, 1986 inquiry and an amplifying telephone discussion with Kevin Schieffer on December 31 in regard to upgrading and expanding facilities at Mount Rushmore National Memorial. The General Management Plan, which was approved in 1980, outlines the development needs for the Memorial. Specific development proposals generated as a result of that plan identified a wide range of needs, including nearly all of the work mentioned in the material provided with your letter.

We are very receptive to your approach to raising development funds from the private sector, and would welcome state as well as private support. Under current budget constraints, development at Mount Rushmore would not be funded from the Service's construction program in the foreseeable future. Only two projects, renovation of the sculptor's studio and exhibits, and reconstruction of the main entrance road and parking, have proceeded to a point where they have formally been assigned a National Park Service priority. But even for these relatively high priority projects, it would be many years before funding would be available based on current program levels. The entrance road project, which was not mentioned in the material with your letter, is planned for accomplishment by the Federal Highway Administration with funding from the Federal Lands Highway Program. This project may be especially appropriate to state funding through the Public Lands Highway Program.

A list of the specific improvement which should be made to modernize and expand the facilities commensurate with present needs is enclosed, categorized by projects we believe are most amendable to private sector funding, and those more appropriately left to the Federal Government. The construction cost estimates provided are based only on similar facilities and may change significantly after more detailed planning is completed. These estimates include factors for construction supervision and unanticipated change orders after contract award based on overall service experience. Estimates for the detailed design of specific facilities, primarily to produce the contract documents, are not included with the construction estimates and would be an additional 5 to 7 percent. We would provide more specific cost estimates for the necessary architectural and design work as part of the planning work which would be done by the Service.

The enclosed capability statement addresses our capacity to define a specific planning and design process. To summarize that statement, if $500 thousand were to be provided in fiscal year 1988 as you propose, the Service would be able to complete comprehensive design for a substantial portion of the identified projects, including the planning necessary to provide a specific strategy of the work most appropriate for private sector support. The detailed planning scope could be tailored as fund raising efforts progress to assure that projects for which private funding commitments are made receive highest priority. This planning effort would provide the bridge between the general planning already accomplished by the General Management Plan, and the specific architectural and engineering work necessary to make specific improvements at the Memorial.

In further response to your inquiry, we would be happy to provide you with copies of cooperative agreements and other materials based on similar efforts at other Service areas, and we could meet with your staff if you are interested in further details on the scope of the projects or the planning effort.

We hope this information satisfactorily responds to your request. We appreciate your support of the National Park Service.

Sincerely,

LORRAINE MINTZMYER,
Regional Director,
Rocky Mountain Region.

DEPARTMENT OF THE INTERIOR,
January 2, 1987.

Agency/Bureau: National Park Service.

Fiscal year: 1988.

Appropriation: Construction.

Activity: Advanced Planning.

Proposed amendment: +$500 thousand for advanced planning to develop comprehensive design for upgrade and expansion of facilities at Mount Rushmore National Memorial.

Current Program: Programs and services are currently being limited to compensate for lack of adequate visitor facilities at Mount Rushmore National Memorial. Present facilities were planned and constructed to serve an annual visitation of 1 million. Expansion of facilities is needed to provide visitor services for the 2 million people visiting the Memorial annually.

Amount Budgeted in FY 1988: None.

Feasibility: Private groups have indicated an interest in lending financial support to upgrade facilities at Mount Rushmore in time for the Memorial's 50th anniversary and official dedication in 1991. The proposed amendment would fund the planning effort necessary to provide the bridge between the general planning already accomplished by the General Management Plan, and the architectural and engineering work necessary to make specific improvements at the Memorial.

Capability: All funds would be obligated in FY 1988 to complete comprehensive design (site planning) for a substantial portion of the identified projects, including the planning necessary to provide a blueprint of the work most appropriate for private sector support. For example, expansion of the amphitheater, renovation of the sculptor's studio, expansion of parking, structural analysis of the sculpture, improvement of sculpture lighting, rehabilitation of the concession building, and expansion and upgrading of interpretive exhibits would be addressed.

Outly Effect: FY 1988—$500,000.

Proposal Made By: Senator Pressler.

Mount Rushmore National Memorial
Summary of Development Needs

[In thousands of dollars]	*Cost* [1]
Projects amenable to private support:	
1. Renovate old studio and install exhibits	1,747.5
2. Reconstruct amphitheater and walks; add restrooms	2,186.4
3. Revise sculpture lighting	450.6
4. Rehabilitate concession building	655.0
5. Expand visitor center exhibits and plan and produce sculptor's studio exhibits	150.0
6. Construct parking area	3,217.4
7. Emergency protection of sculptor's models	91.0
Total	8,497.9
Projects less appropriate for private support:	
1. Bury powerlines	500.0
2. Relocate maintenance facilities	2,327.9
3. Reconstruct main entrance road and parking (planning, design, and construction to be funded by Federal Lands Highway Program)[2]	2,500.0
Total	5,327.9
Grand total	13,825.8

[1] Estimated.

[2] This project may be especially appropriate for state funding through the Public Lands Highway Program if consistent with South Dakota's priorities.

By Mr. PRESSLER:

S. 54. A bill to make foreign nationals ineligible for certain agricultural program loans, payments, or benefits, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL PROGRAMS SAVINGS

Mr. PRESSLER. Mr. President, today I am introducing legislation to close several loopholes in farm program payment limitations and prohibit the payment of farm program benefits to foreign landowners and operators.

With the increased cost of farm programs and news reports of multimillion dollar farm program payments being made to large corporate farms, there is increasing pressure to make changes in the farm bill. Last year a new $250,000 total farm program payment cap was implemented. This is a step toward limiting farm program payments but many of the loopholes which allow huge farms to circumvent the old $50,000 payment limitation were not addressed and still exist. I believe that these loopholes should be closed before we start to overhaul farm programs.

The bill I am introducing today includes three provisions to reduce the cost of farm programs and direct benefits to family farmers. The first section prohibits the payment of farm program benefits to foreign landowners or operators. Under current law, a farmland owner or operator is eligible for farm program benefits if they comply with other requirements. A December 10, 1986, Washington Post article illustrated a clear example of how millions of U.S. farm support payments are going abroad. The article stated that farm program subsidies of $2.2 million went to Farms of Texas, Inc., a $70 million partnership owned by Crown Prince Hans Adam of Liechtenstein. This is just one example of farm program payments being made to foreigners.

Statistics released by USDA determined that 8,760,300 acres of farmland was owned by foreign investors as of December 31, 1985. That amount has very likely increased during the last year. This represents a relatively small percentage of total U.S. farmland, but millions of taxpayers dollars are paid to foreign landowners annually in farm program benefits. Last year the Congressional Budget Office estimated that prohibiting payment of farm program benefits to foreigners would save $30 million annually.

The eligibility of foreigners for farm program benefits also encourages foreign investors to purchase farmland. The foreign investors are purchasing land that an American farmer would very likely buy. The foreign landowners are generally large corporations. This provision prohibits taxpayers dollars from going to these huge foreign corporations.

The second cost saving provision would change the percentage of ownership an individual must have in a farm corporation to be considered a person for purposes of the payment limitation. The amendment would make it much more difficult for corporations to circumvent the current $50,000 payment limitation by setting up dummy corporations. The Congressional Budget Office estimated last year that this provision would result in a $20 million savings annually.

On August 1 of last year, I offered this provision as an amendment, but withdrew it after receiving a commitment for hearings on the issue in the Senate Agriculture Committee. Unfortunately, no hearings were held. Hopefully, hearings can be held early this year on this legislation.

A recent Kipling Agriculture Letter included some interesting statistics on the growth in the reorganization of corporate farm structure to qualify for larger government payments. From 1984 to 1986 the number of corn farmers enrolled in commodity programs increased by approximately 160,000 or 12 percent, while the total acres eligible for benefits rose by only one-half percent. Wheat farmers enrolled in Government programs increased by 10 percent, while bare acres dropped 1.3 million acres. Most of the increase in the number of farms participating is due to corporate restructuring. This provision would make this much more difficult.

This provision is not really a change in policy, but an effort to close a loophole in the $50,000 payment limitation. Why should we impose a $50,000 payment limitation if we are not going to effectively implement the limitation?

Specifically, the second section of the bill would change the definition of a corporation. Currently, if an individual, including his spouse, minor children and trusts for children or legal entity, own more than 50 percent of the stock, they are not considered a separate person for the purposes of the $50,000 payment limitation. This allows a 50 percent stockholder in a corporation to receive a $50,000 payment as well as the corporation. This bill will reduce the percent of stock ownership under this provision to 20 percent. Therefore, any stockholder with more than 20 percent ownership would be considered the same as the corporation for the purposes of the payment limitations. This change will make it much more difficult for farm corporations to circumvent the $50,000 payment limitation.

For many years Congress has established a limitation on the amount of farm program benefits an individual farmer may receive. The intent of this provision was to prevent the owners of large farms from receiving hundreds of thousands and millions of dollars in farm program benefits. This both holds down farm program costs and directs benefits to family size farmers. Unfortunately, large corporate farms have found creative means of avoiding the payment limitation. These huge payments increase the cost of farm programs and give badly needed programs for family farmers a bad reputation.

The third section of the bill would require that all producers participating in crop support programs comply with the same set-aside requirements. Currently, large operators who hit the $50,000 payment limitation are allowed to produce nonprogram crops on a portion of the acreage which would otherwise be retired from production. This not only gives large producers an unfair advantage over the average size producer, but also encourages subsidized production of nonprogram crops. This allows these large producers to unfairly compete with producers who depend on nonprogram crops for their living. The subsidized production also depresses market prices. The Congressional Budget Office has estimated that this provision would save $30 million annually. This savings does not consider the benefits of increased market prices for various nonprogram crops.

Mr. President, we will be hearing a lot about the cost of farm programs and the need to reduce those costs. I hope that my colleagues will join me in supporting this bill which makes minor changes in farm programs but would result in savings of approximately $80 million annually. Last year I received a commitment for hearings on this legislation. Hopefully, the Agriculture Committee will hold those hearings early this year.

By Mr. PRESSLER:

S. 55. A bill to authorize the Lyman-Jones and West River rural water development projects; to the Committee on Energy and National Resources.

LYMAN-JONES AND WEST RIVER RURAL WATER PROJECT

● Mr. PRESSLER. Mr. President, today I am reintroducing legislation to authorize the development of the Lyman-Jones and West River rural water project in South Dakota. During the last session of Congress I introduced a similar bill, S. 1471. A companion bill was introduced in the House of Representatives. Hearings were held by the appropriate subcommittees in both the House and the Senate and further action was scheduled but time ran out. I an reintroducing this bill early in the 100th Congress so that the project can continue to move forward.

The Lyman-Jones and West River rural water project is the result of a grassroots effort to bring good quality water to western South Dakota. For over 25 years local residents in western South Dakota have been working to make this project a reality. Several years ago during a public listening meeting I held in Chamberlain, SD, Frank Woster, a director on the Lyman-Jones rural water project, talked to me about the poor quality of water in the area and the unsuccessful efforts of local residents to find the much needed rural water project through the Farmers Home Administation.

The Lyman-Jones and West River rural water project would be similar to the WEB pipeline project which is currently under construction in north-central South Dakota. The project would provide good quality Missouri River water for domestic and livestock use in 9 western South Dakota counties and 12 rural communities in the area. The possibility of providing water to two Indian reservations is also being explored. The tribes have expressed an interest in receiving water from the project. This addition would substantially increase the number of people served. The water quality in these communities is poor. The water contains dissolved solids in excess of the recommended EPA limit. In fact, most of the water supplies in the area would be considered brackish by EPA standards. The water in this area contains exceedingly high levels of sodium, sulfate, and iron which cause digestive problems in humans and livestock.

Such poor quality water creates public health problems. I recently met with a resident of western South Dakota who had been required to take medication for high blood pressure for years. His doctor suggested he start buying his water for drinking and cooking. He did this, and as a result has been able to stop taking medication for high blood pressure. Owners of restaurants and service stations in western South Dakota must caution visitors about the possible hazards of drinking the water. This is of particular concern since Interstate 90, the primary route for tourists traveling to the Black Hills, passes through this area. The large amount of dissolved solids in the water is not only bad for human health, but also substantially increases the cost of maintaining water systems and household appliances.

In this area, most of the water comes from deep wells. The wells are very costly to drill and have a short useful span. The average community must spend near one-quarter of a million dollars to drill a new well. The area ranchers also pay an average of between $10,000 and $30,000 to drill a well. Even with these high costs, the average lifespan of a well is only 4 to 12 years with average annual maintenance costs of 10 percent of the construction costs. Having to live with this poor quality water and expensive water systems has made the area residents very thirsty for good quality water from the nearby Missouri River.

The Lyman-Jones rural water system was originally organized in 1971. Initially, no signup fee was assessed; but later, when the signup fee was collected, approximately 85 percent of the area residents paid the signup fees. Six municipalities also signed up for the project. A similar signup occurred in the West River rural water system area in the 1980's. The need and desire for good quality water in the area has been clearly demonstrated.

When the Lyman-Jones rural water system was first organized, the cost of the project was estimated at $17 million. Inflation has since increased the cost. The estimated total cost of both projects is now approximately $50 million. The size of the projects make it impractical for the Farmers Home Administration to provide financing for the projects. With the limited funds available through the FmHA Rural Water Program, the FmHA has recommended that the two projects try to obtain funding similar to that received by the WEB project in South Dakota.

Water development in South Dakota has a long history. In the 1940's, South Dakota agreed to sacrifice over 500,000 acres of farmland for the construction of four Missouri River mainstem dams. These dams have provided hydroelectric power, flood control, and navigation for downstream States. In return for the sacrifices South Dakota made for the construction of the dams, the Federal Government made a commitment to South Dakota. That commitment was to provide water development in the State. Since coming to Congress over 10 years ago, I have continually fought for the development of South Dakota water projects. We have had some success in this effort during that time with the development of the WEB project and the rehabilitation of the Belle Fourche irrigation project, but the Federal commitment to South Dakota has not been fulfilled. The authorization of the Lyman-Jones and West River rural water project is an effort to obtain a partial fulfillment of the Federal commitment to South Dakota.●

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 56. A bill to establish the El Malpais National Monument, the Masau Trail, and the Grants National Conservation Area in the State of New Mexico, and for other purposes; to the Committee on Energy and Natural Resources.

MASAU TRAIL ACT

Mr. DOMENICI. Mr. President, today I am reintroducing the Masau Trail Act. This act, which will establish the Masau Trail, the El Malpais National Monument, and the Grants National Conservation Area, will provide protection to some of New Mexico's most unique natural resources and also will promote tourism in the Grants, New Mexico area, which has suffered greatly from the decline in the energy industries, especially the uranium industry.

The act is named after Masau, the great god-man who welcomed the Indian people to the Earth from the underworld as they came through the sipapu, or place of emergence. According to the history of the Pueblo Indians, mankind has existed since the beginning of time, but lived for a long, long time underground. Eventually, mankind emerged from the underworld and was welcomed by Masau. The Pueblo people then followed Masau's huge footprints, which were as large as a man's arm, across the Earth.

It is fitting that the act be named after Masau, as modern day travelers will be able to follow in the footprints of the Indian people who traveled across northwestern New Mexico in ancient times as they travel along the Masau Trail, which will be created by this legislation.

Masau has characteristics similar to the legislation that I am introducing. Masau means many things to many people. He is the god of life; the god of death; the god of travelers; the god of boundaries; the god of fertility; the god of war. Likewise, this legislation will mean many things to many people. It will accomplish several very important objectives for the State of New Mexico:

First, it will establish the Masau Trail, an automobile touring route linking a number of historic and cultural sites in northwestern New Mexico;

Second, it will provide a significant tourist attraction for the Grants area in the form of a new unit of the National Park Service to be called the El Malpais National Monument;

Third, it will provide Federal protection to over 379,000 acres of land; and

Fourth, it will place over 115,000 acres of Federal land in wilderness status.

Mr. President. I am compelled to point out that renowned travel expert Arthur Frommer has recently declared New Mexico to be one of the 10 best vacation spots in the world. It is an area of magnificent beauty and proud history. This bill will increase New Mexico's attraction to travelers from all over the world. Additionally, this bill will help the community of Grants, NM, which has lost 7,000 jobs in recent years due to the collapse of the uranium industry.

THE MASAU TRAIL

The Masau Trail will be an automobile touring route which will link a number of prehistoric and historic sites in northwestern New Mexico. These sites will include Aztec Ruins, Bandelier, Canyon de Chelly, Chaco Canyon, El Malpais, El Morro, and Salinas National Monuments, as well as other national, State, and local sites of interest. The trail is a multi-governmental, multi-agency concept. On the Federal level, the National Park Service, the Bureau of Land Management, and the National Forest Service will include lands under their control in the trail. The State of New Mexico and various local governments, as well as the Indian tribes in the area, will be invited to participate in the trail.

The purpose of this trail is to introduce visitors to the wealth of historic, cultural, and natural sites in northwestern New Mexico and to give them a comprehensive perspective on the history of the Indian peoples who populate the region. It will allow visitors to the region to appreciate the continuum if history and culture, from ancient times to modern day, which is represented in the region. The Masau Trail will emphasize the interrelationship of all of the sites along the trail.

The trail will be marked by signs with grain footprints, the footprints of Masau. One can see examples of Masau's footprints in the ancient petroglyphs which cover the volcanic escarpment on the west side of Albuquerque. I have been working on finding ways to provide protection to this area, which includes over 10,000 ancient Indian and Hispanic rock carvings in a 17-mile stretch, and hopefully in the coming year we will be able to incorporate the Albuquerque petroglyphs into the Masau Trail.

A multigovernmental, multiagency visitors center, bringing together all of the entities that are participating in the trail, will be constructed along Interstate 40 near Grants. This center will introduce travelers to the Masau Trail and give them an overview of the history and culture of this fascinating region. It also will provide tourists with information on the various components of the trail and directions on how to reach those sites.

EL MALPAIS NATIONAL MONUMENT

This legislation will also create a new unit of the National Park Service, the El Malpais National Monument, at the lava flows known as El Malpais south of Grants.

Last summer, I had the opportunity to tour El Malpais with William Mott, the Director of the National Park Service. Following that visit, Mr. Mott recommended to me that Congress designate approximately 126,000 acres of the El Malpais lava flows and surrounding lands as a National Monument under the supervision of the Park Service. The bill I introduce today will do that. The Monument will encompass the Bandera, Laguana, and McCarty's lava flows, the ice caves, Bandera Crater, the Sandstone Bluffs overlook, the Dominquez-Escalante Trail, the natural sandstone arch, the Narrows, La Vieja rock formation, McCarty's Crater, and a multitude of other resources. A visitors center will be constructed in the vicinity of Bandera Crater and the ice caves, where most of the visitor use is expected to be concentrated.

El Malpais is a large volcanic region located near Grants, NM, approximately 75 miles west of Albuquerque. El Malpais, which means bad country, is the historic Spanish name for the lava formation.

El Malpais consists of at least five different lava flows, the most recent of which is estimated to be only 600 to 1,300 years old, making it one of the most recent lava flows in the continental United States. The lava flows contain a number of unusual and unique physical features of lava eruptions, including pahoehoe, AA, blocky flows, grooved lava, squeeze, ups, collapsed depressions, pressure ridges, kipukas, spatter cones, lava tubes, ice caves, and large cinder cones. El Malpais contains the longest known lava tubes in North America. One tube has been measured to be sixteen miles in length.

The Bandera Crater area and associated lava flows and ice caves have been characterized by many geologists as outstanding geological features with superior interpretive and educational value. Bandera Crater is nearly a half mile wide, 1,000 feet deep, and is considered a classic example of its type of volcanic activity. Ice caves occur within the flow associated with the Bandera Crater area. Some ice caves have magnificent 30 to 50 foot ice crystals on the ceilings.

The eastern edge of the El Malpais area includes a high sandstone ridge and bluff area which encompasses a highly scenic landscape with tremendous contrast between the black lava flows and the pink sandstone bluffs. This bluff area contains the largest and most dramatic natural arch in New Mexico. Also found in this area is the Las Ventanas site, an established unit of the Chaco Culture Archeological Protection Site System, and La Vieja, the old woman, a rock formation that looks like the profile of a woman.

The Dominguez-Escalante Trail crosses the lava flow. This was the route pioneered by Father Silvestre Velez de Escalante and his Fransiscan superior, Fransisco Atanasio Dominguez, as they sought a route from Santa Fe to California in 1776 in order to unite the northern and western portions of Spain's American empire. This marked trail offers interpretive opportunities and an excellent cross-lava trail corridor.

The establishment of the El Malpais National Monument will provide visitors with a magnificent window on the unique geologic, natural, and cultural features of the El Malpais area. I am happy that the National Park Service, the premier agency in the world for presenting natural resources to the public, will be administering this area. They will bring their expertise to this project and will assure that visitors to this area get a first-class experience.

THE GRANTS NATIONAL CONSERVATION AREA

The legislation I introduce today also will designate approximately 253,000 acres of land surrounding the El Malpais National Monument as the Grants National Conservation Area.

This area will be administered by the Bureau of Land Management. The Bureau has protected this area, including the area to be designated as a National Monument, for a number of years. They have done an excellent job and this will allow them to continue to manage the majority of these lands.

The conservation area will encompass the string of volcanic craters known as Chain or Craters, portions of the various lava flows, the areas known as hole in the Wall and Little Hole in the Wall, and surrounding grazing lands.

This area lies within the zone known as the Acoma cultural province. It is approximately 25 miles from the famed Acoma Pueblo and its Sky City. The conservation area contains extremely high-value, high-density archelogical resource in thousands of separate archelogical sites. Many of these sites are associated with the prehistoric Chacoan system and the related, but more recent, Acoma cultural province. This region was an area of interface between the prehistoric Mogollon and Anasazi cultures.

The conservation area contains numerous sites and site communities, including pithouses, single room filed house, water control features, and abundance of rock art, Chacoan road segments, Chacoan outliers with attendant surrounding communities, great kivas, and large pueblo masonry structures.

The high density and diversity of cultural resources along the east side of the lava combined with the relative short distances created by the physical features that concentrated settlement between the lava flows to the west and the high rugged sandstone mesas to the east create a major research and visitor use opportunity. The bill provides direction to the Bureau of Land Management to develop special management plans for the protection and study of these archelogical resources. A similar directive is provided to the National Park Service for those archelogical resources within the El Malpais National Monument.

This legislation will designate approximately 115,000 acres of BLM wilderness within the conservation area. These areas, known as the Rimrock, Little Rimrock, Sand Canyon, Pinyon, and West Malpais Wilderness Study Areas, and the Hole in the Wall, contain some of the most stunning natural resources in New Mexico and deserve to be protected for the enjoyment of future generations.

Mr. President, I am extremely excited about this legislation. I believe that it will provide much needed protection to one of the most unusual and unique natural and cultural areas of the United States. It also will provide visitors to northwestern New Mexico with an incredibly comprehensive and rewarding education on the history of this region. Finally, it will give an area of the State of New Mexico which has suffered much from the collapse of the uranium industry a much-deserved shot in the arm in the form of increased tourism. The magnificent thing about this legislation is that it can do each of these things without excluding the others.

However, this proposal is by no means perfect. When hearings are held on this legislation, we must address the issue of water rights. Although very little water is present in this area, the withdrawal of lands for a National Monument and for the creation of wilderness units brings into question the status of water rights in the area. This has become a very contentious issue. I am aware that some Members of the Senate feel that any legislation creating a National Monument or wilderness units must include language addressing water rights. The bill that I am introducing today, however, does not address the issue of water rights.

Another area that will need close examination is grazing. A number of individuals have historically conducted grazing in the areas covered by this bill. The Park Service boundaries have been drawn so as to exclude grazing areas to the maximum extent possible without diminishing the resource to be protected, as grazing within the National Monument will be phased out within 10 years. However, we must closely examine the boundaries to make sure that we haven't overlooked anything in this area.

Additionally, this legislation does not address the future of subsurface mineral rights which underlie lands to be designated as wilderness. The creation of wilderness effectively denies the owner of the subsurface estate the possibility of ever developing the mineral potential of the land or even of discovering what minerals are present there. I believe that Congress must treat the owners of the subsurface estate fairly and provide an efficient process for exchanging mineral rights which underlie wilderness lands for other Federal mineral rights.

This legislation was originally introduced in the last Congress but was not enacted because there was no opportunity to hold hearings. In light of the tremendous support which this legislation has received, I hope that hearings on this measure may be held in the near future and that this legislation will be enacted into law quickly.

Mr. BINGAMAN. Mr. President, I am pleased to join the distinguished senior Senator from New Mexico in introducing the El Malpais/Masau Trail bill.

This bill is identical to legislation being introduced in the House of Representative by Congressman RICHARDSON and to legislation introduced last session. The bill is the result of a great deal of effort by all interested parties to reach an acceptable compromise.

The proposal establishes a 126,000-acre El Malpals National Monument to be administered by the National Park Service. It includes an El Malpais Visitors Center. It calls for the designation of the Masau Trail, an auto touring route to link prehistoric and historic cultural sites in western New Mexico. It authorizes a Masau Trail Visitors Center in Grants, NM.

The bill creates a 254,000 acre National Conservation Area to be administered by the Bureau of Land Management. Grazing, hunting, trapping, and noncommercial wood gathering would be permitted in the BLM area. The bill also creates 115,000 acres of BLM wilderness, including Rimrock, Little Rimrock, Sand Canyon, Pinon, and West Malpais wilderness study areas, and an area known as the Hole In The Wall. The bill calls for the study of roadless areas of the National Monument and the restudy of the Chain of Craters Wilderness Study Area for possible designation as wilderness. The legislation also protects Native American uses and directs the BLM and the Park Service to develop management plans for the protection of areas with valued archeological resources.

This bill is a delicate balance which will foster important economic development and increased tourism in the Grants area and provides important environmental protection of this region of the country.

The Malpais is a unique area of the State of New Mexico and the Nation and it is deserving of Park Service and wilderness protection. The name Malpais is the historic Spanish name meaning bad country. It is the name of the lava formation located in western New Mexico also known as the Grants Lava Flow. It actually consists of three flows which have been described by the Park Service as a beautiful, fresh, black lava flow, as fresh and unweathered as the historic flows of the Hawaiian Islands, Vesuvius, and other areas. It also contains a variety of beautiful volcanic features, including some of the largest and most extensive lava tubes reported in the United States; many cinder cones of classic symmetry; and some astonishingly magnificent ice caves, full of ice stalagmites crystalline ceilings, and other unique formations. It also contains lava tube sinkholes and uniquely angled formations not found anywhere else on the North American Continent.

The surrounding wilderness areas are also deserving of protection as they shield beautiful natural areas of tall pines and pinons, as well as sandstone bluffs and extinct volcanoes.

There is tremendous local and public support for protecting these scenic areas. The package that has been developed takes the best features of the proposals by the Park Service and the BLM and combines them into a well organized management plan for the area.

I regret we were not able to complete action on this important legislation last session. However, I strongly support the measure and I encourage its immediate passage.

Thank you, Mr. President.

By Mr. BOREN:

S. 57. A bill to provide interest rate on agricultural loans; to provide for the repayment of certain Federal financing bank loans; and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL INTEREST RATE RELIEF ACT

Mr. BOREN. Mr. President, I am introducing today the Agricultural Interest Rate Relief Act of 1987. This legislation is a revised version of a bill Senator BOSCHWITZ and I introduced in 1985 and attempted to include in the Farm Credit Act Amendments of 1985. We reintroduced the bill last spring and offered this legislation as part of an amendment last fall. I have attempted to make this legislation more palatable to all concerned parties.

In addition to making the interest rate buy-down provisions of the bill more palatable, I have also incorporated provisions of a bill introduced by Senator NICKLES and myself last year which requires the Farm Credit System to restructure loans when it is cheaper to restructure than to foreclose.

There is no question that the farmers and ranchers of this country are facing difficult times. Net cash-flow declined by 21 percent in 1985, continuing the downward trend begun in 1979. Net cash-flow has declined by 38 percent from the 1979 peak. During 1985, farm income fell by approximately 7 percent. After adjusting for inflation, net farm income in 1985 was $11 billion. Ten years ago, net farm income was over $20 billion. Estimates for 1986 indicate that net farm income again decline in inflation-adjusted net farm income to about 33 percent. On average, Oklahoma farmers did not generate enough income from the farm in the past 2 years to cover operating expenses.

Nominal land values fell an unprecedented 13 percent in 1984 and approximately 8 percent in 1985, the fourth consecutive year of declining land values. From 1981 to 1986, farm real estate values, in real terms, will have dropped by approximately 34 percent. In some counties, land values have fallen more than 50 percent in the past 3 or 4 years. By the end of 1986, it is estimated that cumulative farm sector equity losses since 1981 could exceed $250 billion—more than a fourth of peak values.

Low income, combined with falling land values, have placed many farmers in a difficult financial position. Twenty percent of all farms are experiencing financial stress and an additional 10 percent are considered potentially at risk because of high debt loads. One hundred and twenty-three thousand farms are highly leveraged and technically insolvent and 51,000 operators had debt-to-asset ratios over 100 percent. Approximately 62 percent of all farm debt, amounting to $123 billion, is held by borrowers with debt-to-asset ratios over 40 percent.

The farm situation has deteriorated to the point that the survival of many banks in the Nation is being questioned. Agricultural banks accounted for more than one-half of the 118 commercial banks that failed in 1985. The percentage of bank failures that are agricultural increased dramatically from 15.9 percent in 1983 to 59.5 percent in the first 10 months of 1985. The number of potentially vulnerable commercial agricultural banks rose from 96 to 302 during the past 3 years. In June of 1983, there were 106 problem agricultural banks; by October 1985, there were 413.

Mr. President, the condition of the agricultural economy does not merely affect farmers and their lenders. Agriculture is the largest sector of the American economy. Agriculture accounts for 20 percent of the Nation's gross national product, with $610 billion of business activity yearly. Each additional $1 billion of farm demand creates 35,000 jobs and adds a total of $2 billion to the Nation's gross national product.

In 1981, there were 1.1 million full-time jobs in the United States related to agricultural exports alone. There are 151,680 jobs in the printing and publishing industry that are dependent upon agriculture. Also, 543,480 jobs in the transportation and warehousing industry are dependent upon agriculture. The meat and poultry industry, alone, employs 347,000 people. Farmers annually spend $10 billion for tractors and other equipment; $7 billion for fuel and oil; and $9 billion for fertilizer and lime. There are 93,176 jobs in iron and steel manufacturing that are dependent upon agriculture. Thirty-seven percent of all jobs in the glass and glass products industry are dependent upon agriculture and 69 percent of all jobs in the metal containers industry are dependent upon agriculture.

As should be obvious, everyone in this country has a stake in agriculture and retaining its viability. The legislation I am introducing today is not going to save every American farmer. It is not a complete solution, by any means. Yet, it does take a step in the right direction.

My legislation establishes an interest rate buy-down program that will help many American farmers by reducing their interest cost. Interest payments, alone, make up approximately 20 percent of farmers' total production cost. The Agricultural Loan Interest Subsidy Program [AGLIS] will reduce the interst rate on agricultural loans by 4 to 6 percent. Three percentage points will be paid by the Federal Government; an optional 1 to 2 percentage points may be paid by the States and 1 percentage point by the lender. The lender can write off 15 percent of the principal of the loan in lieu of paying 1 percent of the interest.

In addition to establishing an interest rate buy-down program, the Agricultural Interest Rate Relief Act requires the Farm Credit System and the Farmers Home Administration to restructure loans instead of foreclosing on them in instances where it is actually cheaper to restructure than to foreclose. I want to point out that this will not mean that everyone who has a Farm Credit System [FCS] or FmHA loan will be able to avoid foreclosure. Restructuring is required only when it is actually cheaper for the FCS or the FmHA. In this way, losses for the FCS and the FmHA will be minimized. For the FCS, this should result in lower interest cost for all borrowers of the System.

My legislation also encourages the Farm Credit System to allow borrowers who will be foreclosed on to retain possession and occupancy of the principal residence of the borrower.

At the present time, there are no regulations for the disposition of property acquired by the Farm Credit System. The FCS, in essence, can do about anything with the land. As it stands, a previous owner could be prohibited from purchasing his homestead. The legislation I am introducing today will change this policy and will require the Farm Credit System to give special consideration to previous owners in the selling or leasing of land acquired by the System.

Another problem we have encountered in the past couple of years is the Farm Credit System's refusal to provide borrowers copies of the appraisals of the assets of the borrowers. In one case, a farmer was told that the System had cut the value of his assets in half but would not provide him with a copy of the appraisals. It is certainly hard to argue that the appraisals were too low or inaccurate if one does not have a copy of the appraisal. This legislation requires the Farm Credit System to provide copies of the appraisals to the borrowers.

The Agricultural Interest Rate Relief Act also prevents the Farm Credit System from requiring additional collateral or foreclosing on a borrower for failure to provide additional collateral if the borrower is current in the payment of interest or principal. Right now, the Farm Credit System can foreclose on borrowers who are completely current on their payments. Due to the drop in land values, many farmers simply do not have any additional collateral to give the FCS.

This legislation will also prohibit the Farm Credit System from increasing the interest rate on a loan that has been classified. An anomaly of current FCS policy is to increase the interest rate for a borrower the more he has difficulty meeting his payments.

Mr. President, we must change the current policies of the Farm Credit System. The current policies are driving down land values and jeopardizing the economic position of every farmer and rancher in this country. In turn, as more and more farmers are going out of business, more banks are going down. The entire economy is beginning to feel the affects of the problems confronting our Nation's farmers and ranchers.

This legislation also clarifies a provision enacted as part of the Farm Credit Act Amendments of 1985. In 1985, Senators Domenici, Bingaman, Nickles, Baucus, McClure and myself offered an amendment which would prohibit district banks from charging associations whose stockholders voted against merging with other associations a higher rate of interest or assessment than that charged other like associations. We thought at that time that it was perfectly clear that so-called disapproving associations would not be charged a higher rate, yet, the Farm Credit Administration now proposes to implement a regulation which would allow farm credit banks to charge different rates of interest, prices for services and financial assistance to disapproving associations as long as they could back it up with financial considerations. This regulation would be totally contrary to the intent the sponsors of the amendment had. In this bill, Mr. President, the statute is clarified so that there can be no question what we intended. With the adoption of this provision, there will be no circumstance under which the district banks can charge a higher rate to disapproving associations.

Mr. President, this bill is not a major rewrite of the 1985 farm bill. The credit provisions, which may seem broad, will not change to any great degree, the claimed policies of the Farm Credit System. When we first introduced the bill last spring, I talked with Frank Naylor, the chairman of the Farm Credit Administration Board, about the various provisions. As many of you know, Mr. Naylor was formerly with the Department of Agriculture. He told me that the modifications relating to the Farmers Home Administration were already the policy of the Farmers Home Administration. Further, he stated that he supported the provisions concerning the Farm Credit System, but, like any administrator, he wanted to have the authority to implement the policies without statutory language. Officials from the Farm Credit System tell me they are doing everything now that my amendment will require. No one, consequently, should have any objections to this legislation, unless the reality is that the Farm Credit System is not actually doing what officials claim they are doing.

Last fall, we enacted a disaster assistance program to deal with the drought and excessive moisture affecting various parts of the country. At that time, it was the intention of the principal sponsor of that legislation to include disaster payments for wheat producers who were prevented from planting their crop due to excessive moisture. However, the enacted language precludes winter wheat producers from eligibility due to the phrase "1986 crops of wheat, feed grains, upland cotton, and rice." The 1986 crop of wheat was the crop harvested prior to any of the flooding in the fall of last year. The floods that occurred in Oklahoma last fall prevented many wheat producers from planting the 1987 wheat crop in time to ensure a crop. The technical language of the disaster provisions adopted last fall does not provide payments to producers of the 1987 wheat crop. Consequently, even though it was everyone's intention to cover all crops affected by drought and excessive moisture in 1986, the language does not cover the 1987 wheat crop.

To correct this technical error, I have included a provision which requires that the Secretary of Agriculture make disaster payments to producers who were prevented from planting the 1987 wheat crop in time to ensure normal crop production.

In addition, Mr. President, I have included a provision to correct a problem that has arisen with respect to cotton disaster payments. The disaster provisions we enacted last fall require the Secretary to make payments to cotton producers; however, a producer is only considered to have suffered a loss if his yield is below 50 percent of his normal yield. This works for most other commodities, but it does not work for cotton producers whose crops receive excessive moisture immediately prior to harvest. Unlike wheat, cotton is sold based on quality as well as quantity. Consequently, a producer who gets a perfect cotton grade will receive, on the world market today, about 38 cents per pound. If the quality has deteriorated due to excessive moisture, the producer could receive as little as 8 cents per pound. As is obvious, the actual yield may not have declined, but the quality and subsequent price received declines dramatically when exposed to excessive moisture.

The legislation I am introducing will require the Secretary of Agriculture to take into consideration the quality of the cotton produced in addition to reduced yields. In this way, if a crop has received a reduction in quality of 50 percent, the Secretary would be required to make disaster payments in the same manner as he would if the yield had declined.

Mr. President, this legislation will not cost anything to the American taxpayer. In fact, it will save money. We achieve substantial savings from the inclusion of a provision which will allow rural electric co-ops and systems to pay off their loans with the REA without any prepayment penalties. This provision pays for the credit program and the modifications in the disaster program.

We should reward those rural co-ops and systems that have chosen to seek private financing for their programs. Congress recently passed similar legislation and directed the Secretary of the Treasury to write the necessary regulations. Unfortunately, the Secretary followed the letter of the law but most certainly not the spirit of our intent.

The guidelines as written by Treasury are unduly restrictive, arbitrary, and written such that few, if any, rural electric co-ops and systems will be able to prepay their Federal Financing Bank debt. As an example of the unreasonable nature of these guidelines, we need to look only at Treasury's requirement that a rural electric co-op or system must be able to reduce their consumer rates by 25 percent if they choose to refinance. Therefore, my constituent, Western Farmers Electric Co-op, would have to save over $45 million to qualify to refinance. Mr. President, Western Farmers does not have $45 million to save. Without this restriction, they could, however, refinance part of their debt and save over $8.5 million, all of which will be passed on to their customers.

Recognizing part of the problems with the Treasury regulations, Senator Stevens and I offered an amendment to the budget reconciliation bill last fall which would take care of part of the problem. However, only four or five co-ops will be able to take advantage of refinancing, even with the adoption of our amendment.

This legislation will allow all those co-ops and systems facing substantial interest payments to refinance at the much lower current rates without having to deal with the unreasonable Treasury guidelines.

Mr. President, this legislation will help farmers and American taxpayers. I ask unanimous consent that the text of the bill be printed in the Record.

I urge my colleagues to join me in support of this legislation.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 57

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Interest Rate Relief Act of 1987".

TITLE I—AGRICULTURAL LOAN INTEREST SUBSIDY PROGRAM

SEC. 101. DEFINITIONS.

As used in this title:

(1) Borrower.—The term "borrower" means a person who meets the eligibility criteria prescribed in section 103.

(2) Lender.—The term "lender" means a commercial bank, savings and loan association, credit union, insurance company, or institution, including a subsidiary or affiliate thereof, that—

(A) has agreed to participate in the interest subsidy program; and

(B) has been approved for participation in the interest subsidy program by the appropriate State agency.

SEC. 102. ESTABLISHMENT OF PROGRAM.

(a) In General.—The Secretary shall establish a Federal-State-Lender cooperative agricultural loan interest subsidy program under which, at the request of a State, borrowers and lenders within the State may participate in the interest subsidy program in accordance with this title.

(b) Consultation.—The Secretary shall establish the interest subsidy program in consultation and cooperation with the Secretary of the Treasury, the Comptroller of the Currency, the Chairman of the Federal Reserve Board, the Chairman of the Farm Credit Administration, the Chairman of the Federal Deposit Insurance Corporation, and each State agency.

SEC. 103. ELIGIBILITY FOR ASSISTANCE.

To be eligible to receive assistance under this title, a person must—

(1) be an individual, family corporation, or family partnership;

(2) be a borrower of a loan made by a lender for agricultural purposes that is outstanding on the date of enactment of this Act;

(3) during the period beginning on the date of the approval of a State plan under section 106 and ending September 30, 1988—

(A) be delinquent in the payment of principal or interest, or both, on the loan; or

(B) demonstrate to the lender that, due to circumstances beyond the control of the borrower (including depressed land values, high interest rates, and low prices for agricultural commodities), the borrower will be temporarily unable, without assistance provided under this Act, to continue making payments of the principal and interest when due without unduly impairing the standard of living of the borrower;

(4) have derived at least 50 percent of the gross annual income of the borrower from the production of raw agricultural products, including livestock, poultry, or the products of aquaculture, during at least 3 of the 5 preceding taxable years;

(5) have had gross annual sales of agricultural commodities of at least $30,000 during at least 3 of the 5 preceding taxable years;

(6) have a debt to asset ratio of at least 40 percent;

(7) have an ability to repay the loan, based on past performance as a capable producer and assistance to be provided under this Act; and

(8) not produce an agricultural commodity on highly erodible land or converted wetland in violation of section 1211 or 1221 of the Food Security Act of 1985 (16 U.S.C. 3811 or 3821).

SEC. 104. INTEREST SUBSIDIES.

(a) Applications.—During the period beginning on the date of the approval of a State plan by the Secretary under section 106 and ending September 30, 1987, a borrower may apply to a lender for an interest subsidy for any agricultural loan made by the lender to the borrower that is outstanding on the date of enactment of this Act.

(b) Interest Subsidies.—If a borrower of a loan applies to a lender for an interest subsidy in accordance with subsection (a), the lender determines that the borrower meets the eligibility criteria prescribed in section 103, and the lender agrees to participate in the interest subsidy program, subject to this section, not later than 90 days after receipt of the application, the loan shall be restructured in such a manner that the interest rate payable by the borrower shall be fixed for a period of 3 years or the remaining term of the loan, whichever is less, at a rate equal to the interest rate of the loan on the date of enactment of this Act less up to 5 percentage points.

(c) Payment of Subsidies.—If an interest subsidy is provided for a loan made by a lender to a borrower in a State—

(1) the Secretary shall pay 3 percentage points of the subsidy by making payments through the State agency to the lender;

(2) if the State elects to make such payments, the State may pay not less than 1 percentage point and not more than 2 percentage points of the subsidy by making payments to the lender; and

(3) the lender shall—

(A) pay 1 percentage point of the subsidy; or

(B) cancel at least 15 percent of the principal due on the loan.

(d) Term of Loan.—The term of any loan for which an interest subsidy is provided under this section shall not be less than the term of the loan outstanding before the subsidy is provided.

(e) Schedule of Payments.—The schedule of payments on a restructured loan shall be established in accordance with the ability of the borrower to repay the loan.

(f) Accrued Interest.—Interest accrued on a restructured loan prior to restructuring shall not be capitalized but shall be paid by the borrower to the lender prior to any retirement of principal under the loan as restructured in accordance with this title.

(g) Repayment.—Any balance of principal and interest outstanding on any restructured loan shall be repaid at a rate that is agreed on by the lender and borrower, except that the rate of interest on the loan may not exceed the standard rate charged by the lender on loans with comparable maturities for similar purposes at the time the loan is restructured.

(h) Maximum Amount of Assistance.—The aggregate outstanding amount of loan principal for which an interest subsidy may be provided under this title may not exceed—

(1) in the case of a loan made to an individual, $400,000; and

(2) in the case of a loan made to a family corporation or family partnership, $600,000.

SEC. 105. PAYMENTS TO STATES.

(a) In General.—From sums available pursuant to section 403 and subject to subsection (b) and section 106, the Secretary shall pay to each State for each of the fiscal years ending September 30, 1987, through September 30, 1990, an amount equal to the sum of—

(1) the amount necessary to finance the share of interest subsidies provided to borrowers residing in the State that is required to be paid by the Secretary under section 104(c)(1); and

(2) 100 percent of the administrative expenses that are incurred by the State agency in carrying out this title and are approved by the Secretary.

(b) Maximum Amount of Payments.—The aggregate amount of payments paid by the Secretary to States under subsection (a) for a fiscal year may not exceed $600,000,000.

SEC. 106. STATE PLANS.

(a) In General.—To be eligible to participate in the interest subsidy program during a fiscal year, a State must—

(1) submit a plan to the Secretary for the fiscal year; and

(2) receive the approval of the Secretary for the plan.

(b) Plan Requirements.—To receive the approval of the Secretary for a plan, a State must submit a plan that—

(1) designates a single agency that shall be responsible for the administration, or the supervision of the administration, of the interest subsidy program in the State;

(2) assesses the interest subsidy needs of borrowers residing in the State;

(3) describes the interest subsidy program established in the State (including any agencies designated to provide a subsidy under such program), which program must meet such requirements as the Secretary may prescribe;

(4) estimates the amount of funds necessary to provide interest subsidies under the program and related administrative expenses, except that such amount may not exceed the amount allocated by the Secretary for payment to the State out of the total amount available for payment under section 105;

(5) requires any lender participating in the interest subsidy program to provide to any borrower who is delinquent in the payment of principal or interest, or both, due on a loan during the period referred to in section 104(a) prompt written notice that describes the assistance available under this title and any deadlines for application for the assistance; and

(6) includes such other information as the Secretary may require.

(c) Approval of Plans.—(1) The Secretary shall approve or disapprove a plan submitted by a State under subsection (b) not later than 45 days after the State submits the plan.

(2) The Secretary shall approve any plan that complies with subsection (b).

(d) Audits.—(1) Each State agency shall—

(A) provide for an annual audit of expenditures made by the State agency in carrying out the interest subsidy program, not later than 60 days after the end of each year in which the program is conducted; and

(B) promptly report to the Secretary the findings of such audit.

(2) Not later than 60 days after the end of each year in which a State agency participates in the interest subsidy program, a State agency shall provide the Secretary with a statement that provides—

(A) a description of whether (and, if so, by how much) the payments received under section 105 for such year exceeded the expenditures by the State agency during such year; and

(B) such other information as the Secretary may require.

(e) Denial or Withholding of Payments.—(1) If the Secretary finds that a State has failed to comply with subsection (b) or (d) during a fiscal year, except as provided in paragraph (2), the Secretary shall—

(A) notify the appropriate State agency that payments will not be made to the State agency under section 105 for the year until the Secretary is satisfied that the State is complying with such subsection; and

(B) make no payments under section 105 until the Secretary is satisfied that the State is complying with such subsection.

(2) If the Secretary finds that a State has failed to comply with subsection (b) or (d) during a fiscal year, the Secretary may—

(A) suspend the denial of payments under paragraph (1) for such period as the Secretary determines is appropriate; and

(B) withhold payments of approved State administrative expenses incurred in providing assistance under the plan, in whole or in part, for the year,

until the Secretary is satisfied that the State is complying with such subsection, at which time such withheld payments shall be paid.

(3) If the Secretary finds that a State has substantially failed to comply with subsection (b) or (d), the Secretary may, in addition to or in lieu of any action taken under paragraph (1) or (2), refer the matter to the Attorney General with a request that the Attorney General seek injunctive relief to require compliance by the State. If the Attorney General brings a suit in an appropriate district court of the United States and makes a showing of substantial noncompliance, appropriate injunctive relief shall issue.

SEC. 107. REVIEW BY SECRETARY AND STATE AGENCIES.

(a) Review and Technical Assistance by Secretary.—The Secretary—

(1) shall provide for review, and may provide for an audit, of the manner in which the interest subsidy program is carried out in a State; and

(2) may provide to States technical assistance in carrying out the program.

(b) Review by State Agencies.—A State agency may monitor the compliance of a lender with this title. Any lender that violates this title shall be ineligible to receive further payments under this title.

SEC. 108. NOTICE AND DETERMINATIONS OF ASSISTANCE.

A lender in a State participating in the interest subsidy program may not take any action as the result of a borrower defaulting on an outstanding loan made by such lender to a borrower unless the lender has—

(1) provided the borrower with the notice required under section 106(b)(5); and

(2) in the case of a borrower who has applied for assistance under this title, determined that the borrower does not meet the eligibility criteria prescribed in section 103.

SEC. 109. ASSISTANCE OF FEDERAL AND STATE AGENCIES.

(a) In General.—To make assistance under this title available expeditiously and in a consistent and uninterrupted manner, the Secretary shall—

(1) use such funds, personnel, and facilities of the Department of Agriculture (including the Commodity Credit Corporation) as the Secretary considers necessary to carry out this title; and

(2) request other Federal or State agency to provide such funds, personnel, and facilities as the Secretary considers necessary to carry out this title.

(b) Reimbursement.—Any agency that provides advanced funds, personnel, or facilities under subsection (a) shall be fully reimbursed for such assistance as soon as is practicable from subsequent appropriations.

SEC. 110. PROGRAM INELIGIBILITY FOR PRODUCTION ON HIGHLY ERODIBLE LAND OR CONVERTED WETLAND.

(a) Highly Erodible Land Conservation.—Section 1211 of the Food Security Act of 1985 (16 U.S.C. 3811) is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(3) an interest subsidy during such crop year under the interest subsidy program established under section 102 of the Agricultural Interest Rate Relief Act of 1987.".

(b) WETLAND CONSERVATION.—Section 1221 of the Food Security Act of 1985 (16 U.S.C. 3821) is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(3) an interest subsidy during such crop year under the interest subsidy program established under section 102 of the Agricultural Interest Rate Relief Act of 1987.".

TITLE II—FARM CREDIT SYSTEM INSTITUTION BORROWERS

Subtitle A—Farm Credit System Loan Restructuring Program

SEC. 201. DEFINITIONS.

As used in this subtitle:

(1) BORROWER.—The term "borrower" means a borrower of a loan made by an institution.

(2) CAPITAL CORPORATION.—The term "Capital Corporation" means the Farm Credit System Capital Corporation established under section 4.28A of the Farm Credit Act of 1971 (12 U.S.C. 2216).

(3) CHAIRMAN.—The term "Chairman" means the Chairman of the Farm Credit Administration Board designated under section 5.8(a) of the Farm Credit Act of 1971 (12 U.S.C. 2242(a)).

(4) COMMITTEE.—The term "committee" means a credit review committee selected from and by—

(A) the local board of directors of the institution from which a loan originated; or

(B) in the case of consolidated or merged institutions, members of a local advisory board elected by the stockholders served by the merged or consolidated institutions from which a loan originated.

(5) COST OF FORECLOSURE.—The term "cost of foreclosure" includes—

(A) the difference between the outstanding amount of principal due on a loan made by an institution and the value of collateral used to secure the loan, taking into consideration the lien position of the institution;

(B) the estimated cost of maintaining a loan as a nonperforming asset;

(C) the estimated cost of administrative and legal actions necessary to foreclose a loan and dispose of property acquired as the result of the foreclosure;

(D) the estimated, adverse impact of the sale of property acquired as the result of a loan foreclosure on the value of property held by other borrowers of institutions;

(E) the estimated cost of changes in the value of collateral used to secure a loan during the period beginning on the date of the initiation of action to foreclose or liquidate the loan and ending on the date of the disposition of the collateral; and

(F) all other costs incurred as the result of the foreclosure or liquidation of a loan.

(6) LOAN.—The term "loan" means a loan made by an institution under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.).

SEC. 202. ELIGIBILITY FOR ASSISTANCE.

To be eligible to receive assistance under this subtitle, a person must—

(1) be an individual, family corporation, or family partnership;

(2) be a borrower of a loan made by, and a stockholder of, an institution who is delinquent in the payment of principal or interest, or both, on the loan on the date of enactment of this Act or during the 3-year period beginning on such date;

(3) demonstrate to the institution that, due to circumstances beyond the control of the borrower (including depressed land values, high interest rates, and low prices for agricultural commodities), the borrower is temporarily unable to continue making payments of the principal and interest when due without unduly impairing the standard of living of the borrower;

(4) have derived at least 50 percent of the gross annual income of the borrower from the production of raw agricultural products, including livestock, poultry, or the products of aquaculture, during at least 3 of the 5 preceding taxable years;

(5) have had gross annual sales of agricultural commodities of at least $30,000 during at least 3 of the 5 preceding taxable years; and

(6) have an ability to repay the loan, based on past performance as a capable producer and assistance provided under this Act.

SEC. 203. LOAN DETERMINATIONS.

Before instituting a proceeding to foreclose a loan made to a borrower, an institution must determine—

(1) the cost of foreclosure; and

(2) the cost of restructuring the loan in accordance with this subtitle.

SEC. 204. LOAN FORECLOSURE AND RESTRUCTURING.

If an institution determines that the cost of foreclosure of a loan made to a borrower is equal to or exceeds the cost of restructuring the loan in accordance with this subtitle, in lieu of foreclosure, the institution shall reduce the principal or interest, or both, due on the loan, or otherwise restructure the loan, in a manner that would enable the borrower to make payments of principal and interest due on the loan without unduly impairing the standard of living of the borrower.

SEC. 205. ADDITIONAL COLLATERAL.

An institution may not—

(1) require any borrower to provide additional collateral to secure a loan if the borrower is current in the payment of principal or interest on the loan; or

(2) bring any action to foreclose on, or otherwise liquidate, any loan as the result of the failure of a borrower to provide additional collateral to secure a loan if the borrower was current in the payment of principal or interest on the loan at the time the additional collateral was required.

SEC. 206. APPEALS.

(a) DETERMINATION OF INELIGIBILITY.—(1) If an institution determines that a person does not meet the eligibility criteria prescribed in section 202, not later than 15 days after such determination, the institution shall provide the person with a written notice of—

(A) the determination and the reasons for the determination; and

(B) the right of the person to appeal the determination before a committee.

(2) If a person makes a written request to a committee not later than 30 days after receipt of a notice to contest a determination referred to in paragraph (1), the person shall have the right to appear before the committee to contest the determination.

(b) DETERMINATION TO NOT RESTRUCTURE.—(1) If an institution determines that the cost of restructuring a loan in accordance with this subtitle exceeds the cost of foreclosure of the loan, not later than 15 days after such determination, the institution shall provide the borrower of the loan with a written notice of—

(A) the determination and the reasons for the determination;

(B) the computations used by the institution to make the determination, including the estimate of the collateral value of the land used to secure the loan; and

(C) the right of the borrower to appeal the determination before a committee.

(2) If a borrower of a loan made by an institution makes a written request to a committee not later than 30 days after receipt of a notice to contest a determination referred to in paragraph (1), the borrower shall have the right to—

(A) request the committee to arrange an independent appraisal of the cost of foreclosure of the loan and the cost of restructuring the loan in accordance with this subtitle; and

(B) appear before the committee to contest the determination.

(3) If a borrower requests a committee to arrange an independent appraisal made under paragraph (2)(A), the committee shall—

(A) arrange the independent appraisal, in accordance with regulations issued by the Farm Credit Administration; and

(B) consider such appraisal when reviewing the determination of the committee.

(4) If an independent appraisal is conducted under this subsection of the cost of foreclosure of a loan made by an institution to a borrower and the cost of restructuring the loan in accordance with this subtitle, the cost of the appraisal shall be borne by—

(A) the institution if the appraised cost of restructuring the loan in accordance with this subtitle is equal to or less than the appraised cost of the foreclosure of the loan; or

(B) the borrower if the appraised cost of restructuring the loan in accordance with this subtitle is greater than the appraised cost of the foreclosure of the loan.

(c) DETERMINATION TO RESTRUCTURE.—(1) If an institution determines that a borrower of a loan meets the eligibility criteria prescribed in section 202 and that the cost of restructuring the loan in accordance with this subtitle is less than or equal to the cost of foreclosure of the loan, not later than 15 days after such determination, the institution shall provide the borrower with a written notice of—

(A) the determination and the reasons for the determination;

(B) the amount of the reduction in principal or interest, or both, or method of restructuring, the institution determines is adequate to enable the borrower to make payments in accordance with section 204; and

(C) the right of the borrower to contest the amount of the reduction, or method of restructuring, before a committee.

(2) If a borrower makes a written request to a committee not later than 30 days after receipt of a notice to contest the amount of the reduction, or method of restructuring, referred to in paragraph (1), the borrower shall have the right to appear before the committee to contest the amount of the reduction or method of restructuring.

(d) VOLUNTARY AGREEMENTS.—A borrower of a loan made by an institution shall have the right to appear before a committee to contest a determination, amount, or action under this subtitle if—

(1) the institution and the borrower enter into an agreement under which the institution agrees to restructure the loan in ac-

cordance with this subtitle and the borrower agrees not to contest the determination, amount, or action, as the case may be;

(2) the institution does not restructure the loan in accordance with this subtitle; and

(3) the borrower makes a written request to the committee to contest the determination, amount, or action, as the case may be, not later than 30 days after the date by which the institution agreed to restructure the loan in accordance with this subtitle.

(e) Notice of Decisions.—Not later than 15 days after any review conducted by a committee, the committee shall provide the aggrieved person or borrower with written notice of the decision of the committee and the reasons for the decision.

SEC. 207. REIMBURSEMENT FOR PRINCIPAL REDUCTION.

The Capital Corporation shall reimburse an institution for the amount of principal due on loans that is reduced by the institution under section 204 if the Chairman determines that such action is necessary to avoid the liquidation or insolvency of the institution.

SEC. 208. REPORT.

Not later than 270 days after the date of enactment of this Act, the Chairman shall submit a report to Congress on the operation of this subtitle, including—

(1) an analysis of the impact of actions taken under this subtitle on losses suffered by institutions;

(2) an analysis of the impact of the actions on property values;

(3) an analysis of the accuracy of the cost of foreclosure determined by institutions under this subtitle;

(4) the number and amount of loans restructured in accordance with this subtitle;

(5) the number of current and estimated future delinquencies before and after the expiration of this subtitle on loans made to borrowers; and

(6) the recommendations of the Chairman concerning reauthorization of this subtitle.

Subtitle B—Farm Credit System Reform

SEC. 211. ACCESS TO APPRAISALS.

Section 4.13A of the Farm Credit Act of 1971 (12 U.S.C. 2200) is amended to read as follows:

"Sec. 4.13A. Access to Documents and Information.—In accordance with regulations of the Farm Credit Administration, a System institution shall provide to each borrower of such institution—

"(1) at the time of execution of a loan, a copy of each document signed by the borrower;

"(2) at any time thereafter, on request, a copy of each document signed or delivered by the borrower;

"(3) at any time, on request, a copy of the articles of incorporation or charter and bylaws of the institution; and

"(4) at the time of execution of a loan and at any time thereafter, on request, a copy of each appraisal of the assets of the borrower.".

SEC. 212. HOMESTEAD PROTECTION.

Part C of title IV of the Farm Credit Act of 1971 is amended by adding after section 4.20 (12 U.S.C. 2208) the following new section:

"Sec. 4.21. Homestead Protection.—If an institution forecloses a loan made by the institution or a borrower of a loan made by the institution declares bankruptcy or goes into voluntary liquidation to avoid foreclosure or bankruptcy, the institution is encouraged to permit the borrower to retain possession and occupancy of the principal residence of the borrower, and a reasonable amount of adjoining land, to maintain the family of the borrower.".

SEC. 213. INTEREST RATES ON CLASSIFIED LOANS.

Part C of title IV of the Farm Credit Act of 1971 is amended by adding after section 4.22 (as added by section 212) the following new section:

"Sec. 4.22. An institution of the Farm Credit System may not increase the interest rate on a loan made to a borrower that is outstanding on the date of enactment of the Agricultural Interest Rate Relief Act of 1987 as the result of the loan been classified as a risk or problem loan.".

SEC. 214. CERTIFICATION OF NEED FOR FINANCIAL ASSISTANCE.

Section 4.28J of the Farm Credit Act of 1971 (12 U.S.C. 2216i) is amended by inserting after "Treasury.—" the following new sentence: "Not later than 60 days after the date of enactment of the Agricultural Interest Rate Relief Act of 1987, and each 90 days thereafter, the Farm Credit Administration shall determine whether the Farm Credit System is in need of financial assistance to address financial stress of System institutions.".

SEC. 215. OPERATING EXPENSES OF INSTITUTIONS.

Part D1 of title IV of the Farm Credit Act of 1971 is amended by adding after section 4.28L (12 U.S.C. 2216k) the following new section:

"Sec. 4.28M. Operating Expenses of Institutions.—During the period beginning on date of enactment of the Agricultural Interest Rate Relief Act of 1987 and ending the later of September 30, 1990, or such time as the Secretary of the Treasury no longer holds any obligations issued by the Capital Corporation, the operating expenses of an institution of the Farm Credit System may not exceed the average cost of bonds issued by the System, plus 1 percent.".

SEC. 216. DISPOSITION AND LEASING OF FARMLAND.

Part F of title IV of the Farm Credit Act of 1971 is amended by adding after section 4.36 (12 U.S.C. 2219a) the following new section:

"Sec. 4.37. Disposition and Leasing of Farmland.—(a) The Farm Credit Administration shall issue regulations for the disposition and leasing of farmland acquired by any institution of the Farm Credit System, including the Capital Corporation, (hereafter in this section referred to as an 'institution') in accordance with this section.

"(b) An institution shall to the extent practicable sell or lease farmland acquired under this Act in the following order of priority:

"(1) Sale of such farmland to operators (as of the time immediately before such sale) of not larger than family-size farms.

"(2) Lease of such farmland to operators (as of the time immediately before such lease is entered into) of not larger than family-size farms.

"(c)(1) An institution shall not offer for sale or sell any such farmland if the placing of such farmland on the market will have a detrimental effect on the value of farmland in the area.

"(2) In selling such land, the institution shall give special consideration to a previous owner or operator of such land.

"(d)(1) An institution shall consider granting, and may grant, to an operator of not larger than a family-size farm, in conjunction with subsection (e), a lease with an option to purchase farmland acquired under this Act.

"(2) The Farm Credit Administration shall issue regulations providing for leasing such land, or leasing such land with an option to purchase, on a fair and equitable basis.

"(3) In leasing such land, the institution shall give special consideration to a previous owner or operator of such land if such owner or operator has financial resources, and farm management skills and experience, that the institution determines are sufficient to assure a reasonable prospect of success in the proposed farming operation.

"(4) To the extent an institution may lease or operate real property under this section, the institution shall, if the institution determines to administer such property through management contracts, offer the contracts on a competitive bid basis, giving preference to persons who will live in, and own and operate qualified small businesses in, the area where the property is located.

"(e)(1) An institution shall offer such land for sale to operators of not larger than family-size farms at a price that reflects the average annual income that may be reasonably anticipated to be generated from farming such land.

"(2) If two or more qualified operators of not larger than family-size farms desire to purchase, or lease with an option to purchase, such land, the local board of the institution shall, by majority vote, select the operator who may purchase such land.

"(f) If farmland is available for disposition under this section, the institution shall—

"(1) publish an announcement of the availability of such farmland in at least one newspaper that is widely circulated in the county in which the farmland is located; and

"(2) post an announcement of the availability of such farmland in a prominent place in the local office of the institution that serves the county in which the farmland is located.".

SEC. 217. STOCK PURCHASE REQUIREMENT.

Part F of title IV of the Farm Credit Act of 1971 is amended by adding after section 4.37 (as added by section 216) the following new section:

"Sec. 4.38. Stock Purchase Requirement.—A borrower must purchase stock in the Farm Credit System, in accordance with regulations issued by the Farm Credit Administration, to be eligible—

"(1) to obtain a loan from an institution of the Farm Credit System; or

"(2) to enter into an installment contract for the purchase of farmland acquired by the Farm Credit System.".

Subtitle C—Farm Credit System Associations

SEC. 220. TREATMENT OF CERTAIN FARM CREDIT ASSOCIATIONS.

Section 5.17(a)(2) of the Farm Credit Act of 1971 is amended by striking out in line 2 "; and the Farm Credit Administration shall ensure that the board of directors of district banks does not discriminate against the disapproving associations in exercising its supervisory authorities. Such associations shall not be (i) charged any assessment under this Act at a rate higher than that charged like associations in the district or (ii) discriminated against in the provision of any financial service and assistance" and insert in lieu thereof the following: ". The Farm Credit Administration shall ensure that disapproving associations (i) shall not be charged any assessment under this Act at a rate higher than that charged other like associations in the district and (ii) shall be provided, on the same basis as like associations in the district, financial services and assistance".

TITLE III—FARMERS HOME ADMINISTRATION BORROWERS

SEC. 301. DEFINITIONS.

As used in this title

(1) Borrower.—The term "borrower" means a borrower of a loan who meets the eligibility criteria prescribed in section 302.

(2) Committee.—The term "committee" means the appropriate county committee established under section 332 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1982).

(3) Cost of Foreclosure.—The term "cost of foreclosure" includes—

(A) the difference between the outstanding amount of principal due on a loan and the value of collateral used to secure the loan, taking into consideration the lien position of the Secretary;

(B) the estimated cost of maintaining a loan as a nonperforming asset;

(C) the estimated cost of administrative and legal actions necessary to foreclose a loan and dispose of property acquired as the result of the foreclosure;

(D) the estimated, adverse impact of the sale of property acquired as the result of a loan foreclosure on the value of property held by other borrowers of the Secretary;

(E) the estimated cost of changes in the value of collateral used to secure a loan during the period beginning on the date of the initiation of action to foreclose or liquidate the loan and the ending on the date of the disposition of the collateral; and

(F) all other costs incurred as the result of the foreclosure or liquidation of a loan.

(4) Loan.—The term "loan" means a loan made by the Secretary under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.).

SEC. 302. ELIGIBILITY FOR ASSISTANCE.

To be eligible to receive assistance under this title, a person must—

(1) be an individual, family corporation, or family partnership;

(2) be a borrower of a loan who is delinquent in the payment of principal or interest, or both, on the loan on the date of enactment of this Act or during the 3-year period beginning on such date;

(3) demonstrate to the Secretary that, due to circumstances beyond the control of the borrower (including depressed land values, high interest rates, and low prices for agricultural commodities), the borrower is temporarily unable to continue making payments of the principal and interest when due without unduly impairing the standard of living of the borrower;

(4) have derived at least 50 percent of the gross annual income of the borrower from the production of raw agricultural products, including livestock, poultry, or the products of aquaculture, during at least 3 of the 5 preceding taxable years;

(5) have had gross annual sales of agricultural commodities of at least $30,000 during at least 3 of the 5 preceding taxable years; and

(6) have an ability to repay the loan, based on past performance as a capable producer and assistance provided under this Act.

SEC. 303. LOAN DETERMINATIONS.

Before instituting a proceeding to foreclose a loan made to a borrower, the Secretary must determine—

(1) the cost of foreclosure; and

(2) the cost of restructuring the loan in accordance with this title.

SEC. 304. LOAN FORECLOSURE AND RESTRUCTURING.

If the Secretary determines that the cost of foreclosure of a loan made to a borrower is equal to or exceeds the cost of restructuring the loan in accordance with this title, in lieu of foreclosure, the Secretary shall reduce the principal or interest, or both, due on the loan, or otherwise restructure the loan, in a manner that would enable the borrower to make payments of principal and interest due on the loan without unduly impairing the standard of living of the borrower.

SEC. 305. ADDITIONAL COLLATERAL.

The Secretary may not—

(1) require any borrower to provide additional collateral to secure a loan if the borrower is current in the payment of interest on the loan; or

(2) bring any action to foreclose on, or otherwise liquidate, any loan as the result of the failure of a borrower to provide additional collateral to secure a loan if the borrower was current in the payment of interest on the loan at the time the additional collateral was required.

SEC. 306. APPEALS.

(a) Determination of Ineligibility.—(1) If the Secretary determines that a person does not meet the eligibility criteria prescribed in section 302, not later than 15 days after such determination, the Secretary shall provide the person with a written notice of—

(A) the determination and the reasons for the determination; and

(B) the right of the person to appeal the determination before a committee.

(2) If a person makes a written request to a committee not later than 30 days after receipt of a notice to contest a determination referred to in paragraph (1), the person shall have the right to appear before the committee to contest the determination.

(b) Determination to Not Restructure.—(1) If the Secretary determines that the cost of restructuring a loan in accordance with this title exceeds the cost of foreclosure of the loan, not later than 15 days after such determination, the Secretary shall provide the borrower of the loan with a written notice of—

(A) the determination and the reasons for the determination;

(B) the computations used by the Secretary to make the determination, including the estimate of the collateral value of the land used to secure the loan; and

(C) the right of the borrower to appeal the determination before a committee.

(2) If a borrower of a loan made by the Secretary makes a written request to a committee not later than 30 days after receipt of a notice to contest a determination referred to in paragraph (1), the borrower shall have the right to—

(A) request the committee to arrange an independent appraisal of the cost of foreclosure of the loan and the cost of restructuring the loan in accordance with this title; and

(B) appear before the committee to contest the determination.

(3) If a borrower requests a committee to arrange an independent appraisal made under paragraph (2)(A), the committee shall—

(A) arrange the independent appraisal, in accordance with regulations issued by the Farm Credit Administration; and

(B) consider such appraisal when reviewing the determination of the committee.

(4) If an independent appraisal is conducted under this subsection of the cost of foreclosure of a loan made by the Secretary to a borrower and the cost of restructuring the loan in accordance with this title, the cost of the appraisal shall be borne by—

(A) the Secretary if the appraised cost of restructuring the loan in accordance with this title is equal to or less than the appraised cost of the foreclosure of the loan; or

(B) the borrower if the appraised cost of restructuring the loan in accordance with this title is greater than the appraised cost of the foreclosure of the loan.

(c) Determination to Restructure.—(1) If the Secretary determines that a borrower of a loan meets the eligibility criteria prescribed in section 302 and that the cost of restructuring the loan in accordance with this title is less than or equal to the cost of foreclosure of the loan, not later than 15 days after such determination, the Secretary shall provide the borrower with a written notice of—

(A) the determination and the reasons for the determination;

(B) the amount of the reduction in principal or interest, or both, or method of restructuring, the Secretary determines is adequate to enable the borrower to make payments in accordance with section 304; and

(C) the right of the borrower to contest the amount of the reduction, or method of restructuring, before a committee.

(2) If a borrower makes a written request to a committee not later than 30 days after receipt of a notice to contest the amount of the reduction, or the method of restructuring, referred to in paragraph (1), the borrower shall have the right to appear before the committee to contest the amount of the reduction or method of restructuring.

(d) Voluntary Agreements.—A borrower of a loan made by the Secretary shall have the right to appear before a committee to contest a determination, amount, or action under this title if—

(1) the Secretary and the borrower enter into an agreement under which the Secretary agrees to restructure the loan in accordance with this title and the borrower agrees not to contest the determination, amount, or action, as the case may be;

(2) the Secretary does not restructure the loan in accordance with this title; and

(3) the borrower makes a written request to the committee to contest the determination, amount, or action, as the case may be, not later than 30 days after the date by which the Secretary agreed to restructure the loan in accordance with this title.

(e) Notice of Decisions.—Not later than 15 days after any review conducted by a committee, the committee shall provide the aggrieved person or borrower with written notice of the decision of the committee and the reasons for the decision.

SEC. 307. REPORT.

Not later than 270 days after the date of enactment of this Act, the Secretary shall submit a report to Congress on the operation of this title, including—

(1) an analysis of the impact of actions taken under this title on losses suffered by the Secretary;

(2) an analysis of the impact of the actions on property values;

(3) an analysis of the accuracy of the cost of foreclosure determined by the Secretary under this title;

(4) the number and amount of loans restructured in accordance with this title;

(5) the number of current and estimated future delinquencies before and after the expiration of this title on loans made to borrowers; and

(6) the recommendations of the Secretary concerning reauthorization of this title.

SEC. 308. ALTERNATIVE CROP LOAN PROGRAM.

The Consolidated Farm and Rural Development Act is amended by inserting after section 352 (7 U.S.C. 2000) the following new section:

"Sec. 353. (a) For purposes of this section, the term 'alternative crop' means any agricultural operation (including aquaculture and livestock production) conducted by an applicant if—

"(1) there is no substantial history of such operation in the area in which the applicant resides; and

"(2) the applicant has derived from such operation not more than 20 percent of the gross annual income of the applicant during any of the 5 preceding taxable years.

"(b) In addition to the purposes prescribed in sections 303 and 312, the Secretary may make and insure, or guarantee, real estate and operating loans under subtitles A and B, respectively, to farmers and ranchers in the United States for the production of alternative crops.

"(c)(1) Subject to paragraph (2), to be eligible to obtain a loan or loan guarantee for a real estate or operating loan for the production of an alternative crop, a person must—

"(A) meet the eligibility requirements prescribed for a real estate loan under section 302 or an operating loan under section 311, respectively; and

"(B) submit to, and receive the approval of, the Secretary for a 5-year plan of projected production and income from the proposed alternative crop.

"(2) In determining eligibility for a loan or loan guarantee under this section, the Secretary shall consider training or farming experience that the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operation, whether or not such training or experience is in the production of an alternative crop.

"(d) The Secretary may enter into a multiyear commitment to provide a loan or loan guarantee under this section for a term, of not to exceed 3 years, that is consistent with the nature of the alternative crop operation.".

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. INTER-AGENCY AGRICULTURAL TASK FORCE.

(a) Establishment.—In light of the severe economic problems confronted by many agricultural banks and the regulatory responsibilities of bank regulatory agencies, not later than 30 days after the date of enactment of this Act, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Federal Reserve System shall develop an Inter-Agency Agricultural Task Force to assist commercial agricultural banks and the borrowers of the banks to resolve present economic problems and to facilitate commercial bank lending to agriculture in the future.

(b) Duties.—The Inter-Agency Task Force shall—

(1) review existing regulations and policies to facilitate agricultural lending;

(2) cooperate with field office personnel to avoid conflicts and inconsistencies between the agencies; and

(3) consider meaningful alternatives to assist commercial banks in providing agricultural financing through regulatory or statutory changes, including accounting changes, interest rate buy-downs, or other similar methods for assisting banks.

(c) Reports.—Not later than 6 months after the date of enactment of this Act, and semiannually thereafter, the Inter-Agency Task Force shall report its findings and recommendations in carrying out this section to—

(1) the Committee on Agriculture of the House of Representatives;

(2) the Committee on Agriculture, Nutrition, and Forestry of the Senate;

(3) the Committee on Banking, Finance and Urban Affairs of the House of Representatives; and

(4) the Committee on Banking, Housing, and Urban Affairs of the Senate.

SEC. 402. REGULATIONS.

Not later than 90 days after the date of enactment of this Act, the Secretary and the Farm Credit Administration shall issue such regulations as are necessary to carry out provisions of this Act under their jurisdiction.

SEC. 403. GENERAL DEFINITIONS.

(1) Institution.—The term "institution" means an institution of the Farm Credit System described in section 1.2 of the Farm Credit Act of 19712 (12 U.S.C. 2002).

(2) Interest Subsidy Program.—The term "interest subsidy program" means the Federal-State Lender cooperative agricultural loan interest subsidy program established under title I.

(3) FCS Loan Restructuring Program.—The term "FCS loan restructuring program" means the restructuring program established under substitle A of title II for loan made by institutions of the Farm Credit System.

(4) Secretary—The term "Secretary" means the Secretary of Agriculture.

(5) State.—The term "State" mean each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, the Commonwealth of The Northern Mariana Islands, or (to extent the Secretary determines it is feasible and appropriate) the Trust Territory of the Pacific Islands.

6. State Agency.—The term "State agency" means the agency designated by a State under section 106(b)(1) of this Act to carry out the interest subsidy program in the State.

Sec. 404. Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out titles I through IV of this Act.

Sec. 405. Except as otherwise provided in this Act, the authority granted by title I through IV of this Act shall terminate 3 years after the date of enactment of this Act.

TITLE V—EMERGENCY ASSISTANCE FOR CERTAIN AGRICULTURAL PRODUCERS

Sec. 501. Emergency Assistance for Certain Agricultural Producers.—Title VI of the Act making continuing appropriations for the fiscal year 1987, and for other purposes (Public Law 99-500) is amended in section 633(B) by—

(a) inserting before the first comma in the first sentence "or other law";

(b) inserting after "peanuts" in paragraph (a)(2) "or the 1987 crop of wheat";

(c) adding at the end of paragraph (a)(5)(A)(ii) a new sentence as follows: "To ensure equitable treatment of all producers suffering losses, the Secretary shall make adjustments in the actual production on the farm of such crop of the commodity to reflect any reduction in the quality of the crop that resulted from drought, excessive heat, floods, hail or excessive moisture in 1986.";

(d) inserting before the semicolon at the end of paragraph (a)(5)(B)(i) "or in the case of the 1987 crop of wheat, the 1987 permitted acreage determined for such crop";

(e) inserting after "of the commodity" in paragraph (a)(8)(A) "(in the case of the 1987 crop of wheat, the 1987 farm program payment yield for such crop)"; and

(f) adding at the end of paragraph (d)(2) a new sentence as follows: "Applications for payments with respect to the 1987 crop of wheat or with respect to other crops for which the actual production on a farm is to be adjusted by the Secretary under paragraph (a)(5)(A)(ii) must be filed before May 31, 1987.".

TITLE VI—RURAL ELECTRIFICATION AND TELEPHONE SYSTEMS LOAN

Sec. 601. Amendment to the Rural Electrification Act of 1936.—Section 306A of the Rural Electrification Act of 1936 is amended to read as follows:

"Sec. 306A. Prepayment of Federal Financing Bank Loans.—(a) If on the date of enactment of the Interest Rate Relief Act of 1987 a borrower has an outstanding loan made by the Federal Financing Bank and guaranteed by the Administrator of the Rural Electrification Administration under section 306 of this Act (7 U.S.C. 936), the borrower may prepay such loan (or any loan advance made under thereunder) by paying outstanding principal balance due on such loan (or advance), if—

"(1) private capital, with the existing loan guarantee, is used to replace the loan; and

"(2) the borrower certifies that any savings for such prepayment will be passed on to its customers, used to improve the financial strength of the borrower in cases of financial hardship, or used to avoid future rate increases.

"(b) If prepayment on a loan (or advance) is made under subsection (a), no sums in addition to the payment of the outstanding principal balance of the loan (or advance) shall be charged as the result of such prepayment against (1) the borrower, (2) the Rural Electrification and Telephone Revolving Fund, or (3) the Rural Electrification Administration.

"(c) Any guarantee of a loan prepaid under this section with private capital under repayment terms agreeable to the borrower shall be fully assignable and transferable without condition and shall remain available for the remainder of the term originally agreed to by the Administrator.

Sec. 602. Regulations to implement the amendments made by section 601 shall be issued and become effective within 30 days of enactment of this Act. Such regulations shall (1) facilitate prepayment of loan advances, (2) provide for full processing of each prepayment request within 30 days of its submission to the Rural Electrification Administration, and (3) except as specifically provided for in this section, impose no restriction that increases the cost to borrowers of obtaining private financing for prepayment or inhibits the ability of the borrower to enter into prepayment arrangements pursuant to section 306A of the Rural Electrification Act of 1936.

SEC. 603. TRANSFER OF FUNDS.—Of the amount of net proceeds received from prepayments of principal on loans (or advances) made during fiscal year 1987 under section 306A of the Rural Electrification Act of 1936 or Public Law 99-349 in excess of $2,017,500,000, an amount that the Secretary of Agriculture determines necessary to carry out the provisions of titles I through IV of this Act, but not to exceed $700,000,000, shall be transferred to the Agricultural Credit Insurance Fund and shall remain available in such fund until expended for such purpose, an amount that the Secretary of Agriculture determines necessary for carrying out the provisions of section 633 of Public Law 99-500, but not to exceed $400,000,000, shall be transferred to the Commodity Credit Corporation and shall be available for such purpose, and an amount equal to $400,000,000 shall be transferred to the Agricultural Credit Insurance Fund and shall be available for emergency insured and guaranteed loans to meet the needs resulting from natural disasters.

By Mr. DANFORTH (for himself, Mr. Baucus, Mr. Wallop, Mr. Boren, Mr. Durenberger, Mr. Mitchell, Mr. Wilson, Mr. DeConcini, Mr. Kerry, Mr. Cranston, Mr. Bingaman, Mr. Riegle and Mr. Symms):

S. 58. A bill to amend the Internal Revenue Code of 1986 to make the credit for increasing research activities permanent and to increase the amount of such credit; to the Committee on Finance.

RESEARCH AND DEVELOPMENT INCENTIVE ACT

● Mr. DANFORTH. Mr. President, yesterday, President Reagan delivered his budget proposal for fiscal year 1988 to the Congress. In the description accompanying the President's budget proposal, the high priority that the administration places on basic research is clearly set forth:

> The ability of the Nation to meet global competition, to provide for national security, and to improve the quality of life for all citizens depends in part upon national investments in science and technology. The Nation's future position in global markets will depend upon: the allocation of national resources to the generation of new knowledge; and the effective and timely transfer of this new knowledge to specific applications.

I wholeheartedly agree with this message. In the competitive world in which we live today we must stay on the cutting edge of research and development. We cannot afford to let our major international trading partners leapfrog over us into the forefront of high technology, research, and development. For this reason, I am introducing legislation, The Research and Development Incentive Act of 1987, which will shore-up and strengthen the research and development tax credit.

Specifically, the legislation that I am introducing will do two things. First, my bill will make the R&D tax credit permanent. The R&D credit was originally enacted by Congress in 1981 for a trial period of 5 years. The test of the credit was a tremendous success as private R&D in the United States has soared to record levels in recent years. In fact, for the first time ever private R&D spending rose during a recessionary period (1981-82).

When the credit expired at the end of 1985, Congress was in the midst of the tax reform debate, and the credit was viewed as only one small piece of a very large and complicated puzzle. When the 1986 tax bill finally passed, the R&D tax credit was extended for an additional 3 years through 1988.

In my opinion, this is inadequate. While we recognized the significant role played by the credit in encouraging research and development, we did not do the credit justice in 1986. Businesses must plan their R&D spending over long periods of time. To enhance business R&D planning, the credit must become a permanent aspect of our tax laws. It loses some of its punch when businesses cannot predict whether it will be here next year or the year after.

The second aspect of my bill restores the credit to its full strength. In 1986, Congress chose to reduce the rate of the credit from 25 percent to 20 percent. My bill will return the credit to 25 percent.

On first reaction, one might think that a 20-percent credit is fairly generous. In fact, other credits, such as the historic rehabilitation tax credit, are only 20 percent or less. The shortcoming in this thinking lies in a basic misunderstanding of the nature of the credit. Because the credit is an incremental credit, it is calculated as a percentage of a business' increase in R&D spending over its average R&D expenditures for the preceding 3 years. The credit is not a percentage of total R&D expenditures incurred during a particular tax year. Thus, a company that does the same amount of research and development every year is not entitled to any credit. Another company that increases its R&D by 20 percent over the average amount of its R&D in the preceding 3 taxable years, gets an R&D credit equal to approximately 3 percent of its total R&D, not 20 percent of its total R&D.

Experts have estimated that a 20-percent R&D credit has a real incentive value of approximately 5 percent, and that a 25-percent R&D credit would have a real incentive rate of roughly 7 percent. In my opinion, we erred last year when we reduced the real incentive of the R&D credit from 7 percent to 5 percent. A study released by the Congressional Research Service in 1985 concurs in my conclusion. That study stated that "tax rate reductions may actually have a negative impact on R&D investments and justify a retention or an increase" in the R&D credit.

Mr. President, before concluding I want to quote from an editorial by John Chancellor delivered last May during the national debate on tax reform:

> If the United States is going to prosper at home and compete abroad it needs all the R&D investment it can get. Research is something this country is better at than almost all other countries. Companies with the biggest R&D investments do better overseas than almost any other sector of the American economy.
>
> I was in Tokyo a few weeks ago. The Japanese are facing stiff competition from countries like Taiwan and South Korea. So the Japanese companies are increasing investment in R&D to develop more sophisticated products.
>
> Matsushita Electric has boosted its R&D budget to a billion and a half dollars a year, and that's competition for America. There are lots of sacred cows which may be slaughtered in the new tax bill, but incentives for research and development are still alive. Killing them would be dangerous butchery.

The 100th Congress begins with the buzzword "competitiveness" being attached to every new idea or bill. It is my hope that we will take the opportunity to recognize a proven tool in our national struggle to remain competitive. I hope that we will act swiftly and pass my bill. We must demonstrate unequivocally that research and development is a national priority.

Mr. President, I ask unanimous consent that the entire text of my bill be included in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 58

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This act may be cited as "The Research and Development Incentive Act of 1987."

SECTION 2. RESEARCH CREDIT MADE PERMANENT.

Section 41 of the Internal Revenue Code of 1986 (relating to credit for increasing research activities) is amended by striking out subsection (h) thereof.

SEC. 3. INCREASE IN CREDIT FROM 20 PERCENT TO 25 PERCENT.

(a) In General.—Section 41(a) of the Internal Revenue Code of 1986 is amended by striking out "20 percent" each place it appears and inserting in lieu thereof "25 percent".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1986.●

● Mr. BAUCUS. Mr. President, today Senator Danforth and I are introducing legislation to make the research and development tax credit permanent and restore its 25 percent incremental rate.

Although the ink on the 1986 Tax Reform Act is barely dry, we believe it is important that Congress act swiftly on measures that are critical to U.S. competitiveness. R&D incentives fall into this category.

We cannot overemphasize the need for quick congressional action to improve our competitiveness. Among other things, this means increasing U.S. research and development.

The United States cannot afford to be complacent about its research spending. R&D spending was stagnant in the United States for most of the 1960's and 1970's.

Japan, on the other hand, adopted an R&D tax credit in 1966 and has been increasing spending on R&D at a healthy clip ever since.

In fact, the Wall Street Journal reports that Japan now spends a larger share of its gross national product on research than the United States does. The same report places Japan third, after the Soviet Union and West Germany, in percentage of GNP spent on research.

Our R&D tax credit was not adopted until 1981. Since that time, R&D spending has climbed dramatically, from $30.9 billion in 1980 to an estimated $60 billion last year. We are making progress, but we still have a long way to go.

Last year, Congress extended the R&D tax credit for 2 years as part of the tax reform package. However, the credit's incremental rate was reduced from 25 to 20 percent.

Now that the rush of tax reform is behind us, it is time to look at the specific policies adopted and see how they can be improved without jeopardizing revenue estimates for the near future.

One important improvement would be to make the R&D tax credit permanent.

Developing new technologies is a long-term project. Companies must plan far ahead and accept substantial risks. Most experts who have examined the credit recommend a permanent R&D tax credit.

Martin Neil Baily and Robert Z. Lawrence, senior fellows at the Brookings Institution, have stated:

> It is a great mistake to enact only a temporary extension of the credit.

The Congressional Research Service's Jane Gravelle has said:

> Adopting the credit on a temporary basis for the purpose of assessing the effectiveness of the credit is self-defeating, because the very temporary nature of the credit makes it impossible to determine the incentive effect.

Kenneth Brown, who evaluated the credit for the Joint Economic Committee, has found that—

> The long-term nature of research and development is at odds with a temporary credit. A permanent credit would * * * be more cost effective.

In addition, the following groups have recommended that the research and development tax credit be made permanent:

The While House Conference on Productivity;

The Business-Higher Education Forum;

The National Association of Manufacturers;

The U.S. Chamber of Commerce;

Georgetown University's Center for Strategic and International Studies; and

The President's Commission on Industrial Competitiveness.

A second improvement would be to restore the credit to its original 25 percent incremental rate. The R&D tax credit is unique in that it can be claimed only for incremental increases in R&D spending. The credit was designed in this way specifically to encourage companies to spend more for research.

Evidence shows that the incremental feature of the credit worked. It was responsible for an estimated 6 to 7 percent of the increase in R&D spending since 1981.

Because the R&D tax credit is incremental, and because it is applied against a rolling base, the true value of the 25-percent credit was about 7 percent. By reducing its rate to 20 percent, Congress reduced the credit's effective value to about 5 percent.

It is unwise to dilute the credit. It is "penny wise and pound foolish." Economists have estimated that a permanent 25-percent R&D tax credit could add as much as $17 billion a year worth of research in 1991. Therefore, our legislation restores the rate to 25 percent.

For similar reasons, our legislation makes the new basic research credit permanent. This credit was adopted in the 1986 Tax Reform Act to encourage company support of basic research at universities and nonprofit research institutes.

A permanent credit will send a signal to the U.S. research community that the 100th Congress wants corporations and universities to work together on a long-term effort to keep our country first in the global technology race. For too many years the corporate/university research relationship suffered. Now, that relationship is improving. In introducing this legislation, we hope to further encourage corporate/university partnerships.

Mr. President, last year, as the tax reform bill was being considered, John Chancellor of NBC News editorialized about R&D incentives. His remarks bear repearing.

> If the United States is going to prosper at home an compete abroad it needs all the R&D investment it can get. Research is something that country is better at than almost all other countries. Companies with the biggest R&D investments do better overseas than almost any other sector of the American economy.
>
> I was in Tokyo a few weeks ago. The Japanese are facing stiff competition from countries like Taiwan and South Korea. So the Japanese Companies are increasing investment in R&D to develop more sophisticated products.
>
> Matsushita Electric has boosted its R&D budget to a billion and a half dollars a year, and that's competition for America.

Because of the central importance of technological advance to our future well-being, there is virtual unanimity among economists that the Government needs to intervene and prevent underinvestment in our most valuable resource: Ideas. Underinvestment in applied and basic research occurs because companies cannot fully capture the rewards from their investments. The rewards accrue to all of us at a rate that is fully 50 percent above that which an individual company receives.

The rewards accrue to States and businesses well beyond the Silicon Valley. Even in my State of Montana, which is not known as a technology-based State, the R&D credit is important. The growth of new businesses utilizing new technologies holds the promise for a prospering economy with new and stable jobs to replace those lost in farming, mining and forestry.

Those businesses range from pharmaceutical, agricultural, biological to chemical. They are providing innovations in microprocessing, lasers, communications, health care, toxic waste management, farm management and much more.

Mr. President, our legislation is a modest step to ensure that these and other U.S. businesses continue to provide America with first-class technology. But it is a very important step, one that should receive immediate attention as the first session of the 100th Congress convenes.●

● Mr. DURENBERGER. Mr. President, I am pleased to join my distinguished colleague from Missouri, Senator DANFORTH, in cosponsoring the Research and Development Incentive Act of 1987. At a time when this Nation's leadership in high technology processing and manufacturing is being seriously challenged, it is vitally important that we provide the strongest possible incentives to encourage American companies to strengthen their commitment to advanced research and development [R&D]. This legislation would do just that.

This legislation restores the incremental R&D tax credit rate to 25 percent. And it makes the credit permanent. Both of these changes are critically important, especially at this time when our trade deficit in manufactured products continues to worsen. The latest trade figures for manufactured products are devastating. They indicate that imports of manufactured products exceeded U.S. exports by $119 billion last year.

If we are to successfully turn this deficit around, and compete more effectively, we must sustain a serious commitment to advanced R&D. Otherwise, we will see a continuing erosion of our economic leadership in the world and a continued decline in our standard of living.

When the Senate Finance Committee drafted its version of a tax reform bill last year, the committee maintained the R&D credit at 25 percent. However, when the bill emerged from the conference committee the credit was scaled back to 20 percent. At the same time, the conference committee adopted several provisions that will reduce corporate cash-flow and inevitably make it more difficult for businesses to generate sufficient funds for advanced long-term R&D. I believe these were short-sighted decisions that should be rectified immediately.

More importantly, the Tax Reform Act of 1986 only extended the R&D credit through the end of 1988. By extending the credit for such a brief period, I believe we sent the wrong signal to the American business community. We in this Chamber have often complained about the short-sightedness of American business. By contrast, many experts have expressed praise for the long-term commitments that our Japanese competitors make to developing new products and opening new markets.

Commitments to R&D projects must be made for the long-term, often extending for 5 to 10 years. Corporate budgets for such projects are dependent on cash flow projections which inevitably factor in tax provisions. By extending the R&D credit for just another 2 years, we have diminished the incentive effect of the credit and added further uncertainty for companies planning extended R&D projects. That decision surely reinforces short-term thinking at a time when we should be encouraging planning for the next decade and beyond.

Mr. President, an article in yesterday's New York Times discussed the findings of a report prepared by the Defense Science Board. That report indicates that in the critically important area of semiconductor products and processes, the United States is falling even further behind Japan. The report indicates that out of 25 semiconductor products or processes, Japan now leads in 12 categories while the United States lead in only 5 and maintains parity in the other 8. More importantly, our position relative to Japan is declining in 19 of the 25 categories, including 4 of the 5 in which the United States now leads.

This is a dangerous trend that has implications both for our national security as well as our economic security. It must be reversed. A permanent 25 percent R&D credit is but one element that will encourage American business to take greater risks in developing new products that will keep us at the cutting edge of technology.●

By Mr. HECHT (for himself and Mr. REID):

S. 59. A bill entitled the "National Forests and Public Lands of Nevada Enhancement Act of 1987;" to the Committee on Energy and Natural Resources.

NATIONAL FORESTS AND PUBLIC LANDS OF NEVADA ENHANCEMENT

Mr. HECHT. Mr President, on the last night of the last Congress I stood before this body to try to get favorable floor action on the National Forest of Nevada Enhancement Act of 1986. I was unsuccessful in that attempt because a number of my colleagues on the other side of the aisle were uncomfortable approving water rights language that would have kept intact the existing water rights regime in Nevada. Specifically, the bill I sought to pass would have avoided creating any new Federal reserve water right as a side-effect of the Forest Service—Bureau of Land Management interchange accomplished by that bill.

On that final night of the last Congress I promised the people of Nevada that I would return to the floor of the Senate at the very beginning of this Congress and reintroduce the bill. Today, Mr. President, I am making good on that promise. The National Forests and Public Lands of Nevada Enhancement Act of 1987 would transfer approximately 511,000 acres of Nevada's BLM land to the Forest Service, and approximately 23,000 acres of land from the Forest Service to the BLM. This bill will streamline land management in Nevada, and also ultimately make it less expensive to the taxpayers.

I thought last year, and still feel now, that the fairest and most reasonable approach regarding water rights on the lands changing hands is that which I championed in the last Congress, and that which my new junior colleague from Nevada, Senator REID, also supported last year in his companion legislation on the House side. Namely, we should just leave things as they are, hold all water rights interests harmless, and not change the rules of the game on anyone.

Now we are in a new Congress, and all interested Senators will have ample opportunity to examine this legislation and the significance of its language. This in contrast to the rushed and often confusing final hours of a Congress, when it is a lot simplier to just say "no" then to spend precious time studying a matter that primarily affects another State.

I am therefore both hopeful and optimistic, that given the chance to fully study the water rights protections in the bill I introduce today, the Senate will see the merit in that language and the bill and process the legislation with all deliberate speed.

By Mr. GARN (by request):

S. 60. A bill entitled the "Financial Services Competitive Enhancement Act of 1987;" to the Committee on Banking, Housing, and Urban Affairs.

FINANCIAL SERVICES COMPETITIVE ENHANCEMENT ACT

● Mr. GARN. Mr. President, today I introduce the Financial Services Competitive Enhancement Act of 1987 at the request of the American Bankers Association. This bill will enable large and small depository institutions to offer new insurance, securities, and real estate products to the American consumer, in part reflecting a trend in new laws passed or being considered by States and foreign countries. For example, New York and Wisconsin have recently taken actions to permit banks to engage in a broader variety of activities, and our neighbor Canada is seriously considering a similar course of action. The bill also modernizes the regulation of depository institutions to reflect changes that have already occurred in the marketplace as well as those proposed by this bill. These regulatory changes are all designed to preserve safety and soundness of the financial services system.

Mr. President, identical legislation is also being introduced today in the House of Representatives by Congressman DOUG BARNARD, and in fact, the bill is similar to legislation he introduced last July. The American Bankers Association has worked closely with Congressman BARNARD and his staff in drafting the bill, and has urged its prompt consideration by both Houses of Congress in a year when efforts to increase the competitiveness of all U.S. companies will dominate the legislative agenda. Because I heartily agree that financial services providers must be allowed to become more competitive—for the sake of the country as well as the American consumer—I have agreed to introduce this legislation today, at the beginning of this new Congress. While the bill contains several provisions that were not part of earlier bills I introduced to reform the financial services industry, such as S. 2851 which passed the Senate in 1984 by the overwhelming margin of 89 to 5, its thrust is similar. It is intended to spark debate and action on the spectrum of issues confronting the entire financial services system.

As I've already mentioned, the focus of this bill is to make U.S. financial firms more competitive, both to bring new benefits to American consumers and to strengthen the position of U.S. firms competing worldwide. It is no secret that the premier position of our institutions has been eroding. Japanese firms dominate the list of the world's largest banks and securities firms. And as our hearings before the Senate Banking Committee last February revealed, the United Kingdom has streamlined its regulatory climate through the so-called big bang and other changes to attract capital and institutions from all over the world. Perhaps most importantly, many countries now permit their financial institutions to engage in a far wider range of activities than the United States does, particularly with respect to banks. This bill would enable banks to compete head-on, as they should be allowed to do to keep U.S. companies and U.S. markets innovative, strong, and prosperous.

The bill also provides substantial benefits to community banks who in recent years have faced increased competition in providing financial services in their local markets—from residential mortgages to automobile loans to even small business loans. In addition to helping them meet this competitive challenge, the ability to offer a broader array of financial service products will provide a more diversified income stream to community banks. This will enhance the ability of those banks to weather temporary economic downturns in their local economies and enhance those banks' ability to continue supporting local borrowers experiencing temporary cash-flow problems. As the manager of a community bank in Kansas testified before the Senate Banking Committee last spring:

> We think the evolving integration of the services industry presents some great opportunities for us to have financial products that are tailored to meet our customers' need. But to take advantage of that, Congress needs to remove the restrictions which prohibit us from participating as equals in the areas of insurance and securities and real estate.

Mr. President, I have no illusions that every element of this legislation will pass or that it is perfect. It will undoubtedly be opposed by certain interest groups, and alternative legislation is likely to be introduced. It is, however, a clear step in the right direction, and it raises the issues that this Congress must confront and resolve in order to keep banks competitive, strong, safe, and sound.

Mr. President, I ask unanimous consent that a letter from the American Bankers Association, S. 60, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN BANKERS ASSOCIATION,
Washington, DC, Janaury 6, 1986.
Hon. JAKE GARN,
U.S. Senate, Senate Dirksen Office Building, Washington, DC.

DEAR SENATOR GARN: Attached please find a copy of H.R. 50, "The Financial Services Competitive Enhancement Act of 1987" introduced today by Congressman Doug Barnard. The American Bankers Association has worked closely with Congressman Barnard and his staff in preparing this legislation.

On behalf of the American Bankers Association, we would greatly appreciate your introducing this same legislation in the U.S. Senate. You have been a leader during the past six years on legislation that would allow banks to adjust to the ever changing forces in the financial services marketplace. Therefore, we believe you would be an excellent sponsor for this legislation in the Senate.

There is strong public interest in maintaining a financial system capable both of meeting the diverse needs of individuals, businesses, and governments and facilitating a smoothly functioning economy with a minimum expenditure of resources. We believe this legislation will provide significant benefits to consumers. These benefits may take the form of lower prices for goods and services; increased use of goods and services; or the development of new products and repackaging of traditional services in new ways that promote their accessibility and utility to consumers.

We agree with you for the need of comprehensive legislation that would allow banks to compete equitably with other providers of financial services. It is crucial that legislation of this type be enacted in order to maintain a viable as well as a safe and sound banking system. We hope you will agree to introduce this legislation in order that it may be the subject of public debate and consideration in the Senate.

Sincerely,

EDWARD L. YINGLING.●

By Mr. STEVENS (for himself, Mr. MURKOWSKI, and Mr. DANFORTH):

S. 62. A bill to improve efforts to monitor, assess, and to reduce the adverse impact of driftnets; to the Committee on Commerce, Science, and Transportation.

PELAGIC DRIFTNET FISHERIES

Mr. STEVENS. Mr. President, the living marine resources off our coasts are under grave attack from the growing threat of plastic driftnets. These nets are suspended vertically in the water by floats, and are allowed to drift with the high sea currents. The nets are capable of entangling any species of fish, marine mammals, or sea birds which come into contact with them.

The driftnet fleets of Japan, Korea, and Taiwan have been allowed to grow at an alarming rate. The Japanese mothership salmon fishery currently operates 172 catcher vessels in the North Pacific Ocean. The squid and billfish driftnet fisheries sprang up in the late 1970's and have experienced the biggest growth in the last 3 years. The combined fleets field over 1,700 vessels in the North Pacific, and set more than 1 million miles of net annually.

The fleets have gone virtually unregulated, and the domestic regulations of the respective nations have a poor enforcement record. Last year, the Coast Guard sighted a number of Japanese and Taiwanese vessels in fishing zones prohibited by the laws of their own countries. The National Marine Fisheries Service law enforcement personnel recently seized 600,000 pounds of illegally caught salmon. The investigation is ongoing, but the preliminary indication is that the salmon were caught by Taiwanese vessels operating on the high seas.

U.S. conservation efforts within the Exclusive Economic Zone over anadromous species, marine mammals, and sea birds are being seriously undermined by these plastic curtains of death. The National Ocean Policy Study held oversight hearings on the impact of these driftnet fisheries. The little information which is available highlights serious disruption in the marine ecosystem caused by driftnets. It is estimated that over 1 million salmon of U.S. origin are caught or destroyed annually. Further catch statistics will probably reveal that the actual loss is much greater than the current estimates. These fleets also entangle Dall's porpoise, northern fur seals, and sea lions in the nets. The fur seal population of the Pribilof Islands has declined by over 400,000 animals. U.S. scientists believe that as many as 50,000 fur seals die annually as a result of entanglement in nets and other nonbiodegradable marine debris. The oversight hearing also produced testimony on the shocking number of driftnet-related mortalities in the sea bird population. Many of the species killed by the driftnets are protected by the Migratory Bird Treaty.

In response to concerns raised by Alaskan fishermen and the environmental community, I introduced S. 2611 last year. The legislation was designed to increase the availability and reliability of information pertaining to impact of the driftnet fisheries on living marine resources, and to impose further conservation measures within the U.S. Exclusive Economic Zone. S. 2611 passed the Senate Commerce Committee in July without objection, and was brought to the Senate floor in October. Unfortunately, last minute concerns were raised by New England fishermen and further consideration was postponed until this year. The New England fishermen believed that S. 2611 contained an assertion of jurisdiction over fishery resources outside the Exclusive Economic Zone. This concern is unfounded. There is nothing in the legislation which extends U.S. fisheries jurisdiction. The United States has already asserted jurisdiction over anadromous species such as salmon in the Magnuson Act, and our jurisdiction has been formally recognized in international agreements by the Governments of Taiwan, Japan, and Korea.

Mr. President, I am introducing today the legislation in much the same form as S. 2611. Senate Report 99-529 contains a concise explanation of the impact of the driftnet fishing fleets living marine resources. The report also provides an analysis of S. 2611 which serves as the basis for the legislation I am introducing today. Senate hearing 99-562 is another excellent source of information on the driftnet issue.

Several of the provisions contained in S. 2611 have been modified to accommodate concerns raised by the State Department. First, the requirement that observers be placed on all vessels in the Japanese salmon fishery has been changed to require a sufficient number of research observers necessary to ensure 95 percent confidence in the information.

Second, the Secretary of Commerce is granted authority to modify the Sea Bird Protection Zone around the Aleutian Islands upon a finding that such modification will provide an equal or greater degree of protection for sea birds.

Third, the Secretary of State is provided with 2 years to enter into cooperative monitoring and research agreements with foreign nations before joint-venture fishing permits for nations that refuse to enter into such agreements by the end of the 2-year period may be denied.

Finally, a new provision has been included in the legislation which requires the administration to evaluate the feasibility of and provide recommendations for the use of our Nation's satellite resources to assist in the monitoring of driftnet operations. A coordination of satellite resources is imperative if we are to enforce our anadromous species jurisdiction in a cost-effective manner.

This legislation is critical to the conservation of our living marine resources throughout their migratory range. I call upon my colleagues to become informed on the issue and join with me in this effort.

By Mr. STEVENS:

S. 63. A bill to establish a National Commission on Acquired Immune Deficiency Syndrome; to the Committee on Governmental Affairs.

NATIONAL COMMISSION ON ACQUIRED IMMUNE DEFICIENCY SYNDROME

Mr. STEVENS. Mr. President, acquired immune deficiency syndrome, more commonly know as AIDS, which was unknown in 1979, has emerged as a major sexually transmitted disease and has appropriately been placed at the top of the public health agenda by the Department of Health and Human Services. The AIDS virus now infects more than a million people in the United States and, to the best of our knowledge, most of these people will remain carriers for life. At least 100,000 of those people infected with the AIDS virus in the United States are women. Even more frightening are the prospects faced in other parts of the world. Infection in Central Africa, within the so-called AIDS belt, has risen to over 10 million people, accounting for almost one-tenth of the entire population.

The cases of AIDS reported thus far are only the beginning of the expected toll. At least 50 percent of those now infected will, within the next 5 to 10 years, progress to severe disease and death. We know that the virus inflicts serious damage on the immune system, with the resulting inability of the victim to fight off infections. It also causes gross impairment of the brain. In some cases, the brain is reduced by massive tissue destruction to one-third its normal size. Other life-threatening forms of this disease include at least three forms of cancer—all potentially lethal; infiltration of the lungs with white blood cells; and impairment of the clotting components of the blood.

If the spread of AIDS is not checked, the present epidemic will become a catastrophe. More than 1 in 10 Americans may be infected by this virus in the foreseeable future. In a recent report issued by the Surgeon General, Dr. Everett Koop, it is estimated that, by the year 1991, patients with AIDS will need health and supportive services at a total cost of between $8 and $16 billion. A constantly increasing population of AIDS patients will severely burden the health care system and cripple our armed services. I believe this situation demands both immediate action to stem the spread of infection and a long-term national commitment to produce a vaccine and therapeutic drugs.

Education is the key, along with basic scientific research. The National Academy of Sciences has indicated that a program of research will require at least $1 billion by 1990, with additional monetary commitments over many years. We have made only a start in meeting this crucial need. In the fiscal year 1987 continuing resolution, $396 million was provided for public health activities aimed at preventing and treating AIDS. This is in addition to the $21.8 million Congress appropriated, at my request, to fight AIDS in the military.

Federal agencies, including the National Institutes of Health, the Centers for Disease Control, and the Food and Drug Administration, have contributed enormously to the acquisition of knowledge about AIDS and the HTLV-III virus and to the development of techniques to help in its efforts with several Federal agencies, and is soliciting and reviewing extramural research proposals. I want them to continue their efforts, but greater involvement of the academic and private sectors must be encouraged. We need to determine the appropriate level of our national effort. There is also a need to mobilize existing resources, both fiscal and manpower, and encourage cooperation between the public and private sectors. To fill these needs—and also to inform the American public, Congress, and the executive branch—I have introduced legislation to form a National Commission on AIDS.

This Commission will be charged with comprehensively examining the AIDS issue, including research and current health care efforts; encouraging other public and private groups to become involved in domestic and international efforts on AIDS; and studying the employment, housing, and insurance problems incurred by individuals with AIDS, as well as any legal or ethical issues or violations of civil rights. The Commission will be asked to submit a report to Congress and the President making recommendations for legislative and administrative actions to prevent and treat AIDS, to provide education and information about this disease, to provide assistance to individuals having AIDS, and to coordinate our Nation's spending priorities relative to this disease.

Mr. President, we need to mobilize all existing resources through more effective coordination between the public and private sectors. To meet this need, and also to inform the American public, Congress, and the President, we must establish a National Commission on AIDS. I ask my colleagues to support this bill.

By Mr. CHILES:

S. 64. A bill to amend the Agricultural Adjustment Act to permit marketing orders to provide for paid advertising for Florida-grown strawberries; to the Committee on Agriculture, Nutrition, and Forestry.

PAID ADVERTISING FOR FLORIDA-GROWN STRAWBERRIES

● Mr. CHILES. Mr. President, I am pleased to introduce legislation which will be of great assistance to Florida's strawberry growers. As you know, Florida is an important and growing producer of strawberriers. The Florida Strawberry Growers Association has been very successful in strawberry research, marketing, and services to its members.

Florida strawberry growers, through the Florida Strawberry Growers Association, have petitioned the Secretary of Agriculture for the eventual establishment of a Federal marketing order for strawberries in the State of Florida. An important part of this marketing order will be paid advertising. Provisions for paid advertising in the marketing order will greatly assist the growers in their promotion efforts.

The Agricultural Marketing Agreement Act of 1937 did not make provision for paid advertising as part of a marketing order. But through the years the act has been amended to allow such advertising for many commodities. Marketing orders for almonds, cherries, papayas, carrots, citrus fruits, onions, tokay grapes, fresh pears, dates, plums, nectarines, celery, sweet corn, limes, olives, pecans, avocados, apples, and tomatoes may all involve paid advertising. The legislation I am introducing would add Florida strawberries to that group.

I commend Florida's strawberry growers on their successful efforts to promote their product and am pleased to introduce this legislation on their behalf.

I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 64

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PAID ADVERTISING FOR FLORIDA-GROWN STRAWBERRIES UNDER MARKETING ORDERS.

The first proviso of section 8c(6)(I) of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c(6)(I)), is amended by striking out "or tomatoes" and inserting in lieu thereof "tomatoes, or Florida-grown strawberries,".●

By Mr. HECHT (for himself, Mr. REID, Mr. SYMMS, Mr. NICKLES, Mr. GRAMM, Mr. MCCLURE, Mr. WALLOP, Mr. GRASSLEY, Mr. HATCH, Mr. COCHRAN, Mr. MELCHER, and Mr. WILSON):

S. 65. A bill entitled the "Highway Speed Modification Act of 1987"; to the Committee on Commerce, Science, and Transportation.

HIGHWAY SPEED MODIFICATION ACT

● Mr. HECHT. Mr. President, today I am reintroducing legislation I sponsored almost 2 years ago to modify the 55-miles-per-hour speed limit law. Since the introduction of that bill, S. 329, I have been impressed with the enormous public interest in this legislation and their support for changing this outdated law. Obviously, Congress holds the same viewpoint since just last fall, during consideration of the 1986 highway reauthorization bill, an amendment to change the 55-miles-per-hour law sponsored by Senator SYMMS and myself passed this body by a vote of 56 to 36. Under the provisions of that amendment, individual States would have been allowed to raise speed limits on rural interstate highways up to 65-miles-per-hour; however, only if the Governor so chooses.

The legislation I am offering today, Mr. President, is very similar to what the Senate approved last fall. Simply put, this bill, S. 65, allows our States the right to raise the speed limit up to 65 on all roads, interstate and noninterstate. It takes into full consideration that in high-density population areas, speeds should remain at 55. But is also acknowledges that our States are the only entities best suited to know what roads and highways are capable of being traveled at high speeds. And, most importantly, it returns that right back where it belongs, with the States.

Mr. President, there has been much written and said about whether or not we should change the 55-miles-per-hour law. I think there is no question we should, and it is obvious that most Americans think so too. In fact, it is estimated that today over 75 percent of all drivers do not comply. Why then should we not bring back some common sense and reality to the issue? Why should we not return this job back to our States? And, why must the Federal Government remain in the business of telling Americans how they should or should not drive?

I am pleased today, Mr. President, to be joined by Senators REID, SYMMS, NICKLES, GRAMM, MCCLURE, WALLOP, GRASSLEY, HATCH, COCHRAN, MELCHER, and WILSON in sponsoring this legislation. In a meeting Senator SYMMS and I had in the Oval Office last fall, President Reagan endorsed a change in the 55-mile-per-hour law as well. The Senate has spoken once, Mr. President, and there can be no doubt the time has come to give the American driving public a well deserved break from the 55-mile-per-hour law. I hope all my colleagues will join in this effort.●

● Mr. NICKLES. Mr. President, more than three-quarters of the drivers in our country regularly exceed the 55-mile-per-hour speed limit on rural interstate highways. Does this mean that we are a nation of reckless drivers? I do not think so.

Widespread noncompliance with the 55-mile-per-hour speed limit does indicate the drivers view this law as impractical, particularly on long straight stretches of well-constructed rural highways with little traffic.

Why is the Federal Government in the business of setting speed limits anyway? Until a little over 13 years ago, setting speed limits on roadways was a matter of State jurisdiction, set by our own State legislators. That is the way it should be.

In 1973, Congress made history by setting a Federal speed limit of 55-mile-per-hour. This was mainly a reaction to the OPEC oil embargo when conservation became a necessity. In 1974, the speed limit became permanent.

The only reason many States continue to enforce the 55 limit, against the will of the majority of their citizens, is because of the way the Federal Government enforces the law.

The Government says if a State's drivers exceed the speed limit more than 50 percent of the time, that State can lose up to 10 percent of its Federal highway construction money. In Oklahoma that would amount to approximately $20 million.

And to add insult to injury, that money is not Federal money at all—it is tax money States are required to charge their own citizens by adding an extra 9.5 cents onto the price of each gallon of gas they buy. Simply put, Washington threatens the States by withholding money that rightfully belongs to the States.

Also, the rationale for the 55-mile-per-hour speed limit is less meaningful than it was 13 years ago. Oklahomans are well aware that we have plenty of fuel available at a low price. Automobiles are more fuel efficient and safer. Even though Americans are driving over the speed limit, the automobile fatality rate is dropping and is statistically lower on rural interstates than on more populated roadways.

No one is saying that States—like some of the heavily populated Eastern States—should increase their speed limits. In parts of Oklahoma, there is no call for moving speed limits from their present level. But it is time to give back to States the authority to decide for themselves. Nobody knows better than the people of Oklahoma what is best for Oklahoma.

That is why I am once again joining with my colleagues to offer legislation which would allow each State to raise speed limits up to 65 miles per hour on roads outside urban areas.

This legislation mandates nothing. It simply says that each State will determine for itself whether rural highway speed limits should be increased without losing Federal funds.

I urge my colleagues to join me in putting States back in the driver's seat with this commonsense approach.●

By Mr. BUMPERS:

S. 66. A bill to provide for competitive leasing for onshore oil and gas; to the Committee on Energy and Natural Resources.

COMPETITIVE OIL AND GAS LEASING ACT

Mr. BUMPERS. Mr. President, I rise today to introduce for the fifth consecutive Congress a bill to reform the Federal onshore oil and gas leasing system.

As every Member of this body knows, I have long fought for this change in our current leasing system, which I believe is outmoded, susceptible to fraud and manipulation, and not designed to provide the Government with a fair return. The Federal Onshore Competitive Oil and Gas Leasing Act of 1987 would enact several long overdue changes to the Federal onshore leasing laws. These reforms will establish a leasing system which is fair and workable and will enhance our domestic energy situation. I urge my colleagues to support this bill.

PROBLEMS WITH THE CURRENT LEASING SYSTEM

Mr. President, I believe that reform of the Federal Government's onshore leasing system is absolutely necessary. The current system serves neither the public nor the oil and gas industry's best interests. For the edification of my colleagues who may not have heard this speech before, and to refresh the memories of those who have, I will attempt to summarize the problems with the present Federal leasing system for oil and gas.

Under existing law—the Mineral Leasing Act of 1920—only those lands with known oil and gas potential—those overlying a known geological structure of a producing oil or gas field [KGS]—may be leased on a competitive basis. Because of this restrictive test, less than 5 percent of all onshore leases are now offered competitively. Oil and gas leases not within a KGS must be leased noncompetitively—for a small filing fee and $1 an acre.

In addition to the restrictive nature of the KGS test, it is exceedingly difficult to apply with any degree of certainty. The distinguished Senator from Wyoming [Senator WALLOP] has called the KGS system "witchcraft, at best" and I emphatically agree. Currently, the Bureau of Land Management does not profess to make a technical or professional decision on whether lands overlie a KGS. They simply determine that if a tract is within a mile of producing acreage, it is presumed to be a KGS. Anything further than 1 mile from a producing tract is deemed not to be KGS lands.

The Bureau of Land Management has often made these determinations without current information on producing wells and complete, dependable geological data. These problems have been further complicated by staffing and communications problems within BLM. As a result of errors in BLM's KGS determination process, several leases, determined by BLM not to be within a KGS, have been leased on a noncompetitive basis, even though there was a high degree of competitive interest in the leases. In these instances, the Federal Government received far less than fair market value. The most egregious examples of these occurrences were at Fort Chaffee, AR and Amos Draw, WY.

In 1979 the Interior Department issued noncompetitive leases on 33,000 acres near known gas producing wells at Fort Chaffee for $1 an acre. Arkla gas used to set the leases aside, claiming that they were over a KGS and under the law, should have been leased competitively. The district court agreed, ruling that the Interior Department's decision to lease the area noncompetitively was arbitrary. This decision has been upheld on appeal. In 1980, 24,000 acres of adjoining lands were leased competitively for $1,705 per acre. So instead of the Treasury receiving $24,000 for the leases, it received $43 million, half of which was returned to the State.

More recently, 18 tracts in the Amos Draw region of Wyoming located adjacent to producing lands were leased noncompetitively. The Government received $13,000 in rental fees and $1.2 million in lottery filing for the tracts. Within 6 weeks, the lottery winners sold their lease right for fees estimated at $50 to $100 million. The Amos Draw scandal led to a suspension of the Onshore Leasing Program for 10 months from 1983 to 1984.

In 1984, the National Academy of Sciences began a thorough study of the KGS Program. The NAS report, issued earlier this year, makes several proposals for improving the program. However, the Academy's bottom-line conclusion was that its proposals "at best can lessen the criticism of the KGS Program—and that—that the nature of both oil and gas exploration and existing law preclude resolving the issues to everyone's satisfaction. Uncertainty and individual judgment will always exist even if every piece of data were required by the BLM. Some errors in classification will always occur." "Known Geological Structures Under the Mineral Leasing Act: Interpreting and Applying the Term Known Geologic Structure of a Producing Oil and Gas Field," National Academy Press, 1986, p. 82.

These findings support my belief that the existing competitive leasing system is anachronistic, wasteful and must be replaced. The committee bill would replace the KGS determination process with a neutral market based test. This change will help to assure that the Federal Government receives market value for its leases and will streamline the administration of the leasing program.

An equally serious problem associated with the current leasing system is the potential for fraud and abuse within the noncompetitive system, particularly within the simultaneous filing—(simo)—for lottery system. In 1980, evidence of multiple filings by single applicants in the lottery led to a 3-month hiatus in the program and remedial rule changes. Shortly thereafter filing services for the lottery began to spring up in large numbers. These services recruit clients and then, for a fee, file lottery applications in their names. These services commonly misrepresent the value of the tracts to be offered for lease and the filer's changes of winning a tract. A number of filing services charge service fees greatly in excess of actual filing fees. Some even claim to "guarantee" their clients will be winners.

At one time there were over 500 filing services operating in this country and State and Federal officials estimate that the public has been defrauded of between $200 and $300 million each year by these companies. At present, 44 filing services operate nationwide. This drastic reduction is due in part to the increase in the filing fee to $75 and the required prepayment of the first year's rental payment of $1 per acre. The reduction also reflects the increased investigative efforts of State governments, the Departments of Justice and the Federal Trade Commission to halt fraudulent activities.

Nevertheless, the unscrupulous are ingenious and indefatigable and other types of fraudulent activities have been introduced into the system. One example involves the so-called "40 acre merchants" who break up leases, which are typically over 1,000 acres in size, into 40 acre parcels and sell them to the unsuspecting public. Another fraud involves misrepresentation of the value of lands which were leased noncompetitively—for example tracts in Alaska with no known potential for oil and gas were sold as "valuable oil lands within sight of the Trans-Alaska pipeline."

My bill enhances the Government's authority to combat fraudulent practices and provides the Secretary of the interior with the authority to disapprove lease assignments of less than 640 acres. The requirement that all lands be subject to a competitive test before being offered noncompetitively should also reduce the lottery's attraction for speculators because lands available in the lottery would be presumed to be worth less than $20 an acre.

BACKGROUND AND SUMMARY OF LEGISLATION

For several years I have introduced legislation to establish an all-competitive leasing system for onshore oil and gas resources on Federal lands. I have championed the all-competitive approach here in the Senate for the past 7 years and I would still prefer to see an all-competitive system. However, in the hopes of achieving a consensus regarding leasing reform I introduced S. 2439 in May of last year. It is this legislation, with a few modifications, which the Energy Committee considered and reported to the Senate by a vote of 15 to 2. After further modification, the legislation passed the Senate at the end of the 99th Congress, but failed to be considered by the House of Representatives. The bill I am introducing today is similar to the committee-reported version of S. 2439, with a few technical modifications. The legislation creates a two-tiered system for onshore oil and gas leasing which can be summarized as follows:

All Federal lands subject to oil and gas leasing would be offered first for competitive bidding.

A minimum bid of $20 per acre would be required in the competitive tier. Parcels receiving at least one bid of $20 or higher would be leased to the highest bidder.

Parcels receiving no bids or bids below the minimum would then be available for leasing in the second—noncompetitive—tier for 1 year.

If these parcels are not leased within the year, they again become available only under the competitive system.

The royalty payment under this proposal would be fixed at 12½ percent. Other lease terms, such as rental rates and the length of the lease remain as in existing law. The maximum lease size would be 2,560 acres, except in Alaska.

The primary virtue of this legislation, in my view, is that it eliminates the use of known geologic structures [KGS] as the determinant of eligibility for competitive leasing and substitutes a market based price test. The lottery system—for lands which have been leased previously—and the over-the-counter system—for lands which have never been leased—are preserved for those parcels which the market has determined to be worth less than $20 an acre. The Government's authority to combat fradulent practices involving the onshore oil and gas leasing system would be enhanced under the committee bill.

The Secretary would have new authority to disapprove lease assignments of less than 640 acres in order to prevent "40 acre merchants" from marketing small parts of leases to the unsuspecting public.

Specific authority to combat fraud, including civil and criminal penalties, is provided for regulatory and enforcement agencies.

The Congressional Budget Office estimated last year that passage of this legislation would increase gross Federal receipts from bonus bids by approximately $50 million in fiscal year 1987 and by about $100 million per year over the fiscal years 1988 through 1991. Net receipts to the Government would be $15 million for 1987 and $30 million, because half of the receipts go to the States and receipts for filing fees for noncompetitive leases would be slightly reduced.

Mr. President, this legislation does not provide all I would wish for in a leasing system for our Federal oil and gas resources. It is less than half a loaf for me. But I think it is a workable bill and a fair compromise between diverse interests. I urge the Senate to adopt this legislation and look forward to working with our colleagues in the House on this important issue. I hope that the 100th Congress will finally enact the leasing reform legislation which we have needed for so long.

I ask unanimous consent that a copy of the bill and a section-by-section analysis be printed in the RECORD immediately after my statement.

There being no objection the material was ordered to be printed in the RECORD, as follows:

S. 66

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Onshore Competitive Oil and Gas Leasing Act of 1987."

SEC. 2.(a) Section 17(b)(1) of the Act of February 25, 1920, (30 U.S.C. 226(b)(1)), is amended to read as follows:

"(b)(1) All lands to be leased which are not subject to leasing under paragraph (2) of this subsection shall be leased as provided in this paragraph to the highest responsible qualified bidder by competitive bidding under general regulations in units of not more than two thousand five hundred and sixty acres, except in Alaska, where units shall be not more than five thousand one hundred and twenty acres, which shall be as nearly compact as possible. Lease sales shall be conducted by oral bidding. Lease sales shall be held for each State, where appropriate, not less than quarterly, and more frequently if the Secretary determines such sales are necessary. A lease shall be conditioned upon the payment of a royalty of 12.5 per centum in amount or value of the production removed or sold from the lease. The Secretary shall establish by regulation a minimum acceptable price which shall be the same for all leases and which is at least $20 per acre. The minimum acceptable price shall be established without evaluation of the lands proposed for lease. The Secretary shall accept the highest bid from a responsible qualified bidder which is equal to or greater than the minimum acceptable price. All bids for less than the minimum acceptable price shall be rejected. Lands for which no bids are received or for which the highest bid is less than the minimum acceptable price shall become available for leasing under subsection (c) of this section for a period set by the Secretary not to exceed one year after the lease sale.".

(b) The first sentence of section 17(c) of the Act of February 25, 1920 (30 U.S.C. 226(c)) is amended to read as follows: "(1) If the lands to be leased are not leased under subsection (b)(1) of this section or are not subject to competitive leasing under subsection (b)(2) of this section, the person first making application for the lease who is qualified to hold a lease under this Act shall be entitled to a lease of such lands without competitive bidding.".

(c) Section 17(c) of the Act of February 25, 1920 (30 U.S.C. 226(c)), is amended by adding a paragraph to read as follows:

"(c)(2)(A) Lands (i) which were posted for sale under subsection (b)(1) of this section but for which no bids were received or for which the highest bid was less than the minimum acceptable price established by the Secretary and (ii) for which, at the end of the period established by the Secretary under subsection (b)(1) of this section no lease has been issued and no lease application is pending under paragraph (1) of this subsection, shall be available for leasing only in accordance with subsection (b)(1) of this section.

"(B) The land in any lease which is issued under paragraph (1) of this subsection or under subsection (b)(1) of this section which lease terminates, expires, is canceled or is relinquished shall again be available for leasing only in accordance with subsection (b)(1) of this section.".

(d) The third sentence of section 17(d) of the Act of February 25, 1920 (30 U.S.C. 226(d)), is amended to read as follows: "A minimum royalty of not less than $1 per acre in lieu of rental shall be payable at the expiration of each lease year beginning on or after a discovery of oil and gas in paying quantities in the lands leased.".

SEC. 3. The third sentence of section 30(a) of the Act of February 25, 1920 (30 U.S.C. 187(a)) is amended to read as follows: "The Secretary shall disapprove the assignment or sublease only for lack of qualification of the assignee or subleasee or for lack of sufficient bonds: *Provided, however,* That the Secretary may, in his discretion, disapprove an assignment (1) of a separate zone of deposit under any lease, (2) of a part of a legal subdivision, or (3) of less than six hundred and forty acres outside Alaska or of less than two thousand five hundred and sixty acres within Alaska, unless the assignment constitutes the entire lease or is demonstrated to further the development of oil and gas. Requests for approval of assignment or sublease shall be processed promptly by the Secretary.".

SEC. 4. The first sentence of section 31(b) of the Act of February 25, 1920 (30 U.S.C. 188(b)) is amended to read as follows:

"(b) Any lease issued after August 21, 1935, under the provisions of section 17 of this Act shall be subject to cancellation by the Secretary of the Interior after thirty days' notice upon the failure of the lessee to comply with any of the provisions of the lease, unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or until plan or communitization agreement under section 17(j) of this Act which contains a well capable of production of unitized substances in paying quantities.".

SEC. 5. Section 1008 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3148) is amended as follows:

(1) Subsections (c) and (e) (16 U.S.C. 3148 (c) and (e)) are deleted in their entirety.

(2) The second sentence of section 1008(d) (16 U.S.C. 3148(d)) is deleted.

(3) Subsections (d) and (f) through (i) (16 U.S.C. 3148 (d) and (f) through (i)) are renumbered subsections (c) through (g) respectively.

SEC. 6. (a) Notwithstanding any other provision of this Act and except as provided in paragraph (d) of this section, all noncompetitive oil and gas lease applications filed pursuant to regulations governing the simultaneous oil and gas leasing system (43 CFR subpart 3112) and pending on the date of enactment of this Act shall be processed, and leases shall be issued under the provisions of the Act of February 25, 1920 (30 U.S.C. 181 *et seq.*), as in effect before its amendment by this Act, except where the issuance of any such lease would not be lawful under such provisions of other applicable law. If the date of enactment of this Act occurs during a simultaneous filing period prescribed by the regulations of the Department of the Interior, all applications filed during that period shall be considered filed prior to the date of enactment.

(b) Notwithstanding any other provision of this Act and except as provided in paragraph (d) of this section, all noncompetitive oil and gas lease offers filed pursuant to regulations governing the over-the-counter leasing system (43 CFR subpart 3111) prior to January 1, 1987, shall be proposed, and leases shall be issued under the Act of February 25, 1920 (30 U.S.C. 181 *et seq.*), as in effect before its amendment by this Act, except where the issuance of any such lease would not be lawful under such provisions or other applicable law. If the Secretary posts tracts for competitive sale containing lands in an over-the-counter noncompetitive lease offer filed between January 1, 1987, and the date of enactment of this Act, and if any such tracts do not receive bids greater than or equal to the minimum acceptable price established by the Secretary at the sale, the Secretary shall reinstate the noncompetitive lease offers for these tracts and shall issue leases in accordance with section 17(c) of the Act of February 25, 1920 (30 U.S.C. 226(c)).

(c) Notwithstanding any other provision of this Act, all competitive oil and gas lease bids filed pursuant to applicable regulations (43 CFR subpart 3120) pending on the date of enactment of this Act shall be processed, the high bid for each tract shall be accepted without further evaluation of the value of the tract, and leases shall be issued under the Act of February 20, 1920 (30 U.S.C. 181 *et seq.*), as in effect before its amendment by this Act, except where the issuance of any such lease would not be lawful under such provisions or other applicable law.

(d) No competitive lease applications or offers pending on the date of enactment of this Act for lands within the Shawnee National Forest, Illinois; the Ouachita National Forest, Arkansas; Fort Chaffee, Arkansas; or Eglin Air force Base, Florida; shall be processed until these lands are posted for competitive bidding in accordance with section 2 of this Act. If any such tract receives no bid from a responsible qualified bidder then the noncompetitive applications or offers pending for such a tract shall be reinstated and noncompetitive leases issued under the Act of February 20, 1920 (30 U.S.C. 181 *et. seq.*), as in effect before its amendment by this Act, except where the issuance of any such lease would not be lawful under such provisions or other applicable law. If competitive leases are issued for any such tract, then the pending noncompetitive application or offer shall be rejected.

SEC. 7(a) Except as provided in section 6 of this Act, all oil and gas leasing pursuant to the Act of February 25, 1920 (30 U.S.C. 181 *et seq.*), after the date of enactment of this Act shall be conducted in accordance with the provisions of this Act.

(b) The Secretary shall issue final regulations within one hundred and eighty days after the date of enactment of this Act. The regulations shall be effective when published in the Federal Register.

(c)(1) Prior to issuing regulations implementing this Act, the Secretary shall hold at least one competitive lease sale pursuant to Section 2 of this Act. Sale procedures shall be established in this notice of sale. This sale shall include tracts which, but for the enactment of this Act, would have been posted for the filing of simultaneous oil and gas lease applications pursuant to applicable regulations (43 CFR subpart 3112). The Secretary may also include in the sale tracts which would otherwise have been posted for competitive sale pursuant to applicable regulations (43 CFR subpart 3120) and tracts which received over-the-counter noncompetitive oil and gas lease offers pursuant to applicable regulations (43 CFR subpart 3111) between January 1, 1987, and the date of enactment of this Act. The Secretary may hold additional sales if he considers it necessary prior to the issuance of final regulations pursuant to subsection (b) of this section.

(2) If tracts which would, but for the enactment of this Act, have been posted for filing of simultaneous applications do not receive bids of greater than or equal to the minimum acceptable price established by the Secretary at a competitive sale held under this section, they shall subsequently be posted for the filing of simultaneous applications provided the Secretary has not yet issued regulations under subsection (b) of this section.

(3) If no competitive or noncompetitive leases are issued for lands posted for sale as provided in paragraph (c) of this section, the Secretary shall lease such tracts in accordance with the regulations issued pursuant to paragraph (b) of this section.

SEC. 8. The Act of February 25, 1920 (30 U.S.C. 181 *et seq.*) is amended by adding at the end thereof the following new section:

"SEC. 43. Actions taken by the Secretary of the Interior to develop regulations and procedures for a competitive oil and gas leasing program or to hold particular lease sales shall not be subject to the requirements of section 102(2)(C) of the National Environmental Policy Act of 1969. Except as otherwise provided in this section, nothing in this Act shall be considered as affecting the application of section 102 of the National Environmental Policy Act of 1969."

SEC. 9. The Act of February 25, 1920 (30 U.S.C. 181 *et seq.*) is amended by inserting after section 40 the following new section:

"SEC. 41(a) Any person shall be liable under the standards set forth in subsections (c) and (d) of this section if that person misrepresents to the public by any means of communication the following:

"(1) The value or potential value of any lease or portion thereof issued under this Act;

"(2) the value or potential value of any lease or portion thereof to be issued by this Act;

"(3) the value or potential value of any land available for leasing under this Act;

"(4) the availability of any land for leasing under this Act;

"(5) the ability of the person to obtain leases under this Act on his or her own behalf or on behalf of any other person; or

"(6) the provisions of this Act and its implementing regulations.

"(b) Any person who organizes, or participates in, any scheme, arrangement, plan, or agreement to circumvent the provisions of this Act or its implementing regulations shall be liable under the provisions of this section.

"(c) The Attorney General shall institute against any person who, given the nature of the intended recipient of the communication, knew or should have known he or she was violating subsection (a) or (b) of this section, a civil action, in the district court of the United States for the judicial district in which the defendant resides or in which the violation occurred or in which the lease or land involved is located, for a temporary restraining order, injunction, civil penalty of not more than $100,000 for each violation, or other appropriate remedy, including but not limited to, a prohibition from participating in exploration, leasing, or development of any federal mineral, or both.

"(d) Any person who knowingly and willfully violates the provisions of this section shall, upon conviction, be punished by a fine of not more than $500,000 for each violation or by imprisonment for not more than five years, or both.

"(e)(1) Whenever a corporation or other entity is subject to civil or criminal action under this section, any officer, employee, or agent of such corporation or entity who authorized, ordered, or carried out the proscribed activity shall be subject to the same action.

"(2) Whenever any officer, employee, or agent of a corporation or other entity is subject to civil or criminal action under this section for activity conducted on behalf of the corporation or other entity, the corporation or other entity shall be subject to the same action.

"(f) The remedies, penalties, fines, and imprisonment prescribed in this section shall be concurrent and cumulative and the exercise of one shall not preclude the exercise of the others. Further, the remedies, penalties, fines, and imprisonment prescribed in this section shall be in addition to any other remedies, penalties, fines and imprisonment afforded by any other law or regulation.

"(g)(1) A state may commence a civil action under subsection (c) of this section against any person conducting activity within the state in violation of this section. Civil actions brought by a state shall only be brought in the United States district court for the judicial district in which the defendant resides or in which the violation occurred or in which the lease or land involved is located. The district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to order appropriate remedies and penalties as described in subsection (c) of this section.

"(2) This state shall notify the Attorney General of the United States of any civil action filed by the State under this subsection within thirty days of filing of the action.

"(3) Any civil penalties recovered by a state under this subsection shall be retained by the state and may be expended in such manner and for such purposes as the state deems appropriate. If a civil action is jointly brought by the Attorney General and a state, by more than one state or by the Attorney General and more than one state, any civil penalties recovered as a result of the joint action shall be shared by the parties bringing the action in accordance with a written agreement entered into prior to the filing of the action.

"(4) Nothing in this section shall deprive a state of jurisdiction to enforce its own civil and criminal laws against any person who may also be subject to civil and criminal action under this section.".

SEC. 9. Section 35 of the Act of February 25, 1920 (30 U.S.C. 191) is amended by adding the following at the end of the section:

"In determining the amount of payments to states under this section, the amount of such payments shall not be reduced by any administrative or other costs incurred by the United States."

SEC. 10. The Secretary shall submit annually to the Congress a report containing appropriate information on the implementation of this Act. Such report shall include, but not be limited to:

(a) the number of acres leased, and the number of leases issued;

(b) the amount of revenue received from bonus bids, rentals and royalties;

(c) the amount of production from competitive leases issued under this Act and from competitive and noncompetitive leases issued prior to the enactment of this Act; and

(d) such other data and information as will facilitate (i) an assessment of the onshore oil and gas leasing system, and (ii) a comparison of the system as revised by this Act with the system in operation prior to this Act.

EXPLANATION OF COMPETITIVE LEASING BILL

GENERAL COMMENTS

The bill is based on S. 2439, as reported by the Senate Energy and Natural Resources Committee in July, 1986, with the addition of several technical amendments and substantive amendments of a minor nature.

SECTION-BY-SECTION ANALYSIS

Section 1—Short title.

Section 2(a)—provides that all lands to be leased (except those in special tar sands areas) shall be leased by competitive bidding as long as the highest bid equals or exceeds $20 per acre or a minimum acceptable price established by the Secretary of at least $20. Any minimum acceptable price above $20 shall be established by regulation and shall apply to all leases.

Leases may contain no more than 2,560 acres, except in Alaska where the units may be 5,120 acres. Lease sales shall be held quarterly and shall be conducted by oral bidding. The royalty rate for leases is fixed at 12.5%. The lease term is the same as under existing law—5 years.

Section 2(b)—provides that all land receiving no bid or bids below $20 per acre will be made available for leasing for a period not to exceed one year, without competitive bidding to the person first making application for a lease. Noncompetitive leases issued under this authority would have a 10 year term, as in existing law.

Section 2(c)—provides that if no lease application is pending at the end of the one year period, lands shall again be available for leasing only on a competitive basis. Lands within a lease which is terminated, expires, is canceled or is relinquished shall again be available only on a competitive basis.

Section 2(d)—provides for a minimum royalty of not less than $1 per acre. This would eliminate the possibility of the minimum royalty being less than the rental rate on a lease.

Section 3—allows the Secretary to disapprove lease assignments of a part of a legal subdivision or of less than 640 acres outside of Alaska or of less than 2560 acres within Alaska, in addition to his current authority with regard to disapproval of assignments. The Secretary is directed to approve lawful assignments promptly.

Section 4—amends the cancellation provisions of the Mineral Leasing Act to conform to changes made in the leasing provisions.

Section 5—amends the Alaska National Interest Lands Conservation Act to eliminate the "favorable petroleum geological province" determination and to make leasing in Alaska subject to the provisions of this Act.

Section 6—describes "grandfather provisions" for lease applications pending at the time this Act is enacted. Paragraph (a) grandfathers pending simultaneous, noncompetitive applications and provides an orderly transition if the Department is conducting a simultaneous filing at the time this Act is enacted. Paragraph (b) grandfathers over-the-counter applications filed prior to January 1, 1987. The cut-off date will avoid a last minute rush of lease applications. Paragraph (c) grandfathers pending competitive applications. Paragraph (d) grandfathers pending, noncompetitive applications in certain controversial areas only if the lands are not leased competitively under section 2.

Section 7—requires issuance of regulations within 180 days of enactment of this Act and requires the Secretary to hold at least one lease sale under the provisions of this Act without having implemented regulations.

Section 8—provides that actions taken as a result of this Act are not "major federal actions" for the purpose of implementing section 102 (2) (c) of NEPA. Lease issuance will continue to be subject to NEPA.

Section 9—adds a new section 41 to the Mineral Leasing Act of 1920 to provide specific authority to combat certain fraudulent practices involving the Federal onshore oil and gas leasing program. Subsection 41(a) imposes liability on persons making misrepresentations to the public regarding the provisions of the Act, as amended or its implementing regulations, or regarding the value, potential value, or availability of leases. Subsection 41(b) imposes liability on any person who organizes, or participates in, any scheme, arrangement, plan or agreement to circumvent the Act, as amended, or its implementing regulations. Subsection 41(c) imposes a civil liability standard of "knew or should have known." It provides that the Attorney General shall institute a civil action against any person who, given the nature of the intended recipient of the communication, "knew or should have known" he was violating the provisions of the section. Subsection 41(d) imposes a criminal liability standard of "knowingly and willfully." Additional provisions provide liability and remedies for certain activities.

Section 10—provides that payments to the states under section 35 of the Mineral Leasing Act shall not be reduced by administrative or other costs incurred by the United States.

Section 11—requires an annual report from the Secretary of the Interior on the implementation of this Act.

By Mr. BUMPERS (for himself and Mr. ROTH):

S. 67. A bill to amend the Tax Reform Act of 1986 by repealing a certain transition rule; to the Committee on Finance.

REPEAL OF A CERTAIN TRANSITION RULE

Mr. BUMPERS. Mr. President, today I am reintroducing legislation to correct an egregious error in the Tax Reform Act. I introduced this same bill on the closing day of the last Congress—S. 2954, CONGRESSIONAL RECORD of October 18, 1986, at 33841—and I pledged then that I would reintroduce it again as soon as Congress reconvened. The Congress came very close to taking action to correct this error before we adjourned and it is time now that we take up this issue once again and resolve it.

This legislation would repeal a special "transition" rule which was slipped into the Tax Reform Act at the last minute before it was reported from the tax reform conference committee. This rule provides valuable tax benefits to certain aircraft manufacturers and puts all other aircraft manufacturers at a severe competitive disadvantage. By repealing this transition rule we can avoid an injustice to all of the U.S.- and foreign-owned companies which do not receive special treatment under the transition rule. The legislation I am introducing would repeal this transition rule retroactively to the effective date of the rule, December 31, 1985.

When I introduced this bill last October I was fully aware that the Senate would not be able to consider this legislation in the limited time we had available before we adjourned. In fact, S. 2954 was introduced immediately before the Senate adjourned sine die. When I introduced this legislation last October, I pledged to reintroduce the bill again at the start of this Congress and I also emphasized that S. 2954 and the bill I now introduce repeal this transition rule retroactive to the first day of 1986.

In my statement in October and in an earlier press release on this issue, I gave notice to all those who believed that they would receive the full benefits of this transition rule that they might not, in fact, receive these benefits. As I said in my introductory statement, "Those taxpayers who proceed to rely on this 'transition' rule in the tax reform act are taking a risk and they are acting at their peril." As I also said then, in introducing the bill I was "giving them more notice than was given to the aircraft manufactures not covered by this unfair and ill-advised 'transition' rule"—CONGRESSIONAL RECORD, October 18, 1986, at 33841.

The transition rule which this legislation repeals can be found in section 204(a)(11) of the Tax Reform Act. This provision can be found at page I-76 of the conference report on the tax reform legislation. This transition rule would provide special tax treatment to purchasers of aircraft manufactured in four States explicitly enumerated in the provision, Kansas, Florida, Georgia, and Texas.

As we all know, the Tax Reform Act repealed the investment tax credit effective for property placed in service after December 31, 1985. But under the aircraft transition rule, the ITC would not be repealed for the purchase of certain aircraft identified in the provision. The aircraft to which the ITC repeal is not effective are aircraft which are "In inventory or in the planned production schedule of the final assembly manufacturer, with orders placed for the engine(s) on or before August 16, 1986."

There were a few limitations in the rule. To be included in this rule, the aircraft must be subject to a sale contract binding "on or before December 31, 1986," and must be "delivered and placed in service by the purchaser, before July 1, 1987."

As you can imagine, this transition rule has been a major factor in general aviation aircraft sales over the past few months. Indeed, there was an unseemly rush to sell aircraft just before the December 31, 1986, deadline. Now we will witness another rush to beat the July 1, 1987, delivery deadline. The effect of this rush is to reduce the tax liability of the purchases of the aircraft and every aircraft which was purchased resulted in a drain in Government revenue.

This is precisely the sort of tax-motivated behavior and tax avoidance that the tax reform bill supposedly was directed at curbing and this rush of sales and raid on the U.S. Treasury would have been prevented had the bill I introduced last October been adopted.

This aircraft transition rule on the ITC repeal is not unusual as compared to other transition rules except in that it applies only to aircraft manufactured in the four explicitely enumerated States I have just mentioned. This is the feature of the rule which is so strange and which creates the need for the legislation I reintroduce today.

The chairman of the Finance Committee said during the Senate debate on the tax reform conference report that "he was under the impression this provision covered all the domestic plane manufacturers in the United States"—September 27, 1986, Record at 26616. As I will explain, this impression was based on a misconception about the structure and location of the aircraft manufacturing industry in the United States. As a result of this misconception, the effect of this aircraft transition rule has been devastating to other aircraft manufacturers and their suppliers in the 46 States not covered by the rule.

For example, Arkansas—a State not covered by this transition rule—has two manufacturers of general aviation aircraft, Falcon Jet, a French-owned company, and the Arkansas Modification Center, which manufactures aircraft for British Aerospace. While neither of these companies is U.S. owned, both companies manufacturer planes which have over 50 percent valued added in Arkansas or from U.S. suppliers and the point of final assembly for these planes is in the United States. For example, the Falcon Jet uses engines manufactured by Garrett Turbine Engine Co. of Arizona and avionics manufactured by Collins Avionics of Iowa. The British Aerospace also uses Garrett engines. Both companies have major facilities in Arkansas, where much of the work on these planes is done.

Clearly, both of these companies are "domestic" in the key sense—they employ U.S. workers, directly and through U.S. suppliers, and the final assembly of the planes is in the United States.

Both of these companies manufacture aircraft which meet the intent of the rule except for the fact that they are manufactured in the "wrong" State, specifically in Arkansas. According to the rule, a plane is "manufactured" at the "point of its final assembly." In the case of both Falcon Jets and British Aerospace planes, the companies fabricate and install the cockpit and cabin furnishings, prepare and install the avionics equipment and radar, and paint the planes in Arkansas. These efforts include installation of any customer-selected optional equipment. In short, there is substantial manufacturing at the Arkansas facilities, contrary to the claims of some of the sponsors of this transition rule.

Both of these Arkansas companies have suppliers in other States. Ironically, four of the suppliers for Falcon Jet are in Florida, four are in Texas, and two are in Georgia, all States which otherwise benefit from the transition rule. Falcon Jet also has 22 suppliers in California, 5 in New York, 5 in Illinois, 5 in New Jersey, 3 in Ohio, 3 in Pennsylvania, 2 in Massachusetts, 2 in Minnesota, 2 in Michigan, and 1 each in Maryland, New Hampshire, Connecticut, and Mississippi. The suppliers of British Aerospace are similarly dispersed. It has 41 U.S. suppliers for one of its planes and 49 for another.

Let me emphasize, the only respect in which the aircraft manufactured by these two companies have not met the standards set in section 204(a)(11) is that they are not manufactured in one of the four explicitly mentioned States. If this provision had been drafted to apply to all 50 States, both of these companies would have had aircraft which qualified for the transition relief. If it had been drafted to apply to planes which contained 50 percent or more U.S. value added, planes of both companies would have been covered. The peculiar drafting of the transition rule alone bars its application to these two companies in Arkansas.

It should be obvious that Senator Pryor and I were not involved in the drafting of the transition rule in the tax reform bill. To begin with, I did not support the retroactive repeal of the investment tax credit and have received many complaints from companies in Arkansas about this issue. I would support extending the ITC through 1986 for all taxpayers. If the ITC is repealed for all taxpayers, however, I would find it hard to justify any exception to that repeal. I would find it particularly hard to justify an exception that had the impact of the transition rule with which this legislation deals.

While I have not argued that the U.S. aircraft manufacturing industry needs or deserves any special transition rule, it is quite clear to me that if any sectors of this industry do receive benefits from some special transition rule then all sectors should be treated identically. This transition rule, however, directly and intentionally gives one sector of this industry a direct and valuable competitive advantage over another sector of this industry. This is anticompetitive. It is unfair. It is an abuse of the transition rule process.

Over the last 3 weeks of the last Congress, I worked to prevent the injustice which this transition rule has caused. On September 22 I wrote to the chairman of the Senate Finance Committee explaining the injustice of section 204(b)(11). Unfortunately, no corrective action was proposed in the technical corrections resolution, House Concurrent Resolution 395, which the House first adopted on September 25.

I then worked closely with the chairman of the Senate Finance Committee to secure an amendment to the House-passed technical corrections resolution to remedy this injustice. Throughout these discussions I made it clear that I would support either a repeal of the transition rule or extension of it to all U.S.-based manufacturers.

I made it clear, however, that I would prefer that the rule be repealed for everyone. Only when it became clear that the original sponsors of the rule would not agree to this did I seek to apply the transition rule generically to all U.S.-based manufacturers in all 50 States. In pressing to include Arkansas and other States to the list of States, I sought to prevent an injustice. If the rule was not to be repealed, the only way then to avoid the injustice was to add other States.

In pressing to include Arkansas I was not attempting to secure special treatment for an Arkansas company or for the business aircraft industry. Rather, I was trying to secure equal treatment for the business aircraft manufacturers in Arkansas. Neither these manufacturers nor I started this dispute. Had certain manufacturers not sought to obtain a competitive advantage over other U.S.-based companies I would not now be introducing this legislation.

The Senate first took up the House-passed concurrent resolution on October 16 and adopted an amendment to the House text. This amendment included an amendment to the aviation transition rule. I supported the amendment and said so in a floor statement during the debate—Congressional Record of October 17, 1986 at 33388—statement inadvertently printed the following day. The Senate amendment extended the reach of the provision to all 50 States and prevented it from providing a retroactive windfall to purchasers of aircraft before the transition rule was announced, that is purchases between January and August 16, 1986. The Senate adopted the concurrent resolution with this amendment—October 16, 1986, Congressional Record at 32350.

Unfortunately, the House refused to agree to all of the Senate amendments—Congressional Record of October 17, 1986, at 32982—and it sent the resolution back to the Senate for reconsideration. My understanding is that the House did not consider each of the Senate amendments to House Concurrent Resolution 395 on the merits but was reacting to the fact that the Senate had offered a number of substantive amendments to the resolution.

The Senate took up the resolution a second time on October 17 and again proposed to modify the aircraft transition rule—Congressional Record of October 17, 1986, at 33382. I again spoke in favor of the Senate amendments—Congressional Record of October 17, 1986, at 33385. The Senate modification to the aircraft transition rule again made the rule generic to all 50 States and avoided a windfall for aircraft purchased before the conference committee adopted the rule.

When the House took up the entire concurrent resolution for a third time on October 18, it was unable to consider the Senate amendments on the merits due to objections which were filed by certain Members of the House. The House simply adopted the resolution in the same form as it had the previous day, sending the resolution back to the Senate in a form which the Senate already had twice rejected. By this time the Senate had adjourned sine die and the resolution died.

This means that the Senate action to remedy the error in the tax reform bill was not finally adopted, leaving the original error in the tax bill intact. What I am saying is that we tried to fix the problem created by the aircraft transition rule without having to resort to introducing this legislation but the House would not let us. I had no alternative but to introduce the bill to repeal the transition rule, which I did as soon as it was clear that the House would effectively kill the technical corrections resolution.

With this legislation, I am pressing now to repeal the "transition" rule altogether, the solution I have always thought was the best one available. Since the technical corrections resolution died at the end of the last Congress, the original agreement to extend the "transition" rule to the other 46 States no longer has any meaning and no longer is appropriate. Now it is simply an up-or-down matter on whether this rule should survive for the benefit of any purchasers of aircraft.

Let me explain why repealing the rule is the only option now available. As drafted the "transition" rule affects sales made before December 31, 1986. It has no effect on sales made this month or next month in 1987. Adopting a technical corrections bill extending the effect of this rule to sales made last year can have no effect on sales made then or on sales made now.

Given the fact that the "transition" rule only applied to aircraft manufactured in four States, it is implausable to think that the rule had any effect in 1986—other than a negative effect—on sales of aircraft manufactured in any other State. So, it no longer makes any sense retroactively to extend the "transition" rule to aircraft manufactured in the other States. All this does is provide a tax windfall to those persons who—despite the "transition" rule—went ahead in 1986 and bought aircraft from manufacturers located in the other 46 States.

There is only one other alternative for correcting this "transition" rule. It would be effective to provide aircraft manufacturers in the other 46 States with a tax benefit from August 16 to December 31 of this year. The aircraft manufacturers in these other 46 States could advertise the availability of the ITC for aircraft purchased between these two dates and this probably would induce some persons to buy aircraft manufactured this year in these States. This would be fair—the companies in the four favored States have had their day in the marketplace in 1986 and now it is time to give their competitors the same opportunity in 1987.

I have not proposed to provide this prospective, 1987 ITC window to aircraft manufactured in the other 46 States. It would be fair to do so and it would offset the competitive advantage that already has been given to the manufacturers in the four favored States. But, the cleanest and fairest approach is simply to repeal the rule altogether. That is the best approach. It saves revenue. It avoids an unfairness. If the Finance and Ways and Means Committees would rather provide a prospective remedy, however, I will be happy to consider it.

Adoption of this legislation will affect those persons who—despite my timely warnings in 1986—have bought aircraft manufactured in the four States mentioned in the transition rule. They undoubtedly will come here crying foul and demanding that they receive a tax benefit even though they have had no assurance of receiving it.

But it is not just purchasers of aircraft which have an interest in this transition rule. Some of the aircraft manufacturers are interested in this issue as well despite the fact that they have made all the tax-motivated sales they can make under this provision. It has come to my attention that one aircraft manufacturer has been agreeing to indemnify its customers for some of the value of the ITC should my legislation be adopted. In short, this company has been placing a bet on whether I will be successful in repealing the transition rule.

More interestingly, this company apparently was offering to indemnify its customers before last August 16, when the aircraft "transition" rule became a part of the tax reform bill. This indemnification offer is particularly interesting because as early as March 18 of last year it was on notice that the ITC probably would be repealed effective between January 1 and March 1, 1986. On May 6 of last year it was quite clear that the ITC would be repealed on January 1, 1986. Despite these facts the company continued to offer to indemnify its customers.

I do not know whether this company had any indication that an aircraft transition rule might later be included in the tax reform bill or whether it was simply placing a bet that something would happen on the ITC or that the tax reform bill would die altogether. I do not know if and when the company requested that any transition rule be included in the bill. I do not know when it finally learned that, in fact, an aircraft transition rule had been included in the conference report.

But, introduction of my legislation last October has put this company on notice that it too should not rely on this transition rule, that it should not offer to indemnify its customers if they did not receive an investment credit for their aircraft purchase. If it decided to continue to offer to indemnify its customers, it has done so at its peril. It has been warned and it cannot now claim that it is being treated unfairly for having continued to speculate on the fate of the ITC with respect to aircraft purchased in 1986.

The impact of the original provision in the tax reform bill on foreign-owned aircraft companies with substantial operations in the United States already has led to a major international dispute. This dispute probably will become quite nasty and it will have a damaging impact on international trade in civil aircraft. The issue does not now die simply because the rule is having no ongoing effect; the damage that has been done during the last 4 months of last year remains and festers.

The United States now is in the position where it may have to compensate foreign-owned aircraft manufacturers for the damage which has been done. The same type of transition rule may well be enacted by foreign governments and we will be in no position to complain. If this transition rule is allowed to remain on the books, it will continue to poison trade relations in civilian aircraft for years to come and the issues it raises will continue to be cited by our trading partners to justify their own protectionist behavior.

It is ironic that the United States has argued strenuously that the European airbus consortium should not do precisely what this original provision would have done, discriminate against foreign companies and suppliers. Were this amendment to remain in effect, the airbus governments might be justified in providing launch aid for the A330/340 this March.

After the GATT conference in Uruguay last September, it is quite unwise for the United States to enact a provision designed specifically to benefit U.S. manufacturers and to give them a competitive advantage over their foreign competitors. We should not believe for 1 minute that the governments of France and Britain would stand by and permit the United States to provide special tax incentives only to United States companies and which benefits are specifically denied to French and British owned companies even though these companies have substantial manufacturing facilities in the United States?

In fact, the United States and France have signed an agreement on trade in civil aircraft, dated April 12, 1979, which includes an agreement "to avoid attaching inducements of any kind to the sale or purchase of civil aircraft from any particular source which would create discrimination against suppliers from any signatory." Article 4.4. The transition rule in the tax reform bill would seem clearly to violate this agreement.

In 1985 the U.S. general aviation industry exported some 28 business jets and 54 small turbine-powered commuter airlines. Many of these come from the States covered in this "transition" rule. Sales of at least 20 aircraft by manufacturers in these States are currently pending with European customers. It will be interesting to see how this "transition" rule will affect sales of these and other aircraft. This rule may well boomerang on U.S. companies, particularly those in the four favored States.

I must say that even had the transition rule been amended to include all 50 States, it would have provided special tax benefits to U.S. taxpayers who purchase aircraft manufactured in the United States and would not provide these benefits to any U.S. taxpayer if the plane is not manufactured in the United States. This has the effect of an explicit "buy American" requirement. Even were the provision to include planes manufactured by foreign-owned companies in the United States, it would still not include planes which were manufactured abroad, either by U.S.-owned or foreign-owned companies.

As I have said, by introducing this legislation last October and announcing my intention to reintroduce it at the beginning of this Congress, I have provided full notice to all those who have been in the market for buying aircraft that they should not rely on this rule. In calculating the cost to them of any such purchase, they have been on notice not to take this transition rule into account. In fact, in introducing this bill last October, I was well aware that the introduction of the bill—with its retroactive effective date—would create some uncertainty in the civil aviation market and that is precisely what I intended to do. There was very wide publicity about my bill and there can be no purchaser of any aircraft since October 18 of last year who can now claim that they are surprised by what I am doing now.

I regret that we were unable to remedy this problem with the technical corrections resolution last October. I regret the impact which repeal of the transition rule will have on persons who made purchases of aircraft over the last 5 months.

But the transition rule is unjust. It has hurt companies in Arkansas and many other States. It has hurt them unfairly. It has hurt competition. The only alternative now is to repeal this mischievious rule.

I do not know whether I will be able to secure final enactment of this bill into law, but I am optimistic that the injustice of this transition rule will lead to remedial action by the Congress. There is no issue here of retroactive legislation unfairly depriving a taxpayer of rights he or she relied upon. The only issue is whether it is fair to provide transition relief for certain companies for the purpose of giving them a competitive advantage over their U.S.-based competitors.

I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 67

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEAL OF CERTAIN TRANSITION RULE.

(a) IN GENERAL.—Section 204(a) of the Tax Reform Act of 1986 is amended by repealing paragraph (11).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 1985, in taxable years ending after such date.

By Mr. TRIBLE:

S. 68. A bill to require the District of Columbia to reimburse Fairfax County and Prince William County, VA, for costs incurred in relation to the Lorton prison; to the Committee on Governmental Affairs.

REIMBURSEMENT OF EXPENSES RELATED TO LORTON PRISON

Mr. TRIBLE. Mr. President, I am introducing legislation today to ensure that the citizens of northern Virginia no longer bear the financial burden of playing host to the Lorton prison.

For many years, Washington, D.C.'s prison has been located in Fairfax County, VA. During those years, the Lorton correctional facility has been plagued by escapes, riots, and similar disturbances, and the financial burden of resolving those problems has often fallen on the residents of Fairfax County and Prince William County.

It is they who pay the cost of mobilizing the county police force to search for an escaped convict. It is they who pay county police to guard the prison's perimeter during a riot to help prevent escapes. And it is they who must finance other emergency efforts by county personnel made necessary by Lorton's presence in Fairfax County.

My proposal will redress this unfair situation by requiring that the District government reimburse Fairfax and Prince William Counties for expenses incurred by the counties in providing police, fire, and related services to the prison. Simply put, this bill will help place the financial burden of handling emergencies at Lorton back where it belongs—on the city that runs the correctional facility.

Last year, I offered an amendment similar to this to the D.C. appropriations bill. That amendment was approved by the Congress, and I am pleased that $100,000 of the District's fiscal year 1986 budget has been earmarked for reimbursements to Fairfax and Prince William Counties.

However, I believe that the reimbursement requirement must be made permanent. To that end, this bill will help ensure that the costs of maintaining the Lorton prison and responding to emergencies there will be borne by the District government and not by my constituents in northern Virginia.

Mr. President, I ask unanimous consent that a copy of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 68

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the District of Columbia shall reimburse Fairfax County and Prince William County, Virginia, for expenses incurred by those counties providing police, fire, rescue, and related safety and medical services to the Lorton prison in response to escapes, riots, and similar disturbances.

(b) Within 90 days of the date of enactment of this Act and every three months thereafter, the Mayor of the District of Columbia shall make a report to the Chairman of the Senate Appropriations Subcommittee on the District of Columbia and the Chairman of the House Committee on the District of Columbia regarding the amount and purpose of reimbursements made to Fairfax and Prince William Counties as required by this Act.

By Mr. TRIBLE:

S. 69. A bill to amend the Internal Revenue Code of 1986 to repeal the basis recovery rule for pension plans; to the Committee on Finance.

REPEAL OF BASIS RECOVERY RULE

Mr. TRIBLE. Mr. President, today I am offering legislation to repeal a gross inequity in the Tax Reform Act of 1986 and to restore fair treatment for individuals who contribute to their retirement plans. This measure is desperately needed to protect the financial security for nearly 20 million workers across the Nation and I urge my colleagues to support this effort.

I remain adamantly opposed to any changes in the method of taxing contributory retirement benefits. Contributory pensions have traditionally been taxed according to the 3-year basis recovery rule. Under this rule, when the employee retires and begins to receive an annuity, these payments are not taxed until that individual has received—in the form of annuities—an amount equal to his own contributions to the retirement fund.

The basis recovery rule has worked well for many years and it should not be changed. Unfortunately, the adage, "if it ain't broke, don't fix it" was ignored last year. In the rush to enact tax reform legislation, Congress overlooked the legitimate concerns of over 19 million working Americans. Basic concerns of fairness and retirement security for individuals were shunted aside. The final version of the Tax Act imposed a retroactive repeal of the basis recovery rule.

The provisions of the Tax Reform Act affecting the basis recovery rule are patently unfair. It is simply unjust to change tax rules in effect for over 30 years, when working people have made retirement decisions based on this important provision.

Not only are the tax changes unfair, they have been imposed retroactively. Drastic changes in tax law, costing individuals thousands of dollars and upsetting retirement plans, were imposed retroactive to July 1, 1986.

This change is unprecedented, and this treatment is unconscionable.

The tax measure included thousands of changes in tax law. Yet, of all the changes adopted, only one provision affecting individuals only applied retroactively. The sole retroactive provision is the repeal of the basis recovery rule, affecting primarily public employees at all levels of government.

Why do we require these individuals who have relied on the 30-year-old formula to endure a loss of financial security not required of any other individuals? Why was this group singled out?

During debate on the tax bill conference report, one colleague after another expressed disappointment and opposition to the change in the basis recovery rule. In fact, nearly everyone who spoke on the bill singled out this provision as an unfair one.

Today, we have the opportunity to reconsider repealing the basis recovery rule. My legislation eliminates the changes imposed by the Tax Reform Act. It would allow employees to retire and have their annuities taxed under the rules which worked well for many, many years.

I cannot overestimate the deleterious effect of the basis recovery rule change. I urge my colleagues to join with me now in eliminating this patently inequitable provision.

By My. TRIBLE (for himself and Mr. D'AMATO):

S. 70. A bill to provide for the imposition of the death penalty for certain continuing criminal enterprise drug offenses; to the Committee on the Judiciary.

MAJOR DRUG DEALER DEATH PENALTY ACT

Mr. TRIBLE. Mr President, I am introducing legislation today that will add another weapon to the Federal Government's war on drugs by allowing for capital punishment of those convicted of major trafficking offenses.

As a former Federal and State prosecutor, I believe strongly in the value of the death penalty as a deterrent, and as a means of punishment. I also believe it is time to make the death penalty available for a growing and heinous crime—large-scale distribution of illicit drugs that results in the death of one or more individuals.

Early last year, the President's Commission on Organized Crime reported on just how serious a crime drug trafficking has become. According to the commission:

> Drug trafficking is the most serious organized crime problem in the world today. The drug trade generates billions of dollars for organized crime each year, imposing incalculable costs on individuals, families, communities, and governments worldwide.

Mr. President, the surge in illicit drug production and trafficking in recent years has upped the ante in the Nation's battle against the drug trade. Those who traffic in illicit drugs prey on our youth and impose unacceptable costs on society. It is time that the Federal Government imposed a comparable penalty on drug runners and their trade.

To that end, the legislation I am introducing would impose the death penalty on those convicted under 21 U.S.C. 848 of continuing criminal enterprises that result in drug-related deaths. This legislation has been drawn to comport with the Supreme Court's numerous holdings on the constitutionality of the death penalty. In so doing, the bill will make the death penalty available only in the following limited circumstances:

First, when the underlying offense, be it sales, importation, or another drug-related crime, is punishable as a felony;

Second, where the offense is one of a continuing series of such crimes, as part of which the offender holds a supervisory or authority position over five or more participants in the drug ring, and from which the offender derives substantial income;

Third, where the drug-related criminal enterprise results in the death of an individual.

Thus, this legislation is focused only on the Nation's major traffickers—those involved in large-scale distribution schemes, whose patterns of trafficking cause the death of one or more individuals. It is these big-time dealers who contribute most to the widespread availability of illicit drugs. And it is they who are most deserving of the toughest punishment that the Government can mete out.

I urge my colleagues to join me in cosponsoring this legislation. It is identical to legislation that passed the House during the 99th Congress. Regrettably, it was dropped from the Anti-Drug Abuse Act of 1986 before that measure passed the Senate, despite a procedural vote in its favor. It should have passed last year, and I believe the 100th Congress should pass it quickly this year. In so doing, we can provide a valuable tool for the Nation's prosecutors, who are on the front lines in the drug war. And, we can send a powerful signal to the Nation's drug runners that we will not tolerate the damage that drugs inflict upon our children, our families, our schools, and our communities.

I ask unanimous consent that a copy of this legislation be inserted in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 70

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELEMENTS OF OFFENSE.

Section 408(a) of the Controlled Substances Act (21 U.S.C. 848(a)) is amended—

(1) by striking "(a) Any" and inserting "(a)(1) Except as otherwise provided in this section, any";

(2) by striking "; except that if" and inserting ". If"; and

(3) by adding at the end the following:

"(2) If an individual intentionally engages in conduct during the course of a continuing criminal enterprise and as a result of that conduct any individual (other than a participant in such criminal enterprise) dies, the individual so engaging shall be subject to the death penalty in accordance with this section.".

SEC. 2. PROCEDURE APPLICABLE WITH RESPECT TO THE DEATH PENALTY.

Section 408 of the Controlled Substances Act is amended by adding at the end the following:

"HEARING REQUIRED WITH RESPECT TO THE DEATH PENALTY

"(f) A person shall be subjected to the penalty of death for any offense under this section only if a hearing is held in accordance with this section.

"NOTICE BY THE GOVERNMENT IN DEATH PENALTY CASES

"(g)(1) Whenever the government intends to seek the death penalty for an offense under this section for which one of the sentences provided is death, the attorney for the Government, a reasonable time before trial or acceptance by the court of a plea of guilty, shall sign and file with the court, and serve upon the defendant, a notice—

"(A) that the Government in the event of conviction will seek the sentence of death; and

"(B) setting forth the aggravating factor or factors which the Government will seek to prove as the basis for the death penalty.

"(2) The court may permit the attorney for the Government to amend this notice for good cause shown.

"HEARING BEFORE COURT OR JURY

"(h)(1) When the attorney for the Government has filed a notice as required under subsection (f) and the defendant is found guilty of or pleads guilty to an offense under subsection (a)(2), the judge who presided at the trial or before whom the guilty plea was entered, or any other judge if the judge who presided at the trial or before whom the guilty plea was entered is unavailable, shall conduct a separate sentencing hearing to determine the punishment to be imposed. The hearing shall be conducted—

"(A) before the jury which determined the defendant's guilt;

"(B) before a jury impaneled for the purpose of the hearing if—

"(i) the defendant was convicted upon a plea of guilty;

"(ii) the defendant was convicted after a trial before the court sitting without a jury;

"(iii) the jury which determined the defendant's guilt has been discharged for good cause; or

"(iv) after initial imposition of a sentence under this section, redetermination of the sentence under this section is necessary; or

"(C) before the court alone, upon the motion of the defendant and with the approval of the Government.

"(2) A jury impaneled pursuant to paragraph (1)(B) shall consist of 12 members, unless, at any time before the conclusion of the hearing, the parties stipulate with the approval of the court that it shall consist of any number less than 12.

"PROOF OF AGGRAVATING AND MITIGATING FACTORS

"(i) Notwithstanding rule 32(c) of the Federal Rules of Criminal Procedure, when a defendant is found guilty of or pleads guilty to an offense under subsection (a)(2), no presentence report shall be prepared. In the sentencing hearing, information may be presented as to any matter relevant to the sentence and shall include matters relating to any of the aggravating or mitigating factors set forth in subsections (l) and (m), or any other mitigating factor. Where information is presented relating to any of the aggravating factors set forth in subsection (m), information may be presented relating to any other aggravating factor. Information presented may include the trial transcript and exhibits if the hearing is held before a jury or judge not present during a trial. Any other information relevant to such mitigating or aggravating factors may be presented by either the Government or the defendant, regardless of its admissibility under the rules governing admission of evidence at criminal trials, except that information may be excluded if its probative value is substantially outweighed by the danger of unfair prejudice, confusion of the issues, or misleading the jury. The Government and the defendant shall be permitted to rebut any information received at the hearing and shall be given fair opportunity to present argument as the adequacy of the information to establish the existence of any of the aggravating or mitigating factors, and as to appropriateness in that case of imposing a sentence of death. The Government shall open the argument. The defendant shall be permitted to reply. The Government shall then be permitted to reply in rebuttal. The burden of establishing the existence of any aggravating factor is on the Government, and is not satisfied unless established beyond a reasonable doubt. The burden of establishing the existence of any mitigating factor is on the defendant, and is not satisfied unless established by a preponderance of the information.

"RETURN OF FINDINGS

"(j) The jury, or if there is no jury, the court, shall consider all the information received during the hearing. It shall return special findings identifying any mitigating factors, and any aggravating factors set forth in subsection (l) or (m), found to exist. If one of the aggravating factors set forth in subsection (m)(1) and another of the aggravating factors set forth in paragraphs (2) through (7) of subsection (m) is found to exist, a special finding identifying any other aggravating factor may be returned. A finding of such a factor by a jury shall be made by unanimous vote. If an aggravating factor set forth in subsection (m)(1) is not found to exist or an aggravating factor set forth in subsection (m)(1) is found to exist but no other aggravating factor set forth in subsection (m) is found to exist, the court shall impose a sentence, other than death, authorized by law. If an aggravating factor set forth in subparagraph (m)(l) and one or more of the other aggravating factors set forth in subsection (m) are found to exist, the jury, or if there is no jury, the court, shall then consider whether the aggravating factor or factors found to exist sufficiently outweigh any mitigating factor or factors found to exist, or in the absence of mitigating factors, whether the aggravating factors are themselves sufficient to justify a sentence of death. Based upon this consideration, the jury by unanimous vote, or if there is no jury, the court, shall return a finding as to whether a sentence of death is justified.

"IMPOSITION OF SENTENCE

"(k) Upon a finding that a sentence of death is justified, the court shall sentence the defendant to death. Otherwise the court shall impose a sentence, other than death, authorized by law.

"MITIGATING FACTORS

"(l) In determining whether a sentence of death is to be imposed on a defendant, the following mitigating factors shall be considered but are not exclusive:

"(1) The defendant was less than eighteen years of age at the time of the crime.

"(2) The defendant's capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to the charge.

"(3) The defendant was under unusual and substantial duress, although not such duress as constitutes a defense to the charge.

"(4) The defendant is punishable as a principal (as defined in section 2(a) of title 18 of the United States Code) in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to the charge.

"(5) The defendant could not reasonably have foreseen that his conduct in the course of the commission of murder, or other offense resulting in death for which he was convicted, would cause, or would create a grave risk of causing, death to any person.

"AGGRAVATING FACTORS FOR HOMICIDE

"(m) If the defendant is found guilty of or pleads guilty to an offense under subsection (a)(2), the following aggravating factors shall be considered but are not exclusive:

"(1) The defendant—

"(A) intentionally killed the victim;

"(B) intentionally inflicted serious bodily injury which resulted in the death of the victim;

"(C) intentionally engaged in conduct intending that the victim be killed or that lethal force be employed against the victim, which resulted in the death of the victim; or

"(D) intentionally engaged in conduct which—

"(i) the defendant knew would create a grave risk of death to a person, other than one of the participants in the offense; and

"(ii) resulted in the death of the victim.

"(2) The defendant has been convicted of another Federal offense, or a State offense resulting in the death of a person, for which a sentence of life imprisonment or a sentence of death was authorized by statute.

"(3) The defendant has previously been convicted of two or more State or Federal offenses punishable by a term of imprisonment of more than one year, committed on different occasions, involving the infliction of, or attempted infliction of, serious bodily injury upon another person.

"(4) The defendant has previously been convicted of two or more State or Federal offenses punishable by a term of imprisonment of more than one year, committed on different occasions, involving the distribution of a controlled substance.

"(5) In the commission of the offense or in escaping apprehension for a violation of subsection (a)(1), the defendant knowingly created a grave risk of death to one or more persons in addition to the victims of the offense.

"(6) The violation of this chapter in relation to which the conduct described in subsection (a)(2) occurred was a violation of section 405.

"(7) The defendant committed the offense in an especially heinous, cruel, or depraved manner.

"INSTRUCTION TO JURY ON RIGHT OF THE DEFENDANT TO JUSTICE WITHOUT DISCRIMINATION

"(n) In any hearing held before a jury under this section, the court shall instruct the jury that in its consideration of whether the sentence of death is justified it shall not consider the race, color, national origin, creed, or sex of the defendant. The jury shall return to the court a certificate signed by each juror that consideration of race, color, national origin, creed, or sex of the defendant was not involved in reaching his or her individual decision.

"SENTENCING IN CAPITAL CASES IN WHICH DEATH PENALTY IS NOT SOUGHT OR IMPOSED

"(o) If a person is convicted for an offense under subsection (a)(2) and the court does not impose the penalty of death, the court may impose a sentence of life imprisonment without the possibility of parole.

"APPEAL IN CAPITAL CASES

"(p)(1) In any case in which the sentence of death is imposed under this section, the sentence of death shall be subject to review by the court of appeals upon appeal by the defendant. Notice of appeal must be filed within the time prescribed for appeal of judgment in section 2107 of title 28 of the United States Code. An appeal under this section may be consolidated with an appeal of the judgment of conviction. Such review shall have priority over all other cases.

"(2) On review of the sentence, the court of appeals shall consider the record, the evidence submitted during the trial, the information submitted during the sentencing hearing, the procedures employed in the sentencing hearing, and the special findings returned under this section.

"(3) The court shall affirm the sentence if it determines that—

"(A) the sentence of death was not imposed under the influence of passion, prejudice, or any other arbitrary factor; and

"(B) the information supports the special finding of the existence of any aggravating factor, or the failure to finding any mitigating factors as set forth or allowed in this section.

In all other cases the court shall remand the case for reconsideration under this section. The court of appeals shall state in writing the reasons for its disposition of the review of the sentence.".

By Mr. METZENBAUM (for himself, Mr. Glenn, Mr. Riegle, Mr. Levin, Mr. Dixon, and Mr. Simon):

S. 77. A bill to amend the act of August 18, 1941, with respect to the preparation of cost and benefit feasibility assessments regarding certain emergency flood control projects; to the Committee on Environment and Public Works.

GREAT LAKES FLOODING

● Mr. METZENBAUM. Mr. President, I am today, along with Senators Glenn, Riegle, Levin, Dixon, and Simon introducing legislation that addresses the serious problem of flooding along the Great Lakes.

Current water levels on Lakes Huron, Michigan, and Erie are higher than at any point in recorded history. The U.S. Army Corps of Engineers' most recent forecast indicates that the lake levels will continue to increase this spring. As the winter and spring storm seasons approach, there is general agreement among the corps and the International Joint Commission that the potential for an emergency and extensive flood damage is high.

Fortunately, we have in place a program that is designed to deal with such emergencies.

The so-called, Public Law 99, Advanced Measures Program, authorized by Congress in 1955, gave the Army Corps of Engineers continuing authority to take action to protect public health and safety against flood emergencies. The law created an emergency fund to be expended in flood emergency preparation * * * or restoration of any flood control work threatened or destroyed by flood.

According to Corps of Engineers regulatory guidelines, State Governors may request assistance when, "* * * confronted with an immediate threat of unusual flooding."

In short, the law is quite straightforward. The Federal Government is to help communities protect against imminent flooding.

In practice, however, the Corps of Engineers has been less than straightforward in administering the program. For Ohio and other Great Lakes States, obtaining advanced measures assistance has been nearly impossible.

Two years ago, the Governor of Ohio requested Federal assistance to help protect 50 sites from Lake Erie flood damage. Since that time, only two small dike projects have been completed.

Forty-one sites were cursorily dismissed after a brief field review. Two more were eliminated following a cost benefit analysis.

The total funds expended by the corps to protect the two sites was approximately $124,000—not exactly a big ticket item in the greater scheme of water related expenditures. Of particular concern is the fact that the Federal Government will spend many times that amount to clean up each of the unprotected sites after the inevitable flood occurs.

Communities in other Great Lakes States, including Michigan, New York, and Wisconsin have been at the receiving end of similar treatment from the Corps of Engineers.

The issue, however, is not simply projects. The issue is one of protection—of people's safety, their livelihoods and their property. Thousands of communities along the lakes are facing imminent flooding.

Most of these are working class communities, established along the lakes over 100 years ago. These people are not looking for a handout. They are simply asking their Government to help them get through this crisis.

A good example is Ottawa County in my own State of Ohio. Several large rivers snake through this low-lying region before emptying into Lake Erie. Today flooding is common throughout the entire county. On any given day flood waters extend 15 to 20 miles inland as the lake backs up into the rivers and drainage canals. Many roads are permanently under water. Formerly productive farmlands are now under water.

Twenty-six of the fifty proposed advanced measures Ohio sites would have been located in Ottawa County. None were approved by the Army Corps of Engineers.

Mr. President, Congress enacted the advanced measures program to help local communities prevent flood damage.

Unfortunately, the Corps of Engineers, through its administrative practices and policies, has defeated the purpose of the program.

The bill that I am introducing would get to the heart of the problem—which is the Corps of Engineers' cost benefit policy. Most of the advanced measures projects proposed by the Great Lakes States were rejected because they did not pass the corps'—not Congress'—rigid definition of cost effectiveness.

The corps' definition, in short, asks whether the cost of a proposed project is exceeded by the benefits to be gained by protecting residences only. Any benefits that would be gained by protecting farmers' crops, commercial establishments, inventories, or road access are simply ignored.

In my view, these are legitimate benefits that should be factored into the cost benefit equation.

What good does it do to save all the residences in Ottawa County if every business is wiped out? What do we accomplish by saving the farmer's house when his fields revert to wetlands and he goes out of business?

This bill will make sure the advanced measures program works the way Congress intended. The benefits to be considered in studying a proposed project will be defined to include the protection of residential, commercial and agricultural establishments.

In addition, the cost side of the equation would be limited to the Federal cost. I see no reason why cost analyses performed to determine the feasibility of a Federal undertaking should be based on an amount larger than that which the Federal Government plans to spend.

Mr. President, this is a responsible bill. It does not interfere with existing cost-sharing arrangements for the advanced measures program, under which State and local sponsors pay 30 percent of total project costs.

I believe it will save the Government money in the long run. I hope that my colleagues will see fit to support it.

I ask unanimous consent that a copy of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 77

Be it enacted by the Senate and House or Representatives of the United States of America in Congress assembled, That section 5 of the Act of August 18, 1941 (33 U.S.C. 701n) is amended—

(1) by redesignating subsection (a) as subsection (a)(1); and

(2) by adding at the end of the subsection (a)(1), as redesignated by this Act, the following new paragraph:

"(2)(A) In preparing a cost and benefit feasibility assessment for any emergency project described in paragraph (1), the Chief of Engineers shall consider the benefits to be gained by such project for the protection of—

"(1) residential establishments;

"(2) commercial establishments, including the protection of inventory; and

"(3) agricultural establishments, including the protection of crops.

"(B) For purposes of computing the costs of a project for any feasibility assessment described in subparagraph (A), such costs shall not be computed to be any amount in excess of the Federal costs related to such project.".●

By Mr. METZENBAUM (for himself and Mr. GLENN):

S. 78. A bill to amend the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

GREENMAIL AND NOTICE OF STOCK PURCHASES

● Mr. METZENBAUM. Mr. President, there are serious problems with the way companies are bought and sold in this country. Each of the past 6 years has witnessed a new record in the number of large mergers occurring in the United States. Recently, we have seen many of our major corporations financially weakened and saddled with debt as a result of hostile takeovers. We have seen wealthy entrepreneurs make vast fortunes in a few weeks by purchasing a foothold in a corporation, then selling back the stock in a short time at inflated prices not available to the average stockholder.

We can no longer take seriously the argument that all corporate takeovers are somehow the natural result of an efficient- and productive-free market. All unfriendly takeovers are not bad, but many are. They frequently exploit permissive laws and regulations which allow abusive takeover tactics. Raiders are free to proceed in a perfectly legal way, but in a way which unfairly exploits shareholders, damages corporations, and threatens the economic stability of the community.

During the last Congress, I introduced legislation dealing with a number of issues relating to the takeover process. I plan to do so in this Congress as well. Ultimately, Congress must pass balanced and comprehensive legislation, which protects the legitimate interests of the shareholders, the corporation, and the community as a whole. I hope to work with the business community in bringing about passage of such legislation.

Today I am introducing legislation dealing with two of the critical issues regarding the acquisition process about which there is a growing consensus. The bill I am introducing would, first, prohibit the payment of "greenmail" by corporations subject to a hostile takeover attempt. Second, it would close the "10-day window," which allows persons who have purchased 5 percent of a company's outstanding stock to delay giving notice to the other shareholders for 10 days.

The term "greenmail" refers to the purchase by a corporation of its own stock in order to rid itself of a takeover attempt by a hostile raider. In recent years, we have seen cases of raiders who walked away with instant fortunes when a corporation was forced to buy its own stock at a substantial premium.

One of the most notable cases in recent months was the attempted takeover of Goodyear by Sir James Goldsmith. Mr. Goldsmith purchased 11.5 percent of Goodyear stock over a period of weeks on the open market. In order to avoid the takeover, Goodyear bought back all his shares at $49.50 per share. As a result, Mr. Goldsmith walked away with over $90 million as well as payment of approximately $30 million in expenses. Goodyear also offered to purchase 40 million shares from all its stockholders at a price of $50. However, this offer, unlike the one to Mr. Goldsmith, was prorated for each shareholder based on the number of shares tendered.

In order to finance these stock purchases, Goodyear made the decision to sell three of its divisions and to institute cost-saving measures that resulted in closing some facilities. I fully understand how Goodyear's management came to the decision to restructure the company. However, no objective observer could say the company, its stockholders, or employees came out ahead. After the buyout of Mr. Goldsmith, Goodyear stock was trading at approximately $42. The only real winner in this case was Mr. Goldsmith himself.

Shortly after the Goodyear buyout of Mr. Goldsmith, Gillette paid a premium to Revlon to purchase more than 9 million of its own shares. The raider walked away with a huge profit, estimated to be about $40 million, while the ordinary shareholders' own stock plummeted in price.

Other examples of corporations purchasing their own stock at a premium are shown in the table below. The table shows that in these cases, the raider was paid a substantial premium over the prevailing stock price before and after the buyout.

Company suitor	Stock price per share		
	Week before buyout	Buyout price	Week after buyout
Walt Disney, Saul Steinberg	63.75	70.83	49.50
Houston Nat. Gas Coastal Corp	55.25	60.00	43.25
St. Regis, Sir James Goldsmith	39.88	52.00	39.75
Blue Bell, Bass Brothers	36.75	48.40	36.38
Quaker State, Saul Steinberg	18.25	24.00	17.00
Texaco, Bass Brothers	45.00	50.00	39.00
Warner Comm., Rupert Murdoch	24.50	31.00	22.13

Source: Newsweek, June 25, 1984, page 56.

There are three problems with the opportunity for a raider to obtain greenmail. First, other shareholders are treated unfairly since the raider is given preferential treatment. As the table above shows, the ordinary shareholder is frequently left with stock worth even less than the trading price before the takeover was initiated. Second, companies can be left financially weaker, and saddled with additional debt, after raising the cash to pay the premium to the raider. Finally, the opportunity to walk away with such a fortune attracts raiders in the first place, raiders who are not really interested in obtaining long-term control, improving management, or making the company more efficient.

The bill I am introducing today prohibits a corporation from purchasing its own stock at a premium over market if the stock owner holds over 3 percent of a class of securities and has held this stock for less than 2 years, unless the purchase has been approved by the shareholders or the same offer is made to the other shareholders. This provision is identical to that recommended by the Securities and Exchange Commission in 1984. (See S. 2784, introduced in the 98th Congress at the request of the Commission, June 20, 1984.)

The SEC did not resubmit its greenmail proposal during the 99th Congress on the grounds that greenmail transactions were declining. (See testimony of Chairman John Shad before the Senate Subcommittee on Securities, April 4, 1985.) Recent events cast great doubt on this conclusion, and I hope the Commission again will seriously consider making a recommendation in this area.

The Advisory Committee on tender offers, established by the SEC, also proposed a similar provision. (See report of recommendations, July 8, 1983, p. 46.) A greenmail provision was also reported by the Senate Banking Committee as part of S. 2581 in 1984 and subsequently passed the Senate. Thus, there has been substantial support for acting in this critical area.

The bill I am introducing today would also close the 10 day window for providing notice of stock purchases.

Under current law, a person purchasing securities must provide notice of his holdings and his intentions when he has purchased 5 percent of a company's stock. However, a loophole in the law allows a bidder to acquire substantially more stock before disclosure by deferring the disclosure requirement for 10 days.

In the Goodyear acquisition, Mr. Goldsmith actually purchased substantially more than 5 percent of Goodyear stock before public disclosure was made. This delay means that other stockholders who are unaware of the intentions of the raider continue to trade their stock at values far below those which would exist if the intentions had been made public.

The bill I am introducing today would reduce this 10-day period to 2 days, a much more realistic time for filing proper notice.

As in the case of the greenmail provision, the Securities and Exchange Commission proposed a very similar provision in the 98th Congress. (See S. 2784, introduced June 20, 1984.)

Mr. President, these two amendments to current law would provide a start toward constructively reforming the takeover process. We need to address other issues as well, including the structure of partial and two-tier tender offers, the time available to shareholders to respond to a tender offer, the Hart-Scott-Rodino Act premerger filing requirements, and other issues. I look forward to working with my colleagues as well as members of the business community and others to develop constructive proposals in these areas.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 78

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

GREENMAIL

SECTION 1. Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end thereof the following:

"(h) It shall be unlawful for an issuer to purchase, directly or indirectly, any of its securities at a price above the market from any person who holds more than 3 per centum of the class of the securities to be purchased and has held such securities for less than two years, unless such purchase has been approved by the affirmative vote of a majority of the aggregate voting securities of the issuer, or the issuer makes an offer to acquire, of at least equal value, to all holders of securities of such class and to all holders of any class which such securities may be converted.".

CLOSE OF "10-DAY WINDOW"

SEC. 2. (a) Section 13(d)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(d)(1)) is amended by striking out "ten" and inserting in lieu thereof "two".

(b) Section 13(d) of such Act is further amended by adding at the end thereof the following:

"(7) A person subject to the requirements of paragraph (1) may not acquire, directly or indirectly, beneficial ownership of any additional shares of the equity security that is the subject of the statement required by paragraph (1) for two business days subsequent to the filing of such statement with the Commission. The Commission may, by rule, regulation, or order, in the public interest or for the protection of investors, exempt any person from the requirements of this paragraph.".●

By Mr. METZENBAUM (for himself and Mr. STAFFORD):

S. 79. A bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes; to the Committee on Labor and Human Resources.

HIGH RISK OCCUPATIONAL DISEASE NOTIFICATION AND PREVENTION ACT

● Mr. METZENBAUM. Mr. President, the working men and women of this country should have a right to know if their jobs create a high risk that they will contract a life-threatening disease. And those who are at risk should have a right to advice on how to obtain appropriate medical monitoring. The High Risk Occupational Disease Notification and Prevention Act of 1987, which Senator STAFFORD and I have today introduced, endows workers with these simple yet life-saving rights.

Our bill will promote the process of early detection of occupational diseases through a system of identifying, notifying, and counseling workers at risk. We believe that enactment of this important measure will save thousands of lives and millions of dollars in private and Federal health care spending.

The asbestos tragedy has awakened the American public to the national problem of occupational disease. But asbestos is just one substance. Hundreds of others expose workers to similar dangers daily.

Each year, 100,000 workers die and 390,000 more are disabled from occupational disease. The Federal Government estimates that 880,000 workers face full- or part-time exposure to cancer-causing substances, and 40 million to 50 million American workers have been exposed to one or more of these hazards. In short, millions of Americans put their lives on the line every time they punch a time clock. These men and women have the right to know what risks they are taking and how to cope with them. To do any less is to participate in a conspiracy of silence which unnecessarily jeopardizes their lives.

While some progress has been made in regulating employee exposure to hazardous substances in the work place, there is much more to be done. American industry is not going to stop producing hazardous chemicals or other substances. Many of these substances are essential elements or byproducts of the technology that contributes to our quality of life.

But the quest for improved technology must not blind us to the importance of combating occupational disease. It would be tragic if technological advancement took the lives of those workers who made progress possible. That is why a national detection and prevention effort is so critical.

A Federal notification program would help workers exposed to arsenic. They are at high risk of contracting skin cancer, a disease that can be treated successfully if medical screening occurs early enough.

Notification and medical screening also can help workers to take precautions. Workers exposed to asbestos run a high risk of contracting lung cancer, a risk that becomes even more grave if they smoke cigarettes. By assisting such workers to give up smoking, we can reduce significantly the incidence of this deadly disease.

Our proposed legislation establishes a low-cost system for identifying, notifying, and monitoring at-risk worker populations. Identification and notification, based on existing medical and scientific data, will be carried out by a professional panel operating under the direction of the Secretary of Health and Human Services. Workers who are identified and notified that they are at risk will be advised on how to initiate medical monitoring through their personal physicians or other medical and health professionals. Regional health centers designated by the Secretary will provide training and emergency backup assistance.

The bill includes an authorization of $25 million for each of the first 2 years following enactment. On this limited budget, the Secretary should be able to identify and notify 300,000 workers per year. The Federal cost of this effort will be fully offset so long as even 1 notified worker out of 30—or 10,000 workers—acts soon enough to benefit from preventive intervention or treatment and as a result saves an average of $2,500 in health care costs. If, as is far more likely, the health care savings per worker are 5 to 10 times that amount, the bill will save hundreds of millions of dollars in Federal health care expenditures. Even more significant, of course, are the savings in human terms; avoiding the misery of disabling or fatal diseases for thousands of American workers.

Senator STAFFORD and I introduced a similar bill during the last Congress. That bill, and a companion measure introduced in the House of Representatives, had the support of the American Cancer Society, the American Lung Association, the American Public Health Association, the American Psychological Association, the American Association of Occupational Health Nurses, the United Automobile Workers, the United Steel Workers of America, the Oil, Chemical and Atomic Workers, the International Association of Firefighters, the AFL-CIO and the Industrial Union Department of the AFL-CIO. We anticipate that the bill we are introducing today will be supported by an even more impressive array of public health associations and labor organizations.

During the last session of Congress, the Senate Subcommittee on Labor and the House Subcommittee on Health and Safety conducted exhaustive hearings on the high risk notification bill. At those hearings there was considerable expert testimony in favor of the legislation. At the same time, the business community and the administration raised some legitimate concerns regarding the proposed legislation. In response to those concerns, we have modified the former Senate bill in several important respects:

This measure alters the definition of "risk" to conform to the definition used under the hazard communication standard promulgated by this administration;

It recognizes the need to coordinate employee notification with existing labeling requirements of the hazard communication standard, while emphasizing the additional medical surveillance component not present under current law;

This bill includes a more precise scientific approach to describing how exposed worker populations are identified and defined for purposes of notification;

It specifies a procedure for notification that includes a public hearing and the right to judicial review based on a complete agency record;

Finally, this measure provides for a simpler and more equitable allocation of the costs of medical surveillance between employers and employees in a population at risk.

The need for a notification and prevention program has never been more apparent. A study published last year in the New England Journal of Medicine found that three decades of medical research aimed primarily at cancer treatment have failed to stop the rising rate of death from cancer among Americans. One of its central conclusions is that as a Nation we must spend more money on cancer prevention, including showing the American people how changes in environmental factors can substantially reduce cancer risks. Anyone who has a passing familiarity with the enormous financial costs of health care coverage would reach the same conclusion. Indeed, at a recent health insurance conference on wellness in the workplace, an industry representative declared that the new challenge is to develop "proactive products" aimed at preventing health breakdowns rather than simply reacting to the expense of illness after it occurs.

Mr. President, I urge my colleagues to support this important initiative in the area of occupational health. It will save lives and it will save money.

Mr. President, I ask unanimous consent that the text of the bill I have just described, "the High Risk Occupational Disease Notification and Prevention Act of 1987," be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 79

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "High Risk Occupational Disease Notification and Prevention Act of 1987".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) potentially harmful substances, physical agents, and processes are in wide industrial and commercial use in the United States;

(2) a significant number of workers suffer disability or death or both wholly or partially as a result of being exposed to occupational health hazards;

(3) diseases caused by exposure to occupational health hazards constitute a substantial burden on interstate commerce and have an adverse effect on the public welfare;

(4) workers have a basic and fundamental right to know that they have been exposed to an occupational health hazard and are at risk of contracting an occupational disease;

(5) there is a period of time between exposure and the onset of disease when it often is possible to intervene medically in the biological process of disease either to prevent or, by early detection, successfully treat many disease conditions;

(6) social and family services that reinforce health-promoting behavior can reduce the risk of contracting an occupational disease;

(7) by means of established epidemiological, clinical, and laboratory studies, it is possible to define and identify specific worker populations at risk of contracting occupational disease;

(8) there is no established national program for identifying, notifying, counseling, and medically monitoring worker populations at risk of occupational diseases;

(9) there is a lack of adequately trained professionals, as well as appropriately staffed and equipped health facilities to recognize and diagnose occupational diseases;

(10) there is a need for increased research to identify and monitor worker populations at risk of occupational diseases; and

(11) through prevention and early detection of occupational disease the staggering costs of medical treatment and care in the United States can be substantially reduced.

(b) PURPOSE.—It is the purpose of this Act—

(1) to establish a Federal program to notify individual employees within populations at risk of occupationally induced disease that they are at risk because of exposure to an occupational health hazard, and to counsel them appropriately;

(2) to authorize and direct the certification of health facilities that have a primary purpose of educating, training, and advising physicians and other professionals in local communities throughout the United States to recognize, diagnose, and treat occupational disease;

(3) to expand Federal research efforts to improve means of identifying and monitoring worker populations at risk of occupational disease; and

(4) to establish a set of protections prohibiting discrimination against employees on the basis of identification and notification of occupational disease risk.

SEC 3. DEFINITIONS.

For the purpose of this Act:

(1) BOARD.—The term "Board" means the Risk Assessment Board established under this Act.

(2) COMMERCE.—The term "commerce" means trade, traffic, commerce, transportation, or communication among the several States, or between a State and any place outside thereof, or within the District of Columbia, or a possession of the United States (other than the Trust Terriorty of the Pacific Islands), or between points in the same State but through a point outside thereof.

(3) EMPLOYEE.—The term "employee" means—

(A) an employee of an employer who is employed in a business of his or her employer that affects commerce; or

(B) a former employee who—

(i) was formerly employed by an employer in a business of his or her employer that at the time of employment affected commerce; and

(ii) as to whom any Federal agency maintains records pertaining to work history, or the employer maintains personnel records, medical records, or exposure records.

(4) EMPLOYER.—The term "employer" means a person engaged in a business affecting commerce who has employees, including the United States or any State or political subdivision of a State.

(5) HAZARD COMMUNICATION STANDARD.—The term "hazard communication standard" means the standard contained in section 1910.1200 of title 29 of the Code of Federal Regulations in effect on January 1, 1987.

(6) MEDICAL MONITORING.—The term "medical monitoring" means periodic medical examinations of employees who are at risk of occupational disease.

(7) OCCUPATIONAL HEALTH HAZARD.—The term "occupational health hazard" means a chemical, a physical, or a biological agent, or an industrial or commercial process, found in the workplace for which there is statistically significant evidence (based on at least one study conducted in accordance with established scientific principles) that acute or chronic health effects may occur in exposed employees. The term includes chemicals that are carcinogens, toxic or highly toxic agents, reproductive toxins, irritants, corrosives, sensitizers, hepatotoxins, nephrotoxins, neurotoxins, agents that act on the hematopoietic system, and agents that damage the lungs, skin, eyes, or mucous membranes.

(8) PERSON.—The term "person" means one or more individuals, partnerships, associations, corporations, business trusts, legal representatives, or any organized group of persons.

(9) POPULATION AT RISK OF DISEASE.—The term "population at risk of disease" means an employee population exposed to an occupational health hazard at intensities or for durations comparable to at least one study referred to in paragraph (7).

(10) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

SEC. 4. RISK ASSESSMENT BOARD.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established within the Department of Health and Human Services the Risk Assessment Board.

(2) MEMBERSHIP.—The Board shall consist of 5 members. Board members shall be career or commissioned Public Health Service employees designated by the Secretary, to serve terms of 5 years, except that initially 1 member shall be appointed for 1 year, 1

member for 2 years, 1 member for 3 years, 1 member for 4 years, and 1 member for 5 years. The Board shall include an epidemiologist, a toxicologist, an industrial hygienist, a physician, and an occupational health nurse.

(3) CHAIRMAN.—The Secretary shall designate 1 member to serve as Chairman of the Board.

(4) VACANCIES.—Any member appointed to fill a vacancy in the Board that occurs prior to the expiration of a term shall be appointed to serve for the remainder of that term.

(5) REPORTING.—The Board shall report to the Secretary through the Assistant Secretary for Health.

(6) STAFF.—The Secretary shall provide a full-time staff necessary to carry out the functions of the Board.

(b) FUNCTIONS OF BOARD.—

(1) IN GENERAL.—

(A) DUTIES.—The Board shall—

(i) review current medical and other scientific studies and reports concerning the incidence of disease associated with exposure to occupational health hazards;

(ii) identify and designate from this review those populations at risk of disease that should receive notification pursuant to this act, including the size, nature, and composition of the populations to be notified; and

(iii) develop a form and method of notification that will be used by the Secretary, or agents of the Secretary described under section 6, to notify the designated populations at risk of disease.

(B) INFORMATION REQUESTS.—The Board, consistent with section 552a of title 5, United States Code (relating to privacy), may request information from any Federal agency or other government or private organization for the purpose of obtaining studies and reports conducted or initiated with respect to actual or potential occupational health hazards. The information shall be furnished consistent with provisions for Federal access set forth under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et. seq.) and the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 801 et. seq.), and regulations promulgated pursuant to such Acts.

(2) IDENTIFICATION OF POPULATIONS AT RISK OF DISEASE.—In identifying populations at risk of disease, the Board shall consider the following factors based on the best available scientific evidence—

(A) substances, agents, or processes that may be toxic based on epidemiologic and clinical observations of human populations, or animal and laboratory studies;

(B) estimates of increased risk of death or disease in specific sites, systems or organs of the body in exposed human populations; and

(C) estimates of increased risk of death or disease in exposed human populations related to industrial classifications, job categories, and duration and intensities of exposure.

(3) DESIGNATION OF IDENTIFIED POPULATIONS FOR NOTIFICATION.—

(A) DESIGNATION.—In designating populations at risk of disease for notification, the Board shall undertake as its first priority to designate populations likely to benefit from medical surveillance or health counseling.

(B) FACTORS.—In making the designation required by subparagraph (A), the Board shall consider but not be limited to—

(i) exposures for which there exists a permanent standard promulgated under section 6(b)(5) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 655(b)(5));

(ii) the extent of medical monitoring already available to employee populations covered by the permanent standards; and

(iii) the need to notify former employees as well as current employees.

(C) NOTIFICATION.—The Board shall notify or coordinate notification of not less than 100,000 employees per year. The Board shall make every reasonable effort to notify or coordinate notification of not less than 300,000 employees per year.

(4) DETERMINATION.—If the Board determines that a class or category of employees is a population at risk of disease to be notified pursuant to this Act, the Board shall—

(A) make such a determination pursuant to subsection (c); and

(B) within 10 days of making such a determination, transmit the determination to the Secretary that the individuals within such population be notified under section 5.

(c) PROCEDURES.—

(1) NOTICE OF PROPOSED DETERMINATION.—For each population designated for notification, the Board shall issue a notice of proposed determination.

(2) CONTENTS OF NOTICE.—The notice required by paragraph (1) shall—

(A) be published in the Federal Register;

(B) set forth which classes or categories of employees are being considered for inclusion as an employee population to be notified, and a concise statement of the basis for their inclusion;

(C) provide for the public to submit written views on the proposed determination within 45 days of the notice; and

(D) provide for a hearing within 30 days of the notice at which the public may express views on the proposed determination of the Board.

(3) FINAL DETERMINATION.—The Board shall issue a final determination within 45 days after the hearing based on the record developed pursuant to paragraph (2). The final determination shall be deemed to be a final agency action.

(4) EXTENSION.—The Board may, in exceptional circumstances, extend the time between the issuance of the notice described in paragraph (2), and the issuance of a final determination under paragraph (3), except that the extension may not exceed 150 days for the total period of time beginning with the issuance of the notice.

(5) ACTION.—Any aggrieved person may bring a civil action for mandamus in the appropriate United States district court if the final agency action is not completed within 90 days or 150 days, as the case may be.

SEC. 5. EMPLOYEE NOTIFICATION AND COUNSELING.

(a) NOTIFICATION OF POPULATION AT RISK.—On a determination by the Board that a given class or category of employee is a population at risk of disease to be notified pursuant to this Act, the Secretary shall make every reasonable effort to ensure that each individual within such population is notified of the risk.

(b) CONTENTS OF NOTIFICATION.—The notification shall include:

(1) HAZARD.—An identification of the occupational health hazard, including the name, composition, and properties of known chemical agents.

(2) DISEASES.—The disease or diseases associated with exposure to the occupational health hazard, and the fact that such association pertains to classes or categories of employees.

(3) LATENCY PERIODS.—Any known latency periods from the time of exposure to time of the clinical manifestation of the disease.

(4) COUNSELING.—Counseling information appropriate to the nature of the risk, including but not limited to—

(A) the advisability of initiating a personal medical monitoring program;

(B) the most appropriate type of medical monitoring for the disease associated with the risk;

(C) the name and address of the nearest occupational and environmental health center certified under this Act;

(D) the prohibitions against discrimination for notified employees, as established under section 9;

(E) employer responsibilities with respect to health care for notified employees, as established under section 9; and

(F) the telephone number of the hot line established under subsection (c).

(c) TELEPHONE INFORMATION.—The Secretary shall establish a toll-free long distance telephone "hot line" for employees notified under this section or their personal physicians, for the purpose of providing additional medical and scientific information concerning the nature of the risk and its associated disease.

(d) DISSEMINATION OF INFORMATION.—The Secretary, after consultation with the Board, shall prepare and distribute other medical and health promotion material and information on any risk subject to notification under this section and its associated disease as the Secretary and the Board consider appropriate.

(e) ACCESS TO INFORMATION.—In carrying out the notification responsibilities under this section, the Secretary, consistent with section 552a of title 5, United States Code, (relating to privacy) may request information from—

(1) any Federal agency solely for the purpose of obtaining names, addresses and work histories of employees subject to notification under this section; and

(2) any employer insofar as Federal access already is provided for under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.) and the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 801 et seq.), and regulations promulgated pursuant to such Acts.

(f) LIABILITY.—The Secretary and the agents of the Secretary (including any employer or government acting pursuant to section 6) shall not be liable under Federal or State law for monetary damages with respect to any omission or act performed pursuant to this section unless the omission or act is willful.

(g) JUDICIAL REVIEW.—

(1) PETITION.—Any person adversely affected or aggrieved by a determination of the Board under this Act that a given class or category of employees is or is not a population at risk of disease is entitled to judicial review of the determination in the appropriate United States court of appeals on a petition filed in such court. Any petition filed pursuant to this section shall be filed within 30 days after such determination by the Board. On the filing of a petition, the Secretary shall certify the hearing record.

(2) REVIEW.—The court shall review the determination of the Board based on the hearing record.

(3) JUDICIAL ACTION.—The court may set aside the determination of the Board under subsection (a) only if the determination is found to be—

(A) arbitrary, capricious, or an abuse of discretion;

(B) contrary to constitutional right, power, privilege, or immunity;

(C) in excess of statutory jurisdiction, authority, or limitations; or

(D) without observance of procedure required by law.

(4) STAY.—The commencement of proceedings under this subsection shall not operate as a stay of the requirement on the Secretary to notify employees unless the court specifically orders a stay based on a determination by the court that the complaining party is highly likely to succeed on the merits.

SEC. 6. MEANS OF EMPLOYEE NOTIFICATION.

(a) RESPONSIBILITY OF SECRETARY.—Except as otherwise provided in this section, the Secretary shall be responsible for notifying employees at risk of disease, as determined by the Board.

(b) COOPERATION WITH PRIVATE EMPLOYERS AND STATE AND LOCAL GOVERNMENTS.—

(1) IN GENERAL.—In carrying out notification responsibilities under subsection (a), the Secretary is encouraged to cooperate to the extent practicable with private employers and State and local departments of health.

(2) CERTIFICATION OF PRIVATE EMPLOYERS OR STATE OR LOCAL GOVERNMENTS.—

(A) IN GENERAL.—The Secretary may certify a private employer or a State or local government to conduct notification. Such certification shall require inclusion of the information described in section 5(b) and shall be in accordance with standards issued by the Secretary.

(B) ADMINISTRATION.—No private employer or public agency of a State or local government certified under this paragraph may receive payment for the cost of such notification from the United States or have a right of access to Federal records for the purposes of carrying out the notification.

(C) FORM OF NOTIFICATION.—The form of notification adopted by a private employer or public agency of a State or local government shall confrom, to the maximum extent practicable, to a model notification form issued by the Board under section 4(b).

(c) EMPLOYEES NOT CURRENTLY EXPOSED.—

(1) IN GENERAL.—In the case of former employees and employees for whom no exposure to the occupational health hazard occurred in the course of current employment, the notification shall be transmitted to each employee in the designated population at risk of disease who was exposed to the occupational health hazard within 30 years prior to the date of notification.

(2) INDIVIDUAL NOTIFICATION.—Notification shall be on an individual basis, except that if individual notification is not reasonably possible, the notifying entity shall make use of public service announcements and other means of notification appropriate to reach the population at risk.

(d) EMPLOYEES CURRENTLY EXPOSED.—

(1) IN GENERAL.—In the case of employees for whom any exposure to the occupational health hazard occured in the course of current employment, notification shall be transmitted to individual employees and posted prominently at the worksite in places easily accessible to and frequented by the employees in the population at risk.

(2) EMPLOYERS SUBJECT TO HAZARD COMMUNICATION STANDARD.—If the employer is subject to the hazard communication standard with respect to the occupational health hazard in question, notification shall include a concise summary of the information contained in any material safety data sheet prepared on the occupational health hazard pursuant to the hazard communication standard. The concise summary shall be written in a manner calculated to be understood by the average employee.

SEC. 7. OCCUPATIONAL AND ENVIRONMENTAL HEALTH CENTERS.

(a) SELECTION FROM AMONG EXISTING FACILITIES.—

(1) ESTABLISHMENT AND CERTIFICATION.—Within 90 days after the effective date of this Act, the Secretary shall establish and certify 10 health centers. The Secretary shall select the 10 health centers from among the educational resource centers of the National Institute for Occupational Safety and Health and similar facilities of the National Institute for Environmental Health Sciences, the National Cancer Institute, and other private or governmental organizations designated by the Secretary. At a later date, the Secretary may establish and certify additional health centers from among the health care facilities described in this paragraph so as to obtain not more than 1 center per State throughout the United States.

(2) BASIS FOR SELECTION.—In carrying out paragraph (1), the Secretary shall base selection on ability and experience in the recognition, diagnosis, and treatment of occupationally related diseases in an ethical manner and capacity to offer training to physicians and other professionals.

(b) FUNCTIONS OF CENTERS.—The centers shall—

(1) provide education, training, and technical assistance to personal physicians and other professionals who serve employees notified under section 5; and

(2) be capable of providing diagnosis, treatment, medical monitoring, and family services for employees notified under section 5.

SEC. 8. RESEARCH, TRAINING, AND EDUCATION.

(a) IMPROVED METHODS OF MONITORING AND IDENTIFICATION.—The Board shall conduct or provide for research, training, and education aimed at improving the means of identifying employees exposed to occupational health hazards and providing medical assistance to such employees. The research, training, and education shall include but not be limited to—

(1) studying the etiology and development of occupationally related diseases, and the development of disabilities resulting from such diseases;

(2) developing means of medical surveillance of employees exposed to occupational health hazards;

(3) examining the medical treatment of workers exposed to occupational health hazards, and means of medical intervention to prevent the deterioration of the health and functional capacity of employees disabled by occupational diseases;

(4) studying and developing medical treatment and allied health and social services to be made available to employees exposed to occupational health hazards;

(5) developing educational programs designed to train physicians and other professionals who assist employees and their families in undertaking measures which ameliorate the effects of those diseases; and

(6) sponsoring epidemiological, clinical, and laboratory research to identify and define additional employee populations at risk of disease.

(b) AUTHORITY TO EMPLOY EXPERTS AND CONSULTANTS.—In carrying out activities under this section, the Board is authorized to engage the services of experts and consultants, as the Board considers necessary.

(c) COURSES OF STUDY ON OCCUPATIONAL DISEASE.—

(1) FEDERAL FINANCIAL ASSISTANCE.—No school of medicine may receive federal financial assistance in any academic year beginning after the date of enactment of this Act unless the school of medicine offers a course of study on occupational disease consisting of a minimum of 20 actual hours of didactic and practical instruction.

(2) ADMINISTRATION.—The Secretary shall enter into such arrangements with the head of other appropriate departments and agencies, as the Secretary determines are necessary to carry out the policy required by paragraph (1).

(3) DEFINITIONS.—For the purpose of this subsection:

(A) FEDERAL FINANCIAL ASSISTANCE.—The term "federal financial assistance" includes financial assistance by grant, loan, or contract other than a contract of insurance or guaranty.

(B) SCHOOL OF MEDICINE.—The term "school of medicine" has the same meaning given such term under section 701(4) of the Public Service Health Act (42 U.S.C. 292a(4)).

SEC 9. EMPLOYEE TESTING; DISCRIMINATION AGAINST EMPLOYEES.

(a) EMPLOYEE TESTING.—For any employee notified under section 5, the testing, evaluation, and medical monitoring recommend as a result of exposure to the occupational health hazard shall be provided or made available by the current employer—

(1) at no cost to the employee if any part of such exposure occurred in the course of the employee's employment by that employer; or

(2) at a charge to the employee not exceeding the cost to the employer if no part of such exposure occurred in the course of the employee's employment by that employer (or if the employer so determines, at no charge to the employee).

(b) DISCRIMINATION PROHIBITED.—No employer or other person shall discharge or in any manner discriminate against any employee on the basis that the employee is or has been a member of a population that has been determined by the Secretary to be at risk of disease.

(c) BENEFIT REDUCTION PROHIBITED.—If, following a determination by the Secretary under this Act, it is medically determined by the employee's designated physician (in consultation with the employer and the employer's medical representative) that an employee should be transferred to a less hazardous or nonexposed job, the employee shall maintain the earnings, seniority, and other employment rights and benefits, as though the employee had not been transferred from the former job. The medical transfer protection described in the preceding sentence shall be provided for as long as a less hazardous or nonexposed job is available, or, where said job is not available, for a period determined by the physician not to exceed 12 months.

SEC. 10. ENFORCEMENT AUTHORITY.

(a) RECORDKEEPING.—The Secretary shall require recordkeeping necessary to monitor the numbers, types and results of notification under this Act.

(b) INJUNCTIVE RELIEF.—

(1) ACTION.—Whenever the Secretary determines that any person is engaged or is about to be engaged in an act or practice constituting a violation of this Act or any rule or regulation promulgated under this Act, the Secretary may bring an action in the appropriate United States district court to enjoin such acts or practices.

(2) Injunction or restraining order.—On a proper showing, an injunction or permanent or temporary restraining order shall be granted without bond.

(3) Effect of other section.—Section 5(f) shall not limit the authority of the Secretary under this subsection.

(c) Willful Violations.—

(1) Action.—The Secretary may bring an action in the appropriate United States district court against any person who commits a willful violation of this Act, or any rule or regulation promulgated under this Act.

(2) Penalty.—Any person who willfully violates this Act, or a rule or regulation promulgated under this Act, shall be assessed a civil penalty of not more than $10,000 for each violation.

(d) Review of Discrimination Complaints.—

(1) In general.—

(A) Application for review.—Any employee who is aggrieved by a violation of section 9(b) or 9(c) may, within 6 months after such violation occurs, apply to the Secretary of Labor for a review of such alleged violation.

(B) Investigation.—On receipt of such application, the Secretary of Labor shall cause such investigation to be made as the Secretary of Labor considers appropriate.

(C) Action.—If, no such investigation, the Secretary of Labor determines that this section has been violated, the Secretary of Labor shall bring an action in any appropriate United States district court. In any such action, the United States district courts shall have jurisdiction for cause shown to restrain violations of this section and order all appropriate relief under subsection (e) or (f).

(2) Determination by secretary.—Within 90 days of the receipt of the application filed under this subsection, the Secretary of Labor shall notify the complainant of the determination of the Secretary of Labor under paragraph (1). If the Secretary of Labor finds that there was no such violation, the Secretary shall issue an order denying the application.

(e) Reinstatement and Other Relief.—Any employee who is discriminated against in violation of section 9(b) or 9(c) shall be restored to his or her employment and shall be compensated for—

(1) any lost wages (including fringe benefits and seniority);

(2) costs associated with medical monitoring that are incurred up to the time when the discrimination is fully remedied; and

(3) costs associated with bringing the allegation of violation.

(f) Civil Penalties.—Any person that discriminates against an employee in violation of this section shall be liable for a civil penalty of not less than $1,000 or more than $10,000 for each violation.

(g) Effect on Other Laws.—The notification of an employee pursuant to this Act that the employee is in a population at risk and the initiation of medical evaluation and monitoring shall not constitute or in any way affect a claim for compensation, loss, or damage arising out of exposure to the occupational health hazard, except that the results of such medical evaluation and monitoring may be introduced as evidence with respect to such a claim. Notification pursuant to this Act shall not be relevant in determining whether such a claim is timely under any applicable statute of limitations.

SEC. 11. REPORTS TO CONGRESS.

(a) Hazard Communication Standard Report.—The Secretary of Labor shall report to Congress annually, not later than January 15 of each year, regarding implementation and enforcement of the hazard communication standard. The report shall include detailed information on—

(1) Monitoring and enforcement.—Monitoring and enforcement; significant areas of noncompliance; and penalties assessed and steps taken to correct the noncompliance.

(2) Enforcement.—Efforts to evaluate the hazard communication standard.

(3) Employer assistance.—Efforts to assist employers to comply with the hazard communication standard.

(4) Employee education.—Efforts to educate employees to their rights under the hazard communication standard.

(5) Federal court decisions.—Efforts to comply with Federal court decisions requiring or encouraging an expanded scope for the hazard communication standard.

(b) Occupational Disease Notification Report.—The Secretary shall report to Congress annually, not later than January 15 of each year, regarding implementation and enforcement of notification under this Act. The report shall include detailed information on—

(1) Notifications.—Numbers, types and results of notifications carried out pursuant to section 5 and 6 of this Act.

(2) Research.—Research efforts carried out pursuant to section 8 of this Act.

(3) Training.—Training efforts for employees, personal physicians, and other professionals carried out pursuant to sections 7 and 8 of this Act.

(4) Enforcement.—Enforcement efforts carried out pursuant to section 10 of this Act.

(5) Assistance.—Efforts to assist employers under this Act.

SEC. 12. SUBJECTS OF FEDERAL AGENCY STUDIES.

(a) Notification Required.—Each Federal agency that conducts epidemiologic studies on occupational disease initiated after the effective date of this act shall establish procedures for notifying the subjects of such studies of findings demonstrating that they are part of a population at risk of disease.

(b) Method of Notice.—All occupational epidemiologic studies conducted by a Federal agency initiated after the effective date of this Act shall include in the study design specific methods for notifying living subjects or their immediate family members that they are part of a population at risk of disease.

SEC. 13. REGULATIONS.

The Secretary shall prescribe such regulations as may be necessary to carry out this Act.

SEC. 14. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $25,000,000 for each of the fiscal years 1988 and 1989 to carry out this Act, of which $5,000,000,000 shall be available for research under section 8.

SEC. 15. EFFECTIVE DATE.

Except as may be otherwise provided in this Act, this Act shall become effective January 1, 1988, or 6 months after the date of enactment of this Act, whichever occurs first.●

● Mr. STAFFORD. Mr. President, I am joining today with Senator Metzenbaum in introducing the High Risk Occupational Disease Notification and Prevention Act of 1987.

There are several good reasons for enacting this bill.

The first is simple justice. Those whose lives, livelihoods, and health may be in jeopardy because of earlier exposures to poisonous chemicals should know it because we all deserve to know what our risks are.

Equally important, that knowledge should be shared because it can minimize or even eliminate the risk of actually contracting the disease for which a worker or his or her family may be at risk. Some diseases, especially cancers, which may be almost always fatal if undetected are significantly less fatal if found and treated early. In yet other cases, a disease may never develop if proper precautions are taken. Workers exposed to asbestos, for example, run a tenfold greater risk of dying from lung cancer if they smoke than if they do not.

In a society such as ours where the dangers of toxic chemicals are almost invariably discovered long after workers and others have been exposed, some sort of notification program is a necessity if the loss of human life is to be minimized. Exposures ought to never happen, but it is a fact of life that they do. Given that fact of life, we should establish a program such as the one proposed in this bill.

Mr. President, I urge my fellow Senators to review this bill carefully and join Senator Metzenbaum and me in cosponsoring this bill.●

By Mr. METZENBAUM:

S. 80. A bill to repeal the McCarran-Ferguson Act, and for other purposes; to the Committee on the Judiciary.

MC CARRAN-FERGUSON ACT REPEAL

● Mr. METZENBAUM. Mr. President, today I am introducing legislation to repeal the McCarran-Ferguson Act, the law which provides that the business of insurance is exempt from the Federal antitrust laws.

There is no justification for exempting the insurance industry from Federal antitrust standards. It is one of the largest and most important industries in the Nation. Virtually every individual and every business in this country must purchase insurance. Yet this essential industry is not now required to conform to the basic national policy of free competition.

How can the Congress explain to the American people why the insurance industry is exempt from Federal prohibitions against price-fixing and other anticompetitive practices when the price of insurance is skyrocketing? Promoting competition in insurance can only improve the availability and affordability of insurance. Maintaining the current antitrust exemption only restricts healthy and vigorous competition.

For some time now, we have heard the argument that the only problems in obtaining access to insurance are greedy lawyers and outrageous liability judgments. Every solution offered by the industry turns out to cut back on the rights of the victims in personal injury or other suits.

Focusing only on those injured is unfair. It's bad public policy. It is time that we took the broad public interest into account, not simply the industry's.

The current exemption for insurance arose from a unique combination of historical events. In 1869, the Supreme Court held that the business of insurance was not commerce and that insurance transactions were not interstate in character. *Paul* v. *Virginia*, 75 U.S. 168 (1869). This early decision took an extremely narrow view of the reach of the commerce clause.

Over the decades, the Supreme Court's interpretation of the commerce clause expanded considerably, and in the early 1940's, the Justice Department challenged collusive arrangements in the industry. The Supreme Court reversed its earlier decision and found that the antitrust laws did apply to insurance. *United States* v. *South-Eastern Underwriters Ass'n*, 322 U.S. 533 (1944).

The very next year, the insurance industry came to Congress and persuaded it to exempt the industry from the Federal antitrust laws. There is no doubt that this decision was undertaken in response to the argument that the industry could not adjust to the radical changes that would occur if rules of free competition were to apply rather than the extensive system of State-approved price-fixing that was in existence.

Whatever validity that argument had in 1945, it is totally unpersuasive today. Subjecting the insurance industry to the same antitrust standards that apply to other industries is completely consistent with State regulation of the industry as well as legitimate joint activities by insurance companies. Requiring insurance companies to live by the rules of free competition would not disrupt State regulatory programs. It would not prevent insurance companies from sharing information. It would not preclude State approval of rates. It would promote competition in the industry, promote lower prices and greater availability of coverage, and insure that consumers have better information about the policies they purchase.

Unlike the situation in 1945, applying Federal antitrust standards to insurance would not undercut State regulatory policies. Almost all States have abandoned setting specific rates for insurance coverage. Instead, insurance companies have considerable flexibility in setting rates, subject to filing requirements. In addition, the Supreme Court has made clear that business conduct which is subject to a clearly articulated State regulatory scheme and actively supervised by the State is not subject to Federal antitrust law. The Supreme Court has recently held, for example, that collective ratemaking activities, permitted under a clearly articulated and actively supervised State policy, do not violate the antitrust laws. *Southern Motor Carriers Rate Conf.* v. *U.S.*, 471 U.S. 48 (1985).

Another development is the recognition by the courts that joint activities by competitors which promote competition are permissible under the antitrust laws. The courts have long held that substantial information can be shared among competitors without running afoul of the antitrust laws. More recently, the Supreme Court has clearly stated joint activities which reduce costs and enable products to be marketed more efficiently will be upheld. *Broadcast Music, Inc.* v. *Columbia Broadcasting System*, 441 U.S. 1 (1979). This principle applies to sharing information about risks, joint underwriting of large-scale projects, and other joint activities which promote a more efficient and productive insurance industry.

These considerations led the National Commission for the Review of Antitrust Laws and Procedures to recommend in 1979 that:

> The current broad antitrust immunity for the business of insurance granted by the McCarran-Ferguson Act should be repealed. In its place, narrowly drawn legislation should be adopted to affirm the lawfulness of a limited number of essential collective activities under the antitrust laws. * * *
>
> The Commission believes that the current immunity is not only overly broad, but also unnecessary: Those collective activities by insurers that are essential to the functioning of a competitive industry would likely pass muster under the traditional rule of reason analysis of Sherman Act section 1. Similarly, where collective activity or other insurance company behavior is affirmatively mandated by a State in its capacity as sovereign, and effectively supervised by independent State officials, such behavior would fall within the judicially recognized "State action" exception to the antitrust laws. (Report of the Commission, pp. 225-6)

In short, the argument that the insurance industry requires an antitrust exemption to function effectively is nonsense. The antitrust laws allow joint activities by insurance companies which are in the public interest. In contrast, the current exemption prevents the Department of Justice, the Federal Trade Commission, or private plaintiffs from challenging even blatant anticompetitive activity.

Under the current law, an agreement by insurance companies to fix prices or allocate markets could not be challenged by the Department of Justice, the Federal Trade Commission, or private plaintiffs. Not only does the current law bar these actions, but in cases where the exemption may not apply, it guarantees prolonged litigation over its applicability. For example, the FTC recently challenged particular activities by title insurance companies that allegedly restrain competition on the grounds that these activities were not really the business of insurance. *Ticor Title Insurance Co.*, D-9190. Nevertheless, the defendants have vigorously disputed the authority of the FTC to bring the case.

In addition to the problem of preventing the Government from challenging anticompetitive actions, the McCarran-Ferguson Act exempts the industry from the Federal prohibition against unfair and deceptive practices enforced by the Federal Trade Commission. Today, if an insurance company misleads consumers in its marketing of insurance, the Federal Trade Commission is in almost all cases foreclosed from acting.

In 1979, Congress went even beyond the McCarran-Ferguson Act in prohibiting the Federal Trade Commission from even studying the insurance industry without a specific request from the House or Senate Commerce Committee. This provision was enacted after the FTC had published a study which concluded that the average rate of return on the investment portion of whole life insurance was 1.3 percent. As former Chairman of the Federal Trade Commission, Michael Pertschuk, stated:

> The Commission had concluded—as many other students of life insurance marketing had also concluded—that this low level of return was directly caused by a marketing system that made it virtually impossible for a prospective policyholder—other than an actuary—to compare the interest yields of competing investment opportunities. (Testimony before Subcommittee on Monopolities and Commercial Law, House Committee on the Judiciary, May 3, 1984, pp. 3-4)

The FTC did not issue a regulation in this area. It did not propose Federal intervention at all. Instead, it distributed its report to the States and recommended that they develop a standard disclosure requirement so that the insurance industry would provide information about investment return to consumers. The Congress reacted by prohibiting the FTC from studying the insurance industry without an express request by either the House or Senate Commerce Committee. In other words, the FTC was to keep its mouth shut about problems with the insurance industry until Congress told it to speak. Former Chairman Pertschuk called this provision a "legislative prefrontal lobotomy."

The bill I am introducing today would simply apply the same antitrust standards of free competition to insurance that apply to other industries. In doing so, it would repeal the language in the McCarran-Ferguson Act which purports to rest all regulation of the insurance industry in the States. By repealing that language, my bill would not in any way do away with State insurance commissions or preclude the States from regulating insurance as they do now. Just as in many other industries, Federal antitrust laws would apply to companies which are the subject of State regulations.

The bill also provides for a delayed effective date to enable the insurance industry to review its activities for potential antitrust liability. In particular, the bill provides that the repeal of the exemption is deferred for 1 year after the date of enactment. In addition, no criminal penalties or treble damages can be assessed for 2 years. Finally, no antitrust remedy is available for 2 years if the defendant in an antitrust case has relied in good faith on an advisory opinion by the Department of Justice. These provisions provide ample time for the industry to review its activities and insure that they are in full compliance with antitrust standards.

I fully expect that the insurance industry will again argue that it cannot function under the Federal antitrust standards and that many of its current activities will be prohibited, even those which benefit the public. If the industry can show that certain defined activities which are in the public interest would actually be prohibited under the antitrust laws, then certain narrow and carefully defined exemptions may be warranted. These issues can best be pursued in through hearings where the industry and other observers can comment.

This industry is too big, too important to every American, to maintain an an antitrust exemption long after its initial justification has disappeared. Today, access to insurance and affordable prices have become critical problems for individuals, small business, and even governmental bodies. Insurance companies should have to operate by the rules of free competition just as other industries do.

The McCarran-Ferguson Act has long outlived whatever legitimate purpose it served. It is time to repeal it.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 80

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to express the intent of the Congress with reference to the regulation of the business of insurance", commonly known as the McCarran-Ferguson Act (59 Stat. 33), is repealed.

(b) The repeal made by this section shall be effective as to conduct engaged in beginning one year after the date of enactment of this Act.

SEC. 2. (a) In any action brought under the provisions of the Clayton Act or the Sherman Act alleging a violation of either such Act for conduct that would have otherwise been lawful pursuant to the provisions of the Act entitled "An Act to express the intent of the Congress with reference to the regulation of the business of insurance" no award of treble damages or criminal penalties shall be awared against any such person for conduct by such person occurring within two years after the date of enactment of this Act.

(b) During the two year period referred to in this section, no relief shall be granted against any person in an action referred to in subsection (a) for conduct by such person during such period, if such person has in good faith, relied upon an advisory opinion issued by the Department of Justice.●

By Mr. METZENBAUM:

S. 81. A bill to amend the Older Americans Act of 1965 to establish the Alzheimer's Disease and Related Dementias Home and Community Based Services Block Grant; to the Committee on Labor and Human Resources.

ALZHEIMER'S DISEASE AND RELATED DEMENTIAS HOME AND COMMUNITY BASED SERVICES BLOCK GRANT ACT

● Mr. METZENBAUM. Mr. President, Alzheimer's disease has been called the "Disease of the Century." Today, I am introducing a bill, "The Alzheimer's Disease and Related Dementias Home and Community-Based Services Block Grant" to provide needed support to victims of Alzheimer's disease and related dementias, and their families.

At both Federal and State hearings, professionals and families alike, described Alzheimer's as an "insidiuous disease; no illness is more terrifying and life-altering than Alzheimer's." It destroys its victims and damages their families.

Through demonstration projects, and activities of voluntary organizations, we have learned much about the urgent needs of our older citizens who, with age, are increasingly vulnerable to dementing disorders, and to the risk of institutionalization and total impoverishment. The risk for Alzheimer's disease increases rapidly over the age of 65, with 20 to 30 percent of those over the age of 80 afflicted.

We know that demographic data project an aging population. Rapid increases in the number and proportion of older people in the United States, especially those in their eighties and nineties confront us with a major challenge, and an urgent necessity to plan appropriately—and without delay.

There are currently close to 3 million persons with Alzheimer's disease and related disorders. Less than 60 years from now, we will face a major epidemic with that number expected to triple to 9 million.

Currently, we depend heavily on family caregivers—spouses and children—to provide long-term care for family members with Alzheimer's disease. However, projections indicate that families will be smaller in the years to come. Thus, there will be fewer caregivers available.

Mr. President, Alzheimer's disease not only imposes extreme physical and emotional hardships on the family, it creates enormous financial costs as well. These costs are already estimated at over $40 billion. Unless we begin now to provide the social supports essential for continued family caregiving, we may find our institutions and our health care system overwhelmed with increasingly large numbers of demented adults, and our Nation overwhelmed with colossal costs of hundreds of billions of dollars.

Research continues, with insufficient funds, given the magnitude of the problem. The research community appears cautiously optimistic that answers will be found. This very month, the fourth International Conference on Alzheimer's Disease is meeting in Zurich to compare research findings worldwide. There will be answers—eventually—sooner, rather than later, we hope.

However, until that happy day arrives, family caregivers will need many social supports to maintain their afflicted family members in the home.

Mr. President, my bill will delay the institutionalization so costly to families and to the nation by providing needed home and community-based services.

This bill, "The Alzheimer's Disease and Related Dementias Home and Community-Based Services Block Grant," amends the Older Americans Act which comes up for reauthorization this year.

It establishes a block grant program directed by the Administration on Aging. The grant will be made available to States on a matching formula basis, to develop a plan to provide for:

Coordination of services;

Case management and counseling to determine services needed for delaying nursing home admission;

Respite care;

Day care;

Training and counseling of family members;

Homemaker services,

Transportation, and other such supportive services that will help families maintain Alzheimer victims at home.

I urge my colleagues to join me in support of the millions of Americans suffering physical, emotional, and financial devastation as a result of this insidious and tragic disease, and the related dementing disorders.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 81

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Alzheimer's Disease and Related Dementias Home and Community Based Services Block Grant Act of 1987".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) there are more than 3,000,000 individuals with Alzheimer's disease and related dementias in the United States;

(2) the cost of caring for individuals with Alzheimer's disease and related dementias is estimated at over $40,000,000 annually;

(3) over one half of the patients in nursing homes are diagnosed as patients with Alzheimer's disease or related dementias;

(4) the potential number of individuals who may have Alzheimer's disease and related dementias in their old age will overwhelm the capacity of our institutions to care for such individuals;

(5) individuals with Alzheimer's disease or related dementias often require specialized long term care services to be provided in a coordinated manner by many agencies; and

(6) providing home and community based services for individuals with Alzheimer's disease and related dementias will extend the ability of caregivers of such individuals to maintain such individuals in their homes and can reduce health care costs by delaying or preventing institutionalization.

(b) It is the purpose of this Act to prevent or delay the institutionalization of individuals with Alzheimer's disease and related dementias by providing home and community based services to assist in caring for such individuals in their homes.

ESTABLISHMENT OF BLOCK GRANT

SEC. 3. The Older Americans Act of 1965 is amended by adding at the end thereof the following new title:

"TITLE VIII—ALZHEIMER'S DISEASE AND RELATED DEMENTIAS HOME AND COMMUNITY BASED SERVICES BLOCK GRANT

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 801. For purpose of allotments under section 802, there are authorized to be appropriated $80,000,000 for each of the fiscal years 1988, 1989, 1990, 1991, and 1992.

"ALLOTMENTS

SEC. 802. (a) The Secretary shall allot the amounts appropriated under section 801 for each fiscal year on the basis of a formula prescribed by the Secretary which is based on—

"(1) the number of individuals in each State over the age of 60 years;

"(2) the number of individuals in each State with Alzheimer's disease and related dementias;

"(3) the extent of the need of each State for services for individuals with Alzheimer's disease and related dementias; and

"(4) the per capita income of each State.

"(b) To the extent that all the funds appropriated under section 801 for a fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted an application or State plan in accordance with section 806 for such fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some State allotments are offset or repaid under section 1906(b)(3) of the Public Health Service Act (as such section applies to this title pursuant to section 806(e));

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for such fiscal year without regard to this subsection.

"(c)(1) If the Secretary—

"(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this title be provided directly by the Secretary to such tribe or organization, and

"(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this title:

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a) for a fiscal year the amount determined under paragraph (2).

"(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a) an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved under subsection (a) as the total number of elderly individuals in the tribe during such fiscal year bears to the total number of elderly individuals residing in the State during such fiscal year.

"(3) The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the elderly individuals for whom such a determination has been made.

"(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

"(5) For purposes of this subsection, the term 'elderly individual' means an individual who has attained the age of 60 years.

"FEDERAL SHARE

"SEC. 803. The Federal share of all projects in a State supported by an allotment to a State under section 802 shall be at least 60 percent of the aggregate necessary costs of all such projects, as determined by the Secretary, and may not be more than 80 percent of such costs for each State, which, in the determination of the Secretary, has one of the greatest levels of need of all States for services for individuals with Alzheimer's disease and related dementias.

"PAYMENTS UNDER ALLOTMENTS TO STATES

"SEC. 804. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under section 802 (other than any amount reserved under subsection (c) of such section) from amounts appropriated for that fiscal year.

"(b) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

"USE OF ALLOTMENTS

"SEC. 805. (a)(1) Except as provided in subsection (b), amounts paid to a State under section 804 shall be used by the State to provide home and community based services for individuals with Alzheimer's disease and related dementias. Such services may include—

"(A) case management services, including counseling prior to admission to nursing homes;

"(B) respite care, both in and out of the home;

"(C) training and counseling of family members of individuals with Alzheimer's disease and related dementias;

"(D) adult day care services;

"(E) personal care services for individuals with Alzheimer's disease and related dementias;

"(F) occupational therapy and functional management training;

"(F) homemaker services;

"(G) minor remodeling of the home of an individual with Alzheimer's disease or a related dementia;

"(H) transportation services;

"(I) hospice care services; and

"(J) the preparation and dissemination of a directory of long term care services available in various localities in the State.

"(2) In carrying out this title, a State shall give priority to the provision of services to individuals who have attained the age of 60 years and to individuals with the greatest economic need for services under this title. For purposes of this paragraph, a State shall not determine economic need solely on the basis of the income of the individual.

"(3) Any individual having Alzheimer's disease or a related dementia who resides in a State shall be eligible for home and community based services under this title. A State shall not disqualify an individual for eligibility for such services on the basis of the length of time such individual has resided in the State.

"(b) The Secretary, if requested by a State, shall provide technical assistance to the State in planning and operating activities to be carried out under this title.

"(c) A State may not use amounts paid to it under section 804 to—

"(1) provide inpatient services (other than hospice services permitted under subsection (a)(1)(I);

"(2) make cash payments to intended recipients of services;

"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment; or

"(4) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

The Secretary may waive the limitation contained in paragraph (3) upon the request of a State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this title.

"(d) Not more than 7 percent of the total amount paid to a State under section 804 for a fiscal year may be used for administering the funds made available under section 804. The State shall pay from non-Federal sources the remaining costs of administering such funds.

"APPLICATION; STATE PLAN; REQUIREMENTS

"SEC. 806. (a) In order to receive an allotment for a fiscal year under section 802 each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require, and shall contain the State plan required by subsection (b).

"(b)(1) As part of the annual application required by subsection (a) for an allotment for any fiscal year, the chief executive officer of each State shall submit to the Secretary a State plan for the administration of amounts paid to the State under this title. Each State plan shall—

"(A) certify that the State agrees to use the funds allotted to it under section 802 in accordance with the requirements of this title;

"(B) provide assurances that the chief executive officer will designate the State agency on aging to administer funds provided under this title;

"(C) certify that the State will use funds provided under this title to pay for home and community based services for an individual with Alzheimer's disease or a related dementia only after all other Federal and State sources of payments and benefits for such services have been utilized;

"(D) contain a description of the intended use of the payments the State will receive under section 804 for the fiscal year for which the application is submitted, including—

"(i) a specification of the programs and activities to be supported and services to be provided with such payments;

"(ii) a specification of the budget for such programs, activities, and services;

"(iii) a statement of the manner in which the State will administer the State plan;

"(iv) a specification of the requirements that will be used by the State in determining eligibility for services to be provided under this title; and

"(v) a statement of the number and types of personnel that will be used to carry out such programs and activities and to provide such services, and of the plans of the State to recruit and train such personnel;

"(E) specify the manner in which activities of State agencies which administer programs relating to health, welfare, social services, rehabilitation, mental health, and the elderly will be coordinated with the provision of home and community based services under this title by State and local agencies and public and private institutions and organizations;

"(F) certify that the State will coordinate the provision of home and community based services with funds provided under this title with activities conducted to provide such services by voluntary, religious, and community organizations and local governments;

"(G) describe the manner in which the State will evaluate programs and activities conducted, and services provided, under this title; and

"(H) certify that the State agrees that Federal funds made available under section 804 for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, local, and other non-Federal funds.

"(2) Each State plan shall be developed by the State agency on aging in cooperation with the State agencies which administer the programs described in paragraph (1)(E).

"(d) The State plan shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the State plan and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted, and the services provided, by the State under this title, and any revision shall be subject to the requirements of the preceding sentence.

"(e) Except where inconsistent with the provisions of this title, the provisions of section 1903(b), section 1906(a), paragraphs (1) through (5) of section 1906(b), and sections 1907, 1908, and 1909 of the Public Health Service Act shall apply to this title in the same manner as such provisions apply to part A of title XIX of such Act.

"(f) Each report submitted by a State to the Secretary under section 1906(a)(1) of the Public Health Service Act (as such section applies to this title pursuant to subsection (e) of this section) shall include an analysis of the extent to which the provision of home and community based services under this title prevented or delayed the institutionalization of individuals with Alzheimer's disease and related dementias. Each such report shall include—

"(1) a description of, and an evaluation of the effectiveness of, case management services, including counseling prior to admission to nursing homes, provided under this title;

"(2) a description of, and an evaluation of the effectiveness of, other services provided under this title which are designed to delay admission of individuals to nursing homes;

"(3) a specification of the costs of various services provided under this title;

"(4) a list of public and private resources in the State which make payments or reimbursements for home and community based services for individuals with Alzheimer's disease and related dementias; and

"(5) such recommendations for revisions of the State plan as the State considers appropriate.

"ADMINISTRATION

"SEC. 807. (a) The Secretary shall carry out this title through the Commissioner.

"(b) The Commissioner shall develop guidelines to be used by States in carrying out activities under this title. Such guidelines shall be developed in cooperation with the Assistant Secretary for Human Development Services, the Director of the National Institute on Aging, and the Director of the National Institute of Mental Health.

"(c) In carrying out this title, the Commissioner shall consult with the Advisory Panel on Alzheimer's Disease established under section 921 of the Alzheimer's Disease and Related Dementias Services Research Act of 1986.

"ANNUAL REPORT

"SEC. 808. Within 90 days after the end of each fiscal year, the Commissioner shall prepare and transmit to the Congress and the Secretary a report which describes the activities conducted under this title during the preceding fiscal year. Each such report shall contain a summary of the reports submitted by States under section 806(f).

"DEFINITIONS

"SEC. 809. For purposes of this title—

"(1) the terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act; and

"(2) the term 'State agency on aging' means a State agency on aging designated under section 305(a).".

SEC. 3. This Act and the amendments made by this Act shall take effect on October 1, 1987.●

By Mr. STAFFORD (for Mr. SYMMS, Mr. CHAFEE, Mr. DURENBERGER, and Mr. SIMPSON):

S. 82. A bill to authorize appropriations for certain highways in accordance with title 23, United States Code, and for other purposes; to the Committee on Environment and Public Works.

FEDERAL-AID HIGHWAY ACT

Mr. STAFFORD. Mr. President, today I am introducing the Federal-Aid Highway Act of 1987. The provisions contained in this bill were passed by the Senate on September 24, 1986, by a vote of 99 to 0.

I was very disappointed that the Senate and House conferees were unable to reach agreement on highway legislation before the 99th Congress adjourned. It is extremely important that highway legislation be considered and completed early this year. It is because of the urgency of releasing highway money to the States that I am introducing today the legislation that has already been debated and agreed to by the Senate.

Many States have already canceled bid lettings and will not be able to go forward with any highway projects this spring because they have used all their Federal-aid apportionments. If legislation is not finalized by March, many of the Northern States' entire construction season will be jeopardized. This means that many projects critical to improved transportation services will not go forward. It also means that there will be a significant loss of construction and construction-related jobs.

I know my colleagues will agree that we must return the fees collected from highway users to the States and localities as quickly as possible so they can be invested in our transportation system. I believe the fastest way to do that is to begin with legislation that was already approved by the Senate and begin the conference with the House immediately so that differences can be resolved and the funds can be apportioned to each one of your States.

By Mr. JOHNSTON (for himself, Mr. EVANS, Mr. METZENBAUM, Mr. FORD, Mr. WIRTH, Mr. MATSUNAGA, Mr. PRYOR, Mr. MELCHER, Mr. BUMPERS, Mr. KERRY, Mr. SPECTOR, Mr. LEVIN, Mr. SARBANES, Mr. BURDICK, Mr. HEINZ, Mr. D'AMATO, Mr. WARNER, Mr. GORE, Mr. HARKIN, Mr. PROXMIRE, Mr. COCHRAN, Mr. KENNEDY, Mr. BENTSEN, Mr. KASTEN, Mr. WEICKER, Mr. ADAMS, and Mr. QUAYLE):

S. 83. A bill to amend the Energy Policy and Conservation Act with respect to energy conservation standards for appliances; to the Committee on Energy and Natural Resources.

NATIONAL APPLIANCE ENERGY CONSERVATION ACT OF 1987

● Mr. JOHNSTON. Mr. President, with one exception, no greater honor and privilege has been bestowed on me in my lifetime than my becoming chairman of the Committee on Energy and Natural Resources in the 100th

Congress. The only exception is the honor bestowed on me when I first came to this body to represent the people of Louisiana. I assume this chairmanship with a sober sense of responsibility because of the caliber and achievements of those chairmen who preceded me and because the outlook for our energy future is disturbing indeed. Frankly, our domestic energy industry is in deep trouble and the future implies even greater dependence on foreign energy sources in politically volatile areas of the world.

Reviving our domestic energy industries and restraining the growth in our reliance on foreign energy sources will require that we keep our minds open and our feet firmly planted on the ground. We must be hardheaded, but not thickheaded. The distinction is critical.

It is appropriate to begin by introducing with Senator Evans and numerous other colleagues the National Appliance Energy Conservation Act of 1987. This bill establishes national energy efficiency requirements for major household appliances such as furnaces, water heaters, air-conditioners, and refrigerators. Equally important, the bill would rescue the appliance industry from a growing hodgepodge of conflicting State standards, substituting instead predictable, uniform national standards.

The language of this bill is identical to the appliance provisions contained in H.R. 5465 that was adopted by both Houses of Congress last fall without any opposition. The Department of Energy recommended its enactment. Yet, the act was pocket-vetoed on November 1, 1986.

Mr. President, the coalition behind this bill is impressive indeed, some 42 trade associations, consumer and environmental groups, including the appliance manufacturers who would be regulated by this bill. Even more significant is that many of these groups formerly opposed each other in the litigation that preceded this bill. It is not often that the National Association of Manufacturers, the Sierra Club and the United Methodist Church unite behind a bill.

Several States have advocated enactment of this legislation, States who have adopted appliance regulations that would be preempted by this bill. Finally, editorialists across the country have called for quick adoption of this measure.

How is it that a bill with all this support, with no opposition in the House or Senate, came to be vetoed by the President? It's a question not easily answered. The memorandum of disapproval issued by the White House says that the choice was between enactment of Federal appliance standards established explicitly in the bill and Federal regulations yet to be established by DOE rulemaking procedures under current law. The administration prefers to continue with the DOE rulemaking, although DOE itself recommended enactment of the measure.

It isn't as though the route under current law is untraveled. Under current law nine appliance standards were generally required to be issued no later than December 24, 1980, and an additional four standards no later than November 9, 1981, that is, over 5 years ago. Sued for their delay, DOE agreed in a court settlement to issue the first nine standards by October 29, 1981, a date which was not met. Once standards were issued a Federal court struck them down as "contrary to law". These were the infamous "no-standards standards." Numerous groups within the coalition supporting this legislation were opponents in the years of litigation over the rulemaking and represent nearly every conceivable party to a rulemaking on appliances. Weary of rulemaking delay at DOE, they finally sat down and worked out their own compromise which is embodied in this legislation. The administration would reject that compromise and force these manufacturers and interest groups to trudge through several more years of expensive rulemaking procedures.

Meanwhile, the States are creating a web of conflicting regulation in this area, a web that the Federal appliance standards were supposed to clear away through preemption half a decade ago. Most important, and here is the core of the issue, the administration policy has been to grant waivers from Federal preemption to practically any State that sought it. Thus, under current law the appliance manufacturers could face a web of conflicting State regulation whether or not Federal standards are issued. This would not occur under the legislation that the Congress passed last year and that we are introducing today.

So the stumbling block to this legislation is the administration's ideology which says appliance efficiency should be regulated by the States even though the law and the courts say it is a Federal matter and the States themselves would prefer uniform Federal regulation in this area. Heaven knows the appliance manufacturers would prefer Federal regulation. As I said earlier, if our Government is to establish effective energy policy it must not forget the critical distinction between being hardheaded and thickheaded.

One very sensitive aspect of this bill has been to minimize the effect it might have on the intense competition between the electric and gas industries. We don't want the bill to have the effect of creating a significant bias against any fuel—be it oil, gas, or electricity—so as to favor one over the other.

Our committee report last year addressed this point in some detail. However, we are continuing to examine this issue of whether the bill is neutral on the subject of interfuel competition. If any fine-tuning amendments are necessary, they can be addressed in the committee markup.

I urge my colleagues to join the throng of support behind this legislation. It deserves swift passage.●

● **Mr. EVANS.** Mr. President, I am pleased to join today with Senator Johnston and others to introduce the National Appliance Energy Conservation Act of 1987.

Many of my colleagues may remember this legislation and the remarkable coalition of both manufacturers and environmentalists which developed and supported this bill during the last days of the 99th Congress. The measure we are introducing today is almost identical to what was passed unanimously by both House and Senate last year.

The act establishes clear, consistent national energy efficiency standards for all major home appliances, to be phased in over a 4-year period. As it stands now, several States already have such standards in place, and many more are working on this type of legislation in preparation for their State legislative sessions. I am aware that in my own State of Washington, State standards are being promoted by several legislators. Thus, if we do not act to establish truly national standards, the appliance marketplace would be subject to a patchwork of differing State requirements, to the detriment of both manufacturers and consumers. While the Department of Energy [DOE] is scheduled to begin publishing such standards by next year, their policy has consistently been to grant waivers from Federal preemption to practically any State that sought one. So even if DOE does issue such standards, appliance manufacturers could be faced with a maze of conflict State regulations whether or not Federal standards are issued. Under the bill we are introducing today, there would be a single, national standard which would preempt all State standards, except under extraordinary circumstances.

Mr. President, as Chairman of the Alliance to Save Energy, I am well aware of the enthusiastic response which has been received from environmental and energy conservation organizations regarding this legislation. The amount of energy Americans use in their homes accounts for an estimated one-third of the energy we consume as a nation. Those who are promoting this bill recognize the real opportunity for savings which can be realized by establishing tough energy efficiency standards such as those contained in the act. Some experts have estimated that with enactment of this measure, consumers will save approximately $200 per household in reduced energy consumption through the year 2000. Utilities and State regulatory agencies will also be better able to anticipate future energy requirements and can defer or avoid the need for new generating capacity, saving ratepayers and protecting the environment from the detrimental effects of constructing and operating unnecessary powerplants.

Despite the unanimous support of appliance manufacturers, distributors, environmentalists, States and utilities, the administration failed to give their approval to this legislation last year, pocket vetoing the act on November 1. The Memorandum of Disapproval issued by the White House expressed concerns that the standards contained in the bill would raise prices for consumers, but failed to balance these costs against the savings which nearly all agree would occur as a result of increased energy efficiency. Second, the administration argued that DOE is required to conduct rulemaking which "may lead to the imposition of Federal standards," but does not acknowledge that DOE has routinely provided exemptions from any Federal efficiency standards for any State which has applied for one, effectively circumventing the purpose of Federal standards.

Mr. President, I continue to believe that this legislation is indeed consistent with the administration's stated goal of eliminating inefficient use of energy, as well as reducing unnecessary regulatory burdens on the economy. As I said in a letter to the President urging him to sign the bill, the decision on whether to support the National Appliance Energy Conservation Act should not be one of a free market versus a federally regulated market, but one of reducing the regulatory burden borne by the appliance industry as opposed to the continued growth of conflicting State and Federal regulations.

This legislation is one of those rare instances when all parties concerned with an issue have sat down together and worked out a solution to their problem which they can all accept and support. I am hopeful that we can emulate their example here in the Senate, and achieve the same level of broad bipartisan support which this measure attracted last year. Today, having watched our dependence on foreign oil grow dramatically over the past year, it is even more urgent that we explore all cost-effective opportunities to use our energy resources as efficiently as possible. I appreciate the cooperation and leadership of the chairman of the Energy and Natural Resources Committee, Senator JOHNSTON, and understand that he intends to hold a markup of the bill as soon as possible. I know I join him in hoping that the Senate will again express its unanimous support for what is almost certainly the most important energy conservation legislation of this decade.●

● Mr. D'AMATO. Mr. President, I rise today to join as a cosponsor of the National Appliance Energy Conservation Act of 1987. I commend my distinguished colleague from Washington for his leadership on this issue.

I was pleased to enthusiastically support this bill during the 99th Congress, and, along with many of colleagues, I urged the President to sign this legislation into law. However, despite unanimous support in the Congress and widespread support among manufacturers, energy conservationists, and environmental groups, this legislation was vetoed on November 1, 1986.

In vetoing this legislation, the administration indicated a preference for handling this issue through the DOE rulemaking process. It is clear, however, that the DOE rulemaking process has not cleared up the web of conflicting regulations manufacturers still face. Under current law, nine appliance standards were required to be issued no later than December 24, 1980, and an additional four standards no later than November 9, 1981. Mr. President, DOE is more than 6 years late. We simply cannot wait any longer.

During these times of low energy prices, it is easy to forget the crisis situations which afflicted this Nation in the recent past—and which may, unfortunately, beset us again in the future. But it is now, when times are good, that conservation measures should be implemented so that future shortages may be averted.

For many years, attempts to regulate appliance-efficiency standards have been effective as a result of sometimes contradictory and, at the very least, uncoordinated efforts by State governments, appliance manufacturers, and energy conservationists. This lack of coordination has led to a squandering of valuable resources—a situation acceptable to none: States enacting differing standards; manufacturers forced to produce multiple versions to account for these individual standards; and conservationists frustrated by the preventable waste of our limited resources. In the end it is the average consumer, both in the home and at work, who loses the most by having to pay for unnecessarily high energy bills.

Now we have the opportunity to change this wasteful consumption. The National Appliance Energy Conservation Act is a proposal which marks a new era of cooperation between manufacturers, conservationists, and the States.

For the appliance manufacturer, the establishment of national standards will provide adequate time to develop new energy-efficient products and will reduce disruption of interstate commerce, thus eliminating expensive production costs of multistandard appliances.

While the National Appliance Energy Conservation Act will set nationwide standards, much care has been taken to safeguard the right of the individual State to regulate its own energy resources. I feel that this bill will create an element of predictability of energy consumption for State agencies and utilities. Furthermore, the bill contains exemptions for States faced with unforeseen special circumstances.

For the conservation-minded citizen, this proposal establishes timetables for the Department of Energy to regulate nationwide energy consumption and to constantly revise these standards. It is clear that the resulting energy savings will enable us to avoid some of the costs, pollution, and hazards posed by having to construct new powerplants.

Most importantly, it is the consumer who will benefit most from this agreement. Lower energy bills will result in billions of dollars of savings for households and businesses alike.

Mr. President, I support this legislation because it is reasonable and mutually advantageous for all—manufacturers, conservationists, States, consumers, and the national economy. It is one of those measures which has for so long been necessary and is finally on its way to becoming a reality. I commend the participants in this accord for their wisdom and ability to compromise. The National Appliance Energy Conservation Act of 1987 is a proposal which will enable the Nation to prevent the repetition of past energy crises while ensuring efficient consumption of our valuable resources for the future.●

By Mr. JOHNSTON (for himself, Mr. BINGAMAN, Mr. WIRTH, and Mr. BUMPERS):

S. 84. A bill to amend the Land and Water Conservation Fund Act of 1965; to the Committee on Energy and Natural Resources.

LAND AND WATER CONSERVATION FUND ACT AMENDMENTS

● Mr. JOHNSTON. Mr. President, today I am introducing legislation to amend the Land and Water Conservation Fund Act of 1965. The amendment I am proposing would increase the existing authorization ceiling for the fund from $900 million to $1 billion annually. The measure would also extend the authorization for 25 years through the year 2015. Under current law, the authorization expires at the end of fiscal year 1989.

Mr. President, few programs in the area of natural resource protection and recreation have been as successful as the Land and Water Conservation

Fund. It is the major funding source for Federal park and wildlands acquisition and is a major tool for land acquisition and recreation-related development for the States. Since its inception in 1965, the Land and Water Conservation Fund has enabled States and local governments to acquire 2.8 million acres of recreation lands and waters. Almost $3 billion in Federal Land and Water Conservation Fund moneys have been matched on a 50-50 basis by the State and local authorities. On the Federal side, almost 3 million acres have been purchased with appropriations from the Land and Water Conservation Fund and added to the National Park, Forest, Wilderness and Wildlife Refuge Systems.

As many of my colleagues are aware, the President's Commission on Americans Outdoors is preparing to issue its final report to the President and the Nation. As a member of that Commission, I am pleased that the panel's report will recognize the importance of the Land and Water Conservation Fund and will suggest ways to ensure that the Land and Water Conservation Fund remains a viable funding source for park land acquisition and development of recreation facilities. Some of these suggestions and recommendations include transforming the Land and Water Conservation Fund into a dedicated trust fund; expanding the uses of the fund to include State and local recreation facility rehabilitation; providing for a variety of new funding sources in addition to Outer Continental Shelf oil and gas revenues; and establishment of a low- or no-interest revolving loan program for facility development and rehabilitation.

The measure I am introducing today obviously does not address these issues. Until the Commission's report is final and until the Congress and the public have a chance to examine the recommendations in more detail, I believe it would be premature to pursue these options legislatively. However, I think it is critically important to get a legislative vehicle on the table so that we may begin addressing the many issues associated with the Land and Water Conservation Fund in advance of its expiration in fiscal year 1989.

As the chairman of the Energy and Natural Resources Committee, I plan to make the reauthorization of the Land and Water Conservation Fund Act and the consideration of changes to that act major legislative priorities for the 100th Congress. I know that a number of my colleagues on the committee and in the Senate will want to join me in this effort and I look forward to their suggestions and support.

By Mr. JOHNSTON (for himself, Mr. BINGAMAN, Mr. BREAUX, and Mr. DOMENICI):

S. 85. A bill to amend the Powerplant and Industrial Fuel Use Act of 1978 to repeal the end use constraints on natural gas, and to amend the Natural Gas Policy Act of 1978 to repeal the incremental pricing requirements; to the Committee on Energy and Natural Resources.

NATURAL GAS UTILIZATION ACT OF 1987

● Mr. JOHNSTON. Mr. President, I am pleased to introduce the Natural Gas Utilization Act of 1987. The bill would repeal the end use limitations on the use of natural gas contained in the Powerplant and Industrial Fuel Use Act of 1978. It would also repeal the incremental pricing requirements in title II of the Natural Gas Policy Act of 1978.

Enactment of this legislation is long overdue. Anyone who is familiar with current conditions in the natural gas industry recognizes that we have an oversupply of natural gas. Limiting its use is not sound policy. Indeed, it is counterproductive because it discourages the use of a clean, abundant domestic source of energy. From a long-term perspective, it also discourages exploration for and production of natural gas. That, too, is counterproductive and needs to be corrected.

The bill is essentially identical to a bill Senator DOMENICI and I introduced in the 99th Congress, S. 1251. A few technical corrections have been made. Indeed, the provisions are essentially the same as those contained in four different bills pending before the Energy and Natural Resources Committee at the end of the 99th Congress. In addition to the bill Senator DOMENICI and I introduced, there were Fuel Use Act amendments and incremental pricing provisions included in two bills introduced by the Senator from Oklahoma [Mr. NICKLES] and in the administration's comprehensive natural gas bill.

It should also be noted that the House of Representatives passed a bill last year that was introduced by Congressman BRYANT that would have had the same effect. The bill passed on the suspension calendar, which indicates that there was no substantial opposition to its passage in the entire House of Representatives.

Virtually every segment of the natural gas industry, from the wellhead to the burnertip, has endorsed legislation such as this.

If there is no substantial opposition, why hasn't this bill been enacted? The simple reason is this: It has been held hostage to passage of more comprehensive natural gas deregulation legislation. I certainly support passage of more comprehensive natural gas legislation, but I do not believe it is appropriate to hold this much-needed legislation hostage while we attempt to fashion a consensus natural gas bill. Thus, as Chairman of the Energy and Natural Resources Committee I intend to hold an early markup on this bill in the hope that we can succeed in getting the bill enacted in the early days of the 100th Congress.

Mr. President, I ask unanimous consent that the text of the Natural Gas Utilization Act of 1987 be printed at this point in the RECORD.●

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 85

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) SHORT TITLE.—This Act may be referred to as the "Natural Gas Utilization Act of 1987".

(b) TABLE OF CONTENTS.—

TABLE OF CONTENTS

Sec. 1. Short title; table of contents.
Sec. 2. Repeal of certain sections of the Powerplant and Industrial Fuel Use Act of 1978.
Sec. 3. Conforming amendments.
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REPEAL OF CERTAIN SECTIONS OF THE POWERPLANT AND INDUSTRIAL FUEL USE ACT OF 1978

SEC. 2. (a) The following sections of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301 et seq.) are repealed:

(1) sections 103 (a)(16), (a)(18), (a)(19), and (a)(29)—(42 U.S.C. 8302 (a)(16), (a)(18), (a)(19), and (a)(29));

(2) sections 201 and 202 (42 U.S.C. 8311 and 8312);

(3) section 302 (42 U.S.C. 8342);

(4) section 401 (42 U.S.C. 8371);

(5) section 402 (42 U.S.C. 8372); and

(6) section 405 (42 U.S.C. 8375).

(b) The table of contents of the Powerplant and Industrial Fuel Use Act of 1978 is amended by striking the items relating to the sections repealed by subsection (a) of this section.

CONFORMING AMENDMENTS

SEC. 3. (a) Section 102 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301) is amended by striking "and major fuel-burning installations" and "and new" wherever these phases appear.

(b) Section 103 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8302) is amended—

(1) in subsection (a)(13)(B), by—

(A) striking clause (ii)(III):

(B) striking "; or" at the end of clause (ii)(II), and inserting a period in its place; and

(C) inserting "and" at the end of clause (ii)(I);

(2) in subsection (a)(15), by striking "or major fuel-burning installation" and "or new" wherever these phrases appear;

(3) in subsection (a)(20), by striking "or major fuel-burning installation";

(4) by redesignating subsections (a)(17), (a)(20), (a)(21), (a)(22), (a)(23), (a)(24), (a)(25), (a)(26), (a)(27), and (a)(28) as subsections (a)(16), (a)(17), (a)(18), (a)(19), (a)(20), (a)(21), (a)(22), (a)(23), (a)(24), and (a)(25);

(5) in subsection (b), by striking "or major fuel-burning installation" wherever this phrase appears;

(6) in subsection (b)(1)(D), by striking everything after "synthetic gas involved" and inserting in its place a period; and

(7) by striking subsection (b)(3), and redesignating subsection (b)(4) as subsection (b)(3).

(c) Section 104 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8303) is amended to read as follows:

"The provisions of the Act shall apply in all the States, Puerto Rico, and the territories and possessions of the United States, except Hawaii and Alaska.".

(d) Section 303 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8343) is amended—

(1) by striking "or installation" and "or installation" wherever the phrases appear;

(2) by striking "or 302" wherever the phrase appears;

(3) by striking subsection (a)(3);

(4) by amending subsection (b)(1) to read as follows:

"(1) The Secretary may prohibit, by rule, the use of natural gas or petroleum under section 301(b) in existing electric powerplants.";

(5) in subsection (b)(3), by striking "or major fuel-burning installation"; and

(6) by amending the last sentence of subsection (b)(3) to read as follows: "Any such rules shall not apply in the case of any existing electric powerplant with respect to which a comparable prohibition was issued by order.".

(e) Section 403 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8373) is amended by striking—

(1) in subsection (a)(1), "major fuel-burning installation, or other unit" and the comma immediately preceding this phrase and "installation, or unit" and the comma immediately preceding this phrase;

(2) in subsection (a)(2), "installation, or other unit" and the comma immediately preceding that phrase, and "installation, or unit" and the comma immediately preceding that phrase;

(3) in subsection (a)(2), the last sentence; and

(4) subsection (a)(3).

(f) Section 404 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8374) is amended by striking—

(1) in subsection (c), "new or" in the phrase "applicable to any new or existing electric powerplant"; and

(2) subsection (g).

(g) Section 701 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8411) is amended by striking—

(1) in the last sentence of subsection (b), "or installation";

(2) subsection (c);

(3) in the title of subsection (d), "And Exemptions";

(4) in the first sentence of subsection (d)(1), "or any petition for any order granting an exemption (or permit";

(5) in subsection (d)(1)(B), "or in the consideration of such petition,";

(6) in subsection (f), "or a petition for an exemption (or permit) under this Act (other than under section 402 or 404),"; and

(7) subsection (g).

(h) Section 702 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8412) is amended by striking—

(1) in the title of subsection (a), "Or Exemption";

(2) in subsection (a), "or granting an exemption (or permit)";

(3) subsection (b), and redesignating subsection (c) as subsection (b);

(4) in the first sentence of subsection (b)(1) (as redesignated), "or by the denial of a petition for an order granting an exemption (or permit) referred to in subsection (b)";

(5) in the first sentence of subsection (b)(1) (as redesignated), "such rule, order, or denial is published under subsection (a) or (b)" and inserting in its place "such rule, or order is published under subsection (a)";

(6) in the first sentence of subsection (b)(2) (as redesignated), "the rule, order, or denial" and inserting in its place "the rule or order";

(7) in the second sentence of subsection (b)(2) (as redesignated), "(or denial thereof)"; and

(8) in subsection (b)(3) (as redesignated), "any such rule, order, or denial" and inserting in its place "any such rule or order".

(i) Section 711 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8421) is amended by striking in the first sentence of subsection (a), "or a major fuel-burning installation".

(j) Section 721 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8431) is amended by striking subsection (c) and redesignating subsection (d) as subsection (c).

(k) Section 723 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8433) is amended by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c).

(l) Section 731 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8441) is amended by striking—

(1) "or major fuel-burning installation" wherever the phrase appears; and

(2) "title II or" in subsections (a)(1) and (g)(3).

(m) Section 745 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8455) is amended by striking in the first sentence of subsection (a), "from new and existing electric powerplants and major fuel-burning installations" and inserting in its place "from existing electric powerplants".

(n) Section 761 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8471) is amended by striking—

(1) in subsection (a), "any existing or new electric powerplant or major fuel-burning installation" and inserting in its place "any existing electric powerplant"; and

(2) in subsection (b)—

(A) "new or" in the phrase "In the case of any new or existing facility"; and

(B) "except to the extent provided under section 212(b) or section 312(b)" and the comma immediately preceding that phrase.

REPEAL OF INCREMENTAL PRICING REQUIREMENTS

Sec. 4. (a) Subject to subsections (b) and (c) of this section, title II of the Natural Gas Policy Act of 1978 (15 U.S.C. 3341-3348) is repealed, and the items relating to title II are stricken from the table of contents of that Act.

(b) A rule promulgated by the Commission under title II of the Natural Gas Policy Act of 1978 shall continue in effect only with respect to the flowthrough of costs incurred before the enactment of this section including any surcharge based on such costs.

(c) The Commission may take appropriate action to implement this section.

EFFECTIVE DATE

Sec. 5. The provision of this Act shall take effect on the date of enactment.

● Mr. DOMENICI. Mr. President, I am glad to be joining my colleague, Senator JOHNSTON, in introducing legislation to repeal the Fuel Use Act of 1978 [FUA] and the incremental pricing requirements of the Natural Gas Policy Act of 1978. This bill is the same as that introduced in the last Congress which we unfortunately were unable to get passed. I hope we have better luck in this Congress. This legislation is important for my State and for our Nation. The provisions it would repeal are the perfect examples of laws which are counterproductive to our Nation's energy independence.

The Fuel Use Act [FUA] was enacted in 1978 to shift electric utility plants and major industrial fuel-burning installations [MFBI] from oil and natural gas to coal. The FUA was largely in response to the Arab oil embargo of 1973 which highlighted the dependence on unstable imported oil sources and the gas supply shortages of the mid-1970's which were induced by the regulatory scheme then in place. Nearly 25 years of Federal wellhead price regulation has kept the price of gas below the market clearing levels, thereby discouraging the exploration for, and production of, this energy source.

While FUA was passed to limit the demand for gas, the Natural Gas Policy Act [NGPA] was passed to stimulate the exploration for and development of new gas sources. The NGPA has provided the framework for a transition to a decontrolled gas market. The supply impetus provided by the NGPA has been both obvious and encouraging. The gas market went from shortages to surpluses. Natural gas reserve additions from 1980 through 1983 equaled 102 percent of gas production, compared to only 48 percent in the 1969-78 period, excluding the 1-year addition of the Prudhoe Bay, AK, discovery.

Many believe that the restriction imposed on electric utilities and large industrial plants by FUA were ill-conceived, and that the success of NGPA in stimulating new gas supplies precludes the need to retain FUA. This opinion was given support in 1981 when a portion of FUA was repealed. As mandated in the original legislation, "existing" powerplants and MFBI (pre-1977) will not be required to be "off gas" by 1990. However, new electric utility plants and MFBI's still may not use gas as an energy source. A major fuel burning installation is any industrial boiler, cogenerator, turbine, or internal combustion engines with a fuel imput capacity in excess of 100M Btu per hour.

With the preclusion of gas the options available for future electricity generation are limited to nuclear, coal, foreign imports, or to postponing construction. Each of these options has problems which may delay its timely development. For instance, nuclear power has been plagued with a history of regulatory, economic and construction delay problems. The coal-fired electricity generation can be a viable energy alternative; however, due to the environmental requirements on coal combustion and emission control of sulfur dioxide, the cost of coal-fired facilities can equal or out pace nuclear facilities on capital investments. Furthermore, even when equipped with precipitators, scrubbers, and other pollution control systems, coal combustion still produces more pollution than gas combustion. Natural gas combustion produces virtually no sulfur dioxide [SO_2], particulate matters, solid waste, and significantly less nitrogen oxides and water pollution than coal combustion. In fact, natural gas has always been, and will continue to be, the cleanest fossil fuel. The importation of electrical power and industrial products has had negative impacts on domestic employment, gross national product [GNP], and the balance of trade deficit. Electricity imported from Canada is projected to increase from 17,800 gigawatt hours in 1981 to 35,000 gigawatt hours in 1995 and result in the cancellation of five coal-fired powerplants in Northwestern United States (3,519 megawatts). Postponing new construction is not a long-term option because regardless of the economic growth rate, new capacity will be needed sooner or later.

Because we are committed to the protection of our environment, we need to recognize that the inherent cleanliness of gas is beneficial to the environment and energy consumers. "Select gas" use can be a low-cost method of environmental compliance without sacrificing our economic growth in energy cost and manufacturing production. The simultaneous combustion of gas and less environmental attractive fuels (that is high-sulfur coal or oil) under the bubble policy can offer us the benefits I mentioned earlier. With the select gas use we can reduce our dependence on imported oil, increase use of our abundant domestic coal and gas resources, maintain our air quality standards, and enhance the employment outlook for Eastern and Midwestern coal miners. For the energy consumers, select use can cut overall fuel costs, reduce our susceptibility to fuel supply disruptions, and increase flexibility in siting new facilities.

The benefits of select use via the bubble policy have been proven already in many operating facilities in Vermont, New Jersey, and Pennsylvania. Even though the success of select use will depend on site-specific variables, such as emission limits, fuel cost differentials, and equipment type, the potential for it is great in many parts of the country. The report, "Evaluation of the Environmental and Other Benefits of the Selected Use of Natural Gas" by the Environmental Research and Technology, Inc., dated November 1983 concludes that select gag use not only reduces sulfur dioxide emissions but also reduces nitrogen oxides emissions and waste ash. From an economics point of view, it is generally less expensive for select gas use than use of scrubbers to achieve pollution reductions.

Sulfur oxide can be controlled by either removing sulfur from the fuel or sulfur oxide from the products of combustion. However, current technologies, such as scrubbers or coal cleaning, generally are capital intensive with high operating and maintenance cost or do not provide the necessary degree of sulfur oxide control.

I understand that there is a new nitrogen oxides control strategy, which utilizes natural gas, called reburning. It involves the reduction of nitrogen oxides in the furnace by downstream injection and burning natural gas. It appears that this technology is capable of reducing nitrogen oxides by 50 to 60 percent beyond the current new source performance standard level. EPA is currently conducting research programs to evaluate the potential of this technique for application to U.S. boilers. The use of natural gas can also generate more reactive and high capture efficiency of sorbent injection technology for enhanced sulfur oxide reduction. Gas has the unique advantage of allowing the simultaneous applications of reburn and sorbent injection technologies in the same boilers. The potential benefits of wider use of gas are both environmental and economic such that we can lower the energy costs and improve air quality.

A report issued by the General Accounting Office on March 23, 1982, entitled "A Market Approach to Air Pollution Control Could Reduce Compliance Costs Without Jeopardizing Clean Air Goals," suggested that a market approach, rather than command and control regulation, can save industry 90 percent in pollution abatement cost. The cost of saving can be translated to over $35 billion of capital outlays. Thus, the FUA is impeding a cost-effective technology for reducing air pollutants.

The combined implementation of the Fuel Use Act and incremental pricing requirements maintains economic inefficiencies on the marketplace. As I mentioned earlier, natural gas has been recognized as a superior fuel for utilities and industrial boilers. Throughout the 1960's and early 1970's natural gas was encouraged for such use by pollution control measures. With pricing controls and increased usage of natural gas, the imbalance between supply and demand worsened during the 1970's. Some feared that future supplies might not be adequate for both small (residential/commercial) and large (utility/industrial) users; hence, the incremental pricing theory was intended to shelter the small users by allocating expensive gas to large users and to promote conservation and coal conversion by large users. Incremental pricing requires that gas rate for certain industrial boilers must be set at rough parity with residual oil, even if gas would otherwise be less expensive. However, the increased costs placed an undue burden on the utilities and on residential and commercial users, who are basically dependent on the utilities for their energy needs. Therefore, incremental pricing not only fails to protect the small consumers, but also distorts the supply and demand of natural gas. Incremental pricing is also inhibiting the potential displacement of imported oil by domestic natural gas; even though over 95 percent of our natural gas is derived from domestic sources, while roughly 30 percent of our oil is imported.

Some may argue that the supply of gas in the long run would not be as attractive as it seems now, and speculate on how large the excess capability is and how long it will last. Because of this, they would claim the repeal of the Fuel Use Act and incremental pricing provisions is a risky step. The preliminary finding of a 1984 Natural Gas Reserve report issued by the American Gas Association coupled with the Annual Energy Information Administration [EIA] report indicates that total U.S. gas reserves have increased since the end of 1980 (that is aggregate reserve additions for the United States have exceeded aggregate production for the 4 years—1981, 1982, 1983, and 1984). Natural gas reserves reported by the 30 largest reserve holders showed that in 1984 reserve additions were about 7,355 Bcf—up 1,202 Bcf from a year earlier. To an even greater extent, major gas transportation companies reported strong increases in their total reserves in 1984. This sample of gas transportation companies accounted for 2,071 Bcf of reserve additions in 1984, as compared to 1,467 Bcf of reserve additions in 1983, and 1,567 Bcf in 1982. Clearly, the market is no longer restricted to the supply available, but it is restricted on the demand side through FUA and this will eventually feed back to the production side of the market.

Natural gas production in the United States in 1984 rebounded from the previous year's level. The top 30 producers increased 3.9 percent to a level of 8,711 Bcf. The statistics also indicate that in 1984 new discoveries represented a higher percentage of the major company reserve additions than a year ago. In 1984, total new gas additions were 90.2 percent of the reserve added by the top 30 reserve holders. In 1983, this percentage was 75 percent. AGA estimates that 1985 domestic unused production capability will be about 2.9 Tcf, up from 2.8 Tcf in 1984. However, natural gas production in 1985 will be limited again by the demand of natural gas. It is evident that the short-term gas supply outlook is very good with persisting excess domestic deliverability. The long-term outlook is also positive. We have reason to hope that U.S. natural gas supplies from the lower 48 States can be consistent through the end of the century. But, as in the case of oil, uranium, and coal, gas supplies are not guaranteed. To a large degree, it depends on Government policy. Competitive pricing in the free market will only improve supply.

In summary, I strongly believe that increased use of natural gas either alone in conjunction with other fuels could meet our environmental mandates, benefit the energy consumers, and improve our economic outlook. I am not suggesting that all new powerplants and large industrial boilers should be gas fired. However, I do believe it is a choice that needs to be made by the plant operators and it cannot be made effectively by legislators. Plant operators need the utmost of flexibility in making their plant energy decision, because such flexibility encourages efficiency and creativity. FUA blocks this flexibility. Therefore, I am introducing this bill today to repeal such restrictions and I hope that my colleagues will join me in support of this bill.●

By Mr. GLENN:

S. 86. A bill to amend section 1105(c) of title 31, United States Code, to limit the amount of any increase in the public debt limit that the President may recommend for a fiscal year; to the Committee on Governmental Affairs.

LIMITATION ON RECOMMENDED INCREASES IN THE PUBLIC DEBT

● Mr. GLENN. Mr. President, I rise to introduce a bill intended to improve our budget process and the Gramm-Rudman-Hollings legislation and which also will serve as a basis for continued fiscal responsibility long after Gramm-Rudman-Hollings expires.

Let me describe what my bill does.

The bill requires that when the President submits his budget to Congress, he must either send us a balanced budget or tell us how to get to a balanced budget. It does this by amending section 1105 of title 31 of the United States Code, the section that tells us when and how the President must submit his annual budget. At present, that section requires the President to "recommend in the budget appropriate action" on how to make up any deficit. My bill would clarify the term "appropriate action" so that the President cannot recommend additional borrowing, or more piling up of the national debt, as the only way of complying with a law that has been in pace since 1921.

This bill is perfectly consistent with Gramm-Rudman. In fact, I think it improves Gramm-Rudman. It contains phase-in language, so that between now and 1991 the President may recommend a budget deficit that complies with the Gramm-Rudman targets.

Mr. President, with minor technical differences, this bill is identical to the amendments I offered to debt ceiling legislation in the last Congress. In 1985, the amendment passed the Senate by a vote of 93 to 4, and in 1986 the amendment was accepted by voice vote. At each of those times I noted that the law has always required the President to report on ways to make up for a budget deficiency. Over the years, however, two things have happened. First, Presidents have failed to file specific suggestions as to how to achieve a balanced budget. The Office of Management and Budget apparently believes that simply filing the budget satisfies the requirement of a section 1105 report; therefore, there is no one place in the Government where you can find specific Presidential recommendations on how we are going to make ends meet. Second, over the years Presidents typically have taken the easy way out and simply asked for more borrowing authority when they saw that revenues were going to fall short of outlays.

The result is that we have a law that was designed to impose fiscal responsibility but now does absolutely nothing. I agree that we need to restore fiscal responsibility, but we need to do so by starting where that process must start: with the President himself. We are not staffed or equipped at the congressional and of Pennsylvania Avenue to do this job. Under law, that is the President's responsibility.

Let me elaborate on this point, because it is important.

By law, the President initiates the budget process when he submits his recommendations to Congress in January each year. Then the Congress works its will. The final result is the 13 appropriations bills that the Constitution requires we pass before funds can be drawn from the Treasury in each of the 13 areas.

I emphasize that the appropriations bills are the final result, because I want to draw attention to the role played by Congress versus the role played by the President, for we have heard that it is Congress that is irresponsible in appropriating excessive amounts of money, and that this is why we need to impose spending restraints like Gramm-Rudman.

Well, it might come as a surprise to my colleagues to learn that Congress has actually appropriated less than what the President has asked for in his appropriations requests. For fiscal year 1985, Congress appropriated $16.6 billion less than what the President asked for; for fiscal year 1986 we appropriated $6 billion less. And last year to top that off, the continuing resolution for fiscal 1987 was again below the President's appropriations request—by a full $2.4 billion.

So it's clear that the label of fiscal irresponsibility cannot be tacked on the door of Congress. Consider this: In over 200 years, this Nation had run up a national debt of $1 trillion—and that was the work of every President from George Washington through Jimmy Carter. But in just 5½ years, the Reagan administration has added a second trillion to that national debt. In other words, they've added as much debt as all the Presidents since George Washington put together.

My bill deals with these realities. In fact, if this measure had been in effect earlier, there probably wouldn't have even been a Gramm-Rudman bill. But without my bill, we are putting the pressure in the wrong place—namely, the Congress—when what we really need is a law that forces the President to submit a balanced budget.

As I have said, this amendment is perfectly compatible with Gramm-Rudman. However, it goes further than Gramm-Rudman in one important respect. Gramm-Rudman runs out after fiscal year 1991. Apparently the underlying assumption is that once we have reached a balanced budget, we no longer need the discipline that got us there. My bill, on the other hand, would impose a permanent requirement for fiscal responsibility, including every year following 1991, for which the President would have to submit a balanced budget or tell us exactly how to get there. If my amendment passes, no President will be able to submit a budget that is fat with deficits but contains no weight reduction plan.

I remind my colleagues that this bill, without some necessary technical changes, passed overwhelmingly (94-3) in 1985; unfortunately it was dropped from the bill in conference. On the strength of that vote, in 1986, the Senate passed a virtually identical amendment as part of the debt ceiling legislation (H.J Res. 668). Since August 1986, I learned of a need to correct my bill to address a technical point. Thus, my new bill contains some technical changes, including changes to avoid any possible conflict with current Gramm-Rudman legislation.

I urge my colleagues to again favorably consider this measure.●

By Mr. GLENN:

S. 87. A bill to suspend for 2 years the duty on 1-(3-Sulfopropyl) pyridinium hydroxide; to the Committee on Finance.

● Mr. GLENN. Mr. President, I am introducing this legislation to suspend for 2 years the column 1 duty rate on imported 1-(3-sulfopropyl) pyridinium hydroxide. This legislation is noncontroversial and was included in the House trade bill, H.R. 4800.

At present, this duty rate is 13.5 percent ad valorem. The suspension would begin 15 days after the date of enactment and end on December 31, 1990. The column 2 duty rate would remain unchanged.

The chemical is a liquid with a density of approximately 10 pounds per gallon. It is synthesized from propane sultone and pyridine. The chemical is used exclusively in a proprietary formulation for copper and nickel electroplating baths.

There has been no domestic production of 1-(3-sulfopropyl) pyridinium hydroxide in the past 5 years. The only U.S. producer stopped production 5 years ago due to the associated industrial hazards. The chemical is now solely produced by a West German company which developed a safe method of manufacturing it. The West German company exports the chemical to various companies in the United States. Since this chemical is not manufactured in the United States, the current duty adds an unjustified expense to these companies' costs of doing business. I urge my colleagues to support this legislation.●

By Mr. GLENN:

S. 88. A bill to amend the Tariff Schedules of the United States to extend the suspension of duties on umbrella frames; to the Committee on Finance.

UMBRELLA FRAME TARIFF

● Mr. GLENN. Mr. President, I am introducing this legislation to continue the temporary suspension of duties hand-held umbrella frames, by changing the termination date from December 31, 1986 to December 31, 1990. This bill is noncontroversial and should be acceptable to the Senate as part of the miscellaneous trade and tariff bill.

This duty suspension is absolutely necessary for the continued survival of the few umbrella manufacturers left in the United States. Foreign competition now makes up more than 95 percent of the domestic umbrella market. The last domestic frame manufacturer went out of business over 4 years ago, so our domestic umbrella manufacturers must import frames. The best quality and most competitively priced frames that are available to domestic umbrella manufacturers come from Taiwan. These frames used to enter the United States duty-free under the Generalized System of Preferences [GSP] program. In 1984, Taiwan lost eligibility for GSP under the so-called "competitive need" limitations, and a duty rate of 15 percent was imposed (this duty rate has since been reduced to 12 percent). In 1984, I sponsored legislation to suspend this duty, and it was included in the 1984 tariff legislation. This suspension expired December 31, 1986, and the legislation I am introducing today will simply continue this duty suspension until December 31, 1990. I urge my colleagues to support this legislation.●

By Mr. GLENN:

S. 89. A bill to amend the Tariff Schedules of the United States to correct the classification of certain pigments; to the Committee on Finance.

PIGMENT DUTY CLASSIFICATION

● Mr. GLENN. Mr. President, today I am introducing legislation to change the duty classification of two commercial pigments, pigment red 214 and pigment yellow 155.

Under current duty classification, these pigments are classified in a category for imported goods which compete with domestic products. However, pigment red 214 and pigment yellow 155 have never been made in the United States. Therefore, they do not belong in this category.

Even though a need exists for these pigments in the American market, this need does not justify the investment of funds to domestically produce them. Instead, American manufacturers work with foreign manufacturers to distribute the pigments in the United States. But these pigments must compete with other imported pigments which are classified as noncompetitive with U.S. products and therefore are subject to a lower import duty. The erroneous duty classification of these pigments as competitive with American goods places U.S. importers of pigment red 214 and pigment yellow 155 at a distinct commercial disadvantage.

This legislation will simply correct this error and change the duty classification for these pigments to the noncompetitive category. This change reduces the duty from 15 percent to 8.3 percent. I urge my colleagues to support this legislation.●

By Mr. CHILES (for himself and Mr. GRAHAM):

S. 90. A bill to establish the Big Cypress National Preserve addition in the State of Florida, and for other purposes; to the Committee on Energy and Natural Resources.

BIG CYPRESS NATIONAL PRESERVE ADDITION ACT

● Mr. CHILES. Mr. President, today I am pleased to introduce legislation to authorize the expansion of the Big Cypress National Preserve in south Florida. This bill calls for placing in public ownership some 136,000 acres bordering the northeast boundary of the existing preserve. The acquisition program contemplated would be in conjunction with the planned construction of Interstate 75, providing a unique opportunity to utilize Federal dollars allocated for the construction of an Interstate Highway to accomplish equally important goals of environmental restoration and endangered species protection. It is in the public interest to have these particular lands in Federal ownership, and it is practicable and incumbent on us to move on this land acquisition program as soon as possible.

WHY THESE LANDS SHOULD BE ACQUIRED

First, let me point out specifically how acquiring these particular lands will complement and, in fact, enhance ongoing activities aimed at protecting Everglades National Park and preserving the endangered Florida panther. As an original sponsor of the Federal legislation establishing the Big Cypress National Preserve, I am keenly aware of the critical role water quality and quantity plays in ensuring the livelihood of Everglades National Park.

The unique international treasure of Everglades National Park covers some 1,337,000 acres on land and water containing a diverse representation of vegetation and wildlife. The sawgrass wilderness areas, cypress swamps, mangrove forest and shallow estuarine bays that compose the park area support a wide variety of fish, bird, and other wildlife populations, including many endangered species. Though large in acreage, this ecosystem is fragile and totally dependent on the complex hydrology of the entire region. Located at the end of a watershed, the park's livelihood is dependent on the quality and quantity of water that flows into it. Studies have indicated how impeded water flow has adversely affected species and their habitats.

It was the strong concern for protecting the watershed area so critical to Everglades National Park that prompted consideration of purchasing lands which now encompass the Big Cypress National Preserve. The 574,000 acre preserve was established by Congress in 1974 to make sure this important watershed area was not further developed or disrupted. Additionally, the purchase of this area has provided significant recreational opportunities which will become increasingly important as south Florida continues to experience growth and development. To date more than $180 million in Federal funds has been appropriated to purchase these important lands. Last year $2 million was appropriated to help complete the acquisition program.

In addition to establishing the Big Cypress National Preserve, Congress has acted on another front to address the hydrological problems affecting the Everglades National Park. In the spring of 1983 the National Park Service staff recommended a broad based

program to restore the natural water flows that the park once received, but no longer experiences. The hydrologic imbalances over recent decades have resulted in severe damage to the fish and wildlife populations of the park. In the fall of 1983 Congress approved legislation as part of a funding bill for the Army Corps of Engineers to allow for a 2-year experiment to determine adequate water delivery schedules for the park. The Senate Appropriations Committee approved extension of this experiment. This extended timetable will allow for the determination of a water delivery schedule to accomplish the restoration of the hydrology and reestablishment of the historic flow water through Northeast Shark River Slough and Taylor Slough into the park.

Alligator Alley, the cross-state highway going from Andytown in Broward County to Naples, has disrupted the natural water flow in the Big Cypress Preserve area and has posed a major threat to Florida panthers and other wildlife of the region. The road functions as a dam in some areas, causing unnatural pooling of water while at the same time interrupting the important sheet flow so essential to Everglades National Park. The construction of I-75 along Alligator Alley provides an important opportunity to correct these hydrological problems and, in fact, plans are underway to ensure that this is done. Public ownership of the lands bordering the I-75 corridor will expand the watershed protection offered to Everglades National Park, prevent future development of these lands, and increase recreational opportunities for the general public.

In addition, it is important to point out how public ownership of these identified lands will foster efforts currently underway to protect the habitat of the Florida panther and other endangered species. There are currently estimated to be 20 to 30 Florida panthers in existence, making it among the most endangered species on Earth. All known Florida panthers in existence live in Everglades National Park, the Big Cypress National Preserve and Fakahatchee Strand. The U.S. Fish and Wildlife Service has proposed the establishment of a 32,000 acre National Wildlife Refuge in the Fakahatchee Stand area for the primary purpose of protecting the critical habitat of the panther, the State Animal of Florida. As a member of the Senate Appropriations Committee, I have worked over the past few years to secure funding for this important land acquisition project. Congress provided $4 million in fiscal year 1985, $3 million in fiscal year 1986 and $3 million for fiscal year 1987.

The 136,000 acre area proposed for purchase under this bill contains land critical to the continuing survival of the endangered Florida panther. Panther fatalities have occurred as a result of automobile traffic on Alligator Alley. Provisions for wildlife crossings in the design for I-75 to allow panthers and other species to cross under the interstate show the commitment of the State in the continued protection of endangered species. The State of Florida Department of Transportation supports the construction of 23 new wildlife crossings and 13 bridge extensions, estimated to cost $12.9 million. The State has agreed to finance that portion of the total cost which is determined to be nonparticipating by the Federal Highway Administration, approximately $10 million. Public acquisition and management of these lands by the National Park Service as envisioned in this bill will complement the efforts of the Fish and Wildlife Service National Wildlife Refuge and will ensure that everything possible is done to guarantee the protection of panther, and other endangered species habitat.

WHY THESE LANDS SHOULD BE ACQUIRED NOW

The conversion of Alligator Alley to I-75 will sever existing access to private property north and south of the highway, requiring the payment of damages to the property owners by the Department of Transportation. Estimates are that severance damage funds, which must in any event be expended, will equal 47 percent of the value of the affected lands. The proposed legislation contemplates using the severance damage moneys to pay a portion of the cost of acquiring approximately 128,000 acres of privately owned land located immediately north of the existing Big Cypress National Preserve. The balance of the purchase price would be paid by the Department of the Interior and the State of Florida in the same cost-sharing arrangement (80/20) found in the original Big Cypress legislation.

If we act quickly to enact this legislation enabling the utilization of the DOT severance damage funds, we will make it possible for the public to acquire these environmentally significant lands for substantially less cost than would otherwise be possible. Within the next 6 months Florida DOT should be able to begin to make offers of severance damages to landowners along I-75. The other matching funds as well as the necessary legislative authority need to be available to complete full acquisition of the lands. For this reason, it is critical we secure approval of legislation to enable the State Department of Transportation to work with DOI and the State of Florida to accomplish the acquisition of these lands in conjunction with purchasing right-of-ways and paying severance damages associated with the construction of I-75.

The opportunity afforded by the construction of I-75 is too remarkable not to purchase these environmentally significant lands and expand the boundaries of Big Cypress National Preserve. The challenge to protect the important values of Everglades National Park and the critical habitat of the Florida panther is too great for Congress not to move forward and implement this plan.

In closing, I want to point out the extent to which the State of Florida has demonstrated its commitment to a partnership with the Federal Government to achieve the goals I have outlined. As I mentioned previously, the State is willing to go above and beyond its necessary role in financing the construction of I-75 to enhance environmental restoration and endangered species protection. The 1985 Florida Legislature enacted legislation designating the 128,000 acre area as an "area of critical State concern." This designation gives the State eminent domain power over this land and thus will facilitate the joint Federal-State acquisition program for this property. This designation will also help protect the area against development until acquisition is complete. Additionally, the State has just recently committed some $22 million in State funds for land acquisition in the Everglades area. The recent actions by the State of Florida coupled with the accelerated schedule for the construction of this portion of I-75 point to the need for expedient and positive action by Congress to approve this land acquisition program. I hope my colleagues will join me in this effort to protect and preserve the national treasures associated with Everglades National Park and Big Cypress National Preserve.

I ask unanimous consent that a copy of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 90

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Big Cypress National Preserve Addition Act".

(b) AMENDMENT OF BIG CYPRESS NATIONAL PRESERVE ACT.—Whenever in this Act an amendment is expressed in terms of an amendment to the Act of October 11, 1974, such amendment shall be considered to be made to the Act entitled "An Act to establish the Big Cypress National Preserve in the State of Florida, and for other purposes", approved October 11, 1974 (Public Law 93-440; 88 Stat. 1257).

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the planned construction of Interstate 75 is presently being designed in such a way as to improve the natural water flow to the Everglades National Park, which has been disrupted by State Road 84 (commonly known as "Alligator Alley");

(2) the planned construction of Interstate 75 provides an opportunity to enhance protection of the Everglades National Park, to promote protection of the endangered Florida panther, and to provide for public recreational use and enjoyment of public lands by expanding the Big Cypress National Preserve to include those lands adjacent to Interstate 75 in Collier County north and east of the Big Cypress National Preserve, west of the Broward County line, and south of the Hendry County line;

(3) the Federal acquisition of lands bordering the Big Cypress National Preserve in conjunction with the construction of Interstate 75 would provide significant public benefits by limiting development pressure on lands which are important both in terms of fish and wildlife habitat supporting endangered species and of wetlands which are the headwaters of the Big Cypress National Preserve; and

(4) public ownership of lands adjacent to the Big Cypress National Preserve would enhance the protection of the Everglades National Park while providing recreational opportunities and other public uses currently offered by the Big Cypress National Preserve.

(b) PURPOSE.—It is the purpose of this Act to establish the Big Cypress National Preserve Addition.

SEC. 3. ESTABLISHMENT OF ADDITION.

The Act of October 11, 1974, is amended by adding at the end thereof the following new section:

"SEC. 9. (a) In order to—

"(1) achieve the purposes of the first section of this Act;

"(2) complete the preserve in conjunction with the planned construction of Interstate Highway 75; and

"(3) insure appropriately managed use and access to the Big Cypress Watershed in the State of Florida,

the Big Cypress National Preserve Addition is established.

"(b) The Big Cypress National Preserve Addition (referred to in this Act as the 'Addition') shall comprise approximately 136,000 acres as generally depicted on the map entitled Big Cypress National Preserve Addition, dated June, 1986, and numbered 176-91000B, which shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior, Washington, D.C., and shall be filed with appropriate offices of Collier Country in the State of Florida. The Secretary shall, as soon as practicable, publish a detailed description of the boundaries of the Addition in the Federal Register.

"(c) The area within the boundaries depicted on the map referred to in subsection (b) shall be known as the Big Cypress National Preserve Addition."

SEC. 4. ADMINISTRATION OF ADDITION.

(a) UNIT OF THE NATIONAL PARK SYSTEM.—The Act of October 11, 1974, is amended by adding at the end thereof the following new section:

"SEC. 10. (a) The Secretary shall administer the Addition in accordance with this Act and the provisions of law generally applicable to units of the national park system, including the Act entitled 'An Act to establish a National Park Service, and for other purposes', approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4).

"(b) In administering the Addition, the Secretary shall develop and publish in the Federal Register such rules and regulations as the Secretary deems necessary and appropriate to manage and control the use of Federal lands and waters with respect to—

"(1) motorized vehicles;

"(2) exploration for and extraction of oil, gas, and other minerals;

"(3) grazing and agriculture;

"(4) draining or constructing of works or structures which alter the natural water courses;

"(5) recreational uses, including hunting, fishing, and trapping, which shall be promoted and encouraged;

"(6) new construction of any kind; and

"(7) such other uses as the Secretary determines must be limited or controlled in order to carry out the purposes of this Act.

"(c) For purposes of administering the Addition and notwithstanding section 2(c), it is the express intent of the Congress that the Secretary should substantially complete the land acquisition program contemplated with respect to the Addition in not more than five years after the date of the enactment of this paragraph.".

(b) HUNTING, FISHING, AND TRAPPING.—Section 5 of the Act of October 11, 1974, is amended by inserting "and the Addition" after "preserve" each place it appears.

(c) SUITABILITY AS WILDERNESS.—Section 7 of the Act of October 11, 1974, is amended—

(1) by inserting "with respect to the preserve and five years from the date of the enactment of the Big Cypress National Preserve Addition Act with respect to the Addition" after "date of the enactment of this Act" in the first sentence; and

(2) by inserting "or the area within the Addition (as the case may be)" after "preserve" each place it appears.

(d) INDIAN RIGHTS.—Section 6 of the Act of October 11, 1974, is amended as follows:

(1) In clause (i) insert "and the Addition" after "preserve" and insert "(January 1, 1985, in the case of the Addition)" after "1972".

(2) In clause (ii) insert "or within the Addition" after "preserve".

SEC. 5. ACQUISITION OF LAND WITHIN ADDITION.

(a) UNITED STATES SHARE OF ACQUISITION COSTS.—The first section of the Act of October 11, 1974, is amended by adding at the end thereof the following new subsection:

"(d)(1) The aggregate cost to the United States of acquiring lands within the Addition may not exceed 80 percent of the total cost of such lands.

"(2) Except as provided in paragraph (3), if the State of Florida transfers to the Secretary lands within the Addition, the Secretary shall pay to or reimburse the State of Florida (out of funds appropriated for such purpose) an amount equal to 80 percent of the total costs to the State of Florida of acquiring such lands.

"(3) The amount described in paragraph (1) shall be reduced by an amount equal to 20 percent of the amount of the total cost incurred by the Secretary in acquiring lands in the Addition other than from the State of Florida.

"(4) For purposes of this subsection, the term 'total cost' means that amount of the total acquisition costs (including the value of exchanged or donated lands) less the amount of the costs incurred by the Federal Highway Administration and the Florida Department of Transportation, including severance damages paid to private property owners as a result of the construction of Interstate 75.".

(b) METHODS OF LAND ACQUISITION IN THE ADDITION.—The first sentence of subsection (c) of the first section of the Act of October 11, 1974, is amended—

(1) by inserting "or the Addition" after "preserve" the first place it appears; and

(2) in the first proviso—

(A) by inserting "in the preserve" after "subdivisions,"; and

(B) by striking out the colon and inserting in lieu thereof "and, any land acquired by the State of Florida, or any of its subdivisions, in the Addition shall be acquired in accordance with subsection (d):".

(c) VALUATION AND APPRAISAL.—The fourth sentence of subsection (c) of such section is amended by inserting "or the Addition" after "preserve" each place it appears.

(d) ACQUISITION OF PROPERTY RIGHTS BY THE STATE OF FLORIDA.—Subsection (c) of such section is amended by adding at the end thereof the following: "Nothing in this Act shall be construed to interfere with the right of the State of Florida to acquire such property rights as may be necessary for Interstate 75.".

(e) EXCLUSION OF SUBSURFACE ESTATE.—The third sentence of subsection (c) of such section is amended by inserting "and the Addition" after "preserve" each place it appears.

(f) IMPROVED PROPERTY IN ADDITION.—Section 3(b) of the Act of October 11, 1974, is amended—

(1) in clause (i) by inserting "with respect to the preserve and January 1, 1986, with respect to the Addition" after "November 23, 1971,"; and

(2) in clause (ii)—

(A) by inserting "with respect to the preserve and January 1, 1986, with respect to the Addition" after "November 23, 1971," the first place it appears; and

(B) by inserting "or January 1, 1986, as the case may be," after "November 23, 1971," the second and third places it appears.

SEC. 6. COOPERATION AMONG AGENCIES.

The Act of October 11, 1974, is further amended by adding at the end thereof the following new section:

"SEC. 11. The Secretary and other involved Federal agencies shall cooperate with the State of Florida to establish recreational and oil, gas, and mineral access points and roads, rest and recreation areas, appropriate wildlife protection, and, where appropriate, hunting, fishing, frogging, and other recreational opportunities in conjunction with the creation of the Addition and in the construction of Interstate Highway 75. Not more than 3 of such access points shall be located within the preserve (including the Addition).".

SEC. 7. REPORT TO CONGRESS.

The Act of October 11, 1974, is further amended by adding at the end thereof the following new section:

"SEC. 12. Not later than one year after the date of the enactment of this section, the Secretary shall submit to the Congress a detailed report on, and further plan for, the preserve and Addition including—

"(1) the status of the existing preserve, the effectiveness of past regulation and management of the preserve, and recommendations for future management of the preserve and the Addition;

"(2) a summary of the public's use of the preserve and the status of all access rights for public and private use;

"(3) the need for involvement of other State and Federal agencies in the management and expansion of the preserve and Addition;

"(4) the status of land acquisition; and

"(5) a determination, made in conjunction with the State of Florida, of the adequacy of the number, location, and design of the recreational access points on I-75/Alligator Alley for access to the Big Cypress National Preserve, including the Addition.

The determination required by paragraph (5) shall incorporate the results of any related studies of the State of Florida Department of Transportation and other Florida State agencies. Any recommendation for significant changes in the approved recreational access points, including any proposed additions, shall be accompanied by an assessment of the environmental impact of such changes.".

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

Section 8 of the Act of October 11, 1974, is amended—

(1) by striking out "There" in the first sentence and inserting in lieu thereof "(a) Except as provided in subsection (b), there"; and

(2) by adding at the end thereof the following new subsection:

"(b) There are authorized to be appropriated such sums as may be necessary to acquire lands within the Addition.".

● Mr. GRAHAM. Mr. President, on my first day in the Senate, I am pleased to be introducing, with Senator CHILES, the Big Cypress Preserve Addition bill. As Governor of Florida, I initiated the Save Our Everglades Program. As Senator, I intend to enhance this initiative through the 136,000 acre acquisition of lands vital to the protection of the everglades. This bill has national significance in preserving a unique environmentally sensitive national park from degradation and in preserving the Florida panther from extinction.

The importance and timeliness of the Big Cypress bill go far beyond a mere land acquisition. What is at stake is a sizable, existing financial investment—and a priceless biosphere of worldwide environmental significance.

If we fail to act, those 136,000 acres comprising the Big Cypress Addition will likely be developed into citrus groves and subdivisions. The resulting alterations in water flow and the degradation in water quality could be drastic. Plant and animal life could suffer immeasurable—perhaps irreparable—damage. Future water supplies for rapidly growing southwest Florida would surely suffer.

One of the most important investments in our national parks system would be wasted.

Everglades National Park and the Big Cypress National Preserve which border it are places unlike any other. Through them flows most of southwest Florida's fresh water. They are home to the rare and endangered species of plant and animal: the green and purple dollar orchid, the colorful tree snail, the southern bald eagle and the vanishing Florida panther.

Nowhere else in the world can you see crocodiles, sawgrass, manatees, mangroves, cypress knees, whitetail deer, swamp lillies, and indigo snakes—all coexisting in a delicate ecological balance.

A century ago we started to lose the everglades when developers drained the swamps and the wetlands for housing projects and cattle and farm land. In those days we didn't understand the unique and irreplaceable nature of Florida's singular ecosystem.

We now know that the fragile, complicated everglades are the heart of Florida. The survival of Everglades National Park depends on water which flows across the land from the Big Cypress Swamp and the everglades to the north of its boundaries. That is why the acquisition of sensitive lands adjacent to and buffering Everglades National Park and the Big Cypress National Preserve is crucial to the survival of those resources.

The water flow through the Big Cypress Preserve feeds Everglades National Park—literally keeps it from drying up. The tract of land specified in this bill is the source of that water flow—and is also an integral part of the habitat for the Florida panther. There are probably only about 30 panthers left in the world—all in south Florida.

We in Florida are most urgently aware of what is at stake in the preservation of the everglades.

We've seen the graphic and terrible results of letting the everglades dry out.

In the early 1970's and again in the early 1980's—during severe droughts—half a million acres of hardwood and sawgrass went up in flames. The river of grass became a sheet of fire. The crisis forced strict water rationing in some of our major cities, from Palm Beach to Key West.

We cannot let that happen again—and with the public acquisition and protection and the everglades' water system—with the creation of that envelope of protection around Everglades National Park—it never will.

This envelope of protection is also of vital importance to the rapidly growing population of southwest Florida. The Big Cypress Swamp is a source of water for the cities of southwest Florida. In future decades it will be critical to the water supplies of a rapidly growing gulf coast.

In 1983 the State of Florida put together one of the most progressive and aggressive land acquisition programs ever seen in an effort to restore the health of the everglades before it was too late.

Under the program called Save Our Everglades, Florida is attempting to turn back the clock. By the year 2000 the everglades will look and function more like it did in the year 1900 than it does today. The Save Our Everglades Program is as much about undoing past mistakes as it is about future preservation.

Save Our Everglades has a comprehensive set of goals including: the restoration of the natural meandering path of the channelized Kissimmee River—headwaters for the great fresh water river spilling slowly down through the State and replenishing Everglades National Park; the development of a comprehensive program to restore Lake Okeechobee and prevent its further pollution; the reflooding of a 100 square-mile tract of drained land in Palm Beach County, restoring it to its natural everglades condition; the management of the deer population at a level that can survive seasonal extremes in water levels; purchase of land in the East Everglades, Fakahatchee Strip and Big Cypress to expand the protective envelope around the park and to ensure safe habitat for the Florida panther; and the inclusion of the hydrologic structures and animal crossing in the Interstate 75 conversion.

Ultimately, the protected lands will total about 3,400,000 acres. Nearly 2,900,000 acres of that are under State/Federal ownership now. Florida has the largest program for public acquisition of environmentally sensitive lands in the Nation.

The Big Cypress Addition is a minimal investment with maximum return— the survival of Everglades National Park and the viability of the everglades' system and a continued drinking water supply for southwest Florida.

It is ironic that visionary public works projects to drain and develop the everglades first endangered them—and that today, a visionary public works project can help to save them.

The conversion of Alligator Alley to Interstate 75 will have hydrologic structures to permit the continuous flow of water southward. It will also have 36 panther and animal underpasses to allow safe movement under the road.

The severance damages required by the conversion place the acquisition of the surrounding land within reach. The opportunity exists to purchase these 136,000 acres for about half their appraised value.

This is a rare windfall. We can acquire a key piece of the envelope in the heart of the buffer zone without paying a phenomenally high price for it.

Everglades National Park and the Big Cypress National Preserve comprise 2,000,000 acres. The State of Florida donated the majority of the land for Everglades National Park when it was formed in 1947. Additionally, in 1973, Florida contributed $40 million for acquisition of the Big Cypress National Preserve. The State has since acquired over 940,000 acres to buffer and protect these federally owned areas.

The water flow is interrupted by some significant parcels not yet acquired which are crucial to the free flow of the entire system. The Big Cypress Addition is at the heart of the buffer zone we need to complete to protect Everglades National Park.

Everglades National Park is the second largest national park in the continental United States.

It is the only subtropical park in the Nation's system.

Unlike other parks such as Grand Canyon or Yosemite which are more or less self-contained—Everglades National Park is dependent on lands outside its own boundaries—dependent on water which can only be ensured if the land over which the water flows is publicly owned.

It is a tropical aquatic preserve—one of only three United Nations-designed international biosphere reserves and world heritage sites in this country—and one of only eight such designated sites in the world. Its biological diversity is unmatched in North America; it has more endangered species than any other national park in the United States.

We in Congress have an obligation to the rest of the world—not just to Floridians or even Americans—to preserve the mysterious beauty of the everglades and the complexities of their function as a water provider—to preserve also the singular plant and animal and marine life species only found in the everglades hammocks and marshes.

State and Federal cooperation in the purchases of the Big Cypress Addition is profoundly more important than a good real estate deal.

We will be securing a priceless heritage for future generations. Our grandchildren—and their children—will live in a world that still shelters the roseate spoonbill, the ghost orchid and the Florida panther. We will have closed the protective envelope around Everglades National Park and the Big Cypress National Preserve, safeguarded the water supply for south Florida—demonstrated that vision and good investment, in this case, are the same.●

By Mr. INOUYE:

S. 91. A bill to amend title 38, United States Code, to modify the qualifications required for appointment to the positions of Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director of the Veterans' Administration; to the Committee on Veterans' Affairs.

MODIFYING QUALIFICATIONS REQUIRED FOR CERTAIN POSITIONS OF THE VETERANS' ADMINISTRATION

Mr. INOUYE. Mr. President, today I am introducing legislation to authorize that the individual appointed to the position of Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director of the Veterans' Administration may be a member of one of the several health care professions which currently are employed by the Veterans' Administration, rather than be restricted to doctors of medicine.

In my judgment, the time has come to legislatively recognize the truly interdisciplinary nature of health care within our Nation. I was most pleased that this type of proposal was recommended by the Senate Veterans' Affairs Committee during its deliberations in the 99th Congress; unfortunately, however, that provision never became public law.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 91

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of section 4103(a) of title 38, United States Code, is amended by striking out "a qualified doctor of medicine," and inserting in lieu thereof "a person qualified under section 4105 of this title for appointment to a position referred to in subsection (a)(1), (a)(2), (a)(3), (a)(5), (a)(6), (a)(7), or (a)(8) of such section,".

(b) Paragraph (2) of such section is amended by striking out "a qualified doctor of medicine," and inserting in lieu thereof "a person qualified for appointment to the position of Chief Medical Director,".

(c) Paragraph (3) of such subsection is amended by striking out "a qualified doctor of medicine," and inserting in lieu thereof "a person qualified for appointment to the position of Chief Medical Director,".

By Mr. INOUYE:

S. 92. A bill to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish outpatient dental services and treatment for non-service-connected disability to any war veteran who has a service-connected disability of 50 per centum or more; to the Committee on Veterans' Affairs.

PROVIDING FOR OUTPATIENT DENTAL SERVICES FOR CERTAIN WAR VETERANS

Mr. INOUYE. Mr. President, I am introducing legislation today which would provide for outpatient dental care for any war veteran who is 50 percent or more disabled as a result of his or her military service. Veterans will be eligible for this care even if their dental problems are unrelated to their service injuries.

Legislation passed by the 91st Congress provides medical and outpatient care for veterans of all wars who were totally and permanently disabled by service-related injuries. This law, Public Law 91-102, was designed to care for the medical needs that would arise during their lives, but would be unrelated to their military wounds. It, however, specifically forbids payment for outpatient dental care. My bill seeks to fill the gap left by Public Law 91-102.

According to one estimate, approximately 175,000 veterans would be eligible for dental care if this bill is passed. Currently, these men get free care only if their problems are directly related to their service disability. But, as the Disabled American Veterans noted when they urged me to introduce this measure, many veterans live on limited, fixed incomes. Dental costs are arising along with everything else in these inflationary times, and an increasing number are being forced to go without proper dental care because they cannot afford it.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 92

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 612(b)(1) of title 38, United States Code, is amended—

(1) by striking out "or" at the end of clause (G);

(2) by striking out the period at the end of clause (H) and inserting in lieu thereof a semicolon and "or"; and

(3) by adding at the end thereof the following:

"(I) from which a veteran of any war who has a service-connected disability rated as 50 per centum or more is suffering.".

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 93. A bill to provide that services furnished by a clinical pyschologist in a rural health clinic need not be provided under the direct supervision of a physician in order to qualify for coverage under Medicare and Medicaid; to the Committee on Finance.

ENSURANCE OF RURAL HEALTH CARE RECIPIENT MEDICARE ELIGIBILITY

Mr. INOUYE. Mr. President, today Senator SPARK MATSUNAGA and I are introducing legislation which would amend our Nation's Social Security Act to ensure that those individuals who receive services at rural health clinics and are eligible for Medicare or Medicaid are able to receive mental health services from qualified professional psychologists.

The bill which we are introducing today follows up on the decision made during the 98th Congress, to provide for the recognition of the autonomous functioning of psychologists within health maintenance organizations [HMO's]. Our present proposal would similarly amend the rural health clinical provision to include authority for clinical psychologists to function in a similar manner to that of nurse practitioners and physician assistants, and would only require a circuit-rider approach to physician involvement.

Our proposal does not increase the basic benefit package as the attached letter from Dr. Carolyne Davis, past-Administrator of the Health Care Financing Administration [HCFA], specifies.

This provision was recommended for enactment during the 99th Congress by the Senate Finance Committee as a provision of the Medicare antifraud bill. Hopefully, we will be able to have this measure enacted into public law during the 100th Congress.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 93

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COVERAGE OF SERVICES FURNISHED BY A CLINICAL PSYCHOLOGIST IN A RURAL HEALTH CLINIC.

(a) COVERAGE OF SERVICES.—Section 1861(aa)(1)(B) of the Social Security Act (42 U.S.C. 1395x(aa)(1)(B)) is amended by striking out "physician assistant or by a nurse practitioner" and inserting in lieu thereof "physician assistant, nurse practitioner, or clinical psychologist,".

(b) DEFINITION.—Section 1861(aa) of such Act (42 U.S.C. 1395x(aa)) is amended by adding at the end thereof the following new paragraph:

"(4) For purposes of this subsection, the term 'clinical psychologist' means an individual who—

"(A) is licensed or certified at the independent practice level of psychology by the State in which he so practices;

"(B) possesses a doctorate degree in psychology from a regionally accredited educational institution, or in the case of an individual who was licensed or certified prior to January 1, 1978, possesses a master's degree in psychology and is listed in a national register of mental health service providers in psychology which the Secretary deems appropriate; and

"(C) possesses 2 years of supervised experience in health service, at least 1 year of which is post-degree.".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to services furnished on or after the date of the enactment of this Act.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 94. A bill to amend titles XVIII and XIX of the Social Security Act to provide that pediatric nurse practitioner or pediatric clinical nurse specialist services are covered under part B of Medicare and are a mandatory benefit under Medicaid; to the Committee on Finance.

PROVIDING CERTAIN NURSE SERVICES COVERAGE

Mr. INOUYE. Mr. President, today Senator SPARK MATSUNAGA and I are introducing legislation that would amend the Medicare and Medicaid Programs in order to ensure that the services of pediatric nurse practitioners and/or pediatric clincial nurse specialists would be directly reimbursable under these two important programs.

Under the provisions of our proposal, the Department of Health and Human Services would be directed to initiate a special 5-year demonstration program for these practitioners in order to provide the Congress of the United States with sufficient information to ensure that an informed decision is made regarding the possibility of ultimately providing complete autonomy for our Nation's pediatric nurse practitioners and pediatric clinical nurse specialists throughout all aspects of Medicare and Medicaid.

Presently, under the Department of Defense CHAMPUS Program, these practitioners are deemed truly autonomous providers, and, from all that I have heard, these services are well received.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 94

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COVERAGE OF PEDIATRIC NURSE PRACTITIONER OR PEDIATRIC CLINICAL NURSE SPECIALIST SERVICES UNDER PART B OF MEDICARE.

(a) COVERAGE OF SERVICES.—Section 1861(s)(2) of the Social Security Act (42 U.S.C. 1395x(s)(2)) is amended—

(1) by striking out "and" at the end of subparagraph (J);

(2) by adding "and" at the end of subparagraph (K); and

(3) by adding at the end thereof the following new subparagraph:

"(L) pediatric nurse practitioner or pediatric clinical nurse specialist services;".

(b) DEFINITION.—Section 1861 of such Act (42 U.S.C. 1395x) is amended by adding at the end thereof the following new subsection:

"Pediatric Nurse Practitioner or Pediatric Clinical Nurse Specialist Services

"(ff)(1) The term 'pediatric nurse practitioner or pediatric clinical nurse specialist services' means services performed by a pediatric nurse practitioner or pediatric clinical nurse specialist (as defined in paragraph (2)) which the pediatric nurse practitioner or pediatric clinical nurse specialist is legally authorized to perform under State law (or the State regulatory mechanism provided by State law) of the State in which such services are performed, whether or not the pediatric nurse practitioner or pediatric clinical nurse specialist is under the supervision of, or associated with, a physician or other health care provider.

"(2) The term 'pediatric nurse practitioner or pediatric clinical nurse specialist' means an individual who—

"(A) is a registered nurse and is licensed to practice nursing in the State in which the pediatric nurse practitioner or pediatric clinical nurse specialist services are performed; and

"(B)(i) holds a master's degree in pediatric nursing or a related field from an accredited educational institution, or

"(ii) is certified as a pediatric nurse practitioner or pediatric clinical nurse specialist by the duly recognized professional nurses' association.".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to services performed on or after the first day of the first month which begins more than 60 days after the date of the enactment of this Act.

SEC. 2. COVERAGE OF PEDIATRIC NURSE PRACTITIONER OR PEDIATRIC CLINICAL NURSE SPECIALIST SERVICES AS A MANDATORY MEDICAID BENEFIT.

(a) COVERAGE OF SERVICES.—

(1) Section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) is amended—

(A) by striking out "and" at the end of paragraph (20);

(B) by redesignating paragraph (21) as paragraph (22); and

(C) by inserting after paragraph (20) the following new paragraph:

"(21) pediatric nurse practitioner or pediatric clinical nurse specialist services (as defined in section 1861(ff)(1)); and".

(b) CONFORMING CHANGES.—

(1) Section 1902(a) of such Act (42 U.S.C. 1396a(a)) is amended—

(A) in paragraph (10)(A), by striking out "paragraphs (1) through (5) and (17)" and inserting in lieu thereof "paragraphs (1) through (5), (17), and (21)"; and

(B) in paragraph (10)(C)(iv), by striking out "paragraphs (1) through (5) and (17) of section 1905(a) or the care and services listed in any 7 of the paragraphs numbered (1) through (20)" and inserting in lieu thereof "paragraphs (1) through (5), (17), and (21) of section 1905(a) or the care and services listed in any 7 of the paragraphs numbered (1) through (21)".

(2) Section 1902(j) of such Act (42 U.S.C. 1396a(j)) is amended by striking "(21)" and inserting in lieu thereof "(22)".

(c) EFFECTIVE DATE.—

(1) Except as provided in paragraph (2), the amendments made by this section shall be effective with respect to payments under title XIX of the Social Security Act for calendar quarters beginning more than 60 days after the date of the enactment of this Act.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

By Mr. KERRY:

S. 95. A bill to amend the Clean Air Act to control certain sources of sulfur dioxide and oxides of nitrogen to reduce acid deposition, and for other purposes; to the Committee on Environment and Public Works.

NATIONAL ACID RAIN CONTROL ACT

Mr. KERRY. Mr. President, I rise today on this first day of the 100th Congress to introduce legislation that seeks to correct a problem of grave concern to Americans from all over the Nation—acid rain. Mr. President, it is with the deepest regret that I find it necessary to once again introduce legislation and call for urgent action in 1987 on a critical environmental problem that we should be well on our way to solving and not still debating. Unfortunately, Congress has not acted and the urgency of our doing so is greater than ever. Acid rain is creating an environmental emergency in several regions of the country and it must be stopped now. Further delay will make damage worse and it may, in fact, leave our children with an irreversible environmental tragedy. We have the opportunity to end the scourge of acid rain. We know what must be done. And, we know it needs to be done. The time for excuses is long past. It is our duty to act without delay.

When the acid rain phenomena was first being researched, we were told by David Stockman and others that it was really just a question of "A few dead lakes in New England and northern New York." For those of us from those regions this lack of any real concern was discouraging, but not unexpected. But we knew they were wrong and the evidence mounts every year supporting our position. Acid rain is a phenomenon that results from reactions between fossil fuel emissions and atmospheric components. The "few dead lakes" that Mr. Stockman talked about are growing every day to the point where researchers warn that fish populations in some affected regions of the country are in grave danger of being wiped out in the not so distant future. As we know, a dramatic change in one part of the food chain cannot help but affect the other parts in the ecosystem. That ecosystem also includes trees where future timber harvests are imperiled by acid rain which researchers believe has worked to stunt growth in our forests.

In addition, human health concerns continue to be researched. Already we know that certain high-risk respiratory patients increase their risk when they live or spend time in areas where acid rain is known to be a problem. Acid rain also endangers cultural and historic artifacts and structures. In Massachusetts and many other Northeast States, that translates into damage to many of our State's treasures such as historic buildings, statues, and other manmade structures. Many of these are irreplacable and their loss will mean the end to many legacies that should properly be left for our children and their children.

I first became aware of the acid rain phenomena when as Lieutenant Governor I coordinated Massachusetts' effort to develop a reasonable State and national response to this problem. I spent a great deal of time talking to the many Massachusetts environmentalists that have become expert in the problems that acid rain has created. With them, I visited and tested lakes and streams in the State that show the dramatic effects of acid deposition on fish populations and on general water quality. Together with environmentalists, business leaders, and other government leaders we formed the acid rain working group to discuss the problems, the causes and the solutions for the acid rain phenomena. It was through this group that I concluded that acid rain was a major threat to the quality of life in Massachusetts.

As an active participant in the National Governors Association's Task Force on Acid Rain I journeyed to Europe on a fact-finding mission representing the New England Governor's Task Force on Acid Rain which I chaired. I went to Norway, Sweden, Belgium, Germany, and Great Britain.

In Norway I spoke with experts who have been coping with this issue for many years and where there are approximately 5,000 square miles of lakes that are now biologically dead. There is no doubt in their minds as to what has caused that environmental disaster.

In Sweden, some 18,000 square miles of lakes are dead and nobody in Sweden contests the issue of how and why this has come to be. In addition, in Sweden, they were particularly concerned about increasing evidence of forests that were showing diminished growth—a symptom that is being experienced throughout northern Europe and again they had no doubt that air pollution was the major contributor.

In Germany in 1984 I visited the Black Forest where I saw the most stark and dramatic display of what can happen through neglect in combatting this environmental threat. The foresters there—close to tears over the disappearance of their heritage before their eyes—told me that they feared that much of the damage could be permanent. They too have no doubt as to the cause of the problem.

Europe's experience should serve as a threatening lesson to the United States. I have seen a future that we cannot allow to occur.

Yet, the American response to the crisis of acid rain has been woefully inadequate. President Reagan has commissioned several studies on acid rain. Each study has come back and stated in stronger and more specific terms that acid rain is a major threat to our environment and must be addressed. However, on a national basis, it is study, debate, evaluate—when what we need is strong action to reduce acid rain causing emissions—now.

In Massachusetts we have been conducting an ongoing study since 1983 to try to provide a data base with which to study the magnitude of acid rain's effects on area surface waters. I have been pleased to support and participate in that study. Dr. Paul Godfrey of the University of Massachusetts at Amherst has been collecting and tracking acid rain information. We have enough data to see that is occurring throughout the State. The data shows that 62 percent of the surface waters tested are highly sensitive to acidification. These studies also show that most areas of my State have low alkalinity levels and thus are highly susceptible to acidification.

In Massachusetts, we are spending approximately $13 million per year to protect and restore statuaries and buildings which literally are being eaten away by acidic moisture. If you take the problems we now know of in Massachusetts with their associated human, ecological, and financial impacts and project them on a national scale, the deterioration and its costs become enormous.

Massachusetts has responded to this information by enacting one of the most comprehensive acid rain control bills in the country. It mandates a substantial reduction in both sulfur dioxide and nitrogen oxide emissions from Massachusetts sources.

But even in the law itself it is recognized that State action is not enough. It cannot and should not serve as a substitute for a national program. The Federal role in preventing pollution produced by one State from affecting another, is clear. Only Federal action can stop this damage.

Consequently, I have worked for many years on a comprehensive national acid rain control plan. Through the National Governor's Association Task Force attempt to reach a "meeting of the minds" among different geographical regions of the country, the outlines of what I believe could be a national consensus emerged. A major component of that approach is the motion that there should be a broad sharing of the financial burden among producers of acid rain and those who will benefit from its reduction. Pointing fingers at utilities or coal producers accomplishes little. It has only stalled the process. This is a national problem and requires a national solution. The legislation I am introducing today—the Acid Rain Control Act of 1987—S. 95—represents an effort to do just that.

The National Acid Rain Control Act of 1987 will amend the Clean Air Act to reduce annual sulfur dioxide [SO_2] emissions by 12 million tons and nitrogen oxides [NO_X] emissions by 3 million tons by 1995 in the 48 contiguous States and the District of Columbia.

The sulfur dioxide reductions will be achieved in three different ways. First, utilities and other industries will, upon enactment, be required to reduce emissions by following a series of mandated steps that include coal washing and the addition of adipic acid before combustion.

Second, each State will have control over allocating the additional reductions based on its share of the problem as determined by the EPA Administrator using the best available data. The State plan must call for a phased reduction so that seven-twelfths of the States's share reductions will be achieved before 1992, and the entire share target achieved by 1995. A State may allow a source to substitute emissions of NO_x for SO_2 at a ratio of 2 to 1. In the event that a State fails to submit a plan, or in the event that the plan is not accepted by the Administrator, major stationary sources will have to comply with an emission limitation equal to 1.2 pounds of SO_2 per million BTU's of heat input.

Finally, a trust fund will be established by the collection of a fee on the production of electricity generated by fossil fuel combustion. Payments from the fund will be used to help defray capital costs incurred by facilities in meeting their reduction requirements. The subsidy will be paid at a rate of $147 per ton of SO_2 reduced. This amount is designed to greatly reduce electric rate increases payable by utility customers. The fee will be assessed at one of three levels, based upon the 1982 State average SO_2 emissions rate. States with lower rates of emissions will be assessed lower fees. This fee structure is designed to provide equity while recognizing that in order to develop a feasible plan, the costs of emissions reduction must be shared. This payment formula would favor the installation of capital equipment to avoid coal miner job displacement while fixing the subsidy at a level which will encourage the use of newer and less costly technologies. The trust fund would also provide $10 million a year for accelerated research on cleaner burning industrial processes as well as $25 million a year for acid deposition mitigation programs.

Acid rain will not go away by wishing it so or by making believe it does not exist. Congress must act now because, unfortunately, the administration has given nothing more than lip service to the problem. The President has earnestly asked the National Academy of Sciences, EPA Administrator William Ruckelshaus, and Special Envoy Drew Lewis to conduct inquiries into the implications of the phenomenon. All three have concluded that a plan of action must be enacted with haste. So far, the President has failed to heed their common warning and instead he has hidden behind requests for ever more research. Lately we are even told that he will break his commitment to support the recommendations of the special envoys.

However, we must be honest and hard on ourselves as well, for we have abdicated our responsibility to protect the public as well. Republicans and Democrats alike will have to put away partisan concerns in order to enact legislation to accomplish these goals before it is too late to do so.

My legislation offers one approach to this problem. I realize that many of my colleagues will offer different proposals in this session of Congress and I commend them for their interest in this issue. We are all committed to seeing acid rain abated and I am proud to join with them in fighting this important fight. I realize that in order to enact a strong Acid Rain Control Program, it is going to be necessary for many of us to work together and take different elements of different proposals. So let me make it clear, Mr. President, that while I am committed to finding a solution to this problem, I am willing and committed to working toward an end to this crisis without thinking that mine is the only solution. Together we must create a coalition that will creatively and dramatically develop legislation that will end this crisis of incalculable dimension.

Mr. President, I ask unanimous consent that at the conclusion of my remarks the following additional information be printed:

S. 95 the National Acid Rain Control Act of 1987.

Background on S. 95—the Kerry acid rain bill.

Elements in S. 95 the National Acid Rain Control Act.

Summary of S. 95—the National Acid Rain Control Act.

There being no objection, the material was ordered to be printed in the RECORD, as follows.

S. 95

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Acid Rain Control Act of 1987".

SEC. 2. PURPOSE.

The purpose of this Act is to reduce emissions of sulfur dioxide by 12 million tons per year and to reduce emissions of oxides of nitrogen by 3 million tons per year, by the year 1995, in order to lessen the damage to public health and the environment from acid deposition attributable to those pollutants.

TITLE I—ACID DEPOSITION CONTROL AND ASSISTANCE PROGRAM

SEC. 101. AMENDMENT OF CLEAN AIR ACT.

Title I of the Clean Air Act is amended by adding at the end thereof the following new part:

"PART E—ACID DEPOSITION CONTROL

"Subpart 1—General Provisions

"PURPOSE OF PART

"SEC. 181. The purpose of this part is to reduce sulfur dioxide emissions in the 48 contiguous States and the District of Columbia by 12,000,000 tons by 1995. Such reduction shall be achieved through—

"(1) a program under subpart 2 consisting of direct federally mandated emission reductions;

"(2) a program under subpart 3 consisting of State plans to provide for reductions in emission rates as may be necessary to achieve the remaining portion of the reduction; and

"(3) a program under subpart 4 to mitigate any potential economic impacts and coal mining job dislocation by subsidizing the capital costs of control technology used for the purpose of the program under subpart 3 through a fee on the generation of electric energy by fossil fuel fired electric utility generating plants.

"DEFINITIONS

"SEC. 182. As used in this part—

"(1) The terms 'new' and 'modified' when used with respect to an electric utility unit or other source means an electric utility unit or other source which commenced construction (or modification) after December 31, 1980, and which is subject to new source performance standards for sulfur dioxide under section 111.

"(2) The term 'commenced' when used with respect to construction or modification has the same meaning as when used in section 111.

"(3) The term 'fossil fuel fired electric utility generating plant' means all of the fossil fuel fired electric utility steam generating units owned or operated by an electric utility which are located on one or more contiguous or adjacent properties.

"(4) The terms 'steam generating unit', 'electric utility', and 'fossil fuel' have the same meanings as provided in regulations under section 111 applicable to electric utility steam generating units for which construction is commenced after September 18, 1978.

"(5) The term 'Btu' means a British thermal unit.

"(6) The term 'technological system of continuous emission reduction' has the meaning provided by section 111(a)(7).

"(7) The term 'sulfur dioxide' when used with respect to emissions means total sulfur emissions expressed as sulfur dioxide emissions.

"(8) The term 'baseline year' means the calendar year 1980, except that the Administrator may designate a subsequent calendar year as the baseline year if he determines that reasonable and reliable data is available for that year with respect to the actual sulfur dioxide emission rates of the unit or source involved.

"(9) The term 'best available cleaning method' means the coal cleaning method which results in the highest reasonably obtainable level of sulfur removal, as determined by the Administrator.

"RELATIONSHIP TO OTHER REQUIREMENTS

"SEC. 183. Nothing in this part shall be construed to affect or impair the requirements of section 110 (or of any applicable implementation plan) or of any other section of this Act; except that any stationary source which is subject to any such requirement may also be subject to additional requirements under this part.

"Subpart 2—Federally Mandated Emission Reductions

"FEDERALLY MANDATED EMISSION REDUCTIONS

"SEC. 186. (a) COAL CLEANING.—Any fossil fuel fired electric utility generating plant which burns coal with an average sulfur content of more than 2 percent must provide that such coal is cleaned prior to combustion using the best available cleaning method by not later than December 31, 1989.

"(b) ADIPIC ACID TREATMENT.—Any fossil fuel fired electric utility generating plant which is equipped with flue gas desulfurization units must include adipic acid treatment with such units by not later than December 31, 1989.

"Subpart 3—State Plans for Additional Emission Reductions

"CALCULATION OF STATE SHARES

"SEC. 191. (a) SHARE OF 12,000,000 TON REDUCTION.—

"(1) EPA COMPUTATION.—For each of the 48 contiguous States and the District of Columbia, the Administrator shall compute a State share of the 12,000,000 ton reduction in annual emissions of sulfur dioxide referred to in section 181. The Administrator shall compute the State share for each such State as provided in subsection (b) not later than 18 months after the date of the enactment of the National Acid Rain Control Act.

"(2) DATA TO BE USED IN COMPUTATION.—In making computations under subsection (b), the Administrator shall use the best available data. To the extent that other better data regarding the emissions of sulfur dioxide from any category of sources is not available on or before the date 18 months after the date of the enactment of the national Acid Rain Control Act, the Administrator shall utilize the inventory of emissions developed in fulfillment of the requirements of the Memorandum of Intent on Transboundary Air Pollution signed by Canada and the United States on August 5, 1980.

"(b) STATE SHARE.—

"(1) GENERAL RULE.—The State share for each such State shall be the number of tons which is the sum of the amounts computed under subparagraphs (A), (B), and (C).

"(A) ELECTRIC UTILITY EXCESS EMISSIONS TONNAGE.—The tonnage computed under paragraph (2) for fossil fuel fired electric utility generating plants in the State.

"(B) NONUTILITY BOILER EXCESS EMISSIONS TONNAGE.—The tonnage computed under paragraph (3) for other fossil fuel fired steam generating units in the State.

"(C) PROCESS EMITTERS EXCESS EMISSIONS TONNAGE.—The tonnage computed under paragraph (4) for industrial process emitters of sulfur dioxide in the State.

"(2) ELECTRIC UTILITY EXCESS EMISSIONS TONNAGE.—

"(A) FRACTION OF 10,000,000 TONS.—The Administrator shall compute an excess emissions tonnage amount under this paragraph for fossil fuel fired electric utility generating plants in the State. The amount shall be determined by multiplying 10,000,000 tons by a fraction the numerator of which is determined under subparagraph (B) and the denominator of which is determined under subparagraph (C).

"(B) NUMERATOR OF ELECTRIC UTILITY FRACTION.—The numerator of the electric utility fraction under this paragraph shall be the tonnage of emissions of sulfur dioxide which the Administrator estimates to have been emitted during the baseline year at a rate in excess of 1.2 pounds per million Btu's of heat input from fossil fuel fired electric utility generating plants which are located in the State and which, during the baseline year, emitted sulfur dioxide at an annual average rate in excess of 1.2 pounds per million Btu's of heat input.

"(C) DENOMINATOR OF ELECTRIC UTILITY FRACTION.—The denominator of the electric utility fraction under this paragraph shall be the tonnage of emissions of sulfur dioxide which the Administrator estimates to have been emitted during the baseline year at a rate in excess of 1.2 pounds per million Btu's of heat input from all fossil fuel fired electric utility generating plants which are located in the 48 contiguous States and the District of Columbia and which, during the baseline year, emitted sulfur dioxide at an annual average rate in excess of 1.2 pounds per million Btu's of heat input.

"(3) NONUTILITY BOILER EXCESS EMISSIONS.—

"(A) FRACTION OF 1,000,000 TONS.—The Administrator shall compute an excess emissions tonnage amount under this paragraph for fossil fuel fired steam generating units located in the State, other than those which are part of a fossil fuel fired electric utility generating plant. The amount shall be determined by multiplying 1,000,000 tons by a fraction the numerator of which is determined under subparagraph (B) and the denominator of which is determined under subparagraph (C).

"(B) NUMERATOR OF NONUTILITY FRACTION.—The numerator of the nonutility fraction under this paragraph shall be the tonnage of emissions of sulfur dioxide which the Administrator estimates to have been emitted during the baseline year at a rate in excess of 1.2 pounds per million Btu's of heat input from fossil fuel fired steam generating units which are located in the State, other than units which are part of a fossil fuel fired electric utility generating plant, and which, during the baseline year, emitted sulfur dioxide at an annual average rate in excess of 1.2 pounds per million Btu's of heat input.

"(C) DENOMINATOR OF NONUTILITY FRACTION.—The denominator of the nonutility fraction under this paragraph shall be the tonnage of emissions of sulfur dioxide emitted during the baseline year at a rate in excess of 1.2 pounds per million Btu's of heat input from all fossil fuel fired steam generating units which are located in the 48 contiguous States and the District of Columbia, other than units which are part of a fossil fuel fired electric utility generating plant, and which, during the baseline year, emitted sulfur dioxide at an annual average rate in excess of 1.2 pounds per million Btu's of heat input.

"(4) PROCESS EMITTERS EXCESS EMISSIONS TONNAGE.—

"(A) FRACTION OF 1,000,000 TONS.—The Administrator shall compute an excess emissions amount under this paragraph for industrial process emitters (as defined by the Administrator) of sulfur dioxide in the State. The amount shall be determined by multiplying 1,000,000 tons by a fraction the numerator of which is determined under subparagraph (B) and the denominator of which is determined under subparagraph (C).

"(B) NUMERATOR OF PROCESS EMITTER FRACTION.—The numerator of the process emitter fraction under this paragraph shall be the tonnage of emissions of sulfur dioxide emitted during the baseline year at an annual average rate in excess of the limit determined under subparagraph (D) from emissions units of industrial process emitters of sulfur dioxide which are located in the State and which, during the baseline year, emitted sulfur dioxide at an annual average rate in excess of the limit determined under subparagraph (D).

"(C) DENOMINATOR OF PROCESS EMITTER FRACTION.—The denominator of the process emitter fraction under this paragraph shall be the total tonnage of emissions of sulfur dioxide emitted during the baseline year at an annual average rate in excess of the applicable limit determined under subparagraph (D) from emissions units of industrial process emitters of sulfur dioxide which are located in the 48 contiguous States and the District of Columbia and which, during the baseline year, emitted sulfur dioxide at an annual average rate in excess of the limit determined under subparagraph (D).

"(D) EMISSIONS LIMIT.—

"(i) For purposes of this paragraph, the average annual limit determined under this subparagraph for any emissions unit of a stationary source of industrial process emissions shall be the rate which the Administrator determines to be the national average BACT emissions limit for sulfur dioxide for emissions units within the category of process emitters involved.

"(ii) Utilizing the BACT/LAER Clearinghouse data available at the Environmental Protection Agency, the Administrator shall review the emission limitations for industrial process emitters which were established as 'best available control technology' (BACT) under this Act during the period August 1977 through December 31, 1986. On the basis of such data, and not later than 1 year after the date of the enactment of the National Acid Rain Control Act, the Administrator shall establish a national average BACT emission limit for sulfur dioxide for emissions units within each category of process emitters of sulfur dioxide.

"(c) REALLOCATION AMONG STATES.—Under regulations promulgated by the Administrator, any two or more contiguous States may by agreement reallot among agreeing States the State share of two or more agreeing States if, under such reallotment, the total reduction in annual emissions of sulfur dioxide is equal to or greater than, and contemporaneous with, the total reduction in annual emissions of sulfur dioxide which would be required under this part in the absence of such reallotment.

"STATE CONTROL PLANS

"SEC. 192. (a) SUBMISSION OF PLAN.—(1) Each of the 48 contiguous States and the District of Columbia shall submit to the Administrator a plan for achieving such State's share of the reduction in sulfur dioxide emissions.

"(2) The plan must be submitted within 12 months after the date of the enactment of the National Acid Rain Control Act, and the Administrator shall approve or disapprove such plan within 6 months after its submission.

"(b) TIMETABLE FOR REDUCTIONS.—The State plan shall provide for a phased reduction such that 7/12 of the State's share of the reduction shall be achieved prior to December 31, 1992, and the entire share shall be achieved prior to December 31, 1994. The timetable for achieving such reductions shall provide for continuous reduction with identifiable incremental reductions.

"(c) STATE PREROGATIVES.—The plan shall provide for the reductions in accordance with subsection (b) by any means; except that the State must comply with the federally mandated emission reductions required by section 186.

"(d) INTERIM EMISSIONS LIMITS.—The State shall apply an annual interim limitation on statewide sulfur dioxide emissions equal to the amount of such emissions for calendar year 1985. The interim limitation shall apply to emissions for calendar years prior to 1995, or, if earlier, until the State has achieved its entire share of the reduction required by section 191.

"(e) RECOMMENDED INDIVIDUAL SOURCE REQUIREMENTS.—The State plan may require that each fossil fuel fired steam generating unit and each industrial process emitter in the State shall—

"(1) apply the best available control technology; or

"(2) limit sulfur dioxide emissions to an annual rate not in excess of 1.2 pounds per million Btu's of heat input.

"(f) Substitution.—A State may allow the owner or operator of a source required to achieve emission reductions under this part to substitute a reduction in emissions of oxides of nitrogen for required reductions in emissions of sulfur dioxide, at a rate of two units by weight of oxides of nitrogen for each unit of sulfur dioxide.

"(g) Enforcement.—Each requirement of a State plan approved by the Administrator under this section shall be treated as a requirement of an applicable State implementation plan for purposes of sections 113, 114, 116, 120, and 304.

"REQUIREMENTS APPLICABLE TO STATES WHICH DO NOT HAVE AN APPROVED PLAN

"Sec. 193. (a) Requirements for Facilities.—In any State in the 48 contiguous States and the District of Columbia which has not submitted a plan under section 192 within 12 months after the date of the enactment of the National Acid Rain Control Act, or which has not had a plan approved by the Administrator under section 192 within 6 months after the submission of such plan, or which fails to implement such plan after its approval—

"(1) the owner or operator of any fossil fuel fired facility which is a major stationary source which is not subject to section 111(a) shall comply with an emission limitation equivalent to an average annual rate of 1.2 pounds of sulfur dioxide per million Btu's of heat input on a rolling 30-day average; and

"(2) the owner or operator of any process emitter shall comply with the average BACT emissions limit established under section 191(b)(4)(D).

"(b) Submission of Plan.—The owner or operator of each source subject to the requirements of subsection (a) shall submit to the Administrator a plan and schedule of compliance for achieving such emission limitation not later than 3 years after the date of the enactment of the National Acid Rain Control Act, or, if later, 6 months after the date on which the Administrator determines that the State has failed to implement the State plan after its approval.

"(c) Approval.—The Administrator shall approve the plan and schedule of compliance of the source if they—

"(1) contain enforceable requirements for continuous emission reduction;

"(2) contain requirements for monitoring by the source and enforcement agencies to assure that the emission limitations are being met; and

"(3)(A) in the case of a source which proposes to comply with the emission limitation through the use of fuel substitution, will achieve the emission reduction required by this section no later than 24 months after such plan is submitted; or

"(B) in the case of a source which proposes to comply with the emission limitation through the installation of a technological system of continuous emission reduction or replacement of existing facilities with new facilities with substantially lower emissions, or any other means except fuel switching, contains enforceable requirements that such source will, within 24 months after such plan is submitted, enter into binding contractual commitments to acquire, install, or construct such system or facilities.

"(d) Penalties.—Failure of such owner or operator to submit an approved plan and schedule within the time provided in this section, failure to comply with the plan and schedule of compliance, and failure to achieve the emission reduction required by the dates required by this section, shall be violations of emission limitations for the purposes of sections 113, 120, and 304.

"Subpart 4—Acid Deposition Control Fund

"ESTABLISHMENT OF FUND

"Sec. 196. (a) Establishment.—There is established in the Treasury of the United States a trust fund to be known as the 'Acid Deposition Control Fund' (hereafter in this subpart referred to as the 'Fund'), consisting of such amounts as may be deposited into such Fund as provided in this section.

"(b) Deposits Into the Fund.—(1) The owner or operator of any fossil fuel fired electric utility generating plant located in the 48 contiguous States or the District of Columbia shall pay to the United States the fees established by section 197. The Secretary of the Treasury shall deposit the fees collected into the Fund.

"(2) Payments of fees under this subsection shall be made on a quarterly basis, based upon the electricity produced in the preceding quarter.

"(3) The Administrator, in consultation with the Secretary of the Treasury, shall promulgate such regulations as may be necessary to carry out this subsection.

"(c) Payments From the Fund.—(1) The Administrator shall make payments from the Fund for the following purposes:

"(A) Payments shall be made to owners and operators of facilities for capital costs of sulfur dioxide reductions incurred by such owners or operators in meeting the requirements of this part, other than the federally mandated emission reductions required by section 186 or reductions which result from fuel switching or blending, at a rate of $147 per ton of sulfur dioxide emission reduction. Such payments shall be made for 15 years, commencing at the time the equipment comes into operation.

"(B) Payment of not more than $10,000,000 per year shall be made for accelerated research of cleaner burning industrial processes, in accordance with section 198.

"(C) Payment of not more than $25,000,000 per year shall be made for mitigation programs under title III of the National Acid Rain Control Act.

"(2) The Administrator, after consultation with the Secretary of the Treasury and the Secretary of Energy, shall promulgate regulations as may be necessary to implement this section, including regulations providing that—

"(A) no payment may be made under this section to a utility for any costs unless the Administrator determines that, under applicable rate schedules, the full amount of such payment will be used to reduce electric rate increases payable by customers of the utility which otherwise would result from the construction and installation concerned; and

"(B) such payments shall be made at such times as will minimize any electric rate increases for customers of the utility.

"FEES

"Sec. 197. (a) Determination of Emission Rates.—Within 12 months after the date of the enactment of the National Acid Rain Control Act, the Administrator shall determine the average sulfur dioxide emission rate of each of the 48 contiguous States and the District of Columbia for the calendar year 1982 from all fossil fuel fired electric utility generating plants in such State.

"(b) Fee Schedule.—The fee under this section shall apply to all electricity generated in such State by fossil fuel fired electric utility generating plants located in the State as follows:

"1982 State average sulfur dioxide emission rate:	Fee:
Less than or equal to 1.2 pounds per million Btu's of heat input	0.50 mills per kilowatthour
Greater than 1.2 pounds per million Btu's of heat input, but less than 2.0 pounds per million Btu's of heat input	1.0 mills per kilowatthour
Greater than 2.0 pounds per million Btu's of heat input	1.6 mills per kilowatthour

"(c) Years to Which Fee Applies.—The fees established by this section shall apply to calendar years beginning with the first calendar year that begins more than 12 months after the date of the enactment of the National Acid Rain Control Act, and ending with the calendar year fifteen years from the date of enactment.

"Subpart 5—Accelerated Research on Cleaner Burning Industrial Processes

"RESEARCH FUNDS

"Sec. 198. The Administrator shall make such grants and enter into such contracts and other arrangements as may be necessary to accelerate the research necessary to develop advanced industrial processes (including atmospheric fluidized bed combustion, magnetohydrodynamics (MHD), and lime-injected multistage burner technology (LIMB)) which may result in lower levels of sulfur dioxide and oxides of nitrogen. For each of the five fiscal years commencing with the fiscal year 1987, $10,000,000 are authorized to be appropriated from the fund established under subpart 4 for purposes of this section.".

SEC. 102. CONFORMING AMENDMENTS.

(a) Enforcement.—Section 113(a)(3) of the Clean Air Act is amended by inserting ", or is in violation of any requirement in effect pursuant to part E" after "inspections, etc.)".

(b) Civil Actions.—Section 113(b) of the Clean Air Act is amended by inserting after and below paragraph (5) the following:

"Whenever any person violates any requirement in effect pursuant to part E, the Administrator may commence a civil action for permanent or temporary injunction or to assess and recover a civil penalty of not more than $25,000 per day of violation, or both.".

(c) Criminal Penalties.—Section 113(c)(1)(C) of the Clean Air Act is amended by inserting "or any requirement in effect pursuant to part E," before "or".

(d) Judicial Review.—Section 307(b)(1) of the Clean Air Act is amended by inserting ", any final action taken by the Administrator under part E of title I" after "120" in the first sentence thereof.

TITLE II—CONTROL OF EMISSIONS OF OXIDES OF NITROGEN

SEC. 201. REVISIONS OF NEW SOURCE PERFORMANCE STANDARD.

Section 111 of the Clean Air Act is amended by adding at the end thereof the following new subsection:

"(k) Standards of Performance Relating to Oxides of Nitrogen.—(1) The Administrator shall revise the standards of performance for emissions of oxides of nitrogen from electric utility steam generating units which burn bituminous or subbituminous coal. Such revised standards shall prohibit the emission of oxides of nitrogen from such units at a rate which exceeds—

"(A) 0.30 pounds per million Btu's of heat input, in the case of subbituminous coal; and

"(B) 0.40 pounds per million Btu's of heat input, in the case of bituminous coal,

based on a 30-day rolling average. Such revised standard shall take effect with respect to units which commence construction after the date of the enactment of the National Acid Rain Control Act.

"(2) As used in this subsection, the terms 'electric utility steam generating unit', 'bituminous coal', and 'subbituminous coal' have the same meanings as when used in 40 CFR part 60, subpart D, as in effect on January 1, 1983.

"(3) The Administrator shall promulgate standards of performance under this section for emissions of oxides of nitrogen and sulfur dioxide from all fossil fuel fired steam generating units which are new sources within the meaning of subsection (a)(2) and which are capable of combusting more than 50 million Btu's per hour heat input of fossil fuel (either alone or in combination with any other fuel). The standards under this section applicable to fossil fuel fired steam generating units which are capable of combusting more than 250 million Btu's per hour heat input may vary from the standards applicable to units which are not capable of such combustion.".

SEC. 202. EMISSIONS FROM MOBILE SOURCES.

(a) Trucks and Truck Engines.—Section 202 of the Clean Air Act is amended by adding at the end thereof the following new subsection:

"(g) Oxides of Nitrogen Emissions From Light-Duty Trucks After 1988.—(1) Effective with respect to vehicles and engines manufactured during and after the model year 1988, the regulations under subsection (a) applicable to emissions of oxides of nitrogen from trucks and truck engines the gross vehicle weight of which does not exceed 8,500 pounds shall contain standards which provide that such emissions may not exceed—

"(A) 1.2 grams per vehicle mile for gross vehicle weight not in excess of 6,000 pounds; and

"(B) 1.7 grams per vehicle mile for gross vehicle weight in excess of 6,000 pounds.

"(2) Effective with respect to vehicles and engines manufactured during and after the model year 1988, the regulations under subsection (a) applicable to emissions of oxides of nitrogen from trucks and truck engines the gross vehicle weight of which exceeds 8,500 pounds shall contain standards which provide that such emissions may not exceed 4.0 grams per brake horsepower-hour.

"(3) Subparagraphs (B) and (E) of subsection (a)(3) shall not apply to any standard established under this subsection.".

(b) Conforming Amendment.—Section 202(a)(3)(A)(ii) is amended by inserting ", and except as otherwise provided in subsection (g)" after "(E)".

TITLE III—ACID DEPOSITION DAMAGE MITIGATION PROGRAM

SEC. 301. STATE PLANS AND FEDERAL ASSISTANCE.

(a) Restoration Program.—Any State may prepare, and submit to the Administrator of the Environmental Protection Agency for approval and to the Director of the United States Fish and Wildlife Service for comment—

(1) a survey of water quality deterioration in such State which has resulted from acid deposition;

(2) a proposal for research on mitigating the effects of acid deposition on terrestrial and aquatic ecosystems; and

(3) proposed methods and procedures to restore the quality of water in such State which has deteriorated as a result of acid deposition.

(b) Financial Assistance.—

(1) In general.—From the fund established under section 196 of the Clean Air Act, the Administrator, after consultation with the Director of the United States Fish and Wildlife Service, shall provide financial assistance to States in order to carry out methods and procedures for restoration which have been approved by the Administrator under this section.

(2) 80 percent limit.—The amount granted under this section to any State for any fiscal year shall not exceed 80 percent of the funds expended by such State in such year for carrying out approved methods and procedures under this section.

(3) Apportionment among states.—The Administrator shall provide for an equitable distribution of sums appropriated under this section among States with approved methods and procedures. Such distribution shall be based on the relative need of each such State for the restoration of water quality which has deteriorated as a result of acid deposition. The amount of any grant to a State under this section shall be in addition to, and not in lieu of, any other Federal financial assistance.

Background on S. 95, the Kerry Acid Rain Bill

Acid rain damage to aquatic ecosystems, including many fresh water lakes and streams, has been well documented in Europe and eastern North America. The problem, once thought to be an issue only for New England, is quickly revealing itself as one with national and international implications. In addition to the northeastern states and eastern Canada, recent studies indicate sensitivity to aquatic acidification in the Southeast, areas of the Rocky Mountains, and the Pacific Northwest. The EPA's just released Eastern Lakes Survey confirms the research of many experts and surprised many by documenting extensive damage throughout Florida. The National Academy of Sciences projects that, "At current rates of emissions of sulfur and nitrogen oxides, the number of affected lakes can be expected to more than double by 1990, and to include larger and deeper lakes."

Extensive forest damage and growth decline throughout North America and Europe are believed to be the result of acid precipitation. Declines in the United States have been documented in high elevation forests in the Northeast, Ohio and as far south as North Carolina. It may already be too late to reverse the long-term decline of much of the central European forests from gaseous pollutants. The emission reductions that countries such as West Germany are undertaking may not save the forests since the pollution effects appear to be cumulative and recovery time long. Central Europe's experiences should serve as a hard lesson for the United States. (During an acid rain fact-finding visit to Europe in January 1984, Senator Kerry visited the Black Forest in Germany and was told by German officials and scientists that much of the damage could be permanent.)

The air pollutants associated with acid rain can have direct effects on human health. Evidence indicates that even current levels of sulfur dioxide can produce adverse health effects in some people. Those at greatest risk include people with allergies, children, individuals with bronchitis and more severe respiratory and cardiovascular diseases, the elderly and smokers. It is also suspected that pollutant levels that have been accepted as safe when pollutants are in isolation, may become hazardous when the pollutants are combined—as is the case with acid rain.

Acid deposition at current levels is damaging materials—metal, stone and exterior coatings—as well as many important historic and cultural resources.

Acid rain contributes to a deterioration of visibility, particularly in those areas where the pollutants are initially emitted.

Elements in S. 95, the National Acid Rain Control Act

Given the magnitude of the effects of acid rain and the growing consensus in the scientific community that it is not confined to a few "dead" lakes in New England, comprehensive, immediate action is indicated. The Kerry Bill will accomplish the needed emissions reductions while being sensitive to issues of coal miner job displacement, cost responsibilities, equity and other regional concerns. The bill will also allow the flexibility needed to encourage advanced fossil fuel combustion technology.

S. 1983 includes:

A twelve million ton reduction in annual sulfur dioxide (SO_2) emissions—the amount of reduction needed to adequately protect natural and manmade resources.

A three million ton reduction in oxides of nitrogen (NO_x) emissions—reduction of these emissions is particularly important to the future health of our forests.

Emissions reductions across the continental United States—because there are symptoms of acid rain throughout the country, national reductions are needed.

State flexibility to design reduction plans which best fit their needs—by not requiring any specific technologies, states can design plans which reduce emissions at lower costs to consumers.

A specified plant-by-plant emission limit will be imposed in the event that a state fails to produce an plan based on regulations in the bill and acceptable to EPA—this will ensure reductions as well as minimize opportunities for delay.

A fund to subsidize the cost of capital equipment to reduce emissions based on a payment of $147 ton reduced—an innovative payment formula which favors the installation of capital equipment to avoid coal miner job displacement while fixing the subsidy at a level which will promote the use of newer, less costly technologies.

A three-tiered graduated fee on electricity generation for collecting the subsidy—a new proposal which creates equity by shifting the burden from areas of the country where sulfur emissions are currently lower to those areas that have greater emissions and will consequently receive more benefits from the subsidy fund.

Summary of S. 95, the National Acid Rain Control Act

PURPOSE

The National Acid Rain Control Act will amend the Clean Air Act to reduce sulfur dioxide emissions by 12 million tons per year and nitrogen oxide emissions by 3 million tons per year by 1995 in the 48 contiguous states and the District of Columbia. These reductions will lessen the damage to public health and the environment from acid deposition caused by these pollutants.

CONTROL OF SULFUR DIOXIDE EMISSIONS

Section 181

Sulfur dioxide reductions will be achieved through: (1) direct federally mandated reductions; (2) state plans which provide for additional reductions; and (3) implementation of a program which subsidizes the capital costs of control technologies to mitigate any potential economic impacts and loss of coal mining jobs.

Section 191

The EPA Administrator will compute each state's share of the reduction using the best available data or the inventory of emissions developed in the Memorandum of Intent on Transboundary Air Pollution signed by the U.S. The state's share depends on boiler emissions greater than 1.2 lbs. SO_2/MMBTU heat input and excess process emissions.

STATE CONTROL PLANS

Section 192

Each of the 48 contiguous states and the District of Columbia must submit a plan to the EPA Administrator which describes how emission reductions will be achieved. The state plan must call for a phased reduction so that $\frac{7}{12}$ of the state's share of reductions will be achieved before 1992, and the entire share by 1995. The state may allow a source to substitute emissions of NO_x for SO_2 at a ratio of 2:1.

REQUIREMENTS FOR STATES WHICH DO NOT HAVE APPROVED REDUCTION PLANS

Section 193

In any state which does not submit, receive approval, or implement their plan, major stationary sources will have to comply with an emission limitation equal to 1.2 lbs. of SO_2 per million Btu's of heat input.

ACID DEPOSITION CONTROL FUND

Section 196

A trust fund will be established in the U.S. Treasury into which fees collected from owners or operators of fossil fuel fired electric utility generating plants within the 48 contiguous states will be deposited. Payments from the fund will be used for the following purposes: (1) payment for capital costs incurred by these facilities in meeting reduction requirements at a rate of $147 per ton of SO_2 emission reduced; (2) payment of $10 million per year for accelerated research on cleaner burning industrial processes; and (3) payment of $25 million per year for acid deposition mitigation programs. These payments will be used to reduce electric rate increases payable by customers of the utility.

Section 197

The Administrator will apply the following fee schedule:

1982 State average sulfur dioxide emission rates

	Fees
Less than or equal to 1.2 pounds per million Btu's	[1] 0.50
Greater than 1.2 pounds per million Btu's of heat input but less than 2.0 pounds per million Btu's of heat input	[1] 1.0
Greater than 2.0 pounds per million Btu's of heat input	[1] 1.6

[1] Mills per killowatt-hour.

ACCELERATED RESEARCH ON CLEANER BURNING INDUSTRIAL PROCESSES

Selection 198

Beginning in 1987, $10 million will be authorized for 5 fiscal years for research which develops industrial processes to lower levels of SO_2 and NO_X.

Section 201

Revises performance standards for emission of nitrogen oxides from electric utility steam generating as follows: prohibits emission of NO_X at a rate of more than 0.30 lbs/mill. Btu's of heat input using sub-bituminous coal; and 0.40 lbs/mill Btu's of heat input using bituminous coal.

Section 202

After 1987, emissions from light-duty trucks weighing less than 8,500 lbs cannot exceed 1.2 g/vehicle mile for gross vehicle weight not in excess of 6,000 pounds, and 1.7 g/vehicle mile for gross vehicle weight in excess of 6,000 pounds. For trucks exceeding 8,500 lbs. NO_X emissions may not exceed 4.0 g/brake horsepower-hour.

ACID DEPOSITION DAMAGE MITIGATION PROGRAM

States will be reimbursed 80% of funds used for mitigation measures to restore aquatic and terrestrial resources.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 96. A bill to amend titles XVIII and XIX of the Social Security Act to provide that psychiatric nurse practitioner or psychiatric clinical nurse specialist services are covered under part B of Medicare and are a mandatory benefit under Medicaid, and for other purposes; to the Committee on Finance.

PROVIDING CERTAIN PSYCHIATRIC NURSE SERVICE COVERAGE

Mr. INOUYE. Mr. President, today Senator SPARK MATSUNAGA and I are introducing legislation to amend our Nation's Medicare and Medicaid Programs to ensure that psychiatric nurse practitioners and psychiatric clinical nurse specialists will be deemed truly autonomous practitioners under both of these programmatic initiatives.

In our judgment, for too long a period of time now, our various Federal statutes have required that these professional practitioners can only perform under the supervision of, or referral from, members of another profession.

During the past decade, we have been able to modify the Department of Defense CHAMPUS Program in order to ensure that these individuals will be truly autonomous providers and, it is my hope that we will be able to modify Medicare and Medicaid in a similar fashion in the foreseeable future.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 96

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COVERAGE OF PSYCHIATRIC NURSE PRACTIONER OR PSYCHIATRIC CLINICAL NURSE SPECIALIST SERVICES UNDER PART B OF MEDICARE.

(a) COVERAGE OF SERVICES.—Section 1861(s)(2) of the Social Security Act (42 U.S.C. 1395x(s)(2)) is amended—

(1) by striking out "and" at the end of subparagraph (J);

(2) by adding "and" at the end of subparagraph (k); and

(3) by adding at the end thereof the following new subparagraph:

"(L) psychiatric nurse practitioner or psychiatric clinical nurse specialist services;".

(b) DEFINITION.—Section 1861 of such Act (42 U.S.C. 1395x) is amended by adding at the end thereof the following new subsection:

"PSYCHIATRIC NURSE PRACTITIONER OR PSYCHIATRIC CLINICAL NURSE SPECIALIST SERVICES

"(ff)(1) The Term 'psychiatric nurse practitioner or psychiatric clinical nurse specialist services' means services performed by a psychiatric nurse practitioner or psychiatric clinical nurse specialist (as defined in paragraph (2)) which the psychiatric nurse practioner or psychiatric clinical nurse specialist is legally authorized to perform under State law (or the State regulatory mechanism provided by State law) of the State in which such services are performed, whether or not the psychiatric nurse practitioner or psychiatric clinical nurse specialist is under the supervision of, or associated with, a physician or other health care provider.

"(2) The term 'psychiatric nurse practitioner or psychiatric clinical nurse specialist' means an individual who—

"(A) is a registered nurse and is licensed to practice nursing in the State in which the psychiatric nurse practitioner or psychiatric clinical nurse specialist services are performed; and

"(B)(i) holds a master's degree or higher degree in psychiatric nursing or a related field from an accredited eductional institution, or

"(ii) is certified as a psychiatric nurse practitioner or psychiatric clinical nurse specialist by the duly recognized professional nurses association.".

(c) LIMIT ON PAYMENT OF BENEFITS.—Section 1833(c) of such Act (42 U.S.C. 13951(c)) is amended by striking out all that follows "purpose of subsections (a) and (b)" and inserting in lieu thereof "no more than $1,000.".

(d) EFFECTIVE DATE.—The amendments made by this section shall be affective with respect to services performed on or after the first day of the first month which begins more than 60 days after the date of the enactment of this Act.

SEC. 2. COVERAGE OF PSYCHIATRIC NURSE PRACTITIONER OR PSYCHIATRIC CLINICAL NURSE SPECIALIST SERVICES AS A MANDATORY MEDICAID BENEFIT.

(a) COVERAGE OF SERVICES.—

(1) Section 1905(a) of the Social Security Act (42 U.S.C. 1393d(a)) is amended—

(A) by striking out "and" at the end of paragraph (20);

(B) by redesignating paragraph (21) as paragraph (22); and

(C) by inserting after paragraph (20) the following new paragraph:

"(21) psychiatric nurse practitioner or psychiatric clinical nurse specialist services (as defined in section 1861(ff)(1)); and".

(b) CONFORMING CHANGES.—

(1) Section 1902(a) of such Act (42 U.S.C. 1396(a)) is amended—

(A) in paragraph (10)(A), by striking out "paragraphs (1) through (5) and (17)" and inserting in lieu thereof "paragraphs (1) through (5), (17), and (21)"; and

(B) in paragraph (10)(C)(iv), by striking out "paragraphs (1) through (5) and (17) of section 1905(a) or the care and services listed in any 7 of the paragraphs numbered (1) through (20)" and inserting in lieu thereof "paragraphs (1) through (5), (17), and (21) of section 1905(a) or the care and services listed in any 7 of the paragraphs numbered (1) through (21)".

(2) Section 1902(j) of such Act (42 U.S.C. 1396a(j)) is amended by striking "(21)" and inserting in lieu thereof "(22)".

(c) EFFECTIVE DATE.—

(1) Except as provided in paragraph (2), the amendments made by this section shall be effective with respect to payments under title XIX of the Social Security Act for calendar quarters beginning more than 60 days after the date of the enactment of this Act.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 97. A bill to amend title XVIII of the Social Security Act to provide that psychologist services furnished by, or under arrangements made by, a hospice program are covered under Medicare; to the Committee on Finance.

PROVIDING HOSPICE PSYCHOLOGIST SERVICES COVERAGE

Mr. INOUYE. Mr. President, today Senator SPARK MATSUNAGA and I are introducing legislation which would amend the Hospice Program provisions under our Nation's Medicare law in order to expressly provide that the services of professional psychologists will be made available to individuals who reside in a hospice.

During the closing hours of the 98th Congress, the Senate Finance Committee received testimony on this proposal and, at that time, it was pointed out that primarily due to the lack of express enumeration of psychological services, hospices all too frequently do not utilize their expertise.

In our judgment, it is especially important that quality mental health services be made readily available for those individuals who decide it is necessary to enter a hospice. At that point in time, the therapeutic goal would be to ensure that these individuals are able to finish out the final days of their lives in the most humane fashion possible. I cannot help but think that it is especially during these final hours that the services of qualified mental health specialists would be most in need.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 97

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COVERAGE OF CERTAIN SERVICES PROVIDED THROUGH A HOSPICE PROGRAM.

(a) COVERAGE OF SERVICES.—Section 1861(dd)(1) of the Social Security Act (42 U.S.C. 1395x(dd)(1)) is amended—

(1) by striking out "and" at the end of subparagraph (G);

(2) by striking out the period at the end of subparagraph (H) and inserting in lieu thereof ", and";

(3) by adding at the end thereof the following new subparagraph:

"(I) psychologist services (as defined in subsection (ff)(1))".

(b) DEFINITION.—Section 1861 of such Act (42 U.S.C. 1395x) is further amended by adding at the end thereof the following new subsection:

"PSYCHOLOGIST SERVICES

"(ff)(1) The term 'psychologist services' means services peformed by an individual who is a psychologist (as defined in paragraph (2)) that such individual is legally authorized to perform under the law (or the regulatory mechanism provided by law) of the State in which such services are performed, whether or not such individual is under the supervision of, or associated with, a physician or other health care provider.

"(2) The term 'psychologist' means an individual who—

"(A) is licensed or certified at the independent practice level of psychology by the State in which such individual so practices,

"(B) possesses a doctorate degree in psychology from a regionally accredited educational institution, or in the case of an individual licensed or certified prior to January 1, 1978, possesses a master's degree in psychology and is listed in a national register of mental health service providers in psychology which the Secretary deems appropriate, and

"(C) possesses two years of supervised experience in health service, at least one year of which is postdegree.".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to services performed on or after the first day of the first month which begins more than sixty days after the date or the enactment of this Act.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 98. A bill to amend the Internal Revenue Code of 1986 to provide a credit for the purchase of child restraint systems used in motor vehicles; to the Committee on Finance.

PROVIDING TAX CREDIT FOR CHILD RESTRAINT SYSTEM PURCHASES

Mr. INOUYE. Mr. President, today Senator MATSUNAGA and I are introducing legislation which would amend the Internal Revenue Code in order to provide a tax credit for the purchase of child restraint systems used in motor vehicles.

Mr. President, our proposal is modeled after a provision in the State of Hawaii's tax code which has been well-received by our constituents. It is an unfortunate fact that injuries have now replaced infectious diseases as the leading cause of death and disability among younger Americans. For example, I understand that half of all Americans aged 1 to 14 who died in 1983, died from injuries sustained in car and bicycle accidents, fires, falls, drowning, and the ingestion of toxic substances. The U.S. Department of Transportation informed me that although child safety seat use has increased from 13 percent in 1979 to almost 29 percent today, its investigations also indicate that only in about 15 percent of the cases where tethered seats are being used, are they being used correctly. Further, for nontethered restraints, in only approximately 60 percent of the time that they are being used, are they being used correctly. This is in spite of the fact that we know that if properly restrained, over 50 percent of the children who died in automobile accidents would have been saved and 65 percent would have been less severely injured.

Mr. President, I request unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 98

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CREDIT FOR PURCHASE OF CHILD RESTRAINT SYSTEMS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by adding at the end thereof the following new section:

"SEC. 25A. PURCHASE OF CHILD RESTRAINT SYSTEM.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the costs incurred by the taxpayer during such taxable year in purchasing a qualified child restraint system for any child of the taxpayer.

"(b) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED CHILD RESTRAINT SYSTEM.—The term 'qualified child restraint system' means any child restraint system which meets the requirements of section 571.213 of title 49 of the Code of Federal Regulation.

"(2) CHILD RESTRAINT SYSTEM.—The term 'child restraint system' has the meaning given to such term by section 571.213 of title 49 of the Code of Federal Regulations.

"(3) CHILD.—The term 'child' has the meaning given to such term by section 151(d)(3).".

(b) CONFORMING AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 25 the following new item:

"Sec. 25A. Purchase of child restraint system.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1986.

By Mr. INOUYE:

S. 99. A bill to allow the Internal Revenue Code of 1986 to be applied and administered as if the 3-year basis recovery rule applicable to employees' annuities had not been repealed; to the Committee on Finance.

REINSTATING THE THREE-YEAR BASIS RECOVERY RULE

Mr. INOUYE. Mr. President, I rise today to introduce legislation to correct an egregious wrong that was done by the Tax Reform Act of 1986. As we all know, the goal of tax reform was to make needed improvements to the Tax Code to enhance the fairness and simplicity with which individual and corporations are taxed in this country. Unfortunately, in the rush to enact legislation in this area, many compromises and sacrifices were made for the sake of attracting political support. As a result, the final bill fell far short of its objectives of fairness, growth, and simplicity.

One area in which I feel the principle of fairness was most blatantly disregarded was the retroactive repeal of the 3-year basis recovery rule for employees who contribute to their own retirement plans. These retirees, most of whom are Government employees, have long contributed to their pension plans, paying taxes all along with the expectation of receiving these already taxed contributions back during the first 3 years of their retirement. Under the Tax Reform Act, not only was this 3-year rule repealed, but it was done so retroactively. Thus workers who retired after July 1, 1986, with the understanding that they would be entitled to three tax-free years of recovering the contributions they had made and paid taxes on throughout their careers were told "tough luck." Through no delinquency or oversight of their own, they found out after they retired that the rules in effect when they retired had been changed and as a result Uncle Sam will raid the nest egg they had been working so hard for. For those retirees who opted for a lump sum payment of their benefit under the 3-year recovery rule, this will mean they may suddenly be required to make a large up-front tax payment which was not even discussed when they retired. For many Government retirees, this could result in a previously unexpected tax payment of $20,000. Calling this "unfair," I feel, is a gross understatement. Treatment such as this is nothing short of criminal, and it was this provision that finally convinced me to make the difficult decision to vote against the Tax Reform Act.

The far-reaching impact of the repeal of the 3-year recovery rule will be felt by Federal, State, and local government employees all across the Nation. In my State of Hawaii, the State retirement system estimates that the change in the law will have adverse repercussions on over 80 percent of its recent retirees. Some of these retirees who had expected—and rightfully so—to pay only minimal taxes in 1986, will now find themselves taxed at rates as high as 49 percent. This, I feel, is far beyond what we should reasonably ask hard-working public servants to sacrifice for the sake of "tax reform." I sincerely hope my colleagues will join me in my effort to restore to these dedicated Americans the fair and equitable treatment they had been provided until the Tax Reform Act of 1986 was passed. Once the implications of the repeal of the 3-year rule become more clear, I feel the American public will demand that it be reinstated, and I look forward to working with my colleagues in the coming Congress to see that this happens.

By Mr. D'AMATO:

S. 100. A bill to establish an Office of Inspector General in the Nuclear Regulatory Commission, and for other purposes; to the Committee on Environment and Public Works.

IMPROVED NUCLEAR STANDARDS ACT

● Mr. D'AMATO. Mr. President, I rise today to reintroduce the Improved Nuclear Standards Act. This legislation addresses concerns vital to the health and safety of every American living near a nuclear facility.

This legislation is identical to legislation I sponsored last year, S. 2471, and I am reintroducing it today because I believe the need for its provisions is as strong as ever. Last year, the tragic accident at the Chernobyl nuclear power station showed us that the possibility of a serious radioactive release at a nuclear facility is not merely theoretical. It can happen.

The Chernobyl incident underscored the need to look for ways to ensure that nuclear powerplants use the safest possible design, construction methods, operating techniques, and evacuation plans. This includes assurances that laws currently on the books are adhered to, and that modifications to the law which can further assure our citizens the safety to which they are entitled are made as soon as new information or improved methods become available.

The Soviet Union flatly ignored the right of its citizens to live in a free and safe society. We must be sure that this never happens here.

This legislation contains five main provisions.

First. It creates the position of inspector general at the Nuclear Regulatory Commission. This position will be appointed by the President and confirmed by the Senate. The President will be required to appoint a candidate with expertise in nuclear safety issues. It combines functions currently performed by two offices at the NRC: the Office of Inspector and Auditor, and the Office of Investigations.

In addition to the customary authority provided all other inspectors general, such as management and efficiency audit responsibilities, the new NRC inspector general also will have the authority and responsibility to review all safety procedures at the NRC to ensure that the best available standards are being met. The inspector general will make an annual report to Congress regarding the adequacy of these standards. He/she also will be authorized to propose new regulations and modifications to existing regulations for the purpose of ensuring the public safety.

Mr. President, before I proceed to the other provisions in this bill, I would like to point to some specific examples as to why I believe it is important to establish this inspector general position. We are all familiar with the fact that the NRC already has an Office of Investigations to examine charges of wrongdoing at nuclear powerplants. This office, however, has been widely criticized. Many people believe that top NRC officials have sought to restrict this office, making it difficult for the Office of Investigations to accomplish its mission.

NRC Commissioner James Asselstine, who supports the concept of an inspector general at the NRC, has been quoted as saying that "The agency has had a lot of trouble in dealing with wrongdoing. There has been too much of a closeness with industry."

In 1985, Assistant Attorney General Steve Trott said in a letter to NRC Chairman Palladino that "senior personnel" at the NRC had displayed "opposition as well as resistance * * * to the detection and disclosure of deliberate wrongdoing by NRC licensees."

Former Commissioner Victor Gilinsky calls the NRC "an agency of technical people, engineers who are not oriented toward dealing with wrongdoing. They're uncomfortable in the role of policeman."

Mr. President, I'd like to quote two paragraphs from an April 8, 1986, Washington Post article which illustrate the problem. It deals with the Fermi nuclear plant in Michigan. In July of 1985, senior NRC officials praised the plant's owner, Detroit Edison Co., and awarded the utility a license to begin full-power operations. The article goes on to describe what happened next:

> But the commission soon learned of a disturbing incident just eight days earlier, when an operator at the Michigan plant triggered a premature chain reaction by improperly removing control rods from the nuclear reactor. The utility told the NRC there had been an error in the control room, but at first denied that the reactor went to "critical" status, generating enough heat to achieve full power.
>
> NRC investigators have charged in a preliminary report that Detroit Edison made "material false statements" by withholding details of the incident until after the full-power license was granted, an allegation the utility denies. But senior NRC staff members have delayed the Office of Investigations' probe for weeks by challenging the investigators' plan to refer it to the Justice Department for possible prosecution.

Finally, in June of 1986 this case was sent to the Justice Department. Yet it took from October of 1985 until June of 1986 for the Office of Investigations to get this case through the senior staff at the NRC to the Justice Department.

We cannot tolerate a situation where the staff of the Office of Investigations is constantly frustrated in their attempts to refer cases to the Justice Department. We cannot tolerate having their conclusions second-guessed by other offices within the NRC. We cannot tolerate the incredible bureaucracy which has been impeding the effectiveness of this office. Mr. President, I believe it is clear that we need to give the NRC an inspector general with the necessary independence to pursue investigations, propose improvements, and report directly to the Congress.

The other major features of the legislation I have proposed are equally important.

Second. It expands the role of the inspector general currently at the Federal Emergency Management Agency to allow him to review standards and procedures regarding emergency evacuation plans for nuclear power facilities, and for both the inspector general and the Director of FEMA to make recommendations directly to Congress regarding the adequacy of these standards and procedures and their implementation.

Third. It requires FEMA to conduct an annual test of the evacuation plan for each operating nuclear power facilty in the United States. Currently, these tests are conducted once every 2 years, even though once-a-year tests were the standard until 1985.

Fourth. It requires that, as part of the licensing procedure for every commercial nuclear power facility, FEMA must make a finding that the public safety can be assured by the evacuation plan. This finding also will be required after each annual test. If FEMA cannot make this finding, then the plant must cease operation until corrective measures have been taken, until a new test has been conducted, and until the finding that public safety can be assured has been made.

This provision is particularly applicable to Shoreham, the controversial nuclear power plant on Long Island in New York, where FEMA's report contains no such finding, and for which the NRC will be making its licensing decision without a recommendation from FEMA.

Fifth. Finally, this bill requires that utilities bear all non-Federal costs associated with the annual testing of emergency evacuation plans. Currently, these large costs are often borne by State and local governments; that is, by homeowners and local taxpayers.

Mr. President, many of our citizens live in fear. Unfortunately, this is a justified fear. Americans question whether what happened at Chernobyl could happen here. It is my hope that, with prompt passage of this legislation, we can take a major step toward reassuring our citizens.●

By Mr. INOUYE:

S. 101. A bill to amend titles XVIII and XIX of the Social Security Act to provide that a nurse practitioner or clinical nurse specialist may, in collaboration with a physician, certify or recertify the need for certain services, to provide for coverage of certain items and services furnished by a nurse practitioner or clinical nurse specialist, and for other purposes; to the Committee on Finance.

CERTIFICATION AND RECERTIFICATION OF THE NEED FOR CERTAIN SERVICES

Mr. INOUYE. Mr. President, today I am introducing legislation to modify our Nation's Social Security Act in order to ensure that the services of all categories of nurse practitioners and clinical nurse specialists will be readily available to our Nation's nursing homes under both Medicare and Medicaid.

As our Nation's elderly continue to represent a larger segment or our overall population, it is becoming increasingly important for us to establish comprehensive health care programs targeted toward their unique needs. In addition, in the wake of Medicare payment reforms in 1983, the length of stay in hospitals has dropped dramatically. Patients are being discharged earlier, but in many cases are still in need of nursing care in skilled nursing facilities or intermediate care facilities. These dramatic changes in the nursing home area are the impetus behind my introduction of the Advanced Nursing Services in Nursing Homes Act of 1986.

The act would let nurse practitioners and clinical nurse specialists, working in collaboration with a physician, to certify and recertify the need for certain services in nursing homes, as well as perform the mandatory nursing home patient visits under both Medicare and Medicaid. This bill would also provider payment for certain services furnished by a nurse practitioner or clinical nurse specialist.

The results of numerous studies demonstrate the positive impact that the use of health care teams in nursing homes, which include nurse specialists, has had on quality of care and cost effectiveness. For example, a recent Massachusetts study found that when nursing home patients received care by a health care team, rather than solely by a physician, the following results occurred: More timely visits, reduced hospitalizations for emergency and outpatient services, reduced total inpatient hospital days, and reduced overall medical care costs. The study concluded that under the health care team approach, nursing home patients received more timely appropriate and cost-effective care.

Similarly, a Wyoming study found that when a gerontological nurse practitioner was employed at a facility, hospital transfers were reduced substantially. Accompanying that decrease was an increase of discharges from the nursing home back to the community. Another finding of the study was that gerontological nurse practitioners improved the public image of the nursing home as evidenced by a survey of community residents. Most importantly, via their emphasis on health promotion, disease prevention, early diagnosis, treatment and rehabilitation, gerontological nurse practitioners were able to improve the quality of patient care.

A major barrier to the increased use of nurse practitioners and clinical nurse specialists in nursing homes is embodied in outmoded Federal reimbursement policies that currently do not reimburse providers of nursing home primary care other than physicians. Clearly, a major incentive to transfer the place of care from hospital to nursing home must be a reimbursement policy that recognizes the utility and fundamental economy of ongoing care in the nursing home via reimbursement for nurse practitioners and clinical nurse specialists.

The bill which I am proposing today also promotes cost-effective provision of health care by paying for nursing home visits by nurse practitioners and clinical nurse specialists at a rate equal to 75 percent of the prevailing charge paid for similar services in the same locality. In addition, under my proposal the nursing home resident would personally save money because they would not have to make copayments to nurse practitioners and clinical nurse specialists; mandatory assignment would also be required under Medicare.

The act creates a win-win situation by: Containing Medicare and Medicaid Program costs, increasing the quality of care provided to nursing home residents, recognizing the expanded role that nurse practitioners and clinical nurse specialists are qualified to play in providing care in the nursing home, and saving nursing home residents money.

I would like to thank the American Nurses' Association for assistance in drafting this legislation, and I am looking forward to having this bill become public law as soon as possible.

Mr. President, I request unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 101

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATION AND RECERTIFICATION OF THE NEED FOR CERTAIN SERVICES.

(a) Medicare Certifications and Recertifications for Certain Services.—Section 1814(a) of the Social Security Act (42 U.S.C. 1395f(a)) is amended—

(1) in paragraph (2) by striking "(2) a physician" and inserting in lieu thereof "(2) a physician, or, in the case of services described in subparagraph (B), a physician or a nurse practitioner or clinical nurse specialist working in collaboration with a physician,", and

(2) in the matter following paragraph (7) by striking "a physician makes" and inserting in lieu thereof "a physician, nurse practitioner, or clinical nurse specialist (as the case may be) makes".

(b) Medicaid Certifications and Recertifications for Certain Services.—Section 1902(a)(44) of such Act (42 U.S.C. 1396a(a)(44)) is amended—

(1) in subparagraph (A)—

(A) by striking "physician certifies" and inserting in lieu thereof "physician (or, in the case of skilled nursing facility services or intermediate care facility services, a physician or a nurse practitioner or clinical nurse specialist working in collaboration with a physician) certifies", and

(B) by striking "the physician, or a physician assistant or nurse practitioner under the supervision of a physician," and inserting in lieu thereof "a physician, a physician assistant under the supervision of a physician, or, in the case of skilled nursing facility services or intermediate care facility services, a physician or a nurse practitioner or clinical nurse specialist working in collaboration with a physician,"; and

(2) in subparagraph (B) by striking "a physician;" and inserting in lieu thereof "a physician, or, in the case of skilled nursing facility services or intermediate care facility services, a physician or a nurse practitioner or clinical nurse specialist working in collaboration with a physician;".

(c) Supervision of Health Care Furnished in Skilled Nursing Facilities.—Section 1861(j)(4) of such Act (42 U.S.C. 1395x(j)(4)) is amended—

(1) in subparagraph (A) by striking "a physician," and inserting in lieu thereof "a physician or a nurse practitioner or clinical nurse specialist working in collaboration with a physician,", and

(2) in subparagraph (B) by striking "a physician" and inserting in lieu thereof "a physician or a nurse practitioner or clinical nurse specialist working in collaboration with a physician,".

(d) Definition.—

(1) Section 1861 of such Act (42 U.S.C. 1395x) is amended by adding at the end thereof the following new paragraph:

"Nurse Practitioner and Clinical Nurse Specialist

"(ff)(1) An individual shall be treated as a nurse practitioner or clinical nurse specialist if the individual—

"(A) is licensed to practice professional nursing;

"(B) performs such services as such individual is legally authorized to perform (in the State in which the individual performs such services) in accordance with State law (or the State regulatory mechanism provided by State law); and

"(C)(i) holds a masters degree in nursing and is certified or eligible for certification by a national professional nursing organization,

"(ii) holds a masters degree in a related field and is certified by a national professional organization, or

"(iii) has completed a nurse practitioner continuing education program and is certified by a national professional nursing organization.

"(2) A nurse practitioner or clinical nurse specialist works in collaboration with a physician where the nurse and physician act pursuant to an agreement that allocates responsibility for decisions and actions, but allows each professional to retain responsibility for their respective actions and engage in such actions independently.".

(2) Section 1861(aa) of such Act (42 U.S.C. 1395x(aa)) is amended in paragraph (3)—

(A) by striking "and the term 'nurse practitioner' " and "or nurse practitioner", and

(B) by striking "mean" and inserting in lieu thereof "means".

(3) Section 1861(s)(2)(H) of such Act (42 U.S.C. 1395x(s)(2)(H)) is amended in clause (i) by striking "physician assistant or by a nurse practitioner (as defined in subsection (aa)(3))" and inserting in lieu thereof "physician assistant (as defined in subsection (aa)(3)) or by a nurse practitioner".

(e) Effective Date.—

(1) The amendments made by subsections (a), (c), and (d) of this section shall apply to items and services furnished on or after the date of enactment of this Act.

(2)(A) Except as provided in subparagraph (B), the amendments made by subsection (b) shall apply to medical assistance provided on or after the date of enactment of this Act.

(B) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements of the amendments made by subsection (b), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet the additional requirements before the first day of the first calendar year beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

SEC. 2. COVERAGE OF CERTAIN ITEMS AND SERVICES FURNISHED BY A NURSE PRACTITIONER OR CLINICAL NURSE SPECIALIST.

(a) Payment of Benefits.—Section 1833(a)(2) of the Social Security Act (42 U.S.C. 1395l(a)(2)) is amended—

(1) in subparagraph (B) by striking "(C) or (D)" and inserting in lieu thereof "(C), (D), or (E)",

(2) in subparagraph (C) by striking "and",

(3) in subparagraph (D) by inserting "and" after "tests;", and

(4) by adding at the end thereof the following new subparagraph:

"(E) with respect to items and services described in section 1861(s)(2)(L), the amount paid shall be equal to 100 percent of the amount determined as the reasonable charge for such items and services under section 1842(b)(10).".

(b) Contracts With Carriers.—Section 1842(b) of such Act (42 U.S.C. 1395u(b)) is amended by adding at the end thereof the following new paragraph:

"(13) In providing payment for the items and services described in section 1861(s)(2)(L), each carrier shall require that payment be made in the manner described in paragraph (3)(B)(ii), except that the reasonable charge shall be determined as 75 percent of the prevailing charge paid for similar items and services in the same locality.".

(c) Definition.—Section 1861(s)(2) of such Act (42 U.S.C. 1395x(s)(2)) is amended—

(1) by striking "and" at the end of subparagraph (J),

(2) by adding "and" at the end of subparagraph (K), and

(3) by adding at the end thereof the following new subparagraph:

"(L) services furnished by a nurse practitioner or clinical nurse specialist in a skilled nursing facility and services and supplies furnished as an incident to such services;".

(d) Conforming Change.—Section 1861(h) of such Act (42 U.S.C. 1395x(h)) is amended by inserting ", and excluding any item or service described in subsection (s)(2)(L)" before the period.

(e) Effective Date.—The amendments made by this section shall apply to items and services furnished on or after the date of enactment of this Act.

SEC. 3. COVERAGE OF CERTAIN ITEMS AND SERVICES FURNISHED BY A NURSE PRACTITIONER OR CLINICAL NURSE SPECIALIST.

(a) In General.—Section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) is amended in paragraph (5)—

(1) by inserting "(A)" after the paragraph designation; and

(2) by striking "elsewhere;" and inserting in lieu thereof "elsewhere; and (B) services furnished in an intermediate care facility or skilled nursing facility by a nurse practitioner or clinical nurse specialist (as defined in section 1861(ff)(1)) working in collaboration with a physician;".

(b) Effective Date.—

(1) Except as provided in paragraph (2), the amendments made by this section shall apply to medical assistance provided on or after the date of enactment of this Act.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements of the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet the additional requirements before the first day of the first calendar year beginning after the close of the first regular session of the

State legislature that begins after the date of the enactment of this Act.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 102. A bill to amend the Job Training Partnership Act to include American Samoans in the Native American Employment and Training Programs; to the Committee on Labor and Human Resources.

INCLUDING AMERICAN SAMOANS IN NATIVE AMERICAN EMPLOYMENT AND TRAINING PROGRAMS

Mr. INOUYE. Mr. President, today Senator SPARK MATSUNAGA and I are introducing legislation to amend the native American provision of the Job Training Partnership Act—Public Law 97-300—our Federal Employment and Training Program, in order to expressly authorize that American Samoans will be deemed eligible for these important programs. As a provision of Public Law 97-300, the U.S. Department of Labor was directed to conduct a comprehensive report on the unique employment needs of these native American people. Mr. President, when the U.S. Senate passed this important legislation, we had included a provision which would have authorized programs for those American Samoans residing in Hawaii as participants. In order to obtain sufficient information to carefully consider our proposal, the conferees instead agreed to direct the Department to conduct this comprehensive report. This report has now been submitted to the Congress and confirms that, in fact, American Samoans experience very serious employment problems, especially in Hawaii and California.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 102

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 401(a)(1) of the Job Training Partnership Act (hereafter in this Act referred to as the "Act") is amended—

(1) by striking out "and"; and

(2) by inserting before the semicolon a comma and the following: "and American Samoan communities".

(b) Section 401(c)(1)(B) of the Act is amended by inserting after "Hawaiian natives" the following: "and American Samoan Natives".

(c) Section 401(h)(1) of the Act is amended by inserting after "Native Americans" the first time it appears a comma and the following "including American Samoans".

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 103. A bill to establish the position of Associate Director for Special Populations in the National Institute on Alcohol Abuse and Alcoholism and in the National Institute on Drug Abuse; to the Committee on Labor and Human Resources.

ESTABLISHING THE POSITION OF ASSOCIATE DIRECTOR FOR SPECIAL POPULATIONS

Mr. INOUYE. Mr. President, today Senator MATSUNAGA and I are introducing legislation which would amend the U.S. Public Health Service Act in order to formally establish a position of Associate Director for Special Populations in the National Institute on Alcohol Abuse and Alcoholism [NIAAA] and in the National Institute on Drug Abuse [NIDA].

During our deliberations on the 1980 Mental Health Systems Act (Public Law 96-398), the Congress of the United States established a position of Associate Director for Minority Concerns within the National Institute of Mental Health [NIMH]. For the past several years, the Senate Appropriations Committee has directed this individual to develop a comprehensive report for us highlighting her accomplishments to date and to provide us with legislative recommendations for future action.

At the time that we enacted this particular provision, we also gave serious consideration to establishing similar positions within the other two institutes of the Alcohol, Drug Abuse, and Mental Health Administration [ADAMHA]. In fact, such legislation passed the U.S. Senate. Unfortunately, our proposal for those institutes did not become public law; however, I feel that time has now come to once again renew our efforts in this area. Without question, members of our Nation's minorities have truly unique and pressing concerns in both the alcohol abuse and drug areas which must be affirmatively addressed.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. S. 103

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 502 of the Public Health Service Act is amended by adding at the end thereof the following new subsection:

"(e)(1) The Director shall designate an Associate Director for Special Populations.

"(2) The Secretary, acting through the Associate Director for Special Populations, shall—

"(A) develop and coordinate prevention, treatment, research, and administrative policies and programs to assure increased emphasis on the needs of women and minorities for the prevention and treatment of alcoholism and alcohol abuse and related problems;

"(B) support programs and projects relating to the delivery of services to women and minorities for the prevention and treatment of alcoholism and alcohol abuse and related problems, including demonstration programs and projects;

"(C) develop a plan to increase the representation of women and minorities in service delivery and manpower programs for the prevention and treatment of alcoholism and alcohol abuse and related problems;

"(D) support programs of basic and applied social and behavioral research on the problems of women and minorities relating to alcoholism and alcohol abuse;

"(E) study the effects of discrimination by institutions against alcoholics and alcohol abusers;

"(F) develop systems to assist women and minority individuals who are alcoholics or alcohol abusers in adapting to, and coping with, the effects of discrimination;

"(G) support and develop research, demonstration, and training programs designed to eliminate institutional discrimination against alcoholics and alcohol abusers; and

"(H) provide increased emphasis on the concerns of women and minorities in training programs, service delivery programs, and research activities of the Institute.".

(b) Section 503 of such Act is amended by adding at the end thereof the following new subsection:

"(e)(1) The Director shall designate an Associate Director for Special Populations.

"(2) The Secretary, acting through the Associate Director for Special Populations, shall—

"(A) develop and coordinate prevention, treatment, research, and administrative policies and programs to assure increased emphasis on the needs of women and minorities for the prevention and treatment of drug abuse and related problems;

"(B) support programs and projects relating to the delivery of services to women and minorities for the prevention and treatment of drug abuse and related problems, including demonstration programs and projects;

"(C) develop a plan to increase the representation of women and minorities in service delivery and manpower programs for the prevention and treatment of drug abuse and related problems;

"(D) support programs of basic and applied social and behavioral research on the problems of women and minorities relating to drug abuse;

"(E) study the effects of discrimination by institutions against drug abusers;

"(F) develop systems to assist women and minority individuals who are drug abusers in adapting to, and coping with, the effects of discrimination;

"(G) support and develop research, demonstration, and training programs designed to eliminate institutional discrimination against drug abusers; and

"(H) provide increased emphasis on the concerns of women and minorities in training programs, service delivery programs, and research activities of the Institute.".

(c) The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act or October 1, 1987, whichever is later.

By Mr. INOUYE:

S. 104. A bill to recognize the organization known as the National Academies of Practice; to the Committee on the Judiciary.

FEDERAL CHARTER FOR THE NATIONAL ACADEMIES OF PRACTICE

Mr. INOUYE. Mr. President, today I am introducing legislation to provide a Federal charter for the National Academies of Practice.

The National Academies of Practice represents outstanding practitioners in each of the various health care disciplines: dentistry, medicine, nursing, optometry, osteopathy, podiatry, social work, psychology, and veterinary medicine.

When fully established, each of the various national academies will possess 100 distinguished practitioners selected from their peers. It is my expectation that this umbrella organization will be able to provide the Congress of the United States and the executive branch with considerable health policy expertise, especially from the perspective of those individuals who are in the forefront of actually providing necessary care across our Nation.

Mr. President, I request unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 104

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CHARTER

SECTION 1. The National Academies of Practice organized and incorporated under the laws of the District of Columbia, is hereby recognized as such and is granted a charter.

POWERS

SEC. 2. The National Academies of Practice (hereinafter referred to as the "corporation") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

PURPOSES OF CORPORATION

SEC. 3. The purposes of the corporation shall be to honor persons who have made significant contributions to the practice of applied psychology, dentistry, medicine, nursing, optometry, osteopathy, podiatry, social work, veterinary medicine, and other health care professions, and to improve the practices in these professions by disseminating information about new techniques and procedures.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carriers on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. Eligibility for membership in the corporation and the rights and privileges of members shall be as provided in the bylaws of the corporation.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. The board of directors of the corporation and the responsibilities thereof shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

OFFICERS OF CORPORATION

SEC. 7. The officers of the corporation, and the election of such officers shall be as is provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

RESTRICTIONS

SEC. 8. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director of the corporation or be distributed to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation and any officer and director of the corporation, acting as such officer or director, shall not contribute to, support or otherwise participate in any political activity or in any manner attempt to influence legislation.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(e) The corporation shall not claim congressional approval or Federal Government authority for any of its activities.

LIABILITY

SEC. 9. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

SEC. 10. The corporation shall keep correct and complete books and records of account and shall keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right of vote. All books and records of such corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(64) National Academies of Practice.".

ANNUAL REPORT

SEC. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit for such fiscal year required by section 3 of the Act referred to in section 11 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 13. The right to alter, amend, or repeal this charter is expressly reserved to the Congress.

DEFINITION OF "STATE"

SEC. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code.

TERMINATION

SEC. 16. If the corporation shall fail to comply with any of the restrictions or provisions of this Act the charter granted hereby shall terminate.

By Mr. INOUYE:

S. 105. A bill to amend title 38, United States Code, to provide for the payment of incentive special pay to Veterans' Administration psychologists who obtain certain board certification in a professional specialty; to the Committee on Veterans' Affairs.

PAYMENT OF INCENTIVE SPECIAL PAY TO CERTAIN VETERANS' ADMINISTRATION PSYCHOLOGISTS

Mr. INOUYE. Mr. President, today I am introducing legislation which would provide psychologists who are currently serving within the Veterans' Administration with the same pay bonus that their physician colleagues receive once they obtain board certification.

The Veterans Health Care Amendments of 1984 (Public Law 98-528) contained a provision which provided the Administrator of the Veterans' Administration [VA] with the authority to provide such a pay bonus if he or she so desired. Unfortunately, the Administration has decided not to implement this provision and the measure which I am introducing today would make this mandatory.

Mr. President, I request unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 105

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subchapter I of chapter 73 of title 38, United States Code, is amended—

(1) by redesignating section 4119 as section 4120; and

(2) by inserting after section 4118 the following new section:

"§ 4119. Incentive special pay for psychologists

"(a) The Administrator shall pay incentive special pay to any psychologist appointed under this chapter who—

"(1) executes an agreement with the Administrator to complete a specified period of service in the Department of Medicine and Surgery; and

"(2)(A) is awarded a diploma as a Diplomate in Clinical Psychology or as a Diplomate in Counseling Psychology by the American Board of Professional Psychology; or

"(B) obtains an additional advanced academic degree, such as a masters degree in public health, which the Administrator determines is in the best interest of the Veterans' Administration.

"(b)(1) The amount of incentive special pay which the Administrator pays to any psychologist under this section may not exceed—

"(A) $2,500 per annum in the case of any full-time psychologist; and

"(B) a proportional amount of $1,500 per annum in the case of any part-time psychologist, as provided under paragraph (2) of this paragraph.

"(2) The proportional amount of the incentive special pay payable under paragraph (1)(B) of this subsection shall be calculated on the basis of the ratio which the part-time employment of such psychologist in the Department of Medicine and Surgery bears to full-time employment.

"(C)(1) Any agreement entered into by a psychologist under subsection (a)(1) of this section shall specify a period of one year of service in the Department of Medicine and Surgery or such longer period of service, not exceeding four years, as the psychologist requests. Any psychologist who has entered into an agreement under this section and has not failed to refund any amount which such psychologist became obligated to refund under any such agreement shall be eligible to enter into a subsequent agreement under this section.

"(2)(A) Any agreement entered into by a psychologist under subsection (a)(1) of this section shall provide that the psychologist, in the event that such psychologist voluntarily, or because of misconduct, fails to complete at least one year of service, or such longer period of service as is provided for in the first sentence of paragraph (1) of this subsection, pursuant to such agreement, shall be required to refund the total amount received under this section, unless the Chief Medical Director determines, in accordance with regulations prescribed under subsection (f) of this section, that such failure is necessitated by circumstances beyond the control of the psychologist.

"(B) Any such agreement shall specify the terms under which the Veterans' Administration and the psychologist may elect to terminate such agreement.

"(3) Any psychologist who enters into an agreement under this section is eligible to receive incentive special pay beginning on the date on which the agreement is entered into, or the date on which the psychologist becomes employed, whichever date is later.

"(d) Any amount of incentive special pay payable under this section shall be paid in biweekly installments.

"(e)(1) Except as provided in paragraphs (2) and (3) of this subsection, any additional compensation provided as incentive special pay under this section shall not be considered as basic pay for the purposes of sections 5551, 5552, and 5595 of title 5, chapters 81, 83, and 84 of such title, or any other provision of law creating an entitlement to benefits based on basic pay.

"(2) Additional compensation paid as incentive special pay under this section to any full-time employee shall be included in basic pay for the purposes of chapters 83 and 84 of title 5. Notwithstanding the preceding sentence, special pay paid to any full-time employee shall be included in average pay (as defined in section 8331(4) or 8401(3), as the case may be, of such title) for the purposes of computing the amount of any benefit under either such chapter only if—

"(A) the benefit is paid under section 8337 of such title, subsection (d) or (e) of section 8341 of such title, subchapter V of chapter 84 of such title, or section 8442(b), 8443(a), or 8445 of such title; or

"(B) the employee has completed not less than 15 years of full-time service in the Department of Medicine and Surgery (except that, regardless of the length of such employee's service, no incentive special pay may be included by reason of this clause in average pay in computing an annuity that commences (or any lump-sum payment that is payable) before October 1, 1988, and only one-half of any incentive special pay paid under this section may be included by reason of this clause in average pay in computing an annuity that commences (or any lump-sum payment that is payable) on or after October 1, 1988, but before October 1, 1993).

"(3) Any additional compensation provided as incentive special pay under this section shall be considered as annual pay for the purposes of chapter 87 of title 5, relating to life insurance for Federal employees.

"(f) The Administrator shall prescribe regulations to carry out this section.".

"(b) The table of sections at the beginning of such chapter is amended by striking out the item relating to section 4119 and inserting in lieu thereof the following:

"4119. Incentive special pay for psychologists.

"4120. Relationship between this subchapter and other provisions of law.".

SEC. 2. The amendments made by the first section shall take effect on October 1, 1987.

By Mr. INOUYE:

S. 106. A bill to amend title 10, United States Code, to provide that the Chief of the Army Nurse Corps be appointed in the regular grade of brigadier general; to the Committee on Armed Services.

REGARDING THE APPOINTMENT OF THE CHIEF OF THE ARMY NURSE CORPS

Mr. INOUYE. Mr. President, today I am introducing legislation to amend title 10 of the United States Code, in order to provide that the individual who is selected as Chief of the Army Nurse corps shall, by statute, be appointed in the regular grade of brigadier general.

In my judgment, such a statutory modification would provide this important corps with the type of congressional recognition which it so richly deserves.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 106

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3069(b) of title 10, United States Code, is amended by adding at the end thereof the following new sentence: "If the officer appointed as the Chief holds a lower regular grade, such officer shall be appointed in the regular grade of brigadier general.".

SEC. 2. The amendment made by this Act shall become effective on the first day of the first month following the month in which this Act is enacted.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 123. A bill to amend title XVIII of the Social Security Act to provide that psychologist services are covered under part B of Medicare; to the Committee on Finance.

PROVIDING MEDICARE COVERAGE FOR PSYCHOLOGIST SERVICES

● Mr. INOUYE. Mr. President, today Senator MATSUNAGA and I are introducing legislation which would amend the Medicare definition of physician to include our Nation's professional psychologists. The measure which we are introducing defers to the State Practice Acts in determining the scope of practice of individual psychologists; however, we have insisted that the practitioner possess at least a doctoral degree.

Mr. President, today approximately 30 percent of our States' chief mental health officers are psychologists and this profession has been recognized as an autonomous one under both the Federal Employees Health Benefit Act and the Department of Defense CHAMPUS Program for more than a decade. They hold similar status under the Federal Criminal Code.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 123

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COVERAGE OF PSYCHOLOGIST SERVICES UNDER PART B OF MEDICARE.

(a) COVERAGE OF SERVICES.—Section 1861(r) of the Social Security Act (42 U.S.C. 1395x(r)) is amended in the first sentence—

(1) by striking out "or" before "(5)"; and

(2) by adding before the period the following: ", or (6) a psychologist (as defined in subsection (ff)) who is acting within the scope of his or her license when performing such function".

(b) DEFINITION.—Section 1861 of such Act (42 U.S.C. 1395x) is amended by adding at the end thereof the following new subsection:

"(ff) The term 'psychologist' means an individual who—

"(1) is licensed or certified at the independent practice level of psychology by the State in which such individual so practices,

"(2) possesses a doctorate degree in psychology from a regionally accredited educational institution, or in the case of an individual licensed or certified prior to January 1, 1978, possesses a master's degree in psychology and is listed in a national register of mental health service providers in psychology approved by the Secretary, and

"(3) possesses at least two years of supervised experience in health service, at least one year of which is postdegree.".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to services performed on or after the first day of the first month which begins more than sixty days after the date of the enactment of this Act.●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 124. A bill to amend title XVIII of the Social Security Act to provide that certified nurse-midwife services are covered under part B of Medicare.

PROVIDING MEDICARE COVERAGE OF CERTIFIED NURSE-MIDWIFE SERVICES

● Mr. INOUYE. Mr. President, today Senator SPARK MATSUNAGA and I are introducing legislation which would modify the Medicare Program to ensure that the services of certified nurse-midwives would be readily available to those beneficiaries who desire them.

Presently, certified nurse-midwives are deemed autonomous providers under the Department of Defense CHAMPUS Program, as well as under the Medicaid Program.

The legislation which we are introducing today would not only make the services of certifed nurse-midwives readily available to the approximately 1,000 future mothers who are eligible for Medicare, but more importantly, will make it expressly clear throughout the Medicare and Medicaid statutes that certified nurse-midwives are truly autonomous providers. Not only does nurse-midwifery have an outstanding track record, but it has consistently been demonstrated to be highly cost effective and well respected by its clientele.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S.124

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COVERAGE OF CERTIFIED NURSE-MIDWIFE SERVICES UNDER PART B OF MEDICARE.

(a) COVERAGE OF SERVICES.—Section 1861(s)(2) of the Social Security Act (42 U.S.C. 1395x(s)(2)) is amended—

(1) by striking out "and" at the end of subparagraph (J);

(2) by adding "and" at the end of subparagraph (K); and

(3) by adding at the end thereof the following new subparagraph:

"(L) certified nurse—midwife services;"

(b) DEFINITION.—Section 1861 of such Act (42 U.S.C. 1395x) is amended by adding at the end thereof the following new subsection:

"CERTIFIED NURSE-MIDWIFE SERVICES

"(ff)(1) The term 'certified nurse-midwife services' means services furnished by a certified nurse-midwife (as defined in paragraph (2)) which the certified nurse-midwife is legally authorized to perform under State law (or the State regulatory mechanism provided by State law), whether or not the certified nurse-midwife is under the supervision of, or associated with, a physician or other health care provider.

"(2) The term 'certified nurse-midwife' means a registered nurse who has successfully completed a program of study and clinical experience meeting guidelines prescribed by the Secretary, and performs services in the area of management of the care of mothers and babies throughout the maternity cycle.".

(c) CONFORMING CHANGES.—

(1) Section 1905(a)(17) of such Act (42 U.S.C. 1396d(a)(17)) is amended by striking out "as defined in subsection (m)" and inserting in lieu thereof "as defined in section 1861(ff)".

(2) Section 1905 of such Act (42 U.S.C. 1396d) is amended by striking out subsection (m).

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to services performed on or after the first day of the first month which begins more than sixty days after the date of the enactment of this Act.●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 126. A bill to amend titles XVIII and XIX of the Social Security Act to provide that gerontological nurse practitioner or gerontological clinical nurse specialist services are covered under part B of medicare and are mandatory benefit under medicaid, and for other purposes.

COVERAGE OF CERTAIN GERONTOLOGICAL NURSE SERVICES UNDER MEDICARE

● Mr. INOUYE. Mr. President, today Senator SPARK MATSUNAGA and I are introducing legislation to modify our Nation's Social Security Act in order to ensure that the services of gerontological nurse practitioners and gerontological clinical nurse specialists will be readily available under Medicare and Medicaid.

There can be no question that, as our Nation's elderly continue to become a larger segment of our overall population, it is becoming increasingly important for us to establish comprehensive health care programs targeted toward their unique needs. Today, there is a definite shortage of gerontological nurse practitioners, with only approximately 0.001 percent of our professional nurses possessing gerontological training. The Senate Appropriations Committee has received testimony from numerous witnesses that their services are badly needed. However, I do not feel that it is realistic to expect that we will ever be able to fill this void unless we are willing to modify the reimbursement provisions of our various Federal health care programs to ensure that nurse practitioners/clinical specialists will, in fact, be deemed autonomous providers.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 126

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COVERAGE OF GERONTOLOGICAL NURSE PRACTITIONERS OR GERONTOLOGICAL CLINICAL NURSE SPECIALIST SERVICES UNDER PART B OF MEDICARE.

(a) COVERAGE OF SERVICES.—Section 1861(s)(2) of the Social Security Act (42 U.S.C. 1394x(s)(2)) is amended—

(1) by striking out "and" at the end of subparagraph (J);

(2) by adding "and" at the end of subparagraph (K); and

(3) by adding at the end thereof the following new subparagraph:

"(L) gerontological nurse practitioner or gerontological clinical nurse specialist services;".

(b) DEFINITION.—Section 1861 of such Act (42 U.S.C. 1395x) is amended by adding at the end thereof the following new subsection:

"GERONTOLOGICAL NURSE PRACTITIONERS OR GERONTOLOGICAL CLINICAL NURSE SPECIALIST SERVICES

(ff)(1) The term "gerontological nurse practitioner or gerontological clinical nurse specialist services' means services performed by a gerontological nurse practitioner or gerontological clinical nurse specialist (as defined in paragraph (2) which the gerontological nurse practitioner or gerontological clinical nurse specialist is legally authorized to perform under State law (or the State regulatory mechanism provided by State law) of the State in which such services are performed, whether or not the gerontological nurse practitioner or gerontological clinical nurse specialist is under the supervision of, or associated with, a physician or other health care provider.

(2) The term 'gerontological nurse practitioner or gerontological clinical nurse specialist' means an individual who—

"(A) is a registered nurse and is licensed to practice nursing in the State in which the gerontological nurse practitioner or gerontological clinical nurse specialist services are performed; and

"(B)(i) holds a master's degree in gerontological nursing or a related field from an accredited educational institution, or

"(ii) is certified as a gerontological nurse practitioner or gerontological clinical nurse specialist by the duly recognized professional nurses association.".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to services performed on or after the first day of the first month which begins more than 60 days after the date of the enactment of this Act.

SEC. 2. COVERAGE OF GERONTOLOGICAL NURSE PRACTITIONER OR GERONTOLOGICAL CLINICAL NURSE SPECIALIST SERVICES AS A MANDATORY MEDICAID BENEFIT.

(a) COVERAGE OF SERVICES.—

(1) Section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) is amended—

(A) by striking out "and" at the end of paragraph (20);

(B) by redesignating paragraph (21) as paragraph (22); and

(C) by inserting after paragraph (20) the following new paragraph:

"(21) gerontological nurse practitioner or gerontological clinical nurse specialist services (as defined in section 1861(ff)(1)); and".

(b) CONFORMING CHANGES.—

(1) Section 1902(a) of such Act (42 U.S.C. 1396a(a)) is amended—

(A) in paragraph (10)(A), by striking out "paragraphs (1) through (5) and (17)" and inserting in lieu thereof "paragraphs (1) through (5), (17), and (21)"; and

(B) in paragraph (10)(C)(iv), by striking out "paragraphs (1) through (5) and (17) of section 1905(a) or the care and services listed in any 7 of the paragraphs numbered (1) through (20)" and inserting in lieu thereof "paragraphs (1) through (5), (17), and (21) of section 1905(a) or the care and services listed in any 7 of the paragraphs numbered (1) through (21)".

(2) Section 1902(j) of such Act (42 U.S.C. 1396a(j)) is amended by striking "(21)" and inserting in lieu thereof "(22)".

(c) Effective Date.—

(1) Except as provided in paragraph (2), the amendments made by this section shall be effective with respect to payments under title XIX of the Social Security Act for calendar quarters beginning more than 60 days after the date of the enactment of this Act.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

SEC. 3. REQUIREMENT OF GERONTOLOGICAL NURSING SERVICES IN CERTAIN FACILITIES COVERED BY MEDICARE AND MEDICAID.

(a) Gerontological Service in a Skilled Nursing Facility.—Section 1861(j)(4) of the Social Security Act (42 U.S.C. 1395x(j)(4)) is amended by striking out "and" at the end of clause (A) and by inserting before the semicolon the following: ", and (C) provides that a gerontological nurse practitioner or gerontological clinical nurse specialist shall be available, on at least a consultant basis, to assure that necessary gerontological nursing services are furnished to patients".

(b) Gerontological Services in an Intermediate Care Facility.—The first sentence of section 1905(c) of such Act (42 U.S.C. 1396d(a)) is amended by striking out "and" at the end of clause (3) and by inserting before the period the following: ", and (5) provides that a gerontological nurse practitioner or genrontological clinical nurse specialist (as defined in section 1861(ff)(2)) shall be available, on at least a consultant basis, to assure that necessary gerontological nursing services are furnished to patients".

(c) Effective Date.—The amendments made by this section shall become effective on the first day of the first month which begins more than 60 days after the date of the enactment of this Act.●

By Mr. INOUYE (for himself and Mr. Matsunaga):

S. 127. A bill to amend title XVIII of the Social Security Act to provide that services furnished by a clinical social worker are covered under part B of medicare when furnished by health maintenance organization to a member of that organization.

COVERAGE OF CERTAIN HEALTH MAINTENANCE ORGANIZATION SERVICES

● Mr. INOUYE. Mr. President, today Senator Spark Matsunaga and I are introducing legislation to amend our Nation's Medicare Program in order to ensure that when a Health Maintenance Organization [HMO] desires to utilize the services of a clinical social worker, they will be deemed truly autonomous professionals within the scope of their State practice act.

Our Nation's clinical social workers have a long and illustrious track record of providing high quality mental health care and medical social services. Social workers have been involved in the health care field since the turn of the century when the first medical social worker was employed at Massachusetts General Hospital in Boston. Today, social workers can be found in every component of the health care setting, performing such critical functions as: health education and promotion, high risk screening and assessment, case management, financial counseling, patient advocacy, family education, discharge planning, post hospitalization care and followup. And today, social work is the largest of the four core mental health professions, the others being psychology, psychiatry, and psychiatric nursing.

At the direction of Congress, both the Department of Defense Civilian Health and Medical Program of the Uniformed Services [CHAMPUS] and the Federal Employees Health Benefit Program [FEHBP] recognize clinical social workers as qualified, independent providers. We feel that the time has now come to extend that recognition to the services provided by clinical social workers when furnished in a health maintenance organization.

Mr. President, I request unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 127

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COVERAGE OF CERTAIN SERVICES FURNISHED BY A HEALTH MAINTENANCE ORGANIZATION UNDER PART B OF MEDICARE.

(a) Coverage of Services.—Section 1861(s)(2)(H)(ii) of the Social Security Act (42 U.S.C. 1395x(s)(2)(H)(ii)) is amended—

(1) by inserting "or by a clinical social worker (as defined in subsection (ff))" after "clinical psychologist (as defined by the Secretary)"; and

(2) by striking out "incident to his services" and inserting in lieu thereof "incident to such clinical psychologist's services or clinical social worker's services".

(b) Definition.—Section 1861 of such Act (42 U.S.C. 1395x) is amended by adding at the end thereof the following new subsection:

"CLINICAL SOCIAL WORKER

"(ff) The term 'clinical social worker' means an individual who—

"(1) possesses a master's or doctor's degree in social work;

"(2) after obtaining such degree has performed at least two years of supervised clinical social work; and

"(3) is licensed or certified as a clinical social worker in the State in which the services are performed, or, in the case of a State which does not provide for licensure or certification, is listed in a national register of social workers who, by education and experience, qualify as health care providers in clinical social work.".

(c) Effective Date.—The amendments made by this section shall be effective with respect to services performed on or after the first day of the first month which begins more than 60 days after the date of the enactment of this Act.

By Mr. INOUYE:

S. 128. A bill to amend title 10, United States Code, to authorize former members of the Armed Forces who are totally disabled as the result of a service-connected disability to travel on military aircraft in the same manner and to the same extent as retired members of the Armed Forces are entitled to travel on such aircraft; to the Committee on Armed Services.

RELATING TO TRAVEL ON MILITARY AIRCRAFT FOR DISABLED VETERANS

● Mr. INOUYE. Mr. President, today, I am reintroducing a bill which is of great importance to a group of patriotic Americans. This legislation is designed to extend space-available travel privileges on military aircraft to those who have been totally disabled in the service of our country.

Currently, retired members of the Armed Forces are permitted to travel on a space-available basis on unscheduled military flights within the continental United States and on scheduled overseas flights operated by the Military Airlift Command. My bill would provide the same benefits for 100-percent, service-connected disabled veterans.

Surely we owe these heroic men and women who have given so much for our country a debt of gratitude. Of course, we can never repay them for the sacrifice they have made on behalf of all of us but we can surely try to make their lives more pleasant and fulfilling. One way in which we can help is to extend military travel privileges to these distinguished American veterans. I have received numerous letters from all over the country attesting to the importance attached to this issue by veterans. Therefore, I ask that my colleagues show their concern and join me in saying "thank you" by supporting this legislation.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 128

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 53 of title 10, United States Code, is amended by inserting after section 1031 the following new section:

"§1032. Travel privileges on military aircraft for certain former members of the armed forces

"A former member of the armed forces who is entitled to compensation from the Veterans' Administration for a service-connected disability rated total in degree by the Veterans' Administration is entitled, in the same manner and to the same extent as retired members of the armed forces are entitled to travel on a space-available basis on unscheduled military flights within the continental United States and on scheduled overseas flights operated by the Military Airlift Command.".

SEC. 2. The table of sections, at the beginning of chapter 53 of title 10, United States Code, is amended by inserting after the item relating to section 1031 the following new item:

"1032. Travel privileges on military aircraft for certain former members of the armed forces.".●

By Mr. INOUYE (for himself, Mr. DECONCINI, Mr. MATSUNAGA, Mr. KENNEDY, and Mr. MURKOWSKI):

S. 129. A bill to authorize and amend the Indian Health Care Improvement Act, and for other purposes; to the Select Committee on Indian Affairs.

INDIAN HEALTH CARE IMPROVEMENT ACT REAUTHORIZATION

● Mr. INOUYE. Mr. President, I rise today to introduce a bill that has a more significant and profound impact on the future of Indian people than perhaps any other legislative initiative of the 100th Congress. This bill seeks the reauthorization of the Indian Health Care Improvement Act to continue funding for the fundamental programs that are designed to improve the health status of native Americans.

The statistics do not need to be restated—the facts are appalling—the native people of this country continue to rank at the bottom of almost every health indicator. Over the last 4 years, in the pursuit of reauthorizing programs that would address this sad state of affairs, numerous hearings have been held around the country—and the testimony of tribal officials and health care providers changes little. Great strides have been realized—largely because of the Indian Health Care Improvement Act and the comprehensive health care program it authorizes—yet all acknowledge that much remains to be done. Diabetes, heart disease, hypertension, infant mortality, high rates of premature deaths and suicide continue to increase in proportions which far outpace te incidence of such problems in the general population, while funding for Indian health care is wrapped up in domestic spending cuts that mask the damage that is being done, every day, to the potentially healthy lives that our native Americans would enjoy.

As members of a government that made solemn commitments to this country's native people—commitments that envisioned a long and productive future for the Nation's first Americans—we cannot allow this deterioration in the health of Indian people to continue. They deserve more—we have promised them more. I introduce this bill today to assure that our promises will be kept.

Mr. President, this legislation has suffered a long and tortuous route through the legislative process. An earlier bill was vetoed by the President in the final days of the 98th Congress. In the ensuing 2 years, Indian tribal leaders undertook an initiative to encourage Congress and the Department of Health and Human Services to communicate on Indian health policy and to develop a bill that meets the health care needs of native people. As a result, the bill had broad bipartisan support in Congress, as well as the support of the native community. However, in the last days of the 99th Congress, the Congress failed to forward this legislation to the White House.

Indian people cannot afford to wait another 2 years while the Congress deliberates—many of their children and elders will face the premature deaths that so many of their people have suffered over the past 4 years. I ask my colleagues to join me in expediting Senate action on this important legislation. The honor of this Nation's word to its native people is at stake. But more importantly, the furture of native Americans must be assured by our action.●

By. Mr. INOUYE:

S. 130. A bill to require that imports of fresh ginger root meet all of the requirements imposed on domestic fresh ginger root; to the Committee on Agriculture, Nutrition, and Forestry.

RELATING TO IMPORTED FRESH GINGER ROOT

● Mr. INOUYE. Mr. President, today I am reintroducing legislation to help ensure that imported ginger root is of the same quality as the fresh ginger produced by American farmers.

Hawaii's production of fresh ginger root, or awapuhi pake as it is known in the Hawaiian Islands, is subject to strict standards which guarantee the highest quality. These standards have been developed by the State of Hawaii and are designed to protect consumers from inferior products.

Imported fresh ginger root is not subject to similar standards. Consequently, American consumers cannot be certain of receiving the same high quality as the Hawaiian product. In addition, the standards which apply to Hawaiian-grown ginger place it at a disadvantage with imported crops. It is ironic, and unwarranted, that regulations which Hawaii adopted to protect consumers are hurting the ability of domestic producers to compete with inferior imports.

Mr. President, I want to make clear that this measure is not designed to prohibit or even decrease the amount of fresh ginger imported into the United States. Rather, its purpose is to help make certain that the imported product is of the same high quality as the domestic product. This will protect the consuming public while allowing domestic producers to compete on an equitable basis.

I commend this bill to my colleagues and urge the establishment of a Federal marketing order for fresh ginger root. I also ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 130

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8e of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended by inserting "fresh ginger root," after "filberts,".●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 131. A bill to amend title XVIII of the Social Security Act to clarify that payment may be made under part A for diagnostic or therapeutic services furnished by a psychologist under an arrangement with a hospital to an inpatient of such hospital who is entitled to benefits under such part; to the Committee on Finance.

COVERAGE OF CERTAIN SERVICES FURNISHED BY A PSYCHOLOGIST UNDER MEDICARE

● Mr. INOUYE. Mr. President, today Senator MATSUNAGA and I are introducing legislation which would modify title XVIII of the Social Security Act, the Medicare Program, in order to clarify that payments may be made under part A of the program for diagnostic or therapeutic services provided by psychologists, under an arrangement with a hospital for Medicare beneficiaries.

This legislative proposal will not result in any increased Federal funding, but will codify the current regulations. In our judgment, as we continue to make every effort to curtail our Nation's escalating health care costs, it is becoming increasingly important that we ensure that we give sufficient priority to innovative approaches which have demonstrated their cost effectiveness.

This provision has twice been recommended for enactment by the Senate Finance Committee. Once it was deleted in conference, and last year, during the closing hours of the 99th Congress, it was incorporated into the

Medicare Anti-Fraud Act. Hopefully, during the 100th Congress we will be able to have it enacted into public law.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 131

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COVERAGE OF CERTAIN SERVICES FURNISHED BY A PSYCHOLOGIST UNDER PART A OF MEDICARE.

(a) COVERAGE OF SERVICES.—Section 1861(b)(3) of the Social Security Act (42 U.S.C. 1395x(b)(3)) is amended by inserting "(including a psychologist (as defined in subsection (ff)))" after "others" the first place it appears.

(b) DEFINITION.—Section 1861 of such Act (42 U.S.C. 1395x) is amended by adding at the end thereof the following new subsection:

"(ff) The term 'psychologist' means an individual who—

"(1) is licensed or certified at the independent practice level of psychology by the State in which such individual so practices;

"(2) possesses a doctorate degee in psychology from a regionally accredited educational institution, or in the case of an individual licensed or certified prior to January 1, 1978, possesses a master's degree in psychology and is listed in a national register of mental health service providers in psychology approved by the Secretary; and

"(3) possesses at least two years of supervised experience in health service, at least one year of which is postdegree.".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to services performed on or after the first day of the first month that begins more than sixty days after the date of the enactment of this Act.●

By Mr. INOUYE:

S. 132. A bill to permit individuals who received National Health Service Corps scholarships to perform obligated service in such units of the Department of Defense as the Secretaries of Defense and Health and Human Services may determine by agreement; to the Committee on Labor and Human Resources.

RELATING TO NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP RECIPIENTS

● Mr. INOUYE. Mr. President, today I am introducing legislation which would permit individuals who receive National Health Service Corps scholarships under the auspices of the Department of Health and Human Services, to perform their obligated service within the Department of Defense when the two Secretaries agree to such an assignment.

This legislative proposal grew out of my earlier efforts on behalf of one of my constituents, a physician, who is more than willing to complete his obligated service; however, for family reasons and long-term career aspirations, he wanted to serve his time within one of the military services. Unfortunately, however, such an assignment did not appear to fall within the current authorization authority and, accordingly, I am introducing legislation to provide this flexibility for the Departments of Health and Human Services and Defense.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 132

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 338B(d) of the Public Health Service Act is amended—

(1) by striking out "The" and inserting in lieu thereof "(1) Except as provided in paragraph (2), the"; and

(2) by adding at the end thereof the following new paragraph:

"(2) The Secretary may enter into agreements with the Secretary of Defense for the assignment of individuals required to perform obligated service to such units of the Department of Defense as may be agreed upon by the Secretary of Defense and the Secretary. Such agreements may provide for such an assignment for all or part of an individual's period of obligated service, and shall contain such terms and conditions as the Secretary of Defense and the Secretary consider appropriate.".●

By Mr. INOUYE:

S. 133. A bill to require the Secretary of Health and Human Services to establish a scholarship program to enable professional nurses to obtain advanced degrees in professions related to the practice of nursing; to the Committee on Labor and Human Resources.

ADVANCED NURSE EDUCATION ACT

● Mr. INOUYE. Mr. President, today I am introducing legislation to authorize a new nurse training program which would provide $5 million annually for scholarships and/or fellowships for those professional nurses who wish to pursue advanced degrees in a related health profession, such as health law, a masters in public health administration, or psychology.

Under the provisions of the proposal which I am submitting today, the recipient of these scholarships would be required to serve 1 year for each year of support which they receive in a health delivery system administered by either a State or nonprofit organization or, in the alternative, the recipients could serve in a designated medically underserved area pursuant to regulations issued by the Department of Health and Human Services.

During the past several decades, I have been increasingly impressed by the extent to which our Nation's professional nurses are, indeed, the true backbone of the health care delivery system that we know today. I have also become very impressed at the extent to which their nursing expertise has very positive ramifications for other elements of our system and, accordingly, I wish to provide members of the nursing profession with the opportunity to be as creative and flexible as possible during their professional careers.

Mr. President I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 133

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Advanced Nurse Education Act of 1987".

ESTABLISHMENT OF SCHOLARSHIP PROGRAM

SEC. 2. Part B of title VIII of the Public Health Service Act is amended by adding at the end thereof the following new subpart:

"Subpart III—Advanced Education in Related Professions

"SCHOLARSHIP PROGRAM

"SEC. 845. (a) The Secretary shall establish a scholarship program to enable professional nurses (hereafter in this subpart referred to as the 'scholarship program') to pursue masters and doctoral degrees in fields related to the practice of nursing (including fields such as law, public health, and psychology).

"(b) To be eligible to participate in the scholarship program, an individual must—

"(1) be accepted for enrollment, or be enrolled, as a full-time student (A) in an accredited (as determined by the Secretary) educational institution in a State and (B) in a course of study or program, offered by such institution and approved by the Secretary, leading to a masters degree or a doctoral degree in a field related to nursing (as determined by the Secretary);

"(2) submit an application to participate in the scholarship program; and

"(3) sign and submit to the Secretary, at the time of submittal of such application, a written contract (described in subsection (e)) to accept payment of a scholarship and to serve (in accordance with this subpart) for the applicable period of obligated service.

"(c) In disseminating application forms and contract forms to individuals desiring to participate in the scholarship program, the Secretary shall include with such forms—

"(1) a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the Secretary, including in the summary a clear explanation of the damages to which the United States is entitled under section 847 in the case of the individual's breach of the contract; and

"(2) such other information as may be necessary for the individual to understand the individual's prospective participation in the scholarship program.

The application form, contract form, and all other information furnished by the Secretary under this subpart shall be written in a manner calculated to be understood by the average individual applying to participate in the scholarship program. The Secretary shall make such application forms, contract forms, and other information available to individuals desiring to participate in the scholarship program on a date sufficiently early to ensure that such individuals have adequate time to carefully review and evaluate such forms and information.

"(d)(1) An individual becomes a participant in the scholarship program only upon the Secretary's approval of the individual's application submitted under subsection (b)(2) and the Secretary's acceptance of the contract submitted by the individual under subsection (b)(3).

"(2) The Secretary shall provide written notice to an individual promptly upon the Secretary's approving, under paragraph (1), of the individual's participation in the scholarship program.

"(e) The written contract (referred to in this subpart) between the Secretary and an individual shall contain—

"(1) an agreement that—

"(A) subject to paragraph (2), the Secretary agrees to provide the individual with a scholarship (described in subsection (f)) in each such school year or years for a period of years (not to exceed four school years) determined by the individual, during which period the individual is pursuing a course of study described in subsection (b)(1)(B); and

"(B) subject to paragraph (2), the individual agrees—

"(i) to accept provision of such a scholarship to the individual;

"(ii) to maintain enrollment in a course of study described in subsection (b)(1)(B) until the individual completes the course of study;

"(iii) while enrolled in such course of study, to maintain an acceptable level of academic standing (as determined under regulations of the Secretary by the educational institution offering such course of study); and

"(iv) to serve for a time period (hereinafter in the subpart referred to as the 'period of obligated service') equal to one year for each school year for which the individual was provided a scholarship under the scholarship program, in a public or nonprofit private health care facility or, if approved by the Secretary, in a private health care facility in a medically underserved area (as designated by the Secretary);

"(2) a provision that any financial obligation of the United States arising out of a contract entered into under this subpart and any obligation of the individual which is conditioned thereon, is contingent upon funds being appropriated for scholarships under this subpart;

"(3) a statement of the damages to which the United States is entitled, under section 847 for the individual's breach of the contract; and

"(4) such other statements of the rights and liabilities of the Secretary and of the individual, not inconsistent with the provisions of this subpart.

"(f)(1) A scholarship provided to a student for a school year under a written contract under the scholarship program shall consist of—

"(A) payment to, or (in accordance with paragraph (2)) on behalf of, the student of the amount of—

"(i) the tuition of the student in such school year; and

"(ii) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the student in such school year; and

"(B) payment to the student of a stipend of $400 per month (adjusted in accordance with paragraph (3)) for each of the 12 consecutive months beginning with the first month of such school year.

"(2) The Secretary may contract with an educational institution, in which a participant in the scholarship program is enrolled, for the payment to the educational institution of the amounts of tuition and other reasonable educational expenses described in paragraph (1)(A). Payment to such an educational institution may be made without regard to section 3324 of title 31, United States Code.

"(3) The amount of the monthly stipend, specified in paragraph (1)(B) and as previously adjusted (if at all) in accordance with this paragraph, shall be increased by the Secretary for each school year ending in a fiscal year beginning after September 30, 1988, by an amount (rounded to the next highest multiple of $1) equal to the amount of such stipend multiplied by the overall percentage (as set forth in the report transmitted to the Congress under section 5305 of title 5, United States Code) of the adjustment (if such adjustment is an increase) in the rates of pay under the General Schedule made effective in the fiscal year in which such school year ends.

"OBLIGATED SERVICE

"SEC. 846. (a) Each individual who has entered into a written contract with the Secretary under section 845 shall provide service in the full-time clinical practice of such individual's profession in a facility described in section 845(e)(1)(B)(iv) for the period of obligated service provided in such contract.

"(b) If an individual is required under subsection (a) to provide service as specified in section 845(e)(1)(B)(iv) (hereafter in this subsection referred to as 'obligated service'), the Secretary shall, not later than 90 days prior to the date on which the individual is scheduled to complete the course of study for which the individual received a scholarship under the scholarship program, approve or disapprove the position in which the individual proposes to provide such obligated service. If the Secretary disapproves such position, such individual shall, in accordance with procedures established by the Secretary, arrange the provision of such service in another position approved by the Secretary.

"BREACH OF SCHOLARSHIP CONTRACT

"SEC. 847. (a) An individual who has entered into a written contract with the Secretary under section 845 and who—

"(1) fails to maintain an acceptable level of academic standing in the educational institution in which the individual is enrolled (such level determined by the educational institution under regulations of the Secretary),

"(2) is dismissed from such educational institution for disciplinary reasons,

"(3) voluntarily terminates the training in such an educational institution for which the individual is provided a scholarship under such contract, before the completion of such training, or

"(4) fails to accept payment, or instructs the educational institution in which he is enrolled not to accept payment, in whole or in part, of a scholarship under such contract,

in lieu of any service obligation arising under such contract, shall be liable to the United States for the amount which has been paid to the individual, or on behalf of the individual, under the contract.

"(b) Except as provided in paragraph (2), if (for any reason not specified in subsection (a)) an individual breaches a written contract entered into this subpart by failing either to begin such individual's service obligation in accordance with section 846 or to complete such service obligation, the United States shall be entitled to recover from the individual an amount determined in accordance with the formula

$$A=3\varphi(t-s/t)$$

in which 'A' is the amount the United States is entitled to recover, 'φ' is the sum of the amounts paid under this subpart to or on behalf of the individual and the interest on such amounts which would be payable if at the time the amounts were paid they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States; 't' is the total number of months in the individual's period of obligated service; and 's' is the number of months of such period served by the individual in accordance with section 846. Any amount of damages which the United States is entitled to recover under this subsection shall, within the one-year period beginning on the date of the breach of the written contract, (or such longer period beginning on such date as specified by the Secretary for good cause shown) be paid to the United States.

"(c)(1) Any obligation of an individual under the scholarship program (or a contract thereunder) for service or payment of damages shall be canceled upon the death of the individual.

"(2) The Secretary shall by regulation provide for the partial or total waiver or suspension of any obligation of service or payment by an individual under the scholarship program (or a contract thereunder) whenever compliance by the individual is impossible or would involve extreme hardship to the individual and if enforcement of such obligation with respect to any individual would be unconscionable.

"(3) Any obligation of an individual under the scholarship program (or a contract thereunder) for payment of damages may be released by a discharge in bankruptcy under title 11 of the United States Code only if such discharge is granted after the expiration of the five-year period beginning on the first date that payment of such damages is required.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 848. To carry out this subpart, there are authorized to be appropriated $5,000,000 for fiscal year 1988 and each of the succeeding fiscal years.".●

By Mr. INOUYE:

S. 134. A bill to allow the psychiatric or psychological examinations required under chapter 313 of title 18, United States Code, relating to offenders with mental disease or defect to be conducted by a clinical social worker; to the Committee on the Judiciary.

ALLOWING CERTAIN PSYCHIATRIC OR PSYCHOLOGICAL EXAMINATIONS TO BE CONDUCTED BY CLINICAL SOCIAL WORKERS

● Mr. INOUYE. Mr. President, today I am introducing legislation to amend the "mental competency" provisions of the Federal Criminal Code, in order to authorize the use of the expertise of clinical social workers by our Nation's Federal judiciary.

Mr. President, the legislative recommendation which I am making today is highly consistent with the policy recommendations of the American Bar Association's Criminal Justice Mental

Health Standards and, in my judgment, reflects the most current state of the art within our mental health community.

Mr. President, I request unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 134

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of subsection (b) of section 4247 of title 18, United States Code, as amended by Public Law 98-473, is amended by—

(1) striking out "or" after "certified psychiatrist" and inserting in lieu thereof a comma; and

(2) inserting after "clinical psychologist," the following: "or clinical social worker,".●

By Mr. INOUYE:

S. 135. A bill to allow the psychiatric or psychological examinations required under chapter 313 of title 18, United States Code, relating to offenders with mental disease or defect to be conducted by a psychiatric nurse practitioner or a clinical nurse specialist; to the Committee on the Judiciary.

ALLOWING CERTAIN PSYCHIATRIC EXAMINATIONS TO BE CONDUCTED BY A PSYCHIATRIC NURSE PRACTITIONER

● Mr. INOUYE. Mr. President, today I am introducing legislation which would amend the mental status provision of the Federal Criminal Code to ensure that the services of well-qualified psychiatric nurse practitioners or psychiatric nurse clinical specialists will be made available to our Federal judiciary.

Mr. President, the recommendation which I am making today is consistent with the policy recommendations included in the American Bar Association's Criminal Justice Mental Health Standards and reflects the state of the art within our Nation's mental health programs.

Although relatively few in number, our Nation's psychiatric nurses have an excellent track record in providing quality mental health evaluations over the past decades and, accordingly, I am confident that their expertise will be well received by the Federal judiciary.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 135

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of subsection (b) of section 4247 of title 18, United States Code, as amended by Public Law 98-473, is amended by—

(1) striking out "or" after "certified psychiatrist" and inserting in lieu thereof a comma; and

(2) inserting after "clinical psychologist," the following: "psychiatric nurse practitioner, or clinical nurse specialist,".●

By Mr. INOUYE (for himself, Mr. DECONCINI, and Mr. MATSUNAGA):

S. 136. A bill to improve the health status of native Hawaiians, and for other purposes; to the Select Committee on Indian Affairs.

TO IMPROVE HEALTH STATUS OF NATIVE HAWAIIANS

● Mr. INOUYE. Mr. President, today Senators DECONCINI, MATSUNAGA, and I are introducing legislation to address the pressing health care needs of our Nation's native Hawaiians.

The legislation which we are introducing today is an outgrowth of hearings that were held by the Select Committee on Indian Affairs and the result of several studies which have been conducted by the Department of Health and Human Services over the past several years.

It is a most unfortunate reality that native Hawaiians are disproportionately represented on the wrong end of almost every health indicator that we have. For example, native Hawaiians experience a disproportionately high rate of chronic ailments, including heart conditions, hypertension, asthma, diabetes, gout, and bronchitis. Native Hawaiian women have a significantly greater number of pregnancy risk factors, such as teenage pregnancies and teen births, illegitimate births, and pregnant women have late or no prenatal care.

The native Hawaiian infant mortality rate is higher than any other major ethnic group in the State of Hawaii. The National Cancer Institute [NCI] reported that native Hawaiians have the highest incidence of cancer of any segment of our population.

Mr. President, the bill which we are introducing today would go a long way in having the Federal Government accept Federal responsibility for these native American people and, further, gives a high priority to the establishment of various prevention activities, which as we all know, is really the key to reversing these statistics.

In the closing hours of the 99th Congress, the U.S. Senate passed this bill unanimously; however, the House of Representatives did not have time to act on it. Hopefully, during this session of Congress we will be able to have this important initiative enacted into public law.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 136

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS

SECTION 1. The Congress finds that—

(1) the Federal Government retains the legal responsibility to enforce the administration of a public trust responsibility for the betterment of the conditions of Native Hawaiians by the State of Hawaii;

(2) in furtherance of the State of Hawaii's public trust responsibility for the betterment of the conditions of Native Hawaiians, contributions by the Federal Government to the provision of health education and health services to maintain and improve the health status of Native Hawaiians are consistent with the historical and unique legal relationship of the Federal Government with the government that represented the indigenous native people of Hawaii;

(3) it is the policy of the Federal Government to raise the health status of Native Hawaiians to the highest possible level and to encourage the maximum participation of Native Hawaiians in the planning and management of health services in order to achieve this objective;

(4) Federal support for programs that provide health care to Native Hawaiians has resulted in a reduction in the prevalence and incidence of preventable illnesses among Native Hawaiians and in a reduction in premature deaths of Native Hawaiians; and

(5) further improvement in the health status of Native Hawaiians is necessary on the basis of findings that—

(A) Native Hawaiians experience the highest age-sex standardized mortality rate in the State of Hawaii,

(B) Native Hawaiians experience a lower life expectancy than any other population group in the State of Hawaii,

(C) Native Hawaiians experience a higher rate of infant mortality, congenital abnormalities and underweight infants than any other population in the State of Hawaii,

(D) Native Hawaiians have the greatest risk of diabetes, heart disease, and some forms of cancer than any other population in the State of Hawaii,

(E) Native Hawaiians experience the onset of diabetes, heart disease, and hypertension at earlier ages than other populations in the State of Hawaii,

(F) Native Hawaiians have significantly higher rates of heart disease and hypertension than other populations in the State of Hawaii,

(G) Native Hawaiians have one of the highest cancer rates of any population in the United States and Native Hawaiians have the poorest survival rates from cancer than any other population in the State of Hawaii,

(H) Native Hawaiian pregnant women rank the highest of all populations of pregnant women in the State of Hawaii in—

(i) receiving late or no prenatal care,

(ii) smoking and alcohol consumption during pregnancy,

(iii) toxemia and urinary tract infections during pregnancy, and

(iv) complications of pregnancy over age 35,

(I) Native Hawaiians have higher rates of suicide among young adults and elderly males than the statewide population as a whole,

(J) Native Hawaiian children have one of the highest periodontal disease rates and the poorest dental hygiene of any other population in the State of Hawaii,

(K) Native Hawaiians have higher proportion of alcohol and narcotics use and school performance impairment than the statewide population as a whole,

(L) Native Hawaiians have higher levels of stress than the statewide population as a whole based on leading stress indicators,

(M) Native Hawaiians are underrepresented in rates of participation in health education, health promotion, screening, and referral programs,

(N) utilization of mental health services by Native Hawaiians is significantly below that of other populations in the State of Hawaii, and

(O) Native Hawaiians are underrepresented in the health professions.

DEFINITIONS

SEC. 2. For purposes of this Act—

(1) The term "disease prevention" includes—

(A) immunizations,

(B) control of high blood pressure,

(C) control of sexually transmittable diseases,

(D) prevention and control of diabetes,

(E) pregnancy and infant care, including prevention of fetal alcohol syndrome,

(F) control of toxic agents,

(G) occupational safety and health,

(H) accident prevention,

(I) fluoridation of water, and

(J) control of infectious agents.

(2) The term "health promotion" includes—

(A) cessation of tobacco smoking,

(B) reduction in the misuse of alcohol and drugs,

(C) improvement of nutrition,

(D) improvement in physical fitness,

(E) family planning, and

(F) control of stress.

(3) The term "Native Hawaiian" means any individual who has any ancestors that were natives, prior to 1778, of the area that now comprises the State of Hawaii.

(4) The term "Native Hawaiian organization" means any organization—

(A) which serves and represents the interests of Native Hawaiians,

(B) which is recognized by the Office of Hawaiian Affairs of the State of Hawaii and E Ola Mau for the purpose of planning, conducting, or administering programs (or portion of programs) authorized under this Act, and

(C) in which Native Hawaiian health professionals significantly participate in the planning, management, monitoring, and evaluation of health services.

(5) The term "Native Hawaiian educational institution" means any educational institution that—

(A) serves and represents the interests of Native Hawaiians, and

(B) has as a primary and stated purpose the provision of educational services to Native Hawaiians.

(6) The term "Advisory Board" means the Native Hawaiian Health Promotion and Disease Prevention Advisory Board established under section 3(b).

(7) The term "Secretary" means the Secretary of Health and Human Services.

HEALTH PROMOTION AND DISEASE PREVENTION

SEC. 3. (a)(1) For fiscal year 1989, and for each fiscal year thereafter, the Secretary shall, in consultation with the Advisory Board established under subsection (b), enter into contracts with Native Hawaiian organizations under which the Secretary shall provide funds to Native Hawaiian organizations to establish and administer programs of health promotion and disease prevention designed to serve Native Hawaiians.

(2) The program that is to be established and administered under each contract entered into under paragraph (1) shall—

(A) provide necessary preventive-oriented health services, including maternal and child health care and mental health care, through the establishment of community health centers, subject to the availability of appropriations authorized under section 4(a)(3)(B);

(B) provide for the collection of data related to the prevention of diseases and illnesses among Native Hawaiians, including the prevention of fetal alcohol syndrome, hypertension, heart disease, and diabetes;

(C) provide for medical and general health-related research into the diseases that are most prevalent among Native Hawaiians including, but not limited to, heart disease, hypertension, cancer, and diabetes;

(D) provide for research into the mental health problems that are most prevalent among Native Hawaiians including, but not limited to, alcoholism, substance abuse, reduction of stress, and child abuse;

(E) provide for education in health promotion and disease prevention in the Native Hawaiian population by Native Hawaiian community outreach workers and Native Hawaiian nurses;

(F) provide for health planning in areas which shall include, but not be limited to, health planning in maternal and child health, nutrition, disease prevention, health promotion, health education, and mental health; and

(G) provide training for Native Hawaiian community health outreach workers as paraprofessionals in the provision of health care and health education in Native Hawaiian communities by means of a curriculum which—

(i) combines education in the theories of health care with supervised practical experience in the provision of health care,

(ii) provides instruction and practical experience in health promotion and disease prevention activities, particularly—

(I) nutrition,

(II) physical fitness,

(III) weight control,

(IV) cessation of tobacco smoking,

(V) stress management,

(VI) control of alcohol and substance abuse, including prevention of fetal alcohol syndrome,

(VII) control of high blood pressure,

(VIII) prevention and control of diabetes,

(IX) prevention of lifestyle related accidents,

(X) prenatal and postnatal infant health care, and

(XI) maternal health care, and

(iii) provides instruction in the most current and effective social, educational, and behavioral approaches to the establishment and maintenance of good health habits.

(b)(1) There is hereby established the Native Hawaiian Health Promotion and Disease Prevention Advisory Board.

(2)(A) The Advisory Board shall be composed of—

(i) an individual appointed to the Advisory Board by the Secretary from among nominations submitted to the Secretary by the Governor of the State of Hawaii, and

(ii) individuals representing each of the following organizations who are appointed to the Advisory Board by the Secretary from among nominations submitted by each of the following organizations:

(I) Alu Like, Inc.;

(II) the Office of Hawaiian Affairs of the State of Hawaii;

(III) E Ola Mau or any other organization composed of Native Hawaiian health care professionals;

(IV) the University of Hawaii School of Medicine;

(V) the University of Hawaii School of Public Health;

(VI) the University of Hawaii School of Nursing;

(VII) the Hawaii State Department of Health;

(VIII) the Kamehameha Schools, Bernice Pauahi Bishop Estate;

(IX) the Liliuokalani Trust;

(X) the Hawaii Nurses Association;

(XI) the Hawaii Medical Association;

(XII) the Hawaii State Department of Social Services and Housing;

(XIII) the Waianae Coast Comprehensive Health Center, or its successor organization, the Hawaii State Association of Community Health Centers;

(XIV) the Hawaii Psychological Association;

(XV) the Hawaii Psychiatric Association;

(XVI) the Hawaii Social Work Association;

(XVII) the Hawaii Society of Public Health Educators;

(XVIII) the Hawaii Dietetic Association;

(XIX) the Hawaii State Board of Education;

(XX) the Department of Hawaiian Home Lands;

(XXI) the Hawaii Dental Association; and

(XXII) any other organization designated by the Secretary for purposes of this subparagraph.

(B)(i) Except as provided in clause (ii), the term of office for each member of the Advisory Board shall be 3 years.

(ii) Of the initial members of the Advisory Board—

(I) the member representing the Governor of Hawaii and the members representing organizations listed in clauses (I), (II), (III), (IV), (V), and (VI) of subparagraph (A)(ii) shall have a term of 3 years,

(II) the members representing the organizations listed in clauses (VII), (VIII), (IX), (X), (XI), (XII), and (XIII) of subparagraph (A)(ii) shall have a term of 2 years, and

(III) the members representing all other organizations listed in subparagraph (A)(ii) shall have a term of 1 year.

(C) A vacancy on the Advisory Board shall be filled in the same manner in which the original appointment was made. A member so appointed shall serve for the remainder of the term of office to which such member is appointed.

(D) Individuals nominated for, and appointed to, the Advisory Board under subparagraph (A) should, to the extent feasible, be Native Hawaiians.

(E) The members of the Advisory Board shall elect a chairman from among the members of the Advisory Board.

(3) The Advisory Board—

(A) shall oversee—

(i) the awarding of contracts under subsection (a)(1),

(ii) the administration of programs for which contracts are entered into under subsection (a)(1), and

(iii) the grants awarded under subsection (c), and

(B) shall prepare and submit to the Secretary reports for each calendar quarter on the oversight conducted under subparagraph (A), and

(C) shall prepare and submit to the Congress, through the Secretary, annual reports containing recommendations on activities that—

(i) are designed to address the health care needs of Native Hawaiians, and

(ii) may be conducted by—

(I) the State of Hawaii,

(II) the Federal Government,

(III) community health centers,

(IV) Native Hawaiian organizations, or

(V) private health care providers.

(4) The provisions of section 14, and subsections (e) and (f) of section 10, of the Federal Advisory Committee Act (5 U.S.C. Appendix 2) shall not apply with respect to the Advisory Board.

(c)(1) Subject to the availability of funds appropriated under the authority of paragraph (3), the Secretary shall provide grants to Native Hawaiian organizations for the purpose of developing the management capabilities of such organizations to plan and operate the health promotion and disease prevention program that is to be established under contracts entered into under subsection (a).

(2) The total amount of grants that may be made to any Native Hawaiian organization under paragraph (1) shall not exceed $75,000.

(3) There are authorized to be appropriated $600,000 for fiscal year 1987, and each fiscal year thereafter, for the purpose of funding grants under paragraph (1).

(d)(1) The Secretary is authorized to enter into an agreement with any Native Hawaiian organization (or any Native Hawaiian educational institution) under which the Secretary is authorized to assign personnel of the Department of Health and Human Services with expertise identified by such Native Hawaiian organization (or such Native Hawaiian educational institution) to such Native Hawaiian organization (or to such Native Hawaiian educational institution) on detail for the purpose of providing education in health promotion and disease prevention to Native Hawaiian children who are underserved.

(2) Any assignment of personnel made by the Secretary under any agreement entered into under the authority of paragraph (1) shall be treated as an assignment of Federal personnel to a local government that is made in accordance with subchapter VI of chapter 33 of title 5, United States Code.

(e)(1) The Secretary shall establish in the State of Hawaii, as a demonstration project, a Native Hawaiian Program for Health Promotion and Disease Prevention for the purpose of exploring ways to meet the unique health care needs of Native Hawaiians.

(2) The demonstration program that is to be established under paragraph (1) shall—

(A) provide necessary preventive-oriented health services, including health education and mental health care,

(B) develop innovative training and research projects,

(C) establish cooperative relationships with the leadership of the Native Hawaiian community, and

(D) ensure that a continuous effort is made to establish programs which can be of direct benefit to other Native American people.

(3) The Secretary is authorized to enter into contracts with Native Hawaiian organizations for the purpose of assisting the Secretary in meeting the objectives of the demonstration program that is to be established under paragraph (1).

(4) The Secretary shall submit to the Congress an annual report on the status and accomplishments of the program during each of the fiscal years 1987, 1988, and 1989.

(5) There are authorized to be appropriated $500,000 for each of the fiscal years 1987, 1988, and 1989, for the purpose of carrying out the provisions of this subsection.

(f)(1) The Secretary shall include in any contract which the Secretary enters into with any Native Hawaiian organization under this section such conditions as the Secretary considers necessary to ensure that the objectives of such contract are achieved.

(2) The Secretary shall develop procedures to evaluate compliance with, and performance of, contracts entered into by Native Hawaiian organizations under this section.

(3) The Secretary shall conduct an annual onsite evaluation of each Native Hawaiian organization which has entered into a contract under this section for purposes of determining the compliance of such organization with, and evaluating the performance of such organization under such contract.

(4) If, as a result of the evaluations conducted under paragraph (3), the Secretary determines that a Native Hawaiian organization has not complied with or satisfactorily performed a contract entered into under this section, the Secretary shall, prior to renewing such contract, attempt to resolve the areas of noncompliance or unsatisfactory performance and modify such contract to prevent future occurrences of such noncompliance or unsatisfactory performance. If the Secretary determines that such noncompliance or unsatisfactory performance cannot be resolved and prevented in the future, the Secretary shall not renew such contract with such organization and is authorized to enter into a contract under this section with another Native Hawaiian organization that serves the same population of Native Hawaiians which is served by the Native Hawaiian organization whose contract is not renewed by reason of this paragraph.

(5) In determining whether to renew a contract entered into with a Native Hawaiian organization under this section, the Secretary shall—

(A) review the records of the Native Hawaiian organization and the reports submitted by the Advisory Board under subsection (b)(3)(B) with respect to such organization, and

(B) shall consider the results of the onsite evaluations conducted under paragraph (3).

(6) All contracts entered into by the Secretary under this section shall be in accordance with all Federal contracting laws and regulations except that, in the discretion of the Secretary, such contracts may be negotiated without advertising and need not conform to the provision of the Act of August 24, 1935 (40 U.S.C. 270a, et seq.).

(7) Payments made under any contract entered into under this section may be made in advance, by means of reimbursement, or in installments and shall be made on such conditions as the Secretary deems necessary to carry out the purposes of this section.

(8) Notwithstanding any other provision of law, the Secretary may, at the request or consent of a Native Hawaiian organization, revise or amend any contract entered into by the Secretary with such organization under this section as necessary to carry out the purposes of this section, except that whenever such organization requests retrocession of any contract entered into under this section, such retrocession shall become effective upon a date specified by the Secretary that is not more than 120 days after the date of the request by such organization or at such later date as may be mutually agreed to by the Secretary and such organization.

(9)(A) For each fiscal year during which a Native Hawaiian organization receives or expends funds pursuant to a contract entered into under this section, such organization shall submit to the Secretary a quarterly report on—

(i) activities conducted by the organization under the contract,

(ii) the amounts and purposes for which Federal funds were expended, and

(iii) such other information as the Secretary may request.

(B) The reports and records of any Native Hawaiian organization which concern any contract entered into under this section shall be subject to audit by the Secretary and the Comptroller General of the United States.

(10) The Secretary shall allow as a cost of any contract entered into under this section the cost of an annual private audit conducted by a certified public accountant.

(11) The authority of the Secretary to enter into contracts under this section shall be to the extent, and in amounts, provided for in appropriation Acts.

COMMUNITY HEALTH CENTERS; NATIONAL HEALTH SERVICE CORPS PROGRAM

SEC. 4. (a)(1) The Secretary is authorized—

(A) to designate Native Hawaiians as a medically underserved population for purposes of section 330 of the Public Health Service Act (42 U.S.C. 254c),

(B) to provide planning grants (no more than 8 in number and of no more than $100,000 per grant) to Native Hawaiian organizations, or to any organization of health care professionals serving Native Hawaiians, for the purpose of planning community health centers to serve the health needs of Native Hawaiian communities, and

(C) to establish community health centers under section 330 of such Act to serve the health needs of Native Hawaiian communities.

(2) The Secretary shall consult with the Governor of Hawaii regarding any grants that may be made under section 330(c)(1) of the Public Health Service Act (42 U.S.C. 254c(c)(1)), or under paragraph (1)(B), for the planning and developing of community health centers to serve the health needs of Native Hawaiian communities.

(3) In addition to any other amounts authorized to be appropriated for carrying out section 330 of the Public Health Service Act, there are authorized to be appropriated for fiscal year 1987—

(A) $800,000 for the purpose of providing planning grants authorized under paragraph (1)(B), and

(B) $2,800,000 for the purpose of establishing under section 330 of the Public Health Service Act no more than 8 community health centers to serve the health needs of Native Hawaiian communities,

such sums to remain available until expended, without fiscal year limitation. No more than $350,000 of the funds authorized to be appropriated under subparagraph (B) may be expended for each community health center.

(b) The Secretary is authorized to designate Native Hawaiians as a population group which has a health manpower shortage for purposes of subpart II of part C of title III of the Public Health Service Act.

HEALTH SERVICE SCHOLARSHIP PROGRAM

SEC. 5. (a) Subject to the availability of funds appropriated under the authority of subsection (c), the Secretary shall provide scholarship assistance to students who—

(1) meet the requirements of section 338A(b) of the Public Health Service Act (42 U.S.C. 254l(b)), and

(2) are Native Hawaiians.

(b) The scholarship assistance provided under subsection (a) shall be provided under the same terms and subject to the same conditions, regulations, and rules that apply to scholarship assistance provided under section 338A of the Public Health Service Act (42 U.S.C. 254l).

(c) There are authorized to be appropriated $1,800,000 for fiscal year 1987, and for each fiscal year thereafter, for the purpose of funding the scholarship assistance provided under subsection (a).

HEALTH CARE REFERRAL SERVICES FOR NATIVE HAWAIIANS

SEC. 6. (a)(1) The Secretary shall enter into contracts with Native Hawaiian organizations for the provision of health care referral services for Native Hawaiians. Any such contract shall include requirements that the Native Hawaiian organization successfully undertake to—

(A) determine the population of Native Hawaiians who are, or could be, recipients of health care referral services,

(B) determine the current health status of Native Hawaiians served by the Native Hawaiian organization,

(C) determine the current health care needs of Native Hawaiians served by the Native Hawaiian organization,

(D) identify all public and private health services resources which are, or could be, available to Native Hawaiians,

(E) determine the use of public and private health services resources by Native Hawaiians,

(F) assist Native Hawaiians in becoming familiar with such health services resources and in utilizing such health services resources,

(G) provide basic health education to Native Hawaiians, including education in health promotion and disease prevention through a community health outreach program that uses Native Hawaiian community health outreach workers,

(H) establish and implement manpower training programs to accomplish the referral and education tasks set forth in subparagraphs (F) and (G),

(I) identify any disparity between the health needs of Native Hawaiians that are not being met and the resources available to meet such needs, and

(J) make recommendations to the Secretary and Federal, State, local, and other resource agencies on methods of improving health service programs to meet the needs of Native Hawaiians.

(2) The Secretary shall prescribe regulations which provide the criteria for selecting Native Hawaiian organizations with which contracts are entered into under this subsection. Such criteria shall, among other factors, include—

(A) the extent of the health care needs of Native Hawaiians served by the Native Hawaiian organization that are not being met,

(B) the size of the Native Hawaiian population served by the Native Hawaiian organization,

(C) the accessibility to, and utilization of, health care services by Native Hawaiians served by the Native Hawaiian organization,

(D) the extent, if any, to which the activities that are required to be undertaken under paragraph (1) would duplicate—

(i) any previous or current public or private health services project that was, or is, funded by any means other than a contract entered into under this section, or

(ii) any project funded by means of a contract entered into under this section,

(E) the capability of the Native Hawaiian organization to—

(i) perform the activities that are required to be undertaken under paragraph (1), and

(ii) enter into a contract with the Secretary under this subsection,

(F) the satisfactory performance and successful completion by the Native Hawaiian organization of other contracts entered into with the Secretary under this section,

(G) the appropriateness and likely effectiveness of conducting the activities that are required to be undertaken under paragraph (1), and

(H) the extent of existing participation, or likely future participation, in the activities that are required to be undertaken under paragraph (1) by appropriate health and health-related Federal, State, local, and other agencies.

(b)(1) The Secretary may enter into contracts under this subsection with Native Hawaiian organizations which have not entered into a contract with the Secretary under subsection (a). The purpose of entering into a contract under this subsection shall be to determine—

(A) the matters described in paragraph (2) in order to assist the Secretary in assessing the health status and health care needs of Native Hawaiians served by the Native Hawaiian organization, and

(B) whether the Secretary should enter into a contract under subsection (a) with the Native Hawaiian organization.

(2) Any contract entered into by the Secretary under this subsection shall include requirements that the Native Hawaiian organization—

(A) document the health care status and health care needs of Native Hawaiians served by the Native Hawaiian organization,

(B) with respect to Native Hawaiians served by the Native Hawaiian organization, determine the matters described in subparagraphs (B), (C), (D), and (H) of subsection (a)(2), and

(C) complete performance of the contract within one year after the date on which the Secretary and the Native Hawaiian organization enter into such contract.

(c)(1) The Secretary shall include in any contract which the Secretary enters into with any Native Hawaiian organization under this section such conditions as the Secretary considers necessary to encourage the establishment of programs which make health care services more accessible to Native Hawaiians.

(2) The Secretary shall develop procedures to evaluate compliance with, and performance of, contracts entered into by Native Hawaiian organizations under this section. Such procedures shall include provisions for carrying out the requirements of this section.

(3) The Secretary shall conduct an annual onsite evaluation of each Native Hawaiian organization which has entered into a contract under subsection (a) for purposes of determining the compliance of such organization with, and evaluating the performance of such organization under, such contract.

(4) If, as a result of the evaluations conducted under paragraph (3), the Secretary determines that a Native Hawaiian organization has not complied with or satisfactorily performed a contract entered into under subsection (a), the Secretary shall, prior to renewing such contract, attempt to resolve the areas of noncompliance or unsatisfactory performance and modify such contract to prevent future occurrences of such noncompliance or unsatisfactory performance. If the Secretary determines that such noncompliance or unsatisfactory performance cannot be resolved and prevented in the future, the Secretary shall not renew such contract with such organization and is authorized to enter into a contract under subsection (a) with another Native Hawaiian organization that serves the same population of Native Hawaiians which is served by the Native Hawaiian organization whose contract is not renewed by reason of this paragraph.

(5) In determining whether to renew a contract entered into with a Native Hawaiian organization under subsection (a), or whether to enter into a contract with a Native Hawaiian organization under subsection (a) which has completed performance of a contract entered into under subsection (b), the Secretary shall—

(A) review the records of the Native Hawaiian organization and the reports submitted under subsection (e), and

(B) in the case of a renewal of a contract entered into under subsection (a), shall consider the results of the onsite evaluations conducted under paragraph (3).

(d)(1) No contract entered into under this section may provide for a total amount of payments under the contract by the Federal Government that exceeds $125,000.

(2) All contracts entered into by the Secretary under this section shall be in accordance with all Federal contracting laws and regulations except that, in the discretion of the Secretary, such contracts may be negotiated without advertising and need not conform to the provision of the Act of August 24, 1935 (40 U.S.C. 270a, et seq.).

(3) Payments made under any contract entered into under this section may be made in advance, by means of reimbursement, or in installments and shall be made on such conditions as the Secretary deems necessary to carry out the purposes of this section.

(4) Notwithstanding any other provision of law, the Secretary may, at the request or consent of a Native Hawaiian organization, revise or amend any contract entered into by the Secretary with such organization under this section as necessary to carry out the purposes of this section, except that whenever such organization requests retrocession of any contract entered into under this section, such retrocession shall become effective upon a date specified by the Secretary that is not more than 120 days after the date of the request by such organization or at such later date as may be mutually agreed to by the Secretary and such organization.

(5) All contracts entered into under this section with Native Hawaiian organizations, and all regulations prescribed under this section, shall include provisions to assure the fair and uniform provision to Native Hawaiians of health care referral services and assistance under such contracts by such organizations.

(e)(1) For each fiscal year during which a Native Hawaiian organization receives or expends funds pursuant to a contract entered into under this section, such organization shall submit to the Secretary a quarterly report on—

(A) in the case of a contract entered into under subsection (b), disparities identified and recommendations made under subparagraphs (I) and (J) of subsection (a)(1),

(B) activities conducted by the organization under the contract,

(C) the amounts and purposes for which Federal funds were expended, and

(D) such other information as the Secretary may request.

(2) The reports and records of any Native Hawaiian organization which concern any contract entered into under this section shall be subject to audit by the Secretary and the Comptroller General of the United States.

(3) The Secretary shall allow as a cost of any contract entered into under subsection (a) the cost of an annual private audit conducted by a certified public accountant.

(f)(1) The authority of the Secretary to enter into contracts under this section shall be to the extent, and in an amount, provided for in appropriation Acts.

(2) There are authorized to be appropriated $625,000 for fiscal year 1987, and for each fiscal year thereafter, for the purpose of funding contracts entered into under this section.

ACCESS TO MEDICARE AND MEDICAID SERVICES

SEC. 7. (a) The Secretary shall, in consultation with Native Hawaiian organizations, conduct a study of any barriers which may exist to the participation of Native Hawaiians in programs established under title XVIII of the Social Security Act (medicare) or under title XIX of the Social Security Act (medicaid).

(b) By no later than the date which is one year after the date of enactment of this Act, the Secretary shall submit to the Congress a report on the study conducted under subsection (a). Such report shall include—

(1) recommendations for legislation which—

(A) would remove any barriers to participation identified in such study, and

(B) would encourage participation by Native Hawaiians in the programs described in subsection (a), and

(2) estimates of—

(A) the potential number of Native Hawaiians eligible for medicare,

(B) the potential number of Native Hawaiians eligible for medicaid,

(C) the number of Native Hawaiians participating in the medicare program, and

(D) the number of Native Hawaiians participating in the medicaid program.

GENERAL AUTHORIZATION

SEC. 8. There are authorized to be appropriated for fiscal year 1987, and for each fiscal year thereafter, such sums as may be necessary to carry out the provisions of this Act for which a specific authorization of appropriations is not otherwise provided for in this Act.

PACIFIC BASIN DISEASE RESEARCH INSTITUTE

SEC. 9. (a) The Secretary shall make a grant under section 720(a)(1) of the Public Health Service Act to the University of Hawaii in Honolulu, Hawaii, for the construction of a building for a Pacific Basin disease research institute. Notwithstanding sections 702(b) and 721(c) of such Act, the Secretary is not required to secure the advice of the National Advisory Council on Health Professions Education with respect to such grant.

(b) The Federal share of the necessary costs of construction, as determined by the Secretary, of the building described in subsection (a), shall be 50 percent.

(c) To carry out this section, there are authorized to be appropriated $5,000,000. Amounts appropriated under this section shall remain available until expended.●

By Mr. INOUYE:

S. 137. A bill to direct the Secretary of the Army to determine the validity of the claims of certain Filipinos that they performed military service on behalf of the United States during World War II; to the Committee on Armed Services.

DETERMINATIONS BY THE SECRETARY OF THE ARMY IN RELATION TO FILIPINO CLAIMS OF SERVICE

● Mr. INOUYE. Mr President, today I am reintroducing a bill to direct the Secretary of the Army to determine the validity of the of the claims of certain Filipinos who assert that they performed military service on behalf of the United States during World War II, and for other purposes.

During the course of World War II, many Filipinos—guerrillas and active servicemen—fought on behalf of U.S. interests. In 1948, the U.S. Government stuck from official U.S. Army records the names of thousands of Filipinos who served during this time, denying these individuals the rights, benefits, and privileges they so richly deserve.

The legislation I am proposing today would permit these "excluded veterans" to submit their claims to the proper authorities for reevaluation—resolution—on a case-by-case basis. Upon submission of sufficient documentation of service with the U.S. Army or organized guerrilla forces, these individuals should be duly recognized as veterans and entitled to benefits and assistance from the U.S. Government.

The removal of their names from official Army records was an injustice to these individuals who helped the United States during World War II. For some, this bill is too late since death has taken its toll. However, the enactment of this legislation would confirm our commitment to these Filipinos who fought so hard to maintain United States freedom.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 137

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DETERMINATIONS BY THE SECRETARY OF THE ARMY.

(a) IN GENERAL.—Upon the written application of any person who is a national of the Philippine Islands, the Secretary of the Army shall determine whether such person performed any military service in the Philippine Islands in aid of the Armed Forces of the United States during World War II which qualifies such person to receive any military, veterans', or other benefits under the laws of the United States.

(b) INFORMATION TO BE CONSIDERED.—In making a determination for the purpose of subsection (a), the Secretary shall consider all information and evidence (relating to service referred to in subsection (a)) available to the Secretary, including information and evidence submitted by the applicant, if any.

SEC. 2. CERTIFICATE OF SERVICE.

(a) ISSUANCE OF CERTIFICATE OF SERVICE.—The Secretary shall issue a certificate of service to each person determined by the Secretary to have performed service described in section 1(a).

(b) EFFECT OF CERTIFICATE OF SERVICE.—A certificate of service issued to any person under subsection (a) shall, for the purpose of any law of the United States, conclusively establish the period, nature, and character of the military service described in the certificate.

SEC. 3. APPLICATIONS BY SURVIVORS.

An application submitted by a surviving spouse, child, or parent of a deceased person described in section 1(a) shall be treated as an application submitted by such person.

SEC. 4. LIMITATION PERIOD.

The Secretary may not consider for the purpose of this Act any application received by the Secretary more than two years after the date of the enactment of this Act.

SEC. 5. PROSPECTIVE APPLICATION OF DETERMINATIONS BY THE SECRETARY OF THE ARMY.

No benefits shall accrue to any person for any period prior to the date of the enactment of this Act as a result of the enactment of this Act.

SEC. 6. REGULATIONS.

The Secretary shall issue regulations to carry out sections 1, 3, and 4.

SEC. 7. RESPONSIBILITIES OF THE ADMINISTRATION OF VETERANS' AFFAIRS.

Any entitlement of a person to receive veterans' benefits by reason of this Act shall be administered by the Veterans' Administration pursuant to regualtions issued by the Administrator of Veterans' Affairs.

SEC. 8. DEFINITIONS

As used in this Act—

(1) the term "World War II" means the period beginning on December 7, 1941, and ending on December 31, 1946; and

(2) the term "Secretary" means the Secretary of the Army.●

By Mr. INOUYE (for himself and Mr. BOREN):

S. 138. A bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to permit distribution of certain State-inspected meat and poultry products, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FEDERAL MEAT AND POULTRY PRODUCTS INSPECTION ACT

● Mr. INOUYE. Mr. President, it is my pleasure to reintroduce legislation on behalf of myself and Senator BOREN, which would allow State-inspected meat and poultry products to enter interstate commerce. This bill would permit the sale of State-inspected meats to consumers in neighboring States and to federally inspected plants. However, it would continue the practice of barring State-inspected meats from international trade, where by treaty all meat must be federally inspected.

Under present law, State meat inspection plants must either meet or exceed Federal standards for wholesomeness, cleanliness, and freedom from chemical residues. However, quality State-inspected meats are often barred from nearby markets by virtue of an arbitrary State line that bisects a local community. The bill we are offering will correct this inequity by allowing State-inspected meats equal access to American meat and poultry markets.

State-inspected meat and poultry plants may be smaller than the average federally inspected plant, but they produce just as good a product. They may follow different procedures under State law and use different equipment, but it would be a mistake to assume that their products are inferior. Take for example the requirement that all federally certified plants must provide an inspector with a private office. This may be feasible for some of the larger plants which can tailor their specifications to Federal requirements, but what about the small family packer who has been making specialty meats for decades? His procedures and end-product are as good as anyone else's, and he meets all of the necessary laws, but what if he does not have space for a separate inspector's office? Should we deny that producer the right to ship his products in interstate commerce? Is this fair to either the small producer or the nearby consumer who would like to buy his products but cannot because he happens to live in a different political jurisdiction?

Consumer confidence in our Nation's meat and poultry products continues to be at an all-time high, and this bill works to maintain that confidence. However, it would end the discrimination against State-inspected meats which enjoy the confidence of consumers in 27 States throughout the country.

The benefits of this legislation are clear. First, consumers would be rewarded with a greater variety of wholesome meats at competitive prices. Second, livestock producers would not have to ship their animals clear across State to reach a Federal plant; they could use local, State-inspected facilities and still get their meat into interstate commerce, thus saving a great deal in transportation costs and helping smaller meatpacking plants stay in operation. Third, State plants would no longer be pushed to join the Federal meat inspection system. This would save the U.S. Department of Agriculture and the American taxpayer money by keeping meat-inspection programs in the hands of individual States.

Mr. President, this bill has received favorable comment from the USDA and the Secretary of Agriculture, who recommended that it be enacted into law. Hearings were also held on an identical measure, S. 593, in the 98th Congress, Senate hearings 98-471, July 21, 1983. Allowing State-inspected meat and poultry products into interstate commerce is long overdue, and I urge my colleagues to join us in passing this important piece of legislation.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 138

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Meat and Poultry Products Inspection Act of 1987".

FEDERAL MEAT INSPECTION ACT

SEC. 2. (a) Section 301 of the Federal Meat Inspection Act (21 U.S.C. 661) is amended—

(1) by striking out "solely for distribution within such State" in subparagraph (1) of paragraph (a);

(2) by adding at the end of subparagraph (2) of paragraph (a) the following new sentence: "In carrying out the provisions of this Act, the Secretary may conduct such examinations, investigations, and inspections as he determines practicable through any officer or employee of any State or Territory or the District of Columbia commissioned by the Secretary for such purposes.";

(3) by striking out "with respect to the operations and transactions within such State which are regulated under subparagraph (1)," in subparagraph (3) of paragraph (c) and inserting in lieu thereof "with respect to all establishments within its jurisdiction which do not operate under Federal inspection under title I of this Act and at which any cattle, sheep, swine, goats, or equines are slaughtered or their carcasses or parts or products thereof are prepared for use as human food and with respect to the distribution of carcasses, parts thereof, meat, or meat food products of such animals within the State,"; and

(4) by adding at the end thereof the following new paragraph:

"(e) Notwithstanding any other provisions of this Act—

"(1) Carcasses, parts thereof, meat, and meat food products of cattle, sheep, swine, goats, or equines prepared under State inspection in any state not designated under paragraph (c) of this section, and prepared in compliance with the meat inspection law of the State, shall be eligible for sale or transportation in commerce and shall be eligible for entry into and use in the preparation of products in establishments at which Federal inspection is maintained under title I of this Act, in the same manner and to the same extent as products prepared at such establishments. Such State inspected articles, and federally inspected articles prepared, in whole or in part, from such State inspected articles, shall not be eligible for sale or transportation in foreign commerce and shall be separated at all times from all other federally inspected articles in any federally inspected establishment which engages in the preparation, sale, or transportation of carcasses, or parts thereof, meat, or meat food products, for foreign commerce.

"(2) All carcasses, parts thereof, meat, and meat food products that are inspected under a program of inspection pursuant to the law of a State not designated under paragraph (c) of this section shall be identified as so inspected only by official marks which (A) clearly identify the State as the State which performed the inspection, and (B) are of a design prescribed by the State. Federally inspected articles prepared, in whole or in part, from such State inspected articles shall be identified as so inspected only by the same official marks as prescribed by the Secretary for articles slaughtered or prepared under title I of this Act.

"(3) The operator of any establishment which is operated under Federal inspection may transfer to State inspection and the operator of any establishment which is operated under State inspection may transfer to Federal inspection if—

"(A) the operator gives written notice to both the appropriate Federal and State officials of the proposed transfer; and

"(B) the Secretary determines that such transfer will effectuate the purposes set forth in section 2 of this Act and will not adversely affect the stability of the total State and Federal inspection systems.

A transfer of inspection authority under this paragraph may not become effective until October 1 of any year and until at least one hundred and eighty days have elapsed after notice of the proposed transfer has been given to the appropriate Federal and State officials. The Secretary may, in his discretion, make individual exceptions for any applicant for Federal inspection under title I of this Act who presents clear and convincing evidence that he intends to, and will be able to, engage in foreign commerce to the extent that Federal inspections would be required, to engage in such commerce.".

(b) The second sentence of section 408 of such Act (21 U.S.C. 678) is amended to read as follows: "Marking, labeling, packaging, or ingredient requirements in addition to, or different than those made under this Act may not be imposed by any State or Territory or the District of Columbia with respect to articles prepared at any establishment under Federal inspection under title I of this Act or with respect to articles prepared for commerce at any State inspected establishment in accordance with the requirements under section 301(e) of this Act; but any State or Territory or the District of Columbia may, consistent with the requirements of this Act, exercise concurrent jurisdiction with the Secretary over articles distributed in commerce, or otherwise subject to this Act, for the purposes of preventing the distribution for human food purposes of any such articles which are not in compliance with the requirements of this Act and are outside of any federally or State inspected establishment, or, in the case of imported articles, which are not at such an establishment after their entry into the United States.".

POULTRY PRODUCTS INSPECTION ACT

SEC. 3. (a) Section 5 of the Poultry Products Inspection Act (21 U.S.C. 454) is amended—

(1) by striking out "solely for distribution within such State" in subparagraph (1) of paragraph (a);

(2) by striking out "with respect to the operations and transactions within such State which are regulated under subparagraph (1)

of this paragraph (c)," in subparagraph (3) of paragraph (c) and inserting in lieu thereof "with respect to all establishments within its jurisdiction which do not operate under Federal inspection under this Act and at which any poultry are slaughtered or any poultry products are processed for use as human food and with respect to the distribution of poultry products within the State,"; and

(3) by adding at the end thereof the following new paragraph:

"(e) Notwithstanding any other provisions of this Act—

"(1) Poultry products processed under State inspection in any State not designated under paragraph (c) of this section, and processed in compliance with the poultry products inspection law of the State, shall be eligible for sale or transportation in commerce and shall be eligible for entry into and use in the preparation of poultry products in establishments at which Federal inspection is maintained under this Act, in the same manner and to the same extent as poultry products processed at such establishments. Poultry products complying with the requirements under the poultry products inspection laws of States not designated under paragraph (c) in which the products were processed shall be considered as complying with this Act. Such State inspected poultry products, and federally inspected poultry products processed, in whole or in part, from such State inspected poultry products, shall not be eligible for sale or transportation in foreign commerce and shall be separated at all times from all other federally inspected poultry products in any federally inspected establishment which engages in the processing, sale, or transportation of poultry products for foreign commerce.

"(2) All poultry products that are inspected under a program of inspection pursuant to the law of a State not designated under paragraph (c) of this section shall be identified as so inspected only by official marks which (A) clearly identify the State as the State which performed the inspection, and (B) are of a design prescribed by the State. Federally inspected poultry products processed, in whole or in part, from such State inspected poultry products shall be identified as so inspected only by the same official marks as prescribed by the Secretary for poultry products processed under sections 1 through 4, 6 through 10, and 12 through 22 of this Act.

"(3) The operator of any establishment which is operated under Federal inspection may transfer to State inspection and the operator of any establishment which is operated under State inspection may transfer to Federal inspection if—

"(A) the operator gives written notice to both the appropriate Federal and State officials of the proposed transfer; and

"(B) the Secretary determines that such transfer will effectuate the purposes set forth in section 2 of this Act and will not adversely affect the stability of the total State and Federal inspection systems.

A transfer of inspection authority under this paragraph may not become effective until October 1 of any year and until at least one hundred and eighty days have elapsed after notice of the proposed transfer has been given to the appropriate Federal and State officials. The Secretary may, in his discretion, make individual exceptions for any applicant for Federal inspection under title I of this Act who presents clear and convincing evidence that he intends to, and will be able to, engage in foreign commerce to the extent that Federal inspection would be required, to engage in such commerce.".

(b) The second sentence of section 23 of such Act (21 U.S.C. 467e) is amended to read as follows: "Marking, labeling, packaging, or ingredient requirements in addition to, or different than, those made under this Act may not be imposed by any State or Territory or the District of Columbia with respect to articles prepared at any establishment subject to Federal inspection under this Act or with respect to articles prepared for commerce at any State inspected establishment in accordance with the requirements under section 5(e) of this Act. Further storage or handling requirements found by the Secretary to unduly interfere with the free flow of poultry products in commerce shall not be imposed by any State or Territory or the District of Columbia. However, any State or Territory or the District of Columbia may, consistent with the requirements of this Act, exercise concurrent jurisdiction with the Secretary over articles distributed in commerce, or otherwise subject to this Act, for the purpose of preventing the distribution for human food purpose of any such articles which are not in compliance with the requirements under this Act and are outside of any federally or State inspected establishment, or, in the case of imported articles, which are not at such an establishment after the entry into the United States.".

By Mr. SARBANES (for himself and Ms. MIKULSKI):

S. 139. A bill to direct the Secretary of Transportation to approve modifications of certain interstate highway transfer concept plan; to the Committee on Commerce, Science, and Transportation.

MODIFICATION OF CERTAIN INTERSTATE HIGHWAY TRANSFER CONCEPTS

Mr SARBANES. Mr. President, today Senator MIKULSKI and I are introducing legislation to enable the State of Maryland to proceed with construction of the final 18-mile gap in the National Freeway in western Maryland. Specifically the legislation would allow the State to add the National Freeway to its interstate highway transfer concept plan. A companion measure to this bill is being introduced in the House by Representative BEVERLY BYRON.

This legislation is needed to provide additional flexibility in transportation programs reflecting changes in transportation needs and priorities. Under current law States are allowed to withdraw interstate routes and use these funds for substitute highway and transit projects providing that a "concept program" which identifies the proposed substitute projects is approved. The law however does not allow changes to this concept program after September 30, 1983, with certain exceptions.

At the current rate of authorizations, it will take until 1993 to fund the outstanding interstate substitution entitlements. Interstate substitute concept plans were, however, developed in 1982 or 1983. Thus States were required to predict, nearly 10 years in advance, what transportation projects might require funding in the early 1990's. However, priorities and local, State, and Federal Government programs change. Given these factors, States should have flexibility in programming projects to meet priority needs.

This legislation is particularly important to Maryland based on its decision not to proceed with construction of the North Corridor Busway project, which was part of the Baltimore area concept program, and to fund instead the National Freeway and other highway and transit improvements. These projects cannot use interstate substitution funds if they are not added to the "concept plan." The Federal Highway Administration has concurred that the National Freeway is an eligible project for interstate substitution funds provided that the legislative change described above is made to allow additions to the interstate substitution concept program.

The National Freeway is the last and most important part of the highway linking western Maryland with the Port of Baltimore. It has been one of the highest priorities of the administration of Gov. Harry Hughes, and Governor-elect William Donald Schaefer has already indicated that he has placed it at the top of his transportation agenda. I would like to see the National Freeway completed as quickly as possible, and this bill is an essential element of that effort.

In the 99th Congress, both the Senate and House highway reauthorization bills included appropriate language to allow modifications to concept programs after September 30, 1983, and I am hopeful that provisions similar to those which we are proposing today will be included in the highway/transit reauthorization bill for the 100th Congress.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 140. A bill to amend title XVIII of the Social Security Act to provide that psychologist services are covered under part B of Medicare; to the Committee on Finance.

COVERAGE OF PSYCHOLOGIST SERVICES UNDER PART B OF MEDICARE

● Mr. INOUYE. Mr. President, today Senator SPARK MATSUNAGA and I are introducing legislation to amend the Medicare Act to provide for the direct reimbursement of our Nation's professional psychologists for outpatient services rendered to needy beneficiaries.

For the past decade, we have been attempting to modify the mental health provisions of the Medicare law to ensure that a truly interdisciplinary reimbursement system is made available. It is our hope that by focusing upon outpatient benefits during this session of Congress, we will be able to ensure that necessary quality care is made available and, further, that in so doing we will eventually be able to decrease the level of expenditure allocated toward inpatient care.

The measure which we are offering today is consistent with the status of psychology under both the Department of Defense CHAMPUS Program and the Federal Employees Health Benefit Program.

Mr. President, I request unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 140

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COVERAGE OF PSYCHOLOGIST SERVICES UNDER PART B OF MEDICARE.

(a) Coverage of Services.—Section 1861(r) of the Social Security Act (42 U.S.C. 1395x(r)) is amended in the first sentence—

(1) by striking out "or" before "(5)"; and

(2) by adding before the period the following: ", or (6) a psychologist (as defined in subsection (ff)) who is acting within the scope of his or her license when performing such function, but only with respect to outpatient services."

(b) Definition.—Section 1861 of such Act (42 U.S.C. 1395x) is amended by adding at the end thereof the following new subsection:

"(ff) The term 'psychologist' means an individual who—

"(1) is licensed or certified at the independent practice level of psychology by the State in which such individual so practices,

"(2) possesses a doctorate degree in psychology from a regionally accredited educational institution, or in the case of an individual licensed or certified prior to January 1, 1978, possesses a master's degree in psychology and is listed in a national register of mental health service providers in psychology approved by the Secretary, and

"(3) possesses at least two years of supervised experience in health service, at least one year of which is postdegree.".

(c) Effective Date.—The amendments made by this section shall be effective with respect to services performed on or after the first day of the first month which begins more than sixty days after the date of the enactment of this Act.●

By Mr. INOUYE:

S. 141. A bill to authorize reduced postage rates for certain mail matter sent to Members of Congress; to the Committee on Governmental Affairs.

REDUCED POSTAGE RATES FOR CERTAIN MATERIAL SENT TO MEMBERS OF CONGRESS

● Mr. INOUYE. Mr. President, I rise today to reintroduce a bill to provide for the issuance of a special 1-cent postage stamp to be used for correspondence with Members of Congress.

Mr. President, ours is a democratic Government—a representative Government and thus, by definition, one dependent on the continuing operation of a two-way communication system between the people of this country and their elected Representatives.

Each Member of the Congress is directly responsible to those people in his State or district whom he represents. He must not only keep communication channels open but, more importantly, he must be responsive to the concerns he receives through these channels. The most practical means of transmitting these constituent concerns in through the mail. It is most difficult for many of us to imagine ourselves in a situation where the desire to express an opinion is frustrated because we must think twice about spending money on a postage stamp.

Unfortunately, we must face the fact that many of our Nation's citizens are forced to consider the purchase of a 22-cent postage stamp for the purpose of expressing a grievance, or opinion or idea, as something beyond their means.

The issuance of a 1-cent stamp for this purpose would effectively remove this prohibition and allow all citizens to apprise their Representatives and Senators of their individual thoughts and position on the issues facing our Nation. This measure would amend the Postal Reform Act of 1970 to provide for the issuance of these 1-cent stamps to be sold at U.S. post offices. The bill also authorizes appropriations necessary to account for the difference in postal revenue resulting from the sale of 1-cent stamps as opposed to prevailing postage rates for mail matter addressed to Congressmen which does not exceed 4 ounces in weight.

Recognizing the necessity of open communication between elected officials and the people, Congress adopted the franking system allowing congressional communication between elected officials to constituents. We have neglected, however, to provide our constituents with a convenient and affordable means to access to their Senators and Congressmen. It is difficult to overstate the importance of this concept of individual expression. Each and every citizen has the right and the responsibility to participate in the democratic system, through both the ballot box and through correspondence with their Representatives between elections.

Because the effective operation of our political system is dependent upon open communication, I am hopeful that this bill will receive the early approval of the Congress.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 141

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 32 of title 29, United States Code, is amended by adding at the end thereof the following new section:

"§ 3221. Mail matter sent to Members of Congress

"(a) Any person may send any piece of mail matter, not exceeding four ounces in weight, for postage of 1 cent to (1) any Member of the Senate representing the State, and (2) the Member of the House of Representatives representing the district, in which such person resides, if that person uses a special stamp issued by the Postal Service for any such matter. The Postal Service shall issue special 1-cent stamps to be used in sending such matter, and such stamps shall only be sold at post offices.

"(b) For the purposes of this section—

"(1) 'district' includes Puerto Rico and the District of Columbia;

"(2) 'Member of the House of Representatives' includes a Representative, Delegate, and Resident Commissioner; and

"(3) a Member of the House of Representatives elected at large from a State having more than one district shall be considered a Member elected from each district of that State.".

(b) The analysis of such chapter is amended by adding after the item relating to section 3220 the following new item:

"3221. Mail matter sent to Members of Congress.".

(c) Section 2401(c) of such title is amended by inserting "3221," after "3217,".

(d) This Act shall take effect January 1, 1988.●

By Mr. INOUYE (for himself, Mr. DeConcini, Mr. Matsunaga, and Mr. Murkowski):

S. 142. A bill to amend the Native American Programs Act of 1974 to authorize appropriations for fiscal years 1987 through 1991; to the Select Committee on Indian Affairs.

NATIVE AMERICAN PROGRAMS AMENDMENTS

● Mr. INOUYE. Mr. President, I am pleased to introduce today a bill that would reauthorize the funding of programs under the Native American Programs Act of 1974 through 1991.

Mr. President, this legislation will assure continuation of an important program for off-reservation groups, including rural, urban, Native Alaskan, and native Hawaiian organizations, as well as reservation-based Indian tribes, to enable them to engage in activities that will promote and enhance social and economic self-sufficiency. Under the Native American Programs Act, each tribe or off-reservation native American group has the opportunity and the responsibility to decide for itself what its social and economic priorities are, and how they will address these areas. The Administration for Native Americans is truly a program that promotes and endorses self-determination for native Americans.

Mr. President, this bill was introduced in the 99th Congress, but was vetoed in the closing days of the Congress. I am optimistic that this bill can be expedited in the early days of the 100th Congress.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 142

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Native American Programs Amendments of 1987".

SEC. 2. REVIEW OF APPLICATIONS FOR ASSISTANCE.

The Native American Programs Act of 1974 (42 U.S.C. 2991-2992d) is amended—

(1) in the first sentence of section 803(a) by inserting ", on a single year or multiyear basis," after "financial assistance",

(2) by redesignating sections 813 and 814 as sections 815 and 816, respectively,

(3) by redesignating sections 806 through 812, as sections 807 through 813, respectively, and

(4) by inserting after section 805 the following new section:

"PEER REVIEW OF APPLICATIONS FOR ASSISTANCE

"Sec. 806. (a)(1) The Secretary shall establish a formal peer review process for purposes of evaluating applications for financial assistance under sections 803 and 805 and of determining the relative merits of the projects for which such assistance is requested.

"(2) Members of peer review panels shall be appointed by the Secretary from among individuals who are not officers or employees of the Administration for Native Americans. In making appointments to such panels, the Secretary shall give preference to American Indians, Hawaiian Natives, and Alaskan Natives.

"(b) Each peer review panel established under subsection (a)(2) that reviews any application for financial assistance shall—

"(1) determine the merit of each project described in such application;

"(2) rank such application with respect to all other applications it reviews for the fiscal year involved, according to the relative merit of all of the projects that are described in such application and for which financial assistance is requested; and

"(3) submit to the Secretary a list that identifies all applications reviewed by such panel and arranges such applications according to rank determined under paragraph (2).

"(c) Whenever the Secretary approves an application for financial assistance under section 803 or 805, the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and the President pro tempore of the Senate written notice—

"(1) identifying such application;

"(2) containing a copy of the list submitted to the Secretary under subsection (b)(3) in which such application is ranked;

"(3) specifying which other applications ranked in such list have been approved by the Secretary under sections 803 and 805; and

"(4) if the Secretary has not approved each application superior in merit, as indicated on such list, to the application with respect to which such notice is transmitted, containing a statement of the reasons relied upon by the Secretary for—

"(A) approving the application with respect to which such notice is transmitted; and

"(B) failing to approve each pending application that is superior in merit, as indicated on such list, to the application described in subparagraph (A).".

SEC. 3. PROCEDURAL REQUIREMENTS.

(a) Rule Making.—The Native American Programs Act of 1974 (42 U.S.C. 2991-2992d) is amended by inserting after section 813, as so redesignated by section 2, the following new section:

"ADDITIONAL REQUIREMENTS APPLICABLE TO RULE MAKING

"Sec. 814. (a) Notwithstanding subsection (a) of section 553 of title 5, United States Code, and except as otherwise provided in this section, such section 552 shall apply with respect to the establishment and general operation of any program that provides loans, grants, benefits, or contracts authorized by this title.

"(b) The last sentence of section 553(b) of title 5, United States Code, shall not apply with respect to any rule (including any general statement of policy) that is—

"(1) proposed under this title;

"(2) applicable to any program, project, or activity authorized by, or carried out under, this title; or

"(3) applicable to the organization, procedure, or practice of an agency (as defined in section 551(a) of title 5, United States Code) and that would affect the administration of this title.

"(c) Notwithstanding section 553(d) of title 5, United States Code, no rule (or general statement of policy) that—

"(1) is issued to carry out this title;

"(2) applies to any program, project, or activity authorized by, or carried out under, this title; or

"(3) is applicable to the organization, procedure, or practice of an agency (as defined in section 551(1) of title 5, United States Code) and that will affect the administration of this title;

may take effect until 30 days after the publication required under the first 2 sentences of section 553(b) of title 5, United States Code.

"(d) Each rule to which this section applies shall contain after each of its sections, paragraphs, or similar textual units a citation to the particular provision of statutory or other law that is the legal authority for such section, paragraph, or unit.

"(e) Except as provided in subsection (c), if as a result of the enactment of any law affecting the administration of this title it is necessary or appropriate for the Secretary to issue any rule, the Secretary shall issue such rule not later than 180 days after the date of the enactment of such law.

"(f) Whenever an agency publishes in the Federal Register a rule (including a general statement of policy) to which subsection (c) applies, such agency shall transmit a copy of such rule to the Speaker of the House of Representatives and the President pro tempore of the Senate.".

(b) Definition of Rule.—Section 815 of the Native American Programs Act of 1974 (42 U.S.C. 2992c), as so redesignated by section 2, is amended—

(1) in paragraph (3) by striking out "and" at the end thereof,

(2) by redesignating paragraph (4) as paragraph (5), and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) the term 'rule' has the meaning given it in section 551(4) of title 5, United States Code, as amended from time to time; and".

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

Section 816(a) of the Native American Programs Act of 1974 (42 U.S.C. 2992d(a)), as so redesignated by section 2 of this Act, is amended by striking out "1986" and inserting in lieu thereof "1991".

By Mr. INOUYE (for himself and Mr. DeConcini):

S. 143. A bill to establish a temporary program under which parenteral diacetylmorphine will be made available through qualified pharmacies for the relief of intractable pain due to cancer; to the Committee on Labor and Human Resources.

COMPASSIONATE PAIN RELIEF ACT

● Mr. INOUYE. Mr. President, today Senator DeConcini and I are introducing legislation which is directed to relieving the suffering of a small but significant number of our citizens; patients who are terminally ill with cancer and whose pain has not been effectively mitigated with currently available medications.

For many years, the thought of cancer and its accompanying pain have sent chills of fear through all of us; likewise, the thought of heroin and its addictive qualities produces similar fears. In my judgment, we are in a position now where we can make a logical and thoughtful decision to legalize the therapeutic use of heroin for the terminally ill cancer patient suffering intractable pain while at the same time safeguarding against the diversion of the drug into illicit channels.

The legislation we are introducing today is supported by thousands of Americans and is identical to that which was sponsored by 13 of my colleagues during the 99th Congress. Furthermore, I am pleased to report that to a great extent, it reflects the evolution and thinking of our Nation's health care system as evidenced by the editorial in the January 14, 1982, issue of the prestigious New England Journal of Medicine, which urged more flexiblity in the use of addictive drugs in the treatment of pain. This thinking is also present in an official statement made by the American Psychiatric Association which endorses the "principle that the effectiveness of relief of pain in terminal cancer patients should take priority over a concern about 'addiction' of the terminal cancer patient and should take priority over a concern about medication diversion to addicts." A later article in the New England Journal of Medicine of August 23, 1984, by Dr. Allen Mondzac, reviewed the unique characteristics of heroin and its valuable clinical role where it is available.

The need for this legislation is dramatic. Although over the past two decades a great deal of progress has been made in treating cancer, each year an estimated 800,000 Americans are diagnosed as having cancer, and over 400,000 die from the disease. Most of these individuals will have received competent and compassionate medical care, and many will receive adequate relief of pain. Unfortunately, the reality is also that a certain number of cancer patients do not obtain relief of pain from the currently available analgesic medication—even the strongest narcotics. An NIH panel that convened in May 1986, heard testimony that 50 to 60 percent of patients with cancer pain live the last part of their lives with unrelieved severe pain. As a minimal figure, it has elsewhere been estimated that about 20 percent of terminal cancer patients suffer significant pain. Of this 20 percent, it has been estimated that 10 percent do not obtain relief with presently prescribed medications. In human terms, these percentages mean that as many as 8,000 Americans may die in agony this year because of the intractable pain associated with terminal cancer. I have been assured by my medical colleagues that in many cases this pain can be alleviated with the therapeutic use of heroin, making the last weeks, months, or days of these patients more bearable. These dying patients are not now given the option of dying with dignity because of our Nation's continued and overriding fear of the term "heroin." In my judgment, this fear alone has prevented us, the lawmakers of our Nation, from making clear and rational decisions regarding the limited use of this long-proven and already available substance.

Heroin has been proven effective with a number of patients in relieving pain. Research completed at Georgetown University's Vincent T. Lombardi Cancer Research Center has found heroin to be an effective analgesic for the control of cancer-related pain. In particular, it has been reported to be more potent than morphine in relieving cancer pain. Less than half of the dose of heroin produces the same pain relief as a dose of morphine. In the terminal phase of cancer, many patients cannot take medication by mouth, and may require injections. As the disease progresses, individuals may require higher doses at more frequent intervals, to provide relief. This is when it would be desirable to have the option of using heroin in treating pain, since heroin is more potent and more soluble than morphine salts, and an effective dose can be administered in considerably smaller volumes. Thus, doctors have informed me that it is less painful to have such an injection—an important consideration in the emaciated patient with little tissue mass remaining. Further, the onset of action of the heroin is also more rapid than morphine because of its solubility, giving relief of pain and a sense of well-being sooner. It is most unfortunate that the use of heroin for these patients has not been allowed up to this date. This legislation will enable physicians to treat the dying cancer patient who suffers from intractable pain with a proven, effective medication.

The time has now come to address the issue of why heroin should not be readily available as a therapeutic medication for our Nation's physicians in very specific situations when we have dying cancer patients who are suffering extreme pain. William Buckley has described our irrational maintenance of the prohibition against such uses of heroin in very real terms. As he pointed out:

> The irony is that anybody in a major city can acquire the knowledge necessary to buy heroin from a dirty little drug pimp, but licensed doctors may not adminster the identical drug to men and women—and children—literally dying from excruciating pain.

Our colleagues on the House Subcommittee on Health and the Environment held hearings on a similar bill on September 4, 1980. At that time, a number of practicing physicians and others asked that the Federal controls on heroin be eased to permit the prescription of heroin for patients for whom more conventional pain killers were inadequate. It was further pointed out that in Great Britain, heroin has been used for years for these patients and that it has been shown to be particularly effective for those 10 percent of terminal cancer patients who require injected medication. British physicians consider heroin to be an indispensible potent narcotic analgesic in the treatment of advanced cancer. Use of heroin in specific situations is also permitted in Belgium, New Zealand, China, and many other civilized nations.

Since this information was made public in the House hearings the editorial writers of our country have taken up the issue, as reflected in supportive statements by, among a number of others, the New York Times, the Washington Post, the Washington Times, the Los Angeles Times, the San Francisco Chronicle, the San Francisco Examiner, the Honolulu Star-Bulletin, the Honolulu Advertiser, the Chicago Sun-Times, the Cleveland Plain Dealer, the Rocky Mountain News, and the Richmond Times-Dispatch. Both National Review and the New Republic have backed the proposal. The American Nurses' Association has come out strongly endorsing this merciful action. Within the past year, as a result of widespread support among physicians and the general public, heroin has become available in Canada for terminal cancer patients.

The bill I am introducing today will give a very high priority to relief from intractable pain for terminal cancer patients. It authorizes the Secretary of the Department of Health and Human Services to establish demonstration programs which will permit the use of heroin by terminally ill cancer patients only, when suffering from pain which is not effectively treated with currently available analgesic medications.

My bill has more than adequate safeguards to prevent the drug from being introduced to the general public. For example, a diagnosis must first be made by the attending physician that his or her patient is ill with cancer and is suffering from pain which is not being effectively treated with other available analgesic medications. This diagnosis must be reviewed and approved by a medical review board of the hospital which will dispense the heroin. The heroin used in the program will be from that supply now confiscated under current laws. The Secretary of Health and Human Services is further authorized to establish additional regulations for the safe use and storage of heroin, to prevent its diversion into illicit channels. This program will be in force for a 5-year period and periodic reporting is required of the Secretary on the activities under the bill.

I strongly believe that this proposal will provide substantial benefits to those who are in intractable pain from terminal cancer and I am hopeful that my colleagues on the Senate Labor and Human Resources Committee will give this measure their prompt and most serious consideration.

Mr. President, I request unanimous consent that the text of this bill and attached relevant articles be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 143

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Compassionate Pain Relief Act".

SEC. 2. The Congress finds the following:

(1) Cancer is a progressive, degenerative, and often painful disease which afflicts one out of every four Americans and is the second leading cause of death.

(2) In the progression of terminal cancer, a significant number of patients will experience levels of intense and intractable pain which cannot be effectively treated by presently available medication. The effect of the pain often leads to a severe deterioration in the quality of life of the patient and heartbreak for the patient's family.

(3) The therapeutic use of parenteral diacetylmorphine is not permitted in the United States but extensive clinical research has demonstrated that it is a potent, highly soluble painkilling drug when properly formulated and administered under a physician's supervision.

(4) Making parenteral diacetylmorphine available to patients through controlled channels as a drug for the relief of intractable pain due to terminal cancer is in the public interest. Diacetylmorphine is successfully used in Great Britain and other countries for relief of pain due to cancer.

(5) The availability of parenteral diacetylmorphine for the limited purposes of controlling intractable pain due to terminal cancer will not adversely effect the abuse of illicit drugs or increase the incidence of pharmacy thefts.

(6) The availability of parenteral diacetylmorphine will enhance the ability of physicians to effectively treat and control intractable pain due to terminal cancer.

(7) It is appropriate for the Federal Government to establish a temporary program to permit the use of pharmaceutical dosage forms of parenteral diacetylmorphine for the control of intractable pain due to terminal cancer.

Sec. 3. (a) Not later than three months after the date of the enactment of this Act, the Secretary of Health and Human Services (hereinafter in this Act referred to as the "Secretary") shall issue regulations establishing a program under which parenteral diacetylimorphine may be made available to hospital pharmacies and other such pharmacies as may be prescribed by the Secretary for dispensing pursuant to written prescriptions of physicians to individuals for the relief of intractable pain due to terminal cancer (hereinafter in this section referred to as "the program"). For purposes of the program, an individual shall be considered to have terminal cancer if there is histologic evidence of a malignancy in the individual and the individual's cancer is generally recognized as a cancer with a high and predictable mortality. It is the intent of Congress that the Secretary primarily utilize hospital pharmacies for the dispensing of parenteral diacetylmorphine under the program, but the Congress recognizes that humanitarian concerns might necessitate the provision of parenteral diacetylmorphine through pharmacies other than hospital pharmacies in cases in which a significiant need is shown for such provision and in which adequate protection is available against the diversion of parenteral diacetylmorphine.

(b) The Secretary shall provide for the manufacture of parenteral diacetylmorphine for dispensing under the program using adequate methods in, and adequate facilities and controls for, the manufacturing, processing, and packing of such drug to preserve its identity, strength, quality, and purity.

(c) Under the program parenteral diacetylmorphine may only be made available, upon application, to pharmacies registered under section 302 of the Controlled Substances Act that also meet such qualifications as the Secretary may by regulation prescribe. An application for parenteral diacetylmorphine shall—

(1) be in such form and submitted in such manner as the Secretary may prescribe; and

(2) contain assurances satisfactory to the Secretary that—

(A) the applicant meets such special requirements as the Secretary may prescribe respecting the storage and dispensing of parenteral diacetylmorphine; and

(B) parenteral diacetylmorphine provided under the application will be dispensed through the applicant upon the written prescription of a physician registered under section 302 of the Controlled Substances Act to dispense controlled substances in schedule II of such Act.

(d) Requirements prescribed by the Secretary under subsections (b) and (c)(2)(A) shall be designed to protect against the diversion into illicit channels of parenteral diacetylmorphine distributed under the program.

(e) A physician registered under section 302 of the Controlled Substances Act may prescribe parenteral diacetylmorphine for individuals for the relief of intractable pain due to terminal cancer. Any such prescription shall be in writing as prescribed by the Secretary by regulations.

(f) The Federal Food, Drug, and Cosmetic Act and titles II and III of the Comprehensive Drug Abuse Prevention and Control Act of 1970 shall not apply with respect to—

(1) The importing of opium,

(2) the manufacture of parenteral diacetylmorphine, and

(3) the distributon and dispensing of parenteral diacetylmorphine,

in accordance with the program.

Sec. 4. (a) Not later than the second month beginning after the date of the enactment of this section and every third month thereafter until the program is established under section 3, the Secretary shall report to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on the activities undertaken to implement the program. Each year after the program is established and while the program is in effect, the Secretary shall report to such committees on the activities under the program during the period for which the report is submitted.

(b) Upon the expiration of fifty-six months after the date the program is established, the Comptroller General of the United States shall report to the committees referred to in subsection (a) on the activities under the program during such fifty-six month period.

Sec. 5. The program established under section 3 shall terminate upon the expiration of sixty months after the date the program is established.

Sec. 6. The Secretary of Health and Human Services shall transmit a report to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate not later than six months after the date of the enactment of this Act—

(1) describing the extent of research activities on the management of pain which have received funds through the National Institutes of Health,

(2) describing the ways in which the Federal Government supports the training of health personnel in pain management, and

(3) containing recommendations for expanding and improving the training of health personnel in pain management.

Sec. 7. The Secretary may at any time six months after implementation of the program modify or terminate the program if in the Secretary's judgment the program is no longer needed or if modifications or termination is needed to prevent substantial diversion of the diacetylmorphine.

[From the Washington Post, Mar. 26, 1984]

An Act of Mercy

Chances are that Congress won't accomplish much in this presidential election year, but there is one piece of business that it should not fail to complete. It should pass legislation—with an impressive and growing bipartisan list of sponsors in both houses—that would legalize the carefully controlled use of heroin in the treatment of cancer patients dying in intractable pain.

One of the curiosities of medical practice in this country is that hundreds of billions are spent to prolong life, but relatively little attention is paid to making sure that patients survive in a tolerable degree of comfort and alertness. Modern medicine keeps promising better painkillers, and new methods of administration may offer patients more continuous relief from currently available drugs. But—as experts testifying recently before Chairman Henry Waxman's health subcommittee strongly asserted—many patients now die in needless agony because they are denied access to heroin, the one drug that could relieve their pain.

Heroin has come into increasing use as a painkiller in Great Britain in recent years because of its demonstrated superiority in treating certain cancer patients. Heroin acts faster than morphine and other widely used painkillers, and it can also be administered in smaller doses—an important consideration in treating emaciated patients. Moreover, unlike other potent drugs, it does not make the patient comatose, depressed, nauseous or hallucinatory. As a result, patients are able to remain alert, communicate with other family members and, because anxiety and depression are relieved, may also live longer.

Heroin was banned from medical practice in this country in 1924 because of fears that it would be diverted to illegal street use—an unwarranted fear that still motivates opponents of the proposed legislation. Since only very small quantities of the drug would have to be kept by hospitals—most cancer patients do not suffer intractable pain—the same precautions used to guard other street-valuable drugs would be adequate to prevent misuse. To be on the safe side the proposed legislation adds still further controls.

Right now hundreds, perhaps thousands, of cancer patients are racked with pain while their families watch in despair. In testifying before the Waxman committee, Dr. Allen Mondzac, chairman of the D.C. Medical Society's Cancer Committee, noted that "right now, in America, we know of a drug which is the most potent, effective, soluble and rapidly active narcotic ever created. It is not available. I do not understand this." Neither do we.

[From the Los Angeles Times, Nov. 9, 1983]

Relief for the Terminally Ill

Abhorrence of heroin and the national commitment to eradicate its abuse have led to an unreasonable resistance to legislation that would permit the use of this drug in the one justifiable form—to relieve the agony of terminally ill cancer patients. There is now an opportunity to correct that, and to open to hundreds of Americans a relief from the terrible pain that responds to no other analgesic.

Senator Daniel K. Inouye (D-Hawaii) has taken the lead with the support of 15 other senators, Republicans and Democrats, brought together by the overwhelming evidence that doctors require this added tool if they are to relieve the otherwise intractable pain of many cancer patients. One of the group, Sen. Dennis DeConcini (D-Ariz.), is now planning to offer the proposal as an amendment to the National Institutes of Health reauthorization act. It deserves the support of all members of Congress.

Under present regulations, doctors must rely on morphine in controlling pain. It has proved effective in most cases. Tests in the United States, reported last year in scientific journals, found the two drugs of equal effectiveness. But many patients develop a tolerance to morphine over a prolonged period, and the drug loses its effectiveness.

Heroin has proved effective in these cases. In Great Britain, where doctors have the option of morphine or heroin, the use of heroin is increasing rapidly because of its demonstrated superiority in certain cases. Forty-seven nations now permit the medical use of heroin.

One advantage of heroin is its potency. "A small subgroup of patients requiring large, intramuscular injections could benefit from heroin because it is more water-soluble as well as more potent than morphine," it was reported in Medical News. In cases of this sort, more massive injections of morphine forced into the emaciated bodies of the dying patient can be a source of additional severe pain.

Nothing in the proposed legislation can address a fundamental problem in the United States. That problem is the failure of many physicians to comprehend pain control, now a highly developed specialization in the medical profession. Ignorance of new techniques and reliance on programs geared to timetables rather than to the comfort of patients have left many people unnecessarily in intractable pain, according to experts.

The proposed legislation would limit heroin to terminal cancer patients in licensed hospitals, with peer review required for any doctor's decision to use it. That may prove unreasonably restrictive, particularly because it would deny applications in the home-oriented hospice program how being funded by Medicare. But it is a start. And Inouye's staff is convinced that the understandable horror of heroin abuse precludes going farther at this time.

"We have to take whatever we can get," according to Judith H. Quattlebaum, president of the National Committee on the Treatment of Intractable Pain. To do less would be a cruel rejection of this additional tool for controlling acute suffering.

THE VALUE IN HEROIN

Heroin is a curse for otherwise healthy addicts. But it is also a potent analgesic, valued by many physicians in treating the pain of terminally ill cancer patients. That is why Representative Henry Waxman's bill authorizing strictly limited use in hospitals and hospices deserves support.

First synthesized in Britain in 1874, heroin replaced morphine as the most popular injectable painkiller. It was legally used—and abused—in the United States until 1924, when Congress outlawed its import and manufacture.

Since then, dozens of other powerful analgesics have been synthesized, most of them addicting. But in Britain, heroin remains the painkiller of choice whenever addiction risk is a secondary consideration, and for good reason.

According to Dr. Allen Mondzac, director of the Warwick Cancer Clinic at George Washington University, heroin's high potency combined with its solubility make it the most efficient drug for controlling pain in extremely ill patients. In addition, the euphoric effect that so attracts addicts counteracts the depression experienced by chronic users of other painkillers.

The Reagan Administration, fearing that the drug would be diverted to the illegal market, opposes Government manufacture of heroin and distribution through hospital and hospice pharmacies. There is undoubtedly some risk that a trickle of Government heroin would be added to the river of illegally imported narcotics. But as long as physicians believe that heroin is better than any other drug for easing the trauma of dying cancer patients, that risk ought to be worth taking.

[From the News American, Baltimore, Md., Mar. 25, 1982]

HEROIN FOR THE TERMINALLY ILL

(By William F. Buckley, Jr.)

Finally, somebody has got around to introducing an amendment to the Controlled Substances Act, designed to make it possible to administer heroin to some patients dying of cancer. The hero in the case is Sen. Daniel Inouye of Hawaii, and the word "hero" is not used flippantly, because inevitably there will be those who accuse the senator of adding to the drug problem. A little thought, and a little patience, will dispose of these charges, but not everyone is willing to give a little thought, or to show a little patience, in discussing the problem of heroin. What would be ideal is to bring together the critics of Mr. Inouye's bill and some human beings who, as I write, are screaming (I do not use a metaphor) with pain.

Here are some interesting figures brought out by Sen. Inouye in his speech introducing S. 2013. There are 400,000 Americans alive today who within the next 12 months will die of cancer. Eighty thousand of those condemned will suffer "significant" pain. And of these, 8,000 will experience agony that is not mitigated by such prescriptions as are currently allowed. After a while, morphine just doesn't work with some people.

Why it took so long to come through with a medically reliable experiment is something to wonder about, inasmuch as the use of heroin has been outlawed since 1924. Anyway, thanks to the Vince Lombardi Cancer Research Institute of Georgetown, an experiment was conducted. Forth-eight cancer patients suffering serious pain were injected, one-half with heroin, one-half with morphine, by nurses who did not know which substance they were administering. It transpired that the patients rated heroin as two and one-half times more effective than morphine in bringing relief.

This experiment, together with accumulated testimony from Great Britain and from 37 other countries that tolerate carefully supervised use of heroin brought an endorsement from the *New England Journal of Medicine* and subsequently from the American Psychiatric Association.

Senator Inouye's bill, backed now by 15 members of the Senate, an ideologically uncolored coalition ranging from left (Sen. Carl Levin, D-Mich.) to right (Sen. Steven Symms, R-Idaho), is cautious in several wholly understandable respects. The medical doctor in charge of a patient for whom the use of heroin might be appropriate must first himself recommend the drug's use and then submit his recommendation to a medical review board. If the recommendation is there sustained, the hospital will dispense the heroin from supplies made available by the Department of Health and Human Services from the abundant heroin now confiscated under current laws.

A strict accounting is envisioned, so that the amount of heroin released must correspond with the amount administered. Moreover, Senator Inouye's bill calls for reconsideration of the program after five years. It is difficult to think of anything he left out, save possibly a provision that anyone receiving the heroin and not dead within 90 days must be given an overdose.

It is difficult, Mr. Inouye having stepped forward and broken the taboo, to imagine Congress not acting favorably on this proposal. If it does so, although the legislative credit goes to Mr. Inouye, the moral credit goes to Mrs. Judith Quattlebaum, the president of the National Committee on the Treatment of Intractable Pain (9300 River Road, Potomac, Md. 20854).

She has fought for this bill for five years. During that period, 40,000 Americans have died in needlessly aggravated pain. She has dogged legislators, accumulated scientific evidence, written to newspapers (the bill has received a number of editorial endorsements, including a most vigorous one from the Detroit News and the Federal Times).

Almost every week, an additional senator steps forward to associate himself with the Inouye bill. So will it prove, I think, popular in the House.

It has been remarked that nothing is easier to get used to than other people's pain. This is unhappily correct, and perhaps necessarily so, because if one were as much involved in mankind as John Donne said we should be, there could be no happiness, ever. With Mrs. Quattlebaum we'll be entitled to such happiness as is due to those helpful in relieving the misery of others.

[From the New England Journal of Medicine]

IN DEFENSE OF THE REINTRODUCTION OF HEROIN INTO AMERICAN MEDICAL PRACTICE AND H.R. 5290—THE COMPASSIONATE PAIN RELIEF ACT

(By Allen M. Mondzac, M.D.)

Heroin has been in continuous use since its creation in England by Wright in 1874. The drug was synthesized by acetylating morphine and is therefore a semisynthetic narcotic. Its chemical name is diacetylmorphine, or diamorphine. It was named heroin by the Bayer Company of Germany, which first marketed it widely, in 1898. The drug met with great success and was used as a narcotic analgesic, antitussive, and antidyspnea agent. Heroin was widely prescribed, and many users became addicted. This result was inevitable since little was understood about narcotics and drug addiction.

In what can be described as a panic reaction of the federal government to curb the growing problem of opiate addiction in America, the manufacture and importation of heroin was banned in the United States by the Harrison Narcotics Act of 1924. The legislation was intended to supplant the 1914 Harrison Act, which restricted the use of cocaine and opiates to medical purposes and required a licensed physician's prescription to obtain the drugs. After passage of the 1924 law, although use was not prohibited, it dropped off considerably. In 1956 all hospitals and private physicians who had retained heroin had to relinquish it. Jefferson Hospital in Philadelphia obtained permission from the Bureau of Narcotics and Dangerous Drugs to keep its supply, which it had used judiciously since 1924, until it relinquished the remainder in 1960. Since that time there has been no legal heroin in the United States. It should be noted that in Britain the medical use of heroin continued despite the American legislation and has increased, especially for pain control. In 1970 Congress passed Public Law 91-513, which gave the Office of the Attorney General power to move heroin from schedule I to schedule II, if it so desired.

Since 1974 a grass-roots movement led by the National Committee for the Treatment of Intractable Pain, headed by its founder, Judith Quattlebaum, has been trying to make heroin available again in the United

States for pain control. The Compassionate Pain Relief Act (H.R. 5290), introduced by the Honorable Henry Waxman in February 1984, is the culmination of 10 years of work by the committee. The bill provides a mechanism for the reintroduction of heroin into American medicine.

I would like to discuss the chemical and pharmacologic properties of heroin that makes it unique, and then the benefits of H.R. 5290 and how its passage into law will help American society.

Heroin has been studied very little, considering that it has been used for 100 years. Scientists have seemed afraid to tamper with this strong opiate. Most studies have compared it with morphine.[1 3] They have shown that diacetylmorphine has an earlier onset of action than morphine, causes less nausea and vomiting, and induces more sedation.[4] When heroin is given orally it is rapidly and completely absorbed and deacetylated promptly in the liver to morphine and 6-alpha-mono-acetylmorphine. It acts as a pro-drug for morphine.[3] Most researchers consider oral heroin to be the same as morphine, although the pharmacokinetics of an important metabolite of heroin, 6-acetylmorphine, have never been studied in human beings.[3] The absorption of oral heroin is 1.5 times greater than that of morphine, and the potency of heroin is 2.5 times greater. Increasing the dose of oral morphine can abolish this difference in potency, but it is assumed that the increased dose will be tolerated. These facts have not been addressed in the literature. Furthermore, in the most widely cited study comparing oral heroin and morphine and showing them to be equal, both treatment groups received other medications for pain (steroids, phenothizines, antidepressives, and benzodiazepines).[1] The author of this study[1] questioned his findings and suggested that other results might be obtained if the narcotics were used in a purely single-drug study. This observation has been ignored by workers who have used these data to demonstrate the similarity of heroin to morphine. Therefore, oral heroin, which has not been adequately studied, may be more than just pro-drug for morphine and may yet have an important role in pain relief.

When given parenterally, heroin is markedly different from morphine. Both heroin and acetylated morphine are detectable in the blood after injections.[3] The rapid organ clearance and uptake by the brain, limited only by blood flow, allow high levels of heroin to be reached in the brain, where the drug is hydrolyzed to 6-acetylmorphine and morphine and where these metabolites are retained. This phenomenon is undoubtedly due to the chemical structure of heroin and to plasma binding and lipid solubility.[5] These data irrefutably distinguish heroin from morphine and account for the unique and superior properties of parenteral heroin: rapidly of onset, power to sedate, lack of nausea, increased potency (2.5 times greater than morphine),[4] and high potential for addiction.

Although trials comparing long-term oral heroin administration with long-term oral morphine administration have been carried out,[1] such studies have not been performed with parenteral heroin and morphine. Twycross, who reportedly showed the similarity of the two oral drugs in his self-admittedly flawed study,[1] denies the feasibility of a similar comparison of the parenteral drugs. He states "it has never been suggested that morphine is better than diamorphine [heroin] and . . . results would still leave diamorphine with the practical advantage of being more soluble."[4] This high solubility is one of heroin's other unique chemical properties; up to 120 mg can be given in an injection of 0.2 ml, and the average therapeutic dose can be dissolved in less than 0.1 ml. Because of the limited solubility of morphine, doses including equivalent analgesia would require a 20-ml injection—an unwieldy and painful procedure if the injection is given subcutaneously or intramuscularly. Twycross estimates that, excluding patients who receive heroin for less than 24 hours, 10 to 19 percent of cancer patients in a hospice setting may need the drug, when only solubility and injection size are used as criteria for need.[4] The solubility of heroin, combined with its rapid onset, short duration of effect, little or no induction of nausea, and high analgesic potency make it the drug of choice when parenteral narcotics are needed.

Unfortunately research in the United States that compares parenteral morphine with parenteral heroin has been limited to single-dose studies in postoperative patients[2] or patients with chronic pain.[3 6] These widely cited studies show no clinical difference between parenteral morphine and heroin. This conclusion is very misleading because these studies have no relation to the repeated use of heroin for chronic pain. There has been no study in cancer patients that has evaluated regular use of parenteral heroin for chronic pain.

Because of the unique properties that heroin possesses, one can easily agree with researchers in the field who state that even with the present, limited knowledge of narcotic actions, there is a group of patients who will requre heroin because of its solubility[4] and unique properties[7] and because of the biovariability in response to narcotics that may exist among patients with cancer.[6 9]

Because of its solubility, Dilaudid (hydromorphone) has been proposed as a substitute for heroin.[7 10] A new ultrasoluble form of hydromorphone, called Dilaudid-HP, has been marketed by Knoll Pharmaceuticals. Although Dilaudid has been shown to be more potent than morphine, there are unfortunately no studies comparing Dilaudid or Dilaudid-HP with heroin in clinical situations. The one available study, which compares single-dose Dilaudid with heroin for preoperative patients, indicated that Dilaudid has more side effects and less analgesic efficacy than heroin.[11] Because of the well-recognized individual variations in drug tolerance and analgesic response, the place of Dilaudid-HP in the analgesic armamentarium is unclear. It is not acceptable as a substitute for heroin at present.

H.R. 5290—The Compassionate Pain Relief Act—provides a means to reintroduce heroin into American medicine. If this measure becomes law, American doctors will join with British colleagues in having a choice about the right analgesic for their patients. Physicians in this country will be given the freedom and responsibility to provide heroin to patients who need it—those who are not helped by the available drugs for pain.

The Waxman bill provides a comprehensive and intelligent system for distributing heroin. Since all evidence seems to point to the superiority of parenteral to oral heroin, the bill provides for the availability of the parenteral form only. H.R. 5290 also states specifically that heroin would be available only to patients with cancer in "situation where conventional analgesics are ineffective or contraindicated," which would limit the number of potential users and the amount of heroin that would be in circulation or in any pharmacy at a given time. Fear of criminal diversion of even this limited amount of heroin to addicts has clouded the thinking of the Department of Health and Human Services, the American Medical Association, and the American College of Physicians. All these institutions are opposed to reintroducing heroin into medical practice because of this fear. In the light of the pioneer work of Beaver[7] and Twycross,[12] the fear of addiction and dependency among patients should no longer be an issue. In fact, the widely accepted narcotics Dilaudid and morphine have a potential for addiction that is identical to that of heroin.

The Waxman bill as amended and approved in March 1984 by the Committee on Energy and Commerce would allow distribution of heroin by prescriptions written by physicians registered under Section 302 of the Controlled Substances Act, and then only through hospice or hospital pharmacies. This would drastically limit the number of pharmacies that would stock heroin, and should quiet the fears of those who say that there will be widespread thefts of legal heroin. Hospital pharmacies have always stocked morphine. Dilaudid, barbiturates, and amphetamines. Indeed, some now stock marijuana (delta-9-tetrahydrocannabinol) tablets for nausea, which are distributed through hospital pharmacies under a program of the National Cancer Institute and the Drug Enforcement Administration. Data from the Drug Enforcement Administration for 1982 show that robberies at retail pharmacies accounted for 96 percent of robberies for drugs, but that robberies of hospital pharmacies represented only 3 percent of robberies in the same period.[13] In the United Kingdom, where heroin consumption for pain is rising (from 51 kg in 1971 to 150 kg in 1982),[14] theft from pharmacies is not a problem. Chief Inspector H. B. Spear of the Home Office (Great Britain) submitted testimony to the Waxman committee, stating that "the lawful availability of heroin poses no greater security threat than for other similar drugs." He also noted that when thefts did occur, they involved the whole stock of drugs, not just heroin. In the Waxman bill, the rules for physicians writing prescriptions for heroin would be more stringent than those in effect in Britain, since British doctors can prescribe both oral and parenteral forms for the treatment of any medical condition except addiction (for which only specifically appointed doctors may prescribe).

Since one could argue that the crime-ridden, lawless, frontier-style, gun-slinging amoral United States is not like well-behaved, decorous Great Britain, opponents of the bill believe that criminal diversion would occur here in spite of police surveillance of hospital and hospice pharmacies stocking heroin. Professor Arnold Trebach, a noted criminologist, has pointed out some interesting data in his testimony before the Waxman committee, on the projected impact of such criminal diversion. Taking the ratio of morphine use to heroin use in Britain (7:3) and applying it to the use of morphine in the United States in 1982, he estimated that the amount of heroin that might be used under the Waxman bill would be 228 kg per year. After quoting estimates by government agencies that 4 to 10 metric tons of illegal heroin come into the United States every year, he assumed that if through some disaster the 228 kg of legal heroin were diverted by criminals and added to the amount on the street, it would account for only 4 percent of the total amount of illegal heroin in the United States. This startling statistic indicates how unimportant the problem of criminal diversion is as compared with actual heroin use. Furthermore, it shows that under controlled distribution, the Waxman bill would not cause any major increase in existing addiction problems, pharmacy thefts, or criminal activity.

The bill wisely calls for a review of heroin use every three months by the Secretary of Health and Human Services and the House Health Subcommittee and also sets up a trial period of four years. These provisions would allow ongoing review to provide guidelines for the future.

Since I have stated what the bill would not do, I will now state its most important effects and why I am in favor of it. (1) It would give American doctors a wider choice of analgesics to use. (2) It would remove from American doctors the stigma and the terror laid on the profession by the 1924 Harrison Narcotics Act, which held that doctors could not safely and prudently prescribe a potent narcotic like heroin. (3) It would end the antiquated posture of the drug-enforcement bureaucracy, which prevents cancer patients from receiving a narcotic that they may need medically. (4) It would allow creative researchers of pain relief to stop trying to prove that heroin is not good and to discover why it is good and to use that knowledge constructively. It would enable them to understand why during the largest evaluation of heroin in vivo—the British experience since 1874—doctors gave heroin to 30 percent of all cancer patients in hospices. (5) Finally, the bill shows that the government would accept addicting and potent narcotics and trust physicians and patients with them. In this atmosphere, new ideas, new drugs, and new approaches would develop.

The "heroin movement" created in 1974 by the National Committee for the Treatment of Intractable Pain has fostered the atmosphere that now exists in the United States, where pain research, terminal care, and studies on the comfort of patients are beginning. Now, pain control is discussed openly on rounds; nurses and doctors are starting to be concerned, not about addiction, but about giving enough of the right narcotic to the suffering patient. American medicine is ready to have heroin again.

FOOTNOTES

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[From the National Committee on the Treatment of Intractable Pain]

ROLLIN/SHAPIRO TO AID NCTIP

Betty Rollin is the author of Last Wish, a book about her mother—dying, slowly, in great pain, of cancer—and about Betty's wrenching emotions as she helped her mother have her last wish: to die with dignity, by suicide, before losing control of her life to the unrelenting pain.

Ms. Rollin responded to a NCTIP query about possible common goals and efforts enthusiastically, and met twice with Judy Quattlebaum, Barbara DeMarneffe, and Selma Shapiro, a New York public relations professional. The crucial point where their efforts overlapped was that the terrible decision about suicide might not face cancer patients if preventing terminal cancer pain were given a high enough priority and heroin were available.

A public relations plan has been fashioned, built around Betty's September nationwide tour to introduce the paperback edition of *"Last Wish."* She will mention NCTIP's work when possible in her public and television appearances.

Selma Shapiro has devoted her professional career to public relations in the literary world. She now has established her own firm but was previously vice president of publicity and public relations at Random House.

NCTIP thanks these two compassionate and generous women for their encouragement and support.

MAJOR ARTICLE ON HEROIN APPEARS IN HEALTH LAW JOURNAL

Congress, rather than the courts, must act to legalize the medicinal use of heroin, according to a recent article in The Journal of Contemporary Health Law and Policy. "It is time for Congress to mitigate the law enforcement message of the past decades and offer a new perception of a compassionate, balanced, and hopeful drug policy for this nation," concludes author Suzanne Marcus Stoll.

Reprints of "Why Not Heroin? The Controversy Surrounding the Legalization of Heroin for Therapeutic Purposes" are available from NCTIP. Please send at least $3 to cover costs.

[From the Journal of Contemporary Health Law and Policy]

WHY NOT HEROIN? THE CONTROVERSY SURROUNDING THE LEGALIZATION OF HEROIN FOR THERAPEUTIC PURPOSES

(By Suzanne Marcus Stoll)

INTRODUCTION

"Right now, in America, we know of a drug which is the most potent, effective, soluble, and rapidly active narcotic ever created. It is not available. I do not understand this." [1]

A noted oncologist testified before a House Subcommittee to encourage the legalization of heroin for the purpose of easing the pain experienced by many terminally ill cancer victims.[2] The issue is an emotionally charged one in which medical, legal, ethical, personal, and societal values collide. Proponents of limited legalization of heroin are led by the relatives of cancer victims and their legal and medical advocates.[3] Among them are many distinguished members of the medical and research communities who maintain that heroin is the most soluble and potent narcotic for pain relief,[4] that it clearly works for some patients for whom all else fails,[5] and that its therapeutic use presents no appreciable risk to the community.[6]

Legal advocates of heroin's therapeutic use contend that the judicially recognized constitutional right of privacy extends to the relevant medical decision,[7] that the prohibition of heroin for therapeutic purposes represents a deprivation of due process for cancer victims,[8] and that, in some instances, the common law defense of necessity justifies the use of illicit drugs.[9]

Opponents are equally vocal. They include the institutional regulators of licit and illicit drugs: the Department of Health and Human Services (HHS) and its specialized arm, the Food and Drug Administration (FDA), and the Drug Enforcement Administration (DEA), which is responsible for categorizing drugs into one of five levels of abuse potential.[10] Upon recommendation from HHS, the DEA scheduled heroin into Schedule I. This is the most restrictive class, and prohibits all use except for closely controlled research.

Official government sources now maintain that heroin is not preferable to morphine for pain relief [11] and that the advent of new synthetic narcotics makes the heroin issue moot.[12] Representatives of the medical profession, including the American Medical Association, report that more efficacious drugs exist for the same purpose and that ineffective pain management techniques are the problem for cancer patients, rather than the prohibition of a pain-killing drug.[13] Finally, law enforcement officials as well as pharmacists and many citizens are fearful that heroin will be diverted from the pharmacy to the street.[14]

The American debate over the medicinal use of heroin has raged for over sixty years, but its current focus is more refined than ever before: Should heroin be available in hospital and hospice pharmacies to provide analgesic alternatives for patients experiencing severe pain from terminal cancer? [15] It is estimated that eight thousand to forty thousand Americans suffer every year from

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Footnotes at end of article.

pain so profound that no currently available medication is effective.[16] For them, the modern link between cancer and heroin may be the avenue to relief. For others, the cancer-heroin association ironically pairs America's most feared disease with its most feared drug of abuse.

Because the heroin dilemma strikes a nerve in the American public, the legalization of heroin for therapeutic purposes has become a focal point in the lay press[17] as well as for legal and medical experts. Americans are acutely aware that one of every four people will be afflicted with some form of cancer during his lifetime and that nearly everyone will be affected by the impact of the disease on family members or friends. In this context, congressional initiatives to legalize heroin for specific therapeutic purposes have sparked greater public interest than similar bills in the past. The Compassionate Pain Relief Act was, however, defeated during the closing days of the 98th Congress.[18]

This note will demonstrate a two-pronged approach to the legalization of heroin for therapeutic purposes. The first approach requires a more favorable judicial interpretation of the right of privacy as inclusive of the medical choice to take unauthorized or illicit drugs to alleviate intractable pain in dying patients. Parallels to the laetrile controversy offer guidance as to how heroin will fare in the courts: the choice to elect heroin therapy as a function of the right of privacy is likely to fall victim to compelling state interests. Still, the right of privacy is the best judicial ground upon which to establish a basis and seek future inroads.

The second and more promising approach is through congressional action. Public policy demands that all available effective cancer treatments be part of the physician's armamentarium to fight the disease. Congress can bypass the administrative logjam of the FDA's "new drug" procedures and provide for limited access for those patients whose conditions justify the use of heroin.

Furthermore, this note will trace the history of heroin's prohibition in this country and the medical issues at stake in the current controversy. It will proceed to explore the constitutional basis for legalizing heroin on a limited basis. Finally, it will focus on congressional efforts to provide a compassionate response to a profoundly human dilemma and conclude that the advocates of heroin's medical use still face major obstacles in their efforts to gain limited legal status for the controversial drug.

THE HISTORY

In 1914, the Harrison Narcotics Act banned the recreational use of heroin in the United States in conjunction with an international initiative to stem the growing number of opium addicts.[19] While the Act specifically prohibited the recreational use of the drug, it left the door open for the prescription of heroin by doctors "in good faith" and "in the legitimate practice of (the) profession."[20]

The physician's right to prescribe heroin, however, was soon proscribed by two significant Supreme Court decisions. In 1918, the Court held in *Webb* v. *United States*[21] that it was never appropriate for a doctor to prescribe heroin to addicts. In the *United States* v. *Behrman*,[22] four years later, doctors were held strictly liable for prescriptions which "could only result in the gratification of a diseased appetite for those pernicious drugs."[23] While the statute in question in *Behrman* specifically excluded physicians from its prohibition against drug dealing, the government charged "facts sufficient to show that the accused was not within the exception."[24] The Court concluded that the defendant physician was in violation of the Act because he indiscriminately prescribed the drug to a known addict.

In 1924, the House Ways and Means Committee held hearings to amend the Harrison Act, whose intent was to further restrict the importation of opium for exclusively medicinal purposes.[25] Public concern about growing addiction problems and criminal conduct associated with the drug fanned the furor in favor of the simply worded amendment: "Provided, that no crude opium may be imported for the purpose of manufacturing heroin."[26] Testimony from the American Medical Association (AMA) and the then United States Surgeon General illustrated the low regard into which heroin had fallen. The Surgeon General alleged that the drug erased all moral sense while the physicians speaking for the AMA indicated that codeine was a good substitute for heroin.[27] In short, the medical testimony was more sensational than it was substantive[28] and the ban on heroin reflected its growing disrepute in the medical community.

The diversion question was also confused by the emotion and tenor of the testimony. While evidence was introduced that, of ten thousand addicts in New York State, only two percent could trace their addiction to medical treatment, the momentum to outlaw all heroin use was underway. Testimony that seventy-six thousand ounces of heroin were sold on New York's black market, while only fifty-eight ounces were prescribed by all of the physicians in the state during the same period, was disregarded by those calling for the complete abolition of the drug.[29]

One commentator has suggested that the 1924 hearings were a miscarriage of justice resulting in a deprivation of due process for many Americans from that time until the present. In testimony before the House Subcommittee on Health and the Environment in 1984, Arnold Trebach, author of "The Heroin Solution," said of the early hearings, "No original or empirical evidence was introduced to demonstrate that there was a connection between the creation of addicts and the presence of this drug in medical practice."[30]

In 1970, Congress passed the Comprehensive Drug Abuse Prevention and Control Act which repealed the Harrison Narcotics Act and provided a new framework of drug enforcement. Title II of the new Act mandated the establishment of five schedules of drugs based on degree of abuse potential, known effects, harmfulness, and level of accepted medical use.[31] Heroin was classified in Schedule I, the most restrictive category, and has remained there despite congressional attempts to reschedule it to allow more latitude in testing and medical use.[32]

Schedule I criteria are identified as follows:

1. The drug or other substance has a high potential for abuse.

2. The drug or other substance has no currently accepted medical use in treatment in the United States.

3. A lack of accepted safety precautions for use of the drug or other substance under medical supervision.[33]

During the 1980 hearings by the House Select Committee on Narcotics Abuse and Control, the scheduling dilemma of substances such as heroin and specifically marijuana (also Schedule I) was dramatized in a dialogue between Congressman Stephen Neal and a panel of cancer researchers:

Mr. NEAL. Well, just for the record, it's my understanding . . . that the assumption for a drug to be in Schedule I is that it has no medical use. And just for the record, I want to make it clear that you all, the three of you, are saying there are very definite medical uses for these substances.

Dr. SALLAN. Most definitely.

Dr. GARB. Sir, I would add there are a lot more than three of us . . . .

Mr. NEAL. Well, now, would you say this about THC only, or about THC and marijuana?

Dr. SALLAN. I would say it about both, but I have much less certainty about marijuana because it doesn't have the same scientific rigor in the study at this time.

Mr. NEAL. Well, then, we need more study, but to get the study, we need a substance available to you to study, but as long as it's under Schedule I, it will not be available, because the assumption will be that there is no medical use. It's a Catch-22 situation, it seems to me.[34]

While Congressman Neal fairly characterized the "no medical use" irony, the United States government did make accommodations for two testing situations to analyze the effectiveness of heroin in medical use. These two studies, the Memorial Sloane Kettering Study and the Georgetown Study, will be discussed in the following section.

The United States experience with heroin contrasts sharply with that of the United Kingdom. Over ninety-five percent of all licit heroin is prescribed in England where the drug has been widely used in hospices for pain control.[35] Currently, heroin is used in a 3:7 ration with morphine. Its status as the medication of choice in severe pain situations has increased over the decades.[36]

In addition to England, twenty-six nations specifically allow for medical channeling of heroin by qualified physicians.[37] Eleven more apply the same restrictions to heroin use as other narcotic analgesics and ten more nations have given specific government approval to the use of heroin.[38] The United States, however, allows morphine a relatively favorable Schedule II classification in spite of its heroin-like narcotic properties while classifying marijuana as a Schedule I drug along with heroin. Clearly, the United States maintains a model of drug control more suited to law enforcement than to medical concerns. In spite of the positive experience of doctors and patients in twenty-seven other nations, many American lawmakers, doctors, and citizens still fear that the controlled introduction of heroin into medical practice would undermine the American system of drug enforcement and implicitly condone drug production and trafficking on an international scale.[39]

THE MEDICAL CONTROVERSY

Pain as a sympton involves at least fifty per cent of cancer victims and may become a serious management problem for at least fifteen to twenty per cent of those individuals.[40] It is this proportion of cancer patients for whom heroin would provide an essential pain-killing alternative. Dr. William Beaver, who conducted the most recent government-sponsored study of heroin's therapeutic value at Georgetown Medical Center, noted: "There will be individual patients who respond better to heroin for reasons we do not understand."[41] Since no two analgesics have properties that are identical, patients with different reactions may tolerate one analgesic and not another. "This fact alone justifies a variety of alternative drugs available," [42]

Comparisons between heroin, morphine, and other analgesics usually break down into several distinct categories:

1. Potency—Heroin is highly potent (2.7 times more potent than morphine) thus allowing smaller doses to be administered to produce equivalent pain relief. This consideration is extremely important when administering a drug to patients with wasted muscle mass.[43] Those who oppose heroin's use cite a new strong form of Dilaudid as being equally effective.[44]

2. Onset—Heroin's action is rapid and produces relief quicker than other drugs. Again, critics maintain that more effective pain management would offset this advantage.[45]

3. Attitude—Heroin produces euphoric feelings in most patients rather than the depression and anxiety that often follow morphine intake. Mood elevation differences, however, were not perceived as significant in the latest two studies of the drug.[46]

In the Beaver study, conducted at Georgetown University Vincent T. Lombardi Cancer Research Center, fifty-two patients with incurable cancer received one injection of heroin and another of morphine to combat pain. The results indicated heroin to be more potent, more soluble, and faster acting.[47]

The Sloane Kettering study, conducted by Dr. Raymong Houde, treated post-operative pain in cancer patients.[48] Results indicate that heroin was about twice as potent as morphine, that it provided a peak effect earlier than morphine, that doses with equal analgesic effects provided comparable improvements in various elements of mood, but that the peak arrived sooner with heroin. Furthermore, pain relief and mood improvement were less sustained after heroin at equal doses and in the researcher's opinion, heroin had no unique advantage for the relief of pain in patients with cancer.[49]

It is clear that the medical controversy over heroin's therapeutic use would not exist but for the criminal aspects of heroin's identity. Even its detractors find that heroin is neither more advantageous nor disadvantageous than other legal alternatives for the relief of pain. Where the issue of addiction is moot, as in the case of terminally ill patients, unwillingness to include heroin as a therapeutic option is a reaction to its character as a potentially addicting drug.

According to oncologist Allen Mondzac, "With each patient, there is a potential for using up all of the existing drugs." [50] The availability of heroin would extend the physician's potential pain-killing remedies to one more effective therapy. Heroin's current outlaw status denies doctors and patients that alternative.

THE LEGAL ISSUES

The Right to Privacy—Griswold v. Connecticut

The decision to use heroin to mitigate the agony of cancer pain enjoys no explicit constitutional protection. The complicated interplay of personal autonomy, illicit drug use, human suffering, and medical necessity creates a legal paradox that is at once intensely intimate and starkly public in nature. The question is basic: whether a person's choice to use heroin should be fundamentally protected against coercion by law.[51] The answer lies in the developing right of privacy which has been held to encompass something beyond the issues of marital choice, procreation, conception, and child-rearing and to embrace "an interest in independence in making certain kinds of important decisions." [52] No decision can be more profound than that implicit in the heroin dilemma.

The right of privacy was first judicially recognized in *Griswold v. Connecticut* in 1965.[53] *Griswold* raised the question of whether a married couple living in Connecticut could be imprisoned for using birth control. Under the operative state statute, the use of any device to prevent conception was criminal. The Supreme Court struck down the statute, declaring that "marriage is . . . intimate to the degree of being sacred," [54] and is subject to constitutional protections under the privacy right "older than the Bill of Rights."[55] Justice Douglas, speaking for the majority, located substantive protection for marital intimacy in a "zone of privacy" created by several fundamental guarantees emanating from penumbras of the first, third, fourth, fifth, and ninth amendments.[56]

Justice Goldberg's *Griswold* concurrence identified the source of the privacy right in the ninth amendment and defined a test to determine whether a fundamental right worthy of constitutional protection exists. He directed judges to look to the "collective conscience of the people" to find whether a principle is so firmly rooted as to be ranked fundamental. The inquiry explored whether the right involved is of such a character that it cannot be denied without violating those "fundamental principles of liberty and justice which lie at the base of all of our civil and political institutions." [57] With the same breadth of philosophical conviction, Justice Harlan located the privacy right among those "basic values implicit in the concept of ordered liberty," [58] and suggested a fourteenth amendment due process analysis to determine whether such a right has been violated.

The *Griswold* Court concluded that a married couple's right to use contraceptives is fundamental and protected by the constitutional right of privacy, however abstract and circuitous the route to that protection. Seven years later, the same right was extended to unmarried persons in ***Eisenstadt v. Baird.***[59]

As the court construes the right to privacy, its decisions rest on a recognition of values implicit in our way of life and philosophy as a nation, rather than on any strict construction of a concept. The celebrated Brandeis statement in *Olmstead v. United States* [60] conveyed the tone that would underlie so many future decisions.

"The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings and his intellect. They knew that only a part of the pain, pleasure and satisfactions of life are to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions and sensations. They conferred, as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized men." [61]

The distance between the subjective recognition of collective and natural values and a concrete source for the protection of those values led the *Griswold* Court to explore several constitutional constructions. It is that same distance, still untraveled, that deprives the current heroin issue of a humane solution.

Development of the Right of Privacy

The evolution of the privacy right continued in the famous "abortion cases" of 1973: *Roe v. Wade* [62] and *Doe v. Bolton.*[63] In *Roe*, the Court concluded that the right to personal privacy includes the right to an abortion but that "this right is not unqualified and must be considered against important state interest in regulation." [64] The balancing test of a fundamental right versus a compelling state interest became the hallmark of personal health and privacy decisions in the courts. In his *Roe* concurrence, Justice Douglas explicitly includes within the term "liberty" in the Fourteenth Amendment "the freedom to care for one's own health and person . . . subject to regulation on a showing of 'compelling state interes'." [65] His observation is a forerunner of the complex health and enforcement questions that characterize the heroin dilemma today.

The balancing test of *Roe v. Wade* is operative in *Whalen v. Roe* [66] four years later. *Whalen* clearly establishes the state's right to regualte dangerous drugs in the face of individual privacy interests. The Court upheld a New York statute requiring the registration of all medical prescriptions for addictive drugs to control abuse. The Court distinguished the state's interest in recordkeeping from the individual's right to decide what drugs to take: "within dosage limits . . . the decision to prescribe, or to use, if left entirely to the physician and the patient." [67] Yet, while acknowledging the "individual interest in avoiding disclosure of personal matters," [68] the Court nonetheless upheld the right of the state to maintain the names of those selecting certain substances. In the view of the Court, the state's interest in recordkeeping, while compelling disclosure, was justified and fell short of invading an individual's liberty right.[69] Thus, the Court recognized relative levels of intrusion into personal decision-making, further emphasizing the less than absolute nature of the fundamental right of privacy.

Choice of Treatment

The choice of treatment as an element of the right of privacy may be considered in three separate contexts. The first is the right to choose from among approved methods of treatment, a well-established legal right which threatens no state interest and implies informed consent on the part of the patient.

The right to refuse treatment is the second and more complex issue. It was tested as early as 1904 when a man named Jacobsen refused a smallpox vaccination on the basis of every man's right to control the sanctity of his body.[70] The Court held that the state's interest in preventing the spread of disease overrode Jacobsen's personal right to refuse treatment. The Court implied that the right to refuse treatment would be upheld only when the individual's choice is informed, and society's interest would not be harmed.

In *In re Quinlan,*[71] the court's focus was limited to the right to decline life-prolonging treatment when the patient has no realistic hope of returning to "any semblance of cognitive or sapient life." [72] The issue was further complicated by the patient's comatose state and her subsequent inability to represent her own interests before the court. The court held that her father could decide to cease life-prolonging activity in order to safeguard her right to die with dignity.[73] The constitutional law commentator Laurence Tribe pointed out the inherent irony in the court's decision: that given the vegetative state that alone justified the court's holding, "attributing 'rights' to the patient at all was problematic." [74] The decision more realisically concerned the desires of parents and society to allow freedom of medical decision-making when individuals without consciousness linger only through extraordinary life-prolonging means.[75] The *Quinlan* case did not confer the right to terminate care to those who are conscious and for whom death is not imminent. In effect, the court recognized that a balancing of state and individual interests in the context of life-prolonging medical care is affected by the degree of illness suffered by the victim and the fading hope of a cure.[76]

The third choice of treatment situation—the right to choose a medical treatment that is not approved by the state—has led to a number of decisions surrounding the drug laetrile [77] and has loomed at the center of the marijuana controversy.[78] Judicial resolution of this third category of decision-making may well determine the future of heroin as a therapeutic agent. The leading case in the area is *Rutherford v. United States.*[79]

Rutherford v. United States

In *Rutherford,* several terminally-ill cancer patients sued to enjoin the United States from interfering with their access to laetrile. The United States District Court for the Western District of Oklahoma issued an injunction against the Food and Drug Administration (FDA) on the basis that patients were denied freedom of choice and were deprived of life, liberty, or property without due process of law.[80] The court held that the FDA's licensing requirements for new drugs made it virtually impossible for laetrile to become legally accessible.

On appeal, the United States Court of Appeals for the Tenth Circuit looked closely at FDA procedures and focused on the approval process for "new" drugs and the grandfather clause exemptions under the Food and Drug Act. Its inquiry raised the following questions: 1) Was laetrile marketed on October 9, 1962, as a cancer drug and was it then generally recognized as safe? 2) Was laetrile recognized or used as a cancer drug under the same conditions of present use during the period when the Food and Drug Act of 1906 was in effect from June of 1906 until June of 1938?[81] If either question could be answered affirmatively, laetrile would be exempt under the grandfather clause.[82]

The tenth circuit remanded the case to the Food and Drug Administration in order to produce an administrative record supporting its determination that laetrile was a "new" drug, though it did not explore the constitutionality of the "new" drug procedures. In 1977, in response to the court's order, the FDA released its findings that laetrile was not generally recognized as safe and effective or exempt under the 1962 grandfather clause.

On appeal, the district court ruled that the FDA's classification of laetrile as a "new" drug was "arbitrary, capricious, and an abuse of discretion, and, as a matter of law, unsupportable."[83] The judges notes that laetrile had been used and sold commercially in the United States for over twenty-five years and had been generally recognized as safe.[84]

As to the constitutional aspects, the court looked to the "abortion cases"[85] for the premise that a right of privacy exists under the Constitution. As Douglas said in *Doe,* "that right has no more conspicuous place than in the physician-patient relationship." [86] The district court determined that fundamental civil liberties were at issue in *Rutherford,* and that the choice to use laetrile, regardless of its correctness, should be the sole prerogative of the person whose body was being ravaged by disease.[87]

Again, the United States appealed the decision of the district court to the tenth circuit which sustained the district court's injunction, thus allowing the interstate sale and use of laetrile for terminally ill patients to continue.[88] The appeals court did not directly address the constitutional issue. On appeal to the Supreme Court, the tenth circuit was reversed and the case remanded for further proceedings on those issues.[89]

In its opinion, on procedures for terminally ill patients the Court held that the Congress could reasonably have intended to shield terminal patients from ineffectual or unsafe drugs, and that any other interpretation of the FDA regulations would substitute the opinion of the Court for that of Congress. "For the terminally ill, as for anyone else, a drug is unsafe if its potential for inflicting death or physical injury is not offset by the possibility of therapeutic benefit."[90] The Supreme Court did not address the privacy issue.

On remand, the Tenth Circuit revived the balancing test to weigh the "protected right" to select a medical treatment against the governmental interest in protecting public health. The court found that the state's interest outweighed such personal medial decisions. The constitutional conflict was thus temporarily resolved.[91]

Rutherford represents a weakening of the individual's privacy interest in choosing medical treatment. Unlike the early *Jacobsen* case,[92] no public danger existed in granting laetrile's commerce. Unlike the "abortion decisions," other lives would not be affected by an individual's choice of treatment. Only victims of cancer themselves would be affected by the prohibition on laetrile's use. The compelling state interest could be construed only as protecting terminally ill patients from their own informed choice. Thus, while it has been held that an individual can refuse treatment to sustain life, he is not yet free to select an unauthorized treatment in the face of death.

People v. Privatera

People v. Privatera,[93] a California Supreme Court decision, reaches the same conclusion. The California court determined that the right to use laetrile is not governed by the fundamental right of privacy because it is not among those decisions enumerated in the "privacy cases." [94] As such, the court had only to find a rational basis for the statute proscribing laetrile's use, which it fulfilled by citing a history of misleading representations about cancer cures.

In a dissent more remarkable than the decision, Chief Justice Rose Bird asserted that "choice of treatment is one of the most important decisions a person may ever make, touching intimately on his or her being." [95] Her opinion and that of the district court in *Rutherford* represent the eloquent dissent in a line of decisions that subordinate the individual's freedom of choice in medical decisions to the state's perceived goals.

Thus, the prevailing tone of judicial decisions leads to negative assumptions about the future of heroin therapy via the judiciary. Because heroin's status is not just unauthorized, but forbidden, the recognition of a fundamental right to use the drug for medical reasons would conflict with the state's interest in prohibiting its existence on nearly every occasion. Only a contention that the current prohibition is overbroad would prevent the state's interest from outweighing every personal consideration.

The Marijuana Connection

"It isn't absolutely necessary to be a masochist to do research on marijuana today, but it certainly helps." [96]

Marijuana, like heroin, is a Schedule I drug. Under federal law, it is deemed to have no medical usefulness while having high potential for abuse.[97] It is subject to the following restrictions:

The DEA has established quotas on lawful production of marijuana and its active ingredient THC.

The drug may be manufactured only by an individual or company registered with the DEA.

A researcher seeking to study the drug must obtain registration from the DEA.

The drug must be kept in a vault.

Record keeping is required.

Trafficking the drug is a felony.

The drug is available for research only and may not be prescribed.[98]

In addition, marijuana falls under FDA's "new drug" category and is subject to its regulatory provisions.

Marijuana and THC are currently being tested for their ability to relieve pain, insomnia, anxiety, asthma, epilepsy, glaucoma, and the side-effects of chemotherapy.[99] In addition, the National Cancer Institute's Division of Cancer Treatment now provides THC to physicians for use in controlled situations. As such, the Schedule I classification has become a contradiction in terms. The proven medical uses for marijuana are growing every day.

Hearings in Congress have focused on the subject of down-scheduling marijuana to conform with current knowledge about the drug's effectiveness.[100] Marijuana progress bears watching by advocates of heroin's legalization. While the public's response to marijuana continues to be volatile, public fear is less profound than with the use of heroin and the potential beneficiaries of therapeutic marijuana use are more numerous. Nevertheless, according to former FDA Chief Counsel Richard Cooper,

> [t]he medical future of both THC and heroin is not entirely clear . . . A potential manufacturer will have to gather the relevant data and organize them into new drug applications that meet the FDA standards. It may turn out that the biggest obstacle to the therapeutic use of marijuana and heroin is the lack of interest in the drug on the part of drug companies.[101]

Medical Necessity Defense

Federal courts have consistently held that possession and sale of marijuana are not protected by the right to privacy.[102] However, the common law defense of necessity has been held to extend to medical necessity in the case of a Washington, D.C., man who used marijuana to treat his deteriorating glaucoma condition.[103]

In 1975, Bob Randall was arrested and charged with unlawful possession of marijuana. He sought acquittal on the strength of a medical necessity defense. The District of Columbia Superior Court dismissed the charge, stating that a person whose use of marijuana is a matter of medical necessity is not criminally liable for its unlawful possession.[104] While the necessity defense historically depended on an immediate threat to life, a fear of deteriorating health was later considered to be a justifiable ground for the defense.[105]

The court stated that "necessity is the conscious, rational act of one who is not guided by his own free will. It arises from a determination by the individual that any reasonable man in his situation would find the personal consequences of violating the law less severe than the consequences of compliance." [106] The court noted that the defense is not available to one who has brought the circumstances upon himself.[107] Thus, a heroin addict who would argue the defense of necessity would be unlikely to prevail.[108] In addition, if there was a less stringent alternative, the defense would fall.[109] Finally, the harm avoided must be more serious than what is performed to escape it.[110]

The D.C. court's analysis focused on a balancing of interests between Randall's desire to preserve his sight and the government's interest in maintaining its regulations of marijuana. Noting "how far-reaching is the right of an individual to preserve his health and bodily integrity," [111] the court concluded that blindness is a greater evil than breaking the prohibition on marijuana. In dismissing the case, the court also noted that no innocent party was injured and Randall had not brought his condition upon himself. The United States did not appeal.

The court's acceptance of Randall's defense is significant as a qualified affirmation of the right to protect one's health. Within the context of the case, an analogy between the use of marijuana and the use of heroin is a logical one. If the only means to combat intractable pain is heroin, then the medical necessity defense successfully employed by Randall might prevail for one who breaks the prohibition on heroin due to an advanced condition of cancer. However, the defense is limited to individuals caught in the medical-legal bind. It is no answer to the larger question of legalization that must be confronted by lawmakers if any true progress is to take place.

CONGRESSIONAL ACTION

While the courts have only addressed the heroin conflict by implication, Congress has squarely dealt with the issue. The Compassionate Pain Relief Act, H.R. 5290, was designed to establish a temporary program under which "parenteral diacetylmorphine (heroin) would be made available through qualified pharmacies for the relief of intractable pain due to cancer." [112] The bill was introduced by Congressman Henry Waxman of California, Chairman of the Subcommittee on Health and the Environment of the Committee on Energy and Commerce. It was defeated by a vote of 355 to 55 on September 19, 1984, after several hours of passionate debate.[113] According to Congressman Waxman, the lopsided vote was a consequence of political timing:

"People were afraid to vote in any way, shape or form for anything that sounded like legalization of heroin. They were afraid they would be campaigned against on the issue." [114]

H.R. 5290 was not the first congressional attempt to deal with the availability of heroin for therapeutic purposes. In 1980, Congressmen Waxman of California and Congressmen Madigan of Illinois jointly and separately introduced legislation to make heroin available on a limited basis. Hearings were held before the Subcommittee on Health and the Environment of the Interstate and Foreign Commerce Committee.[115] Again in 1983, Waxman introduced legislation which was the subject of more hearings and was subsequently reintroduced as the clear bill which the House defeated in September, 1984. Its Senate companion, S. 209, was introduced by Senator Inouye of Hawaii and never reached a vote on the Senate floor.

The Waxman bill was a model of qualified legalization. H.R. 5290 would have required the Secretary of Health and Human Services to establish a temporary four-year research program during which heroin would be provided to terminally ill cancer patients through a limited number of pharmacies upon the written prescription of a licensed physician. The program would be monitored by the Government Accounting Office (GAO). An amendment by Congressman Hughes of New Jersey would have tightened the bill even further by requiring that the patient for whom heroin is prescribed would not respond to any other available drug, that a physician's decision to prescribe heroin be reviewed by a medical panel, and that the program be drawn into the system of regulation of the Controlled Substances Act. The Hughes Amendment was not passed.[116]

The politics of the Compassionate Pain Relief Act were unusual and embittered. The Reagan administration opposed the bill, stating that equally potent drugs were available and diversion was a real and present danger.[117] The American Medical Association opposed the bill while the American Nurses' Association favored its passage.[118] Rhetoric on the House floor volleyed between calls for compassion and warnings of dire consequences if the bill were to become law.[119] One opposing legislator even suggested that "we are going to have many pushers telling young kids, 'Look, this (heroin) cannot be that bad for you. After all, doctors and hospitals are using it all over the country.' " [120]

Opponents also decried the fact that H.R. 5290 bypassed the Food and Drug Administration's "new drug" approval process by providing for government manufacture and distribution of the drug. Advocates maintain that so few patients are potentially involved that no drug company is likely to undertake the major effort and expense to meet the FDA regulations, especially in light of heroin's unsavory reputation.[121]

It was the criminal identity of heroin and the threat of cross-over from pharmacy to "street" and from "street" back to the sick and dying that emerged as the focus of the debate in an election year. Chairman Rangel of the Select Committee on Narcotics Abuse and Control led the opposition suggesting that "a lot of people . . . would openly advocate that we just take the profits out of heroin and just start legalizing the entire illicit drug manufacturing and transactions in the United States." [122] A letter from Secretary of Health and Human Services Margaret Heckler was quoted, emphasizing the Reagan administration position that legalizing would pose serious public safety, enforcement, and security problems and that health care professionals would be placed in jeopardy by the direct link to criminal activity.[123]

Chairman Dingell of the Energy and Commerce Committee that reported favorably on the bill disposed of the Administration's major objection metaphorically.

"Let us take a little bit of a look at the question of diversion: 4.3 tons of illegal heroin come into this country. That is the equivalent of two elephants in weight. If you were to take the entire amount of heroin that is going to be coming into this country under carefully controlled conditions to meet the needs of the hopelessly dying cancer patients, you would probably have the equivalent of a pimple on the posterior of one of those elephants."[124]

The fact that the illicit heroin supply would not be significantly increased even in the worst case analysis did not prove persuasive to a majority of voting members. The debate had an evangelical tenor that had less to do with facts than with the emotional impact of heroin on the American psyche. According to one Waxman staffer, the "all-out-attack" waged by the administration not only helped to create a fervor among the bill's detractors, but also cost the proponents five months that proved strategically devastating.[125] Allegations that the administration used illegal lobbying techniques to defeat the bill are now under investigation by the Office of the Inspector General.[126]

The lay press rallied behind the Compassionate Pain Relief Act. *The Washington Post* headlined its September 22d editorial *Cruel Cowardice* and commented that "demagoguery carried the day."[127] *The New York Times* editorialized that Congress preferred symbolic action, "no matter how cruel the effect on the dying."[128] Papers from *The Fort Lauderdale News* to the *San Jose Mercury News* had endorsed the measure in weeks and months preceding the vote.[129] In an acerbic commentary on the subject, Editor Smith Hempstone of *The Washington Times* wrote, "[t]he absolute medical ban on heroin makes about as much sense as denying a man about to be electrocuted a cigarette on the grounds that the Surgeon General has determined smoking is injurious to the health."[130]

Proponents of the Compassionate Pain Relief Act are hopeful that more favorable timing, public support, and an off-election year will improve prospects for the bill's passage during the 99th Congress.[131]

CONCLUSION

The forty-thousand Americans who could benefit today from heroin's legalization cannot afford to wait for a broader judicial interpretation of the right to privacy. Even as the courts affirm the fundamental nature of decisions affecting one's health and well-being, they qualify the conditions and circumstances under which these decisions may be made. The strict scrutiny accorded to fundamental-right analyses seems more easily satisfied in the privacy context than where other fundamental rights are concerned: the balancing test is slanted toward compelling state interest. The persistent judicial perception that the state's interest in drug regulation overrides individual fundamental rights assures that courts will continue to defer to the authority of the FDA and DEA in the scheduling and control of heroin's use in this country.

Only a re-evaluation of the government's interest could alter this judicial posture. A closer look at the actual dangers of heroin's diversion from pharmacy to street use would reveal an exaggerated fear of expanded illicit trade. A recognition that the addictive potential of heroin is no issue for the dying would undermine the contention that its use is deleterious to the target population. But the courts will not re-define the nature of the government's interest in the sweeping prohibition on heroin. The judicial system will not substitute its judgment for the will of Congress so clearly demonstrated in 60 years of legislative history.

The only imminent hope for cancer victims lies with the Congress and not the courts. The dramatic defeat of the Compassionate Pain Relief Act of 1984 is a major setback which, according to Judith Quattlebaum of the National Committee on the Treatment of Intractable Pain, is "impossible to explain to cancer patients."[132] Congressional advocates have, however, reintroduced the measure in the 99th Congress with an eye toward more advantageous timing.[133]

It is time for Congress to mitigate the law enforcement message of the past decades and offer a new perception of a compassionate, balanced, and hopeful drug policy for this nation. The quality of American lives depends on it.

FOOTNOTES

1. *The Compassionate Pain Relief Act; Hearings on H.R. 4762, Before the Subcommittee on Health and the Environment of the House Comm. on Energy and Commerce*, 98th Cong., 2d Sess. 550 (1984) [hereinafter cited as *Hearings*].

2. Dr. Mondzac has been an oncologist for fifteen years, chairs the Cancer Committee of the D.C. Medical Society, serves as Clinical Associate Professor of Medicine at George Washington University, and is a member of the board of Directors of the National Committee on the Treatment of Intractable Pain. *Hearings, supra* note 1, at 546.

3. The National Committee on the Treatment of Intractable Pain (NCTIP) is an advocacy group formed in 1977 to lobby for congressional action to legalize heroin for limited therapeutic use. Its members and Board include medical and legal professionals as well as families of cancer victims. The organization has 6,000 members. National Committee on the Treatment of Intractable Pain, P.O. Box 9553, Friendship Station, Washington, D.C. 20016 (301) 983-1710. Judith H. Quattlebaum, President.

4. *Hearings, supra* note 1, at 555, *See also* Mattingly & Conley, *The Medical Prescription of Heroin for Terminal Cancer Patients*, 9 Law. Med. J. 337 (1981).

5. Shapiro, *The Right of Privacy and Heroin Use for Painkilling Purposes by the Terminally Ill Cancer Patient*, 21 Ariz. L. Rev. 41, 42-48 (1979). *See also* Neal, *Why Can't the Dying Have Heroin?* New York, Oct. 2, 1978, at 76, 79.

6. *Hearings, supra* note I, at 550.

7. Shapiro, *supra* note 5, at 56.

8. S. Trebach, The Heroin Solution 81 (1982).

9. Note, *Medical Necessity as a Defense to Criminal Liability; United States v. Randall*, 46 Geo. Wash. L. Rev. 273 (1978).

10. The Controlled Substances Act of 1970 establishes critiera for five separate schedules of controlled substances. Schedule I imposes the most severe controls; Schedule V, the least restrictive. Controlled Substances Act, Pub. L. No. 91-513, 21 U.SC. § 801 *et seq.* (1982).

11. *Hearings, supra* note 1, at 454. (Statement of Edward N. Brandt, Jr., M.D.).

12. *Hearings. supra* note 1, at 454. (Statements of Edward N. Brandt, Jr., M.D., and Kathleen M. Foley, M.D.).

13. *Hearings, supra* note 1, at 560, 599. (Statement of Kathleen Foley, M.D.).

14. Letter from Joseph A. Oddis to Congress, (May 16, 1984) (voicing opposition to H.R. 5290, amended bill to legalize heroin for therapeutic purposes.) *See also* Neal, *supra* note 5, at 84-88.

15. H.R. 5290 was amended to provide heroin only to terminally ill patients.

16. J. Quattlebaum, Dying in Agony in America (March 25, 1983) (Paper presented at the College of Physicians and Surgeons, Columbia University, N.Y.C.).

17. Editorials favoring legislation have appeared in newspapers across the country. *See, e.g.*, St. Paul Pioneer Press, May 13, 1984, at 2B, col. 1; Ft. Lauderdale News, May 4, 1984, at 18A, col. 1; San Jose Mercury News, Apr. 9, 1984, at 6B, col. 1; The Washington Post, Mar. 26, 1984, at 18, col. 1.

18. The bill was defeated by a vote of 355 to 55 on September 19, 1984. 130 Cong. Rec. H. 9791 (daily ed., 1984).

19. National Committee on the Treatment of Intractable Pain, *Authorizing the Medical Prescription of Heroin for Terminal Cancer Patients Under Controlled Circumstances* 1-3 (1979).

20. *Hearings, supra* note, at 3 (statement of Arnold Trebach, J.D., Ph.D.).

21. Webb v. United States, 249 U.S. 96 (1918).

22. United States v. Behrman, 258 U.S. 280 (1922).

23. *Id.* at 289.

24. *Id.* at 287.

25. *Hearings Before the Committee on Ways and Means, House of Representatives, on H.R. 7079, A Bill Prohibiting the Importation of Crude Opium for the Purpose of Manufacturing Heroin*, 68th Congress, 1st Sess. (1924).

26. *Id.* at 1.

27. *Id.* at 32, 13.

28. *Id. See also Hearings, supra* note 1, at 571 (statement of Arnold Trebach, J.D., Ph.D.).

29. *Hearings, supra* note 1, at 571.

30. *Hearings, supra* note 1, at 572 (Statements of Arnold Trebach, J.D., Ph.D.). *See also* A. Trebach, The Heroin Solution (1982).

31. 21 U.S.C. § 812 (1982).

32. Legislation in the 97th Congress (H.R. 2642) focused on re-scheduling heroin, rather than establishing a government administered program such as proposed in the latest heroin legislation.

33. Controlled Substances Act, 21 U.S.C. § 801 (1982).

34. Report of the Select Committee on Narcotics Abuse and Control, *Health Consequences of Marijuana Abuse: Recent Findings and the Therapeutic Uses of Marijuana and the Use of Heroin to Reduce Pain*, H.R. Rep. 96-2-5, 96th Cong., 2d Sess. 32 (1980).

35. National Committee on the Treatment of Intractable Pain, *supra* note 19, at 7-9. *See also* Mondzac *In Defense of the Reintroduction of Heroin into American Medical Practice and H.R. 5290—The Compassionate Pain Relief Act*, 311 New Eng. J. Med. 535 (1984).

36. *Hearings, supra* note 1, at 10 (statement of Arnold Trebach, J.D., Ph.D.).

37. J. Quattlebaum, Information on Medical Uses of Heroin in Other Nations 4 (1983).

38. *Id.*

39. H.R. 9765, 98th Cong., 2d Sess., 130 Cong. Rec. 118 (1984).

40. *Hearings, supra* note 1, at 1 (statement of William Regelson, M.D.).

41. *Hearings, supra* note 1, at 4 (statement of Betsy Hague, R.N., M.S.N., quoting Dr. William Beaver, "Are Synthetic Narcotics Adequate Substitutes for Opium-Derived Alkaloids?").

42. *Id.*

43. Satchell, *When Heroin is the Right Drug*, Parade Magazine, May 16, 1982, at 12.

44. *See supra* note 12.

45. Am. Med. News, Mar. 23, 1984, at 20, col. 3.

46. *Id.*

47. Dr. Beaver commented, "[t]here's no point in doing more research. In fact, we knew pretty much before we started this study what we would find out." *Supra* note 43, at 12.

48. There has been disagreement in the medical community over the validity of comparisons between post-operative patients, as in the Houde study, and those suffering chronic cancer pain, as in the Beaver study. It is the chronic and terminally ill sufferers for whom the legalization effort is being waged. *See Hearings, supra* note 1, at 2 (statement of William Regelson, M.D.).

49. Kalko, *Analgesic and Mood Effects of Heroin and Morphine in Cancer Patients with Postoperative Pain*, 34 New Eng. J. Med. 1501 (1981).

50. *Hearings, supra* note 1, at 547. (statement of Allen Mondzac, M.D.).

51. L. Tribe, American Constitutional Law 892 (1977).

52. *Id.* at 886.

53. Griswold v. Connecticut, 381 U.S. 479 (1965).

54. *Id.* at 486.

55. *Id.*

56. *Id.* at 485.

57. *Id.* at 493.

58. *Id.* at 500.

59. Eisenstadt v. Baird, 405 U.S. 438 (1972).

60. Olmstead v. United States, 277 U.S. 438 (1928).

61. *Id.* at 478 (Brandeis, J. dissenting).

62. Roe v. Wade, 410 U.S. 113 (1973).

63. Doe v. Bolton, 410 U.S. 179 (1973).

64. Roe, 410 U.S. at 154-55.

65. *Id.*

66. Whalen v. Roe, 429 U.S. 589 (1977).

67. *Id.* at 603.

68. *Id.* at 599.

69. *Id.* at 598-606.

70. Jacobsen v. Massachusetts, 197 U.S. 11 (1904).

71. In Re Quinlan, 70 N.J. 10, 355 A. 2d 647, *cert. denied*, 429 U.S. 922 (1976).

72. *Id.* at 39, 355 A. 2d at 663.

73. *Id.* at 41-42, 335 A. 2d at 664.

74. *See supra* note 51, at 936.

75. *Id.*

76. Quinlan, 70 N.J. at 41, 355 A. 2d at 664.

77. Several law review articles focus on the laetrile controversy and provide insight into choice of treatment questions. *See* Comment, *The Uncertain Application of the Right of Privacy in Personal Medical Decisions: The Laetrile Cases*, 42 Ohio St. L.J. 523 (1981); Note, *The Right of Privacy Does Not Include the Right to Laetrile*, 2 Whittier L. Rev. 599 (1980); Note, *Regulating Laetrile: Constitutional and Statutory Implications*, 5 U. Dayton L. Rev. 155 (1980); Leitner, *Laetrile and the Law: An Analysis of Rutherford v. United States*, 5 Okla. City L. Rev. 11 (1980).

78. Cooper, *Therapeutic Use of Marihuana and Heroin: The Legal Framework*, 35 Food Drug Cosm. L.J. 68 (1980).

79. Rutherford v. United States has the following judicial history: Rutherford v. United States, 399 F. Supp. 1208 (W.D. Okla. 1975) (remanding to the FDA), *aff'd*, 542 F.2d 1137 (10th Cir. 1976) (affirming the district court's remand to the FDA), 424 F. Supp. 105 (W.D. Okla. 1977) (remanding to the FDA), 429 F. Supp. 506 (W.D. Okla. 1977) (again remanding to the FDA and enjoining the FDA from interfering with importation and use of laetrile by plaintiffs), 438 F. Supp. 1287 (W.D. Okla. 1977) (again remanding to FDA and enjoining FDA from interference with plaintiff's use), *aff'd*, 582 F.2d 1234 (10th Cir. 1978) (affirming the district court's remand to and injunction of FDA), *rev'd*, 442 U.S. 544 (1979) (reversing and remanding to court of appeals), 616 F.2d 455 (10th Cir. 1980) (remanding to district court to reverse injunction against FDA), *cert. denied*, 494 U.S. 937 (1980).

80. 399 F. Supp. 1208 (W.D. Okla. 1975), *aff'd and remanded*, 542 F.2d 1137 (10th Cir. 1976).

81. 542 F.2d 1137, 1142 (10th Cir. 1976).

82. 42 Fed. Reg. 39 (1977).

83. 438 F. Supp. at 1295.

84. *Id.*

85. *See supra* notes 56-57.

86. 410 U.S. 179, 208, (1973).

87. 438 F. Supp. at 1300.

88. 582 F.2d 1234 (10th Cir. 1978).

89. 442 U.S. 544 (1979).

90. *Id.* at 556.

91. 616 F.2d 455, 457 (10th Cir. 1980).

92. *See supra* note 70.

93. People v. Privatera, 23 Cal. 3d 697, 591 P.2d 919, 153 Cal. Rptr. 431 (1979), *cert. denied* 444 U.S. 949 (1979).

94. The court referred to marriage, procreation, contraception, family relationships, child rearing, and education. 23 Cal. 3d 702, 591 P.2d at 922, 153 Cal. Rptr. at 434.

95. 23 Cal. 3d 711, 591 P.2d at 927, 153 Cal. Rptr. at 439 (Bird, C.J., dissenting).

96. Cohen, *Marijuana as Medicine*, Psychology Today, Apr. 1978, at 60.

97. Ironically, severe dependence liability is a criterion for Schedule II and not Schedule I.

98. Cooper, *supra* note 78, at 70.

99. Cohen, *supra* note 96, at 60.

100. *Marijuana Therapy*, 21 Med. World News 39 (Apr. 28, 1980). *See also* Randall, *Medical Uses of Marijuana: Pending Legislation and Review of the Literature*, Congressional Research Service (1982).

101. Cooper, *supra* note 78, at 82.

102. For survey of federal court decision on the subject, *see* Leary v. United States, 544 F.2d 1266 (5th Cir. 1977); United States v. Horsley, 519 F.2d 1264 (5th Cir. 1975), *cert. denied*, 424 U.S. 944 (1976); United States v. Kiefer, 477 F.2d 349 (2d Cir.), *cert. denied*, 414 U.S. 831 (1973).

103. United States v. Randall, 104 Daily Wash. L. Rep. 2249 (D.C. Sup. Ct. Nov. 24, 1976). Randall's use of marijuana to treat glaucoma foreshadowed an important medical potential for the drug. Experiments to determine the therapeutic value of marijuana in reducing the intraocular pressure in glaucoma have produced encouraging results. Council on Scientific Affairs, *Marijuana: Its Health Hazard and Therapeutic Potential*, 16 J.A.M.A. 246 (1981).

104. *Randall*, 104 Daily Wash. L. Rep. at 2254.

105. For a discussion of the medical necessity defense, *see* Note, *Medical Necessity as a Defense to Criminal Liability: United States v. Randall*, 46 Geo. Wash. L. Rev. 273 (1978).

106. 104 Daily Wash. L. Rep. at 2249-51.

107. *Id. at 2252.*

108. United States v. Moore, 486 F.2d 1139 (C.C. Cir. 1973).

109. 104 Daily Wash. L. Rep. at 2252.

110. *Id.*

111. *Id.* at 2253.

112. H.R. 5290, 98th Cong., 2d Sess. 1 (1984). *See* H.R. Rep. No. 98-689, 98th Cong., 2d Sess. 1, 2 (1984).

113. 130 Cong. Rec. 118, H. 9791 (daily ed. Sept. 19, 1984).

114. The Washington Post, Sept. 20, 1984, at 3A, col. 4.

115. *Hearings before the Subcommittee on Health and the Environment of the Committee on Interstate and Foreign Commerce,* 96th Cong., 2d Sess. (1980).

116. 130 Cong. Rec. 118, HR. 9780-81 (daily ed. Sept. 19, 1984).

117. *Hearings, supra* note 1, 462.

118. *Hearings, supra* note 1, at 603.

119. 130 Cong. Rec. 117-118, (daily ed. September 18, 19, 1984).

120. 130 Cong. Rec. 118, H9774 (daily ed. Sept. 19, 1984) (statement of Congressman Walker).

121. Government manufacture of heroin might compete with the marketing of hydromorphone (trade name "Dilaudid"), a domestic drug. Dilaudid is currently the drug of choice for the treament of severe, intractable pain. Although both Dilaudid and heroin are effective analgesics, the controversy centers on the availability of heroin for use in those cases where Dilaudid has proved ineffective.

122. 130 Cong. Rec. 118, H9765 (daily ed. Sept. 19, 1984).

123. *Id.* at H9764.

124. *Id.* at H9771.

125. Revealed in a conversation with Health subcommittee staffers after defeat of the bill.

126. 130 Cong. Rec. 118, H9771-72 (daily ed. Sept. 19, 1984). Chairman Dingell placed in the record letters to regional Health and Human Resources directors explaining how to contribute to the defeat of H.R. 5290.

127. The Washington Post, Sept. 22, 1984, at A-22, col. 1.

128. The New York Times, Sept. 27, 1984, at A-22, col. 1.

129. San Jose Mercury News, Apr. 9, 1984, at 6B, col. 1; Ft. Lauderdale News May 4, 1984, at 18A, col. 1.

130. The Washington Times, March 28, 1984, at 1c, 2c, col. 1.

131. Conversation with Health Subcommittee staffers following bill's defeat.

132. Phone conversation with Judith Quattlebaum following defeat of H.R. 5290, October, 1984.

133. Senator Inouye of Hawaii has introduced the bill on the Senate side while Congressman Waxman of California will introduce a companion bill on the House side shortly. Cong. Rec. Jan. 3, 1985, Part II. Conversation with Joanne Leety, Administrative Assistant to Senator Inouye, March 1, 1985.

By Mr. INOUYE:

S. 144. A bill to amend the District of Columbia Code to provide for the service of psychiatric nurse practitioners and psychiatric nurse clinical specialists on the District of Columbia Commission on Mental Health; to the Committee on Governmental Affairs.

PROVIDING FOR THE SERVICE OF CERTAIN PSYCHIATRIC NURSES

● Mr. INOUYE. Mr. President, I am introducing legislation today to amend the District of Columbia Mental Health Commission to authorize the Superior Court of the District of Columbia to utilize the mental health expertise of our Nation's psychiatric nurses.

During the closing hours of the 99th Congress, we were able to amend the Mental Health Commission to ensure that qualified psychiatrists and clinical psychologists could be used by the court. The recommendation which I am making today would expand the flexibility of the judiciary in order to ensure that the most up-to-date state-of-the-art knowledge is readily available to them.

My recommendation is highly consistent with the policy of the American Bar Association's criminal justice mental health standards.

Mr. President, I request unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 144

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 502(a) of title 21 of the District of Columbia Code is amended by striking out the last sentence and inserting in lieu thereof the following: "Eight members of the Commission shall be physicians, psychiatrists, psychologists, psychiatric nurse practitioners, or psychiatric nurse clinical specialists practicing in the District of Columbia who have had not less than five years' experience in the treatment of mental illnesses.".●

By Mr. INOUYE:

S. 145. A bill to increase the role of the Secretary of Transportation in administering section 901 of the Merchant Marine Act, 1936; to the Committee on Commerce, Science, and Transportation.

S. 146. A bill to further the development and maintenance of and adequate and well-balanced American merchant marine by requiring that certain mail of the United States be carried on vessels of U.S. registry; to the Committee on Commerce, Science, and Transportation.

S. 147. A bill to revise the laws regarding the transportation of Government cargoes in U.S.-flag vessels; to the Committee on Commerce, Science, and Transportation.

S. 148. A bill to amend the Shipping Act, 1916, to provide for jurisdiction over common carriers by water engaging in foreign commerce to and from the United States utilizing ports in nations contiguous to the United States; to the Committee on Commerce, Science, and Transportation.

RELATING TO THE U.S. MERCHANT MARINE

● Mr. INOUYE. Mr. President, today I am reintroducing four measures which are intended to help restore the U.S. Merchant Marine to its place of preeminence among the world's merchant fleets, and to help ensure that our fourth arm of defense is adequate in time of war or other national emergency. One of these measures which requires that mail of the United States be carried on U.S.-flag vessels passed the Senate unanimously in the last Congress. The others would:

Help ensure that U.S.-flag operators have the same competitive edge in our international trades that their foreign-flag counterparts have in theirs by strengthening our current laws relating to U.S.-flag preference for Government impelled cargo.

Centralize authority in the Secretary of Transportation for administering and implementing Public Law 664, which requires that at least 50 percent of Government-generated cargoes be shipped on privately owned U.S.-flag commercial vessels to the extent such vessels are available at fair and reasonable rates.

Make certain common carriers by water in foreign commerce subject to the tariff-filing requirements of the Shipping Act of 1984 and to the jurisdiction of the Federal Maritime Commission [FMC]. The carriers affected are those that engage in the ocean transportation of property originating in or destined for a U.S. point by way of a port in a nation contiguous to the United States if the carrier advertises or solicits the transportation within the United States.

The result of the bill would be to put the described carriers in the same position for purposes of filing tariffs as carriers that move property by way of U.S. ports.

Section 8 of the Shipping Act of 1984 requires each common carrier and conference serving U.S. ports to file with the FMC tariffs showing its rates, charges, classifications, rules, and practices between all points or ports on its own route and on any through transportation route that has been established. These carriers and conferences may not increase rates except on 30 days notice, and may not quote a reduction until the rate is on file at the FMC.

Section 10 of the act enumerates certain prohibited conduct. Among other things common carriers and conferences are prohibited from: Charging or receiving compensation inconsistent with rates shown in their tariffs or service contracts; rebating or refunding any portion of their rates; and extending or denying privileges except in accordance with their tariffs.

Within broad guidelines, carriers are free to fix the form and level of rates shown in their tariffs. However, having established a given rate, a carrier must make that rate available to all shippers similarly situated. For example, if rate is predicated on a given amount of cargo, any shipper tendering that amount of cargo is entitled to the rate. If carriers operating through contiguous nations are currently offering discriminatory rates to preferred shippers, this bill would clearly expose them to the prohibitions of the Shipping Act.

However, carriers that do not operate through a U.S. port are not now subject to these restrictions. They are, therefore, free to quote whatever rate is necessry in order to obtain cargo. They can discriminate between shippers and change rates without advance notice.

These differences give those carriers that service U.S. shippers through Canadian ports a competitive advantage over carriers using U.S. ports.

Mr. President, I wish to emphasize that individually and collectively these measures are just the beginning of what needs to be done to revitalize our U.S. merchant marine. Nevertheless, we must start somewhere, and if we are unwilling to take even these small steps, it is unlikely we will do everything that is necessary.●

By Mr. INOUYE:

S. 149. A bill to provide for the service of clinical social workers on the District of Columbia Commission on Mental Health; to the Committee on Governmental Affairs.

RELATING TO THE SERVICE OF CLINICAL SOCIAL WORKERS ON THE D.C. COMMISSION ON MENTAL HEALTH

● Mr. INOUYE. Mr. President, today I am introducing legislation which would amend title 21 of the D.C. Code to authorize the inclusion of clinical social workers among those professionals appointed to serve on the Mental Health Commission of the D.C. Superior Court.

The Mental Health Commission plays a prominent role in the District's mental health commitment process. It is responsible for hearing petitions for extended involuntary commitment brought by mental health facilities, and for making recommendations to the court in response to private petitions to commit. In both cases, the Commission must make a determination as to whether or not he or she is likely to injure him or himself and/or others as a result of the mental illness.

This is a determination which I believe can and should be made by a team of qualified mental health professionals. Clinical social workers, who are licensed or certified in 39 States and jurisdictions, are specifically trained in the diagnosis and treatment of mental disorders. In fact, their expertise extends beyond psychopathology to areas such as psychosocial development, emotional dysfunction, unconscious motivation, environmental stress, and interpersonal relationships. It is not surprising that clinical social workers have increasingly been recognized by our courts as core mental health professionals who are competent to provide expert mental health testimony and to perform mental health assessments.

In my judgment, the time has come to amend the D.C. Code to allow clinical social workers to serve on the Mental Health Commission.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 149

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 502(a) of title 21 of the District of Columbia Code is amended by striking out the last sentence and inserting in lieu thereof the following: "Eight members of the Commission shall be physicians, psychiatrists, psychologists, or clinical social workers practicing in the District of Columbia who have had not less than five years' experience in the treatment of mental illnesses.".●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 150. A bill to provide financial assistance to community colleges and to Kamehameha Schools/Bishop Estate for demonstration grants designed to address the special needs of gifted and talented elementary and secondary school students who are Indian or native Hawaiian, and for other purposes; to the Select Committee on Indian Affairs.

NATIVE AMERICAN GIFTED AND TALENTED EDUCATIONAL ASSISTANCE ACT

● Mr. INOUYE. Mr. President, today Senator SPARK MATSUNAGA and I are introducing legislation which would authorize a special demonstration program targeted toward the unique needs of American Indian and native Hawaiian gifted and talented elementary and secondary school students.

In the closing hours of the 99th Congress, the Senate Select Committee on Indian Affairs received testimony from Dr. Keith Mielke, vice president for research, Children's Television Workshop, describing the extent to which it might be possible for them to develop creative programs targeted toward the needs of these native American peoples once this proposal becomes public law.

Mr. President, during the 99th Congress the House of Representatives passed legislation entitled the Gifted and Talented Children's and "Youth Education Act of 1986," which envisions a Federal "capacity building" effort to identify and educate gifted and talented children. Further, that legislation, which authorizes $10 million for the first year, would also establish a national center for research and development in the education of gifted and talented children and youth.

As our colleagues in the House of Representatives pointed out, the U.S. Department of Education's own report "A Nation at Risk" highlighted the pressing needs of gifted and talented children. The measure which we are introducing today would provide a special focus on the truly unique needs of native American gifted and talented individuals.

Mr. President, I request unanimous consent that the text of Dr. Mielke's testimony and of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 150

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Native American Gifted and Talented Educational Assistance Act of 1985".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to make demonstration grants designed to address the special educational needs of elementary and secondary school students who are Indian or Native Hawaiian.

DEFINITIONS

SEC. 3. For the purpose of this Act—

(1) The term "elementary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

(2) The term "local educational agency" has the same meaning given that term under section 198(a)(10) of the Elementary and Secondary Education Act of 1965.

(3) The term "Indian" has the same meaning given that term under section 453 of the Indian Education Act.

(4) The term "junior or community college" has the same meaning given that term under section 322(a)(4) of the Higher Education Act of 1965.

(5) The term "Native Hawaiian" means any individual whose ancestors were natives of the area which consisted of the Hawaiian Islands prior to 1778.

(6) The term "secondary school" has the same meaning giving that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

(7) The term "Secretary" means the Secretary of Education.

(8) The term "State" has the same meaning given that term by section 198(a)(16) of the Elementary and Secondary Education Act of 1965.

(9) The term "tribally controlled community college" has the same meaning given that term by section 2(4) of the Tribally Controlled Community College Assistance Act of 1978.

DEMONSTRATION GRANTS FOR GIFTED AND TALENTED ELEMENTARY AND SECONDARY INDIAN SCHOOL STUDENTS

SEC. 4. The Secretary is authorized to make grants to, and to enter into contracts with, junior or community colleges, including tribally controlled community colleges, for demonstration projects designed to address the special needs of elementary and secondary school students who are Indians.

DEMONSTRATION GRANTS FOR GIFTED AND TALENTED ELEMENTARY AND SECONDARY HAWAIIAN NATIVE SCHOOL STUDENTS

SEC. 5. The Secretary is authorized to make grants to, and to enter into contracts with, junior or community colleges, and/or Kamehameha Schools/Bishop Estate, for demonstration projects designed to address the special needs of elementary and secondary school students who are Hawaiian Natives.

PROJECT ACTIVITIES AND CONDITIONS

SEC. 6. (a) Demonstration projects assisted under this Act may include—

(1) the identification of the special educational needs of gifted and talented children who are eligible for assistance under this Act,

(2) the conduct of educational activities which held reasonable promise of making substantial progress toward meeting the

educational needs of such gifted and talented children;

(3) the use of public television in meeting the special educational needs of such gifted and talented children, such as utilizing the expertise of the Children's Television Workshop;

(4) leadership programs designed to replicate programs for such children throughout the appropriate area, including the dissemination of information on the demonstration projects conducted with assistance under this Act; and

(5) appropriate research, evaluation and related activities pertaining to the special needs of such gifted and talented children.

(b)(1) No grant may be made and no contract may be entered into under this section unless an application is submitted to the Secretary in such form, in such manner and containing or accompanied by such information as the Secretary determines necessary to carry out the provisions of this section.

(2) Each such application shall be accompanied by the comments of each local educational agency which has students who are enrolled in the schools of such agency and who will participate in the project for which assistance is sought.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. (a) There are authorized to be appropriated $5,000,000 for the fiscal year 1986 and each of the three succeeding fiscal years.

(b) Of the sums available for each fiscal year $4,000,000 shall be available for grants under section 4 benefiting elementary and secondary school students who are Indians, and $1,000,000 shall be available for grants under section 5 benefiting elementary and secondary school students who are Hawaiian Natives.

TESTIMONY BY KEITH W. MIELKE, PH.D., VICE PRESIDENT FOR RESEARCH, CHILDREN'S TELEVISION WORKSHOP

EDUCATIONAL ASSISTANCE FOR GIFTED AND TALENTED CHILDREN

I am Keith Mielke, Vice President for Research at the Children's Television Workshop in New York. I am here to speak in support of the concept of special programs for gifted and talented children. In particular, our experience is most relevant to the area where such programs might utilize educational television materials. Such special programs are described in the proposed legislation cited as the "Native American Gifted and Talented Educational Assistance Act of 1985."

I should state at the outset that I am not a specific expert either in the special needs of the gifted and talented or in the special needs of Indians or Native Hawaiians. The perspective that I do bring draws upon the unique experience of the Children's Television Workshop, which has been addressing special needs of children for almost two decades now. The hope and the belief is that this general experience may be helpful in this specific case. It is not anticipated that CTW would produce any television materials that might result from the proposed legislation, but we would be willing then, as we are now, to share knowledge and experiences which could be helpful.

CTW designs and produces educational materials that use mass media such as television. The first educational television series for children produced at CTW was "Sesame Street" which premiered in 1969. "Sesame Street" is designed to help preschool children get ready for classroom experience. This was followed by "The Electric Company," which was basic reading instruction aimed at children 7-10 years of age. Then CTW produced a science series for 8-12's called "3-2-1 Contact," and our most recent series, which is about mathematics, will premiere next January. These four series comprise a considerable body of experience in the design, production, and evaluation of educational materials for children. As stated before, if this experience can be of any assistance in the planning of programs for the gifted and talented, then we are delighted to share it with you.

There are several comments now I'd like to make about the proposed legislation. One form of demonstration project that would qualify for funding would be the use of public television in meeting the special educational needs of gifted and talented children. CTW is honored to have been cited as exemplifying the use of television in meeting special needs of children.

In my opinion, certain media options are true opportunities to be explored and certain other media options do not appear to be feasible given the nature of television and the budget levels being considered.

Let's look first at the constraints. The funding available for mass media programming is typically tied to the numbers of people being served. Specialized needs of any subgroup, even important needs like those of the gifted and talented, tend not to generate adequate funding for original, exclusive, specialized programming on mass media such as broadcast television. "Sesame Street", for example, is expensive in absolute numbers—about $10 million per year—but is quite inexpensive in its delivered cost per viewer—less than a penny per child per program. It is the attraction of very large audiences that makes possible that economy of scale where high production and pedagogical values can be justified. Within these general audience programs we do include segments for children with special needs, such as hearing impaired, mental retardation, physically handicapped, and so forth, but the overall show retains its appeal to all children, and that is critical to its level of funding.

A very promising option in addressing the special needs of the gifted and talented at much lower costs would be to select media materials already available and tailor them with special utilization materials. For example, if an adult program such as "Nova" might be appealing to a gifted and talented child if only certain bridging concepts could be mastered, then a special utilization kit could be designed for that purpose, and special training could be developed for adult leaders to guide the children through the process. Conceivably, these adult leaders could be teachers, paraprofessionals, or parents. This same approach of tailoring existing programs for the gifted and talented might also be made for very young children using our CTW programs in science and mathematics. I note in the Hawaii Public Television Guide that an enormous number of programs are broadcast that are potentially useful in this manner, but they would need to be tailored through special utilization materials.

The procedures we use at CTW to design and produce educational materials should also apply to utilization packages for the gifted and talented. My function at CTW, for example, is to oversee our in-house research, which is involved at all stages of a project. This includes needs assessments and goal-setting at the very beginning of a project. It includes representing the children's viewpoint when materials are designed. It goes on to the testing of prototype materials for appeal and comprehension with target-age children, and it culminates in the evaluations of completed programs. These same steps and issues will be encountered in the proposed programs for the gifted and talented. All of these procedures can be shared with whichever institutions and groups eventually put the materials together for the gifted and talented.

If the needs assessment could first identify who has what set of needs in the gifted and talented category, and if this would then be followed by designing a responsive protocol or set of procedures that involved both media materials and a guide for adult leaders, then the possibility exists to reach great efficiencies with a reproducible model that is very effective. That is my fundamental suggestion, and there is reason to be optimistic about its outcome. At CTW, for example, we have a community outreach division called Community Education Services, or CES. One of many special utilization efforts by CES has been to design special materials on fire safety along just the lines I am proposing here: they combine television materials on videotape, along with a carefully constructed guide for a local group leader. Other subject areas addressed by Community Education Services at CTW include the special needs of children whose fathers are in prison, special life-saving messages appropriate for children in the areas of lead poisoning and natural hazards. I base the argument that this model would be useful here for the gifted and talented, not on specific experience with gifted and talented, but on the field-tested procedures we have successfully employed in so many different subject-matter areas.

Once prototype materials are produced, it is inevitable that they can be improved through evaluations under field conditions. Again, the particular materials for the gifted and talented may be new, but the issues are not.

I have been speaking so far only about CTW experiences with preschool children and children up to twelve years of age, because that's where our series are aimed. There are also needs and opportunities in high schools that are coming to the attention of the in-school television community. Because of budget pressures, some high schools have had to cut back on specialized courses such as Chinese language studies that were previously made available for gifted and talented students. The schools now conclude that the only way they can afford these services is to spread the expense more broadly by televised courses or the use of other technologies. Furthermore, small schools in rural areas perceive that the only way they would ever be able to offer some of these specialized courses, in good economic times or bad, is by way of technology such as television. For younger and older children, therefore, educational television has something worthwhile to consider.

In summary, the Children's Television Workshop supports the concept of special efforts, materials and activities to meet the needs of gifted and talented children. We have a wide variety of experience at the Children's Television Workshop in designing, producing and utilizing educational materials that are targeted to special audiences, and we would be delighted to share this expertise with you in any way that you would find helpful.

I would also be happy to respond to any questions you might have for me at this time. Thank you.●

By Mr. INOUYE:

S. 151. A bill to permit educational institutions with graduate programs in clinical social work to apply for grants and contracts to provide educational assistance to individuals from disadvantaged backgrounds.

RELATING TO CERTAIN EDUCATIONAL ASSISTANCE TO DISADVANTAGED INDIVIDUALS

● Mr. INOUYE. Mr. President, today I am introducing legislation which would provide that Council on Social Work Education accredited schools of social work be deemed eligible to receive grants under the Health Careers Opportunity Program [HCOP].

This program has been instrumental in enabling minority students to enter and successfully complete education and training programs in other health professions. In my judgment, it is very important that our Nation's minority students be given that same opportunity to be trained in schools of social work for health-care careers.

Social workers are a necessary and integral part of the health-care team; they are uniquely qualified to perform a variety of vital functions. In addition to psychotherapy, counseling, and prevention of psychosocial problems related to illness, social workers are involved in discharge planning, high-risk screening, post-hospitalization care, and followup. Social workers are advocates for patients; they are specifically trained to identify, coordinate, and access appropriate services and resources.

I believe that social workers are necessary to effective health care. I also believe that minority participation in the provision of social work services would greatly strengthen our health care system's ability to respond to all segments of the community, and thus enhance our delivery of health care services overall. Making schools of social work eligible for grants under the Health Careers Opportunity Program would be an important step toward realizing these goals.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 151

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 787(a) of the Public Health Service Act (42 U.S.C. 295g-7(a)) is amended by inserting "or clinical social work" after "psychology" in paragraph (1).

(b) The last sentence of paragraph (2) of such section is amended by inserting "or clinical social work" before the period.

(c) Such section is further amended by adding at the end thereof the following new paragraph:

"(3) For purposes of this section, the term 'graduate program in clincial social work' means a graduate program in a public or nonprofit private institution in a State which—

"(A) provides training leading to a masters' degree or a doctoral degree in clinical social work or an equivalent degree;

"(B) prepares the individual receiving such degree for licensure by a State as a clinical social worker; and

"(C) is accredited in the manner described in section 701(5).".●

By Mr. INOUYE:

S. 152. A bill to clarify that graduate programs in clinical psychology are health professions schools for purposes of title VII of the Public Health Service Act.

CLARIFYING CERTAIN PROGRAMS AS HEALTH PROFESSIONS SCHOOLS

● Mr. INOUYE. Mr. President, I am introducing legislation today to ensure that our Nation's psychology graduate training programs will be able to apply for the various special projects initiatives funded by the Department of Health and Human Services and, in particular, the Health Resources and Services Administration.

The measure which I am proposing would essentially include psychology along with the listing of the other health professions schools. Until the past Congress, for most of these initiatives, psychology training programs were, in fact, eligible as one of the allied health professional schools. However, when we decided to eliminate psychology from the allied health definition, it was listed in the Federal Code under its own subsection—subsection 14—rather than included in the more traditional listing. As a result of this, it has come to my attention that psychology training programs are not eligible for the Department's geriatric training initiatives, even though there is clearly a truly pressing need for ensuring our Nation's senior citizens with quality mental health care.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 152

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 701(4) of the Public Health Service Act is amended by inserting after the first sentence the following new sentence: "The term 'school of psychology' means a graduate program in clinical psychology (as defined in paragraph (14)).".●

By Mr. INOUYE:

S. 153. A bill to specify that health maintenance organizations may provide the services of clinical social workers.

CLINICAL SOCIAL WORKER SERVICES AT HMO'S

● Mr. INOUYE. Mr. President, I am introducing legislation today to amend the health maintenance organization [HMO] authorization statute to make clear that, within these important institutions, our Nation's clinical social workers are to be deemed recognized providers of care.

Mr. President, the legislative proposal which I am recommending today will not cost any additional funds, as these practitioners are already serving our Nation in HMO's, providing a wide variety of services, such as health education and health promotion, health risk screening and assessment, case management, and psychotherapy. In essence, what my proposal does is to accord the social worker profession the professional recognition which it so richly deserves.

Mr. President, I request unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 153

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraphs (1) and (2) of section 1302 of the Public Health Service Act are amended by inserting "clinical social worker," after "psychologist," each place it appears.

(b) Paragraph (4) of such section is amended by striking out "and psychologists" and inserting in lieu thereof "psychologists, and clinical social workers".

(c) Paragraph (5) of such section is amended by inserting "clinical social work," after "psychology,".●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 154. A bill to authorize the Secretary of Health and Human Services to make grants for the planning, development, establishment and operation of poison control centers.

POISON CONTROL CENTER PROGRAM

● Mr. INOUYE. Mr. President, today Senator MATSUNAGA and I are introducing legislation to authorize the Secretary of the Department of Health and Human Services to make grants for planning and operating poison control centers.

I understand that more than 5 million poisonings occur each year in our Nation and that poisoning continues to remain the fourth most frequent cause of accidental death after motor vehicle accidents, drownings, and burns. Poisonings result in approximately 12,000 deaths per year. Unfortunately, about 90 percent of the reported cases involve children thereby making poisonings the most common pediatric emergency.

Presently, there are nearly 500 poison control or poison information centers already established in our Nation, many of which are colocated with hospital facilities, universities or public health authorities. Some of these are presently receiving Federal funding under the provisions of the Emergency Medical Services Block Grant Program. I understand that in the areas of high military concentration, such as Hawaii, military families can make up a high proportion of their clientele. In fact, in Honolulu, approximately 25 percent of our poison center's transactions are for local military personnel and their dependents, whom I might add often do not pay local taxes.

Mr. President, previous studies which have been brought to my attention conclusively indicate that when all poisoning episodes are considered, regional poison centers have been found to significantly reduce pediatric visits to hospital emergency rooms. For example, one study indicated that of those parents who did not call the poison center, 44 percent went to an emergency room, whereas less than 1 percent of the parents who did call the center went to the hospital. Essentially, various scientific and medical experts have informed me that a well-staffed poison center can effectively manage 85 percent of the acute poisonings which occur over the telephone. Simply stated, by spending money up front to establish poison centers, we will in the long run save considerable funds in hospital expenses. In fact, I understand that approximately 600,000 hospital visits or admissions are attributed to poisonings annually.

Mr. President, I request unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 154

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part B of title III of the Public Health Service Act is amended by inserting after section 314 the following new section.

"POISON CONTROL CENTERS

"Sec. 315. (a) The Secretary may make grants to appropriate public and private nonprofit entities for the planning, development, establishment, and operation of poison control centers.

"(b) A poison control center planned, developed, established, or operated with a grant under this section shall, with respect to the locality in which such center is established—

"(1) provide services for the appropriate and expeditious management and treatment of individuals who have consumed poisons or an overdose of drugs;

"(2) establish a twenty-four-hour telephone line, at no charge to the caller, to—

"(A) answer requests for information concerning poisions and drugs;

"(B) receive requests concerning, and make recommendations for, the treatment in the home of individuals who have consumed poisons or an overdose of drugs;

"(C) coordinate the referral to hospital emergency rooms of individuals who have consumed poisons or an overdose of drugs who need such referrals, by contacting and providing appropriate information to the staffs of such emergency rooms;

"(D) provide information to health care professionals involved in the treatment of individuals who have consumed poisons or an overdose of drugs; and

"(E) monitor the treatment at home of individuals who have consumed poisons or an overdose of drugs in order to assure that adequate care is provided to such individuals;

"(3) create and implement educational programs in order to improve public awareness of problems relating to the consumption of poisons and drugs and methods to prevent such consumption; and

"(4) collect date relating to the operations of the center, including information concerning the individuals served by such center.

"(c) To carry out this section, there are authorized to be appropriated such sums as may be necessary.".●

By Mr. INOUYE:

S. 155. A bill to limit the costs resulting from acts of negligence in health care and to improve the level of health care services in the United States, and for other purposes; to the Committee on Labor and Human Resources.

HEALTH CARE PROTECTION ACT

● Mr. INOUYE. Mr. President, during the past several Congresses, I have introduced legislation entitled the Health Care Protection Act which, if enacted, would establish uniform Federal standards for a network of health care malpractice screening panels across the Nation.

The bill, which I am again reintroducing today, is an outgrowth of our deliberations during the 1975 crisis in the medical malpractice insurance area. At that time, we appeared to have a crisis of availability; however, today, there would appear to be a growing crisis in affordability.

I was most pleased that during both the 98th and 99th Congresses, various committees with jurisdiction, in both the House of Representatives and the Senate, held formal hearings on the professional liability/medical malpractice issue. This is a very complex matter; however, I do feel it is one which we must affirmatively address in the near future if we ever hope to curtail the ever-escalating costs of health care in our Nation.

I am also pleased that during our deliberations on the fiscal year 1987 appropriations bill for the Department of Health and Human Services, the conferees agreed to include $1 million in the Secretary's program policy account for him to develop creative approaches to professional liability problems. This initiative was the result of considerable assistance which I received from Representative John Porter of the U.S. House of Representatives.

Mr. President, I request unanimous consent that the text of this bill, as well as a statement developed for me by Spectrum Emergency Care, Inc., be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 155

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Care Protection Act of 1987".

SEC. 2. CONGRESSIONAL FINDINGS AND STATEMENT OF PURPOSE.

(a) Findings.—The Congress finds that—

(1) the health care professions and the health care industry serve needs vital to the continuing health and welfare of the American people and form a vital part of commerce between the States;

(2) every person needs ready and economical access to medical and other health care services for full participation in American society and for full exercise of individual rights;

(3) the health care professions and the health care industry apply national standards of health care to State and regional needs and circumstances;

(4) the need to compensate persons injured by avoidable acts of health care negligence or malpractice and the resultant costs of malpractice insurance significantly increase the costs of medical and other health care services and products;

(5) divergent systems for insuring against, and for litigating and compensating, health care malpractice claims further raise the cost of needed malpractice insurance and prevent speedy compensation of injured persons;

(6) a large majority of the cost of premiums paid for malpractice insurance goes to investigating or litigating malpractice claims in State courts, while less than one-third of the premium costs are used to compensate persons injured by malpractice;

(7) many more incidents of health care malpractice occur than result in a claim for damages, and many valid claims for compensation are prevented because of the high costs of trial, and, conversely, many claims of malpractice are unjustified but result in settlements or awards for damages out of sympathy for the physical condition of the claimant;

(8) the costs of insurance protection against malpractice, and the risk of liability for compensation, burden both the health care providers and their patients and raise the cost of health care goods and services;

(9) the costs and risks referred to in paragraph (8) also increase the costs to the United States Government of carrying out its programs for aiding the people and the States in meeting health care needs, and affect the extent to which the United States may be financially liable for health care services afforded by its own officers or employees, including the military services and veterans and public health care programs;

(10) failure to compensate adequately persons injured by health care malpractice adversely affects the general health and welfare of the people of the United States and burdens commerce between the States;

(11) many States have experimented successfully with nonjudicial malpractice claims systems using screening panels to

reduce the costs of processing malpractice claims;

(12) the examination, prior to litigation, of claims regarding health care malpractice by malpractice screening panels organized by the States according to uniform Federal standards will aid materially in reaching just and timely resolutions of such claims at much lower administrative and litigation costs than the costs now incurred under the existing system of direct tort litigation and malpractice insurance;

(13) members of the public and responsible public officials of the States are entitled to be informed in all instances in which health care malpractice is found by a malpractice screening panel or a court, in order to protect against the risk of further malpractice and to minimize the necessary costs of insurance protection;

(14) a small percentage of health care providers account for a disproportionately high percentage of all malpractice claims, and for an even higher percentage of insurance payments to persons injured by health care malpractice; and

(15) because insurance premiums are usually set for an entire specialty group in a given region, the high-risk health care providers do not bear a financial burden proportionate to the amount of injury such providers cause, and therefore no effective financial incentive exists for the safe practice of medicine and other health care specialties.

(b) Statement of Purpose.—The purpose of this Act is to provide minimum Federal standards for the creation by each State of health care malpractice screening panels and procedures that will reduce the costs to the public and to the health care professions of malpractice, and that will provide full and expeditious compensation to the victims of health care malpractice.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) "malpractice" means malpractice, or professional negligence, by an individual or group that provides health care services or goods and that is required by State law to be licensed or certified to provide such services or goods within the State;

(2) "panel" means a malpractice screening panel established pursuant to section 5;

(3) "division" means a division of a malpractice screening panel that is authorized to hear and decide malpractice claims pursuant to this Act;

(4) "State insurance commissioner" means the officer or agency of State government charged with licensing or regulating the business of providing insurance against claims of malpractice within the State; and

(5) "State program" means the State program for compensation of and reduction of health care malpractice described in section 4.

SEC. 4. UNIFORM STANDARDS FOR COMPENSATION FOR HEALTH CARE MALPRACTICE.

(a) State Program for Compensation.—Each State shall be encouraged to establish, within four years after the date of enactment of this Act, a program for compensation and reduction of health care malpractice that complies with the provisions of this Act, and that consists of the establishment of malpractice screening panels in accordance with section 5 and the establishment of a State health care facility risk management program in accordance with section 7. The State may establish the State program by legislative, executive, or judicial action, as authorized by the laws and constitution of the State.

(b) Attorney General Regulations.—The Attorney General shall have authority to promulgate regulations for the interpretation and implementation of this Act. Within one year after the date of enactment of this Act, the Attorney General shall issue regulations concerning the certification of State programs in accordance with section 8 and for payments to States under section 9.

SEC. 5. MALPRACTICE SCREENING PANELS.

(a) Establishment.—Each State shall be encouraged to establish one or more malpractice screening panels to hear all claims of health care malpractice against persons in the State who are licensed or certified by the State to provide health care services or who provide health care services for which State law requires a license or certification. Each State shall, after consultation with the Attorney General, publish a list of the health care professions that are so licensed or certified and the health care professions of which members provide health care services so licensed or certified. If the State establishes more than one panel, the jurisdiction of the panels may be divided by geographic area within the State or by health care specialty.

(b) Membership and Appointment.—(1) A malpractice screening panel shall have at least three members, chosen and appointed under the laws or constitution of the State. A State may require that a panel sit as a single body or may authorize the panel to sit in smaller divisions of at least three members. Each panel, and each division before which a claim is heard, shall include at least one licensed or certified health care professional, one person admitted to practice law in the courts of the State, and one layperson who represents consumers and is not affiliated with a health care practitioner or health service institution, and may include such other members as the State shall provide. The State may annex a panel to a court of the State. The State shall specify the method of selection and assignment of members of each panel and any division thereof in a manner that assures that each panel and division will afford a full and fair hearing to all parties to any claim brought before it. The members of each panel shall be selected without regard to gender, race, religion, or national origin.

(2) The State shall provide that any member or employee of a panel or division is immune from suit for defamation, libel, or slander, arising from the performance of his official duties with the panel or division, unless malice or actual knowledge of the falsity of a defamatory statement is proved.

(c) Jurisdiction and Rules of Procedure.—The State shall be encouraged to provide for the following:

(1) Each panel shall have original and exclusive jurisdiction within the State, or such area of the State or health care specialty as State law shall provide, to hear and decide any claim for damages resulting from injury or death incurred as a consequence of health care malpractice by an individual, group, or organization that is required to be licensed or certified by the State in order to provide health care goods or services in that State.

(2) Except as provided in subsection (j) or as provided for claims against the United States, every claim within the jurisdiction of a panel shall be filed with, heard, and decided by, the panel.

(3) The existence or absence of requisite injury, causation, negligence, malpractice, or any other element of a claim, or defense to a claim, shall be determined under the law of the State, but the State shall authorize each panel and the person who appoints the panel to establish rules of procedure for fair and expedited hearing and decision of claims. All such rules of procedure shall be published and made available to the public.

(d) Claim and Answer.—Each State shall be encouraged to provide that a claim for damages resulting from injury or death incurred as a consequence of health care malpractice shall be filed with a panel within the State in which the malpractice allegedly occurred. The State shall specify the procedure for filing a claim, including a procedure for transfer to the appropriate panel of a claim improperly filed with a court or with the wrong panel, and shall require that a copy of the claim and any accompanying documents be served at the time the claim is filed on each person alleged to have caused the injury, each of whom shall be named as a defendant. The State shall require that each defendant answer the claim in timely fashion and completely. The State shall provide that a filed claim (1) fully describe the alleged malpractice that gave rise to the claim, the nature and extent of the injury that resulted, and the manner in which the injury took place, (2) list the names of all persons who may be liable for the malpractice and describe each person's role in the malpractice, and (3) list the names of all expert witnesses who will be called in support of the claim, including their qualifications.

(e) Screening and Preliminary Investigation.—The panel or division to which the claim is assigned shall promptly review each claim and answer. If in the course of its review the panel or division determines that particular evidence will be needed to decide the claim, the panel or division shall notify the claimant and each defendant, and provide the claimant and defendants an opportunity to provide the evidence at or before the hearing on the claim. The panel or division may, on its own motion, engage expert consultants or witnesses during review or at a hearing, and the testimony or reports of such consultants or witnesses shall be admitted into evidence.

(f) Discovery.—The panel or division may permit discovery and motion practice prior to the hearing required by subsection (g) only as specifically provided by State law for malpractice screening panels. The panel or division shall not permit discovery that, in relation to the size and nature of the claim, will burden unduly the claimant, the defendant, or any third party, or that will delay unduly the resolution of the claim.

(g) Hearing.—The panel or division shall, within one hundred and eighty days after the date on which a claim is filed, conduct a hearing on the claim. One continuance, not to exceed ninety days, may be granted to any party upon a showing that extraordinary circumstances which are not within that party's control warrant delay in the interests of justice. At the hearing, each party may be represented by counsel. The claimant shall be required to present all evidence supporting the claim, and each defendant shall be required to present all evidence rebutting or defending against that claim. Notwithstanding the rules of evidence applicable in the State's courts, the panel or division may hear and consider any relevant and material evidence, except that a State may establish and publish rules or procedures preventing the introduction of irrelevant, unprobative, or unduly repetitious evidence. A State may establish and publish such procedures for the conduct of panel hearings as comport with the due process of law and with this section. A panel or division shall be authorized to compel the appearance of witnesses and the production of documents or other evidence.

(h) PANEL OR DIVISION DECISION.—After hearing all the evidence presented by the claimant and each defendant, the panel or division shall decide whether or not the malpractice was proved, and, if the malpractice was proved, whether the injury resulted from proved malpractice of one or more of the defendants. Within thirty days after the conclusion of the hearing of the evidence (unless a delay is necessary due to extraordinary circumstances), the panel or division shall transmit a written decision to the claimant and each of the defendants. The decision shall include a statement of the findings of fact and conclusions of law on which the panel or division based its decision and determined any award under subsection (i).

(i) AWARDS OF DAMAGES.—If a panel or division finds compensable injury resulting from health care malpractice by one or more defendants, the panel or division shall determine the amount of damages owed under State law to the claimant by each liable defendant, and shall enter an order against each such defendant to pay an award in that amount. An award by a panel or division is due upon entry of the award, and a State may provide for judicial enforcement of an award that is not paid promptly. In court proceedings to enforce an order to pay an award, the only issue shall be whether payment has been made according to the terms of the order. The decision of a panel or division shall not be subject to review, except to review an allegation of fraud or of unlawful conflict of interest by a member of the panel or division that made the decision. A State shall provide that, notwithstanding any other provision of law but subject to any State law limiting the amount of recoverable damages—

(1) a panel or division may provide that any award for continuing or prospective damages of $100,000 or more be made in the form of suitable annual or other periodic payments as actual damages are incurred;

(2) a panel or division may provide that any award for damages of $200,000 or more may be satisfied by establishing a trust fund or purchasing an annuity for the life of each person to whom the award is made or during the continuance of the compensable injury or disability, with a reversionary interest in the persons liable for the award; and

(3) the timing and amounts of periodic payments or of payments from a trust fund or annuity shall be such as to avoid hardship to, and assure full compensation of, each person to whom the award is made, as determined by the panel or division.

(j) TRIAL DE NOVO IN STATE COURT.—(1) Each State shall provide that any party to a claim decided by a panel or division shall be entitled to trial de novo on the claim before a State court of appropriate jurisdiction on motion filed within sixty days after the party receives the panel's or division's decision under subsection (h). The decision of the panel or division and its written statement and order to pay an award shall be admissible as evidence in such trial on motion of any party to the panel or division hearing. Any right of trial by jury shall be preserved. If a trial de novo is held at the request of a party, that party may be liable for all costs of trial and for reasonable attorney's fees to opposing parties if, after final judgment in the State court, that party has not substantially prevailed in the action.

(2) For purposes of paragraph (1), a party has substantially prevailed in a trial de novo if—

(A) the party was a defendant at the panel or division hearing and is found by the court not to be liable for damages, or to be liable for damages in an amount which is less than the amount of the defendant's liability (as established by the panel or division) by an amount which is equal to 20 per centum of the amount of such liability or $6,000, whichever is greater; or

(B) the party was the claimant at the panel or division hearing, and the court awards damages to that claimant in an amount which exceeds the amount awarded to that claimant by the panel or division by an amount which is equal to 20 per centum of the amount awarded to the claimant by the panel or division or $6,000, whichever is greater.

(k) SETTLEMENT BEFORE DECISION OR AWARD.—The parties to a claim filed with a panel or division may enter into a settlement agreement at any time prior to the date on which the panel or division transmits a decision under subsection (h) with respect to the claim. A written copy of the agreement shall be filed with the panel or division. Any such settlement shall not provide for attorney's fees in excess of the amount authorized under section 7. Upon receiving a copy of the agreement, the panel shall close its file on the claim and shall transmit the report with respect to the settlement agreement required under subsection (l).

(l) REPORT OF FINDINGS OF MALPRACTICE OR NEGLIGENCE.—(1) The State shall require that—

(A) if a panel, division, or court finds, in making a determination with respect to a claim, that one or more defendants has committed health care malpractice, or

(B) if a settlement agreement is filed with a panel or division under subsection (k),

the panel, division, or court shall, within thirty days after the panel, division, or court makes such finding or such settlement agreement is filed under subsection (k), transmit a report with respect to such finding or settlement agreement to the State insurance commissioner and the State licensing or certification board or professional conduct body, if any, with jurisdiction over the licensed or certified health care profession or industry of each defendant for which a finding of malpractice has been made or who is involved in such settlement agreement.

(2) The report required by paragraph (1) shall include—

(A) the written statement of the panel or division under subsection (h) with respect to the claim, or the verdict or opinion of the court with respect to the claim, as the case may be;

(B) any order of award of the panel, division, or court with respect to the claim; and

(C) a copy of any settlement agreement filed under subsection (k).

(3) The State insurance commissioner shall make each report received under paragraph (1) available for public inspection by any person, shall take such further action with respect to the report of malpractice as State law authorizes, and shall promptly notify each insurance company or association offering malpractice insurance for the licensed or certified profession or business within the State of—

(A) the panel's, division's, or court's finding of malpractice, including the name of each person found to have committed malpractice, the nature of the person's liability, and the amount of any award; and

(B) the terms of any settlement agreement entered into under subsection (k).

(4) The State shall provide that insurance companies or associations are authorized to adjust their rates for persons who are held liable by a panel, division, or court for malpractice, or who have entered into two or more settlement agreements under subsection (k) that require payments to claimants for malpractice within a three-year period prior to the date on which any such person applies for malpractice insurance.

(m) FILING CLAIM TOLLS STATUTE OF LIMITATION.—The State shall provide that a statute of limitation pertaining to a claim relating to malpractice is tolled from the date on which the claim is filed under subsection (d) until the date which is sixty days after the date on which the panel or division transmits a decision under subsection (h).

SEC. 6. AWARD OF ATTORNEYS' FEES IN MALPRACTICE ACTIONS.

(a) LIMITATIONS ON FEES.—Each State shall provide that in any action or claim filed under this Act in which the claimant receives an award of damages, the amount of payments to the claimant's attorney shall not exceed—

(1) one-third of the amount of an award of less than $100,000;

(2) one-quarter of the amount of an award between $100,000 and $200,000;

(3) 20 per centum of the amount of an award between $200,000 and $300,000; or

(4) 15 per centum of the amount of an award in excess of $300,000.

(b) FEES PAYABLE FROM PERIODIC PAYMENTS.—Each State shall provide that where a panel or division orders payment of an award of damages in accordance with the methods set forth in paragraph (1), (2), or (3) of section 5(i), payments of any contingent fee to the claimant's attorney shall be made out of the periodic payments therein provided for and shall in no instance be a larger fraction of such periodic payment than the proportion borne by the total fee payable under subsection (a) to the total amount of damages awarded.

(c) MISCELLANEOUS.—This section does not require that fees for malpractice claims be contingent fees, nor does it authorize the award of fees against a liable party except where authorized by section 5(j) or under State law.

(d) PENALTIES.—If an attorney in an action or claim under this Act accepts payment for services in such action or claim in an amount which exceeds the amount provided by this section, the attorney shall forfeit three times the amount of the excess, plus costs of recovery, to the State in any civil action for recovery brought by the State in any Federal district court within the State. The Federal district courts shall have original and exclusive jurisdiction of such actions for recovery.

SEC. 7. HEALTH CARE FACILITY RISK MANAGEMENT PROGRAMS.

(a) DEVELOPMENT OF PROGRAM.—Each State shall be encouraged to develop a program to require each licensed hospital, outpatient facility other than the office of an individual practitioner, and residential health care organization or facility within the State to employ a risk management program consistent with the provisions of this section. Each Federal health care institution in a State shall comply with the State program approved by the Attorney General of the United States under section 8. A State health care facility risk management program shall be consistent with State law and shall meet the minimum requirements set forth in subsection (b).

(b) MINIMUM REQUIREMENTS.—(1) The State health care facility risk management program shall require that each licensed hospital or residential health care organization or facility adopt procedures for—

(A) identifying and reporting to a risk management committee or office approved by the State all known or suspected incidents of malpractice by that hospital, organization, or facility, by the staff of the hospital, organization, or facility, or by persons using facilities with the permission of the hospital, organization, or facility; and

(B) identifying the causes of such incidents and suspected incidents.

(2) Each risk management committee or office approved by the State shall prepare a case file on each incident of malpractice as soon as such incident is reported, and shall investigate the merits of any likely claim of malpractice while the evidence and the reports of witnesses with respect to such claim are readily available. The case files and reports of investigations shall be made available to the patient and to the hospital or residential health care organization or facility. The reports shall be reviewed by the hospital, organization, or facility to identify actions which can be taken to reduce the risk of further incidents of the same nature.

(c) ADDITIONAL PROVISIONS.—Two or more licensed hospitals or residential health care organizations or facilities may jointly establish or use the same risk management committee or office if such committee or office has been approved by the State. Risk management committees or offices approved by the State may exchange information concerning risk experience, prevention, and management, except that such committees or offices shall not be used—

(1) for the exchange of price information in a manner forbidden by the antitrust laws of the United States;

(2) to fix prices for health care or insurance services; or

(3) to divide markets in a manner forbidden by the antitrust laws of the United States.

SEC. 8. CERTIFICATION OF QUALIFYING PROGRAM.

(a) CERTIFICATION REQUIRED.—Within two years after the date of enactment of this Act, the Governor of each State shall certify to the Attorney General of the United States whether the State has adopted a State program which in the opinion of the Governor is in compliance with the provisions of this Act. The Governor shall attach to the certification copies of all relevant State laws, rules, procedures, and regulations which are a part of the State program.

(b) EVALUATION OF CERTIFICATION.—The Attorney General shall examine each certification within sixty days after its receipt, and shall approve the certification if the certification demonstrates that the State is in substantial compliance with this Act. If the Attorney General determines that a State program is not substantially in compliance with this Act, the Attorney General shall, within fifteen days after making such determination, notify the Governor of such determination and shall recommend revisions which would bring the State program into compliance with the provisions of this Act.

(c) TERMINATION OF ALLOCATION.—If, within thirty months after the date of enactment of this Act, a State has not submitted a certification described in subsection (a) to the Attorney General, or if a State has submitted a certification described in such subsection to the Attorney General and such certification has not been approved by the Attorney General, the Attorney General shall notify the Governor of the State that the State's allocation under section 9(d) shall be terminated unless, within six months after the Attorney General transmits such notice, the State submits a certification described in subsection (a) to the Attorney General and the Attorney General approves such certification.

(d) ACTION IN THE EVENT OF NONCERTIFICATION.—If, within four years after the date of enactment of this Act, a State program of one or more States has not been approved under subsection (b), the Attorney General shall transmit a report with respect to such State programs to the Speaker of the House of Representatives, the President pro tempore of the Senate, and the President of the United States. The report shall include the recommendations of the Attorney General with respect to such State programs.

(e) ACTION IN THE EVENT OF NONCOMPLIANCE.—If the Attorney General determines at any time that a State program which has been approved under subsection (b) no longer complies with this Act, the Attorney General shall notify the Governor of the State of such determination, and the State shall repay to the United States any amount paid to the State under section 9(a) which has not been used by the State prior to the date on which the State receives notice of the Attorney General's determination. The State shall make such repayment within sixty days after receiving such notice.

SEC. 9. PAYMENTS TO STATES WITH COMPLYING PROGRAMS.

(a) PAYMENTS BY ATTORNEY GENERAL.—Within ninety days after approving a certification of a State under section 8(b), the Attorney General shall pay to that State the amount specified in subsection (d). Payment shall be made in a single installment to the State officer, agency, or organization authorized by State law to receive such payment.

(b) USE OF PAYMENTS.—Payments made under subsection (a) shall be used by the State to support and pay the costs of establishing and operating one or more malpractice screening panels under section 5 and to reimburse the State for the costs of developing and submitting the State program. Any amount of a payment made under subsection (a) which is not used in accordance with the preceding sentence may be used by the State to—

(1) identify the causes of health care malpractice incidents within the State and develop means and programs to prevent or reduce the severity and frequency of avoidable injuries to patients;

(2) review the structure, authority, and operations of approved State malpractice claims plans, risk-management committees, professional standards review organizations, professional licensing bodies, and professional conduct bodies for licensed or certified health care professionals and industries, and develop or implement needed improvements in such plans, committees, organizations, and bodies; and

(3) develop or offer courses or materials relating to—

(A) recognized standards for the safe and approved practice of any licensed or certified health care profession or industry within the State; and

(B) means by which the risks of avoidable injury to patients may be reduced and the standards of health care practice improved.

(c) REPORT OF GOVERNOR.—Within one year after the date on which a State receives a payment under subsection (a), the Governor of the State shall report to the Attorney General on the State's use of such payment. Upon request, the Governor of any such State shall provide the Attorney General with the description of any State activity carried out under subsection (b).

(d) AMOUNT OF PAYMENTS.—The Attorney General shall allocate among the States the amounts appropriated to make payments under this section as follows:

(1) The Attorney General shall allocate $250,000 from the amounts appropriated to carry out this Act for each fiscal year to each State, except that if—

(A) the amount appropriated for any fiscal year to carry out this Act is less than $12,500,000, the Attorney General shall proportionately reduce the amount allocated to each State; and

(B) if the amount appropriated for any fiscal year to carry out this Act exceeds $12,500,000, the Attorney General shall allocate to each State, from the amount which equals the difference between the amount appropriated for such fiscal year to carry out this Act and $12,500,000, an amount which bears the same ratio to the total amount of such difference as the population of the State bears to the population of all States.

(2) If, under section 8(c), a State's allocation under this Act is terminated, or if, under section 8(e), a State is required to repay to the United States any amount, the amount of such terminated allocation or repayment shall be reallocated by the Attorney General in accordance with paragraph (3).

(3) Except as provided in paragraph (4), amounts which are subject to reallocation pursuant to paragraph (2) shall be reallocated and paid to States which the Attorney General determines, in the Attorney General's discretion, are most in need of additional funds to support the State program. In reallocating amounts under this paragraph, the Attorney General shall consider all relevant circumstances, including—

(A) a high incidence of malpractice claims within a State;

(B) unique or unusual types of claims requiring exceptional expense to a State;

(C) long distances or other geographical barriers within a State which increase travel and administrative costs for the State program;

(D) particular claims in a State involving unusual problems of proof or presenting new issues of scientific fact or professional standards;

(E) particular claims or patterns of claims in a State involving similar or related injuries to a large number of persons similarly situated; and

(F) special litigation or management needs which occur in a State in order to comply with existing State law or State constitutional requirements.

(4) Amounts subject to reallocation pursuant to paragraph (2) may also be allocated and paid by the Attorney General to any State for the purpose of assisting in the development or implementation of a modified State program, or for studies of the oper-

ations of the State program. The results of any such study shall be reported to the Attorney General.

SEC. 10. JUDICIAL REVIEW.

Any decision by the Attorney General—

(1) that a State program is not in compliance with this Act,

(2) to terminate the allocation of a State under this Act,

(3) to require a State to repay funds provided under this Act, or

(4) to reallocate funds under this Act,

shall be final and not subject to judicial review.

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Department of Justice $25,000,000 for fiscal year 1988 and each succeeding fiscal year to carry out the purposes of this Act. Funds appropriated to carry out this Act for a fiscal year shall remain available until expended.

MEDICAL MALPRACTICE LIABILITY INSURANCE FOR EMERGENCY PHYSICIANS: NEED FOR REFORM

A POSITION PAPER FOR THE CONGRESSIONAL RECORD

(By Spectrum Emergency Care, Inc., a Subsidiary of ARA Services, Inc., Aug. 28, 1986)

During the fifteen years that Spectrum Emergency Care has operated as a contract management corporation in the field of emergency medicine, we have seen many great advances in emergency care, including the growth of emergency medicine as a specialty. We have also seen develop a set of growing major problems: increasing numbers of lawsuits filed and costs per claim, soaring malpractice liability insurance costs, and the lack of adequate insurance available to physicians. These have combined to change deleteriously the practice of emergency care, have unnecessarily increased the cost to patients, and have discouraged physicians from practicing.

Spectrum Emergency Care, Inc., is a St. Louis-based company that provides physician staffing and management services for over 350 hospital emergency departments across the country. Spectrum has been in operation since 1971 and has offices in San Diego, Boston, Dallas, Chicago, Colorado Springs, Memphis, Tampa, Duluth, Silver Spring, and Columbus, Ohio. Spectrum became a subsidiary of ARA Services, Inc., in 1979. ARA Services is an international, diversified service management company headquartered in Philadelphia which provides basic services for industry, institutions, and consumers, including food and refreshments, health care, child care, uniform rental, maintenance, distribution of publications, and transportation.

We believe there is a liability crisis in all of health care, but over the last three years the impact upon the field of emergency medicine has been particularly severe. Costs per patient visit have skyrocketed, often going from $1 per visit for *occurrence* insurance to in excess of $6 per visit for *claims made* insurance (the latter form traditionally being a less expensive and less satisfactory form of malpractice liability insurance). Availability has also become a serious problem, with very few insurance companies remaining in the market. In fact, in some states, such as Illinois and Colorado, there is really only one source from which to purchase insurance.

Joe Gatewood, M.D., F.A.C.E.P., Spectrum's Medical Director, is particularly concerned that the amout of awards for noneconomic damages are not only escalating uncontrollably, but often bear no relation to the injuries involved. Rather, they often have more to do with who has the "deep pocket" and with an attempt to use the tort system to cure social problems. He agrees with President Reagan's concern that the laws have become "twisted and abused" to produce "outcomes that impede our economic life."

We strongly urge the Congress to pass federal tort reform legislation modeled along the lines of the AMA proposal. We are concerned that if tort reform is not successful, the insurance market will dramatically worsen, resulting in fewer physicians willing to practice emergency care and with those remaining forced to practice an increasingly expensive, defensive art.

Tort reform is particularly needed to convince the major reinsurance market in London to continue writing catastrophic coverage policies in the United States. Over the last 18 months, our discussions with London underwriters and brokers have convinced us of their concerns, as have the reactions they have taken: changing to a claims made form of insurance for almost all of their policies and increasing costs at an occurrence based equivalent of approximately 100% annually. They are concerned about the "lottery" atmosphere which has crept into the American tort system and jury awards. We believe that without changes in the law and attitudes in this country, the major London underwriters, Lloyds and Weavers, will gradually withdraw from the U.S. market.

The tort reform legislation we support would include:

1. *Elimination of "joint and several" liability:* Misuse of this principle of law has possibly been the single largest source of injustice in this country's system of tort law. We applaud the results of the California referendum, in which voters (by the astronomical ratio of 62 to 38 percent) put limits on the "deep pockets" theory. The impact of Proposition 51 in California will be to lessen the ability of plaintiffs to collect outrageous damages from one defendant who has a very low level of liability but adequate insurance simply because another defendant in the same suit has no insurance to pay for the high level of negligence of which he is found guilty. This often results in the twisted outcome President Reagan has noted.

2. *Caps on noneconomic damages:* Kirk Johnson of the AMA is correct when he says this will substantially decrease the cost of professional liability insurance. This is supported by Patricia Danzon, Ph.D., of the Wharton School, who believes that malpractice claims could be reduced by as much as 20-25% with damage caps.

3. *Better defined boundaries for compensation for economic damages:* These should be tied to factors such as a person's age, life expectancy, severity of injury, and a realistic assessment of loss of earnings. Also, damages should be discounted for collateral sources of payment.

4. *Discourage frivoulous lawsuits and limit fees earned by lawyers on a contingency basis:* We believe that the current system of contingency fees has helped fuel the "lottery mentality" and has resulted in suits which should never have been filed. Not only has this helped clog the legal system, but has dramatically increased defense costs. In our company alone, cost of defending claims has tripled from 1979 to 1983 in spite of the fact that 62% of our claims are closed with no indemnity payment.

In summary, we are pleased to note that already lawmakers in 32 states have enacted bills in an effort to lessen this crisis. However, local judicial interpretation of these laws may override the expressed will of the people and their elected legislators. Therefore, federal legislation is required to speed tort reform and to ensure consistency among states. Solving this crisis in short order is essential because it impact worsens daily.

To those, such as the Association of Trial Lawyers, who say there is no medical malpractice crisis in America, we suggest they:

Ask the emergency department physician in Cook County who will pay $22,012 for a first year's claims made premium (and the tail, to cover future years' exposure, will be an additional $31,180). This physician averages approximately $90,000 in gross income.

Ask the expectant mother in New York who finds that her trusted obstetrician no longer delivers babies because he cannot get insurance.

Ask the emergency department physician who now must report on hospital staff applications the one, two, or more settlements made on his behalf, based on cases in which there was no negligence but in which the insurance companies were forced to settle to avoid the cost of expensive legal defense.

Ask the patient who no longer finds his family physician (or the emergency department physician) as trusting and sympathetic because this doctor is forced to view each patient as a potential lawsuit.

We strongly urge this Congress to pass a much needed tort reform bill, resulting in a health care system which operates more fairly, more efficiently, and more humanely for everyone.●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 156. A bill to amend chapter 89 of title 5, United States Code, to provide authority for the direct payment or reimbursement to qualified clinical social workers to clarify certain provisions of such chapter with respect to coordination with State and local law, and for other purposes; to the Committee on Governmental Affairs.

AUTHORITY TO PAY OR REIMBURSE CERTAIN ADDITIONAL HEALTH CARE PROFESSIONALS

● Mr. INOUYE. Mr. President, today Senator MATSUNAGA and I are introducing legislation to clarify the conditions under which the services of clinical social workers will be made available to our Nation's Federal employees and their families.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 156

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AUTHORITY TO PAY OR REIMBURSE CERTAIN ADDITIONAL HEALTH CARE PROFESSIONALS

SECTION 1. Section 8902(k) of title 5, United States Code, is amended—

(1) in paragraph (1), by inserting "(except if, or to the extent that, any such supervision or referral is required under State or

local law, or regulations issued thereunder, as described in subsection (m)(1)(B))" after "practitioner";

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (5), respectively;

(3) by inserting after paragraph (1) the following:

"(2)(A) When a contract under this chapter requires payment or reimbursement for services which may be performed by a qualified clinical social worker, an employee, annuitant, family member, or former spouse covered by the contract shall be—

"(i) free to select, and shall have direct access to, such a qualified clinical social worker without supervision or referral by another health practitioner. The provisions of this subsection shall not apply to group practice prepayment plans; and

"(ii) entitled under the contract to have payment or reimbursement made to him or on his behalf for the services performed.";

(4) in paragraph (3) (as so redesignated by paragraph (2)) by striking "As" and inserting "Subject to subsection (m)(1)(B), as'"

(5) by inserting after paragraph (3) (as so redesignated by paragraph (2)) the following:

"(4) When a contract under this chapter requires payment or reimbursement for services of a health practitioner covered by paragraph (2) or (3), the terms and conditions governing such payments or reimbursements shall (except to the extent otherwise permitted under paragraph (3)(A)) be the same as the terms and conditions applicable under contracts under this chapter requiring payments or reimbursements for services of health practitioners covered by paragraph (1)."; and

(6) by amending paragraph (5) (as so redesignated by paragraph (2)) to read as follows:

"(5) The provisions of this subsection shall not apply to prepayment plans described in section 8903(4) of this title.".

EFFECTIVE DATE

SEC. 3. The amendments made by this Act shall be effective with respect to contracts entered into or renewed for calendar years beginning after the date of the enactment of this Act.●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 157. A bill to amend the Native American Programs Act of 1974 to authorize the provision of financial assistance to agencies serving native American Pacific islanders, including American Samoan natives; to the Select Committee on Indian Affairs.

FINANCIAL ASSISTANCE TO NATIVE AMERICAN PACIFIC ISLANDERS

● Mr. INOUYE. Mr. President, today Senator MATSUNAGA and I are introducing legislation to amend the Native American Programs Act of 1974 to authorize the provisions of financial assistance to agencies serving native American Pacific islanders, including American Samoans.

American Samoans are like any other native American people: they have unique problems in the areas of health, education, employment, and other social areas. For example, according to the U.S. Census Bureau, the percentage of American Samoans living in poverty in the United States is 27.5 percent, compared to 9.6 percent of the total U.S. population. The incidence of extreme poverty for Samoans is 140-percent higher than for the country as a whole.

In California, 21 percent of Samoan families are below the poverty level, compared with 8.7 percent of all California families. In my home State of Hawaii, 37.5 percent of Samoan families are below the poverty level, compared with 7.8 percent of all families.

The unemployment of Samoans in the United States is much higher than the general population. The 1980 census indicates that 9.7 percent of all Samoans in the labor force are unemployed. In California, 10.1 percent of all Samoans in the labor force are unemployed, a rate of 150 percent of the overall State unemployment rate of 6.5 percent. In Hawaii, the unemployment rate of Samoans is 10.2 percent, more than double the rate of the State as a whole.

In Public Law 97-300, the Job Training Partnership Act, the U.S. Congress expressed concern about the unique and special problems facing the American Samoans in the United States. It is now time to fulfill our Federal responsibility to these needy people. Including American Samoans in the Native American Programs Act will upgrade the standard way of living for these people, and it will provide necessary financial resources for us to address the problems the Samoan people are facing. These native American people represent a true Federal responsibility.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 157

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) section 802 of the Native American Programs Act of 1974 is amended by inserting ", Native American Pacific Islanders (including American Samoan Natives)," after "Hawaiian Natives".

(2) Section 803 of such Act is amended by inserting "Native American Pacific Islanders (including American Samoan Natives)," after "Hawaiian Natives,".

(3) Section 807 of such Act is amended by inserting "or Territory" after "State" each place it appears.

(b) The amendments made by subsection (a) shall apply to fiscal years beginning after the date of enactment of this Act.●

By Mr. INOUYE:

S. 158. A bill to authorize the sale of certain fish in the State of Hawaii; to the Committee on Commerce, Science, and Transportation.

AUTHORIZATION OF CERTAIN FISH SALES IN HAWAII

● Mr. INOUYE. Mr. President, I am reintroducing legislation today to help the troubled tuna cannery in Hawaii obtain a sufficient volume of competitively priced tuna to run a viable business.

Under existing Federal law, the Nicholson Act (46 U.S.C. 251) prohibits foreign-flag vessels from landing fish in the United States if these fish are caught by foreign-flag vessels on the high seas. The only exception is for fish landed in the United States pursuant to a treaty or convention to which the United States is a party. Unfortunately, such a treaty is not in effect with the relevant Asian countries, and the Hawaiian tuna packers have been in dire straits due to a lack of resource and lack of business.

Just over 2 years ago, the Hawaiian cannery employed 420 people, with a payroll of over $5 million. It purchased over $2 million worth of fish annually from Hawaiian fishermen and contributed greatly to the State's economy, paying taxes and purchasing equipment. Today the cannery sits dormant, shutdown when Castle & Cooke quit its seafood division, best known as Bumble Bee, in late 1984. After 49 years of being a vital part of the Hawaiian fishing industry, buying surplus catch from Hawaii's fishermen and producing a marketable product, the cannery became uneconomical and had to be closed.

All hope is not lost for the tuna cannery, however, as new efforts are being made to reopen and revitalize the facility. There are plans to colocate the tuna canning lines and ice plant with other elements of the Hawaiian fishing industry, such as the daily fish auction and local fishmarkets. Such a complex could serve as a nexus for the local fishing industry and attract other merchants and seafood establishments. This would provide a big boost to the development of Hawaii's fishing industry.

To get such an operation on its fee, it would be invaluable to be able to supplement local sources of tuna with the significant catch of Japanese vessels. This would provide the volume and consistency of tuna resource necessary to sustain such a complex. Therefore I am reintroducing this legislation, which I first introduced in the 98th Congress, to achieve this goal. It is my hope that my colleagues will recognize and appreciate the unfortunate circumstances which have befallen the Hawaiian tuna industry and will lend their support to this effort to turn the tide on this decline.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 158

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 4311 of the Revised Statutes of the United States, as amended (46 U.S.C. 251) Japanese-flag vessels shall be permitted to land tuna in the State of Hawaii.●

By Mr. INOUYE.

S. 159. A bill to amend title 10, United States Code, to authorize the appointment of health care professionals to the postions of the Surgeon General of the Army, the Surgeon General of the Navy, and the Surgeon General of the Air Force; to the Committee on Armed Services.

SURGEON GENERALS OF THE ARMED FORCES

● Mr. INOUYE. Mr. President, today I am introducing legislation which would provide that various positions within the Department of Defense Health Care Program would be opened up for a range of health care providers, depending upon their administrative and clinical skills.

For example, it is my understanding that the position of Surgeon General of the U.S. Army is not limited to physicians. Instead, such an appointment may be made from officers who have shown by extensive duty in the branch concerned, or by similar duty, that they are qualified for the appointment. The Department of the Army has informed me that the phrase "branch concerned" refers to the six corps of the Army Medical Department and, thus, for example, presumably a military dentist might be appointed to that position.

The legislation which I am introducing today would ensure that each of the Surgeons General and the Assistant Secretary of Defense for Health Affairs shall, in fact, become eligible for interdisciplinary appointments.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 159

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SURGEON GENERAL OF THE ARMY.

Section 3036 of title 10, United States Code, is amended—

(1) in subsection (b), by inserting before the period at the end of the third sentence the following: "and shall be appointed as prescribed in subsection (f)"; and

(2) by adding at the end the following new subsection (f):

"(f) The President shall appoint the Surgeon General from among commissioned officers in any corps of the Army Medical Department who are educationally and professionally qualified to furnish health care to other persons, including doctors of medicine, dentistry, and osteopathy, nurses, and clinical psychologists.".

SEC. 2. SURGEON GENERAL OF THE NAVY.

Section 5137 of title 10, United States Code, is amended—

(1) in the first sentence of subsection (a), by striking out "in the Medical Corps" and inserting in lieu thereof "who are educationally and professionally qualified to furnish health care to other persons, including doctors of medicine, dentistry, and osteopathy, nurses, and clinical psychologists"; and

(2) in subsection (b), by striking out "in the Medical Corps" and inserting in lieu thereof "who is qualified to be the Chief of the Bureau of Medicine and Surgery".

SEC. 3. SURGEON GENERAL OF THE AIR FORCE.

The first sentence of section 8036 of title 10, United States Code, is amended by striking out "designated as medical officers under section 8067(a) of this title" and inserting in lieu thereof "educationally and professionally qualified to furnish health care to other persons, including doctors of medicine, dentistry, and osteopathy, nurses, and clinical psychologists".●

By Mr. INOUYE:

S. 160. A bill to amend titles 10 and 37, United States Code, to provide for constructive service credit for speciality nurses and to provide for incentive pay for speciality nurses assigned to remote locations within the Department of Defense; to the Committee on Armed Services.

SOCIAL SECURITY ACT

● Mr. INOUYE. Mr. President, today I am introducing legislation which would provide that the constructive credit provisions of the Federal Code affecting Department of Defense nurses will be appropriately utilized, given the nature of their clinical training.

The legislation which I am introducing today would also provide special incentive pay for those nurse anesthetists who have been assigned to remote locations within the Department of Defense.

Mr. President, I am confident that these provisions will be in the best interest of our military personnel and, accordingly, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 160

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONSTRUCTIVE SERVICE CREDIT FOR SPECIALTY NURSING.

Section 533(b)(1) of title 10, United States Code, is amended by adding at the end the following new subparagraph (G):

"(G) Six months for each year of nursing experience in critical care, surgery, obstetrics, anesthesia, or any other nursing specialty, if appointed in a commissioned grade in an armed force for assignment as a nurse and if the Secretary concerned determines that the number of nurses in that armed force who are qualified in such specialty is critically below the number needed. Advanced training is not required for credit under this clause.".

SEC. 2. INCENTIVE PAY FOR SPECIALITY NURSES ASSIGNED TO REMOTE LOCATIONS.

(a) IN GENERAL.—Chapter 5 of title 37, United States Code, is amended by adding after section 302b the following new section:

"§ 302c. SPECIAL PAY: SPECIALITY NURSES ASSIGNED TO REMOTE LOCATIONS

"An officer on active duty in the Army, Navy, or Air Force who—

"(1) receives service credit for experience in a nursing speciality under section 533(b)(1)(G) of title 10; and

"(2) is assigned to duty at a place designated as a remote location by the Secretary concerned, is entitled to special pay at the rate of $--------------- per month.".

(b) CONFORMING AMENDMENTS.—(1) Sections 303a and 306(e) of title 37, United States Code, are amended by inserting "302c," after 302b each place it appears.

(2) The table of sections at the beginning of chapter 5 of such title is amended by inserting after the item relating to section 302b the following new item:

"302c. Special pay: specialty nurses assigned to remote locations.".●

By Mr. INOUYE:

S. 161. A bill to provide for the review of certain authority in certificates issued under the Federal Aviation Act of 1958, and for other purposes; to the Committee on Commerce, Science, and Transportation.

FEDERAL AVIATION ACT

● Mr. INOUYE. Mr. President, I am introducing legislation today to address an outdated land counterproductive aspect of national aviation policy which is creating inequities and inefficiencies for the airline industry.

Since the advent of airline deregulation and the subsequent sunset of the Civil Aeronautics Board [CAB], many burdensome regulations and bureaucracies have been eliminated. One that has not been eliminated, however, is the system of awarding international airline route certificates. Under section 401 of the Federal Aviation Act, the authority exists for the CAB, and therefore its successor agency the Department of Transportation, to award some international route certificates on a periodic basis. On certain closed routes, the CAB has used this authority to award temporary certificates to some airlines while others held permanent certificates for the same route. This procedure has been applied inconsistently from administration to administration and has caused inequities while distorting market competition.

The examples of inequity created by the current system are quite obvious. For instance, on routes to Italy, Transworld Airlines [TWA] holds permanent certificates while Pan American World Airways has only temporary authority. On routes to Great Britain, however, TWA holds temporary certificates while Pan American enjoys permanent status. The reason for this and other discrepancies is merely that different CAB administrations have applied section 401 in different ways. The result is distorted competition on these important routes.

Under the current arrangements of section 401, an airline holding a temporary certificate must face costly route challenges every 3 to 7 years regardless of its service record. These challenges require costly defenses by the incumbent carrier and very rarely result in the transfer of routes. Indeed, to my knowledge there is only one significant example, that being the CAB's removal of Pan American from its Scandinavian route in 1978. In that case, however, the airline was preparing to drop the route anyway, so the CAB action was merely a formality. On the other hand, renewal cases are almost always expensive. One recent certificate renewal cost an incumbent airline $500,000; an expense that was undoubtedly passed on to the consumer. In addition, the length of these temporary certificates is too short for an airline to recoup its investment in a route and thus makes it difficult for that airline to make the policy decisions necessary to get established on that route.

The bottom line on current international certificates policy is that it is an unnecessary burden. The deregulated airline industry is already moved by market pressures which induce airlines to attract customers with superior fares and services. The threat of periodic renewals does little, therefore, but marginally enhance existing market pressures. It is important to note, also, that many of the international routes involved are heavily regulated with fixed fares and limited numbers of flights. In such an environment, a carrier has minimal flexibility and the consumers' choices are by nature limited. Thus to take out an incumbent carrier and put in another who will be subject to the same stringent regulations does little to enhance the consumers' position. Indeed, it would tend to hurt the consumer by replacing an established carrier with one whose continued service of the route is less certain.

To address the situation I have described here, I am introducing legislation today which would transform all current "temporary" route certificates to an indefinite status. To assure that this will not in any way be anticompetitive, the legislation also strengthens and defines the procedure by which the Secretary of Transportation can replace a carrier which is providing relatively inferior service on a route. Thus if the incumbent airline is abusing its route privileges and/or another airline proves it could provide better service on the route, the authority would exist for the Secretary to replace the incumbent carrier. This could be done by application of another carrier or by motion of the Secretary. This is in addition to existing authority established in the Federal Aviation Act allowing the Secretary of Transportation to review carrier performance and replace negligent carriers.

This legislation will in no way effect the State Department's ongoing negotiations to increase international route authority for U.S. carriers. These negotiations have historically been the means by which domestic carriers have been able to enter new routes. Petitioning to replace an incumbent carrier on a route is only resorted to when these negotiations are delayed or proven fruitless. In the majority of cases, however, where it is proven that an additional carrier can service the route effectively, the State Department has been successful in securing that route authority. A recent example of this is People Express Airlines' entry into the Newark to London market as a result of U.S. Government intervention.

All of these arguments make a strong case, I feel, for the swift passage of this legislation. During the last Congress the Commerce Committee held a very successful hearing on this legislation, with the chairman and ranking member of the Aviation Subcommittee expressing their support for the bill. Unfortunately, concerns relating to a very separate issue—the policy of buying and selling of airport slots—were raised last year, leading to some confusion over the certificates issue. As a result no action was taken on this legislation before adjournment. I would like to briefly address this issue at this point so that the same confusion does not reappear this year.

The Department of Transportation released a proposal last year to initiate a buy/sell policy for takeoff and landing slots at high-density airports such as Washington National, O'Hara, and LaGuardia. There were major problems with this proposal and the Commerce Committee took action to delay its implementation. The fact that the buy/sell issue has superficial parallels to the certificates situation created some concern, however a closer examination of the two issues shows the distinct differences between them.

First of all, there is currently a system of allocating slots at high-density airports which has proven effective. With international route certificates, the current system does not work. Indeed the system has never removed an incumbent from a route it was serving. Second, the buy/sell policy of allocating slots would provide a new windfall for the airlines currently holding slots at high-density airports by giving them what has heretofore been a public property. My certificates bill, however, does not give away anything as carriers could still get bumped from the routes they serve at any time. It would also not provide a windfall, but rather would eliminate an unnecessary financial burden. Finally, there is only a finite number of slots at high-density airports and thus airlines without slots would be completely cut off from this resource. Conversely, new international routes are often negotiated with other nations and existing routes can be transferred to new airlines by the authority of the DOT. For these and other reasons, I feel it is clear that the certificates issue should not be confused with the airport slots issue which should, and will, be addressed separately.

In closing I would like to stress this legislation's importance in streamlining the postderegulation aviation environment. By correcting inefficiencies and inequities in the current system, this bill will allow U.S. airlines to better compete with foreign carriers, none of which are subject to temporary route renewals. This bill will also clearly and strongly define the Secretary of Transportation's authority to replace carriers on routes they are serving inadequately. I believe that this is better aviation policy than forcing airlines who have served a route responsibly and effectively for years to jump through hoops which almost never result in improved service but which always involve costly paperwork and red tape cutting.

I ask unanimous consent that this bill in its entirety be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 161

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 401(d) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1371(d)) is amended by adding at the end thereof the following:

"(10)(A) On and after the date of enactment of this paragraph, a termination date in any certificate to engage in foreign air transportation which was issued under this section and is in effect on such date of enactment shall have no effect.

"(B) The Secretary of Transportation may, upon application or on the Secretary's own motion, review the authority to provide foreign air transportation between a particular point or points in any certificates to which subparagraph (A) of this paragraph applies. The Secretary may suspend such authority, and grant authority to provide such foreign air transportation to a qualified applicant for such authority, if the Secretary finds, after notice and an opportunity for a hearing on the record, that the applicant has demonstrated that it can and will provide a substantially improved combination of service and fares or rates in the market or markets, and if the Secretary finds that—

"(i) restrictions arising from the provisions of a bilateral air transport agreement or other agreement or understanding with a foreign country, or otherwise imposed by a foreign country, preclude or make it impracticable for the Secretary to authorize an additional carrier in a particular foreign air transportation market or markets; and

"(ii) suspension and grant to the applicant of such authority would otherwise be consistent with the public convenience and necessity.

"(C) The Secretary may dismiss any application for suspension and grant of authority under subparagraph (B) of this paragraph if the Secretary is not satisfied from the materials submitted with the application that—

"(i) the applicant is qualified;

"(ii) it is probable that the applicant could and would provide substantially improved air service in a restricted market; or

"(iii) proceeding with consideration of the application would otherwise be in the public interest.

"(D) The authority of the Secretary under subparagraphs (B) and (C) of this paragraph shall be in addition to, and shall in no way limit, the Secretary's existing authority under paragraph (8) of this subsection or under subsection (p) of this section.".●

By Mr. INOUYE:

S. 162. A bill to amend title 37, United States Code, to provide for special pay for psychologists in the commissioned corps of the Public Health Service; to the Committee on Governmental Affairs.

SPECIAL PAY FOR PSYCHOLOGISTS

● Mr. INOUYE. Mr. President, I am introducing legislation today to amend the U.S. Public Health Service Act to provide those psychologists who are in the Public Health Service Regular or Reserve Corps with the same board-certification/specialty designation pay bonus as their physician colleagues presently receive.

It is my understanding that there are approximately 24 psychologists in the U.S. Public Health Service and, further, that 2 of these individuals have received their board certification from the American Board of Professional Psychology.

In my judgment, it would be most appropriate for the Federal Government to encourage excellence within the ranks of those who provide care to Federal beneficiaries. Further, from a public policy frame of reference, it is important that each of the disciplines be treated in a comparable manner.

Mr. President, I request unanimous consent that a letter I received from Dr. Robert Windom, Assistant Secretary for Health, U.S. Department of Health and Human Services, describing the extent to which our Nation's physicians currently receive this pay bonus, be printed in the RECORD along with the text of my bill.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 162

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 5 of title 37, United States Code, is amended by inserting after section 302b the following new section:

"§ 302c. Special pay: psychologists in the Public Health Service Corp

"(a) A member who is—

"(1) an officer in the Regular or Reserve Corps of the Public Health Service and is designated as a psychologist; and

"(2) has been awarded a diploma as a Diplomate in Psychology by the American Board of Professional Psychology,

is entitled to special pay, as provided in subsection (b).

"(b) The rate of special pay to which an officer is entitled pursuant to subsection (a) shall be—

"(1) $2,000 per year, if the officer has less than 10 years of creditable service;

"(2) $2,500 per year, if the officer has at least 10 but less than 12 years of creditable service;

"(3) $3,000 per year, if the officer has at least 12 but less than 18 years of creditable service;

"(4) $4,000 per year, if the officer has at least 14 but less than 18 years of creditable service; or

"(5) $5,000 per year, if the officer has 18 or more years of creditable service.".

"(b)(1) Section 303a of title 37, United States Code, is amended by inserting "302c," after "302b," each place it appears.

"(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 302b the following new item:

"302c. Special pay: psychologists in the Public Health Service Corps.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1987 or on the date of the enactment of this Act, whichever is later, and shall apply with respect to pay periods beginning on or after that effective date.

DEPARTMENT OF HEALTH AND HUMAN SERVICES,
PUBLIC HEALTH SERVICE,
Washington DC, August 12, 1986.

The Hon. DANIEL K. INOUYE,
U.S. Senate,
Washington, DC.

DEAR SENATOR INOUYE: This is in response to your letter of July 22 requesting information about Board Certified Pay (BCP) paid to medical officers of the Commissioned Corps of the Public Health Service (PHS).

Pursuant to 42 U.S.C. 210(a)(2) commissioned medical and dental officers on active duty in the PHS Commissioned Corps are authorized special pay in the same amounts as, and under the same terms and conditions which apply to, special pay paid to commissioned medical and dental officers of the Armed Forces under chapter 5 of title 37, United States Code. Medical officers of the Armed Forces are authorized BCP pursuant to 37 U.S.C. 302(a)(5). The amount of BCP ranges from $2,000 per year to $5,000 per year, depending on the number of years of creditable service of the officer concerned.

Our records show that during Fiscal Year 1983, 1,182 out of 2,259 medical officers were paid BCP; during Fiscal Year 1984, 1,121 out of 2,127 medical officers were paid BCP; during Fiscal Year 1985, 1,060 out of 1,961 medical officers were paid BCP; and thus far in Fiscal Year 1986, 1,078 out of 1,841 medical officers have received BCP.

Dental officers in the PHS Commissioned Corps are also eligible for BCP pursuant to 42 U.S.C. 210(a)(2) and 37 U.S.C. 302b(a)(5). The amount of BCP for dental officers ranges from $2,000 per year to $4,000 per year, depending on the amount of creditable service of the officer concerned. Currently there are 32 out of 580 active duty dental officers receiving BCP in the PHS Commissioned Corps.

No other category of officers in the PHS Commissioned Corps is eligible for BCP.

Sincerely yours,
ROBERT E. WINDOM, M.D.,
Assistant Secretary for Health.●

By Mr. INOUYE:

S. 163. A bill to provide that a student enrolled in a graduate program in psychology shall be eligible for student loans under the health professions student loan program; to the Committee on Labor and Human Resources.

HEALTH PROFESSIONS STUDENT LOANS

● Mr. INOUYE. Mr. President, today I am introducing legislation which would provide that graduate students in psychology shall be deemed eligible for our Nation's Health Manpower Student Loan Program.

The bill which I am introducing today was adopted during deliberations on the Health Manpower Reauthorization Act during the 98th Congress. Unfortunately, this bill was vetoed by the President.

In my judgment, it is very important and in our Nation's best interest that our Nation's psychology graduate students be deemed eligible for these important student loan programs, especially given the increasing clinical and scientific evidence highlighting the importance of the psychosocial aspects of health care.

Mr. President, I request unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 163

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 740(a) of the Public Health Service Act is amended by inserting before the period at the end thereof the following: ", or with any public or nonprofit private institution which has a graduate program in clinical psychology and which is located in a State".

(b) Section 740(b)(4) of such Act is amended by striking out "or" before "doctor of veterinary medicine", and by inserting before the semicolon at the end thereof the following: ", or a doctoral degree in clinical psychology".

(c)(1) Section 740(c)(1) is amended by inserting ", or by graduate programs in clinical psychology," after "veterinary medicine".

(2) Section 740(c)(3)(C) is amended by inserting before the semicolon a comma and "or at a graduate program in clinical psychology".

(d) Section 741(b)(1) of such Act is amended by striking out "or" before "doctor of veterinary medicine", and by inserting before the comma at the end thereof the following: ", or doctoral degree in clinical psychology".

(e) Section 741(c) of such Act is amended by inserting after "veterinary medicine," the following: "or at a graduate program in clinical psychology,".

(f) Section 741(f)(1)(A) of such Act is amended by inserting before the semicolon at the end thereof the following: ", or a doctoral degree in clinical psychology".

(g) Section 741(f)(1)(B) of such Act is amended by inserting before the semicolon at the end thereof the following: ", or at a graduate program in clinical psychology".

(h) Section 741(1) of such Act is amended by striking out "or podiatry"; each place it appears and inserting in lieu thereof "podiatry, or clinical psychology".

(i) The amendments made by this Act shall be effective with respect to loans made on or after the date of the enactment of this Act.

By Mr. INOUYE:

S. 164. A bill to transfer the National Institute of Mental Health to the National Institutes of Health; to the Committee on Labor and Human Resources.

NATIONAL INSTITUTE OF MENTAL HEALTH

Mr. INOUYE. Mr. President, today I am introducing legislation which would transfer the National Institute of Mental Health [NIMH] to National Institute of Health [NIH].

Mr. President, I have proposed such a transfer over the past several years and have been pleased that at various times, my colleagues on the Senate Appropriations Committee have also raised this issue directly with the Department of Health and Human Services.

In my judgment, the time has come to significantly increase our Federal commitment to the research and clinical training programs of the National Institute of Mental Health and, in order to accomplish that objective, I feel that it would be appropriate for the NIMH to become formally part of the NIH, which is, without question, the hallmark of our Federal research initiatives.

Mr. President, few realize that the NIMH was once part of the NIH and I feel that the time has come to return NIMH to its original home.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 164

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Institute of Mental Health Transfer Act of 1987".

SEC. 2. (a) The National Institute of Mental Health is transferred to the National Institutes of Health.

(b) Section 504 of the Public Health Service Act is repealed.

(c) Part C of title IV of such Act is amended by adding at the end thereof the following new subpart:

"Subpart 13—National Institute of Mental Health

"GENERAL PURPOSE OF THE INSTITUTE

"SEC. 464. (a) The general purpose of the National Institute of Mental Health (hereafter in this subpart referred to as the 'Institute') is to carry out the purposes of sections 301 and 303 with respect to mental illness, and to develop and conduct comprehensive health, education, training, research, and planning programs for the prevention and treatment of mental illness and for the rehabilitation of the mentally ill. The Secretary shall carry out through the Director of the Institute the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

"ADMINISTRATION

"SEC. 464A. (a) The programs to be carried out through the Institute shall be administered so as to encourage the broadest possible participation of professionals and paraprofessionals in the fields of medicine, science, the social sciences, and other related disciplines. Special consideration shall be given to programs for training and research on the mental health needs of the elderly.

"(b) The Director of the Institute shall designate an administrative unit in the Institute to—

"(1) design national goals and establish national priorities for—

"(A) the prevention of mental illness, and

"(B) the promotion of mental health,

"(2) encourage and assist local entities and State agenices to achieve the goals and priorities described in paragraph (1), and

"(3) develop and coordinate Federal prevention policies and programs and to assure increased focus on the prevention of mental illiness and the promotion of mental health.

"(c)(1) The Director of the Institute shall designate an Associate Director for Special Populations.

"(2) The Secretary, acting through the Associate Director for Special Populations, shall—

"(A) develop and coordinate prevention, treatment, research, and administrative policies and programs to assure increased emphasis on the mental health needs of women and minority populations;

"(B) support programs and projects relating to the delivery of mental health services to women and minority populations, including demonstration programs and projects;

"(C) develop a plan to increase the representation of women and minority populations in mental health service delivery and manpower programs;

"(D) support programs of basic and applied social and behavioral research on the mental health problems of women and minority populations;

"(E) study the effects of discrimination on institutions and individuals, including majority institutions and individuals;

"(F) develop systems to assist women and minority populations in adapting to, and coping with, the effects of discrimination;

"(G) support and develop research, demonstration, and training programs designed to eliminate institutional discrimination; and

"(H) provide increased emphasis on the concerns of women and minority populations in training programs, service delivery programs, and research endeavors of the Institute.

"COMMUNITY SERVICES FOR CHRONICALLY MENTALLY ILL INDIVIDUALS

"SEC. 464B. (a) The Secretary, acting through the Director of the Institute, may make grants to States, political subdivisions of States, and private nonprofit agencies for mental health services demonstration projects for the planning, coordination, and improvement of community services for chronically mentally ill individuals, seriously mentally disturbed children, and elderly individuals, and for the conduct of research concerning such services.

"(b) The Secretary may make a grant under subsection (a) for not more than three consecutive one-year periods, except that the Secretary may waive the limitation of this paragraph with respect to a particular grant if the Secretary determines that extenuating circumstances exist which merit such waiver.

"(c) For purposes of subsections (a) and (b) there are authorized to be appropriated $20,000,000 for each fiscal year.

"STATE COMPREHENSIVE MENTAL HEALTH PLANS

"SEC. 464C. The Secretary, acting through the Director of the Institute, may make grants to States for the purpose of developing State comprehensive mental health plans referred to in section 1916(e).

"SUICIDE

"SEC. 464D. (a) The Director of the Institute shall—

"(1) develop and publish information respecting the causes of suicide and the means of preventing suicide; and

"(2) make such information generally available to the public and health professionals.

"(b) Information developed, published, and distributed under this section shall especially relate to suicide among individuals under the age of 21.

"RESEARCH ON MENTAL ILLNESS

"SEC. 464E. The Secretary, acting through the Director of the Institute, may make grants to and enter into cooperative agreements and contracts with public and nonprofit private entities for research on mental illness.".

(d) Section 401(b)(1) of such Act is amended by adding at the end thereof the following new paragraph:

"(M) The National Institute of Mental Health.".

SEC. 3. (a)(1) Subsection (a) of section 501 of the Public Health Service Act is amended by striking out "Alcohol, Drug Abuse, and Mental Health Administration" and inserting in lieu thereof "Alcohol and Drug Abuse Administration".

(b) Subsection (b) of such section is amended—

(1) by striking out "Alcohol, Drug Abuse, and Mental Health Administration" and inserting in lieu thereof "Alcohol and Drug Abuse Administration"; and

(2) by striking out paragraph (3).

(c) Subsection (c) of such section is amended by striking out "Alcohol, Drug Abuse, and Mental Health" in paragraph (1) and inserting in lieu thereof "Alcohol, Drug Abuse".

(d) Subsection (e) of such section is amended—

(1) by striking out "the National Institute of Mental Health,"; and

(2) by striking out the comma after "Alcoholism".

(f) Subsection (k) of such section is amended—

(1) by striking out "Alcohol, Drug Abuse, and Mental Health" in paragraph (1) and inserting in lieu thereof "Alcohol, and Drug Abuse";

(2) by striking out "drug abuse, and mental health" in subparagraph (A) of such paragraph and inserting in lieu thereof "and drug abuse";

(3) by striking out the comma after "Alcoholism" in the first sentence of paragraph (2)(A) and inserting in lieu thereof "and";

(4) by striking out "Drug Abuse, and the National Institute of Mental Health" in such sentence and inserting in lieu thereof "Drug Abuse"; and

(5) by striking out "drug abuse, and mental illness" each place it appears in the second sentence of such paragraph and inserting in lieu thereof "and drug abuse".

(g) The heading for such section is amended to read as follows:

"ALCOHOL AND DRUG ABUSE ADMINISTRATION"

(h) The heading for title V of such Act is amended—

(1) by striking out "THE NATIONAL INSTITUTE OF MENTAL HEALTH,"; and

(2) by striking out the comma after "ALCOHOLISM".

(i) Section 4011(b) of the Alcohol and Drug Abuse Amendments of 1986 is amended by striking out "504(h)" and inserting in lieu thereof "464D".●

By Mr. INOUYE:

S. 165. A bill to amend title 37, United States Code, to authorize special pay for certain officers of the Armed Forces who obtain certain professional board certifications as psychologists; to the Committee on Armed Services.

SPECIAL PAY FOR OFFICERS

● Mr. INOUYE. Mr. President, today I am introducing legislation which would amend the Department of Defense Authorization statute to provide a special pay incentive for those military psychologists who have obtained their board certification—diploma from American Board of Professional Psychology.

Mr. President, during the last session of Congress the Senate recommended enactment of this legislation as a provision of the fiscal year 1987 Department of Defense authorization bill. Unfortunately, this was deleted in conference; however, the conferees agreed to carefully explore the utilization of nonphysician services, such as those provided by clinical psychologists within the department. Undoubtedly, these forthcoming hearings will provide the committees with jurisdiction with a true appreciation for why this specialty pay bonus is in the best interest of the Department of Defense.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 165

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ARMED SERVICE OFFICERS SPECIAL PAY

(a) SPECIAL PAY, PSYCHOLOGISTS—Chapter 5 of title 37, United States Code, is amended by inserting after section 302b the following new section 302c:

"§ 302c. Special pay: psychologists

"(a) An officer who is—

"(1) an officer in a corps of the Army Medical Department, an officer in the Bureau of Medicine and Surgery of the Navy, or an officer of the Air Force designated as a psychologist; and

"(2) has been awarded a diploma as a Diplomate in Psychology by the American Board of Professional Psychology,

is entitled to special pay, as provided in subsection (b) of this section.

"(b) The rate of special pay to which an officer is entitled pursuant to subsection (a) of this section shall be—

"(1) $2,000 per year, if the officer has less than 10 years of creditable service;

"(2) $2,500 per year, if the officer has at least 10 but less than 12 years of creditable service;

"(3) $3,000 per year, if the officer has at least 12 but less than 14 years of creditable service;

"(4) $4,000 per year, if the officer has at least 14 but less than 18 years of creditable service; or

"(5) $5,000 per year, if the officer has 18 or more years of creditable service.".

(b) TECHNICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 302b the following new item:

"302c. Special pay: psychologists.".

(c) CONFORMING AMENDMENT.—Section 303a of title 37, United States Code, is amended by inserting "302c," after "302b," each place it appears.

SEC. 2. EFFECTIVE DATE. The amendments made by section 1 shall take effect with respect to pay periods beginning after September 30, 1987.●

By Mr. INOUYE:

S. 166. A bill to amend section 1086 of title 10, United States Code, to provide for payment under the CHAMPUS Program of certain health care expenses incurred by certain members and former members of the uniformed services and their dependents to the extent that such expenses are not payable under medicare, and for other purposes; to the Committee on Armed Services.

CHAMPUS PROGRAM OF HEALTH CARE EXPENSES

● Mr. INOUYE. Mr. President, today I am introducing legislation to provide continuing coverage under the Department of Defense Civilian Health and Medical Program of the Uniformed Services [CHAMPUS] for those retirees who reach the age of eligibility for Medicare.

Under our current law, when an individual CHAMPUS beneficiary becomes eligible for coverage under Medicare, he or she automatically loses his or her CHAMPUS entitlement. This is not common practice in the private sector and I understand it can be especially traumatic for those families who live overseas. My proposal would make CHAMPUS a second payor to Medicare and only require the Department to cover those services not covered by Medicare.

Legislation has now been enacted into public law, which was recommended by the Veterans' Affairs Committees, to address this problem for those CHAMPUS eligibles who derive their entitlement under the CHAMPVA program. I understand that this constitutes approximately 5 percent of the total CHAMPUS beneficiary population. Essentially, their eligibility for CHAMPUS becomes reinstituted once any part of their Medicare coverage is exhausted. My bill would provide similiar entitlement for the remaining 95 percent of the CHAMPUS population and, further, provide that CHAMPUS will cover expenses that might be in excess of those covered by Medicare.

Mr. President, I request unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 166

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT TO THE CHAMPUS PROGRAM

(a) REPEAL OF PROHIBITION ON CERTAIN PAYMENTS.—Section 1086(c) of title 10, United States Code, is amended by striking out the second sentence.

(b) AUTHORIZATION FOR PAYMENT TO EXTEND BENEFITS NOT PAYABLE UNDER ANOTHER PROGRAM.—Section 1086(d) of such title is amended to read as follows:

"(d)(1) The provisions of section 1079(j)(1) of this title shall apply to a plan covered by this section.

"(2)(A) The amount payable under a plan covered by this section for items or services for which payment is made under part A or B of title XVIII of the Social Security Act or any other insurance, medical service, or health plan referred to in section 1079(j)(1) of this title shall be reduced by the sum of—

"(i) the amount of the payment made for such items or services under such part;

"(ii) the amount of the payment made for such items or services under any such other insurance, medical service, or health plan; and

"(iii) the amount of any payment made under subsection (b).

"(B) A plan covered by this section shall not be considered a group health plan for the purposes of paragraph (2) or (3) of section 1862(b) of the Social Security Act.

"(C) A person claiming a benefit under a plan covered by this section by reason of the application of this subsection shall certify the cost charged for the items or services to which the claim relates and the amounts referred to in subparagraphs (A)(i) and (A)(ii) that relate to such items or services. A certification made under this subparagraph may be accepted for the purposes of determining the benefit payable under this section.".

SEC. 2. CONFORMING AMENDMENT.

Subsection (d) of section 613 of title 38, United States Code, is repealed.

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall take effect with respect to health care items or services provided on and after the date of enactment of this Act.●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 167. A bill to amend chapter 89 of title 5, United States Code, to provide authority for the direct payment or reimbursement to nurse midwives, nurse practitioners, and nurses, to clarify certain provisions of such chapter with respect to coordination with State and local law, and for other purposes; to the Committee on Governmental Affairs.

DIRECT PAYMENTS, REIMBURSEMENTS TO HEALTH CARE PROFESSIONALS

● Mr. INOUYE. Mr. President, today Senator MATSUNAGA and I are introducing legislation to amend the Federal Employees Health Benefit Act to provide for direct reimbursement of our Nation's nurse practitioners, clinical specialists, nurse anesthetists, and certified nurse midwives.

Mr. President, during the 99th Congress this legislative proposal was passed by both Houses of Congress; but, unfortunately, was contained in a bill which the President ultimately vetoed. Since that time, the Office of Personnel Management [OPM] has conducted a comprehensive review of the practical consequences of providing direct reimbursement for our Nation's professional nurses and has concluded that, essentially there is no reason not to allow Federal employees to be able to select these particular practitioners if they so desire and if the practitioners are functioning within the scope of their State practice acts.

Mr. President, under the Department of Defense CHAMPUS program military dependents have had this ability for a number of years now and I feel that the time has come to provide the same type of flexibility for the Federal Employees Health Benefit Act.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 167

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AUTHORITY TO PAY OR REIMBURSE CERTAIN ADDITIONAL HEALTH CARE PROFESSIONALS

SECTION 1. (a) Section 8902(k) of title 5, United States Code, is amended—

(1) in paragraph (1), by inserting "(except if, or to the extent that, any such supervision or referral is required under State or local law, or regulations issued thereunder, as described in subsection (m)(1)(B)" after "practitioner";

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (5), respectively;

(3) by inserting after paragraph (1) the following:

"(2)(A) When a contract under this chapter requires payment or reimbursement for services which may be performed by a health practitioner referred to in subparagraph (B), an employee, annuitant, family member, or former spouse covered by the contract shall be—

"(i) free to select, and shall have direct access to, such a health practitioner without supervision or referral by another health practitioner. The provisions of this subsection shall not apply to group practice prepayment plans; and

"(ii) entitled under the contract to have payment or reimbursement made to him or on his behalf for the services performed.

"(B) This paragraph applies with respect to a nurse midwife, nurse practitioner, and any other nurse who is licensed or certified as such under Federal or State law, as applicable.";

(4) in paragraph (3) (as so redesignated by paragraph (2)) by striking "As" and inserting "Subject to subsection (m)(1)(B), as";

(5) by inserting after paragraph (3) (as so redesignated by paragraph (2)) the following:

"(4) When a contract under this chapter requires payment or reimbursement for services of a health practitioner covered by paragraph (2) or (3), the terms and conditions governing such payments or reimbursements shall (except to the extent otherwise permitted under paragraph (3)(A)) be the same as the terms and conditions applicable under contracts under this chapter requiring payments or reimbursements for services of health practitioners covered by paragraph (1).";

(6) by amending paragraph (5) (as so redesignated by paragraph (2)) to read as follows:

"(5) The provisions of this subsection shall not apply to prepayment plans described in section 8903(4) of this title.".

(b) It is the intent of Congress that—

(1) nothing in the amendment made by subsection (a) shall interfere with applicable institutional anesthesia practice rules, or State or local law, governing supervision of a certified registered nurse anesthetist by another health practitioner; and

(2) such amendment, as it relates to a certified registered nurse anesthetist, shall apply only with respect to a certified registered nurse anesthetist who is self-employed and licensed or certified under Federal or State law, as applicable.

(c) Regulations or instructions issued to carry out the amendments made by subsection (a) shall reflect the statement of congressional intent set forth in subsection (b).

COORDINATION WITH STATE AND LOCAL LAW

SEC. 2. Section 8902(m) of title 5, United States Code, is amended—

(1) by redesignating paragraph (1) as paragraph (1)(A); and

(2) by adding at the end of paragraph (1)(A) (as so redesignated by paragraph (1)) the following:

"(B) Nothing in this chapter nor in the provisions of any contract under this chapter shall be considered to supersede or preempt any State or local law, or any regulation issued thereunder, which relates to licensing or certification to practice medicine, nursing, or any other health profession.".

EFFECTIVE DATE

SEC. 3. The amendments made by this Act shall be effective with respect to contracts entered into or renewed for calendar years beginning after the date of the enactment of this Act.●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 168. A bill to amend titles XVIII and XIX of the Social Security Act to provide that clinical social worker services are covered under part B of Medicare and are a mandatory benefit under Medicaid, and for other purposes; to the Committee on Finance.

SOCIAL SECURITY ACT

● Mr. INOUYE. Mr. President, today Senator SPARK MATSUNAGA and I are introducing legislation which would amend our Nation's Medicare and Medicaid Programs in order to provide for the autonomous recognition of the services of our Nation's clinical social workers.

Clinical social workers provide high quality mental health care and medical social services in virtually every component of our Nation's health care system. They are recognized as the largest profession providing mental health services and practice in private, fee-for-service settings, in mental health centers, hospitals, health maintenance organizations [HMO's], family and marital counseling agencies, and many other settings.

I am especially pleased to report that a growing number of social workers specialize in the field of aging. They plan and evaluate services for the elderly, and help them respond to financial and other changes brought on by retirement. In nursing homes, they help patients and their families adjust to illness and the need for institutionalization and health care services. Indeed, the value of social work services in nursing homes was recently reinforced by the Institute of Medicine's 1986 report, "Improving the Quality of Care in Nursing Homes," which included the following recommendation:

> The present social service condition should be changed to require that each facility with 100 beds or more be required to employ at least one full-time social worker.

Without question, clinical social workers contribute essential mental health and health care services to our population. It is my personal goal to amend every one of our Federal health care programs in order to ensure that these practitioners will be deemed truly autonomous providers.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 168

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COVERAGE OF CLINICAL SOCIAL WORKER SERVICES UNDER PART B OF MEDICARE.

(a) COVERAGE OF SERVICES.—Section 1861(s)(2) of the Social Security Act (42 U.S.C. 1395x(s)(2)) is amended—

(1) by striking out "and" at the end of subparagraph (J);

(2) by adding "and" at the end of subparagraph (k); and

(3) by adding at the end thereof the following new subparagraph:

"(L) clinical social worker services;".

(b) DEFINITION.—Section 1861 of such Act (42 U.S.C. 1395x) is amended by adding at the end thereof the following new subsection:

"Clinical Social Worker Services

"(ff)(1) The term 'clinical social worker services' means services performed by a clinical social worker (as defined in paragraph (2)) which the clinical social worker is legally authorized to perform under State law (or the State regulatory mechanism provided by State law) of the State in which such services are performed, whether or not the clinical social worker is under the supervision of, or associated with, a physician or other health care provider.

"(2) The term 'clinical social worker' means an individual who—

"(A) possesses a master's or doctor's degree in social work,

"(B) after obtaining such a degree has performed at least two years of supervised clinical social work, and

"(C) is licensed or certified as a clinical social worker in the State in which the clinical social worker services are performed, or in those States which do not provide for licensure or certification, is listed in a national register of social workers who, by education and experience, qualify as health care providers in clinical social work.".

(C) LIMIT ON PAYMENT OF BENEFITS—Section 1833(c) of such Act (42 U.S.C. 13951(c)) is amended by striking out all that follows "purposes of subsections (a) and (b)" and inserting in lieu thereof "no more than $1,000.".

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to services performed on or after the first day of the first month which begins more than 60 days after the date of the enactment of this Act.

SEC. 2. COVERAGE OF CLINICAL SOCIAL WORKER SERVICES AS A MANDATORY MEDICAID BENEFIT.

(a) COVERAGE OF SERVICES.—

(1) Section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) is amended—

(A) by striking out "and" at the end of paragraph (20);

(B) by redesignating paragraph (21) as paragraph (22); and

(C) by inserting after paragraph (20) the following new paragraph:

"(21) clinical social worker services (as defined in section 1861(ff)(1)); and".

(b) CONFORMING CHANGES.—

(1) Section 1902(a) of such Act (42 U.S.C. 1396a(a)) is amended—

(A) in paragraph (10)(A), by striking out "paragraphs (1) through (5) and (17)" and inserting in lieu thereof "paragraphs (1) through (5), (17), and (21)"; and

(B) in paragraph (10)(C)(iv), by striking out "paragraphs (1) through (5) and (17) of section 1905(a) or the care and services listed in any 7 of the paragraphs numbered (1) through (20)" and inserting in lieu thereof "paragraphs (1) through (5), (17) and (21) of section 1905(a) or the care and services listed in any 7 of the paragraphs numbered (1) through (21)".

(2) Section 1902(j) of such Act (42 U.S.C 1396a(j)) is amended by striking "(21)" and inserting in lieu thereof "(22)".

(c) EFFECTIVE DATE.—

(1) Except as provided in paragraph (2), the amendments made by this section shall be effective with respect to payments under title XIX of the Social Security Act for calendar quarters beginning more than 60 days after the date of the enactment of this Act.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.●

By Mr. RIEGLE:

S. 169. A bill to provide Federal grants to States for programs to identify and aid individuals who have been exposed to the drug diethylstilbestrol [DES]; to the Committee on Labor and Human Resources.

STATES; PROGRAMS FOR DIETHYLSTILBESTROL-EXPOSED INDIVIDUALS

● Mr. RIEGLE. Mr. President, today I am introducing legislation, similar to legislation I introduced in the 99th Congress, that will hopefully bring to the forefront the plight of those women and their children who have been exposed to the hormone diethylstilbestrol [DES] in our recent past.

The hormone DES was first synthesized in 1938. During the time period from 1941 to 1971, this hormone was prescribed to women to help reduce the risk of miscarriages. Despite studies in the early 1950's demonstrating that the drug was ineffective, the distribution and use continued for another 20 years. It was not until 1971, with the establishment of the definitive link between the development of a rare form of cancer of the cervix and vagina in young women and their exposure to DES of their mothers during pregnancy, that its use was finally discontinued. It is estimated that during this 30-year span of time 4 million sons and daughters were exposed in utero. Since 1971, a stream of reports related to the medical side effects of DES exposure have become known. For the record, I will briefly summarize these findings and will describe them as they relate to DES mothers, daughters, and sons, respectively.

Mr. President, with regard to DES mothers, a study by the Dartmouth Medical School has demonstrated an increased risk of breast cancer in women exposed during pregnancy. A significant aspect of this discovery was the finding that this increased risk did not become clinically evident until 20 years after the actual exposure. As these women age, this risk may become even more pronounced.

With regard to DES daughters, an association between DES exposure during pregnancy and the rare clear-cell adenocarcinoma of the cervix and vagina has been well documented and studied. Over 400 cases have been reported and approximately 1 out of every 1,000 DES daughters will develop this rare cancer before age 32. Twenty-five percent of these cancer victims may die as a result of their exposure. Because of their cancer risk, DES daughters must have special screening examinations by doctors trained in the techniques needed to detect this rare form of cancer. DES daughters also have twice the rate of dysplasia as nonexposed women: in some women, dysplasia is a precancerous condition. For this reason, DES daughters should be especially careful to have regular examinations.

Pregnancy problems are affecting the greatest number of DES daughters. Up to half of all DES daughters will have some kind of problem, including ectopic—(tubal)—pregnancy, miscarriage, and premature labor and delivery. Because of their pregnancy risks, DES daughters must be seen more frequently during pregnancy.

The health risks for DES sons have been less well studied. However, some studies have shown an increased risk of genital problems and infertility among DES sons. Current research is investigating risks associated with testicular cancer. A companion bill is to be introduced by Congressman GUARINI.

This legislation would provide support to States for efforts to identify individuals who were exposed to DES and to help these individuals lessen the serious health risks resulting from exposure to DES. Grants to States would be used to identify women who took DES during pregnancy and the children of these women and to educate the public about the importance of medical care to detect and treat conditions resulting from DES exposure. The establishment of a voluntary State registry would be used for the dissemination of information about DES. The bill also provides for the creation of State programs to help in the development of screening and diagnostic services and the dissemination of information to health care providers.

It is clear that individuals exposed to DES will require regular and periodic evaluations for the rest of their lives. This bill will greatly increase available support for educational activities and the delivery of adequate health services to those in need. With this increase in support we begin to reduce the serious health risks to DES mothers and their children.

In addition, I am introducing a Senate joint resolution which calls upon Congress and the President to proclaim the week beginning April 19, 1987, as "National DES Awareness Week." This week corresponds to the third annual DES Awareness Week sponsored by DES Action, a national organization devoted to helping those exposed to DES. This volunteer group should be commended for their efforts as a national educational, advocacy, and referral center on behalf of individuals who have been exposed to DES. DES is currently authorized for use to treat certain types of cancer, and as "estrogen replacement therapy" for menopausal women. It is not authorized for use to suppress lactation in women who choose not to breast feed, as a postcoital contraceptive, or in animal feed. Nevertheless, these uses sometimes continue, without evidence of safety. It is only through a greater public awareness of the DES problem will we be able to ascertain the extent and scope of the problem and implement the appropriate care.

Mr. President, I ask unanimous consent that the bill be printed in full in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 169

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Health and Human Services (hereinafter in this Act referred to as the "Secretary") shall establish a program of grants to States to assist States in establishing programs—

(1) to identify women who took diethylstilbestrol while pregnant;

(2) to identify the children of such women who were exposed to diethylstilbestrol in utero;

(3) to establish a voluntary registry of such individuals to facilitate informing them of new developments related to diethylstilbestrol;

(4) to provide public education regarding the health effects associated with diethylstilbestrol and the importance of medical care to detect and treat such effects;

(5) to provide information to health professions personnel on the necessity of identifying exposed individuals, the health effects associated with diethylstilbestrol, and the provision of medical care for the detection and treatment of such health effects; and

(6) to provide screening and diagnostic services for exposed individuals for health effects associated with diethylstilbestrol.

(b) Any State receiving a grant to operate programs under subsection (a) may operate such programs directly or make grants to public or private organizations within such State to operate such programs.

SEC. 2. (a) No grant may be made under the first section unless an application therefor has been submitted to and approved by the Secretary. Such an application shall—

(1) contain such information and be submitted in such form and manner as the Secretary shall prescribe; and

(2) demonstrate to the Secretary's satisfaction that in each year of participation in the grant program the applicant will obtain the following percentages of its projected budget from non-Federal sources of funding:

(A) At least 25 per centum in the first and second years.

(B) At least 50 per centum in the third year.

(C) At least 65 per centum in the fourth and fifth years.

(b) No State shall be eligible for more than five years of funding under this Act.

SEC. 3. For each fiscal year there is authorized to be appropriated $6,000,000 to carry out this Act. Amounts appropriated under this Act shall remain available until expended.

SEC. 4. This Act shall take effect October 1, 1987.●

By Mr. RIEGLE:

S. 176. A bill to amend title XVIII of the Social Security Act to waive the late enrollment penalty under Medicare part B for any disabled individual who was covered under his own or his spouse's private employment-related health insurance; to the Committee on Finance.

WAVIER OF ENROLLMENT PENALTY FOR DISABLED SPOUSES

● Mr. RIEGLE Mr. President, today I am introducing S. 176, a bill which will eliminate an inequity which exists in the Medicare Program for Social Security disability insurance [SSDI] beneficiaries. I first introduced a similar bill in the 99th Congress, S. 1604, designed to accomplish the same objective. There is a small number of SSDI beneficiaries who are eligible for Medicare but who have failed to enroll because they have health coverage through the extension of their work related health insurance or a spouse's employment related health care plan. If these individuals ever need to enroll in the Medicare part B program, they will be subjected to a 10-percent annual penalty for their delayed enrollment. This bill will address this persistent inequity.

Mr. President, as you know Medicare is a program first enacted in 1965 as title VIII of the Social Security Act to provide financial access to vital health care services to our elderly population. In 1973, Medicare coverage was extended to disabled individuals entitled to Social Security disability insurance for 24 months or more. Since its inception, the program has experienced an enormous growth. In 1987, it is estimated that 28 million elderly and 3 million disabled individuals will receive benefits in the Medicare Program. It is estimated that Medicare expenditures will reach $83.9 billion. It is clear that this program is serving a vital source of access for our seniors and disabled individuals.

When Medicare was first enacted in 1965, a 10-percent annual surcharge was assessed against those who delayed their enrollment in the voluntary part B—supplemental medical insurance—of Medicare. This provision was enacted to create a disincentive for individuals who were planning to delay enrollment until they became ill and in need of health care services. This was a provision based on sound actuarial accounting and was designed to assure a sufficient amount of premiums to assist in the funding of the program. At that time, there was a maximum of a 30-percent penalty because the enrollment period for the part B of Medicare was limited to 3 years. In 1972, the limited enrollment period was abolished. However, Congress failed to repeal or cap the part B surcharge. We now have a small population of individuals who have incurred a substantial penalty for their late enrollment.

According to the Health Care Financing Administration [HCFA], in 1983, 169 seniors were paying a 150 percent penalty and 18 seniors were paying a 160 percent penalty. This penalty is an add-on to their monthly premium payment. There are situations where this surcharge is not only unfair and inequitable but is penalizing American citizens who are actually saving the Federal Government significant Medicare outlays.

Congress recently addressed this problem and rectified a similar circumstance where old age and survivors beneficiaries were being inappropriately penalized. Included in Public Law 97-248, the Tax Equity and Fiscal Responsibility Act of 1982 [TEFRA] was the "Working Aged" provisions which made Medicare the "Secondary Payer" for certain elderly workers. The provisions amended the Federal Age Discrimination Employment Act [ADEA] to require employers to offer their employees aged 65 to 69 and their dependents the equivalent health care coverage as their younger employees. It became clear that it would be inappropriate to penalize these individuals and subject them to the part B premium surcharge if enrollment in the part B program would simply duplicate their work-based health care coverage. This inequity was rectified with the passage of Public Law 98-369, the Deficit Reduction Act of 1984 [DEFRA] which exempted these individuals from the surcharge.

The bill I am introducing today, S. 176, like the S. 1604 which I introduced in the 99th Congress, would address another circumstance where individuals are being inappropriately penalized. A small number of disabled individuals who are qualified for Medicare as a result of their eligibility for SSDI, receive their health care coverage through a spouse's employment related health care plan or through the continuation of their own work-related health plan. They are saving the Federal Government health care dollars by their utilization of an employment related plan to cover the expenses of their disability and health care needs and they should not be penalized for their efforts. This bill will eliminate the part B premium penalty for the disabled person and/or disabled spouse who are enrolled in a group health care plan provided by the beneficiary's former employment or a spouse's current or former employment.

I urge all my colleagues to support this piece of legislation and help to eliminate this inequitable and unfair situation. We must persist in our efforts of making Medicare affordable, accessible and fair in its design and implementation.●

By Mr. RIEGLE:

S. 1781. A bill to provide for a system of cost sharing for health care and uncompensated care, and for other purposes; to the Committee on Finance.

HEALTH CARE FOR THE UNINSURED ACT OF 1987

● Mr. RIEGLE. Mr. President, today I am reintroducing S. 1781, the Health Care for the Uninsured Act. As I indicated in my original introductory remarks on October 21, 1985, largely reproduced below, this bill will address the need of the growing number of individuals and families in this country who are finding themselves without the financial access to health care. These Americans who are being denied access to our health care system, represent a growing segment of our population. It is now estimated that there are 37 million individuals who lack either a public and/or private form of health care coverage. This represents a 40-percent increase since 1980.

Since I first introduced a bill on this subject in December of 1982, the problem has only grown by leaps and bounds. The time is now for this Congress to get down to business and address this national tragedy. The underlying reasons for this increase in uninsuredness are complex. There has been a clear movement in recent years to increasingly look at health care simply as an economic commodity rather than a basic social necessity. This has been to the benefit to certain segments of the health care community while excluding an increasing number of Americans from our health care system. We must also look at the reductions in funding for the Federal Government's health care programs we have experienced over the last 6 years. In addition, it was recently pointed out that there are two current developments that are likely to make this bad situation even worse. First there is the recent enactment of the new immigration bill that will grant amnesty to some 3 to 6 million currently undocumented residents. Many of these individuals lack health insurance. Also, the AIDS epidemic threatens an already stressed public health system that is in no position to provide the extraordinary medical care required by AIDS patients.

The number of uninsured fails to include the millions of Americans who have inadequate insurance, which the American Medical Association recently estimated to include an additional 75 million persons under 65 years of age.

This is not an academic or statistical problem. There is scientific evidence to suggest that the lack of health insurance, and the resulting failure to seek medical attention, actually leads to needless suffering, or in some cases even death. The failure of millions of Americans to have access to health care services is an indictment of our health care system and of our political system, which, at least up to this point, has failed to respond in any systematic way to this critical problem. The Federal Government can no longer ignore what can only be called a national disgrace. Five million Americans report annually that they do not seek health care because they are unable to pay for it. Due to our inaction, Americans are needlessly suffering preventable illness and are literally experiencing premature death.

The increase we are witnessing in uninsuredness is a phenomenon that should not be ignored by those of us making public policy. As a result of Federal policy, through tax deductions and Federal health insurance, we have already made the decision to spend considerably more dollars on health care for middle- and upper-class citizens than we do for poor and working lower-middle class Americans. In fact, in our zeal to reduce spending in existing Federal health programs, we have indirectly made it significantly more difficult for those without insurance to secure health care. Hopefully, S. 177 will start the long overdue dialog on how we can solve this tragic problem during a period of Federal austerity.

The approach outlined in S. 177 is not the only way of dealing with this critical problem. It is my hope that this legislation can serve as the starting point for a comprehensive analysis of all possible solutions including the input and guidance of the business community, health care providers, consumer groups and other interested parties.

The problem of individuals and families without health insurance is documented by the increase in uncompensated care incurred by hospitals for the delivery of charity care and care to those with limited ability to pay. This increase in uncompensated care has led to the restriction and elimination of services by selected hospitals and a rise in the number of Americans who have been refused care because of a real or perceived inability to pay. As the health care market becomes more competitive, the lack of access to health care services for uninsured persons will only increase unless action is taken now.

During the consideration of my "Health Insurance for the Unemployed Workers Act of 1983," there were those who felt that we should broaden the scope of the discussion and look at the entire uninsured population and their relationship to those hospitals that deliver a disproportionate share of uncompensated care within their respective communities. Since that time, as I have mentioned, the number of individuals without insurance has grown and the ability of health care systems to serve these individuals has diminished. Therefore, I have broadened the focus of my earlier legislative initiatives on this issue to include not only the unemployed uninsured, but also the working uninsured and other individuals who lack access to health care.

S. 177, the "Health Care for the Uninsured Act of 1987"—like S. 1781 introduced in the 99th Congress—is designed to address this serious problem in a manner that will be implemented at the State level and, in keeping within the constraints created by high Federal deficits, will require no new Federal expenditures. In the remaining portion of my statement, I will in a more detailed fashion illustrate who these uninsured Americans are, the impact this lack of access to health care is having on them personally, and examine the consequences for certain hospitals serving a large number of uninsured individuals. I will then briefly review the major objectives of S. 177, and how implementation will help to alleviate this situation.

THE UNINSURED IN AMERICA

It is becoming increasingly clear that the entire population of uninsured Americans is a diverse segment of the population, spanning all age groups, employment status and income levels. In contrast to the common misconception, this is not solely a poverty or welfare issue. It is necessary to examine in detail various demographic characteristics of this population, for a better understanding of the problem so that we can move toward more equitable and insightful solutions.

EMPLOYMENT STATUS

The individuals who are uninsured find themselves in all employment categories.

First. Employed and uninsured: It is true that the majority of Americans presently have health care coverage through the workplace. A Department of Labor study of health insurance coverage in 1979, estimated that 75 percent of the civilian labor force had group health coverage through their place of employment. A 1984 survey demonstrated that 97 percent of full-time employees of medium and large firms had health insurance covering them for most categories of hospital and medical costs. So it may come as a surprise to some that the majority of the uninsured are actually employed individuals and their families.

The National Center for Health Services Research [NCHSR] has estimated that the employed may account for close to 75 percent of the uninsured in this country. The uninsured workers most at risk are young persons with poor economic circumstances, lower level of education, and limited means to obtain coverage. They tend to come from occupations displaying seasonal employment patterns and less technically skilled positions such as in agriculture, construction, sales, and personal services. Many are self-employed or underemployed, or are working less than full-time, which makes them ineligible for coverage even if a plan is offered to full-time employees; 85 percent of the uninsured workers received wages less than $5 an hour and have annual earnings less than $10,000.

Many would say that a large proportion of the employed uninsured simply decide not to participate in an employer-sponsored plan. However, the NCHSR, demonstrated that close to 90 percent were unable to obtain insurance through their employment either because a plan was not offered or the worker was ineligible. It is essential that we not be deluded into believing that inadequate financial access to health care is a problem only faced by our unemployed population. Employment may insure access for millions of Americans, but it very much depends on the type and location of employment.

Second. Unemployed and uninsured: It was the plight of the unemployed worker and his/her family that drew our attention to the possible loss of health care coverage during he last recession. The return of double digit unemployment focused our attention on the needs of the unemployed. The 97th and 98th Congress saw multiple proposals to alleviate or reduce the burden faced by many of these families. I first introduced legislation S. 2798, 97th Congress, on December 10, 1982, during the peak of the previous recession to provide health insurance for the unemployed. It was actually the severe unemployment in my home State of Michigan that first drew my attention to the needs of those who lacked health care coverage. We were very close to seeing enactment of legislation that would have lent relief to many of the recently unemployed. The Congressional Budget Office estimated that following the most recent recession that about 5.3 million recently laid off workers had lost coverage under an employer-based health benefit plan. If the dependents of these individuals are included the number increases to 10.7 million persons who lacked health insurance coverage in December 1982 because of job loss.

Many of these employer-based health benefit plans may actually have provided for conversion from the group rate to an individual rate. Yet how many unemployed persons can afford the increased premium of an individual plan, without an employer contribution at a time when they are least able to pay. In 1984, 51 percent of the recently unemployed in the Detroit area lacked health care coverage. In addition, despite limited incomes, these families frequently fail to meet the categorical requirement of the public assistance health programs such as Medicaid, which frequently does not provide assistance to two parent families, independent of a family's financial need for services.

OTHERS

Finally, there is a substantial number of individuals with no recent involvement in the labor market. They are comprised of discouraged workers, individuals in school, and dependents who might not be covered by a spouses plan. Many of these individuals are living below the poverty threshold, yet again they fail to qualify for programs such as Medicaid and Medicare.

The employment characteristics of the uninsured family will undoubtedly vary from region to region depending on the economic circumstances, the degree of industrialization and unionization, and the specifics of individual States; public assistance programs. Yet despite this variability, it is a national problem with large numbers of uninsured individuals living in our cities, towns and rural areas.

INCOME STATUS

As can be deduced from the fact that many of these uninsured persons are working individuals and their families, this is not solely a poverty or welfare issue, though a disproportionate number of the uninsured are represented by low income families. A recent analysis of the current population survey by the Urban Institute demonstrated that 35 percent of the uninsured were from families with incomes below the poverty line. However, 65 percent had incomes above poverty with 11 percent actually having incomes 4 times the poverty threshold. Any legislative attempt to address this problem should provide access to health care coverage for all individuals, independent of their financial status. Individuals with the financial resources should be asked to pay their fair share for the care received while individuals unable to afford the full cost of health care coverage should be asked to contribute based on their ability to pay. The bill I am introducing today accomplishes this objective.

AGE DISTRIBUTION

The age distribution of the uninsured is of particular concern to me for it again spans all ages. However, it seems to affect women and children in a disproportionate manner; 11 million or close to one-third of the uninsured, are children. In addition, 17 percent of all women in the reproductive age, 15 to 44 and more than 25 percent of women in their prime child bearing years, 18 to 24, have no form of health insurance and are unlikely to be able to afford adequate care without it. There are also close to 6 million individuals who are middle aged or in their presenior years who lack coverage. This is particularly alarming, considering the increased cost of medical care required as persons grow older. It seems that the only population that we have assured adequate financial access to health care are our senior citizens, who at this point are relatively well protected by Medicare. It is estimated that of the 27 million elderly in this country, only 0.7 percent were without health care coverage. This is a commendation for a program which recently celebrated its 20th anniversary.

A SERIOUS PROBLEM—GETTING WORSE

The problem of health care for the uninsured looms heavily over the health care system. There are multiple trends at present which will only worsen the situation. These include, but are not limited to the following categories.

CONTINUED ESCALATION OF HEALTH CARE COSTS

The Department of Health and Human Services [HHS] has estimated that in 1984, our Nation spent over $387 billion on health care. This represents approximately 10.6 percent of our gross national product [GNP]. The increasing costs is also making it difficult for those who lack an employment-based plan to afford the cost of care.

THE INABILITY TO COST SHIFT

In the past, the care for those with a limited ability to pay was shifted to those who were able to pay. As we continue to move toward a competitive market for health care, it is becoming increasingly more difficult to shift the burden of charity care to other payers in both the public and private sector. This is presently seen with the transition of Medicare under the new prospective payment system [PPS] where the cost of charity care has not been incorporated into the system. The emergence of alternative delivery systems in the private sector such as health maintenance organizations [HMO's] and preferred provider organizations [PPO's], along with employers' growing interest in becoming self-insured, is making it difficult for these costs to be absorbed by other payers.

REDUCTIONS IN PUBLIC HEALTH PROGRAMS

There have been major reductions in health care program expenditures during the first 6 years of this administration. Many of these reductions have hurt children and low-income families lack adequate access to care.

METAMORPHOSIS OF THE HOSPITAL INDUSTRY

The hospital industry is in tremendous flux, which is being generated in part by the new Medicare prospective payment system, the continued efforts to contain costs, and recent reductions in hospital utilization. Two changes are directly affecting access for those who find themselves uninsured. The first is the increase in proprietary—for-profit—hospital chains. It has been demonstrated time and again that these chains serve a disproportionately small number of individuals who lack an ability to pay. The second is hospitals' continued fulfillment of their Hill-Burton "Charity Care" obligation. It is estimated that as of January 1, 1984, 28 percent of hospitals that had received Hill-Burton funds had retired their 20-year free care obligation.

Each of the above trends will only continue to place a continued stress on the health care system. This stress is evidenced by the increasing difficulties uninsured individuals are having in gaining access to the health care system.

IMPACT OF UNINSUREDNESS

Many researchers have demonstrated that those individuals and families who lack health insurance have much different health care utilization patterns of health care services. The frequently have poorer health status, utilize less physician and hospital services. The care is fragmented, acute, and more expensive. It is usually received in hospital emergency rooms, or public hospital out-patient clinics. There is also much less use of preventative services which could reduce the need for hospitalization.

However, as the amount of uncompensated care incurred by hospitals increases, they will be less able to deliver even this less than optimal type of care. The time has come once again when those individuals lacking health insurance are being turned away. A recent Robert Wood Johnson report documented that in 1982, over 1 million families were refused care because of a presumed inability to pay. The problem of "Refusal of Care" is faced by many of those described above. The refusal can take the form of several new practices which are increasing in frequency in this country. They include: patient dumping, preadmission deposits, and the actual reduction of certain services by hospitals.

PATIENT DUMPING

Patient dumping is the practice of transferring a person in need of emergency services from one hospital to another because of the inability to pay. It is frequently from a private or proprietary hospital to a public or teaching hospital. To demonstrate the burden faced by many of these public hospitals, the public hospitals accounted for only 22 percent of hospital charges in 1984, and yet delivered 40 percent of the uncompensated care in this country. In Florida, for-profit hospitals make up nearly 50 percent of hospitals, yet accounted for only 4.2 percent of the State's care for the poor. The problem is further illustrated by the testimony of Dr. Gordon Schiff, a physician from Cook County Hospital, who stated before the Senate Special Committee on Aging, that the number of inpatient economic transfers had increased 500 percent since 1979. This same story is told from State to State across this country. Sixty Minutes, the CBS News magazine program in 1985, broadcasted a segment entitled the "Billfold Biopsy" which documented the problem of patient dumping at Parklawn Hospital in Dallas. A more recent program on Public Television entitled, "Health Care on the Critical List" documented similar practices.

PREADMISSION DEPOSITS

The practice of requiring preadmission deposits from uninsured individuals is becoming commonplace in many parts of this country. The deposit can range from anywhere from a few hundred to a few thousand dollars. If the deposit is not available, the patient is told he or she will have to look elsewhere for care. There are numerous reported cases where women in labor, or persons in need of surgery were told to seek care elsewhere.

REDUCTION OF SERVICES BECAUSE OF UNCOMPENSATED CARE

As the burden of charity care increases and is placed increasingly upon the shoulders of the public and teaching hospitals, the ability of these hospitals to deliver such care is becoming increasingly difficult. The uncompensated care incurred by hospitals in 1982, was $6.2 billion an increase of 27 percent since 1978. Many hospitals faced with financial instability may have to eliminate services which account for a large portion of uncompensated care including obstetrical and maternity care, neonatal intensive care, and out-patient ambulatory services. Once these services are eliminated at the public hospitals, where will these families go for care? The legislation I am introducing today, Health Care for the Uninsured Act of 1987, provides at least one answer to that question.

INCREASING INFANT MORTALITY

It seems inconsistent that a nation that spends over a billion a day on health care, and has the most advanced medical technology in the world, should have so many millions of individuals who lack basic access to these vital services. The impact of these discrepancies is becoming increasingly evident in the health of our Nation.

The infant mortality rate has long been used by nations as a gauge of the health of a society. In 1950, the United States ranked fifth as compared to other industrialized countries. In 1982, we had dropped to 17th. In addition, there are numerous reports of the infant mortality rate actually starting to increase in certain urban centers including Detroit, Boston, and the District of Columbia. Despite the continued improvement for white children, it appears that we will not meet the goals set for 1990 by the U.S. Public Health Services for infant mortality of minority children. Undoubtedly, the reasons are complex, but certainly two of the reasons must be the recent reduction of health care services for those in need, and a health environment which turns people away when they are most in need of services.

Summary of provisions is as follows:

HEALTH CARE FOR THE UNINSURED ACT OF 1987

[Summary of Provisions]

INTENT AND PURPOSE

The purpose of S. 177 is to utilize the existing health care delivery system to provide access to health care services for those who are unable to afford care under the current health care environment. By the use of a "pooling mechanism", an attempt will be made to address the two serious problems described above which includes:

1. Providing health care to any eligible uninsured individual in each state; and to,

2. Provide a mechanism of cost sharing among hospitals for reimbursement of a portion of the uncompensated care now being delivered.

By addressing both of these interrelated problems, we are attempting to reduce substantially the uninsured population in this country (which itself will reduce the burden on many hospitals), and to address directly the problem of charity care faced by many hospitals today.

IMPLEMENTATION

The bill is designed to involve no new federal expenditures and to allow the states a high degree of flexibility in the design and implementation of the program. The bill allows for three methods to fulfill the intent of the legislation.

1. If a state has enacted a program, or is in the process of drafting legislation which will address these problems on a statewide basis, a waiver provision is provided which will allow the state to continue with its current plans.

2. If a state has no plan, S. 177, provides a model "State Health Care Pool", which defines who is eligible, a minimum benefits package, financing mechanisms of the pool, and the various cost-sharing components.

3. Finally, if the state fails to implement either of the previous two provisions, the Federal Government will institute the "State Health Care Pool" and monitor its progress.

THE MODEL STATE HEALTH CARE POOL

As previously mentioned, the State health care pool will provide health care services to the uninsured through a Health Care Program, and reimburse hospitals for a portion of their uncompensated care in a manner proportional to the amount of uncompensated care they deliver. The pool will be financed from a variety of revenue sources so as to help maintain the solvency of the pool. These include;

First. Existing and perhaps new funding by State, counties and local municipalities;

Second. Premiums from those who utilize the Health Care Program portion of the pool. These individuals will pay the premium on a sliding scale based on their ability to pay; and

Third. A tax on the net operating revenues of the hospitals in the State, exempting certain hospitals based on the amount of care which is delivered to low-income individuals in the State, composite of Medicaid and uncompensated care. Those hospitals which are currently providing care for individuals who are unable to pay at twice the State average will be exempt. In addition, 30 percent of the funds from the health care pool will be returned to all hospitals in a manner proportional to the amount of uncompensated care which is delivered.

Mr. President, the other major provisions of S. 177, includes provisions for enrollment, needs assessment and outreach, additional cost-sharing, and the care for those with a preexisting condition. These will be further clarified in the section-by-section analysis of the bill to follow and with the text of the bill itself.

Mr. President, as I mentioned before, I am reintroducing S. 177, not as the ultimate answer to the problem of uninsuredness in this country, but as the starting point in a national debate on the issue. We must begin to address this very serious problem, and I urge all my colleagues to join in their support and cosponsorship for this bill.

Mr. President, I also request, that the section-by-section analysis and the bill itself be included in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 177

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Care for the Uninsured Act of 1987".

SEC. 2 STATE PROGRAMS.

(a) In General.—

(1) State pools.—Each State may establish a program pursuant to this section which provides for a health care pool to make health care available to any eligible uninsured individual in the State, and which provides for cost sharing among hospitals for uncompensated care provided by hospitals in the State.

(2) Federal alternative.—If a State does not establish a program pursuant to this section, the Federal program established pursuant to section 5 shall apply in such State, and the tax imposed pursuant to section 4285 of the Internal Revenue Code of 1986 shall apply to hospitals in such State.

(b) State Program Requirements.—

(1) In general.—A State program meets the requirements of this section if such program—

(A) establishes and maintains a health care pool which meets the requirements of subsection (c);

(B) is approved by the Secretary of Health and Human Services (hereinafter referred to in this Act as the "Secretary"); and

(C) provides such information to the Secretary as the Secretary may require in order to evaluate the State program.

(2) Waiver authority.—The Secretary may waive the requirements of this section and approve a State program if the Secretary determines that such program substantially provides the same results, with respect to uninsured individuals and hospitals which provide uncompensated care, as would the program specified in this section.

(c) State Health Care Pool.—A State health care pool is an entity established under State law for the purposes of—

(1) providing health care, through insurance or otherwise, to all uninsured individuals residing in the State; and

(2) sharing among all hospitals in the State the costs of uncompensated care provided by any such hospital.

(d) Pool Financing.—The State shall ensure the solvency of the health care pool through any combination of—

(1) premiums collected pursuant to section 3(d), but subject to the limitations contained in such section;

(2) revenues from the hospital tax required under section 4(b), but subject to the limitations contained in such section; and

(3) funds provided by the State or political subdivisions thereof.

SEC. 3. HEALTH CARE PROGRAM.

(a) In General.—The State health care pool shall provide health care, through insurance or otherwise, to all uninsured individuals (as defined in subsection (b)) residing in the State.

(b) Uninsured Individual.—For purposes of this section, an uninsured individual is any individual who—

(1) is not eligible to be covered under any employment-based health plan (provided by insurance or otherwise) by reason of his own employment or the employment of his spouse or parent, including any postemployment extended eligibility provided at the same rate and with the same employer cost sharing as are provided to employees; and

(2) is not eligible for the Medicare program under title XVIII of the Social Security Act or for medical assistance under a State Medicaid plan approved under title XIX of such Act.

(c) Required Benefits.—

(1) In general.—The health care pool must provide for a program which provides, either through insurance or otherwise, including (but not limited to) the use of health maintenance organizations or State-established preferred provider arrangements, at least the following benefits:

(A) Inpatient hospital services.

(B) Emergency outpatient hospital services.

(C) Routine and emergency physician services (including those provided in health clinics).

(D) Prenatal, delivery, and post partum care.

(E) Laboratory and diagnostic X-ray services.

(F) X-ray, radium, and radioactive isotope therapy.

(G) Services of a nurse midwife, described in section 1905(a)(17) of the Social Security Act.

(H) Home health services in cases where the State determines that the coverage of such services is cost effective.

(I) Drugs or bioligicals provided as part of inpatient hospital services.

(2) Amount, duration, and scope.—The State shall determine the amount, duration, and scope of the covered services described in paragraph (1) which shall be included under the program, but in no event shall the amount, duration, or scope of such services under the program under this section be less than the amount, duration, or scope of such services included under the State Medicaid plan for medical assistance for individuals described in section 1902(a)(10)(A) of the Social Security Act.

(d) Premiums.—

(1) Collection of premiums.—Each uninsured individual who wishes to secure health care through the health care pool shall pay a premium for such coverage determined in accordance with paragraph (2).

(2) Amount of premium.—(A) The amount of the premium shall be determined on a sliding scale based upon the individual's family income as follows:

(i) In the case of an individual whose family income equals or exceeds 200 percent of the official proverty line for a family of that size (established by the Office of Management and Budget), the premium shall be equal to 120 percent of the actuarial value of the group benefit package provided.

(ii) In the case of an individual whose family income is below 100 percent of such poverty line, the premium shall be a nominal amount, or there shall be no premium.

(iii) In the case of an individual whose family income equals or exceeds 100 percent of such poverty line, but is less than 200 percent of such poverty line, the premiums shall be set based upon a sliding scale between the two premium amounts established under clauses (i) and (ii), but may not exceed 100 percent of the actuarial value of the group benefit package provided.

(B) For purposes of determining family income, the State shall require certification and periodic recertification in the same manner as is required under the State's program of aid to families with dependent children under part A of title IV of the Social Security Act, but in no case may recertification be required more often than on a quarterly basis.

(C) The Secretary shall establish a uniform definition of family income which shall apply to all States. Such definition shall be consistent with the definition used by the Office of Management and Budget for purposes of establishing the poverty line referred to in subparagraph (A).

(e) Deductibles and Coinsurance.—The State may require that deductibles and coinsurance amounts be imposed for users of services under the program. If the State chooses to require such deductibles and coinsurance amounts, the combined value of the deductibles and coinsurance may not exceed 8 percent of the actuarial value of the benefit package provided.

(f) Open Enrollment.—The health care pool shall provide for open enrollment in the program of health care, upon giving 30 days notice of the intent to enroll or disenroll.

(g) Preexisting Conditions.—Coverage under the program may not be limited or denied by reason of any preexisting illness or medical condition.

(h) Needs Assessment and Outreach Program.—The State shall conduct an ongoing program to—

(1) assess the need within the State for health care provided through the health care pool; and

(2) notify individuals who may be eligible for health care through the pool of the ex-

istence of such care and how to obtain such care.

SEC. 4. UNCOMPENSATED HOSPITAL CARE.

(a) IN GENERAL.—A State health care pool shall provide for sharing among all hospitals in the State of the costs of uncompensated care provided by any hospital in such State.

(b) TAX ON HOSPITAL REVENUES.—In order to comply with the requirements of section 2, the State law must require (except as otherwise provided in section 2(b)(2)) that each hospital in the State be subject to a tax on the operating net revenue of such hospital, the proceeds from which shall be used by the health care pool. Not less than 30 percent of such proceeds must be used to compensate hospitals in the State, in proportion to the amount of otherwise uncompensated care provided by each hospital.

(c) UNCOMPENSATED CARE.—For purposes of this section, uncompensated care is charity care, and other care provided by a hospital for which a bill is presented, but payment for which is not made within 6 months, after all reasonable efforts at collection have been made from the patient and from any third party which may be liable for such payment.

(d) HOSPITALS SUBJECT TO POOL AND TAX REQUIREMENTS.—(1) For purposes of this section, all hospitals located in the State shall be subject to participation in the health care pool and to the tax imposed pursuant to subsection (b), except hospitals operated by the Federal Government, psychiatric hospitals, and rehabilitation hospitals.

(2) for purposes of this section, a hospital shall be exempt from the tax imposed pursuant to subsection (b) for any taxable year if such hospital is—

(A) providing uncompensated care at a rate equal to or greater than 200 percent of the State average (as determined by the State for the most recent taxable year for which data is available); and

(B) providing care to individuals eligible for medical assistance under the State's plan approved under title XIX of the Social Security Act at a rate equal to or greater than 200 percent of the State average (as determined by the State for the most recent taxable year for which data is available).

SEC. 5. FEDERAL PROGRAM.

(a) SECRETARY SHALL ESTABLISH PROGRAM.—The Secretary of Health and Human Services shall establish a health care pool for any State which does not have in effect a State program approved pursuant to section 2(b) of this Act. Except as otherwise provided in this section, the Secretary shall operate such program in the same manner as the States are required to operate State programs under section 2.

(b) FINANCING OF PROGRAM.—

(1) IN GENERAL.—The Federal program in effect in any State pursuant to this section shall be financed by the hospital tax collected from hospitals in such State under section 4285 of the Internal Revenue Code of 1986, and from premiums collected. Not less than 30 percent of the proceeds from tax collected in any State must be used to compensate hospitals in such State for otherwise uncompensated care, in the same manner as is required under section 4, with payments to hospitals being made not less frequently than quarterly. If, after providing for a health care program and compensating all hospitals in the State for all otherwise uncompensated care, any amounts remain in the State's special account (established under paragraph (2)), such amounts shall be refunded to the hospitals in such State, in proportion to the amount of such tax paid by each hospital.

(2) SPECIAL ACCOUNTS.—(A) The Secretary of the Treasury shall establish a special account in the Treasury for each State for which the Secretary of Health and Human Services has established a program under this section. Such account shall be used to operate the health care pool established by the Secretary for such State.

(B) There are hereby appropriated into each such account—

(i) amounts equivalent to the taxes received in the Treasury under section 4285 of the Internal Revenue Code of 1986 from hospitals located in such State, and

(ii) amounts collected by the Secretary of Health and Human Services as premiums from individuals enrolled in the health care program established through the health care pool in such State.

(C) The amounts appropriated by subparagraph (B) shall be transferred from time to time (but not less frequently than quarterly) from the general fund of the Treasury on the basis of estimates made by the Secretary of the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(c) EXCISE TAX ON HOSPITAL SERVICES.—

(1) IN GENERAL.—Chapter 33 of subtitle D of the Internal Revenue Code of 1986 (relating to miscellaneous excise taxes) is amended by inserting after subchapter C the following new subchapter:

"Subchapter D—Hospital Services

"Sec. 4285. Imposition of tax.
"Sec. 4286. Definitions.
"Sec. 4287. Time for filing return; estimated tax payments.

"SEC. 4285. IMPOSITION OF TAX.

"(a) TAX IMPOSED.—There is hereby imposed on hospital services a tax equal to 3 percent of the net hospital charges for the taxable year of any hospital which is located in a State and is not subject to a program of such State approved under section 2 of the Health Care for the Uninsured Act of 1987.

"(b) PAYMENT OF TAX.—The tax imposed by this section shall be paid by the hospital.

"SEC. 4286. DEFINITIONS.

"For purposes of this subchapter—

"(1) NET HOSPITAL CHARGES.—The term 'net hospital charges' means the excess (if any) of—

"(A) the hospital charges of the hospital for such taxable year, over

"(B) the hospital charge reductions of the hospital for such taxable year.

"(2) HOSPITAL CHARGES.—The term 'hospital charges' means the amount imposed by the hospital for hospital services, ambulatory services, and ancillary services.

"(3) HOSPITAL CHARGE REDUCTIONS.—The term 'hospital charge reductions' means the amount which equals—

"(A) uncollectable hospital charges, including bad debts,

"(B) the value of uncompensated care, and

"(C) contractual adjustments and discounts.

"(4) HOSPITAL.—The term 'hospital' shall not include—

"(A) any hospital operated by the Federal Government,

"(B) any psychiatric hospital,

"(C) any rehabilitation hospital, or

"(D) any hospital which is—

"(i) providing uncompensated care (as defined in section 4 of the Health Care for the Uninsured Act of 1987) at a rate equal to or greater than 200 percent of the State average (as determined by the Secretary of Health and Human Services for the most recent taxable year for which data is available); and

"(ii) providing care to individuals eligible for medical assistance under the State's plan approved under title XIX of the Social Security Act at a rate equal to or greater than 200 percent of the State average (as determined by the Secretary of Health and Human Services for the most recent taxable year for which data is available).

"SEC. 4287. TIME FOR FILING RETURN; ESTIMATED TAX PAYMENTS.

"(a) TIME FOR FILING RETURN.—

"(1) IN GENERAL.—Each hospital on which a tax is imposed by section 4285 for any taxable year shall file a return of such tax no later than the time for filing the return of tax imposed by chapter 1 for such taxable year.

"(2) TAXABLE YEAR.—For purposes of this chapter, the taxable year of any hospital shall be—

"(A) such hospital's taxable year for purposes of chapter 1, or

"(B) if there is no taxable year for purposes of chapter 1, the calendar year.

"(b) ESTIMATED TAX PAYMENTS.—For purposes of sections 6154 and 6655, any tax imposed by section 4285 shall be treated as a tax imposed by section 11.".

(2) CONFORMING AMENDMENT.—The table of subchapters for chapter 33 of such Code is amended by inserting after the item relating to subchapter C the following new item:

"SUBCHAPTER D.—Hospital services.".

SEC. 6. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise provided in paragraph (2), this Act shall become effective on the first day of the nineteenth month beginning after the date of the enactment of this Act.

(2) The Secretary of Health and Human Services may delay for up to 12 months the effective date of this Act with respect to any State if the Secretary determines that such State requires extra time to comply with the requirements of this Act due to existing contracts, the schedule of the State legislature, or other factors which the Secretary determines make compliance within 18 months impossible.

(b) HOSPITAL TAX.—The tax imposed by section 4285 of the Internal Revenue Code of 1986 shall apply to taxable years ending in or after the first month for which the provisions of this Act apply to the State in which the hospital is located, but only with respect to revenues received in or after such first month.

HEALTH CARE FOR THE UNINSURED ACT OF 1987—SECTION-BY-SECTION ANALYSIS

The purpose of this bill is to utilize the existing health care delivery system to provide access to health care services for those who are currently unable to afford care under current reimbursement mechanisms. This is accomplished by the creation of insurance pools which would make health care available based on the ability to pay. It would also reimburse hospitals for a portion of their uncompensated care.

SECTION 1

Section 1, provides for the short title of the bill, which is the "Health Care for the Uninsured Act of 1987."

SECTION 2

Section 2, mandates that a mechanism be established within each state to address the health care needs of the uninsured individuals in a state, and the uncompensated care incurred by hospitals for treating this uninsured population. The bill then allows three approaches to address these problems.

1. The first approach would require the establishment of a "State Health Care Pool", which then implemented will accomplish the two stated objectives of this legislation.
2. If a state does not establish the program or receive a waiver by the Secretary of Health and Human Services (HHS), the model "State Health Care Pool", will be implemented at the Federal level.
3. The bill grants the Secretary of HHS the authority to grant a waiver to a State, if the Secretary determines that an independently formulated state plan will provide similar results as the model "State Health Care Pool". Such a program must be approved by the Secretary and the states must provide sufficient information to the Secretary to assist in such approval.

The section then outlines the operating and financing mechanisms for the "State Health Care Pool". The "State Health Care Pool", must provide health care, through insurance or otherwise and contribute to the cost of uncompensated care incurred by hospitals. To maintain its solvency, this section delineates the revenue sources including:

1. Funding by States, counties, and municipalities,
2. Premiums from those accessing the "Health Care Program" portion of the pool,
3. Revenues from a tax on the operating net revenues of the hospitals in a state.

SECTION 3

Section 3, outlines the provisions of the "Health Care Program", portion of the model "State Health Care Pool." It describes the uninsured population to be served, the collection of premiums, deductibles, and coinsurances, the minimum benefit package, and a needs assessment and outreach provision.

Uninsuredness

The uninsured population, is defined and includes those individuals and their families who are not eligible for an employment-based health care plan, and those who are not eligible for either Medicaid or Medicare.

Mininum benefit package

The minimum benefit package in the "Health Care Program", could be delivered through a variety of health care delivery systems including but not limited to traditional insurance coverage, Health Maintenance Organizations (HMO's) and Preferred Provider Organizations (PPO's).

The benefits must include Inpatient hospital services; emergency outpatient services; physician services; perinatal services; Laboratory and diagnostic X-ray services; nurse midwife services; home health care services; and inpatient drugs.

Premiums

The premium payments of each person who would seek health care coverage through the pool, will be determined on the basis of a family's financial status.

1. Those individuals with family incomes below the Federal Poverty threshold would pay no premium or a nominal premium.
2. Those individuals with family incomes greater than 200 percent of poverty, would be required to pay a premium equal to 120% of the actuarial value of the group benefit package being offered.
3. Those individuals with income between 100 and 200 percent of the poverty level, would pay a premium on a sliding scale between the two payment levels described above, but no more than 100% of the actuarial value of the group benefit package.

Deductibles and coinsurance

The State may require the deductibles and coinsurance be imposed for users of the "Health Care Program", and if implemented must not exceed 8 percent of the actuarial value of the benefit package.

Enrollment

The bill requires an open enrollment within 30 days as part of the "Health Care Program."

Preexisting conditions

The bill prohibits the denial of coverage or the limitation of benefits due to a pre-existing medical condition.

Needs assessment and outreach

Finally, the bill requires that the state conduct a needs assessment to determine the extent of their uninsured population, and that they conduct an ongoing outreach program to notify those individuals who may be eligible for entrance into the program.

SECTION 4

This section creates a mechanism for both raising revenues and reimbursing hospitals in a proportional manner for the amount of uncompensated care that is being delivered. Hospitals already providing a disproportionate share of charity would be exempt from any new revenue burdens. The exemption for disproportionate share hospitals would be determined by excluding those hospitals serving two times the state average of both Medicaid and uncompensated care patients.

With regard to returning these funds to the hospitals, the provision provides that a minimum of 30 percent of the hospital revenues collected will be used for the reimbursement of hospitals. Uncompensated care is defined as charity care and/or other care for which a bill is presented and for which no payment is received within 6 months.

SECTION 5

This section outlines the mechanism that the Secretary of HHS will use to implement the "State Health Care Pool", at the Federal level if the state fails to do so. It includes the following:

1. the establishment of a special account in the Treasury for each state to be utilized in the carrying out of the provisions of this bill,
2. the imposition of a 3% net hospital revenue tax, to assist in the financing of the pool, along with the premiums, deductibles and coinsurances previously discussed,
3. a provision that once the pool is solvent, and all uncompensated care has been reimbursed, the remaining revenues from the hospital tax will be reimbursed to the hospitals in proportion to the amount of tax originally collected.

SECTION 6

This section provides for the effective dates of the legislation beginning on the nineteenth month after the date of enactment. In addition, for states unable to respond to the new requirements under this legislation within an eighteen month period, the Secretary may delay implementation of this act for an additional 12 months.

By Mr. RIEGLE (for himself and Mr. CRANSTON):

S. 178. A bill to amend the Social Security Act to provide for improved procedures with respect to disability determinations and continuing disability reviews and to modify the program for providing rehabilitation services determined under such act to be under a disability, and for other purposes; to the Committee on Finance.

SOCIAL SECURITY DISABILITY BENEFICIARY REHABILITATION ACT OF 1987

● **Mr. RIEGLE.** Mr. President, today I am again reintroducing legislation—first introduced in the 98th Congress and again in the 99th Congress to reform the Social Security Disability Insurance [SSDI] program. This legislation is almost identical to S. 1721 which I introduced on October 1, 1985, together with my colleague from California [Mr. CRANSTON]. That legislation was an improved version of S. 2369, which I introduced on February 29, 1984, during the 98th Congress. Unfortunately, S. 1721 did not receive any action during the 99th Congress.

During a period extending over a year and a half, my staff and I worked with representatives from a coalition of national organizations representing disabled persons in an effort to improve the first version of this legislation. Working closely with members of my staff, and after months of meetings and review, this coalition has played a vital part in helping to design significant and needed improvement in the SSDI Program. The groups that were part of this coalition that helped design and endorse this approach are as follows:

American Psychological Association.

American Rehabilitation Counseling Association.

American Association for Counseling and Development.

American Mental Health Counselors Association.

Association for Retarded Citizens—U.S.

Epilepsy Foundation of America.

International Association of Psychosocial Rehabilitation Services.

National Alliance for the Mentally Ill.

National Association of Private Residential Facilities for the Mentally Retarded.

National Association of Social Workers.

National Association of State Mental Retardation Program Directors.

National Association of Rehabilitation Facilities.

National Council of Community Mental Health Centers.

National Easter Seal Society.

National Mental Health Association.

National Rehabilitation Counseling Association.

United Cerebral Palsy Association, Inc.

The legislation we are introducing today is designed to improve the Social Security Disability Insurance determination process in a way that better meets the needs of disabled persons while saving Federal dollars. Rarely do we have the opportunity to improve the working of a Federal program, better meet the needs of its beneficiaries, and save Federal funds. I believe the legislation we are introducing today accomplishes all of those objectives.

RETIREMENT VERSUS DISABILITY

The origins of the Social Security Disability Program demonstrate that the program was not designed to meet the unique needs of disabled persons. The legislative history shows that the first benefits for disabled persons—enacted in 1954 in Public Law 761, 83d Congress—were not disability benefits. Rather, provisions were enacted to protect retirement benefits for totally disabled persons who were forced to leave the work force prematurely. This was the so-called disability freeze provision.

To overcome the opposition to creating a new program specifically for disabled persons, the proponents of disability insurance initially presented their proposal as a modification of the retirement program in the form of a reduction in the retirement age of disabled persons. In fact, the first cash benefits for disabled persons—enacted in 1955 in Public Law 880, 84th Congress—was part of a package to reduce the age that individuals become eligible for retirement benefits; disabled persons at age 50 and women at age 62.

In 1960—enacted as Public Law 88-778—the age limitation for cash disability benefits was eliminated. Nevertheless, the underlying basis of the program, that is, a cash benefit program providing for the early retirement of disabled persons, has never been modified. Although over the years amendments were added to the Social Security Act attempting to reorient the early retirement basis of the SSDI Program, the underlying philosophical basis remains unchanged.

CURRENT SITUATION

Mr. President, it is unfortunate that the SSDI Program is seen by many as an early retirement program for people too disabled to continue working. In June of 1980, Congress enacted Public Law 96-265 which included a provision, section 221(i), requiring the ongoing review of disability beneficiaries, the CDI's. In part, many of the difficulties that resulted from the CDI's stem from the incompatibility of an ongoing review and the underlying early retirement orientation of the SSDI Program.

Mr. President, because the modern SSDI Program has evolved from an early retirement program for disabled workers, the concept and application of the CDI's is incompatible with the underlying originating principles of the program. Most individuals perceive retirement as a permanent condition not subject to external review. Before the statutory enactment of the CDI's Social Security reviewed only those disabled beneficiaries to whom they told upon initial allowance that a reexamination would be scheduled. Those were mostly individuals who had conditions that were likely to improve.

For the vast majority of beneficiaries, a review of their disability status was not envisioned. Before enactment of the CDI provisions, beneficiaries not scheduled or diaried for review were treated in the same manner as retired beneficiaries. The only procedural check utilized to determine the continued eligibility for benefits was the voluntary self-reporting on the part of the beneficiaries. Again, for the nondiaried SSDI beneficiaries, both within the mind of the beneficiary and within the minds of the administrators of the program, entitlement was seen as lasting until death or until the beneficiary voluntarily reported a change in his or her condition, such as returning to work.

Mr. President, the political pressures that necessitated the early retirement orientation of the SSDI Program have passed, and I believe it is time to reshape the program to provide benefits for disabled persons, as opposed to early retirees. This objective can be most easily accomplished by modifying the underlying orientation away from early retirement toward benefits and services for disabled persons. This can be done largely by modifying the determination process and without expanding the universe of individuals eligible for cash benefits.

In addition, a program truly geared to the needs of disabled persons, providing them with rehabilitation services—in addition to cash benefits—will result in many disabled beneficiaries leaving the disability rolls. The result should be the savings of significant funds while directly meeting the needs of disabled persons.

A reoriented program should be designed along similar lines for disabled recipients of SSI benefits, and the bill I am introducing today accomplishes both of these objectives.

PROVISIONS OF S. 178

Mr. President, as I have mentioned, the objective of this legislation is to redirect the SSDI Program away from the retirement model and toward a program specifically designed to meet the needs of disabled workers. In doing this, we will more adequately address the needs of newly disabled Americans and reduce cash outlays, thereby helping to secure the financial integrity of the Disability Insurance Trust Fund.

The bill I am proposing does not entail a radical reworking of the existing program because Congress has in fact been moving in this direction through piecemeal reforms over the last three decades. I am simply proposing to integrate many of the previous reforms—which were just tacked on to existing procedures—into a unified system by altering the methods used for evaluating eligibility for benefits.

Under the current system, an individual applying for disability benefits is only evaluated from the narrow perspective of establishing the existence of a medical disability. An applicant has an incentive to heighten the severity of the disabling conditions while the administrators have an incentive to minimize existing maladies. Under current practice, a very complex determination is made with regard to the severity and duration of the disabling condition, and then a decision is made regarding whether a benefit is either awarded or denied. At no point in the process is the Social Security Administration providing—nor is it expected to provide—assistance to these disability applicants beyond, of course, the cash benefit for those who are eligible.

Mr. President, the provisions of S. 178 would alter the incentives contained in the current program by integrating a vocational rehabilitation evaluation into the initial and ongoing determination process. Even though such a determination is currently required under section 222 of the Social Security Act, it is ignored in practice. Since the Beneficiary Rehabilitation Program [BRP] was essentially repealed in 1981, the State disability examiners have no incentives for evaluating the rehabilitation potential of SSDI applicants.

Hence, all of the cost savings which the Social Security Administration has determined result from beneficiary rehabilitation are lost under the present evaluation procedures. It was in 1981, that the Social Security Administration found that savings to the Disability Insurance Trust Fund ranged between $1.39 and $2.72 for every $1 spent on vocational rehabilitation services for DI beneficiaries. Social Security Bulletin, February, 1981/Vol. 44, No. 2, pp. 1-8.

The legislation I am proposing today does not resurrect the Beneficiary Rehabilitation Program, which was cost effective in spite of the lack of precision the program had in providing rehabilitation funds for beneficiaries most likely to benefit from such services. What I'm proposing in this legislation is to require an initial evaluation of rehabilitation potential along with the medical determination of a disability.

Prospect beneficiaries would be divided into the following groups based upon the extent and duration of their disabling condition:

First, those with long-term or permanent disabilities—that is, those not subject to the mandatory CDI review under 221(i); or

Second, those with disabilities that are anticipated to last more than 12 months but where it is reasonable to anticipate improvement or change in the disabling condition at some point after the 12 month period—that is, those subject to the mandatory CDI review under 221(i); or

Third, to those individuals under a disability albeit not sufficiently severe nor anticipated to last more than 12 months that is, those individuals who would be denied cash benefits under the law.

This is similar to the procedure used under current law and is basically the method used for determining for cash benefits. However, during the same period of evaluation for cash benefits, the prospective beneficiary would be assessed for rehabilitation potential, and one of the three following determinations would be made:

First, the prospective beneficiary cannot benefit from rehabilitation services; or

Second, rehabilitation services would be of benefit to the prospective beneficiary, albeit it is extremely unlikely to result in an effort to return to work and eventually in the cessation of cash disability benefits; or

Third, there is the possibility that rehabilitation services will result in an effort to return to work and thereby in the eventual cessation of cash benefits.

Mr. President, under S. 178 all individuals would be required to go through both the disability determination and rehabilitation evaluation before they would be notified of the results of either exam. The universe of individuals who would be eligible for cash benefits would include only those individuals who would be eligible under current law.

The major difference with the current program is that for the first time there would be a workable requirement that applicants be evaluated for rehabilitation potential and where appropriate, referred to rehabilitation providers. Those for whom it was determined that rehabilitation would provide some benefit but not lead to an attempt to return to work would be directed to the State agency or rehabilitation services.

For those individuals the State would provide—as required under current law—services with funds available through the State Grant Program—the section 101 program of the Rehabilitation Act. For those individuals where there is a possibility that rehabilitation services will result in successful return to work effort and therefore in the eventual cessation of benefits, Social Security will refer that individual to a rehabilitation provider, whether public or private, who can best meet the rehabilitation needs of the SSDI beneficiary.

Because a judgment has been made that these individuals have the best chance of returning to work and dropping off of the disability rolls, the cost of rehabilitating these individuals would be financed out of the Social Security Disability Trust Fund. Under this program and with the careful selection of rehabilitation candidates—as previous experience has demonstrated—the trust funds should experience a net surplus of dollars.

Mr. President, it is important to note that the scope of rehabilitation services envisioned under this legislation follows section 103, of the Rehabilitation Act, and is extremely broad. Therefore, this legislation envisions Social Security providing a wide range of rehabilitation services for individuals where the possibility of a return to work effort exists. For example, section 103(a)(4) of the Rehabilitation Act, includes within the scope of rehabilitation services, among other items:

> Physical and mental restorative services, including, but not limited to, (A) corrective surgery or therapeutic treatment necessary to correct or substantially modify a physical or mental condition which is stable or slowly progressive and constitutes a substantial handicap to employment * * *

Therefore, it would be possible, under this bill, for the Social Security Administration to provide certain health services not ordinarily provided for under the Medicare or Medicaid Programs, assuming that such services would result in the removal of barriers to employment.

All of the cash beneficiaries in receipt of rehabilitation benefits would be exempt from the current CDI reviews and would be monitored by SSA through rehabilitation reports that all providers of rehabilitation services would be required by statute to provide. These reports would be required at a minimum of once every 3 years for all beneficiaries who were not permanently disabled. The rehabilitation report would include an assessment of the beneficiaries' progress in the rehabilitation program including any improvement that might affect the disability status of the beneficiary, including, but not limited to a return to work effort.

The Social Security Administration would evaluate the rehabilitation report to determine whether a review of the disability status of the beneficiary would be appropriate. All of the beneficiaries not in a rehabilitation program are reviewed within the same intervals as under current law and regulations.

In an effort to remain consistent with the SSI Program, and since similar principles apply to SSI disabled recipients, who in many cases are also in need of rehabilitation services, the bill we are introducing today also extends the modifications in the eligibility determination process to the SSI Program.

Mr. President, what I am proposing today represents a significant improvement in the Social Security Disability Program with only relatively minor modifications in the current program. S. 178 takes the final step in completing a series of reforms which Congress initiated soon after the enactment of the original program. With the modifications I am proposing today, we can, for the first time, say we have a national disability program that is designed to address the unique needs of disabled Americans.

Mr. President, I ask unanimous consent that the full text of S. 178 be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 178

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Social Security Disability Beneficiary Rehabilitation Act of 1987".

SEC. 2. (a)(1) Section 221(a)(1) of the Social Security Act is amended—

(A) by striking out "and of" and inserting in lieu thereof ", the disability category that best describes the condition of such individual, and";

(B) by striking out "(A)" each place it appears and inserting in lieu thereof "(i)";

(C) by striking out "(B)" each place it appears and inserting in lieu thereof "(ii)";

(D) by inserting "(A)" after the paragraph designation; and

(E) by adding at the end thereof the following new subparagraphs:

"(B) In making a determination with respect to whether an individual is under a disability (as defined in section 223(d)), the State agency making such determination or the Secretary, as the case may be, shall at the same time determine which of the following disability categories best describes the condition of such individual at the time such determination is made:

"(i) The individual is under a disability (as defined in section 223(d)) that is permanent and can not benefit from vocational rehabilitation services (as described in section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723)) or from comprehensive services for independent living (as described in title VII of such Act (29 U.S.C. 796 et seq.)).

"(ii) The individual is under a disability that is permanent, is unlikely to engage in substantial gainful activity (in the case of an individual making application for benefits under section 202(d) or 223) or any gainful activity (in the case of an individual making application for benefits under subsection (e) or (f) of section 202) in the future, but can benefit from vocational rehabilitation services or comprehensive services for independent living.

"(iii) The individual is under a disability that is permanent, can benefit from vocational rehabilitation services, and, if provided with such services, would possibly engage in substantial gainful activity or any gainful activity, as the case may be, as the result of having been provided with such services.

"(iv) The individual is under a disability that is not permanent and cannot benefit from vocational rehabilitation services.

"(v) The individual is under a disability that is not permanent, is unlikely to engage in substantial gainful activity or any gainful activity, as the case may be, in the future, but can benefit from vocational rehabilitation services or comprehensive services for independent living.

"(vi) The individual is under a disability that is not permanent, can benefit from vocational rehabilitation services, and, if provided with such services, would possibly engage in substantial gainful activity or any gainful activity, as the case may be, as the result of having been provided with such services.

"(vii) The individual is under a medically determinable physical or mental impairment that is not a disability (as defined in section 223(d)), and could possibly benefit from vocational rehabilitation services provided under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

"(viii) The individual is under a medically determinable physical or mental impairment that is not a disability, and could not benefit from vocational rehabilitation services.

"(ix) The individual is not under a disability or any other medically determinable physical or mental impairment.

Determinations under this subparagraph shall be made in accordance with standards promulgated by the Secretary in consultation with the Commissioner of the Rehabilitation Services Administration of the Department of Education.

"(C) Notice to an individual of a decision by the Secretary with respect to whether an individual is under a disability (as defined in section 223(d)) shall include, in addition to the matters required to be included in the notice of such decision under section 205(b)(1)—

"(i) an explanation, in understandable language, of the reasons why the State agency or the Secretary, as the case may be, has determined that a particular disability category set forth in subparagraph (B) best describes the condition of such individual; and

"(ii) in the case of an individual with respect to whom it is determined that vocational rehabilitation services or comprehensive services for independent living would be beneficial—

"(I) a statement that such individual is eligible for such services;

"(II) a brief explanation of the disability review provisions of subsection (i) and the application of such provisions to such individual; and

"(III) information with respect to how to apply for such services.

"(D) The Secretary shall take such steps as may be necessary to ensure that—

"(i) all determinations required by this paragraph are made in a timely manner, and

"(ii) the payment of benefits to disabled individuals under this title is not delayed by reason of such determinations.".

(2) Section 221(c)(1) of such Act is amended by inserting ", that a different disability category set forth in subsection (a)(1)(B) best describes the condition of such individual," after "(as so defined)".

(3) Section 221(d) of such Act is amended by striking out "subsection (a)," and inserting in lieu thereof "subsection (a) (including a determination of the disability category set forth in subsection (a)(1)(B) that best describes the condition of an individual), or under subsection".

(4) Section 221(g) of such Act is amended by striking out "(a) shall" and inserting in lieu thereof "(a) (including determinations with respect to which of the disability categories set forth in paragraph (1)(B) of such subsection best describes the condition of an individual) shall".

(b) Section 221(i) of such Act is amended—

(1) in paragraph (1)—

(A) by inserting "and such individual is not eligible for or is not (for any reason) receiving vocational rehabilitation services or comprehensive services for independent living provided in accordance with section 222," after "disability,"; and

(B) by striking out all beginning with "years" through "administration of this title." and inserting in lieu thereof "years in the case of an individual determined under subsection (a)(1)(B) to be under a disability that is not permanent, and at least once every 7 years in the case of an individual determined under such subsection to be under a disability that is permanent."; and

(2) by striking out paragraphs (2) and (3) and inserting in lieu thereof the following new paragraphs:

"(2) In any case in which an individual is or has been determined to be under a disability and such individual is receiving vocational rehabilitation services or comprehensive services for independent living provided in accordance with section 222, the case shall be reviewed by the applicable State agency or the Secretary (as may be appropriate), for purposes of continuing eligibility, whenever such agency or the Secretary concludes, on the basis of a report made in accordance with section 222(b)(2) that such a review is warranted.

"(3) Reviews of cases under paragraphs (1) and (2) shall be in addition to, and shall not be considered as a substitute for, any other reviews that are required or provided for under or in the administration of this title.".

(c)(1) Subsections (a) and (b) of section 222(a) of such Act are amended to read as follows:

"REFERRAL FOR SERVICES

"(a)(1) Except in the case of an individual referred to a facility pursuant to paragraph (2), the State agency making determinations of whether an individual is under a disability (as defined in section 223(d)) or the Secretary, as the case may be, shall promptly refer any individual determined to fall within a disability category set forth in clause (ii), (iii), (v), (vi), or (vii) of section 221(a)(1)(B), to (A) the State agency or agencies administering or supervising the administration of the State plan approved under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) for necessary vocational rehabilitation services, or (B) the State unit (if any) designated under section 705 of such Act (29 U.S.C. 796d) to administer a State plan approved under title VII of such Act (29 U.S.C. 796 et seq.) for such services, as may be appropriate.

"(2)(A) If an individual is determined in accordance with paragraph (1) of section 221(a) to be under a disability and to fall within a disability category set forth in clause (iii) or (vi) of subparagraph (B) of such paragraph, the State agency or the Secretary, as the case may be, may refer such individual directly to a facility that has been certified by the Secretary as qualified to be a provider of vocational rehabilitation services and shall make payments directly to such facility for vocational rehabilitation services furnished to such individual.".

"(B)(i) Any individual who—

"(I) is referred under this paragraph to a provider of vocational rehabilitation services, and

"(II) is dissatisfied for any reason with the services of the provider, may request that the State agency or the Secretary, as the case may be, refer him or her to another provider of such services.

"(ii) The State agency or the Secretary, as the case may be, shall promptly make a determination with respect to such request and notify the individual of the determination. If the request is denied, the notice required by this clause shall contain a statement, in understandable language, of the reason or reasons for the denial of the request.

"(iii) Any individual making a request under this subparagraph shall be entitled to a hearing on the determination made under clause (ii) with respect to the request to the same extent as provided in section 205(b) for decisions of the Secretary, and to judicial review of the final decision made after the hearing, as is provided in section 205(g).

"ELIGIBILITY FOR SERVICES; REPORTING BY REHABILITATION FACILITIES, INDEPENDENT LIVING FACILITIES, AND CERTIFIED PROVIDERS

"(b)(1) An individual determined in accordance with paragraph (1) of section 221 (a) to be under a disability or other medically determinable physical or mental impairment and to fall within a disability category set forth in clause (iii), (vi), or (vii) of subparagraph (B) of such paragraph (other than an individual referred to (and receiving vocational rehabilitation services from) a provider in accordance with the provisions of paragraph (2) of subsection (a) of this section) shall be eligible for vocational rehabilitation services provided under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

"(2) An individual determined in accordance with paragraph (1) of section 221(a) to be under a disability and to fall within a disability category described in clause (ii) or (v) of subparagraph (B) of such paragraph shall be eligible for vocational rehabilitation services provided under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) or comprehensive services for independent living provided under title VII of such Act (29 U.S.C. 796 et seq.).

"(3) (A) A facility that—

"(i) is a rehabilitation facility and provides vocational rehabilitation services to an individual described in paragraph (1) or (2) of this subsection (other than an individual determined in accordance with paragraph (1) of section 221(a) to fall within the disability category set forth in subparagraph (B) (vii) of such paragraph) under a State plan approved under title I of the Rehabilitation Act of 1973, or

"(ii) provides comprehensive services for independent living to an individual described in paragraph (2) of this subsection under a State plan approved under title VII of such Act (29 U.S.C. 796 et seq.),

shall report promptly to the agency of such State that determines whether an individual is under a disability (as defined in section 223(d)) or the Secretary, as the case may be—

"(I) the termination of the provision of such services to such individual (and the reason or reasons for such termination); and

"(II) any significant change in the impairment of such individual and any change in the employment status of such individual that might warrant a review with respect to the disability of such individual in accordance with section 221(i).

"(B) A rehabilitation facility that provides vocational rehabilitation services under a plan approved under title I of the Rehabilitation Act of 1973 to an individual determined in accordance with paragraph (1) of section 221(a) to be under a disability and to fall within the disability category set forth in clause (v) or (vi) of subparagraph (B) of such paragraph shall, in addition to submitting any reports required under subparagraph (A) with respect to such individual, submit a report once every 3 years that evaluates—

"(i) the progress of such individual toward the achievement of the goals established with respect to such individual and included in the individualized written plan of vocational rehabilitation developed for such individual pursuant to paragraph (1) of subsection (e);

"(ii) the likelihood that such individual will engage in substantial gainful activity or any gainful activity, as the case may be, in the future as the result of such services; and

"(iii) any other matters that are relevant to determination or redetermination of the disability status of such individual.

"(C) Failure by a facility described in subparagraph (A) (i) or (ii) to report a change in the condition of an individual described in paragraph (1) or (2) (other than an individual determined to fall within the disability category set forth in clause (vii) of section 221(a)(1)(B)), that such facility knows or has reason to know would result in a determination that such individual is no longer under a disability, shall be a misdemeanor and, upon conviction thereof, shall be punishable by a fine of up to $10,000.

"(D) Any provision of this paragraph that is applicable to a rehabilitation facility shall also apply to a provider of vocational rehabilitation services to which individuals are referred in accordance with paragraph (2) of subsection (a).".

(2) Section 222 of such Act is further amended by striking out subsection (d) and inserting in lieu thereof the following new subsections:

"COSTS OF SERVICES FROM TRUST FUNDS

"(d)(1) For purposes of making vocational rehabilitation services and comprehensive services for independent living more readily available to disabled individuals who are—

"(A) entitled to disability insurance benefits under section 223,

"(B) entitled to child's insurance benefits under section 202(d) after having attained age 18 (and are under a disability),

"(C) entitled to widow's insurance benefits under section 202(e) prior to attaining age 60, or

"(D) entitled to widower's insurance benefits under section 202(f) prior to attaining age 60,

to the end that savings will accrue to the Trust Funds as a result of rehabilitating such individuals, the Managing Trustee shall transfer funds from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund in the manner prescribed in paragraphs (2) and (3).

"(2) The Managing Trustee shall, from time to time during each fiscal year, transfer from the Trust Funds such sums as may be necessary to enable the Secretary to make payments to State agencies administering or supervising the administration of a State plan approved under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) and to facilities certified under subsection (a)(2) as providers of vocational rehabilitation services for the reasonable and necessary costs of furnishing vocational rehabilitation services to individuals determined to be under a disability in accordance with paragraph (1) of section 221(a) and to fall within a disability category set forth clause (iii) or (vi) of subparagraph (B) of such paragraph (including services during the waiting periods of such individuals). Payments made under this paragraph shall be made in advance and shall be subject to adjustment on account of underpayments and overpayments.

"(3) The Managing Trustee shall transfer from such Trust Funds each fiscal year such sums as may be necessary to enable the Secretary to reimburse State agencies administering or supervising the administration of a State plan approved under title I of the Rehabilitation Act of 1973 and State units designated under section 705 of such Act (29 U.S.C. 796d) to administer plans approved under title VII of such Act for the reasonable and necessary costs of furnishing vocational rehabilitation services or comprehensive services for independent living (including services furnished during waiting periods) under such a plan to individuals determined to be under a disability in accordance with paragraph (1) of section 221(a) of this Act, to fall within a disability category described in clause (ii) or (v) of subparagraph (B) of such paragraph, and to have engaged in substantial gainful activity or any gainful activity, as the case may be, for a continuous period of nine months as a result of such services. The determination that such services contributed to the return of an individual to substantial gainful activity, or any gainful activity, as the case may be, and the determination of the costs to be reimbursed under this paragraph, shall be made by the Commissioner of Social Security in accordance with criteria formulated by the Commissioner. Payments made under this paragraph shall be subject to adjustment on account of underpayments and overpayments.

"(4) Money paid from the Trust Funds under this subsection for the reimbursement of the costs of providing services to individuals who are entitled to benefits under section 223 (including services during the waiting periods of such individuals), or who are entitled to benefits under section 202(d) on the basis of the wages and self-employment income of such individuals, shall be charged to the Federal Disability Insurance Trust Fund, and all other money paid from the Trust Funds under this subsection shall be charged to the Federal Old-Age and Survivors Insurance Trust Fund. The Secretary shall determine according to such methods and procedures as the Secretary may deem appropriate—

"(A) the total amount to be transferred for the cost of services under this subsection, and

"(B) subject to the provisions of the preceding sentence, the amount that should be charged to each of the Trust Funds.

"INDIVIDUALIZED WRITTEN PLANS OF VOCATIONAL REHABILITATION; STANDARDS FOR PROVIDERS

"(e)(1)(A) A facility that provides vocational rehabilitation services or comprehensive services for independent living to an individual eligible under this section for such services shall do so in accordance with an individualized written plan of vocational rehabilitation for such individual.

"(B) Notwithstanding section 102 of the Rehabilitation Act of 1973 (29 U.S.C. 722), the individualized written plan of vocational rehabilitation required by subparagraph (A) shall be developed, implemented, and reviewed in a manner that is, to the greatest extent practicable and consistent with the provisions of this title, the same as the manner in which plans required by section 1507 of title 38, United States Code, are developed, implemented, and reviewed.

"(2)(A) A facility that provides vocational rehabilitation services or comprehensive services for independent living to an individual eligible under this section for such services shall meet such standards as the Secretary may by regulation prescribe.

"(B) In promulgating regulations under subparagraph (A), the Secretary shall consult with the Commissioner of the Rehabilitation Services Administration of the Department of Education and, to the greatest extent practicable and consistent with the purposes of this section, shall incorporate the standards applicable to facilities and providers of such services under titles I and VII of the Rehabilitation Act of 1973 on the day before the date of the enactment of this subsection.

"DEFINITIONS

"(f)(1) For purposes of this section—

"(A) except as provided in paragraph (2), the term 'rehabilitation facility' shall have the meaning given to such term in section 7 (11) of the Rehabilitation Act of 1973 (29 U.S.C. 706 (11));

"(B) the term 'vocational rehabilitation services' shall have the meaning given to such term in section 103 of such Act (29 U.S.C. 723); and

"(C) the term 'comprehensive services for independent living' shall have the meaning given to such term in title VII of such Act (29 U.S.C. 796 et seq.).

"(2) Vocational rehabilitation services and comprehensive services for independent living provided pursuant to this section may be limited in type, scope, or amount in accordance with regulations promulgated by the Secretary in order to ensure that such services are consistent with the purposes of subsection (d).".

(d)(1) Section 222(c)(4)(A) of such Act is amended to read as follows:

"(A) the ninth month in which the individual renders services (whether or not such nine months are consecutive) of any fifteen-month period beginning on or after the first day of such period of trial work; or".

(2) Section 222(c) of such Act is amended—

(A) by striking out "(3) and (4)" in paragraph (1) and inserting in lieu thereof "(3), (4), and (6)"; and

(B) by adding at the end thereof the following new paragraph:

"(6) In the case of an individual determined in accordance with paragraph (1) of section 221(a) to be under a disability (as defined in section 223(d)) and to fall within a disability category set forth in clause (iii) or (vi) of subparagraph (B) of such paragraph, subparagraph (A) of paragraph (4) of this subsection shall be applied—

"(A) by substituting 'twelfth' for 'ninth'; and

"(B) by substituting 'twelve' for 'nine'.".

(e) Section 223(d)(4) of such Act is amended by adding at the end thereof the following new sentence: "In determining whether earnings derived from services performed by an individual demonstrate the individual's ability to engage in substantial gainful activity, earnings derived from transitional work, supported work, and services performed in a sheltered workshop shall not be taken into account unless such earnings equal or exceed an amount equal to twice the amount of earnings that (but for this sentence) would result in a determination that such individual is able to engage in substantial gainful activity.".

(f)(1) This section and the amendments made by this section shall become effective on the day that is 180 days after the date of the enactment of this Act.

(2)(A) The amendments made by subsection (a) of this section shall apply to any determination made under subsection (a), (b), or (g) of section 221 of the Social Security Act (including a determination made for purposes of a continuing eligibility review required by subsection (i) of such section) on or after the date on which such amendments become effective.

(B) The amendments made by subsections (b), (c), and (d) of this section shall apply to any individual with respect to whom a determination is made under subsection (a), (c), or (g) of section 221 of the Social Security Act on or after the date on which such amendments become effective.

(3)(A) Subsections (c) and (d) of section 222 of the Social Security Act, as in effect on the day before the date on which the amendments made by this section become effective, shall continue to apply to any individual—

(i) who on such day is entitled to benefits under subsection (d), (e), or (f) of section 202 of such Act by reason of disability or to disability insurance benefits under section 223 of such Act, and

(ii) with respect to whom a determination has not been made under subsection (a), (c), or (g) of section 221 of such Act (as amended by subsection (a) of this section) after such day.

(B)(i) Any individual described in subparagraph (A) who desires to have his or her case reviewed in accordance with the procedures established by the amendments made by subsection (a) of this section may request that a determination be made under the applicable subsection of section 221 of the Social Security Act (as so amended).

(ii) The Secretary of Health and Human Services shall take such steps as may be necessary to ensure that (I) any individual described in subparagraph (A) is informed of the right of such individual to request a review under clause (i) and (II) a prompt determination is made with respect to any individual requesting such a review.

(4) The amendments made by subsection (e) shall apply with respect to months beginning on or after the date on which this section becomes effective.

Sec. 3. (a)(1) Section 1614 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(g)(1) In making a determination under paragraph (2) or (3) of subsection (a) with respect to whether an individual is a blind or disabled individual, the State agency making such determination or the Secretary, as the case may be, shall at the same time determine which of the following disability categories best describes the condition of such individual at the time such determination is made:

"(A) The individual is a blind or disabled individual whose impairment is permanent and who can not benefit from vocational rehabilitation services (as described in section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723)) or from comprehensive services for independent living (as described in title VII of such Act (29 U.S.C. 796 et seq.)).

"(B) The individual is a blind or disabled individual whose impairment is permanent, who is unlikely to engage in substantial gainful activity in the future, but who can benefit from vocational rehabilitation services or comprehensive services for independent living.

"(C) The individual is a blind or disabled individual whose impairment is permanent, who can benefit from vocational rehabilitation services, and who, if provided with such services, would possibly engage in substantial gainful activity as the result of having been provided with such services.

"(D) The individual is a blind or disabled individual whose impairment is not permanent and who can not benefit from vocational rehabilitation services.

"(E) The individual is a blind or disabled individual whose impairment is not permanent, who is unlikely to engage in substantial gainful activity in the future as the result of such services, but who can benefit from vocational rehabilitation services or comprehensive services for independent living.

"(F) The individual is a blind or disabled individual whose impairment is not permanent, who can benefit from vocational rehabilitation services, and who, if provided with such services, would possibly engage in substantial gainful activity as the result of having been provided with such services.

"(G) The individual is not a blind or disabled individual but is under a medically determinable physical or mental impairment, and could possibly benefit from vocational rehabilitation services provided under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 etc. seq.).

"(H) The individual is under a medically determinable physical or mental impairment, but is not a blind or disabled individual and could not benefit from vocational rehabilitation services.

"(I) The individual is not a blind or disabled individual and is not under any other medically determinable physical or mental impairment.

Determinations under this paragraph shall be made in accordance with standards promulgated by the Secretary in consultation with the Commissioner of the Rehabilitation Services Administration of the Department of Education.

"(2) Notice to an individual of a decision under paragraph (2) or (3) of subsection (a) with respect to whether such individual is a blind or disabled individual shall include, in addition to the matters required to be included in the notice of such decision under section 1631(c)(1)—

"(A) an explanation, in understandable language, of the reasons why the State agency or the Secretary, as the case may be, has determined that a particular disability category set forth in paragraph (1) best describes the condition of such individual; and

"(B) in the case of an individual with respect to whom it is determined that vocational rehabilitation services or comprehensive services for independent living would be beneficial—

"(i) a statement that such individual is eligible for such services; and

"(ii) information with respect to how to apply for such services.

"(3) The Secretary shall take such steps as may be necessary to ensure that—

"(A) all determinations under this subsection and paragraphs (2) and (3) of subsection (a) are made in a timely manner, and

"(B) the payment of benefits to blind and disabled individuals under this title is not delayed by reason of such determinations.".

(2) Section 1631(c)(1) of such Act is amended—

(A) by inserting after the second sentence the following: "Each decision by the Secretary with respect to whether an individual is disabled for purposes of receiving benefits under this title shall also contain a statement, in understandable language, of the reasons the individual has been determined to fall within a particular disability category set forth in section 1614(g)(1)."; and

(B) by striking out "or the amount of such individual's benefits" and inserting in lieu thereof "the amount of such individual's benefits, or the disability category set forth in section 1614(g)(1) that best describes the condition of such individual".

(b) Section 1615 of such Act is amended to read as follows:

"SERVICES FOR BLIND AND DISABLED INDIVIDUALS

"Sec. 1615. (a)(1) Except in the case of an individual referred to a facility pursuant to paragraph (2), the State agency making determinations under paragraphs (2) and (3) of section 1614(a) with respect to whether an individual is a blind or disabled individual or the Secretary, as the case may be, shall promptly refer any individual determined to fall within a disability category set forth in subparagraph (B), (C), (E), (F), or (G) of section 1614(g)(1) to (A) the State agency or agencies administering or supervising the administration of the State plan approved under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) for necessary vocational rehabilitation services, or (B) the State unit (if any) designated under section 705 of such Act (29 U.S.C. 796d) to administer a State plan approved under title VII of such Act (29 U.S.C. 796 et seq.) for such services, as may be appropriate.

"(2)(A) If an individual is determined in accordance with paragraph (2) or (3) of subsection (a) of section 1614 to be a blind or disabled individual and to fall within a disability category described in subparagraph (C) or (F) of subsection (g)(1) of such section, the State agency or the Secretary, as the case may be, may refer such individual directly to a facility that has been certified by the Secretary as qualified to be a provider of vocational rehabilitation services and shall make payments directly to such facility for vocational rehabilitation services furnished to such individual.

"(B)(i) Any individual who—

"(I) is referred under this paragraph to a provider of vocational rehabilitation services, and

"(II) is dissatisfied for any reason with the services of the provider,

may request that the State agency or the Secretary, as the case may be, refer him or her to another provider of such services.

"(ii) The State agency or the Secretary, as the case may be, shall promptly make a determination with respect to such request and notify the individual of the determination. If the request is denied, the notice required by this clause shall contain a statement, in understandable language, of the reason or reasons for the denial of the request.

"(iii) Any individual making a request under this subparagraph shall be entitled to a hearing on the determination made under clause (ii) with respect to the request to the same extent as provided in section 205(b) for decisions of the Secretary, and to judicial review of the final decision made after the hearing, as is provided in section 205(g).

"(b)(1) An individual determined in accordance with paragraph (2) or (3) of subsection (a) of section 1614 to be a blind or disabled individual or to have some other medically determinable physical or mental impairment, and to fall within a disability category described in subparagraph (C), (F), or (H) of subsection (g)(1) of such section (other than an individual receiving vocational rehabilitation services in accordance with the provisions of paragraph (2) of subsection (a) of this section) shall be eligible for vocational rehabilitation services provided under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

"(2) An individual determined in accordance with paragraph (2) or (3) of subsection (a) of section 1614 to be a blind or disabled individual and to fall within a disability category set forth in subparagraph (B) or (E) of subsection (g)(1) of such section shall be eligible for vocational rehabilitation services provided under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) or comprehensive services for independent living provided under title VII of such Act (29 U.S.C. 796 et seq.).

"(3)(A) A facility that—

"(i) is a rehabilitation facility and provides vocational rehabilitation services to an individual described in paragraph (1) or (2) of this subsection (other than an individual determined to fall within the disability category described in section 1614(g)(1)(G)), under a State plan approved under title I of the Rehabilitation Act of 1973, or

"(ii) provides comprehensive services for independent living to an individual described in paragraph (2) of this subsection under a State plan approved under title VII of such Act (29 U.S.C. 796 et seq.),

shall report promptly to the agency of such State that determines whether an individual is a blind or disabled individual or to the Secretary, as the case may be—

"(I) the termination of the provision of such services to such individual (and the reason or reasons for such termination); and

"(II) the return to work of such individual.

"(B) Any provision of this paragraph that is applicable to a rehabilitation facility shall also apply to a provider of vocational rehabilitation services to which individuals are referred in accordance with paragraph (2) of subsection (a).

"(c)(1) The Secretary is authorized to make payments to State agencies administering or supervising the administration of a State plan approved under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) and to facilities certified under subsection (a)(2) as providers of vocational rehabilitation services for the reasonable and necessary costs of furnishing vocational rehabilitation services to individuals determined to be blind or disabled individuals under paragraph (2) or (3) of subsection (a) of section 1614 and to fall within a disability category set forth in subparagraph (C) or (F) of subsection (g)(1) of such section (including services during the waiting periods of such individuals). Payments made under this paragraph shall be made in advance and shall be subject to adjustment on account of underpayments and overpayments.

"(2) The Secretary is authorized to reimburse State agencies administering or supervising the administration of a State plan approved under title I of the Rehabilitation Act of 1973 and State units designated under section 705 of such Act (29 U.S.C. 796d) to administer plans approved under title VII of such Act for the reasonable and necessary costs of furnishing vocational rehabilitation services or comprehensive services for independent living (including services furnished during waiting periods) under such a plan to individuals determined to be blind or disabled individuals under paragraph (2) or (3) of subsection (a) of section 1614, to fall within a disability category described in subparagraph (B) or (E) of subsection (g)(1) of such section, and to have engaged in substantial gainful activity for a continuous period of nine months as a result of such services. The determination that such services contributed to the return of an individual to substantial gainful activity, and the determination of the costs to be reimbursed under this paragraph shall be made by the Commissioner of Social Security in accordance with criteria determined by the Commissioner in the same manner as under section 222(d)(3). Payments made under this section shall be subject to adjustment on account of underpayments and overpayments.

"(d)(1)(A) A facility that provides vocational rehabilitation services or comprehensive services for independent living to an individual eligible under this section for such services shall do so in accordance with an individualized written plan of vocational rehabilitation for such individual.

"(B) Notwithstanding section 102 of the Rehabilitation Act of 1973 (29 U.S.C. 722), the individualized written plan of vocational rehabilitation required by subparagraph (A) shall be developed, implemented, and reviewed in a manner that is, to the greatest extent practicable and consistent with the provisions of this title, the same as the manner in which plans required by section 1507 of title 38, United States Code, are developed, implemented, and reviewed.

"(2)(A) A facility that provides vocational rehabilitation services or comprehensive services for independent living to an individual eligible under this section for such services shall meet such standards as the Secretary may by regulation prescribe.

"(B) In promulgating regulations under subparagraph (A), the Secretary shall consult with the Commissioner of the Rehabilitation Services Administration of the Department of Education and, to the greatest extent practicable and consistent with the purposes of this section, shall incorporate the standards applicable to facilities and providers of such services under titles I and VII of the Rehabilitation Act of 1973 on the day before the date of the enactment of this subsection.

"(e)(1) For purposes of this section—

"(A) except as provided in paragraph (2), the term 'rehabilitation facility' shall have the meaning given to such term in section 7(11) of the Rehabilitation Act of 1973 (29 U.S.C. 706(11));

"(B) the term 'vocational rehabilitation services' shall have the meaning given to such term in section 103 of such Act (29 U.S.C. 723); and

"(C) the term 'comprehensive services for independent living' shall have the meaning given to such term in title VII of such Act (29 U.S.C. 796 et seq.).

"(2) Vocational rehabilitation services and comprehensive services for independent living provided pursuant to this section may be limited by the Secretary to the same extent as services of such type are limited under section 222(f)(2).".

(c) Section 1614(a)(3)(D) of such Act is amended by adding at the end thereof the following new sentence: "In determining whether earnings derived from services performed by an individual demonstrate the individual's ability to engage in substantial gainful activity, earnings derived from transitional work, supported work, and services performed in a sheltered workshop shall not be taken into account unless such earnings equal or exceed an amount equal to twice the amount of earnings that (but for this sentence) would result in a determination that such individual is able to engage in substantial gainful activity.".

(d)(1) This section and the amendments made by this section shall become effective on the day that is 180 days after the date of the enactment of this Act.

(2)(A) The amendments made by subsection (a) of this section shall apply to any determination made under paragraph (2) or (3) of subsection (a) of section 1614 of the Social Security Act and any determination made for purposes of a continuing eligibility review required by section 416.989 of title 20, Code of Federal Regulations, on or after the date on which such amendments become effective.

(B) The amendments made by subsection (b) of this section shall apply to any individual with respect to whom a determination is made under paragraph (2) or (3) of subsection (a) of section 1614 of the Social Security Act or pursuant to section 416.989 of title 20, Code of Federal Regulations, on or after the date on which such amendments become effective.

(3)(A) Section 1615 of the Social Security Act, as in effect on the day before the date on which the amendments made by this section become effective, shall continue to apply to any individual—

(i) who on such day is entitled to benefits under section 1611(a) of such Act by reason of blindness or disability, and

(ii) with respect to whom a determination has not yet been made pursuant to section 416.989 of title 20, Code of Federal Regulations, after such day.

(B)(i) Any individual described in subparagraph (A) who desires to have his or her case reviewed in accordance with the procedures established by the amendments made by subsection (a) of this section may request that a determination be made pursuant to section 416.989 of title 20, Code of Federal Regulations.

(ii) The Secretary of Health and Human Services shall take such steps as may be necessary to ensure that (I) any individual described in subparagraph (A) is informed of the right of such individual to request a review under clause (i) and (II) a prompt determination is made with respect to any individual requesting such a review.

(4) The amendments made by subsection (c) shall apply with respect to months beginning on or after the date on which this section becomes effective.●

By Mr. BURDICK (for himself, Mr. MOYNIHAN, Mr. BENTSEN, Mr. BAUCUS, Mr. LAUTENBERG, Mr. BREAUX, Ms. MIKULSKI, Mr. REID, Mr. STAFFORD, Mr. SYMMS, Mr. WILSON, and Mr. CHAFEE):

S. 185. A bill to authorize appropriations for certain highways in accordance with title 23, United States Code, and for other purposes; to the Committee on Environment and Public Works.

THE FEDERAL-AID HIGHWAY ACT OF 1987

Mr. BURDICK. Mr. President, I am introducing legislation today to reauthorize the Federal-Aid Highway Program. I believe that passage of the highway bill, like the clean water bill, is a top priority for the Environment and Public Works Committee, and I hope that both bills will move quickly toward enactment.

I am pleased that Senators Moynihan, Bentsen, Baucus, Lautenberg, Breaux, Mikulski, Reid, Stafford, and Symms have joined me in cosponsoring the Federal-Aid Highway Act of 1987.

Over the past few years Congress has repeatedly missed highway funding deadlines because of deadlocks in conference. It happened again last October. Highway apportionments which should have been made on schedule on October 1, 1986 have in effect been frozen. For the past 3 months all the States have had to postpone or change their highway construction plans. If Congress fails to act within the next several weeks, the entire 1987 construction season could be lost. That would have a devastating impact on the economy, transportation mobility, and jobs.

As my colleagues know, the Federal-Aid Highway Program is entirely funded through a highway user financed trust fund. This is a program that pays for itself. However, the moneys cannot be spent—despite the fact that they're still being collected—until legislation is passed reauthorizing the program. Our highway and bridge needs are serious, and any delay only makes construction and repair work more difficult and even more expensive.

The Federal-Aid Highway Act of 1987 contains the same funding levels as in last year's Senate bill. A total of approximately $52 billion will be provided in new authorizations for the highway program over the 4-year life of the bill. The annual obligation limitation is $12.35 billion, with an estimated $800 million per year outside the ceiling for the emergency relief and minimum allocation categories.

In 1986, the Nation observed the 30th anniversary of the Interstate Construction Program. Originally, it was believed that the Interstate System could be completed in 13 years at a cost of $27 billion. Although the Interstate is now over 97 percent complete, it has taken more than twice as long to build and has cost $108 billion—about four times as much as initial estimates.

I strongly believe that completion of the Interstate is long overdue and that in the next few years the system must finally be finished. In the meantime, I am committed to retaining the one-half-percent minimum for the 25 or so States that have completed or nearly completed their Interstate work. Those are the States that worked hard toward timely completion of their Interstate roads, and they should not be penalized now for that commitment.

The Federal-Aid Highway Program has worked well all these years because it is self-financed, and it is based on a strong partnership between Federal and State Governments. Financing has been provided at the Federal level and the program itself has been administered at the State level.

I continue to believe that States and local governments know their transportation priorities and needs best. That is why I am concerned about the proliferation of "demonstration projects" paid for entirely with Federal funds. A little over 4 years ago when the last major highway act was signed into law, 10 projects were included. Last year, the House bill contained 100 projects. The regular highway program is underfunded, in my view, and it will be even more so if these kinds of projects are allowed to mushroom.

In July 1985, the Transportation Subcommittee began a series of 10 hearings on reauthorization of the Federal-Aid Highway Program. We heard testimony from Members of Congress; the Congressional Budget Office; elected and appointed officials from Federal, State, and local governments; industry groups; environmentalists; and citizens' groups. Hearings were held here in Washington and out West.

I believe the Transportation Subcommittee and later the full committee have worked diligently to develop responsive and responsible legislation. The Senate highway bill passed the Senate on September 24, 1986, by a vote of 99 to 0. The Federal-Aid Highway Act of 1987 is in most respects the same legislation as that adopted so decisively last year.

The American Association of State Highway and Transportation Officials [AASHTO] has just completed a survey to which all 50 States and the District of Columbia responded. The AASHTO findings for the 1987 construction season are as follows:

If legislation is enacted by February 1, 424 Federal-aid highway projects costing $683 million will already have been lost.

If the date is March 1, 767 projects valued at $1.19 billion will have to be postponed beyond 1987.

By September 1, 5,094 projects worth $8.225 billion will have been lost for the 1987 season.

Copies of the AASHTO survey are being distributed to each Member's office, and the specific impacts on each of the States is described in detail.

Last week the Highway Users Federation [HUF] termed this a "major national highway problem." The HUF reports that already half of the States are out of interstate funds and that funding for the primary program has nearly been depleted nationwide.

I look forward to working with Senator Moynihan, the new chairman of the Water Resources, Transportation, and Infrastructure Subcommittee; Senator Stafford, the ranking member of the Committee; Senator Symms, the ranking member of the subcommittee, and all members of the Environment and Public Works Committee on this important legislation.

The Federal-Aid Highway Program is essential to the economic and social well-being of this country. Any further delays will make a bad situation much worse. I urge my colleagues to work together in passing legislation as quickly as possible to reauthorize the program.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 185

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal-Aid Highway Act of 1987".

AUTHORIZATIONS

Sec. 102. The following sums are hereby authorized to be appropriated out of the Highway Trust Fund other than the Mass Transit Account—

(1) For the Federal-aid Interstate-Primary Program $8,150,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(2) For the Federal-aid urban system $750,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(3) For the Federal-aid secondary system in rural areas $600,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(4) For bridge replacement and rehabilitation under section 144 of title 23, United States Code, $1,500,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990. All but $200,000,000 per fiscal year of each such authorization shall be apportioned as provided in 23 U.S.C. 144(e). Such $200,000,000 shall be obligated as provided in 23 U.S.C. 144(g)(2). The minimum percentage off-system bridge provisions of 23 U.S.C. 144(g)(2) shall continue effective in fiscal years 1987, 1988, 1989, and 1990;

(5) For carrying out the Federal lands highway program under section 204 of title 23, United States Code—

(A) For forest highways, $50,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(B) For public lands highways, $50,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(C) For Indian reservation roads, $75,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990; and

(D) For park roads and parkways $75,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(6) For carrying out the territorial highway program under section 215(a) of title 23, United States Code—

(A) For the Virgin Islands, $5,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(B) For Guam, $5,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(C) For American Samoa, $1,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990; and

(D) For the Commonwealth of the Northern Mariana Islands, $1,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(7) For carrying out section 402 of title 23, United States Code (relating to highway safety construction programs), by the Federal Highway Administration, $10,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(8) For carrying out sections 307(a) and 403 of title 23, United States Code (relating to highway construction safety research and development), by the Federal Highway Administration, $10,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(9) For projects for the elimination of hazards under section 152 of title 23, United States Code, $175,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(10) For projects for the elimination of hazards of railway-highway crossings on any public road under section 130 of title 23, United States Code, $175,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(11) For highway assistance programs under section 103(e)(4) of title 23, United States Code, $650,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

INTERSTATE SUBSTITUTE PROGRAM

SEC. 103. *(a)* Section 103(e)(4) of title 23, United States Code, is amended to read as follows:

"(4) INTERSTATE SUBSTITUTE PROGRAM.—(A) Sums made available to the Secretary, under this paragraph, before October 1, 1986, in substitution for withdrawn Interstate routes or portions thereof, shall be available to the Secretary to incur obligations for the Federal share of either public mass transit projects involving the construction of fixed rail facilities or the purchase of passenger equipment including rolling stock, for any mode of mass transit, or both, or highway construction projects on any public road or both, which will serve the area or areas from which the Interstate route or portion thereof was withdrawn, which are selected by the responsible local officials of the area or areas to be served, and which are selected by the Governor or the Governors of the State or States in which the withdrawn route was located if the withdrawn route was not within an urbanized area or did not pass through and connect urbanized areas, and which are submitted by the Governors of the States in which the withdrawn route was located. Federal-aid highway projects constructed under this paragraph shall be subject to provisions of this title applicable to the appropriate Federal-aid system. Off system highway projects constructed under this paragraph shall be subject to the provisions of this title applicable to Federal-aid secondary system projects.

"(B) PROJECT APPROVAL FEDERAL SHARE.—Approval by the Secretary of the plans, specifications, and estimates for a substitute project shall be deemed to be a contractual obligation of the Federal Government. The Federal share of each substitute project shall not exceed 85 per centum of the cost thereof.

"(C) AVAILABILITY OF FUNDS FOR SUBSTITUTE PROJECTS.—

"(i) TIME PERIOD.—The sums apportioned and the sums allocated under this paragraph for public mass transit projects or for projects under any highway assistance program shall remain available in the State of apportionment or allocation for the fiscal year for which apportioned or allocated, as the case may be, and for the succeeding fiscal year.

"(ii) REAPPORTIONMENT OR REALLOCATION.—Any sums which are apportioned or allocated to a State and are unobligated (other than an amount which, by itself, is insufficient to pay the Federal share of the cost of a substitute project which has been submitted by the State to the Secretary for approval) at the end of the period of availability shall be apportioned or allocated, as the case may be, among those States which have obligated all sums (other than such an amount) apportioned or allocated, as the case may be, to them. Such reapportionment shall be in accordance with the latest adjusted estimate of the cost of completing substitute projects, and such reallocations shall be at the discretion of the Secretary.

"(D) ADMINISTRATION OF TRANSIT FUNDS.—The sums obligated for mass transit projects under this paragraph shall become part of, and be administered through, the Urban Mass Transportation Fund.

"(E) DISTRIBUTION OF SUBSTITUTE FUNDS.—

"(i) BETWEEN DISCRETIONARY AND APPORTIONED PROGRAMS.—Twenty-five per centum of the funds made available for substitute highway projects and fifty per centum of the funds appropriated for substitute transit projects shall be distributed at the discretion of the Secretary. The remainder of such highway and transit funds shall be apportioned in accordance with cost estimates.

"(ii) APPORTIONMENTS.—In September of 1986 or as soon as practicable thereafter and every September thereafter, the Secretary shall adjust the Interstate substitute cost estimate established in revised Table , Committee Print of the Senate Committees on Environment and Public Works and on Banking, Housing, and Urban Affairs to reflect (1) changes in the State estimates in the division of funds between substitute highway and transit projects, (2) approval of substitute projects, and (3) the allocation and apportionment of substitute highway and transit funds in prior fiscal years and shall use the Federal share of such adjusted estimates in making apportionments for substitute highway and transit projects on October 1 or as soon as practicable thereafter for fiscal years subsequent to the fiscal year ending September 30, 1986.

"(F) AUTHORIZATION OF APPROPRIATIONS FOR TRANSIT PROJECTS.—There are authorized to be appropriated for liquidation of obligations incurred for substitute transit projects under this paragraph the sums provided in section 4 (g) of the Urban Mass Transportation Act of 1964.

"(G) APPLICABILITY OF URBAN MASS TRANSPORTATION ACT.—

"(i) SUPPLEMENTARY FUNDS.—Funds available for expenditure to carry out the purposes of this paragraph shall be supplementary to and not in substitute for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964, as amended.

"(ii) LABOR PROTECTION.—The provisions of section 3(e)(4) of the Urban Mass Transportation Act of 1964, as amended, shall apply in carrying out this paragraph.

"(H) LIMITATION ON INTERSTATE DESIGNATIONS.—The Secretary may not designate any mileage as part of the Interstate System pursuant to this paragraph or under any other provision of law. The preceding sentence shall not apply to a designation made under section 139 of this title.

"(I) RIGHT-OF-WAY PAYBACK.—Of sums made available to the Secretary under this paragraph for a State, an amount equal to the amount expended in Federal funds to purchase right-of-way for the withdrawn route or portion thereof in every case where right-of-way has not been disposed of by the State as of the date of enactment of this sentence shall not be available for release by the Secretary until the right-of-way disposition decision has been made in accordance with 103 (e)(5)(B), (6)(B), or (e)(7) of this title. The amount apportioned to each eligible State pursuant to this paragraph shall be based on the full remaining value of the sums made available under this paragraph as determined by the Secretary but the total of such apportionments shall not exceed the remaining value of such sums less the amount unavailable for release by the Secretary. Sums retained by the Secretary shall be made available for apportionment upon partial or full repayment of funds in accordance with section 103(e)(7) of this title or upon determination by the Secretary that, under section 103 (e)(5)(B) or (6)(B), repayment is not required.".

RIGHT-OF-WAY PAYBACK

(b) Subsection 103(e) of title 23, United States Code, is amended by adding paragraph (10) as follows:

"(10)(A) Upon repayment by a State to the Treasurer of the United States of an amount as determined by the Secretary to be equal to the amount of Federal funds expended to acquire property for the Interstate System which was withdrawn from the Interstate System on or after September 1, 1985, in accordance with paragraph (4), such State shall be absolved of any further responsibility for repayment and will be deemed to have fully met all of the repayment requirements of paragraph (7) of this section.

"(B) The amount repaid to the United States under this paragraph shall be deposited to the credit of the appropriation for the Highway Trust Fund. Such repayment shall be credited to the unprogrammed balance of funds apportioned to such State in accordance with section 104(d)(1)(C) of this title. The amount so credited shall be in addition to all other funds then apportioned to the State and shall be available for expenditure in accordance with the provisions of this title."

APPORTIONMENT

SEC. 104. Section 104 of title 23, United States Code, is amended by (a) Striking in paragraph (f)(1) ", except that in the case of funds authorized for apportionment on the Interstate System, the Secretary shall set aside that portion of such funds (subject to the overall limitation of one-half of 1 per centum) on October 1 of the year next preceding the fiscal year for which such funds are authorized for such System." and inserting in lieu thereof a period and by relettering subsection (f) as subsection (b).

(b) Adding a new subsection (c) as follows: "(c) On October 1 of each of the fiscal years, ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990, or as soon thereafter as is practicable the Secretary, after making deductions authorized by subsections (a) and (b) of this section, shall deduct one-quarter per centum of the remaining funds authorized to be appropriated for that fiscal year for the Federal-aid Interstate-Primary Program, the urban system, the secondary system, bridge replacement and rehabilitation, Interstate substitution highway projects, projects for the elimination of hazards of railway-highway crossings, and for projects for the elimination of hazards under section 152 of this title for the purpose of carrying out the objectives of the Strategic Highway Research Project under section 133 of this title."

(c) Repealing existing subsections (c) and (d).

(d) Existing subsection (b) is amended to read as follows:

"(d) On October 1 of each fiscal year or as soon as is practicable the Secretary, after making the deductions authorized by subsections (a), (b), and (c) of this section, shall apportion the remainder of the sums authorized to be appropriated for expenditure upon the Federal-aid systems for the fiscal year, among the several States in the following manner:

"(1) FOR THE FEDERAL-AID INTERSTATE-PRIMARY PROGRAM.—

"(A) For each of the fiscal years 1987, 1988, 1989, and 1990 that portion of $3,000,000,000 remaining after making the deductions authorized by subsections (a), (b), and (c) of this section shall be apportioned in the ratio which the estimated cost of completing the Interstate System in each State bears to the sum of the estimated cost of completing the Interstate System in all of the States as established in revised table —, Committee Print ——— of the Senate Committee on Environment and Public Works: *Provided*, That the Secretary shall on October 1, 1986, or as soon thereafter as is practicable before making the apportionment required by this paragraph, adjust such Interstate Cost Estimate to reflect (i) all previous credits, apportionments of Interstate construction funds and lapses of previous apportionments of Interstate construction funds, (ii) previous withdrawals of Interstate segments, (iii) previous allocations of Interstate discretionary funds, and (iv) transfers of Interstate construction funds and: *Provided*, That for each of the fiscal years 1987, 1988, 1989, and 1990, no State, including the State of Alaska, shall receive less than one-half per centum of the total apportionment under this paragraph (A). Amounts made available under this proviso shall be eligible for expenditure in the same manner as other Interstate-primary funds, for projects on the urban and secondary system, and for projects for the elimination of hazards under section 152 of this title.

"(B) For each of the fiscal years 1987, 1988, 1989, and 1990 that portion of $2,800,000,000 remaining after making the deduction authorized by subsections (a), (b), and (c) of this section shall be apportioned as follows 55 per centum in the ratio that lane miles on the Interstate routes designated under sections 103 and 139(c) of this title (other than those on toll roads not subject to a Secretarial agreement provided for in section 129(k) of this title) in each State bears to the total of all such lane miles in all States; and 45 per centum in the ratio that vehicle miles traveled on lanes on the Interstate routes designated under sections 103 and 139(c) of this title (other than those on toll roads not subject to a Secretarial agreement provided for in section 129(k) of this title) in each State bears to the total of all such vehicle miles in all States. Notwithstanding the preceding sentence, no State excluding any State that has no Interstate lane miles shall receive less than one-half of 1 per centum of the total apportionment made by this subparagraph for any fiscal year.

"(C) Before making the apportionment under this paragraph (C), the Secretary shall set aside such sums as are necessary to carry out the provisions of subparagraph (C)(iv). For each of the fiscal years 1987, 1988, 1989, and 1990 that portion of $2,350,000,000 remaining after such set aside and after the deductions authorized by subsections (a), (b), and (c) of this section shall be apportioned as follows:

"(i) The Secretary shall determine for each State the higher of the amount which would be apportioned to such State under a formula where (I) two-thirds would be apportioned, one-third in the ratio which the area of each State bears to the total area of all the States, one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all the States as shown by the latest available Federal census, and one-third in the ratio which the mileage of rural delivery routes and intercity mail routes where service is performed by motor vehicles in each State bears to the total mileage of rural delivery and intercity mail routes where service is performed by motor vehicles, as shown by a certificate of the Postmaster General, which shall be made and furnished annually to the Secretary; and one-third in the ratio which the population in urban areas in each State bears to the total population in urban areas in all the States as shown by the latest Federal census with no State (other than the District of Columbia) to receive less than one-half per centum of each year's apportionment and the amount which would be apportioned to such State under a formula where (II) each State would be apportioned one-half in the ratio which the population of rural areas of each State bears to the total population of rural areas of all the States as shown by the latest available Federal census and one-half in the ratio which the population in urban areas in each State bears to the total population in urban areas in all the States as shown by the latest Federal census.

"(ii) The Secretary shall total the amounts determined for each State under paragraph (i) and shall determine the ratio which the amounts apportioned under this paragraph (C) bears to such total.

"(iii) The amount which shall be apportioned to each State under this paragraph (C) shall be the amount determined for such State under paragraph (i) multiplied by the ratio determined under paragraph (ii).

"(iv) No State shall receive an apportionment under this paragraph (C) which is less than the lower of (I), the amount which the State would be apportioned under the formula in paragraph (i)(I), and (II), the amount which the State would be apportioned under the formula in paragraph (i)(II). No State shall receive less than one-half per centum of the total apportionment under this paragraph (C).

"(2) For the Federal-aid secondary system one-third in the ratio which the area of each State bears to the total area of all the States; one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all of the States as shown by the latest available Federal census; and one-third in the ratio which the mileage of rural delivery and intercity mail routes where service is performed by motor vehicles, certified as above provided, in each State bears to the total mileage of rural delivery and intercity mail routes where service is performed by motor vehicles in all the States. No State (other than the District of Columbia) shall receive less than one-half of 1 per centum of each year's apportionment.

"(3) For the Federal-aid urban system in the ratio which the population in urban areas, or parts thereof, in each State bears to the total population in such urban areas, or parts thereof, in all the States as shown by the latest available Federal census. No State shall receive less than one-half of 1 per centum of each year's apportionment.".

(e) Subsection (e) is amended to read as follows:

"(e) On October 1 of each fiscal year the Secretary shall certify to each of the State highway departments the sums apportioned hereunder to each State for such fiscal year, and also the sums which have been deducted pursuant to subsections (a), (b), and (c) of this section. To permit the State to develop adequate plans for the utilization of apportioned sums, the Secretary shall advise each State of the amount that will be apportioned each year under this section not later than ninety days before the beginning of the fiscal year for which the sums to be apportioned are authorized.".

(f) Existing subsection (g) is amended to read as follows:

"(f) Not more than 40 per centum of the amount apportioned in any fiscal year to each State in accordance with sections 130, 144, and 152 of this title, may be transferred from the apportionment under one section to the apportionment under any other of such sections if such a transfer is requested by the State highway department and is approved by the Secretary as being in the public interest. The Secretary may approve the transfer of 100 per centum of the apportionment under one such section to the apportionment under any other of such sections if such transfer is requested by the State highway department, and is approved by the Secretary as being in the public interest, if the Secretary has received satisfactory assurances from such State highway department that the purposes of the program from which such funds are to be transferred have been met.".

(g) Existing subsection (h) is repealed.

(h) Subsection (g) is added as follows:

"(g)(1) The amount apportioned in any fiscal year to each State in accordance with paragraph (2) or (3) of subsection (d) of this section may be transferred from the apportionment under one paragraph to the apportionment under the other paragraph if such transfer is requested by the State highway department and is approved by the Governor of such State and the Secretary as being in the public interest. Funds apportioned in accordance with paragraph (3) of subsection (d) of this section shall not be transferred from their allocation to any urbanized area of two hundred thousand population or more under section 150 of this title without the approval of the local officials of such urbanized area.

"(2) In the case of transfers under paragraph (1), the total of all transfers during any fiscal year to any apportionment shall not increase the original amount of such apportionment for such fiscal year by more than 50 per centum. Not more than 50 per centum of the original amount of any apportionment for any fiscal year shall be transferred to other apportionments.".

"(f) LIMITATIONS CONCERNING SOUTH AFRICA ON AWARDS OF CONTRACTS.—A State or local governmental body that is a recipient of Federal funds under this title may prohibit or otherwise limit the award of contracts funded under this title by including in its contracts terms and conditions related to the contractor's business in South Africa in accordance with a State or local law if the State or local governmental body first enters into an aggreement with the Secretary that any costs incurred as a result of such prohibition or limitation which are in excess of the costs that would otherwise have been incurred with respect to such project under this title will not, for purposes of this title, be considered to be a cost of such project: *Provided,* That this subsection shall be null and void when apartheid law and policy is ended in South Africa.".

AVAILABILITY

SEC. 105. Section 118 of title 23, United States Code, is amended to read as follows:

"Sec. 118. Availability.

"(a) On and after the date that the Secretary has certified to each State the sums apportioned or allocated pursuant to an authorization under this title such sums shall be available for obligation under the provisions of this title.

"(b)(1) Sums apportioned for the Federal-aid Interstate-Primary Program, for the Federal-aid secondary system and for the Federal-aid urban system in a State shall continue available for obligation in that State for the appropriate program and system for a period of three years after the close of the fiscal year for which such sums are authorized and any amounts so apportioned remaining unobligated at the end of such period shall lapse.

"(2)(A) Sums apportioned for bridge replacement and rehabilitation in a State shall remain available for obligation in that State for a period of three years after the close of the fiscal year for which the sums are authorized and any amounts apportioned remaining unobligated at the end of the period shall be allocated by the Secretary pursuant to section 144(g)(2) of this title.

"(B) Sums allocated for bridge replacement and rehabilitation in a State shall remain available for obligation in that State until the close of the fiscal year of allocation and any amount allocated remaining unobligated at the end of the period shall be reallocated by the Secretary pursuant to section 144(g)(2) of this title.

"(3) Sums apportioned or allocated for a particular purpose for any fiscal year shall be deemed to be obligated if a sum equal to the total of the sums apportioned or allocated to the State for such purpose for such fiscal year and previous fiscal years is obligated. Any funds released by the payment of the final voucher or by the modification of the formal project agreement shall be credited to the same class of funds previously apportioned or allocated to the State and be immediately available for obligation.

"(c) Funds made available to the State of Alaska under this title may be expended for construction of access and development roads on a Federal-aid system that will serve resource development, recreational, residential, commercial, industrial, or other like purposes.".

INTERSTATE SYSTEM RESURFACING

SEC. 106. (a) Section 119(a) of title 23, United States Code, is amended by (1) striking "section 105 of the Federal-Aid Highway Act of 1978" and inserting in lieu thereof "section 129(k) of this title" and by (2) striking the next to the last sentence.

(b) Section 119(b) of title 23, United States Code, is amended by striking "for the Interstate system shall" and inserting in lieu thereof "shall", by (2) striking "equal to 10 per centum" and inserting in lieu thereof "of not more than 10 per centum", and by (3) striking "104" and inserting in lieu thereof "104(d)(1)(A)".

(c) Section 119(d) is repealed.

FEDERAL SHARE PAYABLE

SEC. 107. (a) Subsection (a) of section 120, title 23, United States Code, is amended by striking "financed with primary" and inserting in lieu thereof "financed with Interstate-primary" and by inserting "(other than the Interstate System)" after "primary system".

(b) Subsection (b) of section 120, title 23, United States Code, is repealed.

(c) Subsection (c) of section 120, title 23, United States Code, is amended by striking "provided for by funds made available under the provisions of section 108(b) of the Federal-Aid Highway Act of 1956 shall be increased to" and inserting in lieu thereof ", as designated in section 103 of this title and as designated prior to March 9, 1984, in section 139 (a) and (b) of this title financed with Interstate-primary funds shall not exceed".

(d) Subsection (f) of section 120 of title 23, United States Code, is amended by striking "shall not exceed 100 per centum of the cost thereof: *Provided*" and inserting in lieu thereof "on account of any project on a Federal-aid highway system, including the Interstate System, shall not exceed the Federal share payable of a project on a system as provided in subsections (a) and (c) of this section: *Provided,* That the Federal share payable for eligible emergency repairs to minimize damage, protect facilities or restore essential traffic accomplished within thirty days after the actual occurrence may amount to 100 per centum of the costs thereof: *And provided further*".

(e)(1) The second subsection (i), subsection (j), and subsection (k) of section 120 of title 23, United States Code, are relettered as subsection (j), (k), and (l) respectively.

(2) The second subsection (i) of section 120, title 23, United States Code, relettered as subsection (j), is amended by inserting "104(b) and" before "307(c)".

(f) Subsection (b) is added to section 120 of title 23, United States Code, as follows: "Notwithstanding other provisions of this title, a State may contribute an amount in excess of its normal share on a project under this title so as to decrease the Federal share payable on such project: *Provided,* That the use of this provision shall be subject to criteria established by the Secretary.".

(g) Section 120(f) of title 23, United States Code, as amended by this section is effective for all natural disasters or catastrophic failures which occur subsequent to enactment of this Act.

RELOCATION OF UTILITY FACILITIES

SEC. 108. Section 123(a) of title 23, United States Code, is amended to read as follows:

"(a) When a State pays for the cost of relocation of utility facilities necessitated by the construction of a project on the Federal-aid primary system including the Interstate System, or under a Federal-aid program, or under the State's safety improvement program for the elimination of hazards to the traveling public resulting from the utility facilities on or near the right-of-way of highways on the Federal-aid primary system including the Interstate system, Federal funds may be used to reimburse the State for such cost in the same proportion as Federal funds are used on the project.".

EMERGENCY RELIEF

SEC. 109. Section 125 of title 23, United States Code, is amended by adding subsection (d) as follows:

"(d) For purposes of this section, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands shall be considered to be States and part of the United States, and the chief executive officer of each territory shall be considered to be a Governor of a State. The Secretary may expend funds from the sums authorized for this section for the repair or reconstruction of highways eligible for assistance under section 215 of this title: *Provided,* That obligations for projects under this subsection shall not exceed $5,000,000 in any fiscal year.".

VEHICLE WEIGHT LIMITATIONS—INTERSTATE SYSTEM

SEC. 110. Section 127(a) of title 23, United States Code, is amended by striking "authorized to be appropriated for any fiscal year under provisions of the Federal-Aid Highway Act of 1956 shall be apportioned" and inserting in lieu thereof "shall be apportioned under section 104(d)(1)(A) of this title" and by (b) adding after the word "lapse" the following: "if not released and obligated within the availability period specified in section 118(b)(1) of this title".

TOLL FACILITIES

SEC. 111. (a) Section 129 of title 23, United States Code, is amended by adding the following new subsections:

"(j)(1) Each operator of toll roads, toll tunnels, toll ferries, and toll bridges, other than an international toll facility or toll facility subject to an agreement under this section or section 105 of the Surface Transportation Assistance Act of 1978, on a Federal-aid system in a State shall biennially certify to the Governor of the State that such facilities are adequately maintained and that the operator of such toll facility has the ability to fund the replacement or repair of any such facilities that are not adequately maintained without using Federal-aid highway funds. Failure to certify shall preclude Federal funding out of the Highway Trust Fund of any facilities owned or operated by the operator of such toll facility.

"(2) The Governor shall report biennially to the Secretary the toll facilities subject to paragraph (1) of this subsection, that have so certified and those which have not certified in accordance with paragraph (1) of this subsection. If funds from the Highway Trust Fund are used to repair or replace such toll facilities, the State's apportionments for the following fiscal year under section 104 of this title shall be reduced by the amount of Highway Trust Fund moneys expended: *Provided*, That such reduction shall not be made if the State has executed an agreement covering such toll facilities under this section or section 105 of the Surface Transportation Assistance Act of 1978.

"(k) Sums apportioned to a State for the Federal-aid Interstate-Primary Program or for Interstate System resurfacing may be obligated for projects for resurfacing, restoring, and rehabilitating lanes on a toll road which has been designated as a part of the Interstate System if an agreement satisfactory to the Secretary of Transportation has been reached with the State highway department and any public authority with jurisdiction over such toll road prior to the approval of such project that the toll road will become free to the public upon the collection of tolls sufficient to liquidate the cost of the toll road or any bonds outstanding at the time constituting a valid lien against it, and the cost of maintenance and operation and debt service during the period of toll collections. The agreement referred to in the preceding sentence shall contain a provision requiring that if, for any reason, a toll road subject to an agreement does not become free to the public upon collection of sufficient tolls, as specified in the preceding sentence, Federal funds used for projects on such toll road pursuant to this subsection shall be repaid to the Federal Treasury and a provision requiring that if such repayment does not equal or exceed Federal funds apportioned to a State by reason of including toll road mileage in an apportionment formula, the State's apportionment shall be reduced by the amount needed to make the repayment equal such apportionment.".

(b) Section 105 of the Federal-Aid Highway Act of 1978 is amended by striking the last two sentences.

RAILWAY-HIGHWAY CROSSINGS

SEC. 112. (a) Section 130 of title 23, United States Code, is amended by adding subsections, (d), (e), (f), (g), and (h) as follows:

"(d) Each State shall conduct and systematically maintain a survey of all highways to identify those railroad crossings which may require separation, relocation, or protective devices, and establish and implement a schedule of projects for this purpose. At a minimum, such a schedule shall provide signs for all railroad-highway crossings.

"(e) At least half of the funds authorized for and expended under this section shall be available for the installation of protective devices at railway-highway crossings. Sums authorized to be appropriated for this section shall be available for obligation in the same manner as funds apportioned under section 104(d)(1) of title 23, United States Code.

"(f) 25 per centum of the funds authorized for this section shall be apportioned to the States in the same manner as sums apportioned under section 104(d)(2) of title 23, United States Code, 25 per centum of such funds shall be apportioned to the States in the same manner as apportioned under section 104(d)(3) of title 23, United States Code, and 50 per centum of such funds shall be apportioned to the States in the ratio that total rail-highway crossings in each State bears to the total of such crossings in all States. The Federal share payable on account of any project financed with funds authorized for this section shall be 90 per centum of the cost thereof.

"(g) Each State shall report to the Secretary of Transportation not later than December 30 of each year on the progress being made to implement the railroad-highway crossings program authorized by this section and the effectiveness of such improvements. Each State report shall contain an assessment of the costs of the various treatments employed and subsequent accident experience at improved locations. The Secretary of Transportation shall submit a report to the Senate Environment and Public Works Committee and the House Public Works and Transportation Committee of the Congress not later than April 1 of each year, on the progress being made by the State in implementing projects to improve railroad-highway crossings. The report shall include, but not be limited to, the number of projects undertaken, their distribution by cost range, road system, nature of treatment, and subsequent accident experience at improved locations. In addition, the Secretary's report shall analyze and evaluate each State program, identify any State found not to be in compliance with the schedule of improvements required by subsection (d) and include recommendations for future implementation of the railroad highway crossings program.

"(h) Funds authorized for this section may be used to provide local government with funds to be used on a matching basis when State funds are available which may only be spent when local government produces matching funds for the improvement of railroad crossings.".

(b) Section 203 of the Highway Safety Act of 1973 is repealed.

STRATEGIC HIGHWAY RESEARCH PROGRAM

SEC. 113. Title 23, United States Code, is amended by adding section 133 as follows:

"§ 133. Strategic highway research program

"(a) The sums provided by section 104(c) of this title shall be available for obligation when deducted to implement the Strategic Highway Research Program (SHRP). The Secretary is authorized to carry out the SHRP in cooperation with the State highway departments, as represented by the American Association of State Highway and Transportation Officials (AASHTO). The Secretary shall set standards to use the funds under this paragraph to conduct research, development and technology transfer activities determined to be strategically important to the national highway transportation system. The Secretary may provide grants to, and enter into cooperative agreements with, AASHTO and/or the National Academy of Sciences to conduct appropriate portions of the SHRP. Advance payments may be made as necessary to facilitate this program. No State matching share is required for the sums made available under this section. The sums provided by this section shall be combined and administered by the Secretary as a single fund which shall be available for obligation for the same period as funds apportioned for the Federal-aid Interstate-Primary Program.

"(b) The Secretary shall transmit a report annually beginning on January 1, 1988, to the Senate Environment and Public Works Committee and the House Public Works and Transportation Committee of the Congress which provides information on the progress and research findings of the Strategic Highway Research Program.

"(c)(1) The remedy against the United States provided by sections 1346(b) and 2672 of title 28, United States Code, for injury, loss of property, personal injury, or death shall apply to any civil action against the National Academy of Sciences for injury, loss of property, personal injury, or death for any act or omission arising from activities conducted under or in connection with the Strategic Highway Research Program authorized under subsection (a) of this section.

"(2) The remedies referred to in paragraph (1) shall be exclusive of any other civil action or proceeding for the purpose of determining liability arising from any such act or omission without regard to when the act or omission occurred. Employees of the National Academy of Sciences and other individuals appointed by the President of the National Academy of Sciences and acting on its behalf in connection with the Strategic Highway Research Program shall be considered to be employees of the Federal Government, as provided in section 2671 of title 28, United States Code, for the purposes of such civil action or proceeding; and the civil action or proceeding shall proceed in the same manner as any action against the United States filed pursuant to section 1346(b) of such title and shall be subject to the limitations and exceptions applicable to those actions.

"(3) Upon certification by the Attorney General that a suit is within the provisions of subsection (a), a civil action or proceeding commenced in a State court shall be removed without bond at any time before trial by the Attorney General to the district court of the United States for the district and division embracing the place wherein it is pending and the proceeding shall be deemed a tort action brought against the United States under the provisions of section 1346(b), 2401(b), or 2402, or sections 2671 through 2680 of title 28, United States Code. For purposes of removal, the certification of the Attorney General under this subsection shall be conclusive.".

SECTION 139 ROUTES

SEC. 114. The last sentence of section 139(a), the fourth sentence of 139(b), and the last sentence of section 139(c) of title 23, United States Code, are each amended by striking "sections 104(b)(1) and 104(b)(5)(B)" and inserting in lieu thereof "section 104(d)(1)".

OFF-SYSTEM BRIDGE PROGRAM

SEC. 115. Section 144, title 23, United States Code, is amended by adding a new subsection as follows:

"(n) Notwithstanding any other provision of law, with respect to any project not on a Federal-aid highway system for the replacement of a bridge or rehabilitation of a bridge which is wholly funded from State and local sources, is eligible for Federal funds under section 144 of title 23, United States Code, is noncontroversial, is certified by the State to have been carried out in accordance with all standards applicable to such projects under section 144, and is determined by the Secretary upon completion to be no longer a deficient bridge, any amount expended after the effective date of this section, from such State and local sources for such project in excess of 20 per centum of the cost of construction thereof may be credited to the non-Federal share of the cost of the projects in such State which are eligible for Federal funds under section 144, in accordance with procedures established by the Secretary.".

MINIMUM ALLOCATION

SEC. 116. (a) Section 157(a) of title 23, United States Code, is amended to read as follows:

"(a) Beginning with fiscal year 1987, as soon as practicable after the date of enactment of the Federal-Aid Highway Act of 1987 and in each of the fiscal years thereafter, on October 1, or as soon as possible thereafter, the Secretary of Transportation shall allocate among the States, as defined in section 101 of this title, amounts sufficient to ensure that a State's percentage of the total apportionments in each such fiscal year and allocations for the prior fiscal year for Federal-aid highway programs, except allocations for forest highways, Indian reservation roads, and parkways and park roads in accordance with section 202 of this title, highway related safety grants authorized by section 402 of this title, nonconstruction safety grants authorized by sections 402, 406, and 408 of this title, and Bureau of Motor Carrier Safety Grants authorized by section 404 of the Surface Transportation Assistance Act of 1982, shall not be less than 85 per centum of the percentage of estimated tax payments attributable to highway users in that State paid into the Highway Trust Fund, other than the Mass Transit Account, in the latest fiscal year for which data are available.".

(b) The amendment made by subsection (a) shall become effective on October 1, 1986.

(c) Title 23, United States Code, section 157(c) is amended by striking the "and" that precedes "September 30, 1986" and inserting after "1986" the following: ", September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990".

FEDERAL-AID INTERSTATE-PRIMARY PROGRAM

SEC. 117. Title 23, United States Code, is amended by adding section 159 as follows:

"§ 159. Federal-aid Interstate-primary program

"(a) It is the national policy to bring all elements of the primary system up to standards established pursuant to section 109 of this title. To accomplish this policy the Federal-aid Interstate-primary program shall consist of projects for the construction, reconstruction, rehabilitation, restoration, and resurfacing or improvement of the primary system as designated in section 103(a) of this title and the Interstate System as designated in section 103(c)(1) and section 139 of this title.

"(b) In approving projects under this section, the Secretary shall give consideration to projects to complete essential gaps on the Interstate System and for the reconstruction, rehabilitation, restoration, and resurfacing of existing highway facilities. Reconstruction may include, but is not limited to, the addition of travel lanes and the construction and reconstruction of interchanges and overcrossings along existing completed Interstate routes, including the acquisition of right-of-way where necessary.".

INCOME FROM RIGHTS-OF-WAY

SEC. 118. Title 23, United States Code, is amended by adding section 160 as follows:

"§ 160. Income from rights-of-way

"Net income that a State receives from the use, lease, or sale of right-of-way airspace acquired as a result of a project under this title shall be used by the State for projects eligible under this chapter.".

TERRITORIAL HIGHWAY PROGRAM

SEC. 119. Subsection (f) of section 215 of title 23, United States Code, is amended to read as follows:

"(f) The provisions of chapter 1 of this title that are applicable to Federal-aid Interstate-Primary Program funds and to projects on the Federal-aid primary system other than the Interstate System shall apply to funds authorized to be appropriated to carry out this section, to funds obligated under this section and to projects carried out under this section except as determined by the Secretary to be inconsistent with this section. There shall be designated in each territory, a territorial Federal-aid highway system which will include all highways eligible for funding under this section. The system shall be designated by the highway department of the territory and be subject to the approval of the Secretary. Funding provided under this section shall only be available for highway construction projects on the territorial Federal-aid system.".

BICYCLE PROJECTS ELIGIBILITY

SEC. 120. The second sentence of section 217(b)(1) of title 23, United States Code, is amended by inserting "and sums apportioned or allocated for highway substitute projects in accordance with section 103(e)(4) of this title" after the word "title".

HIGHWAY PLANNING AND RESEARCH

SEC. 121. Section 307(c)(1) of title 23, United States Code, is amended by inserting after "section 104 of this title", the following: "and for highway projects, section 103(e)(4)".

NATIONAL HIGHWAY INSTITUTE

SEC. 122. Subsections (b) and (c) of section 321 of title 23, United States Code, are amended to read as follows:

"(b) Not to exceed one-quarter per centum of all Federal-aid Interstate-Primary Program funds, apportioned to a State under section 104 of this title shall be available for expenditure by the State highway department, subject to approval by the Secretary, for payment of not to exceed 75 per centum of the cost of tuition and direct educational expenses (but not travel, subsistence, or salaries) in connection with the education and training of State and local highway department employees as provided in this section.

"(c) Education and training of Federal, State, and local highway employees authorized by this section shall be provided by the Secretary at no cost to the States and local governments for those subject areas which are a Federal program responsibility, or, in the case where such education and training are to be paid for under subsection (b) of this section, by the State, subject to the approval of the Secretary, through grants and contract with public and private agencies, institutions, individuals and the Institute.".

RIGHT-OF-WAY DONATION

SEC. 123. (a) Notwithstanding any other provision of title 23, United States Code, the State matching share for a project under title 23, United States Code, may be credited by the fair market value of land incorporated into the project and lawfully donated to the State after the effective date of this subsection. The fair market value of the donated land shall be established as determined by the Secretary. Fair market value shall not include increases and decreases in the value of donated property caused by the project. For purposes of this subsection the fair market value of donated land shall be established after the date the donation becomes effective or when equitable title to the land vests in the State, whichever is earlier. This subsection shall not apply to donations made by an agency of a Federal, State or local government. The credit received by a State pursuant to this subsection may not exceed the State's matching share for the project to which the donation is applied.

(b) Section 323 of title 23, United States Code, is amended by—

(1) inserting after "Donations." an "(a)"; and

(2) inserting the following new subsection:

"(b)(1) A gift or donation in accordance with subsection (a) may be made at any time during the development of a project: *Provided*, That any document executed as part of such donation prior to the approval of an environmental document prepared pursuant to the National Environmental Policy Act shall clearly indicate that—

"(i) all alternatives to a proposed alignment will be studied and considered pursuant to the National Environmental Policy Act;

"(ii) acquisition of property under this subsection shall not influence the environmental assessment of a project including the decision relative to the need to construct the project or the selection of a specific location; and

"(iii) any property acquired by gift or donation shall be revested in the grantor or successors in interest if such property is not required for the alignment chosen after public hearings and completion of the environmental document.".

(c) Section 4651 of title 42, United States Code, is amended as follows:

(1) Insert after "programs" in the first sentence the following "to promote joint projects between States and landowners and other entities in order to maximize Federal and State dollars".

(2) Insert new paragraph (10) as follows:

"(10) Promotion of joint projects wherein private citizens and other governmental entities participate in the cost through land donations and/or financial contributions is consistent with Federal policy and should be encouraged by all Federal agencies. To this end donations of right-of-way and/or financial contributions by a State or other political subdivision, or any person is permissible.".

(d) Notwithstanding any other provision of law, the fair market value of any lands which have been or in the future are donated or dedicated to the State of California necessary for the right-of-way for relocation and construction of California State Route 73 in Orange County, California, from its interchange with Interstate Route I-405 to its interchange with Interstate Route I-5 shall be included as a part of the cost of such relocation and construction project and shall be credited first toward payment of the non-Federal share of the cost of such relocation and construction project. If the fair market value of such lands exceeds the non-Federal share of such relocation and construction project, then the excess amount, upon the request of the State of California, shall be credited toward the non-Federal share of the cost of any other project on the Federal-aid system in the State of California. To further the purposes of this section and section 323 of title 23, United States Code, any recorded irrevocable offer of dedication or donation of property within the right-of-way shall be considered as part of the State right-of-way acquisition for purposes of this section if such offer is irrevocable and effective no later than such time as the State of California requests final reimbursement for the Federal share. In no case shall the amount of Federal-aid reimbursement to the State of California on account of such relocation and construction project exceed the actual cost to the State for such project.

PROHIBITION AGAINST DISCLOSURE AND ADMISSION AS EVIDENCE OF STATE REPORTS AND SURVEYS

SEC. 124. Chapter 4 of title 23, United States Code, is amended by adding section 409 as follows:

"§ 409. Reports, surveys; disclosures; admission as evidence

Notwithstanding any other provision of law, reports, surveys, schedules, lists, or data compiled with the purpose of identifying, evaluating, or planning the safety enhancement of potential accident sites, hazardous roadway conditions, or rail-highway crossings, pursuant to sections 130, 144, and 152 of title 23, United States Code, or for the development of any highway safety construction improvement project which may be implemented utilizing Federal-aid highway funds shall not be admitted into evidence in Federal or State court, or considered for other purposes, in any action for damages arising from any occurrence at a location mentioned or addressed in such reports, surveys, schedules, lists or data.".

BUY AMERICA

SEC. 125. Section 165(a) of the Surface Transportation Assistance Act of 1982 is amended to read as follows:

"Notwithstanding any other provision of law, the Secretary of Transportation shall not obligate any funds authorized to be appropriated by this Act or by any Act amended by this Act or, after the date of enactment of this Act, any funds authorized to be appropriated to carry out this Act, title 23, United States Code, the Urban Mass Transportation Act of 1964, or the Surface Transportation Assistance Act of 1978 and administered by the Department of Transportation, for projects whose total cost exceed $500,000, unless steel and manufactured products used in such projects are produced in the United States.".

REGULATION OF TOLLS

SEC. 126. (a) Section 4 of the Bridge Act of 1906 (34 Stat. 85, 33 U.S.C. 494), as amended, is further amended by deleting the last sentence thereof.

(b) Section 17 of the Act of June 10, 1930 (46 Stat. 552, 33 U.S.C. 498a), as amended, is repealed.

(c) Section 1 of the Act of June 27, 1930 (46 Stat. 821, 33 U.S.C. 498b), as amended, is repealed.

(d) Sections 1-5 of the Act of August 21, 1935 (49 Stat. 670, 33 U.S.C. 503-507), as amended, are repealed.

(e) Sections 503 and 506 of the General Bridge Act of 1946 (60 Stat. 847, 848, 33 U.S.C. 526, 529), as amended, are repealed.

(f) Section 133 of Public Law 93-87 (87 Stat. 267, 33 U.S.C. 526a) is repealed.

(g) Section 6 of the International Bridge Act of 1972 (86 Stat. 732, 33 U.S.C. 535d) is repealed.

(h) Section 6(g)(4) of the Department of Transportation Act (80 Stat. 937, 49 U.S.C. 1655(g)(4)) is repealed.

(i) Tolls for passage or transit over any bridge constructed under the authority of the Bridge Act of 1906, as amended, the General Bridge Act of 1946, as amended, and the International Bridge Act of 1972, shall be just and reasonable.

INDIAN EMPLOYMENT AND CONTRACTING

SEC. 127. Section 140 of title 23, United States Code is amended by adding the following:

"(d) Consistent with section 703(i) of the Civil Rights Act of 1964, Public Law 88-352, 78 Stat. 241, July 2, 1964, nothing in this section shall preclude the preferential employment of Indians living on or near a reservation on projects and contracts on Indian reservation roads. The Secretary shall cooperate with Indian tribal governments and the States to implement this subsection.".

DISADVANTAGED BUSINESS ENTERPRISE PROGRAM

SEC. 128. (a) CONTRACTING GOAL.—Except as the Secretary determines otherwise, not less than 10 per centum of the amounts authorized to be appropriated under this title or obligated under title 1 of Public Law 97-424 after the effective date of this Act shall be expended with small business concerns owned and controlled by socially and economically disadvantaged individuals.

(b) DEFINITIONS.—For the purposes of this section:

(1) "disadvantaged business enterprise" means a small business concern owned and controlled by socially and economically disadvantaged individuals;

(2) "small business concern" is defined by section 3 of the Small Business Act (15 U.S.C. 632), except that a small business concern shall not include any concern or group of concerns controlled by the same socially and economically disadvantaged individual or individuals which has annual average gross receipts in excess of $10 million, as adjusted by the Secretary for inflation; and

(3) "socially and economically disadvantaged individuals" is defined by section 8(d)(2)(C) of the Small Business Act (15 U.S.C. 637(d)(2)(C), except that women shall be presumed to be socially and economically disadvantaged individuals.

(c) TECHNICAL ASSISTANCE.—Amounts expended for technical assistance to benefit disadvantaged business enterprises may be used to meet up to 10 per centum of the amounts required to be expended on a contract or subcontract with a disadvantaged business enterprise under the provisions of this section.

(d) UNIFORM CERTIFICATION.—The Secretary shall establish minimum uniform criteria for State governments to use in certifying whether a concern is a disadvantaged business enterprise for the purposes of this section. Such minimum uniform criteria shall include but not be limited to on-site visits, personal interviews, licenses, analysis of stock ownership, listing of equipment, analysis of bonding capacity, listing of work completed, resume of principal owners, financial capacity, and type of work preferred.

(e) LEVEL OF EFFORT BY SUBCONTRACTORS.—

(1) Amounts expended with a disadvantaged business enterprise for subcontracting work shall not be used to meet any part of the goal established by this section unless such enterprise performs with its own organization subcontract work amounting to not less than 30 per centum of the subcontract price not including materials and supplies.

(2) A State government may reduce the 30 per centum requirement of paragraph (1) for a particular contract if it determines that such a reduction would be in the public interest and that the level of effort by the disadvantaged business enterprise is consistent with industry practice by subcontractors for the type of work involved.

(3) Except for contracting arrangements approved in advance by the State government, any payments from a disadvantaged business enterprise to the prime contractor or any affiliate shall not be used to meet any part of the goal established by this section.

(f) PRIME CONTRACTS.—Except as the Secretary determines otherwise, amounts equal to not less than 5 per centum in 1988, not less than 7 per centum in 1989 and not less than 10 per centum in 1990, of the goal established by this section for a State shall be expended on contracts directly between a State government and a disadvantaged business enterprise.

(g) APPLICABILITY.—Section 105(f) of Public Law 97-424 shall not apply to amounts authorized under title 1 of such Act and obligated after the effective date of this Act.

RELEASE OF CONDITION RELATING TO CONVEYANCE OF A CERTAIN HIGHWAY

SEC. 129. Notwithstanding paragraph (1) of subsection (b) of section 146 of the Federal-Aid Highway Act of 1970 (84 Stat. 1739) and any agreement entered into under such subsection, no conveyance of any road or portion thereof shall be required to be made under such paragraph or agreement to the State of Maryland and the State of Maryland shall not be required to accept conveyance of any such road or portion. Funds authorized by such section may be obligated and expended without regard to any requirement of such paragraph or agreement that such conveyance be made.

WASTE ISOLATION PILOT PROJECT

SEC. 130. For the fiscal year ending September 30, 1986, and thereafter, there is authorized to be appropriated $58,000,000 to remain available until expended for the upgrading of certain highways in the State of New Mexico for the transportation of nuclear waste generated during defense-related activities.

OBLIGATION LIMITATION

SEC. 131. (a) Notwithstanding any other provisions of law, the total of all obligations for Federal-aid highways and highway safety construction programs shall not exceed—

(1) $12,350,000,000 for fiscal year 1987;

(2) $12,350,000,000 for fiscal year 1988;

(3) $12,350,000,000 for fiscal year 1989; and

(4) $12,350,000,000 for fiscal year 1990.

These limitations shall not apply to obligations for emergency relief under section 125 of title 23, United States Code, and projects under section 157 of title 23, United States Code.

(b) For each of the fiscal years 1987, 1988, 1989 and 1990, the Secretary of Transportation shall distribute the limitation imposed by subsection (a) by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to each State for such fiscal year bears to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to all the States for such fiscal year.

(c) Notwithstanding subsection (b), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction which

have been apportioned or allocated to a State;

(2) after August 1 of each of the fiscal years 1987, 1988, 1989, and 1990 revise a distribution of the funds made available under subsection (b) for such fiscal year if a State will not obligate the amount distributed during such fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during such fiscal year giving priority to those States having large unobligated balances of funds apportioned under section 104 of title 23, United States Code, and giving priority to those States which, because of statutory changes made by the Surface Transportation Assistance Act of 1982 and the Federal-Aid Highway Act of 1981, have experienced substantial proportional reductions in their apportionments and allocations; and

(3) not distribute amounts authorized for administrative expenses, Federal lands highways, and the Strategic Highway Research Program.

HISTORIC BRIDGES

SEC. 132. (a) Congress hereby finds and declares it to be in the national interest to encourage the rehabilitation, reuse and preservation of bridges significant in American history, architecture, engineering and culture. Historic bridges are important links to our past, serve as safe and vital transportation routes in the present, and can represent significant resources for the future.

(b) The Secretary shall, in cooperation with the State, implement the programs described in section 144 of this title in a manner that encourages the inventory, retention, rehabilitation, adaptive reuse and future study of historic bridges.

(c) The Secretary shall require each State to complete an inventory of all bridges on and off the Federal-aid system to determine their historic significance.

(d) Reasonable costs associated with actions to preserve, or reduce the impact of the project on, the historic integrity of historic bridges which continue to be used for motorized vehicular traffic shall be eligible as reimburseable project costs, including projects authorized pursuant to section 144 of title 23, provided that the load capacity and safety features of the resulting bridge are adequate to serve the intended use for the life of the facility. Funding pursuant to section 144 of this title for actions to preserve, or reduce the impact of the project on, the historic integrity of historic bridges which are no longer used for motorized vehicular traffic shall not exceed the estimated cost of demolition.

(e) Any State which proposes to demolish a historic bridge for a replacement project with funds made available pursuant to section 144 of title 23, shall make the bridge available for donation to a State, locality, or responsible private entity provided such State, locality, or responsible entity enters into an agreement to—

(1) maintain the bridge and the features that give it its historic significance and

(2) assume all future legal and financial responsibility for the bridge, which may include an agreement to hold the State highway agency harmless in any liability action. Costs incurred by the State to preserve the historic bridge, including funds made available to the State, locality, or private entity to enable it to accept the bridge, shall be eligible project costs under chapter 1 of title 23 up to an amount not to exceed the cost of demolition. Any bridge preserved pursuant to this subsection shall thereafter not be eligible for any other funds authorized pursuant to this title.

(f) For purposes of this section, "historic bridge" means any bridge that is listed on, or eligible for listing on, the National Register of Historic Places.

(g) The Secretary of Transportation shall make appropriate arrangements with the Transportation Research Board of the National Research Council to carry out a study of the section 144 bridge program's effect on the preservation and rehabilitation of historic bridges. The Transportation Research Board shall also develop recommendations of specific standards which shall apply only to the rehabilitation of historic bridges, and shall provide an analysis of any other factors which would serve to enhance the rehabilitation of historic bridges.

FOREST HIGHWAYS

SEC. 133. Notwithstanding section 202(a) of title 23, United States Code, the Secretary of Transportation shall, after making the transfer provided by section 204(g) of title 23, United States Code, on October 1, or as soon thereafter as is practicable, of each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990, allocate 66 per centum of the remainder of the authorization for forest highways provided for that fiscal year by this Act in the same percentage as the amounts allocated for expenditure in each State and the Commonwealth of Puerto Rico from funds authorized for forest highways for the fiscal year ending June 30, 1958, adjusted to (1) eliminate the 0.003,243,547 per centum for the State of Iowa to the State by deed executed May 26, 1964, and (2) redistribute the above percentage formerly apportioned to the State of Iowa for other participating States on a proportional basis. The remaining funds authorized to be appropriated for forest highways for such fiscal years shall be allocated pursuant to section 202(a) of title 23, United States Code.

WILDFLOWERS

SEC. 134. Section 319 of title 23, United States Code, is amended by inserting an "(a)" after section 319 and inserting the following new subsection:

"(b) The Secretary shall require the planting of native wildflower seeds and/or seedlings as part of any landscaping project under this section. At least one-quarter per centum of the funds expended for landscaping projects shall be used for such plantings. The requirements of this subsection may be waived by the Secretary if the State certifies that such native wildflowers or seedlings cannot be grown satisfactorily or planting areas are limited or otherwise used for agricultural purposes. Nothing in this subsection shall be construed to prohibit the acceptance of native wildflower seeds or seedlings donated by civic organizations or other organizations and individuals to be used in landscaping projects.".

COMBINED ROAD PLAN DEMONSTRATION PROGRAM

SEC. 135. (a) The Secretary of Transportation, in cooperation with up to 10 States, shall conduct a Combined Road Plan Demonstration to test the feasibility of approaches for combining, streamlining and increasing the flexibility in the administration of the Federal-aid secondary, Federal-aid urban and off-system urban and secondary bridge programs. The demonstration shall place as much responsibility as feasible with State and local governments including, but not limited to, the granting of design exceptions and the conduct of final inspections.

(b) As soon as is practicable, upon completion of the demonstration project, the Secretary of Transportation shall submit a report to the Congress evaluating the effectiveness of the demonstration and making needed recommendations.

NEW JERSEY PENNSYLVANIA TOLL COMPACT

DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

SEC. 136. (a) OBLIGATION TO REPAY FEDERAL FUNDS INVESTED ON I-80.—

(1) The Delaware River Joint Toll Bridge Commission (hereinafter in this section referred to as the "Commission"), in conjunction with the State highway agencies of the Commonwealth of Pennsylvania and of the State of New Jersey, shall enter into an agreement with the Secretary of Transportation to repay to the Treasury of the United States any Federal funds which previously have been obligated or otherwise expended by the Federal Government with respect to the Delaware Water Gap Bridge on I-80. Such repayment shall be credited to the Highway Trust Fund.

(2) Upon such repayment, such States and the Commission shall be free of all restrictions contained in title 23, United States Code, and any regulation or agreement thereunder, with respect to the collection or imposition of tolls or other charges for such bridge or the use thereof.

(b) AGREEMENT TO CONSTRUCT I-78 BRIDGE AS A TOLL BRIDGE.—If the Commonwealth of Pennsylvania, the State of New Jersey, and the Commission determine to operate the uncompleted bridge under construction in the vicinity of Easton, Pennsylvania, and Phillipsburg, New Jersey, on I-78 as a toll bridge, such States, the Commission, and the Secretary of Transportation shall enter into an agreement with respect to such I-78 bridge project as provided in section 129 of title 23, United States Code, notwithstanding the requirements of section 301 of such title or any existing agreement.

(c) COMMISSION'S AUTHORITY TO CHARGE TOLLS; RIGHT OF REVIEW BY FEDERAL AGENCIES PRESERVED.—The Commission's authority to fix, charge, or collect any fees, rentals, tolls, or other charges shall be as provided in its Compact, supplements thereto and the supplemental agreement described and consented to in subsection (f), but paragraph (c) of the supplemental agreement described and consented to in subsection (f) shall not be construed to eliminate the necessity for review and approval by any Federal agency, as may be required under applicable Federal law, to determine that the tolls charged by the Commission are reasonable and just consistent with the Commission's responsibilities under its Compact, supplements thereto and the supplemental agreement described and consented to in subsection (f).

(d) CONGRESSIONAL CONSENT NOT GRANTED TO TOLLS ON EXISTING NONTOLL BRIDGES.—Nothing in this section shall be construed to grant congressional consent to the imposition of tolls by the Commission on any existing and operating bridge under the Commission's jurisdiction on which tolls were not charged and collected on January 1, 1986.

(e) CONGRESSIONAL APPROVAL NOT APPLICABLE TO I-895 CORRIDOR.—Nothing in this section shall constitute congressional approval to construct any additional toll bridge in the previously designated I-895 corridor.

(f) Consent of Congress to Supplemental Agreement Concerning Authority of Commission.—

(1) The consent of the Congress is hereby given to the supplemental agreement, described in paragraph (2), concerning the Delaware River Joint Toll Bridge Commission, which agreement has been enacted by the Commonwealth of Pennsylvania on December 18, 1984, as Act 206, laws of 1984, and by the State of New Jersey on October 21, 1985, as Public Law 1985, chapter 342.

(2) The agreement referred to in paragraph (1) reads substantially as follows:

"SUPPLEMENTAL AGREEMENT BETWEEN THE COMMONWEALTH OF PENNSYLVANIA AND THE STATE OF NEW JERSEY

"Supplementing the Compact or Agreement Entitled Agreement between the Commonwealth of Pennsylvania and the State of New Jersey Creating the Delaware River Joint Toll Bridge Commission as a Body Corporate and Politic and Defining its Powers and Duties, as Heretofore Amended and Supplemented, to Establish the Purposes for Which the Commission May Fix, Charge, and Collect Tolls, Rates, Rents, and Other Charges for the use of Commission Facilities and Properties".

"The Commonwealth of Pennsylvania and the State of New Jersey do solemnly covenant and agree, each with the other, as follows:

"(a)(1) Notwithstanding any other provision of the compact hereby supplemented, or any provision of law, State or Federal to the contrary, as soon as the existing outstanding bonded indebtedness of the commission shall be refunded, defeased, retired, or otherwise satisfied and thereafter, the commission may fix, charge, and collect tolls, rates, rents, and other charges for the use of any commission facility or property and in addition to any purpose now or heretofore or hereafter authorized for which the revenues from such tolls, rates, rents, or other charges may be applied, the commission is authorized to apply or expend any such revenue for the management, operation, maintenance, betterment, reconstruction, or replacement (a) of the existing nontoll bridges, formerly toll or otherwise, over the Delaware River between the State of New Jersey and the Commonwealth of Pennsylvania heretofore acquired by the commission pursuant to the provisions of the act of the State of New Jersey approved April 1, 1912 (Chapter 297), and all supplements and amendments thereto, and the act of the Commonwealth of Pennsylvania approved May 8, 1919 (Pamphlet Laws 148), and all supplements and amendments thereto and (b) of all other bridges within the commission's jurisdiction and control. Betterment shall include but not be limited to parking areas for public transportation services and all facilities appurtenant to approved projects.

"(2) The commission may borrow money or otherwise incur indebtedness and provide from time to time for the issuance of its bonds or other obligations for one or more of the purposes authorized in this supplemental agreement. The commission is authorized to pledge its tolls, rates, rents, and other revenues, or any part thereof, as security for the repayment, with interest, of any moneys borrowed by it or advanced to it for any of its authorized purposes, and as security for the satisfaction of any other obligation assumed by it in connection with such loan or advances.

"(3) The authority of the commission to fix, charge, and collect fees, rentals, tolls or any other charges on the bridges within its jurisdiction, including the bridge at the Delaware Water Gap, is confirmed.

"(4) The covenants of the State of New Jersey and the Commonwealth of Pennsylvania as set forth in Article VI of the compact to which this is a supplemental agreement shall be fully applicable to any bonds or other obligations issued or undertaken by the commission. Notwithstanding Article VI or any other provision of the compact, the State of New Jersey and the Commonwealth of Pennsylvania may construct a bridge across the Delaware River in the vicinity of Easton, Pennsylvania, and Phillipsburg, New Jersey, within 10 miles of the existing toll bridge at that location. All the rest and remainder of the compact, as amended or supplemented, shall be in full force and effect except to the extent it is inconsistent with this supplemental agreement.

"(b) The commission is authorized to fix, charge, or collect fees, rentals, tolls, or any other charges on the proposed bridge to be constructed in the vicinity of Easton, Pennsylvania, and Phillipsburg, New Jersey, in the same manner and to the same extent that it can do so for other toll bridges under its jurisdiction and control provided that the United States Government has approved the bridge to be a part of the National System of Interstate and Defense Highways with 90 percent of the cost of construction to be contributed by the United States Government, and provided further, that the non-Federal share of such bridge project is contributed by the commission. The commission is further authorized in the same manner and to the same extent that it can do so for all other toll bridges under its jurisdiction and control to fix, charge, and collect fees, rentals, tolls or any other charges on any other bridge within its jurisdiction and control if such bridge has been constructed in part with Federal funds.

"(c) The consent of Congress to this compact shall constitute Federal approval of the powers herein vested in the commission and shall also constitute authority to the United States Department of Transportation or any successor agency and the intent of Congress to grant any Federal approvals required hereunder to permit the commission to fix, charge, and collect fees, rentals, tolls, or any other charges on the bridges within its jurisdiction to the extent provided in subsections (a) and (b) and this subsection and the compact.

"(d) Notwithstanding the above provisions, the commission shall not fix, charge, or collect fees, rentals, tolls, or any other charges on any of the various bridges formerly toll or otherwise over the Delaware River between the State of New Jersey and the Commonwealth of Pennsylvania heretofore acquired by the commission pursuant to the provisions of the Act of the State of New Jersey approved April 1, 1912 (chapter 297), and all supplements and amendments thereto, and the Act of the Commonwealth of Pennsylvania approved May 8, 1919 (Pamphlet Laws 148), and all supplements and amendments thereto.

"(e) At any time that the commission shall be free of all outstanding indebtedness, the State of New Jersey and the Commonwealth of Pennsylvania may, by the enactment of substantially similar acts, require the elimination of all tolls, rates, rents, and other charges on all bridges within the commission's jurisdiction and control and, thereafter, all costs and charges in connection with the construction, management, operation, maintenance, and betterment of bridges within the jurisdiction and control of the commission shall be the financial responsibility of the States as provided by law.".

MOTOR VEHICLE STUDY

Sec. 137. (a) The Secretary shall enter into appropriate arrangements with the Transportation Research Board (TRB) of the National Academy of Sciences to conduct a study of those motor vehicle issues noted in subsection (b) of this section. The TRB shall consult with the Department of Transportation, the State highway administrations, the motor carrier industry, highway safety groups, and any other appropriate entities.

(b) The study shall include an analysis of the impacts of the various positions that have been put forth with respect to each issue. The final report shall include best estimates of the effects on pavement, bridges, and highway safety, and the changes in transportation costs and other measures of productivity for various segments of the trucking industry resulting from adoption of each of the positions identified and analyzed. Related issues of permitting, weight enforcement, and data availability and reliability shall be addressed as appropriate. The issues to be addressed shall include but not be limited to:

(1) Elimination of existing, grandfather provisions of section 127, title 23, United States Code, which allow higher axle loads and gross vehicle weights than the 20,000-pound single axle load limit, 34,000-pound tandem axle load limit, and 80,000-pound gross vehicle weight limit maximums authorized by the Federal-Aid Highway Amendments of 1974 (Public Law 93-643), including permits for divisible loads and statutory provisions providing higher weights by formula, tolerance or statutory specification.

(2) Analysis of alternative methods of determining a gross vehicle weight limit and axle loadings for all types of motor carrier vehicles.

(3) Analysis of the bridge formula contained in section 127 of title 23, United States Code, in view of current vehicle configurations, pavement and bridge stresses in accord with 1986 design and construction practices, and existing bridges on and off the Interstate System.

(4) Establishment of a nationwide policy regarding the provisions of "reasonable access" to the National Network for combination vehicles established pursuant to the Surface Transportation Assistance Act of 1982.

(5) Recommend appropriate treatment for specialized hauling vehicles which do not comply with the existing Federal bridge formula.

(c) The TRB shall submit a final report to the Secretary and the Senate Environment and Public Works Committee and the House Public Works and Transportation Committee of the Congress on the results of the study conducted under this section, not later than thirty months after appropriate arrangements are entered into under subsection (a). Appropriate arrangements shall be concluded within six months from the date of passage of this Act.

(d) There is authorized to be appropriated to carry out subsection (a) of this section, out of the Highway Trust Fund (other than the Mass Transit Account), $500,000 per fiscal year for each of the fiscal years ending September 30, 1987, and September

30, 1988. Funds authorized for this section shall be available for obligation in the same manner as if apportioned under chapter 1 of title 23, United States Code, and shall be available until expended.

RAIL-HIGHWAY CROSSINGS STUDY

SEC. 138. (a) The Secretary shall conduct a study of national highway-railroad crossing improvement and maintenance needs. The Secretary shall consult with the State highway administrations, the Association of American Railroads, highway safety groups, and any other appropriate entities in carrying out this study.

(b) The issues to be addressed by this study shall include but not be limited to:

(1) Examine any correlation which may exist between existing conditions at crossings and accident data at crossings.

(2) Examine existing hazards to motorists and railroad personnel and community impacts resulting from mobility and capacity constraints including delays of police, fire, and emergency medical services.

(3) Analysis of most cost effective methods of protecting the public at crossings including a review of the impact of Federal funds expended at crossings; division of cost of improvements and maintenance between Federal, State, local governments and railroads; cost effectiveness of the Railroad Relocation Demonstration Program (section 163 of the Federal-Aid Highways Act of 1973) compared to the Railroad-Highway Crossings program (section 203 of the Highway Safety Act of 1973); and the cost of upgrading existing equipment at crossings to the latest technology.

(4) Examine driver behavior at railroad-highway crossings and what technologies are most effective in changing behavior and preventing accidents.

(5) Examine what effect the shift in rail traffic patterns, including abandonments, mergers, and increased demand in certain corridors) has on railroad-highway crossing needs.

(6) Review any other potential costs associated with railroad-highway crossings including accident liability, increased truck size and wieght, and maintenance responsibilities.

(c) The Secretary shall submit a final report to the Senate Environment and Public Works Committee and the House Public Works and Transportation Committee of the Congress on the results of the study conducted under this section along with recommendations of how these needs can be addressed in a cost effective manner, not later than twenty-four months after the date of enactment of this section.

(d) There is authorized to be appropriated to carry out subsection (a) of this section, out of the Highway Trust Fund (other than the Mass Transit Account), $600,000 for the fiscal year ending September 30, 1987, to remain available until expended. Funds authorized for this section shall be available for obligation in the same manner as if apportioned under chapter 1 of title 23, United States Code, and shall be available until expended.

INTERIM AMENDMENTS

SEC. 139. (a) Unobligated balances of Interstate construction funds apportioned or allocated to a State and available to a State on enactment of the Federal-Aid Highway Act of 1987, shall be available for obligation for Interstate construction projects or to convert Advance Construction Interstate projects until October 1, 1990. Federal Interstate construction funds shall not be used to reimburse the State under section 123(a) of title 23, United States Code, when the payment to the utility violates the law of the State or violates a legal contract between the utility and the State. Projects constructed under this subsection are eligible for the Federal share payable provided in section 120(b) of title 23, United States Code. Interstate discretionary funds unallocated on enactment of the Federal-Aid Highway Act of 1987, shall be available for allocation until October 1, 1990.

(b) Unobligated balances apportioned to a State under section 104(b)(1) of title 23, United States Code and section 104(b)(5)(B) of title 23, United States Code, shall be available for obligation for projects under section 159 of title 23, United States Code.

(c) Unobligated balances apportioned to the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands under the provisions of section 108 of the Highway Improvement Act of 1982 shall be considered to have been authorized to be appropriated to carry out the provisions of section 215 of title 23, United States Code.

(d) Unobligated balances apportioned to a State under section 203 of the Highway Safety Act of 1973 shall be available for projects under section 130 of title 23, United States Code.

TECHNICAL AMENDMENTS

SEC. 140. (a) Title 23, United States Code, is amended as follows:

(1) The tables of sections for chapters 1, 3, and 4 are amended by (A) striking:

"118. Availability of sums apportioned."
"127. Vehicle weight and width limitations—Interstate System."
"133. Repealed."
"146. Repealed."
"148. Development of a national scenic and recreational highway."
"151. Pavement marking demonstration program."
"155. Access highways to public recreation areas on certain lakes."
"156. Highways crossing Federal projects."
"213. Rama Road."
and
"219. Safer off-system roads.",

and by (B) inserting in lieu thereof, respectively,

"118. Availability."
"127. Vehicle weight limitations—Interstate System."
"133. Strategic highway research program."
"146. Carpool and vanpool projects."
"148. Repealed."
"151. Repealed."
"155. Repealed."
"156. Repealed."
"213. Repealed."
and
"219. Repealed."

and by (C) adding

"159. Federal-aid Interstate-primary program."
"160. Income from right-of-way."
and
"409. Reports, surveys; disclosures; admission as evidence.".

(2) Section 101(a) is amended by striking the definition of "park road" and inserting in lieu thereof "The term 'park road' means a public road that is located within, or provides access to, an area in the national park system, with title and maintenance responsibilities vested in the United States.".

(3) Section 106(c) is amended by striking "10" and inserting in lieu thereof "15" and by striking the second sentence.

(4) Section 107(b) is amended by striking "under section 108(b) of the Federal-Aid Highway Act of 1956" and inserting in lieu thereof "for Interstate construction or for the Interstate-primary program".

(5) Section 113 is amended by striking out "August 30, 1935" and inserting in lieu thereof "March 3, 1931" and by striking out "267a" and inserting in lieu thereof "276a".

(6) Section 115(a)(1) is amended by striking "interstate funds," and inserting in lieu thereof "Interstate-primary program funds," and by striking "funded under section 104(b)(5) of this title".

(7) Section 121(d) is amended by striking out "10" and inserting in lieu thereof "15", and by striking out the third sentence.

(8) The first sentence of section 122 is amended by inserting "or for substitute highway projects" before "and the retirement".

(9)(A) Section 125(b) is amended by striking out "the Interstate System, the Primary System, and on any routes functionally classified as arterials or major collectors," each place it appears and inserting in lieu thereof "the Federal-aid highway systems, including the Interstate System".

(B) Section 125(c) is amended by striking out "routes functionally classified as arterials or major collectors" and inserting in lieu thereof "on any of the Federal-aid highway systems".

(10) Section 137(f)(1) is amended by striking "104(b)(5)(B)" and inserting in lieu thereof "104(d)(1)".

(11) Section 141(d) is amended by striking "104(b)(5)" and inserting in lieu thereof "104(d)(1)" the two places "104(b)(5)" appears and by inserting "-primary" after the word "Interstate".

(12)(A) Section 142(a)(1) is amended by (iii) striking "104(b)" and inserting in lieu thereof "104(d)".

(B) Section 142(a)(2) is amended by striking "104(b)(6)" the three places it appears and inserting in lieu thereof "104(d)(3)" in each place.

(C) Section 142(b) is amended by striking "paragraph (5) of subsection (b) of section 104" and inserting in lieu thereof "section 104(d)(1)".

(D) Section 142(c) is amended by striking "104(b)(6)" the two places it appears and inserting in lieu thereof in each place "104(d)(3)".

(13) Section 144(i) is amended by striking out the period at the end and inserting in lieu thereof "to the Senate Committee on Environment and Public Works and the House Committee on Public Works and Transportation.".

(14) Section 146 is amended by striking "104(b)(1), 104(b)(2), and 104(b)(6)" and inserting in lieu thereof "104(d) (1), (2), and (3)".

(15) Sections 148, 151, 155, 156, 213, and 219 are repealed.

(16) Section 150 is amended by striking "(6) of subsection (b)" in two places and inserting in lieu thereof in each place "(3) of subsection (d)".

(17)(A) Section 152(e) is amended by striking "104(b)(1)" and inserting in lieu thereof "104(d)(1)".

(B) Section 152(g) is amended by striking "the Congress" and inserting in lieu thereof "the Senate Committee on Environment and Public Works and the House Committee on Public Works and Transportation".

(18)(A) Section 154(e) is amended—

(i) by striking out "criteria which takes" and inserting in lieu thereof "criteria which take";

(ii) by inserting after "posted" the following: "on January 1, 1983,"; and

(iii) by inserting before "in accordance with" the following: ", and on highways built after such date with speed limits posted at fifty-five miles per hour,".

(B) Section 154(f) is amended by striking "each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of this title in an aggregate amount of up to 5 percent of the amount to be apportioned for the following fiscal years, in the case of fiscal years 1982 and 1983, and up to 10 percent, in the case of subsequent fiscal years." and inserting in lieu thereof "sections 104(d)(1)(C), (2), and (3) of this title in an amount of up to 10 percent of the amount to be apportioned for the following fiscal year.".

(19)(A) Section 158(a)(1) is amended by striking "each of the sections 104(b)(1), 104(b)(2), 104(b)(5), and 104(b)(6) of this title on the first day of the fiscal year succeeding the fiscal year beginning after September 30, 1985" and inserting in lieu thereof "sections 104(d) (1), (2), and (3) of this title on October 1, 1986".

(B) Section 158(a)(2) is amended by striking "each of sections 104(b)(1), 104(b)(2), 104(b)(5) and 104(b)(6) of this title on the first day of the fiscal year succeeding the second fiscal year beginning after September 30, 1985" and inserting in lieu thereof "sections 104(d) (1), (2), and (3) of this title on October 1, 1987."

(20)(A) The second sentence of section 204(b) is amended by inserting "the Secretary or" before the "Secretary of the Interior".

(B) Section 204(e) is amended by striking "88 Stat. 2205" and inserting in lieu thereof "88 Stat. 2203".

(21) Section 210(g) is amended by striking "Commerce" and inserting in lieu thereof "Transportation".

(22) Subsection (a) of section 215 of title 23, United States Code, is amended by striking from the first sentence the words "and American Samoa" and inserting in lieu thereof "American Samoa, and the Commonwealth of the Northern Mariana Islands".

(23) Section 217 is amended by striking "paragraphs (1), (2), and (6) of section 104(b)" the two places it appears and inserting in lieu thereof "sections 104(d) (1), (2), and (3)".

(24)(A) Section 307(c)(3) is amended by striking "(1), (2), and (3) of section 104(b)" and inserting in lieu thereof "(1) and (2) of 104(d)".

(B) Section 307(c)(5) is amended by striking "104(b)(1)" and inserting in lieu thereof "104(d)(1)".

(C) Section 307(e) is amended by striking "the Congress" and inserting in lieu thereof "the Senate Environment and Public Works Committee and the House Committee on Public Works and Transportation".

(25) Section 311 is amended by striking "(b)" and inserting in lieu thereof "(d)".

(26) Section 315 is amended by striking "204(d), 205(a), 207(b) and 208(c)" and inserting in lieu thereof "204(f) and 205(a)".

(27) Section 401 is amended by striking "and American Samoa." and inserting in lieu thereof "American Samoa and the Commonwealth of the Northern Mariana Islands.".

(28)(A) Section 402(c) is amended by (i) striking "For the fiscal years ending June 30, 1967, June 30, 1968, and June 30, 1969, such funds shall be apportioned 75 per centum on the basis of population and 25 per centum as the Secretary in his administrative discretion may deem appropriate and thereafter such" and inserting in lieu thereof "Such", by (ii), striking "After December 31, 1969, the" and inserting in lieu thereof "The", and by (iii) striking "and American Samoa" and inserting in lieu thereof "American Samoa and the Commonwealth of the Northern Mariana Islands".

(B) The last sentence of section 402(j) is amended by striking out "chapter" and inserting in lieu thereof "section".

(b)(1) Section 108(b) of the Federal-Aid Highway Act of 1956 is amended by (A) inserting "and" before "the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1987", by (B) inserting a period after "1987", and by (C) striking ", and the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1988, the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1989, and the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1990.".

(2) Section 108(d) of the Surface Transportation Assistance Act of 1982 is amended by striking "this title," and inserting in lieu thereof "title 23, United States Code,".

(3) Section 163 of the Surface Transportation Assistance Act of 1982 is amended by striking "appropriated" and inserting in lieu thereof "apportioned".

(4) Section 163(o) of the Federal-Aid Highway Act of 1973 is amended to read as follows:

"(o) The Secretary of Transportation shall make biennial reports and a final report to the President, the Senate Committee on Environment and Public Works, and the House Committee on Public Works and Transportation with respect to activities pursuant to this section."

(5) Section 103(c) of the Federal-Aid Highway Act of 1978 is amended by striking "Congress" and inserting in lieu thereof "the Senate Committee on Environment and Public Works and the House Committee on Public Works and Transportation".

Mr. MOYNIHAN. Mr. President, I ask for a minute and a half to associate myself with the distinguished chairman of the Committee on Environment and Public Works.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, as the distinguished chairman has said, this is urgent legislation. The Congress did not pass a highway bill last year and we now have no legislation indefinitely with respect to the Interstate System and all the other secondary systems.

The chairman is absolutely correct. We need to pass this bill within a matter of weeks. The committee will be able to do so. We hope the Senate will understand this urgency.

Mr. President, I am pleased to join Senators BURDICK, STAFFORD, SYMMS, and other members of the Environmental and Public Works Committee introducing the Federal-Aid Highway Act of 1987.

The bill would provide $52 billion from the Highway Trust Fund over 4 years for use by States on interstate highways, urban and secondary roads, bridge replacement and rehabilitation, as well as funds for forest highways, park roads, and Indian reservation roads. Also included in this legislation are funds for the Federal Highway Administration's safety research and construction programs.

The bill will provide $13 billion per year for the next 4 years. Overall, New York will receive approximately 5 percent of the entire authorization.

In key programs, New York will receive more: about 30 percent, or $147 million of the Interstate Substitution Program; 10 percent, or $15 million of the Bridge Repair Program, and 8.4 percent, or $63 million, of the Federal Aid Urban Systems Program.

The bill we are introducing today also includes a provision secured in the bill passed at the end of the last Congress that would save from lapsing approximately $90 million in Federal funds earmarked for Westway rights-of-way and easements so that they could be used for other highway projects in New York.

THE NEED FOR THE HIGHWAY REAUTHORIZATION BILL

The need for reauthorization of the highway programs is clear. The building season for many States, especially those in the Northeast, is short, and contract letting depends on swift passage of this legislation.

As the new chairman of the Subcommittee on Water Resources, Transportation and Infrastructure, I am looking forward to working closely with the chairman and other members of the committee to move the bill through markup in committee, to passage on the Senate floor, and through the eventual conference with the House of Representatives.

I urge my colleagues to support expeditious passage of this legislation.

● Mr. CHAFEE. Mr. President, I am pleased to join with Senator STAFFORD today in introducing legislation to reauthorize the Federal-Aid Highway Program.

The measure we are introducing is identical to the bill that was debated in the Senate last year and approved unanimously on September 24, 1986. Although conferees worked diligently to resolve differences in the bills passed by the Senate and House of Representatives, the legislation did not receive final action prior to the adjournment of the 99th Congress.

As a result, many States have nearly exhausted their Federal highway funds, and construction and repair projects on roads and bridges throughout the country have been halted. Many more will be delayed unless Congress acts promptly to reauthorize the program.

During the past 4 years, roads and bridges throughout the country have benefited from the increased funding made possible by the 1982 Highway Act. But much more remains to be done to improve the quality of our highways and bridges. The legislation we are introducing today will extend the Federal Highway Program through 1990. It also contains several changes to increase the flexibility of the States in spending the Federal funds, in order for the program to respond better to State and local highway priorities.

The State of Rhode Island has embarked upon a vigorous road improvement program which has resulted in safer highways and thousands of jobs in the construction industry. The voters have shown strong support for this program by recently approving a $57 million State transportation bond issue to match the Federal funds. Jobs could be jeopardized and projects postponed if Congress does not act swiftly to approve highway reauthorization legislation.

It is my hope that the Senate will act on this legislation without delay in order for the conference discussions to resume and the measure to be enacted as soon as possible.●

● Mr. SYMMS. Mr. President, I am pleased to join Senator Stafford, the distinguished ranking Republican on the Environment and Public Works Committee, and others on the committee in introducing this important legislation to reauthorize the Federal-Aid Highway Program. The bill we are introducing today passed the Senate last September by a vote of 99 to 0, the first unanimous vote on a highway authorization bill in the history of the Federal-Aid Highway Program. We introduce this legislation to remind Senators of the important work already done in this area and to encourage the body to help us move quickly toward final passage of a highway bill.

I was disappointed that Senate and House conferees were unable to reach an agreement on highway legislation prior to final adjournment of the 99th Congress. Since authorization of the Federal-Aid Highway Program expired at the end of fiscal year 1986, the Federal Highway Administration has been unable to apportion highway funds to the States in this fiscal year.

As a result, many States have been forced to cancel bid-lettings for spring construction work, and many Northern-tier States may lose the entire 1987 construction season. If a highway bill is not enacted in the near future, we face the loss of thousands of jobs in construction and related industries. I urge all Senators to consider seriously the adverse economic consequences of any further delay in passage of a highway bill.

Mr. President, I also am cosponsoring the highway bill which the distinguished chairman of the Environment and Public Works Committee, Senator Burdick, and other members of the committee are introducing today. That bill is similar to the highway legislation we introduced in May of last year. It includes very few of the amendments we adopted in committee or on the floor. I look forward to working with Senator Burdick, Senator Moynihan, the chairman of the Transportation Subcommittee, and others on the committee to move this bill as quickly as possible through markup and back to the Senate floor.●

● Mr. QUAYLE. Mr. President, as the 100th Congress convenes, it would seem prudent to consider the unfinished business of the 99th Congress. We were all disappointed when House and Senate conferees were unable to reconcile the differing versions of legislation to reauthorize Federal highway programs. We commend the efforts of Senate conferees who made numerous attempts to reach a fair compromise during the negotiations.

State and local governments across the United States have canceled or indefinitely delayed thousands of highway projects. The State of Indiana has postponed over 130 projects with a total cost of $114 million. Interstate 70, formerly scheduled for expansion, remains clogged with traffic as it moves through downtown Indianapolis. The Fort Wayne bypass, a project of vital importance to northeast Indiana, has been stalled. Near Evansville, completion of the Russell Lloyd Expressway and construction of Interstate 164 have been delayed. These developments have hindered commerce in Indiana and threaten the economic development of our towns and cities.

If Congress fails to approve highway reauthorizing legislation prior to the end of February, we could lose an entire construction season in Northern States and every State would face a loss of jobs. In Indiana alone, approximately 8,000 Hoosiers stand to lose their jobs. It would be nothing short of irresponsible if we allowed this to happen. This week I am circulating a letter to send to Senator Burdick, the distinguished chairman of the Committee on the Environment and Public Works, requesting speedy consideration of a new highway bill. I urge my colleagues to join me in this request. It is my hope that such a bill would not become bogged down in the contentious issues that stalled its progress in the last Congress. Furthermore, I would encourage all of my colleagues to consider the potential crisis that might result from our inaction and weigh the consequences against the importance of their special interests.

If it becomes apparent that these issues will threaten the timely passage of the legislation, I am certain support will grow for either a "clean bill," or a 1-year extension of past authority. The writing is on the wall. This is a time for compromise and cooperation. The American people are relying on us.●

FAST ACTION NEEDED TO AUTHORIZE HIGHWAY PROGRAM

● Mr. LAUTENBERG. Mr. President, I am pleased to join in introducing the 1987 highway reauthorization bill.

I believe that it is critical for the Committee on Environment and Public Works to favorably report and for this Senate to pass this bill.

In order for the States' highway departments to address both immediate and long-term needs, this Senate must act quickly. The failure to enact legislation before the highway authorizations ran out on September 30, 1986, has meant delay and hardship for those States ready and willing to proceed with necessary infrastructure improvements.

We must act so that this year's construction season is not lost. Plans must be developed, projects advertised, bids received and contracts let. Time is of the essence.

It is also important that a long-term reauthorization bill be enacted. This is important so that the program may continue for some uninterrupted period of time.

The highway program has been and is one of the most successful of all Federal assistance programs and a multiyear bill is necessary to ensure that continuity and success.

I am concerned, however, about the obligation ceilings contained in the bill. I believe that it is incumbent upon us to make available for the purposes intended, user fees that are collected.

As chairman of the Transportation Subcommittee of Appropriations I intend to exercise annual review of the Federal Aid Highway Program and most especially the program's overall obligation ceiling.

I am also encouraged that the bill introduced today does not contain any provision that would amend the existing national speed limit of 55 miles-per-hour.

This issue proved to be a particularly contentious 1 last year. It might have been the reason why no conference agreement was reached. If we want the highway program to go forward and go forward quickly such an amendment has no place on this bill.

Though no provision regarding demonstration projects is included in the bill, I support and will continue to work for accommodating worthwhile projects like Route 21 in New Jersey.

I congratulate the full committee chairman, Senator Burdick, and the subcommittee chairman, Senator Moynihan, for moving quickly on this issue. I hope that the full Senate will move as quickly.●

By Mr. MELCHER:

S. 187. A bill to provide for the protection of Native American rights for the remains of their dead and sacred artifacts, and for the creation of

Native American cultural museums; to the Select Committee on Indian Affairs.

BURIAL OF NATIVE AMERICANS

Mr. MELCHER. Mr. President, I am going to introduce two bills today. I will briefly describe each bill. The first bill, for which I have asked the number 187 to be reserved, deals with a very special problem, a shameful problem that exists in this country. I asked for the number S. 187 because I hope that this is one of the first bills passed in 1987.

Mr. President, most of us know where our ancestors are buried, where their remains reside, where we have placed them with some respect and dignity. But there are a great number of native Americans and perhaps native Hawaiians who do not know where their ancestors' remains are placed.

Mr. President, there are scores of museums in the United States and abroad. There are several universities, Mr. President, that have the remains of native Americans in skeletal form on display or just their bones collected in boxes without the consent of the families or the tribes.

In addition to that, there are numerous artifacts of sacred nature to tribes of native Americans that are in museums without the consent of the tribes. There are religious artifacts of a sacred nature to various tribes. To correct that, Mr. President, I am introducing this bill, S. 187, which is the same bill that I introduced on the last day of the last Congress. I introduced it at that time in order to provide an opportunity for its consideration by various museums, various groups of people, various tribes and clans, and families of native Americans and native Hawaiians.

The response we have had to the bill during the past 2 or 3 months since adjournment has been very much on the positive side. The bill will set up a system of repatriation, and that means just as it sounds, the return of the remains of these people taken from their native grounds and returned now with some dignity to the tribes or the clans or the families of native Americans and native Hawaiians, where they properly can be given respect and be cared for by the people.

In addition, the same will be true of the sacred offerings. The bill sets up a system for figuring out whose bones are stored in the Smithsonian. Right now there are scores of boxes, literally hundreds of boxes of native Americans bones stored in the Smithsonian in its attics and nooks and crannies. The religious objects and the remains of these native Americans will be identified. Then a system is set up within the bill to return them and the respect will be paid.

I think the bill is absolutely essential. I think it is a shame on our country, on our people as a whole, that we have not corrected this problem. I believe respect is due, dignity is due and now is the time to do it. That is the purpose of the introduction of this bill.

EXPORT OF U.S. AGRICULTURAL PRODUCTS

Mr. MELCHER. Mr. President, the second bill deals with an entirely different subject. It is to be immediate assistance to the country in exporting of our agricultural products. The decline in agricultural exports has been very discouraging, very drastic, and very harmful to the economy of the country. It has caused the mounding of our surplus commodities to rise higher and higher. We need to have the determination and wherewithal to export more of these surplus commodities.

The bill, S. 125, will seek to correct a portion of the problems that exist in this decline in our agricultural exports by beefing up the foreign agricultural service; that is, putting more people to work in the foreign agricultural service, representing the Department of Agriculture here in our country, representing our producers, representing our entire nation in promoting and assuring that we do maximum in improving the agricultural exports.

It has two parts in the bill. We have a series of findings, making clear why this is necessary to beef up the foreign agricultural service; and, second, to permit the foreign agricultural service to contract for the assistance of individuals in the various countries that are expert and knowledgeable in those markets.

This, too, is a very needed bill.

Mr. President, I introduce both of these bills today and I hope we can have prompt consideration and action on both.

By Mr. WEICKER (for himself and Mr. Dodd):

S. 188. A bill to amend title 28, United States Code, to provide for the appointment of one additional district judge for the District of Connecticut; to the Committee on the Judiciary.

DISTRICT JUDGE FOR THE DISTRICT OF CONNECTICUT

Mr. WEICKER. Mr. President, I rise today to reintroduce legislation to create an additional Federal district judgeship for the District of Connecticut. This legislation was originally introduced by Senator Dodd and myself on January 30, 1986; however due to a full committee agenda, the bill was not acted on by the Judiciary Committee prior to the adjournment of the 99th Congress.

Adoption of this legislation would increase the total number of district judges in Connecticut from six to seven; a number supported by the Administrative Office of the U.S. Court's most recent survey of judgeship needs. As was the case in the 99th Congress, Senator Dodd and I are joined in this legislative endeavor by the entire Connecticut delegation, which has cosponsored similar legislation introduced today by Representative Stewart McKinney.

Mr. President, Connecticut's citizens take great pride in the integrity and experience of the State's Federal judges. The men and women who fulfill the awesome responsibilities of the bench in Connecticut apply not only their substantial legal scholarship to the task, but also devote long hours of hard work to their jobs; hours that increase each and every year.

Despite their abilities and dedication, Connecticut judges are faced with an ever-increasing workload. The District of Connecticut's overall workload has increased by more than 40 percent since 1980. The mix of new filings, pending cases, weighted filings—those cases deemed to involve unusual complexity—and length of trials are factors the Administrative Office of the Courts considers before making recommendations for new judgeships. After considering the workload of the Connecticut judiciary, the Administrative Office of the Courts determined that Connecticut exceeded every criteria necessary to qualify for a new judgeship. Therefore, the Federal entity charged with reviewing judgeships and judicial caseloads concluded that Connecticut fully deserves an additional judgeship.

Mr. President, I urge the Senate Committee on the Judiciary to expeditiously consider this legislation. I am confident that the Committee and later the full Senate, will grant Connecticut's district judges and our fine courts the additional judgeship they need to sustain the outstanding record of administering justice that we have come to expect. I understand that other Federal judicial districts may also be eligible for additional judgeships. Therefore, I would welcome the inclusion of Connecticut's additional judgeship in an omnibus bill if the Judiciary Committee prefers that approach.

I ask unanimous consent that the text of this legislation be printed in the Congressional Record at this point.

There being no objection, the ordered to be printed in the Record, as follows:

S. 188

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there shall be appointed, pursuant to section 133 of title 28, United States Code, an additional district judge for the District of Connecticut.

(b) To reflect the change made by this section in the table of judges for each of the judicial districts, section 133 of title 28 United States Code, is amended by striking the following:

"Connecticut..........6"
and inserting in lieu thereof the following:
"Connecticut..........7"

By Mr. NICKLES (for himself, Mr. DOLE, Mr. GRAMM, Mr. DOMENICI, Mr. WALLOP, Mr. HECHT, Mr. BUMPERS, and Mr. SYMMS):

S. 200. A bill to amend the Internal Revenue Code of 1954 to repeal the windfall profit tax on crude oil; to the Committee on Finance.

WINDFALL PROFIT TAX REPEAL

● Mr. NICKLES. Mr. President, On behalf of Mr. DOLE, Mr. GRAMM, Mr. DOMENICI, Mr. WALLOP, Mr. HECHT, Mr. BUMPERS, Mr. SYMMS, and myself, I am pleased to introduce a bill to repeal the windfall profit tax.

The crude oil excise tax of 1980 is one of the few remaining legacies of the misguided Federal energy policies of the 1970's. The American consumer and our domestic energy industry have been substantially hurt by these policies, which included price controls, allocations of petroleum by Federal fiat, throwing billions of dollars at uneconomic synthetic fuels projects, and imposing punitive taxes on the U.S. crude oil production industry when prices were high.

Clearly, during this period when our domestic energy industry is in a severe economic crisis, the least the U.S. Congress should do is eliminate the final embarrasment of the Federal Government's 1970's energy policies and repeal the windfall profit tax.

Since 1980, the windfall profits tax has taken more than $77 billion from the domestic energy industry. No other single industry in the United States has a windfall profits tax. This tax is a tremendous disincentive for domestic producers, but a strong encouragement for importers of foreign oil on which there is no equivalent tax.

The windfall profit tax has hurt the American consumer by increasing our reliance on foreign oil. Because the tax discourages production from marginal wells and discourages exploration and development to replace our declining oil reserves, domestic production is reduced and imports go up.

Last July 31, I offered an amendment to repeal the windfall profit tax to the measure to increase the public debt. Recognizing that the tax is inappropriate, this distinguished body adopted that repeal amendment. In addition, President Reagan expressed his support for prompt repeal of the windfall profit tax. I ask unanimous consent that the text of President Reagan's letter of August 2 in support of the repeal and the text of my repeal amendment be inserted in the RECORD at the conclusion of my statement.

Today, I am introducing the same windfall profit tax repeal language that was included in S. 2857, the Gramm-Nickles Oil and Gas Production Revitalization Act. This language has been approved by the administration, and includes an effective date of January 1, 1987. President Reagan has included windfall profit tax repeal in the fiscal year 1988 budget request.

As a member of the Senate Budget Committee, I will move to include the repeal of the windfall profit tax in the Committee's fiscal year 1988 budget resolution.

Although the tax currently costs U.S. oil producers hundreds of millions of dollars in bookkeeping expenses, repealing the windfall profits tax today would likely cost the Federal Government absolutely nothing. According to the Independent Petroleum Association of America, when the price of oil per barrel drops below $18.93 for tier 1, $22.47 for tier 2, and $28.27 for tier 3, the windfall profits tax is no longer collected. With few exceptions, the price of oil has been below these figures for virtually all of the last year.

Repealing the windfall profits tax would, at minimum, send a positive signal to our domestic energy industry at a time when positive signals are few and far between. In the long run, repeal would help an industry that employs millions of Americans regain lost ground, and put domestic producers on even footing with foreign producers.

As my colleagues know, our domestic energy industry needs every bit of help and encouragement the Federal Government can provide. And the quickest way this body could act to aid that industry is by repealing current laws which are nothing but an impediment for both consumers and producers.

By Mr. KENNEDY (for himself and Mr. MELCHER):

S. 210. A bill to amend the Public Health Service Act to provide catastrophic health insurance coverage for elderly and disabled Americans; to the Committee on Labor and Human Resources.

CATASTROPHIC HEALTH INSURANCE FOR ELDERLY AND DISABLED AMERICANS

● Mr. KENNEDY. Mr. President, I send to the desk a bill to provide protection from catastrophic health care costs for senior citizens and disabled Americans. This legislation essentially embodies the Bowen plan announced by the Secretary of Health and Human Services on November 19, 1986.

In my judgment, there is no social problem more compelling than the need to protect our senior citizens against the high cost of essential health care.

When I came to the Senate in 1963, Congress was in the final stage of the long and successful battle to insure elderly Americans against the intolerable financial burden of serious illness. President Kennedy was proud of his role as the first President to propose Medicare. And Medicare did make a huge difference in the security and health of our senior citizens.

But because of gaps in Medicare coverage and the lack of a catastrophic "stop-loss" protection, our Nation's senior citizens are still far too often at risk for the loss of a lifetime of savings and the promise of a secure and dignified retirement when serious illness strikes. Indeed, Medicare today covers less than half of the elderly's health care costs. On average, our senior citizens must pay the same high proportion of their limited incomes—15-percent—to purchase the health care that they need as they did before Medicare was even created.

Let me review the key gaps in Medicare's acute care benefit package.

Medicare charges a high deductible for the first day of a hospital stay. This deductible is now a staggering $520, and would be even higher except for reforms that I introduced that were adopted in the 99th Congress. Approximately 8 million Medicare beneficiaries—more than one out of every four—must pay this deductible each year, and over a million pay it more than once.

Medicare enrollees are also vulnerable to the extraordinarily high costs of very long hospital stays. After 60 days of care in a spell of illness, Medicare beneficiaries are responsible for a copayment of $130 per day. After 90 days of care, Medicare coverage ends except for 60 lifetime reserve days which carry a copayment of $260 per day. Thus, a senior citizen with a 3-month hospital stay will have incurred costs of $4,420. An individual with a 4-month stay will have costs of over $12,000. If that same individual has previously used up his lifetime reserve days, the cost of a 4-month hospital stay would be a staggering $20,000. And this total is just for hospital costs; out-of-pocket expenditures for physician services associated with the hospital stay are additional.

Medicare's coverage for physician services has gaps as serious as its coverage of hospital costs. After an initial deductible of $75 is paid, Medicare covers 80 percent of recognized charges by physicians. This percentage is comparable to many excellent private insurance plans, but, unlike the better private plans, there is no limit on how high the beneficiary's 20 percent can mount. Moreover, many physicians charge more than Medicare's recognized charges, and these excess charges are the sole responsibility of the beneficiary.

Just as senior citizens are responsible for many costs for services that Medicare supposedly covers, there are some essential services that Medicare does not cover at all. Medicare provides no protection whatever against the potentially high cost of essential outpatient prescription drugs. Medicare's benefit for outpatient mental health and substance abuse treatment is so limited as to be essentially meaningless—despite a significant incidence of these problems among the elderly. And Medicare does not cover the cost-effective preventive health care that could avert unnecessary illness among enrollees.

Many senior citizens buy private medigap policies that fill many of the holes in Medicare coverage. Other senior citizens are covered by Medicaid. But 20 percent of all senior citizens cannot afford medigap and do not qualify for Medicaid. These senior citizens are not only extremely vulnerable to high health care costs, they also have much less access to needed medical care because of their inability to pay. Thus, as the Congressional Budget Office pointed out in a recent study, senior citizens without medigap coverage use significantly less health care services than those with medigap, even though seniors who have medigap coverage are younger and healthier than those without supplementary protection.

Even those senior citizens who are able to afford and purchase private medigap are not getting the economical health care insurance protection they deserve. Few medigap policies cover outpatient drugs or mental health care. Many policies do not fully cover the cost of very long hospital stays. And, depending on the policy the senior citizen purchases, between 10 and 40 percent of every premium dollar buys no additional protection whatever. Instead, it is invested in sales, marketing and administrative expenses, and profit. By contrast, only a few cents of each Medicare dollar must be used to pay for administration rather than health services.

Secretary Bowen's proposal is a major step toward providing adequate health insurance protection for our senior citizens. It provides that senior citizens will not be liable for more than two hospital deductibles a year and eliminates all co-payments and limits on coverage for long hospital stays. Most important, it caps beneficiary liabilities for all remaining covered services at a total of $2,000 per year. And it pays for these benefits without any increase in the deficit, allowing Medicare beneficiaries to voluntarily purchase this additional coverage for a modest monthly premium of less than $5.00.

I intend to hold prompt hearings on this proposal and work with Doc Bowen and my colleagues on both sides of the aisle to move it to prompt passage. In the course of our consideration of this proposal we will explore whether it will be possible to broaden the proposal to address some of the other important gaps in Medicare which I have noted above, at a reasonable cost and without adding to the deficit.

Doc Bowen is to be congratulated for proposing this policy initiative: We may be able to do better than he has proposed, but I am confident that the American people will not accept our doing less.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 210

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PURPOSES.

It is the purpose of this Act—

(1) to expand the availability of health care services to the elderly and disabled;

(2) to assure the continued financial solvency of hospitals, physicians, and other health care providers serving the elderly and disabled;

(3) to increase the willingness and ability of health care providers to serve the elderly and disabled and to expand the nation's supply of health resources dedicated to this purpose; and

(4) to protect the elderly and disabled against the consequenes of catastrophic illness.

SEC. 2. ESTABLISHMENT OF PROGRAM.

(a) IN GENERAL.—The Public Health Service Act is amended—

(1) by redesignating title XXIII as title XXIV and redesignating each section of that title as the corresponding section in title XXIV, and

(2) by inserting after title XXII the following new title:

"TITLE XXIII—HEALTH INSURANCE COVERAGE AGAINST CATASTROPHIC ILLNESSES.

"ESTABLISHMENT OF PROGRAM

"SEC. 2301. There is hereby established a voluntary insurance program to provide catastrophic health insurance benefits in accordance with the provisions of this title for aged and disabled individuals who elect to enroll under such program, to be financed from premium payments by enrollees. The program established under this title shall be administered by the Secretary of Health and Human Services (in this title referred to as the 'Secretary').

"SCOPE OF BENEFITS

"SEC. 2302. The benefits provided to an individual enrolled in the program established under this title shall consist of entitlement to have payment made to or on behalf of the individual (in accordance with regulations prescribed by the Secretary) for—

"(1) the reasonable cost or charges for inpatient hospital care not paid for by any other government program for the first ten days of hospital care for hospitalizations after the second hospitalization in any calendar year;

"(2) the reasonable cost or charges for hospital care not paid for by any other government program provided after the sixtieth day of care in any hospitalization; and

"(3) the reasonable cost or charges in excess of $2,000 for a calendar year for medical care not paid for by any other government program (including care provided by physicians, hospital care, durable medical equipment, home health care, and not more than 100 days of nursing home care in a calendar year).

"PROCEDURES FOR PAYMENT OF CLAIMS

"SEC. 2303. (a) The Secretary shall, to the greatest extent practicable, coordinate payments made with respect to benefits under this title with payments made with respect to benefits under other government programs.

"(b) No deductible or coinsurance amount shall be applied to any amount payable with respect to inpatient hospital care under this title.

"ELIGIBILITY; ENROLLMENT

"SEC. 2304. (a) Any individual who is disabled or has attained 65 years of age shall be eligible to enroll in the insurance program under this title.

"(b) Any individual may enroll in the insurance program under this title only in such manner and form as may be prescribed by regulations, and only during an enrollment period prescribed by the Secretary.

"(c) The Secretary shall by regulation prescribe—

"(1) coverage periods for individuals enrolled under the program, and

"(2) Procedures for collection of the premiums imposed under the program.

"PREMIUMS

"SEC. 2305. (a)(1) Except as provided in subsection (b), the amount of the monthly premium for any calendar year for individuals who choose to enroll in the program under this title shall be an amount equal to the monthly actuarial rate which the Secretary estimates to be necessary so that the aggregate of such premiums for such calendar year will be equal to the total of the benefits and administrative costs which will be payable from the general fund of the Treasury for services performed (and administrative costs incurred) in such calendar year for providing the catastrophic benefits under this title. In September of each year the Secretary shall promulgate the premium amount which shall be applicable for the following calendar year and shall adjust the amount of such premium to reflect differences between the projected costs and premium collections in the previous calendar year.

"(b) In the case of an individual whose coverage period began pursuant to an enrollment or reenrollment occurring after his or her initial opportunity to enroll (as determined in accordance with regulations of the Secretary), the monthly premium determined under subsection (a) shall be increased by 10 percent of the monthly premium so determined for each full 12 months (in the same continuous period of eligibility) in which the individual could have been but was not enrolled.

"(c) Premiums collected under the insurance program established under this title shall be deposited in the general fund of the Treasury.

"FUNDING

"SEC. 2306. The Secretary of the Treasury shall pay from time to time from the general fund of the Treasury such amounts as the Secretary of Health and Human Services certifies are necessary to make the payments provided for by this title (including administrative expenses).".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall become effective on October 1, 1987.

By Mr. HELMS:

S. 212. A bill to help prevent rape and other sexual violence by prohibiting dial-a-porn operations; to the Committee on Commerce, Science, and Transportation.

THE DIAL-A-PORN CONTROL ACT

Mr. HELMS. Mr. President, I am today introducing the Dial-a-Porn Control Act. The purpose of this bill is to eliminate completely so-called "dial-a-porn" operations by repealing a few words in section 223(b) of the Communications Act of 1934. This legislation adds no substantive language of any kind to current law; it—purely and simply—removes a gaping loophole in existing law.

The same proposal passed the Senate September 27, 1986 on a voice vote as part of the Anti-Drug Abuse Act of 1986, H.R. 5484. The House of Representatives, however, stripped my dial-a-porn amendment out of the bill before it reached the President's desk, and so the dial-a-porn provision was not enacted into law along with the 1986 drug bill.

Mr. President, American parents have enough to contend with in 1987 without having to worry about whether their children will be able to pick up the phone, dial a number, and then hear an obscene recorded message. Yet since Congress first addressed the problem of dial-a-porn in December 1983, the dial-a-porn industry has flourished, and our children in particular and American society in general have been the losers.

The loophole in existing law is that it affirmatively authorizes dial-a-porn for consenting adults. Thus, dial-a-porn operators are given a green light to go into business, and then the practical problem arises as to how to keep children from calling the dial-a-porn numbers. That practical problem, Mr. President, has proven to be totally insoluble. Moreover, there is no good reason for Congress to authorize our interstate telephone system to be used for the communication of pornographic messages—even to adults.

Mr. President, the prohibitions currently in place under section 223(b) of the Communications Act of 1934 are sufficient to shut down the dial-a-porn industry, if we simply eliminate the loophole. The loophole has two parts.

The first part of the loophole is that portion of section 223(b)(1)(A) which makes dial-a-porn criminal only if it goes to a person under 18 years of age or to a person who has not consented to receiving the message. My legislation eliminates this crippling qualification to the prohibition against dial-a-porn. Thus, the prohibition against dial-a-porn would apply to everyone—not just minors and nonconsenting adults as is currently the case.

The second part of the loophole is all of section 223(b)(2) which provides: "It is a defense to a prosecution under this section that the defendant restricted access to the prohibited communication to persons 18 years of age or older in accordance with procedures which the Commission—the FCC—shall prescribe by regulation." My legislation would remove this complete, affirmative defense to prosecution under section 223(b), and it would make the current penalties for dial-a-porn under section 223(b) meaningful for the first time.

Mr. President, many constituents have contacted me on this problem of dial-a-porn. Not long ago I received a letter from the father of a 9-year-old boy. The father sent me a copy of his telephone bill and underlined three long-distance calls to a "900" number. "While questioning my son about these calls," the father wrote, "I discovered that the long distance calls were placed to a service which provides sexually explicit messages. Apparently, some older children told my son that this number was the number of 'Teddy Ruxpin,' the talking teddy bear. The joke was not very funny when one considers the fact that the morals of young children are being corrupted in the process."

Mr. President, the need for this legislation, I believe, is completely evident in this father's letter. We in Congress owe the parents of America better than what they now have to contend with on this matter of dial-a-porn. I urge enactment of this bill.

Mr. President, I ask unanimous consent that the text of the Dial-a-Porn Control Act be printed in the RECORD.

There being no objection, it was ordered to be printed in the RECORD, as follows:

S. 212

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Dial-a-Porn Control Act".

SEC. 2. Section 223(b) of the Communications Act of 1934 is amended—

(1) in paragraph (1)(A), by striking out "under eighteen years of age or to any other person with out that person's consent";

(2) by striking out paragraph (2);

(3) in paragraph (4), by striking out "paragraphs (1) and (3)" and inserting in lieu thereof "paragraphs (1) and (2)"; and

(4) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

By Mr. HELMS:

S. 213. A bill to restore the right of voluntary prayer in public schools and to promote the separation of powers; to the Committee on the Judiciary.

VOLUNTARY SCHOOL PRAYER ACT

Mr. HELMS. Mr. President, I thank the Chair for recognizing me.

"Almighty God, we acknowledge our dependence upon Thee, and we beg Thy blessings upon us, our parents, our teachers, and our Country."

Mr. President, what I have just recited is the prayer recommended by the New York State Board of Regents to local school districts which was struck down as unconstitutional by the U.S. Supreme Court in the infamous case of Engel against Vitale in 1962. The Court held that, even when recited by students on a voluntary basis, this simple prayer was unconstitutional in American public schools.

Mr. President, almost a quarter century has now passed since the Supreme Court first banned voluntary group prayer in the public schools. A generation of Americans has now grown up without the basic freedom to pray at school—a freedom enjoyed by every previous generation of Americans.

As we begin the 100th Congress, the time has come to end this gross deprivation of religious liberty and to restore the fundamental right to engage in voluntary school prayer. That is why I am today introducing the Voluntary School Prayer Act.

I emphasize, Mr. President, that what I am talking about is voluntary prayer and what my legislation addresses is voluntary prayer. Some school prayer opponents have accused me of advocating mandatory prayer. Such a charge is utterly untrue. The school prayer cases which came before the Supreme Court in the early 1960's involved voluntary group prayer, and accordingly it was voluntary group prayer which the Court banned. Mandatory prayer has never been an issue. So I repeat, I am not advocating—nor have I ever advocated—mandatory school prayer, and my legislation simply seeks to restore the freedom to engage in voluntary group prayer in the public schools.

Mr. President, the framers of the Constitution gave Congress explicit authority to provide a check on usurpations of power by the Supreme Court. My legislation uses this authority, contained in article III of the Constitution, to withdraw Federal court jurisdiction over voluntary school prayer cases, thereby returning the issue to the States, localities, and parents where it belongs and where it was before the Supreme Court rulings of the early 1960's.

Mr. President, religious liberty is too important to leave exclusively in the hands of judicial elites more intent on imposing their own political views on the Nation that in objectively interpreting the words of the Constitution. My legislation will in effect replace the nonsense of Federal judges on school prayer over the previous two and a half decades with the common sense and practical experience of the American people over the prior 170 years.

Mr. President, the legislation I am introducing today is substantially similar to proposals I have offered in several previous Congresses. This legislation has never made it to the President's desk for signature, but it has met with some success.

In 1979, my voluntary school prayer legislation passed the Senate twice, but the Judiciary Committee of the House of Representatives prevented it from going to the House floor for a vote. In 1982, 53 Senators voted in favor of it on a tabling motion before it was set aside later on a procedural motion. In 1985, after a heavy lobbying campaign by a number of liberal groups, it was tabled in the Senate 62 to 36. I hope that in the 100th Congress a majority of the House and Senate will muster the courage to pass this legislation.

Mr. President, this bill restores freedom to the States to allow voluntary prayer, Bible reading, and religious meetings in public schools. The adjective "voluntary" applies to all three categories—prayer, Bible reading, and religious meetings. Through a series of Supreme Court decisions, this freedom—elementary to the drafters of the Constitution—has been taken away from the States.

My legislation uses the congressional authority—given explicitly in article III, sections 1 and 2 of the Constitution—to regulate the general jurisdiction of the inferior Federal courts and the appellate jurisdiction of the Supreme Court. It curtails such jurisdiction so that Federal courts no longer have the power to hear cases involving voluntary prayer, Bible reading, and religious meetings in the public schools.

The result is that such cases become exclusively a matter for the States to handle as they see fit. In effect, school prayer would be a local option. This result is fully consistent with the original purpose of the establishment clause of the first amendment, which was to prohibit the establishment of a national church and to leave the remaining issues of church-State relations strictly with the States.

Mr. President, some of my friends have advocated that we adopt a constitutional amendment to correct the courts and restore the freedom to pray in the schools. This is one approach among many which the Constitution allows, and it is an approach that I have supported in the past and still favor today.

But, Mr. President, it is not the only way for Congress to correct erroneous Federal court rulings, nor in my opinion is it the best. The Constitution provides several other more direct ways for Congress to check abuses of the judicial branch, including control of jurisdiction, Senate confirmation of judicial appointments, specific congressional enforcement of constitutional provisions, and impeachment.

As is well-known, the constitutional amendment process was intentionally set up to be difficult. The normal procedure is for a two-thirds vote in both Houses of Congress followed by ratification by three-quarters of the State legislatures. This procedure presents an extremely heavy burden to meet. The framers of the Constitution specifically wanted it this way to protect the constitutional text from constant change.

If, however, Congress relegates itself solely to the amendment process to correct judicial errors and usurpations, then the very difficulty of the amendment process will be used to protect, not the constitutional text, but distortions of it. Thus, in the face of usurping Federal judges, the amendment process would serve to subvert the Constitution rather than to protect it.

In this school prayer matter, Mr. President, the problem has arisen, not because of the text of the Constitution, but because of outright judicial distortions of that text. The text is fine, and the text never prohibited voluntary prayer in the public schools, as American history and experience before the Supreme Court's first prayer decision in 1962 so clearly attest. The text leaves the matter of school prayer, along with other matters of church-State relations, exclusively up to the States. Thus, although we could add a specific constitutional amendment on school prayer, we need not do so in order to restore this fundamental freedom.

The problem in the prayer matter, as in so many areas of constitutional law, is runaway Federal judges bent on imposing their own personal views of good public policy on the American public irrespective of the Constitution. More often than not in recent years, these views have been hostile to both the Constitution and longstanding American traditions. It is no understatement to say that American society has been radically altered in the recent past because of activist Federal judges.

Mr. President, there is at least one Federal judge in this country who has given the correct interpretation of the Constitution with respect to the first amendment and school prayer. Although his judicial brethren higher up overturned his ruling, his opinion will stand for years to come as the definitive statement of how the first amendment was actually intended to work in this area of the law.

I am referring, of course, to the decision of Judge Brevard Hand of Alabama in *Jaffree* v. *Board of School Commissioners of Mobile County,* 554 F. Supp. 1104 (S.D. Alabama 1983). It clearly demonstrates the errors of the Supreme Court in banning voluntary group prayer. I ask unanimous consent that the Hand opinion—including footnotes—and the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 213

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Voluntary School Prayer Act".

SEC. 2. (a) Chapter 81 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1260. Appellate jurisdiction; limitations

"(a) Notwithstanding the provisions of sections 1253, 1254, and 1257 of this chapter, the Supreme Court shall not have jurisdiction to review, by appeal, writ of certiorari, or otherwise, any case arising out of any State statute, ordinance, rule, regulation, practice, or any part thereof, or arising out of any act interpreting, applying, enforcing, or effecting any State statute, ordinance, rule, regulation, or practice, which relates to voluntary prayer, Bible reading, or religious meetings in public schools or public buildings.

"(b) As used herein, 'voluntary' means an activity in which a student is not required to participate by school authorities.".

(b) The section analysis of chapter 81 of title 28 is amended by adding at the end thereof the following new item:

"1260. Appellate jurisdiction; limitations.".

SEC. 3. (a) Chapter 85 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1365. Limitations on jurisdiction

"Notwithstanding any other provision of law, the district courts shall not have jurisdiction of any case or question which the Supreme Court does not have jurisdiction to review under section 1260 of this title.".

(b) The section analysis at the beginning of chapter 85 of title 28 is amended by adding at the end thereof the following new item:

"1365. Limitations on jurisdiction.".

SEC. 4. The amendments made by this Act shall take effect on the date of enactment, except that such amendments shall not apply to any case which, on such date of enactment, was pending in any court of the United States.

Ishmael Jaffree v. *The Board of School Commissioners of Mobile County*

Civ. A. No. 82-0554-H.

United States District Court, S.D. Alabama, S.D.

Jan. 14, 1983.

MEMORANDUM OPINION

HAND, Chief Judge.

Prelusion

If in the opinion of the People, the distribution for modification of the Constitutional Powers be in any particular wrong, let it be corrected by an amendment in the way in which the Constitution designates. But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Farewell Address by George Washington reprinted in R. Berger, Government by Judiciary 299 (1977).

Ishmael Jaffree, on behalf of his three (3) minor children, seeks declaratory and injunctive relief. In the original complaint Mr. Jaffree sought a declaration from the Court that certain prayer activities initiated by his children's public school teachers violated the establishment clause of the first amendment to the United States Constitution. He sought to have these prayer activities enjoined.

A trial was held on the merits on November 15-18, 1982. After hearing the testimony of witnesses, considering the exhibits, discovery, stipulations, pleadings, briefs, and legal arguments of the parties, the Court enters the following findings of fact and conclusions of law.

I. Findings of Fact

Ishmael Jaffree is a citizen of the United States, a resident of Mobile County, Alabama, and has three (3) minor children attending public schools in Mobile County, Alabama: Jamael Aakki Jaffree, Makeba Green and Chioke Saleem Jaffree.

Defendants, Annie Bell Phillips (principal) and Julia Green (teacher) are employed at Morningside Elementary School, where Jamael Aakki Jaffree attended school during the 1981-82 school year. Defendants Betty Lee (principal) and Charlene Boyd (teacher) are employed at E.R. Dickson Elementary School where Chioke Saleem Jaffree attended during the 1981-82 school year. Defendants, Emma Reed (principal) and Pixie Alexander (teacher) are employed at Craighead Elementary School where Makeba Green attended school during the 1981-82 school year. Each of these defendants is sued individually and in their official capacity. Each of the schools is part of the system of public education in Mobile County, Alabama.

Dan Alexander, Dr. Norman Berger, Hiram Bosarge, Norman Cox, Ruth F. Drago and Dr. Robert Gilliard are members of the Board of School Commissioners of Mobile County, Alabama. As commissioners, each of these defendants collectively is charged by the laws of the State of Alabama with administering the system of public instruction for Mobile County, Alabama. These defendants are sued only in their official capacity.

Dr. Abe L. Hammons is the Superintendent of Education for Mobile County, Alabama. Defendant Hammons has direct supervisory responsibilities over all principals, teachers and other employees of the Mobile County Public School System. This defendant is sued only in his official capacity.

Defendant Boyd, as early as September 16, 1981, led her class at E.R. Dickson in singing the following phrase:

God is great, God is good,
Let us thank him for our food,
Bow our heads we all are fed,
Give us Lord our daily bread.
Amen!

The recitation of this phrase continued on a daily basis throughout the 1981-82 school year.

Defendant Boyd was made aware on September 16, 1981 that the minor plaintiff, Chioke Jaffree, did not want to participate in the singing of the phrase referenced above or be exposed to any other type of religious observances. On March 5, 1982, during a parent-teacher conference, Ms. Boyd was told by Chioke's father that he did not want his son exposed to religious activity in his classroom and that, in Mr. Jaffree's opinion, the activity was unlawful. Again, on March 11, 1982, Ms. Boyd received a handwritten letter from Mr. Jaffree which again advised her that leading her class in chanting the referenced phrase was unlawful. This letter further advised Ms. Boyd that if the practice was not discontinued that he would take further administrative and judicial steps to see that it was. Finally, Ms. Boyd was made aware of the contents of a letter drafted by Mr. Jaffree, dated May 10, 1982, which had been sent to Superintendent Hammons complaining about the prayer activity in Ms. Boyd's classroom. Notwithstanding Mr. Jaffree's protestations, the recitation of the prayer continued.

Defendant Lee learned on March 8, 1982, that Mr. Jaffree had complained about the prayer activities which were being conducted in defendant Boyd's classroom. Ms. Lee directly spoke with Mr. Jaffree on March 11, 1982, and learned from him that he was opposed to the prayer activities in Ms. Boyd's class and that he felt the same to be unconstitutional. On the same day, Ms. Lee called Mr. Larry Newton, Deputy Superintendent, who informed her that the prayer activity in Ms. Boyd's class could continue on a "strictly voluntary basis."

Defendant Pixie Alexander has led her class at Craighead in reciting the following phrase:

God is great, God is good,
Let us thank Him for our food.

Further, defendant Pixie Alexander had her class recite the following, which is known as the Lord's Prayer:

Our Father, which art in heaven, hallowed be Thy name. Thy kingdom come. Thy will be done on earth as it is in heaven. Give us this day our daily bread and forgive us our debts as we forgive our debtors. And lead us not into temptation but deliver us from evil for thine is the kingdom and the power and the glory forever. Amen.

The recitation of these phrases continued on a daily basis throughout the 1981-82 school year.

Defendant Pixie Alexander learned on May 24, 1982, that Mr. Jaffree had complained, through a letter dated May 10, 1982, to defendant Hammons, about her leading her class in the above-referenced prayer activity. After Ms. Alexander learned of Mr. Jaffree's May 10, 1982 letter, she continued to lead her class in reciting the referenced phrases.

Ms Green admitted that she frequently leads her class in singing the following song:

For health and strength and daily food,
we praise Thy name, Oh Lord.

This activity continued throughout the school year, despite the fact that Ms. Green had knowledge that plaintiff did not want his child exposed to the above-mentioned song. See defendant Green's response to plaintiffs' Interrogatories Nos. 21, 22, 50 and 51.

Upon learning of the plaintiffs' concern over prayer activity in their schools, defendants Reed and Phillips consulted with teachers involved, however, neither defendant advised or instructed the defendant teachers to discontinue the complained of activity.

Prior to the 1981-82 school year, defendants Reed, Phillips, Boyd, and to a lesser extent, Green, each knew the Board of School Commissioners of Mobile County had a policy regarding religious activity in public schools. However, not one of the teachers sought or received advice from the board or the superintendent prior to the plaintiffs' initial complaint regarding whether their classroom prayer activities were consistent with the policy.

The policy on religious instruction adopted by the Board of School Commissioners of Mobile County reads as follows:

RELIGIOUS INSTRUCTION

Schools shall comply with all existing state and federal laws as these laws pertain to religious practices and the teaching of religion. This policy shall not be interpreted to prohibit teaching about the various religions of the world, the influence of the Judeo-Christian faith on our society, and the values and ideals of the American way of life.

School attendance is compulsory in the State of Alabama. Alabama Code § 16-28-3 (1975).

The complaint in this case was later amended to include allegations against Governor Fob James and various state officials. The claims against the state officials were severed, Fed.R.Civ.P. 21, and they are the subject of a separate order which the Court entered today.

This recitation of the findings of fact is not intended to be an all-inclusive statement of the facts as they were produced in this case. Because of the following opinion the Court is of the impression that the facts above-recited constitute a sufficient recitation for deciding this case. However, in the event there is a disagreement with the conclusions reached by this Court, the Court does not desire to be precluded from a further recitation of appropriate fact as may be essential to further conclusions in the case. Examples of what the Court alludes to is the factual bases for consideration of the questions of freedom of speech, whether or not secular humanism is in fact a religion, and the propriety of the free exercise of religion.

II. Conclusions of Law

A. Subject-Matter Jurisdiction

[1, 2] This action is brought under 42 U.S.C. § 1983.[1] The complaint alleges that the subject-matter jurisdiction of the Court "is evoked pursuant to Title 28, Sections 1343(3) and (4), and Sections 2201 and 2202 of the United States Code." *See* Complaint at 2 (filed May 28, 1982). Neither of the two amended complaints add anything to this jurisdiction allegation.[2]

[3, 4] The complaint alleges that rights guaranteed to the plaintiffs under the first and fourteenth amendments have been violated.[3] The subject-matter jurisdiction of a federal court over a claim arising under 42 U.S.C. § 1983 rests upon 28 U.S.C. § 1343(3). While the complaint does not allege that subject-matter jurisdiction is vested in the court under the general, federal-question jurisdictional statute, 28 U.S.C. § 1331, certainly subject-matter jurisdiction is vested under that provision since a federal district court has "original jurisdiction of all civil actions arising under the Constitution, laws, or treaties of the United States," 28 U.S.C. § 1331, exclusive of the amount-in-controversy. Thus, the Court concludes that it has subject-matter jurisdiction over the claims alleged by the plaintiffs.[4]

B. *School-Prayer Precedent*

The United States Supreme Court has previously addressed itself in many cases to the practice of prayer and religious services in the public schools. As courts are wont to say, this court does not write upon a clean

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Footnotes at end of article.

slate when it addresses the issue of school prayer.

Viewed historically, three decisions have lately provided general rules for school prayer. In *Engel* v. *Vitale*, 370 U.S. 421, 82 S.Ct. 1261, 8 L.Ed.2d 601 (1962), *Abington* v. *Schempp*, 374 U.S. 203, 83 S.Ct. 1560, 10 L.Ed.2d 844 (1963), and *Murray* v. *Curlett*, 374 U.S. 203, 83 S.Ct. 1560, 10 L.Ed.2d 844 (1963), the Supreme Court established the basic considerations. As stated, the rule is that "[t]he First Amendment has erected a wall between church and state. That wall must be kept high and impregnable. We could not approve the slightest breach." *Everson* v. *Board of Education*, 330 U.S. 1, 18, 67 S.Ct. 504, 513, 91 L.Ed. 711 (1947) (per Black, J.)

In *Engel* v. *Vitale* parents of public school students filed suit to compel the board of education to discontinue the use of an official prayer in the public schools. The prayer was asserted to be contrary to the beliefs, religions, or religious practices of the complaining parents and their children. In *Engel* the board of education, acting in its official capacity under state law, directed the principals to cause the following prayer to be said aloud by each class at the beginning of the day in each homeroom: "Almighty God, we acknowledge our dependence upon Thee, and we beg Thy blessing upon us, our parents, our teachers and our Country." 370 U.S. at 422, 82 S.Ct. at 1262. This prayer was adopted by the school board because it believed the prayer would help instill the proper moral and spiritual training needed by the students.

The parents argued that the school board violated the establishment clause of the first amendment when it directed that this prayer be recited in the public schools. The first amendment provides, in relevant part, that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof. . . ." U.S. Const. amend. I. The Supreme Court found "that by using its public school system to encourage recitation of the Regent's prayer, the State of New York ha[d] adopted a practice wholly inconsistent with the Establishment Clause." *Id.* at 422, 82 S.Ct. at 1262. The Court found this prayer to be a religious activity. The prayer constituted "a solemn avowal of divine faith and supplication for the blessing of the Almighty. The nature of such prayer has always been religious . . ." *Id.* at 424-25, 82 S.Ct. at 1264-65. The Court noted that "[i]t [wa]s a matter of history that this very practice of establishing governmentally composed prayers for religious services was one of the reasons which caused many of our early colonists to leave England and seek religious freedom in America." *Id.* at 425, 82 S.Ct. at 1264. Therefore, according to the Court, the prayer "breache[d] the constitutional wall of separation between Church and State." *Id.*

Citing historical documents, the Court observed that

> [b]y the time of the adoption of the Constitution, our history shows that there was a widespread awareness among many Americans of the danger of a union of Church and State. These people knew, some of them from bitter personal experience, that one of the greatest dangers to the freedom of the individual to worship in his own way lay in the Government's placing its official stamp of approval upon one particular kind of prayer or one particular form of religious services. . . . The First Amendment was added to the Constitution to stand as a guarantee that neither the power nor the prestige of the Federal Government would be used to control, support, or influence the kinds of prayer the American people can say—that the people's religions must not be subjected to the pressures of government or change each time a new political administration is elected to office. Under the Amendment's prohibition against governmental establishment of religion, *as reinforced by the prohibitions of the Fourteenth Amendment, government in this country, be it state or federal*, is without power to prescribe by law any particular form of prayer which is to be used as an official prayer in carrying on any program of governmentally sponsored religious activity.

Id. at 429-30, 82 S.Ct. at 1266 (emphasis added).

The assertion by the Court that the establishment clause of the first amendment applied to the states was unaccompanied by any citation to authority. This conclusion was reached supposedly upon its examination of historical documents.

In dissent, Mr. Justice Stewart argued that the majority in *Engel* misinterpreted the first amendment. As Mr. Justice Stewart saw it, an official religon was not established by letting those who wanted to say a prayer say it. To the contrary, Mr. Justice Stewart thought "that to deny the wish of those school children to join in reciting this prayer is to deny them the opportunity of sharing in the spiritual heritage of our Nation." *Id.* at 445, 82 S.Ct. at 1274-75. As Mr. Justice Stewart saw the problem, our country is steeped in a history of religious tradition. That religious tradition is reflected in countless practices common in our institutions and governmental officials. For instance, the United States Supreme Court has always opened each day's session with the prayer "God save the United States and this Honorable Court." *Id.* at 446, 82 S.Ct. at 1275. Each President of the United States has, upon assuming office, sworn an oath to God to properly execute his presidential duties. Our national anthem, "The Star-Spangled Banner," contains these verses:

Blest with the victory and peace, may the heav'n rescued land
Praise the Pow'r that hath made and preserved us a nation!
Then conquer we must, when our cause it is just,
And this be our motto "In God is our Trust."

Id. at 449, 82 S.Ct. at 1277. The Pledge of Allegiance to the Flag contains the words "one Nation *under* God, indivisible, with liberty and justice for all." *Id.* (emphasis in original). Congress added this in 1954. Mr. Justice Stewart believed that the Regent's prayer in New York had done no more than "to recognize and to follow the deeply enriched and highly cherished spiritual traditions of our Nation—traditions which came down to us from those who almost two hundred years ago avowed their 'firm Reliance on the Protection of divine Providence' when they proclaimed the freedom and independence of this brave new world." *Id.* at 450, 82 S.Ct. at 1277.

Following the decision by the Supreme Court in *Engel*, the Court decided *Abington* v. *Schempp* and *Murray* v. *Curlett*. In *Abington*, a state law in Pennsylvania required that

> [a]t least ten verses from the Holy Bible shall be read, without comment, at the opening of each public school on each school day. Any child shall be excused from such Bible reading, or attending such Bible reading, upon the written request of his parent or guardian.

374 U.S. 205, 83 S.Ct. 1562. The Schempp family, husband and wife and two of their three children, brought suit to enjoin enforcement of this statute. The Schempps contended that their rights under the fourteenth amendment of the United States Constitution were being violated.

Each morning at the Abington Senior High School between 8:15 a.m. and 8:30 a.m., while students were attending their homerooms, selected students would read ten verses from the Holy Bible. These Bible readings were broadcast to each room in the school building. Following the Bible readings the Lord's Prayer was recited. As with the Bible readings, the Lord's Prayer was broadcast throughout the building. Following the Bible readings and the Lord's Prayer, a flag salute was performed. Participation in the opening exercises, as directed by the Pennsylvania statute, was voluntary.

No prefatory statement, no questions, no comments, and no explanations were made at or during the exercises. Students and parents were advised that any student could absent himself from the classroom or, should he elect to remain, not participate in the exercises.

In *Murray* v. *Curlett*, the Board of School Commissioners of Baltimore City adopted a rule which "provided for the holding of opening exercises in the schools of the city, consisting primarily of 'reading, without comment, of a chapter in the Holy Bible and/or the use of the Lord's Prayer.'" 374 U.S. at 211, 83 S.Ct. at 1565. An athiest, Mrs. Madalyn Murray, objected to the Bible reading and the recitation of the Lord's Prayer. After receiving the objection the board specifically provided that the Bible reading and the use of the Lord's Prayer should be conducted without comment and that any child could be excused from participating in the opening exercises or from attending them upon the written request of his parent or guardian.

Because of the similarity of the issues in both the *Abington* case and the *Murray* case the Supreme Court consolidated both cases on appeal and decided them together. The Court recognized that "[i]t is true that religion has been closely identified with our history and government. . . . "The history of man is inseparable from the history of religion. And . . . since the beginning of that history many people have devoutly believed that "More things are wrought by prayer than this world dreams of."'" *Abington School District* v. *Schempp*, 374 U.S. at 212-13, 83 S.Ct. at 1566 (quoting *Zorach* v. *Clauson*, 343 U.S. 306, 313, 72 Ct. 679, 683, 96 L.Ed. 954 (1952). Notwithstanding this recognition by the Court that the early history of this country, together with the history of man, was inseparable from religion the Court found the Bible reading and the recitation of the Lord's Prayer to be an unconstitutional abridgement of the first amendment prohibition that "Congress shall make no law respecting the establishment of religion, or prohibiting the free exercise thereof . . . . " U.S. Const. amend. I.

The Court noted that the first amendment prohibited more than governmental preference of one religion over another. Rather, the first amendment was intended "'to create a complete and permanent separation of the spheres of religious activity in civil authority by comprehensively forbidding every form of public aid or support for religion.'" Id. 374 U.S. at 217, 83 S.Ct. at 1568 (quoting *Everson* v. *Board of Educa-*

tion, 330 U.S. 31-2, 67 S.Ct. 519 (1947)). The Court reviewed several of its precedents which touched on the establishment of religion, and concluded that "'[t]here cannot be the slightest doubt that the First Amendment reflects the philosophy that Church and State should be separated. And so far as interference with the "free exercise" of religion and an "establishment" of religion are concerned the separation must be complete and unequivocal. The First Amendment within the scope of its coverage permits no exception; the prohibition is absolute.'" *Id.* 374 U.S. at 219-20, 83 S.Ct. at 1569-70 (quoting *Zorach* v. *Clauson*, 343, U.S. 306, 312, 72 S.Ct. 679, 683, 96 L.Ed. 954 (1952)). The Court in *Abington* reasoned from its own precedent rather than independently reviewing the historical foundation of the first and the fourteenth amendments. The Court held that the Bible reading and the recitation of the Lord's Prayer in both cases were religious exercises. The "rights," *id.* at 224, 83 S.Ct. at 1572, of the plaintiffs were being violated. The religious character of the Bible reading and the recitation of the Lord's Prayer were not mitigated by the fact that students were allowed to absent themselves from their homerooms upon request of their parents. "The breach of neutrality that is today a trickling stream may all too soon become a raging torrent . . . ." *Id.* at 225, 83 S.Ct. at 1573.

The principles enunciated in *Engel* v. *Vitale*, *Abington* v. *Schempp*, and *Murray* v. *Curlett* have been distilled to this: "To pass muster under the Establishment Clause, the governmental activity must, first, reflect a clearly secular governmental purpose; second, have a primary effect that neither advances nor inhibits religion; and third, avoid excessive government entanglement with religion. *Committee for Public Education & Religious Liberty* v. *Nyquist*, 413 U.S. 756, 773, 93 S.Ct. 2955, 2965, 37 L.Ed.2d 948 (1973)." *Hall* v. *Board of School Commissioners*, 656 F.2d 999, 1002 (5th Cir.1981). "If a statute [or official administrative directive] violates *any* of these three principles, it must be struck down under the Establishment Clause." *Stone* v. *Graham*, 449 U.S. 39, 101 S.Ct. 192, 193, 66 L.Ed.2d 199 (1980) (holding that a Kentucky statute requiring posting of a copy of Ten Commandments on walls of each public school classroom in the state had pre-eminent purpose which was plainly religious in nature, and statute was thus violative of establishment clause and that avowed secular purpose was not sufficient to avoid conflict with first amendment; emphasis added).

Indeed, in this circuit, prayer in public schools is per se unconstitutional. "Prayer is an address of entreaty, supplication, praise, or thanksgiving directed to some sacred or divine spirit, being, or object. That it may contemplate some wholly secular objective cannot later the inherently religious character of the exercise." *Karen B.* v. *Treen*, 653 F.2d 897, 901 (5th Cir.1981).

In sum, under present rulings the use of officially-authorized prayers or Bible readings for motivational purposes consititutes a direct violation of the establishment clause. Through a series of decisions, the courts have held that the establishment clause was designed to avoid any official sponsorship or approval of religious beliefs. Even though a practice may not be coercive, active support of a particular belief raises the danger, under the rationale of the Court, that state-approved religious views may be eventually established.

Although a given prayer or practice may not favor any one sect, the principle of neutrality in religious matters is violated under these decisions by any program which places tacit government approval upon religious views or practices. While the purpose of the program might be neutral or secular, the effect of the program or practice is to give government aid in support of the advancement of religious beliefs. Thus the programs are held invalid without any consideration as whether they excessively entangle the state in religious affairs.

In contrast, the Supreme Court has permitted the use of the Bible in a literature course where the literary aspects of the Bible are emphasized over its religious contents. *Abington School District* v. *Schempp*, 364 U.S. 203, 225, 83 S.Ct. 1560, 1573, 10 L.Ed.2d 844 (1963). So long as the study does not amount to prayer or the advancement of religious beliefs, a teacher may discuss the literary aspects of the Bible in a secular course of study. Finally, the Supreme Court permits religious references in official ceremonies, including some school exercises, on the basis that these references are part of our secularized traditions and thus will not advance religion. *Engel* v. *Vitale*, 370 U.S. 421, 435 n. 21, 82 S.Ct. 1261, 1269 n. 21, 8 L.Ed.2d 601 (1962).

In the face of this precedent the defendants argue that school prayers as they are employed are constitutional. The historical argument which they advance takes two tacks. First, the defenants urge that the first amendment to the U.S. Constitution was intended only to prohibit the *federal government* from establishing a *national* religion. Read in its proper historical context, the defendants contend that the first amendment has no application to the states. The intent of the drafters and adoptors of the first amendment was to prevent the establishment of a national church or religion, and to prevent any single religious sect or denomination from obtaining a preferred position under the auspices of the federal government.

The corollary of this historical intent, according to the defendants, was to allow the states the freedom to address the establishment of religions as an individual prerogative of each state. Stated differently, the election by a state to establish a religion within its boundaries was intended by the framers of the Constitution to be a power reserved to the several states.

Second, the defendants argue that whatever prohibitions were initially placed upon the federal government by the first amendment that those prohibitions were not incorporated against the states when the fourteenth amendment became law on July 19, 1868. The defendants have introduced the Court to a mass of historical documentation which all point to the intent of the Thirty-ninth Congress to narrowly restrict the scope of the forteenth amendment. In particular, these historical documents, according to the defendants, clearly demonstate that the first amendment was never intended to be incorporated through the fourteenth amendment to apply against the states. The Court shall examine each historical argument in turn.

In the alternative, the defendant-intervenors argue that if the first amendment does bar the states from establishing a religion then the Mobile County schools have established or are permitting secular humanism, *see infra* note 41 (discussion of secular humanism), to be advanced in the curriculum and being a religion, it must be purged also. Such a purge, maintain the defendant-intevenors, is nigh impossible because such teachings have become so entwined in every phase of the curriculum that it is like a pervasive cancer. If this must continue, say the defendant-intervenors, the only tenable alternative is for the public schools to allow the alternative religious views to be presented so that the students might better make more meaningful choices.

C. First Amendment as Forbidding Absolute Separation [5]

"[T]he real object of the [F]irst amendment was not to countenance, much less to advance Mohammedanism, or Judaism, or infidelity, by prostrating Christianity, but to exclude all rivalry among *Christian* sects and to prevent any *national* ecclesiastical establishment which would give to an hierarchy the exclusive patronage of the *national* government.'" [6] The establishment clause was intended to apply only to the federal government. Indeed when the Constitution was being framed in Philadelphia in 1787 many thought a bill of rights was unnecessary. It was recognized by all that the federal government was the government of enumerated rights. Rights not specifically delegated to the federal government were assumed by all to be reserved to the states. Anti-Federalists, however, insisted upon a Bill of Rights as additional protection against federal encroachment upon the rights of the states and individual liberties. Excerpted testimony of James McClellan at 5—6 (trial testimony).

The federalists, who were the proponents of the Constitution, acceded to the demand of the Anti-Federalists for a Bill of Rights since, in the opinion of all, nothing in the Bill of Rights changed the terms of the original understanding of the federal convention. It was thought by all that the Bill of Rights simply made express what was already understood by the convention: namely, the federal government was a government of limited authority and that authority did not include matters of civil liberty such as freedom of speech, freedom of the press, and freedom of religion. *Id.* at 8—12.

The prohibition in the first amendment against the establishment of religion gave the states, by implication, full authority to determine church-state relations within their respective jurisdictions. "Thus the establishment clause actually had a dual purpose: to guarantee to each *individual* that Congress would not impose a national religion, and to each *state* that it was free to define the meaning of religious establishment under its own state constitution and laws. The federal government, in other words, simply had no authority over the states respecting the matter of church-state relations." [7]

At the beginning of the Revolution established churches existed in nine of the colonies. Maryland, Virginia, North Carolina, South Carolina, and Georgia all shared Anglicanism as the established religion common to those colonies. See McClellan, *supra* note 6, at 300. Congregationalism was the established religion in Massachusetts, New Hampshire and Connecticut. New York, on the other hand, allowed for the establishment of Protestant religions.[8] Three basic patterns of church-state relations dominated in the late eighteenth century. In most of New England there was the quasi-establishment of a specific Protestant sect. Only in Rhode Island and Virginia were all religious sects disestablished. "But all of the states still retained the Christian religion as the foundation stone of their social, civil and political institutions. Not even Rhode Island and Virginia renounced Christianity, and both states continued to respect and acknowledge the Christian religion in their system of laws."[9] At the time the Constitution was adopted ten of the fourteen states refused to prefer one Protestant sect over another. Nonetheless, these states placed Protestants in a preferred status over Catholics, Jews, and Dissenters.[10]

The pattern of church-state relations in new states entering the Union after 1789 did not differ substantially from that in the original fourteen. By 1860—and the situation did not radically change for the next three quarters of a century—the quasi-establishment of a specific Protestant sect had everywhere been rejected; quasi-establishment of the Protestant religion was abandoned in most but not all of the states; and the quasi-establishment of the Christian religion still remained in some areas. A new pattern of church-state relations, the multiple or quasi-establishment of all religions in general, i.e., giving all religious sects a preferred status over disbelievers (the No Preference Doctrine) became widespread throughout most of the Union. Thus at the turn of the century, for example, no person who denied the existence of God could hold office in such states as Arkansas, Mississippi, Texas, North Carolina, or South Carolina.[11]

[5] The first amendment in large part was a guarantee to the states which insured that the states would be able to continue whatever church-state relationship existed in 1791. Excerpted testimony of James McClellan at 13 (from trial).

D. Washington, Madison, Adams, and Jefferson

The drafters of the first amendment understood the first amendment to prohibit the federal government only from establishing a national religion. Anything short of the outright establishment of a national religion was not seen as violative of the first amendment. For example, the federal government was free to promote various Christian religions and expand monies in an effort to see that those religions flourished. This was not seen as violating the establishment clause. R. Cord, *Separation of Church and State* 15 (1982).

The intent of the framers of the first amendment can be understood by examining the legislative proposals offered contemporaneously with the debate and adoption of the first amendment. For instance, one of the earliest acts of the first House of Representatives was to elect a chaplain. James Madison was a member of the congressional committee who recommended the chaplain system. On May 1, 1789 the House elected as chaplain, the Reverend William Linn. $500.00 was appropriated from the federal treasury to pay his salary. Even though the first amendment did not become part of the Constitution until 1791, had James Madison believed in the absolute separation of Church and State as some historians have attributed to him, James Madison would certainly have objected on this principle alone to the election of a chaplain.[12] At the Constitutional Convention on June 28, 1787 Dr. Benjamin Franklin suggested that a morning prayer might speed progress during the debates. Franklin told the Convention and its President, George Washington, that he had lived a long time. The longer he lived the more persuaded he was "that God Governs in the affairs of men."[13] Franklin "therefore beg[ged] leave to move—that henceforth prayers imploring the assistance of Heaven, and its blessings on our deliberations, be held in this Assembly every morning before we proceed to business, and that one or more of the clergy of this City be requested to officiate in that Service—"[14] Franklin's motion was not adopted for political reasons. Alexander Hamilton and others thought that the motion might have been proper at the beginning of the convention but that if the motion were adopted during the convention the public might believe that the convention was near failure. For this reason, which was wholly political, the issue was resolved by adjournment without any vote being taken.[15]

Presidential proclamations, endorsed by Congressman James Madison when Washington was President, dealing with Thanksgiving, fasting, and prayer are all important in understanding Madison's views on the proper role between church and state.[16] Congress proposed a joint resolution on September 24, 1789, which was intended to allow the people of the United States an opportunity to thank Almighty God for the many blessings which he had poured down upon them. The resolution requested that President George Washington recommend to the citizens of the United States a day of public thanksgiving and prayer. Congress intended that the people should thank Almighty God for affording them an opportunity to establish this country.[17] This proclamation was submitted to the President the very day after Congress had voted to recommend to the states the final text of what was to become the first amendment to the United States Constitution.[18] As President, Madison issued four prayer proclamations. Excerpted testimony of James McClellan at 19.

Thomas Jefferson is often cited along with James Madison as a person who was absolutely committed to the separation of church and state. The historical record, however, does not bear out this conclusion.

While Jefferson undoubtedly believed that the church and the state should be separate, his actions in public life demonstrate that he did not espouse the absolute separation evidenced in the modern decisions by the United States Supreme Court. For example, on October 31, 1803, President Jefferson proposed to the United States Senate a treaty with the Kaskaskia Indians which provided that federal money was to be used to support a Catholic priest and to build a church for the ministry of the Kaskaskia Indians. The treaty was ratified on December 23, 1803. As Professor Cord points out in his book,[19] President Jefferson could have avoided the explicit appropriation of funds to support a Catholic priest and a Catholic church by simply leaving a lump sum in the Kaskaskia treaty which could have been used for that purpose. However, President Jefferson was not at all reluctant—for ought that appears on the historical record—to specifically appropriate money for a Catholic mission.

Unlike Presidents Washington, Madison, and Adams, when Jefferson was President he broke with the tradition of issuing executive religious proclamations. In Jefferson's view the establishment clause and the federal division of power between the national government and the states foreclosed executive religious proclamations. While refusing to issue executive religious proclamations, President Jefferson recognized that "no power to prescribe any religious exercise, or to assume authority in religious discipline, has been delegated to the General Government. It must then rest with the States, as far as it can be in any human authority."[20] Thus, of the first four Presidents, all of whom were close to the adoption of the Federal Constitution and the first amendment, only President Jefferson did not issue executive religious proclamations, and only President Jefferson thought that executive religious proclamations were not constitutional.

But even President Jefferson signed into law bills which provided federal funds for the propagation of the gospel among the Indians.[21] Based upon this historical record Professor Cord concludes that Jefferson, even as President, did not interpret the establishment clause to require complete independence from religion in government.

In sum, while both Madison and Jefferson led the fight in Virginia for the separation of church and state, both believed that the first amendment only forbade the establishment of a state religion by the *national* government. "Jefferson was neither at the Constitutional Convention nor in the House of Representatives that framed the First Amendment. The two Presidents who were at the Convention, Washington and Madison, and the President who framed the initial draft of the First Amendment in the House of Representatives, James Madison, issued Thanksgiving Proclamations."[22] The Court agrees with the studied conclusions of Dr. Cord that "it should be clear that the traditional interpretation of Madison and Jefferson is historically faulty if not virtually unfounded. . . ."[22]

One thing which becomes abundantly clear after reviewing the historical record is that the founding fathers of this country and the framers of what became the first amendment never intended the establishment clause to erect an absolute wall of separation between the federal government and religion. Through the chaplin system, the money appropriated for the education of Indians, and the Thanksgiving proclamations, the federal government participated in secular Christian activities. From the beginning of our country, the high and impregnable wall which Mr. Justice Black referred to in *Emerson* v. *Board of Eduction,* 330 U.S. 1, 18 67 S.Ct. 504, 513, 91 L.Ed. 711 (1947), was not as high and impregnable as Justice Black's revisionary literary flourish would lead one to believe.

Yet, despite all of this historical evidence, only last month the Supreme Court wrote that the purpose of the first amendment is twofold: to foreclose state interference with the practice of religious faiths, and to foreclose the establishment of a state religion familiar in other Eighteenth Century systems. Religion and government, each insulated from the other, could then coexist, *Jefferson's idea of a "wall," see Reynolds* v. *United States,* 98 U.S. (8 Otto) 145, 164 [25 L.Ed. 244] (1878), *quoting* Reply from Thomas Jefferson to an address by a committee of the Danbury Baptist Association (January 1, 1802), *reprinted in* 8 Works of Thomas Jefferson 112 (Washington ed. 1861), *was a useful figurative illustration* to emphasize the concept of separateness. Some limited and incidental entanglement between church and state authority is inevitable in a complex modern society, *see, e.g., Lemon* v. *Kurtzman,* 403 U.S. 602, 614 [91 S. Ct. 2105, 29 L.Ed.2d 745] (1971); *Walz* v. *Tax Commission,* 397 U.S. 664, 670 [90 S.Ct. 1409, 1412, 25 L.Ed.2d 697] (1970), *but the concept of a "wall" of separation is a signpost.*

Larkin v. *Grendel's Den, Inc.*, —— U.S. ——, ——, 103 S.Ct. 505, 510, 74 L.Ed.2d 297 (1982) (emphasis added). Enough is enough. Figurative illustrations should not serve as a basis for deciding constitutional issues.

[6] For this Court, Professor Robert Cord, *see supra* note 5, irrefutably established that Thomas Jefferson's address to the Danbury Baptist Association cannot be relied upon to support the conclusion that Jefferson believed in a *wall* between church and state. "By this phrase Jefferson could only have meant that the 'wall of separation' was erected 'between Church and State' in regard to possible federal action such as a law establishing a national religion or prohibiting the free exercise of worship." *Id.* at 115. Overall the conduct of Thomas Jefferson was consistent with the conclusion that he believed, like all the other drafters of the Constitution and the Bill of Rights, that the states were free to establish religions as they saw fit.[24]

E. First Amendment as Applied to the States

[7, 8] As has been seen up to this point the establishment clause, as ratified in 1791, was intended only to prohibit the federal government from establishing a national religion. The function of the establishment was two-fold. First, it guaranteed to each individual that Congress would not impose a national religion. Second, the establishment clause guaranteed to each state that the states were free to define the meaning of religious establishment under their own constitutions and laws.

The historical record clearly establishes that when the fourteenth amendment was ratified in 1868 that its ratification did not incorporate the first amendment against the states. The debates in Congress at the time the fourteenth amendment was being drafted, the re-election speeches of the various members of Congress shortly after the passage by Congress of the fourteenth amendment, the contemporaneous newspaper stories reporting the effect and substance of the fourteenth amendment; and the legislative debates in the various state legislatures when they considered ratification of the fourteenth amendment indicate that the amendment was not intended to apply the establishment clause against the states because the fourteenth amendment was not intended to incorporate the federal Bill of Rights (the first eight amendments) against the states.

At the beginning the Court should acknowledge its indebtedeness to Professor Charles Fairman, then a professor of law in Political Science at Stanford University, for the scholarly article which he published in 1949.[25] Professor Fairman examined in detail the historical evidence which Mr. Justice Black relied upon in *Adamson* v. *California*, 332 U.S. 46, 47, 67 S.Ct. 1672, 1673, 91 L.Ed. 1903 (1947), where Mr. Justice Black concluded that the historical events that culminated in the adoption of the fourteenth amendment demonstrated persuasively that one of the chief objects of the fourteenth amendment was to make the Bill of Rights applicable to the states.[26]

1. Debates

The paramount consideration in defining the scope of any constitutional provision or legislative enactment is to ascertain the intent of the legislature. The intention of the legislature may be evidenced by statements of the leading proponents.[27] If statements of the leading proponents are found, those statements are to be regarded as good as if they were written into the enactment. "The intention of the lawmaker is the law." *Hawaii* v. *Mankichi*, 190 U.S. 197, 212, 23 S.Ct. 787, 788, 47 L.Ed. 1016 (1903).

Looking back, what evidence [i]s there . . . to sustain the view that Section 1 was intended to incorporate Amendments I to VIII? [C]ongressman Bingham . . . did a good deal of talking about "immortal bill of rights" and one spoke of "cruel and usual punishments." Senator Howard, explaining the new privileges and immunities clause, said that it included the privileges and immunities of Article IV, Section 2—"whatever they may be"—and also "the personal rights guarantied [*sic*] and secured by the first eight amendments . . ." That is all. The rest of the evidence bore in the opposite direction, or was indifferent. Yet one reads in Justice Black's footnotes that, [*Adamson* v. *California*, 332 U.S. 46, 72 n. 5 [67 S.Ct. 1672, 1686 n. 5, 91 L.Ed. 1903] (1947)],

A comprehensive analysis of the historical origins of the Fourteenth Amendment, Flack, The Adoption of the Fourteenth Amendment (1908), 94, concludes that "Congress, the House and the Senate, had the following objects and motives in view for submitting the first section of the Fourteenth Amendment to the States for ratification:

1. To make the Bill of Rights (the first eight Amendments) binding upon, or applicable to, the States.
2. To give validity to the Civil Rights Bill.
3. To declare who were citizens of the United States.

We have been examining the same materials as did Flack, and have quoted far more extensively than he. How can he on that record reach the conclusion that Congress proposed by Section 1 to incorporate Amendments I to VIII?

Fairman, *Does the Fourteenth Amendment Incorporate the Bill of Rights,* 2 Stan.L. Rev. at 65-666 (1949). Professor Flack explained that the incorporation was based upon remarks of Congressman Bingham and Senator Howard at the time the Thirty-ninth Congress voted upon the fourteenth amendment. only those two said anything which could be construed as suggesting the result reached by Justice Black and the modern Supreme Court decisions.

Throughout the debates in the House over the meaning of the fourteenth amendment Professor Fairman shows convincingly that Congressman Bingham had no clear concept of what exactly would be accomplished by the passage of the fourteenth amendment. The explanations offered by Congressman Bingham to his colleagues were inconsistent and contradictory.[28]

Together with Congressman Bingham's statements which suggested incorporation were remarks by Senator Howard. Senator Howard spoke with more preciseness than Congressman Bingham. Thus, his interpretation carries much greater weight than that of Congressman Bingham. Yet, because of the circumstances under which he spoke, his statements are subject to question when held out as representative of the majority viewpoint. By sheer chance Senator Howard acted as spokesman for the joint committee when explaining the purpose of the fourteenth amendment to the Senate. The joint committee had been chaired by Senator Fessenden. Chairman Fessenden became sick suddenly and Senator Howard thus became the spokesman for the Joint Committee. "Up to this point [Senator Howard's] participation in the debates on the Civil Rights Bill and the several aspects of the Amendment had been negligible. Poles removed from Chairman Fessenden, who 'abhorred' extreme radicals, Howard . . . was 'one of the most . . . reckless of the radicals,' who had 'served consistently in the vanguard of the extreme Negrophiles.'"[29] Professor Raoul Berger notes with some sarcasm that it is odd that a radical such as Senator Howard should be taken as speaking authoritatively for a committee in which the conservatives outnumbered the radicals and where there was a strong difference of opinion between the radicals and the conservatives. R. Berger, *supra* note 26, at 147.

On May 23, 1866, Senator Howard rose in the Senate, referred to the illness of Fessenden, and stated that he would "present 'the views and the motives which influenced the committee, so far as I understand [them].' After reading the privileges and immunities listed in *Corfield* v. *Coryell*, [6 Fed. Cas. 546, No. 3230 (C.C.E.D.Pa. 1823),] he said, 'to these privileges and immunities . . . should be added the personal rights guaranteed and secured by the first eight amendments.' That is the sum and substance of Howard's contribution to the 'incorporation' issue."[30]

Raoul Berger notes in his analysis of the incorporation question that the remark of Senator Howard was tucked away in the middle of a long speech, that Howard was a last minute substitution for the majority chairman, that Howard was in the minority on the committee, and that after Howard was through speaking Senator Poland stated that the fourteenth amendment secured nothing beyond what was intended in the original privileges and immunities clause of Article IV Section 2. R. Berger, *supra* note 26, 148-49. Senator Doolittle followed Senator Poland with some additional remarks which were designed to reassure those whose votes had already been won in favor of passage of the fourteenth amendment that indeed the amendment was limited to known objectives, which objectives were not intended to encompass the federal Bill of Rights.

The scholarly analyses of Professors Fairman and Berger persuasively show that Mr. Justice Black misread the congressional debate surrounding the passage of the fourteenth amendment when he concluded that Congress intended to incorporate the federal Bill of Rights against the states. *See infra* p. 42-44 (discussion of Blaine Amendment). So far as Congress was concerned, after the passage of the fourteenth amendment the states were free to establish one Christian religion over another in the exercise of their prerogative to control the establishment of religions.

2. Popular Understanding

An examination of popular sentiment across the country reveals that the nation as a whole did not understand the adoption of the fourteenth amendment to incorporate the federal Bill of Rights against the states. Inferentially, that is to say that the people understood that each state was free to continue to support one Christian religion over another as the people of that state saw fit to do. The leading constitutional scholar upon whom Justice Black relied in *Adamson* v. *California*,

Mr. Flack[,] examined a considerable number of Northern newspapers and reported (an admission against the thesis he was defending) the following observation: "There does not seem to have been any statement at all as to whether the first eight Amendments were to be made applicable to the States or not . . . ." Presumably this excluded the press reports of May 24 on

Senator Howard's speech of the 23d: for the *New York Herald* and the *New York Times*, which Mr. Flack had before him, did quote in full the passage where it said that the personal rights guaranteed by the first eight amendments were among the "privileges and immunities."

Other newspaper files have been examined in preparing the [article of Professor Fairman] and no instance has been found to vary what has been set out above.

Fairman, *supra* note 25, at 68 (footnotes omitted).[31]

Charles Fairman quotes at length from the campaign speeches of five senators who, presumably, heard Senator Howard's speech of May 23, 1866. Not one of the senators mentioned anything about the Bill of Rights when commenting to the electorate about Section 1. Likewise, the five Republicans, including Congressman Bingham, never mentioned that the privileges and immunities clause would impose the federal Bill of Rights upon the states. Along with Professor Fairman, the Court takes the historical record to conclusively show that the general understanding of the nation at large, as illustrated by contemporaneous newspaper reports, demonstrates that the people of this country did not understand the fourteenth amendment to incorporate the establishment clause of the first amendment against the states.

3. Campaign Speeches

After the submission of the fourteenth amendment to the states of June 16, 1866 the members of the Thirty-ninth Congress began to busy themselves with the prospect of re-election in the fall. The statements which the members of Congress made during their campaign speeches are certainly relevant in ascertaining the intent of the Thirty-ninth Congress with regard to the scope and effect of the fourteenth amendment. All of these speeches were contemporaneous expressions of the intent of Congress. Professor Fairman provides many instances of speeches made on the campaign hustings. *See generally*, Fairman, *supra* note 25, at 68-78. None of the members of Congress indicated in their campaign speeches that the fourteenth amendment was intended to incorporate the federal Bill of Rights against the states. The general consensus with regard to the effect of the fourteenth amendment was that it covered the same ground as the Civil Rights Act of 1866. *Id.* at 72 (remarks of Senator Lyman Trumbull, the sponsor of the Civil Rights Bill).

4. State-Legislative Debates

The fourteenth amendment was submitted to the states for their ratification on June 16, 1866. By June, 1867, twelve legislatures had ratified the amendment. By July 28, 1868 the fourteenth amendment had been promulgated.

Professor Fairman combed the relevant legislative materials to see exactly what each state legislature thought the effect of the fourteenth amendment would be. Along with Fairman, the Court finds it important to note not only what was said but what was not said. Had the fourteenth amendment been understood to incorporate the federal Bill of Rights against the states in many instances states would have been required to make radical changes. For instance, it was frequent in many states for people to be prosecuted for felonies without an indictment from a grand jury. It was equally common for a jury of less than twelve people to sit in judgment in a felony prosecution. Some states failed to preserve the right to a jury trial and suits at common law where the amount in controversy exceeded $20.00.

The Court will not repeat Professor Fairman's analysis in each state. Only a few states need to be highlighted to convey the popular understanding of the effect of the fourteenth amendment upon the right of states to establish a religion. In New Hampshire, only five months after the promulgation of the fourteenth amendment—in December, 1868—the Supreme Court of New Hampshire had occasion to interpret a provision of the state constitution which provided that the legislature could "authorize towns, parishes, and religious societies 'to make adequate provision . . . for the support and maintenance of public Protestant teachers of piety, religion, and morality.'"[32] Moreover, Article VI of the Bill of Rights from the New Hampshire Constitution encouraged "the public worship of the diety . . . ." The question before the Supreme Court of New Hampshire was whether certain parishioners of the First Unitarian Society of Christians in Dover could fire the preacher. The preacher had begun using text from Emerson interchangeably with text from the Bible. While Wardens of the church supported the preacher, certain pew owners were outraged. The pew owners sought an injunction restraining the preacher from occupying the meeting house. The trial court granted relief.

On appeal, in a 276-page report neither the opinion of the court nor the dissent made a single reference to the fourteenth amendment. Both opinions, however, had much to say about New Hampshire's policy in ecclesiastical matters. The opinion of the court referred to the first amendment and quoted Story's *Commentaries:*

[T]he whole power over the subject of religion is left exclusively to the State governments, to be acted upon according to their own sense of justice and the State constitutions . . . .

Probably at the time of the adoption of the amendment now under consideration, the general if not the universal sentiment in America was, that Christianity ought to receive encouragement from the state, so far as not incompatible with the private rights of conscience and the freedom of religious worship.

Fairman, supra note 25, 87 (citations omitted).

As Professor Fairman notes: "[I]n December 1868—five months after the promulgation of the Fourteenth Amendment—the New Hampshire court regarded the matter of an establishment of religion as being still 'left exclusively to the State governments.'" *Id.*

[9] The historical record shows without equivocation that none of the states envisioned the fourteenth amendment as applying the federal Bill of Rights against them through the fourteenth amendment. It is sufficient for purposes of this case for the Court to recognize, and the Court does so recognize, that the fourteenth amendment did not incorporate the establishment clause of the first amendment against the states.[33]

5. Supreme Court Decisions

Decisions by the United States Supreme Court rendered contemporaneously with the ratification of the fourteenth amendment indicate that the Court did not perceive the fourteenth amendment to incorporate the federal Bill of Rights against the states. In *Twitchell* v. *Pennsylvania*, 74 U.S. (7 Wall.) 321, 19 L.Ed. 223 (U.S. 1869), the Supreme Court held that the fifth and sixth amendments of the Constitution do not apply to the states. This holding was consistent with the earlier, well-known holding in *Barron* v. *Baltimore*, 32 U.S. (7 Peters) 243, 8 L.Ed. 672 (1833).

In *Barron* v. *Baltimore* the question presented to the court was whether the City of Baltimore was required to compensate Barron under the fifth amendment for the taking of his property for public purposes. When the City of Baltimore paved some streets, streams of water had been diverted in the vicinity of Barron's wharf. The water had deposited large amounts of sand around the wharf. The sand deposits made these waters too shallow for ocean-going ships to load and unload cargo at the wharf. Chief Justice John Marshall held that Barron's claim raised no appropriate federal question because the fifth amendment was a constitutional limitation applied only against the federal government.[34]

Another decision of the United States Supreme Court, decided in 1870, recognized that the federal Bill of Rights did not control the states.[35] After much deliberation over the question whether jury findings made in state court were reviewable in federal court, the Supreme Court noted that it was "admitted" that the limitations of the seventh amendment[36] did not apply to the states.

F. Blaine Amendment

The discussion up to this point has focused upon the incorporation of the federal Bill of Rights generally through the fourteenth amendment. Events which postdated the adoption of the fourteenth amendment show that the lawmakers of the Thirty-ninth Congress did not intend that the establishment clause would become binding upon the states with the ratification of the fourteenth amendment. "'[A] conclusive argument against the incorporation theory, at least as respects the religious provisions of the First Amendment, is the "Blaine Amendment" proposed in 1875.'" McClellan, *Christianity and the Common Law*, in Joseph Story and the American Constitution 118, 154 (1971) (quoting O'Brien, *Justice Reed and the First Amendment*, 116 (n.d.)). At the behest of President Grant, James Blaine of Maine introduced a resolution in the Senate in 1885 which read: "No State shall make any law respecting an establishment of religion or prohibiting the free exercise thereof." *Id.* at 154. (emphasis in original). Importantly, the Congress which considered the Blaine Amendment included twenty-three members of the Thirty-ninth Congress, the Congress which passed the fourteenth amendment.

Not one of the several Representatives and Senators who spoke on the proposal even suggested that its provisions were implicit in the amendment ratified just seven years earlier. Congressman Banks, a member of the Thirty-ninth Congress, observed: "If the Constitution is amended so as to secure the object embraced in the principle part of this proposed amendment, it prohibits the States from exercising a power they now exercise." Senator Frelinghuysen of New Jersey urged the passage of the "House article," which "prohibits the States for the first time, from the establishment of religion, from prohibiting its free exercise." Senator Stevenson, in opposing the proposed amendment, referred to *Thomas Jefferson: "Friend as he* [Jefferson] *was of religious freedom, he would never have consented that the States . . . should be degraded* *and that the Government of the United States, a government of limited authority, a mere agent of the States with prescribed powers, should undertake to take possession of their schools and of their religion."* Remarks of Randolph, Christiancy, Kernan, Whyte, Bogy, Easton, and Morton give confirmation to the belief that none of the legislators in 1875 thought the Fourteenth Amendment incorporated the religious provisions of the First.

Id. (quoting O'Brien, Justice Reed and the First Amendment 116-17 (emphasis added)).

The Blaine Amendment, which failed in passage, is stark testimony to the fact that the adoptors of the fourteenth amendment never intended to incorporate the establishment clause of the first amendment against the states, a fact which Black ignored. This was understood by nearly all involved with the Thirty-ninth Congress to be the effect of the fourteenth amendment.

G. Proper Interpretative Perspective

[10, 11] The interpretation of the Constitution can be approached from two vantages. First, the Court can attempt to ascertain the intent of the adoptors, and after ascertaining that attempt apply the Constitution as the adoptors, intended it to be applied. Second, the Court can treat the Constitution as a living document, chameleon-like in its complexion, which changes to suit the needs of the times and the whims of the interpreters. In the opinion of this Court, the only proper approach is to interpret the Constitution as its drafters and adoptors intended. The Constitution is, after all, the supreme law of the land. It contains provisions for amending it; if the country as a whole decided that the present text of the Constitution no longer satisfied contemporary needs then the only constitutional course is to amend the Constitution by following its formal, mandated procedures. Amendment through judicial fiat is both unconstitutional and illegal. Amendment through judicial fiat breeds disrespect for the law, and it undermines the very basic notion that this country is governed by laws and not by men. *See generally* Breast, *The Misconceived Quest for the Original Understanding,* 60 B.U.L.Rev. 204 (1980) (discussion various approaches to constitutional interpretation).

Let us have faith in the rightness of our charter and the patience of persevere in adhering to its principles. If we do so then all will have input into change and not just a few.

H. Stare Decisis

[12] What is a court to do when faced with a direct challenge to settle precedent?[37] In most types of cases "it is more important that the applicable rule of law be settled than that it be settled right." *Burnet* v. *Coronado Oil & Gas Co.,* 285 U.S. 393, 406, 52 S.Ct. 443, 447, 76 L.Ed. 815 (1932) (Brandeis, J., dissenting). This general rule holds even where the court is persuaded that it has made a serious error of interpretation in cases involving a statute.[38] However, in cases involving the federal constitution, where correction through legislative action is practically impossible, a court should be willing to examine earlier precedent and to overrule it if the court is persuaded that the earlier precedent was wrongly decided. *Id.* at 407, 52 S.Ct. at 447. "A judge looking at a constitutional decision may have compulsions to reverse past history and accept what was once written. But he remembers above all else that it is the Constitution which he swore to support and defend, not the gloss which his predecessors may have put on it." Douglas, *Stare Decisis,* 49 Colum.L.Rev. 735, 736 (1949).

Certainty in the law is important. Yet, a rigid adherence to stare decisis "would leave the resolution of every issue in constitutional law permanently at the mercy of the first Court to face the issue, without regard to the possibility that the relevant case was poorly prepared or that the judgment of the Court was simply ill-considered. The danger is particularly great where the court has moved too far in an activist direction; in such a situation, legislative correction of the error is liable to be virtually impossible." Maltz, *Commentary: Some Thoughts on the Death of Stare Decisis in Constitutional Law,* 1980 Wis.L.Rev. 476, 492 (1980).

[T]he "wall of separation between Church and State" that Mr. Jefferson built at the University [of Virginia] which he founded did not exclude religious education from the school. The difference between the generality of his statements on the separation of Church and State and the specificity of his conclusions on education are considerable. A rule of law should not be drawn from a figure of speech.

McCollum v. *Board of Education,* 333 U.S. 203, 247, 68 S.Ct. 461, 482, 92 L.Ed. 649 (1948) (per Reed, J., dissenting).

"[T]he ultimate touchstone of constitutionality is the Constitution itself and not what we have said about it." *Graves* v. *O'Keefe,* 306 U.S. 466, 491-92, 59 S.Ct. 595, 603-04, 83 L.Ed. 927 (1939) (Frankfurter, J., concurring). "By placing a premium on 'recent cases' rather than the language of the Constitution, the Court makes it dangerously simple for future Courts using the technique of interpretation to operate as a 'continuing Constitutional Convention.'" *Coleman* v. *Alabama,* 399 U.S. 1, 22-23, 90 S.Ct. 1999, 2010-11, 26 L.Ed.2d 387 (1970) (Burger, C.J.). "Too much discussion of constitutional law is centered on the Court's decisions, with not enough regard for the text and history of the Constitution itself." R. Berger, *Government by Judiciary: The Transformation of the Fourteenth Amendment* 296 (1977.[39]

This Court's review of the relevant legislative history surrounding the adoption of both the first amendment and of the fourteenth amendment, together with the plain language of those amendments, leaves no doubt that those amendments were not intended to forbid religious prayers in the schools which the states and their political subdivisions mandate.

I. Summary

"Th[e] mountain of evidence has become so high, one may have lost sight of the few stones and pebbles that made up the theory that the Fourteenth Amendment incorporated Amendments I to VIII." Fairman, *supra* note 25, at 134. Suffice it to say that the few stones and pebbles provide precious little historical support for the view that the states were prohibited by the establishment clause of the first amendment from establishing a region.[40]

More than any other provision of the Constitution, the interpretation by the United States Supreme Court of the establishment clause has been steeped in history. This Court's independent review of the relevant historical documents and its reading of the scholarly analysis convinces it that the United States Supreme Court has erred in its reading of history. Perhaps this opinion will be no more than a voice crying in the wilderness and this attempt to right that which this Court is persuaded is a misreading of history will come to nothing more than blowing in the hurricane, but be that as it may, this Court is persuaded as was Hamilton that "[e]very breach of the fundamental laws, though dictated by necessity impairs the sacred reverence which ought to be maintained in the breast of the rulers towards the constitution." R. Berger, *supra* note 26, at 299 (quoting Federalist No. 25 at 158).

[13] Because the establishment clause of the first amendment to the United States Constitution does not prohibit the state from establishing a religion, the prayers offered by the teachers in this case are not unconstitutional. Therefore, the Court holds that the complaint fails to state a claim for which relief could be granted.

J. Conclusion

There are pebbles on the beach of history from which scholars and judges might attempt to support the conclusions that they are wont to reach. That is what Professors Flack, Crosskey and the more modern scholars have done in attempting to establish a beachhead, as did Justice Black, that there is a basis for their conclusions that Congress and the people intended to alter the direction of the country by incorporating the first eight amendments to the Constitution. However, in arriving at this conclusion, they, and each of them, have had to revise established principles of constitutional interpretation by the judiciary. Whether the judiciary, inadvertently or eagerly, walked into this trap is not for discussion. The result is that the judiciary has, in fact, amended the Constitution to the consternation of the republic. As Washington pointed out in his Farewell Address, *see* p. i *supra,* this clearly is the avenue by which our government, can and ultimately, will be destroyed. We think we move in the right direction today, but in so doing we are denying to the people their right to express themselves. It is not what we, the judiciary want, it is what the people want translated into law pursuant to the plan established in the Constitution as the framers intended. This is the bedrock and genius of our republic. The mantle of office gives us no power to fix the moral direction that this nation will take. When we undertake such course we trample upon the law. In such instances the people have a right to complain. The Court loses its respect and our institution is brought low. This misdirection should be cured now before it is too late. We must give no future generation an excuse to use this same tactic to further their ends which they think proper under the then political climate as for instance did Adolph Hitler when he used the court system to further his goals.

What is past is prologue. The framers of our Constitution, fresh with recent history's teachings, knew full well the propriety of their decision to leave to the peoples of the several states the determination of matters religious. The wisdom of this decision becomes increasingly apparent as the courts wind their way through the maze they have created for themselves by amending the Constitution by judicial fiat to make the first amendment applicable to the states. Consistency no longer exists. Where you cannot recite the Lord's Prayer, you may sing his praises in God Bless America. Where you cannot post the Ten Commandments on the wall for those to read if they do choose, you can require the Pledge of Allegiance. Where you cannot acknowledge the authority of the Almighty in the Regent's prayer, you can acknowledge the existence of the Almighty in singing the verses of America and Battle Hymn of the Republic. It is no wonder that the people perceive that justice is myoptic, obtuse, and januslike.

If the appellate courts disagree with this Court in its examination of history and conclusion of constitutional interpretation thereof, then this Court will look again at the record in this case and reach conclusions which it is not now forced to reach.[41]

III. Order

It is therefore ordered that the complaint in this case be dismissed with prejudice. Costs are taxed against the plaintiffs. Fed. R.Civ.P. 54(d).

FOOTNOTES

[1] 42 U.S.C. § 1983 provides: Every person who, under color of any statute, ordinance, regulation, custom, or usage, of any State or Territory, subjects, or causes to be subjected, any citizen of the United States or other person within the jurisdiction thereof to the deprivation of any rights, privileges, or immunities secured by the Constitution and laws, and shall be liable to the party injured in an action at law, suit in equity, or other proper proceeding for redress.

[2] Initially, it should be noted that neither 28 U.S.C. §§ 2201 nor 2202 afford any subject-matter jurisdiction to a federal court as the complaint alleges. These sections provide only a remedy.

The operation of the Declaratory Judgment Act is procedural only. By passage of the Act, Congress enlarged the range of remedies available in the federal courts but it did not extent their subject-matter jurisdiction. Thus there must be an independent basis of jurisdiction, under statutes equally applicable to actions for coercive relief, before a federal court may entertain a declaratory judgment action.

10 C. Wright and A. Miller, Federal Practice and Procedure § 2766, 841 (1973) (footnotes omitted).

Likewise, 28 U.S.C. § 1343(4) does not afford subject-matter jurisdiction to a federal court over claims brought under 42 U.S.C. § 1983. Section 1343(4) affords subject-matter jurisdiction to the federal court only over those claims which are brought under "any Act of Congress providing for the protection of civil rights. . . ." "Standing alone, § 1983 clearly provides no protection for civil rights since . . . § 1983 does not provide any substantive rights at all." *Chapman* v. *Houston Welfare Rights Organization*, 441 U.S. 600, 618, 99 S.Ct. 1905, 1916, 60 L.Ed.2d 508 (1979).

[3] In fact, the complaint alleges that "[t]his cause of action arises under the First and Fourteenth Amendments to the United States Constitution . . . ." *See* Complaint at 2. This Court has previously explained that no implied cause of action exists under either the first or fourteenth amendments, at least when the first amendment is applied to persons acting under color of state law. The very purpose for enacting 42 U.S.C. § 1983 was to provide a remedy to vindicate the rights afforded by the federal Bill of Rights when persons acting under color of state law violated those rights. It would be incongruous to imply a remedy where Congress has expressly afforded a remedy. *See Strong* v. *Demopolis City Board of Education*, 515 F.Supp. 730, 732 n. 1 (S.D.Ala.1981) (per Hand, J.).

[4] "[T]he existence of a claim for relief under § 1983 is 'jurisdictional' for purposes for invoking 28 U.S.C. § 1343, even though the existence of a meritorious constitutional claim is not similarily required in order to invoke jurisdiction under 28 U.S.C. § 1331. *See Bell* v. *Hood*, 327 U.S. 678, 682 [66 S.Ct. 773, 776, 90 L.Ed. 939] (1946); *Mt. Healthy [City School District* v. *Doyle]*, 429 U.S. 274, 278-79 [97 S.Ct. 568, 571-72 (1977).]" *Monell* v. *Department of School Services*, 436 U.S. 658, 716, 98 S.Ct. 2018, 2048, 56 L.Ed.2d 611 (1978).

[5] At the start the Court should acknowledge its indebtedness to several constitutional scholars. If this opinion will accomplish its intent, which is to take us back to our original historical roots, then much of the credit for the vision lies with Professor James McClellan and Professor Robert L. Cord. Their work and the historical sources cited in their work have proven invaluable to the Court in this opinion. *See* R. Cord, *Separation of Church and State: Historical Fact and Current Fiction* (1982); P. McGuigan & R. Rader, *A Blueprint for Judicial Reform* (eds. n.d.); J. McClellan, *Joseph Story and the American Constitution*, 118-159 (1971) (Christianity and the Common Law).

[6] McClellan, The *Making and the Unmaking of the Establishment Clause*, in *Blueprint for a Judicial Reform* 295 (P. McGuigan & R. Rader eds. n.d.) (quoting J. Story, III, *Commentaries on the Constitution* § 1871 (1833) (emphasis added)).

[7] *Id.*

[8] *Id.* at 300. Professor McClellan documents in great detail the political struggle which raged through the various colonies during the Revolution and afterwards to disestablish certain religions throughout the colonies. The establishment of one religion over another in the respective colonies was purely a political matter. The political strength of the various followers determined which religion was established. Like any other political decision, when the political strength of the minorities reached that of the majority, the state disestablished what had formerly been the majority religion. *See e.g., id.* at 301-308.

[9] *Id.* at 307.

[10] *Id.*

[11] *Id.* at 311. Professor McClellan cites numerous examples in which the states required adherence to a Christian religion. For instance, witnesses were considered competent to testify only if they affirmed a belief in the existence of a Christian God. *Id.*

[12] R. Cord, *supra* note 5, at 23.

[13] R. Cord, *supra* note 5, at 24 (quoting *Debates in the Federal Convention of 1787* as reported by James Madison, *Documents Illustrative of the Formation of the Union of the American States* (Washington, D.C.: Government Printing Office, (1927) 295-96 (emphasis in original)).

[14] *Id.* at 24-25.

[15] *Id.*

[16] The views of James Madison are often cited by those who insist upon absolute separation between church and state. Madison was one of the drafters of the first amendment. An uncritical, cursory examination of some of Madison's writings would lead one to the conclusion that Madison favored absolute separation between church and state. However, to reach this conclusion is to misunderstand the views of Mr. Madison.

As Professor Cord explains in his book, Madison was concerned only that the federal government should not establish a national religion. Nondiscriminatory aid to religion and support for various Christian religions was not viewed by Madison as unlawful. *See* R. Cord, *supra* note 5, at 25-26 (examining drafts of the establishment clause submitted by Madison).

[17] Professor Cord explains in great detail the circumstances surrounding this presidential proclamation. *See* R. Cord, *supra* note 5, at 27-29.

[18] Professor Cord discusses in detail a document which Madison wrote late in his life known as the *Detached Memoranda*. Some historians have taken the *Detached Memoranda* as a blanket condemnation of religious proclamation issued by Presidents Jefferson, Madison, and Jackson. From this, some historians argue that James Madison believed that absolute separation was mandated by the establishment clause. The Supreme Court has relied upon the *Detached Memoranda* to justify its position of absolute separation in *Abington School District* v. *Schempp*, 374 U.S. 203, 225 (1963) ("[I]n the words of Madison, 'it is proper to take alarm at the first experiment on our liberties.'").

Professor Cord suggests that the *Detached Memoranda* reflected nothing more than a shift in Madison's views as he grew older. The *Detached Memoranda* was written long after Madison had left office and long after the first amendment had been drafted. R. Cord, *supra* note 5, 29-36.

The explanation of Professor Cord that Madison is an old man, no longer in office, who regretted some of his past actions, is, to the Court, reasonable. Not all historical facts can easily be squared. Professor Cord emphasizes his point by analogizing to something which former President Nixon might write upon reflecting on his tenure as president. It would be odd, bypothesizes Professor Cord, if Mr. Nixon were to publish a book in his later years which concluded that taping conversations, without all parties being aware of the recording, is morally wrong and clearly a flagrant violation of the constitutional right to privacy. It would be nonsense, in the view of Professor Cord, for a Nixon biographer to conclude that Richard Nixon believed that the surrepitious tapings of conservations in the Oval Office were immoral and unconstitutional. R. Cord, *supra* note 5, at 36. Similarly, it is faulty to judge what Madison believed to be the scope of the establishment clause at the time he drafted the clause by looking to views expressed late in his life when there are numerous expressions of his intent contemporaneous with the period in which the established clause was drafted.

[19] R. Cord, *supra* note 5, at 37-39.

[20] R. Cord, *supra* note 5, at 40 (quoting Letter to a Presbyterian Clergyman (1808)).

[21] Professor Cord chronicles the federal support provided to the Moravian Brethren at Bethlehem in Pennsylvania. The function of the Brethren was to civilize the Indians and to promote Christianity. First passed on July 27, 1787, the resolution supporting the Brethren was supported by every President, including Thomas Jefferson. The legislation supporting the Brethren was sectarian in character. Professor Cord reads this history to conclude that had this sort of interaction between church and state been thought to be unconstitutional then certainly the early Congresses and Presidents would not have authorized expenditure of federal money. R. Cord, *supra* note 5, at 39-46.

[22] R. Cord, *supra* note 5, at 47.

[23] *Id.*

[24] Since the states were historically free to establish a religion it follows that some irritation by non-believers or those in the religious minority was a necessary consequence of establishment. The complaint alleges that "[a]ll of the minor Plaintiffs are exposed to ostracism from their peer group class members if they do not participate in these daily devotional activities." Complaint at 5. The children "all have suffered and continue to suffer sever emotional distress from being forced to participate, via peer group pressure, in devotional observances orchestrated by the defendants." *Id.* at 7. This psychological pressure natually flows anytime a state takes an official position on an issue. It does make an establishment unconstitutional. For example, laissez-faire industrialists feel coerced when a state adopts tough environmental laws. Unemployed workers feel pressure from peer groups when the unemployed worker takes advantage of a state labor law which allows him to cross a union picket line to break a strike. Someone, somewhere, feels coerced or pressured anytime the state takes a position. The Constitution, however, does not protect people from feeling uncomfortable. A member of a religious minority will have to develop a thicker skin if a state establishment offends him. Tender years are no exemption.

[25] Fairman, *Does the Fourteenth Amendment Incorporate the Bill of Rights?* 2 Stan.L.Rev. 5 (1949).

[26] Mr. Justice Black spent nearly twenty years mulling over the criticisms leveled by Professor Charles Fairman. Finally, he had this to say:

What I wrote [in *Adamson* v. *California*, 332 U.S. 46, 47 [67 S.Ct. 1672, 1673, 91 L.Ed. 1903] (1947),] in 1947 was the product of years of study and research. My appraisal of the legislative history [which surrounded the adoption of the fourteenth amendment and upon which Mr. Fairman relied so heavily] followed 10 years of legislative experience as a Senator of the United States, not a bad way, I suspect, to learn the value of what is said in legislative debates, committee discussions, committee reports, and various other steps taken in the course of passage of bills, resolutions, and proposed constitutional amendments. My Brother Harlan's objections to my *Adamson* dissent history, like that of most other objectors, relies most heavily on a criticism written by Professor Charles Fairman and published in the Stanford Law Review. 2 Stan.L.Rev. 5 (1949). I have read and studied this article extensively, including the historical references, and am compelled to add that in my view it has completely failed to refute the inferences and arguments that I suggested in my *Adamson* dissent. Professor Fairman's "history" relied very heavily on what was "not" said in the state legislatures that passed on the Fourteenth Amendment. Instead of relying on this kind of negative pregnant, my legislative experience has convinced me that it is far wiser to rely on what "was" said, and most importantly, said by the men who actually sponsored the Amendment in the Congress. I know from my years in the United States Senate that it is to men like Congressman Bingham, who steered the amendment through the House, and Senator Howard, who introduced it in the Senate, that members of Congress look when they seek the real meaning of what is being offered. And they vote for or against a bill based on what the sponsors of that bill and those who oppose it tell them it means.

The historical appendix to my "Adamson" dissent leaves no doubt in my mind that both its sponsors and those who opposed it believed the Fourteenth Amendment made the first eight amendments of the Constitution (the Bill of Rights) applicable to the states.

Duncan v. *Louisiana*, 391 US. 145, 165-66, 88 S.Ct. 1444, 1455-56, 20 L.Ed.2d 491 (1968) (Black, J., dissenting).

Charles Fairman "conclusively disproved Black's contention, at least, such as the weight of the opinion among disinterested observers." A. Bickel, *The Least Dangerous Branch* 102 (1962). Along with Alexander Bickel, Professor Raoul Berger agrees that Charles Fairman's analysis was right on the mark. R. Berger, *Government by Judiciary: The Transformation of the Fourteenth Amendment*, 137 n. 11 (1977).

[27] For example, Professor Raoul Berger cites several cases which recite this common principle of construction. *See e.g., Wright* v. *Vinton Branch*, 300 U.S. 440, 463, S.Ct. 556, 562, 81 L.Ed. 736 (1937); *Wisconsin Railroad Commission* v. *C.B. & Q. RR. Co.*, 257 U.S. 563, 589, 42 S.Ct. 232, 238, 66 L.Ed. 371 (1922). *See* R. Berger, *supra* note 26, at 136-37 & 137 n. 13.

[28] Professor Fairman has quoted exhaustively from the Congressional Globe. The various speeches of Congressman Bingham made in support of the fourteenth Amendment are quoted in detail. See Fairman, *Does the Fourteenth Amendment Incorporate the Bill of Rights?* 2 Stan.L.Rev. 5, 24-25 (1949).

The analysis of Professor Fairman is attacked vigorously by William Crosskey, then a professor of law at the University of Chicago Law School. Crosskey, *Charles Fairman, "Legislative History," and the Constitutional Limitations on State Authority* 22 U.Chi.L.Rev. 1 (1954). Crosskey quotes at length from the Bingham article and from the *Congressional Globe* in an effort to discredit the explanation offered the historical facts by Professor Bingham.

The debate between the two scholars was pitched. Much of Crosskey's analysis consisted of little more than *ad homineum* attacks on Professor Fairman. The attacks were answered in a reply article written by Professor Fairman. Fairman, *A Reply to Professor Crosskey*, 222 U.Chi.L.Rev. 144 (1954). After reading the original articles of both Fairman and Crosskey, the rebuttal of Fairman, and many other articles on the question, the Court is persuaded that the weight of the disinterested scholars supports the analysis of Professor Fairman. The work of Professor Crosskey impresses the Court as being designed to reach a result. Namely, Crosskey was interested in providing a constitutional basis to support the desegregation decision of the United States Supreme Court in *Brown* v. *Board of Education*, 347 U.S. 483, 74 S.Ct. 686, 98 L.Ed. 873 (1954). For instance, in an effort to explain a serious ambiguity in a Bingham speech. Professor Crosskey explains that the speech would make perfect sense if one assumes that Bingham had been reading directly from a text of the Constitution, that he had a copy of the document in his hand and that he was waving the copy while he spoke in Congress. "You're fudging, Professor Crosskey! You don't know that Bingham had been *reading* from the Constitution." Fairman, *A Reply to Professor Crosskey*, 22 U.Chi.L.Rev. 144, 152 (1949).

One scholar, Michael Kent Curtis, argues that Professor Raoul Berger has improperly analyzed the incorporation question by blindly following the lead of Charles Fairman and ignoring the work of William Crosskey. Curtis, *The Bill of Rights as a Limitation on State Authority; A Reply to Professor Berger*, 16 Wake Forest L.Rev. 45 (1980). No lesser a light than Henry M. Hart, Jr., then a professor of law at Harvard Law School, remarked that "[t]he Don Quixote of Chicago breaks far too many lances in his on-slaughts upon the windmills of constitutional history to permit detailed review of each adventure." Hart, Book Review, 67 Harv.L.Rev. 1456 (1954). While the comment was, strictly speaking, directed to a recently released book by Professor Crosskey, the thrust of the comment holds true for the scholarship of Professor Crosskey. Professor Henry Hart had little use for the typical analytical method employed by Professor Crosskey: slanderous, *ad homineum* attacks on those historical actors who supported views contrary to those which Professor Crosskey expected to find in a histocial record. Professor Hart compared Professor Crosskey to Senator Joseph McCarthy from Wisconsin. *Id.* at 1475 ("In the true hit-and-run style popularized by the Senator from the adjacent state to the north, [Wisconsin being north of Illinois] Professor Crosskey, having made th[e] ugly charge [that James Madison deliberately, not inadvertently, falsified some of his notes in 1836 to suit his own purposes at that time], promises to consider in a later volume whether it is true.") Professor Hart is of the general opinion that the scholarship of Professor Crosskey amounted to little more than "a confident tone, nice printing, and an abundance of notes and appendices referring to obscure documents and esoteric word meanings." *Id.* at 1486.

[29] R. Berger, *supra* note 26, at 147 (footnotes omitted).

[30] R. Berger, *supra* note 26, at 147-48 (quoting *Congressional Globe* 2764-65)

[31] Crosskey, *Charles Fairman, "'Legislative History'" and the Constitutional Limitations on State Authority*, 22 U.Chi.L.Rev. 1 (1954). In particular, Professor Crosskey is critical of the newspaper examination conducted by Professor Fairman. By Crosskey's count, Fairman and Flack together examined ten newspapers. *Id.* at 100-101. Crosskey points out that there were nearly 5,000 newspapers in circulation in 1870. Thus, if Flack and Fairman examined only ten of these newspapers then, concludes Crosskey, the two ignored a substantial source of evidence in their inquiry. Certainly, at the least, according to Crosskey, neither Flack nor Fairman are entitled to make any conclusions about what the newspapers of the day reflected as the popular understanding of the effect of the fourteenth amendment.

The Court has studied the Crosskey criticism of Professor Fairman and rejects it. The work of the two scholars serves as the cornerstone for both camps in the debate vel non whether the fourteenth amendment was intended to incorporate the federal Bill of Rights. *Compare* R. Berger, *supra* note 26, 134-156 (rejecting incorporation of the federal Bill of Rights) *with* Curtis, *The Bill of Rights as a Limitation on State Authority: A Reply to Professor Berger*, 16 Wake Forest L.Rev. 45 (1980) (following Crosskey).

[32] C. Fairman, *supra* note 25 at 86 (quoting N.H. Const. art. 6 (1793)).

[33] It is always difficult to wade through the mass of historical research which has been done on both sides of the issue. For instance, while the defendant-intervenors introduced Professor Robert L. Cord's book, *Separation of Church and State: Historical Fact and Current Fiction* in support of the historical record upon which they are relying, Professor Cord concludes, in part, that a) the fourteenth amendment did incorporate the establishment clause against the states, *id.* at 101, and b) the Lord's Prayer, being distinctly Christian in character, or any other prayer which is readily identified with one religion rather than another is impermissible under the establishment clause, *id.* at 162-65.

The Court rejects the conclusion of Professor Cord that the fourteenth amendment incorporated the establishment clause against the states. Professor Cord uncritically adopted the analysis of the United States Supreme Court in reaching his conclusion. In only a footnote does Professor Cord refer to the scholarship of Professor Charles Fairman; then only does Professor Cord note that there has been some "controversy" surrounding the incorporation issue.

Assuming arguendo that the establishment clause had been incorporated against the states then Professor Cord would be correct in his conclusion that any activity which is religiously identifiable would be barred. See *infra* note 41 for the Court's discussion regarding secular humanism.

[34] *In Barron* v.*City of Baltimore*, the Court noted:

> But it is universally understood, it is a part of the history of the day, that the great revolution which established the Constitution of the United States was not effected without immense opposition. Serious fears were extensively entertained that those powers which the patriot statesmen who then watched over the interests of our country, deemed essential to union, and to the attainment of those invaluable objects for which union was sought, might be exercised in a manner dangerous to liberty. In almost every convention by which the Constitution was adopted, amendments to guard against the abuse of power were recommended. These amendments demanded security against the apprehended encroachments of the general government—not against those of the local governments.
>
> In compliance with a sentiment thus generally expressed, the quiet fears were thus extensively entertained, amendments were proposed by the required majority in congress, and adopted by the States. *These amendments contained no expression indicating an intention to apply them to the state governments.* This court cannot so apply them. *Barron* v. *City of Baltimore*, 32 U.S. (7 Pet.) 243, 250, 8 L.Ed. 672 (1883) (emphasis added).

[35] *Justices of the Supreme Court of New York* v. *United States*, 65 U.S. (9 Wall.) 274, 19 L.Ed. 658 (1870).

[36] In part the seventh amendment provides that "no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law." U.S. Const. amend. VII.

[37] Abraham Lincoln once said, "'Stand with anybody that stands *right*, Stand with him while he is right and *part* with him when he does wrong.'" Jaffa, *In Defense of Political Philosophy*, 34 National Review 36 (1982) (emphasis in original).

[38] While stare decisis has more force in cases which determine the meaning of statutes as opposed to interpreting the Constitution, the Supreme Court has frequently reversed itself where it thinks an earlier decision involving the construction of a statute is in error. In *Monell* v. *Department of Social Services*, 436 U.S. 658, 98 S.Ct. 2018, 56 L.Ed.2d 611 (1978), the Supreme Court identified four factors which it considers when faced with the question whether to overrule a prior decision which involves a statute. The factors are: 1) whether the decisions in question misconstrued the meaning of the statute as revealed in its legislative history; 2) whether overruling the decisions would be inconsistent with more recent expressions of congressional intent; 3) whether the decisions in question constituted a departure from prior decisions; and 4) whether overruling these decisions would frustrate legislative reliance on their holdings. *Id.* at 695-701, 98 S.Ct. at 2038-2041.

[39] Mr. Justice Stevens recently addressed the problem whether a court should follow authority which it believes to have been incorrectly decided. In a case which involved the construction of a statute, parents of Negro school children sued under the Civil Rights Act of 1866 (now 42 U.S.C. § 1982) for alleged discriminatory admission to private schools, which discrimination was based solely upon race. *Runyon* v. *McCrary*, 427 U.S. 160, 96 S.Ct. 2586, 49 L.Ed.2d 415 (1976). The statute upon which the suit was based, 42 U.S.C. § 1981, was passed prior to the adoption of the fourteenth amendment. It provides in part that "[a]ll persons within the jurisdiction of the United States shall have the same right in every State . . . to make and enforce contracts . . . as enjoyed by white citizens. . . ." In *Runyon* two children were denied admission to private schools in Virginia solely because they were Negro. The Supreme Court held that section 1981 prohibits private, commercially-operated, nonsectarian schools from denying admission to prospective students solely because of race. Mr. Justice Stevens concurred in the opinion of the Court, but his thoughts on stare decisis are noteworthy.

Mr. Justice Stevens felt compelled to join the opinion of the Court based upon a prior decision of the Court, *Jones* v. *Alfred H. Mayer Co.*, 392 U.S. 409, 88 S.Ct. 2186, 20 L.Ed.2d 1189 (1968). However, the language of the Civil Rights Act of 1866 and its historical setting left "no doubt in [Mr. Justice Stevens'] mind that the construction of [42 U.S.C. § 1982] would have amazed the legislators who voted for it." *Runyon* v. *McCrary*, 427 U.S. at 189, 96 S.Ct. at 2603. Given a clean slate Mr. Justice Stevens would have allowed private, commercially-operated, nonsectarian schools the right to deny admission to prospective students solely because of race. He would have reached this result not because he thought that it was socially preferable to the result reached by the Supreme Court, but simply because the intent of Congress and the legislative history surrounding the adoption of 42 U.S.C. § 1981 mandated such a result.

Where Mr. Justice Stevens was unwilling to dissent from his brethren in a case involving statutory construction, this Court feels a stronger tug from the Constitution which it has sworn to support and to defend.

[40] Professor Fairman has summarized concisely in several pages all of the stones and pebbles which could conceivably be relied upon to support the conclusion that the fourteenth amendment intended to incorporate the federal Bill of Rights against the states. See Fairman, *supra* note 25, 134-35.

[41] One of the first of these considerations is whether the teachers and those students who

desire to express the simple prayers have any rights to freedom of speech. Compare what the Court observed in the order which granted the preliminary injunction in the companion case, 82-0792-H, against the state on the first amendment right of students to pray at school. 544 F.Supp. 727 at 732-33. The evidence in the case demonstrates that the school board took no active part in any decision made by the teachers to utilize the simple prayer that they have. The school board nor any of the official body of the school administration encouraged or discouraged these teachers from exercising their own will in the matter. Nor does the evidence indicate that those students who opted for this type of exercise were coerced into participating or not participating.

In dealing with matters religious the exercise of first amendment rights are highly circumscribed. The same does not appear to be true in dealing with first amendment rights in expressing one's opinions in all other matters whether they be expressions of moral concern or immoral concern.

The second major area that this Court must concern itself with should this judgment be reversed is that raised by the evidence produced by the intervenors dealing with other religious teachings now conducted in the public schools to which no attention has apparently been directed and to which objection has been lodged by the intervenors.

There are many religious efforts abounding in this country. Those who came to these shores to establish this present nation were principally governed by the Christian ethic. Other religions followed as the population grew and the ethnic backgrounds were diffused. By and large, however, the Christian ethic is the predominant ethic in this nation today unless it has been supplanted by secular humanism. Delos McKown, witness for the plaintiff, expressed himself as believing that secular humanism has been more predominant through the years than we have imagined and indeed was more akin to the beliefs of George Washington, Thomas Jefferson, Benjamin Franklin, and others of that era. Delos McKown also testified that secular humanism is not a religion, though he ultimately waffled on this point. The reason that this can be important to the decision of this Court is that case law deals generally with removing the teachings of the Christian ethic from the scholastic effort but totally ignores the teaching of the secular humanist ethic. It was pointed out in the testimony that the curriculum in the public schools of Mobile County is rife with efforts at teaching or encouraging secular humanism—all without opposition from any other ethic—to such an extent that it becomes a brainwashing effort. If this Court is compelled to purge "God is great, God is good, we thank Him for our daily food" from the classroom, then this Court must also purge from the classroom those things that serve to teach that salvation is through one's self rather than through a diety. Indeed, the Supreme Court in *Abington School District* v. *Schempp,* 374 U.S. 203, 225, 83 S.Ct. 1560, 1573, 10 L.Ed.2d 844 (1963) (quoting *Zorach* v. *Clauson,* 343 U.S. 306, 314, 72 S.Ct. 679, 684, 96 L.Ed. 954) (1952), noted that "the State may not establish a 'religion of secularism' in the sense of affirmatively opposing or showing hostility to a religion, thus preferring those who believe in no religion over those who do believe."

That secular humanism is a religion within the definition of that term which the "high wall" must exclude is supported by the finding in *Torcaso* v. *Watkins,* 367 U.S. 488, 495 n. 11, 81 S.Ct. 1680, 1684 n. 11, 6 L.Ed.2d 982 (1961), which recognized that secular humanism is a religion in the traditional sense of the word and also in the statement of the 276 intellectuals who advocate the doctrine of secular religion as delineated in the *Humanist Manifesto I and II.* (Defendant-intervenors exhibit # 10).

Textbooks which were admitted into evidence demonstrated many examples in the way this theory of religion is advanced. The intervenors maintain that their children are being so taught and that this Court must preclude the Mobile County School Board from continuing to advance such a religion or in the alternative to allow instruction in the schools that would give a child an opportunity to compare the ethics of each religion so as to make their own credibility or value choices. To this extent, this Court is impressed that the advocacy of the intervenors on the point of necessity makes them parties plaintiff and to this extent they should be realigned as such inasmuch as both object to the teaching of certain religions.

This Court is confronted with these two additional problems that must be resolved if the appellate courts adhere to their present course of interpreting history as did Mr. Justice Black. Should this happen then this Court will hunker down to the task required by the appellate decisions. A blind adherence to Justice Black's absolutism will result in an engulfing flood of other cases addressed to the same point raised by intervenors. The Court will be called upon to determine whether each book or any statement therein advances secular humanism in a religious sense, a never-ending task. Already the involvement of this Court with determining state activities in such things as prison cases, occupies one-third of its docket. This Court can anticipate no less of a burgeoning docket brought about by this incursion into what is legitimately a state concern.

The founding fathers were far wiser than we. They were content to allow the peoples of the various states to handle these matters as they saw fit and were patient in permitting the processes of change to develop orderly by established procedure. They were not impatient to bring about a change because we think today that it is the proper course or to set about to justify by misinterpretation the original intent of the framers of the Constitution. We must remember that "He, who reigns within Himself, and rules passions, desires, and fears, is more a king" Milton, *Paradise Regained.* If we, who today rule, do not follow the teachings of history then surely the very weight of what we are about will bring down the house upon our head, and the public having rightly lost respect in the integrity of the institution, will ultimately bring about its change or even its demise.

By Mr. SYMMS (for himself and Mr. McClure):

S. 214. A bill to direct the Federal Energy Regulatory Commission to issue an order with respect to Docket No. EL-85-38-000; to the Committee on Energy and Natural Resources.

SWAN FALLS AGREEMENT BILL

● Mr. SYMMS. Mr. President, on behalf of myself and Senator McClure, I am introducing legislation which directs the Federal Energy Regulatory Commission to issue an order with respect to Docket No. EL-85-38-000. My colleagues may remember this matter as the "Swan Falls Agreement" amendment which passed the Senate and the other body as part of the National Applicance Energy Conservation Act of 1986. Unfortunately, however, the President did not sign that measure for reasons unrelated to the Swan Falls amendment. The President, in fact, indicated his support for the amendment and urged that its purpose be carried out administratively if possible.

While I thank the President for his support and also the cooperation of Chairman Hess at the Federal Energy Regulatory Commission [FERC], I believe a legislative solution provides greater certainty than an administrative one in this instance. The bill I am introducing today will provide that solution and that certainty. It simply directs FERC to issue an appropriate order, within 90 days, which insulates the agreement between the State of Idaho and Idaho Power Co. from two specified causes for challenge. It is identical to the amendment which passed both Houses of Congress last year, and to the legislation being introduced in the other body by Congressmen Stallings and Craig.

It is my hope that this bill can be acted upon quickly and sent to the President. It is an important piece of legislation for Idaho, and has the support of the State, its congressional delegation, and the administration.●

By Mr. SASSER:

S. 215. A bill to amend chapter 13 of title 18 of the United States Code; to the Committee on the Judiciary.

DESTRUCTION OR THEFT OF PROPERTY USED FOR RELIGIOUS PURPOSES

● Mr. SASSER. Mr. President, I rise today to introduce legislation that would make the willful damaging of a cemetery, a building used for religious purposes, or any religious article contained therein a Federal crime.

There is no right that we Americans cherish more dearly than our right to freedom of religion. The right to freely exercise our religious beliefs is one of the fundamental tenets of our national foundation and this right is explictly guaranteed in our Constitution.

America has a long and proud history of religious tolerance. However, incidences of violence—vandalism, destruction, and theft—directed against certain religious groups do occur. For example, in 1980, the small gold box containing the remains of St. Herman of Alaska, the only American saint of the Orthodox Church of America, was stolen from St. Tikhon's Orthodox Monastery in South Canaan, PA. The theft of those remains which are so significant to the Orthodox Church in this country constitutes an act of violence against the Orthodox Church.

Reports from New York document the theft of Torahs from synagogues in Brooklyn. Those most sacred scrolls of the Jewish faith are virtually priceless. The production of a Torah requires years of painstaking work. But, more importantly, the theft itself is an act of violence against the Jewish faith. In addition to such thefts are the far too frequent cases of arson and fire bombings or attempted fire bombings of Jewish religious institutions. It is no wonder that many Americans are feeling compelled to spend increasing sums of money on security devices to protect their places of worship.

The Federal Government is charged with the responsibility of protecting the constitutional right of all Americans to freely exercise their religion, and yet the Federal Government lacks adequate power to investigate these and other incidences of violence against religious institutions.

Mr. President, this is a matter of concern to all Americans. No religious institution is safe if all religious institutions are not fully protected and the rights of all Americans to practice their religion freely is threatened if any American's right is so threatened. Who can forget the violence against religious minorities in Germany which preceded the wave of violence against

Jews, Catholics, and Protestants during World War II? We must take every measure to insure that all Americans can worship freely and without fear of violations of the sanctity of their religious institutions.

The bill I am introducing today would help the Federal Government to meet its responsibility of guaranteeing this basic freedom by adding a new section to title 18 of the United States Code. That section would make it a Federal crime for any person to willfully damage a cemetery, a building used for religious purposes or religious articles contained in those places. It would also make the attempt to commit such destruction a crime punishable by Federal law. The penalties are graded on the basis of the seriousness of such offenses. First, there is a general penalty of $10,000 and/or 5 years imprisonment. Second, $15,000 in fines and/or 15 years imprisonment where bodily injury results. Finally, a maximum of life imprisonment is to be imposed where death results.

Mr. President, this is a strong bill with stiff penalties aimed at curbing these heinous crimes. The time has come to put those who would destroy or dishonor sacred places on notice that they will be subject to justice by the Government of the United States.

Mr. President, I ask unanimous consent that the text of S. 215 be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 215

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 13 of title 18 of the United States Code is amended by adding at the end the following new section:

"§ 247. Destruction or theft of property used for religious purposes

"Whoever, whether or not acting under the color of law, with the intent to injure, intimidate, or interfere with any person or any class of persons in the free exercise of religion secured by the Constitution or laws of the United States, or because of having so exercised the same, willfully vandalizes, sets fire to, tampers with, or in any other way damages or destroys any cemetery, any building or other real property used for religious purposes, or any religious article contained therein, or takes and carries away, with intent to steal, any religious article contained in any cemetery, or any building or other real property used for religious purposes, or attempts to do any of the same, shall be fined not more than $10,000, or imprisoned not more than five years, or both; and if bodily injury results shall be fined not more than $15,000, or imprisoned not more than fifteen years, or both; and if death results, shall be subject to imprisonment for any term of years or for life.".

SEC. 2. The table of sections for chapter 13 of title 18 of the United States Code is amended by adding at the end the following new item:

"247. Destruction or theft of property used for religious purposes".●

By Mr. PRESSLER:

S. 217. A bill to reform the tort law doctrine of joint and several liability; to the Committee on the Judiciary.

JOINT AND SEVERAL LIABILITY TORT REFORM

● Mr. PRESSLER. Mr. President, I rise today to introduce legislation which I believe is essential to any tort reform effort. My bill focuses on an issue I have been involved in for many years—joint and several liability reform.

Tort reform is one of the most important consumer issues of this decade. The present law in this area has led to increased product, service, and insurance costs, and has substantially hampered innovation in the United States. Current joint and several liability laws around the United States have been chief among the culprits in causing our current liability crisis. No country in the world is subjected to this confused state of affairs, and it has put us at a substantial competitive disadvantage in the area of world trade. Prompt, effective reform is essential.

We have been struggling for years in an attempt to devise a formula which is strong enough to provide meaningful relief to American consumers, yet sensitive enough to protect plaintiffs' rights. Much work remains, but this legislation is a step in the right direction.

Throughout the Commerce Committee debates on product liability reform during the last Congress, I placed special emphasis on the problem relating to joint and several liability.

Joint and several liability works to hold one person responsible for the conduct of another. It leads to substantial injustice to largely innocent defendants, consumers, and taxpayers. It works to increase the costs of products and services, and puts substantial pressure on local governments to either increase taxes or eliminate public facilities and services. It fails to punish the true wrongdoers. And it creates a great deal of uncertainty in assessing tort liability.

As presently applied in many States, the doctrine of joint and several liability has gone far beyond its original common law purpose. Originally, the doctrine was applied when two or more defendants had conspired together in a manner that resulted in an injury to the plaintiff. They were, in effect, equally at fault and equally to blame for the harm inflicted. There was no practical way to allocate the relative fault of each party's actions. The doctrine was later expanded to hold responsible all parties involved in causing the harm, regardless of whether they acted "in concert" or independently of each other.

This expansion seems to be the result of the old common law courts' reluctance to allocate fault. A party was responsible either for all the harm inflicted—regardless if there was 1 or 20 actors—or none of it. In order to avoid the admittedly unfair result of this all-or-nothing rule, the courts allowed the injured plaintiff to collect from anyone who could pay. Logically, the plaintiffs would always go to the defendant with the deepest pocket.

But today the notion that courts are unable to allocate fault is universally rejected. Courts in virtually every State apportion fault in some manner. Although we have the ability to determine and apportion the relative degree of fault, we continue to apply this artifical doctrine of joint and several liability. A party who is determined only 1 percent at fault can be and often is held liable for 100 percent of the damage award. Under the present system, the parties causing the harm get off scot-free. We no longer punish the wrongdoers. We punish parties for having the deepest pockets.

Although most people would agree that this makes little logical sense, I am afraid that in the past many of them thought this was not such a bad system because it affected only the rich corporations. Unfortunately, that is not what happens. Let me explain the real effects of the current joint and several liability doctrine:

First, it is not only the big corporations that pay the bill. Cities, counties, States and other local governments are becoming the most popular candidates for joining into a lawsuit. Small businesses that are responsible enough to carry insurance are equally threatened. It is the average citizen who ultimately pays the claim, either through increased taxes, loss of service, higher product prices, increased insurance premiums, community business failures, or in some other way. The point is, as any economist will tell you, that the "big corporation" theory rarely reflects the real world.

Second, the current system discourages safety. Not only does it allow the real culprits to escape liability, it encourages them to act irresponsibly. Why buy insurance? Why worry about delivering a safe product? Just set up a fly-by-night operation or create a phony corporate subsidiary; make all the money you can until somebody sues; pass the buck or declare bankruptcy; and start all over again, making the same unsafe product and endangering the same innocent people.

Third, the present joint and several liability doctrine has been identified as one of the leading causes of skyrocketing insurance premiums—not only in the context of product liability but across the board. This is why companies and cities with even the most glowing safety records must pay insurance rates as though they were "high-risk" customers. They not only have to insure against their own actions, but those of everyone with whom they come in contact or who happen to cross their border.

Fourth, those who, for all practical purposes, the ordinary person would consider free of any true fault are being sued for the sole reason that they have money—or more accurately, because they have access to money or the ability to extract it from others. Cities are being sued in automobile accidents because their street lights are not bright enough. Balloon manufacturers are being sued because they did not prevent a pilot from flying into a telephone line on a windy day years after he had purchased the aircraft. Motorcycle seat manufacturers are being sued because they did not manufacture a seat that would make the passenger stick to it when the motorcycle collided with a car. And the list goes on and on. No reasonable person would call this justice.

I could go on and on with a litany of the problems associated with this doctrine. But I think the point has been made. The innocent are being punished while the wrongdoers are rewarded. Safety incentives are being tossed out the window. The lawyers are getting rich, and the man on the street is paying the tab.

But I am encouraged by the fact that more and more people are catching on to the game. They understand what is happening and they do not like it. They are demanding change and this is one area in particular that they have stressed. I held two hearings last year in South Dakota on the issue of liability insurance. The need to change the inequities and injustices resulting from the present application—or perversion if you will—of the doctrine of joint and several liability was the one reform most often and most emphatically urged. This call was not coming from the captains of industry or the deep-pocket corporations some would like to have us believe. It was coming from the small businessmen, the county and city officials, and the ordinary citizen who a few years ago had never heard of the doctrine.

But with all of its inadequacies today, it is clear that the original intent and application of the doctrine was just. It would be a serious blunder to return to the days when a plaintiff was denied deserving relief simply because he or she could not identify which of the negligent actors committed the wrong or that any one party was responsible for the harm inflicted. Under the widely accepted doctrine of comparative negligence, that result is not necessary today and it would not be the result under my bill.

The legislation I am proposing eliminates the joint and several liability doctrine as applied today but continues to hold all parties severally liable to the full extent of their own actions. In effect, parties continue to be fully liable for all their actions.

The only thing it changes is that parties would no longer be liable for what the court determines is the fault of others. If the court finds a party's actions to cause 10 percent of the harm, that party is liable for 10 percent of the damages awarded. If it causes 100 percent of the harm, it is liable for 100 percent of the damages. It is that simple.

I do not mean to imply this legislation is inconsequential. I am well aware of the significance and magnitude of the impact this change would have on present case law. Indeed, I would be disappointed if it did not have a major impact on the mess created under the present system.

There remains one very important question which needs to be addressed. What happens to the plaintiff when the party who is largely at fault has no means to pay and does not carry adequate insurance coverage? It is very true that under my bill not all plaintiffs would be compensated to the extent they are today in some cases. The answer, to be very blunt about it, is that they will not always be fully compensated when the party at fault cannot pay. The sad fact of life is that there will always be those kinds of cases. But to use the present joint and several liability doctrine in an attempt to compensate the plaintiff makes little more sense than to send the witness of a robbery to jail because we cannot find the robber.

I realize there are those who would say that there should be social policy that allows the injured party to be compensated to the full extent of his or her injury. I am not here to argue against that today. But what I would argue is that if we do make such a policy decision, we should also accept the responsibility to compensate the injured party rather than artificially passing it along to a substantially innocent third party. To say that because someone was 1-percent responsible for the harm justifies holding that party 100-percent responsible for the damages ducks the issue, particularly in the context of civil cases.

We have got to return some sense of responsibility to the system. I think we all realize our tort system has gotten out of hand. We need to address it in a thorough manner.

During last year's Commerce Committee proceedings, we made substantial progress in reforming this inequitable doctrine. Let me explain a little of the background on that issue, and outline my intentions. The committee adopted a joint and several liability amendments which essentially abrogated joint and several liability with two important qualifications: The reform was limited to (1) noneconomic damages, and (2) it applies only in cases involving a product liability action. This was a political compromise. But as a practical matter, it has not gone far enough. I am introducing a bill today which would extend the reform to all damages—economic and noneconomic—and it would apply to all cases involving a claim of personal injury, property damages, and wrongful death.

Let me say that although I am introducing this bill today, I remain open to further suggestions and refinement. I am not inextricably wed to this approach. I know there are strong feelings on the part of some that we should not venture beyond the realm of product liability actions in Federal tort reform proposals. Additionally, there may be some who do not want to extend the reform beyond the noneconomic damages compromise. I am sensitive to both of those concerns and continue to welcome suggestions in those and other areas.

Mr. President, I ask unanimous consent that that full text of my bill be reproduced in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 217

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Joint and Several Liability Reform Act of 1987".

SEVERAL LIABILITY FOR DAMAGES

SEC. 2. (a)(1) Except as provided in paragraph (2) of this subsection, in any civil action alleging injury to a person, damage to property, or death of a person, the liability of each defendant for damages shall be several only and shall not be joint. Each defendant shall be liable only for the amount of damages allocated to such defendant in direct proportion to such defendant's percentage of responsibility as determined under subsection (b) of this section. A separate judgment shall be rendered against such defendant for that amount.

(2) In any case where the parties are found to have engaged in concerted action, the liability of each defendant shall be joint and several.

(b) For purposes of this section, the trier of fact shall determine the proportion of responsibility of each party for the claimant's harm.

(c)(1) If a claimant has released any defendant or potential defendant from liability for the claimant's harm, or if a defendant is unable (despite exercising all practicable means) to join any other person as a defendant in such action, the trier of fact shall, in determining the proportion of responsibility under subsection (b) of this section, consider the liability of any person not a party to the action if the defendant is able to prove that any such person caused the claimant's harm.

(2) If a claimant has released any defendant or potential defendant from liability for the claimant's harm, the total amount of responsibility for the claimant's harm shall be reduced by the proportion of responsibility of any such released defendant or potential defendant.

(d) As used in this section, the term "concerted action" means any action consciously and intentionally taken by two or more defendants which resulted in the harm alleged in such civil action. It does not mean consciously parallel action.●

By Mr. HEINZ:

S. 218. A bill to amend the Federal Financing Bank Act of 1973 to establish a Federal Credit Program Revolving Fund under the direction of the Secretary of the Treasury with overall authority for Federal credit activity, including borrowing and credit management; to the Committee on Banking, Housing, and Urban Affairs.

FEDERAL FINANCING BANK ACT

● Mr. HEINZ. Mr. President, today I am reintroducing legislation I proposed in the last Congress to correct deficiencies in Federal credit management that originate, in part, in the budget accounting for credit programs. As we all know, current budget accounting distorts the cost of credit to the Government by scoring direct loans the same as direct spending programs that yield no reflows and treating guarantees as free goods until defaults occur. The confusion of revolving funds and Government corporations that are used to manage Federal credit both mask its cost and often remove programs from the discipline of the annual budget process. With federally assisted lending accounting for one-seventh of all lending in U.S. credit markets last year, it is imperative that these problems be resolved.

I believe that the only way to correct these problems and distortions is through fundamental and comprehensive reform of the mechanisms by which the Federal Government accounts for and manages credit. My efforts to rationalize the budget treatment of the Export-Import Bank in the charter extension passed last Congress convinced me that, while there is significant interest in credit reform, it can only work if implemented for all credit programs. This bill, identical to the language of S. 2428, the Federal Credit Program Revolving Fund Act, would implement such a reform.

I am pleased to note that the Administration has embraced this concept in the 1988 budget. In his budget statement, the President highlights the "grave inefficiencies in our credit programs" and calls upon Congress "to enact legislation whereby the true cost to the economy of Federal credit programs would be counted in the budget." I believe that passage of the legislation I am introducing would both remove existing distortions in Federal credit decisions and improve the management of Federal credit programs.

My bill amends the Federal Financing Bank Act to establish a central loan fund within the Treasury Department to fund all Federal credit programs. This fund will serve as Federal credit manager, accepting subsidy payments and fees from agencies and raising funds for loan disbursements and claim payments under their programs. As an arm of the Treasury, the fund will have access to efficient Treasury borrowing and will be able to tap, and further develop, the agency's expertise about the credit markets. This type of expertise will be essential to the fund's ability both to assess accurately the subsidy costs agencies must pay for the fund's services and to sell or reinsure agency loans and guarantees in the market where this is deemed appropriate.

In addition to its role in managing financial aspects of Federal credit, the fund will be responsible for improved data collection on Federal credit, more effective debt collection efforts, and otherwise implementing improvements in Federal credit management practices as appropriate.

Each credit program would continue to service its loans or guarantees and to set credit program policies and eligibility guidelines according to its respective legislative mandate. The level of credit activity which could be undertaken by any program would be as provided in annual appropriations. Each program would seek budget authority to cover the subsidy cost of its planned level of credit activity, as well as a credit limitation on the total amount of new loan, guarantee or insurance activity to be undertaken for the fiscal year. The subsidy appropriation would be paid to the central loan fund as loan disbursements were made or guarantees issued, in return for the fund taking on the credit obligation. All disbursements, claims, repayments, assets, and liabilities arising from the credit activity would be the responsibility of the fund. New credit activity could be undertaken by an agency only to the extent possible within the smaller of the limits set by the subsidy appropriation or the credit limitation provided by the Congress.

Through this mechanism, the full economic cost—the subsidy—of credit programs would be considered by the Congress when deciding on new credit activity levels. Congress would also be able to compare accurately the economic cost of spending and credit programs, permitting informed and accurate tradeoffs between these two types of government activity.

Furthermore, making subsidy payments up front would ensure full advance funding of the credit programs, including provision for adequate reserves to cover loan or guarantee defaults without further recourse to appropriations. This pay-as-you-go approach for credit programs would ensure that Congress and the taxpayers are fully aware of the cost of Federal credit, with no costs hidden from view.

Principles for the operation of the central loan fund would be established so as to avoid abuses such as occurred with the original Federal Financing Bank. First, the fund would be counted within the budget totals. Second, payment of the appropriate subsidy would have to be made to the fund up front. Third, subsidy calculations would be updated regularly and, where appropriate, set through market loan sales or reinsurance so that underpricing to hide costs would be extremely unlikely. Overall, these principles would ensure that the fund could impose no additional cost on U.S. taxpayers as a result of its operations that were not already reflected in appropriated subsidies for individual credit programs.

I believe that this plan represents the type of workable, sensible credit reform that is long overdue. It would make sense under any circumstances, but is especially critical at a time when we must make major reductions in Federal programs to meet budget deficit targets. We cannot permit programs to enjoy an advantage or suffer a disadvantage in the budget wars simply on the basis that their costs are hidden or they are inaccurately priced. A dollar cut from a loan program appears to save as much as a grant dollar cut, but it really saves only a fraction of a dollar net of fees and repayments. This overstatement of cost creates a bias against credit that could result in reductions in vital Federal activity in return for illusory budget savings.

We must have effective control of Federal credit. We must also ensure that our efforts to exercise control over Federal spending results in sensible budget choices and the intended deficit reductions. My bill would achieve these objectives. Now that the President has embraced the objectives of my proposed legislation in his 1988 budget, I look forward to the support of the administration for my bill and to working with them to win the support of the Congress as well.

One area where caution must be exercised is asset sales. The administration appears enthusiastic about asset sales as a credit management and budget reduction technique, and the Congress has now embraced the concept as well. My bill recognizes that some asset sales and reinsurance of guarantees may be appropriate, in particular to establish subsidy levels. However, the administration notes that there may be "policy or programmatic constraints to asset sales" that may make them impossible and we all recognize the danger of a "fire sale" or Federal assets at deep discounts that would create unnecessary losses to the taxpayer. Great care must be exercised to ensure that meaningful reform is implemented that does not mask budget gimmickry to artificially reduce deficits or waste taxpayer dollars.

I believe that we can achieve such a reform through passage of my bill during the 100th Congress. I urge your support for this legislation.●

By Mr. SASSER:

S. 219. A bill to amend the Trade Act of 1974 to reform the procedures for relief from injury caused by import competition and unfair trade practices; to the Committee on Finance.

TRADE PROCEDURES REFORM ACT

● Mr. SASSER. Mr. President, today I am introducing legislation to streamline our trade relief procedures. This legislation is part of an overall effort to restore America's position in world markets.

This year we are facing a trade deficit of $170 million—up from a record $148 million last year. Many of our most basic industries are under siege from foreign competition. Whole communities are being rocketed as plants close or lay off large numbers of workers. If left unabated, this trend threatens to undermine our industrial base and our future economic stability.

We must attack our trade deficit on several fronts. We must pursue both short- and long-term solutions to the trade deficit. In the short term, we must recognize that certain industries need relief in order to become competitive. In the long term we must act in several areas. We must reduce the budget deficit and reduce interest rates. We must amend laws which inhibit exports. We must improve our standing in the world marketplace through enhanced scientific and technical research and education.

However, first things first. The bill I am introducing today is designed to make our trade laws effective and usable. We need to redefine subsidies for the purpose of trade actions. Many current practices simply aren't included in current law. We need to limit import surges by importers just before duties are assessed in subsidy or dumping cases.

We also need to improve the procedures for deciding section 201 cases. Specifically, we need to look at adjustments to the injury causation standard and limiting Presidental alternatives to granting relief. Current options, such as unfair trade filings and multinational negotiations, leave the President too much room to do nothing—no matter how flagrant the trade violation.

The plain fact is that right now our trade laws are not working. You can prove your case at each step of the way. You can even convince the International Trade Commission to recommend relief. But still the administration won't act. Even when you win, you can't win.

We have seen trade agreements that are ignored—or the quotas simply given away in trade negotiations. We have seen airtight dumping and market disruption cases stymied because the Government finds one pretext or another not to act.

When Congress wrote the current trade laws it intended they be used. We did not intend them as a rhetorical statement whose practical application was to be avoided at all costs. But that's what's happening.

Some economists have estimated that over the past several years, because of the trade deficit, perhaps 2 to 3 million American jobs have been exported overseas.

For those of us who are elected officials, however, these figures are more than mere statistics. They represent real people and real jobs. The closing of a factory can be devastating to a local community. Many such facilities are located in rural areas. They are often the major employer in the area—areas which have few alternative employment opportunities.

As I travel around Tennessee, I continually see the effects of imports on our citizens. I talk to individuals who have lost their jobs in the communities where they have lived and worked for years. So, for me, the import issue is a very personal one.

There is a flip side to imports, of course, and that is exports. I am convinced that the engine for U.S economic growth in the future is going to be the export market. For that reason, I have joined with my colleagues in establishing the congressional competitiveness caucus. The caucus will provide a framework to develop bipartisan legislation that will address competitiveness problems. We simply must find ways to get more U.S. goods into the world marketplace.

Many markets for goods and services are already global in scope and more are becoming so every day. Competition is no longer limited to companies within a given domestic market. Participants from every corner of the world now jockey for position in virtually all markets.

Evidence of that new fact of economic life is a more than twelvefold increase in world trade in the past 20 years. Moreover, nearly half of all trade flows are now accounted for by internal transfers of multinational corporations. It is a fact that markets, production, and innovation are interconnected by worldwide transactions.

We must do more to create the kind of environment that will encourage U.S. competitiveness in this global marketplace. It is not a simplistic matter of unleashing our corporate and technological genius on the world. As a member of the International Finance and Monetary Policy Subcommittee of the Banking Committee, I have heard chapter and verse about the competitive environment facing U.S. companies. And while I believe we need to continue our support for such measures as the Export-Import Bank to counter foreign-government export subsidies, I realize that is not enough.

We must strengthen our national competitive performance in the creation, application and, protection of technology. We must increase the cooperation among companies, governments, and universities. We must train our young people to function in a global economy.

So, Mr. President, the legislation I am introducing today to streamline trade relief procedures is a first step in developing a coherent trade policy. I am confident that that the 100th Congress will move swiftly on trade legislation and I welcome this much needed debate.

I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 219

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Trade Procedures Reform Act of 1987".

TITLE I—RELIEF FROM INJURY CAUSED BY IMPORT COMPETITION

SEC. 101. INVESTIGATIONS UNDER SECTION 201 OF TRADE ACT OF 1974.

Subsection (b) of section 201 of the Trade Act of 1974 (19 U.S.C. 2251(b)) is amended—

(1) by inserting "domestic production facilities" after "operate" in paragraph (2)(A);

(2) by striking out subparagraph (B) of paragraph (2) and inserting in lieu thereof the following:

"(B) with respect to the threat of serious injury—

"(i) a decline in sales or market share in the domestic industry concerned;

"(ii) a higher and growing inventory in the domestic industry concerned (whether maintained by domestic producers, wholesalers, or retailers);

"(iii) a downward trend in production, profits, wages, or employment (or increasing underemployment) in the domestic industry concerned;

"(iv) any combination of coordinated foreign government actions, whether carried out severally or jointly, that—

"(I) are bestowed on a specific enterprise, industry, or group thereof the effect of which is to assist the beneficiary to become more competitive in the export of any class or kind of merchandise, and

"(II) causes, or threatens to cause, serious injury to the domestic industry concerned;

"(v) the existence of preliminary or final affirmative antidumping or countervailing duty determinations under section 303 or title VII of the Tariff Act of 1930 with respect to any merchandise that is produced by the domestic industry concerned;

"(vi) the extent to which firms in the domestic industry concerned are unable to maintain existing levels of expenditures on research and development; and

"(vii) the extent to which the United States market is the focal point for diversion of exports of the article that is the subject of the investigation by reason of restraints on exports of such article to, or on imports of such article into, the markets of any foreign country;";

(3) by striking out "may" in paragraph (3)(A) and inserting in lieu thereof "shall"; and

(4) by adding at the end thereof the following new paragraph:

"(8) For purposes of this section, imports of like or directly competitive articles by domestic producers in an industry shall not be considered a factor indicating the absence of serious injury, or threat thereof, to such industry.".

SEC. 102. ACCELERATED PROCEDURES FOR PERISHABLE PRODUCTS.

Section 201 of the Trade Act of 1974 (19 U.S.C. 2251) is amended by striking out subsection (f) and inserting in lieu thereof the following new subsection:

"(f)(1) If a petition is filed with the Commission under subsection (a) regarding a perishable product and alleges injury from imports of that product, the petition may also be filed with the Secretary of Agriculture with a request that emergency relief be granted under paragraph (3) with respect to such article.

"(2) Within 14 days after the filing of a petition with the Secretary of Agriculture under paragraph (1)—

"(A) if the Secretary of Agriculture has reason to believe that—

"(i) a perishable product is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or threat thereof, to the domestic industry producing a perishable product like or directly competitive with the imported product, and

"(ii) emergency action is warranted,

the Secretary of Agriculture shall advise the President and recommend that the President take emergency action, or

"(B) the Secretary of Agriculture shall publish a notice of his determination not to recommend the imposition of emergency action and advise the petitioner.

"(3) Within 7 days after the President receives a recommendation submitted by the Secretary of Agriculture under paragraph (2) to take emergency action, the President shall—

"(A) issue a proclamation that—

"(i) proclaims an increase in, or imposition of, any duty on the article causing serious injury, or threat of serious injury, to such industry,

"(ii) proclaims a tariff-rate quota on such article,

"(iii) proclaims a modification of, or imposition of, any quantitative restriction on the imports into the United States of such article, or

"(iv) takes any combination of the actions described in clauses (i), (ii), or (iii), or

"(B) publish a notice of his determinations not to take emergency action.

"(4) Any emergency relief proclaimed under paragraph (3) shall cease to apply—

"(A) upon the proclamation of import relief under section 203(a);

"(B) on the day on which the President makes a determination under section 202(b)(1) not to impose import relief;

"(C) in the event of a report of the Commission containing a negative finding under subsection (b), on the day the Commission's report is submitted to the President; or

"(D) whenever the President determines that, because of changed circumstances, such relief is no longer warranted.

SEC. 103. PRESIDENT REQUIRED TO IMPLEMENT RECOMMENDED RELIEF.

(a) IN GENERAL.—Subsection (c) of section 203 of the Trade Act of 1974 (19 U.S.C. 2253(c)) is amended to read as follows:

"(c)(1)(A) If the President determines under section 202(b)—

"(i) to provide import relief which is not the import relief found to be necessary by the Commission under section 201(d)(1)(A), or

"(ii) not to provide any import relief,

the President shall submit to the Congress on the same day the document required under paragraph (1) or (2) of subsection (b) is submitted a draft of a bill described in subparagraph (B).

"(B) Any bill submitted by the President under subparagraph (A) shall—

"(i) contain—

"(I) a provision waiving the application of paragraph (2) with respect to the findings of the Commission contained in a specific report submitted under section 201(d)(1), and

"(II) provisions implementing the import relief, if any, that the President has determined under section 202(b) to take with respect to such report.

"(ii) be introduced by the majority leader of each House of the Congress (by request) on the first day on which such House is in session after the date such draft is submitted to the Congress, and

"(iii) be treated as an implementing bill for purposes of subsections (d), (e), (f), and (g) of section 151.

"(2) If the President determines under section 202(b)—

"(A) to provide import relief which is not the import relief found by the Commission under section 201(d)(1)(A) to be necessary to prevent or remedy the injury caused by imports, or

"(B) not to provide any import relief,

the President shall, on the date that is 90 days after the date on which a draft bill is required to be submitted to the Congress under paragraph (1), proclaim the increase in, or imposition of, any duty or other import restriction on the imported article which was found to be necessary by the Commission under section 201(d)(1)(A).".

(b) ELIMINATION OF PRESIDENTIAL DISCRETION TO TERMINATE.—Subsection (h) of section 203 of the Trade Act of 1974 (19 U.S.C. 2253(h)) is amended—

(1) by striking out paragraph (4), and

(2) by redesignating paragraph (5) as paragraph (4).

TITLE II—ELIMINATION OF UNFAIR TRADE PRACTICES

SEC. 201. MISCELLANEOUS AMENDMENTS TO SECTION 301 OF THE TRADE ACT OF 1974.

(a) BURDEN ON COMMERCE.—Section 301 of the Trade Act of 1974 (19 U.S.C. 2411) is amended—

(1) by inserting "(or threatens to burden or restrict)" after "restricts" in subsection (a)(1)(B)(ii),

(2) by striking out "or instrumentality" each place it appears, and

(3) by striking out "purpose of this section" in subsection (e) and inserting in lieu thereof "purpose of this chapter".

(4) by adding at the end of subsection (e) the following new paragraphs:

"(7) BURDEN ON UNITED STATES COMMERCE.—Acts, policies, and practices of a foreign country which burden United States commerce include, but are not limited to—

"(A) acts, policies, and practices which have an adverse effect on trade between the United States and another foreign country,

"(B) the subsidization of exports of such foreign country that results in the displacement of United States exports to another foreign country,

"(C) the imposition of import restrictions or export performance requirements that result in the diversion of the exports of another foreign country to United States markets, and

"(D) the enforcement of trade restraining agreements that result in the diversion of the exports of another foreign country to United States markets.

"(8) FOREIGN COUNTRY.—Any foreign instrumentality, or any territory or possession of a foreign country, that is administered separately for customs purposes shall be treated as a separate foreign country.

(b) NEGOTIATED SETTLEMENTS; DENIALS OF GENERALIZED SYSTEM OF PREFERENCES.—Subsection (b) of section 301 of the Trade Act of 1974 (19 U.S.C. 2411(b)) is amended—

(1) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or", and

(2) by adding at the end thereof the following new paragraphs:

"(3) enter into binding agreements with such foreign country that fully offset or eliminate any burden or restriction on United States commerce resulting from the acts, policies, or practices of such foreign country described in subsection (a)(1)(B); or

"(4) withdraw, or refrain from proclaiming under title V—

"(A) the designation of such foreign country as a beneficiary developing country, or

"(B) the designation of any product of such foreign country as an eligible article.".

(c) UNREASONABLE PRACTICES.—Paragraph (3) of section 301(e) of the Trade Act of 1974 (19 U.S.C. 2411(e)(3)) is amended—

(1) by inserting "(or any combination thereof)" after "or practice" in the second sentence, and

(2) by inserting "(including protection of any industry in its formative stages)" after "opportunities" in subparagraph (A).

SEC. 202. ACTIONS IN RESPONSE TO INVESTIGATIONS UNDER TITLE III OF THE TRADE ACT OF 1974.

(a) IN GENERAL.—Section 304 of the Trade Act of 1974 (19 U.S.C. 2414) is amended to read as follows:

"SEC. 304. ACTIONS IN RESPONSE TO INVESTIGATIONS.

"(a) DETERMINATION OF UNFAIR PRACTICES.—

"(1) IN GENERAL.—By no later than 90 days after the date on which an investigation is initiated under section 302, the Trade Representative shall determine on the basis of such investigation whether—

"(A) the United States is being denied any rights to which the United States is entitled under any trade agreement, or

"(B) any act, policy, or practice of a foreign country is described in section 301(a)(1)(B).

"(2) NOTICE OF DETERMINATIONS.—By no later than 90 days after the date on which an investigation is initiated under section 302, the Trade Representative shall submit to the President and publish in the Federal Register—

"(A) the determination made under paragraph (1) with respect to such investigation, and

"(B) if such determination is affirmative, a list of foreign goods and services (and their aggregate value) that could be subject to actions under subsection (b) or (c) of section 301 to enforce the rights and to offset or eliminate the acts, policies, and practices which were the subject of such affirmative determination.

"(b) ACTION REQUIRED TO BE TAKEN.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, the President shall, by no later than the date that is 15 months after the date any investigation is initiated under section 302, take whatever actions under subsections (b) and (c) of section 301 that are necessary to—

"(A) enforce all rights, and

"(B) offset or eliminate all acts, policies, and practices,

which were the subject of an affirmative determination made under subsection (a)(1) with respect to such investigation.

"(2) DELAY IN TAKING ACTIONS.—The President may delay taking action under paragraph (1) for a period not to exceed 90 days if—

"(A) either—

"(i) in the case of an investigation initiated under section 302(b), the petitioner requests such delay, or

"(ii) in the case of an investigation initiated under section 302(c), such delay is requested by the domestic industry that would benefit from enforcement of the rights, or elimination of the acts, policies, and practices, that were the subject of the affirmative determination under subsection (a)(1), and

"(B) such request is based on a determination made by the person making such request that adequate progress is being made to enforce such rights or to eliminate or reduce such acts, policies, and practices.

"(3) EXCEPTIONS.—The President shall not be required to take action under subsection (b) or (c) of section 301 by reason of paragraph (1)—

"(A) after the affirmative determination has been made under subsection (a)(1), the President subsequently determines such affirmative determination was incorrect or is no longer valid, or

"(B) an agreement is entered into with the foreign country involved and—

"(i) representatives of the domestic industry described in paragraph (2)(A)(ii) and the petitioner, if any, agree that such agreement adequately offsets or eliminates the acts, policies, and practices and enforces the rights which were the subject of such affirmative determination, or

"(ii) the President and either—

"(I) the representatives of such industry, or

"(II) the petitioner,

agree that such agreement adequately offsets or eliminates the acts, policies, and practices and enforces the rights which were the subject of such affirmative determination.

"(4) CONSIDERATION OF GATT DETERMINATIONS.—If any determination made by the Contracting Parties under the dispute settlement procedures of the General Agreement on Tariffs and Trade conflicts with, or differs from, a determination made by the Trade Representative under subsection (a)(1), the Trade Representative shall review the determination made under subsection (a)(1) for purposes of advising the President with regard to a determination under paragraph (3)(A).

"(c) REVIEW OF NECESSITY.—

"(1) IN GENERAL.—If—

"(A) a particular action has been taken under subsection (b) or (c) of section 301 by reason of subsection (b)(1) continuously during any 7-year period, and

"(B) neither the petitioner nor any representative of the domestic industry described in subsection (b)(2)(A)(ii) has submitted to the Trade Representative during the last 60 days of such 7-year period a written request for the continuation of such action, such action shall terminate at the close of such 7-year period.

"(2) NOTICE OF POTENTIAL TERMINATION.—The Trade Representative shall notify by mail the petitioner and representatives of the domestic industry described in subsection (b)(3)(B) of any termination of action by reason of paragraph (1) at least 60 days before the date of such termination.

"(3) FORMAL REVIEW.—If a request is submitted under paragraph (1)(B) to continue taking a particular action under subsection (b) or (c) of section 301, the Trade Representative shall conduct a review of—

"(A) the effectiveness of—

"(i) such action, and

"(ii) other actions that could be taken (including actions agaist other products or services),

in achieving the objectives described in subsection (b)(1), and

"(B) the effects of such actions on the United States economy, including consumers.

The Trade Representative shall submit a report on such review to the President and to the Congress and shall include in such report any modifications the Trade Representative suggests in the actions taken under subsections (b) and (c) of section 301 as a result of such review.".

(b) CONFORMING AMENDMENTS.—

(1) The table of contents for the Trade Act of 1974 is amended by striking out the item relating to section 304 and inserting in lieu thereof the following:

"Sec. 304. Actions in response to investigations.".

(2) Subsection (b) of section 301 of the Trade Act of 1974 (19 U.S.C. 2411(b)) is amended—

(A) by inserting ", or upon the application of section 304(b)(1)" after "subsection (a)", and

(B) by striking out "in such subsection" and inserting in lieu thereof "in subsection (a)".

SEC. 203. COMPENSATION AUTHORITY.

Section 123 of the Trade Act of 1974 (19 U.S.C. 2133) is amended—

(1) by striking out "section 203" and inserting in lieu thereof "chapter 1 of title II or chapter 1 of title III", and

(2) by adding at the end thereof the following new subsection:

"(e) The provisions of this section shall apply by reason of action taken under chapter 1 of title III only if the President determines that action authorized under this section is necessary to meet the international obligations of the United States.".

By Mr. SYMMS (for himself, Mr. NICKLES and Mr. MCCLURE):

S. 220. A bill to require the voice and vote of the United States in opposition to assistance by international financial institutions for the production of commodities or minerals in surplus, and for other purposes; to the Committee on Foreign Relations.

THE FOREIGN AGRICULTURAL INVESTMENT REFORM ACT

Mr. SYMMS. Mr. President, today I am introducing in behalf of myelf, my colleague from Oklahoma, Mr. NICKLES, and the other Senator from Idaho, Mr. MCCLURE, a bill entitled the "Foreign Agricultural Investment Reform Act," commonly known as the FAIR bill.

This legislation addresses counterproductive and destructive use of American tax dollars by international financial institutions such as the World Bank, the International Monetary Fund, et cetera. Let me give you an example of what I mean.

The Asian Development Bank recently proposed a $35 million loan to Burma for the production of edible oil from groundnuts. That oil is expected to be sold for $1.80 per kilogram. Because soybean and palm oils are in huge oversupply on world markets, selling near 65 cents per kilogram, strong tariffs and import controls will be needed in order to get the Burmese to buy the groundnut oil. The project will be carried out under the direction of the Socialist Program Party in Burma. The result of this loan will be loss of United States soybean oil exports, creation of a Socialist industry with no hope of profitability in the free market, and all at the expense of American taxpayers and Burmese consumers who must pay triple the world price for edible oil.

These loans do not "develop" underdeveloped countries. Hearings of the Joint Economic Committee on the FAIR bill confirmed this last year. Note, for example, that in the last 5 years, Brazil increased its export volume 56 percent, and yet, at the same time, its revenues increased only 25 percent while external debt rose 33 percent. Chile is an even better example. While its export volume, fueled by billions of tax dollars, increased 21 percent, its export revenue actually fell 23 percent. In the meantime, Chilean debt rose 43 percent.

A recent Congressional Research Service report cites debt service as the major motivation behind Argentina's current agricultural export initiatives. The fact is that many countries are now engaged in agricultural and mineral production just so they can pay the interest on their debts. The cost to the people and the environment is tremendous. I'd like to quote from an article in the latest edition of Sierra magazine, entitled, "All in the Name of AID."

> In Botswana, an $18 million World Bank project aims to increase beef production for export by almost 50 percent, despite the country's severe overgrazing problems. In Zimbabwe and Zambia, 56,000 people were displaced . . . by the World Bank's Kariba Dam, because the lands they moved to could not support the additional population, many became dependent on food relief. In Bangladesh, the Chittagong hill tribes were displaced . . . In one five-year period at the beginning of the decade, more than 400,000 people were forcibly displaced by World Bank water projects.

The bill I am introducing today takes these problems head on. It gives the U.S. Executive Directors to these international financial institutions new guidelines by which to approve loans. It discourages loans for production of commodities and minerals already in surplus, and encourages the banks to find private investors who are willing to invest in the future of the country. It imposes strong sanctions against the banks that ignore these guidelines. It also requires that our own U.S. foreign aid take the form of U.S.-produced commodities in lieu of cash wherever possible. It is certainly a piece of legislation long overdue, and I urge my colleagues to cosponsor it, and move quickly on its consideration.

Mr. NICKLES. Mr. President, today Congress reconvenes to forge a legislative schedule that needs to address the continuing crisis experienced throughout the agriculture community. Changes in farm programs and agriculture credit are in order. But even with the best of changes in these areas, until we stop our tax dollars from subsidizing our foreign competition, the future of our Nation's most basic industries remains bleak at best.

Today Senator STEVE SYMMS and I reintroduce our legislation, the Foreign Agricultural Investment Reform Act, known as the FAIR Act for short. The goal is simple. The FAIR Act aims to stop a foreign policy fiasco funneling U.S. tax dollars through international lenders which subsidize the foreign competition of American agricultural and mineral producers.

We have passed the FAIR Act three times in the Senate, but it has been blocked from consideration by the full House. The only RECORD vote on the measure occurred October 25, 1985, when the Senate passed the FAIR Act 65 to 13 as an amendment to the Food Security Act of 1985.

On July 22, 1986, the Senate unanimously adopted the FAIR Act as an amendment to legislation reauthorizing the Export-Import Bank. When that legislation died in the House, the Senate passed the FAIR Act's provisions for the third time on September 26, 1986, as an amendment to a revived Exim reauthorization bill. In conference language simply restated existing policy was adopted, providing no reform of the foreign investment practices which have plagued American agriculture and mining industries.

We have seen the reports of low-interest million dollar loans to our foreign agriculture competitors. One such instance my colleagues may recall involved a $350 million World Bank loan to Argentina. This loan, made in April 1985, carried an interest rate of 8.5 percent for 15 years with a 3-year grace period. According to the World Bank's own press release, the loan was structured to boost Argentina's exports of soybeans, corn, wheat, sorghum, and sunflowers. This is just one example of how billions of dollars, many our own, are being used unfairly against American agriculture.

Clearly, it is appalling that foreign farmers are being subsidized with our tax dollars while Oklahoma farmers are in the most dire straits since the Great Depression. The loan subsidies can give the foreign competition a substantial advantage in allowing them to sell more of their goods on the world market, further reducing U.S. exports.

Because we contribute about 20 percent of the funding to the World Bank and other international lenders we do have a say in how our money is spent. But, our influence over individual loans hinges on taking a tough stance and obtaining a general change in lender philosophy. Under the FAIR Act, if a bank wants to subsidize the competition of U.S. agriculture or mineral producers with cheap loans, they won't do it with our money. As the loan moves through the approval process, our U.S. delegates to the Bank's board would be required to vote against objectionable loans. If the loan is approved despite our opposition, U.S. assistance is withheld until commitments to eliminate such objectionable foreign investments are obtained.

The bill we are introducing attacks a related problem involving foreign aid giveaways. Presently, U.S. tax dollars are being granted to foreign nations with little or no strings attached, allowing them to buy from others when the goods and services are readily available from American industry.

Counter to domestic agriculture policy goals, this process increases surpluses and decreases sales. The FAIR Act would amend the Foreign Assistance Act of 1961 with the commonsense approach of providing economic assistance with commodities rather than cash. Any country that receives a cash transfer would be monitored to determine that the funds are used to purchase goods produced or grown in the United States.

In summary, we have an opportunity to correct a serious problem. For far too long the agriculture producers of our Nation have been the object of our own Government's bad policies involving foreign aid. This legislation will certainly not erase the dilemma faced by the American farmer. It will, however, cause substantive reforms in the current foreign aid system and will return some equity to the U.S. farmers, miners and taxpayers in the world market.

Only through persistence can we win this fight for American taxpayers, agriculture producers and mineral producers. With this in mind, I urge my colleagues to join Senator SYMMS and I in support of this needed legislation.

By Mr. RIEGLE:

S. 221. A bill to establish within the Department of Agriculture an Office of Emergency Aid for Farm Families to provide grants to States for emergency services to farm families, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FARM FAMILY EMERGENCY PROTECTION ACT

● Mr. RIEGLE. Mr. President, today I am introducing the Farm Family Emergency Protection Act of 1987. This legislation will help meet a need which exists in farm communities throughout the Nation.

There is a crisis in agriculture which shows few signs of ending in the near future. Commodity prices remain at historic low levels, bankruptcies, farm failures and economic stress is found in all States and in all commodities. Exports no longer provide the markets for our crops as they did in the last decade; the value of exports has dropped more than 45 percent since 1981.

While accurate data is difficult to obtain, estimates show that more than 125,000 farms are in danger of foreclosure, with credit difficult if not impossible to obtain for many more families. It is clear that hundreds of thousands of people may no longer be farming in the coming years, and we must address that fact in much the same fashion that we have faced readjustments in other industries.

Farmers do not generally have the same spectrum of services and support available to them, which is available to industrial employees. There is no unemployment compensation; Aid to Families with Dependent Children is difficult to obtain due to eligibility requirements tailored to urban dwellers rather than bankrupt farmers; and perhaps most importantly medical insurance is either canceled or lapses putting entire families at risk of illness or even death. Even critical emergency care must be weighed against the potential cost of treatment or upon the chances of receiving charity.

The legislation that I am introducing would authorize $15 million to provide eligibility to farm families for Medicaid, cash grants under the AFDC Program, moving and relocation assistance and job counseling, training and search.

Mr. President, we cannot ignore the fact that behind the statistics are thousands of hard-working families who having lost their entire livelihood have no assistance to ease their transition to new careers. The legislation that I am introducing is a small but critical element in providing this assistance, and I ask unanimous consent that the legislation be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 221

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Farm Family Emergency Protection Act of 1986".

SEC. 2. DEFINITIONS.

As used in this Act, unless the context requires otherwise:

(1) Director.—The term "Director" means the Director of the Office appointed under section 4(b)(1).

(2) Office.—The term "Office" means the Office of Emergency Aid for Farm Families established under section 4(a).

(3) Secretary.—The term "Secretary" means the Secretary of Agriculture.

(4) State.—The term "State" means each of the 50 States.

(5) State agency.—The term "State agency" means the agency of the government of a State that has the responsibility for the administration of the State plan submitted under section 9 in the State.

SEC. 3. ELIGIBILITY.

(a) Criteria.—To be eligible to receive emergency services under this Act, a person must—

(1) be a farmer or rancher who is—

(A) engaged primarily and directly in farming or ranching in a State;

(B) a citizen of the United States;

(C) an owner or operator of not larger than a family farm or ranch; and

(D) in a state of economic crisis because the farmer or rancher has—

(i) declared bankruptcy; or

(ii) been forced to liquidate property as the result of foreclosure on a loan, mortgage, or lien; or

(2) a member of the family of a farmer or rancher described in paragraph (1) who is related by blood or marriage to the farmer or rancher and who resides with the farmer or rancher.

(d) Duration.—A person described in subsection (a) shall be eligible to continue to receive emergency services under this Act until the date that is 36 months after the date the farmer or rancher, or a member of the family of the farmer or borrower, first received services under the Act.

SEC. 4. OFFICE OF EMERGENCY AID TO FARM FAMILIES.

(a) Establishment.—There is established within the Department of Agriculture the Office of Emergency Aid for Farm Families.

(b) Director.—

(1) Appointment.—The Office shall be headed by a Director of the Office of Emergency Aid for Farm Families, who shall be appointed by, and under the direction and supervision of, the Secretary.

(2) Level v classification.—Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"Director of the Office of Emergency Aid for Farm Families, Department of Agriculture".

(c) Functions.—It shall be the function of the Office to—

(1) evaluate and approve or disapprove plans of operations submitted by States under section 9 for providing emergency services to eligible farm families;

(2) allocate funds and make payments to State agencies for emergency services to eligible farm families in accordance with this Act;

(3) coordinate emergency services provided to eligible farm families under this Act with other assistance provided to the families to avoid duplication;

(4) maintain records, and provide an annual report to Congress, on the demand for emergency services under this Act and the administration of this Act; and

(5) perform such other functions as are necessary to carry out this Act.

SEC. 5. AUTHORIZATION FOR APPROPRIATIONS.

Subject to section 11, for the purpose of making allotments to States to carry out the activities described in sections 8 and 9, there are authorized to be appropriated $15,000,000 for each fiscal year.

SEC. 6. ALLOTMENTS.

From the amounts appropriated under section 5 for each fiscal year, the Director shall allot to each State that demonstrates to the Director a need for such allotment an amount that bears the same ratio to the total amount appropriated under such section for such fiscal year as the number of farms in the State (as measured by the latest census of agriculture published by the Secretary of Commerce) bears to the number of farms in all States that demonstrate to the Director a need for such allotments.

SEC. 7. PAYMENTS UNDER ALLOTMENTS TO STATES.

The Director shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotments under section 6 from funds appropriated under section 5.

SEC. 8. USE OF ALLOTMENTS.

(a) In General.—Amounts paid to a State under section 7 from its allotments shall be used to provide emergency services to eligible farm families in accordance with this section.

(b) Medical Assistance.—

(1) In general.—Subject to paragraph (2), a State agency shall provide to an eligible farm family medical assistance of the type described in section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) for medical expenses incurred by the family for which the family does not otherwise receive reimbursement.

(2) Full federal funding.—Notwithstanding section 1905(b) of such Act, the Federal medical assistance percentage for medical assistance provided under paragraph (1) shall be 100 percent.

(c) Social Services.—

(1) Cash assistance.—If an eligible farm family is headed by a farmer or rancher who is not otherwise employed, a State agency shall provide to the family cash assistance in an amount that is equivalent to the amount of aid provided under the State plan approved under the aid to families with dependent children program established under part A of title IV of the Social Security Act (42 U.S.C 601 et seq.).

(2) Home energy assistance.—A State agency shall provide to an eligible farm family home energy assistance that is similar to assistance provided under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8601 et seq.).

(3) Housing assistance.—

(A) Moving expenses.—If an eligible farm family is required to sell or liquidate the primary residence of the family as the result of an economic crisis referred to in section 3(a)(1)(D), a State agency shall reimburse the family in an amount not to exceed $1,000 for any moving or relocation expenses incurred by the family as the result of the crisis.

(B) Rental expenses.—A State agency may provide a family described in subparagraph (A) with an additional subsidy for rental expenses incurred by the family as the result of the crisis.

(4) Family services.—A State agency may establish centers to provide to eligible farm families professional, self-help, or other forms of—

(A) stress management assistance;

(B) family financial planning assistance; and

(C) educational counseling.

(d) Employment Assistance.—

(1) In general.—A State agency shall offer to an eligible farm family—

(A) employment counseling;

(B) job search assistance;

(C) day care for a preschool child; and

(D) before and after school care for a child below the age of 13.

(2) Job skills training.—A State agency may establish a program to provide job skills training to eligible farm families.

(e) Nutrition Assistance.—A State agency shall conduct outreach activities to inform eligible farm families of the availability of nutritional assistance under Federal, State, and local nutritional programs such as—

(1) the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) (including the availability of expedited coupon issuance to eligible households described in section 11(e)(9) of such Act (7 U.S.C. 2020(e)(9));

(2) the school lunch and school breakfast programs established under the National School Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) respectively;

(3) the summer food service program for children established under section 13 of the National School Lunch Act (42 U.S.C. 1761);

(4) the special supplemental food program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786); and

(5) the temporary emergency food assistance program established under the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note).

SEC. 9. STATE PLANS.

(a) Requirement.—To be eligible to receive an allotment under section 6, a State must submit for approval by the Director an annual plan of operation specifying the manner in which the grant will be used to provide emergency services to eligible farm families in accordance with this Act.

(b) Components.—A State plan of operation required under subsection (a) shall—

(1) designate an agency of State government as the State agency responsible for the administration of the plan in the State;

(2) provide emergency services to eligible farm families in accordance with section 8;

(3) establish an outreach program for providing emergency services to eligible farm families; and

(4) contain such other provisions as are determined appropriate by the Director.

SEC. 10. REGULATIONS.

The Secretary shall issue such regulations as are necessary to carry out this Act.

SEC. 11. TERMINATION DATE.

The authority provided under this Act shall terminate 5 years after the date of enactment of this Act.

By Mr. RIEGLE:

S. 222. A bill to strengthen the program for grants to States for dependent care programs, and for other pur-

poses; to the Committee on Labor and Human Resources.

STATE DEPENDENT CARE GRANTS AMENDMENTS ACTS

● Mr. RIEGLE. Mr. President, today I am introducing legislation to enhance the Dependent Care State Grant Program which I first proposed in the 97th Congress. The bill I am introducing today would remove the prohibition, in certain circumstances, against using funds under this grant program for operating expenses. This will aid communities in their efforts to provide before and after school child care and assistance to parents and guardians who are searching for quality dependent care services. The first type of child care program that is funded by the Dependent Care State Grant Program is before the after school care for children in schools or community facilities for all children who are by State law provided free public education. A second type of program is a resource and referral service to assist parents and guardians in finding quality care for children and dependents of all ages, including elderly and disabled persons. S. 222 would permit States to use grant funds to cover the operating costs of both types of programs that were established or improved with dependent care State grants.

S. 222 permits the use of funds for the operating costs of before and after school programs for the purpose of enabling children whose families are unable to meet the expense of program fees to participate in the program. A recent survey revealed that before or after school programs have not been established in many communities due to a concern that ongoing operating costs could not be covered by parents' payment of program fees. Both predominantly low-income communities and ones that have a mix of low and middle income families are likely to encounter difficulties in maintaining before and after school child care programs. In the absence of operating funds for programs in such communities, the provision of "start-up" funds fails to meet the need for school age child care.

The availability of affordable, high quality school age child care is of vital importance to all children, and especially important to low-income children. Research suggests that low-income children are more likely to suffer negative effects of caring for themselves on a regular basis without adult supervision. These negative consequences include serious behavior and academic problems that can severely jeopardize a child's health development. For all children, even a relatively low risk of serious problems associated with self-care is unacceptable. It has been estimated that at least 5 million school age children are in self-care: if only 1 percent experience physical harm in fires, accidents, or assaults, the net effect would be at least 50,000 physical casualties. If only 10 percent of these children experience serious fear, that means potential psychological harm to 500,00 children.

Mr. President, S. 222 would help ensure that more children whose parents have limited resources for child care would be able to benefit from before and after school child care programs. This legislation would also permit the use of dependent care State grants to fund the operation of resource and referral systems. Like direct service child care programs, resource and referral systems require funds for ongoing operating expenses. The services these systems provide are extremely valuable to parents and guardians who are seeking high quality care for dependent persons. Resource and referral services educate consumers about the characteristics of quality care, increasing the likelihood that all forms of dependent care in a community will adhere to high standards in meeting the needs of different age groups and individuals with special needs. Resource and referral services may also provide technical assistance to providers of dependent care and offer other means of enhancing the quality of care. For most families in need of dependent care, a resource and referral service means the difference between guessing at what might be an adequate care arrangement and making an informed choice about a dependent care service that best meets the needs of the individual in care and the family.

The use of dependent care State grants to fund the operation of before and after school child care programs and resource and referral systems will extend both the availability and quality of dependent care for children, elderly, and disabled persons. In order to carefully assess the use of dependent care State grants for future planning, S. 222 also specifies important information that States will provide to the Secretary of Health and Human Services about the children and other dependents that are served by the program. This legislation is an important step encouraging the planning of future efforts to ensure that excellent dependent care is available to families.

Mr. President, I ask unanimous consent that this bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 222

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "State Dependent Care Grants Amendments Act of 1987".

OPERATION COSTS OF AFTER SCHOOL CARE PROGRAMS AUTHORIZED.

SEC. 2. (a)(1) Section 670D(b)(1) of the State Dependent Care Development Grants Act (hereafter in this Act referred to as the "Act") is amended by inserting after "establishment" a comma and the following: "operation".

(2) Section 670D(b)(1) of the Act is further amended by adding at the end thereof the following new sentence:

"Amounts so paid to a State and used for the operation of such child care services shall be designed to enable children, whose families lack adequate financial resources, to participate in before or after school child care programs.".

(3) Section 670D(f) of the Act is amended by inserting after "expand" a comma and the following: "operate".

(b) Section 670D(d) of the Act is amended—

(1) by striking out clause (1);

(2) redesignating clause (2) of such section as clause (1);

(3) striking out clause (3);

(4) redesignating clause (4) as clause (2); and

(5) redesignating clause (5) as clause (3).

REPORT BY GRANT RECIPIENTS

SEC. 3. (a) Section 670E(c) of the Act is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by adding at the end thereof the following new paragraph:

"(2) The chief executive officer of each State shall include in such report—

"(A) the number of children served in before and after school child care programs assisted under the subchapter;

"(B) the characteristics of the children so served including age levels, handicapped condition, income level of families in such programs;

"(C) the salary level and benefits paid to employees in such child care programs;

"(D) the number of clients served in resource and referral systems assisted under this subchapter;

"(E) the characteristics of clients served in resource and referral systems assisted under this subchapter, including age categories (including children and the elderly) and disability categories; and

"(F) the income level of families served by the resource and referral systems assisted under this subchapter.".

(b) Section 370E(c)(1) of the Act (as redesignated by subsection (a) of this section) is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1991".

By Mr. GORE:

S. 223. A bill to establish the Food and Drug Administration by law, and for other purposes; to the Committee on Labor and Human Resources.

FOOD AND DRUG ADMINISTRATION ACT

● Mr. GORE. Mr. President, for more than a century, the Food and Drug Administration has stood for solid protection of our food supply and medicines. But in recent years, outside meddling and bureaucratic infighting have paralyzed the agency. Last year I introduced legislation to save the FDA and it passed the Senate twice but failed to reach the President's desk.

Today I am reintroducing that legislation and I hope we can act on it quickly before the health of the American people is needlessly endangered.

From the Pure Food and Drugs Act of 1906 to the Infant Formula Act of 1980, Congress has always turned to the FDA to ensure and enhance the public health. The agency developed a worldwide reputation for professionalism and expertise.

Now that hard-earned reputation is in jeopardy. The current administration has launched a quiet assault on one of the finest health protection organizations in the world. High ranking bureaucrats in other agencies have reversed prudent decisions made by FDA scientists. At the same time, the Office of Management and Budget wants to cripple the FDA by cutting funds for enforcement and research.

Morale among FDA professionals is at an all-time low. Worse still, special interests and partisan politics have replaced sound scientific policy. The administration has hampered the FDA's ability to safeguard the public health.

Consider the case of Reyes' Syndrome, a rare but deadly childhood disease that has long been linked to aspirin. In 1982, the FDA proposed a label for aspirin bottles to warn parents to consult a doctor before administering the drug to children with chicken pox or flu. But the Office of Management and Budget blocked that proposal until just last month. In the meantime, several drug companies began to print the label voluntarily, and the number of deaths from Reyes' Syndrome dropped dramatically. Yet we will never know how many children's lives were lost in the bureaucratic shuffle.

Federal approval of over-the-counter drugs has also become bogged down in the bureaucracy. One of the FDA's principal responsibilities is to provide a prompt review of new drugs to make sure they are safe and effective. In an unsuccessful effort to accelerate approval, the current administration has included the Office of Management and Budget and the Department of Human Services in the process—even though those agencies lack the expertise to make sound scientific judgments. Instead of getting drugs onto the market more quickly, the administration has actually slowed things down. Drug manufacturers and the American people both suffer when the Administration plays politics instead of sticking to science.

In an effort to break this logjam, the legislation I am introducing will protect the FDA from the taint of bureaucratic infighting.

The legislation would give the FDA an independent Commissioner, appointed by the President. An independent Commissioner will answer to Congress and the American people, not to several other agencies in the administration. While the FDA would remain part of the Department of Health and Human Services, its head would no longer be subject to the political pressure now exerted by HHS and OMB.

The bill would also clarify the FDA's place in the executive process, by restoring most authority over FDA matters to the Commissioner. The Secretary of HHS would maintain the right to be notified on significant issues.

We cannot afford to let redtape stand in the way of public safety. It's time to protect the FDA from petty politics, so that it can get back to the business of protecting the health of the American people.

I urge all of my colleagues to support this legislation. It is identical to the bill we passed on the last day of the 99th Congress.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 223

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Food and Drug Administration Act of 1987".

FINDINGS

SEC. 2. The Congress finds that—

(1) the public health has been effectively protected by the presence of the Food and Drug Administration during the last eighty years;

(2) the presence and importance of the Food and Drug Administration must be guaranteed; and

(3) the independence and integrity of the Food and Drug Administration need to be enhanced in order to ensure the continuing protection of the public health.

ESTABLISHMENT OF ADMINISTRATION BY LAW

SEC. 3. (a) There is established in the Department of Health and Human Services the Food and Drug Administration (hereinafter in this section referred to as the "Administration"). The Administration shall be headed by a Commissioner of Food and Drug (hereinafter in this section referred to as the "Commissioner"). The Commissioner shall be appointed by the President by and with the advice and consent of the Senate and shall serve at the pleasure of the President. The Administration shall be administered under the supervision and direction of the Commissioner. The Commissioner shall, in consultation with the Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") appoint a Deputy Commissioner and such Associate Commissioners and Directors of functional centers, bureaus, and other administrative units as shall be needed for the effective and efficient discharge of the authorities and functions administered by the Commissioner.

(b)(1) Except as otherwise provided in this subsection, there are transferred to, and vested in, the Commissioner all of the authorities and functions delegated to the Commissioner or to the Assistant General Counsel of the Food and Drug Division by section 5.10 of title 21, Code of Federal Regulations, as of the date of enactment of this section, without regard to any reservation prescribed by section 5.11 of title 21, Code of Federal Regulations. The office of the Assistant General Counsel of the Food and Drug Division of the Office of General Counsel within the Office of the Secretary is transferred to the Food and Drug Administration and redesignated the Office of Chief Counsel. The Secretary may delegate to the Commissioner such additional authorities and functions as the Secretary deems appropriate.

(2) The Secretary may require the Commissioner to notify the Secretary of any decisions of the Commissioner which—

(A) establish procedural rules applicable to a general class of foods, drugs, cosmetics, medical devices, or other subjects of regulation; or

(B) present highly significant public issues involving the quality, availability, marketability, or cost of one or more foods, drugs, cosmetics, medical devices, or other subjects of regulations.

(c) The provisions of the third sentence of subsection (a) shall apply to any individual appointed to the position of Commissioner of Food and Drugs after the date of enactment of this section.

(d) The Commissioner of Food and Drugs may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, establish such technical and scientific review groups as are needed to carry out the functions of the Administration, including functions under the Federal Food, Drug, and Cosmetic Act, and appoint and pay the members of such groups, except that officers and employees of the United States shall not receive additional compensation for service as members of such groups.

(e)(1) Section 5316 of title 5, United States Code, is amended by striking out the item relating to the Commissioner of Food and Drugs, Department of Health and Human Services.

(2) Section 5315 of such title is amended by adding at the end thereof the following new item:

"Commissioner of Food and Drugs, Department of Health and Human Services".●

By Mr. D'AMATO:

S. 224. A bill to amend and extend programs under the Urban Mass Transportation Act of 1964; to the Committee on Banking, Housing, and Urban Affairs.

FEDERAL MASS TRANSIT IMPROVEMENT ACT

● Mr. D'AMATO. Mr. President, I rise to introduce legislation to reauthorize the Federal Mass Transit Program. My bill, the Federal Mass Transit Improvement Act of 1987, will provide the framework and vital funding for the continuation of this valuable program.

At the end of fiscal year 1986, the Federal Mass Transit Program administered by the Urban Mass Transportation Administration [UMTA] expired. A modest proposal to extend the program for another 4 years was successfully added to S. 2405, the Federal-Aid Highway Act of 1986. However, that bill died in conference at the close of the 99th Congress.

The legislation that I am introducing today, would extend the Federal Public Transit Program for another 4 years—through the end of fiscal year 1990.

This legislation would reauthorize the funding levels for the mass transit account, section 3, at $1.75 billion per year for the life of the bill, an annual increase of $650 million. The Formula Grant Program, section 9, would be reauthorized through 1990 at the following levels: $2.15 billion for fiscal year 1987; $2.201 billion for fiscal year 1988; $2.255 billion for fiscal year 1989; and $2.312 billion for fiscal year 1990. The basic structure of the Federal Transit Program would not be disturbed; however, congressional intent regarding UMTA's implementation of the program would be clarified, and various program elements would be improved.

One of the most important features of the bill is the creation of the "balanced investment fund" within the section 3 program. This $200 million fund would be available to small urban—population 1 million or under—and rural grantees for discretionary capital projects. None of the funds provided under this program would be available to urbanized areas which receive funds for rail modernization or for construction of new rail systems or extensions.

The balanced investment fund would enable the Federal Government to distribute the moneys more equitably in the user fee-funded section 3 program to smaller transit grantees. As under the existing program, section 3 funds may not be used for operating expenses. Recipients of grants under the balanced investment fund would be able to finance projects for the acquisition, construction, reconstruction, and improvement of buses and vans, and for bus and van-related facilities. This innovative approach will help unify transit advocates by giving grantees of all sizes more of a stake in the total Federal program.

Some of the other provisions in the legislation were a part of predecessor legislation, S. 352—the Public Transit Improvement Act. These provisions include:

MULTIYEAR CONTRACTS

UMTA could make agreements for advance construction under the section 3 program. This is similar to letters of intent and full-funding contracts which historically have been used in conjunction with new start projects. Existing letters of intent and full-funding contracts would not be affected by this section. The purpose of this new funding mechanism is to enable grantees to better plan their construction budgets and to maximize the value of the Federal dollars they receive;

ASSOCIATED CAPITAL ITEMS

This section would reduce the measure of current fair market value of rolling stock and expand the definition of items to be considered as associated capital costs in order to provide adequate funding to protect the Federal investment in rolling stock;

LEASED PROPERTY

Grants for construction projects also would be made available to finance cost-effective leasing projects. This section would permit transit grantees to capitalize the practice of leasing major capital cost items such as heavy equipment, computers, and telephone systems; and

CRIME PREVENTION AND SECURITY

In order to underscore the importance of crime prevention and security programs undertaken by transit operators, this section would explicitly authorize UMTA to make grants for such programs. Funding is to be provided as necessary, but no funds may be used for operating expenses. In addition, funds may be applied for by mass transit operators which have internal security personnel, as well as by operators which have formal agreements with local law enforcement units to provide security within the mass transit system.

The Federal Mass Transit Improvment Act also incorporates a section on project management oversight of major capital projects. This section was based on S. 1931, which was the subject of an April 9, 1986, hearing by the full Committee on Banking. This section would require transit grantees to submit project management plans as a precondition to receiving Federal aid. Such plans must, at a minimum, include well-planned budgets, documentation of personnel qualifications, procedures for quality control and quality assurance, and an orderly system for recordkeeping. The language included in this bill incorporates revisions that arose from the committee hearing.

Other provisions of particular interest are the sections dealing with privatization. Language has been included to assure, that receipt of Federal transit aid does not interfere with a transit grantee's basic ability to make local choices regarding the participation of private mass transportation companies in the provision of mass transit services. We agree that the goal of cost-effective involvement of private sector transit services is desirable where it leads to better or enhanced service for the riding public. However, Federal transit grants should not be conditioned on the extent or amount of service or functions to be carried out by various private providers. These are issues which localities are best able to decide and to implement in a workable fashion.

In order to provide an opportunity for private sector participation in the Federal Transit Program, a special demonstration program is contained in the bill. This program sets aside up to $25 million to finance transit projects to develop, implement, and evaluate innovative techniques for private sector involvement in all aspects of public mass transit operations. Transit operators will be able to apply for these funds to carry out local initiatives that promise to enhance and improve transit services. This program will benefit transit grantees, private mass transit service providers, and, most importantly, the riding public without disrupting the continued provision of vital transit services.

There are many other items of interest in this legislation that will lead to a better Federal Transit Program. Many of them are fine tunings of existing law, such as provisions to assist smaller transit systems with respect to operating assistance, limitations regarding State use of section 9 funds, and equitable treatment or rural transit grantees concerning items that qualify for local matching funds.

This legislation builds upon the firm foundation established by the Surface Transportation Assistance Act of 1982, and will lead to a better transit program for all Americans. I urge our colleagues to support this bill and to press for its speedy consideration.

Mr. President, I ask that the text of this bill be printed in its entirety in the RECORD

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 224

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Mass Transit Improvement Act of 1986".

AGREEMENTS FOR ADVANCE CONSTRUCTION

SEC. 2. Section 3(a)(4) of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"(4)(A) Notwithstanding any other provision of law, the Secretary is authorized, in connection with the initial funding of a project under this section, to establish a basis for multi-year financing of such project through the issuance of a multi-year project obligation to the recipient. At least 30 days prior to the issuance or amendment of any such obligation under this paragraph, the Secretary shall notify, in writing, the Committee on Public Works and Transportation of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, of the proposed issuance of such an obligation.

"(B) An obligation issued under this paragraph shall stipulate the Secretary's maximum future participation in the financing of a defined project, including an estimated annual rate of participation, and the total amount so stipulated shall, when issued for a new fixed guideway project, be sufficient to complete an operable segment. The total amount of future Federal expenditures contained within all such multi-year obligations shall not exceed 75 per centum of the aggregate contract authority amounts authorized in section 21(a)(2)(B), nor shall the amounts estimated for use in any fiscal year exceed 75 per centum of the amounts authorized for that fiscal year. Amounts necessary to finance continued commitments to projects defined in subparagraph (C) shall be subtracted from such percentage. The total amount covered by such multi-year obligations shall not exceed any limitation that may be specified in an appropriations Act. Nothing in this paragraph affects the validity of Letters of Intent or Full Funding Contracts issued prior to the date of enactment of the Federal Mass Transit Improvement Act of 1986.

"(C) Funding for projects covered by letters of intent or letters of commitment issued, and full funding contracts executed prior to the date of enactment of the Federal Public Transportation Act of 1982 may be funded under this section while not precluding the funding of a portion of such projects using section 9 capital funds unless such funding would impair the recipient's ability to fund routine capital projects under this section. The Secretary shall, as part of the approval of the use of such funds, determine that sufficient funds exist for the recipient to complete and place into revenue service an operable segment. Notwithstanding the provisions of section 4(a), the Federal share of any project under this section covered by a full funding contract, Letter of Intent, or Letter of Commitment in effect on the date of enactment of the Federal Public Transportation Act of 1982, or those projects within the federally agreed upon scope for the Washington, District of Columbia, metropolitan area transit system (as of such date) shall not be altered.

"(D) Ninety days prior to the commencement of each fiscal year, the Secretary shall publish in the Federal Register a table indicating the aggregate and annual estimated amounts contained in all outstanding multi-year obligations entered into as of that date. Based on this table, the Secretary shall prepare and publish, prior to the commencement of the fiscal year, an apportionment of funds necessary to sustain projects approved under subparagraph (A) for the coming year. Such funds shall be released to the recipients on the first day of the fiscal year and may be obligated by the recipients to meet project costs or to be applied to the payment of principal and interest on bonds, notes, or other obligations issued by the recipients to finance project costs. Federal obligations under this paragraph shall be charged to the budget year in which funds are released to recipients.".

BALANCED INVESTMENT FUND

SEC. 3. Section 3(a) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"(7)(A) The Secretary is authorized to make grants to States and local public bodies, in the amount of $200,000,000 in each of fiscal years 1987, 1988, 1989, and 1990, for the purposes of financing the acquisition, construction, reconstruction, and improvement of buses and vans and bus and van-related facilities.

"(B) Not less than 50 per centum of such funds shall be made available to urbanized areas of 200,000 to 1,000,000 population; not less than 37.5 per centum to urbanized areas of 50,000 to 200,000 population; and not less than 12.5 per centum for non-urbanized areas as authorized for capital purposes only under section 18 of this Act.

"(C) None of the funds provided for in this paragraph shall be made available to urbanized areas receiving grants for rail modernization or construction of new rail systems or extensions.".

NEW START PROJECTS

SEC. 4. Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(i) No grant or loan for construction of a new fixed guideway system or extension of any fixed guideway system may be made under this section unless the Secretary has first ensured that the applicant has prepared an evaluation of the proposed project. The evaluation shall include at least the following information:

"(1) The results of complete alternatives analysis and preliminary engineering studies.

"(2) A cost-effectiveness evaluation.

"(3) The anticipated local economic development resulting from the construction and operation of the proposed project, including local provisions to capture the benefits of such development for the long-term benefit of mass transit services through the use of special assessment districts or other value capture mechanisms.

"(4) Documentation of the local financial commitment to participate in the construction, maintenance, and operation of the system or extension.

In identifying the data to be assembled for the evaluation required under this section, the Secretary shall also consider such other factors as the Secretary deems appropriate. The Secretary shall, not later than 180 days after the date of enactment of this subsection, issue guidelines for the preparation of information necessary to assist in evaluating projects. Such guidelines shall be developed in full consultation with public mass transportation interests, and shall be submitted at least 60 days before implementation to the Committee on Public Works and Transportation of the House of Representatives, and to the Committee on Banking, Housing, and Urban Affairs of the Senate. None of the provisions of this section shall apply to projects to enhance a fixed guideway system unless the contemplated project will result in an extension of the fixed guideway of more than one mile for revenue service purposes. Nothing in this subsection shall be interpreted to provide for a numerical ranking of proposed projects or for comparing one project with another in any report assembled with data prepared pursuant to this subsection.".

SUBSTITUTE PROJECTS

SEC. 5. Section 4(g) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "and" after "1985,"; and

(2) by inserting "and such sums as may be necessary for fiscal years 1987, 1988, 1989, and 1990," after "1986,".

4(h)(1) REPORTS

SEC. 6. Section 4(h)(1) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "On or before the twentieth day of each calendar quarter" and inserting in lieu thereof "Not later than 30 days after the close of each quarter of each fiscal year";

(2) by striking out "Congress" and inserting in lieu thereof "the Committee on Public Works and Transportation and the Committee on Appropriations in the House of Representatives, and the Committee on Banking, Housing, and Urban Affairs and the Committee on Appropriations in the Senate";

(3) by redesignating clauses (1) through (5) as clauses (A) through (E), respectively;

(4) by striking out "and" before "(E)";

(5) by striking out the period and inserting in lieu thereof "; and"; and

(6) by adding at the end thereof the following:

"(F) a status report on the execution of grant contracts and the establishment of Letter of Credit or other reimbursement authority for sums already obligated for each State, designated recipient and applicant.".

LIMITATION OF APPROPRIATIONS

SEC. 7. Section 4(i) of the Urban Mass Transportation Act of 1964 is amended by striking out "using sums available pursuant to section 4(c)(3)(A) of this section" and inserting in lieu thereof "using sums not to exceed $9,000,000 in each of fiscal years 1987, 1988, 1989, and 1990".

USE OF LAPSED SECTION 5 FUNDS

SEC. 8. Section 5(o) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new sentence: "Sums apportioned under this section after October 1, 1982, and remaining unobligated at the end of fiscal year 1986 shall be added to the amount available for apportionment under section 9 of this Act for fiscal year 1987, and made available as provided by section 9(p).".

FUNDING OF PARTIAL PROGRAM OF PROJECTS

SEC. 9. Section 9(e)(2) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new sentence: "A grant may be made under this section to carry out, in whole or in part, a program of projects.".

LEASED PROPERTY

SEC. 10. Section 9(j) of the Urban Mass Transportation Act of 1964 is amended by inserting after the first sentence the following: "Grants for construction projects under this section shall also be available to finance the leasing of facilities and equipment for use in mass transportation service, subject to such regulations limiting such grants to leasing arrangements which are more cost effective than acquisition or construction as the Secretary shall prescribe not later than 90 days after the date of enactment of the Federal Mass Transit Improvement Act of 1986.".

DEFINITION OF ASSOCIATED CAPITAL ITEM

SEC. 11. The last sentence of section 9(j) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "and materials" and inserting in lieu thereof ", tires, tubes, materials, and supplies"; and

(2) by striking out "1 per centum" and inserting in lieu thereof "one-half of 1 per centum".

REVENUE RETENTION

SEC. 12. Section 9(j) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following: "Net income received from the use, lease, or sale of airspace or adjacent property acquired as a result of a project funded under this section or section 3(a)(1) or such income derived from the disposal of fungible items such as gravel, rail ties, or rail and excluding rolling stock, which have been fully depreciated over their useful lives shall be totally retained by the recipient for projects eligible under this section or section 3(a)(1) of this Act. The Secretary may not award any grant or make any loan under this Act on the condition that such net income must be used to finance a part of any project for which funding is sought under this Act, or to reimburse the United States for grants or loans made pursuant to this Act. Nor shall the Secretary use such net income in any calculation of net project cost under section 4(a).".

OPERATING ASSISTANCE FOR SMALL URBANIZED AREAS

SEC. 13. The first sentence of section 9(k)(2) of the Urban Mass Transportation Act of 1964 is amended by striking out "95 per centum" and inserting in lieu thereof "100 per centum".

NEWLY URBANIZED AREAS

SEC. 14. The last sentence of section 9(k)(2) of the Urban Mass Transportation Act of 1964 is amended by inserting "authorized" after "its".

FUND LIMITATION

SEC. 15. Section 9(m) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subparagraph:

"(3) No funds apportioned to urbanized areas with populations of less than 200,000 may be used to pay the expenses of any State's management or administration of grant programs for such urbanized areas, except in the case in which a statewide or regional agency or instrumentality is responsible under state laws for the financing, construction, and operation, directly by lease, contract, or otherwise, of public transportation services.

TRANSFER OF FUNDS

SEC. 16. Section 9(n)(1) of the Urban Mass Transportation Act of 1964 is amended—

(1) by inserting "other" before "urbanized",

(2) by inserting "within the State" after "urbanized areas",

(3) by striking out "with populations of 300,000 or less under this section",

(4) by inserting "approval by" after "may make such transfers only after",

(5) by striking out "consultation with" after "may make such transfers only after approval by",

(6) by inserting "elected" after "local", and

(7) by inserting "or if funding is within 90 days of lapsing and no approvable grant applications are pending" after "(d)" in the second sentence.

USE OF LAPSED SECTION 9A AND SECTION 9 FUNDS

SEC. 17. Section 9(o) of the Urban Mass Transportation Act of 1964 is amended by striking out the period at the end of the second sentence and inserting "not later than 30 days after the end of the third fiscal year following the initial year of apportionment.".

APPORTIONMENT OF FORMULA FUNDS

SEC. 18. Section 9 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(p) Funds appropriated to carry out this section for any fiscal year shall be fully apportioned for the purposes of, and in accordance with, the provisions of this section not later than the tenth day following the date on which such funds are appropriated. The Secretary shall publish apportionments of such appropriated funds, including individual apportionments for each urbanized area above 50,000 population as well as the amount attributable to each State of a multi-state urbanized area, on the apportionment date established in the preceding sentence.".

RULEMAKING

SEC. 19. (a) Section 12(a) of the Urban Mass Transportation Act of 1964 is amended—

(1) by inserting "(1)" after "SEC. 12. (a)"; and

(2) by adding at the end thereof the following:

"(2) The Secretary shall prepare an agenda listing all areas in which he intends to propose rules governing activities under this Act within the following 12 month period. The Secretary shall transmit such agenda to the Committee on Public Works and Transportation of the House of Representatives, and the Committee on Banking, Housing, and Urban Affairs of the Senate within one hundred and twenty days after the effective date of this subsection and annually thereafter. Except for emergency rules, the Secretary shall give interested persons not less than 60 days to participate in the rulemaking through submission of written data, views, or arguments with or without the opportunity for oral presentation, except when the Secretary for good cause finds that public notice and comment are unnecessary due to the routine nature or matter of insignificant impact of the rule, or that an emergency rule should be promulgated. The Secretary may extend the 60-day period if he determines that such period is insufficient to permit diligent persons to prepare comments or that other circumstances justify an extension of such period. An emergency rule shall terminate 120 days after the date on which it is promulgated.".

(b) Section 12(c) of such Act is amended—

(1) by striking out "and" at the end of paragraph 10;

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following:

"(12) the term 'rule' means the whole or part of the Secretary's statement of general or particular applicability designed to implement, interpret, or prescribe law or policy or to describe the organization, procedure, or practice requirements of the Secretary in carrying out provisions of this Act; and

"(13) the term 'emergency rule' means a rule which is temporarily effective prior to the expiration of the otherwise specified periods of time for public notice and comment under this section and which was duly promulgated by the Secretary pursuant to a finding that a delay in the effective date thereof would (A) seriously injure an important public interest, (B) substantially frustrate legislative policy and intent, or (C) seriously damage a person or class of persons without serving any important public interest.".

OVERHAUL-RECONSTRUCTION

SEC. 20. (a) Section 12(c)(1) of the Urban Mass Transportation Act of 1964 is amended by inserting "(A)" after "such term also means" and by inserting before the semicolon at the end thereof the following: ", (B) any bus remanufacturing project which extends the economic life of a bus eight years or more, and (C) any project for the overhaul of rolling stock (whether or not such overhaul increases the useful life of the rolling stock)".

(b) Section 9(j) of such Act is amended—

(1) by inserting "(1)" before "Grants"; and

(2) by adding at the end the following new paragraph:

"(2) A project for the reconstruction (whether by employees of the grant recipient or by contract), of any equipment and materials each of which, after reconstruction, will have a fair market value no less than one half of 1 percent of the current fair market value of rolling stock comparable to the rolling stock for which the equipment and materials are to be used shall be considered a project for construction of an associated capital maintenance item under this section.".

(c) The first sentence of section 9(k)(1) of such Act is amended by striking out "shall not exceed" the first place it appears and inserting in lieu thereof "shall be".

(d) Section 3(a)(2)(A)(iii) of such Act is amended by inserting before the period the following: ", and will maintain such facilities and equipment".

CERTIFICATION

SEC. 21. Section 15 of the Urban Mass Transportation Act of 1964 is amended by adding the following new subsection:

"(d) The Secretary shall certify the sampling techniques used by applicants or persons seeking grants under section 5 or 9 of this Act within 120 days of enactment of this subsection. The Secretary shall certify the sampling techniques of newly urbanized areas within 120 days of submission to the Secretary of such sampling documentation.".

RURAL TRANSPORTATION EQUITY

SEC. 22. Section 18(e) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following: "For the purpose of this subsection, the term 'Federal funds or revenues' does not include funds received by a recipient of funds under this section pursuant to a service agreement with a State or local social service agency or a private social service organization.".

USE OF FUNDS

SEC. 23. Section 18(e) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following: "No restrictions may be placed on the use of the Federal share for the payment of operating expenses except as provided herein.".

APPLICABILITY OF PRIVATIZATION REQUIREMENTS

SEC. 24. (a) Section 3(e)(2) of the Urban Mass Transportation Act of 1964 is amended by inserting after "to the maximum extent feasible," the following: "consistent with State and local laws and policies,".

(b) The first sentence of section 8(e) of such Act is amended to read as follows: "The plans and programs required by this section shall encourage, to the maximum extent feasible, consistent with State and local laws and policies, the participation of private enterprise, giving consideration to issues of quality, reliability, safety, capability of private entities, cost, and other factors as may be determined locally.".

(c) Section 8 of such Act is further amended—

(1) by inserting "(1)" after "(e)"; and

(2) by adding at the end thereof the following:

"(2) Guidance or regulations issued under this section of the Act shall be provided for review to the Committee on Appropriations of both the House and the Senate, and to the House Committee on Public Works and Transportation and the Senate Committee on Banking, Housing, and Urban Affairs at least 120 days before implementation. Such guidance or regulations shall be made available to recipients of funds under this Act, in final form, no later than 6 months prior to the beginning of the fiscal year for which they are to be applied.".

(d) Section 9(f) of such Act is amended by inserting before the last sentence thereof the following: "Nothing in this section shall require the conduct of a separate process of notification and comment for private providers or other interested parties, beyond the requirements contained in this subsection or subsection (f).".

(e) Section 12(d) of such Act is amended—

(1) by inserting "or prescribe" after "to regulate";

(2) by inserting ", the choice of mass transportation service provider, or the level of service," after "mode of operation"; and

(3) by striking out "section 3" and inserting in lieu thereof "this Act, to condition the approval of a grant under this Act on the methods or means by which providers of mass transit services or functions are selected, or on the extent or amount of service or functions to be carried out by various private mass transportation service providers,".

(f) Section 12 of such Act is amended by adding at the end thereof the following new subsection:

"(h) None of the provisions of this Act shall be construed to limit the ability of recipients of Federal financial assistance under this Act to determine the extent and amount of mass transit service or functions to be carried out by private enterprise.".

PRIVATIZATION DEMONSTRATION

SEC. 25. The Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new section:

"PRIVATIZATION DEMONSTRATION

"SEC. 23. (a) The Secretary may use not to exceed $25,000,000 of funds made available by section 21(b) for each fiscal year to totally finance grants to States, persons, or designated recipients of funding under this Act, for the purposes of developing, implementing, and evaluating innovative techniques for private sector involvement in all aspects of public mass transit operations. Projects to be financed under this section shall, at minimum, analyze the public-private relationships in terms of cost comparison techniques, contract relationships, specification and performance standards, and the long-range impacts on transit service cost and service quality resulting from the involvement of the private sector. Not less than 90 per centum of funds made available pursuant to this subsection may be awarded by the Secretary to designated recipients of programs funded by this Act.

"(b) The Secretary shall make an annual report to the Committee on Public Works and Transportation of the House of Representatives, and the Committee on Banking, Housing, and Urban Affairs of the Senate, to document the results of projects financed by this subsection. The Secretary shall, within 120 days of enactment of the subsection, issue guidelines on the implementation of this subsection. Such guidance shall include a mechanism to establish a clearinghouse function for the collection and dissemination of information developed by projects funded by this subsection.".

AUTHORIZATION FOR APPROPRIATIONS

SEC. 26. (a) Section 21(a)(1) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "and" after "1985"; and

(2) by inserting ", $2,150,000,000 for fiscal year 1987, $2,201,000,000 for fiscal year 1988, $2,255,000,000 for fiscal year 1989, and $2,312,000,000 for fiscal year 1990" after "1986".

(b) Section 21(a)(2)(B) of such Act is amended by striking out the period and inserting in lieu thereof ", and $1,750,000,000 in each of fiscal years 1987, 1988, 1989, and 1990. Funding authorized under this subparagraph, excluding amounts made available in accordance with sections 3(a)(7), 4(i), 8, 16(b)(2), and 11(b) shall, in each fiscal year, be allocated as follows:

"(i) Not less than 10 per centum shall be available for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities.

"(ii) Not less than 40 per centum shall be available to finance grants and loans for rail modernization.

"(iii) Not less than 40 per centum shall be available to finance grants and loans for construction of new fixed guideway systems and extensions to fixed guideway systems.

"(iv) Not less than 10 per centum shall be available to finance grants and loans for any purpose under section 3 of this Act.".

(c) Section 21(a)(4) of such Act is amended by inserting "1987, 1988, 1989, and 1990" after "1986,".

(d) Section 21(a)(5) of such Act is amended—

(1) by striking out "and" after "1985,";

(2) by inserting ", and $63,750,000 shall be used in each of the fiscal years 1987, 1988, 1989, and 1990" after "1986"; and

(3) by adding at the end thereof the following new sentence: "Not less than 85 per centum of funds available under this paragraph shall be directly apportioned to, and made available to, all urban areas of more than 50,000 population.".

(e) Section 21(b) of such Act is amended—

(1) by striking out "and" after "1985,"; and

(2) by striking out the period after "1986" and inserting in lieu thereof ", $50,000,000 in each of fiscal years 1987, 1988, 1989, and 1990.".

(f) Section 21(a)(2) of such Act is amended by adding at the end thereof the following new subparagraph:

"(D) Appropriations made available pursuant to subparagraph (B) of this paragraph shall be obligated in a manner so that the amount of the total budget authority which remains available to the Secretary at the beginning of the last quarter of any fiscal year does not exceed 30 per centum of the total amount available. Not more than 15 per centum of the total amount available pursuant to subparagraph (B) shall be obligated during any month in the last quarter of each fiscal year. The Secretary may waive the requirements of the preceding sentences if the Secretary determines that such action is necessary to avoid a serious disruption in carrying out programs or activities financed by subparagraph (B) of this paragraph.".

(g) Section 21 of such Act is amended by adding at the end thereof the following new subsection:

"(c) UNIVERSITY TRANSPORTATION CENTERS.—

"(1) AMOUNT OF FUNDS.—There shall be available to the Secretary to carry out section 11(b) of this Act for each of fiscal years 1987, 1988, 1989, and 1990 $1,000,000 out of the Mass Transit Account of the Highway Trust Fund.

"(2) CONTRACT AUTHORITY.—Notwithstanding any other provision of law, approval by the Secretary of a grant with funds made available by paragraph (1) shall be deemed a contractual obligation of the United States for payment of the Federal share of the cost of the project.

"(3) EXEMPTION FROM OBLIGATION CEILING.—Funds made available out of the Mass Transit Account of the Highway Trust Fund by this subsection shall not be subject to any obligation limitation.

"(4) PERIOD OF AVAILABILITY.—Funds made available by this subsection shall remain available until expended.".

PROJECT MANAGEMENT OVERSIGHT

SEC. 27. The Urban Mass Transportation Act of 1964 is amended by inserting at the end thereof the following new section:

"PROJECT MANAGEMENT OVERSIGHT

"SEC. 24. (a)(1) The Secretary may use as much as is necessary of the funds made available for each fiscal year by sections 21(a)(1), 21(a)(2)(B), and 4(g) of this Act, and section 14(b) of the National Capital Transportation Act of 1969 to contract with any person for the performance of project management oversight. Any contract entered into under this subsection shall provide for the payment by the Secretary of 100 percent of the cost of carrying out the contract.

"(2) Each recipient of assistance under this Act or section 14(b) of the National Capital Transportation Act of 1969 shall provide a contractor chosen by the Secretary in accordance with paragraph (1) such access to its construction sites and records as may be reasonably required.

"(b) As a condition of Federal financial assistance for a major capital project under this Act or the National Capital Transportation Act of 1969, the Secretary shall require the recipient to prepare and, after approval by the Secretary, implement a project management plan which meets the requirements of subsection (c).

"(c) At a minimum, a project management plan shall provide for—

"(1) adequate recipient staff organization complete with well-defined reporting relationships, statements of functional responsibilities, job descriptions, and job qualifications;

"(2) a preliminary budget covering the project management organization, appropriate consultants, property acquisition, utility relocation, systems demonstration staff, audits, and such miscellaneous payments as the recipient may be prepared to justify;

"(3) a target construction schedule;

"(4) a document control procedure and recordkeeping system;

"(5) a change order procedure which includes a documented, systematic approach to the handling of construction change orders;

"(6) organizational structures, management skills, and staffing levels required throughout the construction phase;

"(7) quality control and quality assurance functions, procedures, and responsibilities for construction and for system installation and integration of system components;

"(8) materials testing policies and procedures;

"(9) internal plan implementation and reporting requirements;

"(10) criteria and procedures to be used for testing the operational system or its major components; or

"(11) periodic updates of the plan, especially with respect to such items as project budget and project schedule, financing, patronage estimates, and where applicable, the status of local efforts to enhance patronage in cases where patronage estimates are contingent, in part, upon the success of such efforts; and

"(12) the recipient's commitment to make monthly submissions of project budget and project schedule to the Secretary.

"(d) Not later than 120 days after the date of enactment of the Federal Mass Transit Improvement Act of 1986, the Secretary shall promulgate such rules as may be necessary to implement the provisions of this section, and shall submit such rules at least 120 days before implementation to the Committee on Public Works and Transportation of the House of Representatives and to the Committee on Banking, Housing, and Urban Affairs of the Senate for review. Such rules shall, at a minimum, include the following:

"(1) A definition of the term 'major capital project' for the purpose of subsection (b). Such definition shall exclude projects for the acquisition of vehicles or other rolling stock, or for the performance of vehicle maintenance or rehabilitation.

"(2) A requirement that, in order to maximize the transportation benefits and cost savings associated with project management oversight, such oversight shall begin during the preliminary engineering stage of a project. The requirement of this paragraph shall not apply if the Secretary finds that it is more appropriate to initiate such oversight during another stage of the project.

"(e) The Secretary shall approve a plan submitted pursuant to subsection (b) within 60 days following its submittal. In the event that approval cannot be completed within 60 days, the Secretary shall inform the recipient of the reasons therefor and as to how much more time is needed for review to be completed. If a plan is disapproved, the Secretary shall inform the recipient of the reasons therefor.".

CRIME PREVENTION AND SECURITY

Sec. 28. The Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new section:

"CRIME PREVENTION AND SECURITY

"Sec. 25. From funds made available pursuant to section 21 of this Act, the Secretary is authorized to make grants to public mass transit systems for crime prevention and security. None of the provisions of this Act may be construed to prohibit the financing of projects under this section where law enforcement responsibilities are vested in a local public body other than the grant applicant. Such grants may not be used for payment of operating expenses.".

UNIVERSITY TRANSPORTATION CENTERS

Sec. 29. (a) Section 11(b) of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"(b) University Transportation Centers.—

"(1) Grants for establishment and operation.—In addition to grants authorized by subsection (a) of this section, the Secretary shall make grants to one or more nonprofit institutions of higher learning to establish and operate one regional transportation center in each of the ten Federal regions which comprise the Standard Federal Regional Boundary System.

"(2) Responsibilities.—The responsibilities of each transportation center established under this subsection shall include, but not be limited to, the conduct of infrastructure research concerning transportation and research and training concerning transportation of passengers and property and the interpretation, publication, and dissemination of the results of such research.

"(3) Application.—Any nonprofit institution of higher learning interested in receiving a grant under this subsection shall submit to the Secretary an application in such form and containing such information as the Secretary may require by regulation.

"(4) Selection criteria.—The Secretary shall select recipients of grants under this subsection on the basis of the following criteria:

"(A) The regional transportation center shall be located in a State which is representative of the needs of the Federal region for improved transportation services and facilities.

"(B) The demonstrated research and extension resources available to the grant recipient for carrying out this subsection.

"(C) The capability of the grant recipient to provide leadership in making national and regional contributions to the solution of both long-range and immediate transportation problems.

"(D) The grant recipient shall have an established transportation program or programs encompassing several modes of transportation.

"(E) The grant recipient shall have a demonstrated commitment to supporting ongoing transportation research programs with regularly budgeted institutional funds of at least $200,000 per year.

"(F) The grant recipient shall have a demonstrated ability to disseminate results of transportation research and educational programs through a statewide or regionwide continuing education program.

"(G) The projects which the grant recipient proposes to carry out under the grant.

"(5) Maintenance of effort.—No grant may be made under this section in any fiscal year unless the recipient of such grant enters into such agreements with the Secretary as the Secretary may require to ensure that such recipient will maintain its aggregate expenditures from all other sources for establishing and operating a regional transportation center and related research activities at or above the average level of such expenditures in its two fiscal years preceding the date of enactment of this subsection.

"(6) Federal share.—The Federal share of a grant under this subsection shall be 50 percent of the costs of establishing and operating the regional transportation center and related research activities carried out by the grant recipient.

"(7) National advisory council.—

"(A) Establishment; functions.—The Secretary shall establish in the Department of Transportation a national advisory council to coordinate the research and training to be carried out by the grant recipients, to disseminate the results of such research, to act as a clearinghouse between such centers and the transportation industry, and to review and evaluate programs carried out by such centers.

"(B) Members.—The council shall be composed of the directors of the regional transportation centers and 19 other members appointed by the Secretary as follows:

"(i) Six officers of the Department of Transportation one of whom represents the Office of the Secretary, one of whom represents the Federal Highway Administration, one of whom represents the Urban Mass Transportation Administration, one of whom represents the National Highway Traffic Safety Administration, one of whom represents the Research and Special Programs Administration, and one of whom represents the Federal Railroad Administration.

"(ii) Five representatives of State and local governments.

"(iii) Eight representatives of the transportation industry and organizations of employees in such industry.

A vacancy in the membership of the council shall be filled in the manner in which the original appointment was made.

"(C) Term of office; pay; chairman.—Each of the members appointed by the Secretary shall serve for a term of five years. Members of the council shall serve without pay. The chairman of the council shall be designated by the Secretary.

"(D) Meetings.—The council shall meet at least annually and at such other times as the chairman may designate.

"(E) Agency information.—Subject to subchapter II of chapter 5 of title 5, United States Code, the council may secure directly from any department or agency of the United States information necessary to enable it to carry out this subsection. Upon request of the Chairman of the council, the head of such department or agency shall furnish such information to the council.

"(F) Termination date inapplicable.—Section 14 of the Federal Advisory Committee Act shall not apply to the council.

"(8) Administration through office of secretary.—Administrative responsibility for carrying out this subsection shall be in the Office of the Secretary.

"(9) Allocation of funds.—The Secretary shall allocate funds made available to carry out this subsection equitably among the Federal regions.

"(10) Technology transfer set-aside.—Not less than 5 percent of the funds made available to carry out this subsection for any fiscal year shall be available to carry out technology transfer activities.".

(b)(1) Section 4(d) of such Act is amended by striking out "per fiscal year for each of the fiscal years ending September 30, 1985, and September 30, 1986," and inserting in lieu thereof "for the fiscal year ending September 30, 1985,".

(2) Section 11(a) of such Act is amended by inserting "Grant Program.—" before "The Secretary".

By Mr. D'AMATO:

S. 225. A bill to amend title II of the Social Security Act to protect the benefit levels of individuals becoming eligible for benefits in or after 1979 by eliminating the disparity (resulting from changes made in 1977 in the benefit computation formula) (between those levels and the benefit levels of persons who become eligible for benefits before 1979; to the Committee on Finance.

SOCIAL SECURITY ACT

● Mr. D'AMATO. Mr. President, I rise today in an attempt to rectify an enormous injustice in our Social Security Program. I appeal to my colleagues' sense of fairness and compassion to undo a serious inequity in payments to a select group of our senior citizens.

In the 99th Congress, I introduced S. 1060, a bill designed to provide equitable Social Security payments for those individuals born between 1917 and 1921. To my dismay, the promise of security to our Nation's senior citizens did not receive the priority attention it deserved. The needs of our parents and grandparents did not, cannot, and will not fade silently away. Thus, I am again introducing legislation that will give hope to those members of our society born in the "notch" years.

The notch was an ill-conceived solution to what was an already poorly designed Social Security formula. In 1973, the Board of Trustees of the Social Security Trust Funds revealed that recent computations of forthcoming benefits were grossly incorrect. In the simplest of terms, future adjustments for benefits had been doubly indexed for inflation. This double indexing was largely responsible for a 1977 projection of a long-range deficit equal to approximately 40 percent of the projected cost of the program. Obviously, something had to be done. The result, however, was cruel and unfair.

In 1977, Social Security legislation was passed that would deny future security to thousands of senior citizens. After realizing that the previously incorrect formula would both bankrupt the system and pay disproportionately high benefits to some recipients, there was a tremendous movement backward. A new formula was calculated for the payment of benefits to individuals becoming eligible after 1978. Less than 2 full years after this change there was a further downward adjustment of benefits. This was not a great deal of time for those who were about to retire to change plans. The effect was devastating.

When the dust had settled, it was clear that if you reached 62 years of age after Janaury 1, 1979, your hopes of a secure retirement had been dashed. Although attempts were made to lessen the impact for those immediately facing retirement—those born between 1917 and 1921—the ball had already started to roll downhill. If you were born January 1, 1917, and your neighbor was born December 31, 1916, you could be certain that even if all other factors were the same, you would receive lower benefits based on your date of birth alone.

This arbitrary inequity sealed the fate of many unsuspecting senior citizens who would now spend their so-called years of leisure short of good housing, proper medical attention, and even decent meals. A society certainly falters when, for the sole purpose of balancing budgets, it neglects the need of those who have given of themselves in times of war and times of peace. This type of action is not the mark of a great nation.

As great a damage as has been done, however, it is not too late to rectify this situation and to send the message that we still care. My legislation would compensate for some of this lost income by incorporating 3 more years of employment after age 62 for computation in Social Security benefits. This would be made available for those who reached 62 in 1979 or later. It also would establish an income ceiling of $29,700 for those 3 years after eligibility starts, and allow for a lump-sum retroactive payment for those who have forgone their rightful benefits since 1979. The $29,700 income ceiling allows for a justifiable benefit increase now. Moreover, since this figure remains constant, it prevents mammoth escalations in the future with ample time for these future retirees to plan for their retirement years.

Every day we delay in our efforts to correct the notch we risk missing the chance to return these benefits to those who deserve them. Will this Government abandon those who fought so hard to survive the Great Depression and to save our country in World War II? Does a free and strong nation respond to its elderly with inequitable rewards? I urge my colleagues to join me in this struggle, and I ask unanimous consent that my bill be printed in the RECORD in its entirety.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 225

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 215(a)(4) of the Social Security Act is amended—

(1) by striking out "who had wages or self-employment income credited for one or more years prior to 1979" in subparagraph (B) and inserting in lieu thereof "who has 27 or more quarters of coverage based on wages and self-employment income credited for years prior to 1979".

(2) by striking out "prior to 1984" in clause (i) of subparagraph (B) and inserting in lieu thereof "after December 1978";

(3) by inserting "as in effect in December 1984" after "section 215(d)" in clause (ii) of subparagraph (B); and

(4) by striking out the last sentence.

(b) The first sentence of section 215(a)(5) of such Act is amended—

(1) by striking out "(other than an individual described in paragraph (4)(B))";

(2) by striking out "except that," and inserting in lieu thereof "except that (A)"; and

(3) by inserting before the period at the end thereof the following: ", and (B) in the case of an individual described in paragraph (4)(B), such individual's average monthly wage shall be computed as provided by subsection (b)(4)".

SEC. 2. The first sentence of section 215(b)(4) of the Social Security Act is amended by striking out "except that" and all that follows and inserting in lieu thereof the following: "except that—

"(A) paragraph (2)(A) (as then in effect) shall be deemed to provide that the number of an individual's 'benefit computation years' may not exceed 25;

"(B) paragraph (2)(C) (as then in effect) shall be deemed to provide that an individual's 'computation base years' may include only calendar years in the period after 1950 (or 1936 if applicable) and prior to 1979, plus the 3 calendar years after 1978 for which the total of such individual's wages and self-employment income is the largest; and

"(C) the 'contribution and benefit base' (under section 230) with respect to remuneration paid in (and taxable years beginning in) any calendar year after 1981 shall be deemed to be $29,700.".

SEC. 3. Section 215(f)(7) of the Social Security Act is amended by striking out "For purposes of recomputing a primary insurance amount determined under subsection (a) or (d) (as so in effect) in the case of an individual to whom those subsections apply by reason of subsection (a)(4)(B)" and inserting in lieu thereof the following: "For purposes of recomputing a primary insurance amount determined under subsection (a) (as so in effect) in the case of an individual to whom that subsection applies by reason of subsection (a)(4)(B)(i) as in effect after December 1978, the average monthly wage shall be determined as provided by subsection (b)(4). For purposes of recomputing a primary insurance amount determined under subsection (d) (as so in effect) in the case of an individual to whom that subsection applies by reason of subsection (a)(4)(B)(ii)".

SEC. 4. Section 215(i)(4) of the Social Security Act is amended by striking out "(but the application" and all that follows down through "paragraph (4) of that subsection)".

SEC. 5. (a) Section 215(a)(7)(A) of the Social Security Act is amended by inserting "or (by reason of paragraph (4)(B)(i)) under section 215(a) as in effect in December 1978" after "under paragraph (1) of this subsection" in the matter preceding clause (i).

(b)(1) Section 215(a)(7)(B)(i) of such Act is amended by striking out the first sentence and inserting in lieu thereof the following: "In applying subparagraph (A) in the determination of an individual's primary insurance amount, there shall first be computed (I) in the case of an individual whose primary insurance amount would be computed under paragraph (1) of this subsection, an amount which is equal to the individual's primary insurance amount under that paragraph, reduced by substituting (for purposes of this computation) the applicable percent specified in clause (ii) of this subparagraph for the percentage of the individual's average indexed monthly earnings established by subparagraph (A)(i) of paragraph (1), or (II) in the case of an individual whose primary insurance amount would be computed under section 215(a) as in effect in December 1978 by reason of paragraph (4)(B)(i) of this subsection, an amount which is equal to the individual's primary insurance amount under that section, reduced by a percentage equivalent to the percentage reduction which (as determined under regulations prescribed by the Secretary) would occur under subclause (I) if such primary insurance amount were a primary insurance amount under paragraph (1) of this subsection.".

(2) The second sentence of section 215(a)(7)(B)(i) of such Act is amended by inserting "or (by reason of paragraph (4)(B)(i)) under section 215(a) as in effect in December 1978" after "under paragraph (1) of this subsection".

(3) The third sentence of section 215(a)(7)(B)(i) of such Act is amended by inserting ", or (by reason of paragraph (4)(B)(i) under section 215(a) as in effect in December 1978," after "under paragraph (1) of this subsection".

Sec. 6. (a) The amendments made by this Act shall be effective as though they had been included or reflected in section 201 of the Social Security Amendments of 1977.

(b) In any case where an individual is entitled on the date of the enactment of this Act to old-age insurance benefits under title II of the Social Security Act which were computed—

(1) under section 215 of that Act as in effect (by reason of the Social Security Amendments of 1977) after December 1978, or

(2) under section 215 of that Act as in effect prior to January 1979 by reason of subsection (a)(4)(B) of such section (as amended by the Social Security Amendments of 1977),

the Secretary of Health and Human Services (notwithstanding section 215(f)(1) of the Social Security Act) shall recompute such individual's primary insurance amount so as to take into account the amendments made by this Act, and shall pay to such individual in a lump sum any additional amount to which such individual is entitled (for the period beginning with the first month for which such individual was entitled to such benefits and ending with the month preceding the first month with respect to which such recomputation is effective) by reason of such amendments. No recomputation of an individual's primary insurance amount under the preceding sentence shall have the effect of reducing or otherwise affecting any monthly insurance benefit which is payable under title II of the Social Security Act to any other person on the basis of such individual's wages and self-employment income for any month before January 1985.

By Mr. D'AMATO:

S. 226. A bill to promote the safety of children receiving day care services by establishing a national program for the licensing of child day care providers, establishing a clearinghouse for information with respect to criminal records of employees of day care centers, and establishing a hotline for reporting of abuse of children receiving day care services, and for other purposes; to the Committee on Finance.

NATIONAL CHILD PROTECTION ACT

● Mr. D'AMATO. Mr. President, I rise to reintroduce the National Child Protection Act. The National Child Protection Act will assure the safety and healthy development of our children. It helps to identify abusers and prevents this serious crime confronting our children and families.

During the 99th Congress, I introduced the National Child Protection Act to promote national guidelines for the safe and healthy development of our children. The Secretary of the U.S. Department of Health and Human Services would work with a panel of 12 experts and representatives in developing guidelines for day care centers. The National Child Protection Act promotes uniform data gathering on the incidence and reports of child sexual abuse.

We can no longer wait, nor can we take the chance that these incidents will not occur again. We need to have a national reporting system of cases of sexual abuse, this national listing of abusers would be available to day care centers and to law enforcement agencies, not to the general public.

Mr. President, this reporting mechanism will decrease the incidence of sexual abuse. A child molester would not be able to transfer from center to center or from State to State and continue to abuse children. The reporting system would be uniform at all centers and in each State. There would be no disparity in the data collected. Nationwide, there would be a uniform reporting system on sexual abusers.

To assure a comparable reporting system in each State, the U.S. Department of Health and Human Services would provide guidelines for all States to follow. The States would be responsible for making certain that every day care center follows the same procedures. A toll free (800) phone number would be available 24 hours a day, 7 days a week, for anyone to report the abuse of a child. It is a national priority that we have this nationwide system.

Some States have taken it upon themselves to assure the safety and welfare of our children. For example, bills have been passed in State legislatures that allow the conviction of a child molester solely on the basis of the victim's testimony. Other States have taken additional steps. However, many day care facilities are monitored loosely. Many only require minimal health standards. Some do not have licensing requirements. Licensing regulations vary widely from State to State and are often subject to change. The U.S. Department of Health and Human Services, along with the panel set up by this legislation, would set uniform guidelines.

Moreover, the National Child Protection Act is designed to combat child sexual abuse. It is a part of our continuing effort to encourage States to send a message to child molesters. These criminals must know that we do not, and will not, condone, nor will we tolerate, the molestation of our children in day care centers or anywhere else.

To make certain that these criminals get the message and the punishment that they deserve, I believe we need stricter penalties for those convicted of child sexual abuse. Stricter penalties are the only way to make certain that these criminals are discouraged from destroying the lives of our children. Judges should have the ability to provide stiff sentences for this horrible crime. Clearly, this would help eliminate child sexual abuse.

I commend the Northeast Conference on the Judiciary on Child Sexual Abuse for taking a leadership role on behalf of our children. The increased attention that this group has brought to the atrocity of child sexual abuse is vital to the general well-being of American children and families.

If one child is molested or sexually abused, that is one too many. However, with the National Child Protection Act and the participation of groups like the Northeast Conference on the Judiciary on Child Sexual Abuse, we can make progress toward ending the exploitation and abuse of children. Together we can educate parents and children about the shocking crime of child sexual abuse. Together, we fight not only for our children and their protection, but for the protection of all children. Therefore, I hope my colleagues will join me in supporting the speedy passage of the National Child Protection Act.

Mr. President, we are a nation whose children are at risk. Working together we can, and will, stop this American tragedy.

Finally, Mr. President, I ask unanimous consent that the full text of this legislation be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 226

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "National Child Protection Act".

AMENDMENT TO TITLE XX

Sec. 2. Title XX of the Social Security Act is amended by adding at the end thereof the following new section:

"LICENSING AND INFORMATION WITH RESPECT TO PROVIDERS OF CHILD DAY CARE SERVICES

"Sec. 2008. (a) As a condition for receiving any funds under this title, a State must have in effect a program under which—

"(1) the State will require the licensing and monitoring of all providers of child day care services in accordance with the standards established by the Secretary pursuant to subsection (b);

"(2) the State will provide information to the Secretary with respect to all individuals providing child day care services or employed by providers of child day care services, and with respect to all individuals convicted of child abuse, child molesting, or similar crimes, in accordance with subsection (e); and

"(3) the State will have in effect a toll-free telephone hotline for the reporting of any allegations of child abuse, child molestation, or similar acts committed by any individual providing child day care services or by any employee of a provider of child day care services, in accordance with subsection (d).

"(b)(1) The Secretary shall by regulation establish standards and guidelines for State licensing and monitoring of providers of child day care services. Such standards and guidelines shall assure the safety, health, and developmental potential of children while receiving child day care services, and shall promote the social, emotional, physical, and cognitive growth of such children while receiving such services. The Standards and guidelines shall include provisions for assuring that only adequately trained individuals provide such services.

"(2) The Secretary shall determine a uniform definition of 'child day care services', and of a 'provider of child day care services', which shall apply for purposes of this section, and which will assure that the maximum feasible number of children shall be protected under the provisions of this section.

"(c)(1) The Secretary shall establish a national file of the names, addresses, and social security numbers of all individuals convicted of crimes involving child abuse, child molestation, or such similar acts which the Secretary determines ought to be included in such file for the purpose of protecting children receiving child day care services.

"(2) Each State shall report to the Secretary the name, address, and social security number of any individual convicted in such State of child abuse, child molestation, or a similar act which the Secretary has determined under paragraph (1) ought to be included in the national file. For purposes of this paragraph the Secretary shall establish a uniform reporting system which shall apply to all the States.

"(3) Each State shall require that no individual or provider may be licensed to provide child day care services in such State if such individual, or any employee of such provider, has been convicted of a crime which has been reported (by any State) to the Secretary and is contained in the national file. Each State must, for purposes of ensuring compliance with this subsection, request the Secretary to check the names of each individual seeking a license to provide child day care services, and each employee of a provider seeking such a license, against the list of names contained in the national file, prior to granting such license.

"(d) Each State shall establish a toll-free telephone hotline for the reporting of any allegations of child abuse, child molestation, or any similar act designated by the Secretary for inclusion in the national file, committed by an individual providing child day care services, or by an employee of a provider of such services. The State must provide follow-up investigation of each such allegation in accordance with standards established by the Secretary under regulations.

"(e)(1) There is established an 'Advisory Panel on Child Protection', hereafter in this section referred to as the 'Panel'. The Panel shall consist of 13 members as follows:

"(A) four members appointed by the President, one of whom shall be designated as the Chairman;

"(B) four members appointed by the Speaker of the House of Representatives;

"(C) four members appointed by the President pro tempore of the Senate (upon recommendation of the Majority Leader and the Minority Leader); and

"(D) the Secretary of Health and Human Services, ex officio.

"(2) It shall be the duty of the Panel to advise the Secretary with respect to the standards and guidelines issued under this section, and to propose any recommendations for changes in such standards and guidelines which may be appropriate.

"(3) Members of the Panel who are not employees of the United States shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be compensated at a per diem rate established by the Secretary for each day (including traveltime) during which they are engaged in the actual business of the Panel. Any member of the Panel engaging in the actual business of the Panel away from his home or place of business may be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(4) The Secretary shall make available to the Panel such clerical and other assistance, and any pertinent data prepared by the Secretary, as the Panel may require to carry out its functions.".

EFFECTIVE DATE

SEC. 3. (a) The Secretary of Health and Human Services shall promulgate all regulations required under section 2008 of the Social Security Act within 90 days after the date of the enactment of this Act.

(b) The requirements of section 2008 of the Social Security Act shall apply to States beginning 180 days after the date of the enactment of this Act.●

By Mr. D'AMATO:

S. 227. A bill to amend the Securities Exchange Act of 1934 to impose additional restraints on corporate tender offers, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

INTRODUCING THE TENDER OFFER REFORM ACT OF 1987

● Mr. D'AMATO. Mr. President, in the weeks subsequent to the revelation of the Ivan Boesky insider trading scandal, many of my colleagues have been advocating reforms of the laws governing corporate takeover activity. I applaud my colleagues for their interest in this area of the law because I have also been advocating amendments to the Williams Act. In fact, I have been advocating for reform of the Federal securities laws governing corporate takeovers for several years. I regret that it took an event as tragic as the Boesky scandal to bring to the attention of many of my colleagues the need for amendments to the Williams Act.

Today I am introducing three proposals that will amend the Securities Exchange Act of 1934 ("Exchange Act"). The proposals could have easily been combined into one legislative package. The first legislative proposal addresses the issues attendant to the laws governing corporate takeovers. The second and third proposals address issues attendant to insider trading. I have chosen to introduce them separately to emphasize the differences between reform of the laws governing corporate takeovers and reform of the laws prohibiting insider trading.

Such a distinction is required because many commentators have cited the Boesky scandal as the justification for drastic reform of the laws governing corporate takeovers. In drafting responsible legislation addressing the abuses of insider trading and certain abusive practices employed in contests for corporate control takeovers—especially hostile takeovers, I think that a distinction must be made between those who trade on inside information in the context of takeovers and those who engage in conduct which contravenes the Williams Act. Therefore, I have introduced separate legislative proposals which are designed to remedy separate deficiencies in the securities laws.

Students of tender offer reform should recognize the legislation which I introduce today because it is almost identical to the legislation (S. 1907, The Tender Offer Reform Act of 1985) which I introduced on December 6, 1985. Although this legislation received little notice from my colleagues (except those colleagues who have subsequently introduced proposals similar to those contained in S. 1907) at the time of its introduction, it received much favorable comment from members of the securities bar advocating amendments to the Williams Act. It was also the only piece of comprehensive tender offer reform legislation introduced in either body during the 99th Congress. Furthermore, it addresses many, if not all, of the concerns recently expressed by my colleagues regarding the regulation of corporate takeover activity. For example, it limits the practice of greenmail and the payment of golden parachutes; it makes it more difficult for corporate raiders to engage in two-tier and partial takeovers; it requires those acquiring 5 percent or more of a companies' stock to announce almost immediately their position in a particular security; it provides for simplified disclosure of the terms and conditions of a takeover to shareholders; and it restricts the usage of unconventional tender offers which have been undertaken in a deliberate attempt to avoid the requirements of the Williams Act. The purpose of this legislation is to further the original goals of the Williams Act by increasing shareholder protection while maintaining the balance between bidders and targets which the authors of the Williams Act desired to create.

The one substantive change to this bill as introduced last year is the deletion of the provision which prohibited the use of discriminatory tender offers such as that employed by Unocal Corp. This provision has not been included because the SEC has promulgated a rule, commonly referred to as the all-holders rule, that accomplishes the purposes of that provision of my previous legislative proposal.

This bill does not include provisions previously contained in section 4(a)(7)(i) of S. 1907. That section would have required that tender offers be made to all shareholders equally; all shareholders would have to be included in a tender offer, and all shareholders would receive compensation at the same level. This section is no longer necessary because the Securities and Exchange Commission apparently recognized the wisdom of adopting a provision similar to section 4(a)(7)(i) and utilized its rulemaking power under the Securities Exchange Act of 1934 to adopt rules providing for these same protections; amended rule 13e-4(f) now provides "all holders" and "best price" safeguards for tender offers by issuers, and new Rule 14d-10 provides such requirements for third party tender offers.

The Exchange Act provides authority for the Commission to adopt these safeguards. For example, under section 23(a), the Commission is authorized to adopt rules necessary or appropriate to implement the provisions of that act. The new all holders and best price provisions are in furtherance of the purposes of the Williams Act amendments to the Exchange Act, adopted in part to eliminate discriminatory treatment among security holders who may desire to tender their shares. With clear agency rulemaking, there no longer is any need for legislative action on these points.

The Tender Offer Reform Act of 1987 provides a comprehensive legislative response to the issues raised in the public debate on corporate takeover activity. This debate has been waged in earnest in Congress, the courts, corporate boardrooms, and the SEC in recent years. The legislation addresses the many issues that have arisen from the increase in corporate takeover activity in the last 4 years. I would hope that my colleagues will take a keen interest in tender offer reform during the committee's examination of the issue of tender offer reform, this bill and other legislative proposals which undoubtedly will be introduced.

Within the last few years, contests for corporate control have become a more frequent phenomena on the American business scene. Once the private domain of a handful of investment bankers, lawyers, and corporate executives, takeover contests have become an increasingly popular spectator sport. The publicity surrounding several recent multibillion dollar acquisitions has familiarized the public with a glossary of new terms including, among others, golden parachutes, greenmail, bear hugs, shark repellent, poison pills, pac man defense, scorched earth defense, lock ups, leg ups, silver wheel chairs, crown jewels, and white knights. These terms have been used to describe the various offensive and defensive tactics which may be employed to effectuate or prevent a change in corporate control.

Contests for corporate control have been conducted with the intensity of military campaigns, with the futures of large and small companies and the economies of affected communities hanging in the balance. Elaborate strategies and ingenious tactics have been developed to facilitate takeover attempts and to defend against them. Skirmishes are fought in company boardrooms, in shareholders' meetings and, with increasing regularity, in the courts.

The "problems" attendant to takeovers are in the forefront of corporate law and have spawned much congressional inquiry. As chairman of the Securities Subcommittee of the Senate Banking Committee, I conducted hearings on the long-term effects of takeover activity on the credit and capital markets. The adequacy of the existing Federal regulation of the takeover process, the Williams Act, in maintaining a balance between acquiring and target companies was also examined. Although the hearings were held on April 3 and 4, and June 6 and 12, 1985, (See, S. Hrg. 99-187), I have continued to expend considerable effort to develop an appropriate legislative response to the issues raised during those hearings and to the issues presented by recent court decisions affecting the application of the Williams Act.

During the subcommittee's hearings and throughout its subsequent inquiry, the complexities attendant to the regulation of battles for corporate control have become apparent. For example, a tremendous divergence of opinion exists with regard to the threshold question: Is the Williams Act working? Some contend that Congress is compelled to act because the abusive tactics employed by raiders and defenders demonstrate a breakdown in the rules that govern corporate takeover activity. Others contend that the Williams Act is functioning properly and that few, if any, changes are needed.

In devising an appropriate legislative response, several issues must be addressed. Foremost among them is determining the causes of the current increase in takeover activity and whether the causes are amendable to legislative solutions. In testimony received by the subcommittee, the increase in takeover activity has been attributed to the depressed value of a target's stock price caused by international competition, a relatively strong dollar, fluctuating interest rates, and declining rates of inflation; economic forces that have driven the restructuring of many U.S. industries rendering them susceptible to takeover; the availability of credit to finance these transactions; the prevailing legal and business climate that permits combinations to take place with little risk of Government interference; and the advantages in the Tax Code that subsidizes debt over equity, thus encouraging the use of debt financing for acquisitions. If these are the causes of the recent increase in takeover activity, then amending the securities laws will not necessarily provide an appropriate legislative response.

Another possible solution would be to regulate the various offensive and defensive tactics employed in struggles for corporate control. There are numerous reasons why Congress should not attempt to ban specific tactics. Congressional prohibitions which preclude management from engaging in certain activities interject the Federal Government into the corporate decisionmaking process. Congress should be wary of needless intrusions into corporate boardrooms where it neither should feel comfortable, nor welcome. This is an area of regulation that traditionally has been left to State legislatures and to the application of the business judgment rule by State and Federal courts. Further, legislation which discourages takeover attempts necessarily interjects Congress into decisionmaking regarding the proper allocation of credit and capital. These decisions are best left to the efficiencies of the financial markets.

By addressing individual tactics, Congress also risks unbalancing the present legislative framework to favor either bidders or targets. Any action which favors one group over another is at the very best an implicit judgment that tender offers are either good or bad—a judgment which we, like the authors of the Williams Act, should refrain from making. Moreover, congressional activity in such a rapidly evolving area of the law may be either premature, tardy, or totally unnecessary. Court decisions, shareholder actions, amendments to corporate charters and by-laws subject to shareholder approval, and stock exchange rules may provide adequate solutions to many of the concerns raised by those urging Congress to ban certain offensive and defensive tactics.

The testimony of the numerous witnesses was distinguished by the considerable expertise they provided to the subcommittee and by their failure to agree on an appropriate regulatory or legislative response to the various offensive and defensive tactics employed in takeover battles. Despite this general disagreement, a consensus did emerge that the imperative objective of any amendments to the Williams Act must be to increase shareholder protections. The protections to shareholders intended by the act have been eroded by recent developments and legal interpretations of the rules governing the takeover process. Shareholder protection can be enhanced by making what may be considered procedural, rather than substantive change to the Federal securities laws governing takeovers. Procedural changes to the regulation of takeover activity are entirely consistent with the legal framework of the Federal securities laws.

The determination of an appropriate legislative response to the issues addressed at the hearings of the Securities Subcommittee has been greatly influenced by the legislative history of the Williams Act. In 1968, Congress enacted the Williams Act to provide a framework for the regulation of corporate takeovers in the national marketplace. The Williams Act was designed to fill a gap in the securities statutes to ensure that investors and target companies had adequate information and opportunity to make investment decisions in transactions designed to cause, or resist, a substantial shift of ownership away from the existing securities holders. The Williams Act was not intended to discourage or encourage takeover activity or to provide management or any other group with special privileges or advantages over another. The act was not designed to regulate the conduct of management or bidders or the tactics they employed to thwart or effectuate a takeover. The Williams Act sought to avoid tipping the scales either in favor of management or in favor of the bidder; to require full and fair disclosure to shareholders; to provide the bidder and management equal opportunity to participate in a tender offer. We should not stray too far from these principles unless Congress is willing to make normative judgments concerning the appropriateness of corporate decisions.

This legislation contains amendments to the Williams Act consistent with the original intent of that act's authors. The proposed legislation modifies the act to ensure that it continues to protect investors and the public interest without placing undue impediments that thwart honest and lawfully conducted takeover transactions. Legitimate corporate takeover activity will not suffer by the enactment of this legislation. The modification of the disclosure requirements of section 13 and 14 of the Exchange Act combined with the procedural modifications contained in the legislation will benefit investors and discourage pure financial plays.

Prudence dictated the development of a balanced legislative response unless we are determined to impede the tender offer process. Legitimate tender offers, as distinguished from greenmail or pure financial plays, have a disciplining effect on incumbent management. Tender offers also provide economic benefits to the shareholders of a target who wish to participate in the offer. However, it is a difficult task to draft legislation which discerns between offers that may be considered pure financial plays and restrict these without simultaneously impeding legitimate takeover activity. Moreover, restrictions on legitimate takeovers imposed by the Congress designed to reduce or eliminate takeover activity could deprive shareholders of potential opportunities to participate in an offer. The imposition of across-the-board restrictions on specific offensive and defensive tactics which would inhibit or promote such transactions involves Government interference in the free market's determination of credit and capital allocation.

Finally, it is not clear that substantive changes in the Federal securities laws governing tender offers would have any clear benefits for stockholders or for the economy in general. Contrary to claims that takeovers force corporate managers to sacrifice long-term investment planning for short-term profits, there has been no conclusive demonstration that tender offers are detrimental to the economy. Further, little conclusive evidence exists that demonstrates that tender offers have a disruptive effect on domestic credit and capital markets. There is evidence, however, which suggests that economic factors such as interest rates, inflation, the present structure of Federal corporate taxation, and consumer demands influence corporate planning to a far greater extent than the fear of corporate raiders. Therefore, it is preferable to allow individual companies to decide whether and how they want to acquire other companies or to protect themselves than to have the Federal Government impose rigid restrictions which govern corporate conduct during takeover battles.

Ideally, the legislation described below satisfies the objectives that the subcommittee intended to accomplish when it began its inquiry. Some critics will attack it as unresponsive to the needs of the beleaguered incumbent managements threatened by the spectre of a hostile raider looming just beyond the horizon. Others will contend that the legislation represents an unwarranted Federal intrusion into the marketplace. They see no merit in any regulation that diminishes a shareholder's ability to reap the rewards to be gained from corporate raiders who claim that they are compelled to act out of concern for the shareholders best interest and to promote economic efficiencies, rather than a desire for personal profit.

To these critics I would respond that neither this legislation, nor the Williams Act is designed to protect the jobs of incumbent managements or to ensure the success of a hostile offer by removing every impediment management may place in a raider's path. This legislation is not intended to benefit either target managements of bidders. The intended beneficiaries of this legislation are the shareholders affected by contests for corporate control. Shareholder protections will be enhanced by this legislation because it creates a more orderly process through which substantial portions or entire corporations are bought and sold in the trading market.

This legislation is needed to ensure that shareholders will be able to make well informed investment decisions on the disposition of their holdings in a corporation subject to a takeover. The legislation is not intended to promote or impede takeover activity because, frankly, the Federal securities laws were not designed and should not be employed to affect the economic policy of this country. Such public policy decisions which limit corporate takeover activity may ultimately prove justified, however, such changes should not be implemented through the "backdoor" by amending the Federal securities laws. Thus I strongly urge prompt and favorable consideration of this legislation by my colleagues. I ask unanimous consent that the explanation and analysis of the bill and the bill be printed in the RECORD.

EXPLANATION AND ANALYSIS

Section 1 of the bill states that the bill may be cited as the "Tender Offer Reform Act of 1987."

Section 2(a) amends the reporting requirements of section 13(d) of the Securities Exchange Act of 1934—Exchange Act. Currently, under section 13(d) of the Exchange Act, any person who acquires more than 5 percent of a class of equity securities of an issuer must, within 10 days after acquiring more than 5 percent, notify the issuer and file with the Securities and Exchange Commission [SEC] a statement containing certain information about the acquiror's background, the source and amount of funds used to make the acquisition, any intentions to acquire control of the issuer, and other information prescribed by statute or Commission rules.

Section 13(d) in its present form permits the notification and filing to occur as many as 10 days after the 5-percent threshold is exceeded. The 10-day threshold has frequently failed to supply stockholders, the trading markets, and the public with timely information about the identity and intentions of the purchaser. The 10-day interim filing period between the purchase of more than 5 percent and the reporting of the acquisition has been used to the unfair advantage by acquirors who continue to buy large amounts of securities before notifying the issuer, the SEC and the trading markets. Recent acquisitions demonstrate that the 10-day filing period allows an acquiror to gain controlling interest in a company before the company and the trading markets were notified of the acquisitions.

Section 2(a) eliminates the 10-day interim filing period by requiring that a person, who acquires more than 5 percent of a class of equity securities, publicly announce that acquisition and file the materials presently required by the Exchange Act with the SEC, the issuer and to each exchange upon which the security is traded within 24 hours of the acquisition. The acquiror is then precluded from acquiring additional securities of the same class for 2 business days after the acquisition that caused the acquiror's obligation to file the report, or such shorter period as the SEC may prescribe.

Section 2(a)(2) specifies the information that must be contained in the public announcement required by section 2(a)(1).

Section 2(b) permits the SEC to exempt by rule, regulation or order certain acquirors from the terms and conditions of section 2(a) if the SEC determines that such an exemption is in the public interest.

Section 3(a) and 3(b) are technical and amend sections 13(d)(3) and 13(g)(3) of the Exchange Act. Sections 3(a) and 3(b) apply the provisions of sections 13(d)(3) and 13(g)(3) of the Exchange Act to groups acting in concert for the purpose of voting securities. Although the statute currently applies to groups acting in concert for certain purposes, this section clarifies the application of the statute to groups acting in concert for the purpose of voting securities.

Section 4 amends section 14 of the Exchange Act, section 14 of the Exchange Act is commonly referred to as the Williams Act. Sections 4(a)(1) and 4(a)(2) are technical in nature.

Section 4(a)(3) adds a new provision to the Williams Act. This section is designed to effectuate the original purpose of the Williams Act by requiring that the shareholders of a company subject to a takeover receive adequate information of the offer in a comprehensible form. Under section 14(d) of the Exchange Act, a person making a tender offer for, or a request or invitation for tenders of any class of any equity security registered pursuant to section 12 of the Exchange Act must file certain information with the Commission and publish information for shareholders of the securities sought by the acquiror.

An examination of the materials that shareholders received pursuant to a tender offer demonstrated that, while these tender offer materials provided adequate disclosure in accordance with the technical requirements of the Williams Act and SEC regulations, the materials were often of little use to shareholders. The information contained in the tender offer materials received by shareholders is not easily comprehended by the average investor or in some cases by sophisticated investors and market professionals. In the absence of any clear explanation of the offer, investors must reply on information about the offer as provided by the media.

Although such reliance may not be misplaced, the intent of the Williams Act was to ensure that shareholders received an explanation of the terms and conditions of an offer from the offeror. Although shareholders are literally bombarded with information about the offer, well informed investment decisions are difficult where these tender offer materials prove incomprehensible.

Section 4(a)(3) resolves the shareholders' dilemma by requiring that an executive summary of the material terms and conditions of a tender offer be provided in addition to or included in the other tender offer materials received by shareholders. The information to be provided in this summary is described in the subsections of section 4(a)(3). The acquiror must publicly announce any change of the information contained in these subsections. These provisions require that shareholders receive a brief explanation of the information similar to the information presently provided to the Commission pursuant to the requirement of schedule 14D.

Subsection 4(a)(3)(ii) is specifically designed to address the issue of valuing the price of two-tier tender offers. The subcommittee has received testimony citing the potential confusion and the pressures experienced by shareholders and confronted by a two-tier offer. This subsection is intended to require the bidder to provide information concerning its valuation of the second step of a two-tier offer and an explanation or accounting of the determination of the value ascribed to the second step payment where that payment is not an all cash offer.

Subsection 4(a)(3)(vi) is designed to address issues related to an acquiror's intentions to liquidate or merge the issuer or make any other change in its business or corporate structure. The acquiror would also be required to disclose its intentions to relocate material portions of the issuer's business activities, including its principal executive office and other major restructurings that would affect the issuer's management or employees. This provision does not require a statement of the effects of a change in corporate control upon the relevant community or communities. Therefore, it should be viewed as a corporate impact statement rather than as a community statement.

Subsection 4(a)(3) is not designed to create a new legal cause of action in addition to those that presently exist under the disclosure provisions of the Exchange Act. It is designed to ensure that shareholders receive more adequate and useful disclosure of the terms and conditions of a tender offer and its effects on the target corporation.

Section 4(a)(4) amends section 14(d) by adding a new paragraph that extends the minimum offering period for tender offers. The minimum offering periods required by section 4(a)(4) distinguish between tender offers for any and all outstanding shares of a company's stock and two-tier tender offers and an offer for less than all of the outstanding shares of a company's stock, partial offers. The minimum offering period for tender offers for any and all of a company's outstanding share will be 30 calendar days. The minimum offering period for two tier tender offers and partial offers will be 40 calendar days. Under current SEC regulations, the minimum offering period for all tender offers is 20 business days. Section 4(a)(4) shall not apply to an issuer tender offer, if it is not made in anticipation of or in response to another person's offer.

The extension of the minimum offering period is designed to benefit shareholders by providing them more time to consider and to assimilate information regarding a takeover attempt. The extension of the minimum offering period will also provide the SEC a greater opportunity to examine a tender offer prior to the termination of an offer and to determine whether the offer was made in compliance with the Williams Act. Hopefully, the extension of the minimum offering period will discourage the use of abusive defensive tactics by a target's management who often feel compelled to employ these tactics in an effort to buy time. The extension of the minimum offering period provides a target's management with a greater opportunity to solicit higher alternative bids. These higher bids and the higher premiums provide another benefit to shareholders.

The distinction between the 30-day minimum offering period provided for any and all offers and the 40-day minimum offering provided for two-tier and partial offers is justified due to the more complex nature of latter two types of bids. Given the terms and conditions of an any/all offer, 30 calendar days should provide shareholders sufficient time to receive and consider tender offer materials and to make an informed investment decision. Given the notice to the market and target shareholders by the initial any and all bid, shareholders should have sufficient time to receive and consider these materials and to make an informed investment decision if the minimum offering period for a subsequent competing bid is 20 calendar days. The minimum offering period in section 4(a)(4) also contains a provision that prevents the termination of a subsequent competing bid prior to the expiration of the initial offer.

By comparison, the terms and conditions of two-tier and partial offers present shareholders with more complex investment decisions. Current regulations under the Williams Act make little regulatory distinction between full, partial and two-tier offers. Witnesses appearing before the committee argued that the use of two-tier and partial offers should be restricted or banned.

Opponents of two-tier and partial offers argued that these offers coerced shareholders into making investment decisions against their will. Others argued that partial offers provided positive economic effects and that two-tier offers provided shareholders of a target company higher premiums than offers with no second steps. Moreover, empirical evidence provided to the subcommittee demonstrated that the blended value of the premiums received in a two-tier offer were higher than premiums paid for cash offers. However, the reasons advanced by those advocating the equal treatment of any and all, partial and two-tier offers did not outweigh concerns with respect to the potentially coercive elements of partial and two-tier bids.

Rather than prohibit the use of partial and two-tier offers, prohibitions inconsistent with the underlying legal philosophy of the Williams Act, the minimum offering period is extended to 40 calendar days. This extension should eliminate the more coercive elements of these offers by providing shareholders more time to evaluate the value of partial and two-tier offers and the consequences that participation in or a failure to participate in such offers would have on the value of their holdings. The distinction in the minimum offering periods between any all and partial and two-tier offers operates as a regulatory disincentive against use of partial and two-tier offers in contests for corporate control.

When a subsequent bid is made pursuant to an initial partical or two-tier offer, section 4(a)(4) requires that the subsequent offer remain open for a minimum of 30 calendar days. Given the notice to the market and target shareholders by the initial bid, shareholders should have sufficient time to make an informed investment decision if the minimum offering period for a subsequent competing bid is 30 calendar days. The subsequent bid will not be allowed to terminate prior to the expiration date of the initial bid.

Section 4(a)(7) adds a new subsection (f) to section 14(d) of the Exchange Act to prohibit the award of golden parachute agreements. Present subsections (f) and (g) have been redesignated as subsections (l) and (m) respectively. This provision prohibits an issuer, during a tender offer, from entering for amending agreements that increase directly or indirectly, the current or future compensation of any officer or director. The practice of awarding golden parachutes during the pendency of a tender offer presents the appearance of self-dealing by the management of a target company at the expense of its shareholders. The prohibition extends to provisions "whether or not independent on any event or contingency." Thus, the prohibition affects termination agreements, large salary increases or stock options if they are precipitated by a tender offer.

This section neither prevents the hiring of new officers or directors, nor increases in compensation, if such actions resulted from an agreement predating a tender offer. The prohibition does not apply to routine compensation agreements undertaken in the normal course of business. Golden parachute agreements adopted in the normal course of business that are disclosed to shareholders are not prohibited. Such agreements do not exemplify the type of abusive self-dealing the legislation would curb. Although recent amendments to the Tax Code discourage golden parachute payments by increasing the tax imposed upon them, additional legislation is required to prohibit golden parachute agreements adopted during a contest for corporate control.

Section 4(a)(7)(g) adds a new section (g) to section 14 of the Exchange Act. This section limits a corporation's ability to make greenmail payments. Greenmail constitutes a repurchase, at a significant premium, of a block of an issuer's stock held by a person threatening a takeover. The payment of greenmail is unfair to a company's shareholders because it unjustly rewards the recipient of the greenmail payment at the expense of the remaining shareholders. Such payments are in effect discriminatory offers that exclude a substantial majority of a company's shareholders. This section prohibits a company from purchasing its securities at a price above the average market price of the securities during the 30 preceding trading days from any person who has held more than 5 percent of its outstanding shares for less than 6 months. The payment of greenmail to a person covered by this section would be permitted upon the approval of a majority of the shareholders or the company's making an equal offer to its other shareholders.

Section 4(a)(7)(h) provides a new subsection (h) to section 14 of the Exchange Act. This subsection authorizes the Commission to grant exemptions from new sections 14(f) and 14(g) of the Exchange Act. This section enables the SEC to use its exemptive authority to: First, prevent unintended or inequitable results: second, avoid the application of these sections to transactions which do not present the abuses or consequences that this legislation is designed to address; and third, provide for flexible administration in a rapidly evolving area of the law, consistent with the SEC's investor protection mandate.

Section 4(a)(7)(i) adds a new section 14(i) to the Williams Act that addresses the issues raised by large open market purchases that affect corporate control. The takeover contests between the Limited and Carter Hawley Hale Stores and Hanson Trust PLC and SCM Corp. are examples of large purchases that were determined not to constitute conventional or unconventional takeovers. In both cases, large percentages of a target's share and the corresponding ownership interests were transferred in transactions that were not considered as conventional or unconventional tender offers and were therefore considered to be outside of the coverage of the Williams Act.

The SEC challenged the legality of the purchase program of Carter Hawley Hale and argued that the company's purchases constituted an unconventional tender offer. In SEC versus Carter Hawley Hale Stores Inc., the court allowed the purchase of a large percentage of a target company's shares in a short time without requiring compliance with the Williams Act even where the purchase program was undertaken to defeat an offer conducted in accordance with that statute. The decision in Hanson Trust PLC versus SCM Corp., suggests that a bidder can begin a tender offer therby calling into play market forces that facilitate large accumulations of a target's stock, and then terminate the offer to take advantage of the market forces to purchase quickly an amount of stock in the open market that affects corporate control. This decision also suggests that an equal opportunity for shareholders to participate in tender offer transactions is not a goal of the Williams Act and that sophisticated investors do not need the protections of the act. The decision demonstrates a fundamental failure of the court to comprehend the purpose of the investor protections provided by the Williams Act. This section should clarify any judicial misconstructions of the Williams Act. The act is designed to treat all shareholders equally regardless of their level of sophistication and to ensure that all shareholders accorded the opportunity to participate in an offer at the same terms and for the same price.

Open market purchases that constitute unconventional tender offers merit regulation because a purchaser can effectively acquire control of a corporation without paying the premium that usually accompanies such acquisitions. The shareholders are thereby denied the opportunity to realize a control premium. Further, some shareholders are either entirely excluded from participating in the purchase or prevented from having their shares taken up on a pro rata basis as would be the case in a tender offer conducted in compliance with the Williams Act.

Section 4(a)(7)(i) limits the inequities suffered by shareholders in open market purchase programs that result in changes in corporate control by placing limitations on an acquiror's ability to acquire control by huge open market purchases that are not subject to the Williams Act. This section prohibits the acquisition of more than 2 percent in open market purchases of a company's outstanding securities in the calendar year after a person acquires beneficial ownership of 20 percent of a company's outstanding shares. The acquiror can continue to acquire 2 percent through open market purchases in each subsequent calendar year. Any acquisition above the 2-percent level in a calendar year once the 20-percent threshold has been reached can only be accomplished through a tender offer.

The 2-percent acquisition level is designed to permit acquisitions that are not substantial. Therefore, the requirements of this subsection do not apply to any acquisition or proposed acquisition when combined with all other acquisitions effected during the preceding 12 calendar months does not exceed 2 percent of the outstanding shares.

This section also contains exemptions that apply to: First, acquisitions by gift, inheritance, bequest or other involuntary; second, acquisitions by a statutory merger or combination consummated under the laws of the issuer's state of incorporation; or third, any acquisition that the SEC by rule or regulation exempts in the public interest and consistent with the protection of investors. The exemptive language in this section and the other sections of the legislation grant the SEC the authority to exempt any transaction if the particular transaction will not change or influence control of the issuer or otherwise is not comprehended with the purposes of the Williams Act or the amendments to that act contained in this legislation.

Section (4)(b)(k)(1) amends section 14 of the Exchange Act by defining persons for purposes of subsections (d), (e), (f), (g), and (i) of section 4(a) to include a group of persons, utilizing language similar to current section 14(d)(2). The statute thus makes explicit that the definition, which the Commission has interpreted as applying to current section 14(e), governs all tender offer provisions.

Section 4(b)(k)(2) provides that in determining for purposes of subsections (d), (g), and (j) of section 4(a), what constitutes a specified percentage of a class of any security, of the class shall be determined to consist of the outstanding securities of the class, exclusive of securities held for the issuer or any subsidiary of the issuer.

Section 5 states that none of the provisions of the legislation limit the SEC's authority to supplement proration, withdrawal or minimum offering periods. The SEC has, and has exercised this authority under existing law.

The effective date of the legislation will be the date of enactment. The legislation does not apply to any tender offer that commences prior to the date of enactment.

Section 6 is intended to address the issues generated by the increased usage of high yield, noninvestment grade bonds as a corporate finance technique. A great deal of publicity about the use of high yield, noninvestment grade bonds has been generated by the use of these bonds to finance hostile corporate takeovers. Critics of the issuance of these bonds contend that they may not be suitable investments for the depository institutions, pension funds and other financial institutions that invest their assets through the purchase of these bonds. Supporters of high yield, noninvestment grade bonds counter such criticisms by contending that: First, the overwhelming majority of these bonds are used to finance corporate activity other than hostile takeovers; second, these bonds have a significantly lower default rate than commercial bonds and other direct investments of the affected depository institutions; and third, relatively few depository institutions are permitted to purchase these bonds and that these bonds have not eroded the safety and soundness of these institutions.

At present, several legislative proposals have been introduced that would curb investment in high yield, noninvestment grade securities. Legislation that requires the imposition of these restrictions may ultimately prove necessary. However, attempts to develop an adequate legislative solution to curb investment in these bonds proved difficult due to a lack of information regarding the performance of investments in these bonds. Before restrictions are imposed that affect the issuance of and the investment in these bonds, further information is required to help us determine the nature of such restrictions or limitations.

The suitability of investments in high yield, investment grade securities addressed is a topic that should be addressed in the Banking Committee's continued deliberations on tender offer reform.

The ability of Federal regulators to limit or restrict investment by federally insured depository institutions in such bonds should also be reviewed. These Federal agencies are empowered to restrict or prohibit any unsafe or unsound practices that would contribute to a weakness in an insured institution's financial condition. Prudence dictates that, before such investments are limited or prohibited and issuers suffer the unintended consequences of such restrictions, the breadth and depth of the market in high yield, noninvestment grade bonds be determined. Further, before legislation is enacted, Congress should consider expanding the scope of the supervision and enforcement powers of the regulatory agencies. Such an expansion of powers provides a more flexible approach to the regulation of investments in these securities. The information required in the study mandated by section 6 should provide Congress with timely and adequate data upon which to base its legislative deliberations.

Section 6 requires the Comptroller General, in coordination and consultation with the Securities and Exchange Commission, the Federal Home Loan Bank Board, the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Savings and Loan Insurance Corporation, the Federal Deposit Insurance Corporation, the Secretary of the Treasury and the Secretary of Labor to study the issuance and investment in high yield, noninvestment grade bonds for the 5 years prior to the enactment of this act, including:

First, the identity and rating—as determined by Moody's, Standard and Poor's or other nationally recognized bond rating house—of the issuers of these bonds;

Second, the identity of the major purchasers of these bonds including, but not limited, to federally insured depository institutions;

Third, the percentage of the total amount of high yield, noninvestment grade bonds that are issued as a method of financing corporate takeovers;

Fourth, the identity of the purchasers including, but not limited to, federally insured depository institutions, that invest in high yield, noninvestment grade bonds that are issued as a method of financing corporate takeovers;

Fifth, the purposes of which high yield, noninvestment grade bonds are issued other than for financing corporate takeovers;

Sixth, a summary and analysis of the adequacy of current State and Federal laws that regulate investment in high yield, noninvestment grade bonds, by investors including, but not limited to, federally insured depository institutions and pension funds and;

Seventh, a review of the impact of the issuance of and investment in high yield, noninvestment grade bonds upon corporate debt as it relates to Federal monetary policy.

The study will be submitted to Congress within 120 days after the date of enactment of this legislation.

By Mr. D'AMATO:

S. 228. A bill to amend title 10, United States Code, to permit members of the Armed Forces, under certain circumstances, to wear items of religious apparel while in uniform; to the Committee on Armed Services.

RELIGIOUS APPAREL IN THE ARMED FORCES

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation to allow military personnel to wear certain religious apparel. In the last Congress, I sponsored S. 2269, cosponsored by my good friend, the junior Senator from New Jersey. An amendment to the defense authorization bill which encompassed S. 2269 was narrowly defeated on the Senate floor. Although this legislation was incorporated into the House version of the defense authorization bill, the provision, unfortunatley, was dropped from a House-Senate conference.

This bill corrects an injustice affirmed last year by the Supreme Court. On March 25, the Supreme Court ruled 5 to 4 in favor of a lower court ruling that the Department of Defense was within its rights in not allowing the wearing of a yarmulke indoors by military personnel.

The case, Goldman versus Weinberger, involved an Air Force officer who, though serving as a psychologist, was an ordained Rabbi. As an Orthodox Jew, Capt. S. Simcha Goldman wore his yarmulke at all times. The Air Force insisted that this was not within regulations. The case eventually reached the Supreme Court.

Mr. President, the bill I am introducing today offers a reasonable solution to this problem. This bill would amend chapter 45 of title 10 of the United States Code to allow the wearing of all neat, unobtrusive, and conservative religious apparel. Specifically, the bill allows members of the Armed Forces to wear any neat, conservative, and unobtrusive item of apparel if the wearing of such apparel is part of the religious observance of the member, unless the wearing of such apparel interferes with the performance of the member's military duties.

This legislation would not only resolve cases involving the wearing of the yarmulke, but also allow military personnel of any religion to wear, within reason, appropriate religious apparel. I believe the Air Force and the Department of Defense interpreted too strictly regulations that prevented Captain Goldman from wearing his yarmulke indoors. Indeed, the Supreme Court's less than unanimous decision on this specific case left much room for debate. It is uncertain whether the Supreme Court would have affirmed the lower courts decision if Goldman had not joined the Air Force of his own choice. I question whether we can afford to preclude a certain group within our society from voluntary military service because of their centuries-old legitimate religious beliefs concerning the wearing of certain types of religious apparel.

For this reason, Mr. President, I feel it is necessary for a legislative solution. Obtrusive and possibly interfering apparel should not be allowed, especially if such apparel would hinder the effectiveness of the service man or woman. In addition, religious apparel should not hinder the effectiveness of other military personnel. This is straightforward legislation that further strengthens the right of freedom of religion in this country. I have discussed this legislation with many groups, including the Anti-Defamation League. Our Armed Forces should not be in the position of completely dictating what religious behavior is acceptable.

Mr. President, I urge my colleagues to join with me on this important piece of legislation, and I urge its quick passage into law. I also ask unanimous consent that the full text of this legislation be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 228

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION FOR MEMBERS OF THE ARMED FORCES TO WEAR ITEMS OF RELIGIOUS APPAREL WHILE IN UNIFORM

(a) IN GENERAL.—Chapter 45 of title 10, United States Code, is amended—

(1) by redesignating section 774 as section 775; and

(2) inserting after section 773 the following new section:

"§ 774. Wearing religious apparel

"(a) Except as provided in subsection (b), a member of the armed forces may wear an item of religious apparel while wearing the uniform of the member's armed force if—

"(1) the wearing of the item of apparel is part of the religious observance of the religious faith practiced by the member; and

"(2) the item of apparel is neat, conservative, and unobtrusive.

"(b) The Secretary concerned may prohibit a member from wearing an item of religious apparel while wearing the uniform of the member's armed force if the Secretary determines that the wearing of such item significantly interfers with the performance of the member's military duties.".

(b) CLERICAL AMENDMENTS.—The table of chapters at the beginning of such chapter is amended—

(1) by redesignating the item relating to section 774 as 775; and

(2) by inserting below the item relating to section 773 the following new item:

"774. Wearing religious apparel.".

By Mr. D'AMATO:

S. 229. A bill to provide for adherence with the MacBride principles by United States persons doing business in Northern Ireland; to the Committee on Finance.

NORTHERN IRELAND FAIR EMPLOYMENT PRACTICES ACT

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation to help correct a discriminatory injustice in another part of the world, Northern Ireland. Enactment of this legislation, entitled the Northern Ireland Fair Employment Practices Act, will deter efforts to use the workplace as an arena of discrimination in Northern Ireland. I first offered this legislation, cosponsored by my good friend the senior Senator from Arizona, in October of last year.

Last year, the Senate handed the President a rare foreign policy defeat by overriding his veto on legislation applying additional sanctions on South Africa. Congress overwhelmingly decided to follow rhetoric with action by applying economic sanctions against a government that maintains a policy of rampant discrimination.

Today, we have the same opportunity to fight discrimination in Northern Ireland. The Northern Ireland Fair Employment Practices Act incorporates the MacBride principles, which are modeled after the famous Sullivan principles, the incipient effort to apply United States pressure to change the system of apartheid in South Africa. The MacBride principles are named in honor of Sean MacBride, winner of the Noble Peace Prize and cofounder of Amnesty International.

This legislation does not call for disinvestment. It does, however, enlist the cooperation of United States companies active in Northern Ireland in the campaign to force the end of discrimination in the workplace. Specifically, this bill would incorporate the following principles:

First, eliminating religious discrimination in managerial, supervisory, administrative, clerical, and technical jobs and significantly increasing the representation in such jobs of individuals from underrepresented religious group;

Second, providing adequate security for the protection of minority employees at the workplace;

Third, banning provocative sectarian and political emblems from the workplace;

Fourth, publicly advertising all job openings and undertaking special recruitment efforts to attract applicants from underrepresented religious groups, and establishing procedures to identify and recruit minority individuals with potential for further advancement, including managerial programs;

Fifth, establishing layoff, recall, and termination procedures which do not favor particular religious groupings;

Sixth, abolishing job reservations, apprenticeship restriction, and differential employment criteria which discriminate on the basis of religious or ethnic origin;

Seventh, developing and expanding upon existing training and educational programs that will prepare substantial numbers of minority employees for managerial, supervisory, adminstrative, clerical, and technical jobs; and

Eighth, appointing a senior management staff member to oversee the U.S. company's compliance with the principles described above.

One of the most prominent and painful means of perpetrating acts of discrimination is through employment. Therefore, it is at the workplace in Northern Ireland, which can be used to either foster or eliminate discrimination, where we should focus our efforts to break the back of this awful practice. The unemployment rate for the area is hovering around 20 percent, 50 percent in predominately Catholic neighborhoods. Improving the employment opportunities for those discriminated against will help factor out economic reasons for the current strife in Northern Ireland and, hopefully, will begin the process toward a peaceful resolution to the problems there.

The United States is Northern Ireland's largest single investor. There are over 20 United States companies operating in Northern Ireland, and only 5 of them operate in Catholic sections. Most of these United States companies now directly or indirectly support the systematic anti-Catholic discriminatory practices in Northern Ireland. My legislation will end this shameful record. It not only will enlist these companies in the effort to wipe out discrimination at the workplace in Northern Ireland, but it also will help enlighten other nations which do business in Northern Ireland.

Mr. President, I truly believe that this body must address this important issue in the near future. I plan to fight to have this bill passed during this session of Congress, and I look to my colleagues to join me in this worthy effort.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD in its entirety.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 229

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Northern Ireland Fair Employment Practices Act.".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Overall unemployment in Northern Ireland exceeds 20 per centum.

(2) Unemployment in some neighborhoods of Northern Ireland comprised of religious minorities has exceeded 50 per centum.

(3) In the past ten years 27 per centum of Northern Ireland's industrial jobs have disappeared.

(4) Economic conditions in Northern Ireland have contributed to the emigration in recent years of more than seven thousand people each year.

(5) The Industrial Development Organization for Northern Ireland lists twenty-five firms in Northern Ireland which are controlled by United States persons.

(6) Many of these firms have become de facto partners in discriminating against religious minorities in employment practices and conditions.

(7) A comprehensive study of the discriminatory practices of United States businesses in Northern Ireland by the Reverend Brian Brady, the former head of the religion department at Saint Joseph's College in Belfast, noted that in the average manufacturing company controlled by a United States person in Northern Ireland, 18.8 per centum of the employees are Catholic and 73.2 per centum are Protestant, a work force ratio that is disproportionate to the number of Catholics and Protestants in the general population of Northern Ireland, which is 38 per centum Catholic and 62 per centum Protestant.

(8) The religious minority population of Northern Ireland is frequently subject to discriminatory hiring practices by United States businesses which have resulted in a disproportionate number of minority individuals holding menial and low-paying jobs and alarmingly high layoffs of minority employees in times of recession.

(9) The MacBride Principles are a nine point set of guidelines for fair employment in Northern Ireland which establishes a corporate code of conduct to promote equal access to regional employment but does not require disinvestment or demand quotas on imports.

SEC. 3. RESTRICTION ON IMPORTS.

An article from Northern Ireland may not be entered, or withdrawn from warehouse for consumption, in the customs territory of the United States unless there is presented at the time of entry to the customs officer concerned documentation indicating that the enterprise which manufactured or assembled such article was in compliance at the time of manufacture with the principles described in section 5.

SEC. 4. COMPLIANCE WITH FAIR EMPLOYMENT PRINCIPLES.

(a) COMPLIANCE.—Any United States person who—

(1) has a branch or office in Northern Ireland, or

(2) controls a corporation, partnership, or other enterprise in Northern Ireland,

in which more than twenty people are employed shall take the necessary steps to insure that, in operating such branch, office, corporation, partnership, or enterprise, those principles relating to employment practices set forth in section 5 are implemented and the Fair Employment Act of Northern Ireland is complied with.

(b) REPORT.—Each United States person referred to in subsection (a) shall submit to the Secretary—

(1) a detailed and fully documented annual report, signed under oath, on showing compliance with the provisions of this Act; and

(2) such other information as the Secretary determines is necessary.

SEC. 5. MACBRIDE PRINCIPLES.

The principles referred to in section 4, which are based on the MacBride Principles, are as follows:

(1) Eliminating religious discrimination in managerial, supervisory, administrative, clerical, and technical jobs and significantly increasing the representation in such jobs of individuals from underrepresented religious groups.

(2) Providing adequate security for the protection of minority employees at the workplace.

(3) Banning provocative sectarian and political emblems from the workplace.

(4) Advertising publicly all job openings and undertaking special recruitment efforts to attract applicants from underrepresented religious groups, including—

(A) establishing procedures to assess, identify, and actively recruit minority individuals with potential for further advancement; and

(B) identifying those minority individuals who have high management potential and enrolling them in accelerated management programs.

(5) Establishing layoff, recall, and termination procedures which do not favor particular religious groupings.

(6) Providing equal employment for all employees, including implementing equal and nondiscriminatory terms and conditions of employment for all employees, and abolishing job reservations, apprenticeship restrictions, and differential employment criteria, which discriminate on the basis of religion or ethnic origin.

(7) Developing training programs that will prepare substantial numbers of minority employees for managerial, supervisory, administrative, clerical, and technical jobs, including—

(A) expanding existing programs and forming new programs to train, upgrade, and improve the skills of all categories of minority employees;

(B) creating on-the-job training programs and facilities to assist minority employees to advance to higher paying jobs requiring greater skills; and

(C) establishing and expanding programs to enable minority employees to further their education and skills at recognized educational facilties.

(8) Appointing a senior management staff member to oversee the United States person's compliance with the principles described in this section.

SEC. 6. WAIVER OF PROVISIONS.

In any case in which the President determines that compliance by a United States person with the provisions of this Act would harm the national security of the United States, the President may waive those provisions with respect to that United States person. The President shall publish in the Federal Register each waiver granted under this section and shall submit to the Congress a justification for granting each such waiver. Any such waiver shall become effective at the end of ninety days after the date on which the justification is submitted to the Congress unless the Congress, within that ninety-day period, adopts a joint resolution disapproving the waiver. In the computation of such ninety-day period, there shall be excluded the days on which either House of Congress is not in session because of an adjournment of more than three days to a day certain or because of an adjournment of the Congress sine die.

(b) CONSIDERATION OF RESOLUTION—

(1) Any resolution described in subsection (a) shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

(2) For the purpose of expediting the consideration and adoption of a resolution under subsection (a) in the House of Representatives, a motion to proceed to the consideration of such resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

SEC. 7. DEFINITIONS AND PRESUMPTIONS.

(a) DEFINITIONS.—For the purposes of this Act—

(1) the term "United States person" means any United States resident or national and any domestic concern (including any permanent domestic establishment of any foreign concern);

(2) the term "Secretary" means the Secretary of Commerce;

(3) the term "Northern Ireland" includes the counties in Antrim, Armagh, Londonderry, Down, Tyrone, and Fermanagh; and

(b) PRESUMPTION.—A United States person shall be presumed to control a corporation, partnership, or other enterprise in Northern Ireland if—

(2) the United States person beneficially owns or controls (whether directly or indirectly) 25 per centum or more of the voting securities of the corporation, partnership, or enterprise, if no other person owns or controls (whether directly or indirectly) an equal or larger percentage;

(3) the corporation, partnership, or enterprise is operated by the United States person pursuant to the provisions of an exclusive management contract;

(4) a majority of the members of the board of directors of the corporation, partnership, or enterprise are also members of the comparable governing body of the United States person;

(5) the United States person has authority to appoint the majority of the members of the board of directors of the corporation, partnership, or enterprise; or

(6) the United States person has authority to appoint the chief operating officer of the corporation, partnership, or enterprise.

By Mr. D'AMATO:

S. 230. A bill to amend the Securities Exchange Act of 1934 with request to the use of nonpublic information; to the Committee on Banking, Housing, and Urban Affairs.

S. 231. A bill to amend the Securities Exchange Act of 1934 with respect to the use of nonpublic information; to the Committee on Banking, Housing, and Urban Affairs.

SECURITY EXCHANGE ACT

● Mr. D'AMATO. Mr. President, one of my proudest achievements as the chairman of the Securities Subcommittee of the Senate Banking Committee in the previous two Congresses was the passage of the Insider Trading Sanctions Act of 1984 [ITSA]. This act enabled Federal prosecutors to impose substantial civil and criminal fines upon those who trade in our securities markets while in possession of material, nonpublic information.

Although the act became law in 1984, one provision that I advocated was not included in the final legislation. This provision would have provided a definition of insider trading. I still maintain the belief that such a definition is required to clarify the law governing insider trading. A broad definition of insider trading will enable market professionals and individual investors to discern what activities are proscribed by law and which are permitted. Further, such a definition will provide the Securities and Exchange Commission to prosecute a variety of insider trading cases without relying on contested legal theories which must be used to satisfy the Supreme Court's standards enounced in *Chiarella* v. *U.S.* 445 U.S. 222 (1980) and *Dirks* v. *SEC*, 463 U.S. 646 (1983).

After the Supreme Court's decisions in Chiarella and Dirks, cases in which the Court rejected SEC arguments based upon section 10(b) of the Securities Exchange Act of 1934 (Exchange Act), significant gaps exist in the SEC's regulation of, and in civil liability for, trading on the basis of material, nonpublic information. The guidelines developed by lower courts since Dirks for insider trading liability are not always consistent and do not set a uniform standard to provide both the enforcers and market participants with sufficient guidance regarding the application of sections 10(b) and 14(e)—in the context of tender offers—of the Exchange Act to insider trading violations. Given the spate of criminal prosecutions, the enactment of the ITSA, and the Supreme Court's recent decision holding that garden-variety securities fraud may be subject to private treble damage actions under RICO, more guidance seems justified.

In fact, the Supreme Court has implicitly, if not explicitly, invited the Securities and Exchange Commission (Commission) to define more precisely what activities constitute insider trading rather than rely on its current practice of defining insider trading on a case-by-case basis. In Dirks versus SEC, the Court criticized the Commission for propounding insider trading theories on a case-by-case basis as a practice which it views as "inherently imprecise." 463 U.S. at 658 n. 17. The Court reasoned that this situation is in need of remedy because such "imprecision prevents parties from ordering their actions in accord with legal requirements. Unless the parties have some guidance as to where the line is between permissible and impermissible disclosures and uses, neither corporate insiders nor analysts can be sure when the line is crossed." Id. Noting the need for greater clarity in the meaning of insider trading, the Court also observed that "without legal limitations, the market participants are forced to rely on the reasonableness of the SEC's litigation strategy, but that can be dangerous * * *." Id. at 664, n. 24.

I do not cite this decision to criticize the SEC. The SEC's recent settlements with Dennis Levine and Ivan Boesky are perhaps the most publicized examples of the excellent work that the Commission has been doing to prosecute illegal insider trading. There is no question that the activities engaged in by Levine and Boesky fall within the scope of the accepted meanings of insider trading. Rather, I cite this case for three reasons. First, I, like the Court, believe that some clarity regarding the meaning of insider trading is required. Second, I am afraid that the Court, in its recent grant of certiorari in the case of Winans versus United States, may once again, as it did in Chiarella and Dirks, reject the Commission's arguments as to what activities constitute illegal insider trading because the law fails to define more precisely actions that constitute violations of the Federal securities laws. Finally, the Dirks decision suggests that the appropriate legislative response in this area of the law is to enact a definition of what activities constitute illegal insider trading. Since the revelation of the SEC's case against Boesky, many of my colleagues on Capitol Hill have clamored for legislative reform in this area. The two legislative proposals that I introduce today which define insider trading provide an appropriate and adequate legislative response.

Congress has already responded to the problem of insider trading by increasing the severity of the penalties that can be imposed upon those guilty of insider trading in the Insider Trading Sanctions Act. Perhaps we could increase the severity of the penalty and therefore the level of deterrence if insider trading is made a capital offense. However, this is not a reasonable legislative response, nor does it satisfy the concerns expressed by the Supreme Court in Dirks. What is needed is a means by which the Commission can more effectively and expeditiously prosecute insider traders. The proposals that I introduce today will hopefully provide such a means.

The need for a definition, in short, can satisfy the Court's need for clarity and relieve the Commission of the task of straining to prosecute inside traders on a case-by-case basis. A definition of illegal insider trading would resolve the dilemma confronting the SEC's prosecution of insider trading cases—a dilemma which ironically is created by the law which is used as the basis for insider trading prosecutions.

Thus, trading on the basis of material, nonpublic information per se does not constitute fraud in violation of section 10(b) and rule 10b-5. Under rule 10b-5, the gravamen of the violation is not the trading but the failure to fulfill a duty to disclose when there is such a duty in connection with the trading. Where there is a duty to disclose, silence may be fraudulent and thus actionable under section 10(b). It is this application that limits indirectly the ability of insiders and certain others to trade on the basis of material, nonpublic information. The principal difficulty that the Commission has confronted in prosecuting certain "insiders" is that a duty to disclose does not necessarily exist whenever the underlying policy justification for an insider trading prohibition dictates that it should.

Since section 10(b) of the Exchange Act is a broad antifraud provision not directed specifically to insider trading, confusion and uncertainty exist as to how the elements of section 10(b) are to be applied in insider trading cases. For example, after Chiarella and Dirks, does an insider's duty to disclose or abstain still apply to all contemporaneous market traders in the security or only to the person with whom the insider trades? What must a tippee know, or be reckless in not knowing, to be liable under section 10(b) cases, or is it more appropriate to apply a "facts of special significance" test? Exactly how does a plaintiff prove reliance or causation in insider trading and tipping cases?

The Commission's task in prosecuting insiders has also been complicated by the fact that the term insider trading is somewhat misleading. After the Supreme Court decisions in Dirks and Chiarella, the Commission has been required to develop several legal theories to prosecute individuals who are not typically considered insiders. The cases in which the Commission and private litigants have sought to impose liability under existing law have not been limited to insiders, at least as that term is commonly understood, and not all defendants have been traders—those who "tip" others who then trade, for example. Indeed, as in cases of misuse of advance knowledge of tender offers, now covered by rule 14(e)-3, and market manipulation cases like Zweig versus Hearst Corp., the information in questions has not come from insider the issuer at all, but rather has been external "market" information not yet generally known. That the phrase "insider trading" describes so imperfectly the conduct to be proscribed is a clear signal at the outset that this area of the law is not well defined.

With this in mind, it is no small challenge to describe concisely and analyze the state of the law under section 10(b) and rule 10(b)-5 as it relates to trading on the basis of nonpublic information. It is not an overstatement that the Supreme Court's decisions in Chiarella and Dirks undercut the theoretical foundations of prior decisional law in this area. Those two decisions plainly rejected the notion that anyone possessing material, nonpublic information had a duty, arising from that possession alone, to abstain from trading unless and until the information was disclosed or became immaterial. The transformation of the law has not, however, ended with those two decisions. Since then, many lower courts have with remarkable tenacity, if not intellectual consistency, found or developed alternative theoretical bases for imposing liability that are only plausibly in step with the Supreme Court's two recent rulings.

The Commission has been compelled to argue and the lower courts have accepted these theories because the Dirks and Chiarella requirement that a fiduciary or similar relationship exist between the individual trading and shareholders has left significant gaps in the regulation of trading by nearly all persons who are not insiders of the corporation in whose securities they are trading. For example, the Commission has argued and the lower courts have accepted several legal theories developed in response to the Supreme Court's decisions in Chiarella and Dirks. Legal theories of insider trading that the Commission has successfully argued in the lower courts can be briefly described as the: First, fiduciary duty to shareholders theory; second, misappropriation theory; and third, tipper-tippee theory. The Commission's innovative use of these legal theories is justified to remedy those specific instances of abuse to reach results that seem fair in individual cases. However, I fear that the Supreme Court, in its consideration of the Winans appeal, may again reject the arguments of the Commission. Therefore, I am compelled to initiate a legislative response to avoid a similar result in the future simply because the Court requires more guidance on the meaning of illegal insider trading.

I believe that in the wake of the Boesky-Levine scandal that Congress can and should confront the basic policy question of what uses of informational advantage are to be forbidden, rather than leaving the law primarily to case-by-case development under present section 10(b) and rule 10b-5. Such a legislative proposal may be required because, while further regulations through the SEC's rulemaking process would be useful, such regulations may have an uncertain statutory basis to the extent that it departs from the fraud bases of section 10(b) and 14(e) of the 1934 act.

The first legislative proposal that I introduce today, the Insider Trading Definition Act of 1987, specifies with considerable particularity what conduct by insiders misapproriators, tippers, and tippees is prohibited. It builds on existing case law, provides a clear statutory predicate for liability now imposed under the judge-made misappropriation theory, and resolves several important uncertainties in the present case law. The second proposal, the Insider Trading Reform Act of 1987, is a less specific approach that sets forth a clear legislative policy, provide a sound basis for further development of the law and for such clarifying regulations as the SEC may adopt. Both proposals contain provisions which would, for the first time, hold firms liable for civil money penalties if they knew or should have known that their employees were engaging in illegal insider trading.

These proposals, which are drawn largely from the Report on Insider Trading of the American Bar Association's Committee on Federal Regulation of Securities, are intended to be a starting point. The adoption of either proposal in their present form or as modified would represent a marked improvement over existing law. The proposal of two statutes addressing the same issue is in itself, a recognition that, like all statutes, neither will satisfy everyone or remove every ambiguity. However, these two alternatives demonstrate that it is possible to bring greater order and predictability to the law.

I urge my colleagues to consider and lend their support to enacting this legislation or similar proposals. The time to express shock about the abuses of insider trading has come and gone. The time to act to provide the Commission with the tools to expedite the prosecution of miscreants is at hand. The passage of this legislation will send a clear message to the courts and hopefully to those considering trading on inside information who hope to escape prosecution on the basis of a legal technicality.●

By Mr. WILSON:

S. 232. A bill to permit placement of a privately funded statue of Haym Salomon in the Capitol Building or on the Capitol Grounds and to erect a privately funded monument to Haym Salomon on Federal land in the District of Columbia; to the Committee on Rules and Administration.

HAYM SALOMON MEMORIAL ACT

Mr. WILSON. Mr. President, I am introducing legislation today to recognize the contributions of Haym Salomon, an American patriot regarded as the symbol of American Jewish participation in the struggle for American independence.

This legislation will permit both the placement in the Capitol of a statue honoring Haym Salomon and the erection of a national monument to Haym Salomon on Federal land in the District of Columbia.

Haym Salomon was an American patriot in the true sense of the word. He was born into a Jewish family in Poland and emigrated to America in search of the political and economic freedoms that have become the hallmark of our Nation. Upon arriving in

America, Salomon quickly joined the independence effort as a member of the "Sons of Liberty." He was instrumental in raising the money necessary to finance the American War of Independence by contributing both his personal resources and his skills as a financier and broker to the cause.

As a result of his commitment to the American Revolution, Haym Salomon was arrested, as a spy, by the British Government in 1776 and again in 1778. Although he was able to escape, Salomon died of an illness contracted during his imprisonment.

While Haym Salomon has long been honored as a financial statesman, we can recognize him today as representing not only himself but all American Jewish patriots who contributed their resources and committed themselves to the cause of freedom. To this end, my bill allows the placement of a statue in consultation with the Architect of the Capitol and a monument in conjunction with the National Commission on Fine Arts and the National Capitol Planning Commission.

Mr. President, it is important to note that the funds for both the statue and the monument will be raised privately and at no expense to the Federal Government. The "American Jewish Patriots and Friends of Haym Salomon" is a new organization which is organizing a nationwide drive to raise the funds for the statue and monument.

Mr. President, this legislation is a much deserved tribute to our Nation's greatest Jewish patriot from the Revolutionary War. I invite my colleagues to join in honoring Haym Salomon.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 232

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Haym Salomon Memorial Act of 1985".

SEC. 2. STATEMENT OF FINDINGS.

The Congress finds that—

(1) Haym Salomon was an American patriot of Polish and Jewish background and a member of the Sons of Liberty;

(2) Haym Salomon was a revolutionary patriot who was instrumental in raising the money needed to finance the American War of Independence;

(3) Haym Salomon contributed his own resources and skill as a financier and broker to the cause of liberty during the American War of Independence and the early years of the United States;

(4) after the American War of Independence was over, Haym Salomon died insolvent from an illness he contracted during the conflict while imprisoned by the British for his patriotic activities;

(5) Haym Salomon contributed much of his own resources to the United States, an amount which will never be precisely known due to the loss and destruction of records during the war of 1812;

(6) Haym Salomon has long been recognized as the symbol of American Jewish participation in, and contribution to, the American War of Independence;

(7) despite Haym Salomon's great and selfless service to the cause of liberty, no national monument or statue has ever been erected in his honor; and

(8) it is only fitting and proper to honor Haym Salomon through the placement of a statue of him in the Capitol Building or on the Capitol Grounds and the erection of a monument to him on Federal land within the District of Columbia.

SEC. 3. PLACEMENT OF STATUE.

(a) AUTHORITY TO PLACE STATUE AT CAPITOL.—The American Jewish Patriots and Friends of Haym Salomon may place in the Capitol Building or on the Capitol Grounds a suitably designed statue of Haym Salomon acquired by such organization. The Architect of the Capitol shall make any arrangements necessary for the placement of such statue and supervise such placement.

(b) APPROVAL OF SITE SELECTION.—Selection of a site for such statue shall be subject to the approval of the Architect of the Capitol.

SEC. 4. ERECTION OF MONUMENT.

(a) AUTHORITY TO ERECT MONUMENT.—The American Jewish Patriots and Friends of Haym Salomon may erect a monument to honor Haym Salomon on Federal land in the District of Columbia.

(b) APPROVAL OF SITE SELECTION, DESIGN, AND CONSTRUCTION PLANS.—Selection of a site for, design of, and plans for the construction of, such memorial shall be subject to the approval of the National Commission of Fine Arts and the National Capital Planning Commission.

SEC. 5. EFFECTIVE DATE.

This Act shall take effect on the date of the enactment of this Act.

By Mr. BOREN (for himself and Mr. BINGAMAN):

S. 233. A bill to amend the Internal Revenue Code of 1986 to encourage increased production of domestic crude oil, and for other purposes; to the Committee on Finance.

INTERNAL REVENUE CODE

● Mr. BOREN. Mr. President, during the 99th Congress I spoke many times, often at some length, about the developing problems in our domestic energy industries. In July 1985, I spoke about the problems we would face if the price of crude oil were to drop sharply. In fact I introduced legislation to establish an oil import fee to protect against those very problems. In July 1985, the price of oil was around $31 per barrel and we had over 2,000 rigs looking for oil and natural gas in the United States. As a nation in July 1985, we were importing approximately 24 percent of our energy needs from foreign sources, with only 45,000 barrels per day from Saudi Arabia.

Now, Mr. President, in January 1987, at the beginning of the 100th Congress, the very problems I spoke of have occurred. The United States is importing almost 40 percent of our energy needs from foreign sources, including over 685,000 barrels per day from Saudi Arabia—over a 1,500-percent increase. The price of crude oil fell to a low of $9.75 and is now struggling to maintain some stability in the midteens. We have seen unemployment jump into the double digits in Oklahoma, Texas, and Louisiana. These, however, are not the most important indicators. The most ominous figure I can imagine for the U.S. energy future is our domestic rig count. From a high of over 4,500 just a short 6 years ago, the U.S. rig count fell to an all time low of 663 on July 14, 1986. Today the rig count is barely over 950.

What then does the future hold? Our ability to produce over the next 3 or 4 years has already been determined. If we could barely replace reserves with 4,500 rigs operating, it should be obvious what will happen to our production with only 950 rigs actively looking for oil and natural gas. Our ability to produce beyond the short term must be questioned. Four years ago there were over 7,000 students pursuing degrees in geology, petroleum engineering, and geophysics. Last fall that number had dropped to 3,000. Where will the next generation of technicians come from? Are we even willing to spend the money necessary to develop the next generation of technology? If we are not careful, as a nation we will soon find ourselves in the very same trap that was laid for us during the Arab oil embargo in 1973.

And so, Mr. President where does that leave us? In my opinion we have but one option for the short term. We must preserve existing domestic production. I am not proposing today that we establish new incentives to drill for more oil. Rather, I am only suggesting ways that might keep the stripper well in Kansas, the heavy oil well in California, or even the natural gas well in Michigan operational and flowing. We must not allow our existing production to suffer at the hands of a foreign leader who, I might add, does not play by the same economic rules as an independent producer in Seminole County, OK.

My specific proposals include: First, an emergency energy package of tax items designed to encourage the continued production of existing domestic wells; second, the repeal of the windfall profit tax; and third, the imposition of an excise tax on foreign oil priced under $18 per barrel.

I have asked my distinguished colleague from Texas, the chairman of the Finance Committee, Senator BENTSEN to allow my subcommittee to hold hearings on these important issues at the earliest possible date. I remain hopeful that with prompt action by the 100th Congress we can begin to mitigate some of the damage visited upon our domestic energy industry over the past 18 months.●

● Mr. BINGAMAN. Mr. President, I am pleased today to join my distinguished colleague from Oklahoma, Senator BOREN, in introducing a bill to assist the domestic oil and gas industry.

CURRENT SITUATION

The Nation and our domestic oil and gas industry face an uncertain future—uncertain because of lower prices, over-supply, and increased competition from lower priced imports of crude and petroleum products. The industry has been forced to cut back its activity—signaling a loss of employment and a weakening of the industry's infrastructure. Capital expenditure programs have dropped by 50 percent since 1981. Drilling activity reached a 46-year low in August. Deputy Secretary of Energy William Martin testified before the Senate Energy and Natural Resources Committee in September that of the 8 to 10 million barrels per day of surplus capacity available in the free world, only 5 percent comes from non-OPEC nations. More disturbing was a statement by former National Security Director John Poindexter that by the early 1990's we are likely to see imports rise to over 50 percent of domestic consumption.

THE FACTS

Oil and natural gas make up two-thirds of the energy used in the United States, and efforts to develop alternative energy sources have fallen short of expectations. This country uses more oil and gas than any other nation. In 12 of the past 15 years, Americans have used up their proved oil and natural gas reserves faster than new supplies were discovered. That resulted in a new loss of $10.6 billion barrels of oil and more than 97 trillion cubic feet of gas—the equivalent of wiping out all of the current oil reserves in Texas and Louisiana and all of the current gas reserves in Louisiana, Texas, and California. At 1985 rates of production, our country's proved oil reserves will be exhausted in 10 years and U.S. natural gas reserves will be gone in a dozen years. This means that most of the oil and gas we will need in the late 1990's and beyond still must be found and developed.

As our country's proved reserves dwindle, oil production is decreasing, oil consumption is increasing, and U.S. dependence on foreign oil has risen to about 40 percent of deliveries in recent months. Oil imports in September were about 2.1 million barrels a day higher than a year earlier, with the largest part of the increase coming from OPEC sources.

NEW MEXICO

In my home State of New Mexico, the picture is very bleak. New Mexico is the fifth largest oil and gas producing State in the Nation in terms of total quantity and has suffered from the decline of oil and gas prices. Oil prices have declined from $26 a barrel last January to $11 in July, with a gradual increase since then to $15. Natural gas prices fell from $2.47 a barrel in January to $1.64 in September with the current price at about $1. Revenues generated by the industry showed a 25-percent drop in 1986. The total value of New Mexico's oil and gas activity has dropped 46 percent in the past year. Employment by the industry dropped from a low of 13,200 in 1985 to 9,000 in October 1986. The number of drilling rigs are down to an average of 29 compared with 71 last year. And of the States' bankruptcies, estimated to be 2,500 for 1986, one-fourth occurred in those counties where most of the States' oil and gas is produced. Clearly, effective action is needed to correct the decline of the industry.

LEGISLATION

The legislation we introduce today will help restore life to this important domestic industry. Let me review the provisions of this legislation. The bill includes repeal of the transfer rule, repeal of the 50 percent of net income limitations, and a change in the rate of percentage depletion. It also calls for permits expensing of geological and geophysical costs, and calls for repeal of the IDC recapture rule. Each of these provisions will help restore some vitality to the struggling oil and gas industry.

REPEAL TRANSFER RULE

Current law provides that when an independent producer buys proven producing property from an integrated major, that property is not eligible for windfall profit tax exemption or percentage depletion. Repeal of the transfer rule would allow independents to benefit from percentage depletion and any WPT exemption that may exist. This would benefit both the integrated companies by encouraging them to sell uneconomic properties, rather than abandoning them, and provide additional incentives to independents to purchase and to continue to produce these properties.

REPEAL OF THE 50 PERCENT OF NET INCOME LIMITATION

Current law provides that the percentage depletion deduction is limited to not more than 50 percent of the net income of an eligible producing property. Repeal of this section would stimulate additional cash-flow to those producers who still have income-producing properties.

CHANGE THE RATE OF PERCENTAGE DEPLETION

Current law provides for a 15-percent rate for percentage depletion. Increasing the rate would serve to increase cash-flow for eligible independent producers, again assuming that the property is producing a net income. To spread the benefit of such a change, the definition of eligible producer should be expanded to include all producers and mineral owners of marginal properties—that is stripper and tertiary. This change would encourage the integrated producers to maintain their stripper production and not abandon those marginal wells.

PERMIT EXPENSING OF GEOLOGICAL AND GEOPHYSICAL COSTS

These costs of searching and testing for oil are capitalized under present law. However, they are ordinary and necessary costs of doing business, which arguably should be deducted when incurred. If these costs were deductible, the cost of exploration would be reduced and paperwork would be reduced.

REPEAL THE IDC RECAPTURE RULE

Under current law, the gain on the sale of a producing property is characterized as ordinary income to the extent of any intangible drilling cost previously taken. By repealing this provision, the basis used to calculate gain on a sale of property will not be reduced and consequently the gain will be smaller, as will taxes paid on that gain.

CONCLUSION

Our energy security depends on the revitalization of the domestic oil and gas industry. I ask my colleagues to consider this legislation carefully, to help this industry recover.●

By Mr. CRANSTON:

S. 234. A bill to increase the amount of capital available to financial institutions and other agricultural lenders for loans to farmers by providing a secondary market for farm mortgages through the establishment of a federally chartered corporation, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FARM MORTGAGE MARKETING CORPORATION ACT

Mr. CRANSTON. Mr. President, today I am reintroducing a bill to set up a secondary market for agriculture real estate loans. The bill embodies recommendations of the joint task force of the American Bankers Association and the Independent Bankers Association of America. A companion bill will be introduced by my distinguished colleague in the House, Congressman RICHARD LEHMAN.

The purpose of the legislation is the stabilization and enhancement of the flow of capital for long-term financing of agricultural real estate loans. This new corporation, as proposed in the bill, would be similar to other existing secondary market intermediaries such as the Federal Home Loan Mortgage Corporation [FHLMC], the Federal National Mortgage Association [FNMA], and the Student Loan Marketing Association [Sallie Mae]. All of these entities enhance access to credit by the pooling of loans from cash scarce areas of the country and selling securities represented by the pools to cash surplus areas of the country. I believe this bill will help significantly in making more affordable long-term financing available to farmers.

Under the bill, secondary market entities will purchase mortgage loans from qualified agricultural lenders, repackage them as securities and sell them in the capital market to institutional investors such as pension funds, insurance companies and other large investors. The bulk of agriculture real estate loans are farmers guaranteed home loans. Today there is no liquidity in the agricultural loan market—when times get tough, bank lenders stop lending. This proposal could be used to shift the emphasis from costly direct lending by the Farmers Home Administration to lending through the guaranteed loan process via commercial banks. Many more commercial banks would become interested in long-term agricultural lending if they knew there was a viable secondary market for those loans. One of the biggest benefits of a secondary market for farm loans is liquidity for commercial banks that may want to make local loans but do not have adequate funding to hold on to the loans. A secondary market will benefit farmers by bringing new money into the agricultural land lending business, increasing competition and driving down interest rates. A number of entities, including insurance companies and commercial banks, have loanable funds available, but restrict their volume of farm mortgages to avoid tieing up large portions of their available loan funds for the 20 to 30 years it takes an individual farmer to pay off his mortgage. By being able to sell farm loans immediately into the secondary market, a farm bank can improve its capital, roll its funds over for new farm lending and increase fees from origination and servicing of the loans.

The secondary market is basically a private sector operation, but the Federal Government needs to be involved to structure its guarantee so such a market can work. My bill would provide $200 million in stock as seed capital to get the corporation started. The Treasury capital would be repaid by the mortgage sellers who would be required to buy equity in the corporation. Ultimately the debt would be retired and the corporation would be privately owned by its share holders. This bill embodies a very simple concept that has already proven successful in providing a stable source of capital to meet the needs of the Nation in areas of housing and education.

There are, of course, as with any new idea a great number of concerns which need to be addressed before a final bill is passed. I hope that the introduction of this proposal can be the focal point for more in-depth discussions on what further steps need to be taken to make this idea workable. I consider this bill a first step in that process. We have seen that the creation of a secondary market facility for mortgages has been the single most important development in expanding the flow of credit to the U.S. mortgage market. I think it is time to move forward and explore the suitability of the concept to the Farm Credit System. While the enactment of this proposal will not solve the existing problems in our Farm Credit System, I believe that its enactment will help us avoid, in the future, the credit crunch faced today by the farm segment of our economy.

I ask unanimous consent that the following be printed in the RECORD. The bill and section-by-section analysis and a statement by Robert Eberhardt, chairman of the California Bankers Association Agricultural Task Force.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 234

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Farm Mortgage Marketing Corporation Act of 1987".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress hereby finds that—

(1) economic stability would be enhanced and the availability of long-term credit for agricultural borrowers would be ensured if a mechanism to access secondary markets was created; and

(2) economic stability would be enhanced and the liquidity of investment funds available to lend to agricultural borrowers by financial institutions and other agricultural lenders would be ensured by providing a secondary market for the purchase of sound agricultural real estate mortgages.

(b) PURPOSE.—It is the purpose of this Act to establish a quasi-private corporation chartered by the Federal Government which will purchase and insure agricultural mortgages and sell pools of such agricultural mortgages in order to—

(1) facilitate the availability of long-term credit for agricultural borrowers;

(2) provide liquidity for financial institutions and other agricultural lenders; and

(3) provide an institutional mechanism to allow capital markets to invest in and provide funding for agricultural loans.

SEC. 3. ESTABLISHMENT OF CORPORATION.

There is hereby established a corporation to be known as the Farm Mortgage Marketing Corporation.

SEC. 4. BOARD OF DIRECTORS.

(a) NUMBER AND APPOINTMENT.—

(1) 5 MEMBERS.—The powers of the Corporation shall be vested in the Board of Directors which shall consist of 5 members.

(2) INTERIM APPOINTED BOARD.—Until a determination is made by the President under paragraph (3), the Board of Directors shall be composed of the following members:

(A) The Comptroller of the Currency.

(B) The Chairman of the Federal Deposit Insurance Corporation.

(C) 3 members appointed by the President, by and with the advice and consent of the Senate, from among individuals who have substantial experience and expertise in the fields of agricultural lending and mortgage investments and are representative of agricultural lending institutions.

(3) REGULAR ELECTED BOARD.—When in the judgment of the President, sufficient common stock of the Corporation has been sold to qualified agricultural lenders, the interim Board shall turn over the affairs of the Corporation to regular Board members elected from holders of common stock.

(b) TERMS.—

(1) APPOINTED MEMBERS.—Directors appointed by the President shall serve at the pleasure of the President until their successors have been elected pursuant to subsection (a)(3).

(2) ELECTED MEMBERS.—Directors shall be elected for a term ending on the date of the next annual meeting of the common stockholders of the Corporation.

(3) VACANCY.—

(A) ELECTED MEMBER.—Any elective seat on the Board shall be filled by the Board, but only for the unexpired portion of the term.

(B) APPOINTED MEMBER.—Any appointive seat which becomes vacant shall be filled by the President in the manner provided in subsection (a)(2).

(c) CHAIRPERSON.—The Chairperson of the Board shall be designated by and from among the members of the Board.

(d) MEETINGS.—The Board shall meet semiannually at the call of its Chairperson to determine the general policies which shall govern the operations of the Corporation. A majority of members of the Board shall constitute a quorum.

(e) EMPLOYMENT OF STAFF.—

(1) APPOINTMENT.—The Board may appoint and fix the pay of such personnel as the Board considers appropriate.

(2) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The staff of the Board may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the maximum annual rate of basic pay in effect for the Senior Executive Service pursuant to section 5382 of such title.

SEC. 5. PURCHASE AND SALE OF MORTGAGES.

(a) IN GENERAL.—

(1) AUTHORITY TO PURCHASE.—Except as provided in subsection (c), the Corporation may purchase, and make commitments to purchase, farm mortgage loans from any qualified agricultural lender.

(2) AUTHORITY TO SELL.—The Corporation may sell or otherwise dispose of, any farm mortgage or interest in a mortgage purchased under paragraph (1).

(3) CERTIFICATION OF APPLICATIONS.—The Corporation shall receive applications for the certification of qualified agricultural lenders for the purpose of this Act and establish criteria for determining the eligibility of an agricultural lender for certification.

(b) AGREEMENTS FOR SERVICING MORTGAGES.—The Corporation may enter into agreements with the seller of any farm mortgage which the Corporation purchases, or with any qualified agricultural lender, to further provide for the servicing of such mortgage.

(c) Limitations.—No farm mortgage may be purchased by the Corporation under this section unless—

(1) the seller of the mortgage agrees—

(A) to retain a participation of not less than 10 percent in the mortgage; or

(B) to repurchase or replace the mortgage upon demand of the Corporation during such period and under such circumstances as the Association may require when the borrower is in default with respect to such mortgage only if there are no reserves established to cover losses on such mortgages.

(2) at the time of purchase—

(A) the outstanding principal balance of the mortgage is less than 80 percent of the value of the property securing the mortgage; or

(B) the portion of the unpaid balance of the mortgage is in excess of 80 percent of the value securing the mortgage is guaranteed or insured by a qualified insurer, as determined by the Association.

(d) Mortgage-Backed Securities.—

(1) Issuance authorized.—To provide a greater degree of liquidity to the farm mortgage investment market and as an additional means of financing the operations of the Corporation, the Corporation may issue and sell securities which provide for the payment of principal and interest in relation to payments of principal and interest on farm mortgages purchased and held by the Corporation under this section.

(2) Terms and conditions.—Securities issued under this subsection shall have such term to maturity and bear such rate of interest as the Corporation may prescribe with the approval of the Secretary of the Treasury.

(3) Private issuance of payments.—The Corporation shall issue or purchase from private sources commitments to insure the timely payment of principal and interest to purchasers of the securities backed by farm mortgages held by the Corporation.

(4) Not exempt securities.—No security issued by the Corporation under this subsection shall be—

(A) an exempted security under section 3 of the Securities Act of 1933; or

(B) an exempted security within the meaning given to such terms of section 3(a)(12) of the Securities Exchange Act of 1934.

(5) Minimum amount established for farm mortgages backing securities.—The Corporation shall at all times hold such number of farm mortgages as may be necessary to enable the Corporation to make timely principal and interest payments on securities issued under this subsection from the principal and interest payments received by the Association with respect to such mortgages.

(6) Notice that securities are not federally guaranteed.—The Corporation shall insert such language in each security issued under this subsection as the Corporation determines to be appropriate to clearly indicate that—

(A) the payment of principal and interest with respect to such security is not guaranteed by the United States; and

(B) the security does not constitute a debt or obligation of the United States or any agency or instrumentality of the United States other than the Association; and

(C) the securities issued under this section shall be deemed non-bank eligible for the purposes of underwriting, selling and distribution.

(7) Repurchase authorized.—The Corporation may repurchase in the open market any security issued under this subsection at any time and at any price.

(e) Classification of Sellers for Certain Purposes.—

(1) Classification authorized.—The Corporation may establish a system for classifying sellers of farm mortgages, or qualified agricultural lenders which services such mortgages, according to type, size, location, assets, or on such other basis the Corporation may consider appropriate.

(2) Purposes of classification.—The Corporation may take any classification system established under paragraph (1) into account and may distinguish between classes established under such system in prescribing regulations and imposing charges or fees.

SEC. 6. CAPITALIZATION.

(a) Initial Capitalization; General Provisions.—

(1) Initial capitalization.—The Corporation shall have capital stock of $200,000,000 subscribed by the Secretary of the Treasury from funds appropriated for such purchase.

(2) Shareholder voting rights.—Owners of common stock shall be vested with all voting rights, each share being entitled to one vote with rights of cumulative voting at all elections of directors.

(3) Unrestricted transferability.—The free transferability of the common stock at all times to any person shall not be restricted except that, as to the Corporation, it shall be transferable only on the books of the Corporation.

(b) Contributions to Capital; Fees.—

(1) Required contributions allowed.—The Corporation may accumulate funds for its capital surplus account by requiring each mortgage seller to make nonrefundable capital contributions equal to not more than 2 percent of the unpaid principal amounts or mortgages purchased by the Corporation from such seller.

(2) Fees.—The Corporation may impose charges or fees in such amounts as may be necessary to meet all costs and expenses incurred in connection with the administration of this Act.

(c) Management of Capital and Earnings.—

(1) Transfer to general surplus account.—All earnings from the operations of the Corporation shall be transferred annually to its general surplus account.

(2) Transfer to reserves.—At any time, funds of the general surplus account may, at the discretion of the Board, be transferred to reserves.

(3) Dividends.—Any dividends paid by the Corporation on stock issued under this section shall be charged against the general surplus account.

(d) Stock for Contributions to Capital.—

(1) Contributions by mortgage sellers.—The Corporation shall issue, from time to time to each mortgage seller, its common stock evidencing any capital contributions made by such seller pursuant to subsection (b).

(2) Other contributions.—In addition to the shares of common stock issued under paragraph (1), the Corporation may issue additional shares of common stock in return for any other contributions to capital or capital and surplus.

(e) Retirement of Stock.—The Corporation may at any time retire any stock of the Corporation which was purchased by the Secretary of the Treasury.

SEC. 7. POWERS OF THE CORPORATION.

(a) In General.—The Corporation shall have the following powers:

(1) To adopt, alter, and use a corporate seal.

(2) To have succession until dissolved by an Act of Congress.

(3) To prescribe such regulations as may be necessary to carry out the provisions of this Act.

(4) To make and perform contracts, agreements, and commitments.

(5) To borrow, give security, pay interest or dividends, and issue notes, debentures, bonds, preferred stock, or other obligations or securities under terms and conditions which the Corporation may prescribe.

(6) To settle, adjust, compromise, and release any claim, demand, or right of, by, or against the Corporation, whether in whole or in part and with or without consideration or benefit to the Corporation.

(7) To sue and be sued in its corporate capacity, against to prosecute or defend any action brought by or against the Corporation in any State or Federal court of competent jurisdiction.

(8) To acquire, hold, and dispose of any property.

(9) To determine the Corporation's expenditures and the manner in which such expenditures shall be incurred and paid.

(10) To exercise such incidental powers which are not inconsistent with the provisions of this Act and are necessary to carry out the purposes of this Act.

SEC. 8. DEFINITIONS.

For purposes of this Act—

(1) Corporation.—The term "Corporation" means the Farm Mortgage Marketing Corporation established under section 3.

(2) Board.—The term "Board" means the Board of Directors of the Corporation.

(3) Farm mortgage.—The term "farm mortgage" means any loan to an agricultural producer which—

(A) is secured by fee-simple or leasehold mortgage with status as a first lien on agricultural real estate located in the United States;

(B) is originated after the date of enactment of this Act; and

(C) is an obligation of—

(i) an individual who is a citizen of the United States; or

(ii) any person other than an individual a majority interest in which is held by individuals who are citizens of the United States,

whose training or farming experience is sufficient, under criteria established by the Corporation, to assure a reasonable likelihood that such loan will be repaid according to its terms.

(4) Agricultural real estate.—The term "agricultural real estate" means a parcel or parcels of land used for the production of one or more agricultural commodities or products and consisting of a minimum acreage or producing minimum annual receipts as determined by the Corporation;

(5) Qualified agricultural lender.—The term "qualified agricultural lender" means any bank, business and industrial development company, savings and loan institution, commercial finance company, trust company, credit union, insurance company, or other person approved by the Corporation.

(6) Security.—The term "security" has the meaning given to such term in section 3(a)(10) of the Securities Exchange Act of 1934.

SEC. 9. DESIGNATION OF ASSOCIATION AS MIXED-OWNERSHIP GOVERNMENT CORPORATION.

Section 9101(2) of title 31, United States Code, is amended by adding at the end thereof the following new subparagraph:

"(K) The Farm Mortgage Marketing Corporation."

SEC. 10. AUTHORIZATION.

There is authorized to be appropriated to the Secretary of the Treasury for any fiscal year beginning after September 30, 1986, not to exceed $200,000,000 for the purchase of stock of the Corporation to carry out the provisions of this Act.

"FARM MORTGAGE MARKETING CORPORATION ACT OF 1987"

It is the intent of this Act to establish a secondary market entity similar to those which already serve the needs of the nation's housing and education sectors. This secondary market mechanism will serve as a means of enhancing and stabilizing the flow of capital for long-term financing of agricultural real estate credit needs by serving as a conduit between primary commercial agricultural lenders and the capital markets.

SECTION BY SECTION SUMMARY

SECTION 1. TITLE.—"Farm Mortgage Marketing Corporation Act of 1987".

SEC. 2. FINDINGS AND PURPOSE.—The purpose of this Act is to establish a quasi-private organization chartered by the Federal Government to purchase and insure agricultural mortgages from commercial agricultural lenders and to sell pools of agricultural mortgages to the capital market. Such a secondary market entity will facilitate the availability of long-term credit for agricultural borrowers and provide liquidity for financial institutions and other agricultural lenders.

SEC. 3. ESTABLISHMENT OF CORPORATION.—There is hereby established a corporation to be known as the Farm Mortgage Marketing Corporation.

SEC. 4. BOARD OF DIRECTORS.—The Act establishes a five-member Board of Directors. An initial interim Board will be appointed by the President, with the advice and consent of the Senate, and be comprised of the following: the Comptroller of the Currency, the Chairman of the Federal Deposit Insurance Corporation (FDIC), and three appointees with expertise and training in agricultural lending and mortgage investments. When sufficient common stock of the Corporation has been sold to qualified lenders, the interim Board shall turn over the affairs of the Corporation to a regular Board elected from among the holders of the stock.

SEC. 5. PURCHASE AND SALE OF MORTAGES.—The Corporation, with certain limitations, may purchase farm mortgages from any qualified agricultural lender and dispose of those mortgages through the issuing of securities.

The Corporation may purchase farm mortgages if the mortgage seller agrees to retain a 10 percent participation in the mortgage, or to repurchase or replace the mortgage upon demand by the Corporation if the borrower defaults on the loan. In addition, at the time of the purchase of the mortgage, the outstanding principal balance of the mortgage must be less than 80 percent of the value of the property securing the mortgage, or the portion of the unpaid balance of the mortgage in excess of 80 percent is guaranteed by or insured by a qualified insurer. No repurchase shall be required on defaulted loans if there are sufficient reserves established to cover such losses.

The Corporation shall issue securities which provide for the payment of principal and interest on farm mortgages purchased and held by Corporation.

SEC. 6. CAPITALIZATION.—The Corporation shall be initially capitalized by the purchase of $200,000,000 in stock by the U.S. Treasury. In addition the Corporation shall have the authority to require that each mortgage seller make a nonrefundable capital contribution equal to not more than two percent of the unpaid principal amounts of the mortgages purchased from the seller, charge appropriate fees to meet all costs and expenses, and issue stock in return for any contribution to capital and capital surplus accounts.

The Corporation may at any time retire any stock of the Corporation which was purchased by the Treasury.

SEC. 7. POWERS OF THE CORPORATION.—The Corporation will have the authority to prescribe such regulations to carry out the provisions of the Act and meet the normal obligations of the Corporation.

SEC. 8. DEFINITIONS.—Defines the terms of the Act.

"Farm mortgage" is defined as any loan to an agricultural producer which is secured by a fee-simple or leasehold mortgage with status as a first lien on agricultural real estate originated after the date of enactment of this Act and which is an obligation of a person who is a citizen or business entity whose majority interest are citizens of the United States.

"Qualified agricultural lender" is defined as meaning any bank, business and industrial development company, savings and loan institution, commercial finance company, trust company, credit union, insurance company, or other person approved by the Corporation.

SEC. 9. Designation of Corporation as mixed-ownership Government Corporation.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.—$200,000,000 shall be appropriated beginning after September 30, 1987.

STATEMENT OF ROBERT M. EVERHARDT

Mr. Chairman and members of the Subcommittee, the California Bankers Association welcomes this opportunity to join in a united front with other banking organizations in commenting upon the agricultural credit crisis. We are pleased to outline the concerns of the California banking industry regarding the credit crisis facing the farm community in California and to provide you and your colleagues with our views on action needed to assist the farm community in our state.

The California Bankers Association established a task force in late 1985 to address the agricultural credit crisis in California. The problems of agriculture in the Midwest had been well publicized. Less was known, however, about the financial condition of California agriculture. For this reason, the CBA sponsored a survey of the agricultural portfolio statistics of the commercial banks in our state. Attached to this testimony are the results of our survey, which was released in April of this year. In summary, the results of the survey show that the percentage of loans made to California farmers which are under stress is similar to the stress on loans made to farmers in other parts of the country. The results of this survey reaffirm the need to address issues which we see as barriers to commercial bank lending to agriculture in California. Since the recommendations attached to our survey refer only to general criteria which should be followed in agricultural policy, I would like to outline several specific problems which should be addressed by Congress.

First, I would like to dispel a myth about the corporate farm in California. Of the corporate farms in California, 97 percent are family owned and operated. Many families have lived on their land for several generations, but since they are "corporations", Washington tends to view them as undeserving of the benefits of federal agricultural policy. Another myth that is prevalent is that the small farmer has it tough and the large or corporate farmer has it easy. If you are losing money on every bale of cotton you sell, you cannot make it up in volume! Because of this myth about the family farmer, federal programs such as Farmers Home Administration loan programs have not been as helpful to California borrowers as they could be because the program restrictions fail to recognize the realities of California agriculture. The definition of family farmers must be changed in order to allow farmers in California to have access to FmHA loan programs. The current restrictions could, for example, be replaced with programs which allow for size limitations based on census data for geographical areas or for particular crops. Such programs, which could be patterned after programs used by HUD for FHA loan guarantees and by SBA for small business loans, would appear to make more sense than the current restrictions.

Another misnomer I would like to dispel is that a bank must be an Ag bank to be heavily involved in agricultural lending. My own bank, The Bank of Stockton, which is the largest "independent bank" ag lender in California, is not a Ag bank by OCC, FDIC or Federal Reserve Board definition. Our bank has 11.5 percent of our $500 million loan portfolio in agriculture, but we do not meet the Ag bank standard. Of the 161 California banks who were lenders to agriculture in 1985, only three are classified as Ag banks and their loans accounted for less than $30 million of the nearly $5 billion in ag lending in California last year. Despite this, we still see efforts to restrict access to federal credit programs to farmers who borrow from Ag banks. For example, the banking regulators' recent decisions to establish a capital forebearance program for Ag and Energy banks discriminates against California farmers and their lenders. At this time, no California banks—to my knowledge—have taken advantage of the capital forebearance program and, in view of the restrictions, it is doubtful that any banks here in our state will.

Congress must play a role in encouraging all lenders to continue lending to agriculture. Unfortunately, Congress is in the process of taking a step in the other direction at this time. Legislation to establish a special category of bankruptcy for family farmers has passed both the House and Senate. H.R. 2211 and S. 2249, the Family Farmer Bankruptcy Act will: (1) increase the cost of credit; (2) be hailed as a solution to the ag credit crisis and will give false hope to many farmers; and (3) ignores the fact that if reorganization is possible, it is usually achieved through workouts prior to the filing of bankruptcy.

Congress can take a giant step forward to encourage commercial banks, insurance companies and others to continue lending to agriculture. Through an institutional secondary market for farm real estate loans, farmers will have other options than the Federal Land Bank. During recent years, the Federal Land Bank has dominated the market for mortgage loans because it has access to the secondary market through bond sales. If commercial banks and other lenders are able to compete in the farm mortgage market through a government sponsored market, all entities will be better served. We believe that the limited federal dollars needed to establish a secondary market, which will have the confidence of investors, will be wisely spent. Such an investment now could significantly lower costs which the federal government might incur if commercial banks and other lenders fail to offer farmers options to the current system of financing farmland. Our Association considers a secondary market for farm real estate loans a high priority. We applaud Congressman Lehman's initiative in this regard and look forward to working with him and the Congress in the establishment of a secondary market.

In conclusion, we would like to thank the Subcommittee for holding hearings on this important issue. Our Association is pleased to join with the American Bankers Association and the Bank of America in presenting our views to you.

By Mr. WILSON (for himself and Mr. CRANSTON):

S. 235. A bill to amend the Clean Air Act to provide that the Administrator of the Environmental Protection Agency shall have authority to regulate air pollution on and over the Outer Continental Shelf; to the Committee on Environment and Public Works.

CLEAN AIR ACT

● Mr. WILSON. Mr. President, I am joined today by my colleague from California in introducing legislation designed to strengthen the mandate to the Environmental Protection Agency to ensure that the air we breathe is clean air.

EPA's ability to meet Clean Air Act standards has been thwarted for the last 9 years because of its lack of jurisdiction over air emissions emanating from oil and gas production operations on the U.S. Outer Continental Shelf—or what is known as the OCS. Ever since 1978, these emissions have been loosely regulated by the Department of the Interior.

What this bill does is simple. It amends the Clean Air Act to transfer jurisdiction of OCS air quality from the Department of the Interior to the EPA where it belongs. This transfer of authority makes good sense for three important reasons.

First, this bill removes the inherent conflict of interest that the Interior Department has in being charged with exploiting our OCS oil and gas resources on the one hand and protecting our environment on the other. This existing situation is analogous to asking the automobile industry to engage in a program of self-regulation to reduce carbon monoxide emissions. EPA has justifiably been given the responsibility to regulate automobile emissions, and so should it have the responsibility to regulate oil production emissions on the Federal OCS.

Second, and as a corollary to the first reason for this bill, the Interior Department is not set up to give OCS air quality issues the serious attention that they deserve. Having dealt extensively with the Interior Department for the last 4 years on the general subject of OCS oil and gas development, I can assure my colleagues that the Department's expertise is heavily weighted toward geologists, engineers, and planners.

EPA, on the other hand, has a single and sole mission—the protection of our environment. It is staffed with some of the country's finest air quality control scientists and has been working in this field for over 15 years now.

Third, and most important, the existing regulatory framework is not adequately protecting air quality. Under the Outer Continental Shelf Lands Act Amendments of 1978 [OCSLA], the Interior Department is required to regulate offshore oil and gas industry emissions only to the extent that they "significantly affect" onshore air quality. The effect of this mandate is to provide a double standard for the oil industry. Instead of subjecting oil and gas operations in Federal OCS waters to the same stringent air quality control requirements as those under which onshore industry labors, the offshore industry is allowed to operate under a weaker set of emission standards.

A perfect example of this double standard is a pending case offshore Santa Barbara where Exxon seeks to expand its offshore operations by constructing several new platforms to supplement its existing production. Initially, Exxon sought to expand its operations in such a way as to pipe its offshore oil ashore for initial processing and preparation for transport. When confronted, however, with strict air quality control requirements proposed by Santa Barbara County for its offshore platforms, Exxon decided to alter its expansion plans and now proposes to expand its offshore operations completely offshore in Federal waters where the county has no air quality jurisdiction.

Exxon openly admits that its reason for altering its expansion plans is to avoid the more stringent onshore air quality controls that Santa Barbara is required to propose in its duty to meet Clean Air Act requirements. By keeping its production operations completely offshore, Exxon need only meet the less burdensome and less expensive Interior Department air standards.

It has never been clear to me why the offshore industry should be effectively exempted from making the effort required to achieve the attainment of clean air onshore. In California, the problem of dirty air is especially acute. The prevailing onshore winds bring OCS emissions ashore and aggravate an already bad air quality situation where the entire southern coast of California is in nonattainment under the Clean Air Act for ozone and other ambient air quality standards.

A recent EPA study has concluded that existing offshore operations in the Santa Barbara Channel appears to account for approximately 10 percent of the ozone formation in the area. This particular study was conducted on one of the few days that Santa Barbara County was in attainment for the ozone standard, and additional work is being completed to determine the offshore industry's contribution to ozone formation on nonattainment days.

A 10 percent contribution to a bad air quality situation is by no means insignificant. If the offshore industry were subject to the same air quality standards as the onshore industry, we could expect better air quality.

But as it stands now, the offshore industry is free from the more stringent onshore air quality standards, and perhaps more importantly, is free from the sanctions that apply to onshore sources that are located in nonattainment areas. Existing law may require a construction ban for large areas of southern California by the end of this year for failure to meet ambient air quality standards, yet the offshore industry won't be covered by these sanctions even though oil and gas platform operations contribute to the degradation of the southern California air.

In short, when new onshore construction may effectively be shut down in furtherance of Clean Air Act standards, the offshore industry will still be allowed to construct new production platforms and thereby aggravate the air pollution problem that we are trying to clean up.

What this bill does is extend the Clean Air Act out over the OCS and subjects air emissions of the Federal OCS to the same kind of regulation that onshore emissions are subjected to under the Clean Air Act. It strikes the ambiguous "significantly affect" language from the OCSLA and squarely places the administrative responsibility to assure clean air in the hands of the EPA rather than splitting that responsibility with the Interior Department. This legislation recognizes that air basins know no boundaries, and that it makes sense to incorporate meteorological and topographical considerations into an integrated plan to achieve clean air rather than pretending that some kind of invisible wall separates Federal OCS air from onshore air quality.

As Congress turns to the reauthorization of the Clean Air Act, I think this legislation especially timely and hope that I will be able to look forward to early hearings before the Environment Committee.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 235

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) title III of the Clean Air Act is amended by adding at the end thereof the following new section:

"OUTER CONTINENTAL SHELF

"SEC. 327. (a) For purposes of protection of ambient air quality of any state, the Administrator by regulation shall provide that any source of an air pollutant or pollutants resulting from an activity regulated under authority of the Outer Continental Shelf Lands Act (OCSLA) (43 U.S.C.A. 1334 et seq.) being performed on the Outer Continental Shelf (OCS), in the waters above the OCS, or on the waters above the OCS meets all the requirements of the Clean Air Act that would be applicable to such source if it was carried out in the State or local jurisdiction adjacent to such source. For purposes of this subsection, the OCS shall have the same meaning as that given at section 201(a) of the OCSLA.

"(b) For purposes of subsection (a), the adjacent State or adjacent local jurisdiction is that State or local jurisdiction that is closest to the OCS source. The Administrator shall decide which State or local jurisdiction shall be considered the adjacent State or local jurisdiction.

"(c) In carrying out the provisions of subsection (a), the Administrator shall ensure that such sources do not prevent or interfere with the attainment or maintenance of any ambient air quality standards established by any State or local government to the extent that such standards are contained in its State implementation plan.

"(d) In carrying out the responsibilities under subsection (a), the Administrator shall require to the extent practicable and feasible comparable regulation of OCS and similar non-OCS sources."

(b) Section 204(a)(8) of the Outer Continental Shelf Lands Act is amended by inserting ", until such time as the Administrator of the Environmental Protection Agency has promulgated regulations under section 327 of the Clean Air Act" immediately after "of the State".

By Mr. DOLE (for himself, Mr. COCHRAN, Mr. HELMS, Mr. BOSCHWITZ, Mr. LUGAR, Mr. WILSON, and Mr. MCCONNELL):

S. 236. A bill to amend the National School Lunch Act to improve the administration for the commodity distribution program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

COMMODITY DISTRIBUTION PROGRAM REFORM ACT

Mr. DOLE. Mr. President, today, along with several of my colleagues on the Agricultural Committee, I am introducing legislation to provide the authority to improve the current commodity distribution system, as it relates to the school lunch and other child nutrition programs. I am pleased to have Senators COCHRAN, BOSCHWITZ, HELMS, and LUGAR join me as cosponsors.

BACKGROUND

For some time now, this commodity distribution system has been criticized as being unwieldy, inefficient, and too cumbersome to administer. For many months, various concerned groups, including the National School Food Service Association [NSFSA], and many traditional commodity groups, have met with officials from the U.S. Department of Agriculture in an attempt to come up with recommendations for improvement. These groups are to be commended for their constructive approach to the problems involved.

CRITICISM OF EXISTING PROGRAM

Opponents of the Commodity Distribution Program claim that USDA commodities are inconsistent in quality, not packaged in useable sizes and forms, and are delivered on a schedule that is inconsistent with the needs of recipient agencies. These elements make the program administratively inefficient. When commodities are distributed in damaged or poor condition, they are not easily replaced. Further, these commodities are often not consistent with the dietary guidelines for Americans, published by USDA.

NEED FOR CLARIFICATION OF STATUTORY AUTHORITY

Mr. President, one of the observations that has emerged as a result of these meetings with the Department of Agriculture is that the commodity distribution program does not have the statutory base that applies to the other food and nutrition programs. Without the necessary statutory authority, it would be difficult for USDA to implement many of the recommendations for improvement that have been made. In short, the Department needs additional authority to correct the deficiencies that have been identified in the current system.

The distribution of various foods and commodities by the Secretary of Agriculture is authorized by a variety of laws, including section 32 of the Agricultural Adjustment Act, section 416 of the Agricultural Act of 1949, section 4(a) of the Agriculture and Consumer Protection Act of 1973, sections 6 and 17(b) of the National School Lunch Act, section 311 of the Older Americans Act of 1965, and section 409 of the Disaster Relief Act of 1965.

This legislation will provide the language to assure proper administration of the program, and clarify the USDA's authority to make changes that will improve the distribution of commodities to nutrition programs utilizing these commodities. The Senator from Kansas is pleased to introduce this bill, because it is something that the administration believes will be helpful in its efforts to address the existing problems. I ask that a copy of a letter from Agriculture Secretary Richard Lyng be included in the RECORD at this point.

CONCLUDING REMARKS

Mr. President, it is my hope that this legislation, which is not the least bit controversial, will be given speedy consideration by the Agriculture Committee and its new leadership. As we move into the 100th Congress, I look forward to working with the new committee chairman, Senator LEAHY. When the Senator from Kansas was chairman of the Nutrition Subcommittee during a time when tough budget decisions needed to be made in 1981 and 1982, I was pleased to have the cooperation and support of the Senator from Vermont.

There are some tough issues to be addressed with regard to many of the programs under the Agriculture Committee's jurisdiction. Solutions will require a strong bipartisan spirit of cooperation to do what needs to be done to assist the Nation's farmers. I understand that there is bipartisan support for the goals of this bill, and expect that the committee will act expeditiously to correct the current flaws in the Commodity Distribution Program.

I ask unanimous consent that a copy of the bill's text be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 236

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Commodity Distribution Program Reform Act of 1987".

SEC. 2. FINDINGS AND DECLARATION OF POLICY.

(A) FINDINGS.—Congress finds that—

(1) the Secretary of Agriculture currently distributes various foods and agricultural commodities to Federal, State, and private agencies for use in schools, child care institutions, nonprofit summer camps for children, charitable institutions, correctional institutions, nutrition programs for the elderly, other eligible recipient agencies, and for the assistance of needy persons;

(2) the distribution of various foods and commodities by the Secretary is authorized by a variety of laws, including section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes" (7 U.S.C. 612c), section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note), section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), sections 6 and 17(b) of the National School Lunch Act (42 U.S.C. 1755 and 1766(b)), section 311 of the Older Americans Act of 1965 (42 U.S.C. 5179), and section 409 of the Disaster Relief Act of 1965 (42 U.S.C. 3030a);

(3) the distribution of commodities authorized by such laws is an important part of the mission of the Secretary of Agriculture; and

(4) the distribution of commodities is inextricably linked to the agricultural support programs administered by the Secretary.

(b) DECLARATION OF POLICY.—It is the policy of Congress—

(1) to support the commodity distribution program as an effective means to remove surplus commodities;

(2) to provide nutritional high quality foods to recipient agencies for the assistance of needy persons;

(3) to improve the program in accordance with the findings of the "Evaluation of Alternatives to Commodity Donation in the National School Lunch Programs", and other recommendations for improvement in the administration of the commodity distribution program; and

(4) to adopt such policies as are necessary to make the commodity distribution program more efficient and responsive to the eligible recipient institutions and needy persons relying on the program.

SEC. 3. COMMODITY DISTRIBUTION PROGRAM REFORMS.

Section 14 of the National School Lunch Act (42 U.S.C. 1762a) (as amended by section 4403 of the Child Nutrition Amendments of 1986 (Public Law 99-661)) is amended by adding at the end thereof the following new subsections:

"(h)(1) The Secretary shall develop specifications for commodities distributed by the Department of Agriculture that will assure products of the quality, size, and form that is most useful to eligible recipient agencies, taking into account the duty of the Secretary to remove surplus stocks of the Commodity Credit Corporation.

"(2) The Secretary shall, to the extent practicable, make food items available in optional package sizes and forms.

"(3) The Secretary shall make available the product specifications to State agencies and eligible recipient agencies.

"(4) The Secretary shall develop and implement an ongoing field testing program for present and anticipated commodity purchases to test product acceptability with program participants. Test results shall be taken into consideration in deciding which commodities, and in what form those commodities, should be provided to recipient agencies.

"(i) Food items and commodities distributed by the Secretary shall, to the maximum extent practical, be consistent with the dietary guidelines published by the Secretary of Agriculture and the Secretary of Health and Human Services.

"(j)(1) Commodities distributed to eligible recipient agencies that are not found to be in good condition shall be replaced. On receiving a commodity that is not in good condition, a recipient agency shall expeditiously notify the State agency of such condition. The State agency shall take all necessary steps to ensure that such commodity is expeditiously replaced.

"(2) The Secretary shall establish procedures governing the handling of commodity items that are not in good condition when received by recipient agencies.

"(3) The Secretary shall establish a system to monitor the age and condition of commodities that are stored by the Secretary, to assure acceptable quality.

"(k)(1) The Secretary shall establish schedules for the distribution of commodities and products consistent with the needs of eligible recipient agencies, taking into account the duty of the Secretary to remove surplus stocks of the Commodity Credit Corporation.

"(2) The Secretary shall monitor the delivery systems used by State agencies and require State agencies to implement an effective delivery system for the intrastate delivery of donated commodities and products. The Secretary shall establish a value of donated commodities and products to be used by State agencies in the allocation of charging of commodities against entitlements.

"(l) The Secretary shall distribute to all recipient agencies suggested recipes for the use of donated commodities and products. Such recipe cards shall be updated on a regular basis to take into consideration changes in the dietary guidelines and the commodities that are distributed.

"(m) The Secretary shall issue such regulations as are necessary to carry out this section, including regulations concerning—

"(1) approval of reasonable intrastate fees that are charged local recipient agencies;

"(2) performance standards;

"(3) procedures for commodity allocations;

"(4) delivery schedules; and

"(5) procedures for local recipient agencies to return commodities delivered not in conformity with product specifications of the Secretary.

"(n) The Secretary shall take such actions as are necessary to assure that regional offices of the Department of Agriculture interpret policies and regulations uniformly across the United States.".

SEC. 4. EFFECTIVE DATE.

This Act, and the amendment made by this Act, shall become effective July 1, 1987.

By Mr. THURMOND (for himself, Mr. METZENBAUM, and Mr. SPECTER):

S. 237. A bill to amend section 207 of title 18, United States Code, to prohibit Members of Congress and officers and employees of any branch of the U.S. Government from attempting to influence the U.S. Government or from representing or advising a foreign entity for a proscribed period after such officer or employee leaves Government service, and for other purposes; to the Committee on the Judiciary.

INTEGRITY IN POST EMPLOYMENT ACT

● Mr. THURMOND. Mr. President, Today, I am introducing tough, forceful legislation that will restrict post employment activities by certain former Federal officials, applying limitations to lobbying or communications on behalf of paying clients. This legislation substantially strengthens the current law on post-employment activity by former Federal officials. The bill provides a uniform, straightforward, and enforceable way to prevent those who are employed by the Federal Government from leaving public service and marketing their access and influence for financial gain. In addition, the legislation prevents Federal employees from vending sensitive information vital to national interests to foreign interests for profit.

Clear threats arise out of the abusive use of access and influence and the vending of sensitive information: First, damage to the integrity of government, as undue and improper influence is brought to bear on decision-making processes; second, erosion of public confidence in the operation of the Government, as the American people sense former employees are exerting, or appear to be exerting, improper influence on current Government decisions; and third, jeopardy to the national interests, as some former employees advise foreign clients based on sensitive information gained while in positions of trust with the Federal Government.

This legislation was originally introduced in the 99th Congress on April 17, 1986, and referred to the Judiciary Committee. Senator HOWARD M. METZENBAUM and Senator PAUL SIMON immediately joined in this effort. A substitute amendment was proposed by Senator METZENBAUM, Senator SIMON, and me. When this bill came before the full Judiciary Committee, at that time, members of the committee voiced their concerns about the scope of the bill. As chairman of the Judiciary Committee, I appointed an ad hoc subcommittee to further consider this legislation and to submit a report to me. The subcommittee was composed of Senator ORRIN HATCH as chairman, Senator CHARLES McC. MATHIAS, Senator PAUL LAXALT, Senator JOSEPH BIDEN, Senator METZENBAUM, and Senator SIMON. On June 26, 1986, the subcommittee's recommendations were offered as a substitute amendment by Senator HATCH during an executive session of the Committee on the Judiciary. The ad hoc subcommittee's substitute amendment was adopted by a voice vote of the full Judiciary Committee, with only one member asking to be recorded in opposition to the bill. This substitute amendment is the legislation I am reintroducing today.

Under the compromise amendment adopted by the committee, the bill would:

Establish a 3-year ban on the Government's highest ranking officials—including Cabinet members and most of their principal deputies, Members of Congress, the top 25 White House aides, and sitting Federal judges and justices—from lobbying or working for a foreign entity after they leave Government service.

Provide a 2-year moratorium on all Government employees with a Civil Service rating of GS-16 or greater and commissioned officers of a uniform service assigned to a pay grade of O-7 or above, from lobbying their former agency on behalf of a foreign entity.

Create a two-tiered prohibition on domestic lobbying by former Government employees. Under this provision, those designated high-ranking officials prohibited from employment with foreign entities, which includes Cabinet members and most of their principal deputies, Members of Congress, the top 25 White House aides, and sitting Federal judges and justices, could not lobby any branch of the Federal Government for 18 months after leaving office.

Individuals holding jobs with a civil service rating of GS-16 and above or commissioned officers of a uniform service assigned to a pay grade of O-7 or above, could not lobby their former agency or department for 1 year.

In addition, this legislation maintains the lifetime ban in current law that prohibits all executive branch employees from lobbying on any issue in which they had a personal and substantial involvement while in Government service.

Under the compromise bill, foreign entities are defined as foreign governments, foreign political parties, or organizations substantially controlled by either. Also, exemptions are included to allow employment and lobbying by former Government officials for foreign governments for certain charitable, scholastic, or humanitarian purposes.

Maximum criminal penalties of $250,000 in fines and 5-year prison terms, or both, are included in the measure, as well as a provision mandating that anyone convicted of violating the foreign entities provision will be required to forfeit all proceeds derived from those violations.

The amended bill would become effective 6 months after the legislation is signed into law.

In conclusion, I believe S. 2334, my original bill introduced on April 17, 1986, was a starting place for Congress to consider much-needed changes to the weak, confusing, and oftentimes conflicting laws governing former Members and Federal officials who lobby the Government or work for a foreign entity. The compromise substitute fine tunes the original proposal.

When we face a serious problem such as the misuse of influence and access or vending of sensitive information vital to National interests, we have two alternatives—do nothing, or take steps to resolve the problem. I believe we must take action to prevent irreparable damage to our Nation and to restore public confidence and integrity in our system of government. It is time that public service be just that—not merely a stepping stone for future employment or profit. This legislation will help to ensure that future Federal officials serve their country—not themselves or foreign interests.●

By Mr. THURMOND:

S. 238. A bill to amend section 534 of title 28, United States Code, to allow railroad police and private university or college police access to Federal Government criminal identification records; to the Committee on the Judiciary.

ACCESS TO FEDERAL GOVERNMENT CRIMINAL RECORDS TO CERTAIN POLICE

● Mr. THURMOND. Mr. President, the bill I am introducing would permit railroad police and private university or college police to have access to the Federal Government criminal identification records maintained at the National Crime Information Center [NCIC]. I originally introduced this bill in the 99th Congress because I believe it is vital to private university and college police and railroad police. The Federal Government criminal identification records would contribute immeasurably toward their ability to perform their services in protecting the welfare of patrons and campus students as well as protecting cargo shipments.

The information in question was restricted by Federal regulation in 1975 to organizations which are recognized specifically as agencies of either the Federal or State government. Prior to this limitation, railroad police and university and college police had total access, across most of the Nation, to all criminal arrest files maintained by the Federal Bureau of Investigation.

After the restriction, an anomaly existed. Universities and colleges which were recognized as State agencies, and had a police force, continued to receive approval for receiving the necessary information. Those police forces which represented large campuses across the United States, on behalf of private universities or colleges, were denied access to the criminal history files by virtue of the fact that they were "private", not State, agencies.

Railroad police were confronted with a similar circumstance. Each year, the President's Conference on Transportation charged the railroad police to enforce strictly Federal regulations governing cargo shipments. However, they were restricted from access to criminal history records that would enable them to carry out this direction. In other words, the Justice Department was advocating a strong stand to protect cargo movements and needed the railroad police to help the Department achieve it, but denied them access to the most valuable tool for assistance.

The efforts of the railroad police and the university and college police to regain access to the NCIC files were joined in 1982 by the International Association of Chiefs of Police [IACP].

In a letter to Mr. Norman Chadwick, executive director of the IACP, Director of the FBI William Webster stated that he does not oppose Federal criminal history access by those agencies, that is, the railroad police and the university and college police, in the many States where they are granted full "peace officer" status by State statute. He further wrote that he thinks it incongruous that such a legal prohibition exists.

Legal counsel for the Law Enforcement Assistance Administration [LEAA] supported that statement. In the early days of LEAA, they had determined that railroad police were, in fact, a part of the criminal justice spectum in all States in which they had full police powers granted by the State government, even though they were not recognized as "State agencies." Further, the railroad police, in States where they were so empowered, could participate in any LEAA-funded program without jeopardizing the funding of that program.

Mr. President, this legislation would not open the criminal files to all groups or institutions that employ any form of security officer. Rather, it is limited to railroad police and university or college police who perform the administration of criminal justice pursuant to a State statute and which allocate a substantial part of their annual budget to the administration of criminal justice. This bill mandates that each police department or agency meets the minimum standards for a police officer in its respective State. This is the same criterion which applies to police forces which are recognized as State agencies and have access to the NCIC files now.

Your attention is called to the fact that there are over 34,000 railroad police and university and college police officers in the United States, commissioned in nearly all of the States within our Nation, who do enforce the law. Railroad police, in particular, enforce passenger/patron safety, tenants, and properties, as well as protect the billion dollar railroad movements of freight and valuable commodities across the land. University police are charged with protecting the vast investments in educational facilities, properties, roads, the welfare of students and faculty, tenants and service people.

Both the railroad police and the university and college police function in areas where the general public must spend a portion of its every day. Nearly all of them are covered by mandatory police training laws and attend State police academies. Access to criminal history files for both of these entities would provide additional law enforcement services to the Nation and to the communities in which they are located. I strongly urge my colleagues to support this measure.●

By Mr. THURMOND:

S. 239. A bill to establish an Intercircuit Panel, and for other purposes; to the Committee on the Judiciary.

INTERCIRCUIT PANEL OF U.S. APPEALS COURTS

● Mr. THURMOND. Mr. President, I rise today to introduce legislation to establish an Intercircuit Panel of the United States Courts of Appeal. This legislation is very similar to S. 704 which I introduced in the 99th Congress and which was approved by the Senate Judiciary Committee on June 12, 1986.

Over the past several decades, the workload of the Federal judiciary has increased dramatically. This increase has occurred as our society has become a far more litigious one, and as the laws of our Nation have become far more numerous and complex.

Since 1950, Congress has acted to meet the increasing demands upon the judiciary by increasing the number of Federal district judges from 211 to 758 and the number of circuit court of appeals judges from 65 to 226. While these increases have helped to ease the burden in the Federal and district courts, little has been done to ease the burden that has been placed on the Supreme Court, which today continues to operate at it original, nine-member size.

Mr. President, each year the burden on the Supreme Court seems to become more acute. In 1953, there were 1,463 cases on the docket of the Court. In 1984, there were more than 5,000 cases on the docket. Over the same period, the number of signed opinions increased from 65 to 139.

In the last dozen years, several major independent commissions have studied the problem of a severely overcrowded Supreme Court docket and have concluded that a new tribunal is imperatively needed.

This legislation would establish, for a 5-year trial period, such a tribunal to be known as the Intercircuit Panel of the United States. The panel would be composed of nine U.S. circuit court judges, to be selected by the Supreme Court. Members of the panel could be active, or senior status, judges.

Meeting biannually in Washington, DC, the panel would serve as a court of limited jurisdiction, reviewing only those cases referred to it by the Supreme Court. The Supreme Court would only be authorized to refer to the panel those cases in which a conflict exists among circuits.

The Supreme Court would have discretion in selecting the cases for resolution by the panel and would retain authority after the panel decides a case in order to grant further review in the case when it deems such review appropriate. It is expected that the panel would generally operate under the same rules and procedures, and parties would enjoy the same rights, that apply in cases under review of the Supreme Court.

Mr. President, this proposal was enthusiastically endorsed by Chief Justice Warren Burger during his tenure as Chief Justice. In his confirmation hearings last year, current Chief Justice William Rehnquist expressed strong support for an intercircuit tribunal.

Creation of this panel appears to be the most effective and least offensive solution to this problem. Under the bill, the panel would be utilized—to the extent desired by the Supreme Court—for a period of 5 years. Congress would, of course, have the option to reauthorize the panel, with or without changes, after a careful assessment of its impact on the Supreme Court and the entire judicial system. Should the Supreme Court become dissatisfied with the effectiveness of the panel at any point in the 5-year period, it could terminate the panel simply by deciding not to send any additional cases to the panel.

I urge my colleagues to join me in supporting this necessary reform.●

By Mr. MURKOWSKI:

S. 240. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and the rates of disability compensation for disabled veterans and the rates of dependency and indemnity compensation for surviving spouses and children of veterans; to the Committee on Veterans' Affairs.

VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT

● Mr. MURKOWSKI. Mr. President, I rise to introduce a bill which would provide a cost-of-living adjustment for the disability compensation and dependency and indemnity compensation [DIC] paid to veterans with service-connected disabilities and the survivors of individuals who die while in service or due to a service-connected cause.

If enacted, this proposed legislation would increase the rates of disability compensation and DIC by 3.9 percent, the most recent CBO projection for the percentage increase in the cost of living for fiscal year 1987. The increase would be effective December 1, 1987. In addition to increasing the basic monthly rates for compensation and DIC the bill would also increase, by the same percentage, the additional compensation received by certain severely disabled veterans and the additional compensation or DIC paid to veterans and surviving spouses for the benefit of the veterans' dependents.

Disability compensation is intended to offset the impairment to a veteran's earning ability resulting from any disability or disease incurred or aggravated while a servicemember was on active duty or, in the case of some diseases, during a presumptive period following active duty. DIC is paid to the survivors of servicemebers who die while on active duty due to any cause or who subsequently die due to any disease or disability which was incurred or aggravated while on active duty. The survivors of veterans who die due to any cause, after being totally disabled for 10 or more years because of a service-connected disability, also receive benefits at the DIC rate.

Clearly those Americans with the most deserving call on the Nation's resources, those who were injured in the service of their country, are included in the 2½ million recipients of veterans' disability compensation and DIC. For this reason it is critical that these benefits be adjusted to reflect changes in cost-of-living. Since these benefits are not automatically indexed like the pension benefits available to veterans over age 65 or who are disabled due to non-service-connected causes, it is necessary that the Congress each year enact legislation to provide a cost-of-living adjustment. Mr. President, based on current economic projections this bill would provide the necessary protection from increases in the cost-of-living and I urge my colleagues to join me in supporting this important legislation.●

By Mr. D'AMATO:

S. 241. A bill to amend the Truth in Lending Act; to the Committee on Banking, Housing, and Urban Affairs.

CREDIT CARD DISCLOSURE ACT

● Mr. D'AMATO. Mr. President, I am introducing the Credit Card Disclosure Act of 1987 in response to concerns that were addressed in a hearing on this subject conducted by the Committee on Banking, Housing, and Urban Affairs during the 99th Congress.

My feelings on the rates that issuers of credit cards charge is no secret. At a time when the cost of funds to banks have fallen dramatically, these cost savings have not been reflected in the rates that credit card holders are charged. The card issuers are gouging the public by charging an average rate of 17.93 percent while the discount rate, the cost of funds to the banks, has been recently lowered to 5.5 percent. I find it unconscionable that some banks charge credit card interest rates as high as 22.2 percent when their cost of funds is 15 points lower. They are earning excessive profits at the expense of the consumer.

Although the banking industry supported raising interest rate levels when it was to their benefit, it is now opposed to lowering interest rates to realistic and responsible rates when consumers will benefit. Despite this opposition, I remain committed to seeing that credit card interest rates are lowered.

To restore price competition to the marketplace, I believe that the public needs to know where the best credit card rates can be found. The hearings demonstrated that there may be intense competition among credit card issuers for market share. However, there is little price competition among the 10 largest issuers of credit cards. For example, the highest rate charged by 1 of these 10 issuers is 22.2 percent and the lowest is 17.8 percent. Most of the rates are clustered in the area between 18 percent and 22 percent. These figures demonstrate the absence of price competition between the major issuers of credit cards.

To increase price competition in this market, and to respond to concerns that the interest rate alone does not reveal the true costs of credit cards to consumers. I am introducing legislation designed to remove the conspiracy of silence maintained by card issuers that prevents cardholders from finding credit cards with the lowest effective interest rates. Under this bill the card issuer is required to disclose:

First, the annual percentage rate use to determine a finance charge on any balance;

Second, the length of the grace period, if any;

Third, any minimum or fixed amount imposed as a monthly or other periodic finance charge; and

Fourth, any annual or other charge or fee required to be paid for the use of any credit card account.

Armed with this knowledge, cardholders will begin to exercise some economic power by choosing the cards that are most beneficial to them

Card issuers are also required to transmit information regarding the relevant terms and conditions of the credit card to the Federal Reserve Board. The Board would then be required to make this information available to the public upon request and to report this information to the Congress once a year.

The most important feature of the bill requires that these terms and conditions of credit card issuance are disclosed upon the application or solicitation forms that card issuers send through the mail to entice unsuspecting consumers into accepting these preapproved forms of credit. During the hearings we discovered that oftentimes consumers learn of the real costs of their credit cards only after they have been hooked. If consumers have adequate information regarding the real costs of credit cards, then hopefully they will shun unsolicited applications and seek the cards with the lowest rates. Ideally, this form of competition will force those presently gouging the public to lower their rates or forfeit a large share of their market. I believe that such disclosure will work due to the overwhelming response we received after the committee hearing during which we cited the existence of several card issuers with rates as low as 10.5 percent.

I believe that enactment of my bill will further enhance the price competition that has already been set in motion by our hearings. Therefore I urge my colleagues to give serious consideration to this bill to ensure prompt passage.

I ask unanimous consent that the bill be printed in its entirety in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 241

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Credit Card Disclosure Act of 1987".

SEC. 2. DISCLOSURE IN CREDIT CARD APPLICATIONS.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end thereof the following:

"(c) In any application to open any credit card account, or in any solicitation which offers to open such an account without the need for an application to be completed, a card issuer shall disclose—

"(1) the annual percentage rate used to determine a finance charge on any balances;

"(2) the time period (if any) within which any credit extended by means of that credit card may be repaid without incurring a finance charge, or if no such time period is provided, the creditor shall disclose such fact;

"(3) any minimum or fixed amount imposed as a monthly or other periodic finance charge; and

"(4) any annual or other charge or fee required to be paid for the use of the credit card account.".

SEC. 3. REPORTING TO THE BOARD OF GOVERNORS.

Section 136 of the Truth in Lending Act (15 U.S.C. 1646) is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by inserting after subsection (a) the following new subsection:

"(b) The issuer of any credit card shall submit quarterly to the Board the information required to be disclosed by section 127(c). The Board shall make such information available to the public upon request, and shall report such information annually to Congress."; and

(3) by striking out "subsection (a)" in subsection (c), as redesignated, and inserting in lieu thereof "subsections (a) and (b)".

SECTION-BY-SECTION ANALYSIS

Currently, section 127 of the Truth in Lending Act (15 U.S.C. § 1637) requires disclosure of certain information regarding an open-end consumer credit plan before opening an account. This has been interpreted by the Federal Reserve Board in 12 C.F.R. § 226.5(b)(1) as requiring disclosure "before the first transaction is made under the plan." Thus, disclosure is not required in the application. Section 2 of this bill requires additional disclosure in an application for a credit card, as it is at the application stage that most consumers make the decision to obtain a credit card. However, less information is required in the application than must currently be disclosed before the first transaction, since the goal of such disclosure is to permit easy comparsions between credit card plans.

The information to be disclosed pursuant to this amendment must meet the requirements to section 136 of the Truth in Lending Act (15 U.S.C. § 1646), which requires information to be disclosed "clearly and conspicuously, in accordance with regulations of the Board." Moreover, that section also requires the terms "annual percentage rate" and "finance charge" to be more conspicuous than other information except that relating to the identity of the creditor.

Under section 136 of the Truth in Lending Act (15 U.S.C. § 1646), the Board is authorized to collect, publish, and provide limited dissemination to the public of annual percentage rates charged for nonsale credit by creditors, and it may require such creditors to submit the information to the Board. Section 3 amends this provision by adding a requirement that credit card issuers submit the annual percentage rate, along with grace periods, minimum finance charges, and annual fees, to the Board, which will make such information available to the public upon request and in an annual report to Congress. This will provide a means for better disclosure of information regarding credit cards, contributing to the efficient working of the market.●

By Mr. D'AMATO:

S. 242. A bill to amend the Truth in Lending Act to impose a ceiling on credit card interest rates; to the Committee on Banking, Housing, and Urban Affairs.

CREDIT CARDHOLDER PROTECTION ACT

● Mr. D'AMATO. Mr. President, I rise today to reintroduce legislation designed to limit the amount of interest credit card companies can charge on an outstanding balance. I believe that the time has come for the consumer to be treated fairly. For too long now, many issuers of credit cards have taken advantage of cardholders.

American consumers are becoming more and more dependent on credit cards as a source of currency when they purchase goods. So widely used are credit cards that soon the Internal Revenue Service may permit the American taxpayer to pay his Federal taxes using a credit card.

Lenders are taking advantage of consumer dependence on credit cards. The average interest rate charged on credit card purchases is currently 17.93 percent, with some companies charging as much as 22.2 percent, while the prime rate is a mere 7.5 percent. I am hard pressed to believe that the average credit card issuer requires a 10.4-percent margin over the prime rate to cover the risks and costs involved in issuing credit cards.

Since 1980, while the average interest rate charged on credit card balances has grown from 17.6 percent to 17.93 percent, the prime rate has dropped from 20.5 percent to 7.5 percent, the discount rate has dropped from 14 percent to 5.5 percent, and the T-bill rate has dropped from 14 percent to 5.56 percent.

Why is it that only one rate has moved in the opposite direction from the others? Why is the average credit card interest rate the only commonly used interest rate that has failed to respond to improvements in our economy? What exactly is going on here?

What is going is an inequity—an inequity which must be addressed and which must be addressed now. Although a few major banks have begun to take steps to reduce the interest rate charged on credit cards, there is yet to be a major movement. Credit card users must not be taken advantage of any longer.

In response to this inequity, I am proposing again the Credit Cardholder Protection Act. This legislation has three major components. First, and most importantly, the bill will place a cap—or ceiling—on the legal interest rate a credit card company can charge.

A Federal ceiling on credit card interest rates would be established at 4 points over the Internal Revenue Service charges on late tax payments and pays on tardy refunds. The IRS rate is a compilation of prime interest rates from the previous 3 months and is recomputed on a quarterly basis. The current IRS rate is 8 percent, making the legal cap on credit under this bill 12 percent. This alone would save consumers over $4.7 billion a year.

The use of the IRS rate has several advantages. This rate already has bank profit built in. Thus, the extra 4 percentage points built into the credit card interest rate cap I am proposing more than adequately will provide for the costs and risks involved in issuing credit cards. The IRS rate is subject to change only once every 3 months. Thus, while the interest rate ceiling will reflect fluctuations in the economy, it will provide consumers with sufficient stability to plan their budgets well in advance.

The second part of my bill requires full disclosure of interest rates and fees by credit card companies. Currently, many credit card applications have little specific information pertaining to the interest rate that will be charged and the annual fees the cardholder will incur upon receiving the card.

Under my bill, all credit card applications will have to state the current interest charges and the annual fees charged for possessing the card. My bill also will require that these rates and fees be reported monthly to the Federal Reserve Board for publication.

Many consumers now are unaware of what they are being charged on their credit cards. Disclosure of this information on the initial credit card application will educate the consumer and, by using the publication which will be made available by the Federal Reserve Board, consumers will have the ability to shop for the best credit card for their own individual needs.

Finally, my bill would require the Consumer Advisory Council at Federal Reserve to send to the Congress yearly a report analyzing the credit card industry. The report should analyze issues specifically concerning the credit card industry. In particular, the impact the new interest rate cap will have on consumers and on credit card companies.

I believe my bill is an effective solution to the problem of excessive charges by credit card issuers. It takes quick action—it does not wait for a study to initiate the action. The interest rate cap is based on a nationwide compilation of the prime rate and fluctuates only once every 3 months, rather than monthly, providing for a stable, understandable rate which reflects variations in the economy. My bill will best inform the public as they shop for the best credit card for their needs.

There is no question that banks have a vested interest in credit card legislation—this interest is profit. Many banks now engage in a conspiracy of silence to conceal the fact that they are reaping huge profits by charging excessively high interest rates on credit card accounts, thereby taking advantage of an uninformed public.

Mr. President, in closing, I would like to reemphasize the Senator's intention to address this injustice swiftly and equitably. I urge my colleagues to accept my proposal, and I ask unanimous consent that my legislation be printed in its entirety in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 242

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Credit Cardholder Protection Act".

SEC. 2. Section 107 of the Truth in Lending Act (15 U.S.C. 1606) is amended by adding at the end thereof the following:

"(f) The annual percentage rate applicable to an extension of credit obtained by use of a credit card may not exceed by more than 4 percentage points the rate established under section 6621 of the Internal Revenue Code of 1954, as determined by the Board.".

SEC. 3. Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end thereof the following:

"(c) A card issuer shall clearly and conspicuously disclose on initial applications for a credit card—

"(1) the annual percentage rate applicable to extensions of credit by means of that credit card or the means for determining that rate; and

"(2) any annual or other fee imposed for the issuance or use of that credit card.

Each card issuer shall report monthly to the Board for publication the average annual percentage rate and the amount of any annual or other fee applicable during the preceding month to its credit card accounts.".

SEC. 4. Section 703(b) of the Equal Credit Opportunity Act (12 U.S.C. 1691b(b)) is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end thereof the following:

"(2) The Council shall transmit annually to the Congress a report that describes and analyzes the costs and risks involved in issuing credit cards, the percentage of credit card customers that have their cards revoked for non-payment or delinquent payments, revenues derived from interest rates charged by credit card issuers, revenues derived from annual fees and application fees, and the impact that the provisions of section 107(f) of this Act will have on consumers and card issuers.".●

By Mr. DIXON (for himself, Mr. GLENN, Mr. DANFORTH, and Mr. KENNEDY):

S. 243. A bill to amend the United States Housing Act of 1937 to permit tenant management of public housing; to the Committee on Banking, Housing, and Urban Affairs.

PUBLIC HOUSING RESIDENT MANAGEMENT ACT

● Mr. DIXON. Mr. President, together with my distinguished colleagues, Senators GLENN, DANFORTH, and KENNEDY, I am reintroducing legislation to permit tenant management of public housing.

I continue to have hope that we can make public housing in this country a decent place for low- and moderate-income families to live. Tenant management demonstration projects have proven that the overall living conditions of public housing tenants can be improved.

The Public Housing Resident Management Act of 1987 which we offer today would provide an alternative to residents of public housing to manage their own housing conditions. Additionally, it is intended to offer a valuable return on investment for taxpayers.

The act would permit a majority of tenant households in a public housing project to approve the establishment of a resident council, which would determine the feasibility of establishing a resident management corporation. Under contract with the local public housing agency, the management corporation would manage the housing project. Additionally, the act would permit management corporations to retain profits from improved rent collections in order to establish business enterprises that employ tenants or to provide better project maintenance and operation.

As a protection against loss and theft, the act would require each management corporation to provide fidelity bonding and insurance and an annual audit of its books and records. As an incentive to increase flexibility for tenant-managed projects, management corporations may be provided with comprehensive improvement assistance for project renovations.

In order to allay the fears of some of my colleagues, let me stress that this act does not displace current tenants. It does not provide for tenant resident ownership. It does not relieve the Federal Government of its housing programs. It does not require tenant management of public housing. Instead, the act would increase the flexibility of the residents of those public housing projects who choose tenant management.

Since the 1970's—on an experimental basis—tenants have managed at least one public housing development in the cities of Boston, Rochester, St. Louis, Louisville, Jersey City, New Orleans, and Washington, D.C. However, tenant management is still a new concept to many public housing tenants and to most taxpayers.

Due to the success of tenant-managed projects with which I am familiar, I believe that public housing tenants should be granted the flexibility provided for in this bill. Improvements ascribed to tenant management include higher morale among tenants, decreased vandalism and maintenance problems with consequent lowering of operating costs, decreased rent delinquency resulting in an increase in project income, decreased public assistance caseloads, development of business ventures and jobs, and formation of day care centers and health clinics. Overall, these public housing communities have become safer and more stable.

Tenant management first came to my attention on September 10, 1985, when I hosted a reception for concerned residents from Cabrini-Green, a 14,000 inner-city residence complex in the City of Chicago. The residents were in Washington to study first hand an example of successful tenant-managed public housing at Kenilworth Parkside, an inner-city district complex. While here, the residents and other concerned Illinois constituents requested that I introduce resident management legislation as a possible solution to some of their multiple community problems.

The same concern was expressed by representatives of the Leclaire Courts development which is currently negotiating an agreement with the Chicago Housing Authority to become the first tenant management corporation in Chicago. This Congress, I am again offering the tenant management of public housing proposal in response to requests from constituents, along with my general interest in trying a new concept to improve the housing conditions of public housing residents, while wisely investing our scarce tax dollars.

Recently, graphic illustrations about problems that plague public housing projects appeared in the Chicago Sun Times, the Chicago Tribune, and Time magazine. While I realize that tenant management will not solve all of the problems mentioned in the publications or associated with public housing, I believe that this act would provide a mechanism for an alternative to solving many of the problems.

Mr. President, I urge my colleagues to join Senators GLENN, DANFORTH, KENNEDY, and me in cosponsoring this legislation, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 243

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Public Housing Resident Management Act of 1987".

SEC. 2. PUBLIC HOUSING RESIDENT MANAGEMENT.

The United States Housing Act of 1937 is amended by adding at the end thereof the following new section:

"PUBLIC HOUSING RESIDENT MANAGEMENT

"SEC. 20. (a) PURPOSE.—The purpose of this section is to encourage increased resident management of public housing projects, as a means of improving existing living conditions in public housing projects, by providing increased flexibility for public housing projects that are managed by residents by—

"(1) permitting the retention, and use for certain purposes, of any revenues exceeding operating and project costs; and

"(2) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

"(b) PROGRAM REQUIREMENTS.—

"(1) RESIDENT COUNCIL.—As a condition of entering into a resident management program, the elected resident council of a public housing project shall approve the establishment of a resident management corporation. The resident management corporation and the resident council may be the same organization, if the organization complies with the requirements applicable to both the corporation and council. If there is no elected resident council, a majority of the households of the public housing project shall approve the establishment of a resident council to determine the feasibility of establishing a resident management corporation to manage the project.

"(2) PUBLIC HOUSING MANAGEMENT SPECIALIST.—The resident council of a public housing project, in cooperation with the public housing agency, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the project.

"(3) BONDING AND INSURANCE.—Before assuming any management responsibility for a public housing project, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection, in accordance with regulations and requirements of the Secretary and the public housing agency. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the public housing agency against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

"(4) MANAGEMENT RESPONSIBILITIES.—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the public housing agency, shall enter into a contract with the public housing agency establishing the respective management rights and responsibilities of the corporation and the public housing agency. Such contract may include specific terms governing management personnel and compensation, access to public housing projects records, submission of and adherence to budgets, rent collection procedures, tenant income verification, tenant eligibility determinations, tenant eviction, the acquisition of supplies and materials, and such other matters as may be appropriate.

"(5) ANNUAL AUDIT.—The books and records of a resident management corporation operating a public housing project shall be audited annually by a certified public accountant. A written report of each audit shall be forwarded to the public housing agency and the Secretary.

"(c) COMPREHENSIVE IMPROVEMENT ASSISTANCE.—Public housing projects managed by resident management corporations may be provided with comprehensive improvement assistance under section 14 for purposes of renovating such projects in accordance with such section. If such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the public housing agency involved may not retain, for any administrative or other reason, any portion of the assistance provided pursuant to this subsection.

"(d) OPERATING SUBSIDY AND PROJECT INCOME.—

"(1) CALCULATION OF OPERATING SUBSIDY.—Notwithstanding any provision of section 9 or any regulation under such section, and subject to the exception provided in paragraph (3), the portion of the operating subsidy received by a public housing agency under section 9 that is allocated to a public housing project managed by a resident management corporation shall not be less than the public housing agency per unit monthly amount provided in the previous year as determined in an individual project basis.

"(2) CONTRACT REQUIREMENTS.—Any contract for management of a public housing project entered into by a public housing agency and a resident management corporation shall specify the amount of income expected to be derived from the project itself (from sources such as rents and charges) and the amount of income funds to be provided to the project from the other source of income of the public housing agency (such as operating subsidy under section 9, interest income, administrative fees, and rents).

"(3) CALCULATION OF TOTAL INCOME.—

"(A) Subject to subparagraph (B), the amount of funds provided by a public housing agency to a public housing project managed by a resident management corporation may not be reduced during the 3-year period beginning on the date of the enactment of the Housing Act of 1987 or on any later date on which a resident management corporation is first established for the project.

"(B) If the total income of a public housing agency (including the operating subsidy provided to the public housing agency under section 9) is reduced or increased, the income provided by the public housing agency to a public housing project managed by a resident management corporation shall be reduced or increased in proportion to the reduction or increase in the total income of the public housing agency, except that any reduction in operating subsidy that occurs as a result of fraud, waste, or mismanagement by the public housing agency shall not affect the funds provided to the resident management corporation.

"(4) RETENTION OF EXCESS REVENUES.—

"(A) Any income generated by a resident management corporation of a public housing project that exceeds the income estimated for purposes of this subsection shall be excluded in subsequent years in calculating (i) the operating subsidies provided to the public housing agency under section 9; and (ii) the funds provided by the public housing agency to the resident management corporation.

"(B) Any revenues retained by a resident management corporation under subparagraph (A) shall be used for purposes of improving the maintenance and operation of the public housing project or for establishing business enterprises that employ residents of public housing.

"(e) RESIDENT MANAGEMENT TECHNICAL ASSISTANCE AND TRAINING.—

"(1) FINANCIAL ASSISTANCE.—To the extent budget authority is available for section 14, the Secretary shall provide financial assistance to resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management capability of newly formed or existing entities, the identification of the social support needs of residents of public housing projects, and the securing of such support.

"(2) LIMITATION ON ASSISTANCE.—The financial assistance provided under this subsection with respect to any public housing project may not exceed $100,000.

"(3) FUNDING.—Of the amounts available for financial assistance under section 14 for fiscal year 1988, the Secretary may use not more than $1,500,000 to carry out this subsection.".●

● Mr. GLENN. Mr. President, I rise today to join my distinguished colleague from Illinois, Senator DIXON, in reintroducing the Public Housing Resident Management Act. This bill provides an option for tenant management of public housing projects. It has been demonstrated that involvement of tenants in maintenance, improvement, and management of public housing has had a positive effect on the building, environment, and quality of life in such developments.

I believe that we need to provide an opportunity for public housing tenants to take responsibility for managing their own housing conditions. It must be noted that this concept will not work everywhere and in many areas of my State I would not even recommend resident management. Most housing authorities in Ohio are well maintained and managed. However, this legislation does permit a majority of adult public housing tenants, who are committed to the goals of tenant management, to establish a resident council. This council will determine the feasibility of establishing a resident management corporation.

As a protection against loss and theft, the bill requires management corporations to provide fidelity bonding and insurance, or their equivalents. It also requires an annual audit of the books and records of each corporation, with a written report of the audit to go to the public housing agency and the Secretary of Housing and Urban Development.

Tenant-management, while it is a relatively new approach, is by now means a cure-all for the problems that exist today in the whole area of public housing. I would like to make it perfectly clear that this legislation provides an option for tenant management. It does not divest the Federal Government of its responsibility and support for housing programs. We need more help from the Federal Government, not less.

I urge my colleagues to join Senator DIXON and myself in granting public housing tenants the flexibility of choosing tenant management.●

● Mr. DANFORTH. Mr. President, I am pleased to be a cosponsor of the Public Housing Resident Management Act of 1987 which allows tenant management of public housing projects. Tenant management has been enormously successful in St. Louis, MO. The Cochran Gardens project began a management experiment of this kind in 1976. The project has undergone extensive rehabilitation and is now in the best condition of any public housing in St. Louis.

Cochran Gardens is a conventional public housing development. It is a high-rise, family complex that houses 3,250 residents in 12 buildings. The community is virtually all black, with the average income being $4,000. More than 80 percent of the households are headed by a single female.

The development was built in 1952. By the 1960's, it was suffering from uncontrollable gang violence, mismanagement and conditions of physical disrepair. In 1969, the St. Louis Housing Authority became the target of an unprecedented rent strike, leading to forced negotiations and a creative new tenant management program. In 1976, the Cochran Tenant Management Corp. began to manage the site.

The Cochran Tenant Management Corp. has a board of directors to which five residents are elected by the tenants every 3 years. The board sets policy, provides planning direction, and sponsors all management programs. Each board member chairs one of five TMC committees: Maintenance, security, social services, recreation, and economic development. The tenants are given on-the-job management training, allowing them to learn about rent collections, security, lease and grievance procedures, maintenance and custodial services, and tenant selection.

This new system has proven that public housing can be well managed, despite severe operating deficits. The trained residents have enforced community developed standards, creating a safe environment and improving living conditions. Difficult management decisions which traditionally have been avoided are now being made and accepted by the residents.

Tenant management has had a significant impact on the project and on the lives of its inhabitants. There have been extensive renovations including the establishment of a new community center that sponsors athletic events, talent shows, field trips, and employment-related activities. Since the beginning of this new style of management, reported crime has lessened substantially, vacancy rates have decreased from 250 to 50, and rent collection rates have risen. The project has created many new jobs and has become a vehicle for training and employing those who otherwise would not be in the job market. Tenant management thus offers an opportunity for people to free themselves from the cycle of welfare dependency.

Based on this enormously successful tenant management experiment, I urge the passage of the Public Housing Resident Management Act of 1987.●

By Mr. DIXON:

S. 244. A bill to amend the Federal Deposit Insurance Act; to the Committee on Banking, Housing, and Urban Affairs.

AGRICULTURAL BANK ASSISTANCE ACT

● Mr. DIXON. Mr. President, I am today reintroducing the Agricultural Bank Assistance Act. This legislation is based on the Farm Credit Relief Act and other agricultural bank legislation that I introduced in the last Congress.

This bill is limited. It is a simple attempt to ensure that hard-pressed agricultural banks and their farmer-customers get the kind of assistance they need. It is a long overdue acknowledgment that the remedies, both administrative and legislative, that have been tried so far do not adequately respond to the financial crisis in our agricultural communities.

That crisis is devastating American agriculture and our rural economy. The terrible, unsupportable weight of farm debt is sufficating the family farm. Farmers now owe more than $186 billion, and the simple truth is that continued too-low prices for agricultural products mean that more and more farmers are unable to service that debt.

Farm prices are still down, and the value of farm land has dropped by as much as 40 percent or even more. Bankruptcies, however, are way up, and unless we are able to provide some badly needed assistance, the current appalling bankruptcy rate is likely to go much, much higher.

Unless we act, many of our Nation's full-time farmers will be wiped out. We needed to act 2 years ago. We cannot afford any further delay if we are to save the many family farmers that deserve our help. The shakiest of these midsized farmers owe nearly a third of total farm debt, an amount that compares with the Latin American debt held by the Nation's largest banks.

Farm debt, however, unlike foreign debt, is not held largely by money center banks. It is held by the Nation's more than 4,200 agricultural banks. These banks are small in size, but they are of vital importance to their communities.

While they do not hold the bulk of long-term debt, agricultural banks are a major source of operating and other short-term loans. According to the Comptroller of the Currency, banks hold about 40 percent of the short-term debt. This is a serious problem because while many farmers have the resources to service their mortgage debt, many can no longer also meet their short-term debt obligations.

Agricultural banks are therefore also under serious strains, and the evidence is that their problems are becoming more severe. We had 138 bank failures last year—the highest number since the Great Depression—and a disproportionate number of those failing were agricultural banks. This trend appears to be continuing. Over 1,100 banks—an alltime record—are on the Federal regulators problem list. There were 120 bank failures in 1985, the majority of which were agricultural banks, and there will probably be well over 150 bank failures this year.

This trend is especially troubling because historically agricultural banks are among the strongest in our financial system. Agricultural banks traditionally have a very strong capital base, and they have followed the kind of prudent banking practices that have protected their depositors.

As strong as they are, however, agricultural banks are not immune from a crisis in the overall agricultural economy. There is no way they could be immune. More than 1,700 banks have more than 50 percent of their portfolios in agricultural loans, and that figure greatly understates the true dimensions of the problem since it does not include loans to agribusiness and other rural businesses dependent on a strong and profitable agricultural sector.

What we need, therefore, are solutions directed toward helping both farmers and the agricultural banks that serve them. It makes no sense to help the banks alone if that help does not permit them to continue to play an active role in their local communities. And farmers clearly need help to restructure their debts so that they are not forced off the land or put in the position of being tenant farmers on what was their land.

This bill, Mr. President, is an attempt to provide assistance and needed flexibility for both farmers and their lenders. It does not pretend to be a complete solution to the problems of either, but it will provide needed transitional assistance as more fundamental, long-term solutions are put into place. We need to make it possible for farm exports to begin expanding again. We need to restore the opportunity to make a profit to American farmers. We need to bring interest rates down to more reasonable levels. But all these things will take time; time that many of our farmers and rural financial institutions do not have unless we are able to act soon on appropriate safety net protections.

The provisions of this bill ought to be a component of this safety net. It will permit banks to negotiate with farmers on appropriate debt restructuring, restructuring that will leave farmers with payments they can meet while bringing the banks greater financial returns than foreclosure would. It helps ensure that farmers aren't forced off their land, and helps the banks retain customers that they want to retain, customers that they have had a good relationship with over the years and who, with this help, will be good customers again. It does not require any bank to act to restructure loans. It simply permits banks to take actions, with the approval of Federal regulators, that banks believe are in their interests and which will benefit hard-pressed but fundamentally sound farmers.

The heart of the legislation is a provision that permits agricultural banks to write down loans from their book value to their fair market value. Banks can do this now, but under current law, they must deduct the amount written off from their capital all at once. Even though agricultural banks are well-capitalized, they cannot withstand losses of this magnitude, so banks are forced to foreclose rather than write down loans. This benefits neither the banks nor the farmers.

Current law forces banks to try not to acknowledge the extent of their problems, because any losses in a loan portfolio must be written off against capital at the time they are recognized. Now in normal business conditions that is sound practice. In the current crisis situation in our agricultural economy, however, the pressure on agricultural bank capital it creates is so great that it actually adds to the problems facing both farmers and banks. Losses on agricultural loans can cause reductions in bank capital. That reduction can force a bank to call in more loans, generating more losses, forcing still further reductions in bank capital, and so on, in a destructive cycle that could destroy both the bank and many basically sound American farmers. At the very least, banks may have to withdraw as lenders to their communities with all the problems that the loss of such a major source of credit always causes.

Amortizing the losses, however, creates an incentive for banks to deal with their problems in a way that can help to minimize those losses. I do not suggest this step lightly. I recognize the seriousness of this proposal, but administrative remedies attempted by banking industry regulators have failed to solve the problem. The only alternative to this kind of package is direct assistance—and with our budget problems, it is difficult to see how that kind of help could be provided.

The bill also permits eligible banks to amortize their losses on the reduced value of farmland they acquired in the process of handling an agricultural loan where the bank is still holding the property but must write-down the asset value of the land on its books. This provision will help reduce the continued downward pressure on agricultural land prices, and assist banks in managing the swollen land portfolios many of them now hold.

Let me say in conclusion that this proposal, if enacted, will work to provide needed assistance for American farmers who deserve our help. It will also provide assistance for agricultural banks, who through no fault of their own, are being squeezed by the ongoing agricultural crisis, permitting these fundamentally sound banks to weather this storm.

This bill will not solve all the problems facing farmers and their community banks. It is scaled back from the original legislation I offered in 1985. However, it will still work effectively for farmers and bankers.

We have provided special assistance for financial institutions in the past, most recently for foreign loans and for the housing industry. We have assisted the Farm Credit System and are considering further assistance. I think agricultural banks and their farmer-customers are just as deserving of the assistance of the U.S. Senate.

Agricultural banks and their farmer-borrowers must not be forgotten as we work on shoring up the Farm Credit System. Agricultural banks play a crucial role in rural America. These banks and their farmer-customers desperately need our help. I urge my colleagues to join me in working to see that this legislation is quickly enacted. I ask unanimous consent that an explanation of the bill and a copy of the legislation be included at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 244

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Bank Assistance Act of 1987".

Sec. 2. Section 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823) is amended by adding at the end thereof the following:

"(j)(1) The appropriate Federal banking agency shall permit an agricultural bank to take the actions referred to in paragraph (2) if it finds that there is no evidence that fraud or criminal abuse on the part of the bank led to the losses referred to in paragraph (2).

"(2)(A) Any loss on any qualified agricultural loan that an agricultural bank would otherwise be required to show on its annual financial statement for any year between December 31, 1986, and January 1, 1992, may be amortized on its financial statements over a period of not to exceed 10 years, as specified in regulations issued by the appropriate Federal banking agency.

"(B) An agricultural bank may reappraise the value of any real estate or other property, real or personal, that it acquired coincident to the making of a qualified agricultural loan and that it owned on January 1, 1987, and any such additional property that it acquires prior to January 1, 1992. Any loss that such bank would otherwise be required to show on its annual financial statements as the result of such reappraisal may be amortized on its financial statements over a period of not to exceed 10 years, as specified in regulations issued by the appropriate Federal banking agency.

"(3) The appropriate Federal banking agency may issue regulations implementing this subsection with respect to banks that it supervises.

"(4) As used in this subsection—

"(A) the term 'agricultural bank' means a bank which is significantly involved in agricultural lending, as determined by the appropriate Federal banking agency, and the deposits of which are insured by the Federal Deposit Insurance Corporation; and

"(B) the term 'qualified agricultural loan' means a loan made to finance the production of agricultural products or livestock in the United States, a loan secured by farmland or farm machinery, or such other category of loans as the appropriate Federal banking agency may deem eligible.".

AGRICULTURAL BANK ASSISTANCE ACT OF 1987

EXPLANATION OF PROVISIONS

The bill would permit a commercial bank which is significantly involved in agricultural lending to amortize, over a period up to 10 years, two kinds of losses resulting from its lending activity to agriculture (provided that such losses did not result from fraud or criminal abuse on the part of the bank). The two kinds of losses eligible for multiyear amortization are:

(1) Losses on agricultural loans, whereby in the absence of the bill the bank would have to charge off the entire loss in the immediate year that it is recognized.

Example: An agricultural bank makes an operating loan to a farmer who owes $100,000 on the loan. A bank regulatory agency classifies the loan, so that $30,000 of loss must be recognized by the bank in 1987. Without the bill, the bank must charge off $30,000 in 1987; with the bill, the bank may charge off $3,000 per year during 1987-1996.

(2) Losses on reduced value of property (mostly farmland) which a bank acquired in the process of handling an agricultural loan, whereby the bank still holds the property but must devalue it as an asset.

Example: An agricultural bank acquires 200 acres of farmland in 1986 in a farm debt workout situation. At the time acquired, the land was valued at $2,000 per acre ($400,000), but in 1987 is appraised and revalued at $1,500 per acre ($300,000). Without the bill, the bank asset value of the land would be reduced by $100,000 in 1987; with the bill, the bank may reduce the asset value of the land by $10,000 per year in 1987-1996.

The bill provides for a 5-year period (1987-1991), during which losses that are recognized of the two kinds described above could be stretched out over a period up to 10 years. The bill should result in no cost to the U.S. Treasury, since the banks themselves would absorb the losses over the period of time that is provided.

The amortized farm loan loss accounting will help agricultural banks to remain competitive suppliers of credit to farmers, by permitting the banks to absorb part of their farm lending losses over a period of time sufficient for the agricultural economy and the banks' earnings to have an opportunity to recover. Once the banks' net earnings recovered, the retained earnings and capital position of the agricultural banks could be fully replenished.●

By Mr. BENTSEN (for himself and Mr. BURDICK):

S. 245. A bill to provide for the reimbursement of States for advance construction of highways; to the Committee on Environment and Public Works.

ADVANCE CONSTRUCTION

● Mr. BENTSEN. Mr. President, I am introducing today a bill entitled "Advance Construction" which will provide for the reimbursement of States for advance construction work they have conducted on federally approved highways. We have gone over 90 days now with no new federally authorized highway funds. Over half of the States have depleted their Federal highway funds in one or more funding categories. We need to take whatever steps we can to provide some relief to the construction industry which is hard hit by the lack of construction work and to the highway users of this Nation who have paid for and need better roads. I believe that my bill will provide some help and I urge my fellow Senators to join me in passing this important piece of legislation.

My bill provides for advance construction funding for all categories of Federal-aid highway projects when a State has used its apportionment and allocation funds or obligation authority or demonstrates that it will use its obligation authority. Under present law, advance construction is not permitted on noninterstate highways or when a State has used its obligation authority or has insufficient obligation authority. Under my bill, States may proceed with advance construction up to an amount equal to their existing unobligated fund balance plus expected apportionments from current year authorizations, plus an amount equal to the State's apportionment for one additional fiscal year. Under present law advance construction is not permitted if it will exceed a State's expected apportionment from existing authorizations. Put simply, this bill would expand the conditions under which a State can proceed with an advance construction project in any of several categories and raises the limit to which a State can carry out advance construction work and be qualified for Federal reimbursement.

I would also like to point out that this bill does not add any cost to the Federal-aid highway program. All funds ultimately reimbursed to the States for advanced construction projects will come out of their regular apportionments.

Mr. President, I know the highway department in my State of Texas strongly supports this program expansion. I would assure my colleagues that this amendment does not require any State to do anything unless that State decides it to be in its own best interests.●

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 246. A bill to provide for a Veterans' Administration outpatient satellite clinic in central or southern Jersey; to the Committee on Veterans' Affairs.

VA OUTPATIENT CLINIC IN CENTRAL SOUTHERN NEW JERSEY

● Mr. LAUTENBERG. Mr. President, on the first day of the 100th Congress, I rise to introduce a bill along with my colleague, Senator BRADLEY, to authorize the establishment of a Veterans' Administration satellite outpatient clinic in central or southern New Jersey. I have introduced this bill on the first day of the session as an indication of the high priority I attach to assuring that this clinic becomes a reality for New Jersey in the 100th Congress.

Quality medical care that is accessible to the veteran is one of the commitments we made to our men when we sent them off to fight. But New Jersey veterans are getting the short end of the stick. With only one outpatient facility in my State, veterans either have an inordinate wait for service or a long drive to the nearest outpatient clinic.

Since January 1985, I have urged the Veterans' Administration to approve funding for a satellite outpatient clinic for New Jersey. The facility would provide minor surgery, fill pharmaceutical needs, and provide local diagnostic services for veterans in counties not effectively served by the one outpatient clinic in Newark.

The need for this facility to provide additional medical care for New Jersey's veterans is critical, and that need has long been acknowledged by the Veterans' Administration. The 1984 VA MEDIPP study recognized that the establishment of an ambulatory care facility in New Jersey is the highest priority in the entire VA medical district IV. District IV encompasses New Jersey, Delaware, and parts of Maryland and Pennsylvania.

The level I approval for the funding of this clinic indicates that the Chief Medical Director and the Administrator of the VA concur in medical district IV's assessment of the need for this clinic. The level II approval indicates that an outpatient clinic has been designated as the appropriate facility to meet that need.

I had expected that level III approval, a request for funding in the budget, would be forthcoming this year. However, although the Chief Medical Director told me last year that he expected and hoped funding for the New Jersey clinic would be included in this year's budget, I have today learned it was not.

The VA's own statistics clearly demonstrate the need for this clinic. They show that parts of New Jersey are capable of generating over 52,000 visits per year by veterans to an outpatient facility, while the VA minimum threshold for placement of a clinic is only 15,000 visits annually.

Numbers tell only part of the story. The nearly 1 million New Jersey veterans currently must use the one outpatient facility in the State located in Newark. It has been plagued by continual staffing shortages and equipment breakdowns. Moreover, the need for an additional facility can only increase since the elderly population in New Jersey is growing at a tremendous rate. That growth will certainly place even further stress on a veterans' network that is already chronically overtaxed.

Mr. President, many elderly or severely disabled veterans suffer from infirmities which make it difficult or impossible for them to drive or use public transportation to obtain medical treatment in distant VA facilities. Without the establishment of the outpatient facility called for in my legislation, these veterans will be forced to continue to travel long distances for outpatient care at the VA hospitals in Lyons, Philadelphia, or East Orange, or the single VA clinic in Newark, or do without medical care altogether.

Some veterans in central and southern New Jersey must travel 2 hours each way to obtain veterans services, and then endure a 3- to 6-hour wait at the clinics. Waiting a full day to receive medical care cannot be what we had in mind when we set up the VA medical care system to take care of those who served our Nation so proudly.

New Jersey's veterans should not wait another year for work to begin on this clinic, which is the VA's highest priority in medical district IV.

I pledge to make funding for this clinic my No. 1 veterans priority on the Senate Budget Committee, and the Senate Appropriations Subcommittee on HUD and Independent Agencies, which oversees the Veterans' Administration budget.

I urge my colleagues to approve this bill, and make sure that New Jersey veterans do not have to wait any longer to receive the medical care they so desperately need, and that our society promised them.

Mr. President, I ask unanimous consent that a copy of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 246

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of Veterans' Affairs is authorized (1) to establish a Veterans' Administration outpatient satellite clinic facility in New Jersey; and (2) to construct or acquire by donation, purchase, lease, or otherwise a facility suitable for such purpose. Such facility shall be located in the central or the southern part of the State.

Sec. 2. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.●

By Mr. CRANSTON:

S. 247. A bill to designate the Kern River as a national wild and scenic river; to the Committee on Energy and Natural Resources.

ADDITION OF THE KERN RIVER TO THE NATIONAL WILD AND SCENIC RIVERS SYSTEM

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to add 151 miles of the north and south forks of the Kern River in California to the National Wild and Scenic Rivers System. The legislation is identical to S. 2544, which I sponsored in the 99th Congress.

The north fork of the Kern designated under this bill includes 78.5 miles from its headwaters in Sequoia National Park to the Tulare/Kern County line. This river segment has been studied by the Forest Service for inclusion in the Wild and Scenic Rivers System and in its January 19, 1982, report the Forest Service identifies this entire stretch as possessing "outstandingly remarkable esthetic and other resource values" and recommends designation.

The 72.5 miles of the south fork from its headwaters to the southern boundary of the Domelands Wilderness have long been recognized as qualifying for the Wild and Scenic Rivers System. Although there's been no formal wild and scenic study, the National Rivers Inventory of January 1982 identified the south fork of the Kern River as a potential candidate for the Wild and Scenic Rivers System. Further the draft forest plan for the Sequoia National Forest issued in November 1985 identifies the entire segment as eligible for designation.

The existing Southern California Edison diversion facility on the north fork would not be affected by the designation. Also the boundaries for the south fork have been drawn to conform with the Domelands Wilderness boundary to allow consideration of the proposed Bloomfield Ranch Project No. 4805 for which a license application has been filed with FERC.

I am aware that some property owners along the north fork of the Kern River are concerned about possible condemnation of their lands. However, under the Wild and Scenic Rivers Act, where the Federal Government already owns more then 50 percent of the total land—as in the case of the Kern—condemnation can be used only to acquire scenic and access easements, not fee title. Additionally, section 16(c) of the act provides that a scenic easement cannot affect, without the owner's consent, any regular use exercised prior to the date of acquisition.

Mr. President, this bill has the strong support of 23 environmental organizations—American Rivers Conservation Council, California League of Women Voters, California Trout, California Native Plant Society, California Wilderness Coalition, California Sportfishing Protective Alliance, Defenders of Wildlife, Environmental Defense Fund, Friends of the River, Kern River Fly Fishermen, Merced Canyon Committee, National Audubon Society, National Parks and Conservation Association, Natural Resources Defense Council, Outdoors Unlimited, Pacific Coast Fly Fishermen, Porterville Area Environmental Council, Planning and Conservation League, Sierra Club, Tulare Audubon Society, WATER, Western River Guides Association, and the Wilderness Society.

In addition, editorials in support of the bill have appeared in the Los Angeles Times, Bakersfield Californian, San Francisco Chronicle, Fresno Bee, and Oakland Tribune.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 247

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraphs at the end:

"(59) North Fork Kern River, California.—The segment of the main stem from the Tulare-Kern County line to its headwaters in Sequoia National Park, as generally depicted on a map entitled "Proposed North Fork Kern River", numbered fs-59 and dated March, 1986; to be administered by the Secretary of Agriculture; except that those portions of the river within the boundaries of the Sequoia National Park shall be administered by the Secretary of the Interior. With respect to the portions of the river segments designated by this paragraph which are within the boundaries of Sequoia National Park, the requirements of subsection (b) of this section shall be fulfilled by the Secretary of the Interior through appropriate revisions to the general management plan for the park, and the boundaries, classification, and development plans for such portions need not be published in the Federal Register. Such revision to the general management plan for the park shall assure that no developments or use of park lands shall be undertaken that is inconsistent with the designation of such river segments as a wild river. For the purposes of the segment designated by this paragraph, there are authorized to be appropriated for fiscal years commencing after September 30, 1986, such sums as may be necessary for the acquisition of lands and interests therein and for development.

"(60) SOUTH FORK KERN RIVER, CALIFORNIA.—The segment from its headwaters in the Inyo National Forest to the southern boundary of the Domelands Wilderness in Sequoia National Forest, as generally depicted on the Proposed Boundary Map, numbered fs-60, and dated March, 1986; to be administered by the Secretary of Agriculture. For the purposes of the segment designated by this paragraph, there are authorized to be appropriated for fiscal years commencing after September 30, 1986, such sums as may be necessary for the acquisition of lands and interests in lands and for development.".

By Mr. LAUTENBERG (for himself, Mr. MOYNIHAN, Mr. GRASSLEY, Mr. SIMON, Mr. WILSON, Mr. SPECTER, and Mr. BRADLEY):

S. 248. A bill to amend title 10, United States Code, to permit members of the Armed Forces to wear, under certain circumstances, items of apparel not part of the official uniform; to the Committee on Armed Services.

WEARING OF RELIGIOUS APPAREL IN THE MILITARY

● Mr. LAUTENBERG. Mr. President, today I rise to introduce legislation to permit the wearing of neat and conservative religious apparel in the military. I am pleased to be joined by Senators MOYNIHAN, GRASSLEY, SIMON, WILSON, SPECTER, and BRADLEY as original cosponsors. Under my legislation, which is identical to an amendment I offered last year on the Senate floor, such apparel would be permitted only if it does not significantly interfere with the performance of military duty. Language identical to this bill was adopted by the House last year, and was narrowly defeated in the Senate last year by a vote of 51 to 49.

This legislation responds to the Supreme Court's 5-to-4 decision in Goldman against Weinberger. In Goldman, the Court held that the military's perceived need for uniformity of dress, and for discipline, overrode the first amendment right of an Orthodox Jewish serviceman, Dr. Goldman, to fulfill his traditional Jewish obligation by wearing a skullcap. This bill would permit Dr. Goldman to serve his country while at the same time allowing him to remain true to his religion. And it would permit others like him, of whatever faith, to do the same.

Because this legislation, and this issue, is broader than any one religion. It concerns the right of people of all faiths to serve their country without having to forsake their religious beliefs and practices. It would affirm the religious and ethnic diversity that have made America strong, not weak.

The primary philosophical objection to this bill has been that wearing visible items of religious apparel may threaten the military uniformity necessary in building unit cohesion. While I appreciate and agree with the importance of unit cohesion and esprit de corps in the Armed Forces, I do not believe that wearing neat, conservative, and unobtrusive religious apparel threatens this principle.

To the contrary, it would strengthen morale by affirming that the military is a humane and tolerant institution. And as Justice Brennan made clear in his moving dissent to the majority opinion in Goldman, allowing religious apparel to be worn with a U.S. military uniform is an eloquent reminder that the shared and proud identity of U.S. servicemen embraces and unites religious and ethnic pluralism.

Although uniformity is claimed as an important value the services easily permit other manifestations of religious diversity. Service members attend Christian, Islamic, Jewish, and other religious services. Barracks mates see Mormons wearing temple garments, and Catholics wearing crosses and scapulars. It is obvious that our services are made up of people from different faiths and ethnic backgrounds, and that diversity is America's greatest asset. It is no secret, nor should it be.

Further, I should point out that the record here and abroad on the wearing of religious apparel supports my position. In the Goldman case, for example, it was established that Captain Goldman himself, as well as many other members of the armed services, had worn skullcaps for many years in the military service without any apparent disruption, difficulty, or adverse impact on military effectiveness.

And the dissenting Justices pointed out there was no evidence in the record that the discipline of the Armed Forces would be subverted if Orthodox Jews are allowed to wear skullcaps with their uniforms, nor did the Air Force offer any basis for such a contention as a general proposition.

Further, for years, our own Army accepted Sikhs and allowed them to wear their turbans for decades. It still allows them to reenlist under those conditions. Would an Army that believed that the wearing of turbans impaired morale permit these Sikhs to enlist year after year? I think not.

The Army has stopped enlisting Sikhs since its lawyers voiced concern that if the Army tolerated Sikh turbans, it would have to allow saffron robes as well. So in changing its enlistment policy toward recruits who wear turbans as a matter of religious practice, the Army was objecting not to turbans but to saffron robes. It is my position that the wearing of robes might interfere with the performance of military duty, and would therefore probably not be permitted under the terms of this amendment. However, that would be a decision left for the services to make in the first instance, as would all decisions under this amendment.

There is ample evidence from other countries that wearing religious apparel does not interfere with the fighting spirit of the military unit. The Israeli Defense Forces, for example, have many servicemen who go into battle wearing skullcaps. After successes in four separate wars, it is hard to argue that the yarmulke in any way interfered with their ability to wage successful war.

Furthermore, research by the Congressional Research Service indicates that in Canada, New Zealand, and India, Sikh and Jewish soldiers are permitted to wear their religious headwear and their religious artifacts with other standard items of clothing.

In the United Kingdom, Sikh members of the services are permitted to wear turbans, and to keep their hair long, if they choose. And the Queen's Regulations for the Royal Air Force, which generally require all personnel to remove their headdress while on duty before a judge or magistrate, specifically exempt members of the Jewish faith or other religions which require the head to be covered on solemn occasions.

Our own experience, and that of other countries on this question speaks for itself. There is simply no evidence that the wearing of visible religious apparel interferes with uniformity or unit cohesion.

Our citizens in uniform should not be deprived of their basic constitutional rights, such as the free exercise of religion, the minute they enter the military. There must be a compelling and supportable argument justifying such a prohibition. None has been made.

Some of the services have argued that the neat and conservative standard will be hard to apply, forcing them to make delicate and difficult distinctions between religious garb. But the services have a successful record of using the neat and conservative standard to distinguish acceptable from unacceptable jewelry. If we can make this distinction for neat and conservative jewelry, why can't we make it for religious apparel.

Certainly, the wearing of apparel central to the practice of one's religious beliefs is more important and worthy of review than the wearing of jewelry. The Air Force permits the wearing of up to three rings and one identification bracelet of neat and conservative but nonuniform design. This jewelry is permitted even if, as is often the case with rings, it associates the wearer with a denominational school or a religious or secular fraternal organization. These items are not deemed to be unacceptably divisive. I cannot see why religious apparel that is neat and conservative would be.

In closing, I want to emphasize, once again, that this legislation is not confined to the wearing of skullcaps, but addresses the wearing of any item of apparel that is part of the member's religious observance. The amendment states:

> In order to preserve constitutional rights to the free exercise of religion, a member of the Army, Navy, Air Force or Marine Corps may wear any neat and conservative item of apparel if the wearing of such apparel is part of the religious observance of the member, unless the wearing of such apparel significantly interferes with the performance of the member's military duties.

I urge my colleagues to approve this legislation so that the practice of religion and service to one's country need not be in conflict.

Mr. President, I ask unanimous consent that a copy of this bill appear in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 248

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. WEARING RELIGIOUS APPAREL NOT PART OF THE OFFICIAL UNIFORM.

(a) IN GENERAL.—Chapter 45 of title 10, United States Code, is amended—

(1) by redesignating section 774 as section 775; and

(2) inserting after section 773 the following new section:

"§ 774. Wearing religious apparel

"(a) Except as provided in subsection (b), a member of the armed forces may wear an item of religious apparel if—

"(1) the wearing of the item of apparel is part of the religious observance of the religious faith practiced by the member; and

"(2) the item of apparel is neat and conservative.

"(b) The Secretary concerned may prohibit a member from wearing an item of religious apparel if the Secretary determines that the wearing of such item significantly interferes with the performance of the member's military duties.".

(b) CONFORMING AMENDMENTS.—The table of chapters at the beginning of such chapter is amended—

(1) by redesignating the item relating to section 774 as 775; and

(2) by inserting below the item relating to section 773 the following new item:

"774. Wearing religious apparel.".

By Mr. DODD (for himself and Mr. SPECTER):

S. 249. A bill to grant employees parental and temporary medical leave under certain circumstances, and for other purposes; to the Committee on Labor and Human Resources.

PARENTAL AND TEMPORARY MEDICAL LEAVE ACT OF 1987

● Mr. DODD. Mr. President, today I am introducing a bill to establish something we have gone without in this country for far too long: namely, a national policy on parental leave. The "Parental and Medical Leave Act of 1987" would promote the economic security of families by providing for parental leave upon the birth, adoption, or serious illness of a child, and temporary medical leave when a serious health condition prevents a parent from working.

Because such leave would be unpaid, it will not add to the deficit nor to the economic burdens carried by employers. Yet it will provide parents with continuing health benefits and a most important assurance: that of a job when they are ready to return to work. I am pleased to have Senator ARLEN SPECTER of Pennsylvania join me in sponsoring this important legislation.

I introduced identical legislation, S. 2278, on April 9, 1986, and had encouraged my colleagues to give it due consideration during the 99th Congress. Given the critical importance of children and families to the future development and security of this Nation, it is imperative we consider this profamily measure during the 100th Congress. As the new chairman of the Subcommittee on Children and Families on the Committee on Labor and Human Resources, I intend to schedule hearings on this legislation as quickly as possible. Similar legislation will be reintroduced in the House of Representatives by Representatives SCHROEDER and CLAY.

The critical need for a national policy on parental leave has been underscored by the Yale Bush Center in child development and social policy, in a project focusing on infant care leave policies here and abroad. As director Ed Zigler or the Yale Bush Center in my State of Connecticut has pointed out so well, the time has come when we can no longer ignore the changing demographics of our work force.

Today, close to half of all mothers with infants under 1 year of age work outside of the home. That figure has doubled since 1970 and shows no signs of abating. In fact, 85 percent of all women working outside of the home are likely to become pregnant at some point during their child-bearing years. As a result, child care for infants is the fastest growing, most expensive form of supplemental care in this country.

These percentages translate into a total today of 24 million children under age 13 with mothers working outside of the home. In a report entitled the "Subtle Revolution," the urban institute predicts that over the next 5 years, an additional 5 million children will have mothers joining the labor force.

The reasons behind this demographic revolution are quite simple: Mothers are entering the work force out of economic necessity. Two out of every three women working outside of the home today are either the sole providers for their children or have husbands who earn less than $15,000 a year. In 1983, 25 percent of the married women in the work force had husbands earning less than $10,000; 50 percent under $20,000 and nearly 80 percent less than $30,000. In short, these women's wages are critical to the support of their families.

As founder and cochairman of the Senate children's caucus, I have heard and seen first hand the adverse consequences of forcing parents to choose between their children and their jobs. One new parent took an unpaid leave from her job in a retail store, only to find when she returned after her 6 weeks checkup at the doctor's that she had been replaced by a new employee. Another parent had arranged to adopt a child under the condition that she stay at home with that child for 6 months. When her employer refused to grant her more than 2 weeks leave, the agency turned down her request to become an adoptive parent. Unfortunately, the list of such cases appears endless in contrast to the comparatively small group of employees who are able to obtain leave to stay at home for a short time with a new child.

The United States is the only industrialized nation without a policy to guarantee parents who want to stay home temporarily with a new child that their jobs will be waiting for them when they are able to return to work. This is a most dubious distinction, given the importance of the economic security of families to the defense and overall security of any nation. Our economic summit partners, Canada, France, Britain, Japan, West Germany, and Italy, have already recognized this connection between the economic security of families and national security. In having established national parental leave policies, they have more in common with the Soviet Union than they do with us. Likewise, a whole host of developing nations, including Haiti and the Philippines, have national policies on maternity leave firmly in place.

We know that children do not fare well when their parents undergo economic stress: Children of the unemployed are three times more likely to suffer abuse than other children. Neither do children thrive when their parents are suffering from physical and emotional exhaustion in their efforts to work full-time and incorporate a new infant into the family.

In a survey of women in the New Haven area in my State of Connecticut, Yale researchers found that the vast majority of working mothers said they had to return to work sooner than they felt was suitable. They returned out of fear of losing their jobs, jobs their families depend upon.

Even though many physicians assert it takes a woman 6 to 8 weeks to recover from a normal, safe delivery, the typical working mother returns to her job after 3 to 4 weeks. She returns before recovering fully from childbirth, let alone coping with the dramatic changes in finances, scheduling, and family relationships that go along with caring for a new infant.

The Pregnancy Discrimination Act of 1978 mandates that all serious health conditions related to pregnancy be treated like all other short-term serious health conditions. However, only five States have temporary disability insurance policies. Likewise, only half of all private employers offer short-term disability coverage to assist mothers recovering from a complicated delivery or fathers recuperating from surgery.

The "Parental and Medical Leave Act of 1987" provides for up to 6 months of temporary medical leave for both mothers and fathers. Just as importantly, it provides for up to 4 months parental leave to give a mother or father time to integrate a new child into the family or to care for a child who is seriously ill. Although such leave is unpaid, health benefits will be assured as will a job when the parent is ready to return to work.

In endeavoring to assist parents, we must not forget the plight of employers, especially small businessmen and women to whom a stable work force can mean the difference between failure and success. For this reason, my bill exempts small businesses with fewer than 15 employees. The small business exemption is an issue which should be addressed in the Senate hearings, along with a number of other provisions which appear in the House bill but not the Senate bill.

In closing, Mr. President, the need for a national policy on parental leave is clear. I urge my colleagues to join me in sponsoring the "Parental and Medical Leave Act of 1987." For if we are to assure a strong, healthy future for coming generations of Americans, caring for your child can no longer mean losing your job.

I ask unanimous consent that the text of the bill be printed in the RECORD in its entirety.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 249

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Parental and Medical Leave Act of 1987".

(b) TABLE OF CONTENTS.—

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL AND TEMPORARY MEDICAL LEAVE

Sec. 101. Findings and purposes.
Sec. 102. Definitions.
Sec. 103. Parental leave requirement.
Sec. 104. Temporary medical leave requirement.
Sec. 105. Certification.
Sec. 106. Employment and benefits protection.
Sec. 107. Prohibited acts.
Sec. 108. Administrative enforcement.
Sec. 109. Enforcement by civil action.
Sec. 110. Investigative authority.
Sec. 111. Relief.
Sec. 112. Notice.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

Sec. 201. Parental and temporary medical leave.

TITLE III—ADVISORY PANEL ON PAID PARENTAL AND MEDICAL LEAVE

Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
Sec. 305. Powers.
Sec. 306. Termination.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Effect on other laws.
Sec. 402. Effect on existing employment benefits.
Sec. 403. Regulations.
Sec. 404. Effective dates.

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL AND MEDICAL LEAVE

SEC. 101. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the number of two-parent households in which both parents work and the number of single-parent households in which the single parent works are increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early childrearing and the care of children who have serious health conditions;

(3) the lack of employment policies to accommodate working parents forces many individuals to choose between job security and parenting; and

(4) there is inadequate job security for employees who have serious health conditions that prevent the employees from working for temporary periods.

(b) PURPOSES.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families;

(2) to promote the economic security and stability of families; and

(3) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child who has a serious health condition, without the risk of termination or retaliation by employers.

SEC. 102. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, including "commerce" and any activity or industry "affecting commerce" within the meaning of the Labor Management Relations Act, 1947 (29 U.S.C. 141 et seq.).

(2) EMPLOY.—The term "employ" has the same meaning given the term in section 3(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g)).

(3) EMPLOYEE.—The term "employee" has the meaning given the term in section 3(e) of the Fair Labor Standards Act of 1938, except that—

(A) the term does not include any Federal officer or employee covered under subchapter III of chapter 63 of title 5, United States Code; and

(B) the term includes permanent part-time employees.

(4) EMPLOYER.—The term "employer"—

(A) means any person who employs 15 or more employees and is engaged in commerce or in any industry or activity affecting commerce;

(B) includes—

(i) any person who acts directly or indirectly in the interest of an employer to one or more employees; and

(ii) any successor in interest of such an employer; and

(C) includes any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)), except that employees of any such agency shall be considered employees engaged in commerce.

(5) EMPLOYMENT BENEFITS.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether the benefits are provided by a policy or practice of an employer or by an employee benefit plan as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(6) PERSON.—The term "person" has the same meaning given the term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(7) REDUCED LEAVE SCHEDULE.—The term "reduced leave schedule" means leave scheduled for fewer than the usual number of hours of an employee per workweek or hours per workday.

(8) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(9) SERIOUS HEALTH CONDITION.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment or continuing supervision by a health care provider.

(10) SON OR DAUGHTER.—The term "son or daughter" means a biological, adopted, or foster child, stepchild, legal ward, or child of a de facto parent, who is under 18 years of age.

(11) STATE.—The term "State" has the same meaning given the term in section 3(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(c)).

SEC. 103. PARENTAL LEAVE REQUIREMENT.

(a) IN GENERAL.—(1) An employee shall be entitled to 18 workweeks of parental leave during any 24-month period—

(A) as the result of the birth of a son or daughter of the employee;

(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

(C) in order to care for the employee's son or daughter who has a serious health condition.

(2) The leave may be taken on a reduced leave schedule. Under the schedule—

(A) the total period during which the 18 workweeks may be taken may not exceed 36 consecutive workweeks; and

(B) the leave shall be scheduled so as not to disrupt unduly the operations of the employer.

(3) In the case of a child who has a serious health condition, the leave may be taken intermittently when medically necessary.

(b) UNPAID LEAVE PERMITTED.—Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

(c) RELATIONSHIP TO PAID LEAVE.—(1) If an employer provides paid parental leave for fewer than 18 weeks, the additional weeks of leave added to attain the 18-week total may be unpaid.

(2) An employee may elect to substitute any accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 18-week period.

SEC. 104. TEMPORARY MEDICAL LEAVE REQUIREMENT.

(a) IN GENERAL.—(1) Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave. The entitlement shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 26 workweeks during any 12-month period.

(2) The leave may be taken intermittently when medically necessary.

(b) UNPAID LEAVE PERMITTED.—Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

(c) RELATIONSHIP TO PAID LEAVE.—(1) If an employer provides paid temporary medical leave or paid sick leave for fewer than 26 weeks, the additional weeks of leave added to attain the 26-week total may be unpaid.

(2) An employee may elect to substitute accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 26-week period.

SEC. 105. CERTIFICATION.

(a) IN GENERAL.—An employer may require that a claim for parental leave under section 103(a)(1)(C), or temporary medical leave under section 104, be supported by certification issued by—

(1) the duly licensed health care provider of the son, daughter, or employee, whichever is appropriate; or

(2) any other health care provider determined by the Secretary to be capable of providing adequate certification.

(b) SUFFICIENT CERTIFICATION.—The certification shall be considered sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition; and

(3) the medical facts within the knowledge of the provider regarding the condition.

SEC. 106. EMPLOYMENT AND BENEFITS PROTECTION.

(a) RESTORATION TO POSITION.—(1) Any employee who exercises any right provided under section 103 or 104 shall be entitled, on return from the leave—

(A) to be restored by the employer to the position held by the employee when the leave commenced; or

(B) to be restored to a position with equivalent status, benefits, pay, and other terms and conditions of employment.

(2) The taking of leave under this title shall not result in the loss of any benefit accrued before the date on which the leave commenced.

(3) Except as provided in subsection (b), nothing in this section shall be considered to entitle any restored employee to—

(A) the accrual of any seniority or benefits during any period of leave; or

(B) any right or benefit other than any right or benefit to which the employee would have been entitled had the employee not taken the leave.

(b) MAINTENANCE OF HEALTH BENEFITS.—During any period of leave taken under section 103 or 104, health benefits of an employee shall be maintained for the duration of the leave at the level at which the benefits would have been maintained if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

SEC. 107. PROHIBITED ACTS.

(a) INTERFERENCE WITH RIGHTS.—(1) It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) INTERFERENCE WITH PROCEEDINGS OR INQUIRIES.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because the individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given or is about to give any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 108. ADMINISTRATIVE ENFORCEMENT.

(a) IN GENERAL.—The Secretary shall issue such rules and regulations as are necessary to carry out this section, including rules and regulations concerning service of complaints, notice of hearings, answers and amendments to complaints, and copies of orders and records of proceedings.

(b) CHARGES.—(1) Any person (or person, including a class or organization, on behalf of any person) alleging an act that violates this title may file a charge respecting the violation with the Secretary. Charges shall be in such form and contain such information as the Secretary shall require by regulation.

(2) The Secretary shall serve a notice of the charge on the person charged with the violation not more than 10 days after the Secretary receives the charge.

(3) A charge may not be filed more than 1 year after the last event constituting the alleged violation.

(c) INVESTIGATION; COMPLAINT.—(1) Within the 60-day period after the Secretary receives any charge, the Secretary shall investigate the charge and issue a complaint based on the charge or dismiss the charge.

(2) If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based on the charge and promptly notify the charging party and the respondent as to the issuance.

(3) If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the charging party and the respondent as to the dismissal.

(4) The charging party and the respondent may enter into a settlement agreement concerning the violation alleged in the charge. To be effective such an agreement must be determined by the Secretary to be consistent with this title.

(5) On the issuance of a complaint, the Secretary and the respondent may enter into a settlement agreement concerning a violation alleged in the complaint, except that any such settlement may not be entered into over the objection of the charging party.

(6) If, within the 60-day period referred to in paragraph (1), the Secretary—

(A) has not issued a complaint under paragraph (2);

(B) has dismissed the charge under paragraph (3); or

(C) has not approved or entered into a settlement agreement under paragraph (4) or (5),

the charging party may bring a civil action under section 109.

(7) The Secretary may issue and serve a complaint alleging a violation of this title on the basis of information and evidence gathered as a result of an investigation initiated by the Secretary pursuant to section 110.

(8) On issuance of a complaint, the Secretary shall have the power to petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for appropriate temporary relief or a restraining order. On the filing of any such petition, the court shall cause notice of the petition to be served on the respondent. The court shall have jurisdiction to grant to the Secretary such temporary relief or restraining order as the court considers just and proper.

(d) RIGHTS OF PARTIES.—(1) In any case in which a complaint is issued under subsection (b), the Secretary shall, not less than 5 days and not more than 30 days after the complaint is issued, cause to be served on the respondent a copy of the complaint.

(2) Any person filing a charge alleging a violation of this title may elect to be a full party to any complaint filed by the Secretary alleging the violation. The election must be made before the commencement of a hearing.

(e) CONDUCT OF HEARING.—(1) The Secretary shall prosecute any complaint issued under subsection (b).

(2) An administrative law judge shall conduct a hearing on the record with respect to a complaint issued under this title. The hearing shall be conducted in accordance with sections 554, 555, and 556 of title 5, United States Code, and shall be commenced within 60 days after the issuance of the complaint.

(f) FINDINGS AND CONCLUSIONS.—(1) After a hearing is conducted under this section, the administrative law judge shall promptly make findings of fact and conclusions of law, and, if appropriate, issue an order for relief as provided in section 111.

(2) The administrative law judge shall inform the parties, in writing, of the reason for any delay in making the findings and conclusions if the findings and conclusions

are not made within 60 days after the conclusion of the hearing.

(g) Finality of Decision; Review.—(1) The decision and order of the administrative law judge shall become the final decision and order of the Secretary unless, on appeal by an aggrieved party taken not more than 30 days after the action, the Secretary modifies or vacates the decision, in which case the decision of the Secretary shall be the final decision.

(2) Not later than 60 days after the entry of the final order, any person aggrieved by the final order may obtain a review of the order in the United States court of appeals for the circuit in which the violation is alleged to have occurred or in which the employer resides or transacts business.

(3) On the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that the same shall be subject to review by the Supreme Court of the United States on writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

(h) Court Enforcement of Administrative Orders.—(1) If a respondent does not appeal an order of an administrative law judge under subsection (g)(2), the Secretary may petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for the enforcement of the order of the administrative law judge, by filing in the court a written petition praying that the order be enforced.

(2) On the filing of the petition, the court shall have jurisdiction to make and enter a decree enforcing the order of the administrative law judge. In the proceeding, the order of the administrative law judge shall not be subject to review.

(3) If, on appeal of an order under subsection (g)(2), the United States court of appeals does not reverse or modify the order, the court shall have the jurisdiction to make and enter a decree enforcing the order of the administrative law judge.

SEC. 109. ENFORCEMENT BY CIVIL ACTION.

(a) Right To Bring Civil Action.—(1) Subject to the limitations in this section, an employee or the Secretary may bring a civil action against any employer to enforce this title in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) A civil action may be commenced under this subsection without regard to whether a charge has been filed under section 108(b).

(3) No civil action may be commenced under paragraph (1) if the Secretary—

(A) has approved a settlement agreement under section 108(c)(4), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the charge and resolved by the agreement; or

(B) has issued a complaint under section 108(c)(2) or 108(c)(7), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the complaint.

(4) Notwithstanding paragraph (3)(A), a civil action may be commenced to enforce the terms of any such settlement agreement.

(5)(A) Except as provided in subparagraph (B), no civil action may be commenced more than 1 year after the date on which the alleged violation occurred.

(B) In any case in which—

(i) a timely charge is filed under section 108(b); and

(ii) the failure of the Secretary to issue a complaint or enter into a settlement agreement based on the charge (as provided under section 108(c)(6)) occurs more than 11 months after the date on which any alleged violation occurred,

the employee may commence a civil action not more than 30 days after the date on which the employee is notified of the failure.

(6) The Secretary may not bring a civil action against any agency of the United States.

(b) Venue.—An action brought under subsection (a) in a district court of the United States may be brought—

(1) in any appropriate judicial district under section 1391 of title 28, United States Code; or

(2) in the judicial district in the State in which—

(A) the employment records relevant to the violation are maintained and administered; or

(B) the aggrieved person worked or would have worked but for the alleged violation.

(c) Notification of the Secretary; Right To Intervene.—A copy of the complaint in any action brought by an employee under subsection (a) shall be served on the Secretary by certified mail. The Secretary shall have the right to intervene in a civil action brought by an employee under subsection (a).

(d) Attorneys for the Secretary.—In any civil action brought under subsection (a), attorneys appointed by the Secretary may appear for and represent the Secretary, except that the Attorney General and the Solicitor General shall conduct any litigation in the Supreme Court.

SEC. 110. INVESTIGATIVE AUTHORITY.

(a) In General.—To ensure compliance with this title, or any regulation or order issued under this title, subject to subsection (c), the Secretary shall have the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) Obligation To Keep and Preserve Records.—An employer shall keep and preserve records in accordance with section 11(c) of such Act.

(c) Required Submissions Generally Limited to an Annual Basis.—The Secretary may not under this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once in any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge brought pursuant to section 108.

(d) Subpoena Powers, Etc.—For purposes of any investigation conducted under this section, the Secretary shall have the subpoena authority provided under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

(e) Dissemination of Information.—The Secretary may make available to any person substantially affected by any matter that is the subject of an investigation under this section, and to any department or agency of the United States, information concerning any matter that may be the subject of the investigation.

SEC. 111. RELIEF.

(a) Injunctive Relief.—(1) On finding a violation under section 108 by a person, an administrative law judge shall issue an order requiring the person to cease and desist from any act or practice that violates this title.

(2) In any civil action brought under section 109, a court may grant as relief any permanent or temporary injunction, temporary restraining order, or other equitable relief as the court considers appropriate.

(b) Monetary Damages.—Any employer that violates this title shall be liable to the injured party in an amount equal to—

(1) any wages, salary, employment benefits, or other compensation denied or lost to the employee by reason of the violation, plus interest on the total monetary damages calculated at the prevailing rate; and

(2) an additional amount equal to the greater of—

(A) the amount determined under paragraph (1), as liquidated damages; or

(B) general or consequential damages.

(c) Attorneys' Fees.—A prevailing party (other than the United States) may be awarded a reasonable attorneys' fee as part of the costs, in addition to any relief awarded. The United States shall be liable for costs in the same manner as a private person.

(d) Limitation.—Damages awarded under subsection (b) may not accrue from a date more than 2 years before the date on which a charge is filed under section 108(b) or a civil action is brought under section 109.

SEC. 112. NOTICE.

(a) In General.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) Penalty.—Any employer who willfully violates this section shall be fined not more than $100 for each separate offense.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. PARENTAL AND TEMPORARY MEDICAL LEAVE.

(a) In General.—(1) Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER III—PARENTAL AND TEMPORARY MEDICAL LEAVE

"§ 6331. Definitions

"For purposes of this subchapter:

"(1) 'employee' means—

"(A) an employee as defined by section 6301(2) of this title (excluding an individual employed by the government of the District of Columbia); and

"(B) an individual under clause (v) or (ix) of such section;

whose employment is other than on a temporary or intermittent basis;

"(2) 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment, or continuing supervision, by a health care provider; and

"(3) 'child' means a biological, adopted, or foster child, stepchild, legal ward, or child of a de facto parent, who is under 18 years of age.

"§ 6332. Parental leave

"(a) Leave under this section shall be granted on the request of an employee if the leave is requested—

"(1) as the result of the birth of a child of the employee;

"(2) as the result of the placement for adoption or foster care of a child with the employee; or

"(3) in order to care for employee's child who has a serious health condition.

"(b) Leave under this section—

"(1) shall be leave without pay;

"(2) may not, in the aggregate, exceed the equivalent of 18 administrative workweeks of the employee during any 24-month period; and

"(3) shall be in addition to any annual leave, sick leave, temporary medical leave, or other leave or compensatory time off otherwise available to the employee.

"(c) An employee may elect to use leave under this section—

"(1) immediately before or after (or otherwise in coordination with) any period of annual leave, or compensatory time off, otherwise available to the employee;

"(2) under a method involving a reduced workday, a reduced workweek, or other alternative work schedule;

"(3) on either a continuing or intermittent basis; or

"(4) any combination thereof.

"§ 6333. Temporary medical leave

"(a) An employee who, because of a serious health condition, becomes unable to perform the functions of the position of the employee shall, on request of the employee, be entitled to leave under this section.

"(b) Leave under this section—

"(1) shall be leave without pay;

"(2) shall be available for the duration of the serious health condition of the employee involved, but may not, in the aggregate, exceed the equivalent of 26 administrative workweeks of the employee during any 12-month period; and

"(3) shall be in addition to any annual leave, sick leave, parental leave, or other leave or compensatory time off otherwise available to the employee.

"(c) An employee may elect to use leave under this section—

"(1) immediately before or after (or otherwise in coordination with) any period of annual leave, sick leave, or compensatory time off otherwise available to the employee;

"(2) under a method involving a reduced workday, a reduced workweek, or other alternative work schedule;

"(3) on either a continuing or intermittent basis; or

"(4) any combination thereof.

"§ 6334. Job protection

"An employee who uses leave under section 6332 or 6333 of this title shall be entitled to be restored to the position held by the employee immediately before the commencement of the leave.

"§ 6335. Prohibition of coercion

"(a) An employee may not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6336. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 of this title who is placed in a leave status under section 6332 or 6333 of this title may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909 of this title), through the employing agency of the employee, the appropriate employee contributions.

"§ 6337. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Parental and Medical Leave Act of 1987.".

(2) The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER III—PARENTAL AND TEMPORARY MEDICAL LEAVE

"6331. Definitions.
"6332. Parental leave.
"6333. Temporary medical leave.
"6334. Job protection.
"6335. Prohibition of coercion.
"6336. Health insurance.
"6337. Regulations.".

(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(c)(1) of title 5, United States Code, is amended by striking out "53" and inserting in lieu thereof "53, subchapter III of chapter 63,".

TITLE III—ADVISORY PANEL ON PAID PARENTAL AND MEDICAL LEAVE

SEC. 301. ESTABLISHMENT.

(a) ESTABLISHMENT.—There is established an Advisory Panel to be known as the Advisory Panel on Paid Parental and Medical Leave (hereinafter in this title referred to as the "Panel").

SEC. 302. DUTIES.

The Panel shall—

(1) compile and review, to the extent practicable, all studies of existing and proposed methods designed to provide workers with full or partial salary replacement or other income protection during periods of temporary medical leave, parental leave, and leave for care of dependents;

(2) conduct, where it deems appropriate, research activities;

(3) within 2 years after the date on which the Panel first meets, submit a report to Congress, including legislative recommendations concerning implementation of a system of salary replacement for temporary medical leave and parental leave.

SEC. 303. MEMBERSHIP.

(a) COMPOSITION.—The Panel shall be composed of 15 members appointed not more than 60 days after the date of the enactment of this Act as follows:

(1) Three Senators shall be appointed by the majority leader of the Senate, in consultation with the minority leader of the Senate.

(2) Three members of the House of Representatives shall be appointed by the Speaker of the House of Representatives, in consultation with the minority leader of the House of Representatives.

(3) The Secretary of Health and Human Services.

(4) The Secretary of Labor.

(5) Seven members shall be appointed jointly by the majority leader of the Senate and the Speaker of the House of Representatives. The members shall be appointed by virtue of demonstrated expertise in relevant family and temporary disability issues.

(b) VACANCIES.—Any vacancy on the Panel shall be filled in the same manner in which the original appointment was made.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—The Panel shall elect a chairperson and a vice-chairperson from among the members of the Panel.

(d) QUORUM.—Eight members of the Panel shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) PAY.—Members of the Panel shall serve without compensation.

(b) TRAVEL EXPENSES.—Members of the Panel shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, while performing duties of the Panel.

SEC. 305. POWERS.

(a) MEETINGS.—The Panel shall first meet not more than 30 days after the date by which all members are appointed. The Panel shall meet thereafter on the call of the chairperson or a majority of the members.

(b) HEARINGS AND SESSIONS.—The Panel may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Panel considers appropriate. The Panel may administer oaths or affirmations to witnesses appearing before the Panel.

(c) ACCESS TO INFORMATION.—The Panel may secure directly from any Federal agency information necessary to enable the Panel to carry out this Act. On the request of the chairperson or vice chairperson of the Panel, the head of the agency shall furnish the information to the Panel.

(d) DIRECTOR.—The Panel may appoint an Executive Director from the personnel of any Federal agency to assist the Panel in carrying out the duties of the Panel.

(e) USE OF SERVICES AND FACILITIES.—On the request of the Panel, the head of any Federal agency may make available to the Panel any of the facilities and services of the agency.

(f) PERSONNEL FROM OTHER AGENCIES.—On the request of the Panel, the head of any Federal agency may detail any of the personnel of the agency to assist the Panel in carrying out the duties of the Panel.

SEC. 306. TERMINATION.

The Panel shall terminate 30 days after the date of the submission of the final report of the Panel to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) FEDERAL LAWS.—Nothing in this Act shall be construed to modify or affect any Federal law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or handicapped status.

(b) STATE AND LOCAL LAWS.—Nothing in this Act shall be construed to supersede any provision of any State and local law that provides greater employee parental or medical leave rights than the rights established under this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) MORE PROTECTIVE.—Nothing in this Act shall be construed to diminish the obligation of an employer to comply with any collective-bargaining agreement or any employment benefit program or plan that provides greater parental and medical leave rights to employees than the rights provided under this Act.

(b) LESS PROTECTIVE.—The rights provided to employees under this Act may not be diminished by any collective bargaining agreement or any employment benefit program or plan.

SEC. 403. REGULATIONS.

The Secretary shall prescribe such regulations as are necessary to carry out title I.

SEC. 404. EFFECTIVE DATES.

(a) IN GENERAL.—Titles I, II, and IV, and the amendments made by title II, shall become effective 6 months after the date of enactment of this Act.

(b) ADVISORY PANEL.—Title III shall become effective on the date of enactment of this Act.●

By Mr. HUMPHREY (for himself, Mr. ROTH, Mr. SYMMS, Mr. ZORINSKY, and Mr. HELMS):

S. 250. A bill to prevent fraud and abuse in HUD programs; to the Committee on Banking, Housing, and Urban Affairs.

HOUSING INCOME VERIFICATION ACT

● Mr. HUMPHREY. Mr. President, today I introduce legislation, the Housing Income Verification Act of 1987, that will go far in the fight for effective delivery of Federal assistance in one of the Government's larger agencies, the Department of Housing and Urban Development [HUD].

According to HUD, every year, at least $200 million is wasted in oversubsidy payments to participants in HUD programs. An oversubsidy occurs when an individual should under the law receive a Federal subsidy for housing of, say, $300 per month, but, since he or she does not report income fully and honestly, that individual receives $400 per month. The oversubsidy in this instance amounts to $100 per month. That means $1,200 per year. This is $1,200 that could be used either to reduce the Federal operating subsidy to the local public housing authority or to provide help to some other individual truly in need of assistance.

Mr. President, this practice is wrong. Congress should do what it can to stop it.

The legislation I am proposing suggests a straightforward solution to the problem of fraud and abuse. Under my proposal, the Department of Housing and Urban Development would be granted access to the Social Security numbers of those individuals who participate in any HUD program which involves loans, grants, interest or rental assistance of any kind, or mortgage or loan insurance. For those programs involving initial or periodic review or an applicant's or participant's income, applicants and participants would be required to sign a consent form authorizing the verification of salary and wage information pertinent to eligibility for, or level of, benefits. Through the Social Security numbers and consent forms, HUD would be able to access the State employment records in order to verify wage and unemployment compensation information.

Mr. President, I introduced similar legislation last year, along with several of my colleagues as part of a 15 bill package implementing several Grace Commission recommendations. A similar proposal was also included in the Senate version of the Housing reauthorization bill. Since that time, the proposal has been refined and reworked with interested parties.

Housing eligibility verification is one of the top priorities of the Department of Housing and Urban Development. The Congress should also take up the cause. With huge deficits, it has become even more critical to target each and every Federal dollar as effectively as possible. Mr. President, that is precisely what this bill proposes. I urge my colleagues to join me in support of the Income Verification Act.

Mr. President, I ask unanimous consent that a copy of my bill appear in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 250

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Income Verification Act of 1987".

PREVENTING FRAUD AND ABUSE IN HOUSING AND URBAN DEVELOPMENT PROGRAMS

SEC. 2. (a) DISCLOSURE OF SOCIAL SECURITY AND EMPLOYER IDENTIFICATION NUMBERS.—As a condition of initial or continuing eligibility for participation in any program of the Department of Housing and Urban Development involving loans, grants, interest, or rental assistance of any kind, or mortgage or loan insurance, and to assure that the level of benefits provided under these programs is proper, the Secretary may require that an applicant or participant (including members of an applicant's or participant's household) disclose his or her social security number or employer identification number to the Secretary.

(b) APPLICANT AND PARTICIPANT CONSENT.—As a condition of initial or continuing eligibility for participation in any program of the Department of Housing and Urban Development involving initial and periodic review of an applicant's or participant's income, and to assure that the level of benefits provided under the program is proper, the Secretary may require that an applicant or participant (including members of an applicant's or participant's household) sign a consent form approved by the Secretary authorizing the Secretary, or the public housing agency or owner responsible for determining eligibility or level of benefits, to verify salary and wage information of a current or previous employer pertinent to the applicant's or participant's eligibility or level of benefits. This consent form may not be used to request taxpayer return information protected by section 6103 of the Internal Revenue Code of 1954.

(c) DEFINITIONS.—As used in this section:

(1) The term "Secretary" means the Secretary of Housing and Urban Development.

(2) The terms "applicant" and "participant" shall have such meaning as the Secretary by regulation shall prescribe. Such terms shall not include persons whose involvement is only in their official capacity, such as State or local government officials and officers of lending institutions.

(3) The term "public housing agency" means any agency described in section 3(b)(6) of the United States Housing Act of 1937.

(d)(1) ACCESS TO STATE EMPLOYMENT RECORDS.—Section 303 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(h)(1) The State agency charged with the administration of the State law—

"(A) shall disclose, upon request and on a reimbursable basis, to officers or employees of the Department of Housing and Urban Development, any of the following information contained in the records of the State agency, with respect to individuals applying for or participating in any housing assistance program administered by the Department—

"(i) wage information, and

"(ii) whether an individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received (or to be received) by such individual; and

"(B) shall establish such safeguards as are necessary (as determined by the Secretary of Labor in regulations) to insure that information disclosed under subparagraph (A) is used only for the purpose of determining an individual's eligibility for benefits, or the amount of benefits, under a housing assistance program of the Department of Housing and Urban Development.

"(2) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirements of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until the Secretary of Labor is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, he shall make no further certification to the Secretary of the Treasury with respect to such State.".

(2)(A) APPLICANT AND PARTICIPANT PROTECTIONS.—In order to protect applicants for and recipients of benefits under the programs of the Department of Housing and Urban Development from the improper use of information obtained pursuant to the requirements of section 303(h) of the Social Security Act from the State agency charged with the administration of the State unemployment compensation law, no Federal, State, local, or public housing agency, or owner responsible for determining eligibility or level of benefits, receiving such information may terminate, deny, suspend, or reduce any benefits of an individual until such agency or owner has taken appropriate steps to independently verify information relating to—

(i) the amount of the wages or unemployment compensation involved,

(ii) whether such individual actually has (or had) access to such wages or benefits for his own use, and

(iii) the period or periods when, or with respect to which, the individual actually received such wages or benefits.

(B) Such individual shall be informed by the agency or owner of the findings made by the agency or owner on the basis of such verified information, and shall be given an opportunity to contest such findings, in the same manner as applies to other information and findings relating to eligibility factors under the program.

(3)(A) Any person who knowingly and willfully requests or obtains any information concerning an individual pursuant to the authority contained in section 303(h) of the Social Security Act under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than $5,000. The term "person" as used in this paragraph includes an officer or employee of the Department of Housing and Urban Development, an officer or employee of any public housing agency, or any owner (or employee thereof).

(B) Any individual affected by (i) a negligent or knowing disclosure of information referred to in this section or in section 303(h) of the Social Security Act about such person, by an officer or employee of any public housing agency or owner (or employee thereof), which disclosure is not authorized by this section or section 303(h), or (ii) any other negligent or knowing action that is inconsistent with this section or section 303(h) of the Social Security Act (or regulations promulgated thereunder), may bring a civil action for damages and such other relief as may be appropriate against any officer or employee of any public housing agency or owner (or employee thereof) responsible for any such unauthorized action, and the district court of the United States in the district in which the affected individual resides, or in which such unauthorized action occurred, or in which the individual alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney fees and other litigation costs.

(4)(A) The amendment made by subsection (d)(1) shall take effect on September 30, 1988, except that at the initiative of a State or the State agency of the State, and with the approval of the Secretary of Labor, the amendment may be made effective in such State on any date prior to September 30, 1988, which is more than 90 days after the date of enactment of this section.

(B) The effective dates of subsections (d)(2) and (d)(3) shall be 90 days after the date of enactment of this section.●

By Mr. BRADLEY (for himself and Mr. LAUTENBERG):

S. 251. A bill to designate certain segments of the Maurice, the Manantico, and the Manumuskin Rivers in New Jersey as study rivers for inclusion in the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

DESIGNATION OF CERTAIN WILD AND SCENIC RIVERS AREAS

● Mr. BRADLEY. Mr. President, it is my pleasure to send the following bill to the desk on behalf of myself and my colleague from New Jersey, Senator LAUTENBERG. This legislation is identical to a bill I introduced last Congress. Its purpose is to direct the Department of the Interior to study the potential addition of the Maurice River, the Manantico Creek, and the Manumuskin River in southern New Jersey to the National Wild and Scenic Rivers System. Companion legislation is being again introduced by Congressman WILLIAM HUGHES in the House of Representatives.

Mr. President, the National Wild and Scenic Rivers Act, enacted in 1968, offered the first Federal protection for the Nation's rapidly disappearing network of free-flowing rivers and streams. This landmark law preserves selected rivers and river corridor landscapes which possess outstanding scenic, recreational, historic, and cultural values. I believe the Maurice, Manumuskin, and Manantico Rivers are just those kind of unique resources. As early as 1977, each of these rivers was recommended for inclusion in the national inventory of scenic rivers by the commissioner of the New Jersey Department of Environmental Protection.

The Maurice River has its headwaters in small tributaries in Gloucester and Salem Counties. In its progress toward the Delaware Bay, the river meanders through wooded and wetland terrain. As the river nears the bay, it widens and becomes tidal. The river winds in broad loops past the communities of Laurel Lake, Port Elizabeth, Mauricetown, Dorchester, Leesbury, Shell Pike, and Vivalre. The Manantico and Manumuskin Rivers also have a rich diversity, passing through fresh water wetlands, swamp forest, upland forest, and local communities.

These rivers host a variety of plant and animal life, including a number of threatened and endangered species. Additionally, this river area is lauded as one of the finest for canoeing in the coastal region and is recognized for its pristine water quality.

Mr. President, those who live in southern New Jersey would like to assure that the rivers' water quality and recreational opportunities are maintained through sound planning and management. The Wild and Scenic Rivers Act would help provide this protection through the development of a management plan. The proposed study has the support of all the local municipalities.

Last session, time ran out before the bill could be passed by the Senate. However, in my discussions with various Senators, I believe there was a consensus that this bill could be addressed quickly in committee and moved to the Senate floor. This session I will be working to insure the swift and, I trust, favorable consideration of this bill by my colleagues in the Senate.

Mr. President, the Wild and Scenic Rivers Act has been successful in preserving a number of our Nation's free-flowing rivers. The Maurice, Manantico and Manumuskin Rivers are excellent candidates for the preservation and protection afforded by this act. I ask unanimous consent that the text of the bill be printed in the RECORD

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 251

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION AS STUDY RIVERS.

Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(A)) is amended by adding at the end thereof of the following:

"(92) MAURICE, NEW JERSEY.—The segment from Shell Pile to the point three miles north of Laurel Lake.

"(93) MANUMUSKIN, NEW JERSEY.—The segment from its confluence with the Maurice River to the crossing of State Route 49.

"(94) MANANTICO CREEK, NEW JERSEY.—The segment from its confluence with the Maurice River to its source.●

● Mr. LAUTENBERG. Mr. President, I am pleased to join my colleague from New Jersey, Senator BRADLEY, in introducing legislation to designate sections of three New Jersey rivers for inclusion in the National Wild and Scenic Rivers System. This bill would name certain segments of the Maurice, Manumuskin, and Manantico Rivers in New Jersey as study rivers. This is the first step in the wild and scenic designation process. Our distinguished colleague in the House of Representatives, BILL HUGHES, is introducing the companion measure today.

Mr. President, this is the same bill that Senator BRADLEY and I introduced late in the 99th Congress. In the closing days of the session, it was not possible to have this important measure considered. But our desire, and the desire of the local community, to see these valuable rivers protected did not end with the session. These rivers still deserve the protection offered by inclusion in the Wild and Scenic Rivers System. By introducing this bill at the outset of the 100th Congress, it is my hope to see the process of protecting these rivers begin quickly.

The Wild and Scenic Rivers Act, enacted in 1968, expressed the national policy of balancing the need for dams and other construction at appropriate sections of rivers with the need to preserve selected rivers and sections of rivers in their free-flowing condition. It was the intent of Congress to protect such rivers and the natural resources surrounding them, for their scenic, recreational, historic, cultural, and other outstanding qualities. There are currently 68 rivers in the wild and scenic system.

The Maurice, Manumuskin, and Manantico Rivers are located in a sparsely developed region in the southern portion of New Jersey. The Manumuskin is a tributary to the Maurice River which flows into the Delaware River Bay. Together, these rivers possess some of the most delicate species of animal and plant life in the State.

The Maurice contains many of the physical remnants of New Jersey's once prosperous oyster harvesting and processing industry. Many species of reptiles and amphibians, including the threatened and endangered tiger salamander, and corn and pine snakes, inhabit the Maurice. This type of environment is unqiue to New Jersey and represents an important part of the Atlantic coastal landscape.

The water quality of the Manumuskin River is of the highest in the State. The Manumuskin encompasses a diverse stretch of wetlands, swamp forests and upland forests. It is the site of an historic church which dates back to the American Revolution. One species of plant found along the Manumuskin appears in only five locations throughout the world. This fall, thousands of migrating waterfowl, rail birds, and bobolink will stop along the river.

Large portions of the Maurice, Manumuskin, and Manantico lie within the boundaries of the Pinelands National Reserve, one of our most valuable natural resources. In the last session, we were successful in having portions of the Great Egg Harbor River designated as a study river. I look forward to its eventual addition to the wild and scenic system. Inclusion of these rivers within the system would complement that effort, and enhance protection of these areas in cooperation with the Federal, State, and local efforts through the Pinelands Comprehensive Management Plan.

Local support for the protection of these rivers is overwhelming. My constituents have been working hard to preserve and protect important portions of the Maurice, Manumuskin, and Manantico Rivers. The National Park Service strongly supports inclusion of these rivers in the wild and scenic rivers system. Designation of these rivers by the Park Service as study rivers would represent the culmination of years of efforts by local individuals, the State of New Jersey, conservation groups, and the Federal Government who wish to preserve them for the enjoyment of residents and visitors alike.

Mr. President, last October I spent a day touring these rivers. It was a day I'll not soon forget. On the tour, we saw a tremendous abundance of wildlife, including the endangered national symbol, the bald eagle. This is an area of great natural beauty. It's part of our State that we New Jerseyans are most proud of. It's a side of New Jersey many people do not know exists. I want to make sure that future generations will be able to see and enjoy this area as I have.

I urge my colleagues to support this legislation, and I look forward to working with the local communities, the State of New Jersey, and the Park Service in protecting these important natural resources.●

By Mr. DECONCINI (for himself and Mr. MCCAIN):

S. 252. A bill to establish a San Pedro Riparian National Conservation Area; to the Committee on Energy and Natural Resources.

SAN PEDRO RIPARIAN NATIONAL CONSERVATION AREA

● Mr. DECONCINI. Mr. President, I am introducing legislation today that I sponsored in the 99th Congress which will establish special protection for a unique riparian ecosystem in southern Arizona known as the San Pedro Riparian Area. Lands along a 31-mile stretch of the San Pedro River in western Cochise County, AZ, comprise some of the most valued riparian, wildlife, archaeological, paleontological, scientific, cultural, and recreational resources in the Southwest. Intense national interest in this area sparked action by the Bureau of Land Management to acquire riparian lands along the San Pedro. On March 7, 1986, title to these lands was turned over to the Bureau of Land Management through a land exchange initiative with the private owner, Tenneco Inc. Since that time, the BLM has closed the 43,371 acres of land to the public while it formulates an interim land management policy for these important public lands.

The legislation I am sponsoring today, with my good friend from Arizona, Senator MCCAIN, will place the San Pedro Riparian Area under the management of a national conservation area of the Bureau of Land Management. The lands will be managed to protect the fragile resource values but will be open to the public for recreation and other uses on a controlled basis.

Mr. President, in previous years individuals and organizations came to me seeking land and water conservation funds to acquire the lands now comprising the San Pedro River Riparian Area. Two years ago, estimates on the cost to acquire this area ranged from $20 to $30 million. Through the initiative of the Bureau of Land Management, the Federal Government now owns these lands and can manage them to protect the resources and assure public enjoyment for the years to come. I commend the BLM for its foresight and leadership in acquiring and protecting these lands. In times when all of us are gravely concerned about spiraling Federal deficits, it is good to see actions undertaken that respond to our public land needs without deepening the Federal budgetary problems. Dean Bibles, the Arizona State director for the BLM, is largely responsible for this achievement and deserves substantial credit.

The 43,371 acres of land along the San Pedro River are rich in wildlife and significant cultural resources. The area provides habitat to the largest diversity of reptiles, birds, and mammals found in the United States and North America. Mexican birds, whose northern range is southeastern Arizona, use the area and species like the Harris hawk, the black hawk, the zone-tailed hawk, gray hawk, aplomado falcon, and the elegant trogon are prevalent. Experts estimate that the area includes 161 species of birds, 80 species of mammals, a dozen fish species, and about 68 species of reptiles and amphibians.

Equally important are the abundance of cultural and historic resources found in the area. There are 110 known archaeological sites including the famous and highly significant Paleo Indian sites dating to 11,000 years ago, the Presideo of Santa Cruz de Terrante (Quiburi), Murray Springs, and the Escapule site. This is one of the few areas within the United States where known sites of the period between the prehistoric and historic occupation of the Southwest still exist. While many of these sites must be carefully preserved, they do afford excellent opportunities for interpretation and education for the public.

While the Bureau of Land Management has existing authority under the Federal Land Policy and Management Act of 1976 to manage these lands, because of the fragile nature of the significant resources and the need to ensure the proper protection and use of the area for the years to come, I believe special consideration should be afforded this area by the designation of the San Pedro Riparian Area as a national conservation area. Under the legislation I propose today, the San Pedro lands will be managed primarily to conserve and protect the riparian, aquatic, wildlife, archaeological, paleontological, scientific, cultural, educational, and recreation resources of the area. None of the lands will be eligible for disposal and the Secretary will be directed to work with the public to develop a long-term management policy for the national conservation area. The Secretary shall have the authority to enter into cooperative agreements with State and local agencies like the Arizona Game and Fish Department, Arizona State Parks and private organizations who may have special management expertise and concern for the preservation of the area. Subject to valid existing rights, the area will be withdrawn from mineral entry and livestock grazing. Because of the environmental importance of this area, an Advisory Council will be established to advise and recommend to the Secretary of the Interior the appropriate practices for the development and implementation of the management plan for this area. Also, because there have been concerns about the BLM's ability to sufficiently manage and protect this area under the designation of a national conservation area, I have included a provision which requires the Secretary of the Interior to submit a report to the appropriate committees of the House and the Senate within 5 years of the date of enactment of the act and every 10 years thereafter, on the implementation of the terms of the act. That report is to include a detailed statement on the condition of the resources and the BLM's ability to achieve the management objectives outlined in the bill.

Mr. President, through the initiative taken by Dean Bibles of the BLM and through the permanent management authority offered to the San Pedro area in this legislation, a unique area of diverse resources, breathtaking beauty, and historic values will be preserved and protected for all Americans to enjoy for the years to come. The cooperation and continued work by experts and citizens in Arizona, working with the BLM, will assure this goal.

In order to adopt a permanent management plan for this important area this year, it is my hope that the Energy and Natural Resources Committee will take expeditious action on this measure early in the session and report the bill intact. The bill I am introducing today is virtually identical to the bill which passed the House of Representatives in the 99th Congress. One minor change involves the expansion of the boundary to take in 48,707 acres. Last year, despite the strong support of the entire Arizona congressional delegation for this designation, the legislation was stalled because of concerns about grazing language and the issue of Federal reserve water rights. My position on both of these issues has not changed from the previous Congress. The BLM is currently honoring a lease issued by Tenneco to a grazing allottee through 1987. After that time, the BLM has no intentions of issuing any Federal grazing permits for this area because of its desire to undertake extensive research and evaluation on the land in the absence of grazing. A provision has been included in the legislation restricting livestock grazing in the San Pedro area for a period of 15 years. On the subject of Federal reserve water rights, I have specifically excluded language on this subject in order to afford all parties an opportunity to address this matter in an equitable fashion if and when the issue of water rights should become a question in the future. I know of no way at this time to quantify how much water in this desert riparian area will be necessary to accommodate a minimum flow to protect the area in perpetuity.

The support for this legislation continues to be widespread. I hope the committee will take the appropriate steps to protect this area early in the 100th Congress.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 252

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF SAN PEDRO RIPARIAN NATIONAL CONSERVATION AREA.

(a) Establishment.—In order to protect the riparian area and the aquatic, wildlife, archeological, paleontological, scientific, cultural, educational, and recreational resources of the Public lands surrounding the San Pedro River in Cochise County, Arizona, there is hereby established the San Pedro Riparian National Conservation Area (hereafter in this Act referred to as the "conservation area").

(b) Area Included.—The conservation area shall consist of public lands as generally depicted on a map entitled "San Pedro Riparian National Conservation Area—Proposed" dated July 1986, comprising approximately 48,707 acres.

(c) Map.—As soon as is practicable after enactment of this Act, a map and legal description of the conservation area shall be filed by the Secretary of the Interior (hereafter in this Act referred to as the "Secretary") with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. Each such map shall have the same force and effect as if included in this Act. Such map shall be on file and available for public inspection in the Office of the Director of the Bureau of Land Management, Department of the Interior, and in the Bureau of Land Management offices of the State Director for Arizona, and the district office responsible for the management of the conservation area.

SEC. 2. MANAGEMENT OF CONSERVATION AREA.

(a) General Authorities.—The Secretary shall manage the conservation area in a manner that conserves, protects, and enhances the riparian area and the aquatic, wildlife, archeological, paleonotological, scientific, cultural, educational, and recreational resources of the conservation area. Such management shall be guided by this Act and, where not inconsistent with this Act, by the provisions of the Federal Land Policy and Management Act of 1976 (hereinafter in this Act referred to as "FLPMA").

(b) Uses.—The Secretary shall only allow such uses of the conservation area as he finds will further the primary purposes for which the conservation area is established. Except where needed for administrative or emergency purposes, the use of motorized vehicles in the conservation area shall only be allowed on roads specifically designated for such use as part of the management plan prepared pursuant to section 3 of this Act. The Secretary shall have the power to implement such reasonable limits to visitation and use of the conservation area as he finds appropriate for the protection of the resources of the conservation area, including requiring permits for public use, or closing portions of the conservation area to public use.

(c) Livestock.—In order to provide an opportunity for the study, evaluation, and monitoring of riparian areas in the absence of livestock grazing, the Secretary shall not, subject to valid existing contractual rights, issue any permit for the grazing of livestock on lands designated as part of the conservation area by this Act for a period of 15 years from the date of enactment of this Act.

(d) Withdrawals.—Subject to valid existing rights, all Federal lands within the conservation area are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws; from location, entry, and patent under the United States mining laws; and from disposition under all laws pertaining to mineral and geothermal leasing and all amendments thereto.

(e) Enforcement.—Any person who violates any provision of this Act or any regulation promulgated by the Secretary to implement this Act shall be subject to a fine of up to $10,000, or imprisonment for up to one year, or both.

SEC. 3. MANAGEMENT PLAN.

(a) Development of Plan.—No later than 2 years after the enactment of this Act, the Secretary shall develop a comprehensive plan for the long-range management and protection of the conservation area. The plan shall be developed with full opportunity for public participation and comment, and shall contain provisions designed to assure protection of the riparian area and the aquatic, wildlife, archeological, paleontological, scientific, cultural, educational, and recreation resources and values of the conservation area.

(b) Recommendations.—The Secretary shall, in the comprehensive plan referred to in subsection (a), develop recommendations to Congress on whether additional lands should be included in the conservation area.

(c) Cooperative Agreements.—The Secretary may enter into cooperative agreements with appropriate State and local agencies, pursuant to section 307(b) of FLPMA, to better implement the plan developed pursuant to subsection (a).

(d) Research.—In order to assist in the development of appropriate management strategies for the conservation area, the Secretary may authorize research on matters including the environmental, biological, hydrological, and cultural resources of the conservation area, pursuant to section 307(a) of FLPMA.

SEC. 4. ADVISORY COMMITTEE.

(a) Establishment.—The Secretary shall establish a San Pedro Riparian National Conservation Area Advisory Committee, whose purpose shall be to advise the Secretary with respect to the preparation and implementation of the comprehensive, long-range plan required pursuant to section 3 of this Act.

(b) Representation.—There shall be 7 members of the Committee, who shall be appointed by the Secretary. Members of the Committee shall be appointed for terms of 3 years, except that of the members first appointed 2 shall be appointed for terms of 1 year and 3 shall be appointed for terms of 2 years. The Secretary shall appoint one member from nominations supplied by the Governor of the State of Arizona, and one member from nominations supplied by the Supervisors of Cochise County, Arizona. The other members shall be persons with recognized backgrounds in wildlife conservation, riparian ecology, archeology, paleontology, or other disciplines directly related to the primary purposes for which the conservation area was created.

SEC. 5. LAND ACQUISITION.

The Secretary may acquire lands or interests in lands within the boundaries of the conservation area by exchange, purchase, or donation, except that any lands or interests therein owned by the State or local government may be acquired by donation or exchange only. Any purchase or exchange of lands to be added to the conservation area shall require the consent of the owner of those lands or rights.

SEC. 6. REPORT TO CONGRESS.

No later than five years after the enactment of this Act, and every ten years thereafter, the Secretary shall report to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate, on the implementation of this Act. Such report shall include a detailed statement on the condition of the resources within the conservation area and of the progress of the Bureau of Land Management in achieving the purposes of this Act.

SEC. 7. AUTHORIZATION.

There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.●

By Mr. DeCONCINI (for himself and Mr. McCain):

S. 253. A bill to convey Forest Service land to Flagstaff, AZ; to the Committee on Energy and Natural Resources.

TRANSFER OF CERTAIN FEDERAL LANDS TO FLAGSTAFF, AZ

● Mr. DeCONCINI. Mr. President, I am sponsoring legislation today which will authorize the Secretary of Agriculture to convey 134.57 acres of Forest Service land to the city of Flagstaff, AZ. The bill I am introducing today is identical to the bill which was reported by the Energy and Natural Resources Committee in the 99th Congress. It conveys Forest Service land to the city of Flagstaff for use as a public park. It contains a provision specifying that the land must be used for open space and public recreation, otherwise the land will revert to the Federal Government.

The land identified for transfer in the bill will go to the city without consideration except for the administrative costs of transferring title to the land. The lands to be transferred are presently being utilized by the city of Flagstaff for a public park known as Thorpe Park, under special use permit. The Forest Service has no plans to use the lands for other purposes. The city would like to make major improvements to the Thorpe Park lands. However, if the city has to pay the costs to acquire the Forest Service property, it will have to forgo recreational improvements on the land until some time well into the future. Since the lands will be managed for public purposes and because they are presently being used by the city for those purposes, it makes sense to me that the lands ought to be transferred to the city. The city can then make its own decisions on future improvements and management of the lands which will be best for public use.

It is my hope that this legislation will receive expeditious consideration by the Energy and Natural Resources Committee. I ask unanimous consent that the full text of the bill appear in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 253

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (b)(1) of section 1 of Public Law 96-581, relating to land conveyances in the State of Arizona, is amended by striking out "Any conveyances" and inserting in lieu thereof "Except as provided in subsection (c), any conveyances".

(b) Subsection (c) of section 1 is amended to read as follows:

"(c)(1) Of the tract of land described in subsection (a) of this section, the Secretary shall offer to sell at the fair market value as determined on December 23, 1980, to the Flagstaff Medical Regional Center, Flagstaff, Arizona, not to exceed 18.25 acres immediately adjacent to said Flagstaff Medical Regional Center and shall convey, without consideration, except for administrative costs associated with the preparation of title and legal description, to the city of Flagstaff, Arizona, 134.57 acres, under special use permit in effect on the date of enactment of this Act to the city of Flagstaff.

"(2) Title to any real property acquired by the city of Flagstaff pursuant to this section shall revert to the United States if the city attempts to convey or otherwise transfer ownership of any portion of such property to any other party or attempts to encumber such title, or if the town permits the use of any portion of such property for any purpose incompatible with the purposes specified in paragraph (3) of this section.

"(3) Real property conveyed to the city of Flagstaff pursuant to this section shall be used for public open space, park and recreational purposes.

"(4) Except for any land to be conveyed to the Flagstaff Medical Regional Center and the city of Flagstaff, the Secretary shall solicit public offers for the remaining lands and improvements authorized under subsection (a) of this section. All offers shall be publicly opened at the time and place stated in the solicitation in accordance with the administrative requirements of the Secretary. The Secretary shall consider price and land values before entering into agreements or land exchanges with any party whose offer conforming to the solicitation notice is determined by the Secretary to be the most advantageous to the Government. Notwithstanding any other provision of this Act, the Secretary may reject any offer if the Secretary determines that such rejection is in the public interest.".●

By Mr. DIXON:

S. 254. A bill to provide a one-time amnesty from criminal and civil tax penalties and 50 percent of the interest penalty owed for certain taxpayers who pay previous underpayments of Federal tax during the amnesty period, to amend the Internal Revenue Code of 1954 to increase by 50 percent all criminal and civil tax penalties, and for other purposes; to the Committee on Finance.

TAX AMNESTY DELINQUENCY ACT OF 1987

● Mr. DIXON. Mr. President, I have been very pleased by the many indications of support for a national tax amnesty. When I first introduced tax amnesty legislation, S. 203, in the 99th Congress, the ranks of those willing to take a serious look at the idea were very thin. The successful tax amnesties conducted by my own State of Illinois, however, and the States of Massachusetts, California, and New York have had a real impact. Their experience demonstrated the potential of this idea at the national level.

It is true that Federal tax collection efforts are more sophisticated than those of the States. However, compliance with the Federal tax laws is declining, and almost one-fifth of the taxes legally owed and due the United States are currently not being collected. This tax gap currently amounts to roughly $100 billion a year, and it grows every year as the percentage of taxpayers who comply with our Nation's tax laws continues to fall.

We have made substantial efforts to improve compliance levels in recent years, but they have not been effective in reducing the tax gap. One of the reasons for that lack of success is that Congress and the administration reduced the personnel levels at the Internal Revenue Service to levels that makes it impossible for them to effectively administer tax compliance, in spite of the fact that each additional revenue agent returns 10 to 12 times his or her salary to the Government in the form of additional tax revenues. The percentage of returns being audited has fallen in the last 15 years from almost 5 percent to slightly over 1 percent.

These figures indicate that even with the Federal Government's significant enforcement efforts, there is a large and growing amount of revenue not being collected, and a lot of room for significantly tougher enforcement actions. Given the enormous size of the Federal tax gap, the Federal Government would not need to be anywhere near as proportionately successful as Illinois or Massachusetts, for example, to collect many billions of dollars in additional revenue.

Revenues from a tax amnesty/enforcement package can be used to help reduce our budget deficits, and to help preserve high-priority Federal programs that are currently facing drastic cuts or even elimination. A tax amnesty/tougher enforcement program, because it is not a new tax or a tax increase for honest taxpayers of any kind, can help break the current budget gridlock by making it possible to comply with the Gramm-Rudman-Hollings deficit reduction targets while preserving our ability to meet both essential defense and domestic needs.

There is considerable debate on how much revenue a Federal tax amnesty might produce. The Senate Budget Committee in the last Congress used an estimate of $8.6 billion. My own estimate is that it could produce $20 billion or more.

In 1981, Federal tax collections were more than $81 billion below what they would have been if every taxpayer had paid his or her legal tax obligations. Individual taxpayers failed to report to the Internal Revenue Service almost $250 billion in income that year.

Unfortunately, 1981 is not an unusual year. The tax gap was more than $28 billion in 1973, or approximately double the budget deficit of $14 billion that year, and it has increased steadily since then. The Treasury Department estimates that the tax gap—the difference between the amount of tax that would be collected with 100 percent compliance with our Nation's tax laws and what is actually collected—was $92 billion or more in 1985, and believes that level could rise to between $386 to $473 billion by the turn of the century.

Congress has recognized the growing compliance problem these numbers represent and has taken a number of actions to try to correct it. During consideration of Senate Concurrent Resolution 32, the fiscal year 1986 budget resolution, the Senate adopted, by an overwhelming vote of 93 to 5, a resolution offered by the distinguished Senator from Massachusetts, Senator KERRY, urging the taxwriting committees to act to strengthen tax compliance. The Tax Reform Act also contained a number of provisions designed to improve tax compliance.

Congress has also been part of the problem, however. We have let IRS manpower levels erode in the past few years. IRS personnel levels are only now returning to their 1980 levels, and are still grossly inadequate to cover the increase in workload caused by increased complexity and the increasing number of tax returns being filed. Further, there have been at least 19 major changes in the tax laws in the past 22 years. The Tax Code has become so complicated that over 44 percent of all taxpayers are now using paid preparers, up from 37 percent just 2 years ago. The complexity and rapid pace of change has encouraged the growth of the perception that the Tax Code is unfair, and therefore helped to undermine the voluntary compliance that our tax laws fundamentally depend upon.

The Tax Reform Act was, in no small part, an attempt to deal with the interrelated problems of fairness, complexity, and noncompliance. In fact, the administration's original tax reform proposal was titled "The President's Tax Proposals to the Congress for Fairness, Growth, and Simplicity."

In my view, perhaps the most crucial measure of the success of any tax reform is its impact on future compliance. If taxpayers believe the Tax Reform Act really simplifies the Tax Code and makes it fairer, than the slide in voluntary compliance levels will be reversed.

Tax reform, however, speaks only to future compliance. It does nothing about collecting even some part of the billions and billions of dollars that the tax system failed to collect in the past. Neither will increased collection efforts by the Service result in the payments of the vast majority of these outstanding delinquent balances. The IRS has stated that it would take an additional 200,000 agents or even more to track down and collect a significant part of the tax gap, and that kind of police State option is something that no one, including the IRS wants.

That does not mean, though, that there is no way to recover any part of the tax gap from prior years. There is a mechanism that has been used successfully in a number of States, including Massachusetts and my own State of Illinois. That mechanism is known as tax amnesty.

Amnesty is a simple concept. It provides an opportunity for delinquent taxpayers to fully pay their overdue tax liability without being subject to criminal or civil prosecution. Fourteen States—Illinois, Massachusetts, New York, Connecticut, Kansas, Alabama, Texas, Missouri, Minnesota, North Dakota, New Mexico, Arizona, California, and Idaho—have already enacted, and in many cases implemented, tax amnesty programs.

Illinois, for example, collected approximately $150 million, far more than the $20 million the State department of revenue originally estimated. Massachusetts collected over $72 million, and in California, over 130,000 delinquent taxpayers came forward.

The State programs were not giveaways. They did not reward tax cheaters. The State programs were balanced; they increased compliance efforts and penalties for noncompliance after the amnesty period. The State programs resulted in placing additional taxpayers back on the rolls, and in additional tax collections that the States would not otherwise have received.

While I recognize the enormous differences between the State and national tax systems, I believe a national Tax Amnesty Program could be effective and ought to be considered. I am therefore today reintroducing the Federal Tax Amnesty Delinquency Act.

My bill establishes a 6-month amnesty period, to begin on July 1 after the bill is enacted. The amnesty period would cover all tax years through 1985 still subject to collection by the IRS—and I understand that the Service, in some circumstances, can go back 7 years or more.

All taxpayers would be eligible for the amnesty with some limited exceptions: First, those involved with the IRS in administrative or judicial proceedings before the amnesty period begins; second, those under criminal investigation where the IRS has referred the matter to the Justice Department before the amnesty period begins; and third, those who make false or fraudulent representations in attempting to take advantage of the amnesty.

The amnesty itself would be simple and straightforward. It would include amnesty from criminal and civil penalties and from 50 percent of any interest penalty owed. It would, however, apply only to legal-source income. Taxes due on income resulting from criminal activity would not be covered by the amnesty.

All Federal taxes would be included under the amnesty, not just the income tax.

The amnesty provisions are generous and provide a substantial incentive for taxpayers to take advantage of the amnesty period. However, the bill does not rely just on carrots; it also contains a couple of substantial sticks.

First, it increases all tax-related civil and criminal penalties, including money fines and jail terms, by 50 percent. The tougher penalties would apply to any tax year after 1986, and after the amnesty period, to any open tax year. Of course, the increased penalties would not apply to cases pending on the date of enactment where a judgment was entered before that date.

Second, the bill authorizes such funds as are necessary to add 3,000 additional revenue agents to the IRS, an increase of about 20 percent in the agent force. Adding agents can be extremely cost effective, because each additional agent can bring in as much as 12½ times his salary in additional tax revenue. In fact, the IRS has told me that agents can bring in as much as 40 times their salary, depending on where enforcement efforts are concentrated.

The bill also authorizes the funds the Treasury will need to administer and publicize the amnesty program. The State experience demonstrates that wide publicity can significantly enhance the effectiveness of an amnesty program.

I believe in the amnesty concept. I was greatly disappointed that the Tax Reform Act did not include a one-time amnesty provision. Amnesty and tax reform fit very well together. It is not yet too late, though, to take advantage to the benefits of tax amnesty as we phase in the new Tax Reform Act. I urge my colleagues to carefully examine the amnesty concept. I remain confident that a thorough and fair-minded review will result in enactment of a Federal tax amnesty by large, bipartisan majorities in both the House and the Senate. I look forward to working with the Members of the Senate toward that objective. Mr. President, I ask unanimous consent that a copy of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 254

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Tax Delinquency Amnesty Act of 1987".

SEC. 2. WAIVER OF CRIMINAL AND CIVIL PENALTIES AND 50 PERCENT OF INTEREST PENALTY.

(a) GENERAL RULE.—In the case of any underpayment of Federal tax for any taxable period, the taxpayer shall not be liable for any criminal or civil penalty (or addition to tax) or 50 percent of any interest penalty provided by the Internal Revenue Code of 1954 with respect to such underpayment if—

(1) during the amnesty period—

(A) the taxpayer files a written statement with the Secretary which sets forth—

(i) the name, address, and taxpayer identification number of the taxpayer,

(ii) the amount of the underpayment for the taxable period, and

(iii) such information as the Secretary may require for purposes of determining the correct amount of the underpayment for the taxable period, and

(B) the taxpayer agrees to a waiver of any restriction on the assessment or collection of such underpayment,

(2) when filing the statement described in paragraph (1), the taxpayer pays the amount of the underpayment shown on such statement, and

(3) not later than 30 days after the date on which the taxpayer is notified by the Secretary of the amount which equals 50 percent of the interest payable with respect to the underpayment (and the amount of any tax delinquent amount with respect to the taxpayer), the taxpayer pays the full amount of such interest (and such tax delinquent amount).

(b) INSTALLMENT PAYMENT OF TAX PERMITTED IN CERTAIN CASES.—The requirements of paragraphs (2) and (3) of subsection (a) shall be treated as met if—

(1) the taxpayer in the statement filed under subsection (a)(1) requests the privilege of making installment payments under this subsection, and

(2) the taxpayer enters into an agreement with the Secretary for the payment (in installments) of the amounts required to be paid under paragraphs (2) and (3) of subsection (a) within 30 days after contacted by the Secretary for purposes of entering into such an agreement (or in any case where the Secretary determines that permitting the payment in installments of such amounts is not appropriate, the taxpayer pays the entire amount of such amounts within 30 days after notified by the Secretary of such determination).

(c) AMOUNT OF UNDERPAYMENT DISPUTED.—If the amount under paragraph (3) of subsection (a) is disputed by the taxpayer, such amount must be paid within the period described in subsection (a). If the taxpayer is entitled to a refund as a result of the resolution of the dispute through normal administrative and judicial procedures, the Secretary shall refund the amount plus interest at the 6-month Treasury bill rate in effect as of the date the dispute is resolved.

(d) AMNESTY NOT TO APPLY IN CERTAIN CASES.—

(1) WHERE TAXPAYER CONTACTED BEFORE STATEMENT FILED.—Subsection (a) shall not apply to any underpayment of Federal tax for any taxable period to the extent that before the statement is filed under subsection (a)(1)—

(A) such underpayment was assessed,

(B) a notice of deficiency with respect to such underpayment was mailed under section 6212 of the Internal Revenue Code of 1954, or

(C) the taxpayer was informed by the Secretary that the Secretary has questions about the taxpayer's tax liability for the taxable period.

(2) WHERE FRAUD IN SEEKING AMNESTY OR WHERE CRIMINAL INVESTIGATION PENDING.—Subsection (a) shall not apply to any taxpayer if—

(A) any representation made by such taxpayer under this section is false or fraudulent in any material respect, or

(B) a Justice Department referral (within the meaning of section 7602(c)(2) of the Internal Revenue Code of 1954) is in effect with respect to such taxpayer as of the time the statement is filed under subsection (a)(1).

(3) ILLEGAL SOURCE INCOME.—Subsection (a) shall not apply to any underpayment of Federal tax with respect to income resulting from a criminal offense under Federal, State, or local law.

(e) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

(1) AMNESTY PERIOD.—The term "amnesty period" means the 6-month period which begins on July 1, 1987, or on the first July 1 after the date of the enactment of this Act.

(2) FEDERAL TAX.—The term "Federal tax" means any tax imposed by the Internal Revenue Code of 1954.

(3) TAXABLE PERIOD.—

(A) IN GENERAL.—The term "taxable period" means—

(i) in the case of a tax imposed by subtitle A of the Internal Revenue Code of 1954, the taxable year, or

(ii) in the case of any other tax, the period in respect of which such tax is imposed.

(B) SPECIAL RULE FOR TAXES WITH NO TAXABLE PERIOD.—In the case of any tax in respect of which there is no taxable period, any reference in this section to a taxable period shall be treated as a reference to the taxable event.

(4) ADDITION TO TAX INCLUDES ADDITIONAL AMOUNT.—The term "addition to tax" includes any additional amount.

(5) SECRETARY.—The term "Secretary" means the Secretary of the Treasury or his delegate.

(6) FORM OF STATEMENT.—Any statement under subsection (a)(1) shall be filed in such manner and form as the Secretary shall prescribe.

(7) NOTICE TO RELATED PERSONS TREATED AS NOTICE TO THE TAXPAYER.—

(A) IN GENERAL.—For purposes of subsection (d)(1)(C), any notice to a related person with respect to a matter which may materially affect the tax liability of the taxpayer for any taxable period shall be treated as notice to the taxpayer with respect to such taxable period.

(B) RELATED PERSON.—For purposes of subparagraph (A), the term "related person" means—

(i) any person who during the taxable period bore a relationship to the taxpayer described in section 267(b) of the Internal Revenue Code of 1954,

(ii) any partnership in which the taxpayer was a partner during the taxable period, or

(iii) any S corporation (as defined in section 1361 of such Code) in which the taxpayer was a shareholder during the taxable period.

(f) PERIODS FOR WHICH AMNESTY AVAILABLE.—The provisions of this section shall apply only to underpayments of Federal tax for taxable periods ending before January 1, 1986 (or, in the case of a tax for which there is no taxable period, taxable events before January 1, 1986).

(g) ADDITIONAL AUTHORIZATIONS.—

(1) AMNESTY PROGRAM.—There are authorized to be appropriated such sums as are necessary to administer the amnesty program, using special efforts to publicize such program including direct-mail contacts and radio, television, and print-media advertising.

(2) ADDITIONAL IRS AGENTS.—There are authorized to be appropriated such sums as are necessary to employ 3,000 additional Internal Revenue Service agents.

SEC. 3. CRIMINAL AND CIVIL TAX PENALTIES INCREASED BY 50 PERCENT.

(a) CIVIL PENALTIES.—

(1) Paragraphs (2) and (3) of section 6651(a) of the Internal Revenue Code of 1954 (relating to failure to file tax return or to pay tax) are each amended by striking out "0.5 percent" each place it appears and inserting in lieu thereof "0.75 percent".

(2) The following provisions of such Code are each amended by striking out "1 percent" each place it appears and inserting in lieu thereof "1.5 percent".

(A) Section 6657 (relating to bad checks).

(B) Subsection (b) of section 6706 (relating to original issue discount information requirements).

(C) Paragraph (2)(B)(i) of section 6707(a) (relating to failure to register tax shelter).

(3) The following provisions of such Code are each amended by striking out "5 percent" each place it appears and inserting in lieu thereof "7.5 percent".

(A) The heading and paragraph (1) of section 72(q) (relating to 5-percent penalty for premature distributions from annuity contracts).

(B) Paragraph (5)(A)(i) of section 6013(b) (relating to joint return after filing separate return).

(C) Paragraph (1) of section 6038(c) (relating to penalty of reducing foreign tax credit).

(D) Subsection (a)(1) of section 6651 (relating to file tax return or to pay tax).

(E) Subsection (a)(3)(A)(ii) and (g)(3)(B) of section 6652 (relating to failure to file certain information returns, registration statements, etc.).

(F) Paragraph (1) of section 6653(a) (relating to failure to pay tax).

(G) Subsection (a) of section 6656 (relating to failure to make deposit of taxes or overstatement of deposits).

(H) Subsection (a) of section 6677 (relating to failure to file information returns with respect to certain foreign trusts).

(I) Subsection (a) of section 6689 (relating to failure to file notice of redetermination of foreign tax).

(4) The following provisions of such Code are each amended by striking out "10 percent" each place it appears and inserting in lieu thereof "15 percent".

(A) Subsection (m)(5)(B) and (o)(2) of section 72 (relating to annuities; certain proceeds of endowment and life insurance contracts).

(B) Paragraph (1) of section 408(f) (relating to additional tax on certain amounts included in gross income before age 59½).

(C) Paragraph (1) of section 6038(c) (relating to penalty of reducing foreign tax credit).

(D) Paragraph (3)(A)(i) of section 6652(a) (relating to returns relating to information at source, payments of dividends, etc., and certain transfers of stock).

(E) Subsection (a) of section 6661 (relating to substantial understatement of liability).

(F) Section 6683 (relating to failure of foreign corporation to file return of personal holding company tax).

(5) The following provisions of such Code are each amended by striking out "10 percent" each place it appears and inserting in lieu thereof "15 percent".

(A) Subsection (b) of section 6659 (relating to addition to tax in the case of valuation overstatements for purposes of the income tax).

(B) Subsection (b) of section 6660 (relating to addition to tax in the case of valuation understatement for purposes of the estate or gift taxes).

(6) Subsection (a) of section 6700 of such Code (relating to promoting abusive tax shelters, etc.) is amended by striking out "20 percent" and inserting in lieu thereof "30 percent".

(7) The following provisions of such Code are each amended by striking out "20 percent" each place it appears and inserting in lieu thereof "30 percent".

(A) Subsection (b) of section 6659 (relating to addition to tax in the case of valuation overstatements for purposes of the income tax).

(B) Subsection (b) of section 6660 (relating to addition to tax in the case of valuation understatement for purposes of the estate or gift taxes).

(8) The following provisions of such Code are each amended by striking out "25 percent" each place it appears and inserting in lieu thereof "37.5 percent".

(A) Subsection (b) of section 6038B (relating to notice of certain transfers to foreign persons).

(B) Paragraphs (1), (2), and (3) of section 6651(a) (relating to failure to file tax return or to pay tax).

(C) Paragraph (1) of section 6656(b) (relating to overstated deposit claims).

(9) Subsection (f) of section 6659 of such Code (relating to addition to tax in the case of valuation overstatements for purposes of the income tax) is amended by striking out "30 percent" and inserting in lieu thereof "45 percent".

(10) The following provisions of such Code are each amended by striking out "30 percent" each place it appears and inserting in lieu thereof "45 percent".

(A) Subsection (b) of section 6659 (relating to addition to tax in the case of valuation overstatements for purpose of the income tax).

(B) Subsection (b) of section 6660 (relating to addition to tax in the case of valuation understatement for purposes of the estate or gift taxes).

(11) The following provisions of such Code are each amended by striking out "50 percent" each place it appears and inserting in lieu thereof "75 percent".

(A) Paragraph (5)(A)(ii) of section 6013(b) (relating to joint return after filing separate return).

(B) Paragraph (2) of section 6332(c) (relating to enforcement of levy).

(C) Subsection (c) of section 6652 (relating to failure to report tips).

(D) Subsection (a)(2), (b)(1), (b)(2), and (e) of section 6653 (relating to failure to pay tax).

(12) Subsection (b) of section 6697 of such Code (relating to assessable penalties with respect to liability for tax of qualified investment entities) is amended to read as follows:

"(b) 75-PERCENT LIMITATION.—The penalty payable under this section with respect to any determination shall not exceed 75 percent of the amount of the deduction allowed by section 860(a) for such taxable year.".

(13) Subsection (a) of section 6651 of such Code (relating to failure to file tax return or to pay tax) is amended by striking out "100 percent" and inserting in lieu thereof "150 percent".

(14) The following provisions of such Code are each amended by inserting "150 percent of" after "equal to" each place it appears.

(A) Subsection (a) of section 6672 (relating to failure to collect and pay over tax, or attempt to evade or defeat tax).

(B) Section 6684 (relating to assessable penalties with respect to liability for tax under chapter 42).

(C) Subsection (a) of section 6697 (relating to assessable penalties with respect to liability for tax of qualified investment entities).

(D) Subsection (a) of 6699 (relating to assessable penalties relating to tax credit employee stock ownership plans).

(15) Paragraph (1) of section 6621(d) of such Code (relating to interest on substantial underpayments attributable to tax motivated transactions) is amended by striking out "120 percent" and inserting in lieu thereof "180 percent".

(16) Subsection (a) of section 6675 of such Code (relating to excessive claims with respect to the use of certian fuels) is amended by striking out "Two times" and inserting in lieu thereof "Three times".

(17) Subsection (b) and (e) of section 6652 of such Code (relating to failure to file certain information returns, registration statements, etc.) is amended by striking out "$1" and inserting in lieu thereof "$1.50".

(18) The following provisions of such Code are each amended by striking out "$5" each place it appears and inserting in lieu thereof "$7.50".

(A) Section 6657 (relating to bad checks).

(B) Subsection (a) of section 6687 (relating to failure to supply identifying numbers).

(C) Subsection (a) of section 6687 (relating to failure to supply information with respect to place of residence).

(D) Paragraph (2) of section 6695(e) (relating to failure to file correct information return).

(19) The following provisions of such Code are each amended by striking out "$10" each place it appears and inserting in lieu thereof "$15".

(A) Subsections (d), (i), and (j) of section 6652 (relating to failure to file certain information returns, registration statements, etc.).

(B) Subsection (a) of section 6675 (relating to excessive claims with respect to the use of certain fuels).

(20) The following provisions of such Code are each amended by striking out "$25" each place it appears and inserting in lieu thereof "$37.50".

(A) Subsections (f), (g)(2), and (h) of section 6652 (relating to failure to file certain information returns, registration statements, etc.).

(B) Subsection (a), (b), and (c) of section 6695 (relating to other assessable penalties with respect to the preparation of income tax returns for other persons).

(21) The following provisions of such Code are each amended by striking out "$50" each place it appears and inserting in lieu thereof "$75".

(A) Paragraphs (1) and (2) of section 6652(a) (relating to returns relating to information at source, payments of dividends, etc., and certain transfers of stock).

(B) Section 6674 (relating to fraudulent statement or failure to furnish statement to employee).

(C) Subsection (a), (b), and (c) of section 6676 (relating to failure to supply identifying numbers).

(D) Subsection (a), (b), and (c) of section 6678 (relating to failure to furnish certain statements).

(E) Section 6690 (relating to fraudulent statement or failure to furnish statement to plan participant).

(F) Subsection (a) of section 6693 (relating to failure to provide reports on individual retirement accounts or annuities).

(G) Subsection (d) of section 6695 (relating to other assessable penalties with respect to the preparation of income tax returns for other persons).

(H) Subsection (b)(1) of section 6698 (relating to failure to file partnership return).

(I) Subsection (b)(1) of section 6704 (relating to failure to keep records necessary to meet reporting requirements under section 6047(e)).

(J) Subsection (a) of section 6706 (relating to original issue discount information requirements).

(K) Paragraph (2) of section 6707(b) (relating to failure to furnish tax shelter identification number).

(L) Subsection (a) of section 6708 (relating to failure to maintain lists of investors in potentially abusive tax shelters).

(22) The following provisions of such Code are each amended by striking out "$100" each place it appears and inserting in lieu thereof "$150".

(A) Subsection (as) of section 6651 (relating to failure to file tax return or to pay tax.

(B) Paragraph (3)(A)(iii) of section 6652(a) (relating to returns relating to information at source, payments of dividends, etc., and certain transfers of stock).

(C) Section 6686 (relating to failure to file returns or supply information by DISC or FSC).

(D) Section 6688 (relating to assessable penalties with respect to information required to be furnished under section 7654).

(E) Subsection (a) of section 6694 (relating to understatement of taxpayer's liability by income tax return preparer).

(F) Paragraph (1) of section 6695(e) (relating to failure to file correct information return).

(G) Paragraph (1) of section 6707(b) (relating to failure to furnish tax shelter identification number).

(23) Subsection (c) of section 6708 of such Code, as added by section 612(d)(1) of Deficit Reduction Act of 1984 (relating to penalties with respect to mortgage credit certificates) is amended by striking out "$200" and inserting in lieu thereof "$300".

(24) The following provisions of such Code are each amended by striking out "$500" each place it appears and inserting in lieu thereof "$750".

(A) Subsection (a) of section 6602 (relating to false information with respect to withholding).

(B) Subsection (b) of section 6694 (relating to understatement of taxpayer's liability by income tax return preparer).

(C) Subsection (f) of section 6695 (relating to other assessable penalties with respect to the preparation of income tax returns for other persons).

(D) Subsection (a) of section 6702 (relating to frivolous income tax return).

(E) Subsection (a) of section 6705 (relating to failure by broker to provide notice to payors).

(F) Paragraph (2)(A) of section 6707(a) (relating to failure to register tax shelter).

(25) The following provisions of such Code are each amended by striking out "$1,000" each place it appears and inserting in lieu thereof "$1,500".

(A) Paragraphs (1) and (2) of section 6038(b) (relating to dollar penalty for failure to furnish information).

(B) Paragraphs (1) and (2) of section 6038A(d) (relating to penalty for failure to furnish information).

(C) Subsection (b) and (e)(2) of section 6652 (relating to failure to file certain information returns, registration statements, etc.).

(D) Subsection (a) of section 6679 (relating to failure to file information returns with respect to certain foreign trusts).

(E) Subsection (a) of section 6679 (relating to failure to file returns, etc. with respect to foreign corporations or foreign partnerships).

(F) Section 6685 (relating to assessable penalties with respect to private foundation annual returns).

(G) Section 6686 (relating to failure to file returns or supply information by DISC or FSC).

(H) Section 6692 (relating to failure to file actuarial report).

(I) Subsection (a) of section 6700 (relating to promoting abusive tax shelters, etc.).

(J) Subsection (b)(1) of section 6701 (relating to penalties for aiding and abetting understatement of tax liability).

(K) Subsection (a) of section 6708, as added by section 612(d)(1) of Deficit Reduction Act of 1984, (relating to penalties with respect to mortgage credit certificates).

(26) Subsection (c) of section 6708 of such Code, as added by section 612(d)(1) of Deficit Reduction Act of 1984 (relating to penalties with respect to mortgage credit certificates) is amended by striking out "$2,000" and inserting in lieu thereof "$3,000".

(27) The following provisions of such Code are each amended by striking out "$5,000" each place it appears and inserting in lieu thereof "$7,500".

(A) Subsections (d), (e)(1), and (i) of section 6652 (relating to failure to file certain information returns, registration statements, etc.).

(B) Section 6673 (relating to damages assessable for instituting proceedings before the tax court primarily for delay, etc.).

(28) The following provisions of such Code are each amended by striking out "$10,000" each place it appears and inserting in lieu thereof "$15,000".

(A) Paragraph (2)(A) of section 6038(c) (relating to penalty of reducing foreign tax credit).

(B) Subsection (h) of section 6652 (relating to failure to file certain information returns, registration statements, etc.).

(C) Subsection (b)(2) of section 6701 (relating to penalties for aiding and abetting understatement of tax liability).

(D) Paragraph (2) of section 6707 (relating to failure to register tax shelter).

(E) Subsection (b) of section 6708, as added by section 612(d)(1) of Deficit Reduction Act of 1984, (relating to penalties with respect to mortgage credit certificates).

(29) Subsection (f) of section 6652 of such Code (relating to failure to file certain information returns, registration statements, etc.) is amended by striking out "$15,000" and inserting in lieu thereof "$22,500".

(30) Subsection (e) of section 6695 of such Code (relating to other assessable penalties with respect to the preparation of income tax returns for other persons) is amended by striking out $20,000" and inserting in lieu thereof "$30,000".

(31) Paragraph (2) of section 6038A(d) of such Code (relating to penalty for failure to furnish information) is amended by striking out "$24,000" and inserting in lieu thereof "$36,000".

(32) The following provisions of such Code are each amended by striking out "$25,000" each place it appears and inserting in lieu thereof "$37,500".

(A) Paragraph (3) of section 6652(g) (relating to returns, etc., required under section 6039C).

(B) Section 6686 (relating to failure to file returns or supply information by DISC or FSC).

(C) Subsection (d) of section 6695 (relating to other assessable penalties with respect to the preparation of income tax returns for other persons).

(33) The following provisions of such Code are each amended by striking out "$50,000" each place it appears and inserting in lieu thereof "$75,000".

(A) Paragraphs (1) and (3)(B) of section 6652(a) (relating to returns relating to information at source, payments of dividends, etc., and certain transfers of stock).

(B) Subsection (a) of section 6676 (relating to failure to supply identifying numbers).

(C) Subsection (a) of section 6678 (relating to failure to furnish certain statements).

(D) Subsection (b)(2) of section 6704 (relating to failure to keep records necessary to meet reporting requirements under section 6047(e)).

(E) Subsection (a) of section 6708 (relating to failure to maintain lists of investors in potentially abusive tax shelters).

(b) CRIMINAL PENALTIES.—

(1) Paragraph (3) of section 9012(e) of such Code (relating to kickbacks and illegal payments) is amended by striking out "125 percent" and inserting in lieu thereof "187.5 percent".

(2) Subsection (b) of section 7212 of such Code (relating to attempts to interfere with administration of internal revenue laws) is amended by striking out "$500" and inserting in lieu thereof "$750", and by striking out "double" and inserting in lieu thereof "triple".

(3) The following provisions of such Code are each amended by striking out "$1,000" each place it appears and inserting in lieu thereof "$1,500".

(A) Section 7204 (relating to fraudulent statement or failure to make statement to employees).

(B) Subsections (a) and (b) of section 7205 (relating to fraudulent withholding exemption certificate or failure to supply information).

(C) Section 7209 (relating to unauthorized use or sale of stamps).

(D) Section 7210 (relating to failure to obey summons).

(E) Section 7211 (relating to false statements to purchasers or lessees relating to tax).

(F) Subsection (b) of section 7213 (relating to unauthorized disclosure of information).

(G) Subsection (a) of section 7216 (relating to disclosure or use of information by preparers of returns).

(4) Subsection (a) of section 7212 of such Code (relating to attempts to interfere with administration of internal revenue laws) is amended by striking out "$3,000" and inserting in lieu thereof "$4,500".

(5) The following provisions of such Code are each amended by striking out "$5,000" each place it appears and inserting in lieu thereof "$7,500".

(A) Subsection (a) of section 7212 (relating to attempts to interfere with administration of internal revenue laws).

(B) Subsection (a) of section 7213 (relating to unauthorized disclosure of information).

(C) Subsection (b) of section 7214 (relating to offenses by officers and employees of the United States).

(D) Subsection (a) of section 7215 (relating to offenses with respect to collected taxes).

(E) Section 7231 (relating to failure to obtain license for collection of foreign items).

(F) Section 7232 (relating to failure to register or false statement by manufacturer or producer of gasoline or lubricating oil).

(G) Subsections (a)(2), (b)(3), (f)(3), and (g)(2) of section 9012 (relating to criminal penalties).

(6) The following provisions of such Code are each amended by striking out "$10,000" each place it appears and inserting in lieu thereof "$15,000".

(A) Section 7202 (relating to willful failure to collect or pay over tax).

(B) Section 7207 (relating to fraudulent returns, statements, or other documents).

(C) Section 7208 (relating to offenses relating to stamps).

(D) Subsection (a) of section 7214 (relating to offenses by officers and employees of the United States).

(E) Section 7240 (relating to officials investing or speculating in sugar).

(F) Section 7241 (relating to willful failure to furnish certain information regarding windfall profit tax on domestic crude oil).

(G) Subsection (c)(3), (d)(2), and (e)(2) of section 9012 (relating to criminal penalties).

(H) Subsections (b)(2), (c)(2), and (d)(2) of section 9042 (relating to criminal penalties).

(7) The following provisions of such Code are each amended by striking out "$25,000" each place it appears and inserting in lieu thereof "$37,500".

(A) Section 7203 (relating to willful failure to file return, supply information, or pay tax).

(B) Subsection (a) of section 9042 (relating to criminal penalties).

(8) Section 7207 of such Code (relating to fraudulent returns, statements, or other documents) is amended by striking out "$50,000" and inserting in lieu thereof "$75,000".

(9) The following provisions of such Code are each amended by striking out "$100,000" each place it appears and inserting in lieu thereof "$150,000".

(A) Section 7201 (relating to attempt to evade or defeat tax).

(B) Section 7203 (relating to willful failure to file return, supply information, or pay tax).

(C) Section 7206 (relating to fraud and false statements).

(10) The following provisions of such Code are each amended by striking out "$500,000" each place it appears and inserting in lieu thereof "$750,000".

(A) Section 7201 (relating to attempt to evade or defeat tax).

(B) Section 7206 (relating to fraud and false statements).

(11) Section 7209 of such Code (relating to unauthorized use or sale of stamps) is amended by striking out "6 months" and inserting in lieu thereof "9 months".

(12) The following provisions of such Code are each amended by striking out "$1 year" each place it appears and inserting in lieu thereof "1.5 years".

(A) Section 7203 (relating to willful failure to file return, supply information, or pay tax.

(B) Section 7204 (relating to fraudulent statement or failure to make statement to employees).

(C) Section 7205 (relating to fraudulent withholding exemption certificate or failure to supply information).

(D) Section 7207 (relating to fraudulent returns, statements, or other documents).

(E) Section 7210 (relating to failure to obey summons).

(F) Section 7211 (relating to false statements to purchasers or lessees relating to tax).

(G) Subsection (a) of section 7212 (relating to attempts to interfere with administration of internal revenue laws).

(H) Subsection (b) of section 7213 (relating to unauthorized disclosure of information).

(I) Subsection (a) of section 7215 (relating to offenses with respect to collected taxes).

(J) Subsection (a) of section 7216 (relating to disclosure or use of information by preparers of returns).

(K) Section 7231 (relating to failure to obtain license for collection of foreign items).

(L) Section 7241 (relating to willful failure to furnish certain information regarding windfall profit tax on domestic crude oil).

(M) Subsections (a)(2), (b)(3), (f)(3), and (g)(2) of section 9012 (relating to criminal penalties).

(13) The following provisions of such Code are each amended by striking out "2 years" each place it appears and inserting in lieu thereof "3 years".

(A) Subsection (b) of section 7212 (relating to attempts to interfere with administration of internal revenue laws).

(B) Section 7240 (relating to officials investing or speculating in sugar).

(14) The following provisions of such Code are each amended by striking out "3 years" each place it appears and inserting in lieu thereof "4.5 years".

(A) Section 7206 (relating to fraud and false statements).

(B) Subsection (a) of section 7212 (relating to attempts to interfere with administration of internal revenue laws).

(15) The following provisions of such Code are each amended by striking out "5 years" each place it appears and inserting in lieu thereof "7.5 years".

(A) Section 7201 (relating to attempt to evade or defeat tax).

(B) Section 7202 (relating to willful failure to collect or pay over tax).

(C) Section 7208 (relating to offenses relating to stamps).

(D) Section 7213 (relating to unauthorized disclosure of information).

(E) Subsection (a) of section 7214 (relating to offenses by officers and employees of the United States).

(F) Section 7232 (relating to failure to register, or false statement by manufacturer or producer of gasoline or lubricating oil).

(G) Subsections (c)(3), (d)(2), and (e)(2) of section 9012 (relating to criminal penalties).

(H) Section 9042 (relating to criminal penalties).

(c) OTHER PENALTIES.—

(1) Section 7273 of such Code (relating to penalties for offenses relating to special taxes) is amended by inserting "double the amount of" after "equal to".

(2) The following provisions of such Code are each amended by striking out "double" each place it appears and inserting in lieu thereof "triple".

(A) Section 7268 (relating to possession with intent to sell in fraud of law or to evade tax).

(B) Section 7270 (relating to insurance policies).

(C) Section 7273 (relating to penalties for offenses relating to special taxes).

(3) Section 7273 of such Code (relating to penalties for offenses relating to special taxes) is amended by striking out "$10" and inserting in lieu thereof "$15".

(4) The following provisions of such Code are each amended by striking out "$50" each place it appears and inserting in lieu thereof "$75".

(A) Section 7271 (relating to penalties for offenses relating to stamps).

(B) Section 7272 (relating to penalty for failure to register).

(5) Subsection (c) of section 7275 of such Code (relating to penalty for offenses relating to certain airline tickets and advertising) is amended by striking out "$100" and inserting in lieu thereof "$150".

(6) The following provisions of such Code are each amended by striking out "$500" each place it appears and inserting in lieu thereof "$750".

(A) Section 7268 (relating to possession with intent to sell in fraud of law or to evade tax).

(B) Section 7269 (relating to failure to produce records).

(7) The following provisions of such Code are each amended by striking out "$1,000" each place it appears and inserting in lieu thereof "$1,500".

(A) Section 7261 (relating to representation that retailers' excise tax is excluded from price of article).

(B) Section 7262 (relating to violation of occupational tax laws relating to wagering—failure to pay special tax).

(8) Section 7262 of such Code (relating to violation of occupational tax laws relating to wagering—failure to pay special tax) is amended by striking out "$15,000" and inserting in lieu thereof "$7,500".

(d) EXCISE TAX PENALTIES.—

(1) Subsection (a)(1) of section 4701 of such Code (relating to tax on issuer of registration—required obligation not in registered form) is amended by striking out "1 percent" and inserting in lieu thereof "1.5 percent".

(2) The following provisions of such Code are each amended by striking out "2½ percent" each place it appears and inserting in lieu thereof "3.75 percent".

(A) Subsection (a)(2) of section 4941 (relating to taxes on self-dealing).

(B) Subsection (a)(2) of section 4945 (relating to taxes on taxable expenditures).

(C) Subsection (a)(2) of section 4951 (relating to taxes on self-dealing).

(D) Subsection (a)(2) of section 4952 (relating to taxes on taxable expenditures).

(3) Section 4981 of such Code (relating to excise tax based on certain real estate investment trust taxable income not distributed during the taxable year) is amended by striking out "3 percent" and inserting in lieu thereof "4.5 percent".

(4) The following provisions of such Code are each amended by striking out "5 percent" each place it appears and inserting in lieu thereof "7.5 percent".

(A) Subsection (a)(1) of section 4941 (relating to taxes on self-dealing).

(B) Subsection (a)(1) of section 4943 (relating to taxes on excess business holdings).

(C) Subsections (a) and (b)(2) of section 4944 (relating to taxes on investments which jeopardize charitable purpose).

(D) Subsection (a) of section 4953 (relating to tax on excess contributions to black lung benefit trusts).

(E) Subsection (a) of section 4971 (relating to tax on prohibited transactions).

(F) Subsection (a) of section 4975 (relating to tax on prohibited transactions).

(5) Subsection (a) of section 4973 of such Code (relating to tax on excess contributions to individual retirement accounts, certain section 403(b) contracts, and certain individual retirement annuities) is amended by striking out "6 percent" each place it appears and inserting in lieu thereof "9 percent".

(6) The following provisions of such Code are each amended by striking out "10 percent" each place it appears and inserting in lieu thereof "15 percent".

(A) Subsection (a)(1) of section 4945 (relating to taxes on taxable expenditures).

(B) Subsection (a)(1) of section 4951 (relating to taxes on self-dealing).

(C) Subsection (a)(1) of section 4952 (relating to taxes on taxable expenditures).

(D) Subsection (b)(1) of section 4978 (relating to tax on certain dispositions by employee stock ownership plans and certain cooperatives).

(7) Subsection (a) of section 4942 of such Code (relating to taxes on failure to distribute income) is amended by striking out "15 percent" and inserting in lieu thereof "22.5 percent".

(8) The following provisions of such Code are each amended by striking out "25 percent" each place it appears and inserting in lieu thereof "37.5 percent".

(A) Subsection (a)(1) of section 4911 (relating to tax on excess expenditures to influence legislation).

(B) Subsection (b)(1) of section 4944 (relating to taxes on investments which jeopardize charitable purpose).

(9) Subsection (a) of section 4977 of such Code (relating to tax on certain fringe benefits provided by an employer) is amended by striking out "30 percent" and inserting in lieu thereof "45 percent".

(10) The following provisions of such Code are each amended by striking out "50 percent" each place it appears and inserting in lieu thereof "75 percent".

(A) Subsection (b)(2) of section 4941 (relating to taxes on self-dealing).

(B) Subsection (b)(2) of section 4945 (relating to taxes on taxable expenditures).

(C) Subsection (b)(2) of section 4951 (relating to taxes on self-dealing).

(D) Subsection (b)(2) of section 4952 (relating to taxes on taxable expenditures).

(E) Subsection (a) of section 4974 (relating to excise tax on certain accumulations in individual retirement accounts or annuities).

(11) The following provisions of such Code are each amended by striking out "100 percent" each place it appears and inserting in lieu thereof "200 percent".

(A) Paragraph (6)(A) of section 857(b) (relating to method of taxation of real estate investment trusts and holders of shares or certificates of beneficial interest).

(B) Subsection (b) of section 4942 (relating to taxes on failure to distribute income).

(C) Subsection (b)(1) of section 4945 (relating to taxes on taxable expenditures).

(D) Subsection (b)(1) of section 4951 (relating to taxes on self-dealing).

(E) Subsection (b)(1) of section 4952 (relating to taxes on taxable expenditures).

(F) Subsection (b) of section 4971 (relating to taxes on failure to meet minimum funding standards).

(G) Subsection (b) of section 4975 (relating to tax on prohibited transactions).

(H) Subsection (a) of section 4976 (relating to taxes with respect to funded welfare benefit plans).

(12) The following provisions of such Code are each amended by striking out "200 percent" each place it appears and inserting in lieu thereof "300 percent".

(A) Subsection (b)(1) of section 4941 (relating to taxes on self-dealing).

(B) Subsection (b) of section 4943 (relating to taxes on excess business holdings).

(13) Paragraph (5) of section 857(b) of such Code (relating to method of taxation of real estate investment trusts and holders of shares or certificates of beneficial interest) is amended by inserting "2 times" after "equal to".

(14) The following provisions of such Code are each amended by striking out "$5,000" each place it appears and inserting in lieu thereof "$7,500".

(A) Subsection (d)(2) of section 4944 (relating to taxes on investments which jeopardize charitable purpose).

(B) Subsection (c)(2) of section 4945 (relating to taxes on taxable expenditures).

(15) The following provisions of such Code are each amended by striking out "$10,000" each place it appears and inserting in lieu thereof "$15,000".

(A) Subsection (c)(2) of section 4941 (relating to taxes on self-dealing).

(B) Subsection (d)(2) of section 4944 (relating to taxes on investments which jeopardize charitable purpose).

(C) Subsection (c)(2) of section 4945 (relating to taxes on taxable expenditures).

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in this subsection, the amendments made by this section shall apply to taxable years beginning after December 31, 1986 (or, in the case of a tax for which there is no taxable period, taxable events occurring after such date).

(2) AMNESTY PERIOD.—At the expiration of the amnesty period described in section 2, in the case of any taxpayer remaining liable for any underpayment of Federal tax, the amendments made by this section shall apply to any taxable year (or any taxable event occurring during such taxable year) for which any period of limitation has not expired.

(3) EXCEPTION.—Paragraphs (1) and (2) shall not apply to any judicial or administrative proceeding with respect to any underpayment of Federal tax pending on the date of enactment of this Act in which a judgment was entered before such date.●

By Mr. BOREN (for himself and Mr. BINGAMAN):

S. 255. A bill to repeal the windfall profit tax on domestic crude oil; to the Committee on Finance.

REPEAL OF WINDFAL PROFITS TAX

● Mr. BINGAMAN. Mr. President, I am pleased to join my distinguished colleague from Oklahoma, Senator BOREN, in introducing legislation to repeal the windfall profits tax. The tax was passed in 1980, at a time when oil prices had skyrocketed, following actions of the OPEC cartel.

Today we have an entirely different set of circumstances. The oil industry is not paying a windfall profits tax, because the price is not high enough to trigger the tax and they do not have any profits. Additionally, there are significant costs associated with the paperwork required to meet the administrative requirements of the tax. It is ridiculous to require companies to spend millions of dollars on paperwork to report to the Government that they do not owe anything. Now is the time to repeal this tax.

The tax has done nothing to help us combat imports. It is only a tax on domestic producers. It is not a tax on imports. And it is these imports that have displaced domestic production and contributed to our negative balance of payments and the negative balance of trade we currently are experiencing in this country—last year, over a $50 billion deficit in oil.

NEW MEXICO

New Mexico is the fifth largest oil and gas-producing State in the Nation in terms of total quantity and has suffered from the decline of oil and gas prices. Oil prices have declined from $26 a barrel last January to $11 in July, with a gradual increase since then to $15. Natural gas prices fell from $2.47 a barrel in January to $1.64 in September with the current price at about $1. Revenues generated by the industry showed a 25-percent drop in 1986. The total value of New Mexico's oil and gas activity has dropped 46 percent in the past year. Employment by the industry dropped from a low of 13,200 in 1985 to 9,000 in October 1986. The number of drilling rigs are down to an average of 29 compared with 71 last year. And of the State's bankruptcies, estimated to be 2,500 for 1986, one-fourth occurred in those counties where most of the State's oil and gas is produced. Clearly, effective action is needed to correct the decline of the industry.

CONCLUSION

I don't have to describe in great detail the current condition of our struggling oil industry. One can easily evaluate the status of this industry in which 86 percent of its drilling rigs are not pumping oil, and the only profits come from refining and distributing imported oil. Our independent producers, the backbone of our exploration efforts in this country, are in severe financial straits. These problems threaten our ability to meet future energy needs domestically. We must acknowledge that the future of the industry is bleak unless we in the Congress take some positive steps to help this important industry recover. The repeal of the windfall profits tax is one such step.

I ask my colleagues to help us take that step to begin to revitalize the oil industry that is so critical to our future.●

By Mr. DIXON (for himself, Mr. PROXMIRE, Mr. GRASSLEY, Mr. LEVIN, and Mr. RIEGLE):

S. 257. A bill to correct imbalances in certain States in the Federal tax to Federal benefit ratio by reallocating the distribution of Federal spending, and for other purposes; to the Committee on Governmental Affairs.

● Mr. DIXON. Mr. President, I rise today to reintroduce "The State Minimum Return Act of 1987," along with my colleagues, Senators PROXMIRE, GRASSLEY, LEVIN, and RIEGLE. This act will correct imbalances in the amount of Federal spending that certain States receive in return for the tax dollar they send to Washington.

Although this bill contains complex language and provisions, I want to assure my colleagues and the taxpayers of the United States, at the outset, that the bill does not require any increases in spending. Rather, the bill reallocates funds among States within existing spending limits, so as not to increase the deficit.

This bill addresses a very important issue which has caused real hardship in my State of Illinois, and in many other States, principally in the Midwest and Northeast. In 1985, for example, Illinois received only 68 cents in Federal spending for each tax dollar it sent to the Federal Government. For the past 50 years, this ratio has been well below $1. The unfortunate truth is that Illinois and other disadvantaged States are sending billions of dollars to Washington every year that they never see again.

Many of these disadvantaged States were among those that suffered most during the recession of 1982. They are the States whose economies are growing more slowly than the national average. They can ill afford the ongoing drain of billions of dollars to Washington.

Federal fiscal policy must be changed. It should not be designed to make a bad situation worse. Rather, it should lend a hand to States whose economies have needed the most help in the recent past.

The bill I am introducing will adjust Federal spending in the categories of Government contracts and grant programs. Contracts and grants accounted for $275 billion of the Federal budget in fiscal 1984, and are the chief sources of imbalances among States. These spending categories help stimulate economic growth, creating jobs and spurring private investment. Grants and contracts cause a "ripple effect" in the economy of a community. The award of a Government contract not only creates jobs in the company in which the work is performed. It also increases business and creates jobs in local companies supplying goods to the contractor.

Grant programs that will be eligible for this 10-percent adjustment include those administered by the Departments of Interior, Transportation, Agriculture—except farm income supports—the Environmental Protection Agency, Housing and Urban Development, and the U.S. Army Corps of Engineers. These are the grants that create jobs and economic growth in States and communities.

For grant programs that require an income test to determine eligibility for assistance, such as aid to families with dependent children, this bill will require an increase of 1 percent per year in the share of each eligible State. This increase will ease the fiscal burdens on the State governments of eligible States, which share the cost of these programs; let me add that the bill requires that benefit levels for needy individuals in all States may not be reduced as a result of a shift in the Federal share of these program funds among States.

Disadvantaged States will also receive additional moneys in the area of Federal contracts. With respect to competitive procurements and noncompetitive procurements, the head of each Federal agency will be required to award a contract to a firm that will do the work in a disadvantaged State if it submits a bid that is lower or equivalent to a bid from a firm that would do the work elsewhere. This means that if a metal cabinet for a Government office or a rubber fuel line for an Air Force plane can be made in Illinois more cheaply, or at the same price, than it can be made in a State that gets more than its fair share of spending from the Federal Government, that cabinet or fuel line is going to be made in Illinois by workers and businesses in Illinois.

What is being suggested here is a reallocation of Federal moneys among the States, rather than the creation of a new Government spending program. In addition, in order not to penalize the needy and other citizens who currently receive direct Government benefits in all States, the bill will not affect payments to individuals by the Federal Government. Such programs as Social Security, Food Stamps, supplemental security income, Pell grants, lower income housing assistance, veterans assistance, black lung disability, guaranteed student loan interest subsidies, retirement payments for railroad workers, and Federal workers' compensation, retirement and disability, and employee life and health insurance will not be affected by the bill.

The State Minimum Return Act is an attempt to develop the comprehensive approach we need to end what amounts to a multibillion dollar penalty being paid each year by Illinois and many other States. By any measure, there is every reason that these States should be getting back their fair share of the Federal budget.

I urge my colleagues to join me in this effort to help these disadvantaged States get back a fair share of their tax dollars.

I ask unanimous consent that the bill and a summary be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 257

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "State Minimum Return Act of 1987".

STATEMENT OF POLICY

SEC. 2. It is the purpose of this Act to provide, within existing budgetary limits, authority to reallocate the distribution of certain Federal spending to various States in order to ensure by the end of fiscal year 1992 that each State receive in each fiscal year an amount of Federal expenditures equal to a minimum of 90 percent of the Federal tax burden attributable to such State for such fiscal year.

DEFINITIONS

SEC. 3. As used in this Act—

(1) The term "Director" means the Director of the Office of Management and Budget.

(2) The term "Federal agency" means any agency defined in section 551(1) of title 5, United States Code.

(3) The term "State" means each of the several States and the District of Columbia.

(4) The term "historic share" means the average percentage share of Federal expenditures received by any State during the most recent three fiscal years.

(5) The term "Federal expenditures" means all outlays by the Federal Government as defined in section 3(1) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(1)).

(6) The term "Federal tax revenues" means all revenues collected pursuant to the Internal Revenue Code of 1954.

(7) The term "need-based program" means any program which results in direct payment to individuals and which involves an income test to help determine the eligibility of an individual for assistance under such program.

DESIGNATION OF ELIGIBLE STATES

SEC. 4. (a) Any State shall be eligible for a positive reallocation of Federal expenditures described in section 5 and received by such State under section 7(a), if such State, for any fiscal year, has a Federal expenditure to Federal tax ratio which is less than 90 percent.

(b) Any State shall be eligible for a positive reallocation of Federal expenditures described in section 5 and received by such State under paragraph (1) of section 7(a), if such State, for any fiscal year, has a Federal expenditure to Federal tax ratio which is less than 100 percent but greater than or equal to 90 percent.

(c) During each fiscal year, the Director after consultation with the Secretary of the Treasury and the Director of the Census Bureau, shall determine the eligibility of any State under this section using the most recent fiscal year data and estimated data available concerning Federal tax revenues and Federal expenditures attributable to such State. The Secretary of the Treasury shall determine the attribution of Federal tax revenues to each State after consultation with the Comptroller General of the United States.

(d) For purposes of determining the eligibility of any State under subsection (c), any water or power program in which the Federal Government, through Government corporations, provides water or power to any State at less than market price shall be taken into account in computing such State's Federal expenditure to Federal tax ratio by characterizing as an imputed Federal expenditure the difference between the market price and the program's actual price of providing such water or power to such State.

DESIGNATION OF REALLOCABLE FEDERAL EXPENDITURES

SEC. 5. All Federal expenditures in any fiscal year shall be subject to reallocation to ensure the objective described in section 2 with respect to eligible States designated under section 4, except for such expenditures with respect to the following:

(1) Water and power programs which are described in section 4(d).

(2) Compensation and allowances of officers and employees of the Federal Government.

(3) Maintenance of Federal Government buildings and installations.

(4) Offsetting receipts.

(5) Programs for which the Federal Government assumes the total cost and in which a direct payment is made to a recipient other than a governmental unit. Such programs include:

(A) Social Security, including disability, retirement, survivors insurance, unemployment compensation, and Medicare, including hospital and supplementary medical insurance;

(B) Supplemental Security Income;

(C) Food Stamps;

(D) Black Lung Disability;

(E) National Guaranteed Student Loan interest subsidies;

(F) Pell grants;

(G) lower income housing assistance;

(H) social insurance payments for railroad workers;

(I) railroad retirement;

(J) excess earned income tax credits;

(K) veterans assistance, including pensions, service connected disability, nonservice connected disability, educational assistance, dependency payments, and pensions for spouses and surviving dependents;

(L) Federal workers' compensation;

(M) Federal retirement and disability;

(N) Federal employee life and health insurance; and

(O) farm income support programs.

REALLOCATION AUTHORITY

SEC. 6. (a) Notwithstanding any other provision of law, during any fiscal year the head of each Federal agency shall, after consultation with the Director, make such reallocations of expenditures described in section 5 to eligible States designated under section 4 as are necessary to ensure the objective described in section 2.

(b) Notwithstanding any other provision of law and to the extent necessary in the administration of this Act, the head of each Federal agency shall waive any administrative provision with respect to allocation, allotments, reservations, priorities, or planning and application requirements (other than audit requirements) for the expenditures reallocated under this Act.

(c) The head of each Federal agency having responsibilities under this Act is authorized and directed to cooperate with the Director in the administration of the provisions of this Act.

REALLOCATION MECHANISMS

SEC. 7. (a) Notwithstanding any other provision of law, for purposes of this Act, during any fiscal year reallocations of expenditures required by section 6 shall be accomplished in the following manner:

(1)(A) With respect to procurement contracts, and beginning in fiscal year 1990 subcontracts in excess of $25,000, the head of each Federal agency shall—

(i) identify qualified firms in eligible States designated under section 4 and disseminate any information to such firms necessary to increase participation by such firms in the bidding for such contracts and subcontracts,

(ii) in order to ensure the objective described in section 2, increase the national share of such contracts and subcontracts for each eligible State designated under section 4(a) by 10 percent each fiscal year, and

(iii) thirty days after the end of each fiscal year, report to the Director regarding progress made during such fiscal year to increase the share of such contracts and subcontracts for such eligible States, including the percentage increase achieved under clause (ii) and if the goal described in clause (ii) is not attained, the reasons therefor.

Within ninety days after the end of each fiscal year, the Director shall review, evaluate, and report to the Congress as to the progress made during such fiscal year to increase the share of procurement contracts and subcontracts the preponderance of the value of which has been performed in such eligible States.

(B) With respect to each fiscal year, if any Federal agency does not attain the goal described in subparagraph (A)(ii), then during the subsequent fiscal year such agency shall report to the Director prior to the awarding of any contract or subcontract described in subparagraph (A) to any firm in an ineligible State the reasons such contract or subcontract was not awarded to any firm in an eligible State.

(C) In the case of any competitive procurement contract or subcontract, the head of the contracting Federal agency shall award such contract or subcontract to the lowest bid from a qualified firm that will perform the preponderance of the value of the work in an eligible State designated under section 4 if the bid for such contract or subcontract is lower or equivalent to any bid from any qualified firm that will perform the preponderance of the value of the work in an ineligible State.

(D) In the case of any noncompetitive procurement contract or subcontract, the head of each Federal agency shall identify and award such contract or subcontract to a qualified firm that will perform the preponderance of the value of the work in an eligible State designated under section 4 and that complete such contract or subcontract at a lower or equivalent price as any qualified firm that will perform the preponderance of the value of the work in an ineligible State.

(E) For purposes of this paragraph, in the case of any procurement contract or subcontract, any firm shall be qualified if—

(i) such firm has met the elements of responsibility provided for in section 8(b)(7) of the Small Business Act as determined by the head of the contracting Federal agency to be necessary to complete the contract or subcontract in a timely and satisfactory manner, and

(ii) with respect to any prequalification requirement, such firm has been notified in writing of all standards which a prospective contractor must satisfy in order to become qualified, and upon request, is provided a prompt opportunity to demonstrate the ability of such firm to meet such specified standards.

(F) In order to reallocate expenditures with respect to subcontracts as required by subparagraph (A), each Federal agency shall collect necessary data to identify such subcontracts beginning in fiscal year 1987.

(2)(A) With respect to need-based programs, any eligible State designated under section 4(a) shall receive 101 percent of such State's historic share with respect to such programs.

(B) With respect to all other expenditures described in section 5, including all grants administered by the Department of Transportation, the Department of the Interior, the Department of Agriculture, the Environmental Protection Agency, and the United States Army Corps of Engineers, and funds provided under general revenue sharing, any eligible State designated under section 4(a) shall receive 110 percent of such State's historic share with respect to such expenditures.

(b)(1) Except as provided in paragraph (2), no reallocation shall be made under this section with respect to expenditures for any program to any State in any fiscal year which results in a reduction of 10 percent or more of the amount of such expenditures to such State.

(2) No reallocation shall be made under subsection (a)(2)(A) with respect to expenditures for any need-based program to any State in any fiscal year which results in a reduction of 1 percent or more of the amount of expenditures to such State for any such program.

(c) No reallocation shall be made under the provisions of this Act which will result in any Federal expenditure to Federal tax ratio of any State being reduced below 90 percent.

(d) With respect to any need-based program eligible for reallocation under subsection (a)(2)(A), notwithstanding any reallocation of such program funds that may be mandated under this section, no State or eligible governmental unit may reduce program benefits to the ultimate beneficiaries of such program or change such program's eligibility requirements because of such reallocation of funds.

AMENDMENTS

SEC. 8. No provision of law shall explicitly or implicitly amend the provisions of this Act unless such provision specifically refers to this Act.

EXTENSION OF FEDERAL FUNDS REPORT ACT

SEC. 9. Subsection (a) of section 3 of the Consolidated Federal Funds Report Act of 1982 (31 U.S.C. 6102 note) is amended by striking out "and 1985" and inserting in lieu thereof "1985, 1986, 1987, 1988, 1989, 1990, 1991 and 1992".

STUDY

SEC. 10. (a) The Secretary of the Treasury or a delegate of the Secretary shall conduct a study on the impact of Federal spending, tax policy, and fiscal policy on State economies and the economic growth rate of States and regions of the United States.

(b) The report of the study required by subsection (a) shall be submitted to Congress not later than December 31, 1985.

EFFECTIVE DATE

SEC. 11. The provisions of this Act shall take effect for fiscal years beginning after the date of the enactment of this Act.

THE STATE MINIMUM RETURN ACT OF 1987

SUMMARY

The State Minimum Return Act reallocates spending to States that send more money in taxes to the Federal government than they receive in Federal spending.

States that receive Federal expenditures that amount to less than 90 percent of the amount the state's residents pay in Federal taxes will receive additional funds in the spending categories of grants-in-aid and procurement contracts.

States that receive Federal expenditures that amount to between 90 percent and 100 percent of the amount the state's residents pay in Federal taxes will receive additional funds in the spending category of procurement contracts.

A state's eligibility will be determined by the Office of Management and Budget, in consultation with the Census Bureau regarding Federal expenditures and the Treasury regarding tax revenues.

All spending categories are included for the purpose of determining eligibility, including subsidies given for water and power programs through Government corporations.

Each state must receive an amount of Federal spending that is at least 90 per cent of the amount of federal taxes each state's residents pay by fiscal 1992.

In order to ensure that all states meet the 90 per cent standard, all eligible states must receive an annual increase of 10 per cent in its share of the national total in the categories of grants-in-aid and/or procurement contracts. This 10 per cent increase applies only to those grants that are not allocated based on income tests for individuals. Such grants that are eligible for the 10 per cent reallocation include those administered by the Departments of Transportation, Interior, Agriculture (except farm income supports), the Environmental Protection Agency and the U.S. Army Corps of Engineers.

For grant programs that require an income test, eligible states will receive an annual increase of 1 per cent in their share of the national total.

No state shall incur an annual reduction of more than 10 per cent in its share of contracts and eligible grants, or an annual reduction of more than 1 per cent in its share of income-based grants.

Procurement contracts will be rellocated to firms in eligible states if two conditions are met: (1) if the firm submits a bid that is lower or equivalent to a bid of a firm in an ineligible state, and (2) if the firm will perform the bulk of the contract in an eligible state.

In the event that sufficient contracts are not reallocated each year, the head of the contracting agency that has not met the requirement will have to report to OMB before awarding any contract to a firm in an ineligible state in the following year as the reasons why that contract was not awarded to a firm in an eligible state.

The Secretary of the Treasury is required to conduct a study of the impact of Federal spending, tax, and fiscal policies on state economies and the economic growth rate of states and regions.●

By Mr. D'AMATO:

S. 258. A bill to amend and extend laws relating to housing and community development; to the Committee on Banking, Housing, and Urban Affairs.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1987

● Mr. D'AMATO. Mr. President, I rise to introduce a bill that addresses many of the housing concerns we discussed during the 99th Congress. These and other housing and community development issues need to be addressed during the 100th Congress. This legislation, offered as a catalyst for this effort, includes some items that were contained in the various housing bills of the 99th Congress, such as H.R. 1, H.R. 3500, S. 1730, S. 1913, and S. 2507.

This legislation in no way encompasses all current housing and community development program needs. Rather, it reflects an attempt to include only a few items that need immediate consideration. Hopefully, other items not included in this legislation also will be addressed during the 100th Congress.

It is my hope that this bill serves as a starting point for housing legislation during this session of Congress. It contains a limited number of timely program amendments and new initiatives that should be enacted this year. It includes the Nehemiah Housing Program, as well as a homeless shelter program. I introduced these programs last year and worked with many of my colleagues in developing them.

The Nehemiah Housing Program permits families that otherwise would not be able to purchase a home to achieve homeownership. It provides a grant of up to $15,000 to families in distressed neighborhoods.

To date, 501 Nehemiah homes have been completed in New York. There are 266 homes now under construction, and 1,200 sites committed for future construction. In the successful Nehemiah Program in Brooklyn, sponsored by the East Brooklyn Churches, 50 percent of the Nehemiah buyers come from assisted housing. Families that replace the new Nehemiah homeowners have an average income of $6,500. Thus, the Nehemiah Program helps the poorest of families and frees-up housing for the less fortunate.

Those who argue that this program needs to be targeted more narrowly are missing important points. First of all, most of the Nehemiah occupants are low income; 99 percent of the participants are first-time homeowners. The median income for participants in New York is approximately $24,000, and 50 percent of new homeowners come from assisted housing; 35 percent of the participants in Brooklyn are from public housing, which has made 175 public housing units available for the homeless and other low-income individuals; and 15 percent of the participants previously were receiving other Federal assistance, such as section 8, which has made 75 units available for others.

The reason why Nehemiah-type housing will be purchased primarily by lower income families is due to the fact that there are restrictions in the bill on the type of neighborhoods in which this housing can be located. It is unlikely that these neighborhoods will attract many families with incomes near the eligibility limit. The preponderance of funds in any metropolitan area must be from families with income below 95 percent of median income. Few families above this category want to purchase in the area unless they have a special attachment to the neighborhood, such as growing up in the neighborhood or having relatives in the area—and there is nothing wrong with wanting to stay in a neighborhood near relatives.

The U.S. Department of Housing and Urban Development's assessment of the Nehemiah Program is hardly based on sufficient data to comment on the merits of the Nehemiah Program. HUD's study was mostly based on a telephone survey of 10 cities. This does not compare with the hands-on-assessments made by officials of numerous cities and localities who have visited the Nehemiah Brooklyn site and have expressed an interest in replicating the Brooklyn effort.

This program would allow cities the flexibility to develop cost-effective housing that would work in other communities. The legislation should not be modified to hamper cities from using the resources available to them to provide safe and decent housing. Many will not have the same kind of city, State. and private assistance that was provided in Brooklyn, but this does not mean that they should not have the opportunity to create Nehemiah housing. We should commend them and provide the assistance necessary to strengthen our neighborhoods by allowing the Nehemiah program to expand and revitalize our cities nationwide.

The Saturday, July 19, 1986, editorial in the New York Times summarizes this point well. It states: "Give Nehemiah a National Test." The Nehemiah approach is founded on fundamental American values of ownership, equity, and family stability. The savings are enormous to the Federal Government if we consider the $120,000 cost for one new unit of public housing. This same amount would buy 12 new Nehemiah homes—if the average no-interest second mortgage is $10,000—in addition, 6 freed-up units of public housing would be made available for a total of 18 housing units for the cost of 1 new unit of public housing.

Mr. President, we have every reason to believe that this program, which I sponsored in the Senate as S. 1913 and subsequently included in S. 2507, provides residents with new hope and incentive to work and to save. With the pride of homeownership, residents will fight crime and drugs in their communities. Organized homeowners demand, and have received, better police protection and better park and other community services. They have become active in health care and the quality of life in the entire community which benefits the poorest of neighborhoods.

Other provisions in this bill include a Community Development Block Grant entitlement transition, as well as authorization of, and amendments, to the Urban Development Action Grant [UDAG] Program. I hope my colleagues will join me in considering the merits of expanding the UDAG Program so that low interest guaranteed loans can be provided to our cities; UDAG could be provided in the form of grants, loans, and low interest loan guarantees. This effort would be at no additional cost to the Government, while providing enormous benefits to a multitude of cities.

My bill also extends the Home Mortgage Disclosure Act, and restricts various fees and charges. Mr. President, I firmly believe that our Nation will benefit from the housing and community development provisions included in this bill. As I have stated on numerous previous occasions, it is noteworthy that, for more than the past 50 years, the Federal Government has played a major role in advancing national housing policies in its partnership with the housing industry. We have provided Federal tax incentives to promote homeownership and the availability of affordable housing. Government assistance has been provided in establishing specialized financial institutions. Government chartered thrift institutions have channeled funds into housing and have given homebuyers access to affordable mortgage credit. Programs also have been developed to revitalize and renovate our communities.

If our cities and neighborhoods are to continue to grow and prosper, the Federal Government must continue to play an important role in housing. Therefore, I hope that my colleagues will join me in supporting this legislation.

Mr. President, we must not destroy the economic development that has been initiated in our communities. Instead, we must give each community an opportunity to continue to expand and develop. The efforts made by our cities and neighborhoods are worthy of the assistance provided in this bill.

Mr. President, I ask unanimous consent that the full text of my bill be printed in the RECORD at the conclusion of my remarks.

Thank you, Mr. President.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 258

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Housing and Community Development Act of 1987".

TITLE I—COMMUNITY DEVELOPMENT
Sec. 101. National Nehemiah Housing Opportunity program.
Sec. 102. CDBG entitlement transition.
Sec. 103. Urban development action grants.
TITLE II—MORTGAGE CREDIT AND MISCELLANEOUS PROVISIONS
Sec. 201. Mortgage limits for multifamily projects in high cost areas.
Sec. 202. GNMA mortgage-backed securities limitations.
Sec. 203. Fees and charges.
Sec. 204. Home Mortgage Disclosure Act extension.
Sec. 205. Purchase of Second Mortgage.
TITLE III—HOMELESS ASSISTANCE
Sec. 301. Definitions.
PART 1—EMERGENCY FOOD AND SHELTER PROGRAM
Sec. 311. National board.
Sec. 312. National board transition.
Sec. 313. Distribution of program funds.
Sec. 314. Agency responsibilities.
Sec. 315. Local boards.
Sec. 316. Local homeless assistance plan.
Sec. 317. Service providers.
Sec. 318. Use of funds.
Sec. 319. Limitation on certain costs.
Sec. 320. Program guidelines.
Sec. 321. Authorization.
Sec. 322. Surplus food distribution.
PART 2—TRANSITION TO INDEPENDENCE DEMONSTRATION PROJECT
Sec. 331. Authority to make grants.
Sec. 332. Application for grants.
Sec. 333. Allocation of grants.
Sec. 334. Program requirements.
Sec. 335. Regulations.
Sec. 336. Reports to Congress.
Sec. 337. Authorization.

TITLE I—COMMUNITY DEVELOPMENT

NATIONAL NEHEMIAH HOUSING OPPORTUNITY PROGRAM

SEC. 101. (a) Section 105(a) of the Housing and Community Development Act of 1974 is amended—

(1) by striking out "and" at the end of paragraph (17);

(2) by striking out the period at the end of paragraph (18) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(19) provision of assistance to facilitate new construction or substantial reconstruction in instances in which persons of low- and moderate-income own and occupy a home that the grantee determines is not suitable for rehabilitation.".

(b)(1) It is the purpose of this subsection (A) to encourage homeownership by families in the United States who are not otherwise able to afford homeownership; (B) to undertake a concentrated effort to rebuild the depressed areas of the cities of the United States and to create sound and attractive neighborhoods; and (C) to increase the employment of neighborhood residents.

(2) For the purposes of this subsection:

(A) The term "Fund" means the Nehemiah Housing Opportunity Fund established in paragraph (9)(A).

(B) The term "home" means any 1- to 4-family dwelling. Such term includes any dwelling unit in a condominium project or cooperative project consisting of not more than 4 dwelling units, any townhouse, and any manufactured home.

(C) The term "lower income families" has the meaning given in such term in section 3(b)(2) of the United States Housing Act of 1937.

(D) The term "metropolitan statistical area" means a metropolitan statistical area as established by the Office of Management and Budget.

(E) The term "nonprofit organization" means a private corporation, or other private nonprofit legal entity, that is approved by the Secretary as to financial responsibility.

(F) The term "Secretary" means the Secretary of Housing and Urban Development.

(G) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(H) The term "substantial rehabilitation" means—

(i) rehabilitation involving costs in excess of 60 per centum of the maximum sale price of a home assisted under this title in the market area in which it is located; or

(ii) the rehabilitation of a vacant, uninhabitable structure.

(I) The term "unit of general local government" means any borough, city, county, parish, town, township, village, or other general purpose political subdivision of a State.

(3) The Secretary may provide assistance to nonprofit organizations to carry out Nehemiah housing opportunity programs in accordance with the provisions of this subsection. Such assistance shall be made in the form of grants. Applications for assistance under this subsection shall be made in such form, and in accordance with such procedures, as the Secretary may prescribe.

(4)(A) Any nonprofit organization receiving assistance under this subsection shall use such assistance to provide loans to families purchasing homes constructed or substantially rehabilitated in accordance with a Nehemiah housing opportunity program approved under this subsection.

(B) Each loan made to a family under this subsection shall—

(i) be secured by a second mortgage held by the Secretary on the property involved;

(ii) be in an amount not exceeding $15,000;

(iii) bear no interest; and

(iv) be repayable to the Secretary upon the sale or other transfer of such property.

(5)(A) Assistance provided under this subsection may be used only in connection with a Nehemiah housing opportunity program of construction or substantial rehabilitation of homes.

(B) Each family purchasing a home under this subsection shall—

(i) have a family income on the date of such purchase that is not more than whichever of the following is higher:

(I) 115 per centum of the median income for a family of 4 persons in the metropolitan statistical area involved; or

(II) the national median income for a family of 4 persons; and

(ii) and shall not have owned a home during the 3-year period preceding such purchase.

(C)(i) Each family purchasing a home under this subsection shall make a downpayment of not less than 10 percent of the sale price of such home, or of such greater amount determined by the nonprofit organization involved to be appropriate.

(ii) Any downpayment made shall accrue interest from the date on which such downpayment is made through the date of settlement, at a rate not less than the passbook rate. Such interest shall be paid by the nonprofit organization involved to the family purchasing the home for which such downpayment was made.

(D) No family purchasing a home under this subsection may lease such home.

(6)(A) No proposed Nehemiah housing opportunity program may be approved by the Secretary under this subsection unless the nonprofit organization involved demonstrates to the satisfaction of the Secretary that—

(i) it has consulted with and received the support of residents of the neighborhood in which such program is to be located; and

(ii) it has the approval of each unit of general local government in which such program is to be located.

(B) Each nonprofit organization applying for assistance under this subsection shall submit to the Secretary an estimated schedule for completion of its proposed Nehemiah housing opportunity program, which schedule shall have been agreed to by each unit of general local government in which such program is to be located.

(C) Minimum participation. No nonprofit organization receiving assistance under this subsection may commence any construction or substantial rehabilitation (except with respect to homes to be constructed or substantially rehabilitated for the purpose of display) until not less than 25 percentum of the homes to be constructed or substantially rehabilitated are constructed for sale to purchasers who intend to live in such homes and the required downpayments are made.

(D) The Secretary may not provide any assistance under this subsection to any nonprofit organization unless such organization demonstrates the financial feasibility of its proposed Nehemiah housing opportunity program, including the availability of non-Federal public and private funds.

(E) A Nehemiah housing opportunity program may be approved under this subsection only if it provides that—

(i) the number of homes to be constructed or substantially rehabilitated under such program will not be less than whichever of the following is less:

(I) the greater of (a) 50 homes; or (b) 0.25 percentum of the number of existing dwelling units in the unit of general local government that provides the most assistance to such programs; or

(II) 250 homes;

(ii) each home constructed or substantially rehabilitated under such program will comply with—

(I)(a) applicable local building code standards or

(b) in any case in which there is not an applicable local building code, a nationally recognized model building code mutually agreed upon by the sponsoring nonprofit organization and the Secretary; and

(II) the energy performance requirements established under Section 526 of the National Housing Act;

(iii) all homes constructed or substantially rehabilitated under such program will be located in census tracts, or identifiable neighborhoods within census tracts, in which the median family income is not more than 80 percent of the median family income of the area in which such program is to be located, as such median family income and area are determined for purposes of assistance under section 8 of the United States Housing Act of 1937;

(iv) all homes constructed or substantially rehabilitated under such program will be concentrated in a single neighborhood and located on contiguous parcels of land, except that if the unit of general local government in which the project is located certifies that such land cannot be made available for a program of the size required by subparagraph (E)(i)(I), homes may be constructed in a single identifiable neighborhood if the program provides for construction or substantial rehabilitation of homes on not less than 20 percent of the lots in such neighborhoods; and

(v) sales contracts entered into under such program will contain provisions requiring repayment of any loan made under this subsection upon the sale or other transfer of the home involved, unless the Secretary approves a transfer of such homes without repayment (in which case the second mortgage held by the Secretary on such home shall remain in force until such loan is fully repaid).

(7)(A) In selecting Nehemiah housing opportunity programs for assistance under this subsection from among eligible programs, the Secretary shall make such selection on the basis of the extent to which—

(i) non-Federal public or private entities will contribute land necessary to make such program feasible;

(ii) non-Federal public and private financial or other contributions (including tax abatements, waivers of fees related to development, waivers of construction, development, or zoning requirements, and direct financial contributions) will reduce the cost of homes constructed or substantially rehabilitated under each program;

(iii) each program will produce the greatest number of units for the least amount of assistance provided under this subsection, taking into consideration the cost difference among different market areas;

(iv) each program is located in a neighborhood of severe physical and economic blight (and, in determining the degree of physical blight, the Secretary shall consider the condition (but not age) of the housing, other buildings, and infrastructure, in the neighborhood of the proposed program);

(v) each program uses construction methods that will reduce the cost per square foot below the average construction cost in the market area involved; and

(vi) each program provides for the involvement of local residents in the planning, and construction or substantial rehabilitation, of homes.

(B) To the extent that non-Federal public entities are prohibited by the law of any State from making any form of contribution described in clause (i) or (ii) of subparagraph (a), the Secretary shall not consider such form of contribution in evaluating such program.

(8)(A) Following the selection of any Nehemiah housing opportunity program for assistance under this subsection, the Secretary shall reserve sufficient amounts in the Nehemiah Housing Opportunity Fund for such assistance.

(B) Distribution of Assistance. Following the sale of any home constructed or substantially rehabilitated under a Nehemiah housing opportunity program selected for assistance under this subsection, the Secretary shall provide to the sponsoring organization an amount equal to the amount of the loan made to the family purchasing such home. Such amount shall be provided not more than thirty days after the sale of such home.

(C) The assistance provided to any nonprofit organization under this subsection may not exceed $15,000 per home.

(9)(A) There hereby is established in the Treasury of the United States a revolving fund, to be known as the Nehemiah Housing Opportunity Fund. The Fund shall be available to the Secretary, to the extent approved in appropriation Acts, for purposes of providing assistance under paragraph (3).

(B) The Fund shall consist of—

(i) any amount appropriated under paragraph (12);

(ii) any amount received by the Secretary under paragraph (4)(B)(iv); and

(iii) any amount received by the Secretary under subparagraph (C).

(C) Any amount in the Fund determined by the Secretary to be in excess of the amount currently required to carry out the provision of this subsection shall be invested by the Secretary in obligations of, or obligations guaranteed as to both principal and interest by, the United States or any agency of the United States.

(10) The Secretary shall annually prepare and submit to the Congress a comprehensive report setting forth the activities carried out under this subsection. Such report shall include—

(A) an analysis of the characteristics of the families assisted under this subsection during the preceding year, including family size, number of children, family income, sources of family income, race, age, and sex;

(B) an analysis of the market value of homes purchased under this subsection during the preceding year;

(C) an analysis of the non-Federal public and private financial or other contributions made during the preceding year to reduce the cost of homes constructed or substantially rehabilitated under each program;

(D) an analysis of the sale prices of homes under this subsection during the preceding year;

(E) an analysis of the amounts of the grants made to programs under this subsection during the preceding year; and

(F) any recommendations of the Secretary for modifications in the program established by this subsection in order to ensure the effective implementation of such program.

(11) The Secretary shall issue such regulations as may be necessary to carry out the provisions of this subsection. Any such regulations shall be issued in accordance with section 553 of title 5, United States Code, notwithstanding the provisions of subsection (a)(2) of such section.

(12) There are authorized to be appropriated such sums as may be provided by a fiscal year 1986 appropriation Act. Any amount appropriated under this paragraph shall be deposited in the Nehemiah Housing Opportunity Fund, and shall remain available until expended.

CDBG ENTITLEMENT TRANSITION

SEC. 102. Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended by adding at the end thereof the following new sentence: "Any city classified as a metropolitan city pursuant to the first or second sentence of this paragraph that no longer qualifies as a metropolitan city under such first or second sentence in a fiscal year beginning after fiscal year 1986, shall retain its classification as a metropolitan city for that fiscal year and the succeeding three fiscal years.".

URBAN DEVELOPMENT ACTION GRANTS

SEC. 103. (a) Section 119(a) of the Housing and Community Development Act of 1974 is amended by striking out the last sentence and inserting in lieu thereof the following: "There are authorized to be appropriated to carry out the provisions of this section not to exceed $366,000,000 for fiscal year 1988, and such sums as may be necessary for fiscal year 1989. Any amount appropriated under the preceding sentence shall remain available until expended.".

(b)(1) Section 119(d) of the Housing and Community Development Act of 1974 is amended—

(A) by indenting clauses (A) and (B) of paragraph (1);

(B) by striking out "as the primary criterion," in clause (A);

(C) by striking out clause (C) of paragraph (1) and inserting in lieu thereof the following:

"(C) at least the following other criteria:

"(i) the extent to which the grant will stimulate economic recovery by leveraging private investment;

"(ii) the number of permanent jobs to be created and their relation to the amount of grant funds requested;

"(iii) the proportion of permanent jobs accessible to lower income persons and minorities, including persons who are unemployed;

"(iv) the impact of the proposed activities on the fiscal base of the city or urban county and its relation to the amount of grant funds requested;

"(v) the extent to which State or local government funding or special economic incentives have been committed;

"(vi) the extent to which the project is located in the portion of the applicant city or urban county with the highest comparative degree of economic distress and the project will directly improve the quality of housing or employment opportunities for low and moderate income residents of that portion;

"(vii) the extent to which the project will produce goods or services the majority of which can be expected to be exported from the applicant's economy; and

"(viii) to the extent the Secretary deems appropriate, the extent to which other Federal assistance is to be made available shall be considered in applying the criteria referred to in clauses (i), (ii), (iv) of this subparagraph;

"(D) additional consideration for the extent to which the project, in the determination of the Secretary, would—

"(i) retain jobs which would be lost without the provision of a grant under this section; and

"(ii) relieve the applicant's most pressing employment or residential needs by—

"(I) reemploying workers in a skill that has recently suffered a sharp increase in unemployment locally,

"(II) retraining recently unemployed residents in new skills, or

"(III) providing training to increase the local pool of skilled labor; and

"(E) additional consideration for projects with the following characteristics:

"(i) projects to be located within a city or urban county to which no grant under this section was made during the preceding twelve-month period; and

"(ii) twice the amount of the additional consideration provided under clause (i) in the case of a grant for projects to be located in cities or urban counties to which no grant under this section was made during the preceding twenty-four month period."; and

(D) by adding at the end thereof the following:

"(3) The Secretary may not award a grant under paragraph (1) unless he determines that the project would have a substantial impact on physical and economic development of the city or urban county, that the proposed activities are likely to be accomplished in a timely fashion within the grant amount available, and that the city or urban county has demonstrated performance in housing and community development programs.

"(4) The Secretary shall award points to each application as follows:

"(A) not more than 35 points on the basis of the factors referred to in subparagraph (A) of paragraph (1);

"(B) not more than 35 points on the basis of the factors referred to in subparagraph (B) of paragraph (1);

"(C) not more than 30 points on the basis of the factors referred to in subparagraph (C) of paragraph (1), of which not more than 3 points in the aggregate shall be awarded for the factors referred to in clauses (vi) and (vii) of subparagraph (C);

"(D) not more than 3 additional points as the Secretary deems appropriate for projects described in subparagraph (D) of paragraph (1); and

"(E) not more than 2 additional points as the Secretary deems appropriate for projects described in subparagraph (E) of paragraph (1).

"(5) The Secretary shall distribute grant funds under this section so that to the extent practicable during each funding cycle—

"(A) two-thirds of the funds are first made available utilizing all of the criteria set forth in paragraph (1); and

"(B) one-third of the funds is then made available solely on the basis of the factors referred to in subparagraphs (C), (D), and (E) of paragraph (1).

"(6) In determining the score to be awarded each of the criteria under subparagraphs (C), (D), and (E) for applications for grants for housing activities, the Secretary shall compare such applications only with other applications for grants for housing activities. For purposes of this subparagraph, an application shall be considered an application for a grant for housing activities if such application proposes that—

"(A) not less than 51 per centum of all funds available for the project shall be used for dwelling units and related facilities; and

"(B) not less than 20 per centum of all funds used for dwelling units and related facilities shall be used for dwelling units to be occupied by persons of low and moderate income.

"(7)(A) For each fiscal year, the Secretary shall hold—

"(i) 3 competitions for grants under paragraph (1) for cities not described in the first sentence of subsection (i) (relating to small cities) and urban counties; and

"(ii) 3 competitions for cities described in the first sentence of subsection (i) (relating to small cities).

"(B) Each competition for grants described in any clause of subparagraph (A) shall be for an amount equal to the sum of—

"(i) approximately one-third of the funds available for such grants for the fiscal year;

"(ii) any funds available for such grants in any previous competition that are not awarded; and

"(iii) any funds available for such grants in any previous competition that are recaptured.".

(2) Notwithstanding any provision of section 119 of the Housing and Community Development Act of 1974, for purposes of funding decisions made before February 1, 1986, the Secretary of Housing and Urban Development shall give additional consideration, equal to the points otherwise awarded under clause (C) of paragraph (1) of section 119(d) of the Housing and Community Development Act of 1974, as amended by paragraph (1) of this subsection, in the case of a project to be located in a city or urban county to which no grant under section 119 of such Act was made during the preceding twenty-four month period if such project has met the criteria for preliminary approval in the three consecutive funding cycles immediately preceding the date of enactment of this paragraph.

(3) The provisions of paragraphs (1)(E), (4)(E), and (5) of section 119(d) of the Housing and Community Development Act of 1974, as amended by paragraph (1) of this subsection, and the provisions of paragraph (2) of this subsection shall take effect on the date of enactment of this Act, except that in applying section 119(d)(5)(b) of such Act prior to the issuance of implementing regulations under the second sentence of this paragraph, the Secretary shall exclude those criteria for which regulations are required to be issued. The remainder of the amendments made by paragraph (1) shall take effect upon the issuance of implementing regulations, which the Secretary shall issue not later than four months after the date of enactment of this Act.

(4)(A) Not later than March 15, 1987, the Secretary of Housing and Urban Development shall prepare and submit to the Congress a comprehensive report evaluating the eligibility standards and selection criteria applicable under section 119 of the Housing and Community Development Act of 1974. Such report shall evaluate in detail the standards and criteria specified in such section that measure the level or comparative degree of economic distress of cities and urban counties. Such report shall also evaluate in detail the extent to which the economic and social data utilized by the Secretary in awarding grants under such section is current and accurate, and shall compare the data used by the Secretary with other available data. The Secretary shall make recommendations to the Congress on whether or not data should be collected by the Federal Government in order to fairly and accurately distribute grants under such section based on the level or comparative degree of economic distress. The Secretary shall also make recommendations on whether or not existing data should be collected more frequently in order to ensure that timely data is used to evaluate grant applications under such section. Such report shall also describe in detail the standard and criteria utilized by the Secretary to evaluate project quality under paragraphs (C), (D), (E) of section 119(d)(1) of such Act.

(B) Not later than the expiration of the three-month period following the date of the final competition for grants for fiscal year 1987 under section 119 of the Housing and Community Development Act of 1974, the Secretary of Housing and Urban Development shall prepare and submit to the Congress a comprehensive report describing the effect of the amendments made by this section on—

(i) the targeting of grant funds to cities and urban counties having the highest level or degrees of economic distress;

(ii) the distribution of grant funds among regions of the United States;

(iii) the number and types of projects receiving grants; and

(iv) the per capita funding levels for each city, urban county, or identifiable community described in section 119(p) of such Act, receiving assistance under that section.

(c) Section 119(f) of the Housing and Community Development Act of 1974 is amended by adding at the end thereof the following: "In any case where the project proposes the repayment to the applicant of the grant funds, such funds shall be made available by the applicant for economic development activities which are or would be eligible activities under this section or section 104. The applicant shall annually provide the Secretary with a statement of the projected receipt and use of repaid grant funds during the next year together with a report acceptable to the Secretary on the use of such funds during the most recent preceding full fiscal year of the applicant.".

(d) Section 119(n)(1) of the Housing and Community Development Act of 1974 is amended by adding at the end thereof the following: "Such term also includes the counties of Kauai, Maui, and Hawaii in the State of Hawaii, except that in the case of such counties grants shall be made only to assist projects that, in the determination of the Secretary, are located in and will improve the employment base of urban areas within such counties.".

(e) Section 119(r) of the Housing and Community Development Act of 1974 is amended by striking out "among programs" and inserting in lieu thereof "against projects"; and is further amended by striking out "In" and inserting in lieu thereof "Except as provided in subsection (D)(6), in".

(f) On or before July 1, 1987 the Secretary of Housing and Urban Development shall report to the Congress any recommendations as to legislation that may be needed or desirable in the implementation of Section 119(h) of the Housing and Community Development Act of 1974.

TITLE II—MORTGAGE CREDIT AND MISCELLANEOUS PROVISIONS

MORTGAGE LIMITS FOR MULTIFAMILY PROJECTS IN HIGH COST AREAS

SEC. 201. Section 207(c)(3), the second proviso of section 213(b)(2), the first proviso of section 220(d)(3)(B)(iii), section 221(d)(3)(ii), section 221(d)(4)(ii), section 231(c)(2) and section 234(e)(3) of the National Housing Act are each amended by striking out "not to exceed 75 per centum" and all that follows through "involved) in such an area" and inserting in lieu thereof the following: "not to exceed 110 percent in any geographical area where the Secretary finds that cost levels so require and by not to exceed 140 percent where the Secretary determines it necessary on a project-by-project basis, but in no case may any such increase exceed 90 percent where the Secretary determines that a mortgage purchased or to be purchased by the Government National Mortgage Association in implementing its special assistance functions under section 305 of this Act (as such section existed immediately before November 30, 1983) is involved". Section 221(d)(4)(ii) of the National Housing Act of 1934 is amended by striking out "$19,406"; "$22,028"; "$26,625"; "$33,420"; "$37,870"; "$20,962"; "$24,030"; "$29,220"; "$37,800"; and $41,494" and inserting in lieu thereof, "25,228"; "$28,636"; "$34,613"; "$43,446"; "$49,231"; "$27,251"; "$31,239"; "$37,986"; "$49,140" and "$53,942", respectively.

GNMA MORTGAGE-BACKED SECURITIES LIMITATIONS

SEC. 202. Section 306(g)(2) of the Federal National Mortgage Association Charter Act is amended by striking out "and 1985" and inserting in lieu thereof ", 1985, 1986, and 1987".

FEES AND CHARGES

SEC. 203. (a)(1) No fee, premium or other charge shall be assessed or collected by the United States (including any executive department, agency, or independent establishment thereof) on or with regard to loans, guarantees or insurance provided by the Secretary of Housing and Urban Development unless such fee, premium or other charge is established at no greater than an amount, if any, that reasonably could be expected to compensate the United States with respect to such activities for such actual administrative expenses and anticipated losses on actual experience.

(2) Any fee, premium or other charge in effect as of November 1, 1985, shall be deemed to be in compliance with paragraph (1) of this subsection.

(b) No risk premium or loan fee may be assessed or collected by the Secretary of Housing and Urban Development or any other Federal agency directly or indirectly from the borrower with regard to a loan made by the Secretary under section 312 of the Housing Act of 1964.

(c) No fee, premium or other charge shall be assessed or collected by the United States (including any executive department, agency, or independent establishment thereof) on or with regard to the purchase, acquisition, sale, pledge, issuance, guarantee or redemption of any mortgage, asset, obligation, trust certificate of beneficial interest or other security by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or a Federal Home Loan Bank; *Provided, however,* That nothing herein shall prohibit incidental imposition of any reasonable and appropriate fee or charge pursuant to section 304(c) or 309(g) of the Federal National Mortgage Association Charter Act, section 303(c) of the Federal Home Loan Mortgage Corporation Act, or section 11(i) of the Federal Home Loan Bank Act.

(3)(A) No fee or charge in excess of six basis points (other than fees or charges for the issuance of commitments or miscellaneous administrative fees that do not exceed the level set for such fees by the Government National Mortgage Association as of September 1, 1985) may be assessed or collected by the United States (including any executive department, agency or independent establishment of the United States) on or with regard to any guaranty of the timely payment of principal or interest on trust certificates or securities backed or based on mortgages that are secured by one-to two-family dwellings, and insured by the Federal Housing Administration pursuant to title II of the National Housing Act, or which are insured or guaranteed under the Serviceman's Readjustment Act of 1944 or chapter 37 of title 38 of the United States Code, or title V of the Housing Act of 1949. The fees charged for the guaranty of securities or trust certificates backed or based on all other types of mortgages, as authorized by other provisions of law shall be set by the Government National Mortgage Association at a level adequate to create reserves sufficient to meet anticipated claims based on actuarial analysis, and for no other purpose. The Secretary of Housing and Urban Development shall certify to Congress ninety days prior to any increase in these fees that the fees charged (or the proposed increases) are solely for the purposes specified in the preceding sentence.

(B) Fees or charges for the issuance of commitments or miscellaneous administrative fees shall remain at the level set for such fees as of September 1, 1985. Any increases in these fees shall be reasonably related to the cost of administering the program, and for no other purpose. The Secretary shall certify to Congress ninety days prior to any increase in these fees that the fees charged (or the proposed increases) are solely for the purposes specified in the preceding sentence.

(4) Section 203(c) of the National Housing Act is amended to read as follows:

"(C) The Secretary is authorized to fix premium charges for the insurance of mortgages under the separate sections of this title but in the case of any mortgage such charge shall not be more than 3.8 per centum of the principal obligation of the loan or mortgage involved. The fee charged for the insurance of mortgages under this title shall be set by the Secretary at a level adequate to create reserves sufficient to meet anticipated claims based on actuarial analysis, and for no other purpose, except: that premium charges fixed for insurance (1) under sections 245, 247, 251, 252 or 253 or any other financing mechanism providing alternative methods for repayment of a mortgage that is determined by the Secretary to involve additional risk, or (2) under subsections (n) and (k) are not required to be the same as the premium charges for mortgages insured under the other provisions of this section.".

(d) This section shall not be deemed to authorize any fee, premiums or other charge in excess of that allowable under another statute or to authorize any fee, premium or other charge to be imposed that is not authorized under any other statute.

HOME MORTGAGE DISCLOSURE ACT EXTENSION

SEC. 204. Section 312 of the Home Mortgage Disclosure Act of 1975 is amended by striking out "1987" and inserting in lieu thereof "1989".

PURCHASE OF SECOND MORTGAGES

SEC. 205. (a) Paragraph (5)(A) of Section 302(b) of the Federal National Mortgage Association Charter Act is amended by deleting the phrase "until October 1, 1987,".

(b) Paragraph (4)(A) of Section 305(a) of the Federal Home Loan Mortgage Corporation Act is amended by deleting the phrase "until October 1, 1987,".

TITLE III—HOMELESS ASSISTANCE

DEFINITIONS

SEC. 301. For the purpose of this title—

(1) the term "emergency shelter" means an entire facility, or that part of a facility, which is used or designated to be used to provide temporary housing to not fewer than twenty individuals;

(2) the term "operating costs" means expenses incurred by States, local governments, and private nonprofit organizations operating transitional housing for the homeless with respect to—

(A) the administration, maintenance, minor repairs, and security of such housing;

(B) utilities, fuel, furnishings, and equipment for such housing; residents of such housing; and

(C) the conducting of the assessment of supportive services to residents of such housing; and

(D) the provision of supportive services to the residents of such housing;

(3) the term "private nonprofit organization" means a secular or religious organization described in section 501(c) of the Internal Revenue Code of 1954 which is exempt from taxation under subtitle A of such code, and which has an accounting system and a voluntary board, and practices nondiscrimination in the provision of assistance;

(4) the term "Secretary" means the Secretary of Housing and Urban Development;

(5) the term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, or any territory or possession of the United States;

(6) the term "supportive services" means assistance to the residents of transitional housing in obtaining permanent housing, medical and psychological counseling and supervision, employment counseling, referral to job training, nutritional counseling, and such other services essential for establishing independent living as the Secretary determines to be appropriate. Such term includes the provision of assistance to the residents of transitional housing in obtaining other Federal, State, and local government assistance available for such person, including mental health benefits, employment counseling, referral to job training programs, and medical assistance; and

(7) the term "transitional housing" means a single- or multi-family structure suitable for the provision of housing and supportive services for not more than 15 homeless persons, who cannot presently live independently without supportive services in a supervised residential setting but who are believed capable of transition to independent living with 6 months of assistance in a stable environment.

PART 1—EMERGENCY FOOD AND SHELTER PROGRAM

NATIONAL BOARD

SEC. 311. (a) The Director of the Federal Emergency Management Agency shall, as soon as practicable after September 30, 1986, constitute a national board for the purpose of carrying out an emergency food and shelter program.

(b) The national board shall consist of seven members. The United Way of America, the Salvation Army, the National Council of Churches of Christ in the United States of America, the National Conference of Catholic Charities, the Council of Jewish Federations, Incorporated, the American Red Cross, and the Federal Emergency Management Agency shall each designate a representative to sit on the national board.

(c) The representative of the Federal Emergency Management Agency shall chair the national board.

NATIONAL BOARD TRANSITION

SEC. 312. (a) The national board constituted by the Director of the Federal Emergency Management Agency, pursuant to section 311, shall continue to be authorized until March 30, 1987, and on such date, the personnel, property, records, and undistributed program funds of such national board shall be transferred to the national board constituted under subsection (b).

(b) On or before March 30, 1987, the Secretary of Housing and Urban Development shall constitute a national board for the purpose of carrying out an emergency food and shelter program. This national board shall consist of the same representatives, or their successors, of the same organizations as the national board constituted pursuant to section 311(b), except that the Secretary of Housing and Urban Development shall designate a representative to replace the Federal Emergency Management Agency representative. Such national board shall assume authority on March 30, 1987.

DISTRIBUTION OF PROGRAM FUNDS

SEC. 313. The national boards constituted pursuant to sections 311 and 312(b) shall determine how program funds are to be distributed to individual localities. The national board shall identify localities having the highest need for emergency food and shelter assistance, based on unemployment and poverty rates and such other need-related data as the national boards deem appropriate, determine the amount and distribution of funds to these localities, and ensure that funds are properly accounted for.

AGENCY RESPONSIBILITIES

SEC. 314. (a) The Director of the Federal Emergency Management Agency shall award a grant for such amount as Congress appropriates for this program to the national board constituted pursuant to section 311 within thirty days after the beginning of fiscal year 1987, for the purpose of providing emergency food and shelter to needy individuals through private nonprofit organizations and through units of local government.

(b) The Director of the Federal Emergency Management Agency, or his representative, shall have the following responsibilities: provision of guidance, coordination, and staff assistance to the national board in carrying out the program; and cooperation and coordination with the Secretary of Housing and Urban Development in the conducting of an audit of program funds awarded to the national board constituted pursuant to section 311 or transferred to the national board constituted pursuant to section 312(b). The responsibilities of the Director of the Federal Emergency Management Agency with respect to this program shall end with the completion of the audit for program funds distributed during fiscal year 1987.

(c) The Secretary of Housing and Urban Development shall award a grant for such program to the national board constituted pursuant to section 312(b) within thirty days after the beginning of fiscal years 1988 and 1989, for the purpose of providing emergency food and shelter to needy individuals through private nonprofit organizations and through units of local government.

(d) The Secretary of Housing and Urban Development shall have the following responsibilities: provision of guidance, coordination, and staff assistance to the national board in carrying out the program; and the conducting of an audit of program funds awarded to and transferred to the national boards constituted pursuant to sections 311 and 312(b).

(e)(1) In carrying out the responsibilities under subsection (d), the Secretary shall coordinate activities with the Federal Interagency Task Force on Food and Shelter, chaired by the Secretary of Health and Human Services, to identify vacant and surplus Federal facilities which could be renovated or converted for use as emergency shelter facilities for the homeless.

(2) Not later than three months after the end of fiscal year 1987, the Secretary shall submit to the Congress a report on obstacles, if any, including agency rules or procedures, to the availability of vacant and surplus Federal facilities for renovation or conversion to use as emergency shelter facilities for the homeless, with recommendations for legislative or administrative changes to overcome such obstacles.

LOCAL BOARDS

SEC. 315. (a) Each locality designated by the national boards constituted pursuant to sections 311 and 312(b) shall constitute a local board for the purpose of determining how program funds allotted to the locality will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national boards, expect that the mayor or other appropriate heads of government will replace the Federal Emergency Management Agency or Department of Housing and Urban Development member; organizations providing services on a locality wide basis should also be allowed to serve on the local board. The chair of the local board shall be elected by a majority of the members of the local board. Local boards are encouraged to expand participation of other private nonprofit organizations on the local board.

(b) Local boards shall have the following responsibilities: determining which private nonprofit organizations or public organizations of the local government in the individual locality shall receive grants to act as service providers; monitoring recipient service providers for program compliance; reallocation of funds among service providers; ensuring proper reporting; and coordinating with other Federal, State, and local government assistance programs available in the locality.

(c) Prior to March 30, 1987, local boards constituted pursuant to subsection (a) shall be accountable to the national board constituted pursuant to section 311. On and after March 30, 1987, local boards constituted pursuant to subsection (a) shall be accountable to the national board constituted pursuant to section 311(b).

LOCAL HOMELESS ASSISTANCE PLAN

SEC. 316. (a) At the end of each fiscal year, each local board shall submit to the national board constituted pursuant to section 312(b), a plan describing programs, goals, and objectives for providing assistance to the homeless in that locality. The plan shall be developed in cooperation with the local government head represented on the local board.

(b) The local plan shall address the following subjects: description of existing shelter, mass feedings, and food bank activities in that locality, including activities not receiving assistance under this subtitle; use and availability of all public and private resources in the locality to assist the homeless; coordination of all public and private services and resources in that locality to assist the homeless; coordination among all shelter providers in the locality to use all available shelter space for the homeless; and preservation of low-income housing in the locality.

(c) The local plan shall be placed on file in the office of the local government head represented on the local board and shall be made available to the public. The local plan shall be forwarded to that individual locality's representatives in Congress. The national board shall maintain files of local plans and make them available upon request to other localities.

(d) The preparation and submission of the local plan shall be regarded as the legal duty of the local board, but failure to do so shall not be grounds for the withholding of funds appropriated under this title from that locality. Any citizen residing in the locality in which such local board is constituted shall have standing in the Federal district court of jurisdiction to seek an order compelling the preparation and submission of the local plans as required by this section. The substance and contents of the local plan shall be within the sole discretion of the local board and shall not be subject to administrative or judicial review.

SERVICE PROVIDERS

SEC. 317. Designation by the local board of a service provider to receive program funds should be based upon a private nonprofit organization's or unit of local government's ability to deliver emergency food and shelter to needy individuals and such other factors as are deemed appropriate to program objectives by the local board.

USE OF FUNDS

SEC. 318. (a) The national boards constituted by sections 311 and 312(b) may authorize the following use of funds to address the emergency food and shelter needs of needy individuals:

(1) Expenditures necessary to purchase emergency food and shelter for needy individuals, to supplement and extend currently available resources and not to substitute or reimburse ongoing programs and services; and

(2) expenditures necessary to conduct minimum rehabilitation of existing mass shelter or mass feeding facilities to make facilities safe, sanitary, and bring them into compliance with local building codes.

(b)(1) Local boards are authorized to expend up to 25 percent of the funds allotted to that locality for substantial renovation or conversion, but no acquisition or new construction, of buildings for use as emergency shelter facilities to provide additional shelter space. Such expenditures shall be made in the form of noninterest bearing advances, repayment of which shall be waived if—

(A) the applicant utilizes the building as an emergency shelter facility for not less than the 10-year period following the completion of such renovation or conversion, or

(B) the Secretary determines that such facility is no longer needed to provide shelter to the homeless and approves use of the building for another charitable purpose for the remainder of such 10-year period. If the recipient of such advance fails to comply with the conditions for such a waiver, the recipient shall repay to the Secretary in cash the full amount of the advance received on such terms as the Secretary shall require. It shall be the responsibility of the local board to obtain documentation, signed by the responsible official, showing that the recipient of such advance is aware of and agrees to the conditions of its receipt.

(2) Local boards are encouraged to provide, to the neighborhood in which a new emergency shelter facility is to be located, adequate notice and an opportunity to comment. Local boards are also encouraged to achieve the widest possible distribution of emergency shelters throughout the locality to avoid a disproportionate burden on any one section or neighborhood of the locality.

LIMITATION ON CERTAIN COSTS

SEC. 319. Not more than 3 percent of the total appropriation for this program each year may be expended for the costs of administration.

PROGRAM GUIDELINES

SEC. 320. (a) The national boards constituted pursuant to sections 311 and 312(b) shall establish written guidelines for carrying out this program, including methods for identifying localities with the highest need for emergency food and shelter assistance; methods for determining amount and distribution to these localities; eligible program costs, with the aim of providing emergency essential services based on currently existing needs; and responsibilities and reporting requirements of the national boards, local boards, and service providers.

(b) These guidelines shall be published annually, and whenever modified, in the Federal Register. The national boards shall not be subject to the procedural rulemaking requirements of subchapter II of chapter 5 of title 5, United States Code.

(c) Guidelines established by the national board constituted pursuant to section 311 shall continue in effect until modified or revoked by that board or by the national board constituted pursuant to section 312(b).

AUTHORIZATION

SEC. 321. (a) To carry out this part, there are authorized to be appropriated such sums as may be approved in an appropriation Act for fiscal year 1987, $88,000,000 in fiscal year 1988, and $91,000,000 in fiscal year 1989.

(b) Any appropriated funds not obligated in a fiscal year shall remain available for obligation during the following fiscal year.

SURPLUS FOOD DISTRIBUTION

SEC. 322. The Commodity Credit Corporation shall process and distribute surplus commodities acquired by the corporation for the purpose of carrying out the food distribution and emergency shelter program in cooperation with the national boards constituted pursuant to sections 311 and 312(b).

PART 2—TRANSITION TO INDEPENDENCE DEMONSTRATION PROJECT

AUTHORITY TO MAKE GRANTS

SEC. 331. (a) The Secretary of Housing and Urban Development shall make grants to States, local governments, or private nonprofit organizations for the operation of demonstration projects to develop and apply innovative approaches in providing transitional housing and supportive services to the homeless to assist them in the transition to independent living.

(b) Grants under subsection (a) may be made in the form of—

(1) annual payments for operating expenses of transitional housing, not to exceed 75 percent of the annual operating expenses of such housing;

(2) technical assistance in establishing and operating transitional housing and providing supportive services to the residents of such housing to assist them in the transition to independent living; and

(3) a one-time only non-interest bearing advance, not to exceed $100,000, for the purposes of acquiring, rehabilitating, or acquiring and rehabilitating an existing structure for use in providing transitional housing, if the applicant agrees to utilize such structure as transitional housing, if the applicant agrees to utilize such structure as transitional housing for not less than 5 years. Repayments of such advance shall be waived if the applicant utilizes the structure as transitional housing for not less than the 10-year period following the initiation of operation of such transitional housing facility, or if the Secretary determines that such structure is no longer needed for use as transitional housing and approves the use of such structure for another charitable purpose for the remainder of such 10-year period. If the applicant fails to comply with the conditions for waiver of repayment, the applicant shall repay to the Secretary in cash the full amount of the advance received on such terms as the Secretary shall require.

(c) Grants made under this section are to be used to supplement and extend currently available resources and not to substitute or reimburse ongoing programs and services.

APPLICATIONS FOR GRANTS

SEC. 332. Each application for a grant submitted by a State, local government, or private nonprofit organization shall contain—

(1) documentary material demonstrating that such applicant has the ability and resources necessary to operate transitional housing;

(2) documentary material describing the program and supportive services intended to be provided in such transitional housing, including the innovative quality of the proposed program;

(3) documentary material demonstrating that the State, local government, or private nonprofit organization involved has provided the emergency food and shelter program local board, constituted pursuant to section 315, if such local board has been constituted in the locality where the proposed transitional housing will be located, an opportunity to comment with respect to this application, and a statement as to whether the local board approves or disapproves of such application and its reasons for any disapproval; and

(4) such other information or material as the Secretary shall establish.

ALLOCATION OF GRANTS

SEC. 333. In selecting States, local governments, or private nonprofit organizations for assistance in providing transitional housing under this title, the Secretary shall consider—

(1) the innovative quality of the proposal to provide transitional housing and supportive services to the homeless to assist them in the transition to independent living;

(2) the ability of the State, local government, or private nonprofit organization to develop and operate transitional housing for homeless persons and to provide supportive services to the residents of such housing;

(3) the need for such transitional housing and supportive services in the locality to be served; and

(4) such other factors as the Secretary determines to be appropriate for purposes of carrying out the demonstration project established in this Act in an effective and efficient manner.

PROGRAM REQUIREMENTS

SEC. 334. (a) Each State, local government, or private nonprofit organization receiving assistance under this part shall agree—

(1) to operate transitional housing assisting residents in the transition to independent living and generally limiting the stay of individual residents to not more than six months;

(2) to conduct an assessment of the supportive services required by the residents of such transitional housing to assist them in the transition to independent living;

(3) to employ a full-time residential supervisor with sufficient expertise to provide, or supervise the provision of, supportive services to the residents of such housing;

(4) to keep and make available to the Secretary such records of the expenditure of funds as the Secretary may require by rule; and

(5) to comply with such other terms and conditions as the Secretary may establish for purposes of carrying out the demonstration project established by this part in an effective and efficient manner.

(b) Each homeless individual residing in transitional housing assisted under this part shall pay as rent an amount determined in accordance with the provisions of section 3(a) of the United States Housing Act of 1937.

REGULATIONS

SEC. 335. Not later than 120 days following the date of enactment of this Act, the Secretary shall issue such regulations as may be necessary to carry out the provisions of this part.

REPORTS TO CONGRESS

SEC. 336. (a) The Secretary shall submit to Congress—

(1) not later than three months after the end of each of the fiscal years 1987 and 1988, an interim report summarizing the activities carried out under this part during such fiscal year and setting forth any preliminary findings, conclusions, or recommendations of the Secretary as a result of such activities; and

(2) not later than six months after the end of fiscal year 1989, a final report summarizing all activities carried out under this part and setting forth any findings, conclusions, or recommendations of the Secretary as a result of such activities.

(b) Such interim and final reports shall address—

(1) the cost of operating transitional housing and providing supportive services to the homeless to assist them in the transition to independent living;

(2) the various types of transitional housing assisted under this part, including innovative approaches to assisting the homeless in the transition to independent living;

(3) the social, financial, and other advantages and disadvantages of transitional housing and supportive services as a means of assisting the homeless;

(4) the success of transitional housing programs assisted under this part, as measured in terms of placement of homeless individuals in permanent housing, placement in employment, and reductions in welfare dependency; and

(5) such other findings, conclusions, and recommendations as the Secretary deems appropriate with regard to assisting the homeless in the transition to independent living.

AUTHORIZATION

SEC. 337. To carry out this part, there are authorized to be appropriated such sums as may be approved in an appropriation Act for fiscal year 1987, and $15,000,000 in each of the fiscal years 1988 and 1989. Any amount appropriated under this section shall remain available until expended.●

By Mr. CHILES:

S. 259. A bill to create a Department of Trade, to promote economic growth and trade expansion, to open foreign markets, to enhance the competitiveness of United States firms, and for other purposes; to the Committee on Governmental Affairs.

TRADE EXPANSION ACT

● Mr. CHILES. Mr. President, I am introducing today the Trade Expansion Act of 1987.

We are at an economic turning point in our history. After years of drift and indecision, a new sense is developing in this country that we are sliding behind our world competition. And much of the reason for inertia has been an inability to assert our historic economic power.

Economic power is the ability to deliver a rising standard of living on a sustainable basis. In the modern world, one of the keys to rising standard of living is providing good jobs by producing goods and services for export.

And we have been lagging on that score. Within the last month or so, the administration has taken some belated, piecemeal steps to show the United States has been victimized by foreign trade barriers long enough. But the steps have no pattern, no organized force behind them.

We must do better and that's the reason for the Trade Expansion Act I'm introducing today.

The United States must take practical steps toward a vigorous system of open and fair world trade.

We must not be shy about insisting on the removal of foreign trade barriers to the sale of our goods abroad. But neither should we be shy about facing up to the fact that some of our problems are self-inflicted.

The administration has, in the past, rejected the findings of the International Trade Commission that our copper and footware industries have been damaged by foreign trade practices. It did nothing to help our machine tool industry until it was too late.

We have not monitored predatory practices of our competitors, nor have we systematized our approach to making our own laws foster our trade prospects.

It seems to me, Mr. President, that if we can put American astronauts on the Moon's Sea of Tranquility, we ought to be able to put American goods on the Sea of Japan.

One of our most nagging problems in the arena of trade is political. Everytime someone counsels getting this country in shape to compete, someone else is sure to call it protectionism. That's nonsense.

In this country, we believe in equal opportunity. We expect no less in the world marketplace. There is a vast difference between competition and protection.

Protection is negative, passive, a fortress mentality. Competition demands agility, imagination, and activism. We must demand competition, promote exports, and make the most of our opportunities.

Accordingly, the Trade Expansion Act of 1987 would create a cabinet-level Department of Trade in the executive branch. The Trade Secretary would be responsible for developing, coordinating, and implementing trade policy. The Secretary would become the chief advocate for U.S. trade interests.

The new Department would combine the functions of the U.S. Trade Representative with the many trade-related and industrial functions of the Department of Commerce.

The Export-Import Bank, the International Trade Commission, and the Overseas Private Investment Corporation would be transferred to the Department.

The bill would also establish a Trade Committee in the Executive Office of the President comprised of the Secretaries of Trade, Commerce, Agriculture, State, Labor, and Treasury to assist the President in carrying out his functions under the trade laws.

The Trade Expansion Act would require the Secretary of Trade to inventory the effects on American exports of lifting foreign trade barriers. This inventory will serve as a reference point for setting bottom-line access goals to foreign markets. If other nations are unwilling to open their markets in accordance with those goals, the United States will take the action necessary to make up the shortfall by limiting the amount of foreign imports into this country.

The bill would require us to identify and remove our own barriers to trade to show good faith, and keep us from tying our own hands. We have many government policies in our country that have proven to be barriers to our own producers in the search for foreign markets. We must work to remove those barriers.

The bill directs the Export-Import bank to work with state agencies in the promotion of exports to produce a truly national effort.

It seeks to improve U.S. agricultural trade through export incentive programs, and seek ways to increase the competitive potential of American farmers.

The bill would streamline procedures for American industries damaged by imports. It would also require the Trade Secretary to automatically implement their decisions unless overridden by the President.

The bill also instructs the Secretary of Trade to monitor foreign industries which engage in predatory practices. It would protect the creativity of American intellects by prohibiting trade with foreign firms whose goods are manufactured as a result of the illegal use of U.S. patents. In that sense, it also protects America's investment in research and development.

Beyond these items, the President would be instructed to enter into negotiations to strengthen GATT with regard to services, agricultural trade, technology, and investments.

It would also involve the U.S. Treasury and the Federal Reserve Board in an effort to find ways to ease the international debt crisis.

And at the heart of the bill is the idea of promoting growth and economic power—not just through expanding exports—but through serious work on the problems of deficits and consumption affecting the nations of the world.

We begin this work to invigorate world trade. And we start it because we value the benefits that dynamic and competitive partnership can bring to this Nation and all others who join the effort.

America is a proud and strong country. We have great latent power to shape our own future. We have used it before. We must use it again. And we must use it now.

Mr. President, I ask unanimous consent that a more detailed explanation of the bill be printed at this point in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

THE TRADE EXPANSION ACT OF 1987—SECTION-BY-SECTION SUMMARY

TITLE I—CREATING A DEPARTMENT OF TRADE

Creates a cabinet-level Department of Trade in the executive branch to develop, coordinate, and execute trade policy—becoming the chief advocate for U.S. trade interests.

The new Department combines the functions of the U.S. Trade Representative with the many trade-related and industrial functions of the Department of Commerce.

The Export-Import Bank, the International Trade Commission, and the Overseas Private Investment Corporation are transferred to the Department.

Establishes a Trade Committee in the Executive Office of the President comprised of the Secretaries of Trade, Commerce, Agriculture, State, Labor, and Treasury to assist the President in carrying out his functions under the trade laws.

TITLE II—OPENING FOREIGN MARKETS

Requires the Secretary of Trade to calculate the potential increase in U.S. exports from lifting foreign trade barriers. These amounts form the basis for export goals and timeliness for countries whose barriers are a significant impediment to U.S. exports.

Sets export goals for Japan leading to a $10 billion increase in U.S. exports at the end of three years.

Failure to meet the export goals would result in the foreign country being denied access to the U.S. market by the amount of the shortfall from the target.

In initiating Section 301 cases (unfair trade barriers), the Secretary of Trade is instructed to focus not only on the most egregious practices, but to also consider the ability of smaller exporters to pursue their own remedies.

TITLE III—SUPPORTING U.S. EXPORT EFFORTS

Establishes a $300 million "war chest" administered by the Department of Trade to counter mixed credits and other forms of subsidized financing. Prohibits funding of projects that would increase excess supply of goods or commodities in U.S. or global markets.

Requires the Trade Department to identify existing U.S. barriers to U.S. exports and report to Congress on the increased value of exports that could be expected from their removal.

Revises Foreign Corrupt Practices Act by replacing the imprecise "reason to know" standard with a cleaner "knowledge standard". Strengthens enforcement of FCPA by doubling penalties. Requires Secretary of Trade to review impact of FCPA on U.S. exports.

Mandates competitiveness impact statements for major legislative or regulatory initiatives by federal agencies. In addition, the Congressional Budget Office will monitor committee-reported bills to identify those which would have a major impact on the international trade of the United States.

Instructs U.S. directors to multilateral development banks to aid procurement opportunities for U.S. firms.

Directs the Export-Import bank to work with state agencies that promote exports to establish procedures for consultation and coordination of efforts. Assures that these state agencies have ready access to the Trade Department's trade data bank (see Title IX).

Requires diplomatic missions to facilitate U.S. export efforts.

TITLE IV—AGRICULTURAL TRADE

Directs the Secretary of Agriculture to conduct research to enhance the competitiveness of U.S. agricultural commodities. Mandates studies of U.S. comparative advantage, new developments in research conducted by foreign countries, and the level of export subsidization by foreign governments.

Authorizes the Secretary of Agriculture to conduct an export quality incentive program using export PIK commodities. The government would provide commodities in exchange for each 1 percent improvement in grain quality above the standard contract.

Directs the Secretary of Agriculture to issue an annual report summarizing the impact of actions taken by the USTR on U.S. exports of agricultural commodities.

TITLE V—RELIEF FROM INJURY CAUSED BY IMPORTS

Streamlines section 201 procedures for industries damaged by imports. Requires the International Trade Commission's recommendation to be automatically implemented unless overridden by the President.

Has section 201 relief accompanied by adjustment measures aimed at restoring the competitiveness of the damaged industry.

Temporary relief under section 201 would be in the form of tariffs or auctioned quotas, so that the "surplus" created by the protection flows to the Treasury rather than foreign producers. Does not include antitrust exemption as a remedy under Section 201.

Monitors impact of imports on technologies, components, and outputs critical to U.S. economic or national security interests.

TITLE VI—RESISTING PREDATORY TRADE PRACTICES

Instructs the Trade Department to monitor for foreign industries which engage in predatory competition (such as protecting an industry while building a large export capacity).

The Trade Department would monitor the flow of these industries' products to the U.S. and submit to Congress a report identifying cases of excessive increases in sales.

Requires the Trade Department to monitor the investment in the U.S. by foreign countries engaging in unfair trade practices.

Mandates study of foreign financial and regulatory systems on ability of U.S. businesses to compete in domestic and foreign markets.

Restricts access of foreign nationals and firms from countries which violate U.S. patents to U.S. research and educational facilities.

Adopts language of S. 1543 which strengthens the protection of intellectual property rights by prohibiting foreign firms from selling goods in the U.S. whose manufacture involves the illegal use of U.S. process patents.

Calls for sufficient funding for personnel to vigorously enforce U.S. trade laws.

TITLE VII—INTERNATIONAL TRADE NEGOTIATIONS

Instructs the President to enter into international trade negotiations to create or strengthen the GATT articles with regard to trade in services, agricultural trade, technology and related processes, intellectual property rights, investments.

Creates as negotiating objectives revision of GATT procedures to allow unilateral actions to enforce panel recommendations; to enable independent, nongovernment experts to arbitrate disputes; and to develop scientific, market-related estimates of trade potentials from trade concessions. Calls for the strengthening of GATT as an institution through tougher enforcement mechanisms and streamlined procedures.

Calls for international agricultural negotiations to remove unreasonable health and safety standards used as barriers to U.S. agricultural exports, and to establish strict, enforceable definitions of agricultural subsidies.

TITLE VIII—INTERNATIONAL DEBT CRISIS

Requires the U.S. Treasury and the Federal Reserve Board, in consultation with the International Monetary Fund and the World Bank, to report on the options for ameliorating the international debt crisis.

The report will consider the options for debt repayment flexibility conditioned on an increased role for the private sector in the indebted countries, appropriate monetary, fiscal and regulatory policies, movement toward membership in and adherence to the GATT articles.

Calls on industrialized countries which benefit from a U.S. defense presence to play a greater financial role in supporting the international institutions which aid indebted countries.

Instructs the Administration to evaluate the feasibility of selling surplus agricultural and other commodities in exchange for local currencies, goods, or services (countertrade) in indebted countries where hard currency supplies are low.

TITLE IX—TRADE INFORMATION

Mandates that the Trade Department develops and maintains a centralized trade data bank with information on foreign economies and market opportunities (including countertrade), foreign business practices, laws and regulations, and information on specific industrial sectors.

Requires gathering and dissemination of trade data on a state-by-state basis, allowing the determination of value-added by a particular state.

Establishes a new service in the Trade Department aimed at meeting the information needs of particular U.S. firms—with the companies sharing the cost.

TITLE X—ECONOMIC GROWTH AND TRADE EXPANSION

Instructs the President to negotiate with foreign countries:

to coordinate macroeconomic adjustment, with reductions in the U.S. budget deficit matched by the expansion of foreign economies.

to base their economic growth on a balance of external and domestic demand, recognizing that exclusive reliance on export-led growth creates trade imbalances which increase protectionist pressures and undermine the world trade system.

to work with the United States and international organizations to pursue a pro-growth strategy to resolving the international debt crisis.

NEW ELEMENTS TO TRADE EXPANSION ACT OF 1987

(1) Creates a cabinet-level Department of Trade in the executive branch to develop, coordinate, and execute trade policy—becoming the chief advocate for U.S. trade interests.

(2) Establishes bottom-line export goals for Japan leading to a $10 billion increase in U.S. exports at the end of 3 years. Failure to meet the goals would result in Japanese goods being denied access to the U.S. market by the extent of the shortfall.

(3) Based on numerical calculations of the potential for increased U.S. exports from removal of foreign trade barriers, requires the Trade Department to set bottom-line export goals for at least three countries in the year following enactment.

(4) Prohibits the Export-Import Bank from financing projects that would result in an excess supply of goods or commodities in U.S. or world markets.

(5) Requires the Department of Trade to monitor the impact of imports on technologies, components, or final products critical

to U.S. economic or national security interests.

(6) Requires the Department of Trade to monitor investments in the U.S. by foreign countries engaging in unfair trade practices.

(7) Mandates the study of foreign financial and regulatory systems (including antitrust) on ability of U.S. businesses to compete in domestic and foreign markets.

(8) Allows restriction of access of foreign nationals and firms from countries which violate U.S. patents to U.S. research and educational facilities.

(9) Creates GATT negotiating objectives which allow: unilateral actions to enforce panel recommendations; creation of panels of independent, nongovernmental experts to arbitrate trade disputes; development of scientific, market-related estimates of trade potentials from tariff and other concessions.

(10) Calls for international agricultural negotiations to remove unreasonable foreign health and safety standards which impede U.S. exports, and to establish strict, enforceable definitions of agricultural subsidies.

(11) Expands data bank of Department of Trade to include information on opportunities for countertrade (barter) both by offiicial and private parties.

(12) Requires gathering of trade data on a state-by-state basis, allowing the determination of value-added of a particular state.●

By Mr. THURMOND (for himself, Mr. CHILES, Mr. HATCH, Mr. TRIBLE, Mr. D'AMATO, Mr. HELMS, Mr. WILSON, Mr. GRASSLEY, and Mr. DECONCINI):

S. 260. A bill to reform procedures for collateral review of criminal judgments, and for other purposes; to the Committee on the Judiciary.

REFORM OF HABEAS CORPUS PROCEDURES

● Mr. CHILES. Mr. President, I am pleased to join the distinguished Senator from South Carolina, Senator THURMOND, in introducing a bill to reform procedures for collateral review of criminal judgments. This bill amends the statute governing the writ of habeas corpus used by State and Federal prisoners to challenge a court criminal conviction on constitutional grounds. The purpose of this bill is to cure the current flagrant abuse of the writ, which in many cases is used to subvert a State court's conviction or delay the imposition of a sentence. This abuse clogs the courts with frivolous claims that have oftentimes already been litigated in the State courts and potentially overshadow those claims that are meritorious. This legislation is a modified version of habeas corpus reform legislation which I coauthored in 1981 and have cosponsored in every Congress since then. While the Senate passed this legislation in 1984, the House of Representatives' version was never acted upon. I believe that the time is ripe to enact legislation to correct the current abuse of the writ.

The right to challenge one's incarceration by use of petition for habeas corpus is grounded in our Constitution. However, the current statutory framework providing guidelines for use of the writ allows for much abuse. According to the Florida attorney general's office, studies indicate abuse of the writ may take several forms. The most frequently cited form of abuse is when prisoners bring petitions many years after conviction. Other prisoners choose to raise new issues or allege different facts which could have been presented at the State court trial or on direct appeal. The potential result is a neverending cycle of appeals. The legislation we introduce today forestalls the use of these tactics and instills the notion of finality of judgment into our State criminal justice systems.

Support for habeas corpus reform is widespread. It is endorsed by members of the Federal bench, the U.S. Department of Justice, and the National Association of Attorneys General. In speaking before the American Bar Association, Chief Justice Burger stressed the need for finality of judgment in our criminal justice system as a means of deterrence to crime. The current machinery robs the system of justice of finality or certainty. The Supreme Court has also signaled the need for reform. In its last term, the decisions interpreting the scope of habeas review evidence a move in the direction sought by the legislation we propose. As a further comment on the present system, one noted authority describes State prisoners' use of the habeas petition as a form of occupational therapy.

Specific examples of abuse abound in my own State of Florida. In 1960, Floyd Halzapfel plead guilty to the first degree murders of a Florida circuit judge and his wife. Halzapfel told the State trial court his plea was free and voluntary and he understood the consequences of his plea. In 1969, he sought in State court to vacate the judgment and sentence he received claiming, among other things, his plea was involuntary, and he was not informed of his right to appeal. After a full evidentiary hearing on these issues, the State court denied the prisoner's motion. The denial was affirmed by the appellate court.

Over 9 years later, in 1978, Holzapfel filed a second motion to vacate in State court. He raised the same issues he had raised in 1969, and added a new charge—that his court appointed counsel had been ineffective. An additional hearing was held on the new claim in 1979. Based on the findings of that hearing and the 1969 hearing, the State court denied the second motion to vacate. In 1980, the State appellate court affirmed the lower court's denial.

In 1981, 21 years after his original conviction, Holzapfel filed a petition for habeas corpus relief in a Federal district court. In bringing this suit, he combined the claims already litigated in State court 12 years earlier with the claims he had litigated 3 years earlier. Clearly, his delay in bringing this suit imposed a great burden on the State's case, since two key witnesses, attorneys, had died prior to the Federal appeal. Both attorneys could testify concerning the voluntariness of the prisoner's confession. Holzapfel should have raised these issues in the original State proceedings when the facts, witnesses, and evidence were readily available and when the State court could correct any recognized errors.

Perhaps the premier beneficiary of our system's lack of finality is another Florida prisoner, Willie Darden, whom Justice Burger has described as the recipient of review "by 95 judges over 13 years." Darden, who was originally convicted in 1976 and sentenced to death in 1979 continues to make appeals, and is a classic example of a prisoner who has taken undue advantage of the availability of Federal review of State court proceedings.

The current system operates in such a way as to suggest that a prisoner, duly convicted in a "full and fair" State proceeding, can challenge that conviction time and time again, for years or even decades after his State court conviction became final. This system results in an erosion of public confidence in the criminal justice system. It undermines the notion of finality of judgment. Habeas cases relitigate the same facts and issues that were decided in the State courts, either at trial or on direct appeal. Moreover, Federal review of issues that have already been "fully and fairly" adjudicated in State court proceedings give rise to a presumption of inadequacy to State court proceedings. This has caused a great deal of friction between the State and Federal courts. Furthermore, the sheer volume of petitions filed is a strain on the resources of our courts. To the extent that our prosecutors, defense attorneys and judges devote their time and effort to reviewing and processing these petitions, we dilute the resources of the courts, and ironically actually hurt those who have valid habeas claims.

There are five major components of the bill which would amend the current statutory scheme relating to habeas corpus appeals by State prisoners. The first provision relates to the degree of deference accorded by a Federal habeas court to State court adjudication of legal issues that have been "fully and fairly" adjudicated. Under current law, a Federal habeas court is automatically required to make its own determination of legal issues regardless of how "fully and fairly" adjudicated in State court proceedings. Rather than making an automatic de novo review of legal issues mandatory, our proposal would impose a limited standard of review which would condition the granting of relief on the prisioner's demonstrating that the State process was inadequate does not meet the "full and fair" standard and that he or she deserves a new hearing, the prisoner must demonstrate that a minimum standard of reasonableness is not met by the State court, or that the State adjudication was not conducted in accordance with Federal rights that are embodied in the notion of due process and equal protection. Readjudication would also be allowed if new evidence of substantial importance to the decision is produced which could not have been obtained through the exercise of reasonable diligence.

Review under this provision assumes that the claim presented was decided on the merits in State court proceedings. If not, the propriety of considering this claim would fall under another provision governing access to Federal habeas corpus.

Our proposal modifies current law regarding the standard of review for State findings of fact similar to standard of review for State court determinations of legal issues. This bill prohibits any redetermination of facts unless the habeas petitioner can establish that a specified defect existed in the State proceeding. It also tightens up the conditions themselves to ensure that needless redetermination of facts does not occur.

Another provision sets a uniform standard for review by a Federal habeas court when ruling on a prisoner's failure to raise a constitutional issue in accordance with State procedures. The intent behind this provision is to accord due deference to State procedures. More specifically, this provision codifies the "cause and prejudice" standard articulated in Wainwright versus Sykes in cases where there is a State procedural default. In order to obtain relief in a procedural default context, a prisoner must establish that actual prejudice resulted from the alleged denial of the right asserted and that the prisoner's failure to raise the claim is excused because it was a result of State action, or that the right asserted was newly recognized by the Supreme Court, or that the factual predicate of the claim could not have been discovered through the exercise of reasonable diligence prior to the default.

Another proposal in this bill creates a statute of limitations of 1 year for filing habeas petitions for State prisoners, running from the time that State remedies are exhausted. This assures that habeas claims are filed and considered while the evidence is still readily accessable and is designed to remedy cases such as the example regarding the case of Halzapfel mentioned earlier. There are exceptions to this general rule in cases where State action prevented the prisoner from filing a habeas petition, or the petitioner is asserting newly recognized rights, or where the factual predicate of the claim could not have been discovered earlier through the exercise of reasonable diligence.

Mr. President, I think this bill will infuse the present system of filing habeas petitions with a measure of finality and certainty. I believe it will go a long way toward eliminating the filing of claims that are without merit or frivolous while guaranteeing those individuals with legitimate habeas petitions review in Federal court. I am pleased to join with Senator THURMOND in his efforts to secure this long overdue remedy.●

By Mr. MATSUNAGA (for himself, Mr. CRANSTON, and Mr. WILSON):

S. 261. A bill to authorize the establishment of a Peace Garden on a site to be selected by the Secretary of the Interior; to the Committee on Energy and Natural Resources.

ESTABLISHMENT OF PEACE GARDEN

● Mr. MATSUNAGA. Mr. President, I am introducing today, with the cosponsorship of Senators CRANSTON and WILSON of California, a bill to authorize the establishment of a Peace Garden in the Nation's Capital. Our Senate bill is identical to the House bill introduced in the 99th Congress by a Congressman GEORGE MILLER of California, and passed by the House in the closing days of the last Congress. Under its provisions, a new garden, dedicated to the ideal of peace, would be established in the District of Columbia on a site selected by the Secretary of the Interior, subject to the approval of the Commission on Fine Arts and the National Capital Planning Commission.

The garden would be designed and constructed by the Peace Garden Project, Inc., a nonprofit corporation chartered in the State of California. This organization will undertake to raise private funds for the design, construction and maintenance of the Peace Garden, so that the garden will not cost the taxpayers of this Nation 1 penny.

Mr. President, in a city filled with memorials to the great patriots who have died to protect freedom and our democratic way of life, it seems to me to be entirely appropriate that we should have a garden dedicated to the ideal of peace—a place of serenity and beauty for contemplation and meditation on the attainment of mankind's highest, yet most elusive goal. I urge the early consideration of this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 261

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF PEACE GARDEN.

The Secretary of the Interior, acting through the Director of the National Park Service is authorized to enter into an agreement with the Peace Garden Project, Incorporated (a nonprofit corporation organized under the laws of the State of California) pursuant to which the Peace Garden Project, Incorporated may construct a garden to be known as the "Peace Garden" on a site on Federal land in the District of Columbia to honor the commitment of the people of the United States to world peace. The site for the Peace Garden shall be selected by the Secretary of the Interior, subject to the approval of the Commission of Fine Arts and the National Capital Planning Commission.

SEC. 2. PROCEDURES AND DOCUMENTATION.

(a) PROCEDURES.—The site selection, design and construction of the Peace Garden shall comply with all procedures, rules, policies, and provisions of law applicable to the establishment of commemorative works on Federal land in the District of Columbia.

(b) DOCUMENTATION.—The agreement under section 1 shall require that the Peace Garden Project, Incorporated provide complete documentation of the design and construction of the Peace Garden to the Director of the National Park Service. Such documentation shall be permanently maintained.

SEC. 3. PREPARATION AND APPROVAL OF DESIGN PLANS.

The agreement under section 1 shall require the Peace Garden Project, Incorporated to be responsible for the preparation of the design plans for the Peace Garden. Such plans shall be subject to the approval of the Secretary of the Interior, the Commission of Fine Arts, and the National Capital Planning Commission.

SEC. 4. APPROVAL FOR COMMENCEMENT OF CONSTRUCTION

The Peace Garden Project, Incorporated may not commence construction of the Peace Garden until both of the following conditions have been met:

(1) The Secretary of the Interior has determined that the full amount of funds estimated to be necessary for the completion of such construction in accordance with the design plans approved under section 3 are available from non-Federal sources.

(2) An additional amount equal to 10 percent of the estimated construction cost has been made available from non-Federal sources to the Secretary of the Interior to provide for maintenance of the Peace Garden.

SEC. 5. MAINTENANCE.

The Secretary of the Interior shall, upon the completion of the construction of the Peace Garden, maintain the garden. Notwithstanding any other provision of law, the Secretary may retain and use for such purpose the monies made available under paragraph (2) of section 4.

SEC. 6. PAYMENT OF EXPENSES.

The United States may not pay any expense of the construction of the Peace Garden except that technical advice may be provided by the Secretary of the Interior as he deems necessary.

SEC. 7. EXPIRATION OF AUTHORITY.

The authority to establish the Peace Garden under this Act shall expire at the end of the 5-year period beginning on the date of enactment of this Act, unless construction of such garden begins during such period.

By Mr. FORD:

S. 262. A bill for the relief of land grantors in Henderson, Union, and Webster Counties, to the United States, and their heirs; to the Committee on the Judiciary.

RELIEF OF KENTUCKY LAND GRANTORS

● Mr. FORD. Mr. President, today I am reintroducing a bill and a resolution which would grant private relief which seeks compensation for the oil, gas, and mineral rights for which the owners of land condemned in 1942 for Camp Breckinridge were never paid. The companion resolution would refer the entire matter to the Commissioners of the Court of Claims for fact finding and their report.

These pieces of legislation which determine the legal and moral responsibility of the Government to a group of Kentuckians who sold land to our Government in good faith and have now discovered that their faith was misplaced. We in Congress are increasingly called upon to respond to our constituents' waning confidence in our Government. Passage of this legislation by the Senate would be a positive step toward bridging the credibility gap. In simple terms, this bill seeks compensation for land condemned by the United States so that Camp Breckinridge could be established, land for which many families were paid less than $100 per acre.

Camp Breckinridge consisted of some 36,000 acres in a rural farming section of Henderson, Union, and Webster Counties, KY. The land was condemned in 1942 and used for a military training camp during World War II and the Korean conflict. With the declaration of war on the Axis powers, the United States was involved in a war of new, and at the time, unknown dimensions. The need for immediate action by the United States in Europe and the Pacific was desperate and properly trained troops were needed without delay. Hence, getting the camp in working order in the shortest possible time became the Government's objective.

To some extent, this necessity for quick action explains the callous attitude displayed by the Government and the cavalier manner in which the 1,500 families who stood between the Government and an operating training camp were treated. It is an explanation but not an excuse. Some residents were ordered to evacuate in 2 or 3 weeks time. Some notices of eviction were tacked on porch columns to avoid the problem of facing the owners. The appraisers were equally pressed for time. Farms were appraised, not by walking the metes and bounds, but by viewing the property from a car parked in a driveway. There are other accounts which have grown more bitter with the passage of time.

Similar stories are not uncommon in condemnation situations. In most cases condemnation is simply a very unpleasant experience. No one, regardless of their patriotism, likes to have his property taken. An understanding of the necessity of private sacrifice for the public good rarely makes the situation more palatable. The constitutional guarantee that no property will be taken without just compensation is the only factor in the whole equation designed to relieve the anguish of those forced to leave their homes and farms for the public good.

However, in this situation, there was not just compensation as required by the fifth amendment of the U.S. Constitution. This may seem unlikely when the various court battles fought by the former owners of the camp are considered, but through a combination of factors, the Government managed to acquire this property at an unreasonably low price. The Government's negotiators who handled the purchase of the camp property were instructed to obtain the property at the best price for the Government. This was an admirable instruction. However, in their zeal to carry it out, the negotiators seem to have forgotten the constitutional stricture placed upon their actions, namely, that the compensation must be just.

The land involved was fertile farmland with the necessary accoutrements for housing 1,500 families and producing a living for them by farming. Also there had been coal mining activity in the area for years. Oil wells were in existence at the time on some of the property in question. There were oil leases outstanding on approximately 70 percent of the property.

Despite this, the Corps of Engineers publicly stated that the oil and gas leases were "of nuisance value only" and subtracted the meager amounts paid for the leases from the valuation of the properties. This completely ignored the very real possibility of substantial continued income to owners of property on which wells might in the future be located. In the end, many of the property owners received less for their land than they had invested to make it productive and nothing for the future value of their oil leases.

The obvious question in response to this information is, "Why didn't the owners fight the condemnation appraisals in court?" There are several answers to that question, some of which reflect very badly on the good faith of the U.S. Government. The major reason involved the Surplus Property Acts of 1939 and 1944. These laws provided a third priority repurchase right for the owners of property condemned by the United States which later became surplus.

This priority followed a first priority for other Federal agencies and a second priority for State and local governments since it is obviously better to fill governmental property needs with Government property than to visit the trauma of condemnation on a new set of property owners. When this repurchase privilege was provided by Congress, it was expressly created on a temporary basis, each of the laws expiring by its own terms at the end of 5 years unless it were extended by an act of Congress. Hence, the repurchase priority which did exist was anything but a guarantee that the property would be returned to the former owners.

This was not the story told the owners by the governmental negotiators. The property owners were told they would be able to repurchase their property at the end of the war. There was no mention of only a third priority or that it was effective only if the property were declared surplus and refused by other Government agencies.

Furthermore, the owners were strongly encouraged not to contest the Government appraisals of their property because that appraised value would be the price they would pay when they would be allowed to repurchase the property after the war. This can be characterized as intentional misrepresentation or, as some have implied, fraud.

It is generally assumed that our legal system provides remedies for such wrongs. In this situation, the law was all on the Government's side. In all of the documents prepared by the Government, the owners conveyed a fee simple absolute to the United States. Having conveyed everything to the Government, the former owners had no rights left.

These written documents could not be disputed by oral evidence and the Government had never made any of its promises in writing. The case of *Harrison* v. *Phillips*, 282 F.2d 927 (5th Cir. 1960) highlights the legal cul-de-sac faced by the former owners. The plaintiff, Harrison, based his case on statements by Coast Guard officials who condemned his property in Texas, which was identical to those made by the negotiators in Kentucky. Even though such representations were made, the Government

> . . . would not be bound by any representations made by . . . its negotiators since they did not have authority to bind the United States to reconvey the property on a priority basis . . . Any statements made by the negotiators were clearly beyond the scope of their authority and not binding upon the government (Harrison, at p. 208).

There were other more basic reasons why many of the owners did not contest their appraisals. They were told that they would receive their compensation immediately if they did not contest. For those who followed this advice, the payment was often a year away. For those who chose to contest, the last suits were not completed until after the war had been over for 2 years.

In retrospect, all of this may seem inconsequential or simply water under the bridge, but think for a moment of the difficulties of moving a farming operation to new land when one-quarter of the land in the county in question has just been removed from the market and prices have risen accordingly for remaining land, when no compensation has yet been received, and when the completely disrupted farming operation is the only source of income. The thought is not pleasant. In this situation, many simply could not afford to contest the appraisals.

The hardships and indignities of the move were endured with a mixture of bitterness, patriotism, and faith that the separation from land and home would not be a long one. During the Korean conflict, the camp was used again by the military but it was not until 1962 that it was finally declared surplus Government property. It seemed that the hopes of the owners would at last be fulfilled. However, injustice was to win in the end. In 1949, the third repurchase priority of the Surplus Property Act of 1944 expired. No notice of this event had been given to any of the former owners although they had been in continuous contact with the Government concerning the property. Further offense had been given the owners in 1957 when the Government leased two tracts of the property for productive oil wells.

In 1962, when it was learned that the camp was to be sold, the former owners sought to exercise their promised repurchase priority only to learn that the land was to be sold at public auction and that the supposedly worthless oil, gas, and mineral right were to be auctioned separately in seven tracts. These proposed actions were fought through the Federal court system concluding with the denial of certiorari by the Supreme Court. Thus, the former land owners lost their legal efforts to repurchase their property in 1968.

The last of the Camp Breckinridge property was sold in 1969. The dollar figures for this whole transaction are astounding. The owners of the property received $3,100,000 for the 36,000 acres of land, housing for 1,500 families, and the fencing and buildings necessary to farm this amount of land. When the Government sold the land, oil, and coal rights in the 1960's, it received approximately $40 million in return. Thus, the U.S. Government held property for 10 years after its last public use and made a $37 million profit with the help of broken promises. While I admire the ability to make a profit fairly, the Government of this country should not be in the business of making a profit by breaking its promises, legally authorized or not, and doing so at the expense of the individual citizens of this Nation.

As we have noted, the owners of Camp Breckinridge land fought their case to the highest court in the land. The sixth circuit court of appeals held against the owners, asserting that their interest in the land began only after its oil resources were discovered. These resources have never been the sole interest of those who owned the land on which the camp was built, but even if they were, these resources were well known long before the condemnation by the Government, contrary to the assertions of the court of appeals. Furthermore, the Government considered these leases of sufficient value to bring separate condemnation proceedings to obtain them, after the war was over.

At the time of the initial condemnation proceedings, the Corps of Engineers estimated that there were oil exploration leases outstanding on 65 to 70 percent of the land. Under these leases, small amounts ranging from $1 to $5 per acre were paid for explanation rights and the owners retained a one-eighth overriding royalty on all oil production. To date, in excess of 60 million dollars worth of oil has been extracted from the Camp Breckinridge land. The wells are still pumping on this land where the Corps of Engineers said that the oil leases were of simply nuisance value. This is the same land to which the Government sold oil and coal rights in 1965 for $32 million.

I do not find the continued interest of the former owners at all out of place. Nor do I find it greedy or unpatriotic. In fact, I find it quite admirable that this group has refused to be completely defeated by the numerous setbacks and injustices through which they have suffered and have once again sought relief from the Congress, the arbiter of last resort.

To aid their cause, I am introducing a private relief bill seeking compensation in the amount of $32 million, the amount for which the Government sold the oil, gas, and mineral rights it acquired for free.

Along with this bill, I am also introducing a Senate resolution seeking to refer this matter to the Commissioners of the Court of Claims for a thorough and objective review of the situation and a recommendation as to the amount to which the former owners are "equitably due" from the United States.

I firmly believe that the circumstances surrounding the creation of Camp Breckinridge and subsequent Government action should be given a full hearing. This hearing should go to the heart of the injustice done the former owners and consider all evidence presented rather than revolving around the principles of agency and being inhibited by such legalities as the parole evidence rule.

These are obviously very important parts of our legal system but they should never be used to insulate from exposure Government conduct that some might describe as fraudulent. It is for situations such as this that private relief and congressional reference procedures have been developed over the years. They are only applicable when there is no other remedy.

Cases such as this one, when sent to the Commissioners of the Court of Claims by congressional reference, are judged by the standard of the Government's "broad moral responsibility," *Sherman Webb et al.* v. *United States*, 192 Ct. Cl., 925 (1970), and the pleas are addressed to the conscience of the sovereign. We should never be hesitant to subject the actions of the Government to review before such a standard. The amount of money potentially involved should not frighten us away from action but should make us more determined to give the former owners an opportunity to obtain justice.

Furthermore, we should neither rely on the absence of precedent for cases of this size nor refrain from acting for fear that we will establish a precedent for the future. Rather, we should be eager to establish a precedent for redress any time the Government of the United States has perpetrated injustice upon its citizens.

The action of this Chamber on the resolution I am submitting today will be but the first step toward such redress. Upon referral to the Commissioners of the Court of Claims, they will report to us on their findings. Upon receipt of their report, the Senate and House will be called on to make a final decision. I feel very strongly about this issue. I urge my colleagues to support this effort. While I realize that I have set a goal which will be difficult to achieve, I also realize that the former owners have been fighting this battle for over 30 years.

We pride ourselves for standing tall in the name of justice. What justice is there in a government that does not keep its promise? These people gave up good agricultural acreage, the potential for oil and mineral rights, homesteads that had been passed from generation to generation. They trusted the Government representatives who told them they would have the chance to buy back their land after the war. Unfortunately, this did not prove to be true.

Now, four decades later my constituents are looking to this body to right this wrong, to give them just compensation for land that, had not World War II intervened, would be a viable part of the economy of Kentucky and the Nation in 1987.

Mr. President, I, in introducing this bill, call on my Senate colleagues to join in passing a piece of legislation that will renew the confidence of a group of patriotic citizens who have felt the sting of injustice.●

By Mr. HUMPHREY:

S. 263. A bill to amend the Tennessee Valley Authority Act; to the Committee on Environment and Public Works.

TENNESSEE VALLEY AUTHORITY ACT

● Mr. HUMPHREY. Mr. President, today I am introducing legislation that proposes a number of long-overdue reforms at the Tennessee Valley Authority [TVA].

During the 98th and 99th Congresses, it was my privilege to serve as chairman of the Subcommittee on Regional and Community Development which had oversight responsibilities for TVA. During that time, I became familiar with the agency, its history, its mission and the challenges which it now faces.

When the original Tennessee Valley Authority Act was signed into law in 1933, the intent was to lift the seven-State Tennessee Valley Region out of economic depression. More than 50 years later, TVA remains, operating the Nation's largest electric utility as well as regional and community development programs.

Mr. President, whatever successes lie in TVA's past, they are greatly overshadowed by an enormous crisis facing the agency now. TVA's multibillion-dollar nuclear program, financed through the Federal Government, has been shaken by safety-related concerns. For well over a year, the agency's operating reactors have been shut down, and construction on four other reactors has been halted.

It has long been my view that what lies at the root of the present crisis facing the Tennessee Valley Authority is a systemic problem arising from very serious flaws in the enacting legislation. Indeed, as testimony before the subcommittee suggested, the agency has frequently found itself in trouble over the years and, I believe, those troubles can be traced to these same fundamental problems.

Because of a variety of odd institutional arrangements incorporated into the act, TVA is effectively shielded from direct accountability to the Congress, to the executive, to the marketplace and, least of all, to the 7 million people it is supposed to serve. For example, because of TVA's access to the Federal Financing Bank—an entity of the U.S. Treasury—it is able to borrow virtually as much money as it needs whenever it needs it without any oversight at all from the executive or the Congress. Needless to say, a tidy arrangement—unless of course, you are a ratepayer who is stuck holding the bag for $1 billion investment that should never have been made.

My bill proposes eight reforms that would open small, but very important, windows of accountability at TVA:

First, reduce terms of members of TVA Board of Directors: Presently, the three members of the Board of Directors serve for a term of 9 years. This bill proposes to reduce the term of Directors to 3 years. Reducing the length of the terms of members of the Board will significantly increase accountability at TVA. Under this plan, a new Board member would have to be nominated by the President, and confirmed by the Senate every year. Because the nomination process offers the Congress one of the few opportunities to effect policy at TVA, this change will increase Congress' ability to speak to problems at TVA on a regular basis.

Second, limit number of terms a Board member can serve to two: Presently, members of the Board of Directors can serve an unlimited number of 9-year terms. This has the potential to lead to even more removed accountability. With the reduction of length of terms to 3 years, it will be particularly important that no member would be able to serve more than two terms or 6 years.

Third, reduce TVA's bond ceiling to $18 billion: Under present law, the TVA bond ceiling is $30 billion. To date, the Agency has borrowed about $16 billion from the Federal Government. The Agency has made plans to repay only a small portion of that amount. The present debt ceiling will enable the Agency to continue borrowing heavily, and thus accumulating even more debt, for many years to come. The effect of reducing the bond ceiling to $18 billion would be to require TVA to come before Congress to request an increase before it could embark on any major new construction program.

Fourth, restrict TVA's access to the Federal Financing Bank: By forcing TVA to borrow exclusively from the private sector, the agency will be subjected to the same scrutiny by the investment community as other utilities in the Nation. TVA's unrestrained access to FFB funds may have led to unwise investment decisions that may not have withstood careful analysis by outside investors.

Fifth, require TVA to repay outstanding debt owed to the Federal Government: At present, TVA owes more than $14 billion in obligations to the U.S. Treasury. By requiring TVA to repay the debt, the American taxpayer will be guaranteed that the investment in TVA will be recouped.

Sixth, codify office of inspector general: in January 1986, the TVA Board wisely established an office of inspector general. However, the TVA inspector general is outside the inspector general system established for Government agencies by the Inspector General Act of 1978. This provision would simply establish the office of inspector general under the terms of the Inspector General Act.

Seventh, mandate that TVA power decisions be subject to regulatory review: State utility boards would have the power to review all utility-related decisions made by the TVA Board of Directors.

Eighth, remove TVA's self-authorizing powers: by removing TVA's present exemption from the authorization process, TVA programs will be subject to the same scrutiny by the authorizing committees of the Congress as other agencies of the Federal Government.

Mr. President, I believe strongly that until reforms such as these are enacted, TVA will likely continue to face difficult times. No agency of the Government should be above basic principles of accountability.

Until these reforms are enacted, the citizens of the Tennessee Valley may legitimately ask who may be held accountable for the costly mistakes which have been made. Today, unfortunately, the answer is no one. They had no direct voice in the selection of the Board of Directors, the individuals who made the key decisions, and there is no formal means for the public to seek their removal. They had no voice in any regulatory proceeding, because there were none. They had no direct means to effect the decisions of the Board members. Even their directly elected Members of Congress can have no voice in the decisions which the Agency makes since it is exempt from the congressional authorization process. And, through the relationship with the Federal Financing Bank [FFB], TVA has effectively cut itself off from the discipline of the private marketplace.

It is this wall of unaccountability which my bill seeks to begin to break down. Each of the provisions which I have described will create a new window of citizen, congressional, and marketplace accountability for the Agency.

Mr. President, I believe that had these reforms been enacted years ago, the Tennessee Valley Authority would be a far healthier agency than it is today. Interestingly, however, TVA's strongest supporters, both inside the Congress and out, are loathe to opening the TVA Act for any reason. They fear destroying the special nature of the Agency. Ironically, their reluctance to examine critically TVA may devastate the very thing they are trying to save.

I ask unanimous consent that a copy of my bill be reprinted in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 263

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tennessee Valley Authority Fiscal Responsibility and Accountability Act of 1987".

SEC. 2. BOARD OF DIRECTOR ACCOUNTABILITY.

(a) LENGTH OF TERMS.—Subsection (b) of section 2 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831a(b)) is amended by—

(1) inserting "(1)" after "(b)"; and

(2) striking out the second sentence and inserting in lieu thereof the following:

"(2) Members of the board appointed after the date of enactment of the Tennessee Valley Authority Fiscal Responsibility and Accountability Act of 1987 shall be appointed as follows:

"(A) the successor to the first member whose term expires after such date shall be appointed for 1 year;

"(B) the successor to the second member whose term expires after such date shall be appointed for two years; and

"(C) the successor to the third member whose term expires after such date shall be appointed for three years. Any member of the board appointed after the member appointed under the provisions of clause (C) shall serve for a term of three years.".

(b) LIMIT OF TERMS.—Subsection (b) of section 2 of the Tennessee Valley Authority Act of 1933 (as amended by subsection (a) of this section) is further amended by adding at the end thereof the following;

"(3) Any member of the board appointed after the date of enactment of the Tennessee Valley Authority Fiscal Responsibility and Accountability Act of 1987 shall serve no more than two terms.".

SEC. 3. REDUCTION OF BOND CEILING.

The first sentence of subsection (a) of section 15d. of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831n-4(a)) is amended by striking out "$30,000,000,000" and inserting in lieu thereof "$18,000,000,000".

SEC. 4. TENNESSEE VALLEY AUTHORITY BORROWING FROM PRIVATE MARKETPLACE ONLY.

Section 15d. of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831n-4) is amended by adding at the end thereof the following new subsection:

"(i) Notwithstanding any other provision of this Act, obligations issued or guaranteed by the Corporation may not after the date of enactment of the Tennessee Valley Authority Fiscal Responsibility and Accountability Act of 1987 be purchased by the Federal Financing Bank.".

SEC. 5. PAYMENT OF BONDS ON A TIMELY BASIS.

The first sentence of the fourth undesignated paragraph of subsection (a) of section 15d. of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 821n-4(a)) is amended by striking out the period at the end thereof and inserting in lieu thereof the following: "and shall be paid on a timely basis.".

SEC. 6. PERMANENT INSPECTOR GENERAL FOR TENNESSEE VALLEY AUTHORITY.

(a) AMENDMENT TO SECTION 2.—Clause (1) of section 2 of the Inspector General Act of 1978 (5 U.S.C. App. 3) is amended by inserting before", and the Department of State" the following: ", the Tennessee Valley Authority".

(b) AMENDMENT TO SECTION 11.—Section 11 of the Inspector General Act of 1978 is amended—

(1) in clause (1) by inserting after "Transportation" the following: ", the Board of Directors of the Tennessee Valley Authority ,"; and

(2) in clause (2) by inserting after "the Small Business Administration," the following: "the Tennessee Valley Authority,".

SEC. 7. TENNESSEE VALLEY AUTHORITY SUBJECT TO STATE REGULATION.

The Tennessee Valley Authority Act of 1933 is amended by inserting at the end thereof the following new section:

"SEC. 32. the Corporation shall be subject to regulation by a State as if the Corporation is a private utility subject to regulation by such State except that no State may interfere with the obligations of the Corporation imposed by this Act or any other provision of Federal law.".

SEC. 8. REPEAL OF EXEMPTION FROM AUTHORIZATION PROCESS.

Section 27 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831z) is repealed.●

By Mr. HUMPHREY (for himself, Mr. PROXMIRE, Mr. ARMSTRONG, Mr. HELMS, Mr. GARN, and Mr. GRAMM):

S. 264. A bill to amend the Internal Revenue Code of 1986 to deny status as a tax-exempt organization, and as charitable contribution recipient, for organizations which perform, finance, or provide facilities for abortions; to the Committee on Finance.

INTERNAL REVENUE CODE

● Mr. HUMPHREY. Mr. President, on behalf of Mr. PROXMIRE, Mr. ARMSTRONG, Mr. HELMS, Mr. GRAMM, Mr. GARN, and on my own behalf, today I am introducing a bill proposing to eliminate the tax-exempt and tax-deductible status of organizations performing, financing, or providing facilities for abortion.

The Federal Government currently subsidizes scores, if not hundreds, of clinics and organizations whose nominal business includes the provision of family planning services to the poor, and whose primary industry often is no more than performing abortions. Many of these clinics are both exempt from paying taxes and are charitable contribution recipients—able to receive tax-deductible contributions.

This bill will eliminate both the tax-exempt and the tax-deductible status of organizations and clinics that perform abortions, finance them, or provide facilities for the performance of abortions. Organizations that perform an abortion to save the life of the mother will not be precluded from retaining their prior tax-exempt status. This "exception" is identical to the Hyde amendment "exception" with which my colleagues are no doubt familiar. The language of this bill was offered in amendment form on the floor of the Senate during the 99th Congress.

The Congress has consistently opposed the direct use of Federal moneys to pay for abortions. In fact, the embodiment of this policy, the Hyde amendment, was first enacted in 1976, and has been enacted every year since. The Hyde amendment prohibits the use of Federal tax dollars provided under the Medicaid Program for reimbursements to the various States for the direct costs of abortion, and for related costs, including lab fees and hospitalization costs. Language similar to the Hyde amendment has governed the use of Federal funds in other Federal programs and agencies, including, but not limited to, the Department of Defense, the Legal Services Corporation, Indian Health Services, Federal employees' health benefits insurance, and the Peace Corps.

These continued restrictions on abortion funding indicate that the American people refuse to provide public funds for the costs of abortion and abortion-related services. The Congress, wisely I believe, has firmly supported the desire of the American people with restrictions in statute and in appropriations.

Moreover, the Supreme Court, in Harris versus McRae and Progeny, has upheld the right of Congress to withhold such funding for abortion. In a 1980 decision, the Court held that Congress may refuse to subsidize abortions under the Medicaid Program, even while subsidizing childbirth, because the Government maintains a legitimate interest in childbirth and in the unborn child. Refusing to subsidize abortion is, of course, rationally related to that interest.

The Court applied the lower level rational basis test rather than higher level strict scrutiny, even though abortion is considered a fundamental right, because the Hyde amendment—limiting Federal funding of abortions under Medicaid—"places no governmental obstacle in the path of a woman who chooses to terminate her pregnancy, but rather, by means of unequal subsidization of abortion and other medical services, encourages alternative activity deemed in the public interest."

And yet, at the same time, Congress continues to permit the indirect subsidization of abortion with Federal funds. This has been achieved through the tax subsidization of some nonprofit organizations which are currently engaged in financing or providing abortions. These very organizations which are unable to submit abortion claims for reimbursement under Medicaid, receive Federal tax exemptions and Federal tax deductions under section 501 of the Internal Revenue Code.

Mr. President, abortion clinics are being subsidized by the American people through this Nation's Federal tax system, at a time when the Congress has refused to provide direct cash outlays to the same clinics. Clearly Congress has the right and the obligation to discontinue this back-door financing of an activity so offensive to many of this Nation's citizens.

In 1983, the Supreme Court made clear that conferring tax-exempt status or eligibility for tax-deductible contributions constitutes one form of Government subsidy. In the words of the Supreme Court—

> Both tax exemptions and tax deductibility are a form of subsidy that is administered through the tax system. A tax exemption has much the same effect as a cash grant to the origination of the amount of tax it would have to pay on its income. Deductible contributions are similar to cash grants of the amount of a portion of the individual's contributions.

Mr. President, I note several provisions in this bill that were widely misunderstood when the legislation was last debated. First, nothing in this bill will preclude any free-speech activity related to abortion. The legislation I have proposed does not address counseling and referral for abortion, and so leaves untouched those lobbying and "educational" groups which merely propound ideas regarding the subject of abortion.

Second, I wish to note that this bill does not preclude organizations such as hospitals which currently perform or provide facilities for abortion, from restructuring the corporation so that all of its other functions remain tax exempt and charitable contributions to such functions remain tax deductible to the donor.

Finally, I wish to note that, while the Supreme Court itself has not ruled on the matter specifically, at least two Federal courts have determined that hospitals are under no affirmative obligation to perform abortions. In addition, the church amendment governing funds made available under the Public Health Service Act, including "Hill-Burton" funds, allows organizations to refuse to perform or assist in the performance of abortions where this would violate the moral convictions or religious beliefs of the institution.

Mr. President, I am proud to introduce this bill today, on behalf of myself and my colleagues. I am confident that it has been drafted in a manner that will withstand court scrutiny, and I am confident that, while expressing a firm moral principle, it will have little harmful effect on the provision of health services not related to abortion. This bill will end the indirect subsidization of abortion with public funds. It will reaffirm congressional commitment to the promotion and support of childbirth, and will restate our legitimate interest in the protection of the lives of the unborn.

I encourage my colleagues to cosponsor this bill and to support efforts to bring the bill for a vote.

I ask unanimous consent that a copy of the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 264

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DENIAL OF TAX BENEFITS FOR ORGANIZATIONS WHICH PERFORM, FINANCE, OR PROVIDE FACILITIES FOR ABORTIONS.

(a) Denial of Tax-Exempt Status.—Section 501 of the Internal Revenue Code of 1986 (relating to exemption from tax on corporations, certain trusts, etc.) is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

"(n) Denial of Exemption for Organizations Which Perform, Finance, or Provide Facilities for Abortions.—An organization shall not be treated as described in subsection (a) if such organization performs, finances, or provides facilities for any abortion, except where the life of the mother would be endangered if the fetus were carried to term."

(b) Denial of Eligibility for Charitable Contribution.—

(1) Income tax.—Section 170(c) of the Internal Revenue Code of 1986 (defining charitable contribution) is amended by adding at the end thereof the following: "For purposes of this section, such term does not include a contribution or gift to or for the use of any organization which performs, finances, or provides facilities for any abortion (within the meaning of section 501(n)).".

(2) Estate tax.—

(A) In general.—Section 2055 of such Code (relating to transfers for public, charitable, and religious uses) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) Denial of Deduction for Contributons to Organizations Which Perform, Finance, or Provide Facilities for Abortions.—No deduction shall be allowed under this section for a transfer to or for the use of any organization which performs, finances, or provides facilities for any abortion (within the meaning of section 501(n)).".

(B) Technical amendments.—

(1) Subparagraph (E) of section 2106(a)(2) of such Code (relating to transfers for public, charitable, and religious uses from taxable estates of nonresidents not citizens) is amended by striking out "section 2055(e)" and inserting in lieu thereof "subsections (e) and (g) of section 2055".

(2) Subparagraph (F)(ii) of section 2106(a)(2) of such Code is amended by striking out "section 2055(g)" and inserting in lieu thereof "section 2055(h)".

(3) Gift tax.—Section 2522 of such Code (relating to charitable and similar gifts) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) Denial of Deduction for Contributions to Organizations Which Perform, Finance, or Provide Facilities for Abortions.—No deduction shall be allowed under this section for a gift to or for the use of any organization which performs, finances, or provides facilities for any abortion (within the meaning of section 501(n)).".

(c) Effective Dates.—

(1) Abortions after date of enactment.—The amendments made by this section shall take into account only abortions (within the meaning of section 501(n) of the Internal Revenue Code of 1986 as added by this section) performed after the date of the enactment of this Act.

(2) Subsection (a).—The amendments made by subsection (a) shall apply to taxable years ending after the date of the enactment of this Act.

(3) Subsection (b).—The amendments made by subsection (b) shall apply to estates of decedents dying, and gifts made, after the date of the enactment of this Act.●

By Mr. HUMPHREY (for himself, Mr. Roth, Mr. Symms, and Mr. Zorinsky):

S. 265. A bill to require executive agencies of the Federal Government to contract with private sector sources for the performance of commercial activities; to the Committee on Governmental Affairs.

FEDERAL GOVERNMENT PRIVATE SECTOR CONTRACTS

● Mr. HUMPHREY. Mr. President, today I am introducing legislation which will promote competition when the Government seeks to contract for the procurement of goods or services with a Federal agency or a private firm. This legislation would require that cost comparisons be conducted prior to the awarding of a Federal contract for commercial activities.

The idea of contracting-out to the private sector is not new. The Office of Management and Budget [OMB] does have a program which directs agencies to contract-out for goods and services if, after conducting a detailed cost comparison between in-house suppliers and private firms, they find it is more economically efficient to do so. However, this program, based on OMB circular A-76, is simply an executive directive and does not carry with it the force of law.

Although the existing A-76 Program requires agencies to conduct cost comparisons in order to determine whether to contract-out, it has become apparent over the years that many agencies are simply ignoring the directive. A recent OMB study shows that of 22 agencies reporting, 50 percent did not award any service contracts as a result of the review, and they did not complete any cost comparison studies during fiscal year 1982 through fiscal year 1985.

One agency which has successfully contracted-out is, interestingly, the Department of Defense [DOD]. In fiscal year 1984, DOD completed 257 cost comparisons. As a result, 131 contracts were awarded to private bidders and 126 were awarded to in-house organizations. The contractors achieved approximately $43.8 million in savings—a cost reduction of 33 percent. Even the contracts that remained in-house realized savings of 18 percent, or some $21.8 million, as a direct result of competition with the private sector. If the Department of Defense is able to implement successfully the A-76 Program, there is no reason for the failure of other agencies to follow suit.

Mr. President, the purpose of this legislation is to generate competition in the cost-comparison process. With competition as a motivator, both in-house and private organizations can be expected to streamline their operations to achieve optimal efficiency.

Whether the commercial activity remains within the agency or is awarded to a private bidder, cost savings through competition will surely result. A recent Congressional Budget Office report, based on fiscal year 1985 statistics, found that when a contract was awarded to a private firm, the average savings to the Government for a particular activity was approximately 37 percent. Similarly, when the contract was awarded in-house, an average savings of 20 percent resulted solely from the cost comparison itself.

Here are just two examples of the cost savings which were achieved simply by conducting cost comparisons. A contract for operation of 12 Navy oceanographic research vessels, awarded at about $79 million for a 3-year performance period, was $66 million less than the most recent cost to the Government of operating the activity with Federal employees, for a savings of 45.4 percent. In another case, the Coast Guard contracted for food services freeing up to 226 Federal civilian positions and saving the taxpayer $7.6 million per year.

Mr. President, the United States has historically had great faith in the value of the competitive, free marketplace. And with good reason: When the marketplace has been allowed to work, competition has produced an efficient and thriving economy. Unfortunately, our own Federal Government has not caught on to the idea that competition breeds efficiency. Both the American taxpayer and the Government should reap the benefits associated with market competition—better quality goods and services at lower costs.

Mr. President, in light of the enormous Federal deficit there is no better time than now to enact this legislation. It is both simple and straightforward. It does not contain any provisions which would give unfair advantage to either the in-house or private sector bid. The bill simply promotes the concept of competition, thus taking a small step toward efficiency in Government.

I ask unanimous consent that a copy of the bill be reprinted in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 265

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEFINITIONS.

For the purposes of this Act—

(1) the term "executive agency" has the same meaning as is provided in section 4(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(1));

(2) the term "commercial activity" includes—

(A) any activity which provides goods or services which can be procured from a responsive and responsible profitmaking business concern; and

(B) such other activity as the Director may prescribe by regulation; and

(3) the term "Director" means the Director of the Office of Management and Budget.

SEC. 2. REQUIREMENT TO CONTRACT WITH PRIVATE SECTOR SOURCES.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), an executive agency may not start or conduct any commercial activity in the executive agency to provide goods or services for the use of or on behalf of the agency if such goods or services can be procured from any responsive and responsible profitmaking business concern.

(b) EXCEPTIONS.—(1) An executive agency may start or conduct a commercial activity in the executive agency if the head of the executive agency, after considering all direct and indirect costs of starting or conducting such activity, determines in accordance with the cost of accounting principles and the procedures prescribed by the Director under section 3 that there is a clearly identified and demonstrated economic advantage to the Federal Government to start or conduct such activity.

(2) The Director may prescribe additional limited exceptions to the requirement set out in subsection (a) when appropriate to protect the interests of the Federal Government.

SEC. 3. REGULATIONS.

The Director shall—

(1) prescribe regulations and take such other actions as may be appropriate to carry out section 2;

(2) require in the regulations that each head of an executive agency, in making a determination under section 2(b)(1) in the case of an activity, consider all direct and indirect costs of starting or conducting such activity in the executive agency; and

(3) in consultation with certified public accountants employed in the private sector, prescribe in the regulations generally accepted cost accounting principles and simple procedures for each head of an executive agency to apply in making a determination under section 2(b)(1).

By Mr. HUMPHREY (for himself, Mr. GRAMM, Mr. ZORINSKY, Mr. SYMMS, and Mr. HELMS):

S. 266. A bill to amend the Service Contract Act to reform the administration of such act, and for other purposes; to the Committee on Labor and Human Resources.

SERVICE CONTRACT ACT

● Mr. HUMPHREY. Mr. President, today I am introducing the Service Contract Reform Act of 1987. The Congressional Budget Office [CBO] has estimated that enactment of this legislation would save the Federal Government at least $1.2 billion in outlays over a 5-year period. Importantly, these savings will be obtained without undermining the intent of the Service Contract Act.

The Service Contract Act of 1965 [SCA] was enacted to protect the wages and benefits of service employees hired by private contractors to supply services to the Federal Government. The law is similar to other Federal prevailing wage legislation such as the Davis-Bacon Act, and is designed to ensure that covered employees will be paid wages and benefits that are consistent with the wages paid to similar jobs within the same locality. The Service Contract Act is supposed to prevent service employers from successfully bidding a Government contract by undercutting the local wage rate.

Unfortunately, over the years, misapplication and misinterpretation of the law's provisions, as well as its burdensome wage determination procedures and paperwork requirements, have resulted in unnecessary service procurement costs to the Federal Government. For example, the Grace Commission estimated that the Service Contract Act raises the Government's cost of procuring services by as much as $1.5 billion a year. Similarly, a 1983 report by the General Accounting Office found so many needless costs associated with the act that GAO recommended outright repeal.

This legislation does not repeal the SCA. Rather, it is intended to preserve the basic intent of the Service Contract Act—that is, to protect the wages and benefits of service employees working on Government contracts—while at the same time implementing reforms that will substantially reduce excess costs that have resulted from shortcomings in the original law.

The Service Contract Reform Act of 1987 contains five basic provisions which modify the law as it now stands:

First, the bill raises the contract coverage threshold from $2,500 to $200,000. The act currently requires that employees working under Government service contracts valued at over $2,500 be paid prevailing wages and benefits as determined by the Secretary of Labor. The contract threshold level has remained at $2,500 since the SCA was enacted in 1965, despite increases in inflation that now make such an amount insignificant in relative terms.

CBO reports that nearly 90 percent of the estimated dollar volume subject to the SCA is in contracts in excess of $200,000. Raising the threshold from $2,500 to $200,000 exempts only an estimated $1.2 billion out of a total of $11.7 billion in contract dollars from SCA coverage. At the same time, increasing the threshold will exempt numerous small contracts from the law's redtape, thus substantially reducing the high administrative costs associated with the act. More importantly, raising the threshold will increase participation in the contract process by small businesses, who presently avoid bidding Government service contracts because of redtape and arbitrary wage determinations. Because these small businesses are likely to be almost exclusively local employers, the purpose of the law in protecting local prevailing wages and benefits will be ensured. CBO estimates that raising the threshold to $200,000 would produce a 5-year savings in outlays of some $244 million.

Second, the bill codifies the Department of Labor's [DOL] 1983 regulation which strictly interprets the act as only applying to a contract "The principal purpose of which is to furnish services in the United States through service employees." This simply means that a contract will not be covered by the SCA unless the principal purpose of the contract as a whole is to provide services. Prior to revising the regulation in 1983, the DOL applied the act to separate line items and specifications for services in contracts which were not otherwise principally for the purpose of furnishing services. This overly broad interpretation resulted in extending the act's coverage well beyond what Congress originally intended. By codifying the 1983 revised regulation, we will be assured that the original congressional intent is preserved.

Third, the bill amends the SCA to provide that any wages and fringe benefits provided for in a successor contract shall apply for purposes of the SCA unless the Secretary of Labor establishes that such wages are not prevailing within the locality where the work is performed. The current language of the act operates in practice to require that union wage rates in an existing service contract become the floor for all succeeding contracts. The provision was inserted in the original law to prevent union busting through the Government procurement process. Although the law states that the predecessor contract rates do not apply where the Secretary finds that they are substantially at variance with local prevailing rates—for example, where the union rates are much higher than wages paid for similar jobs within an area, the process for making such a finding is so burdensome and time consuming that it has proved to be totally useless.

The bill simplifies and makes the successor contract provision meaningful by permitting the successor contract wage rates to take effect—even if they are not the same as the union rates in the predecessor contract—unless the successor contract wages are not prevailing within the locality where the work is performed. If the Secretary of Labor can show that such rates are not prevailing, then the rates in the predecessor contract would automatically replace the rates in the successor contract. For example, a contractor could not get around a union by bringing in low-paid employees to perform the services if those rates were not similar to rates paid to other service employees within the area. Thus, the bill preserves the original purpose of the successor contract provision by assuring that prevailing rates will be paid while minimizing the disruption to wages and benefits in successor contracts.

Fourth, the bill defines the terms "prevailing rates" and "locality." The original law did not define these key terms, and there has been considerable confusion since the SCA was enacted as to what they mean and how they should be applied. Experience has shown that the Labor Department's interpretation of these terms has frequently led to wage rate determinations far in excess of local prevailing rates. Both GAO and the Grace Commission found in their comprehensive reports on the SCA that DOL routinely sets wage and benefit rates inconsistent with local prevailing rates, thereby adding substantially to the cost of Government procurement.

Under the bill, prevailing rate is defined to mean the entire range of wages and benefits paid to similar jobs working in the area where the service contract is performed. If the contract wage rate falls within the range of wages shown to be paid within the contract's georgraphic area, the rate is deemed to be prevailing for purposes of the SCA. For example, if it is shown that the rates paid to food service workers within an area range from $4.50 to $6.50 an hour, any contract rate within that range would be considered prevailing. It should be stressed that this is a minimum rate. Thus, in the example, any rate less than $4.50 would not qualify as prevailing, but any rate over $6.50 would qualify if the service contract was awarded to the contractor paying such rates. The bill's definition of prevailing rate assures that local prevailing rates will be applied to service contracts, thereby protecting the basic intent of the Service Contract Act. At the same time, the possibility that prevailing rate determinations will be distorted is substantially reduced. Finally, it is important to note that in no case would the prevailing rate ever be set lower than the current Federal minimum wage.

The term "locality" is defined by the bill to mean "the particular urban or rural subdivision of a State in which work is performed." Because the law requires that the Labor Secretary set wages in accordance with prevailing rates for service employees within the locality where the work is performed, it is important to assure that the Secretary interprets locality to, in fact, mean what it is supposed to mean. For example, such a definition will prevent the importation of traditionally higher urban wage rates to a rural subdivision, and vice versa. Again, the definition will help to ensure that local prevailing rates are applied.

Fifth, the bill changes the SCA to require the Secretary of Labor to make wage and fringe benefit determinations only with respect to service contracts under which 25 or more service employees are to be employed. Current law requires such determinations on any service contract employing five or more service employees. This proposed change to the law, similar to the proposed contract threshold dollar increase, is designed to improve administration and enforcement of the act by relieving the Secretary's obligations with respect to small service contracts affecting very small populations of workers.

Mr. President, I believe that the proposals incorporated in this legislation are reasonable. After more than 20 years, it is time to revise this statute to make it more efficient and cost effective without undermining its original intent.

I ask unanimous consent that a copy of my bill be reprinted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 266

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Service Contract Reform Act of 1987."

SEC. 2. MINIMUM CONTRACT SIZE.

The matter preceding paragraph (1) of section 2(a) of the Service Contract Act of 1965 (41 U.S.C. 351(a)) is amended by striking out "$2,500" and inserting in lieu thereof "$200,000".

SEC. 3. PRINCIPAL PURPOSE RULE.

(a) IN GENERAL.—Section 2 of the Service Contract Act of 1965 (41 U.S.C. 351) is amended by adding at the end thereof the following new subsection:

"(c) This Act shall apply only to a contract the principal purpose of which is to furnish services and shall not apply to a contract provision for services contained in a contract if the principal purpose of the contract is not to furnish services.".

(b) CONFORMING AMENDMENT.—The matter preceding paragraph (1) of section 2(a) of such Act is amended by striking out "Every" and inserting in lieu thereof "Subject to subsection (c), every".

SEC. 4. PREDECESSOR CONTRACTS.

Section 4 of the Service Contract Act of 1965 (41 U.S.C. 353) is amended by striking out subsection (c) and inserting in lieu thereof the following new subsection:

"(c) A contractor or subcontractor under a contract, that succeeds a contract subject to this Act and under which substantially the same services are furnished, shall not be required to pay any service employee under such contract the wages and fringe benefits, and any prospective increases in wages and fringe benefits provided for in a collective bargaining agreement as a result of arm's-length negotiations, to which such service employees would have been entitled if the employees were employed under the predecessor contract, unless the Secretary determines that the wages and fringe benefits under the successor contract are less than the prevailing wages and fringe benefits in the locality in which the work is to be performed.".

SEC. 5. DEFINITIONS.

Section 8 of the Service Contract Act of 1965 (41 U.S.C. 357) is amended—

(1) by redesignating subsections (a), (b), (c), and (d) as subsections (d), (e), (a), and (f), respectively; and

(2) by inserting after subsection (a) (as so redesignated) the following new subsections:

"(b) The term 'locality' means the particular urban or rural subdivision of a State in which work is to be performed.

"(c) The term 'prevailing rates', as used in paragraphs (1) and (2) of section 2(a), includes the rate of the entire range of wages and benefits paid to corresponding classes of service employees in the locality in which work is to be performed.".

SEC. 6. WAGE AND FRINGE BENEFIT DETERMINATIONS OF SECRETARY.

(a) IN GENERAL.—Section 10 of the Service Contract Act of 1965 (41 U.S.C. 358) is amended to read as follows:

"SEC. 10. The Secretary shall make determinations of minimum monetary wages or fringe benefits for the various classes or service employees under paragraphs (1) and (2) of section (a) with respect to a service contract order which more than 25 service employees are to be employed.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to contracts entered into after September 30, 1987.

By Mr. HUMPHREY (for himself, Mr. GRASSLEY, Mr. HECHT, Mr. GRAMM, Mr. NICKLES, Mr. HELMS, and Mr. SYMMS):

S. 267. A bill to limit the uses of funds under the Legal Services Corporation Act to provide legal assistance with respect to any proceeding or litigation which relates to abortion; to the Committee on Labor and Human Resources.

LEGAL SERVICES CORPORATION ACT

● Mr. HUMPHREY. Mr. President, on behalf of my distinguished colleagues, Mr. GRASSLEY, Mr. HECHT, Mr. GRAMM, Mr. NICKLES, Mr. HELMS, and Mr. SYMMS, and on my own behalf, I introduce a bill that would limit the use of funds provided under the Legal Services Corporation [LSC] Act for the provision of legal assistance on any matter relating to abortion.

Mr. President, the majority of Americans today oppose the use of their tax dollars to fund abortions. The U.S. Supreme Court, in its 1980 Harris versus McRae decision, and in the progeny of this ruling, has decreed that Congress cannot be compelled to use Federal tax money to pay for abortion. Indeed, the Court noted, Congress has a legitimate interest in not funding abortion, for the legislature has an interest in promoting childbirth.

Since 1976, the Congress, without exception, has refused to fund abortions and abortion-related services under the Federal Medicaid Program. In addition, the Congress has annually passed legislation restricting the use of Federal funds to pay for abortion under Treasury, Postal, Peace Corps, Defense, and other Federal employee insurance programs.

Each of these restrictions assures that the American taxpayer will not be required to pay for abortions, fund activities designed to assist in the procurement of abortions, or fund activities related to the procurement of abortions—such as pathology reports, hospitalization, et cetera, our bill is thoroughly consistent with these restrictions.

In this legislation, we propose that: No funds made available by the Corporation under this subchapter, either by grant or contract, may be used "To provide legal assistance with respect to any proceeding or litigation which relates to abortion."

Mr. President, it is important to note that language currently exists in the Legal Services Corporation Act of 1974 that restricts some litigation of abortion. That language reads:

> No funds made available by the Corportion under this subchapter, either by grant or contract, may be used * * * to provide legal assistance with respect to any proceedings or litigation which seeks to procure a nontherapeutic abortion or to compel any individual or institution to perform an abortion, or provide facilities for the performance of an abortion, contrary to the religious beliefs or moral convictions of such individual or institution.

In the past, however, Legal Services Corporation grantees have chosen to interpret narrowly the restrictions provided in the act—so narrowly that there is some question regarding what some of the grantees would recognize as binding. Unfortunately, some of the LSC grantees have taken the ambiguous language now found in the 1974 act, and used it as a back-door opportunity to engage in almost unlimited abortion litigation and related activities.

Thus, there is a need to clarify the current restrictions. Both Houses of Congress have recognized this and included language similar to this bill in the fiscal year 1986 and fiscal year 1987 Commerce, Justice, State appropriations bills. The bill I am introducing today will make these expanded restrictions permanent.

Specifically, this bill will:

Apply to any person or entity receiving any funds made available by the Corporation under the act.

Restrict the use of Federal and private, but not other public funds concerning abortion-related legal activities by LSC grantees. This restriction on the use of private funds is consonant with current restrictions on LSC abortion activities and other restrictions found in section 2996(f)(b) of the Legal Services Act.

Apply to any form of proceeding or litigation involving abortion—legal assistance in preparation for or during administrative or other hearings, amicus briefs, actual litigation and the like.

The abuse of the existing restrictions on abortion involvement under the LSC Act by grantees has been intolerable. In fact, the existing restrictions have proven all but useless.

Consequently, LSC grantees have engaged in litigation against statutes limiting abortion funding, against parents seeking to retain their rights to consult with their children, against laws limiting the number of abortions a State should be forced to fund, and more.

I cite several cases where legal services grantees have, I believe, overstepped the provisions in the act which prohibited abortion litigation. In the late 1970's, grantees launched a number of attacks on statutes limiting State and Federal funding of abortions:

In Preterm versus Dukakis, a Boston grantee challenged a Massachusetts law limiting State funding of abortions.

In Zbaraz versus Quern, a Chicago grantee helped overturn a similar Illinois statute and force abortion funding.

In Stopczynski versus Milliken, a Michigan grantee filed an amicus brief in favor of a veto of a Michigan statute limiting abortion funding.

In Planned Parenthood versus Leo Hegstrom, an Oregon grantee litigated to overturn a State law limiting the number of abortions for any one woman that would be publicly funded.

Similar abortion funding cases have been litigated in Ohio, Idaho, California, Louisiana, and Pennsylvania. In addition, in Valley Family Planning versus North Dakota, grantees litigated to allow family planning clinics receiving title X funds to refer for abortions. And in Doe versus Jennings, a Pittsburgh grantee acted to force a local jail to transport an inmate to a hospital for an abortion.

There is no doubt that legal services grantees and attorneys have in recent years engaged in abortion litigation less frequently than they did several years ago, though I suspect that a number of potential violations of current restrictions remain uninvestigated. But I attribute this improved compliance not to modified grantee behavior, but to increased vigilance and improved oversight by the National Legal Services Corporation. I fear that, should the Corporation no longer enforce current restrictions, grantees would in fact revert to previous patterns of abortion activity. This bill would make permanent the restrictions favored by Congress in its annual appropriations provisions, and it would eliminate the loopholes exploited by grantee attorneys.

Mr. President, legal services grantees have shown a frequent disregard for their congressional mandate, all at the expense of the American public. With this bill we have the opportunity to close the loopholes we never imagined could exist and end the use of taxpayer funds to support abortion litigation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 267

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1007(b)(8) of the Legal Services Corporation Act is amended to read as follows:

"(8) to provide legal assistance with respect to any proceeding or litigation which relates to abortion;".

By Mr. HUMPHREY:

S. 268. A bill to amend title 5, United States Code, to provide child adoption benefits for Federal Government employees; to the Committee on Governmental Affairs.

S. 269. A bill to amend title 10, United States Code, to provide child adoption benefits for members of the Armed Forces; to the Committee on Armed Services.

CHILD ADOPTION BENEFITS FOR GOVERNMENT EMPLOYEES

● Mr. HUMPHREY. Mr. President, today I am introducing legislation to provide adoption benefits for Federal Government employees and members of the Armed Forces.

One of the cruelest barriers to adoption is cost. The desire to form a family is fundamental to us all, no matter what our economic circumstances. But for those who form their family through adoption, cost is a necessary and important consideration and sometimes an impediment.

The costs involved in adopting today are similar to what those people incur when they have children biologically—the costs for a delivery, prenatal care for the mother, and the baby's care in the hospital. The chief difference is that there is no insurance coverage to help cover the adoption charges. In addition, there may be charges for foster care for infants from the time they are released from the hospital nursery until placement, costs involved in preadoption and postadoption counseling, and legal fees. The average fee, in 1985, for those who adopted through a nonprofit agency, was at least $6,000. When transportation or other special fees are required, as in many adoptions from other countries, the costs are even higher.

In development of employee benefit plans, employers in the private sector are recognizing the inequity of providing insurance coverage for a biological birth but giving no help to an employee who adopts a child, and are providing adoption benefit plans for their employees.

An adoption benefits plan is an employer-sponsored program that financially assists or reimburses employees for expenses related to the adoption of a child and/or provides for paid leave for the adoptive parent employee. A growing number of corporations—almost 50 at latest count—are establishing an adoption benefits plan for their employees.

A representative sample of these companies follows: Acacia Mutual Life Insurance Co.; American Can Co.; Bank of America; Campbell Soup Co.; Honeywell; Humana Inc.; Intermetrics; IBM; Control Data Corp.; Deseret Mutual Benefit Association; Digital Equipment Corp.; Eli Lilly & Co.; Emery World Wide Corp.; Felt Products; First Pennsylvania Bank; Foote, Cone & Belding Communications, Inc.; Gannett Co.; G.D. Searle & Co.; General Mills, Inc.; Hallmark Cards, Inc.; Hewitt Associates; International Minerals & Chemical; Johnson Wax; Lincoln National Life Insurance Co.; Pfizer Inc.; Pitney Bowes; the Procter & Gamble Co.; Signode Industries, Inc.; Smithkline Beckman Corp.; Temple, Barker & Sloane; Time, Inc.; Victor F. Weaver Co.; Inc.; and Xerox Corp.

Similar to corporations, State and local governments are developing adoption benefit plans for their emloyees. For example, Philadelphia has an adoption leave policy and the State of Illinois has recently developed a plan to reimburse adoptive parents for adoption expenses and to ensure insurance coverage for adopted children.

The National Adoption Center in Philadelphia has pioneered ways to increase corporate involvement through its adoption in the workplace program. In addition, the National Committee for Adoption in Washington, DC, has worked extensively with employers on adoption benefits. The number of companies offering adoption benefits nearly tripled between 1980 and 1984, from 10.3 to 27.5 percent of firms surveyed by catalyst, a national research organization. I expect adoption benefits will become an accepted standard for major companies within 5 years.

Mr. President, it is time for the Federal Government to bring its employee benefits plan up to date. The two bills I am now introducing will do just that by providing adoption benefits for Federal Government employees and members of the Armed Forces. Benefits provided to each group are identical.

A maximum benefit of $2,000 will be paid for expenses incurred in the adoption of any child. Reimbursement will be provided for qualifying adoption expenses incurred in the adoption of a child under 16 years of age.

Qualifying adoptions include an adoption by a single person, infant adoption, adoption of a child with special needs—a child who is older, in a sibling group, mentally, physically, or emotionally disabled, or a member of a minority group—and intercountry adoption, but do not include an adoption in which one of the adopting parents is the biological parent of the adopted child.

"Qualifying adoption expenses" are defined as reasonable and necessary expenses directly related to the legal adoption of a child and include public and private agency fees; placement fees, including fees charged adoptive parents for counseling; legal fees, including court costs; medical expenses; expenses relating to pregnancy and childbirth for the biological mother; temporary foster care charges; and transportation expenses relating to the adoption.

Mr. President, there are several factors employers consider in deciding to provide adoption benefits. First is the equity consideration I have already mentioned. Employees with a biological birth receive pregnancy benefits, adoptive parents receive no such benefits and often their expenses are larger.

A second consideration is the positive image adoption benefits will create of an employer sensitive to the different ways families may be built. A third consideration is the goodwill generated and employee morale boosted, which will far exceed the costs of the benefit since adoptions are infrequent.

Although the States have primary jurisdiction over adoption, the Federal Government does relate to adoption in a number of programs. Chief among these are the Adoption Opportunities Program established by the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (P.L. 95-266), the Adoption Assistance Program established by the Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272), and funding for adoption services under the Adolescent Family Life Act of 1981. In recent years through the national special needs adoption initiative, the Department of Health and Human Services has actively promoted adoption, especially the adoption of children with special needs.

Furthermore, this administration has emphasized the importance of strengthening family values. Recently Constance Horner, Director of the Office of Personnel Management, issued new personnel guidance urging heads of departments and agencies to formulate policies on leave for parental and family responsibilities—including leave for adoption—that are compassionate and flexible for the employee. Legislation providing limited reimbursement for adoption expenses to adoptive parents who are Federal Government employees and members of the Armed Forces will complement the Federal policy on adoption leave and further enhance the role of the Federal Government as a family oriented employer.

On a panel addressing the issue of adoption benefits at the first hearing of the Congressional Coalition on Adoption last April, Dorcas Hardy, who was then the Assistant Secretary for Human Development Services of the Department of Health and Human Services, testified that "every employer should offer adoption benefits." Dorcas Hardy is right. It is time for the Federal Government to join the growing number of employers in the private and public sectors who provide adoption benefits to their employees. I ask unanimous consent that the two bills be printed in the RECORD as follows:

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 268

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Employee Adoption Benefits Act of 1987".

SEC. 2. REIMBURSEMENT FOR ADOPTION EXPENSES OF FEDERAL GOVERNMENT EMPLOYEES.

(a) IN GENERAL.—Subpart G of part III of title 5, United States Code, is amended by adding at the end the following new chapter:

"CHAPTER 91—MISCELLANEOUS EMPLOYEE BENEFITS

"9101. Child adoption benefits.

"§ 9101. Child adoption benefits

"(a) An employee of the Federal Government shall be reimbursed, as provided in this section, for the qualifying adoption expenses incurred by the employee in the adoption of a child under 18 years of age.

"(b) Adoptions for which expenses may be reimbursed under this section include an adoption by a single person, an infant adoption, an intercountry adoption, and an adoption of a child with special needs (as defined in section 473(c) of the Social Security Act (42 U.S.C. 673(c)), but do not include an adoption in which one of the adopting parents is the biological parent of the adopted child.

"(c) Benefits may be paid under this section in the case of an adoption only after the adoption is final.

"(d) A benefit may not be paid under this section for any expense paid from any funds received by an employee under any other Federal Government or State or local government adoption benefits program.

"(e)(1) Not more than $2,000 may be paid to an employee under this section for expenses incurred in the adoption of any child.

"(2) Not more than $5,000 may be paid to an employee under this section for all adoptions by such employee in any calendar year.

"(f)(1) Except as provided in paragraphs (2) and (3) of this subsection, the Director of the Office of Personnel Management shall prescribe regulations to carry out this section.

"(2) The Speaker of the House of Representatives and the President pro tempore of the Senate shall prescribe regulations to carry out this section with respect to Congressional employees.

"(3) The Director of the Administrative Office of the United States Courts shall prescribe regulations to carry out this section with respect to employees of the Judicial branch.

"(g) As used in this section:

"(1) 'Employee' includes—

"(A) an individual paid as described in section 2105(c) of this title; and

"(B) an employee described in section 2105(e) of this title.

"(2) 'Qualifying adoption expenses'—

"(A) means reasonable and necessary expenses which are directly related to the legal adoption of a child, but only if such adoption is arranged—

"(i) by a State or local government agency which has responsibility under State or local law for child placement through adoption;

"(ii) by a nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption; or

"(iii) through a private placement; and are not incurred in violation of Federal, State, or local law;

"(B) includes—

"(i) public and private agency fees, including adoption fees charged by an agency in a foreign country;

"(ii) placement fees, including fees charged adoptive parents for counseling;

"(iii) legal fees, including court costs;

"(iv) medical expenses, including hospital expenses of a newborn infant, medical care furnished the adopted child before the adoption, and physical examinations for the adopting parents;

"(v) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(vi) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(vii) except as provided in subparagraph (C)(ii) of this paragraph, transportation expenses relating to the adoption; and

"(C) does not include any expenses incurred—

"(i) in the adoption of a child who was conceived—

"(I) by artificial insemination;

"(II) by embryo transplantation;

"(III) by in vitro fertilization; or

"(IV) in so-called 'surrogate parenthood', including conception by any person who serves as a surrogate voluntarily and without remuneration; or

"(ii) for any adopting parent's travel outside the United States, unless such travel—

"(I) is required by law as a condition of a legal adoption in the country of the child's origin;

"(II) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(III) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting employee is stationed.".

(b) CONFORMING AMENDMENTS.—(1) The heading of such subpart is amended to read as follows:

"Subpart G—Annuities, Insurance, and Miscellaneous Benefits".

(2) The analysis at the beginning of such part is amended—

(A) by striking out the item relating to subpart G and inserting in lieu thereof the following:

"Subpart G—Annuities, Insurance, and Miscellaneous Benefits";

and

(B) by inserting after the item relating to chapter 89 the following:

"91. Miscellaneous Employee Benefits . . . 9101".

S. 269

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Adoption Benefits Act of 1987".

SEC. 2. REIMBURSEMENT FOR ADOPTION EXPENSES OF MEMBERS OF THE ARMED FORCES.

(a) IN GENERAL.—Chapter 53 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1051. Child adoption benefits

"(a) The Secretary concerned shall reimburse a member of the armed forces, as provided in this section, for the qualifying adoption expenses incurred by the member in the adoption of a child under 18 years of age.

"(b) Adoptions for which expenses may be reimbursed under this section include an adoption by a single person, an infant adoption, an intercountry adoption, and an adoption of a child with special needs (as defined in section 473(c) of the Social Security Act (42 U.S.C. 673(c)), but do not include an adoption in which one of the adopting parents is the biological parent of the adopted child.

"(c) Benefits may be paid under this section in the case of an adoption only after the adoption is final.

"(d) A benefit may not be paid under this section for any expense paid from any funds received by a member of the armed forces under any other Federal Government or State or local government adoption benefits program.

"(e)(1) Not more than $2,000 may be paid to a member of the armed forces under this section for expenses incurred in the adoption of any child.

"(2) Not more than $5,000 may be paid to a member of the armed forces under this section for all adoptions by such member in any calendar year.

"(f) The Secretary of Defense shall prescribe regulations to carry out this section.

"(g) As used in this section, 'qualifying adoption expenses'—

"(1) means reasonable and necessary expenses which are directly related to the legal adoption of a child, but only if such adoption is arranged—

"(A) by a State or local government agency which has responsibility under State or local law for child placement through adoption;

"(B) by a nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption; or

"(C) through a private placement; and are not incurred in violation of Federal, State, or local law;

"(2) includes—

"(A) public and private agency fees, including adoption fees charged by an agency in a foreign country;

"(B) placement fees, including fees charged adoptive parents for counseling;

"(C) legal fees, including court costs;

"(D) medical expenses, including hospital expenses of a newborn infant, for medical care furnished the adopted child before the adoption, and for physical examinations for the adopting parents;

"(E) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(F) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(G) except as provided in clause (3)(B), transportation expenses relating to the adoption; and

"(3) does not include any expenses incurred—

"(A) in the adoption of a child who was conceived—

"(i) by artificial insemination;

"(ii) by embryo transplantation;

"(iii) by in vitro fertilization; or

"(iv) in so-called 'surrogate parenthood', including conception by any person who serves as a surrogate voluntarily and without remuneration; or

"(B) for any adopting parent's travel outside the United States, unless such travel—

"(i) is required by law as a condition of a legal adoption in the country of the child's origin, or is otherwise necessary for the purpose of qualifying for the adoption of a child;

"(ii) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(iii) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting member of the armed forces is stationed.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following:

"1051. Child adoption benefits.".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall take effect on October 1, 1987.

By Mr. HUMPHREY:

S. 270. A bill to provide a transition period for the full implementation of the Nonrecurring Adoption Expenses Reimbursement Program; to the Committee on Finance.

ADOPTION EXPENSES REIMBURSEMENT PROGRAM

● Mr. HUMPHREY. Mr. President, today I am introducing legislation to provide a transition period during which the tax deduction for expenses related to the adoption of a child with special needs will be retained until procedures for direct reimbursement under the new tax bill can be established.

One of the great accomplishments of the 99th Congress was the tax reform bill. I supported tax reform, but I have concerns about the immediate effect one of its provisions will have on adoptive parents and on the movement of children out of the foster care system into permanent homes.

According to the Department of Health and Human Services, an estimated 276,000 children are in foster care, and at least 36,000 of these children are legally free and waiting for adoptive homes. Many of the 36,000 are children with special needs; that is, children who are older, in sibling groups, mentally, physically or emotionally disabled, or members of minority groups.

Financial considerations are a necessary concern for parents who adopt any child. The adoptive parents entitled to this reimbursement are the individuals and couples who give a permanent home to children who need it most. They are people who are willing to take on large responsibilities in order to build a family and bring joy to a child who needs a home.

Congress has recognized the need to encourage, and reduce the financial burdens associated with, special needs adoption. Until January 1987 this was accomplished through an itemized tax deduction. The 1986 tax reform law repealed this deduction and substituted a direct payment for adoptive parents of special needs children.

My concern is that while adoptive parents lost the tax deduction at the end of 1986, the new system under which States directly reimburse parents for adoption expenses is a long way from being in place.

Under the Reconciliation Act of 1981, Congress provided an itemized deduction for up to $1,500 of expenses incurred by an individual in the legal adoption of a child with special needs. Deductible expenses included reasonable and necessary adoption fees, court costs, and attorney fees.

Because of limitations in available data, we do not know exactly how many adoptive parents have utilized the adoption expenses deduction. But we do know the number of special needs adoptions has risen in recent years, and the number of children in foster care has dropped. Undoubtedly many factors have contributed to this progress in special needs adoptions, but clearly the tax deduction helps reduce one important barrier to adoption, the cost.

The Senate tax reform bill retained the adoption expenses deduction, but the conference agreement followed the House bill in repealing the deduction. In place of the deduction, the final tax bill amends the Adoption Assistance Program in title VI-E of the Social Security Act to provide matching funds as an administrative expense to reimburse adoptive parents for their one-time adoption expenses when they adopt, in accordance with State and local law, a child with special needs. The repeal of the deduction takes effect for taxable years beginning with 1987 and the direct payment substitute for the deduction is to be effective for adoption expenditures made after December 31, 1986.

The Federal Government, State title IV-E adoption agencies, and private adoption agencies will all be involved in working out procedures to guarantee reimbursement to eligible adoptive parents. According to adoption experts, the Department of Health and Human Services will have to issue regulations under the title IV-E Adoption Assistance Program. Unwittingly, because of the necessary delay before the plan can be implemented, we may be leaving these families and children out in the cold with no financial help.

Mr. President, the adoption expenses tax deduction was straightforward and simple, and procedures and forms were well established under the Tax Code. The implementation of a new system of direct reimbursement is anything but simple. This legislation I am proposing will provide a transition period during which the adoption expenses tax deduction will be retained until final regulations implementing the Nonrecurring Adoption Expenses Reimbursement Program are issued. This will guarantee that adoptive parents will not suffer delays while administrators struggle to develop a reimbursement system.

I ask that the bill be printed in the RECORD as follows:

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 270

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TRANSITION PERIOD FOR FULL IMPLEMENTATION OF NONRECURRING ADOPTION EXPENSES REIMBURSEMENT PROGRAM.

(a) IN GENERAL.—Section 151 of the Tax Reform Act of 1986 (relating to effective dates) is amended by adding at the end thereof the following new subsection:

"(f) ADOPTION EXPENSES.—

"(1) IN GENERAL.—The amendments made by section 135 shall apply to taxable years beginning after December 31 of the calendar year in which final regulations are issued to implement the reimbursement of nonrecurring adoption expenses under any adoption assistance agreement under subtitle E of title IV of the Social Security Act.

"(2) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed with respect to amounts paid for adoption expenses directly related to the legal adoption of a child with special needs under section 222 of the Internal Revenue Code of 1986 to any taxpayer receiving reimbursement for such amounts under any adoption assistance agreement under subtitle E of title IV of the Social Security Act.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 151 of the Tax Reform Act of 1986.

By Mr. HUMPHREY:

S. 271. A bill to amend section 1001 of the Public Health Service Act to permit family planning projects to offer adoption services; to the Committee on Labor and Human Resources.

PUBLIC HEALTH SERVICE ACT

● Mr. HUMPHREY. Mr. President, today I am introducing legislation to amend title X of the Public Health Service Act to allow family planning clinics to provide, at their discretion, adoption services.

For too long, our image of family planning has been exclusively family planning through the prevention of pregnancy, the limiting of family size, or the spacing of pregnancies. It is time to recognize the importance of planning families through adoption for children born to parents unable to care for them and for couples who would otherwise be unable to establish a family.

If a young, single woman becomes pregnant, she may not know much about adoption, and the counselors she encounters may be poorly informed also. Even if a single woman considers adoption, she may dismiss it prematurely as too expensive or too difficult, and instead choose to have an abortion or raise her child out-of-wedlock. No pregnant woman should ever be coerced into releasing her child for adoption, but she should be allowed to make an informed decision, after considering all of her alternatives.

Most pregnant teens do not get a chance to consider and do not understand the adoption process. A recent study by Edmund V. Mech of the school of social work at the University of Illinois at Urbana-Champaign showed a significant adoption gap among counselors. Mech found that counselors believe that most pregnant adolescents will not choose to place their child for adoption, use nondirective counseling techniques, and rarely initiate discussion of the adoption option. As a result, adoption often is not considered as an alternative in the counseling of pregnant adolescents and the young woman is not given any information about adoption.

Title X is currently the largest Federal program dealing with the problem of teenage pregnancy, and more than a third of the individuals served by this program are adolescents. In a recent report on teenage pregnancy, the National Research Council noted this fact and stressed that adoption should be an option for pregnant adolescents. The report acknowledged the many agencies involved in a teenager's pregnancy—including family planning clinics for pregnancy testing, health and social service facilities for services during pregnancy, labor and delivery, and counsel and supportive services after the birth—and stated that the "fragmentation of needed services may serve as a disincentive for some pregnant teenagers to make adoption plans."

The Council's report also included the recommendation that "public agencies, in cooperation with the private sector, explore ways of strengthening adoption services, including (1) improved decision counseling for pregnant teenagers and (2) development of effective models for providing comprehensive care to pregnant girls who choose adoption as an alternative to parenthood." This legislation is a much needed start in that direction.

Mr. President, I introduced similar legislation in the 99th Congress. During the Labor and Human Resources Committee markup of S. 881, the Family Planning Amendments of 1986, similar language was approved as an amendment offered by Senator GRASSLEY. The committee also approved a perfecting amendment by Senator METZENBAUM to require that any adoption services provided shall be nondiscriminatory. Senator METZENBAUM's amendment improves this legislation and I have added his amendment to the original language in the current bill.

To clarify the intent of the Labor and Human Resources Committee in agreeing on this provision, I include the following statement on the adoption services amendment from the committee report on the Family Planning Amendments of 1986, S. 881 (Report 99-297):

> The legislation contains a new provision which permits title X projects to offer adoption services. The provision does not require that family planning projects offer adoption services; projects may determine whether they wish to offer adoption services in addition to the counseling, and referral upon request, which are included in the existing title X guidelines. The committee does not intend any changes in the general mission of the title X law or projects, nor any diminution of Federal support for grantees or projects not electing to expand their services.
>
> The definition of adoption services is vague to allow flexibility in services family planning providers may offer. Examples of services include, but are not limited to, adoption education programs, training, counseling, referral and placement services. The committee does not intend the use of subcontracting for these services. During Senate Committee on Labor and Human Resources deliberation over this amendment a reference was made to the Family Health Council of Western Pennsylvania as an example of a program which provides adoption services. Secondly, it is the intention of the committee that when adoption services includes placement services, as in the Family Health Council example, those placement services are offered only by a project which has obtained a child placement license. The committee does not intend to authorize the expenditure of title X funds for placement services except when such placement services are offered by a title X project which is also a licensed child placing agency. Where State adoption licensing requirements do not exist, such services must be provided in compliance with State laws regarding adoption services.
>
> The legislation also provides that services offered are to be nondiscriminatory as to race, color, religion, or national origin. This amendment is not intended to affect the applicability of any existing Federal provision intended to prevent discrimination on the basis of these or other factors. The language is not intended to prohibit agencies from taking into account all relevant factors in deciding to place a child in a setting which is in the child's best interest. However, adoption services should not be denied nor significantly delayed on the basis of factors specified. This amendment is not intended to prevent discrimination on the basis of these other factors.
>
> For the purposes of this new provision, projects are defined as delegate agencies or service sites.

Although S. 881 was reported out of the Labor and Human Resources Committee, no action was taken on the bill before Congress adjourned. I am hopeful that any reauthorization of the Title X Family Planning Program in the 100th Congress will once again include this adoption provision.

Mr. President, adoption is a positive alternative for women, particularly adolescents, with unintended pregnancies. Since family planning clinics are often the first point of contact between these women and the health care system after they have, or suspect they have, become pregnant, these clinics are the most important places to provide information about adoption.

This provision authorizing adoption services would not substantially divert funds from current family planning services. The provision is written in permissive language, it does not force any grantee to offer adoption services; rather, it merely clarifies that grantees may do so.

Since the title X statute requires that grantees provide a comprehensive range of family planning services, this provision could not result in the funding of adoption only service projects. I suspect that in most cases, those grantees who decide to provide adoption services would provide information and counseling services, which are not expensive. Even with regard to counseling and referral, this provision would not result in substantial diversion of program funds, since projects are currently required under certain circumstances to provide counseling and referral for adoption. Except in rare circumstances, actual adoption placement services would continue to be provided by existing adoption or social service agencies.

This legislation clarifies policy regarding adoption services in title X projects. Research has shown that adoption is more likely to be discussed by counselors in a social agency setting than by counselors in a health provider setting. This provision will help to emphasize the role that health care providers can play in discussing and encouraging adoption.

Mr. President, adoption has been called the loving option. I urge my colleagues to support this effort to help ensure that adoption does not become the forgotten option because of a lack of information.

I ask unanimous consent that the bill be printed in the RECORD as follows:

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 271

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1001(a) of the Public Health Service Act is amended by inserting after the first sentence the following new sentences: "Such projects may also offer adoption services. Any adoption services provided under such projects shall be nondiscriminatory as to race, color, religion, or national origin.".

By Mr. HUMPHREY (for himself and Mr. HELMS):

S. 272. A bill to require certain individuals who perform abortions to obtain informed consent; to the Committee on Labor and Human Resources.

By Mr. HUMPHREY (for himself and Mr. HELMS):

S. 273. A bill to require certain individuals who perform abortions to obtain informed consent; to the Committee on Labor and Human Resources.

ABORTION CONSENT

● Mr. HUMPHREY. Mr. President, over the past year I have devoted considerable time and resources to publicizing a medical condition which increasingly has demanded attention from many concerned citizens. That condition is known as "postabortion trauma"—a term encompassing the many psychological and physical complications arising from abortion.

Postabortion trauma, particularly in the last several years, has come to light as a medical problem with serious and recognizable symptoms. Prior to the early 1970's, abortions were not performed in sufficient numbers for the ill-effects of abortion to be widely recognized or understood. But, following the Roe versus Wade decision in 1973, the number of abortions rose sharply to over 1.5 million a year, and as time passed, allowing many psychological and long-term abortion complications to manifest themselves, we have begun to observe increasing numbers of women who suffer from postabortion trauma.

Since the early 1960's, abortion advocates called for the legalization of abortion in order that all women would enjoy safe abortion. Abortion is now legal "on demand" at any time in a pregnancy, and yet women across the Nation suffer in ever greater numbers the physical and emotional injury caused by abortion. A number of physicians and researchers have investigated this trend in the late 1970's and early 1980's. More recently, private, nonprofit organizations have begun compiling a comprehensive list of the numerous studies and articles devoted to the subject.

Information about this issue has been publicized by "American Victims of Abortion" and "Women Exploited by Abortion"—two organizations devoted to counseling women who have suffered the ill-effects of postabortion trauma. These two groups are also committed to alerting the public to the potential and actual health hazards inherent in abortion. W.E.B.A. and A.V.A. members are primarily women who have experienced some of the tragic side effects of the abortion procedure.

The subsequent introduction of legislation relating to this issue—in the 99th Congress this included bills S. 2420 and S. 2791—drew scores of letters from women who themselves had suffered postabortion trauma. Most of these letters attribute much of their resentment about the abortion decision to the fact that they were not presented adequate information, or were misinformed about the abortion. These women now describe difficulties including subsequent premature births, cervical weakness, periodic or complete sterility, and miscarriages. They detail emotional ailments such as eating disorders, nightmares, depression and suicidal tendencies. They reveal guilt and anger, obsession with the dead child and a resulting failure to relate emotionally to the spouse and other children. They describe turning to alcohol and drugs.

The bills I am introducing today are revised versions of S. 2791, an informed consent bill I introduced late last year. Let me emphasize that the bills concern informed consent, and not parental information issues such as parental consent or parental notification. Parental information legislation would mandate the involvement of parents in the abortion decision of their minor daughter. These are important and worthwhile matters, but they are not the subject of the legislation before us now. Rather, these bills relate to the informing of any woman, minor or adult, about the abortion procedure, possible complications of the abortion, alternatives to abortion, and/or about the development of the unborn child.

Informed consent for any other medical surgery is standard procedure in the medical profession. Physicians are expected to conscientiously inform their patients about an operation, the risks of the operation, and alternatives to the procedure. However, while abortionists claim to counsel prospective patients prior to performing the abortion, currently there are no Federal requirements mandating that informed consent be sought prior to an abortion.

Today I introduce two bills that would allow women to be informed of the potential for postabortion trauma. One bill applies only to medical personnel who receive Department of Health and Human Services funds for the provision of health services. The other bill applies to those personnel receiving Department of Defense funds. Each bill applies to those personnel who, within the scope of their employment, perform an abortion on a woman. These persons must ensure that the pregnant woman has received the general information necessary to give written "informed consent" to the abortion. The bills also require that general information relevant to a woman's abortion decision be printed by the departments and that the information be available to the public. It does not require that any literature be provided to the woman, or that printed information be supplied by the doctor.

Medical personnel who fail to comply with the bills' requirements would be unable to receive Federal funds for the provision of health services. More importantly, any woman who is injured as a result of the medical personnel's failure to comply with this requirement, will be entitled to bring a cause of action for appropriate relief in Federal court.

Concerns have been raised about the constitutionality of such informed consent requirements following the recent Supreme Court decision in Thornburgh versus American College of Obstetricians and Gynecologists. In fact, I have revised the informed consent bill I introduced before the Thornburgh decision, in two ways in order to comply with the Court's opinion. However, it is important to note that the concept of informed consent has not been invalidated by the Court, even in this latest progeny of Roe versus Wade. Rather, in Thornburgh, the Court recognized that: A requirement that the woman give what is truly a voluntary and informed consent, as a general proposition, is, of course, proper and is surely not unconstitutional.

Supreme Court decisions prior to Thornburgh; namely, City of Akron versus Akron Center for Reproductive Health and Planned Parenthood of Central Missouri versus Danforth, have also upheld the concept of requiring informed consent from women contemplating abortion.

So, the Supreme Court has not invalidated the concept of informed consent, but rather has implied certain principles that must be respected in order for informed consent legislation to withstand court scrutiny:

Informed consent legislation may only require the provision of information that is relevant to the consent, thus advancing a legitimate interest.

The law's intent may not be to dissuade a woman from having an abortion. Instead, it must further a State's legitimate interest in promoting the health of the woman.

The informed consent provisions may not require a rigid body of information be provided to the woman. The physician must have flexibility to meet the particular needs of the woman, and may not be required to present what she considers extraneous information.

The informed consent statute must not make the physician an agent of the Government, by requiring that he or she distribute printed information, even upon the request of the woman.

I believe that this informed consent legislation has been drafted in accordance with the strictures outlined in the Thornburgh decision:

This legislation is not intended to limit the access of women to abortion, nor to limit the number of abortions procured each year by American women. The bills in no way restrict a woman's ability to procure an abortion. It is likely that some, indeed many, of the 1.5 million women undergoing legal abortions each year throughout the entire 9 months of pregnancy, have not been adequately informed about the procedure they are undergoing. Indeed, some of these women have been misinformed and lied to about the consequences and risks of their abortion. As a result, many of these women will possibly decline to procure an abortion once they have been adequately and accurately been informed about the abortion they originally sought.

Averting the procurement of abortions, however, is merely a side effect resulting from the alerting of women to the potential ill-effects caused by abortion. In fact, the intent of these bills is nothing more than the protection of the health of women who are considering abortion without being advised of the potential ill-effects to their health.

I have already described some of the identified health risks associated with abortion. Clearly, then, legislation aimed at informing women of the health hazards of abortion can only promote the health of this Nation's women.

I have eliminated the prior requirement that a specific body of information be provided to women by medical personnel before the abortion. The bills require only that the physician provide general information in a manner that will properly inform the woman. The physician is free from providing a "rigid" set of information to the woman, but nevertheless retains the responsibility to appropriately assess the needs of the woman and to properly inform her of various aspects of the abortion.

I have eliminated a requirement that printed information regarding alternatives to abortion be provided by the physician. However, in light of the vast numbers of letters from women pleading for improved information about alternatives to abortion, the bills require the Departments to print such information and make them available to the public. Such information should include listings of some of the thousands of pregnancy centers around the Nation that provide access to prenatal care, support, and counseling beyond the term of the pregnancy, and should refer to the hundreds of adoption centers around the Nation providing counseling and adoption placement services at no expense or at minimal cost. The Departments must also provide information about abortion procedures and some of the potential complications that might arise, and information regarding fetal development.

Mr. President, the need for informed consent is clear. The health of many women in this Nation is at stake. And beyond this, we must ensure that all women considering abortion are making an informed choice. I ask my colleagues to consider this: of what use is a right, if the information to use it wisely is withheld? Any choice made on an uninformed or misinformed basis is no choice at all.

Mr. President, I ask unanimous consent that the bills as introduced be printed in the CONGRESSIONAL RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 272

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Informed Consent Act".

DEFINITIONS

SEC. 2. For purposes of this Act, the term—

(1) the term "abortion" means the use of any instrument, medicine, drug, or any other substance or device, to terminate the pregnancy of a woman known to be pregnant, with an intention other than to increase the probability of a live birth, to preserve the life or health of the child after live birth, or to remove a dead fetus;

(2) the term "Department" means the Department of Health and Human Services;

(3) the term "Federal financial assistance" means any type of Federal financial assistance for the provision of health services which is provided directly by the Department to a recipient or which is provided through a recipient of such assistance from the Department to another individual or entity, and includes grants, contracts, loans, cooperative agreements, and reimbursements and payments for services;

(4) the term "informed consent" means the consent to an abortion by a pregnant woman after such woman is provided with all information necessary in order to enable such woman to intelligently exercise their judgment with respect to the abortion by reasonably balancing the probable risks of the abortion against the probable benefits of the abortion;

(5) the term "pregnant woman" means any woman who is pregnant and, with respect to factors other than age, is legally capable of giving valid consent to the performance of an abortion; and

(6) the term "Secretary" means the Secretary of Health and Human Services.

INFORMED CONSENT REQUIRED

SEC. 3. (a) No individual who—

(1) is employed in a hospital, clinic, institution, or facility which provides health care services and is owned or operated by the Department;

(2) is employed by a hospital, clinic, institution, or facility which receives any Federal financial assistance; or

(3) receives any Federal financial assistance, shall, within the scope of employment of such individual, perform an abortion on a pregnant woman unless such individual has, prior to the performance of such abortion, complied with the provisions of this section.

(b) An individual to whom subsection (a) applies shall, prior to performing an abortion on a pregnant woman—

(1) ensure that such woman has been given sufficient information to enable such woman to give informed consent to the abortion; and

(2) obtain the written certification of such woman that her consent to the abortion is informed, has been freely given, and is not the result of coercion.

(c) Any written certification obtained from a pregnant woman under subsection (b)(2) shall be confidential, and may not be released to any person other than—

(1) such woman;

(2) the individual who performed the abortion; or

(3) any other individual who is required to consent to the abortion pursuant to law,

unless such woman provides written consent to the release of such certification to any other person or a Federal or State court issues an order requiring the release of such certification to any other person.

(d)(1) The Secretary shall promulgate rules and procedures to ensure that officers and employees of any hospital, clinic, institution, or facility described in subsection (a) comply with this Act.

(2) The head of each hospital, clinic, institution, or facility described in subsection (a)(2) shall—

(A) promulgate rules and procedures to ensure that officers and employees of such hospital, clinic, institution, or facility comply with this Act; and

(B) take appropriate actions to monitor and enforce complicance by such officers and employees with this Act and such rules and procedures.

MEDICAL EMERGENCY EXCEPTION

SEC. 4. The provisions of subsections (a) and (b) of section 3 shall not apply in the case of an abortion performed on a pregnant woman, if the woman's physician determines, in the exercise of such physician's best medical judgment, that a medical emergency exists that complicates the woman's pregnancy in a manner which requires an immediate abortion.

ENFORCEMENT

SEC. 5. (a) The Secretary shall monitor compliance with this Act by individuals, hospitals, clinics, institutions, and facilities subject to this Act. If the Secretary determines that such an individual, hospital, clinic, institution, or facility has failed to comply with this Act, the Secretary shall provide a written notice to such individual, hospital, clinic, institution, or facility which—

(1) specifies such determination; and

(2) states that unless such individual, hospital, clinic, institution, or facility complies with this Act within 15 days after the receipt of such notice, all Federal assistance provided to such entity will be terminated.

(b) Any individual, hospital, clinic, institution, or facility which receives a written notice under subsection (a), may, within 30 days after the receipt of such notice, request the Secretary for a hearing with respect to—

(1) the determination of the Secretary under subsection (a);

(2) compliance by such individual, hospital, clinic, institution, or facility with this Act; and

(3) the termination of Federal assistance to such individual, hospital, clinic, institution, or facility pursuant to this Act.

(c) If the Secretary receives a request for a hearing under subsection (b), the Secretary shall schedule a hearing in response to such request within 30 days after receiving such request. Such hearing shall be conducted on the record in accordance with sections 554 through 559 of title 5, United States Code.

LEGAL ACTIONS

SEC. 6. Any individual who is aggrieved by the failure of an individual subject to this Act to provide the informed consent required by this Act, or by the failure of a hospital, clinic, institution, or facility subject to this Act to comply with this Act, may bring an action for appropriate relief in the district court of the United States in which such individual resides or in which such failure occurred.

INFORMATIONAL MATERIALS

SEC. 7. (a) Within 120 days after the date of enactment of this Act, the Secretary shall prepare and make available to the public, materials which contain—

(1) a description of the various methods of abortion;

(2) a description of the medical risks, both physical and psychological, associated with abortion;

(3) a description of the probable anatomical and physiological characteristics of the unborn child at two-week gestational increments from fertilization to full term, including information on the unborn child's ability to survive outside the mother's womb; and

(4) information concerning the availability of financial assistance and social services, including a comprehensive list of (A) public and private agencies, including adoption agencies, which are available to assist a woman through pregnancy, childbirth, and the period of dependency of her child or children, (B) the addresses and telephone numbers of such agencies, and (C) a description of the services offered by each such agency.

(b) The Secretary shall prepare the materials required by subsection (a) in each language used by a significant portion of the population of the United States.

(c) The Secretary shall make the materials required by subsection (a) available to the public without charge.

(d) The Secretary shall annually review and update the materials required by subsection (a).

SEVERABILITY

SEC. 8. If any provision of this Act or the application thereof to any person or circumstance is held invalid, neither the remainder of this Act nor the application of such provision to other persons or circumstances shall be affected thereby.

S. 273

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Informed Consent Act".

DEFINITIONS

SEC. 2. For purposes of this Act, the term—

(1) the term "abortion" means the use of any instrument, medicine, drug, or any other substance or device, to terminate the pregnancy of a woman known to be pregnant, with an intention other than to increase the probability of a live birth, to preserve the life or health of the child after live birth, or to remove a dead fetus;

(2) the term "Department" means the Department of Defense.

(3) the term "informed consent" means the consent to an abortion by a pregnant woman after such woman is provided with all information necessary in order to enable such woman to intelligently exercise her judgment with respect to the abortion by reasonably balancing the probable risks of the abortion against the probable benefits of the abortion;

(4) the term "pregnant woman" means any woman who is pregnant and, with respect to factors other than age, is legally capable of giving valid consent to the performance of an abortion; and

(5) the term "Secretary" means the Secretary of Defense.

INFORMED CONSENT REQUIRED

SEC. 3. (a) No individual who is employed in a hospital, clinic, institution, or facility which provides health care services and is owned or operated by the Department shall, within the scope of employment of such individual, perform an abortion on a pregnant woman unless such individual has, prior to the performance of such abortion, complied with the provisions of this section.

(b) An individual to whom subsection (a) applies shall, prior to performing an abortion on a pregnant woman—

(1) ensure that such woman has been given sufficient information to enable such woman to give informed consent to the abortion; and

(2) obtain the written certification of such woman that her consent to the abortion is informed, has been freely given, and is not the result of coercion.

(c) Any written certification obtained from a pregnant woman under subsection (b)(2) shall be confidential, and may not be released to any person other than—

(1) such woman;

(2) the individual who performed the abortion; or

(3) any other individual who is required to consent to the abortion pursuant to law,

unless such woman provides written consent to the release of such certification to any other person or a Federal or military court issues an order requiring the release of such certification to any other person.

(d)(1) The Secretary shall (A) promulgate rules and procedures to ensure that officers and employees of any hospital, clinic, institution, or facility described in subsection (a) comply with this Act; and

(B) take appropriate actions to monitor and enforce compliance by such officers and employees with this Act and such rules and procedures.

MEDICAL EMERGENCY EXCEPTION

SEC. 4. The provisions of subsections (a) and (b) of section 3 shall not apply in the case of an abortion performed on a pregnant woman, if the woman's physician determines, in the exercise of such physician's best medical judgment, that a medical emergency exists that complicates the woman's pregnancy in a manner which requires an immediate abortion.

ENFORCEMENT

SEC. 5. The Secretary shall monitor compliance with this Act by individuals, hospitals, clinics, institutions, and facilities subject to this Act.

LEGAL ACTIONS

SEC. 6. Any individual who is aggrieved by the failure of an individual subject to this Act to provide the informed consent required by this Act, or by the failure of a hospital, clinic, institution, or facility subject to this Act to comply with this Act, may bring an action for appropriate relief in the district court of the United States in which such individual resides or in which such failure occurred.

INFORMATIONAL MATERIALS

SEC. 7. (a) Within 120 days after the date of enactment of this Act, the Secretary shall prepare and make available to the public, materials which contain—

(1) a description of the various methods of abortion;

(2) a description of the medical risks, both physical and psychological, associated with abortion;

(3) a description of the probable anatomical and physiological characteristics of the unborn child at two-week gestational increments from fertilization to full term, including information on the unborn child's ability to survive outside mother's womb; and

(4) information concerning the availability of financial assistance and social services, including a comprehensive list of (A) public and private agencies, including adoption agencies, which are available to assist a woman through pregnancy, childbirth, and the period of dependency of her child or children, (B) the addresses and telephone numbers of such agencies, and (C) a description of the services offered by each such agency.

(b) The Secretary shall prepare the materials required by subsection (a) in each language used by a significant portion of the population of the United States.

(c) The Secretary shall make the materials required by subsection (a) available to the public without charge.

(d) The Secretary shall annually review and update the materials required by subsection (a).

SEVERABILITY

SEC. 8. If any provision of this Act or the application thereof to any person or circumstance is held invalid, neither the remainder of this Act nor the application of such provision to other persons or circumstances shall be affected thereby.

By Mr. HUMPHREY (for himself and Mr. HELMS):

S. 274. A bill to restrict the use of Federal funds available to the Bureau of Prisons to perform abortions; to the Committee on the Judicairy.

PROHIBITION OF USE OF FEDERAL FUNDS FOR ABORTIONS IN PRISONS

● Mr. HUMPHREY. Mr. President, I introduce today a bill prohibiting the use of Federal funds by the Justice Department, through its agency, the Bureau of Prisons, to pay for abortions procured by Federal prison inmates.

Regulatory authority providing for bureau involvement with abortion can be found in title 28 of the Code of Federal Regulations. Section 551.20 states:

> The Bureau of Prisons provides an inmate with medical and social services related to birth control, pregnancy child placement, and abortion. The warden shall ensure compliance with the applicable law regarding these matters.

Section 551.24 specifies the following:

> (a) The inmate has the responsibility for deciding to have an abortion or bear the child.
>
> (b) The warden shall provide medical, religious and social counseling to aid the inmate in making the decision to have an abortion or bear the child.
>
> (c) An inmate shall sign a statement of responsibility for the decision to have an abortion or bear the child.
>
> (d) At the inmate's request, medical staff shall arrange for the abortion to take place at a hospital or clinic outside the institution.

The statutory authority obligating the Bureau of Prisons to manage Federal correctional institutions and to "provide for the safekeeping, care, and subsistence of all persons" incarcerated in those institutions. 18 U.S.C. 4042. Section 4007 authorizes funding for the care of the prisoners, requiring that "the expenses attendant upon the confinement of persons arrested or committed under the laws of the United States * * * shall be paid out of the Treasury of the United States in the manner provided by law." 18 U.S.C. 4007. The regulations cited above are intended to carry out this authority.

Actual funds for prisoner abortions, however, are provided by annual Commerce, Justice, State appropriations bills. In the past, efforts have been made to restrict this funding. Most notable of these was a Dornan amendment to the fiscal year 1986 appropriations bill, which would have prohibited the use of Federal funds to pay for most abortions. That language provided that:

> None of the funds contained in this act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

This bill was passed by the House, but was ultimately rejected by the Senate. However, in fiscal year 1987, the House and the Senate agreed to language prohibiting some Federal funding of prisoner abortions. The House passed a dramatically more restrictive version of the Dornan amendment by a wide margin. That language prohibited the use of Federal funds to pay for an abortion, to provide facilities for the performance of an abortion, or to pay for travel expenses, staff escorts, or housing related to the procuring of an abortion. The Senate Appropriations Subcommittee deleted the language from the Senate version of the bill, and following the chaotic climax to that Congress' bungling of the budget, when the Commerce appropriations bill was rolled into the continuing resolution with every other appropriations bill, there was no vote on the original House language or on the subcommittee deletion.

The resulting compromise governing appropriations for the current fiscal year dictates that no funds be expended for the abortion itself, except in cases where the life of the mother would be endangered, or where the pregnancy was the result of a rape.

Under the policy existing prior to the passage of these appropriations measures, the Bureau of Prisons reportedly paid for 37 elective—not medically necessary, but elective—abortions in fiscal year 1985, 33 in fiscal year 1984, 41 in fiscal year 1983, 21 in fiscal year 1982, 21 in fiscal year 1981 and 14 in fiscal year 1980. Dozens of additional therapeutic and spontaneous abortions were also paid for during that same period. The average cost of the abortions was between $500 and $750.

The number of abortions, and the Federal funds devoted to paying for them may appear insignificant in and of themselves. Nevertheless, any Federal funding of elective abortion represents a radical departure from the current Federal practice under the Hyde amendment and its progency of paying for abortion only when the life of the mother is physically and imminently endangered by a pregnancy. I applaud the recent progress made in bringing the Bureau of Prisons more nearly in compliance with Federal policy governing the funding of abortion and abortion-related services under the Departments of Defense and Health and Human Services, and for Federal employees' health benefits, Peace Corps volunteers, Indian Health Services and the Legal Services Corporation. But I firmly believe that the Bureau of Prisons abortion funding policy must be consistent with current Medicaid policy under the Hyde amendment, and I intend this bill to accomplish that goal.

While the Supreme Court has not directly addressed the issue of funding for Federal inmate abortions, lower courts have issued related opinions in at least three cases:

In *Doe* v. *Jennings,* No. 79-681D (W.D. PA. May 23, 1979), a county jail warden refused to allow an inmate to obtain a first-trimester abortion without a court order. The district court ordered that the inmate be transported for an abortion, but that she fund the procedure.

In *Commonwealth of Virginia* v. *Doe,* No. 13899-13905 (Cir. Ct. Arlington County, March 1, 1979), the officials of the Arlington County jail refused to allow an inmate to obtain an abortion although a clinic would perform the abortion without charge. The court ordered that the inmate be allowed to receive an abortion as long as the expense would not be borne by the county.

In Lett versus Witworth, the court ordered that the plaintiff be allowed to have a second-trimester abortion at a hospital, although no ruling was made on payment for the procedure. In this instance, the County Welfare Department paid for the abortion.

Despite these generally favorable rulings on similar issues, a number of arguments have been raised against restrictions on the funding of abortions for prison inmates who are often too poor to pay for health care, and who are wards of the State. While no one can accurately anticipate how the Supreme Court will rule in this area, I believe that it is important to note the similarities between the issue of withholding abortion funding for prisoners, and doing so for the poor—a related issue on which the Court has ruled.

Opponents of this legislation note that incarcerated persons retain their fundamental constitutional rights, including the right to adequate medical care, and the right to have an abortion.

Although there may be a right to abortion, the Supreme Court has held in Harris versus McRae and its progeny, that there is no accompanying right to public funding for the exercise of the right to abortion. The Court noted in Harris that abortion differs from other medical procedures: "No other procedure involved the purposeful termination of potential life." The Court, then, has granted a right to abortion, found within the penumbra of the right to privacy, to all women, including incarcerated women. It has refused, however, to grant poor women the right to funding for their abortion.

Opponents also argues that the legislation creates an absolute barrier to indigent prisoners seeking abortions.

The Court, in reviewing abortion restrictions similar to those found in this bill, has focused on barriers raised by the State in obstructing a woman's access to abortion. The Court has emphasized that barriers not of the Government's making are not the responsibility of the Government. The Court further ruled that indigency was not a barrier erected by the Government. This bill does not address a woman's right to an abortion. It only concerns whether the abortion shall be funded by the Government. The bill does not erect an absolute barrier to abortion: As with the Hyde amendment restricting Medicaid funding for abortion, friends, family, or clinics serving indigent women are not precluded from paying for the abortion.

Opponents further argue that the eighth amendment to the Constitution prohibits cruel and unusual punishment. As a result, they argue that the Bureau of Prisons must provide a standard of medical care including publicly funded abortions.

It is true that the Government must provide prisoners with food, shelter, and minimum adequate medical treatment. Indeed, courts have ruled that this constitutional right to care arises whenever there is a serious medical need, such as physical danger to the life of the mother. However, inmates are not entitled to Federal funding of a variety of discretionary care available to the general public. Elective abortions are, by definition, discretionary, and funding for such activities need not be provided by the Government.

In short, the issue is not the standard of medical care to be provided to prisoners or the right of a prisoner to an abortion. Instead the issue concerns whether taxpayers must be compelled to pay for elective abortions and the deliberate destruction of innocent human life. We have refused to do so for over a decade under the Hyde amendment, and we should no longer do so in the Federal prisons system.

I ask unanimous consent that the bill as introduced be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 274

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 301 of Title 18 of the United States Code is amended to add the following new section:

"Sec. . None of the funds available to the Bureau of Prisons shall be used to perform abortions, except where the life of the mother would be endangered if the fetus were carried to term."

By Mr. WILSON: (for himself and Mr. Cranston):

S. 275. A bill to amend the Wild and Scenic River Act; to the Committee on Energy and Natural Resources.

WILD AND SCENIC RIVERS ACT

● Mr. WILSON. Mr. President, I rise today to introduce for myself and my colleague from California, Senator Cranston, a bill to designate segments of the main stem and the south fork of the Merced River in California as part of the National Wild and Scenic Rivers System. I believe that this river—which flows out of the famed Yosemite Valley—represents just the kind of river that the Wild and Scenic Rivers Act of 1968 was intended to protect.

This bill reflects the draft recommendations of the National Forest Service as included in the draft environmental impact statement for the proposed forest land and resource management plan for the Sierra National Forest. It calls for 82 miles of the main stem of the river, from its source in Yosemite National Park to Lake McClure, and 43 miles of the south fork of the Merced, from its source in Yosemite to the confluence with the main stem, to be included in the National Wild and Scenic Rivers System. I am pleased to introduce this measure which represents the culmination of an extensive study conducted by the National Forest Service, the Bureau of Land Management, and the National Park Service. I commend those involved in the development of the draft environmental impact statement for their spirit of dedication and cooperation which allowed this comprehensive proposal for the Merced and its south fork to become a reality.

The Merced River and its south fork travel almost 125 miles in their journey from the 12,000 foot peaks of Yosemite's Clark Range down to the quiet waters of Lake McClure, only 800 feet above sea level in the Sierra Nevada foothills. The banks of both the main stem and the south fork are rich in rare vegetation, and in the spring, a brilliant array of flowers carpet the steep canyon walls of the river. The area surrounding the river abounds in cultural heritage and is well known for its fascinating gold rush history. Over 1 million park visitors enjoy the Merced River and its south fork. They come to experience the thrill of rafting its rapids, to fish its waters, and to witness its extraordinary beauty.

The draft Forest Service recommendations that are embodied in this bill are supported by area businessmen, the Merced Canyon Committee, and many other local residents. The opportunity to protect this river has arisen in part because of the fine work done by the Merced Canyon Committee and others who have flushed out and resolved the potential problems that might have arisen from wild and scenic designation of the river. What has emerged from this long examination process is a draft Forest Service recommendation that allows new tourist business possibilities while at the same time preserving something very special. I am not aware of any major hydroelectric development potential that would be precluded by this legislation.

Mr. President, I am proud to introduce this bill which will ensure permanent protection for this unique and most deserving river. I believe that addition of the Merced and its south fork with complement beautifully the fine work that Congress did a little over 2 years ago in adding the Merced's sister river to the north—the Tuolumne River—to the National Wild and Scenic Rivers System. I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 275

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1271-1287) as amended is further amended by inserting the following new paragraph:

"( ) Merced, California.—The main river from its source on the south side of Mount Lyell in Yosemite National Park to the point of maximum flood control storage of Lake McClure, consisting of approximately 82 miles, and the South Fork of the river from its source near Triple Divided Peak in Yosemite National Park to the confluence with the main stem, consisting of approximately 43 miles, both as generally depicted on the map entitled 'Merced and So. Fork Merced Rivers' contained in the Appendices of the Draft Environmental Impact Statement for the Sierra National Forest published by the United States Department of Agriculture in 1986; to be administered by the Secretary of Agriculture and the Secretary of the Interior. After consultation with State and local governments and the interested public and within two years from the date of enactment of this paragraph, the Secretary shall take such action as is required under subsection (b) of this section. For fiscal years commencing after September 30, 1987, there are authorized to be appropriated such sums as may be necessary to implement the provisions of this subsection."

By Mr. NICKLES:

S. 276. A bill to amend the Internal Revenue Code of 1954 to impose a fee on the importation of crude oil or refined petroleum products; to the Committee on Finance.

CRUDE OIL IMPORT FEE

● Mr. NICKLES. Mr. President, imports of crude oil and petroleum products are threatening our national security interests. The latest numbers published by the Energy Information Administration indicate that net imports during the first 352 days of 1986 averaged 5.3 million barrels per day, about 24 percent above the average for the same period in 1985.

The United States now relies on imports for about 40 percent of its needs. We have returned to the same degree of reliance on foreign crude that we had during 1973, and all indications are that our reliance on foreign oil will increase further. For this reason, I am sponsoring legislation today to impose a fee on oil imports. This legislation is identical to S. 2886, which I introduced last year.

The measure that I am introducing today would place a fee on imported crude oil equal to the difference in international prices for crude oil and $20. It would impose an additional fee on imported products equal to the oil fee plus $3.

This oil import fee will go a long way toward reversing our dependency on OPEC and bolstering our domestic oil and gas industry. The domestic energy industry is clearly in a depression. It is therefore imperative that we focus not just on the import fee proposal but on the Federal Government's entire energy policy. Accordingly, I am also introducing today a measure to repeal the windfall profit tax.

By the fall of 1986, world oil prices had fallen to less than half what they were the year before, and to less than a third of the price levels of 1983. This decline in oil prices has not been caused by the demise of OPEC but by the calculated strategy of a couple of major exporting nations trying to manipulate the market for future gain. Therefore, we don't see pure market principles at work but calculated maneuvers by Government entities to increase their control over the world oil market.

I believe it would be unwise for our Government to sit idly by and allow countless American producers and refiners to go bankrupt while the Saudis and others are tightening the screws on oil producing countries. As a bare minimum, let's require that they pay at least the same tax that our domestic producers have been forced to pay since 1980. The average windfall profit tax for the lower 48 States has averaged more than $5 per barrel since passage of the windfall profit tax.

An oil equalization fee would be a first step toward regaining the losses we have suffered in years past at the hands of OPEC. Let us not lose this present opportunity to make a positive change.●

By Mr. THURMOND (for himself, Mr. Hatch, Mr. Trible, Mr. D'Amato, Mr. Helms, Mr. Wilson, Mr. Specter, Mr. DeConcini, and Mr. Grassley):

S. 277. A bill to establish constitutional procedures for the imposition of the sentence of death, and for other purposes; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. Hatch, Mr. Trible, Mr. Helms, Mr. Wilson, Mr. DeConcini, and Mr. Zorinsky):

S. 278. A bill to amend title 18 to limit the application of the exclusionary rule; to the Committee on the Judiciary.

DEATH PENALTY

● Mr. THURMOND. Mr. President, today, as the 100th Congress convenes, I am introducing three bills similar to ones that I introduced during the last Congress. These bills address important issues with regard to the administration of the criminal laws in this country: The establishment of constitutional procedures for the imposition of the death penalty for certain Federal offenses, Federal habeas corpus review of State criminal convictions, and the use of the exclusionary rule in Federal criminal trials. Similar bills passed the Senate by overwhelming margins in the 98th Congress; however, the full Senate did not have the opportunity to consider these measures in the last Congress. Passage of these measures is long overdue.

DEATH PENALTY

The first of these bills would establish constitutional procedures for the imposition of the death penalty.

Currently, numerous Federal statutes provide that a sentence of death may be imposed if a person is found guilty. However, the reality is that the death penalty cannot be imposed because constitutional procedures for imposing such a sentence do not exist. In 1972, the Supreme Court, in Furman versus Georgia, ruled that the existing death penalty statutes were unconstitutional because the jury was allowed to use its unfettered discretion in determining whether a sentence of death should be imposed. This decision rendered the Federal death penalty inoperative. Subsequently, in a series of landmark decisions handed down in 1976, the Supreme Court determined that the death penalty was constitutional when imposed under certain procedures specifically designed to guard against the jury using its unfettered discretion.

The Supreme Court has subsequently handed down many decisions which have clarified circumstances under which the death penalty may be imposed. Efforts have also been underway in the Senate since 1977 to establish procedures for the imposition of the death penalty which pass constitutional muster.

The bill that I am offering today comports with the constitutional requirements outlined by the Supreme Court. The bill sets up a bifurcated process which the factfinder must follow when determining whether a sentence of death is justified. This process consists of a hearing to determine the guilt or innocence of the defendant and a second hearing to determine whether to impose the death penalty on a guilty defendant.

In order to seek a sentence of death, the attorney for the Government would be required to give notice to the defendant a reasonable time before the trial that the Government intends to seek a sentence of death. The attorney for the Government must also identify in that notice the statutory aggravating factor or factors the Government intends to prove. The sentencing hearing would be held before the same jury which determined that the defendant was guilty; or if the defendant requests and the attorney for the Government agrees, the trial judge alone.

If a verdict of guilty is returned, the factfinder, in its deliberation held after the sentencing hearing, would have to make a series of determinations before a sentence of death could be imposed.

First, depending upon the crime involved, the factfinder must determine that special threshold requirements exist. If none is found to exist, then a sentence other than death would have to be imposed.

Second, if the required threshold factors are found to exist, the jury—or judge—would have to make special findings as to the existence of statutory aggravating and mitigating factors presented at the sentencing hearing. Every member of the jury must believe at least one of the presented statutory aggravating factors exists, but only those factors believed to exist by a majority of the jury would be considered in the final weighing. A majority of the jury must also feel that a specific mitigating factor exists in order for it to be considered in the final deliberation. If no statutory aggravating factors are found to exist, then a sentence other than death would have to be imposed.

Finally, if at least one common statutory aggravating factor is found to exist by a majority of the jury, the deliberation moves to a third step. Here the jury—or judge—must weigh all the statutory aggravating and mitigating factors found to exist along with any nonstatutory aggravating and mitigating factors presented at the sentencing hearing. After weighing all of these factors, the jury—or judge—would then decide whether the death penalty should be imposed. This bill, as amended by the Judiciary Committee, during the 99th Congress, also contains a new provision which prohibits the imposition of a sentence of death on a person who was less than 18 years of age at the time of the offense.

In addition to establishing constitutional procedures for the imposition of the death penalty, this bill also authorizes the death penalty for the first time for the following offenses: (1) Certain attempts to assassinate the President and (2) murder by a Federal prisoner serving a life term in a Federal correctional institution. These provisions were contained in the bill as approved by the Judiciary Committee.

In addition, I have included the following provisions for the first time: (1) To authorize a sentence of death for a person who, while engaged in a continuing criminal enterprise, causes the death of another person. This provision is similar to a provision included in the drug bill last Congress. As many of my colleagues will recall, that provision was overwhelmingly approved by the House, but was unfortunately dropped during Senate consideration of the drug bill. (2) A provision sometimes referred to as the Klinghoffer amendment—that authorizes the death penalty in hostage-taking situations where death results to the hostage, or to a person attempting to rescue a hostage or apprehend the hostage takers. (3) To authorize the death penalty for two related offenses first enacted by the Comprehensive Crime Control Act of 1984 regarding murder for hire and murder in aid of racketeering activity.

The death penalty is not a new issue. In the 98th Congress, the Senate approved a death penalty bill which is essentially the same as the bill that I am offering today. That bill passed by an overwhelming vote of 63 to 32. It has been more than 10 years since the Supreme Court determined that the death penalty was constitutional, and we should not go another moment without the ability to fully implement our laws for the protection of our law-abiding citizens.

HABEAS CORPUS REFORM

The second bill I am introducing here would reform Federal habeas corpus and collateral attack procedures. This will minimize Federal judicial interference with State criminal convictions, promote finality of such convictions, and deal with common abuses typical of habeas prisoner petitions. In the 97th Congress, the Senate passed a bill identical to the one I am introducing today by an overwhelming vote of 67 to 9. I introduced that same bill in the 99th Congress; however, no action was taken.

This bill proposes amendments to various sections of chapter 153 of title 28 of the United States Code, and a related rule of appellate procedure. Its objectives are to establish a more appropriate scope and function for Federal habeas corpus for State prisoners, accord more appropriate weight to State interests in finality and orderly procedures in criminal adjudication, improve the efficiency of habeas corpus litigation and appellate review of such litigation, and effect certain corresponding improvements in the operation of collateral remedies for Federal prisoners. The proposed amendments would change the operation of Federal collateral remedies in several respects.

First, the proposed amendments would preclude granting relief with respect to matters that have been fully and fairly adjudicated in State proceedings. This important change would enhance the finality of State criminal adjudications and avoid duplicative litigation of claims that have already been adequately considered and decided.

Second, the proposed amendments would generally bar the consideration of claims that have not been properly raised in State proceedings, provided the State has afforded the petitioner an opportunity consistent with the requirements of Federal law to raise his claims in the State proceedings.

Third, the proposed amendments would establish a 1-year limitation period for the filing of habeas corpus petitions by State prisoners, which would generally run from the time of exhaustion of State remedies. This limitation period would bar petitions in cases in which the passage of time has made reliable adjudication of the petitioner's claims or retrial of the petitioner difficult or impossible. The limitation period would also advance the policies supporting finality and repose in criminal adjudication.

Fourth, the proposed amendments would clearly state that a Federal habeas court can deny a petition on the merits without requiring prior exhaustion of State remedies, thereby avoiding the waste of judicial resources that results when a person presenting a frivolous petition is sent back to the State courts to exhaust State remedies.

Fifth, the proposed amendments would vest in the judges of the courts of appeals exclusive authority to issue certificates of probable cause for appeal in habeas corpus proceedings. This would entrust the decision concerning the propriety of an appeal to the judges who are in the best position to determine if there is a realistic likelihood of reversal. It would also avoid duplicative consideration of the suitability of a case for appeal, first by a district judge, and then by a circuit judge.

Sixth, the proposed amendments would make similar changes in the law governing applications for collateral relief by Federal prisoners pursuant to 28 U.S.C. 2255 in the areas of appeal, procedural default and time limitation.

EXCLUSIONARY RULE

The third of these bills would codify an exception to the exclusionary rule, an exception which has been recognized by the Supreme Court. It also contains a provision with regard to the application of the exclusionary rule for violations of Federal statutes and rules.

A bill similar to this bill passed the 98th Congress by a vote of 63 to 24. I reintroduced that bill in the 99th Congress; however, no action was taken.

The exclusionary rule is a judiciary created remedy for Government violations of the fourth amendment. More simply, if evidence is obtained in violation of the fourth amendment prohibition against illegal search and seizure then that evidence will be excluded in a criminal trial. The rationale behind this remedy is to deter law enforcement officers from violating the fourth amendment by excluding illegally seized evidence. Unfortunately, as we have seen in recent years, the exclusionary rule can provide a "loophole" which often results in the release of the accused on a basis other than the merits of the underlying criminal charge. I do not believe that law enforcement officers should be allowed to randomly enter our homes or private places and search without just cause.

However, as the Supreme Court has recognized, there are certain instances in which the application of the exclusionary rule is not justified.

The bill I am introducing today recognizes one of those instances. It would allow the admission of evidence, which is later determined to have been illegally seized, in a criminal trial, if the evidence is obtained, with or without a warrant, by a law enforcement officer acting with an objectively reasonable belief that his conduct conforms with the fourth amendment. This bill would in essence, codify the 1984 Supreme Court decision in United States versus Leon with respect to searches pursuant to a warrant, and extend the application of the Leon rationale to warrantless searches.

Also, for the first time, this bill includes a provision which would provide that the exclusionary rule should not be invoked for violation of a Federal statute or rule of procedure if the underlying violation does not reach constitutional proportions. The exclusionary rule would be applied if the statute or rule specifically provides for its application. This is an issue that the Supreme Court has not considered thoroughly. However, as we have seen, the exclusion of evidence most often results in the release of the accused. This is a high price to pay for nonconstitutional violations. Therefore, I think it wise to preclude the use of the exclusionary rule in these situations unless Congress so provides.

The three bills I have introduced today would make important reforms in our criminal justice system. These bills have been the subject of many hearings in previous Congresses and I hope that the Senate will act without delay in the 100th Congress to approve these measures.

I ask unanimous consent that the text of the bills be printed in the CONGRESSIONAL RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 277

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 18 of the United States Code is amended—

(a) by adding the following new chapter after chapter 227:

"CHAPTER 228—DEATH SENTENCE

"Sec. 2

"3591. Sentence of death.

"3592. Factors to be considered in determining whether a sentence of death is justified.

"3593. Special hearing to determine whether a sentence of death is justified.

"3594. Imposition of a sentence of death.

"3595. Review of a sentence of death.

"3596. Implementation of a sentence of death.

"3597. Use of State facilities.

"§ 3591. Sentence of death.

"A defendant who has been found guilty of—

"(a) an offense described in section 794 or section 2381 of this title;

"(b) an offense described in section 1751(c) of this title, if the offense, as determined beyond a reasonable doubt at the hearing under section 3593, constitutes an attempt to kill the President of the United States and results in bodily injury to the President or comes dangerously close to causing death of the President; or

"(c) any other offense for which a sentence of death is provided, if the defendant, as determined beyond a reasonable doubt at the hearing under section 3593—

"(1) intentionally killed the victim;

"(2) intentionally inflicted serious bodily injury that resulted in the death of the victim; or

"(3) intentionally participated in an act, contemplating that the life of a person would be taken or intending that lethal force would be used in connection with a person, other than one of the participants in the offense, and the victim died as a direct result of the act;

shall be sentenced to death if, after consideration of the factors set forth in section 3592 in the course of a hearing held pursuant to section 3593, it is determined that imposition of a sentence of death is justified; provided that no person may be sentenced to death who was less than eighteen years of age at the time of the offense.

§ 3592. Factors to be considered in determining whether a sentence of death is justified

"(a) MITIGATING FACTORS.—In determining whether a sentence of death is justified for any offense, the jury, or if there is no jury, the court, shall consider each of the following mitigating factors and determine which, if any, exist:

"(1) the defendant's mental capacity was significantly impaired, although the impairment was not such as to constitute a defense to prosecution;

"(2) the defendant was under unusual and substantial duress, although not such duress as would constitute a defense to prosecution; and

"(3) the defendant was an accomplice whose participation in the offense was relatively minor.

The jury, or if there is no jury, the court, shall consider whether any other mitigating factor exists.

"(b) AGGRAVATING FACTORS FOR ESPIONAGE AND TREASON.—In determining whether a sentence of death is justified for an offense described in section 3591(a), the jury, or if there is no jury, the court, shall consider each of the following aggravating factors and determine which, if any, exist:

"(1) the defendant has previously been convicted of another offense involving espionage or treason for which either a sentence of life imprisonment or death was authorized by statute;

"(2) in the commission of the offense the defendant knowingly created a grave risk of substantial danger to the national security; and

"(3) in the commission of the offense the defendant knowingly created a grave risk of death to another person.

The jury, or if there is no jury, the court, may consider whether any other aggravating factor exists.

"(c) AGGRAVATING FACTORS FOR HOMICIDE AND FOR ATTEMPTED MURDER OF THE PRESIDENT.—In determining whether a sentence of death is justified for an offense described in section 3591 (b) or (c), the jury, or if there is no jury, the court, shall consider each of the following aggravating factors and determine which, if any, exist:

"(1) the death, or injury resulting in death, occurred during the commission or attempted commission of, or during the immediate flight from the commission of, an offense under section 751 (prisoners in custody of institution or officer), section 794 (gathering or delivering defense information to aid foreign government), section 844(d) (transportation of explosives in interstate commerce for certain purposes), section 844(f) (destruction of Government property in interstate commerce by explosives), section 1118 (prisoners serving life term), section 1201 (kidnaping), or section 2381 (treason) of this title, or section 902 (i) or (n) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1472 (i) or (n)) (aircraft piracy);

"(2) the defendant has previously been convicted of another Federal or State offense resulting in the death of a person, for which a sentence of life imprisonment or a sentence of death was authorized by statute;

"(3) the defendant has previously been convicted of two or more Federal or State offenses, punishable by a term of imprisonment of more than one year, committed on different occasions, involving the infliction of, or attempted infliction of, serious bodily injury or death upon another person;

"(4) the defendant, in the commission of the offense, knowingly created a grave risk of death to one or more persons in addition to the victim of the offense;

"(5) the defendant committed the offense in an especially heinous, cruel, or depraved manner;

"(6) the defendant procured the commission of the offense by payment, or promise of payment, or anything of pecuniary value;

"(7) the defendant committed the offense as consideration for the receipt, or in the expectation of the receipt, of anything of pecuniary value;

"(8) the defendant committed the offense after substantial planning and premeditation to cause the death of a person or commit an act of terrorism; or

"(9) the defendant committed the offense against—

"(A) the President of the United States, the President-elect, the Vice President, the Vice-President-elect, the Vice-President-designate, or, if there is no Vice President, the officer next in order of succession to the office of the President of the United States, or any person who is acting as President under the Constitution and laws of the United States;

"(B) a chief of state, head of government, or the political equivalent, of a foreign nation;

"(C) a foreign official listed in section 1116(b)(3)(A) of this title, if he is in the United States on official business; or

"(D) a Federal public servant who is a judge, a law enforcement officer, or an employee of a United States penal or correctional institution—

"(i) while he is engaged in the performance of his official duties;

"(ii) because of the performance of his official duties; or

"(iii) because of his status as a public servant.

For purposes of this subparagraph, a 'law enforcement officer' is a public servant authorized by law or by a Government agency or Congress to conduct or engage in the prevention, investigation, or prosecution of an offense.

The jury, or if there is no jury, the court, may consider whether any other aggravating factor exists:

"§ 3593. Special hearing to determine whether a sentence of death is justified

"(a) NOTICE BY THE GOVERNMENT.—If, in a case involving an offense described in section 3591, the attorney for the government believes that the circumstances of the offense are such that a sentence of death is justified under this chapter, he shall, a reasonable time before the trial, or before acceptance by the court of a plea of guilty, or at such time thereafter as the court may permit upon a showing of good cause, sign and file with the court, and serve on the defendant, a notice—

"(1) stating that the government believes that the circumstances of the offense are such that, if the defendant is convicted, a sentence of death is justified under this chapter; and

"(2) setting forth the aggravating factor or factors that the government, if the defendant is convicted, proposes to prove as justifying a sentence of death.

The court may permit the attorney for the government to amend the notice upon a showing of good cause.

"(b) HEARING BEFORE A COURT OR JURY.—If the attorney for the government has filed a notice as required under subsection (a) and the defendant is found guilty of an offense described in section 3591, the judge who presided at the trial or before whom the guilty plea was entered, or another judge if that judge is unavailable, shall conduct a separate sentencing hearing to determine the punishment to be imposed. Prior to such a hearing, no presentence report shall be prepared by the United States Probation Service, notwithstanding the provision of Rule 32(e) of the Federal Rules of Criminal Procedure. The hearing shall be conducted—

"(1) before the jury that determined the defendant's guilt;

(2) before a jury impaneled for the purpose of the hearing if—

"(A) the defendant was convicted upon a plea of guilty;

"(B) the defendant was convicted after a trial before the court sitting without a jury;

"(C) the jury determined the defendant's guilt was discharged for good cause; or

"(D) after initial imposition of a sentence under this section, reconsideration of the sentence under this section is necessary; or

"(3) before the court alone, upon the motion of the defendant and with the approval of the attorney for the government. A jury impaneled pursuant to paragraph (2) shall consist of twelve members, unless, at any time before the conclusion of the hearing, the parties stipulate, with the approval of the court, that it shall consist of a lesser number.

"(c) Proof of Mitigating and Aggravating Factors.—At the hearing, information may be presented as to any matter relevant to the sentence, including any mitigating or aggravating factor permitted or required to be considered under section 3592. Information presented may include the trial transcript and exhibits if the hearing is held before a jury or judge not present during the trial. Any other information relevant to a mitigating or aggravating factor may be presented by either the attorney for the government or the defendant, regardless of its admissibility under the rules governing admission of evidence at criminal trials, except that information may be excluded if its probative value is substantially outweighted by the danger of creating unfair prejudice, confusing the issues, or misleading the jury. The attorney for the government and the defendant shall be permitted to rebut any information received at the hearing, and shall be given fair opportunity to present argument as to the adequacy of the information to establish the existence of any aggravating or mitigating factor, and as to the appropriateness in the case of imposing a sentence of death. The attorney for the government shall open the argument. The defendant shall be permitted to reply. The attorney for the government shall then be permitted to reply in rebuttal. The burden of establishing the existence of any aggravating factor is on the government, and is not satisfied unless the existence of such a factor is established beyond a reasonable doubt. The burden of establishing the existence of any mitigating factor is on the defendant, and is not satisfied unless the existence of such a factor is established by a preponderance of the information.

"(d) Return of Special Findings.—The jury, or if there is no jury, the court, shall consider all the information received during the hearing. It shall return a special finding as to each mitigating and aggravating factor, concerning which information is presented at the hearing, required to be considered under section 3592. The jury must find the existence of a mitigating or aggravating factor by a unanimous vote, although it is unnecessary that there be a unanimous vote on any specific mitigating or aggravating factor if a majority of the jury finds the existence of such a specific factor.

"(e) Return of a Finding Concerning a Sentence of Death.—If, in the case of—

"(1) an offense described in section 3591(a), an aggravating factor required to be considered under section 3592(b) is found to exist; or

"(2) an offense described in section 3591 (b) or (c), an aggravating factor required to be considered under section 3592(c) is found to exist;

the jury, or if there is no jury, the court, shall then consider whether all the aggravating factors found to exist sufficiently outweigh all the mitigating factors found to exist to justify a sentence of death, or, in the absence of a mitigating factor, whether the aggravating factors alone are sufficient to justify a sentence of death. Based upon this consideration, the jury by unanimous vote, or if there is no jury, the court, shall return a finding as to whether a sentence of death is justified.

"(f) Special Precaution To Assure Against Discrimination.—In a hearing held before a jury, the court, prior to the return of a finding under subsection (e), shall instruct the jury that, in considering whether a sentence of death is justified, it shall not consider the race, color, national origin, creed, or sex of the defendant. The jury, upon return of a finding under subsection (e), shall also return to the court a certificate, signed by each juror, that consideration of the race, color, national origin, creed, or sex of the defendant was not involved in reaching the juror's individual decision.

"§ 3594. Imposition of a sentence of death

"Upon a finding under section 3593(e) that a sentence of death is justified, the court shall sentence the defendant to death. Upon a finding under section 3593(e) that a sentence of death is not justified, or under section 3593(d) that no aggravating factor required to be found exists, the court shall impose any sentence other than death that is authorized by law. Notwithstanding any other provision of law, if the maximum term of imprisonment for the offense is life imprisonment, the court may impose a sentence of life imprisonment without parole.

"§ 3595. Review of a sentence of death

"(a) Appeal.—In a case in which a sentence of death is imposed, the sentence shall be subject to review by the court of appeals upon appeal by the defendant. Notice of appeal must be filed within the time specified for the filing of a notice of appeal. An appeal under this section may be consolidated with an appeal of the judgment of conviction and shall have priority over all other cases.

"(b) Review.—The court of appeals shall review the entire record in the case, including—

"(1) the evidence submitted during the trial;

"(2) the information submitted during the sentencing hearing;

"(3) the procedures employed in the sentencing hearing; and

"(4) the special findings returned under section 3593(d).

"(c) Decision and Disposition.—

"(1) If the court of appeals determines that—

"(A) the sentence of death was not imposed under the influence of passion, prejudice, or any other arbitrary factor; and

"(B) the information supports the special finding of the existence of an aggravating factor required to be considered under section 3592;

it shall affirm the sentence.

"(2) In any other case, the court of appeals shall remand the case for reconsideration under section 3593.

"(3) The court of appeals shall state in writing the reasons for its disposition of an appeal of a sentence of death under this section.

"§ 3596. Implementation of a sentence of death

"A person who has been sentenced to death pursuant to the provisions of this chapter shall be committed to the custody of the Attorney General until exhaustion of the procedures for appeal of the judgment of conviction and for review of the sentence. When the sentence is to be implemented, the Attorney General shall release the person sentenced to death to the custody of a United States marshal, who shall supervise implementation of the sentence in the manner prescribed by the law of the State in which the sentence is imposed. If the law of such State does not provide for implementation of a sentence of death, the court shall designate another State, the law of which does so provide, and the sentence shall be implemented in the latter State in the manner prescribed by such law. A sentence of death shall not be carried out upon a woman while she is pregnant.

"§ 3597. Use of State facilities

"A United States marshal charged with supervising the implementation of a sentence of death may use appropriate State or local facilities for the purpose, may use the services of an appropriate State or local official or of a person such an official employs for the purpose, and shall pay the costs thereof in an amount approved by the Attorney General.";

(b) by repealing sections 3566 and 3567;

(c) in the chapter analysis of part II, by adding the following new item after the item relating to chapter 227:

"228. Death sentence .... 3591";

and

(d) in the section analysis of chapter 227, by amending the items relating to sections 3566 and 3567 to read as follows:

"3566. Repealed.
"3567. Repealed.".

Sec. 2. Section 34 of title 18 of the United States Code is amended by changing the comma after the words "imprisonment for life" to a period and deleting the remainder of the section.

Sec. 3. Section 794(a) of title 18 of the United States Code is amended by changing the period at the end of the section to a comma and by adding immediately thereafter the words "except that the sentence of death shall not be imposed unless the jury or, if there is no jury, the court, further finds that the offense directly concerned nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large-scale attack; war plans; communications intelligence or cryptographic information; or any other major weapons system or major element of defense strategy.".

Sec. 4. Section 844(d) of title 18 of the United States Code is amended by striking the words "as provided in section 34 of this title".

Sec. 5. Section 844(f) of title 18 of the United States Code is amended by striking the words "as provided in section 34 of this title".

Sec. 6. Section 844(i) of title 18 of the United States Code is amended by striking the words "as provided in section 34 of this title".

Sec. 7. The second paragraph of section 1111(b) of title 18 of the United States Code is amended to read as follows:

"Whoever is guilty of murder in the first degree shall be punished by death or by imprisonment for life;".

Sec. 8. Section 1116(a) of title 18 of the United States Code is amended by striking the words "any such person who is found guilty of murder in the first degree shall be sentenced to imprisonment for life, and".

Sec. 9. Chapter 51 of title 18 of the United States Code is amended—

(a) by adding at the end thereof the following:

§ 1118. Murder by a Federal prisoner

"(a) Whoever, while confined in a Federal correctional institution under a sentence for a term of life imprisonment, murders another shall be punished by death by life imprisonment without the possibility of parole.

"(b) For the purposes of this section—

"(1) 'Federal correctional institution' means any Federal prison, Federal correctional facility, Federal community program center, or Federal halfway house;

"(2) 'term of life imprisonment' means a sentence for the term of natural life, a sentence commuted to natural life, an indeterminate term of a minimum of at least fifteen years and a maximum of life, or an unexecuted sentence of death;

"(3) 'murders' means committing first degree or second degree murder as defined by section 1111 of this title."; and

(b) by amending the section analysis to add:

"1118. Murder by a Federal prisoner.".

Sec. 10. Section 1201 of title 18 of the United States Code is amended by inserting after the words "or for life" in subsection (a) the words "and, if the death of any person results, shall be punished by death or life imprisonment".

Sec. 11. The last paragraph of section 1716 of title 18 of the United States Code is amended by changing the comma after the words "imprisonment for life" to a period and deleting the remainder of the paragraph.

Sec. 12. Subsection (c) of section 1751 of title 18 of the United States Code is amended to read as follows:

"(c) Whoever attempts to kill or kidnap any individual designated in subsection (a) of this section shall be punished (1) by imprisonment for any term of years or for life, or (2) by death or imprisonment for any term of years or for life, if the conduct constitutes an attempt to kill the President of the United States and results in bodily injury to the President or otherwise comes dangerously close to causing death of the President.".

Sec. 13. The second to the last paragraph of section 1992 of title 18 of the United States Code is amended by changing the comma after the words "imprisonment for life" to a period and deleting the remainder of the section.

Sec. 14. Section 2031 of title 18 of the United States Code is amended by deleting the words "death, or".

Sec. 15. Section 2113(e) of title 18 of the United States Code is amended by striking the words "or punished by death if the verdict of the jury shall so direct" and inserting in lieu thereof the words "or if death results shall be punished by death or life imprisonment".

Sec. 16. Section 903 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1473), is amended by striking subsection (c).

Sec. 17. The provisions of chapter 228 of title 18 of the United States Code, as added by this Act, shall not apply to prosecutions under the Uniform Code of Military Justice (10 U.S.C. 801).

Sec. 18. Section 1203 of title 18 of the United States Code is amended by inserting after the words "or for life" in subsection (a) the words "and, if the death of any person results, shall be punished by death or life imprisonment".

Sec. 19. Subsection (a) of section 1952A of title 18 of the United States Code is amended by deleting the words "and if death results, shall be subject to imprisonment for any term of years or for life, or shall be fined not more than $50,000, or both" and inserting in lieu thereof "and if death results, shall be punished by death or life imprisonment, or shall be fined not more than $250,000, or both".

Sec. 20. Paragraph (1) of subsection (a) of section 1952B of title 18 of the United States Code is amended to read as follows: "for murder, by death or life imprisonment, or a fine of not more than $250,000, or both; and for kidnapping, by imprisonment for any term of years or for life, or a fine of not more than $250,000, or both;".

Sec. 21. Section 408 of the Controlled Substances Act (21 U.S.C. 848) is amended by inserting a new subsection (c), as follows:

"(c) Any person who engages in a continuing criminal enterprise shall be fined in accordance with subsection (a) and imprisoned for life or sentenced to death if, while so engaged, such person causes the death of another person."

S. 278

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Exclusionary Rule Limitation Act of 1987".

Sec. 2. (a) Chapter 223 of title 18, United States Code, is amended by adding the following two sections:

§ 3508. Limitation of the fourth amendment exclusionary rule

"Evidence which is obtained as a result of a search or seizure shall not be excluded in a proceeding in a court of the United States on the ground that the search or seizure was undertaken in an objectively reasonable belief that it was in conformity with the fourth amendment. A showing that evidence was obtained pursuant to and within the scope of a warrant constitutes prima facie evidence of such a reasonable belief, unless the warrant was obtained through intentional and material misrepresentation.

§ 3509. General limitation of the exclusionary rule

"Except as specifically provided by statute or rule of procedure, evidence which is otherwise admissible shall not be excluded in a proceeding in a court of the United States on the ground that the evidence was obtained in violation of a statute or rule of procedure, or of a regulation issued pursuant thereto.".

(b) The table of sections of chapter 223 of title 18, United States Code, is amended by adding at the end thereof:

"3508. Limitation of the fourth amendment exclusionary rule.

"3509. General limitation of the exclusionary rule.".

By Mr. SPECTER (for himself and Mr. Dodd):

S. 280. A bill to provide, through greater targeting, coordination, and structuring of services, assistance to strengthen severely economically disadvantaged individuals and families by providing greater opportunities for employment preparation which can assist in promoting family economic stability; to the Committee on Labor and Human Resources.

By Mr. SPECTER (for himself and Mr. Dodd):

S. 281. A bill to amend part A of title IV of the Social Security Act to promote the transition of severely economically disadvantaged individuals to unsubsidized employment; to the Committee on Finance.

WELFARE REFORM LEGISLATION

Mr. SPECTER. Mr. President, today, my distinguished colleague Senator Dodd and I are reintroducing major welfare reform legislation which will help severely disadvantaged families get off the welfare rolls and place them on the payrolls. The two-part initiative, the "Opportunities for Employment Preparation Act" and the "Aid to Families and Employment Transition Act" better utilizes existing Job Training Partnership Act [JTPA] funds and Aid to Families With Dependent Children [AFDC] and Medicaid benefits to provide an employment preparation and supportive service package to enable long-term welfare recipients to obtain jobs and support their families.

These bills were first introduced on June 19, 1986, as S. 2579, the "Opportunities for Employment Preparation Act" and S. 2579, the "Aid to Families and Employment Transition Act." Congressman Jack Kemp introduced companion legislation (H.R. 5064 and H.R. 5065) in the House on the same day.

These bills are an outgrowth of work which Rev. Leon H. Sullivan, founder and chairman of Opportunities Industrialization Centers of America [OIC], and I began in the 97th Congress when I introduced and gained passage of legislation to help provide literacy and job training for severely disadvantaged youth. That legislation is now title IIIA of the Carl Perkins Vocational Education Act, and represents the first time in history that community based training organizations were given a specific title in vocational education legislation.

Following the success of title IIIA. Reverend Sullivan and I discussed his concerns about the need for welfare families to receive job training during a meeting in my office on February 4, 1986. I offered my assistance in addressing this problem, and together with Reverend Sullivan and Mr. John E. Jacob, president and chief executive officer of the National Urban League, developed the legislation which Senator Dodd and I are reintroducing today.

Mr. President, although the Job Training Partnership Act has had notable success in providing job training, it is an acknowledged fact that programs often train and place those who are easiest to serve, and who often would have obtained jobs without Government intervention. Thus, those most in need, those most at risk for long-term Government dependency, often are left untouched by the job training opportunities that exist.

While the most severely economically and educationally disadvantaged remain unserved, millions of Federal Job Training Partnership Act funds remain unspent. As of June 30, 1986, $750 million in JTPA title IIA funds and $220 million for training dislocated workers had not been spent. Already some of my colleagues are viewing the job training carryover as a means of helping to reduce the deficit. Some of us would like to believe that these unspent funds are not needed for job training purposes. I vehemently disagree. What is needed is an outreach and feeder mechanism to enable us to better reach the hard-core disadvantaged. This is the purpose of the "Opportunities for Employment Preparation Act."

Under this legislation, the Job Training Partnership Act would be amended to allow community-based training organizations such as Opportunities Industrialization Centers of America [OIC], the National Urban League, 70,001, National Puerto Rican Forum, National Council of La Raza, Ser-Jobs for Progress, and the United Way of America, to conduct outreach efforts targeted to AFDC recipients of longer than 2 years and to two parent families where the principal breadwinner has not had steady employment for over 2 years. Potential trainees who need it would participate in a pretraining program to provide them with the basic skills and orientation necessary to enable them to obtain maximum benefit from the education or training program they will enter. The pretraining services offered will include:

Skills assessments for participants.

Registration with the Bureau of Employment Security.

An 8-week internship for participants with no work experience, or who wish to try a different type of work setting. The internship is preceded by a structured job search and interview process.

Educational preparation and basic skills development to increase literacy and computational skills.

Programs to strengthen the attitude and motivation of youth toward the world of work.

Parenting, home and family living skills and nutrition and health education targeted to teenage parents.

Guidance and counseling to assist particiants with occupational choices and with the selection of employment preparation programs.

Counseling and information and referral to assist participants experiencing personal or family problems, which may cause severe stress, and lead to poor performance, or dropping out of training.

Following the pretraining program, participants will be able to go on to employment training, including vocational and adult education, or community college programs. Another skills assessment will be conducted, and the participant can then participate in on-the-job-training [OJT] and other appropriate services available under the Job Training Partnership Act.

The Aid to Families and Employment Transition Act amends title IV of the Social Security Act to provide that AFDC beneficiaries making the transition to unsubsidized employment shall have the first year of salary excluded from determination of AFDC eligibility. Further, AFDC benefits will not be forfeited in a family where a second parent returns to the household, if at least one parent participates in an employment preparation program.

In addition, it provides that persons making a transition to unsubsidized employment shall maintain Medicaid coverage until eligible for an employer health plan, or for a period not to exceed 15 months.

Mr. President, our country is engaged in a vigorous debate about the future of Federal welfare policy. Many solutions are being offered to help better the lives of long-term Government dependents. I submit that, in the short and long run, the most meaningful way to help the poor is to provide them with the education, training and transition support services that will enable them to embrace the work ethic, earn their way with jobs and skills, and live in dignity as full members of our society.

In 1987, an estimated 4 million families will receive AFDC. Many of these families will be on our welfare rolls for 8 or more years unless they are given the opportunity to receive the training they need to compete for jobs. Easing the transition from welfare to the workplace will help us move more families off the rolls more quickly and, I am convinced, ultimately more than make up for any initial expense of these changes.

It is concern for our most severely disadvantaged families which has prompted me to develop and introduce this legislation. Together with Reverend Sullivan, Mr. John Jacob, and Dr. Douglas Glasgow, vice president of the National Urban League, a package has been developed which can serve as a cornerstone of Federal efforts to prepare the poor for jobs and self-reliance.

Our Nation cannot afford the long-term costs of failing to create training and employment opportunities for the poor. The only way America will be able to continue to compete in the world's markets is if it makes maximum use of a productive, well-trained work force. A better trained, more highly skilled work force would mean spending fewer Federal dollars on welfare programs while returning higher tax revenues.

Mr. President, the task before us is clear. We must provide greater opportunities for training, embrace policies which help create employment, and strengthen efforts to equalize opportunities so that poor families can get a hand up instead of being forced into receiving the traditional handout. This legislation which Senator DODD and I are introducing today is a vital first step in that process.

Mr. President, I ask unanimous consent that my statement, a letter summarizing the legislation, a news release indicating private sector support, a newspaper article discussing the legislation, and the text of the bills be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 280

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Opportunities for Employment Preparation Act of 1987".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of the amendments made by this Act to provide, through greater targeting, coordination, and structuring of services, assistance to strengthen severely economically disadvantaged individuals by providing greater opportunities for employment preparation which can assist in promoting family economic stability.

DEFINITION

SEC. 3. Section 4 of the Job Training Partnership Act (hereafter referred to in this Act as the "Act") is amended by adding at the end thereof the following new paragraph:

"(29) The term 'severely economically disadvantaged' means individuals—

"(A) who receive benefits under a State plan approved under part A of title IV of the Social Security Act, relating to aid to families with dependent children, for a period of 2 years or more prior to the date on which the determination is made and includes individuals who are parents of young children who have left the household of the family, lived separately from the family, and returned to the family unit;

"(B) who have been unemployed or who have been without steady employment for a period of 2 years or more prior to the date on which the determination is made; and

"(C) who are not eligible under title III of this Act."

TARGETED ASSISTANCE FOR SEVERELY ECONOMICALLY DISADVANTAGED INDIVIDUALS AUTHORIZED

SEC. 4. (a) Section 104(b) of the Act is amended—

(1) by redesignating clauses (7), (8), (9), and (10) as clauses (8), (9), (10), and (11), respectively; and

(2) by adding after clause (6) the following new clause:

"(7) a description of the procedures and methods of carrying out the outreach and training activities for severely economically disadvantaged individuals required by section 109;".

(b) Part A of title I of the Act is amended by adding at the end thereof the following new section:

"TARGETED ASSISTANCE FOR SEVERELY ECONOMICALLY DISADVANTAGED INDIVIDUALS

"SEC. 109. (a) The job training program in each service delivery area shall establish a feeder system utilizing community based organizations such as OIC, the National Urban League, the National Council of La Raza, 70,001, National Puerto Rican Forum, Ser-Jobs for Progress, the United Way of America, and other community-based organizations of demonstrated effectiveness to conduct outreach and provide preemployment services to severely economically disadvantaged individuals in order to provide such individuals greater access to and benefit more fully from employment opportunities and placement available under this Act and to prepare such individuals for gainful employment.

"(b) The outreach and feeder system established by subsection (8) of this subsection shall include—

"(1) skills assessment for participants and assistance to participants with respect to the selection and referral for education and training;

"(2) registration with the Bureau of Employment Security;

"(3) preemployment training including an internship not to exceed 8 weeks;

"(4) employment training including vocational adult, and community college and other postsecondary programs; and

"(5) on-the-job training and other employment preparation activities available under this Act.

"(c)(1) Preemployment training required by clause (3) of subsection (b) shall include structured search for an internship with a private organization or public agency. Each participant must search and interview for placement from a list of options provided by community-based organizations. The internship shall be designed for program participants with no previous work experience, or who need or wish to try a different type of work setting.

"(2) preemployment services under subsection (b) provided may include—

"(A) educational preparation and basic skills development to increase literacy and computational skills:

"(B) programs designed to strengthen the attitude and motivation of youth to achieve and succeed in the world of work;

"(C) guidance and counseling to assist participants with occupational choices and with the selection of employment preparation programs;

"(D) counseling and information, referral, and follow-up to assist participants experiencing personal or family problems, which may cause severe stress, and lead to poor performance or dropping out of the program; and

"(E) parenting, and home and family living skills, including nutrition and health education, targeted to teenage parents.

"(3) The outreach and preemployment services required by this section may be offered in any service delivery area pursuant to an arrangement that includes one or more community based organizations and appropriate State and local public agencies.

"(d) Participants in training activities under this section shall receive supportive services, including child care and transportation assistance, notwithstanding any other provision of this Act relating to cost limitations or expenses.

"(c) The performance standards for the program authorized by this section shall be the performance standards prescribed for youth under section 106(b)(2) of this Act.

"(f) Notwithstanding any other provision of law, unless enacted in the express limitation of this subsection, the amount of any benefits received under this Act (including scholarships and educational assistance) by a participant in the program authorized by this section shall not result in the loss of or the decrease in any other benefits (including AFDC and food stamps) to which the participant is entitled under any other provision of Federal law.".

"(c) Section 121(b) of the Act is amended—

"(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

"(2) by adding after paragraph (2) the following new paragraph:

"(3) The plan shall include a description of the agreement between the private industry council, the public welfare or public assistance agency of the State, and the designated community based organizations involved in the targeted assistance required by section 109, together with the manner in which the State will coordinate vocational education, adult education, other training programs authorized by Federal law, and employment preparation programs to benefit the participants of the program authorized by section 109.".

S. 281

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Aid to Families and Employment Transition Act of 1987".

SEC. 2. AFDC EARNED INCOME DISREGARD FOR SEVERELY ECONOMICALLY DISADVANTAGED INDIVIDUALS.

Section 402(a)(8)(A) of the Social Security Act is amended.

(1) by striking "and" at the end of clause (vi); and

(2) by inserting after clause (vii) the following:

"(viii) notwithstanding clause (v), shall disregard—

"(I) the income of any child, relative, or individual specified in clause (ii) that is derived from a program established pursuant to the amendments made by the Opportunities for Employment Preparation Act of 1987, and

"(II) the income of an individual specified in subclause (I) that is derived from unsubsidized employment obtained pursuant to the program specified in such subclause, for the 12-month period following the initial placement of the individual, and".

SEC. 3. MEDICAID COVERAGE FOR SEVERELY ECONOMICALLY DISADVANTAGED INDIVIDUALS.

Section 402(a)(37) of the Social Security Act is amended—

(1) by inserting "(A)" after "(37)"; and

(2) by adding at the end the following:

"(B) provide that, in any case where a family would cease to receive aid under the plan but for subclause (II) of paragraph (8)(A)(viii), such family shall continue to be eligible for medical assistance under title XIX for the period beginning with the first day of the 12-month period specified in such subclause and ending with the earlier of (i) the date on which the family becomes eligible to participate in a group health plan maintained by an employer, or (ii) the last day of the 3-month period immediately following such 12-month period.".

SEC. 4. AFDC COVERAGE FOR CERTAIN 2-PARENT FAMILIES.

Section 402 of the Social Security Act is amended by adding at the end the following:

"(i) The term 'dependent child' shall, notwithstanding section 406(a), include a needy child who meets the requirements of section 406(a)(2), who lives with both parents, and at least one of the parents is a participant in a program established pursuant to the amendments made by the Opportunities for Employment Preparation Act of 1987 or is in the 12-month period specified in subsection (a)(8)(A)(viii)(II).".

SEC. 5. EFFECTIVE DATE.

(a) **In General.**—Except as provided in subsection (b), the amendments made by this title shall become effective on the date of the enactment of this Act.

(b) **Exception.**—If a State agency administering a plan approved under part A of title IV of the Social Security Act or under title XIX of such Act demonstrates, to the satisfaction of the Secretary of Health and Human Services, that it cannot, by reason of State law, comply with the requirements of an amendment made by this Act to which the effective date specified in subsection (a) applies, the Secretary may prescribe that, in the case of such State, the amendment will become effective beginning with the first month beginning after the close of the first session of such State's legislature ending more than 30 days after the date of the enactment of this Act. For purposes of the preceding sentence, the term "session of a State's legislature" includes any regular, special, budget, or other session of a State legislature.

National Urban League, Inc.,
New York, NY, July 14, 1986.

Dear Colleague: At the invitation of Senator Arlen Specter (R-PA), the National Urban League (NUL) and the Opportunities Industrialization Center of America (OIC) became primary authors to a new legislative initiative designed to better target and coordinate needed employment related services to the long term employed and long term AFDC (Aid to Families with Dependent Children) recipients. On June 19, 1986, this welfare reform initiative was introduced as a package of two bills in both the Senate and House. The bills are entitled: the Opportunities for Employment Preparation Act of 1986 (S. 2578)/(H.R. 5064), and the Aid to Families and Employment Transition Act of 1986 (S. 2579/(H.R. 5065). Senator Specter was joined by Senator Moynihan (D-NY) in introducing the two bills in the Senate, and Congressman Kemp (R-NY) was joined by Congressman Gray (D-PA) in introducing the companion bills on the House side.

REFORM FROM A COMMUNITY BASED PERSPECTIVE

As community based service organizations, the National Urban League and the Opportunities Industrialization Centers of America are well acquainted with the types of barriers (such as lack of education, training, support services) that can prevent individuals and families from establishing a solid base in our country's economic infrastructure. Our organizations share the belief that families and individuals who face multiple roadblocks to economic self sufficiency should benefit from programs that are aimed at reducing barriers to labor market entry. We believe this new legislative initiative will improve the existing capability of the Job Training Partnership Act (JTPA) and the AFDC program in reaching those families and individuals most in need of services, and accelerate their entry into employment.

WHAT YOU CAN DO

The NUL and OIC urge your support of the Opportunities for Employment Preparation Act of 1986 (S. 2578) (H.R. 5064) which has been referred to the Senate Committee on Labor and Human Resources and the House Committee on Education and Labor, and the Aid to Families and Employment Transition Act of 1986 (S. 2579) (H.R. 5065) which has been referred to the Senate Committee on Finance and the House Committee on Ways and Means, respectively. Please contact Senators and Representatives from these committees and inform them of your support.

Activate your national network by contacting your members and urging them to let their respective Senators and Represenatives know of their support for these bills.

Attached, please find a comprehensive information packet on the two bills. For further assistance, please contact Bob McAlpine, Congressional Liaison for the National Urban League at (202) 898-1604, or Maurice Dawkins, Director of OIC Government Relations at (202) 775-8405.

Sincerely,

JOHN E. JACOB,
President and Chief Executive Officer, National Urban League.

REV. LEON H. SULLIVAN,
Chairman, OIC of America.

CHESEBROUGH-POND'S URGES PRIVATE SECTOR SUPPORT FOR WELFARE REFORM LEGISLATION

WASHINGTON, DC, September 25.—Chesebrough-Pond's Inc. today called upon major corporations and business groups to lend their support to federal legislation that would reform the nation's welfare program.

At a breakfast briefing here, Chesebrough executives outlined the objective of legislation introduced by Senators Arlen Specter and Patrick Moynihan and Congressmen Bill Gray and Jack Kemp. The bills target the severely economically disadvantaged and set up a training program supported by welfare benefits to get these people into productive jobs.

In appealing for private sector support, Kenneth R. Lightcap, Vice President of Public Affairs and Investor Relations for Chesebrough, said, "This proposed legislation establishes a plan to put people on payrolls and take them off the welfare roll. To succeed, it will need backing from the business community and that is what we're trying to bring about. Community-based organizations such as the National Urban League and Opportunities Industrialization Centers will play a key role in the program as well," he added.

"It is significant and highly important," Lightcap said, "that these proposals will not cost taxpayers more. The program will not be putting more people on welfare; instead, we will be dealing more effectively in moving current recipients to unsubsidized employment."

A major feature of the legislation removes the disincentive for welfare recipients to take employment. Current benefits, such as food stamps, would be continued for recipients. In addition, aid to families with dependent children would be continued even with an unemployed able-bodied male in the household as long as one parent is involved in the training program.

"To the contrary, current policies promote the disintegration of the family unit by denying these benefits," Lightcap said.

Senators Specter and Moynihan introduced S. 2578 and S. 2579 on June 19 and companion bills were introduced in the House of Representatives by congressmen Kemp and Gray the same day. The bills were referred to committee and are awaiting action.

Chesebrough-Pond's, headquartered in Westport, Connecticut, is a diversified manufacturer and marketer of products for the health an well-being of families throughout the world. Chesebrough's Consumer Products Group includes such popular brand names as Ragu, Prince, Bass, Vaseline, Pond's, Intensive Care, Cutex, Cachet, Wind Song, Aviance, Q-Tips, Aziza and Rave. Chesebrough's Chemical Products Group (Stauffer Chemical Company) manufactures and markets a wide range of agricultural and food products, as well as chemical products and services. Worldwide sales for 1985 were approximately $2.7 billion.

[From the Pittsburgh Post Gazette June 17, 1986]

INCENTIVES—SPECTER'S PLAN OFFERS HAND TO WELFARE RECIPIENTS

(By Daniel Weiss)

WASHINGTON.—Sen. Arlen Specter announced yesterday he will introduce legislation that would offer welfare recipients basic education courses and economic incentives to join job training programs.

The legislation, to be introduced today, targets recipients of Aid to Families with Dependent Children, who the Philadelphia Republican said are discouraged by present regulations from seeking work.

Costs of the bill would be paid by unused funds in the Job Training Partnership Act, the senator said.

The Rev. Leon Sullivan, founder of the Opportunities Industrialization Centers in Philadelphia, an urban assistance group, joined Specter in unveiling the bill, calling it an "ominous program for welfare reform in the country."

The measure would allow AFDC recipients to receive payments through their first year of new employment and would continue Medicaid payments for up to 15 months—until the worker was covered by his employer's health plan.

Pennsylvania's welfare system would change slightly under the bill. The state already offers medical payments for up to nine months to former welfare recipients, said Joe Kintz spokesman for the Pennsylvania Department of Public Welfare.

Also, Pennsylvania requires that welfare recipients who start work lose their payments when their combined incomes and resources exceed the state's economic eligibility criterion. Specter's bill would continue payments for one year regardless of the recipient's income.

Specter also said the measure would strengthen two-parent households in allowing parents to live together and continue receiving AFDC, as long as one parent is in a job training program or working.

Under current law, only households with one parent qualify for AFDC. Pennsylvania and 25 other states already allow the parents to live together and receive payments, as long as their combined earnings and resources are still below the state's poverty level.

In Pennsylvania, a family of four earning $1,339 a month or less qualifies for welfare, Kintz said. In March 1986, there were 193,435 housholds—590,514 individuals—on AFDC in the state.

AFDC, a cost-sharing program between the federal government and the states, costs Pennsylvania more than $29 million a year, while the federal government's share is more than $37 million a year, according to Welfare Department figures.

In addition to providing economic incentives, Specter's bill directs community groups to teach basic skills like reading, writing and mathematics to people before they go into job training programs. The measure also directs the groups to offer child care for working mothers.

By Mr. RIEGLE:

S. 282. A bill to amend the Internal Revenue Code of 1986 to permit individuals to receive tax-free distributions from an individual retirement account or annuity to purchase their first home, and for other purposes; to the Committee on Finance.

FIRST-TIME HOMEBUYER OPPORTUNITY ACT

● Mr. RIEGLE. Mr. President, I am introducing today the First-Time Homebuyer Opportunity Act, which I believe will bring homeownership within the reach of thousands of additional American families. This bill would allow people to use funds in their individual retirement accounts to help them purchase a first home.

The dream of owning their own home has motivated generations of American families. For most Americans, homeownership has been the only realistic way to build family assets and provide a nest egg for their retirement years. I believe homeownership contributes enormously to the quality of our community life and the stability of our society.

A welcome drop in interest rates in recent years has created a new surge in home buying. That is a development we all applaud. Realtors and mortgage lenders have rarely been busier. The homebuilding industry has had reason for new confidence. Thousands of families have taken this opportunity to improve the quality of their housing. All of that is good for homeowners and good for the economy.

The glare of this good news tends to obscure the fact that Americans who don't already own a home remain at a significant disadvantage. And that disadvantage will widen now that interest rates are beginning to raise home prices. Families who sell one home when they go to buy another can use their tax-deferred capital gains to help with the downpayment and other closing costs. But a young family that is seeking to buy their first home often finds that the benefits of lower interest rates are largely offset by higher housing prices, downpayments, and closing costs.

Mr. President, I believe it is in the national interest to bring homeownership within the reach of all American families who want it and are willing to work for it.

Unfortunately, the country's recent performance on homeownership is not as good as it should be or even as good as it has been in the past. Here is some evidence.

First, the rate of homeownership has been declining every year since 1980 after having previously risen steadily since the end of the Second World War. The percentage of young families between the ages of 25 and 29 who own their own home fell from 43.1 percent in 1975 to 34.3 percent in 1985. For households in the 30 to 34 age group, the homeownership rate fell from 62.3 percent to 53.6 percent during the same period.

Second, families are having to wait longer and longer before they can buy their home, the age of a typical first-time home buyer has been rising at a disturbing rate for several years.

Third, families buying their first home are having to rely more heavily on a second income to make homeownership possible. In 1985, 68.7 percent of all first-time homebuyers relied on a second income, compared to 65.2 percent in 1983.

The U.S. League of Savings Institutions recently found that "in spite of the recent improvements in affordability, home ownership is becoming more difficult to achieve."

Mr. President, enactment of the First-time Homebuyers Act would provide important assistance to thousands of Americans who are still trying to buy their first home. The bill would permit individuals to withdraw funds from their individual retirement accounts or annuities without penalty if the funds are used to buy a principal residence within 90 days of the withdrawal.

This bill is designed to increase savings for homeownership and to provide the kind of assistance that is most important to first-time homebuyers. An individual could not withdraw funds under my bill unless they had been invested in the IRA for at least 12 months. The total amount of homeownership withdrawals for each individual could not exceed $10,000 in the aggregate across all taxable years. An individual's tax basis in a property would be reduced by the amount of any withdrawal. For reasons of administrative feasibility, those who have not had an ownership interest in a principal residence for 3 years would be considered first-time homebuyers.

Impact of new tax bill targeting the benefits on middle income people.

Mr. President, the Riegle bill places no new burden on the U.S. Treasury. Its effect would be to make investment in a first home a permitted form of IRA investment. Individuals already have wide latitude in investing their IRA funds: stocks, bonds, real estate investment trusts, certificates of deposit and other forms of financial assets. It is ironic that investment in a person's own home is not already a permitted form of investment since homeownership has long proven to be one of the best ways for most Americans to build up assets for their retirement years.

The Riegle bill uses a proven incentive to save for home investment. It would give American first-time homebuyers help that has for many years been available to people in Germany, Canada, Japan, France, the United Kingdom and other industrial nations.

Mr. President, I believe the bill I introduced today provides a straightforward, efficient way to enable many more Americans to share in the dream of homeownership. I believe the bill deserves prompt consideration in the Senate, and I invite my colleagues to cosponsor it.●

By Mr. MOYNIHAN:

S. 283. A bill to require the General Accounting Office to conduct a study of the benefits and costs of modifying coverage under the Medicare Program to include different levels of extended care; to the Committee on Governmental Affairs.

MODIFIED COVERAGE OF EXTENDED CARE SERVICES UNDER MEDICARE

● Mr. MOYNIHAN. Mr. President, in the early 20th century, shorter lifespans made unnecessary many of today's specialized institutions for the care of the elderly and chronically ill. In 1900, only about 1 out of every 25 Americans reached the age of 65. Sick or disabled older Americans could usually depend on assistance from family, friends, or religious or charitable organizations.

Today, 11 percent of the Nation's population is over age 65. By the year 2030, the United States is projected to have about 55 million elderly, more than twice as many as today. Among the elderly, the proportion of the "old-old"—age 75 plus—will increase even faster than the "young-old"—aged 65-74. Today, 38 percent of those age 65-plus are also over age 75; more than 9 percent are age 85-plus. By the year 2000, the age 75 group will constitute 45 percent and those age 85-plus will represent 12 percent of those over age 65.

These population shifts will have dramatic implications for future public policy. As the number of older Americans increases, so too, will the cost for long-term care for the elderly, particularly institutional care.

The Medicare Program has been the primary provider of health-care services for the elderly and disabled. However, Medicare is generally not regarded as a program providing significant support for long-term care. Its coverage is focused primarily on acute care, particularly hospital and surgical care. For example part A covers up to 100 days of skilled nursing facility [SNF] services following a hospital stay of at least 3 consecutive days. The benefit is further limited in that the patient must be in need of skilled nursing care on a daily basis for treatment related to a condition for which he or she was hospitalized. The SNF benefit is subject to a daily patient copayment after the 20th day of the care. The program pays for neither intermediate care facility [ICF] services—care less intense than SNF level care—nor custodial care in a nursing home. Medicare does pay for some community-based long-term care services, primarily home health services.

A very limited Medicare SNF benefit coupled with the problem of inappropriate placement in many nursing homes, has reduced the effectiveness of this service to beneficiaries. Conservative estimates are that between 10 and 40 percent of those in institutions are being served at inappropriate levels of care. Usually they do not need the highly skilled level of care provided in a hospital or SNF as opposed to an ICF. Costs associated with keeping long-term care patients occupying a high cost hospital, rather than a lower cost nursing home bed can be very high. Several years ago, two counties on Long Island, NY, with 500 patients a day backlogged in hospitals, figured the annual waste at $25 million.

Despite the fact that many nursing home residents may be inappropriately placed according to medical criteria, most observers feel it would be difficult to deinstitutionalize large numbers of current residents. About 50 percent of nursing home patients are diagnosed as senile; nearly 50 percent of those in institutions lack any family or friends to help them live in the community.

Mr. President, this legislation simply asks the Comptroller General of the United States to conduct a study of the benefits and costs of modifying coverage under the Medicare Program to include different levels of extended care; and to report the results of the study to the Congress prior to December 31, 1987.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 283

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STUDY OF MODIFIED COVERAGE OF EXTENDED CARE SERVICES UNDER THE MEDICARE PROGRAM.

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study of the benefits and costs of modifying coverage under the Medicare program to include different levels of extended care. The study shall evaluate—

(1) the benefits and costs of providing coverage for intermediate care facility services and other health-related facility services, taking into account the effect of such coverage on the utilization of other services, the effect on the Medicaid program and social service programs, and the appropriateness of various numbers of days of care to be covered;

(2) the types of patients (by diagnosis, age, and health status) who would benefit from such coverage; and

(3) possible payment methodologies for different levels of extended care, including the effect on possible capitated payment systems for extended care.

(b) Reports.—The Comptroller General shall report the results of the study required by subsection (a) to the Congress prior to December 31, 1987.●

By Mr. KENNEDY (for himself, Mr. Cohen, Mr. Byrd, Mr. Packwood, Mr. Adams, Mr. Baucus, Mr. Biden, Mr. Bingaman, Mr. Bradley, Mr. Burdick, Mr. Chafee, Mr. Cranston, Mr. Danforth, Mr. DeConcini, Mr. Dixon, Mr. Dodd, Mr. Durenberger, Mr. Evans, Mr. Glenn, Mr. Harkin, Mr. Heinz, Mr. Hollings, Mr. Inouye, Mr. Johnston, Mr. Kerry, Mr. Lautenberg, Mr. Leahy, Mr. Levin, Mr. Matsunaga, Mr. Metzenbaum, Ms. Mikulski, Mr. Mitchell, Mr. Moynihan, Mr. Pell, Mr. Proxmire, Mr. Riegle, Mr. Rockefeller, Mr. Sarbanes, Mr. Simon, Mr. Specter, Mr. Stafford, Mr. Weicker, and Mr. Wirth):

S.J. Res. 1. A joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men; to the Committee on the Judiciary.

EQUAL RIGHTS AMENDMENT

● Mr. KENNEDY. I welcome this opportunity on behalf of myself and 42 other Senators to reintroduce the equal rights amendment, and to reaffirm my strong commitment to making ERA part of the Constitution of the United States.

This year, America commemorates the 200th anniversary of the Constitution. In that document and the Bill of Rights, the Founders established a society based on the goals of individual liberty, equality, and the rule of law. In the two centuries since then, the American people have worked hard to advance the noble values embodied in the Constitution and make them a reality for all Americans. Although we can be proud of the strides we have made toward realizing the goals of the Constitution in these 200 years, it is a national disgrace that equality for women is not yet enshrined in our Constitution.

The ERA is the mandate for the Federal Government and for every State to ensure equality in both the law and the life of this land. The need for a constitutional guarantee of equal rights for all citizens remains compelling. Existing statutory prohibitions against sex discrimination have failed to give women basic educational and employment opportunities equal to men in our society. An unconscionable wage gap between the earnings of men and women persists in our work force. In 1984, the median earnings of year-round, full-time workers were $14,780 for women and $23,218 for men, with women earning approximately 64 cents for every dollar earned by men. Women with college degrees continue to earn less than males who have not completed high school, and most working women are clustered in 20 occupations at the lower end of the pay scale.

In education, the dismantling of the statutory protection against sex discrimination afforded by title IX of the Education Act Amendments of 1972, in the wake of the Supreme Court's decision in Grove City College versus Bell highlights the fragile nature of statutory prohibitions against discrimination. The impact of title IX on the growth and development of women's sports is one of the great success stories of the past decade. In 1972, there were 32,000 women participating in college athletics; by 1983 the number of female college athletes had soared to 150,000. During that same period, expenditures for women's athletic programs at NCAA schools increased from $4 million annually to $116 million.

Significant numbers of American women triumphed in the summer Olympics in Los Angeles—but the Supreme Court in Grove City has now stripped the mandate from the law which provided the opportunities for them to become Olympic champions. Since the Court's decision, the U.S. Department of Education's Office for Civil Rights has closed, limited, or suspended 79 cases of alleged sex discrimination in education and failed to initiate countless others. Nothing less than the broad constitutional prohibition against discrimination in ERA can effectively end the continued bias against women in our society.

Female heads of households continue to dominate the bottom rungs of the economic ladder because of inequities in laws governing the family. In 1984, one in four children was living with a single parent and in 95 percent of those cases, that parent was the mother. The July 1983 census report found that while the poverty rate for married couple families in 1982 was nearly 8 percent, it was almost five times that high for single-parent female-headed families. Studies reveal that in the first year after a divorce, the mother and children's living standard declined by 73 percent, while the father's living standard increased by 42 percent. And only one in four custodial parents, 95 percent of whom are women, receive regular child support payments. Significant numbers of American families will continue to live in poverty until women achieve economic equality in our society.

For older women, the economics of sex discrimination is the most devastating. Seventy-one percent of our Nation's elderly citizens living at or below the poverty level are women. The median annual income of elderly women in American is $5,000. These senior citizens must live their golden years in fear and deprivation. Their plight is a compelling argument for the adoption of the ERA.

The road to ratification will not be easy. But the extraordinary importance of the effort gives us new strength to see the struggle through to the final victory, so that as we begin our third century of constitutional government, the ERA will take its rightful place in the Constitution of the United States. A new Congress begins today—and a new battle to achieve this historic goal begins as well.

Mr. President, I ask unanimous consent that the text of the resolution may be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 1

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"Article —

"Section 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

"Section 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

"Section 3. This amendment shall take effect two years after the date of ratification.".●

● Mr. BIDEN. Mr. President, it is my pleasure to rise today to express my support for the equal rights amendment.

Mr. President, in the past few years, opponents of the equal rights amendment have waged an impressive campaign of intimidation in order to insure that the necessary 38 States would not ratify the ERA. A list of possible horrible consequences of the ERA, no matter how farfetched, have been paraded before the public to dissuade them of the ERA's merits.

Opponents of the ERA have even gone so far as to celebrate the so-called death of ERA. They are convinced that the issue of equal rights for women is dead. But Mr. President the equal rights amendment is very much alive, as alive as the ideal it represents: equal justice under law. ERA will remain alive until the inequalities between men and women in this society are redressed.

Mr. President, a number of my colleagues have spoken and will speak on the equal rights amendment, and the various reasons its passage is so important. But I will be specific, if I may. I will address my comments to the equal rights amendment and the criminal justice system.

In some States a man finding his wife in the act of adultery may kill her on the spot and face a reduced charge of manslaughter. If the situation were reversed, however, and his wife had found him in a similar situation, she would not have the heat of passion defense available to her and would have to face trial on charges of murder.

Several States punish prostitutes but do not punish those who seek out and pay for their services.

The Mann Act prohibits transporting females across State lines for any immoral purpose but does not protect males in the same manner.

Many States have no statutory rape laws protecting young boys.

Many States have no law recognizing the possibility that forcible rape can be committed by a husband against his wife, regardless of the circumstances and the degree of coercion involved.

Many States still mandate intermediate sentences for women, while providing for minimum and maximum sentences for men. This is done in the belief that women are more amenable to rehabilitation than men. What this leads to, however, are situations in which women must serve either much longer or much shorter sentences than men for the same offense.

The U.S. Civil Rights Commission, in a report issued in December 1978, concluded that women in prison generally receive far less vocational training and job placement assistance than men; and that the training offered in women's prisons tends to be sex-sterotyped, tracking women into lower paying, more traditional jobs.

In each of the aforementioned cases, Federal and State laws have the effect of discriminating against one or the other of the sexes. And in each of these cases, the equal rights amendment could result in the elimination of discrimination, sometimes merely by changing one or two words in the law in order to make it "sex-neutral." The Mann Act could be made to hold members of both sexes accountable for their actions by treating both prostitutes and patrons in a sex-neutral manner.

Mr. President, it is simply not enough to claim that existing laws already give sufficient protection against sex discrimination. As we have seen, many existing laws actually embody such discrimination.

Nor is it enough to claim that the Constitution already provides sufficient protection against sex discrimination. In a recent opinion, Mr. Justice Powell wrote: "The Court has never viewed sex as inherently suspect or as comparable to radical or ethnic classification for the purpose of equal protection statutes." Let us further remember, Mr. President, that it took a half century following passage of the 14th amendment to grant women one of the most basic American rights of all: the right to vote. Remember, too, that for years after passage of the 14th amendment, many States still had laws prohibiting women from owning property and from holding certain Federal jobs. The history of the 14th amendment, with regard to equal protection of the sexes is, at best, uneven.

Mr. President, for all these reasons, I am looking forward with great anticipation to Senate action on the ERA. The American people, by an overwhelming majority, want to take positive action on this great commitment to equal justice. Let us listen to the people and take that action.●

● Mr. COHEN. Mr. President, over 60 years ago, in 1923, the first equal rights amendment was introduced in the Congress. The amendment stipulated that "Men and women shall have equal rights throughout the United States and every place subject to its jurisdiction."

Today, history will record another introduction of the same idea, that "Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex." Once again, we will repeat the words of Elizabeth Cady Stanton and Susan B. Anthony, that "Men, their rights and nothing more; women, their rights and nothing less."

Lord Macauley once described our Constitution as "all sail and no anchor." I disagree with him but I fear that we may find his description applicable to the fight for equal opportunities and equal rights for women. I believe that the Constitution is the anchor to the laws of the land. Perhaps more than that, it is the Constitution that charts when our laws should point. Without the ERA, whatever laws are passed to further the equality of women will be all sail and no anchor.

Since 1972, when Congress first approved the ERA, there have been many changes in the laws of the land, passed by Congress and State legislatures, or mandated by the courts. Yet, there is nothing in the Constitution to secure these laws. A persistent argument against the ERA has been that the amendment is unnecessary, that the rights which it would grant have been or are being granted by judicial decision or statute. Others have argued that expanded interpretations of the 14th amendment would guarantee the rights to women which the ERA would guarantee.

Perhaps the perception of legal necessity for ratification of the ERA has diminished since 1972. Yet what if we discover that the changes made over the last 15 years are like Lord Macauley's sails? Where will they take us when the tack changes? We must remember that despite changes in the law, what we seek through ratification of the ERA is the guarantee of fundamental rights, and the anchor for those laws.

This year marks the 200th anniversary of the Constitution of the United States. In February 1787, Congress authorized a Constitutional Convention to revise the Articles of Confederation. In May, the delegates to the Convention assembled in Philadelphia and began drafting the Constitution.

In one of Abigail Adams' letters to her husband John, she encouraged him to modify the British laws and customs that dictated the near total subordination of a woman's status and identity to that of the man. She asked him to "remember the ladies."

Something happened on the way to the Convention. Neither Adams, nor Jefferson, nor Madison, nor Hamilton seemed to remember the ladies; they were not included in the Constitution, and since then, for the past 200 years, American women have been struggling to secure the basic constitutional rights that are guaranteed to men, ones that we accept as self-evident.

It is written in the Declaration of Independence that "We hold these truths to be self-evident, that all men are created equal." Regrettably, we have learned through the painful experiences of history, including a bloody Civil War, that not all men were created equal in the eyes of the law and it took the 13th and 14th amendments to declare that the color of one's skin was not a rational or fair determination of one's rights.

I submit that the equal rights amendment will be no more redundant for women than the 13th and 14th amendments were for ethnic or racial minorities. The ERA is much more than a symbolic gesture, but if it were only symbolic it would be no less important. Our lives, our values, our social conscience are strongly influenced by symbols.

The heart of the matter is that not just for years, not just for generations, but for centuries, women have been regarded as being less deserving of full and equal rights and responsibilities. Because of their sex, a majority of the citizens in our society, regardless of their physical or intellectual ability, regardless of their potential for social contributions, are granted different rights, are stereotyped, and suffer greater prejudices.

Centuries of discriminatory policies have denied women the right to equal participation and responsibility in our society. Without passage of a constitutional amendment, these inequalities will continue. Women will not achieve equality under the law.

The need for the ERA is no less urgent today than it was over 60 years ago when the first equal rights amendment was introduced in Congress. Women are entitled to nothing less than full equality of rights in the Constitution. It is my fervent hope that we will see the equal rights amendment in place as the 27th amendment to the Constitution in the very near future.●

● Mr. PACKWOOD. Mr. President, we will soon celebrate on January 11, 1987, the birthday of one of this century's foremost fighters for women's equality: Alice Paul. Sixty-four years have passed since Ms. Paul first authored the equal rights amendment in 1923. Ms. Paul saw the ERA introduced in every session of Congress since then until it passed both Houses in 1972. Her own words best describe why Congress should approve the ERA:

> A national amendment is the most effective way to establish equality of rights for men and women throughout the country. The amendment would, at one stroke, compel both Federal and State governments to observe the principle of Equal Rights since the Federal Constitution is the supreme law of the land.

Alice Paul spent her entire life fighting to win passage of the ERA. I am proud to carry on that struggle for equality by adding my name as a cosponsor to the very same ERA. There is no doubt in my mind that someday Ms. Paul's dream will be realized. It is a matter of time, not lack of dedication of principle, before the ERA becomes an integral part of the law of our land.

The Equal Rights Amendment is a fundamental statement of our democratic ideals. But, unfortunately, history demonstrates that fundamental rights have often been achieved only by virtue of long-term concerted efforts. The Magna Carta and our Bill of Rights are themselves the result of persistent struggles to guarantee basic rights and freedom from abuse by the Government. The more recent civil rights movement and the struggle for women's suffrage are poignant reminders that equal rights have not been readily granted to blacks or women. Though a difficult course, some goals have been achieved: Sixty years of tenacity and courage by women and men led to the adoption in 1920 of the 19th amendment granting women the right to vote.

The 64 years of struggle to pass the ERA has been just as long but like the struggle to pass the 19th amendment, it has endured and it will be successful. As 1987 marks the beginning of the celebration of the bicentennial of the U.S. Constitution, we must now more than ever continue the struggle with courage, diligence, and persistence until ERA is a reality. Women and men committed to equal justice will not rest until the equal rights amendment is adopted as part of the U.S. Constitution.

Women's roles in our society have changed. The clock will not turn back. The women of this country, and the men who care, will not tolerate a return to the time when women were relegated to the sidelines of our society—when blatant discrimination and barriers to equal opportunities deprived women of the chance to reach their full potential—whether in the home or in a career.

Much progress has been made in recent years toward ending discrimination against women: The Equal Pay and Equal Credit Acts, ensuring parity and pay and credit; the Civil Rights act, forbidding discrimination in employment; and title IX, ensuring equality in education. These are great achievements. But they are a piecemeal approach to an enormous problem. As laws directed to specified subjects, they cannot address comprehensively the many kinds of discrimination women face everyday. A constitutional amendment is the simple statement of equality for all.

The American Bar Association explained the need for ERA this way:

> No ordinary statute can provide the bedrock protection assured by a constitutional amendment. No court decision can provide that protection, for the courts can interpret, but they may not amend the Constitution.

ERA is a self-evident principle of simple justice. It would not prevent anyone, man or woman, from living the kind of life they want. It would not force anyone, man or woman, to live according to rules dictated by others. ERA is the only permanent insurance that all of us can have an equal chance.

No time limit can be placed on the pursuit of equality and justice for all Americans. Opponents of ERA must realize that those of us who seek true equality for all people will never allow the equal rights amendment to die. We will not give up the struggle. We will not give in. We will continue until all Americans, and especially the 51.4 percent who are female, are truly "We are the People."●

● Mr. METZENBAUM. Mr. President, once again I am pleased to join as a cosponsor of the equal rights amendment to the U.S. Constitution.

There is no question that an ERA ought to be a part of the Constitution already. Over 50 percent of our population is female. Surely, as a nation committed to equal justice under law, we should include in our Constitution a guarantee against sex discrimination.

The ERA I am cosponsoring is a simple, straightforward assertion of basic human rights. It states:

> Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

We cannot, with a clear conscience, continue to deny to over half our citizens this basic legal protection. This time we must be sure that the ERA is not only approved by the 100th Congress, but also ratified by the State legislatures.

We need an ERA. Those who say we don't haven't looked at the evidence.

There are still State and Federal laws which contain gender-based distinctions. Some of these laws have been held constitutional, and others remain on in our laws books. An ERA is necessary to completely eliminate the effect of these laws. An ERA would also require—and encourage legislative reform.

An ERA would also give women clear—and permanent protection against discrimination in public employment. Historically, both Federal and State Governments maintained explicit, gender-based discrimination in public employment. Though most explicit barriers have been stricken, these historical distinctions are perpetuated in informal and subtle ways. Patterns and practices of gender discrimination continue, reinforced and legitimized by past traditions and the stereotyping which has resulted from these traditions. In addition, most State and Federal employment discrimination laws do permit gender distinctions.

The result is that women are not only excluded from certain occupations but their income is diminished as well. Women have achieved some protection against employment discrimination through Federal and State laws, but some gender-based distinctions are permitted by employment discrimination laws. An ERA would outlaw all discrimination in public employment. Women would enjoy more employment opportunities and State and Federal Governments would more fully receive the benefit of their services and talents.

An ERA would also outlaw gender-based discrimination in public education. Historically, Federal, State, and local government required and/or approved explicit, gender-based distinctions in public education. Though few explicit barriers remain, patterns and practices of gender discrimination continue to exist.

Discrimination in education has adversely affected women. It has limited, and continues to limit, the intellectual and developmental possibilities of women. Discrimination in education has limited, and continues to limit, the employment and income opportunities of women and their families. The effects of past and present discrimination in education are manifested in the dramatic sex segregation of many occupations [1] and the substantially lower wages women receive.[2]

An ERA would make gender-based discrimination in education unlawful. An ERA would also empower Congress to eliminate the present and past effects of discrimination in eduction.

State laws have also restricted the economic and social opportunities of women through the maintenance of gender-based, stereotypical distinctions which have been traditionally embodied in family and marital law. An ERA would outlaw these distinctions as well.

A recent Carnegie Foundation report rejects the view that occupational segregation and income disparities have resulted solely from the free choices women make in an open market. On the contrary, says the report, the evidence "suggests * * * that women face discrimination and institutional barriers in their education, training, and employment. Often the opportunities some encounter * * * constrain their choices to a narrow set of alternatives." [3]

The status of women in our society is due in part to the historical inequality which governments have sponsored and condoned for many years.

An ERA would add to the Constitution a mandate to end sex discrimination, the roots of which reach deeply into every part of the society. A constitutional amendment will provide additional and needed power to eliminate root and branch, past and present sex discrimination from our society.

Some say that we can leave this business of sex equality to the courts. This we cannot do. I would be the first to say that the courts, especially the Supreme Court, have done a great deal to guarantee sex equality under our Constitution. But when I look closely at these decisions, I see a great deal of division over the role of the judiciary in guaranteeing sex equality. The judges are divided over the amount of scrutiny they ought to give gender classifications. As a result, the scope of constitutional protection against sex inequality seems to vary with the circumstances and with the composition of our courts. The passage of an ERA is necessary to clarify our Constitution and to give guidance to the judges. The passage of an ERA is necessary to make it clear that sex inequality is unconstitutional inequality.

The passage of the ERA would not eliminate the role of the courts in guaranteeing sex equality. The courts would be called upon to interpret the ERA, and to decide upon the constitutionality of statutes passed pursuant to the ERA. The courts would be an important partner in the fight to guarantee sex equality. But Congress and the American people must take the lead and enact a clear constitutionally required standard of sex equality.

Others say we ought to let Congress and the States guarantee sex equality by statute. But a statutory approach is simply not adequate.

For a variety of reasons, statutes which include gender-based distinctions remain on the books. States do continue to pass laws which permit gender-based distinctions. Perhaps these phenomena occur because women are not well represented in this legislature. In 1971, women were 2.8 percent of the Members of Congress; in 1986 they are still less than 5 percent. In 1971, women made up only 4.7 percent of the State legislatures, in 1985 they were merely 14.8 percent. But whatever the reason for the persistence of these statutes, an ERA would have a nullifying effect.

We cannot wait for legislatures to eliminate discriminatory statutes or to outlaw discriminatory State policies. Statutes alone are inadequate because the legislative process is affected by the perception that some gender-based distinctions are acceptable under the 14th amendment. As a result, legislators who support gender distinctions as a matter of policy draw comfort and solace from the state of constitutional uncertainty. An ERA would eliminate the perception that sex inequality is constitutionally acceptable. An ERA would require that legislatures set aside their personal feelings and enforce a clear constitutional mandate.

An ERA is also necessary because statutory guarantees currently in effect may be repealed by Congress and State legislatures. The viability of this legislation depends upon shifting legislative majorities while an ERA would embody in our constitution a permanent guarantee of sex equality.

Surely we all agree that women deserve to be equal partners in this constitutional enterprise. We have waited too long to take this giant step toward meaningful equal justice under law. Only a constitutional amendment will suffice.

What better way to celebrate the bicentennial year of our Constitution than to ratify the ERA. All over America we will celebrate our constitution, a constitution which has endured 200 years. We will talk about the giant strides we have made in constitutional governnance, and we will discuss the great strides we have made toward equal justice under law for all people. But what will the women of this country celebrate? A half century struggle to achieve constitutional equality? A half century of uncertain constitutional status? We have waited long enough. It is time that we included women as equal partners in this constitutional enterprise. Let's celebrate this bicentennial year by ratifying the ERA.

Thank you Mr. President.●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S.J. Res. 2. Joint resolution to proclaim the month of March 1987 as National Social Work Month; to the Committee on the Judiciary.

NATIONAL SOCIAL WORK MONTH

● Mr. INOUYE. Mr. President, today Senator MATSUNAGA and I are introducing a joint resolution to proclaim the month of March 1987 as National Social Work Month.

Mr. President, our Nation's social workers have a long and proud tradition of reaching out to serve those in our society who are most in need. All too often, we take them for granted and forget the many years of training and the decades of community service which their profession personifies. It is, therefore, with a great deal of pleasure that we introduce this resolution today.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 2

Whereas it is fitting that Americans express their appreciation to the many thousands of dedicated men and women in all parts of our Nation who have, with creativity, resourcefulness, and true professionalism, devoted their lives to helping those in need;

Whereas social workers stand on the front line in the battle against deprivation, dependency, and disease, providing services to the poor, support to the ill and vulnerable, and treatment to the mentally ill;

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[1] A 1985 Carnegie Report funded by the Department of Education and Department of Labor shows that about 50 percent of all men and women work in jobs which are essentially segregated. Women are still 98.8 percent of the secretaries, 75.4 percent of the elementary school teachers, 89.7 percent of the bookkeepers, 83.5 percent of the cashiers, 88 percent of the waiters, 72.7 percent of the sales workers, 95.9 percent of the registered nurses, and 87.8 percent of the nursing aides. Overall, among the 503 occupations listed in the 1980 census, 275 were greater than 80 percent male or female. New York Times, December 12, 1985, at A20, Col. 1.

[2] Thirteen percent of all families in this country live below the poverty level; 36 percent of all female headed households have income below the poverty level. U.S. Department of Commerce, Bureau of the Census Statistical Abstract of the United States 1985 455(1984).

The 1986 Carnegie Report also states that women still earn about 60 cents to every dollar earned by men. The report noted that in 1981, the median salary for women who worked full time throughout the year was $12,001, compared to a median male salary of $20,260. White women over 18 earned about 60 percent of the salary of white men, while black women earned about 54 percent of the salary of white men. The report states that sex segregation in occupations accounts for much of this disparity.

A Stanford study released this year found that the income of women doubled in the last quarter century, but their average hourly pay was still 50 percent less than that of men. Washington Post, April 18, 1986, at C11, Col. 1. This Stanford University researcher concluded that women's gains have been offset by other factors which contribute to economic well being. ". . . The net result is certainly no improvement over the last 25 years . . . everything that I said goes double for blacks." Id; 232 Science 459 (April 25, 1986).

[3] See footnote 1, supra.

Whereas the profession of social work, born in the turn-of-the-century social activism that spawned child labor laws, humane working environments, and voting rights for women, has evolved into a multifacted profession whose well-trained practitioners serve the public in schools, hospitals, nursing homes, government and private social service agencies, corporations, unions, private practice and other settings;

Whereas the National Association of Social Workers, recognizing that children are America's most important resource and that all our children should have the opportunity they need to succeed, has launched a public service campaign entitled "Children in Poverty—Is a Fair Chance Too Much to Ask?": Therefore be it

Resolved, That, in recognition of the many contributions of the social work profession to the welfare of our society, the Congress, by (Senate/House) joint resolution, authorizes and requests the President to proclaim the month of March 1987, as "National Social Work Month," and urges all Americans to take part in the profession's effort to enable all our children, including the poor, to be productive, contributing members of society.

By Mr. DOLE:

S.J. Res. 3. Joint resolution proposing an amendment to the Constitution relating to a Federal budget and tax limitation; to the Committee on the Judiciary.

FEDERAL BUDGET TAX LIMITATION

Mr. DOLE. Mr. President, at the beginning of this 100th Congress, it is important to focus on the issues that really matter. That's why for this Senator, it is extremely gratifying to have the opportunity to state the case for a balanced budget amendment to the Constitution of the United States. I know my colleagues are aware of my conviction that this constitutional change is essential to the long-term fiscal health of this Nation. I hope at least two-thirds of them will share my conviction: Unfortunately, that was not quite the case in the 99th Congress.

Mr. President, I am reintroducing the balanced budget amendment today in the form I prefer: Putting limits on both deficit spending and the tax burden. But I am open to other formulations, and this language certainly is not written in stone.

At the outset, let me acknowledge the extraordinary efforts of those who have kept this issue on the front burner over the years, led by my good friend STROM THURMOND. Senator THURMOND has worked tirelessly for this kind of fundamental fiscal reform: And he has been a true believer on this issue, literally for decades and he led the good fight for this amendment in the last Congress. The leadership of the distinguished ranking member of the Constitution Subcommittee, ORRIN HATCH, has been equally critical to this struggle. Senator HATCH has been constantly in the trenches on behalf of the balanced budget amendment and has not wavered for one moment from his devotion to this cause. In the 99th Congress together with his colleagues on the Judiciary Committee, DENNIS DECONCINI and HOWELL HEFLIN, Senator HATCH has forged a compromise that should have gained overwhelming bipartisan support; and I am sorry we did not prevail.

A SINGLE PRINCIPLE

Mr. President, the amendment I am introducing embodies a simple principle: In the normal situation, outlays of the Federal Government should not exceed receipts. This amendment just requires that to allow a deficit, Congress must, by three-fifths vote, authorize a specific excess of outlays over receipts. And to preserve a bias in favor of controlling spending we say that increases in the level of taxation cannot be passed except by a majority of all Members of the House and Senate; not just those present and voting.

This amendment presents the Congress with an historic opportunity. This proposed constitutional amendment would restore a proper balance to the way we conduct the fiscal affairs of the Government. It is not a quick fix, a response to a sudden shift in public opinion, or an attempt to evade our assigned duties under the Constitition with regard to decisions on taxing and spending. This is an idea that has been around for quite some time, but that has gained momentum in recent years because of the growing realization that there is something fundamentally wrong with the way we conduct fiscal policy.

Fundamental problems demand fundamental solutions. Those of us who have worked to develop a responsible constitutional amendment over the years have not taken lightly our duty to respect the form and the spirit of the basic law of the land. The language of this amendment is appropriate to the Constitution. It is not premised on any particular economic philosophy, but rather on the belief that Congress ought to make specific decisions on fiscal policy and be held accountable for those decisions. The amendment requires that we follow consistent procedures in setting fiscal policy, and establishes firm parameters to govern those procedures. That is all there is to it, and it is something we very much need.

A POPULAR MANDATE

The American people clearly are convinced that our fiscal house is not in order. Popular concern over runaway budgets is the reason why the drive for a constitutional convention to draft a fiscal restraint amendment is only a few States short of its goal. Polls consistently show that 70 to 80 percent of the American people support a balanced budget amendment. No one should maintain that we ought to take certain steps just because they are popular; but in this case it seems that the people are ahead of the politicians. They understand that congressional spending habits have to be put under a firm limitation, and that only new procedures, externally imposed, can do the job.

Mr. President, for these and many other reasons I urge my colleagues to support this amendment. The language of this proposal has been developed over a number of years. There has been a conscious effort to draft an amendment that could enjoy broad bipartisan support while having sufficient force to make a real difference in our national life. I believe this effort has been successful.

I would also suggest that this amendment, if approved by Congress, is not the end of the story. It is the beginning. Legislative implementation and compliance will be a complex and difficult matter—we should not deceive ourselves on that point. And we are learning from the experience of the Gramm-Rudman-Hollings law that enforcement is not a simple matter. But it can and will be done once we have a clear constitutional obligation to fulfill. We can demonstrate our willingness and ability to follow through on this amendment by moving swiftly to meet the fiscal 1988 targets for Gramm-Rudman.

Serious action on the deficit will convince the American people that we are serious about the budget problem and that this constitutional amendment will be given full force and effect. Our actions on each of these matters will have a major impact now and for years to come. Let us be sure that we make the right choice.

By Mr. D'AMATO (for himself and Mr. RIEGLE):

S.J. Res. 5. A joint resolution designating June 14, 1987, as "Baltic Freedom Day"; to the Committee on the Judiciary.

BALTIC FREEDOM DAY

● Mr. D'AMATO. Mr. President, I rise today to introduce a joint resolution, with the support of the distinguished Senator from Michigan, designating June 14, 1987, as "Baltic Freedom Day." The purpose of this measure is straightforward, and that is to express Congress' continued outrage over the Soviet Union's obdurate subjugation, oppression, and Russification of the Baltic people of Lithuania, Latvia, and Estonia.

June 14, 1987, will mark the 47th anniversary of the United States nonrecognition policy toward the Soviet's illegal occupation of Lithuania, Latvia, and Estonia. The steadfastness of this policy shall not diminish with time. Indeed, it will remain a sensitive issue of United States-Soviet relations until the Soviet Union releases its Red hand from the throats of these Baltic

States. I can only hope that we will continue to be as steadfast in this policy as our Baltic friends have been in their pursuit of freedom.

Lithuania, Latvia, and Estonia each proclaimed their independence in 1918 and for 22 years they nurtured their newly found freedom—a freedom previously denied them by more powerful, more aggressive neighbors. For centuries before 1918, control over the Baltic people had gone back and forth between Germany and Russia. In 1918, the Baltic people, however, took a stand on behalf of their self-determination, and, in 1920, the Soviet Union promised to recognize their independence.

The cultural life of the Baltic people blossomed and their system of education made tremendous strides. These embryonic Republics were developing into strong agrarian societies. Politically, minorities were guaranteed cultural and political rights. They were recognized throughout the world for their religious and lingual tolerance and for their desire to live in peace. The Baltic people loved their newly found freedom.

As time reveals all truths, however, it now is clear to us and to the world that the Soviet Union's promise in 1920, through legitimate peace treaties with each Baltic State, was as hollow as any they have made before or since that time. By signing those peace treaties, the Soviet Union promised to "voluntarily and forever" renounce its sovereign rights over the territories of Lithuania, Latvia, and Estonia and to recognize without reservation their "independence, autonomy, and sovereignty."

In 1940, the Soviet Union began its attempt to smother Baltic freedom. The Red Army stormed into Lithuania, rolled over Latvia, forced its way into Estonia, and seized control of all three nations. The Soviets then established in each nation a puppet regime which unanimously passed a "request" for incorporation into the Soviet Union. Late in 1940, these "requests" were enacted in Moscow.

As we all know, for a state to govern its people, that state needs first to have the consent of its people—or that state will fall. This is part of a democratic foundation. For the time being, the Soviet Union may have control over the people of Lithuania, Latvia, and Estonia. But, without the consent of these freedom-loving people, the Soviet Union inevitably will become the object of its own folly. When that day comes, the Soviet Union will begin to feel the pain and the suffering it has so cruelly inflicted upon the Balts since their illegal and forced incorporation.

The Soviet occupation began with a series of arrests and imprisonments that swelled into the tens of thousands. On the evening of June 14, 1941, with terror gathering momentum, they began a massive deportation program. Between 1944 and 1949, hundreds of thousands of Baltic people were herded into freight cars and exiled to distant parts of the Soviet Union. Those countless native Balts who were considered potential foes of communism were branded "enemies of the people" and were replaced by new settlers from the Soviet Union.

The Soviet Union quickly centralized its governing authorities in each of the Baltic Republics and continued the Russification process according to plan. All private institutions were nationalized, farms were collectivized, and the entire wealth of each of these "would-be" free peoples became State property. The Soviet Union assumed control over the production and distribution of all goods and products, over all means of transportation, over communications, printing, and the press. People were forbidden to leave their countries and were barred from all coastal towns and border areas.

Under Stalin, Khrushchev, Brezhnev, Andropov, Chernenko, and now Gorbachev, thousands of Lithuanians, Latvians, and Estonians have been slaughtered, deported, exiled, and imprisoned in slave-labor camps or committed to psychiatric institutions. These ruthless dictators have pursued a Russification policy which has denied the Baltic people the most basic of human rights. What the Soviets have done clearly flies in the face of the United Nations Universal Declaration on Human Rights and the Helsinki Final Act.

Despite repeated professions of support for the principles embodied in the Final Act, the Soviets have continued to blatantly violate the rights to self-determination guaranteed the Baltic people. As this act affirms, "All people always have the right, in full freedom, to determine, when and as they wish, their internal and external political status, without external interference, and to pursue as they wish their political, economic, social and cultural development."

In recent years, Soviet disdain for the Helsinki accords has been revealed in their stepped-up repression of Lithuanians, Latvians, and Estonians. Dr. Algirdas Statkevicices, a member of the Lithuanian Helsinki Monitoring Group, has been sentenced to compulsory psychiatric treatment for engaging in "anti-Soviet agitation and propaganda." Fathers Alfonsas Svarinckas and Sigitas Tamkanicias have been persecuted and imprisoned for their defense of believers' rights. In addition, Juris Brimeisters, a Latvian Social Democrat, is serving a 15-year sentence in a strict regime camp for his political convictions. We also must not forget Dr. Yuri Kukk, a courageous Estonian human rights activist, who died of a hunger strike in a transit prison where he had been placed as a result of "anti-Soviet agitation and propaganda."

While great, the degree and depth of Soviet denial of basic human and civil rights is not as deep as the Baltic people's desire for freedom and independence. The Balts' deeply rooted love of freedom and steadfast belief in the principles of independence have enabled them to endure Communist hegemony and suppression. They have lasted through years of Soviet subjugation, oppression, and Russification. Their spirit will not be broken, and their struggle for self-determination will continue.

Mr. President, the departing chairman of the Commission on Security and Cooperation in Europe, I remain deeply concerned about the Soviet Union's continuing human rights violations in Lithuania, Latvia, and Estonia. We, the Congress and the Nation, are all concerned—and rightfully so. As a party to the United Nations Charter and as a signatory of the Helsinki accords, the Soviet Union has pledged its respect for human rights and fundamental freedoms. As much, the Soviet Union must accept the political and legal obligations that these agreements entail.

When we celebrate June 14, 1987, as "Baltic Freedom Day," it is fitting and proper that we remind the Soviet Union of these obligations. I urge my colleagues to join me in support of this resolution to reaffirm our love for freedom and our commitment to the principles of independence for all peoples, for ourselves, and especially for our Baltic friends who have been forced to live their absence.

Mr. President, I ask unanimous consent that the full text of my joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. Res. 5

Whereas the people of the Baltic Republics of Lithuania, Latvia, and Estonia have cherished the principles of religious and political freedom and independence;

Whereas the Baltic Republics have existed as independent, sovereign nations belonging to and fully recognized by the League of Nations; and

Whereas the people of the Baltic Republics have individual and separate cultures, national traditions, and languages distinctively foreign to those of Russia;

Whereas the Union of the Soviet Socialist Republics (U.S.S.R.) in 1940 did illegally seize and occupy the Baltic Republics and by force incorporate them against their national will and contrary to their desire for independence and sovereignty into the U.S.S.R.;

Whereas the U.S.S.R. since 1940 has systematically removed native Baltic peoples from their homelands by deporting them to Siberia and caused great masses of Russians to relocate in the Baltic Republics, thus threatening the Baltic cultures with extinction;

Whereas the U.S.S.R. has imposed upon the captive people of the Baltic Republics an oppressive political system which has destroyed every vestige of democracy, civil liberties, and religious freedom;

Whereas the people of Estonia, Latvia, and Lithuania find themselves today subjugated by the U.S.S.R., locked into a union they deplore, denied basic human rights, and persecuted for daring to protest;

Whereas the U.S.S.R. refuses to abide by the Helsinki Accords which the U.S.S.R. voluntarily signed;

Whereas the United States stands as a champion of liberty, dedicated to the principles of national self-determination, human rights, and religious freedom, and opposed to oppression and imperialism;

Whereas the United States, as a member of the United Nations, has repeatedly voted with a majority of that international body to uphold the right of other countries of the world, including those in Africa and Asia, to determine their fates and be free of foreign domination; and

Whereas the U.S.S.R. has steadfastly refused to return to the people of the Baltic States of Latvia, Lithuania, and Estonia, the right to exist as independent republics separate and apart from the U.S.S.R. or permit a return of personal, political, and religious freedoms:

Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress of the United States recognizes the continuing desire and the right of the people of Lithuania, Latvia, and Estonia for freedom and independence from the domination of the U.S.S.R. deplores the refusal of the U.S.S.R. to recognize the sovereignty of the Baltic Republics and to yield to their rightful demands for independence from foreign domination and oppression and that the fourteenth day of June 1985, the anniversary of the mass deportation of Baltic peoples from their homelands in 1941, be designated "Baltic Freedom Day" as a symbol of the solidarity of the American people with the aspirations of the enslaved Baltic people and that the President of the United States be authorized and requested to issue a proclamation for the observance of Baltic Freedom Day with appropriate ceremonies and activities.

● Mr. RIEGLE. Mr. President, I am pleased to join my colleague, Senator D'AMATO, in introducing a joint resolution calling for the declaration of June 14, 1987, as Baltic Freedom Day.

As the Senate sponsor of this resolution on two previous occasions, I commend my colleague from New York for his initiative in introducing this important piece of legislation on the first day of the 100th Congress.

June 14, 1987, will mark the 47th year of Soviet occupation of Latvia, Lithuania, and Estonia. The U.S. Government, through its nonrecognition policy, and the American people, through their tireless activism, have consistently rejected Soviet occupation of the Baltic States, and will continue to do so.

We must not permit the past 47 years of Soviet repression in the Baltic States to dull our sensitivity to the injustices imposed upon the citizens of those nations. The leaders in the Kremlin must know that Americans will never accept the status quo, and that we will continue to support the Baltic people in their efforts to secure their fundamental human rights.

The annual commemoration of Baltic Freedom Day, as called for in this resolution, is an important demonstration of American solidarity with the aspiration of the people of Latvia, Lithuania, and Estonia for freedom, and I urge its prompt and unanimous approval by the Senate.●

By Mr. DIXON:

S.J. Res. 6. A joint resolution proposing an amendment to the Constitution authorizing the President to disapprove or reduce an item of appropriations; to the Committee on the Judiciary.

PRESIDENT MAY DISAPPROVE OR REDUCE CERTAIN APPROPRIATIONS

● Mr. DIXON. Mr. President, I am today reintroducing a joint resolution proposing a constitutional amendment authorizing the President to disapprove or reduce individual items of appropriations, subject to a majority vote override. I am also reintroducing legislation to expand the President's rescission authority because action on the constitutional amendment will necessarily take a substantial period of time, and we need the benefits to be garnered from the item veto now.

I do not propose this constitutional amendment and expanded rescission authority lightly, but I am convinced we need fundamental changes in our budgeting procedures if we are ever to restore fiscal discipline to the Federal Government. Deficits are out of control. Our budget deficit was $220 billion in fiscal 1986. It is likely to be substantially smaller in fiscal year 1987, perhaps as low as $174 billion. Unfortunately, the reduction is not due to fundamental budget reform, however, but rather to budgetary "blue smoke and mirrors." Further, a $175-billion deficit is $30 billion over the fiscal year 1987 Gramm-Rudman-Hollings target of $144 billion, and the prospects for meeting the 1988 target of $108 billion, and balancing the budget by 1991 are even less rosy. Budgetary legerdemain will not solve our ongoing fiscal crisis; fundamental reform of our budget processes is required if Federal deficits are to be controlled over the long run.

Solving our budget problems will require strong action in a number of areas. I am convinced that adding an item veto provision to our Constitution is probably the single most important action we could take if we really want to end the deficit nightmare.

The item veto has a long and distinguished history. It first appeared in the Confederate constitution. In the years since the Civil War it has been included in the constitutions of 43 of the 50 States. The States gave their Governors this authority because it was needed, because it strengthens their budget processes, and because it works. No State that has adopted the item veto has ever repealed it.

While the idea has demonstrated its merit at the State level, however, it has never seriously been considered at the Federal level. Numerous item veto proposals have been introduced in Congress since the first one in 1876. At least seven different Presidents have requested item veto authority. But none of these proposals or requests has ever been sent to the States or been acted on by either the House or the Senate.

Mr. President, it is long past time to change that situation, and act on an item veto provision that helps restore the President's veto power. I say restore because the truth is that the Presidential veto is now a much weaker weapon than it once was.

Under our Constitution, a President can only veto an entire bill. He or she cannot veto individual items of spending within the bill—the veto is an all or nothing proposition. When our Constitution was written, that was a reasonable and workable balance of powers between the legislative and executive branches. Government was smaller and simpler. Over the past two centuries, though, Congress has tipped the balance in its favor and substantially eroded the President's veto power. The growth in Government, together with the increasing use of omnibus legislation, now make it significantly more difficult for a President to play the role envisioned by the Nation's founders.

Increasingly, a President has the choice of either shutting down the Government, or signing into law billions of dollars of spending which he or she does not support. Last year, for example, all Government spending was included in a single omnibus bill instead of the 13 annual appropriation bills that Congress usually acts on to exercise its control over Government spending.

More and more, Congress attaches controversial items to must bills in an effort to make it more difficult for a President to use his veto power. Logrolling, and packaging good and bad programs into a single omnibus bill, have become a way of life.

These practices are near and dear to the hearts of many legislators, but they work to undermine our ability to budget in a fiscally sound and responsible manner. They are clearly wasteful, extravagant, and destructive.

Congress will never resolve the deficit problems, Mr. President, if it continues this business as usual approach. Congress must surrender some of the prerogatives it has accumulated over the years, and allow at least a partial restoration of the President's veto power.

Many Members, as well as those who benefit from the current way of doing things, may not want to surrender all the power they have gained. To ensure that the proper balance of powers between the legislative and executive branches of Government is maintained—to ensure no possibility of the creation of an imperial Presidency—I am proposing only a partial restoration, giving the President item veto authority, but allowing Congress to override it by a simple constitutional majority.

Under my proposal, a President would have to choose: either veto an entire bill, forcing Congress to attempt to override by two-thirds vote, or use the item veto, recognizing that it would be easier for Congress to override.

Stated another way, it simply allows a President to put the Congress on record, to see whether there is in fact majority support for certain individual items of spending in an omnibus bill. As we all know too well, most Members of Congress have never seen and do not know about many of the literally thousands of individual items in the hundreds of pages of appropriations bills enacted every year. We rely on staff, and the knowledge, character, and ability of the Senators and Representatives that are the subcommittee chairmen and ranking members that handle the bills. Yet all these items are presumed to have majority support because they were included in a major bill that majorities in both the House and the Senate supported.

If a President opposes an item, why shouldn't he or she have the right to ask the Congress to go on record, and to determine whether the majority that is presumed to exist actually exists? In the early days of our Republic, Presidents often effectively had that right because bills were narrower and did not deal with more than one subject. We have now reached the point, however, where a single appropriations bill contains over $558 billion in spending authority, a practice which I believe usurps the President's constitutionally mandated role in the legislative process.

Majority override means that a President could not overturn strong congressional support for a single item through use of the item veto and the support of one-third plus one in either the House or the Senate. Only the veto of an entire bill would take a two-thirds vote to override. An item veto would be sustained if the President commanded majority support, and would be overturned if the item had majority backing.

Mr. President, the Line-Item Rescission Act is based on similar principles. I am introducing this proposal reluctantly because I believe a constitutional amendment is the better way to proceed. Further, some of the past rescission proposals would have given the President unilateral rescission authority, thus effectively giving a President two bites at the same apple. Under these proposals a President could sign a bill and rescind various items of spending. Congress would have to effectively act on a new bill repassing the items to overturn the rescission, and this action would be subject to Presidential veto, requiring a two-thirds vote to override.

My proposal is merely a small expansion of authority already available to Presidents under the Budget Act. It does not give a President unilateral rescission authority. It is designed to make the rescission mechanism as close to a majority override line-item veto constitutional provision as is possible through statutory means while not violating constitutional principles. It can be put into effect far more quickly than a constitutional change, and would provide at least part of the benefits of the constitutional amendment.

The legislation permits a President to defer items of spending contained in an appropriations bill for 60 days while Congress considers rescission resolutions under expedited procedures. Each rescission resolution would cover a single item and would have to be voted on separately, as the veto of an individual item would be.

Both Houses of Congress would have to vote on the resolution or resolutions within 60 days of their transmittal to Congress by a President. If the President had majority support the resolution would pass and the item would be rescinded. If the item had majority support, the spending would go forward without being subject to further Presidential veto.

The rescission resolutions would not be amendable since veto messages are not amendable, and the expedited procedures would guarantee a vote on the resolutions. This provision, of course, is different from the way a veto message is considered. There is no guarantee that a veto message will be voted on at all. However, a veto is effective unless overturned by both Houses of Congress while a rescission is effective only when approved in both Houses. The combination of the limited deferral authority, and the expedited procedures guaranteeing a vote, is necessary to ensure that Congress faces the issues raised by a President's opposition to particular items.

Neither the item veto constitutional amendment nor the Line-Item Veto Rescission Act is a cure-all for the budget problems we are facing, Mr. President. Dealing with the deficit will require action in every area of the budget, action that will be difficult and distasteful. However, either proposal can and will make a real difference. If a Federal item veto with majority override works as well at the Federal level as it does in my own State of Illinois, it could save $27 billion a year or more.

I urge the Senate to consider these proposals very carefully. I am convinced that the result of this fair and reasonable examination will be enactment of a Line-Item Veto Rescission Act and early submission of the constitutional amendment to the States for ratification. I look forward to working with my colleagues toward these objectives. Mr. President, I ask unanimous consent that a copy of the bill and the joint resolution be printed at this point in the RECORD.

There being no objection, the joint resolution and bill was ordered to be printed in the RECORD, as follows:

S.J. RES. 6

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE —

"The President may reduce or disapprove any item of appropriation in any Act or joint resolution, except any item of appropriation for the legislative branch of the Government. If an Act or joint resolution is approved by the President, any item of appropriation contained therein which is not reduced or disapproved shall become law. The President shall return with his objections any item of appropriation reduced or disapproved to the House in which the Act or joint resolution containing such item originated. The Congress may, in the manner prescribed under section 7 of the article I for Acts disapproved by the President, reconsider any item disapproved by the President, reconsider any item disapproved or reduced under this section, except that only a majority vote of each House shall be required to approve an item which has been disapproved or to restore an item which has been reduced by the President to the original amount contained in the Act or joint resolution.".

S. 256

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Line-Item Rescission Act of 1985".

SEC. 2. EXPEDITED CONSIDERATION OF CERTAIN PROPOSED RESCISSIONS.

(a) IN GENERAL.—Part B of title X of the Congressional Budget and Impoundment Control Act of 1974 is amended by redesignating sections 1013 through 1017 as sections 1014 through 1018, respectively, and inserting after section 1012 the following new section:

"EXPEDITED CONSIDERATION OF CERTAIN PROPOSED RESCISSIONS

"SEC. 1013. (a) TRANSMITTAL OF SPECIAL MESSAGE.—The President may, on the same calendar day the President approves any appropriation bill, transmit to both Houses of the Congress, for consideration in accordance with this section, one or more special messages proposing to rescind all or part of any item of budget authority provided in the appropriation bill.

"(b) Contents of Special Message.—

"(1) No special message may be considered in accordance with this section if the special message proposes to rescind more than one item of budget authority.

"(2) Each special message transmitted under subsection (a) shall specify, with respect to the item of budget authority (or part thereof) proposed by the message to be rescinded, the matters referred to in paragraphs (1) through (5) of section 1012(a).

"(3) Each special message transmitted under subsection (a) shall be accompanied by a draft bill or joint resolution that would, if enacted, rescind the budget authority proposed to be rescinded.

"(c) Procedures.—

"(1)(A) On the day on which a special message proposing to rescind an item of budget authority is transmitted to the House of Representatives and the Senate under subsection (a), the draft bill or joint resolution accompanying such special message shall be introduced (by request) by the majority leader of the House of the Congress in which the appropriation Act providing the budget authority originated. If such House is not in session on the day on which a special message is transmitted, the draft bill or joint resolution shall be introduced in such House, as provided in the preceding sentence, on the first day thereafter on which such House is in session.

"(B) A draft bill or joint resolution introduced in the House of Representatives or the Senate pursuant to subparagraph (A) shall be referred to the Committee on Appropriations of such House. The committee shall report the bill or joint resolution without substantive revision (and with or without recommendation) not later than 20 calendar days of continuous session of the Congress after the date on which the bill or joint resolution is introduced. A committee failing to report a bill or joint resolution within the 20-day period referred to in the preceding sentence shall be automatically discharged from consideration of the bill or joint resolution, and the bill or joint resolution shall be placed on the appropriate calendar.

"(C) A vote on final passage of a bill or joint resolution introduced in a House of the Congress pursuant to subparagraph (A) shall be taken on or before the close of the 30th calendar day of continuous session of the Congress after the date of the introduction of the bill or joint resolution in such House. If the bill or joint resolution is agreed to, the Clerk of the House of Representatives (in the case of a bill or joint resolution agreed to in the House of Representatives) or the Secretary of the Senate (in the case of a bill or joint resolution agreed to in the Senate) shall cause the bill or joint resolution to be engrossed, certified, and transmitted to the other House of the Congress on the same calendar day on which the bill or joint resolution is agreed to.

"(2)(A) A bill or joint resolution transmitted to the House of Representatives or the Senate pursuant to subparagraph (C) of paragraph (1) shall be referred to the Committee on Appropriations of such House. The committee shall report the bill or joint resolution without substantive revision (and with or without recommendation) not later than 20 calendar days of continuous session of the Congress after the bill or joint resolution is transmitted to such House. A committee failing to report the bill or joint resolution within the 20-day period referred to in the preceding sentence shall be automatically discharged from consideration of the bill or joint resolution, and the bill or joint resolution shall be placed upon the appropriate calendar.

"(B) A vote on final passage of a bill or joint resolution transmitted to a House of the Congress pursuant to subparagraph (C) of paragraph (1) shall be taken on or before the close of the 30th calendar day of continuous session of the Congress after the date on which the bill or joint resolution is transmitted to such House. If the bill or joint resolution is agreed to in such House, the Clerk of the House of Representatives (in the case of a bill or joint resolution agreed to in the House of Representatives) or the Secretary of the Senate (in the case of a bill or joint resolution agreed to in the Senate) shall cause the engrossed bill or joint resolution to be returned to the House in which the bill or joint resolution originated, together with a statement of the action taken by the House acting under this paragraph.

"(3)(A) A motion in the House of Representatives to proceed to the consideration of a bill or joint resolution under this section shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(B) Debate in the House of Representatives on a bill or joint resolution under this section shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the bill or joint resolution. A motion further to limit debate shall not be debatable. It shall not be in order to move to recommit a bill or joint resolution under this section or to move to reconsider the vote by which the bill or joint resolution is agreed to or disagreed to.

"(C) Motions to postpone, made in the House of Representatives with respect to the consideration of a bill or joint resolution under this section, and motions to proceed to the consideration of other business, shall be decided without debate.

"(D) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a bill or joint resolution under this section shall be decided without debate.

"(E) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of a bill or joint resolution under this section shall be governed by the Rules of the House of Representatives applicable to other bills and joint resolutions in similar circumstances.

"(4)(A) A motion in the Senate to proceed to the consideration of a bill or joint resolution under this section shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(B) Debate in the Senate on a bill or joint resolution under this section, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(C) Debate in the Senate on any debatable motion or appeal in connection with a bill or joint resolution under this section shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill or joint resolution, except that in the event the manager of the bill or joint resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a bill or joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(D) A motion in the Senate to further limit debate on a bill or joint resolution under this section is not debatable. A motion to recommit a bill or joint resolution under this section is not in order.

"(d) Amendments Prohibited.—No amendment to a bill or joint resolution considered under this section shall be in order in either the House of Representatives or the Senate. No motion to suspend the application of this paragraph shall be in order in either House, nor shall it be in order in either House for the Presiding Officer to entertain a request to suspend the application of this paragraph by unanimous consent.

"(e) Requirement to Make Available for Obligation.—Any item of budget authority proposed to be rescinded in a special message transmitted to the Congress in accordance with subsection (a) shall be made available for obligation unless, not more than 60 days after the transmittal of the special message, both Houses of the Congress have agreed to the bill or joint resolution accompanying such special message.

"(f) Definitions.—For purposes of this section—

"(1) 'item' means any numerically expressed amount of budget authority set forth in an appropriation bill;

"(2) 'appropriation bill' means any general or special appropriation bill, and any bill or joint resolution making supplemental, deficiency, or continuing appropriations; and

"(3) 'appropriation Act' means any appropriation bill that has been approved by the President and becomes law.".

(b) Conforming Amendments.—

(1) Section 1011(5) of the Congressional Budget and Impoundment Control Act of 1974 is amended—

(A) by striking out "1012, and" and inserting in lieu thereof "1012, the 20-day periods referred to in paragraphs (1)(B) and (2)(A) of section 1013(c), the 60-day period referred to in section 1013(e) and";

(B) by striking out "1012 during" and inserting in lieu thereof "1012 or 1013 during";

(C) by striking out "of 45" and inserting in lieu thereof "of the applicable number of"; and

(D) by striking out "45-day period referred to in paragraph (3) of this section and in section 1012" and inserting in lieu thereof "period or periods of time applicable under such section".

(2)(A) Section 1011 of such Act is further amended—

(i) in paragraph (4) by striking out "1013" and inserting in lieu thereof "1014"; and

(ii) in paragraph (5)—

(I) by striking out "1016" and inserting in lieu thereof "1017"; and

(II) by striking out "1017(b)(1)" and inserting in lieu thereof "1018(b)(1)".

(B) Section 1012 of such Act is amended—

(i) by striking out "1012 or 1013" each place it appears and inserting in lieu thereof "1012, 1013, or 1014";

(ii) in subsection (b)(1) by striking out "1012" and inserting in lieu thereof "1012 or 1013";

(iii) in subsection (b)(2) by striking out "1013" and inserting in lieu thereof "1014"; and

(iv) in subsection (e)(2)—

(I) by striking out "and" at the end of subparagraph (A),

(II) by redesignating subparagraph (B) as subparagraph (C),

(III) by striking out "1013" in subparagraph (C) (as so redesignated), and

(IV) by inserting after subparagraph (A) the following new subparagraph:

"(B) he has transmitted a special message under section 1013 with respect to a proposed rescission; and".

(C) Section 1015 of such Act is amended by striking out "1012 or 1013" each place it appears and inserting in lieu thereof "1012, 1013, or 1014".

(D) Section 1016 of such Act is amended by striking out "or 1013(b)" and inserting in lieu thereof ", 1013(e), or 1014(b)".

(E) Section 1012(b) of such Act is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply to any item of budget authority proposed by the President to be rescinded under this section that the President has also proposed to rescind under section 1013 and with respect to which the 60-day period referred to in subsection (e) of such section has not expired.".

(3) The table of sections for subpart B of title X of the Congressional Budget and Impoundment Control Act of 1974 is amended—

(A) by redesignating the items relating to sections 1013 through 1017 as items relating to sections 1014 through 1018; and

(B) by inserting after the item relating to section 1012 the following new item:

"Sec. 1013. Expedited consideration of certain proposed rescissions.".

SEC. 3. APPLICATION.

The amendments made by this section shall apply to items of budget authority (as defined in subsection (f)(1) of section 1013 of the Congressional Budget and Impoundment Control Act of 1974, as added by section 2 of this Act) provided by appropriation Acts (as defined in subsection (f)(3) of such section) that become law after the date of the enactment of this Act.

By Mr. THURMOND (for himself, Mr. HATCH, Mr. NICKLES, Mr. GRAMM, Mr. MCCONNELL, and Mr. HELMS):

S.J. Res. 7. Joint resolution proposing an amendment to the Constitution of the United States relating to voluntary school prayer; to the Committee on the Judiciary.

SCHOOL PRAYER

● Mr. THURMOND. Mr. President, today I am introducing the voluntary school prayer constitutional amendment, a bill identical to S.J. Res. 73, which I introduced in the 98th Congress at the request of the President and reintroduced as S.J. Res. 3 in the 99th Congress. This proposed amendment to the Constitution has received strong support on both sides of the aisle and, as President Reagan has repeatedly emphasized, is of vital importance to our Nation. It would restore the right to pray voluntarily in the public schools—a right which was freely exercised under our Constitution until the 1960's, when the Supreme Court ruled to the contrary.

Until the Engel and Abington School District decisions, the establishment clause of the first amendment was generally understood only to prohibit the Federal Government from officially approving, or holding in special favor, any particular religious faith or denomination. In crafting that clause, our Founding Fathers sought to prevent what had originally caused many colonial Americans to emigrate to this country—an official, State religion. At the same time, they sought, through the free exercise clause, to guarantee to all Americans the freedom to worship God without Government interference or restraint. In their wisdom, they recognized that true religious liberty precludes the Government from both forcing and preventing worship.

As Supreme Court Justice William Douglas once stated: "We are a religious people whose institutions presuppose a Supreme Being." Nearly every President since George Washington has proclaimed a day of public prayer. Moreover, we, as a nation, continue to recognize the Deity in our Pledge of Allegiance by affirming that we are a nation "under God." The coins in our pockets are inscribed with the motto, "In God We Trust." In this body, we begin our workday with the comfort and stimulus of voluntary group prayer—such a practice has been constitutionally upheld recently by the Supreme Court. It is absurd that the opportunity for the same beneficial experience is denied to the boys and girls who attend public schools. This situation simply does not comport with the intentions of the framers of the Constitution and is, in fact, antithetical to the rights of our youngest citizens to freely exercise their respective religions. It should be changed, without further delay.

If ratified by the States, this amendment to the Constitution would clarify that it does not prohibit vocal, voluntary prayer in the public schools and other public institutions. It emphatically states that no person may be required to participate in any prayer. The Government would be precluded from drafting school prayers. This well-crafted amendment meets with the approval of the overwhelming majority of Americans. During the 98th Congress, it fell only 11 votes short of the 67 necessary for approval in the Senate. I strongly urge my colleagues to support prompt consideration and approval of this bill during the 100th Congress.

Mr. President, I ask unanimous consent that a copy of the voluntary school prayer constitutional amendment be printed in the RECORD.●

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 7

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein) That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress:

"ARTICLE—

"Nothing in this Constitution shall be construed to prohibit individual or group prayer in public schools or other public institutions. No person shall be required by the United States or by any State to participate in prayer. Neither the United States nor any State shall compose the words of any prayer to be said in public schools.".

By Mr. HEFLIN:

S.J. Res. 8. Joint resolution proposing an amendment to the Constitution altering Federal budget procedures; to the Committee on the Judiciary.

FEDERAL BUDGET PROCEDURE ALTERATIONS

● Mr. HEFLIN. Mr. President, once again history is repeating itself. Every Congress since I have been elected as a U.S. Senator, the first bill I have introduced proposed a constitutional amendment to balance the Federal budget. Since that time, I and many of my colleagues have worked to formulate a consensus approach to curb Federal spending. In the 96th Congress, I joined with several Senators on Senate Joint Resolution 126 which was defeated in the Judiciary Committee by a margin of one vote. During the 97th Congress the Senate passed a constitutional amendment to balance the Federal budget, Senate Joint Resolution 58, on August 4, 1982, obtaining 69 votes. Unfortunately, the House failed to pass the amendment.

In the 98th Congress, the Senate Judiciary Committee passed Senate Joint Resolution 5 but the amendment was never considered by the full Senate. In the 99th Congress, the Senate Judiciary Committee reported two separate constitutional amendments to balance the budget. On March 6, the Senate began debate on Senate Joint Resolution 225. March 25 brought yet another historic vote on the constitutional amendment to balance the budget. The final vote was 66 to 34, one vote short of the necessary two-thirds requirement. And today we begin the 100th Congress.

It is with a sense of frustration and urgency that I rise to introduce a Senate joint resolution once again proposing a constitutional amendment to require the Federal Government to achieve and maintain a balanced budget.

The helter-skelter fiscal irresponsibility demonstrated during the past 25 years have convinced me that the Congress of the United States and the administration do not have the will power to cut Government spending and balance the Federal budget without a constitutional amendment providing the necessary discipline. Just yesterday the President of the United States sent a $1 trillion budget to the Congress. But to say that one branch of Government is any more responsible than another for our Federal deficit is useless rhetoric. The time for fingerpointing and blame is past. Each branch of Government, each elected official, each American citizen must shoulder some part of the responsibility for the Federal deficit because each of us in our own way makes demands upon the Federal Government and upon its limited resources.

At some point, we must say "enough." This is not a time for rhetoric but a time for a harsh taste of reality. Our Nation cannot survive if we continue to maintain our current fiscal policy. We are not only a debtor nation, we are the world's largest debtor nation and it is time to put our fiscal house in order.

For much of the history of this great Nation, a balanced Federal budget was part of our "unwritten constitution." In the first 100 years of this Republic a surplus budget was the norm. On December 31, 1790, during the First Congress, the total debt was $75.5 million. That was a debt incurred in part by our fight for independence. For the years 1789 to 1791 there was a Federal surplus of $150,000 and Federal spending totalled $4.3 million. Today for fiscal year 1987 it is estimated that the Federal Government will spend over $1 trillion. It has been estimated that the Federal deficit will be $173.2 billion at the end of fiscal year 1987 and the estimated gross Federal debt for 1987 is $2,370.9 billion.

In 1789, Thomas Jefferson warned, "The public debt is the greatest of dangers to be feared by a republican government." Somewhere we've lost sight of our forefathers' admonitions.

A brief overview of the past 25 years leaves one shaking his head in amazement. In 1962, Government spending was estimated at $106.8 billion; the Federal deficit was $7.1 billion; the gross Federal debt was $303.3 billion. Five years later in 1967 Government spending had increased to $157.5 billion; the Federal deficit, $8.6 billion; the gross Federal debt, $341.3 billion. Ten years later in 1977, Government spending had increased to $409.2 billion; the Federal deficit had increased to $53.6 billion; and the gross Federal debt was $709.1 billion. Today, as I have mentioned earlier, the Government is estimated to be spending over a trillion dollars a year, amassing a deficit of close to $200 billion a year.

As the debt grows the interest required in paying the principal consumes an ever-increasing share of the Federal budget. The net interest on the national debt for 1987, which is the interest after subtracting the money that the Government owes itself, is estimated between $137 and $157 billion. That is just the yearly interest on the national debt. It takes almost 14 percent of our Federal budget just to pay the net interest on the debt. If you include the interest that the Government owes itself, the interest on the public debt for 1987 is estimated at $191.8 billion.

I know there are those who feel that the Gramm-Rudman-Hollings law enacted by the 99th Congress is sufficient to address our fiscal concerns. But Gramm-Rudman-Hollings, while very worthy legislation and a laudable goal, is a statutory response to a crisis that demands constitutional resolve. Gramm-Rudman-Hollings is a 5-year response to our fiscal past. It requires a zero deficit by the year 1991, but it only requires one balanced budget—in 1991. A constitutional amendment will secure our fiscal future and require a balanced budget as a fiscal norm.

According to the Washington Post of Saturday, January 3, 1987:

> The Congressional Budget Office predicts that the Nation's gross national product will grow in real terms at about an annual rate of 3 percent somewhat higher than in 1986. Inflation, according to the CBO estimates, will rise from the 1986 rate of about 1 percent to 4.4 percent a year from now.
>
> The CBO also estimates that the Federal deficit for the current fiscal year which ends in September will be $74.5 billion, almost $24 billion higher than its forecast last August.
>
> If the CBO estimate is accurate, the fiscal 1987 deficit will be substantially higher than the $144 billion target established by the Gramm-Rudman-Hollings balanced budget law.

I believe there is only one answer: A constitutional amendment. An amendment that requires a two-thirds vote in each House of Congress and most importantly, ratification by three-fourths of the States of this great Nation. A constitutional amendment will truly be a united effort, bringing the Nation together in support of a common goal. Many of my colleagues argue that if we possessed a stronger discipline, then a constitutional amendment would be unnecessary. I do not disagree with the sentiment of this statement, just the reality. The problem is deeper than individual resolve. It is the institutional structure that encourages response to individual need without counting the cost to the greater good.

I cannot promise that the amendment I am offering today is a panacea for the all the economic tragedies plaguing our country, but it is a part of the pledge that I made to the people of Alabama when I came to the U.S. Senate, to bring Federal spending under control. It is a pledge that I have tried to honor during my tenure as a U.S. Senator and it is a pledge that I intend to honor.

The amendment I am offering today is not a perfect amendment and there will be and should be changes to the language, but there must be a beginning point to the discussions and it is my hope that this amendment will be a starting point.

Section 1 of the proposed amendment requires a three-fifths vote of each House of Congress before the Federal Government can engage in deficit spending. This requirement establishes the norm that spending will not exceed receipts in any fiscal year. If the Government is going to spend money, it should and must have the money on hand to pay for the goods and services required. Under this section, Congress would be required to adopt an initial statement in each fiscal year, in which outlays do not exceed receipts.

Section 2 of the amendment addresses the enforcement problem with a constitutional amendment to balance the budget. It provides that there will be no increases in the public debt to fund any excess of outlays over receipts, unless Congress shall by law and by vote of three-fifths of the whole number of each House of Congress provide for such an increase.

Section 3 requires a majority vote of the whole number of each House of Congress any time Congress votes to increase revenues. This puts elected officials on record for any tax increase necessary to support increased Federal spending.

Section 4 provides for the submission by the President of a balanced budget to Congress; or if the President cannot submit a balanced budget, a requirement that the President submit a statement explaining why the budget is unbalanced.

My greatest concern with past constitutional amendments to balance the budget has been the restrictive nature of the provisions allowing for a waiver of the requirements of a balanced budget if a declared war is in effect. While this exception to the rule of a balanced budget is necessary, in my judgment, it does not go far enough.

The United States has engaged in only five declared wars, yet the United States has engaged in hostilities abroad which required no less commitment of human lives or American resources than in declared wars. There have been throughout the history of our Nation approximately 200 instances where the United States has used military forces abroad in situations of conflict to protect or promote U.S. interests. Not all of these would move Congress to seek a waiver of the requirements for a balanced budget but Congress should at least have the flexibility within the mandates of the constitutional amendment to provide for our Nation's security.

Section 5 automatically waives the provisions for any fiscal year in which a declaration of war is in effect. My amendment also allows Congress to waive the provisions if the United States is engaged in military conflict which causes an imminent and serious military threat to national security, which is declared by joint resolution adopted by a majority of the whole number of each House of Congress. Such joint resolution must be signed by the President and become law.

Mr. President, economic stability is not a partisan issue. Deficit spending cannot be blamed on one branch of government or one political party. It has simply been a way of life that must now be corrected.

But in our attempts to balance the Federal budget, we must remember that these problems did not arise over night, nor can they be solved over night. My legislation offers not a cure-all, but a blueprint for progress and stability.

Today we have a chance to turn our rhetoric into reality and draw upon the potential of the leaders and citizens of this Nation to begin work on a constitutional amendment of which we can all be proud. The States have indicated their willingness to take over this responsibility if we are unsuccessful. Thirty-two States have petitioned Congress under a provision of article five of the Constitution to call a Constitutional Convention to consider a balanced Federal budget. With the addition of two more States, Congress will have abdicated its responsibility to another body, something which has never been occurred in the history of our Nation.

During the debates on the adoption of the Constitution Benjamin Franklin spoke some very profound words: "Much of the strength and efficiency of any Government, in procuring and securing happiness to the people, depends on opinion—on the general opinion of the goodness of the Government as well as the wisdom and integrity of its Governors."

It is time that we let wisdom and integrity once again be the motto of our fiscal policy. Our forefathers protected our future. Our debt to future generations is no less. And in no way should it be any more.

Mr. President, I request that a copy of the joint resolution be printed in the RECORD following my remarks.

There being no objection, the joint resolution ordered to be printed in the RECORD, as follows:

S.J. RES. 8

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

SECTION 1. Prior to each fiscal year, Congress shall adopt a statement of receipts and outlays for that year in which total outlays are no greater than total receipts. Congress may amend such statement provided revised outlays are no greater than revised receipts. Whenever three-fifths of the whole number of each House of the Congress shall deem it necessary, Congress in such statement may provide for a specific, excess of outlays over receipts by a vote directed solely to that subject. The Congress and the President shall ensure that actual outlays do not exceed the outlays set forth in such statement.

SEC. 2. The public debt of the United States shall not be increased to fund any excess of outlays over receipts for any fiscal year, unless three-fifths of the whole number of each House of Congress shall provide, by law, for such an increase.

SEC. 3. Any bill to increase revenue shall become law only if approved by a majority of the whole number of each House of Congress by rollcall vote.

SEC. 4. Prior to each fiscal year, the President shall submit a proposed budget to Congress for that fiscal year in which total outlays are no greater than total receipts. The President may also recommend an alternative budget in which total outlays exceed total receipts, which shall be accompanied by a detailed explanation of the need for such excess.

SEC. 5. The provisions of this article are automatically waived for any fiscal year in which a declaration of war is in effect.

The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House of Congress, which becomes law. Afterwards any waiver adopted shall be by a joint resolution of like requirements.

SEC. 6. This article shall take effect for the fiscal year 1991 or for the second fiscal year beginning after its ratification, whichever is later.

By Mr. SARBANES (for himself, Mr. GLENN, Mr. GORE, Ms. MIKULSKI, Mr. TRIBLE, and Mr. WARNER):

S.J. Res. 9. Joint resolution to designate the week of March 1, 1987, through March 7, 1987, as "Federal Employees Recognition Week"; to the Committee on the Judiciary.

FEDERAL EMPLOYEES RECOGNITION WEEK

● Mr. SARBANES. Mr. President, today I am introducing a joint resolution requesting the President to proclaim the week beginning March 1, 1987, and ending on March 7, 1987, as "Federal Employees Recognition Week."

I am indeed proud to bring special attention to the dedicated individuals who have chosen public service as a career and through years of hard work have helped to contribute to our Nation's growth and prosperity. As public servants, Federal workers take pride in their work, setting examples for all of America. The men and women who make up the Federal work force have made significant contributions to improve the quality of life and provide essential services for Americans; in the protection and preservation of the environment, in advancements in medical research and space, in highway and air safety, in the defense of our Nation, and through the Combined Federal Campaign, Federal workers contribute to many nonprofit community organizations and charities as well.

Only a year ago, seven public servants who sought to broaden our understanding of science and our environment, suffered a tragic fate abroad the *Challenger II.* The extraordinary risks undertaken by the men and women of the *Challenger* team is characteristic of the individuals who typically chose public service as a career. And, I am pleased today to introduce legislation which recognizes and acknowledges the invaluable contributions to a better world and brighter future that Federal employees have made to our Nation and urge you to join my colleagues; Senators GLENN, GORE, MIKULSKI, TRIBLE, and WARNER in supporting this resolution.●

By Mr. THURMOND (for himself, Mr. NICKLES, Mr. MCCAIN, Mr. KASTEN, Mr. HECHT, Mr. ARMSTRONG, Mr. PROXMIRE, Mr. SIMPSON, Mr. HELMS, Mr. HUMPHREY, Mrs. KASSEBAUM, Mr. GRASSLEY, and Mr. WALLOP):

S.J. Res. 10. Joint resolution disapproving the recommendations of the President relating to rates of certain officers and employees of the Federal Government; to the Committee on Governmental Affairs.

PRESIDENTIAL RECOMMENDATIONS

Mr. THURMOND. Mr. President, today I rise to introduce a resolution that disallows any salary increases for Members of Congress, high-level Federal officials, and Federal judges.

The Commission on Executive, Legislative, and Judicial Salaries has recommended substantial salary increases for these public officials. President Reagan in his budget submission for 1987 has reduced the substantial amounts recommended by the Commission, but has, nevertheless, recommended increases. Unless Congress disapproves the recommendation by a joint resolution within 30 days following transmittal of the President's budget, it will take effect automatically as provided by the omnibus continuing resolution for fiscal 1986.

At present, our national debt exceeds $2 trillion. The Congressional Budget Office estimates that nearly

$170 billion was added to this already huge national debt in the last fiscal year. Gramm-Rudman-Hollings, which passed overwhelmingly in the 99th Congress, was an expression of political will to achieve a balanced budget. This salary proposal is contrary to that policy.

Stated simply, it is not the appropriate time for Members of Congress to vote themselves or any other high-level public servants a pay raise. All current Members of Congress, top level officials and Federal judges were well aware of their salaries when they entered public service. All chose to serve the public with no promise of greater remuneration.

During this critical time when we are trying to cut Government spending, we must not ask those on Social Security, welfare, military retirement, and others to accept less while we take more.

I urge my colleagues to vote in favor of this resolution which will disapprove salary increases for Members of Congress, high-level Federal officials, and Federal judges.

In short, Mr. President, our citizens want Congress to spend more time raising cain about these outrageous deficits and stop thinking about raising our pay. This entire issue could backfire if we are not careful. I would venture to guess that there is a good amount of sentiment in this Nation for a pay cut for Members of Congress if we do not get busy with solving our budgetary crisis.

Mr. President, I ask unanimous consent that Members be allowed to add their names as original cosponsors through Monday, January 12.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask unanimous consent that a copy of this resolution be printed in the Record.

Mr. HELMS. Mr. President, I'm pleased to join my good friend, the distinguished Senator from South Carolina [Mr. Thurmond], in introducing the joint resolution of disapproval of the President's recommended pay increases for Members of Congress, high-level Federal officials, and Federal judges.

Mr. President, a pay increase for Members of Congress is an exceedingly controversial issue—and rightly so. The vast majority of Americans who will be taxed to pay for this increase make nowhere near as much money as their Senator or Congressman.

Because the issue is so controversial, Congress created a system under which Members of Congress and Federal workers can get an automatic pay raise without a vote in Congress. When their constituents complain, every Member can assert that he or she had nothing to do with that pay increase and would never have voted for such a thing. That's a copout, Mr. President, and Senator Thurmond and I want to give Senators an opportunity to vote on the matter.

Mr. President, Congress has the responsibility for controlling the Nation's purse strings, and Congress should not be allowed to evade that responsibility by placing it in the lap of the President of the United States. That, however, is exactly what has been done. President Reagan has been unfairly placed in the difficult position of taking sole responsibility for proposing a major pay increase for Federal employees while Members of Congress sit here and throw sanctimonious darts at him for failing to reduce the Federal deficit.

While I recognize the compromise that President Reagan has attempted to reach by drastically reducing the pay increases recommended by the Quadrennial Commission, the fact remains that he should not have the responsibility of making that decision in the first place. This pay increase should not be allowed to go into effect automatically.

Mr. President, if Members of Congress are willing to vote themselves a raise, fine. I will not vote with them, but they certainly have the right to do so. It is unconscionable, however, that Senators and other Federal workers could receive a hefty pay raise without even one vote on it in Congress. For that reason, I join Senator Thurmond in introducing this resolution to disapprove of the President's recommendation. Furthermore, I plan to offer legislation that Senator Thurmond and I have introduced in the past to revise the process so that we place accountability for fiscal decisions back where it belongs—on Congress.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 10

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, The recommendations of the President relating to rates of pay for offices and positions within the purview of section 225(f) of the Federal Salary Act of 1967, as included (pursuant to section 225(h) of such Act) in the budget transmitted to the Congress for fiscal year 1988, are disapproved.

By Mr. THURMOND (for himself, Mr. Hatch, Mr. Simon, Mr. Simpson, Mr. Grassley, Mr. Johnston, Mr. Specter, Mr. McConnell, Mr. Humphrey, Mr. Gramm, Mr. D'Amato, Mr. Cochran, Mr. Lugar, Mr. Kasten, Mr. Quayle, Mr. Helms, Mr. Zorinsky, Mr. Nickles, and Mr. Boren):

S.J. Res. 11. Joint resolution proposing an amendment to the Constitution relating to a Federal balanced budget; to the Committee on the Judiciary.

FEDERAL BALANCED BUDGET

Mr. THURMOND. Mr. President, I send to the desk a bill to provide a balanced budget constitutional amendment to mandate a balanced budget.

I send a series of bills and ask that Members be allowed to become original cosponsors by Monday, as I stated, January 12.

Another one is to establish the intercircuit panel of the U.S. court of appeals.

Another is to allow prayer in public schools.

Another is a resolution creating a new Senate rule for impeachment of convicted felons.

Another one is a bill to allow railroad police and private university college police access to Federal Government criminal identification records.

Another is with reference to the Integrity and Post Employment Act of 1978 which is commonly known as the lobbying bill.

And the last one is a package of criminal bills including the habeas corpus, death penalty and exclusionary rule.

Mr. President, as I said, I request that the Members be allowed to be added as original cosponsors through Monday, January 12, on all of these bills that I have just introduced.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Thank you.

Mr. President, today I am introducing legislation to amend the U.S. Constitution to require the Federal Government to achieve and maintain a balanced budget. This proposal is very similar to Senate Joint Resolution 225 which was considered by the Senate during the 99th Congress.

As all of my colleagues are aware, amendment of our supreme law is a very serious endeavor. It is an action which should be reserved for those instances when it becomes necessary to protect the fundamental rights of our citizens or to ensure the survival or effectiveness of our system of government.

Mr. President, I believe that the effectiveness, indeed, the very survival of our system of government has become jeopardized by an irrational and irresponsible pattern that has developed and become entrenched in Federal fiscal policy over the last half-century. Because of this fiscal policy, those liberties and opportunities of our present and future citizens, which we have come to regard as sacred, are seriously threatened.

For many years, I have believed, as have many other Members of Congress, that the way to reverse the misguided fiscal direction of the Federal Government is by amending the Constitution to mandate, except in extraordinary circumstances, balanced Federal budgets. The threat posed to our Nation's security by the ever-worsening Federal budgetary condition is, I believe, a distinct danger. It makes appropriate, indeed, necessitates a solution in the form of a constitutional amendment.

In the past we have been told by the opponents of the balanced budget constitutional amendment that self-imposed congressional restraint is what is needed to solve our fiscal woes—not a constitutional amendment. The fact is, however, that in the face of frightening deficits, Congress has not proven that it is capable of such restraint. Regrettably, congressional efforts at self-imposed limitations in the form of statutes or budget resolutions have failed to provide sorely needed fiscal responsibility.

What is needed today—indeed, what is long overdue—is an addition to our most basic and supreme law which establishes balanced budgets as a fiscal norm, rather than a fiscal abnormality.

A balanced budget constitutional amendment is necessary because only such an amendment can exert the sort of external constraint and limitation upon Congress which will enable it to resist those pressures. No Congress could ignore its dictates, reverse its effect, or dodge its intent.

Mr. President, the recent history of the Federal Government is, by now, all too well known:

Congress has balanced the Federal budget only once in the last 26 years.

The level of annual budget deficits has grown enormously over this period of time. Since 1970, the United States has incurred the 12 largest peacetime deficits in the history of the Nation.

In 1985, the total national debt of the United States soared to more than $2 trillion and continues to increase rapidly.

Federal spending, which first surpassed $100 billion in the years of the Kennedy administration 24 years ago, and which first surpassed $200 billion only 15 years ago, now has surpassed $1 trillion annually. It used to be said that Federal deficits were not such a bad thing because "we owed it to ourselves." Some argued that deficits could even be useful by "stimulating" the economy. However, it is clear today to virtually every reasonable observer, of whatever political or philosophical persuasion, that deficit spending has negative consequences—and those consequences are disastrous.

As a result of a quarter century of virtually unchecked deficit spending, this Nation has suffered periods of historically unprecedented levels of unemployment, periods of double digit levels of inflation, periods of catastrophically high interest rates, and periods of declining levels of national investment and productivity.

Mr. President, continued deficit spending by the Federal Government will undoubtedly lead the Nation to new periods of economic stagnation and decline. The tax burdens which today's deficits will place on future generations of American workers is staggering. We must reverse the fiscal course of the Federal Government, and I believe that a constitutional amendment is the best way to do it.

During my early years in the Senate, I introduced several constitutional amendments to require enactment of balanced budgets. None of those proposals were acted on by the Judiciary Committee. In the 96th Congress, I joined with several Senators on Senate Joint Resolution 126, a constitutional amendment to balance the budget which was defeated narrowly by the Judiciary Committee on March 15, 1980, by a vote of 9 to 8.

During the 97th Congress, I introduced, along with a number of cosponsors, Senate Joint Resolution 58, a balanced budget constitutional amendment which was approved by the Senate on August 4, 1982. Less than 2 months later, a similar measure was considered by the full House of Representatives and secured the support of a clear majority of the body, although it fell short of the requisite two-thirds vote.

During the 98th Congress, along with many cosponsors, I introduced Senate Joint Resolution 5, a proposal nearly identical to Senate Joint Resolution 58 which had been approved by the Senate the preceding year. Senate Joint Resolution 5 was reported by the Judiciary Committee, but was not considered by the full Senate.

On January 3, 1985, I introduced Senate Joint Resolution 13, a resolution identical to Senate Joint Resolution 5 from the 98th Congress. On July 11, 1985, the Judiciary Committee voted 11-7 to favorably report a streamlined Senate Joint Resolution 13 to the Senate.

During May, June, and July of 1985, as the Judiciary Committee debated the provisions of Senate Joint Resolution 13, some members of the committee expressed a desire to further simplify the proposed constitutional amendment. On July 11, 1985, in addition to reporting Senate Joint Resolution 13, the committee voted 14-4 to report an alternative resolution which I proposed along with Senators HATCH, DECONCINI, and SIMON. That resolution, Senate Joint Resolution 225, was considered by the Senate in March of 1986 and received 66 of the 67 votes needed for approval.

The provisions of this proposal are not complicated. Its operative section simply states:

> Outlays of the United States for any fiscal year shall not exceed receipts to the United States for that year, unless three-fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts.

Mr. President, the balanced budget amendment proposal has been supported by many in this body who hold widely varying political views. Its supporters share an unyielding commitment to restoring sanity to a spending process which is out of control and hurling our Nation headlong toward disaster. I am hopeful that we be successful in fulfilling our commitment by submitting this amendment to the States for ratification.

● Mr. HATCH. Mr. President, today I rise to address perhaps the most important issue facing our Nation—the national debt.

"The public debt is the greatest of dangers to be feared by a republican government."

"Once the budget is balanced and the debts paid off, our population will be relieved from a considerable portion of its present burdens and will find * * * additional means for the display of individual enterprise."

Today I am introducing the balanced budget amendment to the Constitution. But what may be surprising to some is that the two quotations above are not recent statements by current proponents of the proposed amendment. The first statement was made by Thomas Jefferson and the second by Andrew Jackson. The two quotes illustrate an important truth: no concept is more a part of traditional American fiscal policy than that of the balanced budget. Throughout most of the Nation's history, the requirement of budget balancing under normal economic circumstances was considered part of what has been called our "unwritten constitution."

Influenced by individuals such as Adam Smith, David Hume, and David Ricardo, the drafters of the Constitution and their immediate successors at the helm of the new government strongly feared the effects of public debt. Even Alexander Hamilton and Thomas Jefferson, who had widely diverse perspectives on the role of the Federal Government, were in agreement that, whatever debt happened to be accrued by a nation, it ought to be repaid within some prescribed period of time.

Early American Presidents were in virtually unanimous agreement on the dangers of excessive public debt. Consequently, for approximately 150 years of our history—from 1789 to 1932—balanced budgets or surplus budgets were the norm. While budget procedures had little of their present organization, the concept of a balanced budget was accepted widely as the hallmark of fiscal responsibility. Those deficits that did occur—during wartime or during the most severe recessions—normally were compensated for by subsequent surpluses.

Between 1932 and 1960 the rigid rule of annual balanced budgets gave way to a fiscal policy in which balanced budgets remained an overall objective but in which deficit spending nevertheless was viewed as a tool occasionally useful to effect appropriate economic results. New economic theories had emerged that placed great weight upon the ability of the Federal Government to manage fiscal policy through deficits and surpluses.

However, a real turning point in the history of U.S. fiscal policies occurred during the 1960's. Even the Keynesian objective of balancing surplus years with deficit years succumbed to the idea of regular, annual uncompensated-for deficits.

During the past two decades, the Federal Government has run deficits in all but a single year. The deficits have come during good times and they have come during bad times. They have come from Presidents who have pledged themselves to balanced budgets and they have come from Presidents whose fiscal priorities were elsewhere. They have come from Presidents of both parties.

Even more alarmingly, the magnitude of these deficits has increased enormously. For the seven fiscal years ending in 1967, the total deficit was approximately $91 billion. For the seven fiscal years ending in 1981, the total deficit was approximately $450 billion. The total national debt stands just over $2 trillion, with nearly two-thirds of that total incurred during the past decade alone.

MAGNITUDE OF FEDERAL DEBT

The number 2 trillion is too clean and simple sounding to communicate the implications of our staggering debt. In 1975, before this recent borrowing spree, the Federal debt amounted to approximately $2,500 per person, and the annual interest charges cost roughly $250 per taxpayer. Only 1 year ago, the Federal debt amounted to over $8,000 per person, with annual interest charges exceeding $1,300 per taxpayer. By 1990, according to 1985 Congressional Budget Office projections, the debt could reach $12,000 per person, and annual interest charges of $2,300 per taxpayer. Even if the Government adheres to its newly enacted deficit ceilings for the next 5 years, the debt would still reach $10,000 per person, with interest charges of $2,000 per taxpayer. These last figures—which must be considered optimistic—would mean a fourfold increase in per-capita debt, and an eightfold increase in annual interest charges per taxpayer, since 1975. This gives a better picture of the actual magnitude of the debt. It still does not describe, however, the human implications. The human implications are that our children are being shackled with an insurmountable burden as a result of our largess. Over time, the disproportionate burdens imposed on today's children and their children by a continuing pattern of deficits will include some combination of the following:

First, increased taxes; second, reduced public welfare benefits; third, reduced public pensions; fourth, reduced expenditures on infrastructure and other public investments; fifth, diminished capital formation, job creation, productivity enhancement, and real wage growth in the private economy; sixth, higher interest rates; seventh, higher inflation; eighth, increased indebtedness to and economic dependence on foreign creditors; and ninth, increased risk or default on the Federal debt.

Perhaps the most significant effect of today's unrestrained borrowing, however, will be a reduction in the political choices available to future governments of this Nation. From 1952 through 1975, the interest cost on the Federal debt consumed between 6.7 percent and 8.3 percent of annual revenues. Since then, that percentage has risen steadily. By 1986, interest costs consumed 18 percent of annual revenues.

In 1986, 87 percent of Federal Government expenditures were financed by tax revenues, and the remaining 22 percent by borrowing. Of this situation, one could say that the American people were getting a dollar's worth of government for every 78 cents' worth of taxes. But at what cost? Future taxpayers—including today's children—face the sad prospect of receiving 78 cent's worth of government for every dollar's worth of taxes.

SUMMARY

Efforts to secure a constitutional rule to require a balanced Federal budget and to limit the growth of Federal spending have intensified as the Federal Government's persistent failure to balance its budget has produced debt of over $2.1 trillion and as the Federal share of the economy has continued to increase.

In a large measure, the Nation's economic problems are attributable to these facts. Unacceptable levels of inflation and unemployment, as well as enormous foreign trade imbalances, can be traced directly or indirectly to the fiscal policies and practices of the National Government.

This balanced budget amendment will reestablish constitutional limitations upon Federal spending and deficit practices that existed in earlier years through an array of formal and informal constitutional provisions and which have been eroded over the course of recent years. The abandonment of the "unwritten constitution" requirement of balanced budgets, the passage of the 16th amendment, and the development of new judicial doctrines concerning the Federal spending authority are some of the features that have contributed to the present situation in which there is insufficient external constraint upon the ability of Congress to spend.

Specifically, the proposed amendment addresses a serious spending bias in the present fiscal process arising from the fact that Members of Congress do not have to cast votes in behalf of new taxes in order to accommodate new spending programs. Rather than having to cast such politically disadvantageous votes, Congress has been able to resort to increased levels of deficit spending or to allow the tax system, through "bracket creep," to produce annual, automatic tax increases.

Members of Congress, thus, have been free to respond to the concentrated pressures of spending interest groups—and reap the political advantages of doing so—without having to reap concomitant political disadvantages by reducing spending programs favored by some other spending interests or by expressly raising taxes.

The result is that spending continues inexorably to rise whatever the genuine will of the people. This result is an essentially undemocratic and unresponsive process that enables Members of Congress to avoid ultimate accountability for their spending and taxing decisions. This institutional bias requires a constitutional solution.

The text of the balanced budget amendment follows:

TEXT OF THE BALANCED BUDGET AMENDMENT WITH CONSENSUS TAX AMENDMENT

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, (two thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

ARTICLE —

SECTION. 1. Outlays of the United States for any fiscal year shall not exceed receipts to the United States for that year, unless three fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts.

SEC. 2. Any bill to increase revenue shall become law only if approved by a majority of the whole number of both Houses of Congress by rollcall vote.

SEC. 3. The Congress may waive the provisions of this article for any fiscal year in which a declaration for war is in effect.

SEC. 4. This article shall take effect in 1991 or for the second fiscal year beginning after its ratification, whichever is later.

CONCEPTS OF THE BALANCED BUDGET AMENDMENT

The balanced budget amendment proposes to overcome this spending bias by restoring the linkage between Federal spending and taxing decisions. It does not propose to read any specific level of spending or taxing forever into the Constitution and it does not propose to intrude the Constitution into the day-to-day spending and taxing decisions of the representative branch of the Government. It merely proposes to create a fiscal environment in which the competition between the tax-spenders and the taxpayers is a more equal one—one in which spending decisions will once more be constrained by available revenues.

Section 1 of the amendment would establish a balanced budget as a norm of Federal fiscal policy. It could be overcome, however, by three-fifths votes in both Houses of Congress. Section 2 of the amendment would prohibit Congress from raising taxes and increasing the Federal Government's share of the national economy unless Members of Congress were willing to go on record.

This amendment is not a panacea for the economic problems of the Nation. The amendment is, however, a necessary step toward securing an environment more conducive to honest and accountable fiscal decisionmaking.

The balanced budget amendment represents both responsible economic policy and responsible constitutional policy. Passage of this resolution would constitute an appropriate response by Congress to the pending applications by nearly two-thirds of the States for a Constitutional Convention on this issue.

This amendment is in agreement with President Ronald Reagan who stated in 1980:

> Excessive Federal spending and deficits have become so engrained in Government today that a constitutional amendment is necessary to limit this spending. I shall continue to emphasize the need for such an amendment.

In his most recent State of the Union Address, the President also said:

> Once we've made the hard choices, we should lock in our gains with a balanced budget amendment to the Constitution.

NEED FOR BALANCED BUDGET CONSTITUTIONAL AMENDMENT

The primary purpose of this amendment is to correct a bias in the present political process in behalf of ever-increasing levels of Federal Government spending. Whether such spending is financed by higher taxes or new debt, it has woeful economic consequences. High interest rates, and the resulting decline in investment and productivity, as well as unacceptable levels of unemployment, all follow when the Government uses an excessive share of the Nation's resources, leaving too little for productive use by the private sector. If the Federal Reserve Board attempts to reduce these economic problems by increasing the money supply faster than increases in the supply of goods and services, inflation results.

While it is true that much of the enormous growth in Federal Government spending over the past two decades may be a response to evolving notions of the role of the public sector on the part of the American citizenry—that is, a genuine shift in the will and desire of the people—it is my contention that a substantial part of this growth stems from far less benign factors.

In short, the American political process is defective insofar as it is skewed toward artificially high levels of spending, that is, levels of spending that do not result from a genuine will and desire on the part of the people. It is skewed in this direction because of the characteristics of the fiscal order that have developed in this country in recent decades. It is a fiscal order in which Members of Congress have every political incentive to spend money and almost no incentive to forego such spending. It is a fiscal order in which spending decisions have become increasingly divorced from the availability of revenues.

GRAMM-RUDMAN AND A CONSTITUTIONAL AMENDMENT TO BALANCE THE BUDGET

The enactment of Gramm-Rudman does not diminish the need for a constitutional amendment requiring a balanced budget. Gramm-Rudman does not purport to correct the structural bias in favor of deficit spending that would be offset by a constitutional amendment.

The proposed constitutional amendments to balance the Federal budget correct the inherent structural bias within our political system causing chronic deficit spending. Gramm-Rudman implements that fundamental principle over the next 5 years, but it neither corrects the systemic biases in our political system nor purports to make that policy permanent. Accordingly, even if Congress and the President successfully meet the worthy objectives of the Gramm-Rudman statute over the next few years, the symptoms may have been temporarily relieved, but the cancer will linger to flare up later.

The spending bias in our fiscal processes is caused by the absence of linkage between taxing and spending decisions. Members of Congress, however well intentioned, simply do not have to cast votes in behalf of new taxes in order to accommodate new spending. Rather than casting politically disadvantageous votes, they may either resort to increased levels of deficit spending funded by borrowing or allow the tax system, through bracket creep, to produce annual, automatic tax increases. Over the next 5 years, Gramm-Rudman effectively addresses the deficits caused by these systemic flaws, but a constitutional amendment is necessary to permanently correct the flaws.

In a democracy, constitutions establish the structure of government by imposing restraints on the behavior of those who represent them. For years, the body politic has suffered from the removal of constraints upon Congress imposed explicitly or assumed implicitly by the Framers of the Constitution. Consequently, the Federal Government has run a deficit in 24 of the past 25 years. Since 1970, the United States has incurred the 11 largest peacetime deficits in the history of the Nation with 9 deficits over the past decade in excess of $50 billion. Consequently, Congress had to take the unprecedented steps prescribed by Gramm-Rudman. In this sense, Gramm-Rudman is itself a testament to the need for constitutional restraint. Thus, an amendment to the Constitution would reimpose, explicity, those constraints as only a constitutional amendment can.

Although Gramm-Rudman statutorily mandates a balanced budget, a constitutional amendment is required for the following reasons:

Gramm-Rudman does not purport to correct the structural bias in favor of deficit spending that would be offset by a constitutional amendment.

Gramm-Rudman is only intended to deal with a temporary crisis, whereas a constitutional amendment corrects a bias that has caused deficits in 47 of the past 54 budget cycles. The deficit spending bias is not a problem that has lasted, nor will last, only 5 years. In other words, the system is "broke" and will not be finally "fixed" in 5 years. It demands a permanent constitutional solution. See attached chart for documentation of deficit spending caused by structural bias.

Ultimately no Congress can bind a succeeding Congress by simple statute. Already press accounts and some of our colleagues have suggested spending and taxing pressures could cause Gramm-Rudman to be circumvented or changed. The success of deficit reduction efforts in the next 5 years and beyond may depend on stronger medicine than a statute can supply. Put another way, no statutory measure can contain provisions requiring a greater or more onerous voting rule for its repeal than for its adoption. Any balanced budget statute can be repealed, in whole or in part, by the simple expedient of adopting a new statute. Statutory limitations remain effective only as long as no majority coalition forms to overcome such statutory constraints. The virtue of a constitutional amendment is that it can invoke a stronger rule to overcome the spending bias.

Gramm-Rudman has put the Nation on the road to recovery. In the absence of constitutional underpinnings, however, Gramm-Rudman or any other statutory prescription faces challenges that may compromise enforcement.

By analogy: Several Senators could propose legislation to change statutory law relating to ratifying treaties, expelling Members of either House of Congress, or proposing constitutional amendments—all of which are current constitutional provisions requiring supermajority votes. This hypothetical legislation could set up elaborate mechanisms to ensure that treaties or constitutional amendment proposals get careful congressional scrutiny or that accused Members of Congress get due process. Even if such legislation were enacted, the new bill would not eliminate the need for the constitutional supermajority requirements in each of these areas. Similarly the current constitutional amendment proposals are intended to endow the voting of an unbalanced budget with the same solemn consideration now required for treaties. Because disconnecting outlays from revenues has consequences at least as sweeping as most treaties, a constitutional supermajority requirement is warranted regardless of current statutory attempts to balance the budget.

CONCENTRATED BENEFITS-DISPERSED COSTS

It is important first to understand what some economists and political scientists have described as the "concentrated benefit-dispersed cost" phenomenon. This describes the fact that the benefits of any given spending program normally are concentrated within a relatively small class of beneficiaries, while the costs of such a program are dispersed throughout a relatively large class of persons, that is, the taxpayers. Thus, those parties who benefit from a particular spending measure stand to benefit greatly while those who bear the costs are affected insignificantly. Authur Burns, former Chairman of the Federal Reserve Board, described it in these terms:

> The proximate causes of this governmental bias are quite clear. In general, spending programs are more popular with people than higher taxes. The potential beneficiaries of a spending program are often a numerical minority, but they have a stronger incentive to keep informed, to organize, and to lobby for their favorite program than those who bear the cost have to oppose it. The rising cost of political campaigns and the concurrent proliferation of fundraising committees put intense pressure on legislators to vote for spending programs favored by such groups. We may, in fact, be entering an era in which governmental processes are overwhelmed by the naked demands of increasingly well-organized and effective interest groups. It is this concern that has led me to look with favor on even preemptory devices for offsetting the existing bias toward larger Federal spending and borrowing—AEI Economist, April 1979.

The competition, then, between the tax-spenders and the taxpayers is a highly unequal one; it is not at all surprising that the former should prevail so frequently. It is simply not worth the while of the individual taxpayer to spend as much time and effort to save himself a few cents or a few dollars on some program as it is for spending interests to secure millions or even billions of dollars for themselves. The spending interests tend to be intense and passionate in focusing upon individual spending measures likely to accrue to their benefit, while those who logically would be the most concerned about such spending, the taxpayers, tend to be diffuse and unorganized. Spending interests are politically visible and articulate and able to reward or punish legislators with their organized electoral support or nonsupport. Meanwhile, taxpayers are politically inarticulate, only barely able to perceive their self-interest in the context of isolated pieces of legislation. It is only when the spending programs are aggregated that the taxpayer begins to feel the full impact of such spending. Thus, it is only natural that legislators, however sincerely committed to fiscally responsible public policies, should be sensitive and responsive to the concerns of those who lobby for new or expanded spending initiatives. As Prof. Charles Baird of the University of California at Hayward has observed:

> Whenever Government programs are considered one by one, there is a bias toward Government growth. Each program has a well-defined constituency that receives positive benefits therefrom. In many cases, the benefits from a particular program to a particular person represent a large part of that person's total income, while the tax cost to the beneficiary of that program is miniscule. Such direct beneficiaries of program A therefore are strongly motivated to organize work and lobby for the adoption and growth of that program. There is no countervailing incentive for taxpayers in general to organize, work, and lobby against program A in isolation because any individual taxpayer's share of program A is miniscule. Since elected representatives inevitably respond to lobbying efforts, there is a high probability that program A will be adopted even if the sum of the benefits therefrom are less than the sum of the costs.

The purpose of the balanced budget amendment is to create a more equal competition between spending interests and taxpayer interests by reducing the structural bias toward higher spending within the Federal fiscal system that contributes to the current imparity. By reducing the bias, and creating a more neutral environment within which this competition can take place, the representative processes will be more responsible and accountable to the genuine desires and interests of the public at large with respect to levels of public expenditures. As Prof. Allan Meltzer of Carnegie-Mellon University has observed—

> Only by changing the ground rules under which spending decisions are made can we expect to obtain the outcome which people desire.

The proposed amendment addresses an important element of the spending bias: The access Members of Congress have to deficit spending. This enables Members of Congress to avoid having to vote new taxes in order to finance new spending.

DEFICIT SPENDING

A principal cause of the spending bias involves the virtually unlimited access that Members of Congress have to deficit spending. As the "unwritten Constitution" requirement of budget balance has been disregarded in recent years, Members of Congress no longer are constrained in their ability to increase spending by the concomitant need to increase ordinary revenues. Permissible levels of spending no longer are defined, as they traditionally have been, by levels of revenue available. In consequence, Members of Congress are free to obtain the resulting political advantages, without having either to: First, reduce spending for some other spending interest and incur the resulting political disadvantages, or second, increase tax revenues and incur the resulting political disadvantages.

Members of Congress do not have to reduce levels of spending for one program in order to accomplish increases in other programs because there is no effective limit as to how much Congress may spend in its budget. Once the traditional linkage has been severed between spending and revenues, there is no need for Members to establish priorities as between alternative spending proposals; each can be satisfied simply by increasing the level of the deficit. The availability of deficit spending enables Members to avoid the hard political decision of having to choose among spending proposals and thereby ensure for themselves some element of political disadvantage as well as political advantage.

Members of Congress do not have to increase revenues in order to accommodate increased spending because levels of spending no longer are related in any meaningful way to levels of revenue. Thus, not only is there no need for Congress to antagonize any other spending interest in the process of supporting a given spending measure, but there is no need to antagonize taxpayers generally by appearing to raise their tax burdens. Again, there is no element of political disadvantage Members of Congress are required to incur in order to reap the political advantages of responding to the spending interests.

In this respect, the availability of unlimited deficit spending allows the political costs of spending measures to be deferred in time, while enabling the political benefits to be enjoyed immediately. While the benefits of the measure usually will be understood immediately by its beneficiaries, the costs—in the form of higher future taxes, higher future inflation, and higher future interest rates—usually will be evident only at some remote time. Indeed, there may be no political costs whatsoever unless those who suffer from these economic ills are sophisticated enough to understand the cause-effect relationship between the earlier spending and the later symptoms.

APPROACH OF THE BALANCED BUDGET AMENDMENT

In seeking to reduce the spending bias in our present system—the unlimited availability of deficit spending—the major purpose of the balanced budget amendment is to ensure that, under normal circumstances, votes by Congress for increased spending will be accompanied either by votes: first, to reduce other spending programs or second, to increase taxes to pay for such programs. For the first time since the abandonment of the traditional balanced budget requirement, Congress will be required to cast some politically difficult vote as a precondition for a politically attractive vote to increase spending.

Section 1 of the proposed amendment would address the spending bias—unlimited access by Members of Congress to deficit spending—by requiring a three-fifths vote of each House of Congress before the Federal Government could engage in such spending. Such a procedure would not prohibit deficit spending, but would simply reestablish, as a norm, a budget in balance rather than one in deficit. A consensus greater than a normal majority would be required to violate this norm. Unless such a consensus existed, Congress would be bound in its spending by its available revenues and would be forced to account for new spending in one program area by either reduced spending in another program area or by increased taxes. The political advantages resulting from support for new spending then would be matched, at least to some degree, by countervailing political disadvantages.

Section 2 of the proposed amendment would reinforce section 1 and further link tax spending and tax raising by requiring both Houses of Congress to approve any bill to increase revenues by a constitutional majority. In the absence clear constitutional majority and Presidential consent, a tax increase could not cause the public sector to grow at the expense of the private. Though while section 1 would ensure, as a norm, that Federal spending is matched by Federal revenues, section 2 would ensure that such revenues are not raised without political accountability for Members of Congress. It would also make it less likely that the budget would be regularly balanced at increasingly high levels of taxation. Before Congress could make available to itself greater amounts of revenue for new spending initiatives, it would have to stand up in view of the public and place itself on record in behalf of such increased revenues.

As a result, the amendment effects a subtle, but important, change in the psychology of the budget process. Under the present system, each spending interest, in effect, competes with the taxpayers to raise the total ante in the Federal Treasury. Under a system, however, in which some form of spending ceiling is in effect, these same interests suddenly will be competing with one another in order to ensure themselves a certain proportion of a fixed ante in the Federal Treasury. Not only will spending interests have to convince Congress that their favored programs merit funding at a certain level, but they will, in addition, have to establish the priority of their programs. A spending ceiling comprised of something beyond mere congressional self-restraint will force Members of Congress to view spending requests in terms of relative desirability, not simply in terms of whether or not a program is desirable at all. An element of competition among the spending interests will be introduced into the budget process, undoubtedly to the long-term interests of those who finance the spending programs favored by these interests.

Thus, the proposed amendment would make it easier for well-meaning, but beleaguered, Members of Congress to exercise fiscal responsibility in making their policy decision. There would be an external constraint, something beyond their own ability to resist the importunities of the spending interests, upon which they could rely. As Prof. Roger Freeman of the Hoover Institution has noted:

> It is not that Members of Congress do not wish to produce a balanced budget but that under the circumstances they can only do so at a grave political risk to their survival. They need a defense against excessive demands which allows them to say "no" to a multitude of pressure groups. Such a defense cannot be built by statute because any act of Congress can be amended or repealed by this Congress or the next. Only a constitutional amendment can impose credible and effective spending restraints.

Prof. James Buchanan goes on to elaborate:

> The fault lies not in the bad intentions of elected politicians. The basic causes for the dramatic, and readily observable, shift in U.S. fiscal habits after World War II and notably after 1960 are not hard to identify. Keynesian teachings had succeeded in effectively repealing an important element of the unwritten fiscal Constitution within which American politics had been carrried out throughout almost two centuries of its history.

In summary, the purpose of the balanced budget amendment is to eliminate political process which allows Members to avoid having to vote for higher taxes in order to pay for higher spending and to establish a more genuinely neutral environment within which the budget competition occurs. The proposed amendment does not define what constitutes or what does not constitute a responsible budget, but only defines the institutional framework within which such budgets can be put together. Rather than Federal Government spending increasing inexorably, whatever the desires of the citizenry, the amendment would ensure that such spending is set at levels more reflective of their genuine desires.

Mr. D'AMATO. Mr. President, I am pleased to join my distinguished colleague, the chairman of the Judiciary Committee, Senator THURMOND, and again become an original cosponsor of legislation to establish a constitutional amendment requiring a balanced Federal budget.

The balanced budget amendment passed the Senate in the 97th Congress, but was rejected by the House. In the 98th Congress, the legislation was bottled up in the Senate Judiciary Committee by the foes of budgetary reform, while the House refused to consider the balanced budget amendment. In the 99th Congress, however, the Senate failed to pass Senate Joint Resolution 225 by only a single vote. Hopefully, this will be the Congress during which we finally pass this needed reform through both Houses of Congress.

The immensity of our Federal budget woes is reaching crisis proportions. The fiscal year 1987 budget deficit may still exceed $100 billion. Budgetary reform should be the first order of business. This is why I actively support legislation to establish a constitutional amendment requiring a balanced budget. I strongly believe that a balanced budget amendment is the only means to force Congress to cut spending. We need this club. We must act now.

By Mr. CRANSTON:

S.J. Res. 12. Joint resolution to establish a national policy for the taking of predatory or scavenging mammals and birds on public lands, and for other purposes; to the Committee on Environment and Public Works.

TAKING OF PREDATORY ANIMALS ON PUBLIC LANDS

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to establish a national policy for the taking of scavenging mammals and birds on public lands, and for other purposes.

The bill I introduce today—as in previous Congresses—addresses three critical issues in national wildlife management, especially management policies as they relate to predators and prey. One is the need to establish, within the broad parameters of wildlife management policies, a clear understanding and recognition of the interdependency of predator and prey;

a second is the need to establish a national policy for the taking of predators or scavengers—mammals or birds—on public lands, a policy that reflects a thorough understanding of these interdependent relationships; and a third is the need to set forth a series of clear, statutory procedures for the taking of predators on public lands. These procedures must be responsive to the right of all Americans to know how wildlife management policies relevant to predators are being carried out on lands that are owned by the public and managed in the national interest.

Predators and scavengers in the environment are indispensable. Every ecosystem has predatory forms of life. Few animal species, except larger predators themselves, are completely free from predation.

We are beginning, through studies in ecology and evolutionary biology, to understand just how important predators are in the ecosystem. We are learning to see predators not just as obstacles to the flourishing of life, but as vital components in the chain of life that includes man. In fact, in this chain, predators have a niche every bit as important to the survival of the Earth's species as any other part of that chain.

Just as the introduction of exotic species can adversely affect the balance of an ecosystem, so can the removal of predators. predators are known to be vital to keeping plant-eating populations from overgrazing consequently disrupting the food chain within an ecosystem. Without predators, prey populations tend to expand beyond the ability of an ecosystem to sustain that population. Predator populations themselves are kept in check by a system of natural controls, including the size of the prey population.

Predators, too, are powerful evolutionary forces on their prey. In fact, as naturalist Stephen Jay Gould points out, natural history to a large extent is a tale of different adaptions to avoid predation.

It's not unusual, for example, to see a squirrel dart almost purposefully in front of a car, often with fatal results for the animal. In its moment of panic, the squirrel holds its bushy tail over its back and zigzags wildly on the road. Actually, the animal is responding the same way it does when fleeing a predator, and while the technique is faulty for escaping cars, a pursuing hawk is likely to either miss the squirrel entirely or grasp only the tail instead of the animal.

The morning dove is one of the commonest bird species in North America. The dove also knows the value of dodging when attempting an escape, and doves play tricks with their tails, too. The morning dove is quite drab in coloration, except that each tail feather is tipped in white. As the bird flees, its outspread tail presents a vibrant semicircle of white spots—a target, in effect, to catch a predator's eye. But to grasp a dove's tail is to receive a loose bunch of feathers instead of a struggling dove.

But escape is not the only way species deal with predation. Another ploy is the phenomenon of predator satiation, where a species will flourish with such speed and in such numbers that the predators' ability to deplete an entire species is simply overwhelmed. Such species expansions occur in relatively short bursts, and then subside, and the theme of nature—balance—reigns once more.

The point is, if predators were suddenly taken from the environment, one very powerful factor would be removed from the ecological balance which nurtures animal and plant life on Earth. Animal species became adapted to survival through all kinds of environmental factors, including natural populations of predators which themselves are continually refining their own adaptations though this same process of evolution. This system accounts for what we see reverse as life on Earth. It is a system that is remarkably effective, and with which we tamper at our peril.

This is not to say that individual predators cannot be removed from the environment. They can be, and sometimes they must be. But the wholesale slaughter of predator species carries with it the long-range threat of impeding the survival-by-adaptation of significant animal species. By implication, we impede human progress. Animal species, of which man is one, are interdependent.

Wildlife managers often attempt to duplicate the quantitative impact of predation through establishing hunting seasons geared to remove the "harvestable surplus" of an animal population. However, wildlife managers cannot duplicate the qualitative impact of predation in any practical sense. For example, a tiger may attempt 30 kills before finally succeeding. Likewise, a falcon may pursue two dozen quarry before making a kill. Each unsuccessful attempt means the adaptations of the prey were sufficient to keep it alive. Each successful kill represents a prey individual that was carrying some fatal disadvantage—physical incapability, age, injury, disease, or some unknown quality which might be generalized as "bad luck." Thus, predators exert consistent pressures on the prey that are beneficial to the health of the prey population. Wildlife professionals are increasingly sensitive to the indispensable presence of natural predator populations.

Mythology about predators still persists. Some people still swear that wolves, cougars, or other predators are capable of obliterating, for example, the deer population in a given region or State. Such assertions are simply not supported by the facts. Predator-prey systems have persisted throughout the millenia, and both predators and prey species have evolved mechanisms which tend to keep the whole system operating as long as favorable environmental conditions persist.

Fluctuations in prey populations can actually be reduced by the presence of predators. As a case in point, the moose population in Isle Royale National Park, an island ecosystem in Lake Superior, persisted, unevenly, for many years in the absence of wolves. The population was observed to rise steeply for a time and then crash abruptly when available browse was exhausted. This cycle was observed at least twice in the early 20th century. Wolves eventually colonized the island by crossing the winter ice. What researching later observed was that both predator and prey populations steadied themselves through their interactions: The moose population neither rose as high nor fell as low in the presence of the wolves, and the wolf population itself held relatively steady year after year.

For the wolf, pack structure is the key to balance between predator and environment. If prey species decline, the wolf pack feels the stress of limited food supplies. Stress is reflected in increased friction between pack members. Eventually, some pack members may be ejected from the pack to face uncertain survival odds on their own.

Even in the best of conditions, the social order of the pack permits only the dominant male and dominant female to mate; each pack produces only one litter of pups in a season. In times of stress, however, the pups are the first to die, thus maximizing the chances of survival of the adult pack unit upon which the wolves depend so heavily. The pack structure is best interpreted as an adaptation which enables the wolf to take prey larger and stronger than a single wolf, which maximizes the survivability of each pack member, and which keeps the wolf from out-eating the available prey.

Many other predators and scavengers show adaptations as sophisticated as those of the wolf. There are predators capable of exploiting almost every form of life. Ospreys dive after fish; black-footed ferrets—now critically endangered—prey on burrowing prairie dogs beneath the Earth; the pine martin races after squirrels in the trees. In every case, the predator is an important component of the ecosystem, and every effort should be made to understand and protect this natural order.

The policies of the Federal Government regarding predators must be viewed in this context.

The Federal Government is charged with stewardship over our 450 million acre public domain heritage. The land is held in trust for all Americans, and is properly administered under multiple-use guidelines.

The traditional framework for wildlife management involving "resident" species, or most wildlife other than migratory birds, involves State fish and wildlife agencies operating under cooperative agreements with the Bureau of Land Management. Eagles and other raptors, wild horses and burros, and marine mammals are administered under Federal law on both State and Federal land.

The State-Federal cooperative agreements have created an acceptable and proper basis for wildlife management activities. The States have done a good job of organizing their wildlife departments and administering wildlife restoration projects, hunting seasons, and research programs.

Where public lands are involved, the Federal Government has the responsibility to respect and uphold the public interest. Public land managers and wildlife managers operating on public land must not lose sight of this fundamental tenent. Further, decisions involving major public land programs must be evaluated in light of the impact on public values. Such an evaluation must involve both the Federal Government and the public.

The bill I introduce today provides an adequate system for review and decision on national predator policies and action. I believe it will provide a comprehensive examination of Federal policy with regard to predators, and that such an examination will help us avoid costly, nonproductive management mistakes—mistakes that derive substantially from a continuing failure to comprehend the essential relationship between predator and prey.

Mr. President, I ask unanimous consent that the text of my resolution and a section-by-section analysis be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S.J. Res. 12

Whereas article IV, section 3, clause 2 of the Constitution vests authority in the Federal Government to "make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States," and

Whereas predators and scavengers are indispensable to the health and stability of natural ecosystems and to prey species in particular, and

Whereas the extermination of predators has resulted in dramatic instability of prey populations and attendant habitat deterioration, and

Whereas there is no evidence that nonhuman predation alone is a cause of extinction of prey, and

Whereas organisms tend to be closely adapted to their environment by evolution, whereby their survival ability is greatest, and

Whereas evolution occurs in response to changing environmental parameters, including the living and nonliving components of the ecosystem, and

Whereas a thorough understanding of the interdependent relationship between predator and prey is essential to sound wildlife and land use planning at all levels of government, and furthermore,

Whereas the Convention on International Trade in Endangered Species of Wild Fauna and Flora, as ratified by the United States Senate, stipulates that native species of wildlife should be maintained throughout their range at a level consistent with their role in the ecosystems in which they occur: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That all taking of predators or scavengers naturally occurring on public lands for all or part of their life cycles is hereby prohibited unless such taking is approved according to the requirements of sections 3 or 4 of this joint resolution.

Sec. 2. For the purposes of this Act, the following definitions apply:

"Predators" include individuals of any species of bird or mammal that regularly capture or consume other vertebrate species.

"Wildlife" includes all species of the animal kingdom (persisting for all or part of their life cycles on ecosystems of the United States, its coastal waters, or adjacent islands) which are covered by the provisions of this Act.

"Public lands" means any lands belonging to the United States of America on which regulations regarding taking of wildlife covered by this Act are or may become less restrictive than those herein provided.

"Species" includes any subspecies of wildlife covered by this Act and any other group of wildlife covered by this Act of the same species or smaller taxa in common special arrangement that interbreed when mature.

"Person" means an individual, corporation, partnership, trust, association, or any other private entity, or any officer, employee, agent, department or instrumentality of the Federal Government, of any State or political subdivision thereof, or of any foreign government.

"Take" means to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or attempt to engage in any such conduct, for any purpose, any wolf, predator, or other form of wildlife covered by this Act, excluding taking for subsistence purposes.

"Scavengers" include individuals of any species of bird or mammal that naturally feed upon the remains of dead vertebrate species.

An "ecosystem" is the basis ecological unit including the living organisms, the nonliving environment, and the interactions between individual organisms, between species, and between organisms and the environment.

A "secretary" is the head of a Federal agency having land management responsibilities, including the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Defense, the head of the Tennessee Valley Authority, and others.

Sec. 3. Proposed actions by any person involving the taking of predators or scavengers naturally occurring on public lands of the United States may be carried out (unless prohibited by other statute or regulation) even though the taking can be reasonably expected to have significant impacts on the specific wildlife covered by this Act, other species of wildlife covered by this Act, or the ecosystems of which the wildlife is a part, if proposals for such actions—

(a) are submitted to the Secretary having primary jurisdiction over the public land on which the taking will occur at least one hundred and twenty days prior to the date such taking is to commence; and

(b) are described by notice in the Federal Register, allowing at least sixty days for public comment; and

(c) will, if carried out, maintain that species at a level consistent with its role in the ecosystem in which taking is to occur, protecting and maintaining the indispensable relationship between predator and prey species and the ecosystem, and be in overall public interest; and

(d) are approved in writing by the Secretary after consideration of public comment and consultation with the President's Council on Environmental Quality and with the Director of the United States Fish and Wildlife Service before any taking is carried out.

Sec. 4. The Secretary shall enforce the provisions of this Act and shall, in consultation with the President's Council on Environmental Quality, promulgate such regulations as he deems necessary and appropriate to carry out the provisions, including enforcement, of this Act: *Provided,* That all mammals or birds shot or captured contrary to the provisions of this section, or of any regulation issued hereunder, and all guns, aircraft, and other equipment used to aid in the shooting, attempting to shoot, capturing, or harassing of any mammal or bird in violation of this section or of any regulation issued hereunder shall be subject to forfeiture to the United States: *And provided further,* That the Secretary or head of any Federal agency who has issued a lease, license, permit, or other agreement to any person who is convicted of a violation of this Act or of any regulation issued hereunder may immediately cancel each such lease, license, permit, or other agreement. The United States shall not be liable for the payment of any compensation, reimbursement, or damages in connection with the cancellation of any lease, license, permit, or other agreement pursuant to this section.

Sec. 5. Nothing herein shall be construed in any way to amend or otherwise alter the requirements of the National Environmental Policy Act of 1969, the Marine Mammal Protection Act of 1972, or the Endangered Species Act of 1973, as amended.

Sec. 6. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Section-by-Section Analysis

SECTION 1. PREAMBLE

Section 1 of the bill states the intent of the resolution is to establish a national policy for the taking of predatory or scavenging mammals and birds on public lands; set forth findings; and prohibits the taking of predators or scavengers unless pursuant to specified requirements.

SECTION 2. DEFINITIONS

Section 2 of the bill defines the terms used in the Act, including predators, scavengers, and take.

SECTION 3. REQUIREMENTS FOR PERMISSIBLE TAKINGS

Section 3 of the bill sets forth procedures under which the taking of predators or scavengers may be carried out.

SECTION 4. ENFORCEMENT AND REGULATORS

Section 4 calls upon the Secretary of the appropriate Department to promulgate regulations and enforce requirements. Sets forth penalties for violations of the Act.

SECTION 5. RELATION OF THE ACT TO EXISTING LAW

Section 5 of the Act is specified not to amend or alter the National Environmental Policy Act of 1969, the Marine Mammal Protection Act of 1972, or the Endangered Species Act of 1973, as amended.

SECTION 6. AUTHORIZATION

Section 6 provides such sums as may be necessary to carry out the provisions of the Act.

By Mr. SYMMS:

S.J. Res. 13. Joint resolution proposing an amendment to the Constitution of the United States with respect to the English language; to the Committee on the Judiciary.

ENGLISH IS OFFICIAL LANGUAGE

Mr. SYMMS. Mr. President, last November 4, California voters overwhelmingly approved a constitutional amendment, proposition 63, designating English as the State's official language. The lopsided 73- to 27-percent vote came after the citizen initiative qualified for the ballot with the signatures of more than 1 million voters.

California now becomes the eighth State to declare English as its official language. In November 1984, the voters of California passed another citizen initiative by a 71- to 29-percent vote which directed Gov. George Deukmejian to call upon Congress and the President to put an end to bilingual ballots.

Mr. President, today I wish to reintroduce the English language amendment which first came before this body in 1981 through the sponsorship of Senator S.I. Hayakawa. Since that time the American people have enthusiastically embraced this movement. I am sure that most of you in this body have received numerous letters from constituents about the ELA, as it is known. As the English language movement continues to generate momentum, I know you will receive even more inquiries. More than 25 States are expected to act on bills in 1987 that will designate English as their official language.

An analysis of the California vote shows that proposition 63 was approved by a strong bipartisan vote that crossed every ethnic and racial line, and it's easy to understand why.

Americans take considerable pride in their Nation; not just those born in the United States, but those who have immigrated here to start a new life and learn a new culture and language. They know that "opportunity" in their adopted nation is spelled in "English." They, like many native-born Americans, often feel like a stranger in their adopted country because of our confusing language policies.

Mr. President, English is our common language—the tie that binds us all as citizens of one nation. Yet, as Senator Hayakawa recently pointed out, some politicians and ethnic leaders oppose giving English any legal protection. They continue to demand the use of other languages by government: Mandatory bilingual ballots, bilingual education that doesn't emphasize English, and other divisive measures.

The English language amendment will not regulate the use of other languages in private contexts; first amendment rights are still guaranteed. Nor will it discourage foreign languages from being taught as academic subjects, nor their use in diplomacy, circumstances where safety is a consideration, or to obstruct justice.

The intent of the English language amendment is to ensure that English will be the official language of the United States, and that our non-English-speaking citizens will become part of the American mainstream as soon as possible. We seek to ensure that Federal programs, such as bilingual education, do not foster a system of American apartheid, but that they teach English as rapidly as possible.

Mr. President, we have read about the problems which our neighbors to the north in Canada have experienced because of Federal language policies, but few of us are aware of the severe language crisis that has occurred in Belgium. Because of it, last fall Prime Minister Wilfried Martens offered his resignation to the King, and Minister of the Interior Charles-Ferdinand Nothomb actually resigned.

This latest friction between the country's Flemish and French speakers came to a head when the French-speaking mayor of a small city refused to take a test to demonstrate his knowledge of Flemish. Provincial authorities dismissed Mayor Jose Happart, but he appealed to the Council of State. The Council ruled against him, thus precipitating a new crisis in the national coalition government that precariously balances the country's divided language interests.

Similar language disputes twice contributed to the fall of national governments in Belgium in the seventies. The current controversy is considered especially bitter, since it has come to light that Mayor Happart own top honors in Flemish in his high school class.

Mr. President, as elected representatives of this great Nation; we must do all that is within our power to ensure that we do not duplicate the experiences of Canada, Belgium, and numerous other countries with different languages.

Mr. President, the ELA proclaims a broad principle, English is the language of the United States, and enjoys a special status in this country that sets it apart from all other languages.

I invite my colleagues to join me and the American people in securing this basic principle in our Constitution.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 13

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE—

"SEC. 1. The English language shall be the official language of the United States.

"SEC. 2. The Congress shall have the power to enforce this article by appropriate legislation.".

By Mr. HELMS:

S.J. Res. 14. Joint resolution to designate the third week of June of each year as "National Dairy Goat Awareness Week"; to the Committee on the Judiciary

NATIONAL DAIRY GOAT AWARENESS WEEK

● Mr. HELMS. Mr. President, I am today introducing a joint resolution to designate the third week of June of each year as "National Dairy Goat Awareness Week."

For more than 5,000 years, dairy goats have supplied mankind with food and shelter. Dairy goats were an important part of the necessities that the early settlers brought to these shores. As pioneers moved across our land, dairy goats went with them. These animals have always been a part of the typical American farm in every region of the United States. Today there are over 250,000 dairy goats in this country.

The modern dairy goat is ideally suited to today's changing farm scene. A mature female weighs about 150 pounds, yet milks an average of 14 times her body weight in a 305-day lactation. Exports of these efficient, structurally sound animals increase each year.

While goat milk, ice cream, and yogurt are sold in various parts of the United States, the best known goat milk product is goat cheese or Chèvre. During the last decade there has been a tremendous increase in consumer interest in domestic goat cheeses. The number of domestic producers of Chèvre has increased dramatically, and there is an extraordinary array of American-made goat cheeses today.

These facts are well known to dairy goat breeders, but few consumers are aware of the role played by the dairy goat in the American economy. Passage of this resolution designating the second Saturday through the third Saturday of June, National Dairy Month, as "Dairy Goat Awareness Week" will do much to educate the American people to the potential of dairy goats and their products.●

By Mr. RIEGLE:

S.J. Res. 16. Joint resolution to designate the period commencing on April 5, 1987, and ending on April 11, 1987, as "World Health Week," and to designate April 7, 1987, as "World Health Day"; to the Committee on the Judiciary.

WORLD HEALTH WEEK

● **Mr. RIEGLE.** Mr. President, today I am again privileged to introduce Senate Joint Resolution 16 designating April 7, 1987, as "World Health Day" and the week of April 5, 1987, as "World Health Week."

In the 99th Congress I introduced and the Senate passed Senate Joint Resolution 226, calling for the week of April 6, 1986, to be designated "World Health Week" and the day of April 7, 1986, "World Health Day." This year the American Association for World Health has again requested that we sponsor the week beginning April 5, 1987, as "World Health Week" and April 7, 1987, as "World Health Day." Since 1949, April 7 has been designated "World Health Day" around the world. This day is to promote better health care for all people and to draw attention to the World Health Organization's goal of health for all by the year 2000. Good health is essential for all people to be able to lead socially and economically productive lives.

Mr. President, this joint resolution would help educate many in our society about important world health facts and the actions we must take to reach major health goals in the United States and around the globe. It will call attention to the plight of people in some Third World countries where as many as 4 out of every 5 children die before they reach the end of childhood and to changing lifestyles in the United States that can increase a person's chances of avoiding cancer, heart disease, and lung disorders. The activities of "World Health Week" give voice and support to the basic objectives for healthy living around the world. These objectives include the minimum requirement of safe water and adequate sanitary facilities; immunization against diphtheria, tetanus, poliomyelitis, measles, mumps, rubella, and tuberculosis; and access to local health care for all populations, including the availability of preventative health education and trained health practitioners.

The World Health Organization continues to direct international health activities. The constant surveillance control, and eradication of disease; the collaboration of research; and the collection, dissemination, and exchange of health care data are all directed and supported by the World Health Organization. In this country, the American Association of World Health serves to increase our awareness of these issues surrounding world health care needs and of the special health priorities of the United States. In declaring April 7, 1987, as "World Health Day," and the week of April 5, 1987, as "World Health Week," it is our hope that this resolution will heighten our awareness of what must be done to make ourselves and all other people in the world healthier. One cannot just wish for good health and hope that it happens. To help make health for all a reality by the year 2000, I urge my colleagues to join with me in cosponsoring this resolution.

Mr. President, I ask unanimous consent that this joint resolution be printed in full in the RECORD immediately following my remarks.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 16

Whereas the health of a nation depends upon the health of its people;

Whereas a principle enunciated in the Constitution of the World Health Organization (hereafter in this resolution referred to as "WHO"), and accepted by the United States is, that improvements in the health of the people of our Nation contributes to world health, and world health contributes to the health of our Nation;

Whereas the United States is an active member of the WHO and has both benefited from and contributed to the achievements of such;

Whereas the nations of the world are committed to the WHO goal of "Health For All By The Year 2000";

Whereas primary health care is recognized as a key to the attainment of the WHO goal;

Whereas essential elements of primary health care are health education and awareness, prevention and treatment of common diseases and illnesses, basic sanitation, and adequate nutrition;

Whereas the WHO has established April 7, of each year as World Health Day, to call attention to what individuals and governments can do to further the health of people everywhere, and the American Association of World Health has sponsored and assisted in this endeavor;

Whereas the national theme for World Health Day 1987 is "Healthy Living: Everyone a Winner" which focuses on healthy lifestyles, thus reflecting the growing conviction that greater emphasis should be placed on positive actions that individuals and communities can take to protect and promote health, and

Whereas the global theme for World Health Day 1987 will be "Immunization: A Chance for Every Child" which will emphasize immunization as a first step to healthy living; and

Whereas it has been custom for the President to call attention to World Health Day each year in the form of a public message regarding such: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing on April 5, 1987, and ending on April 11, 1987, is designated as "World Health Week", and April 7, 1987, is designated as "World Health Day", and the president is authorized and requested to issue a proclamation calling upon the people of the United States to observe the above Week and Day with appropriate programs, ceremonies, and activities.

SENATE CONCURRENT RESOLUTION 1—PROVIDING FOR AN ADJOURNMENT OF THE SENATE AND THE HOUSE OF REPRESENTATIVES

Mr. BYRD submitted the following concurrent resolution which was considered and agreed to:

S. CON. RES. 1

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Tuesday, January 6, 1987, Wednesday, January 7, 1987, Thursday, January 8, 1987 or Friday, January 9, 1987, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Monday, January 12, 1987, and that when the House of Representatives adjourns on Thursday, January 8, 1987, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Tuesday, January 20, 1987, or until 12 o'clock meridan on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House, after consultation with the Minority Leader of the House, shall notify the Members of the House to reassemble whenever, in his opinion, the public interest shall warrant it.

SENATE CONCURRENT RESOLUTION 2—EXPRESSING THE SENSE OF THE CONGRESS REGARDING THE NEED FOR THE NEGOTIATION OF AN INTERNATIONAL AGRICULTURAL CONSERVATION RESERVE TREATY

Mr. PRESSLER submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 2

Whereas worldwide grain supplies are at a record level of 350 million metric tons—almost two years of grain imports;

Whereas world food production has increased at a rate of 2.5 percent during the 1980s world farm output has increased at a rate of over 3 percent annually;

Whereas approximately one fifth of the world's cropland is experiencing an intolerable rate of soil erosion;

Whereas the cost of farm programs is at record levels in many nations;

Whereas agricultural export markets are declining due to increased productivity in food importing nation; and

Whereas other grain exporting nations have expressed a need to limit agricultural production; Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), that (a) it is the sense of the Congress that the President should initiate multilateral negotiations with all major agricultural commodity exporting nations to establish an international agricultural conservation reserve to reduce worldwide grain surpluses and control soil erosion.

(b) The basis for such an international agricultural conservation reserve should be:

(1) All signatory nations shall agree not to bring any virgin land into crop production and to return a certain percentage of cropland to its natural state and keep the land out of production for a minimum of 10 years. The amount of land to be taken out of production shall be large enough to bring grain supplies in line with demand while still maintaining an adequate emergency food reserve.

(2) Cropland would have to be taken out of production and sound conservation practices implemented on the land to control soil erosion. Land taken out of production would not have to be classified as highly erodible.

(3) An emergency provision would allow a portion of the land of all signatory nations to be put back in production if stocks fell below the level established for the emergency food reserve.

(4) Individual nations could return a portion of their land to production if their production did not meet domestic consumption.

(5) A coordinated international food aid program could be included.

● Mr. PRESSLER. Mr. President, today I am introducing a sense of the Congress resolution urging the administration to initiate multilateral negotiations with all major agricultural exporting nations to establish an international agricultural conservation reserve to reduce grain surpluses and control soil erosion. The current record grain surpluses, the high cost of farm programs and export subsidies, declining export markets and worldwide soil erosion problems provide a unique opportunity and need to reach such an agreement.

My resolution expresses the sense of the Congress that the administration should initiate multilateral negotiations on an international agricultural conservation reserve program. Such an agreement would require all grain exporting nations to agree not to bring any virgin land into production and to return an equal percentage of their cropland to grass or other natural cover. The land would have to be held out of production for a minimum of 10 years. The agreement should also include a provision for an internationally coordinated food aid program. Each nation would be required to contribute a certain percentage of production for food aid. Emergency provisions would be included to allow land to be brought back into production if a shortage of grain occurred or a nation's production fell below domestic consumption. Such an agreement would benefit all nations. The French Minister of Agriculture recently called for a similar international production control agreement and some Western European political parties have expressed interest in this proposal.

Today, worldwide carryover grain stocks are at a record level of 350 million metric tons. The surplus has resulted from increased production and declining export demand. Historically, agricultural production has increased at a rate of 2.5 percent annually. During the 1980's world farm production has increased at a rate of over 3 percent. Food production has outpaced world food demand. More specifically, in the U.S. farm output has increased annually by 2.4 percent during the past 10 years. During the same time period the U.S. population has grown at a 1-percent annual rate. The result is a 1.4-percent increase in surplus food production annually. This 1.4 percent of food production must either be stockpiled or exported. To export the 1.4-percent annual surplus, agricultural exports would have to increase at an annual rate of 5 percent. A 5-percent growth in exports would not reduce the surplus built up in previous years.

On the other hand, if the United States annually reduced production to compensate for the growth in productivity, an estimated 39 million acres, in addition to current set-aside program acres, would have to be taken out of production. All other major agricultural exporting nations face a similar problem. This does not take into consideration the potential increased production of other nations and possible declines in export demand. For example, in 1983 the United States diverted 83 million acres under the PIK Program while other nations increased production and total world grain production actually increased. This illustrates not only the need for a land diversion program, but also demonstrates that unilateral production controls will be unsuccessful in reducing world grain stocks.

The huge grain surpluses and intense competition for exports has dramatically increased farm program costs in the United States and other grain exporting nations. Last year the United States spent $25.6 billion in farm program payments. The European Economic Community spent $25 billion and Canada recently announced a special grains program which will make an additional $1 billion in income payments to farmers over the next 6 months. None of these countries can afford to continue to subsidize farmers at this rate.

Soil erosion is also a serious worldwide environmental problem. Approximately one-fifth of the world's cropland is experiencing an intolerable rate of soil erosion. Millions of acres of cropland are lost annually to severe soil erosion and the productivity of millions of additional acres continues to deteriorate. All nations have land under cultivation that never should have been plowed or cleared of trees. A 10-year conservation reserve program would make great strides in the control of worldwide soil erosion. The conservation and environmental benefits from such a program would help to assure future generations of an adequate food supply.

Current farm policies throughout the world encourage farmers through subsidies to deplete valuable soil resources to grow crops already in surplus at prices below the cost of production. These policies are forcing farmers out of business and dramatically increasing Government farm support costs. Farmers and taxpayers of grain exporting nations in effect are subsidizing food importing nations. So long as world grain stocks remain at record levels, farm prices will remain depressed and farm program costs will stay high. An international agricultural conservation reserve program is the only effective means of reducing grain production and increasing farm prices. I ask my colleagues to join in support of this resolution to urge the administration to initiate multilateral negotiation of an international agricultural conservation agreement.●

SENATE CONCURRENT RESOLUTION 3—TO ENCOURAGE THE CONGRESS TO ENSURE THAT SUFFICIENT FUNDS ARE PROVIDED UNDER TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965, AS MODIFIED BY CHAPTER 1 OF THE EDUCATION CONSOLIDATION AND IMPROVEMENT ACT OF 1981, TO MEET THE NEEDS OF ALL ELIGIBLE EDUCATIONALLY DISADVANTAGED STUDENTS

Mr. MOYNIHAN submitted the following concurrent resolution; which was referred to the committee on Labor and Human Resources:

S. CON. RES. 3

Whereas only approximately 40 percent of the eligible educationally disadvantaged students nationwide receive services under title I of the Elementary and Secondary Education Act of 1965 as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981; and

Whereas the cost of serving eligible students has increased in recent years; and

Whereas, the original intent of this program was to aid all children with family incomes below the Federal poverty standard; and

Whereas, the value to society of educating our young people cannot be overemphasized: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), It is the sense of the Congress that when reauthorizing appropriations for compensatory education for disadvantaged children under title I of the Elementary and secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981, the Congress should take into account the number of eligible students who are not served by the program authorized by that title and the additional costs of providing services to such students.

● Mr. MOYNIHAN. Mr. President, I rise today to introduce a concurrent resolution which urges the Congress to increase funding for the chapter 1 Compensatory Education Program. One of the important tasks facing this new Congress will be the reauthorization of the Elementary and Secondary Education Act, and within that context will be much debate over the chapter 1 program. Given the anticipated efforts to reauthorize and reform chapter 1, this resolution expresses the sense of the Congress that funding for this program be increased to provide for the thousands of children who are not being served under existing funding levels.

This program provides Federal funds for remedial reading and math classes to educationally disadvantaged children. The original intent of this program—first enacted under the 1965 Elementary and Secondary Education Act—was to aid children with family incomes below the Federal poverty standard, children who showed low academic achievement.

The history is a simple one.

President Kennedy established a task force in the Executive Office to study the issue of poverty and its effect on educational achievement. He proposed general legislation in this area—which later emerged as the outline for the war on poverty declared by President Johnson—which included providing Federal funds to school districts—local educational agencies—to improve the academic skills of educationally disadvantaged students.

This idea was incorporated into the Elementary and Secondary Education Act of 1965 signed into law by President Johnson. He and the Congress undertook to provide additional reading and math courses to children in need of extra help.

But is it working? Is it reaching those that need it most? I think not. Unfortunately, the best estimates show that the program is only reaching approximately 45 percent of those children who are eligible to receive assistance from it. The Senate Committee on Appropriations, in its report for fiscal year 1987, wrote:

> Virtually all parties involved in and knowledgeable about chapter 1, except the Department of Education, estimate that fewer than one-half of those eligible are served.

The committee was obviously concerned that the Department of Education is underestimating the number of children in need of services and consequently underestimating the amount of funds necessary to provide chapter 1 services to all that need them.

In addition to the problems which exist in trying to reach all those children, the Supreme Court decision, Aguilar versus Felton, has presented special problem for those children who are enrolled in parochial schools and are eligible for chapter 1 services. In Felton, the Court held that it was unconstitutional to provide chapter 1 services on parochial school grounds. As a result of this decision, many of these children have been unable to receive extra help in math and reading courses at "neutral sites," as required by the Supreme Court, due to the increased costs of providing such sites.

The effect on my own State of New York has been profound. Before Felton, there were 40,000 students enrolled in parochial schools receiving remedial services under the chapter 1 program. Since the Felton decision took effect—New York City was granted a 1-year delay for compliance until September 1986—almost 12,000 parochial students in New York City are not receiving services for which they are eligible. In the upstate region of New York State, 7,500 out of 15,000 students are not receiving services for which they are eligible.

The increase in funding urged by this resolution is intended to be used to both expand the number of students served in public schools and to cover the new additional costs of providing services to parochial school students. Clearly there is a need for substantial increases in funding; both Congress and the administration recognize it—now we must act upon it.

The value of educating our young people cannot be overemphasized. In addition to the immediate benefit to individual students and their families, our society as a whole is collectively strengthened by an educated work force. For those that claim that such services are too costly, the investment worthless, I would point to the fact that the more poor people who can move out of the ranks of poverty with an education, the less we will bear the costs of supporting these individuals.

If we fail to recognize the need to educate our Nation's children—a need that is not currently being met—we fail in our responsibility as elected officials entrusted with the public wellbeing. The Federal Government must meet this growing demand by authorizing additional funds to serve all eligible children, not half, not two-thirds, but all of them. I urge my colleagues to pass this resolution so that we can accomplish this goal.●

SENATE CONCURRENT RESOLUTION 4—RELATING TO TAX-EXEMPT 501(c)(3) BONDS

Mr. MOYNIHAN submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 4

Whereas private nonprofit colleges, universities, hospitals, and other section 501(c)(3) organizations serve important public functions in the national interest, equivalent to those served by similar public institutions;

Whereas higher education and healthcare have become capital intensive undertakings, requiring significant debt financing;

Whereas the availability of tax-exempt financing to private nonprofit colleges, universities, and hospitals on a parity with their public counterparts has been a longstanding Federal policy which should continue; and

Whereas the Internal Revenue Code has in the past recognized the public purposes served by private nonprofit colleges, universities, and hospitals by classifying such institutions as "exempt persons" for purposes of tax-exempt financing: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the tax-exempt bonds of private nonprofit colleges, universities, hospitals, and other section 501(c)(3) institutions should not be classified as "private activity" bonds in the Internal Revenue Code of 1986.

● Mr. MOYNIHAN. Mr. President, I rise today to introduce a concurrent resolution calling upon Congress to undo what should never have been done in the first place: The classification of tax-exempt bonds of private nonprofit educational institutions and hospitals as "private activity" bonds. The tax-exempt bond provisions of the Tax Reform Act of 1986 imposed this label on bonds issued on behalf of such nonprofit institutions, collectively known as section 501(c)(3) organizations, thereby obscuring the longstanding recognition in the Internal Revenue Code of the public purposes served by these institutions.

Prior law tax-exempt bond provisions treated private nonprofit colleges, universities, and hospitals in large part the same as governmental entities. Governmental units and 501(c)(3) organizations were both classified as "exempt persons"—an explicit recognition in the code of the important public purposes served by the latter.

The 1986 act's elimination of the "exempt person" category and the classification of nonprofit institutions' bonds as "private activity" bonds has changed the status of these bonds, and the resolution I introduce today calls upon Congress to restore their former status. I will soon introduce legislation that would accomplish this end.

Last year's historic tax reform legislation included a substantial revision of the tax-exempt bond provisions of the Internal Revenue Code. This was one aspect of the legislation of particular concern to me, and as a member of the Senate Finance Committee and later the committee on conference, I worked very hard to preserve one principle in the law of tax-exempt financing: That tax-exempt bonds should remain available to private, nonprofit colleges, universities, and hospitals on a parity with their public counterparts.

This principle had long been embodied in the Tax Code, in recognition of the public purposes served by private educational, charitable, religious, and other nonprofit institutions—known in the Internal Revenue Code as "section 501(c)(3)" organizations, a reference to the code provision granting them tax-exempt status. In 1968, when Congress first enacted provisions designed to limit the use of tax-exempt financing by private, nongovernmental enterprises, a critical distinction was made. The new restrictions were to apply to the activities of everyone except "exempt persons." An exempt person was thereupon defined as: a governmental unit, or an organization described in section 501(c)(3)—section 107(a) of the Revenue Adjustment Act of 1968, amending section 103 of the Internal Revenue Code of 1954.

Now here we had something important. Private educational, charitable, and other nonprofit institutions are said to be imbued with a public purpose such that they were specifically equated for tax-exempt bond purposes with sovereign institutions of government. This was an immunity, if you like, of the largest consequence. And this deemed equivalence of 501(c)(3) organizations and governmental units was preserved in all critical respects in subsequent revisions of the law in this area—perhaps most significantly in 1984, when statewide volume limits were imposed on most nongovernmental tax-exempt bonds.

The Internal Revenue Code's explicit recognition in 1968 of the public purpose served by private nonprofit colleges and hospitals, and the parity in tax-exempt financing that flowed from it, coincided with the elimination of other forms of Federal support for the capital needs of these institutions. The HUD-sponsored College Housing Program, which had provided low-interest loans to private educational institutions to finance capital needs through the 1960's, was being phased out at the end of that decade. Similarly, tax-exempt financing for private nonprofit hospitals has filled the gap left by the termination of the Hill-Burton program of Federal grants and low-interest loans for these institutions.

But the principle of permitting tax-exempt bonds for private nonprofit colleges, universities, and hospitals on a parity with their public counterparts came under attack during the last Congress, starting with the administration's tax reform proposals. Both the initial Treasury Department plan of November 1984 and the revised plan endorsed by the President in May 1985 would have eliminated tax-exempt financing for 501(c)(3) organizations. And the tax reform bill passed by the House of Representatives, though not repealing tax-exempt bonds for 501(c)(3) organizations, would nevertheless have substantially restricted them, while leaving similar public institutions unfettered.

I, along with other like-minded Members of this body, fought to preserve parity between public and private nonprofit educational and healthcare facilities. In most crucial respects we were successful. Under the Senate tax reform bill, and the bill ultimately agreed to by the conference committee and enacted into law, both governmental and section 501(c)(3) bonds may be advance refunded on the same basis. Unlike the case with other tax-exempt bonds, the interest on governmental and section 501(c)(3) bonds is excluded from the minimum tax. Finally, governmental and section 501(c)(3) bonds are exempt from the statewide volume limitations—although the new law imposes a "per institution" limit on the amount of bonds that any 501(c)(3) organization that is not a hospital may have outstanding.

Yet the final bill made a very disturbing change in the status of 501(c)(3) institutions for purposes of tax-exempt financing. The "exempt person" status, previously shared by governmental units and section 501(c)(3) organizations, was eliminated, and the bonds of section 501(c)(3) organizations were to be classified henceforth as "private activity" bonds. Thus obliterated was an important symbol of the Tax Code's recognition of the public purposes served by private 501(c)(3) organizations engaged in educational, health care, and similar nonprofit pursuits.

The implications for future restrictions on tax-exempt financing for 501(c)(3) institutions are ominous. Those of us who were concerned about this were successful in getting a disclaimer of sorts added to the final legislation, section 1302 of the Tax Reform Act of 1986, which states that—

> Nothing in the treatment of section 501(c)(3) bonds as private activity bonds under the amendments made by this title shall be construed as indicating how section 501(c)(3) bonds will be treated in future legislation, and any change in future legislation applicable to private activity bonds shall apply to section 501(c)(3) bonds only if expressly provided in such legislation.

The resolution which I introduce today expresses the intent of the Congress to undo the classification of 501(c)(3) bonds as "private activity" bonds. Specific legislation to accomplish this result is currently being drafted, and I will introduce it as soon as it is ready.

The goal of the legislation contemplated by today's resolution is to preserve the level playing field between public and private institutions serving in the fields of education, health care, and medical research. The extent of the private nonprofit sector's contributions in these fields in this country is unique. The beginnings of higher education in America were private sector initiatives. It was almost two centuries before State-sponsored institutions appeared. In time State institutions would enroll the greater proportion of students, but private colleges and universities continue to be vigorous and typically growing institutions. American higher education is unique in the degree to which its major research institutions are "private"—about an even split—and to the extent that the private sector contains so many of the most sought after small undergraduate institutions.

The role of private nonprofit hospitals is also a central one. Private nonprofit institutions constitute 60 percent of our Nation's community hospitals—non-Federal, short-term, general hospitals—and 70 percent of all community hospital beds. Private nonprofit hospitals provide a disproportionate amount of services on the forefront of medical technology, such as organ transplants, open-heart facilities, radiation therapy, and genetic counseling. Moreover, most of our Nation's medical education and research is conducted in nonprofit hospitals.

Preservation of equal access to tax-exempt financing is a critical element in maintaining the vigor of private initiatives in higher education and health care, for both are now "capital intensive" undertakings. A recent National Science Foundation study of the country's private Ph.D.-granting universities estimated that more than 26 percent of these institutions needed capital expansion for research facilities between now and 1991 will have to be financed through tax-exempt bonds. In short, in this era of capital intensive research, to use David A. Spence's term, restricting the financing opportunities of private institutions in relation to their public counterparts could lose us a legacy of two and three centuries over one or two generations.

The future capital needs of private nonprofit hospitals are also extensive. In my own State of New York, nonprofit hospitals will require about $2.5 billion in capital expansion over the next 2 years—for modernization and replacement of facilities, not expansion of bedspace. The comparable figure for public institutions is $1 billion.

The resolution which I introduce today, and the legislation that will shortly follow, will insure that tax-exempt financing remains available to these most important institutions on a parity with their public counterparts.●

SENATE CONCURRENT RESOLUTION 5—TO REQUEST THE PRESIDENT TO TAKE APPROPRIATE ACTIONS TOWARD THE ESTABLISHMENT OF A COOPERATIVE INTERNATIONAL RESEARCH PROGRAM WITH RESPECT TO THE GREENHOUSE EFFECT

Mr. GORE submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 5

Whereas scientists have documented a continuing increase in the concentration of carbon dioxide and greenhouse gases in the atmosphere of the Earth, which may result in a phenomenon known as the greenhouse effect;

Whereas scientists predict that the greenhouse effect could have many adverse effects on the Earth, including—

(1) changes in climatic patterns which could cause alterations in agricultural productivity and patterns of land use; and

(2) the melting of glacial ice, resulting in a rise in sea levels worldwide;

Whereas human activities, including the burning of fossil fuels, are primarily responsible for the increase in the concentration of carbon dioxide and the release of other greenhouse gases in the atmosphere;

Whereas all nations may be adversely affected if the greenhouse effect occurs, and each nation has an interest in protecting the Earth from this environmental threat; and

Whereas the magnitude of the impact of the occurrence of the greenhouse effect has been investigated by scientists and is only beginning to be understood: Now, therefore be it

Resolved by the Senate (the House of Representatives concurring), That

(a) The United States should promote and support—

(A) domestic and international research efforts with respect to the greenhouse effect and its impact;

(B) studies of methods to reduce the rate of increase in the concentration of carbon dioxide and greenhouse gases in the atmosphere of the Earth; and

(C) efforts to prevent degradation of the environment of the Earth by the greenhouse effect;

(2) the President is requested to take all appropriate actions, in cooperation with any international organization which the President determines to be appropriate, to establish a long-term study, beginning with a 1-year cooperative international research program, with respect to the greenhouse effect with the purposes of—

(A) increasing the worldwide dissemination of information with respect to the causes of the greenhouse effect and methods to alleviate or avoid the effect;

(B) coordinating the research efforts of the participating nations with respect to the greenhouse effect;

(C) fostering cooperation among nations to develop more extensive research efforts with respect to the greenhouse effect:

(D) preparing a report on the accomplishments of the program;

(E) identifying the potential alternative policies necessary to avoid a buildup of greenhouse gases beyond levels which could have catastrophic results; and

(F) developing a long-term plan for future research efforts with respect to the greenhouse effect;

(3) any such Program established by the President should be started during or before the calendar year 1991, which year shall be known as the "International Year of the Greenhouse Effect"; and

(4) the participation of the United States in any such program established by the President should be planned and coordinated on behalf of the United States by the Chairman of the National Academy of Sciences and the Secretary of Energy.

● Mr. GORE. Mr. President, today I am reintroducing legislation to establish the International Greenhouse Effect Year. The purpose of this measure is to expand and focus scientific research efforts on the greenhouse effect and its consequences for society.

Modern man has acquired the technology to catastrophically alter the fragile atmosphere of our planet. The release of carbon dioxide, from burning fossil fuels, and other greenhouse gases, from high technology applications, could have the insidious long-term effect of warming the globe. The buildup of these gases traps radiation, causing the atmosphere to heat up—a phenomenon known as the greenhouse effect. If today's worst-case scenarios become tomorrow's facts, we may have only a few decades in which to ameliorate the impact—which could range from drought in the Midwest to floods on both coasts.

At first glance, the greenhouse effect may sound more like the plot of a bad science fiction novel than a serious environmental issue deserving immediate public policy review. But given its serious and potentially drastic impacts, Federal research and study efforts must place the highest priority on solving the mysteries surrounding the greenhouse effect. Otherwise future generations may experience a science fiction horror story come true.

I am proposing legislation that would decrease the scientific uncertainties and provide us more information on the greenhouse effect. This concurrent resolution calls for the establishment of an international year of scientific study of the greenhouse effect, and requests the President to take steps to launch a worldwide cooperative program. That would be just the beginning, as many of the studies would continue for years.

The legislation would first, coordinate and promote domestic and international research efforts on both the scientific and policy aspects of this problem; second, identify strategies to reduce the increase of carbon dioxide and other greenhouse gases; third, study ways to minimize the impact of the greenhouse effect; and fourth, establish long-term research plans.

The concept of an international year of study has been used successfully in the past. In fact, the best and most complete collection of data based on atmospheric concentrations of carbon dioxide began in 1957 as a result of the International Geophysical Year. At that time a sampling station was established on Mona Loa, HI. Today scientists are still collecting data from that station.

Mr. President, I believe this bill will significantly improve national and international research coordination and cooperation. In time, it will produce the vital data Congress needs to make the appropriate policy decisions regarding the greenhouse effect. I urge my colleagues to support this legislation.●

SENATE CONCURRENT RESOLUTION 6—EXPRESSING THE SENSE OF THE CONGRESS WITH RESPECT TO THE DENIAL OF HEALTH INSURANCE COVERAGE FOR DISABLED ADOPTED CHILDREN

Mr. HUMPHREY submitted the following concurrent resolution; which was referred to the Committee on Labor and Human Resources:

S. CON. RES. 6

Whereas at least 36,000 children in this country are free for adoption and are living in foster care waiting for a permanent home;

Whereas many of these children are physically, mentally, or emotionally disabled;

Whereas some insurance companies deny health insurance to a disabled adopted child on the basis that the disability of the child is a preexisting condition;

Whereas the actions of these insurance companies impose a significant barrier to the adoption of these children because few prospective adoptive parents can afford to take the risk of adopting a child who will not be covered by health insurance;

Whereas under State law in this country, adoption severs the legal ties between the adopted child and his or her birth parents, and creates a legal relationship with the adoptive parents;

Whereas in every State, State law has established that an adopted child has the same legal status as a biological child for all intents and purposes;

Whereas these insurance companies would cover a biological child with the same disability born to the adoptive parents;

Whereas by denying health insurance coverage to disabled adopted children, the insurers are discriminating against adopted children and establishing a policy contrary to State law on adoption; and

Whereas the barriers to adoption that deny children a permanent home and prevent couples from establishing families should be eliminated: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the Congress—

(1) opposes discrimination in health insurance against adopted children;

(2) urges insurance companies to treat adopted children identically to biological children as mandated by State law; and

(3) calls upon State legislatures to enact legislation that specifically requires health insurance contracts to cover adopted children of the insured, subscriber, or enrollee on the same basis as other dependents, with such coverage to be effective from the date of placement for the purpose of adoption.

● Mr. HUMPHREY. Mr. President, today I am introducing a concurrent resolution expressing the sense of the Congress with respect to the denial of health insurance coverage for disabled adopted children.

For over a year now, I have been actively promoting adoption through specific legislation and through the congressional coalition on adoption. In the course of this effort, I have learned of the numerous barriers to adoption from experts in the adoption field and individuals and couples who have been involved with the adoption process.

One such barrier arises when insurance companies deny health insurance to a disabled adopted child on the basis that the disability, whether it be physical, mental, or emotional, is a preexisting condition. Few prospective parents can afford to take the risk of adopting a child who will not be covered by health insurance.

This past April, at the first hearing of the congressional coalition on adoption, several witnesses on a panel devoted to health care for adoption of children with special needs discussed this problem. One witness, Mrs. Linda Sacra, representing the Texas Council on Adoptable Children, spoke of a case which involved a baby born prematurely who showed a brain mass on a CAT-scan several days after birth. The prospective adoptive parents wanted to proceed with the adoption but, because their insurance company refused to cover any costs associated with the brain mass on the grounds that it was a preexistent condition, the adoption plan was disrupted. I am told there are many cases like this, involving both infants and older children.

A second witness, Mrs. Mary Ann Kuharski, who is both an adoptee and an adoptive parent working on adoption and foster care issues in Minnesota, testified about a Minnesota law which guarantees equal rights for adopted children in health and accident insurance coverage. The Minnesota statute encourages couples to adopt children with disabilities by providing that they will not be denied health insurance coverage for the child from the date of placement in their home. Under this law, if the child would be covered if he or she were a biological child, then the adopted child must also be covered.

Mr. President, that makes good sense to me. Under State law in this country, adoption severs the legal ties between the adoptee and his or her birth parents, and creates a legal relationship with the adoptive parents. In every State except Illinois, by statute, an adopted child has, for all intents and purposes, the same status as a biological child. Illinois cases have established the same law. According to adoptive parents and child advocates, some insurers simply choose to ignore these laws, and in essence discriminate against adopted children by refusing to provide health care coverage for disabilities which existed before the adoption.

According to the best information available, only eight States have statutes specifically dealing with health insurance coverage for adopted children, and some of those may not be strong enough to prevent completely this discrimination. In addition, if the statute does not specify that coverage must be provided from the time of placement, an insurance company may choose to provide coverage from the date of the finalization of the adoption or later. There is little or no case law on this subject in any State.

According to the Department of Health and Human Services, at least 36,000 children are free for adoption and waiting for a permanent home. Many of these children are disabled. Some are eligible for Medicaid and thus their health care would be covered whether they are in a foster home or an adoptive home. For those who are not eligible for Medicaid, financing of their health care may impose a significant barrier to their adoption.

Through adoption laws, all States have said to adoptive parents, "This child is your child, like any other child born to you." As parents we accept and love, and the insurance companies cover, our biological children with any congenital conditions or abnormalities they may have. Since the State law says an adopted child is to be treated identically to a biological child, why should a health insurance plan not cover a disabled adopted child when it would cover a biological child with the same disability? By denying health insurance coverage to disabled adopted children, insurers are discriminating against adopted children and establishing a policy contrary to State law on adoption.

Mr. President, I have no interest in meddling in insurance policy or in encouraging the Federal Government to dictate policy in insurance matters to State legislatures. But Congress has repeatedly recognized the need to encourage special needs adoption, particularly through the Adoption Opportunities Program established by the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (Public Law 95-266), and the Adoption Assistance Program established by the Adoption Assistance and Child Welfare Act of 1980 (Public Law 96-272).

I have been told this problem of obtaining health insurance is pervasive and constitutes a serous barrier to special needs adoption. I believe Congress has a responsibility to point out the inequity in this situation and to encourage the insurance industry and the State legislatures to take steps to solve the problem.

The concurrent resolution I am introducing today makes it clear that Congress first, opposes discrimination in health insurance against adopted children; second, urges insurance companies to treat adopted children identically to biological children as mandated by State law; and third, calls upon State legislatures to enact legislation that specifically requires health insurance contracts to cover adopted children of the insured, subscriber, or enrollee on the same basis as other dependents, with such coverage to be effective from the date of placement for the purpose of adoption.●

SENATE RESOLUTION 1—INFORMING THE PRESIDENT THAT A QUORUM OF EACH HOUSE IS ASSEMBLED

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. RES. 1

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

SENATE RESOLUTION 2—INFORMING THE HOUSE THAT A QUORUM OF THE SENATE IS ASSEMBLED

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. RES. 2

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

SENATE RESOLUTION 3—ELECTING SENATOR JOHN C. STENNIS AS PRESIDENT PRO TEMPORE OF THE U.S. SENATE

Mr. BYRD (for himself and Mr. THURMOND) submitted the following resolution; which was considered and agreed to:

S. RES. 3

Resolved, That John C. Stennis, a Senator from the State of Mississippi, be, and he is hereby, elected President of the Senate pro tempore, to hold office during the pleasure of the Senate, in accordance with rule I, paragraph 1, of the Standing Rules of the Senate.

SENATE RESOLUTION 4—NOTIFYING THE PRESIDENT OF THE ELECTION OF A PRESIDENT PRO TEMPORE

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. RES. 4

Resolved, That the President of the United States be notified of the election of John C. Stennis, a Senator from the State of Mississippi, as President pro tempore.

SENATE RESOLUTION 5—CONGRATULATING SENATOR JOHN C. STENNIS ON HIS ELECTION AS PRESIDENT PRO TEMPORE

Mr. BYRD (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 5

Resolved, That the Majority Leader and the Minority Leader of the Senate, on behalf of the Senate, congratulate John C. Stennis, a Senator from the State of Mississippi, upon his election as President pro tempore of the United States Senate.

SENATE RESOLUTION 6—NOTIFYING THE HOUSE OF THE ELECTION OF A PRESIDENT PRO TEMPORE

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. RES. 6

Resolved, That the House of Representatives be notified of the election of John C. Stennis, a Senator from the State of Mississippi, as President pro tempore.

SENATE RESOLUTION 7—ELECTING WALTER J. STEWART AS SECRETARY OF THE SENATE

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. RES. 7

Resolved, That Walter J. Stewart be, and he is hereby, elected Secretary of the Senate, beginning January 6, 1987.

SENATE RESOLUTION 8—NOTIFYING THE PRESIDENT OF THE UNITED STATES OF THE ELECTION OF A SECRETARY OF THE SENATE

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. RES. 8

Resolved, That the President of the United States be notified of the election of the Honorable Walter J. Stewart as Secretary of the Senate.

SENATE RESOLUTION 9—NOTIFYING THE HOUSE OF REPRESENTATIVES OF THE ELECTION OF A SECRETARY OF THE SENATE

Mr. BYRD (for himself and Mr. INOUYE) submitted the following resolution; which was considered and agreed to:

S. RES. 9

Resolved, That the House of Representatives be notified of the election of the Honorable Walter J. Stewart as Secretary of the Senate.

SENATE RESOLUTION 10—ELECTING HENRY KUUALOHA GIUGNI AS THE SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

Mr. BYRD (for himself and Mr. INOUYE) submitted the following resolution; which was considered and agreed to:

S. RES. 10

Resolved, That Henry Kuualoha Giugni, of the State of Hawaii, be, and he is hereby, elected Sergeant at Arms and Doorkeeper of the Senate.

SENATE RESOLUTION 11—ELECTING DAVID J. PRATT AS SECRETARY FOR THE MAJORITY OF THE SENATE

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. RES. 11

Resolved, That David J. Pratt be, and he is hereby, elected Secretary for the Majority of the Senate.

SENATE RESOLUTION 12—ELECTING HOWARD GREENE AS SECRETARY FOR THE MINORITY OF THE SENATE

Mr. DOLE submitted the following resolution; which was considered and agreed to:

S. RES. 12

Resolved, That Howard Greene be, and he is hereby, elected Secretary for the Minority of the Senate.

SENATE RESOLUTION 13—FIXING THE HOUR OF DAILY MEETING OF THE SENATE

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. RES. 13

Resolved, That the hour of daily meeting of the Senate be 12 o'clock meridian unless otherwise ordered.

SENATE RESOLUTION 14—TO AMEND PARAGRAPHS 2 AND 3 OF RULE XXV

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. RES. 14

Resolved, That Rule XXV, paragraph 2, of the Standing Rules of the Senate is amended as follows:

Strike the figure after "Agriculture, Nutrition, and Forestry" and insert in lieu thereof "18";

Strike the figure after "Armed Services" and insert in lieu thereof "20";

Strike the figure after "Banking, Housing, and Urban Affairs" and insert in lieu thereof "18";

Strike the figure after "Commerce, Science, and Transportation" and insert in lieu thereof "20";

Strike the figure after "Energy and Natural Resources" and insert in lieu thereof "19";

Strike the figure after "Environment and Public Works" and insert in lieu thereof "16";

Strike the figure after "Foreign Relations" and insert in lieu thereof "20";

Strike the figure after "Governmental Affairs" and insert in lieu thereof "14";

Strike the figure after "Judiciary" and insert in lieu thereof "14";

SEC. 2. Paragraph 3(a) of rule XXV of the Standing Rules of the Senate is amended as follows:

Strike the figure after "Budget" and insert in lieu thereof "24";

Strike the figure after "Rules and Administration" and insert in lieu thereof "16";

Strike the figure after "Veterans Affairs" and insert in lieu thereof "11";

Strike the figure after "Small Business" and insert in lieu thereof "18".

SEC. 3. Paragraph 3(c) of Rule XXV of the Standing Rules of the Senate is amended as follows:

Strike the figure after "Indian Affairs" and insert in lieu thereof "8".

SENATE RESOLUTION 15—TO AMEND PARAGRAPH 4 OF RULE XXV OF THE STANDING RULES OF THE SENATE

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. RES. 15

Resolved, That paragraph 4 of Rule XXV is amended by striking all after subparagraph (g) and inserting in lieu thereof the following:

"(h)(1) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Armed Services and the Committee on Energy and Natural Resources may, during the Hundredth Congress, also serve as a member of the Committee on Governmental Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(2) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Rules and Administration may, during the Hundredth Congress, also serve as a member of the

Committee on Veterans Affairs and the Committee on Intelligence so long as his service as a member of each of such committees is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 3(a) and 3(b).

"(h)(3)(A) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Banking, Housing and Urban Affairs and the Committee on Foreign Relations may, during the Hundredth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(3)(B) A Senator who during the Hundredth Congress may serve as a member on those committees listed in subparagraph (a), as well as a member on the Special Committee on Aging, may, during the Hundredth Congress, also serve as a member of the Committee on the Budget so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3.

"(h)(4) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations and the Committee on Agriculture, Nutrition and Forestry may, during the Hundredth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may be serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(5)(A) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Armed Services and the Committee on the Judiciary may, during the Hundredth Congress, also serve as a member of the Committee on labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(5)(B) A Senator who during the Hundredth Congress serves on the Committee on Armed Services, the Committee on the Judiciary, and the Committee on Labor and Human Resources, and who serves as chairman of a committee listed in paragraph 2, may serve as chairman of two subcommittees of all committees listed in paragraph 2 of which he is a member.

"(h)(6)(A) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Agriculture, Nutrition, and Forestry and the Committee on Appropriations may, during the Hundredth Congress, also serve as a member of the Committee on the Judiciary so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(6)(B) A Senator who during the Hundredth Congress serves on the Committee on Agriculture, Nutrition and Forestry, the Committee on Appropriations, and the Committee on the Judiciary, and who serves as chairman of a committee listed in paragraph 2, may serve as chairman of two subcommittees of all committees listed in paragraph 2 of which he is a member.

"(h)(7) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Energy and Natural Resources and the Committee on the Judiciary may, during the Hundredth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(8) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Environment and Public Works and the Committee on Finance may, during the Hundredth Congress, also serve as a member of the Committee on Governmental Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(9) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Agriculture, Nutrition and Forestry and the Committee on Finance may, during the Hundredth Congress, also serve as a member of the Committee on Governmental Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(10) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Banking, Housing and Urban Affairs and the Committee on Commerce, Science and Transportation may, during the Hundredth Congress, also serve as a member of the Committee on Finance so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(11)(A) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations and the Committee on Banking, Housing and Urban Affairs, may, during the Hundredth Congress, also serve as a member of the Committee on Governmental Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(11)(B) A Senator who during the Hundredth Congress may serve as a member on those committees listed in subparagraph (a), as well as a member of the Committee on the Budget, may, during the Hundredth Congress, also serve as a member of the Committee on Small Business so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(12) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on the Judiciary and the Committee on Labor and Human Resources may, during the Hundredth Congress, also serve as a member of the Committee on Foreign Relations so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(14) A Senator whose term begins on January 3, 1987 may serve as a member of the Committee on Commerce, Science and Transportation and the Committee on Foreign Relations and may, during the Hundredth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(14) A Senator whose term begins on January 3, 1987 may serve as a member of the Committee on Appropriations and the Committee on Environment and Public Works and may, during the Hundredth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2."

SENATE RESOLUTION 16—TO AMEND PARAGRAPH 4 OF RULE XXV OF THE STANDING RULES OF THE SENATE

Mr. DOLE submitted the following resolution; which was considered and agreed to:

S. RES. 16

Resolved, That paragraph 4 of Rule XXV is amended by adding at the end of paragraph (h) the following:

"(h)(15) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on the Judiciary, the Committee on Labor and Human Resources, the Committee on Armed Services, and the Committee on Veterans Affairs may, during the Hundredth Congress, serve as a member of the Committee on the Judiciary, the Committee on Labor and Human Resources, the Committee on Armed Services, and the Committee on Veterans Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(16) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations, the Committee on Commerce, Science and Transportation, the Committee on Governmental Affairs, and the Committee on Rules and Administration may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on Commerce, Science and Transportation, the Committee on Governmental Affairs, and the Committee on Rules and Administration so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(17) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Finance, the Committee on Governmental Affairs, and the Select Committee on Intelligence may, during the Hundredth Congress, also serve as a member of the Joint Economic Committee so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraphs 3(a) and 3(b).

"(h)(18) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations, the Committee on Energy and Natural Resources, the Committee on Labor and Human Resources, and the Committee on Small Business may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on Energy and Natural Resources, the Committee on Labor and Human Resources, and the Committee on Small Business so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(19) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations, the Committee on Environment and Public Works, the Committee on Energy and Natural Resources, and the Committee on the Budget may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on the Budget, the Committee on Energy and Natural Resources, and the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(20) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Environment and Public Works and the Committee on Finance may, during the Hundredth Congress, also serve as a member of the Committee on Banking, Housing and Urban Affairs and the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(21) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Banking, Housing and Urban Affairs, the Committee on Finance, and the Special Committee on Aging may, during the Hundredth Congress, also serve as a member of the Committee on Governmental Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(22) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Environment and Public Works, the Committee on Finance, the Committee on Governmental Affairs, the Select Committee on Intelligence may, during the Hundredth Congress, serve as a member of the Committee on Environment and Public Works, the Committee on Finance, the Committee on Governmental Affairs, and the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(23) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Agriculture, Nutrition and Forestry, the Committee on Appropriations, and the Committee on Government Affairs may, during the Hundredth Congress, serve as a member of the Committee on Agriculture, Nutrition and Forestry, the Committee on Appropriations, and the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(24) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Agriculture, Nutrition and Forestry, the Committee on Foreign Relations, the Committee on the Budget and the Committee on Veterans Affairs may, during the Hundredth Congress, also serve as a member of the Select Committee on Small Business so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(25) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Environment and Public Works, the Committee on the Judiciary, and the Committee on Veterans Affairs may, during the Hundredth Congress, also serve as a member of the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(26) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Armed Services and the Committee on Energy and Natural Resources may, during the Hundredth Congress, serve as a member of the Committee on Armed Services, the Committee on Environment and Public Works, the Committee on Rules and Administration, and the Select Committee on Intelligence so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(27) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Armed Services, the Committee on Government Affairs, and the Select Committee on Intelligence may, during the Hundredth Congress, also serve as a member of the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(28) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Commerce, Science and Transportation, the Committee on Foreign Relations, the Committee on Small Business, and the Special Committee on Aging may, during the Hundredth Congress, serve as a member of the Committee on Commerce, Science and Transportation, the Committee on Foreign Relations, the Committee on Environment and Public Works, the Committee on Small Business, and the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2, or as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(29) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Armed Services and the Committee on Environment and Public Works may, during the Hundredth Congress, serve as a member of the Committee on Armed Services, the Committee on Labor and Human Resources, and the Committee on the Judiciary so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(30) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Budget, the Committee on Environment and Public Works, the Committee on Finance and the Joint Economic Committee may, during the Hundredth Congress, serve as a member of the Committee on Armed Services, the Committee on Environment and Public Works, the Committee on the Budget, and the Joint Economic Committee so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(31) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Finance, the Committee on the Judiciary, the Committee on Labor and Human Resources, the Special Committee on Aging and the Committee on the Budget may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on the Judiciary, the Committee on the Budget, and the Special Committee on Aging so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(32) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations, the Committee on Commerce, Science and Transportation, the Committee on the Budget, and the Committee on Small Business may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on Commerce, Science and Transportation, the Committee on the Budget, and the Committee on Small Business so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(33) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations, the Committee on Banking, Housing and Urban Affairs, the Committee on Small Business, and the Joint Economic Committee may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on Banking, Housing and Urban Affairs, the Committee on Small Business, and the Joint Economic Committee so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than two committees listed in paragraph 3(a) and 3(b).

"(h)(34) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Energy and Natural Resources, the Committee on Foreign Relations, the Committee on Veterans' Affairs, and the Select Committee on Intelligence may, during the Hundredth Congress, serve as a member of the Committee on Energy and Natural Resources, the Committee on Foreign Relations, the Committee on Veterans' Affairs, and the Select Committee on Intelligence so long as his service as a member of each of such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 3(a) and 3(b).

"(h)(35) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Appropriations, the Committee on Governmental Affairs, and the Committee on Small Business may, during the Hundredth Congress, serve as a member of the Committee on Appropriations, the Committee on Governmental Affairs, the Committee on Small Business, and the Committee on the Budget so long as his service as a member of each of such committees is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 3(a) and 3(b).

"(h)(36) A Senator who on the last day of the Ninety-ninth Congress was serving as a member of the Committee on Agriculture, Nutrition and Forestry, the Committee on Armed Services, the Special Committee on Aging and the Joint Economic Committee may, during the Hundredth Congress, serve as a member of the Committee on Agriculture, Nutrition and Forestry, the Committee on Armed Services, the Committee on Commerce, Science and Transportation, the Special Committee on Aging, and the Joint Economic Committee so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2, and as a member of more than two committees listed in paragraph 3(a) and 3(b)."

SENATE RESOLUTION 17—MAKING MAJORITY PARTY APPOINTMENTS TO SENATE COMMITTEES FOR THE 100TH CONGRESS

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. Res. 17

Resolved, That the following shall constitute the majority party's membership on the standing committees for the 100th Congress, or until their successors are chosen:

Committee on Agriculture, Nutrition, and Forestry: Mr. Leahy (Chairman), Mr. Zorinsky, Mr. Melcher, Mr. Pryor, Mr. Boren, Mr. Heflin, Mr. Harkin, Mr. Conrad, Mr. Fowler, and Mr. Daschle.

Committee on Appropriations: Mr. Stennis (Chairman), Mr. Byrd, Mr. Proxmire, Mr. Inouye, Mr. Hollings, Mr. Chiles, Mr. Johnston, Mr. Burdick, Mr. Leahy, Mr. Sasser, Mr. DeConcini, Mr. Bumpers, Mr. Lautenberg, Mr. Harkin, Ms. Mikulski, and Mr. Reid.

Committee on Armed Services: Mr. Nunn (Chairman), Mr. Stennis, Mr. Exon, Mr. Levin, Mr. Kennedy, Mr. Bingaman, Mr. Dixon, Mr. Glenn, Mr. Gore, Mr. Wirth, and Mr. Shelby.

Committee on Banking, Housing, and Urban Affairs: Mr. Proxmire (Chairman), Mr. Cranston, Mr. Riegle, Mr. Sarbanes, Mr. Dodd, Mr. Dixon, Mr. Sasser, Mr. Sanford, Mr. Shelby, and Mr. Graham.

Committee on Commerce, Science, and Transportation: Mr. Hollings (Chairman), Mr. Inouye, Mr. Ford, Mr. Riegle, Mr. Exon, Mr. Gore, Mr. Rockefeller, Mr. Bentsen, Mr. Kerry, Mr. Breaux, Mr. Adams.

Committee on Energy and Natural Resources: Mr. Johnston (Chairman), Mr. Bumpers, Mr. Ford, Mr. Metzenbaum, Mr. Melcher, Mr. Bradley, Mr. Bingaman, Mr. Wirth, Mr. Fowler, and Mr. Conrad.

Committee on Environment and Public Works: Mr. Burdick (Chairman), Mr. Moynihan, Mr. Mitchell, Mr. Baucus, Mr. Lautenberg, Mr. Breaux, Ms. Mikulski, Mr. Reid, and Mr. Graham.

Committee on Finance: Mr. Bentsen (Chairman), Mr. Matsunaga, Mr. Moynihan, Mr. Baucus, Mr. Boren, Mr. Bradley, Mr. Mitchell, Mr. Pryor, Mr. Riegle, Mr. Rockefeller, and Mr. Daschle.

Committee on Foreign Relations: Mr. Pell (Chairman), Mr. Biden, Mr. Sarbanes, Mr. Zorinsky, Mr. Cranston, Mr. Dodd, Mr. Kerry, Mr. Simon, Mr. Sanford, Mr. Adams, and Mr. Moynihan.

Committee on Governmental Affairs: Mr. Glenn (Chairman), Mr. Chiles, Mr. Nunn, Mr. Levin, Mr. Sasser, Mr. Pryor, Mr. Mitchell, and Mr. Bingaman.

Committee on the Judiciary: Mr. Biden (Chairman), Mr. Kennedy, Mr. Byrd, Mr. Metzenbaum, Mr. DeConcini, Mr. Leahy, Mr. Heflin, and Mr. Simon.

Committee on Labor and Human Resources: Mr. Kennedy (Chairman), Mr. Pell, Mr. Metzenbaum, Mr. Matsunaga, Mr. Dodd, Mr. Simon, Mr. Harkin, Mr. Adams, and Ms. Mikulski.

SENATE RESOLUTION 18—MAKING MINORITY PARTY APPOINTMENTS TO SENATE COMMITTEES FOR THE 100TH CONGRESS

Mr. DOLE submitted the following resolution which was considered and agreed to:

S. Res. 18

Resolved, That the following shall constitute the minority party's membership on the standing committees for the 100th Congress, or until their successors are chosen:

Committee on Agriculture, Nutrition, and Forestry: Mr. Helms, Mr. Dole, Mr. Lugar, Mr. Cochran, Mr. Boschwitz, Mr. McConnell, Mr. Bond, and Mr. Wilson.

Committee on Appropriations: Mr. Hatfield, Mr. Stevens, Mr. Weicker, Mr. McClure, Mr. Garn, Mr. Cochran, Mr. Kasten, Mr. D'Amato, Mr. Rudman, Mr. Specter, Mr. Domenici, Mr. Grassley, and Mr. Nickles.

Committee on Armed Services: Mr. Warner, Mr. Thurmond, Mr. Humphrey, Mr. Cohen, Mr. Quayle, Mr. Wilson, Mr. Gramm, Mr. Symms, and Mr. McCain.

Committee on Banking, Housing, and Urban Affairs: Mr. Garn, Mr. Heinz, Mr. Armstrong, Mr. D'Amato, Mr. Hecht, Mr. Gramm, Mr. Bond, and Mr. Chafee.

Committee on Commerce, Science, and Transportation: Mr. Danforth, Mr. Packwood, Mrs. Kassebaum, Mr. Pressler, Mr. Stevens, Mr. Kasten, Mr. Trible, Mr. Wilson, and Mr. McCain.

Committee on Energy and Natural Resources: Mr. McClure, Mr. Hatfield, Mr. Weicker, Mr. Domenici, Mr. Wallop, Mr. Murkowski, Mr. Nickles, Mr. Hecht, and Mr. Evans.

Committee on Environment and Public Works: Mr. Stafford, Mr. Chafee, Mr. Simpson, Mr. Symms, Mr. Durenberger, Mr. Warner, and Mr. Pressler.

Committee on Finance: Mr. Packwood, Mr. Dole, Mr. Roth, Mr. Danforth, Mr. Chafee, Mr. Heinz, Mr. Wallop, Mr. Durenberger, and Mr. Armstrong.

Committee on Foreign Relations: Mr. Lugar, Mr. Helms, Mrs. Kassebaum, Mr. Boschwitz, Mr. Pressler, Mr. Murkowski, Mr. Trible, Mr. Evans, and Mr. McConnell.

Committee on Governmental Affairs: Mr. Roth, Mr. Stevens, Mr. Cohen, Mr. Rudman, Mr. Heinz, and Mr. Durenberger.

Committee on the Judiciary: Mr. Thurmond, Mr. Hatch, Mr. Simpson, Mr. Grassley, Mr. Specter, and Mr. Humphrey.

Committee on Labor and Human Resources: Mr. Hatch, Mr. Stafford, Mr. Quayle, Mr. Thurmond, Mr. Weicker, Mr. Cochran, and Mr. Humphrey.

SENATE RESOLUTION 19—MAKING MAJORITY PARTY APPOINTMENTS TO SENATE COMMITTEES IN PARAGRAPH 3(a), (b), AND (c) OF RULE XXV

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. Res. 19

Resolved, that the following shall constitute the majority party's membership on the committees named in paragraph 3(a), (b), and (c) of Rule XXV for the 100th Congress, or until their successors are appointed:

Committee on the Budget: Mr. Chiles (Chairman), Mr. Hollings, Mr. Johnston, Mr. Sasser, Mr. Riegle, Mr. Exon, Mr. Lautenberg, Mr. Simon, Mr. Sanford, Mr. Wirth, Mr. Fowler, Mr. Conrad, and Mr. Dodd.

Committee on Rules and Administration: Mr. Ford (Chairman), Mr. Pell, Mr. Byrd, Mr. Inouye, Mr. DeConcini, Mr. Gore, Mr. Moynihan, Mr. Dodd, and Mr. Adams.

Committee on Small Business: Mr. Bumpers (Chairman), Mr. Nunn, Mr. Sasser, Mr. Baucus, Mr. Levin, Mr. Dixon, Mr. Boren, Mr. Harkin, Mr. Kerry, and Ms. Mikulski.

Committee on Veterans Affairs: Mr. Cranston (Chairman), Mr. Matsunaga, Mr. DeConcini, Mr. Mitchell, Mr. Rockefeller, and Mr. Graham.

Select Committee on Ethics: Mr. Heflin (Chairman), Mr. Pryor, and Mr. Sanford.

Select Committee on Indian Affairs: Mr. Inouye (Chairman), Mr. Melcher, Mr. DeConcini, Mr. Burdick, and Mr. Daschle.

Special Committee on Aging: Mr. Melcher (Chairman), Mr. Glenn, Mr. Chiles, Mr. Pryor, Mr. Bradley, Mr. Burdick, Mr. Johnston, Mr. Breaux, Mr. Shelby, and Mr. Reid.

SENATE RESOLUTION 20—MAKING MINORITY PARTY APPOINTMENTS TO SENATE COMMITTEES FOR THE 100TH CONGRESS AND DESIGNATING RANKING MEMBERS OF SUCH COMMITTEES

Mr. DOLE submitted the following resolution; which was considered and agreed to:

S. Res. 20

Resolved, That the following shall constitute the minority party's membership on those Senate committees listed below for the 100th Congress, or until their successors are appointed:

Budget: Mr. Domenici (ranking member), Mr. Armstrong, Mrs. Kassebaum, Mr. Boschwitz, Mr. Symms, Mr. Grassley, Mr. Kasten, Mr. Quayle, Mr. Danforth, Mr. Nickles, and Mr. Rudman.

Rules and Administration: Mr. Stevens (ranking member), Mr. Hatfield, Mr. McClure, Mr. Helms, Mr. Warner, Mr. Dole, and Mr. Garn.

Small Business: Mr. Weicker (ranking member), Mr. Boschwitz, Mr. Rudman, Mr. D'Amato, Mr. Kasten, Mr. Pressler, Mr. Wallop, and Mr. Bond.

Veterans Affairs: Mr. Murkowski (ranking member), Mr. Simpson, Mr. Thurmond, Mr. Stafford, and Mr. Specter.

Select Committee on Ethics: Mr. Rudman (ranking member), Mr. Helms, and Mrs. Kassebaum.

Special Committee on Aging: Mr. Heinz (ranking member), Mr. Cohen, Mr. Pressler, Mr. Grassley, Mr. Wilson, Mr. Domenici, Mr. Chafee, Mr. Durenberger, and Mr. Simpson.

Select Committee on Indian Affairs: Mr. Evans (ranking member), Mr. Murkowski, and Mr. McCain.

SENATE RESOLUTION 21—EXPRESSING THE SENATE'S GRATITUDE FOR THE PRESIDENT'S EXCELLENT HEALTH AND BEST WISHES FOR HIS SPEEDY RECOVERY

Mr. BYRD (for himself, Mr. Dole, and Mr. Glenn) submitted the following resolution; which was considered and agreed to:

S. Res. 21

Whereas President Ronald Reagan underwent an operation to correct a painful prostate condition at the National Naval Medical Center in Bethesda, Maryland yesterday as well as the removal of four small intestinal growths found during a routine colonscopic examination;

Whereas all medical reports available at this moment indicate that the President is in excellent health and unfailing good humor; and

Whereas the President has alleviated our concerns and relieved the anxieties of our whole nation by his openness and candor with respect to the medical procedures to be performed and the results following the completion of the medical procedures; Now, therefore, be it

Resolved, That the United States Senate expresses its heartfelt thanks for the continued excellent health of our President and our best wishes for his continued excellent health in the years to come.

SENATE RESOLUTION 22—COMMENDING THE COMMUNITY OF CHASE, MD FOR ITS ASSISTANCE TO THE RESCUE WORKERS AND THE SURVIVORS OF THE AMTRAK TRAIN ACCIDENT OF JANUARY 4, 1987

Mr. BYRD (for himself, Mr. Dole, Mr. Sarbanes, and Ms. Mikulski) submitted the following resolution; which was considered and agreed to:

S. Res. 22

Whereas a tragic Amtrak train accident occurred in Chase, Maryland, on Sunday, January 4, 1987;

Whereas the impact at nearly 100 miles per hour of the passenger train and a Conrail freight train resulted in the deaths of 15 passengers and injuries to at least 170 others;

Whereas the people of Chase, Maryland, without hesitation mobilized to provide aid and comfort to the injured;

Whereas residents scaled the fence separating them from the railroad tracks and assisted passengers in their escape from the burning wreckage;

Whereas other residents opened their homes to the survivors, providing clothes and allowing phone calls to concerned relatives in such far away places as Australia, Trinidad and Tobago;

Whereas the local community building was immediately transformed into a center providing food and shelter to the passengers and rescue workers; Now, therefore, be it

Resolved: That the United States Senate hereby commends the community of Chase, Maryland, for its spontaneous outpouring of assistance to the rescue workers and the passengers of the ill-fated Amtrak train.

SENATE RESOLUTION 23—ESTABLISHING A SELECT COMMITTEE TO INVESTIGATE AND STUDY ACTIVITIES WITH RESPECT TO THE DIRECT OR INDIRECT SHIPMENT OR PROVISION OF ARMS TO IRAN AND THE USE OF THE PROCEEDS OF ANY SUCH TRANSACTION

Mr. BYRD (for himself, Mr. Dole, Mr. Inouye, and Mr. Rudman) submitted the following resolution; which was considered and agreed to:

S. Res. 23

Resolved,

ESTABLISHMENT OF THE SELECT COMMITTEE

Section 1. (a) There is established a select committee of the Senate to be known as the Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition (hereafter in this resolution referred to as the "select committee").

(b) The purpose of the select committee is—

(1) to conduct an investigation into, and study of, all matters which have any tendency to reveal the full facts about—

(A) any activity of—

(i) the National Security Council or of any member or staff thereof,

(ii) any other department, agency, or entity of the United States Government or of any officer or employee thereof,

(iii) any foreign government, or of any agency or instrumentality thereof, or of any officer or employee thereof, or

(iv) any other individual, group, corporation,

which relates to—

(I) the direct or indirect sale, shipment, or other provision of arms, or the direct or indirect provision of materiel, funds, or other assistance, to Iran,

(II) the use of the proceeds from any transaction described in subclause (I) to provide assistance to any faction or insurgency in Nicaragua or in any other foreign country, or to further any political purpose or activity within the United States, or to further any other purpose of any nature whatsoever,

(III) the generation and use of any other money, item of value, or service to provide assistance to the Nicaraguan democratic resistance, or

(IV) the provision or coordination of support for persons or entities engaged as insurgents in armed conflict with the Government of Nicaragua,

in order to determine whether any such activity was illegal, improper, unauthorized, or unethical;

(B) any other activity, circumstance, material, or transaction having a tendency to prove or disprove that any official of the United States Government, or any other person, acting either individually or in combination with others, engaged in any activity which was illegal, improper, unauthorized, or unethical, in connection with any activity described in subclause (I), (II), (III), or (IV) of clause (A) or in connection with the operations described in clause (C); and

(C) the suitability of the structure and operations of the National Security Council, and persons serving as staff, consultants, or agents thereto, for any function related to the formulation, implementation, or conduct of American national security policy; and

(2)(A) to make such findings of fact as are warranted and appropriate;

(B) to make such recommendations, including recommendations for new legislation and amendments to existing laws and any administrative or other actions, as the select committee may determine to be necessary or desirable; and

(C) to fulfill the Constitutional oversight and informing function of the Congress with respect to the matters described in this section.

(c) For purposes of this section, the term "Iran" includes the Government of Iran, any agency or instrumentality thereof, any officer or employee thereof, or any person purporting to represent the Government of Iran or any agency or instrumentality thereof, any national of Iran, or any person located in Iran.

MEMBERSHIP AND ORGANIZATION OF THE SELECT COMMITTEE

Sec. 2. (a)(1) The select committee shall consist of eleven members of the Senate, six of whom shall be appointed by the President pro tempore of the Senate from the majority party of the Senate upon the recommendation of the Majority Leader of the Senate, and five of whom shall be appointed by the President pro tempore of the Senate from the minority party of the Senate upon the recommendation of the Minority Leader of the Senate.

(2) Vacancies in the membership of the select committee shall not affect the authority of the remaining members to execute the functions of the select committee and shall be filled in the same manner as original appointments to it are made.

(3) For the purpose of paragraph 4 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member, chairman, or vice chairman of the select committee shall not be taken into account.

(b)(1) The chairman of the select committee shall be selected by the Majority Leader of the Senate and the vice chairman of the select committee shall be selected by the Minority Leader of the Senate. The vice chairman shall discharge such responsibilities as the select committee or the chairman may assign.

(2) A majority of the voting members of the select committee shall constitute a quorum for reporting a matter or recommendation to the Senate except that the select committee may fix a lesser number as a quorum for the purpose of taking testimony before the select committee or for conducting the other business of the select committee.

(c)(1) The select committee shall promptly adopt rules and procedures not inconsistent with the rules and procedures of the Senate.

(2) The rules and procedures of the select committee shall—

(A) govern the proceedings of the select committee; and

(B) consistent with section 6 of this resolution—

(i) provide for the security of the records of the select committee and the protection of classified information and materials; and

(ii) prevent the unauthorized disclosure of information and materials obtained by the select committee in the course of its investigation and study.

STAFF OF THE SELECT COMMITTEE

SEC. 3. (a)(1) to assist the select committee in its investigation and study, the chairman, after consultation with the vice chairman and the approval of the select committee, shall appoint the committee staff.

(2) All staff shall work for the select committee as a whole, shall report to the chairman and vice chairman and, except as otherwise provided by the select committee, shall be under the direction of the chairman.

(b) To assist the select committee in its investigation and study, the Senate Legal Counsel and Deputy Senate Legal Counsel shall work with and under the jurisdiction and authority of the select committee.

(c) The Majority and Minority Leaders of the Senate may each designate one staff person to serve on the staff of the select committee to serve as their liaison to the select committee.

(d) The Comptroller General of the United States is requested to provide from the General Accounting Office whatever personnel, investigatory, material, or other appropriate assistance may be required by the select committee.

PUBLIC ACTIVITIES OF THE COMMITTEE

SEC. 4. (a) Consistent with—

(1) the rights of persons subject to investigation and inquiry,

(2) considerations of national security, including the protection of sources and methods of intelligence gathering and analysis, and

(3) the interests of the relationship of the United States with other nations,

the select committee shall make every effort to fulfill the right of the public and the Congress to know the essential facts and implications of the activities of officials of the United States Government and other persons and entities with respect to the matters under investigation and study as described in section 1.

(b) In furtherance of the public's and Congress' right to know, the select committee—

(1) shall hold, as it considers appropriate, open hearings;

(2) may make interim reports to the Senate as it considers appropriate; and

(3) shall make a final comprehensive public report to the Senate which contains a description of all relevant factual determinations consistent with subsection (a) of this section and section 1(b)(2) and which contains recommendations for new legislation and other actions pursuant to the goal of an open, lawful, and effective conduct of American national security policy and, when necessary, lawful intelligence activities in support of American national security policy.

(c) The decision as to what matters shall be heard in closed or open session shall be determined by the select committee in accordance with paragraph 5(b) of rule XXVI of the Standing Rules of the Senate.

POWERS OF THE SELECT COMMITTEE

SEC. 5. (a) The select committee shall do everything necessary and appropriate under the laws and Constitution of the United States to make the investigation and study specified in section 1.

(b) The select committee is authorized to issue subpoenas for obtaining testimony and for the production of documentary or physical evidence. A subpoena may be authorized and issued by the select committee, acting through the chairman or any other member designated by the chairman, and may be served by any person designated by such chairman or other member anywhere within or without the borders of the United States to the full extent permitted by law. The chairman of the select committee, or any other member thereof, is authorized to administer oaths to any witnesses appearing before the committee.

(c) The select committee may exercise the powers conferred upon committees of the Senate by sections 6002 and 6005 of title 18, United States Code.

(d) The select committee is authorized to do the following:

(1) To employ and fix the compensation of such clerical, investigatory, legal, technical, and other assistants as the select committee considers necessary or appropriate.

(2) To sit and act at any time or place during sessions, recesses, and adjournment periods of the Senate.

(3) To hold hearings for taking testimony under oath or to receive documentary or physical evidence relating to the matters and questions it is authorized to investigate or study.

(4) To require by subpoena or order the attendance, as witnesses before the select committee or at depositions, of any person who may have knowledge or information concerning any of the matters the select committee is authorized to investigate and study.

(5) To take depositions and other testimony under oath anywhere within the United States or in any other country, to issue orders by the chairman or any other member designated by the chairman which require witnesses to answer written interrogatories under oath, to make appliclation for issuance of letters rogatory, and to request, through appropriate channels, other means of international assistance, as appropriate.

(6) To issue commissions and to notice depositions for staff members to examine witnesses and to receive evidence under oath administered by an individual authorized by local law to administer oaths. The select committee, acting through the chairman, may authorize and issue, and may delegate to designated staff members the power to authorize and issue, commissions and deposition notices.

(7) To require by subpoena or order—

(A) any department, agency, entity, officer, or employee of the United States Government,

(B) any person or entity purporting to act under color or authority of State or local law, or

(C) any private person, firm, corporation, partnership, or other organization,

to produce for its consideration or for use as evidence in the investigation or study of the select committee any book, check, canceled check, correspondence, communication, document, financial record, paper, physical evidence, photograph, record, recording, tape, or any other material relating to any of the matters or questions such committee is authorized to investigate and study which they or any of them may have in their custody or under their control.

(8) To make to the Senate any recommendations, including recommendations for criminal or civil enforcement, which the select committee may consider appropriate with respect to—

(A) the willful failure or refusal of any person to appear before it, or at a deposition, or to answer interrogatories, in obedience to a subpoena or order;

(B) the willful failure or refusal of any person to answer questions or give testimony during his appearance as a witness before such committee, or at a deposition, or in response to interrogatories; or

(C) the willful failure or refusal of—

(i) any officer or employee of the United States Government,

(ii) any person or entity purporting to act under color or authority of State or local law, or

(iii) any private person, partnership, firm, corporation, or organization,

to produce before the committee, or at a deposition, or at any time or place designated by the committee, any book, check, canceled check, correspondence, communication, document, financial record, paper, physical evidence, photograph, record, recording, tape, or any other material in obedience to any subpoena or order.

(9) To procure the temporary or intermittent services of individual consultants, or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services under section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)).

(10) To use on a reimbursable basis, with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration of the Senate, the services of personnel of such department or agency.

(11) To use, with the prior consent of the chairman of any other Senate committee or the chairman of any subcommittee of any committee of the Senate, the facilities or services of any members of the staff of such other Senate committee whenever the select committee or its chairman considers that such action is necessary or appropriate to enable the select committee to make the in-

vestigation and study provided for in this resolution.

(12) To have access through the agency of any members of the select committee, staff director, chief counsel, or any of its investigatory assistants designated by the chairman, to any data, evidence, information, report, analysis, document, or paper—

(A) which relates to any of the matters or questions which the select committee is authorized to investigate or study;

(B) which is in the custody or under the control of any department, agency, entity, officer, or employee of the United States Government, including those which have—

(i) the power under the laws of the United States to investigate any alleged criminal activities or to prosecute persons charged with crimes against the United States; or

(ii) the authority to, or which in fact has, conducted intelligence gathering or intelligence activities,

without regard to the juridiction or authority of any other Senate committee; and

(C) which will aid the select committee to prepare for or conduct the investigation and study authorized and directed by this resolution.

(13) To report violations of any law to the appropriate Federal, State, or local authorities.

(14) To expend, to the extent the select committee determines necessary and appropriate, any moneys made available to such committee by the Senate to make the investigation, study, and reports authorized by this resolution.

(e) The level of compensation payable to any employee of the select committee shall not be subject to any limitation on compensation otherwise applicable to an employee of the Senate.

PROTECTION OF CONFIDENTIAL AND CLASSIFIED INFORMATION

SEC. 6. (a)(1) Before being given access to any classified information, any member of the staff of, or consultant to, the select committee shall have the appropriate security clearance and a need to know such information. The chairman of the select committee shall decide which select committee staff members and consultants are required to have security clearances.

(2) All staff members and consultants shall, as a condition of employment, agree in writing to abide by the conditions of an appropriate nondisclosure agreement promulgated by the select committee.

(3) The case of any Senator who violates the security procedures of the select committee may be referred to the Select Committee on Ethics of the Senate for the imposition of sanctions in accordance with the rules of the Senate. Any staff member or consultant who violates the security procedures of the select committee shall immediately be subject to removal from office or employment with the select committee or shall be subject to such other sanction as may be provided in the rules of the select committee.

(b)(1) Any classified information obtained by the select committee either directly from the Executive branch of the United States Government, through the Select Committee on Intelligence of the Senate, or by other means, shall be disclosed only in the same manner in which such information may be disclosed under the provisions of section 8 of Senate Resolution 400 (Ninety-fourth Congress, second session), except that references to the Select Committee on Intelligence in such section shall be deemed to be references to the select committee established under this resolution.

(2) The select committee shall make suitable arrangements, in consultation with the Select Committee on Intelligence of the Senate, for the physical protection and storage of classified information provided to the select committee.

(3) Upon the termination of the select committee pursuant to section 9 of this resolution, all records, files, documents, and other materials in the possession, custody, or control of the select committee, under appropriate conditions established by such committee, under appropriate conditions established by such committee, shall be transferred to the Select Committee on Intelligence of the Senate.

RELATION TO OTHER INVESTIGATIONS

SEC. 7. (a) In order to—

(1) expedite the thorough conduct of the investigation and study authorized by this resolution,

(2) promote efficiency among all the various investigations underway in all branches of the United States Government, and

(3) engender a high degree of confidence on the part of the public regarding the conduct of such investigation,

the select committee is encouraged—

(A) to seek the full cooperation of all relevant investigatory bodies, and

(B) to seek access to all information which is acquired and developed by such bodies.

(1) The Select Committee on Intelligence is hereby directed to prepare and provide to the select committee, in closed session, a report of its investigation into matters described in section 1 of this resolution, which report shall include a summary of the testimony and chronology of events developed by the Select Committee on Intelligence, together with a listing of unresolved questions and issues which it recommends be pursued by the select committee as soon as possible, and the select committee may release as much of the information in such report to the public as it deems advisable, consistent with the interest of the public and national security, and is deemed by the committee to be in the public interest after a determination by such committee that the public interest would be served by such disclosure.

(2) The select committee, through its members and appropriate staff, shall be provided full access to all records, files, documents and other materials in the possession, custody, or control of the Select Committee on Intelligence of the Senate, obtained or produced by the Select Committee on Intelligence of the Senate with respect to any matter described in section 1 of this resolution.

(3) All subpoenas issued by the Select Committee on Intelligence of the Senate on any matter described in section 1 of this resolution shall continue in force and may be enforced by the select committee as if issued by the select committee.

(c) The Senate requests that any independent counsel appointed pursuant to chapter 39 of title 28, United States Code, to investigate any matter related to a matter described in section 1 of this resolution, make available to the select committee, as expeditiously as possible, all documents and information which may assist the select committee in its investigation and study.

SALARIES AND EXPENSES

SEC. 8. Such sums as are necessary shall be available from the contingent fund of the Senate out of the Account for Expenses for Inquiries and Investigation for payment of salaries and other expenses of the select committee under this resolution, which shall include sums which shall be available for the procurement of the services of individual consultants or organizations thereof, in accordance with section 5(d)(9). Payment of expenses shall be disbursed upon vouchers approved by the chairman of the select committee, except that vouchers shall not be required for the disbursement of salaries paid at an annual rate.

REPORTS; TERMINATION

SEC. 9. (a)(1) The select committee shall make a final public report to the Senate of the results of the investigation and study conducted by such committee pursuant to this resolution, together with its findings and any recommendations at the earliest practicable date, but not later than August 1, 1987, provided that on or before August 1, 1987 a privileged motion made by the Majority Leader to be debatable no more than 1 hour, in the usual forum, shall be in order, namely, "I move that the time be extended from August 1, 1987 to October 30, 1987 for reinvestigation by and final report of the select committee." The select committee shall also submit to the Senate such interim reports as its considers appropriate.

(2) The final report of the select committee may be accompanied by whatever classified or confidential annexes are necessary to protect classified or confidential information, particularly intelligence sources and methods.

(b) After submission of its final report, the select committee shall conclude its business and close out its affairs as expeditiously as practicable.

SENATE RESOLUTION 24—TO PROVIDE THAT SUBSTITUTE AMENDMENTS BE CONSIDERED AS FIRST DEGREE AMENDMENTS UNDER CLOTURE

Mr. BYRD submitted the following resolution, which was ordered to lie over under the rule:

S. RES. 24

Resolved, That the third paragraph of paragraph 2 of Rule XXII of the Standing Rules of the Senate is amended by inserting the following immediately after the words "first degree" in the second sentence—", which under cloture an amendment in the nature of a substitute shall be considered as an amendment in the first degree".

SENATE RESOLUTION 25—TO ESTABLISH A PROCEDURE IN ORDER TO OVERTURN THE CHAIR ON QUESTIONS OF GERMANENESS UNDER CLOTURE

Mr. BYRD submitted the following resolution, which was ordered to lie over under the rule:

S. RES. 25

Resolved, That the third paragraph of paragraph 2 of Rule XXII of the Standing Rules of the Senate is amended by adding the following new sentence:

"Whenever an appeal is taken under this rule from a decision of the Presiding Officer on the question of germaneness of an amendment, the vote necessary to overturn the decision of the Presiding Officer shall be three-fifths of the Senators duly chosen and sworn—except on a measure or motion to amend the Senate rules, in which case the necessary vote shall be two-thirds of the Senators present and voting.".

SENATE RESOLUTION 26—TO LIMIT LEGISLATIVE AMENDMENTS TO GENERAL APPROPRIATIONS BILLS

Mr. BYRD submitted the following resolution, which was ordered to lie over under the rule:

S. RES. 26

Resolved, That Rule XVI, paragraph 4, of the Standing Rules of the Senate is amended—

(1) by inserting "(a)" after "4"; and

(2) by adding at the end of such paragraph the following new subparagraph:

"(b) If a point of order is made by any Senator against an amendment to a general appropriations bill on the ground that such amendment proposes general legislation or proposes a limitation or restriction not authorized by law and is to take effect or cease to be effective upon the happening of a contingency, it shall not be in order to raise the defense of germaneness unless there is House legislative language to which that amendment could be germane remaining in the bill.

SENATE RESOLUTION 27—TO PROVIDE FOR GERMANENESS OR RELEVANCY OF AMENDMENTS

Mr. BYRD submitted the following resolution; which was considered and ordered to lie over under the rule:

S. RES. 27

Resolved, That Rule XV of the Standing Rules of the Senate is amended—

(1) by inserting after "MOTIONS" in the caption a semicolon and the following: "GERMANENESS";

(2) by adding at the end thereof the following new paragraph:

"6. (a) At any time during the consideration of a bill or resolution, it shall twice be in order during a calendar day to move that no amendment, other than the reported committee amendments, which is not germane or relevant to the subject matter of the bill or resolution or to the subject matter of an amendment proposed by the committee which reported the bill or resolution, shall thereafter be in order. The motion shall be privileged and shall be decided after one hour of debate, without any intervening action, to be equally divided and controlled by the Majority Leader and the Minority Leader or their designees.

"(b) If a motion made under subparagraph (a) is agreed to by an affirmative vote of three-fifths of the Senators present and voting, then any floor amendment not already agreed to (except amendments proposed by the Committee which reported the bill or resolution) which is not germane or relevant to the subject matter of the bill or resolution, or the subject matter of an amendment proposed by the Committee which reported the bill or resolution, shall not be in order.

"(c) When a motion made under subparagraph (a) has been agreed to as provided in subparagraph (b) with respect to a bill or resolution, points of order with respect to questions of germaneness or relevancy of amendments shall be decided without debate, except that the Presiding Officer may entertain debate for his own guidance prior to ruling on the point of order. Appeals from the decision of the Presiding Officer on such points of order shal be decided without debate.

"(d) Whenever an appeal is taken from a decision of the Presiding Officer on the question of germaneness of an amendment, or whenever the Presiding Officer submits the question of germaneness or relevancy of an amendment to the Senate, the vote necessary to overturn the decision of the Presiding Officer or hold the amendment germane or relevant shall be three-fifths of the Senators present and voting. No amendment proposing sense of the Senate or sense of the Congress language that does not directly relate to the measure or matter before the Senate shall be considered germane.".

SENATE RESOLUTION 28—TO WAIVE READING OF AMENDMENTS UNDER CLOTURE

Mr. BYRD submitted the following resolution; which was considered and ordered to lie over under the rule:

S. RES. 28

Resolved, That rule XII of the Standing Rules of the Senate is amended by striking the last sentence of paragraph 2 and inserting in lieu thereof the following:

"After cloture is invoked, the reading of any amendment, including House amendments, shall be dispensed with.".

SENATE RESOLUTION 29—TO PROVIDE FOR ELECTRONIC VOTING IN THE SENATE

Mr. BYRD submitted the following resolution; which was considered and ordered to lie over under the rule:

S. RES. 29

Resolved, That rule XII of the Standing Rules of the Senate is amended—

(1) by striking the first clause of paragraph 1 and inserting in lieu thereof the following: "Except as provided in paragraph 5 of this rule, when the yeas and nays are ordered,".

(2) by adding at the end thereof the following new paragraphs:

"5. Whenever the Majority Leader, with concurrence of the Minority Leader, shall determine, the names of Senators voting upon any roll call shall be recorded by electronic device. Senators shall have not more than fifteen minutes from the beginning of the roll call to have their vote recorded.

"6. The Majority Leader, with concurrence of the Minority Leader, may announce that any recorded vote that is scheduled to or does occur immediately after another recorded vote shall be no longer than five minutes in duration.".

SENATE RESOLUTION 30—TO REAUTHORIZE AND REDESIGNATE THE SENATE ARMS CONTROL OBSERVER GROUP

Mr. BYRD (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 30

Resolved, That the bipartisan group of Senators designated by S. Res. 86, 99th Congress (agreed to February 18, 1985) is hereby redesignated and reauthorized to act during the 100th Congress as official observers on the United States delegation to any formal arms reduction or control negotiations to which the United States is a party (which group shall hereinafter be referred to as the "Senate Observer Group") and S. Res. 86, 99th Congress is hereby amended. The Group shall be headed by four Senators, serving as Co-Chairmen, two from the Majority party, to be appointed by the Majority Leader, Robert C. Byrd, and two from the Minority party, to be appointed by the Minority Leader, Robert Dole, one from each party to be appointed as Administrative Co-Chairman. The Majority and Minority Leaders shall serve on the Group in an ex officio capacity, and shall each appoint, in addition three other Senators to serve as members of the Group. The appointments shall be made in writing to the President pro tempore of the Senate.

Only Senators appointed as members of the Group may participate in official travel and activities of the Group. In the event that either the Majority Leader or the Minority Leader does not travel on an official trip of the Observer Group, he may designate one other Senator not a member of the Group to travel and participate in the activities of the Group in his stead. Any vacancy occurring in the Senate Arms Control Observer Group shall be filled in the same manner in which the original appointment was made.".

SEC. 2. (a) The Senate Observer Group is authorized, from funds made available under section 3, to employ such staff (including consultants at a daily rate of pay) in the manner and at a rate not to exceed that allowed for employees of a standing committee of the Senate under paragraph (3) of section 105(e) of the Legislative Branch Appropriation Act, 1968 (2 U.S.C. 61-1(e)), and incur such expenses as may be necessary or appropriate to carry out its duties and functions. Payments made under this section for receptions, meals, and food-related expenses shall be authorized, however, only for those actual expenses incurred by the Senate Observer Group in the course of conducting its official duties and functions, provided, that notwithstanding any other provision of this Resolution, such amounts received as reimbursement for such expenses shall not exceed $6,000 in any fiscal year. Amounts received as reimbursement for such food expenses shall not be reported as income, and the expenses so reimbursed shall not be allowed as a deduction under title 26 of the United States Code. This provision is effective with respect to expenditures incurred on or after February 28, 1985.

(b) Each Co-Chairman of the Senate Observer Group is authorized to designate a professional staff member. The designated Group staff shall also include, a secretary selected by, and responsible to, the Majority, and a secretary selected by, and responsible to, the Minority. The funds necessary to compensate any such staff member who is an employee of a Senator or of a Senate Committee, who has been designated to perform service for the Senate Observer Group, such staff member shall continue to be paid by such Senator or such Committee, as the case may be, but the account from which such staff member is paid shall be reimbursed for his services (including agency contributions when appropriate) out of funds made available under section 3(a) of this resolution. The four professional staff members, authorized by this subsection, shall serve all the members of the Senate Observer Group, and carry out such other functions as their respective Co-Chairmen may specify.

(c) The Majority and Minority Leaders may each designate one staff member to serve the Observer Group. Funds necessary to compensate leadership staff shall be transferred from the funds made available under section 3(b) of this resolution to the perspective account from which such designated staff member is paid.

"(d) All foreign travel of the Group shall be authorized solely by the Majority and Minority Leaders, upon the recommendation of the Administrative Co-Chairmen. Participation by staff members in authorized foreign travel by the Group, access to all official activities and functions of the Group during such travel, and access to all classified briefings and information made available to the Group during such travel, shall be limited exclusively to delegation members with appropriate clearances. No travel or other funding shall be authorized by any Committee of the Senate for the use of staff, other than delegation staff, in regard to above mentioned activities, without the written authorization of the Majority Leader and the Minority Leader to the Chairman of such Committee.".

SEC. 3. (a) The expenses of the Senate Observer Group shall be paid from the contingent fund of the Senate, out of the account of Miscellaneous Items, upon vouchers approved jointly by the Chairmen for Administrative purposes (except that vouchers shall not be required for the disbursement of salaries of employees who are paid at an annual rate). For any fiscal year, not more than $400,000 shall be expended for staff (including consultants) and for expenses (excepting expenses incurred for foreign travel).

(b) In addition to the amount referred to in section 3(a), for any fiscal year, not more than $150,000 shall be expended from the contingent fund of the Senate, out of the account for Miscellaneous Items, for Leadership staff as designated in section 2(c) for salaries and expenses (excepting expenses incurred for foreign travel).

(c)(1) Of the amount authorized in section 3(a), an amount not to exceed $50,000 may be spent by the Senate Observer Group, with the prior approval of the Committee on Rules and Administration, to procure the temporary services (not in excess of one year) or intermittent services, including related and necessary expenses, of individual consultants, or organizations thereof, to make studies or advise the Senate Observer Group.

(2) Such services in the cases of individuals or organizations may be procured by contract as independent contractors, or in the case of individuals by employment at daily rates of compensaton not in excess of the per diem equivalent to the highest gross rate of compensation which may be paid to a regular employee of a standing committee of the Senate. Such contracts shall not be subject to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provisions of law requiring advertising.

(3) Any such consultant shall be selected by the Administrative co-chairman acting jointly. The Senate Observer Group shall submit to the Committee on Rules and Administration information bearing on the qualifications of each consultant whose services are procured pursuant to this subsection, including organizations, and such information shall be retained by the Senate Observer Group and shall be made available for public inspection upon request.

SENATE RESOLUTION 33—TO PROVIDE FOR THE PAYMENT OF SEVERANCE PAY TO CERTAIN DISPLACED SENATE COMMITTEE EMPLOYEES AND TO AUTHORIZE PAYMENT FOR ACCUMULATED LEAVE TO CERTAIN TERMINATED EMPLOYEES IN OFFICES OF SENATORS WHO HAVE CEASED TO SERVE AS MEMBERS OF THE SENATE

Mr. BYRD (for himself, Mr. Dole, Mr. Ford, and Mr. Stevens) submitted the following resolution; which was considered and agreed to:

S. Res. 33

Resolved, That (a) for purposes of this resolution:

(1) The term "committee" means a standing, select, joint, special committee, or commission of the Senate, whose funds are disbursed by the Secretary of the Senate.

(2) Except as otherwise specifically provided in this resolution, the terms "committee' chairman" and "ranking minority member" mean the chairman and ranking minority member of a committee as of the beginning of the One Hundredth Congress.

(3) The term "eligible staff member" means an individual who—

(A) was a member of a staff of a committee, or subcommittee thereof, on January 2, 1987, and

(B) during the calendar year 1986, was an employee of the Senate for at least one hundred and eighty-three days (whether or not his service was continuous).

(4) The term "displaced staff member" means an eligible staff member whose service as an employee of the Senate is terminated on or after January 2, 1987, solely and directly as a result of the reorganization of the staff of a committee caused by the transition to a Senate in which a majority of Senators are members of the Democratic Party, and who is certified as a displaced staff member by the committee chairman and ranking minority member of such committee.

(b)(1) The committee chairman and ranking minority member of each committee shall certify to the Committee on Rules and Administration the name of each displaced staff member of such committee before the later of—

(A) January 16, 1987, or

(B) the tenth day after the date on which the displaced staff member's service is terminated.

(2) A certification under this subsection shall be made no later than February 28, 1987.

(c) Under regulations prescribed by the Committee on Rules and Administration, and subject to the succeeding provisions of this resolution, each displaced staff member shall be entitled, upon application to the Secretary of the Senate and approval by the Committee on Rules and Administration, to be paid severance pay in one lump-sum payment in an amount equal to one month's basis pay.

(d) Severance pay under this resolution shall be paid from any available funds in the appropriation account entitled "Miscellaneous Items" within the contingent fund of the Senate.

(e) In the event of the death of a displaced staff member, any unpaid severance pay to which the displaced staff member is entitled shall be paid to the widow or widower of the displaced staff member on, if there is no widow or widower of such deceased displaced staff member, to the heirs at law or next of kin of such deceased displaced staff member.

(f) Severance pay paid under this resolution shall not be treated as compensation for purposes of any provision of title 5, United States Code, or of any other law relating to benefits accruing from employment by the United States, and the period of entitlement to such pay shall not be treated as a period of employment for purposes of any such provision or law.

(g) For purposes of this resolution, the Office of the Secretary of the Senate and the Office of the Sergeant at Arms and Doorkeeper of the Senate, with respect to funds appropriated under the heading, "Salaries, Officers, and Employees", shall be considered a committee.

(h) For purposes of the preceding provisions of this resolution, the term "displaced staff member" also includes an eligible staff member (as defined in subsection (a)(3)) whose service as an employee of the Senate is terminated on or after January 2, 1987, as a result of reorganizations (or consolidations) of committees of the Senate or of the cessation of service by a Senator who on November 4, 1986, was serving as chairman or ranking minority member of a committee or a subcommittee thereof, and who is certified as a displaced staff member by the committee chairman and ranking minority member of such committee.

(i)(1) Subject to the succeeding provisions of this resolution, whenever the service of an individual who is an employee in a Senator's office or in the President pro tempore of the Senate's office is terminated because the Senator's service as a Member of the Senate ceases or the President pro tempore's service ceases (as the case may be), such individual shall be entitled to be paid in a lump sum for such accumulated leave, not in excess of thirty days, as the Senator in whose office he was employed shall certify to the Secretary of the Senate to be due to such individual, or (in the case of an individual who is an employee in the President pro tempore's office) as the President pro tempore shall certify to the Secretary of the Senate to be due to such individual.

(2) No employee shall be entitled to a lump-sum payment under this subsection unless—

(A) he was an employee in a Senator's office or in the President pro tempore's office on or after November 1, 1986,

(B) his position in such office was terminated after such date and prior to January 6, 1987, and

(C) he was an employee of the Senate for at least one hundred and eighty-three days during calendar year 1986 (whether or not such service was continuous).

(3) The provisions of this subsection shall not apply to any individual who, at the time his service was terminated, was an employee in the office of a Senator who was appointed to fill an unexpired term.

(4) The amount payable to any individual under this subsection shall be paid from any available funds in the appropriation account entitled "Miscellaneous Items" within the contingent fund of the Senate.

(j) The amount of any payment to which an individual is entitled under this resolution shall be reduced (but not below zero) by an amount equal to the product of—

(1) the daily rate of basic pay of the individual on which such payment is based, multiplied by

(2) the number of days on which the individual is employed by the United States Government or the District of Columbia during the period beginning on the date of separation from service with respect to which the payment is being made and ending on the last day of the period for which the payment is being computed.

(k) Any payment under this resolution shall be made on the basis of the rate of basic pay of the individual on which such payment is based as of—

(1) November 1, 1986, or

(2) if such individual was not employed by the Senate on such date, on the first day preceding such date on which such individual was employed by the Senate.

(l)(1) Any application for a payment under this resolution shall be made before April 30, 1987.

(2) In the case of an employee of the Office of the Secretary of the Senate or of the Office of the Sergeant at Arms and Doorkeeper of the Senate who is separated from employment (and certified) after February 28, 1987, and before August 1, 1987, any application under this resolution shall be made before September 12, 1987.

SENATE RESOLUTION 34—RELATING TO LEGISLATIVE ASSISTANCE FOR SENATORS

Mr. BYRD (for himself, Mr. Dole, Mr. Ford, and Mr. Stevens) submitted the following resolution; which was considered and agreed to:

S. Res. 34

Resolved, That subsection (b) of section 111 of the Legislative Branch Appropriation Act, 1978 (P.L. 95-94) shall not be effective during the 100th Congress.

SENATE RESOLUTION 35—THE REAPPOINTMENT OF MICHAEL DAVIDSON AS SENATE LEGAL COUNSEL

Mr. BYRD (for himself and Mr. Dole) submitted the following resolution; which was considered and agreed to:

S. Res. 35

Resolved, That the reappointment of Michael Davidson to be Senate Legal Counsel made by the President pro tempore of the Senate this day is effective as of January 3, 1987, and the term of service of the appointee shall expire at the end of the One Hundred First Congress.

SENATE RESOLUTION 36—TO REFER S. 108 ENTITLED "A BILL FOR THE RELIEF OF WALTER CHANG" TO THE CHIEF JUDGE OF THE U.S. CLAIMS COURT FOR A REPORT THEREON

Mr. INOUYE submitted the following resolution; which was referred to the Committee on the Judiciary:

S. Res. 36

Resolved, That the bill (S. 108) entitled "A bill for the relief of Walter Chang" now pending in the Senate, together with all the accompanying papers, is referred to the Chief Judge of the United States Claims Court. The Chief Judge shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any, legally or equitably due the claimant from the United States.

SENATE RESOLUTION 37—EXPRESSING THE SENSE OF THE SENATE THAT THE PRESIDENT SHOULD ENCOURAGE FOREIGN GOVERNMENTS TO RATIFY, ACCEPT, OR APPROVE THE CONVENTION ON THE PHYSICAL PROTECTION OF NUCLEAR MATERIALS

Mr. GLENN submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 37

Whereas the Convention on the Physical Protection of Nuclear Materials, opened for signature at Vienna and New York on March 3, 1980 (hereafter in this preamble referred to as the "Convention"), by its own terms requires the deposit of 21 instruments of ratification, acceptance, or approval before the Convention may enter into force;

Whereas the Convention has not entered into force for lack of the requisite number of ratifications, acceptances, or approvals; and

Whereas the Convention represents an important step toward international cooperation to prevent nuclear terrorism: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should make vigorous efforts to encourage the governments of signatory countries to ratify, accept, or approve the Convention on the Physical Protection of Nuclear Materials, which was opened for signature at Vienna and New York on March 3, 1980.

Sec. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

Mr. GLENN. Mr. President, as I said in a statement on the floor of the Senate last October, we all know that terrorism is a growing and increasingly significant factor in the international system. The growth of terrorism, coupled with the proliferation of nuclear facilities and nuclear weapons, adds up to the most frightening and potentially destabilizing threat of modern times—nuclear terrorism. The thought of terrorists or revolutionaries acquiring the capability to develop nuclear explosive devices or to obtain and disperse radioactive materials is deeply sobering but must be confronted.

All nations in the international community, particularly the developed nations of the West, must be concerned with the rising specter of nuclear terrorism. In modern societies in which government monopolizes both the organized use of force and the control of nuclear weapons and nuclear materials, the citizenry must look to the state to prevent and combat the threat of nuclear terrorism.

The thought of nuclear weaponry or materials in the hands of individuals such as Mu'ammar Qadhafi is staggering. It would be wrong to think that terrorists could not bring themselves to use such weapons of mass destruction. Technological knowledge, such as that needed to create a nuclear explosive device, is a free good that spreads with the number of states that acquire such knowledge. The next several decades are likely to see a proliferation of nations acquiring nuclear capability. With the growth of nuclear proliferation will come the increased likelihood that these nuclear nations will lose their nuclear weapons, materials, or knowledge to terrorists or unstable revolutionary groups. It is highly unlikely that terrorism and the threat of nuclear terrorism is merely a passing phenomenon. The trend toward the politicization of religion, the increase in ethnic and nationalistic sentiments, and the increasing dichotomy between the haves and have nots in the world point toward its increase as a means of political protest and persuasion.

While terrorist access to nuclear materials represents the most obvious harbinger of nuclear terrorism, several additional factors point to the increased possibility of nuclear terrorism.

As has already been mentioned, the fanaticism which seems to grip terrorists would not preclude their willingness to use nuclear weaponry or materials. The essence of effective terrorism is the use or threat of using force indiscriminately. It is the randomness of applying violence that makes such acts so terrifying. The extraordinary zeal of Islamic fundamentalists is an excellent modern day example of the fervor that can grip a terrorist or terrorist movement. Islamic zealots, willing to drive a truck full of explosives into the American Embassy in Beirut, Lebanon display how far fanatics are willing to go to destroy a perceived enemy. These terrorists' belief in their cause, combined with their unshakable conviction that God is on their side and that their suicide mission will automatically gain them entry into Paradise is alien to most Americans. But if such terrorists are willing to make such sacrifices to kill so many, it is within the realm of possibility to think they might utilize nuclear terrorism to attain their goals.

Another factor that points to the possibility that terrorists might use nuclear weapons, closely linked to the previous factor, is the terrorist's apparent insensitivity to orthodox deterrence. A terrorist is someone who is unwilling to abide by social norms and what is generally conceived as being rational behavior. It stands to reason that terrorists gauging the costs and benefits of nuclear terrorism might completely ignore the fear of retaliation against them or the particular cause they espouse. Traditional deterrence, therefore, may have little if any appreciable effect on prospective nuclear terrrorists. This dilemma underscores one of the greatest difficulties in dealing with any form of terrorism—combating the threat of terrorism without resorting to tactics that undermine a free society's institutions.

A third factor that points to the increased possibility of nuclear terrorism is the cooperation and collaboration among terrorist groups. This phenomenon has been primarily evident in the volatile Middle East where Qadhafi's regime encourages and supports numerous terrorist groups around the world and the Popular Front for the Liberation of Palestine [PFLP] which has collaborated with numerous terrorist groups from such diverse areas as Germany, Latin America, and Japan. This interterrorist cooperation has several implications. First, such cooperation among terrorist groups greatly increases the opportunities for terrorists to acquire nuclear weapons and materials. Since cooperation increases opportunities for sharing capital resources and expertise, obtaining nuclear weapons and materials is greatly enhanced when acquisition takes the form of self-development from raw fissionable materials. Second, interterrorist cooperation is likely to encourage the proliferation of nonstate nuclear devices, creating a network whereby such weapons can be spread across national borders. Third, interterrorist cooperation will be likely to increase the benefits to be derived from advanced training in the deployment and use of nuclear weaponry and materials. Finally, cooperation among terrorist groups is likely to foster reciprocal privileges such as safe-havens and forged documents which would be needed for successful nuclear terrorist operations.

The final factor that points to the increased possibility of nuclear terrorism is the increased tolerance and support of terrorism within the international system. States that support terrorism, such as Khomeini's Iran and Qadhafi's Libya, do so with the belief that terrorism serves their national interests. Terrorists are undoubtedly considered as useful tools in the struggle for power and influence in the global system. Terrorism seems to be increasingly viewed by some states as a surrogate for conventional warfare.

The attraction of terrorism to extremist states seems certain to persist and grow.

AMERICA'S SUSCEPTIBILITY TO NUCLEAR TERRORISM

The United States is an ideal target for terrorism. America's extensive communications system provides the terrorist or terrorist group what it desires more than anything else—publicity for its cause. The enormous media coverage that would occur after a nuclear terrorist threat became public would effectively rivet national attention on the terrorists and their espoused cause and the ensuing hysteria could virtually compel the Government to succumb to terrorist demands. America's vast expanses and widespread transportation system would provide the terrorist with numerous safe havens and rapid mobility which would permit escape from apprehension. In particular, the United States is the world's foremost modern, technological society, which makes it especially susceptible to the threat of nuclear terrorism.

America's densely populated cities provide the most vivid example of the vulnerability of a technological society. Some years ago, the entire city of New York lost all power after an upstate power transformer was hit by lightning and a technician failed to make the correct circuit adjustment. The city was virtually incapacitated for the duration of the blackout and crime rose dramatically. It is not difficult to imagine what kind of impact the use or threatened use of nuclear material would have on a large urban area.

America is a free society which justifiably prides itself on its openness and civil liberties. This very aspect of the United States makes it an appealing target for nuclear terrorism. The terrorist would not be subject to the constant surveillance and scrutiny that is evident in more repressive societies that lessen the opportunity to accumulate the knowledge and materials to commit an act of nuclear terrorism. The Iranian hostage crisis also demonstrated the enormous prestige to be derived by a comparatively weak power incapacitating the United States. America stands as a symbol of strength in the international system and to be able to successfully extort demands from the most powerful nation in the world would be considered by many to be a considerable temptation.

Since World War II, it has been established that thousands of pounds of uranium and plutonium, materials needed for the construction of a nuclear device, have not been accounted for in the United States. Most experts agree that it is entirely possible for individuals to construct a crude nuclear device.

The threat of exploding a homemade nuclear device is not the only possibility. Terrorists may explode a crude nuclear weapon without warning in an effort to avoid detection and capture, and even misidentify themselves in the hope of igniting domestic repression or international chaos. One can only imagine the damage to be wrought a 1-kiloton weapon, 20 times less powerful than the Hiroshima bomb, exploded outside the Capitol Building during a State of the Union Message. The U.S. Government would virtually cease to exist.

Another dimension to the threat of terrorism with nuclear weapons is the possibility that a terrorist group would steal a weapon from the U.S. arsenal of over 30,000 nuclear devices stockpiled in more than 100 military installations in the United States and abroad. While there is enormous security surrounding American nuclear weapons around the world, and while most American nuclear devices have highly sophisticated devices to prevent their unauthorized explosion, the possibility still exists that these nuclear weapons could fall into the hands of terrorists and be detonated.

Protection of America's far-flung nuclear arsenal is hampered by their wide dispersal around the globe where American security systems are dependent on the security systems of the host nation which are of varying reliability. Also, the weakness of local law enforcement agencies in most parts of the United States means that they are of little help in assisting Federal authorities in the event of a nuclear weapon theft.

Radiation dispersal devices in the hands of terrorists pose another serious threat to the United States. Radiation dispersal devices, in contrast to nuclear weapons, require less expertise, nuclear material, and production time by a terrorist group. Dispersal of a highly toxic carcinogen such as plutonium could have a devastating effect on the American public. The U.S. Atomic Energy Commission, predecessor of the current Nuclear Regulatory Commission and the Department of Energy, has estimated that the release of 4.4 pounds of plutonium oxide in fine powder form would result in 100 percent probability of developing lung or bone cancer up to 1,800 feet from the area of release, and a 1-percent risk of developing such cancer up to 40 miles downwind.

For the nuclear terrorist, the dispersion of nuclear material would undoubtedly be an attractive means to obtain his political ends. Authorities would be virtually unable to prevent the release of plutonium when it could be effectively dispersed over a wide, dense area by using such a simple device as a leaking container attached to the underside of a vehicle or dropping it from a tall building. Construction of such a dispersal device would require only a basic knowledge of nuclear chemistry and would thereby lessen the risks inherent in forming a larger terrorist network to design and assemble a nuclear weapon. Also, the enormous social and economic chaos that would certainly result after the announcement of radiation leakages would be tempting to terrorists in possession of plutonium.

The increased production of plutonium is another inducement to terrorists. A 1,000 megawatt light-water nuclear power reactor generates an estimated 440 pounds of plutonium each year—an appealing target to terrorists.

A third possible target for nuclear terrorists in the United States is a nuclear facility itself. While the construction of nuclear power reactors has slowed in the United States in the past decade, it is likely to grow in the future and with that growth is the increased risk that a terrorist group will seek to damage a nuclear facility in order to precipitate a radiation release.

CONFRONTING THE THREAT OF NUCLEAR TERRORISM

Mr. President, some individuals believe that it is essential to eradicate the conditions that spawn terrorism. It is argued that greater attention should be given to the legitimate economic, social, and political grievances of individuals in the United States and throughout the world as a viable means of combating terrorism and thereby reducing the threat of nuclear terrorism.

Undeniably, the injustices of the international system require attention, but to attempt to correct these grievances as the sole means of combating the menace of terrorism and the threat of nuclear terrorism is naive and unrealistic. When a neighborhood is confronted with a rising crime rate, the community does not initiate a study of the reasons for the criminals' behavior, but undertakes a program of increased vigilance and deterrence. The same is true of the nuclear threat to the United States.

As I have discussed, the threat of nuclear terrorism in the United States is real and growing. The American military's protection of the U.S. nuclear arsenal, private enterprise's control of nuclear materials pursuant to the regulations of the Nuclear Regulatory Commission, and the Nuclear Emergency Search Team's ability to trace nuclear terrorist threats all provide considerable security from the threat of nuclear terrorism, yet no safeguard can be considered completely "fail safe."

The United States is not a secure island, but a major force in a highly diverse international system whose members have widely divergent views as to what constitutes acceptable national behavior. As terrorism increases and nuclear knowledge, weapons, and materials spread throughout the world, the United States is increasingly likely to be the site of a nuclear terrorist incident. We must do everything we can to insure that such a catastrophic possibility does not occur.

THE REPORT OF THE INTERNATIONAL TASK FORCE ON THE PREVENTION OF NUCLEAR TERRORISM

Mr. President, on June 25, 1986, the Nuclear Control Institute of Washington, DC, issued a report by the International Task Force on the Prevention of Nuclear Terrorism. I believe that this report contains important suggestions on one of the most serious threats confronting the United States today. The report contains numerous recommendations dealing with, among other things, the protection of nuclear weapons, nuclear materials, and nuclear facilities.

Mr. President, today I rise to offer a resolution that states that it is the sense of the Senate that the President should make vigorous efforts to encourage the governments of signatory countries to ratify, accept, or approve the Convention on the Physical Protection of Nuclear Materials. This is identical to the resolution I introduced toward the end of the 99th Congress.

This treaty, although chiefly directed to shipments of peaceful nuclear materials between nations, does define a large range of nuclear terrorist acts and require parties to make them criminal offenses and to provide for the prosecution or extradition of offenders under domestic law. The convention, which applies to "nuclear material used for peaceful purposes while in international transport," was agreed to in 1980 but has not come into force because only 18 of the required 21 States, including the United States, have ratified it. The Convention on the Physical Protection of Nuclear Materials represents an important step toward international cooperation to prevent nuclear terrorism.

Mr. President, I ask unanimous consent that a copy of the treaty be printed in the RECORD.

There being no objection, the treaty was ordered to be printed in the RECORD, as follows:

CONVENTION ON THE PHYSICAL PROTECTION OF NUCLEAR MATERIAL

The States Parties to This Convention,

Recognizing, the right of all States to develop and apply nuclear energy for peaceful purposes and their legitimate interests in the potential benefits to be derived from the peaceful application of nuclear energy,

Convinced of the need for facilitating international co-operation in the peaceful application of nuclear energy,

Desiring to avert the potential dangers posed by the unlawful taking and use of nuclear material,

Convinced that offenses relating to nuclear material are a matter of grave concern and that there is an urgent need to adopt appropriate and effective measures to ensure the prevention, detection and punishment of such offenses,

Aware of the Need for international co-operation to establish, in conformity with the national law of each State Party and with this Convention, effective measures for the physical protection of nuclear material,

Convinced that this Convention should facilitate the safe transfer of nuclear material,

Stressing also the importance of the physical protection of nuclear material in domestic use, storage and transport,

Recognizing, the importance of effective physical protection of nuclear material used for military purposes, and understanding that such material is and will continue to be accorded stringent physical protection,

Have Agreed as follows:

ARTICLE 1

* * * * *

2. With the exception of articles 3 and 4 and paragraph 3 of article 5, this Convention shall also apply to nuclear material used for peaceful purposes while in domestic use, storage and transport.

3. Apart from the commitments expressly undertaken by States Parties in the articles covered by paragraph 2 with respect to nuclear material used for peaceful purposes while in domestic use, storage and transport, nothing in this Convention shall be interpreted as affecting the sovereign rights of a State regarding the domestic use, storage and transport of such nuclear material.

ARTICLE 3

Each State Party shall take appropriate steps within the framework of its national law and consistent with international law to ensure as far as practicable that, during international nuclear transport, nuclear material within its territory, or on board a ship or aircraft under its jurisdiction insofar as such ship or aircraft is engaged in the transport to or from that State, is protected at the levels described in Annex I.

ARTICLE 4

1. Each State Party shall not export or authorize the export of nuclear material unless the State Party has received assurances that such material will be protected during the international nuclear transport at the levels described in Annex I.

2. Each State Party shall not import or authorize the import of nuclear material from a State not party to this Convention unless the State Party has received assurances that such material will during the international nuclear transport be protected at the levels described in Annex I.

3. A State Party shall not allow the transit of its territory by land or internal waterways or through its airports or seaports of nuclear material between States that are not parties to this Convention unless the State Party has received assurances as far as practicable that this nuclear material will be protected during international nuclear transport at the levels described in Annex I.

4. Each State Party shall apply within the framework of its national law the levels of physical protection described in Annex I to nuclear material being transported from a part of that State to another part of the same State through international waters or airspace.

5. The State Party responsible for receiving assurances that the nuclear material will be protected at the levels described in Annex I according to paragraphs 1 to 3 shall identify and inform in advance States which the nuclear material is expected to transit by land or internal waterways, or whose airports or seaports it is expected to enter.

6. The responsibility for obtaining assurances referred to in paragraph 1 may be

transferred, by mutual agreement, to the State Party involved in the transport as the importing State.

7. Nothing in this article shall be interpreted as in any way affecting the territorial sovereignty and jurisdiction of a State, including that over its airspace and territorial sea.

ARTICLE 5

1. States Parties shall identify and make known to each other directly or through the International Atomic Energy Agency their central authority and point of contact having responsibility for physical protection of nuclear material and for co-ordinating recovery and response operations in the event of any unauthorized removal, use or alteration of nuclear material or in the event of credible threat thereof.

2. In the case of theft, robbery or any other unlawful taking of nuclear material or of credible threat thereof, States Parties shall, in accordance with their national law, provide co-operation and assistance to the maximum feasible extent in the recovery and protection of such material to any State that so requests. In particular:

(a) a State Party shall take appropriate steps to inform as soon as possible other States, which appear to it to be concerned, of any theft, robbery or other unlawful taking of nuclear material or credible threat thereof and to inform, where appropriate, international organizations;

(b) as appropriate, the States Parties concerned shall exchange information with each other or international organizations with a view to protecting threatened nuclear material, verifying the integrity of the shipping container, or recovering unlawfully taken nuclear material and shall:

(i) co-ordinate their efforts through diplomatic and other agreed channels;

(ii) render assistance, if requested;

(iii) ensure the return of nuclear material stolen or missing as a consequence of the above-mentioned events.

The means of implementation of this co-operation shall be determined by the States Parties concerned.

3. States Parties shall co-operate and consult as appropriate, with each other directly or through international organizations, with a view to obtaining guidance on the design, maintenance and improvement of systems of physical protection of nuclear material in international transport.

ARTICLE 6

1. States Parties shall take appropriate measures consistent with their national law to protect the confidentiality of any information which they receive in confidence by virtue of the provisions of this Convention from another State Party or through participation in an activity carried out for the implementation of this Convention. If States Parties provide information to international organizations in confidence, steps shall be taken to ensure that the confidentiality of such information is protected.

2. States Parties shall not be required by this Convention to provide any information which they are not permitted to communicate pursuant to national law or which would jeopardize the security of the State concerned or the physical protection of nuclear material.

ARTICLE 7

1. The intentional commission of:

(a) an act without lawful authority which constitutes the receipt, possession, use, transfer, alteration, disposal or dispersal of nuclear material and which causes or is likely to cause death or serious injury to any person or substantial damage to property;

(b) a theft or robbery of nuclear material;

(c) an embezzlement or fraudulent obtaining of nuclear material;

(d) an act constituting a demand for nuclear material by threat or use of force or by any other form of intimidation;

(e) a threat:

(i) to use nuclear material to cause death or serious injury to any person or substantial property damage, or

(ii) to commit an offense described in subparagraph (b) in order to compel a natural or legal person, international organization or State to do or to refrain from doing any act;

(f) an attempt to commit any offense described in paragraphs (a), (b) or (c); and

(g) an act which constitutes participation in any offense described in paragraphs (a) to (f) shall be made a punishable offense by each State Party under its national law.

2. Each State Party shall make the offenses described in this article punishable by appropriate penalties which take into account their grave nature.

ARTICLE 8

1. Each State Party shall take such measures as may be necessary to establish its jurisdiction over the offenses set forth in article 7 in the following cases:

(a) when the offense is committed in the territory of that State or on board a ship or aircraft registered in that State;

(b) when the alleged offender is a national of that State.

2. Each State Party shall likewise take such measures as may be necessary to establish its jurisdiction over these offenses in cases where the alleged offender is present in its territory and it does not extradite him pursuant to article 11 to any of the States mentioned in paragraph 1.

3. This Convention does not exclude any criminal jurisdiction exercised in accordance with national law.

4. In addition to the State Parties mentioned in paragraphs 1 and 2, each State Party may, consistent with international law, establish its jurisdiction over the offenses set forth in article 7 when it is involved in international nuclear transport as the exporting or importing State.

ARTICLE 9

Upon being satisfied that the circumstances so warrant, the State Party in whose territory the alleged offender is present shall take appropriate measures, including detention, under its national law to ensure his presence for the purpose of prosecution or extradition. Measures taken according to this article shall be notified without delay to the States required to establish jurisdiction pursuant to article 8 and, where appropriate, all other States concerned.

ARTICLE 10

The State Party in whose territory the alleged offender is present shall, if it does not extradite him, submit, without exception whatsoever and without undue delay, the case to its competent authorities for the purpose of prosecution, through proceedings in accordance with the laws of that State.

ARTICLE 11

1. The offenses in article 7 shall be deemed to be included as extraditable offenses in any extradition treaty existing between States Parties. States Parties undertake to include those offenses as extraditable offenses in every future extradition treaty to be concluded between them.

2. If a State Party which makes extradition conditional on the existence of a treaty receives a request for extradition from another State Party with which it has no extradition treaty, it may at its option consider this Convention as the legal basis for extradition in respect of those offenses. Extradition shall be subject to the other conditions provided by the law of the requested State.

3. States Parties which do not make extradition conditional on the existence of a treaty shall recognize those offenses as extraditable offenses between themselves subject to the conditions provided by the law of the requested State.

4. Each of the offenses shall be treated, for the purpose of extradition between States Parties, as if it had been committed not only in the place in which it occurred but also in the territories of the States Parties required to establish their jurisdiction in accordance with paragraph 1 of article 8.

ARTICLE 12

Any person regarding whom proceedings are being carried out in connection with any of the offenses set forth in article 7 shall be guaranteed fair treatment at all stages of the proceedings.

ARTICLE 13

1. States Parties shall afford one another the greatest measure of assistance in connection with criminal proceedings brought in respect of the offenses set forth in article 7, including the supply of evidence at their disposal necessary for the proceedings. The law of the State requested shall apply in all cases.

2. The provisions of paragraph 1 shall not affect obligations under any other treaty, bilateral or multilateral, which governs or will govern, in whole or in part, mutual assistance in criminal matters.

ARTICLE 14

1. Each State Party shall inform the depositary of its laws and regulations which give effect to this Convention. The depositary shall communicate such information periodically to all States Parties.

2. The State Party where an alleged offender is prosecuted shall, wherever practicable, first communicate the final outcome of the proceedings to the States directly concerned. The State Party shall also communicate the final outcome to the depositary who shall inform all States.

3. Where an offense involves nuclear material used for peaceful purposes in domestic use, storage or transport, and both the alleged offender and the nuclear material remain in the territory of the State Party in which the offense was committed, nothing in this Convention shall be interpreted as requiring that State Party to provide information concerning criminal proceedings arising out of such an offense.

ARTICLE 15

The Annexes constitute an integral part of this Convention.

ARTICLE 16

1. A conference of States Parties shall be convened by the depositary five years after the entry into force of this Convention to review the implementation of the Convention and its adequacy as concerns the preamble, the whole of the operative part and the annexes in the light of the then prevailing situation.

2. At intervals of not less than five years thereafter, the majority of States Parties may obtain, by submitting a proposal to this effect to the depositary, the convening of further conferences with the same objective.

ARTICLE 17

1. In the event of a dispute between two or more States Parties concerning the interpretation or application of this Convention, such States Parties shall consult with a view to the settlement of the dispute by negotiation, or by any other peaceful means of settling disputes acceptable to all parties to the dispute.

2. Any dispute of this character which cannot be settled in the manner prescribed in paragraph 1 shall, at the request of any party to such dispute, be submitted to arbitration or referred to the International Court of Justice for decision. Where a dispute is submitted to arbitration, if, within six months from the date of the request, the parties to the dispute are unable to agree on the organization of the arbitration, a party may request the President of the International Court of Justice or the Secretary-General of the United Nations to appoint one or more arbitrators. In case of conflicting requests by the parties to the dispute, the request to the Secretary-General of the United Nations shall have priority.

3. Each State Party may at the time of signature, ratification, acceptance or approval of this Convention or accession thereto declare that it does not consider itself bound by either or both of the dispute settlement procedures provided for in paragraph 2. The other States Parties shall not be bound by a dispute settlement procedure provided for in paragraph 2, with respect to a State Party which had made a reservation to that procedure.

4. Any State Party which has made a reservation in accordance with paragraph 3 may at any time withdraw that reservation by notification to the depositary.

ARTICLE 18

1. This Convention shall be open for signature by all States at the Headquarters of the International Atomic Energy Agency in Vienna and at the Headquarters of the United Nations in New York from 3 March 1980 until its entry into force.

2. This Convention is subject to ratification, acceptance or approval by the signatory States.

3. After its entry into force, this Convention will be open for accession by all States.

4. (a) This Convention shall be open for signature or accession by international organizations and regional organizations of an integration or other nature, provided that any such organization is constituted by sovereign States and has competence in respect of the negotiation, conclusion and application of international agreements in matters covered by this Convention.

(b) In matters within their competence, such organizations shall, on their own behalf, exercise the rights and fulfill the responsibilities which this Convention attributes to States Parties.

(c) When becoming party to this Convention such an organization shall communicate to the depositary a declaration indicating which States are members thereof and which articles of this Convention do not apply to it.

(d) Such an organization shall not hold any vote additional to those of its Member States.

5. Instruments of ratification, acceptance, approval or accession shall be deposited with the depositary.

ARTICLE 19

1. This Convention shall enter into force on the thirtieth day following the date of deposit of the twenty first instrument of ratification, acceptance or approval with the depositary.

2. For each State ratifying, accepting, approving or acceding to the Convention after the date of deposit of the twenty first instrument of ratification, acceptance or approval, the Convention shall enter into force on the thirtieth day after the deposit by such State of its instrument of ratification, acceptance, approval or accession.

ARTICLE 20

1. Without prejudice to article 16 a State Party may propose amendments to this Convention. The proposed amendment shall be submitted to the depositary who shall circulate it immediately to all States Parties. If a majority of States Parties request the depositary to convene a conference to consider the proposed amendments, the depositary shall invite all States Parties to attend such a conference to begin not sooner than thirty days after the invitations are issued. Any amendment adopted at the conference by a two-thirds majority of all States Parties shall be promptly circulated by the depositary to all States Parties.

2. The amendments shall enter into force for each State Party that deposits its instrument of ratification, acceptance or approval of the amendment on the thirtieth day after the date on which two thirds of the States Parties have deposited their instruments of ratification, acceptance or approval with the depositary. Thereafter, the amendment shall enter into force for any other State Party on the day on which that State Party deposits its instrument of ratification, acceptance or approval of the amendment.

ARTICLE 21

1. Any State Party may denounce this Convention by written notification to the depositary.

2. Denunciation shall take effect one hundred and eighty days following the date on which notification is received by the depositary.

ARTICLE 22

The depositary shall promptly notify all States of:

(a) each signature of this Convention;

(b) each deposit of an instrument of ratification, acceptance, approval or accession;

(c) any reservation or withdrawal in accordance with article 17;

(d) any communication made by an organization in accordance with paragraph 4(c) of article 18;

(e) the entry into force of this Convention;

(f) the entry into force of any amendment to this Convention; and

(g) any denunciation made under article 21.

ARTICLE 23

The original of this Convention, of which the Arabic, Chinese, English, French, Russian and Spanish texts are equally authentic, shall be deposited with the Director General of the International Atomic Energy Agency who shall send certified copies thereof to all States.

ANNEX I

LEVELS OF PHYSICAL PROTECTION TO BE APPLIED IN INTERNATIONAL TRANSPORT OF NUCLEAR MATERIAL AS CATEGORIZED IN ANNEX II

1. Levels of physical protection for nuclear material during storage incidental to international nuclear transport include:

(a) For Category III materials, storage within an area to which access is controlled;

(b) For Category II materials, storage within an area under constant surveillance by guards or electronic devices, surrounded by a physical barrier with a limited number of points of entry under appropriate control or any area with an equivalent level of physical protection;

(c) For Category I material, storage within a protected area as defined for Category II above, to which, in addition, access is restricted to persons whose trustworthiness has been determined, and which is under surveillance by guards who are in close communication with appropriate response forces. Specific measures taken in this context should have as their object the detection and prevention of any assault, unauthorized access or unauthorized removal of material.

2. Levels of physical protection for nuclear material during international transport include:

(a) For Category II and III materials, transportation shall take place under special precautions including prior arrangements among sender, receiver, and carrier, and prior agreement between natural or legal persons subject to the jurisdiction and regulation of exporting and importing States, specifying time, place and procedures for transferring transport responsibility;

(b) For Category I materials, transportation shall take place under special precautions identified above for transportation of Category II and III materials, and in addition, under constant surveillance by escorts and under conditions which assure close communication with appropriate response forces;

(c) For natural uranium other than in the form of ore or ore-residue, transportation protection for quantities exceeding 500 kilograms U shall include advance notification of shipment specifying mode of transport, expected time of arrival and confirmation of receipt of shipment.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this Convention, opened for signature at Vienna and at New York on 3 March 1980.

SENATE RESOLUTION 38—ESTABLISHING A SPECIAL COMMITTEE ON FAMILIES, YOUTH, AND CHILDREN

Mr. MOYNIHAN submitted the following resolution; which was referred to the Committee on Rules and Administration.

S. RES. 38

Whereas the family is the fundamental social unit and family formation and the successful rearing of youth and children may be more difficult than ever before in our nation's history;

Whereas the weakening of the traditional family unit constitutes a sensitive and complex social problem involving intense unhappiness of men, women, and children;

Whereas family instability and deteriorating family relationships are destructive of the physical and mental health and economic well-being, especially of youth and children, but also of many other members of unstable or broken families;

Whereas family instability is substantially associated with the impoverishment of children and increasing rates of teenage alcohol and drug abuse, adolescent pregnancy, teenage suicide, and juvenile delinquency;

Whereas more than one-fifth of the children in the United States today live in poverty as measured by the Census Bureau;

Whereas the poverty rate for children particularly young children under age 6, is far higher than that for any other age group;

Whereas one-third of all children now being born in the United States may expect to be on public assistance before reaching age eighteen;

Whereas the generation long trend toward increasing child dependency on public assistance, child abandonment, child abuse, and child exploitation is to be resisted and reversed;

Whereas it is essential to address the nation's alarming rate of family disintegration and raise the public and governmental levels of understanding of the problems of families, youth, and children;

Whereas it is imperative that government and private policies strengthen families and foster responsibility by addressing the causes of family disintegration, and assisting and encouraging preventive measures;

Whereas commencing with the establishment of the Children's Bureau of 1912, the executive branch has maintained a continuous if not always vigorous concern for the welfare of families, youth, and children;

Whereas policies affecting families, youth, and children are considered and acted upon by several different standing committees; and

Whereas it is necessary to enhance the Senate's ability to conduct comprehensive oversight of Government and congressional activities affecting families, youth, and children: Now, therefore, be it

Resolved, That (a)(1) there is established a special committee of the Senate to be known as the Special Committee on Families, Youth, and Children (hereafter in this resolution referred to as the "special committee"). The special committee shall be composed of eleven members appointed by the President pro tempore from the recommendations of the Minority Leader and the Majority Leader. Six members shall be appointed from the majority party and five members shall be appointed from the minority party.

(2) The President pro tempore shall designate a member of the special committee recommended by the Majority Leader to serve as chairman.

(b)(1) A majority of the members of the special committee shall constitute a quorum for the transaction of business, except that the special committee may fix a lesser number as a quorum for the purpose of taking testimony.

(2) Vacancies in the membership of the special committee shall not affect the authority of the remaining members to execute the functions of the committee, and shall be filled in the same manner as original appointments are made.

(3) The special committee shall adopt rules of procedure not inconsistent with the rules of the Senate governing standing committees of the Senate.

(c) The chairman may establish such subcommittees of the special committee as he considers appropriate, but each such subcommittee shall be composed of not less than four members.

SEC. 2. (a) It shall be the duty of the special committee to—

(1) make a full and complete study of the impact of government policies on families, children and adolescents, including the problems of health, income maintenance, welfare, education, employment, care of dependents of all ages, nutrition, adoption, foster care, and other concerns of children, adolescents, and families generally; and

(2) study the use of practicable means of encouraging the development of public and private programs and policies which will assist families, youth, or children.

(b) The special committee shall submit an annual report, and such other reports as the special committee considers necessary, to the Senate on the results of any investigation and review conducted under subsection (a).

(c) No proposed legislation shall be referred to the special committee, and such committee shall not have the power to report by bill or otherwise have any legislative jurisdiction.

SEC. 3. (a) For the purposes of this resolution, the special committee is authorized to—

(1) make expenditures from the contingent fund of the Senate;

(2) employ personnel;

(3) hold hearings;

(4) sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate;

(5) require, by subpoena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents;

(6) take depositions and other testimony;

(7) procure the services of individual consultants or organizations thereof, in accordance with the provisions of section 202(i) of the Legislative Reorganization Act of 1946; and

(8) with the prior consent of the department or agency of the Federal Government concerned and the Committee on Rules and Administration, use on a reimbursable basis the services of personnel of any such department or agency.

(b) With the consent of the chairman of any other committee of the Senate, the special committee may utilize the facilities and the services of the staff of such other committee of the Senate, or any subcommittee thereof, whenever the chairman of the special committee determines that such action is necessary and appropriate.

(c) The chairman of the special committee or any member thereof may administer oaths to witnesses.

(d) Subpoenas authorized by the special committee may be issued over the signature of the chairman or any member of the special committee designated by the chairman, and may be served by any person designated by the member signing the subpoena.

SEC. 4. Expenses of the special committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the special committee, except that vouchers shall not be required for the disbursement of salaries of employees paid an annual rate.

SEC. 5. The committee list of paragraph (3)(c) of rule XXV of the Standing Rules of the Senate is amended by inserting at the end thereof the following:

"Special Committee on Families, Youth, and Children .... 11."

Mr. MOYNIHAN. Mr. President, there is no matter more important to the Nation's future than the condition of its families and the prospects for its youth. This is a simple proposition, and I dare say one with which all of my colleagues would agree.

By a variety of indices, the condition of our families—and more particularly, the prospects for our children—appear increasingly threatened. If we are in agreement upon the importance of such matters, we may agree that they warrant the attention of the Members of this Chamber.

Thus, on this first day of the 100th Congress, I rise to introduce legislation establishing by a Special Committee on Families, Youth, and Children, a committee whose mandate will be to study the issues relating to families and to encourage public and private programs and policies to assist them.

Nearly 20 years ago, in an introduction to a paperback edition of Alva Myrdal's "Nation and Family," I wrote:

> In the nature of modern industrial society no government, however firm might be its wish, can avoid having policies that profoundly influence family relationships. This is not to be avoided. The only option is whether these will be purposeful, intended policies or whether they will be residual, derivative in a sense, concealed ones.

This proposition was clear then as now.

The Senate needs an official focal point for these important matters. Family concerns are no one's concern at present. Our distinguished and recently retired colleague, Senator Mathias, referred eloquently to this need:

> Just about every social, economic and ideological unit in the country has a lobby and a respondent government policy—except our most basic unit, the family.

An example or two illustrates the problem. Last February 5, Budget Director James C. Miller III, a trained economist and a meticulous scholar, appeared before the Senate Budget Committee to present the President's budget for fiscal year 1987. The first fact his testimony called attention to was that "* * * family income is at an all-time high."

Yet, in fact, Dr. Miller had it wrong. Personal income had risen, and various other indices also, but family income had not. Indeed, median family income peaked in 1973; by 1985, it was a mere $399 more than it had been in 1970. Over a 15-year stretch, median family income has remained flat.

Never in our history has there been such a long period with no improvement in family income. In postwar America, we never went 3 years without reaching a new record. That is, until 1973. As astonishing as this trend is, apparently no one at OMB knew or cared enough to notice the Director's mistake.

An isolated example? I would have hoped so. But some months later, Dr. Janet Norwood, our distinguished Commissioner of Labor Statistics, testified before the Finance Committee. I asked her what we were to make of the fact that family income has been flat for the last 15 years.

Dr. Norwood replied that there were all manner of problems with the statistics, that it might very well be the result of smaller households and more older people, whose lower average incomes tend to pull down the overall trend, and so on.

This response was baffling. Again, in fact, per capita income increased slowly, in real terms, between 1973 and 1984. At the same time, however, mean family income decreased over the same time period and, most noteworthy, families with children fared worst: Between 1973 and 1984, mean real income for all families declined by 8.3 percent—from $32,206 in 1973 to $29,527 in 1984. About 3 percent of that decline came in the 6 years between 1973 and 1979, with the bulk of the decline, over 5 percent, coming in the 5 years from 1979 to 1984.

If some of our most distinguished and competent public officials are unaware of these trends in family well-being, then who is paying attention? At one time, the Government paid closer attention to these matters.

President Theodore Roosevelt created one of the first official forums expressly to explore the problems of children in 1909, when he assembled a special White House Conference on the Care of Dependent Children. Three years later, the Federal Government acting on the recommendation of that conference, established the Children's Bureau in the Department of the Interior. The Bureau was given the charge to "report upon all matters pertaining to the welfare of children and child life," which in those early days included:

> The questions of infant mortality, the birth rate, physical degeneracy, orphanage, juvenile delinquency and juvenile courts, desertion and illegitimacy, dangerous occupations, accidents and diseases of children of the working classes, employment * * * and such other facts as have a bearing upon the health, efficiency, character, and training of children.

Real progress has been achieved in addressing many of these problems over the past 75 years, but many of them—particularly those related to poverty and family disintegration—have actually intensified.

It is chilling to note that over 20 percent of our Nation's children, some 12.8 million, now live below the poverty line. And a number of reliable sources estimate that fully one-third of all American children born in 1980 are likely to be on welfare [AFDC] at some point before reaching age 18.

In contrast—and perhaps owing to the early work of the Senate Special Committee on Aging—poverty among elderly Americans has been vastly reduced. Unhappily, children have taken their place as the poorest age group in our society. Taking into account the value of noncash benefits, elderly poverty in 1984 was about 2.6 percent, compared to 17.5 percent for children under age 6. The startling conclusion: Poverty among the very young in America was seven times greater than that for the old.

Year-to-year increases in the poverty rates of children have been linked to a range of economic factors, including the rapid inflation of 1979-80 and the serious recessions of 1980 and 1981-82. But over the last two decades, rising poverty among children has been principally associated with one particular change in family structure: the rise in female-headed households. In his 1984 Presidential address to the Population Association of America, University of Pennsylvania Prof. Samuel H. Preston spoke of "the earthquake that shuddered through the American family in the past 20 years."

In 1984, for the first time, there were more female-headed families—3.5 million—than married-couple families in poverty. The pattern persisted in 1985, the most recent year for which such data exist. Indeed, the poverty rate for female-headed families is five times as high as that for married-couple families. This dramatic fact has devastating consequences for children: More than half—54 percent—of all children living in female-headed families are poor; two-thirds of black children in female-headed families are poor and three-fourths of children of Spanish-origin in such families are poor. The relationship between poverty and the rise in female-headed homes is such that the Congressional Research Service estimates that if the proportion of children in female-headed households had not increased over the past 25 years, there could have been 3 million fewer children in poverty in 1983.

There is plentiful evidence of the ominous trend in the American family structure. For example, a Census Bureau report released last summer indicates that single-parent families with children now account for more than one-quarter of all family groups, almost double the 1970 proportion of 13 percent. Arthur Norton and Paul Glick forecast that 60 percent of all children born today can expect to live in a one-parent family before reaching age 18. In a 1984 study prepared for the Department of Health and Human Services, Mary Jo Bane and David Ellwood estimate that by 1994, 87 percent of all black youth and 46 percent of all white youth under age 18 will have spent some part of their childhoods in a single-parent family.

Mr. President, I do not claim that a Special Committee on Families, Youth, and Children will solve these problems, but it will help us to better understand them.

In the Senate, responsibility for the legislative issues pertaining to American families and children has long been splintered among numerous different standing committees and subcommittees—by some counts as many as 10 standing Senate committees are involved in one way or another.

Mr. President, I joined Senator Denton last year in offering the legislation of which I speak today. On July 23, 1986 the Committee on Rules and Administration held a lengthy hearing on the resolution, to which we invited scholars, statisticians and family and child care providers. Their testimony provided a code of sorts to an array of issues surrounding American families and our youth. Each witness came forth with facts new to members of the committee, the most notable of which bear repeating.

Dr. Preston, highly regarded demographer at the University of Pennsylvania, described to the committee a demographic trend which most certainly deserves our attention:

> We are bearing, on average, only half as many children per woman as we were 30 years ago. The fertility rate has been below the replacement level for 14 straight years now and has been stuck at a level of 1.8 children per woman for a decade. At this level we either begin declining in population size or accept more immigrants.

The distinguished Urie Bronfenbrenner of Cornell also appeared before the committee to plead the case for attention to the subject of family. Our divorce rate is the highest in the world: 1½ times that of our nearest competitor, the U.S.S.R. Our rate of teenage pregnancy is not only the highest in the world, but "in contrast to every other modern nation, is now no longer being reduced." His testimony, stocked with fascinating and little known bits of data in which the Senate most assuredly should take an interest, left off:

> Mr. Chairman, many persons today no longer read, and hence cannot recall those prophetic words from the Book on which our civilization is based; I quote from Exodus 21:5: "The sins of the fathers shall be visited upon the children even unto the third and fourth generation."

Each witness, some representing his own views and others speaking on behalf of large membership organizations, stressed one overarching theme: The Senate must begin to more carefully evaluate the effects of legislative policy on American families; and it should establish a committee mandated specifically to do so.

The idea to create a special committee is not new to the Congress. A similar committee has been operating, most effectively, in the House for 4 years now, providing that body and its Members with valuable research and analysis of all matters pertaining to American families and children.

Like the House committee, the Senate special committee which I propose would have no legislative jurisdiction. It would function as an oversight committee, studying and evaluating the entire range of problems and Government policies that affect families and children.

It is time that the U.S. Senate—whose individual Members are deeply concerned with the problems facing American families and children today—make an institutional commitment to the study of these issues and to an examination of possible remedies.

In the rush of business at the end of the 99th Congress, the Rules Committee failed to report the resolution to the full Senate. In offering it again today, I am confident the initiative will enjoy the broad bipartisan support it had last year and will receive favorable action by the full Senate early in the 100th Congress.

SENATE RESOLUTION 39—ESTABLISHING A SPECIAL COMMITTEE ON YOUNG AMERICANS AND FAMILIES

Mr. DODD (for himself and Mr. SPECTER) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 39

Whereas children now constitute the poorest age-group in this country, with one out of every four children under the age of six and more than one out of every five children under the age of eighteen living in poverty;

Whereas childhood poverty results in a greater risk of abuse and neglect, injury, malnourishment, poor health, and even death;

Whereas poor children who survive face a greater risk of dropping out of school, becoming teen parents, and remaining economically disadvantaged;

Whereas the greatest risk to health, safety, and well-being of some 14,000,000 children nationwide is poverty;

Whereas a significant number of children and adolescents living in families with incomes above the poverty line are also at risk of being left during the day or after school without adult supervision, becoming the victims of abuse and neglect, experiencing health and mental health problems, running away from home, dropping out of school, abusing drugs and alcohol, attempting suicide, committing juvenile offenses, parenting children themselves, and ending up unemployed.

Whereas the future development and security of this nation depends upon the one out of every three Americans who is a child under the age of eighteen;

Whereas Federal policies have not kept pace with the economic, demographic, and social changes affecting the families in which close to 64,000,000 American children live;

Whereas one of the biggest changes since 1970 has been the movement of women into the workforce out of economic necessity, such that two out of every three women working outside of the home now provide the sole support or critical economic support for their families;

Whereas more than 24,000,000 children under the age of 13 now live in families where the mothers work outside of the home and close to half of all mothers with infants under the age of one are in the workforce;

Whereas given such numbers are expected to continue to rise, policies are needed to integrate work and family life and to address both the skyrocketing demand for quality, affordable childcare and for parental leave which enables parents to incorporate infants and adopted children into their families;

Whereas any Federal focus on the special needs of children and youth must recognize families as an irreplaceable part of the solution and priority must be given to cost-effective, preventive strategies aimed at providing and improving public and private family supports;

Whereas addressing the needs of American children also entails giving priority to those who have no parents because of death or disease, who must be removed from their families because of abuse or neglect, who are rejected by their families because of economic, physical or emotional handicaps and those without families who are eligible for adoption;

Whereas policies affecting children and their families are under the jurisdiction of several, different standing committees in the Senate; and

Whereas it is essential to improve the Senate's ability to conduct comprehensive oversight of Federal, State, and local government and congressional activities affecting young Americans and families: Now, therefore, be it

Resolved,

SECTION 1. ESTABLISHMENT OF THE SPECIAL COMMITTEE.

(a)(1) There is established a special committee of the Senate to be known as the Special Committee on Young Americans and Families (hereafter in this resolution referred to as the "special committee"). The special committee shall be composed of eleven members appointed by the President pro tempore from the recommendations of the Majority Leader and the Minority Leader. Six members shall be appointed from the majority party and five members shall be appointed from the minority party.

(2) The President pro tempore shall designate a member of the special committee recommended by the Majority Leader to serve as chairman.

(b)(1) A majority of the members of the special committee shall constitute a quorum for the transaction of business, except that the special committee may fix a lesser number as a quorum for the purpose of taking testimony.

(2) Vacancies in the membership of the special committee shall not affect the authority of the remaining members to execute the functions of the committee, and shall be filled in the same manner as original appointments are made.

(3) The special committee shall adopt rules of procedure not inconsistent with the rules of the Senate governing standing committees of the Senate.

(c) The chairman may establish such subcommittees of the special committee as he considers appropriate, but each such subcommittee shall be composed of not less than four members.

SEC. 2. DUTIES OF THE SPECIAL COMMITTEE.

(a) It shall be the duty of the special committee to make a full and complete study of—

(1) the impact of government policies on families, children, and adolescents and families, including—

(A) the problems of childhood poverty, child care, child abuse and neglect, health and mental health, disabling conditions, education, employment, and child welfare services;

(B) the special needs of minority children; and

(C) other concerns related to the well-being and future well-being of young Americans and families.

(2) the use of practicable means of encouraging the development of public and private policies and programs assisting children, youth or families.

(b) The special committee shall submit an annual report, and such other reports as the special committee considers necessary, to the Senate on the rssults of any investigation and review conducted under subsection (a).

(c) No proposed legislation shall be referred to the special committee, and such committee shall not have the power to report by bill or otherwise have any legislative jurisdiction.

SEC. 3. POWERS OF SPECIAL COMMITTEE

(a) For the purposes of this resolution, the special committee is authorized to—

(1) make expenditures from the contingent fund of the Senate;

(2) employ personnel;

(3) hold hearings;

(4) sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate;

(5) require, by subpoena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents;

(6) take depositions and other testimony;

(7) procure the services of individual consultants or organizations thereof, in accordance with the provisions of section 202(i) of the Legislative Reorganization Act of 1946; and

(8) with the prior consent of the department or agency of the Federal Government concerned and the Committee on Rules and Administration, use on a reimbursable basis the services of personnel of any such department or agency.

(b) With the consent of the chairman of any other committee of the Senate, the special committee may utilize the facilities and the services of the staff of such other committee of the Senate, or any subcommittee thereof, whenever the chairman of the special committee determines that such action is necessary and appropriate.

(c) The chairman of the special committee or any member thereof may administer oaths to witnesses.

(d) Subpoenas authorized by the special committee may be issued over the signature of the chairman or any member of the special committee designated by the chairman, and may be served by any person designated by the member signing the subpoena.

SEC. 4. EXPENSES OF SPECIAL COMMITTEE

Expenses of the special committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the special committee, except that vouchers shall not be required for the disbursement of salaries of employees paid an annual rate.

SEC. 5. AMENDMENT TO THE STANDING RULES OF THE SENATE

The committee list of paragraph (3)(c) of rule XXV of the Standing Rules of the Senate is amended by inserting at the end thereof the following:

"Special Committee on Families, Youth, and Children

SENATE RESOLUTION 39—ESTABLISHING A SPECIAL COMMITTEE ON YOUNG AMERICANS AND FAMILIES

Mr. DODD (for himself and Mr. SPECTER) submitted the following resolution; which was considered and agreed to:

S. RES. 39

Mr. DODD. The future development and security of this Nation depends upon the 64 million Americans who are children under the age of 18. I am therefore introducing today a resolution to establish a Special Committee on Young Americans and Families within the Senate. I am pleased to have Senator SPECTER join me in sponsoring this legislation.

The need for a comprehensive review of congressional activities and Federal, State, and local government policies and programs relating to the 1 out of every 3 Americans who is a child was developed during the past two sessions of Congress by the Senate children's caucus. Cochaired by Senator SPECTER and myself, this bipartisan caucus of 34 Members held hearings on a wide range of issues affecting children and families, including the first comprehensive hearings on latchkey children, childhood injuries, and child sexual abuse. In addition, the caucus held hearings during the 98th and 99th sessions of Congress on gifted and talented children, high school dropouts, teenage parenthood, children in poverty, child welfare services, and children at risk. As a direct result of many of these hearings, Members went back to their authorizing and appropriating committees and passed important legislation, from child care initiatives to new measures to prevent and treat child abuse.

In short, the record established by the Senate children's caucus highlights the value of conducting comprehensive oversight of Federal, State, and local government and congressional activities affecting the children and families who will determine the future of this Nation. Such oversight should include coordinated studies of the problems of childhood poverty, child care, child abuse and neglect, health and mental health, disabling conditions, education, employment, child welfare services, the special needs of minority children, and other concerns related to the well-being of children and families. I therefore urge my colleagues to join me in sponsoring this legislation to establish a Special Committee on Youth Americans and Families to carry out such oversight.

I ask unanimous consent that the text of this legislation be printed in the RECORD in its entirety.

SENATE RESOLUTION 40—TO PROVIDE FOR ELECTRONIC VOTING IN THE SENATE

Mr. BYRD submitted the following resolution; which was referred to the Committee on Rules and Administration

S. RES. 40

Resolved, That Rule XII of the Standing Rules of the Senate is amended—

(1) by striking the first clause of paragraph 1 and inserting in lieu thereof the following: "Except as provided in paragraph 5 of this rule, when the yeas and nays are ordered,".

(2) by adding at the end thereof the following new paragraphs:

"5. Whenever the Majority Leader, with concurrence of the Minority Leader, shall determine, the names of Senators voting upon any roll call shall be recorded by electronic device. Senators shall have not more than fifteen minutes from the beginning of the roll call to have their vote recorded.

"6. The Majority Leader, with concurrence of the Minority Leader, may announce that any recorded vote that is scheduled to or does occur immediately after another recorded vote shall be no longer than five minutes in duration.".

SENATE RESOLUTION 41—TO PROVIDE FOR GERMANENESS OR RELEVANCY OF AMENDMENTS

Mr. BYRD submitted the following resolution; which was referred to the Committee on Rules and Administration.

S. RES. 41

Resolved, That Rule XV of the Standing Rules of the Senate is amended—

(1) by inserting after "motions" in the caption a semicolon and the following: "germaneness";

(2) by adding at the end thereof the following new paragraph:

"6. (a) At any time during the consideration of a bill or resolution, it shall twice be in order during a calendar day to move that no amendment, other than the reported committee amendments, which is not germane or relevant to the subject matter of the bill or resolution or to the subject matter of an amendment proposed by the committee which reported the bill or resolution, shall thereafter be in order. The motion shall be priviledged and shall be decided after one hour of debate, without any intervening action, to be equally divided and controlled by the Majority Leader and the Minority Leader or their designees.

"(b) If a motion made under subparagraph (a) is agreed to by an affirmative vote of three-fifths of the Senators present and voting, then any floor amendment not already agreed to (except amendments proposed by the Committee which reported the bill or resolution) which is not germane or relevant to the subject matter of the bill or resolution, or the subject matter of an amendment proposed by the Committee which reported the bill or resolution, shall not be in order.

"(c) When a motion made under subparagraph (a) has been agreed to as provided in subparagraph (b) with respect to a bill or resolution, points of order with respect to questions of germaneness or relevancy of amendments shall be decided without debate, except that the Presiding Officer may entertain debate for his own guidance prior to ruling on the point of order. Appeals from the decision of the Presiding Officer on such points of order shall be decided without debate.

"(d) Whenever an appeal is taken from a decision of the Presiding Officer on the question of germaneness of an amendment, or whenever the Presiding Officer submits the question of germaneness or relevancy of an amendment to the Senate, the vote necessary to overturn the decision of the Presiding Officer or hold the amendment germane or relevant shall be three-fifths of the Senators present and voting. No amendment proposing sense of the Senate or sense of the Congress language that does not directly relate to the measure or matter before the Senate shall be considered germane.".

SENATE RESOLUTION 42—TO LIMIT LEGISLATIVE AMENDMENTS TO GENERAL APPROPRIATIONS BILLS

Mr. BYRD submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 42

Resolved, That Rule XVI, paragraph 4, of the Standing Rules of the Senate is amended—

(1) by inserting "(a)" after "4"; and

(2) by adding at the end of such paragraph the following new subparagraph:

"(b) If a point of order is made by any Senator against an amendment to a general appropriations bill on the ground that such amendment proposes general legislation or proposes a limitation or restriction not authorized by law and is to take effect or cease to be effective upon the happening of a contingency, it shall not be in order to raise the defense of germaneness unless there is House legislative language to which that amendment could be germane remaining in the bill.

SENATE RESOLUTION 43—TO ESTABLISH A PROCEDURE IN ORDER TO OVERTURN THE CHAIR ON QUESTIONS OF GERMANENESS UNDER CLOTURE

Mr. BYRD submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 43

Resolved, That the third paragraph of paragraph 2 of Rule XXII of the Standing Rules of the Senate is amended by adding the following new sentence:

"Whenever an appeal is taken under this rule from a decision of the Presiding Officer on the question of germaneness of an amendment, the vote necessary to overturn the decision of the Presiding Officer shall be three-fifths of the Senators duly chosen and sworn—except on a measure or motion to amend the Senate rules, in which case the necessary vote shall be two-thirds of the Senators present and voting.".

SENATE RESOLUTION 44—TO PROVIDE THAT SUBSTITUTE AMENDMENTS BE CONSIDERED AS FIRST DEGREE AMENDMENTS UNDER CLOTURE

Mr. BYRD submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 44

Resolved, That the third paragraph of paragraph 2 of Rule XXII of the Standing Rules of the Senate is amended by inserting the following immediately after the words "first degree" in the second sentence—", which under cloture an amendment in the nature of a substitute shall be considered as an amendment in the first degree".

SENATE RESOLUTION 45—TO WAIVE READING OF AMENDMENTS UNDER CLOTURE

Mr. BYRD submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 45

Resolved, That rule XXII of the Standing Rules of the Senate is amended by striking the last sentence of paragraph 2 and inserting in lieu thereof the following:

"After cloture is invoked, the reading of any amendment, including House amendments, shall be dispensed with.".

SENATE RESOLUTION 46—EXPRESSING THE SENSE OF THE SENATE REGARDING TAX RATES

Mr. DOLE (for himself, Mr. WALLOP, Mr. GRASSLEY, Mr. QUAYLE, Mr. ROTH, Mr. DURENBERGER, Mr. KASTEN, Mr. SYMMS, Mr. RUDMAN, Mr. HATCH, Mr. TRIBLE, Mr. BOND, Mr. GRAMM, Mr. HECHT, Mr. ARMSTRONG, Mr. WILSON, Mr. STEVENS, Mr. D'AMATO, Mr. THURMOND, Mr. SIMPSON, Mr. NICKLES, Mr. COCHRAN, Mr. DOMENICI, and Mrs. KASSEBAUM) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 46

Whereas, the Tax Reform Act of 1986 was enacted only after nearly two years of Congressional study and deliberation, and

Whereas, the most fundamental principle of tax reform has been the reduction or elimination of special tax benefits in order to reduce tax rates for all taxpayers, and

Whereas, taxpayers have a right to expect Congress to hold to its promise to reduce tax rates in return for elimination of special tax benefits, rather than to use tax reform as a disguised effort to raise taxes: Now, therefore, be it

Resolved, That it is the sense of the Senate that the income tax rates provided in the Tax Reform Act of 1986 should not be raised or delayed.

Mr. DOLE. Mr. President, today I am introducing a resolution expressing the sense of the Senate that the tax rates reduced by the Tax Reform Act of 1986 should not be increased, or delayed.

It seems a little strange that a resolution of this nature should be necessary. The Senate twice voted overwhelmingly in favor of the Tax Reform Act. And the House agreed to the conference report by a lopsided margin, as well. However, the suggestions keep on coming that we can solve the deficit problem, or somehow make the Tax Code more fair, by raising rates.

Mr. President, I am confident that those suggestions do not represent the view of the Senate; and this resolution will give us an opportunity to express what our position really is.

This resolution is not just a political document. It is an effective way to let the American people know that the policy concerns which drove the tax reform legislation still are the policy of the new Senate.

RATE REDUCTION WAS FUNDAMENTAL TO THE TAX REFORM ACT

The fundamental concept behind the Tax Reform Act is that special tax breaks for some taxpayers should be sacrificed in order that all taxpayers could benefit from lower rates. This concept was central to tax reform right from the beginning. It was included in the original Treasury Department report to the President. It was the major feature of both the President's proposal and the House tax reform bill.

But the importance of rate reduction was dramatized best in the Senate. At one point, many people thought tax reform was dead in the Senate. It may well have been if the Finance Committee had not reported out a bill with tax rates which were even lower than those proposed by the President. That rate structure passed the Senate by a vote of 97 to 3. Without those rates, I believe tax reform would have been in serious jeopardy.

Evidence for this point of view is found in the Senate vote on the conference report. The rates in the conference report were one point higher than those contained in the Senate bill. Yet the Senate agreed to the conference report by a vote of 74 to 23. This was still an impressive, bipartisan endorsement, but it was a major change, considering the one-point difference in the rates.

TAXPAYERS CONSIDER RATE REDUCTION AN ESSENTIAL PART OF TAX REFORM

In many people's minds, this tradeoff of base-broadening for lower rates is tax reform. Nobody wanted to give up a tax break he or she was using to reduce tax liability. As we all know, the discussion about what tax breaks should be curtailed occupied most of the debate in both Houses. But most taxpayers, and most of us, thought it would be real reform if we were able to reduce rates dramatically in return for repealing or limiting special tax breaks.

THE SENATE'S PROMISE

However, with the talk of raising rates, it is not surprising that taxpayers might be a little cynical. I remember some of the letters I received from constituents who feared that Congress would quickly raise rates soon after tax reform was signed into law. I told those who asked me that I supported a revenue neutral tax reform bill. I am sure that many of my colleagues told their constituents the same thing. It would be a breach of faith if we reneged on our promises that tax reform would be revenue neutral just by doing it in two steps. We would not deserve the trust of the American taxpayer if we ignored last year's promises when the first opportunity arose.

Mr. President, I urge my colleagues to join in this resolution and give the Americans assurance that we will not raise tax rates just as they begin to be phased in this year.

SENATE RESOLUTION 47—REGARDING S. 262

Mr. FORD submitted the following resolution; which was referred to the Committee on the Judiciary.

S. RES. 47

Resolved, That the bill (S. 262) entitled for the relief of the grantors of certain lands in Henderson, Union, and Webster Counties, Kentucky, to the United States and their heirs now pending in the Senate, together with all accompanying papers, is referred to the Chief Commissioner of the United States Court of Claims. The Chief Commissioner of Sections 1492 and 2509 of title 28, United States Code, and report back to the Senate, at the earliest practicable date, giving such findings of fact and conclusions that are sufficient to inform Congress of the amount, if any, legally or equitably due to the United States to the claimants individually.

SENATE RESOLUTION 48—FOR IMPEACHMENT OF CONVICTED FELONS

Mr. THURMOND submitted the following resolution; which was referred to the Committee on the Judiciary.

S. RES. 48

Resolved, At the end of the Rules of Procedure and Practice in the Senate when sitting on Impeachment Trials add the following new rule:

XXVII, Whenever articles of impeachment are exhibited in the Senate against any person who has been convicted of a felony in the State or Federal courts of the United States, the Presiding Officer shall designate, with the approval of the Senate, a time for the yeas and nays to be taken on the articles of impeachment against such person: *Provided, however,* That prior to such vote, there shall be six hours of consideration of the articles; two hours of which shall be reserved for the managers of the impeachment, two hours of which shall be reserved for the accused or the representative of the accused, and two hours of which shall be reserved for deliberation and debate by members. If the impeachment is not sustained by the votes of two-thirds of the members present, a judgment of acquittal shall be entered; but if the person accused of such a felony conviction should be convicted by two-thirds of the members present, the Senate shall proceed to pronounce judgment, and a certified copy of such judgment shall be deposited in the office of the Secretary of the Senate.

Mr. THURMOND. Mr. President, just a few months ago, Members of the Senate were painfully reminded that at this time, under current constitutional law, it is possible for certain officers of the United States who are appointed by the President with the advice and consent of the Senate to continue to receive a salary after being convicted of a felony. In order to remove these officers from the Federal payroll, if they are unwilling to resign, it is necessary that they be impeached—a process which can occupy valuable time and resources of the Congress.

The Congress now has the power to impeach officers of the Government who have committed treason, bribery, or other high crimes and misdemeanors. However, when the courts of the Nation have found an official guilty of a serious crime, it should not be necessary for Congress to retry the official prior to his removal from the Federal payroll.

Mr. President, one way to address this intolerable situation would be by amending the Constitution. However, at hearings conducted late in the 99th Congress, several distinguished witnesses expressed the view that a satisfactory remedy to this problem might exist short of amendment of the Constitution. Primarily, their suggestion was that Congress, through the impeachment process, provide for an expedited impeachment procedure in the case of an accused who has been convicted of a felony. I believe this may be an appropriate alternative means of addressing this dilemma. It was, in fact, an approach which I proposed to several of my colleagues with regard to the impeachment proceeding of Judge Harry Claiborne and which I introduced as a proposed Senate rule late in the last Congress.

Today, therefore, I am reintroducing a resolution which would add a new Senate rule to provide for expedited impeachment proceedings when the accused has been convicted of a felony. I am hopeful that it will receive the careful consideration of my colleagues.

SENATE RESOLUTION 49—TO ESTABLISH A COMMISSION ON SENATE OPERATIONS AND FISCAL PROCEDURES TO MAKE RECOMMENDATIONS FOR IMPROVING THE BUDGET PROCESS.

Mr. MOYNIHAN submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 49

Whereas in the course of the past two decades Congress has faced a succession of political or fiscal crises involving issues of constitutional prerogatives and institutional arrangements;

Whereas the content of specific questions has ranged from the Presidential right to impound appropriated funds to Congressional responsibility to provide revenues adequate to fund mandated activities;

Whereas the Senate has initiated a succession of major institutional innovations, including the Congressional Budget and Impoundment Control Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985;

Whereas an effect of the Congressional Budget and Impoundment Control Act of 1974 has been to add a third level of committee consideration of budget matters, with the inevitable atrophy of the authorization committees where the process once began;

Whereas an effect of the Balanced Budget and Emergency Deficit Control Act of 1985 would be to deprive Congress altogether of its most precious power and solemn responsibility to lay taxes and direct expenditures;

Whereas these successive responses have not resolved difficulties and may indeed have compounded them;

Whereas the annual budget cycle has become an exercise in crisis management rather than fiscal policy, with individual appropriations bills a thing of the past and continuing resolutions increasingly incomprehensible and often enacted after the start of the relevant fiscal year;

Whereas necessary increases in the debt ceiling have become occasions on which the Senate has adopted ever more complex devices for accomplishing fiscal policy goals, in part due to the threat of inaction which would plunge the nation into bankruptcy;

Whereas one day this threat may not work and the government will cease operations;

Whereas what in other contexts has been called a crisis of the regime could truly be approaching the United States even as we commence to celebrate two hundred years of unparalleled constitutional stability;

Whereas preoccupation with the ever multiplying profusion of dates certain whereby the various budget procedures must absolutely be completed, but which never are completed, has succeeded only in ensuring that serious sustained consideration of issues of foreign and domestic policy has all but atrophied in the Senate;

Whereas various reforms in Senate procedure have been suggested as corrective measures;

Whereas an organized inquiry into our present incapacity might stimulate a more general debate; and,

Whereas it is a long established practice to create Senate, House, or Joint commissions to deal with special occasions or special issues, some sixty-four having been established over the past twenty-five Congresses, many with a mix of public and private members; Now, therefore, be it

Resolved, That (a)(1) there is established a commission of the Senate to be known as the Commission on Senate Operations and Fiscal Procedures (hereafter in this resolution referred to as the "commission"). The commission shall be composed of fifteen members appointed by the President pro tempore from the recommendations of the Majority Leader and the Minority Leader. Eight members shall be sitting Senators, four members shall be former Senators, and three members shall be distinguished lay persons, including former Senate staff members.

(2) The President pro tempore shall designate a member of the commission recommended by the Majority Leader to serve as chairman.

SEC. 2. (a) It shall be the duty of the commission to—

(1) inquire into the causes of the recent breakdown of the budget process; and

(2) study the alternatives for improving the budget process

(b) The commission shall submit a report to the Senate including its findings and recommendations not later than December 31, 1987.

Mr. THURMOND. Mr. President, I rise today to introduce Senate Resolution 49, a resolution to establish a Commission on Senate Operations and Fiscal Procedures.

My purpose: To have a group of Senators, former Senators, and lay persons investigate the causes of the recent breakdown of the budget process, study alternatives for improving the budget process, and submit to the Senate a report including its findings and recommendations by the end of 1987.

The need for such a study is clear. Last year all 13 individual appropriations bills were lumped together into one continuing resolution. That is evidence enough that something has gone wrong with the process envisioned when Congress approved the Congressional Budget and Impoundment Control Act of 1974. At that time, it was thought that the Budget Committees would focus on the Federal fisc, and the authorizing and appropriating committees would work within the overall budgetary limits set by Congress in first one, and then a second budget resolution for each fiscal year. Appropriations bills were, of course, expected to be passed prior to the start of the new fiscal year.

By fiscal year 1980, Congress routinely failed to meet the timetable established by the 1974 Budget Act. The first budget resolution could not be agreed to by May 15, and passsage of the second budget resolution slipped from September 15 into November. Starting with consideration of the fiscal year 1983 budget resolution, Congress gave up altogether the practice of passing a second budget resolution—by tradition, the first was made binding if a second resolution was not approved.

According to the Congressional Research Service, Congress is becoming less successful at having its appropriations bills enacted prior to the start of the fiscal year. In fiscal year 1977, all 13 regular appropriations bills had been enacted. The numbers proceed to drop off to nine in fiscal year 1978, five in fiscal year 1979, three in fiscal year 1980, one in fiscal year 1981, none in fiscal year 1982, one in fiscal year 1983, four in fiscal year 1984, four in fiscal year 1985, three in fiscal year 1986, and none in fiscal year 1987.

In 1985, Congress radically altered the budget process by passing the Gramm-Rudman-Hollings law. Congress gave up. Rather than evaluate the economy, and the budget throughout each budget cycle, economic assumptions about growth, inflation, interest rates, unemployment, oil prices, and such were made an implicit part of the law through the specific deficit targets. If Congress and the President could not agree on a way in which to meet the deficit targets, Congress had provided an automatic mechanism make the cuts. All programs subject to cuts would be treated equally, with the priorities of the past becoming the priorities of the future.

We ought to examine how we got to the point where Congress passed a major revision of the budget process without so much as one committee hearing. We should investigate why the process broke down to the point that Congress voted overwhelmingly to give up its constitutional responsibility and right to make choices about how to spend the moneys it raises.

There have been several suggestions made about how best to remedy the failure of the process. Some propose a biennial budget cycle; others propose making the concurrent resolution on the budget into a joint resolution, requiring the President's signature. Still others would abolish the existing framework and start anew. We ought to have a rational debate about such alternatives, and that is what this resolution seeks to obtain.

SENATE RESOLUTION 50—IN SUPPORT OF CANADIAN-AMERICAN COMPREHENSIVE TRADE NEGOTIATIONS

Mr. MOYNIHAN submitted the following resolution; which was referred to the Committee on Finance:

S. Res. 50

Whereas,

(1) The United States-Canada bilateral trade relationship is of vital importance to both countries since:

(a) the U.S.-Canadian trade relationship is the largest in the world, with bilateral merchandise trade exceeding $100 billion;

(b) Canada and the U.S. are each other's largest export market;

(c) approximately 2 million jobs in each country depend on exports to the other country;

(d) more than three-quarters of Canada's exports—representing one-third of her GNP—are sent to the U.S.;

(e) more than one-fifth of United States' exports are sent to Canada and approximately 85 percent of these are manufactured goods;

(f) More than 75% of direct foreign investment in Canada is by the United States while Canadian direct investment in the U.S. is the third largest source of foreign investment funds.

(2) Although trade between the U.S. and Canada is relatively free, both countries could benefit from expanded trade in goods and services.

(3) A comprehensive bilateral trade agreement encompassing tariff and non-tariff matters presents the best opportunity of resolving trade problems which threaten expanded trade between the two countries:

(a) although by 1987, when the Tokyo Round Tariff reductions have been fully implemented, approximately 80 percent of Canada's exports to the U.S. and 65 percent of U.S. exports to Canada will enter duty free, further reductions in remaining Canadian tariffs (on average 9 percent) and U.S. tariffs (on average 4-5 percent) could further promote trade;

(b) an agreement could also address Canadian non-tariff barriers such as government procurement policies, state monopolies, technical standards, and processing requirements, as well as restrictions on investment and services, product subsidization and failure to protect intellectual property rights; and

(c) an agreement could also address Canadian concerns with securing access to the U.S. market which may be denied as a result of the imposition of import limitations or government policies on procurement or investment, as well as developing more predictable rules under which bilateral trade is conducted and future disputes might be settled.

(4) On September 26, 1985, Canadian Prime Minister Brian Mulronery announced his decision to pursue a comprehensive trade agreement "involving the broadest possible package of mutually beneficial reductions in tariff and nontariff barriers" to trade in goods and services and President Reagan immediately welcomed Mulroney's proposal for the negotiation of a comprehensive trade agreement.

(5) Informal discussions between representatives of the two countries occurred through May 1986 and formal negotiations were begun in June 1986.

(6) Representatives of the two countries have met for discussions six times and, while progress has been made, further discussion is required and resolution of the issues remains elusive.

(7) Expressions of support for the negotiation of an agreement would be helpful in expediting the process. Now therefore be it

Resolved, That it is the sense of the Senate that the representatives of the United States should proceed on an expedited and priority basis to conclude the negotiation of a mutually beneficial comprehensive bilateral trade agreement between the United States and Canada.

Mr. MOYNIHAN. Mr. President, today I introduce a resolution to express the sense of the Senate that the United States representatives currently discussing a comprehensive trade agreement with their Canadian counterparts proceed on an expedited and priority basis to achieve a mutually beneficial agreement. Formal negotiations between the United States and Canada began in June 1986, and representatives of the two countries have met for discussions six times. While progress has been made, further discussion is necessary to address the many unresolved issues.

My simple hope is that the resolution will provide much needed support for the negotiation of an agreement that holds the promise of promoting trade between the two countries and of resolving outstanding trade problems.

Our trade relationship with our friends to the north long has been insufficiently appreciated. The United States-Canada bilateral relationship is the largest in the world, reaching $117 billion in 1985 and approximately that level in 1986. We are each other's largest export markets, and approximately 2 million jobs in each country depend on exports to the other country. These are relations which surpass the problem of the day or year such as lumber or corn. And so it is with great interest that I follow and support efforts by our two countries to strengthen and expand that trading relationship.

At the March 18, 1985, summit meeting in Quebec City between President Reagan and Canadian Prime Minister Brian Mulroney, the two leaders pledged to explore all possible ways to reduce and eliminate barriers to trade between the two countries.

Six months later, on September 26, 1985, Canadian Prime Minister Mulroney informed the House of Commons of his decision to pursue a new comprehensive trade agreement with the United States "involving the broadest possible package of mutually beneficial reductions in tariff and nontariff barriers" to trade in goods and services.

President Reagan welcomed Prime Minister Mulroney's proposal for a bilateral trade agreement and on October 28, 1985, Secretary of State Schultz met with Canadian Foreign Minister Joe Clark to tell him of the administration's desire to begin formal bilateral negotiations early in 1986.

The President then notified Congress of his intention to negotiate an agreement and sought "fast-track" authority for legislation to implement any agreement. Under existing law, if neither the Senate Finance Committee or the House Ways and Means Committee disapproves of the negotiations, then the President is authorized to submit to Congress legislation implementing such an agreement under "fast track" procedures that prohibit amendment and set strict deadlines for congressional review and action.

The House Ways and Means Committee never voted on the question of granting fast-track authority, so the question of disapproval was never put forth. The Senate Finance Committee, however, did vote on April 23, 1986. By a 10-to-10 vote, the committee defeated a resolution to disapprove of fast-track authority.

So, while the Senate Finance Committee approved fast-track authority, it does so by the barest of margins. And this, I fear, may have contributed to the lack of progress being made in those negotiations.

As an early and ardent supporter of the negotiations, this was most distressing. I have said often that such an agreement not only offers the prospect of expanded trade benefiting both countries, but it is also perhaps the best way of resolving many outstanding and serious trade problems.

I do believe, however, that the committee's vote last April was at least as much a referendum on the administration's trade nonpolicy as on the desirability of an agreement. While I quite agree that we should disagree with the administration's failure to take serious action to address our trade problem, I do not think it wise to hold progress in our bilateral negotiations hostage to such a reversal in the administration's policy.

Therefore, I ask my colleagues to support this resolution so that we might send a strong signal to the United States and Canadian negotiators that the Congress supports the process, and to provide a much needed lift to a lagging negotiation that is vital to the economic welfare of both the United States and Canada.

SENATE RESOLUTION 51—IN SUPPORT OF JAPANESE-AMERICAN "MOSS" AUTO PARTS NEGOTIATIONS

Mr. MOYNIHAN submitted the following resolution; which was referred to the Committee on Finance:

S. Res. 51

Whereas:

(1) serious inequity now exists with respect to the procurement of automobile parts by American and Japanese automobile manufacturers;

(2) if US markets are to remain open, American automobile parts manufacturers must be given a fair and equal opportunity to make sales to Japanese automobile manufacturers located in Japan and in the US;

(3) the current bilateral market-oriented, sector specific ("MOSS") talks concerning trade in automobile parts represent an opportunity to address closed procurement policies by the Japanese without the need for unilateral trade action by the US: Now, therefore, be it *Resolved*, That it is the Sense of the Senate, that:

(1) any agreement should provide US automobile parts manufacturers with the opportunity to:

(a) compete on an equal basis in the face of traditional Japanese automobile manufacturer-supplier relationships by requiring the Government of Japan to support import development progams for US suppliers;

(b) compete on an equal basis for the after-market in replacement and repair parts for Japanese cars, including freedom from formal or informal government barriers; and

(c) obtain the same information at the same time that is available to Japanese automobile parts manufacturers about automobile parts purchasing by Japanese auto manufacturers on a company and product category basis; and

(2) the success of the agreement will be measured by the increase in sales of US automobile parts.

Mr. MOYNIHAN. Mr. President, today I introduce a resolution to express the sense of the Senate in support of a current trade negotiation of vital importance—the auto parts talks under the auspices of the market-oriented, sector-specific process.

Auto parts production is a major U.S. industry employing 621,000 in about 2,000 firms in 1984. There are over 160 firms in New York State alone.

Unfortunately, however, the auto parts industry has declined in the last 8 years or so. From 1978 to 1984 employment in the industry fell 15 percent and the real value of shipments fell 14 percent.

Like many troubled United States industries, the decline in the auto parts industry is attributable to international flows of auto parts, specifically from Japan. The total United States balance of trade in auto parts moved from a surplus of $2.2 billion in 1978 to a deficit of $2.8 billion in 1985. The deficit just from January 1978-85, the United States trade deficit in auto parts with Japan—by far our largest—increased 225 percent, from $860 million to $2.8 billion. Our auto parts trade deficit with Japan alone through August 1986 is $2.4 billion.

We are consuming more Japanese auto parts for primarily three reasons: The increase of imported Japanese cars containing mostly Japanese parts; the establishment of Japanese auto and auto parts plants in the United States; and foreign sourcing by United States auto makers.

However, there is an important difference between the United States auto parts industry and many other troubled United States industries—the United States auto parts industry is competitive in price and quality with Japanese producers. A study conducted for the Commerce Department by Booz, Allen & Hamilton, Inc., based on interviews with 95 supplier executives, finds that "cost and product quality are not the issues which suppliers identify as major impediments" to the Japanese auto parts market. So what then impedes United States sales of auto parts?

The primary impediment to sales by United States parts producers to Japanese vehicle manufacturers is the long-term "family like" traditional suppliers. This relationship—known as "keiretsu" in Japan—has resulted in impenetrable and noncompetitive commerce between Japanese assembly plants and their suppliers.

The Booz, Allen study finds that—

> The major barriers affecting United States automotive suppliers attempting to sell to Japanese OEM's [original equipment markets] are cultural understanding, nationalism, pre-sourcing practices and their effect conditions.

In addition, the 1986 report of foreign trade barriers issued by the U.S. Trade Representative reports:

> The prerequisite for selling most functional auto parts to Japanese auto makers is to become, in effect, part of their "family" of suppliers.

As a result, United States auto parts manufacturers supply less than 1 percent of the original equipment market in Japan, and less than 20 percent of the parts used for Japanese auto production in the United States. Similar problems exist for United States access to the Japanese after-market—the market for automotive replacement parts.

Naturally, the U.S. Government has been concerned about this situation and is currently engaged in negotiations with Japan concerning the use of American-made auto parts in Japanese assembly plants in the United States and Japan.

These negotiations are part of the market-oriented, sector-selective [MOSS] process under the category of transportation issues. The talks began on August 20, 1986, in Tokyo.

Unfortunately, although some progress has been made in these talks, United States negotiators report that Japan is resistant to taking meaningful action. Specifically, Japan will not acknowledge that "family like" business relationships hinder United States auto parts sales and Japan will not agree that the success of the talks should be measured by increased sales of American parts.

The resolution I introduce today would simply convey to Japan the concern of the Senate on this important matter, and express its support for the negotiations already underway.

The bill would express the sense of the Senate that: A serious inequity exists in the area of auto parts trade; if U.S. markets are to remain open, U.S. parts manufacturers must be given fair and equal opportunity to sell their products; the MOSS talks represent an opportunity to address these problems; and the success of pursuing this goal can only be measured by the degree to which sales of American made auto parts increase.

I am confident that the U.S. auto parts industry can grow and prosper if it is allowed fair access to international markets. A Japanese market dominated by closed procurement is not acceptable, and I urge my colleagues to support me in expressing to the Japanese Government and automotive industry the concern of the Senate on this matter.

SENATE RESOLUTION 52—TO EXPRESS THE SENSE OF THE SENATE REGARDING THE URBAN DEVELOPMENT ACTION GRANT PROGRAM

Mr. LAUTENBERG (for himself, Mr. DODD, and Mr. DIXON) submitted the following resolution; which was referred to the Committee on Appropriations:

S. RES. 52

Whereas the economic development of urban communities large and small is an essential national objective;

Whereas Congress has appropriated $225 million for the Urban Development Action Grant Program in Fiscal Year 1987;

Whereas the Urban Development Action Grant Program provides jobs, tax revenues and economic revitalization to areas of the nation with high unemployment, particularly among minorities; and

Whereas the Urban Development Action Grant Program leverages private sector investment in our nation's urban communities;

Now, Therefore, be it Resolved, That

(1) the proposed rescission of 205.4 million of the Fiscal Year 1987 appropriations for the Urban Development Action Grant Program is rejected.

SENATE RESOLUTION 53—TO EXPRESS THE SENSE OF THE SENATE REGARDING THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Mr. LAUTENBERG (for himself, Mr. DODD, and Mr. DIXON) submitted the following resolution; which was referred to the Committee on Appropriations:

S. RES. 53

Whereas local and community development is a matter of national concern and a national priority;

Whereas Congress has appropriated $3 billion for fiscal year 1987 for community development block grants to units of general local government and states to fund local community development programs;

Whereas the Community Development Block Grant program has become an essential component of local governments' efforts to maintain and develop their communities;

Whereas local governments have assumed the current appropriation for these grants as part of their budget planning;

Whereas local governments have been forced to make significant adjustments as a result of the termination of the General Revenue Sharing program and reductions in other forms of federal assistance;

Now, therefore be it Resolved, That

(1) The proposed rescission of $375.2 million of the Fiscal Year 1987 appropriation for community development block grants is rejected.

Mr. LAUTENBERG. Mr. President, today I am introducing two sense of the Senate resolutions in opposition to the proposed rescission of fiscal year 1987 funding for the Urban Development Action Grant and Community Development Block Grant Programs. I am joined by my distinguished colleagues from Connecticut [Mr. DODD] and Illinois [Mr. DIXON].

The Congress faces many difficult choices this year as we seek to reduce the Federal budget deficit. Many vital domestic programs will face drastic reductions, while others are threatened with rescissions of spending already agreed to by Congress.

The administration's budget strikes at the heart of Federal programs which have been essential to local government. The administration would rescind $375 million in funds from the CDBG Program and $205 million from the UDAG Program. These include funds that are already a part of the budget plans of our cities. They are funds that have been committed to provide public services and rebuild economies.

Mr. President, we successfully defeated a similar proposal by the administration in its fiscal year 1986 budget request. Again, we are faced with a retreat from a commitment made by the Federal Government to the cities. The proposed rescission says that the Federal Government will no longer be a partner in rebuilding urban America.

I oppose this disastrous dismantling of the Federal-local partnership, a partnership which has been fashioned over the years on a bipartisan basis. I oppose the consequences which will follow from this action—the termination of housing initiatives, the reduction in police and fire personnel, the reduction in street maintenance. Congress intended for these programs to be funded at a level which will allow revitalization of our cities to continue. I intend to see that these benefits are realized.

Mr. President, I oppose these rescissions and I urge my colleagues to join in an effort to reject this ill-conceived policy.

NOTICE OF MEETING OF COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet to organize on Thursday, January 15, 1987, at 9:30 a.m., in SR-301. At this meeting, the committee plans to adopt its rules of procedure and to select members for the Joint Committee on Printing and the Joint Committee of Congress on the Library.

The committee will also be considering legislative and administrative items currently pending on its agenda, including an original resolution athorizing expenditures by the Committee on Rules and Administration for fiscal year 1987.

For further information regarding this meeting, please contact Carole Blessington of the Rules Committee staff on 224-0278.

ADDITIONAL STATEMENTS

PRIVATE ENFORCEMENT OF UNFAIR COMPETITION STATUTES

● Mr. D'AMATO. Mr. President, I am pleased again to be an original cosponsor of legislation which provides for private enforcement of U.S. unfair competition statutes in an attempt to fend off the ever-increasing problem of predatory trade practices utilized by many of our trading partners. This needed legislation, introduced by my distinguished colleague from Pennsylvania, will create a private right of action for victims of unfair trade practices.

Mr. President, I was dismayed and shocked as I heard witnesses describe to me the illegal and unfair practices of our trading partners at Joint Economic Committee hearings I chaired on international trade relations during the 99th Congress. These practices include foreign nations subsidizing targeted industries, dumping their products in the U.S. marketplace, and using fraudulent methods to circumvent U.S. customs laws. The use of these methods continues to be detrimental to U.S. businesses as these foreign nations capture an ever larger share of our market.

U.S. companies neither discourage, nor fear competition; but they must not be forced to compete against those who insist upon using illegal methods of competition. For this reason alone, we need to strengthen our present trade laws to provide U.S. companies a swift and viable remedy to correct these injustices.

Mr. President, I believe that this legislation will be a significant step forward in correcting these unfair trade practices. The creation of a private right of action will allow private parties to immediately file suit in Federal district court or the Court of International Trade and seek a speedy remedy, namely an injunction.

Mr. President, a look at our spiraling trade deficit—which most likely will exceed $170 billion for 1986—should serve as a constant reminder that we need the type of action that this legislation offers. I urge my colleagues to expeditiously act on this important legislation before it is too late.●

A PLEA ON BEHALF OF NAUM MEIMAN

● **Mr. SIMON.** Mr. President, recently, our former colleague Gary Hart returned from Moscow with wonderful news. He was informed by Soviet officials that Inna Meiman, who is suffering from inoperable cancer, would be allowed to travel to the West for treatment.

For nearly a year I have been formally asking the Soviet Government to let Inna and her husband, Naum Meiman, leave Moscow so Inna would have a chance to live. Soviet doctors have said there is nothing more they can do for her.

Daily, I have been inserting statements in the Congressional Record on her behalf.

I was delighted to hear the news that Inna is being allowed to leave. But I urge the Soviets to allow Naum to travel with her, which Soviet officials have yet to permit.

The Kremlin has said that Naum cannot leave, claiming his former position as a scientist makes him a security risk. Naum says his work was done more than 30 years ago, making that charge ridiculous.

Inna is weak and critically ill. She needs the loving support of her husband to make the trip.

It is not too much to ask.●

STARS AND STRIPES FOREVER

● **Mr. WILSON.** Mr. President, while the rest of official Washington concerns itself with the ship of state, I would like to pay tribute to another kind of sailing vessel. Every Californian knows that the future begins in our home State. In less than a month, that future will include the greatest trophy in the world of competitive sailing. The America's Cup will soon be California's proudest ornament.

Why am I so confident in my forecast? Well, I am from San Diego. And San Diegans who may not have heard of Pete Wilson know all about Dennis Conner. And not just from his American Express ads. Fact is, millions of people who may not be able to distinguish between a spinnaker and a line drive are rooting for Dennis and the crew of the *Stars and Stripes* to bring the Auld Mug back where it belongs. For more than 3 years, California's nautical favorite son has steered a steady course. His already impressive credentials have been enhanced by a tough series of races against a dozen other challengers—including two superb contenders from California, San Francisco's *U.S.A.* and the *Eagle,* which nested in Newport Beach.

When the semifinal series began last week, just 12 races stood between *Stars and Stripes* and racing immortality. As of today, it is four down, eight to go. So bring on the *Kiwis*, with their "plastic fantastick." There is nothing plastic about the *Stars and Stripes.*

On January 31, the world's attention will be focused Down Under. That is when we will all discover that an Aussie and his Cup are soon parted. In the meantime, I want to extend my personal congratulations to that not so old salt—Dennis Conner. I would like to invite Americans everywhere to join in support of this patriotic endeavor. And finally, I would like to issue an open invitation to San Diego—future home of the America's Cup and site of the 1990 Cup races.●

J. WILLIAM BELANGER

● **Mr. KERRY.** Mr. President, over the holidays Massachusetts lost one of its most effective advocates for workers and one of our most able leaders of organized labor—Mr. J. William Belanger.

Bill Belanger was the first president of the Massachusetts AFL–CIO, the Director of Employment Security for the Commonwealth of Massachusetts, and the Federal Director for Unemployment Insurance for New England. But the citizens of Massachusetts will remember Bill Belanger as the competent, compassionate, and constant champion of the working men and women of our State. Whether the issue was worker safety, fair unemployment benefits, equal employment opportunity, help in educating workers' children or housing our families, Bill was there to craft a well conceived programmatic and political strategy and to deliver its benefits to the workers who he always represented.

Bill Belanger will be missed by all of us. He was a citizen who never forgot his roots or abandoned his values. His legacy is a quality of working life in Massachusetts that is a little better for all our people because he came our way and cared so deeply.

Mr. President, I ask that the Boston Globe obituary of December 14, 1986, commemorating Mr. Belanger's death be printed at this point in the Record.

The article follows:

[From the Boston Sunday Globe, Dec. 14, 1986]

J. William Belanger, President of Massachusetts AFL–CIO From 1958–64

J. William Belanger, 79, of Naples, Fla., the first president of the Massachusetts AFL–CIO and a former Boston resident, died Friday in Naples Community Hospital of natural causes.

Mr. Belanger became the first president of the Massachusetts American Federation of Labor and Congress of Industrial Organizations in 1958. He remained in the position until 1964, when he became director of employment securities for Massachusetts.

He was chairman of the Massachusetts CIO Political Action Committee from 1948 until the CIO merged with the AFL 10 years later.

Mr. Belanger was also active in civic and political activities. He was a delegate to the national conference of the International Labor Organization in Geneva in 1958 and was a supporter and adviser to Presidents Kennedy and Truman. He supported political leaders such as former U.S. House Speaker John McCormack and Sen. Edward M. Kennedy.

Mr. Belanger was a Massachusetts delegate to the Democratic national conventions in 1952, 1956 and 1960.

He was an adviser to the U.S. Commission on Civil Rights and to the Massachusetts Commission on Discrimination in Housing during the early 1960s.

During World War II, he was a member of the New England regional office of the War Labor Board, the Wage Stabilization Board and the War Manpower Commission from 1942 to 1946.

Mr. Belanger was a member of the Truman Library Committee and vice chairman of the United Fund of Greater Boston.

Born in Newmarket, NH, he lived in the Rhode Island and in the Boston area for many years. He had moved to Naples only two months ago.

Said Harvey Friedman, a former colleague at the AFL–CIO: "He got his education by working, like all the people he represented. He didn't need a formal university education."

He leaves his wife, Bernice (Fledrick) of Naples; two sons, J. William Jr. of South Dartmouth, Mass., and Roger Belanger of Fort Myers, Fla.; four sisters, Amanda Patry, Florida Montminy, Anna Belanger and Alma Sylvester, all of Rhode Island; three grandchildren and several nieces and nephews.

A memorial service will be held Monday, Dec. 15, at 11 a.m. in Naples Memorial Gardens, Naples.●

APPLIANCE EFFICIENCY STANDARDS

● **Mr. WEICKER.** Mr. President, I rise today in support of the National Appliance Energy Conservation Act of 1987. This act is the same as the legislation passed unanimously last year by both Houses of the Congress except that two nongermane sections of last year's legislation, regarding issues under consideration by the Federal Energy Regulatory Commission, have been dropped from the bill.

It was with great disappointment that I learned of the President's pocket veto of last year's bill despite unanimous congressional approval, a recommendation for enactment by the Department of Energy and broad support for the bill by the appliance industry, environmental and consumer groups, and the States.

In the President's Memorandum of Disapproval he pointed out that current law already provides for Federal appliance efficiency standards and he stated that "I think current law is preferable." However, the memorandum fails to recognize two problems with the current law.

First, the President failed to point out that under current law appliance standards were to have been promulgated over 5 years ago. The current law, which the President would prefer, is the same law that this administration has successfully avoided implementing for those 5 years—it is not any wonder that he prefers it over this act, which would be self-implementing.

Second, the Memorandum of Disapproval states that the Federal standards to be imposed under current law "would preempt existing State law." This is simply not correct. Under current law the administration may grant States waivers from Federal preemption and, in fact, the administration has granted such waivers to every State which has requested one. This policy has led to a growing patchwork of conflicting State-by-State appliance efficiency regulations which are making it impossible for appliance manufacturers to plan, produce and market their products. The National Appliance Energy Conservation Act would solve this problem with the current law by requiring Federal preemption of State appliance standards.

Mr. President, this legislation achieves two broad objectives, either of which continue to be compelling reasons for its enactment.

First, this bill would establish uniform national appliance energy efficiency standards which would preempt the growing number of separate and conflicting State standards. Such preemption greatly reduces the regulatory burdens that separate State standards place on the appliance industry.

Second, this bill would significantly reduce the Nation's demand for electricity. Such a reduction in energy demand will assist the Nation in meeting future energy needs and in reducing our growing dependence on foreign energy resources.

How soon we forget the energy crisis of the seventies. We should not kid ourselves, the energy crisis is still out there and it is certain to be a chronic national problem. This legislation is the single largest step we are now in a position to take to prepare ourselves to meet that challenge. I sincerely hope that this administration will not continue to bury its head in the sand, but will recognize that energy efficiency standards are a valid and essential part of a national energy policy.

The history of appliance efficiency standards goes back to 1975, when Congress passed the Energy Policy and Conservation Act [EPCA]. EPCA directed the Department of Energy to consider the establishment of appliance energy efficiency standards in response to the energy crisis which the Nation then faced.

In 1978, the Congress amended EPCA to require the Department of Energy to establish appliance energy efficiency standards. However, in 1983 the Department ruled that no standards were economically justified. This "no-standard" standard was challenged in court and in July 1985, the D.C. District Court of Appeals ruled against the Department and ordered that substantive standards must be issued. Unfortunately, it will be at least 2 years before the Department can promulgate new standards. In the meantime, the court ruling and current DOE practice allow the 50 States to establish their own State regulations regarding appliance energy efficiency. States are continuing to enact their own regulations which result in a growing patchwork of separate and conflicting regulations. This patchwork of State-by-State regulations has made a nightmare of the design, production, and marketing plans of the Nation's appliance manufacturers.

One excellent example of the problems which have resulted from this patchwork of regulations is a small but growing traffic in "smuggled" appliances; particularly in my region of the country. Appliance retailers have already found that customers are willing to drive to other States in order to purchase cheaper and less efficient appliances. It is obvious that uniform national standards would substantially reduce the current regulatory burden on the appliance industry.

It was in an effort to develop such National standards that representatives of the appliance industry began negotiations with representatives of the environmental community in early 1986. The National Appliance Energy Conservation Act embodies the agreement reached in those negotiations.

The interest of the environmental community in these negotiations was to assure that EPCA would provide for actual energy conservation and that there would be no further delay in the implementation of standards.

It is currently estimated that approximately 18 percent of the Nation's energy is consumed by major home appliances. Although it is difficult to specifically quantify how much energy would actually be saved by enactment of this measure, because the legislation would require efficiency improvements on the order of 20 percent for many appliances, it is clear that energy savings would be significant.

I have often stated my concern that the Nation has failed to develop an energy policy capable of dealing with the Nation's pressing energy problems. Energy conservation must remain and be strengthened as an integral part of our national energy policy. This act is a long overdue addition to that policy.

Mr. President, this legislation continues to have broad support from industry, environmental, and consumer groups, utilities, and the States. It was passed unanimously by both Houses of Congress last year and was recommended by the Department of Energy for enactment. The reasons for enacting the National Appliance Energy Conservation Act remain compelling and I urge my colleagues to, once again, pass it swiftly and unanimously.●

SALARY RECOMMENDATION FOR FEDERAL EXECUTIVE OFFICEHOLDERS

● Mr. **SYMMS.** Mr. President, recently President Reagan announced his salary recommendations for top-level officeholders in the Federal Government. While the President's recommendation is a substantial cut in the salary increases recommended by the Commission on Executive, Legislative, and Judicial Salaries, I believe Congress should vote to disapprove this salary increase.

At a time when American workers are being retrained for a new job market and accepting lower wages to make American industry more competitive on the world market, I believe it would be intolerable for Congress to approve salary increases for top Federal officeholders. The American people want their representatives to set an example of fiscal austerity that will lead us toward a balanced Federal budget.

I ask that Donald Lambro's article on this subject, which appeared in the December 12, 1986 edition of the Washington Times, be printed in the RECORD following my remarks.

The article follows:

[From the Washington Times, Dec. 22, 1986]

NOT THE BEST TIME TO UP THOSE SALARIES

(By Donald Lambro)

A federal commission wants the government, which just ended the fiscal year $221 billion in the red, to raise the salaries of members of Congress and executive-level officials by up to 80 percent.

The proposal by the Commission on Executive, Legislative, and Judicial Salaries came as no surprise to anyone. This panel has been recommending gigantic pay increases for as long as anyone can remember, peddling the dubious theory that better pay equals better government.

What is surprising, though, is that a panel of presumably well-educated people can recommend full-throttle pay raises totaling $150 million at a time when the government is in its worst fiscal mess in decades.

Not only has the U.S. Treasury compiled the highest one-year deficit in its history, it faces a string of deficits for at least the next four years, even under the best of circumstances.

The pay-raise recommendation also comes at a time when the government's board of directors—the Congress—is calling on the country to endure substantial sacrifices in key social welfare programs in order to cut the deficit.

Imagine, if you will, a corporation that had not balanced its budget in more than a quarter of a century and was facing an ocean of red ink in the coming years. Imagine that this company was proposing the sale of some of its assets and closing down or deeply cutting dozens of its subsidiaries to improve its balance sheet. Now imagine that this firm hired some consultants to advise the company on future pay scales and they proposed that the board of directors and top executives grant themselves massive pay raises.

Obviously, no business in its right mind would even think of doing such a thing. If they did, the stockholders would likely vote the entire crew out of office.

Yet not only is this the same situation facing our government, it is precisely what is being recommended by the quadrennial pay commission.

The panel proposes, among other things, that the salaries of Cabinet secretaries be raised from $88,800 to $160,000, an 80.2 percent increase; that members of Congress be raised from $77,400 to $135,000, or 74.4 percent; that Appeals Court judges be raised from $85,700 to $135,000, or 57.5 percent; and that District Court judges be raised from $81,100 to $130,000, or 60.3 percent.

In support of its proposals the commission argues that top officials must make excessive "financial sacrifices" to take Cabinet and sub-Cabinet posts in the executive branch.

In fact, most Cabinet officials are people who have already achieved upper-income levels in their respective careers and are obviously willing to make such "sacrifices" to take prestigious government posts that will either cap or further advance their careers.

For persons accepting lower-level undersecretary and assistant secretary posts, these jobs very often represent a pay increase or a career advancement.

In virtually all of these appointed posts the officials find their value in the private sector is measurably enhanced because of their government service.

As for the judiciary, despite the 67 judges who have supposedly resigned from the bench for economic reasons since 1969, there's still a long line of highly qualified candidates hungry for judicial appointments. Not only are circuit and district judges relatively well-paid, they have their jobs and their salaries for life.

Some members of Congress may complain that it's tough getting by on $77,400 a year, but the pay—which jumps to nearly $80,000 next year—is pretty good when you consider that Congress is out on some recess or holiday for several months each year.

Moreover, most members supplement their salaries through speaking honorariums and other income; and their inflation-protected pension plan is considered "the luxury liner" of government pensions.

All this, of course, doesn't rule out the reasonable proposition that men and women who are running multibillion-dollar bureacracies should be paid something more than they're getting now. And perhaps there is need for modest adjustment among other top government officials, too.

But this is not the time to be fattening the salaries of top government officials. Let's get Uncle Sam's fiscal house in order first, then we'll talk about pay raises.●

LAND AND WATER CONSERVATION FUND

● Mr. BINGAMAN. Mr. President, I rise to speak about a matter that is of great importance to all Americans who want to preserve and protect our unique natural resources. As we gradually deplete our nonrenewable resources, I believe it is imperative that we conserve a portion of our valuable land and water resources. Therefore, I take great pride in joining my distinguished colleague from Louisiana, Senator JOHNSTON, in the introduction of a bill to renew authorization for the land and water conservation fund, and commend him for his efforts in the past as the Senate's leading advocate for the land and water conservation fund. I look forward to working with him as chairman of the Energy and Natural Resources Committee, as we seek reauthorization of the fund.

As a result of the leadership and foresight of former New Mexico Senator, Clinton P. Anderson, and the efforts of the Conservation Congress, the land and water conservation fund was first created in 1964 to provide a source of funds for land acquisition, planning and development of recreation facilities. Through the fund, money is available at the Federal level—to the National Park Service, Bureau of Land Management, Forest Service, and Fish and Wildlife Service—and 50/50 matching grants are provided to State and local governments. More specifically, the land and water conservation fund provides for protection of lands and water for public outdoor recreation, including acquisition of new areas and additions to already established parks, forests, wildlife areas, and other areas. The types of resources eligible for acquisition include, but are not limited to, those providing water-based recreation, areas that provide special recreation opportunities such as flood plains and wetlands, natural areas, and outstanding scenic areas, urban day-use recreation areas and general parklands. The act also authorizes the development of outdoor recreation resources through the construction of trails, aquatic facilities, campgrounds, general recreation resources, sanitary facilities and a wide range of other projects. The fund also provides support for the required statewide comprehensive outdoor recreation planning process which guides outdoor recreation programs in each State.

The land and water conservation fund is supported by revenue from Federal surplus property sales, motorboat fuel taxes, Federal entrance and user fees, and, most importantly, lease and royalty receipts from Outer Continental Shelf mineral development. One of the major philosophies behind this fund was that as the Nation depleted its finite oil and gas reserves, a portion of the income from that extraction should be reinvested for public benefit by purchasing and preserving other natural and cultural resources. The National Park Service administers the land and water conservation fund and reports annually to Congress on the status of the program and on State funding priorities. The Park Service also provides guidance and program coordination.

Authorization for the addition of funds to the land and water conservation fund is set to expire in 1989. Until then $900 million will be credited to the fund each fiscal year. This is a small portion of the $5.3 billion total revenue expected from offshore mineral leasing in fiscal year 1987.

The land and water conservation fund money is made available through an annual appropriation by Congress. Unfortunately in recent years administration requests and congressional appropriations have lagged far behind the authorized amount in the fund, leaving a substantial unappropriated balance. This balance currently exceeds $4 billion.

The land and water conservation fund has proven extremely successful and represents the best in public policy. It has resulted in the preservation of many areas of natural and historical significance. Almost 3 million acres of Federal land have been acquired with $3 billion since the origin of the fund. In addition, almost $3 billion has been appropriated and matched by the States for planning, development and acquisition designed to improve the quantity and quality of outdoor recreation in this country. During the past two decades, land and water conservation fund State assistance grants have made possible completion of more than 32,000 conservation or outdoor recreation projects nationwide and resulted in the protection of more than 2 million acres of State and local open space lands for conservation and recreation proposed. According to the National Park Service, 63 percent of the total stateside funds obligated have gone to locally sponsored projects which provide close-to-home recreational opportunities.

In light of the remaining needs for acquisition, I would urge my colleagues to give careful consideration to this legislation. The environmental integrity and multiple use capacity of our public lands should not be compromised. We must strike a balance between the various interest groups so that land and water preservation is not sacrificed. I believe that through careful management of a land and water conservation program, our most valuable environmental resources can be preserved for the benefit of future generations.

With the land and water conservation fund set to expire in 1989, it is clearly time to take effective action. I am pleased that the President's Commission on America's Outdoors recognized the importance of the land and water conservation fund by recommending the establishment of a permanent trust fund. Converting the land and water conservation fund to a trust fund could eventually make it entirely self sufficient on interest income, thereby eliminating the need for Federal or royalty appropriation. I believe that this concept should be thoroughly discussed so that an efficient means of preserving valuable environmental and recreational land can be achieved.

Reauthorization is an important first step toward creation of a permanent land and water conservation fund. I encourage my colleagues to support this legislation.●

NEW MEXICO STATEHOOD

● Mr. BINGAMAN. Mr. President, on this date in 1912 statehood was granted to New Mexico. Repeated attempts to deny its entry into the Union had failed and New Mexico became the 47th State.

In its territorial days, New Mexico had a Governor who once lamented: "Poor New Mexico; so far from heaven, so close to Texas." On this anniversary of statehood, I am happy to contradict that territorial Governor and say that while we are very close to Texas, it is a proximity we enjoy; and, as for being far from heaven goes, he was wrong about that, too.

Geographically interesting, rich in history, culture, and natural resources, home of many distinguished citizens, New Mexico is a vigorous contributor to the fabric of this Nation. Those of us who call it home love it. In her classic novel, "Death Comes for the Archbishop," Willa Cather expressed what is for many of us the essence of the beauty and spirit of New Mexico. "He had noticed," wrote Miss Cather, "that this peculiar quality in the air of new countries vanished after they were tamed by man and made to bear harvests * * * that lightness, that dry aromatic odor * * * one could breathe that only on the bright edges of the world, on the great grass plains or the sagebrush desert * * *. Something soft and wild and free; something that whispered to the ear on the pillow, lightened the heart, softly, softly picked the lock, slid the bolts, and released the prisoned spirit of man into the wind, into the blue and gold, into the morning, into the morning!"

As Miss Cather discerned, it is a special place. On this special day I am pleased to join my fellow New Mexicans in saluting those who made statehood possible and those who make it such a fine place to call home.●

ORDERS FOR MONDAY

Mr. BYRD. Mr. President, I ask unanimous consent that on Monday, following the prayer and the recognition of the two leaders under the standing order which has now been entered, Mr. PROXMIRE be recognized for 5 minutes; that there then be a period for the transaction of routine morning business for not to exceed the period for the morning hour, that no resolutions come over under the rule; that the call of the Calendar Rule 8 be waived; that Senators be permitted to speak during the period for the transaction of routine morning business for not to exceed 5 minutes each; and that at the conclusion of the morning hour the Senate stand in recess until the hour of 5 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I thank the distinguished majority leader.

Mr. BYRD. Mr. President, it would not be my intention to proceed under rule VII on Monday to make any motions to proceed so there will not be a nondebatable motion to proceed to take up anything on Monday during the morning hour or during morning business.

The PRESIDING OFFICER. The RECORD shall so show.

Mr. DOLE. Mr. President, I thank the distinguished majority leader.

Let me indicate that I think we have had a good first day. There has been a lot of things accomplished.

I thank Members on this side of the aisle for their cooperation on working out the differences on the select committee and also for the cooperation of certainly the distinguished majority leader and others.

I was also listening to the statements of both the distinguished senior Senator from Oklahoma, Senator BOREN, and the majority leader on campaign finance reform.

I would only indicate at this time that it is a matter that I feel should be addressed. There are a number of concerns that many Americans have and there are a number of concerns that contributors have. There are a number of concerns that candidates have.

There is a perception of special interest influence in political campaigns, regardless of party and regardless of candidate.

I do not believe there will be any effort to stall any such legislation.

Again, if we proceed as I hope we can on issues of this kind that affect all of us, we who might be candidates and who have been candidates and who are in public office, if there is a willingness to try to work it out together, we can. We actually came quite close last year, as the distinguished Senator from Oklahoma pointed out earlier. There was a lot of discussions and a lot of debate. We had some votes.

The distinguished Senator from Minnesota, Senator BOSCHWITZ, and the distinguished Senator from Pennsylvania, Senator HEINZ, had some good proposals and many proposals came from the Democratic side.

So I want the RECORD to reflect that there is not an inclination on this side that this Senator knows of to say, "Well, we don't want campaign finance reform." I think there does need to be hearings, need to be discussions, need to be debates and, hopefully, some agreement on areas that should be addressed and hopefully they can be addressed in the next year or at least this session.

I thank the distinguished majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader.

NOTIFICATION TO THE PRESIDENT

Mr. BYRD. Mr. President, the distinguished minority leader and I, in accordance with the order of the Senate earlier today, talked to the President and informed the President that the Senate was in session, that a quorum had been established and that the Senate was ready to do business. The President expressed a desire to work with and cooperate with the Congress. He stated that he had sent his budget to us, fulfilling his promise that he would send the budget up on January 6th rather than early February as had earlier been planned by the administration. He stated his belief in his budget.

Mr. DOLE and I indicated that we were ready to cooperate and we would go to work immediately on the budget. We stated that Mr. CHILES, the chairman of the Budget Committee, and Mr. DOMENICI, the ranking member, are proceeding with hearings on the budget tomorrow.

The President was in excellent spirits, seemingly. Mr. DOLE and I expressed our happiness that the reports concerning his health and his operations have been positive and good. Both of us expressed our good wishes concerning his early return to full strength. I think it was a very positive and fine exchange, brief though it was.

Mr. President, does the distinguished Republican leader wish to add anything concerning our discussion with the President?

Mr. DOLE. Only to the extent that I think, as we observed meeting with the press, that the President seemed strong and vibrant and alert. I think it was an indication that he feels as good as he can right now. It is a painful operation, I am informed. But he expects to be back in action in the next few days.

Mr. BYRD. As I stated after our discussion, Mr. President, I hope that I feel as well 30 years from now.

SENATE'S ACCOMPLISHMENTS ON THE FIRST DAY OF THE 100TH CONGRESS

Mr. BYRD. Mr. President, today the

Senate has created a select committee to investigate the arms shipment to Iran and other matters.

The Senate adopted a resolution calling attention to the continuing Soviet occupation of Afghanistan, the continuing efforts to subjugate a brave and courageous people in that country of Afghanistan, and calling on the Soviet Union to permit the world press to come into Afghanistan to observe just what is going on so that the outside world can know the truth as to what is happening in Afghanistan even in fuller measure than we already know what is going on.

The Senate adopted a resolution extending the life of the arms control observer group that has been doing a good job in attending the arms control negotiations in Geneva and elsewhere.

The campaign finance reform bill has been introduced. Several other bills and resolutions have been introduced today and several resolutions having to do with rules changes have been introduced and are on the Calendar of Motions and Resolutions Over, Under the Rule.

The bill to clean up the Nation's water has been reintroduced carrying the same phraseology and verbiage that were included in the conference report on the clean water bill late last year, a bill which was vetoed by the President. The distinguished Republican leader has also advanced a clean water bill. Both of those bills are on the Calendar. I would expect the Senate to reach those bills next week, very early in the week, hopefully.

We have had two rollcall votes. The attendance was good today. The newly elected Senators were sworn in and the President pro tempore for the 100th Congress, Mr. JOHN C. STENNIS of Mississippi, presided over the Senate with great dignity and skill.

We were honored by the presence of the Vice President in opening the Senate today.

The Senate elected a Secretary of the Senate, a secretary for the majority, a secretary for the minority, and a Sergeant at Arms. All in all, I think it has been a good day.

I wish to express my gratitude to the distinguished Republican leader for his cooperation today and for his support, without which the progress that has been made would not have been made.

ADDING SENATOR MATSUNAGA AS A COSPONSOR OF SENATE RESOLUTION 10

Mr. BYRD. Mr. President, I ask unanimous consent that Mr. MATSUNAGA, who presently presides over this body with a degree of skill, dignity, poise, good humor and courtesy so "rare as a day in June", have his name added, at his request, as a cosponsor of the resolution, Senate Resolution 10, electing the Sergeant at Arms, Mr. Henry Giugni, who comes from the great State of Hawaii.

The PRESIDING OFFICER. Without objection, the request is granted.

ADJOURNMENT UNTIL MONDAY, JANUARY 12, 1987

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the provisions of Senate Concurrent Resolution 1, that the Senate stand in adjournment until 12 noon on Monday next.

The motion was agreed to; and at 7:48 p.m., the Senate adjourned until Monday, January 12, 1987, at 12 noon.

EXTENSIONS OF REMARKS

A NATIONAL LOTTERY IS NOW IN ORDER

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BIAGGI. Mr. Speaker, today I am introducing legislation to address the most serious domestic problem facing our Nation today—the record Federal deficit. This legislation would establish a national lottery to help our Nation in its efforts to reduce the deficit. At the present time, our major deficit-reducing mechanism is that reckless and destructive law known as Gramm-Rudman. Under Gramm-Rudman, savings of $36 billion are expected this year if we are to balance the budget by 1991. Yet Gramm-Rudman has one serious flaw—it is to accomplish these savings without any means of raising new revenues. All savings are to be achieved by slashing existing programs, especially our vital human and social service programs that have been forced to bear far more than their fair share of reductions during the past several years. I offer a most reasonable approach to achieve the savings we require under Gramm-Rudman by raising new revenue through the establishment of a national lottery.

Under my proposal, persons aged 18 and over would be eligible to play and purchase tickets at a cost of $1. The lottery would award 5 prizes monthly, for a total of 12 separate lotteries each year on the national level. A full 75 percent of all revenues raised under the national lottery would be earmarked to reduce the principal on the Federal debt. Of the remaining 25 percent, 20 percent would be reserved for prizes, and the remaining 5 percent would assist in administrative costs. Lotteries have been conducted successfully at the State level for a number of years. In fact, both the number of States conducting lotteries and lottery revenues have shown dramatic growth in recent years. Over 22 States and the District of Columbia have participated and more than $9.35 billion has been raised in 1986 alone. Surely these revenues provide a clear indication of the success of lotteries in this Nation.

It is impossible to project exactly how much a national lottery could generate in terms of reducing the deficit. Clearly, participation holds the key. Yet economist Alfred Tella, writing in the New York Times, estimates that more than $12.5 billion could be raised each year.

The idea of a national lottery does not come without strong public support. A recent Gallup Poll indicated that 62 percent of those surveyed gave support to the idea of a national lottery. In addition, with both the number of States conducting lotteries and the revenues generated significantly increasing each year, the public has demonstrated its interest, its support, and its approval of lotteries.

Let me make it clear that my bill does not propose to have a national lottery supersede any existing State lottery—rather, be conducted in conjunction with State lotteries. I firmly believe such an operation could be conducted soundly and fairly.

And finally, I wish to add that my legislation does provide safeguards against common abuses that might occur with the event of a national lottery. It prohibits and establishes penalties for those selling a ticket to someone under the age of 18, selling a ticket for more than the price established by the Secretary of the Treasury, or counterfeiting or altering tickets.

The national lottery is an idea whose time has finally come. It is a "painless" way to reduce the deficit, a proposal which can realistically assist in meeting the Gramm-Rudman deficit reduction target of $36 billion without further sacrificing our critical programs to serve those truly in need. Coupled with my tax amnesty proposal, this legislation would indeed meet those Gramm-Rudman targets—welcome news in this time of heightened financial concern. It is a deficit reducing mechanism that will raise new revenue—welcome news in this era of Gramm-Rudman.

For the benefit of my colleagues, I wish to insert the full text of my national lottery proposal into the CONGRESSIONAL RECORD. I urge my colleagues to give this legislation careful consideration.

H.R. 83

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Lottery and Deficit Reduction Act".

SEC. 2. ESTABLISHMENT OF NATIONAL LOTTERY.

(a) ESTABLISHMENT.—There is hereby established a national lottery, which shall be administered and operated by the Secretary of the Treasury. In operating the lottery, the Secretary shall—

(1) sell tickets only to persons 18 years of age or older;

(2) sell each ticket at the price of $1.00;

(3) hold a drawing for prizes each month; and

(4) award five prizes at each monthly drawing.

(b) REGULATIONS.—The Secretary shall issue regulations to carry out this Act, including regulations prescribing—

(1) the types of games to be conducted in the lottery;

(2) the manner of selecting winning tickets;

(3) the amounts of prizes to be paid to holders of winning tickets;

(4) the manner of payment of prizes to holders of winning tickets;

(5) the locations at which tickets may be sold;

(6) the method to be used in selling lottery tickets; and

(7) such other matters as may be considered necessary by the Secretary for the efficient and economical operation and administration of the lottery.

(c) DEPOSITS INTO TREASURY.—The Secretary shall deposit amounts received from the sale of national lottery tickets into the general fund of the Treasury.

(d) REPORTS TO CONGRESS.—The Secretary shall report to Congress every month on the total revenues and expenditures of the national lottery.

(e) TIMETABLE.—The Secretary shall issue the regulations required by this section not later than 180 days after the date of the enactment of this Act and shall begin operation of the national lottery as soon after the regulations are issued as may be practicable.

(f) OPERATION THROUGHOUT UNITED STATES.—The national lottery established by this Act may be carried out in every State, notwithstanding any other law of the United States, of a State, or of a political subdivision of a State.

SEC. 3. CRIMINAL PENALTIES.

(a) TICKET SALES.—Any person who—

(1) sells a national lottery ticket to a person under the age of 18 years; or

(2) sells a national lottery ticket at a price greater than $1.00;

shall be fined not more than $100,000 or imprisoned not more than one year, or both.

(b) COUNTERFEIT TICKETS.—Any person who, with intent to defraud—

(1) falsely makes, forges, counterfeits, or alters any national lottery ticket; or

(2) sells a falsely made, forged, counterfeited, or altered national lottery ticket;

shall be fined not more than $250,000 or imprisoned not more than 15 years, or both.

(c) RELATIONSHIP TO OTHER LAW.—Chapter 61 of title 18 of the United States Code shall not apply with respect to the national lottery conducted under this Act.

SEC. 4. ESTABLISHMENT OF TRUST FUND.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a trust fund to be known as the "National Lottery and Deficit Reduction Trust Fund" (in this Act referred to as the "Trust Fund"). The Trust Fund shall be managed by the Secretary and shall consist of such amounts as may be appropriated or credited to the Trust Fund as provided in this section.

(b) APPROPRIATION INTO TRUST FUND.—(1) There are hereby appropriated, out of any money in the Treasury not otherwise appropriated, to the Trust Fund amounts determined by the Secretary to be equivalent to—

(A) the amounts received in the Treasury from ticket sales for the national lottery established by this Act; and

(B) the fines imposed under section 3.

(2) The amounts appropriated by paragraph (1) shall be transferred at least monthly from the general fund of the Treasury to the Trust Fund on the basis of estimates made by the Secretary of the amounts referred to in such paragraph. Adjustments shall be made in the amount subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(c) INVESTMENT.—(1) The Secretary shall invest such portion of the Trust Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

made only in interest-bearing obligations of the United States and may be acquired—

(A) on original issue at the issue price; or

(B) by purchase of outstanding obligations at the market price.

(2) Any obligation acquired by the Trust Fund may be sold by the Secretary at the market price.

(3) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form part of the Trust Fund.

SEC. 5. PURPOSE OF TRUST FUND.

Amounts in the Trust Fund shall be available only for the following purposes and in the following amounts:

(1) Not less than 75 percent shall be used to reduce the principal on the Federal debt.

(2) Not less than 20 percent shall be used to pay prizes due to holders of winning national lottery tickets.

(3) Not more than 5 percent shall be used for administering and operating the national lottery.

SEC. 6. AUTHORIZATION OF APPROPRIATION.

There are authorized to be appropriated to the Secretary such sums as may be necessary for fiscal year 1988 for purposes of operating and administering the national lottery established under this Act.

SEC. 7. DEFINITIONS.

For purposes of this Act—

(1) the term "Secretary" means the Secretary of the Treasury; and

(2) the term "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory and possession of the United States.

SEC. 8. CONFORMING AMENDMENT.

Section 3005 of title 39 of the United States Code is amended by adding at the end the following new subsection:

"(e) Nothing in this section shall prohibit the mailing of any ticket or other material made for purposes of a national lottery conducted under the National Lottery and Deficit Reduction Act.".

FUEL USE ACT REPEAL—THE TIME IS NOW

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BRYANT. Mr. Speaker, last year, the House of Representatives acted in an expedited fashion and passed the repeal of the Powerplant and Industrial Fuel Use Act. Unfortunately, despite the best efforts of Members of Congress to offer some small glimmer of relief to the beleaguered energy producers of this country, no final measure gained full congressional approval.

Therefore, today I am again introducing legislation to repeal the Fuel Use Act.

The restrictions imposed by the Fuel Use Act on industrial and utility users are no longer necessary—they were imposed in a time of shortage and may have made some sense in directing limited supplies of these fuels to residential users. In today's marketplace those restrictions not only contradict the forces of the marketplace but all logic. Now in a time of overabundant supplies and declining prices is the time to repeal the use restrictions.

Enactment of this important piece of legislation will not cure all that ails the domestic energy industry, but it will be an important first step in the right direction.

When the Fuel Use Act was enacted, its primary purpose was achieved—the demand for oil and natural gas declined. This was especially true for natural gas which had been an underpriced commodity as a result of years of Government regulation. Price controls kept costs low in relation to other fuels and had the effect of artificially stimulating demand, especially among residential users. But, if anything this policy had the opposite effect on exploration, drilling and production, and led to shortages of the fuels.

The use restrictions of the Fuel Use Act forced large volume consumers of oil and natural gas to shift to alternative energy sources such as coal, which was less expensive at the time, even though this fuel poses serious environmental concerns. Reduced demand caused by the Fuel Use Act restrictions in conjunction with the implementation of the Natural Gas Policy Act which encouraged exploration and drilling activities to such an extent that supplies increased dramatically so that in 1981 the fuel use restrictions were lifted for currently operating plants. New plants for either industrial or utility purposes were and are still prohibited from burning oil or natural gas as a primary fuel.

The legislation we are considering today will remove these final, now senseless, constraints on the use of oil and natural gas. The Government restrictions have inhibited market forces by dictating—frequently to the disadvantage of the health of one of our most critical industries, consumers' pocketbooks, and the quality of our environment—fuel choices for utilities and major industrial users. Now that there is a worldwide surplus of oil and gas, engineered at least in part by Saudi Arabia to destroy our domestic energy industry, the time has clearly come to return the choice of fuels to the maketplace.

By doing so, we will move toward accomplishing four desirable goals: allow major energy users to choose the fuels that are most economical so that savings may be passed on to consumers; reduce the pollution of the environment that is generally associated with the burning of coal; create some free-market incentive for the exploration and production of oil and gas, thus helping to preserve a domestic energy industry now close to collapse; and, most important, help keep us from becoming overly dependent once again on foreign energy sources and the whims of foreign governments which do not necessarily have our best national security interests at heart.

There is also one final argument in support of Fuel Use Act repeal—we will eliminate the costly and time-consuming bureaucratic paperwork hurdles and redtape required of those seeking exemptions from the current law. It is my understanding that most petitions from potential users are granted—but only after long delays. In 1985, the last year full figures are available for, 81 of 105 petitions filed—potential contracts worth almost $500 million to domestic oil and gas producers—were not acted upon. If the petitions are not denied, then the CBO estimated cost of such bureaucratic delays wastes $1 to $2 million of taxpayer money. In a time of soaring deficits and enormously unbalanced budgets, every penny saved is important.

The repeal of the Fuel Use Act will pump close to $500 million almost immediately into the saging economies of producing States and go a long way to ensuring the continued vitality of our domestic producting industry. It is also a significant first step—in the face of the current fossil fuel price crisis—toward retaining the energy independence from foreign sources we have been striving to build for over a dozen years.

I commend this proposal to my colleagues and ask their support for a measure which will provide relief for consumers, utility and industrial fuel users as well as energy producers while saving taxpayers from unnecessary regulatory costs.

MUTUAL NUCLEAR WARHEAD TESTING MORATORIUM ACT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mrs. SCHROEDER. Mr. Speaker, last August 8 the House of Representatives took an historic step by voting overwhelmingly for a moratorium on the testing of nuclear warheads as long as the Soviet Union did the same. By a vote of 234 to 155, the House said that, with reciprocal in-country monitoring, a ban on nuclear tests above one kiloton was in the interest of the United States and in the interest of world peace.

This binding language was dropped on the eve of President Reagan's trip to Reykjavik to negotiate arms control agreements with General Secretary Gorbachev because the House did not want to tie the President's hands. We untied the President's hands but he dropped the ball by tabling a bizarre proposal which the Joint Chiefs of Staff had never even studied. Reykjavik was a disaster and the Soviet Union announced that it was going to resume testing in 1987, after a year and a half of maintaining a unilateral moratorium.

The President had an unfettered opportunity to do something about the menace of nuclear weapons and failed to achieve anything. It's time for Congress to take the initiative and move the world away from the brink of destruction. A ban on further testing of nuclear devices would do just that.

A testing moratorium is in the interest of the United States. All the available evidence indicates that the United States is far ahead of the Soviet Union in miniaturization and in safety of nuclear warheads. A mutual ban on testing would prevent the Soviet Union from catching up with us. Yet, a test ban would not prevent development and testing of improved guidance systems and better electronics.

Today I, along with a number of my colleagues from both parties, are introducing the Mutual Nuclear Warhead Testing Mortatorium Act. This bill contains essentially the same language as the House passed last August. It prohibits testing above one kiloton if the Soviet Union stops testing and if in-country reciprocal monitoring arrangements are implemented. The Soviets have allowed private groups to set up and test unmanned seismic stations to monitor nuclear testing. Science has now developed to a point where such unmanned stations can, together with national technical means, ensure verification of a test ban. Given the confluence of scientific progress and apparent Soviet willingness to allow in-country monitoring, we are at an unprecedented moment in history. We have reached the moment where a mutual, simultaneous, and verifiable moratorium on the testing of nuclear warheads can be achieved.

I hope we can move to prompt consideration of this legislation so that the world knows that the United States wants peace.

STANDBY AUTHORITY FOR WAGE AND PRICE CONTROLS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. WEISS. Mr. Speaker, I am today reintroducing legislation to provide the President with standby authority to institute wage and price controls, including restraints on interest rates, dividends, profits, and similar transfers.

The serious double-digit inflation that our Nation suffered through in the late 1970's has been brought under control in recent years. However, the victory over high inflation was won at an extraordinary cost to the American labor force. Lacking the authority to institute wage and price controls, the administration pursued a policy that resulted in record, depression-level unemployment. As the inflation rate dropped, millions more Americans were thrust out of work.

Wage and price controls have always offered a fair and humane alternative to massive unemployment as a strategy for controlling inflation. While we all hope that inflation will not reappear in the short term, there can be little doubt that we will face this problem again in the future. In fact, many economists are predicting a sharp upturn in inflation in the coming year. When substantial inflation recurs, we should not once again place the burden on the backs of poor and working Americans. Rather, we must address high inflation head-on with a thoughtful program of wage and price controls.

Even though the current inflation rate is very low, now is the time to give the President authority to place restraints on wages and prices. If we wait until a new round of inflation appears before we act, prices and wage demands will accelerate in anticipation of any program of wage and price controls. The effectiveness of such a program would therefore be severely damaged.

Moreover, a voluntary program of wage and price standards is not usually adequate to cope with serious inflation. Actual enforcement—or the threat of such enforcement—is the key to successfully bringing wages and prices under control. Therefore, it is essential that the President have advance authority to institute wage and price controls

The need for wage and price controls as an alternative strategy for controlling inflation is particularly urgent in light of the continued massive unemployment we are experiencing. While the unemployment picture has moderated somewhat from its worst levels, joblessness remains at epidemic levels. According to the official Bureau of Labor Statistics, 8.3 million Americans remained unemployed in November 1986. Tragically, this official figure only tells about half of the story. When those working part-time involuntarily and those who have stopped searching for work are included, the actual unemployment rate rises to 15 million workers, or 12.5 percent of the labor force.

If, in response to a new round of inflation, the President were to pursue the same strategy as he did in 1981 and 1982, unemployment would be likely to reach truly astronomical proportions. Such a policy would spell disaster for American workers and their families, and it would seriously imperil the future of our economy.

Continued high unemployment is not the only economic warning sign at present. The accumulation of debt at all levels of our economy—personal, corporate, Federal, and international—is a major cause for concern. A flurry of unproductive corporate takeovers has enriched the deal-makers, while adversely affecting the workers involved and burdening many companies with a staggering debt. The Federal deficit remains at unprecedented levels, contributing to a massive trade imbalance and threatening a long-term decline in productivity. Our Nation's excessive reliance on military spending contributes substantially to the deterioration of our civilian industries and our failure to compete effectively abroad. And the international debt crisis remains a serious and pressing threat both to developing nations and our own economic heartland.

Together, these economic problems demand a skillful and comprehensive response if we are to avoid crippling damage to our Nation's long-term economic prospects. One option, in the event of a renewed inflationary spiral, ought to be a program of wage and price controls. I strongly urge my colleagues to join me in support of standby wage and price controls, which would signal our willingness to deal with future inflation in a responsible and equitable manner.

A copy of this bill follows:

H.R.—

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Economic Stabilization Act of 1987".

PRESIDENTIAL AUTHORITY

SEC. 2. The President is authorized to issue such orders and regulations as he may deem appropriate to stabilize prices, rents, wages, salaries, and profits at levels not less than those prevailing on January 1, 1987, except that prices may be stabilized at levels below those prevailing on such date if it is necessary to eliminate windfall profits or if it is otherwise necessary to carry out the purpose of this Act, and to stabilize interest rates and corporate dividends and similar transfers at levels consistent with orderly economic growth. Such orders and regulations may provide for the making of such adjustments as may be necessary to prevent gross inequities.

DELEGATION

SEC. 3. The President may delegate the performance of any function under this Act to such officers, departments, and agencies of the United States as he may deem appropriate.

PENALTY

SEC. 4. Whoever willfully violates any order or regulation under this Act shall be fined not more than $25,000.

INJUNCTIONS

SEC. 5. Whenever it appears to any agency of the United States, authorized by the President to exercise the authority contained in this section to enforce orders and regulations issued under this Act, that any person has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of any regulation or order under this Act, it may in its discretion bring an action, in the proper district court of the United States or the proper United States court of any territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond. Upon application of the agency, any such court may also issue mandatory injunctions commanding any person to comply with any regulation or order under this Act.

EXPIRATION

SEC. 6. The authority to issue and enforce orders and regulations under this Act expires at midnight September 30, 1991, but such expiration shall not affect any proceeding under section 4 for violation of any such order or regulation, or for the punishment for contempt committed in the violation of any injunction issued under section 5, committed prior to October 1, 1991.

PUBLIC PRODUCTIVITY ACT: A SPECIFIC INFRASTRUCTURE PROPOSAL

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. OBERSTAR. Mr. Speaker, it has been 5 years since the book "America in Ruins," by Pat Choate and Susan Walters, first raised to national consciousness the deteriorating condition of our Nation's public capital resources, and made infrastructure a fitting topic for the front cover of Newsweek, and for feature articles in U.S. News & World Report and Time magazine.

Since that time, infrastructure has slipped from the front pages—except when a bridge collapses, or a road turns into a bombscape of potholes. But the problem has not disappeared with the headlines, and while Congress last year passed landmark ports and waterways legislation (H.R. 6), and hopefully will very soon repass clean water and surface transportation legislation, the Nation still does not have a comprehensive program to rehabilitate, repair and renovate our portfolio of public capital resources: our roads and streets, highways and bridges, our water and wastewater facilities, our public buildings, and other publicly owned facilities.

The legislation I proposed today would provide the seeds of that overall program, for consideration along with other infrastructure measures which I expect will be before the Public Works and Transportation Committee during the 100th Congress.

As the initial multitrillion dollar infrastructure maintenance and rehabilitation estimates were announced, I asked the U.S. Conference of Mayors and the League of Cities to survey their members, to determine, first, how cities handle their infrastructure decisionmaking and financing and, second, the condition of municipal public facilities around the country.

The results were heartening. The survey, "Capital Budgeting and Infrastructure in American Cities: an Initial Assessment," indicated that over 90 percent of those 800 cities responding do use some sort of capital budgeting or some similar orderly decisionmaking process. Further, the survey indicated that infrastructure is a national issue, which is important to all regions of the country, not just the older ones. It also revealed that cities' infrastructure needs vary widely, although priorities cluster in a relatively few general categories such as streets and roads, waste water treatment, storm water collection and sewers. Cities vary greatly in their ability to finance infrastructure needs, and these needs cannot be met in many cases without Federal and State assistance.

Most important, however, the survey showed that while infrastructure needs are great, we need not be paralyzed by their magnitude. We can break the task down into manageable proportions.

The bill I introduce today will not solve the entire infrastructure problem in this country. Nor can Federal grants do the job alone. I expect that the bill which ultimately comes to the House floor will be far more comprehensive than a grants program.

I am convinced, however, that a grant program to help distressed areas repair and improve their infrastructure is a necessary component of a more comprehensive approach to the overall problem.

The importance of maintaining our public capital portfolio goes beyond eradication of potholes and patching of pipe. The future economic well being of our country depends on sound, adequate public capital facilities, the underpinning for all our private endeavors. Private productivity, which is the quintessential element in keeping our Nation preeminent as an economic force in the world, depends ultimately on public productivity. Industry and business can't expand, and certainly won't locate, in communities where water and sewer capacity aren't adequate, and where raw materials and finished products can't be easily or competitively transported.

Today, as many as half to three quarters of our communities cannot expand because their infrastructure is inadequate to accommodate new growth.

Increasingly, the private sector is recognizing this interdependence between public infrastructure and private growth. In Cleveland, industry took the lead in supporting a tax increase, provided that half that increase would be dedicated to public capital repairs. Seattle's businessmen, at the invitation of their mayor, fully reviewed the city's budget, and ended up supporting a business tax increase for public facilities repair.

The bill I introduce today has two purposes: first, to protect our priceless existing investment in public capital, which American citizens have built with their tax dollars over the entire life of this country, by reversing the neglect and negative investment of the last several decades; and second, to prevent future neglect, by assisting owners and operators of public facilities to establish long-term capital improvement programs to assure maintenance and upkeep of this great resource.

The Infrastructure Improvement and Public Productivity Act of 1987 is a multiyear, one-shot catch-up program to assist owners and operators of public capital in restoring private productivity by upgrading local public facilities and making them more productive. This bill would provide $2 billion per year in grants, on a 50-50 matching basis, to distressed areas to repair, renovate, reconstruct or construct public facilities which contribute to that area's economic growth and development.

Eligible recipients would be owneers and operators of economic development-related public facilities: States, counties, townships, municipalities, and special districts such as water and sewer districts and port authorities.

Funds would be apportioned to reward States and other levels of Government making the greatest effort to preserve their own public facilities; and to target areas where the needs are the greatest.

The second major innovative feature of this bill is the Capital Budgeting and Capital Improvement Program requirements I referred to above. This is an extremely important element of the program, in that it is the means to assure that owners and operators will establish and maintain an orderly schedule for protecting their capital plants.

Once funds have been allocated to the States, the Governor is required to set aside 1 percent of that allocation for capital budgeting and capital improvement programs. The State itself, and any local government, could receive a grant on a one-time basis to develop a capital improvement program.

The National Council on Governmental Accounting has defined a capital improvements program as "a plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the local government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures."

Capital improvement programs vary from the simple to the extremely complex, depending on the size of the governmental unit and the sophistication of the participants. The CIP is usually for 5 to 6 years. Capital improvements programming is the multiyear scheduling of capital improvements for a community based on agreed-upon priorities, available funding sources, and local financing capabilities. The Capital Improvements Program includes a list of all proposed capital improvements ranked in order of priority, an identification of all possible funding sources, an analysis of the financing capability of the local government, and a schedule or timetable for development.

In many cases, the first year of the CIP is called the "capital budget," which refers to those capital improvements that are programmed for the next fiscal year. A capital budget can generally be thought of as the link between the longer-term Capital Improvements Program and the current annual budget and appropriation process used by most governmental units. Most governmental units update the CIP annually.

An important distinction between the capital budget and the Capital Improvements Program is that the 1-year capital budget is a part of the legally adopted annual operating budget while the longer-term CIP does not have legally binding significance.

A capital improvements program for all an owner/operator's public facilities would be the condition for receiving funding under this program for repair or improvement of a single project or element in that overall program.

I want to note also that this bill will dovetail nicely with the National Development Investment Act, which passed the House in the last Congress by a margin of 260 to 96 and which I am reintroducing today. That bill requires communities to design development investment strategies as a prerequisite for individual projects. These strategies will be important components of the capital improvements programs developed under this legislation.

I put this bill forward to initiate debate on a concrete proposal, and look forward to full discussion of all the issues this legislation raises.

The bill looks to the future in its establishment of a pattern of capital budgeting and capital improvement programming, so that, once an area has "caught up" with its deferred infrastructure needs, it won't go back to its old ways of doing business, and allow its newly refurbished facilities to deteriorate again.

This is an ambitious bill, and I do not pretend that it is the final product. Rather, I introduce it as the subject of what I anticipate will be extensive and lively debate. I will welcome comment from all sides on it.

INFRASTRUCTURE IMPROVEMENT AND PUBLIC PRODUCTIVITY ACT

PURPOSE

To establish a multiyear infrastructure repair program by assisting State and local governments in addressing the urgent need to repair and rehabilitate aging public facilities and to encourage the establishment of capital improvement programs that include life-cycle management of capital improvements.

WHAT THE BILL DOES

The Act would authorize $2 billion annually for a period of five years for 50% grants to States, Territories, Counties, Municipalities, Townships, Special Districts, and Authorities for the construction, renovation, reconstruction, and repair of public facilities that are located in or will substantially benefit UDAG (Urban Development Action Grant) eligible areas.

ELIGIBLE PROJECTS

Grants would be available for the construction, renovation and repair of public facilities such as any road, street, bridge, water or wastewater-treatment system, building, and any other facility related to the economic development of the area.

Emphasis is placed on renovation and repair projects, and new construction projects are only permitted where basic facility does not exist in the area.

LIMITATIONS

Grant can only be made if project is part of capital improvement program; enhances economic development opportunities; contributes substantially to the economic development of the area; is not inconsistent with areawide plans; applicant demonstrates maintenance of effort; could not otherwise be done; and applicant demonstrates compliance with Davis-Bacon Act.

ALLOCATION OF FUNDS

One percent set-aside of funds appropriated for Secretary to conduct research for improving productivity, management, and extending useful life of public facilities and for the development of new materials, technologies and methods for repairing public facilities.

One fourth of 1 percent set-aside, each for Puerto Rico and the Territories;

Funds to be allocated to each of the States by a formula which considers population, fiscal capacity, tax effort, and capital expenditures; and

One percent set-aside of funds allocated to each State to be used to make grants to establish and improve capital budgeting and capital improvement programs. Economic Development Districts and Areawide Planning Agencies may be used for this purpose.

Source: Subcommittee on Economic Development House Committee on Public Works and Transportation Area Code 202-225-6151.

INTRODUCTION OF A BILL TO AUTHORIZE APPROPRIATIONS FOR THE NATIONAL TRANSPORTATION SAFETY BOARD

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. HAMMERSCHMIDT. Mr. Speaker, shortly before it adjourned, the 99th Congress passed and sent to the President a bill to authorize appropriations for the National Transportation Safety Board [NTSB]. Unfortunately, the President chose to pocket veto the measure. The NTSB did receive its appropriation for fiscal year 1987 so its vital work can continue. Nevertheless, authorization legislation should be pursued both as a way to reaffirm the value of the job the NTSB is doing as well as to make certain changes in its governing statute.

Therefore, I am pleased to join with Congressman MINETA, chairman of the Aviation Subcommittee, in reintroducing a bill to authorize funds for the NTSB. The bill we are introducing is essentially the same as the one the House approved last year. It would authorize appropriations for the NTSB for the next 3 years. It would also make changes in its governing statute involving Federal Register notice requirements, NTSB training sessions, and reporting of public aircraft accidents.

The NTSB plays a crucial role in transportation safety generally and in aviation safety in particular. It is responsible for investigating accidents, determining their cause, and making recommendations to prevent such tragedies from occurring again.

Although some may not realize it, the record shows that the airline accident rate has declined since airline deregulation became law in 1978. In fact, no major U.S. air carrier had a fatal accident last year. In no small measure, this is due to the vigilance of the NTSB, both its staff and its members and the recommendations they make to improve safety. This is all the more remarkable since the staff of the agency has steadily declined. In 1980, it had a staff of about 400. This dropped to slightly more than 300 in 1982 and 1983. It has since returned to the 320 range.

The funding authorized in the bill is designed to enable the Board to retain a staff of 347 which is the minimum necessary for effective functioning of the Board. The previous cutbacks had caused a reduction in the number of nonaviation accident reports that the NTSB issued. The cutbacks also led to delays in the issuance of all accident reports. This bill will ensure that the Board continues to have the ability to fully carry out its mission in a timely manner.

Another element that is critical to safety is the independence of the NTSB. The Board, under its fine Chairman Jim Burnett, has not hesitated to criticize or make recommendations to other Government agencies when it believed that was necessary. This bill will continue the NTSB as a strong independent body. It therefore ensures that this agency can continue to carry out its important watchdog role.

In sum, I believe this is a good bill that reauthorizes a small but important agency. I urge my colleagues to support it.

THE MILK PROTEIN FAIR TRADE ACT OF 1987

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. ROTH. Mr. Speaker, we've heard a lot about the runaway costs of our farm programs. Now is the time to act to ensure a substantial savings within the dairy program by checking the flood of imported, subsidized milk protein substitutes which have wreaked havoc on our domestic market. That is why I have introduced the Milk Protein Fair Trade Act of 1987.

USDA studies have concluded that the unchecked importation of casein into the United States has displaced American dairy products, forcing the Commodity Credit Corporation to purchase greater stocks of nonfat dry milk and pay for their storage.

In fact, in 1980 152.2 million pounds of imported casein displaced 333 million pounds of nonfat dry milk. The Federal Government purchased this product at a cost to the taxpayer of almost $300 million. And casein imports have been on the rise.

We are, in fact, paying twice for the same commodity. We pay nations to subsidize casein production by allowing them to export their surpluses so generously to the United States. Simultaneously, we are buying our own nonfat dry milk which has been displaced by casein imports. This is an intolerable waste of American tax dollars.

My legislation is designed both to reduce the cost to the taxpayer of the dairy price support program and to decrease the surplus of domestic dairy products. This bill puts a lid on casein imports equivalent to 50 percent of the average yearly imports during the period of January 1, 1979 through December 31, 1983. It would also make provision for the importation of casein where no substitutes are currently available.

My bill also redefines casein as a food, rather than a chemical. Over the years milk protein imports have shifted in use from industrial application to food and feed products. In its report, "U.S. Casein and Lactalbumin Imports: An Economic and Policy Perspective," the Department of Agriculture concluded that 53 percent of the casein used in the United States in 1980 was used in products for which domestic milk solids could be used.

The American taxpayer, and in particular the American farmer, is being dumped on by New Zealand and Common Market member nations which are subsidizing the production of casein for export abroad. Fully 50 percent of our casein imports come from New Zealand. That government has created an entire industry sector whose sole purpose is to compete in U.S. markets against U.S. dairy products. What it really boils down to is that while New Zealand failed to live up to its part of the ANZUS treaty, it is at the same time helping to impoverish the American dairy farmer.

My legislation is not per se retaliatory because it does not single out New Zealand. In fact, this type of legislation predates New Zealand's actions by about 10 years. It simply reflects the view that foreign countries should not be able to dump their products on the U.S. market when there is already a domestic oversupply of milk products.

Importation of casein adversely affects the dairy farmer and the American taxpayer, who foots the bills for our farm support programs. Section 22 of the Agricultural Adjustment Act of 1935 allows us to take this type of action, which is protectionist only to the degree that protection is warranted.

My legislation is designed both to reduce the cost of the taxpayer of the dairy price support program and to decrease the surplus of domestic dairy products. With both trade and farm costs high on the list of this Congress' agenda, I hope this common sense reform will be considered with all due speed.

HONORING BEN NIELSEN

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BADHAM. Mr. Speaker, it is always a distinct pleasure for me to bring to the attention of this body the achievements and accomplishments of Americans who serve the people as local elected officials. All too often, these individuals are not accorded the honors and thanks they deserve for the many hours of dedicated and selfless work they do to make their communities better places to live and work.

One such man, Mr. Ben Nielsen, has just concluded an 8-year term as a member of the Fountain Valley City Council in my district. During his tenure, Mr. Nielsen also served two terms as the city's mayor and 4 years as mayor pro tempore. Of special interest is the fact that Mr. Nielsen is a native of Denmark, who came to the United States as a boy and adopted it as his country, later serving 6 years in the U.S. Army Reserves and completing his college education.

Mr. Speaker, Ben Nielsen is a very special person to his city and the community. His civic record includes the past presidency of the Jaycees, vice chairmanship of the city planning commission, board member of youth baseball, past member of the board of realtors, and memberships in the Rotary, Elks, and PTO.

He has served on the executive committee of the Southern California Association of Governments and as his city's chairman of the March of Dimes. He has been active in the League of Cities, the Multiple Sclerosis Society, the Cancer Society, and in his political party organization. He has been honored as "Citizen of the Year" by the Elks lodge and is an appointee to the Jaycees International Senate.

Our Nation is preeminent in the world today not because of military might or economic prowess but because of its people, people like Ben Nielsen of Fountain Valley who are willing and able to commit themselves to the betterment and security of their fellow man with little regard for personal compensation or reward.

Mr. Speaker, I want to take this opportunity to thank Ben Nielsen for his many years of selfless devotion to his community and to wish him well in all his future endeavors.

TAX EQUITY FOR FEDERAL RETIREES

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Ms. OAKAR. Mr. Speaker, today I am reintroducing legislation which will correct an inequity in the new Tax Reform Act, passed in 1986, which unfairly penalizes Federal retirees. The portion to which I refer is that which retroactively repealed the 3-year basis recovery rule with regard to qualified pension plans requiring employee contributions.

As I have stated previously, I believe the new tax law will lead to many constructive changes in our economy. This is landmark legislation for which Chairman ROSTENKOWSKI and other architects of the bill are to be commended. However, I must again express my regret that such a significant piece of legislation was marred by a provision which is extremely unjust for Federal retirees.

Until last year, a retiree's annuity was not taxed until all of the employee contributions has been distributed and if the contributions were fully recovered within 3 years of the starting date of the annuity. The employee's contributions had already been taxed as gross income. Under the new law, however, Federal income tax on a retirement annuity now begins on the first day of retirement, with the tax-free employee's contribution "spread out" actuarially over the length of the annuity. This significant change retroactively applies to annuities beginning on or after July 1, 1986.

Mr. Speaker, the burden of this change to the Tax Code falls overwhelmingly on new retirees from the public sector. Almost one-fourth of those are Federal retirees. A 1984 General Accounting Office report pointed out that few private sector employees are required to contribute toward the cost of their pension plans. More specifically, Bureau of Labor Statistics data show that 93 percent of the pension plans in the private sector require employee contributions. However, all Federal employees covered by a retirement system must contribute a portion of their income to that system. Thus, it is the Federal retiree who will be adversely affected by this provision.

After 6 years of attacks by the administration, Federal employees find their pay and benefits lagging significantly behind that of their private sector counterparts. The President's own pay agent recently concluded that Federal pay lags private sector compensation by almost 24 percent. Yet the President submitted his alternate pay plan, which would allow only a 2-percent increase in Federal pay for 1987. How can we expect our Federal Government to operate efficiently or effectively in the service of this Nation if we continue to treat our work force in this manner?

Mr. Speaker, the bill I am reintroducing, today, amends title 5, to provide that Federal pensions shall continue to be taxed as though the 3-year basis recovery rule had never been repealed. Under this legislation, Federal retirees would continue to be able to recoup all of their contributions to their annuity before the annuity is taxed by the Government.

In addition, Mr. Speaker, this legislation instructs the Office of Personnel Management to study and report to Congress on the consequences that would likely result from the retroactive repeal of the 3-year basis recovery rule. OPM is directed to look specifically at the adverse effects of such a retroactive change on Federal personnel management, employee morale, and individual retirement and financial planning. The OPM study will also explore options for making this kind of tax change gradually in order to minimize disruption of the Federal work force and the financial plans of individual retirees. This is the kind of information Congress will need to have in hand before acting to make such a strong significant change in the way we tax our Federal annuities.

Mr. Speaker, I am sure my colleagues are well aware of the increasing difficulty Federal agencies face attracting and retaining well qualified individuals to carry out programs which affect the entire Nation. While much of that difficulty can be attributed to low salaries, a large portion can also be attributed to the recent attacks on their benefits. If we sincerely believe that the efforts of researchers, technicians and astronauts at NASA, enforcement officials fighting illegal drugs, scientists and engineers developing new defense strategies, and specialists finding new ways to protect and improve our crops are important to our programs, then we must take steps to stop the inequities these individuals are suffering. To attract quality workers to the Federal sector, we must assure that they will be treated fairly both during and after their service with the Government.

Mr. Speaker, I urge my colleagues to support this legislation to protect Federal annuities and restore a modicum of fairness for our Government retirees.

OLMSTED HERITAGE LANDSCAPES ACT

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. UDALL. Mr. Speaker, I am pleased to introduce today the Olmsted Heritage Landscapes Act, a bill to inventory and commemorate the legacy of landscapes designed by Frederick Law Olmsted, Sr., his sons, and associates.

Frederick Law Olmsted, Sr., was the Nation's foremost landscape architect in the 19th century, and he is considered the father of landscape architecture in the United States. He left an enormous legacy, from the design of Central Park in New York and the U.S. Capitol Grounds in Washington, DC, to hundreds of other parks and landscapes throughout the country.

Olmsted's legacy also embraces the work of his sons and partners, and his associates Calvert Vaux, Charles Eliot, Warren Manning, Jacob Weidenmann, Horace W.S. Cleveland, William Hammond Hall, and George Kessler. Although their achievements were tremendous, very little information is readily available on them. Unlike historic buildings, the designed landscapes in our country have never been systematically surveyed.

The bill I am introducing today would establish a program to inventory the Olmstead legacy on a State-by-State basis. Although no new funding is authorized, the bill directs the Secretary of the Interior to coordinate applications from existing grant programs to assist in the preservation of Olmsted landscapes. It is expected that the Historic Preservation Fund and other existing funding authorities would be sufficient to carry out the activities called for in this act.

A similar bill, H.R. 37, passed the House during the 99th Congress. It was later amended to meet some concerns raised by Members of the other body and was passed again in the House as title II to S. 2091. However, due to lack of time at the end of the session, the bill was not enacted.

The bill I am introducing today is virtually identical to the version contained in S. 2091 in the 99th Congress. It emphasizes the basic intent that this is to be a research program, not a regulatory one. It uses existing procedures to form a useful, well-documented information base. It further clarifies that the listing portion of the inventory under section 5(c) is not to be construed to define the historical value of a listed landscape, absent a determination of its eligibility for the National Register and that the Secretary's standards under section 6 are simply quidelines for applying existing standards for preservation projects to historic landscapes.

Other changes from the original House-passed bill includes deletion of the reference to a new Olmsted heritage landscape "system," extension of various deadlines, and transfer of the technical committee from the Advisory Council on Historic Preservation to the Secretary of the Interior.

It should be noted that there are, already, several private efforts to identify the Olmsted heritage, including by the American Society of Landscape Architects, the National Association of Olmsted Parks, and the Frederick Law Olmsted Papers. However, the size and complexity of the task is such that the assistance and leadership of the Federal Government is both appropriate and necessary. Other organizations—such as the National Trust for Historic Preservation, Preservation Action, and the National Conference of State Historic Preservation Officers—have also been strong supporters of the legislation.

As Members will recall, the original author of this legislation was our former colleague from Ohio, Mr. Seiberling, who did so much for land conservation and historic preservation during his 16 years in the Congress. I am delighted to have the opportunity to introduce it in the 100th Congress, and I look forward to its speedy passage through both the House and the Senate. Certainly this is a bill whose time has come. I urge all Members to support it.

GILMAN SEEKS A LEVEL PLAYING FIELD FOR OUR DOMESTIC VEGETABLE GROWERS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. GILMAN. Mr. Speaker, once again I am reintroducing legislation designed to assist our Nation's vegetable growers. I originally fashioned this measure with the assistance of growers from our northern tier region. The bill subsequently gained the support of many local organizations and was endorsed by the National Onion Association. Quite simply, the bill continues to allow imported vegetables to enter this country; however, if they enter in such volume and with depressed prices so as to injure our domestic farmers, a surtax will be imposed on the offending imported vegetable.

During the last Congress, I successfully petitioned the Subcommittee on Trade of the Ways and Means Committee to request a report on the competitive position in U.S. markets of certain vegetables produced in the Great Lake States and in Canada. The report substantiated what many of the farmers in my own congressional district have already told me on numerous occasions: Canadian exports of several fresh vegetables to the United States have risen steadily over the last several years. Moreover, while U.S. programs both on the State and Federal levels, to assist our vegetable growers are limited, Canada provides extensive Federal and Provincial support programs relating to production, financial assistance, and export promotion for their vegetable growers. In fact, in a news release of October 25, 1984, the Minister of the Ontario Ministry of Agriculture and Food, Mr. Dennis Timbrell, announced "a long-range plan to assist the industry to double export sales of agriculture and food products, primarily to the United States," with the plan "aimed at achieving exports valued at 3 billion Canadian dollars over the long term."

Obviously, such a flooding of Canadian vegetables into our domestic markets results in economic injury to our domestic producers, especially when these imports enter our Nation during periods of heavy volume of U.S. production. Additionally, the declared value of a shipment at the point of entry into the United States often is not accurate. Therefore, I strongly believe it is necessary to provide a temporary surtax on commodities from time to time when increased volume of imports is presumed to have resulted in decreased domestic prices. My legislation requires the Agriculture Department to monitor certain affected commodities to determine from volume and benchmark prices the extent of economic impact on our domestic growers. Should injury be determined for a specified commodity, a surtax system can be put into place, and the surtax would be collected by customs officials at the border.

The commodities this legislation proposes to monitor include: Cabbages, carrots, celery, lettuce, red and yellow storage onions, potatoes, and radishes.

For purposes of determining the surtax, a "benchmark price" for each vegetable category will be determined, and would be computed for each month within the applicable marketing season—85 percent of the average monthly market price for domestic and imported articles for the same month during the 36-month period immediately preceding the month for which the computation is made. If the Secretary of Agriculture determines that the benchmark price is abnormally high or low due to harvest variations, then a computation can be made that equals 90 percent of the average monthly market price for that category for the same month during the 60-month period immediately preceding the month for which the computation is made.

In determining the market price of imported commodities under this bill, the sales price of imported articles at the three terminal markets having the heaviest volume of imports of the article being monitored would be considered.

My legislation allows the Secretary, upon petition, to add any classification of fresh vegetables, provided that the Secretary concludes that economic injury is being caused or threatened to the U.S. producers of that commodity.

During the harvesting season, the listed commodities would be monitored weekly, but if determined that the average market price paid does not equal 90 percent of the average price for that category for that week in the immediately preceding 3 years, then the Secretary can designate that vegetable as depressed, and monitoring continues on a daily basis for the prices paid for articles in that category as well as monitoring on a weekly basis the volume of imported articles in that category that are sold in terminal markets. If the average market price is below the benchmark price for that category, and if the volume exceeds by 5 percent the volume of the same imported article sold in a terminal market during the equivalent week 5 years ago, the surtax is established.

There will be weeks when there will be no surtax. During other weeks, a surtax will be in place. The importing country will be notified as soon as findings are made by the Department of Agriculture, and the surtax will be collected at the border.

The problem of imports undercutting American prices affects almost every industry. The vegetable industry is not immune, and has been suffering severely. American producers of fresh vegetables receive no subsidies whatever from our Government, while many of our trading partners subsidize their growers every step of the way. Trying to find American grown carrots in the Northeast is extremely difficult. I am informed that New York State only has a very few carrot producers left, and other States are losing family farms year after year.

I believe that this proposed agricultural surtax system, modeled after an existing system of one of our trading partners, is a fair method of ensuring that imported vegetables and potatoes do not further erode our agricultural economy. The American farmer is among out Nation's most valuable enterpreneurs, continually confronted with the hazards of droughts, floods, pestilence, surplus crops, and so forth. Unsubsidized, it takes our farmers years to recoup losses from any natural disaster. Their plight is made worse by the onslaught of imported commodities that undercut their prices. This surtax system will provide needed relief, and will be utilized by the Department of Agriculture only when needed.

Mr. Speaker, I request that at this point in the RECORD that the full text of my proposed legislation be printed for review by my colleagues. I also request prompt hearings and urge my colleagues to support this important measure. By adopting this proposal, we can secure relief for the American vegetable and potato farmer.

The bill follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fresh Vegetable and Potato Trade Act of 1987".

SEC. 2. As used in this Act:

(1) The term "article" means a specific vegetable category commodity entered into trade in a terminal market.

(2) The term "benchmark price" means, with respect to articles in a vegetable category, a price, computed for each month within the applicable marketing season, that equals—

(A) 85 per centum of the average monthly market price for domestic and imported articles in that category for the same month during the thirty-six-month period immediately preceding the month for which such computation is made; or

(B) if the Secretary considers that the benchmark price computed under subparagraph (A) is abnormally high or low because of harvest variations, 90 per centum of the average monthly market price for domestic and imported articles in that category for the same month during the sixty-month period immediately preceding the month for which such computation is made.

(3) The term "imported articles" means articles that have been entered, or withdrawn from warehouse for consumption, within the customs territory of the United States.

(4) The term "market price" means the sale price at which imported articles in a vegetable category are bought and sold in the course of trade at the three terminal markets having the heaviest volume of imports of such articles. The market price shall be based on such quantity of measure as the Secretary deems appropriate for purposes of carrying out this Act.

(5) The term "marketing season" means the marketing season in the United States for vegetables, that are produced in the United States, of a kind like those in a vegetable category, as determined by the Secretary.

(6) The term "Secretary" means the Secretary of Agriculture.

(7) The term "terminal market" means a marketing area in the United States at which major shipments of imported articles in a vegetable category are introduced into domestic commerce.

(8) The term "vegetable category" means each of the following classifications, identified by reference to the appropriate item numbers of the Tariff Schedules of the United States (19 U.S.C. 1202), or vegetables, if fresh:

(A) Cabbages provided for in item 135.30.

(B) Carrots provided for in items 135.41 and 135.42.

(C) Celery provided for in items 135.60 and 135.61.

(D) Lettuce provided for in item 136.60 and 136.61.

(E) Red onions and yellow onions, of the type produced for storage holdings, provided for in item 136.93.

(F) Potatoes provided for in items 137.25, 137.26, 137.28, and 137.29.

(G) Radishes provided for in item 137.40.

The Secretary, for the purposes of this Act, may add for the duration of a marketing season any classification of fresh vegetable provided for in such Schedules as a vegetable category if a United States producer of vegetables of that kind petitions the Secretary for such addition and the Secretary concludes that economic injury is being caused or threatened to United States producers of articles in that category after applying the criteria in section 3(a) and (b)(2).

SEC. 3. (a) During each week of the marketing season, the Secretary shall monitor the market prices paid for articles in each vegetable category. If the Secretary finds, on the basis of such monitoring, that the average market price paid for articles in any vegetable category during a week does not equal 90 per centum of the average price for such category for such week in the immediately preceding three years, the Secretary shall, within five working days, publish notice thereof in the Federal Register designating that vegetable category as a depressed vegetable category.

(b) The Secretary shall, with respect to articles in each vegetable category designated as a depressed vegetable category under subsection (a)—

(1) monitor on a daily basis the market prices paid for articles in such category; and

(2) monitor on a weekly basis the volume of imported articles in such category that is sold in commerce at terminal markets.

(c) If the Secretary determines, on the basis of the monitoring required under subsection (b) regarding a vegetable category that is depressed, that—

(1) the average market price for articles in that category for any week in the marketing season was below the benchmark price for such category; and

(2) the volume of imported articles in that category that was sold in commerce at terminal markets during such week exceeds by 5 per centum or more the volume of imported articles in that category sold at terminal markets during the equivalent seven-day period in calendar year 1978;

the imported articles in that vegetable category shall be presumed to be causing, or threatening to cause, economic injury to United States producers of like vegetables.

SEC. 4. (a)(1) Within two working days after making a determination under section 3(c) regarding imported articles in a vegetable category, the Secretary, by publication of notice thereof in the Federal Register, shall (A) issue notice of such determination, and (B) establish a surtax period for such category which shall be the one hundred and eighty-day period commencing on the next Thursday which occurs not less than five days after the date on which such determination was made. The Secretary shall at the time of such publication notify the exporting countries of articles in such category of such establishment.

(2) The Secretary may extend a surtax period established under paragraph (1) by an additional ninety days if he determines that the conditions which led to the establishment of the initial one hundred and eighty-day surtax period are still in effect at the close of the initial period.

(b)(1) There is imposed on all articles in a vegetable category to which a determination under section 3(c) applies that are entered, or withdrawn from warehouse for consumption, in the customs territory of the United States during each week within the surtax period a surtax for that week, the amount of which shall be computed on a weekly basis in accordance with subsection (c) by the Secretary on the basis of the applicable market prices.

(2) A surtax imposed under this Act shall be treated for all purposes of the customs laws as a duty which is in addition to any other duty imposed on the entry or withdrawal from warehouse of articles in the vegetable category concerned.

(c)(1) For purposes of this section—

(A) The term "computation period" means the seven-day period that ends on a Wednesday in the two weeks before the week in which a surtax week begins.

(B) The term "surtax week" means each seven-day period, beginning on a Thursday, that is within a surtax period established under subsection (a).

(2) The surtax imposed under subsection (b) for each surtax week on imported articles within a vegetable category shall be determined on the basis of the relationship between the average daily market price paid during the applicable computation period for articles in such category, and the applicable benchmark price for such article, as follows:

(A) If there is no difference between such market price and benchmark price—

(i) no surtax shall apply during the surtax week if no surtax is in effect for the immediately preceding surtax week; or

(ii) the surtax for the surtax week shall be the same as the surtax, if any, in effect for the immediately preceding surtax week.

(B) If such market price is below the benchmark price, the surtax for the surtax week shall be—

(i) an amount equal to the difference between such prices, if there is no surtax in effect for the immediately preceding surtax week, or

(ii) an amount equal to such difference plus the amount of any surtax in effect for the immediately preceding surtax week.

(C) If such market price exceeds such benchmark price—

(i) no surtax shall apply during the surtax week if no surtax is in effect for the immediately preceding surtax week, or

(ii) the surtax for the surtax week shall be the amount of the surtax in effect for the immediately preceding surtax week reduced by the amount of such excess (but not below zero).

(3) For purposes of determining under paragraph (2) the surtax to be imposed during the first surtax week in any surtax period, a surtax shall be determined under paragraph (2)(B) on the basis of the findings of the Secretary under section 3(c)(1) on the imported articles concerned and such surtax shall be treated as being in effect during the week before such first surtax week.

(d) The Secretary shall certify to the Secretary of the Treasury the surtax, or absence thereof, as determined under subsection (c) for each surtax week within the surtax period established for a vegetable category. The Secretary of the Treasury shall take such action as may be necessary or appropriate to levy and collect any such surtax so certified, including the requirement of additional bond to secure payment of a surtax.

SEC. 5. The Secretary and the Secretary of the Treasury shall each issue such regulations as may be necessary and appropriate to carry out this Act.

THE CIVIL LIBERTIES ACT OF 1987

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. MINETA. Mr. Speaker, I am proud to join our distinguished Majority Leader TOM FOLEY and many other colleagues in introducing the Civil Liberties Act of 1987.

Now, after more than 40 years, Congress has the opportunity to close the book on one of the most shameful events in our history: the internment, beginning in 1942, of 120,000 loyal Americans without trial or jury, simply on the basis of their ethnic ancestry.

During the 99th Congress, this legislation was H.R. 442. Our new bill, identical in substance to the 99th Congress legislation, will also be H.R. 442. This number honors the 442d Regimental Combat Team, which has been called the most highly decorated unit in the history of American fighting forces. The 442d was made up of Americans of Japanese ancestry, many of whom volunteered for duty from the internment camps that are the subject of H.R. 442. The 442d fought with great distinction throughout the European Campaign of World War II.

The men of the 442d, along with those Americans of Japanese ancestry who served with distinction with the Military Intelligence Service [MIS] in the Pacific Theater, fought with courage and bravery to defend their nation, their homeland—the United States of America.

Those interned were not foreign spies carrying briefcases bulging with secrets. Many had sons or brothers fighting with the 442d. Among those who were interned were old men and women who worked in the fields of California. Their hard labor made barren lands productive, lands that many would lose as a result of the internment. They were not unscrupulous agents of a foreign power, they were business people who had worked to build small businesses and to be full members of their communities. They were not recent immigrants of uncertain loyalty. Most of those interned were born in this country and were proud citizens from birth.

We cannot debate appropriate remedies for something as indefensible as the internment without first understanding the complete tragedy of our Government's policies and the needless injustice which the internment represented.

I was one of those interned. I was 10 years old. If someone, anyone, could show me how by any stretch of the imagination any reasonable person could suspect me to have been a security threat, I would abandon this effort instantly.

The fact remains that no Americans of Japanese ancestry committed any acts of treason or disloyalty.

The internment was not merely inconvenient. Evacuated with little notice, thousands of Americans lost their homes, their businesses, their farms. And we lost nearly 3 years of our lives. The financial losses were enormous. But the losses of friends, education, opportunity, and standing in our communities were incalculable.

My own family was sent first to Santa Anita Racetrack. We showered in the horse paddocks. Some families lived in converted stables, others in hastily thrown together barracks. We were then moved to Heart Mountain, WY, where our entire family lived in one small room of a rude tarpaper barrack.

Some say the internment was for our own protection. But even as a boy of 10 I could see that the machineguns and the barbed wire faced inward.

The internment was not, as some say, "regrettable but understandable." It was unjustified in light of what we know now and unjustified in light of what anyone who wanted to see the situation clearly could see at the time. The internment was a mistake, and act of prejudice and fear. This whole Nation was and still is shamed by it.

Yes, it was a time of great national stress. But moral principles and rules of law are easy to uphold in placid times. But do these principles stand up in times of great difficulty and stress? That is the test of a great nation: Can it stand by its laws and codes even while threatened? Sadly, we as a nation failed that test in 1942.

Chisled in the marble over the entrance to our Supreme Court, it does not say "equal justice under law except when things get sticky." If our constitutional promises of equal treatment and due process mean what they say, then there can be no excuse for the internment. What had I done that made me so threatening to my government? Murderers, arsonists, even assassins and spies get trials. But not young boys born and raised in San Jose, CA who happen to have odd sounding last names. Is that what this Nation is about?

Congress enacted legislation in 1942 to implement the internment, and it is now up to Congress to demonstrate our national capacity for justice and wisdom. Let us show the strength of our Nation and our system of laws by admitting the errors of 1942, apologizing for those errors, and making some efforts toward redressing the damage we have done. Moreover, let us state clearly and unequivocally our commitment that such a wholesale abuse of civil rights will never again happen in this land.

We in Congress began this process of national reconciliation with the creation in 1980 of the Commission of Wartime Relocation and Internment of Civilians.

Following their excellent historical study, the Commission recommended appropriate remedies for the injustices of the internment. Those recommendations are the basis of the bill being introduced today.

In brief, these recommendations include a national apology; measures to correct legal and administrative actions that were part of the Nation's discriminatory activities at that time; the creation of a civil liberties public education fund for educational and community projects; and the payment from that fund of $20,000 to each surviving internee.

Similar recommendations were also made by the Commission to redress the damages done to the native Aleuts who were evacuated from their islands in 1942. Those recommendations are the basis for the Aleut provisions of this legislation, which parallel the provisions of S. 2116 of the 98th Congress.

I look forward to discussing these recommendations in detail with my colleagues. I believe they constitute a fair, balanced, and reasonable package.

In speaking about the internment, our new Speaker has in the past quoted Abraham Lincoln. Let me in closing repeat that passage.

"Those who would deny freedom to others do not deserve it themselves. And, under a just God, they will not retain it long."

A summary of H.R. 442 follows:

SUMMARY OF H.R. 442

Congress acknowledges the fundamental injustice of the internment, apologizes for it, and seeks to prevent the reoccurrence of any similar events.

AS REGARDS AMERICANS OF JAPANESE ANCESTRY

1. On behalf of the nation, Congress apologizes to those Americans of Japanese ancestry who were interned.

2. The President is requested to offer pardons to those convicted of violating laws during the internment period, whose violation was based on a refusal to accept racially discriminatory treatment.

3. When reviewing requests for review of administrative rulings relating to the internment, executive agencies are asked to review such cases with liberality, giving full consideration to the findings of the Commission and Congress.

4. A trust fund of $1.5 billion is authorized for educational and humanitarian purposes, and a Board of Directors is created to manage the fund.

5. Out of the trust fund, the Attorney General shall pay $20,000 in compensation to each surviving internee.

AS REGARDS AMERICANS OF ALEUT ANCESTRY

1. A trust fund of $5 million is authorized for community, educational and cultural programs benefiting the Aleuts, and a Board of Directors is created to manage the fund.

2. Each of the survivors of the Aleut internment shall receive $12,000 in compensation.

3. Churches and community centers destroyed in World War II shall be rebuilt.

4. Hazardous debris remaining from World War II shall be cleared away from the Aleutian Islands.

5. The Island of Attu shall be returned to the native corporation, provided that the Coast Guard will be able to continue its use of the Island.

CYPRUS IN TRANSITION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues the recent publication of a book dealing with Cyprus. "Cyprus in Transition, 1960–85" was published in 1986 and edited by John T.A. Koumoulides, professor of history at Ball State University in Muncie, IN.

This book draws on the expertise of many scholars and statesmen and represents a significant contribution to the literature on a subject of keen interest and continuing concern to many of my colleagues in the U.S. Congress. As the editor suggests, the book offers no miraculous solutions to the difficult Cyprus dispute but it is of great value to those wishing to understand the Cyprus problem and some of the more complex issues which divide the Greek and Turkish communities on that island nation.

Dr. Koumoulides is to be commended for his important and continuing work on Cyprus and for his willingness over many years to share his knowledge and expertise with Members of Congress. It is a fitting tribute to him that our colleague, Senator PAUL SARBANES, has written a useful and timely introduction to Dr. Koumoulides' book.

Dr. Koumoulides' preface to "Cyprus in Transition" as well as Senator SARBANES' introduction follow:

CYPRUS IN TRANSITION 1960–85

(Edited by John T.A. Koumoulides, Professor of History, Ball State University, Muncie, IN, introduction by Paul S. Sarbanes, U.S. Senator)

PREFACE

The problem of Cyprus appears in the press quite often, but I am certain that the greater public knows very little about it and is unable to comprehend its complexities. We may know about the great past of Cyprus, but, alas, at least in the United States of America, very few of us, perhaps, are aware of its tragic present. Most people do not realize that in Cyprus today past and future collide, and that while that past is certain, the future, I fear, is quite obscure.

In an effort to educate ourselves better about the various facets of the problem of Cyprus and to understand its historical, social, political, diplomatic and strategic dimensions, a series of lectures was planned at Ball State University in Muncie, Indiana.

Under the auspices of the University's Greek Studies Programme and the Stephen J., and Beatrice Brademas Lecture Series an international group of distinguished experts on Cyprus was invited to the University. The lectures were delivered during the academic year 1984-1985. The present volume consists of the papers given at Ball State University as well as essays specially written at the invitation of the editor. Taken together they provide an objective and comprehensive look at the problem of Cyprus, mainly from the foreign perspective; the views expressed are in each case those of the individual writer. It is my earnest wish that this volume will be of value to the scholar as well as to the student of the recent history of Cyprus, providing much needed insights into a very complex situation.

"Cyprus in Transition" does not put forward a miraculous solution of the Cyprus problem but it will be of great value to all who wish to understand it.

JOHN T.A. KOUMOULIDES.

INTRODUCTION BY HON. PAUL S. SARBANES

The history of civilization on Cyprus can be traced back to the neolithic settlement of Khirokitia in the seventh millennium B.C. It has come to us indirectly, through references in the Homeric hymns and through the archaeological discoveries of modern times; the earliest historians remain mute witnesses, for to this day the script in which they wrote remains undeciphered. By contrast, the history of the Republic of Cyprus dates back only to 1960. Although the independent sovereign state was established a mere quarter-century ago, the events of the past twenty-five years, and the situation on Cyprus today, regrettably appear as far removed from general public knowledge and comprehension as the earliest millennium.

There are several factors that anyone seeking to understand modern Cyprus must consider. The first is the strategic location of the island, which has made it for centuries a traditional gateway to East and West, North and South. Cyprus has never had the luxury of the strategic isolation that permits a nation to concentrate undistracted on its own internal development.

The second factor is imperial domination, with Cyprus long held in subservient status by a colonial power. In modern times Cyprus experienced three centuries of imperial Ottoman rule, with a minority Turkish population imposed on an indigenous Greek population. At the Congress of Berlin in 1878 the Ottomans were obliged to cede administrative authority over Cyprus to the British; subsequently, for roughly the last half-century prior to independence, Cyprus was under formal as well as effective British control. The terms of the 1959 Zurich and London agreements which laid down the constitutional framework for the Republic of Cyprus recognized Great Britain, Greece and Turkey as guarantors of the new nation.

The third factor is the brutal invasion of Cyprus in 1974 by Turkish military forces, and the continuing Turkish occupation of regions in the north which constitute nearly forty percent of the Republic's territory.

The immediate result of the invasion was the violent displacement of some 200,000 Greek Cypriots, who were forced to flee their homes in the north for the south—to live, tragically, as refugees in their own country. Today, twelve years later, the situation on Cyprus remains acute. 1,619 persons missing since the summer of 1974 are still unaccounted for. The Turkish occupation forces are still in control of the territory seized in 1974, although Turkish Cypriots make up less than twenty percent of the population; large numbers of Turkish troops continue to make up the occupying force, and a significant number of settlers from Turkey have been moved into the occupied portion of the Republic. The 200,000 Greek Cypriots are still displaced persons, despite having risen in remarkable fashion to meet the burdens and deprivations which refugee status places upon them.

The political dimension of the 1974 action is as acute as the personal loss. The Turkish military presence has undermined the cohesion of the new Republic and greatly complicated the underlying challenge, formidable enough to begin with, of developing a common citizenship for the Greek and Turkish communities on the island. The continuing stalemate weighs heavily on the delicate balance of Greek-Turkish relations and inevitably creates obstacles to the functioning of the southern flank of the NATO alliance in which Greece and Turkey together play a crucial role. Furthermore, the search for a just and workable solution has been dealt a major blow by the 1983 Turkish-Cypriot unilateral declaration of independence, or UDI, a device with which a Turkish-Cypriot population in the north, supported by Turkey and reinforced by the Turkish military presence, has sought to carve out an independent state in the occupied portion of the Republic.

Such is the situation on Cyprus. The general public tends to assume—erroneously—that because Cyprus is a small country the conflict there is not of great significance and can therefore be permitted to fester, or may even eventually resolve itself. Within the more knowledgeable and limited circle of public officials, scholars, students of public affairs and others already familiar with the Cyprus situation there is keen recognition of the gravity of the situation, and debate about Cyprus's future takes on an urgent and contentious tone.

The purpose of "Cyprus in Transition" is to shed light on the complex history of modern Cyprus, and to create a framework for informed and reasoned discussion. To this end Professor John T.A. Koumoulides has brought together essays by authors with first-hand experience of the many facets of the Cyprus situation, and has himself provided a very helpful historical and bibliographical framework. Professor Koumoulides is eminently suited to the task. Professor of History at Ball State University in Indiana, he is the author of "Cyprus and the War of Greek Independence, 1821-29" (London, 1974), and "Byzantine and Post-Byzantine Monuments at Aghia in Thessaly, Greece: The Art and Architecture of the Monastery of St. Panteleimon" (London, 1975). He is also the editor of "Greece in Transition: Essays in the History of Modern Greece, 1921-74" (London, 1977), published in the wake of the return of Greece to democracy in 1974. He has also edited "Hellenic Perspectives" (1980) and "Greece and Cyprus in History" (1985). His book "Churches of Aghia in Larissa" (1985) received the prestigious Academy of Athens Prize.

The contributors to this volume bring a variety of different perspectives to the issue before them. Sir David Hunt and Sir Peter Ramsbotham, for example, have both served as British High Commissioner on Cyprus. The Hon. C.M. Woodhouse writes on "The British Point of View' not only as Visiting Professor in the Department of Modern Greek at King's College, London University, but also as one with many years' service in the fields of diplomacy and politics. Among the other contributors are distinguished journalists and scholars, and, in the person of Lord Carver, the former Deputy Commander of the United Nations' Force in Cyprus and Mrs. Nancy Crawshaw, Professor A.J.R. Groom and Dr. Roger Zetter.

These essays will assuredly be of interest to a wide audience, from long-time observers to those seeking an introduction to contemporary Cyprus. This book thus constitutes an important contribution to the understanding of the current situation, and to the continuing search for a just and workable solution to the crisis which has so disrupted the life of the Republic and its citizens. As a public official who has for more than a decade participated in that search, I welcome the appearance of "Cyprus in Transition."

PAUL S. SARBANES,
U.S. Senator.

WASHINGTON, D.C.

THE FOREIGN ASSISTANCE ACCOUNTABILITY ACT

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BRYANT. Mr. Speaker, I am today reintroducing the Foreign Assistance Accountability Act, to prohibit diversion of our foreign assistance funds to unauthorized uses and strengthen our accounting procedures for those funds to assure that they are spent as Congress directs. I originally introduced the bill in June of 1986.

American taxpayers always deserve our best efforts to see that their money is not wasted. And in the current budget constraints, when all programs are necessarily being scrutinized for cuts, it is all the more important to see to it that the funding Congress provides for a program is responsibility spent on its intended purpose.

Disturbingly, our Government makes scant effort to determine if this is the case in foreign assistance programs. In fact, U.S. foreign aid can legally be diverted to any use the recipient desires—including personal aggrandizement. The current accounting controls are woefully inadequate to effectively prevent this.

In a December 1986 report, the General Accounting Office said it could not account for half of the $27 million in "humanitarian aid" Congress voted for the Nicaraguan Contras in 1985—lending further credence to the rumors that some of it may have been used to purchase prohibited military equipment or to line the pockets of Contra leaders or various middlemen.

In June, a GAO spokesman commenting on the investigation said there was "enough evidence to be concerned that humanitarian assistance may not be reaching the intended beneficiaries."

Another GAO report, issued in May 1986, found that because of inadequate controls on how the billions of dollars in United States foreign aid to the Philippines during the Marcos era was spent, it is impossible to determine what a major portion of the money was used for. There is increasing evidence that a portion of it went into the pockets of Ferdinand and Imelda Marcos and their cronies, perhaps enabling Imelda Marcos to compile her collection of Italian shoes, United States properties, and Swiss bank accounts.

In testimony before the House Government Operations Committee, Comptroller General Bowsher cited "massive amounts of funds * * * allegedly diverted, misused, or transferred out of the Philippines, highlighting longstanding concerns over the adequacy of controls governing economic assistance to foreign countries."

The ongoing revelations that United States Government officials have supervised a secret sale of United States weapons to Iran—and the siphoning of excess profits into a slush fund to aid the Contras—further emphasize the need for a means to assure that Congress' foreign assistance directives are followed. That is the purpose of the Foreign Assistance Accountability Act. The bill:

Makes it against the law for anyone to divert foreign aid funds to any purpose other than the specific purpose for which the funds are provided;

Establishes civil and criminal penalties for violators;

Requires the President to develop a comprehensive accounting system to track the funds; and

Requires that the accounting procedures and penalties be included in any agreements made with other nations for the United States to provide foreign assistance.

Enactment of this legislation will be a major improvement in Congress' ability to exercise its responsibility to the American people in foreign assistance policymaking.

HEALTH EMERGENCY TREATMENT FUND

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. WEISS. Mr. Speaker, when a community is injured by a hurricane, flood, or crippling fire, a wide range of Federal assistance programs are available to State and local governments. When these natural disasters strike we do not expect States or communities to be able to shoulder the burden of protecting public health and rebuilding property alone. The Federal Government has long been committed to supplementing local efforts.

I believe the same rationale should apply when a public health emergency, such as the recent outbreak of acquired immune deficiency syndrome, arises. Epidemics are often localized in certain cities or regions. Yet State and local governments cannot anticipate these sudden crises when formulating their budgets. Hospitals and health departments may be unable to transfer adequate resources. Sufficient funding for facilities, personnel, and equipment may simply not be available.

A mechanism that permits the Federal Government to step in, as needed, is essential. Understanding and compassion are not enough.

Mr. Speaker, a bill I am reintroducing today would establish a revolving fund for treatment and prevention services in response to a public health emergency. The money would be provided, on an emergency basis only, through grants and contracts to State and local governments in areas particularly hard hit by a health crisis. Those governing bodies would have the option of contracting out services to institutions such as hospitals, hospices, and nonprofit organizations. I am requesting $60 million for the first year of the revolving fund.

This legislation would amend the public health emergency fund enacted into law during the last Congress. The act, authored by the gentleman from California [Mr. WAXMAN], provides emergency funds for research into the cause, treatment, and prevention of health crises. The revolving fund I am proposing today would complement the public health emergency fund by providing funds for actual treatment and prevention.

The best example of the need for these funds is also the most timely example. AIDS has hit particularly hard in certain cities across the country such as New York, San Francisco, Los Angeles, Houston, Miami, and Washington, DC. In most cases, the local governments are doing the best they can to respond with treatment and prevention efforts, but they are drawing on already scarce resources. Public hospitals and nonprofit institutions are overwhelmed.

The cost of hospital treatment, ranging from $50,000 to $150,000 per patient, is staggering. As of December 15, 1986, over 28,523 persons have contracted AIDS nationwide: just hospital costs for these patients could exceed $1.5 billion. And if the number of AIDS cases continues to double every year, the cost of this health care will continue in the billions.

The tremendous cost is compounded by the unfortunate reality that many persons with AIDS do not have health insurance. Those who are covered may carry a policy that does not reimburse for experimental treatment or runs out because of the size of the medical bills. Victims must wait 2 years before they qualify for Medicare disability benefits. Many do not qualify for public assistance Medicaid.

In a letter to the Journal of the American Medical Association, a group of physicians from New Jersey reported:

> We find that a large portion of our AIDS population is indigent and unable to obtain requisite outpatient care. Once discharged, they can neither eat well enough to bolster their deficient nutritional state nor afford the many drugs required for their multiple infections.

Without outside help, local efforts can be expected to focus only on the most immediate needs. However, the nature of AIDS, I believe, requires an outpouring of psychological and social support. Needed services cover a broad spectrum: Individual and group therapy, legal assistance, home care, hospice care, medical referrals, training for health professionals, crisis intervention, and guidance through a maze of public assistance, health and disability programs.

In many instances, patients require additional support to deal with the feelings of isolation and loss that result from disruptions in their jobs, personal lives and social networks. Prevention, in the form of extensive public education, outreach and early screening, may save lives as well as money.

Mr. Speaker, an alarming and ever increasing number of Americans are suffering from a frightening disease. It is imperative that the Congress communicate to those individuals—as well as the health care providers in the communities in which they reside—that they need not face the struggle alone.

I strongly urge my colleagues to join me in cosponsoring this important legislation. The text of the bill follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 319 of the Public Health Service Act (42 U.S.C. 247d) is amended by adding at the end the following:

"(c)(1) The Secretary, acting through the Director of the Centers for Disease Control, may make grants to and enter into contracts with States and political subdivisions of States for programs conducted or supported by the States and political subdivisions for the prevention and treatment of public health emergencies determined under subsection (a) to exist. Funds provided under grants and contracts under this paragraph may be used by States and political subdivisions to conduct such programs and to provide grants and contracts for public and nonprofit private entities to conduct such programs. Applications for grants and contracts from the Secretary shall be subject to such conditions as the Secretary may by regulation prescribe.

"(2) There is established in the Treasury a fund designated the 'Public Health Emergency Prevention and Treatment Fund' to be available to the Secretary without fiscal year limitation to carry out paragraph (1). There is authorized to be appropriated to the fund $60,000,000 for fiscal year 1987. For fiscal year 1987 and each fiscal year thereafter there is authorized to be appropriated to the fund such sums as may be necessary to have $60,000,000 in the fund at the beginning of such fiscal year.

"(3) The Secretary shall report to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate not later than ninety days after the end of a fiscal year—

"(A) on the expenditures made from the Public Health Emergency Prevention and Treatment fund in such fiscal year; and

"(B) describing each public health emergency for which the expenditures were made and the activities undertaken with respect to each emergency which were conducted or supported by expenditures from the Fund.".

SEC. 2. Subsection (b) of section 319 of the Public Health Service Act is amended by striking out "Fund" each place it occurs and inserting in lieu thereof "Research Fund."

HOUSE OF REPRESENTATIVES—*Wednesday, January 7, 1987*

The House met at 12 noon.

The SPEAKER. Our prayer will be offered today by a guest chaplain, a very good personal friend of the Speaker.

The Reverend Dr. Barry Bailey, First United Methodist Church, Fort Worth, TX, offered the following prayer:

Our gracious, Heavenly Father, may our decisions and our actions be as noble as our goals and our ideals. Bless this Congress as they think, struggle, and compromise, so that they may be able to make the difficult decision in the hope of being able to make the right decision.

Bless the people of this great country so that we may be big enough not to always have our self-interests first, but rather the good of humanity.

For differences of opinion, exchanges of ideas and love of truth, we give You thanks. And now may each of us, in our own place of responsibility, think and live and lead in such a way that those who come after us will be glad we were here. In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

THE REVEREND DR. BARRY BAILEY

(Mr. ANDREWS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS. Mr. Speaker, it is an honor for me to welcome today Dr. Barry Bailey of First United Methodist Church in Fort Worth, TX—the minister of our new Speaker, the Honorable JIM WRIGHT. As a former member of that congregation, I would like to take this opportunity to thank Dr. Bailey for giving the invocation this morning.

First United Methodist Church has approximately 9,000 members; it is the third largest Methodist church in the world. As the senior minister, Dr. Bailey not only fulfills the extraordinary day-to-day responsibilities that his position entails, but also finds the time to write books and make numerous speeches around the State. He is truly a multitalented man, and a leader in every sense of the word.

During his 10 years in Fort Worth, Dr. Bailey has provided valuable inspiration and guidance to every member of his congregation, including my own family as well as that of our Speaker.

Yesterday, Congressman WRIGHT spoke eloquently of the challenges before the 100th Congress, and the cooperative, bipartisan partnership we will need if we are to accomplish the goals we share for our country. As we go about our work, let us also remember our other partners in this work—including ministers like Dr. Barry Bailey whose words and deeds provide our inspiration.

SWEARING IN OF MEMBERS-ELECT

The SPEAKER. There are Members who have not taken the oath of office, and if those Members would come forward into the well of the Chamber at this time, the Chair would be pleased to administer the oath of office.

Mr. NEAL of North Carolina and Mr. CRAIG of Idaho appeared at the bar of the House and took the oath of office.

The SPEAKER. Congratulations to you both. You are Members of the 100th Congress.

THE NORTHWEST ORDINANCE: DEMOCRACY'S FOUNDATION

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Ohio. Mr. Speaker, 200 years ago Congress approved one of the most important—yet most overlooked—documents in American history: The Northwest Ordinance of 1787.

Consider the significance of the ordinance: It foreshadowed the Constitution and the Bill of Rights. It established a method of westward expansion and led to the founding of Ohio, Indiana, Illinois, Michigan, Wisconsin, and the eastern part of Minnesota. It was the first congressional document providing for public education. It outlawed slavery in the Northwest Territory. The ordinance guaranteed religious and individual freedoms which have become the cornerstone of democracy.

It is not only fitting, but certainly appropriate, that Congress this year enact legislation recognizing the importance of the Northwest Ordinance. I will soon introduce such a resolution, and I'm confident that every Member of the 100th Congress will want to cosponsor this measure. Let's make the 100th session known for honoring the 200th anniversary of the Northwest Ordinance—and all it continues to represent today.

LEGISLATION TO WITHHOLD CONTRA ASSISTANCE

(Mr. KOLTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLTER. Mr. Speaker, I rise on this occasion to introduce a bill designed to temporarily withhold the remaining $40 million of United States assistance to the Nicaraguan democratic resistance movement known as the Contras.

Presently our Nation is at a crossroads, where emotions tend to run high. And while emotions are vital to what one may or may not support, they should not overshadow reason, nor disguise the truth.

Basically, this legislation is just plain old common sense. During the 99th Congress we voted to send $100 million in aid to the democratic resistance in Nicaragua. Right or wrong, we did it. Also during the 99th Congress we passed the Boland amendment to the Antiterrorism Act, which I supported wholeheartedly.

Now, as the 100th Congress begins its work, we are all faced with a dilemma. We are not conclusively sure if the law has been violated, or for that matter, who violated the law. We are not sure if any money was transferred through a secret Swiss bank account to the Contra forces in Nicaragua or not. In fact, we are not sure about many things, because the facts have not yet surfaced; but in time, and through proper action, they shall.

Mr. Speaker, my bill proposes to withhold the remaining $40 million in assistance until completion of the special congressional investigations on the arms sales to Iran, and the alleged diversion of proceeds from those sales to assist the Contras.

My record is clear on aid to the Contras in Nicaragua—I steadfastly oppose it. However, we need desperately to take a step back from the whole Iran-Contra connection, and decide objectively what needs to be done after a fair, thorough, and complete investigation of the matter. Not until then should we decide whether or not the remaining aid should be sent to the Contras or if further action is necessary.

A moratorium is the only way we can accomplish an objective and judicious decision.

I urge my colleagues to cosponsor this commonsense piece of legislation.

□ 1210

GETTING TO THE BOTTOM OF THE IRAN-CONTRA SCANDAL

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, most everyone agrees that the top issues in this 100th Congress are the budget deficit and trade—not to mention arms control and Contra aid. Regrettably, there are those who claim that the Iran-Contra investigation will divert attention from these important issues. There are even those, such as White House Communications Director Pat Buchanan, who claim that the news media and some Members of Congress are simply pursuing a liberal left agenda—that this whole exercise is rapidly being converted into an extension of the Mondale campaign by other means.

Mr. Speaker, I call on the President to disassociate himself from these irresponsible and unfortunate remarks for the benefit of Mr. Buchanan and those who minimize this matter.

Let me just review some of the issues in the Iran-Contra affair to see if they are indeed important.

Were the laws of this country violated such as the Boland amendment and laws governing arms exports through third countries?

Were U.S. taxpayer funds misused in their transactions?

Who beyond Colonel North and Admiral Poindexter knew and authorized the transactions?

Is the President in control of his foreign policy machinery and do we need to make the NSC more accountable?

Did we in effect violate our policy of exchanging arms for hostages?

Can we repair the damage to U.S. foreign policy by this unfortunate episode?

Mr. Speaker, this is not a Republican or a Democratic problem, it is an American tragedy. It is important that we get to the bottom of it and that we make sure that it does not happen again.

KEEPING THE REPUBLIC

(Mr. WORTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WORTLEY. Mr. Speaker, as he came out of the Constitutional Convention, Benjamin Franklin was teased by a woman who asked, "What have you achieved in all that time?" Replied Franklin, "A Republic, ma'am, if you can keep it."

Franklin would be pleased that the Nation built upon the document which he and the 38 other men in Philadelphia brought forth has weathered numerous and bloody conflicts with foreign powers, severe economic depressions, the dismantling of slavery and the anguish of civil war.

History—as well as current events—shows the cruel fate of citizens under governments founded on men or ideology. However, our Government "of the people, by the people, for the people" has proven to be enduring and just. The American people ratify the Constitution, our Government, and our way of life each time they vote in November, write a letter to the editor, pray freely to their God, form an association or business, commit resources and lives to defend the country, or demand and receive fair and equal treatment under the law.

Mr. Speaker, this year we will have an explicit recommitment to our form of government as we observe the bicentennial of the Constitution. The "American experiment" is a reminder to ourselves and a model to the rest of the world that numerous and diverse persons can organize themselves and live together in peace and mutual respect. Furthermore, we are a productive and wealthy people because of our liberties.

As leaders, I remind my colleagues that we are responsible for setting an example for our fellow keepers of the Republic and for the rest of the world. This is important because as John Marshall said, "The people made the Constitution, and the people can unmake it."

When the first Congress convened in 1789, only 8 Senators and 13 Representatives arrived. Today, however, our chairs are filled as we prepare to begin the 100th Congress. I urge my colleagues to carry out the duties of this historic Congress with dignity, timeliness and a minimum of partisan infighting. Refresh and restore the American people's belief and respect.

H.R. 12, THE MUTUAL NUCLEAR WARHEAD TESTING MORATORIUM ACT

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, by a vote of 234-155, last August the House of Representatives took a historic step by voting overwhelmingly for a moratorium on testing as long as the Soviet Union did the same.

The President convinced Congress that in order to negotiate with Soviet General Secretary Gorbachev in Reykjavik, he needed to be free of congressional restraints. Reykjavik was a disaster and the Soviet Union announced that it was going to resume testing in 1987, after 1½ years of observing a unilateral moratorium.

Today, I, along with a number of my colleagues from both parties, are introducing the Mutual Nuclear Warhead Testing Moratorium Act. This bill contains essentially the same language as the House passed in August. It prohibits testing above one kiloton if the Soviet Union stops testing and if in-country reciprocal monitoring arrangements are implemented. Given the confluence of scientific progress and apparent Soviet willingness to allow in-country monitoring, we are at an unprecedented moment in history. We have reached the moment where a mutual, simultaneous, and verifiable moratorium on the testing of nuclear warheads can be achieved.

INTRODUCTION OF A CONSTITUTIONAL AMENDMENT TO REFORM THE ELECTION PROCESS

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, as we begin into the historic 100th Congress, it makes great sense that we should change the archaic and inefficient manner in which our citizens choose their elected representatives. Our current system of electing Members of the House every 2 years is outdated, wastes millions of dollars, and should be changed.

Today, I am introducing a constitutional amendment to correct the glaring errors and waste in our election process. My amendent provides for six 3-year terms for Members of the House, limits Members of the other body to three 6-year terms, and calls for no more than two 6-year terms for the President. In other words, it saves millions spent on biennial election campaigning, saves time for Members of the House to accomplish sound policy goals outside of election-year pressures, and treats Members of both Houses of Congress equally by limiting them to 18 years of service.

I urge my colleagues to support a constitutional amendment long overdue. We must ensure our representative process works the way our Founding Fathers envisioned it would.

INTRODUCTION OF LEGISLATION TO RESTORE FEDERAL TRUST RELATIONSHIP WITH CERTAIN INDIAN TRIBES OF TEXAS

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. COLEMAN of Texas. Mr. Speaker, today I am reintroducing legislation, along with my colleague, Congressman CHARLES WILSON, that would restore the Federal trust relationship with the Tigua and Alabama-Coushatta Indian Tribes of Texas. This measure was passed by the House in 1986 and received favorable consideration in the Senate, but did not become law in the final days of the 99th Congress.

The Tiguas of El Paso—Pueblo de Ysleta del Sur—settled in 1680. In 1968, the U.S. Congress approved the transfer of Federal trust responsibility to the State of Texas.

It now appears, by virtue of a formal opinion issued by the Texas attorney general, that the State may renounce its historical relationship with both tribes, duties which it assured Congress it would accept in 1968.

While it is regrettable that the actions of the attorney general have prompted the introduction of this legislation, and despite the fact that the opinion has been overturned on appeal, it would appear that the restoration of a Federal trusteeship with both tribes would be the best long-term solution. I would point out to my colleagues that this legislation passed the House in 1985 and in 1986, and received favorable treatment in the other body with only the elapse of time preventing it from becoming law. A variety of native American groups and a cross section of statewide elected officials have endorsed this bill. I urge its swift passage.

A TRIBUTE TO JOE PATERNO AND THE PENN STATE NITTANY LIONS

(Mr. CLINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLINGER. Mr. Speaker, this is not the first time I have had the opportunity to rise in tribute to Head Football Coach Joe Paterno and the Penn State Nittany Lions.

However, in 1986, Penn State football enjoyed perhaps the most extraordinary year in its extraordinary history. Celebrating its 100th year of collegiate football, the school earned the No. 1 final season ranking in both national wire service season polls, after beating the University of Miami Hurricanes 14-10.

The victory capped a 12-0 season for Penn State, which also won the national title in 1982. And it showcased an all-out-team effort from a squad determined to get another shot at the national championship it had lost to Oklahoma last New Years Day.

Mr. Speaker, I speak for many, and consider it a privilege to praise the accomplishments of this team and to wish the seniors success in their future endeavors and to wish the undergraduates all the best in their years to come at Penn State.

Mr. Speaker, I also would like to pay tribute to Coach Joe Paterno, a good friend, an outstanding leader of young men, and a most distinguished constituent.

Coach Paterno became head coach at Penn State 21 years ago. In those 21 years, Joe has compiled one of the most impressive winning records in the history of collegiate football: 199-44-2. And Joe has had many accolades this year as well, Sports Illustrated named Coach Paterno as their Sportsman of the Year, an award he won as much for his success off the field as on. As the article points out, Joe Paterno keeps football in its proper perspective. He also received the Bear Bryant Award as Coach of the Year.

During his tenure as coach, Penn State has graduated a greater number of its scholar-athletes than virtually every major college in the country. Clearly, his players are winners in more ways than one.

□ 1220

PERMANENT RESIDENT STATUS FOR ANN BRUSSELMANS, WORLD WAR II HEROINE

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, yesterday, I introduced legislation to honor a genuine World War II heroine—Madame Ann Brusselmans.

My bill seeks to allow her to fulfill a lifelong dream by granting her permanent resident status.

Ann Brusselmans, a native of Belgium, is credited with saving the lives of hundreds of United States airmen who were forced to parachute into Nazi-occupied Belgium during the Second World War.

She provided them with food, medicine, shelter, and even forged documents to protect their identity.

She did this in full recognition that her life as well as those in her family who helped were endangered if their activities were ever discovered by the Nazis.

Her courage won her the Medal of Freedom from the United States as well as the Polish Medal of Resistance and the Order of the British Empire.

Yet despite trying for 6 years to become a permanent resident she has been unsuccessful.

Ann Brusselmans is now 81 years of age and in failing health. Based on current immigration rules, it could be another 5 years before she gets her permanent resident status.

My bill would grant her this status immediately. Ann Brusselmans demonstrated beyond a shadow of a doubt her love for this Nation. It is time we reciprocated and rewarded this remarkable woman. I urge swift passage of my bill.

SUPPORTING HOUSE RESOLUTION 12

(Mrs. LLOYD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LLOYD. Mr. Speaker, today we will vote to establish the Iran-Contra Select Committee. It is certainly time to begin the process of finding answers and putting this episode behind us. Certainly Congress as well as the administration, have other important matters for us to attend to.

The very capable members of this committee, along with those of a similar committee in the Senate will begin the tedious task of unraveling the intricacies of this series of events.

So far, we have spent too much unproductive time. Now is not the time for competition, but now is the time for cooperation. Both the administration and my colleagues in the Senate should realize that there can be no successful United States foreign policy without honest consultation and cooperation.

Major policy decisions are often too complex and too serious to be dealt with in strictly partisan manners.

BENTLEY BLASTS AMTRAK FOR NOT TAKING DRUG TESTS AFTER DISASTER

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, this last weekend, there was a train disaster of horrific proportions in my district. I was there. I cannot describe what I saw—the twisted wreckage and the bodies.

Now we all want to know what happened—who, if anybody, was responsible. The National Transportation Safety Board [NTSB] sent its investigators and we were assured that there would be a thorough investigation.

The NTSB was informed by John Riley of the Federal Railroad Administration that drug and alcohol tests would be taken.

Today, we learn that Robert Vanderclute, vice president for transportation of Amtrak, claims he went to the FRA and obtained a waiver for the drug tests. The FRA denies that—but the tests were not taken.

Today, my staff talked to the FDA—sophisticated gas chromatography mass spectrometry tests can be run on urine to find trace elements of PCP for up to 96 hours, heroin for up to 96 hours, marijuana for up to 4 to 10 days depending on use, and depressants for 96 hours.

The test is not effective for alcohol. But, we should insist that Amtrak run these tests on its people—to dispel any question as to whether its crews were fit for duty on that fateful day.

INCONSISTENCIES IN DEFENSE PROCUREMENT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, while everybody is concerned about the Iran-Contra affair, everybody is forgetting some of the major problems in this country that deal with defense procurement.

Last fall, the Navy awarded a contract for $6.8 million to produce mobile shelters. The problem was, there was a bidder from my area, a depressed area, that bid $5 million; but supposedly the Navy awarded this contract to this North Carolina firm because it had passed first article testing. That is a sham.

They never completed any first article testing; and in fact the only firm to now have passed any testing is McDonald Welding, from the 17th District of Ohio.

The Government and the Pentagon keep saying that we have to bring our prices down and open up competition; but every time we do, they throw out a new bidder.

I think it is high time the Congress start investigating, specifically with this contract with the Navy on these mobile shelters, where almost $2 million more was spent for these shelters, and they had never passed those tests.

I think it is time that we do that; and we might find there are more revelations in the procurement practices of the Pentagon than in the Iran-Contra scandal.

THE REMAINING HOSTAGES IN LEBANON

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, this is my first speech to the House in this historic 100th Congress, so I take the opportunity to remind my colleagues, particularly the distinguished incoming freshmen, that we have five Americans rotting in terrorist dungeons somewhere in the nation of Lebanon.

One of them is a newsman; he is the AP bureau chief—I wear his bracelet—he has been there since March 16 of last year.

Then there is a fine educator who went to teach the people of Lebanon some of the agricultural skills of the United States; he was to work at the American University. Tom Sutherland had not been out of the airport 10 minutes on the airport road when he was taken prisoner on June 9, 1985.

Then three more Americans; again, one of them an educator: Frank Reid, Ed Sisipio, Mr. Tracey, all taken prisoner September and October of last year.

I had recommended to the President, when our hostages reached eight a couple of years ago, that he take the 6th Fleet and blockade every Syrian and Lebanese port; seal off the entire levant of the Eastern Mediterranean until they were released. If he had done that, I guess he would not be in this crisis right now; but I do not hear any suggestion from either side of the aisle on how to get our five hostages out; all I hear is criticism of the President, who opened up his heart to the families and may have made mistakes in trying to get these Americans out of captivity.

□ 1230

George Washington, John Adams, Thomas Jefferson, all paid tribute to Barbary Coast pirates, and it is not even a footnote in the biographies of these great Americans.

If President Reagan has made mistakes, then let us give him some constructive advice on what to do about our hostage crisis and stop trying to, yet again, destroy another great American President.

ELIMINATION OF SOCIAL SECURITY PENALITIES ON SENIOR CITIZENS

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, I have introduced two bills to bring some justice to the Social Security system.

For many older Americans, working is a losing proposition. Social Security deducts $1 from a recipient's benefit for each $2 earned above the exempt annual amount—that translates into a 50-percent tax on income earned above the earnings limitation cap.

In addition, we tax up to one-half of the Social Security benefits that higher income beneficiaries are entitled to.

While we remind today's workers to plan ahead for their retirement, we penalize senior citizens who have done just that. I believe that senior citizens who have paid into the Social Security trust funds should receive their earned benefits regardless of their employment status or other income. Therefore, I have introduced legislation to repeal the outside earnings limitation and the Social Security tax on higher income beneficiaries—two strong disincentives for today's workers.

I urge you to join me in my effort to eliminate these penalties on senior citizens who have worked hard for a self-sufficient and comfortable retirement.

THE MOST MEMORABLE DAY OF MY PROFESSIONAL CAREER

(Mr. WELDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON. Mr. Speaker, I rise for the first time as a Member of Congress to pay tribute to the people of the Seventh District, 1,000 of whom, joined me and my family in celebrating the most memorable day of my professional career here in Washington yesterday. But really, Mr. Speaker, they traveled well over 100 miles in 18 buses to celebrate a job they did well, and to mark the beginning of my congressional service—service I pledge that will be second to none.

I must also mention a special thanks to our distinguished Republican leader, BOB MICHEL, who took the time out of a very busy schedule to be with us. Also, JOHN HEINZ of Pennsylvania, our senior Member from the other body, and finally to all my new colleagues from the House delegation who took the time to join us, especially my good friend, Representative DICK SCHULZE from Delaware County and Chester County.

It was a very special celebration and a very special day.

AUTHORIZING THE SPEAKER OR HIS DEPUTY TO ADMINISTER OATH OF OFFICE TO THE HONORABLE SALA BURTON, AT WASHINGTON, DC

Mr. FOLEY. Mr. Speaker, I offer a resolution (H. Res. 25) and ask unanimous consent for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 25

Whereas Sala Burton, a Representative-elect from the State of California, from the Fifth District thereof, has been unable from illness to appear in person to be sworn as a Member of the House, and there being no contest or question as to her election: Therefore be it

Resolved, That the Speaker, or deputy named by him, be, and he is hereby, authorized to administer the oath of office to the Honorable Sala Burton, at Washington, District of Columbia, and that the said oath be accepted and received by the House as the oath of office of the said Sala Burton.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the authority of House Resolution 25 of the 100th Congress, the Chair appoints the gentleman from California [Mr. EDWARDS] to administer the oath of office to the gentlewoman from California [Mrs. BURTON].

AUTHORIZING CREATION OF SELECT COMMITTEE TO INVESTIGATE COVERT ARMS TRANSACTIONS WITH IRAN

Mr. FOLEY. Mr. Speaker, pursuant to the order of the House of Tuesday, January 6, 1987, I call up House Resolution 12 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 12

Resolved, That (1) There is hereby created a Select Committee to Investigate Covert Arms Transactions with Iran, to be composed of fifteen Members of the House to be appointed by the Speaker, one of whom he shall designate as chairman, and one of whom he shall designate as vice chairman. Any vacancy occurring in the membership of the select committee shall be filled in the same manner in which the original appointment was made. The select committee is authorized and directed to conduct a full and complete investigation and study, and to make such findings and recommendations to the House as the select committee deems appropriate, including those concerning the amendment of existing legislation or the enactment of new legislation regarding the following matters:

(a) Direct or indirect sale or transfer of arms, technology or intelligence information to Iran or Iraq involving United States Government officers, employees, consultants, agents, or persons acting in concert with them, or occurring with their approval, condonation, acquiescence, or knowledge; the relation of such sale or transfer to efforts to obtain the release of hostages and to United States policy regarding dealings with nations supporting terrorism; the United States' relationship with the Iran-Iraq war, including the impact of such sale or transfer; and such sale or transfer either made to any other country for which such action is against the expressed policy of the United States, or generating proceeds used or disposed of apart from deposit in the Treasury.

(b) Diversion or intended diversion of the funds realized in connection with the sale or transfer in paragraph (a), for financing assistance to anti-Government forces in Nicaragua or any other disposition apart from deposit in the Treasury; and other assistance to such forces from any sources when, in the judgment of the select committee, information about such other assistance may aid in understanding the nature, mechanisms, extent, legality, and significance of assistance financed or intended to be financed by such sale or transfer; "assistance" includes provisions of supplies, soliciting of third-party funds, training, advising, planning, procuring, or encouraging, or by the United States Government providing diplomatic, military, paramilitary, covert, or intelligence support or monitoring.

(c) In connection with the matters described in this section, the violation of any law, agreement, promise or understanding regarding reporting to, and informing of, the Congress, or the circumvention or violation of any Act of Congress or administrative order, regulation, or procedure, including those governing covert actions, restricting arms sales, regulating appropriations, withholding authority from departments and agencies, and protecting the United States from conspiracy to violate the laws, unauthorized disposition of things of value, fraud, false statements, and obstruction of proceedings.

(d) Operational activities and the conduct of foreign and national security policy by the staff of the National Security Council or other White House personnel, including the involvement of such staff or other executive branch personnel or persons acting in concert with them, or the use of any funds under the control of such staff or persons, in political advocacy or campaigns or efforts to influence public opinion or legislation relating to the subjects described in this section including assistance to anti-Government forces in Nicaragua; and the participation, coordination, and awareness, or lack thereof, regarding such activities and conduct by the Department of State and Defense, the Department of Justice in both its advisory and law enforcement functions, the intelligence community, and other governmental entities.

(e) Authorization and supervision or lack thereof of the matters in this section by the President and other White House personnel.

(f) The role of individuals and entities outside the government, including foreign countries, entities, and persons, in connection with the matters in this section, including their own assistance, their parallel activities, United States efforts to encourage or to prevent such parallel activities, and the use of domestic and foreign financial or other entities as intermediaries in the matters in this section.

(g) Inquiries regarding the matters in this section, including actions based on those inquiries, by the Attorney General, the Departments of Justice, State, and Defense, the intelligence community, the White House, and other governmental entities; actions of individuals in destroying, concealing, or failing to provide any evidence or information of possible value to those inquiries; and the timing, adequacy, and any conflicts of interest in those inquiries.

(h) The impact of the matters in this section on public and international confidence in the United States Government and on United States policy objectives, both internationally and domestically, and the adequacy of the steps taken to reduce such impact.

(i) All matters relating directly or indirectly to the foregoing.

(2) One-third of the members of the select committee shall constitute a quorum for the transaction of business other than the reporting of a matter, which shall require a majority of the committee to be actually present, except that the select committee may designate a lesser number, but not less than two, as a quorum for the purpose of holding hearings to take testimony. When a quorum for any particular purpose is present, general proxies may be counted for that purpose. The select committee may sit while the House is reading a measure for amendment under the five-minute rule. The rules of the House shall govern the select committee where not inconsistent with this resolution. The select committee shall adopt additional written rules, which shall be public, to govern its procedures, which shall not be inconsistent with this resolution or the rules of the House. Such rules may govern the conduct of the depositions, interviews, and hearings of the select committee, including the persons present.

(3) The select committee is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, or in any other country, whether the House is in session, has recessed, or has adjourned; to require, by subpoena or otherwise, the attendance and testimony of such witnesses, the furnishing of information by interrogatory, and the production of such books, records, correspondence, memoranda, paper, documents, calendars, recordings, data compilations from which information can be obtained, tangible objects, and other things and information of any kind as it deems necessary, including all intelligence materials however classified, White House materials, and material pertaining to unvouchered expenditures or concerning communications interceptions or surveillance; and to obtain evidence in other appropriate countries with the cooperation of their governments. Unless otherwise determined by the select committee, the chairman, upon consultation with the ranking minority member, or the select committee, shall authorize and issue subpoenas. Subpoenas shall be issued under the seal of the House and attested by the Clerk, and may be served by any persons designated by the chairman or any member. Provisions may be included in the rules and process of the select committee to prevent the disclosure of committee demands for information. The select committee may request investigations, reports, and other assistance from any agency of the executive, legislative, and judicial branches of the Federal Government.

(4) The chairman, or in his absence the vice chairman, or in their absence a member designated by the chairman, shall preside at all meetings and hearings of the select committee. All meetings and hearings of the committee shall be conducted in open session, unless a majority of members of the select committee voting, there being in attendance the requisite number required for the purpose of hearings to take testimony, vote to close a meeting or hearing. Pursuant to rule XI(3)(f)(2), coverage of testimony of subpoenaed witnesses will be limited at their request, unless a majority of members of the select committee voting, there being in attendance the requisite number required for the conduct of business, vote otherwise.

(5) The chairman, upon consultation with the ranking minority member, may employ and fix the compensation of such clerks, experts, consultants, technicians, attorneys, investigators, and clerical and stenographic assistants as it considers necessary to carry out the purposes of this resolution. No more than three such staff may receive compensation corresponding to Executive Level IV. The select committee shall be deemed a committee of the House for all purposes of law, including rule XI(2)(n), and sections 6005, 1505, and 1621 of title 18, section 192 of title 2, 1754(b)(1)(B)(ii) of title 22, and section 734(a) of title 31, United States Code. The select committee may reimburse the members of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the select committee, other than expenses in connection with meetings of the

select committee held in the District of Columbia. Staff of the House or joint committees, at the direction of their Members, committee chairmen, or the Speaker, as appropriate, and upon request of the select committee, may serve as associate staff to the select committee for designated purposes. Associate staff shall be deemed staff of the select committee to the extent necessary for those designated purposes.

(6) Unless otherwise determined by the select committee the chairman, upon consultation with the ranking minority member, or the select committee, may authorize the taking of affidavits, and of depositions pursuant to notice or subpoena, by a Member or by designated staff, under oath administered by a Member or a person otherwise authorized by law to administer oaths. Deposition and affidavit testimony shall be deemed to have been taken in Washington, DC, before the select committee once filed there with the clerk of the committee for the committee's use. Unless otherwise directed by the committee, all depositions, affidavits, and other materials received in the investigation shall be considered nonpublic until received by the select committee, except that all such material shall, unless otherwise directed by the committee, be available for use by the Members of the select committee in open session.

(7) Pursuant to sections 6103(f)(3) and 6104(a)(2) of title 26, United States Code, for the purpose of investigating the subjects set forth in this resolution and since information necessary for this investigation cannot reasonably be obtained from any other source, the select committee shall be specially authorized to inspect and receive for the tax years 1980-1986 any tax return, return information, or other tax-related material, held by the Secretary of the Treasury, related to individuals and entities named by the select committee as possible participants, beneficiaries, or intermediaries in the transactions under investigation. As specified by section 6103(f)(3) of title 26, United States Code, such materials and information shall be furnished in closed executive session.

(8) The select committee shall be authorized to respond to any judicial or other process, or to make any applications to court, upon consultation with the Speaker consistent with rule L.

(9) The select committee may submit to standing committees, including the Permanent Select Committee on Intelligence, specific matters within their jurisdiction, and may request that such committees pursue such matters further. Committees pursuing such requested inquiries may, in turn, receive the continuing assistance, consistent with the select committee's own jurisdiction, of the select committee's legal process, personnel, and records. Committees which pursue or have pursued inquiries, during the previous or current Congress, within the subjects of the select committee investigation shall furnish the select committee with copies of all testimony and documents.

(10) The select committee shall provide other committees and Members of the House which access to information and proceedings, consistent with rule XLVIII(7)(c)(2): *Provided*, That the select committee may direct that particular matters or classes of matter shall not be made available to any person by its members, staff, or others, or may impose any other restriction. The select committee may require its staff to enter nondisclosure agreements, and its chairman, in consultation with the ranking minority member, may require others, such as counsel for witnesses, to do so. The Committee on Standards of Official Conduct may investigate any unauthorized disclosure of such classified information by a Member, officer, or employee of the House or other covered person upon request of the select committee. If, at the conclusion of its investigation, the Committee on Standards of Official Conduct determines that there has been a significant unauthorized disclosure, it shall report its findings to the House and recommend appropriate sanctions for the Member, officer, employee, or other covered person consistent with rule XLVIII(7)(e) and any committee restriction, including nondisclosure agreements.

(11) Authorized expenses of the select committee for investigations and studies, including for the procurement of the services of individual consultants or organizations, thereof, and for training of staff, shall be paid from the contingent fund of the House upon vouchers signed by the chairman and approved by the Speaker.

(12) The select committee shall report to the House the final results of its investigation and study, together with such recommendations for legislation or other matters as it deems advisable, as soon as practicable during the present Congress, and in no event later than October 30, 1987, unless the House directs otherwise. Following the filing of its final report, it shall have one month before the authority herein shall expire in order to close its affairs, including provision of assistance to committees pursuing remaining inquiries, transmittal of records to other communities, and storage of its remaining records by the Clerk of the House, who may, as directed by the select committee, store records in secure facilities of the intelligence community pursuant to agreement retaining control of access by the House.

Mr. FOLEY (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The SPEAKER pro tempore (Mr. Hoyer). Pursuant to the order of the House of January 6, 1987, the gentleman from Washington [Mr. Foley] will be recognized for 30 minutes and the gentleman from Illinois [Mr. Michel] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Washington [Mr. Foley].

Mr. FOLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a resolution establishing the Select Committee on Investigation of Arms Transactions with Iran, which is cosponsored by the distinguished Republican leader, Mr. Michel, by Mr. Hamilton, whom the Speaker has selected to be chairman of the committee on its authorization, and by its designated ranking minority member, Mr. Cheney of Wyoming.

It is a resolution of broad scope. While its primary focus is inquiry into the sale of arms to Iran and the diversion or possible diversion of proceeds from that sale to the aid of the Nicaraguan resistance, it also covers a variety of other questions of violations of law, activities related to these two principal subjects, or any other matters that might flow from the investigation.

We are, in the resolution, committing the House to conclude the investigation as expeditiously as possible, requiring a final report, is to be filed by October 30, 1987, unless the House should extend it.

The select committee it establishes would have no legislative powers. It is authorized as a committee of investigation to make legislative recommendations as befits a House investigation. The resolution does not provide for the select committee to report bills or legislation, and as such it distinguishes it from the standing committees of the House.

Other than that, it will be empowered to exercise all the authorities of a committee of the House of Representatives. The Speaker is authorized to designate its chairman and vice chairman and the committee will encompass a membership of 15 members to be appointed by the Speaker, 9 on the majority side and 6 on the minority side.

The expenses of the committee are to be paid, upon proper authorization, from the contingency funds of the House of Representatives. It is authorized to employ such staff as is necessary for the conduct of its investigation. The resolution assumes, however, that the established committees or joint committees may detail personnel to serve as associate staff.

The resolution extends to the select committee the ability to take depositions, to sit at any time, whether the House is in or out of session and in Washington or elsewhere and to sit during the 5-minute rule or during any other proceedings of the House without permission.

It authorizes special procedures for the maintenance of security of intelligence information including a broad grant that provides that particular matter or classes of matter shall not be made available to any person. This broad grant encompasses all the tools by which the Intelligence Committee has maintained security of information.

Mr. Speaker, I will at this time reserve the balance of my time and yield to the distinguished Republican leader.

The SPEAKER pro tempore. The gentleman from Washington [Mr. Foley] had consumed 4 minutes.

Mr. MICHEL. Mr. Speaker, I support the general contents of the resolution that is before us.

As the distinguished majority leader indicated, we have six outstanding Members on our side of the aisle who will be serving as members of the select committee. It is my understanding that one of our distinguished Members, the gentleman from Michigan, does have some serious reservations about portions of the resolution, and he can speak for himself at the appropriate time. There will be other Members of the six among our side's delegation who obviously will want to be heard.

For my part, I would have hoped it could have been a resolution with fewer words, that it did not need to be as lengthy as it is. But this is a matter of give and take in our deliberations.

The scope, I think, has been narrowed down somewhat. I would hope that we would keep it on track because all we want to do is get right to the heart of the matter that has been the subject of controversy here, get it resolved and behind us.

The termination date was one in which we came to agreement. Frankly, to have had an open-ended resolution here that would have run the life of this Congress, I think would have been just outrageous. To have it run its course through October 30, frankly, is time enough, and there is the escape clause here that if not sufficient time by that time, to have the House by its own move extend the time.

And then too, several sections, one section particularly, having to do with my concern on covert operations and whether or not and to what degree we meddle in those affairs beyond the one for which we are really conducting the investigation.

I guess if I have one other thing I would like to talk about before yielding time, if I might have the attention of the distinguished majority leader, Mr. Foley, there is a particular section of the resolution about which I would like to develop just a bit of legislative history. Namely, that section on page 4 of the resolution beginning with paragraph 2, the section containing the language "when a quorum for any particular purpose is present, general proxies may be counted for that purpose." That is further down in that paragraph 2.

During our deliberations, we were told that this is necessary because many of the Members of the majority side were either chairmen of the committee or members of the leadership and that there were times when their other responsibilities would be taking them elsewhere.

Now, I want to refer specifically to the language that follows; namely, "the rules of the House shall govern the select committee where not inconsistent with this resolution."

I would like to state that I believe this to mean that in those instances where the House rules are emphatic that a majority be present and voting they would apply to the select committee. I am referring specifically to the issuing of subpoenas, the opening or closings of meetings, and the releasing of executive session material; all would require that an actual majority be present for any to be undertaken. That is written in the House rules today. I believe that this should also be the case with respect to the granting of immunity, although my reading of the statute does not address the question. I believe that the committee should have a two-thirds vote of the members actually present and voting and that any immunity decision not be taken through the use of proxies.

I wonder if the majority leader would be free to comment on those statements and whether he concurs with the feelings of the minority leader.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the distinguished majority leader, the gentleman from Washington [Mr. Foley].

Mr. FOLEY. I thank the distinguished minority leader for yielding.

I would concur with the gentleman in part and disagree in part. It is my judgment, our intention here is that any matters that would lead to proceedings against any individual or any proceedings that would require a specific vote in order to effect immunity before any court should be and will be conducted in person without the use of proxies. Thus, matters of votes of contempt against any witness or a grant of immunity for any potential witness would not be subject to the use of proxies. But proxies could be used under this resolution for the purpose of opening or closing a meeting or conducting any other procedural matter before the committee.

☐ 1245

Mr. MICHEL. Those special rules, then, would be inconsistent, in effect, with current House rules as we know them in the normal conduct of our committee affairs.

Mr. FOLEY. Indeed, and that is why they are in the resolution.

Mr. MICHEL. I understand. I just wanted to make it very clear so that we are all operating under the same wavelength.

Mr. Speaker, I ask unanimous consent that the balance of the time on our side be managed by the distinguished gentleman from Wyoming [Mr. Cheney].

The SPEAKER pro tempore (Mr. Hoyer). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FOLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana [Mr. Hamilton].

Mr. HAMILTON. Mr. Speaker, I thank the distinguished majority leader.

I rise in support of the resolution and say that it is the intent of the Democratic members of this committee to conduct an investigation which will be expeditious, fair, thorough and objective. We do have before us, as the majority leader has mentioned, a resolution that is broad in scope. The committee is not a legislative committee, but I want to assure my friends on the other side of the aisle, because I know they have a concern about the length of the investigation, that we will do all we can to expedite the investigation.

No Member who is proposed to be on this committee has come to me and suggested that we try to stretch out the hearing. Indeed, all of them have said just the opposite. They want to proceed as expeditiously as possible.

I know we have a date in there of October 30, which is quite a ways from now, but we will do all we can to conclude the hearings as soon as practicable.

Mr. CHENEY. Mr. Speaker, how much time do we have remaining on this side?

The SPEAKER pro tempore. The gentleman from Wyoming [Mr. Cheney] has 24 minutes remaining.

Mr. CHENEY. Mr. Speaker, I yield 7 minutes to the distinguished gentleman from Michigan [Mr. Broomfield], the ranking member of the Committee on Foreign Affairs.

Mr. BROOMFIELD. Mr. Speaker, the House of Representatives owes a duty to the American people to investigate the Iran initiative, to determine what went wrong, and to take corrective action. We must act resolutely to reassure them of the integrity of their government. We must also act expeditiously to avoid paralysis of government and to ensure that America remains strong in its relations with foreign countries. Accordingly, I strongly supported the preliminary investigations done by the Foreign Affairs and Intelligence Committees, and I applauded appointment of an Independent Counsel. I fully support the need for the House Iran Committee investigation.

The interests of the Nation lie in getting all the facts of the Iran initiative quickly; getting them out to the American people; and taking corrective action. The interests of the Nation also lie in protecting our national security secrets. In my view, this resolution comes up short on both points.

The resolution requires the Iran Committee to report to the House by Halloween. That's too long to wait. Various committees of the House have already done much of the basic spadework in the investigation, which enables the Iran Committee to complete its work expeditiously. It should be required to make every effort to complete its work by April 15. If developments so required, it could ask the House for more time.

There is no justification for the holdup. This is an investigation of arms sales to Iran and diversion of related funds—this is not an investigation of the past 6 years of the Reagan administration. We should finish by April, not drag on until October. Can you imagine what the reaction of this House would have been if the President had said, "we're looking into the matter, but we won't let the American people know until October?"

The resolution also defines an outlandishly broad scope for the investigation. The issue facing the country is the Iran initiative, including arms sales and the disposition of the money generated by those sales. If the majority wants a general review of the administration's support for freedom fighters around the world under the Reagan doctrine, or the activities of friendly countries, the standing committees of the House are the appropriate forums. The Iran Select Committee should focus quickly and effectively upon the matters at issue which concern the American people—the Iran initiative, Iran arms sales, and what happened to the money paid for the arms. Moreover, it approaches an abuse of congressional power to authorize the Iran Committee to look into the tax returns of Americans all the way back to 1980.

The resolution also sets a poor example for spending taxpayers' money. The resolution provides for open-ended spending. The House at least ought to set an initial budget ceiling for the committee. If events so required, the committee could seek more money from the House later.

The most grave concern is that the resolution fails to provide the necessary protection for national security secrets. The resolution grants the committee a right of access to such secrets as communications intercepts, intelligence funds transactions, and national security council proceedings. The committee may need access to relevant parts of such material to do its job, but the resolution should mandate the protection for such secrets equivalent to that required for the Intelligence Committee.

The resolution should also provide that no committee, member, or employee of the House can disclose publicly any classified information possessed by the Iran Committee without the committee's approval. The committee should not give such approval until it first gives notice to the President with an opportunity for him to explain the effect of the proposed disclosure on the national security. If the President objects that the disclosure would damage national security, then the information should not be disclosed unless the House votes to approve such disclosure.

The Nation cannot afford another Church and Pike committee exercise in which leaks damaging to our Nation's diplomatic and intelligence efforts appear daily in the press.

On a final matter, the answer to a key question has eluded preliminary investigations: what happened to the arms sale money? It appears that only Lieutenant Colonel North knows. The Iran Committee should soon consider obtaining a court order compelling Colonel North to tell us what he knows. That order would protect against use of the testimony against him and would produce the information that we need.

I speak out against this resolution with regret. The Congress and the President share a responsibility to investigate this matter both thoroughly and expeditiously. The President is doing his part with his efforts to get the truth out and make all information available. The House should do its part by providing a carefully crafted, responsible resolution to guide its Iran Committee. This resolution falls short of that goal.

□ 1255

Mr. Speaker, I had some amendments that I wanted to offer. I am going to take a chance at this time, Mr. Speaker, to ask unanimous consent that, notwithstanding the unanimous consent given yesterday concerning this resolution, that it be in order now to consider the four amendments to this resolution that I have at the desk, and that the House proceed to consider them.

I want to just mention that these amendments I am talking about are amendments that would provide the protection for classified information and to clarify the scope of the investigation and the committee budget ceiling, so we would have a ceiling on that, and it would have the final recording date, which would be April 15 of this year.

The SPEAKER pro tempore (Mr. Hoyer). The time of the gentleman from Michigan [Mr. Broomfield] has expired.

The Chair would ask the gentleman from Washington [Mr. Foley] whether he yielded time for the purpose of making such a request.

Mr. FOLEY. Mr. Speaker, the resolution agreed to yesterday provided for time, but I must reluctantly object to any amendment being offered by this unanimous-consent request, or any other, to change the terms of the agreement reached yesterday. That would be objected to on this side.

PARLIAMENTARY INQUIRY

Mr. BROOMFIELD. Mr. Speaker, I would like to ask a question for parliamentary purposes.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. BROOMFIELD. Mr. Speaker, is it possible to get a vote on my motion?

The SPEAKER pro tempore. No, not under the procedure unanimously agreed to yesterday.

Mr. BROOMFIELD. Not even by unanimous consent voted on by a majority of the Members of the House?

The SPEAKER pro tempore. The Chair will state that the unanimous-consent request would be in order had the gentleman from Washington who called up the resolution and had the floor yielded for the purpose of making a unanimous-consent request.

Mr. BROOMFIELD. I thank the Chair.

The SPEAKER pro tempore. The gentleman from Wyoming [Mr. Cheney] has half the time for the purposes of debate only.

Mr. CHENEY. Mr. Speaker, I yield myself such time as I may consume simply to clarify for the Members the process that we went through to prepare this resolution.

There has been, during the course of the last several weeks, since the Speaker and the Republican leader, the gentleman from Illinois, [Mr. Michel], decided to appoint a select committee, a good deal of cooperation with the leadership on both sides of the aisle and between the gentleman from Indiana [Mr. Hamilton] and myself in terms of the preparation of the resolution. I would say to my colleague, the gentleman from Michigan [Mr. Broomfield], that the resolution is not perfect. If I had it to prepare myself, it would have been prepared in a different form.

However, under the circumstances, I must say that the majority has been exceedingly fair in the proceedings. It is at our insistence that there is a termination date in the resolution. They were fully cooperative in building in all the safeguards we requested in respect to securing classified material, and as a result of those negotiations, some of which were concluded earlier this week between the Speaker, the majority leader, the Republican leader, the gentleman from Indiana [Mr. Hamilton], and myself, we in good faith entered into an agreement to move this resolution, and I would urge my colleagues to keep that in mind in considering the suggestion that somehow the proceedings were unfair. I think thay have been exceedingly fair, Mr. Speaker.

Mr. FOLEY. Mr. Speaker, I yield myself such additional time as I may consume to say that I appreciate the comments of the gentleman from Wyoming [Mr. Cheney].

It has been our endeavor here to provide an opportunity for the House to vote on a resolution which expresses the concerns on both sides of the aisle. This is not, and we do not wish it to become, in any sense a partisan matter or a partisan inquiry. It is in the interest of the American people as well as this administration in the conduct of our foreign affairs that this matter that has come before the country that we have set up this committee. It is because of disclosures by the administration and others that the matter has come before the country. The President has expressed his wish that it be investigated expeditiously and that the facts be placed before the American people. We believe this resolution is addressed to that purpose.

I might say to the gentleman from Michigan that I know that the select committee's chairman and members on both sides of the aisle are going to be extremely concerned about the proper maintenance of security of information. In this regard I would like to direct the Members' attention to page 10 of the resolution, paragraph (10), which says:

> *Provided*, That the select committee may direct that particular matters of classes of matter shall not be made available to any person by its members, staff, or others, or may impose any other restriction. The select committee may require its staff to enter nondisclosure agreements.

These are the procedures that have been used by the Intelligence Committee to protect intelligence information. Indeed, we believe this committee, which not only has among its Members on both sides of the aisle distinguished members of the Intelligence Committee but will be chaired by the former chairman of that committee, is so constituted that the gentleman from Michigan, need not be concerned that there will be anything less than the most critical attention to the preservation of classified and other security material.

Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, let me just comment very briefly on a couple of points raised by the distinguished gentleman from Michigan [Mr. BROOMFIELD].

First, with regard to a termination date, I can certainly appreciate the desire of many Members of this body to terminate this investigation as quickly as possible. I do want to point out that it really is not totally within the power of the select committee to predict what a termination date might be. The extent of cooperation we get from the administration and from other sources in providing evidence and materials that were requested in testimony has a very important bearing on that. I hope the gentleman will accept our expression of intent, and that intent is to be just as expeditious as possible. The gentleman will recall that we originally drafted this resolution with a 1-year duration, and we have shortened that to October 30 but will do our very best to conclude prior to that time.

Mr. BROOMFIELD. Mr. Speaker, will the gentleman yield?

Mr. HAMILTON. Yes, I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Speaker, I appreciate the gentleman's comments.

My concern is that I really feel strongly that we ought to keep the committee's feet to the fire on this. I really am deeply concerned about what it could do to the Presidency and the credibility of this country. We have some important foreign policy decisions facing this country, particularly on arms control, with the Soviet Union, and other important issues, and my concern is to get this over as quickly as possible so that we may get on to other important issues.

Mr. HAMILTON. Mr. Speaker, I appreciate the gentleman's remarks. I want to be sensitive to that, and the gentleman has my assurance that I will do all I can expeditiously.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. HAMILTON. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I have two concerns. The first one is that there will be appointed five chairman of five very important standing committees. Now, what is going to happen to the business of the House while those five chairmen are attending hearings, or is this going to be a committee by proxy? I really think we have a problem.

I watched the other body last night, and the distinguished majority leader said to the minority leader, "Don't worry, the committee will take care of this inquiry and they will hold hearings. The rest of the Senate will conduct the business of the Senate."

Now, we are in a little different situation, as many of our committee chairman will be tied up with this select committee and I ask the gentleman from Indiana what his response is to that problem.

Mr. HAMILTON. Mr. Speaker, I think the gentleman raises a very valid point, and obviously it is one that I am concerned about as well. I have talked at some length with the chairman of the select committee in the other body about how we will proceed. Both of us recognize that members of these select committees have very great responsibilities other than the select committee.

Rather than running continuous sessions on each side of the Hill, it is our intention to alternate days in hearings or perhaps weeks in hearings, if that works out better, and to be sensitive to the requirements that the chairmen and the ranking members have and that we have in this committee. It is not going to be an easy thing to work out, but we will do the very best we can.

The chairmen who will sit on this committee have indicated to me that they are going to do the very best they can to be present.

Mr. HYDE. I am sure of that.

Mr. Speaker, will the gentleman yield further?

Mr. HAMILTON. Yes, I yield to the gentleman from Illinois.

Mr. HYDE. What about parallel investigations? It seems to me the select committee has been set up or will be set up to be the focal point for the entire Iran-Contra controversy about which we know some of the dimensions only too well.

What about other committees with ongoing parallel investigations? I speak particularly of the Judiciary Committee, which seems to want to run in another direction. I understand their oversight over the Justice Department, but could we not have an agreement that other committees, standing committees, restrain themselves until we are through, and that at that point then whatever legislative or investigatory initiatives they wish to undertake will then commence? It seems to me that to diffuse attention throughout several committees would be a distraction and vitiate the very reason for this select committee.

□ 1305

Mr. HAMILTON. It is the intention, I think, of this resolution that the investigation with regard to the sale of the arms to Iran and the diversion of the proceeds from that sale to whatever extent it may have taken place, shall be investigated by this committee.

The resolution specifically provides that the select committee may submit to standing committees specific matters within their jurisdiction, and there are going to be some jurisdictional problems that are going to arise here. We will be sensitive to that.

It also provides that all of the committees that have conducted investigations up to this point will turn over all of their documents and testimony to this committee and this select committee will be the focal point of investigation.

Mr. HYDE. I thank the gentleman.

Mr. GEKAS. Mr. Speaker, will the gentleman yield?

Mr. HAMILTON. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. I thank the gentleman.

Mr. Speaker, the gentleman mentioned that the question of the length of the hearings or the consideration by the committee is now set for October; is that correct?

Mr. HAMILTON. The specific provision is that we will complete the business as soon as practicable during the present Congress. Let me emphasize that that really is our intent. We do say, "and in no event later than October 30."

Mr. GEKAS. If the gentleman will continue to yield, my point is I am concerned greatly about the use of proxy votes like other Members have expressed. Is it possible under the provisions of this resolution that the majority could, by proxy, frustrate an attempt to end the hearings early when it is considered by minority Members, for instance, that all that can be heard has been heard, and a motion be made to end the hearings. Could that be defeated by proxy voting?

Mr. HAMILTON. It is not our intent to drag this hearing or these hearings out.

Mr. GEKAS. I understand. It is an adjunct question as to whether the use of proxies could be utilized for that purpose?

Mr. HAMILTON. We will have the power to do that, yes.

Mr. GEKAS. And if the minority wished a certain witness to be called to refute allegations made or by a witness called by the majority, could that witness be refused the right to testify by a proxy vote?

Mr. HAMILTON. The committee will operate by majority rule as all other committees of the Congress do.

Mr. GEKAS. If the gentleman will continue to yield, I am concerned about whether the proxy vote could be used for that purpose.

Mr. HAMILTON. The majority leader, I think, has stated accurately our position with regard to proxies.

Mr. GEKAS. If a motion to adjourn is made by a Member of the minority when a controversial issue has come up which requires an overnight reexamination, could that be frustrated by a proxy vote, Mr. Chairman?

Mr. HAMILTON. The proxy vote will operate as the resolution provides.

Mr. GEKAS. I thank the gentleman for answering those questions.

Mr. HAMILTON. Mr. Speaker, let me just point out that with regard to the objections raised on the question of scope, let me simply observe that we all understand the principal purpose of the select committee's investigation. But the House at this point simply cannot determine where the trail of evidence is going to lead.

There are a lot of things we do not know about the evidence. Therefore, the scope has to be broad enough to take into account where that evidence might lead.

Mr. CHENEY. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois, [Mr. HYDE].

Mr. HYDE. I thank the gentleman for yielding me this time.

Mr. Speaker, it is significant in this Bicentennial year of our Constitution that this select committee will be established to remind us that we are a government of laws and not of men. It seems to me there is a dangerous tendency that we all, on both sides of the aisle, succumb to, and that is picking those laws that we will respect and we will obey and discounting other laws about which we are less enthusiastic.

I have even found a quote from Thomas Jefferson about strict observance of the law:

> A strict observance of the written laws is doubtless one of the high duties of a good citizen, but it is not the highest. The laws of necessity, of self preservation, of saving our country when in danger, are of higher obligation. To lose our country by a scrupulous adherence to written law, would be to lose the law itself, with life, liberty, property and all those who are enjoying them with us; thus absurdly sacrificing the end to the means.

I should like to refer this quotation to those gentlemen that are pleading the fifth amendment so they may cite Jefferson in support of their position about some laws being more worthy of observation than others.

Trivializing the law for partisan, political purposes is a dangerous and a dishonorable game. Yet, all around us, Mr. Speaker, we find distinguished Americans proclaiming that we are a government of laws and not of men and yet celebrating the breaking of some laws. We see it in the sanctuary movement, which involves a deliberate violation of our immigration laws. Yet, those people who participate in that movement are looked upon as nothing less than heroic. We see it in the ritual arrests in front of the South African Embassy, where it is a badge of honor to be arrested for violating ordinances about distances within which one may lawfully picket an Embassy.

We see it in campus sit-ins where some very prominent Americans physically seek to deny agencies of our Government an opportunity to recruit on campuses. I have always felt the "Dear Comandante" letter signed by certain Members of this body violated the Logan Act. There are examples which abound. A very distinguished bishop of my own church refuses to pay income taxes for fear some of that money might go to defend this country.

These people are celebrated and looked upon as people of high courage. I mention these not to make cheap points but to indicate that it is very difficult to separate questions of policy from questions of law. They are not easily settled.

The sanctuary movement says it appeals to a higher law than the civil law. So do those in the Nicaraguan Democratic Resistance contend they are appealing to a higher law. It is clear that we are embarking on a very delicate and volatile exploration that I hope and pray does not deteriorate into an exercise in political cannibalism.

As we sort out the facts on these hearings to learn who, what, when, where and how, all of these things happened, I hope we understand that what we are really looking at is the role America will play in world affairs. Whether policy that has been asserted by this administration is so unpopular with some Members that we are going to frustrate that policy and inhibit the role that America must play if it is to be leader of the forces of freedom in the world.

I think this will be a successful committee because the personnel on it are among the finest, myself excepted, in this House. Thank you.

Mr. FOLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to include the gentleman from Illinois in the description of fine personnel. I think he has made a very great contribution to this House and will to this committee.

I would like to offer one distinction regarding those classes of civil disobedience which he mentioned. I make no brief for citizens engaged in civil disobedience, but those who undertake to express themselves through that means also take the risk that the law will be applied in the sanction and support of the law and against their conduct.

There is also a distinction, I think, between that and the possible violations of law by those who are charged with the enforcement of the law. Those who hold public office hold a higher responsibility than ordinary citizens to obey the law. I know the gentleman understands it is one of the first and most important commands of the Constitution to the President and to the executive branch of Government that the laws be faithfully executed, and that those in particular charged with the execution of the law have no excuse for its violation based on policy or higher causes. They have the responsibility to serve the constitutional mandate of enforcing those laws carefully and responsibly and to come back to the Congress to have them changed if they believe they are against the national interest.

□ 1315

Along with those charged with enforcing the law, it is equally our responsibility as legislators to observe those laws. As such, we, like the executive branch, are, I believe, properly held to a higher standard of observance than ordinary citizens. Under the circumstances I would take some exception to my friend's suggestion that those who engage in the Sanctuary Movement may be on the same level with possibly high-ranking members of the executive branch, or for that matter the legislative branch, who would willfully and deliberately violate the laws they are sworn to uphold.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. Yes; I yield to the gentleman from Illinois.

The SPEAKER pro tempore (Mr. HOYER). There will be no demonstrations in the gallery, please.

Mr. FOLEY. Mr. Speaker, I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I quite agree with every sentiment expressed by the distinguished majority leader. I do think people who are sworn to uphold the law have a higher duty; however, it is difficult for me to exclude from that ring of people with that higher duty Members of Congress who do get arrested for picketing in front of embassies. I understand why they do it and I associate myself with their motives, but I simply say that selective obedience to certain laws is not unknown to Members of this body.

Mr. FOLEY. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, I rise today like others in the Chamber to support the motion to establish the select committee to investigate the arms to Iran cash to Contras controversy.

I join other Members who have indicated by the tone of their remarks, that it is with some sadness that it is necessary for Congress to debate this resolution, and presumably to adopt it, to investigate actions of the President of the United States, and members of his White House staff, for alleged blatant violations of law.

The gentleman from Illinois, my friend and colleague, Mr. HYDE, has eloquently referred to Thomas Jefferson. I would like also to refer to the great Thomas Jefferson, because in this United States Constitution Bicentennial Year I believe it to be most appropriate for our allegiance to be especially focused on a fundamental principle that we are a nation of laws and not of whims of men and women.

In Thomas Jefferson's first Presidential inaugural address, he said:

> Sometimes it is said that man cannot be trusted with the government of himself. Can he then be trusted with the government of others, or have we found angels in the form of kings to govern him? Let history answer this question.

For 200 years history has answered the question that we are a nation of laws and not of men and women. Throughout our history this principle of governing by law has been honored and adhered to by the vast majority of our public officials. But, when public officials have ignored the law to achieve their ambitions, history has shown us that the appetite for power is like a treadmill—it has no end.

Just above the columns on the front of the courthouse for Crittenden County, AR, is a quotation which states the principle succinctly: "Freedom is obedience to the law."

It is not for the President to debate whether or not the natural law supersedes the laws of Congress, but to carry out his oath to see that the laws be faithfully executed.

It is with shock that we learn that there is a real possibility that at the very highest levels of our National Government decisions may have been made to evade our laws and engage in illegal activities.

If such decisions were made by the President, the people of the Nation have a right to know what happened, and to know that their Congress is committed to preventing such illegal actions in the future.

If such decisions were made by others as a result of an un-American attitude toward the law fostered or tolerated by our President, the people have a right to know that and to demand that the Congress take appropriate action.

And, if those decisions were made by people answerable to the President but without either active or tacit encouragement from the President, the American people must know that. The Congress must move to ensure that penalties for such behavior are so great that out-of-control Government officials will never be tempted again to act on personal ambitions rather than under the authority of law.

Freedom and liberty, American-style, are history's strongest weapons against the tyranny and oppression of totalitarian government. But, ignorance of or tolerance of illegal actions by public officials are at least as severe a threat to our American way of government as are guns and bombs.

Last night NBC broadcast a special program entitled: "Iran, The Arms, The Men, and The Money." One question that was raised is being asked by millions of Americans, and foreigners. It is: How can a scandal occur which allegedly involves the President of the United States in a secret illegal policy? That preeminent question is addressed in an essay by Garry Wills, published in Newsweek, December 29, 1986, which I submit for the consideration of my colleagues and the people to wit: "The White House Crisis: A Fantasy Breeds a Scandal," by Garry Wills.

THE WHITE HOUSE CRISIS: A FANTASY BREEDS A SCANDAL

(By Garry Wills)

Ronald Reagan is just as bewildered as we are, and with better cause. He was just doing what we wanted him to do, living out our fantasies. He was our amiable Rambo, a nonthreatening avenger on reassuring terms with Armageddon. He would destroy the Evil Empire, yet not get us into trouble. His moral clarity not only redeemed but made irrelevant his fuzziness about reality.

There was no better place to find moral clarity, in 1940, than the darkness of a movie theater on Saturday afternoon. There the B-films sorted out good and evil, with the help of government agents like Brass Bancroft. In that clear darkness, heroes worked for law and order but did so by their own rules. In a script for one of Reagan's appearances as Brass Bancroft, "Chief Wilson" tells him: "It may become necessary for you to break the law, but you will be doing so at your own risk, with no hope of official intercession unless your life is at stake—in which case your value to the service will have ended."

Though Bancroft belonged to the Secret Service, he was working in this case for a presidential task force: "Our President has planned to coordinate all detective forces of the Treasury, Justice, State, War, Navy and Post Office Departments, in a concerted drive to spike the maneuvers of foreign spies, saboteurs and provocateurs."

Four times Reagan played out the Bancroft fantasies which, paired with films like Gene Autry's or Roy Rogers', filled up the afternoons of borderland pubescents. In "Murder in the Air," Reagan played a T-man (T for Treasury) posing as Agent 685 in a terrorist ring. Reagan was not only a secret agent in the movies. As a real FBI informant, he was give the code name T-10 in 1947. His assignment was to inform on board members of the Screen Actors Guild. His brother, Neil, says that he, too, was an FBI informer at the time, one who would "lay around in the bushes" to see who attended leftist Hollywood parties. In Neil's version, the FBI's instructions resembled those given Brass Bancroft: "And always remember, if you get caught in the bushes, you can just forget about saying, well you're doing this for the FBI, because we'll just look him right in the eye and say, 'We never saw the guy in our lives'." Even the reality was a fantasy, but it was edging toward the world of Lt. Col. Oliver North.

One of Ronald Reagan's first acts as president was to set in motion the pardoning of two FBI officials who had been convicted of breaking the law to spy on American citizens. Informer T-10 saw nothing wrong with that. By the end of Reagan's first term, the CIA was mining harbors and passing out assassination pamphlets to Nicaraguan rebels. When two CIA employees lost their jobs in the dispute over those activities, they moved to new ones with White House help: Colonel North found them places, one of them on the NSC staff. Things too daring even for the regular spies could be trusted to the White House's own national hero.

Reagan dearly loves a hero—in sports, in war, in various secret services. So nearsighted as to be blind when it came to handling a ball, he was precluded from most sports as a child. He became a cheerleader. He and his brother were the head cheerleaders in Eureka College. His sportscasting days were a prolongation of the cheerleading and took mainly the form of anecdotes about sports heroes. During World War II his eyes again kept him from the action, but he became a cheerleader for military heroes—for the fighter pilot whose dying colloquy with a wounded gunner he has quoted for years (though no one else was there to hear it), for the black sailor who singlehandedly integrated the armed forces (years before the actual integration). Reagan made himself a hero only after the fighting was over; in his own version of the war, he filmed Nazi death camps. What did he know about World War II, and when did he know it? He knew what he wanted to know, and he knew it as soon as he had said it. We knew that all along. We wanted to believe his stories, even if we only half-believed them. We licensed his beguiling forgeries.

Why did we ask Reagan to be responsible for the world's safety but not accountable for ordinary truths? Because accountability—the dull keeping of a record, with its chains of procedure—is too like government. Reagan assured us that government is the problem, not the solution. Heroes break the rules, defy procedure, are accountable only in secret to their moral leaders. Thus government is at its best when it is the FBI, and the FBI is at its best when it is breaking the law. If government (in this case, Congress) is so blind as to make such noble action impossible in the FBI, then the action must find a new home, above the FBI. The president must call on his special task force, on Brass Bancroft.

As governor, Reagan felt he had a positive mandate not to govern. This did not mean that things would not get done. Rather, they would get done because Reagan went around the government to call on "creative" private interests. Reagan believes that government can act nobly only when it goes outside channels—i.e., when it goes against the very genius of government, which is accountability. In California he called in businessmen to do what mere committees could not. When he wanted a lawyer for state business. He borrowed one from a movie studio. When he wanted a governor's mansion, his friends supplied it, without suffering the state's cumbersome procurement procedure.

Reagan brought the same attitude with him to Washington. Presidents-elect are given a transition fund for preparing themselves to take office. Reagan's was the same sum as Carter's had been—$2 million (of which Carter returned $300,000 to the government). Reagan's friends, headed by Edwin Meese III and William Casey, privately raised an extra million dollars to finance a transition that relied on nongovernment groups planning the "Reagan Revolution." When the money was raised it was to be tax-free and accountable. But after the Inauguration the trust refused requests by the comptroller general and the General Accounting Office to find out how it had been spent. The extragovernmental forces try to do their benevolent work in secret. It was a small but symbolic beginning for Reagan's presidency, one that fit well with his pardoning of FBI criminals.

We trusted Reagan not to misuse the irregular powers he assumed—he was too like us to betray us. That was his moral warrant. But there is plenty of evidence from his California and his Washington days that people acting on their own initiative betrayed him, taking advantage of the irregular procedures he had declared "creative." Seven high officials from his administration have already been indicted. A whole string of top aides has resigned under pressure or raised the issue of special prosecution. Yet Reagan never felt betrayed or showed indignation at the shortcuts taken by businessmen. The script had its villain (government) and its heroes (businessmen), and actual events could not alter Reagan's storytelling bias.

We licensed that, too. During the 1982 recession Reagan's own people brought him Wall Street experts to shake him out of his euphoric belief that everything was still going well. He could not be shaken. He boasts of his optimism, which is impervious to evidences of disaster. It is an attitude prized in itself and nurtured. Reagan does not work well, we are told, unless he is "up." It is a performer's instinct, which the performer's intimates bolster. Bad news either does not get to him or is rejected if it does. A cheerleader cannot, by job definition, be allowed to lose his cheer. There are rituals for getting him "up" before public appearances or conferences, or meetings. Donald Regan has an aide deputed to find a joke a day for the chief of staff to tell the president, as a mood setter. A joke a day keeps disaster away.

Optimism as an imperative, combined with narrative fantasy as a taxonomic device, leads to grandiose versions of what has been done or can be done. From his own account of it, Reagan's terms in California made that state a heaven on earth. For every grotesque anecdote about Washington's welfare system, he has a fairy tale of rescue or reconciliation in California. In either case, Reagan thinks in stories; each concludes as neatly as sports anecdotes were in his broadcasting days, with no loose ends, no entanglement in larger processes of causation. Integration of the armed forces is just one man's heroic story on one dramatic day of the war.

For someone of this mentality, the rescue of hostages, the bombing of terrorists, the support for freedom fighters are all appealing stories, each in its own right. All of them can be indulged, so long as the heroes are acting individually for the right motives, outside the duller logic of policy connections. The stirring, compassionate, heroic possibilities are all that the storyteller emphasizes—or all that he sees.

Reagan became a cheerleader for the "national hero" types, the Brass Bancrofts in the White House. He admired their moral intent, and that was all that mattered. People who natter on about details are simply, in his eyes, missing the point. They talk past what is so obvious to him. The performer who has stayed "up" by denying unpleasant facts becomes at last incapable of dealing with facts at all. Controlling a crisis is impossible for one who cannot recognize a crisis.

Some have talked of putting Ronald Reagan under oath to find out the truth about White House transactions with Iran and Nicaragua. The recklessness of that proposal can be seen from a study of Reagan's testimony the last time he was under oath. That was in 1962, when a federal grand jury was examining the questionable activities of the Screen Actors Guild under Reagan's presidency. Over and over again Reagan made it clear that he did not know what was going on when he was the Guild's president. The tone of his testimony is not unfairly caught in this response: "And all of this, including the opinions of myself, is vague at the Guild on everything that took place for all those years all the way back including whether I was present or not." What did the president know? He does not know.

(Garry Wills is author of "Reagan's America: Innocents at Home," just published by Doubleday & Company Inc.)

Therefore, I urge my colleagues to join me in voting for passage of this resolution and in committing themselves to supporting a careful, thorough, fair and expeditious investigation.

Mr. CHENEY. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Speaker, I thank the gentleman for yielding me the 3 minutes.

I want to just say that I think the makeup of the committee, particularly the gentleman from Indiana [Mr. HAMILTON], the gentleman from Wyoming [Mr. CHENEY], are outstanding choices to handle this type of an investigation.

I would like to associate myself to a degree with the comments of the ranking minority member on the Committee on Foreign Affairs, the gentleman from Michigan [Mr. BROOMFIELD]. I think if we had the opportunity on this side to write the resolution, we would not have written it this way. I think we really do not have to wait between now and October to complete this work. I think a shorter timeframe would have been helpful to the country.

I think it is important to keep in mind that a lot of the investigative work, particularly the hearings, have solicited testimony from many of the individuals that we are now going to ask the exact same questions.

Everybody on this select committee, both Republicans and Democrats, have the opportunity to read the transcripts of the testimony that has taken place. Therefore, in my mind it makes no good sound reason why we have to duplicate that testimony. Why can we not read the transcripts and continue the work from where it was left off?

I do not think there are many Americans who understand this process of why the Senate Intelligence Committee, the Intelligence Committee of the House of Representatives, should go through weeks and weeks of hearings and then we do the exact same work over again. I think it is just simply going to take too long.

I am also as well concerned about the germaneness and scope of some of the areas. One of those areas has to do with the inquiry into the private funding of the resistance in Nicaragua. I really fail to see the germaneness of that with regard to the major issue of the sale of arms to Iran and of a diversion of some of those moneys possibly to some other part of the country, including Central America.

What does the issue of whether private citizens have given intelligence, given information, given assistance, given materiel to the resistance, the Democratic Resistance in Central America and Nicaragua, have anything to do with that issue? I am not sure. If it does, then it seems to me out of fairness and equity, what type of private effort has gone on with regard to the Communist government of Nicaragua as well, an issue that should be germane; so if it is germane to look into the issue of private funding for the resistance, then I think it should be germane and within the scope of the proceedings to look into the private help for the Communist dictatorship in Nicaragua.

I am concerned as well about what I can clearly see to be the abuse of proxies. Each of us serve on various committees and subcommittees. It seems to me that this type of special panel, this type of special inquiry, is going to suffer if chairmen of very important standing committees do not sit there and listen to the testimony and vote in crucial matters by using their proxies.

The SPEAKER pro tempore. The time of the gentleman from New Jersey [Mr. COURTER] has expired.

Mr. FOLEY. Mr. Speaker, I reserve the balance of my time.

Mr. CHENEY. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. MCCOLLUM].

Mr. McCOLLUM. Mr. Speaker, I thank the gentleman very much for yielding me this time.

I think this is an extremely important debate to have as we adopt this resolution so we can understand where we are really going with it, because it is a broad resolution.

I have a number of problems with it. I certainly endorse the concerns that the gentleman from Michigan [Mr. BROOMFIELD] had a few minutes ago.

I agree with the gentleman from New Jersey [Mr. COURTER] on a number of things that he said about the resolution itself.

I think proxy voting is a dangerous thing in this particular context because there are so many senior Members of the other side of the aisle who are going to be serving and may well not be present for a good deal of this.

I am deeply concerned about the reporting date in this legislation, but I trust the good faith of the gentleman from Indiana who is going to be the chairman in trying to speed this up and get a date of reporting earlier than October 30.

I am also concerned about one thing in the resolution that has not been discussed. I am concerned about the fact that the scope of this inquiry goes into the question of whether any laws have been broken or have not been broken. I am not at all sure that we ought to be delving into that question, since we have a special prosecutor, an independent counsel, and that is his responsibility. We as a Congress have set up that scheme of things. He is on the job and doing it now. I do not know that we ought to be getting off in that field to make that determination. That is his province.

But in the last analysis, this resolution and what we do as a committee depends upon the good faith of the participants. As has been said, we do have good Members and we do have people whom I admire and I trust that good faith will prevail; but key questions the American public want answered have to come out of this, no matter what you say in a resolution. They want to know, has the President of the United States told the truth about everything he knows about this? They want to know that now and not later and the sooner we can report that and the sooner we can clear that matter up once and for all and put it aside, the better off this Nation is going to be and we are going to be able to function.

They also want to know what happened to the moneys from the Iran arms sale. Were they diverted and how much and so on, and many other facts that may not have been fully brought out yet; but we cannot whip dead horses. We do as the gentleman from New Jersey said have to get to the bottom of this sooner, rather than later.

We also need to discover if there is any legislation that needs to be recommended or any policy changes that we can recommend, things to be learned that come out of this. That is very much our prerogative.

Those are in my judgment the synthesis of what we are about, no matter what the words say on the face of this very broad resolution. If we take tributaries to the left or to the right or wherever, if we go into the private funding question, the gentleman from New Jersey is absolutely right that if we are going to look at private funding of the Contras, we darn well ought to be looking at the private funding of the Communist Sandinistas. We have no business down there involved in supporting a Communist government south of us and those of us who were Members of the 99th Congress know that this body did at least vote to support the Contras even if it was after the occurrences which are the subject of this investigation, certainly have never since the Sandinistas true colors became apparent we voted to support the Communist government down there in Nicaragua and those in our Government or those in the private sector should be questioned about whether they are doing things in our best interests, if they are giving support, aid and comfort to that group; but I do not know that we ought to be into any of that.

This scope should be narrow. Again, as I said earlier, it is a question of the good faith of the chairman, of the leadership, of those of us serving on the committee, to keep that scope in perspective, to report expeditiously, to clear up the key questions that face this Nation right now of the credibility of this Government and of the policies that are concerned surrounding the issues that have been raised by the whole question of the sale of arms to Iran and any moneys that might have been diverted. To broaden that scope is wrong. To answer that question later, rather than sooner, is wrong. To get on with it is an absolute necessity.

Mr. FOLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would only remark that it is not the intention of this resolution to duplicate or interfere with the work of the independent counsel; but I would remind the gentleman from Florida, who is an able lawyer, that as he knows, there are many laws that do not have criminal penalties.

It is the jurisdiction of the independent counsel to deal exclusively with violations of the criminal law given this, when the gentleman suggests in his statement that any investigation into the possibility of laws having been broken would automatically tread upon the jurisdiction of the independent counsel, he is, I believe, not correct.

Mr. McCOLLUM. Mr. Speaker, if the gentleman will yield, my important point is the American public thinks in terms of criminal laws being violated. We need to clarify that if that is the intent and written into this, because my reading of it was that was the way the broad section was ordered, to get into the problems of violating criminal laws. It does not say excluded from the laws.

Mr. FOLEY. The section authorizes the committee to investigate the violation of laws with or without criminal sanctions.

I would point out to the gentleman that the independent counsel's function is to deal with possible criminal violations.

Mr. McCOLLUM. Mr. Speaker, if the gentleman will yield, am I correct that it does include, as I think the gentleman just stated, that there is an investigation of criminal laws as well, and that is my point.

Mr. FOLEY. This resolution should be read in the broadest possible context. It is intended to be an extremely broad resolution, to allow the committee to undertake the investigation in an expeditious and thorough way without being required to stop and come back to the House for further authority to look into areas where obviously the committee believes the investigation should proceed.

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Mr. FOLEY. The gentleman would be correct if he assumes, and he does assume, that this is broadly construed, not narrowly.

Mr. McCOLLUM. If the gentleman would yield only for this point, I'd like to say, as I said earlier, I know it is a broad resolution. It is going to depend on the good faith of the parties involved. I just do not think that that is an area—the criminal-law area—that we ought to be getting into in good faith.

Mr. CHENEY. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. DEWINE].

Mr. DEWINE. Mr. Speaker, I wish to associate myself with the comments made earlier by my ranking minority member on the Committee on Foreign Affairs, the gentleman from Michigan [Mr. BROOMFIELD]. I share the concern that he has that we get this matter over with as expeditiously and quickly as possible, get all the facts out in front of the American people.

We are human, and this is a human body, and I think we all react to deadlines. I realize the good faith expressed by our chairman and the gentleman from Indiana [Mr. HAMILTON], and I appreciate that good faith, and I know that the resolution will pass with that fall deadline. I just hope that we all keep in mind the overriding concern that we should have; that is, that we get the facts out quickly and that we move on.

We have many things to deal with in this Congress. We have many things to deal with as far as our national agenda, our Federal deficit being only one of those, and the conduct of our foreign affairs being another. My fear is that the attention of the American people, the attention of the administration, and the attention of Congress, is going to continue to focus on the Iran investigation until it is completed. So, if we work together, I know from this side of the aisle, and I know from what has been expressed from the other side of the aisle, that we will do what we can to move this, and I certainly hope that we can finish this up long before the due date of this coming fall.

Mr. CHENEY. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, when I came to the floor today I had not read the resolution—maybe I should not have; I just could have voted blindly—but when I read it, I found out that there are some things in there that concern me. For example, if we are serious about an investigation, I think that this is something that we ought to be serious about. It seems to me it is serious enough that every member of the committee ought to be in the room when it is doing business, and I find it very, very disturbing to find out that in this resolution we are not just taking the present ghost-voting procedures of this House, the proxy vote, we are expanding upon them. We are actually broadening what is an absolutely pernicious practice of this House already. The ghost voting is not just for minor matters, it is for substantive purposes within this committee.

I think that that is wrong, and I am disappointed that we bring it then to the floor in such a way that we cannot even amend the resolution in a way to strike that particular provision.

I think that the American people really want the facts on this matter. They want us to act and investigate fully, but I think that they want that investigation to take place with people actually in the room, and the problem is that this resolution says that they do not have to be in the room.

Mr. SPEAKER pro tempore (Mr. HOYER). The gentleman from Wyoming [Mr. CHENEY] has 4 minutes remaining and the gentleman from Washington [Mr. FOLEY] has 4 minutes remaining.

Mr. CHENEY. Mr. Speaker, we only have one speaker left on this side.

Mr. FOLEY. Mr. Speaker, I reserve the balance of my time.

Mr. CHENEY. Mr. Speaker, I yield myself my remaining 4 minutes.

Mr. Speaker, I would like to remind my colleagues, especially on this side of the aisle, that we are not here today because of a plot by anybody in the Congress to create problems for the administration or for our party. No one in the Congress decided to sell arms to Iran. No one in the Congress decided to enter into negotiations with the release of hostages. No one in the Congress was involved, to the best of our knowledge, in the alleged diversion of funds to the Contras. We are here today because problems developed in the administration. As the President has said in his own words, mistakes were made in the implementation of his policy. The Attorney General of the United States is the one who announced to the world that in fact funds may have been diverted, possibly in violation of the Boland amendment. The President is the one who removed two senior officials from the NSC staff, called for the appointment of a special prosecutor, and urged us to create select committees to deal with this matter on Capitol Hill.

So I think that it is important for us to keep a couple of things in mind, and that is that as painful as this process and procedure is for many of us, that to date the leadership of both parties has worked in a truly bipartisan fashion to create a committee made up of some of the most capable and senior Members of the House, and to give it a mandate so that it can in fact do what our President said that he wanted to have done, which is to get to the bottom of the matter as quickly as possible, to thoroughly investigate the allegations that have been made, and to produce for the American people a report—and for this Congress—that will let us make judgments, decisions, and determinations about whether any additional action is required with respect to legislation governing the conduct of U.S. foreign policy or covert operations. It is a very important charter.

I am a very partisan Republican. I believe very deeply in Ronald Reagan and what he stands for, and I will be the first to come back to this floor if I foresee that, in fact, the investigation has gone beyond its legitimate scope or is being conducted in a matter that I think reflects dishonor upon this House or seeks to take partisan advantage of what is indeed a very serious matter.

I must say, and I would remind all my colleagues on both sides of the aisle, what I said earlier, that this resolution has been crafted by a very serious effort, a cooperative effort, on both sides of the aisle. While it is not a perfect resolution—I, too, dislike the proxy provisions—it is in fact a sound bipartisan effort, and I would hope and have every reason to expect that the inquiry that we are about to embark upon will continue in a similar fashion.

I have had the great good fortune to serve twice previously with the gentleman from Indiana [Mr. HAMILTON], first on the Ethics Committee, and for the last 2 years in his capacity as chairman of the Intelligence Committee. I have found him to be an eminently fair and reasonable man, and while we look at the political world from very different perspectives, I have every reason to anticipate that he will in fact keep his word. There is no doubt about that in my mind, that this will be a fair and impartial and a very thorough inquiry, and that we will come back to the House just as quickly as we can, because no one wants to see this drag on into 1988. I would urge on that basis my colleagues to give this resolution their support.

Mr. Speaker, I yield back the balance of my time.

Mr. FOLEY. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, does the gentleman from Wyoming [Mr. CHENEY] wish additional time? I will yield to him if he does.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Speaker, I think that we all agree that we want to know the facts, and the facts that will be brought out by the hearings, but I think that we are also concerned with the rest of the American agenda, and a number of us are concerned with the 10-month limitation or the reporting date of October.

It is my understanding that the majority leader has said that if we can get this thing concluded and get the report out, that that is the intention of the committee.

Mr. FOLEY. The gentleman is correct. The gentleman from Indiana [Mr. Hamilton] has said, I have said, and it has been reported many times here, I think, that the resolution aims at the most expeditious concluding of the committee's responsibility and the issuance of a report.

I might say that we began full consultation with the Republican leadership, the working draft of the resolution contained no limitation of any kind, and theoretically could have extended the operations of the committee up to the last day of the 100th Congress.

It was on their insistence that a time limit be selected, that this was written into the resolution.

That is one of the matters on which we reached agreement with the minority leadership.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I rise in support of the resolution. I think that certainly to avoid the fragmentation we need to concentrate this effort in one committee. I was hoping that it was going to be a joint committee between both Houses to concentrate the effort in one unit rather than having a divided approach.

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I would hope, too, that the committee would consider the concerns that some of us have about the overreaching of the National Security Council and whether or not there should be some reforms with regard to the National Security Council. I would hope that that would be a part of the considerations of the committee.

Mr. Speaker, I rise in strong support of House Resolution 12, a measure establishing a Select Committee to Investigate Iranian Arms Sales. Although this resolution contains some faults, as my colleague from Michigan, Mr. Broomfield, and others have pointed out, I believe it is acceptable and more importantly, in the best interests of our Nation. I commend and thank the leadership on both sides of the aisle for their efforts in bringing this resolution before us today.

As a member of the House Committee on Foreign Affairs, I have monitored the Iranian arms sales crisis closely since the first revelations of the covert United States operation. I wholeheartedly agree that since jurisdiction is fragmented among several House committees, establishing one select committee is a much more efficient utilization of House resources and will avoid needless duplication of efforts. As a matter of fact, I would have preferred to have this investigation undertaken by one joint committee, consisting of Representatives of both the House and Senate rather than two separate bodies.

I certainly hope that the select committee is determined and prepared to complete its task as soon as is responsibly possible. It is in the best interests of our Nation, and in keeping with the spirit of democracy upon which this Nation is founded, that the full truth regarding this matter come before the entire Nation. It is imperative too that we get this matter behind us as quickly as possible so that both the administration and the Congress can properly focus on the many other difficult issues that must be addressed.

During the recent House Foreign Affairs Committee hearings on the Iranian arms sales, testimony revealed that the Department of State apparently had been bypassed in the decision to go through with the arms sales to Iran and in the alleged subsequent diversion of funds to resistance forces in Nicaragua. I raised an issue then that, in my opinion, still remains very relevant. That is, in light of the alleged operational role of certain members of the National Security Council, how can we in the future prevent such circumvention of established procedure? The Secretary of State, obviously, should have been made aware of such a major change in our Nation's foreign policy. I am most concerned that we in Congress act to ensure that such an unfortunate situation does not arise again. It is hoped that the findings of this select committee will assist us in these important considerations.

Accordingly, I urge my colleagues to support this resolution, and I encourage the select committee members, all of whom were worthy choices, to act in a bipartisan spirit and fulfill their obligations efficiently and expeditiously.

Mr. FOLEY. Mr. Speaker, in closing I would like to again express my strong agreement with the statements that have been made by the distinguished gentleman from Wyoming [Mr. Cheney] and those of our prospective chairman, the gentleman from Indiana [Mr. Hamilton]. As the ranking minority Republican member and the chairman, they have set forth very clearly, I believe, the spirit in which this undertaking is to be conducted. It is to be an inquiry of the House to determine the facts, fully and in a spirit directed to putting these matters at rest, and to lay before the American people, in the most expeditious way possible the information that they require and that the President himself has said is so urgently needed.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

Mr. KYL. Mr. Speaker, I support the resolution to establish a select committee to investigate the Iranian arms sale because of the importance of resolving questions in the minds of the American people. Nevertheless, I have several concerns about this resolution, including: The rules which allow the use of proxies and the unnecessarily long period of time established to complete the work of the committee.

Republican Leader Bob Michel and others have raised significant questions regarding the use of proxies in actions taken by the select committee. This is serious business and should be taken seriously. Select committee members have a special obligation to devote their full attention and energies to the work of the committee. This means their personal participation in the conduct of committee business.

I would also prefer a much shorter timeframe for the completion of the work of the committee. I doubt that it is necessary to drag the matter out to Halloween, especially since so much work has already been done. The fact that all of the Democrats on the Senate Intelligence Committee voted not to release that committee's findings, which, according to some Republicans, show that President Reagan did not authorize and was not aware of the diversion of funds to the Nicaraguan freedom fighters, calls into question whether the Democrats are more interested in embarrassing the President than finding the facts. I sincerely hope this is not the case.

Through a proper use of this House select committee, we have the opportunity to perform a valuable service to our country—to get to the bottom of a matter that is currently damaging to the presidency and the conduct of our foreign policy. President Reagan has been forthcoming in his efforts to get the facts, and it is my hope that Congress will reciprocate in a responsible, timely and nonpartisan fashion.

The SPEAKER pro tempore (Mr. Hoyer). Pursuant to the order of the House of Tuesday, January 6, 1987, the previous question is ordered.

The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FOLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 416, nays 2, not voting 12, as follows:

[Roll No. 6]

YEAS—416

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brooks
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho

Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Daniel
Dannemeyer
Darden
Daub
Davis (IL)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
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Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
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Durbin
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Dymally
Dyson
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Edwards (CA)
Edwards (OK)
Emerson
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Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
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Gibbons
Gilman
Gingrich
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Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
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Hall (OH)
Hall (TX)
Hamilton
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Hayes (IL)
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Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
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Jontz
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Leach (IA)
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Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKinney
McMillan (NC)
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Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
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Mineta
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Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
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Mrazek
Murphy
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Myers
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Nichols
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Nowak
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Oberstar
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
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Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
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Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (FL)

NAYS—2

Broomfield
Crane

NOT VOTING—12

Berman
Fields
Green
Holloway
Kostmayer
Lent
Obey
Quillen
Rose
Spence
Spratt
Young (AK)

□ 1400

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the adoption of House Resolution 12.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

REPORT ON RESOLUTION ESTABLISHING SELECT COMMITTEE ON HUNGER, SELECT COMMITTEE ON CHILDREN, YOUTH AND FAMILIES, AND SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-1) on the resolution (H. Res. 26) to establish the Select Committee on Hunger, the Select Committee on Children, Youth and Families, and the Select Committee on Narcotics Abuse and Control, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1, FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-2) on the resolution (H. Res. 27) providing for the consideration of the bill (H.R. 1) to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes, which was referred to the House Calendar and ordered to be printed.

COMMUNICATION FROM THE HONORABLE DON EDWARDS, MEMBER OF CONGRESS

The SPEAKER pro tempore (Mr. HOYER) laid before the House the following communication from the Honorable DON EDWARDS:

HOUSE OF REPRESENTATIVES,
Washington, DC, January 7, 1987.

Hon. JIM WRIGHT,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: In accordance with your designation of me, pursuant to House Resolution 25, One Hundredth Congress, adopted by the House of Representatives, to administer the oath of office to Representative-elect Sala Burton, of the Fifth District of California, I have the honor to report that on the 7th day of January, 1987, at Washington, D.C., I administered the oath of office to Mrs. Sala Burton, in the form prescribed by section 1757 of the Revised Statutes of the United States, being the form of oath administered to Members of the House of Representatives, to which Mrs. Burton subscribed.

Sincerely,

DON EDWARDS,
Member of Congress.

APPOINTMENT AS MEMBERS OF THE SELECT COMMITTEE TO INVESTIGATE COVERT ARMS TRANSACTIONS WITH IRAN

The SPEAKER. Pursuant to House Resolution 12, 100th Congress, the Chair appoints as members of the Select Committee To Investigate Covert Arms Transactions With Iran, the following Members of the House:

Mr. HAMILTON of Indiana, chairman;
Mr. FASCELL of Florida, vice chairman;
Mr. FOLEY of Washington;
Mr. RODINO of New Jersey;
Mr. BROOKS of Texas;
Mr. STOKES of Ohio;
Mr. ASPIN of Wisconsin;
Mr. BOLAND of Massachusetts;
Mr. JENKINS of Georgia;
Mr. CHENEY of Wyoming;
Mr. BROOMFIELD of Michigan;
Mr. HYDE of Illinois;
Mr. COURTER of New Jersey;
Mr. MCCOLLUM of Florida; and
Mr. DEWINE of Ohio.

LEGISLATIVE PROGRAM

(Mr. FOLEY asked and was given permission to address the House for 1 minute out of order.)

Mr. FOLEY. Mr. Speaker, except for the filing of two reports from the Committee on Rules, we have no other legislation scheduled for today, and it is the intention of the House Democratic Caucus to convene upon the adjournment of the House in the Chamber of the House for the purpose of continuing the business of the caucus. For that purpose I would ask unanimous consent that with the exception of the special order to be granted to Mr. LIVINGSTON of Louisiana and to Mrs. BENTLEY of Maryland that all special orders heretofore granted for today be postponed until tomorrow with the understanding that they will be given priority of recognition tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERSONAL EXPLANATION

Mr. BOSCO. Mr. Speaker, yesterday, January 6, 1987, I inadvertently voted "yes" on rollcall No. 4—a motion to commit with instructions adopting the Rules of the House of Representatives for the 100th Congress. It was my intention to vote "no" on that motion, and at this time I ask unanimous consent that this statement appear in the RECORD following the vote on rollcall No. 4.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MEDICARE SHOULD HOLD UP INCREASE IN FEES TO PHYSICIANS, UNTIL AMERICAN MEDICAL ASSOCIATION WITHDRAWS SUIT AGAINST LIMIT ON HOW MUCH HIGHER CHARGING DOCTORS CAN BE PAID

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, the American Medical Association has sued in Federal court to block a provision in last fall's budget reconciliation bill which limits how much the higher charging doctors can increase their Medicare charges on patients.

The provision the AMA objects to is half of a deal. The other half of the deal provided a 3.2-percent fee increase January 1 to all physicians and allowed physicians with lower fees to increase their fees by substantial amounts.

If the AMA doesn't want a limit on its highest charging members, then it should expect no increase in fees for the rest of its members and a freeze on actual charges by all physicians. They should expect a return to the freeze policies of 1984 and 1985.

The legislative history is very clear. If the limit on upper charges is no good, the fee increase is no good.

To rescind the 3.2-percent fee increase, I am prepared to go to court on the side of the public, the Treasury, and the physicians who are not high chargers. If the linkage cannot be addressed through the courts, then it can be addressed in legislation.

The AMA cannot have this cake and eat it too—not when the Medicare trust fund is in trouble and the Federal deficits remain sky high, and when so many beneficiaries are impoverished by huge medical bills.

If the AMA drops the suit, the fee increase should, of course, go forward.

VOLUNTARY NATIONAL YOUTH SERVICE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I rise today to reintroduce legislation designed to provide Federal assistance to local voluntary youth service programs which are developing across the country. I am very pleased to be joined again by Representatives JAMES JEFFORDS and MATTHEW MARTINEZ in sponsoring this important measure.

These innovative local youth service programs seek to tap our country's vast reservoir of young people and channel their energies toward the fulfillment of unmet human, social, and environmental needs in our communities. As a nation, we are committed to providing assistance for our elderly, ill, and disabled citizens; caring for our children; conserving and protecting our environment and natural resources; rebuilding our cities; educating our young people; and helping educationally disadvantaged adults. Many valuable and worthwhile government programs exist to help us reach these and other important social goals. Nonetheless, the last few years have seen a growing realization that government alone cannot provide all the answers. As we move toward the end of the 20th century, we must draw on all the resources available to us, and we must use imagination and innovation. I believe that voluntary youth service is one of the most promising of our means in meeting these challenges, a vast natural resource that we have only begun to tap.

By identifying opportunities in local nonprofit social service organizations, hospitals, nursing homes, parks, schools, and neighborhoods where the efforts of young people can make a difference, local youth service programs offer our country tremendous benefits. Not only do such programs provide important services to their communities, but they impart lasting personal benefits to those who participate. Personal growth and self-esteem, a sense of participation in one's community, and useful on-the-job training and experience are all valuable products or public service. The fact is that public service can have unique and invaluable results in terms of the personal growth of its individual participants—growth that reflects back on the society of which those individuals are a part.

Our young people represent our most precious resource, our investment in America's future. We cannot allow a significant proportion of entire generation to become dispirited and demoralized. It is sobering and shocking that there are over 3.1 million youth who do not have jobs, and that these unemployed youth constitute 38.6 percent of all the jobless in this country. Public service can serve as a barrier against the aimlessness and despair that unemployment can foster, in addition to making constructive use of idle energies and talents. It is unacceptable—economically, morally, politically, and socially—to allow the vitality and creativity of these young people to go to waste.

The legislation that Representatives JEFFORDS, MARTINEZ, and I are reintroducing today—the Voluntary National Youth Service Act—would provide the necessary incentives for the development of a truly broadbased program of voluntary youth service in our Nation's local communities. By providing matching Federal grants to State and local voluntary youth service programs, this legislation would encourage young people ages 17 to 24 to volunteer to serve in local nonprofit, social service or governmental agencies meeting important human, social, or environmental needs. Under these programs, participants would volunteer full time for a minimum of 6 months of service with an approved sponsor organization.

In order to be eligible for a Federal grant, a youth service program must provide participants with stipends, housing, food, or other in-kind assistance ranging in value from 50 to 110 percent of the Federal minimum wage. The State and local programs may also provide participants with postservice benefits—including educational assistance or matching salary grants for postservice employment. Total benefits would range between the equivalent of 80 to 160 percent of the Federal minimum wage. Sponsor organizations that contribute free training or funds toward their volunteers' living allowances would be given preference over those sponsors not making such contributions to the program.

While the Federal grants would be administered nationally by the Secretary of Health and Human Services, the overall focus of this legislation is definitely at the State and local level. This legislation would not force a Federal program upon unwilling States and localities, nor does it create a large new bureaucracy. Instead, this measure would lend important Federal support to locally initiated programs—programs directly responding to local needs and situations.

In my view, it is essential to allow the States and localities the flexibility necessary to develop innovative programs that encourage the maximum participation of young people in meeting the needs of their communities. The State and local programs are free to determine the exact combination of living allowances and postservice benefits that would best encourage youth service in their localities. This legislation also contains protection for salaried employees from replacement by voluntary youth service participants. Finally, under this legislation, individuals, businesses, foundations, and other groups can contribute time and money to local youth service programs. The key to the success of a voluntary youth service program is not only an enhanced service ethic in this country but also the energizing of local communities behind these projects.

Already, there are 16 year-round and 41 total service and conservation corps programs across the country involving over 10,000 youth, and the number is growing. The Washington State Service Corps, the San Francisco Conservation Corps, the City Volunteer Corps in New York, and the California Conservation Corps are all examples of innovative local efforts to focus the energies of young people toward meaningful, constructive public service. Fourteen States have already seized on the youth service's potential. In New York, Governor Cuomo took an initiative in this area by proposing an Empire State Service Corps to the New York State Legislature, and other States, including Minnesota, are actively exploring the possibility of a youth service program. With these and other initiatives underway at State and local levels, I believe that now is the time for the Federal Government to lend its support to these programs.

Mr. Speaker, there are those who would claim that these are worthwhile programs with worthwhile goals, but that the Federal Government simply cannot afford the additional costs of such a program. As you know, I am very sensitive to budgetary considerations; however, the reality is that the long-term economic and societal costs of not supporting these programs far exceeds the costs of this legislation. The cost to our society of youth crime, of dependence on public assistance, and of the wasted talents and energies of idle youth are tremendous burdens on our country. An internal Justice Department study has estimated that the annual economic cost of youth crime alone is $5 billion. More importantly, however, studies on the cost effectiveness of youth service programs have shown that for every dollar spent on these projects, at least $1.20, and in some cases up to $4, of benefits are directly returned in terms of work performed and services provided by youth service participants.

It is time that we revive the notion of citizenship in its best, most active sense. I continue to believe that we can rekindle the spirit and sense of social responsibility which has motivated American youth in the past. John F. Kennedy sent out a call and received an answer to the challenge, "Ask not what your country can do for you * * * ask what you can do to your country." I believe that my proposal for voluntary national youth service can succeed in rekindling this flame of activism and sounding a new call to national service. I sincerely hope that these remarks, and the legislation which follows, will help foster a renewed debate on the immense potential of voluntary service that will lead to the creation of a Voluntary National Youth Service Program. For the convenience of my colleagues, the text of my legislation follows.

H.R. 460

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Voluntary National Youth Service Act".

PURPOSE

Sec. 2. The purpose of this Act is to encourage persons who are between 17 and 24 years of ago, inclusive, to participate in voluntary national service by providing matching grants to eligible States and units of general local government for the operation of youth service projects.

DEFINITIONS

Sec. 3. For purposes of this Act:

(1) The term "Secretary" means the Secretary of Health and Human Services.

(2) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(3) The term "unit of general local government" means any city, county, town, township, parish, village, or other general purpose political subdivision of a State, or any combination of such political subdivisions recognized by the Secretary. Such term also includes any public body or agency, including a political subdivision, created by or under the laws of a State or two or more States, or any combination of such public bodies or agencies.

YOUTH SERVICE PROJECT GRANTS

Sec. 4. The Secretary may provide, to States and units of general local government determined to be eligible under section 6, grants for youth service projects administered by such States and units of general local government.

DESIGNATION OF SERVICE CATEGORIES

Sec. 5. (a) The Secretary shall by regulation designate specific activities as service categories in which persons serving in youth service projects may serve for purposes of this Act.

(b) An activity may be designated as a service category under subsection (a) if the Secretary determines that—

(1) such activity is of substantial social benefit in meeting unmet human, social, or environmental needs of or in the community where service is to be performed;

(2) involvement of persons serving in youth service projects under this Act in such activity will not interfere unreasonably with the availability and the terms of employment of employees of sponsoring organizations with positions available in such activity;

(3) persons serving in youth service projects under this Act are able to meet the physical, mental, and educational qualifications that such activity requires; and

(4) such activity is otherwise appropriate for purposes of this Act.

(c) The service categories referred to in subsection (a) may include—

(1) service in State, local, and regional governmental agencies;

(2) service in nursing homes, hospices, senior centers, hospitals, local libraries, parks, recreational facilities, day care centers, and schools;

(3) service in law enforcement agencies, and penal and probation systems;

(4) service in private nonprofit organizations whose principal purpose is social service;

(5) service in the rehabilitation or improvement of public facilities; neighborhood improvements; literacy training benefiting educationally disadvantaged persons; weatherization and basic repairs to low-income housing; energy conservation including solar energy techniques; removal of architectural barriers to access, by handicapped persons, to public facilities; and conservation, maintenance, or restoration of natural resources on publicly held lands; and

(6) any other service that the Secretary determines to be appropriate for purposes of this Act.

(d) The service categories referred to in subsection (a) may not include any position in any—

(1) business organized for profit;

(2) labor union;

(3) partisan political organization;

(4) organization engaged in religious activities, unless such position does not involve any religious functions; or

(5) domestic or personal service company or organization.

ELIGIBILITY FOR GRANTS

Sec. 6. (a) In order to be eligible for any grant under section 4, a State or unit of general local government shall—

(1) submit a plan that describes the existing or proposed youth service project for which such grant will be used; and

(2) demonstrate to the satisfaction of the Secretary that it will expend, for purposes of a youth service project assisted under this Act, an amount from public or private non-Federal sources (including the direct cost of employment or training services provided by State or local programs, private nonprofit organizations, or private for-profit employers) equal to the amount made available to such State or unit of general local government under section 4.

(b) The plan referred to in subsection (a)(1) shall include—

(1) a list of positions from which any person serving in such project may choose a service position, which list shall, to the extent practicable, identify a sufficient number and variety of positions so that any person living within such State or unit of general local government who desires to serve in voluntary youth service may serve in a position that fulfills the needs of such person;

(2) a list of requirements to be imposed on any sponsoring organization of any person serving in a youth service project under this Act, including a provision that any sponsoring organization that invests in any project under this Act by making a cash contribution or by providing free training of any person participating in such project shall be given preference over any sponsoring organization that does not make such an investment;

(3) a provision that any permanent part-time or full-time employee of any employer shall not be displaced from any position by any person serving in a youth service project under this Act;

(4) a provision that any person serving in a youth service project under this Act who is not a high school graduate shall participate in an educational component whereby such person can earn a high school diploma or its equivalent;

(5) a provision that any person serving in a youth service project under this Act may arrange to receive academic credit in recognition of learning and skills obtained from service satisfactorily completed;

(6) a provision that persons who are eligible to serve in a youth service project under this Act shall be consulted as to the types of positions that should be available to persons who serve in youth service projects under this Act;

(7) a provision that special efforts will be made to enroll and recruit youths who are economically disadvantaged as defined in section 4(8) of the Job Training Partnership Act; and

(8) a schedule providing for an aggregate amount of compensation and benefits, including post-service education benefits or post-service employment vouchers, to be distributed to any person who serves in a youth service project under this Act—

(A) that is equal to not less than 80 percent and not more than 160 percent of the amount such person would have earned if such person had been paid at a rate equal to the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) during the period of service of such person; and

(B) that includes a subsistence allowance (in cash or in kind) of not less than 50 percent and not more than 110 percent of such minimum wage, to be paid to such person during such period of service.

(c) Earnings and allowances received under this Act by an economically disadvantaged youth, as defined in section 4(8) of the Job Training Partnership Act, shall be disregarded in determining the eligibility of the youth's family for, and the amount of, any benefits based upon need under any Federal or federally assisted programs.

SELECTION CRITERIA

SEC. 7. The Secretary shall distribute grants among eligible States and units of general local government on the basis of which such States and units of general local government will best use such funds to further the purposes of this Act, as determined by the Secretary on the basis of the plans submitted by such States and units of general local government under section 6.

NONDISCRIMINATION PROVISION

SEC. 8. (a) No person in the United States shall on the ground of race, creed, belief, color, national origin, sex, handicap, or political affiliation, be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with, any youth service project for which any State or unit of general local government receives a grant under section 4.

(b) For purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), any youth service project for which any State or unit of general local government receives a grant under section 4 shall be considered to be receiving Federal financial assistance.

LIMITATIONS

SEC. 9. (a) Any person who serves in a youth service project under this Act shall be not less than 17 years of age and not more than 24 years of age.

(b)(1) No person may serve in a youth service project under this Act for more than a 2-year period.

(2) Any person who agrees to serve in a youth service project under this Act shall agree to serve for not less than a 6-month period.

(c) Any person who does not hold a high school diploma or its equivalent may not be accepted for service in a youth service project under this Act unless such person has not been enrolled as a high school student during the 3-month period before the date of such acceptance.

(d) Not more than 15 percent of any grant awarded to any State or unit of general local government under section 4 may be used for administrative expenses.

REVIEW AND REPORTING REQUIREMENTS

SEC. 10. (a) Each State and unit of general local government that receives any grant under section 4 shall provide oversight of service by any person in a youth service project under this Act, and of the operations of any employer of such person, in accordance with procedures established by the Secretary. Such procedures shall include fiscal control, accounting, audit, and debt collection procedures to ensure the proper disbursal of, and accounting for, funds received under this Act. In order to carry out this section, each State and unit of general local government that receives a grant under section 4 shall have access to such information concerning the operations of any sponsoring organization as the Secretary determines to be appropriate.

(b) Each State and unit of general local government receiving a grant under section 4 shall prepare and submit an annual report to the Secretary on such date as the Secretary shall determine to be appropriate. Such report shall include—

(1) a description of activities conducted by the youth service project for which such grant was awarded during the year involved;

(2) characteristics of persons serving in such youth service project;

(3) characteristics of positions held by such persons;

(4) a determination of the extent to which relevant standards, as determined by the Secretary, were met by such persons and their sponsoring organizations;

(5) a description of the post-service experiences, including employment and educational achievements, of persons who have served, during the year that is the subject of the report, in youth service projects under this Act; and

(6) any additional information that the Secretary determines to be appropriate for purposes of this Act.

(c) The Secretary shall submit to the President and the Congress an annual report of the activities conducted under this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated to carry out the provisions of this Act such sums as may be necessary for fiscal year 1987 and for each succeeding fiscal year. Any amount appropriated under this section shall remain available until expended.

□ 1415

MARYLANDERS SHINE AT HEIGHT OF TRAGEDY

The SPEAKER. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 15 minutes.

Mrs. BENTLEY. Mr. Speaker, on Sunday, a terrible railroad accident between Amtrak and Conrail occurred in my district. These are some of the observations I made while at the scene Sunday night and the following day.

The residents of Twin Rivers, Oliver Beach, and Harewood Park—sections of Chase—should be coronated for the tremendous outpouring of their hearts and homes to ease the pain and tragedy of the Sunday Amtrak train accident in which 15 persons were killed and 178 persons were injured seriously.

And along with them should go kudos and crowns for the participants of the Emergency Medical System of Maryland, the firefighters and police of Baltimore and Harford Counties, the State police and the hospital staffs of Franklin Square, Greater Baltimore, Fallston, Johns Hopkins, University, and Francis Scott Key, among others.

The Salvation Army and the American Red Cross were there by the scores.

For some 48 hours, the thousands of persons making up these groups and the residents gave their all to save lives and help people.

Nothing else crossed their minds as they struggled in the cold to help each other, and to take their turns to try to lift people out of perilously dangling rail passenger cars, never thinking of themselves, only what could they do to help.

It was such a superior united effort, that I believe the record of cooperation shall go unbeaten because every segment of the community pitched in with only one thought in mind—who needs help and what can I do to help?

In every tragic accident, we hear stories of heroism. Some are obvious. Others are not. In these tough times when we hear so many negative stories circulated about our young people, it was a joy to be told that some of the real unsung heroes of the Amtrak Colonial disaster were youngers living in Twin Rivers and Harewood Park.

Robert Booker, 20, and his cousin, Michael, 19, heard the explosion as the two trains hit and each went off running on his own—coincidentally one to each end of the train to pull people out of windows of burning cars.

As they were performing this brave feat, they accidentally bumped into each other and then began working as a team in tandem, never thinking about the dangers to themselves as the flames were engulfing the cars and making it very difficult to get in. It has been estimated that the two together helped rescue some 70 persons.

Working with Mike and Robert were two young women, who have been undergoing paramedic training. Angie Tart, 17, who had finished her course, saw the train hit and ran to the home for her best friend, Tracy Burton, 18, to ask her to help. The two young women gave intermediate care to those pulled out by the young men. Angie even stayed with one of the more seriously injured for more than 8 hours.

Others like Tommy Landers, 17, helped by running food and drinks and blankets to the scene of the injured.

These five youngsters were not alone in their efforts. Some residents had as many as 10 to 30 passengers in their homes for several hours Sunday. What they did was typical of the community of Chase. Nothing was too much to ask for. And when the passengers had all been transferred to mobilization centers, the residents made their homes available to the members of the national media, and to the rescue teams as they were needed. Nothing was too much to ask for.

The magnitude of the tragedy was further contained by the superb coordination and efforts of the Emergency Medical System which is run by the State of Maryland to handle this kind of disaster.

Dr. Dan Morhaim, regional medical director of Region III, Emergency Medical System, by happenstance, is at Franklin Square Hospital in White Marsh, one of the nearest hospitals to the scene of the accident. Franklin Square had four doctors at the scene and four in the hospital emergency room awaiting arrival of the injured . . . all specialists in the field of emergency medicine.

At all of the dozen or so hospitals that took in injured, their medical and nursing staffs poured in Sunday as they heard of the accident—many who weren't even on standby duty.

And what would we do in Maryland without our volunteer fire departments? As those from Baltimore County left their firehouses to help relieve at the scene firemen from Harford and Carroll Counties, among others, backed them by filling in at the firehouses.

We also must mention that the business community supplied the vast amounts of food and coffee gratis. We were told about McDonalds, Taco Bell, Mars, Kentucky Fried Chicken, Pizza John, Wendy's, and Chase Deli, although there may have been others. These food establishments kept sending replenishments at frequent intervals to make certain that those working on the scene would be well sustained while undergoing the grisly task of digging through the rubble and cutting away steel to save lives.

In town at the Red Cross Headquarters on Charles Street, the line of blood donors stretched around the block early on Monday morning. And in area hospitals, people are walking in off the street volunteering to give blood "for the accident."

This outpouring of concern and help, both of the skilled and unskilled, makes me so proud of our State and its people. The medical system which performed so wonderfully has been highly trained by emergency drills. Each one of the hospitals has two drills a year and the State medical system ran a statewide drill in conjunction with the Army last fall.

It all paid off this past weekend. We will never know how many lives were saved because of the drills and training by the hospitals, fire departments, and police. Nor can we judge the volunteer hours involved in getting the many services to the site of the collision, where they were so needed and so utilized, but it is in the long tradition of America, neighbors helping neighbors, and it is a moving thing to see.

We all hate these awful accidents. Working on a newspaper over the years I've seen all too many and each has its own horror—it never fades. But, for whatever comfort there is to be had in the thought, before the medical emergency system was put together, it would have been a lot worse for many people. If the rescue efforts had not been so well directed and coordinated, the tragedy would have been much greater.

And finally, and most importantly, had the people in the town of Chase not cared so much and been so kind to all the train passengers and volunteers, there would have been nothing to remember but the horror. Those wonderful people softened the sharp edges of a nightmare for many people who were on the Colonial Sunday afternoon. It helps us all to be able to remember that warmth and caring. And unashamed, I'll say, I love them every one.

They proved what a great country America is.

□ 1425

SOUTHEAST LOUISIANA FACING ENVIRONMENTAL THREAT FROM HIDDEN PROVISIONS IN CLEAN WATER ACT

The SPEAKER. Under a previous order of the House, the gentleman from Louisiana [Mr. LIVINGSTON] is recognized for 15 minutes.

Mr. LIVINGSTON. Mr. Speaker, I want to take this opportunity to congratulate you on your new position, and I want to apologize to the Members of the House for taking their time at this moment. However, I feel that there is a matter coming before the House in the next 24 hours which makes it incumbent upon me to make some comment at this time. I would not otherwise take the Members' time, but for the fact that I believe that the Clean Water Act, which is coming before this House tomorrow, will breeze through the House and with good reason.

The act was supported in the fall by a unanimous vote in this House and probably will be supported by almost that in this House tomorrow. The other body will likewise approve the act. But there is a provision of which I have become aware that, unfortunately, I did not know about when the bill passed the House the first time. It critically affects the health and welfare and safety of the people of southeast Louisiana.

Thus, it is incumbent upon me to talk about that provision now, for I strenuously oppose that provision as it was incorporated into the bill last fall, and as it currently exists in the bill today.

Mr. Speaker, it appears that four companies in Louisiana were granted an exemption in a provision that was inserted in the wee hours of the night in the final conference on the bill in the last session of Congress. That provision would not only grant exemptions to those four companies to dump gypsum into the Mississippi River, but would actually accelerate the permitting process beyond what the law provided prior to the passage of the Clean Water Act last year.

Mr. Speaker, I will not belabor this, but the fact is that in those wee hours, the provision was inserted under an assertion by non-Members of Congress that the entire Louisiana delegation was in support of this provision. That simply was not so, Mr. Speaker. In fact, this particular Member was wholly unaware of that provision.

What that provision would do would be to mandate the granting of EPA permits to four companies, which could permit them to dump waste into the Mississippi River, possibly, without regard to whether or not the substance they were dumping was harmful. I was not opposed to the dumping of this material into the river so long as I understood it to be unharmful. In fact, representatives of those companies came to me last March and asked for my consent to go along with their application for permits to put the stuff in the river I said, "As long as it is not harmful, I have no objection."

Subsequent to that conversation, after I gave my consent to go along with the dumping of gypsum in the river if it was not harmful, it came out in the New Orleans Times-Picayune that the gypsum was radioactive. I do not know if it is truly radioactive or not, or whether it is really harmful. That is for the experts to determine, and the experts have not yet reached a final determination on that point.

The Governor appointed a task force to examine whether or not this gypsum material was hazardous to the health of the people of southeast Louisiana, and that task force has not reached a final conclusion. However, I will tell the Members that there is substantial evidence on both sides, both on behalf of the companies that the gypsum is harmless, and others on behalf of the Sewerage and Water Board, the people who are charged with the responsibility of protecting the quality of water in southeastern Louisiana, who say that gypsum is extraordinarily harmful, not only in terms of ingestion of radioactive material, but also in terms of siltation which would affect the oyster beds and ultimately affect the health and well-being of the consumers of those oysters.

So, we have a serious problem. This is not a partisan issue. This is an issue of the health and well-being and safety of all of the people of southeast Louisiana.

I went to the Rules Committee this morning armed with two amendments which would seek to change that provision. The first would have deleted the entire provision in question, section 306(c), and the second one would have substantially amended the section to grandfather all parties to their position before passage of last year's Clean Water Act. I've attached copies of both amendments.

The amendments follow:

AMENDMENT TO H.R. 1 OFFERED BY MR. LIVINGSTON OF LOUISIANA

Section 306 of the bill is amended by striking out subsection (c) relating to phosphate fertilizer effluent limitation.

AMENDMENT TO H.R. 1 OFFERED BY MR. LIVINGSTON OF LOUISIANA

Section 306(c) of the bill, relating to phosphate fertilizer effluent limitation, is amended to read as follows:

(c) PHOSPHATE FERTILIZER EFFLUENT LIMITATION.—The amendment made by subsection (a) of this section shall not apply to facilities which were under construction on or before April 8, 1974, and for which the Administrator is proposing to revise the application of the effluent limitation established by the Administrator pursuant to section 301(b) of the Federal Water Pollution Control Act for the phosphate subcategory of the fertilizer manufacturing point source category to exclude such facilities. Procedures and standards relating to fundamentally different factors in effect on the day before the date of the enactment of this Act shall continue to apply to any application pending from such fertilizer manufacturing facilities on such date of enactment and the Administrator shall make a determination of such application under such procedures and standards.

That amendment was supported by all of the members of the Louisiana delegation, both House and Senate, I must tell the Members, Mr. Speaker, that I was shocked that the Rules Committee, by a vote of 4 to 4, voted down not only our suggestion that the entire provision, section 306(c) of the new Clean Water Act, be deleted, but also they rejected our amendment to amend that provision, meaning that the same provision, the same language in the statute which existed and which was so controversial when the bill passed this House 2 or 3 months ago is still in there, and that EPA will be mandated by this Congress, if this bill passes in this form, to grant a permit to these four companies that could lead to the dumping of this gypsum into the river within 180 days of the passage of this act.

Mr. Speaker, it is important to note that not only do I oppose this particular provision as it is written in the bill, which will probably pass tomorrow by an overwhelming vote, but this particular provision is opposed by the New Orleans City Council, the New Orleans Sewerage and Water Board, the Jefferson Parish council and Parish President, the St. Bernard police jury, the Westwego Water District, the Plaquemines Parish Oyster Association, the Orleans and Jefferson Parish chapters of the League of Women Voters, the New Orleans Tourist Commission, the Ascension Parish police jury, and numerous private citizens, many of them doctors.

On the State level it is opposed by the Louisiana attorney general's office, the Louisiana Trial Lawyers Association, the Louisiana Wildlife Federation, the Louisiana Department of Education, and the Gulf of Mexico Fishery Council.

On the national level, this provision is opposed by the Sierra Club, the Audubon Society, the Environmental Defense Fund, the National Council of Jewish Women, the Urban League, the Save Our Wetlands Corp., and the Environmental Action League.

On the U.S. Government level, this provision is opposed by the U.S. Fish and Wildlife Service of the Department of the Interior and the National Marine Fisheries Service.

I might say that the Department of the Interior's Fish and Wildlife Service has said that these permits, if they are granted, would "result in significant degradation of water quality, harm fish and wildlife, and represent a major step backward by violating the antidegradation clause of the Clean Water Act and the antidegradation statement of the Louisiana water quality standards * * * any future effort upgrading the water quality of the Mississippi River would be rendered largely impossible in the face of such discharges."

Furthermore, this provision is opposed by the Research Planning Institute, Dr. Jacqueline Mitchell of Columbia, SC, one of the foremost consultants on the effects of radioactive substances on living things. Her preliminary report says that discharge would add substantial amounts of radioactive pollutants to the Mississippi River.

The provision is opposed by the American Water Works Association of Denver, CO, a 105-year-old educational and scientific organization with about 42,000 members.

□ 1435

Other experts including Dr. Joyce Mathison, State epidemiologist of the Louisiana Department of Health and Human Resources, and Dr. William Lappenbusch, a pharmaceutical toxicologist in the research planning division of that same agency.

Mr. Speaker, this provision that exists in the law is interpreted by law professors, specifically Dr. Oliver Houck of the Tulane Law School, to the effect that if this provision as written goes into effect it could permit the companies to dump gypsum while there continues to be a lack of information on the environmental impact of the discharge.

Mr. Speaker, this is potentially harmful material. It may not be harmful, but the jury is not back yet. But, this provision should not be included in this law tomorrow. Unfortunately, the Rules Committee has denied me the right to offer an amendment, and also denied me the right to even exclude this provision as it is written.

The provision is potentially lethal, and any one of you who would find yourselves in my position, finding a provision in a bill running rapidly through Congress and which may impact the health and safety of your constituents, whether 5 or 10 years from now, and which may actually increase the leukemia rate, as indicated by private physicians, by as much as 2.3-percent increase in a single year, you would have to be concerned about such a proposal.

Mr. Speaker, I have voted for the Clean Water Act in the past, but the mayor of New Orleans calls this act as it is currently constituted the "Clean-Dirty Water Act"; clean for the rest of the country, and dirty for the city of New Orleans. One and one-half million people drink the water into which this gypsum may be dumped. If gypsum is lethal, if it is harmful, it will jeopardize the health and safety of all our people. I urge this body to listen to me tomorrow and if necessary, cast a "no" vote on the rule act or at least vote for the motion to recommit so that this provision, this single, potentially lethal provision, can be deleted from the act.

I thank the Speaker and the body for their attention, and I apologize for the length and duration of my talk, but this is a critically important issue.

ETHIOPIA CRISIS CONTINUES

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WOLF. Mr. Speaker, as we begin this new year and the start of the 100th Congress, I want to share with my colleagues a matter of grave humanitarian concern. The issue is Ethiopia and while the public attention to this issue has waned in recent months, the crisis there continues.

In responding to the tragedy in Ethiopia, the American people demonstrated unprecedented generosity, and many thousands of lives were saved. Today, although the drought has eased somewhat, the Ethiopian people remain at the mercy of a malevolent regime. According to articles in the December 15, 1986 edition of the New Republic, "the famine was largely a deliberate creation: the Soviet-backed Marxist regime headed by Lt. Col. Mengistu Haile Mariam used hunger as a means of achieving its political and military aims."

Colonel Mengistu, in early 1985, used the famine situation as a pretext for moving 1.5 million people from the northern drought regions to resettlement camps in the south. The professed justification was to give famine victims a new start in agriculture. The real reason was to depopulate rebel provinces in the north, and as many as 100,000 people lost their lives in this brutal forced migration from the arid northern regions to the tropical disease infested south. Colonel Mengistu's plan is to move 33 million Ethiopians from their traditional homes to government-selected sites. Thirty-three million people is three-quarters the country's total population. During the last year, in fact, 4.5 million people were moved against their will.

The purpose of Colonel Mengistu's collectivized agriculture is to directly control the country's food supply through a plan known as "villagization." It is feared, however, that villagization will produce more hunger. Farmers who once produced more than enough food for themselves will not do the same when production is for the state.

According to the New Republic articles, which I request be inserted in the RECORD immediately following my statement, "The United States Agency for International Development estimates that the combination of rapidly rising population and Mengistu's collectivist fantasy will produce a built-in food shortfall of 2 million metric tons in Ethiopia by the end of this decade."

America and all nations which respect human rights must isolate and condemn the Mengistu regime. If the next famine is to be averted, the Government of Ethiopia must change its policy. Congressional interest in Ethiopia has steadily waned since 1984, but we cannot afford to wait until the next crisis is upon us. We must act now to avert an even greater tragedy than we have just witnessed.

[From The New Republic Dec. 15, 1986]

THE FAMINE NEXT TIME

You will not be assaulted by television images of starving Ethiopian children this holiday season. Normal rainfall returned this year to that country's parched countryside. There is no immediate threat of another famine like the one that killed a million people in 1984 and 1985. Many Ethiopians still depend on internationally supplied relief food, but even these people have returned to their farms to begin planting again. U.S. officials now report that a normal harvest is expected, that the feeding camps are almost empty, and that private relief agencies will be able to pack up their emergency operations by the end of this year. These groups leave behind enough emergency food to meet the needs of two million people for a year.

It sounds like a success story. The West's billion-dollar humanitarian effort got to Ethiopia just in time, and was more than enough to tide the country over. But any celebration should be tempered by the knowledge that the famine was largely a deliberate creation: the Soviet-backed Marxist regime headed by Lt. Col. Mengistu Haile Mariam used hunger as a means of achieving its political and military aims. Mengistu is still pursuing policies that could cause starvation in the future. Now is the time to reflect on what happened and is happening in Ethiopia, and to think about how to respond when the next famine occurs, in Ethiopia or anywhere else.

Through taxes and below-market official prices, the Ethiopian regime effectively confiscated much of the grain and livestock that peasants in the drought-stricken regions had traditionally used to make it through lean years. These policies were designed partly to supply the regime's 300,000-man army (Africa's largest) and partly to keep potentially restive urban centers fed. But they served another strategic purpose too: to starve into submission ethnic minorities, which, chafing under the rule of the Amhara elite in Addis Ababa, supported rebel groups in provinces such as Tigray and Eritrea.

Beginning in early 1985 Mengistu used the famine as a pretext for moving 1.5 million people from drought regions in the North to resettlement camps in the South. The ostensible justification was to give famine victims a new start in agriculture. The real reason was to depopulate rebel provinces. This forced resettlement campaign may have cost as many as 100,000 lives, according to the Cambridge-based human rights group Cultural Survival and the French aid group Doctors Without Borders. Instead of productive new farmland, resettled peasants found only squalid camps. This program earned comparisons with the "terror-famine" Stalin used to deal with his own "nationalities problem" in the Ukraine in the 1930s, and with the mass exodus from Phnom Penh ordered by Pol Pot in Cambodia. A wave of international protest made the government halt resettlement in December 1985—after 600,000 people had been packed off in trucks and Soviet cargo planes. But in his Revolutionary Day speech last September, Mengistu announced that "the resettlement program shall continue to be implemented stage by stage."

And Mengistu has another plan for lifting the Ethiopian peasantry out of backwardness: "villagization." During the last year, over 4.5 million people were moved from their traditional homes to government-selected collective sites. The plan is eventually to move 33 million people—three-quarters of the country's total population. Not even Mengistu claims this is necessitated by famine or drought. The peasants are self-sufficient. They work on fertile land in southeastern Ethiopia. The official justification is that the government will give the farmers better health and education services once they have been "congregated."

But the real purpose is to collectivize agriculture—to take direct, forcible control of the country's food supply. There is also a political rationale: to herd the peasants into sites where they can be subjected to official surveillance and indoctrination. Thus the government dries up the sea of support upon which the Oromo Liberation Front, yet another of Ethiopia's ethnic guerrilla groups, depends.

Earlier this year, Jason Clay, an anthropologist affiliated with Cultural Survival, interviewed dozens of the 30,000 Ethiopian refugees who have fled to Somalia to escape forced villagization. Many of the peasants report that their herds, crops, and possessions were confiscated. In place of the food they used to grow, they were handed 500 grams of ground yellow corn per day. They were made to pack up their houses and carry them to the new sites. If they refused, their houses were burned down. Each new village has a militia made up of recruits from other villages; rape by these outsiders is common. Peasants told Clay that in some uprooted villages mosques were torn down; the building materials were later reused in the new villages, sometimes to build a local headquarters for the Ethiopian Workers' Party, or for the state-run peasant association—or to make latrines. Government cadres said socialism was the new religion.

Villagization sets the stage for yet more hunger. Will farmers who once freely produced more than enough for themselves now do the same for the state? No. Peasants will cut production, food supplies will fall, and the people will go hungry. The U.S. Agency for International Development estimates that the combination of rapidly rising population and Mengistu's collectivist fantasy will produce a built-in-food shortfall of two million metric tons in Ethiopia by the end of the decade.

During the famine, Doctors Without Borders, Cultural Survival, and foreign journalists documented charges that the government had used the food available in feeding centers as a lure to collect hungry people for resettlement. Food was allowed to rot in ports because military trucks were busy at war. The government cynically profited by levying port taxes on shipments of relief grain. AID, one of the largest sources of food, insists, credibly, that it made sure there was no misuse of its supplies. But since Mengistu himself had created the famine, wasn't he in some sense being bailed out by a well-meaning West? Did private aid groups have a duty to stay despite the government's abuses? Or should they have condemned the government, risking the expulsion in the hope of forcing change?

The immediate emergency has passed, but these agonizing questions have not been rendered academic. Some still insist that massive abuses never took place during the famine emergency. Yes, there were "mistakes and excesses" in resettlement, writes U.N. Undersecretary Maurice F. Strong in a recent letter to the *Washington Post*, but the program was based on sound logic and is still "needed." The U.N., he writes, is ready to help Ethiopia develop. So, too, are other governments and private organizations working in Ethiopia right now. Italy is sponsoring a $200 million program to help develop farming in the squalid resettlement zones. CARE International is attempting to do agricultural extension among recently "villagized" farmers.

What justification is there for attempting to work within the system established by Mengistu's callous uprooting of the peasantry? AID, for one, has concluded that it is impossible to do meaningful development work in a villagized Ethiopia. The World Bank won't lend for agricultural development because it's skeptical about the government's commitment to providing decent incentives. Indeed, many of Mengistu's own top officials, including the former head of the state famine relief agency and a foreign minister, have decided *they* can no longer work within the ruthless totalitarianism built by their former boss. They've defected to the West.

Humanitarian impulses are appropriate wherever people are afflicted by natural disaster. But relief and development work don't go on in a political vacuum. "Development" is incidental to the Ethiopian regime's purposes. That regime is perfectly prepared to see its people suffer when "necessary." It will not bend to persuasion or friendly advice, even from the most well-meaning of outside groups.

In one sense, the Ethiopian regime is only at the most monstrous end of a sorry spectrum that includes many other regimes in the Third World. Its savagely confiscatory agricultural policies necessitated a massive airlift of emergency food. In other countries the process is less dramatic, less a matter of ideology. Governments set up state buying monopolies to purchase the peasantry's crops at below cost. The goal is to keep food cheap for city-dwellers, who might rebel if they get too hungry; the result is poverty in the countryside and chronic food shortfalls that have to be met by imports. Increasingly, Western agencies such as the World Bank are conditioning financial assistance on changing such perverse structures.

Conditionality should also apply to the state-made crisis in Ethiopia. Relief agencies and governments should agree to work there—even during the next emergency, when it comes—only if the government first agrees to abandon policies that helped create the disaster in the first place, and that figure to create further disasters in the future. Is it cruel to deny help to peasants in distress? It's crueler still to ignore the true causes of their suffering. Meanwhile, the U.S. government should do everything it can to isolate and condemn the Mengistu regime.

Forceful pressure, not cooperation and persuasion, are the only terms Mengistus understand and respect. Anyone who doubts this should read the Ethiopian tyrant's Revolutionary Day speech. Having already subjected the poorest nation in the world to years of famine and war, Mengistu advised his people that "a new order" was under construction: henceforth, "ephemeral personal comfort should be forgone in the interest of lasting social progress."

WORSE THAN HUNGER

ADDIS ABABA.—Imagine a land of mud, potholes, and bushes. Imagine a camp with thousands of tents pitched haphazardly amid excrement. Imagine a terrible tenacious stench that grabs you by the throat when the wind blows. Imagine the roaming men and the anemic women, bent over their sticks. Imagine the children, faces covered with flies, playing in the muck. And, above all, imagine that a makeshift life is organizing itself here—shops, police, militiamen, restaurants built above latrines, and a thousand and one deals that keep the camp's economy going.

They are not here because of the famine, or because of the drought. And none of those 20 or so people I interviewed told me they'd left their land because it no longer could feed them. If they are here, if they have risked the police, the borders, the dangers, if they've taken the chance to come and stagnate in this pestilence, it is because they are fleeing from a threat more terrible than the famine: the Ethiopian government's program of "villagization."

What precisely is this "villagization"? The accounts I heard were in close enough agreement to allow me to draw at least tentative conclusions. In general, it starts with the arrival of the government militiamen in the center of an agricultural zone. They round up the population. They arrest its traditional chiefs. They proceed with the compulsory registering of property, cattle, and tools. After that they force the peasants to dismantle their houses and carry them on their backs to a new site selected by the Party, where they set them up again.

One of the people I interviewed said that he was beaten up when he refused to comply. Another told me that he was thrown in jail for attempting to sell a donkey and a cart after they'd been registered. A third said he'd seen a soldier cut off the ears and noses of a group of shepherds who refused to divulge the location of their secret grazing grounds.

I learned nothing new about villagization during the two days I was in Addis Ababa on behalf of Action Internationale Contre le Faim. I got the feeling that it was taboo, a subject that people discussed only with reluctance. So it was a relief to drive north toward the city of Dese in an ACIF truck with a good interpreter. At the end of a dirt road, in the midst of a magnificent but oddly forsaken landscape, we at last found what we came looking for: 200 or 300 huts made of tree limbs, thatch, and mud standing erect in the flat country, equidistant and identical to the point of hallucination. It was a dead city, with its too rigorous lineup, its perfect cleanliness, its silent children, and a group of men in tatters who refused to speak.

On the way back we caught sight of a lone, deserted house, and we stopped for a moment. Terror hit the people inside. Their refusal to engage in any discussion bordered on hatred. Our interpreter discovered that we had found the only peasants who had escaped the roundup. They thought we were Soviets coming to correct the error.

On another trip out of Addis we sped west on the road to Harer, and for the first time began to get an idea of "deep Ethiopia." On both sides of the road was rich meadowland with a thousand shades of green scaling the mountain as far as the eye could see. All this has been ravaged by the villagization. When their mosques were destroyed so that the material could be used to build latrines, half of the active population fled toward Somalia. All the cattle ranchers, upon hearing about collectivization, sold their livestock on the cheap. Next year there will be another famine in the province of Harer. We will again see live on our screens terrible images of skeletal bodies, of swollen bellies, of death. Only it is the Ethiopian government that will have deliberately created the situation. And it will be the humanitarian organizations of the West that again will organize emergency assistance. The Americans are already here. They have their stocks, their warehouses, their distribution networks all ready to go.

In Harer I met Muftah S., a shopkeeper by trade, who supplements his monthly earnings by "passing" refugees south of Jigiga toward Somalia. "The passage takes 48 hours," he explained. "It could go faster, of course. But one can only walk at night. And by 5 or 6 o'clock in the morning, one must hide behind the brambles. The first 30 kilometers are all right. After that it gets worse. The Cuban barracks are more numerous and the Ethiopian militia more alert. Sometimes they let you through. They ask for a little money, impound the jewelry, but finally they let you through. Sometimes it turns sour. And the other day, for example, 20 of us left. We picked up six more on the way. When we made it to our destination, Tug Wajale, there were only eight of us left. . . ."

Return to Addis. Ahmed B. told me to meet him at the gates of the gigantic Saint Michael's Church, one of the largest in all Africa. About 20 years old, he is one of some 2,000 students the Party sent in 1984 to the new settlement areas in the South. He told me he saw the Soviet-made Antonov planes stripped of their bomb bays and filled in every nook and cranny with humanity. He saw the corpses of those who hadn't made the trip. He saw pregnant women who had delivered on the way. He saw, when the trucks unloaded their cargo and some, terror-stricken, attempted to flee, the militiamen catching up with them and breaking either a leg or an arm. He saw mothers separated from their children, brothers, or sisters, the husbands from their wives. He saw transit camps with appalling hygienic conditions, but where there was still room for "political formulation."

"Eh, listen," said Ahmed Ali, the bureacrat very officially in charge of selecting aid projects for the refugee commission. "I don't take anything less than a million dollars . . . One has to be serious, you understand . . . One has to think big . . . But I'll keep your proposal in mind . . . Your candidacy is a serious one . . . And France, of course . . . Yes, we like France here . . . So I promise you . . .," etc.

Perhaps I'm making him into a caricature. But in the end, the tone is about right. He had the breathtaking nerve of someone who has understood the mechanics of Western humanitarian aid. Are the humanitarian projects in Ethiopia on the verge of becoming "markets"? Are we at the point where we'll have to beg from the hangmen the right to come to the help of the victims?

Asmara. The capital of the Northern province of Eritrea. In fact there are two Asmaras. There is Asmara the radiant town of smuggled cognacs, of flowers, of nostalgia. Between a bougainvillea and a sumptuous climbing ivy appears an Apollo of Belvedere. And then there's the Asmara besieged with fortified terraces and sandbags in steeples. When evening comes, the children drift into the Hotel Nila and the Peacock Bar, to tell horrific stories of a war one never imagined. The two faces of Asmara have the same apocalyptic merriment, the same slightly feverish euphoria of a town living on borrowed time.

We took the one road open to military convoys and humanitarian aid missions, which goes deep into Eritrea. The war is very close by. There was a burned-out tank on the roadside, a bridge with its arch half destroyed, a church turned into a barrack. In principle, the road is maintained by government agents. But these mountains, these lava fields, these monstrous fallen rocks are the realm of the "fighters," the Tigray rebels battling the Ethiopian government. This is the area where the Mengistu government worked hardest at starving people.

At Ramah, on the provincial border betweeen Eritrea and Tigray, ACIF has set up a mission. The ACIF volunteers help their population settle down rather than displacing them. They worked with the traditional villages rather than trying their hand at collectivization. Mostly they work on both sides and don't ask a child before inoculating or feeding him whether he's for or against the Tigray guerrillas. For these reasons, their presence seems a happy one. I went back to Paris ready, not only to defend the mission, but to cite it as an example. The worst is not inevitable. Maybe it's possible to checkmate blackmail.—Bernard-Henri Levy.

(Bernard-Henri Levy, the author of *Barbarism with a Human Face*, is a founding member of Action Internationale Contre le Faim. A version of this article first appeared in the Paris weekly *L'Evènement du Jeudi*. Translation by Laura Obolensky.)

H.R. 1—SECTION-BY-SECTION ANALYSIS

Mr. HOWARD. Mr. Speaker, I include in the RECORD a section-by-section analysis of H.R. 1:

H.R. 1—SECTION-BY-SECTION ANALYSIS

Section 1

Section 1 contains the short title, a table of contents, and a definition of the term Administrator as the Administrator of the Environmental Protection Agency.

Section 2

This section provides that no payments may be made under this act except to the extent provided in advance in appropriation acts.

TITLE I—AMENDMENTS TO TITLE I

Section 101—Authorizations of Appropriations

In order to not break continuity in the Act, section 101 of the bill authorizes appropriation of such sums as may be necessary for fiscal years 1983 through 1985 for: research and investigation under section 104(u); grants for program administration under section 106; training grants and scholarships under section 112(c); areawide planning under section 208(f); rural clean water under section 208(j); the Clean Lakes Program under section 314, and the general program authorization under section 517. For fiscal years 1986 through 1990, the bill authorizes appropriations in the following amounts for the following programs:

$22.77 million per fiscal year for research activities and investigations on the cause and effects of water pollution (section 104(u)(1));

$3 million per fiscal year for the training of personnel who operate and maintain treatment plants (section 104(u)(2));

$1.5 million per fiscal year for forecasting the supply of, and demand for, occupational categories needed in the water pollution field (section 104(u)(3));

$75 million per fiscal year for grants to State and interstate agencies to assist in administering programs for water pollution control (section 106(a)(2));

$7 million per fiscal year for grants to educational insitutions for programs to train personnel in the operation of water pollution control facilities and to provide scholarships for students entering the field of operation and maintenance of publicly owned treatment works (section 112(c));

such sums as may be necessary per fiscal year for grants under treatment management planning processes (section 208(f));

such sums as may be necessary per fiscal year for the Clean Lakes Program (section 314) which provides for the restoration of the quality of water in lakes; and

$135 million per fiscal year for general administration of the Federal Water Pollution Control Act by the Environmental Protection Agency.

In addition, the substitute authorizes such sums as may be necessary for fiscal years 1984 through 1990 to implement interagency agreements for the utilization of other Federal laws to assist in controlling water pollution.

Section 102—Small Flows Clearinghouse

This section amends Section 104(q) of the Federal Water Pollution Control Act to provide that a portion of the funds set aside for innovative and alternative technologies but not obligated within the two year deadline, but not in excess of $1,000,000, are to be available to support a national clearinghouse within the Environmental Protection Agency to collect and disseminate information on small flows of sewage and innovative or alternative waste water treatment processes and techniques. This authority applies with respect to amounts set aside during the two year period ending on September 30, 1986.

Section 103—Chesapeake Bay

This section amends Title I be adding at the end thereof a new Section 117 entitled Chesapeake Bay. Subsection (a) of new Section 117 requires the Administrator to continue the Chesapeake Bay Program and establish and maintain in the Environmental Protection Agency an office, division, or branch of Chesapeake Bay Programs. This office, division, or branch is to collect and make available information pertaining to environmental quality of the Bay; coordinate Federal and State efforts to improve water quality of the Bay; determine the impact of sediment deposition in the Bay, including the important task of identifying sources, rates, routes, and distribution patterns of sediment deposition; and determine the impact of natural and man induced environmental changes on the resources of the Bay with particular emphasis on pollutant loadings of nutrients, chlorine, acid precipitation, dissolved oxygen, and toxic pollutants. Special attention is to be given to the impact of such changes on striped bass.

Subsection (b) of new Section 117 provides for interstate development plan grants. These grants may not exceed 50 percent of the costs of implementing the management mechanisms contained in the Chesapeake Bay Program and are to be made subject to terms and conditions as the Administrator considers appropriate, and the non-Federal sources must provide the remainder of the cost of implementing the management mechanisms contained in the plan during any fiscal year. Administrative costs cannot exceed 10 percent of the annual Federal grant made to a State under this Subsection.

Subsection (c) of new Section 117 requires a State or combination of States that receives a grant to, within 18 months after the date of the receipt of the grant and biennially thereafter, report to the Administrator on the progress made in implementing the interstate management plan.

Subsection (d) of new Section 117 authorizes $3,000,000 per fiscal year for fiscal years 1987 through 1990 to operate the office, division or branch within the Environmental Protection Agency and $10,000,000 per fiscal year for each of the fiscal years 1987 through 1990 for the Interstate Development Plan Grants.

In review of funding proposals submitted under subsection (b)(2) of this section, the Administrator shall consider the need to provide for effective control of nonpoint sources of pollution to the Bay and should use the authority provided in subsection (b)(1) to assure that such sources are adequately addressed.

Section 104—Great Lakes

This Section amends Title I by adding at the end a new Section 118 entitled Great Lakes.

Subsection (a) of new Section 118 contains Congressional findings that the Great lakes are a valuable national resource, that the United States should seek to attain the goals embodied in the Great Lakes Water Quality Agreement of 1978, and that EPA should take the lead in the effort to meet those goals working with Federal agencies and State and local authorities. Subsection (a) also states that the purpose of this Section is to achieve the goals in the Great Lakes Water Quality Agreement of 1978 and defines certain terms for purposes of this Section. Subsection (b) of new Section 118 establishes the Great Lakes National Program Office within the Environmental Protection Agency. The Office is required to be located in the Great Lakes state.

Subsection (c) of new Section 118 defines the functions of the program office as developing and implementing specific action plans to carry out responsibilities of the United States under the Great Lakes Water Quality Agreement of 1978; establishing a Great Lakes system wide surveillance network to monitor water quality with specific emphasis on toxic pollutants; serving as the liaison with the International Joint Commission and the Canadian counterparts of the agency, coordinating actions of EPA aimed at improving Great Lakes water quality; and coordinating actions of EPA with the actions of other Federal agencies and State and local authorities. The program office is required to develop, in consultation with the States, a five year plan and program for reducing the amount of nutrients introduced into the Great Lakes, including any management program from the new provisions concerning non-point pollution. The program office is required to carry out a five year study and demonstration program relating to the control and removal of toxic pollutants in the Great Lakes. The program office must be included as a separate budget line item in the President's budget submittal to the Congress and the Administrator is to assure that the duties and responsibilities of elements within the agency dealing with the Great Lakes are specifically delineated. Within 90 days after the end of each fiscal year the Administrator is to report on the achievement of the preceding fiscal year, the progress in implementing the system or surveillance of water quality in the Great Lakes, a description of long term prospects, and a comprehensive assessment showing amounts anticipated to be expended on Great Lakes water quality initiatives and a description of current programs administered by other Federal agencies which make available resources to the Great Lakes water quality management efforts.

Subsection (d) of new Section 118 establishes a Great Lakes Research Office within the National Oceanic and Atmospheric Administration. This office is to identify issues relating to the Great Lakes resources on which research is needed in identifying inventory research programs relating to the Great Lakes system. This inventory is to be updated every four years. The research office is to operate a research exchange, a comprehensive environmental research program and database, appropriate research and monitoring activities, and is to be located in a Great Lakes state.

Subsection (e) of new Section 118 requires the program office and research office to prepare a joint research plan for each fiscal year. The plan is to identify proposed research, include the agencies assessment of priorities, and identify all proposed research that may be used to develop a comprehensive environmental data base for the Great Lakes system.

Subsection (f) of new Section 118 requires an interagency cooperation of each department, agency or other instrumentality of the Federal government which has authority over programs relating to the natural resources and environmental quality of the Great Lakes.

Subsection (g) of new Section 118 provides that nothing is to be construed to affect the jurisdiction powers and prerogatives of any department, agency of office of the Federal government under existing Federal and State laws and international treaties.

Subsection (h) of new Section 118 authorizes $11,000,000 for fiscal years 1987 through 1991 for implemeting this section. Of these amounts 40 percent shall be used by the Great Lakes National Program Office on demonstration projects, 7 percent shall be used by the Great Lakes National Program Office for nutrient monitoring and 30 percent shall be transferred to the National Oceanic and Atmospheric Administration for use by the research office.

Section 105—Research on Effects of Pollutants

This Section requires EPA, when establishing national programs to reduce and eliminate pollution, to conduct research on the harmful effects on persons caused by pollutants in water. Special emphasis is to be placed on the effect that bioaccumulation of these pollutants in aquatic species has on reducing the value of aquatic commercial and sport industries. This research is to be conducted in conjunction with the United States Fish and Wildlife Service, the National Oceanic and Atmospheric Administration and other Federal, State and Interstate agencies. Research required by this section should be undertaken using funds made available to carry out section 104 of the Act. In conducting this research, the Administrator should address the health impacts of waterborne pollutants on both human and aquatic species.

TITLE II—CONSTRUCTION GRANTS AMENDMENTS

Section 201—Time Limit on Resolving Certain Disputes

This Section amends Section 201 by adding a new subsection (p) requiring that if a dispute arises with respect to the awarding of a contract for construction of treatment works by a recipient of construction grants funds, and a party to the dispute files an appeal with the Administrator, the Administrator is required to make a final decision of such appeal within 90 days of filing.

Section 202

Subsection (a) of Section 202 amends Section 202(a)(1) of the Act to provide that the eligibility of facilities to receive 75 percent Federal grants is limited to those grants made pursuant to a State obligations ocurring before October 1, 1990.

Subsection (b) of Section 202 amends Section 202(a)(1) of the Act to provide that in the case of a project for which an application for a grant has been made to the Administrator before October 1, 1984, and which project is under judicial injunction on such date prohibiting its construction, the project shall nonetheless be eligible for grants at 75 percent of the construction thereof.

Subsection (c) of Section 202 further amends Section 202(a)(1) of the Act to provide that the Wyoming Valley Sanitary Authority project mandated by judicial order under a proceeding begun prior to October 1, 1984, and a project for waste water treatment for Altoona, Pennsylvania shall be eligible for grants at 75 percent of the cost of construction thereof.

Subsection (d) of Section 202 amends Section 202(a)(3) of the Act to authorize the Administrator to make a grant to fund all the costs of the modifications or replacement of biodisc equipment (including biological contactors) in any public owned treatment works if the Administrator finds that such equipment has failed to meet design performance specifications. This provision does not apply if the failure is attributable to negligence on the part of any person and if the failure has significantly increased capital or operating and maintenance expenditures.

Subsection (e) of Section 202 provides that the activated biofilter feature of the project for treatment works for the City of Little Falls, Minnesota is deemed to be an innovative waste water process and technique for purposes of Section 202(a)(2) of the Federal Water Pollution Control Act. The amount of any grant for such an activated biofilter feature is to be 85 percent.

Subsection (f) of Section 202 provides for the availability of Farmers Home Administration assistance to provide the non-Federal share of the cost of any construction project carried out under Section 201 of the Act.

A number of projects have proceeded with Farmers Home administration funding of the non-Federal share. Subsection (f) is intended to simply clarify that such practices have been and continue to be acceptable. Adoption of this provision should not be interpreted as implying that, prior to this action, such practices were not acceptable.

Section 203—Agreement on Eligible Costs

This section amends Section 203(a) of the Act to provide that before taking final action on any plan specifications and estimates submitted under 203(a) after the 60th date following the date of enactment, the Administrator is to enter into a written agreement with the applicant which establishes and specifies which items of the proposed project are eligible for Federal payments under that section. The Administrator is prohibited from modifying such eligibility determinations unless they are found to have been made in violation of applicable Federal statutes and regulations. Eligibility determinations do not preclude the Administrator from auditing a project pursuant to Section 501 of the Act or other authority or from withholding or recovering Federal funds for costs which are found to be unreasonable, unsupported by adequate documentation or otherwise unallowable under applicable Federal costs principles or which are incurred on a project which fails to meet the design specification of effluent limitations contained in the grant agreement and permit issued pursuant to Section 402 of the Act.

Section 204—Design/Build Projects

This Section amends Section 203 of the Act by adding a new Subsection (f) entitled Design/Build Projects.

New Subsection (f) provides that an applicant who proposes to construct waste water treatment works may enter into an agreement with the Administrator which provides for the preparation of construction plants and specifications in the erection of treatment works in lieu of proceeding under other provisions of Section 203. Agreements under this new Subsection are limited to projects under an approved facility plan, which projects are treatment works that have an estimated total cost of $8,000,000 or less and the system must consist of aerated lagoons, trickling filters, stabilization ponds, land application systems, sand filters, or subsurface disposal systems. The agreement must set forth an annual amount agreed to as the maximum Federal contribution to the project which is based upon a competitively bid document of basic design data and applicable standard construction specifications as well as a determination of the Federally eligible costs of the project at the applicable Federal share under Section 202 of the Act. The agreement must set forth dates for the start and completion of construction of the treatment works by the applicant and a schedule of payments of the Federal contributions to the project. The applicant is further required to give assurances that engineering and management assistance will be provided, that the proposed treatment works will be an operable unit and will meet all requirements of Title II of the Act, and that not later than one year after the date specified as the date of completion and construction of the treatment works, the works will be operating so as to meet the requirements of any applicable permit for such treatment works under Section 402 of the Act. The grant applicant is also required to obtain a bond from the contractor in an amount determined necessary by the Administrator to protect the Federal interest in the project and the agreement may contain such other terms and conditions as are necessary to assure compliance with Title II of the Act.

For grants made pursuant to this new Design/Build Authority, Subsections (a) (b) and (c) of Section 203, relating to the requirement for a grant applicant to submit plan specifications and estimates to the Administrator for approval, requirement for the Administrator to make periodic payments to the grant applicant as work progresses, and a requirement for the Administrator to pay out the appropriate sums of the unpaid balance of the Federal share upon completion of the project and final approval are not applicable.

For grants made pursuant to this new Subsection, the Administrator is required to reserve a portion of the grant to assure contract compliance until final project approval occurs, as defined by the Administrator. If the amount agreed to as the maximum Federal share exceeds the cost of design and in constructing the treatment works, the Administrator is to reallot the amount of the excess to the State in which such treatment works are located for the fiscal year in which the audit is completed. In no event shall the Federal contribution of the costs of preparing construction plants and specifications and the building and erection of treatment works exceed the amount that had been agreed upon as the maximum Federal share. The Administrator may not obligate more than 20 percent of the amount allotted to a State for a fiscal year for grants made pursuant to this design build authority. The Administrator is required to determine an allowance for facilities planning for projects constructed under this new authority in accordance with Section 201(1). In any case in which a grant recipient does not comply with the terms of the agreement entered into, the Administrator is authorized to take such action as may be necessary to recover the amount of the Federal contribution to the project. This new Subsection also provides that a recipient of a grant made pursuant to this new Subsection is not to be eligible for any other grants under title II of the Act for the same project.

Because design-build management is limited to specified, conventional treatment systems, the facility plan is expected to provide sufficient, basic information to assure that bids reflect comparable design and construction standards. The applicant, with the assistance of the State and the Administrator, may supplement the facility plan with additional basic design data and construction specifications prior to bidding if necessary.

It is expected that applicants will not need to hire professional services to upgrade a facility plan to a bid document. However, if the Administrator of State determines that additional professional services are needed in order to prepare a bid document, costs of such services are to be eligible under section 201(1) of this Act. The Administrator may decline to agree to an amount of Federal contribution and decline to enter an agreement under this section if he finds that the bid document is not adequate to assure that bids reflect comparable design and construction standards.

Section 205—Grant Conditions; User Charges on Low Income Residential Users

Subsection (a) of Section 205 amends Section 204(a)(1) of the Act to require the Administrator, before approving sewage treatment construction grants for any project, to determine either that any required areawide waste treatment management plan under section 208 is being implemented for such area and the proposed treatment works are included in such plan, or that reasonable process toward implementation is being made. Subsection (b) of Section 205 amends Section 204(a)(2) of the Act by requiring similar conformance with plans and reports in Section 303(e) and 305(b) of the Act. Subsection (c) of Section 205 amends Section 204(b)(1) of the Act by providing that a system of user charges which imposes a lower charge for low income residential users, as defined by the Administrator, is to be deemed to be a user charge system meeting the requirements of Section 204, if the Administrator determines that the system was adopted after public notice in a hearing. Any additional user charges required of other users of the waste treatment services resulting from application of this Subsection are to be determined in accordance with the proportionality requirements of Section 204. Those requirements require that each recipient of waste treatment services within the grant applicant's jurisdiction pay its proportionate share of the costs of operation and maintenance of any waste treatment services provided by the grant applicant.

Subsection (d) provides that Subsections (a) and (b) are to take effect on the last day of the two year period beginning on the date of enactment.

The inclusion of subsection (d), providing for an effective date beginning two years after the date of enactment for new provisions concerning areawide plans and continuing planning processes, is not intended to affect or override any related provision of this Act.

Section 206—Allotment Formula

Subsection (a) of Section 206 amends Section 205(c)(2) by extending the existing grant formula through fiscal year 1986. Section 205(c) is further amended by adding a new paragraph 3 creating a new allotment formula for fiscal years 1987 through 1990 for sums authorized to be appropriated pursuant to Section 207 of the Act. These sums are to be allotted not later than the 10th day which begins after the date of enactment of the new allotment formula. The new allotment table is as follows:

Alabama	.011309
Alaska	.006053
Arizona	.006831
Arkansas	.006616
California	.072333
Colorado	.008090
Connecticut	.012390
Delaware	.004965
District of Columbia	.004965
Florida	.034139
Georgia	.017100
Hawaii	.007833
Idaho	.004965
Illinois	.045741
Indiana	.024374
Iowa	.013688
Kansas	.009129
Kentucky	.012872
Louisiana	.011118
Maine	.007829
Maryland	.024461
Massachusetts	.034338
Michigan	.043487
Minnesota	.018589
Mississippi	.009112
Missouri	.028037
Montana	.004965
Nebraska	.005173
Nevada	.004965
New Hampshire	.010107
New Jersey	.041329
New Mexico	.004965
New York	.111632
North Carolina	.018253
North Dakota	.004965
Ohio	.056936
Oklahoma	.008171
Oregon	.011425
Pennsylvania	.040062
Rhode Island	.006791
South Carolina	.010361
South Dakota	.004965
Tennessee	.014692
Texas	.046226
Utah	.005329
Vermont	.004965
Virginia	.020698
Washington	.017588
West Virginia	.015766
Wisconsin	.027342
Wyoming	.004965
American Samoa	.000908
Guam	.000657
Northern Marianas	.000422
Puerto Rico	.013191
Pacific Trust Territories	.001295
Virgin Islands	.000527

Subsection (b) of Section 206 amends Section 205(e) by extending the minimum allotment to which each State is entitled through 1990.

Subsection (c) of Section 206 amends Section 205(g) (1) by extending authority to use grant funds for costs of administration through October 1, 1994.

Subsection (d) of section 206 amends Section 211(c) of the Act by extending the provision prohibiting grants for control of discharges from separate storm sewers through 1990.

Section 207—Rural Set Aside

Section 207 amends Section 205(h) of the Act which relates to alternative to conventional sewage treatment works in rural states by changing the 4 percent mandatory set aside to provide that the set aside shall be a minimum of 4 percent but may be increased to as much as 7½ percent at the request of the Governor of an affected State. Also the authorization of a discretionary set aside for other States of up to 4 percent at the request of the Governor is changed to authorize a set aside of up to 7½ percent.

Section 208—Innovative and Alernative Projects

Section 208 amends Section 205(i) of the Act relating to set aside for innovative and alternative projects, to provide that not less than ½ of 1 percent of the funds allotted to a State for fiscal years ending September 30, 1990 are to be expended only for increasing the Federal share of grants for construction of treatment works utilizing innovative processes and techniques pursuant to Section 202(a)(2).

The provision also requires that including the ½ of 1 percent expenditures authorized, a total (as determined by the Governor of the State) of not less than 4 percent nor more than 7½ percent of the funds allotted to the State under Subsection 205(c) for each of the fiscal years ending September 30, 1982 through September 30, 1990, are to be expended only for increasing the Federal share of grants for construction of treatment works pursuant to Section 202(a)(2) of the Act.

Section 209—Regional Organizational Funding

Section 209 amends Section 205(j)(3) to provide that states are to allocate at least 40 percent of the funds received pursuant to Section 205(j) of the Act with respect to water quality planning by regional interstate comprehensive public planning organizations, for use by regional comprehensive public planning organizations or appropriate interstate planning organizations. The Governor, after receiving approval from the Administrator, may allocate a lesser amount in any fiscal year, but only where allocation of 40 percent will not result in significant participation by such entities in the water quality planning activities conducted pursuant to this Act.

This provision establishes a minimum allocation and it is intended to encourage States to provide a larger percentage of funds to regional and interstate organizations where a higher allocation will encourage participation by such entities.

Section 210—Marine CSO's and Estuaries

Section 210 amends Section 205 by adding a new subsection (1) entitled Marine Estuary Reservation. This new Subsection requires the Administrator to reserve funds prior to making allotments to the States in the amount of 1 percent of sums appropriated in fiscal years 1987 and 1988 and ½ of 1 percent of funds appropriated in fiscal years 1989 and 1990. Of the sums reserved under this new Subsection, two thirds are to be available to address water quality problems of marine bays and estuaries subject to lower levels of water quality due to impacts of discharges from combined stormwater and sanitary sewer overflows from adjacent urban complexes. The remaining one third is to be available for the implementation of Section 320, relating to the National Estuary Program.

Any sums reserved under this new Subsection are to be available pursuant to the two year period availability provided for in Section 205(d) of the Act. For purposes of this new Subsection and Section 201(n) of the Act, Newark Bay, New Jersey and a portion of the Passaic River up to Little Falls, in the vicinity of Beatties Dam, are to be treated as a marine bay and estuary.

Section 211—Authorizations for Construction Grants

Section 211 amends Section 207 by extending the authorization for appropriations for constructions grants for fiscal years 1986, 1987, and 1988 at $2.4 billion and for each of the fiscal years 1989 and 1990 at $1.2 billion.

Section 212—State Water Pollution Control Revolving Funds

Section A of Section 212 creates a new title 6 of the Federal Water Pollution Control Act entitled State Water Pollution Control Revolving Funds.

This title provides that the Administrator and States may enter into capitalization grant agreements under this title. States must agree to accept payments under a schedule to be developed jointly with the Administrator, must agree to provide a 20% match of Federal funds, and must agree to make binding commitments for assistance in an amount equal to 120% of the amount of the grant payment within one year. Monies contributed by a State to match Federal capitalization grants under section 602(b)(3) are to be cash and not in-kind.

The schedule under which payments are to be made by the Administrator to the State shall be developed jointly by the State and the Administrator. Such schedule shall be based on the State intended use plan and shall provide that payments be made as expeditiously as possible, consistent with such plan. Payments to a State must be made not later than the earlier of eight quarters after the date funds were obligated by the State or 12 quarters after the date such funds were allotted to the State.

In addition, the State must agree to assure, as part of the intended use plan submitted annually, that all Federal and State funds provided to the SRF will be committed in an expeditious and timely manner. This provision reinforces the requirement that States make binding commitments for funds within one year of any given payment to the fund.

Section 602(b)(5) refers to all Federal funds, in the form of capitalization grants, and all other funds in the SRF as a result of those capitalization grants, including repayments of loans originating from those grants and State funds contributed as the required match for those grants, and funds deposited in the fund under section 205(m). The State must use these funds first to assure that treatment works maintain progress toward compliance with the enforceable deadlines, goals and requirements of this Act, including the municipal compliance deadline of July 1, 1988, or are on enforceable schedules for compliance after that date.

Progress toward compliance with enforceable deadlines, goals and requirements of the Act, in the case of treatment works that are not voluntarily on a schedule to achieve compliance, may be assured through a finding commitment or through establishment of an enforceable compliance schedule. Thus, the requirement of section 602(b)(5) is met if treatment works in a State are on an enforceable schedule to achieve compliance with uniform secondary treatment requirements of the Act, whether or not there is a commitment to fund such treatment works from a State revolving loan fund or with a grant under Title II of this Act. Governors of each State shall make the determination of progress toward compliance required under this subsection and the Administrator shall oversee such determinations.

Once a State has met the requirement of paragraph (B), funds from the SRF may be used for any other treatment works as defined by section 212 of the Act (subject to the restrictions of section 602(b)(6)), programs and projects identified under the Nonpoint Source Pollution Control Program (section 319), or programs and projects identifed under the National Estuaries Program (section 320). This provision is intended to allow States the flexibility to utilize funds from the SRF to support a variety of measures that the State determines are needed to achieve water quality goals.

Further, a State must demonstrate that any treatment works which is constructed in whole or in part prior to fiscal year 1995 with funds directly made available by capitalization grants under this title or section 205(m), will meet the requirements of the sections 201(b), 201(g)(1), 201(g)(2), 201(g)(3), 201(g)(5), 201(g)(6), 201(n)(1), 201(o), 204(a)(1), 204(a)(2), 204(b)(1), 204(d)(2), 211, 218, 511(c)(1) and 513. This restriction on the use of Federal capitalization grant funds does not apply to funds contributed by the State in accord with section 602(b)(3), monies repaid to the fund, or other monies. State Governors shall assure that the requirements of this subsection are met.

The restrictions on the use of capitalization grant funds used directly to support treatment works are intended to assure that Federal funds are used in an effective and efficient manner. However, nothing in the conference substitute limits or otherwise affects the authority a Governor has by virtue of section 201(g)(1) of the Act to reserve 20 percent of the State's allotment for otherwise ineligible assistance.

Section 201(b) requires that projects apply best practicable waste treatment technology.

Section 201(g)(1) limits assistance to projects for secondary treatment or more stringent treatment, or any cost effective alternative thereto, new interceptors and appurtenances, and infiltration-inflow correction. This subsection also provides that State Governors may reserve 20 percent of a State's allotment for projects which meet the definition of treatment works in section 212(2) but are otherwise not eligible for assistance under this subsection. This Governor's reserve is intended to apply to funds made available under this title.

Section 201(g)(2) requires that alternative waste treatment techniques be considered in project design.

Section 201(g)(3) requires the applicant to show that the related sewer collection system is not subject to excessive infiltration.

Section 201(g)(5) requires that applicants study innovative and alternative treatment technologies and take into account opportunities to make more efficient use of energy and resources.

Section 201(g)(6) requires that the applicant analyze the potential recreation and open space opportunities in the planning of the proposed facility.

Section 201(n)(1) provides that funds under section 205 may be used to address water quality problems due to discharges of combined stormwater and sanitary sewer overflows, which are not otherwise eligible, if such discharges are a major priority in a State. This provision is intended to apply to use of funds under title VI as well as section 205.

Section 201(o) calls on the Administrator to encourage and assist communities in development of capital financing plans.

Section 204(a) (1) and (2) require that treatment works projects be included in plans developed under section 208 and 303(e).

Section 204(b)(1) requires communities to develop user charge systems and to have the legal, institutional, managerial, and financial capability to construct, operate and maintain the treatment works.

Section 204(d)(2) requires that, one year after the date of construction, the owner/operator of the treatment works must certify that the facility meets design specifications and effluent limitations included in its permit.

Section 211 provides that collectors are not eligible unless the collector is needed to assure the total integrity of the treatment works or that adequate capacity exists at the facility.

Section 218 assures that treatment systems are cost effective and requires that projects of over $10 million include a value-engineering review.

Section 511(c)(1) applies the National Environmental Policy Act to treatment works projects.

Section 513 applies Davis-Bacon labor wage provisions to treatment works construction.

As noted above, the fund may be used to assist publicly owned treatment works as defined by section 212 of the act, the development and implementation of a nonpoint source management program established under section 319 and development and implementation of an estuary program under section 320. This provision is intended to provide a basis for funding of projects to control nonpoint pollution and pollution to estuaries where such projects are conducted by muncipalities, a State, other public organizations, or individual. All fund management provisions of this title apply to such projects.

The definition of projects eligible for funding under the loan program includes publicly owned treatment works as defined by section 212 of the Act. This definition includes planning and design as defined in section 212(1), treatment works as defined in section 212(2) and replacement as defined in section 212(3). Each of these aspects of treatment works is eligible for assistance under this title.

Some municipalities have developed, or may develop in the future, innovative financing arrangements involving private ownership and operation of portions of municipal sewage treatment systems. It is not the intent of this section to prohibit or discourage States from using their revolving loan funds to support the publicly owned portion of such treatment systems.

Funds under this title may be used to make loans as provided under section 603(d)(1), but are not to be used to provide direct grants. If as a result of audits under this section, the Administrator finds a consistent and substantial failure to repay loans, he may take corrective action as provided under this title.

Section 603(d)(2) provides that loan funds may be used to refinance debt obligations of municipalities for eligible projects, where such obligations were incurred after March 7, 1985.

Section 603(n) limits the authority of section 603(d)(2) by providing that funds may not be used to make direct loans to support the non-Federal share of a project receiving assistance under title II of this Act. This limitation on direct loan assistance does not include ancillary assistance to the municipality which results in a lowering of costs of the obligation (e.g. guarantee of the local share obligation, insurance of the obligation, etc.). However, such indirect assistance to support the costs of the non-Federal share shall only be available to municipalities which face severe financial constraints, as determined by the State Governor.

This section provides that wastewater treatment projects, but no other eligible projects, assisted with funds in the loan fund are required to be on the State priority list. Such assistance may be provided without regard to rank of the project on the list.

The provision provides for the allotment of certain funds to States, reservation of funds for planning, and the reallotment of unobligated funds. Funds reserved for water quality management planning under this provision are to be used by whichever agency or agencies in the State conduct environmental programs, rather than an agency established to manage the financing of projects with funds provided under this title.

The bill authorizes revolving loan fund appropriations of $1.2 billion for each of fiscal years 1989 and 1990; $2.4 billion for fiscal year 1991; $1.8 billion for fiscal year 1992; $1.2 billion for fiscal year 1993; and $600 million for fiscal year 1994. In addition, the bill allows transfer of funds under title II to a loan fund established under this title. Such transfers may not exceed 50% of grant funds in FY 1987 and 75% of grant funds in 1988. Such title II funds are to be treated as capitalization grants when transferred to the fund.

The provision provides for reports to Congress on the progress and status of State loan funds.

Funds available to States under section 205(g) for the management of construction grant programs under title II may be used to assist the development of revolving loan funds under this title.

Section 213—Improvement projects

Subsection (a) of 213 directs the Administrator to make a grant of $3,000,000 to the State of California for improvements to the waste treatment works in Avalon, California.

Subsection (b) directs the Administrator to provide a grant to the State of Pennsylvania for waste treatment works in Walker and Smithfield Township, Pennsylvania.

Subsection (c) directs the Administrator to provide the State of Kentucky $250,000 for the repair and construction of waste treatment works in Taylor Mill, Kentucky.

Subsection (d) directs the Administrator to make a grant for the construction of a collection system in Nevada County, California to deliver wastes to the Tahoe-Truckee Sanitary District's regional waste water treatment facility.

Subsection (e) directs the Administrator to make a grant to the Wanaque Valley Regional Sewage Authority, New Jersey, for construction of treatment works capable of treating 1,050,000 gallons per day. Seventy-five percent of the cost of construction of the treatment works shall be paid by the Federal government.

Subsection (f) directs the Administrator to make grants to the Village of Lena, Illinois for the construction of treatment works including replacement of a moving bed filter press. Seventy-five percent of the cost of construction shall be provided by the Federal government.

Subsection (g) directs the State of Pennsylvania to give priority for the construction of the Wyoming Valley Sanitary Authority Secondary Treatment Project, and a project for waste water treatment in Altoona, Pennsylvania.

Section 214—Chicago Tunnel and Reservoir project

Section 214 authorizes the Administrator to determine whether the Chicago Tunnel project meets the cost-effectiveness requirements of Sections 217 and 218 of the Federal Water Pollution Control Act. If such determination is made, the project may receive grants for the construction of publicly owned treatment works.

Section 215—Ad valorem tax dedication

Section 215 provides that the ad valorem tax user charge used by Hampton and Nashua, New Hampshire, meets the requirements of Section 204(b)(1) of the Federal Water Pollution Control Act. Section 204(b)(1) requires that applicants for waste treatment grants possess the legal, managerial, and financial capability, to insure adequate construction, operation, and maintenance of treatment works.

TITLE III—STANDARDS AND ENFORCEMENTS

Section 301—Compliance dates

Subsection (a) Priority Toxic Pollutants

Subsection (a) amends Section 301(b)(2) of the Federal Water Pollution Control Act and extends the compliance date to meet effluent limitations developed for priority toxic pollutants to no later than three years after the date that the limitations are promulgated, and in no case later than March 31, 1989. Subsection (b) amends Section 301(b)(2)(D) of the Federal Pollution Control Act by extending the compliance date to meet effluent limitations developed for toxic pollutants to no later than three years after the date the limitations are promulgated and in no case later than March 31, 1989.

Subsection (c) amends Section 301(b)(2)(E) of the Federal Water Pollution Control Act and extends the compliance date to meet effluent limitations developed for conventional pollutants to no later than three years after the date the limitations are promulgated, and in no case later than March 31, 1989. Subsection (d) amends Section 301(b)(2)(F) of the Federal Water Pollution Control Act and directs compliance with effluent limitations developed for all other pollutants as expeditiously as practicable, and in no case later than March 31, 1989.

Subsection (e) amends Section 301(b) of the Federal Water Pollution Control Act and directs that effluent limitations requiring best practicable technology or based on fundamentally different control technology promulgated after January 1, 1982, must be complied with as expeditiously as practicable, and no later than three years after the date the limitations are promulgated, and in no case later than March 31, 1989. Subsection (e) also requires that an effluent limitation established pursuant to a national pollutant discharge elimination system permit issued after enactment of the Water Quality Act of 1987, must be complied with as expeditiously as practicable, and no later than three years after the limitation is established, and in no case later than March 31, 1989.

Subsection (f) directs the Administrator to establish effluents limitations for certain toxic pollutants. Final regulations must be promulgated for organic chemicals, plastics, and synthetic fibers no later than December 31, 1986. Final regulations must be promulgated for pesticides no later than December 31, 1986.

With respect to the establishment of an outside date of March 31, 1989, for compliance with technology based requirements, the committee notes that prompt promulgations of the relevant effluent limitations will be essential to allow discharges sufficient time to come into compliance. Therefore, the Administrator is directed to promulgate such limitations as expeditiously as possible.

If discharges in an entire category are unable to meet the March 31, 1989, deadline as a result of the Administrator's failure to promulgate effluent limitations in sufficient time to allow for compliance by such date, noncompliance resulting from the Administrator's delay can be dealt with under EPA's current post-1984 deadline enforcement policy. That policy calls for the Agency, at the same time a permit containing the statutory deadline is issued, to issue an administrative order to the non-complying company which specifies a schedule of compliance as expeditiously as practicable, but not later than three years after permit issuance. Permits issued on the basis of best professional judgment in advance of promulgation of effluent guideline will be able to comply with the statutory deadline, and EPA and the States should consider the use of such permits if effluent guidelines are delayed.

Section 302—Modification for non-conventional pollutants

The section specifies five pollutants for which modifications under section 301(g) may be sought. It provides that the Administrator may list additional pollutants in response to a petition. To apply to a particular industrial category, this listing must occur prior to the deadline for submitting applications for modifications, which is 270 days after promulgation of an applicable effluent limitation guideline. A petitioner may file an application for modification simultaneously with a petition for listing a pollutant under section 301(g).

Before listing a pollutant under section 301(g), the Administrator first must determine whether the pollutant meets the criteria for listing as a toxic pollutant under section 307(a)(1), as that term is defined in section 502(13). If the Administrator determines that the pollutant does meet these criteria, then the Administrator is required to list the pollutant under section 307(a)(1). If the Administrator determines that the pollutant does not meet these criteria, and the Administrator determines that adequate methods and sufficient data about the pollutant are available to enable the Administrator to make decisions respecting modifications under subsection (g)(2), then he shall list it under section 301(g). The burden of proof respecting submission of these data and for showing the adequacy of the data and of test methods is upon the person submitting the application for listing.

An application for listing a pollutant under section 301(g) or for a modification of permit respecting such pollutant does not stay compliance deadline requirements for any pollutant other than that for which the modification is being sought. The Administrator is required to approve or disapprove an application for a modification within one year of the date of application or, in a case in which a petition for listing the pollutant under section 301(g) is approved, within one year of such approval.

If an application for modification under section 301(g) is disapproved, the applicant must meet compliance deadlines for all applicable effluent limitations, including those for the pollutant subject to the application. If such an application is approved, the applicable compliance date with respect to the pollutant for which the modification is sought will be determined under section 301(b) and section 309.

Section 303—Discharges into marine waters

Subsection (a) of section 303 changes the requirement that modified discharge requirements will not interfere with the attainment or maintenance of water quality to a requirement that the discharge will not interfere, alone or in combination with pollutants from other sources, with attainment and maintenance of water quality.

Subsection (b) limits the scope of monitoring of a discharge to include only those scientific investigations which are necessary to study the effects of the proposed discharge.

Subsection (c) requires that, in the case of any treatment works serving a population of 50,000 or more, where a toxic pollutant for which there is no applicable pretreatment requirement in effect is introduced into the treatment works, the applicant for an ocean discharge modification must have a pretreatment program which, in combinations with the discharge, removes the same amount of the pollutant as would be removed if secondary treatment was provided and no pretreatment program was in effect.

Subsection (d) amends Section 301(h) of the Federal Water Pollution Control Act by requiring an applicant that receives an effluent limitation modification to achieve at least primary or equivalent treatment of effluent discharged into marine waters.

Subsection (e) provides that in order for a section 301(h) permit to be issued, the marine waters into which the discharge will occur must exhibit characteristics assuring that the water providing dilution does not contain significant amounts of previously discharged effluent from the treatment works. No permit may authorize the discharge of any pollutant into saline estuarine waters which do not support a balanced indigenous population of fish, shellfish and wildlife or which exhibit water quality below applicable standards. Finally, no permit may be issued for discharge of a pollutant into the New York Bight.

Subsection (f) modifies Section 301(j)(1)(A) of the Federal Water Pollution Control Act by permitting a publicly owned treatment works that contracted to use a portion of the capacity of another publicly owned treatment works ocean outfall, to apply for a modification of Section (h) in its own right, provided the other treatment works had applied for or received a modification under Subsection (h). The modification must be applied for no later than 30 days after the date of the enactment of the Water Quality Act of 1987.

The amendments contained in subsections (a), (c), (d) and (e) of Section 303 do not apply to an application for a permit under Section 301(h) which has been tentatively or finally approved by the Administrator before the date of the enactment of this Act. These amendments do, however, apply to all renewals of such permits.

Section 304—Filing deadline for treatment works modification

This section amends section 301(i) by removing the filing deadline for applications for extensions of the date by which secondary treatment must be achieved and provides that the extension of a filing date does not apply to treatment works which are subject to an administrative or judicial compliance schedule.

The filing deadline for such applications is extended to 180 days after enactment of the Water Quality Act of 1986. The applications of the extension is limited to treatment works not subject to a court order or final administrative order issues by EPA or a State. The Administrator should use the discretion provided under this subsection to assure that granting such request would not upset an existing compliance schedule or delay compliance with the July 1, 1988, compliance deadline. This amendment should be read to be consistent with the EPA's National Municipal Policy.

Section 305—Innovative technology compliance deadlines for direct dischargers

Section 301(k) of the Act provides that, in the case of any facility which proposes to comply with the requirements of best available technology by replacing existing production capacity with an innovative production process, which will result in effluent reduction significantly greater than that required by the otherwise applicable effluent limitation or with the installation of an innovative control technique that has a substantial likelihood for enabling the facility to comply with the applicable effluent limitation by achieving a significantly greater effluent reduction than that required by the applicable limitation, the Administrator may establish a compliance date no later than July 1, 1987, three years later than the final compliance date otherwise provided in the Act. The bill amends this provision, changing the compliance date from July 1, 1987, to a date two years after the date for compliance with the effluent limitation which is otherwise applicable.

It is intended that the term "industry-wide application" means that application of the innovative system, production process, or control technique is technically feasible at a significant portion of the facilities in an industrial category or subcategory and will be made commercially available by the applicant, unless the applicant is the only facility in the subcategory.

Section 306—Fundamentally different factors

This section limits the authority of the EPA Administrator to modify a minimum, national treatment requirement for an individual facility within an industry if the facility is found to be fundamentally different from other facilities within the industry on the basis of certain factors considered by the Administrator in establishing the guidelines or standards applicable to the facility's industrial category.

This new provision provides a clearly defined and limited authority in the statute for modification of treatment requirements for individual facilities. The provision is intended to assist the Administrator in addressing unique circumstances and other variations in development and effective administration of national effluent guidelines and standards.

This section requires the EPA Administrator to make difficult decisions with regard to the magnitude of differences among similar facilities within an industry. In exercising this judgment, the Administrator should place high priority on the principle that all similarly situated facilities within an industrial category or subcategory are to meet national minimum treatment requirements. The authority of this section is intended only to provide the Administrator with the authority needed to implement this aspect of the statute effectively and should not be used to generally relax or retreat from national minimum requirements for an industry.

This section places several important new limits on the Administrator's fundamentally different factors authority.

The new provision provides that a facility may be found to be fundamentally different based on factors identified in sections 304 (b)(2) and (g). These factors include the age of equipment and facilities, the process employed, the engineering aspect of the types of control techniques, process changes, and other factors deemed appropriate by the Administrator.

The bill specifically excludes consideration of costs, independent of other eligible factors, as a basis for establishing a fundamental difference with regard to an individual facility.

This new subsection is not intended to prohibit the EPA from modifying treatment requirements in a case where a fundamental difference in an aspect of a facility which is eligible for consideration (e.g. age of facility, process employed) would result in a reduction in costs to a facility. When such an eligible factor is under review, EPA may consider the costs specifically associated with that factor, but must be able to justify a finding of a fundamental difference on the basis of eligible factors. EPA shall not replace a substantive and technical assessment of eligible factors with a shortened cost test designed to indicate a fundamental difference (e.g. by suggesting that when the costs of an eligible factor at an individual facility are twice the costs at average facilities, the factor is fundamentally different).

The reported bill specifies several procedural requirements and other limitations governing applications for modifications under this section.

Subsection (n)(1)(B) provides that an application be based solely on information and supporting data submitted to the Administrator during the development or revision of a guideline or on information the applicant did not have a reasonable opportunity to submit during the rulemaking. The lack of a reasonable opportunity to submit information is based on a lack of actual or constructive notice of the rulemaking or on the development of new circumstances in the field facing specific facilities. This provision will assure that effluent limitations and standards are as comprehensive as possible, and thereby reduce the need for applications under this subsection. This provision will also discourage withholding of information during the rulemaking process for subsequent use in an application for treatment modification under this subsection.

It is recognized that, where the record is already closed and an applicant has new information to present bearing on the guideline or standard, the applicant continues to have the right to petition the Administrator to reopen the rulemaking and record and consider creation of a subcategory. The Administrator's disposition of such a petition is subject to judicial review under section 509(b) of the Act.

Subsection (n)(1)(C) provides that the alternative requirement imposed on the applicant can be no less stringent than justified by the applicant's fundamental difference from the rest of the category or subcategory with respect to eligible factors.

Subsection (n)(1)(D) provides that any alternative requirement shall not result in a nonwater quality environmental impact which is markedly more adverse than the impact considered by the Administrator.

Subsection (n)(2) requires that an application under this section shall be submitted within 180 days after the publication of the initial guideline or standard. Subsection (n)(3) provides that an application shall be approved or denied by final Agency action within 180 days after submission. For the purposes of this section, final Agency action means the administrative decision issued by the EPA, following public notice and comment, as appropriate and including a statement of the basis for the decision. Subsection (n)(4) states that the Administrator may allow the applicant to submit additional information and supporting data with regard to an application prior to the 180-day decision deadline.

In the case of guidelines for the oil and gas extraction industry and with respect to three cane sugar processing mills along the Hamakua Coast of Hawaii, the EPA may temporarily withdraw the applicable guideline at any time, issue a Best Professional Judgment permit to affected facilities, and then reissue the guideline with an appropriate subcategory.

Subsection (n)(5) provides that an application for an alternative requirement based on fundamentally different factors which is pending on the date of enactment may be amended by the applicant within 180 days after such date of enactment.

Section 301(n)(6) provides that an application for an alternative requirement under this section shall not stay the facility's obligation to comply with the effluent limitation guideline or standard which is the subject of the application. If an application for an alternative requirement is denied by the Administrator, the applicant must comply with the limitation or standard as established and the original deadline. The compliance date for a requirement for which an alternative is granted is to be determined under sections 301(b) and 309.

Section 301(n)(8) also provides that the Administrator shall provide to the Congress a report on the status of applications for modifications under sections 301, 304, and 307(b) of the Act every six months after the date of enactment.

The section shall apply to primary and secondary national effluent limitations and categorical pretreatment standards for industrial categories currently identified, such categories as may be identified in the future, and to any revisions of guidelines or standards for such categories.

The owner or operator of a facility seeking a fundamentally different factor modifications has the burden of proving to the satisfaction of the Administrator that the facility is eligible for an alternative requirement under this subsection.

Section 301(l) of the Act, which exclude toxic pollutants from modifications under this Act, is amended to allow modifications only under this section for toxic pollutants. This amendment to section 301(l) does not in any way weaken the application of the section to modifications of the Act other than provided under section 301(n).

The Administrator shall obtain the concurrence of the State before approving any alternative requirements under this subsection.

All of these provisions are to be self-implementing and are to take effect upon enactment of the Water Quality Act of 1986. The Administrator is encouraged to amend the appropriate regulations to make them consistent with these requirements; however, the failure of the Administrator to make sure revisions will not affect the implementation of these provisions.

Section 301(o) required the Administrator to establish a system of fees to recover costs of reviewing and processing these applications. Applications are to be accompanied by an appropriate fee, as determined by the Administrator.

Fees collected under this section shall be deposited into a special fund in the United States Treasury entitled "Water Permits and Other Services". Such funds are to be available for appropriation to carry out the Agency activity for which the fee was charged. Creation of this special fund will assure that fees charged for processing of applications will be used to support water permit related activities, rather than other activities. The existence of this fund shall not be a basis for reductions in funding levels for related program activities.

The Administator is to withdraw existing effluent guidelines applying to fertilizer plants in Louisiana which had commenced construction on or before April 8, 1974. Within 180 days, the Administrator is to issue best professional judgment permits to facilities no longer covered by the guidelines.

The Committee understands that there are three discharges or potential discharges associated with these facilities—stormwater, cooling water, and gypsum. Section 306(c) does not require that a permit be issued for the discharge of gypsum into navigable waters. EPA could, for example, issue a permit imposing limitations on the discharges of stormwater and cooling water and prohibiting the discharge of gypsum.

Section 306(c) does not increase the discretion which EPA may exercise with regard to the issuance of permits under section 402(a)(1)(B).

It does not mandate that a discharge of gypsum be allowed under any permit, and does not in any way compel the State of Louisiana to affirmatively concur in the issuance of such permits. Any such permits lack force or effect in the absence of an affirmative concurrence by the State of Louisiana.

It is not the intent of this provision in any way to encourage or sanction the issuance of permits by EPA which would provide for the discharge of gypsum waste into the Mississippi River.

Section 307—Coal remining operations

This section allows the issuance of a permit modifying effluent limitations with respect to the pH level of preexisting discharges of iron and manganese from the remined area of a coal remining operation. The applicant for such a permit modifications must demonstrate to the satisfaction of EPA or, where applicable, the State that the coal remining operation will result in the potential for improved water quality from the remining operation.

The language "potential for" is included with the understanding that EPA and the States may be "satisfied" based on a conviction that it is probable that there will be actual improvement in water quality as a result of modified requirements.

Section 308—Individual controlled strategies for toxic pollutants

This section adopts a comprehensive program for development of individual control strategies for toxic pollutants.

The provision modifies sections 303 and 304 of the Act, to provide for the development of water quality based effluent limitations after the implementation of best available technology (BAT).

Under subsection (a) States are required to undertake a progressive program of toxic pollutant load reduction where BAT is not sufficient to meet State water quality standards and support public health and water quality objectives of the Act. Under new section 304(l), within two years of enactment of the Water Quality Act of 1986, States must identify those water bodies within or adjacent to them which will not meet State water quality standards because of toxic pollutants after the implementation of BAT, new source performance standards and pretreatment standards. For each segment of the waters included on this list, the State is to determine the specific point sources discharging toxic pollutants which are believed to be preventing or impairing such water quality, and the amount of each toxic pollutant discharged by each source. The State submission is to also include an individual control strategy which the State determines will produce a reduction in the discharge of toxic pollutants from point sources identified by the State, through the establishment of effluent limitations and water quality standards containing numerical criteria. The State's proposed reduction in toxic discharges, in combination with other controls on point and nonpoint sources of pollutant, must achieve the applicable water quality standard as soon as possible, but not later than three years after the date of the establishment of the strategy.

Not later than 120 days after the day the submittal is due, the Administrator must approve or disapprove the control strategies submitted by a State. If a State fails to submit control strategies or the Administrator does not approve the control strategies submitted by a State, then not later than one year after the day the submittal is due, the Administrator, in cooperation with the State and after notice and opportunity for public comment, must develop an individual control strategy which meets the requirements otherwise applicable to the State. At a minimum, the Administrator shall consider for listing any navigable waters for which any person submits a petition to the Administrator for listing not later than 12 days after the last day of the submittal period.

Subsection (b) amends section 509 of the Act to allow interested persons to bring a legal action for review of the Administrator's promulgation of individual control strategies.

Subsection (c) requires the Administrator to develop and publish (1) guidance to be used by the States in identifying those waters for which individual control strategies will be required and (2) information on methods for establishing and measuring water quality criteria for toxic pollutants.

Subsection (d) requires that during State review, revision, or adoption of water quality standards, the State must adopt criteria for all priority toxic pollutants for which water quality criteria have been published under section 304(a). The State's criteria are to be based on specific numerical criteria. Where numerical criteria are not available, the State shall use biological monitoring or assessment methods.

Subsection (e) amends section 302 of the Act to permit the Administrator with the concurrence of the State, to modify effluent limitations for non-toxic pollutants established by the Administrator under section 302(a) if the applicant demonstrates at the time the effluent limitation is proposed that there is no reasonable relationship between the economic and social costs and the benefits to be obtained from achieving the proposed limitation.

Subsection (f) provides for development of a plan which will include a schedule for periodic review and revision of promulgated effluent guidelines, categorization of toxic and nonconventional pollutant sources for which effluent limitation guidelines and new source performance standards have not been established, and a schedule for promulgation of effluent limitations for such categories of point sources.

Subsection (g) contains language calling for EPA to undertake a study of water quality improvements achieved pursuant to the application of technology-based effluent limitations under section 301(b)(1) of the Act. The Administrator is to report on the results of the study within two years.

Section 309—Pretreatment standards

This section amends section 307 of the Federal Water Pollution Control Act to authorize the owner or operator of a publicly owned treatment works to grant up to a two-year extension for compliance with a categorical pretreatment standard to an indirect discharger that intends to comply with such applicable standard by using an innovative treatment system that meets the criteria specified in section 301(k) of the Act, if (1) the Administrator determines that the innovative system has the potential for industry-wide application and the action will not cause the publicly owned treatment works to violate its NPDES permit, and (2) the Administrator or a State having an approved pretreatment program concurs with the proposed action of the owner or operator of the publicly owned treatment works.

The amendment directs the Administrator to increase the number of employees in the Agency in order to effectively implement the Federal Water Pollution Control Act's pretreatment requirements.

A 2-year compliance extension is available for existing, but not new, facilities using innovative pretreatment systems. Application for such modification does not extend the time in which compliance guidelines must be met, and general pretreatment and sludge regulations must be complied with.

No facility that receives an innovative pretreatment modification can cause or contribute to any violation of section 402 of section 405 of the Act.

The term "industry-wide application" in section 307(e) means that application of the innovative system or control technique is technically feasible at a significant portion of the facilities in an industrial category or subcategory and will be made commercially available by the applicant unless the applicant is the only facility in the subcategory.

Section 310—Inspection and Entry

Subsection (a) amends Section 308(b) of the Federal Water Pollution Control Act and provides that any authorized representative of the Administrator who knowingly or willfully publishes or discloses any information which is required to be considered confidential under Section 308 shall be fined no more than $1,000 or imprisoned no more than one year, or both. The amendment does not prohibit the Administrator or an authorized representative from disclosing records, reports, or information to other officers or employees of the United States concerned with carrying out this Act. All information reported to or otherwise obtained by the Administrator shall be made available.

Section 311—Marine Sanitation Devices

Subsection (a) amends Section 312(f)(1) of the Federal Water Pollution Control Act by authorizing a State to adopt and enforce a statute or regulation that governs the design, manufacture, or installation or use of any marine sanitation device on a house boat, if the statute or regulation is more stringent than the standards and regulations promulgated under Section 312.

The term houseboat means a vessel which, for a period of time determined by a State, is used primarily as a residence and is not used primarily as a means of transportation.

Section 312—Criminal Penalties

New subsection (c)(1) amends Section 309(c) of the Federal Water Pollution Control Act by making those who negligently violate certain sections of the Act subject to criminal penalties. Subsection (c)(2) provides that any person who knowingly violates Section 301, 302, 306, 307, 318, or 405, or any permit condition or limitation in a permit issued under Section 402 or 404, of the act; or knowingly introduces into a sewer system or into a publicly owned treatment works any pollutant or hazardous substance either known or reasonably known to cause personal injury or property damage, shall be punished by a fine not less than $5,000 or more than $50,000 per day of violation, of by imprisonment of not more than 3 years, or by both.

New subsection 3(a) provides that any person who knowingly violates Section 301, 302, 303, 306, 307, 308, 318, or 405, or any permit condition or limitation in Section 402 or 404 of the Act, and who knows at that time that he places another person in imminent danger of death or serious bodily injury shall be subject to a fine not more than $250,000 or imprisonment for no more than 15 years, or both.

New subsection 4 provides that any person who knowingly makes a false material statement, representation, or certification, in any application or other document filed or required to be maintained under this Act, or who knowingly falsifies, any monitoring device or method required to be maintained under this Act, shall be punished by a fine of not more than $10,000 or by imprisonment for no more than two years, or both.

New subsection 5 provides that a single operational upset which leads to simultaneous violations or more than one pollutant parameter shall be treated as a single violation.

Section 313—Civil Penalties

New subsection (a) amends Section 309(d) of the Federal Water Pollution Control Act by adding Section 402(a)(3) and Section 402(b)(8) under pretreatment violations subject to civil penalty.

New subsection (b) amends Section 309(d) of the Federal Water Pollution Control Act by increasing the civil penalty from $10,000 per day of violation to $25,000 per day for each violation. States are not required to establish a civil penalty for violations described in Section 309(d).

New subsection (d) amends Section 404(s) of the Federal Water Pollution Control Act (that requires a permit for the discharge of dredged or fill material into navigable waters) and increases the civil penalty available for violation of Section 404 from $10,000 per day for such violation to $25,000 per day for each violation.

The section also provides that a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.

Section 314—Administrative Penalties

New subsection (a) amends Section 309 of the Federal Water Pollution Control Act by authorizing the Administrator to impose fines for violating Section 301, 302, 306, 307, 308, 318, or 405 of the Act. The Secretary of the Army may also impose fines for violations under Section 404 of the Act. Penalties fall under two classifications. A class one penalty cannot exceed $10,000 per violations. A class two penalty cannot exceed $10,000 per day for each day the violation continues.

As in the Superfund Amendments and Reauthorization Act of 1986, the bill provides for a two-tiered penalty authority. The first tier involves an informal process with relatively low penalty limits. The maximum first tier penalty that may be assessed in any enforcement action is $25,000 regardless of the number of violations or number of days of violation. The second tier is subject to a maximum penalty limit of $125,000 and a formal Administrative Procedure Act hearing process attached.

The bill also authorizes the Secretary of the Army to levy administrative civil penalties, for Clean Water Act violations relating to permits issued by the Secretary under Section 404 of the Act. The bill authorizes the Administrator to issue administrative civil penalties with respect to section 404 of the Act and violations of State-issued section 404 permits.

The Section also provides that a single operational upset which leads to simultaneous violations of more than one pollutant parameters in an NPDES permit shall be treated as a single violation.

Section 315—Clean Lakes

Section 315 provides that States are to submit reports on lake quality on a biennial basis. Reports are to provide a list and description of the quality of lakes and a description of methods and procedures to control sources of pollution to lakes including methods and procedures to mitigate the harmful effects of high acidity, including innovative methods of neutralizing, restoration of buffering capacity, and the like. State reports shall be included in reports proposed under section 305(b) of the Act, beginning with the report required by April 1, 1988. The provision provides that States not submitting reports are not eligible for grants under this section.

Not later than 180 days after receipt of biennial reports from States, the Administrator shall submit to Congress a report on the status of water quality in lakes. This national report is intended to be published separately from the report to Congress prepared under section 305(b) of the Act.

The provision also provides that the Administrator is to establish and conduct a lake water quality demonstration program. As a priority, the Administrator shall undertake demonstration projects at several lakes identified in the bill. The Administrator is to provide an annual report to the Congress on work undertaken pursuant to this section. The demonstration program is supported by a total authorization of $40,000,000. An additional authorization of $15 million is provided for acid mitigation. Award of a grant under this provision shall not effect or restrict award of grants under related assistance program.

The provision also directed the Administrator to develop a lake restoration guidance manual within one year and to revise the manual biennially. Lakes are a vital national resource. Fifty percent of the Nation's water supply comes from lakes and lakes offer outstanding recreational opportunities. There is evidence, however, of declines in lake quality. A recent survey by the North American Lakes Management Society found that 4,200 lakes in 38 States suffer impaired uses.

Despite this evidence there is currently no comprehensive and complete picture of the quality of lakes nationally. In addition, there is no clear description of trends in lake quality. Section 315 is designed to provide this needed information.

Section 316—Management of Non-Point Sources of Pollution

Section 316 amends Title III of the Act by adding a new section 319 to the Act.

The section establishes a national policy that programs for the control of nonpoint sources of pollution be developed and implemented in an expeditious manner so as to enable the goals of this Act to be met through the control of both point and nonpoint sources of pollution.

The section provides $400 million over 4 years to States or combinations of adjacent States to implement nonpoint source management programs. An authorization for grants to States to carry our ground water quality protection activities as part of a comprehensive nonpoint source pollution control program; is also provided.

Each State is required to submit a report which identifies State waters which without additional action to control nonpoint sources of pollution cannot reasonably be expected to attain or maintain applicable water quality standards or the goals and requirements of the Act. A particular water body or segment should not be excluded from identification under this subsection on a theoretical showing that it would be possible to meet water quality standards without nonpoint source controls. "Reasonably expected" is intended to mean that all waters for which nonpoint controls would be an appropriate and effective means to achieving water quality standards will be identified in the State's report.

The report shall also include identification of and management practices for categories and subcategories of nonpoint sources and may include, where appropriate, particular nonpoint sources which and significant pollution to each portion of the identified waters. It would be appropriate to identify such particular sources where they contribute significant nonpoint pollution to water not meeting water quality standards.

States or combinations of adjacent States shall also prepare and submit to EPA Management Programs for implementation, which shall include an identification of best management practices and measures which the State will undertake. When identifying best management practices for categories and subcategories which will be undertaken to reduce nonpoint pollution, it is appropriate for States to focus on specific categories and subcategories or watersheds where nonpoint pollution is a significant problem and to set priorities among categories, subcategories and watersheds. Setting priorities, however, should not be construed to allow States to exclude watersheds not meeting water quality standards, or categories or subcategories contributing significant nonpoint pollution, from the report and management program submitted by the State.

The management programs shall also identify the programs (including, as appropriate, nonregulatory or regulatory programs for enforcement, technical assistance, financial assistance, education, training, technology transfer, and demonstration projects) to achieve implementation of best management practices; a schedule containing annual implementation milestones and providing for utilization of best management practices at the earliest possible date; and an identification of Federal programs and projects which the State will review pursuant to the procedures set forth in Executive Order 12372, as in effect on September 17, 1983, to determine whether such assistance is consistent with the purposes and objectives of the program under this section. Programs shall be developed and implemented, to the maximum extent practicable, with the involvement of local and other entities with expertise and experience in control of nonpoint sources of pollution. States shall, to the maximum extent practicable, develop and implement programs on a watershed-by-watershed basis.

The States shall submit their reports and management programs to EPA within 18 months of enactment. The Administrator must approve or disapprove the submissions within 180 days or they are deemed approved. The Administrator may disapprove a program or portion of it upon determination, among other considerations, that it is not likely to satisfy the goals and requirements of the Act, or that the practices and measures proposed in the plan are not adequate to reduce nonpoint source pollution and to improve water quality. The State shall have 3 months to revise its plan and the Administrator shall approve or disapprove the revised program within 3 months. If a state fails to submit the report, or if it is not approved, a local public agency or organization with expertise in and authority to control nonpoint sources may, with the approval of the State, develop and implement a program for its area.

Where waters in a State with an approved program are not meeting applicable water quality standards or the goals and requirements of the Act because of upstream pollution, the State may petition EPA to convene and EPA shall convene, or EPA may initiate, an interstate management conference to develop an agreement. Nothing in the agreement shall supersede or abrogate water rights established by interstate water compacts, Supreme Court decrees or State water laws. Nor shall the subsection apply to any pollution subject to the Colorado River Basin Salinity Control Act. The requirement that the Administrator convene a conference shall not be subject to Section 505 of this Act. To the extent that States reach agreement through the conference, their management programs will be revised to "reflect" agreements reached at an interstate management conference. It is intended that the agreements will be incorporated in revised state programs and will be carried out. Management programs shall be consistent with Federal and State law.

In making grants under this provision, the Administrator shall give priority to effective mechanisms which will control particularly difficult nonpoint source problems; implement innovative methods or practices; control interstate nonpoint source pollution; or carry out ground water quality protection activities.

The Federal grant share shall not exceed 60% of the implementation costs, and non-Federal sources shall provide at least 40% of the costs.

States may use Federal funds authorized by the bill for financial assistance to individuals only insofar as the assistance is related to costs of implementing demonstration projects. Funds are not to be used as a general subsidy or for general costs sharing to support implementation of best management practices.

No grant may be made unless the Administrator determines that the State has made satisfactory progress in the preceding year in meeting its schedule.

Each State shall submit annual progress reports to the Administrator. The Administrator shall transmit to the Office of Management and Budget and appropriate Federal departments and agencies a list of the programs .and projects identified by each State under the consistency provision, and each Federal department or agency shall modify its regulations and accommodate the concerns of the State according to the requirements and definitions of Executive Order 12372 as in effect on September 17, 1983.

The Administrator shall report annually to Congress on the activities, programs and progress made in the preceding year, and shall transmit a final report not later than January 1, 1990 on the activities carried out under this section.

Section 317—National Estuary Program

Section 317 contains purposes and policies of the National Estuary Program which declare that the Nation's estuaries are of great national significance for fish and wildlife resources and provide important recreation and economic opportunities. As such, it is national policy to maintain and enhance the water quality in estuaries and provide for the biological integrity of these waters.

A Governor of a State may nominate an estuary which lies in whole or in part within such State and request a management conference to develop a comprehensive management plan. The Administrator must make a determination as to whether an estuary can be included in the program on the basis of the ecological significance of the estuary; the biological productivity of the estuary and its contribution to fish and wildlife resources of commercial and recreational significance; the degree to which commercial, residential, recreational, or industrial activities within the estuary and its watershed have impaired or may impair the health and ecological integrity of the estuary; and the degree to which comprehensive planning management may contribute significantly to the wise use of the estuary and to its health and ecological intregrity.

Although the national estuary program established in this legislation is national in scope, several estuaries are listed in the conference substitute for priority consideration. These estuaries, which are of national significance are as follows: Long Island Sound, New York and Connecticut; Narragansett Bay, Rhode Island; Buzzards Bay, Massachusetts; Puget Sound, Washington; New York-New Jersey Harbor, New York and New Jersey; Delaware Bay, Delaware and New Jersey; Delaware Inland Bays, Delaware; Albermarle Sound, North Carolina; Sarasota Bay, Florida; San Francisco Bay, California; and Galveston Bay, Texas.

The management conferences are, among the other purposes stated in the conference substitute, required to develop comprehensive conservation and management plans which recommend priority corrective actions and compliance schedules addressing point and nonpoint sources of pollution to restore and maintain the chemical, physical, and biological integrity of the estuary. This includes restoration and maintenance of water quality, a balanced indigenous population of shellfish, fish and wildlife, and recreational activities in the estuary. Plans shall assure that the designated uses of the estuary are protected. Another important responsibility of the management conferences is to review any Federal financial assistance program or Federal development project subject to the requirements of Executive Order 12372, as in effect on September 17, 1983, to determine whether such assistance program or project would be consistent with and further the purposes of objectives of any plan prepared under this section. These programs and projects shall not be limited to the assistance programs or development projects subject to Executive Order 12372, but may include any programs listed in the most recent Catalog of Federal Domestic Assistance which may have an effect on the purposes and objectives of any plan developed by the management conference.

Members of the management conference shall include the Administrator and representatives of State and foreign governments, appropriate interstate or regional agencies and as determined by the Administrator other appropriate Federal agencies, local governments, affected industries, public and private education institutions and the general public. Management conferences shall be convened for a period up to five years and may be extended or reconvened by the Administrator.

Management conferences shall consider any relevant special area management plan under the Coastal Zone Management Act. The estuarine management conferences shall also cooperate fully with the State coastal management program agencies so as to assure effective coordination of all relevant coastal activities affecting the estuary. When appropriate, approved estuarine conservation and management plans may be incorporated into State coastal zone management programs.

The plan developed by a management conference shall include requirements necessary for attainment of water quality in estuaries and may include, but not be limited to:

The development of water quality standards for waters within the estuarine zone.

The development of toxicity-based standards for toxic pollutants.

The development of water quality based standards for significant point sources pollution.

The development of best mangement practices to control nonpoint sources of pollution.

Other measures providing for the conservation and management of the living resources of the estuary.

Once plans are approved by the Administrator with the concurrence of the affected Governor or Governors, the plan shall be implemented. Funds authorized under titles II and VI and section 319 may be used to assist States with implementation of plans.

The Administrator is authorized to make grants to appropriate public and private agencies, institutions, or individuals to assist in research, surveys, studies, modeling and other technical work necessary for the development of a conservation and management plan. The amount of such grants shall not exceed 75 percent and shall be made on condition that the non-Federal share of such costs are provided from non-Federal sources. Any entity or person receiving a grant shall report to the Administrator within 18 months of receipt of such grant and biennially thereafter.

The authorization under this section shall not exceed $12 million per year for fiscal years 1987, 1988, 1989, 1990, and 1991. Up to $5 million per fiscal year of the sums authorized to be appropriated under the section shall, at the Administrator's discretion, be provided to the Administrator of the National Oceanic and Atmospheric Administration (NOAA) to do water quality monitoring and ecosystem assessment in estuaries.

The Administrator, in cooperation with the Administrator of NOAA is required to submit a biennial report to Congress on the results of such monitoring and research. This report shall provide an assessment of the state and health of the Nations' estuarine zones to the extent evaluated; a discussion of pollution problems and trends in pollutant concentrations that have a direct or indirect effect on water quality, the ecosystem, and designated or potential uses of each estuarine zone; and evaluation of pollution abatement activities and management measures implemented to determine the degree of improvement made toward restoring and maintaining the chemical, physical, and biological integrity.

The definition of estuaries includes associated aquative ecosystems and those portions of tributaries draining into the erstuary up to the historic height of migration of anadromous fish or the head of tidal influence, whichever is higher. The definition was specifically included in this section to ensue that management conferences addressed problems created by the degradation of wetland areas or upstream diversions of water from tributaries draining into the estuary. The definition of "estuarine zone" in section 104(n)(4) continues to apply to other provisions of the Act.

Section 318—Unconsolidated Quaternary Aquifer

Section 318 provides that no landfill, waste, pile, injection well, or land treatment facility may be located over the unconsolidated quaternary aquifer in the Rockaway River Basin, New Jersey. This section also directs that no solid waste may be placed over the unconsolidated quaternary aquifer. Compliance with Section 318 will be enforced under the Federal Enforcement Provisions of Section 309 (a) and (b) of the Federal Water Pollution Control Act.

TITLE IV—PERMITS AND LICENSES

Section 401—Stormwater Runoff from Oil, Gas, and Mining Operations

The Section provides that permits are not required where a stormwater runoff is diverted around mining operations or oil and gas operations and does not come in contact with overburden, raw material, product, or process wastes. In addition, when stormwater runoff is not contaminated by contact with such materials, as determined by the Administrator, permits are also not required. With respect to oil or greese or hazardous substances, the determination of whether stormwater is "contaminated by contact with" such materials, as established by the Administrator, shall take into consideration, runoff in excess of reportable quantities under section 311 of the Clean Water Act or section 102 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, or in the case of mining operations above natural background levels.

Section 402—Additional Pretreatment of Conventional Pollutants Not Required

Section 402 provides that, in issuing a permit to a publicly owned treatment works, the Administrator shall not require additional pretreatment by any direct discharges of conventional pollutants introduced into the treatment works as a substitute for inadequate pollution removal by the treatment works due to design or operation problems for which the treatment works is responsible. Indirect dischargers into the works must still comply with all applicable pretreatment standards promulgated under the Federal Water Pollution Control Act. Nothing in this subsection affects the Administrator's authority under sections 307 and 309 of the Act, affects state and local authority under section 307(b)(1) (pretreatment programs) or section 510 (state authority to establish limitation or discharges of pollutants), relieves the treatment works from it obligations to meet requirements of the Act, or otherwise precludes the treatment works from pursuing whatever feasible operations are available to meet its responsibility to comply with its permit.

Section 403—Partial NPDES Program

This section amends section 402 of the Federal Water Pollution Control Act by adding new subsection (n). New subsection (n) allows partial delegation to the States of the Act's NPDES program. Under this provision, the Governor of a State may submit and the Administrator may approve a partial permit program for point source discharges into the navigable waters of the State where the State's partial permit program covers, at a minimum, either administration of a major category of the discharges into the State's navigable waters or a major component of the State's NPDES permit program. With respect to a partial permit program covering administration of a major category of discharges, the Administrator is authorized to approve such a program if the program covers in a complete fashion all of the discharges under the jurisdiction of a department or agency of the State and if the Administrator determines that the partial program represents a significant and identifiable part of the State's NPDES program.

With respect to a partial and phased permit program covering a major component of the State's NPDES program, the Administrator is authorized to approve such a program if the Administrator determines that the partial program represents a significant and identifiable part of the State's NPDES program, such as all major industrial dischargers of all major municipal dischargers, and if the State submits and the Administrator approves a plan for the States to assume administration by phases of the remainder of the State's NPDES Program within five years. Under partial and phased assumption, the State would be required to assume all of the program within the specified period of time, but it could do so by assuming some significant part of the program each year up to the end of the specified period.

A State may return or the Administrator may withdraw approval of delegated NPDES program responsibilities. In the case of an approved partial permit program covering administration of a major category of a State's point source discharges, the entire permit program related to the category and being administered by one of the State's departments or agencies must be returned or withdrawn.

Section 404—Antibacksliding

Section 404 prohibits the renewal, reissuance, or modification of BPJ and water quality based permits to contain less stringent effluent limitations, except as provided in the substitute. Best professional judgment permits may be adjusted if material and substantial alterations or additions to the permitted facility occurred after issuance of the permit which justify the application of a less stringent effluent limitation; information is available which was not available at the time the permit was issued (other than revised regulations, guidance, or test methods) and which would have justified the application of a less stringent effluent limitation at that time; the Administrator determines that technical mistakes or mistaken interpretations of law were made in issuing the permit; a less stringent effluent limitation is necessary because of events over which the permittee has no control and for which there is no reasonably available remedy; the permittee has received a permit modification under section 301(c), 301(g), 301(h), 301(i), 301(k), 301(n), or 316(a) of the Act; or the permittee has installed the treatment facilities required to meet the effluent limitations in the previous permit and has properly operated and maintained the facilities but has nevertheless been unable to achieve the previous effluent limitations.

For water quality based permits, all of the circumstances under which BPJ permits may be adjusted to reflect less stringent effluent limitations may also lead to the same result for water quality based permits, except for technical mistakes or mistaken interpretations of law.

For both BPJ and water quality based permits, when the permittee has installed and properly operated required treatment facilities but has not been able to achieve the effluent limitations required in its permit, the permit's limitations may be adjusted, but never to a level less stringent than the level of pollutant control actually being achieved and never to a level less stringent than required by effluent guidelines in effect at the time of permit renewal, reissuance, or modification.

The provision also provides that neither the new information exception—for both BPJ and water quality based permits—nor the mistake of fact or law exception—for BPJ permits—allows permits to be adjusted to require less stringent effluent limitations with respect to any revised waste load allocation or any alternative grounds for translating water quality standards into effluent limitations, except in one narrow circumstance. Where the cumulative effect of a revised waste load allocation results in a decrease in the amount of pollutants being discharged into the waters covered by the allocation and the revised waste load allocation is not the result of a discharger eliminating or substantially reducing its discharge of pollutants due to complying with the requirements of the Clean Water Act or for reasons otherwise unrelated to water quality, then the two exceptions may be used to allow permit adjustments.

With respect to water quality based permits, in addition to justification based on the limited circumstances just described, the conference substitute also provides that permits developed on the basis of water quality based effluent limitations under section 301(b)(1)(c) or section 303 (d) or (e), may be renewed, reissued or modified on the basis of subsequently revised waste load allocation formulas, but only in compliance with new section 303(d)(4).

Under paragraph (5)(A) of subsection 303(d), where the applicable water quality standard has not been attained, the total maximum daily load of pollutants or other waste load allocation may be revised only under two circumstances. First, the cumulative effect of the revised effluent limitations based on the total maximum daily loads or waste load allocation must assure attainment of water quality standards. Second, the daily maximum load of pollutants or the waste load allocation may only be revised if the designated use of the receiving waters which is not being attained is changed in accordance with the water quality standards regulations established under section 303.

Under paragraph (5)(B) of the subsection, where water quality in the receiving waters exceeds or equals that required by applicable water quality standards or the levels needed to protect the actual or designated uses of the receiving waters, backsliding from water quality-based effluent limitations can only proceed according to the procedures and applying the decision standard of the antidegradation policy established by section 303 of the Act, and where the proposed backsliding is found to be consistent with this antidegradation policy.

The provision establishes the general antibacksliding limitation that, with respect to both BPJ and water quality based permits, in no event may such a permit be renewed, reissued or modified to contain an effluent limitation which is less stringent than required by effluent guidelines in effect at the time the permit is renewed, reissued, or modified. Similarly, in no event may such a permit to discharge into waters be renewed, reissued, or modified to contain a less stringent effluent limitation if the implementation of such limitation would result in a violation of an applicable water standard established under section 303 of the Clean Water Act.

Finally, the conference substitute requires the Administrator to study the extent to which States have reviewed, revised, and adopted water quality standards in accordance with section 24 of the Municipal Wastewater Treatment Construction Grant Amendments of 1981, and the extent to which modifications of permits issued under section 402(a)(1)(B) of the Federal Water Pollution Control Act for the purpose of reflecting any revisions to water quality standards should be encouraged or discouraged. The Administrator is required to submit a report on the study, together with recommendations, to Congress not later than two years after the date of the enactment of the Water Quality Act of 1987.

Section 405—Municipal and Industrial Stormwater Discharges

Section 405 amends section 402 of the Act by adding a new subsection relating to industrial and municipal discharges of stormwater. The section provides that prior to October 1, 1992, the Administrator or the State (in the case of a permit program approved under section 402 of this Act) shall not require a permit under this section for discharges composed entirely of stormwater, other than a discharge with respect to which a permit has been issued under this section before the date of the enactment of this subsection, a discharge associated with industrial activity, a discharge from a municipal separate storm sewer system serving a population of 250,000 or more, a discharge from a municipal separate storm sewer system serving a population of 100,000 or more but less than 250,000, a discharge for which the Administrator or the State, as the case may be, determines that the stormwater discharge contributes to a violation of a water quality standard or is a significant contributor of pollutants to waters of the United States.

With respect to municipal separate stormwater discharges, the conference substitute temporarily prohibits the Environmental Protection Agency and States from requiring permits for certain municipal separate storm sewers for discharges composed entirely of stormwater, in order to provide a sufficient period of time to develop and implement methods for managing and controlling discharges from municipal storm sewers. The relief afforded by this provision extends to October 1, 1992. After that date, all municipal separate storm sewers are subject to the requirements of sections 301 and 402.

Before October 1, 1992, relief from the permit requirement is afforded only to discharges composed entirely of storm water. Storm sewers that discharge any other type of effluent or into which pollutants are introducted by means other than incidental to stormwater runoff are required to obtain a permit.

The provision establishes a schedule for developing necessary regulations and issuing permits for municipal separate storm sewers. Before the end of the four-year period beginning on the date of enactment, EPA and the States are to issue permits for all storm sewer systems serving a population of 250,000 persons or more. All permits for these systems are to be issued by the end of this four year period.

Beginning four years after enactment, EPA and the States are to issue permits for storm sewer systems serving a population of more than 100,000 persons and fewer than 250,000 persons. These permits are to be issued no later than six years from the date of enactment.

After October 1, 1992, the permit requirements of the Clean Water Act are restored for municipal separate storm sewer systems serving a population of fewer than 100,000 persons.

Subsection (o)(2)(B) requires that permits for municipal storm sewers contains a requirement to effectively prohibit non-stormwater discharges into storm sewers. Under this provision, all such permits must assure that such discharges are prohibited. The provision does not specify the type of permit requirement be effective in achieving prohibition of non-stormwater discharges.

Permits for discharges from municipal separate stormwater systems may be issued on a system or jurisdiction-wide basis. They must include a requirement to effectively prohibit non-stormwater discharges into storm sewers and controls to reduce the discharge of pollutants to the maximum extent practicable, including management practices, control techniques and systems, design and engineering methods, and other provisions determined appropriate by the EPA or a State. These controls may be different in different permits. All the types of controls listed in subsection (o)(2)(C) are not required to be incorporated into each permit.

Section 406—Sewage Sludge

Subsection (a), amends Section 405(d) of the Federal Water Pollution Control Act and directs the Administrator to identify toxic pollutants present in sewage sludge that may adversely affect public health or the environment. The Administrator is also directed to propose regulations that specify acceptable management practices for sewage sludge containing toxic pollutants and establish numerical limitations for each pollutant. Final regulations must be promulgated no later than August 31, 1987. The management practices and numerical criteria established by the Administrator must be adequate to protect public health and the environment and must require compliance as expeditiously as practicable, but no later than 12 months after publication. Should the regulations require construction of new pollution control facilities, the regulations must require compliance as expeditiously as practicable but no later than two years from the date of publication. If the Administrator finds numerical limitations are not feasible for particular pollutants, an alternative standard may be required that is adequate to protect public health and the environment.

Prior to establishing new sewage sludge regulations, the Administrator must impose conditions and permits issued to publicly owned treatment works under Section 402 of the Act, or take other measures appropriate to protect public health and the environment. Subsection (b) amends section 405(e) to provide that the manner of disposal of sewage sludge is a local determination, but requires disposal of sludge to meet all regulations established pursuant to Subsection 405(d).

Subsection (c) adds a new subsection to require an NPDES permit issued under Section 402 of the Act to include requirements for the use and disposal of sludge that implement the regulations established under Section 405(d), unless those requirements have been included in a permit issued under the Solid Waste Disposal Act, the Safe Drinking Water Act, the Marine Protection Research and Sanctuaries Act, or the Clean Air Act, or under State permit programs approved by the Administrator.

There is also added a new subsection (g) which authorizes the Administrator to conduct or initiate studies, demonstration projects, and information or educational projects, designed to promote safe use of sewage sludge. $5,000,000 per year is authorized for the implementation of subsection (g).

In making grants under subsection (g) the Administrator may assist projects related to incineration of sludge.

Subsection (d) makes section 405 enforcement subject to the authority to conduct inspections, monitoring, and entry contained in section 308 of the Act. Section 405(d) regulations are made subject to the citizen suit provision in section 505 of the Act, and available for review in the Federal courts pursuant to section 509 of the Act.

Subsection (e) addresses a situation which arose under section 307(b)(1) of the act.

Section 307(b)(1) of the Clean Water Act provides that a publicly owned treatment works may issue removal credits to industrial users so long as sludge use or disposal in accordance with regulations under section 405 is not prevented. However, in the absence of full 405 sludge regulations, twelve publicly owned treatment works (POTW's) have obtained EPA approval to grant removal credits, and the industrial users of these POTWs may have relied on EPA's approval in planning their pollution control systems. The U.S. Court of Appeals for the Third Circuit recently invalidated the regulations on which these credits were based in *Natural Resources Defense Council, Inc.* v. *U.S. Environmental Protection Agency,* No. 84-3530 (1986).

The bill prevents temporary inequities that may arise regarding industrial users in these twelve cities. It stays the effect of the part of the court's decision which addresses section 405(d) for these twelve cities until August 31, 1987, the date established by subsection (d)(2)(A)(ii) for the promulgation of sludge regulations. This will allow these cities to issue removal credits, assuming all other criteria for removal credits are met. Similarly, the court's decision is stayed for up to fourteen cities which have applications to issue removal credits pending on the date of enactment and for which EPA approves a program to issue removal credits after the date of enactment and before August 31, 1987. This interim authority may not extend beyond August 31, 1987, and neither may the Agency approve any additional program to issue removal credits until the regulations required by subsection (d)(2)(A)(ii) are published. Pursuant to subsection (d)(4), the Agency should revise the permits for these cities to incorporate the sludge criteria required by this subsection.

The court's decision is stayed only with respect to that part of the decision relating to the promulgation of regulations under section 405(d). Other bases used by the Court for invalidating the removal credit program regulations are not affected by this subsection.

Section 304(h) of the Clean Water Act requires the Administrator to promulgate guidelines establishing test procedures for the analysis of pollutants. These guidelines have been published. In light of the subsequent enactment of the Water Quality Act of 1986 the Administrator should revise the section 301(h) guidelines to include procedures for testing for regulated pollutants in sewage sludge. Promulgation of these procedures should not delay promulgation of the regulations required by section 405(d)(2), as amended.

The purpose of removal credits under section 307(b)(1) is to allow reduced pretreatment requirements on the basis of treatment consistently achieved by the particular publicly owned treatment works. Evaporation into the air of toxic volatile organic chemicals does not constitute treatment of these pollutants. Consequently, removal credits cannot be issued for such pollutants on the basis of their evaporation from treatment works.

Section 407—Log Transfer Facilities

Subsection (a) directs the Administrator and Secretary of the Army to enter into an agreement coordinating the issuance of permits for log transfer facilities required under Section 402 and 404 of the Federal Water Pollution Control Act. Subsection (b) provides that log transfer facilities which have received a permit under Section 404 of the Act, before October 22, 1985, will not be required to submit a new application for a permit under Section 402 of the Fedeal Water Pollution Control Act. Subsection (c) defines log transfer facilities for purposes of the section.

The Memorandum of Agreement between the Department of the Army and the Environmental Protection Agency contemplated by this section was entered into on October 22, 1985. This agreement represents a promising high degree of early and continuing cooperation between the agencies and the private sector and a proper reliance on their joint efforts in developing Alaska Timber Task Force log transfer facility guidelines. The terms and conditions of permits subject to this section are to be implemented and enforced in accordance with the appropriate statutory authority of the respective federal agencies.

TITLE V—MISCELLANEOUS PROVISIONS

Section 501—Audits

Section 501(d) is amended by permitting the Administrator to enter into non-competitive procurement contracts with independent State audit organizations.

Section 502—Commonwealth of the Northern Mariana Islands

Subsection (a) adds the Northern Mariana Islands under the definition of States contained in Section 502(3) of the Federal Water Pollution Control Act. Subsection (b) adds the Northern Mariana Islands under the definition of United States in Section 311, the Oil and Hazardous Substance Liability section of the Federal Water Pollution Control Act, and deletes the Canal Zone.

Section 503—Agricultural Stormwater Discharges

Section 503 amends Section 502(14), of the Act, by providing that Agricultural Stormwater Discharges are not defined as a point source.

Section 504—Protection of Interests of United States and Citizens Suits

Section 504 amends Section 505(c) by requiring a plaintiff filing a citizens suit under the Federal Water Pollution Control Act to serve a copy of the complaint on the Attorney General and the Administrator. No consent judgment may be entered in an action on which the United States is not a party prior to 45 days following receipt of the proposed consent judgment by the Administrator and Attorney General.

Section 505—Judicial Review and Award of Fees

Subsection (a) amends Section 509(b)(1) of the Federal Water Pollution Control Act by modifying the choice of venue available for persons seeking judicial review of certain actions taken by the Administrator. Subsection (a) clarifies that proper venue lies in Circuit Court of Appeals of the United States for the Federal Judicial Circuit in which the complainant resides or transacts business which is directly affected by the actions sued upon. Subsection (b) amends Section 509(b) by adding a paragraph (3) which establishes a procedure whereby venue may be determined when an action has been filed in two or more Circuit Courts of Appeals.

Section 509 is also amended to provide that costs of litigation may be awarded to any prevailing or substantially prevailing party whenever the court determines an award is appropriate.

Section 509(b)(3)(B), as amended, provides new authority for any court of appeals to grant a temporary stay of the effective date of a final agency action pending selection of the court of appeals in which the action will be reviewed.

Section 506—Indian Tribes

Section 506 amends Title 5 of the Federal Water Pollution Control Act and designates new Section 518, Indian Tribes. Subsection (a) of new Section 518 directs that Indian Tribes will be treated as States under Section 101(g) of the Federal Water Pollution Control Act as it applies to a State's rights to allocate water quantity within its jurisdiction.

Subsection (b) of new Section 518 directs the Administrator, in cooperation with the Director of the Indian Health Service, to assess the need for sewage treatment works that serve Indian Tribes. The Administrator must submit a report to Congress detailing the needs of the tribes, and how those needs will be met through development of waste treatment management plans and construction of treatment works.

Subsection (c) reserves one half of one percent of construction grant funds for tribal development of waste treatment management plans and for the construction of sewage treatment works.

Subsection (d) authorizes Indian Tribes and States to enter into cooperative agreements to plan and administer the requirements of the Federal Water Pollution Control Act. Any cooperative agreement, is subject to the review and approval of the Administrator.

Subsection e) authorizes the Administrator to treat an Indian Tribe as a State under Title II of the Federal Water Pollution Control Act and sections dealing with water quality standards, limitations, permitting, and enforcement. The Administrator may exercise his authority only if; (1) the Indian Tribe has a governing body carrying out substantial governmental duties and powers; (2) the functions exercised by the Indian Tribe involve the management and protection of water resources held by the tribe, held by the United States in trust for Indians, held by a member of a Indian Tribe, or otherwise within the borders of an Indian reservation; (3) the Indian tribe is reasonably expected, in the Administrator's judgment, to carry out the terms and purposes of the Federal Water Pollution Control Act and all applicable regulations.

The bill directs EPA, in consultation with Indian tribes, to promulgate regulations which specify how Indian tribes shall be treated as States for the purpose of the Act. EPA is also directed in promulgating these regulations to consult affected States sharing common water bodies and provide a mechanism for the resolution of any unreasonable consequences that may arise as a result of differing water quality standards that may be set by States and Indian tribes located on common bodies of water. The bill also provides for the explicit consideration of relevant factors in the dispute resolution mechanism, including but not limited to the effects of differing water quality permit requirements on upstream and downstream dischargers, economic impacts, and present and historical uses and quality of the waters subject to such standards.

The Agency's final action on a water quality standard adopted by an Indian tribe governing body pursuant to this section shall be subject to judicial review in the same manner and to the same extent as water quality standards adopted by States under this Act. However, the Congress does not intend to affect the outcome of pending litigation. Additionally, during the pendency of a judicial appeal, nothing in this provision shall be construed to enlarge, diminish or overwise affect the authority of a tribal government which is a party to the appeal to set and enforce its own standards within and on land and water in its jurisdiction.

Subsection (f) directs the Administrator to treat an Indian tribe as a State under the Non-Point Source Pollution Management section of the Water Quality Act of 1987, Section 319. Grants to Indian tribes may not exceed one third of one percent of the amount appropriated for any fiscal year under Section 319.

The bill includes a section related to the application of the Indian tribes provision to Alaska Native organizations. It confirms that no provision of the Act shall be construed to have any effect on the scope of governmental authority, if any, of any Alaska Native organization (including any regional or village corporation) over lands or persons in Alaska. Additionally, the conference substitute provides that no provision of the Act shall be construed to create or validate any assertion by such organization or any form of governmental authority over lands or persons in Alaska. Finally, it provides that no provision of the Act shall affect any assertion that Indian country, as defined in section 1151 of Title 18, United States Code, exists or does not exist in Alaska.

It is intended that any Indian tribe be eligible for grant assistance under subsection (c) of this section, regardless of whether a tribe is treated as a State under subsection (d).

In allocation of funds under subsections (c) and (b), the Administrator shall consider the needs of tribes and the seriousness of the water quality problems to be addressed.

The Administrator, in cooperation with the Director of the Indian Health Service, may assist Indian tribes in development of waste treatment management plans and construction of treatment works.

This section does not override the provisions of the Maine Indian Claims Settlement Act (25 U.S.C. 1725). Consistent with subsection (h) of the Settlement Act, the tribes addressed by the Settlement Act are not eligible to be treated as States for regulatory purposes under subsection (d) of this provision. In addition, consistent with subsection (i) of the Settlement Act, such tribes are eligible for funds reserved under subsections (c) and (b) of this provision.

Section 507—Definition of Point Source

Section 507 provides that a landfill leachate collection system is a point source as defined in the Federal Water Pollution Control Act.

Section 508—Special Provisions Regarding Certain Dumping Sites

Subsection (a) includes a Congressional finding that the New York Bight Apex is no longer a suitable location for the ocean dumping of municipal sludge. Subsection (b) amends Title 1 of the Marine Protection, Research and Sanctuaries Act of 1972 by prohibiting the issuance of any permit that authorizes the dumping of, or the transportation for purposes of dumping municipal sludge within the New York Bight Apex after; (a) December 15, 1987; or (b) the day determined by the Administrator to be the first day on which municipal sludge generated by eligible authorities can reasonably be dumped at a site other than the New York Bight Apex. For purposes of dumping municipal sludge, an eligible authority means any sewage authority or other State and local governmental unit that on November 2, 1983, was authorized under court order to dump municipal sludge at the New York Bight Apex site. In addition, the section directs the Administrator to restrict use of the alternate sludge dump site, known as the 106 Mile Ocean Waste Dump Site to eligible authorities.

Section 509—Ocean Discharge Research Projects

Subsection (a) authorizes the Administrator to issue a permit to the Orange County, California, Sanitation District for the discharge of preconditioned municipal sludge into the ocean. A permit may be issued only if: (1) the Administrator is satisfied local governmental agencies are actively pursuing long term landbase options for the handling of sludge, and; (2) the Administrator determines there is no likelihood of an adverse effect on the environment as a result of issuing the permit.

Subsection (b) directs that the permit term cannot extend beyond a period of five years. Under terms of the permit, the Sanitation Districts may not dispose of more than 50 percent of its sludge by the pipeline. Should the disposal of sewage sludge result in an unacceptable adverse impact on fish, shellfish, and wildlife, the Administrator is authorized to terminate the permit.

Monitoring will include whole effluent monitoring—the monitoring of all of the constituents of the discharge—and bioassay methodology testing.

The facts and circumstances involved present a unique situation which is not to establish a precedent for the relaxation of the requirements of the Federal Water Pollution Control Act applicable to similarly situated discharges.

The provision on termination of the permit is modified to allow the Administrator to terminate the permit if there has been a decline in ambient water quality of the receiving waters during the period of the permit even if a cause and effect relationship cannot be shown.

Section 510—San Diego, California

Subsections (a) and (b) authorize the Administrator to make grants for the construction of a waste treatment project to protect the residents of San Diego, California and surrounding areas from pollutions resulting from inadequacies or breakdowns in wastewater treatment works and systems in Mexico. The Administrator is also authorized to make grants to San Diego, California for treatment works that provide primary or more advanced treatment of municipal sewage and industrial waste from Mexico, including the City of Tijuana, Mexico.

Subsection (f) provides that any treatment works constructed pursuant to Subsection (b) will be paid for at full Federal expense, less any costs paid by the Government of Mexico, or the State of California. Subsection (h) provides that a treatment works constructed pursuant to Subsection (b) may be used to treat municipal waste originating in San Diego, California should pollution originating in Mexico no longer threaten the water quality of San Diego. If San Diego uses treatment works constructed pursuant to Subsection (b) the City must agree to pay the United States 45 percent of the costs incurred in the construction of the treatment works.

Section 511—Limitation on Discharge of Raw Sewage by New York City

The bill contains provisions which limit the volume of raw sewage discharged by the city of New York. The limitations apply to the drainage areas of two sewage treatment plants currently under construction. North River in Manhattan and Red Hook in Brooklyn.

Raw discharges from the North River drainage will be limited after August 1, 1986, if the North River plant has not achieved advanced preliminary treatment by the deadline, as required by a consent decree signed on December 29, 1982 by the United States, the State of New York, and the City of New York. The raw discharge in any 30 day period may not exceed 30 times the average daily raw discharge during a specific one year base period. The base period is the year ending on March 15, 1986, or on the date the plant becomes operational, whichever is earlier.

Raw discharges from the Red Hook drainage area will be similarly limited, except that the deadline and the base period are one year later than for the North River drainage area.

The Administrator shall waive these limitations if an increased discharge constituting a violation is caused by certain events, but only to such extent and for such limited period of time as the Administrator determines to be necessary to take into account the event. These events include an interruption in plant operation due to circumstances beyond the control of New York City, and precipitation. In addition, a waiver shall be granted in the event that a violation is due to a random or seasonal variation in flow, and that any sewer hookup occurring or permit granted after July 31, 1986, for North River and July 31, 1987, for Red Hook is not responsible for such violation.

The Administrator is also required to extend either deadline if necessary to account for circumstances beyond the control of New York City. A deadline may not be extended on the basis of a lack of Federal funding under section 201 of the Federal Water Pollution Control Act, a lack of New York State or New York City funding, or policy decision by New York State or New York City to delay the achievement of advanced preliminary treatment.

For enforcement purposes, violations of the discharge limitations are to be treated as violations of section 301 of the Federal Water Pollution Control Act.

This section states that it is the sense of the Congress that the Administrator should not agree to any further modification of the consent decree with respect to the schedule for achieving advanced preliminary treatment.

Under a "sunset" provision, any limitations remain in effect in a drainage area until the treatment plant for that area has achieved advanced preliminary treatment for six consecutive months.

The Administrator is responsible for performing all flow monitoring needed to determine the discharge limitations. The Administrator must, by July 31, 1986, for North River and July 31, 1987, for Red Hook, establish the methodologies and collect any information necessary for making determinations whether a waiver or deadline extension will be required. If the Administrator detects a violation, the Administrator must determine within 30 days whether a waiver or deadline extension is required. New York City is responsible for providing any additional information requested by the Administrator in order to make this determination.

Section 512—Oakwood Beach and Red Hook Projects, New York

Subsection (a) directs the Administrator to pay for the relocation of natural gas facilities located at the treatment works of Oakwood Beach, and Red Hook, New York. Subsection (b) authorizes no more than $7,000,000 to be appropriated to carry out the relocation.

Section 513—Boston Harbor and Adjacent Waters

This section directs the Administrator to make grants to the Massachusetts Water Resource Authority to assess the principal factors having an adverse effect on environmental quality in Boston Harbor, to develop and implement a management program to improve the water quality of Boston Harbor, and adjacent areas. The Federal share for the construction of treatment works, cannot exceed 75 percent of the cost of construction. The Administrator is also directed to make grants to the Massachusetts Water Resource Authority to undertake emergency improvements at the Deer Island Wastewater Treatment Plant, in Boston, Massachusetts. The Federal share of the project cannot exceed 75 percent of the cost of the improvements. $100,000,000 may be appropriated to carry out the provisions contained in Section 513.

Section 514—Wastewater Reclamation Demonstration

This Section authorizes the Administrator to make a grant to the San Diego, California Water Reclamation Agency to demonstrate and test innovative technologies for the recovery and use of wastewater. No more than 85 percent of the costs of conducting the demonstrations and tests may be paid by the Federal Government. No more than $2,000,000 may be appropriated to carry out Section 514.

Section 515—Des Moines, Iowa

This Section authorizes the Administrator to make a grant to the City of Des Moines, Iowa for construction of the Central Sewage Treatment Plant component of the Des Moines, Iowa Metropolitan area project. Seventy-five percent of the cost of construction will be paid by the Federal Government. No more than $50,000,000 will be appropriated for the treatment plant authorized by Section 515.

Section 516—Study of De Minimis Discharges

This Section directs the Administrator to conduct a study of insignificant pollutant discharge into navigable waters, and to determine the most effective and appropriate method of regulating these discharges. The Administrator must submit a report on the results of the study no later than one year after the date of enactment of the Water Quality Act of 1987.

Section 517—Study of Effectiveness of Innovative and Alternative Processes and Techniques

This Section directs the Administrator to study the effectiveness of innovative and alternative wastewater treatment processes used by treatment works constructed pursuant to the Federal Water Pollution Control Act. The Administrator must submit a report with the results of the study no later than one year after the enactment of the Water Quality Act of 1987.

Section 518—Study of Testing Procedures

This Section directs the Administrator to study the testing procedures established under Section 304(h) of the Federal Water Pollution Control Act. The Administrator must submit a report with the results of the study no later than one year after the date of enactment of the Water Quality Act of 1987. The study and biennial review of test procedures established under Section 304(h) should include test procedures for pollutants in sewage sludge.

Section 519—Study of Pretreatment of Toxic Pollutants

This Section directs the Administrator to study the environmental impacts of toxic industrial pollutants discharged from publicly owned treatment works; the extent to which secondary treatment removes toxic pollutants; the capability of publicly owned treatment works to revise pretreatment requirements under section 307(b)(1) possible alternative strategies for protecting the operations of publicly owned treatment works from industrial discharges; for each alternative strategy, the extent to which removal of toxic pollutants by publicly owned treatment works results in contamination of sewage sludge; and, the adequacy of Federal, State, and local resources to establish, implement, and enforce pretreatment limits for toxic pollutants. The Administrator is directed to submit a report with the results of the study no later than four years from the date of enactment of the Water Quality Act of 1987.

Section 520—Studies of Water Pollution Problems and Aquifers

The Administrator, in conjunction with State and local agencies, is directed to conduct studies to identify non-point sources of pollution in groundwater systems and aquifers. The aquifers and groundwater systems to be studied include: Upper Santa Cruz Basin, and the Avra-Altar Basin of Pima, Pinal and Santa Cruz Counties, Arizona; the Spokane-Rathdrum Valley Aquifer, Washington and Idaho; the Nassau and Suffolk Counties Aquifer, New York; the Whidbey Island Aquifer, Washington; the Unconsolidated Quartenary Aquifer, Rockaway River Area, New Jersey; contaminated groundwater under Litchfield, Hartford, Fairfield, Tolland, and New Haven Counties, Connecticut; and the Sparta Aquifer, Arkansas. The Administrator is directed to submit to Congress a report on the studies conducted under Section 520, no later than two years after the date of the enactment of the Water Quality Act of 1987. $7,000,000 is authorized to be appropriated to carry out the studies required under Section 520.

Section 521—Great Lakes Consumptive Use Study

Subsections (a) and (b) direct the Secretary of the Army and the Administrator in cooperation with interested agencies and Great Lakes States to conduct a study on the effects of Great Lakes water consumption on economic growth and environmental quality in the Great Lakes region, and of control measures available to reduce the quantity of water consumed. Great Lakes States are defined as: Minnesota, Wisconsin, Illinois, Ohio, Michigan, Indiana, Pennsylvania, and New York. $750,000 is authorized to be appropriated to carry out the provisions of Section 521.

The consumptive use study is to be responsive to the findings in the 1985 report of the International Joint Commission and is not to imply an immediate need for far reaching water conservation requirements. The 1985 report of the IJC indicated, among other things, the uncertainty of consumptive use estimates. Thus, the conferees recognize the need for improving data on water use trends.

Section 522—Sulfide Corrosion Study

This Section directs the Administrator to conduct a study of the corrosive effects of sulfides in collection and treatment systems. The study will be conducted in consultation with the Los Angeles City and County Sanitation Agencies. A report must be submitted by the Administrator with the results of the study no later than one year from the date of enactment of the Water Quality Act of 1987. No more than $1,000,000 may be appropriated to carry out the provisions of Section 522.

Section 523—Study of Rainfall-Induced Infiltration into Sewer Systems

This Section directs the Administrator to study the problems associated with rainfall-induced infiltration into wastewater treatment sewer systems. The study shall include the sewer system of the East Bay Municipal Utility District, California. The Administrator must submit a report with the results of the study no later than one year from the date of the enactment of the Water Quality Act of 1987 along with recommendations on reasonable methods to reduce infiltration.

Section 524—Dam Water Quality Study

The Administrator, in cooperation with interested states and Federal agencies is directed to study and monitor the effects on water quality attributable to the impoundment of water by dams. The results of the study must be submitted to Congress no later than December 31, 1987.

Section 525—Study of Pollution in Lake Pend Oreille, Idaho

The Administrator is directed to conduct a study of the sources of pollution in Lake Pend Oreille, Idaho, in the Clark Fork River and its tributaries, Idaho, Montana, and Washington. The Administrator must report to Congress with the findings and recommendations contained in the study.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. BENTLEY) to revise and extend their remarks and include extraneous material:)

Mrs. BENTLEY, for 15 minutes, today.

Mr. LIVINGSTON, for 15 minutes, today.

Mr. LIVINGSTON, for 60 minutes, on January 8.

(The following Members (at the request of Mr. MFUME) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HOWARD, and to include extraneous matter notwithstanding the fact that it exceeds 2 pages of the RECORD and is estimated by the Public Printer to cost $6,383.

(The following Members (at the request of Mrs. BENTLEY) and to include extraneous matter:)

Mr. ROGERS.

Mr. KEMP in two instances.

Mr. GILMAN in three instances.

Mr. DUNCAN.

Mr. SHUMWAY.

Mr. GEKAS in two instances.

Mr. COLEMAN of Missouri.

Mr. THOMAS of California.

(The following Members (at the request of Mr. MFUME) and to include extraneous matter:)

Mr. TRAXLER.

Mr. LEHMAN of California.

Mr. MARKEY.

Mr. GEJDENSON.

Mr. LIPINSKI in two instances.

Mr. STARK.

Mr. MRAZEK in two instances.

Mr. PANETTA.

Mr. BIAGGI.

Mr. FASCELL in two instances.

Mr. SKELTON.

Mr. KASTENMEIER.

Mr. UDALL.

ADJOURNMENT

Mr. MFUME. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 38 minutes p.m.) under its previous order, the House adjourned until Thursday, January 8, 1987, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

[Omitted from the Record of January 6, 1987]

226. A letter from the Deputy Secretary of Defense, transmitting a report on the source of the $100 million for the democratic resistance forces in Nicaragua, pursuant to section 206, title II of the Military Construction Appropriations Act, 1987 and section 1351 of the Department of Defense Authorization Act, 1987; jointly, to the Committees on Armed Services, Appropriations, Foreign Affairs, and the Permanent Select Committee on Intelligence.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on October 17, 1986, the following report was filed on January 2, 1987]

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. Report on the activities of the Merchant Marine and Fisheries Committee, 99th Congress (Rept. 99-1044). Referred to the Committee of the Whole House on the State of the Union.

[Submitted January 7, 1987]

Mr. PEPPER: Committee on Rules. House Resolution 26. A Resolution providing for the establishment of the Select Committee on Hunger, the Select Committee on Children, Youth and Families, and the Select Committee on Narcotics Abuse and Control (Rept. 100-1). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 27. A Resolution providing for the consideration of H.R. 1, a bill to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes (Rept. 100-2). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

[Omitted from the Record of January 6, 1987]

By Mr. CRANE:

H.R. 101. A bill to provide for the conveyance of certain public lands under the jurisdiction of the Bureau of Land Management to citizens of the United States who establish a residence on such lands; to the Committee on Interior and Insular Affairs.

H.R. 102. A bill to remove statutory limitations upon the application of the Sherman Act to labor organizations and their activities, and for other purposes; to the Committee on the Judiciary.

H.R. 103. A bill to amend title 28 of the United States Code to allow voluntary school prayer; to the Committee on the Judiciary.

H.R. 104. A bill to limit the jurisdiction of the Supreme Court and the district courts in certain cases; to the Committee on the Judiciary.

H.R. 105. A bill to limit the jurisdiction of the Supreme Court and of the district courts in certain cases; to the Committee on the Judiciary.

H.R. 106. A bill to amend title 5 of the United States Code to provide that a rule promulgated by a Federal agency may not become final unless such agency submits such rule and an economic impact statement with respect to such rule to the Congress and the Congress approves such rule and statement, and for other purposes; to the Committee on the Judiciary.

H.R. 107. A bill to amend section 1951 of title 18, United States Code, (commonly called the "Hobbs Act") to make the extortion prohibition of such section applicable to conduct in labor disputes to the same extent such prohibition applies to other conduct; to the Committee on the Judiciary.

H.R. 108. A bill to provide for annual observances of certain legal public holidays on their traditional dates; to the Committee on Post Office and Civil Service.

H.R. 109. A bill to amend Internal Revenue Code of 1986 to provide for the taxation of capital gains at a rate of 10 percent; to the Committee on Ways and Means.

H.R. 110. A bill to amend Internal Revenue Code of 1986 to exclude tips from gross income; to the Committee on Ways and Means.

H.R. 111. A bill to amend the Internal Revenue Code of 1954 to repeal the income taxation of corporations, to impose a 10-percent tax on the earned income (and only the earned income) of individuals, to repeal the estate and gift taxes, to provide amnesty for all tax liability for prior taxable years, and for other purposes; to the Committee on Ways and Means.

H.R. 112. A bill to amend the Internal Revenue Code of 1986 to allow certain married individuals who file separate returns to be taxed as unmarried individuals; to the Committee on Ways and Means.

H.R. 113. A bill to amend the Internal Revenue Code of 1986 to restore and make permanent the deduction for charitable contributions by nonitemizers; to the Committee on Ways and Means.

H.R. 114. A bill to amend the Social Security Act to provide that social security coverage for employees of religious organizations shall be optional; to the Committee on Ways and Means.

H.R. 115. A bill to amend title II of the Social Security Act to make it clear that States and local governments may not tax social security benefits; to the Committee on Ways and Means.

H.R. 116. A bill to establish "National Tax Liberation Day" as a legal public holiday; jointly, to the Committees on Post Office and Civil Service, and Ways and Means.

By Mr. CRANE (for himself and Mr. Dannemeyer):

H.R. 117. A bill to limit United States contributions to the United Nations; to the Committee on Foreign Affairs.

By Mr. CRANE (for himself and Mr. Nielson of Utah):

H.R. 118. A bill to require that the U.S. Government prepare and make public annual consolidated financial statements utilizing the accrual method of accounting, and for other purposes; to the Committee on Government Operations.

By Mr. CRANE (for himself, Mr. Archer, Mr. Dornan of California, Mrs. Bentley, Mr. Smith of New Hampshire, and Mr. Lagomarsino):

H.R. 119. A bill to amend the Internal Revenue Code of 1986 to repeal the estate and gift taxes and the tax on generation-skipping transfers; to the Committee on Ways and Means.

By Mr. DAUB:

H.R. 120. A bill to require marketing loans for wheat, feed grains, and soybeans; to the Committee on Agriculture.

H.R. 121. A bill to amend title II of the Social Security Act to provide for an improved benefit computation formula for workers who attain age 65 in or after 1982 and to whom applies the 5-year period of transition to the changes in benefit computation rules enacted in the Social Security Amendments of 1977 (and related beneficiaries) and to provide prospectively for increases in their benefits accordingly; to the Committee on Ways and Means.

H.R. 122. A bill to restore income averaging for farmers; to the Committee on Ways and Means.

H.R. 123. A bill to amend the Internal Revenue Code of 1986 to provide for a permanent extension of the exclusion for educational assistance programs; to the Committee on Ways and Means.

H.R. 124. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies and that such benefit shall be payable for such month only to the extent proportionate to the number of days in such month preceding the date of the recipient's death; to the Committee on Ways and Means.

By Mr. DONNELLY:

H.R. 125. A bill to provide a survivor annuity to surviving spouses of members of the Reserve components of the Armed Forces who died without having attained age 60 before October 1, 1978, but after they became eligible for retired pay for nonregular service; to the Committee on Armed Services.

H.R. 126. A bill to amend the Fair Credit Reporting Act to reduce the period of time that certain adverse information is retained in consumer credit files; to the Committee on Banking, Finance and Urban Affairs.

H.R. 127. A bill to amend section 207 of title 18, United States Code, to prohibit Members of Congress and officers and employees of any branch of the U.S. Government from attempting to influence the U.S. Government or from representing or advising a foreign entity for a proscribed period after such officer or employee leaves Government service, and for other purposes; to the Committee on the Judiciary.

H.R. 128. A bill to amend the Immigration and Nationality Act to provide a procedure for an alien who dies while serving on active duty with the U.S. Armed Forces during certain periods of hostilities to be considered a citizen of the United States at the time of the alien's death; to the Committee on the Judiciary.

H.R. 129. A bill to amend the Internal Revenue Code of 1986 to require that requests to waive the minimum funding standards for certain pensions plans by reason of substantial business hardship be accompanied by a list of the plan participants, and to direct the Secretary of the Treasury to make public any request for such a waiver and provide for a 60-day comment period at the close of which a public hearing shall be held at which interested parties may testify about such request; to the Committee on Ways and Means.

H.R. 130. A bill to amend the Internal Revenue Code of 1986 to restore the special 3-year basis recovery rule in computing the amount of an employee's annuity includible in gross income; to the Committee on Ways and Means.

H.R. 131. A bill to strengthen the Nation's competitive position in international trade and to improve its ability to respond to unfair and injurious foreign trade practices; to the Committee on Ways and Means.

H.R. 132. A bill to promote orderly and efficient ocean transportation of dry bulk commodities in the foreign commerce of the United States, and for other purposes; jointly, to the Committee on Merchant Marine and Fisheries, and Rules.

H.R. 133. A bill to provide for the establishment and operation of a national lottery to assist in financing the old-age, survivors, and disability insurance program and the hospital insurance program; jointly, to the Committees on Ways and Means, the Judiciary, and Post Office and Civil Service.

By Mr. DORGAN of North Dakota:

H.R. 134. A bill to establish in the Department of Labor a Federal Boxing Commission to prescribe and enforce fair labor standards applicable to the conduct of professional boxing and to impose certain other requirements relating to professional boxing, and for other purposes; jointly, to the Committees on Education and Labor, and Energy and Commerce.

By Mr. DORNAN of California (for himself, Mr. Lantos, Mr. Moorhead, Mr. Kemp, Mr. Berman, Mr. Levine of California, Mr. Gilman, Mr. Dymally, and Mr. Donald E. Lukens):

H.R. 135. A bill to permit placement of a privately funded statue of Haym Salomon in the Capitol Building or on the Capitol Grounds and to erect a privately funded monument to Haym Salomon on Federal land in the District of Columbia; to the Committee on House Administration.

By Mr. DREIER of California (for himself and Mr. Stenholm):

H.R. 136. A bill to increase Government economy and efficiency and to reduce the deficit by implementing certain recommendations of the President's private sector survey on cost control relating to reduced Government competition with the private sector to provide goods and services; to the Committee on Government Operations.

By Mr. DURBIN (for himself and Mr. Boehlert):

H.R. 137. A bill to establish a system of individual training accounts in the unemployment trust fund to provide for training and relocating unemployed individuals, to amend the Internal Revenue Code of 1954 to provide that certain contributions to such accounts shall be deductible from gross income, and for other purposes; jointly, to the Committees on Education and Labor, and Ways and Means.

By Mr. EMERSON:

H.R. 138. A bill to require the Secretary of the Interior to permit trapping in the Ozark National Scenic Riverways area: to the Committee on Interior and Insular Affairs.

By Mr. ERDREICH:

H.R. 139. A bill to amend the Unfair Competition Act of 1916 and Clayton Act to provide for the further relief in the event of unfair foreign competition; jointly, to the Committees on Energy and Commerce, the Judiciary, and Ways and Means.

H.R. 140. A bill to amend chapter 7 of title 31, United States Code, to abolish the Commission on Executive, Legislative, and Judicial Salaries and transfer its functions to the Comptroller General, and to provide that any legislation increasing the rate of pay for members of Congress is considered separately from other legislation, is adopted only by a recorded vote, and does not take effect until the start of the Congress following the Congress in which approved, and to eliminate the automatic annual pay adjustment for Members of Congress; jointly, to the Committees on Post Office and Civil Service, and Rules.

By Mr. FAUNTROY:

H.R. 141. A bill to establish an Office of the Attorney General for the District of Columbia, to transfer prosecutorial authority for local offenses and custodial responsibility for prisoners convicted of local offenses to the District of Columbia government, to provide for the local appointment of the judges of the District of Columbia courts, and for other purposes; to the Committee on the District of Columbia; to the Committee on the District of Columbia.

H.R. 142. A bill to convey the District of Columbia Employment Security Building to the District of Columbia; to the Committee on the District of Columbia.

By Mr. KILDEE:

H.R. 143. A bill to establish a program to provide funds for employment of unemployed individuals to repair and renovate educational facilities, and for other purposes; to the Committee on Education and Labor.

H.R. 144. A bill to amend the Internal Revenue Code of 1986 to repeal the provisions which include unemployment compensation in gross income; to the Committee on Ways and Means.

By Mr. GLICKMAN (for himself, Mr. Brooks, Mr. Roe, Mr. Brown of California, Mr. Walgren, Mr. Horton, Mr. Boehlert, and Mr. Wyden):

H.R. 145. A bill to provide for a computer standards program within the National Bureau of Standards, to provide for Government-wide computer security, and to provide for the training in security matters of persons who are involved in the management, operation, and use of Federal computer systems, and for other purposes; jointly, to the Committees on Science, Space and Technology, and Government Operations.

By Mr. KILDEE:

H.R. 146. A bill to amend the Internal Revenue Code of 1986 to provide for the exclusion from gross income of a certain portion of amounts received as annuities, pensions, or other retirement benefits by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. FAUNTROY (by request):

H.R. 147. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act, to authorize a Federal contribution to reduce the accumulated deficit of the District, to modify limitations on District taxing authority, and for other purposes; to the Committee on the District of Columbia.

By Mr. KILDEE (for himself, Mr. Ford of Michigan, Mr. Traxler, Mr. Carr, Mr. Conyers, Mr. Pursell, Mr. Wolpe, Mr. Crockett, Mr. Henry, Mr. Bonior of Michigan, Mr. Hertel, and Mr. Levin of Michigan):

H.R. 148. A bill to designate certain public lands in the State of Michigan as wilderness, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Agriculture.

By Mr. KILDEE:

H.R. 149. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to authorize the payment of benefits with respect to public safety officers who die of certain medical conditions sustained in the performance of duty; to the Committee on the Judiciary.

By Mr. FAUNTROY:

H.R. 150. A bill to amend the District of Columbia Self-Government and Government Reorganization Act to repeal the limitation on the Council of the District of Columbia regarding the imposition of any tax upon individuals who are not residents of the District of Columbia; to the Committee on the District of Columbia.

H.R. 151. A bill to amend the District of Columbia Traffic Act, 1925; to the Committee on the District of Columbia.

H.R. 152. A bill to establish a District of Columbia Supreme Court; to the Committee on the District of Columbia.

H.R. 153. A bill to eliminate Federal coverage concerning the political activities of District of Columbia government employees and to authorize the District of Columbia Council to enact legislation regarding the political activities of such individuals; jointly, to the Committees on Post Office and Civil Service, and the District of Columbia.

By Mr. FAUNTROY (for himself and Mr. Dellums):

H.R. 154. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to increase the amount authorized to be appropriated as the annual Federal payment to the District of Columbia; to the Committee on the District of Columbia.

By Mr. FEIGHAN:

H.R. 155. A bill to prohibit the manufacture and importation of not readily detectable firearms, to prohibit the transfer and possession of silencers, and to provide for a waiting period before purchase of a handgun; to the Committee on the Judiciary.

By Mr. FOGLIETTA:

H.R. 156. A bill to amend the Housing and Community Development Act of 1974 to provide additional assistance under the community development block grant program for priority projects; to the Committee on Banking, Finance and Urban Affairs.

By Mr. FOGLIETTA (for himself, Mrs. Boggs, and Mr. Crane):

H.R. 157. A bill to designate September 17, 1987, the bicentennial of the signing of the Constitution of the United States, as "Constitution Day", and to make such day a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. GALLO:

H.R. 158. A bill to amend title XIX of the Social Security Act to permit States to cover certain individuals requiring extensive home care under a home-or-community-based waiver, and for other purposes; to the Committee on Energy and Commerce.

H.R. 159. A bill to amend title XIX of the Social Security Act to require skilled nursing facilities and intermediate care facilities that participate in the Medicaid Program to make available at least the average proportion of beds available in the State to Medicaid patients; to the Committee on Energy and Commerce.

By Mr. GAYDOS:

H.R. 160. A bill to extinguish Federal court jurisdiction to require attendance at a particular school of any student because of race, color, creed, or sex; to the Committee on the Judiciary.

H.R. 161. A bill to amend the Fair Labor Standards Act of 1938, to require prenotification to affected employees and communities of dislocation of business concerns, to provide assistance—including retraining—to employees who suffer employment loss through the dislocation of business concerns, to business concerns threatened with dislocation, and to affected communities, to prevent Federal support for unjustified dislocation, and for other purposes; jointly, to the Committees on Education and Labor, and Banking, Finance and Urban Affairs.

By Mr. GAYDOS (for himself, Mr. Rahall, Mr. Kastenmeier, Mr. Walgren, Mr. Rodino, Mr. Ackerman, Mr. Fauntroy, Mr. Frank, Mr. Brooks, Mr. Murphy, Mr. Edwards of California, Mr. McDade, Mrs. Collins, Mr. Ford of Michigan, Mr. Oberstar, Mr. Bonker, Mr. Miller of California, Mr. Torres, Mr. Coleman of Texas, Mr. Clay, Mrs. Boxer, Mr. Fazio, Mr. Kildee, Mr. Gejdenson, Mr. Fascell, Mr. Martinez, Mr. Vento, Mr. Durbin, Mr. Crockett, Mr. Matsui, Mr. Guarini, Mr. Weiss, Mr. Mineta, Mr. Roe, Mr. Hayes of Illinois, and Mr. Perkins):

H.R. 162. A bill to establish a system for identifying, notifying, and preventing illness and death among workers who are at increased or high risk of occupational disease, and for other purposes; to the Committee on Education and Labor.

By Mr. GUARINI:

H.R. 163. A bill to reestablish the Reconstruction Finance Corporation, to authorize such Corporation to perform its traditional lending functions, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 164. A bill to provide Federal grants to States for programs to identify and aid individuals who have been exposed to the drug diethyl-stilbestrol [DES]; to the Committee on Energy and Commerce.

H.R. 165. A bill to amend the Consumer Product Safety Act to strengthen the authority of the Consumer Product Safety Commission over amusement parks; to the Committee on Energy and Commerce.

By Mr. HOWARD:

H.R. 166. A bill to amend the Federal Election Campaign Act of 1971 to change certain contribution limits for congressional elections and to amend the Communications Act of 1934 regarding the broadcasting of certain material regarding candidates for Federal elective office, and for other purposes; jointly, to the Committees on House Administration, and Energy and Commerce.

By Mr. JACOBS:

H.R. 167. A bill to permit free entry into the United States of the personal effects, equipment, and other related articles of foreign participants, officials, and other accredited members of delegations involved in the games of the 10th Pan American Games to be held in Indianapolis, IN, in 1987; to the Committee on Ways and Means.

By Mr. JEFFORDS:

H.R. 168. A bill to establish a program for replacing, by 1995, 10 percent or more of the gasoline in the United States with alcohol and other replacement fuels derived from coal and renewable resources, and for other purposes; to the Committee on Energy and Commerce.

By Mr. LAGOMARSINO:

H.R. 169. A bill to provide for the establishment of a National Voluntary Health Insurance Act; to the Committee on Energy and Commerce.

H.R. 170. A bill to disallow the Secretary of the Interior from issuing oil and gas leases with respect to a geographical area located in the Pacific Ocean off the coastline of the State of California; to the Committee on Interior and Insular Affairs.

H.R. 171. A bill to amend title 3, United States Code, with respect to reimbursing States and localities for expenses they make at the request of the Government for the protection of the President of the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 172. A bill to prohibit vessels transporting Alaskan oil from using routes through the territorial and international waters northward of the Santa Barbara Channel Islands; to the Committee on Merchant Marine and Fisheries.

H.R. 173. A bill to allow the National Aeronautics and Space Administration to accept restricted gifts; to the Committee on Science and Technology.

H.R. 174. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to include the pay of Members of Congress within the coverage of the act; jointly, to the Committees on Government Operations, and Post Office and Civil Service.

H.R. 175. A bill to provide that no increase in pay for Members of Congress shall take effect without a recorded vote in each House; jointly, to the Committees on Post Office and Civil Service, and Rules.

By Mr. LEHMAN of California (for himself, Mr. St Germain, and Mr. Schumer):

H.R. 176. A bill to provide for the uniform disclosure of the rates of interest which are payable on savings accounts, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LELAND (for himself, Mr. Panetta, Mr. Rodino, and Mr. Lehman of Florida):

H.R. 177. A bill to amend the Food Stamp Act of 1977 and the Temporary Emergency Food Assistance Act of 1983 to expedite and expand the provision of emergency food to the homeless; to the Committee on Agriculture.

By Mr. LELAND (for himself, Mr. Rodino, and Mr. Lehman of Florida):

H.R. 178. A bill to amend the Runaway and Homeless Youth Act to authorize the Secretary of Health and Human Services to make grants for transitional living projects that provide shelter and services to homeless youth; to the Committee on Education and Labor.

H.R. 179. A bill to amend the General Education Provisions Act to assure full and equal educational opportunities for homeless children; to the Committee on Education and Labor.

H.R. 180. A bill to declare the right of every homeless individual to decent overnight shelter, and to amend title IV of the Social Security Act to make the provision of such shelter (and the provision of emergency assistance to needy families) mandatory upon the States; to the Committee on Ways and Means.

By Mr. LELAND (for himself, Mr. Rodino, Mr. Lehman of Florida, Mr. Stark, Mrs. Kennelly, Mr. Rangel, and Mr. Matsui):

H.R. 181. A bill to amend title XI and XVI of the Social Security Act to expedite the provision of social security and SSI benefits to homeless individuals, and to broaden the eligibility of such individuals for full benefits under the SSI program; to the Committee on Ways and Means.

By Mr. LEWIS of Florida:

H.R. 182. A bill to amend title 5, United States Code, to provide that the civil service retirement and disability fund be excluded from the budget of the U.S. Government; to the Committee on Post Office and Civil Service and Government Operations.

H.R. 183. A bill to require the Administrator of Veterans' Affairs to establish a pilot program to contract for veterans' health care in the areas which will be served upon the completion of the West Palm Beach Veterans' Administration Medical Center; to the Committee on Veterans' Affairs.

By Mr. LEWIS of Florida (for himself, Mr. Hutto, Mr. Grant, Mr. Bennett, Mr. Chappell, Mr. McCollum, Mr. MacKay, Mr. Gibbons, Mr. Young of Florida, Mr. Bilirakis, Mr. Ireland, Mr. Nelson of Florida, Mr. Mack, Mr. Mica, Mr. Shaw, Mr. Smith of Florida, Mr. Lehman of Florida, Mr. Pepper, and Mr. Fascell):

H.R. 184. A bill to establish the Big Cypress National Preserve Addition in the State of Florida, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LOWERY of California (for himself, Mr. Armey, Mr. Burton of Indiana, Mr. Daub, Mr. Durbin, Mr. Leath of Texas, Mr. Lagomarsino, Mr. Michel, Mr. Petri, Mr. Roth, Mr. Schaefer, Mr. Schuette, Mr. Denny Smith, and Mr. Wortley):

H.R. 185. A bill to amend title 23, United States Code, to provide for administrative release of highway funds if Congress does not approve the interstate cost estimate and the interstate substitute cost estimate; to the Committee on Public Works and Transportation.

By Mr. THOMAS A. LUKEN:

H.R. 186. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the registration of certain nonprofit entities which provide health services and sell prescription drugs; to the Committee on Energy and Commerce.

H.R. 187. A bill to establish a commission to study the establishment of a national lottery; to the Committee on Ways and Means.

By Mr. McDADE:

H.R. 188. A bill to require milk handlers to make prompt payment to producers for fluid milk; to the Committee on Agriculture.

By Mr. McDADE (for himself and Mr. Murtha):

H.R. 189. A bill to require the Secretary of the Treasury to establish a national lottery and to provide that not less than 50 percent of the receipts from such lottery be used to reduce the Federal debt; to the Committee on Ways and Means.

By Mr. McEWEN:

H.R. 190. A bill to amend title II of the Social Security Act to provide that the adopted child of an individual shall be treated the same as a natural child of such individual for purposes of determining his or her eligibility for benefits based on such individual's wage record, regardless of the time the adoption occurred; to the Committee on Ways and Means.

By Mr. MILLER of California (for himself, Mrs. Boxer, Mr. Brown of California, Mr. Crockett, Mr. Dellums, Mr. Edwards of California, Mr. Fazio, Mr. Fuster, Mr. Horton, Ms. Kaptur, Mr. Kildee, Ms. Oakar, and Mr. Stark):

H.R. 191. A bill to authorize the establishment of a Peace Garden on a site to be selected by the Secretary of the Interior; to the Committee on Interior and Insular Affairs.

By Mr. MOAKLEY:

H.R. 192. A bill to amend title VII of the Civil Rights Act of 1964 to make discrimination against handicapped individuals an unlawful employment practice; to the Committee on Education and Labor.

H.R. 193. A bill to amend title I of the Ethics in Government Act of 1978 to provide for more useful and effective disclosure by officials of the legislative branch, and for other purposes; to the Committee on Rules.

By Mr. MOLINARI:

H.R. 194. A bill to fulfill the purposes of the Airport and Airway Improvement Act of 1982, promote air passenger safety, and provide equity to airway users; jointly, to the Committees on Public Works and Transportation, and Government Operations.

By Mr. MOLINARI (for himself and Mr. Glickman):

H.R. 195. A bill to amend the Federal Aviation Act of 1958 to increase civil penalties for aviation safety violations and to increase criminal penalties for failure to file certain reports and falsification of certain records; jointly to the Committees on Public Works and Transportation and the Judiciary.

By Mr. NATCHER:

H.R. 196. A bill to extend veteran's benefits to persons serving in the Armed Forces between November 12, 1918, and July 2, 1921; to the Committee on Veterans' Affairs.

By Mr. OBERSTAR:

H.R. 197. A bill to amend the act establishing Voyageurs National Park, MN, to allow certain State lease holders of lands within the park to continue to lease such lands for up to 20 years; to the Committee on Interior and Insular Affairs.

H.R. 198. A bill to provide an emergency public works jobs program by authorizing the construction of short term infrastructure repair projects, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 199. A bill to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965 to authorize the appropriation of funds to carry out such acts for fiscal years 1988, 1989, and 1990; to the Committee on Public Works and Transportation.

By Mr. ROYBAL:

H.R. 200. A bill to amend title XVIII of the Social Security Act to ensure, through a U.S. health program, access for all Americans to quality health care while containing the costs of the health care system, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. OBERSTAR:

H.R. 201. A bill to establish a Federal program to assist State and local governments in addressing the urgent need to repair and rehabilitate aging public facilities and to encourage the establishment of capital improvement programs that include life-cycle management of capital improvements, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. KASTENMEIER:

H.R. 202. A bill to amend title 38, United States Code, to provide a presumption of service connection for the occurrence of posttraumatic stress disorders in veterans who served in Southeast Asia during the Vietnam era; to the Committee on Veterans' Affairs.

By Mr. OBERSTAR:

H.R. 203. A bill to amend title II of the Social Security Act to repeal the separate definition of disability presently applicable to widows and widowers, and to provide in turn that the months of a widow's or widower's entitlement to SSI benefits on the basis of disability may be used in establishing his or her entitlement to Medicare benefits on that basis; to the Committee on Ways and Means.

H.R. 204. A bill to amend title II of the Social Security Act to repeal the special limitation on total family benefits which is presently applicable in cases where the primary beneficiary is entitled to disability insurance benefits; to the Committee on Ways and Means.

H.R. 205. A bill to amend title II of the Social Security Act to liberalize eligibility for disability benefits by providing for the determination of an individual's eligibility for such benefits without regard to the recency of such individual's coverage; to the Committee on Ways and Means.

H.R. 206. A bill to amend title II of the Social Security Act to provide that widow's and widower's insurance benefits, as well as old-age insurance benefits, may be increased by the application of the delayed retirement credit; to the Committee on Ways and Means.

H.R. 207. A bill to amend section 102 of the Social Security Amendments of 1983 to include individuals between the ages of 46 and 55 within the special provisions (now applicable only to individuals age 55 or over) which liberalize the insured status requirements for certain employees of nonprofit organizations whose services were mandatorily covered by such amendments; to the Committee on Ways and Means.

H.R. 208. A bill to amend title II of the Social Security Act to modify the actuarial reduction formula as it applies to surviving spouses who qualify for disability insurance benefits after first having become entitled to reduced widow's or widower's insurance benefits, to assure that their own coverage credits (on which such disability benefits are based) will be more realistically recognized in the resulting combined benefit amount; to the Committee on Ways and Means.

H.R. 209. A bill to amend title II of the Social Security Act to extend the period during which a surviving spouse or surviving divorced spouse must have initially become disabled in order to qualify for widow's or widower's benefits before attaining age 60, in cases where such surviving spouse or surviving divorced spouse works after the death of the insured individual on whose wage record such benefits are payable; to the Committee on Ways and Means.

H.R. 210. A bill to amend title II of the Social Security Act to provide full benefits for disabled widows and widowers without regard to age (subject to limited adjustments to reflect any previous reductions in their benefits); to the Committee on Ways and Means.

H.R. 211. A bill to amend title II of the Social Security Act to provide full benefits for disabled wives and husbands without regard to age (subject to limited adjustments to reflect any previous reductions in their benefits); to the Committee on Ways and Means.

H.R. 212. A bill to amend title II of the Social Security Act to provide benefits to essential spouses of disability beneficiaries without regard to age or children in care; to the Committee on Ways and Means.

H.R. 213. A bill to amend title II of the Social Security Act to extend the benefits of the delayed retirement credit to surviving spouses and surviving divorced spouses who work and whose widow's or widower's insurance benefits are higher than their old-age insurance benefits; to the Committee on Ways and Means.

H.R. 214. A bill to amend section 224 of the Social Security Act to permit an individual who is entitled both to disability insurance benefits and to other periodic benefits, and who is consequently subject to benefit reduction under that section, to lessen the amount of such reduction by taking into account certain noncovered earnings in the year of his or her disability and the 5 preceding years; to the Committee on Ways and Means.

By Mr. PORTER:

H.R. 215. A bill to require the Veterans' Administration to study the effect of exposure to phenoxy herbicides (including the herbicide known as agent orange) or to other herbicides on women who served with the Red Cross or the USO in Vietnam during the Vietnam era and to provide for medical examinations and counseling for such women and other individuals who rendered such service; to the Committee on Veterans' Affairs.

By Mr. QUILLEN:

H.R. 216. A bill to amend title 10, United States Code, to permit senior Reserve officers' training programs to be established at public community colleges; to the Committee on Armed Services.

H.R. 217. A bill to amend the act of September 30, 1950 (20 U.S.C. 236 et seq.) to provide for the use of current assessed values of Federal property in determining eligibility for certain assistance under such act; to the Committee on Education and Labor.

H.R. 218. A bill to amend the Railroad Retirement Act of 1974 to change benefit eligibility requirements so that individuals who have completed 30 years of service as an employee and have attained the age of 55 years are eligible and so that certain other individuals who have attained the age of 55 years and are related to employees are also eligible; to the Committee on Energy and Commerce.

H.R. 219. A bill to designate "The Stars and Stripes Forever" as the national march of the United States of America; to the Committee on Post Office and Civil Service.

H.R. 220. A bill to provide reduced rates for nonprofit senior citizens organizations; to the Committee on Post Office and Civil Service.

H.R. 221. A bill to amend title 39 of the United States Code to provide for door delivery of mail to the physically handicapped, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. COLLINS (for herself and Mr. MORRISON of Connecticut):

H.R. 222. A bill to suspend United States assistance for the Nicaraguan democratic resistance until the Congress has completed its investigations into the shipments of arms to Iran and the possible illegal use of U.S. Government funds for assistance for the Nicaraguan democratic resistance, and to require a reduction in the amount of authorized assistance equal to the amount of any assistance illegally provided; jointly to the Committees on Foreign Affairs, Armed Services, and the Permanent Select Committee on Intelligence.

By Mr. QUILLEN:

H.R. 223. A bill to provide that monthly annuity payments under the Railroad Retirement Act of 1974 shall not be included as income for the purpose of determining eligibility for, or the amount of, certain pension and dependency and indemnity compensation benefits paid by the Veterans' Administration; to the Committee on Veterans' Affairs.

H.R. 224. A bill to amend title 38, United States Code, to require that burials be permitted in national cemeteries on weekends and holidays; to the Committee on Veterans' Affairs.

H.R. 225. A bill to amend the Internal Revenue Code of 1986 to provide that an individual may deduct amounts paid for his higher education, or for the higher education of any of his dependents; to the Committee on Ways and Means.

H.R. 226. A bill to amend the Internal Revenue Code of 1986 to allow handicapped individuals a deduction for certain transportation expenses; to the Committee on Ways and Means.

H.R. 227. A bill to amend title II of the Social Security Act to eliminate benefit disparities by increasing primary insurance amounts, in cases where the benefits involved are computed under the present formula (enacted in 1977), to the extent necessary to assure that such benefits are no less than they would have been if computed under the pre-1977 formula; to the Committee on Ways and Means.

H.R. 228. A bill to amend title II of the Social Security Act to provide that an individual's entitlement to benefits thereunder shall continue through the month of his or her death (without affecting any other person's entitlement to benefits for that month), in order to provide such individual's family with assistance in meeting the extra death-related expenses; to the Committee on Ways and Means.

H.R. 229. A bill to amend title III of the Social Security Act to provide that the automatic cost-of-living increases in benefits which are authorized thereunder may be made on a semiannual basis (rather than only on an annual basis as at present); to the Committee on Ways and Means.

H.R. 230. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 231. A bill to amend the Internal Revenue Code of 1986 to provide a refundable tax credit for taxpayers who maintain households which include elderly persons who are determined by a physician to be disabled; to the Committee on Ways and Means.

H.R. 232. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for amounts paid by an individual for dependent care services to enable him to perform volunteer services for certain organizations; to the Committee on Ways and Means.

H.R. 233. A bill to amend the Internal Revenue Code of 1986 to provide that the requirement that unemployment compensation be reduced by certain retirement benefits will not apply to social security and railroad retirement benefits; to the Committee on Ways and Means.

H.R. 234. A bill to amend the Internal Revenue Code of 1986 to provide that in the case of individuals who attain age 62 no penalty shall be imposed for failure to pay estimated income tax where taxable income for the taxable years is less than $20,000 ($30,000 in the case of a married couple filing a joint return), and more than 50 percent of such income is retirement income; to the Committee on Ways and Means.

H.R. 235. A bill to create a commission to grant exclusive franchises for the exploration for and the commercial development of geothermal energy and for the right to market any such energy in its natural state, and for other purposes; jointly, to the Committees on Energy and Commerce, and Interior and Insular Affairs.

H.R. 236. A bill to amend title XVIII of the Social Security Act to provide for the payment of services by psychologists under the Medicare Program; jointly, to the Committees on Ways and Means, and Energy and Commerce.

H.R. 237. A bill to amend titles XVIII and XIX of the Social Security Act to provide for inclusion of the services of licensed (registered) nurses under the Medicare and Medicaid Programs; jointly, to the Committees on Ways and Means, and Energy and Commerce.

H.R. 238. A bill to amend titles XVIII and XIX of the Social Security Act to provide for inclusion of the services of licensed practical nurses under the Medicare and Medicaid Programs; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. RICHARDSON:

H.R. 239. A bill to direct the Attorney General to conduct a study into the history of Spanish and Mexican land grants in the area of northern New Mexico; to the Committee on the Judiciary.

By Mr. RICHARDSON (for himself, Mr. BROWN of Colorado, Mr. WHEAT, Mr. EMERSON, Mr. SKELTON, Mr. SYNAR, Mr. ROBERTS, and Mr. LUJAN):

H.R. 240. A bill to amend the National Trails System Act to designate the Santa Fe Trail as a National Historic Trail; to the Committee on Interior and Insular Affairs.

By Mr. ROTH:

H.R. 241. A bill to amend the Animal Welfare Act with respect to the issuance of temporary restraining orders and injunctions in certain cases; to the Committee on Agriculture.

H.R. 242. A bill to provide for the conveyance of certain public lands in Oconto and Marinette Counties, WI; to the Committee on Interior and Insular Affairs.

By Mr. ROTH (for himself, Mr. WORTLEY, and Mr. HORTON):

H.R. 243. A bill to direct the President to impose certain limitations on the amount of milk protein products that may be imported into the United States, and for other purposes; to the Committee on Agriculture.

By Mr. ROTH (for himself and Mr. RIDGE):

H.R. 244. A bill to amend the Truth in Lending Act to require that solicitations for new credit card accounts shall include more complete disclosure of conditions and costs for the extension of credit, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Miss SCHNEIDER (for herself, Mr. ARMEY, Mr. BATEMAN, Mr. BEREUTER, Mr. BILIRAKIS, Mr. BOEHLERT, Mr. BONKER, Mr. BURTON of Indiana, Mr. BUSTAMANTE, Mr. CHAPMAN, Mr. COATS, Mr. DAUB, Mr. DOWNEY of New York, Mr. DREIER of California, Mr. FAWELL, Mr. FRENZEL, Mr. GOODLING, Mr. GRADISON, Mr. GUNDERSON, Mrs. JOHNSON of Connecticut, Mr. JONES of North Carolina, Mr. LAGOMARSINO, Mr. MACKAY, Mr. MICHEL, Mr. OBERSTAR, Mr. OLIN, Mr. PEASE, Mr. RITTER, Mr. RODINO, Mr. SISISKY, Mr. SKEEN, Mr. SLAUGHTER of Virgina, Mr. STENHOLM, Mr. STRATTON, Mr. TAUKE, Mr. VENTO, Mrs. VUCANOVICH, Mr. WALGREN, Mr. WOLF, and Mr. WORTLEY):

H.R. 245. A bill to establish a commission to advise the President on proposals for national observances; to the Committee on Post Office and Civil Service.

By Mr. SCHULZE:

H.R. 246. A bill to amend the Internal Revenue Code of 1986 to enhance competition by reinstating a 5-percent investment tax credit after 1987 for productive property, by eliminating estate and gift taxes on transfers of business interests to related persons, by eliminating tax on the proceeds from the sale of a small business if the proceeds are reinvested in another small business, by increasing from $10,000 to $25,000 the amount allowed for expensing depreciable business assets, by requiring nonprofit organizations to make available their tax returns to the public, by applying the Regulatory Flexibility Act to the Internal Revenue Service, and by providing for the regulation of employee leasing organizations; to the Committee on Ways and Means.

By Mr. SENSENBRENNER (for himself, Mr. PETRI, and Mr. VANDER JAGT):

H.R. 247. A bill to alleviate water damage along the shoreline of the Great Lakes caused by abnormally high water levels; jointly, to the Committees on Public Works and Transportation, and Foreign Affairs.

By Mr. SHUMWAY:

H.R. 248. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. SMITH of Iowa:

H.R. 249. A bill to amend the Commodity Exchange Act to require a producer referendum as a condition of designation of certain contract markets; to the Committee on Agriculture.

H.R. 250. A bill to amend the Commodity Exchange Act to require public disclosure of certain information relating to sales of commodities for export, and for other purposes; to the Committee on Agriculture.

H.R. 251. A bill to amend the Commodity Exchange Act to prohibit insider trading; to the Committee on Agriculture.

H.R. 252. A bill to authorize loans for study at nonprofit institutions of higher education; to the Committee on Education and Labor.

H.R. 253. A bill to amend the Small Business Act to assist and protect small businesses and to protect small businesses against unreasonable use of economic power by major meatpacking companies, and for other purposes; jointly, to the Committees on Agriculture, and Small Business.

H.R. 254. A bill to clarify the eligibility of certain small businesses for loans under the Small Business Act, to aid, protect, and preserve small businesses in meat production and marketing, and for other purposes; jointly, to the Committees on Agriculture, and Small Business.

H.R. 255. A bill to develop natural resources, to provide meaningful employment opportunities producing assets of lasting value, and to enhance the environment, through a program providing incentives to State, local, and Federal agencies to plant trees on public lands; jointly, to the Committees on Agriculture, Interior and Insular Affairs, and Small Business.

By Mr. SMITH of Iowa (for himself, Mr. PARRIS, Mr. YATES, Mr. RODINO, Mr. MCKINNEY, Mrs. COLLINS, Mr. DWYER of New Jersey, Mr. LEHMAN of Florida, Mr. CLAY, Mr. WILSON, Mr. CROCKETT, Mr. KILDEE, Mr. RINALDO, Mr. GRAY of Pennsylvania, Mrs. LLOYD, Mr. GUARINI, Mr. FAZIO, Mr. PERKINS, and Mr. QUILLEN):

H.R. 256. A bill to amend the Federal Food, Drug, and Cosmetic Act to require that certain foods intended for human consumption be labeled to show the amount of sodium and potassium they contain; to the Committee on Energy and Commerce.

By Mr. SMITH of Iowa (for himself, Mr. LEACH of Iowa, and Mr. TAUKE):

H.R. 257. A bill to amend the Clayton Act to allow sellers of agricultural products to bring antitrust actions; to the Committee on the Judiciary.

By Mr. SMITH of Iowa (for himself and Mr. UDALL):

H.R. 258. A bill to require the Secretary of the Interior to establish a program to insure the stockpiling and replacement of topsoil on public lands and other lands which are moved or covered by surface mining projects, reclamation projects, and other Federal and Federally assisted projects and other purposes; to the Committees on Agriculture, and Interior and Insular Affairs.

By Mr. STANGELAND:

H.R. 259. A bill to amend the Agricultural Act of 1949 with respect to the wheat and feed grains programs and for other purposes; to the Committee on Agriculture.

By Mr. STARK:

H.R. 260. A bill to amend the Internal Revenue Code of 1986 to increase to 32 cents per pack the excise taxes on cigarettes; to the Committee on Ways and Means.

By Mr. TRAFICANT:

H.R. 261. A bill to provide for proceedings by the Federal Communications Commission regarding the assignment of a particular channel in the citizen band radio service for use by neighborhood watch programs; to the Committee on Energy and Commerce.

By Mr. VENTO:

H.R. 262. A bill entitled: "The Safe Pipeline Act of 1987"; jointly to the Committees on Energy and Commerce, and Public Works and Transportation.

By Mrs. VUCANOVICH:

H.R. 263. A bill to repeal section 154 of title 23, United States Code, relating to the national maximum speed limit, and to provide that the States should establish maximum speed limits; to the Committee on Public Works and Transportation.

H.R. 264. A bill to amend the Internal Revenue Code of 1954 to provide that net legal wagering gains shall not be included in gross income; to the Committee on Ways and Means.

H.R. 265. A bill to amend the Internal Revenue Code of 1954 to simplify certain requirements regarding withholding and reporting at the source and to correct inequities regarding carryover of losses; to the Committee on Ways and Means.

H.R. 266. A bill to suspend the site selection process under the Nuclear Waste Policy Act of 1982, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Energy and Commerce.

H.R. 267. A bill to exchange certain public lands in Nevada between the Bureau of Land Management and the National Forest Service; jointly, to the Committees on Interior and Insular Affairs, and Agriculture.

By Mr. WALGREN:

H.R. 268. A bill to amend the Tariff Act of 1930 to provide private remedies for injury caused by unfair foreign competition and violations of certain customs fraud provisions; jointly, to the Committees on Ways and Means, the Judiciary, and Energy and Commerce.

By Mr. WALKER:

H.R. 269. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income gain on the sale or exchange of certain farmland if the owners of the farmland, in a convenant binding themselves and all future owners of their land, restrict the use of such land to use as farmland; to the Committee on Ways and Means.

H.R. 270. A bill to provide for the waiver, under certain circumstances, of Federal regulations in order to stimulate employment in trade-impacted sectors of American industry, and to enhance the competitiveness of American industry, and for other purposes; jointly, to the Committees on Ways and Means, the Judiciary, Energy and Commerce, Merchant Marine and Fisheries, and Foreign Affairs.

By Mr. WATKINS:

H.R. 271. A bill to amend the Internal Revenue Code of 1954 to provide a deduction and special net operating loss rules with respect to certain losses on domestic crude oil, to increase tariffs on petroleum and petroleum products, to require the strategic petroleum reserve to be filled with stripper well oil, and to eliminate certain restrictions on the sale of natural gas and on the use of natural gas and oil; jointly, to the Committees on Ways and Means, Energy and Commerce, and Banking, Finance and Urban Affairs.

By Mr. WEISS:

H.R. 272. A bill to provide authority for the President to stabilize prices, wages, interest rates, and corporate dividends; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WEISS (for himself, Mr. OWENS of New York, Mr. FRANK, Mr. CROCKETT, Mr. TOWNS, Mr. STUDDS, Mr. WAXMAN, Mr. ROYBAL, Mr. DELLUMS, and Mrs. BOXER):

H.R. 273. A bill to amend the Public Health Service Act to provide funds for the prevention and treatment of public health emergencies; to the Committee on Energy and Commerce.

By Mr. WEISS (for himself, Mr. OWENS of New York, Mr. FAUNTROY, Mr. FRANK, Mr. ACKERMAN, Mr. CROCKETT, Mr. TOWNS, Mr. FUSTER, Mrs. BOXER, Mr. RANGEL, Ms. KAPTUR, Mr. KOLTER, Mr. FORD of Tennessee, Mr. CLAY, Mr. FEIGHAN, Mr. MORRISON of Connecticut, Mr.

Studds, Mr. Hayes of Illinois, Mr. Berman, and Mr. Foglietta):

H.R. 274. A bill to amend part A of title IV of the Social Security Act to permit States, with Federal matching under the program of emergency assistance to needy families with children, to purchase, construct, renovate, or rent facilities to provide emergency shelter for such families; to the Committee on Ways and Means.

By Mr. WEISS (for himself and Mr. Kildee):

H.R. 275. A bill to repeal the Balanced Budget and Emergency Deficit Control Act of 1985; jointly, to the Committee on Government Operations, and Rules.

By Mr. WEISS (for himself, Mr. Owens of New York, Mr. Crockett, Mrs. Boxer, Mr. Stokes, Mr. Dellums, Mr. Lowry of Washington, and Mr. Dornan of California):

H.R. 276. A bill to amend title II of the Social Security Act to waive, for 5 years, the 24-month waiting period for Medicare eligibility on the basis of a disability in the case of individuals with acquired immune deficiency syndrome [AIDS], and for other purposes; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. WYLIE:

H.R. 277. A bill to amend the Congressional Budget Act of 1974 and the Budget Accounting Act, 1921, to provide that Federal expenditures shall not exceed Federal revenues, except in time of war or economic necessity declared by the Congress; jointly, to the Committees on Government Operations, and Rules.

By Mr. YOUNG of Alaska:

H.R. 278. A bill to amend the Alaska Native Claims Settlement Act to provide Alaska Natives with certain options for continued ownership of lands and corporate shares received pursuant to the act, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. QUILLEN:

H.R. 279. A bill to amend title 38, United States Code, to remove the time limitation for the use of GI bill educational assistance benefits; to the Committee on Veterans' Affairs.

By Mr. ACKERMAN (for himself, Mr. Torres, Mr. Towns, Mr. Frank, Mr. Clay, Mr. Dymally, Mr. Swift, Ms. Kaptur, Mr. Hawkins, Mr. Morrison of Connecticut, Mr. Stark, Mr. McCurdy, Mr. Parris, and Mr. Bustamante):

H.R. 280. A bill to amend title 5, United States Code, to establish certain restrictions relating to drug testing by Federal agencies, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CLAY:

H.R. 281. A bill to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry; to the Committee on Education and Labor.

By Mr. AuCOIN:

H.R. 282. A bill to conform the Airborne Optical Adjunct to the ABM Treaty; to the Committee on Armed Services.

By Mrs. ROUKEMA:

H.R. 283. A bill to provide that rates of pay for Members of Congress shall not be subject to adjustment under the Federal Salary Act of 1967 or subject to any automatic adjustment, to provide that any bill or resolution which would increase Members' pay or confer any tax benefit with respect to Members as a separate and distinct class may be passed or adopted (as the case may be) only by a recorded vote, and for other purposes; jointly, to the Committees on Post Office and Civil Service, and Rules.

H.R. 284. A bill to entitle employees to family leave in cases involving the birth, adoption, or serious health condition of a son, daughter, or parent and temporary medical leave in cases involving inability to work because of a serious health condition, and to establish a task force to study the feasibility of requiring small employers to provide such leave; to the Committee on Education and Labor.

By Mrs. ROUKEMA (for herself, Mr. Hawkins, Mr. Jeffords, and Mr. Clay):

H.R. 285. A bill to deny crewmember status in the case of certain strikes and lockouts; to the Committee on Education and Labor.

By Mr. LELAND (for himself, Mr. Ackerman, Mr. Brown of California, Mr. Bonior of Michigan, Mr. Clay, Mr. Coelho, Mrs. Collins, Mr. Coyne, Mr. Crockett, Mr. Dellums, Mr. de Lugo, Mr. Edwards of California, Mr. Fauntroy, Mr. Fazio, Mr. Foglietta, Mr. Ford of Tennessee, Mr. Fuster, Mr. Gilman, Mr. Gonzalez, Mr. Hawkins, Mr. Hayes of Illinois, Mr. Howard, Ms. Kaptur, Mr. Kastenmeier, Mrs. Kennelly, Mr. Kildee, Mr. Lehman of Florida, Mr. Levin of Michigan, Mr. Levine of California, Mr. Lowry of Washington, Mr. Thomas A. Luken, Mr. Markey, Mr. Matsui, Mr. Moody, Mr. Oberstar, Mr. Owens of New York, Mr. Perkins, Mr. Rangel, Mr. Richardson, Mr. Rodino, Mr. Savage, Mr. Sikorski, Mr. Smith of Florida, Mr. Stark, Mr. Stokes, Mr. Towns, Mr. Traficant, Mr. Waxman, Mr. Weiss, Mr. Wheat, Mr. Wise, and Ms. Oakar):

H.R. 286. A bill to prevent homelessness and to provide a comprehensive aid package for homeless persons; jointly, to the Committees on Ways and Means, Energy and Commerce, Agriculture, Education and Labor, and Banking, Finance and Urban Affairs.

By Mr. LELAND (for himself, Mr. Waxman, Mr. Rodino, and Mr. Lehman of Florida):

H.R. 287. A bill to provide health care and mental health services for the homeless; to the Committee on Energy and Commerce.

By Mr. LELAND (for himself, Mr. Rodino, and Mr. Lehman of Florida):

H.R. 288. A bill to establish a program of grants to private nonprofit organizations for the establishment or expansion of shelters for homeless parents with newborn children; to the Committee on Banking, Finance and Urban Affairs.

H.R. 289. A bill to amend title IV of the Social Security Act to make certain modifications in the AFDC and foster care maintenance programs to help prevent homelessness among families and children; to the Committee on Ways and Means.

H.R. 290. A bill to aid in preventing homelessness by eliminating unnecessary evictions and foreclosures, and by preserving low-income housing and increasing the supply thereof, with emphasis upon the prevention of homelessness among disabled and institutionalized persons; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LELAND:

H.R. 291. A bill to amend the Communications Act of 1934 to promote fairness in telecommunications policy by providing for lifeline telephone service; to the Committee on Energy and Commerce.

H.R. 292. A bill to amend the Communications Act of 1934 to assure equal employment opportunities are afforded by radio and television broadcasting stations; to the Committee on Energy and Commerce.

H.R. 293. A bill to amend the Communications Act of 1934 to provide for greater participation of women and minorities in telecommunications; to the Committee on Energy and Commerce.

H.R. 294. A bill to amend the Internal Revenue Code of 1986 to restore the investment credit for the purchase of used telecommunications property which effectuates policies of the Federal Communications Commission and to provide that the nonrecognition of gain on FCC-certified sales or exchanges of radio broadcasting stations shall apply to systems of communication by wire or radio; to the Committee on Ways and Means.

By Mr. BEILENSON (for himself, Mr. Stark, Mr. Markey, Mr. Jacobs, Mr. Owens of New York, Mr. Frank, Mr. Eckart, Mr. Morrison of Connecticut, Mr. Vento, Mr. Dymally, Mr. Studds, Mr. Wheat, Mr. Dellums, Mr. Udall, Mr. Bonior of Michigan, Mr. Brown of California, Mr. Conyers, Mr. Levine of California, Mrs. Boxer, Mr. Staggers, and Mr. Edwards of California):

H.R. 295. A bill to amend the Federal Election Campaign Act of 1971 to provide for the public financing of general election campaigns for the House of Representatives, and for other purposes; to the Committee on House Administration.

By Mr. BENNETT:

H.R. 296. A bill to subject certain nationals or citizens of the United States to the jurisdiction of the U.S. district courts for their crimes committed outside the United States and to provide for the apprehension, restraint, removal, and delivery of such persons; jointly, to the Committees on the Judiciary, and Armed Services.

By Mrs. BENTLEY:

H.R. 297. A bill to require the posting of a surety bond with respect to products manufactured in foreign countries or customs unions; to the Committee on Ways and Means.

By Mrs. BENTLEY (for herself, Mr. Lent, Mr. Wortley, Mr. Owens of New York, and Mr. Lagomarsino):

H.R. 298. A bill to protect and promote the American merchant marine by shipping U.S. mail exclusively aboard U.S.-flag vessels; jointly, to the Committees on Post Office and Civil Service, and Merchant Marine and Fisheries.

By Mr. BEREUTER:

H.R. 299. A bill amending the Food Security Act of 1985 to define alfalfa and other legumes as an agricultural commodity under the conservation title of the act; to the Committee on Agriculture.

By Mr. BIAGGI:

H.R. 300. A bill to provide for the negotiation of maritime agreements for the carriage of U.S. waterborne trade and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 301. A bill to provide a one-time amnesty from criminal and civil tax penalties and 50 percent of the interest penalty owed for certain taxpayers who pay previous underpayments of Federal tax during the amnesty period, to amend the Internal Revenue Code of 1986 to increase by 50 percent all criminal and civil tax penalties, and for other purposes; to the Committee on Ways and Means.

By Mr. BILIRAKIS:

H.R. 302. A bill to provide benefits under the survivor benefit plan to surviving spouses of certain members of the Armed Forces retired before September 21, 1972; to the Committee on Armed Services.

By Mr. BILIRAKIS (for himself, Mr. Bennett, and Mr. Lowry of Washington):

H.R. 303. A bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the Armed Forces to receive compensation concurrently with retired pay, without deduction from either; to the Committee on Veterans' Affairs.

By Mrs. BOGGS:

H.R. 304. A bill to provide for the equitable tax treatment of individuals subject to a divorce decree which retroactively terminates the community; to the Committee on Ways and Means.

H.R. 305. A bill to provide permanent duty-free entry for certain mixtures of hot red peppers and salt; to the Committee on Ways and Means.

By Mr. BOULTER (for himself and Mr. Craig):

H.R. 306. A bill to require the voice and vote of the United States in opposition to assistance by international financial institutions for the production of commodities or minerals in surplus, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BROOMFIELD:

H.R. 307. A bill to designate the Federal Building and United States Post Office located at 315 West Allegan Street in Lansing, MI, as the "Charles E. Chamberlain Federal Building and United States Post Office"; to the Committee on Public Works and Transportation.

By Mr. BRYANT:

H.R. 308. A bill to provide for a comprehensive national oil security policy; to the Committee on Energy and Commerce.

H.R. 309. A bill to repeal and amend certain sections of the Powerplant and Industrial Fuel Use Act of 1978; to the Committee on Energy and Commerce.

H.R. 310. A bill to provide a limited antitrust exemption for independent natural gas producer cooperatives; to the Committee on the Judiciary.

H.R. 311. A bill to require that the President transmit to the Congress, and that the congressional budget committees report, a balanced budget for each fiscal year; jointly, to the Committees on Government Operations, and Rules.

By Mr. BRYANT (for himself, Mr. Ackerman, Mr. Andrews, Mr. Bates, Mrs. Bentley, Mr. Bonior of Michigan, Mrs. Boxer, Mr. Chapman, Mr. Coelho, Mr. Dannemeyer, Mr. DeWine, Mr. Dorgan of North Dakota, Mr. Durbin, Mr. Dwyer of New Jersey, Mr. Eckart, Mr. Frost, Mr. Howard, Ms. Kaptur, Mr. Kleczka, Mr. Leland, Mr. Lipinski, Mr. Thomas Luken, Mr. McCloskey, Mr. Martinez, Mr. Scheuer, Mr. Smith of Florida, Mr. Staggers, Mr. Sundquist, Mr. Tallon, Mr. Torricelli, Mr. Vento, and Mr. Wilson):

H.R. 312. A bill to require foreign persons to register their investments in the United States, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BRYANT (for himself, Mr. Coleman of Texas, Mr. Conyers, Mr. Dwyer of New Jersey, Mr. Edwards of California, Mr. Frost, Mr. Jacobs, Mr. Rahall, Mr. Scheuer, Mr. Swift, and Mr. Vento):

H.R. 313. A bill to prevent U.S. foreign assistance funds from being used for the corrupt personal financial gain of any person or otherwise diverted from their intended use; to the Committee on Foreign Affairs.

By Mrs. BYRON:

H.R. 314. A bill to authorize the Secretary of Defense to prepare a plaque honoring American servicemen who lost their lives during "Operation Tiger" in April 1944; to the Committee on Armed Services.

H.R. 315. A bill to direct the Secretary of Transportation to approve modifications of certain interstate highway transfer concept plans; to the Committee on Public Works and Transportation.

By Mr. CHAPMAN (for himself, Mr. DeLay, and Mr. Pickle):

H.R. 316. A bill to provide for the reimbursement of States for advance construction of highways; to the Committee on Public Works and Transportation.

By Mr. COELHO:

H.R. 317. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Merced River in California as a component of the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. COLEMAN of Texas (for himself and Mr. Wilson):

H.R. 318. A bill to provide for the restoration of Federal recognition to the Ysleta del Sur Pueblo and the Alabama and Coushatta Indian Tribes of Texas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. COLLINS:

H.R. 319. A bill to provide that funds appropriated to the Department of Defense may not be used to purchase articles of packaged food not packaged in the United States or its possessions; to the Committee on Armed Services.

H.R. 320. A bill to require the President to direct the Secretary of Defense, the Secretary of Health and Human Services, and the Administrator of Veterans' Affairs to submit to the appropriate committees of the Congress a joint report addressing the question of U.S. Government responsibility for providing benefits and services to individuals who served with certain voluntary organizations in support of the Armed Forces of the United States stationed in the Republic of Vietnam during the Vietnam era; to the Committee on Armed Services.

H.R. 321. A bill to require the Secretary of Housing and Urban Development to provide assistance for emergency repairs in lower income housing projects operated by the Chicago Housing Authority; to the Committee on Banking, Finance and Urban Affairs.

H.R. 322. A bill to amend the Truth in Lending Act to require lenders to post current interest rates charged for various categories of loans to consumers; to the Committee on Banking, Finance and Urban Affairs.

H.R. 323. A bill to improve coordination in the formulation of telecommunications policy within the executive branch, and for other purposes; to the Committee on Energy and Commerce.

H.R. 324. A bill to authorize the Secretary of Health and Human Services to fund adolescent health demonstration projects; to the Committee on Energy and Commerce.

H.R. 325. A bill to provide for the mandatory registration of handguns; to the Committee on the Judiciary.

H.R. 326. A bill to amend title 18 of the United States Code to provide penalties for assaults against the elderly that result in medical expenses paid by the United States; to the Committee on the Judiciary.

H.R. 327. A bill to amend the Airport and Airway Improvement Act of 1982 to require that at least 10 percent of businesses that sell food, beverages, printed materials, or other consumer products to the general public at each airport receiving Federal assistance be owned and controlled by minority business enterprises; to the Committee on the Public Works and Transportation.

H.R. 328. A bill to amend the Airport and Airway Improvement Act of 1982 to require that at least 10 percent of all funds authorized for airport development be expended with minority business enterprises; to the Committee on Public Works and Transportation.

H.R. 329. A bill to amend part A of title XVIII of the Social Security Act to provide emergency assistance to Medicare participating hospitals to enable them to continue to provide vital medical and other health services; to the Committee on Ways and Means.

H.R. 330. A bill to provide for the establishment and operation of a national lottery to assist in financing the Old Age, Survivors, and Disability Insurance Program; to the Committee on Ways and Means.

H.R. 331. A bill to strengthen the authority of the Equal Employment Opportunity Commission to enforce nondiscrimination policies in Federal employment; jointly, to the Committees on Education and Labor and Post Office and Civil Service.

H.R. 332. A bill to amend the Internal Revenue Code of 1986 to deny deductions for expenses of advertising to persons who discriminate against minority owned or formated communications entities in the purchase or placement of advertisements, and to permit persons aggrieved by such discrimination to bring civil actions to recover lost profits and other appropriate damages; jointly, to the Committee on Ways and Means and the Judiciary.

H.R. 333. A bill to provide for the establishment and operation of a national lottery to assist in financing a general revenue sharing program; jointly, to the Committees on Ways and Means and Government Operations.

H.R. 334. A bill to provide for the establishment and operation of a national lottery and a savings bond program to assist in financing Medicare, education, and child care programs; jointly, to the Committees on Ways and Means, Energy and Commerce, and Education and Labor.

By Mr. CONYERS:

H.R. 335. A bill to prohibit the importation, manufacture, transfer, and transport of handguns; to the Committee on the Judiciary.

By Mr. CRANE (for himself and Mr. Dannemeyer):

H.R. 336. A bill to provide that all Federal Reserve notes and other currencies of the United States shall be redeemable in gold; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DANNEMEYER:

H.R. 337. A bill to provide for a resumption of the gold standard; to the Committee on Banking, Finance and Urban Affairs.

H.R. 338. A bill to make it a Federal offense for certain persons to intentionally donate blood, semen, or an organ; to the Committee on Energy and Commerce.

H.R. 339. A bill to require States which receive funds for AIDS counseling and education to undertake certain actions; to the Committee on Energy and Commerce.

H.R. 340. A bill to authorize the furnishing of military assistance to the National Union for the Total Independence of Angola [UNITA]; to the Committee on Foreign Affairs.

H.R. 341. A bill to require a treaty for any relinquishing to any country of any territory, exclusive of economic zone, or fishery conservation zone of the United States, and for establishing international boundaries; to the Committee on Foreign Affairs.

H.R. 342. A bill to require each department, agency, and instrumentality of the Federal Government to implement recommendations of the Grace Commission and to submit an annual report to Congress on the status of the implementation; to the Committee on Government Operations.

H.R. 343. A bill to amend title 18 of the United States Code to establish rational criteria for the imposition of the sentence of death in cases of espionage and treason, and for other purposes; to the Committee on the Judiciary.

H.R. 344. A bill to require testing of certain persons for the acquired immune deficiency syndrome and the HTLV-III/LAV virus; to the Committee on the Judiciary.

H.R. 345. A bill to prohibit the transfer of body fluids by Federal officers and employees or members of the Armed Forces of the United States who have acquired immune deficiency syndrome, and for other purposes; jointly, to the Committees on Energy and Commerce, Armed Services, and Post Office and Civil Service.

By Mr. de la GARZA:

H.R. 346. A bill relating to the tariff treatment of fresh cantaloupes imported between January 1 and May 15 of any year; to the Committee on Ways and Means.

By Mr. DICKS (for himself, Mr. Foley, Mr. Gephardt, Mr. Coelho, Mr. Fascell, Mr. Aspin, Mr. AuCoin, Mr. Berman, Mr. Downey of New York, Mr. Fazio, Mr. Green, Mr. Hoyer, Mr. Leach of Iowa, Mr. Moody, Miss Schneider, Mr. Spratt, Mr. Solarz, and Mr. McCurdy):

H.R. 347. A bill to limit deployment and maintenance of U.S. strategic nuclear weapons consistent with existing arms limitation agreements; to the Committee on Armed Services.

By Mr. DYMALLY (for himself, Mr. Horton, Mr. Taylor, Mr. Young of Alaska, Mr. Wise, Mr. Hughes, Mr. Gilman, Mr. Clay, Mrs. Schroeder, Mr. Morrison of Connecticut, Mr. Williams, Mr. Martinez, Mr. Ackerman, Mr. Gunderson, Mr. DioGuardi, Mr. Rahall, Mr. Sikorski, Mr. Tauke, Ms. Oakar, Mr. Towns, Mr. Pashayan, Mr. Burton of Indiana, Mr. Vento, Mr. Myers of Indiana, Mr. Hansen, Mr. Yatron, Mr. Udall, Mr. Lagomarsino, Mr. Fazio, Mrs. Johnson of Connecticut, Mr. Garcia, and Mr. Leland):

H.R. 348. A bill to amend title 39, United States Code, to extend to certain officers and employees of the U.S. Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under titie 5, United States Code, to Federal employees in the competitive service; to the Committee on Post Office and Civil Service.

By Mr. GAYDOS (for himself, Mr. Roybal, Mr. Rodino, Mr. Fauntroy, Mr. Frank, Mr. Jacobs, Mr. Edwards of California, Mr. Oberstar, Mr. Ford of Michigan, Mr. Miller of California, Mr. Dellums, Mrs. Boxer, Mr. Clay, Mr. Ackerman, Mr. Fazio, Mr. Gejdenson, Mr. Vento, Mr. Martinez, Mr. Courter, and Mr. Guarini):

H.R. 349. A bill to establish and occupational health and safety standard on field sanitation with respect to agricultural employees engaged in hand labor operations; to the Committee on Education and Labor.

By Mr. GILMAN:

H.R. 350. A bill to provide equitable treatment for certain fresh vegetables produced in the United States; to the Committee on Ways and Means.

H.R. 351. A bill to amend title II of the Social security Act to increase to $8,160 in the case of an individual under age 65, and to $10,920 in the case of an individual aged 65 or over, the amount of outside earnings which is permitted in 1987 (subject to further increases in subsequent taxable years under the automatic adjustment provisions) without any deductions from his or her benefits; to the Committee on Ways and Means.

H.R. 352. A bill to amend the Internal Revenue Code of 1986 to eliminate the age requirement for eligibility for the one-time exclusion of gain from the sale of a principal residence; to the Committee on Ways and Means.

By Mr. GUARINI:

H.R. 353. A bill to establish the Office of the Director of National and International Drug Operations and Policy; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT:

H.R. 354. A bill to amend the Contract Work Hours and Safety Act and the Walsh-Healey Act to permit employees, to whom such acts apply, to work any combination of hours in a forty-hour workweek; jointly, to the Committees on Education and Labor and the Judiciary.

By Mr. HOWARD:

H.R. 355. A bill to amend the Internal Revenue Code of 1986 to encourage the graduation of student athletes by denying the deduction for contributions to athletic departments of schools not meeting certain requirements; to the Committee on Ways and Means.

By Mr. IRELAND;

H.R. 356. A bill to recognize the Cabinet status of the Administrator of the Small Business Administration; to the Committee on Small Business.

By Mr. JEFFORDS:

H.R. 357. A bill to extend the Renewable Resources Extension Act of 1978; to the Committee on Agriculture.

H.R. 358. A bill to amend the definition of the term producer in section 3 of the Beef Research and Information Act; to the Committee on Agriculture.

By Mr. KASTENMEIER:

H.R. 359. A bill to prohibit the production of lethal binary chemical munitions by the United States and the call on the President to enter into immediate negotiations with the Soviet Union for a mutual, verifiable ban on the production and stockpiling of chemical weapons; jointly, to the Committees on Armed Services and Foreign Affairs.

By Mr. KOLTER:

H.R. 360. A bill to require that the remaining $40,000,000 of United States assistance for the Nicaraguan democratic resistance be withheld until completion of the special congressional investigations of the arms sales to Iran and the alleged diversion of proceeds from those sales to assist the Nicaraguan democratic resistance; jointly, to the Committees on Foreign Affairs, Armed Services, and the Permanent Select Committee on Intelligence.

By Mr. LEHMAN of California:

H.R. 361. A bill to expand the national park system in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LEHMAN of California (for himself, Mr. Fazio, Mr. Miller of California, and Mr. Coelho):

H.R. 362. A bill to designate certain lands now managed by the Bureau of Land Management in the State of California as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. LENT:

H.R. 363. A bill to authorize the Secretary of Housing and Urban Development to make grants to local agencies for converting closed school buildings to efficient, alternate uses, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 364. A bill to amend the Internal Revenue Code of 1954 to allow individuals a deduction for commuting expenses incurred on public mass transit; to the Committee on Ways and Means.

H.R. 365. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 366. A bill to amend the Internal Revenue Code of 1954 to provide a basic $10,000 exemption from income tax, in the case of an individual or a married couple, for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

H.R. 367. A bill to amend the Internal Revenue Code of 1954 to provide that tax-exempt interest shall not be taken into account in determining the amount of Social Security benefits to be taxed; to the Committee on Ways and Means.

H.R. 368. A bill to amend the Internal Revenue Code of 1954 to provide that the medical expenses of handicapped individuals and individuals who have attained age 65 shall be deductible without regard to the requirement that only medical expenses in excess of certain percentages of adjusted gross income are deductible; to the Committee on Ways and Means.

H.R. 369. A bill to amend the Internal Revenue Code of 1954 to allow certain low-and middle-income individuals a refundable tax credit for a certain portion of the property taxes paid by them on their principal residences or of the rent they pay for their principal residences; to the Committee on Ways and Means.

H.R. 370. A bill to amend title II of the Social Security Act to improve the treatment of women through the establishment and payment of working spouse's benefits; to the Committee on Ways and Means.

By Mr. LEVINE of California:

H.R. 371. A bill to provide for the protection of public lands in the California desert; to the Committee on Interior and Insular Affairs.

By Mr. McEWEN:

H.R. 372. A bill to provide that receipts and disbursements of the highway trust fund, the airport and airway trust fund, and the inland waterways trust fund shall not be included in the totals of the budget of the U.S. Government as submitted by the

President or the congressional budget; jointly, to the Committees on Public Works and Transportation and Government Operations.

By Mr. McKINNEY (for himself, Mr. Morrison of Connecticut, Mrs. Johnson of Connecticut, Mr. Rowland of Connecticut, Mrs. Kennelly, and Mr. Gejdenson):

H.R. 373. A bill to amend title 28, United States Code, to provide for the appointment of one additional district judge for the District of Connecticut; to the Committee on the Judiciary.

By Mr. McKINNEY (for himself, Mr. Duncan, Mr. Roe, Mrs. Boggs, Mr. Horton, Mr. Lent, Mr. Morrison of Connecticut, Mr. Smith of Florida, Mr. Chandler, Mrs. Vucanovich, Mr. Ackerman, Mr. Frank, Mr. Rinaldo, Mr. Weiss, Mrs. Johnson of Connecticut, Mrs. Kennelly, Mr. Rowland of Connecticut, Mr. Stratton, Mr. Gejdenson, Mr. Gilman, Mr. Dwyer of New Jersey, and Mr. Scheuer):

H.R. 374. A bill to repeal the provision of the Tax Reform Act of 1986 which eliminates the deduction for State and local sales taxes; to the Committee on Ways and Means.

By Mr. MICHEL:

H.R. 375. A bill to reform the Natural Gas Policy Act of 1978 to eliminate distortion in natural gas purchasing and transportation resulting from certain restrictive contracts and anticompetitive transportation practices; to the Committee on Energy and Commerce.

By Mr. MOLINARI (for himself, Mr. Schumer, Mr. Gunderson, Mr. Ackerman, Mr. Martin of New York, Mr. Scheuer, Mr. Wortley, Mr. Garcia, Mr. Towns, Mr. Sundquist, Mr. Solarz, Mr. Manton, Mr. Owens of New York, Mr. Biaggi, and Mr. Gray of Pennsylvania):

H.R. 376. A bill to amend the United States Housing Act of 1937 to promote a stable economic mix of families residing in public housing by authorizing public housing agencies to establish maximum monthly rents for such housing based on unsubsidized monthly rents, debt service and operating expenses, or other relevant factors; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MOLINARI (for himself, Mr. Gejdenson, and Mr. Smith of Florida):

H.R. 377. A bill to amend the Federal Aviation Act of 1958 to require air carriers to schedule operations at airports in such a manner so as not to exceed the capacity of any airport to handle operations during any period of time; to the Committee on Public Works and Transportation.

By Mr. MOLINARI (for himself, Mr. Howard, Mr. Ford of Michigan, Mrs. Roukema, Mr. Boehlert, Mr. Kastenmeier, Mr. Mrazek, Mr. Annunzio, Mr. Jacobs, Mr. Smith of Florida, Mr. Applegate, Mr. Murphy, Mr. Mavroules, Mr. DioGuardi, Mr. Coelho, Mr. Rahall, Mr. Towns, Mr. Brown of California, Mr. Owens of New York, Mr. Roe, Mr. Torricelli, Mr. McGrath, Mr. Moody, Mr. Hayes of Illinois, Mr. Rodino, Mr. Kolter, Mr. McCloskey, Mr. Miller of California, Mr. Hoyer, Miss Schneider, Mr. Conyers, Mr. Frost, Mr. Kildee, Mr. Roybal, Mr. Waxman, Mrs. Collins, Mrs. Johnson of Connecticut, Mr. Gray of Illinois, Mr. Horton, Mr. Edwards of California, Mr. Wortley, Mrs. Boxer, Mrs. Kennelly, Mr. Downey of New York, Mr. Lantos, Mr. Manton, Mr. Smith of New Jersey, Mr. Gejdenson, Mr. Dymally, Mr. Hawkins, Mr. Stark, Mr. Panetta, Mr. Wise, Mr. Biaggi, Mr. Morrison of Connecticut, Mr. Fazio, Mr. Sikorski, Mr. Lowry of Washington, Mr. Gilman, Mr. Ford of Tennessee, Mr. Durbin, Mr. Clay, Mr. Williams, Mr. Dyson, Mr. Rose, Mr. Yates, and Mr. Jeffords):

H.R. 378. A bill to provide for the rehiring of certain former air traffic controllers; jointly, to the Committees on Post Office and Civil Service and Public Works and Transportation.

By Mr. MOORHEAD:

H.R. 379. A bill to amend the copyright law, title 17 of the United States Code, to provide for protection of industrial designs of useful articles and enforcement of patents, copyrights and trademarks in international trade; to the Committee on the Judiciary.

H.R. 380. A bill to protect patent owners from importation into the United States of goods made overseas by use of a United States patented process; to the Committee on the Judiciary.

By Ms. OAKAR:

H.R. 381. A bill to provide for a demonstration project relating to treatment for drug abuse and alcohol abuse the health benefits program for Federal employees; to the Committee on Post Office and Civil Service.

H.R. 382. A bill to amend chapter 89 of title 5, United States Code, to provide authority for the direct payment or reimbursement of certain additional types of health care professionals; to clarify certain provisions of such chapter with respect to coordination with State and local law; and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 383. A bill to amend title 5, United States Code, to provide that members of the U.S. Park Police and the U.S. Secret Service Uniformed Division shall, for purposes of premium pay, be treated in the same manner as other employees of the Federal Government; to the Committee on Post Office and Civil Service.

By Ms. OAKAR (for herself and Mr. Sikorski):

H.R. 384. A bill to provide that a demonstration project be conducted to determine the feasibility and desirability of providing benefits relating to certain social and long-term health services under the Federal employees health benefits program; to the Committee on Post Office and Civil Service.

By Ms. OAKAR (for herself, Mr. Ackerman, Mr. Towns, Mr. Coelho, Mr. Levin of Michigan, and Mr. Fazio):

H.R. 385. A bill to amend the Federal Salary Act of 1967 and title 5 of the United States Code to provide that the authority to determine levels of pay for administrative law judges be transferred to the Commission on Executive, Legislative, and Judicial Salaries; to the Committee on Post Office and Civil Service.

By Ms. OAKAR (for herself, Mr. Ackerman, Mr. Towns, Mr. Fazio, Mrs. Boxer, Mr. Bustamante, and Mr. Udall):

H.R. 386. A bill to provide for the testing of alternative systems of compensation for Federal employees; to modify the pay comparability system for Federal employees; to modify the manner in which the authority to increase minimum rates of pay for certain Federal employees may be exercised; and for other purpose; to the Committee on Post Office and Civil Service.

By Ms. OAKAR (for herself, Mrs. Schroeder, Mr. Leland, Mr. Garcia, Mr. Gephardt, Mr. Stokes, Mr. Gonzalez, Mr. Clay, Mr. Hoyer, Miss Schneider, Mr. Dymally, Mr. Mrazek, Mr. Ford of Tennessee, Mr. Yates, Mrs. Kennelly, Mr. Dellums, Mr. Fazio, Mr. Lehman of Florida, Mr. Towns, Mrs. Boxer, Mr. Feighan, Mr. Weiss, Mr. Kastenmeier, Mr. Moody, Mr. Howard, Mr. Edwards of California, Ms. Kaptur, Mr. Morrison of Connecticut, Mr. Gejdenson, Mr. Foglietta, Mr. Coleman of Texas, Mr. Sikorski, Mr. Torres, Mr. Markey, Mr. Lantos, Mr. Mineta, Mr. Sabo, Mr. Pepper, Mr. Roe, Mr. Stratton, Mr. Lowry of Washington, Mr. Smith of Florida, Mr. Guarini, Mr. Roybal, Mr. Udall, Mr. Frank, Mrs. Boggs, Mr. Bustamante, and Mr. Sawyer):

H.R. 387. A bill to promote equitable pay practices and to eliminate discrimination within the Federal civil service; to the Committee on Post Office and Civil Service.

By Ms. OAKAR (for herself, Mr. Young of Alaska, Mr. Ackerman, Mr. Dymally, Mr. Sikorski, Mr. Hoyer, Mr. Fazio, Mr. Wolf, Mr. Parris, Mr. McCurdy, Mr. Torres, Mr. Anderson, Mr. Bliley, Mr. Bustamante, Mr. Towns, Mr. Richardson, Mr. Kastenmeier, Mr. Annunzio, Mr. Rinaldo, Mr. Traxler, Mr. Frank, Mr. Dicks, Mr. Scheuer, Mr. Miller of Ohio, Mr. Jacobs, Mr. Bilirakis, Mr. McKinney, Mr. Jones of North Carolina, Mr. Gunderson, Mr. Slattery, Mr. Bryant, Mr. Rowland of Georgia, Mr. Borski, Mrs. Collins, Mr. Smith of Florida, Mr. Traficant, Miss Schneider, Mr. Martinez, Mr. Mrazek, Mr. Akaka, Mr. Howard, Mr. Feighan, Mr. Murphy, Mr. Dowdy of Mississippi, Mr. Coelho, Mr. Bosco, Mr. Barnard, Mr. Gilman, Mr. Edwards of California, Mr. Daub, Mr. Penny, Mr. Wortley, Mr. Roe, Mr. Chapman, Mr. Weiss, Mr. Thomas A. Luken, Mr. Tauke, Mr. Boner of Tennessee, Mr. Coleman of Missouri, Mr. Rodino, Mr. Lantos, Mr. Studds, Mrs. Boxer, Mr. Olin, Mr. Stratton, Mr. Hammerschmidt, Mr. Torricelli, Mr. Udall, and Mr. Kildee):

H.R. 388. A bill to amend title 5, United States Code, to provide that annuities under chapter 83 or 84 of such title be treated, for Federal income tax purposes, as if the 3-year basis recovery rule had never been repealed; and to require that the Office of Personnel Management conduct a study relating to the consequences which retroactively repealing such rule would have with respect to Federal personnel management, morale within the Federal civilian workforce, and individual retirement planning; jointly, to the Committee on Ways and Means, and Post Office and Civil Service.

By Mr. OBERSTAR:

H.R. 389. A bill to amend the Boundary Waters Canoe Area Wilderness law to change the authorizations of appropriations for resource management review and grants;

to the Committee on Interior and Insular Affairs.

By Mr. PEPPER:

H.R. 390. A bill to provide that a special gold medal be presented to Mary Lasker for her humanitarian contributions in the areas of medical research and education, urban beautification, and the fine arts; to the Committee on Banking, Finance and Urban Affairs.

H.R. 391. A bill to amend the Public Health Service Act to authorize the establishment of breast cancer screening centers at the national cancer research and demonstration centers established under title IV of that act; to the Committee on Energy and Commerce.

H.R. 392. A bill to amend the Federal Food, Drug, and Cosmetic Act to limit the compensation of investigators who use medical devices under an exemption for investigational use; to the Committee on Energy and Commerce.

H.R. 393. A bill to establish the National Center for Biotechnology Information within the Department of Health and Human Services as a component of the National Library of Medicine; to the Committee on Energy and Commerce.

H.R. 394. A bill to amend title XVIII of the Social Security Act to require an annual report from the Director of the Congressional Office of Technology Assessment on changes in payment amounts for certain surgical transplantation procedures; to the Committee on Ways and Means.

H.R. 395. A bill to amend the Social Security Act with respect to the standards for participation of skilled nursing facilities and intermediate care facilities under the Medicare and Medicaid Programs, to amend the Older Americans Act of 1965 with respect to the ombudsman program, and for other purposes; jointly, to the Committee on Ways and Means, Energy and Commerce, and Education and Labor.

H.R. 396. A bill to provide for a national commission on health care reform; jointly, to the Committee on Ways and Means, and Energy and Commerce.

H.R. 397. A bill to provide for the designation of 10 regional centers for the treatment of Alzheimer's disease and related dementia, and for other purposes; jointly, to the Committees on Ways and Means, Energy and Commerce, and Education and Labor.

H.R. 398. A bill to amend title XVIII of the Social Security Act with respect to requiring institutions to have residency training and fellowship programs in geriatric medicine as a condition for payment of direct medical education costs under the Medicare Program; jointly, to the Committees on Ways and Means and Energy and Commerce.

H.R. 399. A bill to make it unlawful for an individual to obtain a position as a physician or resident in a hospital receiving Federal funds if the individual's license to practice medicine was obtained through intentional misrepresentation; jointly, to the Committees on Ways and Means and Energy and Commerce.

H.R. 400. A bill to authorize the Secretary of Health and Human Services to conduct a clinical trial to determine the efficiency and economic feasibility of providing medicare coverage for personal emergency response systems; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. RICHARDSON:

H.R. 401. A bill to add certain public lands to the Capulin Mountain National Monument, NM; to the Committee on Interior and Insular Affairs.

H.R. 402. A bill to impose a $10 per barrel import fee on petroleum and petroleum products; to the Committee on Ways and Means.

By Mr. RICHARDSON (for himself and Mr. LUJAN):

H.R. 403. A bill to establish the El Malpais National Monument, the Masau Trail, and the Grants National Conservation Area in the State of New Mexico, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROE:

H.R. 404. A bill to amend section 411 of the Higher Education Act of 1965 to exclude from eligibility calculations for basic grants the value of a family's residence; to the Committee on Education and Labor.

H.R. 405. A bill to amend the Older Americans Act and the Public Health Service Act to provide expanded counseling assistance for the elderly, sick, and disabled; to the Committee on Education and Labor.

H.R. 406. A bill to amend the Social Security Act to establish a national catastrophic illness insurance program under which the Federal Government, acting in cooperation with State insurance authorities and the private insurance industry, will reinsure and otherwise encourage the issuance of private health insurance policies which make adequate health protection available to all Americans at a reasonable cost; to the Committee on Energy and Commerce.

H.R. 407. A bill to establish within the Department of Health and Human Services a Home Health Clearinghouse to provide elderly persons with a single place where they can obtain complete information on the Federal home health programs available to them; to the Committee on Energy and Commerce.

H.R. 408. A bill to provide that the U.S. District Court for the judicial district of New Jersey shall be held at Paterson, NJ, in addition to those places currently provided by law; to the Committee on the Judiciary.

H.R. 409. A bill to amend title 38, United States Code, to eliminate the time period in which a veteran has to use his educational benefits; to the Committee on Veterans' Affairs.

H.R. 410. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

H.R. 411. A bill to amend title 38 of the United States Code in order to waive the payment of premiums for National Service Life Insurance by certain persons who have attained age 70; to the Committee on Veterans' Affairs.

H.R. 412. A bill to amend title 38, United States Code, to provide that remarriage of the surviving spouse of a veteran after age 60 shall not result in termination of dependency and indemnity compensation; to the Committee on Veterans' Affairs.

H.R. 413. A bill to amend title 38 of the United States Code to promote the care and treatment of veterans in State veterans nursing homes; to the Committee on Veterans' Affairs.

H.R. 414. A bill to amend title 38, United States Code, to provide for the payment of service pensions to veterans of World War I and the surviving spouses and children of such veterans; to the Committee on Veterans' Affairs.

H.R. 415. A bill to amend title 38 of the United States Code in order to authorize the Administrator of Veterans' Affairs to make scholarship grants to individuals attending medical schools on the condition that such individuals will serve in Veterans' Administration facilities for a certain period of time upon completion of professional training, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 416. A bill to amend title II of the Social Security Act to restore and protect the benefit levels of workers reaching age 65 in or after 1982 (and their widows and widowers) by eliminating the notch between those levels and the corresponding benefit levels of persons who reached age 65 before 1982; to the Committee on Ways and Means.

H.R. 417. A bill to amend title II of the Social Security Act to provide in certain cases for an exchange of credits between the old-age, survivors, and disability insurance system and the civil service retirement system so as to enable individuals who have coverage under both systems to obtain maximum benefits based on their combined service; to the Committee on Ways and Means.

H.R. 418. A bill to amend title II of the Social Security Act to provide for the payment of a transition benefit to the spouse of an insured individual upon such individual's death if such spouse has attained age 50 and is not otherwise immediately eligible for benefits; to the Committee on Ways and Means.

H.R. 419. A bill to amend title II of the Social Security Act to provide that a divorced spouse may qualify for benefits on the basis of a marriage which lasted for as few as 5 years in the case of certain late-life divorces; to the Committee on Ways and Means.

H.R. 420. A bill to amend title II of the Social Security Act to provide that the combined earnings of a husband and wife during the period of their marriage shall be divided equally and shared between them for benefit purposes, so as to recognize the economic contribution of each spouse to the marriage and assure that each spouse will have Social Security protection in his or her own right; to the Committee on Ways and Means.

H.R. 421. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder, to the Committee on Ways and Means.

H.R. 422. A bill to amend title II of the Social Security Act to provide that upon the death of one member of a married couple the surviving spouse or surviving divorced spouse shall automatically inherit the deceased spouse's earnings credit to the extent that such credits were earned during the period of their marriage; to the Committee on Ways and Means.

H.R. 423. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to reduce Social Security taxes and apply the proceeds thereof exclusively to the financing of the Old-Age, Survivors, and Disability Insurance Program, with the Medicare Program being hereafter financed from general revenues (earmarking a portion of Federal income tax receipts for that purpose) rather than through the imposition of employment and self-employment taxes as at present; to the Committee on Ways and Means.

H.R. 424. A bill to require business concerns which undertake changes of operations to give notice to the Secretary of Labor, and to affected labor organizations, employees, and local governments; to require business concerns to provide assistance to employees who suffer an employment loss caused by changes of operations; to authorize the Secretary of Labor to provide assistance to such business concerns, and to such affected employees and local governments; and for other purposes; jointly, to the Committees on Education and Labor, and Banking, Finance and Urban Affairs.

H.R. 425. A bill to create a national system of health security; jointly, to the Committees on Ways and Means, and Energy and Commerce.

H.R. 426. A bill to direct the Secretary of Health and Human Services to provide Federal minimum standards for health insurance for the elderly, and to amend title XVIII of the Social Security Act for the purpose of directing the Secretary to study methods of further improving the regulation of health insurance for the elderly and to evaluate methods by which the Medicare Program could more fully meet the health insurance needs of the elderly; jointly, to the Committees on Ways and Means, and Energy and Commerce.

H.R. 427. A bill to amend title XVIII of the Social Security Act to provide for the enforcement of standards relating to the rights of patients in certain medical facilities; jointly, to the Committees on Ways and Means, and Energy and Commerce.

H.R. 428. A bill to amend title XVIII of the Social Security Act to include, as a home health service, nutritional counseling provided by or under the supervision of a registered dietitian; jointly, to the Committees on Ways and Means, and Energy and Commerce.

H.R. 429. A bill to amend title XVIII of the Social Security Act to authorize payment under the Medicare Program for certain services performed by chiropractors; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. ROTH:

H.R. 430. A bill to regulate interstate commerce by providing for uniform treatment of selected product liability problems, and for other purposes; jointly, to the Committees on the Judiciary, and Energy and Commerce.

By Mr. St GERMAIN:

H.R. 431. A bill to extend until February 1, 1988, the emergency acquisition and net worth guarantee provisions of the Garn-St Germain Depository Institutions Act of 1982; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SCHEUER (for himself, Mr. Frank, Mr. Wilson, Mr. Atkins, Mr. Edwards of California, Mr. Andrews, Mr. Lehman of Florida, Mr. Vento, and Mrs. Boxer):

H.R. 432. A bill to amend the Federal Aviation Act of 1958 to prohibit smoking on board passenger-carrying aircraft on domestic flights; to the Committee on Public Works and Transportation.

By Mr. SMITH of Iowa:

H.R. 433. A bill to amend the Small Business Act to authorize the Small Business Administration to purchase equity securities of qualified small business concerns; to the Committee on Small Business.

By Mrs. SMITH of Nebraska:

H.R. 434. A bill to limit the salary of Members of Congress to the levels which were payable as of December 31, 1986; jointly to the Committees on Post Office and Civil Service, and House Administration.

By Mr. SWIFT (for himself and Mr. Thomas of California):

H.R. 435. A bill to amend title 3, United States Code, and the Uniform Time Act of 1966 to establish a single poll closing time in the continental United States for Presidential general elections; jointly to the Committees on House Administration, and Energy and Commerce.

By Mr. VENTO (for himself, Mr. Frenzel, Mr. Oberstar, Mr. Penny, Mr. Sabo, Mr. Sikorski, Mr. Stangeland, and Mr. Weber):

H.R. 436. A bill to designate the Federal Building and United States Courthouse at 316 North Robert Street, St. Paul, MN, as the "Warren E. Burger Federal Building and United States Courthouse"; to the Committee on Public Works and Transportation.

By Mr. WEISS (for himself, Mr. Rodino, Mr. Kastenmeier, Mr. Fauntroy, Mr. Frank, Mr. Ackerman, Mr. Towns, Mr. Dellums, Mrs. Boxer, Mr. Waxman, Mr. Rangel, Mr. Sabo, Ms. Kaptur, Mr. Ford of Tennessee, Mr. Clay, Mr. Feighan, Mr. Morrison of Connecticut, Mr. Fazio, Mr. Studds, Mr. Stokes, Mrs. Collins, Mrs. Johnson of Connecticut, Mr. Hayes of Illinois, Mr. Berman, Mr. Foglietta, Mr. Owens of New York, Mr. Edwards of California, and Mr. Traxler):

H.R. 437. A bill to provide emergency shelter and related services to homeless individuals and families; to the Committee on Banking, Finance and Urban Affairs.

By Mr. YOUNG of Alaska:

H.R. 438. A bill requiring American ownership, construction, and manning of commercial fishing industry vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. FOLEY (for himself, Mr. Coelho, Mr. Gephardt, Mr. Rodino, Mr. Fish, Mr. Cheney, Mr. Mineta, Mr. Matsui, Mr. Lowry of Washington, Mr. Ackerman, Mr. Aspin, Mr. Beilenson, Mr. Biaggi, Mr. Bonior of Michigan, Mr. Bosco, Mrs. Boxer, Mr. Bruce, Mr. Bustamante, Mr. Akaka, Mr. Bates, Mr. Berman, Mr. Blaz, Mr. Borski, Mr. Boucher, Mr. Brown of California, Mr. Carr, Mr. Conyers, Mr. Crockett, Mr. Dixon, Mr. Dwyer of New Jersey, Mr. Edwards of California, Mr. Fauntroy, Mr. Feighan, Mr. Clay, Mrs. Collins, Mr. Coyne, Mr. Dellums, Mr. Downey of New York, Mr. Dymally, Mr. Espy, Mr. Fazio, Mr. Florio, Mr. Foglietta, Mr. Ford of Tennessee, Mr. Fuster, Mr. Garcia, Mr. Gekas, Mr. Gilman, Mr. Gray of Illinois, Mr. Hawkins, Mr. Horton, Mr. Frank, Mr. Gallo, Mr. Gejdenson, Mr. Gray of Pennsylvania, Mr. Hall of Ohio, Mr. Hayes of Illinois, Mr. Howard, Mr. Hoyer, Mr. Hyde, Mr. Jeffords, Mrs. Kennelly, Mr. Kleczka, Mr. Kostmayer, Mr. Lehman of California, Mr. Leland, Mr. Lewis of California, Mr. Hughes, Mr. Jacobs, Mr. Kastenmeier, Mr. Kildee, Mr. Kolter, Mr. Lantos, Mr. Lehman of Florida, Mr. Levine of California, Mr. Lewis of Georgia, Mr. Manton, Mr. Martinez, Mr. Mavroules, Mr. Miller of California, Mr. Moakley, Mr. Morrison of Connecticut, Mr. Murphy, Mr. Owens of New York, Mr. Thomas A. Luken, Mr. Markey, Mr. McHugh, Mr. Moody, Mr. Morrison of Washington, Mr. Ortiz, Mr. Panetta, Mr. Pashayan, Mr. Rangel, Mr. Roybal, Mr. Savage, Mrs. Schroeder, Mr. Sikorski, Mr. Solarz, Mr. Stark, Mr. Porter, Mr. Richardson, Mr. Roe, Mr. Sabo, Mr. Scheuer, Mr. Schumer, Mr. Smith of Florida, Mr. Staggers, Mr. Stokes, Mr. Studds, Mr. Torres, Mr. Towns, Mr. Vento, Mr. Waxman, Mr. Wheat, Mr. Wilson, Mr. Yates, Mr. Sunia, Mr. Torricelli, Mr. Udall, Mr. Walgren, Mr. Weiss, Mr. Williams, Mr. Wolpe, and Mr. Young of Alaska):

H.R. 442. A bill to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians; to the Committee on the Judiciary.

By Mr. AuCOIN (for himself and Mr. Dicks):

H.J. Res. 42. Joint resolution to preserve and enforce the Anti-Ballistic Missile Treaty; to the Committee on Armed Services.

By Mr. BILIRAKIS:

H.J. Res. 43. Joint resolution designating the week beginning November 8, 1987, as "National Women Veterans Recognition Week"; to the Committee on Post Office and Civil Service.

By Mr. DARDEN:

H.J. Res. 44. Joint resolution proposing an amendment to the Constitution relating to Federal budget procedures; to the Committee on the Judiciary.

By Mr. de la GARZA:

H.J. Res. 45. Joint resolution proposing an amendment to the Constitution of the United States pertaining to prayer; to the Committee on the Judiciary.

H.J. Res. 46. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations shall not exceed revenues of the United States, except in time of war or national emergency; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT:

H.J. Res. 47. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. HYDE (for himself, Mr. Michel, Mr. Lott, Mr. Stratton, Mr. Berman, Mr. Cheney, Mr. Lagomarsino, Mr. Bereuter, Mr. Frenzel, Mr. Solomon, Mr. Lungren, Mr. DeWine, Mr. Tauke, Mr. Livingston, Mr. Burton of Indiana, Mr. Dornan of California, Mr. Saxton, Mr. Wolf, Mr. Petri, Mr. Bilirakis, Mr. McKinney, Mr. Smith of New Hampshire, Mr. Armey, Mr. Shumway, Mr. Lewis of Florida, Mr. Molinari, Mr. McGrath, Mr. Daub, Mr. Shaw, Mr. Skeen, Mr. Coats, Mr. Slaughter of Virginia, Mr. Wortley, Mr. Ritter, Mr. Nielson of Utah, Mr. Bartlett, Mr. Fawell, and Mr. Myers of Indiana):

H.J. Res. 48. Joint resolution to provide for the establishment of a Joint Committee on Intelligence; to the Committee on Rules.

By Mr. IRELAND:

H.J. Res. 49. Joint resolution expressing the sense of the Congress that following the achievement of a balanced budget, any existing budget surplus should be applied to reducing the national debt; to the Committee on Government Operations.

By Mr. KASTENMEIER:

H.J. Res. 50. Joint resolution to commemorate the 100th birthday of Aldo Leopold and to recognize his contribution to the protection and wise management of renewable natural resources; jointly, to the

Committees on Post Office and Civil Service and Interior and Insular Affairs.

By Mr. LENT:

H.J. Res. 51. Joint resolution to express opposition to the Environmental Protection Agency's proposal to increase fluoridation levels in drinking water; to the Committee on Energy and Commerce.

By Mr. LOWERY of California (for himself and Mr. DERRICK):

H.J. Res. 52. Joint resolution designating the month of November 1987 as "National Alzheimer's Disease Month"; to the Committee on Post Office and Civil Service.

By Ms. OAKAR:

H.J. Res. 53. Joint resolution to designate the week beginning March 1, 1987, as "Federal Employee Recognition Week"; to the Committee on Post Office and Civil Service.

By Mr. PEPPER:

H.J. Res. 54. Joint resolution to designate the month of May, 1987 as "National Cancer Institute Month"; to the Committee on Post Office and Civil Service.

By Mr. ROE:

H.J. Res. 55. Joint resolution to authorize the President to proclaim the last Friday of April each year as "National Arbor Day"; to the Committee on Post Office and Civil Service.

H.J. Res. 56. Joint resolution to provide for the issuance of a commemorative postage stamp in honor of Patience Lovell Wright; to the Committee on Post Office and Civil Service.

H.J. Res. 57. Joint resolution to provide for the designation of the 46th anniversary of the renewal of Ukrainian independence, June 30, 1987, as "Ukrainian Independence Day"; to the Committee on Post Office and Civil Service.

H.J. Res. 58. Joint resolution to provide for the issuance of a commemorative postage stamp in honor of the Columbiettes; to the Committee on Post Office and Civil Service.

By Mrs. SMITH of Nebraska:

H.J. Res. 59. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

H.J. Res. 60. Joint resolution proposing an amendment to the Constitution of the United States establishing English as the official language of the United States; to the Committee on the Judiciary.

H.J. Res. 61. Joint resolution proposing an amendment to the Constitution of the United States relating to voluntary school prayer; to the Committee on the Judiciary.

By Mr. ROBERT F. SMITH:

H.J. Res. 62. Joint resolution proposing an amendment to the Constitution of the United States to deal with compensation for services of Members of the House of Representatives and the Senate; to the Committee on the Judiciary.

By Mr. BEREUTER (for himself and Mr. ROBERTS):

H. Con. Res. 12. Concurrent resolution expressing the sense of Congress regarding the need for the negotiation of an international agricultural conservation reserve treaty; to the Committee on Foreign Affairs.

By Mr. FAUNTROY:

H. Con. Res. 13. Concurrent resolution relating to drug trafficking in the Washington Metropolitan Area; jointly, to the Committees on the District of Columbia and the Judiciary.

By Mr. HOYER:

H. Con. Res. 14. Concurrent resolution commending the Czechoslovak human rights organization Charter 77, on the occasion of the 10th anniversary of its establishment, for its courageous contributions to the achievement of the aims of the Helsinki Final Act; to the Committee on Foreign Affairs.

By Mr. LENT:

H. Con. Res. 15. Concurrent resolution directing the Commissioner of Social Security and the Secretary of Health and Human Services to immediately conduct a study and report to Congress on steps which can be taken to correct the benefit disparity known as the notch problem, in order to insure equitable and fair treatment for those who have based their retirement plans on benefit levels which have existed for the past decade; to the Committee on Ways and Means.

By Mr. MOAKLEY:

H. Con. Res. 16. Concurrent resolution to provide improved structures and procedures for congressional oversight of the Federal regulatory process and for congressional review of agency rules, and for other purposes; to the Committee on Rules.

By Mr. ROE:

H. Con. Res. 17. Concurrent resolution concerning the rights of the people of Ireland; to the Committee on Foreign Affairs.

H. Con. Res. 18. Concurrent resolution urging a moratorium on the commercial killing of whales; to the Committee on Foreign Affairs.

By Mr. HAMMERSCHMIDT:

H. Res. 23. Resolution to amend the Rules of the House of Representatives to require a rollcall vote on passage of any measure making appropriations or providing revenue; to the Committee on Rules.

By Mr. ROE:

H. Res. 24. Resolution designating May 3 as "Polish Constitution Day"; to the Committee on Post Office and Civil Service.

By Mr. KASTENMEIER (for himself, Mr. OBEY, Mr. MOODY, Mr. ASPIN, Mr. TOWNS, and Mr. CONYERS):

H.R. 454. A bill to amend the Agricultural Act of 1949 to provide for the modification of the milk price support contingent on the results of a producer referendum; to the Committee on Agriculture.

By Mr. OBEY (for himself and Mr. KASTENMEIER):

H.R. 455. A bill to amend the Agricultural Act of 1949 to modify the price support program applicable to milk; to the Committee on Agriculture.

By Mr. KASTENMEIER (for himself, Mr. OBEY, Mr. MOODY, Mr. ASPIN, Mr. TOWNS, Mr. GUNDERSON, and Mr. PETRI):

H.R. 456. A bill to authorize the Secretary of Agriculture to issue a nationwide marketing order applicable to milk and milk products; and for other purposes; to the Committee on Agriculture.

By Mr. ACKERMAN (for himself, Mr. LANTOS, Mr. DIOGUARDI, and Mr. KILDEE):

H.R. 457. A bill to make grants available for youth suicide prevention programs; to the Committee on Education and Labor.

By Mr. ANNUNZIO:

H.R. 458. A bill to prevent consumer abuse by credit repair organizations; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BIAGGI:

H.R. 459. A bill to establish a commission for the amelioration of Parkinsonism; to the Committee on Energy and Commerce.

By Mr. PANETTA (for himself, Mr. JEFFORDS, Mr. MARTINEZ, Mrs. BOXER, Mr. LEHMAN of Florida, Mr. FAUNTROY, Mr. FAZIO, Mr. SUNIA, and Mr. TOWNS):

H.R. 460. A bill to authorize the Secretary of Health and Human Services to provide grants to States and units of general local government for youth service projects, and for other purposes; to the Committee on Education and Labor.

By Mr. BIAGGI:

H.R. 461. A bill to amend title V of the Social Security Act to require States to provide women during and after pregnancy with access to their medical records and current information on obstetrical procedures and to amend the Federal Food, Drug, and Cosmetic Act to require the dissemination of information on the effects and risks of drugs and devices on the health of pregnant and parturient women and of prospective and developing children; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. BILIRAKIS:

H.R. 462. A bill to amend the agricultural Adjustment Act to permit marketing orders to provide for paid advertising for Florida-grown strawberries; to the Committee on Agriculture.

By Mr. COLEMAN of Missouri:

H.R. 463. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to provide for improved notification of local, State, and Federal officials of the storage of suspended or cancelled pesticides and to provide for discretionary inspection by the Environmental Protection Agency of such storage facilities; to the Committee on Agriculture.

By Mrs. COLLINS:

H.R. 464. A bill to amend the Internal Revenue Code of 1986 to impose an additional tax on handguns, to establish a program for the compensation of victims of handgun crimes, and to use the proceeds of such additional tax to fund victim compensation under such program; jointly, to the Committees on the Judiciary and Ways and Means.

H.R. 465. A bill to amend title XVIII of the Social Security Act to provide payment for dental services under part B of the Medicare Program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. DAUB:

H.R. 466. A bill to terminate the cash method of accounting for certain large food processing concerns; to the Committee on Ways and Means.

By Mr. DE LA GARZA:

H.R. 467. A bill to designate "America, the Beautiful" as the national song of the United States of America; to the Committee on Post Office and Civil Service.

By Mr. DREIER of California (for himself, Mr. HAMMERSCHMIDT, Mr. MACK, Mr. LAGOMARSINO, Mr. QUILLEN, Mr. DORNAN of California, Mr. SLAUGHTER of Virginia, Mr. MARTINEZ, and Mr. MCGRATH):

H.R. 468. A bill to amend the Internal Revenue Code of 1986 to repeal the taxation of Social Security and tier 1 railroad retirement benefits; to the Committee on Ways and Means.

By Mr. DREIER of California (for himself, Mr. MACK, Mr. COURTER, Mr. LENT, Mr. WORTLEY, Mr. HAMMERSCHMIDT, Mr. GILMAN, Mr. DORNAN of California, Mr. MCGRATH, Mr. SLAUGHTER of Virginia, Mr. MARTINEZ, and Mr. BROWN of California):

H.R. 469. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. DUNCAN:

H.R. 470. A bill to repeal section 134 of the Tax Reform Act of 1986, eliminating the deduction for State and local sales taxes; to the Committee on Ways and Means.

By Mr. GILMAN:

H.R. 471. A bill to authorize assistance for famine prevention in Africa; to the Committee on Foreign Affairs.

By Mr. GONZALEZ:

H.R. 472. A bill to repeal the Balanced Budget and Emergency Deficit Act of 1985; jointly, to the Committee on Government Operations and Rules.

By Mr. HUGHES:

H.R. 473. A bill entitled "The Alternative Dispute Resolution Promotion Act of 1987"; to the Committee on the Judiciary.

By Mr. HUGHES (for himself and Miss Schneider):

H.R. 474. A bill entitled the "Plastic Waste Study Act of 1987"; jointly, to the Committees on Merchant Marine and Fisheries; Science, Space and Technology; and Energy and Commerce.

By Mr. JACOBS:

H.R. 475. A bill to amend the Federal Reserve Act to prohibit any officer or employee of the United States from purchasing the currency of certain foreign governments; to the Committee on Banking, Finance and Urban Affairs.

H.R. 476. A bill to amend the Federal Reserve Act to prohibit Federal Reserve banks from purchasing certain obligations of foreign governments; to the Committee on Banking, Finance and Urban Affairs.

H.R. 477. A bill to amend the Office of Federal Procurement Policy Act to require the Administrator for Federal Procurement Policy to establish procedures to insure that property and services are not procured from persons recommending such procurement in reports or studies funded by the Federal Government; to the Committee on Government Operations.

H.R. 478. A bill entitled the "Former Presidential Enough Is Enough and Taxpayers Relief Act of 1987"; to the Committee on Government Operations.

H.R. 479. A bill to limit the amount of official funds available to a Member of Congress for the purchase of postage stamps to $100 for each calendar year; to the Committee on House Administration.

H.R. 480. A bill to amend the Federal Election Campaign Act of 1971 to provide for public financing of advertising and related expenses in campaigns for the House of Representatives and to prohibit contributions by multicandidate political committees to candidates who accept such financing; to the Committee on House Administration.

H.R. 481. A bill to amend the Federal Election Campaign Act of 1971 to disallow the personal use of amounts received as contributions; to the Committee on House Administration.

H.R. 482. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require as a condition of receiving certain assistance under such act that law enforcement agencies have in effect a binding law enforcement officers' bill of rights; to the Committee on the Judiciary.

H.R. 483. A bill to establish the Federal right of every unemancipated child to be supported by such child's parent or parents and therefore, to confer upon certain local courts of the District of Columbia and every State and territory of the United States jurisdiction to enforce such right regardless of such child's residence; to the Committee on the Judiciary.

H.R. 484. A bill to amend title 18 of the United States Code, to provide for rewards for information leading to the apprehension and conviction of certain kidnapers; to the Committee on the Judiciary.

H.R. 485. A bill to make "America, the Beautiful" the national anthem of the United States of America; to the Committee on Post Office and Civil Service.

H.R. 486. A bill to entitled the "Goose, Gander, and Sauce Act of 1987"; to the Committee on Post Office and Civil Service.

H.R. 487. A bill to amend the Federal Aviation Act of 1958 to authorize reduced-rate air transportation to the United States for certain persons who have been or will be adopted by a resident of the United States; to the Committee on Public Works and Transportation.

H.R. 488. A bill to amend title 38 United States Code, to permit the next of kin of a deceased veteran to designate the style of flag to be furnished at the burial of such veteran; to the Committee on Veterans' Affairs.

H.R. 489. A bill to amend title 38, United States Code, to authorize the admission to Veterans' Administration hospitals for psychiatric evaluation and treatment of veterans who have been determined to require such evaluation and treatment; to the Committee on Veterans' Affairs.

H.R. 490. A bill to amend the Internal Revenue Code of 1986 to deny the business deduction for any amount paid or incurred for regularly scheduled air transportation to the extent such amount exceeds the normal tourist class fare for such transportation; to the Committee on Ways and Means.

H.R. 491. A bill to amend title II of the Social Security Act to require actual dependency as a condition of a stepchild's eligibility for child's insurance benefits, thereby preventing an insured individual's stepchildren from qualifying for such benefits on his or her wage record—and thereby reducing the benefits of his or her natural children—if they are being supported by their natural parent; to the Committee on Ways and Means.

H.R. 492. A bill to amend the Internal Revenue Code of 1986 to impose an additional tax on financial institutions which have outstanding loans to foreign governments which are insolvent and receive funds from the United States; to the Committee on Ways and Means.

H.R. 493. A bill to amend the Internal Revenue Code of 1986 to increase to 32 cents per pack the Federal excise tax on cigarettes and to provide that the revenues from the additional tax shall be deposited in the Federal Hospital Insurance Trust Fund under the Social Security Act; to the Committee on Ways and Means.

H.R. 494. A bill to amend the Internal Revenue Code of 1986 to reinstate the tax on interest received by foreigners on certain portfolio investments; to the Committee on Ways and Means.

H.R. 495. A bill to eliminate the exemption for Congress or for the United States from the application of certain provisions of Federal law relating to employment and privacy, and for other purposes; jointly, to the Committees on Education and Labor and Government Operations.

By Mr. JACOBS (for himself and Mr. Slattery):

H.R. 496. A bill to require that $50 bills bear a portrait of Georgia Neese Clark Gray, the first woman to serve as Treasurer of the United States; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LEHMAN of California (for himself, Mr. Bereuter, Mr. Fauntroy, Mr. Wortley, Mr. Torres, Mr. Kleczka, Mr. Martinez, and Mr. Jones of Tennessee):

H.R. 497. A bill to increase the amount of capital available to financial institutions and other agricultural lenders for loans to farmers by providing a secondary market for farm mortgages through the establishment of a federally chartered corporation, and for other purposes; jointly, to the Committees on Agriculture and Banking, Finance and Urban Affairs.

By Mr. LIVINGSTON:

H.R. 498. A bill to repeal Section 306(c) of the Water Quality Renewal Act of 1987, to the Committee on Public Works and Transportation.

By Mr. MARKEY (for himself, Mr. Studds, Mr. Atkins, Mr. Mrazek, Mr. Mavroules, Mr. Moakley, Mr. Eckart, Mr. Leland, Mr. Downey of New York, Mr. Kennedy, and Mr. Hochbrueckner):

H.R. 499. A bill to provide for State regulations of the radiological hazards of production and utilization facilities, and for other purposes; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mr. LOTT (by request):

H.R. 500. A bill to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's Waters, and for other purposes; to the Committee on Public Works and Transportation and in addition, to the Committee on Merchant Marine and Fisheries for consideration of such provisions as fall within the jurisdiction of that committee pursuant to clause 1(n), rule X.

By Mr. BUSTAMANTE:

H.J. Res. 63. Joint resolution to designate May 21, 1987, as "National Flight of the Voyager Day"; to the Committee on Post Office and Civil Service.

By Mrs. COLLINS:

H.J. Res. 64. Joint resolution to provide for the designation of the month of February of each year as "National Black History Month"; to the Committee on Post Office and Civil Service.

By Mr. FRENZEL:

H.J. Res. 65. Joint resolution proposing an amendment to the Constitution of the United States to limit the tenure of office of Senators and Representatives; to the Committee on the Judiciary.

H.J. Res. 66. Joint resolution proposing an amendment to the Constitution of the United States to provide a single 6-year term for the President; to the Committee on the Judiciary.

By Mr. GILMAN:

H.J. Res. 67. Joint resolution to authorize and request the President to issue a proclamation designating May 3-10, 1987, as "Jewish Heritage Week"; to the Committee on Post Office and Civil Service.

By Mr. JACOBS:

H.J. Res. 68. Joint resolution proposing an amendment to the Constitution prohibiting abortion, except in cases in rape, incest, or life endangerment of the woman; to the Committee on the Judiciary.

H.J. Res. 69. Joint resolution proposing an amendment to the Constitution of the United States with respect to the compelling of testimony from a defendant in a criminal case in open court, a restriction on the use of prior convictions except when they are an element of the crime charged, and the right of a defendant in a criminal case to be informed of the evidence against him; to the Committee on the Judiciary.

H.J. Res. 70. Joint resolution proposing an amendment to the Constitution of the United States allowing the States to propose amendments to the Constitution when the legislatures of two-thirds of the States have approved substantially identical proposals for an amendment; to the Committee on the Judiciary.

H.J. Res. 71. Joint resolution proposing an amendment to the Constitution of the United States to limit service by Representatives, Senators, and Federal judges; to the Committee on the Judiciary.

H.J. Res. 72. Joint resolution to amend the Constitution of the United States to provide for balanced budgets and elimination of the Federal indebtedness; to the Committee on the Judiciary.

H.J. Res. 73. Joint resolution proposing an amendment to the Constitution of the United States to repeal clause 11 of section 8 of article I of the Constitution of the United States; to the Committee on the Judiciary.

By Mr. NEAL:

H.J. Res. 74. Joint resolution to express the sense of the Congress that the President should immediately resume negotiations with the Soviet Union and Great Britain on a comprehensive treaty to end the testing of nuclear weapons, and that the President should seek to include in the negotiations all other nuclear and nonnuclear weapons nations; to the Committee on Foreign Affairs.

H.J. Res. 75. Joint resolution proposing an amendment to the Constitution of the United States providing that, except in cases of national emergency, expenditures of the United States Government in any fiscal year shall not exceed its revenues for that fiscal year; to the Committee on the Judiciary.

H.J. Res. 76. Joint resolution proposing an amendment to the Constitution of the United States providing that, except in cases of national emergency, expenditures of the United States Government in any fiscal year shall not exceed its revenues for that fiscal year and shall not exceed 20 per centum of the gross national product of the preceding calendar year; to the Committee on the Judiciary.

By Mr. SCHULZE:

H.J. Res. 77. Joint resolution proposing an amendment to the Constitution of the United States to provide for two 6-year terms for the President and the Vice President, to limit the number of terms the President and the Vice President may serve, to provide for 3-year terms for Representatives, and to limit the number of consecutive terms Senators and Representatives; may serve; to the Committee on the Judiciary.

By Mr. STRATTON:

H.J. Res. 78. Joint resolution authorizing the President to designate the 29th day in May of each year as "John Fitzgerald Kennedy Memorial Day"; to the Committee on Post Office and Civil Service.

By Mr. JACOBS:

H. Con. Res. 19. Concurrent resolution expressing the sense of the Congress that any Federal agency that utilizes the Draize rabbit eye irritancy test should develop and validate alternative opthalmic testing procedures that do not require the use of animal test subjects; to the Committee on Energy and Commerce.

H. Con. Res. 20. Concurrent resolution declaring the sense of Congress regarding periods of silence in the public schools; jointly, to the Committees on Education and Labor and the Judiciary.

By Mr. NEAL:

H. Con. Res. 21. Concurrent resolution expressing the sense of the Congress that the Reagan administration and succeeding administrations stress to the People's Republic of China, as a continuing concern, the importance the American people attach to religious freedom, and to strongly urge that Government to release from prison the five elderly Roman Catholic priests, a number of Protestant pastors and layworkers and others of various faiths, reportedly being held on charges related to religious activities; to the Committee on Foreign Affairs.

H. Con. Res. 22. Concurrent resolution declaring the sense of Congress regarding periods of silence in the public schools; jointly, to the Committees on Education and Labor and the Judiciary.

H. Con. Res. 23. Concurrent resolution declaring the sense of Congress regarding periods of silence in the public schools; jointly, to the Committees on the Judiciary and Education and Labor.

By Mr. FOLEY:

H. Res. 25. Resolution authorizing the Speaker to administer the oath of office to Representative-elect Sala Burton from the State of California; considered and agreed to.

By Mr. BROOMFIELD:

H. Res. 28. Resolution establishing a Select Committee to Investigate the Iran Initiative and Related Events, and for other purposes; to the Committee on Rules.

By Mr. FRENZEL:

H. Res. 29. Resolution to request that the President establish a bipartisan commission on the budget deficit; to the Committee on Government Operations.

H. Res. 30. Resolution amending rule XLVI of the Rules of the House to require greater economy in mass mailing and other uses of the frank by Members of the House, and for other purposes; to the Committee on Rules.

By Mr. JACOBS:

H. Res. 31. Resolution to enclose the galleries of the House of Representatives with a transparent and substantial material; to the Committee on House Administration.

H. Res. 32. Resolution permitting printing of political cartoons in the extensions of remarks section of the Congressional Record; to the Committee on House Administration.

H. Res. 33. Resolution to honor Mohammed Sedik Benyahia; to the Committee on Post Office and Civil Service.

H. Res. 34. Resolution expressing the appreciation of the House of Representatives for the heroism and civic achievements of Sgt. Alvin C. York and encouraging local communities and organizations throughout the United States to prepare ceremonies and activities to commemorate the 100th anniversary of his birth in 1987; to the Committee on Post Office and Civil Service.

H. Res. 35. Resolution establishing a commission to recommend an appropriate memorial to former U.S. Representative Allard K. Lowenstein; to the Committee on Rules.

H. Res. 36. Resolution to amend the Rules of the House of Representatives to prohibit Members from earning outside earned income, effective January 1, 1987; to the Committee on Rules.

H. Res. 37. Resolution to amend the Rules of the House of Representatives to require that measures affecting the salaries, freebies, or emoluments of Members or former Members of Congress be adopted by roll-call vote; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

[Omitted from the Record of January 6, 1987]

By Mr. BENNETT:

H.R. 439. A bill for the relief of Thomas Wilson; to the Committee on the Judiciary.

By Mr. BIAGGI:

H.R. 440. A bill for the relief of Anne Brusselmans; to the Committee on the Judiciary.

By Mr. BROOKS:

H.R. 441. A bill for the relief of the heirs of M. Sgt. Nathaniel Scott, U.S. Army, retired, deceased; to the Committee on the Judiciary.

By Mr. DANIEL:

H.R. 443. A bill for the relief of Fred J. Villegas; to the Committee on the Judiciary.

By Mr. DAUB:

H.R. 444. A bill for the relief of Mrs. Douglas F. Macomber; to the Committee on the Judiciary.

By Mr. DONNELLY:

H.R. 445. A bill for the relief of Richard F. Walsh; to the Committee on Armed Services.

By Mr. ERDREICH:

H.R. 446. A bill for the relief of Jens-Peter Berndt; to the Committee on the Judiciary.

By Mr. GALLO:

H.R. 447. A bill for the relief of Maria Camargo Rickle; to the Committee on the Judiciary.

By Mr. LAGOMARSINO:

H.R. 448. A bill for the relief of Brenda Pring Garcia; to the Committee on the Judiciary.

By Mr. LOTT:

H.R. 449. A bill for the relief of Joseph W. Newman; to the Committee on the Judiciary.

By Mr. QUILLEN:

H.R. 450. A bill for the relief of Dahyabhai Shankarbhai Patel and Lilavati Patel; to the Committee on the Judiciary.

By Mr. RICHARDSON:

H.R. 451. A bill for the relief of Frank H. Gammache, Jr.; to the Committee on the Judiciary.

By Mr. SMITH of Iowa:

H.R. 452. A bill for the relief of Neil R. Fairbanks; to the Committee on the Judiciary.

H.R. 453. A bill for the relief of Jerome J. Hartmann and Rita J. Hartmann; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 25. Mr. ROSE.

H. Res. 14: Mr. HALL of Ohio, Mr. LANCASTER, Mr. LEACH of Iowa, Mr. WALGREN, and Mr. PRICE of North Carolina.

EXTENSIONS OF REMARKS

ROLE OF COUNTY IN FOREST DEVELOPMENT NEEDS TO BE HEIGHTENED

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. OBERSTAR. Mr. Speaker, in 1978, a battle was waged in this body over the future land use policy in the Boundary Waters Canoe Area Wilderness. In the course of that debate I fought to preserve the multiple use policy upon which local loggers and resort operators depend. In spite of the outpouring of local support for a less restrictive land use policy, the Boundary Waters Canoe Area Wilderness Act placed strict limits on outboard motor use on BWCA lakes and eliminated timber harvesting altogether.

Congress did recognize that the more restrictive policy would have a severe impact on the local economy. Provisions designed to mitigate the adverse economic impacts were contained in the act. Specific roles were outlined for Federal, State, and county participation. My present purpose is not to challenge the land use specifications of that legislation.

Today I want to discuss the aspects of that law which pertain to the development of wood fiber resources in areas outside the BWCA. Development and promotion of the wood fiber resources, at the county level, is rapidly becoming an economic alternative for regions that have lost traditional sources of revenue due to changes in the economy. But BWCA legislation restrictions on county input create difficulty in developing the wood fiber industry.

Since enactment of the law, the need to shift a portion of U.S. Forest Service funding from the Federal level in order to fund State and local government initiatives has become evident. Specifically, the amount of revenues received by those counties designated by the BWCA legislation needs to be increased.

The BWCAW Act authorizes a total of $11 million for intensification of forest management practices outside the wilderness area. The authorization level for intensified U.S. forestry activities in the 1.8 million acres of the Superior and Chippewa National Forests was set at $8 million. However, the U.S. Forest Service has never requested more than $6 million to develop additional wood fiber under this authority.

An additional $3 million was authorized for intensification of forest management practices on the 7 million acres of State and local government forests in the region. State county governments have responded to this Federal assistance by instituting programs to plant more acres, improve existing plantations and invest in the region's forest road network.

Every cent of BWCA forest management funding channeled through State and county programs has been put to good use, both in terms of forest development and in providing new job opportunities.

St. Louis County, in which much of the restricted areas of the Boundary Waters lies, is responsible for managing 900,000 acres of commercial forestland. St. Louis and other counties are looking to the wood products industry to provide employment opportunities for many of thousands of workers who have lost their jobs as a result of the depression in our Nation's steel and mining industries.

Significant achievements have been made in developing and promoting the wood fiber industry. In Hibbing, an Industrial Wood Products Park has been constructed, which will ultimately house all wood products manufacturers. Construction is well underway in Duluth for the Lake Superior Paper Co., which will employ 2,100 people.

Counties have received State support for a major initiative to invest in the county's forests. The St. Louis County Department of Land Investment is currently in its third year of operation. State and county dollars invested to date have allowed the county to make major strides toward completing a thorough forest inventory. Construction of 27 miles of forest access road has also been completed which will open up 60,000 acres for new timber sales. The county has treated 6,000 acres for aspen regeneration. One thousand acres have already been thinned, and 1.14 million trees have been planted on 1,500 acres. The county has already prepared 1,500 acres to be planted with 1.2 million trees.

In order to attract new wood products companies into the region, forest development must continue. Programs such as that instituted by St. Louis County must be supported if the promise of Federal relief from the devastating impact of the Boundary Waters Canoe Area Wilderness Act is to be fulfilled.

Today I am introducing legislation to cut the current authorization of $8 million for U.S. Forest Service activities to $6 million. Correspondingly, the authorization for State and local government programs should be increased by $2 million. This shift will accelerate development of the wood fiber base by shifting our financial resources to the larger, county-held natural resource base.

The encouragement of wood fiber industries is essential to the economic recovery of northeastern Minnesota. Programs such as the St. Louis County Land Investment Program hold the greatest promise for assuring resource development, and need our strong support.

THE LIABILITY CRISIS: WHERE TO START

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. ROTH. Mr. Speaker, finger-pointing has been the name of the game in the liability insurance crisis. Blame has been spread around over the past few years. Insurance companies freely admit that premiums have skyrocketed. Trial lawyers whose fees depend on such suits are on the other side. And right in the middle—between the insurance companies and trial lawyers—is the court system, whose judges and juries approve shaky claims and outrageous award settlements based on evolving interpretations of the law.

But fixing blame does not solve problems. The liability crisis is real and getting worse. Courts are clogged. Insurance rates are shooting through the roof. Businesses are shutting down. Soon some necessary products and services will no longer be available at any price. And worst of all, Americans are becoming skeptical about the fairness of their civil judicial system.

We need a solution. And I propose that Congress can be most effective in striking at the center; that is, reforming our present tort system. It is here that the Federal Government can achieve the best results. That is why I am today reintroducing the Product Liability Uniform Standards Act.

Insurance companies are not blameless in this crisis. They make bad investments and try to recoup lost profits. But they do not, as some argue, conspire to gouge the public. To solve this crisis, there are those who would repeal the McCarran-Ferguson law, which allows States to regulate insurance. It is unlikely this would succeed. What it would do, however, is surely send the entire insurance industry reeling with uncertainty. It is clear that the rise in insurance premiums is merely a side effect of a larger, more serious problem.

One proposal—capping lawyers' fees—should also be reconsidered. In a free market we should think carefully before deciding to cap anyone's earning ability. This is not to say this can't be a useful tool in reigning in runaway court costs. It must again be emphasized, however, that capping lawyers' fees attacks the symptom, not the cause of the problem.

The heart of that problem lies with our court system. It may operate overtly as a fault-based system, but the law has evolved over the past two decades to establish no-fault goals. The system desires to compensate all injuries and all losses without regard to responsibility. This contradiction—compensating everyone within a fault-based system—encourages damage awards so high that they are obscene. The rules are uncertain and ambiguous. The costs to society are immense.

The best and simplest solution to the problem has been offered by Prof. Aaron Twerski, a noted legal scholar from Brooklyn Law School. This common sense solution does not attempt to rewrite 200 years of tort law. Instead, it brilliantly draws upon a solid body of law already in existence. In this way there is no need to wait decades for judicial interpretation for meanings to become clear. This pro-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

posal would restore the public's faith in the fairness of our judicial system.

It would clearly and definitely restore a "fault-based" system. The burden of proof should be placed on the person bringing the action. "Innocent until proven guilty" has always been the hallmark of English law. But incredibly our tort system allows people to be punished even if negligence has not been proven.

The current system holds defendants liable even if they have met a reasonable standard of care. It is ludicrous to hold someone liable for failing to meet new technological or popular standards that evolved after the product or service was sold. By reestablishing a fault-based system, defendants no longer would be held to the impossible standard of omniscience. That is, they would no longer be forced to act like soothsayers and palm readers.

My bill would also make three other simple reforms. It would establish a higher standard of evidence in the award of punitive damages. Plaintiffs would have to prove by "clear and convincing" evidence that a defendant was reckless. Thus, "punies" could not be used as a bargaining chip and would only be awarded when they were truly deserved.

This legislation would sort out the overlap in the workers' compensation and tort systems. By setting off workers' comp against the ultimate judgment, we would shift part of the cost of workplace injuries back to where it belongs—with the employer. This solution permits the plaintiff to retain the very same benefits and encourages workplace safety.

Finally, my bill would end needless litigation by releasing wholesalers and retailers from liability altogether. It is crystal clear that "middle men" who have no chance to discover product defects should be exonerated.

It is time to scrap the idea that the court system is a lottery to be milked for big jackpots. It is time to pull back the veil and let manufacturers and midwives, municipalities and architects, walk in the sunlight, unafraid of not meeting an unattainable standard of perfection. It is also time to debunk the myth that liability reform has to be anticonsumer.

This proposal would accomplish substantial reform without trampling on the rights of consumers. Likewise, it takes aim not at lawyers and not at insurance companies. Nor is it designed to help any one specific industry at the expense of another. It is an even-handed approach to restore sanity to a court system that has run amuck.

So this answers the question: Where do we start? With the specter of decreased productivity, economic stagnation, a lower standard of living, and diminished international competitiveness hanging over us, I believe the answer to the next question—When do we start?—is now.

HONORING RETIRING NEWPORT BEACH COUNCILWOMAN JACKIE HEATHER

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BADHAM. Mr. Speaker, it is altogether fitting and appropriate as we begin this term of the historic 100th Congress of the United States and the bicentennial of our Constitution that we also recognize an individual who has toiled diligently for many years in public service to the people of one American city—the city of Newport Beach, CA, in my district.

Recently in Newport Beach, former mayor, councilwoman, and planning chairwoman Jackie Heather retired from public service after a career in local government that spanned 15 years. She spent 7 years in the demanding role of city planning commissioner, including terms as secretary, vice chairman, and chairman. She recently concluded her second 4-year term on the city council and spent 2 years in the mayor's chair. In her official capacity, she also devoted many hours to the worthwhile efforts of the California League of Cities.

All too often, the tremendous and selfless service of citizens such as Mrs. Heather go unrewarded and unrecognized. These honorable, hard-working, and dedicated individuals make great personal sacrifices and spend many hours of their time in an effort to make their towns and cities better places to live and work for the present and future generations.

Jackie Heather leaves a legacy in local government in my district that will not be easily matched and perhaps never exceeded. She set a tone for the involvement of women in local government leadership that has been a model for many others to follow. She has been instrumental in shaping the destiny of a dynamic and vital city in California and has been part of the careful long-range planning that will take it to the 1990's and beyond.

But Jackie Heather's involvement in her community has not stopped with her dedicated service in local government. She is especially proud of her work with both young children at the community youth center and for her help with older adults at our Oasis Center. She is active in her church and one of Orange County's most active and involved Republican women.

Mr. Chairman, it is my great pleasure to honor Jackie Heather's 15 years of local government service. Her commitment and devotion is a credit to her city, to our great State of California, and particularly to our country in this very important milestone year in its history.

POWERFUL BUT PAINLESS: TAX AMNESTY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BIAGGI. Mr. Speaker, today I am introducing legislation that must be viewed as a powerful, but painless, weapon in our battle to reduce the Federal deficit. Under this legislation, a one-time, 6-month national Tax Amnesty Program would be provided to taxpayers. During the present time, we are battling to reduce the deficit and balance the budget through Gramm-Rudman—which provides absolutely no new revenues to accomplish this critical goal. Gramm-Rudman, our premier deficit reduction mechanism, merely continues to slash our vital Federal programs, especially those key programs that serve those in need. I offer tax amnesty as a proposal to Congress which provides us with new deficit reducing options—raising new revenues.

Under my tax amnesty proposal, a one-time, 6-month Tax Amnesty Program would be established. This Tax Amnesty Program would provide immunity from all criminal and civil penalties, as well as 50 percent of interest penalties, in exchange for a full repayment of all unpaid taxes and the remaining interest penalty. In addition, this proposal authorizes the hiring of 3,000 new Internal Revenue Service enforcement and audit personnel. And finally, it establishes a 50-percent increase for all tax-related civil and criminal penalties, including monetary and jail sentences, for those who fail to take advantage of the amnesty and for all future tax evaders.

Enactment of tax amnesty could actually impede our economic growth. Any program which has as its foremost objective to reduce the deficit must be viewed as helping the economy. It is the continuing deficit which looms as the fastest way to turn the economic boom into a bust.

All taxpayers would be eligible for the Tax Amnesty Program with the following exceptions: Those involved with the IRS in administrative or judicial proceedings before the amnesty period begins, those under criminal investigation where the IRS has referred the matter to the Justice Department before the amnesty period begins, and those who make a false or fraudulent representation in seeking to take advantage of the amnesty. The Tax Amnesty Program would begin on the first July 1 after the date of the enactment of this legislation.

There are many advantages to tax amnesty. Estimates from the IRS state that one out of every five U.S. taxpayers cheat. The "tax gap"—the amount the U.S. Treasury is owed as compared to what they will actually receive—is almost $90 billion. This tax amnesty proposal could raise an estimated $20 billion. In addition, these taxpayers would then be registered and available for future collection. All of this accomplished without raising taxes, and without further cuts in our many Federal programs.

Tax amnesty has proven successful at the State level. In my home State of New York, over $341 million was generated in a 3-month Tax Amnesty Program. To date, 13 States have raised approximately $700 million in new revenues through successful Tax Amnesty Programs.

All of this data points to what is right about tax amnesty. All of this evidence tells us it is an idea whose time has come. The facts are clear. At this time, the only deficit reducing mechanism we have in place is Gramm-Rudman. Yet Gramm-Rudman does not seek to generate any new revenue in the fight to eliminate the deficit. My tax amnesty proposal, coupled with my national lottery bill, could indeed generate all of the revenue required to meet the Gramm-Rudman target this year of $36 billion. Powerful but painless.

U.S. PARK POLICE AND U.S. UNIFORMED SECRET SERVICE DIVISION SHOULD BE TREATED EQUITABLY

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Ms. OAKAR. Mr. Speaker, last year in the 99th Congress I introduced H.R. 5685, legislation which would permit members of the U.S. Park Police and the U.S. Secret Service Uniformed Division to receive premium pay in the same manner as other employees of the Federal Government. Today, I am reintroducing this bill which was not acted upon in the last Congress. My bill would no longer exclude the Park Police or the Secret Service Uniformed Division from coverage of that portion of title 5 of the United States Code.

Prior to the full implementation of the District of Columbia "Home Rule" Act [Public Law 93-198] in 1975, the Metropolitan Police Department of the District of Columbia, the U.S. Park Police and the Executive Protective Service were all considered to be Federal agencies under the control of the Congress, which had direct responsibility for compensation for all three law enforcement agencies. Since the implementation of home rule, the District of Columbia is no longer considered a Federal agency for purposes of employee compensation. The Council of the District of Columbia enacted the Comprehensive Merit Personnel Act, which permits employees of the D.C. Government, including the Metropolitan Police Department, to bargain collectively for wages and other forms of compensation. However, the U.S. Park Police and the Executive Protective Service—now called the U.S. Secret Service Uniformed Division—were not covered by the Comprehensive Merit Personnel Act, and were not employees of the District of Columbia.

Congress enacted legislation in 1976 for the U.S. Park Police, and in 1980 for the U.S. Secret Service Uniformed Division, which required that basic pay for those two entities be set by Congress. This legislation, coupled with the impact of the Home Rule Act and the D.C. Comprehensive Merit Personnel Act, thereby severed the common origins of the Metropolitan Police, the Park Police, and the Secret Service Uniformed Division. It created an anomaly whereby members of the Park Police and the Secret Service Uniformed Division, who are clearly Federal employees, are excluded from the definition of "employee" for purposes of entitlement to premium pay under title 5 of the United States Code. Such premium pay had previously been granted by the Congress through special provisions of the District of Columbia Code, which no longer applies to them. Thus, the U.S. Park Police and the Secret Service Uniformed Division, are the only Federal employees who are not eligible for any premium pay, because they no longer fall within the provisions of the D.C. Code, which provides for collective bargaining of wages, and they are specifically excluded from the applicable provisions of title 5, United States Code.

The legislation I am reintroducing today provides an easy resolution of this inequity. It requires only a minor modification to title 5 of the United States Code to correct what appears to have been an oversight. There is no conceivable reason that we should distinguish employees of these two Federal law enforcement agencies from other Federal employees with regard to eligibility for premium pay for overtime, night work, standby duty, Sunday and holiday work, and hazardous duty. It is only through a quirk of history that these employees are now excluded from both the Federal premium pay laws and from the D.C. Code which authorizes collective bargaining for premium pay.

It is essential that we treat these valued employees of the U.S. Park Police and the U.S. Secret Service Uniformed Division equitably and provide them with premium pay in the same manner as other Federal employees.

Mr. Speaker, I urge my colleagues to support this legislation.

AMERICAN CONSERVATION CORPS ACT

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. UDALL. Mr. Speaker, I am today introducing legislation to establish an American Conservation Corps [ACC] to provide conservation jobs to needy American youth.

This bill is identical to legislation which the Senate passed during the final hours of the 99th Congress, which included an amended version of H.R. 99, a House-passed ACC bill. Due to lack of time to work out other, unrelated provisions of the Senate-passed bill, the legislation was not enacted.

The purpose of the bill is to establish a youth conservation work program modeled after the Civilian Conservation Corps of the 1930's. It would have both year-round, ages 16-25, and summer, ages 15-21, components. While open to all eligible youths, special efforts would be made to enroll and recruit those who are economically disadvantaged. They would do a variety of much needed conservation work on Federal, State, and locally owned parks, forests, and other public lands.

This bill makes a number of welcome changes from the earlier House-passed bill. Among other things, it would place even greater emphasis on State and local participation in the program. Federal agencies would be allowed, although not required, to contract with State-approved local governments and nonprofit organizations for projects on Federal lands. This would allow Federal agencies, already understaffed, to use the corps to do needed maintenance work on Federal lands without further overextending their own staffs.

The funding authorization would be capped at $75 million annually for fiscal years 1988-90. State allocations would be raised to 50 percent, and new competitive criteria are added for State allocations. The Departments of the Interior, Agriculture and Defense would be authorized to provide services, surplus supplies and equipment—including vehicles, facilities, and food—to State and State-approved programs. Other basic provisions of the bill would remain the same, including provisions for education and training, joint projects with the Department of Labor, research, and evaluation, and nondisplacement.

In closing, I would simply note that youth unemployment remains one of our Nation's most troubling social and economic problems. Although adult unemployment hovers around 7 percent, the figure among teenagers is over 18 percent and among minority teenagers it is over 35 percent. At the same time, the backlog of conservation work on our Nation's parks, forests, and other public lands is growing daily.

I urge all Members to support this important and much-needed legislation.

GILMAN INTRODUCES LEGISLATION EXTENDING THE CAPITAL GAINS EXCLUSION TO ALL HOMEOWNERS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. GILMAN. Mr. Speaker, I am pleased to introduce today legislation to allow all homeowners the option to keep, tax free, up to $125,000 of the profit from the sale of a principal residence. My bill extends the current eligibility for the one-time capital gains tax exemption from those 55 years of age or older to homeowners of all ages.

While the economic recovery has sharply reduced the overall pace of inflation, housing costs continue to remain exorbitant. Indeed, Americans are forced to pay taxes on the price increases of their homes which are the direct result of inflation. No homeowner should receive less for their home than they paid for it due to taxes irrationally linked to soaring housing prices. Adoption of this bill would allow Americans the freedom to decide at which point in their lives they could best utilize the one-time exclusion. The bill would certainly be advantageous to those who wish to retire before age 55. For a young family making the move from their starter home to a larger residence, extension of the one-time exclusion could help them realize their dreams. The bill is equally advantageous to single, recently divorced, or recently widowed homeowners who may no longer be able to afford a multiperson residence or who may simply need access to the capital of their single most valuable investment—their home.

My bill would also have the direct effect of freeing up the housing market in cases where homeowners a few years under age 55 are holding onto their homes so as to be able to take advantage of the one-time exclusion. This increased availability would in turn foster lower cost housing and enable those who could not previously afford to own their own home a better opportunity to do so.

Mr. Speaker, I hope the Ways and Means Committee will consider this legislation in a timely manner. I also request that the full text of my bill be inserted at this point in the CONGRESSIONAL RECORD and I urge my colleagues to review and cosponsor this important measure.

H.R.—

A bill to amend the Internal Revenue Code of 1986 to eliminate the age requirement for eligibility for the one-time exclusion of gain from the sale of a principal residence

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the section heading and subsection (a) of section 121 of the Internal Revenue Code of 1986 (relating to one-time exclusion of gain from sale of principal residence by individual who has attained age 55) are amended to read as follows:

"SEC. 121. ONE-TIME EXCLUSION OF GAIN FROM SALE OF PRINCIPAL RESIDENCE.

"(a) GENERAL RULE.—At the election of the taxpayer, gross income does not include gain from the sale or exchange of property if, during the 5-year period ending on the date of the sale or exchange, such property has been owned and used by the taxpayer as his principal residence for periods aggregating 3 years or more."

"(b)(1) Paragraph (1) of section 121(d) of such Code (relating to special rules) is amended by striking out "age, holding, and use" each place it appears and inserting in lieu thereof "holding and use".

"(2) Paragraphs (2) and (3) of section 121(d) of such Code are each amended by striking out "subsection (a)(2)" each place it appears and inserting in lieu thereof "subsection (a)".

"(3) The table of sections for Part III of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 121 and inserting in lieu thereof the following:

"Sec. 121. One-time exclusion of gain from sale of principal residence."

(4) Sections 1033(h)(3), 1034(l) 1038(e)(1)(A), 1250(d)(7)(B), and 6012(c) of such Code are each amended by striking out "by individual who has attained age 55".

(c) The amendments made by this Act shall apply to sales or exchanges after December 31, 1986, in taxable years ending after such date.

STATE DEPARTMENT RESPONSE TO ALLEGATIONS OF SAUDI ASSISTANCE TO THE CONTRAS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. HAMILTON. Mr. Speaker, on October 14, 1986, I initiated correspondence with the Department of State concerning reports, brought to my attention by our colleague, MEL LEVINE, that Saudi Arabia has provided or is providing assistance to the Nicaraguan Contras. On November 21, 1986, I received a reply from the Department of State denying these press reports.

The texts of the two letters follow:

U.S. DEPARTMENT OF STATE
Washington, DC.

DEAR MR. CHAIRMAN: I am responding to your letter of October 14 asking Secretary Shultz to address several questions relating to reports that Saudi Arabia has or is providing aid to the Contras.

Despite reports which appeared in The San Francisco Examiner and The New York Times alleging that Saudi Arabia is providing aid to the Contras, the Department of State has no evidence that Saudi Arabia or any other country has or is providing such assistance or financial aid either directly or indirectly. We note also that the Saudi Embassy had denied the allegations. Moreover, we have not discussed this issue with the Saudis nor encouraged Saudi officials or citizens to aid the Contras. In fact, the 1985 Foreign Assistance Authorization Act specifically forbade us from soliciting third-country support for the Contras.

Furthermore, there was no linkage between the AWACS sale to Saudi Arabia and alleged Saudi assistance to the Contras. In 1981, the terms of the original agreement to sell Saudi Arabia five E-3A Airborne Warning and Control System (AWACS) aircraft were notified to Congress. President Reagan reaffirmed these terms of sale in a June 18, 1986 letter to the Congressional leadership. The President's letter described arrangements made with the Government of Saudi Arabia to implement assurances provided in October 1981 to then Senate Majority Leader Baker.

The President did assure Congress that Saudi Arabia had been helpful in a broad range of regional security and peace objectives. This commitment did not explicitly or implicitly extend to assisting the Contras.

Please let me know if I can be of further assistance.

Sincerely,

LOUISE R. HOPPE,
Acting Assistant Secretary,
Legislative and Intergovenmental Affairs.

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, October 14, 1986.

Hon. GEORGE P. SHULTZ,
Secretary, Department of State, Washington, DC.

DEAR MR. SECRETARY: There have been several recent reports that Saudi Arabia has been providing funds to the Contra forces fighting the Nicaraguan Government.

I would appreciate having the following questions answered. Do you have any evidence that Saudi Arabia has or is providing any assistance or financial aid directly or indirectly to the Contras? Has the United States raised this issue with the appropriate Saudi officials? Has the United States ever encouraged any Saudi officials or citizens to provide aid to the Contras? And finally, is there any linkage between the AWACS sale to Saudi Arabia and Saudi assistance provided to the Contras?

This issue has been brought up in two hearings with the Department of State before the subcommittee, but I would appreciate answers to the questions posed.

With best regards,

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

THE BALANCED BUDGET ACT

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BRYANT. Mr. Speaker, I am introducing today the Balanced Budget Act. This legislation is similar to that introduced in the last two Congresses by our former colleague and Budget Committee Chairman Jim Jones of Oklahoma. In the 98th Congress, it passed the House overwhelmingly; but it has never received consideration in the Senate.

This bill would require the President to submit a budget proposal each year in which the budget is in balance—no deficit. It would also require the House and Senate Budget Committees to report budget proposals that are in balance. If the President or the Budget Committees decided that a balanced budget was not feasible or desirable in a particular year, they could also propose, in addition to the balanced budget, a budget that was not in balance. But in such a case they would also have to provide a detailed, comprehensive plan to bring the budget into balance in later years.

We have had a year's experience with budgeting under the Gramm-Rudman mechanism, and know the obstacles to pay-as-you-go budgeting that still remain. In particular, we know how difficult it is to make serious headway toward a balanced budget when we begin the process with a deficit in the hundreds of billions already built into the equation, such as the record-shattering trillion-dollar budget proposed yesterday by the administration. It becomes too easy to retreat from serious deficit reduction into rhetoric and fingerpointing.

Requiring all the major players in the budget process—the President, the House, and the Senate—to reveal their blueprint for a balanced budget can help us confront the choices which we all know responsible budgeting demands but which some continue to shy away from. Enactment of this legislation will help set us on a course toward responsible, pay-as-you-go government.

AIDS MEDICARE ELIGIBILITY

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. WEISS. Mr. Speaker, today I am reintroducing legislation which would provide urgently needed Medicare benefits to many individuals suffering from AIDS [Acquired Immune Deficiency Syndrome].

AIDS patients fall victim not only to a fatal disease, but also to catastrophic medical bills when they may be unable to pay. As estimated by a number of health care cost studies, the average total bill for hospital inpatient care from the time of diagnosis until death ranges from $50,000 to $150,000. This staggering medical bill does not include expenses for outpatient, nursing, and home health care. The costs to care for AIDS patients tend to be high because these individuals often require successive admissions to hospitals, longer stays due to severe medical complications, more intensive nursing care, and higher levels of pharmaceuticals, supplies, and special equipment.

Most AIDS patients are unable to afford such astronomical costs for health care. Many have lost private health insurance because their debilitating condition leaves them unable to work. Others have exhausted their insurance coverage because of the catastrophic nature of their illness. And many may be unable to obtain private health insurance, because some insurance companies are questioning their obligation to provide coverage for AIDS patients.

The bill that I am reintroducing would expedite the availability of Medicare benefits for those AIDS patients who, under current law already qualify for its coverage by virtue of their disabled status. AIDS patients, who are unable to work and have contributed the requisite number of quarters into Social Security, are eligible for the Social Security Disability Insurance [SSDI] Program. In fact, in 1983 the Department of Health and Human Services added AIDS to its list of qualifying impairments for disability to help in the processing of these cases.

Once entitled to disability benefits, AIDS patients, like all SSDI recipients, must then wait 2 years before they can receive Medicare coverage. Unfortunately, individuals afflicted with this terrible disorder often die before they can qualify for coverage. For example, of the over 3,000 AIDS cases newly diagnosed and reported to the Centers for Disease Control between July and December, 1984, only 25 percent were still alive 2 years later.

The November 1986 National Academy of Sciences Institute of Medicine's report on AIDS noted this problem of Medicare inavailability for eligible AIDS patients in their recommendations for potential AIDS health care financing sources. The legislation that I am reintroducing would provide Medicare financing to these eligible AIDS patients and assure them access to quality care without the threat of bankruptcy.

The bill also provides desperately needed assistance to localities which have been carrying the financial burden of providing services and health care to those affected by this epidemic. To cope with the epidemic, many of our cities are drawing on already scarce economic, medical, technical, and human resources.

Furthermore, as the number of AIDS cases continues to double every 13 months, the epidemic is expanding into all regions of the country. The Public Health Service's "Coolfont Report" of June 1986, predicts that by 1991 over 80 percent of all AIDS cases will be reported from localities outside the current urban centers. This legislation will provide a source of funding for any region of the country which becomes a major center of the epidemic.

This bill does not set up a new program or confer a new entitlement, it merely assures that AIDS patients have access to Federal health benefits to which they are entitled. One reason for initially establishing this 2-year waiting period was to ensure that Medicare would only be available to those whose disabilities proved to be severe. There is no question that AIDS sufferers meet this condition—very few are alive 2 years after diagnosis, and tragically, no one has yet recovered from full-blown AIDS.

Additionally, the legislation would allow the Health and Human Services Secretary, at his or her discretion, to provide reimbursement for experimental treatments that are administered as part of an approved clinical protocol. Because there is no known treatment for AIDS, much of the medical care involves therapies that are experimental. In view of the newness of this disease, its fatal consequences, and the uncertainties surrounding its treatment, the bill would provide flexibility to the Secretary to determine the need and appropriateness of reimbursing for experimental care.

Mr. Speaker, a growing number of American men and women, from all walks of life are suffering from this frightening disease. AIDS knows no geographic boundaries—it has afflicted citizens across the entire country. I believe that the Federal Government must assume its share of responsibility to guarantee that victims of this epidemic do not want for medical care because they lack sufficient resources. The Congress must continue to demonstrate its leadership in fighting this epidemic, not only by funding research and public education activities, but also by helping needed health care to those who struggle daily with AIDS.

The text of the bill is as follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. 5-YEAR WAIVER OF 24-MONTH WAITING PERIOD FOR MEDICARE ELIGIBILITY FOR INDIVIDUALS WITH AIDS.

(a) In General.—Section 226 of the Social Security Act (42 U.S.C. 426) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h)(1) Subject to paragraph (2), in the case of an individual who is medically determined to have acquired immune deficiency syndrome (AIDS) and who files an application for hospital insurance benefits under part A of title XVIII pursuant to this subsection, subsection (b) shall be applied as if—

"(A) in paragraph (2)(A), ', and has for 24 calendar months been entitled to,' were deleted;

"(B) in paragraph (2)(B), ', and has been for not less than 24 months,' was deleted;

"(C) in paragraph (2)(C)(ii), ', including the requirement that he has been entitled to the specified benefits for 24 months,' were deleted;

"(D) in the matter in the first sentence following subparagraph (C), 'first month' was substituted for 'twenty-fifth month'; and

"(E) in the second sentence, 'twenty-fourth' were deleted.

"(2) Paragraph (1) shall not result in an individual becoming entitled to hospital insurance benefits under part A of title XVIII for any month before the first month in which the individual both—

"(A) is medically determined to have acquired immune deficiency syndrome, and

"(B) has filed an application under paragraph (1).

"(3) For purposes of this subsection, an individual will be presumed to have acquired immune deficiency syndrome (AIDS) if the individual has been diagnosed, in accordance with standards established by the Secretary after consultation with the Director of the Centers for Disease Control, as having such disease.".

(b) Effective Date and 5-Year Sunset.—The amendments made by subsection (a) shall take effect on the first day of the first month that begins more than 45 days after the date of the enactment of this Act and shall apply to services furnished during the five-year period beginning on that first day.

SEC. 2. RECOGNIZING USE OF EXPERIMENTAL TREATMENT FOR AIDS PATIENTS.

(a) In General.—Section 1862 of the Social Security Act (42 U.S.C. 1395y) is amended by adding at the end the following new subsection:

"(j) In making determinations under subsection (a)(1)(A) in the case of expenses incurred for items and services furnished in the treatment of acquired immune deficiency syndrome (AIDS), the Secretary shall take into account, and find as reasonable and necessary, a treatment that is experimental in nature if the treatment is in accordance with a clinical protocol recognized as appropriate by the Secretary.".

(b) Effective Date.—The amendment made by subsection (a) shall apply to items and services furnished on or after the first day of the first month that begins more than 45 days after the date of the enactment of this Act.

NATIONAL DEVELOPMENT INVESTMENT ACT

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. OBERSTAR. Mr. Speaker, today I join with my colleagues, the gentleman from Pennsylvania [Mr. Clinger], and the gentleman from New York [Mr. Nowak], in introducing the National Development Investment Act and finish-up program for the Appalachian Regional Commission. The bill, which extends and modifies the programs under the Economic Development Administration, and implements the finish-up program proposed by the Appalachian Governors, is identical to H.R. 10 as passed by the House in the 99th Congress.

This is the fourth consecutive Congress in which we have introduced this legislation. The first time we introduced it as H.R. 6100 in the 97th Congress, it passed the House by a strong bipartisan vote of 281 to 95. It passed by 306 to 113 in the 98th Congress, and by 260 to 96 in the 99th. The Senate has never acted on the bill, but we hope that this year, with the change in leadership, its chances will be much better.

We introduce the bill today to emphasize our concern for those areas of the country, such as my own district in northeastern Minnesota, which have not benefited from the current economic recovery, and will need continued assistance as they try to diversify their economies and rejoin the Nation's economic mainstream.

This is not a jobs bill. It is not a short-term or miracle cure for these areas. It is a program for stable, long-term sustained economic growth and permanent, private sector job creation in the Nation's most economically distressed areas.

It will lay the groundwork for economic recovery at the local level. Our country's economic strength has always been measured by the soundness of the sum of its parts. This bill addresses the most distressed of those parts, our hardest pressed communities.

Title I of this bill, the National Development Investment Act, would establish a successor agency to the Economic Development Administration [EDA]. The programs are similar to those under EDA: grants for public capital facilities, loans to small businesses, and technical assistance and planning grants. EDA-eligible recipients, States, economic development districts, units of local government, and Indian tribes, would remain eligible for assistance under the new act. In addition, the new bill also would reach, for the first time, pockets of distress in otherwise prosperous areas.

But we have made changes in EDA's current programs to meet the challenge of the 1980's, and to institute improvements based on our quarter century of experience writing economic development legislation.

First, we tightened the eligibility requirements. By limiting eligibility to areas with unemployment rates 1 percent or more above the national level over the past 2 years, and to areas with a per capita income of 80 percent or less of the national average, we were able to confine eligibility to truly distressed areas.

Of course, areas whose major employer has closed or is about to close its doors, or which are stricken with other sudden and severe economic dislocations, would remain eligible.

We also changed eligibility procedures. Previously, once an area was designated as distressed, it remained eligible. Under the new legislation, an area must demonstrate distress with every application.

Third, we adapted the applications procedures to reflect the real process of economic development. Applicants must, prior to receiving a grant, draw up a comprehensive development investment strategy into which the applied-for project must fit. Gone is the projects-for-projects-sake approach of the past. Each project would, under our legislation, have to be integrally linked to the area's overall economic problems, and contribute to a comprehensive solution to those problems.

Under the new bill, the Federal matching share would be limited to 50 percent of the project cost, and there would have to be major involvement by the private sector.

The bill includes grants for revolving loan funds, to be administered locally, to make loans to small businesses.

Grants would be limited to $2 million per year for each applicant, with a $1 million per application limit for revolving loan funds.

Our legislation authorizes $250 million for development facilities grants, and $75 million for planning, in fiscal year 1988, and such sums as are necessary for the outyears. It is a 3-year bill.

Title II would put into legislative language the finish-up program proposed by the Appalachian Governors for the Appalachian Regional Commission. Then ARC Chairman, Gov. John Y. Brown of Kentucky, testified to the need for this finish-up program at our hearings in Huntington, WV. This is a modest and pragmatic plan of action to sustain economic recovery in a major region of America which, like northeastern Minnesota, has not kept pace with the progress of other parts of this country.

The bill provides a 3- to 5-year finishup for the nonhighway programs of ARC and authorizes $39.2 million for fiscal year 1988. It reduces the maximum nonhighway grant from 80 to 50 percent.

Under the highway program, the bill directs funding to the priority highway routes and accelerates construction of the Appalachian highway system. We authorize $79.5 million for the first year of the highway program.

Mr. Speaker, this legislation focuses on the economic development needs of the 1980's: on private sector jobs; on small business, which studies have shown to be the major source of jobs; and on repair and rehabilitation of the Nation's deteriorating infrastructure, as well as on construction of new buildings, facilities, and other public capital that may be required.

It is a good bill, a sound bill, and a needed bill that concentrates assistance on the economic problems of those remaining distressed areas of the country which genuinely need outside assistance.

We would like to add here a brief summary of the bill:

THE NATIONAL DEVELOPMENT INVESTMENT ACT: H.R. 10

HOW THE PROGRAM WILL WORK

Eligibility criteria

Three distress criteria to determine eligibility:

(1) Unemployment: 1% above national average, previous 25 months.

(2) Per capita income: 80% of national average, using latest available statistics.

(3) Anticipated sudden rise in unemployment: imminent plant closing, military base loss, etc.

Only one of the above required to qualify.

Eligibility and grandfathering in current EDA law repealed.

Development investment strategy

Cities and counties under 50,000: work with Economic Development District or state economic development agency to devise investment strategy.

Cities and counties over 50,000 or pockets of distress within city: do their own planning.

Strategy, in 20 pages or less, includes:

Inventory of community's resources, industries, businesses;

Infrastructure available and needed;

Workforce: skills available;

Land availability;

A showing that nonfederal 50% matching funds are available;

A showing that private sector is willing to invest;

Description of industry/business to be created or expanded;

Description of specific ventures to be funded, e.g.:

Revolving loan fund,

Employee Stock Ownership Plan,

Grant for infrastructure.

Funding

Strategy Implementation: authorizes $425 million annually for 3 fiscal years.

Planning and Strategy Department: authorizes $75 million annually for 3 fiscal years.

These are grant, not loan, funds.

Application Procedure

Submitted to Secretary of Commerce.

Secretary reviews application to determine that: it meets distress criteria; the strategy has a good chance of working.

Secretary approves/rejects project.

Best strategies are to be approved—those with best chance for success.

Limitations

$2 million limit on federal funds per strategy: Revolving Loan Fund limited to $1 million.

Subsequent applications must requalify on new showing of distress.

(Source: Subcommittee on Economic Development, House Committee on Public Works and Transportation, 202/225-6151.)

LET'S GET SERIOUS ABOUT THE DEFICIT

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. ROTH. Mr. Speaker, yesterday, the President sent his fiscal 1988 budget to Congress. Just as we have come to expect, his budget proposals were greeted with varying degrees of enthusiasm, and mostly by negative comments from the congressional leadership.

The new Senate majority leader has said he might force an early vote on the President's budget, just to show how unpopular it is. On Sunday, even before the budget was sent up, the distinguished chairman of our Budget Committee said the proposal was unfair and unrealistic. He said we may have to raise revenues to meet our deficit reduction target. The President, on the other hand, plans to hang tough on his budget request and steadfastly opposes tax increases, as many of us do.

Whether or not we agree with the sum and substance of the administration's budget recommendations, we all agree that our efforts to reduce the size of the budget deficit, begun in the last Congress, must continue. And we all know that the deficit reduction process is not going to get any easier. With both Houses of Congress controlled by one party and the White House controlled by the other, and with the prospect of a Presidential election in less than 2 years, the chance for confrontation will increase and the likelihood of budget compromise will decline.

I believe the time has come to face reality and develop a budget process that is going to work. We would all like to see the traditional budget process work the way it was intended to operate. But it hasn't worked right for years, and chances are it won't work right this year. We can't expect business as usual to produce a minor miracle, given the current political climate.

If there were a chance to balance our budget fairly, equitably and effectively, would you be interested? I ask the question because there is a way to do it.

In May 1985 I first introduced legislation to establish a bipartisan National Commission on Deficit Reduction. I am reintroducing that legislation today, and I urge my colleagues to consider seriously this option. It is time that the budget reduction effort be framed outside the pressure cooker of partisan politics.

We all know how politically unpopular it is to cut or to put a lid on spending. If it were easy to do, we would have done it a long time ago. In this country we have two adversarial parties, and regardless of the subject—defense, Medicare, housing, or foreign aid—decisions on what to cut or to freeze will be politically charged.

As long as budgets are initiated and voted upon in this type of atmosphere, then we are going to find it increasingly difficult to do anything meaninful. I do not doubt the sincerity of any Member of this body who says he or she wants to cut this budget deficit. We all know that for the sake of future generations we have an obligation to meet our fiscal responsibilities. But we also know that as long as we continue to set spending policy in a purely partisan atmosphere, the paralysis of stalemate, missed deadlines, missed budget targets, and $570 billion continuing resolutions will continue.

The bipartisan commission approach has been successful before. It provided the consensus needed to resolve the Social Security funding crisis in 1983. And the budget deficit situation we face today is no less a crisis. We are engaged in a war against the budget deficit, and the mandate to Gramm-Rudman notwithstanding, we are today losing that war. We need a new battle plan.

My proposed commission would be patterned after the highly successful Social Security Commission. It would contain 15 members, appointed by the President, the Speaker of the House and the Senate majority leader. No more than eight members would be of one political party. The commission would be required to draft a long-term budget blueprint to wipe out the deficit by 1991.

A legacy of a balanced budget would make the 100th Congress truly historic. The budget deficit remains, despite our previous efforts at controlling it, our most pressing domestic problem. To deal with it we have to stop acting as Republicans or Democrats. We have to take politics out of the budget process and think of our country first, foremost, and always.

This time to act is now. The time to work toward a balanced budget is now. The time to think about our children's future and the future of this country is now. I urge you to support this call for a bipartisan National Commission on Deficit Reduction.

ANNE BRUSSELMANS: A FORGOTTEN HEROINE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BIAGGI. Mr. Speaker, today, I am reintroducing a private bill for the relief of Madame Anne Brusselmans, a true heroine who came to the aid of the Allies during the Second World War and has now turned to us for the assistance she requires and so richly deserves.

A native of Ayeneux, Belgium, Madame Brusselmans is credited with saving the lives of hundreds of Allied airmen who had parachuted into Nazi occupied Belgium territory. Records reveal that she provided lodging, sustenance, clothing, and money, as well as forged travel documents to these men, even though apprehension by the Nazis would surely result in her incarceration and/or death. Knowing this, however, she remained an active, vital member of the resistance until the end of the war.

For her efforts, Madame Brusselmans was awarded the Medal of Freedom with Silver, Palm, the Medal of Freedom from the then United States War Department, the Polish Medal of Resistance, an Order of the British Empire and numerous citations. The question must now be raised as to why a woman who has been awarded the highest honor bestowed on a civilian by our Government, cannot be permitted to obtain permanent residency in a country she obviously loves and served so well?

Madame Brusselmans is now 81 years of age and in poor health. Her desire is to remain in the United States with her widowed daughter and grandson. Due to current U.S. Immigration preference classifications, as her daughter is a permanent resident and not a U.S. citizen, it would be another 3 years before Madame Brusselmans could be sponsored by her daughter and attain the status of permanent resident herself. Madame Brusselmans never told our airmen to apply again in a few years; she aided them, while putting her own life and the lives of her husband and young children in extreme jeopardy, when they needed her most. She needs us now.

Madame Brusselmans has more than demonstrated a love for this Nation and its people through her heroic work during World War II. To be classified as a permanent resident of the United States would represent the fulfillment of a life long dream. Can't we as a country make room for such a woman? It is my hope that my colleagues will agree that Anne Brusselmans deserves this status and I would request that immediate and favorable consideration be afforded this legislation.

Lastly, I would like to submit an excellent article which appeared in the Friday, January 2, 1987, edition of the Wall Street Journal, written by Mr. Bill Paul. This article tells, briefly, the story of this remarkable woman on whose behalf I proudly introduce this legislation.

The article follows:

[From the Wall Street Journal, Jan. 2, 1987]

SHE SAVED YANKS, BUT IS LEFT STRANDED

(By Bill Paul)

When America needed Anne Brusselmans, she was there.

Now, in her hour of need, America has turned its back on her.

Anne Brusselmans helped save more than 200 U.S. and Allied fliers during World War II. She helped run the "Comet Escape Line," an underground railroad that spirited pilots downed in German-occupied Belgium back to England, via France. For her service, the U.S. awarded her the Medal of Freedom ("with silver palm," a special distinction). Britain made her a Member of the British Empire; Poland gave her its Medal of Resistance.

But merely listing her honors doesn't do justice to her courage. Although a mother with two small children, Mrs. Brusselmans didn't hesitate when a local priest asked her to hide Allied fliers from the Germans.

That was 1941. For the next four years, she hid dozens of Americans, Britons and Australians—including my future father-in-law—in her small apartment in Brussels. She fed them and bought them clothes. (The secondhand clothes dealer, a German sympathizer, was suspicious, but with a suggestive wink, she convinced him she was merely a loose woman outfitting her amours.)

When it was time to "send them down the line" to Paris, she arranged for other Comet members to transport the fliers. It was dangerous work. Time and again, the Germans infiltrated her operation by planting phoney fliers. Of the several Comet leaders, all were imprisoned or had to flee but her. Many of the broader Comet membership, people who did the actual transporting of fliers, disappeared. Permanently.

She survived on her wits. One night, two Gestapo agents bashed in her door, revolvers were drawn, and headed for the bedroom where she was hiding a pilot. She got in their way and warned them to keep out. Her little boy, she explained, had typhoid.

"I added this casually, as if it were a secondary consideration, but in reality it was my trump card, for if there is one thing that Germans are afraid of, it is infectious illness," Mrs. Brusselmans wrote in her diary, which was published after the war.

Anne thinks her survival also had something to do with the small, gold crucifix she still wears around her neck. But not even a crucifix has helped Mrs. Brusselmans, now 81 years old, win her final battle.

For the past six years she has tried, and failed, to get the U.S. government to grant her permanent residence status so that she might live out her days with her daughter in Florida. That doesn't seem like much to ask for a woman who is a "bona fide World War II heroine," according to an aide for New York Rep. Mario Biaggi, who has championed her cause.

But no, when Mrs. Brusselmans in 1980 applied for U.S. residency at the American Embassy in Brussels, she was told that she didn't fit into one of the State Department's preferred status categories, and hence she might have to wait up to 10 years to become a resident alien.

Anne then went to the Canadian Embassy, which immediately gave her permanent residency out of gratitude for the Canadian fliers she saved. But under Canadian law, Anne can lose her Canadian residence if she doesn't live there at least six months a year. And her daughter, Yvonne Daley of the Clearwater area, is effectively tied down by the terms of her late husband's pension. So now Anne can be with her for only six months at a time before returning to her cold exile.

In 1985, Rep. Biaggi introduced a bill that would allow Anne to become a permanent U.S. resident, but it died in the House Judiciary Committee's Subcommittee on Immigration.

Ironically, if Mrs. Brusselmans were the wife or daughter of a resident alien—as opposed to the mother of one—she would fit into one of the State Department's preferred categories. Moreover, if she were an illegal alien who had lived continuously in the U.S. since before Jan. 1, 1982, she'd be subject to permanent resident status under the new immigration law.

Early in December, all the stress and heartache of the past several years finally caught up with Anne Brusselmans. She suffered a heart attack that her doctor says was in part brought on by her long battle. Her daughter has already put her Florida home up for sale to help pay her mother's mounting medical bills.

During the war, Anne not only saved fliers, she ran a spy network that fed intelligence about German troop movements to the Allies in England and helped Jews by providing them with phony papers. When the war ended and her last lot of boys was about to go home, they saluted her with a spirited rendition of "For She's a Jolly Good Fellow."

Where is America now?

THE FEDERAL EMPLOYEES HEALTH CARE FREEDOM OF CHOICE ACT OF 1987

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Ms. OAKAR. Mr. Speaker, Today I am introducing the Federal Employees Health Care Freedom of Choice Act of 1987. This legislation will guarantee enrollees in the Federal Employees Health Benefits Program [FEHBP] access to licensed, qualified health providers of their choice.

This legislation passed the House of Representatives last year by a unanimous vote. I want to commend my colleagues, especially Congressmen Young, Myers, Leland, and Solarz, for their enthusiastic support of this bill last year. I greatly appreciated the bipartisan support for this bill, and for the principles of choice and expanded access to health care.

Freedom of choice is a hallmark of the FEHBP. As the largest employer-sponsored group health program in the world, the FEHBP includes almost 300 plans, offering employees a wide range of options for meeting their health insurance needs.

Freedom of choice is important within plans, as well. However, those Federal employees enrolled in fee-for-service plans do not always have direct access to the qualified health providers of their choice. Currently, FEHBP plans may refuse to reimburse a licensed professional who provides a health care service, simply because that professional is not a physician.

The legislation I am introducing today requires FEHBP plans to directly reimburse qualified nurses, nurse practitioners, nurse anesthetists, clinical social workers, marriage and family therapists, and chiropractors for covered services rendered to Federal enrollees. In order to be reimbursed, these professionals must be licensed or certified as qualified providers under State law.

Expanded access to health providers increases the likelihood that FEHBP enrollees will be able to find the health care they need. This is especially crucial in areas of mental health care and primary care, in which Federal employees' health needs may not always be met. In addition, a greater choice among providers will also promote cost effectiveness within the FEHBP. Often, nonphysician providers charge fees lower than those of physicians. Finally, expanded access to providers will be important to individuals in medically underserved areas, where insufficient access and choice have threatened the quality of health care.

Mr. Speaker, this legislation is the result of years of careful study and deliberation. Congress voted last year to require the Office of Personnel Management [OPM] to study the feasibility of direct reimbursement to nonphysicians under the FEHBP. In its study, the OPM reported that it independently encourages FEHBP insurance carriers to allow direct access to a variety of qualified health care providers. Currently, a number of FEHBP plans already permit such access to nurse-midwives, clinical social workers, chiropractors, and other providers. Furthermore, the OPM study noted the successes of the medically underserved areas experiment, in which direct access to nonphysician providers was guaranteed. This program was important for assuring that quality health care would be available in medically underserved areas. OPM concluded that, based on this experiment, direct access would not increase program costs.

In addition to the OPM study, the Subcommittee on Compensation and Employee Benefits has held hearings on direct access and the OPM report. Witnesses before the subcommittee agreed that any direct access law for the FEHBP should recognize State statutes licensing health care providers and regulating the practice of medicine. The State laws protect the quality of health care by ensuring that providers practice according to accepted guidelines and meet professional standards.

Consequently, the bill I am introducing today includes language which restates and strengthens current policy that Federal law governing the FEHBP shall not override State or local laws which relate to the licensing or certification to practice medicine, nursing, or another health profession. FEHBP insurance plans may not, however, impose their own requirements on practitioners in addition to those mandated by law. To do so restricts freedom of choice, inhibits competition, and denies Federal employees access to health care providers.

The freedom of choice promoted by my legislation will also help control health costs under the FEHBP. A report by the Congressional Budget Office has concluded that enactment of this reform would have no significant impact on the Federal budget. In addition, the budgets of State and local governments would not be directly affected. CBO confirmed our premise that the provision of direct reimbursement will not raise costs.

It is important to remember, Mr. Speaker, that my bill mandates expanded access to providers, but does not require expanded coverage for health services. This legislation would enhance choice, a simple, yet fundamental improvement that would benefit all FEHBP enrollees. Through this legislation, FEHBP enrollees will enjoy broader access to quality health care at no additional cost. I urge my colleagues' support for this vital reform.

ANTITRUST EXEMPTIONS FOR INDEPENDENT OIL AND GAS PRODUCERS

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BRYANT. Mr. Speaker, today I am again introducing legislation I offered in the last Congress to provide small independent producers of natural gas with an exemption from antitrust laws to allow them to develop cooperative associations to market their gas. The current, devastated situation in the "oil patch" is in need of no further explanation; it is terrible and shows no signs of getting better. My proposal will simply free small producers, as defined by the Internal Revenue Code, from an extra burden when they try to take their product to the market.

By exempting cooperative associations from antitrust violations, producers can pool small volumes of individual well production to make the "take" more attractive to a buyer, be they a pipeline or an industrial user. With many small producers unable to find buyers for small volumes of production, enactment of this exemption would go a long way toward helping them find takers for their gas.

I commend this proposal to my colleagues' attention and ask for its quick consideration, so we may give some signal to the independent energy producers of this country that this historic 100th Congress recognizes their plight and will do something to help them survive the current energy glut.

THE OBERSTAR SOCIAL SECURITY ACT AMENDMENT: AN EXPLANATION

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. OBERSTAR. Mr. Speaker, today I am reintroducing a package of amendments to the Social Security Act for the purpose of correcting inequities and restoring or improving benefits to Social Security recipients. Since these proposals are quite technical in nature, I am offering an explanation of them for the consideration of my colleagues:

Social Security Act Amendments: Introduced by Congressman James L. Oberstar

H.R. — to repeal the separate definition of disability now applicable only to widows and widowers and to provide that months of a widow(er)s entitlement to SSI benefits may be used to establish entitlement to medicare.

The Social Security Act has two different standards for determining disability. Wage earners and SSI applicants with severe disabilities are considered disabled if they are unable to perform any substantial gainful activity, considering age, education, and experience.

Widows and widowers are evaluated on the basis of severe disabilities alone. The law prohibits consideration of age, education and experience. Benefits to disabled surviving spouses are denied if a widow or widower is considered able to perform any gainful activity. (Note the absence of the word "substantial.")

State agencies, which have responsibility for making disability determinations, frequently are required to render two separate, contradictory decisions on the same applicant.

Because of this double standard, many severely disabled widows have been forced into poverty. They were "not disabled" as widows, but when all resources were exhausted and they applied for SSI, they were "disabled" on the basis of the same evidence used to deny survivors' benefits. H.R. — also provides that widow(er)s who were unable to qualify for survivors' benefits, but subsequently or simultaneously qualified for disability SSI benefits will be entitled to count months on the SSI rolls toward the 25 month waiting period for Medicare eligibility.

Disabled widow(er)s who have been in the work force a sufficient length of time to qualify for disability benefits on their own wage records are confronted with the same double standard. They, too, can be simultaneously "disabled" for their own benefit and "not disabled" for a larger survivors' benefit.

The separate, more stringent definition of disability permitting widows and widowers to be judged under the same standards as all other disabled individuals can be financed at a long term cost of .01% of social security wages.

H.R. — to modify the actuarial reduction formula for surviving spouses who qualify for their own disability insurance benefits after first qualifying for widow(er)'s benefits.

Workers or widows, capable of work force participation, who apply for retirement or survivor benefits before reaching age 65, are required to accept a benefit reduction for each month they are less than full retirement age. Disabled workers, however, have never been penalized for prematurely leaving the work force. Rather disabled workers are considered to have involuntarily retired and benefits are computed as if full retirement age has been attained.

In keeping with this philosophy, workers who apply for and begin receiving reduced early retirement benefits and who, before reaching age 65, qualify for disability insurance benefits, are entitled to have their benefits recomputed to remove the actuarial reduction for any months they are considered incapable of working.

Similarly, disabled widows who qualify first for a disability insurance benefit on their own work record and subsequently qualify for a larger survivor benefit on the wage record of a deceased spouse, receive an actuarial reduction only in the difference between the two benefits.

Contrary to treatment accorded disabled workers, disabled widows and widowers who qualify for survivors benefits before age 65 have their benefits reduced in spite of the fact that they are incapable of entering the work force. The 50 percent reduction originally imposed on 50 year old disabled widows was somewhat ameliorated by the 1983 Social Security Amendments which limited the reduction to 71.5 percent. This is the same reduction imposed on widows who voluntarily file for early benefits at age 60.

Again contrary to the treatment accorded workers, a disabled widow who applies first for an actuarially reduced survivor benefit and subsequently qualifies for her own disability insurance benefit never receive a recomputation of the widow(er)'s entitlement.

H.R. — would require a recomputation so that the permanent reduction would be appropriate for the months of receipt of reduced widow(er)'s benefits with dual entitlement months reduced only for the difference between the two benefits.

H.R. — to extend the period of time during which a disabled widow or widower can qualify for a survivor benefit.

Under current law, in order to qualify for disabled survivor benefits prior to age 60, a widow(er) must be disabled within seven years of the wage-earning spouse's death or within seven years of the time the youngest dependent child reaches age 16.

The presumption of law is that a widow(er) neither caring for young children nor disabled is capable of self support and, as a participant in the work force, would have an opportunity to qualify for disabled worker benefits within seven years. A benefit based on relatively few years in the work force, however, would be very small.

H.R. — extends the seven year survivor period by three months for each calendar quarter of social security credit the widow(er) earns following the spouse's death. This change would assure that a surviving spouse who enters and remains in the work force will never lose the protection of survivor's benefits although the survivor's benefit payable would continually decline as his or her own worker entitlement increased.

H.R. 559 to reduce to 20 the number of calendar quarters of coverage required to qualify for disability insurance benefits and eliminate the requirement that those quarters must have been earned within the ten years prior to onset of disability.

The "recency of work" test was originally placed in the law to insure that disability insurance benefits were paid only to workers who were out of the work force as a result of their disabilities. Individuals who move from employment covered by social security into non-covered public service or (prior to January 1984) to employment for a nonprofit agency frequently lost disability insurance protection without ever being out of the work force. However, the requirement for recent work in employment covered by social security has always had its most adverse impact on women. With the change in work force participation of women since the Disability Insurance Program was originated in 1957, it is no longer reasonable to presume that women who left the work force as family responsibilities dictated would not have reentered the work force if they were physically able.

Amendments, to the Social Security Act in 1980, 1981, and 1983 reduced disability insurance benefits, required additional years to be counted for young disabled workers, eliminated the minimum benefit, capped benefits to workers insured for disability insurance from public employment, and revised the formula for computing social security benefits to reduce social security entitlement for persons eligible for public annuities.

These restrictions safeguard the Disability Insurance Trust Fund against indiscriminate payment of benefits to workers who lack recent attachment to the work force. Removal of the "recency of work" test will now insure that workers with substantial social security credits will not lose important disability insurance protection.

H.R. — to provide unreduced survivor benefits to disabled widow(er)s at any age.

When disabled widow's were initially authorized survivor benefits in 1967, no reliable estimate could be made of the numbers of widows who might become eligible. Until such experience could be gained, it was considered prudent to protect the Old Age and Survivors Insurance Trust Fund from excessive outlays by imposing several limitations which were not applicable to wage earners who became disabled.

The restrictions imposed on disabled widows included a separate, more stringent definition of disability, a seven year limit on qualification following the death of the worker or cessation of mother's benefits, and a requirement that the applicant be at least 50 years of age.

A widow who met all of these requirements then suffered a reduction in her benefit for each month she was under age 65. The reduction formula was devised so that a disabled widow qualifying at age 50 became entitled to only 50% of the benefit which would have been paid had she been age 65. This reduction factor was modified by Public Law 98-21 to limit the reduction to 71.5% of a full benefit, which is the actuarial reduction of a widow voluntarily electing to receive early retirement benefits at age 60.

An age 50 requirement for disabled wage earners was imposed when the Disability Insurance Program was initiated in 1956. Four years later the age limitation was removed so that disabled workers who met the recency of work test could qualify for benefits regardless of age. Disabled individuals less than 31 years of age were made eligible for benefits if they had worked in half of the calendar quarters following their 21st birthday.

No actuarial reduction has ever been imposed on disabled workers. When severe impairments, combined with vocational limitations, make it impossible for the worker to continue in the work force, benefits are computed as if the worker had reached age 65.

H.R. — provides that widows who apply for reduced survivor benefits prior to becoming eligible for disabled survivor benefits will suffer a permanent benefit reduction for only those months of receipt of early retirement benefits.

H.R. — to provide full benefits for disabled wives and husbands of workers who are in receipt of retirement or disability social security annuities.

When a worker becomes disabled or reaches retirement age, his retirement-age spouse is also eligible for a benefit. For each, full benefits are not payable until age 65, but actuarially reduced benefits can be paid as early as age 62. A spouse less than retirement age, who does not have a child under age 16 or an adult disabled child in her care, is presumed to be capable of entering the work force until retirement age is attained. This presumption is as invalid for a disabled spouse as it is for a disabled worker or widow.

H.R. — authorizes the payment of unreduced benefits to disabled spouses or disabled divorced spouses of annuitants (and to disabled divorced spouses of individuals eligible to retire) subject to the same definition of disability and to the same five month waiting period before benefits can begin as is applicable to disabled workers. The legislation also provides for an appropriate adjustment of full benefits due to prior receipt of acturially reduced early retirement benefits.

H.R. — to provide spouse benefits, at any age, to husbands or wives of disabled annuitants who are in need of aid and attendance.

When a disabled social security annuitant is in need of constant care, a spouse who is less than retirement age is usually required to provide that care. As a result, he or she is prohibited from entering the work force, yet the worker's benefit along may be inadequate for the support of both husband and wife. This lack of income is often the principal cause of nursing home placement and is frequently the primary factor in divorce entered into to relieve the non-disabled spouse of financial responsibility for the costs of institutional care. Payment of a spouse benefit in such cases could make home care possible.

H.R. — authorizes the payment of a full spouse benefit when an annuitant is so disabled as to require full time care. This provision is similar to present law which authorizes a mother's benefit (or parent's benefit) to be paid when there is an adult disabled child in need of care.

H.R. — to extend the benefits of delayed retirement credit to surviving spouses and surviving divorced spouses whose widow's or widower's insurance benefits are higher than their own old-age insurance benefits.

Under existing law, workers who remain in the work force past age 65 are entitled to a delayed retirement credit of 3/12 of 1% for each month a social security retirement benefit is not payable due to excess wages. Though the credit is not actuarially determined, it partially compensates the worker for continuing to work past normal retirement age.

This credit is generally meaningless to widows because any credit which is applied to a benefit based on their own wage records simply serve to reduce the amount to which they are entitled on the age record of a deceased spouse. Thus, widows seldom share in the savings which accrue to the Old Age and Survivors Trust Fund as a result of their delayed retirement.

H.R. — would insure that when a widow or widower remains in the work force past normal retirement age, any delayed retirement credit which is applicable will be applied to the higher of a personal benefit or a survivors' benefit.

H.R. — to extend the delayed retirement credit to widows and widowers who are not insured for benefits on the basis of their own employment.

All workers or survivors reaching age 62 in 1991 or later will require forty calendar quarters of work in covered employment in order to be insured for social security retirement benefits in their own right. H.R. 563, described above, assures that widows who are entitled to benefits on their own wage records will receive a delayed retirement credit on the highest benefit to which they are entitled. This measure extends the same delayed retirement credit to widow(er)s who may not be fully insured and entitled to benefits on their own wage record, but who, nevertheless, enter and remain in the work force between age 65 and 70, thereby forfeiting survivors' benefits for one or more months during those years.

H.R. — to assure that workers entitled to both social security disability benefits and retirement or compensation received from public employment have both their public and private wages considered in setting a "cap" on total benefits.

Public Law 97-35 "capped" social security disability benefits at 80% of social security wages for workers entitled to disability benefits based on wages in public employment not covered by the Social Security Act. Any benefit paid on the basis of wages in public employment is used to offset social security entitlement. Yet in determining the amount on which the "cap" is based, public wages are not counted. Any public employee who works two jobs—one covered by social security and the other not covered—has essentially no social security disability insurance.

A not-at-all-unusual example would be a low wage government worker such as a janitor, guard, maintenance worker or cleaning staffer working a night shift and holding down a second job during the day. Assume a Federal government employee earning $12,000 a year in full time employment and averaging $6,000 a year in employment covered by social security for a total annual income of $18,000. If this worker became incapacitated, a Federal disability benefit of 40%, or $4,800 a year, would typically be paid. Since $4,800 would equal 80% of the social security wage, no social security disability benefits would be payable. Instead of being "capped" at 80% of wages, this worker would be "capped" at 27%.

To be insured for social security disability benefits, a worker must have wages in covered employment in twenty of the forty calendar quarters prior to onset of disability. Thus a public employee who does not have concurrent wages is seldom insured for disability.

Individuals working in one or more jobs covered by the Social Security Act who becomes disabled are entitled to a combination of social security disability insurance benefits and workers compensation subject to a "cap" of 80% of wages in covered employment, In considering the income to be "capped" full annual wages are counted even if they exceed the taxable wage base which, this year, is $39,600.

For example, an executive who pays FICA taxes on only $39,600 of a total wage of $60,000 does not have his social security benefits withheld if his worker's compensation is 80% of the taxable wage base. Rather full social security benefits for himself and dependents are payable as long as the combination of social security and worker's compensation does not exceed 80% of his full wage or $48,000 a year.

H.R. — would authorize a public employee who was eligible for social security disability insurance benefits to present evidence of full earnings in the five years prior to onset of disability. Benefits would then be "capped" at 80% of total wages.

H.R. — to restore full family benefits to disabled workers with low benefits.

The Social Security Disability Benefits of 1980 reduced disability insurance benefits for workers and their families. These changes were justified on the basis that younger workers, by having their benefits computed on a relatively few number of years, received greater benefits than lifetime workers. A second justification was that social security benefits were not subject to Federal income tax. Families with a second worker had both the advantage of filing a joint tax return and the benefit of tax free social security dollars.

To reduce this "overcompensation," workers less than 47 years of age were required to count additional years of wages in "averaging" annual income for purposes of computing disability annuities. Second, after individual benefits were reduced, maximum family benefits were severely restricted. Instead of the normal family maximum, applicable to retirees and survivors, ranging from 150-188% of the worker's benefit, maximum family disability benefits were limited to 100-150% of the worker's benefit. For a significant number of low wage disabled workers, no additional benefits are payable for dependents. Because of low wages and sporatic work force participation, this restriction on family benefits primarily affects women, many of whom head single parent families.

Since 1980, social security entitlements have been reduced in many other ways: the minimum benefit was abolished; mother's benefits were eliminated when the youngest child reaches age 16; a COLA was delayed for six months; a 2.4% increase in the CPI was skipped; the formula for computing benefits for individuals entitled annuities based on public employment was drastically altered to lower benefits; entitlement was essentially wiped out for workers with two jobs, one public and another private employment and one-half of social security annuities were made subject to Federal income tax for individuals and couples with substantial other income.

H.R. — repeals the limitation on maximum family benefits and assures that low wage workers with dependents will receive additional benefits.

IMPROVE CREDIT CARD RATE DISCLOSURE

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. ROTH. Mr. Speaker, Americans are daily deluged with offers of credit cards. For the price of a stamp, a person can return a preapproved "application" and receive a line of credit, immediate cash, free travel insurance, and a host of extras certain to enhance the individual's prestige.

Frequently, these applications are accompanied by a full color brochure and a friendly letter from a high-ranking officer of the institution offering the credit. There is, unfortunately, one item that is hard to find in the slick promotional material. That is the cost of the credit card to the consumer.

Today I am introducting, for myself and Mr. RIDGE, legislation that would amend the Truth in Lending Act to require that written material containing an application to open a credit card account display prominently the conditions of credit. This bill, the "Full Credit Card Cost Disclosure Act of 1987," would require that such conditions as the annual percentage rate, annual or participation fees, and the grace period, if any, be disclosed in a manner that is usable by the consumer.

My legislation is designed to enhance competition in the marketplace. It enhances competition by giving the consumer an increased ability to shop around for a cedit card that best suits his or her needs.

A recent survey by the publications "Bank Credit Card Observer" revealed that 61 percent of those surveyed said banks could reveal a great deal more about financial obligations of bank credit card use when they send information to potential customers. Fewer than 3 in 10 said that banks send customers essentially all they need to know about credit card rates and fees.

Credit cards today are distributed in a manner that simply is not conducive to sound consumer decisionmaking. In fact, current law does not even require that information concerning interest rates and costs be provided to the consumer until he or she receives the credit card.

There are essentially two consequences of this type of mass distribution system. First, people frequently accept credit card obligations without knowing exactly what they are buying. But second, some people are accepting credit card obligations they don't need and cannot afford.

This legislation does not judge whether interest rates and fees are too high or too low. It simply imposes reasonable—and I stress reasonable—disclosure requirements on credit card solicitations so that consumers can be in a better position to make informed decisions consistent with their needs and lifestyles.

Credit card cost disclosure legislation is an absolutely essential measure in an increasingly credit-oriented world. I urge my colleagues to support my legislation, which is both balanced and reasonable.

H.R.—

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Full Credit Card Cost Disclosure Act of 1987".

SEC. 2. CREDIT CARD COST DISCLSOURE REQUIREMENTS.

(a) In General.—Section 143 of the Truth in Lending Act (15 U.S.C. 1663) is amended—

(1) by striking out "No advertising" and inserting in lieu thereof "(a) In General.—No advertising"; and

(2) by adding at the end thereof the following new subsection:

"(b) Special Rule for Solicitations for Accounts.—

"(1) In general.—Any solicitation to open a credit card account for any person under any open end consumer credit plan shall contain the information required by this section.

"(2) Minimum disclosure requirements for mailed applications.—With resepct to solicitations described in paragraph (4)(B) other than a solicitation described in such paragraph which is contained in a periodical, catalog, or other publication, each solicitation shall contain, at a minimum, the information described in the following subparagraphs:

"(A) Any annual percentage rate applicable to extensions of credit by means of a credit card or, in the case of an extension of credit subject to a variable rate, that fact and—

"(i) the rate or rates applicable as of a specified date; or

"(ii) the means for determining any such rate.

"(B) Any annual or periodic membership or participation fee imposed in connection with a credit card account.

"(C) The date by which or the period within which any credit extended for the purchase of goods or services by means of a credit card must be repaid to avoid incurring a finance charge and the manner in which such period is calculated (if applicable), or, if no such period is provided, the creditor shall disclose such fact.

"(3) Disclosure requirements for other applications.—With respect to solicitations described in paragraph (4)(A) and solicitations contained in any periodical, catalog, or other publication, each solicitation shall contain a notice in a prominant place on such solicitation which states that specific terms may be obtained by contacting the credit card issuer or agent of the credit card issuer at a specified address or telephone number. If any person contacts such credit card issuer or agent for such information, the issuer or agent shall disclose, at a minimum, the information described in paragraph (2).

"(4) Solicitation defined.—For purposes of this subsection, the term 'solicitation' means—

"(A) any written material which contains an application for a credit card account; and

"(B) an offer mailed by a creditor to open a credit card account for the recipient of such offer.

"(5) State law superseded.—Notwithstanding section 111(a), the disclosure requirements of this subsection shall supersede State laws relating to disclosures in solicitations.".

(b) Form of Disclosure.—Section 122 of the Truth in Lending Act (15 U.S.C. 1632) is amended by adding at the end thereof the following new subsection:

"(c) Information in Solicitations.—In addition to the requirements of subsection (a), the information which, under section 143(b), is required to be disclosed in any solicitation (as such term is defined in paragraph (4) of such section) shall be displayed prominently in such solicitation and, to the greatest extent possible, in the form of a table.".

(c) Effective Date.—The regulations required to be prescribed under the amendment made by subsection (a) shall—

(1) be prescribed no later than the end of the 150-day period beginning on the date of the enactment of this Act; and

(2) apply to any solicitation made after the end of the 90-day period beginning after the end of the period described in paragraph (1).

HONORING NORMA HERTZOG AND ARLENE SCHAFER

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BADHAM. Mr. Speaker, a great part of what we are today as a nation stems from the willingness and ability of a select few of our number to step into the often thankless and tremendously demanding roles of local elected leadership. Between the two of them, Norma Hertzog and Arlene Schafer have devoted 20 years to the service of their fellow citizens as members of the Costa Mesa City Council in my district. After serving three and two full terms respectively, both have retired from the council to pursue other interests and were honored in special ceremonies on December 11, 1986.

Without exaggeration, Mr. Speaker, the achievements and accomplishments of these two outstanding community leaders easily could fill several pages in this Record. They epitomize those virtues and attributes which should inspire each of us to dig down a little deeper to help make our Nation an even better place for ourselves, our families and those around us, particularly those less fortunate than ourselves.

Norma Hertzog was Costa Mesa's first councilwoman and served two terms as the city's mayor. She is the past president of the National Association for Young Children/Orange County Chapter, a member of the YMCA Board of Directors, a member of the United Way Board of Directors, a member of the Family Service Association Board of Directors and a leader of the League of California Cities. She has been named "Woman of the Year" by the Coast Community College District and the Costa Mesa Chamber of Commerce.

A 25-year resident of Costa Mesa, Arlene Schafer also served a term as the city's mayor and has been an active participant and leader of no fewer than 24 different organizations, including the PTA, United Way, the Historical Society, the Industry and Education Council, Girl Scouts, and many others. She served the city as a planning commissioner, as a League of Cities member and on the County Fair Board and recently was named executive director of the chamber of commerce. She also has been honored as a past "Woman of the Year" by the chamber.

In short, Mr. Speaker, these are two individuals who have made a real difference in the quality of life not only in their own community but in our Nation as a whole. Their selfless devotion and commitment is clear evidence of the strong spirit we have as Americans to give of ourselves when it matters the most.

A BILL TO ESTABLISH MARITIME AGREEMENTS WITH MAJOR U.S. TRADING PARTNERS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BIAGGI. Mr. Speaker, I am today reintroducing the Maritime Agreements Act, which would require the President to negotiate and enter into bilateral maritime shipping agreements with our major foreign trading partners. I had introduced this legislation as H.R. 3662 in October 1985. Twenty-four Members of the House—many of whom were members of the Committee on Merchant Marine and Fisheries to whom the bill was referred—joined me as cosponsors of this important legislation. The Merchant Marine Committee favorably reported the bill on July 14, 1986. Unfortunately, no further action was taken on the bill in the 99th Congress.

This legislation would require maritime agreements with approximately 25 major U.S. trading partners, each of which accounts for over 1 percent of the total waterborne U.S. import and export trade. The bill also contains several provisions to ensure that adequate competition is retained in a trade governed by a maritime agreement.

Action in the 100th Congress by the House and Senate on this bill is more necessary than ever before. Last year, two major U.S.-flag carriers filed for reorganization under U.S. bankruptcy laws. Several other U.S. companies are also in danger of financial ruin. As these U.S. carriers are faced with bankruptcy, the United States becomes increasingly dependent on foreign vessels to carry our import and export trade. This dependence makes the United States highly vulnerable to the policies and practices of foreign nations.

I firmly believe that, as this Congress begins to consider major U.S. trade reform legislation, it should also focus on the transportation necessary to carry that trade. U.S. transportation of our imports and exports should be made an integral part of U.S. trade policy. Without the necessary shipping transportation, the trade of the United States would be brought to a standstill. Many of the same foreign practices that are adversely affecting U.S. trade are also being used to the detriment of U.S. shipping. The Maritime Agreements Act is carefully crafted to dovetail with U.S. trade by requiring the President to negotiate cargo shipping agreements with our major trading partners. These agreements will ensure that, as U.S. trade with these countries is expanded, the U.S.-flag merchant marine will have the opportunity to participate fully and competitively in the transportation of that trade.

I believe this legislation is of great importance to the United States and to its merchant fleet. I am including a section-by-section analysis of the bill, and I urge my colleagues to support this legislation as it is considered in the 100th Congress.

SECTION-BY-SECTION ANALYSIS OF THE MARITIME AGREEMENTS ACT

SECTION 1—SHORT TITLE

This section provides a short title for the bill, which may be cited as the "Maritime Agreements Act".

SECTION 2—DEFINITIONS

This section defines certain terms in the Act. A "maritime agreement" is defined as an instrument between the United States and a trading partner that allocates cargo shares of the waterborne import and export trade between the two countries that is to be carried by each country's vessels.

SECTION 3—AUTHORITY

This section affirms the President's authority to enter into a maritime agreement with a trading partner of the United States when circumstances are such that a maritime agreement would benefit the United States or international ocean shipping.

SECTION 4—CIRCUMSTANCES REQUIRING MARITIME AGREEMENTS

This section requires the President to negotiate and enter into a maritime agreement under the Act in two instances:

Subsection (a)(1) requires the United States to enter into a maritime agreement with each trading partner whose waterborne trade with the United States equals or exceeds one percent of the total U.S. foreign waterborne trade, and when less than one-third of that trade is carried by U.S.-flag vessels. "United States foreign waterborne trade" is defined in section 2 as the total import and export trade of the United States that is transported by water in a calendar year.

Subsection (a)(2) requires the United States to enter into a maritime agreement with any trading partner that requests one, even though that trading partner does not meet the trigger mechanism in subsection (a)(1).

SECTION 5—ESSENTIAL AGREEMENT PROVISIONS

Each maritime agreement entered into under section 4 must contain certain essential provisions:

(1) The cargo share allocated to U.S. vessels may not exceed one-third of the particular trade involved.

(2) The trading partner's cargo share may also not exceed one-third of the trade.

These provisions give the President the flexibility to negotiate cargo shares at any percentage up to a maximum of 33⅓ percent.

(3) Vessels of third countries must be given unrestricted access to the percentage of the trade not allocated between the United States and the trading partner.

(4) A shipping conference operating in a maritime agreement trade must meet certain requirements. It cannot operate a profit pool among its members. It cannot restrict a U.S. vessel's participation in the trade. Finally, it cannot operate under terms that contravene the maritime agreement for that trade. If a conference violates these restrictions, it is subject to penalties under the Shipping Act of 1984 (46 App. U.S.C. 1701-1720). These include civil penalties of $5,000 and $25,000 for each violation.

This section also requires the Federal Maritime Commission (FMC) and an appropriate agency of the trading partner to monitor compliance with an agreement. A dispute resolution mechanism available to all affected parties must also be established. This mechanism will be available to shippers, as well as to the carriers and governments involved.

SECTION 6—LIMITATIONS

This section provides that a U.S.-flag vessel cannot be denied access to the share of the trade reserved to the United States, as long as that vessel complies with other U.S. laws. This assures that, while a U.S. vessel cannot arbitrarily be foreclosed from a trade, if it is a subsidized vessel, it will still be required to show that its operation in that trade will not unduly prejudice another U.S. vessel.

SECTION 7—NEGOTIATIONS AND ENTRY INTO FORCE OF AGREEMENTS

This section requires that agreements with trading partners meeting the trigger mechanism in section 4 must be negotiated within two years. The two-year time period begins to run on the date of enactment, or on the date when that trading partner meets the requirement in section 4 of accounting for one pecent or more of U.S. trade and U.S. vessels are carrying less than one-third of the trade.

SECTION 8—RESPONSE TO NATIONS REFUSING MARITIME AGREEMENTS

When a trading partner that accounts for over one percent of U.S. trade (and U.S. vessels do not carry one-third of that trade) refuses to accept the essential provisions required in an agreement, the President and the FMC are required to take certain actions. The President must declare that one-third of the trade with that trading partner is reserved to U.S.-flag vessels. The FMC must initiate an investigation under section 19 of the Merchant Marine Act of 1920 (46 App. U.S.C. 876) to determine whether additional regulations are necessary to ensure that U.S. vessels have access to the trade.

RECOGNIZING FEDERAL EMPLOYEES

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Ms. OAKAR. Mr. Speaker, today, I am introducing legislation declaring the first week of March 1987, "Federal Employee Recognition Week." As someone who has been very involved over the years in issues that affect Federal employees, I can tell you that setting aside a week to recognize their work is appropriate and long overdue.

Over the past several years, Federal employees have faced repeated attempts to cut their pay and benefits, while staffing cutbacks increased their workload. While I and many others in Congress have fought to insure decent treatment for Federal workers, we have not always been successful. Two years ago, Federal Employees had their pay frozen and Federal retirees received no cost-of-living adjustment in their pension checks.

Meanwhile, Federal workers have continued to perform duties vital to our Nation's well-being. They have risked their lives trying to stem the flow of illegal drugs into the country. They have made things more fair for the average working person by catching corporate tax evaders and Wall Street insider traders.

These are just a few examples of the Government work performed by bureaucrats that often goes unrecognized. I believe that it would be extremely valuable at this time for the public and for Congress to be reminded of exactly how much we ask of our public servants and how much they give in return. I believe declaring the first week in March as "Federal Employee Recognition Week" will help to focus our attention, however briefly, on the efforts and achievements of members of the U.S. Government's work force, and I ask for my colleagues' cosponsorship and support of this much-needed measure.

UNITED STATES POLICY TOWARD ANGOLA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. HAMILTON. Mr. Speaker, I wish to bring to the attention of the Members an exchange of letters I have had with the Department of State concerning United States policy toward American companies currently operating in Angola. I believe Members will find the following exchange informative in reviewing some of the varying factors influencing United States policy toward Angola.

The letter from the Department of State, dated November 7, 1986, notes United States support for UNITA and the objective of United States policy to encourage a genuine process of national reconciliation in Angola. The letter also mentions that United States companies in Angola have been alerted about the risk of having operations there, both for physical reasons as well as the concerns of some here that United States firms should not be in Angola.

The State Department believes United States companies are in Angola because of an almost unanimous judgment by the private sector that Angola is a good place for business. The State Department further believes that the presence of United States companies gives those companies an opportunity to educate the Angolan Government to the advantages of cooperation with the West and to the need for political accommodation in Angola and that the companies are playing their part and taking proper advantage of that opportunity.

I encourage my colleagues to read the exchange of letters which follow:

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, September 11, 1986.
Hon. GEORGE P. SHULTZ,
Secretary, Department of State,
Washington, DC.

DEAR MR. SECRETARY: I write regarding United States policy toward the continued involvement of American oil companies in Angola.

I want to know 1) if it is United States policy to support the continued presence and involvement of American oil firms in Angola, and 2) whether the United States supports or opposes any efforts by UNITA forces to attack such oil facilities in Angola, and 3) precisely what we are saying to UNITA on this issue.

I appreciate your consideration of this letter and look forward to an early reply.

With best regards,
Sincerely yours,
LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

U.S. DEPARTMENT OF STATE,
Washington, DC, October 1, 1986.
Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on Foreign Relations, House of Representatives.

DEAR MR. CHAIRMAN: The Secretary has asked me to respond to your letter of September 11 concerning U.S. policy towards American commercial dealings with Angola.

Over the past five years the Administration's policy for southern Africa has included an effort to achieve a negotiated diplomatic agreement on the independence of Namibia under U.N. Security Council Resolution 435 and the withdrawal of Cuban troops from Angola. This policy is based on our analysis that military solutions to the region's problems are not viable and that continued violence only serves Moscow's interests. Armed conflict between the various parties affords the Soviets the best opportunity to maintain and increase their influence. It prevents peaceful change and allows Moscow to keep its clients dependent on constant fixes of Soviet military assistance.

In this effort, it has not been our aim to harm the Angolan people or the Angolan economy. We believe that country's and the region's conflicts must be resolved through negotiations. In our diplomatic efforts, we have maintained contact with all significant parties to the Angola/Namibia conflict. That has included the MPLA regime in Luanda. On the other hand, we share the widespread sympathy for UNITA's struggle against Soviet/Cuban imperialism and we are providing it with what we believe is appropriate and effective support in this regard. UNITA is a legitimate nationalist movement that cannot be excluded from a role in the political life of Angola. There must be a genuine process of national reconciliation if there is to be real peace in Angola. Our policy attempts to realize both a reduction of Soviet influence and peace in Angola by focusing our efforts where we believe we can best achieve results. The withdrawal of foreign forces we seek to negotiate—Cubans from Angola and South Africans from Namibia—will help the Angolans work out a solution to their internal problems themselves.

Consistent with this approach, we have alerted American businesses operating in Angola that they should be aware of the risks they run in doing so. We have asked them to consider US national interests as well as their own in making their business decisions concerning their activities in Angola. We are satisfied they are doing so. We have also made it clear to all concerned that we could not accept attacks on American lives or property from whatever the source.

I hope this information is helpful.

With best wishes,
Sincerely,
J. EDWARD FOX,
Assistant Secretary, Legislative and Intergovernmental Affairs.

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, October 6, 1986.
Hon. GEORGE P. SHULTZ,
Secretary, Department of State,
Washington, DC.

DEAR MR. SECRETARY: Thank you for your note of October 1, 1986 in reply to my letter of September 11, 1986 concerning U.S. policy toward the continued involvement of American oil companies in Angola.

I appreciate your answers to some of the questions in my letter regarding the physical security of U.S. owned oil facilities. However, I would like a clearer answer to my initial question; Is it U.S. policy to support the continued presence and involvement of American oil firms in Angola?

I would appreciate a precise answer to this question and look forward to your early reply.

With best regards,
Sincerely yours,
LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

U.S. DEPARTMENT OF STATE,
Washington, DC, November 7, 1986.
Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on Foreign Affairs, House of Representatives.

DEAR MR. CHAIRMAN: The Secretary has asked me to respond to your letter of October 1 requesting clarification on U.S. policy on American commercial relations with Angola.

As we said in our initial response to you on this subject, we have alerted American companies operating in Angola to the risks they run in doing so. These risks arise both from the armed conflict in Angola, which pose a physical threat to their facilities, and from the concerns of some here that US firms should not be doing business with the MPLA regime. This latter risk entails the possibility that at some future point these companies might be asked to curtail their activities in Angola. We believe these companies have heard the message. However, it is not Administration policy to ask them at this point to leave Angola.

On the other hand, it would be a mistake to consider trade with Angola as a form of economic aid to the regime. American companies are active in Angola because of the almost unanimous judgment by the private sector—American, West European and Japanese—that it is a good place to do business. Most of Angola's trade is with the West and there are alternative Western enterprises eager and able to take our place in this lucrative and growing market.

Of course commercial profitability is not the only factor in determining US policy. We have long believed that there must be a genuine process of national reconciliation in Angola if there is to be real peace and full economic development there. We share the widespread sympathy for UNITA'S struggle against Soviet/Cuban imperialism and we are providing it with what we believe is appropriate and effective support in this regard. But it is not our intention to make economic war on the Angolan people or prolong their suffering. We believe the regional agreement for the withdrawal of foreign forces we seek to negotiate—Cubans from Angola and South Africans from Namibia—will help the Angolan people settle their differences without outside interference.

Meanwhile, we have also asked American companies operating in Angola to consider US national interests as well as their own. Their presence in Angola affords them a unique role in helping to educate the Luanda government to the possibilities of effective cooperation with the West and to the corresponding need to move towards political accommodation. We are satisfied that these firms understand this role and are playing their part.

I hope this information is useful.

With best wishes,
Sincerely,
J. EDWARD FOX,
Assistant Secretary, Legislative and Intergovernmental Affairs.

NATIONAL OIL SECURITY ACT OF 1986

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BRYANT. Mr. Speaker, today I am pleased to introduce the "National Oil Security Act of 1986." This legislation addresses the critical need to establish a national energy policy in the face of the current oil price collapse and the continuing devastation of our domestic energy production industry.

This bill, which I also introduced in the last Congress, is a companion to legislation which was introduced in the Senate by Senator BENTSEN. It calls for a national energy policy that would restrain our dependence on foreign oil to 50 percent of domestic oil consumption, requiring the President to annually assess U.S. oil production, demand and imports for the subsequent 3 years.

If the assessment shows that foreign oil dependence will exceed the 50-percent level, the President would be required, within 90 days, to present to Congress a plan to prevent further dependence on foreign oil through production incentives, renewable energy proposals, an oil import fee and other measures. Congress would then have 90 days to accept, modify or disapprove the plan by a joint resolution.

The extent to which this Nation has again grown to depend upon insecure foreign sources of petroleum is alarming. Last year, petroleum imports averaged 6.5 million barrels per day—40 percent of domestic demand. Not since 1980 have petroleum imports reached such a significant percentage of demand. The impact of such increased imports upon our domestic industry can best be determined by national rig counts. Last month, there were 736 active onshore rigs in the United States. One year ago there were 1,917.

We are all aware of the volatility of oil in the international arena. We are again becoming increasingly dependent for critical energy sources on nations which will not hesitate to artificially control price, supply, and even availability—nations that have selfishly demonstrated in the past that they do not have the best interests of the United States or the stability of the world economy at heart.

I commend this measure to my colleagues for their consideration and I welcome their support.

COLLEGE ATHLETE EDUCATION

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. HOWARD. Mr. Speaker, the beginning of 1987 reaffirmed the promise of intercollegiate athletics as Penn State captured the national football championship. Under the outstanding leadership of Joe Paterno, players have not only succeeded on the field, but most importantly, they have also succeeded in the classroom. Clearly, this is the best of what college athletics has to offer.

Unfortunately, the situation at Penn State is not universally shared. In far too many instances, our colleges and universities have become training grounds for professional teams, instead of institutions for higher education.

Despite the outcry for reform, the NCAA, the primary governing body for intercollegiate sports, continues to ignore the education problem. This will be evident later this week when the NCAA holds its convention and once again adjourns without passing substantive reform measures. A recent editorial in Sports Illustrated suggested renaming the President's Commission, the panel of university presidents formed to correct the many abuses in intercollegiate athletics, to "President's Omission."

As a result of this continued inaction, I am re-introducing the College Athlete Education and Reform Act. This urgently-needed legislation will require universities to either graduate their scholarship athletes or forfeit Federal tax preferences.

While the NCAA may feel no need to take any corrective action, I don't see why the Federal Government should continue to play a role in the exploitation of athletes. Under my bill, 75 percent of student athletes with athletic scholarships for 3 or more years would be required to graduate in a maximum of 5 years. Failure to meet this goal would result in the removal of tax deduction status for contributions to an institution's athletic department. Under current law, an individual can deduct contributions to an athletic department because they supposedly are used to "advance education."

It was not surprising that the NCAA did not support this legislation in the last Congress. However, I was shocked that it referred to erroneous studies which concluded that athletes and nonathletes graduate at comparable rates. At my request, the General Accounting Office reviewed these studies and found that they were terribly flawed. Either the NCAA intentionally mislead the public by referring to the studies or they are ignorant of the scope of the problem.

Some criticized my bill by saying that the Federal Government should not get involved in this issue. I suppose they feel Government involvement is acceptable when it subsidizes fundraising activities. The fact is that Government is already involved. All I am saying is the Federal Government has every right to ensure that a tax deduction is being used in the manner in which it is intended. The time has arrived for Congress to reconsider whether this particular deduction is warranted or deserved.

Mr. Speaker, I hope and urge my colleagues to join me in supporting this legislation. The Federal Government should end its role as an accomplice in the exploitation of student athletes.

ANIMAL WELFARE ACT AMENDMENT

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. ROTH. Mr. Speaker, today I am pleased to introduce legislation which would amend the Animal Welfare Act. This measure would provide the Secretary of the Department of Agriculture with the necessary authority to suspend immediately the operation of animal dealers, carriers, exhibitors, or intermediate handlers who knowingly deal in stolen animals or place the health of animals covered under the act in serious danger.

My legislation would allow the Secretary to request a temporary restraining order or injunction from a U.S. district court to shut down those who exhibit or deal in animals deemed to have committed major violations of the Animal Welfare Act.

Last July, thousands of Wisconsinites expressed their outrage at the exploits of an animal dealer from Kaukauna, WI, who since 1981 has been repeatedly cited by the Department of Agriculture for violations of the Animal Welfare Act, including 11 major health threatening deficiencies. Despite numerous inspections and letters of warning from the USDA, the violations at the animal ranch have persisted.

In an effort to rectify the ongoing atrocities, I contacted the Department of Agriculture to request an immediate investigation and appropriate disciplinary action. To my dismay, the best the Department of Agriculture could do under current law, was file a formal complaint and initiate a lengthy review and hearing procedure. Meanwhile, the ranch was allowed to conduct business as usual.

After meeting with USDA officials to discuss the Kaukauna case, it was painfully clear that while the USDA would readily agree to immediately suspend the operations of animal vendors who knowingly commit major violations of the Animal Welfare Act, the USDA lacked the necessary tools to implement an immediate suspension of operations. I support the current due process provisions in place, however, I recognize that measures are needed to provide prompt disciplinary action while the often 1 to 2 year procedure of processing violations of the Animal Welfare Act ensues.

Since 1983, the Department of Agriculture has received a total of 351 cases of major violations of the Animal Welfare Act; 174 of these cases are still pending. Almost all of the operations cited in these cases are currently continuing their operations.

If the Department of Agriculture is to enforce effectively the Animal Welfare Act, it must have the adequate tools to do so. USDA officials acknowledge that the option of requesting a temporary restraining order or injunction would provide the Department with the Impetus to more effectively enforce the provisions of the act. My legislation would ensure that in the future, all those who exhibit or deal in animals must actively comply with the standards promulgated under the act or face the prospect of immediate cessation of operations.

The bill follows:

H.R. 241

A bill to amend the Animal Welfare Act with respect to the issuance of temporary restraining orders and injunctions in certain cases

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 16(c) of the Animal Welfare Act (7 U.S.C. 2146) is amended by inserting immediately after "Act" where it first appears the following: "and the regulations and standards promulgated thereunder".

SEC. 2. The Animal Welfare Act (7 U.S.C. 2131 et seq.) is amended by adding at the end the following new section:

"SEC. 28. Whenever the Secretary has reason to believe that any dealer, carrier, exhibitor, or intermediate handler is dealing in stolen animals, or is placing the health of any animal in serious danger in violation of this Act or the regulations or standards promulgated thereunder, the Secretary shall notify the Attorney General, who may apply to the United States district court in which such dealer, carrier, exhibitor, or intermediate handler resides or conducts business for a temporary restraining order or injunction to prevent any such person from operating in violation of the Act or the regulations and standards. The court shall, upon a proper showing, issue a temporary restraining order or injunction without bond. Such injunction or order shall remain in effect until a complaint pursuant to this section is issued and dismissed by the Secretary or until an order to cease and desist

> made thereon by the Secretary has become final and effective or is set aside on appellate review. Attorneys of the United States Department of Agriculture, may with the approval of the Attorney General, appear in the United States district court representing the Secretary in any action brought under this section."

IMPROVED HEALTH INSURANCE COVERAGE FOR DRUG ABUSE FOR FEDERAL EMPLOYEES

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Ms. OAKAR. Mr. Speaker, today I am introducing legislation that will lead to improved health insurance coverage for substance abuse treatment for Federal employees. This bill would authorize demonstration projects to test the efficacy and cost effectiveness of new drug treatment and rehabilitation programs under the Federal Employees Health Benefits Program [FEHBP].

Last year, the House passed similar legislation as part of H.R. 5484, the omnibus drug bill of 1986. Unfortunately, however, a comparable provision for the FEHBP was not considered in the Senate. Last year, our Government acted in a strong, bipartisan manner to develop responsible solutions to our Nation's drug problem. This year, our Government, as an employer, must develop realistic programs to address the problems of our employees.

The bill I am introducing today establishes a 3-year demonstration, beginning January 1, 1989, during which several models for drug and alcohol abuse treatment programs will be tried under the FEHBP. Under this legislation, the Office of Personnel Management [OPM] would work with the FEHBP plans, Federal agencies, and employee organizations to develop innovative rehabilitation programs to be offered in several geographic areas across the country. The bill instructs OPM and the other groups to include outpatient and inpatient services, as well as various other services, such as child care, to make certain that individuals who need help will have access to it. OPM and the other groups will select which agency or agencies will participate in the demonstration at each site. The demonstration will not interfere with existing employee assistance programs [EAP's]; instead, the legislation directs that the demonstration will coordinate with these EAP's to take advantage of their services and expertise. A separate appropriation is authorized for the demonstration so that insurance costs will not rise for individuals or for the FEHBP program.

The legislation also instructs the evaluators of the demonstration projects are to measure not only the cost and effectiveness of the new health coverage, but the effects of such care on worker productivity. Undoubtedly, we will realize gains in both the well being of individuals and their job performance by making help available when it is needed. Any responsible employer knows that both the employer and the employee gain when a health problem like substance abuse is acknowledged and dealt with effectively. It is far more humane, and far less costly, to offer assistance than to ignore health problems or respond to them with punishment.

This demonstration is very important. Ever since 1982, when the administration forced extensive cuts in the FEHBP, Federal employees, annuitants, and their families have not had adequate health insurance coverage for drug abuse and alcoholism rehabilitation. In 1982, FEHBP benefits were cut by 13 percent, with the brunt of those reductions falling in the areas of mental health care and drug abuse and alcoholism rehabilitation. Today, when the entire Nation is recognizing the serious implications of substance abuse for our citizens and our work force, we must reexamine our health insurance programs to fill in the gaps where needs are not being met.

Today, we are taking an important step toward restoring the FEHBP to a more comprehensive health care program. We are acting to deal with the problems of substance abuse in a reasonable, responsible, humane fashion. I would like to thank my colleagues again for their participation in this effort, and urge swift approval of this legislation.

INTRODUCTION OF THE SANTA FE NATIONAL HISTORIC TRAIL BILL

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. RICHARDSON. Mr. Speaker, I want to take this opportunity to share with my colleagues a bill that I am reintroducing today from the 99th Congress that will designate the Santa Fe Trail as a national historic trail. During the 99th Congress, H.R. 4794 cleared the House of Representatives with the bipartisan support of 15 cosponsors. In addition the legislation has a wide base of support from: The five States involved, communities along the trail, historians, other national trail associations and the National Park Service. Unfortunately time ran out before the Senate could act.

I once again want to thank my distinguished colleague from the great State of Minnesota, the chairman of the Subcommittee on National Parks and Recreation, Hon. Bruce Vento for his interest and outstanding leadership role in the development of the Santa Fe National Historic Trail bill. I would also like to thank the ranking minority member of the subcommittee, Hon. Bob Lagomarsino and my colleague from the great State of Colorado, Hon. Hank Brown for their active role in this legislation.

The bipartisan effort behind H.R. 4794, signals a spirit of cooperation toward an effort that will give the Santa Fe Trail its proper place in history and promote tourism for the States that are involved. During the 99th Congress, an identical bill was introduced by Senator Nancy Kassebaum from the great State of Kansas and supported by all Senators through which the trail passes.

There is great public interest and involvement in this legislation. This past spring more than 230 historians, librarians, and history buffs from communities along the trail gathered for a 3-day seminar at Trinidad State Junior College in Colorado. One of the interesting conclusions that surfaced at this weekend seminar is that historical accounts of the trial do not give enough importance to the role of Hispanic merchants who traveled east from Santa Fe to purchase goods from merchants in Missouri and the East.

The opening of the Santa Fe Trail in 1821 marked the first of America's great trans-Mississippi pathways to the West. The trail starts at a point near Old Franklin, MO, runs through Kansas, Oklahoma, and Colorado and on into Santa Fe, NM—approximately 950 miles. The Santa Fe Trail is unique and differed from the Oregon and California Trails in that it was a trail of commerce. The Santa Fe Trail was used to transport goods across the Southern prairies to eager customers in what was then the Republic of Mexico's far north. Within a short time the Santa Fe trade ballooned into a million-dollar-a-year business, pouring money and raw products into the State of Missouri and creating a minor economic boom in what had been a depressed area on the American frontier.

Mr. Speaker, so far, 19 sites along the Santa Fe Trail have been selected for inclusion in the National Historic Landmark Program—8 of those sites are in New Mexico. Marc Simmons, a constituent of mine, and the author of a book entitled, "Following the Santa Fe Trail," describes the kind of vacation experience that one might enjoy along the trail best:

> If you are open, receptive, and courteous you will have a splendid opportunity to become acquainted with America at its grassroots.

The designation of the trail as a national historic trail and the study that will be conducted by the National Parks Service will go a long way toward providing the public with transportation routes to be able to get to the already identified historic sites. Mr. Chairman, last year alone, over 13,000 people visited the isolated Fort Union National Monument in my home State of New Mexico. According to the New Mexico Tourism Department, these visitors generated over a half million dollars in gross receipts for the New Mexico travel industry. The State projects that through a national historic designation, these Fort Union visitors would extend their travel—visiting one or more of the Santa Fe Trail locations. Those increased visitations—with better trail sign posting—would generate more in the way of tourist dollars spent, providing a boost for local communities in northeastern New Mexico. I am sure that a similar senario would occur in the five other States that are part of the trail.

Mr. Speaker, the bill recognizes and respects current land use along the trail. After discussions with ranchers in the States involved, the legislation was amended to ensure that no lands or interests can be added to the trail without the consent of the owner and that there will be a notification to the landowner of any potential liability concerns if easement rights or cooperative agreements are entered into with private landowners. We even changed the starting point of the trail to Old Franklin, MO after I received a letter from a gentleman from Howard County who wanted to ensure that Old Franklin was not left out of the designation process.

Mr. Speaker, I believe the Santa Fe National Historic Trail bill will go a long way in developing the concept of tourism as economic development. I hope that those of us who have a spirit of adventure will support this effort to make the Santa Fe National Historic Trail part of the list of accomplishments of the 100th Congress for the enjoyment of all Americans.

TRIBUTE TO RAY McELVAIN

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. UDALL. Mr. Speaker, I want to dedicate a moment to the late Ray McElvain. Ray was not a political leader, a hero, nor a movie star; he was a typical American who worked hard and made the most of his life as a family man, a little league coach, an iron worker and a union leader. He was a man whose life enriched the lives of those around him.

Ray made special efforts to make life better for others. As a business agent for Iron Workers Local 433 of the International Association of Bridge, Structural & Ornamental Iron Workers, he worked hard to make the union serve all of its members fairly and equally. Ray took great pride in his union and in his fellow workers and union brothers and he was rewarded with many friends.

At the services for Ray, Bill Watts remembered his friend with a very appropriate eulogy which I believe will be a source of inspiration for my colleagues and for those who read the Congressional Record. The eulogy follows:

RAYMOND K. McELVAIN

JUNE 15, 1935–NOVEMBER 9, 1986

(By Bill C. Watts)

We all came today to say goodbye to a friend and loved one—Ray McElvain.

My family and I met Ray and his family several years ago when my kids first started playing little league baseball. From this meeting grew a warm and lasting friendship. We came to know him well.

Probably the greatest compliment that can be paid to any man is respect. My family loved and respected Ray McElvain.

Ray was a devoted family man—a hunter—fisherman—iron worker—teacher—and champion of the underdog.

Ray often exhibited a tough, rough exterior. Beneath this countenance, he was a warm and sensitive individual. Ray, over the years, taught hundreds of kids how to play the game of baseball the way it is supposed to be played. He was a tough taskmaster! Many of his charges were more afraid of Ray's disfavor than they were of their upcoming opponents. Yet, many is the time he'd go to the sporting goods store and buy baseball cleats for those kids whose family could not afford to buy them! There wasn't a kid that ever played for him that wouldn't follow him anywhere. Ray taught more than baseball; he taught the kids how to deal with life and how to deal with adversity. He taught them courage and integrity. I remember his opening speech at the start of each season when he gathered his new batch of kids together for the first time. He stressed the importance of teamwork, getting good grades in school, and having confidence in yourself (he used to have each player stand and introduce himself to his new team mates). At the beginning of the season, this was very difficult for some of them. By the end of the season these same kids had gained confidence, courage and self assurance that by my guess will stay with them the rest of their lives.

Mark Twain once said: "To be good is noble, but to show others how to be good is nobler."

I was not too close to Ray in his work sphere. But I would guess there are people in this room who can tell similar stories where Ray unselfishly helped fellow workers that needed help. I would also bet there were many fellow workers who loved and respected Ray.

Ambrose Bierce wrote: "Love is a delightful days journey. At the farther end, kiss your companion and say farewell."

I think Ray got his greatest joy when he was with his family. Every time I'd see him he would tell me some new event or occurrence within the family. He'd talk about Amber or Brandon and he'd chuckle and smile as he related the experience. He loved his wife and all of his family very much.

Yes, Ray has left us but he is not gone. He has left a legacy—a legacy of integrity, principle, courage and family devotion.

We can say goodbye. Farewell. We'll miss you! And although we mourn his passing, we are all a little richer for having shared a portion of our lives with him.

From John 14:27: "Peace I leave with you. My peace I give unto you. Not as the world giveth, give I unto you. Let not your heart be troubled, neither let it be afraid."

UNIFORM POLL CLOSING BILL INTRODUCED

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. SWIFT. Mr. Speaker, I am pleased to say that today Bill Thomas of California and I are reintroducing our uniform poll closing bill. The bill passed the House nearly 1 year ago, but unfortunately it was not acted on by the Senate during the last Congress.

It is our intention to try again in the hope that this important piece of election legislation can be enacted into law during this historic 100th Congress. The bill will once again be a priority with the Subcommittee on Elections—which I chair, and on which my good friend, Bill Thomas, is the ranking Republican.

Work toward uniform poll closing legislation began, of course, with the 1980 Presidential election. In that election, the television networks projected the outcome—using exit polling data—hours before the polls were closed on the west coast. There was tremendous public outcry, including allegations that some voters left the polls; that voters who did cast ballots felt their votes did not count; and even that the outcomes of close State and local elections were affected because of network exit poll projections.

Two years ago, in response to considerable public criticism and pressure, including a congressional resolution that passed the House 352–65 and passed the Senate unanimously, the three networks finally joined with Westinghouse Broadcasting and Turner Broadcasting in agreeing to exercise voluntary restraint in using their exit poll data. Their commitment is that they will not use exit polling data to project, characterize or in any other way suggest the probable winner of an election in a State until polls in that State are closed.

That solved half the problem. But since this is a large country, spanning several time zones, with States widely varying in their poll closing times, not reporting results in a State until the polls close could still subject western voters to actual vote totals declaring a winner before polls closed.

Only a nationwide uniform poll closing time can prevent that from happening, and that is what we set out to achieve.

We did not arrive at the specific solution contained in the bill that passed the House, however, until the conclusion of a long hearing process during which I believe we considered virtually every proposal that has been suggested over the years.

Ultimately, we determined that the simplest approach was best: a uniform poll closing time on election day, rather than 24-hour voting or an election day holiday or Sunday voting.

With respect to the specific closing time, we found that in the East election officials felt they could administer a 9 p.m. closing, but they made cogent arguments about the difficulties of a later closing. People in the West were willing to close their polls at 7 p.m. local time, but felt that an earlier closing would have a detrimental effect on voter turnout. Since there is a difference of only 2 hours between 7 p.m. in the West and 9 p.m. in the East, while the actual time difference between East and West is 3 hours, we needed a way to eliminate an hour of the time difference.

We compromised on a rather ingenious proposal that was put forth at our hearings by the secretaries of State of California and Massachusetts. Under the bill that passed the House, which we are reintroducing today, two things will happen:

First, for Presidential general elections, polls will close at 9 p.m. e.s.t.—which is 8 p.m. c.s.t. and 7 m.s.t.; and

Second, in the Pacific time zone only, in order to achieve a 7 p.m. poll closing, daylight saving time will be extended for 1 week, so four and one-half States will be on daylight saving time on election day while everyone else is on standard time.

This bill will achieve a uniform poll closing time, so all polls will close simultaneously on Presidential election day. It will finally and completely solve the problem of early projections of election returns. No longer will voters in some parts of the country be told who won the Presidential election before they have an opportunity to cast their ballots.

On the other hand, this bill will not require any State to close its polls either, later—9 p.m. local time—or earlier—7 p.m. local time—than some States now do. It will not require any State to have a voting day either longer—15 hours—or shorter—11 hours—than some States now do. It will not require changes of more than 1 hour in poll closing times in fully three-fourths of the States, or of more than 2 hours in nearly 95 percent of the States.

Finally, this bill has been supported by State and local election officials from New York to South Dakota to Arizona, and from Florida to Nebraska to Washington.

The purpose of this legislation is to solve a serious problem that affects people who vote in elections—that is, the practice of having election outcomes announced before everyone has had an opportunity to cast a ballot. This bill does that.

At the same time, we worked very hard to ensure that the bill would cause the minimum amount of disruption for those who administer elections. The bill also does that.

This proposal is a good one, and it provides the necessary last piece of the complete solution that will protect the integrity of election day for all citizens in all parts of the country.

I urge all my colleagues to join BILL THOMAS and me in supporting and voting for this important piece of election legislation.

READ THE FINE PRINT

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. ST GERMAIN. Mr. Speaker, in the mail last week I received a letter from MCI's customer services department. Marked "Urgent Reminder," "Signature Required," "Rush: Dated Document Enclosed" it read like a combination hard-sell advertisement and overdue payment notification. It included a page listing the benefits of choosing MCI as my long-distance telephone service and a form which I was supposed to sign and return indicating my acceptance or refusal of MCI's service.

Although I have already chosen my long-distance telephone company, I have no objection to MCI advertising its services. However, I strongly object to advertisements such as this one which appear to be an official summons to choose or refuse MCI's services. I am an attorney with 26 years experience in the Congress, yet I had to carefully read down to the very last line of the signature form to be sure that signing this form was optional. Would the less attentive or elderly consumer, my parents for instance, notice the small print stating "Note: Return of your Refusal of Service statement is optional for information purposes only?" I doubt it.

Mr. Speaker, the breakup of AT&T has been confusing enough for telephone consumers, particularly the elderly. They are being asked to choose from a variety of local telephone service options and to select a long-distance company. Consumers do not need to be further confused by misleading advertising that commands they sign up or else. I urge my colleagues to alert their constituents to such hard-sell tactics and read the fine print.

BOB LOVE

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. MINETA. Mr. Speaker, I would like to ask you and my distinguished colleagues in the House of Representatives to join me in tribute to the memory of Bob Love, former jet fighter pilot and air racer. It's an honor for me to pay tribute to this great American hero.

Mr. Love's fabled career as a combat fighter and aviation competitor spanned five decades. Born in 1917, the young Mr. Love worked several jobs before taking up flying in 1940. His first air combat missions came during the Korean conflict. After being transferred to the 4th Fighter Interceptor Wing, and flying F-86 sabre jets, Bob Love entered the first of many air combat missions. In the period between January and March of 1952, Love flew 52 combat missions, downing seven enemy aircraft in the world's first all-jet combat. Each mission demanded the most of the pilot, and Bob Love gave his all for his country.

In the late 1950's Love carried his desire for flying into the private sector. He became a commerical pilot, working for Northrup Aircraft Corp. as a test pilot at Edwards Air Force Base in southern California. In 1964, Mr. Love joined with other ex-figher pilots for an air race over Reno, NV. The event, in which Mr. Love competed annually, eventually became known as the National Championship Air Races. Always conscious of safety, Mr. Love would test new racers in the competition, making sure they passed his flight tests before competing. A fierce competitor to the end, Mr. Love won a major event at the races as recently as last September.

Mr. Speaker, when a unique individual crosses our path, we are often at a loss as to how to describe such a person. Bob Love was both competitive and giving, intense and patient. He demonstrated to us all a rare combination of courage and confidence; he had the skills and grace necessary to implant in others the will to succeed. He was in every aspect a great American.

Mr. Speaker, I rise and ask you and the other Members of this distinguished body to join me in saluting the memory of jet-fighter Bob Love and extending to his wife and family our heartfelt sympathies.

RESTORE THE DEDUCTIBILITY OF THE SALES TAX

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. McKINNEY. Mr. Speaker, as you can see, I am wasting no time in this 100th Congress in introducing legislation to restore the deductibility of State and local sales taxes.

My legislation—a simple four-page bill—already has received the cosponsorship of the ranking Republican member of the House Ways and Means Committee—the Honorable JOHN DUNCAN, of Tennessee. In sum, the measure has been cosponsored by 21 Members of the House from States as diverse as New Jersey, Nevada, and Louisiana. It has strong bipartisan support, with 9 Republicans and 12 Democrats comprising the bill's original cosponsors.

In my view, the Tax Reform Act of 1986 has many flaws, but the arbitrary treatment of the sales tax is completely unjustifiable. By removing the deductibility of State and local sales taxes, section 134 of the Tax Reform Act discriminates against taxpayers who live in States that have decided to rely on the sales tax for revenue. This is unreasonable and obviously does nothing to further the three stated goals of tax reform—fairness, simplicity, and growth. My legislation would repeal section 134.

For some of my colleagues in the House, the makeup of their State's tax structure may provide a compelling reason for joining me in my effort to move this bill through the legislative process. But for those Members who represent States not negatively affected by this tax change, I urge them to weigh its precedential value for future Federal tax decisions affecting other State and local deductions. I believe that this change does not bode well for the retention of full deductibility for other State and local taxes.

Since the inception of the Federal Tax Code in 1913, State and local tax deductibility has been a consistent element of fairness. Now major inroads have been made toward removing this guard against double taxation.

I urge my colleagues to support this simple but important measure and push for its passage.

Thank you, Mr. Speaker.

INTRODUCTION OF TRADE BILL

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. HAWKINS. Mr. Speaker, I rise today to introduce the Education Training for American Competitiveness Act of 1987.

This bill is intended to address several major problems facing the Nation today. First, it is all too clear that, if we are to continue to compete effectively in the international arena, we must improve the educational level of our work force. Second, as a result of trade imbalances and the rapid pace of technological change and its costs, more and more businesses are closing, laying off large numbers of workers, or moving their productive facilities abroad. So-called "dislocated" workers are becoming a permanent feature of the American economy.

Current programs cannot meet these crises. Over the last 5 years, education and training programs have been drastically slashed in a misguided effort to reduce the deficit at the expense of needed investments in people. Also, some existing programs are not sufficiently targeted to address these problems. Present governmental efforts cannot realistically be expected to address problems that were never intended to be solved.

This bill authorizes two new programs under the Job Training Partnership Act and in elementary and secondary and higher education to respond to the trade crisis. It establishes a new component of JTPA which would create a competitive grant program, at the discretion of the Secretary of Labor to provide training assistance on an industry-wide basis to workers adversely affected by trade.

It also creates a program in which the Secretary could award grants for up to 50 percent of the cost of upgrading, retraining, and educating workers whose jobs are at risk because of skill obsolescence or adjustments employers undertake to enhance their competitiveness. To be eligible to compete for this grant, employers and employees must have in place a labor-management cooperation council.

The bill also authorizes the development and implementation of computerized State job bank systems. Automated job listings could be disseminated and updated to increase job matching efficiency. In addition, compatible job bank data could be shared between States or regionally to increase information available to both employers and workers.

In the education area, the bill authorizes a formula grant program in which State educational agencies would receive funds for literacy training, vocational education, and education in mathematics, science or foreign languages, after determining their own needs and priorities. These grants are intended to provide basic skills to those who need them to enhance their employability and to offer additional skills to those who need them to remain employed or find new jobs. Finally, the grant can provide instruction in math, science, or foreign language to insure that the Nation has a pool from which to recruit well-trained people.

It creates competitive grants to institutions of higher education to establish and operate summer institutes and workshops that provide intensive training in foreign languages and cultures critical to the national economy. The institutes are intended to serve students, language teachers and faculty to improve their proficiency and educational skills, and business persons. Institutions are also encouraged to provide training abroad in conjunction with host countries.

The bill also provides for intensive workshops for preservice and inservice math and science teachers and faculty to demonstrate the most recent developments in these fields and their application to improve economic development and competitiveness.

The bill authorizes grants for the purchase of laboratory, and other equipment, for use in providing undergraduate classroom instruction in math and science and for use in workshops for teachers to learn how to use that equipment.

Finally, it includes an authorization of $50 million for competitive matching grants for the renovation and modernization of college research and laboratory facilities.

Mr. Speaker, last year this bill was incorporated into the Trade and International Economic Policy Reform Act of 1986 as title V. It was adopted by the House but was never acted upon by the other body. I am confident that in 1987, this bill will represent a beginning as we move forward to reinvigorate the American economy.

I believe that the programs created in this legislation are absolutely essential to insure that this Nation's economy continues to grow and prosper so that our citizens can look forward to a higher standard of living instead of a declining one. To do less would be committing ourselves to permanent second-class status among the industrialized countries of the world community.

POLITICAL FREEDOM FOR FEDERAL EMPLOYEES

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. CLAY. Mr. Speaker, today I introduced the Federal Employees' Political Activities Act of 1987, modifying the Hatch Act by permitting Federal employees the right to participate voluntarily in political activities so long as those activities do not even appear to compromise the integrity of the merit system or the impartial administration of the functions of our Government.

Twenty years ago, the congressionally established Commission on Political Activity of Government Personnel recommended restoration of Federal employees' first amendment rights to political participation, as enjoyed by all other citizens. Previous studies by the Congress have revealed not even the suggestion of any wrongdoing in Federal employees participating in political activity voluntarily and on their own time. The Hatch Act, well intended as it was, was enacted during a period in which the Congress was deeply concerned about the growth in the power and influence wielded by then-President Franklin Roosevelt. Times and conditions have changed since enactment of the Hatch Act in 1939. The Federal work force has not only expanded in size, but has also come under a system of merit protection. My legislation addresses these realities.

This bill is similar to the Postal Employees' Political Activities Act of 1987, which I also introduced today. I introduced two separate bills because, notwithstanding the different status of postal and Federal employees, they are ill advisedly treated as one and the same. The introduction of two separate bills recognizes that these two employee groups are separate and distinct and that the issue of full political participation for each group should not be confused.

This bill retains the principles of integrity, impartiality, and merit in our Federal personnel system.

The principal provisions of the bill are as follows:

States that Federal employees are encouraged to exercise their right of voluntary political participation;

Retains the prohibitions of existing law for employees in foreign intelligence, civil and criminal law enforcement—including inspections and audits—and contracting positions;

Prohibits the use of official authority, influence or coercion with respect to the right to vote, not to vote, or to otherwise engage in political activity;

Prohibits solicitation of political contributions by superior officials and making or soliciting of political contributions in Government rooms or buildings;

Prohibits political activity while on official duty, in Federal buildings, or in uniform;

Requires that employees who seek elective office do so on their own time, and that employees shall, upon request, be granted accrued annual leave or leave without pay to seek elective office;

Permits State and local employees who hold federally funded positions to seek elective office;

Designates the special counsel of the Merit Systems Protection Board [MSPB] as the enforcing authority and the MSPB as the adjudicatory authority;

Subjects violators to removal, suspension, or lesser penalties at the discretion of the Merit Systems Protection Board; requires a minimum of 30 days suspension without pay for any employee found guilty of violating the prohibition against use of official authority or influence for political purposes; and

Requires the Office of Personnel Management [OPM] to report to the Congress on its implementation of this act.

My bill adds to and strengthens those meritorious features of the Hatch Act by providing employees and the public with greater protection against any resurgence of the spoils system. It updates those parts of the Hatch Act which are no longer applicable by permitting those voluntary, off-duty political activities which do not interfere with the impartial administration of effective public service. Federal employees deserve the same constitutional protection of the right to free speech and association as is afforded all other Americans.

PROTECTION FOR WHISTLEBLOWERS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mrs. SCHROEDER. Mr. Speaker, today, Representative HORTON and I, and 56 cosponsors, are introducing the Whistleblower Protection Act of 1987. This bill is identical to the bill passed by the House under suspension last fall. It reaffirms congressional support for whistleblowers and provides increased protection for the rights of Federal employees who disclose Government waste, fraud, and mismanagement.

Despite the distractions of the holidays and some pretty terrific football games, the fact is that the American people are stunned to learn of illegality and abuse of power by the administration. The administration's Iran-Nicaraguan debacle apparently began 3 years ago, and it is still dragging on. The affair is shrouded in mystery. Those most immediately involved refuse to cooperate with the investigation for fear of incriminating themselves. Yet knowing how the Government works, it is clear that there are other people who could reveal the truth, but who won't for fear of reprisal.

The fact is, Federal whistleblowers are too often left to dangle in the wind. Congress voted in 1978 to protect whistleblowers and established the Office of Special Counsel to receive their allegations and defend their rights. But, despite our best intentions, the system hasn't worked. The OSC actively pursues only a tiny fraction of the allegations it receives and closes more than 99 percent of whistleblower cases without initiating disciplinary or corrective action.

As a result, Federal workers are increasingly unwilling to report wrongdoing. A Merit Systems Protection Board study in 1983 found a sharp increase from 1980 in the number of Federal employees who said that reporting official wrongdoing posed too great a personal risk.

But this downward slide can be stopped. I feel strongly that with the passage of the Whistleblower Protection Act, we can prove to Federal employees our commitment to them and to a government of integrity. The bill emphasizes that the primary duty of the special counsel is to protect whistleblowers. It provides Federal employees with a private right of action, allowing an individual to bypass the special counsel and seek stays and corrective action from the Merit Systems Protection Board and, if necessary, from court. The bill makes the special counsel a safe harbor for the disclosure of wrongdoing by ensuring there is a serious investigation when the allegations have merit and by protecting the identity of the employee who made the disclosure. And if these corrections don't do the trick, we have included in the measure a sunset provision to abolish the office and start over.

These and other changes included in the Whistleblower Protection Act should provide increased protections to Federal employees and should encourage other witnesses to wrongdoing to step forward. And maybe—just maybe—it will prevent future scandals like the present one from occurring.

LEGISLATION TO REPEAL GRAMM-RUDMAN

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. WEISS. Mr. Speaker, I am today reintroducing a bill that is essential if we are to address seriously the deficit crisis, restore our Nation to a path of economic growth and prosperity, and safeguard the fundamental role of Government as a tool of social progress. This bill will repeal the Gramm-Rudman balanced budget law.

The Gramm-Rudman law has been a debacle from the moment of its birth, and it remains a serious and growing threat today. Passed with little substantive review by Congress, it calls for the elimination of the deficit in stages by 1991 and for across-the-board cuts in instances where Congress fails to legislate. In doing so, it abdicates the congressional responsibility for budgetary matters and tampers with the careful balance of powers between the legislative and executive branches. It also threatens to plunge our ailing economy into a tailspin and to gut most of the essential programs that serve poor and middle-income Americans.

As we all know, $12 billion in mandatory cuts were made 1 year ago under the Gramm-Rudman law in order to meet the fiscal year 1986 deficit target of $172 billion. The mechanism under which these $12 billion in cuts were made, which gave the Comptroller General final responsibility, was subsequently ruled unconstitutional by the Supreme Court. However, the cuts were later restored by a vote of both houses of Congress under a fallback procedure contained in the law.

In order to address the fiscal year 1987 deficit, Congress then passed a number of deficit reduction measures that were designed to bring the projected deficit within striking distance of the $144 billion target. Many of these measures involved bookkeeping gimmickry and the sale of Government assets. They produced one-time savings, but may actually raise the deficit in future years.

All of these deficit reduction measures, harmful as they have been, have fallen far short of their intended goals. The actual deficit for fiscal year 1986 will be listed in the record books at $220.7 billion, the highest deficit in the history of our Nation and one that far exceeds the $172 billion Gramm-Rudman target. The most current Office of Management and Budget [OMB] and Congressional Budget Office [CBO] estimates of the fiscal year 1987 deficit stand at $173.2 billion and $174.5 billion, respectively. But if the October and November defict figures of $25.3 billion and $27 billion are any indication of a trend for the entire fiscal year, these estimates are far lower than they ought to be.

The Gramm-Rudman deficit target for fiscal year 1988 is $108 billion. The most recent OMB and CBO deficit projections for that fiscal year, if Congress takes no action to change current law, are $150.1 billion and $169.2 billion respectively. Even if we assume that these projections are far more accurate than the ones which were undertaken in previous years—which is not likely—we will have to cut a minimum of $32.1 billion to $51.2 billion in order to come within $10 billion of the Gramm-Rudman target, as the law requires.

However, many of the bookkeeping gimmicks and trick solutions used last year will no longer be available this year. This means we will be forced to make serious and highly damaging cuts in the core functions performed by the Federal Government, including education, law enforcement, pollution control, health care, and mass transit. One blueprint for such reductions is contained in the President's proposed budget for fiscal year 1988, which envisions substantial cutbacks for the Departments of Education, Agriculture, Commerce, Energy, Interior, and Transportation. The consequences of these cutbacks will be immediately evident to all American citizens as they are forced to accustom themselves to dwindling Government participation in areas where Government activity has come to be taken for granted. As the years go by, and more and more cuts are required, the damage will become more and more severe, until little will be left of the Government as we know it.

In the meantime, dramatic budget reductions threaten to plunge an already ailing economy into a full-fledged recession. Though hearings on Gramm-Rudman have been few and brief, many economists who did testify warned of the threat of causing an economic downturn with rigid budget reduction goals. Given the current economic situation, in which growth has been modest at best for some time, a large budget reduction could draw just enough purchasing power out of the economy to start a recession.

Once the economy turns down, the Gramm-Rudman law would likely prolong and worsen the downturn. While budget targets could be suspended in periods when CBO or OMB have projected negative growth in two consecutive quarters or when real growth has fallen below 1 percent for two consecutive quarters, deficit targets would kick in again as the economy begins to struggle out of the downturn. A large reduction in spending at this stage could spell doom for the recovery and plunge the economy into an even deeper recession.

Originally, the President promised to balance the budget by 1984. Under the scenario put forth by the so-called supply-side economists, tax cuts would produce substantial new investment, leading to increased productivity that would fill the Treasury with new tax revenues. We now know beyond any shadow of a doubt that this plan is a monumental failure. The new investment never occurred. The lost tax revenues were never replaced. Instead, deficits soared above the $200 billion level, creating a massive burden of debt that must be shouldered by our children and their children.

Many felt that it was naive of the President to expect that he would be able to cut taxes, increase defense spending, and balance the budget all at once. But the comments of the President's former Budget Director, David Stockman, suggest that more than naivete was involved in formulating White House budget policy. He recently charged that the massive deficits of the last 6 years are attributable to "the shameless, groundless fiscal fiction * * * which has steadily emanated from the White House." I believe there is substantial evidence that the huge deficits we are now experiencing are not the result of administration bungling, but have been purposefully created in an effort to convince the American people that we can no longer afford programs that serve human needs.

The Gramm-Rudman law is consistent with that strategy. While some of the details of the plan, notably its treatment of the defense budget, are not wholly to the President's liking, the overall plan provides a stringent and unavoidable mechanism for the step-by-step dismantling of most of the Federal Government. In doing so, it places the burden of deficit reduction on the backs of those who rely on human needs programs—those who are least responsible for the deficit crisis.

The fundamental flaw of Gramm-Rudman is that it fails to deal with the root causes of the deficit crisis. The deficit problem can be directly traced to two fundamental policy changes enacted by the Reagan administration—massive defense spending increases and extravagant tax giveaways. These, in turn, produced substantially higher interest costs, which also produced more red ink.

There can be no solution to the deficit problem until these fundamental policy changes are reversed. We must make a serious effort to cut unnecessary defense expenditures and to gain additional revenues. And this means that the President must cease his obstinate and unthinking opposition to these changes.

I stand ready to endorse a deficit reduction plan that accomplishes these tasks. But I cannot stand by while the Gramm-Rudman law continues to place the burden of deficit reduction on individuals who are not responsible.

If we hope to preserve the achievements of the past 50 years and to make new progress in the years to come, we must repeal the travesty known as Gramm-Rudman. We must then recommit ourselves to the concept of a government that does more than stockpile weapons of destruction—a government that does its best to meet the needs of all its citizens.

I urge my colleagues to join me in this essential effort by cosponsoring the following legislation.

H.R. 275

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEAL

Subject to section 2, the Balanced Budget and Emergency Deficit Control Act of 1985 (title II of Public Law 99-177) is repealed, effective as of the date of enactment.

SEC. 2. EXCEPTION

Sections 261 and 272 of the Balanced Budget Emergency Deficit Control Act of 1985 (and section 275 of such Act to the extent that it relates to those sections) shall not be included in or affected by the repeal of such Act under section 1, and shall be effective as though this Act had not been enacted.

NATIONAL COMMUNITY EDUCATION DAY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. KILDEE. Mr. Speaker, today I am introducing a measure to designate November 17, 1987, as National Community Education Day.

Community education began in Flint, MI, in 1935. Its premise is simple—make educational resources in a community available to learners of all ages and encourage citizens to enrich themselves and their communities. It advocates a community process through which citizens, schools, government agencies, and community organizations work together to offer education, recreation, and human services to everyone in the community. Flint has served as such a model community, showing how effectively community education can work to promote interagency cooperation and community involvement. Success in Flint has led to the adoption of community education programs in an estimated 3,500 school districts in this country and around the world.

During the 99th Congress, a joint resolution designating November 18, 1986, as National Community Education Day was enacted into law. In addition, within the last 5 years, over 40 Governors have proclaimed Community Education Days in their States. These State observances have served as occasions to recognize and support strong relationships between public schools and the communities they serve. The day also provides communities and schools an opportunity to showcase collaborative programs and projects and to develop new community partnerships in support of public education. Past State Community Education Day events have included school open houses, exhibits and demonstrations at regional shopping malls, school-community-business luncheons, interagency workshops and meetings, poster and essay contests, and school-community awards programs.

I encourage my colleagues to join in this effort to recognize and commemorate community education.

Mr. Speaker, I ask unanimous consent that the bill be printed in the CONGRESSIONAL RECORD.

INTRODUCTION OF A BILL TO TAKE THE AIRPORT AND AIRWAY TRUST FUND OFF BUDGET

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. HAMMERSCHMIDT. Mr. Speaker, over the past few years, the uncommitted balance in the Airport and Airway Trust Fund has been growing. It now stands at about $4 billion and is expected to reach $5.6 billion by the end of fiscal year 1987. The GAO estimates that it could rise to more than $12 billion by 1990.

The Aviation Trust Fund was created to assure that important safety and capacity needs of the National Air Transportation System would be met. Passengers and other aviation users have paid ticket, cargo and fuel taxes, in good faith, with the expectation that the Air Traffic Control System would be modernized and that airport capacity would be expanded to handle increased demands.

Unfortunately, our Government has been collecting billions of dollars in taxes from the users of our airports for the stated purpose of expanding or repairing those facilities, and at the same time, has been refusing to spend the dollars collected for their specified purpose.

Without question, we are breaking faith with the airway users in this country. I well recall that when aviation taxes were increased in 1982, the airline industry and passengers were told that such increases were necessary to make the necessary capital expenditures for a safe and efficient air transportation system. The needs were well documented; they were very real then, and they are very real today.

However, in order to make the Federal deficit look smaller on paper, the aviation taxes collected as a result of that congressional action in 1982 have not been used as promised. The programs established in 1982 have not been fully funded, and, in fact, obligation ceilings have been imposed on the Airport Improvement Program in every year since fiscal year 1981. Consequently, obligations have been substantially below authorizations since that time. Uncommitted surpluses continue to rise unabated in the Airport and Airway Trust Fund. Not only does this allow an offset against the Federal deficit but also encourages artificial cuts in trust fund spending which permits increases in other unrelated programs.

In order to prevent this practice from continuing, I am joining with Mr. MINETA, Chairman of the Aviation Subcommittee, in introducing H.R. 8, a bill to ensure equitable treatment of aviation users and to ensure development of the Airport and Airway System.

The legislation I am introducing will remove the Airport and Airway Trust Fund from the unified Federal budget and will exempt it from cuts under the Balanced Budget and Emergency Deficit Control Act of 1985. This will eliminate the inflation of the Trust Fund for illusory budgetary purposes. And as a protection against any possible deficit we have included a provision to insure that receipts to the fund match outlays.

The measure also contains a mechanism to encourage the obligation of amounts authorized to be spent on airport development, facilities and equipment, and research and development. Under the proposal, if there is at least a $2 billion surplus in the fund, a percentage tax reduction will be triggered if the preceding year's obligations and appropriations are less than 90 percent of the authorization levels. A 25-percent cap is placed on the tax reduction. This language will provide not only the administration but also the appropriations committee with an incentive to spend what has been authorized.

The authorization for the Airport and Airway Improvement Program expires at the end of this fiscal year as do the taxes which fund the aviation programs. Through the reauthorization process, the questions of how to bring down the current surplus will be addressed. The legislation introduced today does not attempt to deal with that issue.

I would emphasize that H.R. 8 is a starting point for future discussions of the best approach to enhance the capacity and safety of our Air Transportation System. Further reflection and debate during the reauthorization process is encouraged and expected.

THE FEDERAL EQUITABLE PAY PRACTICES ACT OF 1987

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Ms. OAKAR. Mr. Speaker, today I am proud to introduce the Federal Equitable Pay Practices Act of 1987, legislation which will constitute one of the major civil rights issues facing this 100th Congress. I am proud that 44 of my colleagues have joined as cosponsors of this important pay equity legislation.

The House has passed pay equity legislation, both during the 99th and 98th Congress, indicating our commitment to upholding Federal laws prohibiting pay discrimination based on gender, race, or ethnicity. Our support for fair pay endures, and I trust that it will be demonstrated through support for this pay equity legislation in the 100th Congress.

What is pay equity? It is simply the notion that individuals will be paid fairly for their work, regardless of their sex, race, or ethnic heritage. Our Nation's philosophy and laws reflect the guiding principle of pay equity. Yet, our system for paying Federal workers and classifying their jobs may not conform to this principle. The Federal pay and classification systems were developed over half a century ago, at a time when classified ads listed jobs as "Help Wanted—Male" and "Help Wanted—Female." We need to reexamine our Federal pay and classification practices, therefore, to see if they need updating to conform with fair pay law.

The Federal Equitable Pay Practices Act of 1987 mandates a study of the Federal pay and classification systems to determine whether they are marred by illegal discrimination. This bill has been carefully developed as a result of years of congressional hearings and the testimony of scores of expert witnesses which indicate that illegal discrimination may well be harming Federal employees.

A report by the General Accounting Office [GAO] has shown that within the Federal work force, a pay gap of nearly $12,000 exists between the annual salaries of male and female employees. Furthermore, the GAO report has found that most female Federal employees are clustered in the lowest paying occupations while male employees are concentrated in higher paying jobs.

While the Federal pay and classification systems have never been examined to see whether discrimination is at work, the GAO reports that such a study would be feasible. The legislation I am introducing today requires such a study and sets out the guidelines to ensure that it will be thorough and objective. The Federal Equitable Pay Practices Act of 1987 establishes an 11-member, bipartisan commission to oversee the pay equity study. The study itself will be performed by an independent contractor, which will examine both economic and job content factors affecting Federal pay and classification. Upon completion of the study, the commission will report the findings to Congress and make recommendations to eliminate any discriminatory practices and to improve the pay and classification systems. This legislation applies only to the Federal Government, and to no other State or local governments or private employers.

Mr. Speaker, already all 50 States have begun examining the issue of sex-based discrimination within their own government pay systems, either through studies, collective bargaining, or legislation. As an employer and as the defender of civil rights in this Nation, the Federal Government must now address the issue of pay equity among its own employees. We must make certain that our pay practices continue to conform to national laws guaranteeing protection from discrimination.

Mr. Speaker, this Chamber has been the setting for landmark civil rights legislation which has enriched the lives of our citizens and provided a better society for our children and grandchildren. Eliminating discrimination in employment is as vital today as it was when we adopted the Civil Rights Act of 1964. It is imperative that our Federal Government be free of any discrimination practices that violate our laws and sap the morale and productivity of employees. I look forward to swift consideration of this pay equity legislation and urge my colleagues' utmost support.

INTRODUCTION OF THE NORTHERN NEW MEXICO LAND GRANT BILL

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. RICHARDSON. Mr. Speaker, today I am introducing a bill to address a long-standing controversy in the Third Congressional District of New Mexico—the status of ownership of land grant lands. Originally granted by Spain and Mexico to Hispanic settlers in territories which later became part of the United States, these land grants to individuals and communities were the backbone of social and economic life in Hispanic northern New Mexico. Hispanic land tenure in this region was characterized by some private agricultural landholding constrained by various collective conditions, combined with communal pasturage and woodlands. Once this territory was taken over by the United States, this pattern of communal ownership and use made the Hispanics of northern New Mexico an easy target for land-hungry speculators, businessmen, and lawyers. Actions taken on title to these lands over the course of the past several centuries has had adverse consequences for the local Hispanics which continue to this day.

There have been a number of times in the history of the land grants when grantees have been the subject of unscrupulous activities by opportunistic attorneys and even the U.S. Government, in efforts to gain title to the land grant lands. Unfortunately, to the detriment of the local Hispanic communities in my district, these unscrupulous efforts have been all too successful. When the areas first came under the jurisdiction of the United States, for example, there was a scramble for the most promising lands. The swift rise in land values encouraged a number of dishonest schemes, including fabricated claims, forged documents and professional witnesses, who, for a fee, would swear to anything. More recently, questionable land grant land acquisition by the Forest Service during the first part of this century has placed further limitations on the already strapped Hispanic residents of northern New Mexico.

The loss of the land grant lands has, in effect, destroyed the small-scale agricultural and economic base of northern New Mexico. People who once relied on access to communal lands for ranching, farming, and timbering have been deprived of their livelihoods. Destruction of the land grant way of life threatens the very fabric of Hispanic culture in northern New Mexico.

The land grant heirs have serious questions about the ways in which the lands have passed from the original grantees to present-day owners. Allegations of fraud and skullduggery abound. The Congress, over the past century, has made several attempts at resolving land grant disputes in the region. Unfortunately, most of these attempts have resulted in the further erosion of the local Hispanic land base in northern New Mexico, as bureaucrats and "businessmen" schemed to obtain the lands for their own benefit. Land grant heirs are now frequently without land and without any economic base. They cannot even afford to have the legal history of the land grants examined to ascertain their rights to the land.

The bill I am introducing today directs the Attorney General to conduct a 2-year study into the legal history of the Spanish and Mexican land grants in northern New Mexico. This study is to examine the chain of title of ownership, as well as to investigate the conditions under which the lands were transferred, including investigating possible fraud. At the end of the 2-year period, the Attorney General is to report back to the Congress on the results of this study. Further congressional action could then be based on this report.

I believe that investigating the legal history of land grant ownership is an important step toward resolving this situation. The land grant heirs need to know clearly their rights to the land as they fight for their economic future with agencies such as the U.S. Forest Service. Until these disputes are resolved and clear legal title is determined, the small-scale agricultural people of northern New Mexico will not be able to reestablish their economic base through timbering, ranching, and farming. The residents of northern New Mexico deserve to have access to the lands which can be determined to be legally theirs. This bill will help them to determine their rights to the land grant lands. I hope that this bill is given serious and prompt consideration by my colleagues. Thank you.

INTRODUCTION OF NATIONAL TRANSPORTATION SAFETY BOARD LEGISLATION

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. MINETA. Mr. Speaker, today I am introducing legislation to reauthorize the National Transportation Safety Board for fiscal years 1987, 1988, and 1989. The bill, which is cosponsored by Congressmen HOWARD, HAMMERSCHMIDT, and GINGRICH, is the same as the bill which passed the House of Representatives last year by a voice vote. Similar legislation passed the Senate by unanimous consent. Regrettably, the legislation was subject to a pocket veto by the President.

The bill I have introduced would permit the Board to have a staff of 347, a staffing level which the congressional committees with jurisdiction over the Board have found is the minimum needed for the Board to carry out its important safety mission.

The NTSB plays a critical role in the safety of all modes of transportation. The Board makes an independent and objective investigation of the causes of major transportation accidents. On the basis of its investigations the Board makes recommendations to Government agencies and private parties of steps which can be taken to improve safety. Most of these recommendations are accepted and over the years they have saved many lives.

Regrettably, in recent years, the Board's importance has not always been recognized. Budget cuts have forced the Board to cut its staff and have made it extremely difficult for the Board to carry out its important safety responsibilities. The authorizations in the bill now before us will permit the Board to increase its staff to the minimum level needed for the Board to function effectively. Those of us who are interested in transportation safety should support these authorizations and should work through the appropriations process to see that the authorizations are fully funded.

The bill also provides for continuation of an emergency fund of $1 million for the Board. This fund, which was first made available to the Board through the appropriations process in fiscal year 1982, is designed to give the Board the financial resources needed to investigate an unexpected series of major accidents which all occur at the same time. During the 4 years in which the fund has been available, the Board has used it on only one occasion, indicating that the Board has only used the fund to cover urgent, truly unexpected needs. We are confident that the Board will continue to be responsible in using the fund. If the Board finds it necessary to spend any amounts from the emergency fund, we expect the Board to notify the appropriate committees of the Congress and to explain why the Board's regular funding was inadequate to cover such expenses.

Other provisions of the bill are designed to enable the Board to improve its efficiency or obtain small amounts of additional funding. A final provision in the bill would allow the NTSB to obtain information about accidents involving public aircraft, which are aircraft operated by Federal, State, and local governments or aircraft leased by these governments. Under current law, NTSB has no authority to investigate accidents involving public aircraft and no authority to obtain information about these accidents. There will be safety benefits from allowing NTSB to obtain information about public aircraft accidents, since government agencies frequently operate the same types of aircraft as private persons.

Mr. Speaker, as I have indicated, similar legislation, which we passed last year, was subject to a pocket veto by the President. The President submitted a memorandum giving the reasons for his pocket veto. I find this memorandum to be completely unpersuasive. The main reason it gives to justify the pocket veto is that the authorizations in the bill would exceed those in the President's 1987 budget. The total level by which these authorizations exceeded the President's budget was $12 million, which would be spread over a 3-year period. These amounts are minimal and would have no effect on overall budget deficits.

Moreover, the small amounts by which our bill exceeded the President's budget represent the difference between a National Transportation Safety Board which can fulfill its responsibilities to the traveling public and a Board which will have to cut back on needed safety investigations.

A fully effective NTSB can conduct analyses and make recommendations which will save hundreds of thousands of lives. It is difficult to reconcile the President's veto of this legislation with the statement in his memorandum that he remains "firmly committed" to improving transportation safety.

The memorandum of disapproval also points out that NTSB's budget has grown 26 percent in the past 5 years. This figure does not give the full story. More significant in the fact that NTSB's staff has been reduced from almost 400 employees in 1980 to 325 employees today. The President's memorandum suggests that today's staffing level is sufficient for NTSB to maintain its safety functions. However, neither the memorandum nor the administration testimony at our hearing presented any sufficient data rebutting our conclusion that the Board needs at least 347 employees.

Mr. Speaker, I am hopeful that this legislation will go forward promptly, and that upon further consideration the administration will conclude that the legislation is required to further transportation safety.

FEDERAL DISTRICT OF CONNECTICUT JUDGE BILL

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. McKINNEY. Mr. Speaker, today on this first day of the historic 100th Congress, I along with the entire Connecticut House delegation am introducing legislation to authorize an additional Federal district court judge for the district of Connecticut. Similar legislation will be introduced today in the other body by my good friend and colleague, Senator LOWELL P. WEICKER JR., with Senator CHRISTOPHER J. DODD, as an original cosponsor.

District courts are the trial courts for cases brought under general Federal Jurisdiction. Each State has at least one such court, while some of the larger States have as many as four. Presently, there are 94 district courts in the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico. Each court has from 2 to 27 judgeships. There are 541 permanent district judgeships in the 50 States.

In Connecticut, there is one Federal district court with six permanent judges. The Bankruptcy Amendments and Federal Judgeship Act of 1984 created the sixth Connecticut judgeship. Although this addition to the court improved the court's ability to effectively and expeditiously meet its responsibilities, the caseload burden of the court remains unwieldy. That is why the Judicial Conference's Subcommittee on Judicial Statistics in its most recent national judgeship survey recommended an additional judgeship for the Connecticut court.

The statistics subcommittee found that for the 12-month period ending on June 30, 1986, the court had 670 pending cases per judgeship—the 10th highest among all district courts. The weighted cases filings, those cases of a more difficult and time-consuming nature, were 546 per judgeship, well above the national average of 461. Also, during the 12-month period, the court completed 60 trials per judgeship—seventh highest among all such courts—and again well above the national average of 35.

It is important for my colleagues in the House to understand that my intention in introducing this measure is not to diminish in any way the needs of those district courts in analogous circumstances. In fact, I encourage representatives from these districts to undertake similar initiatives. In this way we could heighten the awareness of the problem and move Congress in the direction of approving an omnibus judgeship bill this year.

A question also may be raised over the cost of this legislation, especially now during the dark days of the Gramm-Rudman-Hollings deficit reduction targets. According to the Administrative Office of the U.S. Courts, each additional Federal district judgeship costs $610,000 during the first year and $464,000 for each additional year.

I strongly believe that these modest costs will translate into large benefits. An investment in our Nation's judicial system is not only an investment in the quality of justice our citizens receive, but also how quickly they receive it. The costs attributed to providing an additional judgeship for the District of Connecticut would be minuscule compared to the increased ability of that court to meet its responsibilities to society.

I thank my colleagues in the Connecticut delegation for joining with me today in introducing this measure, and am sure I speak for them as I urge the House Committee on the Judiciary to expedite preceedings on this legislation.

Thank you, Mr. Speaker.

FAIR WORK OPPORTUNITIES ACT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. HAWKINS. Mr. Speaker, today I am introducing legislation to strengthen the link between welfare and work. This initiative, Fair Work Opportunities Act of 1987, strengthens education, training, and work opportunities to enable welfare recipients to obtain unsubsidized employment with income sufficient to stay off welfare. It builds on the lessons learned from innovative State programs over the past several years, and recommits the Federal Government to support the initiatives of the States.

Mr. Speaker, once again there is a national trend calling for meaningful welfare reform. I, for one, believe that welfare reform is long overdue: benefits are shamefully low, family stability is unconscionably compromised, and the dignity of human beings trampled under the present system. Most significantly, opportunities to escape this condition of humiliation and poverty are sadly lacking. I applaud the efforts of many both in and out of Congress who are sincerely looking for ways to improve opportunities for welfare recipients.

Recent studies show that welfare recipients want to work and will do so if given the opportunity. A recent evaluation of work-fare programs conducted by the Manpower Demonstration Research Corporation [MDRC] found that:

> The(se) results are consistent with the findings of prior studies that show that the poor want to work and are eager to take advantage of opportunities to do so * * * These workfare programs did not create the work ethic, they found it.

The majority of welfare recipients go off welfare within 2 years, and may need only job search assistance to secure employment. Their temporary dependency is a result of family circumstances such as death or divorce of spouse, loss of employment or other personal or financial misfortune over which they may have limited control.

It is no coincidence that the numbers of individuals on public assistance rose sharply during the last recession. It should be noted that less than 35 percent of the unemployed currently receive unemployment compensation. For those unfortunate others who may have exhausted their unemployment benefits or for some other reason did not qualify for unemployment insurance, welfare is the only recourse for supporting their families. Most tragically, only 24 of the States provide benefits for families with both spouses present. Family breakups are the inevitable result of our misguided policies.

While the average duration on welfare is less than 2 years, for a significant number of recipients, welfare is a long-term condition from which there is little hope or opportunity to escape. Seventeen percent of AFDC mothers draw benefits for at least 8 years. This group comprises one-half of the caseload at any one time, and accounts for over one-half of the program costs. For these individuals, inadequate education, lack of training, and lack of work experience constitute major barriers to obtaining productive employment. Nearly one-fourth of AFDC mothers have never been employed, and most of those who have been previously employed worked in occupations offering little skill training. Almost two-thirds of Work Incentive [WIN] clients scored below the eighth grade in math and almost half scored below that level in reading competency. Unlike those welfare recipients for whom dependency is a short-term condition, these individuals need intensive assistance and support to achieve lasting self-sufficiency.

It is shortsighted and ineffective to attempt to address rising welfare rolls with punitive measures and stringent work fare requirements that do nothing to address the fundamental deficiencies reflected in these clients' profiles. There is nothing cost effective about reducing funds for education and training.

My proposal incorporates the following general principles:

First, only comprehensive programs involving education, training, employment services, and supportive services such as child care, are likely to have a lasting impact on employability.

Second, while recipients have an obligation to take steps to reduce their dependency, the Government in turn must make available meaningful options from which recipients shall choose, not just remain in an unassigned pool.

Third, in allocating scarce resources, priority should be given to those who are most disadvantaged—those with no recent employment experience or with prior welfare dependency—and who are least likely to move off welfare dependency on their own.

Fourth, performance measures based on outcomes coupled with incentive funds will encourage States to invest in programs designed to reduce long-term dependency while providing a measure of accountability for Federal funds.

Fifth, lack of child care is a major obstacle to employment for welfare recipients; thus all services should provide for child care necessary to enable welfare clients to participate in employment, training, or education programs.

Sixth, employment and training services must be coordinated at the State and local level with services available under other sources, including the Job Training Partnership Act [JTPA], to eliminate duplication and increase the options available to welfare clients.

Finally, programs which require recipients to work off their benefits—work-fare—offer little skill development and are unlikely to lead to securing and retaining better jobs. If, after completion of job search and appropriate education or training, recipients are unable to secure unsubsidized employment, subsidized employment at wages commensurate with the job's duties should be an available option.

Mr. Speaker, the proposal I am introducing today is just one component of true welfare reform. It is my hope that, as this legislation progresses, other proposals will be offered which address other aspects of the welfare system which are in need of reform, and that this proposal can be effectively combined with those changes to provide truly comprehensive welfare reform.

It is my intention that the fair work opportunities proposal will be the subject of hearings early this session in the Committee on Education and Labor and that these hearings will produce recommendations for more effectively addressing funding needs as well as coordination with the administration of benefits.

SUMMARY OF THE "FAIR WORK OPPORTUNITIES" BILL

1. Revises the Work Incentive program authorized under Title IV-C of the Social Security Act to strengthen work-related programs for welfare recipients at the state level and to incorporate the findings of the WIN Demonstrations carried out since 1981.

2. Establishes single agency administration over state programs with the Department of Labor overseeing state-operated work and training programs at the federal level while permitting the Governor to designate either the state employment service or the welfare agency as the administering agency at the state level.

3. Requires states to establish comprehensive services for welfare recipients required to register under Title IV-A of the Social Security Act.

4. Comprehensive services include education, training, job search, and supportive services. Priority for service goes to those who are the most difficult to place in unsubsidized employment determined on the basis of prior work experience, duration of welfare dependency and educational attainment.

5. Eligible participants who are required to register for services in accordance with the provisions of Title IV-A of the Social Security Act shall choose which service meets their needs based on an intake evaluation and the availability of such service. Individuals enrolled in comprehensive services shall be provided necessary child care and transportation services.

6. Transitional subsidized employment may be provided for up to one year if individuals are unable to secure unsubsidized employment after completion of job search and other employment, training, or education services for at least six months. Mandatory workfare for which wages are not paid is not authorized under this Act.

7. Provides for the establishment of performance standards as a basis for assessing the outcome of activities funded under the Act. Performance standards are to take into account differing benefit levels, economic conditions in the states and factors related to targeting to those most difficult to serve. Establishes an incentive fund from 5 percent of the funds appropriated for states which meet or exceed performance standards.

8. Provides for coordination with the Job Training Partnership Act at state and local levels.

9. Authorizes $500 million for FY 87 and such sums as may be necessary thereafter. Increases the state match from 10 percent to 25 percent for amounts above the 1986 appropriation.

10. Child care and other supportive services are enhanced both in terms of services to be provided to participants and as priority activities under transitional employment.

HATCH ACT REFORM FOR POSTAL EMPLOYEES

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. CLAY. Mr. Speaker, today I introduced the Postal Employees' Political Activities Act of 1987 which reforms the Hatch Act by permitting postal employees to participate voluntarily in political activities so long as those activities do not even appear to compromise the integrity of the Postal Service. At the same time the bill protects the public against improper political activities and solicitations, coercion, and protects postal employees against voluntary political activities.

The Hatch Act was enacted precipitously in 1939. It was an overreaction to coercion of the kickbacks by Federal employees and public assistance recipients. As presently written, the law is vague, overly broad, and consists of a patchwork of over 3,000 administrative rulings, most of which are not understood by either the public or postal employees.

My bill differentiates between voluntary and involuntary political activities. It protects the public interest while providing postal employees with greater freedom to participate in the political process.

In summary, the bill:

States that postal employees are encouraged to exercise their right of voluntary political participation.

Prohibits the use of official authority, influence, or coercion with respect to the right to vote, not to vote, or to otherwise engage in political activity.

Prohibits solicitation of political contributions by superior officials and making or soliciting political contributions in Government rooms or buildings.

Prohibits political activity while on official duty, in Federal buildings, or in uniform.

Requires that employees who seek elective office do so on their own time, and that employees shall, upon request, be granted accrued annual leave or leave without pay to seek elective office.

Designates the Special Counsel of the Merit System Protection Board [MSPB] as the enforcing authority and the MSPB as the adjudicatory authority.

Subjects violators of law to removal, suspension, or lesser penalties at the discretion of the MSPB; requires a minimum of 30 days suspension without pay for any employee found guilty of violating the prohibition against use of official authority or influences for political purposes.

Requires the U.S. Postal Service to report to the Congress on its implementation of this act.

The Postal Service system is a quasi-autonomous public corporation. Postal employees are in a different category from Federal employees. The postal worker's role, as an employee of a semi-independent agency, and the role of a Federal civilian employee, as an employee of the Government, make these two groups of employees separate and distinct. Unfortunately, the issue of full political participation for postal and Federal employees has been confused, notwithstanding their different status, so that they are treated as one and the same. My bill recognizes the unique role of postal employees and remedies the denial of their constitutional right to engage in voluntary political activity as is afforded all other citizens.

VOLUNTARY PRAYER IN PUBLIC BUILDINGS

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. DE LA GARZA. Mr. Speaker, today I am again introducing legislation proposing an amendment to the Constitution to allow for voluntary prayer in public buildings. This effort to allow prayer is one I have undertaken since first coming to Congress 22 years ago in 1965.

Public prayer has been a freedom that the citizens of this country have enjoyed since the very beginning of our heritage until the Supreme Court's decision in 1963 which forbade this practice.

Our daily sessions in Congress begin with a prayer—many public convocations begin with a prayer—and certainly no one can argue the need for prayer in our society.

It is my belief that the faith we have shown as a nation is the main reason we have grown to become a world leader in every area of development. I feel that a sincere recognition of our dependence on the power of prayer will bring us through any crisis our Nation ever might face.

For these reasons, I support and encourage efforts to amend the Constitution to allow nondenominational prayer to be offered in public buildings. Thank you.

MUTUAL NUCLEAR WARHEAD TESTING MORATORIUM ACT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mrs. SCHROEDER. Mr. Speaker, last August 8 the House of Representatives took a historic step by voting overwhelmingly for a moratorium on the testing of nuclear warheads as long as the Soviet Union did the same. By a vote of 234 to 155, the House said that, with reciprocal in-country monitoring, a ban on nuclear tests above 1 kiloton was in the interest of the United States and in the interest of world peace.

This binding language was dropped on the eve of President Reagan's trip to Reykjavik to negotiate arms control agreements with General Secretary Gorbachev because the House did want to tie the President's hand. We untied the President's hands but he dropped the ball by tabling a bizarre proposal which the Joint Chiefs of Staff had never even studied. Reykjavik was a disaster and the Soviet Union announced that it was going to resume testing in 1987, after a year and a half of maintaining a unilateral moratorium.

The President had an unfettered opportunity to do something about the menace of nuclear weapons and failed to achieve anything. It's time for Congress to take the initiative and move the world away from the brink of destruction. A ban on further testing of nuclear devices would do just that.

A testing moratorium is in the interest of the United States. All the available evidence indicates that the United States is far ahead of the Soviet Union in miniaturization and in safety of nuclear warheads. A mutual ban on testing would prevent the Soviet Union from catching up with us. Yet, a test ban would not prevent development and testing of improved guidance systems and better electronics.

Today I, along with a number of my colleagues from both parties, are introducing the Mutual Nuclear Warhead Testing Moratorium Act. This bill contains essentially the same language as the House passed last August. It prohibits testing above 1 kiloton if the Soviet Union stops testing and if in-country reciprocal monitoring arrangements are implemented. The Soviets have allowed private groups to set up and test unmanned seismic stations to monitor nuclear testing. Science has now developed to a point where such unmanned stations can, together with national technical means, ensure verification of a test ban. Given the confluence of scientific progress and apparent Soviet willingness to allow in-country monitoring, we are at an unprecedented moment in history. We have reached the moment where a mutual, simultaneous, and verifiable moratorium on the testing of nuclear warheads can be achieved.

I hope we can move to prompt consideration of this legislation so that the world knows that the United States wants peace.

THE HOMELESS EMERGENCY RELIEF ACT AND THE EMERGENCY AID TO HOMELESS FAMILIES ACT

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. WEISS. Mr. Speaker, millions of homeless men, women, and children need our help. Their plight worsens every year, and without more assistance from the Federal Government, charitable organizations, and local governments cannot meet the desperate needs of the most destitute Americans.

Recently, the U.S. Conference of Mayors reported that nearly every city in the country has been forced to turn away homeless people in need of food and shelter because they lack sufficient beds and supplies. Shelters and soup kitchens are strained beyond capacity, and in too many cases, these facilities are unsanitary, unsafe, and dehumanizing. All reports indicate that the current winter is witnessing the largest numbers of homeless people since the Great Depression, maybe more.

In response to the overwhelming needs of the homeless, and the inability of local private and public groups to adequately meet those needs, we are today reintroducing two bills. One, the Homeless Emergency Relief Act, will provide Federal matching funds for grants to operate shelters and food services for homeless individuals. The other, the Emergency Aid to Homeless Families Act, amends existing law to allow Federal emergency aid funds to be used for the creation of adequate shelter for homeless families.

The Intergovernmental Relations and Human Resources Subcommittee, which I have the privilege to chair, has conducted four hearings on the Federal response to the homeless crisis, and the full Government Operations Committee has issued two reports, based on the hearings, which found the Federal response to be woefully inadequate.

The reports found that homelessness in America exists in epidemic proportions, and the homeless population is increasing by as much as 38 percent a year.

The reports found the major causes of homelessness to be the scarcity of affordable housing, deinstitutionalization of the mentally ill, unemployment and severe cuts in Federal housing and antipoverty programs. The factors leading to these causes are worsening. The Nation's low-income housing supply, particularly single room occupancy units, continues to dwindle. The hundreds of thousands of mentally ill Americans released from State mental institutions have found few alternatives to the streets. The unemployed need job training, and cuts in Federal programs continue under current policies of austerity.

Numerous studies indicate that homelessness is becoming entrenched in our society, and that despite changing economic conditions, more Americans are becoming permanent members of the U.S. homeless population. We believe that the Congress, when confronted with the emergency nature of homelessness, will provide a commensurate response to the needs of dispossessed Americans.

We propose that the Federal Government take a leading role in providing the minimum emergency services, such as shelter, food, and medical care, that are so urgently needed. Americans truly incapable of helping themselves should be entitled to these most basic requirements of survival.

The Homeless Emergency Relief Act will authorize the provision of shelter and recovery grants to nonprofit groups and local governments in areas with the greatest emergency needs. By providing only 75 percent of total costs for services required by the act, the Federal Government will create incentives for localities to commit greater resources to combat the tragic problem of homelessness.

The Federal share of shelter and recovery grants cannot exceed $5 million for each grant, and may be used for capital start-up costs of a shelter or expansion of existing programs. No more than 5 percent of the grant may be used for administrative costs of the sponsoring nonprofit organization or local government. Funds cannot be used to supplant existing services.

The act also requires that local governments and nonprofit organizations with experience in providing services to the homeless work in consultation in the planning of the shelter and recovery centers. In the case of nonprofit groups, approval for any project plans must be obtained by the chief governing officer of the local government.

Grant applicants are required to provide emergency shelter, transitional shelter, medical and psychiatric care, food, job counseling and placement, and facilities for men, women, and families.

The act authorizes the program for 2 years at a ceiling of $190 million. The grants would be awarded on a competitive basis. The Secretary of the Department of Health and Human Services will be authorized to establish the grant program within the Office of Community Services.

The second bill addresses the emergency needs of homeless families, the largest growing component of the homeless population, now representating 28 percent of all homeless people. More than 66 percent of New York City's homeless are families. In Chicago and Boston, 40 percent of the homeless are families, and in most other cities, 20 to 30 percent of the homeless are family members.

The Social Security Administration, through the emergency assistance component of its Aid for Families with Dependent Children Program, funds half the family shelter costs of States and localities. However, the Emergency Assistance Program is optional, and only 28 States and territories, half those eligible, receive emergency assistance to families from the Federal Government.

The investigation of this program yielded shocking results. Federal funds pay half the costs of dangerous, inhumane welfare hotels in such places as New York and Washington, DC that charge as much as $3,000 a month to house a family in a single room with no kitchen. Studies of families living in these hotels found the environments are causing serious emotional damage to the children who reside in them.

Last year the Emergency Assistance Program served an average 33,000 family cases a month, at a total cost of $81 million. Much of this amount was spent on unsafe and inadequate shelter because no other shelter is available.

Continuing to pour Federal dollars into exorbitant welfare hotels is illogical when saner, less expensive alternatives exist. Even President Reagan, at his last national press conference, suggested that these funds would be better spent on housing. However, under current law, emergency aid funds cannot be used to obtain housing or decent shelter. When emergency assistance for homeless families was added to the Social Security Act in 1967, we did not expect the plight of homeless families to become the emergency crisis it is today, and we could not predict that homeless families would become a permanent underclass of our society, as they have.

To correct the deficiency in the law resulting from a problem that has reached epidemic proportions, we propose amending the Social Security Act to allow emergency assistance funds to be used to create adequate shelter for homeless families. The Emergency Aid to Homeless Families Act would amend the law by allowing emergency assistance funds to pay half the costs of constructing, purchasing, renovating, or renting family shelter. By allowing a more flexible use of funds in this entitlement program, we will provide the incentive for local governments to stop the senseless placement of homeless families in costly welfare hotels. In the long run, this amendment should reduce the costs of the program by permitting a wiser, more efficient use of Federal funds.

Mr. Speaker, the original cosponsors and I urge prompt consideration of both bills. The legislation follows:

COSPONSORS

Mr. Weiss (for himself and Mr. Rodino, Mr. Kastenmeier, Mr. Fauntroy, Mr. Frank, Mr. Ackerman, Mr. Towns, Mr. Dellums, Mrs. Boxer, Mr. Waxman, Mr. Rangel, Mr. Sabo, Ms. Kaptur, Mr. Ford, Mr. Clay, Mr. Feighan, Mr. Morrison of Connecticut, Mr. Fazio, and Mr. Studds).

H.R. 274

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Homeless Emergency Relief Act of 1987".

SEC. 2. GRANTS TO PROVIDE SERVICES AND SHELTER FOR THE HOMELESS.

(a) MANDATORY GRANTS.—The Secretary of Health and Human Services shall make grants to eligible local governments and nonprofit organizations for the purposes specified in section 3 and after consultation with the Emergency Shelter Grants Review Board established in section 7.

(b) OBLIGATION OF FUNDS.—Funds made available for grants under subsection (a) shall be obligated not later than September 30, 1988.

(c) IMPLEMENTATION THROUGH OFFICE OF COMMUNITY SERVICES.—The Secretary shall carry out this Act through the Office of Community Services of the Department of Health and Human Services.

(d) ISSUANCE OF RULES.—Not later than 60 days after the date of the enactment of this Act, the Secretary shall issue rules to carry out this Act.

SEC. 3. PURPOSES OF GRANTS.

(a) USES OF FUNDS.—

(1) SHELTER AND RELATED SERVICES.—Except as provided in paragraph (2), a grant received under section 2 may be used only—

(A) to establish emergency shelters for men, women, and families who are homeless,

(B) to establish transitional shelters for men and women who are homeless,

(C) to lease, renovate, purchase, or construct facilities to be used as such emergency shelters or such transitional shelters,

(D) to increase the kinds, or expand the availability, of services described in section 5(b)(5) which are available at such emergency shelters or such transitional shelters, or

(E) to pay any increase in the cost of operating such emergency shelters of such transitional shelters if such increase is attributable to an activity described in subparagraph (A), (B), (C), or (D).

(2) LIMITATION ON ADMINISTRATIVE EXPENSES.—Not to exceed 5 percent of a grant made under section 2 may be expended for administrative costs incurred in connection with the uses specified in paragraph (1) for which a grant may be expended.

(3) MAINTENANCE OF EFFORT.—No part of a grant made under section 2 may be used to supplant funds that are or, in the absence of such grant, would be available to the recipient of such grant for a use for which such grant may be expended.

SEC. 4. ELIGIBILITY TO RECEIVE GRANTS.

(a) ELIGIBLE ENTITIES.—Any local government or nonprofit organization which submits to the Secretary, not later than 180 days after the date of the enactment of this Act, an application in accordance with subsection (b) shall be eligible to receive a grant under section 2.

(b) APPLICATION FOR GRANT.—Each application for a grant under section 2 shall contain—

(1) information demonstrating the need for such grant, including an estimate of the number of homeless men, women, and families in the geographical area for which the applicant provides, or will provide, shelter and services to the homeless,

(2) a plan for providing to the homeless each type of shelter and service specified in section 5(b)(5) during the 2-year period beginning on the date such grant is received,

(3) a detailed budget identifying administrative, operational, and capital costs to be incurred by the applicant to carry out such plan,

(4) an assurance, and verification of such assurance, that such applicant can and will

provide from non-Federal sources not less than 25 percent of the funds necessary to pay the cost of providing that part of the shelter and services for which such grant may be expended,

(5) a description of the kind and quality of each type of shelter and service specified in section 5(b)(5) which such applicant will provide during the 2-year period beginning on the date such grant is received,

(6) an assurance that such grant will be expended throughout a period of not less than 2 years,

(7) if such applicant is a nonprofit organization, the written approval of such plan by the chief executive officer of the local government which provides human services in the geographical area in which the applicant's shelter is or will be located,

(8) if such applicant is a local government, an assurance that in formulating such plan such local government consulted with the local nonprofit organizations which have experience in providing shelter and services to the homeless, and

(9) a plan (including identification of the financial resources available to such applicant to carry out such plan) for providing to the homeless each type of shelter and service specified in section 5(b)(5) during the 2-year period beginning 2 years after the date such grant is received.

SEC. 5. AWARDING OF GRANTS.

(a) SELECTION OF GRANT RECIPIENTS.—

(1) REFERRAL OF GRANT APPLICATIONS TO BOARD.—The Secretary shall refer to the Emergency Shelter Grants Review Board for evaluation and recommendation all applications for grants under section 2.

(2) SELECTION OF GRANT RECIPIENTS.—From among eligible applicants for grants under section 2 and subject to subsection (b), the Secretary shall make grants on a competitive basis to any of such applicants after considering the following factors:

(A) The number of homeless, men, women, and families, in the geographical area to be served by the applicant, for whom shelter and services of the types specified in subsection (b)(5) are not being provided.

(B) The quality of the services specified in subparagraphs (C), (D), (E), and (F) of subsection (b)(5) which are or will be provided to the homeless by such applicant.

(C) The adequacy and availability of funds necessary to carry out the post-grant 2-year plan required under section 4(b)(9) to be carried out by a recipient of a grant under section 2.

(D) The cost efficiency of the plan required under section 4(b)(2) and with respect to which a grant under section 2 may be expended.

(E) The nature and quality of the applicant's past experience in providing shelter and services to the homeless.

(F) The evaluations and recommendations of the Board made with respect to such applications.

(b) LIMITATION ON INDIVIDUAL GRANTS.—No grant may—

(1) exceed $5,000,000,

(2) be approved under subsection (b)(2) after September 30, 1986,

(3) be made to an applicant if a grant under this Act has previously been made, or is then approved to be made, to such applicant,

(4) be used to pay more than 75 percent of that part of a shelter or service for which such grant may be expended, or

(5) be made to an applicant who has not agreed to provide, as a condition of receiving such grant, each of the following which it is not then providing:

(A) Emergency shelter for men, women, and families who are homeless, to be provided in separate buildings for each of the 3 categories of the homeless. To ensure privacy, each family shall be accommodated in a separate room, and no more than 8 men or women shall be accommodated in a single space bounded by walls or wall-like dividers or partitions.

(B) Transitional shelter for men and women who are homeless, to be provided in separate buildings for each of the 2 categories of homeless adults and in buildings which are not used to provide emergency shelter for the homeless.

(C) Outpatient medical care and outpatient psychiatric care to men, women, and families who are homeless. Such care may be provided at a site other than an emergency shelter or a transitional shelter.

(D) Not fewer than 2 meals a day to each homeless individual accommodated at an emergency shelter or transitional shelter.

(E) Employment counseling, job placement services, and transportation to employment sites for the homeless.

(F) Staff who prepare, on behalf of the homeless, applications for local, State, and Federal public assistance and serve as liaisons with the agencies that provide such assistance.

SEC. 6. DUTIES OF OFFICE OF COMMUNITY SERVICES.

The Secretary shall—

(1) provide for the annual inspection of each emergency shelter and each transitional shelter in connection with which any part of a grant made under section 2 is expended, to ensure compliance with this Act, and

(2) submit annually to the Speaker of the House of Representatives and the President pro tem of the Senate a report describing the implementation of this Act and the activities carried out by recipients of grants under this Act.

SEC. 7. EMERGENCY SHELTER GRANTS REVIEW BOARD.

(a) ESTABLISHMENT OF EMERGENCY SHELTER GRANTS REVIEW BOARD.—There is hereby established in the Office of Community Services of the Department of Health and Human Services the Emergency Shelter Grants Review Board which shall be composed of 11 members as follows:

(1) Two members shall be appointed by the Surgeon General of the Public Health Service from among officers and employees of the Public Health Service, who have expertise in mental health care and medical care, respectively.

(2) One member shall be appointed by the Director of the Office of Community Services from among officers and employees of such Office.

(3) One member shall be appointed jointly by the United States Conference of Mayors and the National League of Cities from among the membership of either organization.

(4) One member shall be appointed by the National Governors' Association from among its membership.

(5) Six members shall be appointed by the Secretary, in a manner that ensures representation of all regions of the United States, from among representatives of organizations which have experience in providing shelter and services to the homeless.

(b) COMPENSATION AND EXPENSES.—Members of the Board shall serve without compensation for such service. While away from their homes and businesses in the performance of services for the Board, members of the Board who are appointed under subsection (a)(6) shall be allowed travel expenses, including a per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed travel expenses under section 5703 of title 5, United States Code.

(c) FEDERAL STATUS.—Members of the Board who are appointed under subsection (a)(6) shall not be considered to be officers or employees of the United States.

SEC. 8. DEFINITIONS.

For purposes of this Act—

(1) the term "Board" means the Emergency Shelter Grants Review Board established in section 7(a),

(2) the term "emergency shelter" means a building which complies which all applicable laws relating to health and safety and which is used to provide living accommodations on a temporary basis for men, women, or families,

(3) the term "local government" means any general purpose unit of local government of a State,

(4) the term "Secretary" means the Secretary of Health and Human Services,

(5) the term "State" means the several States and the District of Columbia, and

(6) the term "transitional shelter" means a building which complies with all applicable laws relating to health and safety and which is used to provide living accommodations for men, women, or families, but for a period not to exceed 180 days in the case of any particular resident.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

(a) AMOUNT AUTHORIZED.—There is authorized to be appropriated $190,000,000 for fiscal year 1987 to carry out this Act.

(b) CARRYOVER OF UNUSED AUTHORIZATION.—Any amounts authorized for any fiscal year under subsection (a) but not appropriated may be appropriated for fiscal year 1988.

COSPONSORS

Mr. Weiss (for himself and Mr. Owens of New York, Mr. Fauntroy, Mr. Frank, Mr. Ackerman, Mr. Crockett, Mr. Towns, Mr. Fuster, Mrs. Boxer, Mr. Rangel, Mrs. Johnson, Ms. Kaptur, Mr. Kolter, Mr. Ford, Mr. Clay, Mr. Feighan, Mr. Morrison of Connecticut, and Mr. Studds).

H.R. 437

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Aid to Homeless Families Act."

SECTION 2. EMERGENCY ASSISTANCE UNDER THE AFDC PROGRAM IN THE FORM OF SHELTER FACILITIES FOR NEEDY FAMILIES WITH CHILDREN.

(a) IN GENERAL.—Section 406(e) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(3) The term 'emergency assistance for needy families with children' also includes expenditures made by the State (in accordance with standards prescribed by the Secretary in regulations) for the purchase, construction, renovation, or rental of facilities to be used exclusively in providing humane and adequate emergency shelter for families eligible for assistance under paragraph (1), but only in the case of a State whose State plan approved under section 402 includes provision for such expenditures.".

(b) CONFORMING AMENDMENT.—Section 406(e)(1)(A) of such Act is amended by inserting "(including emergency shelter in facilities of the type described in paragraph (3))" after "payments in kind".

SEC. 3. EFFECTIVE DATE.

The amendments made by section 1 shall apply with respect to quarters beginning on or after the date of the enactment of this Act.

KILDEE HONORS AUGUST E. BRANDT

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. KILDEE. Mr. Speaker, I rise on this first day of our Nation's 100th Congress to bring to the attention of my distinguished colleagues in the U.S. House of Representatives an event on January 15, 1987, honoring one of the most effective and ethical public servants I have ever had the honor of calling a friend, Mr. August E. Brandt, of Flint, MI. After 32 years of unwavering dedication to service for the Flint Community Schools, August is retiring to private life. I sincerely wish each and every one of my colleagues in the Congress could have had the opportunity to work with such a talented individual as is August Brandt.

Although the January 15 event will officially recognize August's retirement from public service, I cannot imagine this talented individual dropping from public sight. A human dynamo, August has served the Flint Community Schools and the Mott Community College as a teacher, director of admissions, director of business affairs, staff personnel director, director of labor relations, and chief negotiator, as well as his current position as executive director of public affairs. Prior to coming to Flint, August served as a plant manager, as coordinator of trade and industry education for a nearby Michigan school system, and as a tool and die maker. When one studies August's meteoric rise to the influential position from which he will soon retire, an initial vision of that great figure from American literature, Horatio Alger, comes to mind. Unlike Alger, however, August Brandt earned his reputation of influence and knowledge not with a personal agenda of accumulating wealth and fame but rather out of selfless dedication to improving the lives of thousands of children and adults who passed through the doors of the 53 educational facilities which make up the Flint Community Schools.

August's institutional knowledge of local, State, and Federal funding mechanisms for schools and his golden credibility with legislators serving at these respective levels of government have produced millions in enabling dollars for the Flint Community Schools. August's knowledge of budget processes and his personal relationships with legislators over a 32-year period have literally earned him the title of genius. I remember well the many times I have had the opportunity to burn midnight oil with this talented man to produce landmark school, worker retraining, and vocational education legislation.

Mr. Speaker, I have the distinct notion and hope that August Brandt will remain available in the years to come to counsel those of us with legislative responsibility. Our great Nation faces problems with changing industries, displaced workers, students with language barriers, and diminishing Federal revenues for schools. We need the continuing assistance of August E. Brandt in order to measure up to our great responsibility in guiding the United States of America.

FEDERAL PAY MANAGEMENT ACT OF 1987

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Ms. OAKAR. Mr. Speaker, on a number of occasions, many of my colleagues have joined me in the well of this Chamber to discuss the Federal work force. Many of us have sought to improve the working conditions for employees and to create a more equitable work environment. We also have attempted to protect the integrity of the Federal work force and the compensation program from unwarranted budgetary reductions.

Today, I return to the Chamber to inform my colleagues of a bill I am reintroducing the "Federal Pay Management Act of 1987." My legislation provides for alternative systems of compensation for Federal employees; modifications in the pay comparability process; and expedited authority for Federal agencies to increase rates of pay for certain occupations, particularly those involved in national security which are experiencing difficulties in recruitment and retention.

In 1970, Congress enacted the Pay Comparability Act in an effort to assure objectivity and predictability in the Federal wage-setting process. It was designed to bring Federal employees' pay in line with their counterparts in the private sector. Yet, through constant changes in the pay-setting mechanisms and the President's repeated use of alternative pay plans, the 1970 Comparability Act has failed to achieve its goals.

It has been almost 10 years since Federal employees received a full comparability increase. Pay raises for Federal workers are being granted on an ad hoc basis upon budgetary considerations rather than the principle of comparability set forth in the 1970 law. The system has completely broken down.

In a hearing conducted by my subcommittee on compensation and employee benefits last year, there was unanimity among the witnesses that the current pay-setting process was in desparate need of repair. Everyone from the General Accounting Office to the Presidentially appointed Advisory Committee on Federal Pay agreed that systematic change was necessary. The legislation I am reintroducing today incorporates many of the ideas suggested by witnesses at that hearing.

Over the past 16 years, military pay has grown by 226.51 percent and private sector wages have increased by 186.64 percent. Wages for white collar Federal workers have risen by only 133.25 percent. During that same 16-year period, the Consumer Price Index has increased by 189.56 percent. Not only has Federal pay failed to keep pace with private industry and the military, Federal workers have suffered severe reductions in their standard of living because of unbridled inflation in the 1970's.

Despite the clear intention of the 1970 Comparability Act that pay for Federal workers remain comparable to wages in the private sector, Federal pay rates now trail those in private industry by 20 percent. Mid-level managers and senior executives in the Federal Government are even further behind their private sector counterparts, with their pay rates lagging by more than 50 percent.

The lack of competitiveness in pay, coupled with repeated attempts to dismantle the benefit package, have resulted in a demoralized labor force, a reduction in service to the public, and a threat to our national defense. Today, the Federal Government, in many instances, is the employer of last resort for numerous professionals. Recruitment is difficult and retention is at an all-time low. Recent data indicate that the voluntary separation rates for many engineers, for example, employed by the Department of Defense have doubled from fiscal year 1975 to fiscal year 1985. The Federal Government cannot compete with the private sector in hiring quality graduates from our Nation's colleges and universities.

The inability to recruit and retain qualified technical and professional employees in the Federal Government has had serious effects on the efficiency and dependability of Government service. A 1984 general accounting office report cited a series of instances in the Departments of Defense, Commerce, Health and Human Services, and the Veterans Administration in which the difficulties in recruiting and retaining employees have threatened important Government programs.

The Assistant Secretary of Commerce, for example, conceded that the lack of adequate pay for patent examiners seriously damaged the administration goal of "significantly reducing the patent pending rate." The inability to retain physical science technicians has jeopardized construction at Mare Island shipyard and the failure to attract radiological technicians at the National Cancer Institute has caused highly technical equipment that should have been used to treat cancer patients to stand idle.

The bill I am reintroducing today seeks to address the inherent problems with the current Federal wage-setting process in an effort to regain competitiveness with the private sector and to improve Government service for all Americans.

My legislation has three basic components. First, the bill establishes a Federal Compensation Board, comprised of 13 people representing the administration, the Advisory Committee on Federal Pay and the Federal Employees Pay Council, to design and implement a variety of alternative pay systems. The alternative systems, which include total compensation comparability, pay-for-performance, collective bargaining, and regional pay would be implemented within a representative sample of agencies. Particular attention is paid in the bill to Federal laboratory and scientific personnel by allowing the employing agencies the flexibility of using the alternative pay systems.

Second, the bill amends the current special pay rate program which enables agencies with demonstrated recruitment and retention problems to hire and pay employees at higher levels. My legislation would provide agencies with more flexibility and expedite the approval process by the Office of Personnel Management.

Third, the legislation establishes a Commission of Federal Pay Management. The three member, nonpartisan, expert panel would be responsible for overseeing and evaluating all alternative pay systems. After a 5-year period, the Commission would report its findings and conclusions to the President and Congress.

It is important to note that the bill is cost neutral. It requires the agencies to test the pay alternatives within existing appropriations.

The urgency for legislative change cannot be underestimated. Federal agency heads, who are concerned with the detrimental impact of the compensation program on their ability to achieve their mission, are feeling hard-pressed to attack the recruitment and retention problems. I am mindful, of course, that the President has proposed a government-wide "performance pay system." while I am certainly interested in learning more of the details of the Presidents's plan, I am not convinced that the "China Lake" experience provides a panacea for the problems that plague the Federal compensation process.

Our Government needs to hire and retain qualified, dedicated employees, and to be competitive in the marketplace for talented individuals. After all, it is Federal employees who develop and manage our national defense systems, who conduct essential research on fatal diseases, and who facilitate our space exploration. It is the Federal worker who is responsible for providing essential Government service to the citizens of this great Nation.

My legislation creates a vehicle for agencies to experiment with pay programs so that Federal employees will be compensated fairly. Congress and the President will ultimately determine which program or combination of programs is best suited for Federal agencies within 5 years after the bill's enactment. In the meantime, Federal pay adjustments will be more competitive with the private sector and agencies will be given the flexibility they have demanded.

I welcome my colleagues to cosponsor this bill. My Subcommittee on Compensation and Employee Benefits conducted hearings on this and other pay reform proposals last year. I am hopeful that we can conclude our journey toward enacting necessary changes in the Federal pay-setting process in this session and that pay reform becomes a reality.

INTRODUCTION OF THE EL MALPAIS NATIONAL MONUMENT, MASAU TRAIL AND GRANTS NATIONAL CONSERVATION ACT

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. RICHARDSON. Mr. Speaker, I want to take this opportunity to share with my colleagues my introduction today of the El Malpais National Monument, Masau Trail and Grants National Conservation Area Act. This comprehensive and energetic proposal expands on the El Malpais national monument bill, H.R. 3684, which passed the House during the 99th Congress. It is a proposal designed to protect a sensitive and unique environmental area in western New Mexico and stimulate tourism-related development. My New Mexico colleagues on the Senate side, Senator PETE DOMENICI and Senator JEFF BINGAMAN, are introducing a companion bill today.

The El Malpais bill represents a compromise—balancing community needs and national interests. The bill will establish a national monument run by the National Park Service, a grants national conservation area run by the Bureau of Land Management, and the establishment of the Masau Trail. The Masau Trail will highlight an auto touring route linking prehistoric and historic cultural sites in western New Mexico. The bill also provides wilderness protection for sensitive lands and archeological resources, recognizes the unique land uses in the area and authorizes the establishment of a visitors and multipurpose center.

Mr. Speaker, the El Malpais lava flow is truly deserving of national protection. Some of the most outstanding examples of volcanic landscapes in the world will receive permanent protection and the legislation will stimulate tourism-related development in an area of New Mexico that has been suffering the adverse effects of the decline of our domestic mining industries. The El Malpais bill is extremely important to the people of the Third Congressional District of New Mexico, has a broad base of support from a coalition of local citizens, local and State governments. The national environmental organizations and myself and New Mexico's Senators.

I am delighted that Senators DOMENICI, BINGAMAN and myself have been able to come up with a good, solid plan providing the necessary elements to promote tourism, economic development, and recovery in the region and provide national protection for sensitive lands in the El Malpais area. I hope that my colleagues will take the opportunity to review the legislation and support this energetic proposal during the 100th Congress. Thank You.

INTRODUCTION OF H.R. 8

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. MINETA. Mr. Speaker, today I am introducing H.R. 8, a bill to ensure fair treatment of aviation users paying taxes into the airport and airway trust fund and also to ensure that the fund carries out its purpose of supporting urgently needed capital development of our Nation's airports and air traffic control system. The legislation is cosponsored by Congressmen HOWARD, HAMMERSCHMIDT, and GINGRICH.

The authorizations and taxes for the trust fund will expire by the end of 1987. Early in this Congress the Aviation Subcommittee will begin consideration of reauthorization. In addition to considering the authorizations and tax levels which will be needed to support the trust-funded programs in the future, we will also be considering procedures to ensure that the trust fund functions effectively, and that the funds contributed by users are spent promptly to develop the capacity and safety that our aviation system requires.

H.R. 8 proposes several mechanisms to ensure that the trust fund will function as it should. I am introducing this legislation not as a final proposal but as a starting point for discussion. We will give full consideration to suggestions for modifying the proposals in H.R. 8 and to additional proposals embodying different approaches.

The trust fund was last reauthorized in 1982 for 5 fiscal years. During this 5-year period, ending in October 1987, the trust fund will have financed approximately $4.8 billion of development of the Nation's airports, $4.8 billion of capital equipment for the air traffic control system, and $1 billion of FAA research and development. In addition, by the end of fiscal 1987 the trust fund will have underwritten approximately $4.2 billion of the expense of operating and maintaining the air traffic control system.

Although the trust fund has made substantial contributions to the development of our aviation system, these contributions have fallen short of the expectations we had in 1982. When the program was renewed in 1982, user taxes were increased substantially. The users supported these increases because they recognized that higher taxes were needed to support a major program of modernizing the air traffic control system and expanding airport capacity so that the system could handle the increased demands which would be placed on it during the 1980's.

Regrettably, the programs established in 1982 have not been fully funded and the users have been paying considerably more into the trust fund than has been going out.

Obligation ceilings which have been placed on the Airport Improvement Program have resulted in obligations under that program falling $415 million short of the authorized levels. In the Research and Development Program, appropriations have been $133 million short of the authorized levels. The most serious deficiency had been in the Facilities and Equipment Program, where appropriations over the 5-year period have been $1.5 billion below the authorized levels.

These shortfalls are inexcusable when user taxes are producing far more revenues than are needed to support the trust fund programs. As a result of shortfalls, the uncommitted surplus in the trust fund has increased from $2.1 billion at the end of fiscal 1982 to an estimated $5.6 billion at the end of fiscal 1987.

A major cause of the shortfall has been that the trust fund is included in the unified Presidential and congressional budgets. This means that if the trust fund operates at a surplus in a particular year, this surplus serves to reduce the deficit in the general budget.

The opportunity to use the trust fund to reduce the overall budget deficit creates irresistible incentives for the administration and congressional Appropriations Committees to reduce spending out of the trust fund below authorized levels. When they do so, the administration and the Appropriations Committees lose sight of the fact that the justification for imposing specific taxes on aviation users is to spend the taxes on the aviation system. There is no justification for taxes imposed solely on aviation users if the proceeds are to be used to balance the overall budget.

H.R. 8 includes two mechanisms for ensuring full funding of the trust fund programs. First, H.R. 8 would remove the trust fund from the congressional and Presidential budgets and would also exempt the trust funds from across-the-board cuts in Government spending under Gramm-Rudman-Hollings. Removing the trust fund from the budget will eliminate the temptation to use the trust fund to reduce the overall budget deficits.

I make this off-budget proposal reluctantly since I have been a long time supporter of the congressional budget process. Our experience with the trust fund has convinced me that the trust fund concept will not work in aviation unless our trust fund is treated separately from the rest of the budget.

Separate treatment of the trust fund is appropriate since the trust fund is a self-contained program which only spends revenues contributed by users. The trust fund is not a part of our basic deficit problem.

H.R. 8 also includes a provision to ensure that the trust fund will not be able to spend more than has been contributed by the users. This provision is modeled on the Byrd amendment governing the Highway Trust Fund. Under the provision, unfunded authorizations from the aviation trust fund will be automatically reduced if they exceed the sum of the uncommitted surplus in the fund and estimated revenues. As a practical matter, this provision should not require reductions in authorizations in the airport and airway trust fund at any time in the foreseeable future since the current uncommitted surplus in the fund is more than double the unfunded authorizations.

Removal of the airport and airway trust fund from the congressional budget process would not mean that the trust fund could not be controlled. Most trust fund programs require annual appropriations and removing the fund from the budget will not change this requirement.

A second mechanism in H.R. 8 to encourage full funding of trust fund programs is a trigger tax proposal. Under this proposal, taxes would be reduced automatically when spending falls below authorized levels. This will create incentives for the administration and the Appropriations Committees to fully fund the programs. In addition, a reduction of taxes is equitable to the users, who should not be required to continue to make payments which are not spent and are only added to the uncommitted surplus.

The tax trigger proposal in H.R. 8 is not intended to be the primary means of bringing down the uncommitted surplus in the trust fund. Rather, H.R. 8 is based on the assumption that the reauthorization legislation will establish authorization and tax levels which will gradually bring down the surplus. The purpose of the tax trigger in H.R. 8 is to ensure that the basic reauthorization program is carried out and that the aviation trust fund programs are fully funded.

H.R. 8 requires that shortly after the end of each fiscal year—September 30—a determination be made as to whether taxes should be reduced in the next calendar year. Taxes will be reduced if funding during the fiscal year has totaled less than 90 percent of the authorized levels for the airport improvement, facilities and equipment, and research and development programs. Taxes will be reduced by the same percentage as funding has fallen short. For example, if combined funding is only 80 percent of authorized levels, taxes would be reduced by 20 percent.

The bill includes several conservative provisions to help ensure that reduced taxes will not place the trust fund in an overall deficit position. First, there is a cap of 25 percent on the tax reductions. Second, taxes will be reduced only if the estimated overall surplus in the trust fund at the start of a calendar year will be $2 billion or more. With this level of surplus, the reduced taxes during the following fiscal year should leave the basic surplus in the trust fund over $1 billion at the end of the calendar year. This will be an added protection against the trust fund ever running into a deficit.

In conclusion, I emphasize that I am deeply concerned about the past misuse of the trust fund to balance the overall budget. I will be making every effort to develop mechanisms to prevent this from happening again. The proposals in H.R. 8 are intended to begin the discussion on mechanisms for making the trust fund function as intended. H.R. 8 is a preliminary proposal and we will give open-minded consideration to other proposals to improve the effectiveness of the trust fund.

ADVERSE ACTION APPEAL RIGHTS FOR POSTAL MANAGERS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. DYMALLY. Mr. Speaker, today I am reintroducing legislation which narrowly missed becoming law during the previous session of Congress. The postmaster and postal supervisor adverse action appeal rights bill passed the House in December 1985, after being cosponsored by every member of the Committee on Post Office and Civil Service. The Senate Committee on Governmental Affairs also unanimously approved a companion measure to this bill, but, unfortunately, the full Senate did not act on the legislation before adjournment.

Because of the overwhelming support on this issue, I am reintroducing legislation to grant nonveteran postmasters and postal supervisors the same access to an impartial review of an adverse action as their counterparts with veterans preference status. Under current laws, only postal managers who are veterans may appeal a conduct-related adverse action to the Merit Systems Protection Board, an independent Federal agency created to resolve employee grievances.

In contrast, postal managers who are not veterans only have access to an internal administrative appeal procedure. Subcommittee hearings on this issue revealed that the internal appeal process tends to lack objectivity, because an appeal passes through a hierarchial chain of command. My legislation merely extends the opportunity for an impartial appeal to all postmasters, postal supervisory, and certain personnel employees, nonveterans as well as veterans.

Let me point out that my bill is limited to coverage of the above-mentioned groups of employees because they are the only postal employees not entitled to collective bargaining rights under the law.

Finally, the bill I am introducing today contains one amendment approved by the Senate committee during the last session. This amendment, requested by the U.S. Postal Service, concerns the procedure by which the agency, in cooperation with the Office of Personnel Management, may appeal rulings of the Merit Systems Protection Board in adverse action cases to the Federal courts. I have no objection to the language added in the Senate and am, therefore, including it in my bill today.

Mr. Speaker, the principle behind this adverse action appeal rights bill is simple fairness and the right to have an appeal of a job-threatening adverse action heard before an impartial forum. I urge my colleagues to join me again in supporting this legislation.

NATIONAL ENERGY POLICY PLAN

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. DORNAN of California. Mr. Speaker, even with gas and oil as inexpensive as they are, there are still many policymakers urging an expanded role for the Federal Government in the energy industry. Calls for oil import fees, increased excise taxes, and variable rate taxes on imported oil threaten to undo all the good President Reagan's free market energy policy has accomplished.

Yet it is only the consumer who could be hurt by these policies. It is therefore fortunate that consumers have such an articulate and forceful voice on their side as Barbara Keating-Edh, president of Consumer Alert, a well recognized, nationwide consumer organization headquartered in Modesto, CA.

In a recent public hearing by the U.S. Department of Energy on national energy policy plan, Mrs. Keating-Edh made a strong case for a free market energy plan that would keep energy prices low while ensuring a sufficient energy production for both economic growth and national security. Because I feel that this is such an important issue, I am submitting Mrs. Keating-Edh's comments for the RECORD. I urge my colleagues to read these remarks and heed the sound advice offered by Mrs. Keating-Edh.

COMMENTS BY BARBARA KEATING-EDH, PRESIDENT OF CONSUMER ALERT

I appreciate this opportunity to present the viewpoint of the Consumer Alert organization with regard to a national policy plan on energy.

The Department of Energy is to be commended for its vigorous pursuit of opinions and views from the general public.

Consumer Alert is a nationwide membership organization of consumers. It is tax-exempt, was incorporated in Washington DC in 1977, has members in all fifty states and primarily engages in education and research.

I have come here today to strongly urge the Department of Energy to submit to the Congress the recommendation that we, as a nation, pursue a free market energy policy plan.

If we are to ensure maximum energy development along with the highest degree of efficient use of our natural resources, it is important for competitive enterprise to flourish and for government to restrict its involvement to a minimum.

Government does have a role to play with regard to energy policy. Primarily, government has the responsibility to ensure that reserves are sufficient to secure the nation in times of military threat or major global interruption of petroleum supply.

Government too, has the responsibility to guard the marketplace against monopolies through anti-trust action.

But government must refrain from overzealous imposition of taxes on energy sources, either to generate revenues or to prompt contrived conservation. Likewise government must not distort the market by granting tax breaks or subsidies to one form of energy source that it does not grant to another source.

To the clear and forthright, it is our hope that the Department of Energy will have the wisdom to let commerce rip, let the profit inventive fly, let wide open competition prevail between companies as well as between various energy options.

Such a policy would serve to encourage the development of a varied mix in our national energy supply. Growing energy production means lower prices for consumers. In addition, it means more choices, new employment and economic growth.

I use the word "consumer" in the broadest sense. Consumer is the individual heating a home, driving an automobile, or seeking employment. Consumer is also industry large and small which purchases huge amounts of energy or sometimes generates its own. Consumer includes the major utilities, both public and private which are major purchasers of the basic resources needed to generate a growing demand for electricity.

History bears me out. Free market policies always stimulate growth and the profit incentive ensures research, advancement in technology, exploration and innovations in efficiency as well as forward planning. A regulated market cultivates none of these things on its own and depends on government to prompt these very necessary actions through political manipulation of appropriation and tax incentives.

In short—Consumer Alert advances eight specific recommendations today, which we hope will become the theme for the energy policy plan which the DOE will present to our representatives in the Congress.

(1) We recommend a roll back in legislative barriers in order to ease all unnecessary restrictions to off-shore exploration and development. It is likely that most of the oil and gas resources our nation possesses are to be found off-shore in the Outer Continental Shelf area. If we are to allocate those resources in the most suitable manner, the role of government would be to establish a pure cash-bonus bidding system without royalty or other fixed payments. Such a system would both maximize the economic rent and minimize the administrative costs.

(2) While oil prices remain low, existing wells should be filled with as much of the low-priced imported crude as they will hold. Steps should be taken to capitalize on the present situation to realize our Strategic Petroleum Reserve, now targeted for at least 750 million barrels.

(3) We urge passage of the National Gas Policy Act Amendments which the DOE has introduced to the Congress. It is our hope that the present administration will commit itself to the complete decontrol of domestic natural gas prices.

(4) The Power Plant and Industrial Fuels Use Act, which bans the outright construction of new gas-fired electric utility and industrial boilers, and which is aimed at the elimination of all use of gas as boiler fuel by 1990, constitutes a grave disruption of the market's supply and demand. The law made no sense when Congress passed it in 1978. It makes even less sense under a liberated natural gas market. It should be repealed.

(5) Congress, likewise should be urged to drop its legislative barrier to the exportation of North Slope Alaskan Oil. American consumers ultimately bear the considerable cost of shipping about half of Alaska's oil production to the Gulf and East Coasts.

The glut of Alaskan oil, which cannot be legally exported to eager foreign customers, including Japan, put a damper on California oil production even before Middle Eastern oil prices started to fall.

In these days of widespread concern over the U.S. trade deficit, Congress has a golden opportunity to reduce our balance of trade with Japan and the rest of the Far East while gaining about $1 billion dollars for the federal treasury. Allowing the exportation of Alaskan oil would also eliminate the costly and wasteful tanker traffic imposed on consumers in the East and the South and would render unnecessary the construction of the Puget Sound Pipeline to the Midwest.

There is much fear an concern over the nation's tendency to increase oil importation at the risk of becoming dependent on others for this vital commodity—petroleum. This of course has been heightened as failing world prices make higher priced domestic petroleum less attractive or economically unfeasible. Though we need to be mindful of becoming too dependent upon unpredictable supplies, I hasten to point out that petroleum is available from many parts of the world. Ample supplies exist in our own hemisphere. Stimulation of production of overall world supply will be enhanced by free market policies. This includes the economic decision to export our own petroleum from the Northern Slope while importing lower priced supplies from Mexico to serve the lower continental U.S. These practices would not constitute locking ourselves into dependence. This is simply smart economics.

(6) Co-generation is once again becoming a viable portion of our total energy mix. There is a need for further development of this valuable power source, but here again, market forces should prevail. The principles of supply and demand must govern the production and sale of co-generated power. Tax subsidies should not be the incentive to produce power in this way, for they create an artificial supply. Likewise, laws forcing utilities to purchase excess power whether it is needed or not, produces an artificial demand. Negotiated prices and agreements should prevail between buyer and seller of co-generated power.

(7) Legislative barriers to the development of nuclear power generation, as well as the use of our plentiful coal supplies, should be lifted. Environmental controls can be made more flexible without damanging the land or lowering air quality.

With regard to coal, the role of government should involve a concerted effort to simplify strip-mining regulations and make the Clean Air Act regulations more realistic and flexible.

With regard to nuclear, which, in spite of the undeserved adverse treatment by the news media, enjoys an excellent safety record in this country, government needs to avoid getting sidetracked and get back to the basic truth that nuclear power is safe, environmentally clean, and cheaper than either coal or oil. It alone offers our greatest assurance of energy independence.

The licensing process needs a complete overhaul if it is to become a truly workable timeframe for construction. Standardizing plant design could be part of the solution.

(8) The Department of Energy has a mandate to provide for the long-term disposal of high level nuclear waste. It is evident that the technology is in hand today to carry out this task with complete safety. Delays in going forth with this project on schedule, only gives the anti's more leverage in their interruption of construction progress on power plants underway today.

I sincerely hope that the DOE will not only pursue those tasks under its own jurisdiction with regard to energy production but will become an effective advocate within other government agencies such as the EPA and the Department of the Interior and the DOT.

Wise national energy policy, if it is to ensure sufficient energy production for both economic growth and national security, must be clear and bold. Surely it must protect us from dependence upon any single source from within or without. Such a policy, then, must include a varied energy mix and a realistic eye on the future, which may even find us in a world that has found a way to enjoy progress without petroleum. We must deal with the reality of today but we must do so with our vision fixed on tomorrow. As the new Chairman of the Federal Trade Commission, Daniel Oliver, recently observed, "Competition is the enforcer of efficiency, the igniter of innovation, the moving force behind our economic engine of plenty." It is my sincere hope that this Administration through your agency the DOE will succeed in convincing members of Congress that free enterprise is the only way to ensure that our engine of plenty keeps humming along. Thank you.

ALASKA NATIVE CLAIMS SETTLEMENT ACT AMENDMENTS OF 1987

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. YOUNG of Alaska. Mr. Speaker, I am introducing legislation today to provide for necessary amendments to the Alaska Native Claims Settlement Act which will clarify future land and stock ownership rights under the act. The legislation introduced today is identical to legislation which was reported unanimously by the Committee on Interior and Insular Affairs last year and which passed this body without opposition on July 28, 1986.

For the benefit of our colleagues, I intend to briefly describe the background of this legislation and its major provisions.

Sixteen years have passed since the Alaska Native Claims Settlement Act of 1971 was signed into law by President Nixon. The Settlement Act of 1971 was a bold, far-reaching land claims settlement act. ANCSA represented an important change in traditional Federal Indian law, since Congress chose to have the act administered by Native corporations organized under State law instead of creating reservations found in other States. Under the law, the land would be transferred to these corporations, which would be given 20 years of protection from sale and certain property taxes. This 20-year period was intended to provide the corporations with time to develop economically without the pressure of corporate takeovers.

The intent was stated in section 2(b) of ANCSA, which is not changed under this legislation. Section 2(b) states in part: "The settlement should be accomplished rapidly, with certainty * * * without litigation * * *"

The protections of ANCSA were for 20 years, but also called for expeditious conveyances, "without extensive litigation." Fifteen years after ANCSA, lands remain to be conveyed and litigation still hampers some selections and conveyances.

Mr. Speaker, it is important to remember in this context that the land title claims were settled immediately and completely and were not limited to 20 years.

As the 20-year deadline draws near, there has been a great deal of concern in Alaska Native communities that the unrestricted sale of stock could result in the loss of lands conveyed under the settlement act. The possible loss of land from Native ownership is of paramount concern to the Committee on Interior and Insular Affairs, which unanimously reported this bill last year. It is the reason for this legislation.

To address this concern, the legislation would provide for the continuation of restrictions contained in ANCSA, unless an individual Native corporation takes certain actions to eliminate or modify the sale restrictions. Dissenter's rights are provided where the corporation elects to continue stock restrictions. In addition to clarification or corporate share ownership rights, the bill provides for land ownership protections in the form of statutory protections similar to those now in the Alaska Land Bank Program.

Finally, as I stated throughout consideration of this bill during the previous Congress, this legislation does not deal with governments. It deals solely with stock and land ownership. There are ownership issues of private individuals and corporations—not governments.

The bill does not affect government powers, grant new lands or funds, and does not have any significant fiscal impact on the Federal Government.

Many individuals and groups in Alaska have spent a great deal of time and effort over the past 5 years in considering responses to the 1991 deadline. Through a series of villages meetings, workshops, and special conventions, Alaska Natives have deliberated and made many difficult decisions which resulted in proposals to Congress. From there, this legislation was considered, changed in some respects, and then was the subject of congressional hearings in Anchorage, Fairbanks, and Washington, D.C., during the past year. An identical bill to the legislation introduced today passed this body without opposition on July 28, 1986.

Mr. Speaker, these amendments are intended to respond to the concern of rural Alaska and to maintain the intent of the Alaska Native Claims Settlement Act. Nothing more, nothing less. It is my belief that we must act to provide flexibility for the villages in rural Alaska if the intent that brought us the settlement in 1971 is to be maintained.

We have the opportunity to make the Settlement Act work better to meet the needs of Alaska, especially rural villages.

For these reasons, I urge my colleagues to support this legislation.

H.R. 1, THE WATER QUALITY ACT OF 1987

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. FIELDS. Mr. Speaker, as someone who has consistently supported efforts to ensure a clean and safe environment, I am proud to join with our colleagues, Congressmen JIM HOWARD, BOB ROE, JOHN PAUL HAMMERSCHMIDT, and ARLAN STANGELAND, in sponsoring H.R. 1, the Water Quality Act of 1987.

This bill, which is the product of several years of hard work, is virtually identical to legislation which unanimously passed both bodies of Congress last year.

The fundamental purpose of this legislation is to reauthorize the landmark and historic Federal Water Pollution Control Act.

This law, better known as the Clean Water Act, is one of our most important and prominent environmental statutes. Since its enactment in 1972, impressive strides have been made in cleaning up thousands of lakes, rivers, and streams throughout this Nation.

Mr. Speaker, with its introduction today, H.R. 1 gives us the opportunity to renew our commitment to the national goal of making all of our waters fishable and swimmable for the benefit of every American.

While there are a number of key provisions contained within this legislation, including an extension of the Federal Wastewater Treatment Program, I will confine my remarks to the specific portion of this bill dealing with the Federal Clean Lakes Program.

Incorporated within section 315 is important language to improve water quality in Lake Houston, which is located in my congressional district.

Mr. Speaker, Lake Houston is a 12,000-acre manmade lake located within Harris County, TX. Owned by the city of Houston, it was created to provide residents with an alternative source of drinking water to replace the area's rapidly depleting ground water supply.

Based on current needs and projections, it is expected that the lake will continue to provide drinking water to some 40 percent of the city's population.

As the Member of Congress who proudly represents the Lake Houston area, I have long recognized the importance of this vital watershed in providing both safe drinking water and recreational opportunities for thousands of my constituents.

For these reasons, I have viewed with alarm the periodic increases of fecal coliform bacteria in the lake. In fact, at one point the Houston Water Department found that 12 out of its 14 sampling locations around the lake exceeded the pollution standards for water used for contact recreation.

While water quality in the lake has fluctuated in recent months, the problem of fecal coliform bacteria remains a serious and unresolved matter.

In response to this problem, I introduced legislation in the last two Congresses, including most recently H.R. 790, the Lake Houston Water Quality Improvement Act of 1985. In addition, I have worked closely with the members of the House Public Works and Transportation Committee.

Mr. Speaker, I am extremely grateful that my efforts on behalf of Lake Houston have been included within H.R. 1. I am convinced that once enacted this language will have a very positive and significant impact on water quality in this vital watershed.

Mr. Speaker, as currently written, Lake Houston has been selected as 1 of 11 major nationwide projects which will participate in a new and innovative lake water quality demonstration program.

The purpose of this multifaceted program will be to: First, develop cost-effective technologies for the control of pollutants in order to preserve or enhance lake water quality; second, control nonpoint sources of pollution; third, demonstrate evironmentally preferred techniques for the removal and disposal of contaminated lake sediments; fourth, develop improved methods for the removal of silt, stumps, aquatic growth, and other obstructions which impair the quality of lakes; and fifth, construct and evaluate the use of silt traps or other devices to prevent or abate the deposit of sediments in our lakes.

In addition, it will evaluate the feasibility of implementing consolidated pollution control strategies such as regional wastewater treatment plants.

While I do not intend to prejudge the findings of this program, it is clear that the more than 200 wastewater treatment plants that are located in and around Lake Houston have had a tremendous impact on this watershed. It is these plants, or at least some of them, which have been identified as the source of the pollution problem.

In order to carry out this important demonstration program, H.R. 1 authorizes an appropriation of $40 million which will be available until expended.

Mr. Speaker, with the enactment of my Lake Houston Project, we will not only guarantee the water quality of this lake but we will prevent the development of a hysteria that Lake Houston is a dirty, polluted body of water.

Mr. Speaker, Congress made a commitment to the American people through the Clean Water Act that the Federal Government would improve and maintain the highest quality of our precious water resources.

I believe passage of the Water Quality Act of 1987, H.R. 1, will continue that vital commitment to both our Nation and to the people of the Eighth Congressional District. We must ensure that in the years ahead our rivers, lakes, and streams are safe and pure for all Americans.

I would urge my colleagues to join with me in supporting the early and expeditious passage of this most important legislation.

Thank you, Mr. Speaker.

BALANCING THE FEDERAL BUDGET

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. SHUMWAY. Mr. Speaker, today I am reintroducing legislation to provide for a constitutional amendment requiring that the Federal budget be balanced, while also providing for the systematic repayment of the national debt.

Economists across the spectrum of philosophies agree that the deficit is our primary economic problem as it siphons away valuable resources which could be used to fuel private sector economic expansion. Unfortunately, however, there exists no corresponding consensus of opinion as to how that deficit should be reduced.

Much as I would like to see Congress curtail spending on its own accord, the record indicates that such is not likely to be the case. Our so-called Gramm-Rudman exercise during the last Congress has made that quite clear. Confronted with a statutory mandate to achieve a deficit limit, Congress indulged in creative bookkeeping and hocus-pocus to reach that limit. On paper, the outcome may have met the spirit of the law but, in practice, little was done to bring the budget into balance. Long before Gramm-Rudman, there were numerous statutes on the books requiring budgetary balance which were routinely ignored.

The balanced budget amendment I support mandates that Congress spend no more than it takes in except during time of war or emergency, or if three-fourths of both Houses of Congress vote to suspend the balanced budget requirement. The measure also provides for the systematic repayment of the national debt over a period of 100 years. Only through these measures may Congress' fiscal irresponsibility be harnessed and the resources held captive by our national debt be released to fuel latent and future economic growth.

I have supported the balanced budget amendment concept since my initial election to Congress, and the time has definitely come for adoption of a balanced budget amendment. With presentation to Congress of the administration's fiscal year 1988 budget proposal of $1.02 trillion containing a projected deficit of $107.8 billion, further delay in adopting this measure will merely serve to further Congress' wild spending habits that seriously impair the functioning of the American economy.

MILK PRODUCERS PROMPT PAYMENT ACT

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. McDADE. Mr. Speaker, I am reintroducing legislation today, the Milk Producers Prompt Payment Act, which is designed to provide dairy farmers with a strong measure of security and control over their own production and to help protect dairymen from large losses due to dairy handler bankruptcy or mismanagement.

I introduced this legislation during the past two Congresses, and am reintroducing it because it offers a responsible solution to a serious problem in the dairy industry. I encourage my colleagues, particularly those who serve on the Agriculture Committee, to give this legislation strong consideration.

My legislation has two main provisions: A Milk Producers Trust and Prompt Payment for Milk. Both sections of the bill ensure that the dairyman owns his produce until payment has been received and that the dairyman can count on promptly receiving payment for his labor.

The prompt payment provision requires a handler to pay the full cash price to the producer within 1 day of receiving the milk, unless agreed otherwise. While this provision alters the current marketing order system, it points to the need to closely examine current payment practices and look for possible reforms so that producers will receive timely dairy payments.

The serious problem financial exposure in the event of a dairy bankruptcy is addressed in the milk producers trust portion of the legislation. My proposal provides that all milk purchased from a U.S. producer by a handler in a cash sale, and all inventories and proceeds and related products, shall be held by the handler in trust for the producers until the producer receives full payment. The legislation exempts handlers whose total annual milk purchases do not exceed $500,000.

The legislation establishes, at no cost to the taxpayer, a mechanism to reduce the amount of exposure of the dairyman. Dairy bankruptcies are a nationwide problem, and our current bankruptcy system discriminates against the dairymen, leaving them as the least favored, most exposed creditors.

In my Congressional District in northeastern Pennsylvania, dairymen were stuck with multi-thousand dollar IOU's when the Scheps Cheese Dairy went into bankruptcy a few years back. Had my legislation been in place prior to this bankruptcy, individual losses to dairymen would have been significantly lower. The proceeds from the sale of the dairymen's products would have been held in a separate trust for their benefit. In addition, the financial community would have been more involved in the operation of the dairy and would have paid closer attention to its operation and management.

The Milk Producers Prompt Payment Act has the support of the Pennsylvania Farmers Association, the Pennsylvania Farmers Union and the Pennsylvania State Grange. The problem of dairy bankruptcies, however, is not confined to Pennsylvania. It is a potential nationwide problem. I encourage my colleagues to act now to protect dairy producers throughout the country by cosponsoring my legislation.

THE MICHIGAN WILDERNESS HERITAGE ACT OF 1987

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. KILDEE. Mr. Speaker, I am pleased to be the sponsor of the Michigan Wilderness Heritage Act of 1987. This bill is virtually identical to H.R. 148 which the House passed overwhelmingly in the last Congress. The bill designates as national forest wilderness some 92,000 acres, less than 3.3 percent of Michigan's 3 national forests. Michigan, with more Forest Service land than any other State east of the Mississippi River, currently has no national forest wilderness.

The 11 areas to be designated wilderness include unique examples of Michigan's varied flora, fauna, and geography. Some of the last remaining stands of virgin forest in Michigan and the many rare and threatened plant species found in these areas provide habitat for bald eagles, moose, black bear, white-tailed deer, sandhill cranes, great blue herons, and many other varieties of wildlife. The areas contain river canyons hundreds of feet deep filled with wild rivers, waterfalls, and wetlands; lakeshore sand dunes and beaches; winter ice caves and chains of granite-rimmed lakes.

I am pleased that a bipartisan group of 11 of my collegues in the Michigan congressional delegation have joined me as original cosponsors of this measure. The bill is also supported by Gov. James Blanchard of Michigan, the Sierra Club and Wilderness Society, as well a the Michigan Forest Products Industry Development Council. The Forest Products Council, composed of representatives of the major timber-producing and timber-using companies in Michigan, advises Governor Blanchard in his efforts to expand Michigan's timber industry. The council's support for this measure demonstrates an understanding by the timber industry that the designation of these small wilderness areas will not adversely effect the continued growth of the timber industry in Michigan. The 92,000 acres in the bill comprise less than two-tenths of 1 percent of Michigan's commercial timber land.

Mr. Speaker, from the very beginning we have tried to strike a balance with this legislation between the development and the preservation of Michigan's majestic forests. The bipartisan support in Congress and the support of both the environmental groups and the timber industry, indicates that we have achieved that balance.

ENGLISH SHOULD BE NATIONAL LANGUAGE IN THE UNITED STATES

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BROOMFIELD. Mr. Speaker, today I have introduced legislation proposing an amendment to the Constitution declaring that English be made the official language of the United States because of growing concerns that the future of the United States could be one of many minorities, each speaking their own native tongue, in a divided, polygot nation.

In California, a State which has large Hispanic and Asian-American minorities living in neighborhoods where English is not even spoken or seen, voters approved a measure that would make English the official language of the State.

Many Americans around the country, including myself, share the concerns of Californians, and fear that our country could become divided by cultural and language barriers. Bilingual and multilingual ballots, education, and other services, allow many minorities to avoid the need to know English. These programs allow people who don't know English to be isolated from the rest of American society, and to possibly be taken advantage of.

While these initiatives have been partially helpful in insuring that minorities vote and get a proper education, that also have served to retard their need to know and use English. Some critics charge that many of the bilingual education programs, which seek to keep immigrant and minority children on an educational par with their peers, have failed. These same critics charge that the process of educating children in their native tongue, while at the same time teaching them English as a second language is counterproductive.

My resolution will prevent the gradual erosion of the use of English and will insure its preeminence, but it would not interfere in anyone's desire to keep their native tongue, and to use it in their neighborhood or home.

I urge my colleagues here in the House to support this important measure.

ERA REINTRODUCED

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. EDWARDS of California. Mr. Speaker, this year marks the 200th anniversary of our Constitution. This historic occasion is cause for both celebration and reflection. In Philadelphia in 1787, the framers created a document to address the problems facing them at the time, as well as unforeseen problems which might arise in the future. By designing a framework for government rather than a rigid set of rules and regulations, the Founding Fathers established a living legacy and assured our Nation of permanence.

Because of this vision, we have been able to grow from 13 "nation States" and a few million people to 50 States and 230 million people. We have made the transition from an agrarian society to a post-industrial, space-age society, weathered enormous political, economic and social upheavals—not without difficulty—but we have survived as a nation.

Take one example: the delegates to the Philadelphia Convention were lawyers, farmers, and merchants. All were white; all were landowners. Women couldn't vote; slavery not only existed, but was recognized and in some degree protected by the Constitution. And yet, partly through the amendment process, and partly through interpretation of the original Constitution, we have seen the groups of people brought within its protection expand. That is cause for celebration.

However, one group of Americans still is not completely within the protection of the Constitution, even though that group represents over half the population of the Nation. American women still are not fully included in the constitutional guarantees enjoyed by the rest of our citizens. This is a situation that can only be rectified by enactment of the equal rights amendment.

Thus I believe it is particularly fitting that we begin the 100th Congress and the year of the Constitution's bicentennial with the introduction of the equal rights amendment. Women will achieve equality only when they are guaranteed the fundamental protections afforded by our Constitution. I am proud to introduce the ERA today, along with my colleagues from both sides of the aisle who agree with me that this measure is needed now more than ever.

SALARIES OF FEDERAL JUDGES IN THE JUDICIAL BRANCH

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Ms. OAKAR. Mr. Speaker, last year in the 99th Congress, I introduced legislation which would amend the Federal Salary Act of 1967, and title 5 of the United States Code. Today I am reintroducing H.R. 753, because it was not acted upon in the last Congress. The purpose of this legislation is to transfer the authority to determine the pay classification of Federal Administrative Law Judges [ALJ's] from the Office of Personnel Management [OPM] to the Commission on Executive, Legislative, and Judicial Salaries.

Administrative law judges occupy a unique position in our Federal work force. They are judges serving in the executive branch who have existed since the days of George Washington, when officers were appointed to figure import duties and determine which soldiers were disabled. They hear and decide the appeals from the millions of decisions made by our Federal agencies each year, dealing with everything from the payment of social security benefits to the regulation of utilities, the media and interstate commerce.

There are currently more than 1,000 ALJ's, serving in approximately 29 separate agencies and working under the auspices of the administrative procedure act and other Federal statutes. Unlike most other Federal employees, administrative law judges are considered personnel of the agency to which they are appointed, but they are selected by the OPM through a competitive examining process which is independent of any agency recommendation or rating. In addition, their compensation is removed from agency control, appraisals of their performance by OPM is prohibited; and they can only be removed from office after a hearing establishing good cause before the Merit Systems Protection Board.

Administrative law judges also occupy an important place in our constitutional system. While they are not appointed in the same manner as judges in our Federal judiciary, they are, nevertheless, vested with the same responsibilities for maintaining the integrity of our judicial system, as are the judges commissioned pursuant to article III of the Constitution. More importantly, administrative law judges generally perform the same duties as do trial judges in our Federal courts. As triers of fact and law, their job is to ensure that agency rulings are legal and fair, and that our citizens are afforded due process of law.

The U.S. Supreme Court has recognized the special character of administrative law judges. In *Butz* v. *Economou,* 438 U.S. 478 (1978), the Court held that ALJ's are "functionally comparable" to judges employed in the judicial branch, and the Court conferred on them absolute immunity for judicial acts.

Over the years, we in Congress have also been concerned with the unique position of administrative law judges in both the career Federal service and our judicial system. Legislative history clearly demonstrates congressional concern and action to preserve the functions of administrative law judges and their freedom from agency influence and control.

In passing the Civil Service Reform Act of 1978, we in Congress expressly excluded administrative law judges from the senior executive service (SES), recognizing that performance evaluations and pay bonuses are incompatible with the decisional independence required of an administrative law judge. ALJ's are, therefore, classified under the general schedule (GS) pay system. However, ALJ's are prohibited by statute from receiving merit pay increases or other bonuses for outstanding performance and, in fact, are excluded from any performance evaluations. These exclusions are necessary and proper in order to avoid exposing administrative law Judges to conflict of interest situations. ALJ's need to be independent and impartial in rendering their decisions. To be impartial, however, requires that administrative law judges be free from all political and employment pressures and control.

Mr. Speaker, impartiality is what this legislation seeks to assure. We have all seen the reports that some agencies are allegedly pressuring their administrative law judges to reject appeals. We have read that some agencies may even have quotas on the number of claims which are granted, and that others are supposedly threatening to dismiss or otherwise penalize administrative law judges who grant too many appeals. In fact, one group of ALJ's has filed suit against an agency precisely on these grounds. Such allegations, especially if true, do nothing but undermine public confidence in our Government. They strike at the heart and very foundations of our system of justice.

These reports also point out a continuing need to keep the administrative law judges independent and free from improper control by the agencies to which those judges are assigned, as well as from arbitrary actions of the OPM. Congress has always recognized the efficacy of an independent administrative judiciary. Such independence serves to structurally insulate ALJ's from the potential of agency retaliation for their decisions. To reassure private litigants to the impartiality of the ALJ employed by the opposing agency, to enhance the credibility of the administrative process, to remove any appearance of impropriety, and to maintain public confidence in the administrative process, Congress must continue to foster the independence of administrative law judges.

Mr. Speaker, this bill creates no new obligations, rights or privileges. It follows on recommendations of the Federal administrative law judges conference and the judicial administration division of the American Bar Association. It is needed to solidify the independence of ALJ's. To retain administrative law judges on the GS pay schedule tends to encourage their agencies to view them as other Government employees and to deal with them as such. Moreover, it nurtures unnecessary tension among ALJ's and other agency personnel who take an adversary role in litigation before them. Such dealings impede fair and impartial dispensing of justice. It is entirely appropriate, therefore, that the pay classification of administrative law judges be determined by an outside source—the Commission on Executive, Legislative, and Judicial Salaries—which has, for years, studied and recommended the salaries of Federal judges in the judicial branch.

INTRODUCTION OF THE INDIAN GAMING REGULATORY ACT, JANUARY 6, 1987

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. RICHARDSON. Mr. Speaker, I am introducing today a bill entitled "The Indian Gaming Regulatory Act." This bill contains the text of H.R. 1920 as it passed the House in the 99th Congress. Hearings were held in the other body on the issue of Indian gaming. No final action was taken, however, on this legislation. Indian gaming has turned out to be a highly controversial issue. The version of the Indian Gaming Regulatory Act which successfully passed the House represented a successful compromise between two extreme positions on the regulation of Indian Gaming. I am reintroducing this legislation because I believe that the compromise which was achieved is a significant one. Indian gaming endeavors are growing more and more complex. I believe that legislation must be passed in order to resolve a number of previously unaddressed problems. I urge my colleagues to support this legislation.

Interest in Indian gaming has soared over the past few years. As Federal resources decline, Indian tribes are searching for ways to replace Federal sources of funding in order to meet their needs. In New Mexico, the Sandia, Acoma, and Tesuque Pueblos have turned to bingo as a source of tribal revenue to support their tribal governments and tribal programs. On the Sandia Pueblo, for example, "Sandia Indian Bingo" has been responsible for reducing reservation unemployment to about 3 percent.

Congressional debate on Indian gaming started in order to ensure that organized crime was not able to infiltrate Indian gaming operations. Other concerns have since entered the debate. It is necessary, for example, to ensure the general public that they are participating in a fair and honest game. And, there is also a movement to see that State interests are accommodated by requiring tribes to comply with existing State gaming laws in the States where they are located. This issue is further complicated by issues of tribal sovereignty and Federal trust responsibility. This bill is a compromise which allows for the resolution of regulatory disputes over class I and class II gaming. It also provides for further consideration of all of the complex problems associated with the regulation of class III gaming, prior to further congressional action.

The Indian Gaming Regulatory Act would establish an eight-member National Indian Gaming Commission to regulate and monitor gaming operations on Indian reservations. The Commission would, among its other duties, approve any management contract entered into by the tribes for gaming operations. It could also inspect and examine all premises where Indian gaming is conducted, as well as inspect, examine, and audit all papers, books, and records of the gaming operations. Seventy-five percent of the funds for the Commission would come from assessments on Indian gaming activities—the remaining 25 percent would come from congressional appropriations.

The bill establishes three classes of gaming activity:

Class I—defined as social or traditional Indian gaming, which would be left solely to the jurisdiction of the tribes.

Class II—defined as bingo and similarly related games, which would be required to meet standards set by the Commission; and

Class III—defined as all other forms of gaming, including casinos and horse and dog racing.

Under this bill, class III gaming would be placed under a 4-year moratorium. No new class III gaming would be allowed during this 4-year period—the Secretary of the Interior is directed to identify and prepare a list of each separate class III gaming activity actually operated on Indian lands as of January 1, 1986. No further class III gaming operations would be allowed, and the existing operations would not be permitted to expand to other forms of gaming. Existing operations would be subject to a regulatory scheme substantially equivalent to those of the State within whose boundaries such gaming occurs.

During the 4-year moratorium, the Comptroller General would conduct a study of class III gaming on Indian lands, and submit that study to Congress. This study will include an assessment of whether the tribes, the States, or the United States is the best regulator of class III gaming on Indian lands; an assessment of the benefits and problems arising out of regulation by each of these three entities; an analysis of the activities of the Commission and, an analysis of the regulatory alternatives which the Comptroller General determines are appropriate for regulating class III gaming on Indian lands, including a recommendation of the best alternative. This study would then give the Congress some concrete information upon which to base further regulatory action.

I urge my colleagues to support this bill. It is the outcome of a complex set of negotiations aimed at this kind of compromise. I believe that it addresses many of the concerns inherent in discussions of Indian gaming. It sets up a commission which will allow tribes to operate class II gaming operations, such as bingo, free of organized crime. It ensures that the general public participating class II games are participating in fair and honest activities. It also suspends further regulatory action on class III gaming until the Congress has had an opportunity to seriously consider all of the aspects of this kind of gaming activity. The bill does not turn regulation of class III gaming over to the States, nor does it allow the tribes to enter into gaming operations with no regard to the concerns of local communities and States in which their reservations are located. I firmly believe that this bill presents a balanced and fair approach to the complex problems of Indian gaming, and I urge my colleagues to act quickly on it.

THE STATE OF MANUFACTURING IN THE U.S. ECONOMY

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. GRADISON. Mr. Speaker, much is being said about the state of the manufacturing sector in the U.S. economy, and much of it is wrong. While setting the record straight never ensures against our making bad public policy, one can always hope for some positive impact. In this context, I would like to call my colleagues' attention to the following article, reprinted from Monday's Wall Street Journal. It was written by Kenneth H. Bacon.

THE CASE AGAINST DEINDUSTRIALIZATION

The notion that the U.S. is deindustrializing and becoming a nation of hamburger flippers, retail clerks and copying machine mechanics echoes through today's political and economic debate. High imports, plant closings and growing employment in service industries combine to generate the impression that the U.S. is losing its industrial base and its ability to manufacture goods that can compete in the world economy. "We can't afford to become a nation of video arcades, drive-in banks and McDonald's hamburger stands," warns Chrysler Corp. chairman Lee Iacocca.

Steel and some other basic manufacturing industries are retrenching, but on the whole the deindustrialization theory exaggerates the problems of manufacturers and the structural change that is taking place in the economy. According to a study from the Bureau of Labor Statistics, the nation's manufacturing sector is, on the whole, healthy, and by one important measure—productivity growth—manufacturers are doing better than the rest of the economy.

"The shift to a service economy isn't really evidence of a declining industrial base, or 'deindustrialization,'" according to an analysis by Ronald E. Kutscher and Valerie A. Personick of the BLS. "The shift has largely been a relative one. Employment in the manufacturing sector in absolute terms hasn't declined appreciably over the last two decades (except cyclically), and the most recent projections by the Bureau of Labor Statistics show manufacturing employment recovering most of its current recession-related losses. Furthermore, while employment in manufacturing is still off its previous peak, the same isn't true for output. Manufacturing production in real terms has bounced back from the recession and by 1984 had reached a new peak level, hardly proof of a loss of our industrial base," they wrote in the June Monthly Labor Review.

A December report by the Committee for Economic Development, a business-supported research group, reaches the same conclusion. It notes that productivity of manufacturers has been rising at a 4.2% annual rate during the current recovery, compared to a rate of 0.9% for non-manufacturing businesses.

"The absolute increases in manufacturing productivity and output don't support the case for a rapidly eroding industrial base. Instead, they are evidence that the structural shift in the economy from manufacturing (and other goods-producing industries) to services has for the most part been a relative one and has occurred primarily in employment" rather than output, according to the CED report, entitled "Work and Change: Labor Market Adjustment Policies in a Competitive World."

Employment in goods-producing industries, which includes manufacturing, agriculture, mining and construction, rose slightly to 29.6 million in 1984 from 27.1 million in 1959. But as a share of the total work force, employment in goods-producing industries fell to 27.7% of the total work force from 40% over the same period, while workers in service industries rose to 72.3% of the total from 40%, according to Labor Department figures.

On their face, these figures support the idea that the U.S. is deindustrializing and moving toward a service economy. But the CED stresses the importance of considering changes in productivity and output as well. Edward Guay, the chief economist at Cigna Corp., notes that "the manufacturing sector has achieved productivity in an otherwise unfavorable environment by displacing workers at an unusually high rate, contributing to regional social and political problems while trying to survive."

If politicians focus only on changing employment ratios, they will mistakenly conclude that manufacturing is shrinking rather than working to modernize and improve efficiency. In fact, the CED points out, between 1973 and 1985 the manufacturing share of gross national product has remained virtually stable at close to 22%, while manufacturers' share of total employment fell to 20% last year from 26% in 1973.

The CED fears that if Congress leaps to the conclusion that the U.S. is losing its industrial base to foreign competition, it might enact protectionist legislation or other measures to slow change. Instead, the CED recommends private and public measures to encourage adjustment and industrial renewal—greater emphasis on productivity, new incentive compensation programs, better education and job training and changes in the unemployment program to encourage quicker reemployment.

"What we are in danger of losing sight of is the fact that as the U.S. restructures to become more competitive, 'old' work is eliminated and 'new' work created," the CED report says. "Unfortunately, too much of the current debate over structural economic change is focused on the fear of change, and not enough on the employment opportunities being created, nor on the conditions needed to support the successful transition from old to new work. The danger is that policy makers will underestimate not only the tough competitive realities facing American companies, but also the necessity of timely action, and the ability and willingness of people to benefit from change."

Mr. Guay, for one, sees brighter days for manufacturers. In particular, he expects improved exports "because the U.S. is a major supplier of capital goods and spare parts to the developing world," where the lower dollar will help U.S. companies regain market share lost to foreign firms. "The two and a half lean years for real manufacturing pretax returns will be followed by two and a half relatively fat years," he predicts.

PETER J. McDONOUGH, JR.

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. GALLO. Mr. Speaker, in each of our lives, there is a small group of special people who are at the right place and at the right time for us. These individuals become more than employees or coworkers, they truly become our friends.

Peter J. McDonough, Jr., who has been my administrative assistant during the 99th Congress, has returned to New Jersey to become a partner with the Princeton Public Affairs Group.

Our close working relationship over the years has meant a great deal to me.

When I came to Washington as a freshman Congressman in 1984, I was very pleased that Pete agreed to leave his position as executive director of the New Jersey General Assembly to be my administrative assistant.

His dedicated service during the critical time when I was hiring staff and setting up my congressional offices was a very important factor in my efforts to build a solid record as whip of the freshman class.

Pete became executive director of the New Jersey General Assembly in 1983, when I was the assembly Republican leader. I could say that I made him the executive director, but I think it would be more accurate to say that he earned the job through hard work and dedication.

And, to be sure, he had a tough act to follow. His predecessor, Joe Gonzalez, had been with the Assembly Republicans for more than a decade and had built the staff from two people to more than a dozen professionals. His expertise and skills made him very hard to replace.

Pete, who was Joe's assistant, was no stranger to government or to policies. He stepped into a very important job at a critical time and literally hit the ground running—not only with the statehouse, but on every 5-and-10 mile course anywhere near Trenton.

He ran for trains, ran in marathons, and ran a tight ship in the Republican Assembly offices.

Pete applied his earlier experience to the job and his work with me at that time is much appreciated.

He had served as deputy communications director and research associate for the Assembly Republicans for a number of years. He was involved in political activities before that and has had a wide range of experience in public affairs and politics, serving in key positions as campaign coordinator for a number of New Jersey political races for more than a decade.

He also served as legislative agent and director of communications for the New Jersey Builders' Association and was editor of the Builders' publication Dimensions.

All of this experience will serve him well as he goes out on his own and if he attacks this new challenge the way he attacked his earlier assignments, I expect to be hearing great things about him—and from him—in the months and years ahead.

I am very pleased that Pete will be doing something that he has wanted to do for a long time.

I wish all the best to Pete, and I am sure that we will continue to have a close working relationship in the future.

LEGISLATION TO CLOSE DAMAGING LOOPHOLE IN U.S. PATENT LAW

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. MOORHEAD. Mr. Speaker, I would like to bring the attention of my colleagues a bill I am introducing today that, if enacted, will be of considerable benefit to our country because it will close a damaging loophole in U.S. patent law. A similar bill passed the House on suspension last year and also passed the other body. Under existing conditions, a patent is infringed only if the patented product or process is used, made, or sold in the United States. This is sufficient in the case of a product patent because any item produced overseas and sold in the United States effectively infringes on the patent holder's rights.

However, in the case of a process patent there is no effective way by which a patentee can prevent a firm from duplicating and using the protected process overseas and then selling the product of that process in the United States.

Process technology is important in the biotechnology industry, the electronics industry, and the pharmaceutical industry, among others. Recent examples of infringing imports involving process technologies include fiber optics and amorphous metals. During the last Congress we received many letters of support, one from the American Flint Glass Workers Union stating that they believed inadequate process patents protection has cost their industry alone upward of 50,000 jobs.

If a firm's investment is undercut in such a manner, it has two unreliable options available to protect its patented process from abuse overseas:

First, it can seek to obtain a patent in as many foreign countries as possible and then sue for infringement of its foreign patents in foreign courts when the process is used to make products which are then sold in the United States. This option is very inadequate because it is expensive and it is impossible to obtain effective protection in all of the countries in which the process might be used.

The other option open to the patentee is to seek relief from the International Trade Commission. While damages are not available to a patentee under the appropriate section of the U.S. Code, a patentee can seek a cease and desist order against a particular firm. Such an order may be issued by the Commission if it finds that the firm is violating or believed to be violating the pertinent section of the code. The patentee can also seek an exclusion order that would bar the importation of products made by this patented process if the Commission finds violation, again of the appropriate code section.

However, these options are not very helpful in providing the patent holder with adequate and fair protection because to obtain a cease and desist order or an exclusion order, a patentee must show not only the importation of a product made by his patented process, but also that the effect or tendency of such importation is to destroy or substantially injure a U.S. industry. Moreover, cease and desist orders against particular firms may not be effective where importation of offending products can easily find alternative channels.

And enforcement or exclusion orders by customs officials is complicated by the difficulty of identifying which products were made by patented processes and which were not. Thus, it is very difficult for a process patentee to obtain effective protection under current law where his patented invention is practiced overseas and the resulting product sold in the United States. This legislation will stop foreign competitors from taking a free ride on U.S. research at the expense of the U.S. patent owner.

Sections 2 and 3 of the bill make it a patent infringement to import not the United States or to use or sell in the United States products produced by a patented process. Section 4 exempts from liability for monetary damages infringers other than manufacturers who lack knowledge or notice of the infringement. Section 5 places the burden of establishing that the product was not produced by the patented process on the alleged infringer in certain circumstances. Section 6 makes the bill applicable to products produced or imported after the date of enactment.

This legislation will provide an injured U.S. company with a fair and reasonable opportunity to protect their local markets from this sort of international piracy.

THE FINANCIAL SERVICES COMPETITIVE ENHANCEMENT ACT OF 1987

HON. DOUG BARNARD, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BARNARD. Mr. Speaker, "great men, great nations, have not been boasters and buffoons, but perceivers of the terror of life, and have manned themselves to face it." Plainly, the time has come to heed Emerson's adage in the economic arena. Timid frittering over a litany of life threatening malfunctions in this area is the road to a crippled America.

None of these menaces is more pressing than in that economic sector encompassing our financial institutions.

The Japanese have almost driven our banks out of the world's top 10 list. The English, Canadians, Germans, Swiss, Swedes, and Norweigians have completely modernized their systems, through wholesale statutory and regulatory adjustments, to account for technological change and globalized markets. In contrast, our banking and other financial organizations remain mired in endless suits as they twist through thickets of outmoded laws to try to compete domestically and internationally. Worse, in many instances our financial institutions have less freedom to provide a broad range of services in the United States than foreign headquartered firms do. Worse still, in those instances, where the courts, or a growing number of States, find that the old statutory approaches can accommodate some modernized interpretation, the innovators are frequently accused of that great sin of "loopholeism" and rarely praised for "survivalism."

Moreover, there are those, such as trade associations with entrenched interests, who would cling to the ever more ancient regime of laws. This scheme atomizes financial services into compartmentalized entities, such as specialized brokers, banks, savings and loans, and insurance companies. Indeed, these forces will seek action on this floor to strengthen the obsolete and promote the anti-innovative. They point to the record bank and savings and loan failures as evidence we need tighter restraints placed on our financial institutions. They assert that current ills in these institutions are due to whatever new ideas have been able to penetrate the legalistic thicket and be put into action. They rarely give a nod to the opposite consideration that it is the very senility of our financial structure which has vastly contributed to these decaying conditions.

Their solution is not better day-to-day and case-by-case supervision of finance by the Federal Government, which is called for in the complex circumstances of rapid change—but rather, as many wholesale prohibitions against change as can be piled on.

They look away as the rest of the industrialized world marches into new economies of scope and into the opportunities for organizational agility and profit. All the while, they offer tired arguments about the wisdom of what they claim are the "philosophies" of such statutes as the McFadden Act of 1927, the Glass-Steagall Act of 1933, and the Bank Holding Company Act of 1956.

Indeed, some go so far as to say that if foreign interests are offering up too much competition internationally and domestically, simply exclude them from our financial markets. This conveniently forgets that it is the Empire of Japan and the free market nations of Europe which are floating this Nation, now the country with the biggest foreign debt in the world. It also is blind to the more productive solution—give our firms the tools to fight back.

Even as these forces would ignore the international economies of scope which technology offers, so too they would deny the American consumer and small or large businessman the potential savings of those same economies in domestic dealings. Their arguments play on a traditional fear of "bigness" and economic domination of the few by the many. Yet, these arguments slight the consequences in today's world.

The McFadden Act restricts bank branching but, in turn, also cripples automated teller machines.

The Glass-Steagall Act has resulted in considerable concentration of securities underwriting in ever fewer brokers. Under the act banks are restricted in distribution and underwriting competition for many new kinds of securities that have become possible with automation, including those to finance housing, small business, and municipalities.

The Bank Holding Company Act limits banks in insurance and vice versa, supposedly to forestall concentration of assets, but the enhanced synergies from dropping the limits—which academic studies show would lower premium rates for consumers—receives short shift all too often.

Finally, the Federal Government has been loading the financial sector with increasing burdens. For instance, it is requiring higher capital, higher taxes, and a laundry list of expensive, though often necessary, reporting requirements that is hard to imagine.

In this environment, the time has come to think about allowing financial firms—large and small—the flexibility to diversify, through lucid statutes and not haphazard court decision, so as to have the opportunity to make profits, improve their bottom lines, and attract new equity investors.

I must emphasize helping the small bank. Today, they are, in reality, constrained in their ability to diversify and are dependent largely on interest income instead of being free to develop other sources. In large part, this is due to the expenses of qualifying to be a bank holding company. Too little has been done along another route, more conducive to assisting them, the Bank Service Corporation—a device which has been underutilized because of current restrictions on their establishment and operation. Many of the problems small banks are now encountering in the Midwest, where banks have had to rely too heavily on loans, would be mitigated if this device was made more flexible.

I realize American finance is not as pure as Parsifal. The Subcommittee on Commerce, Consumer and Monetary Affairs, which I chair, has been second to none in its pursuit of abusive and loose financial practices. Yet, I also hold firmly to the belief that proper, close monitoring by the Federal supervisors is the really effective answer to improprieties—not straitjacket rules that defeat the synergies offered by technology.

In this spirit, today I have introduced the Financial Services Competitive Enhancement Act of 1987, H.R. 50. Basically, it authorizes broad new flexibility for banks, bank service corporations, and bank holding companies. I realize that it will not fully achieve the huge task of squaring American finance with today's world. For instance, much has to be done to adjust for the growing presence of a multitude of firms that have not traditionally been perceived as providers of financial services but which are diversifying into the area. They stretch from Ford to Gulf & Western. I have little doubt they will bring much needed capital strength with them. However, H.R. 50 is not so ambitious as to address this problem.

Nevertheless, I believe H.R. 50 is an excellent basis for opening discussion of modernization and trust it will serve as a catalyst for more proposals—including some further ones from me—to do what Emerson said great nations must do—perceive the terror of life and man for it.

PRESERVING THE SALT II LIMITS

HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. DICKS. Mr. Speaker, the forecast for progress in arms control in the immediate future is cloudy and threatening. And if the administration continues the direction it has recently followed, the damage to the process may be terminal.

I certainly hope that this does not come to pass. I hope that those elements in the administration who advocate a more constructive approach to this most critical challenge for modern man will ultimately prevail. But it is increasingly difficult to be optimistic while looking at recent developments.

At Reykjavik, the President missed an historic opportunity to achieve significant reductions in offensive strategic nuclear forces because of his refusal to be more open to moderating his plans for SDI. The irony is that the prospect that any form of SDI might eventually play a constructive role in reducing the chance of nuclear conflict is much greater if significant reductions can be achieved first.

Instead of constructively pursuing this avenue, the President chose to lay on the table a proposal for eliminating all ballistic missiles in 10 years, without any consultation with the Joint Chiefs of Staff. The potential implications of this proposal, and the even more radical proposal to completely eliminate nuclear weapons which he agreed to at one point, were fully discussed in a recent series of hearings held by the Committee on Armed Services. Suffice it to say that while they sound good on the surface, there are many problems with both proposals that could significantly undermine both our own security and stability.

Now, on top of the confusion and discord of Iceland, the administration decided to go forward with its threat to have U.S. forces exceed the numerical ceilings included in the SALT II agreement. With the deployment of the 131st cruise missile equipped B-52 bomber our forces have gone beyond the only limits that existed on the nuclear forces on both superpowers.

This represents a complete reversal of the policy followed for nearly 6 years by the Reagan administration. It was a policy that despite his initial misgivings with SALT II the President followed because in his own words, "The Soviets have the capability to increase weaponry much faster than the treaty permitted, and we don't."

This body took affirmative action last year in adopting an amendment I offered that would prohibit the use of funds to have U.S. forces exceed the SALT II numerical ceilings so long as the Soviets continue to do likewise. We recognized that there was little to gain from such a policy. We knew that it would not impair our strategic modernization plans. We knew that it would not prevent us from making an intelligent response to Soviet deployment of the SS-25 by developing our own mobile, single warhead missile, the Midgetman.

But we did conclude that serious risks accompany abandonment of the no-undercut policy. This body was not willing to rely on voluntary Soviet restraint, despite their enormous potential. The testimony of the Central Intelligence Agency that the Soviets could deploy up to 21,000 additional warheads by the mid-1990's was taken seriously. We recognized that SDI, in fact, provides a strong incentive for the Soviets to increase their force levels.

There was also concern with respect to the views of our allies. Predictably, their reaction to our exceeding the SALT II limits has been universally negative. And it has also provided a free propaganda weapon for the Soviets, which they will be more than willing to exploit.

Unfortunately, the House did not prevail in conference on this issue. The managers reluctantly agreed to nonbinding language in order not give any inkling that we were "tying the President's hands" before the Iceland summit. But the message from both House and Senate was very clear. The no-undercut policy makes sense and should be continued.

Those of us who worked last year to secure passage of this amendment made clear that it was our intention to continue to pursue this issue. We are determined to do all we can to preserve the only limits that exist on stragetic nuclear weapons unless and until a better agreement can be reached. That is why I am proud to join a distinguished bipartisan group of cosponsors who have been actively involved in arms control issues in reintroducing legislation that will restore U.S. forces to the SALT II ceilings, so long as the Soviets continue to observe them as well.

There have been recent questions raised by some as to whether the Soviets are in fact continuing to observe these limits. These are serious questions that deserve close examination. If we have concerns, we need to pursue them vigorously in the established channels in the standing Consultative Commission. If we can not secure satisfaction then we must reconsider what our best response should be. But in doing so, we should remember that the Soviets have in fact withdrawn or dismantled over 1,000 weapons launchers to date in order to maintain these ceilings. They have done us no favors, but they have not ignored the limitations.

Our hope is that there will be an early opportunity for the Congress to act on this issue, before it is too late to restore the critical predictability these limitations provide to the force planners on both sides and the foundation for the kind of real progress in arms control that all Americans from the President on down so fervently desire.

THE FIRST YEAR OF THE BICENTENNIAL ERA

HON. LINDY (MRS. HALE) BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mrs. BOGGS. Mr. Speaker, the convening of the 100th Congress today coincides with the beginning of the Bicentennial commemoration of the founding of our Federal Government that will extend until 1991. Two hundred years ago, in the summer months of 1787, the Federal Convention met in Philadelphia and drafted the U.S. Constitution, the most enduring charter in the history of government. Following the signing of the Constitution on September 17, 1787, and continuing through 1788, the States held conventions to debate the ratification of the new plan of government. Thus, during the term of the 100th Congress, we will have ample opportunity to observe the anniversary of many events associated with our Constitution.

When the 101st Congress convenes in January 1989, it will mark the Bicentennial of the First Congress, and the inauguration of the Federal Government. This Congress, the 100th, is special in its own way but does not mark any anniversary for the House of Representatives. It is merely the beginning of the 198th year of Congress. For example, if James Madison had been successful in his proposal for a 3-year term of Congress, the bicentennial of the House would have fallen in the 67th Congress.

Beginning with this 100th Congress, the House of Representatives and Senate will observe a series of bicentennial events culminating in March 1989, when the Congress will celebrate its 200th anniversary. The Commission on the U.S. House or Representatives Bicentenary, established in 1985, has issued a report on current bicentennial projects and recommendations concerning the proper observances of the bicentennial years. I commend this report to your interest. In addition, the other body established its own Bicentennial Commission last year to develop plans for commemorative projects and ceremonies.

Foremost among the plans for 1987 is a proposed joint meeting of Congress in Philadelphia. The proposed meeting on July 16 will commemorate the 200th anniversary of the "Great Compromise" that settled the Constitutional Convention's debate on Congress. On that date, the delegates agreed to establish a popularly elected House of Representatives with proportional representation and a Senate with equal representation for all States and with its Members elected by State legislatures.

This compromise ended the conflict between large and small States that threatened to bring the convention to an impasse. At the meeting the Philadelphia, it is proposed that the House and State meet separately to mark the distinctive character of each body and then meet jointly to commemorate the founding of Congress.

Later on, on September 17, Members of Congress will join representatives of the executive and judicial branches of the Government in a ceremony in Philadelphia to celebrate the bicentennial of the Constitution.

As we begin this bicentennial era, I urge my colleagues to use the opportunities that may arise to inform the people of America of the essential role that our Constitution, and the Congress, have played in this history of our country and continue to play in the day-to-day life of the Republic.

Thank you.

THE 10TH ANNIVERSARY OF CHARTER 77 IN CZECHOSLOVAKIA

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. HOYER. Mr. Speaker, what we often take for granted here in the United States becomes an act of courage in many nations. And so it was 10 years ago, when some 250 Czechoslovak citizens issued the Charter 77 Manifesto, a declaration of their commitment to defend human rights in their country.

On that day, a brave coalition of Charter 77 signatories announced, "everyone bears his share of responsibility * * * for the observance of legally enshrined agreements, binding upon all citizens as well as upon governments."

However, Mr. Speaker, when the chartists attempted to present the document to the Czechoslovak Government officials, some were arrested and imprisoned.

Charter signatories have suffered imprisonment, interrogation, and increasing harassment. But alone in Eastern Europe, charter 77 has operated without interruption for 10 years. During those years, the group affirmed that they were not interested in setting up a group in opposition to the government. Nor did they seek to advance any set of dogmas. Rather, they sought to create a mechanism for constructive dialog between a State and its citizens.

That dialog was expended to include interlocutors in the East and in the West, and in so doing the chartists captured the imagination of independent-minded groups in Eastern Europe. The reasoned voice and carefully celebrated arguments of the chartists have found a sympathetic audience in other parts of Europe. That message is that peace and human rights are inseparable.

In the "Prague Appeal" of May 1985, Charter 77 articulated the common East European aspiration of overcoming the division of Europe. The solution it presented was not to redraw the borders of Europe, but rather make such redrawing unnecessary: "The freedom and dignity of individual citizens are the key to the freedom and self-determination of nations. And only sovereign nations can transform Europe into a community of equal partners which would not pose the threat of a global nuclear war, But instead, serve as an example of real peaceful coexistence."

That appeal is even more relevant today as we start the new year. It is an appeal based upon the common aspirations of those nations that pledged 11 years ago at Helsinki, Finland, to lower the boundaries that divide Europe. It is an appeal to all the representatives of those nations who are meeting in Vienna to aspire to those principles which guide relations between states and their citizens. Respect for human rights and fundamental freedoms lies at the core of true peace.

So today, Mr. Speaker, I am introducing a resolution to commend the Charter 77 human rights organization of the 10th anniversary of its establishment, and for its contributions to the achievements of the aims of the Helsinki final act.

Mr. Speaker, the emergence of an independent front, such as Charter 77, in Eastern Europe deserves our attention and our hopes. Ten years after the birth of Charter 77, the quiet, relentless push for dialog has found partners—in likeminded movements throughout eastern Europe. I urge my colleagues to join me in strong support of this resolution and recognition of these outstanding and courageous individuals.

INTRODUCTION OF CAPULIN MOUNTAIN NATIONAL MONUMENT BILL

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. RICHARDSON. Mr. Speaker, I wanted to take this opportunity to share with my colleagues my introduction of a bill that would transfer 17.5 acres of public land to the Capulin National Monument. The bill is noncontroversial and would basically include land in the monument area in Northeastern New Mexico to serve as a buffer zone to the westerly side of this environmentally unique area.

Capulin Mountain, a recent extinct volcano, erupted three times over an estimated 2,000 year period—the last eruption occurred approximately 10,000 years ago. The existing monument boundary contains approximately 0.5 square miles of the 25 square miles of lava flows. The second lava flow from the mountain formed an outstanding lava dike.

Mr. Speaker, the National Park Service in 1984 outlined the many benefits to be derived from a bill that would include the transfer of the 17.5 acres of public land in question. If the tract is included within the boundary it would contain the only portion of the outstanding collapsed lava tube formation within the monument area. That remnant of volcanic lava flow would be in plain view from the entrance road to the monument; provide an opportunity for on-site interpretation of the geologic formation; and prevent the removal of lava rock.

The acquisition of all lands within the authorized boundary of Capulin Mountain was completed 14 years ago when 95 acres were acquired from the State of New Mexico. This land was then transferred to the National Park Service in a land exchange between the State of New Mexico and the Bureau of Land Management. As a part of the exchange the State relinquished title to 17.5 acres of land that lie outside and adjacent to the western boundary of the monument and north of the entrance road.

On November 27, 1972, the National Park Service filed a request for the withdrawal of the 17.5 acres in question for the expressed purpose of adding the property to the Capulin Mountain National Monument.

Mr. Speaker, back in January of 1975, a notice of proposed withdrawal was published in the Federal Register by the Bureau of Land Management. The notice stated that the BLM would undertake an investigation to examine the potential demand on the 17.5 acres of land and its resources and invited the public to comment or state their objections in connection with the proposed withdrawal. No public response was received.

Further, 16 years ago, the BLM published in the Federal Register, 43 CFR Public Land Order 5723 entitled, "New Mexico; Withdrawl in Aid of Legislation for Capulin Mountain National Monument." The order stated that, "This order will withdraw 17.464 acres of land under the general land laws for use as a buffer area in connection with administration by the National Park Service of the Capulin Mountain National Monument." The withdrawl remained in effect for not more than 5 years of the order—ending on May 13, 1985. The only public response to that 1980 notice was a positive one—received from the Eastern Plains Council of Governments from Clovis, NM. The Clovis Council of Governments supported the withdrawl of the land and the inclusion of the acreage within the boundary of Capulin Mountain National Monument.

Mr. Speaker, the withdrawl order has expired and has signaled the need for legislation so that the 17.5 acres in question can be made a permanent part of the Capulin Mountain National Monument. I hope that my colleagues will take the opportunity to review this legislation and lend their support to my effort to enhance the unique nature of the Capulin Mountain National Monument.

THE INDUSTRIAL DESIGN PROTECTION LEGISLATION

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. MOORHEAD. Mr. Speaker, today I am introducing legislation very similar to that which I introduced last Congress, H.R. 1900. I hope that industrial design protection legislation will become a top national priority and a goal of the historic 100th Congress. While proposed legislation has been before Congress for a number of years, its importance has not been recognized for several reasons. First is the perception that the design patent system in this country provides adequate protection and additional protection is unnecessary. Second is the impression that designs of articles are somehow not as basic to our country as other more fundamental things such as patentable innovations, protection of new and emerging technologies. In point of fact, current existing design patent protection is unreliable.

Decade after decade the litigation track record has been abysmal with three out of every four design patents struck down as invalid. This chills those who contemplate enforcing their rights and dissuades potential applicants from seeking protection. In 1984, only 3,428 design patents were granted in the United States to U.S. residents as reported by the World Intellectual Property Organization. By way of comparison, in Japan, which has a viable form of industrial design protection, the comparable number is 33,523 registrations or nearly 10 times ours. We cannot dismiss this disparity with the thought that it is unique to Japan. The comparable statistic for West Germany is 61,720, for France 13,803, and for Korea 6,428. Nor do we find the answer to these differences by assuming U.S. designers are intellectually bankrupt.

The answer is that the United States is the only country in the world to provide a patent type protection for industrial designs which is a particularly unsuitable form of protection for the shape of most articles as distinguished from its workings or function. It is noteworthy that while other countries have borrowed heavily from the United States in adopting features of our patent laws, none have even considered applying patent laws to the field of industrial design protection and we have stood alone with this ill conceived system for nearly a century and a half.

We have been very aggressive in enacting laws to protect our good names when applied to products, but we have been remiss in protecting the distinctive appearance of those same products. Appropriating the appearance of a product can lead to the same abuses as appropriating its name by those motivated to palm off inferior goods on the unsuspecting or intentionally misled. The competitive posture of this country no longer permits us to ignore the plight of our creative designers and perpetuate this inequity between the effectiveness of this country's design protection compared to that provided elsewhere.

This legislation proposes that a copyright type of protection be provided for industrial designs through a low cost, relatively simple registration process. Such protection would both be more reliable than patent protection by avoiding high standards of invention that are impossible to apply in most shapes, but also would be a sharply focused protection aimed at the parasitic copyist while leaving original designers free to pursue new designs without fear of inadvertent violations. Design protection should be for a reasonable term of, for example, 10 years as has been proposed in this legislation although 15 years is the internationally recommended standard for design protection.

With regard to title II of this bill, I think we all know we have a problem with our trade deficit, and the massive foreign materials coming into this country that are using our copyrights and our patents and consequently beating us with our own ingenuity.

With increasing frequency, foreign firms are pirating American inventions, and then shipping those products back into the United States. The International Trade Commission estimated, back in 1982, that infringement of U.S. intellectual property cost Americans 131,000 jobs in just five selected industrial sectors, and cost the Nation's businesses $6 billion to $8 billion in annual sales.

Since then, the problem has gotten worse. Piracy occurs in items as diverse as toy gremlins, amorphous metals, drugs, heart pumps, missiles, fighter planes and helicopter parts.

One remedy is provided by section 337 of the Tariff Act of 1930 (19 U.S.C. 1337). It gives the International Trade Commission the general power to exclude imports when the importer engages in "unfair methods of competition or unfair acts." The law has been used to keep out pirated products, but the law needs to be strengthened, and that is what title II of this bill is intended to do. The purpose of the International Trade Commission is to ensure that our domestic industries are protected from injury arising out of unfair methods of competition in the import trade. Since the 1940's, section 337 of the Tariff Act of 1930 was rarely utilized and did not become actively pursued by domestic industries until the 1974 amendments.

What is at stake here are American industries, American jobs and American production. Because this law was not designed specifically to protect intellectual property rights, it requires a complaining party to show that the imports threaten an efficient and economically operated domestic industry with destruction or substantial injury. Only then can relief be granted. Where trade affects the rights of patent, copyright or trademark owners in the United States, it should be enough that the articles infringe a patent, trademark or copyright.

The most difficult and most costly burden in pursuing an action before the ITC is meeting the injury test. The only relief a complaining party can obtain before the ITC is an order stopping the infringing goods from coming into this country. No money damages are available to complainants before the ITC. To prove injury and that an industry is efficiently and economically operated requires extensive use of discovery and extensive use of deposition, at an enormous cost to the complaining party. It is more than just money—although we have testimony before our Copyright Subcommittee that legal fees alone can run anywhere between $2 and $3 million—these parties must disclose information relating to the management and operation of their business. In effect they are forced to disclose this confidential information to their foreign competitor. This is, in my opinion, a very high price to pay, and I am sure it is an obstacle which precludes many American businesses from using the ITC, even though it is clear that they are getting ripped off by their foreign competitors. I believe that any meaningful reform of the ITC must eliminate the injury and the efficiently economically operated standard in all intellectual property cases, including semiconductor mask cases.

In an action for copyright and patent infringement in a U.S. district court against a domestic company a plaintiff need not prove injury to a domestic industry efficiently and economically operated, he need only prove infringement. However, a U.S. owner of a copyright or patent, in an action before the ITC, has to meet a higher burden of proof in order to recover against a foreign infringer. The ITC may only grant relief if imports of the infringing product have the effect or tendency "to substantially injure or destroy a domestic industry, efficiently and economically operated in the United States." Thus, a U.S. complainant before the ITC must meet both an "injury test" and an "industry test" before recovering against a foreign infringer.

Mr. Speaker, the thing that bothers me, we are always trying to find ways to slow down the foreign imports to our country, to help our balance of trade. We have had before us in the last year or two many bills which would be protectionist in nature, regardless of whether it is infringement or no infringement.

But here we find a situation where people are stealing our products. They are infringing on American industry with an American product that the American people own and have discovered and developed, and yet we are very shy, we don't want to hurt anyone's feelings, we want to stand back. All I want to see us do is stand up for what is our own and be able to compete with the world on a level playing field.

Title II of this bill also confirms the principle of finality of ITC judgments, and grants the ITC the power to order the forfeiture of articles, and it also permits the granting of limited exclusion orders where the respondent defaults.

I am urging the Judiciary Committee Subcommittee on Courts, Civil Liberties and the Administration of Justice to begin hearings on this legislation later this year.

MORE FEDERAL SUPPORT FOR PUBLIC SAFETY SURVIVORS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BIAGGI. Mr. Speaker, as a 23-year police veteran, I am proud to introduce legislation today to provide a much needed increase in the Federal death benefit paid to the survivors of police officers and firefighters killed in the line of duty.

In 1976, a Federal law was enacted providing a $50,000 lump-sum death benefit to the survivors of public safety officers killed in the line of duty. I was honored to have played a role in that major achievement. At the time, $50,000 was an adequate amount to help public safety survivors cope with crippling financial needs. Over the last 10 years, though, rising costs have drastically cut the spending power of that $50,000.

In fact, the U.S. Department of Commerce has reported that the Consumer Price Index [CPI] rose by 90 percent from November 1976 to November 1986. That means the $50,000 public safety survivors were given in 1976 is worth less than $5,000 in spending power today. After 10 years of spending erosion, the time has come to restore the full value of the public safety officers' death benefit.

My bill would do that by raising the current $50,000 death benefit to $100,000. For those who are concerned about the budgetary impact this proposal would have, don't be. My bill provides that the additional program costs—less than $20 million—resulting from this increase would be covered by surplus funds that accumulate each year in the U.S. Department of Justice assets forfeiture fund. It is worth noting that in fiscal year 1985, $19.8 million in surplus Justice assets forfeiture fund money went unused and was returned to the General Treasury fund, and in fiscal year 1986, that figure was about $30 million. My bill would allow up to $20 million in Justice assets forfeiture fund money—funds that come exclusively from the forfeited assets of drug traffickers—to be used to boost the death benefit for public safety officer survivors.

Currently, the public safety officers' death benefit goes to the surviving children and spouses of public safety officers killed in the line of duty. If there is no child or spouse, the award would go to the officer's parents, but only if the parents were dependent on the officer for financial support. My bill would eliminate this financial need criteria for the parents, and would allow the award to go to a designated beneficiary if there are no children, spouse, or parents.

The Department of Justice reports that a total of $106.7 million in death benefits have been paid out through fiscal year 1986 to the survivors of 2,134 public safety officers killed in the line of duty. That total includes 1,444 police officers, 558 firefighters, 77 corrections officers, and 55 other public safety officers.

Mr. Speaker, I am authoring this legislation on behalf of the Concerns of Police Survivors [COPS], and a number of other leading law enforcement and firefighting organizations throughout the country. These groups have expressed a deep concern to me about the diminishing returns of the public safety officers' death benefit. I share that concern and I have responded with the legislation I am introducing today.

Simply put, our Nation owes an unpayable debt to the survivors of fallen public safety officers. We can never compensate them for their deep emotional scars, but we can help ease their financial strain. The Public Safety Officers' Benefits Act of 1976 did just that. The bill I have introduced today would ensure that this benefit will continue to make a positive and meaningful difference. I urge my colleagues to join me as cosponsors of this important measure, the Public Safety Officers Benefits Amendments of 1987.

At this time, Mr. Speaker, I would like to insert a chart prepared by the Congressional Research Service showing the spending history of the Public Safety Officers' Benefits Program, as well as the full text of my bill:

PUBLIC SAFETY OFFICERS' BENEFITS PROGRAM—PROGRAM AND EXPENDITURE EXPERIENCE

[Dollars in millions]

Fiscal year	Police officers	Fire-fighters	Correc-tions	Other	Total	Funds ex-pended
1977:						
Reported	192	134	14	9	349	$5.5
Approved	80	25	5	0	110	
Denied	21	23	1	2	47	
1978:						
Reported	197	154	14	14	379	11.95
Approved	148	80	6	5	239	
Denied	41	78	3	8	130	
1979:						
Reported	179	109	19	15	322	12.9
Approved	156	78	18	6	258	
Denied	36	55	5	10	106	
1980:						
Reported	178	97	8	8	291	11.65
Approved	152	70	6	5	233	
Denied	32	28	5	7	72	
1981:						
Reported	186	75	13	8	282	13.5
Approved	189	64	9	8	270	
Denied	21	37	7	4	69	
1982:						
Reported	174	111	10	7	302	10.8
Approved	151	56	7	2	216	
Denied	25	49	5	1	80	
1983:						
Reported	163	62	9	3	237	10.7
Approved	160	43	6	5	214	
Denied	25	46	1	3	75	
1984:						
Reported	158	80	10	11	259	9.4
Approved	134	44	8	2	188	
Denied	20	24	3	4	51	
1985:						
Reported	159	97	8	13	277	11.3
Approved	144	61	7	14	226	
Denied	30	39	5	4	78	
1986:						
Reported	147	74	9	27	257	9.0
Approved	130	37	5	8	180	
Denied	27	37	4	5	73	
Totals:						
Reported	1,733	933	114	115	2,955	106.7
Approved	1,444	558	77	55	2,134	
Denied	278	416	39	48	781	

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Public Safety Officers' Benefits Amendments of 1987".

SEC. 2. AMENDMENTS TO THE OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968.

(a) INCREASE IN DEATH BENEFIT.—Section 1201(a) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796(a)) is amended—

(1) by striking "$50,000" and inserting "$100,000".

(2) in paragraph (3) by striking "or" at the end thereof,

(3) in paragraph (4) by striking the period at the end thereof and inserting "; or", and

(4) by adding at the end thereof the following:

"(5) if none of the above, to a beneficiary designated by such officer.".

SEC. 3. SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS.

Section 524(c)(1) of title 28, United States Code, is amended—

(1) in subparagraph (F) by striking "or" at the end thereof,

(2) in subparagraph (G) by striking the period and inserting "; or", and

(3) by adding at the end thereof the following:

"(H) for the payment of one-half of the benefits payable under section 1201 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796).".

WATER QUALITY ACT OF 1987

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. HOWARD. Mr. Speaker, today I am introducing the Water Quality Act of 1987, the amendments to the Clean Water Act that were passed unanimously by the House just 3 months ago. The bill that I am introducing is identical to the conference report that was agreed to in conference with the Senate and approved unanimously by both bodies.

I am pleased that this legislation has the support of the bipartisan leadership of the Committee on Public Works and Transportation as well as virtually the entire committee membership. The bill is being introduced with

155 cosponsors, an unprecedented number for the introduction of legislation on the opening day of the congressional session.

This bill deserves to be enacted into law. It is the product of four years of effort by the Subcommittee on Water Resources that has resulted in support from all of the concerned parties. The bill has support from business and industry, from labor, from the environmental community and from State and local government officials. That broad support was demonstrated in the 408-0 vote in the House on October 15 and the 96-0 vote in the Senate on October 16.

Not one member of Congress opposed this legislation. It is the same bill that was held until after the election and then vetoed when it was thought that the wishes of the people could be ignored.

The bill contains numerous provisions that would be worth enacting on their own but the heart of the issue is money. The issue is whether this Government, the Federal Government of the United States of America, should spend taxpayers' dollars to help State and local governments clean up the environment. Is the environment not a governmental responsibility or do we allow our citizens to cope with polluted waters without any assistance? There is no more worthy purpose of government than protecting the health and environment of its citizens.

There can be no question about the need that exists. The Environmental Protection Agency documented the needs in its 1984 needs survey. That document, submitted to Congress by the administration, cited $108 billion in sewage treatment plant construction needs in the next two decades. This bill authorizes $18 billion through 1994 to meet that $108 billion in needs. It is a minimal amount to spend on a problem of huge dimensions that won't disappear by itself. We cannot wish for clean water and get it. We can't tell people to live with dirty, polluted water.

In this bill, we are not even authorizing $18 billion in grants. That total includes $8.4 billion in loans that the local governments repay to State revolving loan funds. Under this legislation, the States are required to provide 20 percent of the funding for revolving loan funds to receive any portion of this $8.4 billion. This substitution of loans for the traditional grant program is an innovative step that could provide a blueprint for our future clean water programs.

The bill does not authorize $18 billion for this year, or for next year. It is $18 billion over 8 years. That is an average of $2.25 billion annually for the Federal Government's Clean Water Program. No one who is aware of the environmental needs of this Nation can claim that $2.25 billion is too much to spend.

There are other important features of this bill. There is:

A new program to manage run-off from fields, parking lots, construction sites and farms. Authorized at $400 million for 4 years, this program represents the Federal Government's first attempt to cope with the complicated problem of nonpoint pollution.

New deadlines for industry to comply with the best available technology requirements of the Clean Water Act. Individual industries would have 3½ years to comply with regulations issued by EPA but in no case could compliance be later than March 31, 1989.

Interstate management conferences to clean up the Nation's major estuaries. An authorization of $48 million over 4 years would fund the conferences that would develop pollution control programs such as that now found in the Chesapeake Bay.

An authorization of $85 million for the cleanup of the Nation's lakes, including acidified lakes.

A program to develop individual cleanup strategies for toxic hot spots that cannot be cleaned up by the normal procedures of the Clean Water Act.

We are bringing this bill before the House under an unusual procedure but this is an unusual situation. The subcommittee, the full committee and the conference with the Senate labored extensively over every detail of this bill. We developed a package that had bipartisan, unanimous support. If election day had been a few days later, this bill would have been signed and would now be law.

This is a good bill. It was a good bill when you voted for it in October and it is a good bill now. It deserves to be the law. I urge my colleagues to vote to send this bill back to the White House. We must get the money moving, get these new programs in place and implement these deadlines.

The people of this Nation want a clean and risk-free environment. They don't want excuses. They won't believe that a government that spends almost $1 trillion in a year can't afford $2.25 billion a year for clean water. It doesn't make sense and the people won't accept it. If anybody thought they would, this bill would have been vetoed before election day. The people want this bill and we should give it to them.

A TRIBUTE TO WALTER J. NEGA (1917-1986)

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. ROSTENKOWSKI. Mr. Speaker, the period since the adjournment of the 99th Congress contained a very sad event for me, my family, and many of my friends back home—the death of Senator Walter J. Nega of Chicago on December 1, 1986. I rise in tribute to the man and to his life.

The many accomplishments and the many contributions of Walter Nega are beautifully described in a moving resolution adopted by the Illinois State Senate on December 4, 1986, and reproduced below.

Walter Nega was one of my closest friends and one of the most trusted and faithful advisers in my political career. This was a humble and wise man. He spent his life's energy in politics, not in pursuit of personal power or this own position in the eyes of the public, but for the good he could do.

Few men or women I know are truly gratified in the political process just knowing that their work helps others, but that was Wally's greatest source of joy. He took the hard, thankless jobs in politics, because he wanted to work hard, and because he found his thanks in his work, and in what it could accomplish.

To get some needy soul a job, to see an elderly friend admitted to a good home, to have a park made safe for children, even just to have an alley cleaned up or a sidewalk fixed—these day-to-day things were important to Senator Nega, because they were important to the people he loved, and loved to serve.

His work as administrative assistant in my office for over 20 years, his service in the Illinois State Senate and on the Illinois Pollution Control Board, his untiring efforts in the Democratic organization of the 32d ward of Chicago, and his contributions in many other roles earned Wally the respect and admiration of thousands of people whose lives were made better by knowing this true public servant.

Walter was a wonderful family man as well and, with his loving wife Harriet, reared three find children, Marya, Teresa, and Joseph. My wife LaVerne, my daughters, my staff who worked with Wally so closely all those years, and the friends whom Wally and I shared all extend our sincerest sympathy and respect to the Nega family.

Everyone who knew Walter Nega will remember him, and our children and their children will know his name.

EIGHTY-FOURTH GENERAL ASSEMBLY, STATE OF ILLINOIS

SENATE RESOLUTION NO. 1284

Whereas, The death of former State Senater Walter J. Nega on December 1, 1986, brings much sadness to the Members of the Senate; and

Whereas, Walter J. Nega was born in Chicago on July 23, 1917, and was educated at St. Mary of Angels School, DePaul Academy and DePaul University, where he received an A.B. degree in 1940; and

Whereas, Upon his completion of his tour of duty in service of his nation, Walter J. Nega attended DePaul University Law School under the GI Bill of Rights from 1946 to 1949; and

Whereas, From 1949 to 1955 Walter J. Nega became a self-employed businessman in the wholesale tobacco business, from 1955 to 1958 was employed with the Internal Revenue Service and the U.S. Veterans' Administration and also held a real estate broker's license and insurance broker's license; and

Whereas, Walter J. Nega served ably and with distinction as the Administrative Assistant to United States Representative Dan Rostenkowski from 1958 to 1979; and

Whereas, In 1978 Walter J. Nega was elected from the 14th District to the Illinois State Senate for the 81st and 82nd General Assemblies, where he served with distinction as Vice Chairman of the Elections and Reapportionment Committee and served as a member of the Committee on Appropriations II, the Committee on Finance and Credit Regulations, the Committee on Insurance, Pensions and Licensed Activities, the Committee on Transportation, the Committee on Local Government, and the Committee on Agriculture, Conservation and Energy; and

Whereas, In February of 1983 Governor James R. Thompson appointed, and the Senate unanimously confirmed, Senator Nega to serve as a member of the Pollution

Control Board, a position he held until his untimely death, where his expertise on business and government were a valued asset to the people of the State of Illinois; and

Whereas, Walter J. Nega served the Democratic Party and the people of Chicago as Secretary-Treasurer of the 32nd Ward Regular Democratic Organization and as a precinct captain of the 2nd precinct of the 32nd Ward; and

Whereas, Senator Nega was dedicated to his community by his active participation and membership in the LaFayette Council of the Knights of Columbus, the LaSalle General Assembly, the F.D.R. Post 923 American Legion, the Veterans of Foreign Wars, the Purple Heart Veterans, the Loyal Order of the Moose, the Men's Parish Club of St. Hedwig's, and as the President of the Dan Rostenkowski Youth Council; and

Whereas, A funeral mass in honor of Senator Walter Nega will be held at St. Hedwig's Church on December 4, 1986; and

Whereas, The passing of Senator Nega will be most heartfelt by his devoted family and friends who supported him throughout his public and private career, especially his loving wife, Harriet, and his three children, Marya, Joseph and Teresa; therefore, be it

Resolved, by the Senate of the Eighty-Fourth General Assembly of the State of Illinois, that the Members of the Senate express their most sincere condolences to the family of Senator Walter Nega, a trusted friend and respected colleague whose wise counsel and advice will truly be missed; and be it further

Resolved, That this preamble and resolution be presented to Harriet Nega and family as the Senate's tribute to a fond friend, Senator Walter J. Nega.

THE 1977 SOCIAL SECURITY AMENDMENTS

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. DAUB. Mr. Speaker, I rise to offer legislation to address the notch problem created by the 1977 Social Security Amendments. As my colleagues are no doubt well aware, this issue has fostered a large degree of lost faith in the Social Security System on the part of those individuals born in the years 1917–21. Many of the more than 7 million workers born after 1916 who have filed for retirement benefits during the past 7 years have vigorously expressed concern about the situation.

I share this concern, and I have worked to address the matter for the past several years. Unfortunately, however, debate and constituent exchange in relation to the notch has been affected in large part by misunderstanding and less than accurate information propagated by the Congress and notch groups nationwide. As a result, the issue has not been adequately addressed to this point in time, and Social Security recipients have even further lost confidence in the system.

Mr. Speaker, the most positive action taken by Congress on the issue has been the effort initiated last April by the House Social Security Subcommittee—on which I serve—directing the General Accounting Office [GAO] to conduct a thorough study of the notch. By providing a sound data base, the GAO study can go a long way toward educating the public and Congress and providing for a reasoned debate.

However, it is apparent that the GAO study will not be completed for the next several months. I believe that concerned Social Security recipients born since 1916 have waited long enough for action, and for this reason, I am introducing "the Notch Baby Act of 1987" to stimulate responsible congressional debate on the notch.

My bill will allow Social Security beneficiaries born in the years 1917–21 to become eligible for a new alternative transitional computation method, which would affect benefits for months after December 1987. This new alternative computation would guarantee a benefit of no less than the worker's benefit based upon new law wage-indexing procedures—that is, the average indexed monthly earnings or AIME, benefit—plus a declining percentage of the difference between, first, the benefit which would have resulted if the pre-1977 law had remained in effect, but modified to include only the 3 years of earnings after the year of attainment of age 61, and second, the new law (AIME) benefit. This computation is portrayed in the following chart:

Worker reaching age 62 in:	Would be guaranteed benefit no less than:
1979	New law plus 60 percent (modified old law-new law).
1980	New law plus 35 percent (modified old law-new law).
1981	New law plus 30 percent (modified old law-new law).
1982	New law plus 25 percent (modified old law-new law).
1983	New law plus 10 percent (modified old law-new law).

Mr. Speaker, this formula allows for a phase in of the new benefit computation law created by the 1977 Social Security Amendments that is uniform and follows congressional intent relative to the 1977 law. And I want to emphasize that the declining percentages used in the formula are a function of providing a uniform phase in; they are not indicative of the difference between old law and new law.

As the Members know, individuals born before 1917 are receiving benefits under a different formula—initiated in 1972—that erroneously results in their receiving dual compensation for inflation increases. Had the 1972 formula been maintained, the Social Security System would have gone bankrupt. The 1977 Social Security Amendments, which affects everyone born after 1916, restored the system to solvency.

In order to protect benefits of people already receiving or about to receive Social Security, the 1977 amendments did not change the computation rules for anyone reaching age 62 before 1979. Further, so as to gradually phase-in the benefit change, individuals becoming eligible for retirement benefits by reaching age 62 in 1979–83 were allowed to compute their benefits under new rules or under the old rules with some limitations, whichever would result in higher benefits. The modified old law formula is called the transitional guarantee and is available to all individuals born from 1917 to 1921.

Despite these efforts to provide a fair phase in the necessary 1977 law, many individuals born in the years 1917 to 1921 find that their benefits are much lower than people with identical work histories born in 1916 and earlier. To a large degree, this is evident because those people born before 1917 were able to take advantage of the unexpected high inflation years of 1978 to 1981 in their benefit calculations.

My bill addresses the unanticipated disparities created by the 1977 law by allowing notch babies to calculate earnings after age 61 on par with those individuals born before 1917 and providing a percentage of the difference between old law and new law. I believe that this bill, which costs $21.1 billion from 1988–95—an average of $2.6 billion per year—is a reasonable and responsible approach to resolving the notch problem, and I urge the Members' support.

Mr. Speaker, I ask unanimous consent to insert into the record at this time tables that show examples of how the alternative computation contained in my bill would affect benefits for low and average wage workers.

COMPARISON OF SOCIAL SECURITY BENEFITS FOR RETIREES WITH CAREER FEDERAL MINIMUM EARNINGS UNDER PRESENT LAW AND AN ALTERNATIVE APPROACH TO MODIFY THE TRANSITION TO GUARANTEE A DECLINING PROPORTION OF MODIFIED OLD LAW [1]

[Benefits amounts shown are for benefits in 1992 in terms of 1986 dollars [2]]

	Retirement at 62 [3]		Retirement at 65	
	Present law	Alternative	Present law	Alternative
1916 [4]	$321		$444	
1917	328	$328	410	$436
1918	311	321	396	420
1919	297	310	375	404
1920	297	305	371	395
1921	297	302	370	382
1922 [4]	300		376	

[1] Cover sheet describes alternative.

[2] Benefits computed using alternative II–B assumption of 1986 trustees report.

[3] Benefit includes reduction for early retirement.

[4] Workers born in 1916 and 1922 shown for comparison only. The transition does not apply to them.

COMPARISON OF SOCIAL SECURITY BENEFITS FOR RETIREES WITH CAREER AVERAGE EARNINGS UNDER PRESENT LAW AND AN ALTERNATIVE APPROACH TO MODIFY THE TRANSITION TO GUARANTEE A DECLINING PROPORTION OF MODIFIED OLD LAW [1]

[Benefit amounts shown are for benefits in 1992 in terms of 1986 dollars [2]]

	Retirement at 62 [3]		Retirement at 65		Retirement at 70 [4]	
	Present law	Alternative	Present law	Alternative	Present law	Alternative
Year of birth:						
1916 [5]	$484		$685		$881	
1917	494	$494	618	$668	765	$826
1918	464	480	594	642	742	793
1919	441	466	564	623	696	758
1920	432	459	550	607	672	734
1921	443	454	561	585	682	707
1922 [5]	451		571		693	

[1] Cover sheet describes alternative.

[2] Benefits computed using alternative II–B assumption of 1986 trustees report.

[3] Benefit includes reduction for early retirement.

[4] Benefit includes credit for delayed retirement.

[5] Workers born in 1916 and 1922 shown for comparison only. The transition does not apply to them.

NATIONAL LOTTERY LEGISLATION

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. McDADE. Mr. Speaker, I am introducing bipartisan legislation today, along with my colleague from Pennsylvania, Representative JOHN MURTHA, to establish a national lottery which would be used to reduce this Nation's growing Federal deficit. The opening of a new Congress provides an excellent opportunity to demonstrate our seriousness about bringing our Federal budget under control, and I do not believe we should overlook a national lottery as a way of reducing the deficit.

I introduced similar legislation late last year, and I remain convinced that a national lottery, such as the one I am proposing, would provide a feasible and lucrative source of new revenues to make a significant dent in the deficit on a long-term basis. Anywhere from $5 to $30 billion a year that otherwise would not be raised at the Federal level could be brought into the Treasury with a national lottery.

The States have already demonstrated the effectiveness of lotteries as a source of revenue, and their acceptance by the public. In 1985, 22 States and the District of Columbia sold a combined total of $10.2 billion worth of lottery tickets. A significant share of those revenues were used either in the general fund of the States or designated for specific purposes like education and economic development. In my own State of Pennsylvania, the lottery brought in over half a billion dollars in 1985 for senior citizens programs.

There are several reasons for enacting a national lottery in 1987. A lottery provides a way to bring in new revenues without increasing taxes. A national lottery is a voluntary device with willing participants. Voters have routinely been approving State lotteries, and a 1984 national opinion poll found a 62-percent approval for lotteries, with only 26-percent disapproval. Other forms of gambling, such as bingo and racing, are widely accepted.

Lotteries also have a proven track record. They have been successfully used, without scandal or corruption, to bring in State revenue for the past 20 years, and over 60 countries operate lotteries. A national lottery could draw money away from illegal gambling and reduce revenues for organized crime.

This legislation would require the Secretary of the Treasury to establish and operate a national lottery. Not less than 50 percent of receipts from the sale of lottery chances would be deposited into the general fund of the Treasury for the purpose of reducing the Federal deficit. Not more than 35 percent of the receipts would be used to pay prizes to winners of the national lottery and not more than 10 percent shall be used for operating the lottery.

States that do not want to participate in the lottery could opt out by enacting legislation to prohibit the sale of lottery chances in their State. The bill also provides a form of insurance to States with lotteries that they will not see their own lottery revenues drop as a result of competition with the Federal lottery. I should point out, however, that States with lotteries are not likely to see their revenues decline as a result of my legislation. State lotteries stand to benefit from the advertising and increased interest generated by a national lottery.

The "insurance" provisions for States set aside 5 percent of the national lottery receipts to compensate States where lottery sales drop after enactment of a national lottery. The bill includes protections to insure that other factors attributing to decline in State lottery revenues are taken into account when deciding Federal compensation.

Mr. Speaker, I believe this legislation deserves the serious consideration of my colleagues, and I am hopeful that hearings will be held this year on the national lottery concept. I do not believe we have the luxury to pass over creative approaches, such as a national lottery, for bringing in new revenue.

FARE THEE WELL, JOHN SEIBERLING

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. KOSTMAYER. Mr. Speaker, as the 100th Congress convenes, I cannot help but note the absence of John F. Seiberling, who retired from Congress at the end of the last session.

John Seiberling has returned to his beloved Cuyahoga Valley, but his work remains undone.

Those of us elected to the 100th Congress, and most especially those of us who serve on the Interior Committee, must take up where John Seiberling left off. We must resist this administration's efforts to dismantle the legacy of John Seiberling and the late Philip Burton of California, with whom he worked so closely.

Mr. Speaker, the following article, which appeared in Sierra, the national magazine of the Sierra Club, touches on the life and work of a great Ohioan, John Seiberling. I recommend it to my colleages as a guide and as a manual of congressional conduct by a man who set a standard which all of us should try to attain.

FARE THEE WELL, JOHN SEIBERLING

(By Joan Hamilton)

After jostling for a space in the bike rack, a slim, darksuited congressman strides down a long hall to his office. "I've got to get the papers off my desk," he announces. As papers fly and his pen scratches, he recites from Lewis Carroll:

"If seven maids with seven mops
Swept it for half a year,
Do you suppose," the Walrus said,
"That they could get it clear?"
"I doubt it," said the Carpenter,
And shed a bitter tear.

Fifteen minutes later he abandons his piles of paper for a House subcommittee hearing on the expansion of the Big Cypress National Preserve in Florida. An assistant secretary of the Interior Department says the proposed expansion is too costly, which draws a stern rebuke from the congressman. "This administration knows the cost of everything and the value of nothing," he says.

After nearly eight terms in Congress, Democratic Rep. John F. Seiberling of Ohio is in his legislative prime. He's a respected authority on public lands as well as many other national concerns. He's articulate, hard-working, forthright, even "crusty," according to one Capitol Hill reporter. He is also wholeheartedly devoted to protecting the nation's remaining wildlands.

But Seiberling, 68, has decided to retire at the end of this year. The news has cheered the oil and timber industries, which consider him a formidable opponent. "It is time to bring in new people with a modern perspective who understand that environmental protection is one thing and preservation is another," an industry official told *Inside Energy.* Yet his forthcoming retirement has left political friends mourning the loss of a man who undoubtedly will be one of the major conservation figures of the century.

John Seiberling comes from a prominent Akron, Ohio, family. His grandfather, F.A.

Seiberling, was one of the founders of both the Goodyear and Seiberling Tire and Rubber companies. John was elected to Congress in 1970, after working for 17 years as an attorney for Goodyear. In Congress he has served on both the Judiciary and Interior committees, and has been chair of two key Interior subcommittees—Alaska Lands and Public Lands.

Although most of the land in his state is privately owned, Seiberling has made the byzantine world of public-land law his domain. Fact-finding treks through almost every western state have made him more knowledgeable about the nation's wilderness areas, parks, and other public lands than any other representative. He helped write the Federal Land Policy and Management Act of 1976, the Bureau of Land Management's bible. He may even hold a record for attending hearings: His friend Rep. Morris Udall (D-Ariz) calls him "Iron Pants" for his ability to sit and listen to the public.

If the hearings have been endless, the number of laws shaped by Seiberling's subcommittees has been prodigious. A list of new wilderness areas they have spawned fills a single-spaced sheet of computer paper almost nine feet long. Overall, Seiberling has helped set aside some 69 million acres of wilderness in 27 states—which adds up to 78 percent of the total acreage in the system.

More than 56 million acres of these additions are in Alaska. As chair of the Subcommittee on General Oversight and Alaska Lands set up by Rep. Udall in 1977, Seiberling helped assess the potential for establishing new federal preserves in Alaska. Three years later, despite a hostile Alaska delegation, Congress passed the Alaska National Interest Lands Conservation Act, which protects more than 100 million acres of the state as national parks, preserves, wildlife refuges, wilderness, conservation areas, and Wild and Scenic rivers.

Soon afterward, the wilderness debate in the Lower 48 was intensified by a 1982 court decision. In *California* v. *Block* a federal district court judge ruled that the Forest Service's environmental impact statement on the fate of its roadless areas was inadequate. This meant that RARE II, the agency's second Roadless Area Review and Evaluation, was to be followed by RARE III. Rather than wait for the Forest Service to complete that massive and controversial chore, most states asked Congress to determine the future of their roadless lands through wilderness bills that specifically released nondesignated lands for development. Seiberling's Public Lands Subcommittee was soon deluged with wilderness bills, including some drafted by delegations more interested in developing than preserving their national forest lands.

With skills practiced in Alaska, Seiberling again made end runs around hostile colleagues. In Wyoming, for instance, he had much to do with turning the state delegation's miserly 479,350-acre recommendation into a law that protects 884,000 acres. The result was not all the wilderness that environmentalists has asked for, but much more than they would have gotten under less dedicated or less capable leadership.

Seiberling gives part of the credit for such gains to environmental groups. But part of the credit also belongs to him, for his willingness to explore, photograph, and research remote reaches of the West. "He devoured the issues," Udall says. "He is one of the hardest-working and most thorough men I have ever known."

As a result of this dedication, Seiberling was often better equipped to debate an area's future than the local congressional representative was. "He beat up people with facts all the time," says Andy Wiessner, an eight-year veteran of Seiberling's Public Lands Subcommittee staff.

Political observers are fond of contrasting Seiberling's style with that of another well-known wilderness champion, the late Rep. Phillip Burton (D-Calif.). "John adored and admired Phil, but their two styles couldn't have been more different," Wiessner says. "Phil, the politician, was always scheming. John, the Boy Scout, telegraphed everything he knew in advance."

"The Boy Scout" was an epithet bestowed on Seiberling by Burton himself, probably because he shared neither Seiberling's love of the outdoors nor his straightforward approach to the legislative process. But if Seiberling is open and direct, he is not naive, says Sierra Club Washington lobbyist Tim Mahoney. "He masters the facts, he understands the law, he understands the areas. While there were times when we wished he were not so good-natured and aboveboard, he always intimidated our opponents with his knowledge."

In the eyes of his staff and his friends in Congress and the environmental movement, Seiberling comes off sounding like something out of a civics textbook. "He's the archetype of the perfect public servant," Wiessner says. "While others spend most of their time trying to get re-elected, John spends most of his time dealing with the issues."

Even Seiberling's retirement seems to have been timed at least partly with the issues in mind. The question of Alaskan public lands is basically settled, and with a few exceptions so are the Forest Service wilderness bills in the lower 48 states. An era of unusual opportunity is coming to a close—a decade in which an unprecedented amount of roadless acreage came under congressional scrutiny.

When *Sierra* visited him in May, Seiberling played down the difference his absence may make in Congress and the environmental movement, saying, "I'm just one of many who worked in this field." But his political friends refuse to see him that way.

"He is a legislative Horatius, working with on-the-ground people of foresight to defend large chunks of the West," a *High Country News* editorial stated in 1984. "When the history of the late 20th century is written, Congressman John Seiberling will go down as one of its visionaries."

SIERRA. How did you become involved in conservation work?

SEIBERLING. I guess it just came naturally to me. My grandfather was born on a farm and grew up on a farm, and always appreciated the importance of agriculture and trees. He gave the first land to create the Akron metropolitan park system. When he was an old man in his 90s and couldn't do much walking, he had a nurse who would take him for rides in the countryside, and he always wanted to drive through these parks, these very beautiful parks. One day his nurse said to him, "This land must be very valuable, Mr. Seiberling. Don't you miss all the dividends you would have gotten if you had sold it and invested the money?" And he said, "See that family having a picnic there? See those children playing? Those are my dividends."

SIERRA. Why did you decide to run for Congress?

SEIBERLING. I guess the Vietnam War finally triggered it. Nixon made a speech in the fall of 1969 in which he called upon the silent majority to defend his Vietnam policies and denounce the students who were demonstrating. I said to my wife, "You know, Nixon lied to us in 1968. He said he had a plan to get us out of Vietnam, and he said he was going to bring us together again, and instead he's dividing the country. The young people are right about this, and we ought to do something." She said, "What can we do?" And I said, "I think maybe I should run for Congress." So I did. To everybody's surprise, I won. I've been here ever since.

SIERRA. When did you become interested in the Cuyahoga Valley?

SEIBERLING. Cuyahoga is a very beautiful river valley between Cleveland and Akron. I first got interested in trying to protect the valley [in the 1950s] as a member of a group called the Peninsula Valley Heritage Association—since renamed the Cuyahoga Valley Association. We began to realize that unless action were taken to protect the valley from urban development, it was going to be destroyed as a scenic and recreational asset.

In the early 1960s the Ohio Edison Company had plans to run a high-tension transmission line through the valley. That became a kind of rallying point. We fought it and got a lot of people to realize that this valley they took for granted was really a threatened asset. Some of us bought stock in Ohio Edison so we could raise Cain at stockholders' meetings. I later became president of the three-county regional planning commission, and through the commission we got the prosecutor to bring an injunction against the power line on the grounds that it would violate the regional land use plan. We took the case all the way to the Supreme Court of Ohio. They threw it out—not on the grounds that it didn't violate the plan, but because there wasn't a quorum present when the plan was adopted, and therefore it wasn't legally valid. Talk about ducking the issue!

Anyway, when I became a member of Congress, I told my staff the first thing I wanted us to do was to draft a bill to create a national historical park in the Cuyahoga Valley. I had hoped to get on the Interior Committee so I could help promote the bill, but I didn't succeed in my first term. The second time around I did, and we got the law passed that same Congress

SIERRA. How was it that a congressman from Ohio developed an interest in public lands, most of which are in the West?

SEIBERLING. In 1975, in my third term, I read a National Geographic article about the Alaska land withdrawals that Rogers Morton made under the Alaska Native Claims Settlement Act [which called for a study of the conservation potential of 80 million acres of public lands]. I decided I wanted to go out and see for myself what those lands were like. So I got Goodloe Byron, who was then a congressman, and Alan Steelman, who was a Republican member of the committee from Texas, and we decided we would go to Alaska during the August recess and spend a couple weeks up there. We saw a lot of magnificent places.

In 1977, when time came for the committee to act on the Alaska lands issue, I was the only Democrat on the Interior Committee who had been to Alaska, except for Goodloe Byron. The committee members said, "We'll make you chairman of the special subcommittee to manage the Alaska lands issue."

SIERRA. Then you went around the United States gathering testimony.

SEIBERLING. I realized that, because of the cozy relationship that exists between Congress and the state delegations with respect to the lands in their states, if I had any hope of getting an Alaska lands bill we were going to have to do an end run on the Alaska delegation. Their position was very, very anti-environment. I thought, the only way we're going to succeed is if we dramatize this as a national issue; so I decided we would hold hearings in the Lower 48 before we went up to Alaska. By the time we got to Alaska, it had already become a national issue.

SIERRA. What did people in the Lower 48 tell you?

SEIBERLING. We had some marvelous hearings. We heard more than a thousand witnesses. People came from everywhere. And some of the testimony was very moving and very eloquent. They told us how much it meant to them to protect some part of our natural heritage—even though many of them had never been there and never expected to go. They still realized the importance of preserving it. It's like preserving endangered species, you know. It's just part of the glory of the world that God created, and we don't want to let the glory go out of the world.

SIERRA. Did it become one of your toughest battles?

SEIBERLING. Yes, it was very tough. It wouldn't have been won except for the steadfastness of Mo Udall and the tremendous grassroots support generated by the environmental organizations through the Alaska Coalition—and through the courage of President Carter and Secretary of Interior Cecil Andrus. When the deadline came for the Morton withdrawals to expire, Interior Secretary Andrus had already perpared the documents withdrawing the lands, and President Carter declared them national monuments.

Of course, with the defeat of President Carter in 1980, we didn't have much choice but to pass the Senate [Alaska lands] bill. But because of tremendous nationwide support, the Senate bill was a much better bill than it would have been if we hadn't had that support.

Meanwhile, in 1979, Teno Roncalio, who had been chairman of the Public Lands Subcommittee, retired from Congress. At that point we were confronted with the RARE II (Roadless Area Review and Evaluation) process, and I agreed to chair that subcommittee. I've made RARE II one of my top priorities ever since. We've pretty well completed that process in all but about four states, and I'm hopeful that at least in Michigan and Nevada we will have completed the process in this Congress.

SIERRA. Was the late Representative Phillip Burton an important figure in your politican education?

SEIBERLING. Oh yes. Phillip Burton was an amazing person. He helped me get on the Interior Committee. After I had gotten on, he and I were having a drink together after one of the House organizing sessions in late 1972, and Phil said, "You want to get your park bill passed? "I said, "I certainly do." It was my Cuyahoga Park bill. He said, "It's very simple. You get a majority of the members of the Interior Committee as co-sponsors of your bill, and then they'll support it. If you have any trouble, let me know." I followed his advice, and it was very successful.

As chairman of the Parks Subcommittee, Phil did phenomenal work in creating new parks, of which Redwood National Park [in Northern California] is probably his most notable achievement. Even though Phil wasn't an outdoorsman—someone said the only time he stepped outside was to smoke a cigarette—he loved people and wanted to see people enjoying life, and he knew the importance of parks. I think he also knew the Sierra Club was very big in California, and that was important to him. You never could determine where his philosophy ended and his politics began; the two were inextricably intertwined. When we got around to doing the California RARE II bill, I relied a great deal on him to negotiate with the other members in the California delegation in working out all the specifics.

SIERRA. How is your style different from Burton's?

SEIBERLING. Well, I'm not the master mechanic that Phil Burton was in terms of knowing how to operate in Congress, though I've learned a good deal, from him and just by being here for years. I guess my approach, first of all, is to have a very clear idea of what you want. And secondly, a sense of realism as to what is possible. You have to be a pretty good horse trader. I've learned how to use the chairmanship of the subcommittee to good effect, not only to move bills but to block them. My philosophy is that I don't give up anything unless I get something in return. People know that, particularly the opposition to environmental legislation, and they know that I've got strong support from colleagues in the committee and subcommittee—without which, obviously, I couldn't get to first base.

SIERRA. Are there any other people in Congress who have had a strong influence on you?

SEIBERLING. Mo Udall certainly has. I would say probably Mo and Phil more than anyone else.

SIERRA. Any notable enemies?

SEIBERLING. Oh, I don't think I have any enemies personally, and I try to forget the unpleasantries. I try to focus on the positive side. The only person I really relished as an enemy was James Watt, and I managed to fight Mr. Watt to a standstill on several important issues, including deauthorizing Cuyahoga Valley and other national park units, and his effort to screw up the Wilderness Act and to drop a lot of BLM wilderness study areas. Mr. Watt is gone and I'm still here, and so are most of the lands he tried to open up to development.

SIERRA. Have the post-Watt years been more productive than the years you had to spend wrangling over those issues?

SEIBERLING. Oh, yes, they have. In 1984 I didn't know whether President Reagan would sign all those wilderness bills we sent him, but he signed every one of them. Whether he would have signed them if Watt had been there, I doubt. But Watt became too much political baggage, and they had to drop him before the '84 election. I think that probably helped us get those bills signed, because the Reagan administration wanted to show they weren't anticonservation.

SIERRA. What do you consider your most important accomplishment? The Alaska lands preservation?

SEIBERLING. I suppose, that plus the RARE II bills. Personally, the one that pleased me the most is the Cuyahoga Valley bill. That's the place where I grew up.

SIERRA. Has the environmental movement helped you along the way?

SEIBERLING. Oh, we couldn't have accomplished anything without the environmental organizations. The Sierra Club and the other groups have been absolutely essential. You know, it's a very simple situation when you think about it. The interests opposing wilderness designation are usually timber, mining, and the other exploitive industries, such as oil and gas and, to a lesser extent, grazing. They come in and lobby heavily, but the majority of members are hearing from people in their districts who are organized and tell the member, "I'm going to judge you by how you vote on Alaska lands' or whatever the issue is.

These opposing groups don't want to take on the environmental organizations—and for good reason. So when a member hears from a bunch of constituents, that pretty well offsets the nationwide lobbying by national organizations—even labor unions. For one thing, they know that the labor unions in their districts aren't affected by these issues. They're lobbying because their buddies in Alaska have been asked by the industry to lobby, and they've been threatened with losing their jobs if they don't. So that offsets the lobbying. And then I think that a great many members are philosophically sympathetic to conservation.

SIERRA. How has the Gramm-Rudman deficit-reduction law affected the conservation issues that concern you?

SEIBERLING. Of course it's affected the staffing of the Park Service, the Forest Service, and the BLM, particularly on environmental and conservation issues. The bite hasn't really taken hold in any big way, but the budget squeeze generally and the philosophical bent of the Reagan administration has caused these agencies to skimp on environmental protection and focus on resource exploitation. For example, they come in every year with money for oil and gas development on public lands, leasing, and that sort of thing, but cut back on biological studies and land protection. This is of course foolish in the long run, but this is their attitude.

The great thing about wilderness is that it doesn't cost any cash to create a wilderness area, so we've been able to plow ahead with wilderness legislation despite the budget squeeze, at a time when there just weren't any new national parks being created. When you create a national park, you need more people to administer it; when you create a wilderness area, you probably need fewer people, because you're not in there trying to sell timber.

SIERRA. I understand that certain western senators and members of Congress have asked you to stay on your own turf where wilderness issues are concerned. How do you respond to them and to other western residents who resent an easterner's efforts to preserve wildlands?

SEIBERLING. First of all—as I point out when I get this usual line of attack—these are public lands that belong to all the people of the United States. And they have an interest in it, just as the people who live in a particular state do. Secondly, I point out that we are very conscious of the interests of the inhabitants of the local area, and that we make a great effort in the Interior Committee to hear their points of view and their concerns.

The other thing is that a lot of western delegations are beginning to realize that the populations of their states are changing, becoming more urbanized. Many of the people who moved out west are from the east, the urban areas, and they moved out there because they like the outdoors. So the local politicians are beginning to be a little more cautious about taking a flat stand for the exploitive interests and against people enjoying the outdoors.

SIERRA. The only complaint I've ever heard about you from conservationists is that you're sometimes too fair and straightforward with your opponents.

SEIBERLING. I don't know; I guess my opponents don't think so.

I must say I try to hear all sides and try to make sure that legitimate concerns are recognized. I do lose patience, though, with false statements and rigidity in defending what are really selfish interests. The oil industry is one of the most greedy and selfish industries in this country, and they've been very successful over the years. They're usually not satisfied with 95 percent; they want it all. They want 100 percent. And in Alaska, you may recall, when we sent the [Alaska lands] bill to the Senate in 1979, we had eliminated from protection 95 percent of the areas of high or favorable oil potential. The one area we hadn't eliminated was the Arctic National Wildlife Refuge. Lo and behold, the oil industry wanted that, and they got it in the sense that we compromised and said there would have to be a five-year study to see whether there were significant oil reserves there. My feeling was that if the study showed there were, why, goodbye Arctic National Wildlife Refuge as far as the coastal plain was concerned.

Fortunately, I don't think that much has been found so far. And we did put in a provision that there had to be a study of the impact on the biology of the area, the ecology. With Watt in power then, those studies are probably not what they ought to be; nevertheless, they're there. Anyway, the oil industry doesn't have much use for me, and that's mutual.

SIERRA. Why did you decide to retire?

SEIBERLING. I see the challenges ahead of us as being very big and difficult ones that are going to require a lot of attention and work for a long time. That's a job for a person who's young enough to stick it out and who has the energy to carry on the fight. At 68, I realize that I don't have the energy I used to have. I went through a major operation last year, and that makes you think about the fact that you're mortal. I've got to retire from this place sometime. It seemed to me that the [election] year in between the presidential elections was a good time to try to get a good person elected in my place, and I think we're going to succeed in that.

SIERRA. What are the issues you hope your successor on the Public Lands Subcommittee will take on?

SEIBERLING. The main issue—aside from completing RARE II national forest wilderness designations in states such as Idaho, Montana, and Colorado—would be to start work on the BLM wilderness proposal. The BLM lands are some of the most wonderful areas in the country. Many of them are of national park quality. So I would hope that whoever succeeds me on the Public Lands Subcommittee and whoever's on the committee itself would make that a very high priority.

SIERRA. At this juncture, what advice would you give people in the environmental movement?

SEIBERLING. To realize the tremendous power of public opinion in a democratic society, particularly if you're on the right side; but at the same time to realize that you have to keep working at it.

When people come to me and tell me they're so sorry I'm leaving Congress, I thank them for their kindness, but tell them, "You know, this is a continuing process, and we have to get used to the idea that it's an ongoing thing and there's a constant turnover, just as there is in a business or in a family. Therefore we should always be preparing new people to assume the responsibilities, and be organized so that we can make sure we get the right people elected, and when they get elected, make sure they stay right—which is something we sometimes forget."

SIERRA. What's next for you, personally?

SEIBERLING. I'm going to sell my house in Washington and move back to Ohio and live in the Cuyahoga Valley. I had no other plans in particular, but the University of Akron, which is a state university, has asked me to take a chair next year at the law school. I said I didn't want to teach law. I practiced law too long ago to want to teach it, but they said, "Oh, you can teach anything you want. "I said, "Okay, how about legislative process?" and they said that would be fine. So I'm going to draw on my experiences in Alaska lands and other things to give the students an idea of how Congress really works, not what you learn in civics class.

You know, considering the fact that lawyers, many of them, end up having to be lobbyists' you'd think that more law schools would teach legislative process. They teach legislative interpretation and legislative drafting, but they don't teach you how to get the bills passed—or stopped. I guess the reason is that very few law professors have had any experience in those fields. So I hope to bring that new dimension in teaching legislative process next year.

SIERRA. I understand that you're an avid photographer and poetry lover. Will there be more time for those sorts of things?

SEIBERLING. Yes, photography is a hobby. I always bring my camera along, not only because I enjoy taking photographs of some of the beautiful natural areas, but because it's been very helpful as a legislative tool. I have about 3,000 slides of Alaska I've taken over the years, and I had about 40 prints made of some of the key areas we were dealing with in the [Alaska lands] bill, and had them mounted and put in the Speaker's lobby. The Park Service offered to lend me some of their magnificent blowups of Alaska scenes, but I said, "No, your pictures are better than mine, but as the manager of this bill my pictures do something for me that yours don't. They have my name on them, so it shows I must know something about the subject because I was there."

Of course, I think any civilized person—particularly a person who's interested in the outdoors—ought to be a reader of poetry, because so much wonderful poetry has been written about nature, about the experience of being in nature, that it does enhance your enjoyment of it. There's no way a camera can record the marvelous sound of the waterfalls, although I guess a video camera could. But a video camera still can't give you the feel of the fresh air, the sunlight, and the spray. I often treasure having poetry in my mind as I look at such places. You get a wonderful sense of the importance of nature if you just have one of those poems in your mind, so I try to grab hold of those things when I get a chance. One of my favorite poens is A. E. Housman's "Lovelist of trees." You know that one?

Loveliest of trees, the cherry now
Is hung with bloom along the bough,
And stands about the woodland ride
Wearing white for Eastertide.

Now, of my threescore years and ten,
Twenty will not come again,
And take from seventy springs a score,
It only leaves me fifty more.

And since to look at things in bloom
Fifty springs are little room,
About the woodlands I will go
To see the cherry hung with snow.

CALIFORNIA DESERT PROTECTION ACT OF 1987

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. LEVINE of California. Mr. Speaker, today I am introducing, along with Senator ALAN CRANSTON, the California Desert Protection Act of 1987. The purpose of this bill is to protect the natural value and beauty of the desert so that it can be appreciated and enjoyed by this and all succeeding generations. This bill establishes in law the most appropriate pattern of protection to assure that all Californians and visitors to the desert will be able to experience the full value of these lands.

Simultaneously, my friend and distinguished California colleague RICK LEHMAN will introduce similar legislation. I intend to work very closely with Senator CRANSTON and Representative LEHMAN in securing the passage of this much needed Act.

The California desert region includes more than 25 million acres of land, which encompasses approximately one-quarter of the State of California. The desert, stretching from Death Valley National Monument south to the Mexican border, from the San Jacinto and San Bernardino Mountains east to the Colorado River, includes 12.1 million acres of public lands administered by the Department of the Interior's Bureau of Land Management. This bill identifies several million acres of Federal land for new protection, park system units, additions to a California State park, and wilderness designations.

This legislation creates a new, 1.5 million-acre Mojave National Park. Today, the unique ecosystem and landscape of this part of the desert is protected only by administrative regulations that have proven inadequate. This area has been evaluated by the BLM desert plan staff for its park potential and found to be highly qualified. The bill recognizes valid mining claims, grazing permits, power transmission facilities, a natural gas pipeline, and communication cable within the proposed park, but closes the proposed parklands to new mineral entry.

The Death Valley and Joshua Tree National Monuments are to be redesignated as National Parks and contiguous wild desert lands will be added to achieve more ecologically sensitive boundaries. National Park Service and BLM reports have recommended that areas such as the Panamint Valley, Saline Valley, and Eureka Valley should be added to death

Valley because the area "provides some of the finest and most diverse scenery in the California desert."

The Joshua Tree National Monument, established in 1936 to protect various objects of historical and scientific value, in the past had lands removed for commercial mining activity. Areas that were once part of the monument, about 245,000 acres, and which remain pristine, will be restored to the national park.

In addition, the bill designates appropriate lands within all three parks as wilderness—a 3.2 million acre Death Valley Wilderness which incorporates the National Park Service's wilderness recommendations, 133,520 acres as additions to the existing Joshua Tree Wilderness, and 747,940 acres as the Mojave Wilderness.

The legislation also resolves the long pending proposal for the expansion of the Red Rock Canyon State Park. The Bureau of Land Management is to transfer 20,500 acres of land to the California Department of Parks and Recreation in order to complete this park, which was established in 1969.

Several special areas will be established to provide statutory protection to the existing 1,920 acre Desert Lily sanctuary. The Protection of the Desert Lily, which grows only in the fragile, top deep powder sand areas of the low desert, which will be guaranteed by this bill because BLM will not be able to redesignate the area or reduce its size.

Finally, the Bill designates the Indian Canyon national historic site, protecting an area now listed on the National Register of Historic Places. The legislation directs the Secretary of the Interior to acquire the lands, which are not owned by the Federal Government. To ensure continued indian control, the bill provides for a cooperative management agreement between Interior and the Agua Caliente Band of Cahuilla Indians.

While this legislation provides comprehensive, lasting protection for the beauty and wilderness of the California desert, approximately 4.6 million acres of public lands administered by the BLM will remain available for other multiple uses—hunting, grazing, and motorized recreation. Areas enjoyed by off-road enthusiasts and areas with known commercial resource conflicts have been carefully excluded from protection.

The California Desert Protection Act enjoys the support of 21 environmental and civic organizations—Sierra Club, The Wilderness Society, Defenders of Wildlife, Eastern Sierra Audubon Society, The California Wilderness Coalition, Citizens for a Mojave National Park, Desert Protective Council, Desert Survivors, Ecology Center of Southern California, Friends of the Indian Canyons, National Parks and Conservation Association, Archeological Survey Association of California, Citizens Coordinate for Century Three, Coachella Valley Audubon Society, Conservation Call, Covina Women's Club, Desert Trails Adventure Tours, Friends of Wildlife, Idyllwide Chapter of the Izaak Walton League, San Bernardino Valley Audubon Society and West Covina Garden Club.

THE ADMINISTRATION'S EDUCATION BUDGET—NO HOPE FOR THE FUTURE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BIAGGI. Mr. Speaker, I rise today to express my opposition to the administration's fiscal year 1988 budget proposal, particularly as it effects our Nation's schools and students. The administration recommends an unwarranted, unprecedented, untimely, and unbelievable cut of $5.5 billion from 1987 approved funding levels. In this time when we can least afford it, the administration is recommending an almost 25-percent cut to our Federal education programs. This budget is antieducation and punitive to anyone who desires an education. It will clearly increase one deficit—a deficit which we cannot afford—our brain-drain deficit.

The administration proposes to eliminate 37 of our important Federal education programs as well as all funding for vocational education and libraries. Combine this with proposed reductions in many other education programs and the result is a generation of undereducated, a generation who will not have the opportunity to achieve their full potential. Education will become a luxury reserved only for the wealthy and our Nation will face a grim future.

Besides eliminating entirely funding for libraries and vocational education, the administration does not fund many of the important new initiatives, including early intervention for handicapped children, This program, of which I was an original author and a guiding force through the House last year, would provide funding to allow handicapped children under school age to receive education and services. Moreover, even in the wake of last night's NBC report "To Be a Teacher," the administration recommends eliminating many of our existing teacher recruitment and retention programs, including the Christa McAuliffe fellowships

However, I am not grievously concerned with the effects of the administration's proposed cuts to our student financial assistance programs. If put into effect, these cuts would cause many college students to drop out of school and deny future students the opportunity to obtain an education.

This budget proposes to cut the Pell Grant Program, the heart of our Federal financial aid to our neediest students, by almost $1 billion. This proposed cut would leave about 1,000,000 students, almost 35 percent of our Pell grant population, without a Pell grant, while reducing the grants of many other students. This will have a devastating impact on the ability of our poor to obtain any education beyond high school, as approximately one-half of Pell grant recipients have yearly family incomes below $6,000 and three-quarters have incomes below $15,000.

The administration would also eliminate the Supplementary Grant Program and the State Student Incentive Grant Program. The combined result of these two eliminations would force an additional million students to drop out of school or otherwise finance their education. However, the administration even suggests we eliminate the College Work Study Program which allows a student to work while attending school and help defray the ever-rising cost of higher education.

How does the administration propose students and their parents finance the tremendous costs of higher education—loans. Just last week, the Joint Economic Committee of the U.S. Congress released a report prepared for them entitled "Student Loans: Are They Overburdening a Generation?" This report shows that one-third to one-half of all undergraduates leave school in debt for their education. Real indebtedness levels are higher than they were 10 or 15 years, after adjusting for inflation. The report further states, "heavy emphasis on borrowing may discourage traditionally underenrolled groups from participating in higher education and hinder the Nation's progress toward equal educational opportunity." It is therefore unwise policy for us to follow the administration's suggestion to force students to increase their debt burdens. The administration also suggests a revamping of the student loan programs which would eliminate the fixed low interest rates on national direct student loans, require students to pay interest on their loans while enrolled in school, and would remove the fixed interest rate from guaranteed student loans and replace it with an interest rate tied to the Treasury bill, among other proposals which would further weaken the Guaranteed Student Loans Program. Therefore, even the loan programs would be weakened by this budget and even more students would have no where to turn to finance their educations.

Other higher education programs the administration proposes to eliminate include Veteran's Education Outreach, Cooperative Education, some of our graduate education programs, and some of the TRIO programs, designed to benefit our educationally disadvantaged and minority youth.

Perhaps of greatest concern to me is the administration's proposal to eliminate all student aid for so-called ability to benefit students a provision I originally authored. These are students whom our educational system has failed. They reach out for a second chance to obtain an education at a vocational school or community college. This proposal furthers the administration's goal to keep education as a choice only for the wealthy and a tool and prize for the elite. The result of the administration's budget would be an uneducated and therefore underproductive generation.

By an overwhelming bipartisan mandate, the House and Senate passed the Reauthorization of the Higher Education Act last year. The message was clear—Congress understands higher education to be the key to our Nation's future. The administration budget repudiates this mandate and therefore, it too should be repudiated.

PLANS FOR EARLY ACTION IN THE BANKING, FINANCE AND URBAN AFFAIRS COMMITTEE

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. ST GERMAIN. Mr. Speaker, as I indicated after the close of the last Congress, it is my intention to have the Banking, Finance and Urban Affairs Committee move key financial, consumer, and housing legislation early in the 100th Congress.

Our emphasis during the coming weeks will be on efforts to revive major legislation which passed the House in the last Congress only to die in the Senate. All of these House-passed measures involved important and urgent issues, and I am hopeful that the 100th Congress—both Houses—will so treat them.

To expedite the resolution of these issues, I am today introducing the following bills:

First. Recapitalization of the Federal Savings and Loan Insurance Corporation. This measure will contain the same provisions as passed the House on October 7, 1986. One additional provision will treat the Federal Asset Disposition Association [FADA], created under section 406 of the National Housing Act, as a mixed-ownership Government corporation subject to full audit and review by the General Accounting Office. This provision is designed to assure that there is thorough accountability for the billions of dollars of assets acquired and sold by FADA as a result of savings and loan failures.

Second. The so-called "regulators bill"—Financial Institutions Emergency Acquisitions Amendments of 1986—as it passed the House on October 7, 1986. This legislation is designed to broaden the powers of the financial regulators to assist failed and failing institutions including facilitating interstate mergers and acquisitions.

Third. Garn-St Germain emergency powers—a 1-year extension to give the regulators continuing power to arrange emergency acquisitions and mergers and to provide net worth certificates to shore up troubled savings and loan institutions. This legislation will assure that the regulators have interim powers while the Congress works its will on the FSLIC recapitalization and regulators bills.

Fourth. The Expedited Funds Availability Act essentially as it passed the House on January 23, 1986 and again on October 7, 1986. The legislation is designed to give customers of depository institutions timely access to their deposits and to end the banks' "float game" that has left millions of customers waiting weeks to utilize their own funds.

Fifth. Home Mortgage Disclosure Act—a permanent extension of legislation which requires lending institutions to make available data annually on the geographical location of their mortgage loans. The legislation, first passed in 1975, has proven an invaluable tool in helping to encourage a more equitable distribution of mortgage money in communities and in preventing the redlining of many innercity neighborhoods. It is time to make this a permanent law to assure that financial institutions and communities know that HMDA is national policy and that it will remain as an ongoing tool to help maintain our cities and neighborhoods.

In addition, Mr. Speaker, it is my intention to cosponsor with our colleague from California [Mr. LEHMAN] a truth in savings bill, a measure which also passed the House on October 7, 1986. This legislation is an essential part of our committee's consumer agenda. It requires banks and other depository institutions to state with clarity all aspects of a savings instrument or account so that consumers can determine where best to invest their money. It will end the carnival-barker styled advertising that has confused and misled so many consumers as they try to maximize their savings.

It is my understanding that our colleague from New York [Mr. SCHUMER] will be reintroducing legislation to provide disclosures—before the contract is signed—on credit cards. This legislation passed the House as part of the Truth in Savings Act in the last Congress, and it is my intention to again support disclosure of credit card terms in the 100th Congress.

The chairman of our Housing Subcommittee, Mr. GONZALEZ of Texas, will be introducing a comprehensive housing bill—another item that will have high priority in the 100th Congress. We twice passed a housing bill in the last Congress—on June 12, 1986, and again on October 7, 1986—but the Senate did not act. There is broad consensus in the committee and in the full House that we must enact a major housing bill as early as possible in this Congress.

Mr. Speaker, these are some of the items that are high on the Banking Committee's agenda. This list is not intended to be all encompassing, but it does provide the basis for an early start in the 100th Congress. In the coming weeks, we will be announcing plans for other legislative and oversight activities for what I predict will be one of the busiest and most productive Congresses in the history of the Banking, Finance and Urban Affairs Committee.

INTRODUCTION OF BILL TO INCREASE CIGARETTE EXCISE TAX; ACTION NEEDED FOR ANTIDEFICIT AND HEALTH POLICY REASONS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. STARK. Mr. Speaker, today, I am introducing a bill to double the cigarette excise tax from 16 cents a pack to 32 cents a pack. This action would reduce Federal deficits by over $3 billion per year and save billions in health costs in the years to come.

A major increase in the cigarette excise tax can strike at two cancers: the cancer on the economy of continuing, extraordinary deficits, and the cancer that strikes down so many who take up smoking. For example, teenagers can be discouraged from starting the habit if we increase the cost of tobacco products.

Last year, the Congress passed legislation to make permanent the 1982, $0.16 a pack cigarette excise tax. However, even with this change, the cigarette tax rate has lagged far behind the increase in the cost of living over the decades.

There are two reasons to consider an increase in the cigarette tax. The first relates to health and the second to a need to raise revenue to meet budget deficit targets.

Tobacco products, primarily cigarettes, contribute to a host of health problems and deadly fires. They are associated with 350,000 premature deaths per year, more than the total number of American lives lost in World I, Korea, and Vietnam combined and nearly as many as were lost in World War II. Smoking is the largest single preventable cause of illness and death in the United States.

Lung cancer is the health problem most clearly associated with cigarette smoking, which accounted for over 130,000 lung cancer deaths in 1984. As a result of increased smoking among women, for the first time in history, lung cancer will surpass breast cancer this year as the leading cancer killer of women. Women have indeed come a long way. Cigarette smoking is implicated in 30 percent of all cancers. It is causally related to cancer of the larynx, oral cavity, and esophagus. It is also related to cancer of the bladder, kidney, and pancreas. Smoking is associated with death and disability from heart disease, chronic obstructive lung disease, and burns. Pregnant women who smoke are more likely to have low birthweight babies. Smokers in general have a decreased life expectancy.

The cost of medical care for smoking-related disease amounts to an estimated $21 billion per year. This represents 7 percent of the total national expenditures on personal health care. An even greater economic toll is the $37 billion lost in productivity and earnings to U.S. business every year. It is estimated that the cost of smoking-related illness to Medicare and Medicaid is $4.2 billion per year.

An increase in the cigarette excise tax will lead to increased product cost. Cigarette consumption, especially among the young, is price sensitive; therefore, increasing the cost will lead to a decreased consumption. In the long run, this should decrease the health care expenditures of society in general and the Federal Government in particular. Several years ago, it was estimated that an 8-cent-a-pack increase in taxes would lead to 1.8 million quitting or not starting to smoke. This would include over 400,000 teenagers, more than half a million young adults 20–25, and nearly half a million adults 26–35.

The Federal cigarette excise tax rate has not kept pace with the increase in various economic indicators over the years. It has increased only twice during the post-World War II period—from 7 cents per pack in 1950 to 8 cents in 1951 and from 8 cents to 16 cents in 1982. Federal tax as a percent of cigarette price—including tax—declined from 42.2 to 10.7 percent between 1947 and 1982 and is now at 16.6 percent, about the same level as 1975.

The price of a pack of cigarettes has increased in 1984 dollars from about 78 cents per pack in 1950 to about 96 cents per pack in 1984. Over the same period, the sum of average State and Federal excise taxes in 1984 dollars had declined from about 70 cents per pack to 30 cents per pack.

Federal receipts from the cigarette excise tax increased in absolute terms from $1.2 billion in fiscal year 1950 to $2.1 billion in fiscal year 1982. They declined as a share of total tax revenue from 3.2 to 0.4 percent, and declined as a share of GNP from 0.5 percent to less than 0.1 percent. As result of TEFRA, cigarette excise tax receipts increased to $4.7 billion in fiscal year 1984. This represents about 0.7 percent of Federal tax revenues and slightly more than 0.1 percent of GNP.

The Congressional Budget Office estimates that if the cigarette excise tax is raised from $0.16 to $0.32 per pack the revenue generated would be $3.1 billion in 1987, $3.3 billion in 1988, and $3.4 billion in 1989. If the tax were raised to $0.24 per pack, the new income to the Treasury would be $1.6 billion in 1987 and $1.7 billion in 1988 and 1989.

The 100th Congress will make a major effort to improve the Medicare Program and to provide catastrophic health protection to the American people. The increased revenues from this excise tax can help pay for these new health initiatives, or it can be used, in whole or part, for deficit reduction and the avoidance of spending cuts on vital health programs.

An increase in the cigarette excise tax is a user fee. It recovers for the public some of the costs to society of smoking-related diseases and fires. The administration has proposed many user fees over the last few years. I hope that they will support this proposal as one of the most socially useful user fees we can ever consider.

THE COMPUTER SECURITY ACT OF 1987

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BROOKS. Mr. Speaker, I want to commend Congressman GLICKMAN and the other members of the Science and Technology Committee for their sponsorship of the Computer Security Act of 1987. This legislation would authorize the National Bureau of Standards [NBS] to establish a program to increase the awareness of computer security throughout the Federal Government. Under the bill, NBS would assess the vulnerability of Government computers and communications except for critical defense and intelligence systems. It would develop technical and management countermeasures to defend against illegal access to sensitive agency information and work with the private sector to apply these safeguards to their systems as well.

Mr. Speaker, this bill is urgently needed. Current estimates from the Office of Technology Assessment indicate that over $60 billion is spent annually by Federal agencies to acquire, develop and use information technology. While computer technology has greatly increased the efficiency of Government programs, it has also made agency records vulnerable to widespread alteration, manipulation, or destruction by criminal or foreign elements.

Despite this tremendous potential for abuse, most agencies have placed such a low priority on protecting their computer systems that even the most basic security measures do not exist. Over the years, the Government Operations Committee has conducted extensive investigations of computer and telecommunications facilities of several major Federal agencies. In almost every case, computer security was lax and in some cases virtually nonexistent.

In my view, the Computer Security Act will correct this problem by establishing a firm statutory base to ensure that a viable governmentwide computer security program is implemented by Federal agencies. Unfortunately, DOD and other national security agencies do not share this view. These agencies believe they should have the final say over computer security standards for the Federal Government, not the National Bureau of Standards. They point out that under National Security Decision Directive [NSDD] 145, DOD has been given this authority, including the right to restrict public access to not only classified information, but also to any civilian agency information which it considers unclassified, but sensitive.

This authority was expanded on October 29, 1986, under a directive issued by Admiral Poindexter which further restricted public access to unclassified information. Coincidentally, the admiral's directive specifically singled out unclassified information related to "foreign relations of the U.S. Government" as needing extra protection from public disclosure.

It is my strong belief that NSDD 145 is one of the most ill advised and troublesome directives ever issued by a President. It is an unprecedented expansion of the military's influence into our society which is unhealthy and potentially dangerous. Clearly, the basement of the White House and the corridors of the Pentagon are not places at which national policy should be established. This issue should be debated and fully aired in public hearings and I would hope the President would support our efforts to see this is done. In any case, I urge all Members to support the Computer Security Act as a much more sane and effective way to deal with the computer security problems facing our Government.

SCHOOL IMPROVEMENT ACT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. HAWKINS. Mr. Speaker, today I am introducing H.R. 5, the School Improvement Act of 1987. Congressman BILL GOODLING, as ranking Republican member of the Elementary, Secondary and Vocational Educational Subcommittee, is joining me as cosponsor of this legislation.

The bill is straight forward. It merely extends without amendment all the expiring Federal Elementary and Secondary Education Programs until 1993. I have attached at the end of this statement a list of all of the programs which expire and their current termination dates.

We hope to use this bill as a legislative vehicle to comprehensively review these expiring programs, which include all of the programs the Federal Government sponsors in elementary and secondary education except for the education of the handicapped and high school vocational education programs. We would plan to deal with these programs in a comprehensive legislative package in order to foster an orderly, coordinated approach to elementary and secondary education at the Federal level. The last time Congress comprehensively reviewed these programs was nearly 10 years ago in 1977-78. We believe that it is well past the time for us to again conduct such an overview.

As complements to H.R. 5, we expect to introduce several additional bills calling for substantive changes in the programs extended by H.R. 5. For instance, today Mr. GOODLING and I will reintroduce the Effective Schools and Even Start Act, which the House of Representatives passed last year but which was not acted upon by the Senate. We hope to incorporate the concepts of that bill into the chapter 2 program and other programs covered by H.R. 5.

We also hope to introduce in a few weeks a bill proposing amendments to chapter 1 and other amendments to chapter 2. We would encourage other Members to introduce their own bills, amending the various expiring elementary and secondary programs and proposing new approaches for improving our schools.

The Committee on Education and Labor will conduct hearings on H.R. 5 and all related legislation in February and March of this year, and then we will begin to mark up legislation in early spring. We plan to fold all of our amendments affecting these programs into H.R. 5, as it will be reported from the Committee on Education and Labor.

Mr. Speaker, we know that the new Congress wants to improve the economic competitiveness of the United States. We believe that this bill has as much potential to achieve that task as any other piece of legislation being proposed this year. In other words, if we do not improve the educational level of our people, the enactment of every other piece of legislation will merely provide us with short-term benefits but no long-term gains to address this national emergency. We look forward to working with all of our colleagues on this proposal.

The table of expiring programs covered by H.R. 5 follows:

EXPIRING ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

Following is a list of elementary and secondary education programs and their expiration dates:

Programs expiring at the end of fiscal year 1987 (September 30, 1987).

Chapter 1, Education Consolidation and Improvement Act.

Chapter 2, Education Consolidation and Improvement Act.

Programs expiring at the end of fiscal year 1988 (September 30, 1988).

Adult Education Act.

Bilingual Education Act.

Impact Aid.

Education for Economic Security Act (math and science).

Magnet Schools Assistance.

Excellence in Education (small discretionary grants for experimental programs to improve educational quality).

Programs expiring at the end of fiscal year 1989 (September 30, 1989).

Emergency Immigrant Education (for school districts impacted with immigrant and alien children).

Indian Education.

Women's Educational Equity Act (small discretionary projects to promote equity in education).

Ellender Fellowship Program (fellowships for poor students to attend the Close Up Program on the Federal Government).

General Assistance for the Virgin Islands and Territorial Teacher Training (two special territorial programs).

All of these programs are subject to the automatic extension provision in the General Education Provisions Act. This provision permits forward-funded programs to be considered for two additional years, and current-funded programs to be considered extended for one additional year, even if a reauthorization bill has not been enacted. This enables the Congress to make appropriations for the upcoming year for a program that has not been reauthorized yet.

BILL TO EXTEND TERMS FOR U.S. REPRESENTATIVES

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. DURBIN. Mr. Speaker, today I am introducing legislation designed to extend the length of term for U.S. Representatives. My proposal, requiring a constitutional amendment, would allow Representatives to serve two 4-year terms and one 2-year term in every 10-year period following reapportionment. This legislation will help to ease compaign pressures somewhat and enable us to become more effective legislators.

There are many benefits to extending the term for U.S. Representatives. First, it will at least partially liberate Members from a constant preoccupation with campaigning, thereby giving us a greater opportunity to legislate effectively and to better represent our constituencies. Second, it will help moderate the spiraling cost of campaigning. In just under 700 days we will be facing another election and another effort to raise several hundred thousand dollars to win. If you spend the average amount that a Congressman must spend to be reelected, you will have to raise about $500 a day for each of those 700 days to defend your incumbency. And finally, it will reduce the number of political campaigns, providing voters with a welcome respite from campaign rhetoric.

Over 20 years ago President Lyndon Johnson suggested that it was time to take a look at the 2-year term that Members of Congress face under the Constitution. At the time, his idea floundered for several reasons. Primarily, Members of the Senate were loath to support a change in the Constitution which would give Members of the House a chance to run for the Senate without sacrificing their seats. The need to again consider change in this area is clear.

The legislation I am introducing today to extend the length of terms would provide that all House seats would be contested in years of reapportionment. After the election, the House would divide its seats, by lot, into two equal groups. Seats in the first group would be contested in 2 years, and thereafter every 4 years until the next reapportionment. Seats in the second group would be contested in 4 years, 4 years after that, and then in 2 years, until the next reapportionment. There would be no limit on the number of terms a Member could serve, although he or she would be required to resign in order to file and run for the Senate, thus removing one of the earlier obstacles in the path of this legislation. For each Member it would mean standing three times for reelection between reapportionments, rather than five times.

Some Members are hesitant to change the Constitution, but a review of the proceedings of the Constitutional Convention makes it clear that the reason for 2-year terms was to guarantee that Members of Congress kept in close touch with their constituencies. The travel and communications potential available to Members today is considerably different than it was 200 years ago. Most of us can return to our districts in only a few hours and the incumbent who ignores his constituency can seldom survive.

In addition, some Members have advised me that they are afraid their constituents will view this kind of change as self-aggrandizement. I disagree with this conclusion. In scores of town meetings across my marginal, conservative district I find that my voters are sated with political campaigns. They would not miss the opportunity to see my face on television every other October. Many volunteer that frequent elections seem wasteful and unnecessary.

As we embark on the 100th Congress and the bicentennial celebration of our great Constitution, I believe we should seize the opportunity to look anew at the House of Representatives. I urge my colleagues to join me in cosponsoring this timely and necessary congressional reform.

REDRESS FOR JAPANESE AMERICANS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. MATSUI. Mr. Speaker, it is with great pride that Norm Mineta and I join our esteemed majority leader Tom Foley and a great number of our distinguished colleagues in introducing the Civil Liberties Act of 1987. This legislation addresses an issue of fundamental importance to our system of constitutional liberty.

This bill, which will be number H.R. 442, is designed to specifically implement the findings and recommendations of the Commission on Wartime Relocation and Internment of Civilians. H.R. 442, is nearly identical in substance to the bill introduced in the 99th Congress.

The number assigned to the bill has been chosen in order to honor the famous 442d Regimental Combat Team of World War II. This entirely Japanese American military unit of the Second World War fought in some of the fiercest and bloodiest campaigns of the European Theater. It was the most highly decorated unit of its size in the military history of the United States. During 5 major campaigns, the soldiers in this unit earned over 18,000 decorations and were awarded more than 9,000 Purple Hearts. It is fitting that this historic legislation should be designated in honor of these fine men.

President Reagan has said that a true American patriot is one who cherishes our Nation's ideals and strives to narrow the gap between those ideals and reality. We have an opportunity to narrow that gap and restore our constitutional system to its proper balance. By passing H.R. 442, we can at last provide redress to those Americans of Japanese ancestry who were deprived of their basic constitutional rights during World War II.

On February 19, 1942, the President of the United States signed Executive Order 9066. It was the first step in a personal odyssey in which my citizenship and my parents' citizenship suddenly meant nothing. The exclusion and detention order recognized ancestry and only ancestry. Our loyalty to the United States was measured by whether we had one-sixteenth or more Japanese blood.

American citizens of Japanese ancestry and resident aliens were prohibited from living, working, or traveling on the west coast. We were removed to temporary assembly centers, mostly stables, race tracks, and fairgrounds. Then on to relocation camps in bleak, desolate areas where conditions ranged from tolerable to deplorable.

The first camp was opened in May 1942. My parents have told me about the barbed wire fences and sentry dogs, of loss of privacy and lack of adequate sanitation. They have related stories of the emotional distress created by the camp environment and the heart-wrenching divisions that occurred as families were separated by physical distance.

No one, not even our keepers, knew when we would be free to return to our homes. The indeterminate sentence for a crime we did not commit became a quiet form of torture. We were rendered helpless in our own homeland.

The rationale of these actions was national security. But the order was promulgated regardless of the fact that no documented cases of disloyalty by Japanese Americans existed and none have subsequently arisen.

My parents were proud citizens of the United States—a country they had known to be just and ruled by a reasoned constitutional law. But the exclusion order resulted in the circumvention of basic procedural rights. Seven of the ten provisions of the Bill of Rights were ignored. There was no review of individual cases and no exceptions or considerations of personal service. The basic concept of habeas corpus was discarded. The traditional legal assumption of innocence was dismissed.

For myself, I was only 10 months old when I entered the internment camp at Tule Lake. But this issue for me, and I know this is true for many others here, is endowed with very strong personal memories. Even more painful than the memories is the stigma of implied guilt. Our Nation determined that we were a threat to national security, and that because of our race, Americans of Japanese ancestry could never really be considered trustworthy Americans.

Despite all this distress, the striking truth that we should remember today is that the faith and hope of those who were interned has been sustained. They have sustained faith in the law of the land, pride in this country, and most of all, a sincere desire to prove loyalty to this great Nation and be allowed to serve its ideals and principles. All this despite the fact that basic constitutional and civil rights were once denied.

Mr. Speaker, it is the spirit of this faith that brings me before the House today. I firmly believe that our actions here are essential for giving credibility to our constitutional system and for reinforcing our tradition of justice.

I wish to reiterate my pledge that, as a lawmaker involved in framing the redress legislation, I will not accept any monetary reparations. To do so would lead some to suggest that my actions are motivated by self-interest. They are not. I am convinced, however, that monetary compensation must be a part of any redress effort.

The logic of compensation goes far beyond simple economics. Our legal tradition provides us with the system of damage compensation to stress the notion of accountability. If we make it absolutely clear that people will be held accountable for their actions, we can hope to deter such actions in the future. When the actions are taken by our Government, accountability is paramount.

Mr. Speaker, while people of goodwill may differ over the intent and motive of the actions of the Government, there is no question that constitutional rights were ignored. Redress will acknowledge the loyalty of Japanese Americans during the Second World War and will enable us to remind future generations that such a tragic denial of rights must not and will not be tolerated ever again.

CELEBRATING THE 30TH ANNIVERSARY OF JUSTICE WILLIAM BRENNAN

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. SMITH of Florida. Mr. Speaker, on October 15, 1986, Justice William Brennan, Jr. celebrated 30 years of service on the U.S. Supreme Court. To commemorate and acknowledge these three decades of distinguished service on the Nation's highest court, the Eighth Grade gifted class of Nova Middle School from Broward County, FL, decided to present Justice Brennan with a plaque and signed letter.

On November 24, 1986, I presented Justice Brennan with the plaque and letter on behalf of the class. He has continued to demonstrate the very highest principles of justice in his long career devoted to our country. For this reason, Justice Brennan's years on the Supreme Court have been an inspiration to the students and to myself as well.

I join the Eighth Grade Gifted Class of Nova Middle School in congratulating Justice Brennan on his 30 years on the Supreme Court and wish him many more good years in the future.

The names of the students who signed the letter are listed below.

Names on letter as follows:
Minerva D'Andrea, Teacher
Karen McNeely, Teacher

Amy Berman, Mitch Abrahams, Sean Epstein, Greg Wegweiser, Gordon Cooper, Nicole Desaritz, Corbi Feinstein, Keith Bua, Mark Vasil, and Amy Ryan.

Holly Ankarstran, Susan Allee, Becky Halpern, Wendy Smith, Tami Deaton, Kim Hobbs, Joshua Levitan, Stephanie Lazarus, Jason Lockahart, and Heather Rubinchik.

Dana Kolnick, Zachary Heiden, Partick Funchess, Nathan Goldstein, Evan Rosenthal, Shira Chess, Sarah May, Rachel White, Jessica Cahill, and Rachel Goldenberg.

Whitney Goldstein, Sherri Klaff, Brett Krupnick, David Rose, Brian Sims, Tina Srebnik, and Alan Lebovitz.

These students of the Gifted Class.

LEGISLATION OPPOSING OIL IMPORT FEES

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. DONNELLY. Mr. Speaker, on this first day of the 100th Congress I am introducing, along with several of my colleagues, legislation expressing the opposition of the House to an oil import fee. As we begin this session, it is the most serious threat facing the consumers of the Northeast and the Midwest.

As Congress looks for new sources of revenue, and the plight of the oil industry demands our attention, an oil import fee seems an attractive and simple resolution of both problems. Even the most superficial analysis reveals, however, that the consequences of imposing an oil import fee would be disastrous both for consumers and the economy. We oppose an oil import fee for the same reason we have opposed it in past congresses: it is politically and economically unjustifiable.

An oil import fee is bad policy not only because it would disproportionately affect the Northeast and Midwest, areas of the country which rely on imported oil for home heating, but also because it is an extremely inefficient method of raising revenue. Numerous studies have demonstrated that an oil import fee would increase costs to the consumer by $35 billion while only raising $6 billion for the U.S. Treasury. Further, an oil import fee would allow domestic oil producers to reap huge profits as they raise their prices to match the price of imported oil.

An oil import fee is bad economics because it would place U.S. manufacturing industries at a competitive disadvantage in both U.S. and foreign markets and distort competition among fuels by drastically raising production costs. There is no question that increased oil prices mean increased inflation and unemployment throughout the economy.

Consumers in the Northeast and Midwest should not be required to bear the brunt of the deficit burden and the problems that beset the energy industry. In introducing this legislation today, my colleagues and I serve notice that we will oppose any effort to do so by imposing an oil import fee in the 100th Congress.

PRIORITY CONCERNS OF CONGRESS IN THE MONTHS AHEAD

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. MILLER of Ohio. Mr. Speaker, as the 100th Congress convenes I would like to take this opportunity to express my opinion on what I feel should be the priority concerns of this body in the months ahead. Generally speaking, we have a country at peace and a country at work, but nevertheless a country where a myriad of problems exist; problems which in my judgment deserve close and thorough congressional scrutiny.

On the economic front, such pressing problems as the high cost of product and liability insurance have dealt a body blow to the small businessman trying to make a living in our free market system. Unfair trade practices on the part of many of our international trading partners has made it extremely difficult for American businesses to be competitive in the world marketplace. Insider trading and the threat of hostile takeovers has raised a lot of cynicism with respect to our country's stock markets and have caused a lot of unnecessary hardship to employees and employers threatened by takeover.

In the area of environmental concerns, hasty efforts to impose burdensome Federal regulations on the users of high sulfur coal in an effort to reduce the threat of acid rain need to be fully explored. In my judgment it would be extremely unwise to go forward with legislation based on unsubstantiated evidence that high sulfur coal is primarily responsible for this undesirable phenomenon. Meanwhile, Congress must move promptly with regard to reenactment of the Clean Water Act. We must ensure that our Nation's water supplies are free of lead and other toxic contaminants.

With regard to budgetary matters, I feel it is imperative that Congress rethink its present budgetary practices and change from a 1-year budget cycle to a more manageable 2-year cycle, thereby cutting down on much of the confusion and delay which results from the present process. Also, every effort must be made to safeguard the progress that has been made toward meeting the Gramm-Rudman balanced budget mandates enacted last Congress. We can't let the political considerations of 1988 get in the way of the economic realities of 1987.

On social matters, the Congress should continue to explore alternatives to our present welfare structure. We must rework the present programs on the books to ensure an independence from government rather than a dependence on government. Approaches such as workfare and enterprise zone legislation to create meaningful job opportunities in the depressed economic regions of our country should be fully studied and advanced.

With respect to health care, the concept of catastrophic illness legislation being discussed by the administration is one I feel deserves close attention. With the ever-spiralling cost of medical care such illnesses quickly drain the resources of even the most far-sighted saver.

With regard to our Nation's security and that of the free world, I feel we must continue to identify and support those efforts of freedom fighters around the globe to bring down despotic regimes and restore democratic principles wherever possible. At the same time we must continue to seek out peaceful means of dealing with our adversaries. We must step up efforts to negotiate an end to the arms race and ensure that the world never experiences the horror of nuclear war. Toward this end, I feel strongly that the administration's strategic defense initiative should be fully explored because I feel it is much preferable to base our Nation's defense on the concept of a nuclear shield rather than on the concept of mutually assured destruction [MAD] which has been this country's policy since the advent of nuclear weapons.

The list of problems and concerns that this Congress will be challenged to address is undeniably long, but it is a list that is demanding solutions, solutions I feel this Congress is quite capable of providing. By way of qualification, this list is by no means intended to be all inclusive, it is advanced primarily in the interest of helping to set the agenda for the session ahead, to help point up those programs, policies and proposals that in my opinion need the full and undivided attention of the Congress.

AIRLINE ANTISMOKING ACT

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. SCHEUER. Mr. Speaker, in an effort to improve the environment on board domestic airline flights, and protect the health and safety of the passengers and crew, today I am reintroducing legislation to ban smoking on all domestic airline flights.

The National Research Council of the National Academy of Sciences recently completed an 18-month study at the request of Congress, on the issue of air quality and safety in airliner cabins. The study calls for a Federal ban on smoking on all domestic commercial airline flights to improve the health and safety of airline passengers and cabin crews.

The scientific panel concluded that both passengers and crew members were harmed by drifting smoke in aircraft cabins and that cigarette smoking posed a significant fire hazard on board as well.

Dr. C. Everett Koop, the Surgeon General of the United States, has repeatedly and forcefully pointed out the health hazards of passive smoking. His recent report: "The Health Consequences of Involuntary Smoking" documents the health threat.

Air quality on board commercial airliners warrants our serious concern. Contaminants—particularly environmental tobacco smoke—make the cabin air quality substandard compared with other closed environments such as trains and subways. In fact, ozone and other air contaminants, coupled with low relative humidity, may act with smoke to increase its harmful effects.

This legislation would lessen irritation and discomfort to passengers, reduce potential health hazards to cabin crews, bring cabin air quality into line with standards established for other closed environments, and remove the possibility of fires caused by cigarettes.

With 28 percent of the American public taking at least one trip a year, and with some 70,000 flight attendants working long hours inside planes, the time has come to do away with smoke on board airliners. This bill will do just that.

The text of the bill follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "Airline Anti-Smoking Act"

SEC. 2. (a) title VI of the Federal Aviation Act of 1958 is amended by adding at the end thereof the following new section:

"PROHIBITION OF SMOKING ON PASSENGER-CARRYING AIRCRAFT ON DOMESTIC FLIGHTS

"SEC. 613. (a) Each air carrier shall prohibit smoking on any aircraft during any flight involving the carriage of passengers in interstate or overseas air transportation.

"(b) The Administrator shall promulgate such rules and regulations as may be necessary to carry out this section.".

(b) That portion of the table of contents of the Federal Aviation Act of 1958 which appears under the center heading

"TITLE VI—SAFETY REGULATION OF CIVIL AERONAUTICS"

is amended by adding at the end thereof:

"Sec. 613. Prohibition of smoking on passenger-carrying aircraft on domestic flights.".

SEC. 3. Subsection (a) of section 613 of the Federal Aviation Act of 1958, as added by the first section of this Act, shall take effect one hundred and eighty days after the date of the enactment of this Act.

ALDO LEOPOLD

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. KASTENMEIER. Mr. Speaker, he was a professional forester, a game manager, a scientist, a teacher, a writer, a philosopher, and a gentleman. He was all of these combined and beyond; he was a person ahead of his time to the point of being a visionary. The man, the legend, is Aldo Leopold.

January 11, 1987, will mark the 100th anniversary of the birth of Aldo Leopold. He was born in Burlington, IA and he spent his childhood years along the bottomlands of the Mississippi River, then a wilderness unimpeded by levees, locks, and other manmade structures. There, with a reverent eye cast toward the sky, Leopold watched unending skeins of waterfowl wing their way South in the fall and return to the North in the spring. These were years for Leopold, who would later mold the concept of scientific wildlife management, pioneer the doctrine of wilderness ecology, and bring life to the word conservation.

Leopold was a comfortable person. He was a competent sportsman who loved to hunt pinnated grouse on the solitude of the Iowa prairie, he was a skilled forester, graduated from Yale University Forestry School, he was an author whose writing genius captured in "A Sand County Almanac" still enjoys a widespread audience, and he was a man of conviction, a tireless advocate for the stewardship of our renewable natural resources. To professionals and to laymen alike, Aldo Leopold was a titan in the conservation movement.

Leopold's career took him to all corners of the country. After leaving Yale University in 1908, he entered the U.S. Forest Service as a forest assistant in Arizona. Three years later he was promoted to supervisor of the Carson National Forest in New Mexico. Shortly thereafter he became the assistant district forester of the Southwestern district of the Forest Service. Leopold's experiences as a forest manager sparked his interest in the preservation of wilderness areas and, largely through his determined efforts, he helped establish the Gila Wilderness Area in New Mexico as the first national forest wilderness.

Leopold is perhaps best known for the years he spent in my home State of Wisconsin and in the congressional district which I now represent. From 1925 to 1927, he was associate director of the Forest Products Laboratory in Madison. He subsequently left Government service in 1928 to become a game and forestry consultant. While privately employed, Leopold completed the now classic treatis, Game Management. In 1933, he was appointed professor of game management at the University of Wisconsin, a position that he held with great distinction until his death in 1948.

Leopold also was very active in a number of conservation organizations. Between the years of 1927 and 1931, he served on the council of the Society of American Foresters. He was an organizer of the Wildlife Society and the Wilderness Society and served as president and vice president, respectively of those organizations in 1939 and 1945. At various times, Leopold was a director of the National Audubon Society and vice president of the American Forestry Asssociation. Finally, Leopold was active in the Ecological Society of America and was the president of that organization in 1947. The exemplary dedication to resource conservation that Leopold demonstrated as a professional and as a private citizen prompted the National Wildlife Federation to name him to its Conservation Hall of Fame in 1965.

While Leopold will be remembered for his professional endeavors, he also will be remembered for his work, A Sand County Almanac. Leopold's "Sand farm" in Wisconsin, his family's "weekend refuge from too much modernity," inspired these writing that were collectively published posthumously in 1949. Like any literary classic, Sand County has withstood the test of time and is still read enthusiastically by college students and weekend naturalists alike. Leopold's opening passage in the "forward" sets the tone of this masterpiece:

> There are some who can live without wild things, and some who cannot. These essays are the delights and dilemmas of one who cannot.
>
> Like winds and sunsets, wild things were taken for granted until progress began to do away with them. Now we face the question whether a still higher "standard of living" is worth its cost in things natural, wild, and free. For us of the minority, the opportunity to see geese is more important than television, and the chance to find a pasqueflower is a right as inalienable as free speech.
>
> These wild things, I admit, had little human value until mechanization assured us of a good breakfast, and until science disclosed the drama of where they come from and how they live. The whole conflict thus boils down to a question of degree. We of the minority see a law of diminishing returns in progress; our opponents do not.

The conservation ideology that Leopold espoused, the focus and centerpiece his philosophy of resource stewardship, is embodied in what he described as a land ethic. The concept is portrayed as follows in Sand County:

> The land ethic simply enlarges the boundaries of the community to include soils, waters, plants, and animals, or collectively: the land.
>
> This sounds simply: do we not already sing our love for the obligation to the land of the free and the home of the brave? Yes, but just what and whom do we love? Certainly not the soil, which we are sending helter-skelter downriver. Certainly not the waters, which we assume have no function except to turn turbines, float barges, and carry off sewage. Certainly not the plants, of which we exterminate whole communities without batting an eye. Certainly not the animals, of which we have alredy extirpated many of the largest and most beautiful species. A land ethic of course cannot prevent the alternation, management, and use of these "resources," but it does affirm their right to continued existence, and, at least in spots, their continued existence in a natural state.
>
> In short, a land ethic changes the role of Homo sapiens from conqueror of the land-community to plain member and citizen of it. It implies respect for his fellow members, and also respect for the community as such.

Leopold's land ethic is timeless. The continued drainage and conversion of our wetlands, the despoiling of our air, soil, and water, the unabated erosion and denuding of our prairies, deserts, and ranges, and the accelerated destruction of our forests bear witness to this fact. The very conservation issues that Leopold identified more than 35 years ago are still to be resolved. Many, in fact, have grown in scope and magnitude.

Mr. Speaker, to draw attention to the "land ethic" that Aldo Leopold espoused and to the many natural resource problems we still face, and to commemorate the 100th birthday of the man who truly is the father of conservation, I am today introducing the following House joint resolution. I hope my colleagues will join me in marking January 11, 1987 as a day for all citizens of this great Nation to celebrate the monumental achievements of Aldo Leopold.

> JOINT RESOLUTION
>
> To commemorate the one hundredth birthday of Aldo Leopold and to recognize his contribution to the protection and wise management of renewable natural resources.
>
> Whereas January 11, 1987, marks the one hundredth anniversary of the birth of Aldo Leopold;
>
> Whereas Aldo Leopold is an undisputed pioneer of wildlife management and wilderness ecology;
>
> Whereas Aldo Leopold's land ethic, which "changes the role of Homo sapiens from conqueror of the land community to plain member and citizen" by "simply enlarging the boundaries of the community to include soils, waters, plants, and animals, or collectively: the land", has inspired and encouraged the protection and wise management of our renewable natural resources; and
>
> Whereas the teachings of Aldo Leopold, so eloquently captured in "A Sand County Almanac", continue to be read and enjoyed by millions of Americans: Now, therefore, be it
>
> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That special recognition is given to the achievements of Aldo Leopold and that Federal land management agencies are urged to model their activities after the conservation ethic he has inspired.

THE NATIONAL INDIVIDUAL TRAINING ACCOUNT ACT

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. DURBIN. Mr. Speaker, together with my colleague, Representative SHERWOOD BOEHLERT, I am reintroducing the National Individual Training Account Act to provide workers with the valuable retraining assistance they need to meet the changing needs of the work force. The bill received broad bipartisan support in the 99th Congress, with 97 cosponsors from all points along the political spectrum.

One of the most costly legacies of the turbulent change now plaguing our economy is the joblessness and underemployment of workers displaced by stiff international competition and technological change.

Many are unable to find new employment, while a large proportion of those who do must accept jobs paying considerably less than their former positions. A 1984 Bureau of Labor Statistics study offers graphic evidence of the magnitude of the problem. Of the 5.1 million workers displaced as a result of the recession in the early 1980's, only 60 percent were reemployed by 1984. Even more troubling, of those who did succeed in finding new employment, nearly half are earning less than in their former jobs.

There are countless stories of the hardships faced by these dislocated workers. Estimates vary as to the costs both they and society must bear. There is little question, however, that we need to respond to these workers' needs in a comprehensive fashion to enable the U.S. economy to recover its competitive edge.

The National Individual Training Account Act will establish a partnership between workers, employees and the Federal Government to enable workers to receive the retraining to ease their transition to new employment. The program would allow workers to open individual training accounts (ITA's) to which both they and their employers would make tax deductible contributions. The funds could be used by workers at any time and however they choose to pay for retraining if they are laid off. If the funds are never used for retraining, they can be used for retirement, as with an IRA.

We believe that this legislation represents one important piece of the puzzle that will enable our economy to restore its competitive edge. We look forward to working on it in the 100th Congress.

COMPENSATION OF CONGRESSMEN

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. CLINGER. Mr. Speaker, one of the hoariest of cliches is also one of the truest: There is nothing new under the Sun. As Congress prepares to tiptoe toward a congressional pay raise, protesting all the way, it is instructive to note that previous Congresses have been equally duplicitous in facing up to this always sensitive issue. The following article from the December 29, 1866, issue of the Vermont Journal notes that our predecessors in that Congress were at great pains to disavow that the pay raise they had voted themselves in the previous Congress had brought them any joy.

> COMPENSATION OF CONGRESSMEN
>
> The House of Representatives indulged itself on Thursday of last week, with a little debate on the compensation of members of Congress. Mr. Lawrence of Ohio has taken the matter seriously in hand, by proposing a bill reducing the pay to its old scale and actually looking towards a mitigation of the mileage abuse. It does not appear, however, that the House took the matter quite so seriously as Mr. Lawrence did. One gentleman insisted upon knowing whether Mr. Lawrence had himself drawn his increased compensation under the bill of the last session, when it appeared that he had. Mr. Maynard had felt great difficulty about it, but had drawn increased pay after seeing another member who had drawn it returned with great unanimity. Mr. Briggs was anxious to know from Mr. Lawrence "whether he felt bad when he took it"? Mr. Lawrence could not see the point of the question, but had no doubt Mr. Driggs "felt very good" when he received his, to which Mr. Driggs, amid the laughter of the House, candidly replied that "he did." Mr. Cobb of Wisconsin had found the matter of increased compensation a most embarrassing subject in the canvass, and had never drawn any part of his. And there was much amusing comparison of experience by gentlemen who had voted for or against the increase and had obtained larger majorities than ever.
>
> The experience of these gentlemen, of whom some drew their increased pay and some did not, and some voted for it and some against it, but all of whom were returned by large majorities, confirms what

we have before had occasion to say, that the country has no objection to the payment of liberal compensation to its legislators. And there would have been no embarrassment from the subject during the canvass had not Congress contrived to assume an air of meanness and subterfuge when taking that to which it had a right. An open and fair measure to increase the compensation of members, honestly based upon the necessity of the case, would have been understood and approved by all sensible men. But when it was found necessary to balance increased compensation to themselves by a vote of some hundreds or millions in bounties, Congress seemed to confess to an act of dishonisty which needed the shelter of a measure supposed to be popular. At this time we conceive that public opinion is entirely favorable to making a just compensation for the great expense and discomfort of life in Washington. The absurd inequalities of mileage require reform but the people have no disposition to close Congress against all but rich men by keeping the compensation at a low standard,—only it will be necessary for Congress, if it wishes to enjoy the advantage of this state of opinion, to meet the case openly and frankly and not to rely upon evasion or makeshift to support what is in itself a good claim.

In one respect, however, I hope that we might learn from our 19th-century brethren. If Congress thinks it deserves a pay raise, it should pass it in the 100th Congress to take effect in the 101st Congress. This way our constituents can tell us before we get it if they think we deserve it. We should not slip it through without a vote to take effect immediately as appears to be the plan.

LEGISLATION TO ALLEVIATE SOCIAL SECURITY INCOME LIMITATIONS FOR OUR WORKING SENIORS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. GILMAN. Mr. Speaker, I am pleased to introduce legislation liberalizing the earnings test for Social Security beneficiaries under the age of 70 who continue to work. Under current law, Social Security beneficiaries under age 70 who are employed or self-employed receive their full benefits unless their earnings exceed the annual exempt amount. My bill increases this exempt amount from the current level of $5,400 to $7,560 for beneficiaries under age 65, and from $7,320 to $10,080 for Social Security recipients 65 to 70 years of age. I strongly believe that honest, hard-working people should not be denied the benefits to which they are entitled simply because they choose to work through their retirement years. I am hopeful that my legislation will, in part, rectify this unfortunate situation.

The principal premise of Social Security has been that the benefits are intended to replace income lost due to retirement. Consistent with that belief, the Social Security system has imposed an earnings limitation or retirement test since enactment of the original 1935 statute.

Initially, the law restricted benefits for any month in which a worker received "any wages covered by employment." In 1939, Congress amended the law to permit beneficiaries to receive up to $15 a month in income gained by employment. In 1950, the $15 exempt income level was increased to $50 and benefits were provided to those age 75 or older who continued to work in recognition of the need to guarantee some return on contributions made to the Social Security system. Since 1950, the annual exempt amount has increased significantly and the age 75 ceiling has been lowered.

I trust that the irrationality of requiring workers to pay into Social Security all of their working life only to be denied their full benefits at retirement age merely because they choose to continue working is not lost on any of my fellow colleagues. As many as 4.75 million persons between the ages of 60 and 64, approximately 44 percent of that group, are employed full or part time. As of 1985, roughly 1.6 million persons between the ages of 65 to 69, 10.5 percent of that age group, were members of the labor force. Obviously, this is a significant segment of our society, a segment, I might add, that often does not report their income because they cannot afford to lose any portion of their Social Security benefits. I am optimistic that the increased tax revenues from those working senior citizens who decide to report their income after adoption of this legislation will help offset any additional outlays brought about by liberalization of the earnings test.

We are all too familiar with the heavy financial burden already borne by senior citizens. This, coupled with the depression and loneliness that often accompanies the later years in an individual's life, speaks for the need to encourage older Americans to continue being productive, enterprising members of our community. I hope that the Committee on Ways and Means will move swiftly to consider this legislation and that the many Members on both sides of the aisle who have advocated liberalizing or repealing the earnings test in the past will support this legislation.

Mr. Speaker, I request that the full text of this bill be printed at this point in the CONGRESSIONAL RECORD and I urge my colleagues to cosponsor this important measure.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN EXEMPT AMOUNTS.

(a) IN GENERAL.—Section 203(f)(8)(D) of the Social Security Act is amended to read as follows:

"(D) Notwithstanding any other provision of this subsection, the exempt amount for each month of any taxable year ending after 1986 and before 1988—

"(i) shall be $630 in the case of an individual who has not attained retirement age (as defined in section 216(l)) before the close of such taxable year; and

"(ii) shall be $840 in the case of an individual who has attained retirement age (as so defined) before the close of such taxable year.".

(b) CONFORMING AMENDMENTS.—(1) Section 203(f)(8)(A) of such Act is amended by striking out "(separately stated for individuals described in subparagraph (D) and for other individuals)" and inserting in lieu thereof "(separately stated for individuals described in subparagraph (D)(i) and for individuals described in subparagraph (D)(ii))".

(2) Section 203(f)(8)(B) of such Act is amended by striking out "the exempt amount which is applicable to individuals described in such subparagraph and the exempt amount which is applicable to other individuals" (in the matter preceding clause (i)) and inserting in lieu thereof "the exempt amount which is applicable in the case of individuals described in clause (i) of such subparagraph and the exempt amount which is applicable in the case of individuals described in clause (ii) of such paragraph".

SEC. 2. EFFECTIVE DATE.

The amendments made by the first section of this Act shall apply only with respect to taxable years ending in or after 1987 (and section 203(f)(8)(C) of the Social Security Act shall apply as though this Act had been enacted in 1986.

NEW ZEALAND SHOULD NO LONGER ENJOY MILITARY ASSISTANCE AND ARMS EXPORT PREFERENCES

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BROOMFIELD. Mr. Speaker, to protect the security of the United States and its allies, and to ensure the safety of its naval personnel at sea, the United States cannot deviate from its firm policy of declining to confirm or to deny whether any particular U.S. Navy ship carries nuclear weapons. The decision of New Zealand to deny access to New Zealand ports to U.S. Navy ships which may carry nuclear weapons creates a fundamental conflict between the security needs of the United States and its allies and the policy of New Zealand.

Since New Zealand refused to accept the visit of the U.S.S. *Buchanan* in February 1985, New Zealand has remained firmly committed to its port access policy. Accordingly, in August 1986, in response to the failure of New Zealand to fulfill its obligations to the United States, the United States suspended its security obligations of New Zealand.

The events of the past 2 years demonstrate that New Zealand has chosen to leave the group of especially close security allies of the United States formed by the NATO countries in Europe and by Japan and Australia in the Pacific. The laws of the United States should reflect this fundamental change in the foreign relations of the United States with New Zealand.

The Foreign Assistance Act of 1961 and the Arms Export Control Act grant preferential treatment with respect to security assistance and arms transfers to the closest security allies of the United States. The Congress should amend those acts so that New Zealand no longer enjoys this preferential status, but instead receives the treatment accorded to other countries generally. Amending the acts would conform them to the state of relations between the United States and New Zealand, which remain friendly, and indeed close in many respects, but which no longer remain close in matters of security cooperation.

To make the necessary adjustments in United States law, I have introduced the "New Zealand Military Preference Elimination Act" which amends the Foreign Assistance Act of 1961 and the Arms Export Control Act to eliminate preferential treatment for New Zealand with respect to security assistance and arms transfers.

The legislation does not eliminate preferential treatment for New Zealand under sections 2213, 2401a, and 7227 of title 10 of the United States Code which provide for preferential treatment by the United States for New Zealand in military airlift, communications support, and naval supplies and services. My inclination would be to eliminate the preferential treatment for New Zealand under these provisions of law as well, but doing so perhaps should await further consideration in light of the practical defense requirements of the United States and its allies.

The United States greatly regrets the choice New Zealand made to leave the group of America's closest allies. Nevertheless, New Zealand has made its choice. The administration has already adjusted the foreign policy of the United States to reflect the reality of the new relationship between the United States and New Zealand, and the Congress should amend United States law to reflect it as well.

A section-by-section explanation of the "New Zealand Military Preference Elimination Act" follows:

NEW ZEALAND MILITARY PREFERENCE ELIMINATION ACT SECTION-BY-SECTION EXPLANATION

A number of statutory provisions governing U.S. security assistance and arms transfers to foreign countries give preferential treatment to certain countries which are parties to mutual defense treaties with the United States. Those provisions currently give preference to North Atlantic Treaty Organization (NATO) member countries, Japan, Australia, and New Zealand. The "New Zealand Military Preference Elimination Act" strikes New Zealand from the list of countries given preferred treatment.

Under the bill, New Zealand would no longer enjoy the special status accorded primary U.S. defense allies with respect to security assistance and arms exports. New Zealand would enjoy only the same status as other non-Communist countries.

Section 1 of the bill entitles the bill the "New Zealand Military Preference Elimination Act."

Section 2 of the bill amends Section 515(a)(6) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321i(a)(6)). Section 515(a)(6) authorizes the President, in carrying out his responsibility for management of international security assistance programs, to assign U.S. military personnel to foreign countries to promote rationalization, standardization, interoperability, and other defense cooperation measures among NATO members and with the Armed Forces of Japan, Australia, and New Zealand. Section 2 eliminates promotion of defense cooperation measures with the Armed Forces of New Zealand as a basis for assignment of U.S. military personnel under Section 515(a)(6). Section 2 does not affect authority for assignment of U.S. personnel to any foreign country, including New Zealand, under any provision of law other than Section 515(a)(6) of the Foreign Assistance Act.

Section 3 of the bill amends Section 3(d)(2)(B) of the Arms Export Control Act (22 U.S.C. 2753(d)(2)(B)). Section 3(d) of the Arms Export Control Act prohibits the President (except in an emergency) from giving his consent to a foreign country's retransfer to another country of arms above a specified value received from the U.S. under the Foreign Assistance Act or the Arms Export Control Act, until 30 days after the President has notified the Congress of the proposed transfer, except that if the recipient of the arms is NATO or a NATIO member country, Japan, Australia, or New Zealand, the President may give his consent 15 days after he has notified Congress. Section 3 of the bill eliminates New Zealand as a favored arms recipient with respect to whom the President must wait only 15 days after congressional notification before granting consent. After enactment of Section 3 of the bill, the President would be required to wait 30 days after congressional notification before giving his consent to a retransfer to New Zealand.

Section 4 of the bill amends Section 21(e)(2) of the Arms Export Control Act (22 U.S.C. 2761(e)(2)). Section 21(e) of the Arms Export Control Act provides that letters of offer for the sale of defense articles or services under Sections 21 and 22 of the Arms Export Control Act shall include appropriate charges for certain administrative services; use of plant and production equipment; nonrecurring costs; and recovery of ordinary inventory losses. Section 21(e)(2) of the Act authorizes the President to reduce or waive the charges for use of plant and production equipment and for nonrecurring costs for particular sales if the sales would significantly advance U.S. interests in NATO standardization; standardization with the armed forces of Japan, Australia, or New Zealand in furtherance of mutual defense treaties; or foreign procurement in the U.S. under coproduction arrangements. Section 4 of the bill eliminates advancement of U.S. interests in standardization with the armed forces of New Zealand as a basis for reduction or waiver of charges for use of plant and production equipment and for nonrecurring costs with respect to an arms sale.

Section 5 of the bill amends Section 21(g) of the Arms Export Control Act (22 U.S.C. 2761(g)). Section 21(g) authorizes the President to enter into standardization agreements with NATO countries, Japan, Australia, and New Zealand for the cooperative furnishing of training on a bilateral or multilateral basis under reciprocal financing principles. Section 5 of the bill eliminates New Zealand as a country eligible for such cooperative training agreements.

Section 6 of the bill amends Sections 36 (b) and (c) of the Arms Export Control Act (22 U.S.C. 2776). Section 36(b) provides that a letter of offer of certain defense articles or defense services above a certain value shall not issue (except in an emergency) until 30 days after the President has notified the Congress of the proposed letter of offer, except that if the recipient is NATO or a NATO member country, Japan, Australia or New Zealand, the letter of offer may issue 15 days after the President has notified the Congress. Section 6 of the bill eliminates New Zealand as a favored arms recipient with respect to whom issuance of a letter of offer can occur 15 days after congressional notification. After enactment of Section 6 of the bill, issuance of such a letter of offer to New Zealand could not occur until 30 days after congressional notification. Section 6 of the bill also would remove New Zealand from the list of recipient allied countries with respect to whom the internal congressional procedures of one House specified by statute provide for a preferential motion to discharge a committee of a joint resolution blocking such a letter of offer.

Section 6 of the bill also amends Section 36(c) of the Arms Export Control Act, which requires notice to Congress 30 days prior to issuance of a license to export from the United States certain defense articles or defense services above a certain value, except for licenses for export to NATO or a NATO member country, Japan, Australia, or New Zealand. After enactment of Section 6 of the bill, a license for such export to New Zealand could not issue until 30 days after congressional notification.

Section 7 of the bill amends Section 63(a)(2) of the Arms Export Control Act (22 U.S.C. 2796 (a)(2)). Section 63 of the Arms Export Control Act provides that the President shall notify the Congress 30 days prior to entering into or renewing an agreement with a foreign country to lease or lend certain defense articles above a specified value under the Arms Export Control Act or the Foreign Assistance Act of 1961 for a period of one year or longer. Section 63(a)(2) provides that Section 63, requiring congressional notification prior to such agreements to lease or lend, does not apply with respect to leases or loans to NATO or NATO member countries, Japan, Australia, or New Zealand. Section 7 of the bill eliminates New Zealand from the favored category of countries with respect to whom notification to Congress prior to such agreements is not required.

RECIPROCAL TRADE AND ADJUSTMENT ACT

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. McDADE. Mr. Speaker, I am reintroducing legislation today, the Reciprocal Trade and Adjustment Act, which provides a tough U.S. response to the unfair trade practices of our foreign competitors. My bill is designed to insure that free trade is fair trade.

Trade is truly the most important economic problem facing this country, and I believe Congress needs to work in a bipartisan fashion to draft responsible, comprehensive trade legislation. Trade is an issue that touches the heart and soul of America because it directly relates to jobs, economic opportunity and a higher standard of living. The need for legislation of the type I am introducing is dramatically demonstrated by the record $19.2 billion November trade deficit which virtually guarantees a $170 billion deficit for 1986.

My bill expands the list of actions that are defined as unfair trade practices under U.S. law. It also gives the President new powers to retaliate against unfair trade practices that hurt American products in all industries—from automobiles to agricultural exports as well as to the service industries.

In addition, this legislation is designed to counter foreign governmental subsidies for agriculture and other products which give them an unfair advantage over U.S. exports in overseas markets. This bill also focuses on trade practices of other nations that create barriers to prohibit or reduce the export of American service skills ranging from computer software to fast-food franchises. Services related to computers, systems, management, and data processing are and should continue to be an increasingly important part of the American export market.

The legislation requires the President to identify and assess annually the impact of foreign barriers on U.S. trade and recommend to Congress what actions could eliminate those barriers. It would also authorize the President to propose legislation to protect U.S. trade rights or to eliminate unfair trade practices, and requires that such legislative proposals be given priority treatment.

I urge my colleagues to join me in cosponsoring the Recicrocal Trade and Adjustment Act. A digest of the legislation follows to explain the legislation in greater detail.

THE RECIPROCAL TRADE AND ADJUSTMENT ACT

Amends the Trade Act of 1974 to establish provisions dealing with foreign trade barriers. Directs the United States Trade Representative (USTR), through the Interagency Trade Organization established pursuant to the Trade Expansion Act of 1962 to identify, analyze, and estimate the impact of practices that constitute significant barriers to or distortions of: (1) U.S. exports of goods and services; and (2) foreign direct investments by U.S. persons, especially if it has implications for trade in goods or services.

Set forth factors to be considered by the USTR in such analysis. Directs that the USTR update the analysis annually. Requires the USTR to consider foreign subsidization of exports which are like or competitive with U.S. exports to be an act which constitutes a significant barrier to, or distortion of, U.S. export of goods. In addition, it directs the USTR to submit the analysis to the appropriate Congressional Committees and it requires the report to include any action taken to eliminate such trade barriers. Directs the USTR to consult with Congress on trade policies.

Directs Federal agencies to furnish information and other assistance to prepare such analysis. Authorizes the President to respond to a foreign entity's unfair trade practices by taking action against any goods or sector of such entity without regard to whether the goods or sector were involved in the unfair trade practice. Authorizes the President to propose legislation to protect U.S. trade rights or to eliminate unfair trade practices. Requires such legislative proposals be given priority treatment.

Requires a summary of a petition for a trade investigation by the USTR to be published in the Federal Register, rather than the entire petition as in current law, if the USTR decides to begin an investigation with respect to the issues raised by the petition. Authorizes the USTR to initiate an investigation in order to advise the President concerning the exercise of the President's authority to take action against unfair trade practices. Directs the USTR to consult with the appropriate Congressional committees before beginning such an investigation.

Authorizes the USTR to delay for up to 90 days any request for consultation by a foreign entity concerning a petition for investigation into unfair trade practices. Directs the USTR to publish notice of the delay in the Federal Register and to report to Congress the reasons for the delay. Changes the definition of "commerce" for purposes of foreign trade investigations to include: (1) services associated with international trade, whether or not related to specific goods (currently products); and (2) foreign direct investment by U.S. persons with implications for trade in goods or services.

Defines "unreasonable", "unjustifiable" and "discriminatory" for purposes of such investigations. Prohibits making information which the USTR has received in a trade investigation available to the public, if: (1) the person who provided the information makes a specified certification; (2) the USTR determines that such certification is well-founded; and (3) the person providing the information provides an adequate nonconfidential summary. Authorizes the USTR to use the information in trade investigations or to make it available to the public in a form which cannot identify the person providing the information. Sets forth the principal U.S. negotiating objectives with respect to trade in services, foreign direct investment, and high technology products. Directs the USTR to develop and coordinate the implementation of U.S. policies concerning trade in services.

Requires Federal agencies responsible for regulating any service sector industry to advise and work with the USTR concerning: (1) the treatment afforded U.S. services sector interest in foreign markets; or (2) allegations of unfair practices by foreign governments or companies in a service sector. Authorizes the Secretary of commerce to establish a service industries development program. Expresses the policy of the Congress that the President shall: (1) consult with State governments on trade policy issues affecting the regulatory authority on non-Federal governments or their procurement of goods and services; and (2) establish one or more intergovernmental policy advisory committee on trade.

Authorizes the President to establish policy advisory committees representing non-Federal governmental interests to provide policy advice on trade negotiating objectives, bargaining positions, and the implementation of trade agreements. Authorizes the President to negotiate to reduce trade barriers in foreign direct investment by U.S. persons, especially if such investment has implications for trade in goods and services. Authorizes the President to enter into agreements concerning high technology industries. Requires the Department of Commerce to submit a report to Congress analyzing factors, not addressed by this Act, which significantly affect the competitiveness of U.S. high technology industries and which have a potential for high sales growth in world markets. Authorizes the President to proclaim the modificaiton, elimination, or continuance of any existing duty, duty-free, or excise treatment, or any additional duties to carry out agreements concluded under this Act. Requires the President to exercise this authority only with respect to specified items listed in the U.S. Tariff Schedules. Provides for the termination of such authority within five years after the enactment of this Act.

THE AIDS EPIDEMIC

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. DANNEMEYER. Mr. Speaker, the United States is experiencing a health catastrophe of historic proportions and an ethical crisis of equal magnitude. Approximately 28,000 persons have been diagnosed with Acquired Immune Deficiency Syndrome [AIDS]. Of that number, 13,442 are already dead and the remaining number are expected to die within 5 years. A recent report by the Centers for Disease Control [CDC] projects that by 1991 the cumulative number of AIDS cases will total more than 270,000 and the number of deaths will exceed 179,000.

In addition, it is estimated that between 1,000,000 and 1,500,000 persons are infected with the AIDS virus and are capable of transmitting the disease. Until recently it was hoped that only 25 to 30 percent of those infected would become victims of full-blown AIDS. However, recent evidence indicates that more than one-third of those exposed to the virus will progress to the fatal stages of the disease and all of those exposed will experience some substantial impairment of their immune system. If this scenario fails to illustrate the severity of the health crisis at hand, there is more.

The AIDS epidemic will result in a profound loss of life. In the next 5 years the number of deaths attributable to AIDS will exceed the number of U.S. military deaths which resulted from World War II. It is a tragedy for any nation to lose so many productive citizens in the prime of life and to bear the societal cost of such a devastating disease. Authorities estimate that the average medical cost for a victim of AIDS in the next 5 years will range between $46,000 and $100,000 per victim. This cost will be borne largely by State and Federal Governments and, to a lesser degree, by our health insurance institutions.

While I do not advocate prioritizing the cost of health care at the expense of saving lives or improving the quality of life for victims of AIDS, I do believe that cost restraints must be considered in determining which solutions present acceptable options.

Perhaps the most disturbing aspect of this bleak projection is that individuals who suspect they may be infectious and some of those who know they are infectious continue to engage in high-risk activities proven to spread this disease. Despite the authority of public health officials to halt this type of behavior, they have declined to intervene, saying that isolation orders or restrictions on sexual activities infringe on the civil rights of AIDS victims.

The issue at hand is not the civil rights of any victim nor of any potential victims, it is finding a way of stopping any and all activities that may spread this 100 percent fatal disease. The AIDS virus does not have rights, and the rights of individuals who persist in engaging in certain activities are outweighed by the rights of those unsuspecting persons whose lives are placed at risk. It is blatantly selfish for an individual to reject or ignore knowledge which would assist him in preventing the death of another. Yet we are faced with the unfortunate fact that many AIDS victims refuse to acknowledge that their actions could result in the death of another. Persons who suspect they may have been exposed are refusing to get tested because they are afraid of losing their jobs, their friends, and the support of their families. While denial and disbelief are understandable reactions, AIDS victims and all those who have been exposed must be forced to acknowledge the severity of their condition and take responsibility for the consequences of their actions and inactions.

Although I firmly believe that the U.S. Public Health Service and State medical authorities should be the entities responsible for setting and implementing these vital standards, their failure to act has left a dangerous void in public health policies and protections. For this reason I am introducing an omnibus package of legislative measures aimed at taking hold of this devastating disease before it takes hold of the Nation.

The first bill is, I believe, the lynchpin for altering the devastating course of this disease. This bill will make it a crime for Federal employees, members of the armed services, and those in Federal buildings who know they have AIDS or who know they carry the virus, to purposefully engage in activities considered high risk for purposes of transmission. The penalty for engaging in this prohibited conduct will be enforced isolation for a period of 5 years under the supervision of a public health officer or until a cure is found.

Although I anticipate that this legislation will not be widely enforced, I believe it is important that credible standards be set and that individuals be on notice that certain conduct will be tolerated by our society. In attempting to prosecute an offense pursuant to this legislation, it will be necessary to prove that a particular person was the source of contagion and that the individual possessed the requisite degree of intent necessary to prove culpability.

Although criminal prosecution for transmission of the AIDS virus could be accomplished in most jurisdictions under theories of homicide, manslaughter, attempted murder, and criminal assault, this legislation is designed to spell out a Federal policy of deterrence and to put the Federal Government on record in opposition to ineffectual policies designed to provide political solutions and in favor of criminal sanctions against those persons who knowingly engage in high-risk conduct capable of transmitting AIDS.

Several jurisdictions currently address a portion of this problem and have enacted laws to deal with the problem of disease transmitted by sexual activity. For example, the California Health and Safety Code, section 3198, makes it a misdemeanor to "expose any person to, or infect any person with any veneral disease" and to "marry or have sexual intercourse" if the individual is infected with veneral disease and knows of such condition. In addition, section 3354 of the California Health and Safety Code makes it a misdemeanor to violate any public health order dealing with communicable disease and assesses a fine of $25 to $500, imprisonment for not more than 90 days, or both.

No civil rights cry can overcome the realities of actions which condemn another to die. Whether by action or inaction, such conduct is murder and must be sanctioned as such. Society cannot and must not condone different standards of conduct for AIDS victims because they are fatally ill. We must show compassion while taking the preventive steps necessary to control proliferation of this terrifying disease. In my judgement this bill will encourage such action.

The second bill I am introducing is an omnibus resolution expressing the sense of Congress that States should enact the following laws in an attempt to deal with the AIDS problem:

Legislation which would require a blood test for AIDS before a couple may be married;

Legislation which would require that partners of AIDS victims be traced and counseled, as is currently done with partners of victims of syphillis and gonorrhea;

Legislation which would encourage designated hospitals to offer blood transfusions which are made directly between the blood donor and the person receiving the transfusion;

Legislation which would require individuals seeking a license to practice medicine, nursing, or any other health care profession to have a negative test result from a test for AIDS, or a test to determine if an individual is a carrier of the virus;

Legislation that would permit nurses to wear protective garments at their discretion when dealing with AIDS victims;

Legislation which would close down bathhouses;

Legislation which would encourage school boards to educate children with AIDS outside the public classroom, and

Legislation which would require that all persons arrested for prostitution and intravenous drug use as well as all persons scheduled to be housed in any prison facility be tested for AIDS or for presence of the virus. It is the intravenous drug user who shares needles and the prostitute with largely unidentified partners who are the major avenues of infection. In addition, States should enact legislation which would require that all persons seeking a marriage license must be tested for AIDS or presence of the virus.

Those persons in any of the above groups who test positive should then be counseled about the necessity of stopping all behaviors which could transmit the virus. Ultimately, it would be appropriate for public health authorities to consider court sanctioned isolation for those HIV positive prostitutes who continue to practice their profession and intravenous drug users who continue intravenous drug use and the sharing of needles.

I introduce this resolution with the hope that States will enact such legislation and take these and other prudent steps to curtail the spread of AIDS. Some claim that the States are the only ones with jurisdiction over the health threat of AIDS. While I concur with the assessment that States should retain jurisdiction, I do not agree that States are solely responsible. An overwhelming Federal interest has been created in this issue based on the magnitude of the burden created by the health care costs of the present victims of AIDS and the potential burden of the 270,000 victims estimated to have acquired the disease by 1991.

The disabling effects of this debilitating disease dictate that AIDS victims cannot care for themselves in the final stages of illness. In most instances the States and the Federal Government are the only entities able to shoulder the financial burden of adequate medical care. In this instance the realities of the burden imposed on the Federal Government raise what is generally considered a State issue to the level of mandated Federal involvement.

The third bill in this omnibus package makes it a crime for persons with AIDS, or for those who carry the AIDS virus, to knowingly donate blood, semen, or organs. Evidence that the Public Health Service is not pursuing policies based solely on concern for the public health but on political considerations is obvious when one considers the inappropriate handling of our blood supply to date. Virtually all hemophiliacs in the United States and elsewhere who have received clotting factor concentrates derived from blood collected in the United States prior to 1985 have become infected with the AIDS virus. Nine thousand hemophiliacs and 20,000 transfusion recipients are now permanently infected with the AIDS virus. The most regrettable part of this reality is that the contamination of our Nation's blood supply could largely have been avoided if the Public Health Service had appropriately restricted all high risk groups, specifically male homosexuals, from donating blood at the outset of the AIDS epidemic.

AIDS was recognized as a blood-transmitted disease as early as 1982 and as a disease peculiar to homosexuals, intravenous drug users, and Haitians at approximately the same time. Despite this evidence, PHS recommended in 1985 that intravenous drug users, which comprise 13 percent of the identified cases, be prohibited from donating blood, while suggesting that polygamous male homosexuals, who comprised 73 percent of the known cases, refrain from donating blood. These initial guidelines served to encourage male homosexuals who considered themselves monogamous, to donate blood. At the time these guidelines were issued, PHS knew that the incubation period for AIDS may be as long as 8 years and that a recent Kinsey report indicated that the longest relationship between homosexuals averaged 1 to 3 years, and yet the recommendation only requested male homosexuals who had been polygamous in the past 6 years to refrain from donating. Following the release of these guidelines, PHS admitted that they were a product of compromise between the homosexual community and public health authorities.

The result of the PHS's failure to recognize the risks involved and its complete reliance on the ELISA test for screening has resulted in the lifetime infection and potential death of two Colorado residents who received AIDS through transfused blood. According to the June 20, 1986, issue of Morbidity and Mortality Weekly, a 31-year-old donor who showed a negative reading in a test for the AIDS antibody in April 1985 and August 1985 donated contaiminated blood in August 1985. Two recipients of the August transfusion are now infected with the virus and test antibody positive although neither currently exhibits symptoms of AIDS. The donor of this contaminated blood admitted that he had participated in a homosexual encounter earlier that year. In light of the 4 percent false negative rate of the ELISA test, self-exclusion of high-risk donors is the only completely reliable method of excluding contaminated blood.

The fourth bill deals with the issue of mandatory testing. My legislation would require all federally funded prisons to institute immediate testing of inmates for seropositivity to the AIDS virus and testing of all persons seeking to immigrate to this country. The most serious threat we now face is the large percentage of HTLV-III positive individuals who do not know they are infectious. These individuals cannot take necessary precautions and stop all high-risk contact because they do not know that their status demands such conduct. For this reason we must begin mandatory testing in high-risk situations.

The need for testing in our prisons has been recognized by authorities and some prisons currently test routinely. Much has been reported about the dangers of coercive anal intercourse in prison settings and there is little doubt that exposure to AIDS would fall squarely within the bounds of "cruel and unusual" punishment. Similarly, testing immigrants for disease has long been the policy of immigration authorities with respect to such diseases as syphillis, gonorrhea, tuberculosis, and others. No country has an obligation to accept immigrants with a fatal and communicable disease and the United States should, as a matter of course, extend exclusion policies to victims of AIDS and those who test positive for presence of the virus.

The fifth bill I am introducing will require all States which receive Federal money pursuant to the Federal Venereal Disease Prevention and Control Projects and Programs (42 U.S.C. 247c) or to be used for AIDS counseling and education to set up a system in which State public health authorities are responsible for tracing the partners of AIDS victims, testing these persons and counseling them about the infectious nature of this disease.

Under current law it is common practice for State public health authorities to trace the partners of patients with syphillis, gonorrhea, and other venereal diseases. It is absurd and unwise public health policy to trace persons with a nonfatal, venereal disease and counsel them about the risks of transmission but to fail to take the same prudent steps with persons who may have acquired, or carry, a 100-percent fatal disease. Oregon and Colorado currently have a tracking system for AIDS which has generally proven effective and has not resulted in "driving seropositive individuals underground," as was predicted by authorities.

In addition to being sound public health policy, the role of testing in the AIDS epidemic has some positive implications which have been largely ignored. First, testing immediately reassures the unexposed that they are currently uninfected and provides a time and place where they can be counseled on how to remain that way. Second, mandatory testing would give public health authorities the opportunity to better define the actual character and spread of the disease.

At this time there are an estimated 300,000 HIV positive individuals in the State of California, while only 60,000 have been tested. That leaves approximately 240,000 HIV positive people who do not know they are infectious and therefore continue to infect others. The only way to stop this disease is for infected people to stop engaging in high-risk activities and the only way to ensure that these people can be responsible for their conduct is to test them and inform them of their ethical and legal responsibility to contain this fatal epidemic.

The sixth and final bill I am introducing is a resolution of disapproval for D.C. Act 6-170 which prohibits D.C. insurers from denying, canceling, or refusing to renew insurance coverage for persons at high risk for AIDS. This ordinance, passed by the D.C. Council on June 13, demands that private insurance companies give persons at high risk for AIDS special, unprecedented coverage not available to other high-risk groups. This law subsidizes the few at a high and unbearable cost to the many without regard for traditional rate assessment mechanisms.

Congress is granted the exclusive authority in article I, section 8 of the Constitution to exercise legislative jurisdiction over the District of Columbia. In this case, Congress is obligated to act on its delegated authority due to the Federal interest created by the council when it passed this ordinance and set a dangerous and inappropriate precedent.

The Senate twice passed a resolution of disapproval for D.C. Act 6-170 during the 99th Congress and I am hopeful that during this session the House will get the opportunity to speak on this important issue. Since D.C. Act 6-170 was passed, over 100 insurance companies have stopped writing health and life insurance policies in the District of Columbia. After only 6 months, this D.C. law has negatively impacted the price and availability of insurance in the District and the adjacent States of Maryland and Virginia by requiring insurance companies to set premiums for one particular risk group below that which the company requires from other groups at high risk for disability and death.

Even though many advocates of home rule admit that the act is "stupid," they urge Congress not to interfere in the affairs of the District no matter what the cost. I believe that in this case the costs to the residents of the District of Columbia are too high and that Congress should shoulder the responsibility delegated to it by the Constitution and repeal this unwise and unjust legislation. Persuasive precedent exists to overturn this act and in 1981, D.C. ordinance 4-69, which provided for the repeal of the sodomy and bestiality statutes, was overturned by a congressional resolution of disapproval by a vote of 281-119. Congress has the power to overturn a D.C. law and is obligated to do so when a law such as D.C. Act 6-170 sets such a dangerous precedent for the Nation.

This omnibus package of legislation is aimed at closing the voids left by a lethargic and too political public health system. I believe it is urgent that we shift from complacency to action in preventing future cases of AIDS. In my judgment, the best way to accomplish this is to discard the naive assumptions and simplistic solutions which have hampered our progress to date. We have avoided these and other options out of fear of being labeled discriminatory.

It is time to explore any and all options which may diminish the portent of this frightening disease. It is most properly the jurisdiction of the Public Health Service to take these vitally needed actions, but in the absence of prudent management of this epidemic by the PHS it is vital that Congress and the Nation fill that void and mobilize all available resources and channel them into realistic and immediate solutions. The sobering reality is that AIDS is an epidemic that affects us all, and as a society we must become involved in choosing our options.

This omnibus package represents a number of options which, I believe, are vital to altering the course of this devastating disease. I urge Congress and the Nation to join me in advocating actionable, practical alternatives to the current public health policy which has resulted in no choice and little hope.

CONSTITUTION DAY

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. FOGLIETTA. Mr. Speaker, today, I am introducing legislation to designate September 17, 1987 as Constitution Day, and to make such day a one-time legal public holiday.

Mr. Speaker, 1986 was a year to take great pride in America, as we celebrated the 100th birthday of the Statute of Liberty. But 1987 is the anniversary of an event of much greater importance. The 200th anniversary of the signing of the U.S. Constitution; an event of which we should all take note. Without the Constitution, the great society the United States has become, symbolized by the Statue of Liberty, would never have been achieved. Today, with Representatives BOGGS and CRANE, I am introducing a bill to give this historic occasion the recognition it deserves.

The signing of the U.S. Constitution is one of the most important events in this country's history. All around the United States, events are being planned to commemorate this day. We in Philadelphia take pride in the fact that this document was signed in our great city.

The U.S. Constitution is our country's most prized national treasure. It is responsible for protecting the rights that every U.S. citizen enjoys, and it is looked to by nations around the world as a blueprint for the formation of a democratic society. Because of the Constitution's vital role in the development of our Nation, I have introduced this bill to grant the 200th anniversary of its signing the recognition it deserves, making it a legal public holiday to ensure that every U.S. citizen is able to take time to participate in the commemorative activities.

SAM CRISTOFANO

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. MINETA. Mr. Speaker, I am pleased to salute a true American public servant. Mr. Sam Cristofano, director of public works and city engineer for the city of Santa Clara, has devoted all of his public life to his community. Now beginning his retirement, I think it is appropriate to ask my distinguished colleagues to join me in congratulating and honoring Sam Cristofano for his efforts.

In Santa Clara, Sam distinguished himself as an excellent civic planner, moving Santa Clara from a sleepy farming community to a city in the heart of Silicon Valley. For three decades Cristofano has been a guiding force in the Mission City, and Santa Clara today serves as a fine example for other urban centers. From Mission Santa Clara, built centuries ago and set today in the city's quaint downtown and university area, to the new convention center, Santa Clara has preserved its heritage while allowing for prudent industrial development.

Sam has shown by personal example what the term public servant means. When the regular business day ended, Sam Cristofano's day was moving into high gear. He belongs to nearly two dozen civic, fraternal, and professional organizations, and has held elective office in many. For instance, Sam was charter president of the Municipal Public Works Officials of Santa Clara County, charter president of the American Public Works Association, South Bay Chapter, and was president of the Kiwanis Club of West Santa Clara. In short, it's a wonder he found time to fit it all in.

He is the winner of the American Public Works Officials' Charles Nichols Award, the Top Ten Public Works Man-of-the-Year Award, the APWA Distinguished Service Award, the Meritorious Service Award of the California Council of Civil Engineers and Land Surveyors, and the University of Colorado Distinguished Engineering Alumnus Award.

He has published numerous books and papers, being cited as a recognized expert in public administration and city engineering. Not content to keep his wealth of knowledge to himself, Sam is also a guest lecturer at Santa Clara University, teaching courses in Solid Waste Management and Public Works Maintenance.

Mr. Speaker, in light of his lifetime of achievement, his extensive community involvement, and his personal dedication to making our community a better place, I respectfully urge my esteemed colleagues to join me in saluting Mr. Sam Michael Cristofano for his efforts and to extend our best wishes to him for a happy and healthy retirement.

Thank you very much.

LEGISLATION TO REPEAL LIMITATION OF OUTSIDE EARNED INCOME OF SOCIAL SECURITY RECIPIENTS

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. SHUMWAY. Mr. Speaker, today I am introducing legislation to repeal the outside earnings limitation which is currently imposed on Social Security recipients.

Under present law, eligible recipients between the ages of 65 and 70 are threatened with a reduction in Social Security benefits if their outside income exceeds a certain level—now $8,160 per year. For those under 65, the level is $6,000. For every $2 earned in excess of these limits, Social Security benefits are reduced by $1.

It certainly makes very little sense, at a time when many of our senior citizens are struggling to make ends meet, to penalize Social Security recipients in this fashion. Social Security is a retirement program, not a welfare program. To deny full benefits to those who have paid into the system throughout their working careers, with the expectation that they would begin to reap the benefits at age 65, is literally a breach of the contract between the Federal Government and the individual worker.

In fact, it is often those who find it most difficult to survive on fixed incomes, particularly during periods of high inflation, who must rely on outside income. It is not wealthy individuals, who often have income-producing investments, who suffer under the earnings limitation—it is those who can least afford it.

Further, the earnings limitation acts as a disincentive to work in a productive capacity. The attitude toward retirement in recent years has made clear that the earnings limit is somewhat arbitrary; many are choosing and, in fact, are encouraged to continue working beyond this age. Not only is this good for the economy, it is good for the individuals involved. Yet, because of this outdated provision, we are formally penalizing such activity.

Mr. Speaker, legislation similar to mine has been introduced in the past. Many Members share my concerns, and senior citizens throughout the country support this measure. I therefore encourage the full House to join in support of repealing the outdated earnings limitation and quickly approve this legislation.

OIL IMPORT FEE: A TRAGIC MISTAKE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. CONTE. Mr. Speaker, today, I and 17 of my colleagues have introduced legislation expressing the House of Representatives' opposition to the imposition of an import fee on crude oil and refined products. As I am sure many of my colleagues are aware, oil import fees have been proposed many times over the past decade. They've been suggested as a cure for everything except the common cold. They're supposed to reduce our dependence on foreign oil, raise revenue, and reduce the Federal deficit.

While no one doubts the most important task facing this Congress is deficit reduction, an oil import fee would be the wrong direction to take in restoring fiscal responsibility. I have long advocated a combination of reasonable, fair spending restraint in all areas of the budget and new revenues. But by new revenues, I do not mean an unfair, inefficient, regressive tax that would seriously cripple the U.S. economy. In economic terms, a $5-per-barrel oil import fee would increase costs to consumers by $35 billion, while only raising $6 to $7 billion for the U.S. Treasury. Over time, however, those revenues would decrease as the gross national product and employment fell.

Finally, the primary effects of an oil import fee would be felt in the Northeast and Midwest where 80 percent of home heating oil is imported. Those citizens would pay more than three times the national average for electricity. Mr. Speaker, H.L. Mencken, once said that "for every complex problem, there is an easy solution. It is short, simple * * * and wrong." He could have been talking about an oil import fee. I would urge my colleagues to consponsor this legislation and not to make the tragic mistake of imposing an oil import fee.

A SALUTE TO HARRY FARRELL

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. EDWARDS of California. Mr. Speaker, along with my colleague from California, Mr. MINETA, I would like to call to the attention of the House the retirement of an outstanding journalist, Mr. Harry Farrell.

Harry started work with the San Jose Mercury Herald, now the San Jose Mercury-News, 44 years ago. He came to work as a copy boy, went on to cover city hall, police and politics, and also did duty as a columnist.

On Monday, December 29, Harry put in his last day as a reporter for the Mercury-News. He has seen the city of San Jose grow from 60,000 to well over 600,000. When Harry was a young reporter, Santa Clara County was "The Valley of Hearts Delight" or "The Prune Capital of the World;" today we call it "Silicon Valley". He has seen political parties, politicians, movers and shakers come and go and come and go again. He has seen the sons and daughters of political leaders of the forties become the political leaders of the seventies and eighties.

Harry Farrell is a respected reporter; respected for his honesty, integrity, hard work and tenacity. He took the little story and made it a memorable story. He took the investigative story and wrote it honestly and fairly. He reported on the famous and the would-be famous and made them human and approachable. Through his reporting, he has enriched both his profession and the people of the Santa Clara Valley.

San Jose has changed greatly since Harry Farrell started as a copy boy. He has maintained a personal style that allowed his readers a feeling of closeness, a sense that San Jose is still a small town, a place where Harry cares about the people and about what goes on in his town.

We will miss Harry, and we send him our best wishes on his retirement.

PAY-AS-YOU-GO FEDERAL GOVERNMENT

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. DE LA GARZA. Mr. Speaker, as I have every Congress since first coming to this body in the 89th Congress I am again introducing legislation which would amend the Constitution providing that appropriations shall not exceed revenues in any year, except in time of war or national emergency as declared by Congress.

My proposed amendment is direct and simple. It provides that the President would determine and proclaim the estimated total revenues of the U.S. Government each year. Congress would be prohibited from authorizing the withdrawal of Treasury funds in excess of the total amount of revenues. Outlays for whatever purpose could not be greater than income.

Enactment of this amendment would give the American people an opportunity, acting through their State legislatures, to make their own decision about whether we will have a pay-as-you-go Federal Government.

The time for positive action is ripe—and action must be taken now.

MEHARRY MEDICAL COLLEGE DESIGNATED AS A WORLD HEALTH ORGANIZATION COLLABORATING CENTER

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BONER of Tennessee. Mr. Speaker, I would like to take this opportunity to share news with my colleagues of a great honor bestowed upon three historically black colleges in the Fifth District of Tennessee, which I have the privilege to represent.

Last November 14, Meharry Medical College received word from the World Health Organization that its International Center for Health Sciences will be designated as a W.H.O. Collaborating Center in Health Manpower Development.

This is the first time in the United States that a black educational institution has earned this international distinction. Two other Nashville institutions of higher education, Fisk University and Tennessee State University are also being recognized for their association in this effort with Meharry.

The World Health Organization is a division of the United Nations devoted to the health of people throughout the world. Its mission emphasizes the sharing of health efforts among nations, and a principal goal calls for adequate health care for all people by the year 2000.

With designation as a collaborating center by the World Health Organization, Meharry's International Center for the Health Sciences will focus its attention on global health issues at the community level. Health professionals working with the center will strive to provide high-quality care and improve the skills of health professionals in a cost-effective community health system. The center will also provide a clearing house for the collection and distribution of information worldwide regarding community health care.

I would like to express my appreciation to Prof. Dr. Thomas A. Lambo, Deputy Director General, World Health Organization, Geneva, and to Dr. Carlyle Guerra De Macedo, Director of the Panamerican Health Organization and WHO Regional Director for the Americas. I would also like to congratulate Meharry President Dr. David Satcher, and Dr. Huey Mays, vice president for health services at Meharry, for their continued encouragement and support of the International Center, and Prof. Dr. Stacey B. Day, who through his work and leadership as director of the center, has played a major role in gaining this distinction. Their efforts are to be commended for their importance to our community, this Nation and the world.

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25 YEARS IN A TOUGH JOB

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. GALLO. Mr. Speaker, being a police officer is a difficult job.

Enforcing the laws of the community, the State, and the Nation is only a part of the job. A police officer provides a helping hand to people at times of greatest need.

For every criminal who is apprehended, there is a victim who has been exposed to a traumatic experience.

Police officers must, at all times, be firm but understanding; tough, but compassionate.

Lt. Ernest A. Ginder, Jr., has distinguished himself during a 25-year career as a police officer. He has performed the duties assigned to him with skill and understanding.

From his first day on the force, in October 1961, Lieutenant Ginder has been a dedicated member of his profession. He has done a difficult job well.

In recognition of his performance, Lieutenant Ginder was promoted to the rank of sergeant in 1968 and became a lieutenant in 1984.

On behalf of my colleagues in the U.S. House, I congratulate Lt. Ernest A. Ginder, Jr., for his dedication to duty and his outstanding service to the Borough of Mountain Lakes during his 25-year career as a member of the borough police force, as an officer, and a gentleman.

I offer to him the best of wishes for a happy and prosperous retirement and salute him at this milestone in his life.

COST OF CONGRESSIONAL CAMPAIGNS

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. SWIFT. Mr. Speaker, I would like to take a few moments today, as chairman of the Subcommittee on Elections, to comment on what I see as an increasingly troubling issue: The spiraling cost of congressional campaigns.

Consider the following facts:

The cost of House and Senate races, when the final figures are in, is likely to reach an all-time high near $400 million in 1986.

The cost not only is remarkably high, it is "surging," as Broadcasting magazine termed it in a recent article, running well ahead of the rate of inflation. In this past election cycle the cost was 71 percent higher than it was just 4 years ago, in the last midterm election.

The average House race cost $52,000 in 1974. By 1984, that had risen to $289,000. To accumulate that much money a candidate must raise roughly $10,000 per month for 2 years. A candidate in a competitive race, where the average expenditure was $456,000 in 1984, must raise nearly $20,000 a month for 2 years.

It is not news, of course, that elections cost money. They always have and they always will. Any candidate needs money to get his or her message to the voters. Whether the message is disseminated via bumper stickers or television ads, through billboards or campaign buttons, a reasonable level of spending is necessary. The problem is that spending is no longer reasonable; it has gotten out of hand.

It is a heavy burden on any candidate, no matter how well qualified, to contemplate having to raise tens of thousands of dollars—and often incur substantial debt—in order to run for office. And not only the candidates suffer. Much more importantly, when campaign spending goes beyond the point of diminishing returns, as it has, the public interest suffers as well.

Judge J. Skelly Wright has argued: "The Founders would cringe if they could see what has happened to American politics. The struggle for political equality which they launched nearly 200 years ago has turned into a struggle for prime time placements; free speech has turned into free spending; money is now king in our democracy."

Why?

First, big spenders—political action committees [PAC's] and wealthy candidates—have too much influence in the electoral process. When election costs are spiraling, there is tremendous pressure on candidates to raise large amounts of money. The best way to raise a lot of money, often required in a relatively short period of time, is to raise it in large blocks. That means from PAC's. Increasingly, financing for House and Senate campaigns is coming from PAC's—special interest groups, often representing powerful economic interests.

Final figures for the 1986 election are not in, but indications are that PAC contributions to House and Senate candidates will be more than double the amount given just 4 years ago, in the last mid-term election. In the House in particular, most of us now rely on PAC money for at least one-third of our total receipts; for many of us it is half or more. Not only is this special interest money, but much of it comes from interests not directly related to those of our constituents. As our friend and colleague JIM LEACH noted several years ago:

> The state of Iowa is a classic example of the problem. We're mainly rural and small business, but in elections the Republicans are largely funded by business, much of which has nothing to do with the state, and the Democrats are funded by labor, much of which doesn't have anything to do with the state.

"And," he went on to point out, "you see a breakdown in citizen access."

Because of this state of affairs, PAC's and PAC contributions have come in for considerable criticism in recent years. But in and of themselves PAC's are not primarily the problems. Adjustments in the current law regarding PAC's would be useful, but in general PAC spending is a symptom rather than the cause of a much larger problem. As the Center for Responsive Politics observed in its monograph "Campaign Spending Out of Control:"

> The problem is not so much that groups of citizens seek influence and lobby for their interests—that is an integral part of the political process. The point is that the astronomical increase in the costs of campaigns has forced candidates into a position of taking more and more money in larger and larger denominations—from special interest groups. These moneyed interests have undue influence and the power of the average citizen is eroded.

The second group of big spenders is wealthy candidates. As campaign costs escalate, they are moving well beyond the reach of the middle-class citizen. In 1974, the average cost of running for the House was about 3½ times the median income for a family of four. Today, the average cost is nearly nine times the median family income, and rising. Regardless of his or her merit, experience, intelligence, charisma or qualifications, an individual who is not personally wealthy is less and less able to compete effectively for public office. This is unfair both to those who might wish to seek office, and to the voters whose choice of candidates is restricted. The pool of potential candidates—even for the House, let alone the Senate—becomes confined to those with money; in other words, those least like the voters themselves. The whole concept of citizen representation is distorted.

Small spenders, in contrast, have too little influence. The voter who contributes $10 or $20 is increasingly being squeezed out of the election process. As Thomas Edsall reported in the Washington Post late in 1985:

> Donations of under $100 accounted for 46 percent of total House contributions in 1974 but 19 percent in 1984, while falling from 38 to 23 percent for Senate candidates over the same period. Even when inflation is taken into account, small contributions have declined by 17 percent from 1980 to 1984.

Furthermore, individual contributions in general, not just those under $100, are rapidly declining as a percentage of the total. In 1974 individual contributions made up three-fourths of total House and Senate campaign receipts; by 1984 they had dropped to less than one-half.

Third, ordinary voters—those who don't contribute or volunteer, but who try to follow a campaign and vote—are losing out altogether. Time spent raising the large amounts of money necessary to finance a campaign is time not spent meeting, listening to and talking with voters. As Robert Squier recently observed: "Candidates don't campaign for office anymore. They campaign for money." Newly elected Senator BOB GRAHAM of Florida, writing in the New York Times, expounded on the theme that individual voters are losing their ability to participate in election campaigns:

> Candidates must raise huge sums from supporters in a process that has, in effect, privatized campaigns, requiring candidates to distance themselves from the public in order to raise money to finance television ads. In the end, the cost of those commercials compels candidates to assign fund-raising a paramount role in the campaign. Time spent on the telephone asking for money and time spent at fund-raisers is time spent on a very narrow campaign trail.

Finally, when some of us are fortunate enough to make it to Congress, the process immediately begins again. We are faced with the need to raise tens of thousands of dollars, and perhaps to retire campaign debts as well, in a relatively few months. It is inevitable that the time we must spend prospecting for campaign funds impinges on time we should be spending on our legislative functions. We all know it happens.

So what should we do?

It is not easy to answer that question. Campaign financing is a complex subject, and any proposed changes in the system are replete with ramifications. Proposed changes will undoubtedly raise numerous serious issues. Some are sweeping questions, such as the first amendment rights of candidates and of political parties, and the voting rights of individuals. Others are more focused. For instance, if we are to seek limits on campaign expenditures, what should those limits be? If they are too low they will inhibit the ability of candidates to run effective campaigns—particularly challengers, although most should be helped by campaign limits since most are now substantially outspent by incumbents—on the other hand, if limits are too low, they will have done little to restrain campaign spending.

These issues and many more need careful airing before we contemplate action. The Subcommittee on Elections began the process several years ago when we held an extensive series of hearings on campaign financing proposals, both here in Washington, DC and in other cities around the country. Now that we are in a climate where it might be possible to come to some agreement on these thorny issues, it is our intention to build on that record in the days and weeks to come. We seek intelligent, thoughtful answers to respond to causes, not just symptoms of the serious problems we face.

Our charge, our goal and our hope were perhaps best stated by Senator Goldwater when he introduced his own interesting proposal: "We must call a halt to runaway campaign spending. We must regain control of the election process for the people. We must assure the people that elections will be honest, that elected officials are not bought, and that each citizen's vote does count."

In closing, Mr. Speaker, I would like to ask all my respected colleagues to please share with the subcommittee your thoughts, your ideas, your comments, your experiences, your proposals and your views on these important issues.

H.R. 3 IS "DEAD ON ARRIVAL"

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. FRENZEL. Mr. Speaker, the President's budget has frequently been referred to as "dead on arrival" at the Congress. While that budget is certainly far from perfect, there is another legislative proposal which should be more appropriately deemed "dead on arrival." That is the trade bill, formerly H.R. 4800, as passed last year by the House, which this year is H.R. 3.

Ever since H.R. 4800 was passed, and the election has passed, an increasing number of Members of Congress have looked at this legislation with disdain, calling it an overly protectionist bill. Even Members who voted for it have made some disparaging remarks against the bill.

It is my hope that we can fashion a bipartisan trade bill, with the help of the administration, which will positively address some of our trade problems without resorting to protectionist quick fixes. We can then celebrate an appropriate funeral for the very damaging H.R. 3.

A SALUTE TO AUSTIN SIMON

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. DELLUMS. Mr. Speaker, for the past 10 years, Mr. Austin Simon has served in the position of Sectional Center Manager/Postmaster for the Oakland, CA, Post Office, and in September of 1986 resigned from that position after 35 years of service to his country through its Postal Service.

The people of the Eighth California Congressional District have felt it a distinct privilege to have enjoyed the services of this outstanding public servant for so many years. It was not just that he was the first black American to hold this particular position as Oakland Postmaster, which included administrative leadership of a number of post offices in surrounding communities including Berkeley and Richmond, CA, but the distinction with which he served and the many innovative programs and practices inaugurated during his tenure.

Mr. Simon further distinguished himself by being thoroughly immersed in the community life of the cities served by his postal facilities. He was active in countless religious, civic and social activities. He enjoyed the enthusiastic support and encouragement of a wide range of city, county and State officials. He was admired and honored by his colleagues and friends in and out of the Postal Service on the occasion of his retirement.

I am very pleased to acquaint my colleagues in the U.S. Congress with Austin Simon's superb record of achievement, and to commend him, and wish him well, as he and his devoted wife, Bertha, move on to greater accomplishments in the future.

THE FOREIGN OWNERSHIP DISCLOSURE ACT

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BRYANT. Mr. Speaker, I am today reintroducing the "Foreign Ownership Disclosure Act," to require full public disclosure of all major foreign-owned assets in the United States. This legislation will help our Nation regain control over our economy by enabling us to determine who is investing in what assets and how those investments are affecting our economic life.

Since I originally introduced this legislation in May 1985, numerous events have highlighted the need for more reliable and comprehensive information on who is investing here and gaining influence in our economy.

The United States became the world's largest net international debtor nation, surpassing Brazil and Mexico, the second and third largest net international debtor nations, combined.

Press accounts revealed an attempt by the Soviet Union in the late 1970's to secretly acquire banks in California's Silicon Valley. The Soviets sought to gain access to sensitive information concerning the banks' high-technology borrowers' most advanced technology. The attempt was discovered—and stopped—only by accident. We currently have no way of knowing how many such attempts may have succeeded.

Documents seized from Philippine ex-President, Ferdinand Marcos uncovered the existence of vast secret holdings, worth perhaps billions of dollars, in U.S. foreign aid or other improper sources—funds which rightfully belong to the Philippine people and could help them in their efforts to rebuild their country.

President Reagan ordered a freeze on Libyan assets in the United States to help counter Qadhafi's terrorist threat, but no United States Government official knows where Libya's United States assets are located.

Evidence continued to surface that drug traffickers and white-collar criminals have been using offshore dummy corporations to launder proceeds of their criminal activities and hide them in legal U.S. assets.

Many foreign-owned companies in the United States have based demands that American workers accept reduced wages and less favorable working conditions on claims that the overall financial condition of the foreign parent company requires these measures. But because foreign parent companies are not required under U.S. law to disclose the same information that U.S. parent companies are, the American workers are unable to verify these claims.

The Energy and Commerce Subcommittee on Telecommunications, Consumer Protection, and Finance held hearings on this legislation on May 8, 1986. Expert witnesses from academia, business, and labor expressed strong support for the legislation.

It is inexcusable that, despite the hodgepodge of agencies collecting information on foreign investments in the United States, there are no comprehensive lists of major foreign-owned assets in the United States generally available. And even when we do know that a particular United States asset is foreign-owned, we often cannot determine whether the true owner is a legitimate business; a hostile nation like Libya, Iran, or the Soviet Union; a corrupt foreign official or crony investing funds siphoned off from foreign assistance or fellow citizens; or a drug trafficker, tax evader, or white-collar criminal laundering ill-gotten gains.

The U.S. Department of Agriculture is one of those agencies. It collects its information under the Foreign Agriculture Investment Disclosure Act, which on its face would appear to be fairly comprehensive in requiring disclosure of all foreign-owned agricultural land in the United States. But any investor who wants to remain anonymous can easily do so by hiding behind a foreign dummy corporation. The law requires disclosure only of the immediate foreign investor—in this case, the dummy corporation.

Of the one million acres of foreign-owned agricultural land in Texas in 1985, 200,000 are registered to investors from the Netherland Antilles. That's one acre for every man, woman, and child who lives on that tiny Caribbean Island nation. But the people of the Netherland Antilles are not the owners of this Texas land, the owners are dummy corporations, for which the Netherland Antilles is one of the most notorious havens. These corporations issue bearer stock which can be hidden away in a safe with no record of where the safe is or who can unlock it. The true owners of these 200,000 acres? Who knows?

The information on foreign-owned U.S. assets collected by the other agencies is similarly limited, or disorganized, or actually kept secret by law—even from Members of Congress.

Thirty-one of my colleagues, from both political parties, are joining me as original cosponsors of this legislation to close this dangerous and intolerable gap in our control over our economic and political destiny. For the sake of our economic and political independence—and our national security—it is essential that we have reliable and comprehensive information about the foreign interests acquiring economic and political influence in our country. And the information should be widely available to Members of Congress, other Government officials, and academic, business, and other interested researchers.

CONGRESSIONAL SALUTE TO THE STATE OF NEW JERSEY DURING THE BICENTENNIAL YEAR COMMEMORATING THE SIGNING OF THE CONSTITUTION OF THE UNITED STATES OF AMERICA

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. ROE. Mr. Speaker, September 17, 1987, will mark the 200th anniversary of the signing of the Constitution of the United States of America. The Commission on the Bicentennial of the U.S. Constitution has already been established to lead the Nation's commemoration of the bicentennial which will provide the unparalleled opportunity for Americans to learn more about our Nation's history and form of government.

In recalling the story of our great constitutional system and its response to people everywhere who seek freedom, I share great pride with my fellow citizens of New Jersey in the pivotal role our great State played in the ordaining and establishment of this Constitution for the United States of America.

It was at the Annapolis Convention two centuries ago that five States—New Jersey, Virginia, Pennsylvania, New York, and Delaware—called for a Federal convention to amend the Articles of Confederation, which ultimately resulted in the writing of the Constitution.

Mr. Speaker, with your permission I would like to insert at this point in our historic journal of Congress a comprehensive article which was published August 28, 1986, in the New Jersey Law Journal which demonstrates conclusively that New Jersey can rightfully claim credit for having been the catalyst for the Philadelphia convention which drafted our Constitution.

This Law Journal article, which was written by Daniel Crystal, associate editor of a highly respected publication among lawyers in our State and Nation—The Reporter: "An Antidote to Law Reviews"—published by our Passaic County Bar Association, reads, as follows:

THE ANNAPOLIS CONVENTION: NEW JERSEY'S CONTRIBUTION

(By Daniel Crystal)

FORGOTTEN HISTORY

The three-year celebration honoring the bicentennial of the Constitution of the United States begins Sept. 11-14, 1986, with events marking the 200th anniversary of the Annapolis Convention. That was a abortive convention called in 1786 by Virginia to have the 13 states discuss commercial matters in an effort to strengthen the weak Articles of Confederation.

Five states—New York, New Jersey, Delaware, Pennsylvania and Virginia—sent a total of 12 delegates to the conference. New Hampshire, Massachusetts, Rhode Island and North Carolina also sent delegates, but they failed to arrive in time. There was no quorum. It appeared pointless to discuss commercial problems.

Nevertheless, this seemingly futile meeting was in actuality the successful harbinger of the Constitution. On Sept. 14, the Annapolis group adopted a resolution drafted by Alexander Hamilton urging all the states to send representatives to a new convention to be held in Philadelphia in May of 1787. This meeting would not be limited to commercial matters but would address all issues necessary "to render the constitution of the Federal government adequate to the exigencies of the Union."

Few besides professional historians recognize that actions taken by New Jersey and its three delegates to the Annapolis Convention. The New Jersey Legislature had armed its delegates with wider authority than delegates from other states to consider revision of the Articles of Confederation. This emboldened Hamilton and the other delegates to issue their call for a second convention to have a wider agenda than merely the commercial topics to which the Annapolis Convention had been limited.

New Jersey sent three delegates: Abraham Clark of Essex County, William C. Houston and James Schurman, Clark and Houston represented the West Jersey faction. New Jersey was still basically divided along the lines of the original colonial divisions of West Jersey and East Jersey, the West Jersey orientation being toward the port of New York and the East Jersey toward the port of Philadelphia.

It was Clark who reminded the delegates of the broad commission for change in the Articles of Confederation that the New Jersey Legislature had granted. Alexander Hamilton, aide de camp to Washington during the Revolution, eagerly seized upon Clark's proposal that they agree on a call for a second convention to deal more thoroughly with revising the Articles of Confederation. The draft he submitted made clear that a government with broad national powers would be sought. James Madison and his fellow Virginian delegates insisted that this Hamiltonian draft be moderated substantially to avoid both frightening off the moderates and unnecessarily arousing immediate opposition from poorer voters at a time of increasing class hostility.

With the language toned down, the delegates unanimously approved a call that all the states send delegates to a second convention in Philadelphia. It was a classic instance of snatching victory from the jaws of defeat. Some historians believe that the Annapolis Twelve did not wait for the other delegates to arrive because they saw a historic opportunity that the other delegates might disapprove.

However, many states suspiciously boycotted the Annapolis Convention, Maryland, South Carolina, Connecticut and Georgia simply ignored the convention.

NEW JERSEY'S ROLE

The chain of events that led to the adoption of the Constitution has many links. New Jersey and Clark forged two of the most important ones at Annapolis. The final draft that emerged from Annapolis noted that the State of New Jersey had empowered its commissioners "to consider how far a uniform system in their commercial regulations and other important matters might be necessary to the common interest and present harmony of the several States."

The report added "that the idea of extending the powers of their deputies to other than those of Commerce, which has been adopted by the State of New Jersey, was an improvement on the original plan, and will deserve to be incorporated into that of a future Convention. They [the delegates] are the more naturally led to this conclusion as in the course of their reflections on the subject, they have been induced to think, that the power of regulating trade is of such comprehensive extent, and will enter so far into the general System of the Federal Government, that to give it efficacy, and to obviate questions and doubts concerning its precise nature and limits, may require a corresponding adjustment of other parts of the Federal System.

HARD TIMES AND DISCONTENT

We can anticipate that during the three years of celebrating the Constitution's Bicentennial there will be all too much stress placed on what the late Professor Merrill Jensen once called the chaos-and-patriots-to-the-rescue school of historical writing. Charles A. Beard, more realistically, sought to prove in his famous book, *An Economic Interpretation of the Constitution*, that the Constitution was written to protect the economic interests of the gentry.

Whatever the true motivation of those who drafted the Constitution, it is unquestionable that there was widespread economic and political turmoil in the 13 states that only three years before the Annapolis Convention had seen the Revolution and victoriously with a Treaty of Peace signed in Paris. Those 13 states were virtually separate, often hostile, nations. State boundaries were unsettled. The large states bullied the smaller ones. Paper money was widespread. So was inflation. The Revolution's large war debt hindered economic progress. Great Britain and Spain remained potential threats. The states were engaged in widespread trade wars. One state would pass a tariff law against another. In particular, New Jersey, like other smaller states, was being callously gouged by trade duties.

James Madison saw the picture clearly. "New Jersey," he wrote, "placed between Philadelphia and New York, was likened to a cask tapped at both ends; and North Carolina, between Virginia and South Carolina, to a patient bleeding at both arms."

Inescapably, the question arises why success was achieved at Philadelphia when the Annapolis Convention could not even muster a quorum. Clearly, the answer is the increasing fear of social unrest that developed soon after the Annapolis Convention. Thus, in Western Massachusetts, Shays Rebellion, led by Daniel Shays, an officer in the Continental Army, mobilized thousands of angry, dispossessed former soldiers. Court and lawyers were blamed for foreclosure of land and property of the poor. Shays Rebellion seriously frightened the gentry. Sentiment among the propertied classes began to tip toward approval of a strong central government to put down economic unrest.

As a recent cogent letter to The New York Times (Aug. 16) by Richard B. Bernstein, research curator of the New York Public Library's U.S. Constitution exhibit, put it, we should cerebrate the Constitution, not simply celebrate it. He added properly. "We should not whisper reverently about miracles at Philadelphia or treat the Constitution as a talisman protecting us against all evils. Thomas Jefferson warned us against those who would treat constitutions with 'sanctimonious reverence.' "

New Jersey can take rightful pride in its little-known contribution toward making the Philadelphia convention possible. Our three-year celebration of the Bicentennial of the Constitution should impel us to consider the Constitution's continuing relevance today. Making it (including the Bill of Rights) live and work should be our way of honoring it and those who helped bring it into being.

PATRICK (LOOSE CANNON) BUCHANAN

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. CLAY. Mr. Speaker, the Nation is now experiencing a widespread epidemic of governmental lawlessness. President Reagan, CIA Director Casey, Secretaries Shultz and Weinberger, and Attorney General Meese, all protest too much that they know nothing of the illegal, indiscrete activities surrounding the "IRANamok" arms transactions. Allegedly, only our highly decorated soldier of fortune, Lt. Colonel Ollie North, a "national hero" according to President Reagan and Vice Admiral John M. Poindexter, and tacitly regarded as a sacred defender of our constitutional guarantees of freedom by administration zealots, is responsible for the fiasco in foreign policy initiatives which has alienated our allies; frustrated members of Congress; confused loyal supporters of the President and exposed this administration as a fraudulent purveyor of hypocritical policies.

President Reagan proclaims publicly that he wants to reveal to the public the entire truth and offers full cooperation to the Congress in our efforts to ascertain the facts. Yet, former members of his National Security staff, now remanded to their former positions in the military, take the 5th amendment before congressional investigating committees. That's their constitutional right. But no one can convince me that military personnel accused of connections with the Mafia or La Cosa Nostra taking the 5th would be tolerated by this President. No one can persuade me that President Reagan would permit for one moment, a Soviet sympathizer to take the 5th about his activities in supporting the Sandinistas and still remain in the armed services.

Therefore, I must conclude that President Reagan agrees with and encourages Lieutenant Colonel North and Vice Admiral Poindexter to deny this Congress information relative to what happened in the illegal transfer of arms to Iran and the illegal divergence of funds to the Contras in Central America.

Patrick Buchanan, however, is a story of a different stripe. Because he apparently does not know much, and I emphasize that fact, he is not tempted to take the protections of the fifth amendment. Instead, he roams the country, ranting and raving, under the protections of the first amendment, espousing the virtues of the selective breaking of laws in pursuit of a higher goal. He has appeared on radio and television talk-shows; spoken to a large group of Cuban Americans; and written editorial opinion articles for newspapers, in an effort to rally support for President Reagan in this time of national crisis. During the Second World War, there was a slogan Mr. Buchanan should be reminded of, "Loose Lips Sink Ships (of State)".

In defense of those who secretly and illegally diverted profits from Iranian arms sales to aid Nicaraguan Contras, Mr. Buchanan lashes out at his ultra-conservative idealogs for "the whole damn pack (has) headed for the tall grass. What classic portrait of ingratitude." He praised Lt. Col. North as "a man who saw further than others and took risks to his own career"; and lambasted The Washington Post for providing the Soviet Union "a windfall" of information by printing details of this sordid criminal activity. He further documented why he loves the first amendment when irresponsibly shouting to a crowd, ". . . I say, if Colonel North ripped off the Ayatollah and took $30 million and gave it to the Contras, then God bless Colonel North".

If the lieutenant colonel did precisely that, he broke the law. In a government of laws, not men, no individual is above those laws. I don't know if God will bless him, but I do know that a special prosecutor should indict and prosecute him.

TRIBUTE TO MR. WILLIAM C. GLAUDE

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. HOYER. Mr. Speaker, I would like to bring to the attention of my colleagues the truly outstanding contributions of Mr. William C. Glaude, who has served this country in a dedicated and professional manner. Over the years his service has been in the finest tradition of the professional civil servant and today he retires as chief, military personnel appropriation branch, directorate of personnel programs, deputy chief of staff personnel, for the U.S. Air Force after 37 years of civilian Federal service. Mr. Glaude's knowledge of military personnel budgeting is truly legendary and is based on a comprehensive understanding of the congressional process. Mr. Glaude's integrity and dedication to the U.S. Air Force can only be described as worthy of the highest praise.

Mr. Glaude began his career in 1949 with the Census Bureau and also served the Public Health Service prior moving to the Air Force in 1953. Mr. Glaude is the embodiment of the concept of an institutional memory sharing his expertise and advice with countless individuals spanning the breadth of the Air Force, the Department of Defense, the Office of Management and Budget and the Congress. During his years of service, Mr. Glaude's diligence and devotion to duty were instrumental factors in resolving many complex financial challenges of major importance to the U.S. Air Force.

During his career Mr. Glaude has received the meritorious Civilian Service Award, the Outstanding Civilian Career Service Award, 10 sustained superior performance awards, 11 outstanding performance awards, and 5 merit pay awards. Mr. Glaude's competence, knowledge, and ability have set a standard in the Air Force that will be most difficult to match in the future. Throughout his civilian service, Mr. Glaude has faithfully performed his duties in an exceptional manner. Mr. Speaker, I invite my colleagues to join me in paying tribute to the accomplishments and contributions of this outstanding financial manager, Mr. William C. Glaude.

A SALUTE TO MRS. JACKIE STRANGE, DEPUTY POSTMASTER GENERAL

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. JONES of North Carolina. Mr. Speaker, may I rise to salute perhaps the most outstanding lady in America who is retiring from the U.S. Postal Service at the end of a 40-year postal career.

Mrs. Strange entered the postal system in 1946 and has held numerous managerial positions including District Manager, Assistant Postmaster General for Procurement and Supply, and Southern Regional Postmaster General. As Deputy Postmaster General, Mrs. Strange is second in command in the Postal Service and is one of the highest ranking women in the U.S. Government. She has received numerous awards of distinction, including the Postmaster General's Executive Special Achievement Award in 1981. She has also held more than 50 offices in the church and civic organizations, and is listed in Who's Who of Women, International Who's Who in Community Service, and Who's Who in American Business and Professional Women. She has been cited as a distinguished alumni by George Southern College, and one of her many published poems was included in the 1981 edition of our Twentieth Century's Greatest Poems.

Mrs. Strange's stewardship as Chief Operating Officer of the U.S. Postal Service, one of the Nation's largest and most effective regulated businesses, has been skillful, dynamic, and productive. Part of her legacy will be that the Postal Service is—today—a healthy, vibrant, $33 billion-year business employing the 800,000 employees effectively handling business increases of 5 percent a year or more.

My first contact with Mrs. Strange was in her capacity as Regional Postmaster General in Memphis, TN, in a matter of great concern to the postal patrons of eastern North Carolina. Never during my tenure as a Member of the U.S. Congress have I received such gracious or cordial treatment from any Government official. My request at that time, along with numerous others directed to Mrs. Strange in her capacity as Regional Postmaster General or as Deputy Postmaster General, have always been handled with dispatch, efficiency, and in the highest degree of professionalism.

Mrs. Strange has always maintained an open door policy and has always made herself available to Members of Congress in all matters of mutual interest. This has included personal visits from Mrs. Strange in an effort to resolve complex problems. We, as Members of Congress, often permit those truly outstanding public officials to retire from Government without affording them the benefit of our appreciation for a job well done, and I feel that we here in this distinguished body, along with all the citizens of this great Nation, should express our appreciation to which Mrs. Strange is entitled and has every right to expect and to wish for her during her retirement years continued good health, much happiness, and Godspeed in all her future endeavors.

I wish to take this opportunity on behalf of this distinguished body to congratulate Mrs. Strange on her truly outstanding record of service to the U.S. Government and to the citizens of this Nation.

COMPETITION ENHANCEMENT AND TAX RELIEF ACT OF 1987

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. SCHULZE. Mr. Speaker, at this time in our history, as our economy staggers under the impact of unprecedented trade deficits, and questionable foreign trading practices, we must not allow American industry and small business to decline as a result of poor tax policy.

I ask my colleagues to support legislation I am introducing today to address the future of our competitive abilities. This legislation, the Competition Enhancement and Tax Relief Act of 1987, addresses a broad range of tax policy issues, and includes reinstatement of the investment tax credit, increased expensing for small businesses, and incentives for business investment, job creation and increased productivity.

Primarily based on recommendations of the White House Conference on Small Business, this act could well turn our course toward the reemergence of our Nation as the preeminent world trading power.

I urge my colleagues to cosponsor this legislation.

ECONOMIC CHANGE AND CHALLENGE

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. WOLPE. Mr. Speaker, economic change and economic challenge have always been a part of the American experience. In this century alone, the United States has moved from a rural economy to a predominantly industrial economy; from a wartime economy to a peacetime economy; and from an economy based almost exclusively upon heavy manufacturing to an economy based, in equal measure, upon manufacturing and services. We have a right to be proud of our progress.

But today, we face a new challenge—the competitive challenge. In a world economy where our trading partners have begun to aggressively develop their own technologies, their own products, and their own marketing strategies, the United States is no longer "the only game in town." Today, American businesses and American workers must compete with their counterparts in Japan, West Germany, Brazil, Korea, France, Great Britain—even Yugoslavia. And as a burgeoning national trade deficit testifies, the competitive challenge is not a challenge to be taken lightly.

The global performance of American industry is the primary source of our national wealth and the key to our high standard of living. If our industries continue to lose market share to foreign competition and fail to produce high-quality goods that meet global demand, all Americans suffer.

Today, I have been joined by 68 other Members of Congress in introducing House Joint Resolution 1—legislation requiring the administration to report to Congress on what action has been taken to implement the recommendations of President Reagan's bipartisan Commission on Industrial Competitiveness.

In January 1985—following an exhaustive, 15-month-long study of the new realities facing American industry—the President's Commission on Industrial Competitiveness issued its final report. Warning that our Nation's ability to compete in world markets was being seriously jeopardized by rapidly changing economic pressures, the Commission urged that specific and immediate action be taken to bolster our Nation's present and future performance in the global marketplace. Today, however, despite the urgency of the Commission's call for action and the potentially tragic consequences of inaction, little—if any—identifiable progress has been made.

From my perspective, one of the most pressing issues confronting this Congress is the identification and enactment of broad-based policies designed to improve our Nation's competitive position in the world marketplace. My hope is that the report required by House Joint Resolution 1 will give greater focus and new energy to those efforts.

The Commission on Industrial Competitiveness has warned us all that "Americans must take on the challenge of competitiveness as the economic agenda of the next decade." I think the Commission is right—and I hope that the Congress will act expeditiously to pass House Joint Resolution 1 and to obtain the status report that is so urgently needed to fuel our efforts.

TRIBUTE TO HENRY J. OLIVA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. LAGOMARSINO. Mr. Speaker, my holiday was saddened by the death of a long-time friend, relative, and one of Ventura County, CA's most dedicated citizens, Mr. Henry J. Oliva.

A much loved and respected civic leader, Mr. Oliva was born in Ventura and remained a lifelong resident of the county by practicing accounting in the same downtown Ventura office for over 53 years.

Mr. Oliva, a charter member of the Ventura County Hall of Fame, dedicated many valuable hours of his time to county activities, especially sports. He organized the county's first boys basketball team as well as promoted both boxing and wrestling in the 1930's. Henry was also one of those responsible for bringing the first professional baseball clubs, the Yankees, later the Braves and Channel Cities Oilers, to Ventura. These teams paved the way for our present Ventura County Gulls. Other activities included being president of the Ventura County Baseball Club and membership in the Ventura Elks Lodge.

Many lives have been enriched by Mr. Oliva's efforts and I know that I express the sentiments of the entire Ventura County community when I say that we will miss his guiding hand.

Mr. Speaker, on behalf of the U.S. House of Representatives, I would like to extend the sympathies of my wife Norma and me, along with those of this House, to the family of Henry J. Oliva, especially to his son Henry Jr., his daughter Mary Candida Omslow, and to his seven grandchildren.

PUTTING SAFETY IN THE RING

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. DORGAN of North Dakota. Mr. Speaker, today I am introducing legislation which is vital to the lives and livelihood of professional boxers and will add safety and sanity to the sport in the United States.

Scores of boxers have died from injuries sustained in the ring and hundreds have been seriously hurt in the past decade.

The shocking and sad part is that no one knows for sure exactly how many have been maimed, died in the ring, or even how many engage in boxing in the United States and worldwide.

Unfortunately, the Federal Government has failed to take meaningful action to correct serious problems with the sport.

There are no national minimum standards to deal with working conditions, compensation, insurance, medical services, boxing equipment and facilities.

My legislation, the Federal Boxer Protection Act of 1987, would establish a commission at the U.S. Department of Labor to set necessary standards.

The commission would:

Set fair labor standards and minimum standards of compensation, insurance, and medical services.

Ensure minimum standards for equipment and facilities for the physical safety of professional boxers.

Set up a national registry of boxers and boxing matches.

Have investigative powers and hold public hearings.

Consist of five commissioners appointed by the Secretary of Labor to serve staggered 6-year terms. At least two of the commissioners must have extensive experience in boxing but they cannot be involved in any aspect of boxing while serving on the commission.

The cost of a Federal boxing commission would be minimal and be offset by reasonable fees to register boxers and matches.

This legislation would not infringe on the authority of the States to set up their own boxing commissions as long as their standards are not below Federal guidelines.

Passing meaningful legislation protecting boxers would be a major accomplishment for the 100th Congress.

INCREASING PROCUREMENT EFFICIENCY

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. DREIER of California. Mr. Speaker, today I am introducing legislation to put the force of law behind a regulation, known as OMB Circular A-76, which has saved the Federal Government nearly $600 million since it was first adopted by the Office of Management and Budget in 1979. In a year when we may have to enact as much as $60 billion in budget savings to meet the Gramm-Rudman deficit target, I believe the time has never been better to take more advantage of private industry's efficiency.

As those of you who are familiar with it are aware, the A-76 Program simply directs Federal agencies to procure goods or services from private sources when practicable, and when doing so would save the Government money. But, because A-76 is a regulation and not the law, implementation of the program has not been uniform among Federal agencies. Some, like the Department of Defense, have worked diligently to develop procedures for determining what activities might be more efficiently performed by private firms. DOD's efforts have paid off: In one recent 2-year period, DOD estimates it saved $250 million through converting in-house functions to the private sector. More significantly, the DOD study found that the overall savings resulting from the competitive process exceeded 30 percent over previous cost for the same functions.

It should be noted that A-76 cost reviews are conducted only for nonessential activities. Such activities—including laundry, food, janitorial, video, and transportation services, to name a few—make up a major portion of any agency's budget. I submit that, if DOD has been able to develop A-76 criteria which do not impinge on its basic functions, any Federal agency probably could do so.

Unfortunately, not all Federal agencies have been as enthusiastic about the A-76 Program as DOD, and have spent more Federal dollars than were necessary to perform simple commercial activities. Codifying A-76 would ensure that Federal managers could no longer ignore a process which the Congressional Budget Office once estimated could save $1.1 billion per year.

Given such enormous potential, most Americans would probably be surprised that there is not only no current law encouraging the Government to use the cheapest available supplier, but there are in fact over 20 laws which actually impede it from doing so. The economy is indeed fortunate that private industry does not follow the Government's criteria on decisions such as this. Every day, firms must consider make-or-buy decisions: If a firm finds that it would cost more to make a product in-house than to procure it elsewhere, the firm doesn't hesitate to go elsewhere. It is just good sense that Federal managers should be making the same type of decisions.

Taxpayers are not the only group who stand to benefit from public-private cost comparisons. The DOD study showed that small businesses benefited most from department decisions to seek private sources; in all, over 79 percent of public-to-private conversions in the study went to small firms. Codifying the A-76 Program would give small businesses a bigger slice of the Federal pie the old fashioned way: They could earn it.

I urge my colleagues to ask their constituents who operate businesses if they think they could provide goods or services more cheaply than the Federal Government. Chances are, they will say they could. And, chances are that they would be right. Codifying A-76 would give Federal managers an important tool to help reduce the deficit, and I hope my colleagues will consider this along with the many other benefits this bill would create.

THE SAFE PIPELINE ACT OF 1987

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. VENTO. Mr. Speaker, today, I am introducing the Safe Pipeline Act of 1987. This legislation is similar to the measure which I introduced in the 99th Congress to amend the Hazardous Liquid Pipeline Safety Act of 1979 and the Natural Gas Pipeline Safety Act of 1968.

This legislation seeks to accomplish a number of important objectives.

First, it would provide for community notification to local governments and to the residents of communities where pipeline facilities operate.

Second, it mandates an inventory of all of the different types of pipeline which are currently in the ground and operating.

Third, it requires pipeline operators to provide maps and inventories showing the exact location of pipeline facilities to local governments and public safety agencies which would have to respond to a pipeline emergency.

Fourth, it requires the installation within 10 years of automatic shutoff valves on all pipelines so that the pipeline operators themselves may respond more promptly and effectively to pipeline leaks or other accidents.

Fifth, it directs the Federal Office of Pipeline Safety to undertake a more frequent and vigorous testing and inspection program and idea I advanced initially in 1983.

Sixth, it prohibits the construction of new pipeline facilities within 150 feet of any private residence, nursing home, school, or other permanently inhabited facility.

Seventh, it calls on the Secretary of Transportation to establish better liaison between the Office of Pipeline Safety and State agencies which must respond to pipeline accidents so that emergency responses may be better coordinated.

Eighth, it directs the Secretary to establish a certification program for State pipeline inspectors so that they may conduct safety inspections at their own initiative or at the request of the Federal Government with the full authority to enforce Federal pipeline safety laws and regulations.

Finally, it calls for the Secretary to draft and issue new Federal regulations which will provide for greater Federal oversight and involvement in the design and construction of new pipeline facilities.

Mr. Speaker, a terrible tragedy in Mounds View, MN, last year underscored the need for a more vigorous Federal effort in improving pipeline safety.

On July 8, 1986, an underground pipeline owned and operated by the Williams Pipeline Co. ruptured and spilled an undetermined amount of gasoline into the streets of this suburban community. A subsequent explosion and fire took the lives of a young mother and her daughter. Many homes in Mounds View also suffered extensive property damage. This was only the latest and most tragic in a series of pipeline spills and accidents involving the Williams Co. in Minnesota. The same company has also been involved in several recent accidents in Iowa and South Dakota.

There are over 1.7 million miles of hazardous liquid and natural gas pipelines in the United States. Unfortunately, all too often, these extensive pipeline systems receive wholly inadequate Federal attention and inspection. Additionally, many existing pipelines are old and are corroding after decades of use. It is becoming increasingly clear that the Department of Transportation's Office of Pipeline Safety [OPS] does not have adequate resources to fulfill its important responsibilities in this area.

I have had a longstanding interest in the issue of pipeline safety. In the 98th Congress, I introduced H.R. 3314 which sought to mandate stricter testing schedules for hazardous liquid pipelines. In 1984, I requested a General Accounting Office [GAO] study—GAO/RCED-84-102—which indicated that there were only three OPS inspectors responsible for monitoring pipeline safety in Minnesota and nine other Midwestern States. Nationwide, only 17 inspectors were responsible for monitoring the safe operation of over 1.7 million miles of pipeline. Today, less than 3 years after this first GAO study was released, we find that there are only 18 inspectors with plans to hire 5 additional OPS personnel. Two of these new hires will be assigned to the Central Region Office in Kansas City as provided for in last year's Department of Transportation appropriation bill.

Mr. Speaker, this legislation takes strong action to address what is a very serious problem threatening communities across the country. While we can never fully guarantee the safety of hazardous liquid and natural gas pipelines, we must admit that surely we can do a much better job than we have in the past.

The tragedy which occurred in Mounds View, MN, on July 8, 1986, need not have happened and might not have happened if our laws governing pipeline operations were more strict. I hope that my colleagues will share my sense of urgency about this issue and will join me in sponsoring the Safe Pipeline Act of 1987.

A TRIBUTE TO COL. CLYDE L. MacGOWAN, JR., VICE COMMANDER OF THE 349TH MILITARY AIRLIFT WING, TRAVIS AIR FORCE BASE

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. FAZIO. Mr. Speaker, I rise today to share with my colleagues the achievements of Col. Clyde L. MacGowan, Jr., vice commander of the 349th Military Airlift Wing at Travis Air Force Base, who will retire on February 2, 1987 after 31 years, 7 months, and 23 days of military service. I am proud to pay tribute to a man who has honored this great country with over three decades of dedication and accomplishments, in what has been a truly distinguished military career.

Colonel MacGowan was born on March 17, 1934 in Eureka, CA. He graduated from the University of California at Berkeley in 1955, and from Hastings College of Law in 1963. In addition, he attended through correspondence the Air Command and Staff College in 1976, and the Industrial College of the Air Force in 1978.

Colonel MacGowan's military career began in 1956 when he was commissioned through the Air Force ROTC and received primary flight training at Kingston, NC. Since then he has accumulated over 7,000 hours of flying time in aircraft such as the Piper PA-18, T-28, B-25, C-97, C-119, C-124, and the C-5A. He has been a rated pilot since 1957. Colonel MacGowan served on active duty from 1956 to 1960, and was recalled for duty twice during his Reserve career: once in 1962 during the Cuban missile crisis, and again in the years 1968-69, following the capture of the *Pueblo*. He has been a member of the 349th Military Airlift Wing since 1960, serving as squadron commander of the 708 MAS prior to serving as vice commander. For these accomplishments, for his skill and strength of character, Colonel MacGowan has received the following honors: the Air Force Medal of Commendation; the Outstanding Unit Award, his third in 1978; and the Combat Readiness Medal, his seventh in 1982.

Colonel MacGowan now resides in Alameda, CA, and makes his civilian career as a trial lawyer with offices in Oakland. As hobbies, he enjoys both sailing and tennis. In addition, he is a member of a number of organizations including the Air Force Association [AFA], the American Bar Association [ABA], and formerly, the board of directors of the Northern California Association of Defense Council. Colonel MacGowan presently has two children living in Newport Beach, CA, both attending college.

I am honored to have had this chance to pay tribute to Col. Clyde L. MacGowan, Jr., and to share with you the achievements of an outstanding officer and exemplary citizen.

U.S. HEALTH PROGRAM ACT

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. ROYBAL. Mr. Speaker, I rise today to introduce the U.S. Health Program Act.

Over 50 years ago, Franklin D. Roosevelt articulated the need for protection against the costs of health care when he said:

> We must bring home more and more to the average citizen the fact that health has become a part of government, that it is no longer a question of charity.

Over 25 years later, John F. Kennedy expressed his concern regarding the threat of catastrophic health care costs when he said:

> * * * I am concerned about the futility of imposing on any person or family an unwarranted, unpredictable, and often unmanageable (health cost) burden that could easily be borne by an insurance arrangement—insurance that is spread over the working lifetime of each individual.

One year ago, President Reagan, in his State of the Union Address, sounded the call for a major initiative on:

> * * * how the private sector and government can work together to address the problems of affordable insurance for those whose life savings would otherwise be threatened when catastrophic illness strikes.

Illness of a catastrophic nature can strike any of us. And with few exceptions, the catastrophic illness creates a second catastrophe—a financial catastrophe. Tragically, there is little in the way of financial protection against the devastating costs of severe and chronic illnesses—costs that can rapidly deplete a family's lifetime savings.

I have seen middle-aged and older families struck by a chronic illness such as Alzheimer's disease be faced with the catastrophic cost burden of long-term care. I have seen families of all ages denied access to needed primary and acute care due to lack of adequate insurance.

According to recent data, over 31 million Americans are uninsured. Part of this is because the Nation's program to provide coverage for health care for the poor—Medicaid—actually provide care to less than half of the poor population. Part is because some people are precluded from privately purchasing health insurance coverage due to a preexisting medical condition.

The second great deficiency is one of underinsurance, inadequate coverage for primary, acute, and long-term care. Young families are more and more likely to be working for employers who provide only minimal coverage. Over 200 million Americans are without long-term care protection—be it public or private—and are at major risk of financial disaster when hit by a catastrophic, chronic illness.

The personal catastrophe of having a productive and loving spouse, parent, or child be in a state of ill health already is as much as any family should have to bear. With the accompanying financial catastrophe—totaling tens of thousands of dollars in some cases—the burden becomes unbearable.

However, this Nation can prevent the financial catastrophe if it can find the political will to do so. Options do exist if America has the will to take on this catastrophic health crisis.

Today I am introducing one such option—a bill entitled the U.S. Health Program Act. If enacted, this "American health plan" establishes the U.S. Health Program which provides catastrophic and basic health protection for all Americans, regardless of age or income.

U.S. Health would provide coverage for primary, acute, and long-term care and include special safeguards for catastrophic illnesses. It gives assurances that health care quality would be maintained. Most importantly, it would bring about these critically needed improvements without disrupting the essential professional relationship between individual patients and their health care providers.

U.S. Health is fiscally responsible in that it would constrain total health care costs to no more than 12 percent of gross national product [GNP]. U.S. Health offers an affordable American alternative to the current health care system through its constraint on health care cost increases—just as Canada has done successfully for the last 10 years. In the absence of such an approach, the Nation's health expenditures are projected to exceed this 12 percent of GNP before the year 2000, but without resolving the crisis facing people with catastrophic illness and people without adequate health insurance protection.

U.S. Health is a workable solution to address the broad concerns expressed by President Reagan and his Health and Human Services Secretary Otis Bowen. U.S. Health provides a major legislative benchmark against which other approaches—including the President's—can be compared.

Fortunately, there is no shortage of options for dealing with this tragic problem. As we consider different options, it is important to keep in mind that all funding comes from the same source—the pockets of the American people. In choosing among the many available options or in packaging a more comprehensive solution, I believe that certain criteria must be applied:

Are the uninsured fully insured?

Are the underinsured insured for basic health costs?

Are the underinsured insured for catastrophic acute care costs?

Are the underinsured insured for catastrophic long-term care costs?

Is the quality of health care assured?

Are costs affordable for individuals, government, and employers?

Much to the credit of the President and Secretary Bowen, a consensus may finally have emerged on the need to protect all Americans from the financial risk of catastrophic illness. As evidenced by my introduction of the U.S. Health legislation, I totally agree with the administration that a broad problem exists which affects Americans of all ages and includes both acute and long-term care. I also agree that only a broad solution will provide the full health protection which Americans so desperately need.

The American people understand that need. Americans find it unacceptable that 30 to 40 million people have no health insurance protection whatsoever. Americans find it unacceptable that health care costs rise much faster than the incomes of most wage earners and the elderly. And Americans find it unacceptable that the tragedy of a severe or long-term illness is followed by a second tragedy—a financial disaster striking young and old alike.

Given the forces of change and the inequities of access, the 100th Congress must make the commitment to protect the uninsured and underinsured. The risk to the uninsured and underinsured is great and grows every day. High and rapidly rising health costs are hitting Americans of all ages. If costs are not controlled, health costs will outdistance our ability to pay for needed health care. We no longer can afford not to act.

We must once again move forward on a health care crusade that began with broad bipartisan support for the Medicare and Medicaid Programs over 20 years ago and that has been advanced by the successes of these programs ever since. Let us hope that we can again follow this proud American tradition and find a truly workable American solution to today's health care challenge.

Mr. Speaker, I include my statement and the bill summary in the RECORD.

THE U.S. HEALTH PROGRAM ACT: AN AMERICAN HEALTH PLAN (H.R. 200), A BILL TO CONTAIN HEALTH CARE COSTS, MAINTAIN QUALITY AND ENSURE ACCESS FOR ALL AMERICANS

PURPOSE

This legislation, introduced by Representative Edward R. Roybal, is designed to control health care costs for all Americans whether they be individuals, employers, or the government; to maintain health care quality for all providers and patients, and to ensure financial access to health care and prevent financial disaster resulting from catastrophic illnesses.

BACKGROUND

From 1980 through 1985, health care costs rose at an average rate of 12.1 percent, or 4.0 percent faster than the Gross National Product. Health care costs continue to rise and are likely to reach a level of 11.3 percent of GNP by 1990 and over 12 percent by the year 2000. At the same time, the elderly are paying more and more of their limited incomes for health care even with the help of Medicare and Medicaid. Out-of-pocket costs are estimated to be as high as 18.5 percent of the elderly's income by 1991—substantially more than when the Medicare and Medicaid programs began. On top of the elderly's growing financial burden and in spite of the enactment of Medicare and Medicaid, many poor and near poor (over 31 million) still face major access problems due to lack of insurance. Many more—about 85 percent of Americans—are underinsured against catastrophic acute or long term illness.

BILL OVERVIEW

The provisions of this bill establish the USHealth program in 1992 which is designed to contain costs while maintaining quality and ensuring access. Health care cost increases will more closely match the increase in per capita Gross National Product—a level which approximates the Nation's ability to pay. The provisions to ensure financial access for all Americans, including the poor, the unemployed, the uninsured, and the elderly are financed through the savings generated by the cost containment provisions, extension of the Medicare payroll tax to all incomes, beneficiary cost-sharing, on employer tax, an expanded cigarette tax, State revenues, a premium paid by the elderly approximating the "Medicare Part B premium", and a surcharge on corporate and individual income taxes. The provisions to maintain quality include the active involvement of providers and consumers, Peer Review Organizations or qualified state quality assurance programs, a national Council on Quality Assurance, and the qualification of Health Maintenance Organizations.

BILL SUMMARY

The "USHealth Program Act" is designed to control health care costs for all Americans whether they be individuals, employers or government; to maintain health care for all providers and patients, and to ensure financial disaster resulting from catastrophic illness.

Cost containment

The health care cost containment program covers all services and patients. In the short term, the cost containment provisions included paying all health care providers prospectively where payments are developed in consultation with providers. Future increases are limited to increases in the per capita GNP. States may set up alternative payment programs. In the long term, a major vehicle for containing costs is through HMOs.

Cost sharing of 20% for health and skilled long term care and 25% for non-skilled long term care is required, but only up to the catastrophic limits described below. Cost sharing is optional for these enrolled in qualified HMOs. The poor (under 100% poverty) and those spending down into poverty are exempt from any cost sharing which prevents access to needed care.

The ceiling on total U.S. health costs is 12 percent of GNP under USHealth.

Access

Financial access is ensured by making any citizen and resident eligible for "USHealth."

Benefits

Beneficiaries are protected from the cost of catastrophic illness. Their financial risk is limited to paying coinsurance as follows: a. up to a maximum $500/person/year, pays 20% of health care and skilled nursing home and home health costs, and b. up to a maximum $1,000/person/year, pays 25% of non-skilled long term care costs. Both "maximums" are indexed to per capita growth in GNP.

Basic health benefits (similar to Medicaid "categorically needy" package) include: inpatient and outpatient hospital services, physician services, rural health clinic services, laboratory, x-ray services, EPSDT (for those under age 21), family planning (individuals of child-bearing age), preventive care, prescription drugs, physical therapy, occupational therapy, medical equipment, prosthetic devices, orthopedic shoes, nursing home services, home health services, respite care, adult day health care, speech-language pathology, audiology, outpatient mental health care, inpatient psychiatric hospital services, basic dental care, vision care and other medical or remedial care recognized under State law and specified by USHealth.

Quality

The current federal quality assurance system of Peer Review Organizations (PRO) is upgraded to place at least as much emphasis on quality assurance as on cost containment, cover all health care providers and consumers, cover all health services (hospital, physician, nursing home, home health), set up a national Council on Quality Assurance, add Consumer Boards to PROs, establish a patient bill of rights and create an ombudsman program. States have the option to develop their own qualified quality assurance system. Quality assurance is also addressed by federal HMO qualification.

Administration

The program is entitled "USHealth" and managed by the USHealth Administration (currently, Health Care Financing Administration) which is independent and off-budget. Most bill processing and review will be provided through contracts with private insurance companies.

Financing

Health care cost increases will closely match increases in per capita GHP—approximating the Nation's ability to pay. The provisions to ensure financial access for all Americans are financed as follows: the savings generated by indexed prospective payment and capitation, beneficiary cost-sharing, and expanded cigarette tax, extension of the Medicare payroll tax to all incomes, a premium paid by the elderly (approximating the "Part B premium"), an employer tax based on compensation, State revenues covering ½ the cost of the poor, and a surcharge on corporate and individual income taxes sufficient for solvency of USHealth.

THE "U.S. HEALTH" PROGRAM ACT—BILL DESCRIPTION

In attempt to deal with the problems facing the American health care system, a series of changes are proposed. The provisions of this bill, if enacted, establish the USHealth program which contains health care costs for the federal government, States, employers, and consumers; improves financial access to needed services; helps maintain quality; and increases equity among health care providers and payers.

SECTION I: COST CONTAINMENT

This bill incorporates a series of cost containment measures. Greater incentives are provided for Health Maintenance Organizations. States are encouraged to implement statewide cost containments programs as long as they perform as well as the federal program.

Health maintenance organizations

Medical care costs are contained through greater incentives for Health Maintenance Organization (HMO) development in general. The payment for HMOs is raised from the 95 percent of the Average Area Per Capita rate (AAPC) to 100 percent of AAPC as of 1992. The federal government initiates a national campaign to encourage beneficiaries to enroll in qualified HMOs. Employers are encouraged to encourage their employees to enroll in HMOs.

Federal and State cost containment programs

The federal health care cost containment program includes all services and patients. The cost containment provisions take effect in 1992 and include the following:

Inpatient hospital care is paid on the basis of Medicare's prospective payment system using the Diagnostic Related Groupings and adjusted for population differences (for example, based on a case severity or complexity index). Future payment increases are limited to increases in per capita Gross National Product.[1]

Physician, nursing home, home health, hospice, ancillary and all other covered health services (including prescription drugs) are paid on the basis of a prospectively set, fixed fee developed in consultation with health care providers and adjusted for differences in patient population, service type, and input prices. Future payment increases are limited to increases in per capita Gross National Product.

Exceptions to this payment system include payments to qualified Health Maintenance Organizations and payments in States with an approved state-sponsored cost containment program. Future payment increases for Health Maintenance Organizations and state-sponsored cost containment programs are also limited in effect to increases in per capita Gross National Product.

Utilization review of all health and long term care services is conducted by the Peer Review Organizations and by insurance companies functioning as intermediaries/carriers. Intermediary/carrier review is strengthened to better control changes in bill practices, service delivery and service intensity.

Payments to all providers are to be adjusted as necessary to ensure reasonable availability of health care services in rural areas, central city areas and for other "special need" areas or populations.

The USHealth Board makes other adjustments in provider payments as necessary to maintain total progam costs under 12 percent while ensuring that benefits are not reduced and out-of-pocket costs are not increased more than under current USHealth Program law.

States have the option to be exempt from the federal system and to implement their own alternative payment progams. In order to qualify for the exemption, the state program must meet or exceed the cost containment targets entailed in this bill and maintain access and quality equal to or exceeding the levels resulting from this bill. The alternative payment system must be mandatory for and equitably treat all types of providers covered under the State system.

For each State wishing to develop acceptable alternative payment programs, the federal government provides a three year development grant totaling between $1 million and $3 million. Those States with acceptable programs are eligible to have up to 50 percent of the savings (as compared to what would have paid under this amended law) added to reduce the state payment for the poor beginning in 1992. No additional state funds are needed to match this latter allocation.

Catastrophic protection and beneficiary cost sharing

Beneficiaries are protected from the cost of catastrophic illness but are required to pay coinsurance as follows:

a. 20 percent of health care and skilled nursing home and home health costs up to a maximum of $500 per person per year (indexed to per capita GNP), and

b. 25 percent of non-skilled long term costs up to a maximum of $1,000 per person per year (indexed to per capita GNP).

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[1] Index is based on a 3-year moving average of increase in per capita gross national product.

Coinsurance payments are made directly to the Trust Fund. The above coinsurance provision is waived for individuals in families with incomes under the poverty level and for individuals whose health care costs require the family to spend down below the poverty level. However, a small copayment may be charged to the poor as long as it does not prevent access to needed health care.

SECTION II: INSURANCE SYSTEM

A. USHealth program

The following reforms take effect in 1992.

Administration

Overall administration is by the federal government's USHealth Administration (currently, the Health Care Financing Administration) which is both off-budget and operates as an independent agency.

USHealth is overseen by the USHealth Board. The Health Board has responsibility for and control over the program subject to the law, or subsequent changes in the law, establishing the USHealth program. The Administrator of the USHealth Administration reports to the USHealth Board. Within the USHealth Administration, an Ombudsman office is established to represent beneficiary interests and help resolve beneficiary problems. The Administrator and the Health Board members are appointed by the President with the consent of the Senate.

Eligibility

All U.S. citizens and residents are eligible for the USHealth program.

Financing

Financing comes from several sources as outlined in Section V, "Financing of USHealth."

Benefits

Beginning in 1992, the basic health benefits package, for all enrollees, are similar to Medicaid "categorically needy" package and include the following: inpatient hospital services, outpatient hospital services, physician services, rural health clinic services, laboratory, x-ray services, EPSDT (for those under age 21), family planning (individuals of child-bearing age), preventive care, prescription drugs, physical therapy, occupational therapy, prosthetic devices, orthopedic shoes, nursing home services, home health services (including homemaker/home health aide services when part of physician plan of care and essential to person being maintained in the home), respite care, adult day health care (when part of physician plan of care and essential to person being maintained in the home), inpatient psychiatric hospital services, outpatient rehabilitation, hospice, alcohol and drug abuse rehabilitation, outpatient mental health (including community mental health centers), speech-language pathology, audiology, and other medical or remedial care recognized under State law and specified by the USHealth program. Dental (including dentures) and eyeglasses are added before the year 2000 unless total USHealth expenditures would exceed 12 percent of GNP.

More specifically, long term care (LTC) benefits are covered. Full coverage is provided with the co-payments made to the Trust Fund. The co-payment is waived for low income and for spend-down individuals. As part of the long term care benefit package, incentives are to be developed to encourage families to keep a LTC family member in their home. Strong utilization review is instituted by PROs and intermediaries/carriers to control costs.

For mental health services, the USHealth Board is to replace the current (Medicare) mental health limits on annual payments and covered days with an alternative system which better ensures access but contains costs.

Beneficiaries are protected from the cost of catastrophic illness but are required to pay coinsurance as follows:

a. up to a maximum of $500 per person per year (indexed to per capita GNP) for health care and skilled nursing home and home health costs, and

b. up to a maximum of $1,000 per person per year (indexed to per capita GNP) for non-skilled long term care costs.

Payment

Beginning in 1992, inpatient hospital care is paid using Medicare's prospective payment system using the Diagnostic Related Groupings and adjusted for population differences (for example, based on a case severity or complexity index). Future hospital prospective payment rate increases are limited to increases in per capita Gross National Product as described in the cost containment section above. Capital is no longer allowed as pass-through and is added to the DRG payment. The adjustment to a particular DRG payment reflects the amount of capital required for that DRG. The mean ratio of total capital outlays to total non-capital DRG payments is not to exceed the mean ratio for the most recent three years.

Beginning in 1992, a fixed, prospective fee schedule is used to pay all providers in full for all non-hospital services (including physician, nursing home, home health, drugs, laboratory). The fee schedule is developed by the USHealth Administration in consultation with the respective provider organizations and consumer groups. In designing the fee schedule, adjustments should be made for differences in resource inputs and input prices. For example, physician payments should address current inequities among geographic areas, physician specialties, and types of service. To the extent possible and appropriate, the fee schedule should reward higher quality providers. For comparison purposes, the mean weighted fee cannot exceed the mean fee for a similar service paid under the current Medicare system as amended by this Act. Except for adjustments to reflect service delivery changes, future fee increases are limited to no more than increases in per capita Gross National Product. Such increases may be adjusted to reflect changes in service delivery and billing practices.

Beginning in 1992, the payment for HMOs is raised from 95 percent of the Average Area Per Capita rate (AAPC) to 100 percent of AAPC. The AAPC is adjusted by age, sex, enrollee type, and appropriate health status factors. (The federal government initiates a national campaign to encourage beneficiaries to enroll in qualified HMOs.)

Subject to guidelines established by the USHealth Board, all licensed individual health care practitioners may be reimbursed as health care providers.

Beginning in 1992, the approved health care provider fee is full payment.

Medical education is paid on the same basis as under current Medicare law.

This provision does not apply in States with federally qualified alternative payment programs.

The USHealth Board makes other adjustments in provider payments as necessary to maintain total program costs under 12 percent while ensuring that benefits are not reduced and out-of-pocket costs are not increased more than under current USHealth Program law.

The USHealth Board is responsible for conducting an education program for health care consumers and providers on the importance of holding down health care costs.

Delivery System

HMOs are major providers of health care for beneficiaries. The USHealth Administration shall require participating HMOs (including HMOs, CMPs, and IPAs) to be qualified as specified under Title XIII of the Public Health Service Act beginning in 1992. HMOs must continue to be qualified on an annual basis. HMOs shall be penalized or removed from the program when they no longer meet the HMO qualification standards. The Office of Health Maintenance Organization's cost for carrying out the ongoing qualification process is covered by the Trust Fund. Quality assurance review for HMOs will be conducted by the Peer Review Organizations conducting review on non-HMO services.

Beneficiary Information

Publications are provided which give side-by-side comparisons of HMOs in each area of the country. The use of HMOs is promoted, including the provision of a comparison of HMOs with the non-HMO providers in terms of quality assurance, covered services, and out-of-pocket costs to the elderly and disabled. (Information on the quality assurance system and the availability of a consumer hot-line are described in the quality assurance section.)

B. Medicine and medicaid

USHealth replaces the current Medicare and Medicaid programs and is built upon those two programs. All Medicare and Medicaid beneficiaries are entitled to enroll in USHealth.

C. Private insurance

The only private insurance which remains would be for benefits beyond those provided in USHealth. Any costs would not qualify for a tax deduction either for employers or for individuals.

Insurance companies are permitted and encouraged to perform intermediary/carrier functions under contract to the USHealth Trust Fund.

SECTION III: DELIVERY SYSTEM

As described above, Health Maintenance Organizations (HMOs) and similar delivery systems are to become a major vehicle for delivering health and continuing care services in the long term. This includes future delivery systems which differ from the current definition of HMOs but are initially and continuously qualified by the USHealth Administration, provide the full range of benefits, and perform as effectively in terms of quality, access, cost to the consumer, cost to the respective third party payer, and covered services.

Campaign to promote HMOs

The federal government is to conduct a national media campaign to encourage the development of and enrollment in HMOs.

Financial incentives for HMOs

This bill improves the HMOs' financial position relative to other delivery approaches by raising the payment rate to 100 percent of the Average Area Per Capita rate by 1992.

SECTION IV: QUALITY ASSURANCE SYSTEM

The current Medicare quality assurance (QA) system of Peer Review Organizations is upgraded to cover all medical services (inpatient and outpatient) for all patients and all providers and to place at least as much emphasis on quality assurance as on cost containment. Most provisions are to be phased in as of January 1, 1991. A State has the option to obtain a waiver from this requirement if it establishes its own plan of quality assurance and as long as it provides at least the same level of protection as the amended federal plan.

Increased emphasis on quality assurance

This bill requires DHHS and, subsequently, the USHealth Administration to award, administer, and evaluate its PRO contracts under the stipulation that at least one-half of the PROs' level of effort is for the purpose of quality assurance as of January 1, 1991.

Extension to all patients and payers

This bill requires the DHHS and, subsequently, the USHealth Administration and its contract PROs to conduct quality assurance for all patients.

Extension to all medical services

This bill requires the DHHS, and, subsequently, the USHealth Administration and its contract PROs to conduct quality assurance activities on all medical providers including hospitals, physician offices, nursing homes, home health agencies, hospices and HMOs and other alternative delivery systems. The level of PRO effort expended on each type of provider reflects the proportion of national health care expenditures for this type of provider and the need for review. Similarly, membership on the PRO governing body and its composition reflect the range of health care providers reviewed by the PRO.

Hospital discharge planning

This bill sets guidelines for discharge planning to protect against inappropriate discharges and to ensure a smooth and timely transition to post-hospital care. It also requires that hospitals have in place a discharge planning process that begins as close to the time of hospital admission as appropriate and that alerts nursing home and home health providers of a patient's anticipated need for post-hospital care at the earliest possible time.

Quality assurance "hot-line"

This bill requires PROs to have a 7-day-a-week hot-line for receiving questions and complaints from health care providers, consumers, and interested parties concerning health care quality problems. PROs are required to assist in the resolution of any legitimate quality related problems. The USHealth Administration, in coordination with each PRO, shall provide beneficiaries with the hot-line number for their PRO in a way that can be easily attached to their USHealth cards. The PRO hot-line is coordinated with the hot-lines operated by the Ombudsman program and any State quality assurance programs.

Home care quality assurance standards

This bill sets home care quality assurance standards and requires compliance as a condition of participation under USHealth.

Plans of care

This bill requires that health and home care agencies have plan of care policies which identify services to be provided, provide a means for identifying additional client needs and include coordination mechanisms with other service agencies.

Health and long term care ombudsman

This bill establishes a Health and Long Term Care Ombudsman Program to investigate and resolve health and long term care provider service complaints and to provide information on health and long term care provider services. The Ombudsman hot-line is coordinated with the hot-lines operated by the PRO and any State quality assurance programs.

Patient bill of rights

This bill establishes a federal bill of rights for health care consumers under USHealth.

Local consumer board

This bill requires each PRO to have a Consumer Board (CB) which conducts ongoing oversight of the PROs, provides input into the award and evaluation of PRO contracts, and can receive input from Medicare beneficiaries and other interested parties. The CB and the PRO are responsible for educating consumers on quality assurance and on the availability of assistance from the PRO and other agencies. The PRO makes available to the CB such information and staff as are necessary to carry out the CB function. This does not include information whether either the individual health care provider or consumer can be identified.

The CB is required to prepare an annual report on the PRO's performance and submit that report to the respective Governor(s), to the national Council on Quality Assurance, and to DHHS and, subsequently, the USHealth Administration. CB input is to be utilized in decisions to award PRO contracts.

The CB consists of 5-7 volunteer members appointed by the respective Governor of the State covered by the PRO and representing organizations of the elderly, the disabled, the poor and other consumers.

In addition to the CB, each PRO has at least one health care consumer, who is not a health care provider, on its Board of Directors.

National council on quality assurance

This bill establishes a national Council on Quality Assurance (CQA) to provide oversight on the operations of the quality assurance system and make recommendations to DHHS and, subsequently, the USHealth Administration, and to the Congress for its improvement. Its oversight function includes the review of the administration of quality assurance, the overall performance of the PROs and waivered state plans, reports of the Consumer Boards, quality assurance studies and methodologies developed by DDHS, the USHealth Administration and others, the data needs of the PROs and input from interested parties.

DHHS and, subsequently, the USHealth Administration are required to provide such information as is needed by CQA to carry out its responsibilities. Based upon these reviews, the Council is to make recommendations annually for improving quality assurance to DHHS and, subsequently, the USHealth Administration, and to the Congress. DHHS and, subsequently, the USHealth Administration are required to take into account CQA input in its administration of the PRO program.

The Congressional Office of Technology Assessment (OTA) will provide for the appointment of the fifteen member Council consisting of equal numbers of health care providers, health care consumers, and experts in quality assurance. Subject to the review by OTA, the Council may employ staff as necessary to carry out these functions.

Studies and reports

The USHealth Administration shall prepare an annual report which assesses the performance of the quality assurance system and addresses the recommendations of the CQA and the concerns and recommendations of the CBs. DHHS and, subsequently, the USHealth Administration shall analyze the impact which the federal cost containment system, limitation on health care provider payments, and Health Maintenance Organizations have had on health care quality, access and beneficiary cost and submit an annual report to Congress. The USHealth Administration shall conduct studies on and develop improved methodologies for quality assessment and assurance for health care services including hospital, physician, nursing home, home health services, and hospice services. The USHealth Administration shall submit an annual report to Congress on the progress toward developing such methodologies.

Sanctions

This bill requires that sanctions, including intermediate sanctions (e.g., civil penalties), be available to ensure compliance with quality assurance standards.

Financing

As compared to current law and adjusted for inflation, the funding level for the PRO program is increased by 50 percent in FY 1992 (first year of implementation), by 65 percent in FY 1993, and by 75 percent in FY 1994 and in subsequent years. The funding for the CQA and the PROs program will be made from the Trust Fund. For those States with their own federally qualified quality assurance plans, the USHealth Administration is authorized to make available funds up to the amount that would have gone to the respective PRO as authorized above.

Funding for the Health and Long Term Care Ombudsman is authorized at $50,000,000 for 1992. In each subsequent year, the amount will be the previous year's authorization increased to reflect increases in per capita GNP.

SECTION V: FINANCING OF THE USHEALTH PROGRAM

Much of the long term cost of expanding access and reducing costs for all beneficiaries comes from reducing health care cost inflation for all payers and all health care providers.

Health care cost savings are expanded by holding cost increases down to per capita growth in GNP and by controlling utilization.

Beneficiary cost-sharing applies to all services (but is limited by the catastrophic provisions).

In order to finance the USHealth program and to provide an orderly transition from the current system of financing health care, USHealth is financed through the following revenue sources:

A premium approximating the cost of the "Medicare Part B premium payment" is charged to people over the age of 65. This premium may be waived for elderly with incomes under the poverty level.

Employers pay a tax based on a percentage of employee compensation. The basis for setting that percentage is the aggregate amount which employers are paying under the current system for employee and retiree health benefits in 1990.

The cigarette excise tax is raised by 16¢ and indexed to per capita GNP. The "Medicare payroll tax" is expanded to cover all income levels. States provide revenue equal on average to ½ cost of the poor (i.e., everyone under poverty level). Payment formula is as follows: (total cost of poor) × ½ × (State population/US population) × (State per capita income/National per capita income).

An earmarked surcharge on all corporate and personal income taxes is made which equals the amount necessary to maintain the solvency of the USHealth Trust Fund. (Financing formula: Total USHealth expenditures minus cost sharing minus cost savings minus State share minus cigarette add-on minus the "Medicare payroll tax" minus the employer tax minus other revenue additions = Net revenue required from an ×% surcharge on federal corporate and individual income tax.)

Revenues are placed in the USHealth Trust Fund which is off-budget.

Within 6 years, the Trust Fund should have an appropriate reserve for contingencies.

The USHealth Administration shall conduct studies of the USHealth financing system to determine if those with the ability to pay are paying at least the average cost of care for a USHealth beneficiary and, depending on the results, to recommend appropriate financing policy changes.

For more information on the "USHealth" Program Act, contact the House Select Committee on Aging (202-226-3375), Room 712, Annex I, Washington, D.C. 20515.

THE 10TH ANNIVERSARY OF JSPOA FRIENDSHIP CENTER

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. ACKERMAN. Mr. Speaker, I rise today to mark the 10th anniversary of the Friendship Center of the Jamaica Service Program for Older Adults [JSPOA], located in my home district in Queens County, NY.

The Friendship Center is one of three senior-citizen groups that are part of JSPOA, the largest nonprofit, multiservice organization of its kind in southeast Queens.

The Friendship Center provides vital services to the mentally frail elderly population. It was founded 10 years ago out of the recognition by managers of senior-citizen centers in New York City that many people who came to their facilities for assistance experienced mental difficulties. In recent years, the number of patients residing in public mental institutions has substantially declined. However, deinstitutionalization has not been matched by the growth of an adequate system of community-based services and care. Thus, it was found that often the deinstitutionalized mentally ill are faced with a future of homelessness, isolation, and despair. In addition, significant gaps in our society can leave the elderly with unfulfilled acute-care needs.

Mr. Speaker, the Friendship Center therefore was established to specifically provide effective community-based programs for mentally impaired senior citizens. The center has admirably brought together private-sector initiatives and responsible Government action to strengthen the neighborhood's ability to meet the needs of this elderly population. Financial support and volunteers come from a wide variety of sources, including community counseling and service centers; local task forces in the mental-health field; private charities, such as the United Way; and public funding from sources such as the New York City Department for the Aging, the New York Office for Mental Health, Mental Retardation and Alcohol Services, and the New York City Department of Homes for Adults. The center's successful approach preserves individual choice and individual responsibility, while providing the links to help seniors fill their needs.

Critical programs offered by the center include homecare referrals, advocacy for elderly crime victims, elder-abuse counseling, information on and referrals for health care, benefits and entitlements, and financial information and services. In addition, the center provides essential transportation, including its own cab service and lift van to provide seniors with the means to receive their required medical care. Furthermore, the home-sharing program has been very successful in matching up seniors who need financial assistance in meeting the expenses of maintaining their home with people who need an affordable place to live. Particularly noteworthy is the center's life-line emergency response service, which provides the elderly with a device for their home telephone that they can use if they require emergency services. By pressing a single button, a person can immediately be put in contact with someone who will arrange the necessary emergency assistance.

Mr. Speaker, the JSPOA Friendship Center is an excellent example of a total community working together to serve its elderly neighbors. Today, I salute the officers of JSPOA: Martha V. Johns, executive director; Nancy Harvey, deputy executive director; and Susan Shafer, center director. I would also like to commend the exemplary service provided by all the dedicated men and women who make the Friendship Center a success.

I call on all my colleagues in the House of Representatives to join me in wishing JSPOA a very happy birthday, and many happy returns.

INTRODUCTION OF H.R. 5, THE SCHOOL IMPROVEMENT ACT OF 1987 AND H.R. 6 THE EFFECTIVE SCHOOLS AND EVEN START ACT

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. GOODLING. Mr. Speaker, I am especially pleased to begin the 100th Congress by joining Chairman HAWKINS in introducing H.R. 5, the School Improvement Act of 1987. This legislation will reauthorize all Federal elementary and secondary education programs with the exception of vocational education and special education. Included in this bill are the following programs: Chapter 1, compensatory education for disadvantaged students; chapter 2, the education block grant; bilingual education; and adult education.

Over the past two decades these programs have improved educational opportunities for millions of children, while raising expectations for our Nation's schools. Even though each program responds to an important education problem, they, taken together, have resulted in a patchwork set of programs rather than one coordinated effort. We enjoy the opportunity and responsibility to use this renewal process to create a coherent approach. While great strides have been made, we still have much room for improvement. The illiteracy rate remains too high and the school completion rate too low.

I look forward to working with Chairman HAWKINS throughout the reauthorization process. While I support the goals of each program, I realize changes can and should be made to improve their implementation and effectiveness in serving students. H.R. 5, as introduced, is the vehicle for implementing improvements that will allow these programs to more greatly fulfill their potential. There will be ample opportunity to introduce amendments as the legislation moves through the committee and proceeds to the House floor. I invite all my colleagues to join Chairman HAWKINS and me in contributing thoughtful and constructive ideas to this important reauthorization.

Furthermore, I am pleased to join Chairman HAWKINS in introducing H.R. 6, the Effective Schools and Even Start Act. A similar bill which we introduced in the 99th Congress passed the House with nearly unanimous support. Again, in this Congress, I plan to press forward with my attempts to improve the Nation's literacy services. Even Start would attack the roots of illiteracy by creating programs which combine literacy training for parents with early educational preparation for their children. I intend to incorporate the Even Start concept into H.R. 5, the School Improvement Act, where it would best complement existing programs.

This will be a long and hard reauthorization process; however, I am looking forward to the opportunity to prepare these programs to serve students now and into the next decade.

WHEN IT COMES TO STRATEGIC DEFENSE, THE SOVIETS WROTE THE BOOK

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. COURTER. Mr. Speaker, Soviet propaganda would have us believe that only the United States is in the strategic defense business, and that only curtailment of our SDI program will deliver the planet from the "militarization of space."

In fact, as the following Bill Kucewicz article from The Wall Street Journal demonstrates, the Soviet Union has been pursuing a nationwide strategic defense program for more than 20 years. This program has been consuming $15–$20 billion every year since 1970, a fact we would do well to keep in mind while we debate the President's 1988 SDI request of less than $6 billion.

Soviet dissembling on the size and nature of their SDI program brings to mind Will Rogers' timeless adage: "It's not what we don't know that hurts us, but the things we know that just ain't so." From this point forward, when the Soviets say they are not involved in SDI deployment, we will know that it just ain't so. I commend the following article to your attention.

The article follows:

[The Wall Street Journal, Tuesday, Dec. 16, 1986]

Moscow's Bigger Star Wars Drive

(By William Kucewicz)

Soviet leader Mikhail Gorbachev recently intensified his propaganda campaign against President Reagan's Strategic Defense Initiative, decrying it as a "voracious monster" and "fundamentally inhumane." Accusing the U.S. of an "arrogance of power," he said: "Many people everywhere are legitimately wondering why, by virtue of what right, should the whole world be held hostage to the SDI." "What we need," he said, "is Star Peace and not Star Wars."

What Mr. Gorbachev didn't say, of course, is that strategic defense has long been an essential part of Soviet military doctrine and that Russian scientists have been devising ballistic missile defenses for more than 20 years. In fact, according to the Central Intelligence Agency, the Soviets have outspent the U.S. on strategic defense since 1976 by a factor of 15 to 1.

The significance of what the Soviets appear to be up to is that it reflects a deliberate shift from deterrence, on which the nuclear balance of power has rested, to a war-fighting capability. This is the very thing they accuse President Reagan of doing with SDI.

As early as 1962, Marshal V.D. Sokolovskiy defined in "Military Strategy" the aim of Soviet strategic defenses: "They have the task of creating an invincible system for the defense of the entire country.

While, in the last war, it was sufficient to destroy 15%-20% of the attacking air operation, now it is necessary to assure, essentially, 100% destruction of all attacking airplanes and missiles."

"COUNTERBALANCE" POSSIBLE

Gen. Nikolai Talensky, a member of the Soviet Academy of Sciences and former editor of the Soviet General Staff journal "Military Thought," added in 1965 that it was quite possible to "counterbalance the absolute weapons of attack." He said that "powerful deterrent forces and an effective antimissile defense system, when taken together, substantially increase the stability of mutual deterrence."

This view was reaffirmed shortly after the Soviet Union and U.S. signed the Anti-Ballistic Missile (ABM) Treaty in 1972. Then-Defense Minister Andrei Grechko told the Soviet Presidium that the treaty "places no limitations whatsoever on the conducting of research and experimental work directed towards solving the problem of defending the country from nuclear missile strikes." More recently, of course, the Soviets have insisted upon a much narrower interpretation of the treaty in order to stymie U.S. research and development. At the same time, they maintain that their own ABM efforts don't in any way violate the accord.

The Soviets have spent heavily on strategic defenses since the early 1960s. The CIA says that "over the last two decades, the Soviet Union has spent roughly as much on defense as it has on its massive offensive forces." This includes building a "city under a city" in Moscow to protect tens of thousands of key political, scientific and military personnel. Secret underground rail lines have even been constructed to evacuate the Moscow elite far outside the city, the CIA believes.

According to Defense Department and CIA estimates, Soviet expenditures on strategic nuclear defenses—apart from antiaircraft and civil defense—have averaged $15 billion to $20 billion or more a year since 1970, dwarfing America's investment even with the Reagan SDI program. And this Russian work has gone far beyond laboratory research and experimentation.

The Soviet Union has the world's only operational ABM system, the only operational anti-satellite (ASAT) killers, and the only operational ground-based lasers aimed at blinding satellites in space and perhaps capable of knocking out incoming missiles. Soon, the Soviets could "break out" of the ABM Treaty and switch on a battle-management network of radars and interceptors covering all of the vital territory of the U.S.S.R. Such "territorial" defense, it should be noted, was what the ABM Treaty, for better or worse, was intended to preclude.

Since 1978, the Soviets have been upgrading their ABM system around Moscow, installing new tracking and battle-management radars and modernizing its missile interceptors at its 100 launch sites. In a gross violation of the 100-missile limit in the ABM Treaty, the Soviets' silo-based launchers are reloadable and reloads have been tested. U.S. intelligence officials expect the system to become fully operational next year.

More significant, the Soviets are building a widespread network of highly sophisticated radars able not only to track enemy warheads but also to guide ABM interceptors to destroy these incoming weapons. Defense Secretary Caspar Weinberger said last week that the U.S. has spotted three new Soviet radars under construction, bringing to 12 the total number that appear to be part of a nationwide defense system. The radars are similar to one near Krasnoyarsk in south-central Asia; that radar in particular has been cited as a major violation of the ABM Treaty. The accord requires that all radars be on borders and face outward (merely warning of an attack). But the Krasnoyarsk radar is oriented inward, covering some 2,500 miles of Soviet territory including key missile fields, and would be useful in resisting a strike.

The Soviets are also developing components of a new ABM system that allow them to construct individual ABM sites in a matter of months rather than years, according to a Defense Department report. It estimates that such mobile or component ABM systems could by the early 1990s be quickly deployed to strengthen Moscow's defenses or guard key areas in the western U.S.S.R. and east of the Urals.

The Soviets have also developed new surface-to-air missiles and tested them in an ABM-mode using their sophisticated air-defense radars. Moreover, the Russians are designing kinetic-energy weapons, which use the high-speed collision of heavy metal particles such as tungsten to kill an incoming warhead.

"Taken together, all of the Soviet Union's ABM and ABM-related activities are more significant—and more ominous—than any one considered individually," the Defense Department report concludes. "Cumulatively, they suggest that the U.S.S.R. may be preparing to deploy rapidly an ABM defense of its national territory, contrary to the provisions of the ABM Treaty."

American critics of SDI contend that the concern about Soviet strategic defense is overblown. They say that the Soviet radar systems and surface-to-air missiles are most likely intended to stop enemy aircraft rather than ballistic missiles, and thus are permitted under the ABM Treaty. Further, opponents of the Reagan SDI program maintain that the Soviets really aren't capable of deploying a Star Wars defense of their own. The Center for Defense Information for instance, says that the Soviets aren't "competitive" with the U.S. in space-based defense technologies. It adds, "Claims that the Soviets might beat us into space with an SDI of their own are vastly overstated and do not justify the current U.S. development program."

But senior Soviet scientists have gone far beyond radars and anti-ballistic missiles to expand strategic defenses using new directed-energy technologies such as lasers, particle beams and microwaves. These types of weapons cripple the delicate internal mechanisms of booster rockets and nuclear warheads. According to the CIA, Russia has devoted far greater resources to this work than the U.S. over the past decade or more. Indeed, the Soviet directed-energy program is led by Yevgeniy Velikhov, a vice president of the Soviet Academy of Sciences and deputy director of the Kurchatov Atomic Energy Institute. He is also chief science adviser to Mr. Gorbachev, whom he has known since their days in college together.

"In directed energy technologies, the Soviets are in a comparable, or highly competitive, position with respect to the United States," the CIA says. "In laser technologies, there is an essential equivalence, though the Soviets are pursuing some types of lasers which the U.S. has either abandoned or has ignored for weapons applications. In particle beam and microwave technologies, the Soviets may have the edge over the U.S. in some important areas."

The Soviets have already begun to develop and test laser weapons. They have built "over a half dozen" major R&D laser facilities and test ranges, with an estimated 10,000 scientists and engineers associated with the laser-weapons program, says the CIA, a U.S. reconnaissance satellite recently spotted two more large laser facilities being built on mountaintops near the Soviet-Afghanistan border. Some analysts believe that these laser sites may be used to attack U.S. satellites and could be upgraded with new tracking radars to knock out ballistic missiles.

DISINFORMATION CAMPAIGN

The Soviet political leadership and such scientists as Mr. Velikhov deny any of this advanced Soviet SDI work. They maintain that all Russian efforts are only "point defenses" around Moscow or other work permitted by the ABM Treaty.

Meanwhile, Moscow has pursued an aggressive disinformation and propaganda campaign against Mr. Reagan's SDI program. The U.S. Arms Control and Disarmament Agency has detailed these Soviet efforts in a new report. It says that the Soviet Union has prevented an "honest dialogue" on SDI "by refusing even to acknowledge that it is engaged in researching advanced strategic defense technologies. The Soviet position cannot be taken seriously. Indeed, it must be understood for what it is—a cynical tactic to avoid accountability and to gain a unilateral advantage over the United States."

Moscow takes seriously the potential for strategic defense. Kremlin pronouncements to the contrary are only an attempt to kill off U.S. SDI development while the Soviet Union gets ready to field its own multilayered strategic defense network.

INTRODUCTION OF LEGISLATION TO MAKE PERMANENT CERTAIN ESOP PROVISIONS

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. ANTHONY. Mr. Speaker, today I introduced legislation to make permanent certain provisions of the Internal Revenue Code on employee stock ownership plans, or ESOP's.

The growth of ESOP's and employee ownership is one of the most promising developments in the American economy today. Because Congress has endorsed ESOP's so strongly in the past few years, the number of ESOP's has grown to approximately 10,000, with perhaps 10 million employee participants.

Evidence is ample that in most instances capital ownership leads to more wealth for the working man and woman than he or she could obtain from wages alone.

I want to continue the pro-ESOP policy of Congress.

In this regard, my legislation would eliminate the termination dates of three ESOP incentives that were included in the 1986 Tax Reform Act.

These three ESOP incentives and their termination dates are as follows:

1. Exemption for early withdrawals from ESOP's from the 10 percent additional income tax—terminates as of January 1, 1990;

2. Exclusion of 50 percent of the proceeds from sale of certain stock to an ESOP from estate for estate tax purposes—terminates as of January 1, 1992; and

3. Exemption from the 10 percent excise tax on excess assets recovered by sponsor of terminated defined benefit plan if excess assets transferred to ESOP—terminates as of January 1, 1989.

I recognize that each ESOP provision has to be judged on its own merits. But to start the 100th Congress in a pro-ESOP direction, I have included the three provisions in one piece of legislation, instead of introducing three separate bills.

I look forward to working with my colleagues and the professional tax staff on this legislation, and other ESOP matters, in the days ahead.

PUBLIC HOUSING RENTAL STABILIZATION ACT

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. MOLINARI. Mr. Speaker, today I have introduced the Public Housing Rental Stabilization Act, legislation which would allow housing authorities, at their discretion and with the approval of the HUD Secretary, to establish maximum rents for the public housing units they operate.

This has been of great importance to me for several years and I am pleased to have 15 cosponsors join me today in supporting this legislation. In addition, these provisions gained the approval of the House during the 99th Congress in H.R. 1, the major housing legislation passed by the House on June 12, 1986.

The matter which is of concern to me is the open-ended rent-to-income policy for public housing tenants and the financial burden it places upon many working families. In the past, we have seen the benefit of an economic mix of tenants in public housing. Unfortunately, however, we have not always paid due attention to this consideration. Such an occurrence was the inclusion of a provision in the Omnibus Budget Reconciliation Act of 1981 which basically established a rent of 30 percent of gross income for new tenants, with rents for current tenants increasing yearly until that figure was reached, and eliminated a public housing rent cap.

After conferring with housing officials and many public housing tenants several years ago, I found that there are well-founded fears that this policy may force the most stable, working tenants out of public housing, thereby eroding the social and financial future of many projects and surrounding neighborhoods. Indeed, this matter was first brought to my attention by my constituents in Staten Island who have had to experience an increase in crime and drugs in their community—and they attribute it to the fact that many of these working families who serve as role models for their community are being forced out of these developments.

A rent ceiling is necessary for the long-term future of this Nation's Public Housing Program. In order to maintain an economic mix, a cross-section of lower, low, and lowest income families, and prevent the isolation of the very poor, public housing authorities must have the flexibility to establish these ceiling rents. Social change and economic mobility are enhanced by encouraging housing in which families of different incomes and in different age groups can live together.

A broad income mix includes those who are largely self-supporting but still need some help in obtaining decent housing. This group includes people with upward mobility who will provide leadership in developing good and stable communities. Should these lower income working tenants leave public housing due to high rents, we would be left with dense concentrations of the very poorest tenants. Again, experience has shown that this may bring on higher maintenance and social service costs, as well as having a detrimental effect on the neighborhood.

Apart from promoting an economic mix, there is another very important reason for allowing housing authorities to establish a rent ceiling. Lower income families contribute a disproportionately high amount of rental income. Should these families be replaced with tenants in the lowest income level, rent revenues will decrease and force higher Federal subsidies. For example, the New York City Housing Authority has estimated that it may lose up to $47 million in rental income, an amount which must be made up in Federal subsidies. The loss of a rent cap does not affect rental income for larger authorities only. Small, rural authorities report that they are being affected by increasingly higher vacancy rates, and therefore revenues are decreasing.

The need for a maximum rent for public housing has been recognized by those who have day-to-day experience with public housing. Housing authorities across the country—including New York, Atlanta, Denver, Baltimore, Hartford, Portland, and many smaller authorities—favor restoring maximum rents. Rent cap legislation I have introduced in previous years has been cosponsored by Members of both parties hailing from diverse areas of the country, as has this bill I am introducing today. I would urge my colleagues to give this concept and this measure their support.

THE HOMELESS PERSONS' SURVIVAL ACT OF 1987

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. LELAND. Mr. Speaker, today 50 of my colleagues join me in introducing the Homeless Persons' Survival Act of 1987—a comprehensive, far-reaching response to the crisis of homelessness. Through this legislation we propose to strengthen existing programs through cooperative Federal, State, local, and private efforts to meet the emergency needs of the homeless, and to prevent additional homelessness by addressing both its precipitating and underlying causes.

This proposal is very similar to H.R. 5140, the Homeless Persons' Survival Act of 1986, legislation I introduced late in the 99th Congress. I enthusiastically report that five significant provisions of that bill were enacted last year as a result of strong bipartisan support. These provisions modify existing statutes to assure the homeless better access to many income security benefits and job training services.

While the achievements of the 99th Congress to improve the quality of life for the homeless are important, they are limited and short-term measures. It is our intent in reintroducing the Homeless Persons' Survival Act to address the full dimension of the problem of homelessness. Specifically, the bill provides: First, physical and mental health care services; second, food assistance; third, education for homeless children; fourth, shelter and supportive services for homeless youth; fifth, shelter and supportive services for homeless parents with infants; sixth, emergency shelters for homeless individuals of all ages; seventh, improved access to Social Security and supplemental security income for the homeless and the mentally ill who are at-risk of homelessness; eighth, modifications in the AFDC and foster care maintenance programs to help prevent homelessness among families and children; and ninth, expansion of permanent housing for low-income persons and community residences for the chronically mentally ill.

The homelessness crisis has grown, both in number and in scope, beyond the capability of

State and local governments and private charitable efforts. Federal support is now needed. This crisis becomes more apparent to us as the hardest days of winter approach and we see or hear about a growing number of Americans facing the cold and windy nights without the comfort of basic shelter.

I urge you to support this legislation not only to reduce human suffering, but also to curtail the rising costs borne by inaction at the Federal level. Funds invested in serious, long-term solutions made in partnership with States, local governments and the private sector will, for example, decrease the burgeoning expenditures for emergency shelter. Shelter for a homeless family of four in New York City now costs up to $60,000 annually. By comparison, the cost of rental assistance for existing section 8 public housing units provided in our proposal is approximately $5,300 per year per household. Further, the high costs of institutionalization and emergency health care for homeless individuals can be reduced by the components of our bill which provide matching grants to nonprofit organizations for physical and mental health care services.

The homeless will not go away. Even in this time of fiscal restraint, we cannot ignore this very real social problem. The Homeless Persons' Survivial Act of 1987 is the decisive long-term Federal commitment required. I urge my colleagues to cosponsor this vital legislation and work with us toward its passage.

TRADE PICTURE STILL GLOOMY; ONE STEP TOWARD REFORM

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. WALGREN. Mr. Speaker, today as the 100th Congress opens, I am honored to cosponsor H.R. 3, the trade reform bill that passed the House last year, but died in the Senate. Bringing down the unprecedented $170 billion trade deficit has to be a top priority of this Congress.

The news on our balance of trade continues to be dismal. On January 1, the New York Times reported:

> The nation's trade deficit soared to a record $19.2 billion in November, a startling setback following three months of improvement . . . The gloomy figures put the United States on track for an estimated 1986 trade deficit of $176.6 billion, which would be $25 billion more than 1985's record shortfall.

This is at a time when the relative buying power of the dollars has declined to a level more advantageous to U.S. exports than at any time in the last 6 years.

This deficit is 13 percent above the 1985 level and represents the worst work performance in international trade in the Nation's history. And it means a loss of 160,000 more jobs in 1986. Within the total trade deficit, the change in the manufacturing section has gone from a $12.9 billion surplus in 1981 to a $136.6 billion deficit in 1986. As a result, manufacturing employment from 1981 to 1986, fell by 1.1 million.

As one step toward improving our trade balance, I introduce today one of the best proposals to come out of the debate in the last Congress, a bill to give American industries and employees direct access to Federal courts to seek immediate instructions to stop dumped and subsidized imports and customs fraud. This bill is needed because the administrative route of seeking relief from unfair imports through the International Trade Commission or other Federal agencies simply has just not worked.

Current procedures, as a practical matter, provide no remedy. Dumping cases take an average of 11 months so the damage is done before there is even the prospect of a remedy. These lengthy proceedings give the foreign industry time to reap huge illegal profits and to capture new markets. As more and more time goes by with these cases plodding through the bureaucracy, more and more jobs are lost and economies shattered.

The compound matters, if and when relief is granted, the relief is prospective—usually in the form of countervailing duties on future imports. Under my bill, courts could award damages, attorneys fees, and injunctive relief against further imports. U.S. courts could stop the imports immediately and make monetary awards to the injured American industry for the damage sustained up to that point.

Because relief is only prospective under present law, dumpers are in essentially in a risk-free situation. They know they can export to this country with no adverse consequences except the possibility of duties on future goods. If caught, they just have to stop. Present law is almost no deterrent against illegal trade practices. My bill would create the possibility of heavy penalties for past illegal acts.

This bill would also take trade enforcement out of international diplomacy. Administration after administration has traded their responsibility to protect American industries for diplomatic points with our allies. By adding the courts as an avenue for redress, cases would be less susceptible to political manipulation.

I believe this bill is a fair bill. If importers expect to do business in this country, they should be subject to our court system. We are only asking for fair trade. The approach embodied in my bill was included in last year's House omnibus trade bill, H.R. 4800. I hope it will be considered as one step toward stemming the flood of imports that has destroyed so many American jobs and so many American communities.

WE NEED A CABINET-LEVEL DEPARTMENT OF TRADE

HON. DAN COATS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. COATS. Mr. Speaker, today, I am introducing legislation to remedy a problem of critical interest not only to my constituents in northeastern Indiana, but also to the millions of Americans whose jobs and livelihoods depend upon international trade. I refer, of course, to our incoherent and inconsistent system of regulating and monitoring commerce with our trading partners.

My bill would eliminate the confusion which has become almost routine in all facets of our commerce with other nations, and establish a single Department of Trade to unify the trade functions which currently reside in 25 separate executive departments and agencies. I believe this move is necessary, even in today's stringent budgetary environment, because we must highlight the importance of trade as a national economic issue and provide a framework that would allow us to compete in a more organized and aggressive fashion in the international marketplace.

Currently, exports are a vital part of our national economy. The relationship, however, is clouded by the detrimental effect that the current imbalance has on America's businesses. For example, in my home State of Indiana, one in eight manufacturing jobs relate to exports, and 40 percent of our crops are exported. In my own district, nearly 50 percent of our crops are exported; and in 1986, Indiana was second in the Nation in the contribution of foreign trade to personal income at $1,767 per person.

On the flip side, however, our substantial trade imbalance, which was $144.6 billion for 1985 and is estimated to reach over $170 billion for 1986, is sapping strength from our economy. The adverse impact that this deficit has on our commerce and business is an issue that must be addressed immediately if we are to continue the economic growth that we have enjoyed in the recent past.

One of the most important means of stemming the flow of American capital abroad is to increase the competitiveness of our industries in foreign markets and help them get back some of what we have lost. Under the current hodgepodge of agencies with jurisdiction over trade, it is difficult to establish a comprehensive plan to boost our business, and nearly impossible to execute in a coherent fashion whatever initiatives do come forth out of the current maze surrounding international commerce.

The formation of a separate Department of Trade would have the twin benefits of highlighting the importance of the issue and providing centralization of the trade functions of our Government to place authority into a single office that would be able to effectively promote our goods and services abroad. I believe that this would be a giant step forward toward restoring America to its role at the forefront of world commerce and trade, and reinforce our economic growth for years to come.

SULLIVAN MIDDLE SCHOOL STUDENTS SAY "NO" TO DRUGS

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. QUILLEN. Mr. Speaker, I wish to call to the attention of my colleagues a petition signed by the students of Sullivan Middle School in Kingsport, TN, in my congressional district. The petition, entitled "Drugs—the

Great Hoax," was composed by Autumn Kearn, a sixth grader. This fine petition which pledges those who have signed it to "just say no to drugs" expresses the sentiments of the students, faculty, and staff of Sullivan Middle School. I wish them all success in their commendable effort, and insert the text of the petition into the RECORD at this point:

DRUGS—THE GREAT HOAX

Many young people are trying drugs for various reasons. They are all looking for an escape from some situation. Drugs will not take away problems. They only make them worse. True friends would not offer drugs to endanger your health or even threaten your life.

Popularity is not found in drugs but through self-esteem and personal commitments to meaningful things in life. Drugs are a make believe reality—the coward's way out.

People sometimes get "hooked" on drugs and have to commit crimes to supply their habits. Drugs cause failing grades, school dropouts, disrespect and twisted minds. When you start on drugs you start on a journey from which there may be no return.

Organizations are being formed to fight the use of drugs. We as students should pledge to do our part to wipe out this enemy. Many schools and communities are forming "Just Say No" clubs.

Do not give in to peer pressure; be brave enough to stand up for what you believe in. Do not let drugs destroy your dreams and chances of success and happiness. Believe in yourself and show real maturity by saying "No" to drugs.

"Please, Just say No."

We the students of Sullivan Middle School pledge our support against the use of drugs. We know that drugs are dangerous and can destroy lives. We prefer to show courage and perseverance in the battle against our No. 1 enemy—drugs.

We will all * * * Just say No.

1986 SURVEY RESULTS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. YATRON. Mr. Speaker, I want to take this opportunity to inform my colleagues of the results of a questionnaire I recently conducted among the voters of Pennsylvania's Sixth Congressional District. Response to the survey was impressive. The voters of the Sixth District have spoken out and expressed their opinions on a number of important issues facing the 100th Congress. The results are as follows:

1986 SURVEY RESULTS

(1) In order to further reduce the deficit, would you:

(a) Cut spending across the board—30 percent.

(b) Cut spending for domestic programs only—4 percent.

(c) Cut spending for national defense only—9 percent.

(d) Cut spending for foreign aid assistance—53 percent.

(e) Raise taxes—5 percent.

(2) In reducing the federal deficit, efforts have been made to exempt essential social programs from budget cuts. Do you believe Congress should continue to ensure adequate funding for these human needs programs?

(a) Yes—84 percent.

(b) No—16 percent.

(3) Do you favor or oppose the privatization of government assets and services?

(a) Favor—59 percent.

(b) Oppose—41 percent.

(4) What is the most effective way to resolve the trade deficit problem?

(a) Protective measures such as tariffs and quotas—48 percent.

(b) Federal assistance to adversely affected U.S. industries—10 percent.

(c) Expanded Federal retraining programs—13 percent.

(d) Conducting a national campaign to educate Americans on the effect of the trade deficit—21 percent.

(e) No action by Congress—7 percent.

(5) Do you favor or oppose more market-oriented agriculture policies?

(a) Favor—62 percent.

(b) Oppose—38 percent.

(6) In reforming our immigration laws, would you grant legal status to aliens already in the country?

(a) Yes—20 percent.

(b) No—80 percent.

(7) In reforming our immigration laws, do you support penalties against employers who knowingly hire undocumented aliens?

(a) Yes—93 percent.

(b) No—7 percent.

(8) Should the Federal government become more involved in regulating the insurance industry?

(a) Yes—61 percent.

(b) No—39 percent.

(9) In your view, what is the main cause of the liability insurance crisis?

(a) The insurance industry is setting rates that are higher than market forces warrant—16 percent.

(b) Our tort system leads to damage awards that are too high—13 percent.

(c) Combination of both forces—70 percent.

(d) Neither is the cause—1 percent.

(10) What should be the level of future funding for our space program?

(a) About the same as current levels—55 percent.

(b) More—22 percent.

(c) Less—23 percent.

A TRIBUTE TO COMMISSIONER ADELAIDE ATTARD

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. LENT. Mr. Speaker, on October 27, 1986, the Long Beach Republican City Committee honored Nassau County Commissioner of Senior Citizen Affairs Adelaide Attard as their Woman of the Year. Unfortunately, a previous commitment prevented me from attending the awards dinner, and I would like to take this opportunity to pay deserved tribute to Addie Attard for her many years of dedicated service to older Americans.

I've known Addie Attard for many years. She is a valued friend and supporter—as well as a topnotch expert on the problems of the elderly. Addie has headed the Department of Senior Citizen Affairs since 1971, and is its first commissioner. The department serves the needs of the 261,000 Nassau County residents age 60 and over.

Under Addie's able direction and management, the department offers a wide range of programs and services which are considered to be among the most innovative in the Nation. It has been cited by the National Association of Counties as an outstanding example of how a county works with and for its elderly citizens, and has earned a reputation as one of the most effective agencies in the Nation serving the elderly. Clearly, these commendations are a result of Addie Attard's excellent ability to understand the needs of the elderly community and to initiate programs to meet those needs.

As her professional affiliations and appointments are too numerous to mention here, I will briefly mention some of Addie's more noteworthy accomplishments. These include her appointment by President Reagan in 1982 to serve as chairperson of the Federal Council on Aging, and as a U.S. delegate to the United Nations World Assembly on Aging that year as senior adviser in Vienna, Austria. Addie is also the recipient of the Congressional Award for Meritorious Service.

Through her positions on academic advisory and curriculum committees throughout New York State, Addie Attard has promoted continued research and education in the field of gerontology and geriatrics. Addie is deeply dedicated to her profession, and she has served the good people of Nassau County loyally and to the utmost of her ability for many years.

My words seem inadequate to express the deep gratitude that I know many of us feel. On behalf of my Fourth Congressional District constituents, both young and old, I'd like to offer Commissioner Addie Attard my most sincere appreciation for her many years of outstanding service working for the betterment of older Americans.

INTRODUCTION OF THE WHISTLEBLOWER PROTECTION ACT OF 1987

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. HORTON. Mr. Speaker, today I join my colleague and friend Congresswoman SCHROEDER in introducing the Whistleblower Protection Act of 1987. We introduced this legislation in the 99th Congress as part of our effort to improve efficiency within the Federal Government and provide protection for those who report instances of inefficiency, waste, or inappropriate actions within Federal agencies and departments.

As the ranking minority member of the Government Operations Committee—the principal oversight committee of the Congress—I know the importance of effective systems to control waste and protect dedicated civil servants. Our bill is, I believe, an improvement in existing grievance processes whereby Federal employees, who report instances of fraud or abuse and suffer reprisal, can seek remedial action.

The Whistleblower Protection Act bolsters the Office of Special Counsel and more clearly defines its role in the protection of whistleblowers, lowers the standard of evidence required to prove reprisal and offers better judicial protections for those who suffer reprisal.

I listened to the arguments of those who say the whistleblower protection system is abused by employees with poor performance records as a means to avoid termination or other action. I also know that the current, or any system, can and will be abused to some extent. I think this is to be expected in practically any situation when a work force numbers into the millions. However, this argument provides no justification in my mind to continue a system that is inadequate for legitimate complaints of reprisal. In my mind, we ought to have the best protection system we can establish. We then communicate the message to Federal employees that we care when they report instances of fraud and inefficiency, and that we will do everything we can to protect them from reprisal.

I am proud to again join my colleague, Congresswoman SCHROEDER, in reintroducing this bill. I commend her for her outstanding work on behalf of Federal employees, and I look forward to working with her in getting this particular bill through the Congress.

STATEMENT OF THE HONORABLE MARILYN LLOYD

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mrs. LLOYD. Mr. Speaker, an article recently appeared in the November issue of Response, a publication of the American Council of Life Insurance, which describes a significant example of corporate public involvement in the Third Congressional District of Tennessee. I commend Provident Life and Accident Insurance Co. for their excellence in business and community relations and submit the aforementioned article to the CONGRESSIONAL RECORD as an outstanding example of a productive and successful private/public sector initiative.

The text of the article is as follows:

PROVIDENT ENDOWS MATHEMATICS CHAIR AT UNIVERSITY OF TENNESSEE

The Provident Life and Accident Insurance Company recently contributed $333,000 to endow a Chair of Excellence in Applied Mathematics at the University of Tennessee at Chattanooga (UTC). The chair is intended to attract a world-class educator in applied mathematics, which includes computer science and business.

The University of Chattanooga Foundation has added $167,000 to complete the $500,000 private endowment. The state of Tennessee matched that amount for a total endowment of $1 million.

During ceremonies to announce the chair, H. Carey Hanlin, Provident president and chief executive officer, commented on the "urgent need to intensify efforts to offer widespread quality education in mathematics at all levels," and called the Chair of Excellence in Mathematics" a very timely and appropriate vehicle through which the national problem can be addressed effectively at the local level."

Mr. Hanlin noted that during the last five years Provident has hired approximately 75 UTC graduates and today has more than 220 of them employed in the home office. "With our dependence on UTC, it is important for the university to have the finest academic staff possible so that it will not only attract top-notch students, but will also produce well-qualified graduates."

MERCED RIVER LEGISLATION

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. COELHO. Mr. Speaker, today I am introducing legislation to place the upper portion of the main stem and the South Fork of the Merced River within the National Wild and Scenic Rivers System. I am pleased that we are embarking on the course of preserving this important river for future generations. This legislation will guarantee that we will protect the Merced from those who might wish to develop it.

I wish to make it clear that one of the prime objectives of this bill is to stop the Keating project from being built on the Merced at the gateway to Yosemite. The project is currently undergoing an environmental impact statement by the Federal Energy Regulatory Commission. I have reiterated my opposition to FERC licensing the project in a recent public hearing that was held in my district.

This opposition to the project is something that is shared by local residents, businesses and park officials. Construction of the project will have serious adverse effects on the local economy that depends so much on tourism. I believe FERC should not take any final action on the Keating application until Congress has had a chance to work its will on this legislation.

No one should underestimate the importance that the Merced River has to Mariposa County and to thousands of visitors each year. The main stem and South Fork of the river offer a number of scenic, cultural, and recreational opportunities. It serves as an important habitat for a variety of fish, birds, and wild animals. Many rare plants and flowers can be found along the river's banks.

A number of geological formations provide some magnificant scenery for those who come though the canyons of the Merced. A visitor's enjoyment is enhanced by the waterfalls that can be seen in several places along the river.

The river system also provides many people with the opportunity for hiking, fishing, whitewater rafting, and swimming. I have personally been able to enjoy a number of these recreational activities and I know they remain important for many visitors to the area.

The legislation I am introducing today will insure that this river will be protected for future generations by designating the upper portion of the main stem from its source in Yosemite National Park to the town of Briceburg at Highway 140 as a wild and scenic river. Additionally, the entire South Fork of the Merced would receive the same wild and scenic designation.

To give Mariposa County time to examine possible water resources for the county in future years, the bill would place a moratorium on development along the main stem of the Merced from Briceburg to Bagby. The moratorium would remain in force for 5 years. The Mariposa County Board of Supervisors would have to be consulted when decisions are made regarding the management of those sections of the river placed within the wild and scenic designation.

I intend to push for early House consideration of this legislation and work with the Senate to get the bill enacted into law as soon as possible. The beauty of the Merced needs to be preserved and the bill I am introducing will insure that our children and grandchildren will be able to experience what we see is worthy of protection today.

POLICE OFFICER RECEIVES COP-OF-THE-YEAR AWARD

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. GREEN. Mr. Speaker, I rise to recognize one of my constituents, New York City Police Officer Carlos Anthony Nunez, who was recently named Cop-of-the-Year by the fifth precinct's community council.

Officer Nunez joined the NYPD in July 1983. In January 1984, he was assigned to the neighborhood stabilization unit. Since being assigned to the fifth precinct in June 1984, Officer Nunez has made 150 arrests. His exemplory career has led to one exceptional merit award, three meritorious police duty awards, and two excellent police duty awards. In addition to these plaudits, Officer Nunez has consistently received above standard ratings during his assignment to the fifth precinct's narcotics unit.

Police Officer Nunez has made his mark in this community and I expect that he will continue his fine service in the years to come.

Mr. Speaker, I ask that my colleagues join me in recognizing and honoring Police Officer Carlos Anthony Nunez for his dedication to the community and his service to the people of New York.

DAVID STOCKMAN DESCRIBES THE REAL HISTORY OF THE BUDGET DEFICIT

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. OBEY. Mr. Speaker, former Budget Director, David Stockman, has written a new chapter to his book "The Triumph of Politics," which is must reading for anyone who wants to understand the history of and the political reasons for our astonishing budget deficit and national debt. I urge every Member of the House to read the account of the budget deficit written by the man who was at the center of events when it was incurred.

POSTSCRIPT: EXACTLY WHO SHOT JOHN?

Evidence that the federal government has gone off the deep end in the conduct of its fiscal affairs continues to mount: $950 billion in red ink has accumulated from Reagan's first five budgets, along with a virtual guarantee that the remaining three Reagan budgets will add $550 billion more to the total (based on momentum from the record 1986 deficit). Thus, in eight years of direction by the most conservative administration in modern times, the federal government's spending will have exceeded its income by the staggering sum of $1.5 trillion. The next President will inherit a publicly held federal debt nearly triple that accumulated by all of Ronald Reagan's thirty-nine predecessors.

Historians will undoubtedly find these elephantine figures baffling. With the benefit of hindsight, they will know the immense damage to the nation's balance sheet and living standard that resulted from these eight years of fiscal profligacy. By then, the secret of the Reagan era's fabulous free lunch will be beyond dispute. The records will show that within the span of a few short years the United States flung itself into massive hock with the rest of the world. And it occurred so swiftly that it was hardly even debated or remarked upon until it was too late.

Just a glance at the historical record reveals the swiftness of reversal in our national fortunes now under way. America had spent most of the twentieth century building the greatest agglomeration of wealth and prosperity in history. This achievement was both symbolized and measured by the fact that in 1980 the rest of the world owed U.S. creditors more than $150 billion. But after a giant mishap of domestic economic governance in early 1981, the tables abruptly turned. Within forty months, the nation's entire overseas-investment nest egg had been liquidated. Within another twenty-four months, the U.S. had become the world's greatest debtor, owing foreign creditors nearly $250 billion.

Moreover, as the U.S. entered 1987, its trade balance and current account had plunged to previously unimaginable levels of deficit. Even a futile resort to protectionism and deliberate cheapening of the dollar could not significantly arrest the rapid buildup of external debt. It is a fair bet, therefore, that when Ronald Reagan leaves office, the U.S. will owe the rest of the world upwards of one-half trillion dollars.

Why haven't the realities of the nation's fiscal plight in the 1980s amounted to a grand indictment of our fortieth President's economic policies? Part of the reason, I believe, is the extent to which the forty-nine-state electoral college victories and overwhelming opinion poll approval ratings have intimidated the political opposition and even much of the press. But there is also a far more important absolving factor at work: The basic facts of "who shot John" have become obscured, due to the unprecedented budgetary carnage of the last 6 years and the shameless, groundless fiscal fiction about it which has steadily emanated from the White House.

In the years to come, however, the massive external debt now being inexorably generated will hardly be seen as evidence of the great national economic revival that Reaganomics was supposed to engender. Indeed, it is already virtually certain that the period 1981-88 will record the lowest 8-year real GNP growth rate since World War II. Rather than inheriting a golden year, the politicians and policymakers of the 1990s will curse the legacy of Reaganomics as they struggle to scratch out the modest increases in American living standards that will be possible after huge amounts of current income are wired annually to creditors around the globe.

While the ultimate financial box score of the Reagan era is clear, historians are nevertheless destined to wrestle with a huge riddle. Why was this fiscal and financial mutation allowed to build and fester for 7 years after it was evident that a stunning but correctible economic policy error had been made in the first 6 months of 1981? After all, there was nothing inevitable about the outcome. The Constitution's checks and balances had not been altered; free debate had not been suspended nor had the facts been suppressed; and the purported opposition party had remained deeply entrenched in the legislative branch of government.

The answer to this riddle lies beyond the conventional ills usually ascribed to the nation's budgetary process. As I first wrote in The Triumph of Politics, special interest groups are inordinately powerful, for example, but they did not suddenly become orders of magnitude stronger or more greedy during the past 6 years. Likewise, Congress's rickety budget-making machinery has not appreciably changed for the worse; if anything, it has been somewhat strengthened during the Reagan era. And 2-year election cycles selfevidently make congressional politicians exceedingly shortsighted, but both the cycle and its untoward effects have been present since the beginning of the Republic.

The institutional imperfections that produced chronic but still modest fiscal imbalances prior to 1980 cannot, therefore, possibly account for the stunning megadeficits of the Reagan era.

The baleful outcomes now being recorded are attributable to a new and far more profound disturbance in the equilibrium of American government. By means of flagrant agitation and excitement of a democratic electorate's most singular vulnerability—resentment of the taxation its collective demands for public expenditures compel—Ronald Reagan has transformed the nation's institutionalized budgetary process into an extraordinary fiscal plebiscite.

Rather than helping to broker and manage the federal government's annual trillion-dollar lottery of giving and taking among its multitudinous constituencies, he has deployed his vast popularity and communications skills toward a single end: arousing, mobilizing, and concentrating the ordinary citizenry into an overpowering block vote against necessary taxation. As a consequence, the regular budget-making process has been reduced to a wearisome, pro forma exercise in futility.

To be sure, if the budget were in rough balance, or if the Reagan Administration had a credible, systematic program to drastically reduce expenditures, the President's determination to posture as the single-minded paladin of the taxpayers might be viewed more sympathetically. But since August 1981, neither of these conditions has pertained even remotely.

So who shot John? Not Ronald Reagan, who views the stupendous deficits generated on his watch as a kind of metaphysical legacy: The idea of deficit spending was invented in the distant past, and the deficits recorded during Reagan's tenure simply demonstrate how deeply embedded in the nation's budget this miscreant notion had become. His administration bears no accountability for current results, therefore, because it has been foursquare against the idea of deficit finance since its first day in office. The President's hapless posturing in behalf of a balanced budget amendment to the Constitution is simply one manifestation of this perspective.

But deficits are obviously more than a disembodied idea; they are a tangible accounting measure and may be economically benign or dangerous, depending upon their magnitude and persistence.

Ronald Reagan's fiscal plebiscite reduces to this: Had the President gotten his way entirely during the past 5½ years, the 1986 deficit would have exceeded 8 percent of GNP or $350 billion—reflecting a permanent and destructive fiscal disequilibrium of banana republic proportions. As it was, the actual 1986 deficit was only $225 billion—still a record, but far below what might otherwise have happened, due only to the concessions forced on a grudging White House by the reminder of the government.

Were it widely recognized that the President's ongoing fiscal plebiscite has amounted to a $350 billion per year deficit policy, even the cowed and intimidated political forces of official Washington would have long ago brought it down. But between the propaganda smoke screen generated by the White House and the press's abysmal failure to track the real budget story, these damning realities have not been evident at all.

Part of the reason the President's fiscal plebiscite has escaped the ridicule and scorn it deserves is that official Washington has permitted White House hype to falsely define the fundamental terms of the debate. Year after year, Ronald Reagan has looked squarely into the camera and reported to the people on his undiminished crusade against bureaucratic wastrels and legions of unneeded federal programs aspiring to eternal life. These rhetorical fusillades against Big Government and overspending have been so steady, sweeping, and strident as to leave an indelible impression: The federal deficit stands at the center of an epic struggle between a prospending Congress and a anti-spending White House.

To be sure, the commentators and pundits have occasionally challenged or discounted these claims. But the real issue is that in 1986, the federal government again spent 24 percent of GNP compared to pre-1980 norm of about 20 percent. Why? Because the White House has no semblance of a program or political will to spend any less. Relative to the scale of a trillion-dollar annual budget, Ronald Reagan cannot possibly be considered an anti-spender. After discounting for onetime asset sales and every manner of budget gimmickry, his most recent official budget contained real cuts of less than 1 percent ($10 billion).

The President's actual policy, by contrast, is lodged in the hundreds of decisions he and his inner circle have made since August 1981 to embrace the budgetary status quo in nearly every department and agency. This pattern is now unambiguous and all-encompassing.

What is needed, therefore, is not skepticism about the White House's rhetorical bombast but *refutation* of the fundamental notion that the deficit has anything to do with overspending at all.

Exclusive of three White House-exempted blockbusters—national security spending, Social Security, and debt service—the nation's trillion dollar 1986 budget amounted to only $350 billion for everything else from agriculture to zoological research. More important, the Treasury collected only $120 billion to pay for it after general receipts had been set aside for debt service and national security programs and payroll taxes were allocated to Social Security.

In terms of sheer arithmetic then, it would require the identification of a gigantic noxious layer of fat in this small budget reminder to obviate what is otherwise a self-evidently absurd policy: After meeting its essential responsibilities to service the debt and defend the country and after turning over the payroll tax receipts to the nation's retired population, the federal government borrowed *72 cents for every dollar it spent in 1986.*

Needless to say, not a trace of this huge mysterious layer of waste can be found in recently proposed administration budgets: nor more especially in the dozens of spending bills actually signed by the President. Nearly one-third of this $350 billion remainder, for example, is accounted for by education, veterans, transportation, law enforcement, maintenance of the public domain, and various human service programs.

In six consecutive budgets now, Ronald Reagan has requested as least $100 billion for these purposes—even after allowance for every marginal cut and nick that he or the Cabinet would tolerate. The thousands of pages of resulting congressional testimony by administration officials as to the essential national needs supported by this set of domestic programs make one thing absolutely clear: In all its roundtabling since August 1981 to rid Big Government of excess expenditures, the Reagan White House has not even seriously looked for sizable savings outside the $250 billion corner of the budget that is left after even its own definition of minimum needs for these consensus domestic functions have been funded.

The trouble is, when you peek inside the $250 billion remainder, a budgetary giant called entitlements stares right back: In 1986, fully 80 percent of this total, or $200 billion, was accounted for by Medicare, the safety net programs, federal pensions, and unemployment insurance. To be sure, these programs were subjected to major reforms in the 1981 budget reduction bill, but that has proven to be the end of the line even for the Reagan Administration.

In the recent budgets, it has not even proposed benefit or eligibility changes that would save more than a few billion dollars annually. Most of the paper savings shown in the budget amount to just an accounting game: Medicare reimbursements to doctors and hospitals are assumed to rise by one amount and proposed to be increased by a slightly smaller amount; the difference amounts to a "savings" of several billion dollars, but only a green eyeshade can detect it in the real world.

The fact is, some 50 million American citizens receive these various entitlements—and the Reagan Administration has now decided it must pay their claims in full. The only thing that could make a serious dent in this permanent $200 billion commitment would be means-testing the giant Medicare program or returning major responsibility for the $75 billion in safety net programs (food stamps, Medicaid, housing, and cash welfare) back to the states.

But during the abortive 1982 effort to launch the new federalism, the President solemnly assured fifty governors that any welfare turnback would be "budget neutral," meaning by definition that there would be zero effect on the federal deficit. And the discussion of means-testing Medicare has been conducted, sotto voce, in the White House's inner precincts; it has never even been written down on a single piece of paper. In short, the $200 billion in major entitlements is reserved for speechifying; there is virtually nothing the Reagan Administration would do about them even if Congress would go along.

Quite self-evidently, you cannot solve a $200 billion-plus deficit problem out of the $50 billion in spending left in the 1986 budgets after entitlements and the other exempted categories. But then you don't even have to try. Farm subsidies accounted for $30 billion of what's left, and on that matter the President has left no doubt where he stands: The Reagan Administration will spare no expense in aiding American agriculture, he recently told a huge crowd at the Illinois State Fair, noting that his administration had "done more" than any of its predecessors.

And so it has. The eight Reagan farm budgets will cost a minimum of $150 billion—an inflation-adjusted outlay total that exceeds the combined farm budgets of all the Democratic big spenders since Woodrow Wilson. Nor is this a case of spending which was locked in by statute "before we got here." Every dime of this staggering munificence will be attributable to two public laws bearing Ronald Reagan's signature. Indeed, the Reagan USDA has announced without fail a new emergency spending program for every drought or flood made by God and every glutted commodity market made by man. This may be a curious way to fight overspending in an "area we shouldn't even be in," as the President has repeatedly opined, but it symbolizes the essence of his whole rhetorical campaign against Big Government. That's all it has finally come down to—rhetoric.

The Reagan Administration has never hesitated to turn the substance of the budget into an occasion for political theater, and Congress and the press have never failed to take the bait. For the last several seasons, for example, the White House has trumpeted a list of forty programs slated for the fiscal graveyard. Every one of these ankle-biters deserves that fate for programmatic reasons, but what they all don't deserve is to be treated as serious budget cuts. Most of them amount to microscopic blips, such as the $40 million fertilizer research program or the $10 million women's educational equity fund.

Even the items of this dog-eared termination list that involve serious money, such as the billion-dollar-a-year Small Business Administration, do not involve serious White House intentions. After having appointed several administrators who spent years campaigning from coast to coast on behalf of the right of uncreditworthy small businessmen to receive subsidized loans, the White House last year finally appointed someone who actually agreed with its own budget plan to eliminate this pint-sized wastrel. But it was the hapless Mr. Charles Heatherly, not the SBA, who was terminated as acting head of that agency a few weeks later when his campaign on behalf of the President's budget caused too much political commotion. (His nomination to head that agency was withdrawn.) The Republican senators who were served his head on an Oval Office platter might well be forgiven for concluding that ridding Big Government of the SBA was not on the President's real agenda after all.

Still, such theatrical approaches to budget-cutting generate spasms of knee-jerking on Capitol Hill and dutiful press reports of the ensuing battle over spending. At the conclusion of last year's Budget Committee deliberations, for example, the press reported once again that Congress turned back the President's demand that forty federal programs be terminated. The universal failure to note that the whole grab bag of programs at issue involved less money than the federal government spends on a three-day weekend can perhaps be attributed to journalistic fatigue.

Likewise, on the last day of fiscal year 1986, the President rushed once again to the barricades, threatening to shut down the entire federal government rather than accept the "biggest spending bill" in history, an omnibus appropriation bill for 1987.

In fact, the White House's major objection to the spending front was that not enough of it was provided for defense weapons, military bases, security assistance, foreign aid, and a host of other such items. The alleged "budget-busters" on the domestic side were too minute to even measure when rounding the numbers to the nearest billion.

The White House's phony war on spending, however, constitutes only part of the indictment merited by the President's grand fiscal plebiscite. Of equal moment is the full record of Reagan's unrelenting resistance to even the modest progress that was made between 1982 and 1986 in closing his administration's mammoth budget gap.

The fact is that the 1986 deficit was only $225 billion because $140 billion in defense cuts and tax increases had previously been enacted. This achievement occurred because for more than three years prior to June 1986, the President's chief fiscal advisers and the centerist leadership of Congress conducted what amounted to an open conspiracy to override the President's powerful resistance to what had to be done. Yet the nation's usually vigilant fourth estate has not even dimly comprehended these events nor put the story in any meaningful perspective.

The facts can be simply stated. In 1986, the Treasury collected $75 billion in revenue due to the 1982 and 1984 tax-increase bills and the 1983 Social Security rescue plan. Yet Ronald Reagan resisted until the very last moment every one of those measures to restore the nation's decimated revenue base. Even then, what was actually being done had to be covered up in a jumble of budget-accounting flimflam.

The 1982 tax bill, for example, was finally embraced by the President as a tax enforcement and compliance measure. Somehow he concluded that most of the $90 billion being raised over three years was to be derived by tapping tax cheats and shirks lurking around in the underground economy. The bill, therefore, amounted to "collecting taxes people already owe, not raising a new tax."

Not exactly. A few months later, one species of the lowlife to be subject to this non-tax tax increase came charging into the open: It was a 100-thousand-man parade of pin-striped bankers protesting the new withholding tax on their millions of above-ground depositors.

In fact, the 1982 revenue bill was the single largest peacetime general tax increase in American history, raising $400 billion over the remainder of the 1980s. It was utterly unavoidable in a situation in which federal tax collections had dropped to pre-World War II levels. But even this had to be camouflaged as it tiptoed through the Oval Office.

That Ronald Reagan has no comprehension that Congress saved his fiscal lunch with this measure and many more like it is a documented fact. On countless occasions both public and private he has identified signing the 1982 tax bill as the single biggest mistake of his presidency!

In the case of the 1983 Social Security bailout, the facts are even less flattering. Ronald Reagan's private solution to the imminent insolvency of the huge Social Security trust fund was to make the program voluntary for everyone under forty-five years of age. This, of course, would not have saved a dime until well after the year 2000, since he insisted the benefits of everyone over forty-five be fully grandfathered. Moreover, millions of younger workers under forty-five would simultaneously have withdrawn from the system, thereby causing a gargantuan fall in current receipts. The President's plan, in effect, would have amounted to another huge tax cut, transforming a manageable trust fund insolvency into a devastating Social Security and fiscal hemorrhage.

In due course, the open conspiracy again prevailed. The final plan negotiated between the White House staff, the bipartisan commission, and congressional leaders generated $100 billion in additional Social Security tax revenues over the remainder of the decade, along with perhaps $30 billion in savings due to a six-month delay in the cost of living adjustment. But we called part of the tax increase a "benefit recapture" and the remainder "an acceleration of existing tax rates." A few hours before it was publicly embraced by the President and the Speaker, Ronald Reagan reluctantly signed on. And he has not stopped denouncing the payroll tax ever since—despite the fact that it was primarily his own payroll rate increase that prevented 36 million Social Security checks from bouncing in July 1983.

In 1984, the script was repeated. The President insisted upon submitting a budget that contained neither meaningful spending cuts nor any tax increases. But to neutralize the election-year embarrassment of submitting a budget to Congress that recommended $800 billion in additional deficit spending over the following five years, we launched a "deficit down payment negotiation" with Congress on a new budget before the President's own official budget had even been printed.

In due course, this led to the "Rose Garden agreement" with the Republican Senate. Stripped of its accounting legerdemain, it amounted to the first big multi-year cut in the defense budget and still another small addition to the Treasury's vast revenue shortfall. Neither of these breakthroughs came easily. The President accepted a $75 billion three-year defense cut only when Armed Services Chairman John Tower, the Pentagon's last big-budget ally on Capitol Hill, deserted the President's cause. And the 1984 tax-increase bill was simply another case of Sneaky Pete.

Since by then the President was insisting that out-year budget projections were worthless, we concentrated mainly on the $9 billion first-year revenue increase figure in explaining the plan. The 1984 tax cut actually raised $130 billion over the remainder of the decade, but less than a month after this last meaningful policy action to reduce the deficit was signed into law, the White House launched its 1984 re-election theme: History has proven, the President told the American people, that the deficit cannot be reduced by means of tax increases. Indeed.

History sometimes offers stingy evidence of great accomplishments. Such is the case regarding the work of the open conspiracy. By the time the books were finally closed on the 1986 budget, it had cut defense by $50 billion, raised taxes by $75 billion, and reduced interest costs by several billions more. That the budget still ended up adding $225 billion to the national debt is unkind enough.

But what is truly unforgivable is that after all this, the President has not toned down his fiscal plebiscite by a single decibel; nor has he ceased to castigate Congress for defense cuts and tax increases—the only things that have prevented a truly monumental fiscal disaster. It is no wonder then that Congress finally resorted to the mindless, destructive gimmickry embodied in Gramm-Rudman.

To be sure, the lawmakers knew better than their handiwork implied. Congressional leaders did not think it sensible to cut trident missiles and aid to strategic allies like Turkey by the same three-digit percentage as money for local bus repairs and irrigation projects.

But by December 1985, they had come to despair about communicating with the White House in plain English and simple budget arithemtic. So they resorted to the proverbial two-by-four, believing a crashing blow to defense and security assistance funding would deliver to the President the inescapable message that the federal government needed significantly more tax revenue—thus the passage of Gramm-Rudman.

The 1987 budget has, as a result, reduced national security funding to a level $90 billion below what was planned less than thirty-six months ago. But the language of this brute legislative force has not brought the President one step closer to the bargaining table. Instead, it has only forced the legislators to embrace the most blatantly dishonest budget accounting yet in order to prevent the Gramm-Rudman bludgeon from coming down on their own heads in those limited areas of the domestic budget not originally exempted.

In the final analysis, only one conclusion is possible. The American economy and government have literally been taken hostage by the awesome stubbornness of the nation's fortieth President. That is how the history books will eventually explain the debt-spending spree of the 1980s.

TRIBUTE TO W. KENNETH LINDNER

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. PURSELL. Mr. Speaker, Mr. W. Kenneth Lindner received his education from the Detroit public schools, Eastern Michigan University, and the University of Michigan.

During his career, Mr. Lindner has served the public as a law enforcement officer, teacher, and administrator in the Garden City, Ludington, and Washtenaw County school systems.

Most recently, Kenneth Lindner has distinguished himself as the chief business officer and vice president for Schoolcraft College in the city of Livonia, MI.

Following some 25 years of service to the college, Mr. Lindner retired on December 31, 1986. He has been commended for his able contributions to college insurance plans, especially with regard to the development of the risk management self-insurance plan for community colleges in Michigan.

Mr. Lindner also founded the Michigan Community College Business Officers Association and is serving as the first president of the Schoolcraft Development Authority.

W. Kenneth Lindner has earned the respect and admiration of his fellow workers and the community he served. I ask my colleagues to join with me in extending to Mr. Lindner best wishes upon his retirement.

A BILL TO ESTABLISH PUBLIC FINANCING OF GENERAL ELECTION CAMPAIGNS FOR THE HOUSE OF REPRESENTATIVES

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. BEILENSON. Mr. Speaker, along with 20 of our colleagues, I am introducing a bill today to finance general election campaigns for the U.S. House of Representatives with public funds, in the same manner as general election campaigns for the Presidency have been funded for the last three Presidential elections. This bill is virtually identical to H.R. 3806, which I introduced in the 99th Congress.

Our bill would entitle each major-party House candidate to a grant of $200,000 in Federal funds to spend on his general election campaign, in exchange for limiting campaign expenditures to that amount. I believe that this approach holds the best prospects of any current campaign reform proposal for ending the dominance of political action committees [PAC's] in the electoral process, curbing excessive campaign spending, and lifting the ever-increasing burden of fundraising from House candidates.

Our proposal addresses in a fundamental way some of the most basic issues confronting our political process—in particular, the integrity of our electoral system and the confidence of our citizens in their elected officials. For too long, the political process has been hurt by the growing cost of running for public office and candidates' increased reliance on special-interest campaign contributions or on their own personal fortunes. At the same time that campaign spending has skyrocketed, small contributions to House and Senate candidates have declined, leaving many candidates all the more dependent on PAC contributions.

Nowhere have these trends been more pronounced than in the elections for the U.S. Congress. An estimated $425 million was spent by candidates for the House and Senate in the 1986 elections, compared to the $259 million spent in 1980, just 6 years ago.

The average amount spent by the winning House candidate in 1986 was about $340,000, almost double the $177,000 spent in 1980.

Fueling this rise in campaign expenditures has been an explosion in PAC contributions. PAC's donated at least $126 million to House and Senate candidates in 1986, more than double the amount given in 1980. About 42 percent of contributions to winning House candidates in 1986 came from PAC's, up from 31 percent in 1980.

The effects of all of this special-interest money are real and pervasive. We may not always vote the way a campaign contributor wants us to, but our daily decisions about who we see and whose phone calls we return are influenced by knowing who our contributors or potential contributors are. The plain fact is that most of us feel that we owe something to those who donate to our campaigns, and those feelings play a large role in how we conduct ourselves as legislators.

It is no wonder, then, that public confidence in the integrity of elected officials is so low. A CBS/New York Times survey following the 1984 elections found that only 40 percent of the public believed that government is run for the benefit of all the people. One-half of the respondents to that survey expressed the view that government is mainly run by a few big interests looking out for themselves. Not surprisingly, a Harris poll taken that same year found that 70 percent of those surveyed disapproved of candidates for high Federal office taking PAC funds.

In recent years, a number of solutions have been proposed to solve the problems raised by our current campaign system. Those proposals have included such ideas as adjustments in the various contribution limits, constitutional amendments to impose spending limits, tax credits to promote individual contributions to candidates or parties, limits on PAC donations, and matching public funds for congressional candidates. But all of these offer only partial solutions. Only full public financing provides the element indispensable to true candidate independence: the assurance of sufficient funds to wage a viable campaign without having to appeal to and depend on special-interest contributors.

What we are proposing today is not a radical new plan; it is merely an expansion of what has been the law of the land for Presidential races for 15 years. We have had three elections for President under this system, and it has been completely successful in freeing candidates from any reliance on special-interest money. Our legislation would simply pick up where Congress left off in 1971 and extend this system to House candidates in general elections.

Under our bill, each major-party nominee for the House who has a major-party opponent would be entitled to a grant of $200,000 in Federal funds for his or her general election campaign. A candidate who accepts the funding would then be limited to spending only that $200,000 on his general election campaign. He could not accept any funds from PAC's or from individuals, nor could he use any of his own money.

Minor-party and new-party candidates would also be provided with Federal funds, but in lesser amounts. The amounts would be based on the same formula as that used in the Presidential system: minor-party candidates would receive an amount proportionate to the vote they received in relationship to the major-party candidates in prior elections; new-party candidates would be eligible for retroactive funding if they received at least 5 percent of the vote.

A candidate could opt to decline the public financing and, instead, raise and spend any amount of money. However, for every dollar he raises, incurs, or spends above $200,000, his opponent would receive a dollar in Federal funds. Thus, no matter how much money he spends on his campaign, his opponent could spend an identical amount. That way, there would be no advantage for a candidate who is able to raise a great deal of money privately.

In order to ensure that a publicly financed candidate has at his disposal the same amount of funding as his privately financed opponent, privately financed candidates would be required to file reports of receipts and expenditures at frequent intervals during the campaign—monthly up to 60 days before the election, weekly from 59 to 11 days prior to the election, and daily during the 10 days preceding the election.

Funding for House campaigns would be provided through the taxpayer check off on Federal income tax return forms that is now used to direct revenue to the Presidential Election Campaign Fund. If there were two major-party candidates in every congressional district, and each spent his entire $200,000 entitlement, Federal funding would amount to $175 million each election cycle, or $87.5 million on an annual basis. However, the exact cost in any election cycle would depend on how many candidates are unopposed—and therefore ineligible for funds—how many choose private financing, how many spend less than their allotment, and how many minor-party and new-party candidates become eligible for funds.

Our bill covers general elections only; campaigns for primary elections would continue to be financed privately. A candidate who chose public financing for the general election could not spend unused primary funds during his general election campaign.

Finally, our bill includes an additional provision intended to reduce campaign media costs. Television and radio stations would be required to offer candidates nonpreemptible time at the lowest preemptible rate offered for that class of time during the preceding 12 months. This provision would implement the intent of the existing "lowest unit rate" law for purchase of broadcast time.

In closing, I would like to respond to two concerns which have traditionally been raised in opposition to public financing: protection of incumbents, and cost.

Opponents argue that if challengers and incumbents are held to the same level of funding, the incumbent will have a built-in advantage. Anyone who supports public financing will concede that there may well be a handful of races in which a challenger is hampered by not being able to spend more than the incumbent but, by and large, congressional elections will be much more competitive than they are now if challengers and incumbents have the same amount of money at their disposal.

The fact is, under our current system, incumbents are almost always able to raise much more money than their opponents can raise. In 1984, the average amount spent by an incumbent was $259,000, while the average amount a challenger spent was only $121,000. Because figures for 1986 are expected to show a similar—if not greater—imbalance in spending by incumbents and challengers, it is not surprising that 98 percent of the House incumbents who sought reelection last year were successful. Except unusual cases, public financing would benefit, not hamper, challengers.

Opponents also complain about the cost of public financing, especially at a time when huge, recurring Federal budget deficits are forcing us to closely examine every Federal expenditure. But if we put the cost in perspective, $87.5 million—the approximate annual cost—is a very tiny amount in a $1 trillion Federal budget. Furthermore, that amount is significantly less than the sum we used to pay indirectly for political contributions, because it is only one-third of the amount of revenue the Treasury lost annually through the tax credit for political contributions that was just abolished last year.

Moreover, I think the question of cost should be turned around: Is there any doubt that taxpayers pay far more than $85 million a year in the form of special tax breaks and programs which are enacted to benefit the special-interest groups which now finance the campaigns of our elected officials? Viewed in that light, I would argue that public financing might be the single most important step we could take in our efforts to get the Federal budget under control. It is a measure we cannot afford not to pass.

Mr. Speaker, our proposal offers the opportunity to remove much of the special-interest money from our campaigns, lower spending in a great many congressional races, and provide relief from the ever-increasing and never-ending burden of raising campaign funds—and to vastly increase public confidence in the electoral process and in elected House Members. I urge our colleagues to join in support of this important legislation.

NATIONAL PEACE GARDEN IN WASHINGTON

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. MILLER of California. Mr. Speaker, I am introducing today legislation to authorize the creation of a National Peace Garden in Washington.

This legislation is identical to legislation passed by the House of Representatives in the 99th Congress.

The peace garden project, a California/based volunteer organization, which originated the idea for the garden, would have responsibility for conducting a nationwide design competition, and would totally finance the cost of constructing the peace garden. In addition, the project would provide funds for the ongoing upkeep and maintenance of the garden.

The final design would be subject to a full review by the Department of the Interior, which would also select an appropriate site for the garden.

The administration, through the National Parks Service, has been working closely with members of the project, and has encouraged them to seek this authorizing legislation. Both the Secretary's Advisory Commission on National Monuments and the administration have endorsed this legislation.

While the actual design of the garden remains to be determined, it is my preference and that of the project that it not include any statutes or commemorative plaques of any type. The garden is intended as a nonideological site for the contemplation of peace. It seems reasonable to those of us who have been working on the project that, in our Nation's Capital, there be one site which is designed specifically to commemorate that ideal.

Mr. Speaker, it is my hope that the House will again approve this noncontroversial legislation and that the Senate will quickly follow, so that the planning work on the peace garden which is already underway can be expedited.

The text of the bill follows:

H.R.—

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF PEACE GARDEN.

The Secretary of the Interior, acting through the Director of the National Park Service is authorized to enter into an agreement with the Peace Garden Project, Incorporated (a nonprofit corporation organized under the laws of the State of California) pursuant to which the Peace Garden Project, Incorporated may construct a garden to be known as the "Peace Garden" on a site on Federal land in the District of Columbia to honor the commitment of the people of the United States to world peace. The site for the Peace Garden shall be selected by the Secretary of the Interior, subject to the approval of the Commission of Fine Arts and the National Capital Planning Commission.

SEC. 2. PROCEDURES AND DOCUMENTATION.

(a) PROCEDURES.—The site selection, design and construction of the Peace Garden shall comply with all procedures, rules, policies, and provisions of law applicable to the establishment of commemorative works on Federal land in the District of Columbia.

(b) DOCUMENTATION.—The agreement under section 1 shall require that the Peace Garden Project, Incorporated provide complete documentation of the design and construction of the Peace Garden to the Director of the National Park Service. Such documentation shall be permanently maintained.

SEC. 3. PREPARATION AND APPROVAL OF DESIGN PLANS.

The agreement under section 1 shall require that the Peace Garden Project, Incorporated to be responsible for the preparation of the design plans for the Peace Garden. Such plans shall be subject to the approval of the Secretary of the Interior, the Commission of Fine Arts, and the National Capital Planning Commission.

SEC. 4. APPROVAL FOR COMMENCEMENT OF CONSTRUCTION.

The Peace Garden Project, Incorporated may not commence construction of the Peace Garden until both of the following conditions have been met:

(1) The Secretary of the Interior has determined that the full amount of funds estimated to be necessary for the completion of such construction in accordance with the design plans approved under section 3 are available from non-Federal sources.

(2) An additional amount equal to 10 percent of the estimated construction cost has been made available from non-Federal sources to the Secretary of the Interior to provide for maintenance of the Peace Garden.

SEC. 5. MAINTENANCE.

The Secretary of the Interior shall, upon the completion of the construction of the Peace Garden, maintain the garden. Notwithstanding any other provision of law, the Secretary may retain and use for such purpose the monies made available under paragraph (2) of section 4.

SEC. 6. PAYMENT OF EXPENSES.

The United States may not pay any expense of the construction of the Peace Garden except that technical advice may be provided by the Secretary of the Interior as he deems necessary.

SEC. 7. EXPIRATION OF AUTHORITY.

The authority to establish the Peace Garden under this Act shall expire at the end of the 5-year period beginning on the date of the enactment of this Act, unless contruction of such garden begins during such period.

LIST OF COSPONSORS TO PEACE GARDEN BILL

Mrs. Boxer, Mr. Brown of California, Mrs. Burton of California, Mr. Crockett, Mr. Dellums, Mr. Edwards of California, Mr. Fazio, Mr. Fuster, Mr. Horton, Ms. Kaptur, Mr. Kildee, Ms. Oakar, and Mr. Stark.

GREAT LAKES WATER LEVEL RELIEF ACT OF 1987

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 6, 1987

Mr. SENSENBRENNER. Mr. Speaker, today I have introduced legislation which would help to alleviate the problem of flooding in and around the Great Lakes.

My bill, the Great Lakes Water Level Relief Act of 1987, would reduce water levels. First, by increasing the flow of water through the Chicago diversion, into the Illinois River system. This provision would overturn a Supreme Court decision which placed a cap on the amount of water allowed to be diverted in the past.

Second, the legislation creates a sense of Congress encouraging the President to seek or step-up negotiations with the Government of Canada to manage their waterways in such a way that assists relief of the Great Lakes water levels problem.

Commercial and private property owners must receive relief soon, otherwise the excessive damage to property will only continue. I urge the membership to cosponsor this legislation.

INTRODUCTION OF THE TRUTH-IN-SAVINGS ACT

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. LEHMAN of California. Mr. Speaker, today I am joined by the chairman of the House Banking, Finance and Urban Affairs Committee, the Honorable FERNAND ST GERMAIN, and my good friend and colleague from that same committee, Congressman CHUCK SCHUMER, in reintroducing important consumer banking legislation, the Truth-in-Savings Act.

As many of you may recall, on last October 7, the 99th Congress unanimously approved H.R. 5613, the Truth-in-Savings and Credit Card Applications Act, introduced by Mr. SCHUMER and myself.

The legislation we are introducing today reflects just title I of H.R. 5613, the Truth-in-Savings Act, and it is identical to the language which was approved on the Suspension Calendar last October.

This legislation requires that financial institutions provide uniform and clear disclosure of interest rates, fees, and the terms and conditions which affect the potential yield on deposit accounts, such as individual retirement accounts [IRA's], savings accounts, interest-bearing accounts, and other similar deposit accounts.

The disclosure requirements provided for in this legislation are simple and adequate without being overly burdensome. They will make all of us and our constituents more informed and better shoppers in what has become an increasingly complex, confusing, and competitive financial services marketplace. All this legislation does is ensure that consumers are comparing apples with apples when they are shopping around for various deposit investments.

Mr. Speaker, the legislation we are introducing today is a reflection of the discussions, hearings, and markups which have been conducted so ably by the chairman of the House Banking Committee, Chairman ST. GERMAIN, during the course of the 98th and 99th Congresses. The legislation we are introducing today and which was passed by the House last October incorporates a number of technical changes recommended by the various regulatory agencies, including the Federal Reserve, and representatives of the banking industry. Every effort has been made to make this a reasonable and workable bill. Furthermore, the disclosure requirements of this bill are consistent with the industry's own voluntary guidelines and will help end many of the misleading advertising practices by financial institutions by providing adequate and practical disclosures.

As we noted during the previous Congress, the need for uniform and adequate disclosure required by this legislation remains a high priority for the House Banking Committee, as well as groups such as the American Association of Retired Persons, Consumer Federation of America, Consumers Union, Public Citizen's Congress Watch, U.S. Public Interest Research Group, and a number of other organizations.

During the previous Congress, similar legislation had the strong, bipartisan support of over 100 of our colleagues, and we look forward to having similar support in the 100th Congress. I have taken the liberty of including a section-by-section summary of the bill, as well as a copy of the legislation.

SECTION-BY-SECTION SUMMARY OF "TRUTH-IN-SAVINGS ACT"

SECTION 1. SHORT TITLE

"Truth-in-Savings Act."

SECTION 2. FINDINGS AND PURPOSE

States Congressional findings that economic stability, competition among depository institutions, and the ability of consumers to make decisions with regard to deposit instruments would be strengthened if there was uniformity in the disclosure of terms and conditions on which interest is paid and fees are assessed. The purpose of the Act is to require clear and uniform disclosure of interest rates and fees for meaningful comparison by consumers on deposit instruments.

SECTION 3. DISCLOSURE OF INTEREST RATES AND TERMS OF ACCOUNTS

Requires that each advertisement, announcement, or solicitation made by any depository institution regarding specific rate of interest payable on any demand or interest-bearing account state:

the annual percentage yield (APY) in greater prominence than any other stated rate;

the period during which such APY is in effect;

all minimum balance and time requirements to earn advertised rate of interest;

any initial deposit requirements;

annual rate of simple interest;

if applicable, a statement that regular fees or other conditions could reduce the yield;

if applicable, a statement that a penalty is required for early withdrawal;

the effective percentage yield on the date of maturity of any certificate of deposit or other account for which the stated date of maturity is less than one year.

The Federal Reserve by regulation may exempt advertisements, announcements, or solicitations made by electronic media (radio and television) and billboards from some of the above requirements.

Misleading or inaccurate advertisements are prohibited.

SECTION 4. ACCOUNT SCHEDULE

Requires that each despository institution maintain a schedule of fees, charges, interest rates, and terms and conditions applicable to each class of accounts offered by the depository institution. This section lists those items to be included in the schedule. The schedule shall also include all other disclosures that are necessary for consumers to understand and compare accounts and shall be written in clear and plain language.

SECTION 5. DISCLOSURE REQUIREMENTS FOR CERTAIN ACCOUNTS

This section provides that the Federal Reserve shall prescribe regulations to modify the disclosure requirements of the Act with regard to the following accounts: accounts in which the annual percentage yield is guaranteed for less than a year; variable rate accounts; accounts, which pursuant to law, do not guarantee payment of a stated rate; and multiple rate accounts.

SECTION 6. DISTRIBUTION OF SCHEDULES

Provides that schedules shall be mailed to account holders within 90 days after promulgation of regulations prescribed by the Act, unless a depository institution has already provided a disclosure which meets the requirements of Section 4. Thereafter, schedules shall be made available in the following manner: to any person upon request; within ten days if an account is not opened in person; within 30 days prior to a change which may reduce the yield or adversely affect the account; and to only one person on an account with more than one depositor.

SECTION 7. REGULATIONS

Directs the Federal Reserve to promulgate regulations to carry out the purpose and provisions of this Act not later than one year after enactment and allows the Federal Reserve to take into account classifications, differentiations, or other provisions for any class of accounts to carry out the purposes of this Act. Requires that the Board shall publish model formats and clauses for disclosures.

SECTION 8. ADMINISTRATIVE ENFORCEMENT

Provides for enforcement of the Act by the primary regulatory of the respective depository institutions.

SECTION 9. CIVIL LIABILITY

This section establishes limits on civil liabilities for individual and class actions brought under this Act. This section also provides a defense for depository institutions in civil liability actions which are a result of a "bona fide" error.

SECTION 10. CREDIT UNIONS

Provides that the National Credit Union Administration Board shall promulgate substantially similar regulations prescribed by the Federal Reserve taking into account the unique nature of credit unions.

SECTION 11. EFFECT ON STATE LAW

This section addresses existing State laws and provides that the Act does not annul, alter, or affect State laws relating to the disclosure of information in connection with deposit accounts, except to the extent that those State laws are inconsistent with the provisions of this Act.

SECTION 12. DEFINITIONS

H.R. 176

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Truth in Savings Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress hereby finds that economic stability would be enhanced, competition between depository institutions would be improved, and the ability of the consumer to make informed decisions regarding deposit accounts would be strengthened if there was uniformity in the disclosure of terms and conditions on which interest is paid and fees are assessed in connection with such accounts.

(b) PURPOSE.—It is the purpose of this Act to require the clear and uniform disclosure of—

(1) the rates of interest which are payable on deposit accounts by depository institutions; and

(2) the fees that are assessable against deposit accounts,

so that consumers can make a meaningful comparison between the competing claims of depository institutions with regard to deposit accounts.

SEC. 3. DISCLOSURE OF INTEREST RATES AND TERMS OF ACCOUNTS.

(a) IN GENERAL.—Except as provided in subsection (b), each advertisement, announcement, or solicitation initiated by any depository institution relating to any demand or interest-bearing account which includes any reference to a specific rate of interest payable on amount deposited in such account, or to a specific yield or rate of earnings on amounts so deposited, shall state the following information in a clear and conspicious manner:

(1) The annual percentage yield (which shall be noted in greater prominence than any other stated rate).

(2) The period during which such annual percentage yield is in effect.

(3) All minimum account balance and time requirements which must be met in order to earn the advertised yield (and, in the case of accounts for which more than 1 yield is stated, each annual percentage yield and the account minimum balance requirement associated with each such yield shall be in close proximity and have equal prominence).

(4) The minimum amount of the initial deposit which is required to open the account in order to obtain the yield advertised, if such minimum amount is greater than the minimum balance necessary to earn the advertised yield.

(5) The annual rates of simple interest.

(6) A statement that regular fees or other conditions could reduce the yield, if applicable.

(7) A statement that an interest penalty is required for early withdrawal, if applicable.

(8) In the case of a certificate of deposit or other account for which the stated date of maturity is less than 1 year, a statement of the effective percentage yield on the date of maturity.

(b) BROADCAST AND ELECTRONIC MEDIA AND OUTDOOR ADVERTISING EXCEPTION.—The Board may, by regulation, exempt advertisements, announcements, or solicitations made by any broadcast or electronic medium or outdoor advertising display not on the premises of the depository institution from any disclosure requirements described in paragraph (4), (5), or (6) of subsection (a) if the Board finds that any such disclosure would be unnecessarily burdensome.

(c) MISLEADING DESCRIPTIONS OF FREE OR NO-COST ACCOUNTS PROHIBITED.—No advertisement, announcement, or solicitation made by any depository institution may refer to or describe an account as a free or no-cost account if—

(1) in order to avoid fees or service charges for any period—

(A) a minimum balance must be maintained in the account during such period; or

(B) the number of transactions during such period may not exceed a maximum number; or

(2) any regular service fee, a fee for each transaction, or any similar charge is imposed with respect to such account.

(d) MISLEADING OR INACCURATE ADVERTISEMENTS, ETC., PROHIBITED.—No depository institution shall make any advertisement, announcement, or solicitation relating to a deposit account that is inaccurate or misleading or that misrepresents its deposit contracts.

SEC. 4. ACCOUNT SCHEDULE.

(a) IN GENERAL.—Each depository institution shall maintain a schedule of fees, charges, interest rates, and terms and conditions applicable to each class of accounts offered by the depository institution, in accordance with the requirements of this section and regulations which the board shall prescribe. The Board shall specify, in regulations, which fees, charges, penalties, terms, conditions, and account restrictions must be included in a schedule required under this subsection. A depository institution need not include in such schedule any information not specified in such regulation.

(b) INFORMATION ON FEES AND CHARGES.—The schedule required under subsection (a) with respect to any account shall contain the following information:

(1) A description of all fees, periodic service charges, and penalties which may be charged or assessed against the account (or against the consumer in connection with such account), the amount of any such fees, charge, or penalty (or the method by which such amount will be calculated), and the conditions under which any such amount will be assessed.

(2) All minimum balance requirements that affect fees, charges, and penalties, including a clear description of how each such minimum balance is calculated.

(3) Any minimum amount required with respect to the initial deposit in order to open the account.

(c) INFORMATION ON INTEREST RATES.—The schedule required under subsection (a) with respect to any account shall include the following information:

(1) Any annual percentage yield.

(2) The period during which any such annual percentage yield will be in effect.

(3) Any annual rate of simple interest.

(4) The frequency with which interest will be compounded and credited.

(5) A clear description of the method used to determine the balance on which interest is paid.

(6) In the case of a certificate of deposit or other account for which the stated date of maturity is less than 1 year, a statement of the effective percentage yield on the date of maturity.

(7) The information described in paragraphs (1) through (4) with respect to any period after the end of the period referred to in paragraph (2) (or the method for computing any information described in any such paragraph), if applicable.

(8) Any minimum balance which must be maintained to earn the rates and obtain the yields disclosed pursuant to this subsection and a clear description of how any such minimum balance is calculated.

(9) A clear description of any minimum time requirement which must be met in order to obtain the yields disclosed pursuant to this subsection and any information described in paragraph (1), (2), (3), or (4) that will apply if any time requirement is not met.

(10) A statement, if applicable, that any interest which has accrued but has not been credited to an account at the time of a withdrawal from the account will not be paid by the depository institution or credited to the account by reason of such withdrawal.

(11) Any provision or requirement relating to nonpayment of interest, including any charge or penalty for early withdrawal, and the conditions under which any such charge or penalty may be assessed.

(d) OTHER INFORMATION.—The schedule required under subsection (a) shall include such other disclosures as the Board may determine to be necessary to allow consumers to understand and compare accounts, including frequency of interest rate adjustments, account restrictions, and renewal policies for time accounts.

(e) STYLE AND FORMAT.—Schedules required under subsection (a) shall be written in clear and plain language and be presented in a format designed to allow consumers to readily understand the terms of the accounts offered.

SEC. 5. DISCLOSURE REQUIREMENTS FOR CERTAIN ACCOUNTS.

The Board shall require, in regulations which the Board shall prescribe, such modification in the disclosure requirements under this Act relating to annual percentage yield as may be necessary to carry out the purposes of this Act in the case of—

(1) accounts with respect to which determination of annual percentage yield is based on an annual rate of interest that is guaranteed for a period of less than 1 year;

(2) variable rate accounts;

(3) accounts which, pursuant to law, do not guarantee payment of a stated rate; and

(4) multiple rate accounts.

SEC. 6. DISTRIBUTION OF SCHEDULES.

(a) IN GENERAL.—A schedule required under section 4 for an appropriate account shall be—

(1) Included in any regularly scheduled mailing to holders of that account which occurs not more than 90 days after the effective date of the initial regulations prescribed by the Board under this Act, unless the depository institution has provided, before such effective date, a disclosure which meets the requirements of section 4;

(2) made available to any person upon request; and

(3) provided to any potential customer before an account is opened or a service is rendered.

(b) DISTRIBUTION IN CASE OF CERTAIN INITIAL DEPOSITS.—If—

(1) a depositor is not physically present at an office of a depository institution at the time an initial deposit is accepted with respect to an account established by or for such person; and

(2) the schedule required under section 4(a) has not been furnished previously to such depositor,

the depository institution shall mail the schedule to the depositor at the address shown on the records of the depository institution for such account no later than 10 days after the date of the initial deposit.

(c) DISTRIBUTION OF NOTICE OF CERTAIN CHANGES.—If—

(1) any change is made in any term or condition which is required to be disclosed in the schedule required under section 4(a) with respect to any account; and

(2) the change may reduce the yield or adversely affect any holder of the account.

all account holders who may be affected by such change shall be notified and provided with a description of the change by mail at least 30 days before the change takes effect.

(d) DISTRIBUTION IN CASE OF ACCOUNTS ESTABLISHED BY MORE THAN 1 INDIVIDUAL OR BY A GROUP.—If an account is established by more than 1 individual or for a person other than an individual, any distribution described in this section with respect to such account meets the requirements of this section if the distribution is made to 1 of the individuals who established the account or 1 individual representative of the person on whose behalf such account was established.

SEC. 7. REGULATIONS.

(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Board, after consultation with each agency referred to in section 8(a) and public notice and opportunity for comment, shall prescribe regulations to carry out the purpose and provisions of this Act. The regulations so prescribed may contain such classifications, differentiations, or other provisions, and may provide for such adjustments and exceptions for any class of accounts as, in the judgment of the Board, are necessary or proper to carry out the purposes of this Act, to prevent circumvention or evasion of the requirements of this Act, or to facilitate compliance with the requirements of this Act.

(b) MODEL FORMS AND CLAUSES.—

(1) IN GENERAL.—The Board shall publish model forms and clauses for common disclosures to facilitate compliance with this Act. In devising such forms, the Board shall consider the use by depository institutions of data processing or similar automated machines.

(2) USE OF FORMS AND CLAUSES DEEMED IN COMPLIANCE.—Nothing in this Act may be construed to require a depository institution to use any such model form or clause prescribed by the Board under this subsection. A depository institution shall be deemed to be in compliance with the disclosure provisions of this Act if the depository institution—

(A) uses any appropriate model form or clause as published by the Board; or

(B) uses any such model form or clause and changes it by—

(i) deleting any information which is not required by this Act; or

(ii) rearranging the format,

if in making such deletion or rearranging the format, the depository institution does not affect the substance, clarity, or meaningful sequence of the disclosure.

(3) PUBLIC NOTICE AND OPPORTUNITY FOR COMMENT.—Model disclosure forms and clauses shall be adopted by the Board after duly given notice in the Federal Register and an opportunity for public comment in accordance with section 553 of title 5, United States Code.

SEC. 8. ADMINISTRATIVE ENFORCEMENT.

(a) IN GENERAL.—Compliance with the requirements imposed under this Act shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act, in the case of—

(A) national banks, by the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), by the Board; and

(C) depository institutions described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act (other than member banks of the Federal Reserve System) by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 5(d) of the Home Owners' Loan Act of 1933, section 407 of the National Housing Act, and sections 6(i) and 17 of the Federal Home Loan Bank Act, by the Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Insurance Corporation) in the case of depository institutions described in clause (v) or (vi) of section 19(b)(1)(A) of the Federal Reserve Act; and

(3) the Federal Credit Union Act, by the National Credit Union Administration Board with respect to depository institu-

tions described in clause (iv) of section 19(b)(1)(A) of the Federal Reserve Act.

(b) Additional Enforcement Powers.—

(1) Violation of this act treated as violation of other acts.—For purposes of the exercise by any agency referred to in subsection (a) of its powers under any Act referred to in such subsection, a violation of a requirement imposed under this Act shall be deemed to be a violation of a requirement imposed under that Act.

(2) Enforcement authority under other acts.—In addition to its powers under any provision of law specifically referred to in subsection (a), each agency referred to in such subsection may exercise, for purposes of enforcing compliance with any requirement imposed under this Act, any other authority conferred on it by law.

(c) Regulations by Agencies Other Than the Board.—The authority of the Board to issue regulations under this Act does not impair the authority of any other agency referred to in subsection (a) to make rules regarding its own procedures in enforcing compliance with the requirements imposed under this Act.

SEC. 9. CIVIL LIABILITY.

(a) Civil Liability.—Except as otherwise provided in this section, any depository institution which fails to comply with any requirement imposed under this Act or any regulation prescribed under this Act with respect to any person is liable to such person in an amount equal to the sum of—

(1) any actual damage sustained by such person as a result of the failure;

(2)(A) in the case of an individual action, such additional amount as the court may allow, except that the liability under this subparagraph shall not be less than $100 nor greater than $1,000; or

(B) in the case of a class action, such amount as the court may allow, except that—

(i) as to each member of the class, no minimum recovery shall be applicable; and

(ii) the total recovery under this subparagraph in any class action or series of class actions arising out of the same failure to comply by the same depository institution shall not be more than the lesser of $500,000 or 1 percent of the net worth of the depository institution involved; and

(3) in the case of any successful action to enforce the foregoing liability, the costs of the action, together with a reasonable attorney's fee as determined by the court.

(b) Class Action Awards.—In determining the amount of any award in any class action, the court shall consider, among other relevant factors—

(1) the amount of any actual damages awarded;

(2) the frequency and persistence of failures of compliance;

(3) the resources of the depository institution;

(4) the number of persons adversely affected; and

(5) the extent to which the failure of compliance was intentional.

(c) Bona Fide Errors.—

(1) General rule.—A depository institution may not be held liable in any action brought under this section for a violation of this Act if the depository institution demonstrates by a preponderance of the evidence that the violation was not intentional and resulted from a bona fide error, notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

(2) Examples.—Examples of a bona fide error include clerical, calculation, computer malfunction and programming, and printing errors, except that an error of legal judgment with respect to a depository institution's obligation under this Act is not a bona fide error.

(d) Jurisdiction.—Any action under this section may be brought in any United States district court, or in any other court of competent jurisdiction, within one year after the date of the occurrence of the violation involved.

(e) Reliance on Board Rulings.—No provision of this section imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or interpretation thereof by the Board, notwithstanding the fact that after such act or omission has occurred, such rule, regulation, or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

SEC. 10. CREDIT UNIONS.

(a) In General.—No regulation prescribed by the Board under this Act shall apply directly with respect to any depository institution described in clause (iv) of section 19(b)(1)(A) of the Federal Reserve Act.

(b) Regulations Prescribed by the NCUA.—Within 90 days of the effective date of any regulation prescribed by the Board under this Act, the National Credit Union Administration Board shall prescribe a regulation substantially similar to the regulation prescribed by the Board taking into account the unique nature of credit unions and the limitations under which they may pay dividends on member accounts.

SEC. 11. EFFECT ON STATE LAW.

This Act does not annul, alter, or affect the laws of any State relating to the disclosure of information in connection with terms of deposit accounts, except to the extent that those laws are inconsistent with the provisions of this Act, and then only to the extent of the inconsistency.

SEC. 12. DEFINITIONS.

For the purposes of this Act—

(1) Depository institution.—The term "depository institution" has the meaning given such term in clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act.

(2) Board.—The term "Board" means the Board of Governors of the Federal Reserve System.

(3) Account.—The term "account" means any account offered to 1 or more individuals or unincorporated association of individuals by a depository institution into which a customer deposits funds, including demand accounts, time accounts, negotiable order of withdrawal accounts, and share draft accounts.

(4) Interest.—The term "interest" includes dividends paid with respect to share draft accounts which are accounts within the meaning of paragraph (3).

(5) Multiple rate account.—The term "multiple rate account" means any account that has 2 or more annual rates of simple interest which take effect in succeeding periods and which are known at the time of disclosure.

(6) Annual percentage yield.—The term "annual percentage yield" means shall be equal to the total amount of interest that would be received on a $100 deposit under the terms described in paragraphs (3) and (4) of section 4(c) over a year, expressed as a percentage calculated by a method which shall be prescribed by the Board in regulations.

RECOGNITION OF WALT WHITMAN WILDCATS

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. MRAZEK. Mr. Speaker, as the 100th Congress convenes to attend to the Nation's business, I would like to call the attention of my colleagues to the outstanding achievements realized by the girls' soccer team at Walt Whitman High School in East Northport, Long Island.

For the second consecutive year, this squad swept to the New York State class A girls' soccer championship. Along the way, they also captured titles for League II, Suffolk County, Long Island, the southeast regional and the eastern finals—again, for the second consecutive year.

Members of the team include Tara Bellero, Valerie Bombardiere, Erika Bottcher, Jennifer Cohn, Janet Covella, Denise Dion, Christine Dreher, Lorna Drummond, Jeanne Durso, Traci Goodwin, Jennifer Harris, Alicia Hendrickson, Valerie Johnson, Michelle Kehren, Christine Musco, Jean Marie Nopper, Erika Sagel, Deborah Tripaldi and Tracie Yrigoyen. The head coach is Joseph Comforto, and Ray Pellegrino serves as assistant coach.

Mr. Speaker, I rise today to salute this remarkable accomplishment by these talented young athletes. Future opponents of the Walt Whitman Wildcats will be less than pleased to know that only four members of this year's team are seniors, a fact which portends further success for coaches Comforto and Pellegrino and for girls' soccer at Walt Whitman High. I'm sure my colleagues will join me today in commending the dedication and determination which has led to back-to-back championships for the Wildcats.

OBSTETRIC CARE INFORMATION ACT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. BIAGGI. Mr. Speaker, today I am reintroducing legislation critical to ensuring the health and safety of our Nation's expectant mothers, as well as our children. This bill, the Obstetric Care Information Act, would provide all women of childbearing age the right to have access to information about obstetric care that could have potentially harmful effects upon their own health as well as their children.

Under this proposal, States are required, as a condition of receipt of maternal and child health funds provided under title V of the Social Security Act, to assure that women have access to clear and understanding information about obstetrical care. In addition, this bill also requires that women be informed of the risks associated with the use of obstetric drugs and devices before they are used and that they consent to such use. And finally, the

Food and Drug Administration [FDA] is required to disseminate information on potentially harmful drugs and devices for pregnant women and their children.

During the past 40 years, the variety and frequency of obstetric drugs used both before and during the birth of chidren has increased. Yet tragically, we have witnessed no studies demonstrating the necessity of their use and the risks of administering the drugs. In fact, while the use of obstetric drugs and devices has proliferated, the FDA has approved as safe merely a token few of these practices. To compound the problem, there is considerable confusion among physicians, nurses, and other trained professionals as to those FDA determined "safe" drugs and devices. Clearly, these facts indicate the true extent of this grave problem.

There have been a number of cases of mental disability in children whose mothers had been treated with certain obstetric drugs. As a result of these and other cases, coupled with the heightened concern and awareness of many consumers, the General Accounting Office examined this problem and issued a report on obstetric care in 1979. One clear fact emerged: Federal attention to current obstetric drug practices has been severely limited. In addition, the GAO acknowledged that while a number of studies have been done on obstetrical drug use, only one has focused on the effects of these drugs on the child. Furthermore, no reports at all could be found on the long-term effects on children of obstetric drug use. The most disturbing element revealed in this GAO report is the inordinate amount of time taken by the FDA to consider and conclude action on these matters. While several obstetric drugs such as sparteine sulfate have been reported as having adverse effects on newborns, it was not until 1979 that action was finally taken by the FDA to remove this drug from the market. In another instance, parents of a child born in 1951, that was delivered after labor was electively induced by obstetric drugs, began to call attention to the plight of their child who suffered brain damage at the time of birth. The brain damage was probably caused by an injection of pitocin used during the elective induction of labor. After years of complaints, over 1½ years of deliberations and public hearings, the FDA, in 1977, recommended that pitocin be labeled to indicate the possible harmful side effects of the drug. The recommendation was implemented—after more than a decade of complaints and inquiries on the part of those concerned.

These cases dramatically illustrate this critical problem. It takes the FDA inordinate amounts of time to consider and conclude action on these matters, and in the end, the significance of the overall problem is lost. The public remains largely uninformed of the potential dangers in the widespread use of obstetric drugs, devices, and procedures. Warning labels, while well intentioned, do little to alleviate the situation? Such labels are clearly inadequate in the light of the gravity of this problem. My bill goes to the real heart of this matter. It will ensure that women are provided with more comprehensive information on the side effects, risks, and effectiveness of obstetric drugs, devices, and procedures to enable them to make informed and intelligent choices about their use. It is vital that we do everything possible to ensure a healthy and risk-free pregnancy and birth. My bill attempts to do just that by promoting caution and careful consideration with respect to obstetric drugs on the part of both parents and doctors alike.

For the benefit of my colleagues, I wish to insert the full text of this much-needed and important initiative into the CONGRESSIONAL RECORD. I urge them to give this critical health problem their attention and consideration.

H.R. 461

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Obstetric Care Information Act".

SEC. 2. ACCESS OF PREGNANT AND POST PARTUM WOMEN TO THEIR (AND THEIR INFANTS') MEDICAL RECORDS AND PROVISION OF CURRENT INFORMATION REGARDING OBSTETRICALLY-RELATED DRUGS AND PROCEDURES.

(a) AMENDMENT TO MATERIAL AND CHILD HEALTH BLOCK GRANT PROGRAM.—Section 505(2) of the Social Security Act (42 U.S.C. 705(2)) is amended (1) by striking "and" at the end of subparagraph (D), (2) by striking the period at the end of subparagraph (E) and inserting a semicolon, and (3) by inserting after subparagraph (E) the following new subparagraphs:

"(F) the State has a law under which any health care practitioner or provider of services (as defined in section 1861(u)) who furnishes health services in the State to a woman during pregnancy or parturition must provide the woman, upon her request, with—

"(i) the opportunity to inspect and copy any medical records which the practitioner or provider maintains relating to the condition or treatment of the woman and her infant during the pregnancy, parturition, and post partum, and

"(ii) a reasonable explanation of any portion of such medical record which is not comprehensible to a layperson,

and under which there are appropriate procedures (as determined by the Secretary) to ensure the provision of the opportunity for inspection and explanation specified in clauses (i) and (ii); and

"(G) the State has a law under which any health care practitioner or provider of services (as defined in section 1861(u)) in the State who performs a medical procedure on, or administers a drug or medical device to, a woman during pregnancy or parturition must (except under emergency and other extraordinary circumstances established by the Secretary)—

"(i) inform the woman, before performing the procedure or administering the drug or device, of the side effects, risks, contraindications, and effectiveness, with respect to the health of the woman and of her prospective children, of the procedure, of not performing the procedure or administering the drug or device, and of performing other medically recognized procedures (and of administering other drugs or devices) instead of the procedure, drug, or device involved, and

"(ii) after being so informed, receive her consent to the performance of the procedure or administration of the drug or device.".

(b) EFFECTIVE DATES.—(1) Except as otherwise provided in paragraph (2), the amendments made by the subsection (a) shall apply to allotments to States for fiscal years beginning with the first fiscal year that begins after the date of the enactment of this Act.

(2) In the case of any State which the Secretary of Health and Human Service determines requires State legislation in order to provide the assurances described in subparagraphs (F) and (G) of section 505(2) of the Social Security Act, such assurances shall not be required until the first fiscal year beginning after the date of the first regular session of the State legislature that begins after the date of the enactment of this Act.

SEC. 3. INFORMATION FOR PREGNANT WOMEN ON SIDE EFFECTS, RISKS CONTRAINDICATIONS, AND EFFECTIVENESS OF DRUGS AND DEVICES.

(a) AMENDMENT TO FEDERAL FOOD, DRUG, AND COSMETIC ACT.—Section 502 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 352) is amended by adding after paragraph (t) the following new paragraph:

"(u)(1) If it is a drug or device distributed or offered for sale in any State and intended for the use of any woman during pregnancy or parturition, unless its label or a written insert accompanying the drug bears an explanation, meeting guidelines established by the Secretary under subparagraph (2), of the side effects, risks, contraindications, and effectiveness of the drug or device on the health of women during pregnancy and parturition and on the health of prospective and developing children.

"(2) The Secretary shall, by regulation, establish guidelines with respect to the explanation of the side effects, risks, contraindications, and effectiveness of drugs and devices intended for the use of women during pregnancy or parturition.".

(b) EFFECTIVE DATES.—(1) Subparagraph (1) of section 503(u) of the Federal Food, Drug, and Cosmetic Act (added by subsection (a) of this section) shall only apply to drugs distributed in commerce on or after the first day of the sixth month beginning after the date of the enactment of this Act.

(2) The Secretary of Health and Human Services shall establish the guidelines required under section 503(u)(2) of the Federal Food, Drug, and Cosmetic Act (added by subsection (a) of this section) not later than the first day of the third month beginning after the date of the enactment of this Act.

JEWISH HERITAGE WEEK

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. GILMAN. Mr. Speaker, today I am introducing legislation commemorating May 3-10, 1987, as "Jewish Heritage Week." During the months of April and May there are a number of events of major significance to the Jewish community, among them, Passover, the anniversary of the Warsaw Ghetto Uprising, Israel Independence Day, Solidarity Sunday for Soviet Jewry, and Jerusalem Day. However, the week of May 3-10, 1987, will commemorate two of these, Solidarity Sunday for Soviet Jewry and Israel Independence Day.

As Americans we appreciate the many cultures and religious groups that comprise one great Nation. Indeed, we all can learn from each others traditions and often enjoy them together. Jewish Heritage Week is yet another celebration of the contribution of one segment of the American public to our country and society, and is most deserving of congressional recognition.

Yet, as the commemoration of Jewish Heritage Week will attest, May 3, 1987, will also be the expression of solidarity of the American public with the many hundreds of thousands of Soviet Jews denied their religious freedom and cultural rights. The significance of Solidarity Sunday for Soviet Jewry is clear; as we celebrate the many religious and cultural Jewish holidays, Soviet Jews are denied the opportunity to even acknowledge these important dates freely and openly. Should they attempt to do so, the risk incurred is great.

The unity of our country depends on our collective appreciation of the rich heritage of hundreds of ethnic and religious groups. Jewish Heritage Week will highlight a few of these important dates on the religious calendar. Accordingly, I urge my colleagues to cosponsor this legislation as an expression of their own support. I request that this legislation be printed in full, at this point in the CONGRESSIONAL RECORD, for their review and information.

H.J. RES. 67—

Whereas the Congress recognizes that an understanding of the heritage of all American ethnic groups contributes to the unity of our country; and

Whereas intergroup understanding can be further fostered through an appreciation of the culture, history, and traditions of the Jewish community and the contributions of Jews to our country and society; and

Whereas the months of April and May contain events of major significance in the Jewish calendar—Passover, the anniversary of the Warsaw Ghetto Uprising, Israeli Independence Day, Solidarity Sunday for Soviet Jewry, and Jerusalem Day: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating May 3-10, 1987, as "Jewish Heritage Week" and calling upon the people of the United States, State and local government agencies, and interested organizations to observe that week with appropriate ceremonies, activities, and programs.

EAGLE SCOUTS TIMOTHY AND LEONARD FOLEY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. LIPINSKI. Mr. Speaker, it is with great pleasure that I call to the attention of my colleagues two exemplary young citizens, Timothy and Leonard Foley. These two brothers were recognized this past Sunday for achieving the highest rank in scouting, "Eagle Scout."

In becoming Eagle Scouts, they will join the ranks of a very select group. The individual tasks which they had to complete are impressive alone. These tasks challenged every facet of their personalities—mental, physical, psychological, and more. Their accomplishment becomes even more notable when it is viewed cumulatively. That is, the entire sum of achievements and the perserverance of character they demanded illustrate just what high caliber young men they are.

In today's society, our youth are truly bombarded with a variety of lifepaths to choose from. While the freedom of choice is in itself good, too often we hear of young people who are led astray by the ignorance of their years to a lifestyle they do not deserve. It is always refreshing to recognize young men who choose a constructive way of life and also excel at it. Though some credit should be given to the family of these young men and to the Scout leaders who provided support, Timothy and Leonard today know that they can participate in society in a manner that will benefit themselves as well as their community.

The achievement of attaining the rank of Eagle Scout lays an excellent base for a productive future. I'm sure my fellow Members of Congress join me in wishing Timothy and Leonard the best of luck in their endeavors.

JOHN H. BROUJOS

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. GEKAS. Mr. Speaker, on January 13, 1987, I will have the pleasure of attending the 18th annual Molly Pitcher award banquet at Dickinson College to honor Pennsylvania State Representative John H. Broujos as Citizen of the Year 1986.

The award is presented annually by the Exchange Club of Carlisle to recognize outstanding citizenship.

Some of the considerations which prompted the selection of John Broujos as this year's recipient are the facts that 1987 is the bicentennial year of the U.S. Constitution, and 1986 was the sesquicentennial year of the establishment of free public schools in Pennsylvania. John has been very actively involved in education and since public education is very much the ward of the State legislature and local school boards, the selection of John as this year's recipient seemed particularly timely.

The Exchange Club Awards Committee selected John Broujos to receive the Molly Pitcher Award because he has served his community ably and well as an attorney and an elected representative. John, who has performed good works quietly for many years, has made time to serve in a variety of community activities.

John Broujos came to central Pennsylvania in the mid-1950's when he joined a Marine Corps Reserve unit in Harrisburg following active duty during the Korean conflict where he served in combat as a member of the First Marine Division. He was awarded the Silver Star and the Purple Heart. He also saw combat duty in Vietnam in 1966. Broujos remained active in the Marine Corps Reserves until 1985 when he retired with the rank of colonel.

In 1954 he graduated from the University of Delaware and soon thereafter enrolled in the Dickinson School of Law. He graduated from Dickinson in 1958 and established a law office in Carlisle.

In 1982, he was elected to the Pennsylvania General Assembly to serve the newly created 199th legislative district.

Mr. Speaker, I invite you and my colleagues in the U.S. Congress to join me in extending congratulations to State Representative John Broujos on this special occasion.

FARM MORTGAGE MARKETING ACT

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. LEHMAN of California. Mr. Speaker, during the 99th Congress, there were extensive hearings, discussions, and heated debate regarding the financial crisis facing the Nation's farmers and on the need of the Federal Government to provide adequate programs and policies to ensure a stable and sound domestic agricultural economy. Despite the legislative and administrative actions taken during the previous Congress, the crisis persists and U.S. farm policy remains as a major issue for discussion and resolution by the 100th Congress.

Last year I was joined by Congressman DOUG BEREUTER of Nebraska, my good friend and colleague on the House Banking, Finance and Urban Affairs Committee, in introducing legislation which would help bring some financial relief to the farm sector by providing a long-term solution to the credit crisis many farm borrowers and lenders face.

Today, I am once again joined by Congressman BEREUTER in reintroducing that legislation. Our bill, the Farm Mortgage Marketing Corporation Act, would stabilize and enhance the flow of capital for long-term financing of agricultural real estate credit needs by establishing an institutional secondary market mechanism. The Corporation would be similar to other existing secondary market institutions and would act as a conduit between primary commercial agricultural lenders and the capital markets.

This legislation embodies a very simple concept that has already proven successful in providing a stable source of capital to meet the needs of the Nation in the areas of housing and education. Fannie Mae [the Federal National Mortgage Association], Freddie Mac [the Federal Home Loan Mortgage Corporation], and Sallie Mae [the Student Loan Marketing Association] have each demonstrated the importance of their role as a source of capital within their respective sectors of the Nation's economy.

These secondary market entities purchase loans from qualified lenders, repackage them as securities or pool them in some fashion, and sell them them in the capital market to institutional investors such as pension funds, insurance companies, foreign investors, and other large investors.

The new Farm Mac Corporation would operate in a similar manner by purchasing sound agricultural real estate mortgages from qualified commercial lenders, such as banks and insurance companies, and similarly repackaging them for the capital market.

Just as Freddie Mac, Fannie Mae, and Sallie Mae reflect a strong commitment by the Federal Government to meet the housing and education financing needs of millions of Americans, creation of an agricultural secondary market for qualified ag loans reflects the same type of commitment toward America's first industry and the American farmer.

The creation of this type of secondary market goes well beyond political rhetoric. It would install more competition into the agricultural credit market and help reduce borrowing costs to farm borrowers, and it would provide a high degree of institutional liquidity and loan portfolio diversification for the hundreds of small agricultural lenders located throughout the country. In addition, because of its mixed Government and private ownership, such a secondary market would limit Federal Government liability and has the potential for reducing other farm lending program costs.

The concept is one which has been endorsed by the joint task force of the American Bankers Association and the Independent Bankers Association of America, as well as representatives of the insurance industry. In addition, the concept has the support and will be a major priority for a number of agricultural trade associations and commodity organizations.

Extensive hearings on the financial problems facing farm borrowers and lenders were held in both the House and Senate during the 99th Congress, including several held by the House Banking, Finance and Urban Affairs Committee. In addition, that committee's General Investigation and Oversight Subcommittee, chaired by my colleague Congressman CARROLL HUBBARD, held a hearing last September which examined the need for an agricultural secondary market. Finally, the General Accounting Office has been conducting a major study of the financial problems facing American agriculture, including an important examination of the secondary market issue.

It is our hope that the 100th Congress will continue to explore these innovative ideas and legislative approaches to resolve the crisis facing America's farmers, and that you will join us in this effort.

Following is a section-by-section summary of the legislation and the complete text of the bill.

FARM MORTGAGE MARKETING CORPORATION ACT [FARM MAC]

It is the intent of this Act to establish a secondary market entity for agricultural real estate loans, similar to those which already serve the needs of the nation's housing and education sectors. This secondary market mechanism will serve as a means of enhancing and stabilizing the flow of capital for long-term financing of agricultural real estate credit needs by serving as a conduit between primary commercial agricultural lenders and the capital markets.

SECTION-BY-SECTION SUMMARY

Section 1. Title.—"Farm Mortgage Marketing Corporation Act".

Section 2. Findings and purpose.—The purpose of this Act is to establish a quasi-public organization chartered by the Federal Government to purchase and insure agricultural mortgages from commercial agricultural lenders and to sell pools of agricultural mortgages to the capital market. Such a secondary market entity will facilitate the availability of long-term credit for agricultural borrowers and provide liquidity for financial institutions and other agricultural lenders.

Section 3. Establishment of Corporation.—There is hereby established a corporation to be known as the Farm Mortgage Marketing Corporation.

Section 4. Board of Directors.—The Act establishes a five-member Board of Directors. An initial interim Board will be appointed by the President, with the advice and consent of the Senate, and be comprised of the following: the Comptroller of the Currency, the Chairman of the Federal Deposit Insurance Corporation (FDIC), and three appointees with expertise and training in agricultural lending and mortgage investments. When sufficient common stock of the Corporation has been sold to qualified lenders, the interim Board shall turn over the affairs of the Corporation to a regular Board elected from among the holders of the stock.

Section 5. Purchase and sale of mortgages.—The Corporation, with certain limitations, may purchase farm mortgages from any qualified agricultural lender and dispose of those mortgages through the issuing of securities.

The Corporation may purchase farm mortgages if the mortgage seller agrees to retain a 10 percent participation in the mortgage, or to repurchase or replace the mortgage upon demand by the Corporation if the borrower defaults on the loan. In addition, at the time of the purchase of the mortgage, the outstanding principal balance of the mortgage must be less than 80 percent of the value of the property securing the mortgage, or the portion of the unpaid balance of the mortgage in excess of 80 percent is guaranteed by or insured by a qualified insurer.

The Corporation shall issue securities which provide for the payment of principal and interest on farm mortgages purchased and held by the Corporation.

Section 6. Capitalization.—The Corporation shall be initially capitalized by the purchase of $200,000,000 in stock by the U.S. Treasury. In addition the Corporation shall have the authority to require that each mortgage seller make a nonrefundable capital contribution equal to not more than two percent of the unpaid principal amounts of the mortgages purchased from the seller, charge appropriate fees to meet all costs and expenses, and issue stock in return for any contribution to capital and capital surplus accounts.

The Corporation may at any time retire any stock of the Corporation which was purchased by the Treasury.

Section 7. Powers of the Corporation.—The Corporation will have the authority to prescribe such regulations to carry out the provisions of the Act and meet the normal obligations of the Corporation.

Section 8. Definitions.—Defines the terms of the Act.

"Farm mortgage" is defined as any loan to an agricultural producer which is secured by a fee-simple or leasehold mortgage with status as a first lien on agricultural real estate originated after the date of enactment of this Act and which is an obligation of a person who is a citizen or business entity whose majority interest are citizens of the United States.

"Qualified agricultural lender" is defined as meaning any bank, business and industrial development company, savings and loan institution, commercial finance company, trust company, credit union, insurance company, or other person approved by the Corporation.

Section 9. Designation of Corporation as mixed-ownership Government Corporation.

Section 10. Authorization of appropriations.—$200,000,000 shall be appropriated beginning after September 30, 1987.

H.R. 497

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Farm Mortgage Marketing Corporation Act of 1987".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) economic stability would be enhanced and the availability of long-term credit for agricultural borrowers would be ensured if a mechanism to access secondary markets was created; and

(2) economic stability would be enhanced and the liquidity of investment funds available to lend to agricultural borrowers by financial institutions and other agricultural lenders would be ensured by providing a secondary market for the purchase of sound agricultural real estate mortgages.

(b) PURPOSE.—It is the purpose of this Act to establish a quasi-private corporation chartered by the Federal Government which will purchase and insure agricultural mortgages and sell pools of such agricultural mortgages in order to—

(1) facilitate the availability of long-term credit for agricultural borrowers;

(2) provide liquidity for financial institutions and other agricultural lenders; and

(3) provide an institutional mechanism to allow capital markets to invest in and provide funding for agricultural loans.

SEC. 3. ESTABLISHMENT OF CORPORATIONS.

There is hereby established a corporation to be known as the Farm Mortgage Marketing Corporation.

SEC. 4. BOARD OF DIRECTORS.

(a) NUMBER AND APPOINTMENT.—

(1) 5 MEMBERS.—The powers of the Corporation shall be vested in the Board of Directors which shall consist of 5 members.

(2) INTERIM APPOINTED BOARD.—Until a determination is made by the President under paragraph (3), the Board of Directors shall be composed of the following members:

(A) The Comptroller of the Currency.

(B) The Chairman of the Federal Deposit Insurance Corporation.

(C) 3 members appointed by the President, by and with the advice and consent of the Senate, from among individuals who have substantial experience and expertise in the fields of agricultural lending and mortgage investments and are representative of agricultural lending institutions.

(3) REGULAR ELECTED BOARD.—When in the judgment of the President, sufficient common stock of the Corporation has been sold to qualified agricultural lenders, the interim Board shall turn over the affairs of the Corporation to regular Board members elected from holders of common stock.

(b) TERMS.—

(1) APPOINTED MEMBERS.—Directors appointed by the President shall serve at the pleasure of the President until their successors have been elected pursuant to subsection (a)(3).

(2) ELECTED MEMBERS.—Directors shall be elected for a term ending on the date of the next annual meeting of the common stockholders of the Corporation.

(3) VACANCY.—

(A) ELECTED MEMBER.—Any elective seat on the Board shall be filled by the Board, but only for the unexpired portion of the term.

(B) APPOINTED MEMBER.—Any appointive seat which becomes vacant shall be filled by the President in the manner provided in subsection (a)(2).

(c) CHAIRPERSON.—The Chairperson of the Board shall be designated by and from among the members of the Board.

(d) MEETINGS.—The Board shall meet semiannually at the call of its Chairperson to determine the general policies which shall govern the operations of the Corporation. A majority of members of the Board shall constitute a quorum.

(e) EMPLOYMENT OF STAFF.—

(1) APPOINTMENT.—The Board may appoint and fix the pay of such personnel as the Board considers appropriate.

(2) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The staff of the Board may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the maximum annual rate of basic pay in effect for the Senior Executive Service pursuant to section 5382 of such title.

SEC. 5. PURCHASE AND SALE OF MORTGAGES.

(a) IN GENERAL.—

(1) AUTHORITY TO PURCHASE.—Except as provided in subsection (c), the Corporation may purchase, and make commitments to purchase, farm mortgage loans from any qualified agricultural lender.

(2) AUTHORITY TO SELL.—The Corporation may sell or otherwise dispose of, any farm mortgage or interest in a mortgage purchased under paragraph (1).

(3) CERTIFICATION OF APPLICATIONS.—The Corporation shall receive applications for the certification of qualified agriculture lenders for the purpose of this Act and establish criteria for determining the eligibility of an agricultural lender for certification.

(b) AGREEMENTS FOR SERVICING MORTGAGES.—The Corporation may enter into agreements with the seller of any farm mortgage which the Corporation purchases, or with any qualified agricultural lender, to further provide for the servicing of such mortgage.

(c) LIMITATIONS.—No farm mortgage may be purchased by the Corporation under this section unless—

(1) the seller of the mortgage agrees—

(A) to retain a participation of not less than 10 percent in the mortgage; or

(B) to repurchase or replace the mortgage upon demand of the Corporation if, during such period and under such circumstances as the Assocation may require, the borrower is in default with respect to such mortgage; and (2) at the time of purchase—

(A) the outstanding principal balance of the mortgage is less than 80 percent of the value of the property securing the mortgage; or

(B) the portion of the unpaid balance of the mortgage is in excess of 80 percent of the value securing the mortgage is guaranteed or insured by a qualified insurer, as determined by the Association.

(d) MORTGAGE-BACKED SECURITIES.—

(1) ISSUANCE AUTHORIZED.—To provide a greater degree of liquidity to the farm mortgage investment market and as an additional means of financing the operations of the Corporation, the Corporation may issue and sell securities which provide for the payment of principal and interest in relation to payments of principal and interest on farm mortgages purchased and held by the Corporation under this section.

(2) TERMS AND CONDITIONS.—Securities issued under this subsection shall have such term to maturity and bear such rate of interest as the Corporation may prescribe with the approval of the Secretary of the Treasury.

(3) PRIVATE ISSUANCE OF PAYMENTS.—The Corporation shall issue or purchase from private sources commitments to insure the timely payment of principal and interest to purchasers of the securities backed by farm mortgages held by the Corporation.

(4) NOT EXEMPT SECURITIES.—No security issued by the Corporation under this subsection shall be—

(A) an exempted security under section 3 of the Securities Act of 1933; or

(B) an exempted security within the meaning given to such terms by section 3(a)(12) of the Securities Exchange Act of 1934.

(5) MINIMUM AMOUNT ESTABLISHED FOR FARM MORTGAGES BACKING SECURITIES.—The Corporation shall at all times hold such number of farm mortgages as may be necessary to enable the Corporation to make timely principal and interest payments on securities issued under this subsection from the principal and interest payments received by the Association with respect to such mortgages.

(6) NOTICE THAT SECURITIES ARE NOT FEDERALLY GUARANTEED.—The Corporation shall insert such language in each security issued under this subsection as the Corporation determines to be appropriate to clearly indicate that—

(A) the payment of principal and interest with respect to such security is not guaranteed by the United States; and

(B) the security does not constitute a debt or obligation of the United States or any agency or instrumentality of the United States other than the Association.

(7) REPURCHASE AUTHORIZED.—The Corporation may repurchase in the open market any security issued under this subsection at any time and at any price.

(e) CLASSIFICATION OF SELLERS FOR CERTAIN PURPOSES.—

(1) CLASSIFICATION AUTHORIZED.—The Corporation may establish a system for classifying sellers of farm mortgages, or qualified agricultural lenders which services such mortgages, according to type, size location, assets, or on such other basis the Corporation may consider appropriate.

(2) PURPOSES OF CLASSIFICATION.—The Corporation may take any classification system established under paragraph (1) into account and may distinguish between classes established under such system in prescribing regulations and imposing charges or fees.

SEC. 6. CAPITALIZATION.

(a) INITIAL CAPITALIZATION; GENERAL PROVISIONS.—

(1) INITIAL CAPITALIZATION.—The Corporation shall have capital stock of $200,000,000 subscribed by the Secretary of the Treasury from funds appropriated for such purchase.

(2) SHAREHOLDER VOTING RIGHTS.—Owners of common stock shall be vested with all voting rights, each share being entitled to one vote with rights of cumulative voting at all elections of directors.

(3) UNRESTRICTED TRANSFERABILITY.—The free transferability of the common stock at all times to any person shall not be restricted except that, as to the Corporation, it shall be transferable only on the books of the Corporation.

(b) CONTRIBUTIONS TO CAPITAL; FEES.—

(1) REQUIRED CONTRIBUTIONS ALLOWED.—The Corporation may accumulate funds for its capital surplus account by requiring each mortgage seller to make nonrefundable capital contributions equal to not more than 2 percent of the unpaid principal amounts or mortgages purchased by the Corporation from such seller.

(2) FEES.—The Corporation may impose charges or fees in such amounts as may be necessary to meet all costs and expenses incurred in connection with the administration of this Act.

(c) MANAGEMENT OF CAPITAL AND EARNINGS.—

(1) TRANSFER TO GENERAL SURPLUS ACCOUNT.—All earnings from the operations of the Corporation shall be transferred annually to its general surplus account.

(2) TRANSFER TO RESERVES.—At any time, funds of the general surplus account may, at the discretion of the Board, be transferred to reserves.

(3) DIVIDENDS.—Any dividends paid by the Corporation on stock issued under this section shall be charged against the general surplus account.

(d) STOCK FOR CONTRIBUTIONS TO CAPITAL.—

(1) CONTRIBUTIONS BY MORTGAGE SELLERS.—The Corporation shall issue, from time to time to each mortgage seller, its common stock evidencing any capital contributions made by such seller pursuant to subsection (b).

(2) OTHER CONTRIBUTIONS.—In addition to the shares of common stock issued under paragraph (1), the Corporation may issue additional shares of common stock in return for any other contributions to capital or capital and surplus.

(e) RETIREMENT OF STOCK.—The Corporation may at any time retire any stock of the Corporation which was purchased by the Secretary of the Treasury.

SEC. 7. POWERS OF THE CORPORATION.

(a) IN GENERAL.—The Corporation shall have the following powers:

(1) To adopt, alter, and use a corporate seal.

(2) To have succession until dissolved by an Act of Congress.

(3) To prescribe such regulations as may be necessary to carry out the provisions of this Act.

(4) To make and perform contracts, agreements, and commitments.

(5) To borrow, give security, pay interest or dividends, and issue notes, debentures, bonds, preferred stock, or other obligations or securities under terms and conditions which the Corporation may prescribe.

(6) To settle, adjust, compromise, and release any claim, demand, or right of, by, or against the Corporation, whether in whole or in part and with or without consideration or benefit to the Corporation.

(7) To sue and be sued in its corporate capacity, against to prosecute or defend any action brought by or against the Corporation in any State or Federal court of competent jurisdiction.

(8) To acquire, hold, and dispose of any property.

(9) To determine the Corporation's expenditures and the manner in which such expenditures shall be incurred and paid.

(10) To exercise such incidental powers which are not inconsistent with the provisions of this Act and are necessary to carry out the purposes of this Act.

SEC. 8. DEFINITIONS.

For purposes of this Act—

(1) CORPORATION.—The term "Corporation" means the Farm Mortgage Marketing Corporation established under section 3.

(2) BOARD.—The term "Board" means the Board of Directors of the Corporation.

(3) FARM MORTGAGE.—The term "farm mortgage" means any loan to an agricultural producer which—

(A) is secured by fee-simple or leasehold mortgage with status as a first lien on agricultural real estate located in the United States;

(B) is originated after the date of enactment of this Act; and

(C) is an obligation of—

(i) an individual who is a citizen of the United States; or

(ii) any person other than an individual a majority interest in which is held by individuals who are citizens of the United States,

whose training or farming experience is sufficient, under criteria established by the Corporation, to assure a reasonable likelihood that such loan will be repaid according to its terms.

(4) AGRICULTURAL REAL ESTATE.—The term "agricultural real estate" means a parcel or parcels of land used for the production of one or more agricultural commodities or products and consisting of a minimum acreage or producing minimum annual receipts as determined by the Corporation;

(5) QUALIFIED AGRICULTURAL LENDER.—The term "qualified agricultural lender" means any bank, business and industrial development company, savings and loan institution, commercial finance company, trust company, credit union, insurance company, or other person approved by the Corporation.

(6) SECURITY.—The term "security" has the meaning given to such term in section 3(a)(10) of the Securities Exchange Act of 1934.

SEC. 9. DESIGNATION OF ASSOCIATION AS MIXED-OWNERSHIP GOVERNMENT CORPORATION.

Section 9101(2) of title 31, United States Code, is amended by adding at the end thereof the following new subparagraph:

"(K) The Farm Mortgage Marketing Corporation."

SEC. 10. AUTHORIZATION.

There is authorized to be appropriated to the Secretary of the Treasury for any fiscal year beginning after September 30, 1987, not to exceed $200,000,000 for the purchase of stock of the Corporation to carry out the provisions of this Act.

THE FIRST CONGRESS: THE PRINCIPLES OF REPRESENTATIVE GOVERNMENT AND THE ESTABLISHMENT OF PRECEDENTS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. FASCELL. Mr. Speaker, the first session of Congress was scheduled to meet in New York City, the seat of the new government, on March 4, 1789. But only 13 Members of the House of Representatives, from 5 of the 11 States that had ratified the Constitution up to that time, appeared and took their seats on that day. So the House met and adjourned from day to day until April 1, when the 30th of the 59 elected Representatives reached New York, assuring a quorum. They came by ship, wagon, and stagecoach; some were delayed by bad roads, others by storms and shipwreck. Frederick A.C. Muhlenberg of Pennsylvania promptly was chosen Speaker of the House. Five days later the Senate achieved its quorum, although its presiding officer—Vice President John Adams—did not arrive for another 2 weeks.

Congress met in Federal Hall at the corner of Broad and Wall Streets. The House occupied a large Chamber on the first floor and the Senate a more intimate Chamber upstairs. The new Chief Executive, George Washington, was still en route from his home at Mount Vernon, his trip having quickly turned into a triumphal procession, with crowds and celebrations at every stop. To most of his countrymen, Washington—austere, dignified, the epitome of propriety—embodied a government that was otherwise little more than an idea on paper.

The two Houses of Congress, headstrong even then, did not wait for Washington's arrival. The House began debating tariffs, a perennially fascinating legislative topic. Upstairs in the Senate, Vice President Adams, a brilliant but fussy man, worried about the proper titles for addressing the President and himself.

In its composition the First House of Representatives resembled the membership of the State legislatures of that period. A prominent historian has written that "the members were good 18th century Americans, average representatives of the ruling class of the time." The first Congress "contained many men of talent, character, and wide legislative experience," professing mostly moderate views.

The first House of Representatives contained 55 Federalists and 10 anti-Federalists, but these were not clearcut political parties, and it would take more than 20 years for political parties, as we know them today, to develop. The South accounted for half the seats in the House; New England and the Middle Atlantic States for one-quarter each. In the first Congress nine Representatives had been members of the Constitutional Convention and 36 had served in the Continental Congress. Thirty-nine Representatives had served in State legislatures and 52 had been members of either a State legislature, the Continental Congress, or the Federal Convention. Nineteen Members of the first House were college graduates and 19 others had some academic training. Twenty-four were lawyers. Their median age was 44.

Popular interest in the first congressional elections was slight; only a small minority of interested property holders voted. The total vote in the first congressional elections has been estimated at from 75,000 to 125,000, or from 3 to 3.5 percent of the free population—3,200,000.

The Constitution was silent on the organization and structure of the House beyond saying that it should choose its Speaker and other officers, that it could determine the rules of its proceedings, and that it should keep and publish a journal of its business. But once a quorum appeared, the House lost little time in organizing itself for the tasks ahead of the new Republic. This involved four steps: election of officers, adoption of rules, appointment of committees, and the acceptance of credentials.

On April 2, a committee of 11 Members was appointed, by order of the House, to prepare and report standing rules and orders of proceeding. Five days later the report of this select committee was submitted, read at the Clerk's table, and agreed to by the House. The simple code of initial rules then adopted dealt with four topics: the duties of the Speaker, decorum and debate, bill procedure, and Committees of the Whole House. On April 13, the House debated and adopted additional rules, as reported by the same committee, relating to committee service, leaves of absence, and appointment of a standing Committee of Elections. A resolution relating to joint rules with the Senate was laid on the table. The next day the House agreed to an additional rule concerning its Sergeant at Arms: his appointment, symbol of office, and fees.

Compared with today's intricate, complex code, the parliamentary practice of the first House was simple indeed. Many of its Members had previous legislative experience and were presumably familiar with the precedents available in contemporary State legislative practice. Yet they preferred at the outset to adopt a few simple rules and let experience guide them in making additions to the rule book.

It is interesting to recall that the early practice of the House of Representatives was to set up a select committee on every bill. Whatever the subject matter, Congress retained control of its committees by giving them specific instructions as to their authority and duties.

The First Congress relied on Committees of the Whole House for developing the general principles of legislation, and upon numerous select committees to perfect the details of bills. Thus, on April 11, 1789, the House elected by ballot a select committee of nine to draft a bill to regulate import duties.

Only one standing committee dates from the First Congress, the Committee on Elections, whose seven members were elected by ballot on April 13, 1789, to examine and report upon the certificates of election and to investigate election contests. On February 1, 1790, after the opening of the second session, this committee was reappointed with three of its original members and four new ones.

During debate on the bill to establish a Treasury Department, the question of creating a Committee of Ways and Means arose. Several of the State legislatures had finance committees and many members felt that Congress should have a committee to advise it on fiscal matters. The House agreed and ordered the appointment of a Committee of Ways and Means, consisting of a member from each State; they were named on July 24, 1789. But on September 17 this committee was discharged from further proceedings on the business referred to them, which was then referred to the Secretary of the Treasury. Not until 1795 ws a permanent standing Committee on Ways and Means created.

Important precedents were established during the First Congress regarding the forms of joint action between the two bodies. Within the first 6 weeks of their organization the two Houses had met in joint sessions, had set up several joint committees, and had adopted joint rules. In approving joint rules between the two Houses on July 27, 1789, the House authorized the creation of a joint standing Committee on Enrolled Bills to be composed of one Senator and two Representatives who were named a few days later.

The first communication between them took place on April 6, 1789, the day on which the Senate organized, when the House received a message from the Senate, delivered by Mr. Ellsworth of Connecticut, that a quorum of that body had formed and was now ready in the Senate Chamber to proceed, in the presence of the House, to count the votes of the electors for President and Vice President.

Later, after a year's experience, supplementary rules were adopted on the recommendation of a joint committee appointed to consider what additional regulations were necessary for conducting the business between the Houses.

These rules prescribed that when a bill, passed by one House, was rejected by the other, notice of such rejection should be given to the House which had approved. Moreover, a bill thus rejected should not be brought in during the same session, without 10 days' notice and leave of two-thirds of that House in which it should be renewed. It was provided that each House should transmit to the other the papers pertinent to any pending bill or resolution; and that after each House should have adhered to its disagreement, a bill or resolution should be lost.

The First Congress enacted many important and useful laws. It met for three sessions lasting a total of 519 days. It had not only to organize itself and to establish the basic institutions of the new government, but also to lay the foundations of the American economy. More than three-score major statutes were the legislative fruit of its efforts. It established the judicial courts of the United States, a Land Office, and a government for the Northwest Territory. It passed a tariff bill, an invalid pensions measure, and a bill for regulating the coastal trade. It established the permanent seat of the National Government and fixed the compensation of executive and judicial officers and employees. It enacted the first annual appropriations acts, passed several relief bills, and submitted the first 10 amendments to the Constitution. It considered scores of memorials and petitions as well as laws regulating patents and copyrights, bankruptcies, harbors, the punishment of crimes, naturalization, the importation of slaves, and intercourse with the Indian tribes. The First Congress established three executive deparments: Foreign Affairs (State), War and Treasury, each headed by a Secretary removable by the President. It also passed an act for the temporary establishment of the Post Office.

These early precedents were overshadowed, however, by the relations between the First Congress and the Secretary of the Treasury, Alexander Hamilton. When the House discharged the Ways and Means Committee it referred its business to the Secretary of the Treasury "to consider and report thereupon." Simultaneously it ordered him to report an estimate of the sums required to defray the expenses of the civil list and the War Department for the current year. This precedent was followed by a long series of House directives to Hamilton, making it evident that Congress regarded him as its agent and adviser in matters of public finance and the national enconomy.

The early months of the First Congess were marked by a notable absence of party spirit. Peace and brotherly love prevailed at the outset, induced perhaps by a sense of historic responsibility for launching the new regime. It was not long, however, before controversies arose, inspired by underlying sectional and philosophical differences among the Members. These were reflected in the arguments over legislative proposals to regulate the slave trade and in the debates over the location of the permanent seat of the Federal Government.

At its birth, the U.S. Congress was a relatively unstructured body. Although the guiding principles of representatives assemblies were known, especially reflecting upon the British experience, the founders could hardly have realized exactly what sort of an institution they had created. They wrote into the Constitution the powers of the legislation as they understood them and left the details to future generations. During its rich and eventful history, Congress developed into a mature organization with highly articulated structures, procedures, routines, and traditions. In a word, it has become institutionalized.

As we begin in the 100th Congress, and as we enter the era of the bicentennials of the U.S. Constitution and the U.S. Senate and House of Representatives, it would serve us well to reflect on the history of the great institution known as the U.S. Congress. The Members of the First Congress completed the work of our country's Founding Fathers and breathed life into the provisions of the U.S. Constitution. It is because of their foresight and vision that we are today marking the beginning of the 100th Congress, and that we look forward to the celebration of the 200th anniversary of the U.S. Congress in 1989.

Today, I am most pleased to introduce legislation celebrating the historic 100th Congress. This measure, H.R. 100, authorizes the minting and issuing of both $5 gold coins and $1 silver coins in commemoration of the 100th Congress. The design on these coins will be selected in consultation with the Commission of the Fine Arts. I hope that you will join me in cosponsoring this commemorative legislation honoring this great legislative body.

THE CONTINUING CRISIS OF HUNGER AND HOMELESSNESS IN AMERICA'S CITIES

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. PANETTA. Mr. Speaker, I would like to draw the attention of our colleagues to a 25-city survey conducted by the U.S. Conference of Mayors released on December 18, 1986 and ask that a summary of this document be printed in the CONGRESSIONAL RECORD. This survey depicts the continuing crisis of hunger, homelessness, and poverty in America's cities. It is the 11th in a series of reports by the U.S. Conference of Mayors since 1982 measuring the capacity of public and private sector organizations to meet basic human needs, such as emergency food and shelter.

This survey shows that the unmet demand for food and shelter assistance are the result of deep-rooted problems. Policymakers at every level of government must join in attacking these problems or we are likely to see an increase in these inhumane conditions of poverty for many more American families.

The Mayors report concludes that while economic recovery has improved the general business climate in the United States, it has not helped the hungry, the homeless or the poor in 21 of the 25 cities surveyed. Governments cannot take much solace in the four cities which cited economic recovery for the poor. Three of these cities report that evidence of economic recovery for the poor can be seen predominately through increased charitable giving.

In 1986, the demand for emergency food assistance increased on average by 25 percent in 22 of of the cities surveyed. The most startling factor about this increase is that 80 percent of the surveyed cities find more and more families need help. Despite the fact that local revenues, State grants, and Federal funds are being used, consistent support does not seem to be able to reach everybody in need. In many areas there is a shortage of volunteers, private contributions are dropping off, and what we are left with is a chronic demand that is growing steadily.

The U.S. Conference of Mayors survey cites the causes of hunger in the survey cities. Unemployment, inadequate levels of public assistance, and poverty were identified as key factors. Hunger is the painful epilogue to a cycle of socioeconomic conditions wearing at our cities. The lack of unskilled jobs, insufficient training, job displacement, and unemployment generally mean that more and more Americans are depending on public assistance for their livelihood.

The Mayor's report clearly demonstrates that our current public aid and housing assistance programs are not keeping pace with the ever-increasing cost of living. A poignant example is the shortage of housing—where it is available—it is often unaffordable. Eighty percent of the cities surveyed by the Mayors Conference indicated an increase in homelessness among families with children. In over half of the surveyed cities, the stock of available safe and affordable housing decreased in the past 5 years.

The magnitude of the problems of hunger and homelessness should escape no one in America. The U.S. Conference of Mayors survey documents convincingly that in order to meet the challenge of these problems, we must initiate welfare improvements and create job opportunities with foresight.

In the 100th Congress, I look forward to working with our colleagues so that we at the Federal level might draw on the experiences of our cities, States, and private sector partners to sharply and immediately reverse the discouraging trend of hunger and homelessness in America.

THE CONTINUED GROWTH OF HUNGER, HOMELESSNESS, AND POVERTY IN AMERICA'S CITIES: 1986

SUMMARY

To assess the current status of hunger, homelessness and poverty in cities, the U.S. Conference of Mayors surveyed 25 of the cities whose mayors are members of its Task Force on Hunger and Homelessness. The survey sought information on (1) the demand for emergency food assistance and emergency shelter and the capacity of local agencies to meet that demand; (2) the causes of hunger and homelessness and the demographics of the populations; (3) the status of housing affordable by low income people, a key factor in the increasing incidence of homelessness; (4) economic conditions relating to poverty and unemployment; (5) the impact of the national economic recovery on these problems; and (6) the outlook for these problems in 1987.

Hunger

The demand for emergency food assistance increased by one-fourth during 1986 in 88 percent (all but three) of the survey cities. The number of families with children requesting assistance increased in four out of five of the survey cities, by an average of 24 percent.

An average of 23 percent of the demand for emergency food assistance currently goes unmet in the survey cities. In well over half of the responding cities, emergency food assistance facilities must turn away people in need because of lack of resources.

Twenty-one of the survey cities (84 percent) expect the demand for emergency food assistance to increase during 1987; three expect it to remain the same, and one expects it to decrease.

Unemployment, inadequate benefit levels in public assistance programs, and poverty lead the list of causes of hunger in the survey cities. Other causes cited by some of the cities include the lack of affordable housing, problems with the food stamp program and a changing economy.

Eighty-four percent of the survey cities use city government funds—either locally generated revenues or federal or state grants—to support local emergency food assistance efforts. Forty-four percent of the survey cities use locally generated revenues, 32 percent use state grants, and 76 percent use federal funds.

Homelessness

In every survey city save one the demand for emergency shelter increased during 1986; the average increase was 20 percent. The demand did not decrease in any of the cities.

An average of 24 percent of the demand for emergency shelter in the survey cities goes unmet. In 72 percent of the cities emergency shelters must turn away people in need because of lack of resources.

Homelessness is expected to continue to increase in 84 percent of the survey cities during 1987.

The causes of homelessness most frequently identified by the survey cities are the lack of housing affordable by low-income people, unemployment and other employment-related problems, and mental illness and the lack of services needed by mentally ill persons. Other major causes include the high incidence of poverty and other economic problems, substance abuse and the lack of needed services, problems with income maintenance programs, domestic violence and population shifts.

On average, the composition of the cities' homeless population is 56 percent single men, 28 percent families with children, and 15 percent single women. An average of 29 percent of the homeless in the responding cities are chronically mentally ill; nearly one in five are employed, in either full-time or part-time jobs.

By far, the most significant change in the cities' homeless population has been in the number of families with children, with four out of five of the survey cities reporting that the number of families with children seeking emergency shelter has grown. In seventy-two percent of the cities, families comprise the largest group for whom emergency shelter and other needed services are particularly lacking.

Just over three-fourths of the survey cities use city government funds to support local shelters or other services for homeless people. Sixty percent of the cities use locally generated revenues for this purpose, just over half use state grants, and two-thirds use federal grants.

Housing

During 1986 the demand for assisted housing by low-income households increased in all but three of the survey cities, by an average of 40 percent. In none of the cities did it decrease.

The average wait for assisted housing in the survey cities is 18 months; waiting lists for assisted housing have been closed in 68 precent of the cities. Less than one-third of the eligible low-income households are currently being served by assisted housing in the survey cities.

Over the last five years the safe, decent and affordable housing stock available to low and moderate income households decreased in over half of the survey cities, increased in 29 percent and remained the same in 17 percent. None of the survey cities expect to be able to meet rental housing needs, given the decline in federally assisted housing programs.

Economic Conditions

Over two out of three of the survey cities reported that the number of poor people increased during 1986. Two cities reported decreases in the number of poor people; five said the number remained the same.

The unemployment situation improved in 42 percent of the responding cities, remained the same in another 42 percent and worsened in four cities.

While 61 percent of the responding cities said that they had benefited from the national economic recovery, nearly nine out of 10 of the cities said the recovery has not helped the hungry, the homeless or other low-income people in their city. In the three cities where the economic recovery has helped the poor, that help has been indirect, through increased charitable giving and availability of services.

INTRODUCTION

In October, 1982 the U.S. Conference of Mayors and the U.S. Conference of City Human Services Officials brought the shortage of emergency services—food, shelter, medical care, income assistance, energy assistance—to national attention through a 55-city survey. That survey showed that the demand for emergency services had increased in cities across the nation, and that on average only 43 percent of that demand was being met.

Since that time the Conference has done numerous reports on hunger, homelessness and poverty in cities. These reports have documented the causes and magnitude of the problems, how cities were responding to them and what national responses were required. They include:

Hunger in American Cities, June 1983

Responses to Urban Hunger, October, 1983

Status Report: Emergency Food, Shelter, and Energy Programs in 20 Cities, January, 1984

Homelessness in America's Cities: Ten Case Studies, June 1984

Housing Needs and Conditions in America's Cities, June, 1984

The Urban Poor and the Economic Recovery, September, 1984

The Status of Hunger in Cities, April, 1985

Health Care for the Homeless: A 40-City Review, April, 1985

The Growth of Hunger, Homelessness and Poverty in America's Cities in 1985: A 25-City Survey, January, 1986

Responding to Homelessness in America's Cities, June, 1986

To spearhead the Conference's efforts to respond to the emergency services crisis in cities, the President of the Conference of Mayors appointed 20 mayors to a Task Force on Hunger and Homelessness in September, 1983. That Task Force is now chaired by Boston Mayor Raymond L. Flynn, and the number of mayors serving on it has increased to 28. The Task Force meets at least twice each year; many of its members have testified before Congress; and the cities represented on it have provided information to Conference staff on conditions relating to hunger and homelessness for the various reports that have been prepared.

This report provides information on the current status of hunger, homelessness and the conditions which have affected them in 25 of the cities represented on the Task Force. It is made possible by a grant from the American Can Company Foundation. The data were collected from the cities during November and December, 1986.

CITY DATA ON HUNGER

City	Percentage increase in demand for emergency food in 1986	Percentage increase in families with children in 1986	Percentage increase in elderly in 1986	Number of emergency food facilities in 1986	Percentage of unmet need	Are people turned away? Yes	Are people turned away? No	Demand for emergency food in 1987
Boston	18	18	10	Same	10–15	x		Increase.
Charleston	50			Increased		x		Do.
Chicago	11	11	11	Same	14		x	Do.
Cleveland	5			Increased		x		Do.
Denver	55	70	64	Increased	40–45	x		Do.
Detroit		30	35	Decreased	35–40	x		Do.
Hartford	10			Increased		x		Same.
Kansas City	−10			Same	10	x		Increase.
Los Angeles				Increased	16	x		Do.
Louisville	15	15	20	Increased	5		x	Do.
Minneapolis				Same	0		x	Same.
Nashville	10	10	10	Same	9	x		Increase.
New Orleans	20	60		Increased	35	x		Do.
New York City	29		13	Increased	0		x	Do.
Norfolk			5	Same			x	Same.
Philadelphia	35			Increased	0		x	Increase.
Phoenix				Increased	25		x	Do.
Portland	24	24	24					Do.
Salt Lake City	34	21	16	Same	20	x		Do.
San Antonio	4	4		Decreased	5	x		Do.
San Francisco	20	12	12	Same		x		Do.
San Juan				Increased	97	x		Do.
Seattle	10	26	5	Increased		x		Do.
Trenton	100		10	Decreased	75	x		Do.
Yonkers	5	10	5	Same	15		x	Do.

PROMOTE PROMISE FOR THOSE WITH PARKINSON'S

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. BIAGGI. Mr. Speaker, I am pleased today to introduce legislation designed to assist the over 1.5 million persons in this Nation afflicted with Parkinson's disease. My bill would establish a commission for the amelioration of Parkinsonism.

Parkinson's disease is a relatively unknown and often misunderstood affliction. Yet it is a disease crippling millions of our elderly citizens. In fact, one out of every 100 people over the age of 60—an alarming statistic—suffer from Parkinson's disease. Although many common symptoms are exhibited by those with Parkinson's, far too little is known about the causes and successful treatments of this disease. Consider, for example, the following cases:

Mary found she had Parkinson's disease when she was in her late fifties. For a while she continued to work as a housewife, but gradually her ability to walk and to do simple tasks decreased. By the time she was in her mid-sixties, she was completely bedridden and dependent on others to meet her most basic of needs.

Jacob is in his late fifties and receiving drug therapy for Parkinson's disease. Most of the time the drugs, coupled in large measure with the understanding of his students and college administrators, enable him to teach in a Hebrew seminary. But increasingly, he has to be helped to classes, and often in the middle of teaching, he has difficulties speaking.

Tom, on the other hand, has received great benefit from taking standard anti-Parkinson drugs developed through scientific research. He also exercises quite often. After 10 years of treatment, his disease shows no signs of worsening.

Three different people, three different courses of Parkinson's disease. It is in this spirit that I offer my legislation to establish a commission on the amelioration of Parkinsonism. I firmly believe passage of this legislation will signify a national commitment in this area and promote promise for those afflicted with the disease. It is imperative that we expand our knowledge and treatment capacity—the major function of the commission.

Under this legislation, the commission would undertake a number of initiatives to begin to combat this disease. It would conduct a comprehensive study of the medical and social management of Parkinsonism; determine whether there is an appropriate balance between basic brain research and clinical research on Parkinsonism and other ailments; investigate and make recommendations concerning the proper roles of the Federal, State, and local governments and public and private agencies in the research, prevention, and identification of Parkinson's disease and the treatment and rehabilitation of persons with Parkinson's disease; and develop a comprehensive national plan for the control of Parkinsonism and its consequences based on the most complete and accurate information available on the disorder.

All members of the commission shall serve without pay. In fact, the Congressional Budget Office estimates that passage of this legislation would result in minimal costs. And finally, 6 months after the commission first meets, it shall transmit a final report to the President and Congress containing its findings, its conclusions, and its recommendations. The commission shall be disbanded after submitting its final report.

I would be remiss if I did not extend a very special thank you to the many members of the various Parkinson's support groups of America, an all-volunteer national organization which has been instrumental in the development of this legislation. I greatly appreciate their support and assistance for the establishment of this commission.

And finally, I am pleased to note that my esteemed colleague in the Senate from Mississippi, Mr. COCHRAN, will also introduce identical legislation. I thank him for his support and commitment to this issue of vital importance to our elderly Americans—a population rapidly increasing each year. As we witness the growth of our senior population, this issue becomes of even greater importance and concern. I urge all of my colleagues to give their support for the establishment of a commission on the amelioration of Parkinsonism. For the benefit of my colleagues, I wish to insert the full text of this legislation.

IN MEMORY OF WILLIAM E. SISLER

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. MRAZEK. Mr. Speaker, almost 6 years ago, a tragic accident took the life of William E. Sisler of Kings Park, Long Island.

Home on leave from the U.S. Naval Academy, Midshipman Sisler was fishing on Long Island Sound with two friends when a sudden storm capsized their boat. The Navy and Marine Corps Medal awarded posthumously to Sisler recounted the next few hours:

> Diving under the capsized boat several times to retrieve flotation devices and material with which to signal other craft, he and his shipmate attempted for over five hours to keep the third member of the trio, a weak swimmer, afloat. With complete disregard for his own safety and fully aware of the personal dangers involved, Midshipman Sisler elected to remain with his stricken shipmate rather than swim for shore. Administering mouth-to-mouth resuscitation under the most adverse of conditions, he and his comrade succumbed to the hostile elements before help could arrive.

By his heroic, selfless action, Midshipman Sisler sacrificed his own life in an attempt to save the life of another, thereby reflecting the utmost credit upon himself and upholding the highest traditions of the United States Naval Service.

Mr. Speaker, this year the name of William E. Sisler will be inscribed in a place of special honor at the U.S. Naval Academy. As a gift to the class of 1937 on the occasion of its 50th anniversary, the class of 1987 will erect a monument in the Naval Academy Cemetery in Annapolis. On the monument will be the names of Naval Academy midshipmen and alumni lost while on active duty and whose remains have never been found. For William E. Sisler and his comrades listed on this special roll of honor, it will represent a final resting place.

I rise today to bring this special honor to the attention of my colleagues.

ROBERT BARTLEY OF THE WALL STREET JOURNAL ON THE MONETARY SOURCE OF ENERGY BOOM AND BUST

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. KEMP. Mr. Speaker, many current economic problems—commodity price swings, trade imbalances, sluggish economic growth—cannot be explained without understanding the flawed nature of the current international monetary system.

In an outstanding article in the Wall Street Journal recently, Pulitzer Prize winning editor Bob Bartley points out that the swings in oil prices over the past 15 years have closely paralleled swings in the price of gold. The gold price, in turn, has tracked changes in international monetary reserves. "The oil price rises and falls are not random events, but symptoms of an unhinged monetary system," he argued.

"The problems the oil industry feels so acutely today are a reflection of the breakdown of Bretton Woods, and the ills will never really be cured until the underlying sickness is cured," Mr. Bartley concludes.

Mr. Speaker, before the world marches into a trade war, the time is long overdue for a fundamental overhaul of the international monetary system.

Bob Bartley has greatly illuminated what needs to be done, and I commend his perceptive article to my colleagues in Congress.

The article follows.

[From the Wall Street Journal, Dec. 29, 1986]

THE MONETARY SOURCE OF OIL BOOM AND BUST

(By Robert L. Bartley)

HOUSTON.—To understand the current problems in the oil industry, to understand the origins of the boom-and-bust cycle it has experienced, you have to go back in time:

Take a snapshot, say, of Jan. 1, 1965. Crude oil sold for $2.75 a barrel, or roughly $9.50 in today's dollars. While that would be considered a skinflint price today, the oil industry was clearly prosperous. Houston was a boom town: $2.75 oil built the embassylike mansions along River Oaks Boulevard.

On Jan. 1, 1965, the price of gold was $35 an ounce. As the price of oil was stabilized by the production quotas of the Texas Railroad Commission, the price of gold was controlled by the London Gold Pool. In London, the world's central banks stood prepared to buy or redeem gold at $35.

The London Gold Pool was, under the Bretton Woods International monetary system, the link between international monetary policy and the price level in the world marketplace. The markets had decided, for example, that an ounce of gold was worth 12.8 barrels of crude oil. So if the central banks kept the price of gold at $35, the price of oil would be $2.75.

Bretton Woods spread this price level world-wide through fixed exchange rates among major currencies. Other nations bought and sold their currenices in foreign exchange markets to hold an exchange rate against the dollar, and the U.S. stood ready to redeem dollars from other central banks in gold. Over time it could only do this by managing its creation of dollars to keep them worth 1/35th of an ounce of gold. With the dollar linked to the price level through the London Gold Pool, and with other currencies fixed to the dollar, prices everywhere meant the same thing. Small changes in prices would direct goods and investments to where they were most needed, contracts could be written with some confidence and industries like oil could prosper.

The year 1965 proved to be an eventful one. That March, Marines landed in force in Vietnam. But the federal budget was drawn on the assumption that the war would be over at the end of the fiscal year. The Johnson administration embarked on a guns-and-butter policy.

In international monetary events, the big event of the year was William McChesney Martin's visit to the ranch. As the economy heated up, Federal Reserve Chairman Martin wanted to raise interest rates, that is, slow the creation of dollars. President Johnson importuned him to delay until after the president's gallbladder operation, and summoned him to the Johnson ranch when he took his first step. In the end, the Fed decided it could not raise interest rates so fast it would impair the government's ability to finance a war.

Take a second snapshot, then, of Jan. 1, 1970. The price of oil had crept up to $3, but inflation had started to climb, so in today's dollars the price had fallen to $8.50. The price of gold had inched up to $35.50. The London Gold Pool had been dissolved in 1968, severing the link between monetary policy and the price level. The Fed was printing dollars to finance Vietnam, but under the rules of Bretton Woods, other nations were buying up dollars by issuing their own currencies. With the U.S. reluctant to redeem these dollars at the gold window, they were accumulating in the reserves of other central banks.

In August 1971, the Nixon administration formally closed the gold window, instituting wage-and-price controls that lasted until 1973 for most commodities, and until 1981 for oil. The gold-window closing was followed in December by the Smithsonian Agreement, revaluing gold officially to $38 and rearranging exchange rates. The world was on a system of fixed exchange rates with no anchor to the price level.

Take another snapshot, then, of the crucial date of Jan. 1, 1973. Oil sold for $3.40, or $8.40 in today's dollars. But the price of gold was at $65 and shooting toward $90 in the first half of the year. No system of fixed exchange rates could survive in such a volatile environment; in March 1973 the Smithsonian agreement collapsed into general floating exchange rates.

Even more ominous was the news known to readers of a thick, blue book of numbers, "International Financial Statistics," published by the International Monetary Fund. For international monetary reserves had doubled in the previous three years. Officially measured in IMF Special Drawing Rights, the gold and foreign-exchange holdings of central banks had reached SDR 172 billion by Jan. 1, 1973, up from SDR 79 billion on Jan. 1, 1970.

These monetary reserves form the basis for money creation in all the world's currencies. To some extent, central banks can "sterilize" reserves, or simply keep them in their vaults. But more often reserves are monetized or turned into reserves for the banking system, where they are multiplied into an even larger expansion of the world's money supplies. With international reserves growing more in three years than they had since the beginning of mankind, and with gold already on the rise, the world was in the foothills of a great inflation.

All this was clear on Jan. 1, 1973. The OPEC oil embargo that came along in October of that year was merely a detail in the process.

In early 1973, indeed, an ounce of gold was worth 26 barrels of oil, compared with 12.8 barrels in 1965. Almost inevitably there would be some adjustment, either a fall in the price of gold or a rise in the price of oil. With the ongoing pace of money creation, a collapse in the gold price was impossible, so oil and other prices had to go up.

The historical vehicle was the 1973 Arab-Israeli war and the oil embargo. More correctly, not the embargo but the accompanying production cuts by Saudi Arabia. OPEC had taken over from the Texas Railroad Commission as the marginal supplier of crude oil, and by regulating the supply could control the price.

This ensured that the oil producers would capture the biggest share of the gains generated by the great inflation. As OPEC profits were "recycled" through the central banks, monetary reserves doubled twice more and the inflation grew to new heights.

In an inflation, everyone wants to own things, not money. Everyone tries to get out of financial assets and into real assets—oil wells, for example. Throughout history, the gainers from inflation have been the primary producers—such industrial groups as mining, forestry and agriculture. As market participants bid for real assets, the price of primary products goes up even faster than other prices, and the price of the assets that produce primary products goes up faster still. Farm land, for example, or oil reserves.

Further, oil is priced in dollars, which were depreciating against such currencies as the mark and yen. This meant that consumers in Germany and Japan were not feeling the full price signal for conservation, and the same signals were blunted in the U.S. market by price controls. The world marketplace was sheer confusion—small price movements could no longer control the allocation of goods and investment. Oil prices, in particular, were headed up the roller coaster. Prices were signaling the need for breakneck expansion, so long as the inflation persisted.

Great inflations do not persist forever. They produce strains and distortions that eventually become intolerable. By August 1979, the Carter administration, which had tried to talk down the dollar to curtail a payments deficit, felt it necessary to appoint Paul Volcker as Fed chairman. He was not fully in control until October, when he flew back from an IMF meeting in Belgrade to institute tight money.

August 1979 stands as a bright line separating the era of inflation from the era of disinflation. The Volcker Fed gradually brought dollar creation under control. The price of gold shortly topped out after leaping to an intraday peak of $875 in January 1980. Monetary reserves were brought under control. They have been remarkably constant, whether measured valuing gold holdings at the official price, SDR 35, or more meaningfully, valuing gold at market prices. And of course, the general price level in dollars has stabilized.

Oil producers, who reaped the gains of the inflation, have suffered the brunt of its correction. In times of disinflation, people want to hold money, not things. There is a flight into financial assets and out of real assets. Stocks are bid up for example, and real estate is bid down. Oil producers, especially including Saudia Arabia, find themselves with a huge overcapacity—the result of the false price signals during the inflation.

Price controls on oil in the U.S. market were finally ended by the Reagan administration, but floating exchange rates still distort signals from other markets. When the dollar is high, demand for oil is artificially depressed in Europe and Japan. When the dollar is low, their demand is artificially exaggerated. Smooth planning is difficult, for OPEC or anyone else.

If there is some note of hope for a depressed oil industry, it may lie in the stability of the gold/oil ratio. Throughout the instabilities of recent decades, the price of oil in gold has demonstrated a powerful tendency to return to the area of 12-14 barrels an ounce. It rose to 26 barrels just before the Arab boycott, and fell to eight barrels at the height of the "energy crisis" in 1976. Some would argue that gold was "undervalued" in terms of other commodities in 1965, but so far deviations in the gold oil ratio have proved momentary.

In the second half of 1986, with gold at $393 an oil at $12, an ounce of gold would buy 33 barrels of oil. We are already seeing some upward movement in the price of oil but this time international reserves are steady. An adjustment could come through a drop in the price of gold, which no doubt is currently held up by fear of turmoil in South Africa. But at 13 barrels an ounce, even $250 gold would generate $19.25 oil. This is not a prediction of what will happen in 1987, but might be a snapshot of what a well-ordered world would look like.

A well-ordered world, if this review of history is a guide, is likely to depend on greater stability in the international monetary system. The order provided by Bretton Woods collapsed principally because the U.S. didn't accept, or probably didn't even understand, the discipline of a $35 gold price. The creation of any new order depends on U.S. acceptance of greater discipline, and it will be difficult to make such a commitment credible to the world. But the problems the oil industry feels so acutely today are a reflection of the break down of Bretton Woods, and the ills will never really be cured until the underlying sickness is remedied.

(*Mr. Bartley is editor of the Journal. A version of this article was delivered as a speech to the Forum Club of Houston.*)

RAY McDONALD COMMUNITY ACHIEVEMENT AWARD RECIPIENT

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. LIPINSKI. Mr. Speaker, it is with great pride that I rise today to call attention to a great humanitarian, Rev. Joseph Prunskis, who has received the Ray McDonald Community Achievement Award sponsored by the Fifth Congressional Community Advisory Committee.

Father Prunskis has had a long and distinguished career in the priesthood. Besides his priestly duties, the noted priest, journalist, and writer is known throughout the world for his leadership in human rights, as evident when he recently received the Humanitarian Award from the Balzekas Museum of Lithuanian Culture.

During his many years as a priest and journalist, Father Prunskis has written 36 books and pamphlets on human rights and is a major contributor to the Lithuanian Encyclopedia which consists of 36 volumes.

Father Prunskis currently serves as a member of the Balzekas Museum of Lithuanian Culture, honorary member of the Lithuanian Newspaper Men's Society, honorary member of the Lithuanian Writers Association, and honorary member of the Lithuanian Council "Director of Information."

One of his most major contributions to the fight for human rights was his role in the preparation of the European Parliament resolution which was called the "Baltic States Be Free."

I join with the residents of the Fifth Congressional District in paying tribute to the Rev. Joseph Prunskis and thank him for his continued dedication and service to the community and to the fight for human rights on behalf of all people in the world today.

SHANE A. SCHRECK

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. GEKAS. Mr. Speaker, today I would like to recognize the achievement of Shane A. Schreck, a constituent of mine from Milton, PA. On Sunday, January 25, 1987, Shane Schreck will receive Boy Scouts' most coveted and distinguished award—the Eagle Scout. This event is always a special time for the family and friends of a young man who receives such an award because it is a recognition of his dedication to his community and country.

Shane, a freshman at Milton Area Junior High School, has been a member of Boy Scout troop 605, Trinity Lutheran Church since 1983. He has devoted himself to many school and community activities including his participation in the Milton Black Panther Marching Band and the school concert band. Shane has served as church Sunday school librarian, a member of the church youth group, and a member of Campus Life, which is a Christian nondenominational youth group.

Mr. Speaker, I invite you and my colleagues in the U.S. Congress to join me in wishing congratulations to Shane on this very special occasion. I wish him great success in his future endeavors.

TRIBUTE TO MARGARET RANDALL

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. SKELTON. Mr. Speaker, you and a number of our colleagues, will remember my predecessor William Randall, who served Missouri's Fourth Congressional District for 17 years. You may also remember his wife Margaret, who was his companion and consultant during his time here. It is my sad duty to inform you that she passed away on November 10, 1986.

During her time in Washington, Margaret Randall made her own mark on this community. She served on the board of directors of the Congressional Club and was active in the International Club. She was also active in her community, serving as a director of the Vaile Victorian Society, as a member of the Junior Service League, and as a member of the Alter Society of the St. Mary's Catholic Church. She was a founding member of the Independence Citizens City and Cultural Committee.

Margaret contributed much to the Fourth District of Missouri and to our institutions here in Washington. I would like my colleagues to join me in saluting the memory of this outstanding Missourian.

TRIBUTE TO KERN COUNTY UNITED WAY

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. THOMAS of California. Mr. Speaker, my fellow Representatives, I would like you to join me in paying tribute to the Kern County United Way.

Kern County is one of the top three United Way organizations in California and is among the top 60 of 2,200 United Way groups in the Nation.

Over the past 10 years the United Way of Kern County has seen an astounding increase of 446 percent in money raised.

The heart of volunteer organizations such as the United Way is people. And one person who has greatly influenced the success of the Kern County United Way is executive director Jerry Beggs. I commend Jerry for his 25 years of service with the United Way. His 15 years with the Kern County organization have been a great contribution to the lives of many people in Kern County.

I would like to wish Jerry Beggs and all those involved with the United Way of Kern County the best of luck as they strive to reach their 1986-87 goal of $2.1 million. With the determination and hard work of the past there is every reason to believe this goal will be reached.

HONORING MERIEL D. HARRIS

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. ROGERS. Mr. Speaker, during our recent congressional break, one of my hometown's most outstanding citizens received a special honor from his colleagues.

Meriel D. Harris, who had served with distinction as an attorney in Pulaski County, KY for 35 years, received the Pulaski County Bar Association's first-ever Distinguished Service Award.

From 1951 to 1986, Meriel Harris served hundreds of Pulaski Countians with outstanding legal assistance. In making the award, the Bar Association noted:

> He has given of his time and talents throughout these years to the legal profession as a practicing attorney, prosecutor and teacher . . . and his unique talents as a singer, orator and organizer have enhanced Pulaski County Bar Association activities throughout those years . . .

In addition to work as an attorney, Meriel Harris held high office with the Independent Order of Odd Fellows, was president of Cumberland College's Alumni Association, and worked with such civic groups as the American Red Cross, the Heart Fund and the Somerset Lions Club.

Upon receiving his award, Meriel Harris said he was "pleased and proud" of the dramatic changes in the practice of law since he first became an attorney.

Mr. Speaker, I today ask my colleagues in the U.S. House of Representatives to join me in saluting Meriel Harris, an able attorney of whom we are pleased and proud to have served us so diligently over the past 35 years. Our legal profession will sorely miss the outstanding efforts which Meriel Harris provided so many for so long.

NO MEDICARE CAPITATION DEMONSTRATIONS WITHOUT CONGRESSIONAL APPROVAL

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. STARK. Mr. Speaker, today, I am reintroducing a bill to prohibit the Secretary of Health and Human Services from conducting any Medicare physician and hospital capitation demonstration projects involving more than $10 million in waived funds in any year without congressional approval. This bill was first introduced in the closing days of the 99th Congress and is still necessary because of certain HHS budget requests submitted on January 5, 1987.

I have introduced this legislation because I have some reservations about the Department conducting large scale demonstrations concerning capitation plans. Although I support the concept of health maintenance organization capitated arrangements, I believe that before the Department begins major new capitation projects, the Congress should first review and approve the plan.

Over the past several years problems have developed with a capitated health plan for Medicare beneficiaries in south Florida. Clearly, HHS exercised inadequate oversight to prevent these problems or manage them adequately once they developed. Until we can be certain that HHS can manage capitated programs, Congress should not give the Department carte blanche authority which might jeopardize the well-being of Medicare beneficiaries.

Demonstrations make a lot of sense and I support demonstrations on Alzheimer's disease and long-term care. However, I am concerned about the scope of a capitation demonstration which would cover a whole State or whole industries and thousands of Medicare beneficiaries. If the Department wishes to conduct demonstrations on capitated arrangements, I believe that it should limit them to minimize the likelihood of problems developing.

The Department's budget requests, submitted to the Congress on January 5, show that the administration is still interested in huge demonstration projects in this area, which may or may not place a large number of beneficiaries at jeopardy. Until we know more about these large proposals, they should not be implemented. To quote from the budget document, the administration says:

> Another piece of the Medicare capitation strategy is to establish a series of demonstration projects to explore ways in which Medicare can benefit from innovative private sector arrangements such as preferred provider organizations and negotiated provider agreements. Using Medicare waiver authority and $5 million of new demonstration funding, the Department will select employers, county medical societies, physicians, as well as other free-market agents to operate the demonstrations.

Congress must not let the Department limit Medicare beneficiaries' access to critical services or alter the basic Medicare Program through demonstrations programs. I hope we can enact this legislation in the very near future.

A BILL TO AMEND THE JONES ACT REGARDING THE TRANSPORTATION OF SEWAGE SLUDGE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. BIAGGI. Mr. Speaker, I am again introducing a bill to update the scope and clarify the application of the cabotage laws of the United States. This bill is identical to H.R. 5706, which I introduced in the closing days of the 99th Congress.

The traditional scope of the cabotage laws—as defined in the Merchant Marine Act, 1920—has been limited to transportation of merchandise transferred between points within U.S. territory. For all practical purposes, this interpretation has been limited to activities occurring within the U.S. territorial sea. Certain activities, defined in the Outer Continental Shelf Lands Act of 1953, occurring on the high seas on the Outer Continental Shelf are deemed to be subject to domestic law. All other activities occurring beyond the limits of the territorial sea have been determined to be beyond the application of the cabotage laws. As oceanbased activities expand, the reach of domestic maritime law must also be expanded.

As a general principle, the law follows in the wake of technology. The interplay between the law and the national trend toward increased dependence on the exploitation of the ocean for its economic resource value is no exception. National policy, enunciated in President Reagan's proclamation of a 200-mile exclusive economic zone on March 10, 1983, has promoted the responsible use and development of ocean resources. More recently, the Environmental Protection Agency [EPA] has adopted a multimedia impact perspective to the disposal of waste. In this context, EPA has permitted ocean disposal of sewage sludge—and ocean incineration of some hazardous materials—as an environmentally preferable, long-term disposal option.

As yet, national policy has not focused in any comprehensive way on whether ocean activities should be subject to domestic building requirements. A series of administrative rulings by the U.S. Customs Service and other recent developments have called into question the validity and vitality of the cabotage laws with reference to ocean activities. Specifically, customs has ruled that disposal of municipal sludge beyond the territorial sea is not subject to domestic building requirements. In addition, the city of New York entered into a contract for the foreign construction of four sewage sludge disposal barges for ocean disposal activities.

The bill I am introducing today is identical to H.R. 5706, which was drafted specifically with the New York Sewage Sludge Barge Construction and Towing Service contract controversy in mind. My subcommittee will consider this legislation early in this Congress.

MARTIN LUTHER KING, JR., DAY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. RODINO. Mr. Speaker, on January 19, Americans across the Nation—black and white, rural and urban, old and young, rich and poor—will join together to remember and honor a truly great American, Dr. Martin Luther King, Jr. On this special day, we will celebrate Dr. King's life, and we will also recommit ourselves to making his dream—equality for all Americans—a reality.

Dr. King's dream is eloquent in its simplicity: A world in which blacks and whites, Jews and gentiles, young and old persons live together in a spirit of respect and brotherhood. Dr. King dedicated his life to bringing that dream about, and because of his ceaseless devotion and conscience, we as a society are closer to achieving it. The Civil Rights Acts, the Voting Rights Act and extension, fair housing laws and equal education provisions—these are the legacy of Dr. King.

I am indeed proud to have played a part in that great wave of justice and equality. This progress will continue to have a profound effect on the lives of Americans for many years to come. In 1975, in an address before the Southern Christian Leadership Conference, I said:

> They shot down the man—and they snuffed out his life—but they could not shoot down his dream. For this dream was stronger than life and more powerful than death. And the dream lives on.

Although the dream does indeed live on, for many Americans and many people around the world, it is, sadly, a dream deferred. For despite the promise of fairness and justice written into the law of the land, many Americans remain trapped in an endless web of poverty, restricted opportunities, segregated neighborhoods, and despair. South African blacks are brutalized and humiliated by a hideous policy—apartheid—enforced by a government which refuses to recognize the basic human rights and dignity of most of its people. Clearly, Dr. King's dream has not yet been fulfilled in many corners of the world.

As an original sponsor of the legislation designating Dr. King's birthday a national holiday, I will mark this important day by urging my congressional colleagues and all Americans to devote themselves to this great cause—equality—by fighting to preserve our Nation's civil rights laws, to build decent housing for our poor and homeless citizens, to provide education and jobs for our unemployed citizens, and to make health care affordable for all who need it. I also urge all caring and decent people in America and abroad to continue and intensify public protest of the evil South African system of apartheid until it collapses, for once and all, and is replaced by a government that hears the cries of all its people. Only with eternal vigilance and unflagging commitment to these ideals will we reach "the sunlit path of racial justice"—Dr. King's dream fulfilled.

LEGISLATION NEEDED TO HELP TROUBLED DAIRY FARMERS

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. KASTENMEIER. Mr. Speaker, I am introducing today with my good friend, the gentleman from Wisconsin [Mr. OBEY], a package of three bills aimed at helping troubled dairy farmers deal with our current agricultural crisis.

The first bill, which was also introduced in the 99th Congress, would create a supply management program for dairy products whereby farmers would be guaranteed 70 percent of parity—slightly over $15 per hundredweight—if they cut their production back by an amount to be specified each year—approximately 8 percent. This bill is also the dairy plank in the Save the Family Farm Act introduced in the last Congress by Representative GEPHARDT of Missouri and Senator HARKIN of Iowa.

The bill would not only raise farm income for dairy farmers, it would reduce taxpayers' costs by eliminating surplus production rather than having the Government purchase it.

The second bill would eliminate existing authority for future cuts in the support price for milk. A cut of 25 cents per hundredweight scheduled for October 1 would be canceled if the bill were to pass, as would potential subsequent cuts of 50 cents on January 1, 1988 and 1989.

We are already losing too many dairy farmers at today's prices, we don't need to lower the prices they receive even further to see how many we can "shake out" of farming.

The third bill, which was also introduced last year, would replace the current system of milk marketing orders which provide farmers with higher prices depending on their distance from Wisconsin with one, nationwide, milk marketing order. A single order would ensure a more fair distribution of the higher-priced fluid milk market among dairy farmers.

While farm legislation is not necessarily on the agenda for the 100th Congress, budget considerations may require a reopening of the 1985 farm bill. In an effort to cut some $50 billion out of spending programs for next year, President Reagan's budget targets Farm Programs costs as part of the problem. It is important that we fight for programs which will improve farm income with minimal cost to the treasury.

Finally, Mr. Speaker, it is my hope that we can all work together this year to develop a new farm policy which enhances the income of not just dairy farmers, but all farmers, and which limits our reliance on the Federal Treasury as the source of that income.

I believe that recent polling demonstrates that the American consumer understands that only a minimal amount of the food dollar goes back to the farmer. Consumers are saying that they're willing to pay more for their food if there is assurance that the farmer will be the recipient of the increased payment. There is certainly universal agreement that that Federal expenditures need to be limited in all ways possible. Let us work to develop a solution to our agricultural problems which satisfies the farmer, the consumer, and the taxpayer.

EARNINGS LIMITATION IN THE SOCIAL SECURITY SYSTEM

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. DREIER of California. Mr. Speaker, I rise out of concern for our senior citizens who are being penalized by the Social Security system.

For many older Americans, working is a losing proposition. Social Security deducts $1 from a recipient's benefit for each $2 earned above the exempt annual amount. That translates into a 50-percent tax on income earned above the cap. For 1987, recipients age 65 to 69 cannot earn more than $8,160, and those under 65 cannot earn more than $6,000 without facing the stiff earnings limitation penalty.

We all know that Social Security was never intended to be a full retirement program, only a supplemental program. Nevertheless, one-fourth of all retired people depend on Social Security for 90 percent of their income. The statistics get worse when you consider that the average benefit for a retired person is $488 per month in January 1987 and $833 per month for a retired couple.

And yet we continue to penalize those older people who want to earn extra money to supplement their income or want to continue working simply to keep busy. The earnings limitation almost forces these people into full retirement even though many of them wish to continue working and contributing to the economic benefit of their country.

I believe that senior citizens who have paid into the Social Security trust funds should receive their earned benefits regardless of their employment status. Therefore, I have introduced legislation to eliminate the outside earnings limitation.

In addition, Mr. Speaker, I have introduced a second bill to repeal the tax on higher-income beneficiaries. As you know, Social Security benefits are subject to Federal income tax if these senior citizens have earnings that push them over another income threshold. Keep in mind that Social Security contributions are subject to the Federal income tax when they are withheld, resulting in double taxation.

We remind today's workers to plan ahead for their retirement and yet we penalize senior citizens who have done just that. These senior citizens have worked hard to attain a self-sufficient and comfortable retirement. They have paid into the Social Security trust funds and planned for other means of retirement security, independent of the Federal Government, just as we have encouraged today's workers to do. Yet we tax up to one-half of their Social Security benefits—benefits they are entitled to—if their full retirement earnings amount to more than the arbitrary cap: $25,000 for an individual, or $32,000 for a couple filing jointly.

To add fuel to the fire, these income thresholds are not indexed for inflation. In 1984, 9 percent of all Social Security recipients were presented with this new tax. It has been estimated that 17 percent of all recipients will be affected by this tax in 1990.

I suggest that if we want to see individuals plan ahead for their "golden years," rather than rely on the Social Security system for their full retirement benefits, we should eliminate the disincentives that discourage today's workers, and I urge you to join me in this effort.

THE ARCTIC NATIONAL WILDLIFE REFUGE WILDERNESS BILL

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. UDALL. Mr. Speaker, today I am pleased to introduce legislation—H.R. 39—to designate as wilderness the 1.5 million acre coastal plain of the Arctic National Wildlife Refuge [ANWR] in Alaska. This magnificent land is the subject of what is becoming an old controversy, but one now marked by new information and new urgency for action.

In the late 1970's, the Congress and, indeed, the Nation wrestled with the enormous and difficult choices involved in the debate over the future of the truly vast Federal lands in Alaska. The Nation poured over two-thirds of the State's 375 million acres in a mammoth effort to determine which should be managed as Federal parks, wildlife refuges, and wilderness areas, and which should be placed in less restrictive categories. It was an exceedingly difficult process with far-reaching consequences for the economic and environmental future of both Alaska and the Nation and resulted in the Alaska National Interest Lands Conservation Act of 1980.

Perhaps the most salient issue of that most complicated debate was what to do about the ANWR coastal plain. Bearing wildlife resources of internationally acknowledged significance, the area also is thought to have potential for oil and gas development. For several years the argument raged, especially here in the House. On two occasions, however, the House voted overwhelmingly to place the coastal plain in wilderness, reasoning that the priceless national treasures of caribou, polar bear, musk ox, and many other wildlife species simply should not be risked on speculative resource development.

The final version of the legislation, however, was crafted in the Senate, and it opted to compromise this vexing question. It carved out of the House's wilderness proposal a 1.5 million acre area of the coastal plain and, under section 1002 of ANILCA, instructed that it be subjected to a 5-year study of its biological resources and hydrocarbon potential.

The oil and gas portion of the study included seismic surveying and mapping that previously had not been done on the coastal plain. Section 1003 of ANILCA further stipulated that after the report was submitted to Congress the so-called 1002 area would remain closed to any oil and gas activities, including leasing, without a further act of Congress. The assumption behind the compromise was that the study would fill some of the gaping holes in our knowledge about the natural and mineral resources of the area and that armed with this information a future Congress would make a better decision about its fate.

At no time did the House participate in the negotiations that led to the inclusion of this provision. Despite our strong urging, the Senate refused to reconsider seriously this and many other vital matters of deep concern to the House. In the fall of 1980, it became apparent to me that further efforts to seek alterations in the Senate bill would be fruitless and I reluctantly urged my colleagues to join me in accepting the Senate bill. I made it very clear at the time, however, that the bill was seriously deficient in many important respects, and that wilderness designation for the coastal plain should be reconsidered in the future.

In December 1986, the Department of the Interior issued its controversial draft report in fulfillment of the section 1002 requirements. It is a somewhat curious document. Unveiled with considerable fanfare by the Department, it proclaimed that the preliminary work indicated that there was a 5-percent chance that the area contained 29.4 billion barrels of oil and a "mean estimate" of 13.8 billion barrels. Prudhoe Bay, by contrast, contains about 10 billion barrels of recoverable reserves.

Buried in the report's text, footnotes, and charts, however, was a far more sober assessment of the area's oil and gas potential. Under the "most likely" economic scenario—which assumes $33 per barrel oil by the year 2000, 6 percent inflation and other factors, there really is only a 19-percent chance that any economically recoverable reserves of any size at all are present beneath the coastal plain.

In the fortuitous event that our 1-in-5 chance lucks out on the coastal plain, how much oil might we then expect? Well, the report postulates, there is a 95-percent chance that there would be about 600 million barrels of economically recoverable oil, about one-twentieth the size of Prudhoe Bay and enough to satisfy a few weeks of U.S. oil appetite. There is a 50-percent probability of 2.2 billion barrels and only a 5-percent chance of 9.2 billion barrels, roughly the size of Prudhoe. Even more optimistic assumptions, including $40 per barrel oil and 3.5 percent inflation, raise the likelihood of finding any economically recoverable oil at all to only 27 percent.

Everyone understand the shaky nature of these numbers. They are based on very preliminary geophysical data, and unless holes are punched in the ground no one really knows much of anything. But it is fair to say, I think, that these numbers suggest that while the ANWR coastal plain may be one of the better onshore oil and gas prospects in the United States, the stronger likelihood is that no economically recoverable oil is present. And certainly these numbers suggest that the 1002 area is a long, long way from the likelihood of harboring a second Prudhoe Bay or any other level of reserves that could contribute anything significant to the Nation's energy profile.

Stacked against these projections are a number of unassailable facts. Wells elsewhere on the North Slope of Alaska are now being shut in because of the depressed world oil market. Although other promising areas of Alaska, both onshore and offshore, have come up dry with depressing regularity, virtually the entire North Slope west of ANWR, both onshore and offshore and including the national petroleum reserve, remains fully open to development.

Is this a sensible time for the Congress to authorize oil and gas exploration in one of the most remote and environmentally sensitive areas of our entire Nation? I think not. Furthermore, it seems only prudent to me to keep some areas in reserve for future generations to explore. There is a provision in the Alaska Lands Act that provides a process for opening up even a protected area if the national need for a particular mineral ever becomes so great as to warrant opening it.

And looming over it all are the natural wonders of the coastal plain itself. This extremely delicate arctic desert supports polar and grizzly bears, muskoxen, wolves, wolverines, arctic foxes, millions of birds, including ducks, geese, swans, loons, and ptarmigan, and 16 species of fish. Offshore in the Arctic Ocean, walrus, seals, the endangered bowhead whale, and even narwhals are found.

Most importantly, the lifecycle of the Porcupine caribou herd, numbering more than 160,000 and the largest in the United States, is centered on this coastal plain. This herd usually winters in Canada and, as it has for thousands of years, migrates to the coastal plain to calve and nurse its young. During this critical stage, caribou are extremely sensitive to intrusions. Wildlife biologists believe that intensive petroleum development, including roads, pipelines and all the rest, may result in abandonment of areas previously used for calving with potentially devastating effects to the viability of the herd.

The oil companies would have us believe that there is no real problem here, that we can have it all. They confidently assure us that oil and gas development will have no serious effects on wildlife. This is, indeed, a very seductive message and I would be the first to recognize the differences of opinion in the scientific community about just what the impact of development would be on wildlife in the coastal plain. But I also would make these observations.

First, we do not know far more than we do know about the long-range effects of industrial development on the natural environment of the arctic because we have so little experience with either. Wouldn't it be wise to avoid hasty decisions that will result in actions of highly uncertain effect when so much is at stake?

Second, the landscape of America is littered with the unfulfilled assurances of the self-interested. It seems to me that simple prudence requires us to view skeptically the claims of the oil industry that with a little money and careful planning the magnificent polar bear or the herds of caribou or the flocks of migratory waterfowl will hardly know that Western civilization has arrived to significantly alter their habitat.

And finally, the fact remains that many scientists of impeccable credentials do not share these sanguine predictions. For example, the November 1986 report of the Caribou Impact Analysis Workshop of the U.S. Fish and Wildlife Service recommended, among other things, that the area of sustained caribou calving use not be leased. This is a large and significant portion of the 1002 area.

Mr. Speaker, if we only designated wilderness in places where there were no conflicts, the National Wilderness Preservation System would be an empty thing indeed. Sometimes we have to make tough choices and often we have made them. In all my years of work on legislation such as this I have to chosen to permit the saw or the shovel as often, I suppose, as I have chosen to ban them. But the willingness of the Congress and many Presidents to make these choices and to say not only to our own grandchildren but also to the entire world that we as a nation take seriously our responsibility to be good and conscientious stewards of our land, our air, our water, and all the life that depends on it, even when we might be denying ourselves some measure of material wealth; to me that is a sign of a great and mature nation.

On the ANWR coastal plain we have such a choice. There may well be oil beneath this arctic plateau. Out best information now available suggests there probably is not any, but there may be some, that we can get economically. There is a very, very slim chance for nationally significant reserves that can feasibly be recovered.

We know a great deal more about the fabulous and unique wealth of wildlife that depends on this environment. That fact stands out clearly against the backdrop of "maybes" and "mean estimates" and most likely scenarios that characterize the area's mineral resources. There is a possibility that we could move roads and pipelines and machines and all the other accoutrements of industry into this place without serious disruption of this extraordinary place. But there is a very grave risk, and many would say a likelihood, that we cannot. And once we have undone this great and special place, we could never remake it.

Mr. Speaker, when the Department of the Interior's report is finalized, it will not give the Congress the answers it was hoping for 6 years ago. I think our children and our children's children would not judge us too kindly if we moved into this place before we had a firmer grasp of the questions, much less the answers. In the meantime, I think it is impossible to deny that if there is wilderness in the United States, this is it. To keep our coastal plain of the Arctic National Wildlife Refuge out of the National Wilderness System is to leave it unfinished, a crown without one of its most precious jewels.

DR. WALTER S.E. HARDY, JR.: KNOXVILLE MOURNS A GREAT HUMANITARIAN

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. DUNCAN. Mr. Speaker, Knoxville, TN, lost a great humanitarian when Dr. Walter S.E. Hardy, Jr., died on December 5, 1986. Dr. Hardy worked on behalf of all black physicians in the area when he organized an annual golf tournament to raise funds for the educational expenses of minority medical students. In this way, Dr. Hardy was able to work toward his personal goal of reducing the dropout rate of black doctors, therein providing minorities in the community greater access to care from a black physician, and encouraging black youths to higher aspirations by increased visibility of professional, black role models.

Dr. Hardy will be greatly missed by many Knoxvillians. I praise him for his efforts and the good work he performed throughout his lifetime. A portion of a Knoxville News-Sentinel article, by Amy Todd Geisel, provides quotes from area leaders on the importance of Dr. Hardy to the community.

FRIENDS, FAMILY MOURN LOSS OF DOCTOR, CIVIC LEADER HARDY

(By Amy Todd Geisel)

In 1976, Dr. Walter S.E. Hardy, Jr. looked around East Knoxville where he had practiced medicine since 1951 and worried about the attrition rate of black doctors.

He decided to do something about it.

Edna Hardy said Friday after her husband's death that she wanted her husband to be remembered for "how he worked to keep black doctors in the community." The couple were married 41 years.

An avid golfer, Hardy 10 years ago began a golf tournament to serve as a fund-raiser for medical scholarships to minority students. The annual tournament, named for Hardy, is sponsored by the Knoxville Area Urban League, of which he was a board member.

A requirement of the scholarship recipients is to spend at least five years in private practice in Knoxville. Two physicians are currently completing their training with help from the $5,000 scholarships.

Sarah Moore Greene, local director of the NAACP, said of Hardy, "He realized the shortage because he had been there more than anyone else . . . he hated to see the community so inadequately supplied with doctors."

Hardy's death at age 66 leaves only three practicing black physicians in Knoxville.

"The loss is so great it's hard to speak about it and give it justice how much he will be missed," Greene said.

"He was very brilliant and a wonderful civic leader," said the Rev. W.T. Crutcher, pastor of Mount Olive Baptist Church. "He was concerned for civil rights and very helpful during our civil rights struggle here.

"It's a great loss to all of Knoxville," he said.

Hardy suffered a heart attack Friday morning as he was driving his car on Dandridge Avenue. The car swerved off the road and struck a house.

Stephen Houston, 27, Linden Avenue, and Alma Raines, 39, Lawrence Avenue, administered cardiopulmonary resuscitation until Knoxville firefighters and Rural/Metro paramedics arrived. Paramedics attempted to revive Hardy for more than 20 minutes before he was taken to Baptist Hospital, where he was pronounced dead.

The Hardys have one daughter, Cheryl Gaffar of Pittsboro, N.C.

University of Tennessee Chancellor Jack Reese, also an Urban League board member, said Hardy was "a true community leader."

Hardy was born in Aicoa, but his family moved to Knoxville a year later. He was a graduate of Austin High School, Johnson C. Smith University and Meharry Medical College. He began practicing medicine in Knoxville in 1951.

A Democrat, Hardy served on the old Knox County Court from 1986 to 1980 and served one term on the new County Commission.

In 1979, he received the Brotherhood Award for his contributions to the community from the Knoxville Round Table—National Conference of Christians and Jews. A year later, he received the Chairman's Outstanding Service to the Community Award from the Minority Business Bureau.

He was a former director of the Knoxville College Health Services and board chairman for Hillcrest Medical Nursing Institute, Magnolia Federal Savings and Loan, and People's Mortgage Co.

A staff member at all of Knoxville's hospitals, he was a volunteer physician for Knoxville Neighborhood Health Services.

LEGISLATION AMENDING THE FEDERAL INSECTICIDE, FUNGICIDE, RODENTICIDE ACT

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. COLEMAN of Missouri. Mr. Speaker, approximately 4 months ago, ethylene dibromide, commonly known as EDB, was discovered leaking from 1 gallon and 5 gallon containers in the basement of a warehouse in St. Joseph, MO. The leak was found by two policemen who, while investigating a possible burglary, were overcome by the fumes of this toxic pesticide. At the time, the only Government officials who knew that 64,000 gallons of EDB were stored at this warehouse were employees of the EPA Office of Pesticides here in Washington. Local fire and health officials were unaware of the presence of the EDB; officials of the Missouri Department of Natural Resources and regional EPA officials did not know of the location of the stored pesticide. Had there been a fire at this warehouse, the responding firefighters would not have known that EDB and 245-T, which contains dioxin, were stored in the warehouse and that they had a chemical fire on their hands. A fire at this warehouse could have caused serious injury and have had long-term environmental consequences.

In the near future, EPA will be reviewing the registrations on more than 600 pesticides. EPA foresees suspending several of these registrations, which will mean even more pesticides will be placed in storage for indefinite periods of time.

The problem with putting suspended or canceled pesticides into storage is that the containers pesticides are stored in for sale are not designed to last for long periods of time. For example, the containers that St. Joseph EDB were stored in were not meant to last for more than 1 year. Since EDB is a corrosive material and it has been sitting in these containers for 3 years, it is not surprising that many of these containers were found leaking.

Today I am offering a bill to amend the Federal Insecticide, Fungicide, Rodenticide Act, to provide the Environmental Protection Agency as well as State and local officials with the authority they need to deal with the difficult problem of suspended or canceled pesticides in off-site storage facilities.

This bill takes the first steps in closing a wide gap in Federal law by providing for oversight on the storage of suspended or canceled pesticides. I have consulted with the EPA on the text of this bill and they believe that this initiative provides new mechanisms which are workable and would help in ensuring that suspended and canceled pesticides are handled safely.

My bill requires that any producer, seller, exporter, distributor of pesticides, a commercial applicator or pesticide testing facility that has possession of a pesticide which has had its registration canceled or suspended must notify the Administrator of EPA and the appropriate local and State officials of the location, type and quantity of a suspended or canceled pesticide they have in storage. Included is the requirement that the EPA Administrator notify the regional office with jurisdiction over the stored suspended or canceled pesticide.

The bill also authorizes the EPA to inspect facilities where canceled or suspended pesticides are stored. Because reporting alone is not sufficient to ensure the safety of people living and working near stored suspended or canceled pesticides, I believe that it is essential to give EPA the discretionary authority to conduct inspections at storage facilities. This authority should be invoked in cases of high volumes of suspended or canceled pesticides in long-term storage.

VENEZUELA'S DEBT CRISIS, CONTADORA PEACE PROCESS, AND BILATERAL TRADE RELATIONS

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. GEJDENSON. Mr. Speaker, I recently visited Venezuela to learn more about that country's debt crisis, its role in the Contadora peace process and its views on our bilateral trade relations. I was extraordinarily impressed with the Venezuelans thoughtful approach to these very important issues and would like to share with my colleagues the following summary of my trip:

COMMITTEE ON FOREIGN AFFAIRS,
December 22, 1986.

Memo to: The Honorable Dante B. Fascell, Chairman, Committee on Foreign Affairs.

From: The Honorable Sam Gejdenson.

Subject: Report on visit to Venezuela.

From December 4 to 6, I visited Venezuela, accompanied by Victor C. Johnson, Staff Director of the Subcommittee on Western Hemisphere Affairs. My purpose was to discuss the debt crisis and related economic problems, as well as regional issues, particularly the Nicaragua problem.

With the excellent and effective assistance of Ambassador Otto J. Reich and his very able staff, I was able to visit with Foreign Ministry officials, congressional leaders, and a wide range of political, business, financial, and academic figures. I also spent a day visiting an impressive reforestation project, financed by the Venezuelan government and the Inter-American Development Bank, in the southeastern state of Monagas.

I wish to thank you, Mr. Chairman, for authorizing this trip, Political Officer Allen Yale and other officers at the U.S. Embassy for their assistance, the many Venezuelans who found time in their hectic schedules to meet with me, and the Venezuelan people for their generous hospitality. Following are my principal findings, conclusions, and recommendations from this mission.

POLITICAL ISSUES

Politically, Venezuela is a Latin American success story. Having overthrown a military dictatorship in 1958, Venezuela now boasts one of South America's longest sustained periods of democratic, civilian rule. In 1988, Venezuela will, for the sixth consecutive time, peacefully transfer power to another freely elected President.

For such a young democracy, Venezuela boasts an impressively mature political culture. The Presidency generally alternates between the two major political parties—Acción Democrática (Democratic Action), the social democratic party of the current President, Dr. Jaime Lusinchi, and COPEI, a Christian democratic party. The radical left participates peacefully in the system, winning only a small percentage of the vote but expressing its views freely in the Congress and the media. Relationships among Venezuelan political actors are cordial and respectful, and political discourse is conducted on a high level. Human rights violations appear to be minimal, although there is a serious problem with delays in the administration of justice, for which Venezuela requires greater assistance from the United States.

Both the Venezuelan government and the political parties play an active and constructive role in supporting other democratic governments and parties in Latin America. In fact, the Venezuelan parties are far more advanced than the U.S. parties in their international outreach, and have in many respects provided a model for U.S. efforts in this regard under the auspices of the National Endowment for Democracy.

Venezuelan-United States relations are excellent, and the Venezuelan people are very U.S.-oriented and friendly toward North Americans. Venezuela's constructive role in the hemisphere complements many U.S. policy objectives—particularly those traditionally espoused by the Committee on Foreign Affairs. All in all, Venezuela is a good friend and valued ally of the United States, and a good model of democratic government in our hemisphere.

It is my strong feeling, Mr. Chairman, that Venezuela's role and achievements are insufficiently recognized in the United States. Venezuela deserves better than to be taken for granted. I will have some suggestions below for economic measures that can be taken to benefit Venezuela.

I was also impressed by the widespread desire that I found among Venezuelan politicians for more frequent and extensive interparliamentary exchanges and other contacts with their North American counterparts. As you know, many Latin American and Caribbean parliamentarians share this desire. The current proliferation of struggling democracies in the Americas makes such contacts increasingly urgent. If we on the Foreign Affairs Committee could work out a way to foster more of these contacts, we would be making a real contribution.

ECONOMIC ISSUES

Both blessed and cursed with vast oil wealth, Venezuela is suffering the effects of overdependence on oil in an era of declining oil prices. More than 90 percent of Venezuela's export earnings still come from oil, whose price has dropped 50 percent in recent years. During the oil boom, Venezuela built up an impressive infrastructure and achieved the highest per capita gross domestic product in Latin America, but was lulled by easy money and a favorable exchange rate into living off cheap imports rather than developing its own productive capacity. As a result, for example, Venezuela imported 70 percent of its food during this period.

With the price of imports increasing and oil revenues declining, Venezuela is not forced to devote itself to the more complete development of its own economy. I was able briefly to witness some impressive development projects. I spent a day visiting two reforestation projects that are expected to produce all of the country's lumber, pulp, and paper needs in 10 to 15 years and to have an export capacity left over. These projects also have beneficial socio-economic spinoffs in terms of employment and other benefits. On the way back to Caracas I was able to fly over the recently-inaugurated Guri dam which, with a 10,000 megawatt capacity, is currently the largest producing hydro-electric dam in the world. This facility already provides 78 percent of Venezuela's power requirements.

However, Venezuela has a long way to go in restoring confidence and economic growth. During the past eight years, growth has been flat or negative, and workers are said to have lost 60 percent of their purchasing power. The amount of capital flight exceeds the debt. Disincentives to foreign investment remain high, and businessmen complain of an unstable economic policy environment.

THE DEBT PROBLEM

With a total public and private debt of about $35 billion, Venezuela is Latin America's fourth largest debtor. While the magnitude of Venezuela's resources compared to the size of the debt makes this less of a problem for Venezuela than for some other Latin American countries, it is still a serious problem, eating up Venezuela's export earnings as per capita income declines and unemployment approaches 20 percent.

Venezuela is far from being the must seriously debt-impacted country in the region. As one party leader put it, "Entre lo malo, no estamos tan malo" (among the bad-off, we are not so bad-off). This comment exemplifed a spirit that I found throughout my visit; people are convinced Venezuela will make it through the crisis without reneging on its obligations.

But the feeling is as pervasive in Caracas as it is in other Latin American capitals that, ultimately, the debt cannot be repaid, and that piling debt upon debt through further borrowing to meet interest payments is not a viable solution in the long run. Equally pervasive is the attitude that both debtors and creditors share the blame for the debt crisis, and that therefore both should share the costs of resolving it.

In this context, Venezuelans are puzzled that they are unable to secure repayment terms as beneficial as those accorded to other countries. Venezuelans point out that they have always met their repayment obligations, that they have been a reliable supplier of oil to the United States even during the oil embargo, and that they generally support U.S. policies in the region. They believe that this entitles them to what might be called "most-favored-nation" treatment when it comes to debt repayment terms; they believe, in other words, that virtue should be rewarded. They also believe that they are not immune to a return of political instability if purchasing power continues to decline, and that the United States ought to be more sensitive to its interest in helping Venezuela preserve democracy; yet they see the United States giving better terms to larger debtor countries, or to countries where social unrest would impact more immediately on the United States.

Venezuelans do not seem to agree with the Peruvian solution of unilaterally limiting debt repayments to a certain percentage of export earnings. That approach seems to have no real resonance among Venezuelans. They want and expect to meet their obligations. All they ask is manageable terms. All they ask is to be treated at least as well as other debtor nations with less impressive records of economic management, democratic government, and friendship with the United States.

The Venezuelans must understand that any solution that assumes that the U.S. taxpayer would assume the burden of third world debts is politically unrealistic. But I believe that—because of its responsible behavior on the debt, its constructive international role, and its importance to the United States—Venezuela should be guaranteed debt repayment terms at least as favorable as those offered to Mexico and other major hemispheric debtors.

Furthermore, the Congress should avoid actions that would impact adversely on Venezuela's ability to export its major product—oil—to the United States. Venezuelans are extremely concerned that Congress might enact an oil import fee as a revenue-raising measure. Not only would such an action make no sense from the point of view of U.S. consumers; it would also be a disaster for Venezuela. This unwise measure must be resisted. More broadly, efforts should be made by both countries to reduce protection from each other's products.

Finally, the United States should seek new and imaginative ways to finance Venezuela's debt. My trip has encouraged me to work on a plan whereby Venezuela would essentially pay off part of its debt with oil futures that the United States would buy for its strategic petroleum reserve. For the United States, this would be a hedge against a future price crunch and an investment in the maintenance of a stable Venezuelan democracy. This plan should also be offered to other Latin American oil exporters. I intend to consult further with experts about this idea and, if appropriate, to seek its implementation.

REGIONAL ISSUES

Venezuelans seem generally supportive of U.S. policy toward El Salvador and Guatemala now that both of those countries have elected governments—governments with which Venezuela's Christian Democrats, in particular, have an especially close relationship.

However, Venezuelans generally opposed U.S. policy toward Nicaragua. Virtually everyone I spoke with expressed opposition in principle to any military action against any government of the hemisphere, out of fear of setting a precedent that might some day be used against Venezuela. Most people I spoke with also expressed opposition to U.S. policy on its merits; they think it has failed. They are anti-Sandinista, but they do not believe U.S. support for the contras is an effective way to deal with the Sandinista problem.

As participants in the Contadora Group, Venezuelans support the Contadora process and wish the United States did, too. Few express much optimism about Contadora's prospects in currrent circumstances, but they believe that eventually all parties will be driven to a Contadora-type diplomatic settlement as the only way out.

I believe it would be good for our hemisphere if Venezuela took more of a lead on regional issues. I urged by Venezuelan hosts to do so, and I urge my own government to do more to follow such a lead, if it is taken.

Venezuelans also express resentment that the United States pays so much attention to Nicaragua and so little to South America. They tend to attribute this to what they see as a perennial U.S. tendency to think of Latin America only as an adjunct to the East-West conflict. As one distinguished businessman and journalist put it to me, the United States would not talk about taxing oil imports from Venezuela if there were guerrillas there; but since there are not, the United States appears indifferent to the effects that such a measure would have on Venezuela.

Venezuelans clearly think that the debt—not the Sandinistas—is the worst problem that Latin America's democracies face, and the problem most likely to bring those democracies down. Therefore, I urge the Committee to redouble its attention to and its efforts in this area.

MUTUAL NUCLEAR WARHEAD TESTING MORATORIUM ACT

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. GEPHARDT. Mr. Speaker, the Soviet Union recently announced its intention to resume nuclear testing as soon as the United States detonates the first explosion of our 1987 program. Press accounts suggest this could come as early as the third week in January. The Soviet Union unilaterally halted testing in August 1985. In the interim, the United States conducted a vigorous test program, much of it related to the development of star wars technology.

Prior to the unsuccessful Reyjavik summit, President Reagan declared his commitment "to the ultimate attainment of a total ban on nuclear testing, a goal that has been endorsed by every President since President Eisenhower." Unfortunately, the administration has taken no practical steps toward the achievement of this goal.

In an effort to correct this, the House of Representatives in the 99th Congress passed the Aspin-Gephardt-Schroeder amendment by a substantial bipartisan vote of 234 to 155. This legislation called for onsite monitoring of a 1-year moratorium on tests above 1 kiloton. The Senate also supported a test ban by a vote of 64 to 35, even if their nonbinding amendment only urged the President to begin negotiating a comprehensive treaty and to submit the 1974 Threshold Test Ban Treaty and the 1976 Peaceful Nuclear Explosion Treaty for ratification. Clearly, it is the desire of both Houses of Congress that we engage the Soviet Union in serious and productive negotiations on the nuclear issue.

Both we and the Soviets have more than enough missiles and bombs to destroy the world as we know it. At the same time, America's nuclear forces have never been stronger: our weapons are more accurate than the Soviets' and our warhead modernization programs are substantially complete. A mutual limitation in warhead development and testing would leave the United States in an advantageous position. A new United States round of testing would give the Soviets an excuse to resume their own program, and would present them with an opportunity to refit their powerful missiles with greater numbers of more accurate multiple warheads. This would threaten American security far more than the current situation.

It is because a continuation of the Soviet moratorium is so much in the interests of U.S. national security that we are reintroducing legislation to limit our own test program. Such a limitation would be strictly reciprocal. Our legislation contains rigorous verification provisions to assure that the Soviets live up to their side of the moratorium. We will know, immediately, if they cheat. Recent advances in seismic research provide confidence in our technical ability to detect any Soviet violations. In addition, the agreement between the Natural Resources Defense Council and the Soviet Academy of Sciences indicates for the first time that in-country monitoring is possible. Any long-term agreement will require that formal monitoring procedures be worked out between our two governments, but the principle of in-country monitoring is no longer in dispute.

On December 18, 132 Members of this House wrote to the President urging him to enter into an inspected moratorium which eventually could lead to a permanent ban on nuclear testing. It's now time to back this letter with congressional action. If we allow this opportunity to slip, if we resume testing without exploring possibilities with the Soviets for mutual restraints, we may have closed the window on negotiation for the remainder of this administration.

I am proud to join Congresswoman PATRICIA SCHROEDER in introducing the Mutual Nuclear Warhead Testing Moratorium Act. So that our colleagues can see the text be of the legislation for themselves, I ask that the text be included at this point. The information follows:

H.R.—

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mutual Nuclear Warhead Testing Moratorium Act".

SEC. 2. FINDING.

The Congress finds that a mutual, simultaneous, and verifiable moratorium on the testing of nuclear warheads by the United States and the Soviet Union would be a crucial first step by both nations toward mutual nuclear arms reductions.

SEC. 3. SENSE OF CONGRESS.

(a) CESSATION OF NUCLEAR TESTING.—(1) It is the sense of Congress that the President should declare that the United States—

(A) will, as soon as in-country reciprocal monitoring arrangements are implemented, cease the testing of nuclear warheads; and

(B) will invite the Soviet Union to cease the testing of nuclear warheads and to meet with the United States to enter into negotiations for the conclusion at the earliest possible date of a Comprehensive Test Ban Treaty.

(2) If such a mutual cessation of the testing of nuclear warheads takes effect, the United States should continue the cessation of the testing of nuclear warheads so long

as the Soviet Union refrains from the testing of nuclear warheads and while substantive Comprehensive Test Ban Treaty negotiations are in progress.

(b) RESUMPTION OF COMPREHENSIVE TEST BAN TALKS.—It is the sense of Congress that during a cessation of the testing of nuclear warheads described in subsection (a) the President should actively seek resumption of negotiations in order to achieve a Comprehensive Test Ban Treaty.

SEC. 4. ONE-YEAR TESTING MORATORIUM.

(a) CONTINGENT U.S. MORATORIUM.—If the President does not declare a cessation of the testing of nuclear warheads as described in section 3(a), then during the 12-month period beginning 90 days after the date of the enactment of this Act funds appropriated or otherwise made available by Congress may not be obligated or expended by the United States—

(1) to carry out testing of a nuclear warhead outside a designated test area; or

(2) to carry out, within a designated test area, testing of a nuclear warhead with a yield in excess of the equivalent of one kiloton of TNT.

(b) TERMINATION OF U.S. MORATORIUM IF SOVIET UNION TESTS.—The prohibition in subsection (a) shall cease to apply if, after the prohibition takes effect, the Soviet Union—

(1) carries out testing of a nuclear warhead outside a designated test area; or

(2) carries out, within a designated test area, testing of a nuclear warhead with a yield in excess of the equivalent of one kiloton of TNT.

(c) REQUIREMENT OF RECIPROCAL IN-COUNTRY MONITORING ARRANGEMENTS.—The prohibition in subsection (a) shall cease to apply if, after the prohibition takes effect, the Soviet Union refuses to accept and implement reciprocal in-country monitoring arrangements to be in effect for the period of the moratorium.

(d) CERTIFICATION.—Any termination under subsection (b) or (c) of the prohibition in subsection (a) shall be effective on the date the President certifies to Congress that Soviet Union has carried out testing described in subsection (b) or refused to accept and implement arrangements as described in subsection (c). The President shall include with any such certification—

(1) an unclassified report summarizing the basis for the certification; and

(2) a classified report describing in detail the activities of the Soviet Union that are the basis for the certification.

(e) TERMINATION FOR CERTAIN NEW AGREEMENTS.—The limitation on nuclear explosions contained in subsection (a) shall cease to apply if supplanted by an agreement, accord, or treaty between the United States and the Soviet Union establishing significant limits on nuclear explosions by such countries that is negotiated after the date of the enactment of this Act.

SEC. 5. VERIFICATION OF CESSATION OF TESTING.

The Congress determines that—

(1) existing national technical means of verification, together with in-country reciprocal monitoring arrangements, are adequate to provide confidence during the 12-month period of the cessation of nuclear testing referred to in section 4(a) that testing of nuclear warheads by the Soviet Union that would lead to a military advantage for the Soviet Union cannot be conducted without detection by the United States;

(2) the negotiations for a Comprehensive Test Ban Treaty referred to in section 3(b) can build upon verification procedures already developed and incorporated in previous treaties and agreements to provide long-term mutually acceptable verification measures; and

(3) these verification measures would include, at a minimum, in-country reciprocal monitoring arrangements, cooperative measures for the exchange of seismic data, and the establishment of a joint monitoring committee.

SEC. 6. ANNUAL REPORT.

Three months after a cessation of the testing of nuclear warheads takes effect under section 3 or 4 and annually thereafter while such cessation remains in effect, the President shall report to Congress on the progress being made by the United States in negotiating a comprehensive test ban treaty with the Soviet Union.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) The term "testing of a nuclear warhead" means the detonation of a nuclear explosive device.

(2) The term "in-country reciprocal monitoring arrangements" means arrangements between the United States and the Soviet Union to supplement national technical means of verification through the emplacement by each country of seismic monitoring stations on the national territory of the other so that the seismic monitoring network of each nation will be capable of detecting and identifying nuclear explosions with a yield exceeding one kiloton at known nuclear weapons test sites of the other nation and at any other site of the other nation that currently has the capability to accomodate decoupled nuclear explosions with a yield exceeding one kiloton.

(3) The term "designated test area" means an area within the Soviet Union or the United States which—

(A) is known to be composed of strong-coupling rock; and

(b) is located within the boundaries of a single existing nuclear weapons testing site in such country.

SURPRISE CLAIMS OF INTELLIGENCE OR LAW ENFORCEMENT AFFILIATION INCREASE THE POSSIBILITY OF A MISCARRIAGE OF JUSTICE

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. STUMP. Mr. Speaker, today I have introduced the "Intelligence and Law Enforcement Defense Pretrial Notification Act" to amend the Federal Rules of Criminal Procedure to require a defendant to give notice prior to trial if he intends to claim in his defense that he was, or believed he was, acting on behalf of a law enforcement or Federal intelligence agency at the time of the alleged offense.

In recent years, the number of cases in which defendants have claimed at trial to have been working secretly for a U.S. intelligence or law enforcement agency at the time of their alleged offenses has increased significantly. The bill I have introduced would eliminate the element of surprise and allow for a full and fair trial of such claims by requiring a defendant to give notice of such claims in advance of trial. The bill also provides a mechanism by which the Government and the defendant may exchange information concerning such claims in advance of trial.

I introduced similar legislation early in the 99th Congress as title II of H.R. 1082, the Omnibus Intelligence and Security Improvements Act. Since then, the Department of Justice and the Committee on Rules of Practice and Procedure of the Judicial Conference of the United States have developed a preliminary draft proposed rule, dated September 1986, which will be considered for promulgation under section 3771 of title 18 of the U.S. Code. Section 3771 permits the Supreme Court of the United States to amend the Federal Rules of Criminal Procedure with respect to all proceedings prior to and including the verdict. The Committee on Rules of Practice and Procedure will hold a hearing on its preliminary draft on February 13, 1987.

The legislation I am introducing today is identical to the September 1986 preliminary draft proposed by the Committee on Rules of Practice and Procedure. The amendment to the Federal rules to require pretrial notice of a public authority defense may become effective either by promulgation by the Supreme Court or by enactment by Congress of the bill I have introduced, or similar legislation.

Requiring pretrial notice of public authority defense claims will improve the administration of criminal justice. Both the Government and criminal defendants will have a full and fair opportunity to marshal and present any evidence they possess which bears on such a defense.

The notes of the Committee on Rules of Practice and Procedure explaining the proposal to require pretrial disclosure of a claim of actual or believed exercise of public authority on behalf of a law enforcement or Federal intelligence agency are as follows:

COMMITTEE NOTE

Subdivision (a). There has been an increase in the number of cases in which defendants have claimed that they were secretly involved with the government at the time of the offenses charged against them. *See, e.g., United States* v., *Sampol,* 636 F.2d 621, 630 (D.C. Cir. 1980); *United States* v. *Wilson,* 721 F.2d 967, 974 (4th Cir. 1983). Although the defense of public authority has been raised more frequently in recent years, it still remains an unusual defense. Thus, the government rarely will have reason to anticipate it. Without a notice provision, the government may be unfairly surprised at trial by a public authority defense. Thus, Rule 12.3 has been drafted to deal with a problem that is similar to the problems addressed by Rules 12.1 (Notice of Alibi) and 12.2 (Notice of Defense Based Upon Mental Condition). The rationale of both those rules—*i.e.,* notice is needed to avoid unfair surprise and to permit adequate preparation—also supports Rule 12.3.

The rule covers all defenses based upon a claim that a defendant actually exercised the public authority of a law enforcement or federal intelligence agency at the time of an alleged offense and all defenses based upon a claimed belief that the defendant was exercising such authority. "Law enforcement agency" is worded broadly to cover any agency whose authority the defendant claims to have been exercising—federal, state, local, international, or foreign.

Because of the obvious sensitivity of intelligence information, the rule requires that the notice given by the defendant be under seal when the defense identifies any such agency in its notice. This protects not only the agency, but also the individuals whom the defendant lists as witnesses. There is no requirement that notices claiming reliance on public authority of law enforcement agencies that are not intelligence agencies be under seal, but subdivision (d) clearly indicates that the court retains its traditional power to enter orders that are needed in the interests of justice. Such power would be broad enough to support the sealing of other notices in particular cases where good cause is shown for protecting sensitive information from disclosure.

Subdivision (a)(1) imposes the initial burden of giving notice with respect to the defense upon the defendant. The rule requires that the notice be filed at the time provided for pretrial motions, unless the court fixes another time. The intent is to assure that the parties and the court are aware of the defendant's intention to raise the defense so the delays can be avoided and a speedy trial can be provided without prejudicing either party. The notice requires the defendant to summarize the defense and to indentify the agency whose authority is implicated in the defense. Once the defendant gives notice, the government must respond within ten days and no later then twenty days prior to trial The government's response must state its position regarding the defense summarized in the notice. Thus, the government bears a burden equal to that imposed upon the defendant. *See generally Wardius* v. *Oregon* 412 U.S. 470 (1973).

To assure that the court is aware that a defense based upon public authority will be raised, a defendant's notice must be filed with the clerk. The rule does not require that the government's response or any subsequent exchange of witness information be filed. Generally, discovery exchanges under the Federal Rules of Criminal Procedure are not automatically filed with the court. *See e.g.,* Fed. R. Crim. P.12.1, 12.2.

Rule 12.3 borrows from the approaches taken in Rules 12.1 and 12.2. As noted above, it places the burden on a defendant who intends to raise a public authority defense to give notice of this intention. In this respect Rule 12.3 is similar to Rule 12.2 Rule 12.3 is also similar to Rule 12.1 in requiring the defendant to identify the names and addresses of witnesses upon whom the defense will rely only if the government demands discovery from the defendant. The theory of the rule is that in many cases the government will only be able to prepare to rebut a public authority defense by seeking information from the public agency upon which the defendant relies and by endeavoring to find out the nature of the evidence defense witnesses will offer. To assure that the government is not the victim of unfair surprise and that trial need not be delayed as a result of surprise, subdivision (a)(2) provides the government with the right to demand a written statement of names and addresses of any witnesses the defendant will rely upon to establish the defense. Once the defendant submits a written statement, the government must do likewise. Thus, discovery is reciprocal. *See Wardius* v. *Oregon, supra.*

If the government chooses not to demand the names and addresses of witnesses, neither party is required to provide this information. The government may choose to forego a demand if it believes that a proposed defense is frivolous or easily rebutted and that disclosure of names and addresses might pose a threat to law enforcement and security interests that is greater than any advantage it might receive from making a demand.

Subdivision (b). The continuing duty to disclose is the same duty imposed by Rule 12.1(c). Late discovery of witnesses always has the tendency to be disruptive, but subdivision (b) is an effort to reduce the disruption by requiring prompt efforts to disclose newly discovered witnesses.

Subdivision (c). The court may authorize a late filing of a notice, response, or written statement for good cause shown. This authority is also provided in Rule 12.1(e). When a party has failed to comply with the notice requirements, the court is authorized to grant a continuance so that the opposing party may avoid the surprise and unpreparedness which the rule is intended to protect against.

Speedy trial problems may occur when the government fails to follow the rule, and the court may be called upon to decide whether a continuance following a failure by the government to comply with the rule would violate the Sixth Amendment. If the defendant fails to comply with the rule, a continuance on behalf of the government is not likely to violate the speedy trial guarantee.

The rule permits the judge to exclude witnesses other than the defendant when their identities have not been disclosed as required. Whether or not exclusion is necessary to protect another party may depend on when the violation of the rule is detected and the extent to which the other party is prejudiced by the violation. Guidance may be found in cases discussing the propriety of excluding witnesses under Rule 12.1(e). *See, e.g., United States* v. *Burkhalter*, 735 F.2d 1327, 1329 (11th Cir. 1984); *United States* v. *Woodward* 671 F.2d 1091, 1099 (8th Cir. 1982); *United States* v. *Myers*, 550 F.2d 1036 (5th Cir. 1977), *cert denied*, 439 U.S. 847 (1978).

It is possible that preclusion of testimony may violate the defendant's compulsory process right. The Supreme Court has not yet addressed this possibility. *See, e.g., Taliaferro* v. *Maryland*, 456 A.2d 29 (Md. App.) *cert. denied*, 461 U.S. 948 (1983) (White, J., joined by Brennan and Blackmun, J.J., dissenting). Because the law is unclear as to whether a defendant may be precluded from testifying as a sanction for failing to give notice, *Alicea* v. *Gagnon*, 675 F.2d 913 (7th Cir. 1982), this rule, like Rule 12.1(d), provides that the court may not bar the defendant from testifying as to the defense, even though the notice required by the rule has not been given.

Should the defendant surprise the government, however, by personally testifying to a defense of public authority, the court may grant the government a continuance to enable it to prepare. If the continuance would disrupt a trial, the court may consider the possibility of granting a mistrial. It is unlikely that double jeopardy problems would be created where the mistrial resulted from the defendant's failure to give the required notice. *See Arizona* v. *Washington*, 434 U.S. 487 (1978).

Nothing in the rule limits impeachment that would otherwise be permitted by the government or by the defense. Thus, the failure to give notice might be the proper subject of cross-examination. *See Jenkins* v. *Anderson*, 447 U.S. 231, 236 (1980) (recognizing that a defendant who takes the stand may be questioned about a prior failure to make a statement). As the Supreme Court said in *United States* v. *Nobles*, 422 U.S. 225, 241 (1975), "[t]he Sixth Amendment does not confer the right to present testimony free from the legitimate demands of the adversarial system; one cannot invoke the Sixth Amendment as a justification for presenting what might have been a half-truth." The impeaching party may be able to argue that the fact finder should draw an adverse inference where such an inference would be rational under the circumstances.

As long as the right of the defendant to testify is respected, the rule expressly permits the court to enter any other order that is appropriate under the circumstances when there has been a failure of a party to comply with the requirements of the rule.

Subdivision (d) establishes that the court retains authority to issue protective orders with respect to pleadings and papers not required by this rule to be under seal. The rule protects against surprise if a public authority defense is raised, but it does not guarantee that a defendant will be able to rely upon any and all classified information or to present it at trial without restriction. The rule complements the Classified Information Procedures Act, 18 U.S.C. App. § 6(a).

Subdivision (e) is consistent with Rules 12.1(f) and 12.2(e) in providing that evidence of an intention to rely on a defense is not admissible in any civil or criminal proceeding when the defendant withdraws the defense. Self-incrimination problems are avoided when the defendant is permitted to withdraw without penalty a defense for which notice was required. *Williams* v. *Florida*, 399 U.S. 79, 84 & n.15 (1970).

FREE TRADE AREA AGREEMENT WITH THE PHILIPPINES

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. GUARINI. Mr. Speaker, today I join with my distinguished colleague, SAM GIBBONS, the chairman of the Ways and Means Subcommittee on Trade, in reintroducing a resolution expressing the sense of Congress that the President should begin exploratory discussions with the Government of the Republic of the Philippines to determine whether the negotiation of a reciprocal bilateral free trade area under section 102(b) of the Trade Act of 1974 would be feasible and in our mutual economic interest.

Last year, when President Corazon Aquino addressed a joint session of Congress I had the opportunity to speak to her briefly. From this discussion, I received the impression that Mrs. Aquino has a clear vision of democracy and where she is directing her country. Yet with its $26 billion debt and staggering economy, her country is in direr need of economic help than many others.

This situation still exists and our help grows more urgent every day. Just last month, the United States cut its sugar import quota to the lowest level in a century. As a result of this action, the Philippines will be forced to sell 38 percent less sugar to the United States. Sugar provides a large portion of the Philippines' export earnings. The cutback comes at a particularly hard time for a country which is beset with heavy debts and struggling to revitalize democratic institutions after the overthrow of Ferdinand Marcos. Together with the Dominican Republic, the Philippines stands to lose about $250 million in foreign exchange revenue.

The political and economic stability of the Philippines is of critical importance to the security of the United States. The Philippines is our bulwark in the Pacific. She is home to two U.S. military bases, Subic Bay and Clark Air Force Base, which are leased to the United States until 1991. Strengthening our trade relations with the Philippines would promote economic and political stability.

The United States and the Philippines have long enjoyed a special historical political and economic relationship. For almost 50 years she was part of our country. Extending our hand of friendship across the Pacific in the form of relaxed trade policies would expand upon our already strong cultural and language ties.

We have received clear signs from the Philippine Government that she is anxious to rebuild her economy, and is committed to modernization, a wiser use of resources and agroindustrial programs more attuned to the times. It appears that she is dedicated to a genuine private enterprise system, increasing productivity and efficiency and rationalizing overall business and entrepreneurial policies.

The Government of the Philippines has made many strides in the economic field by stabilizing the exchange rate and increasing the country's international reserves. Inflation has been brought under control and interest rates have dropped.

A free trade area agreement with the Philippines would increase investment, industrial development and foreign exchange earnings. It would help this country more further down the road to economic growth. The mutual reduction of barriers and improved market access would encourage her economic development, reduce her foreign debt burdens and dependence, and create an environment which would foster long term political and economic stability.

The President of the United States has the authority under section 102(b) of the Trade Act of 1974 to negotiate reciprocal and mutually advantageous bilateral free trade area agreements. We have already negotiated a free trade area agreement with Israel and a similar agreement is presently being negotiated with Canada. Enhancing our trade relations with these countries has been fundamental in solidifying our already strong friendships.

The negotiation of a free trade agreement between the United States and the Philippines would be mutually advantageous. Significant political, economic and national security benefits would accrue to both nations. On these grounds, I urge your strong support for this resolution.

A TRIBUTE TO A MOST DISTINGUISHED CITIZEN: MR. RUBEN DANIELS

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. TRAXLER. Mr. Speaker, I rise to pay tribute to a most distinguished individual, Mr. Ruben Daniels, who has dedicated his life to serving the community of Saginaw in many ways, but primarily through his involvement as director of the First Ward Community Center, which is a United Way Agency in Saginaw, MI.

Ruben has been a Saginaw resident since 1929, having attended and graduated from Potter School, Central Junior High School and Saginaw High School in 1936. Ruben completed his education by studying juvenile delinquency at Michigan State University in 1957. In 1974, Ruben was recognized by Saginaw Valley State College with an honorary doctor of laws and letters degree.

Ruben is currently an active member of many committees, boards, and organizations. He is a member and past president of the Saginaw Board of Education, member of Michigan Association of School Boards, member of the executive board of the Opportunities Industrialization Center of Metropolitan Saginaw, Inc., trustee and past president of the Saginaw Osteopathic Hospital Board, member of the advisory board of directors of the Michigan National Bank, chairman of the Inter-Racial Department of the Catholic Dioceses, member of the Law Enforcement Committee of the Human Relations Commission, and vice chairman of the board of trustees of the Bethel A.M.E. Church, to name but a few.

Ruben has received numerous awards over the years. A local Federal housing complex was renamed Daniels Heights, he was named "Outstanding Civic Leader of America," he received the Bob Alberts Award from the chamber of commerce, the Achievement Award from the Saginaw Club of the National Association of Negro Business and Professional Womens Club, the Recognition Award from the NAACP. And the community expressed their gratitude for Ruben commitment by dedicating the Ruben Daniels Life Long Learning Center in his name.

For many years, Ruben has been a dedicated public servant, and I know that he has left a special mark on each person he has known. I am certain that in giving of his time, talents and patience over the years, he has touched the lives of many people. Ruben deserves recognition and praise for his years of outstanding service to the Saginaw area. I am proud to know Ruben Daniels, and am proud of his accomplishments.

I take tremendous pride in congratulating Ruben Daniels on his outstanding career here today, and ask my colleagues to join with me in saluting a great American who has touched the lives of so many people for so many years.

A CONGRESSIONAL SALUTE TO THE LONG BEACH CITY COLLEGE ON ITS 60TH ANNIVERSARY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. ANDERSON. Mr. Speaker, on January 28 the Long Beach City College will have a ceremony to celebrate the 60th anniversary of the founding of that fine educational institution. It is indeed an honor for me to rise today and pay tribute to Long Beach City College.

The Long Beach City College has a commitment to quality and that commitment is exemplified by the theme "60 Years of Excellence." With the need for a strong education background and continuing educational updates, Long Beach City College offers area residents a full range of programming to meet their goals. In a nutshell, the college offers residents of the Long Beach area convenience, diversity, quality and low cost.

Graduates of the college have long contributed to our city and country in areas as diverse as business, science and the arts. The faculty, staff, administration and governing boards are truly dedicated and have placed Long Beach City College at the forefront of 2-year institutions of higher learning.

Mr. Speaker, Long Beach City College has proven itself to be an outstanding educational institution and an asset to our community. I am sure that it will continue to be a positive force for many years to come.

My wife, Lee, joins me in commending the Long Beach City College on its 60th year celebration. We wish the faculty, staff, administration and governing board continued success in quality education.

INTRODUCING THE STATE NUCLEAR SAFETY PARTICIPATION ACT OF 1987

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. MARKEY. Mr. Speaker, today I am introducing legislation that will extend to the Governors of the States certain stipulated authority regarding the regulation of nuclear powerplants. The American people elect their Governors, who are regularly accountable to them through the electoral process. Moreover, the States bear an historic responsibility to safeguard the health and safety of their citizens. The Nation's Governors should be given the authority to participate in the regulation of nuclear safety. This bill will rectify several problems that the States face in regulating nuclear facilities within, or in some cases nearby, their jurisdictions.

First, it will give the States authority to regulate rediological health and safety hazards of nuclear facilities. Currently the States regulate the health and safety aspects of virtually every other kind of energy-generating facilities that operate within their borders. Only nuclear power facilities are exempted from such State regulation. Often the States have led the way in the protection of the public from such hazards. It makes no sense that the States should be preempted by the Federal Government only from regulating the serious hazards of nuclear facilities.

Second, under this bill, the NRC could not issue an operating license unless the Governor of every State within 10 miles of such a facility has certified to the Commission in writing that State and local emergency plans designed to protect all persons and communities within 10 miles of the plant have been approved, tested, and are ready to be implemented. Moreover, if a Governor believes that the operation of such a facility presents an unacceptable danger to the health and safety of the citizens of his or her State, he or she may veto the operation of such a plant.

At Chernobyl the Soviets evacuated out to 18 miles around that stricken reactor, and have not yet permitted residents to return to homes inside that circle. Similarly, during the accident at Three Mile Island, the NRC Commissioners discussed the possibility of evacuating out to a distance of 20 miles. An interagency group determined in 1978 that the "Emergency Planning Zone" around each nuclear power facility should be roughly 10 miles; this bill simply sets that figure into law. Surely, anyone familiar with the hazards of nuclear power would agree that there should be planning for an emergency out to at least 10 miles. To advocate a smaller planning distance is to place an excessive and unwise reliance on a complex and inherently hazardous technology at the expense of the protection of the public.

Third, the bill requires that off-site emergency plans around operating reactors be tested at least once annually, and stipulates that no plant may receive an operating license unless a full-participation exercise of the the associated off-site emergency plans has been held within the 12 months prior to licensing. "Full participation" means that all appropriate State and local authorities within 10 miles of the facility must participate jointly in a cooperative exercise. That's the only way to ensure that there's a likelihood that the public will receive the fullest possible protection in the event of a serious reactor accident.

The so-called "new federalism" shouldn't be selective. If a Governor finds that emergency planning for a nuclear disaster is impossible or impracticable, as Governor Cuomo has found for the Shoreham plant and Governor Dukakis has determined for the Seabrook reactor, then the Nuclear Regulatory Commission should not be able to issue an operating license for such a plant.

The public has seen the horrors of Chernobyl and the near-catastrophe at Three Mile Island. The people want better protection. This bill will help give them that protection. And to do so, it will empower elected officials who are closer to them then five appointees at a Commission in Washington, DC.

I have asked that a summary of the legislation be included in the RECORD.

SUMMARY—STATE NUCLEAR SAFETY PARTICIPATION ACT

This bill amends the Atomic Energy Act to give the State specific powers to:

Regulate radiological health and safety hazards of nuclear facilities; and

Veto the licensing of nuclear power plants if a Governor determines that the operation of such plant would present a health and safety hazard to the citizens of such state.

The bill also requires that for nuclear plants that have not received a full-power operating license by January 1, 1987, a full exercise of their off-site emergency plans, including participation of all appropriate State and local authorities, must be conducted within the 12 months prior to receiving a full-power operating license.

SECTION-BY-SECTION SUMMARY

Section 1. Title.

Section 2. This section creates a new Section 193 in the Atomic Energy Act which stipulates the following.

a. Nonpreemption. Permits States to establish and enforce standards for the protection of public health and safety from radiological hazards, as long as such standards provide equal or greater protection than similar Federal standards.

b. State Veto Power. NRC must notify States within 10 miles of a nuclear power plant of its intent to issue an operating license within 60 days of such intended issuance. After receipt of notice, chief executive officers of such State(s) may veto the issuance of such license if he/she finds, and submits to the Commission in writing, that the operation of such facility would present a health and safety hazard to the citizens of such state.

c. State Emergency Planning Responsibilities. The NRC may not issue an operating license unless:

The chief executive officer of each State within 10 miles of the facility has certified to the Commission in writing that such State has approved and intends to implement emergency plans, including evacuation plans, for all persons and communities within 10 miles of the facility;

The Federal Emergency Management Agency has approved such emergency plans and notified the NRC in writing of such approval;

The NRC reviews the FEMA findings and independently determines that emergency plans are adequate to protect all persons and communities within 10 miles of such facility.

Section 3. Creates a new section 194 in the Atomic Energy Act that:

Requires nuclear power plants which are operating as of January 1, 1987 to conduct an annual exercise of their emergency plans.

Requires that plants awaiting licensure must have conducted an approved exercise of their emergency plans in the 12 month period preceding the receipt of a license, with such exercise including the participation of all appropriate State and local authorities.

Section 4. Creates a new section 195 in the Atomic Energy Act that:

Requires the NRC to conduct a study assessing the adequacy of State and local emergency plans and preparedness around each of the nation's nuclear power plants operating as of January 1, 1987.

INTRODUCTION OF A BILL TO PROVIDE FOR THE SALE BY THE SECRETARY OF THE INTERIOR OF THE SLY PARK UNIT OF THE CVP TO THE EL DORADO IRRIGATION DISTRICT

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. SHUMWAY. Mr. Speaker, today I am pleased to reintroduce a bill which will authorize the Secretary of the Interior to sell the Sly Park Unit of the Central Valley project in California to the El Dorado County Irrigation District.

While I introduced this legislation in the 99th Congress (H.R. 5093), the Interior Committee's Subcommittee on Water and Power, to which it was referred, was unable to consider the bill because its schedule was consumed with other important water matters—most notably the coordinated operations agreement [COA] legislation which was successfully enacted into law. It is my hope that the subcommittee, with their slate having been cleared of the COA matter, will see fit to move favorably and expeditiously on this important, yet noncontroversial, matter.

The Sly Park Unit, consisting of the Sly Park Dam and Resevoir, Camp Creek Diversion Dam and Tunnel, conduits and canals, was originally authorized under the American River Act of 1949. Since its construction, the facilities have been operated totally independent of any of the other CVP facilities, although virtually all operation and maintenance responsibilities have been undertaken by the El Dorado Irrigation District. Despite this separation from the rest of the CVP, the Sly Park Unit remains financially integrated with the CVP.

At a time, Mr. Speaker, when the Federal Government is reducing its involvement in water project construction and operation, particularly for smaller, independently operated projects such as the Sly Park Unit, it makes sense both from fiscal and resource management standpoints to encourage this kind of local responsibility. In the long run the county of El Dorado and the Sly Park users will benefit from total independence in operating and maintaining the Sly Park Unit; the Federal Government, as well, will recoup its original investment and cease to incur any more operating and maintenance costs.

As a matter of policy, there is plenty of precedent for this kind of sale. In fact, starting in 1956—after the Sly Park Unit was authorized—reclamation contracts were written to allow for conversion of the contracts:

> Under stated terms and conditions mutually agreeable to the parties. . .(so that) the remaining amount of construction cost which is properly assignable for ultimate return by it can be repaid to the United States.

The El Dorado Irrigation District is a political subdivision of the State of California, duly organized, existing and acting pursuant to State laws. It has ably demonstrated that it is capable of operating and maintaining the Sly Park Unit, and it is the sole beneficiary of the project. I am aware of no opposition to this proposed sale of the Sly Park Unit; in fact, the CVP Water Users Association officially supports this effort.

NUCLEAR SAFETY REVIEW ACT OF 1987

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. HOCHBRUECKNER. Mr. Speaker, I rise to introduce a bill entitled the Nuclear Safety Review Act of 1987. This act, would prohibit the Nuclear Regulatory Commission from licensing any commercially operated nuclear powerplant in the absence of an emergency evacuation plan which has been approved by both the State and local authorities within a 10-mile radius of any such nuclear plant.

The question of ensuring the safety of citizens within close proximity of a nuclear powerplant is one of vital importance to the people of the First Congressional District. This district is the site of the Shoreham Nuclear Power Plant. Shoreham has been constructed by the Long Island Lighting Co. and has undergone low power testing under the direction of NRC.

In 1983, after an exhaustive investigation conducted under the direction of some of this Nation's most competent safety experts, it was determined by the government of Suffolk County, which encompasses the territory within a 10-mile radius of the plant, that no emergency evacuation plan was feasible for an area with the population density and geographical characteristics of Long Island. Shortly after that determination, the State of New York, under the direction of Gov. Mario Cuomo, agreed to abide by the decision of local government, by not imposing an emergency evacuation plan on a locality whose officials had found such a plan to be unworkable.

Current NRC regulations require such a plan to be in place before a full power operating license is issued to a nuclear plant. However, this is a regulatory rather than a statutory requirement. The people of the First District are concerned that the regulations can be changed and an operating license granted to a nuclear plant in an area where local and State governments have already determined it would be unsafe for such operations to take place. The Nuclear Safety Review Act would lend statutory authority to this requirement.

It is essential that every citizen, whether in the First Congressional District or any other part of this Nation, has confidence that his or her health and safety is being protected through the full weight of Federal law. The Nuclear Safety Review Act of 1987 will accomplish this.

RETIREMENT OF DEPUTY POSTMASTER GENERAL JACKIE A. STRANGE

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. TAYLOR. Mr. Speaker, during the recent adjournment I received notice that the U.S. Postal Service has lost one of their most dedicated and competent executives. After 40 years with the Postal Service, Deputy Postmaster General Jackie A. Strange, retired from the public service on January 2.

A career postal employee, who began her service in 1946 as a local Postmaster and worked through the system holding numerous management positions, including District Manager, Assistant Postmaster General for Procurement and Supply and Southern Regional Postmaster General. Promoted to Deputy Postmaster General in January 1985, Mrs. Strange is second in command at the Postal Service and one of the highest-ranking women in government.

As the ranking minority member on the Committee on Post Office and Civil Service, I have had the opportunity numerous times to work with Mrs. Strange and I have always found her to be extremely well-informed on postal issues and more than willing to work with the Congress for the betterment of the Postal Service at large.

The Chairman of the USPS Board of Governors, John R. McKean, stated that her "strong leadership was never in greater evidence than in the past 18 months. She was instrumental in systemwide efforts to reverse serious operation deficits and declines in service. The results speak for themselves, the Postal Service dramatically reduced its anticipated losses last year, earned an operating surplus this year and restored service performance to its historic high point."

The Postmaster General, Preston R. Tisch, stated that "During her rise through the postal ranks, Mrs. Strange has earned the respect and friendship of thousands of postal people and our customers everywhere. She has focused all of her professional energies on providing quality service to our customers and a quality working environment for our employees"

In her own statement, announcing her retirement plans, Mrs. Strange said, "I will never be prepared to leave behind the friendships and love I have received from the postal family. I have had more challenge, more excitement and more professional reward than I could ever have imagined as a young woman beginning my career."

Mr. Speaker, this lady, and I use that term in its truest sense, is a great deal more than a fine government executive. She has held more than 50 offices in church and civic organizations and is listed in "Who's Who of Women," "International Who's Who In Community Service", and "Who's Who In American Business and Professional Women."

She has been cited as a Distinguished Alumna by Georgia Southern College and, a fine poet, one of her many published poems was included in the 1981 edition of "Our Twentieth Century's Greatest Poems." She also received the Postmaster General's Executive Special Achievement Award in 1981.

Mr. Speaker and my colleagues, I want to take this opportunity to wish Jackie A. Strange every success in her new endeavors and to let her know of my own, personal, appreciation for her efforts in making our U.S. Postal Service the best it can possibly become.

A BILL TO PREVENT THE DESERTIFICATION AND DEFORESTATION OF SUB-SAHARAN AFRICA

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 7, 1987

Mr. GILMAN. Mr. Speaker, today I am reintroducing legislation that will enable our Nation to help prevent famine in Africa by tackling two of its major causes: desertification and deforestation.

Our Nation has been a world's leader in providing direct humanitarian aid to areas in crisis around the world. We have financed many self-help projects that respond to the need for long-term solutions to the poverty that plagues so many countries. In addition, we are doing a great deal to bring to the attention of the leaders of the many nations that are suffering from the current famine, action that they themselves can undertake to help their people. These actions include dismantling state controlled agricultural programs, adopting market oriented strategies and reducing some of the disincentives that hinder private sector investment in their nation.

Unfortunately, we are doing far too little in regard to the one major factor in the famine equation that impacts directly on all other efforts undertaken—the current degradation of the resource base itself. Sub-Saharan Africa's productive land is undergoing such a change for the worse, that the deleterious impact on the production of locally grown food, if not checked, will render all our good will and other good efforts valueless. We shall only have to look forward to more famines that will make each preceding one seem mild in comparison.

This bill provides specific assistance for building up and sustaining the natural resources of those areas and countries in Africa which are suffering, or, on a long-term basis, are likely to suffer from exceptional food supply problems and where the natural resources base has suffered deterioration due to deforestation, desertification, and other forms of over-use. It focuses on small-scale, self-help cost-effective programs which will create sustainable growth in what is now currently turning into waste land.

The time has come to begin to turn back the tide of the degradation of Africa's agricultural resources base that should be providing food for that continent's people. The desertification and deforestation which has played a major role in causing the present catastrophe in Africa needs our immediate attention if we are to put an end to the famine cycle.

Accordingly, I urge my colleagues to cosponsor and support the bill, the text of which follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 1 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 129. PREVENTION OF FAMINE IN AFRICA.

"(a) FINDINGS.—The Congress makes the following findings:

"(1) A major cause of the current, tragic famine in Africa is degradation of the natural resource base due to overgrazing, firewood gathering, overharvesting of trees, and overcropping on fragile soils. These activities have caused soil erosion, flooding, removal of tree cover, loss of water supplies, and desertification.

"(2) This degraded natural resource base cannot provide even the basic needs of human beings, as demonstrated by the current famine. Prompt actions to restore and maintain the resource base are essential to meet the needs of growing populations. If these actions are not taken, continuing massive external food aid will be necessary to relieve continuing famine, and even such massive aid may be insufficient or susceptible to delivery delays.

"(3) There is substantial and growing evidence that the most effective, quickest, and least costly way of maintaining and restoring the resource base is through small-scale, affordable, resource-conserving, low-risk, local projects, using appropriate technologies and methods suited to the local environment and traditional agricultural methods in Africa, and featuring close consultation with and involvement of local people at all stages of project design and implementation. Sustainable increased agricultural production must be responsive to the environmental resource and climatic conditions unique to the various regions of Africa. Appropriate activities include agroforestry, small-scale farms and gardens, and other innovative agricultural methods (including energy and resource-conservation techniques and use of organic or regenerative methods where feasible); construction of check dams and terraces and other erosion-control projects; tree planting for windbreaks, soil stabilization, or firewood; energy conservation and small-scale energy production to reduce consumption of firewood and animal wastes otherwise usable as fertilizer; and local education and training efforts. Often, the best way of actively involving the affected local people is through local government organizations (such as village councils), local nongovernmental organizations, foreign private and voluntary organizations, or Peace Corps volunteers. National and international nongovernmental organizations can be useful intermediaries.

"(4) Efforts are needed at national and regional levels to provide technical and other support for projects of the kinds described in paragraph (3) and to strengthen the capacities of African nations to provide effective research and extension services in support of environmentally sustainable increases in food production. These efforts include establishing or strengthening soil conservation and forestry services; providing seeds, seedlings, energy-efficient and resource-conserving devices, and other needed materials; training and educating local people; and creating financial mechanisms to furnish credit to small farmers.

"(5) Increased research is needed with the aim of providing appropriate materials and techniques for projects of the kinds described in paragraph (3). The objective of this research should include development of major food crops which can be grown on an invironmentally sound sustainable basis in semi-arid areas of Africa.

"(6) In order to help prevent human suffering and unwanted dependence on foreign aid, promote orderly economic development, and avoid calls for massive and increasing emergency food aid, it is in the national interest of the United States to provide substantial assistance to African nations suffering from or threatened with famine for the purpose of restoring and maintaining the natural resource base.

"(b) AUTHORITY.—The President is authorized to furnish assistance under this part to support projects and efforts in Africa of the kinds described in paragraphs (3), (4), and (5) of subsection (a).

"(c) REVIEW.—The Administrator of the Agency for International Development and the Director of the Peace Corps—

"(1) shall assess the opportunities for their agencies to support projects and efforts in Africa of the kinds described in paragraphs (3, (4), and (5) of subsection (a); and

"(2) place a high priority on providing such support, either from funds authorized to be appropriated by this section or from other sources.

"(d) REQUIREMENTS ON USE OF FUNDS.—Funds made available to carry out this section shall be used as follows:

"(1) Emphasis shall be given in the use of those funds, to the maximum extent practicable, for grants for international and African nongovernmental organizations and to United States private and voluntary organizations for projects of the kinds described in subsection (a)(3). Every effort shall be made to disburse these funds quickly (beginning where necessary with modest grants for project identification and design).

"(2) A significant portion of such funds shall be used for national and regional efforts of the kinds described in subsection (a)(4).

"(3) Such funds may be used to support research of the kind described in subsection (a)(5).

"(4) Such funds shall be available only in those areas which are suffering or are likely to suffer from exceptional food supply problems on a long-term basis, where the natural resource base has suffered deterioration due to drought, deforestation, desertification, or other forms of overuse.

The Administrator of the Agency for International Development shall make a determination of those nations and areas which meet the conditions described in paragraph (4) and shall include the list of such areas in the reports to the Congress required by subsection (f).

"(e) HOST COUNTRY AND PRIVATE SECTOR CONTRIBUTIONS.—The host country shall be encouraged to contribute its own resources, to the maximum extent possible, in conjunction with the projects and efforts supported under this section. The private sector in the host country, and subsidiaries of United States companies operating in that country, shall also be encouraged to participate, to the maximum extent possible, in those projects and efforts.

"(f) ANNUAL REPORTS.—Each annual report required by section 634(a) of this Act shall include a report on the implementation of this section. The report required by this subsection shall describe—

"(1) the uses of funds pursuant to this section, including a description of each project or program supported with those funds and the amount allocated to it; the identify of each recipient of those funds, and the amount of funds each received; and the amount of those funds used for assistance in each country; and

"(2) the estimated need for actions to maintain or restore the natural resource base in African nations in order to prevent famine, and the projected contribution of the United States for the next three fiscal years to meet an appropriate share of those needs.

"(g) EFFECTIVENESS STUDY.—Within 5 years after the date of enactment of this section, the Administrator of the Agency for International Development shall carry out a cross-sectoral study of a representative sample of the projects funded pursuant to this section to determine their effectiveness in helping to prevent famine, and shall report the results of the study to the Congress.

"(h) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amounts otherwise available for such purposes, there are authorized to be appropriated $75,000,000 for fiscal year 1988 for use in providing assistance under this section. Amounts appropriated under this section are authorized to remain available until expended.".

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, January 8, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JANUARY 9

9:30 a.m.

Joint Economic

To hold hearings on the employment-unemployment situation for December 1986.

SD-562

JANUARY 12

9:30 a.m.
Armed Services
To hold hearings on the national security strategy of the United States.
SD-138

10:00 a.m.
Labor and Human Resources
To hold hearings to review national goals in the health industry.
SD-430

JANUARY 13

9:30 a.m.
Armed Services
To continue hearings on the national security strategy of the United States.
SR-222

Budget
To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1988 budget.
SD-608

10:00 a.m.
Foreign Relations
To hold hearings on a Treaty between the United States of America and the Union of Soviet Socialist Republics on Underground Nuclear Explosions for Peaceful Purposes, and the Protocol thereto, signed in Washington and Moscow on May 28, 1976 (Ex. N, 94th Cong., 2nd Sess).
SD-419

Labor and Human Resources
To hold hearings to review national goals in employment.
SD-430

2:00 p.m.
Armed Services
To hold hearings on conceptual framework for strategy making.
SR-222

2:30 p.m.
Foreign Relations
To hold closed hearings on a Treaty between the United States of America and the Union of Soviet Socialist Republics on Underground Nuclear Explosions for Peaceful Purposes, and the Protocol thereto, signed in Washington and Moscow on May 28, 1976 (Ex.N, 94th Cong., 2nd Sess).
S-407, Capitol

JANUARY 14

9:30 a.m.
Armed Services
To continue hearings on the national security strategy of the United States.
SR-222

10:00 a.m.
Energy and Natural Resources
To hold an organizational business meeting.
SD-366

Foreign Relations
To hold hearings on U.S. policy toward Iran.
SD-419

Labor and Human Resources
To hold hearings to review national goals in education
SD-430.

11:00 a.m.
Budget
To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1988 budget.
SD-608

Judiciary
To hold an organizational business meeting.
SD-226

2:00 p.m.
Armed Services
To hold open and closed hearings on the use of operational gaming and simulation to assist strategy making.
SR-222

JANUARY 15

9:30 a.m.
Rules and Administration
Organizational meeting to consider committee budget for 1987, committee rules of procedure for the 100th Congress, and other pending committee business.
SR-301

10:00 a.m.
Commerce, Science, and Transportation
To hold an organizational meeting.
SR-253

Foreign Relations
To continue hearings on U.S. policy toward Iran.
SD-419

Labor and Human Resources
To hold hearings to review Federal efforts in AIDS research.
SD-430

JANUARY 16

10:00 a.m.
Foreign Relations
To hold hearings on U.S. policy toward Iran.
SD-419

JANUARY 20

10:00 a.m.
Foreign Relations
Business meeting, to consider a Treaty between the United States of America and the Union of Soviet Socialist Republics on Underground Nuclear Explosions for Peaceful Purposes, and the Protocol thereto, signed in Washington and Moscow on May 28, 1976 (Ex.N, 94th Cong., 2nd Sess).
SD-419

JANUARY 21

9:30 a.m.
Budget
To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1988 budget.
SD-608

Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on aviation safety.
SR-253

JANUARY 22

10:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on the NASA shuttle anomaly resolution activities.
SR-253

JANUARY 23

9:30 a.m.
Budget
To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1988 budget.
SD-608

Commerce, Science, and Transportation
Aviation Subcommittee
To resume oversight hearings on aviation safety.
SR-253

JANUARY 27

10:00 a.m.
Foreign Relations
To resume hearings on U.S. policy toward Iran.
SD-419

JANUARY 28

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

FEBRUARY 3

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings on the current status of the Department of Energy's nuclear waste activities.
SD-366

FEBRUARY 5

9:30 a.m.
Energy and Natural Resources
To resume oversight hearings on the current status of the Department of Energy's nuclear waste activities.
SD-366

HOUSE OF REPRESENTATIVES—*Thursday, January 8, 1987*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We recognize, gracious God, that at a time of new events we celebrate those values and feelings that we hold deep in our hearts. In this moment of prayer, O God, we express our gratitude for the countless blessings that have been our heritage. While we labor for what we believe and we seem to work hard for our ideas, yet we also are aware that much has come to us as a gift from Your benevolent hand and from those who care for us. As we ponder the gifts that have come to us, may we remember to express our feelings of thanksgiving and praise and with a sense of wonder and awe, be ever mindful that so much has come to us, not of our own doing, but as a gift of others. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair announces that 1-minute speeches will be postponed until later in the day.

PERSONAL EXPLANATION

Mr. MFUME. Mr. Speaker, on Tuesday, January 6, 1987, on House Resolution 5, I was inadvertently recorded as not voting. I was present, I voted by electronic device, and I ask that the Record reflect that I was present and voted in the affirmative.

The SPEAKER. The gentleman's statement will appear in the Record.

SWEARING IN THE MEMBER-ELECT

The SPEAKER. The Chair has been informed that the gentleman from Michigan [Mr. Davis] desires to take the oath.

Mr. DAVIS of Michigan appeared at the bar of the House and took the oath of office.

The SPEAKER. Congratulations. You are a Member of the 100th Congress.

PROVIDING FOR CONSIDERATION OF H.R. 1, WATER QUALITY ACT OF 1987

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 27 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 27

Resolved, That upon the adoption of this resolution it shall be in order to consider the bill (H.R. 1) to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes, in the House, debate on the bill shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation, and the previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Massachusetts [Mr. Moakley] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Mississippi [Mr. Lott], pending which I yield myself such time as I may use.

Mr. Speaker, House Resolution 27 is the rule providing for the consideration of the bill H.R. 1, the Water Quality Act of 1987.

The rule provides for the bill to be considered in the House. The resolution further provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation.

In addition, Mr. Speaker, the rule provides for one motion to recommit.

Mr. Speaker, H.R. 1, the Water Quality Act of 1987, is virtually identical to the conference report, S. 1128 that was adopted in the 99th Congress by votes of 408 to 0 and 96 to 0 in the House and Senate respectively. The conference report was then pocket vetoed by the President on November 6, and since the 99th Congress had adjourned at the time of the veto, there was no opportunity to override the veto.

Mr. Speaker, H.R. 1 would authorize over $18 billion of Federal funds for fiscal years 1986 through 1994, these funds would assist U.S. cities across the Nation in the construction of wastewater treatment plants. Included in the bill is a new State Revolving Loan Program that would provide a transition from Federal to State funding for the construction of wastewater treatment plants. This would allow the Federal Government to eventually turn over the responsibility of funding for the treatment plants to State and local governments.

The bill would also establish a new program for the control of nonpoint source pollution. This kind of pollution is the result of runoff from streets, parking lots, and farmlands. These kinds of pollution, Mr. Speaker, account for almost half of the water pollution in some areas. H.R. 1 would authorize $400 million for 4 years which would allow States to develop and create programs to monitor and control nonpoint source pollution.

Mr. Speaker, other major provisions of the bill include the establishment of a program that would identify toxic hot spots. These are waters that do not meet water quality standards because of toxic pollutants. This also increases civil and criminal penalties for violations of the Clean Water Act, and provides the EPA to assess administrative civil penalties. Also the bill establishes a program to monitor and control the pollution in the Great Lakes, directs the EPA to develop plans for the protection of estuaries, and extends the program to study and restore the water quality of lakes across the country.

Mr. Speaker, I support the rule and the bill, I urge all my colleagues to vote for House Resolution 27 and to pass H.R. 1, the Water Quality Act of 1987, so we can continue to protect our lakes and rivers from untreated domestic waste.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is the first major piece of legislation that will be going through the Congress this year, and I think, as it should be. I think that the American people and the Congress have already expressed themselves in saying that we want strong clean water legislation. In order to clean up the water in this country, it will be costly, and it will take time. This legislation would do that. It provides money—lots of money, probably more money than we should provide at this time—but we understand that there is a need for a significant amount of money to do the job that is necessary over the next 8 years.

We all know the history on this legislation. It was passed overwhelmingly by both bodies last year. It did not receive the President's signature, and that is why we are back here.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

There are some problems that I have with this rule in particular. First, it is my understanding that the Public Works and Transportation Committee has not met to consider this legislation. So, a bill has not been reported.

I understand that we need to move this measure, and move it quickly, because a lot of communities need to go forward with this funding. But I think that we should be aware that this is being done in a somewhat unorthodox and at the very least, expedited manner.

Second, it is closed tight as a drum, and the next bill that we are going to have on the floor, the highway bill, is going to be a closed rule, tight as a drum. Now, are we all Members, or not? Should we have some minimum opportunity to offer substitutes or alternatives or amendments, or not, no matter what the circumstances are?

My response is "Absolutely." We were all elected in our own right, and we should not be told by the leadership of the Rules Committee, "You can offer no amendment whatsoever, not even a substitute." I object to that.

Also, an impassioned plea was made in a bipartisan way by our colleagues from Louisiana with regard to one section in this bill which allows for substances to be dumped into the Mississippi River that could cause very serious problems. The State of Louisiana, as I understand it, statistics would show has the highest cancer rate of any State in the Nation. They came in, Republican and Democrat, and said, "Give us an opportunity to knock this particular section out or to offer an amendment, or to do something, for Heaven's sake."

□ 1210

And the Rules Committee, on a tie vote, a bipartisan vote, 4 to 4 said "No, we are not going to give you that opportunity, State of Louisiana."

Now I have always kind of had the attitude around here that when my colleagues, Democrat or Republican, have something that we are bordering on that affects their district, I go with the Member. I also thought it was a tradition around here that when we have a State delegation of both parties that comes and says, "Give us a chance" on something that could mean life or death to us, to be heard; and we say no? I do not understand that. I do not think that is fair.

So I object to this rule; I support the legislation; I do not think it is a way to start this year off, and I would urge my colleagues at the proper time to vote against the previous question, after which if we defeat the previous question the membership will have an opportunity for the Louisiana delegation to offer an amendment to knock out the section they are concerned about; and so a substitute will at least be in order.

Now, I am not going to press the point on a vote on the rule, because I think the key point is the previous question. Give us a chance to make at least a substitute in order, and at least give the Louisiana delegation a chance to make the case. We do not have to accept it; we can reject it, but give them a chance.

So I will ask for a vote on the previous question, and I ask my colleagues to vote against it. I do not intend to ask for one on the rule; some other Member may. I do support the legislation and the concept, and we will have plenty of opportunity to talk about that substance after we vote on the rule.

Mr. GEKAS. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman.

Mr. GEKAS. Mr. Speaker, what I wanted to comment on in conjunction with what the gentleman has said is that the last time this bill came up and it received an overwhelming vote, it was based on an open rule that preceded it.

There seems to be no reason why we cannot have the same privilege now, knowing that the outcome is going to be favorable anyway; why not give us the opportunity to modify where and when necessary?

Mr. LOTT. Mr. Speaker, I agree with the gentleman. I do not have an amendment and I do not have a substitute that I would offer; but I do not think we ought to start this year off, this historic 100th Congress, with our first bill being shut down tight as a drum.

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, the gentleman has so very eloquently pointed out the difficulties the Louisiana delegation has with this bill. In fact, we tried to amend it.

We had a problem of which apparently none of the members of the Louisiana delegation were aware when this bill passed the House the first time. Somehow, in the final hours of the final conference during the completion of this bill back in the 99th Congress, a mysterious little provision sneaked into this bill.

It was put in there, and unfortunately not many of us in Louisiana, if any of us, knew that it was there. What that little provision did was to effectively, Mr. Speaker, allow and permit the EPA to grant permits to four specific plants on the Mississippi River to discharge gypsum into the river, whether or not that gypsum may be harmful to the consumers of the water in southeast Louisiana.

Now, that whole issue is a matter of substantial debate. The gypsum might be harmful or it might not be. There are ecologists, and toxicologists, and other experts on both sides, some of whom say that it is harmful, and some of whom say that it is not.

But the issue is not settled, and it seems to me and perhaps to other members of the delegation that until that issue is settled, it is premature to run through what my mayor of New Orleans calls the "Clean Dirty Water Act"; clean water for the rest of the country, and dirty for the city of New Orleans and the surrounding suburbs.

That is exactly what has happened. We have pushed through, in the Clean Water Act, a provision which by virtue of this rule we cannot amend, which mandates the granting of permits to dump this stuff into the river.

Now, the Louisiana delegation and the very able chairman of the Water Resource Subcommittee, BOB ROE, with whom I have had the great pleasure of serving over the last 9½ years I have served in Congress, have worked together over the night to see if we could come together and confect a compromise which would mitigate the onerous provisions of the existing language of section 306(c), the provision to which I have objection.

Mr. LOTT. Mr. Speaker, to accommodate the gentleman, I would be glad to yield him a specified amount of time so he can proceed as he sees fit.

At this point, I would be glad to yield the gentleman another 7 minutes.

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding the time to me.

Mr. Speaker, the Louisiana delegation has sat down with representatives of the EPA, with representatives of the environmental community, with representatives of industry, with representatives of the Sewerage and Water Board, which has had very strenuous objections to the existing provision, section 306(c), in the law.

With the help of the able chairman and the subcommittee chairman, ARLAN STANGELAND, and staff, we have confected what appears to be a compromise which would be introduced to amend this bill later on.

Presumably that amendment will be accepted by the other body as well. We do not know that for certain. If in fact they do not adopt the same procedure that we do, and if they do not adopt our amendment, we will lose our rights to amend this provision. I have to tell the Speaker and Members of this body that I am very, very concerned about that; but I hope that if all of the Members in this body prevail on the Members of the other body to accept this provision, they will probably adopt it. If so, the provision, 306(c), will be amended and it will go to the President to accommodate our concerns.

Now basically section 306(c), as it is currently written is totally unacceptable. I have filed a bill yesterday which would delete the provision altogether; and that is my first preference. I would like to see this current provision just knocked out or deleted, because the quality of the water and health and safety of the people that drink the water is southeast Louisiana is directly impacted by this provision; and that's not my opinion, but the opinion of the attorneys and the ecological experts of the Sewage and Water Board whose responsibility it is to protect the quality of water in southeast Louisiana.

As I said, I would like to delete the provision altogether. Politically, that does not seem to be possible; I do not think that I could get that through this House much less the other body.

Mr. LOTT. Mr. Speaker, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman.

Mr. LOTT. Have you noted the fact that the administration bill that was introduced did delete this particular segment?

Mr. LIVINGSTON. As a matter of fact, I thank the gentleman for reminding me. We did prevail on the Administrator of EPA and on the administration, and President Reagan, to delete this provision in the administration bill.

Whether or not the administration bill prevails in this House, this provision, section 306(c), is knocked out of it, and we do not have to worry about it; but it is not knocked out of the bill that is most likely to pass this House and which will probably pass the Senate.

So if we cannot politically knock out section 306(c) the next best thing is to amend it; and that's what we seek to do. An amendment will be offered later on by the appropriate Members of Congress.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman.

Mr. ROEMER. Mr. Speaker, first of all I want to thank the gentleman from Louisiana [Mr. LIVINGSTON] for his leadership; and I know it is a tough problem.

Our problem, Mr. Speaker, is that Louisiana enjoys—that is the wrong word—a lower life expectancy as a population than almost any State in America. Now that is a combination of a lot of things; it is about 3 years less than the national average.

One of the contributing factors is lack of clean air and water. We are a resource-rich State; and often we have abused our environment. Louisiana would like to change that, and the gentleman from Louisiana is trying to give us a chance to improve the quality of our air and our water; and I agree with the gentleman.

I like the bill; I do not have any problem with the rule, except one provision: the rule does not allow us to take this good bill and delete an onerous provision.

Mr. LIVINGSTON. That is true.

Mr. ROEMER. Given that fact, we are almost forced to vote against the previous question or to vote against the rule; and we do not want to do that.

What we want is a chance to make a good bill better, to take this provision out so that we can clean up our air and water. That is what we want, and I thank the gentleman from Louisiana [Mr. LIVINGSTON] for trying to give us a chance.

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for clarifying the situation.

In fact, this bill as written, makes the quality of our water in southeast Louisiana worse. What we're trying to do is not necessarily improve that quality, but simply keep it as good as it is today, and we can do that with this amendment.

The amendment that has been confected by the majority and minority staff and by members on all sides and on the subcommittee, actually retains the rights of all parties as they primarily existed before this issue ever came up.

□ 1220

Before this issue was incorporated in the Clean Water Act of 1986, the whole process was going along in a normal rhythm. It may have been a little bit slow, but at least all parties were being protected, all sides had their opportunities to express their points of view, and nobody was going to be unduly jeopardized. With the passage of this provision, if it were unamended, frankly the possibility of the Sewerage and Water Board of New Orleans and the environmentalists to contest any undue or unjust permits would be adversely affected.

So what we are doing it putting everybody back close to the position in which they effectively found themselves in before all of this controversy arose.

The companies will be able to apply for the permits, the permits may or may not be granted by EPA and by the Louisiana Department of Environmental Quality, those permits may or may not allow the dumping of gypsum, and there must be the determination as to whether or not the dumping of that gypsum is detrimental to the quality of the water or to the people of southeast Louisiana.

If in fact none of those permits are granted, that is fine, and the companies will have to do something else with their gypsum. If it is deemed to be unharmful, that is fine, too, and it goes into the river without jeopardizing the community. But at least the processes will have been adhered to, and the environmental community, plus the Sewerage and Water Board, will have the right to judicially determine whether or not any permits that might be issued are in fact valid or legal. Thus, all rights are preserved under this compromise.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Louisiana.

Mr. ROEMER. I thank the gentleman for yielding, and I thank the gentleman for his explanation. To make it clear from where I stand, the gentleman makes the point that the provision in the bill that is burdensome and onerous is a provision that allows EPA standards to be abrogated. That provision should not be in the bill. No. 2, the gentleman suggests there is a way around that, to allow the process to judge whether or not the gypsum is in fact harmful. I support the position of the gentleman, and I hope we win.

Mr. LIVINGSTON. I would only clarify for the RECORD: I am against this rule. This rule does prevent me from introducing my amendment to delete the provision altogether. I intend to vote against the rule, or at the very least, as the gentleman from Mississippi pointed out, to vote against the motion on the previous question. However, should I lose, and I do not anticipate that, and I hope that I do not, but should I lose on that, I intend to support the Clean Water Act. But I also intend to support this amendment, and I would ask all the Members of the House to support this amendment to section 306(c) as it will be proposed later on, and as it has been agreed to by all the members of the Louisiana delegation, all the members of the environmental community, the Sewerage and Water Board, their attorneys and the representatives of industry as well.

I thank the gentleman for yielding me the time.

Mr. LOTT. Mr. Speaker, I would like to inquire, does the gentleman on this side have requests for time he would like to take?

Mr. MOAKLEY. I yield myself such time as I may consume.

Mr. Speaker, I just want to let the membership know that the members of the Rules Committee were not callous in this matter. We had a long discussion with the members of the Committee on Public Works, the able chairman of the subcommittee, Mr. ROE, who indicated that he thought there would be a solution that he could work on. We have just heard the gentleman from Louisiana talk about the freestanding amendment that will be offered at the same time which I intend to vote for also when it comes up.

Mr. Speaker, I yield 13 minutes to the gentleman from New Jersey [Mr. ROE], chairman of the subcommittee.

Mr. ROE. Mr. Speaker, I do want to pay my high regards to, and appreciate the hard work of, the Rules Committee and the work they have done on this bill, over the years, particularly JOE MOAKLEY for the work he is doing.

If I may be indulged by the House to give a little rundown on this issue: At the outset I want to compliment the gentleman from Louisiana and all the Representatives from Louisiana for the position they have taken on this particular matter. I think it is out of perspective, however, in some of the understandings which have now to be corrected, which we are now trying to do.

After the presentation was made at the Rules Committee yesterday, and with the indulgence of the Rules Committee as pointed out by Representative MOAKLEY, we went back and we reviewed this entire matter.

We have gone back, let me make this point to those of our Members who are here and those who are listening on the TV who will be here to vote, it is essentially important that this House votes overwhelmingly 100 percent for this rule, because the rule is a good rule.

Now, the Public Works Committee has gone back, and the help we received from the Louisiana delegation, we met almost all night, and we have worked with the environmental community, we have worked with EPA, we have worked with the officials down in Louisiana, and we have come up with an accord to solve the problem.

My father taught me one thing in life, that half of nothing is nothing, and if we just go and argue it out, Louisiana will lose, and the House is going to pass this law or this rule simply because what it does is it brings into focus the Clean Water Act of the country. It is critical to the country.

Now, this House voted 408, and the other body, now you can say the Senate, voted 96 in favor. It is unanimous. Now, the problem that Louisiana has brought up is legitimate. They require the help and the support of the House. After all, if this happened in New Jersey or any other State, we would be back fighting for Texas or Louisiana or anybody else. Now, the problem is how do we solve the problem in a direct way and achieve the goals for Louisiana that it is attempting to achieve. BOB LIVINGSTON set that out very clearly, as has LINDY BOGGS and other members of the delegation.

The solution we have come up with is as follows: We have tried to solve the problem with language in the report that we put into the RECORD yesterday. It does not have the full effect of law. However, we spelled out specifically what the EPA could not do in abrogating the rights of the State of Louisiana, and in effect Louisiana has a veto power in any case.

Now, the people from Louisiana have expressed concern about that because it is not part of the bill and therefore they could be in a dilatory position as far as the legal approach may be concerned.

Now therefore what is our recommendation? Our recommendation: I have joined with the entire Louisiana delegation in drafting up a freestanding resolution that would come back and put into force of law the items that we have agreed to that we wanted to get in there, together with the point of view of repealing the one issue that is in the bill having to do with the national guidelines. The national guidelines will go back into focus. That is a critical point to the State of Louisiana. We support that strongly. I would ask every Member of the House to support that situation. So Mrs. BOGGS and the delegation will be putting into the hopper right now, I believe it has already been posted, a concurrent resolution that would achieve those goals.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Louisiana.

Mr. ROEMER. First of all, I want to say that I appreciate what the gentleman has done for this House for years, and that is tell it just like it is.

No. 2, I want to thank the gentleman for working with Mrs. BOGGS and BOB LIVINGSTON and other members of the Louisiana delegation to make this wrong right again.

No. 3, I want to ask a specific question if the gentleman will let me: Will we have a vote today on the provision that makes the report language law and deletes the provision of the bill that this House does not like, or would that come at a later time?

Mr. ROE. In direct answer to the gentleman, there will not be a vote on it today. It is my understanding from the leadership that this matter will be considered on the 20th of January, when we return under the Suspension Calendar.

Mr. ROEMER. On the Suspension Calendar.

Mr. ROE. However, it is important to add that what we are voting on today, the intent of Congress is in the language—what we vote on the intent of Congress is in there. Simply, this resolution will put it into force of law.

Mr. ROEMER. I thank the gentleman.

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. I thank the gentleman for yielding.

Mr. Speaker, I appreciate the gentleman telling us when this thing might come up. I am a little bit concerned because of the delays. I was wondering if the gentleman would have any objection to us asking unanimous consent at this time.

Knowing that this matter may be encumbered by the current rule and other provisions and restrictions that are encumbered upon the House over the next few weeks, I was wondering if the gentleman would have any objections to a unanimous-consent request that the provision in the hands of Mrs. BOGGS at this time be substituted for the provision of section 306(c)? Would the gentleman consider this?

Mr. ROE. It is not part of the legislation, as the gentleman knows. If the gentleman wants to make that decision, that is up to him.

Mr. LIVINGSTON. I appreciate that.

At this time, Mr. Speaker, I ask unanimous consent that the provision about to be placed before the desk in the hands of Mrs. BOGGS be made a part.

Mr. MOAKLEY. Mr. Speaker, the gentleman speaking was not yielded time for that purpose.

The SPEAKER pro tempore (Mr. FORD of Tennessee). The gentleman [Mr. MOAKLEY] does not yield for that purpose.

Mrs. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. ROE. I yield, of course, to the gentlewoman from Louisiana.

Mrs. BOGGS. I thank the gentleman for yielding.

First, I would like very much to thank the Rules Committee for their consideration of the Louisiana position yesterday, and I would like very much to thank, in the name of the entire Louisiana delegation, the gentleman in the well Mr. ROE, and all the members of his committee and the staff members of the committee and all the other persons involved, in trying to work out what is a very reasonable solution to a very difficult problem, which is Louisiana specific.

I would like very much to thank the members of the Louisiana delegation for recognizing the hard work and the exemplary fashion in which the gentleman in the well and his committee, both sides of the aisle, have worked on this problem and have come up with a solution that can indeed relieve the difficulties which the citizens of Louisiana, particularly those who live in the districts of Mr. LIVINGSTON, Mr. TAUZIN, and myself, are encountering with the provision that is included in the bill.

So I would hope that we would abide by the decision of the gentleman in the well, Mr. ROE. We want to thank him for his cooperation and hard work and his recognition of the serious problem that the people of our State and particularly our districts are confronted with, a very severe environmental problem that they see as a part of their daily life.

We feel that this is an expeditious manner in which to go forward with the bill as we have today. All of us in the Louisiana delegation applaud the Clean Water Act, and we certainly recognize the benefits that it brings to the entire Nation.

We wish to be in favor of the Clean Water Act, and we are very grateful to the gentleman in the well and all the others concerned for giving us an opportunity to be able to do so without impacting adversely upon the citizens of our area.

Mr. ROE. I thank the gentlewoman.

Mr. TAUZIN. Mr. Speaker, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Louisiana.

Mr. TAUZIN. I thank the gentleman for yielding.

I, too, want to join with my colleagues in thanking the gentleman in the well in particular and in the Rules Committees for its consideration of our particular problem in Louisiana.

As the bill emerged last year and as it is presented this year, the language with reference to the plants in Louisiana gave us in Louisiana in two critical areas in interpreting the language. The first area was whether or not the language in any way mandated EPA or in any way congressionally approved the granting of permits to dump gypsum in the river.

Is it correct that the report language the gentleman has adopted to the bill clearly says that that is not so, that nowhere in that amendment is the EPA mandated or encouraged nor does Congress approve the granting of permits to dump gypsum?

Mr. ROE. The gentleman is totally correct.

Mr. TAUZIN. Second, the big concern was whether or not the amendment in the bill in any way affected Louisiana's right to concur or fail to concur, in other words to veto, any grant of any permit that the EPA might issue or in any way obstructed the Louisiana Environmental Agency in modifying the permit that came out of EPA on this issue.

□ 1235

Mr. ROE. The gentleman is again correct. That is the intent.

Mr. TAUZIN. Finally, Mr. Speaker, it is my understanding from meetings this morning that the concurrent resolution that we are adopting not only contemplates, but it strikes from the bill the language dealing with the exemption from the EPA guidelines. Is that correct?

Mr. ROE. Mr. Speaker, the points that the gentleman has brought up are entirely correct. The purpose of the resolution is to put that into a force of law, as you know.

I think it is important, also, if I may add to the colloquy and the dialog right now, and maybe some of the members of the Louisiana delegation may want to do that further, is that on the basis of the resolution that has been sponsored bipartisanly and with the entire Louisiana delegation, I refer the followup communication from the Sierra Club, who strongly supports this resolution, which was one of our concerns yesterday in the dialog.

As I understand it, the delegation has spoken further to the Water Resources Board down in New Orleans and other officials in New Orleans, I believe on both sides, and they have also concurred. So those entities in Louisiana who are concerned about this overall piece of legislation are in accord with what we are attempting to achieve on this concurrent resolution.

Mr. TAUZIN. Mr. Speaker, if the gentleman will yield further, at the Committee on Rules yesterday, the gentleman in the well, the distinguished chairman of the subcommittee, also made a commitment to our delegation which I wanted to reaffirm here on the floor of the House, and that is that the committee would monitor the EPA's compliance with the provisions of this bill to ensure that the health and safety of the people who live in the parishes and counties affected in Louisiana would be taken into consideration in whatever permanent decisions were made in this matter. Is that also accurate?

Mr. ROE. The gentleman is correct, Mr. Speaker. I discussed that with the gentleman from New Jersey [Mr. HOWARD], the chariman of our full committee, and he is in complete accord.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Speaker, just to cut to the heart of the issue, if we could, for a second, our problem is that we want to tighten the bill, not loosen it. We support clean water; we support this bill, except for the one provision that our colleague has tried to delete.

That being understood, the danger is that we help pass this imperfect bill and do not get a chance to perfect it in regard to Louisiana's well-being.

I would like the gentleman to discuss that danger with us. I believe that the gentleman supports the concurrent resolution. In fact, the gentleman is a sponsor of the concurrent resolution. Am I correct?

Mr. ROE. The gentleman is correct.

Let me use the last minute I have left, with the indulgence of the Committee on Rules, for the benefit of the members of the delegation.

If any committee attempted to use all of its resources, from the chairman, the distinguished gentleman from New Jersey [Mr. HOWARD] on down, to support Louisiana, a State, it is being done now. I am asking the full House to support this issue because it is the right thing to do.

But we also have to say to the good folks in Louisiana that this language is even better than what we thought originally because we put a 180-day limit on to. We are saying to EPA, you have had this since 1974. We are worried about our people being poisoned. Why do you not do something now? This is 1986.

We are saying the EPA has got to respond to Louisiana in the next 180 days. We are saying they have to act now, and if we do not act now, this situation that is affecting the drinking water supply of Louisiana is going to continue.

Mr. LOTT. Mr. Speaker, I yield to the gentleman from Louisiana [Mr. LIVINGSTON] for the purpose of a unanimous-consent request.

Mr. LIVINGSTON. Mr. Speaker, I appreciate the gentleman yielding to me.

Mr. Speaker, I have an amendment at the desk and I ask unanimous consent that that amendment be accepted in lieu of the current existing section 306(c).

Mr. MOAKLEY. Mr. Speaker, once again, the gentleman was not yielded to for that purpose.

The SPEAKER pro tempore (Mr. FORD of Tennessee). The gentleman from Massachusetts [Mr. MOAKLEY] has not yielded for that purpose.

Mr. LOTT. Mr. Speaker, I yielded under my time.

Mr. MOAKLEY. Mr. Speaker, the gentleman from Mississippi [Mr. LOTT] was not yielded to for that purpose, either.

The SPEAKER pro tempore. It is the Chair's opinion that only the gentleman from Massachusetts can yield for a unanimous-consent request to amend the rule.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire [Mr. GREGG].

Mr. GREGG. Mr. Speaker, basically I rise to try to determine where we are in this twilight zone of procedural activity here. It appears to me that we have a bill that came to us from a committee which has not met and another committee which is not constituted, the Committee on Merchant Marine and Fisheries.

It also appears to me that we have a bill which is a totally closed rule, under which the minority is going to be given basically no opportunity to address what is a clearly bipartisan concern, and that is the concern of Louisiana.

Those two factors being true, and since the unanimous-consent requests have unfortunately been turned down to try to straighten out this matter, I certainly hope that the Members on both sides will support the attempt by our side to defeat the previous question so that we can then bring up the issue that Louisiana has raised and raised so well and has made such a good case for.

Thus, I strongly support the motion which will be made by the Republican whip which will be to defeat the previous question and allow us to proceed on the issue of Louisiana concerns.

Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Speaker, I want to state that the members of the Committee on Public Works and Transportation, under whose jurisdiction this bill passed unanimously in the last Congress, as we all know, totally support the rule and support the bill.

I just wanted to get that on the record.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Speaker, one of the biggest issues that will be debated in the 100th Congress is accountability for the size of the national debt and for the annual deficit that we can see on the horizon for years to come.

The Speaker of this House previously has said, this is the Reagan deficit that we now have; the Reagan debt that we now have. It is on that point, and in opposition to this rule, that I want to speak today.

Late last year, I had a member of my staff prepare an analysis reflecting a comparison of the Reagan budget requests for the years 1982 through 1986, the full 5 years for which President Reagan is accountable, and contrast what Congress has done in response to those requests each year. What do you know? Over that 5-year span, Congress has appropriated a little less than the request for defense, a little less than the request for Social Security, a little less than the request for Medicare and a little less than the request for interest on the national debt. But would you believe that when it comes to the social programs, including this meritorious water project program, Congress, over the last 5 years, has appropriated $229 billion more than President Reagan has asked for.

This means that the entire level of Federal spending is roughly $100 billion on an annual basis higher than what it would be had Congress acceded to the leadership of this President in establishing spending priorities for the Government of the United States.

Congress is responsible for this fiscal mess. We in the House are; they in the other body are, but not the President of the United States. This President has made a reputable proposal today suggesting the level of spending for this project and most of us, and this Member from California does support it, should be not in excess of $12 billion.

The bill before us is $16 billion. What is the difference? I will tell you the difference; it is $4 billion. Every billion counts on the deficit.

We do not have an opportunity to even offer an amendment to give the House a chance to vote on the President's request for funding for this purpose. Why? Why do you not give us the chance? You run this shop. You tell us what we can do, when we can do it, where we can do it and how we can do it. Why do you produce a closed rule that precludes us from offering an amendment to reflect what the President of the United States says should be included in this budget process.

It is for this reason that I am in opposition to this rule.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

□ 1245

Mr. WALKER. Mr. Speaker, if the American people want to know by what process deficits are created, all they have to look at is the process we are proceeding by today. The process of this House today is one of those means by which we accumulate massive deficits.

We have before us a bill that was jointly referred to two committees. Obviously it was jointly referred to two committees so that those committees could consider the legislation. The bill that is reported to the floor here today or that is discharged to the floor is reported out of the committee, one committee that never met, and it is reported out of another committee that does not even exist. One committee never met, the other committee does not exist, and yet we have the bill out on the floor.

What about this bill? Well, it is a bill vetoed by the President of the United States on the premise that it was too expensive. Now, we may or may not agree with the President, but at least we ought to consider his viewpoint someplace. It ought to either be considered in the committee or it ought to be considered on this floor. The fact is it was not considered in committee because the one committee never met and the other committee does not exist. It will not be considered on the floor because we have a closed rule and we cannot amend the process. Therefore, the views of the President of the United States about the expensive nature of this bill will never get considered today.

That is wrong. That is how deficits are created. I say to all of the Members who come to this floor and suggest that we are not a part of creating the deficits and that that is all the prerogative of the President that that is just plain nonsense. Today we are creating a deficit. We are doing it right here, and the Members who vote to create it and who vote for the previous question are in fact the big spenders and ought to be regarded by the American people in that way.

Mr. LOTT. Mr. Speaker, I have no further requests for time at this point. I would inquire, does the gentleman from Massachusetts [Mr. MOAKLEY] have additional requests?

Mr. MOAKLEY. I have one request, Mr. Speaker.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume. Let me just conclude and wrap this up and say just briefly that I think it is very wholesome that we have had this discussion on this rule, because the fact is, it is a totally closed rule. In addressing the concerns of the delegation from Louisiana, I think we have helped to make arrangements perhaps for a way to resolve those concerns.

However, I think we ought to defeat the previous question so we would have an opportunity to get an open rule so the Members will have an opportunity to offer this or any other amendment. So, I will request a vote on the previous question at the appropriate time.

Mr. Speaker, if the gentleman from Massachusetts [Mr. MOAKLEY] has only one remaining speaker, then I have no further requests for time.

Mr. MOAKLEY. Mr. Speaker, I just have one request for 2 minutes.

Mr. LOTT. Then, Mr. Speaker, I would yield back the balance of my time, based upon that commitment.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. TAUZIN], who worked very hard with the Rules Committee to get the Louisiana point of view across.

Mr. TAUZIN. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, we are faced today in Louisiana with a decision to adopt a rule that will exclude our opportunity to amend the bill, which, of course, needs amendment. But the good news is that the chairman of the Committee on Public Works and Transportation and the chairman of the subcommittee involved here have both committed themselves to a measure of support which I think is extraordinary. Not only have the chairmen of those two committees committed themselves to help us with the concurrent resolution that will place into law, with the acceptance of this House, the provisions that Louisiana needs to guarantee our citizens the protections that we would like by an amendment to this bill, they have also agreed to monitor through hearings the process by which EPA will decide this issue in Louisiana on the dumping of gypsum.

Furthermore, the chairman of the subcommittee, the gentleman from

New Jersey [Mr. Roe], made an excellent point in the Rules Committee yesterday, and that is that not to have a provision in this bill would be a mistake for Louisiana, because not having a provision in this bill dealing with the particularly controversial permits would probably mean that more of the plants, especially those that would be in bankruptcy like the Becker facility, would be dumping gypsum without permits. More plants like the Becker facility would be dumping if our chairmen and our committees were not committed to help Louisiana with a mandate from EPA to resolve it.

With that in mind, I will join with all the Members on the Democratic side in supporting the rule, because of the firm commitments that we have with the chairmen and those in leadership positions on the Rules Committee and the leadership of this House to pass this legislation at the appropriate time.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. TAUZIN. I am happy to yield to the chairman of the committee.

Mr. HOWARD. Mr. Speaker, I thank the gentleman for yielding, and I thank him and the other Members of the Louisiana delegation on both sides of the aisle for their cooperation.

I wish to assure those Members that the correcting legislation will be brought before this House during the first week when we come back and at the first possible moment.

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. TAUZIN. I yield to my colleague, the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, I appreciate the gentleman's yielding, and I just want to point out that my own reason for voting against the rule and against the previous question is that if this deal falls through for any reason, whether it is by the action of the other body or not, then we will be back with the original language, and that concerns me. But I do appreciate the gentleman's point.

Mr. TAUZIN. Mr. Speaker, I urge my colleagues to adopt the rule.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, the gentleman from Mississippi [Mr. Lott], I understand, has no further requests for time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. Ford of Tennessee). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LIVINGSTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 286, nays 124, not voting 22, as follows:

[Roll No. 7]

YEAS—286

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Bentley
Bevill
Biaggi
Bilbray
Bliley
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clinger
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Daniel
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Evans
Fascell
Fazio
Feighan
Fields
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grant
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Holloway
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McKinney
McMillan (NC)
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Owens (NY)
Owens (UT)
Packard
Panetta
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Pickett
Price (IL)
Price (NC)
Rahall
Rangel
Ray
Regula
Richardson
Rinaldo
Robinson
Rodino
Roe
Roemer
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schulze
Schumer
Sharp
Shaw
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wortley
Wyden
Yates
Yatron

NAYS—124

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton (IN)
Callahan
Chandler
Coats
Coble
Coleman (MO)
Combest
Craig
Crane
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeLay
DeWine
Dickinson
Dornan (CA)
Edwards (OK)
Emerson
Fawell
Fish
Gallegly
Gekas
Gingrich
Grandy
Gregg
Gunderson
Hansen
Hastert
Herger
Hiler
Hopkins
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lewis (CA)
Lewis (FL)
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (NY)
McCandless
McCollum
McEwen
McGrath
Meyers
Michel
Miller (OH)
Molinari
Moorhead
Morella
Morrison (WA)
Myers
Nielson
Oxley
Parris
Petri
Porter
Pursell
Ravenel
Rhodes
Ridge
Ritter
Roberts
Rogers
Roth
Saiki
Schaefer
Schuette
Sensenbrenner
Shumway
Skeen
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stump
Sweeney
Swindall
Tauke
Taylor
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)

NOT VOTING—22

Annunzio
Berman
Boner (TN)
Burton (CA)
Cheney
Clay
Conte
Espy
Gephardt
Green
Hefley
Kasich
Kemp
Lent
Martin (IL)
Ortiz
Pickle
Quillen
Rose
Savage
Spence
Thomas (CA)

☐ 1305

Mr. DAVIS of Michigan changed his vote from "yea" to "nay."

Mrs. BENTLEY and Messrs. COURTER, ROWLAND of Connecticut, and CLINGER changed their votes from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. Ford of Tennessee). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2, SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT OF 1987

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100-3) on the resolution (H. Res. 38) providing for the consideration of the bill (H.R. 2) to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes, which was referred to the House Calendar and ordered to be printed.

ELECTION OF MEMBERS OF CERTAIN STANDING COMMITTEES OF THE HOUSE

Ms. OAKAR. Mr. Speaker, I offer a privileged resolution (H. Res. 39) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 39

Resolved, That the following named Members, be, and they are hereby, elected to the following standing committees of the House of Representatives:

Committee on Agriculture: E de la Garza, Texas, chairman.

Committee on Banking, Finance and Urban Affairs: Fernand J. St Germain, Rhode Island, chairman.

Committee on District of Columbia: Ronald V. Dellums, California, chairman.

Committee on Education and Labor: Augustus F. Hawkins, California, chairman.

Committee on Energy and Commerce: John D. Dingell, Michigan, chairman.

Committee on Government Operations: Jack Brooks, Texas, chairman.

Committee on House Administration: Frank Annunzio, Illinois, chairman.

Committee on Interior and Insular Affairs: Morris K. Udall, Arizona, chairman.

Committee on Judiciary: Peter W. Rodino, New Jersey, chairman.

Committee on Merchant Marine and Fisheries: Walter B. Jones, North Carolina, chairman.

Committee on Post Office and Civil Service: William D. Ford, Michigan, chairman.

Committee on Science, Space, and Technology: Robert A. Roe, New Jersey, chairman.

Committee on Small Business: John J. LaFalce, New York, chairman.

Committee on Veterans' Affairs: G.V. (Sonny) Montgomery, Mississippi, chairman.

The resolution was agreed to.

A motion to reconsider was laid on the table.

WATER QUALITY ACT OF 1987

Mr. HOWARD. Mr. Speaker, pursuant to House Resolution 27, I call up the bill (H.R. 1) to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 27, the gentleman from New Jersey [Mr. Howard] will be recognized for 30 minutes and the gentleman from Arkansas [Mr. Hammerschmidt] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. Howard].

Mr. HOWARD. Mr. Speaker, I yield myself such time as I may consume.

□ 1320

Mr. Speaker, the Committee on Public Works and Transportation is bringing the Water Quality Act of 1987 before the House under extraordinary circumstances but we believe there is no reason to delay. This bill is the same bill that most of you voted for on October 15, just 11 weeks ago. As the conference report, it was approved unanimously. We are asking members to vote the same way now as they did on October 15. It was a good bill then. It deserved to be passed by Congress, as it was, and signed into law, which it was not. It deserves to be passed and made law now—whether or not it is signed by the President.

This is not a partisan attempt to embarrass anyone. This bill has been worked on for 4 years by the Subcommittee on Water Resources and the Committee on Public Works and Transportation. Our work was on a bipartisan basis. The same was true of our lengthy and difficult conference with the other body. In no case was anything decided on a partisan basis. Nobody can say this bill is exactly how it would have been written if one Member was working alone. But everybody, on both sides of the aisle, has supported it.

The vote on this bill in October was 408 to 0. There is no reason to change our vote. The situation has not changed, except possibly to become even more urgent for passage of this bill.

When I stood in this well 11 weeks ago during consideration of the conference report, I thanked the many Members who had worked on this bill over the 4-year period, thinking their efforts had concluded with a bill based on a series of compromises that would soon be law. Few of us realized that we would be back here so soon fighting the same battles on the same bill.

My colleague, the gentleman from New Jersey, Bob Roe, the new chairman of the Committee on Science, Space and Technology, was chairman of the Subcommittee on Water Resources when this bill was drafted. He deserves our thanks for the long hours he put in, as does the gentleman from Minnesota [Mr. Stangeland], the ranking minority member on the subcommittee.

The issue on this bill is whether the Federal Government has a role in cleaning up the environment. It is not a question of exorbitant amounts of money. It is not a question of budget-busting. It is a question of whether the Federal Government will maintain its role in the Federal, State, and local partnership to clean up the Nation's water supplies.

The Sewage Treatment Plant Program is made for a multilevel partnership, and this bill provides the structure to do it. H.R. 1 authorizes $18 billion through fiscal year 1994 for the construction of treatment plants. That is an average of $2.25 billion a year for clean water. Nobody can say that the American public does not want to spend $2.25 billion a year for clean water.

We used to spend $5 billion a year and we used to provide 75 percent Federal funding, but we were told that those levels encouraged unnecessary projects that were rife with porkbarrel. Then we reduced the program to $2.4 billion a year at 55 percent Federal. Now we are being told that level is too much.

This bill reflects those objects. It phases the grant program, which many of us believe has been successful, into a loan program. There is no authorization for grants after fiscal year 1990. Only loans are authorized after 1990. Of the $18 billion that is supposedly budget busting, $8 billion is in the form of loans.

We were told that grants are the traditional approach that must be changed. Loans, we were told, would reflect the new fiscal reality of the 1980's, which is a time of limited Government resources. Revolving loan funds are the wave of the future. This bill moves toward a construction loan program and mandates States to establish revolving loan funds. Yet we are told that the bill is a budget buster.

My conclusion is that the opposition to this bill is based on the premise that there should be no Federal role in protecting the environment. We have cut the funding to a minimum and provided all the innovative procedures and local participation that was requested, but we are still told it is too much.

All this discussion of $2.25 billion a year should be considered against the backdrop of the EPA's 1984 needs survey. In that document, the administration told Congress that $108 billion will be needed by the year 2000 for sewage plant construction. The administration has told us that six times more money is necessary than the amount that was vetoed just 2 months ago.

It is a shortsighted and self-defeating policy to ignore the $108 billion that the administration has documented to us. This is not a partisan issue—it is not partisan to want clean water. It is not partisan to vote for spending a modest amount on sewage treatment plants. That is why this bill was approved with bipartisan support in October.

The grants and loans for sewage treatment plants are not the only issue. H.R. 1 has many other good programs that should be law. It authorizes funds for nonpoint pollution, for pollution in estuaries, for clean lakes. It creates a program to clean up toxic hot spots and sets new deadlines for industry to comply with the pollution-control requirements of the Clean Water Act.

I urge my colleagues to vote for the environment and vote for clean water by suporting this bill. H.R. 1 is not a budget buster. The President made a mistake in vetoing the bill, and it is up to us to give him a second chance.

Mr. **HAMMERSCHMIDT**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as we approach a second vote on what is essentially the same piece of legislation we approved in mid-October, I believe that we should do so with a full understanding of the history of what has taken place since the enactment of the Federal Water Pollution Control Act Amendments of 1972. This will place in proper perspective the reasoning behind what is certain to be a strong vote by this body in support of the legislation before us, as well as the rationale for the President's continued opposition.

The history of clean water legislation actually reflects very highly on both Congress and the administration. It is unfortunate that we must differ at this juncture and on this particular bill. Yet, we in Congress simply must draw the line somewhere if we expect to reach our goal of clean water for all Americans.

As one of only four sitting members of the Public Works and Transportation Committee—and the only Republican member—who were here in 1972, I can speak from experience both as to what the 1987 Water Quality Act can and cannot be expected to accomplish. In a sense, it presents us with one of those "good news—bad news" scenarios.

The good news is that the bill's funding levels are both environmentally responsive and fiscally responsible. While less than in previous House bills, funding levels are considerably higher than what the administration is recommending.

The bad news is that there still won't be enough money to meet the demand for wastewater treatment. If any Members in this Chamber thinks that a vote for this bill and perhaps a vote to override will solve all of our water pollution problems, then you had better give that notion further thought. To be sure, the heavy hand of Federal enforcement will be out there, but funding for all of the deserving wastewater treatment projects will not be. Members of this and the other body can expect to hear the anguished cries from communities for help in cleaning up their polluted water.

Consider if you will the 1984 needs survey, a joint effort by the Environmental Protection Agency and the States, which estimates that a total investment of $101.7 billion will be required to construct municipal water pollution control facilities eligible for Federal financial assistance under the Clean Water Act through the year 2000.

For those here today who need convincing that we face the prospect of making an enormous financial investment in order to meet our national infrastructure needs, they now have an important look into the very substantial projected needs of just one component of that infrastructure.

To its credit, this administration has championed and been responsible for important reforms in the Clean Water Act. President Reagan has a remarkable record in cutting back on wasteful or unneeded Federal programs, and I share his commitment in that regard. He has also moved forthrightly to place more responsibility for Government programs in the hands of State and local government and the private sector. As it has done in so many other programs, this administration has lowered the Federal exposure in the Clean Water Program, and that is as it should be.

Meeting the clean water needs of communities throughout this Nation should not be wholly a Federal responsibility. The Clean Water Program is a Federal-State-local partnership, and the financial investment in and operational control of the program should reflect that partnership.

While many of us here may disagree with the President on this particular clean water bill, his current position is consistent with that which he has historically taken in support of his goals for this and other Government programs generally.

The 1972 clean water amendments, which represented a complete rewrite or prior water pollution control laws, strengthened the program of grant assistance to municipalities for the construction of sewage treatment facilities to meet the requirements of the act. The Federal share of eligible project costs was raised at that time to 75 percent, and $20.75 billion was authorized for grants, including reimbursement grants, to construct treatment facilities.

Mid-course corrections to the 1972 act were made in the 1977 amendments, which authorized an additional $25.5 billion for the Construction Grants Program.

Then, in 1981, substantial reforms were made. The 1981 Clean Water Act amendments reduced the Federal share of costs under the Construction Grants Program from 75 to 55 percent beginning in fiscal year 1985.

Along with reducing the Federal exposure in the Construction Grants Program, the 1981 act made other important changes. Eligible categories for grant assistance were limited to treatment works, associated interceptor sewers and correction of inflow-infiltration problems, also beginning in fiscal year 1985.

Problems associated with combined overflows and construction and repair of collector sewers were eliminated from grant eligibility, although grants could be made for these otherwise ineligible categories up to 20 percent of a State's allotment if the Governor so decided.

Planning and design grants were also eliminated and replaced by an allowance for planning and design costs were a step three construction grant had been approved.

Thus, the administration has made important progress in increasing the non-Federal participation in Clean Water Act programs. Unfortunately, its stance on the 1987 Water Quality Act fails to recognize just how far we have come in reforming this program so that it is both fiscally responsible and responsive. In short, the administration's current proposals simply go too far in cutting back the valuable programs authorized under the Clean Water Act.

I am afraid that the President received some bad advice when he chose to veto the conference agreement on this legislation. It has certainly been strange advice, considering the enormous support from all corners for this bill. It is supported by all of the involved interest groups. It has the support of the National Governors' Association, the National League of Cities, and the National Conference of State Legislatures.

Perhaps most interesting of all, not one Member of either House of Congress opposed this legislation.

It is also worth noting that when Congress considered the 1977 clean water amendments, we had contemplated funding as high as $7 billion a year for the Construction Grants Program. The problem of a rising Federal deficit forced us to reduce that figure to $2.4 billion annually.

In the area of construction grants funding, even though the President objects to the $18 billion this bill provides the program over 9 years, we are actually phasing out the Federal program, and without abandoning the needs of States and municipalities. We end the construction grants in 4 years and the State Revolving Loan Program, which replaces the grant program, in 9 years.

Creation of State revolving loan funds capitalized in part through Federal seed money actually allows the Government to phaseout assistance in a responsible way so that State and local governments are allowed to develop alternative sources of funding for these programs.

While I recognize the administration's concerns over the funding levels of the Construction Grants Program, those levels are in fact significantly lower than the levels of the bill as passed overwhelmingly in by the House last year. After giving the bill the most detailed scrutiny, we made reductions where we felt reductions were possible. We simply do not feel that further reductions are warranted at this time. What this bill calls for are maximum authorization levels that serve as a measure of what we hope to be able to provide in the future to the extent that funds are available. Should it become necessary to reduce funding levels slightly, we would be able to do that through the budget process in cooperation with the administration.

What may be going unnoticed in all of this is the fact that we have not reached the goal of the 1972 Clean Water Act—to achieve, wherever attainable, fishable and swimmable water quality in all of the Nation's rivers, lakes and streams by mid-1983. We did not achieve that goal by 1983 and we may never achieve it unless we make the full financial investment needed.

That is why we have provided in this bill important funding for the orderly phaseout of the Construction Grants Program and creation of the State Revolving Loan Program. And that is why we have provided a new $400 million program for the control of nonpoint source pollution, an expanded program to control toxic hotspots, and provisions to address the particular pollution problems faced in our lakes and estuaries.

This legislation represents a united effort to develop a strong, efficient and balanced approach to ensuring clean water for all Americans.

And the American people support that goal. In a 1984 Harris poll of more than 1,200 voters, 85 percent said they favor strict enforcement of air and water pollution controls as required by the Clean Air and Clean Water Acts. Only 9 percent expressed opposition.

The advice that President Reagan has received thus far need not be the final word on this matter. Just as I urge my colleagues to vote for H.R. 1 today, so, too, do I urge my President to sign this most important piece of legislation.

We have before us today one of the most important environmental laws of the 100th Congress and perhaps of the decade. We must not let this opportunity to secure its enactment pass us by.

Mr. Speaker, allow me to highlight some of the most significant amendments of the bill.

One of H.R. 1's most valuable contributions is its new and comprehensive nonpoint source Pollution Control Program. The Clean Water Act, as written in 1972 and amended in 1977 and 1981, focused on point source discharges of pollution. Over the years, however, new information has indicated that nonpoint sources contribute up to 50 percent of the water pollution in some States. Thus, the conferees establish a new national policy to develop and implement programs for controlling nonpoint sources of pollution. New section 319 of the Clean Water Act will provide for State assessment reports, management programs, optional interstate management conferences, and needed Federal funding. With this new emphasis on nonpoint sources of pollution, we should be able to wage a more comprehensive and complete assault on water pollution throughout the Nation.

A related issue involves stormwater discharge permits. The bill retains important provisions of last year's House bill (H.R. 8) on agricultural discharges and expands upon municipal stormwater provisions addressed inadequately by the House- and Senate-passed bills. The conferees last year retained section 37 of the House bill, specifically excluding agricultural stormwater discharges from the definition of a point source. In addition, the conferees extensively revised the stormwater permit provisions for municipalities and industrial dischargers, recognizing the disasterous consequences that could result if provisions in the House- and Senate-passed bills remained unchanged. For industrial and large municipal discharge—storm sewer systems serving a population of 250,000 or more—not later than 2 years after the date of enactment the Administrator must establish regulations setting forth permit application requirements. Applications for permits must be filed within 3 years after the date of enactment and the Administrator or the State, as the case may be, must issue or deny such permits within 4 years of the date of enactment. These permits must provide for compliance as expeditiously as practicable but in no event later than 3 years after the date of issuance of the permit. For discharges from storm sewers serving a population of 100,000 or more, the Administrator must establish permit application requirements within 4 years of the date of enactment. Applications for permits must be filed no later than 5 years after date of enactment, and the Administrator or the State, as the case may be, must issue or deny the permits within 6 years after the date of enactment. The permits must provide for compliance as expeditiously as practicable but in no event later than 3 years after the date the permit is issued.

The new language will properly reduce the universe of permits required for storm water from millions to thousands without reducing the protection of the environment. We established a mechanism that will require permits only where necessary—rather than in every instance. Without these changes, local, State, and Federal officials would be inundated with an enormous permitting workload even though most of the discharges would not have significant environmental impacts.

In the same section of the bill, the conferees addressed the permitting requirements for industrial stormwater runoff. It is important, however, to clarify that a discharge is "associated with industrial activity" if it is directly related to manufacturing, processing or raw materials storage areas at an industrial plant. Discharges which do not meet this definition include those discharges associated with parking lots and administrative and employee buildings.

Mr. Speaker, there is another issue I would like to address with respect to industrial stormwater discharges. The conferees provided in new subparagraph 402(p)3) that permits for discharges of stormwater associated with industrial activity must meet all applicable provisions of sections 301 and 402 of the act. Congress intended by this provision to make clear that, when permits are issued for industrial stormwater discharges, such permits must comply with applicable provisions of sections 301 and 402. It is the new amendments to section 402, however, that govern when permits must be issued not only with respect to municipal separate storm sewers but also for industrial stormwater discharges. Within 2 years after enactment of the amendments, EPA must promulgate regulations setting forth the permit application requirements. Applications for permits must be filed within 3 years after enactment of the amendments, and permits for such discharges must be issued or denied within 4 years after enactment. This timetable applies both to the large municipal and to industrial dischargers. Thus, stormwater discharges associated with industrial activity that are not already covered by permits on the date of enactment would ordinarily be subject to enforcement actions only if permit applications for such discharges are not filed within 3 years after enactment of the amendments.

The bill also contains an important provision clarifying the regulatory treatment of stormwater runoff from oil, gas, and mining operations. Section 402 of the Clean Water Act is amended to prohibit the Administrator from requiring permits for stormwater runoff from mining operations or oil and gas exploration, production, processing, or treatment operations or transmission facilities except when the runoff is contaminated by contact with the overburden, raw material, or various waste products. With this limitation on the permitting requirements for such stormwater runoff, important oil, gas, and mining operations will be able to continue without unnecessary paperwork restrictions, while protection of the environment remains at a premium.

The bill includes important provisions on clean lakes, research and management of pollution in the Great Lakes, and estuary management conferences. In amending the act's section 314 clean lakes authority, H.R. 1 provides for increased environmental protection with the addition of a new demonstration program. I am particularly pleased to see that Beaver Lake in Arkansas is included as one of the projects in this important $40 million demonstration program. The bill also authorizes EPA to conduct demonstration projects related to restoring the biological integrity of acidified lakes and watersheds through liming. In addition, H.R. 1 establishes a Great Lakes Program Office in EPA and a Great Lakes Research Office in NOAA to develop and implement environmental programs with special emphasis on the control of toxic pollutants. The bill also authorizes EPA to convene estuary management conferences to solve water pollution problems in estuaries throughout the country.

H.R. 1 makes numerous changes to improve dramatically the removal and control of toxic pollutants. Toxics present one of the greatest dangers to this Nation's health and welfare. The conference report addresses this increasing concern in numerous areas. For example, EPA is directed to identify toxic pollutants which may be present in sewage sludge and to promulgate regulations and impose conditions in section 402 permits to protect public health and the environment. H.R. 1 also contains important provisions relating to water pollution control levels to be achieved after the act's technology-based BPT/BCT/BAT standards have been met. States must submit to EPA lists of navigable waters for which applicable water quality standards are not expected to be achieved after implementation of the best available technology and after pretreatment requirements and new source performance standards are met. States must also propose individual control strategies to reduce the discharge of toxic pollutants. In addition, EPA must develop methods for establishing and measuring water quality criteria for toxic pollutants.

The bill allows case-by-case modifications of BAT limits for preexisting discharges from coal remining areas. This is consistent with the concern of the administration and the needs of the coal mining industries. In addition, the amendment ensures careful analysis of environmental concerns by requiring an applicant to demonstate that the coal remining operation would result in the potential for improved water quality. The conferees specifically agreed to retain the phrase "potential for" so that applicants would not face the unreasonable burden of showing actual improvement in every instance.

Another important regulatory issue involves EPA's variance for fundamentally different factors [FDF's]. Under current law, a discharger can apply for and receive modifications from otherwise applicable effluent guidelines upon demonstating that his plant is fundamentally different from the plants which EPA based its effluent guidelines. The Supreme Court recently ratified the FDF variance process in *Chemical Manufacturers Assoc.* v. *National Resources Defense Council, Inc.*, — U.S. —; 105 Sup. Ct. 1102; (1985). Today, Congress gives its full support for this administratively created FDF mechanism and provides further direction to EPA.

While it limits the availability of the FDF modification in some instances, the bill also recognizes the tremendous importance of the variance process to the Clean Water Act's regulatory program. For years, Federal courts have articulated many reasons for retaining FDF variances. By establishing variances from nationally applicable effluent limitations guidelines and standards, the FDF modification provides necessary flexibility to nationwide standards and allows necessary challenges to regulations in a nonrulemaking forum. Courts around the country have upheld nationally applicable effluent limits specifically because of EPA's FDF variance, which provided a needed "safety valve." See for example, *American Frozen Food Institute* v. *Train*, 539 F. 2d 107 (D.C. Cir., 1976) and *Natural Resources Defense Council, Inc.* v. *EPA*, 537 F. 2D 642 (2d Cir., 1976).

In NRDC versus EPA, the court held that the establishment of an FDF variance was a valid exercise of EPA's rulemaking authority pursuant to section 501(A) of the act. The court stated that, in the context of the Clean Water Act, the variance was particularly appropriate:

> The sheer number of point sources potentially subject to regulation and the rapidly approaching statutory deadlines required the EPA to restrict itself in the regulation promulgation process to a representative sampling of plants. It is entirely possible that the resulting regulations will prove ill-suited to some of the unsampled individual plants to which they will be applied in the permit process. Unless the variance clause is established, there is no guarantee that such a defect could be effectively remedied if it occurred. Review of the regulations pursuant to section 509 of the act is not an acceptable substitute. Since the act authorizes informal rulemaking, review of the regulations will tend to be narrowly confined. The petitioner's recommendation that the rulemaking procedure be reopened at the permit-granting stage is unnecessarily cumbersome.— 537 F. 2d at 647.

Finally, the court warned that "Not all of the thousands of plants in operation could be expected to fit into prefabricated molds or templates. By specifying a permit procedure, Congress implicitly conferred on the permit-grantor the privilege of continuing the broader regulations in light of the specific type of plant applying for the permit. Without variance flexibility, the program might well founder on the rocks of illegality." 537 F. 2d at 647.

Recognizing the importance of an FDF variance, the conferees last year refused to limit severely its usefulness or applicability. Thus, the conferees agreed to many of the provisions in the House bill rather than those in the Senate bill. Under new section 301(n), EPA may issue fundamentally different factors [FDF] variances from national effluent limitations guidelines or categorical pretreatment standards. The FDF application must be based on information which the applicant submitted, or did not have a reasonable opportunity to submit, during the relevant rulemaking. An applicant would satisfy the "did not have a reasonable opportunity to submit" test in the following situations:

First, the discharger knew of the rulemaking, but had no reason to know until the final rule was issued that certain data would be relevant to the specific nature of the final rules—that is, the subcategorization as well as the exact numerical limits—as they apply to his facility;

Second, the discharger knew of the rulemaking, but could not submit certain data showing fundamental differences because those data could not be generated until the final rules were issued and tests could be run to assess the expected performance of the facility in complying with the final numerical limits; and

Third, the discharger did not know of the rulemaking, due to lack of actual or constructive notice.

I am pleased that the conferees deleted provisions in each bill related to savings clauses and other statutes. As a result, the Water Quality Act of 1987 does not in any way affect the well-established rulings of Milwaukee I, II, and III involving the Clean Water Act. Taken together, these decisions hold that, in interstate water pollution disputes, a downstream plaintiff State may not apply Federal common law nor the State common or statutory law of the downstream State against an upstream State with EPA-approved water pollution control requirements. In Milwaukee II, the Supreme Court held that the "all encompassing program of water pollution regulation" under the Clean Water Act preempted the Federal common law of nuisance. As stated by the court:

> Congress has not left the formulation of appropriate Federal standards to the courts through application of often vague and indeterminate nuisance concepts and maxims of equity jurisprudence, but rather has occupied the field through the establishment of a comprehensive regulatory program supervised by an expert administrative agency.—*City of Milwaukee* v. *Illinois*, 451 U.S. 304 (1981).

Today, Congress leaves this comprehensive regulatory mechanism intact and does not in any way imply that Federal common law remedies are available to supplant or supplement remedies already available under the Clean Water Act. Interstate water pollution should be—and will remain—the subject of uniform Federal law and not the conflicting laws of various States.

I am particularly pleased the conferees deleted section 118—interstate dispute resolution—and section 119—preservation of other rights—of the Senate-passed bill. Both of these provisions were rife with potential mischief for the Clean Water Act's regulatory program. Section 118 established an unnecessary new dispute resolution process, mandating that EPA serve as an arbitrator in interstate disputes. Under current law, EPA can already intervene in such disputes as part of its review of State water quality standards. Section 119 would have fostered State enforcement of State statutory or common law by removing impediments to Federal court jurisdiction established by Milwaukee I, II, and III. Each State would be able to impose its own statutory or common law upon residents of other States and interfere with the regulatory actions of those other States. The result would have been contrary to a rational, orderly, and consistent regulatory scheme.

I do have some concerns about other regulatory provisions in title I. In certain respects, the conference report from last year failed to impose realistic deadlines and requirements or to provide the necessary amount of discretion and flexibility to EPA. As legislators, we must always strive to write laws that are workable and achievable. I am afraid that we did not do this consistently throughout the conference report. Because the bill before us today is the same in all substantive respects with last years conference report, my fears remain unabated.

My greatest concern is over the bill's compliance dates. The Senate bill from the previous Congress extended compliance deadlines for priority, conventional, and nonconventional pollutants to "as expeditiously as practicable" but not more than 3 years after the promulgation of effluent guidelines, with an outside date of July 1, 1988. The conference report adopted the Senate provisions, but modified the outside compliance date to March 31, 1989.

This is not a satisfactory—or sensible—resolution. Subsequent information and comments from EPA indicate that the deadline is unrealistic. It does not allow enough time to achieve compliance. Industrial direct discharges find themselves in an uncompromising situation, since EPA has not yet promulgated final effluent guidelines for various pollutants. Industrial facilities still waiting for guidance from EPA will have very little time to install necessary water treatment facilities. By retaining the March 31, 1989, deadline, I am afraid we are legislating fiction and defying common sense.

I am concerned that the bill's legally enforceable requirements, coupled with the act's citizen suit provisions may untimately harm the program. The cumulative load of deadlines throughout the bill may set up EPA, States, municipalities and industries for failure which will, in turn, breed endless litigation and disrespect for the law. As an example of the unreasonableness of some of the deadlines in the bill, I note that some of the deadlines imposed in the bill have already been missed. We must avoid imposing unrealistic requirements that result in courts—rather than expert agencies—running the Clean Water Act Program. I hope, Mr. Speaker, this new bill will not establish an unhealthy spiral of missed deadlines, lawsuits, congressional distrust, more deadlines, more missed deadlines, more lawsuits to infinity. If it does, then Congress should expect to revisit the whole issue again soon.

The conferees agreed on a new compliance date for achievement of effluent limitations guidelines: As expeditiously as practicable, but no later than 3 years after promulgation of the guidelines, but in no event later than March 31, 1989. During the discussion of this issue in the conference, it was noted that this deadline could pose a significant problem for some plants in the organic chemicals, plastics and synthetic fibers [OCPSF] industry. Our hearings clearly demonstrate that at least 3 years from promulgation is needed for most plants to comply. The guidelines for the OCPSF industry were required, by court order, to be issued by December 1986, a date that has passed without the guidelines having been issued. Even if the guidelines had been issued in December, OCPSF plants would have had only 2 years and 3 months to obtain permits and design, construct, install and operate the equipment necessary to meet the applicable limitations. It, therefore, appears that some OCPSF plants may fail to comply with their guidelines by the time required, not through any fault of their own, but simply because their guidelines were not issued early enough. Congress and EPA are both aware of their problem. Delay in promulgation of guidelines may make it impossible for some plants and industries to comply with the March 31, 1989 deadline. We agreed to address this problem in the conference report.

EPA told us that if presented with a compliance problem due to delay in guidelines promulgation, they would issue an administrative order to establish a reasonable compliance date for the discharger beyond March 31, 1989. The order would not assess a penalty for the discharger's failure to meet the statutory compliance date. EPA stated that it currently issues such orders to dischargers who are unable, because of delays in guidelines promulgation or permit issuance, to meet the July 1, 1984, deadline in existing law. EPA's statement that it would continue to issue these orders was the major reason for our not seeking to reopen and extend the March 31, 1989 outside compliance date. Issuance of such orders by EPA provides a useful method for remedying inequities suffered by specific plants as a result of the delay in guidelines promulgation. When a plant is issued this type of order, the plant should not thereafter be subject to suit—by EPA, a State, or a citizen—on the basis of its failure to adhere to the statutory compliance date. It is our intent that noncompliance which is not the fault of the plant should not be penalized in any way, whether administratively, legally, or in the eyes of the public.

On another issue, the anti-backsliding provision included in the bill, while designed to ensure that reasonable further progress is made in meeting the goals of the act, is not designed to prohibit industrial growth, nor to penalize those who have production-based permits.

Technology-based limits are often based on the level of production at a facility—pounds per ton. Permittees will continue to be able to increase their production or add to or change their manufacturing processes. They would, of course, still be required to maintain the effluent limitation guidelines—pounds per ton—issued by EPA for the appropriate industrial categories or subcategories as well as meet all applicable water quality standards.

The funding levels in H.R. 1 are both environmentally responsive and fiscally responsible. There is no unwarranted drain on the Federal Treasury in this bill. The level of $18 billion over 9 years for the current sewer grant program and the new State revolving loan fund represents a reasonable compromise and a worthy investment. The wastewater treatment needs of this Nation are steadily increasing. The creative financing in H.R. 1 will address these needs, but at the same time initiate the final phase of the transition to State and local self-sufficiency as soon as reasonably possible. Mr. Speaker, this bill signals a movement from the current level of Federal financial involvement to a program focused on increased State and local self-sufficiency; it does not, however, abandon the crucial Federal-State-local partnership that has developed over the years.

One of the bill's most innovative proposals is its revolving fund program through which a State will be able to provide financing assistance to its political subdivisions and, upon repayment, be able to use that money again to construct needed pollution control facilities. These funds can be used for loans, guarantees, interest subsidies, and other nongrant purposes. Under this new authority, many more communities will receive funding for construction of needed wastewater treatment facilities. Countless communities have waited in vain for Federal funding, because they were too low on State priority lists. This new revolving fund program will help those communities meet their requirements under the act.

The bill will also remove current obstacles to the use of funding provided by Farmers Home Administration for Clean Water Act construction grant projects. Many rural communities would not be able to finance the substantial cost of meeting the act's requirements without use of FmHA funds.

Another important issue which the bill addresses is the problem of insuring that our ground water resources are adequately protected. Communities around the country face problems caused by pollution of the Nation's aquifers. Accordingly, the bill before us today calls upon EPA to undertake a study of the measures needed to adequately protect water resources at seven specified aquifers, including the Sparta aquifer in Arkansas. Because of the growing threat to ground water posed by point sources and nonpoint sources, it is appropriate that we dedicate our efforts to examining how we can best protect this important supply of water for millions of Americans.

Another provision of this bill with which I am particularly pleased is an increase in the rural set-aside program. Under the current law a Governor may set aside 4 percent of the State's construction grant funds to address water pollution problems in rural areas. This is an important provision which insures that our rural communities are not forgotten under the Clean Water Program. The conference report expands the rural set-aside program by requiring that at least 4 percent and not more than 7½ percent of a State's allotment shall be made available for rural problems.

Mr. Speaker, H.R. 1 provides vital funding to States and municipalities and makes farsighted changes to the Clean Water Act's regulatory program. It coordinates governmental and private actions in pursuit of one common goal: making our waters fishable and swimmable. The bill addresses the needs of municipalities and State governments, but at the same time recognizes the importance of increasing non-Federal self-sufficiency and decreasing Federal expenditures. In spite of today's budgetary constraints, H.R. 1 represents a worthy investment in our Nation's water quality. It is one of the most important environmental laws of the 100th Congress and perhaps of this decade. I urge my colleagues to support it fully. Furthermore, I urge the President to reconsider his objections to the bill and allow for it to become law.

Let me take a moment to congratulate the many Members who made such valuable contributions throughout this lengthy and arduous process. I want to thank the gentleman from New Jersey [Mr. HOWARD], who serves so ably as the chairman of the Committee on Public Works and Transportation, for his leadership and good judgment on this bill. I also want to congratulate the chairman last year and the ranking minority member of the Water Resources Subcommittee, the gentleman from New Jersey [Mr. ROE] and the gentleman from Minnesota [Mr. STANGELAND] for their tireless efforts, their spirit of cooperation, and especially for their comprehensive understanding of the issues. I especially want to thank the former ranking Republican member on the House Public Works Committee, the gentleman from Kentucky, Mr. Snyder, who so ably helped to mold this bill. And of course, I would be remiss if I did not thank the able leadership of the Environment and Public Works Committee in the other body for its guidance and cooperation.

Finally, Mr. Speaker, I would be remiss if I did not take this opportunity to thank all of the staff who worked so tirelessly over the years toward passage of clean water legislation. In particular, I would like to thank—and to congratulate—Gabe Rozsa, Ben Grumbles, Kathy Guilfoy, Errol Tyler, Ken Kopocis, Randy Deitz, and Charlotte Miles of the Water Resources Subcommittee. I would like to give a special note of appreciation to John Doyle. John served the members of the committee and, indeed, all of the Members of the House over the past 8 years as minority counsel to the Water Resources Subcommittee. He recently left the committee staff to assume new responsibilities as the principal Deputy Assistant Secretary of the Army for Civil Works. During the past few years he helped craft this bill in many ways and my colleagues and I are deeply indebted to him for all his help. I would also like to thank the Senate staff, including Bob Hurley, Phil Cummings, Jeff Peterson, Jimmy Powell, Ron Outen, and Steve Shimberg. All of these people worked practically nonstop for months, dedicating countless nights and weekends to make this moment happen. Some individuals endured this lengthy process for over 4 years. Because of their efforts, we have a bill that everyone can be proud of.

□ 1330

Mr. FIELDS. Mr. Speaker, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from Texas.

Mr. FIELDS. Mr. Speaker, as a cosponsor of H.R. 1, I rise to express my strong and enthusiastic support for the passage of this critically important legislation.

This bill, which is the product of several years of hard work, is virtually identical to a proposal which unanimously passed both bodies of Congress last year.

The fundamental purpose of this legislation is to reauthorize the landmark and historic Federal Water Pollution Control Act.

This law, better known as the Clean Water Act, is one of our most important and prominent environmental statutes. Since its enactment in 1972, impressive strides have been made in cleaning up thousands of lakes, rivers, and streams throughout this Nation.

Mr. Speaker, today we have an opportunity to renew our commitment to the national goal of making all of our waters fishable and swimmable for the benefit of every American.

While there are a number of key provisions contained within this legislation, including an extension of the Federal Wastewater Treatment Program, I will confine my remarks to the specific portion of this bill dealing with the Federal Clean Lakes Program.

Incorporated within section 315 is important language to improve water quality in Lake Houston, which is located in my congressional district.

Mr. Speaker, Lake Houston is a 12,000-acre manmade lake located within Harris County, TX. Owned by the city of Houston, it was created to provide residents with an alternative source of drinking water to replace the area's rapidly depleting ground water supply.

Based on current needs and projections, it is expected that the Lake will continue to provide drinking water to some 40 percent of the city's population.

As the Members of Congress who proudly represents the Lake Houston area, I have long recognized the importance of this vital watershed in providing both safe drinking water and recreational opportunities for thousands of my constitutents.

For these reasons, I have viewed with alarm the periodic increases of fecal coliform bacteria in the lake. In fact, at one point the Houston Water Department found that 12 out of its 14 sampling locations around the lake exceeded the pollution standards for water used for contact recreation.

While water quality in the lake has fluctuated in recent months, the problem of fecal coliform bacteria remains a serious and unresolved matter.

In response to this problem, I introduced legislation in the last two Congresses to improve the water quality in Lake Houston. In addition, I have worked closely with the members of the House Public Works and Transportation Committee.

Mr. Speaker, I am extremely grateful that my efforts on behalf of Lake Houston have been included within H.R. 1, and I want to particularly thank our distinguished colleagues, Congressman JIM HOWARD, BOB ROE, JOHN PAUL HAMMERSCHMIDT, and ARLAN STANGELAND, for their invaluable assistance. I am convinced that this legislation will have a very positive and significant impact on water quality in this vital watershed.

Mr. Speaker, as currently written, Lake Houston has been selected as 1 of 11 major nationwide projects which will participate in a new and innovative lake water quality demonstration program.

The purpose of this multifaceted program will be to: First, develop cost-effective technologies for the control of pollutants in order to preserve or enhance lake water quality; second, control nonpoint sources of pollution; third, demonstrate environmentally preferred techniques for the removal and disposal of contaminated lake sediments; fourth, develop improved methods for the removal of silt, stumps, aquatic growth, and other obstructions which impair the quality of lakes; and fifth, construct and evaluate the use of silt traps or other devices to prevent or abate the deposit of sediments in our lakes.

In addition, it will evaluate the feasibility of implementing consolidated pollution control strategies such as regional wastewater treatment plants.

While I do not intend to prejudge the findings of this program, it is clear that the more than 200 wastewater treatment plants that are located in and around Lake Houston have had a tremendous impact on this watershed. It is these plants, or at least some of them, which have been identified as the source of the pollution problem.

In order to carry out this important demonstration program, H.R. 1 authorizes an appropriation of $40 million which will be available until expended.

Mr. Speaker, with the enactment of my Lake Houston Project, we will not only guarantee an improvement in the water quality of this lake but we will prevent the development of a hysteria that Lake Houston is a dirty, polluted body of water.

Mr. Speaker, Congress made a commitment to the American people through the Clean Water Act that our Government would improve and maintain the highest quality of our precious water resources.

Passage of the Water Quality Act of 1987, H.R. 1, will continue that vital commitment to both our Nation and to the people of the Eighth Congressional District. We must ensure that in the years ahead our rivers, lakes, and streams are safe and pure for all Americans.

I would urge my colleagues to strongly support the immediate passage of this most important legislation and to join with me in encouraging the President to sign this vital measure into law.

Mr. HAMMERSCHMIDT. Mr. Speaker, I reserve the balance of my time.

Mr. HOWARD. Mr. Speaker, I yield 4 minutes to the new chairman of our Subcommittee on Water Resources, the gentleman from New York [Mr. NOWAK].

Mr. NOWAK. Mr. Speaker, I am pleased to speak in support of H.R. 1, the Water Quality Act of 1987. This bill is the result of 4 years of work by the Congress and months of negotiation with the Senate. It is the same legislation which passed this House unanimously by a vote of 408-0 and passed the Senate by 96-0, this past October. Despite this overwhelming support, the President pocket-vetoed the legislation. We now must reapprove this legislation with the same overwhelming support as in the 99th Congress to assure that this bill becomes law.

H.R. 1 is a continuation of our commitment to the cleanup and maintenance of our Nation's waters. The bill reauthorizes the construction grants program to provide $9.6 billion over 5 years through 1990 for much-needed aid to localities for the construction of sewage treatment facilities. In addition, $8.4 billion is provided over the 6 years from 1989 through 1994 to establish State revolving loan funds. These State revolving funds, together with the construction grant authorizations, will enable municipal water pollution control needs to be met within a reasonable time.

Mr. Speaker, at this time I would like to engage in a colloquy with the gentleman from New Jersey to clarify the funding provisions of the Great Lakes amendment, that have been incorporated into this legislation.

First, I would like to thank the gentleman for his support of the amendment, which for the first time establishes a coordinated cleanup program for Great Lakes. This is a small part of the bill, but a big step forward for the Great Lakes, and I think the gentleman can be proud of his role in helping to make it happen.

As I explained earlier, the amendment provides $11 million per year from fiscal 1987 through fiscal 1991 to be subdivided as follows: $4.4 million for demonstration cleanups of toxic-contaminated sediments; $3.3 million for a NOAA research program; and $770,000 for nutrient monitoring. I just want to clarify that these funds are to be provided in addition to the existing appropriation for the Great Lakes National Program Office.

Mr. ROE. Mr. Speaker, if the gentleman will yield, the gentleman's understanding is correct. The purpose of the amendment is to build on the agency's existing resources, not to displace them.

Mr. NOWAK. Mr. Speaker, if we viewed the amendment any other way, our goals would be thwarted. The Great Lakes National Program Office currently has an operating budget of $5 million per year. That money is used to support vital projects such as studies of atmospheric deposition in the lakes, and toxic contamination in nearshore areas. These ongoing activities are required by the United States-Canada Water Quality Agreement. If this amendment were to be seen as displacing the existing GLNPO appropriation we would actually be reducing funding for these activities to $2.5 million per year. I just want to make clear that the committee does not intend such an illogical result.

Mr. ROE. That is right. The point of this amendment is to reverse a decade of neglect of the lakes, not to add chaos to EPA's existing programs. A recent National Academy of Sciences' report found that the population of the Great Lakes is exposed to appreciable more toxic substances than those in other parts of the United States. This amendment will provide the EPA with resources to help reverse that trend.

The bill also contains a provision establishing a procedure for the Environmental Protection Agency to address the problem of toxic hot spots.

These toxic hot spots occur in areas where water quality fails to meet applicable standards, notwithstanding the dischargers being in compliance with applicable permits. EPA will require pollution controls beyond those associated with installation of best available technology, to reduce and eliminate these toxic hot spots.

Other important provisions of the bill, and of particular importance to me, relate to the monitoring and control of pollution in the Great Lakes. These provisions would designate EPA's Great Lakes Program Office as the lead agency responsible for United States compliance with the United States-Canada Water Quality Agreement. It would require EPA to establish a toxics monitoring and surveillance network for the Great Lakes and develop a multiagency program for cleanup. The legislation would begin the cleanup of the Buffalo River as a demonstration of ways to address removal of sediments contaminated by toxic pollutants.

To implement these Great Lakes provisions, the bill contains an authorization of $11 million per year for fiscal years 1987 through 1991 to be divided as follows: $4.4 million for demonstration cleanups of toxic-contaminated sediments; $3.3 million for a National Oceanic and Atmospheric Administration Research Program; and, $770,000 for nutrient-monitoring. These amounts are in addition to existing appropriations for the Great Lakes National Program Office and are not meant to displace current resources.

The bill establishes a national policy that programs for the control of nonpoint sources of pollution be developed and implemented in an expeditious manner. The bill provides $400 million over 4 years to States or combinations of adjacent States to implement nonpoint source management programs. Since as much as 50 percent of the pollution in our waters, is estimated, to be caused by nonpoint sources it is imperative that this pollution be addressed promptly.

Our efforts toward clean water are further strengthened by the strong antibacksliding section in the bill. That section prohibits, except in certain narrow circumstances, the ability of a permitted discharger to increase the amount of pollutants discharged, when permits are renewed or modified. This will aid in the effort to obtain continually cleaner water in our Nation.

The legislation provides for increases in civil and criminal penalties for violations of the act. It also provides for the addition of new authority for EPA to impose administrative penalties to add to EPA's enforcement capabilities under the act. Hopefully the increases in penalty amounts and the addition of administrative penalties will reduce violations of the act and discourage those parties who would choose to violate the act with little fear of punishment.

There are numerous other provisions in the bill which continue our efforts to cleanup and maintain our Nation's waters. The passage of the bill will once again send a strong message to the administration on the urgency of addressing the nation's need for responsible and effective measures, to achieve and preserve the quality or our waters. I urge my colleagues to give unanimous support to the legislation, as this House did only a few weeks ago.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield one minute to the gentleman from Minnesota [Mr. STANGELAND], the ranking member of the Water Resources Subcommittee, and hard working member of our committee.

Mr. STANGELAND. Mr. Speaker, I rise to address provisions in H.R. 1, the Water Quality Act of 1987. This legislation is the result of conference discussions in the 99th Congress spanning over 6 months and work, by House and Senate committees spanning over 4 years. Weeks of hearings, thousands of pages of testimony, and countless hours of analysis, discussion and debate led to development of this vitally important environmental legislation.

H.R. 1 should look strikingly familiar to each of us. This legislation—like its counterpart S. 1—is virtually identical to the conference report on S. 1128, which passed the House and Senate unanimously—by combined votes of 504 to 0—less than 3 months ago but was pocket vetoed by the President on November 6. As a matter of fact, H.R. 1 is the same as S. 1128 except for a few purely technical changes, such as replacing 1986 with 1987 in the act's name to reflect the new year.

I should also point out that despite its immediate consideratoin in the 100th Congress, H.R. 1 has a complete legislative history in the form of documents from the 99th Congress. To determine congressional intent in H.R. 1, one should first consult the conference report on S. 1128 and then, if necessary, committee reports and floor statements for the 99th Congress' House- and Senate-passed bills (H.R. 8 and S. 1128). These documents, particularly S. 1128's conference report, provide a detailed legislative history for H.R. 1 even though the new legislation introduced just 2 days ago has no committee report, conference report, or statement of managers from the 100th Congress.

From the outset, let me thank and congratulate all the key players in the 99th Congress responsible for his legislation. In particular, I would like to commend the chairman of our Public Works Committee, Mr. HOWARD, the full committee's ranking Republican member, Mr. SNYDER, and the subcommittee chairman who presided over the conference, Mr. ROE. Chairman ROE worked tirelessly for the past two Congresses holding hearings, researching the issues, and perfecting the bill's language. He devoted entire weekends and worked constantly around the clock to bring this legislation to us today. I also want to congratulate last year's Senate conferees, particularly Senators CHAFEE, STAFFORD, BENTSEN, MITCHELL, and MOYNIHAN. They deserve our thanks, not only for their hard work and dedication, but also their patience and willingness to find balanced and acceptable solutions to the myriad of water quality problems facing this Nation. Special thanks are also due to Members of the 100th Congress—particularly the new ranking minority member of the House Public Works Committee, JOHN PAUL HAMMERSCHMIDT, and the new chairman of the Water Resources Subcommittee, HENRY NOWAK, for their contributions and bipartisan cooperation.

Mr. Speaker, months ago very few in this Chamber, or in Washington for that matter, would have predicted the House and Senate could reach agreement in the Clean Water Act Conference. The issues were seen as being too complex and time consuming. Most people felt the clean water bill would simply be lost in the rush to adjourn. Yet, the conferees were able to achieve compromise in the form of a carefully crafted, well reasoned bill that earned the unanimous support of Congress. Our success was due not only to the dedication of all involved in last year's conference, but, more importantly, to the commitment of Congress and the American people to the goals of the Clean Water Act.

H.R. 1, which is virtually identical to the conference report on S. 1128, represents a balance of House and Senate interests and, quite honestly, is a better product than either of its two predecessor bills, H.R. 8 in the House and S. 1128 in the Senate. The resulting legislation ensures full protection of the environment in a way that adequately protects those who bear the cost of the required protective measures.

Under the conference substitute embodied in H.R. 1, the Construction Grant Program continues at the current annual authorization level of $2.4 billion through fiscal year 1988. Thereafter, the program authorization level is reduced to $1.2 billion per year until the program is eliminated, beginning in fiscal year 1991. This adopts the funding level in the Senate bill and represents a responsible approach to a total phase-out of the construction grant program.

Mr. Speaker, we cannot just walk away from communities that have not received grant funding because, quite frankly, they have polluted less. If we did nothing more than discontinue the construction grants program sometime in the future, this improper result would occur. The conferees' solution to this problem was to provide the same type of transitional financing mechanism contained in both House and Senate bills. That mechanism, now commonly referred to as State revolving fund capitalization grants, originated in the 98th Congress in the House-passed version of this legislation. After a year-long study by EPA, the Agency endorsed the idea, and in the 99th Congress our counterparts in the Senate included authorization for State revolving fund grants in their bill, improving on some of the orignial House concepts. H.R. 1's provisions are the end product of this evolutionary process, and the new State revolving fund authorities we bring to you today will possibly put the States in a position a few years hence to adequately fill the financial assistance void that would otherwise be created by phasing out the construction grants program.

To assist in the phase-out of the Construction Grant Program, we are calling for funding for a new revolving loan program. Revolving loan funds have been tried in a number of States, including my State of Minnesota, and found to be an extremely effective way to spend scarce resources in a way that broadens our ability to achieve the act's purposes. Under this program, the Federal Government will help provide seed money to establish State revolving funds which local communities will use to help finance needed wastewater treatment facilities. Federal moneys made available for these funds would be subject to certain restrictions on their use, as are moneys provided through the Construction Grant Program. As these moneys are repaid into the fund, the restriction on how the funds can be used would be eliminated, thereby allowing the States greater flexibility and freedom in financing municipal wastewater treatment programs.

Mr. Speaker, the allotment formula was another central issue in the conference. The House bill continued the existing formula for distributing the grant funds to individual States. The Senate bill, however, contained a new formula that was totally unacceptable to the House and that would have had States represented by a majority of the Members of the House receiving reduced shares of Construction Grant Program appropriations. My State of Minnesota stood to lose 15 percent of its annual allotment in the first 3 years and 20 percent in the last 2 years of the program under the Senate formula.

I was extremely pleased the conferees agreed to adopt an allotment formula substantially different from that in the Senate bill, under which funding for the overwhelming majority of States stays at or near the level of funding under current law. Where there are changes up or down, they are generally slight. For example, my State of Minnesota will get a slightly lower allotment than under current law, but by only $350,000—a change of less than 1 percent of the State's annual allotment of almost $45 million. This is a major victory not only for my home State, which would have lost $9 million per year under the Senate formula, assuming an appropriation of $2.4 billion, but also for the House's position on this issue.

I am also pleased H.R. 1 retains section 202(e) of last year's conference report on S. 1128. This provision recognizes the importance of the activated biofilter feature of the treatment works project for Little Falls, MN. The subsection provides that the city's activated biofilter component is deemed to be an innovative waste water process and technique and is eligible for increased grants, which the act makes available for innovative technology projects.

Mr. Speaker, H.R. 1 also calls for a major new program to address the serious problems posed by nonpoint source pollution. This initiative recognizes the growing problem of nonpoint source pollution, which contributes as much as one-half of all pollution affecting our waters. Under the program, States must establish nonpoint source programs which identify waters contaminated in whole or in part by nonpoint sources and develop management plans to deal with such pollution.

Under these management plans, the States would develop best management practices [BMP's] which are intended to be the primary water quality improvement and water quality compliance mechanism. Water quality standards established under section 303 of the act would be used to determine where nonpoint source management programs are necessary and assess the overall effectiveness of the nonpoint source management program, including BMP's, in achieving the goals of the act. Where water quality standards are not achieved, the BMP's may need to be reviewed and updated in the State Water Quality Management Program.

The bill authorizes a total of $400 million to assist States in setting up their nonpoint programs. In addition, 1 percent of a State's allotment under the Construction Grant Program or $100,000, whichever is more, would be set aside to be used for nonpoint source pollution management. Furthermore, States with greater needs in the area of controlling this kind of pollution could use up to 20 percent of the State's construction grant funds for nonpoint source problems. This increased flexibility will allow States to better target Federal funding to where it will do the most good.

Mr. Speaker, H.R. 1 provides for a strengthened and improved Clean Lakes Program under section 314 at an annual funding level of $30 million. In addition, $15 million is authorized for cleanup of acidified lakes and a $40 million special demonstration program is established for cleanup of seven specified lakes. I am particularly pleased the conferees were able to agree with me about the pressing need for this new lake cleanup program. I am also gratified that Sauk Lake at Sauk Centre, MN, is one of the lakes named in the bill. Funding under this demonstration program will allow EPA to implement measures to restore this important water body to its once pristine condition.

Mr. Speaker, another significant issue addressed in H.R. 1 relates to exemptions contained in the House and Senate bills for stormwater discharges. Under current judicial and administrative interpretations of the law, businesses and municipalities that channel and discharge ordinary stormwater into a navigable water must obtain NPDES permits.

The House and Senate crafted differing exemptions from this requirement to allow EPA and the States to focus their attention on the most serious problems. The conference substitute—now H.R. 1—adopts a new approach, incorporating and building upon the elements of both bills. With respect to municipal separate storm sewers, the bill provides that larger systems—those serving populations of over 100,000—would be subject to a permit requirement, phased in over the next few years. The conference report streamlines and phases in the permit requirements in a way to ensure that the largest systems are dealt with first and at a realistic pace. The compromise represents a balanced and targeted approach to dealing with municipal stormwater discharge problems, while at the same time establishing useful mechanisms for addressing less serious stormwater discharge pollution situations after the highest priority environmental problems are solved. The provision is meant to provide relief where it is appropriate, to cities without serious stormwater pollution problems, while providing EPA and the States with the time they need to properly address this major national water quality need.

H.R. 1 does not provide a specific permit exemption for stormwater discharges associated with industrial activity, although it does provide a new timetable for regulating such discharges. A discharge is "associated with industrial activity" if it is directly related to manufacturing, processing or raw materials storage areas at an industrial plant. Discharges which do not meet this definition include those discharges associated with parking lots and administrative and employee buildings.

Mr. Speaker, H.R. 1 also contains a number of other significant improvements to the Clean Water Act. We have included dynamic initiatives for addressing toxic hot spot problems and the increasing problem of ground water contamination. Another provision expands the existing exemption for return flows from irrigated agriculture to include agricultural stormwater discharges.

One of H.R. 1's most significant provisions combines concepts in both the House and Senate bills passed in the 99th Congress limiting the authority of the Administrator to issue "fundamentally different factor" modifications. The conferees agreed to place certain limitations on EPA's FDF authority in an effort to encourage dischargers to be forthcoming with necessary information when EPA is in the process of establishing applicable effluent guideline regulations. The conferees also devised the restrictions contained in the conference report on this issue in order to expedite decisionmaking with respect to FDF applications that are filed. We took these actions in an effort to narrow the FDF modification opportunity in such a way as to avoid rewarding recalcitrant or otherwise uncooperative FDF applicants.

A few additional points of clarification are necessary on this matter. First, the fear of recalcitrant or uncooperative FDF applicants was more theoretical than actual. I cannot recall any specific example presented of an FDF modification application being used for the sole purpose of avoiding or postponing compliance with properly established effluent guidelines. Second, the conferees recognized the extremely important role over the past 15 years of Clean Water Act regulations that the availability of receiving an FDF modification has played in various courts, including the U.S. Supreme Court's, decisions to uphold effluent guidelines being challenged for constitutional or other reasons. We expect EPA to continue to utilize FDF modifications, where appropriate, to protect the rights of unique or improperly considered dischargers, while not delaying promulgation of needed effluent guidelines.

Thirdly, we expect to continue to allow applicants who have not had a reasonable opportunity to submit necessary information to receive FDF modifications. This concept, added to the conference report from the House-passed bill, is meant to protect the rights of reasonable applicants to be considered for FDF modifications. Examples might include a discharger who, while knowing of an applicable relevant rule making, had no reason to know until the final rule was issued that certain data would be relevant to the specific nature of the final regulations. It might also include a discharger who knew of a pending rule making but could not submit needed data showing a fundamental difference because that data could not be generated until after the final rules were promulgated.

As with fundamentally different factor modifications, the conferees agreed to place new limits on EPA's authority to issue section 301(g) nonconventional pollutant variances. There are, in addition to conventional and toxic pollutants, a large number of pollutants which the scientific community may not have sufficient data to determine their effects on human health and the environment. The 1977 amendments to the Clean Water Act recognized this and established a third category known as nonconventionals, section 301(g), in order to deal with those unknown pollutants. Such substances are to be treated at the bat level of treatment. However, the provision acts as a safety value and if, after further investigation it is determined that a lesser level of treatment will not cause the substance to interfere with water quality, the Administrator is authorized to consider such a substance for a waiver from the bat requirements.

In regard to 301(g) variances, H.R. 1 provides that when he is satisfied as to the availability of data and test methods regarding such a substance, the Administrator should be able to determine if such a substance is toxic, in which case he is required to add it to the 307(a) list. Alternatively, he may determine that, in certain circumstances or in certain trace amounts, the substance could qualify for consideration for a waiver from the bat level of treatment as a nonconventional pollutant. In order to grant a section 301(g) variance, however, the Administrator must always follow the new procedural rules set forth in the conference substitute.

Mr. Speaker, I would be remiss if I didn't take a moment to thank the dedicated and capable congressional staff who have been instrumental in crafting this legislation. On our side of the aisle, I want to thank John Doyle, Gabe Rozsa, Ben Grumbles, and Kathy Guilfoy for all of their hard work and assistance. I also want to express my appreciation to Errol Tyler, Dave Smallen, Ken Kopocis, Randy Deitz, and Charlotte Miles, staff on the majority side of the aisle. Special thanks should be given to Dave Mendelsohn and Bob Bergman with the Office of Legislative Counsel. I also want to thank the Senate staff who helped develop this excellent bill, in particular, Bob Hurley, Ron Outen, Phil Cummings, Jeff Peterson, Jimmy Powell, and Steve Shimberg. I also want to thank all of the people at EPA who were so responsive to our requests for information and so dedicated to helping us work out strong and fair compromises in the conference report and ultimately, H.R. 1.

One other person deserves special recognition on this special day, a person who, because of his untimely death earlier last year, is not physically with us today but whose presence is and will continue to be reflected in all of the better provisions of this legislation. I am referring to Peter Perez to whom the conference report was dedicated by the conferees. With his incredible knowledge of the Nation's clean water program and his tireless commitment to its improvement, Peter was a tremendously valuable asset to those of us in Congress who have responsibility for writing our Nation's water quality laws.

Whether Democrat or Republican, liberal or conservative, we felt totally able to seek information and analytical work from Peter. We did this knowing that regardless of what Peter may personally have felt about the specifics of any given issue, he would respond in a way that was as reliable, accurate, thorough, and objective as he was personally capable of responding. The level of trust was such that Peter was often asked to leave his home phone number in case problems requiring his assistance arose after normal working hours at night or over the weekend. Very few public servants earn that kind of professional reputation in the course of their careers. Only the best do, and Peter was one of the very best. There could be no more appropriate tribute to Peter and the work he did so well and cared so much about than for us today to unanimously endorse the legislation which so unmistakably bears his mark.

Mr. Speaker, this is an excellent bill. It is one that continues the commitment made by this country to clean water. It is balanced and fair, responsible and sensitive. It phases out the Construction Grants Program in a way that still allows us to finish the job we began in 1972. Just as its predecessor, S. 1128, H.R. 1 deserves the Congress' unanimous support, the President's signature, and the public's overwhelming approval.

Mr. Speaker, I know some people will question our decision to reintroduce the conference report the President pocket vetoed in November, to resist any substantive amendments, and to pass the legislation in early January. I also know, however, H.R. 1 represents a finely tuned and delicately balanced compromise that should be enacted as soon as possible. Never before has such an important environmental bill received unanimous votes of approval in the House and Senate and support from such a broad coalition of citizen, governmental, and interest groups. While I understand the administration's concerns, I also understand how crucial this legislation is to millions of Americans and their future generations. H.R. 1 is not perfect, but it is certainly a tremendous improvement over current law. The nation has waited far too long for such comprehensive, sensible, and environmentally sensitive amendments to the Clean Water Act. Therefore, I urge each of my colleagues to join once again in a unanimous effort to support this legislation and do whatever necessary to ensure its enactment into public law.

Mr. HOWARD. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. ANDERSON], a member of the committee.

Mr. ANDERSON. Mr. Speaker, I rise in strong support of H.R. 1, the Clean Water Act Reauthorization of 1987.

As you know, last year the Congress, by a combined House and Senate vote of 504 to 0, approved this important environmental protection legislation. Much to our surprise and dismay, however, the President pocket vetoed this bill 2 days after last November's elections.

As some will recall, this is not the first time the Congress and a President have disagreed over water pollution control legislation. Back in 1972, when the Congress passed the original Clean Water Act, which I was proud to be a coauthor of, President Nixon vetoed the bill. We, of course, overrode the veto and that 1972 law is now considered one of the great success stories in cleaning up our Nation's rivers, lakes, and streams.

The bill before us today is identical to that legislation, which was vetoed by the President last November. It authorizes funds over the next 8 years to build and improve sewage treatment plants and continues strict water quality control standards.

This measure is strongly endorsed by the environmental community, industry, and State and local government organizations. And it deserves the support of each Member of this House.

I commend the leadership of our Public Works and Transportation Committee for swiftly moving this bill onto the House floor for a vote so that we can eliminate all pollution discharges into the Nation's rivers, lakes, and streams and achieve our goal of fishable, swimmable waters.

□ 1340

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Pennsylvania [Mr. CLINGER], a member of the committee.

Mr. CLINGER. I thank the gentleman for yielding.

Mr. Speaker, one of the major contributors to the pollution of our streams and rivers and ground water is what is known as acid mine drainage. As a Representative of a district that has heavy deposits of high-sulfur coal and has been in the coal mining business for many, many years, I am particularly sensitive to this contributor to the pollution problems that we are having in our water supply. We have addressed this problem in part with programs such as the Rural Abandoned Mine Program, but really we are only touching the surface, the tip of the iceberg. We need a much greater effort, I think, to address this particular contributor to the pollution problems of our water.

I think that this bill provides an incentive, a creative new incentive to begin to go about the work of cleaning up these abandoned mines which are contributing so much to pollution.

What this bill does is encourage remining of these abandoned sites. Under present law if you are a producer, if you go into an abandoned mine and do any re-mining, you become liable for cleaning up all of the discharge from that entire site. As a result, no one is willing to go in and undertake that kind of responsibility. What this bill provides is that you will not be responsible for the entire cleanup, for reducing the pollution in that mine to zero, but you will be required to maintain the water quality at the same level. But the result will be, I am convinced, a massive amount of cleanup which otherwise will not occur in these old sites. Without this, none of these mines will be touched, they will sit there year after year, continuing to drain into the streams and rivers. This bill will provide the kind of incentive to get producers to go in and start cleaning them up. I think it will result in a tremendous improvement in water quality.

Mr. HOWARD. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. MINETA], a member of the committee.

Mr. MINETA. Mr. Speaker, I rise in strong support of this important clean water legislation. The people of this country expect us to pass this legislation quickly and without delay, and I am delighted that we are acting expeditiously.

I want to congratulate the gentleman from New Jersey [Mr. ROE] under whose leadership of the Subcommittee on Water Resources this bill was written; the gentleman from Minnesota [Mr. STANGELAND], the ranking Republican of the Subcommittee on Water Resources; and also the chairman of the Public Works and Transportation Committee, JIM HOWARD, for his leadership and guidance on this effort.

The administration believes that $18 billion is too much to spend for cleaning up our rivers, lakes, and streams over an 8-year period. Yet, the defense expenditures proposed for just 1 year—1988—are more than 17 times as great as what we want to spend on clean water in 8 years.

A veto of this legislation will demonstrate what many of us have known for some time, that this administration's commitment to the environment is vague and meager.

I urge my colleagues to overwhelmingly pass this bill, and I hope our President has the wisdom and the understanding to sign this bill without delay.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 2 minutes to the distinguished, gentleman from New Jersey [Mr. GALLO], a member of the committee.

Mr. GALLO. I thank the gentleman. Mr. Speaker, today I rise to support the Clean Water Act Amendments of 1987. Mr. Speaker, this measure is absolutely critical to the future economic growth of New Jersey and the Nation.

In the State of New Jersey alone, we have more than 250 communities that are under the gun to meet Federal standards on a tight timetable. More than 100 of these communities are currently unable to grow, because they cannot meet the sewage treatment requirements set by the Federal Government. We cannot continue to create jobs in a strong economy without this legislation.

Economic growth is the lifeblood of our economy because it provides jobs for our people. We must enhance, not hinder, economic development. The passage of this legislation into law will not only protect our water resources, but will enhance our Nation's economic growth.

I would also like to praise timely action by the House to reauthorize the Clean Water Act today, bringing this important environmental protection legislation forward as H.R. 1—the first bill of the 100th Congress. Mr. Speaker, this legislation creates an innovative program that protects our valuable sources of clean water from further deterioration.

I would also like to mention that I joined with my colleagues on the Public Works and Transportation Committee as an original cosponsor of H.R. 1, the Clean Water Act reauthorization, when the bill was officially introduced on the opening day of the 100th Congress on Tuesday January 6.

As a sponsor of the Clean Water Act reauthorization in the 99th Congress, I was very pleased by the unanimous support given to this bill in the House. I hope the 100th Congress is as unified in the belief that this legislation deserves our unanimous support.

This legislation represents a united effort to fashion a strong, efficient and balanced approach to ensuring cleaner water for all Americans. As a member of the Public Works and Transportation Committee which drafted the bill, and as a sponsor of H.R. 1 in the 100th Congress, I feel that this measure is a sensible solution to our waste water treatment problems.

Mr. Speaker, I would like to mention that in addition to existing programs, the bill creates a new revolving fund program to help States construct needed pollution control facilities and a new nonpoint source pollution control program.

Under the bill, the grant program for sewage treatment plant construction would continue at the current level of $2.4 billion through fiscal year 1988. From that point on, the program would be phased out and replaced with a low interest loan program, beginning in fiscal year 1991.

Funding for the new revolving loan program will begin next year to build a 5-year reserve fund. The Federal Government will use the money from this fund to provide seed money to set up state funds which will be used to help local communities to meet water quality standards.

Mr. Speaker, this innovative revolving fund is similar to the Infrastructure Bank legislation that I sponsored in 1983 as Republican leader in the New Jersey Assembly. The Federal Revolving Fund Program would be authorized at $1.2 billion for each of fiscal years 1989 and 1990 and thereafter at $2.4 billion in 1991; $1.8 billion in 1992; $1.2 billion in 1993; and, $600 million in 1994.

In addition to funding local sewer projects, the Clean Water Act authorizes $400 millon for a major new grant assistance program, under which States will be asked to establish programs to control nonprofit sources of pollution such as agricultural, urban stormwater, construction and mine runoff.

Another $15 million would be authorized to enable EPA to finance needed wastewater treatment facilities. The funds can be used for loans, guarantees, interest subsidies, and other nongrant purposes.

The bill also provides an initiative for addressing so-called toxic hot spots—waters that cannot meet applicable water conduct demonstration projects related to restoring the biological integrity of acidified lakes.

The EPA would also be permitted to make grants to help States carry out ground water quality protection activities with annual authorization of up to $7.5 million for 5 years to be derived from funds appropriated to the nonprofit source program.

This landmark legislation was the result of a great deal of hard work. It is a good bill and I urge your support. I would also like to join with the other members of the Public Works and Transportation Committee to strongly urge President Reagan to sign this important environmental legislation.

Mr. HOWARD. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. I thank the gentleman for yielding.

Mr. Speaker, I take this time to enter into a brief colloquy with the chairman of the subcommittee, Mr. ROE, with reference to section 317 of the bill.

Mr. Speaker, that section provides a national estuaries program which in effect allows the States of the Nation to request conferences in order to establish with EPA a management plan for those enormously important estuarine systems of our country.

While some of the States' estuarine systems are actually named for priority treatment under this section, the question is, is every State entitled to participate under this program and would a State like Louisiana, which has enormous estuarine systems, applying under this program be entitled to a conference and to full recognition under this section 317?

Mr. ROE. If the gentleman will yield.

Mr. TAUZIN. I yield to the chairman of the subcommittee.

Mr. ROE. I thank the gentleman for yielding.

Mr. Speaker, the interpretation of the gentleman is correct. There were some States, some estuaries that were put in there more descriptively, but all States have the same provisions, are eligible under the same provisions of the bill as far as the estuaries are concerned.

Mr. TAUZIN. I thank the gentleman.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Speaker, I represent a sprawling district in the western part of Washington State. The First Congressional District straddles three counties, two military installations, one Indian reservation, the largest city in the Pacific Northwest, a small farm community, and the fastest growing suburban area in the region. There is one thing, however, that unites this sprawling, disparate congressional district. Our great unifier, Mr. Speaker, is Puget Sound. They say that if you can see the Sound, you are in the First District. The people of the First District work, play, travel and live on the Sound. The waters and tributaries of Puget Sound are the life blood of the First District. The quality of life in the First District depends a great deal on the water quality of Puget Sound. So I have a very parochial interest in supporting the bill before us today.

But Mr. Speaker, the First District is not unique in its dependence on water resources, like Puget Sound. There are cities, towns, and neighborhoods across America which share this dependence on their local waterways. The quality of our water resources is basic to the quality of life in this Nation. We continue to endanger these resources at our peril. That is why we must pass the Clean Water Act today. This bill is effective, it is fiscally responsible, it is responsive to the needs of local communities. The need is great and our time is short, Mr. Speaker.

Finally, Mr. Speaker, I urge the President to support this bill. Congressional support has been unanimous. We will enact this bill with or without the administration's support. I hope the administration will join with us in working to preserve and protect one of our most precious resources.

Mr. HOWARD. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. ROWLAND], a distinguished member of the committee.

Mr. ROWLAND of Georgia. I thank the distinguished chairman for yielding this time and thank the gentleman for all the work he has done on this bill. I particularly want to commend the gentleman from New Jersey [Mr. ROE] for his skill and ability and all that he has done in bringing this to fruition.

Also, the gentleman from Kentucky, Mr. Snyder, who is now retired, Mr. STANGELAND, all of the Members on the minority side and the majority side and their staffs for all of the hard work that they have done.

Mr. Speaker, I wish to engage in a colloquy with the gentleman from New Jersey, a short colloquy about the storm water runoff provision. The provisions in this bill require permitting for all of those systems, not points of runoff but systems, of population above 250,000 within certain time limit constraints. It also provides for permitting of those between 100,000 and 250,000, of those systems. We did not make any provisions for those that would require permitting of less than 100,000 unless there was some problem with the pollution source from those runoffs. Is that correct?

Mr. ROE. Mr. Speaker, will the gentleman yield?

Mr. ROWLAND of Georgia. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

The gentleman's observation is absolutely correct.

Mr. ROWLAND of Georgia. I just wanted to establish that, I wanted it to be part of the language so that there would not be any confusion about that in the final analysis, and I thank the gentleman very much for his confirmation.

Mr. ROE. I thank the gentleman.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 2 minutes to the gentlewoman from New Jersey [Mrs. Roukema].

Mrs. ROUKEMA. Mr. Speaker, as an original cosponsor of H.R. 1, I rise to express my continued strong support for swift passage of the Clean Water Act reauthorization bill. I think this is a good bill, and one worthy of the President's support. Toward this end, I will again urge the President to sign this legislation into law should it successfully pass both Houses in its present form.

H.R. 1 will authorize appropriations through 1994 for local sewage treatment construction, including money to establish State revolving loan funds. The revolving loan fund concept is a major reform and innovation of this legislation. These revolving funds will provide low-interest loans to communities in need of sewage treatment systems. Repayments of these loans will later be used to make new loans, providing a self-sustaining source of money for States to finance local water treatment construction.

This Federal funding is critical, since the Environmental Protection Agency has reliably estimated that $100 billion will have to be spent on sewage treatment to achieve clean water nationwide by the year 2000. There are presently 3,330 treatment plants nationwide which violate existing Clean Water Act requirements by providing little or no sewage treatment. This situation is intolerable. It does no good for Congress to mandate necessary water quality goals if there are no funds available to assist hard-pressed municipalities in meeting these standards. The only responsible course, therefore, is for Congress to appropriate Federal funds in the short term to keep water treatment projects on track, while setting up a self-sustaining loan fund which States can use in the future to meet waste water standards on their own.

The difficulties facing localities in meeting clean water standards are illustrated by the plight of my constituents in Wanaque, NJ. The people of Wanaque are facing exorbitant increases in local sewer costs because their local tax base is inadequate to underwrite the sewer treatment facilities needed to meet Federal standards. Although there are additional circumstances which compound Wanaque's dilemma, Wanaque remains a prime example of the problems facing hundreds of communities across the Nation.

The President's pocket veto of this same legislation at the end of the last session was especially disappointing when you consider that this bill is the culmination of 4 years of legislative negotiation and compromise. H.R. 1 is a consensus bill which passed unanimously in both the House and Senate last fall. It was supported last year by a diverse range of interests, including environmental, State, municipal, industry, and labor organizations. I believe that it is time for the administration to accept this bipartisan effort at making our Nation's waters safe for fishing, recreation, and drinking. I, therefore, urge my colleagues to pass H.R. 1 without delay, and I again call on the President to sign this important legislation.

□ 1355

Mr. HOWARD. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. Wise].

Mr. WISE. Mr. Speaker, I take this time in order to engage in a colloquy with the gentleman from New Jersey [Mr. Roe].

Mr. Speaker, section 306 of the bill addresses the circumstances under which the Administrator of the EPA may establish alternative requirements under subsection 301(b)(2) of the Clean Water Act with respect to "best available technology" [BAT] requirements and under subsection 307 with respect to toxic pollutants. The language of the act is silent, however, with respect to the Administrator's authority to consider such variances from the "best practicable control technology" [BPT] requirements of subsection 301(b)(1). EPA currently has regulations in place which set forth the requirements for BPT variances on the basis of fundamentally different factors. These regulations allow the Administrator to address two important situations where consideration of alternatives to national BPT requirements may be appropriate. The first situation involves information and data that was not available for the Administrator to consider when the BPT requirement was adopted. The second situation involves a facility that was not subject to the BPT requirement when that requirement was adopted—for example, where the requirements of a permit have been established pursuant to a consent decree entered prior to enactment of the Water Pollution Control Act Amendments of 1972. Will the provisions of section 306 of the bill allow the Administrator to consider requests for alternatives to BPT requirements on the basis of fundamentally different factors in these two cases?

Mr. ROE. Mr. Speaker, will the gentleman yield?

Mr. WISE. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Speaker, the answer to the gentleman's question is "Yes." Section 306 does not alter in any way the Administrator's authority to consider requests for alternative BPT requirements on the basis of fundmentally different factors in the two situations you have identified.

Mr. WISE. Mr. Speaker, I thank the Chairman.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from Maryland [Mrs. Bentley].

Mrs. BENTLEY. Mr. Speaker, today we in the historic 100th Congress have the opportunity to complete some very important unfinished business from the 99th Congress. We once again have the chance to vote affirmatively and pass the Clean Water Act.

I commend the continued leadership of the Committee on Public Works and Transportation for working to have this important legislation to the House for consideration. During the 99th Congress, I had the opportunity to work as a member of the Committee on Public Works and Transportation in preparation of the Clean Water Act.

Enactment of the Clean Water Act will continue to assist the work ongoing by individual States. Maryland has joined with Pennsylvania, Virginia, and the District of Columbia in an effort to restore the Chesapeake Bay. The natural estuary is of major significance to these Mid-Atlantic States. Working together we can make a difference.

Measures are included in the Clean Water Act requiring States to develop plans for combating nonpoint source pollution, such as polluted runoff from city streets and farmlands. The Mid-Atlantic States have been working for the last decade to implement effective legislation needed to restore the bay.

Included in the legislation we have before us today is amending language which I successfully offered in committee during the previous Congress. The intent of the Bentley amendment was retained in the conference agreement. This language ensures that local and regional planning organizations would receive a portion of 40 percent of the State's funds necessary to implement the policy of controlling nonpoint source pollution.

In my home State of Maryland, some 50 percent of the pollution entering the upper Chesapeake Bay is a result of nonpoint source pollution. Enforcement of the Clean Water Act will play a vital role in significantly reducing half of the pollution entering our Nation's largest natural estuary.

The restoration of the water quality of our Nation's water supplies is of importance to all. This legislation takes into account efforts made by State and local governments.

Federal construction grant assistance is the cornerstone of each State achieving an effective environmental initiative needed to reduce water pollution. In Annapolis, MD, the Chesapeake Bay Program Office has contributed to much of the success of controlling water pollution. This program, under the direction of the EPA, has worked to coordinate Federal and State efforts in restoration of the Chesapeake Bay.

Studies have been conducted by the Chesapeake Bay Office to determine the impact natural and man-induced environmental changes have on the living resources of bay. Such studies are essential to cleaning up pollutants which are a result of nutrients, chlorine, acid rain, toxic waste, and heavy metals present in our water supply. A continuation of EPA programs such as this one will help us to achieve a cleaner envoronment. We need a dependable water supply to meet our water needs.

Enactment of the Clean Water Act will afford the Chesapeake Bay Office the opportunity to continue its important work.

Regional planning councils and local and State governments will play a more active role in development and implementation of water quality maintenance. Federal funds, distributed to States, will be passed on to local governments and those directly involved in water quality planning. Because of this provision, the Baltimore Regional Planning Council anticipates greater success in their work to reduce water pollution.

The Clean Water Act reauthorizes Federal funding for construction of local sewage treatment systems. These funds are necessary if we are to continue to clean up the environment.

Located in my home congressional district is Maryland's largest sewage treatment plant, the Back River Wastewater Treatment Plant. Currently there is a $400 million construction effort underway at Back River. The State of Maryland is doing its part to help make the necessary improvements at this wastewater treatment facility.

I am proud to say that private industries in the Second Congressional District of Maryland are also contributing to the effort to help restore our water supply. A new program will be established under this bill for cleaning up toxic "hot spots"—waters that will not meet water quality goals even after industrial dischargers have installed the best available cleanup technologies. Private industry working with government will succeed in eliminating pollutants which impose a threat to the environment.

Mr. Speaker, I urge my colleagues to join me and vote to pass H.R. 1, the reauthorization of the Clean Water Act.

Mr. HOWARD. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, I rise today in support of H.R. 1, the Clean Water Act Amendments. I would like to commend Chairman HOWARD and Mr. ROE for their leadership and the members of the committee for their dedication and work on this vital legislation.

Sixteen years ago, with the adoption of the Federal Water Pollution Control Act, the Congress embarked upon an ambitious program to protect and, in many cases, reclaim our most precious natural resource—clean water.

This program has been tremendously successful. The Willamette River, which begins in my district and flows through the heart of western Oregon, is a notable example of the effectiveness of this program. In the midsixties, the Willamette was nearly devoid of aquatic life because of pollution.

Today, the Willamette provides more than 100 miles of prime recreational activity, abundant aquatic life and drinking water for thousands of Oregonians. Federal dollars could not be better spent than to duplicate the success of the rebirth of the Willamette 1,000 times across the Nation.

Despite the fact that many of the severe pollution problems of the 1960's and 1970's have abated, the job is not yet finished. Water contamination problems continue to plague the Nation: Sewage treatment, nonpoint pollution, and toxic pollution are particular problems. I believe that H.R. 1 responsibly addresses these issues.

All across the country, State, and local governments are anxious to enter into partnerships with the Federal Government to resolve local wastewater problems and meet the compliance deadline of July 1, 1988.

In my district, at least nine communities are in immediate threat of noncompliance, which will mean stiff penalties from EPA. The ability of communities like Coos Bay, North Bend, Drain, and Youncala to meet this deadline is dependent upon the legislation we are considering today.

As we all know, the Clean Water Act was unanimously approved by both Houses. This bill also received the support of industrial and environmental groups. State and local governments have expressed their need for such legislation. And the American people have made it clear that clean water programs should be a Federal priority.

However, the President disagreed. It is incomprehensible to me that this administration, in a misguided, pennywise pound-foolish attempt at budget cutting, would reject one of the Federal programs that has been proven to be so effective and necessary.

Mr. Speaker, we must send a strong message to the administration that environmental protection and public health are priorities of this Congress. I urge each of my colleagues to repeat the vote of last October and support the Clean Water Act.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DANNEMEYER].

Mr. BOEHLERT. Mr. Speaker, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Speaker, I join my colleagues on both sides of the aisle to urge another unanimous vote by this House to pass H.R. 1, the Clean Water Act Amendments. And while we're at it, let's resolve in the new year to complete amendments to the Clean Air Act.

There's no point in making H.R. 1 a political football. The President's veto of this legislation last October was ill advised, and an "aye" vote now is a fiscally responsible vote for cleaner waterways—nothing more, nothing less.

H.R. 1 is the product of at least 4 years of hard work. It enjoys support from business, from labor, environmentalists, and State and local governments. It is fiscally prudent, without avoiding our responsibilities to lakes and rivers, or the State and local governments we have charged to protect them.

So let's pass the clean water amendments and get on to the greatest unanswered environmental challenge—amendments to the Clean Air Act.

With at least 4 years of hard work, we reached agreement on clean water and Superfund. We've already spent 4 years on clean air. Can we finish the bipartisan work in the 100th Congress, which we began in the 98th, and built upon in the 99th?

Because let's face it—there aren't many things we can leave to our children when we're gone. But a clean environment—as good or better than the one we were given—is something we can leave them. That's a dream that everyone can suppport. That's a dream that's moved toward reality in this legislation. Let's all vote "yes" on clean water and move on to clean air.

Mr. DANNEMEYER. Mr. Speaker, I rise in reluctant opposition to this bill. I would have preferred to have voted for an amendment that would reflect the spending level that the President of the United States asked be accorded for this program, but unfortunately, such a rule was not made in order, and reluctantly, I intend to vote against the bill.

Milton Friedman has eloquently written about the conflict that we find presented to all of us in this legislation. Namely, in Democracy in America today, how do we reconcile the different claims between the special interests of the country that clamor for this spending and the taxpayers who pay the bill?

Up until now, and I suspect today, the people who will get the money, the representatives of local government who yearn for this money, who hire the lobbyists who come here to Capitol Hill to lobby the Members of Congress to approve this spending proposal, are going to win. The taxpayers of the country, the disorganized group that really want the budget balanced by cutting spending, not raising taxes, are the ones who are going to lose.

Let me observe to you what happens when we pass authorization bills in excess of what the President asked be done. Over the last 5 years of this Reagan Presidency, Congress has appropriated $10 billion more collectively for the category in which this program is located, category 300, than what the President has asked be done.

What happens when the authorization gets into law is the claim is made that it has been authorized, therefore, it must be in the public interest to adopt and the appropriations bill comes along and appropriations are passed in excess of what the President asked for, and we have the result of ever-growing deficits and ever-growing national debt.

Mr. HOWARD. Mr. Speaker, I yield 2 mintues to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, as a freshman, I would like to take this opportunity to compliment my chairmen, the gentleman from New Jersey [Mr. HOWARD], the gentleman from New Jersey [Mr. ROE], and the leadership for bringing to the House floor at this time this critical piece of legislation.

The 99th Congress is to be congratulated for this fine reauthorization work. Thanks to the leadership, I and so many other Members of the freshman class will be able to go on record now in favor of this most important piece of legislation.

Communities throughout the Nation await the passage to move ahead with efforts to clean up their water.

In Maryland, we have just seen how important the original Clean Water Act was. The degradation of the Chesapeake Bay and its tributaries has begun to be reversed.

Saving the Chesapeake Bay as a vital national resource is a project dear to Marylanders, but one which can only proceed with close regional intergovernmental cooperation.

This act provides $13 million per year specifically to continue the work of the EPA and the States surrounding the bay.

I am particularly pleased to see that in this legislation, the success that we have realized in coordinating all levels of government in Maryland, Virginia, Pennsylvania, and the District of Columbia with efforts of the Federal Government and the private sector to clean up the Chesapeake Bay will be used as a model for work nationwide.

I look forward to the speedy passage of this legislation and the reauthorization of funds critical to the future of our Nation's waters.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise to reaffirm my strong support of the Clean Water Act and H.R. 1, the Water Quality Act pending before us today. I commend the gentlemen from New Jersey [Mr. HOWARD and Mr. ROE] the gentleman from Arkansas [Mr. HAMMERSCHMIDT], and the Committee on Public Works and Transportation, for reintroducing this measure and ensuring its immediate consideration in the 100th Congress.

As an initial cosponsor of H.R. 1, and a strong supporter of last years measure, I have continually supported every effort to make our Nation's waters potable, swimmable, and fishable once again. My district in the mid-Hudson Valley region of New York State is an area abounding with many beautiful lakes and rivers, in particular Greenwood Lake, the upper Delaware, the Ramapo, and the Hudson Rivers. Consequently, I am especially concerned about the protection of these irreplaceable natural resources. Nor am I alone in my concern.

Just these months during the district work period, I spoke with many constituents who expressed concern about the condition of our lakes and rivers and specifically what Congress is doing to reauthorize and strengthen the Clean Water Act, upon which the future of our lakes, rivers, and waterways rests.

Some of the fine provisions of H.R. 1 are that it authorizes $2.4 billion per fiscal year for fiscal years 1986-88, and $1.2 billion per year for fiscal years 1989-90, for local sewage treatment construction grants. Additionally, H.R. 1 authorizes annually through fiscal year 1990: $22.8 million for research activities and investigations on the causes and effects of water pollution, $75 million for grants to State and interstate agencies to assist in administering water-pollution-control programs, such sums as may be necessary for grants for developing and operating areawide waste-treatment management planning processes, $30 million for restoration of lakewater quality, and $135 million for general administration by the Environmental Protection Agency [EPA]. This legislation also reauthorizes much-needed construction-grant funds through fiscal year 1990, adopting a new formula for distributing funds among the States. H.R. 1 also requires each State to establish a water-pollution-control revolving fund for providing construction assistance to municipalities and intermunicipal and interstate agencies for public treatment works. A new program to control nonpoint sources of pollution would gain an allocation of $400 million.

H.R. 1 extends the compliance dates to require dischargers to achieve the best available technology [BAT] and best conventional technology [BCT] for all toxic, conventional, and other pollutants as expeditiously as practicable, but no later than 3 years after the date applicable effluent limitations are established, and in no case later than March 31, 1989. Importantly, EPA is required to issue final regulations establishing effluent limitations for direct dischargers and limitations requiring pretreatment for the remaining toxic pollutants: Pesticides, organic chemicals, plastics, and synthetic fibers. This legislation also elevates the penalties for dischargers or individuals who knowingly violate or cause violation of certain requirements, setting penalties of up to $50,000 per day of violation and/or imprisonment for up to 3 years.

For clean lakes, H.R. 1 requires States to submit biennial reports and EPA to prepare a national report on lakewater quality. Additionally, it would authorize $15 million for acid mitigation and $40 million for lakewater demonstration projects. Two of these demonstration projects would be conducted at Greenwood Lake, in my district, which serves the tristate area.

During my travels across my district, apprehensions about the lack of moneys to continue the Clean Water Act were expressed across the board by both environmentalists and industrialists. I feel it is of utmost importance that we all realize that this is not an issue of environmentalists versus industrialists and that this act is not merely a proposal to perpetuate beautiful scenery and holiday vacation resorts; this measure provides for the protection of a resource which is a human necessity and beneficial to all our citizenry.

As all Members already know, this legislation was adopted by both Chambers during the 99th Congress and sent for approval to the President. At that time I joined my colleagues in writing a letter urging the President to please accept this legislation. However, he denied his approval, allowing the bill to die while Congress was adjourned. The President stated that the act was unnecessarily expensive. What will we pay to restore our lakes, rivers, and waterways when it is too late? I urge you now, as I have in the past, to support this legislation when it is brought to a vote. As we begin this historical 100th Congress we must reaffirm the idea of service for the citizens of these United States and adopt this resolution which will not only benefit all the inhabitants of this land but will also perpetuate the great beauty of the United States as we know it today.

□ 1405

Mr. HOWARD. Mr. Speaker, I yield 3 minutes to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I would like to engage the chairman of the Subcommittee on Water Resources, who presided over the conference in the last session, in a discussion about a provision in the conference report for the Water Quality Act of 1986 intended to help three cane sugar processing mills along the Hamakua coast of Hawaii. The conference report provision I have in mind appears on page 124 of House Report 99-1004.

The sugar mills to which this conference report language applies are located on the Hamakua coastline of the Island of Hawaii. No other sugar processing plants in Hawaii or the continental United States are similarly positioned. As a result of their location, these cane sugar mills must incur unusually high costs to comply with the total suspended solids effluent limitations set by the Environmental Protection Agency.

Mr. Speaker, I believe that Congress has a responsibility to recognize the unique station of these sugar mills and to require EPA to reconsider their effluent limitations requirements in light of the extenuating circumstances.

Mr. ROE. Mr. Speaker, will the gentleman yield?

Mr. AKAKA. I yield to the subcommittee chairman.

Mr. ROE. I thank the gentleman for yielding.

Mr. Speaker, I agree with the gentleman from Hawaii. The conference report provision to which Mr. AKAKA refers, which I authored, recognizes the plight of these sugar mills and expresses Congress' strong expectation that EPA will provide environmentally sound administrative relief to the Hamakua coast sugar companies based on the opportunity created by the conference report language.

The intent of the language is to authorize and direct EPA to reassess the reasonableness of the effluent limitations imposed on the three sugar mills in light of their unique circumstances. In particular, the conference report authorizes EPA to withdraw temporarily the effluent limitations currently imposed on the three Hamakua coast sugar mills, issue a best professional judgment NPDES permit to the mills, and then promulgate new effluent limitations for the Hamakua coast cane sugar mills which provide for complete suspension of the total suspended solids limitations.

Mr. AKAKA. Mr. Speaker, I would appreciate it if the gentleman from New Jersey would explain in greater detail how Congress intends EPA to proceed to provide the necessary relief for the Hamakua coast mills.

Mr. ROE. Mr. Speaker, if the gentleman would yield, I would be happy to do so. The committee continues to expect that EPA will reassess the reasonableness of the effluent limitations imposed on the three Hamakua coast cane mills in light of their unique circumstances. The committee feels that a more pragmatic standard for effluent limitations than has been applied in the past is appropriate and expects EPA to consider the unique geographical location of these mills and the relationship between the costs of attaining a reduction in effluents and any effluent reduction benefits derived, including a comparison of the costs of effluent reduction with any benefits of the reduction to the receiving waters. Such an analysis should result in a standard where no total suspended solids effluent limitation is imposed.

Mr. AKAKA. I appreciate the chairman's response. For the record, I would like to provide additional background to explain this situation. All Hawaiian cane sugar processing mills use water to wash field dirt from sugar cane after the cane is harvested, and before the cane is processed. The amount of soil collected in the washwater, referred to as total suspended solids, depends to a great extent on the geographic location of the sugar cane fields because the amount of soil which must be washed from the sugar cane increases with greater rainfall.

The Hamakua coast cane sugar mills are located in an area that experiences unusually heavy annual rainfall and are situated on the coast at a much lower elevation than their sugar cane fields. As a result, it is not feasible for the mills to use the washwater, which contains a relatively high concentration of total suspended solids, for field irrigation. Rather, the washwater must be filtered by hydroseparators and run through settling ponds before discharge to the Pacific Ocean. The costs associated with this effluent control technology have crippled the companies economically, threatening to completely shut them down.

Environmental studies on the effects of sugar cane washwater discharges to the Pacific Ocean show that the environmental benefit of limiting the amount of total suspended solids is minimal because the ocean area affected is largely dependent on tidal stage, wind, and the settling velocities of total suspended solids contained in the washwater, rather than on the amount of total suspended solids in the washwater discharge. In fact, since EPA imposed effluent limitations for total suspended solids on the mills, the zones of measurable impact from their washwater discharges have not changed significantly, despite a decrease in total suspended solids discharge on the part of the mills by a factor of 10. Similar zones of impact, or brown spots, are created naturally along the Hamakua coast from over 50 streams.

For over 4 years, the two sugar companies have requested EPA, without success, to reconsider the application of total suspended solids effluent limitations to the companies' wastewater discharges to the Pacific Ocean. Despite clear evidence that, in this case, the relationship between the costs of attaining a reduction in total suspended solids and the environmental benefits derived is not reasonable, EPA has denied the companies' requests for a waiver from total suspended solids effluent limitations because, among other things, EPA believes it lacks authority to consider the effect of a discharge on the receiving waters.

Mr. Speaker, I thank the chairman for his assistance on this matter, and I yield back the balance of my time.

Mr. HOWARD. Mr. Speaker, may I inquire as to how much time the gentleman consumed?

The **SPEAKER** pro tempore (Mr. FORD of Tennessee). The gentleman from New Jersey [Mr. HOWARD] has consumed 25 minutes of his 30 minutes. There are 5 minutes remaining.

Mr. HOWARD. And do I understand, Mr. Speaker, that the gentleman from Hawaii [Mr. AKAKA] consumed 2 minutes?

The **SPEAKER** pro tempore. The gentleman is correct.

The gentleman from Arkansas [Mr. HAMMERSCHMIDT] has 10 minutes remaining.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Speaker, I appreciate the gentleman from Arkansas [Mr. HAMMERSCHMIDT] yielding time to me.

Mr. Speaker, we all know that this is an issue of overwhelming importance to the environment of our great land. The Clean Water Act amendments represent 4 hard years of consensus achieved in the areas of water pollution and sewage treatment. This consensus was demonstrated by a unanimous vote at the close of the last Congress.

There have been questions raised as to cost, and the role of the States in meeting nationwide standards. The Washington Times printed a column in December outlining these concerns. Charges have been made that grants are given on political, rather than environmental grounds. The performance of pollution treatment facilities under Federal permits has also been brought into question. I am sensitive to these considerations, however, it is high time that we translate our concern into action by supporting H.R. 1. This does not mean that we must be any less vigilant, or unyielding in upholding the standards of the program. The future of our environment, and our well being, depends on it.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. SHUSTER], a distinguished member of our committee.

Mr. SHUSTER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, may I say to the Members of the House that I do not suppose there are very many Members of this body who have a more fiscally conservative voting record than this Member. Yet, I rise in strong support of this legislation because I believe it is one of the most meritorious programs we will be dealing with in this Congress. In fact, clean water is not an expenditure of Federal funds; clean water is an investment in the future of our country and an investment in the communities which we represent.

For those reasons, Mr. Speaker, I urge my colleagues on both sides of the aisle to vigorously support this legislation.

Mr. HOWARD. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. DYSON].

Mr. DYSON. Mr. Speaker, I again would like to applaud the gentleman from New Jersey [Mr. HOWARD], the gentleman from New Jersey [Mr. ROE], the gentleman from Arkansas [Mr. HAMMERSCHMIDT], and the gentleman from Minnesota [Mr. STANGELAND] for their efforts in bringing this Clean Water Act to the floor once again. I, too, urge my colleagues to support the bill today.

I believe, because of their efforts and the help we have received from the Appropriations Committee, that our Chesapeake Bay is improving. Our bay grasses and the rockfish are coming back, and I think the $52 million contained in this bill will go a long way in helping us restore the Chesapeake Bay.

I wish to express my unwavering support of this vital piece of legislation and urge my colleagues, not only my good friends from the 99th Congress but also my new friends in the 100th Congress, to add their votes of support to this vital legislation.

This legislation will benefit every State in the Union and it will have a great impact on each and every district. Our overwhelming vote of support on this act during the last Congress, along with that of our colleagues in the other Chamber, left no doubt that we are committed to passing this bill to end the threat to our citizens health from the pollution that is choking our rivers and waterways and destroying the valuable resources they contain.

Mr. Speaker, this legislation also contains a crucial section that is of paramount importance in the Federal, State, and local efforts to clean up and restore America's greatest estuary, the Chesapeake Bay. On January 3, 1985, I introduced legislation which would provide $52 million over the next 4 years to revitalize this important and historical bay. That legislation has been incorporated into Clean Water Act in front of us today and I wish to thank my distinguished colleagues for supporting the Chesapeake Bay initiative which will reverse decades of neglect and decline.

I know that many of my colleagues have enjoyed afternoons on the bay sailing, fishing, exploring the wetlands and hunting in the fall. This money will permit us to further restore the water and the blue crabs, oysters, striped bass, and waterfowl that use the bay as their spawning grounds or natural habitats. This legislation will help ensure that future generations will be able to enjoy the bay and its many resources as much as we have enjoyed them.

Last year's Clean Water Act was vetoed because the President objected to the spending level we set for sewage treatment plant construction. I have no doubt that veto would have been overridden had we not adjourned. Construction and upgrading of sewage treatment plants is one of the most important portions of this bill. We must use the $18 billion sought by this legislation to guarantee our continued success in achieving our goals of fishable and swimmable waters and the elimination of pollution discharge into our waters.

The sewage treatment plant construction fund will permit us to keep future pollution out of our rivers, lakes, streams, and bays. We cannot authorize money to clean up our waterways with one hand and take away money to keep them clean with the other. It is imperative that we pass this bill and that we stand ready to override a veto if necessary.

Once again, it is time to tell America that we care about water pollution and its danger to human health and to the environment. We must support H.R. 1, the Clean Water Act, as reported to this body by the Committee on Public Works and Transportation.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. MORRISON].

Mr. MORRISON of Washington. Mr. Speaker, I appreciate the gentleman's yielding time to me.

In the Western United States there is tremendous sensitivity to anything affecting water rights. Concerns have been expressed as to the implications of the provisions of this Clean Water Act as they relate to Indian tribes and water quality and quantity.

My colleague, the gentleman from Washington [Mr. FOLEY], and I have raised these questions and find answers in the form of a memorandum addressed to MORRIS K. UDALL, chairman of the Committee on Interior and Insular Affairs. This memorandum includes the following conclusions:

> There is nothing in the existing law nor in the proposed amendments in H.R. 1 which in any way expands the substantive rights of an Indian tribe to a quantity or quality of water. In fact, section 101(g) of the existing law which is specifically made applicable to Indian tribes by the proposed Indian provisions of H.R. 1 specifically preserves the allocation or quantification of water rights which are otherwise legal under State law.

Mr. Speaker, under my request to include extraneous matter, I submit the following memorandum entitled "Indian Provisions of the Clean Water Bill," as follows:

MEMORANDUM

To: Morris K. Udall, chairman, Committee on Interior and Insular Affairs.

From: Ducheneaux/Broken Rope.

Subject: Indian provisions of the clean water bill.

You have directed us to address the objections raised by constituents of Mr. Foley and Mr. Morrison to the Indian provisions, of H.R. 1, legislation to amend the Clean Water Act. As you know, you strongly supported the inclusion of those provisions in the bill passed and vetoed by the President in the 99th Congress.

It appears that the objections being raised to the Indian provisions assert that these provisions either—

(1) expand the substance of existing Indian water rights;

(2) expand the mechanism available to Indian tribes to enforce those rights both within and without their reservation boundaries; or

(3) both.

CLEAN WATER ACT

I. Substance of Indian water rights

There is nothing in the existing law nor in the proposed amendments in H.R. 1 which in anyway expands the substantive rights of an Indian tribe to a quantity or quality of water. In fact, section 101 (g) of the existing law which is specifically made applicable to Indian tribes by the proposed Indian provisions of H.R. 1, specifically preserves the allocation or quantification of water rights which are otherwise legal under state law.

In like manner, there is nothing in the existing law or in the proposed amendments which impairs or is intended to impair any way existing substantive water rights of any Indian tribe.

Many Indian tribes have certain water rights deriving from treaties or other Federal law wholly apart from the Clean Water Act. These rights, often undetermined, include rights to certain quantities of water and rights to a certain quality of water. it is beyond question that Indian water rights include a right to some quantity of water.

There seems to be some doubt that this right extends to a right to a certain quality of water and the case law on this is somewhat sparse.

However, in the 1980 decision of the Federal district court in *U.S.* v. *Washington,* 506 F. Supp. 187, this very issue was addressed. The tribes asserted that their treaty fishing right included the right to environmental protection.

"... It is well established that the scope of an impliedly-reserved right may not be broader than the minimal need which gives rise to the implied right . . . Thus, the scope of the State's environmental duty must be ascertained by examining the treaty-secured fishing right rather than by selecting a desirable standard that has been imposed by Congress in a different context . . . . The treaties reserve to the tribes a sufficient quantity of fish to satisfy their moderate living needs . . . . That is the minimal need which gives rise to an implied right to environmental protection of the fish habitat. Therefore, the correlative duty imposed upon the State (as well as the United States and third parties) is to refrain from degrading the fish habitat to an extent that would deprive the tribes of their moderate living needs."

While the Circuit Court subsequently vacated the lower court's summary judgment on the environmental issue and remanded the case, it did so solely on the grounds of the proof necessary to show that the State had violated the tribes' fishing right through environmental degradation.

See also *U.S.* v. *Anderson* (1979), where the federal court held that the reserved water right included a minimum stream flow to preserve native trout. It also addressed a water quality issue, holding that this right required that the water temperature be maintained at 68 degrees F. or less for fishing purposes.

As noted, these water rights, whether asserted as to quantity or quality or both, exist separate and apart from the Clean Water Act. Either the tribes or the United States or both can have recourse to the Federal courts to enforce those rights.

Enactment of H.R. 1, with the Indian provisions will not expand or diminish any water rights Indian tribes may have nor will it expand or diminish any liability the United States, states, or third parties may have for impairing those rights.

II. Enforcement conflict resolution mechanisms.

There seems to be a concern that enactment of H.R. 1 with the Indian provisions will somehow expand or strengthen the power of an Indian tribe to act to protect its water rights, whether as to quantity or quality. That is not accurate.

A. Indian tribes are self-governing, exercising limited powers of inherent sovereignty within their reservations.

B. In the exercise of that power, Indian tribes have the right to regulate lands and other natural resources within the reservation, including non-Indian owned fee lands or resources.

C. States have no power to assert its laws within an Indian reservation to regulate lands or other resources unless Congress has specifically so provided. In fact, in *Washington* v. *EPA*, the Circuit Court upheld a decision of EPA denying the State environmental regulatory jurisdiction under the Resource Conservation and Recovery Act, over Indian lands. The court said, "States are generaly precluded from exercising jurisdiction over Indian Country unless Congress has clearly expressed an intention to permit it.".

D. Conversely, Indian tribes, except in extremely limited cases, have no power to project their regulatory authority beyond the boundaries of the reservations.

E. The Clean Water Act establishes Federal standards for water quality. States are empowered to assume primacy for water quality regulation within the state by developing and having approved by EPA a Plan establishing State water quality standards which are no less stringent than those adopted by EPA. States may then issue State permits permitting certain water pollution activities which meet that State's water quality standards.

F. Where two or more states, sharing a common water body, have plans approved by EPA with differing standards of water quality, the Act does provide mechanisms for resolving inter-state conflicts. However, there is nothing in the existing Act or in the proposed amendments which gives EPA the power to force one state to changes its approved water quality standards or those valid activities done in accordance with its plan in order to accommodate the water quality needs of another state or states. The aggrieved state or states might have recourse against the offending state through litigation under other applicable law.

G. Recognizing the existing right of Indian tribes to regulate their environment within their reservation boundaries, the Indian provisions in H.R. 1 would permit those Indian tribes who have met certain exacting standards, to assume primacy for water quality regulation within their reservations. The provisions provide that tribes, for limited purposes of the Act, would be treated as a State.

H. The Indian provisions of H.R. 1 require the Administrator of EPA to promulgate regulations to specify how Indian tribes will be treated as States for purposes of the Act. In doing so, he is required to consult with affected States sharing common water bodies with tribes and to provide a mechanism for the resolution of unreasonable consequences that may arise as a result of differing water quality standards that may be set by States and tribes. However, just as in inter-state conflicts, nothing in that requirement, in the existing Clean Water Act, or in any other provision of H.R. 1 gives the EPA administrator or the tribes the power to force states to alter their approved water quality standards or their operations under an approved Plan in order to accommodate higher tribal water quality standards. Nor is there anything in the existing law or proposed amendments which would permit Indian tribes to project their internal regulations beyond the boundaries of their reservation.

We can find nothing in the Clean Water Act, as proposed to be amended by H.R. 1 which would in any way expand substantive Indian water rights or which would expand or enhance the power of Indian tribes to affect off-reservation activity which might degrade or despoil on-reservation water quality.

January 7, 1987.

□ 1415

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. I thank the gentleman for yielding me this time.

Mr. Speaker, I first want to extend my thanks to the chairman of the full committee, the chairman of the subcommittee, the ranking minority members of the full committee and subcommittee, Mr. HOWARD, Mr. ROE, Mr. HAMMERSCHMIDT, and Mr. STANGELAND, respectively, for their help in effecting this compromise which, hopefully, will go forward and protect the interests of all parties who were concerned about the dumping of gypsum in the Mississippi River and the potentially hazardous effects of that dumping.

The question I have of the gentleman from New Jersey [Mr. ROE] is, Is it your understanding, sir, that this agreement will go forward in the next couple of weeks and that you will lend all of your good graces and efforts to helping effect this compromise, push it through the House of Representatives, and the Senate, and that we will attempt to remedy the situation that confronts us now?

Mr. ROE. If the gentleman will yield, I will say the gentleman is absolutely correct. We have joined with him in the fullest support of achieving this goal. Mr. HOWARD has already spoken to the leadership and they are talking about the week of the 20th.

Mr. LIVINGSTON. I appreciate the gentleman's cooperation.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. GALLEGLY].

Mr. GALLEGLY. I thank the gentleman for yielding me this time.

Mr. Speaker, I would like to engage the gentleman from Arkansas in a colloquy at this time concerning section 203 of H.R. 1, the Water Quality Act of 1987.

In my district, the Las Virgenes Municipal Water District received a construction grant after its plans, specifications, and estimates were approved on several occasions by EPA and the State of California. Several years later and after final completion of the construction project, a review of the project has resulted in a recommendation to disallow some of the project's cost because the total amount of expected sludge generation has not been realized. By EPA's own program staff admission, there is no evidence of waste, fraud, or abuse. Nonetheless, the Las Virgenes district has been forced to enter into the expensive process of refuting this disallowal.

Has the committee run into problems similar to this in any other areas of the country with respect to EPA Construction Grants Program decisions?

Mr. HAMMERSCHMIDT. If the gentleman will yield, yes we have and that is why the committee included in our House-passed version of this legislation and why the conferees included in the conference report and H.R. 1 the language of section 203. This section provides that, before taking final action on certain plans and specifications, the Administrator shall enter into a written agreement establishing which items of a proposed wastewater treatment project are eligible for Federal grant assistance. The section also provides that the administrator may not later modify his eligibility determinations unless they are found to have been made in violation of Federal law.

Mr. GALLEGLY. Would the distinguished gentleman from Arkansas [Mr. HAMMERSCHMIDT] agree to work with me and with the chairman of the Water Resources Subcommittee to conduct oversight on the extent to which problems such as those experienced in my district concerning the Las Virgenes Municipal Water District may need to be addressed further by congressional action?

Mr. HAMMERSCHMIDT. Yes, I would certainly be pleased to lend my support to the request of my esteemed California colleague. I am sure the gentleman will receive the cooperation of our distinguished new chairman of the Water Resources Subcommittee, [Mr. NOWAK] and I am sure the gentleman from Minnesota [Mr. STANGELAND] as well.

Mr. GALLEGLY. I thank the gentleman for this clarification and also for his willing assistance.

Mr. BIAGGI. Mr. Speaker, I rise in full support of H.R. 1, a bill to reauthorize the Clean Water Act.

Like so many of my colleagues I was deeply distressed last year when identical legislation to the measure before us today was vetoed after Congress had adjourned. This bill is absolutely vital if our Nation is to effectively address the very serious water pollution problems that our Nation faces. I am extremely pleased that this legislation is being acted on at the earliest possible moment during the 100th Congress and I want to commend Speaker WRIGHT for his strong and responsible leadership in this matter, along with the two distinguished gentlemen from New Jersey, Messrs. HOWARD and ROE.

This measure authorizes $18 billion over an 8-year period for sewage treatment; $400 million over 4 years to control nonpoint sources of pollution; generally prohibits lessening of pollution standards in existing pollution control permits; establishes a plan to issue permits for storm water discharges; extends certain compliance deadlines; provides greater controls for toxic pollutants; and establishes programs to monitor and control pollution in the Great Lakes, in estuaries, and in lakes.

Mr. Speaker, we have an obligation not only to ourselves but also to future generations to protect our Nation's environment from pollution. This bill is totally consistent with that vital objective and I strongly urge my colleagues to join me in supporting it.

Mr. TOWNS. Mr. Speaker, I want to offer my support for H.R. 1, the Clean Water Act. As a member of the House-Senate conference committee on this legislation in the 99th Congress, I am very pleased to see that the chairman of Public Works has acted so quickly in bringing this measure to the floor in the 100th Congress.

There is no question that this reauthorization measure is needed. States and localities have unanimously urged passage of this legislation to save the Nation's water and sewerage systems. For example, in the State of New York, the question of support for the cleanup of acidified lakes and coverage for utility relocation costs are at issue. I would hope that my colleagues will continue to demonstrate their overwhelmingly support for the Clean Water Act. In the 99th Congress, we were able to muster enough votes to clearly override a Presidential veto. I hope that we will again demonstrate our strong support for this much needed legislation.

Mr. JONES of North Carolina. Mr. Speaker, I rise today in strong support of H.R. 1, the Water Quality Act of 1987, and urge its prompt passage. Mr. Speaker, as we all know, this is the second time that the House has convened to express its support for this conference report on the Clean Water Act. It is only through the hard work and persistence of the public works leadership, particularly Chairman HOWARD and Chairman ROE, that we are here today to demonstrate once again our commitment to improving our Nation's water quality, and for their diligence they are to be commended.

Mr. Speaker, as my colleagues may note, H.R. 1 was referred both to the Public Works Committee and the Merchant Marine Committee, reflecting the jurisdiction of the Merchant Marine Committee over coastal and marine pollution generally and over fish and wildlife, wetlands and habitat. This referral recognizes the intrinsic relationship between water quality matters and living resource matters and will, in my own view, enable the House to fashion legislative recommendations that will closely integrate Federal programs for improved water quality, productive living resources and habitat and cost-effective pollution control. In particular, this referral recognizes our jurisdiction over the following sections of the conference report:

Section 103, the Chesapeake Bay Program;

Section 104, the Great Lakes Program;

Section 105, research on the effects of pollutants;

Section 303, discharges into marine waters;

Section 311, marine sanitation devices;

Section 317, the National Estuaries Program;

Section 406, sewage sludge;

Section 508, special provisions regarding certain dumpsites;

Section 509, ocean discharge research project; and

Section 510, San Diego, CA.

Many of the provisions of this legislation are of key interest to my committee, such as the Estuaries Program and the provisions on ocean disposal of sewage sludge, the Great Lakes and the Chesapeake Bay. These provisions, and the Federal Water Pollution Control Program in general, represent what may be one of the most important programs for ensuring the long-term health and integrity of our coastlines and marine resources. Because of their continued contributions to this program, Chairman HOWARD and Chairman ROE deserve our praise.

Mr. Speaker, I want to take one moment to express my strong support for section 317, the estuarine provisions in the bill. Only recently has attention come to focus on the importance of the variety of goods and services to society provided by estuarine systems. We use their waters to cool our factories, accommodate our waterborne traffic, shelter our coastal populations, and serve as sinks for our pollution. By 1990, the Council on Environmental Quality estimates that over 75 percent of our population will live within 50 miles of our coasts.

The Committee on Merchant Marine and Fisheries believes that the long-term integrity of our Nation's estuaries and near shore areas are vital to our commercial and recreational fisheries and to good coastal resource management. In my district alone, for instance, virtually the entire shoreline area is a major estuary, upon which the coastal fishing and recreation economy sorely depends. Its continued health and wise management is a fundamental long-term interest to our citizens. Only by careful planning can we avoid the fate that otherwise awaits these special areas. Only with great care can we ensure that our stocks of fisheries and our habitats remain vigorous. And only by timely action can we fashion development policies that avoid unnecessary degradation before it occurs. As chairman of the Merchant Marine Committee and as a Congressman with a great interest in estuaries, I applaud the inclusion of these estuarine provisions and I intend to exercise vigorous oversight of their implementation.

I would like to comment briefly on several aspects of section 317 as it pertains to the National Oceanic and Atmospheric Administration [NOAA]. First, NOAA's broad coastal and marine mandates argue persuasively for a close partnership between it and EPA in fulfilling the objectives of section 317. I intend to follow closely the implementation of the program to ensure that both agencies integrate their existing capabilities to promote the success of the program and to maximize the effectiveness of the overall Federal effort. In identifying troubled estuaries and in fashioning and implementing research programs and management plans, I expect NOAA to step forward in a cooperative, constructive effort to contribute its own extensive capabilities to the program. The creation of an estuarine programs office within NOAA, which our committee established in S. 991 in the last Congress, is a constructive first step toward this end.

Second, I would expect a significant effort is devoted to the implementation aspects of the program. The success of a program turns not only on the genius of its objectives but the strength of its implementation. The success of the National Estuaries Program will turn not only on the quality of its planning products but the commitment of its participants. Several implementation systems are already in place that should be utilized fully, including State coastal zone programs. These programs provide a well-suited administrative and legal infrastructure at the State and Federal level to implement the comprehensive management plans developed pursuant to section 317. These programs should be used to the fullest in the implementation phase of the program.

Mr. Speaker, I believe that this conference report represents a firm commitment to improved environmental quality that deserves our full support. I pledge the efforts of my committee to exercise continuous, constructive oversight of the elements of the program within our jurisdiction. I urge the prompt passage of H.R. 1.

Mr. ECKART. Mr. Speaker, today the House wilL consider H.R. 1, the Clean Water Act, one of the most important pieces of legislation this body will take up during this session. Unanimous passage of this bill for the second time will assure the American people that the battle against water pollution is one of our top legislative priorities. Americans across the Nation will benefit from the public law resulting from this legislation, with or without the President's cooperation.

Included in the Clean Water Act, are provisions of the Great Lakes Management and Research Act which I introduced in June of 1985. My legislation sets specific guidelines to address the pollution problems plaguing the Great Lakes, and coordinates Federal efforts in locating toxics, defining their sources, and conducting demonstration projects to clean them up.

The Great Lakes provide 95 percent of our fresh surface water—equivalent to about 20 percent of the entire world's freshwater. Fifteen years ago, these waters were dying. Their grave condition sparked unprecedented levels of cooperation between the United States and Canada. With this legislation, we have a real chance of seeing a clean, safe and economically viable Great Lakes region.

Mr. RAHALL. Mr. Speaker, after several years of intensive effort, as well as one Presidential veto, it gives me great pleasure to rise in support of H.R. 1, legislation to reauthorize the Clean Water Act. Among the many provisions of this bill is one which seeks to provide an incentive to the coal industry to remine abandoned coal mine lands.

It is rare we are able to enact legislation such as this provision which so clearly dovetails efforts to develop our coal resources with those aimed at mitigating environmental damage. Throughout the Appalachian region abandoned coal mine lands exist which, due to erosion and acidic discharges, pose a serious threat to water quality.

While the 1977 surface mining law created an Abandoned Mine Reclamation Program to address this situation, the funds raised from industry to implement reclamation projects will never be sufficient to address more than 10 to 20 percent of the Nation's abandoned coal mine sites. Because many of these abandoned coal lands still contain valuable coal deposits, industry has made an effort to remine them, and as such, reclaim the sites.

However, in many instances, coal remining is not economically and technically feasible because industry becomes liable for treating the preexisting water discharges under stringent national effluent guidelines. This coal remining provision will enable industry to enter abandoned coal mine sites and engage in mining under modified water quality standards established on a case-by-case basis. The end result of this effort will be the reclamation of the site and as such, as improvement in water quality over that which existed at the site prior to remining.

As the author of this coal remining provision, I would note that a rather detailed legislative history has been established to assist in its implementation. In this regard, interested parties should refer to the CONGRESSIONAL RECORD of July 23, 1985, at which time I provided a full explanation of the provision during the debate on H.R. 8, the House-passed version of S. 1128 during the 99th Congress, as well as to the colloquy between the chairman of the committee with jurisdiction over the Surface Mining Control and Reclamation Act of 1977, MORRIS UDALL, and myself conducted during the 98th Congress, which can be found in the RECORD of June 26, 1984, when a similar version of this provision passed the House as part of H.R. 3282.

This legislation also reauthorizes the EPA construction grants program for sewage treatment facilities through fiscal year 1990. Under the allocation formula for these funds, this bill would provide West Virginia with almost $40 million on an annual basis, placing the State among the top 20 State recipients under this program. The importance of this assistance cannot be underestimated as there remains many communities in West Virginia still in need of adequate wastewater treatment facilities.

Mr. GEPHARDT. Mr. Speaker, I rise in strong support of H.R. 1, the Water Quality Act of 1987. This legislation, a compromise that won the unanimous support of both Houses of Congress last year, deserves swift enactment.

As we approach this century's final decade, it is clear that our environmental remains hard-pressed. Since Congress passed the Federal Water Pollution Control Act of 1972, we have abated some of the worst dangers. Nevertheless, new growth continues. Protection still lags. The pressures we put on our surroundings escalate.

While we have made much progress, we have learned also where we need to make more. We have controlled many but not all of our discharges. Urban and agricultural runoff still put poisons in our waters. States report increased levels of highly toxic compounds in rivers and streams. Many of our bays and waterways are still unacceptably dirty.

This legislation will continue the essential control programs, while gradually turning over responsibility for sewage plant construction to local governments. And it takes new action on problems like nonpoint source pollution and toxics.

This legislation is a sensible compromise. It will enable us to treat our waterways less as extensions of our sewer systems and more as the treasures that they are and that should be passed on to the next generation intact.

We should not allow a false economy to prevent the cleanups that need to be made. We can avoid the damages that may prove costly or impossible to clean up later. The funding levels in this bill are minimal when compared with the need.

I commend so many of my colleagues who have worked so hard on this legislation and urge the President to work with the Congress.

Mr. STUDDS. Mr. Speaker, I rise in strong support of the bill. Late last year, the House of Representatives approved this legislation by a unanimous vote, and we should do so again today.

The 100th Congress is only a couple of days old, but the Clean Water Act Amendments of 1986, now known as the Clean Water Act Amendments of 1987, will be among the most significant environmental and public health related bills we will consider during this term.

The original Clean Water Act, approved 15 years ago, embodied a commitment on the part of a generation of Americans to turn over to its children and grandchildren a nation whose lakes, streams, and coastal waterways would sustain, rather than threaten, human health and marine life. That job is not yet done. The President would have us give up now, because the cost is great and progress is slow, but his weariness is not shared by the American people or by their Representatives from either political party in the Congress.

As a member of the House Committee on Merchant Marine and Fisheries, I have a particular interest in the many sections of this bill that fall partly or wholly within the committee's jurisdiction. Of primary interest is section 317, which will create a National Estuaries Program within the EPA. This program recognizes the importance of estuaries to fish and wildlife resources of vast commercial, recreational, and esthetic importance. Serious water quality problems have arisen in past years in major estuaries including Buzzards Bay, Narragansett Bay, Long Island Sound, and Chesapeake Bay.

Under the legislation, the Administrator will be authorized to spend up to $48 million over 4 years in matching grants to State governments for the purpose of encouraging necessary research, planning, and cleanup activities in estuarine areas. Funds allocated under the program shall be used in accordance with plans developed by specially appointed management conferences that will include appropriate Federal, State, and local officials, and interested private parties.

Other sections of the bill of interest to our committee include those dealing specifically with pollution in Chesapeake Bay and the effects of that pollution on striped bass; the creation of Great Lakes National Program offices within both EPA and NOAA; directed research into the problem of bioaccumulation of toxics in fisheries; the management of sewage sludge; and other marine pollution related matters.

As a New Englander, I am also pleased by the inclusion of funding to help mitigate the effects of pollution, including acid rain, on inland lakes.

I also want to draw particular attention to the $100 million authorized to assist the Massachusetts Water Resources Authority in the construction of sewage treatment facilities that are desperately needed to halt the pollution of Boston Harbor and nearby waterways.

The legislation we will approve today includes $2.4 billion annually in proposed funding nationwide for sewage treatment construction grants through the year 1991. Former EPA Administrator William Ruckelshaus gave the Congress a firm commitment that this level of funding would be supported by the administration. Given the President's veto, it is obvious that this commitment has been broken.

But if there is any lesson we ought to have learned from the problems now experienced by Boston, and by many other cities with inadequate or antiquated sewage treatment facilities, it is that delay in responding to this problem is precisely the wrong course to take. The challenge of providing for the safe treatment and disposal of sewage sludge will not go away, and it will not get any easier over time. It is a problem that cannot be avoided, and for which delay produces only grave environmental harm and a higher ultimate cost.

In closing, I want to congratulate the leadership of the House Committee on Public Works and Transportation, both the majority and the minority, for their excellent work on this legislation and for continuing the commitment to improving the quality of our Nation's waterways.

Mr. McMILLEN of Maryland. Mr. Speaker, I rise in strong support of H.R. 1, the Clean Water Act. As a newly-elected Member of Congress, I am proud to have H.R. 1 as the first bill that I have cosponsored.

Representing the Fourth District of Maryland makes the Clean Water Act even more important to me than to most Members. Bordering my district are the Chesapeake Bay and Potomac River, both national treasures and both victims of man's shameful lack of appreciation and disregard for the environment.

We all are aware of the background of H.R. 1, Mr. Speaker. Passed unanimously by both Houses of Congress in October, the Clean Water Act was vetoed by President Reagan on November 6. This pocket veto by the President prevented Congress from acting sooner on the bill as the 99th had already adjourned. However, this pocket veto now allows me the great pleasure of voting for the Clean Water Act and working to ensure that it becomes law. I can think of no other task on which I would rather initiate my duties as a Member of Congress representing the Fourth District of Maryland.

The Chesapeake Bay is important and special to me, as a Congressman and a proud citizen of Maryland. Many of us in these Chambers have enjoyed the pleasures that the great State of Maryland has to offer and the bay is certainly one of our crown jewels. Yet for decades the Chesapeake Bay has served as a dumping pool for over 5,000 factories, military bases, and sewage treatment plants from Virginia to New York. The signing of the Chesapeake Bay Agreement in December 1983 recognized the work that had to be done to save the bay. Since this agreement, the State of Maryland has allocated $80 million to bay restoration. The recently elected Governor of Maryland, the Honorable William Donald Schaefer, has rightfully focused his attentions on the crucial matter of revitalizing the Chesapeake Bay. To coordinate State and Federal efforts such as these, the Clean Water Act opens a Chesapeake Bay office at the Environmental Protection Agency.

Recognition of the Chesapeake Bay's special status by Congress is long overdue. H.R. 1 is an important step in the right direction to protecting not only the Chesapeake Bay, but bodies of water throughout the United States. Mr. Speaker, too often we take for granted the bounties which this great land of ours has been blessed. We can no longer afford to neglect and abuse the environment as we have in the past. The Clean Water Act is a step toward rectifying these wrongs and I lend to it my wholehearted support.

Mr. FAUNTROY. Mr. Speaker, I rise in support of H.R. 1, the Clean Water Act, a bill whose provisions are the same as the measure vetoed by President Reagan on November 6, 1986, and which was passed by a sweeping majority of 340–83 on July 23, 1985, in the 99th Congress. The Senate passed this bill on May 14, 1985, with an historic affirmation of 94–0. It is the conference report which was approved by an overwhelming vote in the House of 408–0 and the same historic vote in the Senate of 96–0 which establishes the unquestionably high priority all the U.S. Congress placed upon the Clean Water Act. It is this conference report legislation which comes before us today as H.R. 1.

This legislation established new frontiers in clean water management throughout our Nation at a time when pollution of every sort and inadequate clean water provisions and coordination at local and State levels combine to rob present and future generations of man and animal of the life-giving necessity of safe, clean water. The details of this bill, which are familiar to all of us through the long, hard work done on it in the 99th Congress, demonstrates a carefully considered and comprehensive approach providing much needed regulatory revisions and program safeguards.

While the President vetoed this legislation just after the Congress adjourned for the 99th Congress, therefore making it impossible for the 99th Congress to override his veto, we must express our will in the 100th Congress in passing this important legislation.

I urge my colleagues in the House and the Senate to vote this bill, identical as it is to the conference report adopted by both Houses in the 99th Congress, into law as the first, most significant act of the 100th Congress.

Mr. JONTZ. Mr. Speaker, it is with great pleasure that one of the first votes I will cast in the House of Representatives is a vote in support of H.R. 1, the Clean Water Act.

There are a number of important provisions in this legislation, but I would like to offer some brief comments about just two.

Of special importance to the citizens of Indiana are the programs to be established under H.R. 1 to deal with the pollution problems facing the Great Lakes. These provisions will give the U.S. Environmental Protection Agency a legislative mandate to focus on the unique water quality problems which threaten our beautiful Great Lakes. The legislation will be an important step toward implementation of the Great Lakes Water Quality Agreement which our Nation has with Canada, recognizing the international aspect of the lakes and the need for international cooperation in addressing the problems the lakes face.

In addition, H.R. 1 authorizes establishment of two important offices within the Federal Government to address Great Lakes water problems: one within the EPA, and one within the National Oceanic and Atmospheric Administration. The EPA will conduct a multiyear study of means which can be used to reduce the level of toxic chemicals and nutrients entering the lakes. NOAA will undertake a study of further research which is needed to address Great Lakes' problems.

A demonstration project seeking the most effective methods of treating contaminated sediments in the Grand Calumet-Indiana Harbor Ship Canal will provide experience and information in dealing with similar problems in other waterways in our Nation's urban areas.

These provisions are long overdue acknowledgement that the unique interstate and international nature of the Great Lakes requires special attention by our Federal Government. The programs which H.R. 1 authorizes will be a wise investment in protecting the priceless economic, recreational, and environmental resources of our Great Lakes.

A second portion of H.R. 1 which I would like to address just briefly pertains to the problem of nonpoint sources of pollution of our Nation's waters. H.R. 1 authorizes $400 million to be used to assist the States in the development of programs to control nonpoint sources of pollution. This pollution has been particularly difficult to reduce, even though it can contribute up to 90 percent of suspended solids in some waterways and between 50 and 90 percent of other pollutants, because of the fact that nonpoint-source pollunion results from various agricultural and urban land use practices.

In my home countries, we have seen the adverse effects of nonpoint-source pollution in the accumulation of sediment in Lake Shafer and Like Freeman. This sediment is not simply a cosmetic problem; it is a serious threat to the economy of the Monticello area to the extent that continued accumulation of sediment many limit the recreational use of our lakes. The sort of programs which may be established by our State, and others, as a result of the provisions of H.R. 1 pertaining to nonpoints-source pollution could be very helpful in addressing this sort of problem.

In conclusion, the Clean Water Act is an important legislative step toward protecting the waters of our Nation for our use and enjoyment, and the use and enjoyment of future generations. I am happy to be able to join my colleagues in supporting H.R. 1.

Mr. McDADE. Mr. Speaker, there is nothing more fundamental or necessary for the existence of quality life on this planet than the availability of clean and potable water. Moreover, it is very sobering to realize that since the beginning of the world no new water has been created—water is only recycled. In other words, the water that we have on this planet is a finite resource of which we will receive no more or less that we already possess. Therefore, a grave responsibility is placed upon this body to act responsibly and to prudently preserve this most precious national asset from pollution and degradation.

Congress has realized this historical reality and has acted accordingly by passing the Clean Water Act of 1986 during the 99th Congress. However, as the 100th Congress commences its legislative agenda, we are once again confronted with the challenge to continue our vigilance in the defense of the health and welfare of future Americans by passing H.R. 1, the Clean Water Act of 1987. This measure will assure that our cities and industries will be assisted in improving and protecting the quality of our water resources.

Mr. Speaker, as a consponsor of H.R. 1, I rise in support of this most important and impactful measure. Clean water is clearly not a partisan issue, and the time for it's bipartisan support has come. H.R. 1 is a strong bill. It is a reasonable bill. It is an acceptable compromise. Clearly, it is legislation vitally needed by our Nation, and particularly needed by States like Pennsylvania which are blessed with large water resources and the resultant responsibilities for their preservation.

As we are all aware, it is time to reestablish our intentions and adjust our long-term direction, in this drive to purify and protect our water. And while the steps necessary to ensure its safekeeping are not inexpensive, to not spend the needed funds is to risk losing this vital resource forever. Therefore, let us support H.R. 1, a bill designed to fund the construction of badly needed public water treatment works, extend deadlines for industrial compliance and create a balanced program for the control of rainwater runoff. Additionally, this measure takes a balanced approach to gradually allowing the States to take more responsibility for the funding and maintenance of future projects by establishing State revolving loan funds.

Finally, the Federal Water Pollution Control Act of 1972, envisioned an America with abundant and clean rivers and streams. This should not be an unobtainable goal. While we have made significant progress in this direction, there is still much to be done. The legacy of our stewardship over our most precious water assets will be judged by the decisions that we make in these Chambers this very day. Let us not squander our national water treasures when the means are at hand to preserve them. I urge my colleagues to join me in supporting this vital legislation.

Mr. TRAFICANT. Mr. Speaker, today, we are voting on an issue, that as my good friend and chairman of the House Public Works and Transportation Committee, JIM HOWARD has said, will play a great role in determining the direction of the Nation's policy on environment and the infrastructure.

As many of you, I was disappointed in the lack of commitment by this President and the administration in its efforts to clean up America's water systems. Unlike many of the bills considered by the Congress, this one has the support from all sectors of our society—business, industry, labor, environmentalists, and State and local government officials. All recognize, as we do here in the Congress, of the great need for the improvement of our Nation's water quality through essential new constraints on toxic water pollutants and improved program development for the construction of sewage treatment plants.

It is encouraging to see such unprecedented cooperation, and it is my hope that this will send a clear and strong signal to the President of our unabashed commitment to clean water and further, that this cooperation will extend to the implementation of these programs so as to achieve our objectives of a clean water supply for all U.S. citizens.

I urge my colleagues to join me in voting in favor of H.R. 1.

Mr. ROTH. Mr. Speaker, today I rise in support of H.R. 1. This measure strengthens our Nation's commitment to safeguarding the environment for future generations.

One of the most important new features of the bill is a coordinated environmental management program for the Great Lakes. The Great Lakes constitute the largest single system of fresh water in the world and represents the Midwest's most precious and important natural resource.

H.R. 1 provides formal recognition of the Great Lakes Water Quality Agreement of 1978 and designates the EPA's Great Lakes National Program Office as the lead agency responsible for coordinating U.S. efforts to achieve the goals outlined in the agreement. A new Great Lakes Research Office will be created under the auspices of the National Oceanic and Atmospheric Administration to formulate a central environmental research data base for the lakes.

Past efforts to manage the water quality of the Great Lakes were split among several Federal agencies, each operating independently. The designation of the EPA as the coordinating Federal agency will succeed in improving management.

The comprehensive Great Lakes Program includes a 5-year authorization to establish a toxic monitoring and surveillance network for the lakes and coordinate priority cleanups of "toxic hotspots" on the lakes. The International Joint Commission identified 42 areas of concern for toxic pollutants on the lakes and five sites have been mentioned specifically for demonstration cleanups of toxic sediments. Contaminated sediments are a prime source of the toxics infesting Great Lakes fish.

The Great Lakes are a delicate balanced ecosystem and it is vital to the States in the Great Lakes basin that the balance is maintained. The implementation of a coordinated toxic monitoring and cleanup porgam will do much to preserve the Great Lakes as a dependable water supply for residential and industrial consumption.

Ensuring the quality of our Nation's water resources is of paramount importance. I commend the efforts of individuals who worked to bring the Clean Water Act Amendments to the floor. I share their firm commitment and applaud the important steps the Water Quality Act of 1987 makes to further protect this Nation's vital resource.

Mr. TAUZIN. Mr. Speaker, section 317 of H.R. 1, the Clean Water Act, establishes a National Estuary Program. The purpose of the program is to first identify nationally significant estuaries that are threatened by pollution, development, or overuse. Second, this program is designed to promote the planning for, and the conservation and management of nationally significant estuaries.

Mr. Speaker, this provision provides that the Governor of any State may nominate to the Administrator an estuary of national significance in his State for consideration of a National Management Program. The Administrator is directed to give priority to particular estuaries around the country. Unfortunately, none of those named in the bill are in Louisiana.

Mr. Speaker, Louisiana has far more estuarine area than any other State in its vast delta bays and marshes. In fact, 40 percent of the Nation's coastal wetlands are located there. As a result of extensive human activities resulting from flood protection, navigation waterways, oil and gas extraction and transportation, and waste disposal, these coastal wetlands are disappearing at a staggering rate of approximately 50 square miles per year, comprising fully 80 percent of the national coastal wetland loss rate. Some of the most serious land loss has been caused by Federal projects that the entire Nation has benefited from. This is very much a national problem which has major consequences to the Nation's No. 1 source of fish and wildlife resources.

The erosion of our coastline presents a particular threat to the survival of two very large estuaries in Louisiana—the Barataria Basin and the Terrebonne Basin. Both are rich in fish, wildlife, and minerals. However, their lifespan has been seriously shortened by the increasing saltwater intrusion. It is my hope that the Environmental Protection Agency will give serious consideration to these two estuaries when the State of Louisiana nominates them for the National Estuary Program.

Mr. Speaker, while most of the several hundred estuaries in the United States have water quality problems, it is my hope that EPA will make every effort to focus on those estuaries that have the most serious and pressing problems. The EPA, in consultation with the States and other Federal agencies, should use objective and quantitative criteria in the allocation of resources for the protection of the Nation's estuaries. At a minumum, these criteria should include the following:

First, the geographic prominence of the estuaries, including their size and regional significance.

Second, the importance of the estuaries in supporting fish and wildlife resources, particularly in terms of the significance of estuarine-dependent commercial and recreational fisheries and populations of migratory waterfowl.

Third, the degree to which the estuaries are contaminated by toxic substances or have the potential to be so contaminated. This potential may be assessed based on the amount and nature of toxic materials produced in the estuarine drainage basin in comparison with the estuary's flushing rate and other natural characteristics. The prevalence of hazardous waste disposal sites in the proximity of the estuary should also be a criterion.

Fourth, the degree to which the estuaries have suffered and are suffering loss and modification of critical habitats, such as wetlands and seagrass beds, and the extent of Federal regulatory activities influencing these modifications.

Fifth, the degree to which the estuaries are overenriched with nutrients and experience resultant oxygen depletion or have the potential for such eutrophication. This potential may be assessed based on loadings from sewage disposal and other point sources and agricultural and urban runoff in comparison with the estuary's flushing rate and other natural characteristics.

Sixth, the degree to which there are public health risks resulting from contamination of important shellfish grounds and recreational waters by human disease microorganisms.

Seventh, the importance of Federal activities in degrading environmental quality or mitigating such degradation, including Federal navigation, flood protection and other water projects; wildlife refuges; Outer Continental Shelf energy and minerals development; and regulation of interstate water quality. In the latter case, estuaries in which water quality is degraded as a result of riverine drainage from multiple States should receive emphasis.

Eighth, the net economic and long-term benefits potentially realized by increased efforts in protection and restoration of estuarine environments and the timeliness and urgency of these actions.

Mr. ANDREWS. Mr. Speaker, as a cosponsor of H.R. 1, the Water Quality Act of 1987, I am pleased to speak in support of this important legislation.

The Clean Water Act, as this bill is familiarly known, is perhaps our Nation's most important pollution control law. It builds on the Federal Water Pollution Control Act of 1972, the goal of which was to ensure fishable, swimmable waters by 1983, and achieve the total elimination of pollutant discharges into our streams, rivers, and lakes by 1985. While we have fallen short of these worthy goals, we have made great strides in cleaning up America's waters. The bill before the House today will ensure continued progress in this effort.

H.R. 1 is identical to the bill which unanimously passed both the House and Senate last October. This legislation is the product of 4 years of careful, concerted effort by both Houses of Congress. It is supported by virtually all interested parties, including environmental groups, the construction industry, the building trade unions, and state and local government organizations such as the National Governors' Association, the National League of Cities, and the National Conference of State Legislatures.

H.R. 1, while maintaining the Federal Government's commitment to cleaning up our Nation's waterways, redefines the future role of the Federal Government in financing the cleanups. Under the bill, States will receive about $2.25 billion annually in Federal grants for construction of sewage treatment systems. After 1990, the grants program will be replaced by State revolving loan funds. The State funds would be used to make low-interest loans to communities in need of sewage treatment systems. Loan repayments would later be used to make new loans. This arrangement will provide a self-sustaining source of money for States to finance construction in the absence of Federal grants. To ease the transition to State financing, Federal grants are provided to establish the State revolving loan funds.

By 1995, then, all Federal construction financing will have been phased out in an orderly and responsible manner. Certainly we need to make every effort to curb Federal expenditures where possible in these times of budget austerity. At the same time, we must maintain our commitment to a clean environment. This bill embodies an innovative approach which moves us closer to both important goals.

Another well crafted provision of the bill addresses for the first time the problem of "non-point-source" pollution, such as runoff from city streets, or large areas of farmland or forest. Non-point-source pollution often contains substances toxic to humans and aquatic life, including pesticides, herbicides, and lead. An EPA study concluded that non-point-source pollution is the primary pollution problem in fully 26 States. H.R. 1 authorizes $400 million to assist States in developing programs to control non-point-source pollution.

This bill is a balanced, comprehensive, and cost-effective package. It is important to our economy and critical to our environment. The Environmental Protection Agency has identified more than $100 billion in wastewater construction needs nationwide through the end of this century. Enactment of this measure will be a great forward step toward ending the pollution of our Nation's waters. I urge my colleagues to again pass this bill unanimously and join me in strongly encouraging the President to sign this vital legislation into law. Thank you.

Mr. HAMMERSCHMIDT. Mr. Speaker, I have no further requests for time and I reserve the balance of my time.

Mr. HOWARD. Mr. Speaker, I yield the remaining 4 minutes of our time to the prime architect of this legislation, our colleague from the State of New Jersey [Mr. Roe].

Mr. ROE. Mr. Speaker, I wish to thank the committee chairman, our distinguished colleague and leader, Mr. Howard, for yielding me this time, and our distinguished colleague and leader, Mr. John Paul Hammerschmidt, on the minority side for all of the work they have put into this particular legislation.

Mr. Speaker, it is a pleasure for me to bring to the floor H.R. 1, the Water Quality Act of 1987. This bill is the same legislation approved unanimously in both Houses of the 99th Congress by votes of 408-0 in the House and 96-0 in the Senate. Because this legislation is the same as that passed in the 99th Congress, both the conference report, House Report 99-1004, and our committee report, House Report 99-189, to the extent it is consistent with the conference report, can continue to be used as part of the legislative history of this legislation.

This legislation is the culmination of years of effort, including an extensive and detailed examination of the Water Pollution Control Program and of measures to make the program more effective and responsive to budgetary considerations.

The bill before the House represents the next step in the cleanup and maintenance of our vast national water ecosystem. We have come a great distance since the early 1970's when signs of water pollution were severe near municipalities and apparent even in rural areas. For too long we had used our waters to receive and dispose of our wastes. The result was serious damage to our ability to enjoy our waters for swimming, boating, and sport and commercial fishing. We now clearly have reduced the discharge of pollutants from waste water treatment plants. Evidence of improved water quality can be observed in our rivers and lakes. This legislation will continue and improve upon the work which has been accomplished to date.

This legislation contains many provisions which will greatly improve the Federal Water Pollution Control Program. It continues through fiscal year 1990 authorizations for a number of programs in the Water Pollution Control Act, including research activities, training of personnel, forecasting the supply of and demand for occupational catergories needed in the water pollution control field, grants to State and interstate agencies to assist in administering programs for water pollution control, grants to educational institutions for programs to train personnel in the operation of water pollution control facilities, grants under section 208 for developing and operating areawide waste treatment management planning processes, grants for the rural Clean Water Program and the Clean Lakes Program, and the general administration of the Federal Water Pollution Control Act by the Environmental Protection Agency.

The Construction Grants Program, which provides a 55-percent Federal grant for the construction of sewage treatment facilities, is continued at its present level of $2.4 billion per year through fiscal year 1988, and at $1.2 billion per year for fiscal year 1989 and fiscal year 1990. In addition, a new grant program is authorized which provides funds to the States to establish water pollution control revolving funds. These revolving funds are to be used by the States to make low-interest loans, subsidize bonds, and take other similar measures in order to assist communities in the construction of sewage treatment works. The States must contribute 20 percent of their own money to these revolving funds.

The authorized amounts for grants for these revolving funds are $1.2 billion per year for fiscal years 1989 and 1990, $2.4 billion for fiscal year 1991, $1.8 billion for fiscal year 1992, $1.2 billion for fiscal year 1993, and $600 million for fiscal year 1994.

The Environmental Protection Agency estimated, in its 1984 needs survey, that the Federal share, under existing law, for eligible treatment plants through the year 2000 is approximately $35.8 billion. This is twice the amount authorized by H.R. 1 for construction grants and revolving fund grants. We are optimistic that the Combined Construction Grant and Revolving Fund Grant Programs will enable communities to meet the requirements of the act. This is because the revolving funds will provide a continuing supply of funds for assistance.

The legislation also contains a number of other provisions to improve our efforts to restore and maintain the quality of our waters.

A program to encourage and assist States in the control of nonpoint sources of water pollution is established. Approximately 50 percent of the pollution entering our Nation's waters comes from nonpoint sources. In order to achieve adequate water quality it is absolutely essential that we begin to address the very serious problem of nonpoint sources of pollution.

Federal grants of up to 60 percent are authorized over a period of 4 years in a total amount of $400 million. States are required to identify waters which cannot reasonably be expected to attain water quality standards without additional controls of nonpoint source pollution, and to identify management practices for categories, and subcategories of nonpoint sources and particular nonpoint sources which add significant pollution to waters. The States also are required to submit management programs to EPA for approval. Implementation grants are available to States with approved programs. Interstate management conferences are provided for where pollutants in one State are preventing water quality standards from being attained in another State.

The clean lakes provision of the Federal Water Pollution Control Act, which establishes a Grant Assistance Program to improve the water quality of lakes, is extended. In addition, new provisions are added to increase the effectiveness of the program.

There is a provision for the development and implementation of individual control strategies to achieve compliance with applicable water quality standards where it is determined that such compliance will not result from the application of best available technology and best conventional technology.

Penalties for violation of the act are increased, and a provision authorizing the assessment of administrative penalties is included. These are designed to substantially increase EPA's enforcement capabilities to ensure compliance with the act.

Another important provision concerns management and control of municipal and industrial storm water discharges. The bill establishes a mechanism to address the major problems associated with discharges from storm sewers through a permitting procedure and the development and implementation of management practices, control technologies, and design and engineering methods.

For industrial and large municipal dischargers—storm sewer systems serving a population of 250,000 or more—not later than 2 years after the date of enactment the Administrator must establish regulations setting forth permit application requirements. Applications for permits must be filed within 3 years after the date of enactment and the Administrator or the State, as the case may be, must issue or deny such permits within 4 years of the date of enactment. These permits must provide for compliance as expeditiously as practicable but in no event later than 3 years after the date of issuance of the permit. For discharges from storm sewers serving a population of 100,000 or more, the Administrator must establish permit application requirements within 4 years of the date of enactment. Applications for permits must be filed no later than 5 years after date of enactment, and the Administrator or the State, as the case may be, must issue or deny the permits within 6 years after the date of enactment. The permits must provide for compliance as expeditiously as practicable but in no event later than 3 years after the date the permit is issued.

Permits for other discharges are not required prior to October 1, 1992, except for those which the Administrator or the State determines contribute to a violation of a water quality standard or are a significant contributor of pollutants to waters of the United States.

Permits for discharges from municipal storm sewers may be issued on a system or jurisdictionwide basis and must include the requirement to effectively prohibit nonstorm water discharges into storm sewers. In addition, they must require controls to reduce the discharge of pollutants to the maximum extent practicable, including management practices, control technologies and systems, design and engineering methods, and such other provisions as the Administrator or the State determines appropriate for the control of pollutants.

The control of storm water discharges to protect the quality of the Nation's waters is a vast undertaking which, under existing law, would require an estimated 1 million permits. The provision in the bill establishes an orderly procedure which will enable the major contributors of pollutants to be addressed first, and all discharges to be ultimately addressed in a manner which will not completely overwhelm EPA's capabilities.

Section 301(g) of the act allows EPA to grant modifications to effluent limitations for nonconventional pollutants if certain conditions are met. The bill limits the availability of such modifications to five pollutants: Ammonia, chlorine, color, iron, and total phenols. These are substances for which EPA has sufficient data to properly assess a request for a modification of applicable effluent limitation. The provision in the bill provides for additions to the list of these five pollutants, but only if EPA first determines that a pollutant proposed to be added does not meet the criteria for listing as a toxic, and then determines that adequate test methods or sufficient data are available to make the determination required for the granting of a modification. In addition, strict deadlines are placed on the filing of petitions to add a pollutant to the section 301(g) list, applications for a modification, and EPA's approval or denial of these requests.

A strong "antibacksliding" provision is included, which strictly limits the situations in which effluent limitations in BPJ [best professional judgment] permits and water quality based permits may be made less stringent. As a general rule, effluent limitations established in a BPJ permit may not be modified to reflect less stringent requirements in subsequently issued effluent limitations. Exceptions to the general rule permit less stringent effluent limitations if material and substantial alterations or additions to the permitted facilities occurred after permit issuance, information is available which was not available at the time of permit issuance, technical mistakes or mistaken interpretation of law were made, there are events over which the permitee has no control, or a permit modification has been granted. For waters where the water quality standard has not been attained, any effluent limitation based on a total maximum daily load may be revised only if the cumulative effect of all of the revised effluent limitations will assure the attainment of the water quality standard. Where the quality of these waters exceeds or equals levels necessary to protect the designated use, any effluent based on a total maximum daily load or water quality or other standard may be revised only if the revision is subject to and consistent with the antibacksliding policy established under section 303.

Another provision of this legislation concerns the granting of a variance from the requirements of an effluent limitation if the owner or operator of a facility demonstrates that the facility is fundamentally different with respect to the factors considered by EPA in establishing the effluent limitation. The bill narrows and strictly defines the circumstances under which a fundamentally different factors [FDF] variance may be granted.

The bill includes a National Estuary Program which provides for management conferences to develop comprehensive management plans for estuaries where EPA determines, on its own initiative or upon nomination by a State, that the attainment or maintenance of water quality in the estuary requires the control of point and nonpoint sources of pollution to supplement existing controls of pollution in more than one State. The purposes of such a management conference are to assess trends in water quality and uses of the estuary, collect and assess data on toxics, nutrients and natural resources in estuarine zones to identify causes of environmental problems, develop a comprehensive conservation and management plan to restore and maintain the chemical, physical, and biological integrity of the estuary, develop implementation plans to be carried out by the States, and monitor the effectiveness of actions taken pursuant to the plan.

Mr. Speaker, there is one matter which has generated concern. Section 306(c) of the bill directs the Administrator to withdraw existing effluent guidelines applying to fertilizer plants in Louisiana on which construction was commenced on or before April 8, 1974. Within 180 days, the Administrator is to issue best professional judgment permits to these facilities under section 402(a)(1)(B).

Four Louisiana phosphate fertilizer plants—with a direct employment of 1,500 to 1,700 people—state that they are unable to comply with effluent limitations published by EPA. The limitations control the discharge of gypsum—a byproduct—cooling water and storm water runoff. Pollutants in the gypsum include radioactivity and metals. The plants are: Agrico Chemicals (Donaldsonville), Arcadian (Geismar), Beker (Taft), and Freeport Chemical (Uncle Sam). Most plants comply with the limitations by disposing of gypsum on land. The Louisiana plants claim they are unable to comply with the limitations because: First, a lack of land on which to dispose of the gypsum; and second, the soil characteristics and rainfall in Louisiana do not allow for the gypsum to be stacked for disposal as in other areas of the United States.

In 1974, EPA promulgated effluent guidelines for fertilizer manufacturing plants. These prescribe the minimum applicable technology based limits for the industry. Limits for individual plants may be more stringent to protect water quality. The regulation provides for no discharge of process wastewater pollutants, except for discharge after treatment of stormwater runoff in certain situations. Other similar plants comply with the regulation by disposing of the gypsum on land and recycling wastewater, including rainfall that comes into contact with the gypsum except for the stormwater exception.

All four plants have expired NPDES permits which are continued under the Administrative Procedure Act. Permits for Agrico and Arcadian contain limitations based on the current regulation. The permit for Freeport contains limitations based on the regulation, except for alternative limitations based on a 1981 fundamentally different factors [FDF] variance for once-through cooling water. The guidelines-based limitations in the permit for Beker have been stayed due to an administrative appeal of the permit which has been pending in EPA for several years.

In 1982-84, three of the facilities submitted requests for FDF variances from the limitations to allow at least a partial discharge of process waste water and gypsum. The FDF's are being held in abeyance at this time because of the ongoing rulemaking and permitting activities.

In 1983, industry requested that EPA review the regulation due to the lack of land and the climatic and soil conditions which exist in Louisiana. In 1984, EPA proposed to suspend the application of the regulation to these four plants because EPA believed the technology basis for the regulation was no longer applicable for the plants. In 1986, EPA provided additional information on the proposal, requested comments on the additional information and held a public hearing in Baton Rouge and New Orleans. EPA has not finalized this rulemaking activity, even though the original proposal is almost 3 years old.

In 1986, EPA proposed draft NPDES permits for these four plants which would allow for discharge of process waste water, including gypsum. The permits have have not been finalized by EPA. The Louisiana Department of Environmental Quality [DEP] has the right, under their certification authority contained in section 401 of the Clean Water Act, to require more stringent limitations necessary to comply with various provisions of the act. Louisiana DEP has established a task force to advise them on issues relating to these permits. EPA has established a region VI and headquarters task force, consisting of staff from the Offices of Water Regulations and Standards, Water Enforcement and Permits, Radiation Programs and general counsel to evaluate various issues raised on the draft prmits and develop final requirements.

Section 306(c) excludes the four Louisiana plants from the existing EPA regulation and requires EPA to issue new NPDES permits within 180 days. The amendment does not require EPA to allow discharge of process wastewater, including gypsum. The amendment does allow EPA to address each plant individually and to develop limitations for the different types of waste water generated. The amendment does not require Louisiana to concur on the permits or certify, under the Clean Water Act, the permit limitations that EPA proposed in 1986. Louisiana still has the right under the Clean Water Act to require more stringent limitations. The amendment does not change the right of a party to challenge the permits using established administrative and judicial appeals. The amendment does not change the provision of the act limiting permit terms to no more than 5 years.

The effect of the amendment is simply to require EPA to make a decision as to these facilities under the authority of section 402(a)(1)(B) of the act. EPA's authority and responsibility under section 402(a)(1)(B) is in no way altered. The agency is to consider all relevant factors and make a determination consistent with the goals of the Federal Water Pollution Control Act to ensure protection of public health and the environment. Section 306(c) does not sanction any past actions of EPA nor mandate any particular result such as the discharge of gypsum. EPA could, for example, issue a permit imposing limitations on the discharges of stormwater and cooling water and prohibiting the discharge of gypsum.

Moreover, our committee stands ready to monitor EPA's implementation of this provision and public hearings on the matter, as necessary to insure the protection of public health and the environment.

The bill H.R. 1, the Water Quality Act of 1987, represents a very large step forward in our efforts to improve and preserve the quality of our Nation's waters. In the area of municipal treatment of wastes, the phasing out of the Construction Grants Programs, together with the capilization grants for State revolving loan funds will provide a foundation for the continuation of efforts at the State level to achieve compliance with the requirements of the act with respect to municipal treatment. The program for the regulation and control of storm water discharges will provide an orderly means of bringing these sources of pollution under control. Necessary flexibility will be provided in the establishment and implementation of effluent limitations to address unique situations without sacrificing improvements in water quality. This legislation is a sound and reasonable approach to the Nation's needs to improve and maintain that water quality which is essential to fish and wildlife resources and the public health and well-being. I urge my colleagues to approve this legislation once again with the same unanimous support given to it in the previous Congress.

Mr. Speaker, in closing I would like to say there was an article that appeared in the Washington Post, and I shared this with my great friend, Mr. HOWARD, recently. The article talked about BOB ROE of New Jersey, not splitting our team, of course, but perhaps taking on some new responsibilities.

The headline went "From the Sewers to the Stars." So that as we go from the sewers to the stars, I want to thank the gentleman for all we have done on Earth and we are certainly going to need public works and health when we get back in that shuttle and what we are to do with our waste materials there.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. ROE. I yield to the gentleman from New Jersey.

Mr. HOWARD. I thank the gentleman.

Mr. Speaker, I believe the gentleman as the chairman of that great committee will be going to the stars because he has become a star for many years working on our sewer problems and public works.

Mr. ROE. I thank the gentleman from New Jersey.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Louisiana.

Mr. ROEMER. I thank the gentleman.

Mr. Speaker, I served with the gentleman in the well my first year in the Congress as a member of his Subcommittee on Water, and I said then and I want to say now: You are one of the best Members of the House. I appreciate, being from the State of Louisiana, the help you have given us today to take care of section 306. Thank you very much.

Mr. ROE. I thank the gentleman from Louisiana.

The text of H.R. 1 is as follows:

H.R. 1

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; AMENDMENTS TO FEDERAL WATER POLLUTION CONTROL ACT; DEFINITION OF ADMINISTRATOR.

(a) Short Title.—This Act may be cited as the "Water Quality Act of 1987".

(b) Table of Contents.—

Sec. 1. Short title; table of contents; amendments to Federal Water Pollution Control Act; definition of Administrator.
Sec. 2. Limitation on payments.

TITLE I—AMENDMENTS TO TITLE I

Sec. 101. Authorizations of appropriations.
Sec. 102. Small flows clearinghouse.
Sec. 103. Chesapeake Bay.
Sec. 104. Great Lakes.
Sec. 105. Research on effects of pollutants.

TITLE II—CONSTRUCTION GRANTS AMENDMENTS

Sec. 201. Time limit on resolving certain disputes.
Sec. 202. Federal share.
Sec. 203. Agreement on eligible costs.
Sec. 204. Design/build projects.
Sec. 205. Grant conditions; user charges on low-income residential users.
Sec. 206. Allotment formula.
Sec. 207. Rural set aside.
Sec. 208. Innovative and alternative projects.
Sec. 209. Regional organization funding.
Sec. 210. Marine CSO's and estuaries.
Sec. 211. Authorization for construction grants.
Sec. 212. State water pollution control revolving funds.
Sec. 213. Improvement projects.
Sec. 214. Chicago tunnel and reservoir project.
Sec. 215. Ad valorem tax dedication.

TITLE III—STANDARDS AND ENFORCEMENTS

Sec. 301. Compliance dates.
Sec. 302. Modification for nonconventional pollutants.
Sec. 303. Discharges into marine waters.
Sec. 304. Filing deadline for treatment works modification.
Sec. 305. Innovative technology compliance deadlines for direct dischargers.
Sec. 306. Fundamentally different factors.
Sec. 307. Coal remining operations.
Sec. 308. Individual control strategies for toxic pollutants.
Sec. 309. Pretreatment standards.
Sec. 310. Inspection and entry.
Sec. 311. Marine sanitation devices.
Sec. 312. Criminal penalties.
Sec. 313. Civil penalties.
Sec. 314. Administrative penalties.
Sec. 315. Clean lakes.
Sec. 316. Management of nonpoint sources of pollution.
Sec. 317. National estuary program.
Sec. 318. Unconsolidated quaternary aquifer.

TITLE IV—PERMITS AND LICENSES

Sec. 401. Stormwater runoff from oil, gas, and mining operations.
Sec. 402. Additional pretreatment of conventional pollutants not required.
Sec. 403. Partial NPDES program.
Sec. 404. Anti-backsliding.
Sec. 405. Municipal and industrial stormwater discharges.
Sec. 406. Sewage sludge.
Sec. 407. Log transfer facilities.

TITLE V—MISCELLANEOUS PROVISIONS

Sec. 501. Audits.
Sec. 502. Commonwealth of the Northern Mariana Islands.
Sec. 503. Agricultural stormwater discharges.
Sec. 504. Protection of interests of United States in citizen suits.
Sec. 505. Judicial review and award of fees.
Sec. 506. Indian tribes.
Sec. 507. Definition of point source.
Sec. 508. Special provisions regarding certain dumping sites.
Sec. 509. Ocean discharge research project.
Sec. 510. San Diego, California.
Sec. 511. Limitation on discharge of raw sewage by New York City.
Sec. 512. Oakwood Beach and Red Hook Projects, New York.
Sec. 513. Boston Harbor and adjacent waters.
Sec. 514. Wastewater reclamation demonstration.
Sec. 515. Des Moines, Iowa.
Sec. 516. Study of de minimis discharges.
Sec. 517. Study of effectiveness of innovative and alternative processes and techniques.
Sec. 518. Study of testing procedures.
Sec. 519. Study of pretreatment of toxic pollutants.
Sec. 520. Studies of water pollution problems in aquifers.
Sec. 521. Great Lakes consumptive use study.
Sec. 522. Sulfide corrosion study.
Sec. 523. Study of rainfall induced infiltration into sewer systems.
Sec. 524. Dam water quality study.
Sec. 525. Study of pollution in Lake Pend Oreille, Idaho.

(c) Amendment of Federal Water Pollution Control Act.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Water Pollution Control Act.

(d) Definition.—For purposes of this Act, the term "Administrator" means the Administrator of the Environmental Protection Agency.

SEC. 2. LIMITATION ON PAYMENTS.

No payments may be made under this Act except to the extent provided in advance in appropriation Acts.

TITLE I—AMENDMENTS TO TITLE I

SEC. 101. AUTHORIZATIONS OF APPROPRIATIONS.

(a) Research and Investigations.—Section 104(u) is amended—

(1) in clause (1) by striking out "and" after "1975,", after "1980,", and after "1981,", and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and not to exceed $22,770,000 per fiscal year for each of the fiscal years 1986 through 1990,";

(2) in clause (2) by striking out "and" after "1981," and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and $3,000,000 per fiscal year for each of the fiscal years 1986 through 1990,"; and

(3) in clause (3) by striking out "and" after "1981," and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and $1,500,000 per fiscal year for each of the fiscal years 1986 through 1990,".

(b) Grants for Program Administration.—Section 106(a)(2) is amended by inserting after "1982" the following: ", such sums as may be necessary for fiscal years 1983 through 1985, and $75,000,000 per fiscal year for each of the fiscal years 1986 through 1990".

(c) Training Grants and Scholarships.—Section 112(c) is amended by striking out "and" after "1981," and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and $7,000,000 per fiscal year for each of the fiscal years 1986 through 1990,".

(d) Areawide Planning.—Section 208(f)(3) is amended by striking out "and" after "1974," and after "1980," and by inserting after "1982" the following: ", and such sums as may be necessary for fiscal years 1983 through 1990".

(e) Rural Clean Water.—Section 208(j)(9) is amended by striking out "and" after "1981," and by inserting after "1982," the following: "and such sums as may be necessary for fiscal years 1983 through 1990,".

(f) Interagency Agreements.—Section 304(k)(3) is amended by inserting after "1983" the following: "and such sums as may be necessary for fiscal years 1984 through 1990".

(g) Clean Lakes.—Section 314(c)(2) is amended by striking out "and" after "1981," and by inserting after "1982" the following: ", such sums as may be necessary for fiscal years 1983 through 1985, and $30,000,000 per fiscal year for each of the fiscal years 1986 through 1990".

(h) General Authorization.—Section 517 is amended by striking out "and" after "1981," and by inserting after "1982" the following: ", such sums as may be necessary for fiscal years 1983 through 1985, and

$135,000,000 per fiscal year for each of the fiscal years 1986 through 1990".

SEC. 102. SMALL FLOWS CLEARINGHOUSE.

Section 104(q) is amended by adding at the end thereof the following new paragraph:

"(4) Small flows clearinghouse.—Notwithstanding section 205(d) of this Act, from amounts that are set aside for a fiscal year under section 205(i) of this Act and are not obligated by the end of the 24-month period of availability for such amounts under section 205(d), the Administrator shall make available $1,000,000 or such unobligated amount, whichever is less, to support a national clearinghouse within the Environmental Protection Agency to collect and disseminate information on small flows of sewage and innovative or alternative wastewater treatment processes and techniques, consistent with paragraph (3). This paragraph shall apply with respect to amounts set aside under section 205(i) for which the 24-month period of availability referred to in the preceding sentence ends on or after September 30, 1986.".

SEC. 103. CHESAPEAKE BAY.

Title I is amended by adding at the end the following new section:

"SEC. 117. CHESAPEAKE BAY.

"(a) Office.—The Administrator shall continue the Chesapeake Bay Program and shall establish and maintain in the Environmental Protection Agency an office, division, or branch of Chesapeake Bay Programs to—

"(1) collect and make available, through publications and other appropriate means, information pertaining to the environmental quality of the Chesapeake Bay (hereinafter in this subsection referred to as the 'Bay');

"(2) coordinate Federal and State efforts to improve the water quality of the Bay;

"(3) determine the impact of sediment deposition in the Bay and identify the sources, rates, routes, and distribution patterns of such sediment deposition; and

"(4) determine the impact of natural and man-induced environmental changes on the living resources of the Bay and the relationships among such changes, with particular emphasis placed on the impact of pollutant loadings of nutrients, chlorine, acid precipitation, dissolved oxygen, and toxic pollutants, including organic chemicals and heavy metals, and with special attention given to the impact of such changes on striped bass.

"(b) Interstate Development Plan Grants.—

"(1) Authority.—The Administrator shall, at the request of the Governor of a State affected by the interstate management plan developed pursuant to the Chesapeake Bay Program (hereinafter in this section referred to as the 'plan'), make a grant for the purpose of implementing the management mechanisms contained in the plan if such State has, within 1 year after the date of the enactment of this section, approved and committed to implement all or substantially all aspects of the plan. Such grants shall be made subject to such terms and conditions as the Administrator considers appropriate.

"(2) Submission of proposal.—A State or combination of States may elect to avail itself of the benefits of this subsection by submitting to the Administrator a comprehensive proposal to implement management mechanisms contained in the plan which shall include (A) a description of proposed abatement actions which the State or combination of States commits to take within a specified time period to reduce pollution in the Bay and to meet applicable water quality standards, and (B) the estimated cost of the abatement actions proposed to be taken during the next fiscal year. If the Administrator finds that such proposal is consistent with the national policies set forth in section 101(a) of this Act and will contribute to the achievement of the national goals set forth in such section, the Administrator shall approve such proposal and shall finance the costs of implementing segments of such proposal.

"(3) Federal share.—Grants under this subsection shall not exceed 50 percent of the costs of implementing the management mechanisms contained in the plan in any fiscal year and shall be made on condition that non-Federal sources provide the remainder of the cost of implementing the management mechanisms contained in the plan during such fiscal year.

"(4) Administrative costs.—Administrative costs in the form of salaries, overhead, or indirect costs for services provided and charged against programs or projects supported by funds made available under this subsection shall not exceed in any one fiscal year 10 percent of the annual Federal grant made to a State under this subsection.

"(c) Reports.—Any State or combination of States that receives a grant under subsection (b) shall, within 18 months after the date of receipt of such grant and biennially thereafter, report to the Administrator on the progress made in implementing the interstate management plan developed pursuant to the Chesapeake Bay Program. The Administrator shall transmit each such report along with the comments of the Administrator on such report to Congress.

"(d) Authorization of Appropriations.—There are hereby authorized to be appropriated the following sums, to remain available until expended, to carry out the purposes of this section:

"(1) $3,000,000 per fiscal year for each of the fiscal years 1987, 1988, 1989, and 1990, to carry out subsection (a); and

"(2) $10,000,000 per fiscal year for each of the fiscal years 1987, 1988, 1989, and 1990, for grants to States under subsection (b).".

SEC. 104. GREAT LAKES.

Title I is amended by adding at the end the following new section:

"SEC. 118. GREAT LAKES.

"(a) Findings, Purpose, and Definitions.—

"(1) Findings.—The Congress finds that—

"(A) the Great Lakes are a valuable national resource, continuously serving the people of the United States and other nations as an important source of food, fresh water, recreation, beauty, and enjoyment;

"(B) the United States should seek to attain the goals embodied in the Great Lakes Water Quality Agreement of 1978 with particular emphasis on goals related to toxic pollutants; and

"(C) the Environmental Protection Agency should take the lead in the effort to meet those goals, working with other Federal agencies and State and local authorities.

"(2) Purpose.—It is the purpose of this section to achieve the goals embodied in the Great Lakes Water Quality Agreement of 1978 through improved organization and definition of mission on the part of the Agency, funding of State grants for pollution control in the Great Lakes area, and improved accountability for implementation of such agreement.

"(3) Definitions.—For purposes of this section, the term—

"(A) 'Agency' means the Environmental Protection Agency;

"(B) 'Great Lakes' means Lake Ontario, Lake Erie, Lake Huron (including Lake St. Clair), Lake Michigan, and Lake Superior, and the connecting channels (Saint Mary's River, Saint Clair River, Detroit River, Niagara River, and Saint Lawrence River to the Canadian Border);

"(C) 'Great Lakes System' means all the streams, rivers, lakes, and other bodies of water within the drainage basin of the Great Lakes;

"(D) 'Program Office' means the Great Lakes National Program Office established by this section; and

"(E) 'Research Office' means the Great Lakes Research Office established by subsection (d).

"(b) Great Lakes National Program Office.—The Great Lakes National Program Office (previously established by the Administrator) is hereby established within the Agency. The Program Office shall be headed by a Director who, by reason of management experience and technical expertise relating to the Great Lakes, is highly qualified to direct the development of programs and plans on a variety of Great Lakes issues. The Great Lakes National Program Office shall be located in a Great Lakes State.

"(c) Great Lakes Management.—

"(1) Functions.—The Program Office shall—

"(A) in cooperation with appropriate Federal, State, tribal, and international agencies, and in accordance with section 101(e) of this Act, develop and implement specific action plans to carry out the responsibilities of the United States under the Great Lakes Water Quality Agreement of 1978;

"(B) establish a Great Lakes system-wide surveillance network to monitor the water quality of the Great Lakes, with specific emphasis on the monitoring of toxic pollutants;

"(C) serve as the liaison with, and provide information to, the Canadian members of the International Joint Commission and the Canadian counterpart to the Agency;

"(D) coordinate actions of the Agency (including actions by headquarters and regional offices thereof) aimed at improving Great Lakes water quality; and

"(E) coordinate actions of the Agency with the actions of other Federal agencies and State and local authorities, so as to ensure the input of those agencies and authorities in developing water quality strategies and obtain the support of those agencies and authorities in achieving the objectives of such agreement.

"(2) 5-year plan and program.—The Program Office shall develop, in consultation with the States, a five-year plan and program for reducing the amount of nutrients introduced into the Great Lakes. Such program shall incorporate any management program for reducing nutrient runoff from nonpoint sources established under section 319 of this Act and shall include a program for monitoring nutrient runoff into, and ambient levels in, the Great Lakes.

"(3) 5-year study and demonstration projects.—The Program Office shall carry out a five-year study and demonstration projects relating to the control and removal of toxic pollutants in the Great Lakes, with emphasis on the removal of toxic pollutants from bottom sediments. In selecting locations for conducting demonstration projects under this paragraph, priority consideration shall be given to projects at the following locations: Saginaw Bay, Michigan; Sheboygan Harbor, Wisconsin; Grand Calumet River, Indiana; Ashtabula River, Ohio; and Buffalo River, New York.

"(4) ADMINISTRATOR'S RESPONSIBILITY.—The Administrator shall ensure that the Program Office enters into agreements with the various organizational elements of the Agency involved in Great Lakes activities and the appropriate State agencies specifically delineating—

"(A) the duties and responsibilities of each such element in the Agency with respect to the Great Lakes;

"(B) the time periods for carrying out such duties and responsibilities; and

"(C) the resources to be committed to such duties and responsibilities.

"(5) BUDGET ITEM.—The Administrator shall, in the Agency's annual budget submission to Congress, include a funding request for the Program Office as a separate budget line item.

"(6) COMPREHENSIVE REPORT.—Within 90 days after the end of each fiscal year, the Administrator shall submit to Congress a comprehensive report which—

"(A) describes the achievements in the preceding fiscal year in implementing the Great Lakes Water Quality Agreement of 1978 and shows by categories (including judicial enforcement, research, State cooperative efforts, and general administration) the amounts expended on Great Lakes water quality initiatives in such preceding fiscal year;

"(B) describes the progress made in such preceding fiscal year in implementing the system of surveillance of the water quality in the Great Lakes System, including the monitoring of groundwater and sediment, with particular reference to toxic pollutants;

"(C) describes the long-term prospects for improving the condition of the Great Lakes; and

"(D) provides a comprehensive assessment of the planned efforts to be pursued in the succeeding fiscal year for implementing the Great Lakes Water Quality Agreement of 1978, which assessment shall—

"(i) show by categories (including judicial enforcement, research, State cooperative efforts, and general administration) the amount anticipated to be expended on Great Lakes water quality initiatives in the fiscal year to which the assessment relates; and

"(ii) include a report of current programs administered by other Federal agencies which make available resources to the Great Lakes water quality management efforts.

"(d) GREAT LAKES RESEARCH.—

"(1) ESTABLISHMENT OF RESEARCH OFFICE.—There is established within the National Oceanic and Atmospheric Administration the Great Lakes Research Office.

"(2) IDENTIFICATION OF ISSUES.—The Research Office shall identify issues relating to the Great Lakes resources on which research is needed. The Research Office shall submit a report to Congress on such issues before the end of each fiscal year which shall identify any changes in the Great Lakes system with respect to such issues.

"(3) INVENTORY.—The Research Office shall identify and inventory Federal, State, university, and tribal environmental research programs (and, to the extent feasible, those of private organizations and other nations) relating to the Great Lakes system, and shall update that inventory every four years.

"(4) RESEARCH EXCHANGE.—The Research Office shall establish a Great Lakes research exchange for the purpose of facilitating the rapid identification, acquisition, retrieval, dissemination, and use of information concerning research projects which are ongoing or completed and which affect the Great Lakes System.

"(5) RESEARCH PROGRAM.—The Research Office shall develop, in cooperation with the Coordination Office, a comprehensive environmental research program and data base for the Great Lakes system. The data base shall include, but not be limited to, data relating to water quality, fisheries, and biota.

"(6) MONITORING.—The Research Office shall conduct, through the Great Lakes Environmental Research Laboratory, the National Sea Grant College program, other Federal laboratories, and the private sector, appropriate research and monitoring activities which address priority issues and current needs relating to the Great Lakes.

"(7) LOCATION.—The Research Office shall be located in a Great Lakes State.

"(e) RESEARCH AND MANAGEMENT COORDINATION.—

"(1) JOINT PLAN.—Before October 1 of each year, the Program Office and the Research Office shall prepare a joint research plan for the fiscal year which begins in the following calendar year.

"(2) CONTENTS OF PLAN.—Each plan prepared under paragraph (1) shall—

"(A) identify all proposed research dedicated to activities conducted under the Great Lakes Water Quality Agreement of 1978;

"(B) include the Agency's assessment of priorities for research needed to fulfill the terms of such Agreement; and

"(C) identify all proposed research that may be used to develop a comprehensive environmental data base for the Great Lakes System and establish priorities for development of such data base.

"(f) INTERAGENCY COOPERATION.—The head of each department, agency, or other instrumentality of the Federal Government which is engaged in, is concerned with, or has authority over programs relating to research, monitoring, and planning to maintain, enhance, preserve, or rehabilitate the environmental quality and natural resources of the Great Lakes, including the Chief of Engineers of the Army, the Chief of the Soil Conservation Service, the Commandant of the Coast Guard, the Director of the Fish and Wildlife Service, and the Administrator of the National Oceanic and Atmospheric Administration, shall submit an annual report to the Administrator with respect to the activities of that agency or office affecting compliance with the Great Lakes Water Quality Agreement of 1978.

"(g) RELATIONSHIP TO EXISTING FEDERAL AND STATE LAWS AND INTERNATIONAL TREATIES.—Nothing in this section shall be construed to affect the jurisdiction, powers, or prerogatives of any department, agency, or officer of the Federal Government or of any State government, or of any tribe, nor any powers, jurisdiction, or prerogatives of any international body created by treaty with authority relating to the Great Lakes.

"(h) AUTHORIZATIONS OF GREAT LAKES APPROPRIATIONS.—There are authorized to be appropriated to the Administrator to carry out this section not to exceed $11,000,000 per fiscal year for the fiscal years 1987, 1988, 1989, 1990, and 1991. Of the amounts appropriated each fiscal year—

"(1) 40 percent shall be used by the Great Lakes National Program Office on demonstration projects on the feasibility of controlling and removing toxic pollutants;

"(2) 7 percent shall be used by the Great Lakes National Program Office for the program of nutrient monitoring; and

"(3) 30 percent shall be transferred to the National Oceanic and Atmospheric Administration for use by the Great Lakes Research Office.".

SEC. 105. RESEARCH ON EFFECTS OF POLLUTANTS.

In carrying out the provisions of section 104(a) of the Federal Water Pollution Control Act, the Administrator shall conduct research on the harmful effects on the health and welfare of persons caused by pollutants in water, in conjunction with the United States Fish and Wildlife Service, the National Oceanic and Atmospheric Administration, and other Federal, State, and interstate agencies carrying on such research. Such research shall include, and shall place special emphasis on, the effect that bioaccumulation of these pollutants in aquatic species has upon reducing the value of aquatic commercial and sport industries. Such research shall further study methods to reduce and remove these pollutants from the relevant affected aquatic species so as to restore and enhance these valuable resources.

TITLE II—CONSTRUCTION GRANTS AMENDMENTS

SEC. 201. TIME LIMIT ON RESOLVING CERTAIN DISPUTES.

Section 201 is amended by adding at the end thereof the following new subsection:

"(p) TIME LIMIT ON RESOLVING CERTAIN DISPUTES.—In any case in which a dispute arises with respect to the awarding of a contract for construction of treatment works by a grantee of funds under this title and a party to such dispute files an appeal with the Administrator under this title for resolution of such dispute, the Administrator shall make a final decision on such appeal within 90 days of the filing of such appeal.".

SEC. 202. FEDERAL SHARE.

(a) LIMITATION ON ELIGIBILITY AFTER 1990.—The last sentence of section 202(a)(1) is amended by inserting before the period at the end the following: "for any grant made pursuant to a State obligation which obligation occurred before October 1, 1990".

(b) PROJECTS UNDER JUDICIAL INJUNCTION.—Section 202(a)(1) is amended by adding at the end thereof the following: "Notwithstanding the first sentence of this paragraph, in the case of a project for which an application for a grant under this title has been made to the Administrator before October 1, 1984, and which project is under judicial injunction on such date prohibiting its construction, such project shall be eligible for grants at 75 percent of the cost of construction thereof.".

(c) PROJECTS UNDER JUDICIAL ORDER AND OTHER PROJECTS.—Section 202(a)(1) is amended by adding at the end thereof the following: "Notwithstanding the first sentence of this paragraph, in the case of the Wyoming Valley Sanitary Authority project mandated by judicial order under a proceeding begun prior to October 1, 1984, and a project for wastewater treatment for Altoona, Pennsylvania, such projects shall be eligible for grants at 75 percent of the cost of construction thereof.".

(d) BIODISC EQUIPMENT.—Section 202(a)(3) is amended by adding at the end thereof the following: "In addition, the Administrator is authorized to make a grant to fund all of the costs of the modification or replacement of biodisc equipment (rotating biological contactors) in any publicly owned treatment works if the Administrator finds that such equipment has failed to meet design performance specifications, unless such failure is attributable to negligence on the part of any person, and if such failure has significantly increased capital or operating and maintenance expenditures.".

(e) INNOVATIVE PROCESS.—The activated bio-filter feature of the project for treatment works of the city of Little Falls, Minnesota, shall be deemed to be an innovative wastewater process and technique for purposes of section 202(a)(2) of the Federal Water Pollution Control Act and the amount of any grant under such Act for such feature shall be 85 percent of the cost thereof.

(f) AVAILABILITY OF CERTAIN FUNDS FOR NON-FEDERAL SHARE.—Notwithstanding any other provision of law, Federal assistance made available by the Farmers Home Administration to any political subdivision of a State may be used to provide the non-Federal share of the cost of any construction project carried out under section 201 of the Federal Water Pollution Control Act.

SEC. 203. AGREEMENT ON ELIGIBLE COSTS.

Section 203(a) is amended by inserting "(1)" after "(a)", by designating the last sentence as paragraph (3) and indenting such sentence as a paragraph, and by inserting before paragraph (3) as so designated the following:

"(2) AGREEMENT ON ELIGIBLE COSTS.—

"(A) LIMITATION ON MODIFICATIONS.—Before taking final action on any plans, specifications, and estimates submitted under this subsection after the 60th day following the date of the enactment of the Water Quality Act of 1987, the Administrator shall enter into a written agreement with the applicant which establishes and specifies which items of the proposed project are eligible for Federal payments under this section. The Administrator may not later modify such eligibility determinations unless they are found to have been made in violation of applicable Federal statutes and regulations.

"(B) LIMITATION ON EFFECT.—Eligibility determinations under this paragraph shall not preclude the Administrator from auditing a project pursuant to section 501 of this Act, or other authority, or from withholding or recovering Federal funds for costs which are found to be unreasonable, unsupported by adequate documentation, or otherwise unallowable under applicable Federal cost principles, or which are incurred on a project which fails to meet the design specifications or effluent limitations contained in the grant agreement and permit pursuant to section 402 of this Act for such project.".

SEC. 204. DESIGN/BUILD PROJECTS.

Section 203 is amended by adding at the end the following new subsection:

"(f) DESIGN/BUILD PROJECTS.—

"(1) AGREEMENT.—Consistent with State law, an applicant who proposes to construct waste water treatment works may enter into an agreement with the Administrator under this subsection providing for the preparation of construction plans and specifications and the erection of such treatment works, in lieu of proceeding under the other provisions of this section.

"(2) LIMITATION ON PROJECTS.—Agreements under this subsection shall be limited to projects under an approved facility plan which projects are—

"(A) treatment works that have an estimated total cost of $8,000,000 or less; and

"(B) any of the following types of waste water treatment systems: aerated lagoons, trickling filters, stabilization ponds, land application systems, sand filters, and subsurface disposal systems.

"(3) REQUIRED TERMS.—An agreement entered into under this subsection shall—

"(A) set forth an amount agreed to as the maximum Federal contribution to the project, based upon a competitively bid document of basic design data and applicable standard construction specifications and a determination of the federally eligible costs of the project at the applicable Federal share under section 202 of this Act;

"(B) set forth dates for the start and completion of construction of the treatment works by the applicant and a schedule of payments of the Federal contribution to the project;

"(C) contain assurances by the applicant that (i) engineering and management assistance will be provided to manage the project; (ii) the proposed treatment works will be an operable unit and will meet all the requirements of this title; and (iii) not later than 1 year after the date specified as the date of completion of construction of the treatment works, the treatment works will be operating so as to meet the requirements of any applicable permit for such treatment works under section 402 of this Act;

"(D) require the applicant to obtain a bond from the contractor in an amount determined necessary by the Administrator to protect the Federal interest in the project; and

"(E) contain such other terms and conditions as are necessary to assure compliance with this title (except as provided in paragraph (4) of this subsection).

"(4) LIMITATION ON APPLICATION.—Subsections (a), (b), and (c) of this section shall not apply to grants made pursuant to this subsection.

"(5) RESERVATION TO ASSURE COMPLIANCE.—The Administrator shall reserve a portion of the grant to assure contract compliance until final project approval as defined by the Administrator. If the amount agreed to under paragraph (3)(A) exceeds the cost of designing and constructing the treatment works, the Administrator shall reallot the amount of the excess to the State in which such treatment works are located for the fiscal year in which such audit is completed.

"(6) LIMITATION ON OBLIGATIONS.—The Administrator shall not obligate more than 20 percent of the amount allotted to a State for a fiscal year under section 205 of this Act for grants pursuant to this subsection.

"(7) ALLOWANCE.—The Administrator shall determine an allowance for facilities planning for projects constructed under this subsection in accordance with section 201(l).

"(8) LIMITATION ON FEDERAL CONTRIBUTIONS.—In no event shall the Federal contribution for the cost of preparing construction plans and specifications and the building and erection of treatment works pursuant to this subsection exceed the amount agreed upon under paragraph (3).

"(9) RECOVERY ACTION.—In any case in which the recipient of a grant made pursuant to this subsection does not comply with the terms of the agreement entered into under paragraph (3), the Administrator is authorized to take such action as may be necessary to recover the amount of the Federal contribution to the project.

"(10) PREVENTION OF DOUBLE BENEFITS.—A recipient of a grant made pursuant to this subsection shall not be eligible for any other grants under this title for the same project.".

SEC. 205. GRANT CONDITIONS; USER CHARGES ON LOW-INCOME RESIDENTIAL USERS.

(a) INCLUSION OF PROJECT IN AREAWIDE PLAN.—Section 204(a)(1) is amended to read as follows:

"(1) that any required areawide waste treatment management plan under section 208 of this Act (A) is being implemented for such area and the proposed treatment works are included in such plan, or (B) is being developed for such area and reasonable progress is being made toward its implementation and the proposed treatment works will be included in such plan;".

(b) CONTINUING PLANNING PROCESS.—Section 204(a)(2) is amended to read as follows:

"(2) that (A) the State in which the project is to be located (i) is implementing any required plan under section 303(e) of this Act and the proposed treatment works are in conformity with such plan, or (ii) is developing such a plan and the proposed treatment works will be in conformity with such plan, and (B) such State is in compliance with section 305(b) of this Act;".

(c) USER CHARGES ON LOW-INCOME RESIDENTIAL USERS.—Section 204(b)(1) is amended by adding at the end thereof the following: "A system of user charges which imposes a lower charge for low-income residential users (as defined by the Administrator) shall be deemed to be a user charge system meeting the requirements of clause (A) of this paragraph if the Administrator determines that such system was adopted after public notice and hearing.".

(d) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act, except that the amendments made by subsections (a) and (b) shall take effect on the last day of the two-year period beginning on such date of enactment.

SEC. 206. ALLOTMENT FORMULA.

(a) FORMULA.—

(1) EXTENSION OF EXISTING FORMULA FOR 1986.—Section 205(c)(2) is amended by striking out "and September 30, 1985," and inserting in lieu thereof "September 30, 1985, and September 30, 1986,".

(2) FISCAL YEARS 1987-1990.—Section 205(c) is amended by adding at the end the following new paragraph:

"(3) FISCAL YEARS 1987-1990.—Sums authorized to be appropriated pursuant to section 207 for the fiscal years 1987, 1988, 1989, and 1990 shall be allotted for each such year by the Administrator not later than the 10th day which begins after the date of the enactment of this paragraph. Sums authorized for such fiscal years shall be allotted in accordance with the following table:

"States:

Alabama	.011309
Alaska	.006053
Arizona	.006831
Arkansas	.006616
California	.072333
Colorado	.008090
Connecticut	.012390
Delaware	.004965
District of Columbia	.004965
Florida	.034139
Georgia	.017100
Hawaii	.007833
Idaho	.004965
Illinois	.045741
Indiana	.024374
Iowa	.013688
Kansas	.009129
Kentucky	.012872
Louisiana	.011118
Maine	.007829
Maryland	.024461

Massachusetts	.034338
Michigan	.043487
Minnesota	.018589
Mississippi	.009112
Missouri	.028037
Montana	.004965
Nebraska	.005173
Nevada	.004965
New Hampshire	.010107
New Jersey	.041329
New Mexico	.004965
New York	.111632
North Carolina	.018253
North Dakota	.004965
Ohio	.056936
Oklahoma	.008171
Oregon	.011425
Pennsylvania	.040062
Rhode Island	.006791
South Carolina	.010361
South Dakota	.004965
Tennessee	.014692
Texas	.046226
Utah	.005329
Vermont	.004965
Virginia	.020698
Washington	.017588
West Virginia	.015766
Wisconsin	.027342
Wyoming	.004965
American Samoa	.000908
Guam	.000657
Northern Marianas	.000422
Puerto Rico	.013191
Pacific Trust Territories	.001295
Virgin Islands	.000527".

(b) Extension of Minimum Allotments.—Section 205(e) is amended by striking out "and 1985" each place it appears and inserting in lieu thereof "1985, 1986, 1987, 1988, 1989, and 1990".

(c) Costs of Administration.—Section 205(g)(1) is amended by striking out "October 1, 1985" and inserting in lieu thereof "October 1, 1994".

(d) Control of Pollutants From Storm Sewers.—Section 211(c) is amended by striking out "1985," and inserting in lieu thereof "1990,".

SEC. 207. RURAL SET ASIDE.

(a) Increase in Mandatory Set Aside for Rural States.—The first sentence of section 205(h) is amended by striking out "four per centum" and inserting in lieu thereof "a total (as determined by the Governor of the State) of not less than 4 percent nor more than 7½ percent".

(b) Increase in Authorized Set Aside for Other States.—The second sentence of section 205(h) is amended by striking out "four per centum" and inserting in lieu thereof "7½ percent".

SEC. 208. INNOVATIVE AND ALTERNATIVE PROJECTS.

Section 205(i) is amended to read as follows:

"(i) Set-Aside for Innovative and Alternative Projects.—Not less than ½ of 1 percent of funds allotted to a State for each of the fiscal years ending September 30, 1979, through September 30, 1990, under subsection (c) of this section shall be expended only for increasing the Federal share of grants for construction of treatment works utilizing innovative processes and techniques pursuant to section 202(a)(2) of this Act. Including the expenditures authorized by the preceding sentence, a total of 2 percent of the funds allotted to a State for each of the fiscal years ending September 30, 1979, and September 30, 1980, and 3 percent of the funds allotted to a State for the fiscal year ending September 30, 1981, under subsection (c) of this section shall be expended only for increasing grants for construction of treatment works pursuant to section 202(a)(2) of this Act. Including the expenditures authorized by the first sentence of this subsection, a total (as determined by the Governor of the State) of not less than 4 percent nor more than 7½ percent of the funds allotted to such State under subsection (c) of this section for each of the fiscal years ending September 30, 1982, through September 30, 1990, shall be expended only for increasing the Federal share of grants for construction of treatment works pursuant to section 202(a)(2) of this Act.".

SEC. 209. REGIONAL ORGANIZATION FUNDING.

Section 205(j)(3) is amended by adding at the end thereof the following: "In giving such priority, the State shall allocate at least 40 percent of the amount granted to such State for a fiscal year under paragraph (2) of this subsection to regional public comprehensive planning organizations in such State and appropriate interstate organizations for the development and implementation of the plan described in this paragraph. In any fiscal year for which the Governor, in consultation with such organizations and with the approval of the Administrator, determines that allocation of at least 40 percent of such amount to such organizations will not result in significant participation by such organizations in water quality management planning and not significantly assist in development and implementation of the plan described in this paragraph and achieving the goals of this Act, the allocation to such organization may be less than 40 percent of such amount.".

SEC. 210. MARINE CSO'S AND ESTUARIES.

Section 205 is amended by adding at the end thereof the following new subsection:

"(l) Marine Estuary Reservation.—

"(1) Reservation of funds.—

"(A) General rule.—Prior to making allotments among the States under subsection (c) of this section, the Administrator shall reserve funds from sums appropriated pursuant to section 207 for each fiscal year beginning after September 30, 1986.

"(B) Fiscal years 1987 and 1988.—For each of fiscal years 1987 and 1988 the reservation shall be 1 percent of the sums appropriated pursuant to section 207 for such fiscal year.

"(C) Fiscal years 1989 and 1990.—For each of fiscal years 1989 and 1990 the reservation shall be 1½ percent of the funds appropriated pursuant to section 207 for such fiscal year.

"(2) Use of funds.—Of the sums reserved under this subsection, two-thirds shall be available to address water quality problems of marine bays and estuaries subject to lower levels of water quality due to the impacts of discharges from combined storm water and sanitary sewer overflows from adjacent urban complexes, and one-third shall be available for the implementation of section 320 of this Act, relating to the national estuary program.

"(3) Period of availability.—Sums reserved under this subsection shall be subject to the period of availability for obligation established by subsection (d) of this section.

"(4) Treatment of certain body of water.—For purposes of this section and section 201(n), Newark Bay, New Jersey, and the portion of the Passaic River up to Little Falls, in the vicinity of Beatties Dam, shall be treated as a marine bay and estuary.".

SEC. 211. AUTHORIZATIONS FOR CONSTRUCTION GRANTS.

Section 207 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: "; and for each of the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988, not to exceed $2,400,000,000; and for each of the fiscal years ending September 30, 1989, and September 30, 1990, not to exceed $1,200,000,000.".

SEC. 212. STATE WATER POLLUTION CONTROL REVOLVING FUNDS.

(a) Establishment of Program.—The Act is amended by adding at the end thereof the following new title:

"TITLE VI—STATE WATER POLLUTION CONTROL REVOLVING FUNDS

"SEC. 601. GRANTS TO STATES FOR ESTABLISHMENT OF REVOLVING FUNDS.

"(a) General Authority.—Subject to the provisions of this title, the Administrator shall make capitalization grants to each State for the purpose of establishing a water pollution control revolving fund for providing assistance (1) for construction of treatment works (as defined in section 212 of this Act) which are publicly owned, (2) for implementing a management program under section 319, and (3) for developing and implementing a conservation and management plan under section 320.

"(b) Schedule of Grant Payments.—The Administrator and each State shall jointly establish a schedule of payments under which the Administrator will pay to the State the amount of each grant to be made to the State under this title. Such schedule shall be based on the State's intended use plan under section 606(c) of this Act, except that—

"(1) such payments shall be made in quarterly installments, and

"(2) such payments shall be made as expeditiously as possible, but in no event later than the earlier of—

"(A) 8 quarters after the date such funds were obligated by the State, or

"(B) 12 quarters after the date such funds were allotted to the State.

"SEC. 602. CAPITALIZATION GRANT AGREEMENTS.

"(a) General Rule.—To receive a capitalization grant with funds made available under this title and section 205(m) of this Act, a State shall enter into an agreement with the Administrator which shall include but not be limited to the specifications set forth in subsection (b) of this section.

"(b) Specific Requirements.—The Administrator shall enter into an agreement under this section with a State only after the State has established to the satisfaction of the Administrator that—

"(1) the State will accept grant payments with funds to be made available under this title and section 205(m) of this Act in accordance with a payment schedule established jointly by the Administrator under section 601(b) of this Act and will deposit all such payments in the water pollution control revolving fund established by the State in accordance with this title;

"(2) the State will deposit in the fund from State moneys an amount equal to at least 20 percent of the total amount of all capitalization grants which will be made to the State with funds to be made available under this title and section 205(m) of this Act on or before the date on which each quarterly grant payment will be made to the State under this title;

"(3) the State will enter into binding commitments to provide assistance in accordance with the requirements of this title in an amount equal to 120 percent of the amount of each such grant payment within 1 year after the receipt of such grant payment;

"(4) all funds in the fund will be expended in an expeditious and timely manner;

"(5) all funds in the fund as a result of capitalization grants under this title and section 205(m) of this Act will first be used to assure maintenance of progress, as determined by the Governor of the State, toward compliance with enforceable deadlines, goals, and requirements of this Act, including the municipal compliance deadline;

"(6) treatment works eligible under section 603(c)(1) of this Act which will be constructed in whole or in part before fiscal year 1995 with funds directly made available by capitalization grants under this title and section 205(m) of this Act will meet the requirements of, or otherwise be treated (as determined by the Governor of the State) under sections 201(b), 201(g)(1), 201(g)(2), 201(g)(3), 201(g)(5), 201(g)(6), 201(n)(1), 201(o), 204(a)(1), 204(a)(2), 204(b)(1), 204(d)(2), 211, 218, 511(c)(1), and 513 of this Act in the same manner as treatment works constructed with assistance under title II of this Act;

"(7) in addition to complying with the requirements of this title, the State will commit or expend each quarterly grant payment which it will receive under this title in accordance with laws and procedures applicable to the commitment or expenditure of revenues of the State;

"(8) in carrying out the requirements of section 606 of this Act, the State will use accounting, audit, and fiscal procedures conforming to generally accepted government accounting standards;

"(9) the State will require as a condition of making a loan or providing other assistance, as described in section 603(d) of this Act, from the fund that the recipient of such assistance will maintain project accounts in accordance with generally accepted government accounting standards; and

"(10) the State will make annual reports to the Administrator on the actual use of funds in accordance with section 606(d) of this Act.

"SEC. 603. WATER POLLUTION CONTROL REVOLVING LOAN FUNDS.

"(a) Requirements for Obligation of Grant Funds.—Before a State may receive a capitalization grant with funds made available under this title and section 205(m) of this Act, the State shall first establish a water pollution control revolving fund which complies with the requirements of this section.

"(b) Administration.—Each State water pollution control revolving fund shall be administered by an instrumentality of the State with such powers and limitations as may be required to operate such fund in accordance with the requirements and objectives of this Act.

"(c) Projects Eligible for Assistance.—The amounts of funds available to each State water pollution control revolving fund shall be used only for providing financial assistance (1) to any municipality, intermunicipal, interstate, or State agency for construction of publicly owned treatment works (as defined in section 212 of this Act), (2) for the implementation of a management program established under section 319 of this Act, and (3) for development and implementation of a conservation and management plan under section 320 of this Act. The fund shall be established, maintained, and credited with repayments, and the fund balance shall be available in perpetuity for providing such financial assistance.

"(d) Types of Assistance.—Except as otherwise limited by State law, a water pollution control revolving fund of a State under this section may be used only—

"(1) to make loans, on the condition that—

"(A) such loans are made at or below market interest rates, including interest free loans, at terms not to exceed 20 years;

"(B) annual principal and interest payments will commence not later than 1 year after completion of any project and all loans will be fully amortized not later than 20 years after project completion;

"(C) the recipient of a loan will establish a dedicated source of revenue for repayment of loans; and

"(D) the fund will be credited with all payments of principal and interest on all loans;

"(2) to buy or refinance the debt obligation of municipalities and intermunicipal and interstate agencies within the State at or below market rates, where such debt obligations were incurred after March 7, 1985;

"(3) to guarantee, or purchase insurance for, local obligations where such action would improve credit market access or reduce interest rates;

"(4) as a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the State if the proceeds of the sale of such bonds will be deposited in the fund;

"(5) to provide loan guarantees for similar revolving funds established by municipalities or intermunicipal agencies;

"(6) to earn interest on fund accounts; and

"(7) for the reasonable costs of administering the fund and conducting activities under this title, except that such amounts shall not exceed 4 percent of all grant awards to such fund under this title.

"(e) Limitation To Prevent Double Benefits.—If a State makes, from its water pollution revolving fund, a loan which will finance the cost of facility planning and the preparation of plans, specifications, and estimates for construction of publicly owned treatment works, the State shall ensure that if the recipient of such loan receives a grant under section 201(g) of this Act for construction of such treatment works and an allowance under section 201(l)(1) of this Act for non-Federal funds expended for such planning and preparation, such recipient will promptly repay such loan to the extent of such allowance.

"(f) Consistency With Planning Requirements.—A State may provide financial assistance from its water pollution control revolving fund only with respect to a project which is consistent with plans, if any, developed under sections 205(j), 208, 303(e), 319, and 320 of this Act.

"(g) Priority List Requirement.—The State may provide financial assistance from its water pollution control revolving fund only with respect to a project for construction of a treatment works described in subsection (c)(1) if such project is on the State's priority list under section 216 of this Act. Such assistance may be provided regardless of the rank of such project on such list.

"(h) Eligibility of Non-Federal Share of Construction Grant Projects.—A State water pollution control revolving fund may provide assistance (other than under subsection (d)(1) of this section) to a municipality or intermunicipal or interstate agency with respect to the non-Federal share of the costs of a treatment works project for which such municipality or agency is receiving assistance from the Administrator under any other authority only if such assistance is necessary to allow such project to proceed.

"SEC. 604. ALLOTMENT OF FUNDS.

"(a) Formula.—Sums authorized to be appropriated to carry out this section for each of fiscal years 1989 and 1990 shall be allotted by the Administrator in accordance with section 205(c) of this Act.

"(b) Reservation of Funds for Planning.—Each State shall reserve each fiscal year 1 percent of the sums allotted to such State under this section for such fiscal year, or $100,000, whichever amount is greater, to carry out planning under sections 205(j) and 303(e) of this Act.

"(c) Allotment Period.—

"(1) Period of availability for grant award.—Sums allotted to a State under this section for a fiscal year shall be available for obligation by the State during the fiscal year for which sums are authorized and during the following fiscal year.

"(2) Reallotment of unobligated funds.—The amount of any allotment not obligated by the State by the last day of the 2-year period of availability established by paragraph (1) shall be immediately reallotted by the Administrator on the basis of the same ratio as is applicable to sums allotted under title II of this Act for the second fiscal year of such 2-year period. None of the funds reallotted by the Administrator shall be reallotted to any State which has not obligated all sums allotted to such State in the first fiscal year of such 2-year period.

"SEC. 605. CORRECTIVE ACTION.

"(a) Notification of Noncompliance.—If the Administrator determines that a State has not complied with its agreement with the Administrator under section 602 of this Act or any other requirement of this title, the Administrator shall notify the State of such noncompliance and the necessary corrective action.

"(b) Withholding of Payments.—If a State does not take corrective action within 60 days after the date a State receives notification of such action under subsection (a), the Administrator shall withhold additional payments to the State until the Administrator is satisfied that the State has taken the necessary corrective action.

"(c) Reallotment of Withheld Payments.—If the Administrator is not satisfied that adequate corrective actions have been taken by the State within 12 months after the State is notified of such actions under subsection (a), the payments withheld from the State by the Administrator under subsection (b) shall be made available for reallotment in accordance with the most recent formula for allotment of funds under this title.

"SEC. 606. AUDITS, REPORTS, AND FISCAL CONTROLS; INTENDED USE PLAN.

"(a) Fiscal Control and Auditing Procedures.—Each State electing to establish a water pollution control revolving fund under this title shall establish fiscal controls and accounting procedures sufficient to assure proper accounting during appropriate accounting periods for—

"(1) payments received by the fund;

"(2) disbursements made by the fund; and

"(3) fund balances at the beginning and end of the accounting period.

"(b) Annual Federal Audits.—The Administrator shall, at least on an annual basis, conduct or require each State to have independently conducted reviews and audits as may be deemed necessary or appropriate by the Administrator to carry out the objectives of this section. Audits of the use of funds deposited in the water pollution revolving fund established by such State shall be conducted in accordance with the auditing procedures of the General Accounting Office, including chapter 75 of title 31, United States Code.

"(c) INTENDED USE PLAN.—After providing for public comment and review, each State shall annually prepare a plan identifying the intended uses of the amounts available to its water pollution control revolving fund. Such intended use plan shall include, but not be limited to—

"(1) a list of those projects for construction of publicly owned treatment works on the State's priority list developed pursuant to section 216 of this Act and a list of activities eligible for assistance under sections 319 and 320 of this Act;

"(2) a description of the short- and long-term goals and objectives of its water pollution control revolving fund;

"(3) information on the activities to be supported, including a description of project categories, discharge requirements under titles III and IV of this Act, terms of financial assistance, and communities served;

"(4) assurances and specific proposals for meeting the requirements of paragraphs (3), (4), (5), and (6) of section 602(b) of this Act; and

"(5) the criteria and method established for the distribution of funds.

"(d) ANNUAL REPORT.—Beginning the first fiscal year after the receipt of payments under this title, the State shall provide an annual report to the Administrator describing how the State has met the goals and objectives for the previous fiscal year as identified in the plan prepared for the previous fiscal year pursuant to subsection (c), including identification of loan recipients, loan amounts, and loan terms and similar details on other forms of financial assistance provided from the water pollution control revolving fund.

"(e) ANNUAL FEDERAL OVERSIGHT REVIEW.—The Administrator shall conduct an annual oversight review of each State plan prepared under subsection (c), each State report prepared under subsection (d), and other such materials as are considered necessary and appropriate in carrying out the purposes of this title. After reasonable notice by the Administrator to the State or the recipient of a loan from a water pollution control revolving fund, the State or loan recipient shall make available to the Administrator such records as the Administrator reasonably requires to review and determine compliance with this title.

"(f) APPLICABILITY OF TITLE II PROVISIONS.—Except to the extent provided in this title, the provisions of title II shall not apply to grants under this title.

"SEC. 607. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out the purposes of this title the following sums:

"(1) $1,200,000,000 per fiscal year for each of fiscal years 1989 and 1990;

"(2) $2,400,000,000 for fiscal year 1991;

"(3) $1,800,000,000 for fiscal year 1992;

"(4) $1,200,000,000 for fiscal year 1993; and

"(5) $600,000,000 for fiscal year 1994.".

(b) STATE-OPTION TO USE TITLE II FUNDS.—Section 205 is amended by adding at the end thereof the following new subsection:

"(m) DISCRETIONARY DEPOSITS INTO STATE WATER POLLUTION CONTROL REVOLVING FUNDS.—

"(1) FROM CONSTRUCTION GRANT ALLOTMENTS.—In addition to any amounts deposited in a water pollution control revolving fund established by a State under title VI, upon request of the Governor of such State, the Administrator shall make available to the State for deposit, as capitalization grants, in such fund in any fiscal year beginning after September 30, 1986, such portion of the amounts allotted to such State under this section for such fiscal year as the Governor considers appropriate; except that (A) in fiscal year 1987, such deposit may not exceed 50 percent of the amounts allotted to such State under this section for such fiscal year, and (B) in fiscal year 1988, such deposit may not exceed 75 percent of the amounts allotted to such State under this section for this fiscal year.

"(2) NOTICE REQUIREMENT.—The Governor of a State may make a request under paragraph (1) for a deposit into the water pollution control revolving fund of such State—

"(A) in fiscal year 1987 only if no later than 90 days after the date of the enactment of this subsection, and

"(B) in each fiscal year thereafter only if 90 days before the first day of such fiscal year,

the State provides notice of its intent to make such deposit.

"(3) EXCEPTION.—Sums reserved under section 205(j) of this Act shall not be available for obligation under this subsection.".

(c) REPORT TO CONGRESS.—Section 516 is amended by adding at the end thereof the following new subsection:

"(g) STATE REVOLVING FUND REPORT.—

"(1) IN GENERAL.—Not later than February 10, 1990, the Administrator shall submit to Congress a report on the financial status and operations of water pollution control revolving funds established by the States under title VI of this Act. The Administrator shall prepare such report in cooperation with the States, including water pollution control agencies and other water pollution control planning and financing agencies.

"(2) CONTENTS.—The report under this subsection shall also include the following:

"(A) an inventory of the facilities that are in significant noncompliance with the enforceable requirements of this Act;

"(B) an estimate of the cost of construction necessary to bring such facilities into compliance with such requirements;

"(C) an assessment of the availability of sources of funds for financing such needed construction, including an estimate of the amount of funds available for providing assistance for such construction through September 30, 1999, from the water pollution control revolving funds established by the States under title VI of this Act;

"(D) an assessment of the operations, loan portfolio, and loan conditions of such revolving funds;

"(E) an assessment of the effect on user charges of the assistance provided by such revolving funds compared to the assistance provided with funds appropriated pursuant to section 207 of this Act; and

"(F) an assessment of the efficiency of the operation and maintenance of treatment works constructed with assistance provided by such revolving funds compared to the efficiency of the operation and maintenance of treatment works constructed with assistance provided under section 201 of this Act.".

SEC. 213. IMPROVEMENT PROJECTS.

(a) AVALON, CALIFORNIA.—The Administrator shall make a grant of $3,000,000 from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of California for fiscal year 1987 to the city of Avalon, California, for improvements to the publicly owned treatment works of such city.

(b) WALKER AND SMITHFIELD TOWNSHIPS, PENNSYLVANIA.—Out of funds available for grants in the State of Pennsylvania under the third sentence of section 201(g)(1) of the Federal Water Pollution Control Act in fiscal year 1987, the Administrator shall make grants—

(1) to Walker Township, Pennsylvania, for developing a collector system and connecting its wastewater treatment system into the Huntingdon Borough, Pennsylvania, sewage treatment plant, and

(2) to Smithfield Township, Pennsylvania, for rehabilitating and extending its collector system.

(c) TAYLOR MILL, KENTUCKY.—Notwithstanding section 201(g)(1) of the Federal Water Pollution Control Act or any other provision of law, the Administrator shall make a grant of $250,000 from funds allotted under section 205 of such Act to the State of Kentucky for fiscal year 1986 to the city of Taylor Mill, Kentucky, for the repair and reconstruction, as necessary, of the publicly owned treatment works of such city.

(d) NEVADA COUNTY, CALIFORNIA.—Out of funds available for grants in the State of California under the third sentence of section 201(g)(1) of the Federal Water Pollution Control Act in fiscal year 1987, the Administrator shall make a grant for the construction of a collection system serving the Glenshire/Devonshire area of Nevada County, California, to deliver waste to the Tahoe-Truckee Sanitary District's regional wastewater treatment facility.

(e) TREATMENT WORKS FOR WANAQUE, NEW JERSEY.—In fiscal year 1987 and succeeding fiscal years, the Administrator shall make grants to the Wanaque Valley Regional Sewerage Authority, New Jersey, from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of New Jersey for such fiscal year, for the construction of treatment works with a total treatment capacity of 1,050,000 gallons per day (including a treatment module with a treatment capacity of 350,000 gallons per day). Notwithstanding section 202 of such Act, the Federal share of the cost of construction of such treatment works shall be 75 percent.

(f) TREATMENT WORKS FOR LENA, ILLINOIS.—The Administrator shall make grants to the village of Lena, Illinois, from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of Illinois for fiscal years beginning after September 30, 1986, for the construction of a replacement moving bed filter press for the treatment works of such village. Notwithstanding section 202 of the Federal Water Pollution Control Act, the Federal share of the cost of construction of such project shall be 75 percent.

(g) PRIORITY FOR COURT-ORDERED AND OTHER PROJECTS.—The State of Pennsylvania, from funds allotted to it under section 205 of the Federal Water Pollution Control Act, shall give priority for construction of—

(1) the Wyoming Valley Sanitary Authority Secondary Treatment project mandated under Federal court order, regardless of the

date of start of construction made pursuant to the court order; and

(2) a project for wastewater treatment for Altoona, Pennsylvania.

SEC. 214. CHICAGO TUNNEL AND RESERVOIR PROJECT.

The Chicago tunnel and reservoir project may receive grants under the last sentence of section 201(g)(1) of the Federal Water Pollution Control Act without regard to the limitation contained in such sentence if the Administrator determines that such project meets the cost-effectiveness requirements of sections 217 and 218 of such Act without any redesign or reconstruction and if the Governor of the affected State demonstrates to the satisfaction of the Administrator the water quality benefits of such project.

SEC. 215. AD VALOREM TAX DEDICATION.

For the purposes of complying with section 204(b)(1) of the Federal Water Pollution Control Act, the ad valorem tax user charge systems of the town of Hampton and the city of Nashua, New Hampshire, shall be deemed to have been dedicated as of December 27, 1977. The Administrator shall review such ad valorem tax user charge systems for compliance with the remaining requirements of such section and related regulations of the Environmental Protection Agency.

TITLE III—STANDARDS AND ENFORCEMENTS

SEC. 301. COMPLIANCE DATES.

(a) Priority Toxic Pollutants.—Section 301(b)(2)(C) is amended by striking out "not later than July 1, 1984," and inserting after "of this paragraph" the following: "as expeditiously as practicable but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989".

(b) Other Toxic Pollutants.—Section 301(b)(2)(D) is amended by striking out "not later than three years after the date such limitations are established" and inserting in lieu thereof "as expeditiously as practicable, but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989".

(c) Conventional Pollutants.—Section 301(b)(2)(E) is amended by striking "not later than July 1, 1984," and inserting in lieu thereof "as expeditiously as practicable but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989, compliance with".

(d) Other Pollutants.—Section 301(b)(2)(F) is amended by striking "not" after "subparagraph (A) of this paragraph" and inserting in lieu thereof "as expeditiously as practicable but in no case", and by striking "or not later than July 1, 1984," and all that follows through the end of the sentence and inserting in lieu thereof "and in no case later than March 31, 1989.".

(e) Stricter BPT.—Section 301(b) is amended by adding at the end the following new paragraph:

"(3)(A) for effluent limitations under paragraph (1)(A)(i) of this subsection promulgated after January 1, 1982, and requiring a level of control substantially greater or based on fundamentally different control technology than under permits for an industrial category issued before such date, compliance as expeditiously as practicable but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989; and

"(B) for any effluent limitation in accordance with paragraph (1)(A)(i), (2)(A)(i), or (2)(E) of this subsection established only on the basis of section 402(a)(1) in a permit issued after enactment of the Water Quality Act of 1987, compliance as expeditiously as practicable but in no case later than three years after the date such limitations are established, and in no case later than March 31, 1989.".

(f) Deadlines for Regulations for Certain Toxic Pollutants.—The Administrator shall promulgate final regulations establishing effluent limitations in accordance with sections 301(b)(2)(A) and 307(b)(1) of the Federal Water Pollution Control Act for all toxic pollutants referred to in table 1 of Committee Print Numbered 95-30 of the Committee on Public Works and Transportation of the House of Representatives which are discharged from the categories of point sources in accordance with the following table:

Category	Date by which the final regulation shall be promulgated
Organic chemicals and plastics and synthetic fibers.	December 31, 1986.
Pesticides	December 31, 1986.

SEC. 302. MODIFICATION FOR NONCONVENTIONAL POLLUTANTS.

(a) Listing of Pollutants.—Section 301(g) is amended by redesignating paragraph (2) (and any references thereto) as paragraph (3) and by striking out all that precedes subparagraph (A) of paragraph (1) and inserting in lieu thereof the following:

"(g) Modifications for Certain Nonconventional Pollutants.—

"(1) General authority.—The Administrator, with the concurrence of the State, may modify the requirements of subsection (b)(2)(A) of this section with respect to the discharge from any point source of ammonia, chlorine, color, iron, and total phenols (4AAP) (when determined by the Administrator to be a pollutant covered by subsection (b)(2)(F)) and any other pollutant which the Administrator lists under paragraph (4) of this subsection.

"(2) Requirements for granting modifications.—A modification under this subsection shall be granted only upon a showing by the owner or operator of a point source satisfactory to the Administrator that—".

(b) Procedure for Listing Additional Pollutants; Removal.—Section 301(g) is further amended by adding at the end thereof the following new paragraphs:

"(4) Procedures for listing additional pollutants.—

"(A) General authority.—Upon petition of any person, the Administrator may add any pollutant to the list of pollutants for which modification under this section is authorized (except for pollutants identified pursuant to section 304(a)(4) of this Act, toxic pollutants subject to section 307(a) of this Act, and the thermal component of discharges) in accordance with the provisions of this paragraph.

"(B) Requirements for listing.—

"(i) Sufficient information.—The person petitioning for listing of an additional pollutant under this subsection shall submit to the Administrator sufficient information to make the determinations required by this subparagraph.

"(ii) Toxic criteria determination.—The Administrator shall determine whether or not the pollutant meets the criteria for listing as a toxic pollutant under section 307(a) of this Act.

"(iii) Listing as toxic pollutant.—If the Administrator determines that the pollutant meets the criteria for listing as a toxic pollutant under section 307(a), the Administrator shall list the pollutant as a toxic pollutant under section 307(a).

"(iv) Nonconventional criteria determination.—If the Administrator determines that the pollutant does not meet the criteria for listing as a toxic pollutant under such section and determines that adequate test methods and sufficient data are available to make the determinations required by paragraph (2) of this subsection with respect to the pollutant, the Administrator shall add the pollutant to the list of pollutants specified in paragraph (1) of this subsection for which modifications are authorized under this subsection.

"(C) Requirements for filing of petitions.—A petition for listing of a pollutant under this paragraph—

"(i) must be filed not later than 270 days after the date of promulgation of an applicable effluent guideline under section 304;

"(ii) may be filed before promulgation of such guideline; and

"(iii) may be filed with an application for a modification under paragraph (1) with respect to the discharge of such pollutant.

"(D) Deadline for approval of petition.—A decision to add a pollutant to the list of pollutants for which modifications under this subsection are authorized must be made within 270 days after the date of promulgation of an applicable effluent guideline under section 304.

"(E) Burden of proof.—The burden of proof for making the determinations under subparagraph (B) shall be on the petitioner.

"(5) Removal of pollutants.—The Administrator may remove any pollutant from the list of pollutants for which modifications are authorized under this subsection if the Administrator determines that adequate test methods and sufficient data are no longer available for determining whether or not modifications may be granted with respect to such pollutant under paragraph (2) of this subsection.".

(c) Deadline for Approval of Modifications.—Section 301(j) is amended—

(1) in paragraph (2) by striking out "Any" and inserting in lieu thereof "Subject to paragraph (3) of this section, any"; and

(2) by adding at the end thereof the following new paragraphs:

"(3) Compliance requirements under subsection (g).—

"(A) Effect of filing.—An application for a modification under subsection (g) and a petition for listing of a pollutant as a pollutant for which modifications are authorized under such subsection shall not stay the requirement that the person seeking such modification or listing comply with effluent limitations under this Act for all pollutants not the subject of such application or petition.

"(B) Effect of disapproval.—Disapproval of an application for a modification under subsection (g) shall not stay the requirement that the person seeking such modification comply with all applicable effluent limitations under this Act.

"(4) Deadline for subsection (g) decision.—An application for a modification with respect to a pollutant filed under subsection (g) must be approved or disapproved not later than 365 days after the date of such filing; except that in any case in which a petition for listing such pollutant as a pollutant for which modifications are authorized under such subsection is approved, such application must be approved or disapproved not later than 365 days after the date of approval of such petition.".

(d) CONFORMING AMENDMENTS.—(1) Paragraph (3) of section 301(g), as redesignated by subsection (a) of this section, is amended by inserting "LIMITATION ON AUTHORITY TO APPLY FOR SUBSECTION (c) MODIFICATION.—" before "If an owner" and by aligning such paragraph with paragraph (4) of such section, as added by subsection (b) of this section.

(2) Paragraph (2) of section 301(g) (as designated by subsection (a) of this section) is amended by realigning subparagraphs (A), (B), and (C) with subparagraph (A) of paragraph (4), as added by subsection (b) of this section.

(e) APPLICATION.—

(1) GENERAL RULE.—Except as provided in paragraph (2), the amendments made by this section shall apply to all requests for modifications under section 301(g) of the Federal Water Pollution Control Act pending on the date of the enactment of this Act and shall not have the effect of extending the deadline established in section 301(j)(1)(B) of such Act.

(2) EXCEPTION.—The amendments made by this section shall not affect any application for a modification with respect to the discharge of ammonia, chlorine, color, iron, or total phenols (4AAP) under section 301(g) of the Federal Water Pollution Control Act pending on the date of the enactment of this Act; except that the Administrator must approve or disapprove such application not later than 365 days after the date of such enactment.

SEC. 303. DISCHARGES INTO MARINE WATERS.

(a) CONSIDERATION OF OTHER SOURCES OF POLLUTANTS.—Section 301(h)(2) is amended by striking out "such modified requirements will not interfere" and inserting in lieu thereof the following: "the discharge of pollutants in accordance with such modified requirements will not interfere, alone or in combination with pollutants from other sources,".

(b) LIMITATION ON SCOPE OF MONITORING.—

(1) GENERAL RULE.—Section 301(h)(3) is amended by inserting before the semicolon at the end thereof the following: ", and the scope of such monitoring is limited to include only those scientific investigations which are necessary to study the effects of the proposed discharge".

(2) LIMITATION ON APPLICABILITY.—The amendment made by subsection (b) shall only apply to modifications and renewals of modifications which are tentatively or finally approved after the date of the enactment of this Act.

(c) URBAN AREA PRETREATMENT PROGRAM.—Section 301(h) is amended by redesignating paragraphs (6) and (7), and any references thereto, as paragraphs (7) and (8), respectively, and by inserting after paragraph (5) the following new paragraph:

"(6) in the case of any treatment works serving a population of 50,000 or more, with respect to any toxic pollutant introduced into such works by an industrial discharger for which pollutant there is no applicable pretreatment requirement in effect, sources introducing waste into such works are in compliance with all applicable pretreatment requirements, the applicant will enforce such requirements, and the applicant has in effect a pretreatment program which, in combination with the treatment of discharges from such works, removes the same amount of such pollutant as would be removed if such works were to apply secondary treatment to discharges and if such works had no pretreatment program with respect to such pollutant;".

(d) PRIMARY TREATMENT FOR EFFLUENT.—

(1) GENERAL RULE.—Section 301(h) is amended by striking out the period at the end of paragraph (8) (as redesignated by subsection (c) of this section) and inserting in lieu thereof a semicolon and by inserting after such paragraph (8) the following new paragraph:

"(9) the applicant at the time such modification becomes effective will be discharging effluent which has received at least primary or equivalent treatment and which meets the criteria established under section 304(a)(1) of this Act after initial mixing in the waters surrounding or adjacent to the point at which such effluent is discharged.".

(2) PRIMARY OR EQUIVALENT TREATMENT DEFINED.—Such section is further amended by inserting after the second sentence the following new sentence: "For the purposes of paragraph (9), 'primary or equivalent treatment' means treatment by screening, sedimentation, and skimming adequate to remove at least 30 percent of the biological oxygen demanding material and of the suspended solids in the treatment works influent, and disinfection, where appropriate.".

(e) LIMITATIONS ON ISSUANCE OF PERMITS.—Section 301(h) is further amended by adding at the end thereof the following new sentences: "In order for a permit to be issued under this subsection for the discharge of a pollutant into marine waters, such marine waters must exhibit characteristics assuring that water providing dilution does not contain significant amounts of previously discharged effluent from such treatment works. No permit issued under this subsection shall authorize the discharge of any pollutant into saline estuarine waters which at the time of application do not support a balanced indigenous population of shellfish, fish and wildlife, or allow recreation in and on the waters or which exhibit ambient water quality below applicable water quality standards adopted for the protection of public water supplies, shellfish, fish and wildlife or recreational activities or such other standards necessary to assure support and protection of such uses. The prohibition contained in the preceding sentence shall apply without regard to the presence or absence of a causal relationship between such characteristics and the applicant's current or proposed discharge. Notwithstanding any other provisions of this subsection, no permit may be issued under this subsection for discharge of a pollutant into the New York Bight Apex consisting of the ocean waters of the Atlantic Ocean westward of 73 degrees 30 minutes west longitude and northward of 40 degrees 10 minutes north latitude.".

(f) APPLICATION FOR OCEAN DISCHARGE MODIFICATION.—Section 301(j)(1)(A) is amended by inserting before the semicolon at the end thereof the following: ", except that a publicly owned treatment works which prior to December 31, 1982, had a contractual arrangement to use a portion of the capacity of an ocean outfall operated by another publicly owned treatment works which has applied for or received modification under subsection (h), may apply for a modification of subsection (h) in its own right not later than 30 days after the date of the enactment of the Water Quality Act of 1987".

(g) GRANDFATHER OF CERTAIN APPLICANTS.—The amendments made by subsections (a), (c), (d), and (e) of this section shall not apply to an application for a permit under section 301(h) of the Federal Water Pollution Control Act which has been tentatively or finally approved by the Administrator before the date of the enactment of this Act; except that such amendments shall apply to all renewals of such permits after such date of enactment.

SEC. 304. FILING DEADLINE FOR TREATMENT WORKS MODIFICATION.

(a) EXTENSION.—The second sentence of section 301(i)(1) is amended by striking out "of this subsection." and inserting in lieu thereof "of the Water Quality Act of 1987.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall not apply to those treatment works which are subject to a compliance schedule established before the date of the enactment of this Act by a court order or a final administrative order.

SEC. 305. INNOVATIVE TECHNOLOGY COMPLIANCE DEADLINES FOR DIRECT DISCHARGERS.

(a) EXTENSION OF DEADLINE.—Section 301(k) is amended by striking out "July 1, 1987," and inserting in lieu thereof "two years after the date for compliance with such effluent limitation which would otherwise be applicable under such subsection,".

(b) EXTENSION TO CONVENTIONAL POLLUTANTS.—Section 301(k) is amended by inserting "or (b)(2)(E)" after "(b)(2)(A)" each place it appears.

SEC. 306. FUNDAMENTALLY DIFFERENT FACTORS.

(a) GENERAL RULE.—Section 301 is amended by adding at the end the following new subsections:

"(n) FUNDAMENTALLY DIFFERENT FACTORS.—

"(1) GENERAL RULE.—The Administrator, with the concurrence of the State, may establish an alternative requirement under subsection (b)(2) or section 307(b) for a facility that modifies the requirements of national effluent limitation guidelines or categorical pretreatment standards that would otherwise be applicable to such facility, if the owner or operator of such facility demonstrates to the satisfaction of the Administrator that—

"(A) the facility is fundamentally different with respect to the factors (other than cost) specified in section 304(b) or 304(g) and considered by the Administrator in establishing such national effluent limitation guidelines or categorical pretreatment standards;

"(B) the application—

"(i) is based solely on information and supporting data submitted to the Administrator during the rulemaking for establishment of the applicable national effluent limitation guidelines or categorical pretreatment standard specifically raising the factors that are fundamentally different for such facility; or

"(ii) is based on information and supporting data referred to in clause (i) and information and supporting data the applicant did not have a reasonable opportunity to submit during such rulemaking;

"(C) the alternative requirement is no less stringent than justified by the fundamental difference; and

"(D) the alternative requirement will not result in a non-water quality environmental impact which is markedly more adverse than the impact considered by the Administrator in establishing such national effluent limitation guideline or categorical pretreatment standard.

"(2) Time limit for applications.—An application for an alternative requirement which modifies the requirements of an effluent limitation or pretreatment standard under this subsection must be submitted to the Administrator within 180 days after the date on which such limitation or standard is established or revised, as the case may be.

"(3) Time limit for decision.—The Administrator shall approve or deny by final agency action an application submitted under this subsection within 180 days after the date such application is filed with the Administrator.

"(4) Submission of information.—The Administrator may allow an applicant under this subsection to submit information and supporting data until the earlier of the date the application is approved or denied or the last day that the Administrator has to approve or deny such application.

"(5) Treatment of pending applications.—For the purposes of this subsection, an application for an alternative requirement based on fundamentally different factors which is pending on the date of the enactment of this subsection shall be treated as having been submitted to the Administrator on the 180th day following such date of enactment. The applicant may amend the application to take into account the provisions of this subsection.

"(6) Effect of submission of application.—An application for an alternative requirement under this subsection shall not stay the applicant's obligation to comply with the effluent limitation guideline or categorical pretreatment standard which is the subject of the application.

"(7) Effect of denial.—If an application for an alternative requirement which modifies the requirements of an effluent limitation or pretreatment standard under this subsection is denied by the Administrator, the applicant must comply with such limitation or standard as established or revised, as the case may be.

"(8) Reports.—Every 6 months after the date of the enactment of this subsection, the Administrator shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the status of applications for alternative requirements which modify the requirements of effluent limitations under section 301 or 304 of this Act or any national categorical pretreatment standard under section 307(b) of this Act filed before, on, or after such date of enactment.

"(o) Application Fees.—The Administrator shall prescribe and collect from each applicant fees reflecting the reasonable administrative costs incurred in reviewing and processing applications for modifications submitted to the Administrator pursuant to subsections (c), (g), (i), (k), (m), and (n) of section 301, section 304(d)(4), and section 316(a) of this Act. All amounts collected by the Administrator under this subsection shall be deposited into a special fund of the Treasury entitled 'Water Permits and Related Services' which shall thereafter be available for appropriation to carry out activities of the Environmental Protection Agency for which such fees were collected.".

(b) Conforming Amendment.—Section 301(l) is amended by striking out "The" and inserting in lieu thereof "Other than as provided in subsection (n) of this section, the".

(c) Phosphate Fertilizer Effluent Limitation.—

(1) Limitation on applicability.—The effluent limitation established by the Administrator pursuant to section 301(b) of the Federal Water Pollution Control Act for the phosphate subcategory of the fertilizer manufacturing point source category shall not apply to facilities which had commenced construction on or before April 8, 1974, and for which the Administrator is proposing to revise the applicability of such limitations to exclude such facilities.

(2) Issuance of permit.—As soon as possible after the date of the enactment of this Act, but not later than 180 days after such date of enactment, the Administrator shall issue permits under section 402(a)(1)(B) of the Federal Water Pollution Control Act with respect to the facilities described in paragraph (1). Such permits shall remain in effect until, after such date of enactment, issuance of a permit under effluent guidelines applicable to discharges for the phosphate subcategory.

SEC. 307. COAL REMINING OPERATIONS.

Section 301 is amended by adding at the end thereof the following:

"(p) Modified Permit for Coal Remining Operations.—

"(1) In general.—Subject to paragraphs (2) through (4) of this subsection, the Administrator, or the State in any case which the State has an approved permit program under section 402(b), may issue a permit under section 402 which modifies the requirements of subsection (b)(2)(A) of this section with respect to the pH level of any pre-existing discharge, and with respect to pre-existing discharges of iron and manganese from the remined area of any coal remining operation or with respect to the pH level or level of iron or manganese in any pre-existing discharge affected by the remining operation. Such modified requirements shall apply the best available technology economically achievable on a case-by-case basis, using best professional judgment, to set specific numerical effluent limitations in each permit.

"(2) Limitations.—The Administrator or the State may only issue a permit pursuant to paragraph (1) if the applicant demonstrates to the satisfaction of the Administrator or the State, as the case may be, that the coal remining operation will result in the potential for improved water quality from the remining operation but in no event shall such a permit allow the pH level of any discharge, and in no event shall such a permit allow the discharges of iron and manganese, to exceed the levels being discharged from the remined area before the coal remining operation begins. No discharge from, or affected by, the remining operation shall exceed State water quality standards established under section 303 of this Act.

"(3) Definitions.—For purposes of this subsection—

"(A) Coal remining operation.—The term 'coal remining operation' means a coal mining operation which begins after the date of the enactment of this subsection at a site on which coal mining was conducted before the effective date of the Surface Mining Control and Reclamation Act of 1977.

"(B) Remined area.—The term 'remined area' means only that area of any coal remining operation on which coal mining was conducted before the effective date of the Surface Mining Control and Reclamation Act of 1977.

"(C) Pre-existing discharge.—The term 'pre-existing discharge' means any discharge at the time of permit application under this subsection.

"(4) Applicability of strip mining laws.—Nothing in this subsection shall affect the application of the Surface Mining Control and Reclamation Act of 1977 to any coal remining operation, including the application of such Act to suspended solids.".

SEC. 308. INDIVIDUAL CONTROL STRATEGIES FOR TOXIC POLLUTANTS.

(a) In General.—Section 304 is amended by adding at the end thereof the following new subsection:

"(l) Individual Control Strategies for Toxic Pollutants.—

"(1) State list of navigable waters and development of strategies.—Not later than 2 years after the date of the enactment of this subsection, each State shall submit to the Administrator for review, approval, and implementation under this subsection—

"(A) a list of those waters within the State which after the application of effluent limitations required under section 301(b)(2) of this Act cannot reasonably be anticipated to attain or maintain (i) water quality standards for such waters reviewed, revised, or adopted in accordance with section 303(c)(2)(B) of this Act, due to toxic pollutants, or (ii) that water quality which shall assure protection of public health, public water supplies, agricultural and industrial uses, and the protection and propagation of a balanced population of shellfish, fish and wildlife, and allow recreational activities in and on the water;

"(B) a list of all navigable waters in such State for which the State does not expect the applicable standard under section 303 of this Act will be achieved after the requirements of sections 301(b), 306, and 307(b) are met, due entirely or substantially to discharges from point sources of any toxic pollutants listed pursuant to section 307(a);

"(C) for each segment of the navigable waters included on such lists, a determination of the specific point sources discharging any such toxic pollutant which is believed to be preventing or impairing such water quality and the amount of each such toxic pollutant discharged by each such source; and

"(D) for each such segment, an individual control strategy which the State determines will produce a reduction in the discharge of toxic pollutants from point sources identified by the State under this paragraph through the establishment of effluent limitations under section 402 of this Act and water quality standards under section 303(c)(2)(B) of this Act, which reduction is sufficient, in combination with existing controls on point and nonpoint sources of pollution, to achieve the applicable water quality standard as soon as possible, but not later than 3 years after the date of the establishment of such strategy.

"(2) Approval or disapproval.—Not later than 120 days after the last day of the 2-year period referred to in paragraph (1), the Administrator shall approve or disapprove the control strategies submitted under paragraph (1) by any State.

"(3) Administrator's action.—If a State fails to submit control strategies in accordance with paragraph (1) or the Administrator does not approve the control strategies submitted by such State in accordance with paragraph (1), then, not later than 1 year after the last day of the period referred to in paragraph (2), the Administrator, in cooperation with such State and after notice and opportunity for public comment, shall implement the requirements of paragraph (1) in such State. In the implementation of such requirements, the Administrator shall, at a minimum, consider for listing under this subsection any navigable waters for which any person submits a petition to the Administrator for listing not later than 120 days after such last day."

(b) Judicial Review.—Section 509(b)(1) is amended—

(1) by striking out "and (F)" and inserting in lieu thereof "(F)"; and

(2) by inserting after "any permit under section 402," the following: "and (G) in promulgating any individual control strategy under section 304(l),".

(c) Guidance to States; Information on Water Quality Criteria for Toxics.—Section 304(a) is amended by adding at the end the following new paragraphs:

"(7) Guidance to states.—The Administrator, after consultation with appropriate State agencies and on the basis of criteria and information published under paragraphs (1) and (2) of this subsection, shall develop and publish, within 9 months after the date of the enactment of the Water Quality Act of 1987, guidance to the States on performing the identification required by section 304(l)(1) of this Act.

"(8) Information on water quality criteria.—The Administrator, after consultation with appropriate State agencies and within 2 years after the date of the enactment of the Water Quality Act of 1987, shall develop and publish information on methods for establishing and measuring water quality criteria for toxic pollutants on other bases than pollutant-by-pollutant criteria, including biological monitoring and assessment methods.".

(d) Water Quality Criteria for Toxic Pollutants.—Section 303(c)(2) is amended by inserting "(A)" after "(2)" and by adding the following new subparagraph:

"(B) Whenever a State reviews water quality standards pursuant to paragraph (1) of this subsection, or revises or adopts new standards pursuant to this paragraph, such State shall adopt criteria for all toxic pollutants listed pursuant to section 307(a)(1) of this Act for which criteria have been published under section 304(a), the discharge or presence of which in the affected waters could reasonably be expected to interfere with those designated uses adopted by the State, as necessary to support such designated uses. Such criteria shall be specific numerical criteria for such toxic pollutants. Where such numerical criteria are not available, whenever a State reviews water quality standards pursuant to paragraph (1), or revises or adopts new standards pursuant to this paragraph, such State shall adopt criteria based on biological monitoring or assessment methods consistent with information published pursuant to section 304(a)(8). Nothing in this section shall be construed to limit or delay the use of effluent limitations or other permit conditions based on or involving biological monitoring or assessment methods or previously adopted numerical criteria.".

(e) Modifications of Effluent Limitations.—

(1) In general.—Section 302(b) is amended to read as follows:

"(b) Modifications of Effluent Limitations.—

"(1) Notice and hearing.—Prior to establishment of any effluent limitation pursuant to subsection (a) of this section, the Administrator shall publish such proposed limitation and within 90 days of such publication hold a public hearing.

"(2) Permits.—

"(A) No reasonable relationship.—The Administrator, with the concurrence of the State, may issue a permit which modifies the effluent limitations required by subsection (a) of this section for pollutants other than toxic pollutants if the applicant demonstrates at such hearing that (whether or not technology or other alternative control strategies are available) there is no reasonable relationship between the economic and social costs and the benefits to be obtained (including attainment of the objective of this Act) from achieving such limitation.

"(B) Reasonable progress.—The Administrator, with the concurrence of the State, may issue a permit which modifies the effluent limitations required by subsection (a) of this section for toxic pollutants for a single period not to exceed 5 years if the applicant demonstrates to the satisfaction of the Administrator that such modified requirements (i) will represent the maximum degree of control within the economic capability of the owner and operator of the source, and (ii) will result in reasonable further progress beyond the requirements of section 301(b)(2) toward the requirements of subsection (a) of this section.".

(2) Conforming amendments.—Section 302(a) is amended—

(A) by inserting "or as identified under section 304(l)" after "in the judgment of the Administrator"; and

(B) by inserting "public health," after "protection of".

(f) Schedule for Review of Guidelines.—Section 304 is amended by adding at the end the following new subsection:

"(m) Schedule for Review of Guidelines.—

"(1) Publication.—Within 12 months after the date of the enactment of the Water Quality Act of 1987, and biennially thereafter, the Administrator shall publish in the Federal Register a plan which shall—

"(A) establish a schedule for the annual review and revision of promulgated effluent guidelines, in accordance with subsection (b) of this section;

"(B) identify categories of sources discharging toxic or nonconventional pollutants for which guidelines under subsection (b)(2) of this section and section 306 have not previously been published; and

"(C) establish a schedule for promulgation of effluent guidelines for categories identified in subparagraph (B), under which promulgation of such guidelines shall be no later than 4 years after such date of enactment for categories identified in the first published plan or 3 years after the publication of the plan for categories identified in later published plans.

"(2) Public review.—The Administrator shall provide for public review and comment on the plan prior to final publication.".

(g) Water Quality Improvement Study.—

(1) Study.—The Administrator shall study the water quality improvements which have been achieved by application of best available technology economically achievable pursuant to section 301(b)(2) of the Federal Water Pollution Control Act. Such study shall include, but not be limited to, an analysis of the effectiveness of the application of best available technology economically achievable pursuant to such section in attaining applicable water quality standards (including the standard specified in section 302(a) of such Act) and an analysis of the effectiveness of the water quality program under such Act and methods of improving such program, including site specific levels of treatment which will achieve the water quality goals of such Act.

(2) Report.—Not later than 2 years after the date of the enactment of this Act, the Administrator shall submit a report on the results of the study conducted under subsection (a) together with recommendations for improving the water quality program and its effectiveness to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 309. PRETREATMENT STANDARDS.

(a) Extension of Compliance Date by POTW.—Section 307 is amended by adding at the end the following:

"(e) Compliance Date Extension for Innovative Pretreatment Systems.—In the case of any existing facility that proposes to comply with the pretreatment standards of subsection (b) of this section by applying an innovative system that meets the requirements of section 301(k) of this Act, the owner or operator of the publicly owned treatment works receiving the treated effluent from such facility may extend the date for compliance with the applicable pretreatment standard established under this section for a period not to exceed 2 years—

"(1) if the Administrator determines that the innovative system has the potential for industrywide application, and

"(2) if the Administrator (or the State in consultation with the Administrator, in any case in which the State has a pretreatment program approved by the Administrator)—

"(A) determines that the proposed extension will not cause the publicly owned treatment works to be in violation of its permit under section 402 or of section 405 or to contribute to such a violation, and

"(B) concurs with the proposed extension.".

(b) Increase in EPA Employees.—The Administrator shall take such actions as may be necessary to increase the number of employees of the Environmental Protection Agency in order to effectively implement pretreatment requirements under section 307 of the Federal Water Pollution Control Act.

SEC. 310. INSPECTION AND ENTRY.

(a) Unauthorized Disclosure.—

(1) In general.—Section 308(b) is amended by striking out all that follows "Code" and inserting in lieu thereof a period and the following: "Any authorized representative of the Administrator (including an authorized contractor acting as a representative of the Administrator) who knowingly or willfully publishes, divulges, discloses, or makes known in any manner or to any extent not authorized by law any information which is required to be considered confidential under this subsection shall be fined not more than $1,000 or imprisoned not more than 1 year, or both. Nothing in this subsection shall prohibit the Administrator or an authorized representative of the Administrator (including any authorized contractor acting as a representative of the Administrator) from disclosing records, reports, or information to other officers, employees, or authorized representatives of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act.".

(2) Conforming amendment.—Section 308(a)(B) is amended by inserting "(including an authorized contractor acting as a representative of the Administrator)" after "or his authorized representative".

(b) Access by Congress.—Section 308 is amended by adding at the end the following new subsection:

"(d) Access by Congress.—Notwithstanding any limitation contained in this section or any other provision of law, all information reported to or otherwise obtained by the Administrator (or any representative of the Administrator) under this Act shall be made available, upon written request of any duly authorized committee of Congress, to such committee.".

SEC. 311. MARINE SANITATION DEVICES.

(a) State Regulation of Houseboats.—Section 312(f)(1) is amended by striking out "After" and inserting in lieu thereof "(A) Except as provided in subparagraph (B), after" and by adding at the end thereof the following:

"(B) A State may adopt and enforce a statute or regulation with respect to the design, manufacture, or installation or use of any marine sanitation device on a houseboat, if such statute or regulation is more stringent than the standards and regulations promulgated under this section. For purposes of this paragraph, the term 'houseboat' means a vessel which, for a period of time determined by the State in which the vessel is located, is used primarily as a residence and is not used primarily as a means of transportation.".

(b) State Enforcement.—Section 312(k) is amended by adding at the end the following: "The provisions of this section may also be enforced by a State.".

SEC. 312. CRIMINAL PENALTIES.

Section 309(c) is amended to read as follows:

"(c) Criminal Penalties.—

"(1) Negligent violations.—Any person who—

"(A) negligently violates section 301, 302, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or any requirement imposed in a pretreatment program approved under section 402(a)(3) or 402(b)(8) of this Act or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State; or

"(B) negligently introduces into a sewer system or into a publicly owned treatment works any pollutant or hazardous substance which such person knew or reasonably should have known could cause personal injury or property damage or, other than in compliance with all applicable Federal, State, or local requirements or permits, which causes such treatment works to violate any effluent limitation or condition in any permit issued to the treatment works under section 402 of this Act by the Administrator or a State;

shall be punished by a fine of not less than $2,500 nor more than $25,000 per day of violation, or by imprisonment for not more than 1 year, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $50,000 per day of violation, or by imprisonment of not more than 2 years, or by both.

"(2) Knowing violations.—Any person who—

"(A) knowingly violates section 301, 302, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or any requirement imposed in a pretreatment program approved under section 402(a)(3) or 402(b)(8) of this Act or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State; or

"(B) knowingly introduces into a sewer system or into a publicly owned treatment works any pollutant or hazardous substance which such person knew or reasonably should have known could cause personal injury or property damage or, other than in compliance with all applicable Federal, State, or local requirements or permits, which causes such treatment works to violate any effluent limitation or condition in a permit issued to the treatment works under section 402 of this Act by the Administrator or a State;

shall be punished by a fine of not less than $5,000 nor more than $50,000 per day of violation, or by imprisonment for not more than 3 years, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $100,000 per day of violation, or by imprisonment of not more than 6 years, or by both.

"(3) Knowing endangerment.—

"(A) General rule.—Any person who knowingly violates section 301, 302, 303, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State, and who knows at that time that he thereby places another person in imminent danger of death or serious bodily injury, shall, upon conviction, be subject to a fine of not more than $250,000 or imprisonment of not more than 15 years, or both. A person which is an organization shall, upon conviction of violating this subparagraph, be subject to a fine of not more than $1,000,000. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment shall be doubled with respect to both fine and imprisonment.

"(B) Additional provisions.—For the purpose of subparagraph (A) of this paragraph—

"(i) in determining whether a defendant who is an individual knew that his conduct placed another person in imminent danger of death or serious bodily injury—

"(I) the person is responsible only for actual awareness or actual belief that he possessed; and

"(II) knowledge possessed by a person other than the defendant but not by the defendant himself may not be attributed to the defendant;

except that in proving the defendant's possession of actual knowledge, circumstantial evidence may be used, including evidence that the defendant took affirmative steps to shield himself from relevant information;

"(ii) it is an affirmative defense to prosecution that the conduct charged was consented to by the person endangered and that the danger and conduct charged were reasonably foreseeable hazards of—

"(I) an occupation, a business, or a profession; or

"(II) medical treatment or medical or scientific experimentation conducted by professionally approved methods and such other person had been made aware of the risks involved prior to giving consent;

and such defense may be established under this subparagraph by a preponderance of the evidence;

"(iii) the term 'organization' means a legal entity, other than a government, established or organized for any purpose, and such term includes a corporation, company, association, firm, partnership, joint stock company, foundation, institution, trust, society, union, or any other association of persons; and

"(iv) the term 'serious bodily injury' means bodily injury which involves a substantial risk of death, unconsciousness, extreme physical pain, protracted and obvious disfigurement, or protracted loss or impairment of the function of a bodily member, organ, or mental faculty.

"(4) False statements.—Any person who knowingly makes any false material statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act or who knowingly falsifies, tampers with, or renders inaccurate any monitoring device or method required to be maintained under this Act, shall upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than 2 years, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $20,000 per day of violation, or by imprisonment of not more than 4 years, or by both.

"(5) Treatment of single operational upset.—For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.

"(6) Responsible corporate officer as 'person'.—For the purpose of this subsection, the term 'person' means, in addition to the definition contained in section 502(5) of this Act, any responsible corporate officer.

"(7) Hazardous substance defined.—For the purpose of this subsection, the term 'hazardous substance' means (A) any substance designated pursuant to section 311(b)(2)(A) of this Act, (B) any element, compound, mixture, solution, or substance designated pursuant to section 102 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, (C) any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act (but not including any waste the regulation of which under the Solid Waste Disposal Act has been suspended by Act of Congress), (D) any toxic pollutant listed under section 307(a) of this Act, and (E) any imminently hazardous chemical substance or mixture with respect to which the Administrator has taken action pursuant to section 7 of the Toxic Substances Control Act.".

SEC. 313. CIVIL PENALTIES.

(a) Violations of Pretreatment Requirements.—

(1) General rule.—Section 309(d) is amended by inserting ", or any requirement imposed in a pretreatment program approved under section 402(a)(3) or 402(b)(8) of this Act," after "section 404 of this Act by a State,".

(2) Savings provision.—No State shall be required before July 1, 1988, to modify a permit program approved or submitted under section 402 of the Federal Water Pollution Control Act as a result of the amendment made by paragraph (1).

(b) Increased Penalty.—

(1) General rule.—Section 309(d) is amended by striking out "$10,000 per day of

such violation" and inserting in lieu thereof "$25,000 per day for each violation".

(2) Increased penalties not required under state programs.—The Federal Water Pollution Control Act shall not be construed as requiring a State to have a civil penalty for violations described in section 309(d) of such Act which has the same monetary amount as the civil penalty established by such section, as amended by paragraph (1). Nothing in this paragraph shall affect the Administrator's authority to establish or adjust by regulation a minimum acceptable State civil penalty.

(c) Factors To Consider in Determining Penalty Amount.—Section 309(d) is amended by adding at the end thereof the following: "In determining the amount of a civil penalty the court shall consider the seriousness of the violation or violations, the economic benefit (if any) resulting from the violation, any history of such violations, any good-faith efforts to comply with the applicable requirements, the economic impact of the penalty on the violator, and such other matters as justice may require. For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.".

(d) Violations of Section 404 Permits.—Section 404(s) is amended—

(1) by striking out paragraph (4);

(2) by redesignating paragraph (5) as paragraph (4); and

(3) in paragraph (4), as so redesignated—

(A) by striking out "$10,000 per day of such violation" and inserting in lieu thereof "$25,000 per day for each violation";

(B) by adding at the end thereof the following: "In determining the amount of a civil penalty the court shall consider the seriousness of the violation or violations, the economic benefit (if any) resulting from the violation, any history of such violations, any good-faith efforts to comply with the applicable requirements, the economic impact of the penalty on the violator, and such other matters as justice may require.".

SEC. 314. ADMINISTRATIVE PENALTIES.

(a) General Rule.—Section 309 is amended by adding at the end thereof the following:

"(g) Administrative Penalties.—

"(1) Violations.—Whenever on the basis of any information available—

"(A) the Administrator finds that any person has violated section 301, 302, 306, 307, 308, 318, or 405 of this Act, or has violated any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or in a permit issued under section 404 by a State, or

"(B) the Secretary of the Army (hereinafter in this subsection referred to as the 'Secretary') finds that any person has violated any permit condition or limitation in a permit issued under section 404 of this Act by the Secretary,

the Administrator or Secretary, as the case may be, may, after consultation with the State in which the violation occurs, assess a class I civil penalty or a class II civil penalty under this subsection.

"(2) Classes of penalties.—

"(A) Class i.—The amount of a class I civil penalty under paragraph (1) may not exceed $10,000 per violation, except that the maximum amount of any class I civil penalty under this subparagraph shall not exceed $25,000. Before issuing an order assessing a civil penalty under this subparagraph, the Administrator or the Secretary, as the case may be, shall give to the person to be assessed such penalty written notice of the Administrator's or Secretary's proposal to issue such order and the opportunity to request, within 30 days of the date the notice is received by such person, a hearing on the proposed order. Such hearing shall not be subject to section 554 or 556 of title 5, United States Code, but shall provide a reasonable opportunity to be heard and to present evidence.

"(B) Class ii.—The amount of a class II civil penalty under paragraph (1) may not exceed $10,000 per day for each day during which the violation continues; except that the maximum amount of any class II civil penalty under this subparagraph shall not exceed $125,000. Except as otherwise provided in this subsection, a class II civil penalty shall be assessed and collected in the same manner, and subject to the same provisions, as in the case of civil penalties assessed and collected after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code. The Administrator and the Secretary may issue rules for discovery procedures for hearings under this subparagraph.

"(3) Determining amount.—In determining the amount of any penalty assessed under this subsection, the Administrator or the Secretary, as the case may be, shall take into account the nature, circumstances, extent and gravity of the violation, or violations, and, with respect to the violator, ability to pay, any prior history of such violations, the degree of culpability, economic benefit or savings (if any) resulting from the violation, and such other matters as justice may require. For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.

"(4) Rights of interested persons.—

"(A) Public notice.—Before issuing an order assessing a civil penalty under this subsection the Administrator or Secretary, as the case may be, shall provide public notice of and reasonable opportunity to comment on the proposed issuance of such order.

"(B) Presentation of evidence.—Any person who comments on a proposed assessment of a penalty under this subsection shall be given notice of any hearing held under this subsection and of the order assessing such penalty. In any hearing held under this subsection, such person shall have a reasonable opportunity to be heard and to present evidence.

"(C) Rights of interested persons to a hearing.—If no hearing is held under paragraph (2) before issuance of an order assessing a penalty under this subsection, any person who commented on the proposed assessment may petition, within 30 days after the issuance of such order, the Administrator or Secretary, as the case may be, to set aside such order and to provide a hearing on the penalty. If the evidence presented by the petitioner in support of the petition is material and was not considered in the issuance of the order, the Administrator or Secretary shall immediately set aside such order and provide a hearing in accordance with paragraph (2)(A) in the case of a class I civil penalty and paragraph (2)(B) in the case of a class II civil penalty. If the Administrator or Secretary denies a hearing under this subparagraph, the Administrator or Secretary shall provide to the petitioner, and publish in the Federal Register, notice of and the reasons for such denial.

"(5) Finality of order.—An order issued under this subsection shall become final 30 days after its issuance unless a petition for judicial review is filed under paragraph (8) or a hearing is requested under paragraph (4)(C). If such a hearing is denied, such order shall become final 30 days after such denial.

"(6) Effect of order.—

"(A) Limitation on actions under other sections.—Action taken by the Administrator or the Secretary, as the case may be, under this subsection shall not affect or limit the Administrator's or Secretary's authority to enforce any provision of this Act; except that any violation—

"(i) with respect to which the Administrator or the Secretary has commenced and is diligently prosecuting an action under this subsection,

"(ii) with respect to which a State has commenced and is diligently prosecuting an action under a State law comparable to this subsection, or

"(iii) for which the Administrator, the Secretary, or the State has issued a final order not subject to further judicial review and the violator has paid a penalty assessed under this subsection, or such comparable State law, as the case may be,

shall not be the subject of a civil penalty action under subsection (d) of this section or section 311(b) or section 505 of this Act.

"(B) Applicability of limitation with respect to citizen suits.—The limitations contained in subparagraph (A) on civil penalty actions under section 505 of this Act shall not apply with respect to any violation for which—

"(i) a civil action under section 505(a)(1) of this Act has been filed prior to commencement of an action under this subsection, or

"(ii) notice of an alleged violation of section 505(a)(1) of this Act has been given in accordance with section 505(b)(1)(A) prior to commencement of an action under this subsection and an action under section 505(a)(1) with respect to such alleged violation is filed before the 120th day after the date on which such notice is given.

"(7) Effect of action on compliance.—No action by the Administrator or the Secretary under this subsection shall affect any person's obligation to comply with any section of this Act or with the terms and conditions of any permit issued pursuant to section 402 or 404 of this Act.

"(8) Judicial review.—Any person against whom a civil penalty is assessed under this subsection or who commented on the proposed assessment of such penalty in accordance with paragraph (4) may obtain review of such assessment—

"(A) in the case of assessment of a class I civil penalty, in the United States District Court for the District of Columbia or in the district in which the violation is alleged to have occurred, or

"(B) in the case of assessment of a class II civil penalty, in United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which such person resides or transacts business,

by filing a notice of appeal in such court within the 30-day period beginning on the date the civil penalty order is issued and by simultaneously sending a copy of such notice by certified mail to the Administrator or the Secretary, as the case may be, and the Attorney General. The Administrator or the Secretary shall promptly file in such court a certified copy of the record on which the order was issued. Such court shall not set aside or remand such order unless there is not substantial evidence in the record, taken as a whole, to support the finding of a violation or unless the Administrator's or Secretary's assessment of the penalty constitutes an abuse of discretion and shall not impose additional civil penalties for the same violation unless the Administrator's or Secretary's assessment of the penalty constitutes an abuse of discretion.

"(9) Collection.—If any person fails to pay an assessment of a civil penalty—

"(A) after the order making the assessment has become final, or

"(B) after a court in an action brought under paragraph (8) has entered a final judgment in favor of the Administrator or the Secretary, as the case may be,

the Administrator or the Secretary shall request the Attorney General to bring a civil action in an appropriate district court to recover the amount assessed (plus interest at currently prevailing rates from the date of the final order or the date of the final judgment, as the case may be). In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review. Any person who fails to pay on a timely basis the amount of an assessment of a civil penalty as described in the first sentence of this paragraph shall be required to pay, in addition to such amount and interest, attorneys fees and costs for collection proceedings and a quarterly nonpayment penalty for each quarter during which such failure to pay persists. Such nonpayment penalty shall be in an amount equal to 20 percent of the aggregate amount of such person's penalties and nonpayment penalties which are unpaid as of the beginning of such quarter.

"(10) Subpoenas.—The Administrator or Secretary, as the case may be, may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, or documents in connection with hearings under this subsection. In case of contumacy or refusal to obey a subpoena issued pursuant to this paragraph and served upon any person, the district court of the United States for any district in which such person is found, resides, or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the administrative law judge or to appear and produce documents before the administrative law judge, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(11) Protection of existing procedures.—Nothing in this subsection shall change the procedures existing on the day before the date of the enactment of the Water Quality Act of 1987 under other subsections of this section for issuance and enforcement of orders by the Administrator.".

(b) Reports on Enforcement Mechanisms.—The Secretary of the Army and the Administrator shall each prepare and submit a report to the Congress, not later than December 1, 1988, which shall examine and analyze various enforcement mechanisms for use by the Secretary or Administrator, as the case may be, including an administrative civil penalty mechanism. Each of such reports shall also include an examination, prepared in consultation with the Comptroller General, of the efficacy of the Secretary's or the Administrator's existing enforcement authorities and shall include recommendations for improvements in their operation.

(c) Conforming Amendment.—Section 505(a) is amended by inserting "and section 309(g)(6)" after "Except as provided in subsection (b) of this section".

SEC. 315. CLEAN LAKES.

(a) Establishment and Scope of Program.—Section 314(a) is amended to read as follows:

"(a) Establishment and Scope of Program.—

"(1) State program requirements.—Each State on a biennial basis shall prepare and submit to the Administrator for his approval—

"(A) an identification and classification according to eutrophic condition of all publicly owned lakes in such State;

"(B) a description of procedures, processes, and methods (including land use requirements), to control sources of pollution of such lakes;

"(C) a description of methods and procedures, in conjunction with appropriate Federal agencies, to restore the quality of such lakes;

"(D) methods and procedures to mitigate the harmful effects of high acidity, including innovative methods of neutralizing and restoring buffering capacity of lakes and methods of removing from lakes toxic metals and other toxic substances mobilized by high acidity;

"(E) a list and description of those publicly owned lakes in such State for which uses are known to be impaired, including those lakes which are known not to meet applicable water quality standards or which require implementation of control programs to maintain compliance with applicable standards and those lakes in which water quality has deteriorated as a result of high acidity that may reasonably be due to acid deposition; and

"(F) an assessment of the status and trends of water quality in lakes in such State, including but not limited to, the nature and extent of pollution loading from point and nonpoint sources and the extent to which the use of lakes is impaired as a result of such pollution, particularly with respect to toxic pollution.

"(2) Submission as part of 305(b)(1) report.—The information required under paragraph (1) shall be included in the report required under section 305(b)(1) of this Act, beginning with the report required under such section by April 1, 1988.

"(3) Report of administrator.—Not later than 180 days after receipt from the States of the biennial information required under paragraph (1), the Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the status of water quality in lakes in the United States, including the effectiveness of the methods and procedures described in paragraph (1)(D).

"(4) Eligibility requirement.—Beginning after April 1, 1988, a State must have submitted the information required under paragraph (1) in order to receive grant assistance under this section.".

(b) Demonstration Program.—Section 314 is amended by adding at the end thereof the following new subsections:

"(d) Demonstration Program.—

"(1) General requirements.—The Administrator is authorized and directed to establish and conduct at locations throughout the Nation a lake water quality demonstration program. The program shall, at a minimum—

"(A) develop cost effective technologies for the control of pollutants to preserve or enhance lake water quality while optimizing multiple lakes uses;

"(B) control nonpoint sources of pollution which are contributing to the degradation of water quality in lakes;

"(C) evaluate the feasibility of implementing regional consolidated pollution control strategies;

"(D) demonstrate environmentally preferred techniques for the removal and disposal of contaminated lake sediments;

"(E) develop improved methods for the removal of silt, stumps, aquatic growth, and other obstructions which impair the quality of lakes;

"(F) construct and evaluate silt traps and other devices or equipment to prevent or abate the deposit of sediment in lakes; and

"(G) demonstrate the costs and benefits of utilizing dredged material from lakes in the reclamation of despoiled land.

"(2) Geographical requirements.—Demonstration projects authorized by this subsection shall be undertaken to reflect a variety of geographical and environmental conditions. As a priority, the Administrator shall undertake demonstration projects at Lake Houston, Texas; Beaver Lake, Arkansas; Greenwood Lake and Belcher Creek, New Jersey; Deal Lake, New Jersey; Alcyon Lake, New Jersey; Gorton's Pond, Rhode Island; Lake Washington, Rhode Island; Lake Bomoseen, Vermont; Sauk Lake, Minnesota; and Lake Worth, Texas.

"(3) Reports.—The Administrator shall report annually to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate on work undertaken pursuant to this subsection. Upon completion of the program authorized by this subsection, the Administrator shall submit to such committees a final report on the results of such program, along with recommendations for further measures to improve the water quality of the Nation's lakes.

"(4) Authorization of appropriations.—

"(A) In general.—There is authorized to be appropriated to carry out this subsection not to exceed $40,000,000 for fiscal years beginning after September 30, 1986, to remain available until expended.

"(B) Special authorizations.—

"(i) Amount.—There is authorized to be appropriated to carry out subsection (b) with respect to subsection (a)(1)(D) not to exceed $15,000,000 for fiscal years beginning after September 30, 1986, to remain available until expended.

"(ii) Distribution of funds.—The Administrator shall provide for an equitable distribution of sums appropriated pursuant to this subparagraph among States carrying out approved methods and procedures. Such distribution shall be based on the relative needs of each such State for the mitigation of the harmful effects on lakes and other surface waters of high acidity that may reasonably be due to acid deposition or acid mine drainage.

"(iii) Grants as additional assistance.—The amount of any grant to a State under this subparagraph shall be in addition to, and not in lieu of, any other Federal financial assistance.".

(c) Lake Restoration Guidance Manual.—Section 304(j) is amended to read as follows:

"(j) LAKE RESTORATION GUIDANCE MANUAL.—The Administrator shall, within 1 year after the date of the enactment of the Water Quality Act of 1987 and biennially thereafter, publish and disseminate a lake restoration guidance manual describing methods, procedures, and processes to guide State and local efforts to improve, restore, and enhance water quality in the Nation's publicly owned lakes.".

(d) CONFORMING AMENDMENTS.—Section 314 is further amended—

(1) in subsection (b) by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (a) of this section";

(2) in subsection (c)(1) by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (b) of this section" and by striking out "this section" the second place it appears and inserting in lieu thereof "subsection (a) of this section"; and

(3) in subsection (c)(2) by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (b) of this section" and by striking out "this section" the second place it appears and inserting in lieu thereof "subsection (a) of this section".

SEC. 316. MANAGEMENT OF NONPOINT SOURCES OF POLLUTION.

(a) IN GENERAL.—Title III is amended by adding at the end the following new section:

"SEC. 319. NONPOINT SOURCE MANAGEMENT PROGRAMS.

"(a) STATE ASSESSMENT REPORTS.—

"(1) CONTENTS.—The Governor of each State shall, after notice and opportunity for public comment, prepare and submit to the Administrator for approval, a report which—

"(A) identifies those navigable waters within the State which, without additional action to control nonpoint sources of pollution, cannot reasonably be expected to attain or maintain applicable water quality standards or the goals and requirements of this Act;

"(B) identifies those categories and subcategories of nonpoint sources or, where appropriate, particular nonpoint sources which add significant pollution to each portion of the navigable waters identified under subparagraph (A) in amounts which contribute to such portion not meeting such water quality standards or such goals and requirements;

"(C) describes the process, including intergovernmental coordination and public participation, for identifying best management practices and measures to control each category and subcategory of nonpoint sources and, where appropriate, particular nonpoint sources identified under subparagraph (B) and to reduce, to the maximum extent practicable, the level of pollution resulting from such category, subcategory, or source; and

"(D) identifies and describes State and local programs for controlling pollution added from nonpoint sources to, and improving the quality of, each such portion of the navigable waters, including but not limited to those programs which are receiving Federal assistance under subsections (h) and (i).

"(2) INFORMATION USED IN PREPARATION.—In developing the report required by this section, the State (A) may rely upon information developed pursuant to sections 208, 303(e), 304(f), 305(b), and 314, and other information as appropriate, and (B) may utilize appropriate elements of the waste treatment management plans developed pursuant to sections 208(b) and 303, to the extent such elements are consistent with and fulfill the requirements of this section.

"(b) STATE MANAGEMENT PROGRAMS.—

"(1) IN GENERAL.—The Governor of each State, for that State or in combination with adjacent States, shall, after notice and opportunity for public comment, prepare and submit to the Administrator for approval a management program which such State proposes to implement in the first four fiscal years beginning after the date of submission of such management program for controlling pollution added from nonpoint sources to the navigable waters within the State and improving the quality of such waters.

"(2) SPECIFIC CONTENTS.—Each management program proposed for implementation under this subsection shall include each of the following:

"(A) An identification of the best management practices and measures which will be undertaken to reduce pollutant loadings resulting from each category, subcategory, or particular nonpoint source designated under paragraph (1)(B), taking into account the impact of the practice on ground water quality.

"(B) An identification of programs (including, as appropriate, nonregulatory or regulatory programs for enforcement, technical assistance, financial assistance, education, training, technology transfer, and demonstration projects) to achieve implementation of the best management practices by the categories, subcategories, and particular nonpoint sources designated under subparagraph (A).

"(C) A schedule containing annual milestones for (i) utilization of the program implementation methods identified in subparagraph (B), and (ii) implementation of the best management practices identified in subparagraph (A) by the categories, subcategories, or particular nonpoint sources designated under paragraph (1)(B). Such schedule shall provide for utilization of the best management practices at the earliest practicable date.

"(D) A certification of the attorney general of the State or States (or the chief attorney of any State water pollution control agency which has independent legal counsel) that the laws of the State or States, as the case may be, provide adequate authority to implement such management program or, if there is not such adequate authority, a list of such additional authorities as will be necessary to implement such management program. A schedule and commitment by the State or States to seek such additional authorities as expeditiously as practicable.

"(E) Sources of Federal and other assistance and funding (other than assistance provided under subsections (h) and (i)) which will be available in each of such fiscal years for supporting implementation of such practices and measures and the purposes for which such assistance will be used in each of such fiscal years.

"(F) An identification of Federal financial assistance programs and Federal development projects for which the State will review individual assistance applications or development projects for their effect on water quality pursuant to the procedures set forth in Executive Order 12372 as in effect on September 17, 1983, to determine whether such assistance applications or development projects would be consistent with the program prepared under this subsection; for the purposes of this subparagraph, identification shall not be limited to the assistance programs or development projects subject to Executive Order 12372 but may include any programs listed in the most recent Catalog of Federal Domestic Assistance which may have an effect on the purposes and objectives of the State's nonpoint source pollution management program.

"(3) UTILIZATION OF LOCAL AND PRIVATE EXPERTS.—In developing and implementing a management program under this subsection, a State shall, to the maximum extent practicable, involve local public and private agencies and organizations which have expertise in control of nonpoint sources of pollution.

"(4) DEVELOPMENT ON WATERSHED BASIS.—A State shall, to the maximum extent practicable, develop and implement a management program under this subsection on a watershed-by-watershed basis within such State.

"(c) ADMINISTRATIVE PROVISIONS.—

"(1) COOPERATION REQUIREMENT.—Any report required by subsection (a) and any management program and report required by subsection (b) shall be developed in cooperation with local, substate regional, and interstate entities which are actively planning for the implementation of nonpoint source pollution controls and have either been certified by the Administrator in accordance with section 208, have worked jointly with the State on water quality management planning under section 205(j), or have been designated by the State legislative body or Governor as water quality management planning agencies for their geographic areas.

"(2) TIME PERIOD FOR SUBMISSION OF REPORTS AND MANAGEMENT PROGRAMS.—Each report and management program shall be submitted to the Administrator during the 18-month period beginning on the date of the enactment of this section.

"(d) APPROVAL OR DISAPPROVAL OF REPORTS AND MANAGEMENT PROGRAMS.—

"(1) DEADLINE.—Subject to paragraph (2), not later than 180 days after the date of submission to the Administrator of any report or management program under this section (other than subsections (h), (i), and (k)), the Administrator shall either approve or disapprove such report or management program, as the case may be. The Administrator may approve a portion of a management program under this subsection. If the Administrator does not disapprove a report, management program, or portion of a management program in such 180-day period, such report, management program, or portion shall be deemed approved for purposes of this section.

"(2) PROCEDURE FOR DISAPPROVAL.—If, after notice and opportunity for public comment and consultation with appropriate Federal and State agencies and other interested persons, the Administrator determines that—

"(A) the proposed management program or any portion thereof does not meet the requirements of subsection (b)(2) of this section or is not likely to satisfy, in whole or in part, the goals and requirements of this Act;

"(B) adequate authority does not exist, or adequate resources are not available, to implement such program or portion;

"(C) the schedule for implementing such program or portion is not sufficiently expeditious; or

"(D) the practices and measures proposed in such program or portion are not adequate to reduce the level of pollution in navigable waters in the State resulting from nonpoint sources and to improve the quality of navigable waters in the State;

the Administrator shall within 6 months of the receipt of the proposed program notify the State of any revisions or modifications necessary to obtain approval. The State shall thereupon have an additional 3 months to submit its revised management program and the Administrator shall approve or disapprove such revised program within three months of receipt.

"(3) Failure of state to submit report.—If a Governor of a State does not submit the report required by subsection (a) within the period specified by subsection (c)(2), the Administrator shall, within 30 months after the date of the enactment of this section, prepare a report for such State which makes the identifications required by paragraphs (1)(A) and (1)(B) of subsection (a). Upon completion of the requirement of the preceding sentence and after notice and opportunity for comment, the Administrator shall report to Congress on his actions pursuant to this section.

"(e) Local Management Programs; Technical Assistance.—If a State fails to submit a management program under subsection (b) or the Administrator does not approve such a management program, a local public agency or organization which has expertise in, and authority to, control water pollution resulting from nonpoint sources in any area of such State which the Administrator determines is of sufficient geographic size may, with approval of such State, request the Administrator to provide, and the Administrator shall provide, technical assistance to such agency or organization in developing for such area a management program which is described in subsection (b) and can be approved pursuant to subsection (d). After development of such management program, such agency or organization shall submit such management program to the Administrator for approval. If the Administrator approves such management program, such agency or organization shall be eligible to receive financial assistance under subsection (h) for implementation of such management program as if such agency or organization were a State for which a report submitted under subsection (a) and a management program submitted under subsection (b) were approved under this section. Such financial assistance shall be subject to the same terms and conditions as assistance provided to a State under subsection (h).

"(f) Technical Assistance for States.—Upon request of a State, the Administrator may provide technical assistance to such State in developing a management program approved under subsection (b) for those portions of the navigable waters requested by such State.

"(g) Interstate Management Conference.—

"(1) Convening of conference; notification; purpose.—If any portion of the navigable waters in any State which is implementing a management program approved under this section is not meeting applicable water quality standards or the goals and requirements of this Act as a result, in whole or in part, of pollution from nonpoint sources in another State, such State may petition the Administrator to convene, and the Administrator shall convene, a management conference of all States which contribute significant pollution resulting from nonpoint sources to such portion. If, on the basis of information available, the Administrator determines that a State is not meeting applicable water quality standards or the goals and requirements of this Act as a result, in whole or in part, of significant pollution from nonpoint sources in another State, the Administrator shall notify such States. The Administrator may convene a management conference under this paragraph not later than 180 days after giving such notification, whether or not the State which is not meeting such standards requests such conference. The purpose of such conference shall be to develop an agreement among such States to reduce the level of pollution in such portion resulting from nonpoint sources and to improve the water quality of such portion. Nothing in such agreement shall supersede or abrogate rights to quantities of water which have been established by interstate water compacts, Supreme Court decrees, or State water laws. This subsection shall not apply to any pollution which is subject to the Colorado River Basin Salinity Control Act. The requirement that the Administrator convene a management conference shall not be subject to the provisions of section 505 of this Act.

"(2) State management program requirement.—To the extent that the States reach agreement through such conference, the management programs of the States which are parties to such agreements and which contribute significant pollution to the navigable waters or portions thereof not meeting applicable water quality standards or goals and requirements of this Act will be revised to reflect such agreement. Such management programs shall be consistent with Federal and State law.

"(h) Grant Program.—

"(1) Grants for implementation of management programs.—Upon application of a State for which a report submitted under subsection (a) and a management program submitted under subsection (b) is approved under this section, the Administrator shall make grants, subject to such terms and conditions as the Administrator considers appropriate, under this subsection to such State for the purpose of assisting the State in implementing such management program. Funds reserved pursuant to section 205(j)(5) of this Act may be used to develop and implement such management program.

"(2) Applications.—An application for a grant under this subsection in any fiscal year shall be in such form and shall contain such other information as the Administrator may require, including an identification and description of the best management practices and measures which the State proposes to assist, encourage, or require in such year with the Federal assistance to be provided under the grant.

"(3) Federal share.—The Federal share of the cost of each management program implemented with Federal assistance under this subsection in any fiscal year shall not exceed 60 percent of the cost incurred by the State in implementing such management program and shall be made on condition that the non-Federal share is provided from non-Federal sources.

"(4) Limitation on grant amounts.—Notwithstanding any other provision of this subsection, not more than 15 percent of the amount appropriated to carry out this subsection may be used to make grants to any one State, including any grants to any local public agency or organization with authority to control pollution from nonpoint sources in any area of such State.

"(5) Priority for effective mechanisms.—For each fiscal year beginning after September 30, 1987, the Administrator may give priority in making grants under this subsection, and shall give consideration in determining the Federal share of any such grant, to States which have implemented or are proposing to implement management programs which will—

"(A) control particularly difficult or serious nonpoint source pollution problems, including, but not limited to, problems resulting from mining activities;

"(B) implement innovative methods or practices for controlling nonpoint sources of pollution, including regulatory programs where the Administrator deems appropriate;

"(C) control interstate nonpoint source pollution problems; or

"(D) carry out ground water quality protection activities which the Administrator determines are part of a comprehensive nonpoint source pollution control program, including research, planning, ground water assessments, demonstration programs, enforcement, technical assistance, education, and training to protect ground water quality from nonpoint sources of pollution.

"(6) Availability for obligation.—The funds granted to each State pursuant to this subsection in a fiscal year shall remain available for obligation by such State for the fiscal year for which appropriated. The amount of any such funds not obligated by the end of such fiscal year shall be available to the Administrator for granting to other States under this subsection in the next fiscal year.

"(7) Limitation on use of funds.—States may use funds from grants made pursuant to this section for financial assistance to persons only to the extent that such assistance is related to the costs of demonstration projects.

"(8) Satisfactory progress.—No grant may be made under this subsection in any fiscal year to a State which in the preceding fiscal year received a grant under this subsection unless the Administrator determines that such State made satisfactory progress in such preceding fiscal year in meeting the schedule specified by such State under subsection (b)(2).

"(9) Maintenance of effort.—No grant may be made to a State under this subsection in any fiscal year unless such State enters into such agreements with the Administrator as the Administrator may require to ensure that such State will maintain its aggregate expenditures from all other sources for programs for controlling pollution added to the navigable waters in such State from nonpoint sources and improving the quality of such waters at or above the average level of such expenditures in its two fiscal years preceding the date of enactment of this subsection.

"(10) Request for information.—The Administrator may request such information, data, and reports as he considers necessary to make the determination of continuing eligibility for grants under this section.

"(11) Reporting and other requirements.—Each State shall report to the Administrator on an annual basis concerning (A) its progress in meeting the schedule of milestones submitted pursuant to subsection (b)(2)(C) of this section, and (B) to the extent that appropriate information is available, reductions in nonpoint source pollutant loading and improvements in water quality for those navigable waters or watersheds within the State which were identified pursuant to subsection (a)(1)(A) of this section resulting from implementation of the management program.

"(12) Limitation on administrative costs.—For purposes of this subsection, administrative costs in the form of salaries, overhead, or indirect costs for services provided and charged against activities and programs carried out with a grant under this subsection shall not exceed in any fiscal year 10 percent of the amount of the grant in such year, except that costs of implementing enforcement and regulatory activities, education, training, technical assistance, demonstration projects, and technology transfer programs shall not be subject to this limitation.

"(i) Grants for Protecting Groundwater Quality.—

"(1) Eligible applicants and activities.—Upon application of a State for which a report submitted under subsection (a) and a plan submitted under subsection (b) is approved under this section, the Administrator shall make grants under this subsection to such State for the purpose of assisting such State in carrying out groundwater quality protection activities which the Administrator determines will advance the State toward implementation of a comprehensive nonpoint source pollution control program. Such activities shall include, but not be limited to, research, planning, groundwater assessments, demonstration programs, enforcement, technical assistance, education and training to protect the quality of groundwater and to prevent contamination of groundwater from nonpoint sources of pollution.

"(2) Applications.—An application for a grant under this subsection shall be in such form and shall contain such information as the Administrator may require.

"(3) Federal share; maximum amount.—The Federal share of the cost of assisting a State in carrying out groundwater protection activities in any fiscal year under this subsection shall be 50 percent of the costs incurred by the State in carrying out such activities, except that the maximum amount of Federal assistance which any State may receive under this subsection in any fiscal year shall not exceed $150,000.

"(4) Report.—The Administrator shall include in each report transmitted under subsection (m) a report on the activities and programs implemented under this subsection during the preceding fiscal year.

"(j) Authorization of Appropriations.—There is authorized to be appropriated to carry out subsections (h) and (i) not to exceed $70,000,000 for fiscal year 1988, $100,000,000 per fiscal year for each of fiscal years 1989 and 1990, and $130,000,000 for fiscal year 1991; except that for each of such fiscal years not to exceed $7,500,000 may be made available to carry out subsection (i). Sums appropriated pursuant to this subsection shall remain available until expended.

"(k) Consistency of Other Programs and Projects With Management Programs.—The Administrator shall transmit to the Office of Management and Budget and the appropriate Federal departments and agencies a list of those assistance programs and development projects identified by each State under subsection (b)(2)(F) for which individual assistance applications and projects will be reviewed pursuant to the procedures set forth in Executive Order 12372 as in effect on September 17, 1983. Beginning not later than sixty days after receiving notification by the Administrator, each Federal department and agency shall modify existing regulations to allow States to review individual development projects and assistance applications under the identified Federal assistance programs and shall accommodate, according to the requirements and definitions of Executive Order 12372, as in effect on September 17, 1983, the concerns of the State regarding the consistency of such applications or projects with the State nonpoint source pollution management program.

"(l) Collection of Information.—The Administrator shall collect and make available, through publications and other appropriate means, information pertaining to management practices and implementation methods, including, but not limited to, (1) information concerning the costs and relative efficiencies of best management practices for reducing nonpoint source pollution; and (2) available data concerning the relationship between water quality and implementation of various management practices to control nonpoint sources of pollution.

"(m) Reports of Administrator.—

"(1) Annual reports.—Not later than January 1, 1988, and each January 1 thereafter, the Administrator shall transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate, a report for the preceding fiscal year on the activities and programs implemented under this section and the progress made in reducing pollution in the navigable waters resulting from nonpoint sources and improving the quality of such waters.

"(2) Final report.—Not later than January 1, 1990, the Administrator shall transmit to Congress a final report on the activities carried out under this section. Such report, at a minimum, shall—

"(A) describe the management programs being implemented by the States by types and amount of affected navigable waters, categories and subcategories of nonpoint sources, and types of best management practices being implemented;

"(B) describe the experiences of the States in adhering to schedules and implementing best management practices;

"(C) describe the amount and purpose of grants awarded pursuant to subsections (h) and (i) of this section;

"(D) identify, to the extent that information is available, the progress made in reducing pollutant loads and improving water quality in the navigable waters;

"(E) indicate what further actions need to be taken to attain and maintain in those navigable waters (i) applicable water quality standards, and (ii) the goals and requirements of this Act;

"(F) include recommendations of the Administrator concerning future programs (including enforcement programs) for controlling pollution from nonpoint sources; and

"(G) identify the activities and programs of departments, agencies, and instrumentalities of the United States which are inconsistent with the management programs submitted by the States and recommend modifications so that such activities and programs are consistent with and assist the States in implementation of such management programs.

"(n) Set Aside for Administrative Personnel.—Not less than 5 percent of the funds appropriated pursuant to subsection (j) for any fiscal year shall be available to the Administrator to maintain personnel levels at the Environmental Protection Agency at levels which are adequate to carry out this section in such year.".

(b) Policy for Control of Nonpoint Sources of Pollution.—Section 101(a) is amended by striking out "and" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and by adding at the end thereof the following:

"(7) it is the national policy that programs for the control of nonpoint sources of pollution be developed and implemented in an expeditious manner so as to enable the goals of this Act to be met through the control of both point and nonpoint sources of pollution.".

(c) Eligibility of Nonpoint Sources.—The last sentence of section 201(g)(1) is amended by—

(1) striking out "sentence," the first place it appears and inserting in lieu thereof "sentences,";

(2) inserting "(A)" after "October 1, 1984, for"; and

(3) inserting before "except that" the following: "and (B) any purpose for which a grant may be made under section 319 (h) and (i) of this Act (including any innovative and alternative approaches for the control of nonpoint sources of pollution),".

(d) Reservation of Funds.—Section 205(j) is amended by adding at the end the following new paragraph:

"(5) Nonpoint source reservation.—In addition to the sums reserved under paragraph (1), the Administrator shall reserve each fiscal year for each State 1 percent of the sums allotted and available for obligation to such State under this section for each fiscal year beginning on or after October 1, 1986, or $100,000, whichever is greater, for the purpose of carrying out section 319 of this Act. Sums so reserved in a State in any fiscal year for which such State does not request the use of such sums, to the extent such sums exceed $100,000, may be used by such State for other purposes under this title.".

(e) Conforming Amendment.—Section 304(k)(1) is amended by inserting "and nonpoint source pollution management programs approved under section 319 of this Act" after "208 of this Act".

SEC. 317. NATIONAL ESTUARY PROGRAM.

(a) Purposes and Policies.—

(1) Findings.—Congress finds and declares that—

(A) the Nation's estuaries are of great importance for fish and wildlife resources and recreation and economic opportunity;

(B) maintaining the health and ecological integrity of these estuaries is in the national interest;

(C) increasing coastal population, development, and other direct and indirect uses of these estuaries threaten their health and ecological integrity;

(D) long-term planning and management will contribute to the continued productivity of these areas, and will maximize their utility to the Nation; and

(E) better coordination among Federal and State programs affecting estuaries will increase the effectiveness and efficiency of the national effort to protect, preserve, and restore these areas.

(2) Purposes.—The purposes of this section are to—

(A) identify nationally significant estuaries that are threatened by pollution, development, or overuse;

(B) promote comprehensive planning for, and conservation and management of, nationally significant estuaries;

(C) encourage the preparation of management plans for estuaries of national significance; and

(D) enhance the coordination of estuarine research.

(b) Management Program.—Title III is amended by adding at the end thereof the following new section:

"SEC. 320. NATIONAL ESTUARY PROGRAM.

"(a) Management Conference.—

"(1) Nomination of estuaries.—The Governor of any State may nominate to the Administrator an estuary lying in whole or in part within the State as an estuary of national significance and request a management conference to develop a comprehensive management plan for the estuary. The nomination shall document the need for the conference, the likelihood of success, and information relating to the factors in paragraph (2).

"(2) Convening of conference.—

"(A) In general.—In any case where the Administrator determines, on his own initiative or upon nomination of a State under paragraph (1), that the attainment or maintenance of that water quality in an estuary which assures protection of public water supplies and the protection and propagation of a balanced, indigenous population of shellfish, fish, and wildlife, and allows recreational activities, in and on the water, requires the control of point and nonpoint sources of pollution to supplement existing controls of pollution in more than one State, the Administrator shall select such estuary and convene a management conference.

"(B) Priority consideration.—The Administrator shall give priority consideration under this section to Long Island Sound, New York and Connecticut; Narragansett Bay, Rhode Island; Buzzards Bay, Massachusetts; Puget Sound, Washington; New York-New Jersey Harbor, New York and New Jersey; Delaware Bay, Delaware and New Jersey; Delaware Inland Bays, Delaware; Albemarle Sound, North Carolina; Sarasota Bay, Florida; San Francisco Bay, California; and Galveston Bay, Texas.

"(3) Boundary dispute exception.—In any case in which a boundary between two States passes through an estuary and such boundary is disputed and is the subject of an action in any court, the Administrator shall not convene a management conference with respect to such estuary before a final adjudication has been made of such dispute.

"(b) Purposes of Conference.—The purposes of any management conference convened with respect to an estuary under this subsection shall be to—

"(1) assess trends in water quality, natural resources, and uses of the estuary;

"(2) collect, characterize, and assess data on toxics, nutrients, and natural resources within the estuarine zone to identify the causes of environmental problems;

"(3) develop the relationship between the inplace loads and point and nonpoint loadings of pollutants to the estuarine zone and the potential uses of the zone, water quality, and natural resources;

"(4) develop a comprehensive conservation and management plan that recommends priority corrective actions and compliance schedules addressing point and nonpoint sources of pollution to restore and maintain the chemical, physical, and biological integrity of the estuary, including restoration and maintenance of water quality, a balanced indigenous population of shellfish, fish and wildlife, and recreational activities in the estuary, and assure that the designated uses of the estuary are protected;

"(5) develop plans for the coordinated implementation of the plan by the States as well as Federal and local agencies participating in the conference;

"(6) monitor the effectiveness of actions taken pursuant to the plan; and

"(7) review all Federal financial assistance programs and Federal development projects in accordance with the requirements of Executive Order 12372, as in effect on September 17, 1983, to determine whether such assistance program or project would be consistent with and further the purposes and objectives of the plan prepared under this section.

For purposes of paragraph (7), such programs and projects shall not be limited to the assistance programs and development projects subject to Executive Order 12372, but may include any programs listed in the most recent Catalog of Federal Domestic Assistance which may have an effect on the purposes and objectives of the plan developed under this section.

"(c) Members of Conference.—The members of a management conference convened under this section shall include, at a minimum, the Administrator and representatives of—

"(1) each State and foreign nation located in whole or in part in the estuarine zone of the estuary for which the conference is convened;

"(2) international, interstate, or regional agencies or entities having jurisdiction over all or a significant part of the estuary;

"(3) each interested Federal agency, as determined appropriate by the Administrator;

"(4) local governments having jurisdiction over any land or water within the estuarine zone, as determined appropriate by the Administrator; and

"(5) affected industries, public and private educational institutions, and the general public, as determined appropriate by the Administrator.

"(d) Utilization of Existing Data.—In developing a conservation and management plan under this section, the management conference shall survey and utilize existing reports, data, and studies relating to the estuary that have been developed by or made available to Federal, interstate, State, and local agencies.

"(e) Period of Conference.—A management conference convened under this section shall be convened for a period not to exceed 5 years. Such conference may be extended by the Administrator, and if terminated after the initial period, may be reconvened by the Administrator at any time thereafter, as may be necessary to meet the requirements of this section.

"(f) Approval and Implementation of Plans.—

"(1) Approval.—Not later than 120 days after the completion of a conservation and management plan and after providing for public review and comment, the Administrator shall approve such plan if the plan meets the requirements of this section and the affected Governor or Governors concur.

"(2) Implementation.—Upon approval of a conservation and management plan under this section, such plan shall be implemented. Funds authorized to be appropriated under titles II and VI and section 319 of this Act may be used in accordance with the applicable requirements of this Act to assist States with the implementation of such plan.

"(g) Grants.—

"(1) Recipients.—The Administrator is authorized to make grants to State, interstate, and regional water pollution control agencies and entities, State coastal zone management agencies, interstate agencies, other public or nonprofit private agencies, institutions, organizations, and individuals.

"(2) Purposes.—Grants under this subsection shall be made to pay for assisting research, surveys, studies, and modeling and other technical work necessary for the development of a conservation and management plan under this section.

"(3) Federal share.—The amount of grants to any person (including a State, interstate, or regional agency or entity) under this subsection for a fiscal year shall not exceed 75 percent of the costs of such research, survey, studies, and work and shall be made on condition that the non-Federal share of such costs are provided from non-Federal sources.

"(h) Grant Reporting.—Any person (including a State, interstate, or regional agency or entity) that receives a grant under subsection (g) shall report to the Administrator not later than 18 months after receipt of such grant and biennially thereafter on the progress being made under this section.

"(i) Authorization of Appropriations.—There are authorized to be appropriated to the Administrator not to exceed $12,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991 for—

"(1) expenses related to the administration of management conferences under this section, not to exceed 10 percent of the amount appropriated under this subsection;

"(2) making grants under subsection (g); and

"(3) monitoring the implementation of a conservation and management plan by the management conference or by the Administrator, in any case in which the conference has been terminated.

The Administrator shall provide up to $5,000,000 per fiscal year of the sums authorized to be appropriated under this subsection to the Administrator of the National Oceanic and Atmospheric Administration to carry out subsection (j).

"(j) Research.—

"(1) Programs.—In order to determine the need to convene a management conference under this section or at the request of such a management conference, the Administrator shall coordinate and implement, through the National Marine Pollution Program Office and the National Marine Fisheries Service of the National Oceanic and Atmospheric Administration, as appropriate, for one or more estuarine zones—

"(A) a long-term program of trend assessment monitoring measuring variations in pollutant concentrations, marine ecology, and other physical or biological environmental parameters which may affect estuarine zones, to provide the Administrator the capacity to determine the potential and actual effects of alternative management strategies and measures;

"(B) a program of ecosystem assessment assisting in the development of (i) baseline studies which determine the state of estuarine zones and the effects of natural and anthropogenic changes, and (ii) predictive models capable of translating information on specific discharges or general pollutant loadings within estuarine zones into a set of probable effects on such zones;

"(C) a comprehensive water quality sampling program for the continuous monitoring of nutrients, chlorine, acid precipitation dissolved oxygen, and potentially toxic pollutants (including organic chemicals and metals) in estuarine zones, after consultation with interested State, local, interstate, or international agencies and review and analysis of all environmental sampling data presently collected from estuarine zones; and

"(D) a program of research to identify the movements of nutrients, sediments and pollutants through estuarine zones and the impact of nutrients, sediments, and pollutants on water quality, the ecosystem, and designated or potential uses of the estuarine zones.

"(2) Reports.—The Administrator, in cooperation with the Administrator of the National Oceanic and Atmospheric Administration, shall submit to the Congress no less often than biennially a comprehensive report on the activities authorized under this subsection including—

"(A) a listing of priority monitoring and research needs;

"(B) an assessment of the state and health of the Nation's estuarine zones, to the extent evaluated under this subsection;

"(C) a discussion of pollution problems and trends in pollutant concentrations with a direct or indirect effect on water quality, the ecosystem, and designated or potential uses of each estuarine zone, to the extent evaluated under this subsection; and

"(D) an evaluation of pollution abatement activities and management measures so far implemented to determine the degree of improvement toward the objectives expressed in subsection (b)(4) of this section.

"(k) Definitions.—For purposes of this section, the terms 'estuary' and 'estuarine zone' have the meanings such terms have in section 104(n)(4) of this Act, except that the term 'estuarine zone' shall also include associated aquatic ecosystems and those portions of tributaries draining into the estuary up to the historic height of migration of anadromous fish or the historic head of tidal influence, whichever is higher.".

SEC. 318. UNCONSOLIDATED QUATERNARY AQUIFER.

Notwithstanding any other provision of law, no person may—

(1) locate or authorize the location of a landfill, surface impoundment, waste pile, injection well, or land treatment facility over the Unconsolidated Quaternary Aquifer, or the recharge zone or streamflow source zone of such aquifer, in the Rockaway River Basin, New Jersey (as such aquifer and zones are described in the Federal Register, January 24, 1984, pages 2946-2948); or

(2) place or authorize the placement of solid waste in a landfill, surface impoundment, waste pile, injection well, or land treatment facility over such aquifer or zone.

This section may be enforced under sections 309 (a) and (b) of the Federal Water Pollution Control Act. For purposes of section 309(c) of such Act, a violation of this section shall be considered a violation of section 301 of the Federal Water Pollution Control Act.

TITLE IV—PERMITS AND LICENSES

SEC. 401. STORMWATER RUNOFF FROM OIL, GAS, AND MINING OPERATIONS.

(a) Limitation on Permit Requirement.—Section 402(l) is amended by inserting "(1) Agricultural return flows.—" before "The Administrator" and by adding at the end thereof the following:

"(2) Stormwater runoff from oil, gas, and mining operations.—The Administrator shall not require a permit under this section, nor shall the Administrator directly or indirectly require any State to require a permit, for discharges of stormwater runoff from mining operations or oil and gas exploration, production, processing, or treatment operations or transmission facilities, composed entirely of flows which are from conveyances or systems of conveyances (including but not limited to pipes, conduits, ditches, and channels) used for collecting and conveying precipitation runoff and which are not contaminated by contact with, or do not come into contact with, any overburden, raw material, intermediate products, finished product, by-product, or waste products located on the site of such operations.".

(b) Conforming Amendments.—Section 402(l) is further amended—

(1) by inserting "Limitation on Permit Requirement.—" after "(l)"; and

(2) by indenting paragraph (1) of such section, as designated by subsection (a) of this section, and aligning such paragraph with paragraph (2) of such section, as added by such subsection (a).

SEC. 402. ADDITIONAL PRETREATMENT OF CONVENTIONAL POLLUTANTS NOT REQUIRED.

Section 402 is amended by adding at the end thereof the following new subsection:

"(m) Additional Pretreatment of Conventional Pollutants Not Required.—To the extent a treatment works (as defined in section 212 of this Act) which is publicly owned is not meeting the requirements of a permit issued under this section for such treatment works as a result of inadequate design or operation of such treatment works, the Administrator, in issuing a permit under this section, shall not require pretreatment by a person introducing conventional pollutants identified pursuant to section 304(a)(4) of this Act into such treatment works other than pretreatment required to assure compliance with pretreatment standards under subsection (b)(8) of this section and section 307(b)(1) of this Act. Nothing in this subsection shall affect the Administrator's authority under sections 307 and 309 of this Act, affect State and local authority under sections 307(b)(4) and 510 of this Act, relieve such treatment works of its obligations to meet requirements established under this Act, or otherwise preclude such works from pursuing whatever feasible options are available to meet its responsibility to comply with its permit under this section.".

SEC. 403. PARTIAL NPDES PROGRAM.

(a) Partial Permit Program.—Section 402 is amended by adding at the end the following:

"(n) Partial Permit Program.—

"(1) State submission.—The Governor of a State may submit under subsection (b) of this section a permit program for a portion of the discharges into the navigable waters in such State.

"(2) Minimum coverage.—A partial permit program under this subsection shall cover, at a minimum, administration of a major category of the discharges into the navigable waters of the State or a major component of the permit program required by subsection (b).

"(3) Approval of major category partial permit programs.—The Administrator may approve a partial permit program covering administration of a major category of discharges under this subsection if—

"(A) such program represents a complete permit program and covers all of the discharges under the jurisdiction of a department or agency of the State; and

"(B) the Administrator determines that the partial program represents a significant and identifiable part of the State program required by subsection (b).

"(4) Approval of major component partial permit programs.—The Administrator may approve under this subsection a partial and phased permit program covering administration of a major component (including discharge categories) of a State permit program required by subsection (b) if—

"(A) the Administrator determines that the partial program represents a significant and identifiable part of the State program required by subsection (b); and

"(B) the State submits, and the Administrator approves, a plan for the State to assume administration by phases of the remainder of the State program required by subsection (b) by a specified date not more than 5 years after submission of the partial program under this subsection and agrees to make all reasonable efforts to assume such administration by such date.".

(b) Return of State Permit Program to Administrator.—

(1) In general.—Section 402(c) is amended by adding at the end thereof the following new paragraph:

"(4) Limitations on partial permit program returns and withdrawals.—A State may return to the Administrator administration, and the Administrator may withdraw under paragraph (3) of this subsection approval, of—

"(A) a State partial permit program approved under subsection (n)(3) only if the entire permit program being administered by the State department or agency at the time is returned or withdrawn; and

"(B) a State partial permit program approved under subsection (n)(4) only if an entire phased component of the permit program being administered by the State at the time is returned or withdrawn.".

(2) Conforming amendment.—Section 402(c)(1) is amended by striking out "as to those navigable waters" and inserting in lieu thereof "as to those discharges".

SEC. 404. ANTI-BACKSLIDING.

(a) General Rule.—Section 402 is amended by adding at the end thereof the following new subsection:

"(o) Anti-Backsliding.—

"(1) General prohibition.—In the case of effluent limitations established on the basis of subsection (a)(1)(B) of this section, a permit may not be renewed, reissued, or modified on the basis of effluent guidelines promulgated under section 304(b) subsequent to the original issuance of such permit, to contain effluent limitations which are less stringent than the comparable effluent limitations in the previous permit. In the case of effluent limitations established on the basis of section 301(b)(1)(C) or section 303 (d) or (e), a permit may not be renewed, reissued, or modified to contain effluent limitations which are less stringent than the comparable effluent limitations in the previous permit except in compliance with section 303(d)(4).

"(2) Exceptions.—A permit with respect to which paragraph (1) applies may be renewed, reissued, or modified to contain a less stringent effluent limitation applicable to a pollutant if—

"(A) material and substantial alterations or additions to the permitted facility occurred after permit issuance which justify the application of a less stringent effluent limitation;

"(B)(i) information is available which was not available at the time of permit issuance (other than revised regulations, guidance, or test methods) and which would have justified the application of a less stringent effluent limitation at the time of permit issuance; or

"(ii) the Administrator determines that technical mistakes or mistaken interpretations of law were made in issuing the permit under subsection (a)(1)(B);

"(C) a less stringent effluent limitation is necessary because of events over which the permittee has no control and for which there is no reasonably available remedy;

"(D) the permittee has received a permit modification under section 301(c), 301(g), 301(h), 301(i), 301(k), 301(n), or 316(a); or

"(E) the permittee has installed the treatment facilities required to meet the effluent limitations in the previous permit and has properly operated and maintained the facilities but has nevertheless been unable to achieve the previous effluent limitations, in which case the limitations in the reviewed, reissued, or modified permit may reflect the level of pollutant control actually achieved (but shall not be less stringent than required by effluent guidelines in effect at the time of permit renewal, reissuance, or modification).

Subparagraph (B) shall not apply to any revised waste load allocations or any alternative grounds for translating water quality standards into effluent limitations, except where the cumulative effect of such revised allocations results in a decrease in the amount of pollutants discharged into the concerned waters, and such revised allocations are not the result of a discharger eliminating or substantially reducing its discharge of pollutants due to complying with the requirements of this Act or for reasons otherwise unrelated to water quality.

"(3) Limitations.—In no event may a permit with respect to which paragraph (1) applies be renewed, reissued, or modified to contain an effluent limitation which is less stringent than required by effluent guidelines in effect at the time the permit is renewed, reissued, or modified. In no event may such a permit to discharge into waters be renewed, reissued, or modified to contain a less stringent effluent limitation if the implementation of such limitation would result in a violation of a water quality standard under section 303 applicable to such waters.".

(b) Limitations on Revision of Certain Effluent Limitations.—Section 303(d) of the Act is amended by adding at the end thereof the following new paragraph:

"(4) Limitations on revision of certain effluent limitations.—

"(A) Standard not attained.—For waters identified under paragraph (1)(A) where the applicable water quality standard has not yet been attained, any effluent limitation based on a total maximum daily load or other waste load allocation established under this section may be revised only if (i) the cumulative effect of all such revised effluent limitations based on such total maximum daily load or waste load allocation will assure the attainment of such water quality standard, or (ii) the designated use which is not being attained is removed in accordance with regulations established under this section.

"(B) Standard attained.—For waters identified under paragraph (1)(A) where the quality of such waters equals or exceeds levels necessary to protect the designated use for such waters or otherwise required by applicable water quality standards, any effluent limitation based on a total maximum daily load or other waste load allocation established under this section, or any water quality standard established under this section, or any other permitting standard may be revised only if such revision is subject to and consistent with the antidegradation policy established under this section.".

(c) Study.—The Administrator shall study—

(1) the extent to which States have reviewed, revised, and adopted water quality standards in accordance with section 24 of the Municipal Wastewater Treatment Construction Grant Amendments of 1981; and

(2) the extent to which modifications of permits issued under section 402(a)(1)(B) of the Federal Water Pollution Control Act for the purpose of reflecting any revisions to water quality standards should be encouraged or discouraged.

The Administrator shall submit a report on such study, together with recommendations, to Congress not later than 2 years after the date of the enactment of this Act.

(d) Conforming Amendment.—Section 402(a)(1) is amended by inserting "(A)" after "either" and by inserting "(B)" after "this Act, or".

SEC. 405. MUNICIPAL AND INDUSTRIAL STORMWATER DISCHARGES.

Section 402 is amended by adding at the end thereof the following new subsection:

"(p) Municipal and Industrial Stormwater Discharges.—

"(1) General rule.—Prior to October 1, 1992, the Administrator or the State (in the case of a permit program approved under section 402 of this Act) shall not require a permit under this section for discharges composed entirely of stormwater.

"(2) Exceptions.—Paragraph (1) shall not apply with respect to the following stormwater discharges:

"(A) A discharge with respect to which a permit has been issued under this section before the date of the enactment of this subsection.

"(B) A discharge associated with industrial activity.

"(C) A discharge from a municipal separate storm sewer system serving a population of 250,000 or more.

"(D) A discharge from a municipal separate storm sewer system serving a population of 100,000 or more but less than 250,000.

"(E) A discharge for which the Administrator or the State, as the case may be, determines that the stormwater discharge contributes to a violation of a water quality standard or is a significant contributor of pollutants to waters of the United States.

"(3) Permit requirements.—

"(A) Industrial discharges.—Permits for discharges associated with industrial activity shall meet all applicable provisions of this section and section 301.

"(B) Municipal discharge.—Permits for discharges from municipal storm sewers—

"(i) may be issued on a system- or jurisdiction-wide basis;

"(ii) shall include a requirement to effectively prohibit non-stormwater discharges into the storm sewers; and

"(iii) shall require controls to reduce the discharge of pollutants to the maximum extent practicable, including management practices, control techniques and system, design and engineering methods, and such other provisions as the Administrator or the State determines appropriate for the control of such pollutants.

"(4) Permit application requirements.—

"(A) Industrial and large municipal discharges.—Not later than 2 years after the date of the enactment of this subsection, the Administrator shall establish regulations setting forth the permit application requirements for stormwater discharges described in paragraphs (2)(B) and (2)(C). Applications for permits for such discharges shall be filed no later than 3 years after such date of enactment. Not later than 4 years after such date of enactment, the Administrator or the State, as the case may be, shall issue or deny each such permit. Any such permit shall provide for compliance as expeditiously as practicable, but in no event later than 3 years after the date of issuance of such permit.

"(B) Other municipal discharges.—Not later than 4 years after the date of the enactment of this subsection, the Administrator shall establish regulations setting forth the permit application requirements for stormwater discharges described in paragraph (2)(D). Applications for permits for such discharges shall be filed no later than 5 years after such date of enactment. Not later than 6 years after such date of enactment, the Administrator or the State, as the case may be, shall issue or deny each such permit. Any such permit shall provide for compliance as expeditiously as practicable, but in no event later than 3 years after the date of issuance of such permit.

"(5) Studies.—The Administrator, in consultation with the States, shall conduct a study for the purposes of—

"(A) identifying those stormwater discharges or classes of stormwater discharges for which permits are not required pursuant to paragraphs (1) and (2) of this subsection,

"(B) determining, to the maximum extent practicable, the nature and extent of pollutants in such discharges; and

"(C) establishing procedures and methods to control stormwater discharges to the extent necessary to mitigate impacts on water quality.

Not later than October 1, 1988, the Administrator shall submit to Congress a report on the results of the study described in subparagraphs (A) and (B). Not later than October 1, 1989, the Administrator shall submit to Congress a report on the results of the study described in subparagraph (C).

"(6) Regulations.—Not later than October 1, 1992, the Administrator, in consultation with State and local officials, shall issue regulations (based on the results of the studies conducted under paragraph (5)) which designate stormwater discharges, other than those discharges described in paragraph (2), to be regulated to protect water quality and shall establish a comprehensive program to regulate such designated sources. The program shall, at a minimum, (A) establish priorities, (B) establish requirements for State stormwater management programs, and (C) establish expeditious deadlines. The program may include performance standards, guidelines, guidance, and management practices and treatment requirements, as appropriate.".

SEC. 406. SEWAGE SLUDGE.

(a) Identification and Regulation of Toxic Pollutants.—Section 405(d) is amended—

(1) by inserting "(1) Regulations.—" before "The Administrator, after";

(2) by striking "(1)", "(2)", and "(3)" and inserting in lieu thereof "(A)", "(B)", and "(C)", respectively; and

(3) by adding at the end the following new paragraphs:

"(2) Identification and regulation of toxic pollutants.—

"(A) On basis of available information.—

"(i) Proposed regulations.—Not later than November 30, 1986, the Administrator shall identify those toxic pollutants which, on the basis of available information on their toxicity, persistence, concentration, mobility, or potential for exposure, may be present in sewage sludge in concentrations which may adversely affect public health or the environment, and propose regulations specifying acceptable management practices for sewage sludge containing each such toxic pollutant and establishing numerical limitations for each such pollutant for each use identified under paragraph (1)(A).

"(ii) Final regulations.—Not later than August 31, 1987, and after opportunity for public hearing, the Administrator shall promulgate the regulations required by subparagraph (A)(i).

"(B) Others.—

"(i) Proposed regulations.—Not later than July 31, 1987, the Administrator shall identify those toxic pollutants not identified under subparagraph (A)(i) which may be present in sewage sludge in concentrations which may adversely affect public health or the environment, and propose regulations specifying acceptable management practices for sewage sludge containing each such toxic pollutant and establishing numerical limitations for each pollutant for each such use identified under paragraph (1)(A).

"(ii) Final regulations.—Not later than June 15, 1988, the Administrator shall promulgate the regulations required by subparagraph (B)(i).

"(C) Review.—From time to time, but not less often than every 2 years, the Administrator shall review the regulations promulgated under this paragraph for the purpose of identifying additional toxic pollutants and promulgating regulations for such pollutants consistent with the requirements of this paragraph.

"(D) Minimum standards; compliance date.—The management practices and numerical criteria established under subparagraphs (A), (B), and (C) shall be adequate to protect public health and the environment from any reasonably anticipated adverse effects of each pollutant. Such regulations shall require compliance as expeditiously as practicable but in no case later than 12 months after their publication, unless such regulations require the construction of new pollution control facilities, in which case the regulations shall require compliance as expeditiously as practicable but in no case later than two years from the date of their publication.

"(3) Alternative standards.—For purposes of this subsection, if, in the judgment of the Administrator, it is not feasible to prescribe or enforce a numerical limitation for a pollutant identified under paragraph (2), the Administrator may instead promulgate a design, equipment, management practice, or operational standard, or combination thereof, which in the Administrator's judgment is adequate to protect public health and the environment from any reasonably anticipated adverse effects of such pollutant. In the event the Administrator promulgates a design or equipment standard under this subsection, the Administrator shall include as part of such standard such requirements as will assure the proper operation and maintenance of any such element of design or equipment.

"(4) Conditions on permits.—Prior to the promulgation of the regulations required by paragraph (2), the Administrator shall impose conditions in permits issued to publicly owned treatment works under section 402 of this Act or take such other measures as the Administrator deems appropriate to protect public health and the environment from any adverse effects which may occur from toxic pollutants in sewage sludge.

"(5) Limitation on statutory construction.—Nothing in this section is intended to waive more stringent requirements established by this Act or any other law.".

(b) Manner of Sludge Disposal.—Section 405(e) is amended to read as follows:

"(e) Manner of Sludge Disposal.—The determination of the manner of disposal or use of sludge is a local determination, except that it shall be unlawful for any person to dispose of sludge from a publicly owned treatment works or any other treatment works treating domestic sewage for any use for which regulations have been established pursuant to subsection (d) of this section, except in accordance with such regulations.".

(c) Implementation Through Permits.—Section 405 is further amended by adding at the end thereof the following:

"(f) Implementation of Regulations.—

"(1) Through section 402 permits.—Any permit issued under section 402 of this Act to a publicly owned treatment works or any other treatment works treating domestic sewage shall include requirements for the use and disposal of sludge that implement the regulations established pursuant to subsection (d) of this section, unless such requirements have been included in a permit issued under the appropriate provisions of subtitle C of the Solid Waste Disposal Act, part C of the Safe Drinking Water Act, the Marine Protection, Research, and Sanctuaries Act of 1972, or the Clean Air Act, or under State permit programs approved by the Administrator, where the Administrator determines that such programs assure compliance with any applicable requirements of this section. Not later than December 15, 1986, the Administrator shall promulgate procedures for approval of State programs pursuant to this paragraph.

"(2) Through other permits.—In the case of a treatment works described in paragraph (1) that is not subject to section 402 of this Act and to which none of the other above listed permit programs nor approved State permit authority apply, the Administrator may issue a permit to such treatment works solely to impose requirements for the use and disposal of sludge that implement the regulations established pursuant to subsection (d) of this section. The Administrator shall include in the permit appropriate requirements to assure compliance with the regulations established pursuant to subsection (d) of this section. The Administrator shall establish procedures for issuing permits pursuant to this paragraph.

"(g) Studies and Projects.—

"(1) Grant program; information gathering.—The Administrator is authorized to conduct or initiate scientific studies, demonstration projects, and public information and education projects which are designed to promote the safe and beneficial management or use of sewage sludge for such purposes as aiding the restoration of abandoned mine sites, conditioning soil for parks and recreation areas, agricultural and horticultural uses, and other beneficial purposes. For the purposes of carrying out this subsection, the Administrator may make grants to State water pollution control agencies, other public or nonprofit agencies, institutions, organizations, and individuals. In cooperation with other Federal departments and agencies, other public and private agencies, institutions, and organizations, the Administrator is authorized to collect and disseminate information pertaining to the safe and beneficial use of sewage sludge.

"(2) Authorization of appropriations.—For the purposes of carrying out the scientific studies, demonstration projects, and public information and education projects authorized in this section, there is authorized to be appropriated for fiscal years beginning after September 30, 1986, not to exceed $5,000,000.".

(d) Enforcement.—(1) Section 308(a)(4) is amended by inserting "405," before "and 504".

(2) Section 505(f) is amended by striking out "or" before "(6)", and by inserting before the period "; or (7) a regulation under section 405(d) of this Act,".

(3) Section 509(b)(1)(E) is amended by striking out "or 306" and inserting in lieu thereof "306, or 405".

(e) Removal Credits.—The part of the decision of Natural Resources Defense Council, Inc. v. U.S. Environmental Protection Agency, No. 84-3530 (3d. Cir. 1986), which addresses section 405(d) of the Federal Water Pollution Control Act is stayed until August 31, 1987, with respect to—

(1) those publicly owned treatment works the owner or operator of which received authority to revise pretreatment requirements under section 307(b)(1) of such Act before the date of the enactment of this section, and

(2) those publicly owned treatment works the owner or operator of which has submitted an application for authority to revise pretreatment requirements under such section 307(b)(1) which application is pending on such date of enactment and is approved before August 31, 1987.

The Administrator shall not authorize any other removal credits under such Act until the Administrator issues the regulations required by paragraph (2)(A)(ii) of section 405(d) of such Act, as amended by subsection (a) of this section.

(f) Conforming Amendments.—Section 405(d) is further amended—

(1) by inserting "Regulations.—" after "(d)";

(2) by indenting paragraph (1) (as designated by subsection (a)(1) of this section) and aligning such paragraph with paragraph (3), as added by subsection (a)(3); and

(3) in such paragraph (1) by aligning subparagraphs (A), (B), and (C) (as designated by subsection (a)(2) of this section) with subparagraph (C) of paragraph (2), as added by subsection (a)(3) of this section.

SEC. 407. LOG TRANSFER FACILITIES.

(a) Agreement.—The Administrator and Secretary of the Army shall enter into an agreement regarding coordination of permitting for log transfer facilities to designate a lead agency and to process permits required under sections 402 and 404 of the Federal Water Pollution Control Act, where both such sections apply, for discharges associated with the construction and operation of log transfer facilities. The Administrator and Secretary are authorized to act in accordance with the terms of such agreement to assure that, to the maximum extent practicable, duplication, needless paperwork and delay in the issuance of permits, and inequitable enforcement between and among facilities in different States, shall be eliminated.

(b) APPLICATIONS AND PERMITS BEFORE OCTOBER 22, 1985.—Where both of sections 402 and 404 of the Federal Water Pollution Control Act apply, log transfer facilities which have received a permit under section 404 of such Act before October 22, 1985, shall not be required to submit a new application for a permit under section 402 of such Act. If the Administrator determines that the terms of a permit issued on or before October 22, 1985, under section 404 of such Act satisfies the applicable requirements of sections 301, 302, 306, 307, 308, and 403 of such Act, a separate application for a permit under section 402 of such Act shall not thereafter be required. In any case where the Administrator demonstrates, after an opportunity for a hearing, that the terms of a permit issued on or before October 22, 1985, under section 404 of such Act do not satisfy the applicable requirements of sections 301, 302, 306, 307, 308, and 403 of such Act, modifications to the existing permit under section 404 of such Act to incorporate such applicable requirements shall be issued by the Administrator as an alternative to issuance of a separate new permit under section 402 of such Act.

(c) LOG TRANSFER FACILITY DEFINED.—For the purposes of this section, the term "log transfer facility" means a facility which is constructed in whole or in part in waters of the United States and which is utilized for the purpose of transferring commercially harvested logs to or from a vessel or log raft, including the formation of a log raft.

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. AUDITS.

Section 501(d) is amended by inserting at the end the following new sentences: "For the purpose of carrying out audits and examinations with respect to recipients of Federal assistance under this Act, the Administrator is authorized to enter into noncompetitive procurement contracts with independent State audit organizations, consistent with chapter 75 of title 31, United States Code. Such contracts may only be entered into to the extent and in such amounts as may be provided in advance in appropriation Acts.".

SEC. 502. COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

(a) DEFINED AS A STATE.—Section 502(3) is amended by inserting "the Commonwealth of the Northern Mariana Islands," after "Samoa,".

(b) DEFINED AS PART OF UNITED STATES.—Section 311(a)(5) is amended by striking out "the Canal Zone," and inserting in lieu thereof "the Commonwealth of the Northern Mariana Islands,".

SEC. 503. AGRICULTURAL STORMWATER DISCHARGES.

Section 502(14) (relating to the definition of point source) is amended by inserting after "does not include" the following: "agricultural stormwater discharges and".

SEC. 504. PROTECTION OF INTERESTS OF UNITED STATES IN CITIZEN SUITS.

Section 505(c) is amended by adding at the end thereof the following new paragraph:

"(3) PROTECTION OF INTERESTS OF UNITED STATES.—Whenever any action is brought under this section in a court of the United States, the plaintiff shall serve a copy of the complaint on the Attorney General and the Administrator. No consent judgment shall be entered in an action in which the United States is not a party prior to 45 days following the receipt of a copy of the proposed consent judgment by the Attorney General and the Administrator.".

SEC. 505. JUDICIAL REVIEW AND AWARD OF FEES.

(a) LOCATION; DEADLINE FOR APPEAL.—Section 509(b)(1) is amended—

(1) by striking out "transacts such business" and inserting in lieu thereof, "transacts business which is directly affected by such action"; and

(2) by striking out "ninety" and "ninetieth" and inserting in lieu thereof "120" and "120th", respectively.

(b) VENUE; AWARD OF FEES.—Section 509(b) is amended by adding at the end thereof the following new paragraphs:

"(3) VENUE.—

"(A) SELECTION PROCEDURE.—If applications for review of the same agency action have been filed under paragraph (1) of this subsection in 2 or more Circuit Courts of Appeals of the United States and the Administrator has received written notice of the filing of one or more applications within 30 days or less after receiving written notice of the filing of the first application, then the Administrator shall promptly advise in writing the Administrative Office of the United States Courts that applications have been filed in 2 or more Circuit Courts of Appeals of the United States, and shall identify each court for which he has written notice that such applications have been filed within 30 days or less of receiving written notice of the filing of the first such application. Pursuant to a system of random selection devised for this purpose, the Administrative Office thereupon shall, within 3 business days of receiving such written notice from the Administrator, select the court in which the record shall be filed from among those identified by the Administrator. Upon notification of such selection, the Administrator shall promptly file the record in such court. For the purpose of review of agency action which has previously been remanded to the Administrator, the record shall be filed in the Circuit Court of Appeals of the United States which remanded such action.

"(B) ADMINISTRATIVE PROVISIONS.—Where applications have been filed under paragraph (1) of this subsection in two or more Circuit Courts of Appeals of the United States with respect to the same agency action and the record has been filed in one of such courts pursuant to subparagraph (A), the other courts in which such applications have been filed shall promptly transfer such applications to the Circuit Court of Appeals of the United States in which the record has been filed. Pending selection of a court pursuant to subparagraph (A), any court in which an application has been filed under paragraph (1) of this subsection may postpone the effective date of the agency action until 15 days after the Administrative Office has selected the court in which the record shall be filed.

"(C) TRANSFERS.—Any court in which an application with respect to any agency action has been filed under paragraph (1) of this subsection, including any court selected pursuant to subparagraph (A), may transfer such application to any other Circuit Court of Appeals of the United States for the convenience of the parties or otherwise in the interest of justice.

"(4) AWARD OF FEES.—In any judicial proceeding under this subsection, the court may award costs of litigation (including reasonable attorney and expert witness fees) to any prevailing or substantially prevailing party whenever it determines that such award is appropriate.".

(c) CONFORMING AMENDMENT FOR CITIZEN SUIT ACTIONS.—The first sentence of section 505(d) is amended by inserting "prevailing or substantially prevailing" before "party".

SEC. 506. INDIAN TRIBES.

Title V is amended by redesignating section 518, and any references thereto, as section 519 and by inserting after section 517 the following new section:

"SEC. 518. INDIAN TRIBES.

"(a) POLICY.—Nothing in this section shall be construed to affect the application of section 101(g) of this Act, and all of the provisions of this section shall be carried out in accordance with the provisions of such section 101(g). Indian tribes shall be treated as States for purposes of such section 101(g).

"(b) ASSESSMENT OF SEWAGE TREATMENT NEEDS; REPORT.—The Administrator, in cooperation with the Director of the Indian Health Service, shall assess the need for sewage treatment works to serve Indian tribes, the degree to which such needs will be met through funds allotted to States under section 205 of this Act and priority lists under section 216 of this Act, and any obstacles which prevent such needs from being met. Not later than one year after the date of the enactment of this section, the Administrator shall submit a report to Congress on the assessment under this subsection, along with recommendations specifying (1) how the Administrator intends to provide assistance to Indian tribes to develop waste treatment management plans and to construct treatment works under this Act, and (2) methods by which the participation in and administration of programs under this Act by Indian tribes can be maximized.

"(c) RESERVATION OF FUNDS.—The Administrator shall reserve each fiscal year beginning after September 30, 1986, before allotments to the States under section 205(e), one-half of one percent of the sums appropriated under section 207. Sums reserved under this subsection shall be available only for grants for the development of waste treatment management plans and for the construction of sewage treatment works to serve Indian tribes.

"(d) COOPERATIVE AGREEMENTS.—In order to ensure the consistent implementation of the requirements of this Act, an Indian tribe and the State or States in which the lands of such tribe are located may enter into a cooperative agreement, subject to the review and approval of the Administrator, to jointly plan and administer the requirements of this Act.

"(e) TREATMENT AS STATES.—The Administrator is authorized to treat an Indian tribe as a State for purposes of title II and sections 104, 106, 303, 305, 308, 309, 314, 319, 401, 402, and 404 of this Act to the degree necessary to carry out the objectives of this section, but only if—

"(1) the Indian tribe has a governing body carrying out substantial governmental duties and powers;

"(2) the functions to be exercised by the Indian tribe pertain to the management and protection of water resources which are held by an Indian tribe, held by the United States in trust for Indians, held by a member of an Indian tribe if such property interest is subject to a trust restriction on alienation, or otherwise within the borders of an Indian reservation; and

"(3) the Indian tribe is reasonably expected to be capable, in the Administrator's judgment, of carrying out the functions to be exercised in a manner consistent with the terms and purposes of this Act and of all applicable regulations.

Such treatment as a State may include the direct provision of funds reserved under subsection (c) to the governing bodies of Indian tribes, and the determination of priorities by Indian tribes, where not determined by the Administrator in cooperation with the Director of the Indian Health Service. The Administrator, in cooperation with the Director of the Indian Health Service, is authorized to make grants under title II of this Act in an amount not to exceed 100 percent of the cost of a project. Not later than 18 months after the date of the enactment of this section, the Administrator shall, in consultation with Indian tribes, promulgate final regulations which specify how Indian tribes shall be treated as States for purposes of this Act. The Administrator shall, in promulgating such regulations, consult affected States sharing common water bodies and provide a mechanism for the resolution of any unreasonable consequences that may arise as a result of differing water quality standards that may be set by States and Indian tribes located on common bodies of water. Such mechanism shall provide for explicit consideration of relevant factors including, but not limited to, the effects of differing water quality permit requirements on upstream and downstream dischargers, economic impacts, and present and historical uses and quality of the waters subject to such standards. Such mechanism should provide for the avoidance of such unreasonable consequences in a manner consistent with the objective of this Act.

"(f) Grants for Nonpoint Source Programs.—The Administrator shall make grants to an Indian tribe under section 319 of this Act as though such tribe was a State. Not more than one-third of one percent of the amount appropriated for any fiscal year under section 319 may be used to make grants under this subsection. In addition to the requirements of section 319, an Indian tribe shall be required to meet the requirements of paragraphs (1), (2), and (3) of subsection (d) of this section in order to receive such a grant.

"(g) Alaska Native Organizations.—No provision of this Act shall be construed to—

"(1) grant, enlarge, or diminish, or in any way affect the scope of the governmental authority, if any, of any Alaska Native organization, including any federally-recognized tribe, traditional Alaska Native council, or Native council organized pursuant to the Act of June 18, 1934 (48 Stat. 987), over lands or persons in Alaska;

"(2) create or validate any assertion by such organization or any form of governmental authority over lands or persons in Alaska; or

"(3) in any way affect any assertion that Indian country, as defined in section 1151 of title 18, United States Code, exists or does not exist in Alaska.

"(h) Definitions.—For purposes of this section, the term—

"(1) 'Federal Indian reservation' means all land within the limits of any Indian reservation under the jurisdiction of the United States Government, notwithstanding the issuance of any patent, and including rights-of-way running through the reservation; and

"(2) 'Indian tribe' means any Indian tribe, band, group, or community recognized by the Secretary of the Interior and exercising governmental authority over a Federal Indian reservation.".

SEC. 507. DEFINITION OF POINT SOURCE.

For purposes of the Federal Water Pollution Control Act, the term "point source" includes a landfill leachate collection system.

SEC. 508. SPECIAL PROVISIONS REGARDING CERTAIN DUMPING SITES.

(a) Finding.—The Congress finds that the New York Bight Apex is no longer a suitable location for the ocean dumping of municipal sludge.

(b) General Rule.—Title I of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1401 et seq.) is further amended by inserting after section 104 the following new section:

"SPECIAL PROVISIONS REGARDING CERTAIN DUMPING SITES

"Sec. 104A. (a) New York Bight Apex.—(1) For purposes of this subsection:

"(A) The term 'Apex' means the New York Bight Apex consisting of the ocean waters of the Atlantic Ocean westward of 73 degrees 30 minutes west longitude and northward of 40 degrees 10 minutes north latitude.

"(B) The term 'Apex site' means that site within the Apex at which the dumping of municipal sludge occurred before October 1, 1983.

"(C) The term 'eligible authority' means any sewerage authority or other unit of State or local government that on November 2, 1983, was authorized under court order to dump municipal sludge at the Apex site.

"(2) No person may apply for a permit under this title in relation to the dumping of, or the transportation for purposes of dumping, municipal sludge within the Apex unless that person is an eligible authority.

"(3) The Administrator may not issue, or renew, any permit under this title that authorizes the dumping of, or the transportation for purposes of dumping, municipal sludge within the Apex after the earlier of—

"(A) December 15, 1987; or

"(B) the day determined by the Administrator to be the first day on which municipal sludge generated by eligible authorities can reasonably be dumped at a site designated under section 102 other than a site within the Apex.

"(b) Restriction on Use of the 106-Mile Site.—The Administrator may not issue or renew any permit under this title which authorizes any person, other than a person that is an eligible authority within the meaning of subsection (a)(1)(C), to dump, or to transport for the purposes of dumping, municipal sludge within the site designated under section 102(c) by the Administrator and known as the '106-Mile Ocean Waste Dump Site' (as described in 49 F.R. 19005).".

SEC. 509. OCEAN DISCHARGE RESEARCH PROJECTS.

(a) In General.—Notwithstanding any other provision of law, the Administrator is authorized to issue a research permit to the Orange County, California, Sanitation Districts for the discharge of preconditioned municipal sewage sludge into the ocean for the purpose of enabling research to be conducted in assessing and analyzing the effects of disposing of sewage sludge by pipeline into ocean waters—

(1) if the Administrator is satisfied that such local governmental agency is actively pursuing long-term land-based options for the handling of its sludge with special emphasis on remote disposal alternatives set forth in the 1980 LA/OMA sludge management project and on reuse of sludge or use of recycled sludge; and

(2) if the Administrator determines that there is no likelihood of an unacceptable adverse effect on the environment as a result of issuance of such permit and that such permit would meet the requirements of paragraph (2) of section 301(h) of the Federal Water Pollution Control Act, as amended by this Act, and of the sentences following the first sentence of such section if such permit were being issued under such section.

(b) Permit Terms.—

(1) Period.—The permit for the discharge of sludge shall be for a period of 5 years commencing on the date of such discharge and shall not be extended or renewed.

(2) Monitoring.—Such permit shall provide for monitoring (including whole effluent monitoring) of permitted discharges and other discharges into the ocean in the same area and the effects of such discharges (including cumulative effects) in conformance with requirements established by the Administrator, after consultation with appropriate Federal and State agencies, and for the reporting of such monitoring to Congress and the Administrator every 6 months.

(3) Volume of Discharge.—Such permit shall provide that the volume of such local agency's sludge disposed of by such experimental pipeline shall be no more than one and one-half times that being disposed of by such remote disposal and alternatives for the reuse of sludge and the use of recycled sludge. In no event shall the agency dispose of more than 50 percent of its sludge by the pipeline.

(4) Termination.—The permit shall provide for termination of the permit if the Administrator determines that the disposal of sewage sludge is resulting in an unacceptable adverse impact on fish, shellfish, and wildlife. The Administrator may terminate a permit issued under this section if the Administrator determines that there has been a decline in ambient water quality of the receiving waters during the period of the permit even if a direct cause and effect relationship cannot be shown. If the effluent from a source with a permit issued under this section is contributing to a decline in ambient water quality of the receiving waters, the Administrator shall terminate such permit.

(c) Limitation on Precedent.—The facts and circumstances described in subsection (a) present a unique situation which will not establish a precedent for the relaxation of the requirements of the Federal Water Pollution Control Act applicable to similarly situated discharges.

(d) Report.—Such districts shall report the results of the program and an analysis of such program to Congress under this section not later than four and one-half years after issuance of the permit.

SEC. 510. SAN DIEGO, CALIFORNIA.

(a) Purpose.—The purpose of this section is to protect the economy, public health, environment, surface water and public beaches, and water quality of the city of San Diego, California, and surrounding areas, which are endangered and are being polluted by raw sewage emanating from the city of Tijuana, Mexico.

(b) Construction Grants.—Upon approval of the necessary plans and specifications, the Administrator is authorized to make grants to the Secretary of State, acting through the American Section of the International Boundary and Water Commission (hereinafter in this section referred to as the "Commission"), or any other Federal agency or any other appropriate commission or entity designated by the President. Such grants shall be for construction of a project consisting of—

(1) defensive treatment works to protect the residents of the city of San Diego, California, and surrounding areas from pollution resulting from any inadequacies or breakdowns in wastewater treatment works and systems in Mexico; and

(2) treatment works in the city of San Diego, California, to provide primary or more advanced treatment of municipal sewage and industrial waste from Mexico, including the city of Tijuana, Mexico.

(c) Limitation on Grants.—Notwithstanding subsection (b), the Administrator may make grants for construction of treatment works described in subsection (b)(2) only if, after public notice and comment, the Administrator determines that treatment works in Mexico, in conjunction with any defensive treatment works constructed under this or any other Act, are not sufficient to protect the residents of the city of San Diego, California, and surrounding areas from water pollution originating in Mexico.

(d) Operation and Maintenance.—The Commission or such other agency, commission, or entity as may be designated under subsection (b) is authorized to operate and maintain any treatment works constructed under subsection (b) in order to accomplish the purposes of this section.

(e) Approval of Plans.—Any treatment works for which a grant is made under this section shall be constructed in accordance with plans developed by the Commission or such other agency, commission, or entity as may be designated under subsection (b), in consultation with the city of San Diego, and approved by the Administrator to meet the construction standards which would be applicable if such treatment works were being constructed under title II of the Federal Water Pollution Control Act.

(f) Federal Share.—Construction of the treatment works under subsection (b) shall be at full Federal expense less any costs paid by the State of California and less any costs paid by the Government of Mexico as a result of agreements negotiated with the United States.

(g) Ocean Outfall Permit.—Notwithstanding section 301(j) of the Federal Water Pollution Control Act, upon application of the city of San Diego, California, the Administrator may issue a permit under section 301(h) of such Act which modifies the requirements of section 301(b)(1)(B) of such Act to permit the discharge of pollutants for any ocean outfall constructed with Federal assistance under this section if the Administrator finds that issuing such permit is in the best interests of achieving the goals and requirements of such Act. The Administrator may waive the requirements of section 301(h)(5) of such Act with respect to the issuance of such permit if the Administrator finds that such waiver is in the best interests of achieving the goals and requirements of such Act.

(h) Treatment of San Diego Sewage.—If any treatment works constructed pursuant to this section becomes no longer necessary to provide protection from pollution originating in Mexico, the city of San Diego, California, may use such treatment works to treat municipal and individual waste originating in the city of San Diego and surrounding areas if the city of San Diego enters into a binding agreement with the Administrator to pay to the United States 45 percent of the costs incurred in the construction of such treatment works.

(i) Definitions.—For purposes of this section, the terms "construction" and "treatment works" have the meanings such terms have under section 212 of the Federal Water Pollution Control Act.

(j) Authorization of Appropriations.—There is authorized to be appropriated for fiscal years beginning after September 30, 1986, such sums as may be necessary to the Administrator to make grants under this section and such sums as may be necessary to the Commission or such other agency, commission, or entity as the President may designate under subsection (b), to carry out this section.

SEC. 511. LIMITATION ON DISCHARGE OF RAW SEWAGE BY NEW YORK CITY.

(a) In General.—

(1) North river plant.—If the wastewater treatment plant identified in the consent decree as the North River plant has not achieved advanced preliminary treatment as required under the terms of the consent decree by August 1, 1986, the city of New York shall not discharge raw sewage from the drainage area of such plant (as defined in the consent decree) into navigable waters after such date in an amount which is greater for any 30-day period than an amount equal to 30 times the average daily amount of raw sewage discharged from such drainage area during the 12-month period ending on the earlier of the date on which such plant becomes operational or March 15, 1986 (as determined by the Administrator), except as provided in subsection (b).

(2) Red hook plant.—If the wastewater treatment plant identified in the consent decree as the Red Hook plant has not achieved advanced preliminary treatment as required under the terms of the consent decree by August 1, 1987, the city of New York shall not discharge raw sewage from the drainage area of such plant (as defined in the consent decree) into navigable waters after such date in an amount which is greater for any 30-day period than an amount equal to 30 times the average daily amount of raw sewage discharged from such drainage area during the 12-month period ending on the earlier of the date on which such plant becomes operational or March 15, 1987 (as determined by the Administrator), except as provided in subsection (b).

(b) Waivers.—

(1) Interruption of plant operation.—In the event of any significant interruption in the operation of the North River plant or the Red Hook plant caused by an event described in subparagraph (A), (B), or (C) of paragraph (5) occurring after the applicable deadline established under subsection (a), the Administrator shall waive the limitation of subsection (a) with respect to such plant, but only to such extent and for such limited period of time as may be reasonably necessary for the city of New York to resume operation of such plant.

(2) Increased precipitation.—In the event that the volume of precipitation occurring after the applicable deadline established under subsection (a) causes the discharge of raw sewage to exceed the limitation under subsection (a), the Administrator shall waive the limitation of subsection (a) with respect to either or both such plants, but only to such extent and for such limited period of time as the Administrator determines to be necessary to take into account the increased discharge caused by such volume of precipitation.

(3) Variations in certain north river drainage area discharges.—In the event that an increase in discharges from the North River drainage area constituting a violation of subsection (a)(1) is due to a random or seasonal variation, and that any sewer hookup occurring, or permit for a sewer hookup granted, after July 31, 1986, is not responsible for such violation, the Administrator shall waive the limitation of subsection (a)(1), but only to such extent and for such limited period of time as the Administrator determines to be reasonably necessary to take into account such random or seasonal variation.

(4) Variations in certain red hook drainage area discharges.—In the event that an increase in discharges from the Red Hook drainage area constituting a violation of subsection (a)(2) is due to a random or seasonal variation, and that any sewer hookup occurring, or permit for a sewer hookup granted, after July 31, 1987, is not responsible for such violation, the Administrator shall waive the limitation of subsection (a)(2), but only to such extent and for such limited period of time as the Administrator determines to be reasonably necessary to take into account such random or seasonal variation.

(5) Circumstances beyond city's control.—The Administrator shall extend either deadline under paragraph (1) or (2) of subsection (a) to such extent and for such limited period of time as may be reasonably required to take into account any—

(A) act of war,

(B) unanticipated grave natural disaster or other natural phenomenon of an exceptional, inevitable, and irresistible character, the effects of which could not have been prevented or avoided by the exercise of due care or foresight, or

(C) other circumstances beyond the control of the city of New York, except such circumstances shall not include (i) the unavailability of Federal funds under section 201 of the Federal Water Pollution Control Act, (ii) the unavailability of funds from the city of New York or the State of New York, or (iii) a policy decision made by the city of New York or the State of New York to delay the achievement of advanced preliminary treatment at the North River plant or Red Hook plant beyond the applicable deadline set forth in subsection (a).

(c) Penalties.—Except as otherwise provided in subsection (b), any violation of subsection (a) shall be considered to be a violation of section 301 of the Federal Water Pollution Control Act, and all provisions of such Act relating to violations of such section 301 shall apply.

(d) Consent Decree Defined.—For purposes of this section, the term "consent decree" means the consent decree entered into by the Environmental Protection Agency, the city of New York, and the State of New York, on December 30, 1982, relating to construction and operation of the North River and Red Hook wastewater treatment plants.

(e) Cooperation.—The Administrator shall work with the city of New York to eliminate the discharge of raw sewage by such city at the earliest practicable date.

(f) Savings Clause.—Nothing in this section shall be construed as modifying the terms of the consent decree.

(g) Sense of Congress.—It is the sense of Congress that the Administrator should not agree to any further modification of the consent decree with respect to the schedule for achieving advanced preliminary treatment.

(h) Termination Dates.—

(1) North river plant.—The provisions of this section shall remain in effect with respect to the North River drainage area until such time as the North River plant has achieved advanced preliminary treatment (as defined in the consent decree) for a period of six consecutive months.

(2) Red hook plant.—The provisions of this section shall remain in effect with respect to the Red Hook drainage area until such time as the Red Hook plant has achieved advanced preliminary treatment (as defined in the consent decree) for a period of six consecutive months.

(i) Monitoring Activities.—The Administrator shall promptly establish and carry out a program within available funds to implement the monitoring activities which may be required under subsection (a).

(j) Establishment of Methodologies.—The Administrator shall establish the methodologies, data base, and any other information required for making determinations under subsection (b)—

(1) for the North River drainage area (as defined in the consent decree) by July 31, 1986, unless the requirements of subsection (h)(1) have been satisfied, and

(2) for the Red Hook drainage area (as defined by the consent decree) by July 31, 1987, unless the requirements of subsection (h)(2) have been satisfied.

(k) Violations.—In carrying out this section, if the Administrator finds that a violation of subsection (a) has occurred, the Administrator shall also determine, within 30 days after such finding, whether a provision of subsection (b) applies. If the Administrator requires information from the city of New York in order to determine whether a provision of subsection (b) applies, the Administrator shall request such information. If the city of New York does not supply the information requested by the Administrator, the Administrator shall determine that subsection (b) does not apply. The city of New York shall be responsible only for such expenses as are necessary to provide such requested information. Enforcement action pursuant to subsection (c) shall be commenced at the end of such 30 days unless a provision of subsection (b) applies.

SEC. 512. OAKWOOD BEACH AND RED HOOK PROJECTS, NEW YORK.

(a) Relocation of Natural Gas Facilities.—Notwithstanding any provision of the Federal Water Pollution Control Act, the Administrator shall pay, to the extent provided in appropriation Acts, in the same proportion as the Federal share of other project costs, all expenses for the relocation of facilities for the distribution of natural gas with respect to the entire wastewater treatment works known as the Oakwood Beach (EPA Grant Numbered 360392) and Red Hook (EPA Grant Numbered 360394) projects, New York.

(b) Authorization of Appropriations.—There is authorized to be appropriated for fiscal years beginning after September 30, 1986, not to exceed $7,000,000 to carry out this section.

SEC. 513. BOSTON HARBOR AND ADJACENT WATERS.

(a) Grants.—The Administrator shall make grants to the Massachusetts Water Resource Authority for purposes of—

(1) assessing the principal factors having an adverse effect on the environmental quality of Boston Harbor and its adjacent waters;

(2) developing and implementing a management program to improve the water quality of such Harbor and waters; and

(3) constructing necessary waste water treatment works for providing secondary treatment for the areas served by such authority.

(b) Federal Share.—The Federal share of projects described in subsection (a) shall not exceed 75 percent of the cost of construction thereof.

(c) Emergency Improvements.—The Administrator is authorized and directed to make grants to the Massachusetts Water Resource Authority for a project to undertake emergency improvements at the Deer Island Waste Water Treatment Plant in Boston, Massachusetts. The Federal share of such project shall not exceed 75 percent of the cost of carrying out such improvements.

(d) Authorization of Appropriations.—There is authorized to be appropriated $100,000,000 to carry out this section for fiscal years beginning after September 30, 1986, to remain available until expended. Such sums shall be in addition to and not in lieu of any other amounts authorized to be appropriated under title II of the Federal Water Pollution Control Act.

SEC. 514. WASTEWATER RECLAMATION DEMONSTRATION.

(a) Authority to Make Grants.—The Administrator is authorized to make a grant to the San Diego Water Reclamation Agency, California, to demonstrate and field test for public use innovative processes which advance the technology of wastewater reclamation and which promote the use of reclaimed wastewater.

(b) Federal Share.—The Federal share of grants made under this section shall be 85 percent of the costs of conducting such demonstration and field test.

(c) Authorization of Appropriations.—There is authorized to be appropriated not to exceed $2,000,000 to carry out this section for fiscal years beginning after September 30, 1986.

SEC. 515. DES MOINES, IOWA.

(a) Grant.—The Administrator is authorized to make a grant to the city of Des Moines, Iowa, for construction of the Central Sewage Treatment Plant component of the Des Moines, Iowa, metropolitan area project. The Federal share of such project shall be 75 percent of the cost of construction.

(b) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section not to exceed $50,000,000 for fiscal years beginning after September 30, 1986. Such sums shall be in addition to and not in lieu of any other amounts authorized to be appropriated under title II of the Federal Water Pollution Control Act.

SEC. 516. STUDY OF DE MINIMIS DISCHARGES.

(a) Study.—The Administrator shall conduct a study of discharges of pollutants into the navigable waters and their regulation under the Federal Water Pollution Control Act to determine whether or not there are discharges of pollutants into such waters in amounts which, in terms of volume, concentration, and type of pollutant, are not significant and to determine the most effective and appropriate methods of regulating any such discharges.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study along with recommendations and findings concerning the most effective and appropriate methods of regulating any discharges of pollutants into the navigable waters in amounts which the Administrator determines under such study to be not significant.

SEC. 517. STUDY OF EFFECTIVENESS OF INNOVATIVE AND ALTERNATIVE PROCESSES AND TECHNIQUES.

(a) Effectiveness Study.—The Administrator shall study the effectiveness on waste treatment of innovative and alternative wastewater treatment processes and techniques referred to in section 201(g)(5) of the Federal Water Pollution Control Act which have been utilized in treatment works constructed under such Act. In conducting such study, the Administrator shall compile information, by State, on the types of such processes and techniques utilized, on the number of facilities constructed with such processes and techniques, and a description of such processes and techniques which have not performed to design standards. The Administrator shall also determine which States have not obligated the full amount set aside under section 205(i) of such Act for such processes and techniques and the reasons for each such State's failure to make such obligations.

(b) Report.—Not later than one year after the date of the enactment of this Act, the Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for providing more effective incentives for innovative and alternative wastewater treatment processes and techniques.

SEC. 518. STUDY OF TESTING PROCEDURES.

(a) Study.—The Administrator shall study the testing procedures for analysis of pollutants established under section 304(h) of the Federal Water Pollution Control Act. Such study shall include, but not be limited to, an analysis of the adequacy and standardization of such procedures. In conducting the analysis of the standardization of such procedures, the Administrator shall consider the extent to which such procedures are consistent with comparable procedures established under other Federal laws.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit a report on the results of the study conducted under this subsection, together with recommendations for modifying the test procedures referred to in subsection (a) to improve their effectiveness, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 519. STUDY OF PRETREATMENT OF TOXIC POLLUTANTS.

(a) Study.—The Administrator shall study—

(1) the adequacy of data on environmental impacts of toxic industrial pollutants discharged from publicly owned treatment works;

(2) the extent to which secondary treatment at publicly owned treatment works removes toxic pollutants;

(3) the capability of publicly owned treatment works to revise pretreatment requirements under section 307(b)(1) of the Federal Water Pollution Control Act;

(4) possible alternative regulatory strategies for protecting the operations of publicly owned treatment works from industrial discharges, and shall evaluate the extent to which each such strategy identified may be expected to achieve the goals of this Act;

(5) for each such alternative regulatory strategy, the extent to which removal of toxic pollutants by publicly owned treatment works results in contamination of sewage sludge and the extent to which pretreatment requirements may prevent such contamination or improve the ability of publicly owned treatment works to comply with sewage sludge criteria developed under section 405 of the Federal Water Pollution Control Act; and

(6) the adequacy of Federal, State, and local resources to establish, implement, and enforce multiple pretreatment limits for toxic pollutants for each such alternative strategy.

(b) Report.—Not later than 4 years after the date of the enactment of this Act, the Administrator shall submit a report on the results of such study along with recommendations for improving the effectiveness of pretreatment requirements to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 520. STUDIES OF WATER POLLUTION PROBLEMS IN AQUIFERS.

(a) Studies.—The Administrator, in conjunction with State and local agencies and after providing an opportunity for full public participation, shall conduct studies for the purpose of identifying existing and potential point and nonpoint sources of pollution, and of identifying measures and practices necessary to control such sources of pollution, in the following ground water systems and aquifers:

(1) the ground water system of the Upper Santa Cruz Basin and the Avra-Altar Basin of Pima, Pinal, and Santa Cruz Counties, Arizona;

(2) the Spokane-Rathdrum Valley Aquifer, Washington and Idaho;

(3) the Nassau and Suffolk Counties Aquifer, New York;

(4) the Whidbey Island Aquifer, Washington;

(5) the Unconsolidated Quaternary Aquifer, Rockaway River area, New Jersey;

(6) contaminated ground water under Litchfield, Hartford, Fairfield, Tolland, and New Haven counties, Connecticut; and

(7) the Sparta Aquifer, Arkansas.

(b) Reports.—Not later than 2 years after the date of the enactment of this Act, the Administrator shall submit to Congress a report on the studies conducted under this section.

(c) Authorization of Appropriations.—There is authorized to be appropriated $7,000,000 for fiscal years beginning after September 30, 1986, to carry out this section.

SEC. 521. GREAT LAKES CONSUMPTIVE USE STUDY.

(a) Study of Consumptive Uses.—In recognition of the serious impacts on the Great Lakes environment that may occur as a result of increased consumption of Great Lakes water, including loss of wetlands and reduction of fish spawning and habitat areas, as well as serious economic losses to vital Great Lakes industries, and in recognition of the national goal to provide environmental protection and preservation of our natural resources while allowing for continued economic growth, the Secretary of the Army in cooperation with the Administrator, other interested departments, agencies, and instrumentalities of the United States, and the 8 Great Lakes States, is authorized to conduct a study of the effects of Great Lakes water consumption on economic growth and environmental quality in the Great Lakes region and of control measures that can be implemented to reduce the quantity of water consumed.

(b) Matters Included.—The study authorized by this section shall at a minimum include the following:

(1) a review of the methodologies used to forecast Great Lakes consumptive uses, including an analysis of the sensitivity of key variables affecting such uses;

(2) an analysis of the effect that enforcement of provisions of the Federal Water Pollution Control Act relating to thermal discharges has had on consumption of Great Lakes water;

(3) an analysis of the effect of laws, regulations, and national policy objectives on consumptive uses of Great Lakes water used in manufacturing;

(4) an analysis of the associated environmental impacts and of the economic effects on industry and other interests in the Great Lakes region associated with individual consumptive use control strategies; and

(5) a summary discussion containing recommendations for methods of controlling consumptive uses which methods maximize benefits to the Great Lakes ecosystem and also provide for continued full economic growth for consuming industries as well as other industries which depend on the use of Great Lakes water.

(c) Great Lakes States Defined.—For purposes of this section, the term "Great Lakes States" means Minnesota, Wisconsin, Illinois, Ohio, Michigan, Indiana, Pennsylvania, and New York.

(d) Authorization of Appropriations.—There is authorized to be appropriated for fiscal years beginning after September 30, 1986, $750,000 to carry out this section. Sums appropriated under this section shall remain available until expended.

SEC. 522. SULFIDE CORROSION STUDY.

(a) Study.—The Administrator shall conduct a study of the corrosive effects of sulfides in collection and treatment systems, the extent to which the uniform imposition of categorical pretreatment standards will exacerbate such effects, and the range of available options to deal with such effects.

(b) Consultation.—The study required by this section shall be conducted in consultation with the Los Angeles City and County sanitation agencies.

(c) Report.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit a report on the results of the study, together with recommendations for measures to reduce the corrosion of treatment works, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(d) Authorization of Appropriations.—There is authorized to be appropriated $1,000,000 to carry out this section for fiscal years beginning after September 30, 1986.

SEC. 523. STUDY OF RAINFALL INDUCED INFILTRATION INTO SEWER SYSTEMS.

(a) Study.—The Administrator shall study problems associated with rainfall induced infiltration into wastewater treatment sewer systems. As part of such study, the Administrator shall study appropriate methods of regulating rainfall induced infiltration into the sewer system of the East Bay Municipal Utility District, California.

(b) Report.—Not later than one year after the date of the enactment of this Act, the Administrator shall submit to Congress a report on the results of such study, along with recommendations on reasonable methods to reduce such infiltration.

SEC. 524. DAM WATER QUALITY STUDY.

The Administrator, in cooperation with interested States and Federal agencies, shall study and monitor the effects on the quality of navigable waters attributable to the impoundment of water by dams. The results of such study shall be submitted to Congress not later than December 31, 1987.

SEC. 525. STUDY OF POLLUTION IN LAKE PEND OREILLE, IDAHO.

The Administrator shall conduct a comprehensive study of the sources of pollution in Lake Pend Oreille, Idaho, and the Clark Fork River and its tributaries, Idaho, Montana, and Washington, for the purpose of identifying the sources of such pollution. In conducting such study, the Administrator shall consider existing studies, surveys, and test results concerning such pollution. The Administrator shall report to Congress the findings and recommendations concerning the study conducted under this section.

The **SPEAKER** pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The **SPEAKER** pro tempore. The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. **HOWARD**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 406, nays 8, not voting 18, as follows:

[Roll No. 8]

YEAS—406

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Daniel
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally

Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
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Hefley
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Henry
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Hopkins
Horton
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Howard
Hoyer
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Huckaby
Hughes
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Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
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Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
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LaFalce
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Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lungren
Mack
MacKay
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKinney
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
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Moakley
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Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
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Mrazek
Murphy
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Myers
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Nichols
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Nowak
Oakar
Oberstar
Obey
Olin
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickett
Porter
Price (IL)
Price (NC)
Pursell
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
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Roemer
Rogers
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—8

Bartlett
Burton (IN)
Cheney
Crane
Dannemeyer
Lukens, Donald
Marlenee
Stump

NOT VOTING—18

Annunzio
Berman
Boner (TN)
Burton (CA)
Clay
Gephardt
Green
Kasich
Kemp
Lent
Martin (IL)
Ortiz
Pickle
Quillen
Rose
Slattery
Snowe
Spence

□ 1440

Mr. BURTON of Indiana changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore (Mr. Ford of Tennessee). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PROVIDING FOR THE ESTABLISHMENT OF THE SELECT COMMITTEE ON HUNGER, THE SELECT COMMITTEE ON CHILDREN, YOUTH AND FAMILIES, AND THE SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 26 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 26

Resolved,

TITLE I—SELECT COMMITTEE ON HUNGER

ESTABLISHMENT

Sec. 101. There is hereby established in the House of Representatives a select committee to be known as the Select Committee on Hunger (hereinafter in this title referred to as the "select committee").

FUNCTIONS

Sec. 102. (a) The select committee shall not have legislative jurisdiction. The select committee shall have authority—

(1) to conduct a continuing comprehensive study and review of the problems of hunger and malnutrition, including but not limited to, those issues address in the reports of the Presidential Commission on World Hunger and the Independent Commission on International Development Issues, which issues include—

(A) the United States development and economic assistance program and the executive branch structure responsible for administering the program;

(B) world food security;

(C) trade relations between the United States and less developed countries;

(D) food production and distribution;

(E) corporate agribusiness efforts to further international development;

(F) policies of multilateral development banks and international development institutions; and

(G) food assistance programs in the United States;

(2) to review any recommendations made by the President, or by any department or agency of the executive branch of the Federal Government, relating to programs or policies affecting hunger or malnutrition; and

(3) to recommend to the appropriate committees of the House legislation or other action the select committee considers necessary with respect to programs or policies affecting hunger or malnutrition.

(b) Nothing contained in this title shall be construed to limit or alter the legislative and oversight jurisdiction of any standing committee of the House under rule X of the Rules of the House of Representatives.

APPOINTMENT AND MEMBERSHIP

Sec. 103. (a) The select committee shall be composed of twenty-three Members of the House, who shall be appointed by the Speaker, one of whom he shall designate as chairman.

(b) Any vacancy occurring in the membership of the select committee shall be filled in the same manner in which the original appointment was made.

(c) For purposes of this section, the term "Members" shall include any Representative in, or Delegate or Resident Commissioner to, the House of Representatives.

AUTHORITY AND PROCEDURES

Sec. 104. (a) For the purpose of carrying out this title, the select committee is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, or elsewhere, whether the House is in session, has recessed, or has adjourned, and to hold such hearings as it deems necessary.

(b) The provisions of clauses 1, 2, and 3 of rule XI of the Rules of the House of Representatives shall apply to the select committee except the provisions of clause 2(m)(1)(B) of rule XI relating to subpoena power.

(c) Nothing contained in subsection (a) of this section shall be construed to limit the applicability of clause 2(i) of rule XI of the Rules of the House of Representatives to the select committee.

ADMINISTRATIVE PROVISIONS

Sec. 105. (a) Subject to the adoption of expense resolutions as required by clause 5 of rule XI of the Rules of the House of Representatives, the select committee may incur expenses in connection with its duties under this title.

(b) In carrying out its functions under this title, the select committee is authorized—

(1) to appoint, either on a permanent basis or as experts or consultants, such staff as the select committee considers necessary;

(2) to utilize the services of the staffs of those committees of the House from which

Members have been selected for membership on the select committee;

(3) to prescribe the duties and responsibilities of such staff;

(4) to fix the compensation of such staff at a single per annum gross rate which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in section 5316 of title 5, United States Code;

(5) to terminate the employment of any such staff as the select committee considers appropriate; and

(6) to reimburse members of the select committee and of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties and responsibilities for the select committee, other than expenses in connection with any meeting of the select committee held in the District of Columbia.

REPORTS AND RECORDS

SEC. 106. (a) The select committee shall submit an annual report to the House which shall include a summary of the activities of the select committee during the calendar year to which the report applies.

(b) Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

(c) The records, files, and materials of the select committee shall be transferred to the Clerk of the House.

TITLE II—SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES

ESTABLISHMENT

SEC. 201. There is hereby established in the House of Representatives a select committee to be known as the Select Committee on Children, Youth, and Families (hereinafter in this title referred to as the "select committee").

FUNCTIONS

Sec. 202. (a) The select committee shall not have legislative jurisdiction. The select committee shall have authority—

(1) to conduct a continuing comprehensive study and review of the problems of children, youth, and families, including but not limited to income maintenance, health (including medical and child development research), nutrition, education, welfare, employment, and recreation;

(2) to study the use of all practical means and methods of encouraging the development of public and private programs and policies which will assist American children and youth in taking a full part in national life and becoming productive citizens; and

(3) to develop policies that would encourage the coordination of both governmental and private programs designed to address the problems of childhood and adolescence.

(b) Nothing contained in this title shall be construed to limit or alter the legislative and oversight jurisdiction of any standing committee of the House under rule X of the Rules of the House of Representatives.

APPOINTMENT AND MEMBERSHIP

SEC. 203. (a) The select committee shall be composed of no more than thirty Members of the House, who shall be appointed by the Speaker, and one of whom he shall designate as chairman.

(b) Any vacancy occurring in the membership of the select committee shall be filled in the same manner in which the original appointment was made.

(c) For purposes of this section, the term "Members" shall include any Representative in, or Delegate or Resident Commissioner to, the House of Representatives.

AUTHORITY AND PROCEDURES

SEC. 204. (a) For the purpose of carrying out its responsibilities under this title, the select committee is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, or elsewhere, whether the House is in session, has recessed, or has adjourned, and to hold such hearings as it deems necessary.

(b) The provisions of clauses 1, 2, and 3 of rule XI of the Rules of the House of Representatives shall apply to the select committee.

(c) Nothing contained in subsection (a) of this section shall be construed to limit the applicability of clause 2(i) of rule XI of the Rules of the House of Representatives to the select committee.

ADMINISTRATIVE PROVISIONS

SEC. 205. (a) Subject to the adoption of expense resolutions as required by clause 5 of rule XI of the Rules of the House of Representatives, the select committee may incur expenses in connection with its duties under this title.

(b) In carrying out its functions under this title, the select committee is authorized—

(1) to appoint, either on a permanent basis or as experts or consultants, such staff as the select committee considers necessary;

(2) to utilize the services of the staffs of those committees of the House from which Members have been selected for membership on the select committee;

(3) to prescribe the duties and responsibilities of such staff;

(4) to fix the compensation of such staff at a single per annum gross rate which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in section 5316 of title 5, United States Code;

(5) to terminate the employment of any such staff as the select committee considers appropriate; and

(6) to reimburse members of the select committee and of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties and responsibilities for the select committee, other than expenses in connection with any meeting of the select committee held in the District of Columbia.

REPORTS AND RECORDS

SEC. 206. (a) The select committee shall report to the House as soon as practicable during the present Congress, the results of its investigation and study, together with such recommendations as it deems advisable.

(b) Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

(c) Any such report shall be referred to the committee or committees having jurisdiction over the subject matter thereof.

(d) The records, files, and materials of the select committee shall be transferred to the Clerk of the House.

TITLE III—SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

ESTABLISHMENT

SEC. 301. There is hereby established in the House of Representatives a select committee to be known as the Select Committee on Narcotics Abuse and Control (hereinafter in this title referred to as the "select committee").

FUNCTIONS

SEC. 302. The select committee shall not have legislative jurisdiction. The select committee shall have authority—

(1) to conduct a continuing oversight and review of the problems of narcotics, drug, and polydrug abuse and control, including (but not limited to) the study and review of (A) the abuse and control of opium and its derivatives, other narcotic drugs, psychotropics, and other controlled substances, as defined in the Comprehensive Drug Abuse Prevention and Control Act of 1970, and any such drug or substance when used in combination with any other substance; (B) domestic and international trafficking, manufacturing, and distribution; (C) treatment, prevention, and rehabilitation; (D) narcotics-related violations of the Internal Revenue Code of 1986; (E) international treaties and agreements relating to the control of narcotics and drug abuse; (F) the role of organized crime in narcotics and drug abuse; (G) problems of narcotics and drug abuse and control in the Armed Forces of the United States; (H) problems of narcotics and drug abuse and control in industry; and (I) the approach of the criminal justice system with respect to narcotics and drug law violations and crimes related to drug abuse;

(2) to review any recommendations made by the President, or by any department or agency of the executive branch of the Federal Government, relating to programs or policies affecting narcotics or drug abuse or control; and

(3) to recommend to the appropriate committees of the House legislation or other action the select committee considers necessary with respect to programs or policies affecting narcotics or drug abuse or control.

APPOINTMENT AND MEMBERSHIP

SEC. 303. (a) The select committee shall be composed of twenty-five Members of the House, who shall be appointed by the Speaker, one of whom he shall designate as chairman. At least one member of the select committee shall be chosen from each of the following committees of the House: The Committee on Agriculture, the Committee on Armed Services, the Committee on Government Operations, the Committee on Foreign Affairs, the Committee on Energy and Commerce, the Committee on the Judiciary, the Committee on Merchant Marine and Fisheries, the Committee on Veterans' Affairs, and the Committee on Ways and Means.

(b) Any vacancy occurring in the membership of the select committee shall be filled in the same manner in which the original appointment was made.

(c) For purposes of this section, the term "Members" shall include any Representative in, or Delegate or Resident Commissioner to, the House of Representatives.

AUTHORITY AND PROCEDURES

SEC. 304. (a) For the purpose of carrying out this title, the select committee is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, or elsewhere, whether the House is in session, has recessed, or has adjourned, and to hold such hearings as it deems necessary.

(b) The provisions of clauses 1, 2, and 3 of rule XI of the Rules of the House of Representatives shall apply to the select committee.

ADMINISTRATIVE PROVISIONS

SEC. 305. (a) Subject to the adoption of expense resolutions as required by clause 5 of rule XI of the Rules of the House of Representatives, the select committee may incur expenses in connection with its duties under this title.

(b) In carrying out its functions under this title, the select committee is authorized—

(1) to appoint, either on a permanent basis or as experts or consultants, such staff as the select committee considers necessary;

(2) to prescribe the duties and responsibilities of such staff;

(3) to fix the compensation of such staff at a single per annum gross rate which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in section 5316 of title 5, United States Code;

(4) to terminate the employment of any such staff as the select committee considers appropriate; and

(5) to reimburse members of the select committee and of its staff for travel, subsistences, and other necessary expenses incurred by them in the performance of their duties and responsibilities for the the select committee, other than expenses in connection with any meeting of the select committee held in the District of Columbia.

REPORTS

SEC. 306. (a)(1) The select committee shall report to the House with respect to the results of any field investigation or inspection it conducts.

(2) The select committee shall submit an annual report to the House which shall include a summary of the activities of the select committee during the calendar year to which the report applies.

(3) The select committee shall report to the House its recommendations for a comprehensive program to control the worldwide problem of drug abuse and drug trafficking.

(b) Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

Mr. WHEAT (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, in bringing this resolution before the House, it has been our intention to ask for a division of the question, so that the House may vote separately on each of the three titles of the resolution.

Therefore, Mr. Speaker, at this time I demand that House Resolution 26 be divided, so that there may be a separate vote on each of its three titles.

The SPEAKER pro tempore. The resolution is divisible and will be divided at the appropriate time.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. LATTA], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 26 would establish three House select committees for the 100th Congress: The Select Committee on Hunger; the Select Committee on Children, Youth, and Families; and the Select Committee on Narcotics Abuse and Control.

None of the select committees would have legislative jurisdiction, but each would be charged with the responsibility of studying problems in their respective subject areas and recommending practical solutions to the House. The Select Committee on Hunger would consist of up to 23 members; the Select Committee on Children, Youth, and Families could have up to 30 members; and the Select Committee on Narcotics Abuse and Control could have as many as 25 members. The Speaker appoints members to the select committees, and will appoint one of those members from each select committee to serve as chairman.

The select committees would be authorized to sit and act and would be bound by House rules which relate to standing committees. Each select committee could hire staff and incur expenses only upon the adoption by the House of a separate funding resolution reported from the committee on House Administration.

The House has seen fit to authorize the establishment of these select committees in past Congresses, and the Rules Committee feels that their establishment once again is an important step which the House of the 100th Congress ought to take.

Yesterday, the House approved the establishment of a Select Committee To Investigate Covert Arms Deals With Iran. By an overwhelming vote, the House agreed to assign 15 of its Members the responsibility for investigating a situation which has brought our Nation to a crisis point. The result of that committee's investigation can be expected to lead to the establishment of laws that will repair any damage that has been done and that will prevent the recurrence of similar crises in the future.

Today, Mr. Speaker, I would remind my colleagues that there are other serious crises which face our Nation and our world. Hunger is perhaps the most pervasive and difficult to solve. Since the end of World War II, our Nation has industriously endeavored to find ways to solve the problem of world hunger. At best, we have achieved disappointing results. Every day, more than 40,000 people die from the effects of hunger. Over 500 million people in our world suffer from chronic malnutrition. By establishing the Select Committee on Hunger, the House will demonstrate its continuing commitment to seek out practical solutions that chip away at hunger and its consequences. In the past two Congresses, the Select Committee on Hunger and its task forces on international hunger and on domestic hunger have brought such proposals before the legislative committees of the House. Adoption of House Resolution 26 will allow the select committee to continue the provision of this valuable service to the House.

Mr. Speaker, the Select Committee on Children, Youth, and Families which House Resolution 26 would establish is well-suited to deal with a number of other crises our Nation faces. Select committee investigations in the last Congress revealed that the proportion in which children are represented among those who live in poverty is increasing at staggering rates. More women of child-bearing age abuse alcohol and narcotics than ever before, leading to low birth weights and chronic health conditions that follow children throughout their lives. The select committee also found that in 1984, more than 9 million children lived in single-parent homes.

These findings are of crucial importance and call us to bring forth responsible social and economic legislative proposals to deal with the problems. Reestablishment of the Select Committee on Children, Youth, and Families will allow the House to benefit from further investigations from a group of members that has already demonstrated great expertise in the exposure of the problems facing families in our Nation.

The past work of the Select Committee on Narcotics Abuse and Control is well-known for its thoroughness and profundity. On October 27, 1986, the President signed into law the Anti-Drug Abuse Act of 1986. That bill represents the most coordinated and comprehensive response that this Congress has yet taken to arrest the drug abuse scourge that robs our children of their youth, destroys productivity in the work place, and threatens the lives and well-being of countless Americans. While a dozen House committees contributed to the composition of this landmark bill, the Select Committee on Narcotics Abuse and Control—under the able leadership of our colleague, Mr. RANGEL—provided much of the background support for the findings which led to the development of many of the specific responses which were included. As the implementation of those policies begins, it will be important for the select committee to examine their effects and be in place to propose to the House any changes in that law or additional steps which need be taken to help end the crisis of drug abuse in our Nation.

□ 1450

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution asks that we reestablish three select committees of the Congress, the Select

Committee on Hunger, the Select Committee on Children, Youth and Families, and the Select Committee on Narcotics Abuse and Control.

Mr. Speaker, this brings up the question as to whether or not we should continue every single Congress various select committees, or whether or not their functions could not be combined with a standing committee, or if they are of such importance and have such widespread support here in the Congress and throughout the country, whether or not they should not be made full committees of this House. These are a couple of questions I think that we should ponder, not particularly today, but in the future as we consider the matter dealing with select committees.

Certainly the funding of each of these select committees is something that we should look at and consider. I have checked on each one of the three now under consideration as to how much they spent in the last 11 months of this past year. The Select Committee on Children, Youth and Families spent $622,065. The cost of the Select Committee on Hunger, $530,638. Believe it or not, the cost of the Select Committee on Narcotics, which in my humble judgment is a very, very important select committee, was $578,786. So we ought to take a look at the cost of these committees and see what is actually being done with the money and whether or not more could be accomplished with the money, or perhaps we might eliminate them altogether.

Mr. Speaker, in light of the fact that the jurisdiction of select committees is usually already included in the jurisdiction of existing standing committees of the House, the value of each select committee must be weighed carefully against the dollars and the time being consumed.

Mr. Speaker, I have several requests for time and for that reason will reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, will the gentleman yield?

Mr. WHEAT. Mr. Speaker, I yield to the gentleman from New York [Mr. RANGEL] such time as he may consume.

PARLIAMENTARY INQUIRY

Mr. RANGEL. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. (Mr. GRAY of Illinois). The gentleman from New York will state his parliamentary inquiry.

Mr. RANGEL. Mr. Speaker, I would like to inquire of those managing the time, since we are dealing with three select committees, whether or not the managers of this bill have agreed to how the time is going to be allocated, whether they intend to divide in 10 minutes for time with each of the three committees, or whether or not the votes are going to be taken separately on each and every committee.

The SPEAKER pro tempore. The Chair would state to the distinguished gentleman from New York that that is a question that should be propounded to the manager of the resolution. The gentleman from Missouri [Mr. WHEAT] would yield for that purpose.

Mr. WHEAT. Mr. Speaker, to explain to the gentleman the process we are going to go through, I have requested a division so that there will be a separate vote on each title of the bill, one vote for each select committee. We will also try to divide the time approximately equally among the three committees so on our side of the aisle there will be approximately 10 minutes for each of the select committees for debate on each of the select committees, and there will also be another 10 minutes approximately on the other side for each select committee.

Mr. RANGEL. Mr. Speaker, could I hear from the manager on the other side whether or not that procedure is going to be followed? If you will, it is my understanding from the manager of the bill on this side that they are going to attempt to have the debate on the three select committees divided approximately 10 minutes apiece for each committee, and then at the conclusion of the total 1-hour debate to have separate votes on each select committee. I am making a parliamentary inquiry as to whether or not your side intends to divide the time approximately 10 minutes for each of the select committees.

Mr. TAYLOR. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore. Will the gentleman from Missouri [Mr. WHEAT] yield to the gentleman from Missouri [Mr. TAYLOR] for an answer to that question?

Mr. WHEAT. Mr. Speaker, I yield to the gentleman from Missouri.

Mr. TAYLOR. Mr. Speaker, it is my understanding that the chairman of the Rules Committee would make this decision, and we will be willing to go along with whatever decision he decides relative to the division of time on the three issues.

Mr. RANGEL. If I may proceed, will the gentleman yield further?

Mr. WHEAT. Mr. Speaker, I yield to the gentleman from New York certainly for the purposes of the inquiry.

Mr. RANGEL. Mr. Speaker, I would like to inquire, it seems to me that the debate would be better understood if we did not have the Select Narcotics Committee, the Select Committee on Children, Youth and Families, and the Select Committee on Hunger, to have people going into the well just because they are recognized on your side for time discussing three different committees. I understand on this side of the aisle, to avoid that type of confusion, thay have divided the time so that each of the select committees would have roughly 10 minutes apiece. It would seem to me if that type of agreement could be reached on the other side of the aisle it would be a better understanding by the Members.

Mr. TAYLOR. That would be satisfactory with this side of the aisle. We do have a few Members who want to make speeches relative to the entire spread of the three committees, so we might have some time on that. But other than that, we would be willing to divide the time addressing remarks to the three separate issues.

Mr. RANGEL. Thank you, Mr. Speaker.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Ohio [Mr. HALL]

Mr. HALL of Ohio. Mr. Speaker, I want to thank my fellow member of the Rules Committee, the gentleman from Missouri [Mr. WHEAT], for yielding me this time.

Mr. Speaker, I rise in support of title I of the resolution, which establishes in this Congress the Select Committee on Hunger.

I have been a longtime supporter of the Select Committee on Hunger, and I have been pleased to chair its international task force since the committee's creation in 1984.

Before the creation of the Select Committee on Hunger, jurisdiction over hunger issues was divided among 8 of the 22 standing committees and numerous subcommittees. Establishment of the Hunger Committee has provided a single, unified forum for the consideration of the diverse issues related to hunger.

Since 1984, the Select Committee on Hunger has made important contributions to the work of the Congress on issues relating to both domestic and international hunger. The record demonstrates that the select committee's work has complemented that of the standing committees with jurisdiction over hunger. As the committee's progress report on its activities in the 99th Congress indicates, it has succeeded in focusing special attention on issues that might not have received such congressional consideration without the work of the select committee.

Most importantly, the select committee has made contributions to the enactment of legislation to aid the hungry, both here and abroad. Domestically, legislation was passed with the help of the Hunger Committee to provide supplemental funding for the Temporary Emergency Food Assistance Program. Legislation was also passed to improve the use of the Food Stamp Program to aid the homeless.

As chairman of the international task force, I am especially pleased with the contributions made by the select committee to legislation relating to international hunger issues. A bill I introduced, H.R. 3894, the Universal Child Immunization Act, was incorporated into the fiscal year 1987 foreign aid appropriations bill as an increase in AID's child survival fund to $75 million, with an earmark of $50 million for global immunization activities. Overall, the committee has had success in working with the committees of legislative jurisdiction on initiatives to sustain solid funding support for essential international hunger and health-related programs.

Evidence uncovered by the select committee led to an earmarking of $8 million for vitamin A supplementary and research programs in 1986 funding and $6 million in fiscal year 1987.

The committee also worked on successful legislation to increase the commodity levels under Public Law 480 and section 416, as well as increased monetization authority for certain commodities. Multiyear programming agreements and the inclusion of processed foods were also elements of the legislation adopted.

I was pleased to work with the committee on these and other initiatives that resulted in legislation that has helped to save lives and improve the health and nutrition of those in need throughout the world.

While the Select Committee on Hunger already has made significant contributions to international hunger and health issues, it is clear that there is much work ahead of us. The committee has identified a number of issues and projects to be pursued in this Congress. I believe we continue to need the work of the Select Committee on Hunger to assist the Congress in responding to the many challenges that face our country and the rest of the world in matters relating to hunger, health, and poverty alleviation.

The select committee has demonstrated that it has an important role to play in the 100th Congress. I urge my colleagues to support the reauthorization of the Select Committee on Hunger contained in the resolution before us.

□ 1500

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA], the ranking member of the Select Committee on Hunger.

Mrs. ROUKEMA. Mr. Speaker, I rise in support of the resolution and ask unanimous consent to revise and extend my remarks.

House Resolution 14 will reauthorize the Select Committee on Hunger and allow it to continue its important work during this Congress.

First, let me commend Chairman LELAND for his outstanding leadership. He has guided the panel in a bipartisan fashion, and, as the ranking minority member, I appreciate his willingness to strive for consensus.

This committee is not quite 3 years old. When the House created it in 1984, the committee was told to examine all issues related to hunger both at home and abroad. The committee has made an excellent beginning, but one need only glance at the headlines to know that problems related to malnutrition and hunger in the world are severe.

The committee was first formed around the time we were beginning to understand the magnitude of the famine in Africa. The committee responded promptly, helped to focus attention on the problem, worked with the Foreign Affairs and Appropriations Committees on a suitable response, and coordinated with the administration in seeing that U.S. aid was delivered in an appropriate fashion. The committee also successfully enlisted the assistance of the private sector, and, as a result, we saw the donation of significant amounts of pharmaceuticals and other critically needed supplies, saving the lives of hundreds of thousands of people.

The United States response to that tragedy was overwhelming, but there were things to learn from that experience. The committee has spent considerable time since then studying how to improve our response to any such future catastrophe. Our efforts have been coordinated with the other committees of the House and the Agency for International Development (AID).

The committee has also looked at health problems abroad, the effectiveness of vitamin A supplement, and environmental degradation in developing countries. I would note in particular legislation introduced by our colleague, the gentleman from Ohio [Mr. HALL]. He sponsored H.R. 3894 and, as chairman of the Hunger Committee's international task force, conducted hearings on immunizing the world's children. Largely because of the Hunger Committee's focus on the problem and the leadership of the gentleman from Ohio, the foreign assistance appropriation for fiscal year 1987 contained $75 million for the child survival fund, of which $50 million was earmarked for child immunization. This was a tremendous legislative victory which we anticipate will have dramatic benefits abroad. Indeed, worldwide immunization against childhood diseases before the turn of the century is within our reach.

Here at home the committee has begun to study the various social and economic causes of poverty and hunger. Obviously, economic factors are paramount here. But our committee recognizes that the situation is more complex than that. We have also looked at the changes in the American family, the growing number of single-headed families, and the complications of drug and alcohol abuse. We have also examined the social policy of deinstitutionalizing the mentally ill. This social experiment has resulted in countless people unable to care for themselves, out on the street, hungry and homeless. We intend to hold further hearings on this complex set of factors.

This will logically lead into an evaluation of proposals for comprehensive welfare reform and their effect on food assistance programs. This should not be a partisan issue. We have already seen several credible studies conducted over the last few years critiquing the present welfare system. There is general consensus that we need to reform the "hodge-podge" system we have now. Even the President has decried the current situation in which $35,000 is paid to house a homeless welfare family in a substandard New York hotel. This is a system which cries out for reform. There is not yet agreement on how we ought to restructure it.

Our committee has taken the first steps down that road toward a consensus on reform. We have held hearings which have reaffirmed that there are gross inefficiencies in the current system, and we have begun to look at the experiments which are being conducted in some of the States. These offer us hope. Several nationally respected organizations have already presented proposals for comprehensive reform and more are expected to follow suit in the coming months. I stress the importance of the welfare reform effort, and I reiterate that we should proceed with the notion that consensus can be reached.

At the request of the Hunger Committee, Ways and Means, and the Agriculture Committee, GAO began a major study exploring proposals to coordinate and simplify public assistance programs. This is an effort to identify gaps and duplication in providing assistance and to recommend methods for more efficient and effective delivery of assistance. The GAO team working on this has already produced four preliminary reports, and I would estimate that there is approximately another year's worth of work ahead before GAO has completed its task and made its final report to the three committees.

One rationale for the select committee is to serve as a spotlight. Seven different committees of the House have jurisdiction over at least one component of the hunger problem. No one of those committees could give the problem the attention it deserves, and no one of them could see the big picture. The various problems related to hunger have complex interrelationships and need to be studied in conjunction with one another.

For example, I also serve on the Education and Labor Committee, which has jurisdiction over many education and job training programs intended to help poor people become more independent. When we look at welfare reform, we need to look not only at food stamps and AFDC, we also need to look at all of the other assistance programs and see to it that they serve the public in a coordinated and comprehensive fashion.

Now more than ever, the need for the Select Committee on Hunger is apparent. The purpose of the select committee is to focus in a concentrated fashion on the multiplicity of issues contributing to the spread of hunger at home and abroad. Almost every day, our Nation's newspapers are filled with stories of growing poverty among children, hunger among the homeless, and the need for comprehensive welfare reform. The President himself has decried current situations where we pay as much as $35,000 to house a homeless welfare family in a substandard New York hotel. Almost every day the Members of this body can read about the international paradox of hunger: We have a world awash in grain, and yet many parts of the world still suffer from malnutrition and starvation, and have populations rising out of control. These are all issues which demand greater study and the focused attention of the select committee.

Hunger is not a partisan issue. The national outpouring of support exhibited by Americans during the African famine crisis and the current plight of the homeless demonstrates the broad-based concern Americans have. This has led to the cries for welfare reform which have been made by leaders across the political spectrum. Republican and Democratic Governors, Americans of all political persuasions, believe that something more can and should be done, that we can do a better job. We do not want to waste any resources, but a country as vastly rich in natural and human resources cannot permit hunger and malnutrition to exist.

The committee's task is a crucial one, and it is far from completed. I urge the Members to vote for the resolution before us today.

Mr. WHEAT. Mr. Speaker, I ask unanimous consent that if a record vote is ordered on more than one title of House Resolution 26 on which a division of the question has been demanded that the second and third votes be reduced to a minimum of 5 minutes each; those votes would immediately follow the first record vote, which would be a 15-minute vote.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WHEAT. Mr. Speaker, it is my privilege to yield time to the distinguished gentleman from Texas [Mr. LELAND], chairman of the Select Committee on Hunger, who, along with my colleague from the Rules Committee, the gentleman from Ohio [Mr. HALL], has done such an exemplary job pointing out to the Members of the Congress and to the world the need for the U.S. Government to do more to control the problems of hunger.

Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. LELAND].

Mr. LELAND. Mr. Speaker, I thank the gentleman from Missouri [Mr. WHEAT] for those kind remarks.

Mr. Speaker, I rise to ask my colleagues to support this legislation that would reinstitute the Select Committee on Hunger. I join with my friend, the gentlewoman from New Jersey [Mrs. ROUKEMA], the ranking minority member of the committee, in the continued challenge to end hunger through this concerted bypartisan effort.

I am proud to say that more than 195 Members of Congress and a broad-based coalition of more than 200 religious, community, charitable, medical, farm, and labor organizations are supporting reauthorization of the committee through House resolution.

This overwhelming and increased support from across the Nation is testimony to the accomplishments of the committee in investigating hunger, expanding understanding of its complexities and developing practical policy options to end these conditions. Citizens at the grassroots are aware that Congress has taken the initiative in responding to the devastation of hunger and malnutrition in our country and the world.

During the 99th Congress the committee's work was extensive. Twenty-three hearings, six basic human needs seminars and numerous briefings were held; nine formal reports and monthly status reports on international and domestic hunger matters were published.

Issues related to hunger are under the jurisdiction of several standing committees including Agriculture, Appropriations, Banking, Education and Labor, Foreign Affairs, Government Operations, Interior and Insular Affairs, and Ways and Means. Through coordinated efforts such as joint hearing and member and staff consultation, the committee has worked effectively to bring attention and action to those matters relating to hunger.

Through bipartisan efforts that assured adequate relief funding to famine victims in Ethiopia, Sudan, and other African nations, the committee played a major role in saving millions of lives. Beyond this emergency assistance, millions of children in poor countries will survive because the committee demonstrated the value of increased support for vitamin A supplementation, immunization, oral rehydration and other primary health care interventions in the cycle of malnutrition and disease that wipes out the lives of more than 30,000 children every day.

A belief that the great productivity of American farmers should be more effectively used to eliminate hunger has been an operating principle of the committee. Members took the lead in expanding the kinds and quantities of commodities available to less developed countries—through the section 416 surplus removal program. The developmental impact of the Food for Peace Program was strengthened.

The committee pursued new approaches to assisting small farmers in Africa and other countries around the globe through hearings, reports, and a major study by the Office of Technology Assessment. It also demonstrated the potential of providing credit to the poor to help them achieve a level of economic sufficiency that meets basic needs for food and shelter.

Hungry people in the United States have been an equal concern of the committee, particularly children, the homeless, the elderly, migrants and others vulnerable to the damaging effects of malnutrition. The committee's documentation of barriers to food program participation and recommendations for improved access are of vital importance to the coming examination of welfare reform. The study of coordination and simplification of assistance programs called for by the committee will contribute substantively to that discussion.

While there have been bumper crops of basic grains in many countries and famine conditions now exist in only six nations, the underlying political, economic and social structures that create and sustain poverty and hunger endure. Although the world produces enough food every year to feed every person, millions of people lack the land, water, seeds, and tools to produce enough food for themselves; and tens of millions more lack the income to buy it.

The world continues to feel the destabilizing effects of hunger. Food riots in Zambia and guerrilla warfare over rice in Haiti last month are examples of the volatility of hungry populations. Our efforts against hunger are an expression of a national humanitarian impulse—but they can also be justified as self interest. There will be no peace as long as people are hungry.

The establishment of a Select Committee on Hunger in no way alters the mandate of any standing committee, nor does it lessen the role played by these committees in meeting the obligation to combat hunger. Rather, the select committee supports the work of these committees by specific research and by providing a single focus on the commitment of this Congress and this country to eliminate hunger.

One in five children in Latin America is hungry and malnourished, one in three in Africa and Asia. The grim specter of hunger lingers in the world. The moral requirements of justice and the human desire for peace oblige us to continue the effort to assure a decent diet to every person on this planet.

Through the reauthorization of the Select Committee on Hunger this Congress will demonstrate to generous and concerned Americans and to the world community that our country is committed to wiping out hunger. It will send a message that the United States continues to maintain its leadership as a humanitarian nation. I urge your support for reauthorization.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. Badham], a member of the Committee on House Administration.

Mr. BADHAM. Mr. Speaker, while some of us get up today to argue against this resolution, not one of us wants to sound unsympathetic to the causes these select committees take up. All three of these selects: Children, Hunger, and Narcotics, examine issues we all care about. That is not our point. Our point is that, given present-day budgetary restraints, we are wasting time and money by staffing and funding these selects. Several of us on the House Administration Committee have long argued for restoring order to the House committee system by folding these select issues into other standing committees. With over 140 subcommittees, these issues could fit in somewhere. By design, select committees are to be short-termed panels with clearly defined objectives. The new Iran Select Committee is a perfect example. We know the objective and we have a termination date. Apparently, these others plan to continue to exist as long as families, hunger, and drugs exist.

The argument that may sway some of you to defeat this resolution is the cost factor. In 1985 we authorized over $2 million for these three selects. In 1986 we reduced that to $1.8 million because of Gramm-Rudman but there is every indication that the three will be asking for increases at committee funding time. There is no termination date set for any of them. We will keep spending and spending and spending on panels with absolutely no legislative authority. Since 1983, when the Select Committee on Children, Youth and Families was established, we have authorized $6,763,440 for the operations of these three selects and they have spent 87 percent of that. Wouldn't all this time and money and effort be better spent supporting the standing committees of the House? We should be able to recognize by now that the select committee format is not the right avenue to take to examine these issues.

I urge the defeat of this resolution not as a vote against what select committees do but as a vote for restoring the effectiveness of the standing committee system.

□ 1510

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from North Dakota [Mr. Dorgan].

Mr. DORGAN of North Dakota. Mr. Speaker, if ever in the history of the world there was a need for a focus, a specific focus on the problem of world hunger, it is now. Six hundred million people in this world go to bed at night with an ache in their bellies because they did not get enough to eat. And yet in this part of the world, in the United States, our grain bins bulge because we produce more than we are able to consume and do not know how to get rid of it.

In this country we have hunger. It is not just international hunger in Africa, it is hunger in this country as well.

I would like to share with the Members of this House testimony from a 10-year-old boy because it was the most poignant testimony that I think is representative of the fact there is hunger in this country. It is the most poignant testimony I have ever heard. A 10-year-old, named David Bright from New York, comes from a homeless family in New York. Here is what he said:

> No 10-year-old boy like me should have to put his head down on the desk at his school because it hurts to be hungry.

There is hunger in this country. There is hunger in the sub-Saharan region of Africa, there is hunger in India, and I have seen the hunger in Nicaragua, Honduras, and Guatemala. We have to do something about it, around the world and here at home.

We live in a very unstable world, and part of that instability is caused by world hunger. We have the instruments, the opportunity to do something about it. We produce food in abundance here in this country. In my judgment we must build bridges of peace by using our food to fight world hunger and build fewer bombs. That is the issue. What is our priority and what kind of choices will we make? I hope we will make the choice to continue to fight against world hunger. Nowhere is that fight being waged more effectively than through the instrument of a Select Committee on Hunger here in the U.S. House of Represenatives with the chairmanship of Congressman Leland and so many others who are working hard on what I think is a most compelling issue facing mankind today.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. Gilman], a member of the Select Committee on Hunger.

Mr. BEREUTER. Mr. Speaker, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from Nebraska.

Mr. BEREUTER. I thank the gentleman for yielding.

Mr. Speaker, as a member of the Committee on Foreign Affairs, the International Development Organization Subcommittee of the Committee on Banking and Currency and a member of the Select Committee on Hunger, I rise in strong support of this legislation.

I also speak as a Member who comes from an agricultural State. I think that what we have been able to accomplish by the recommendations for action to the legislative committees from this Select Committee on Hunger is well worth the effort, the expense of the committee. I strongly encourage my colleagues to continue to support the Select Committee on Hunger.

Mr. Speaker, today I rise in support of the reauthorization of the Select Committee on Hunger. Although I generally do have reservations about the establishment of select committees in the Congress, I believe the Select Committee on Hunger has performed a valuable service to this House and to our Nation. And I believe that it has further important contributions to make to this House and to the foreign and domestic hunger programs of the United States and to private and multinational efforts as well. To back up that conclusion I will share some examples of the committee's efforts and achievements in just one area of our effort to stem the incredible hunger and starvation problems in numerous foreign countries, especially Africa.

During its first 3 years the Select Committee on Hunger has conducted important investigations into the problems and extent of malnutrition both domestically and internationally. Members of the committee took a leading role, along with members of key standing committees, in fashioning a proposal to aid the overwhelming number of people threatened with starvation by the devastating African famine of 1984 and 1985. This initiative led to a record amount of food assistance provided by the citizens of the United States to the people of Africa. And, I believe that less of our food and assistance was diverted from its proper destination in feeding hungry people than was the case with aid from other sources. Yet in 1985 alone, we sent over 3 million metric tons of food to sub-Saharan Africa, by far the highest of any donor nation.

As a Representative from one of America's agricultural States, I have been interested in how the abundance from our Grain Belt can be used more effectively overseas to ease the problems of malnutrition in lesser developed countries without damaging domestic agriculture in recipient countries. During the past 2½ years, the committee has emphasized the need for continued support and adaptation of U.S. overseas food assistance. We found, for example, that the Public Law 480 Food for Peace Program has very significantly reduced the chronic food deficit countries in its 32 years of operation, through both the concessional sales and food donation titles.

The U.S. farm economy has benefited by exports under the Food for Peace Program. The select committee pushed for an increase in the commodity levels provided under Public Law 480 and the section 416 Program, as well as increased monetization authority for certain commodities. Multiyear programming agreements and the inclusion of processed foods in our overseas programs have also been adopted with the help of the latest committee's efforts. We are just beginning to see how the creative use and expansion of our food assistance programs can simultaneously aid in the development needs of poorer nations and the provision of new markets for our own agricultural production. The select committee will continue to be a valuable investigative resource in this regard.

To cite a further area of accomplishment for the select committee I would mention that recent research shows that expanding the availability of credit to the poor in these same developing countries can have a positive impact on creating jobs and spurring economic growth where it is vitally needed. The select committee, in conjunction with the Banking Subcommittee on International Development Institutions on which this Member also serves, has drawn to our attention the remarkable success that the U.S. Agency for International Development initiatives aimed at microenterprises—one- and two-person businesses—can have with a minimum of funding. The select committee has issued a report detailing the benefits of such credit expansion for fledgling, microenterprises and has outlined a modest plan whereby a portion of the proceeds from Public Law 480, title I, commodity sales, would be utilized to finance microenterprises in developing countries.

In summary, Mr. Speaker, the activities of the committee are worthy of continuation. This Member hopes that my colleagues can reach that same conclusion by reveiwing again only the examples that I have presented here which represent but one facet of the investigations and stimulated actions by the Select Committee on Hunger. I urge our colleagues to support the resolution before us today.

Mr. GILMAN. Mr. Speaker, I rise in strong support of this measure. I commend the distinguished chairman from Texas [Mr. LELAND], and our ranking minority member, the gentlewoman from New Jersey [Mrs. ROUKEMA], for their leadership efforts.

Mr. Speaker, I appreciate this opportunity to appear before you in support of the reauthorization of the House Select Committee on Hunger.

I am proud to say that over 180 Members are cosponsors of this legislation and at least 200 organizations have expressed support for reauthorization of the committee.

It would be encouraging if I could state that since the establishment of the committee in 1984, hunger had decreased in the world. Certainly the famine-related hunger which the Select Committee on Hunger did so much to alleviate in the crisis of 1985 has declined. As of June 1986, the U.N. food and agriculture organization reduced its list of famine-sticken countries in sub-Saharan from 21 to 6.

But even as yields of wheat, rice, and other basic staples are increased, hunger persists. Half the people of the world still go to bed hungry every night and millions of children die each year because their malnourished little bodies cannot fight infection and disease.

The causes of hunger are complex. Through more than 20 hearings and many significant reports the committee has shown that a cluster of complex and interrelated problems that that are keeping the poor nations of the world in debt, destitution, poverty, and hunger. The myriad causes of hunger include environmental damage because of erosion and poor farming practices, deforestation, population pressures, waterborne disease, lack of credit that could enable the poorest of the poor to generate income for themselves.

Through coordinated efforts with committees of jurisdiction the Select Committee on Hunger has been faithful to its mandate to both study and review the problems of hunger and to make recommendations to alleviate it. The select committee in no way diminishes the work of the committees, rather it provides a focus for attention and energy in ending this worldwide tragedy.

Hunger eats away at the solidarity of the human family and tests the depth and sincerity of the moral commitment of every nation and individual. Do we truly believe that all members of the human family have a right to survive and the means of providing for their lives? If our answer is affirmative, we must as a nation demonstrate that belief.

We acknowledge that it is the obligation of society to provide the food necessary for the survival of every human being. Through the reauthorization of the Select Committee on Hunger, we can show the world and our fellow Americans that this humanitarian Nation is willing to commit itself to probing the difficult questions about hunger and making the long-term effort to eliminate it from the world.

Accordingly, I urge my colleagues to support this important legislation.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I rise in support of House Resolution 26 and in particular support for the Select Committee on Hunger on which I serve as chairman of the Domestic Task Force.

I recognize that select committees by their very nature are temporary. There is no question about that. But the test of whether we maintain a select committee is whether the need for that committee was designed to respond to is still there. Certainly with regard to the Select Committee on Hunger, the need is very much there. Let me just direct your attention to the statistics from the U.S. Conference of Mayors which reported just a few days ago on the situation of hunger in our cities. They reported that there is a 25-percent increase in those that seek emergency food assistance in 1986. In almost 90 percent of the cities that were surveyed there is a 23-percent lack of response to even the demand. The demand exceeds the ability of these communities to respond in most of these cities, and most of them are predicting that there will be an increase of almost 21 percent over the next year in terms of hunger needs. The attention of the public needs to be directed toward the need for emergency food assistance in our Nation. If we are going to respond to the problem, you need to have the attention of the public directed to it, not just a single event like Hands Across America or the kind of concerts that have been held. Indeed, those are good events, and we appreciate them. But you need a dedicated and continuing commitment to bring this issue to the attention of the American people. This committee provides it.

Lastly, it provides for coordination of policies, policies that are now dispersed among a number of authorizing committees which have to be coordinated in order to respond to the problem.

The select committee, I think, has done an outstanding job in trying to respond to that need and trying to bring to the attention of the American people this problem.

Just ask yourselves this question: At a time when hunger is on the increase, what kind of message does the Congress of the United States want to send to the American people? I think that message ought to be the retention of the Select Committee on Hunger.

Mr. TAYLOR. Mr. Speaker, we have no more speakers on the hunger section.

The SPEAKER pro tempore. (Mr. Gray of Illinois). The gentleman from Missouri reserves the balance of his time.

Mr. WHEAT. Mr. Speaker, I am privileged to serve on the Committee on Children, Youth and Families and am now privileged to yield 3 minutes to its distinguished chairman, the gentleman from California [Mr. Miller].

Mr. MILLER of California. Let me say from the very outset that the strength of select committees is that they are not legislative committees. They are not burdened with the day-to-day obligation to try to report out legislation whether it is new legislation or reauthorization. The strength of the select committees is that we are able to get out of the limelight, get out of the line of fire and talk about how we can solve some of these problems. In the case of the Select Committee on Children, Youth and Families, I think we have forced the Congress to rethink how we look at programs that affect children and families in which they live and how we affect the livelihood of those families, whether it is from taxation or the agendas raised by my Republican colleagues or whether it is how we address children and poverty. Because the debate that we have started in this country that is now in full flame is the debate about the investment that we are prepared to make in this Nation's children, not the debate on how much money are we willing to spend, but how much are we willing to invest? That says to Members of Congress and says to the public that what we want to know is if we spend a Federal dollar will we get more than a dollar back in return, will we get a healthier child, a healthier family, a better society?

As a result of that, what we have seen is the select committee lead the way between those programs that have worked in the past and those that have not. For those that have, we have asked and received on a bipartisan basis, in the select committee, in the Budget Committee and on the floor of this House support for programs to help children who are the most vulnerable in our society, children who at the time of birth, mothers at the time of pregnancy at high risk of having a child or a pregnancy go wrong, we have been able to show this Congress how with the investment of dollars at that time we have been able to forestall Federal spending that far exceeded that.

So the job of the select committee is to tackle the tough questions and to tackle them comprehensively, whether that is child nutrition, whether that is teenage pregnancy, whether that is teenage suicide, the drug-related problems, what have you. Our ability is not to be under the pressure simply to reauthorize a program but to step back and to provide the basis on which this Congress can make informed decisions. I am proud and delighted that on a bipartisan basis this committee, I think, has provided the data base on which this discussion has taken place. You cannot go anywhere in this country and read the literature affecting children and families, whether that literature is from the political left or from the political right, without seeing the fingerprints of this committee in developing an honest data base about those problems. The solution to those problems we still will have a great debate about. But what we have done over the last 3 years is provide for the integrity and the honesty in the basis on which that debate will be held. I am honored to serve as the chairman of this committee. I think the attendance of its members, its compassion, their understanding of these problems has led us to be involved in major legislative initiatives based upon the information that we have developed and the expertise that the members of this committee have developed and have brought that to the full House.

I urge support of this legislation.

Mr. Speaker, I rise in support of House Resolution 26 to reauthorize the Select Committee on Children, Youth, and Families for the 100th Congress. I ask for the support of the entire House.

In 1983, when the House established the Select Committee on Children. Youth, and Families, it did so because of very strong bipartisan commitment to the concerns of children and their families. At that time, there was no forum within Congress to address solely the particular and critical needs of America's children, youth, and families. By creating this committee, Congress took a major step toward solving that problem.

In 1983 Congress charged the select committee with three functions:

First, to conduct a continuing comprehensive study and review of the problems of children, youth, and families;

Second, to study the use of all practicable means and methods of encouraging the development of public and private programs and policies which will assist American children and youth in taking a full part in national life and becoming productive citizens, and

Third, to develop policies that would encourage the coordination of both governmental and private programs designed to address the problems of childhood and adolescence.

We've enjoyed an extremely productive and effective 3½ years.

In the course of conducting more than 50 hearings and 14 site visits, and in drafting a dozen major reports and studies, I believe we've done what you asked us to do: we've very vigorously attacked the most serious problems affecting America's families and the children who live in those families. In so doing we have helped pave the way to treating, and even more importantly, to preventing those problems before they become too serious.

I think you'll agree that we have not ducked our responsibilities. This year alone we have taken on the problems of addicted infants, drug abuse and youth, childhood poverty, the impact of divorce on children, and the abuse of children in State care, to name just the highlights.

These are the issues that you and the American public wanted us to address, to find solutions to. As a result, we have focused attention on the hundreds of successful programs which exist across the country. Whether they're run by the private sector, by volunteers or by State and local governments.

These are also the issues which have captured the attention of thousands of organizations representing parents, caregivers, teachers, and volunteers. Before we existed many of these groups felt frustrated in their efforts to tell Congress about the problems they see and work with in their community every day.

That we have been able to raise the visibility of many of these issues is a testament to their dedication, as much as to the hard work of the members of the committee. Again, I am gratified that dozens of disparate groups, ranging from the PTA and the Junior League to the National Child Abuse Coalition and the National Black Child Development Center, have come forward once again to endorse and support the reconstitution of the committee. I am attaching a complete list of those groups for today's Record.

I'm also gratified that we've been able to assist in a meaningful way many of the standing committees which are also addressing tough family and children issues. We know you expect us to contribute in this way, and we have.

To cite just a few examples of our ability to substantially assist others with our analysis of key issues. Let me cite three bipartisan studies which directly influenced other major House efforts.

Our "Family and Tax Report Cards," which graded every tax reform proposal from the perspective of how it effected the family, were very widely covered in the press, and were cited by the chairman of the Ways and Means Committee for their contribution to his bill, and to the tax reform debate.

Our "Opportunities for Success" report, which described the cost-effectiveness of eight children's programs, later became the basis for a "Childrens Initiative" in the budget, which will substantially enlarge our capacity to prevent the most serious health and learning problems in children.

Lastly, I would point to the omnibus drug bill, part of which was influenced by our early hearing at Children's Hospital on the increase in addicted infants, and a later joint hearing with the Select Committee on Narcotics, on the crack cocaine crisis.

Again, each of these influential projects was bipartisan.

In short, we have, as promised, gone beyond the "snapshot" of conditions of our first year, or even the more targeted investigations and recommendations of the following 2 years. Without relinquishing this role, we have recently been able to enhance more concretely the important work of other committees. We see this as one of our most important jobs.

There is no doubt such a contribution will be needed, indeed is necessary, in the months ahead.

For example, Congress will be reauthorizing the Child Abuse and Protection and Treatment Act this spring. This month we will be releasing a comprehensive State-by-State study of what is currently being done to prevent and treat child abuse. There is no other study like this, and I am certain that, like our State-by-State survey on teen pregnancy, it will become an invaluable resource tool for the public as well as the standing committees.

Welfare reform is another key substantive area we are poised to contribute to. It is high on Congress' agenda, as well as the administration's.

We have done the ground-breaking study on children and safety net programs; we have conducted a nationwide study on child care. With specific recommendations for reform; we have held extensive hearings on families and work, on training, on the problems of families without health insurance.

In short, we have learned enough about impoverished children, and the programs designed to serve them, to make a very real contribution to the welfare reform debate. It is too often forgotten that two-thirds of those on AFDC are dependent children. Any "reform" of welfare has to keep them in mind, or we will have another reform that creates as many problems as it solves.

A Lou Harris poll earlier this year showed that the public views Government as doing the poorest job of any institution in addressing the needs of children. The poll also showed that the public feels all institutions should do more, and spend more, to protect the future of children.

We have done the right thing by creating this committee, and will do the right thing by reconstituting it.

Obviously, the Senate feels the same way, since last year the Senate Rules Committee called DAN COATS and me over to testify on the creation of a Senate Select Committee on Children, Youth, and Families, supported by influential liberal and conservative members of the Senate. We should be proud that we are being emulated.

I'd ask you to consider the overwhelming interest of every community, the press, and members of both bodies, in the responsible resolution of the serious problems affecting children and families. It is our obligation to take forward the things we have learned about prevention, child abuse, drug dependency, teen pregnancy, foster care, child care, and so many other equally critical issues. The American public cares as much about these issues as any, and I believe they want us to do more.

We have shown we can make a timely and concrete contribution, and ask only for the opportunity to continue to do so.

SAMPLING OF ENDORSING ORGANIZATIONS

AFL-CIO.

American Bar Association.

American Federation of State, County and Municipal Employees.

American Academy of Pediatrics.

American Association of University Women.

American Nurses Association.

American Public Health Association.

American Public Welfare Association.

American School Food Service Association.

American Youth Work Center.

Association for Retarded Citizens (DC).

Association of Junior Leagues.

Campfire.

Center on Budget and Policy Priorities.

Child Welfare League of America.

Children's Defense Fund.

Council for Exceptional Children.

Family Service America.

March of Dimes.

National Association for the Education of Young Children.

National Association of Children's Hospitals.

National Black Child Development Institute.

National Child Abuse Coalition.

National Committee for Adoption.

National Committee for Prevention of Child Abuse.

National Conference of Catholic Charities.

National Council of Jewish Women.

National Crime Prevention Council.

National Education Association.

National PTA.

NAACP.

YWCA of the USA, National Board.

The SPEAKER pro tempore. Does the gentleman from Missouri [Mr. TAYLOR], wish to yield time? The gentleman had reserved the balance of this time.

Mr. TAYLOR. Mr. Speaker, I thought we had used up all of our speakers on the subject of hunger, but this is on the subject of children and families, as I understand it.

The SPEAKER pro tempore. The Chair would state to the gentleman he has approximately 21 minutes remaining, which can be used on any title.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. COATS], the ranking member of the subcommittee.

Mr. COATS. Mr. Speaker, I understand the concerns of some of my colleagues and friends about the permanence of select committees and the costs and how sometimes these things are organized for select purposes and then expand and end up being a perpetual committee without legislative authority. That is a legitimate concern and I think one that this Congress ought to address. The charge has been made that we do not write legislation. It is true. But select committees are in a unique position, and if crafted for a particular period of time and designed for a particular period of time, can take a comprehensive overall look that standing committees cannot. Perhaps we should reorganize standing committees and make the subject of children, youth, and families part of a legislative committee. I would support that. I think we ought to consider that. The fact is that we have not yet done this. Until we have, I think there is an important place for a select committee such as the Children, Youth, and Families Select Committee.

Thirteen standing committees currently divide jurisdiction on issues and subjects that affect children, youth, and families. What we have found in the 3 years of the existence of the Children, Youth, and Families Committee is that the problems of the children, youth, and families do not come neatly divided into packages labeled Ways and Means, Education and Labor or other committees. Only the select committee has the opportunity to take a comprehensive look and a whole look at the entire problem. We have found that these problems in looking at them we can fashion through our committee recommendations to the standing committees that integrate the solutions, bring about an integrated approach to the solutions that our families and our children face.

I am not sure how long the Select Committee on Children, Youth, and Families should last. We have not exhausted the subjects that we need to study and not done the work that we need to do in just the 3 years that it has now been in existence. We have an ambitious program outlined ahead for it in the 100th Congress. We want to carefully scrutinize which Federal programs that affect children, youth, and families work and which ones do not work. We want to be honest in reporting back to Congress those which do not. I urge my colleagues to support this committee.

This is a time when all of America seems to be awakening to the need to strengthen families and I'm pleased to be here today to support reauthorization of the Select Committee on Children, Youth, and Families that has been a part of this awakening.

It is the only committee in Congress charged with the responsibility of looking at the family as a whole. Since legislative responsibility for programs affecting families is shared by 13 standing committees, the focus is therefore narrow; yet the problems faced by families don't come neatly divided into parts labeled Education and Labor, Energy and Commerce, or Ways and Means.

Since this committee was formed, we have examined a broad range of problems facing families. It has become apparent that many, if not most, of the problems are interrelated. We need to be looking for ideas that break the traditional approach of designing a particular Federal program for each problem.

The select committee will continue to examine the critical link between many of the social problems we analyze such as family dysfunction, lack of education, and the abuse of alcohol and other drugs. We need to pursue aggressively these interrelationships since they seem to be among the keys to solving many of our social problems.

We need to continue to look for the best examples of programs which assist the development of stronger families and we need to examine more closely those existing programs that may harm families. We especially need to encourage the many local initiatives that have made an impact. In our committee hearings these past few years we have seen that most of the programs that show a spark of originality and seem to be having potential dramatic effects, are locally based and family-oriented. Many have Federal dollars involved, but the ideas and effectiveness seem almost inversely correlated with the amount of Federal control.

It has become evident that many of these problems are not only income-related but attitude-related. As we do more followup research both in and out of Washington, and look more at how to best solve—and when possible prevent—these problems, I would expect that we will find that while in situations of destitution income transfers are essential, in most situations the key to lasting change has been altering behavorial patterns.

In the past it has been possible for families and their children to get lost in the shuffle of Washington. This committee has helped to keep family issues in the forefront of the debate. For example, we played an important role in achieving partial fairness for families in the last year's tax reform bill. Our extended research on the problems facing military families directly resulted in recent DOD-HHS interagency agreement to help families in the military. The select committee has also played a continuing role in analyzing and investigating ideas in the area of children's health. Our hearings on the impact of divorce and on developing family strengths were extremely significant steps toward understanding the critical role strong families play in reducing social problems.

The majority and minority have at times agreed, and at times we have had some strongly worded dissents, but I believe that the dialog between a fairly strong liberal perspective and a fairly strong conservative perspective has been healthy and important to the work of the committee and to the country.

The Government, and certainly this committee, will not eliminate most of the social problems we face. But I strongly believe that the ongoing discussion and debate we are conducting on family and children's issues in the Select Committee on Children, Youth, and Families is important if we are going to at least make some inroads into the discouraging trends we are currently witnessing.

I urge you to join me in continuing to look for ways to assist families by voting to reauthorize the Select Committee on Children, Youth, and Families.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentlewoman from Louisiana [Mrs. Boggs].

Mrs. BOGGS. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the reauthorization of the Select Committee on Children, Youth, and Families. The committee's investigation of the most fundamental and cost-cutting issues affecting the Nation's children, youth, and families, as well as its alertness in identifying new trends and in suggesting new solutions, has provided good information to help every Member of this House and every committee of this House make informed decisions on very, very important issues.

□ 1525

Organizations across the country look to this committee as well. I am invited to many, many places from national organizations to speak on a whole range of issues affecting the Nation's children, youth, and families: day-care, child abuse, prenatal and paranatal health care, just an entire range of issues that affect us all.

During the 99th Congress, I was privileged to chair three hearings on the committee, two on the family and alcohol abuse and one on the very, very interesting and new difficulty that we find ourselves in, in the sexual and criminal exploitation of children.

I urge the reauthorization of this committee.

Mr. TAYLOR. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. Wolf].

Mr. WOLF. Mr. Speaker, I rise in support of legislation to reauthorize the Select Committee on Children, Youth, and Families.

The select committee is the only committee in the U.S. Congress that focuses on the role of the family. The problems that face American families today are complex and the select committee offers a forum for discussion of the difficult issues which families encounter.

As a member who has served on the select committee since its establishment in the 98th Congress, I have seen the critical role the select committee has played in understanding the importance of strong families in reducing social problems. Hearings that were conducted last year regarding family strengths and the impact of divorce on children were extremely useful in bringing public attention to these issues. While there is often disagreement regarding solutions to these problems, I believe we must continue to provide a forum for discussion and debate. Only through a continuing dialog can we hope to understand and solve the problems facing our families.

I urge my colleagues to support this legislation when it comes before the full House.

Mr. WHEAT. Mr. Speaker, for the purposes of debate only, I yield 1 minute to the gentleman from Arkansas [Mr. Anthony].

Mr. ANTHONY. Mr. Speaker, I rise in support of House Resolution 26, title II, to reestablish the Select Committee on Children, Youth, and Families. I can tell you from first hand as a member of the select committee that it has proved to be a very valuable resource and voice for the children advocacy groups around the country.

I know from experience that the interested agencies in Arkansas have had a stronger voice through which to speak out for the children in our State. The select committee provides intellectual as well as political expertise to equip these very important groups with the means to make an impact in the legislative process. In turn the organizations in my State such as the Arkansas Advocates for Children have been very helpful to me and the select committee in supplying necessary information and grassroots experience in our continued efforts to help the many struggling children in Arkansas.

As Winston Churchill once said, "There is no finer investment for any community than putting milk into babies." These are wise words, yet without the time and energy that this select committee has provided to reach out to communities, we might not be as knowledgeable or as well equipped to know where our funds can be most effective for our Nation's young.

For the good of our Nation, our families, and our children I ask this Congress to recognize the significance of the Select Committee on Children, Youth, and Families and the important role it has played in the valuable work of organizations across our country. Our children are our Nation's future and its a future they should be able to look forward to.

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. Roberts].

Mr. ROBERTS. Mr. Speaker, this is one of those resolutions that we pass every 2 years at the beginning of the session that is deemed necessary and routine and business as usual.

This resolution reconstitutes the three Select Committees on Children, Youth and Families, Hunger, and Narcotics. Now, what on Earth could be wrong with that?

In my personal opinion, I think there is nothing wrong with the intent of the select committee per se or their work or even this resolution. But, Mr. Speaker, in terms of the business of this House and what we can and need to do in behalf of children, youth, families, those suffering from malnutrition and hunger and drug abuse, I think there is a better way to go about our business.

This body did something yesterday to bolster my point. We established a select committee to investigate the Iran situation. That is what select committees are supposed to do: deal with significant and major "crest of the wave" issues better served by this process and to do it in a timely fashion.

The select committees originally were viewed to be temporary in nature, a means by which we could arrive at short-term recommendations turned over to our standing committees. But that is no longer the case. For all intent and purpose, these select committees are as permanent as the Washington Monument, and I might add with the same kind of public profile. My point is that through the good work and leadership provided by the chairman and ranking members and all of the members of these select committees we should be reporting our findings, and turning the legislative functions back to the standing committees. If we are serious about addressing hunger, family, or drug abuse issues, let us address these problems with the power of our standing legislative committees.

I do not intend to perjure anyone's intent or performance in my remarks today but I think it would be less than candid if I did not point out that after countless hearings, fact findings, more than ample press and headlines, and yes, needed public support in regard to these issues, that at some time and place these activities should culminate in legislation or recommended policy changes before a standing committee. The tail should not wag the dog, Mr. Speaker.

Let me briefly mention another prime factor—that of cost. Since the Select Committee on Children, Youth, and Families was established in 1983, it has been authorized approximately $2.6 million, the Select Committee on Hunger, $1.6 million since 1984, and the Select Committee on Narcotics, about $6.5 million since 1976. I wish to commend these chairmen and ranking members for their diligence in running a taut ship under difficult budget circumstances. For the purposes intended, these costs are not exhorbitant but I must pose the question: If these tasks could be eased under the umbrella of a full committee could we have achieved the same results for the same cost—or even less? I assure you when members of the House Administration Committee have the rare biennial privilege of discussing our standing committee budgets—with the appropriate chairmen and ranking members, the competition for budget dollars is a lot like the NFL playoffs. The question is not whether we are getting our money's worth but could we not achieve our goals at less cost under the regular committee system.

Finally, let me close by suggesting that somehow, some way, some day, we had better get to the business of addressing the problem of duplication of effort and Member's time and energy. Today, in this House, we have 13 major committees, 8 others assigned equally important tasks and an astounding total of 148 subcommittees. You know, every once in while some think-tank outfit management comes in and studies in depth how we can improve the policymaking progress. They are startled to find out that Members of Congress are supposed to be in at least two places at the same time over half of a normal day's work time.

Now, we Republicans have already proposed something called a "Bicentennial House restoration project." In that proposal there could be no more than six subcommittees under one committee, and members would be limited to no more than four subcommittees. Now, in all candor, no one should stay awake nights waiting for these and other reforms to take place but at least we should fully discuss the reconstitution of select committees.

I admit a personal bias. Since select committees have no legislative power, since I believe the cost both on money needed by the full committees and in members' time and energy is too great, and since I think these topics could be phased into standing committee jurisdiction, I favor their abolishment.

And, it was not my desire to ask for a division of these select committees for separate votes. But we should have a vote, Mr. Speaker, not on the merits of each select committee and the work done by the members but in the future upon reasonable alternatives to this process. Maybe that is euthanasis for select committees, maybe it is phasing them out, with appropriate jurisdiction by standing committees. I challenge my colleagues to see if we cannot address this needed reform.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding and I appreciate the time.

I have to say that I really believe select committees are a luxury that this House and this Nation cannot afford. Certainly there can be no doubt that the subject matter addressed by the various select committees is all important and we are all concerned about it. I share the same concerns as every other Member.

But at the same time, we must recognize that each and every one of these select committees being proposed today will duplicate the jurisdiction of other standing committees that not only will do the work, do the research, but will frame the legislation, mark up the legislation and actually bring the legislation to the floor.

Another speaker earlier in this debate said this is a legislating body. This is not a study club here. We have more than enough resources devoted to study these problems.

The problems are ample in evidence. Last night, I heard a press conference from one of the committees where the point was made that we need resources to educate people that drugs are bad for them. I submit that people who are able to get the money to buy the expensive drugs ought to be able to also have enough sense to know that drugs are bad for them.

We do not have to duplicate the information process through these kinds of committees. What we need, instead, is to husband our resources, get our standing committees that can legislate, can affect the outcome of legislation and the behavior of the Government and the people in this country, give those resources either to them or give the taxpayers of this country the relief that they deserve from bearing the cost of committees who do redundant work and do not do legislative work.

I thank the gentleman for the time.

Mr. WHEAT. Mr. Speaker, part of the reason that the drug crisis has come to the forefront of public attention now has been because of the work of the Select Committee on Narcotics Abuse and Control, ably chaired by the distinguished gentleman from New York [Mr. Rangel].

I yield 3 minutes to the gentleman from New York [Mr. Rangel].

Mr. RANGEL. Mr. Speaker, first, let me thank the House Members for the support that they have given to the Select Committee on Narcotics Abuse and Control over the years. I would like to say that we are not a legislative group, and we do not intend to be.

What we have been able to do is to work closely with the Democrats and the Republicans of the standing committee to have our hearings, to have our study missions, to make certain that we avoid duplicity, and yes, indeed, in the 99th Congress, we were able to bring the legislation that had been drafted, much of it in our committee, to the standing committees and the subcommittees for the chairmen to come together to have this omnibus bill.

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We knew when we enacted this bill that it was not the solution to the problem. We had the leadership not only of our now Speaker but of the minority leader, the gentleman from Illinois, Mr. Bob Michel, and we had hoped, when the President reached out and signed the legislation, that perhaps this was the beginning of firing at least the first volley in the war against drugs. It seems as if today the President, and if not he, the Office of Management and Budget would like the American people to know that it was only meant for 1987, because the funds are deleted at least as this relates to local and State law enforcement for 1988.

But we need the Congress to be strong. We have sent the message out to the American people and certainly to our friends and allies who are concerned about getting assistance to eradicate the opium fields and the marijuana fields, as well as the cocoa leaf fields.

We have gone to the jungles of the Amazon on our study missions, as well as the mountains of Colombia. We have gone to New York, Newark, Los Angeles, Tucson, El Paso, and San Diego. We are prepared to do the work that has to be done, not in providing the leadership legislatively but in making certain that the facts are known and the oversight is made and that we can make the standing committees and, therefore, the Congress stronger.

But if you believe that the question of education can be resolved just by the Committee on Education and Labor or that the oversight that is necessary in dealing with countries that are receiving military assistance from us has to be handled all by the Foreign Affairs Committee, if you believe even in getting the military to move more swiftly and giving its support to protect our borders, which is so necessary, and that the Armed Services Committee can do it by itself, then you do not need any select committee. But if you truly believe that this effort can be coordinated, if you truly believe that no chairman, no subcommittee chairman, no Republican, or no Democrat can say that we have attempted to step on their toes, and that what we have wanted to do is to be supportive, then you have to support your select committee, because we are only here to serve you and make some contribution to the Nation.

I would like to make the point now by saying this: That we do not have Republicans and Democrats on our committee. The gentleman from New York, Mr. BEN GILMAN, serves as a partner and a guiding member of the committee. The Members have never heard any issues raised with us on that committee, and we hope that we can transcend even the partisanship that exists in the House on this one issue. When the House passed the omnibus bill, it was a signal to the Senate, and the President of the United States joined in that.

Mr. Speaker, I think a vote for the select committee would be a vote for the Nation, and I thank the Members for their past support.

Mr. Speaker, I rise in support of House Resolution 26 to reestablish the Select Committee on Narcotics Abuse and Control in the 100th Congress.

The reconstitution of the select committee will signal the continuing commitment of the House of Representatives to developing a comprehensive legislative approach to drug abuse concerns. This commitment began in the last Congress with the enactment of the Anti-Drug Abuse Act of 1986. This great bipartisan effort under the leadership of the majority leader, JIM WRIGHT, and the minority leader, BOB MICHEL, was a clear demonstration to the American public that the Congress intends to be vigilant in the fight against drug trafficking and drug abuse.

The Anti-Drug Abuse Act is a significant congressional statement because it addresses all aspects of our Nation's drug abuse problem; international narcotics control, tougher criminal penalties against drug dealers and money launderers, significant additional resources to employ in drug interdiction, and improved drug treatment, rehabilitation, prevention and education. The involvement of most of the standing committees of this House in the development of the bill was reflective of the fact that drug abuse issues are extremely complex and cut across a wide range of public policy concerns and committee jurisdictions.

The Select Committee on Narcotics Abuse and Control is proud to have been able to play a unique role in the fashioning of the Anti-Drug Abuse Act. The select committee served as a resource to the leadership, the standing committees, and individual Members during the development of the bill and assisted the leadership in managing the bill on the House floor. During consideration of the bill in committee and on the floor the select committee provided information to the Members on a daily basis concerning the nature and extent of drug abuse in America.

The Anti-Drug Abuse Act makes a good start toward bringing drug abuse and drug trafficking under control. It is only a first step, however, in developing a comprehensive national drug abuse policy. Much more needs to be done.

The legislation was a bipartisan effort of the Congress that the President fully embraced. In that legislation, changes were negotiated to accommodate many of the administration's concerns, particularly in the area of funding. Unfortunately, the President's recent budget proposals not only do not continue the momentum begun in the last Congress, but would cut back critically needed programs authorized in the Anti-Drug Abuse Act.

For example:

The State and Local Narcotics Control Assistance Program, which provides $225 million to State and local governments for drug enforcement activities is zeroed out in fiscal year 1988. Congress has authorized this program through fiscal year 1989.

Funds for drug abuse education programs are slashed in half from $200 million in fiscal year 1987 to $100 million in fiscal year 1988. The 1988 request is $150 million below the amount authorized by Congress in the Anti-Drug Abuse Act. This program, too, is authorized through 1989.

No additional funds are requested for drug abuse treatment. The alcohol drug abuse and mental health block grant is frozen at the 1987 level—$495 million.

A total of 2,000 positions are eliminated from the Customs Service in fiscal year 1987 and fiscal year 1988, more than wiping out the gains Congress intended for the Customs Service in the drug law. The 1988 request of $86 million for the Customs Air Program—a critical link in our interdiction effort—is half of the 1987 funding level of $171 million. This jeopardizes the development of facilities to coordinate interdiction activities effectively, the deployment of radar on drug surveillance aircraft and the operation of aircraft to track marine drug smugglers.

At $98.8 million, the 1988 proposed funding level for international narcotics control efforts by the State Department's Bureau of International Narcotics Matters is $20 million below the 1987 funding provided by Congress.

When Congress enacted this legislation last year we were criticized for responding to pressure from the media in an election year. The administration's proposed cuts certainly give the appearance that the antidrug effort last year was nothing more than political fanfare. This sends the wrong signal to the American public about our seriousness to combat drug abuse and undermines our ability to encourage foreign producing nations to meet their responsibility to halt their production and traffic of illicit drugs.

Reconstitution of the Select Committee on Narcotics will send a strong signal to our constituents that the Congress will continue its commitment to an effective war on drugs. I pledge to you that our committee will work in a bipartisan way to ensure that adequate resources are made available and that drug abuse issues receive the top priority they deserve.

In 1986 we experienced more illegal drugs entering the country than ever before. Every major drug producing country produced bumber crops of illicit drugs. The levels of drug abuse among Americans are among the highest in the world; 5 to 6 million people are regular cocaine users and another 25 million Americans have tried the drug. And 25 million Americans abuse marijuana, and there are 600,000 heroin addicts. The select committee estimates that the drug industry is responsible for $130 billion in street sales annually, and to this amount can be added an additional $100 billion in health care costs, criminal justice costs, lost productivity in the workplace and other social costs.

I believe the Select Committee on Narcotics Abuse and Control can continue to provide the kind of bipartisan, comprehensive oversight and analysis that will assist the House in evaluating drug abuse problems and formulating effective policies. The select committee's unique jurisdiction and its accumulated expertise are valuable resources that will help the House maintain its leadership role in drug abuse prevention and control.

I again urge the House to approve the reconstitution of the Select Committee on Narcotics Abuse and Control for the 100th Congress, and I thank you for your continued support of our efforts.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN], the ranking minority member of the committee.

Mr. GILMAN. Mr. Speaker, as ranking minority member of the Select Committee on Narcotics Abuse and Control, I rise in strong support of the reconstitution of the Select Committee and commend our distinguished chairman, the gentleman from New York, [Mr. RANGEL], for his leadership.

The magnitude of the problems facing drug trafficking and drug abuse go far beyond our own borders and have reached epidemic proportions on a global scale. The wealth and power of the drug traffickers threatens governmental institutions around the world. Efforts by the Federal Government to halt the flood of drugs to our shores have been far from successful, and our diplomatic initiatives with drug producing nations have suffered a similar fate.

Between 1976 and 1986, the select committee has held 143 hearings, conducted numerous study missions to drug producing and trafficking nations, and met with foreign officials to promote narcotic control activities. These efforts were designed to prevent an ever-growing and dangerous situation from getting completely out of control.

By far, however, the select committee's most successful session must be considered the recently completed 99th Congress. With the strong support of the leadership of both parties in Congress, and the chairman of the various legislative committees with legislative jurisdiction over narcotics related issues, we were successful in having enacted the Anti-Drug Act of 1986. This comprehensive antidrug package attacks both the supply and demand factors in our war against drugs, and provides the necessary resources to see that the goals are accomplished. Clearly the comprehensive oversight function performed by the Select Committee on Narcotics Abuse and Control will be a key element in seeing that the law is fairly and effectively administered.

In closing, Mr. Speaker, I would only add that there is strong support for the Select Committee on Narcotics Abuse and Control not only in the Congress but throughout our Nation and among friendly nations throughout the world. Concerned citizens, the law enforcement community, and State and local governments look to the select committee for guidance and support, and they will be looking to us now more than ever before.

Mr. Speaker, I urge my colleagues to support the reconstitution of the Select Committee on Narcotics Abuse and Control.

Mr. WHEAT. Mr. Speaker, for the purposes of debate only, I yield 2 minutes to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS. Mr. Speaker, the Select Committee on Narcotics and Drug Abuse is in the forefront of America's fight against the evil of drugs—a battle that must be continued.

Drugs are the major threat to this Nation; they have invaded every aspect of our society. I'm sure that there is not a Member here whose district is not under attack by PCP, cocaine, marijuana, and crack.

In my district there are places where no one can walk the streets at night for fear of being mugged and robbed by some junkie in search of money for a quick fix. Elementary schools are invaded by pushers, leaving children so spaced out that they can't learn. Teenagers drop out of society, condemned to drug induced oblivion. The lives and minds of our youth, the future of America, are being sacrificed to drugs.

Last year, Congress enacted what may prove to be the most important legislation of the century, the Omnibus Drug Act. The major thrust of which came from the Select Committee on Narcotics Abuse and Control. This law gives America the weapons for its fight against drugs and provides us with the tools needed to reverse the slide into the black hole of addiction. The Select Committee on Narcotics played a major role in its passage, helping the House to combine the many antidrug proposals into a comprehensive and effective bill.

But this is not the final chapter in the fight. The pushers and drug kingpins have a head start. The Narcotics Committee is still urgently needed—to oversee the enforcement of the drug law, to plug any loopholes, and to point the way for future action. And the committee is particularly needed to block President Reagan's ill-conceived proposal to cut antidrug funding. His new budget cuts out entirely the $225 million appropriated for State and local drug law enforcement assistance; and cut in half the appropriated $200 million for drug education.

We have won a major battle, we need the Narcotics Committee to win the war. I urge my colleagues to support this fight for America's future and join me in voting to reauthorize the Select Committee on Narcotics Abuse and Control.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, I thank the gentleman from Missouri [Mr. Taylor] for this time.

I do not think that of all the select committees that we have voted on and will vote on today there is one single committee that is more important than the Select Committee on Narcotics Abuse and Control.

Toward the end of the 99th Congress this Congress all of a sudden discovered that there was a drug problem throughout America, and that there was a public out there that was crying for relief. The Select Committee on Narcotics Abuse and Control was very effective in bringing together many of the pieces that went into that patchwork quilt. But despite the efforts of the Congress in its last session, there is still a lot of work to be done, not only on new legislation but also in correcting the legislation we have already passed.

The Select Committee on Narcotics Abuse and Control is a hard-working committee. The trips its members take around the country to the border States and the hearings it holds here in the Nation's Capitol have been very intensive. There is much hard work involved, and I can tell the Members, having worked with this committee since I have been in the Congress, that it is a good bipartisan committee, perhaps showing the best bipartisan conduct in this House of Representatives. This is a committee that is dead serious about the objectives and the problems of drug abuse in this country today.

I think that this is going to be an extremely important vote. I would certainly guess that we would have an overwhelming vote for the reconstitution of this most important committee. We are in large part the conscience of the Federal Government, both the Congress and the administration, in the areas of funding and coming up with new ideas. Despite the work of many committees that are focusing their attention on the problem of drug abuse, still the answers are before us; we have not solved the problem. It is going to take a lot more work.

One of the earlier speakers said that we do not need another think tank or we do not need another study committee. I can assure the Members that on this issue all of us should be putting in a great deal of study and discipline to find solutions to this important and crucial problem that faces us in the United States today.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The Chair will state that the gentleman from Missouri [Mr. WHEAT] has 3 minutes remaining and the gentleman from Missouri [Mr. TAYLOR] has 8 minutes remaining.

Does the gentleman from Missouri [Mr. TAYLOR] wish to yield some additional time to balance up the debate?

Mr. TAYLOR. Mr. Speaker, may I ask, does the gentleman need more time?

Mr. WHEAT. Mr. Speaker, if the gentleman has additional time he wishes to yield to our side, we would be happy to accept it.

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. WHEAT].

The SPEAKER pro tempore. The gentleman from Missouri [Mr. WHEAT] now has 6 minutes remaining, and the gentleman from Missouri [Mr. TAYLOR] will have 5 minutes remaining.

Mr. WHEAT. Mr. Speaker, I thank the gentleman for his graciousness, and I yield 2 minutes to the gentleman from California [Mr. LEVINE].

□ 1545

Mr. LEVINE of California. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of this resolution, and to commend the work of these three select committees. The Select Committees on Hunger, Children, Youth and Families, and Narcotics Abuse have each forged important legislation in their respective areas. The work of each of these committees is unique and vital to the work of Congress.

I particularly want to speak in support of the Select Committee on Narcotics Abuse and Control on which I have had the privilege of serving during the two prior terms that I have served here in this Congress. I would like to compliment both the chairman of that committee, the distinguished gentleman from New York [Mr. RANGEL], and the ranking minority member of that committee, the distinguished gentleman from New York [Mr. GILMAN], for it is true, as many speakers have emphasized, that through the leadership of both of these distinguished leaders, this committee has served an absolutely unique role on a completely bipartisan basis.

This is a committee which has helped to pull together the work of so many other entities in the U.S. Congress on a subject which is of extraordinary importance to the American people. Last year, I do not think there is a person in this House who does not feel that we all owe an incredible debt of gratitude to the leadership of that committee, again on a bipartisan basis, for being able to help organize a very significant and a very important piece of legislation that is now the law of this land.

Despite the fact that very significant strides were made in the last Congress, an enormous amount of work remains to be done in the area of trying to do all that we can to reverse the terrible trend, the terrible slide of this country into so much dependence and addiction upon dangerous and frightening drugs.

Through the work of this committee, we have the ability to continue to do the types of things we need to do in education, in interdiction, in enforcement, in all of the areas that need to be pursued with regard to the horrendous abuse of narcotics that continues to plague our Nation.

As others have said, this is not a partisan issue, and it is not an issue which admits to being pigeon-holed into a particular legislative framework. It is for those reasons that this committee has been able to do the type of superb work that it has.

I believe that if we can continue to rely on the leadership of our chairman, our minority leader of the committee, and the Members who, on a bipartisan basis, have committed themselves so strongly to the work of this committee, that we will continue in the future Congresses, particularly the 100th Congress, to build upon the work of the committee in past Congresses.

With regard to the Select Committee on Hunger, no one can argue that severe hunger does not exist both here and abroad. Malnutrition and all its side effects still plague one-quarter of the young children in developing nations. And as wealthy as this Nation is, the physicians' task force on hunger reports that there is starvation even here. Just today, the Washington Post reported that the number of homeless families in the District of Columbia increased 500 percent in the last year alone. I wish this select committee was not necessary, but clearly it is.

This administration's record on eradicating hunger has been a national embarrassment. It has ranged from then-Presidential Counselor Edwin Meese's dismissal of reports of increased hunger as "anecdotal stuff" to efforts to decimate funding for programs to aid the hungry and homeless members of our society.

The Select Committee on Hunger plays a crucial role in coordinating congressional efforts to fight hunger. Eight House committees and numerous subcommittees have jurisdiction over hunger-related issues. The select committee focuses on hunger, providing a comprehensive and coordinated bipartisan forum for Congress to address this problem. This forum enables members of the various standing committees which have jurisdiction over hunger-related issues to establish a more effective and integrated approach to ending world hunger.

Since its inception, the Select Committee has investigated domestic hunger issues such as commodity surpluses, domestic food programs, State sales taxes on food stamp and WIC purchases, and procedures governing Food Stamp Program participation. The Select Committee has also addressed such international concerns as emergency food assistance to Africa, food shipments to Ethiopia, and agricultural technologies in sub-Saharan Africa.

Additionally the Select Committee is mandated to consider world food security, trade relations with undeveloped countries, policies of multilateral development banks and international development institutions, and corporation and agribusiness efforts in international development.

The Select Committee on Hunger has been given an exhaustive mandate—addressing the problems of hunger, malnutrition, and starvation throughout the world. It is highly appropriate that Congress has one committee dedicated exclusively to this issue. I commend my colleagues on the select committee for their efforts to date. This committee already has an impressive record of accomplishment. And I urge my colleagues here today to join in continuing the fight against hunger by voting to reauthorize the Select Committee on Hunger.

Mr. TAYLOR. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. COUGHLIN].

Mr. COUGHLIN. I thank the gentleman for yielding me this time.

Mr. Speaker, today I would like to urge my colleagues to support the resolution to reconstitute the Select Committee on Narcotics Abuse and Control for the 100th Congress. As a member of this committee for the past 8 years, I have long been concerned with the dangers that drug abuse and narcotics trafficking pose to individuals and to society as a whole. Over the last several years this country has grown increasingly aware of the prevalence of drugs in our society, where families are suffering and users are losing their lives.

In the closing days of the 99th Congress, the Anti-Drug Abuse Act of 1986 was enacted, given the tireless efforts of many Members and staff, many of whom are members of the select committee. The overwhelming support for this legislative effort was indeed proof that Congress recognizes that drug abuse and narcotics trafficking must be brought under control. The select committee plays a vital role in following up the anti-drug abuse legislation to see that the intentions of Congress are carried out.

The purpose of any select committee is to confront a problematic issue whose effects cover such a broad scope that a vehicle for oversight and immediate attention is necessary. The drug abuse crisis that we are fighting in this country is momentous. Our concerns range from narcotics interdiction to education and could not possibly be efficiently addressed if each of the standing committees were expected to wrestle with the drug abuse issues that fall within their individual jurisdiction. Drug abuse in our society is a crisis that demands our focused concentration, and we need this select committee to provide that focus.

The committee's research efforts, resource material, and hearings have provided valuable and necessary information to the Members of this body of Congress striving to keep informed about important facts concerning the international narcotics scene, as well as the devastating crack cocaine epidemic in this country.

This Nation has just begun the serious war against drug abuse, and the Select Committee on Narcotics Abuse and Control is needed more than ever. Its presence couldn't be more timely and appropriate.

Mr. WHEAT. Mr. Speaker, I yield 2 minutes to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise to convey my strong support to reestablish the Select Committee on Narcotics Abuse and Control, ably led by Chairman CHARLES RANGEL and the ranking minority member, BENJAMIN GILMAN.

During the 99th Congress, the Members of Congress heeded the cries of help voiced by our Nation and passed the Anti-Drug Abuse Act of 1986. A multifaceted program emerged with the coordinated leadership of the House and Senate and President Reagan.

Questions may then arise as to why the Select Committee on Narcotics Abuse and Control is needed since a comprehensive drug bill had been passed. The answer is that the drug bill is only the beginning. Yes, the Anti-Drug Abuse Act fights our Nation's drug problem at all levels—through education, prevention, and enforcement. But it is not the panacea for this disease.

Further, I am disheartened to discover that the President is now attempting to nullify our attempts to fight this drug war. In his budget summary, the following is stated: "Improvement of the Federal drug law enforcement program has been one of the administration's top domestic priorities." Yet, the 1988 request is $½ billion lower than the enacted 1987 level of $3 billion. The President's budget cuts, freezes, or eliminates these programs.

I am forced to believe that the President's rhetoric on the importance of addressing our drug problem is simply that—rhetoric. One brings to mind that old cliche—"Actions speak louder than words."

The select committee has indeed accomplished a great deal in the areas of prevention and substance control; but it must continue its oversight activities and to monitor drug abuse prevention and control strategies of the administration. The select committee provides the proper forum in which these very strategies can be weighed in their effectiveness in addressing the drug escalation, as well as making the necessary recommendations to the respective committees for suitable legislation.

Passage of adequate funding in the Anti-Drug Abuse Act of 1986 was only the beginning in fighting this drug problem. I ask my colleagues to join me in ensuring that we continue this fight by reestablishing the Select Committee on Narcotics Abuse and Control today.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire [Mr. GREGG].

Mr. GREGG. I thank the gentleman for yielding me this time.

Mr. Speaker, I wish to rise in general opposition of this procedure of adding and continuing these select committees. This House already is overburdened with work and it is inappropriate of us to flay ourselves once again by adding to our additional workload these committees.

I would take for simple example here the Children and Youth Committee and its history in this House. When it was originated, it was only going to last for 4 years. Well, we have gone 4 years and it is still here. When it was originated, it was only going to cost us $500,000. Well, now it costs us $655,000.

There are at least 12 committees in this House that have jurisdiction over children and youth. There are something like 26 subcommittees that have jurisdiction over children and youth and they are not about to give up any of the jurisdiction to this select committee. Therefore, this select committee becomes completely redundant.

If we really want to do something for our children, if we really want to improve their future, what we could do is address the deficit so that they do not have to pay the debts that we are running up here in this House. One minor way to address that deficit would be to defeat these resolutions and thus save some money.

Mr. TAYLOR. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

GENERAL LEAVE

Mr. TAYLOR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BIAGGI. Mr. Speaker, I rise in full support of the pending resolution to reconstitute the Select Committees on Children, Youth, and Families, Narcotics, and Hunger. As I supported each of their creations, I maintain that their continued existence is as important as ever if we are to address the many concerns and issues under their jurisdiction.

I happen to be fortunate to be an original member of another select committee, the permanent Select Committee on Aging. Over our 12-year history, this committee has been a constant advocate for the concerns and needs of our Nation's rapidly aging population. We have operated as an internal lobby for seniors and our efforts have produced substantive if no landmark legislation in their behalf.

I wish to pay a special tribute to the work of the Select Committee on Narcotics. During their first years, I had the honor of being a member of this select committee. There is no indisputable fact about the omnibus drug bill enacted by the 99th Congress. Its passage was aided tremendously by the work of the select committee. Through their hearings, their investigations and their reports, they so invaluably assisted all the standing committees who later wrote this legislation.

The select committee under the extraordinary leadership of Chairman CHARLES RANGEL helped to lead the national crusade against drug abuse. Not only did the committee make a singularly important contribution to the drug bill, they have raised the consciousness of an entire nation against the problem of drug abuse.

If the House were to do anything but reestablish the select committee, we would be sending a signal that our commitment to the drug abuse prevention problem will not be as strong in the 100th Congress as it was in the 99th. There is much work left to do with respect to the fight against drugs. The select committee has already begun in a proper fashion by spotlighting the impact of the cuts proposed in drug enforcement and education in the administration's fiscal year 1988 budget.

I urge that we reconstitute the Select Committee on Narcotics. Its mission is a critically important one and the commitment of its members to the issues is outstanding. Every Member in the House has been provided with important studies, reports, and other vital information by the committee during the past 2 years. They will continue to be an important resource and a valuable symbol of this body's commitment to drug abuse prevention. Therefore I urge adoption of the resolution.

Mr. SIKORSKI. Mr. Speaker, when the first settlers came to America, they came to escape oppressive laws in their native countries. For them, the freedom to govern their lives and control their destinies was paramount. Our 200-year-old Constitution reinforces these freedoms, and guarantees basic rights for everyone—including children.

There used to be 6- and 7-year-olds working 12-hour days in sweat shops. There used to be no laws at all against child abuse, because children were considered property. Now there are dozens of child advocacy organizations across the country and an increased awareness that protecting our children is protecting our future.

One of the reasons for our current heightened awareness is the Select Committee on Children, Youth, and Families. Since we began it in 1983, we have held almost 50 hearings on such topics as teen pregnancy, children in poverty, child care liability insurance, child sexual abuse, strengthening the family, and the implications for families of work in America. The select committee has conducted 14 site visits, and issued 12 comprehensive reports. These reports have proven to be invaluable resource tools for Members of Congress and their staffs, child advocacy organizations, Federal and State lawmakers, program managers, academics, and parents and families. The quality of the research is always high, and the suggested solutions are so fair and thoughtful they invariably receive wide acceptance.

Many of the studies have been groundbreaking, but perhaps the most widely quoted was "Opportunities for Success: Cost Effective Programs for Children." This study proved the wisdom of preventative care better than anything published before or since.

I look forward to working with the select committee again in the 100th Congress. As a father, I know my daughter depends on me. As citizens of this great country I believe the future of all our children depends on us. We must be children's advocates, stand up for the right priorities, and see that as few young people as possible are scarred by poverty and neglect. We must help children be heard, and when necessary, speak for them.

The Select Committee on Children, Youth, and Families is the best voice in Congress for the needs of children. I strongly urge my colleagues to support its reauthorization, and to work with us to develop and implement a true children and family agenda in the 100th Congress.

Mr. EVANS. Mr. Speaker, I have proudly served as a member of the Select Committee on Children, Youth, and Families throughout the 99th Congress. Today, I am pleased to rise in support of the reauthorization of the select committee and speak to the crucial contributions this committee has made to public policy affecting children and families. I additionally want to express my appreciation to Chairman GEORGE MILLER for his commitment to issues related to the family.

The Select Committee on Children, Youth, and Families exists to provide a strong and effective voice for the children and families of America on public policy matters—particularly for those children and families who are poor, minority, and handicapped, and without a voice when it comes to their input into public policy. Our goal is to inform the House of Representatives about the needs of children and families and to encourage a preventive investment in our public policy and legislative agenda.

The select committee gathers data and disseminates information on key issues affecting America's families. They monitor the development and implementation of Federal and State policies, and additionally, through hearings solicit the involvement of thousands of citizens and professionals on issues concerning children and families. The Select Committee on Children, Youth, and Families also acts as a guide to responsible policy options for meeting those needs.

I was particularly pleased to have hosted a select committee hearing in my district in Galesburg, IL, this past Congress which addressed the effects of chronic unemployment on children and families. For the first time for many, local citizens of the 17th Congressional District in Illinois had direct access to the policymakers on Capitol Hill. And most importantly had the opportunity to present firsthand accounts of the devastating effect unemployment has upon our children and families. I am certain that the data gathered in that hearing, and along with the more than 50 other hearings held by the select committee, clearly will prove to be a major contribution to the development of public policy for America's families. Today, I strongly urge your support for the resolution to reauthorize the Select Committee on Children, Youth, and Families.

Mr. RODINO. Mr. Speaker, I rise in strong support of House Resolution 26, which will reestablish three select House committees for the 100th Congress: the Select Committee on Children, Youth, and Families; the Select Committee on Hunger; and the Select Committee on Narcotics Abuse and Control.

These select committees deal with problems of major concern to our Nation and I believe they provide valuable resources in our efforts to find solutions. Unfortunately, it is clear that the plight of our young people, and of the hungry at home and abroad, and the scourge of drug addiction, are not going to be resolved in the near future. It is essential to assure continuance of the work of these committees.

The Select Committee on Children, Youth, and Families has studied a wide range of issues, from child care to teen pregnancy to children in poverty and drug-addicted infants. Much more needs to be done, as evidenced by a recent report by the American Public Welfare Association that found 1 child in 4 is born into poverty in this country today. The family structure in America has drastically changed and is continuing to move away from the traditional pattern of two-parent families. Our children are the citizens and leaders of the future, and we must do everything possible to help them develop the strength and self-sufficiency to meet the challenges ahead.

The Select Committee on Hunger is charged with investigating both domestic and international hunger and malnutrition. It has provided critical information and analysis to us in seeking to meet this most basic need. In particular, I would cite the outstanding work the Select Committee on Hunger has done in reporting and advising us since 1984 on the ongoing famine crisis in Ethiopia and Sub-Saharan Africa. Their work aided us in developing the emergency food assistance legislation to help alleviate the tragedy in Africa.

The Select Committee on Hunger has also provided us with a report with recommendations for action against hunger, international and domestic, in the 100th Congress. We are not surprised to learn that hunger affects hundreds of millions of people in the world, but it is shocking to realize that 33.1 million Americans live in poverty and are vulnerable to hunger and malnutrition. The work of this select committee is vital in our ongoing efforts to eradicate hunger.

I wish to express my strong support for the creation of the Select Committee on Narcotics Abuse and Control. I believe that this committee is essential in that it will help to continue to focus congressional and public concern and attention on this serious national problem.

With the enactment last year of the omnibus drug control legislation, Congress attempted to address in a comprehensive fashion, all aspects of the problem. This committee is also essential so that extensive oversight can be conducted with regard to the implementation of this important legislation.

I must say that I am particularly disturbed that the funding levels for drug law enforcement, education, and treatment authorized in this legislation have been ignored to a great extent by the administration in submitting its budget proposal last week. The total disregard of the funding compromises contained in that legislation is a clear demonstration how urgently we need a Select Committee on Narcotics Abuse and Control.

Mr. Speaker, in my judgment, the failure to reconstitute the Select Committee on Narcotics would send a clear signal to the American people that the problem of drug abuse was solved by the passage of the drug legislation last year.

I certainly agree that it will go a long way in addressing the problem, but the task is not over. In fact, I was the author of a provision in the drug legislation calling for a White House conference on drug abuse. This conference, I understand, will be held this summer.

It is my hope that the select committee's diligent oversight activities, coupled with the White House conference, will enable us to give this menacing problem the high priority it deserves.

I am proud to have served on the Select Committee on Narcotics since its creation and I want to especially commend the gentleman from New York [Mr. RANGEL] for the excellent record of accomplishments by the select committee under his distinguished leadership over the years.

I urge my colleagues' wholehearted support for House Resolution 26.

Mr. FAUNTROY. Mr. Speaker, I rise in support of House Resolution 26, a bill which reconstitutes three of our most needed, most active and most relevant select committees. These three select committees are: the Select Committee on Hunger, the Select Committee on Children, Youth, and Families, and the Select Committee on Narcotics Abuse and Control.

While I strongly urge reconstitution of all three select committees included in this legislation, it is the Select Committee on Narcotics Abuse and Control which I have a personal and longstanding relationship with as a Member. For over 10 years the Select Committee on Narcotics has addressed critical needs in the areas of drug abuse by coordinating and concentrating oversight and directing congressional attention to problems and legislative solutions. The work of this committee has been one of the most useful and relevant in the recent history of the Congress. With the scourge of drug addiction sweeping through every segment of our society, it has been the dedicated and often brilliant work of the committee that has pushed other agencies and branches of the Federal and local governments to perform with superlative concentration.

The work of the Select Committee on Narcotics will be especially urgent in its role as a truly bipartisan force to speak with one voice on the subject of the narcotics crisis.

As we review its achievements in the past 2 years, and look at the grim tasks ahead, it is clear that we must move swiftly and decisively to reconstitute this important committee.

The work of the Select Committee on Narcotics Abuse and Control is the best instrument we have to persuade the President, in dealing with the budget for fiscal year 1988, to return to his former support for adequate funding of the three major areas of narcotics abuse: prevention through education, treatment, and enforcement.

I urge your affirmative vote on House Resolution 26.

Mr. LOTT. Mr. Speaker, the time has come to just say no to recreating House select committees in perpetuity.

It's a little ironic and embarrassing that in this year of our Constitution's bicentennial, this House seems to be increasingly incapable of fulfilling its constitutional responsibilities. Wouldn't it be wonderful in this historic year if we tried to make this House work once again the way the Framers intended?

If we want to get down to the root cause of our paralysis, we must first clear away the underbrush and briars that have so entangled and immobilized this House. I'm talking about our spawling subcommittees and select committees that are sapping and ensnarling our standing committees to the point of impotence and inertia.

Woodrow Wilson was so right when he wrote that, "The House in committee is the House at work." And yet, our energies are so dissipated with all these subcommittees and select committees, that our standing committees are finding it increasingly difficult to do the real work of the House.

Mr. Speaker, I am not opposed to all select committees as a matter of principle. I've voted for some that I thought necessary, including one just yesterday. But I am opposed to the notion that these select committees have an inalienable right to eternal life. That is just plain contrary to what select committees are supposed to be all about which is the short term and temporary mandate to study a problem and report back to the House its findings and recommendations.

In 1977, the Rules Committee became so fed up with the proliferation of select committees and the demand to create new ones that our Subcommittee on Rules and Organization, chaired by our late and beloved colleague from Louisiana, Gillis Long, issued a report entitled, "Guidelines for the Establishment of Select Committees."

In that report our committee observed that:

> Special circumstances sometimes justify the creation of select committees * * * (but) the proliferation of such committees adds to the spiralling congressional costs, exacerbates already serious space problems, imposes additional committee burdens on members, and may interfere with the effectiveness of the standing committee system.

The purpose of those Rules Committee guidelines was to deny requests for subcommittees in all but the most special of circumstances, and then, only for very limited periods. And yet, while we still circulate those guidelines, I fear we have gone lax in enforcing them. Two of the select committees before us today have been in existence for over two Congresses now, and the third for more than five Congresses. There is no valid reason, Mr. Speaker, for a select committee to be in existence for more than one or two Congresses. It should do its job, issue its report, turn over its recommendations to the legislative committee of jurisdiction, and close down its office.

I say none of this in criticism of the work or membership of the three select committees we are asked to renew today. They have done a fine job, and their members are diligent and dedicated. But I think the time has come for these select committees to declare victory and for their members to withdraw to their standards committees to do the legislative business of this House. Let's get back to basics and standup for our standing committees.

Mr. Speaker, I opened my remarks with a reference to our constitutional bicentennial, and I think it is appropriate to close with one. The Father or our Constitution, James Madison, once said:

> There could be only two reasons for referring on any occasion to a select committee; either where there was an absolute want of time for the House to digest the subject themselves, or when any particular papers or documents were to be examined.

Yesterday witnessed was one such important occasion with respect to the Iran investigation; but even then we set a 10-month deadline. This resolution is not such an occasion. Let's terminate the seemingly interminable.

Mr. JEFFORDS. Mr. Speaker, I rise in support of the resolution now before us to reauthorize the Select Committee on Hunger during the 100th Congress. Since its creation in April of 1984, this select committee has been a valuable resource in working to find solutions to the complex problems of hunger in our country and around the world.

As a member of the House Agriculture and Education and Labor Committees, I have the privilege of working on our major domestic hunger-fighting programs. In the 99th Congress we passed major reauthorizations for both the Food Stamp and Child Nutrition Programs. While working on this legislation, I found information compiled by the Hunger Committee to the particularly helpful. In the last session members of the committee did work in a wide range of areas including improving the access of the elderly to food assistance programs, effectively use our food surplus, and various studies on international hunger problems. Their hearings and investigations zeroed in on areas with the greatest need and dovetailed nicely with the work of the authorizing committees.

I believe that reauthorization of the Hunger Committee is an important first step to help insure that our limited Federal resources continue to be channeled effectively in the 100th Congress.

In the 99th Congress we made some real strides in working to fight hunger. I wish that I could stand here and say that these measures were sufficient to bring the scourge of hunger under control and that a Select Committee on Hunger was no longer necessary.

Unfortunately, this is not the case. There is still a long way to go in the fight against hunger.

I urge you to join me in voting yes on this important resolution.

Mr. BIAGGI. Mr. Speaker, I rise today in support of the reauthorization of the Select Committee on Hunger. The committee has greatly assisted our efforts to alleviate both world and domestic hunger, one of the most pressing problems facing our society today.

Clearly, the need for this committee has not diminished. Although we are not reminded daily of the tragic drought and starvation plagued countries in Africa, the severe problems still exist in those countries. In addition, the tragic problem of hunger here at home is a growing reality. While conditions here are certainly not as grave as those in Africa, malnutrition and hunger is becoming increasingly widespread in our Nation, especially among children and minorities. In fact, it is estimated that as many as one-fourth of our Nation's children suffer from malnutrition. This tragedy must not be allowed to continue.

The Select Committee on Hunger has undertaken many activities designed to protect the health of our citizens, and those abroad. The committee was established in 1984 and represents a firm commitment on the part of this body to address the growing problem of hunger. Since its establishment, the committee has operated under the accomplished leadership of my colleague from Texas, MICKEY LELAND. He has conducted almost 30 hearings on this issue and served as a guiding force in efforts to increase public awareness about the problem of hunger, especially with respect to those it affects in our own country.

I recently received a copy of the report issued by the Select Committee on Hunger highlighting its accomplishments during the 99th session of Congress. The list was most impressive. Immunization programs and food assistance programs were at the focus of their activities. In addition, I believe the committee has undertaken a dramatic and important step in studying the correlation in this country between poverty, literacy, and hunger. I commend them for this activity and look forward to working with the committee in the future to address this critical problem.

The committee has, and will continue to make, important contributions in our efforts to devise and implement an effective strategy to combat the problems of world and domestic hunger. Thus far, the committee has proven invaluable to these efforts. Yet its work is not done. We must continue to reauthorize this select committee, and strive to more effectively address the problems of hunger and malnutrition. I urge my colleagues to support reauthorization of the Select Committee on Hunger.

Mr. CONTE. Mr. Speaker, I rise in support of House Resolution 26, specifically that part which reauthorizes the Select Committee on Hunger. World hunger can be considered nothing less than an international crisis, and, as such, it is one of the most important problems we face today. The Hunger Project's 1985 publication entitled "Ending Hunger" reports that over 35,000 human beings die from hunger every day, with three-quarters of that staggering figure representing the deaths of children under the age of 5. This means that between 13 and 18 million lives are lost to hunger each year, and futhermore, there exist over 1 billion people who must remain in a chronic state of hunger and malnutrition. These are numbers we cannot ignore, and it is for this reason that it becomes imperative to preserve the Select Committee on Hunger in order to continue studies and the subsequent development of effective approaches aimed at the elimination of hunger on an international level.

The problem of world hunger is not unsolvable. Hunger related deaths, although still at intolerable levels, have dropped by nearly 7 million annually since the late 1970's. This encouraging change can be attributed in part to the increased efforts put forth by Congress as well as by numerous private organizations. For instance, in 1985, I personally had the pleasure of working with the Select Committee on Hunger in spearheading the drive for passage of the Africa supplemental bill which provided $800 million for famine and disaster relief. I recently received a letter from Catholic Relief Services which succinctly summarized the crucial role played by the Committee:

> During 1984 and 1985, this bipartisan body was of key importance in creating an understanding of the tragedy that threatened in Africa and in helping to guide the generous American response.

This statement demonstrates the progress and success which have come with the committee's assistance, and moreover, the importance that actual field groups such as Catholic Relief Services have come to attribute to the unique role it performs.

Unfortunately, despite the improvements that have been made, hunger is still a critical problem in many parts of the world, including our own country. In having made this acknowledgment, it would be a crime not to continue our efforts to alleviate this unnecessary suffering. The Select Committee on Hunger has proven to be invaluable as it is devoted solely to the investigation of world hunger, the promotion of combative measures within House committees, and heightening general awareness on this crucial issue. In addition to the African supplemental bill, the committee has numerous other major accomplishments to its credit. These include support on issues ranging from enhanced primary health care in developing countries, worldwide child immunization, school feeding programs in developing countries, technological assistance to expand food production for family consumption, and inexpensive vitamin A deficiency intervention programs which alone could prevent several hundred thousand children from incurring blindness or fatal complications.

In upholding our moral and humanitarian responsibilities as public servants, we cannot allow this tragedy to continue. Hunger can be ended through the collective efforts and resources of those willing to make a dedicated commitment. It is for this reason that I believe we must reauthorize the Select Committee on Hunger to ensure that work being done to alleviate this problem is continued. As a proud cosponsor of the legislation reauthorizing the select committee, I urge my colleagues to join me and rise in support of House Resolution 26.

Mr. LEHMAN of Florida. Mr. Speaker, I am very pleased to join in strong support of House Resolution 26 to reconstitute the Select Committee on Children, Youth and Families.

During the nearly 4 years of work of the select committee, I have been privileged to serve as chairman of its Task Force on Prevention Strategies. The work of the committee and my task force has shown many times over the value and cost effectiveness of prevention. It also has shown how far we still must go in preventing and lessening the problems that confront today's children and their families.

The hearings, site visits and special studies of the select committee have documented serious and costly problems faced by millions of American children and their families for the members of the committee, the Congress, and the public. Researchers, program operators, policymakers and families themselves have informed the select committee, helping us to focus attention on many critical concerns. Among them:

Health care and nutrition for poor pregnant women, infants, and children;

Safe and affordable child care for infants, toddlers, and school-aged children for the large numbers of parents who do work or could work if they had adequate child care; and

Prevention of adolescent pregnancy and assistance to young parents to reduce risk of failure and enhance chances of success for them and their children.

I mention only a few, but they well illustrate the serious problems that continue affecting far too many of our Nation's children and families.

By documenting changing conditions and how they have affected families, as well as successful interventions, the work of the select committee has helped to inform our discussions about policies that will better enable families to thrive.

In the last Congress, for example, we saw debate and passage of measures to improve child health, to reauthorize the basic child nutrition assistance programs, to provide child care services to needy families, and to reduce childhood injuries.

The special forum of the Select Committee on Children, Youth and Families, I believe, has helped us to gain a more indepth understanding of these and other critical issues facing families. I urge my colleagues to join me in support of reauthorization so that the select committee can continue its important work as a resource for us all.

Mr. FRENZEL. Mr. Speaker, ideally the reconstitution of these select committees would be coming up as separate resolutions because it's important and proper that we consider them individually. But anyone who has been here for a few years knows what I'm going to say about all three.

These committees are a waste of the taxpayers' moneys.

The staffs do good investigative work and the committees all have noble goals: to examine ways to rid the world of hunger, or to cure the family and drug crises in America.

But these committees have no legislative authority. None at all. The people back home may not understand this: They may understand that these select committees, and all select committees, are shooting blanks. They may not understand that although we authorized $1,818,194 for these three committees in 1986, they have no power to pass legislation. They can and do advise standing committees so that those committees can in turn pass legislation, but, on their own, select committees have no power.

We don't need any more nonfunctional committees. We have too many jurisdictional battles as it is. The jurisdiction involved here should be handled by standing committees.

In my judgment, it is time to disband these committees. That's hard to say out loud. It sounds unsympathetic, antichildren, or prodrug abuse. And, of course, none of us takes that position. We all want these ills cured. But another ill we need to deal with is an overgrown committee system which needs trimming a bloated staff, and reckless expense of the taxpayers' money.

Since 1983, when the Select Committee on Children, Youth and Families was established, we have authorized $6,763,440 for these three committees. Collectively, they are one of our real growth industries. That is too much money when we have nothing to show for it but press releases, newsletters, a lot of travel miles logged, and a pile of unread committee reports.

It makes particularly good sense to disband these committees this year in light of the fact that we have had to establish a new select committee to study the Iran affair. Granted, this promises to be a short lived committee, but it will be a monster money eater. And of course, all select committees promised to be short lived, and never were.

We have a chance today to trim the fat. We don't need these selects. The work can be done by our standing committees. In some instances, the work is already being done by our standing committees. Eliminating these select committees would eliminate some of the turf wars being waged amongst the committees. My appeal is not to abandon work on hunger, drug abuse and for families. I'm suggesting we be more wise in the ways we use our resources to attack the problems we all want to solve. Today we have the chance to use resources well, attack the problem, and save money by voting against the resolution. I shall vote "no."

Mr. ACKERMAN. Mr. Speaker, I rise today in strong support of House Resolution 26, which would reauthorize the Select Committee on Hunger for the 100th Congress.

While no one knows precisely how many Americans are hungry or malnourished, institutions involved in providing emergency food assistance have seen significant increases in the numbers of people seeking food assistance during the past few years, as well as a change in the profile of Americans seeking food assistance. Where emergency food centers have traditionally served the hard core poor and people hit by emergencies, they are now serving families who until recently were making it financially. Despite the growing need for food aid, the funding levels of various Federal domestic food assistance programs has essentially stabilized since President Reagan took office.

Since its creation in 1984, the Select Committee on Hunger has been successful in working with the standing committees of jurisdiction in the 99th Congress to secure funding for a wide array of emergency food assistance programs, expand accessibility to enhanced health care services and increase the impact of food aid programs on overall development efforts around the world. The committee's leadership in identifying and responding to the complex problems of hunger has heightened public awareness of hunger issues and set an example for private sector initiatives in both domestic and international arenas.

Much work remains to be done to improve the quality of life for all people in less developed countries and in the United States. The long-term costs are too great, should we fail to take prudent action now to address the complex causes of hunger. I urge my colleagues to join me in supporting reauthorization of the Select Committee on Hunger.

Mr. BIAGGI. Mr. Speaker, I rise today in strong support for the reauthorization of the Select Committee on Children, Youth and Families. The committee was first established in 1983 and has operated under the skilled and respected leadership of our esteemed colleague from California, GEORGE MILLER.

Since its establishment, the committee has held more than 50 hearings and issued over a dozen reports containing recommendations in such areas as child abuse, day care, infant mortality, family health care, and the need for Medicaid expansion. The concern and interest displayed by the committee in assisting the truly needy of this Nation is highly commendable. I, personally, have been active in many of the activities conducted by the committee and urge all of my colleagues to do the same during this session.

Briefly, I would like to highlight just a few of the many worthwhile accomplishments of the Select Committee on Children, Youth and Families. Last Congress, Mr. MILLER authored the Child Care Opportunities for Families Act, which I was proud to join as a cosponsor. Included in this legislation were many important provisions detailing ways to improve child care and day care services in this country, especially among the poor and needy. One such provision provided day care for needy postsecondary students, which I worked to include in the Higher Education Act reauthorization. This provision was indeed included in this law and will provide, for the first time, day care services so essential for those students who face such obstacles in obtaining a postsecondary degree and improving their position in the work force.

I also want to thank the committee for the excellent information they have provided to Congress on the tragic subject of child abuse, an issue that has long been of deep personal interest and concern to me. The committee has enlightened both the Congress and the public with respect to the personal and social costs of child abuse and neglect and has played a major role in strengthening our commitment to treat this abhorrent problem and prevent it from spreading deeper into the realm of society. I look forward to working with the committee in this Congress during the reauthorization of our child abuse laws.

And finally, I would like to commend the committee for its work in the area of infant mortality and family health care. Their dedication to these vital issues helped result in the passage of a law to assist our Nation's handicapped infants and children receive the early intervention services critical to their future.

I firmly believe the need for this committee has not diminished. The committee has, and can continue to make an important contribution in the struggle against some of the most pressing social problems facing our Nation today. I urge all of my colleagues to join me today in supporting the reauthorization of the Select Committee on Children, Youth and Families. The committee, in such a short time, has proven to be a moving and much needed force in improving the plight of our Nation's citizens, especially those in need. Its effectiveness must not be overlooked.

Mr. MOODY. Mr. Speaker, I rise in strong support of House Resolution 26, to reauthorize the Select Committee on Hunger for the 100th Congress. At this time, I would also like to commend Mr. LELAND for his outstanding leadership as chairman of the select committee.

Some may question the need for this committee in an era of huge deficits. I understand this concern but I believe that providing relief from hunger is of overriding importance.

The Select Committee on Hunger was formed by the Congress in 1984 to identify the basic causes of domestic and international hunger and malnutrition, assess past and present national programs and policies that affect hunger and malnutrition, review existing studies and research on hunger, help our standing committees to create a coherent national food and hunger policy, and focus public attention on food and hunger issues. The select committee provides for a comprehensive and integrated study of this devastating problem. A select committee is the best forum for such a congressional focus, and I believe the committee's record to date justifies its continuation.

I urge my colleagues to support House Resolution 26 to reauthorize the Select Committee on Hunger so that we can continue to fight hunger and alleviate this tragic human catastrophe and utilize all available resources and technologies in its eradication.

Mrs. COLLINS. Mr. Speaker, I rise in support of reauthorization for the Select Committee on Hunger. The Hunger Committee accomplished some important things in the 99th Congress, but their work is not complete.

It is appalling that in this technological age, people still go hungry. Yet, the problem is actually growing. It is not only growing in the poor nations of the world, but also in the towns and cities of America.

The streets of every city contain homeless people searching through garbage to find enough food to stay alive. These people are no longer just the hobos of the past. Today, whole families, with children, are homeless and hungry. And many of those children in poverty still fortunate enough to have a roof over their heads, don't get enough to eat; their minds and bodies weakened by a lack of nutrition.

Hunger can be tolerated no longer. We have eradicated smallpox and other disease, hunger must follow. The Select Committee on Hunger is needed in the vanguard of this fight.

The committee has chalked up some impressive achievements on both the international and domestic fronts. In the foreign arena, they are divising methods by which the cycle of hunger can be permanently broken. Domestically, the select committee is working to safeguard the nutrition of all Americans.

Mr. Speaker, let's stop the human waste of malnutrition. We have the means to end hunger in our lifetime, but we need the Hunger Committee to do it. Join me, vote to reauthorize the Select Committee on Hunger.

Mr. WHEAT. Mr. Speaker, in closing, I urge my colleagues to adopt this resolution. Establishment of these three important select committees will be a crucial step toward guaranteeing that the 100th Congress will be productive in moving toward the development of solutions to some of our Nation's and our world's most profound problems.

Mr. Speaker, I have no further requests for time and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The Chair announces that the question will be divided. The first vote will occur on title I.

The Clerk read the title of title I.

The SPEAKER pro tempore. The question is on title I of the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WALKER. Mr. Speaker, are the next two votes to be 5-minute votes?

The SPEAKER pro tempore. The Chair will respond that should there be recorded votes ordered, the gentleman is correct; the next two votes will be 5-minute votes.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 312, nays 89, not voting 31, as follows:

[Roll No. 9]

YEAS—312

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Bevill
Biaggi
Bilbray
Bliley
Boehlert
Boggs
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Broomfield
Brown (CA)
Bruce
Buechner
Bustamante

Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Clarke
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Daniel
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
DioGuardi
Dixon
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart
Edwards (CA)
Emerson
English
Erdreich
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Holloway
Horton
Howard
Hoyer
Huckaby
Hughes
Hunter
Hutto
Ireland
Jacobs
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Konnyu
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McKinney
McMillan (NC)
McMillen (MD)
Mfume
Mica
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Obey
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Pickett
Porter
Price (IL)
Price (NC)
Pursell
Rahall
Rangel
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roemer
Rogers
Rostenkowski
Roth
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert (OR)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—89

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Bilirakis
Boulter
Brown (CO)
Bunning
Burton (IN)
Callahan
Cheney
Coble
Combest
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
Dickinson
Donnelly
Dreier
Early
Edwards (OK)
Fields
Frenzel
Gekas
Gingrich
Goodling
Gregg
Hammerschmidt
Hansen
Hastert
Hefley
Herger
Hiler
Hopkins
Houghton
Hubbard
Hyde
Inhofe
Johnson (CT)
Kolbe
Kyl
Latta
Lightfoot
Livingston
Lott
Lujan
Lukens, Donald
Lungren
Mack
Marlenee
McCandless
McCollum
Meyers
Miller (OH)
Myers
Nielson
Oberstar
Olin
Oxley
Packard
Petri
Ravenel
Ray
Roberts
Rowland (CT)
Schaefer
Sensenbrenner
Shaw
Shumway
Skeen
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stangeland
Stump
Sundquist
Swindall
Tauke
Taylor
Thomas (CA)
Vucanovich
Walker
Weber

NOT VOTING—31

Annunzio
Berman
Boland
Boner (TN)
Bryant
Burton (CA)
Chappell
Clay
Crockett
Espy
Foglietta
Gephardt
Gradison
Green
Kasich
Kemp
Lent
Martin (IL)
Ortiz
Patterson
Pickle
Quillen
Regula
Roe
Rose
Savage
Shuster
Slattery
Smith (FL)
Snowe
Spence

☐ 1610

Mr. GEKAS changed his vote from "yea" to "nay."

So title I of the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The Clerk read the title of title II.

The SPEAKER pro tempore. The question is on title II of the resolution.

Title II of the resolution was agreed to.

A motion to reconsider was laid on the table.

The Clerk read the title of title III.

The SPEAKER pro tempore. The question is on title III of the resolution.

Title III of the resolution was agreed to.

A motion to reconsider was laid on the table.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation, which was read and, without objection, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, DC, October 30, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Enclosed are copies of resolutions adopted by the Committee on Public Works and Transportation on October 1, 1986. These resolutions approve four watershed projects of the Soil Conservation Service in accordance with the provisions of Public Law 566, Eighty-third Congress.

Every best wish.

Sincerely,

JAMES J. HOWARD,
Chairman.

There was no objection.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation, which was read and, without objection, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, DC, November 6, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Enclosed are copies of resolutions adopted by the Committee on Public Works and Transportation on October 1, 1986. These resolutions authorized studies of potential water resources projects by the Corps of Engineers in accordance with the provisions of Section 4 of the Act of March 4, 1913, as amended.

Every best wish.

Sincerely,

JAMES J. HOWARD,
Chairman.

There was no objection.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, I have requested this time so that we can inform the Members of what they can anticipate for the balance of the day and the week.

Mr. Speaker, I just wish to confirm for the Members at this point that, as I understand it, that concludes the votes for the day, and that there will be no further legislative business scheduled today or this week. Is that correct? I just wanted to confirm that that is the conclusion of business for the week.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the distinguished Republican whip for yielding to me.

Mr. Speaker, the program for the House of Representatives for the week of January 19, 1987, is as follows:

On Monday, January 19, the House will not be in session. It is the Martin Luther King, Jr., Birthday.

Mr. LOTT. The gentleman expects no further business today or the balance of this week; is that correct?

Mr. FOLEY. The gentleman is correct. This concludes the legislative program for today and for the balance of the week. The House will not be in session tomorrow, and will not be in session until Tuesday, January 20, when the House will meet at noon. There will be one suspension bill. Recorded votes will be postponed until after the suspension. That is House Concurrent Resolution 24, to make a correction, relating to phosphate fertilizer effluent limitations, in the enrollment of H.R. 1, the Clean Water Act amendments. Members will be advised accordingly as to their attendance on that day.

On Wednesday, January 21, and Thursday, January 22, the House will meet at 2 p.m. on Wednesday, and 11 a.m. on Thursday, to consider H.R. 2, the Surface Transportation Uniform Relocation Assistance Act of 1987. The rule provides for consideration in the House, with 80 minutes of debate.

□ 1620

I might say to the Members that this is the highway bill and this will be considered on Wednesday, and if necessary, on Thursday.

The House will not be in session on Friday the week of the 20th.

It will be my intention, by the way, to ask unanimous consent that rather than coming in at 11 o'clock on Thursday, January 22, we would like to come in at noon to accommodate a Democratic Caucus.

Mr. LOTT. The gentleman is asking to come in at 11 o'clock instead of 12 o'clock on Thursday of that week?

Mr. FOLEY. No, 12 o'clock rather than 11 o'clock on Thursday.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I will be happy to yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, will the gentleman advise me why the rule provides for consideration with 80 minutes of debate or is that a typo? That is the first time that I recall other than an hour, and it is not an hour and a half or two hours.

Mr. FOLEY. The rule provides for 1 hour for Public Works and Transportation and 20 minutes for the Committee on Ways and Means.

Mr. MICHEL. And that is a closed rule?

Mr. FOLEY. It is a closed rule.

Mr. MICHEL. So those who might like to see the 55-mile-an-hour speed limit eliminated have no opportunity, I understand, to have an amendment to do just that thing?

Mr. FOLEY. The gentleman's understanding is correct.

Mr. MICHEL. Then there will have to be a discussion on the rule?

Mr. FOLEY. If the gentleman wishes to have a discussion, there will have to be a discussion on the rule.

Mr. MICHEL. I understand and I thank the gentleman.

Mr. LOTT. Mr. Speaker, I yield back the balance of my time.

HOUR OF MEETING ON THURSDAY, JANUARY 22, 1987

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House convenes on Thursday, January 22, 1987, it convene at 12 noon.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Washington?

There was no objection.

GENERAL LEAVE

Mr. ERDREICH. Mr. Speaker, I ask unanimous consent that all Members may be permitted to have 5 legislative days in which to extend their remarks, and include extraneous material, on the special order of the gentleman from New Jersey [Mr. RODINO].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

POLITICALLY MOTIVATED IRS AUDITS

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of California. Mr. Speaker, the subcommittee that I chair of the House Judiciary Committee has been concerned for some time about Government harassment of groups or individuals who might be opposed to our policy in Central America. Last year, for example, the FBI interviewed approximately 100 Americans who traveled to Nicaragua and had returned to our country. The FBI also investigated one of these groups who opposed our policy in El Salvador.

I strongly complained to the FBI about this action, which I considered harassment, and I believe that they have stopped this sort of thing. However, recently the subcommittee learned that certain individuals who took a trip or traveled like Americans are entitled to travel to Nicaragua, when they came back, immediately the IRS conducted an audit of their income tax.

I have provided the names and addresses of six of these individuals to the oversight subcommittee of the Committee on Ways and Means, and there are more people who are getting audited who travel to Nicaragua.

Also, Mr. Speaker, two respected groups active in lawful opposition to our policy in Nicaragua and Central America have been audited by the IRS. One in New York and one here in Washington, DC.

In the past, and I have been here long enough to remember some of the things that have happened in the past, the Internal Revenue Service audited certain people and organizations for political purposes. We want to know if they have started that practice again, and if they have, we are certainly not going to allow it to continue.

MARTIN LUTHER KING DAY

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, on January 19, we will celebrate not only the birth of a great man, Dr. Martin Luther King, Jr., but also the birth of a great dream.

Dr. King spent his entire life teaching. Teaching the lesson of gentleness. Setting an example of tolerance. Showing us that the way to achieve a just society was through being kind and selfless.

In doing so, whether through example or by word, Dr. King changed our country forever. Changed it through the law and through a change in heart. As my colleague Mr. WHEAT noted on January 21, 1986, "Dr. King's actions had heralded a new spirit in our Nation. Across our Nation, people had begun to treat each other not as blacks and whites, but as fellow Americans."

Lessons and ideals such as these cannot be confined to one day, and it was my privilege to author legislation in the 99th Congress that proclaims August 12, 1987, as National Civil Rights Day. A day to be set aside to honor not only the memory of Dr. King and his work, but for the struggle of all like-minded people who saw injustice and did not turn away.

On January 19, on August 12, and forevermore, let us rededicate ourselves to Dr. King's dream of a just society—where everyone is guaranteed a full life. A life of dignity, health, and joy.

□ 1630

GALLIPOLIS: EVER CLOSER TO A GO AHEAD

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Ohio. Mr. Speaker, Gallipolis is a go at last after years of pursuit as a result of hard work and effort.

The current Gallipolis lock facility on the Ohio River opened to barge traffic in 1937. For a half century it has been worked to the edge of disaster. It is now obsolete and a navigational nightmare.

Last fall, with the diligent efforts of ROBERT ROE, JIM HOWARD, Gene Snyder, TOM BEVILL, JOHN MYERS, ARLAN STANGELAND and others in this House, we approved a sweeping comprehensive water resources bill. The President has signed the bill into law. The President has included funds in his 1988 budget to get a new Gallipolis locking complex constructed. The work will begin in 1987 and it will mean new jobs and economic expansion throughout the Ohio Valley.

All too often, in the rush of critical issues, we fail to give credit where its due. In this case, on behalf of the Ohio Valley and Gallipolis, in particular, I want to credit the supporters of this critically important project with all the appreciation and gratitude possible. Thanks to you, Gallipolis is a go at last. You can take pride in knowing you've made a difference.

LEGISLATION TO REPEAL GRAMM-RUDMAN

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, as I did in the 99th Congress, I have introduced a bill to repeal the so-called Gramm-Rudman Act. In opposing this ill-advised law last year, I stated that it was a dangerous and irresponsible farce, conceived in a spate of political expedience, and "perfected" in an atmosphere of panic and coercion. I noted that it was bad policy because of its many bizarre and irrational effects—it would require activities that are self-supporting and profitable to be cut, even though the result would be actually to increase the deficit; it would protect certain entitlements, but reduce administrative resources necessary to implement those entitlements; it would treat some retirees generously, while denying fair treatment to others. Our experience with Gramm-Rudman over the past year confirms the fears of those of us who opposed it. It is time to repeal that law and return to rational, if difficult, methods of establishing the Federal budget.

Last summer the U.S. Supreme Court tore out the heart of the Gramm-Rudman Act by holding the law's automatic sequestration procedures to be unconstitutional. This holding was proper, and hardly unexpected. Even President Reagan, who signed the measure into law, had the Justice Department challenge the sequestration provisions before the Supreme Court. Yet the Court's decision came too late to prevent the first round of blind and painful—fiscal year 1986—cuts last spring.

Following those first cuts, Congress set out to exempt various programs from potential across-the-board sequestration. Such actions may serve to correct some particularly bizarre or inequitable results. However, they provide no solution to Gramm-Rudman's unreasoning rigidly, because ultimately the burden of cutting the deficit falls even more heavily on the remaining nonexempt programs, regardless of their merit.

Even without problems regarding the allocation of cuts, slavish adherence to Gramm-Rudman's compulsory deficit ceilings would be unwise, if not impossible. This last fall, Congress and the administration nominally followed the act's fall-back procedures to comply with Gramm-Rudman's fiscal year 1987 deficit ceiling of $144 billion. However, this compliance was achieved on paper only—current Congressional Budget Office projections indicate a fiscal year 1987 deficit of nearly $170 billion—and even then it was necessary to utilize several nonrecurrent sources of revenue, such as Federal asset sales and a 1-year revenue hike resulting from the enactment of the Tax Reform Act of 1986, to reach the deficit level that was achieved. In recent months, even such outspoken proponents of deficit reduction as Federal Reserve Board Chairman Paul Volcker and former—under President Ford—Chairman of the Council of Economic Advisers Alan Greenspan have expressed concern that Gramm-Rudman's deficit targets may be unreachable and foolish.

The Federal budget plays a critical role in the country's social, military, and economic health, serving as a kind of balance wheel. When inflation threatens, the budget should be close to balanced; but when recession occurs, Federal spending can help stimulate the economy. Gramm-Rudman has badly warped that balance wheel. It is time to repeal that law and restore the procedural flexibility that is essential to the development of a responsible Federal budget. That is what my bill would do.

PUERTO RICAN CITIZENS HELP VICTIMS OF THE DUPONT PLAZA HOTEL FIRE

(Mr. GARCIA asked and was given permission to address the House for 1 minute.)

Mr. GARCIA. Mr. Speaker, I would like to take a second and talk about an incident that took place that grabbed international headlines last week, December 31; and that was the tragedy at the Dupont Plaza Hotel in San Juan, PR.

As one who was on the island during that period of time, Puerto Rico has received a great deal of adverse publicity as it relates to that fire; and I, along with all of my colleagues, hope that they find who the culprits were, bring them to swift trial, and that the law be handled in the way it should be, and at the swiftest penalty and hardest penalty that can be judged on whoever those persons may be.

There was another part of that fire that took place, and an aspect of the Commonwealth of Puerto Rico; as one of two persons on this floor of Puerto Rican ancestry, I would just like to commend many of the Puerto Rican citizens who lived in and around the Dupont Plaza who opened their homes to the victims.

Many of the residents of those hotels were invited in and asked to stay. Many of the residents went to various places to buy clothes based upon stipends that they had received from the hotel management; and many of these stores refused to charge these people.

I think it is a tribute to the auxiliary forces in Puerto Rico; to the human services in Puerto Rico, and especially the agencies that worked so hard.

There were so many volunteers in Puerto Rico, and so many wonderful Puerto Ricans who helped during this tragedy, I would hate to leave this Congress this week without congratulating them and affording them our heartfelt thanks from all the Members of Congress, to those Puerto Ricans who were so helpful to the victims of the Dupont Plaza Hotel.

EXTENSION OF HIGHWAY TRUST FUND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, the Committee on Ways and Means took action on Tuesday, January 6, 1987, to extend the Highway Trust Fund and related highway excise taxes. The legislation will be offered by the committee as an amendment to be added as a separate revenue title to H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987, when H.R. 2 is considered by the House of Representatives.

The following is an explanation of the tax title of the bill with accompanying statutory text.

[COMMITTEE PRINT]

100TH CONGRESS, *1st Session*, WCMP: 100-2

COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES

EXPLANATION OF REVENUE TITLE ("HIGHWAY REVENUE ACT OF 1987") to H.R. 2 (EXTENSION OF HIGHWAY TRUST FUND TAXES)

As approved by the Committee on Ways and Means, January 7, 1987

INTRODUCTION

This document is an explanation of the committee amendment approved by the Committee on Ways and Means on January 6, 1987, to extend the present-law highway-related excise taxes and the Highway Trust Fund expenditure authority for five years (through September 30, 1993). The committee amendment is to be offered as the revenue title to H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987, when the bill is considered by the House of Representatives.

This committee explanation of the revenue title to H.R. 2 is intended to be a part of the official legislative history of the committee amendment.

The first part is a summary of the committee amendment and background. The second part is the explanation of the provisions of the committee amendment. The third part presents the estimated budget effects of the committee amendment and the effects on the revenues to the Highway Trust Fund, as well as the vote of the committee. The fourth part is the statutory language of the committee amendment. The last part shows the changes in the existing law made by the committee amendment.

I. BACKGROUND AND SUMMARY

A. BACKGROUND ON LEGISLATION

H.R. 2, as introduced, provides a five-year extension of the Highway Trust Fund (HTF) authorizations (fiscal years 1987-1991). The present-law HTF authorizations, as enacted in the Surface Transportation Assistance Act of 1982, generally expired after September 30, 1986. The present-law excise taxes and authority to spend from the Trust Fund are scheduled to expire after September 30, 1988.

During the 99th Congress, the House of Representatives passed a bill, H.R. 3129, which would have provided a five-year extension of the current highway excise taxes (through September 30, 1993) and a five-year reauthorization for Highway Trust Fund expenditure programs (fiscal years 1987-1991). The Senate amendment to that bill would have provided a four-year extension of the taxes and trust fund authorizations. The conference committee on H.R. 3129 tentatively agreed to a five-year authorization extension, but reached no final agreement on tax or trust fund and other provisions before the 99th Congress adjourned.

B. SUMMARY OF COMMITTEE AMENDMENT

Present-law highway excise taxes and trust fund

Excise taxes are imposed on gasoline, diesel and other motor fuels, trucks, truck trailers, heavy tires, and heavy highway vehicles. Revenues from these highway-related excise taxes are deposited in the Highway Trust Fund. Revenues equivalent to one cent per gallon from the taxes on highway motor fuels go into the Mass Transit Account in the Highway Trust Fund. The other highway excise tax revenues go into the Highway Account in the Trust Fund.

The Highway Trust Fund taxes are currently scheduled to expire after September 30, 1988. (See Table in Part II, below.) Also, authority to spend from the Highway Trust Fund expires after September 30, 1988. Deposits of pre-October 1, 1988, excise tax liabilities will continue to go into the Trust Fund through June 30, 1989.

Committee amendment

The committee amendment includes the following provisions:

(1) The present-law Highway Trust Fund excise taxes, and the authority to spend from the Trust Fund, are extended for five years (through September 30, 1993). Revenues from these taxes will continue to be deposited into the Trust Fund for an additional five years (through June 30, 1994).

(2) The Highway Trust Fund statute is updated to reflect trust fund authorization purposes in H.R. 2.

(3) A technical amendment to the retail excise tax on certain trucks and trailers is included clarifying the application of that tax in the case of leased trucks and trailers.

(4) Revenue Rulings 85-196, 1985-2 C.B. 205, and 86-43, 1986-1 C.B. 317, are made inapplicable to retail sales of certain trucks and trailers acquired by retail dealers before January 1, 1986.

II. EXPLANATION OF COMMITTEE AMENDMENT

A. EXTENSION OF HIGHWAY TRUST FUND EXCISE TAXES

Present Law

Highway excise taxes

Excise taxes are imposed on gasoline, diesel and other motor fuels, trucks, truck trailers, heavy tires, and heavy highway vehicles. Revenues from these highway-related excise taxes are deposited in the Highway Trust Fund. The taxes currently are scheduled to expire after September 30, 1988. Deposits of pre-October 1, 1988, excise tax liabilities will continue to go into the Trust Fund for an additional nine months (through June 30, 1989).

The table below shows the present-law tax rate schedule for the Highway Trust Fund excise taxes.

PRESENT-LAW HIGHWAY TRUST FUND EXCISE TAXES

[Through Sept. 30, 1988]

Tax (and Code section)	Tax rate
Motor fuels:	
Gasoline (sec. 4081)	9 cents per gallon.
Special motor fuels (sec. 4041(b))	9 cents per gallon.
Diesel fuel (sec. 4041(a))	15 cents per gallon.
Trucks and trailers:	
Trucks (over 33,000 lbs.) and trailers (over 26,000 lbs.) (sec. 4051).	12 percent of retail price.
Tires for highway vehicles (sec. 4071):	40 lbs. or less—no tax. 40–70 lbs.—15 cents/lb. over 40 lbs. 70–90 lbs.—$4.50, plus 30 cents/lb. over 70 lbs. Over 90 lbs.—$10.50, plus 50 cents/lb. over 90 lbs.
Use tax on heavy highway vehicles (sec. 4481):	Under 55,000 lbs.—no tax. 55,000–75,000 lbs.—$100, plus $22/1,000 lbs. over 55,000. Over 75,000 lbs.—$550

Application of retail excise tax to leased trucks and trailers

The excise tax on trucks and trailers was changed from a manufacturers excise to a retail excise as part of the Surface Transportation Assistance Act of 1982. On April 5, 1983, the Treasury Department adopted temporary regulations providing that the tax was to be imposed at the time an initial lease was entered into (i.e., such leases were treated as a first retail sale) (i) in the case of trucks and trailers to be leased for a period in excess of 50-percent of their useful life, or (ii) if a lease for any duration was to be entered into which provided an option for purchase at less than fair market value.

In September 1985, Treasury amended its regulations to provide that, in the case of leased vehicles, the tax would be imposed on sale by the manufacturer to the lessor. In response to a letter from the original Congressional sponsors of the 1982 legislation protesting this change, Treasury stated that legislation would be required to effect imposition of the tax on leased vehicles as provided in its 1983 regulations.[1]

Determination of gross vehicle weight for computation of tax

The retail excise tax applies to trucks having a gross vehicle weight in excess of 33,000 pounds and to trailers having such a weight in excess of 26,000 pounds. Gross vehicle weight generally has been defined as the maximum loaded weight at which a taxable vehicle is capable of operating. The Internal Revenue Service has ruled that the addition by retail dealers of readily attachable parts such as tires and axles that reduce gross vehicle weight below the taxable weight threshold is ignored in determining liability for the tax in the case of vehicles sold after September 30, 1986. (See Rev. Rul. 85-196, 1985-2 C.B. 205 and Rev. Rul. 86-43, 1986-1 C.B. 317.)

Reasons for Change

Extension of highway revenue taxes

H.R. 2 ("Surface Transportation and Uniform Relocation Assistance Act of 1987") provides Federal-aid highway authorizations from the Highway Trust Fund for fiscal years 1987-1991. The Committee on Ways and Means is aware that the provisions governing authorizations from the trust fund would require reduction in highway spending commitments beginning on October 1, 1986, unless action is taken to provide further funding for the Trust Fund. The committee believes that continued funding for the building and maintenance of our Nation's highway system is an important national objective and that a five-year extension of the present Highway Trust Fund excise taxes is, therefore, appropriate at this time.

Application of excise tax to leased trucks and trailers

The committee believes that, in the case of long-term leases of trucks and trailers, the lease of the truck or trailer is essentially equivalent to the first retail sale. Because the tax is determined on an ad valorem basis (i.e., 12 percent of retail price), allowing the tax to be imposed on the sale price to the lessor, instead of by reference to a retail sales price, may result in an unfair competitive advantage for lease transactions. The committee amendment corrects this problem by treating the lease as the first retail sale in such cases and imposing the tax based on a constructive price equivalent to the price at which like vehicles are sold at retail.

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[1] Letter from Assistant Secretary of the Treasury (for Tax Policy) J. Roger Mentz to Rep. J.J. Pickle, dated September 29, 1986.

Explanation of Provisions

Extension of highway excise taxes

The committee amendment extends the present Highway Trust Fund excise taxes for five additional years, through September 30, 1993. (See current taxes and rates in the table, above.) Revenues from these taxes will continue to be deposited into the Trust Fund through June 30, 1994 (i.e., for five additional years).

Application of retail excise tax to leased trucks and trailers

The committee amendment includes a technical modification to the retail excise tax on heavy trucks and trailers as that tax applies to certain vehicles to be leased pursuant to long-term leases. Under the amendment, the entering of a long-term lease is treated as a taxable first retail sale in certain cases. Thus, the retail excise tax is imposed at that time rather than upon the sale of the taxable vehicle by the manufacturer to the lessor. The amendment defines as long term any lease having a term (including renewal periods) of one year or more.

The amendment provides that unless a lessor certifies (in a manner prescribed by the Secretary of the Treasury) that the taxable vehicle is to be leased pursuant to a long-term lease, tax is imposed on the sale to the lessor. In such cases, the tax is determined by reference to the price paid by the lessor.

The amendment provides additionally that, except as provided in Treasury Department regulations, a second, "backup" tax is imposed on a vehicle on which tax is initially imposed upon sale to a lessor if the vehicle is leased pursuant to a long-term lease or is sold at retail within one year of the first sale. The backup tax is imposed at the regular 12-percent tax rate and, in the case of long-term lease transactions, is determined using the constructive sales price rules, described below. Lessors are liable for the backup tax in the same manner as retail dealers are liable for the basic 12-percent tax under present law.

The Treasury Department is authorized to prescribe regulations exempting from the backup tax certain second sales or leases occurring within one year of an initial taxable sale. For example, if a common carrier not engaged in the business of re-selling or leasing trucks re-sells a truck from its fleet within one year of purchase the backup tax will not be imposed where the second sale or the lease was not anticipated at time of the first taxable sale.

The constructive sales price rules of present law also are clarified by the committee amendment to provide that, in the case of long-term leases treated as retail sales, the tax is determined based upon a constructive price equal to the sum of the following:

(1) The price for which the lessor acquired the truck or trailer;

(2) The cost of all modifications made to the truck or trailer during the period beginning on the date the lessor acquired the vehicle and ending on the date that is six months after the first day of the term of the long-term lease; and

(3) A presumed percentage mark-up established by the Treasury Department for the type of vehicle involved that reflects the difference between the manufacturer's sales price and an arm's-length retail sales price of vehicles of the type involved.

Conforming amendments are made extending the new back-up tax to retail sales occurring within one year after imposition of the truck and trailer excise tax on a sale by a manufacturer to a retail seller who fails to provide required certifications of an intent to resell the vehicle at retail.

Further, the committee intends that the Treasury Department will prescribe form language for use in complying with the certification requirements of the present Treasury regulations as continued under the committee amendment. The committee intends that this form language be sufficiently succinct that it can be incorporated into pre-printed purchase orders and invoices as a separately stated item.

Determination of gross vehicle weight

The committee amendment provides that Revenue Ruling 85-196 and Revenue Ruling 86-43 do not apply in determining gross vehicle weight for first retail sales of trucks and trailers acquired in inventory by a retail dealer before January 1, 1986, and sold by such dealers on or after that date.

Effective Dates

The highway excise tax extension provisions of the committee amendment apply to taxable transactions occurring after September 30, 1988, and before October 1, 1993. The technical amendment to the retail excise tax on certain trucks and trailers as applied to leased vehicles and the amendments overriding Revenue Rulings 85-196 and 86-43 are effective on the date of the bill's enactment.

B. HIGHWAY TRUST FUND EXPENDITURE AUTHORITY

Background and Present Law

Overview

The Highway Trust Fund was originally established in 1956. The Trust Fund and the related highway excise taxes have been extended four times since 1970: a five-year extension in the Federal Aid Highway Act of 1970 (from September 30, 1972 through September 30, 1977), a two-year extension in the Federal-Aid Highway Act of 1976 (through September 30, 1979), a five-year extension in the Surface Transportation Assistance Act of 1978 (through September 30, 1984), and a four-year extension in the Surface Transportation Assistance Act of 1982 (through September 30, 1988, or fiscal years 1985–1988).

The Highway Trust Fund authorizations in the 1982 Act generally were for fiscal years 1983–1986. Thus, the revenues deposited in the Trust Fund lag behind the authorization period by two years. This is because of the lead time required between the time a project is authorized or obligated and the time when money is needed to pay for it.

An anti-deficit provision (i.e., the "Byrd Amendment") requires that highway apportionments be reduced when unfunded authorizations exceed estimated Trust Fund receipts (tax revenues and interest earned by the Fund) in the following 24-month period.

Trust Fund expenditure purposes

In the 1982 Act, the Highway Trust Fund statute was codified in the Internal Revenue Code (sec. 9503), effective January 1, 1983. The 1982 Act established two Accounts within the Highway Trust Fund: the Highway Account and the Mass Transit Account. Amounts may be paid from the Highway Trust Fund through September 30, 1988, as provided in appropriation Acts, to meet obligations incurred in carrying out the purposes of the Trust Fund. Obligations may be incurred for the purposes specified in the Highway Revenue Act of 1956, the Surface Transportation Assistance Act of 1982, or any law enacted thereafter, for a general purpose authorized under these Acts as in effect on December 31, 1982. Thus, any new general expenditure purpose from the Trust Fund requires a Code amendment.

Highway Account expenditures

The general highway-related programs authorized from the Highway Trust Fund include the following:

Interstate highway construction and resurfacing and repair.

Federal-aid highways, including primary and secondary systems, and urban systems.

Forest and public lands highways, scenic highways, parkways, Indian roads.

Highway hazard elimination projects.

Bridge replacement and rehabilitation.

Emergency (disaster) relief.

Rail crossings and demonstration projects.

Traffic control and traffic signal demonstration projects.

Intermodal urban demonstration projects.

Carpool and vanpool grants.

Pedestrian walkways on highway rights of ways and bikeways.

Highway-related safety grants.

Motor carrier safety grants.

Highway safety research and development.

National Highway Traffic Safety Administration for a share of traffic safety programs.

Certain highway-related administrative costs.

Mass Transit Account expenditures

The Mass Transit Account in the Trust Fund is financed from the revenue equivalent of one cent of the tax on highway motor fuels. Amounts in the Mass Transit Account are available for making capital expenditures authorized under section 21(a)(2) of the Urban Mass Transportation Act. An anti-deficit provision is included so that unfunded transit authorizations may not exceed estimated account receipts for the following 12 months (compared to 24 months for the Highway Account).

Trust Fund authorizations in H.R. 2

H.R. 2 provides for a five-year authorization of Highway Trust Fund expenditure programs (Highway and Mass Transit Accounts) for fiscal years 1987–1991. (The current trust fund authorization programs generally extend through fiscal year 1986).

Highway and highway safety program (Highway Account) authorizations from the Trust Fund under H.R. 2 for fiscal years 1987–1991 total $70.0 billion ($14.0 billion per year).

Mass Transit Account authorizations from the Trust Fund under H.R. 2 amount to $1.1 billion for fiscal year 1987, and $1.8 billion per year for fiscal years 1988–1991, or a total of $8.3 billion over the five-year period.

H.R. 2 authorizes $5 million per year out of the Trust Fund for fiscal years 1987–1991 for billboard and sign removal costs. The bill also authorizes a total of $10 million per year from the Trust Fund for the five years for university transportation research centers ($5 million out of the Highway Account and $5 million out of the Mass Transit Account). Previously, any such amounts were authorized out of the general fund of the Treasury.

Reasons for Change

The Committee on Ways and Means agrees that expenditure authority for the Highway Trust Fund should be extended for five years (through September 30, 1993) to parallel the five-year Highway Trust

Fund authorizations (Highway Account and Mass Transit Account) included in H.R. 2 and the five-year extension of the highway excise taxes in the committee amendment (discussed in II.A., above).

Explanation of Provisions

The committee amendment provides a five-year extension of the authority to make expenditures out of the Highway Trust Fund (through September 30, 1993).

The committee amendment also updates the Trust Fund statute to reflect the trust fund authorization purposes included in H.R. 2 (e.g., billboard and sign removal costs and university transportation research centers).

Effective Dates

The provision extending the trust fund expenditure authority is effective for the period October 1, 1981, through September 30, 1993. The updating of the Trust Fund statute is effective on the date of enactment.

C. TRADE-RELATED PROVISION OF H.R. 2. BUY AMERICAN RESTRICTIONS

The Committee on Ways and Means is very concerned about the Buy American requirements in the Surface Transportation Act and the amendments to increase these restrictions in section 130 of H.R. 2. These provisions would add cement from Canada or Mexico to the existing prohibition on the use of other foreign products in Federally-funded highway projects and increase the domestic content requirements for the purchase of buses, railcars, and other rolling stock. These Buy American restrictions have a clear and direct impact on imports and affect our overall reciprocal trade relations and future trade agreements, particularly with Canada. Therefore, the committee believes such restrictions are inappropriate in this Act and intends to deal with them in connection with any future consideration of extension of the Highway Trust Fund.

III. BUDGET EFFECTS OF COMMITTEE AMENDMENT AND VOTE OF THE COMMITTEE

A. BUDGET EFFECTS

In compliance with clause 7 of Rule XIII of the Rules of the House of Representatives, the following statement is made concerning the budget of the committee amendment.

The committee amendment with respect to the five-year extension of current highway excise taxes will not effect net fiscal year budget receipts, as the extension of present-law Highway Trust Fund excise taxes is included in the baseline budget assumption for budget estimating purposes by the Congressional Budget Office. The provisions with respect to the application of the truck retail excise tax in the case of certain leased trucks and trailers and aplication of the retail tax to certain inventories acquired before January 1, 1986 are estimated to reduce fiscal year budget receipts by a negligible amount.

The committee amendment is projected (based on CBO's August 1986 forecast assumptions) to provide $74.0 billion in tax revenues to the Highway Trust Fund for fiscal years 1988-1933. In addition, the Trust Fund will earn interest on investments of its cash balance.

B. VOTE OF THE COMMITTEE

In compliance with clause 2(l)(B) of Rule XI of the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means on the motion to report the committee amendment. The committee amendment was approved by voice vote.

TITLE V—HIGHWAY REVENUE ACT OF 1987

SEC. 501. SHORT TITLE.

This title may be cited as the "Highway Revenue Act of 1987".

SEC. 502. 5-YEAR EXTENSION OF HIGHWAY TRUST FUND TAXES AND RELATED EXEMPTIONS.

(a) EXTENSION OF TAXES.—The following provisions of the Internal Revenue Code of 1986 are each amended by striking out "1988" each place it appears and inserting in lieu thereof "1993":

(1) Section 4041(a)(3) (relating to special fuels tax).

(2) Section 4051(c) (relating to tax on heavy trucks and trailers sold at retail).

(3) Section 4071(d) (relating to tax on tires and tread rubber).

(4) Section 4081(e)(1) (as amended by the Tax Reform Act of 1986 and section 521(a)(1)(B) of the Superfund Revenue Act of 1986).

(5) Section 4481(e), 4482(c)(4), and 4482(d) (relating to highway use tax).

(d) EXTENSION OF EXEMPTIONS, ETC.—The following provisions of the Internal Revenue Code of 1986 are each amended by striking out "1988" each place it appears and inserting in lieu thereof "1993":

(1) Section 4041(b)(2)(C) (relating to qualified methanol and ethanol fuel).

(2) Section 4041(f)(3) (relating to exemption for farm use).

(3) Section 4041(g) (relating to other exemptions).

(4) Section 4221(a) (relating to certain tax-free sales).

(5) Section 4483(f) (relating to termination of exemptions for highway use tax).

(6) Section 6420(h) (relating to gasoline used on farms).

(7) Section 6421(h) (relating to tax on gasoline used for certain nonhighway purposes or by local transit systems) (as in effect before its redesignation by section 1703(c) of the Tax Reform Act of 1986).

(8) Section 6427(g)(5) (relating to advance repayment of increased diesel fuel tax).

(9) Section 6427(m) (relating to fuels not used for taxable purposes) (as in effect before its redesignation by section 1703(e)(1) of the Tax Reform Act of 1986).

(c) EXTENSION OF REDUCED RATES OF TAX ON FUELS CONTAINING ALCOHOL.—

(1) Paragraph (3) of section 4041(k) of such Code (relating to fuels containing alcohol) is amended by striking out "December 31, 1992" and inserting in lieu thereof "September 30, 1993".

(2) Paragraph (4) of section 4081(c) of such Code (relating to gasoline mixed with alcohol), as amended by the Tax Reform Act of 1986, is amended by striking out "December 31, 1992" and inserting in lieu thereof "September 30, 1993".

(d) OTHER PROVISIONS.—

(1) FLOOR STOCKS REFUNDS.—Paragraph (1) of section 6412(a) of such Code (relating to floor stocks refunds) is amended—

(A) by striking out "1988" each place it appears and inserting in lieu thereof "1993", and

(B) by striking out "1989" each place it appears and inserting in lieu thereof "1994".

(2) INSTALLMENT PAYMENTS OF HIGHWAY USE TAX.—Paragraph (2) of section 6156(e) of such Code (relating to installment payments of tax on use of highway motor vehicles) is amended by striking out "1988" and inserting in lieu thereof "1993".

SEC. 503. 5-YEAR EXTENSION OF HIGHWAY TRUST FUND.

(a) IN GENERAL.—Subsections (b), (c), and (e) of section 9503 of the Internal Revenue Code of 1986 (relating to Highway Trust Fund) are each amended—

(1) by striking out "1988" each place it appears and inserting in lieu thereof "1993", and

(2) by striking out "1989" each place it appears and inserting in lieu thereof "1994".

(b) EXPENDITURES FROM HIGHWAY TRUST FUND.—Paragraph (1) of section 9503(c) of such Code (relating to expenditures from Highway Trust Fund) is amended by striking out "or" at the end of subparagraph (B) and by striking out subparagraph (C) and inserting in lieu thereof the following:

"(C) authorized to be paid out of the Highway Trust Fund under the Surface Transportation and Uniform Relocation Assistance Act of 1987, or

"(D) hereafter authorized by a law which does not authorize the expenditure out of the Highway Trust Fund of any amount for a general purpose not covered by subparagraph (A), (B), or (C) as in effect on the date of the enactment of the Surface Transportation and Uniform Relocation Assistance Act of 1987."

(c) CONFORMING AMENDMENTS TO LAND AND WATER CONSERVATION FUND.—Subsection (b) of section 201 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-11) is amended—

(1) by Striking out "1988" and inserting in lieu thereof "1993", and

(2) by striking out "1989" each place it appears and inserting in lieu thereof "1994".

SEC. 504. CERTAIN TRANSFERS FROM HIGHWAY TRUST FUND TO BE MADE PROPORTIONATELY FROM MASS TRANSIT ACCOUNT.

Subsection (e) of section 9503 of the Internal Revenue Code of 1986 (relating to establishment of Mass Transit Account) is amended by adding at the end thereof the following new paragraph:

"(5) PORTION OF CERTAIN TRANSFERS TO BE MADE FROM ACCOUNT.—

"(A) IN GENERAL.—Transfers under paragraphs (2), (3), and (4) of subsection (c) shall be borne by the Highway Account and the Mass Transit Account in proportion to the respective revenues transferred under this section to the Highway Account (after the application of paragraph (2)) and the Mass Transit Account; except that any such transfers to the extent attributable to section 6427(g) shall be borne only by the Highway Account.

"(B) HIGHWAY ACCOUNT.—For purposes of subparagraph (A), the term 'Highway Account' means the portion of the Highway Trust Fund which is not the Mass Transit Account."

SEC. 505. TREATMENT OF LONG-TERM LESSORS OF HEAVY TRUCKS AND TRAILERS.

(a) INITIAL TAX NOT IMPOSED ON SALE TO LONG-TERM LESSORS.—Paragraph (1) of section 4052(a) of the Internal Revenue Code of 1986 (defining first retail sale) is amended by striking out "other than for resale" and inserting in lieu thereof "other than for resale or leasing in a long-term lease".

(b) CONSTRUCTIVE SALES PRICE IN THE CASE OF LONG-TERM LEASE.—Subsection (b) of section 4052 of such Code (defining price) is amended by adding at the end thereof the following new paragraph:

"(3) LONG-TERM LEASE.—

"(A) IN GENERAL.—In the case of any long-term lease of an article which is treated as the first retail sale of such article, the tax under this subchapter shall be computed on a price equal to—

"(i) the sum of—

"(I) the price at which such article was sold to the lessor, and

"(II) the cost of any parts and accessories installed by the lessor on such article before the first use by the lessee or leased in connection with such long-term lease, plus

"(ii) an amount equal to the presumed markup percentage of the sum described in clause (i).

"(B) PRESUMED MARKUP PERCENTAGE.—For purposes of subparagraph (A), the term 'presumed markup percentage' means the average markup percentage of retailers of articles of the type involved, as determined by the Secretary."

(c) BACKUP TAX.—Section 4052 of such Code is amended by adding at the end thereof the following new subsection:

"(e) BACKUP TAX.—

"(1) IN GENERAL.—If—

"(A) any vehicle which contains an article taxable under section 4051(a) is sold by any person, or is leased by any person in a long-term lease, before such vehicle has been used for periods aggregating 1 year or more, and

"(B) such sale or lease is not the first retail sale of such vehicle,

there is hereby imposed a tax on such person equal to the amount determined under paragraph (2).

"(2) AMOUNT OF TAX.—The amount of the tax determined under this paragraph shall be equal to the excess, if any, of—

"(A) the amount of tax which would be imposed by section 4051 if the sale or lease referred to in paragraph (1) were the first retail sale of the article, over

"(B) the amount of the tax imposed by section 4051 on the first retail sale of such article.

"(3) TAX NOT TO APPLY IN CERTAIN CASES.—The Secretary shall by regulations provide that paragraph (1) shall not apply to specified types of sales and leases where the application of such paragraph is not necessary to carry out the purposes of this subsection."

(d) LONG-TERM LEASE DEFINED.—Section 4052 of such Code is amended by adding at the end thereof the following new subsection:

"(f) LONG-TERM LEASE.—For purposes of this section, the term 'long-term lease' means any lease with a term of 1 year or more. In determining a lease term for purposes of the preceding sentence, the rules of section 168(i)(3)(A) shall apply."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to articles sold by the manufacturer, producer, or importer after the date of the enactment of this Act.

SEC. 506. APPLICATION OF CERTAIN REVENUE RULINGS.

Revenue Rulings 85-196 and 86-43 shall not apply to any vehicle acquired by a retail dealer before January 1, 1986, continuously held in such dealer's inventory through September 30, 1986, and sold by such dealer after September 30, 1986.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

INTERNAL REVENUE CODE OF 1986

Subtitle D—Miscellaneous Excise Taxes

* * * * *

CHAPTER 31—RETAIL EXCISE TAXES

* * * * *

Subchapter A—Special Fuels

* * * * *

SEC. 4041. IMPOSITION OF TAX

(a) DIESEL FUEL AND SPECIAL MOTOR FUELS.—

(1) * * *

* * * * *

(3) TERMINATION.—On and after October 1, [1988,] *1993,* the taxes imposed by this subsection shall not apply.

(b) EXEMPTION FOR OFF-HIGHWAY BUSINESS USE; REDUCTION IN TAX FOR QUALIFIED METHANOL AND ETHANOL FUEL.—

(1) * * *

(2) QUALIFIED METHANOL AND ETHANOL FUEL.—

(A) * * *

* * * * *

(C) TERMINATION.—On and after October 1, [1988], *1993,* subparagraph (A) shall not apply.

* * * * *

(f) EXEMPTION FOR FARM USE.—

(1) * * *

* * * * *

(3) TERMINATION.—Except with respect to the taxes imposed by subsection (d), on and after October 1, [1988] *1993,* paragraph (1) shall not apply.

(g) OTHER EXEMPTIONS.—Under regulations prescribed by the Secretary, no tax shall be imposed under this section—

(1) On any liquid sold for use or used as supplies for vessels or aircraft (within the meaning of section 4221(d)(3));

(2) with respect to the sale of any liquid for the exclusive use of any State, any political subdivision of a State, or the District of Columbia, or with respect to the use by any of the foregoing of any liquid as a fuel;

(3) upon the sale of any liquid for export, or for shipment to a possession of the United States, and in due course so exported or shipped; and

(4) with respect to the sale of any liquid to a nonprofit educational organiation for its exclusive use, or with respect to the use by a nonprofit educational organization of any liquid as a fuel.

For purposes of paragraph (4), the term "nonprofit educational organization" means an educational organization described in section 170(b)(1)(A)(ii) which is exempt from income tax under section 501(a). The term also includes a school operated as an activity of an organization described in section 501(c)(3) which is exempt from income tax under section 501(a), if such school normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance at the place where its educational activities are regularly carried on. Except with respect to the taxes imposed by subsection (d), paragraphs (2) and (4) shall not apply on and after October 1, [1988] *1993.*

* * * * *

(k) FUELS CONTAINING ALCOHOL.—

(1) * * *

* * * * *

(3) TERMINATION.—Paragraph (1) shall not apply to any sale or use after [December 31, 1992.] *September 30, 1993.*

* * * * *

Subchapter B—Heavy Trucks and Trailers

* * * * *

SEC. 4051. IMPOSITION OF TAX ON HEAVY TRUCKS AND TRAILERS SOLD AT RETAIL.

(a) * * *

* * * * *

(c) TERMINATION.—On and after October 1, [1988], *1993,* the taxes imposed by this section shall not apply.

* * * * *

SEC. 4052. DEFINITIONS AND SPECIAL RULES.

(a) FIRST RETAIL SALE.—For purposes of this subchapter—

(1) IN GENERAL.—The term "first retail sale" means the first sale, for a purpose other than for resale *or leasing in a long-term lease,* after manufacture, production, or importation.

* * * * *

(b) DETERMINATION OF PRICE.—

(1) * * *

* * * * *

(3) LONG-TERM LEASE.—

(A) IN GENERAL.—In the case of any long-term lease of an article which is treated as the first retail sale of such article, the tax under this subchapter shall be computed on a price equal to—

(i) the sum of—

(I) the price at which such article was sold to the lessor, and

(II) the cost of any parts and accessories installed by the lessor on such article before the first use by the lessee or leased in connection with such long-term lease, plus

(ii) an amount equal to the presumed markup percentage of the sum described in clause (i).

(B) PRESUMED MARKUP PERCENTAGE.—For purposes of subparagraph (A), the term "presumed markup percentage" means the average markup percentage of retailers of articles of the type involved, as determined by the Secretary.

* * * * *

(e) BACKUP TAX.—

(1) IN GENERAL.—If—

(A) any vehicle which contains an article taxable under section 4051(a) is sold by any person, or is leased by any person in a long-term lease, before such vehicle has been used for periods aggregating 1 year or more, and

(B) such sale or lease is not the first retail sale of such vehicle,

there is hereby imposed a tax on such person equal to the amount determined under paragraph (2).

(2) AMOUNT OF TAX.—The amount of the tax determined under this paragraph shall be equal to the excess, if any, of—

(A) the amount of tax which would be imposed by section 4051 if the sale or lease referred to in paragraph (1) were the first retail sale of the article, over

(B) the amount of the tax imposed by section 4051 on the first retail sale of such article.

(3) TAX NOT TO APPLY IN CERTAIN CASES.—The Secretary shall by regulations provide that paragraph (1) shall not apply to specified types of sales and leases where the application of such paragraph is not necessary to carry out the purposes of this subsection.

(f) LONG-TERM LEASE.—For purposes of this section, the term "long-term lease" means

any lease with a term of 1 year or more. In determining a lease term for purposes of the preceding sentence, the rules of section 168(i)(3)(A) shall apply.

* * * * *

CHAPTER 32—MANUFACTURERS EXCISE TAXES

* * * * *

Subchapter A—Automotive and Related Items

* * * * *

PART II—TIRE

* * * * *

SEC. 4071. IMPOSITION OF TAX.

(a) * * *

* * * * *

(d) TERMINATION.—On and after October 1, [1988,] *1993,* the taxes imposed by subsection (a) shall not apply.

* * * * *

PART III—PETROLEUM PRODUCTS

* * * * *

Subpart A—Gasoline

* * * * *

SEC. 4081. IMPOSITION OF TAX.

(a) * * *

* * * * *

(c) GASOLINE MIXED WITH ALCOHOL.—

(1) * * *

* * * * *

(4) TERMINATION.—Paragraph (1) shall not apply to any removal or sale after [December 31, 1992.] *September 30, 1993.*

* * * * *

(e) TERMINATION.—

(1) HIGHWAY TRUST FUND FINANCING RATE.—On and after October 1, [1988,] *1993,* the Highway Trust Fund financing

* * * * *

Subchapter G—Exemptions, Registration, Etc.

* * * * *

SEC. 4221. CERTAIN TAX-FREE SALES.

(a) GENERAL RULE.—Under regulations prescribed by the Secretary, no tax shall be imposed under this chapter (other than under section 4121 or section 4081 (at the Highway Trust Fund financing rate)) on the sale by the manufacturer (or under section 4051 on the first retail sale) of an article—

(1) for use by the purchaser for further manufacture, or for resale by the purchaser to a second purchaser for use by such second purchaser in further manufacture,

(2) for export, or for resale by the purchaser to a second purchaser for export,

(3) for use by the purchaser as supplies for vessels or aircraft,

(4) to a State or local government for the exclusive use of a State or local government, or

(5) to a nonprofit educational organization for its exclusive use,

but only if such exportation or use is to occur before any other use. Paragraphs (4) and (5) shall not apply to the tax imposed by section 4064. In the case of taxes imposed by section 4051, or 4071, paragraphs (4) and (5) shall not apply on or after October 1, [1988] *1993.*

* * * * *

CHAPTER 36—CERTAIN OTHER EXCISE TAXES

* * * * *

Subchapter D—Tax on Use of Certain Vehicles

* * * * *

SEC. 4481. IMPOSITION OF TAX.

(a) * * *

* * * * *

(3) PERIOD TAX IN EFFECT.—The tax imposed by this section shall apply only to use before October 1, [1988] *1993.*

SEC. 4482. DEFINITIONS.

(a) * * *

* * * * *

(c) OTHER DEFINITIONS AND SPECIAL RULE.—for purposes of this subchapter—

(1) * * *

* * * * *

(4) TAXABLE PERIOD.—The term "taxable period" means any year beginning before July 1, [1988], *1993,* and the period which begins on July 1, [1988] *1993,* and ends at the close of September 30, [1988] *1993.*

* * * * *

(d) SPECIAL RULE FOR TAXABLE PERIOD IN WHICH TERMINATION DATE OCCURS.—In the case of the taxable period which ends on September 30, [1988] *1993,* the amount of the tax imposed by section 4481 with respect to any highway motor vehicle shall be determined by reducing each dollar amount in the table contained in section 4481(a) by 75 percent.

SEC. 4483. EXEMPTIONS.

(a) * * *

* * * * *

(f) TERMINATION OF EXEMPTIONS.—Subsections (a) and (c) shall not apply on and after October 1, [1988.] *1993.*

* * * * *

Subtitle F—Procedure and Administration

* * * * *

CHAPTER 62—TIME AND PLACE FOR PAYING TAX

* * * * *

Subchapter A—Place and Due Date for Payment of Tax

* * * * *

SEC. 6156. INSTALLMENT PAYMENTS OF TAX ON USE OF HIGHWAY MOTOR VEHICLES.

(a) * * *

* * * * *

(e) SECTION INAPPLICABLE TO CERTAIN LIABILITIES.—This section shall not apply to any liability for tax incurred in—

(1) April, May, or June of any year, or

(2) July, August, or September of [1988.] *1993.*

* * * * *

CHAPTER 65—ABATEMENTS, CREDITS, AND REFUNDS

* * * * *

Subchapter B—Rules of Special Application

* * * * *

SEC. 6412. FLOOR STOCKS REFUNDS.

(a) IN GENERAL.—

(1) TIRES AND GASOLINE.—Where before October 1, [1988,] *1993,* any article subject to the tax imposed by section 4071 or 4081 has been sold by the manufacturer, producer, or importer and on such date is held by a dealer and has not been used and is intended for sale, there shall be credited or refunded (without interest) to the manufacturer, producer, or importer an amount equal to the difference between the tax paid by such manufacturer, producer, or importer on his sale of the article and the amount of tax made applicable to such article on and after October 1, [1988,] *1993,* if claim for such credit or refund is filed with the Secretary on or before March 31, [1989,] *1994,* based upon a request submitted to the manufacturer, producer, or importer before January 1, [1989,] *1994,* by the dealer who held the article in respect of which the credit or refund is claimed, and, on or before March 31, [1989] *1994* reimbursement has been made to such dealer by such manufacturer, producer, or importer for the tax reduction on such article or written consent has been obtained from such dealer to allowance of such credit or refund. No credit or refund shall be allowable under this paragraph with respect to gasoline in retail stocks held at the place where intended to be sold at retail, nor with respect to gasoline held for sale by a producer or importer of gasoline.

* * * * *

SEC. 6420. GASOLINE USED ON FARMS.

(a) * * *

* * * * *

(h) TERMINATION.—Except with respect to taxes imposed by section 4081 at the Leaking Underground Storage Tank Trust Fund financing rate, this section shall apply only with respect to gasoline purchased before October 1, [1988.] *1993.*

* * * * *

SEC. 6421. GASOLINE USED FOR CERTAIN NONHIGHWAY PURPOSES, USED BY LOCAL TRANSIT SYSTEMS, OR SOLD FOR CERTAIN EXEMPT PURPOSES.

(a) * * *

* * * * *

(i) EFFECTIVE DATE.—Except with respect to taxes imposed by section 4081 at the Leaking Underground Storage Tank Trust Fund financing rate, this section shall apply only with respect to gasoline purchased before October 1, [1988.] *1993.*

* * * * *

SEC. 6427. FUELS NOT USED FOR TAXABLE PURPOSES.

(a) * * *

* * * * *

(g) ADVANCE REPAYMENT OF INCREASED DIESEL FUEL TAX TO ORIGINAL PURCHASERS OF DIESEL-POWERED AUTOMOBILES AND LIGHT TRUCKS.—

(1) * * *

* * * * *

(5) VEHICLES TO WHICH SUBSECTION APPLIES.—Except as provided in paragraph (6), this subsection shall only apply to qualified diesel-powered highway vehicles originally purchased after January 1, 1985, and before January 1, [1988.] *1993.*

* * * * *

(n) TERMINATION OF SUBSECTIONS (a), (b), (c), (d), (g), AND (h).—Except with respect to taxes imposed by section 4041(d) and section 4081 at the Leaking Underground Storage Tank Trust Fund financing rate, subsections (a), (b), (c), (d), (g) and (h) shall only apply with respect to fuels purchased before October 1, [1988.] *1993.*

Subtitle I—Trust Fund Code

* * * * *

Chapter 98—Trust Fund Code

* * * * *

Subchapter A—Establishment of Trust Funds

* * * * *

SEC. 9503. HIGHWAY TRUST FUND.

(b) TRANSFER TO HIGHWAY TRUST FUND OF AMOUNTS EQUIVALENT TO CERTAIN TAXES.—

a(1) IN GENERAL. There are hereby appropriated to the Highway Trust Fund amounts equivalent to the taxes received in the Treasury before October 1, [1988,] *1993,* and before July 1, 1989, Under the following provisions—

(A) section 4041 (relating to taxes on diesel fuels and special motor fuels),

(B) section 4051 (relating to retail tax on heavy trucks and trailers),

(C) section 4061 (relating to tax on trucks and truck parts),

(D) section 4071 (relating to tax on tires and tread rubber),

(E) section 4081 (relating to tax on gasoline),

(F) section 4091 (relating to tax on lubricating oil), and

(G) section 4481 (relating to tax on use of certain vehicles).

(2) LIABILITIES INCURRED BEFORE OCTOBER 1, 1988.—There are hereby appropriated to the Highway Trust Fund amounts equivalent to the taxes which are received in the Treasury after September 30, [1988,] *1993,* and before July 1, [1989,] *1994,* and which are attributable to liability for tax incurred before October 1, [1988,] *1993,* under the provisions described in paragraph (1).

* * * * *

(c) EXPENDITURES FROM HIGHWAY TRUST FUND.—

(1) FEDERAL-AID HIGHWAY PROGRAM.—Except as provided in subsection (e), amounts in the Highway Trust Fund shall be available, as provided by appropriation Acts, for making expenditures before October 1, [1988,] *1993,* to meet those obligations of the United States heretofore or hereafter incurred which are—

(A) authorized by law to be paid out of the Highway Trust Fund established by section 209 of the Highway Revenue Act of 1956.

(B) authorized to be paid out of the Highway Trust Fund under title I or II of the Surface Transportation Assistance Act of 1982, [or]

[(C) hereafter authorized by a law which does not authorize the expenditure out of the Highway Trust Fund of any amount for a general purpose not covered by subparagraph (A) or (B) as in effect on December 31, 1982]

(C) authorized to be paid out of the Highway Trust Fund under the Surface Transportation and Uniform Relocation Assistance Act of 1987, or

(D) hereafter authorized by a law which does not authorize the expenditure out of the Highway Trust Fund of any amount for a general purpose not covered by subparagraph (A), (B), or (C) as in effect on the date of the enactment of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

(2) TRANSFERS FROM HIGHWAY TRUST FUND FOR CERTAIN REPAYMENTS AND CREDITS.—

(A) IN GENERAL.—The Secretary shall pay from time to time from the Highway Trust Fund into the general fund of the Treasury amounts equivalent to—

(i) the amounts paid before July [1989,] *1994,* under—

(I) section 6420 (relating to amounts paid in respect of gasoline used on farms),

(II) section 6421 (relating to amounts paid in respect of gasoline used for certain nonhighway purposes or by local transit systems),

(III) section 6424 (relating to amounts paid in respect of lubricating oil used for certain nontaxable purposes, and

(IV) section 6427 (relating to fuels not used for taxable purposes), on the basis of claims filed for periods ending before October 1, [1988] *1993,* and

(ii) the credits allowed under section 34 (relating to credit for certain uses of gasoline, special fuels, and lubricating oil) with respect to gasoline, special fuels, and lubricating oil used before October 1, [1988,] *1993,* (or with respect to qualified diesel-powered highway vehicles purchased before January 1, [1988] *1993.*

* * * * *

(3) 1988 FLOOR STOCKS REFUNDS.—The Secretary shall pay from time to time from the Highway Trust Fund into the general fund of the Treasury amounts equivalent to the floor stocks refunds made before July 1, [1989,] *1994,* under section 6412(a).

(4) TRANSFERS FROM THE TRUST FUND FOR MOTORBOAT FUEL TAXES.—

(A) RANSFER TO BOAT SAFETY ACCOUNT.—

(i) IN GENERAL.—The Secretary shall pay from time to time from the Highway Trust Fund into the Boat Safety Account in the Aquatic Resources Trust Fund amounts (as determined by him) equivalent to the motorboat fuel taxes received on or after October 1, 1980, and before October 1, [1988.] *1993.*

* * * * *

(e) ESTABLISHMENT OF MASS TRANSIT ACCOUNT.—

(1) * * *

* * * * *

(3) EXPENDITURES FROM ACCOUNT.—Amounts in the Mass Transit Account shall be available, as provided by appropriation Acts, for making capital expenditures before October 1, [1988] *1993* (including capital expenditures for new projects) in accordance with section 21(a)(2) of the Urban Mass Transportation Act of 1964.

* * * * *

(5) PORTION OF CERTAIN TRANSFERS TO BE MADE FROM ACCOUNT.—

(A) IN GENERAL.—Transfers under paragraphs (2), (3), and (4) of subsection (c) shall be borne by the Highway Account and the Mass Transit Account in proportion to the respective revenues transferred under this section to the Highway Account (after the application of paragraph (2)) and the Mass Transit Account; except that any such transfers to the extent attributable to section 6427(g) shall be borne only by the Highway Account.

(B) HIGHWAY ACCOUNT.—For purposes of subparagraph (A), the term "Highway Account" means the portion of the Highway Trust Fund which is not the Mass Transit Account.

* * * * *

SECTION 201 OF THE LAND AND WATER CONSERVATION FUND ACT OF 1965

TRANSFERS TO AND FROM LAND AND WATER CONSERVATION FUND

SEC. 201. (a) * * *

(b) There shall be paid from time to time from the Land and Water Conservation Fund into the general fund of the Treasury amounts estimated by the Secretary of the Treasury as equivalent to—

(1) the amounts paid before October 1, [1989,] *1994,* under section 6421 of the Internal Revenue Code of 1954 (relating to amounts paid in respect of gasoline used for certain nonhighway purposes or by local transit systems) with respect to gasoline used after December 31, 1964, in motorboats, on the basis of claims filed for periods ending before October 1, [1988;] *1993;* and

(2) 80 percent of the floor stocks refunds made before October 1, [1989,] *1994,* under section 6412(a)(2) of such Code with respect to gasoline to be used in motorboats.

MATTHEW J. RINALDO, SR.—CITIZEN AND FAMILY MAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. RODINO] is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, our Nation is blessed with many fine citizens who inspire us with their strength of character, their labors, their commitment to their families and their community. One such family man, Matthew J. Rinaldo, Sr., of Union, NJ, recently passed away, leaving behind a great many friends and admirers. His family included his devoted and loving wife, Ann, of Union, NJ, our distinguished colleague and my dear friend, Representative MATTHEW J. RINALDO, two other sons, Donald and James, and a daughter, Nancy.

I join with Members of this House in expressing sincere condolences to our colleague, Congressman RINALDO, and his family, and I call the attention of my colleagues to the following obituaries which appeared in the Newark Star Ledger and in the Daily Journal of Elizabeth, NJ.

MATTHEW RINALDO SR., CONGRESSMAN'S FATHER

Matthew J. Rinaldo Sr., 79, the father of New Jersey's representative from the 7th District, died on New Year's Eve at Overlook Hospital in Summit following cardiac arrest.

He was employed at Exxon Research and Engineering Co. in Bayway for 39 years, retiring in 1970.

Born in Elizabeth, he lived there until moving to Union in 1955. While a resident of Elizabeth, he was a member of St. Mary's Holy Name Society and was active in the Sixth Ward Democratic Club. His lifelong interest in politics and government influenced his son to enter politics in Union as a Republican. The elder Rinaldo was described by his son as "my chief political mentor, supporter and campaign booster as well as my best friend."

Known as "Monte," Mr. Rinaldo played an active role in all of his son's campaign for Congress except the most recent one. Together with his wife, Ann, Mr. Rinaldo made politics a family affair, accompanying his son on numerous campaign tours. When he moved his family to Union, Mr. Rinaldo joined the Republican Party.

Mr. Rinaldo, and his wife frequently handled telephone inquires at their home from constituents needing help. "They always received a sympathetic ear, and my father was right on top of the issues," Rep. Rinaldo said. "He loved politics and sports because of the competition."

Another family member said Mr. Rinaldo had been looking forward to attending the Giants' playoff games and had even asked his doctor to release him from the hospital so he could attend the Sunday playoff game with San Francisco. "He was a Giant rooter all his life and felt this was the year to fulfill their ambition of winning the Superbowl."

Mr. Rinaldo and his wife celebrated their 50th wedding Nov. 23, 1980, and were honored by personal messages from then-President Jimmy Carter, former President Gerald Ford, and President-elect Ronald Reagan, all of whom Mr. Rinaldo had met.

He was a communicant of St. Michael's Church and a Third Degree member of Union Council 4504, Knights of Columbus.

Besides his wife, he is survived by three sons, Donald, an attorney in Union, James of Elizabeth and Rep. Matthew, a daughter, Nancy of Cockeysville, Md., and 10 grandchildren.

Funeral arrangements will be made by Haeberle & Barth, 1100 Pine Ave., Union.

MATTHEW RINALDO SR., CONGRESSMAN'S FATHER

UNION.—Matthew J. Rinaldo Sr., the father of Rep. Matthew Rinaldo, R-Union, died of cardiac arrest at Overlook Hospital in Summit on New Year's Eve. He was 79 years old.

The elder Rinaldo was not directly involved in politics, but he was active in his son's career, who called him his "No. 1 booster."

"He was the best friend I ever had," the congressman said yesterday. "I always looked forward to coming home to him."

Mr. Rinaldo was rushed to Overlook Hospital by the congressman Tuesday night after he experienced shortness of breath. He was kept at the hospital and was reported to be in stable condition. The elder Rinaldo was receiving visitors at his bed throughout the day, but around 7 p.m., Wednesday, he "just laid down and died," said Robert DeLazaro, a spokesman for the congressman.

Born in Elizabeth, Mr. Rinaldo was an active member of the Sixth Ward Democratic Council, when Mayor Thomas Dunn was then the Sixth Ward representative.

He moved to Union in 1955 and was employed at the Exxon Research and Engineering Co. in Bayway for 39 years before retiring in 1970.

Mr. Rinaldo was remembered by friends and family as a outgoing, family man, who always had a smile on his face and a kind word for everyone.

After he retired, he liked to take long walks in Union Center, said Anthony Russo, the mayor of Union, and a long-time friend of the Rinaldo family.

"He used to say hello to everybody," Russo said. "Everybody liked him."

Others, such as John Zimmerman, vice president of the Union Center Bank, said he was often seen by neighbors sweeping the sidewalk in front of his Headley Terrace house or polishing the car. Some said he was too active at his age, and the congressman had difficulty convincing him to slow down.

"He was very involved in Matt's career," said Elizabeth Mayor Thomas Dunn. "In fact, he was doing too much in the last couple of years."

The mayor said he had known "Monte," as Mr. Rinaldo was nicknamed, since they were both youngsters growing up in the Sixth Ward, the Peterstown section of Elizabeth.

"He was a hard-working guy," Dunn said. "I can't say enough good things about him."

Another friend of Mr. Rinaldo was Gov. Thomas Kean. He said last night that he met the elder Rinaldo early in the 1970s, when the congressman first ran for Congress.

"I knew him and was a good friend of his," Kean said. "I am very saddened by his death and I send my personal condolences to the family."

Mr. Rinaldo was a Democrat while living in Elizabeth, but changed political parties when he moved to Union.

"He changed parties because of my interest in politics and the fact that I was a Republican," the congressman said.

"He had a lot of friends," the congressmen said of his father. "He enjoyed the people and life in this area. He had great love for his children and grandchildren."

Mr. Rinaldo made politics a family affair and accompanied his son on all campaigns, except the most recent one. He frequently handled telephone inquiries from constituents.

"They always received a sympathetic ear, and my father was right on top of the issues," the congressman said. "He loved politics and sports because of the competition."

Another family member said Mr. Rinaldo was looking forward to attending the Giants' playoff game and had even asked his doctor to release him from the hospital so he can attend the Sunday game with San Francisco.

Mr. Rinaldo and his wife, Ann, celebrated their 50th wedding anniversary on Nov. 23, 1980. They were honored by personal messages from then President Jimmy Carter, former President Gerald Ford and President-elect Ronald Reagan, all of whom Mr. Rinaldo has met.

In addition to his wife and son, Mr. Rinaldo is survived by two other sons, Donald, a Union attorney, and James of Elizabeth; a daughter, Nancy of Cockeysville, Md., and 10 grandchildren.

Mr. Rinaldo was a communicant of St. Michael's Church in Union and a Third-Degree member of Union Council 4504, Knights of Columbus.

A wake is to be held tomorrow at St. Michael's Church, Union, from 7 to 9 p.m. and Sunday from 2 to 4 and 7 to 9 p.m.

A Mass will be celebrated 10 a.m. Sunday at the church. Burial will take place after the Mass.

Haeberle & Barth, 1100 Pine Ave., Union, is in charge of arrangements.

Mr. COURTER. Mr. Speaker, I rise today to offer my sincere condolences to our distinguished colleague and my good friend from New Jersey, Congressman MATTHEW J. RINALDO, and to his family on the passing of Matthew J. Rinaldo, Sr. He was the moral force and rockbed of his family, and stood for those values that are rooted in the American experience: Hard work; devotion to his family; God fearing, and firmly committed to our Nation's traditions.

In attending the funeral Mass at St. Michael's Church, in Union, NJ, I was moved by the warm, personal tributes, paid to Mr. Rinaldo, Sr., by Bishop Dominic A. Marconi, the auxiliary bishop of the Newark Archdiocese, and Msgr. Harrold Murray, who delivered the homily. They spoke about Mr. Rinaldo's love for his family; his involvement in his son's congressional campaigns, and the way that Mr. Rinaldo and his wife, Ann, worked at home in helping constituents who had turned to their son for assistance. As Monsignor Murray commented in his homily, it was a family affair, and the elder Mr. Rinaldo was the inspiration behind the family's spirit of public service.

Thirteen other monsignors and priests joined in the beautiful concelebrated Mass that ended with a tribute by Rev. Robert Fuhrman, Mr. Rinaldo's parish priest.

Thousands of mourners visited the Haeberle & Barth Funeral Home in Union in an extraordinary display of respect and affection for Matthew J. Rinaldo, Sr., and his family. They received hundreds of Mass cards and spiritual bouquets as well as floral tributes that filled the funeral home. Others donated to their favorite charities in memory of Mr. Rinaldo, Sr.

Among those paying tribute to Mr. Rinaldo were Vice President BUSH, Gov. Thomas Kean; Members of Congress, and scores of State legislators, mayors, and business leaders from throughout New Jersey.

The senior Mr. Rinaldo was no public figure. He never ran for office. Seldom did his name appear in the newspapers or among the lists of the most prominent people in New Jersey. He never sought the public limelight nor did he ever wish to be treated as a celebrity. Instead, he made his presence felt through the sheer force of his goodwill and love of people. Most of all he stood for the pride that many Americans have in their family. He was the essence of the proud father who worked and struggled to insure that his family had the opportunities available to so many Americans. His life and the homage he was paid at his funeral from his many friends and admirers was a testament to the meaning of a good father, a good man, and a fine American.

I join my colleagues in the House in expressing our sympathies to his loving wife of 56 years, Ann Rinaldo, their sons, MATTHEW J. RINALDO, a Member of this House, Donald, James, and their daughter, Nancy, and 10 grandchildren. They were the most important things in his life, a life that was lived to the fullest in a country that he dearly loved.

MEDICARE ADULT DAY CARE AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I rise today to reintroduce legislation, the medicare adult day care amendments, intended to help more of our Nation's senior citizens and chronically ill stay in their own communities rather than being unnecessarily incarcerated in nursing homes and other institutions away from their own homes and communities. I am very pleased to be joined by Representative EDWARD ROYBAL in sponsoring this bill. The need which this legislation attempts to address is part of a persistent yet neglected national problem that will not just disappear over time: the lack of a comprehensive national long-term health care policy.

By now, the parameters of this problem have become familiar to most policymakers. The aging of the population over the next few decades—due to both demographics and longer life expectancies—will impose increasingly greater strains on an already overburdened system. The present structure of health care delivery and financing does not make effective use of total health care dollars. Entire segments of the population receive second-rate services. The United States is the only major industrialized Nation in the world without a national health care policy. I think it is especially important in the context of the legislation now being introduced that senior citizens today spend the same percentage of their personal incomes on health care as they did before the existence of Medicare.

Moreover, Medicare provides coverage only for acute care situations, and frowns upon preventive health care services. Those persons who require long-term custodial care must either be wealthy enough to pay the exorbitant costs of such care out of pocket, or destitute enough to meet Medicaid eligibility requirements. The middle-income segment of the population follows the all-too-familiar "spend down" path, whereby they must deplete their lifelong savings before becoming eligible for any public assistance. Sadly, these savings are usually sufficient to cover only a short period of care; thereafter they become the responsibility of the State under whose jurisdiction they remain indefinitely. Those critics who abhor the thought of Medicare coverage for preventive care because of "the expense" should play the scenario out a little bit further: today's Medicare patient unable to afford the relatively inexpensive costs of preventive or custodial community care is tomorrow's broke nursing home patient financially dependent on Medicaid. The "spend-down" requirement deprives many people of savings they have worked very hard over their lives to earn and build up. In the long run, which costs the taxpayers, our Nation's elderly, and society, more?

I believe that it is time we begin to look at alternative means of caring for our Nation's ill and elderly. We need to broaden our perspective on the health care issue. Over the past few years we have enacted significant reforms in the Medicare Program which have resulted in more efficient delivery of currently covered services. These changes have been encouraging. Now we should be exploring ways of redesigning our health care system to meet the "big picture" human and fiscal needs of years ahead.

An oft-discussed and much lauded approach is to maximize the amount of time the individual spends in a community setting, either with their families or on their own. Aside from the obvious human benefits of avoiding institutionalization, such a strategy makes fiscal sense as well. Measures designed to maximize a senior's independence and self-sufficiency should not be viewed as unnecessary luxuries but as sound investments. We should not shy away from shifting Medicare's focus to encompass preventive care because in the long run we will realize savings.

Given the proper array of support services, countless senior citizens would be able to remain in the community for an extended period of time, reducing their dependence on publicly financed institutional care. The time has come to start putting into place the various components of a comprehensive system of long-term care alternatives. Already communities across the Nation are responding to the need as families and specialists are working together to implement creative solutions to the problem of caring for the aged. Adult day care is a particularly encouraging alternative that has attracted widespread attention.

Adult day care, as you know, is a community-based group program designed to meet the needs of functionally impaired adults through individually tailored plans of care. It is a structured, comprehensive program that provides a variety of health, social, and related support services in a group setting on a less than 24-hour care basis. A multidisciplinary group of professionals—including a physician, a registered nurse, a physical, occupational and/or speech therapist, and, if needed, a dietician—work together to deliver the optimal configuration of services to meet the individual's needs.

Adult day care offers a number of unique benefits. It is cost-effective as compared to both institutionalization and home health care. The centers provide respite for primary care givers, reduce the incidence of acute illness through ongoing monitoring of health symptoms and preventive health care, and have been successful in avoiding or delaying institutionalization. In addition, clients receive the vital psychological benefits of mental and social stimulation not available to them when confined to the home.

A 1982 evaluation of adult day care centers in California found that 87 percent of seniors who participated in the programs maintained or improved their level of functioning. This statistic is especially significant given the fact that 63 percent of the participants were eligible for institutionalization according to the Medicaid field office criteria. Clearly it is possible to avoid both the costs and the trauma of institutionalization provided that the proper community-based services are available to those in need.

Adult day care centers are cost-effective means of delivering those services. Because the care is provided in a group setting, day care centers can capitalize on the efficiency of providing care to more than one individual without having to act as a residential facility as well. Participants' needs are evaluated, a comprehensive care package is developed, and the necessary services are provided in a focused, efficient and humane manner.

Adult day care has grown quickly at the grassroots level over the last decade from approximately 300 programs in 1977 to over 1,200 today. Despite the success of these programs, funding is difficult to come by. Some States have taken advantage of a Medicaid waiver program to provide coverage for certain low-income participants, but the Medicare-eligible population must pay out-of-pocket for these services. The result is that only the very poor or very rich can take advantage of this cost-effective alternative form of health care.

Clearly the need exists for some kind of adult day care coverage through the Medicare Program. Accordingly, last year I joined with 21 of my colleagues in introducing the Medicare Adult Day Care Amendments of 1986. This bill, which is being reintroduced here as the Medicare Adult Day Care Amendments of 1987, would allow certain part B beneficiaries to participate in adult day care programs through their supplementary Medicare insurance plans. In order to be covered for this new benefit, it must be certified that participants would otherwise require a level of care furnished in a hospital, skilled nursing facility, or intermediate care facility if the adult day care services were not provided. In addition, no more than 100 days per calendar year would be covered, and utililzation would be subject to a $5 per day copayment.

Adult day care is a humane, cost-effective alternative form of health care, of the sort that we as policymakers should be encouraging. Amid recent talk of revising Medicare so that it can better meet the long-term health care needs of our Nation's seniors, Representative ROYBAL and I ask our colleagues to again seriously consider the advantages of adult day care. We owe the American public the wisest and most efficient allocation of their hard-earned tax dollars; we owe elderly Americans the respect to allow them to live out their laters years in the least restrictive, most dignified environment available. The Medicare adult day care amendments achieve these dual purposes. I urge my colleagues to join me in supporting this important piece of legislation.

THE COUNCIL ON INDUSTRIAL COMPETITIVENESS ACT AND THE COMPETITIVE EXCHANGE RATE ACT ATTACKING AMERICA'S COMPETITIVENESS PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 30 minutes.

Mr. LAFALCE. Mr. Speaker, today I am introducing two key legislative initiatives designed to address the serious decline in the competitiveness of this Nation's industries in international markets.

This country must wake up. The perception of an insular and self-sustaining U.S. economy is obsolete. It is clear today that American industry must be able to compete on an international playing field. Fully 75 percent of all goods produced in this country are now subject to international competition. The number of viable participants in the world economy is growing rapidly. While not long ago analysts were directing their attention at the rising competitiveness of Japan and West Germany, today the focus is on the increased competitiveness of South Korea, Taiwan, Hong Kong, and Singapore. Just last Friday, President Reagan rescinded specialized tariff treatment for many imported goods from these four nations plus Mexico, Argentina, and Brazil in recognition of their new international economic viability and of the increasing economic threat they pose to our own industries.

It is increasingly evident that global trade has become one of the most important forces driving the economies of the world, including that of the United States. In 1970, commerce with other nations represented 8 percent of U.S. gross national product. Now trade is almost twice as important to the economy, representing 14 percent of GNP. The enormous volume of imports into this country displaces domestic production. Growth figures have constantly been revised downward this year as the trade deficit, expected to total $170 billion for 1986, continued to act as a serious drain on our economy.

While it is clear that the new arena for industrial competition is the international marketplace, it is also clear that American firms are being beaten by the competition. The United States has not posted a positive merchandise trade balance since 1975. More alarming is the trend of the merchandise trade balance over the past 5 years. Deficits have risen progressively each year and at a rate producing a deficit four times as severe as that which obtained 5 years ago. The problem of competitiveness pervades the U.S. economy. Some analysts have viewed the trade imbalances of the manufacturing sector as a natural phenomenon in a postindustrial society and have sought positive economic growth from our high-technology and service sectors. However, high-technology industries posted a deficit for the first time in the third quarter of 1984 and trends suggest that Tokyo is fast becoming the investment center of the world, replacing New York as easily as New York replaced London.

Though trade balances are an important barometer of the relative competitiveness of U.S. firms in world markets, they do not explicitly illustrate the ultimate outgrowth of our declining competitive position—the loss of good jobs for U.S. workers and the drop in the U.S. standard of living. Over the past 5 years, employment in this country has fallen 11.6 percent in the manufacturing sector. With consumer spending high, this contraction in employment is not the result of a decreasing demand for goods in this country or abroad but a reflection of the inability of American firms to succeed in the international business environment.

Perhaps the best overall assessment of the competitiveness problem in this country was provided by the President's own Commission on Industrial Competitiveness, and I quote:

> The United States is losing its ability to compete in world markets * * *. A close look at U.S. performance during the past two decades reveals a declining ability to compete—a trend that, if continued, will lead to a lower standard of living and fewer opportunities for all Americans.

There are those who complain that the problem that America faces when participating in world markets is that other countries play by different rules. They attribute the decline in U.S. competitiveness to unfair protectionism and the subsidization policies of our competitors. In certain situations this may be true. But such finger pointing fails to recognize that the reasons for the trade drain are structural—built into how the world economy has reshaped itself as the more encompassing cycle of industrial development unfolds.

Rather than complain about the strategies used by other nations in international markets, we need to take an affirmative approach to the competitiveness problem and develop a competitiveness strategy of our own. In the past, American firms competed primarily against each other according to one set of rules. In the context of a global economy, it is impractical and unproductive for us to expect all other nations of the world to compete by our standards. What is more unfair than the way the other players in the international economy choose to compete is the way we have been hamstringing our own industries. We have ignored policies that would enable U.S. firms to reach their competitive potential and participate most effectively in the world economy.

A few positive steps have been taken, making it easier for American firms to compete in international markets. The administration has made some effort to negotiate with other nations to lower the value of the U.S. dollar in order to make U.S. products more price competitive. It has also reevaluated some antitrust and regulatory policies that have hampered the ability of our industries to compete worldwide.

Yet, 2 years after the President's Commission on Industrial Competitiveness brought the issue of a U.S. competitiveness problem to the forefront and made some positive recommendations we are left with almost nothing. The value of the dollar has dropped but there are no indications that the trade deficit has hit bottom let alone "turned the corner" as some administration officials have predicted. Though some progress has been made, we remain without a means to hold the President accountable for the impact of exchange rates on trade competitiveness and without any framework within which policies conducive to currency stabilization can be developed. Consequently, we are at the mercy of other nations should the dollar's value rise again or should erratic currency fluctuations make business planning impossible. We also continue to lack a competitiveness strategy—something that nearly every other country participating in the world economy has developed and used for years.

The Economic Stabilization Subcommittee, which I have chaired since 1983, has held an extensive set of hearings on the competitive problems of American industry and the need for a public response to those problems. Through an arduous and careful process spanning 4 years, the subcommittee drew on the expertise of dozens of witnesses from industry, labor, government, academia, and public interest groups to identify the basic causes for our competitiveness problem. Two major causes of the country's competitiveness problem remain unaddressed: First, while we clearly have an extensive set of Government policies which grant support to industry, we have been unable to forge these policies into a coherent strategy to improve our international competitiveness. Second, we have allowed the U.S dollar to fluctuate uncontrollably and we let it become overvalued and uncompetitive. This artificially inflated the price of U.S. goods overseas and deflated the cost of foreign goods in our domestic market.

We need to take the first steps to correct these specific problems, which hamper the competitiveness of U.S. firms in international markets, and thereby unleash the competitive drive and capabilities of American industries so that they can operate effectively on an international playing field. The legislation that I am introducing today takes these steps.

These are not radical initiatives but precisely crafted bills with well-defined objectives aimed at correcting specific and agreed-upon problems. For example, the Council on Industrial Competitiveness will coordinate existing Government policies that aid business so as to avoid inefficient and hypocritical situations in which government provides aid to industry with one hand while unknowingly hampering industry competitiveness with the other. The Council would also provide this country with what every other country in the international economy has: a competitiveness strategy. The Competitive Exchange Rate Act ensures that each administration will develop and pursue a plan to stabilize the value of the dollar and thus free U.S. firms from the inconsistencies and vagaries of exchange rate fluctuations which are beyond their control.

Together these initiatives constitute the beginning of an affirmative strategy designed to confront this country's competitiveness problems head on. They do not put the United States in the defensive posture of reacting to aggressive strategies of other countries by insulating ourselves from competition. Such protectionism is an unproductive and negative approach to the problem of competitiveness and it could provoke costly trade wars. On the other hand, this legislation also rejects the laissez-faire indifference of this administration. These bills take definitive and constructive steps to do something about our competitive problems.

Allow me to discuss the individual initiatives in more detail:

THE COUNCIL ON INDUSTRIAL COMPETITIVENESS ACT

Stunning confusion marks U.S. policy affecting the competitiveness of our industries. While existing policies profoundly affect individual industries, their overall impact on key industrial sectors is too often neither intended, understood, nor anticipated. The Federal Government ostensibly applies public policy in pursuit of a public purpose, but in fact often has no clearly articulated purpose against which to measure the policy or its impact.

The basic issue confronting the U.S. economy is the inability of all those participants with important stakes in its success to act together, to build a consensus about common economic problems and to mobilize resources in pursuit of our common goals. In report after report, a principal recommendation is the need for better coordination of the various Government actions that influence business activities and U.S. participation in the global marketplace. Business, labor, and Government all have critical roles to play in restoring America's global competitiveness. Consensus building must, therefore, be the cornerstone of any competitiveness strategy.

The first bill I am proposing would create a Council on Industrial Competitiveness which would provide a mechanism for coordinating Government policies and would allow Government, business, and labor to work together and achieve consensus to better the competitive position of American industry. The bill would establish a national Council, charged with thinking broadly about the structure of our economy and the problems of international competitiveness. The national Council would in turn sponsor a series of industry subcouncils to explore in greater depth the problems and prospects of specific industries or sectors. The agenda for both the national and sectoral councils would be the same: To determine ways in which private action and public policy can further our common goals of economic growth and international competitiveness.

At the heart of the deficiencies in current government policies affecting industry is an appalling lack of both basic economic data regarding competitive opportunities and problems and the focused analytical capability that could make use of it. This incredible lack of information contributes to this country's inability to devise effective economic strategies and perpetuates our unfortunate tendency to be blindsided by foreign competitive advances which could easily be foreseen.

The Council would also be charged with undertaking the analysis of international economic data from a competitiveness perspective. It would interpret and analyze relevant domestic and international data concerning current and future economic trends and market opportunities. Consequently, it would be in a position to monitor the changing nature of the U.S. industrial economy and its capacity to provide marketable goods and services in domestic and international markets, providing an early warning system regarding problems in responding to international competition.

THE COMPETITIVE EXCHANGE RATE ACT

For years the administration praised the high dollar as emblematic of our economic leadership. Once it finally recognized the fallacy in its reasoning, the administration undertook efforts to negotiate a lowering of the U.S. dollar with other industrialized countries. This belated attempt to increase the price competitiveness of U.S. products in international markets represents an essential and long-overdue effort on the part of the administration to alleviate a major obstacle to increasing U.S. competitiveness abroad. But, I am concerned that it was an illusory quick-fix solution to a complex problem. My concern appears well founded. The drop in the dollar, relative only to a few major currencies, excluding those of major competitors such as Canada and the newly industrialized countries of the Far East, has had a negligible impact on our trade imbalances.

A real solution must involve many elements. We must seek greater coordination of macroeconomic policy at the international level and work with our trading partners to reform the exchange rate system to correct exchange rate misalignments. We must use intervention in currency markets more effectively to keep the dollar at a competitive level. As we have observed since the G-5 meeting a year ago last September, decisive, direct interventions can be a useful part of a broader strategy designed to correct currency misalignments. We also need a serious commitment, to deal with our enormous Federal deficit and correct the imbalance in our own fiscal and monetary policy.

But perhaps the key element of any proposal on exchange rate reform must be increasing the accountability of the President for the impact of exchange rates on trade competitiveness and the policy initatives necessary to correct any exchange rate problems. The Treasury Secretary, as the executive chiefly responsible for domestic and international economic issues, including decisions on U.S. intervention in exchange markets, should be required to present to the Congress the administration's strategy for maintaining the dollar at a level that assures trade competitiveness for American industry and agriculture. He should have to assess the impact of exchange rate fluctuations on the competitiveness of U.S. producers and propose changes in domestic economic policy to redress artificial exchange rate imbalances—or justify why such changes cannot be achieved. The Secretary should also be required to report on his international efforts to obtain cooperation in maintaining the dollar at a competitive level and reforming the international exchange rate system.

The second bill I am introducing would establish a mechanism through which a coherent exchange rate policy can be formulated and sustained and would ensure against the erratic fluctuations in the exchange rate of the dollar that have adversely affected the competitiveness of U.S. industries in international markets. More specifically, it would: Increase the accountability of the President for the impact of exchange rates on trade competitiveness by stringent reporting requirements; direct the President to enter into international negotiations with other countries to reform the exchange rate system; and, urge strategic and internationally coordinated government intervention in currency markets when appropriate to adjust the value of the dollar to competitive levels.

These legislative initiatives form the base of an affirmative strategy that will lead the way to overcoming the serious decline in the competitiveness of this Nation's industries in world markets. For years I have been advocating measures that would place the problem of competitiveness in our own hands. In August, I met President Reagan and urged him to make U.S. industrial competitiveness a national priority. Now consensus is developing around such a positive approach. Congressional coalitions and private sector groups have formed to build a legislative agenda for our national competitiveness problem. There is speculation that competitiveness will be an important theme in the President's State of the Union Address. But we cannot afford to wait while even more groups deliberate and more agendas are developed. I now present this legislative package as a springboard for action.

It is time to pass legislation that would take the steps necessary to redress some basic causes of the problem of competitiveness. It is time to allow U.S. industry to compete more fully in the international economy. It is time to take action that would make this 100th Congress the competitiveness Congress.

AMERICAN COMPETITIVENESS: NEEDED ANTITRUST REVISIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. FISH] is recognized for 10 minutes.

Mr. FISH. Mr. Speaker, we hear a great deal of talk these days about competitiveness and rightfully so. There is, without question, a need for laws and policies which will enhance the position of American business in the international marketplace. In particular, given our alarming trade deficit, these are concerns and goals that should be a top legislative priority in the 100th Congress.

One logical place to start this effort is with remedial changes to those laws that currently discourage marketplace utilization of existing technology or are a disincentive to pursue promising avenues of research. We have already taken some steps to encourage our own economic growth in the face of global competition. One notable example is legislation passed in the last Congress to provide a tax credit for competitively important research and development activity. I am pleased to have been a cosponsor of that legislation. Other areas also, however, require our attention in order to enable U.S. companies to compete more effectively in the international arena. For example, there is a pressing need to bring about greater harmony between the patent laws—and other intellectual property rights—and the antitrust laws.

In the last Congress, I introduced legislation to address this issue by amending the antitrust laws to facilitate and encourage the development of intellectual property and the marketing of products incorporating innovations. Today, I am reintroducing a strengthened version of that legislation. I am pleased to be joined by my colleagues on the Judiciary Committee, BARNEY FRANK, CARLOS MOORHEAD, MIKE SYNAR, DAN LUNGREN, HENRY HYDE, and BILL DANNEMEYER, in introducing the "Intellectual Property Antitrust Protection Act of 1987."

Our bill would require that the courts considers all economic effects, including the procompetitive benefits, of agreements that include the conveyance of intellectual property rights in considering antitrust challenges to such agreements. Transactions involving intellectual property conveyances would thus be analyzed and evaluated under the rule of reason test of antitrust law. Furthermore, and importantly, this measure would also remove the possibility of treble damage liability for an individual, a small business, or a corporation which chooses to convey its patent rights or other intellectual property rights to others. Our bill would cover a wide spectrum of intellectual property, including patents, copyrights, trade secrets and related know-how, and semiconductor chips.

For too long, Mr. Speaker, court decisions have reflected an artificial tension between antitrust law, on the one hand, and patent law, on the other. These decisions have been criticized by both economists and legal scholars. This judicial tension has discouraged both personal and corporate innovation, to the overall detriment of the American economy.

The basic problem stems from certain Supreme Court and lower Federal court decisions which characterize the patent system as inherently in conflict with goals of antitrust law. The Supreme Court, for example, has depicted the patent grant as a monopoly, the limits of which are to be "narrowly and strictly confined" so as to avoid the "evils of an expansion of the patent monopoly by private engagements." *Mercoid Corp.* v. *Mid-Continent Co.,* 320 U.S. 661, 665-66 (1944). To be sure, some decisions, including one by the Federal appeals court expert in patent matters, have rejected the notion that an intellectual property grant is a monopoly any more than is any other type of property. See *Schenck* v. *Nor-*

tron Corp., 713 F.2d 782, 786 n. 3 (Fed. Cir. 1983). Unfortunately, the erroneous view that an exclusive legal property right such as a patent, copyright or trade secret is somehow at odds with the free market system has been reflected in a number of prior and subsequent cases. *Deepsouth Packing Co., Inc.* v. *Laitram Corp.*, 406 U.S. 518 (1972); *United States* v. *Paramount Pictures, Inc.*, 334 U.S. 131 (1948); *International Salt Co.* v. *United States*, 332 U.S. 392 (1947); *International Wood Processors* v. *Power Dry, Inc.*, 792 F.2d 416 (4th Cir. 1986).

The viewpoint reflected in many court decisions mistakes the actual economic relationship between the protection of intellectual property and the goals of antitrust policy. Intellectual property protection is no more anticompetitive than is protection of any other form of property. Property rights, including intellectual property rights, are the cornerstone of an efficient free-market economy, and provide the foundation to inspire the development of differentiated products. They create the incentive for private investment in productive activity by providing the investor with the means to appropriate the returns from his efforts free from undue interference by third parties. Moreover, judicial hostility to protection of intellectual property rights often also reflects the erroneous supposition that such rights, or product differentiation based upon such rights, invariably provide the economic power necessary to allow their holders to restrain competition.

Providing the proper legal environment to encourage research efforts requires that legal principles be based on sound and complete analysis of their actual competitive effects. Unduly restricting technological development through the imposition of unsound legal rules means fewer new products and processes and, ultimately, less competition. Any system of intellectual property protection must reflect a carefully structured and economically sound balance between the dangers of inadequate protection and those of excessive protection. It is an over-simplification at best to regard the patent system or the copyright system as inherently at odds with competitive policy. Rather, intellectual property laws and antitrust laws serve complementary functions basic to our national economic progress, which can only be fully realized if all economic effects of an intellectual property conveyance are taken into account.

The presumption underlying the legislation I am introducing is that enhanced legal protection of intellectual property rights will, in fact, promote competition. By encouraging the private sector in the development and implementation of new technologies, the legislation will result in new and better products, additional marketplace choices for consumers, and lower prices. Recent economic research demonstrates that further protections with respect to intellectual property enhance, rather than hinder, the competition protected by the antitrust laws. Consequently, it is crucial that the antitrust laws governing transactions including conveyance of intellectual property rights not be interpreted in an overly restrictive manner that unreasonably discourages competition through marketing transactions involving innovative products.

Patent licensing, for example, has the potential for significant procompetitive benefits. Often, the creator of a new product is not in the best position to develop that particular product commercially. Other individuals or businesses may have superior manufacturing capabilities or product distribution networks. Transactions including the conveyance of intellectual property rights permits the patent owner to match its own knowledge and other advantages with those of its licensees, who may possess superior production, distribution, or marketing facilities or skills. Licenses, and certain conditions included within such licenses, can also reduce the costs of transactions in transferring intellectual property and assessing the risk of developing new products. By allowing products to get to the marketplace more quickly or at lower cost, licensing can allow patent owners to compete more effectively.

Equally important, by allowing the owner to utilize its intellectual property in the way it deems most effective, transactions included the conveyance of intellectual property rights increase the value of the patent grant, and hence increase the incentive to innovate. Moreover, benefits to the innovator through such transactions are market-based, allowing the creator and developer of new technology to obtain returns that approximate the social value of the technology. Thus, protecting such transactions is likely to target technological development to useful and needed areas.

It is important to protect innovation and prevent free riding by third parties on investments in new technology. Since these third parties are often in other countries, a failure to allow full and efficient use of marketing strategies with respect to innovative products harms U.S. companies to the benefit of foreign competitors. Investment in research and development is a risky business. An entrepreneur, be he large or small, is unlikely to risk the necessary investment if the prospects for financial reward are not present or severely limited, or if this reward can be appropriated by others. His investment in and dissemination of new technology is further chilled if, as under present law, he faces the prospect of treble damages liability for engaging in procompetitive practices which cause no competitive harm.

The changes we propose in the antitrust laws would further encourage and motivate American industry to develop new ideas and new technologies. All too often today, advances in technology are not fully explored because an individual or corporation may not have the capacity to market the idea or new discovery, or is unable to absorb the risk imposed by the uncertain, arbitrary and economically unsound application of the antitrust laws. The current state of antitrust law with regard to patent licensing or the licensing of other intellectual property thus restricts technological innovation.

Some recent court decisions have begun to reflect a better understanding of the fundamental benefits of intellectual property. Just last month, a Federal appeals court decision rejected an absolute rule that a patent or copyright conferred market power, and employed a more realistic analysis of the economic effects of an intellectual property grant. *A.I. Root Co.* v. *Computer/Dynamics, Inc.*, 1986-2 Trade Cas. (CCH) 67,363 (6th Cir. 1986). Nonetheless, other courts continue to adhere to erroneous analyses, creating disincentives and uncertainty in technology development. The business community needs a strong, reliable signal from Congress. Only statutory change can reverse the years of case law precedents that have discouraged the full utilization of transactions involving intellectual property conveyances in American business practice. We need to encourage such individuals or corporations to believe that they can profitably and successfully market their ideas.

In 1984, Congress passed the "National Cooperative Research Act"—Public Law 98-462—which, among other things, prohibited per se treatment of licenses of intellectual property developed through research and development joint ventures. There is no logical reason why we should treat intellectual property licenses which are independently developed any differently than those which are the result of a joint venture. Our idea is also supported by the administration, and counterpart legislation is sponsored on a bipartisan basis by Senator PATRICK LEAHY and Senator ORRIN HATCH.

Simply put, the time has come to reverse the misdirected judicial hostility seen between intellectual property law and antitrust law. If that legal view was ever valid, it is outdated in our current economic climate. We must remove the threat of treble damage liability from those who seek to market new technologies more efficiently. The patent and antitrust laws should be structured so as to be complementary, not conflicting. This legislation will encourage the creation, development, and commercial application of new products and processes. It can mean technological advances which create new industries, increase productivity and improve America's ability to compete in foreign markets.

I urge my colleagues in the House to join us in cosponsoring this important legislation, and we will be working within the House Judiciary Committee to encourage its early consideration. If you wish to join as a cosponsor, please call Alan Coffey of the Judiciary Committee staff on extension 56906.

The text of our bill is as follows:

H.R. —

A bill to modify the application of the antitrust laws so as to encourage the licensing and other use of certain intellectual property

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Intellectual Property Antitrust Protection Act of 1987".

SEC. 2. RULE OF REASON STANDARD.

Agreements to convey rights—

(1) to use, practice, or sublicense an invention patented under title 35 of the United States Code,

(2) to use or sublicense a trade secret, including but not limited to related know how, or

(3) in a work, including a mask work, protected under title 17 of the United States Code,

shall not be deemed to be illegal per se under any of the antitrust laws, or under any state law similar to the antitrust laws.

SEC. 3. LIMITATION ON RELIEF.

(a) Private Actions.—Notwithstanding section 4 of the Clayton Act (15 U.S.C. 15) and in lieu of the relief specified in such section, any person who is entitled to recover on a claim under such section based on an agreement to which section 2 of this Act applies shall recover the actual damages sustained by such person, interest determined in accordance with subsection (d) on such actual damages, and the cost of suit, including a reasonable attorney's fee.

(b) Actions by State Attorneys General.—Notwithstanding section 4C of the Clayton Act (15 U.S.C. 15c) and in lieu of the relief specified in such section, any State that is entitled to monetary relief under such section based on an agreement to which section 2 of this Act applies shall be awarded as monetary relief the total damage sustained as described in section 4C(a)(1) of such Act, interest determined in accordance with subsection (d) on such total damage, and the cost of suit, including a reasonable attorney's fee.

(c) State Law Actions.—Notwithstanding any provision of any State law providing damages for conduct similar to that forbidden by the antitrust laws, any person who is entitled to recovery on a claim under such provision based on an agreement to which section 2 of this Act applies shall not recover in excess of the actual damages sustained by such person, interest determined in accordance with subsection (d) on such actual damages, and the cost of suit, including a reasonable attorney's fee.

(d) Determination of Interest.—For purposes of subsections (a), (b) and (c), interest shall be payable at the rate specified in section 1961 of title 28, United States Code, for the period beginning on the date of service of the pleading setting forth the claim involved and ending on the date of judgment, unless the court finds that awarding all or part of such interest is unjust in the circumstances.

SEC. 4. DEFINITIONS.

For purposes of this Act—

(1) the term "antitrust laws" has the meaning given it in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12(a)),

(2) the term "invention" has the meaning given it in section 100(a) of title 35, United States Code, and

(3) the term "mask work" has the meaning given it in section 901(a)(2) of title 17, United States Code.

SEC. 5. APPLICATION OF ACT.

This Act shall not apply with respect to suits commenced under the antitrust laws before the date of the enactment of this Act.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. Snowe (at the request of Mr. Michel), for today, on account of attending the inauguration of the Governor of Maine.

Mr. Quillen (at the request of Mr. Michel), for today, on account of illness in the family.

Mr. Pickle (at the request of Mr. Foley), for today, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Skeen) to revise and extend their remarks and include extraneous material:)

Mr. Fish, for 10 minutes, today.

(The following Members (at the request of Mr. Erdreich) to revise and extend their remarks and include extraneous material:)

Mr. Rostenkowski, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Rodino, for 5 minutes, today.

Mr. Panetta, for 5 minutes, today.

Mr. LaFalce, for 30 minutes, today.

Mr. Owens of New York, for 60 minutes, on January 20, 27, February 3, 10.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Skeen) and to include extraneous matter:)

Mr. Courter in two instances.
Mr. Gallo.
Mr. Gilman in two instances.
Mr. Henry.
Mr. Ritter in two instances.
Mr. Broomfield.
Mr. Lott in four instances.
Mrs. Smith of Nebraska in two instances.
Mr. Shumway in two instances.
Mr. Boehlert.
Mr. Jeffords.
Mr. McDade.
Mr. Tauke.
Mr. Conte in two instances.
Mr. Roth.
Mr. Gunderson.
Mr. Wortley.
Mr. Dreier of California.
Mr. Bereuter in two instances.
Mr. Schulze in two instances.
Mr. Lightfoot.
Mr. Molinari.
Mr. Coleman of Missouri.
Mr. Miller of Washington.
Mr. Lagomarsino in two instances.
Mr. DioGuardi.

(The following Members (at the request of Mr. Erdreich) and to include extraneous matter:)

Mr. Rostenkowski.
Mr. Rodino in two instances.
Mr. Ortiz.
Mr. Lehman of Florida.
Mr. Coelho.
Mr. Lipinski in two instances.
Mr. Studds.
Mr. Vento.
Mr. Manton.
Mr. Slattery.
Mr. Dymally.
Mr. Smith of Florida.
Mr. Fascell.
Ms. Kaptur.
Mr. Miller of California.
Mr. Guarini in four instances.
Mr. Biaggi.
Mr. Stark in three instances.
Mr. Wolpe in two instances.
Mr. Hoyer in two instances.

ADJOURNMENT TO TUESDAY, JANUARY 20, 1987

Mr. GARCIA. Mr. Speaker, I move that the House do adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of Senate Concurrent Resolution 1 of the 100th Congress, the House stands adjourned until 12 noon on Tuesday, January 20, 1987.

Thereupon (at 4 o'clock and 38 minutes p.m.), pursuant to Senate Concurrent Resolution 1, the House adjourned until Tuesday, January 20, 1987, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

227. A communication from the President of the United States, transmitting requests for supplemental appropriations for fiscal year 1987, pursuant to 31 U.S.C. 1107 (H. Doc. No. 100-17); to the Committee on Appropriations and ordered to be printed.

228. A letter from the Secretary of Housing and Urban Development, transmitting a report on HUD-owned multifamily project negotiated sales; to the Committee on Appropriations.

229. A letter from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting notification of the decision to convert to contractor performance the grounds maintenance function at Offutt Air Force Base, NE, pursuant to 10 U.S.C. 2304 nt; to the Committee on Armed Services.

230. A letter from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting notification of the decision to convert to contractor performance the switchboard function at Luke Air Force Base, AZ, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

231. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee, and insurance transactions supported by Eximbank during September 1986 to Communist countries, pursuant to 12 U.S.C. 635(b)(2); to the Committee on Banking, Finance and Urban Affairs.

232. A letter from the Secretary of Education, transmitting final regulations governing loan discounts for the college housing and academic facilities loan programs, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Banking, Finance and Urban Affairs.

233. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-225, "Closing of a Segment of G Street, N.W., Adjacent to Squares 565 and

567, S.O. 84-251, Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

234. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-230, "Regulations Governing the Businesses of Buying, Selling and Financing of Motor Vehicles in the D.C. Department of Licenses and Inspection Amendment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

235. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-224, "D.C. Legislature Compensation Comparability Amendment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

236. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-222, "State Energy Plans Submission Requirement Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

237. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-237, "Closing of a Public Alley in Square 166, S.O. 85-137, Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

238. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-238, "Real Property Wet Settlement Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

239. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-235, "Redeemed Temple of Jesus Christ Equitable Tax Relief Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

240. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-236, "Children's Hospital National Medical Center and National Child Research Center Equitable Tax Relief Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

241. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-210, "District-WMATA Land Conveyance Act of 1986" and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

242. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-211, "Hacker's License Recordkeeping Amendment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

243. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-240, "D.C. Unemployment Compensation Act Amendments Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

244. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-239, "Money Lenders Licensing Amendment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

245. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-223, "D.C. Mental Health Information Act of 1978 Temporary Amendment Act of 1986", pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

246. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-241, "Closing of a Public Alley in Square 1188, S.O. 81-34, Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

247. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-242, "Board of Zoning Adjustment Confirmation Amendment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

248. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-218, "District of Columbia Employees Child Care Facilities Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

249. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-234, "Set-off of D.C. Income Tax Refunds for Default of Student Loans Amendment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

250. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-216, "Rental Housing Act of 1985 Leased Condominiums Clarification Amendment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

251. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-217, "Inheritance and Estate Tax Revision Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

252. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-229, "D.C. Alcoholic Beverage Control Act Legal Drinking Age Amendment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

253. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-233, "Association for the Study of Afro-American Life and History, Inc., Equitable Tax Relief Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

254. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-212, "District of Columbia Child Support Enforcement Amendment Act of 1985", and report, pursuant to D.C. Code section 1-233(c)(1) ; to the Committee on the District of Columbia.

255. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-246, "Technical Amendments Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

256. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-208, "District of Columbia Government Pay Equity and Training Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

257. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-251, "Low and Moderate-Income Housing Real Property Tax Exemption Amendment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

258. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-209, "District of Columbia Retirement Reform Administrative Exemptions Amendment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

259. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-221, "District of Columbia Interior Designer Licensure Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

260. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-219, "Education in Partnership with Technology Corporation Establishment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

261. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-220, "District of Columbia Enterprise Zone Study Commission Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

262. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-231, "D.C. Noise Control Act of 1977 Amendment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(i); to the Committee on the District of Columbia.

263. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-232, "Temporary Auctioneer License Amendment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(i); to the Committee on the District of Columbia.

264. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-227, "Authorization for the Establishment of a Public School of Law for the D.C. Amendment Act of 1986", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

265. A letter from the Auditor, District of Columbia, transmitting a report entitled: "Follow-up Review of Lottery Board Security Personnel", pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

266. A letter from the Secretary, Interstate Commerce Commission, transmitting notification that in docket No. 40037, Cheney Line & Cement Co. versus Seaboard Syst. R., Inc; the Commission has extended the time period of serving a final decision by an additional 60 days to February 10, 1987, pursuant to 49 U.S.C. 10327(k)(2); to the Committee on Energy and Commerce.

267. A letter from the Assistant Secretary for Legislative and Intergovernmental Affairs, Department of State, transmitting notification that the President intends to exercise his authority under section 506(a) of the Foreign Assistance Act in order to authorize the furnishing of up to $15 million in emergency military assistance to Chad, pursuant to 22 U.S.C. 2318(b)(2); to the Committee on Foreign Affairs.

268. A letter from the Assistant Secretary for Legislative and Intergovernmental Affairs, Department of State, transmitting a report of allocations of foreign assistance, pursuant to 22 U.S.C. 2413(a); to the Committee on Foreign Affairs.

269. A letter from the Director, Defense Security Assistance Agency, transmitting the quarterly report on commercial and governmental military exports, together with a list of all security assistance surveys author-

ized for foreign countries, pursuant to 22 U.S.C. 2776(a); to the Committee on Foreign Affairs.

270. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on health conditions in the homelands areas of South Africa, pursuant to 22 U.S.C. 5093; to the Committee on Foreign Affairs.

271. A letter from the Director, Peace Corps, transmitting the Peace Corps' annual report for fiscal year 1985; to the Committee on Foreign Affairs.

272. A letter from the Secretary of Commerce, transmitting the semiannual report on the activities of the Office of Inspector General for the period April 1, 1986 through September 30, 1986, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

273. A letter from the Secretary of Health and Human Services, transmitting the fiscal year 1986 report on the transfer of real property to public health institutions, pursuant to 40 U.S.C. 484(o); to the Committee on Government Operations.

274. A letter from the Acting Secretary of State, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

275. A letter from the Attorney General of the United States, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

276. A letter from the Chairman, National Endowment for the Arts, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

277. A letter from the Deputy Assistant to the President for Management and Administration and Director, Office of Administration, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

278. A letter from the Deputy Assistant to the President for Management and Administration and Director, Office of Administration, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

279. A letter from the Director, Federal Emergency Management Agency, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

280. A letter from the Administrator, General Services Administration, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

281. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

282. A letter from the Railroad Retirement Board, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

283. A letter from the Secretary of Education, transmitting a report on the donation of real or personal property to educational institutions, pursuant to 40 U.S.C. 484(o); to the Committee on Government Operations.

284. A letter from the Secretary of Labor, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

285. A letter from the Administrator, Veterans Administration, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

286. A letter from the Chairman, Federal Election Commission, transmitting proposed regulations governing political contributions by persons and multicandidate political committees, pursuant to 2 U.S.C. 438(d); to the Committee on House Administration.

287. A letter from the Secretary of the Interior, transmitting a report on proposals received under the Small Reclamation Projects Act, pursuant to 43 U.S.C. 422j; to the Committee on Interior and Insular Affairs.

288. A letter from the Clerk, U.S. Claims Court, transmitting the court's report for the year ended September 30, 1986, pursuant to 28 U.S.C. 791(c); to the Committee on the Judiciary.

289. A letter from the Administrator, Veterans' Administration, transmitting a report on the sharing of medical resources programs for fiscal year 1986, pursuant to 38 U.S.C. 5057; to the Committee on Veterans' Affairs.

290. A communication from the President of the United States, transmitting notification of his intent to remove Romania and Nicaragua and suspend Paraguay from the list of beneficiary developing countries under the Generalized System of Preference [GSP] Program, pursuant to 19 U.S.C. 2462(a) (H. Doc. No. 100-018); to the Committee on Ways and Means and ordered to be printed.

291. A letter from the Chairman, United States International Trade Commission, transmitting a report on trade between the United States and nonmarket economy countries, pursuant to 19 U.S.C. 2441(c); to the Committee on Ways and Means.

292. A letter from the Secretary of Health and Human Services, transmitting the Disability Advisory Council's findings and recommendations, pursuant to Public Law 99-272, section 12102(e) (100 Stat. 284); to the Committee on Ways and Means.

293. A letter from the Under Secretary for International Affairs and Commodity Programs, Department of Agriculture, transmitting the second quarterly global assessment of food production, and the planned programming of food assistance, pursuant to 7 U.S.C. 1736b(a); jointly, to the Committees on Agriculture and Foreign Affairs.

294. A letter from the Chairman, National Transportation Safety Board, transmitting a report on the activities of the Board, pursuant to 49 U.S.C. app. 1904; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

295. A letter from the Chairman, National Transportation Safety Board, transmitting a copy of the Board's submission to OMB which identifies the increased retirement costs for fiscal years 1988-1992, pursuant to 49 U.S.C. app. 1903(b)(7); jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

296. A letter from the Chairman, National Transportation Safety Board, transmitting a copy of the Board's submission to OMB regarding the 3 percent raise for fiscal years 1987 and 1988, pursuant to 49 U.S.C. app. 1903(b)(7); jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

297. A letter from the Chairman, National Transportation Safety Board, transmitting a copy of the Board's submission to OMB appealing the budget allowance for fiscal year 1988, pursuant to 49 U.S.C. app. 1903(b)(7); jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

298. A letter from the Comptroller General of the United States, transmitting a report entitled: "Defense Organization—Advantages and Disadvantages of a Centralized Civilian Acquisition Agency (GAO/NSIAD-87-36)," pursuant to Public Law 99-145, section 953(b) (99 Stat. 702); jointly, to the Committees on Government Operations and Armed Services.

299. A letter from the Comptroller General of the United States, transmitting a report entitled "Energy Conservation—Federal Home Energy Audit Program Has Not Achieved Expectations (GAP/RCED-87-38);" jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

300. A letter from the Chairman, Federal Election Commission, transmitting a request for a supplemental appropriation for fiscal year 1987, pursuant to 2 U.S.C. 437(d)(1); jointly, to the Committees on House Administration and Appropriations.

301. A letter from the Secretary of Energy, transmitting a report on the implementation of the Alaska Federal-Civilian Energy Efficiency Swap Act of 1980, pursuant to 40 U.S.C. 795d(a); jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

302. A letter from the Comptroller General of the United States, transmitting a report entitled: "DOD Schools—Funding and Operating Alternatives for Education of Dependents (GAO/HRD-87-16)," pursuant to Public Law 98-407, section 823; jointly, to the Committees on Government Operations, Armed Services, and Education and Labor.

303. A letter from the Comptroller General of the United States, transmitting a review of the audits of the Trans-Alaska Pipeline Liability Fund's statements for 1985 (GAO/AFMD-87-6), pursuant to 43 U.S.C. 1653(c)(4); jointly, to the Committees on Government Operations, Interior and Insular Affairs, and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on October 17, 1986, the following report was filed on January 2, 1987]

Mr. HAWKINS: Committee on Education and Labor. Report on the activities of the Committee on Education and Labor during the 99th Congress (Rept. 99-1045). Referred to the Committee of the Whole House on the State of the Union.

[Submitted January 8, 1987]

Mr. MOAKLEY: House Resolution 38. Resolution providing for the consideration of H.R. 2, a bill to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes. (Rept. 100-3). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

[Omitted from the Record of January 7, 1987]

By Mr. NEAL:

H.R. 501. A bill to direct the Secretary of Commerce to approve and distribute to food service operations instructions for removing food which has become lodged in a person's throat; to the Committee on Energy and Commerce.

H.R. 502. A bill to provide that the percentage of total apportionments of funds allocated to any State from the highway trust fund in any fiscal year be at least 100 percent of the percentage of estimated tax payments paid into the highway trust fund which are attributable to highway users in such State in the latest fiscal year for which data is available; to the Committee on Public Works and Transportation.

H.R. 503. A bill to amend the Internal Revenue Code of 1986 to allow taxpayers to elect to expense depreciable property which is domestically produced; to the Committee on Ways and Means.

H.R. 504. A bill to repeal the provisions of the Internal Revenue Code of 1986 relating to the taxation of up to one-half of an individual's social security and certain railroad retirement benefits; to the Committee on Ways and Means.

H.R. 505. A bill to amend the Internal Revenue Code of 1954 to provide for floating social security tax rates for old-age, survivors, and disability insurance; to the Committee on Ways and Means.

H.R. 506. A bill to require the Secretary of the Treasury to modify the proposed regulation relating to the use of the cents-per-mile valuation rule in valuing the fringe benefit received by an employee for personal use of a vehicle provided by his employer; to the Committee on Ways and Means.

H.R. 507. A bill requiring the President to take retaliatory action against foreign barriers and restrictions that unfairly limit U.S. trade; to the Committee on Ways and Means.

H.R. 508. A bill to amend the War Powers Resolution to make rules governing certain uses of the Armed Forces of the United States in the absence of a declaration of war by the Congress; jointly, to the Committees on Foreign Affairs and Rules.

H.R. 509. A bill to amend the Nuclear Waste Policy Act of 1982 to remove the requirement of a second repository for the disposal of high-level radioactive waste and spent nuclear fuel, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

H.R. 510. A bill to provide that increases in rates of pay for Members of Congress shall take effect only if approved by the Congress, and that any such increase shall be deferred until the beginning of the following Congress; jointly, to the Committees on Post Office and Civil Service and Rules.

By Mr. OBERSTAR:

H.R. 511. A bill to amend title 46, United States Code, to limit the liability for negligence of United States registered pilots navigating vessels on the Great Lakes so as to provide for reciprocal and equitable participation by United States and Canadian citizens in the pilotage of vessels on the Great Lakes; to the Committee on Merchant Marine and Fisheries.

By Mr. RAHALL:

H.R. 512. A bill to amend the Mineral Lands Leasing Act of 1920, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 513. A bill to offset the competitive advantage which foreign producers have as a result of not having to meet environmental, health, welfare, and safety requirements of the kinds imposed on U.S. coal producers, and for other purposes; jointly, to the Committees on Ways and Means and Interior and Insular Affairs.

By Mr. REGULA (for himself and Mr. Pepper):

H.R. 514. A bill to provide for Medicare coverage of influenza vaccine and its administration; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. SCHUMER:

H.R. 515. A bill to provide for more detailed and uniform disclosure by credit card issuers with respect to information on interest rates and other fees which may be incurred by consumers through the use of any credit card; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SHUMWAY:

H.R. 516. A bill to provide for the sale by the Secretary of the Interior of the Sly Park Unit of the Central Valley Project to the El Dorado Irrigation District, Placerville, El Dorado County, CA; to the Committee on Interior and Insular Affairs.

By Mr. SLATTERY:

H.R. 517. A bill to designate Soldier Creek Diversion Unit in Topeka, KS, as the "Lewis M. Paramore Diversion Unit"; to the Committee on Public Works and Transportation.

By Mr. SMITH of New Hampshire:

H.R. 518. A bill disapproving pay increases proposed by the President for Members of Congress; jointly, to the Committee on Post Office and Civil Service and House Administration.

By Mr. STALLINGS (for himself and Mr. Craig):

H,R. 519. A bill to direct the Federal Energy Regulatory Commission to issue an order with respect to Docket No. EL-85-38-000; to the Committee on Energy and Commerce.

By Mr. STARK:

H.R. 520. A bill to prohibit the Secretary of Health and Human Services from conducting any Medicare physician and hospital capitation demonstration project involving more than $1 million in waivered funds in any year without congressional approval; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. STRATTON:

H.R. 521. A bill to amend the Federal Election Campaign Act of 1971, to provide free radio and television time to candidates for election to Federal office; to the Committee on House Administration.

H.R. 522. A bill to require the Secretary of the Interior to enter into a cooperative agreement to maintain the gravesite of Samuel "Uncle Sam" Wilson and to erect and maintain tablets or markers at such gravesite in commemoration of the progenitor of the national symbol of the United States; to the Committee on Interior and Insular Affairs.

By Mr. STUMP:

H.R. 523. A bill to amend the Federal Rules of Criminal Procedure to provide for notice prior to trial of a defense based upon public authority, and for other purposes; to the Committee on the Judiciary.

By Mr. YATES:

H.R. 524. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns, in any manner affecting interstate or foreign commerce, except for or by members of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of Treasury, licensed importers, manufacturers, dealers, and pistol clubs; to the Committee on the Judiciary.

[Submitted January 8, 1987]

By Mr. WYDEN (for himself, Mr. Gephardt, Mr. Frenzel, Mr. Matsui, Mr. Chandler, Mr. Levin of Michigan, Mr. McGrath, Mr. Donnelly, and Mr. Courter):

H.R. 530. A bill to provide for a demonstration program in which a limited number of States would be permitted to provide unemployment compensation to individuals for the purpose of funding self-employment; to the Committee on Ways and Means.

By Mr. LaFALCE:

H.R. 531. A bill to improve the industrial competitiveness of the United States; to the Committee on Banking, Finance and Urban Affairs.

H.R. 532. A bill to stabilize international currency markets in support of fair global competition; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ARCHER:

H.R. 533. A bill to amend the Internal Revenue Code of 1986 to provide for the indexing of certain assets; to the Committee on Ways and Means.

H.R. 534. A bill to encourage the continued exploration for and production of domestic energy resources, to remove certain Federal controls over domestic energy production and utilization, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. ARMEY (for himself, Mr. Lightfoot, Mr. Jeffords, Mr. Gunderson, Mr. Bartlett, Mr. Tauke, Mr. Fawell, Mr. Henry, Mr. Valentine, Mrs. Smith of Nebraska, Ms. Snowe, Mr. Stenholm, Mr. Bliley, Mr. Archer, Mr. Mack, Mr. Smith of New Hampshire, Mr. Frenzel, Mrs. Bentley, Mr. Wolf, Mrs. Vucanovich, Mr. DeLay, Mr. Boulter, Mr. Porter, Mr. Lungren, Mr. Combest, Mr. Dornan of California, Mr. Hyde, Mr. Edwards of Oklahoma, Mr. Barton of Texas, Mr. Lagomarsino, Mr. Blaz, Mr. Crane, Mr. Weber, Mr. Packard, Mr. Roberts, and Mr. Coats):

H.R. 535. A bill to amend the Fair Labor Standards Act of 1938 to facilitate industrial homework, including sewing, knitting, and craftmaking; to the Committee on Education and Labor.

By Mr. ARMEY (for himself, Mr. AuCoin, Mr. Boulter, Mr. Bryant, Mr. DioGuardi, Mr. Dornan of California, Mr. Fawell, Mr. Gunderson, Mr. Henry, Mr. Mack, and Mr. Denny Smith):

H.R. 536. A bill to increase Government economy and efficiency and to reduce the deficit by implementing certain recommendations of the President's private sector survey on cost control regarding the improvement of executive agency mail management, and for other purposes; jointly, to the Committees on Government Operations and Post Office and Civil Service.

By Mr. BENNETT:

H.R. 537. A bill to improve efforts to monitor, assess and reduce the adverse impacts of driftnets; to the Committee on Merchant Marine and Fisheries.

By Mr. BIAGGI:

H.R. 538. A bill to amend chapter 44 of title 18, United States Code, to prohibit certain interstate shipments of ammunition; to the Committee on the Judiciary.

By Mr. LOTT:

H.R. 539. A bill to amend title 5, United States Code, and the Rules of the House of Representatives and Senate to ensure a more rational and cost-effective regulatory process; and increased agency and congressional review and control over regulations, including the approval of major regulations and disapproval of the other regulations by the enactment of joint resolutions; jointly, to the Committee on the Judiciary and Rules.

By Mrs. COLLINS:

H.R. 540. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of the Medicare Program for routine Papanicolaou tests and mammograms; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. BIAGGI:

H.R. 541. A bill to amend the Internal Revenue Code of 1986 to provide a credit against tax for employers who provide onsite dependent care assistance for dependents of their employees; to the Committee on Ways and Means.

H.R. 542. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax to individuals for maintaining a household a member of which is a dependent of the taxpayer who has attained age 65; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. Jeffords, Mr. Kildee, Mr. Williams, Mr. Hayes of Illinois, Mr. Perkins, Mr. Owens of New York, Mr. Martinez, Mr. Dymally, Mr. Boucher, Mr. Ackerman, Mr. Akaka, Mr. Rahall, Mr. Savage, Mr. Traficant, Mr. Conyers, Mr. Eckart, and Mr. Chandler):

H.R. 543. A bill to establish a Federal program to strengthen and improve the capability of State and local educational agencies and private nonprofit schools to identify gifted and talented children and youth and to provide those children and youth with appropriate educational opportunities, and for other purposes; to the Committee on Education and Labor.

By Mr. BOEHLERT (for himself, Mr. Stallings, Mr. Martin of New York, Mrs. Johnson of Connecticut, Mr. Mack, Mrs. Collins, Mr. Eckart, Mr. Hopkins, Mr. Dicks, Mr. Wortley, Mr. Weber, Mr. Slattery, Mrs. Bentley, Mr. Murphy, Mr. DioGuardi, Mr. Tauke, Mr. Roberts, Mr. Smith of Florida, Mr. Rinaldo, Mr. Penny, Mr. Roe, Mr. Daub, Mr. Porter, Mr. Lagomarsino, Mr. McKinney, Mr. Morrison of Connecticut, Mr. Fazio, Mr. Bustamante, and Mr. McGrath):

H.R. 544. A bill to allow homeowners to deduct the full amount of prepaid interest paid in connection with the refinancing of their principal residence for the taxable year in which paid; to the Committee on Ways and Means.

By Mr. CARPER (for himself, Mr. Cooper, Mr. Dreier of California, Mr. Erdreich, Mr. Garcia, Mr. Gordon, Mr. Hiler, Mr. Kanjorski, Ms. Kaptur, Mr. Kolbe, Mr. Lehman of California, Mr. Leach of Iowa, Mr. McCollum, Mr. Ridge, Mr. Roemer, Mrs. Roukema, Mr. Roth, Mr. Schumer, and Mr. Shumway):

H.R. 545. A bill to improve the quality of examinations of depository institutions, and for other purposes, to the Committee on Banking, Finance and Urban Affairs.

By Mrs. COLLINS:

H.R. 546. A bill to amend the Education Consolidation and Improvement Act of 1981 to authorize programs of child abuse education and prevention and to establish demonstration projects of child abuse education and prevention; to the Committee on Education and Labor.

H.R. 547. A bill to make it an unfair practice for any retailer to increase the price of certain consumer commodities once he marks the price on any such consumer commodity, and to permit the Federal Trade Commission to order any such retailer to refund any amounts of money obtained by so increasing the price of such consumer commodity; to the Committee on Energy and Commerce.

By Mr. CONTE:

H.R. 548. A bill to amend the National Labor Relations Act to provide that the duty to bargain collectively includes bargaining with respect to retirement benefits for retired employees; to the Committee on Education and Labor.

H.R. 549. A bill to amend the National Labor Relations Act to authorize the Secretary of Labor to prohibit the awarding of Federal contracts to persons who have violated certain judicial orders or orders issued by the National Labor Relations Board; to the Committee on Education and Labor.

By Mr. PANETTA (for himself, Mr. Roybal, Mr. Bevill, Mrs. Boxer, Mr. Frank, Mr. Mrazek, and Mr. Udall):

H.R. 550. A bill to amend title XVIII of the Social Security Act to provide for coverage of adult day care under the Medicare Program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. CONTE:

H.R. 551. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies and that such benefit shall be payable for such month only to the extent proportionate to the number of days in such month preceding the date of the recipient's death; to the Committee on Ways and Means.

By Mr. COYNE:

H.R. 552. A bill to provide for the designation of, and provision of assistance to, economic growth zones for purposes of promoting economic growth within economically distressed communities; to the Committee on Banking, Finance and Urban Affairs.

H.R. 553. A bill to amend the Federal Water Pollution Control Act to permit the Administrator of the Environmental Protection Agency to change a State's priority list of wastewater construction projects if the Administrator determines that Federal funds for such projects have not been equitably distributed within such State; to the Committee on Public Works and Transportation.

H.R. 554. A bill to direct the Administrator of the Environmental Protection Agency to make grants to the city of Pittsburgh, PA, to pay the costs of constructing the uncompleted portion of the Saw Mill relief sewer; to the Committee on Public Works and Transportation.

By Mr. DYMALLY (for himself, Mr. Horton, and Mrs. Schroeder):

H.R. 555. A bill to amend title 5, United States Code, to extend to certain employees in the excepted service the same procedural and appeal rights as are afforded to employees in the competitive service with respect to certain adverse personnel actions; to the Committee on Post Office and Civil Service.

By Mr. ENGLISH:

H.R. 556. A bill to amend the Agricultural Act of 1949 to allow producers of wheat and feed grain the opportunity to enter into contracts for 3-year periods to lock in the target prices of $4.38 per bushel of wheat, $3.03 per bushel of corn, $2.88 per bushel of grain sorghums, $2.60 per bushel of barley, and $1.60 per bushel of oats, and to allow producers to not plant 100 percent of their acreage base; to the Committee on Agriculture.

By Mr. FISH (for himself, Mr. Frank, Mr. Moorhead, Mr. Synar, Mr. Lungren, Mr. Hyde, and Mr. Dannemeyer):

H.R. 557. A bill to modify the application of the antitrust laws so as to encourage the licensing and other use of certain intellectual property; to the Committee on the Judiciary.

By Mr. FOLEY (for himself, Mr. McKinney, Mr. Gray of Pennsylvania, Mr. Wylie, Mr. Coelho, Ms. Oakar, Mr. Bonior of Michigan, Mr. St Germain, Mr. Howard, Mr. Waxman, Mr. Gonzalez, Mr. Sunia, Mr. Leach of Iowa, Mr. Vento, Mr. Lowry of Washington, Mr. Ridge, Mr. Oberstar, Mr. Wyden, Mr. Miller of Washington, Mr. Frank, Mr. Leland, Mr. Stokes, Mrs. Burton of California, Mr. Chandler, Mr. Miller of California, Mrs. Boxer, Mr. Hawkins, Mr. Fazio, Mr. Conyers, Mr. Visclosky, Mr. Hayes of Illinois, Mr. Weiss, Mr. Morrison of Washington, Mr. Panetta, Mr. Markey, Mr. Swift, Mr. Lehman of California, Mr. Garcia, Mr. Morrison of Connecticut, Ms. Kaptur, Mr. Levin of Michigan, Mr. Hall of Ohio, Mr. Kildee, Mr. Sabo, Mr. Yates, Mr. Kanjorski, Mr. Torres, Mr. Fauntroy, Mr. Manton, Ms. Slaughter of New York, Mr. Mineta, Mr. Schumer, Mr. Kastenmeier, Mr. AuCoin, and Mr. Dicks):

H.R. 558. A bill to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on families and children; jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

By Mr. GUNDERSON:

H.R. 559. A bill to provide that no increase in pay relating to recommendations made by the Commission on Executive, Legislative, and Judicial Salaries may be made unless the Federal budget is in balance; to the Committee on Post Office and Civil Service.

By Mr. HOWARD (for himself, Mr. HAMMERSCHMIDT, Mr. ANDERSON, and Mr. SHUSTER) (by request):

H.R. 560. A bill to amend the Highway Safety Act of 1966 to authorize appropriations, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 561. A bill to authorize appropriations for certain highways in accordance with title 23, United States Code, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. HUGHES (for himself and Mr. CARPER):

H.R. 562. A bill to amend title I of the Marine Protection, Research, and Sanctuaries Act of 1972, to the Committee on Merchant Marine and Fisheries.

By Mr. MARTINEZ:

H.R. 563. A bill to establish a 5-year pilot program to collect recreational use fees for facilities and services provided by the Angeles National Forest, CA, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JACOBS:

H.R. 564. A bill to include home delivery of children's publications in the existing rates for children's publications sent to schools; to the Committee on Post Office and Civil Service.

H.R. 565. A bill to amend Public Law 85-745 to provide that a former President may receive monetary allowances under that law only after waiving any rights to receive any other annuity or pension to which the former President would otherwise be entitled under any other Federal law; to the Committee on Post Office and Civil Service.

H.R. 566. A bill to amend title 5, United States Code, to eliminate the existing Federal employee bonus and incentive award programs and establish a program for incentive awards for Federal employees only for suggestions, inventions, or other personal efforts which cause a demonstrable monetary savings to the Government; to the Committee on Post Office and Civil Service.

By Mr. JENKINS (for himself, Mr. PICKLE, Mr. SCHULZE, Mr. MATSUI, and Mr. FLIPPO):

H.R. 567. A bill to amend the Internal Revenue Code of 1986 to provide that certain minimum tax and accounting rules (added by the Tax Reform Act of 1986) applicable to installment obligations shall not apply to obligations arising from sales of property by nondealers; to the Committee on Ways and Means.

By Mr. KOLBE (for himself, Mr. KYL, Mr. RHODES, and Mr. UDALL):

H.R. 568. A bill to establish the San Pedro Riparian National Conservation Area in Cochise County, AZ, in order to assure paleontological, scientific, cultural, educational, and recreational resources of the conservation area, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KOSTMAYER:

H.R. 569. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Delaware River in Pennsylvania and New Jersey as a component of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LAGOMARSINO:

H.R. 570. A bill to amend the Internal Revenue Code of 1986 to allow first-time home buyers to make withdrawals from their individual retirement accounts for the purpose of acquiring, constructing, or reconstructing a principal residence, without incurring any tax; to the Committee on Ways and Means.

By Mr. LEATH of Texas:

H.R. 571. A bill to provide for the treatment of Federal asset sale proceeds and to establish a debt retirement account; jointly, to the Committees on Ways and Means and Government Operations.

By Mr. LEHMAN of California (for himself, Mr. PASHAYAN, Mr. COELHO, and Mr. THOMAS of California):

H.R. 572. A bill to authorize the construction of the Mid-Valley Unit of the Central Valley Project; to the Committee on Interior and Insular Affairs.

By Mr. LEVINE of California (for himself, Mr. MILLER of Washington, Mr. ANTHONY, Mr. STARK, and Mr. SOLARZ):

H.R. 573. A bill to amend the Federal Election Campaign Act of 1971 to adjust certain contribution limits for elections for the House of Representatives, to provide for public financing for general election campaigns for the House of Representatives, and for other purposes; to the Committee on House Administration.

By Mr. LEVINE of California (for himself and Mr. LEACH of Iowa):

H.R. 574. A bill to suspend all U.S. assistance for the Nicaraguan democratic resistance until the special congressional committees established to investigate the arms sales to Iran and other matters have completed their investigations and the General Accounting Office has been able to account for all of the $27,000,000 that was appropriated in 1985 for humanitarian assistance for the Nicaraguan democratic resistance; jointly, to the Committees on Foreign Affairs, Armed Services, and the Permanent Select Committee on Intelligence.

By Mr. LIGHTFOOT:

H.R. 575. A bill to authorize the Secretary of Agriculture to guarantee pools of qualified agricultural mortgage loans and to provide for the issuance of securities representing interests in such pools; to the Committee on Agriculture.

By Mr. LOTT:

H.R. 576. A bill to establish a Commission on Budget Process Review, require congressional consideration of the Commission's recommendations, and to sunset the budget process if no action is taken to extend or modify it; jointly, to the Committees on Government Operations and Rules.

By Mr. McCOLLUM:

H.R. 577. A bill to award a congressional gold medal to Joe Kittinger; to the Committee on Banking, Finance and Urban Affairs.

By Mr. McEWEN:

H.R. 578. A bill to create a fiscal safety net program for needy communities; to the Committee on Government Operations.

By Mr. MARTINEZ (for himself, Mr. BERMAN, Mr. BIAGGI, Mr. BLAZ, Mrs. BURTON of California, Mr. BUSTAMANTE, Mr. CLAY, Mr. CONYERS, Mr. CROCKETT, Mr. DELLUMS, Mr. DE LUGO, Mr. DYMALLY, Mr. EDWARDS of California, Mr. FAZIO, Mr. FAUNTROY, Mr. FUSTER, Mr. GARCIA, Mr. GONZALEZ, Mr. HAYES of Illinois, Mr. KILDEE, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LEVIN of Michigan, Mr. LIPINSKI, Mr. MINETA, Mr. ORTIZ, Mr. OWENS of New York, Mr. PEPPER, Mr. PERKINS, Mr. RICHARDSON, Mr. RODINO, Mr. ROYBAL, Mrs. SCHROEDER, Mr. SMITH of Florida, Mr. SOLARZ, Mr. STARK, Mr. STOKES, Mr. TORRES, Mr. TOWNS, and Mr. WOLPE):

H.R. 579. A bill to establish literacy programs for individuals of limited English proficiency; to the Committee on Education and Labor.

By Mr. MOLINARI (for himself and Mr. ROEMER):

H.R. 580. A bill to amend title 18, United States Code, to create a new Federal criminal offense of treasonous espionage, consisting of the unauthorized disclosure of classified information detrimental to the national security for profit; to the Committee on the Judiciary.

By Mr. NEAL:

H.R. 581. A bill to amend the Internal Revenue Code of 1986 to provide that the amount of any contribution to any no net cost tobacco fund or any no net cost tobacco account shall be treated as a deductible expense; to the Committee on Ways and Means.

By Mr. ORTIZ:

H.R. 582. A bill to permit an increase in the maximum speed limit to 65 miles per hour on highways in States which require the use of seat belts in the front seats of automobiles; to the Committee on Public Works and Transportation.

By Mr. PERKINS:

H.R. 583. A bill to continue until January 1, 1991, the present exclusion of bicycle component parts which are not reexported from the exemption from the customs laws otherwise available to merchandise in foreign trade zones; to the Committee on Ways and Means.

By Mr. RICHARDSON (for himself, Mr. PEPPER, and Mr. SMITH of Florida):

H.R. 584. A bill to permit visas to be issued to nationals of Cuba who are or were imprisoned in Cuba for political activities without regard to section 243(g) of the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. RODINO (for himself and Mr. HYDE):

H.R. 585. A bill to establish evidentiary standards for Federal civil antitrust claims based on resale price fixing; to the Committee on the Judiciary.

By Mr. RODINO (for himself and Mr. EDWARDS of California):

H.R. 586. A bill to amend section 7A of the Clayton Act to extend the waiting periods and to expand the applicability of the notification requirement; to make subject to such section persons who, while acting in concert, acquire voting securities or assets of another person; to require such notification to include an economic impact statement; and for other purposes; to the Committee on the Judiciary.

By Mr. ROEMER (for himself, Mr. BAKER, Mrs. BOGGS, Mr. HAYES of Louisiana, Mr. HOLLOWAY, Mr. HUCKABY, Mr. LIVINGSTON, and Mr. TAUZIN):

H.R. 587. A bill to name the Veterans' Administration Medical Center in Shreveport, LA, as the "Overton Brooks Veterans' Administration Medical Center"; to the Committee on Veterans' Affairs.

By Mr. ROTH (for himself and Mr. GRAY of Pennsylvania):

H.R. 588. A bill to express the opposition of the United States to oppression in Ethiopia, to promote the development of democracy in Ethiopia, and for other purposes; jointly, to the Committees on Foreign Affairs; Ways and Means; and Banking, Finance and Urban Affairs.

By Mrs. ROUKEMA:

H.R. 589. A bill to prohibit acceptance of honoraria by Members of Congress, to provide that rates of pay for Members of Congress shall not be subject to adjustment under the Federal Salary Act of 1967 or subject to any automatic adjustment, to provide that any bill or resolution which would increase Members' pay or confer any tax benefit with respect to Members as a separate and distinct class may be passed or adopted (as the case may be) only by a recorded vote, and for other purposes; jointly, to the Committees on Post Office and Civil Service and Rules.

By Miss SCHNEIDER:

H.R. 590. A bill to extend until January 1, 1992, the existing suspension of duty on stuffed dolls, certain toy figures, and the skins thereof; to the Committee on Ways and Means.

By Mr. SCHULZE:

H.R. 591. A bill relating to the tariff classification of slabs of iron or steel; to the Committee on Ways and Means.

H.R. 592. A bill to amend the Internal Revenue Code of 1986 to restore the deduction for interest on educational loans; to the Committee on Ways and Means.

By Mr. SCHULZE (for himself, Mr. McDade, Mr. Murtha, Mr. Coughlin, Mr. Weldon, Mr. Shuster, Mr. Ritter, Mr. Clinger, Mr. Gaydos, Mr. Walker, Mr. Goodling, Mr. Gekas, Mr. Ridge, Mr. Murphy, Mr. Yatron, Mr. Kanjorski, Mr. Walgren, Mr. Foglietta, Mr. Borski, Mr. Kostmayer, Mr. Coyne, Mr. Kolter, and Mr. Gray of Pennsylvania):

H.R. 593. A bill to request the President to award a gold medal on behalf of Congress to Andrew Wyeth, and to provide for the production of bronze duplicates of such medal for sale to the public; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SCHULZE (for himself, Mr. Duncan, Mr. Rangel, Mr. McGrath, Mr. Jenkins, Mr. Vander Jagt, Mr. Flippo, Mr. Brown of Colorado, Mr. Matsui, and Mr. Crane):

H.R. 594. A bill to amend the Tax Reform Act of 1984 with respect to treatment of innocent spouses; to the Committee on Ways and Means.

By Mr. SHAW:

H.R. 595. A bill to amend title 23, United States Code, relating to the control of outdoor advertising along the Federal-aid primary and Interstate Highway Systems; to the Committee on Public Works and Transportation.

By Mrs. SMITH of Nebraska:

H.R. 596. A bill to amend the Davis-Bacon Act and related statutes in order to provide new job opportunities, effect significant cost savings on Federal construction contracts, promote small business participation in Federal contracting; to reduce unnecessary paperwork and reporting requirements; to clarify the definition of prevailing wages, and for other purposes; to the Committee on Education and Labor.

H.R. 597. A bill to amend the Fair Labor Standards Act of 1938 to facilitate industrial homework, including sewing, knitting, and craftmaking; to the Committee on Education and Labor.

H.R. 598. A bill to provide that each State must establish a workfare program, and require participation therein by all residents of the State who are receiving benefits or assistance under aid to families with dependent children, food stamp, and public housing programs, as a condition of the State's eligibiltiy for Federal assistance in connection with those programs; jointly, to the Committees on Agriculture, Banking, Finance and Urban Affairs; Education and Labor; and Ways and Means.

By Mr. SMITH of New Jersey (for himself, Mr. Florio, Mr. Saxton, Mr. Howard, Mr. Rinaldo, Mr. Hughes, Mr. Courter, Mr. Roe, Mrs. Roukema, Mr. Dwyer of New Jersey, Mr. Gallo, Mr. Torricelli, Mr. Guarini, and Mr. Rodino):

H.R. 599. A bill to direct the Administrator of Veterans' Affairs to establish an outpatient clinic in central or southern New Jersey; to the Committee on Veterans' Affairs.

By Mr. STARK:

H.R. 600. A bill to amend the Internal Revenue Code of 1986 to deny a deduction for amounts paid as restitution or other damages for violations of the securities laws, for violations of law involving fraud, and pursuant to certain settlement of certain actions brought by the Securities and Exchange Commission; to the Committee on Ways and Means.

H.R. 601. A bill to amend title II of the Social Security Act to provide that, in the case of the payment of more than one monthly benefit under such title to the same individual for the same month, the first rounding of benefits before payment shall apply to the total amount of the benefits so paid; to the Committee on Ways and Means.

By Mr. STENHOLM:

H.R. 602. A bill to require reauthorizations of budget authority for Federal programs at least 10 years, to establish a procedure for congressional review of Federal programs at least every 10 years, and to improve legislative oversight of Federal activities and regulatory programs, jointly, to the Committee on Rules and Government Operations.

By Mr. TAUKE (for himself, Mr. Ackerman, Mrs. Bentley, Mrs. Collins, Mr. Frank, Mr. Garcia, Mr. Gunderson, Mr. Henry, Mr. Horton, Mr. Jeffords, Mrs. Johnson of Connecticut, Mr. Kastenmeier, Mr. Lightfoot, Mr. Martinez, Mr. Miller of California, Mr. Penny, Mr. Perkins, Mr. Roe, Mr. Smith of Florida, and Mr. Weldon):

H.R. 603. A bill to amend the Internal Revenue Code of 1986 to restore the deduction for the interest on educational loans; to the Committee on Ways and Means.

By Mr. TORRICELLI:

H.R. 604. A bill to extend duty-free treatment to certain chemicals; to the Committee on Ways and Means.

By Mr. TORRICELLI (for himself, Mr. Smith of Florida, and Mr. Montgomery):

H.R. 605. A bill to amend the Internal Revenue Code of 1954 to provide that the interest on certain obligations issued by an issuer who is in arrears with respect to another obligation issued by the issuer, or guaranteed by a guarantor who is in arrears with respect to another obligation guaranteed by the guarantor, is not exempt from tax; to the Committee on Ways and Means.

By Mr. TRAFICANT:

H.R. 606. A bill to discourage domestic corporations from establishing foreign manufacturing subsidiaries in order to avoid Federal taxes by including in gross income of United States shareholders in foreign corporations the retained earnings of any such subsidiary which are attributable to manufacturing operations in runaway plants or tax havens; to the Committee on Ways and Means.

By Mr. VENTO (for himself, Mr. Fauntroy, Mr. Leland, Mr. Visclosky, Mr. Edwards of California, Mr. Kildee, Mr. Wilson, Mr. Sabo, Mr. de la Garza, Mr. Frenzel, Mr. Bevill, Mr. Oberstar, Mr. Sikorski, Mr. Swift, Mr. Watkins, Mr. Eckart, Mr. Stallings, Mr. Guarini, Mr. Ackerman, Mr. Mrazek, Mr. Lipinski, Mr. Towns, Mr. Kleczka, Mr. Stokes, Mr. Penny, Mr. Kolbe, Mr. Udall, Mr. Robinson, Mr. Kanjorski, Mr. Weber, Mr. Mineta, Mr. Kastenmeier, Mr. Levin of Michigan, Mr. Traficant, Mr. Rangel, Mr. Wortley, Mr. Hayes of Illinois, Ms. Kaptur, Mr. Downey of New York, Mr. Wolpe, Mr. Gray of Illinois, Mr. Hamilton, Mr. Derrick, Mr. Morrison of Connecticut, Mr. Martinez, Mr. Panetta, and Mr. Frank):

H.R. 607. A bill to amend the Temporary Emergency Food Assistance Act of 1983 to require that excess cheese held by the Commodity Credit Corporation be made available, at the request of the chief executive officer of a State, upon a showing of need, and without charge, for distribution by eligible agencies in the State; to the Committee on Agriculture.

By Mr. WATKINS:

H.R. 608. A bill to amend the Federal Election Campaign Act of 1971 to reduce the amount that a multicandidate political committee may contribute to a candidate in a Federal election and to limit the total amount that a candidate for the office of Senator or Representative may accept from multicandidate political committees in an election; to the Committee on House Administration.

By Mrs. BOXER (for herself, Ms. Snowe, Mr. Sikorski, Mr. Skelton, Mr. Lowry of Washington, Mr. Hoyer, Mr. Smith of Florida, Mr. Schumer, Mr. Lehman of Florida, Mr. Fuster, Mr. Owens of New York, Mr. Boner of Tennessee, Mr. Wilson, Mr. Ackerman, Mr. Evans, Mr. Dymally, Mr. Scheuer, Mr. Roe, Mr. AuCoin, Mr. Andrews, Mr. Manton, Mr. Crockett, Mr. Chapman, Mrs. Kennelly, Mr. Towns, Mrs. Collins, Mr. Mrazek, Mr. Mavroules, Mr. Montgomery, Mr. Kildee, Mr. Gilman, Mr. Guarini, Mr. Daub, Mrs. Johnson of Connecticut, Mr. Wolf, Mr. Oberstar, Mr. Matsui, Mr. Donnelly, Mr. Jones of Tennessee, Mr. Gunderson, Mr. Wortley, Mr. Frank, Mr. Henry, Mr. Tauke, Mr. Levine of California, Mr. Garcia, Mr. Clay, Mr. Markey, Mr. Levin of Michigan, Mr. Clinger, Mr. Fazio, and Mr. Vento):

H.J. Res. 79. Joint resolution designating the month of March 1987 as "Women's History Month"; to the Committee on Post Office and Civil Service.

By Mr. COLEMAN of Missouri:

H.J. Res. 80. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. JACOBS:

H.J. Res. 81. Joint resolution disapproving the salary increases recommended by the President for certain executive, legislative, and judicial positions; to the Committee on Post Office and Civil Service.

By Mr. SHAW:

H.J. Res. 82. Joint resolution disapproving pay increases proposed by the President for Members of Congress; jointly, to the Committees on Post Office and Civil Service and House Administration.

By Mr. SHUMWAY (for himself, Mr. Badham, Mrs. Bentley, Mr. Bilirakis, Mr. Bereuter, Mr. Daniel, Mr. Hyde, Mr. Lipinski, Mr. McCandless, Mr. Montgomery, Mr. Moorhead, Mr. Nielson of Utah, Mr. Packard, Mr. Saxton, Mr. Denny Smith, Mr. Sundquist, and Mr. Wylie):

H.J. Res. 83. Joint resolution proposing an amendment to the Constitution of the United States establishing English as the official language of the United States; to the Committee on the Judiciary.

By Mr. WALGREN (for himself, Mr. Smith of Florida, Mr. Boner of Tennessee, Mr. Fields, Mr. Bustamante, Mr. Tauke, Mr. Rodino, Mr. Roe, Mr. Levin of Michigan, Mr. Lagomarsino, Mrs. Boxer, Mr. Fazio, Mr. Ritter, Mr. Scheuer, Mr. Guarini, Mr. Rowland of Georgia, Mr. Matsui, Mr. Daub, Mr. de la Garza, and Mr. Owens of New York):

H.J. Res. 84. Joint resolution to designate the week beginning March 29, 1987 as "American Physiologists Week"; to the Committee on Post Office and Civil Service.

By Mr. ROE (for himself, Mr. Livingston, Mrs. Boggs, Mr. Tauzin, Mr. Roemer, Mr. Huckaby, Mr. Hayes of Louisiana, Mr. Holloway, and Mr. Baker):

H. Con. Res. 24. Concurrent resolution to make a correction, relating to phosphate fertilizer effluent limitation, in the enrollment of the bill H.R. 1; jointly, to the Committees on Public Works and Transportation and House Administration.

By Mr. GUARINI for himself and Mr. Gibbons:

H. Con. Res. 25. Concurrent resolution expressing the sense of the Congress regarding the initiation of free trade area negotiations with the Republic of the Philippines; to the Committee on Ways and Means.

By Ms. OAKAR:

H. Res. 39. Resolution designating membership on certain standing committees of the House; considered and agreed to.

By Mr. DREIER of California (for himself, Mr. Boulter, Mrs. Johnson of Connecticut, Mr. Fawell, Mr. Mack, Mr. Dornan of California, Mr. Porter, Mr. DioGuardi, Mr. Bryant, Mr. Henry, Mr. Roemer, Mr. Callahan, Mr. Slaughter of Virginia, Mr. Shumway, Mr. Marlenee, Mr. Jeffords, Mr. Lagomarsino, Mr. Lungren, Mr. Oxley, Mr. Bartlett, Mr. Hughes, Mr. Ireland, Mr. Horton, Mr. Denny Smith, Mr. Burton of Indiana, Mr. Durbin, Mr. Swindall, Mr. Saxton, Mr. Armey, Mr. McCandless, Mr. DeLay, and Mr. Hyde):

H. Res. 40. Resolution to amend the Rules of the House of Representatives to require each standing committee of the House to review and study pertinent recommendations of the President's private sector survey on cost control, and for other purposes; to the Committee on Rules.

By Mr. LOTT:

H. Res. 41. Resolution to amend the Rules of the House of Representatives to prohibit the solicitation of political contributions by Members, officers, or employees of the House of employees of the U.S. Government, and to prohibit such solicitations by any persons in House office buildings or the Capitol; to the Committee on Rules.

H. Res. 42. Resolution to amend House rules to provide for the complete, unedited, and uncensored broadcast coverage of House floor proceedings; to the Committee on Rules.

By Mrs. SMITH of Nebraska:

H. Res. 43. Resolution to express the sense of the House of Representatives that it continues to support Federal ownership and operation of the Federal power marketing administrations, opposes their sale, and supports existing Federal power policies that encourage diversity, pluralism, and competition in the electric utility industry; jointly, to the Committees on Public Works and Transportation, Interior and Insular Affairs, and Energy and Commerce.

By Mr. WALKER (for himself, Mr. Gekas, Mr. Hunter, Mr. Rowland of Connecticut, Mr. Smith of New Hampshire, Mr. Bliley, Mr. Barton of Texas, Mr. Livingston, Mr. Shaw, Mr. McCollum, Mr. Mack, Mr. Coble, Mr. Bartlett, Mr. Miller of Washington, Mr. Vander Jagt, Mr. Ridge, Mr. Saxton, Mr. Kemp, Mr. Gingrich, Mr. Callahan, Mr. Roth, Mr. Dannemeyer, Mr. Skeen, Ms. Snowe, Mr. Swindall, Mr. Lujan, Mr. Lungren, Mr. Lott, Mr. Regula, Mr. Gilman, Mr. Slaughter of Virginia, Mr. Edwards of Oklahoma, Mr. Kolbe, Mr. Emerson, Mr. Taylor, Mr. Pashayan, Mr. Gunderson, Mrs. Bentley, Mr. Weber, Mr. Gregg, Mr. Donald Lukens, Mr. Broomfield, and Mr. Armey):

H. Res. 44. Resolution to amend House Resolution 12, 100th Congress, to prohibit members of the Select Committee to Investigate Covert Arms Transactions With Iran from voting by proxy; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

[Omitted from the Record of January 7, 1986]

By Mr. COELHO:

H.R. 525. A bill for the relief of John M. Gill; to the Committee on the Judiciary.

H.R. 526. A bill for the relief of Kumari Rajlakshmi Bais; to the Committee on the Judiciary.

By Mr. FRENZEL:

H.R. 527. A bill for the relief of Simon Marriott; to the Committee on the Judiciary.

H.R. 528. A bill for the relief of Stanley C. Bourassa and Katherine V. Bourassa; to the Committee on the Judiciary.

By Mr. SHUMWAY:

H.R. 529. A bill for the relief of Sjoerd Zittema and Peggy Rose Rakers; to the Committee on the Judiciary.

[Submitted January 8, 1987]

By Mr. BOEHLERT:

H.R. 609. A bill for the relief of John Brima Charles; to the Committee on the Judiciary.

By Mr. FROST:

H.R. 610. A bill for the relief of Calvin L. Graham; to the Committee on the Judiciary.

H.R. 611. A bill for the relief of Angel Maldonado-Valverde, Lusila Delgado de Maldonado, Francisco Maldonado-Delgado, Dora Luz Maldonado-Delgado, and Jose Luis Maldonado-Delgado; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1: Mrs. Kennelly, Mrs. Morella, Mr. Price of North Carolina, Mr. Ravenel, Mr. Espy, Mr. Smith of Texas, Mr. Sawyer, Mr. Yatron, Mr. Markey, and Mr. Gingrich.

H.R. 2: Mr. Rowland of Connecticut, Mr. de la Garza, and Mr. Robinson.

H.R. 39: Mr. Martinez, Mr. Moody, Ms. Kaptur, Mr. Rinaldo, and Mr. Spratt.

H.R. 67: Mr. Downey of New York and Mr. Mrazek.

H.R. 185: Mr. Davis of Illinois, Mr. Bennett, Mr. Lungren, Mrs. Lloyd, Mr. Madigan, and Mr. Dornan of California.

H.R. 348: Mr. Dyson, Mr. McCloskey, Mr. Ford of Michigan, Mr. Sunia, Ms. Kaptur, and Mr. Roe.

H.R. 372: Mr. Ritter.

H.R. 374: Mr. McGrath and Mr. Garcia.

H.R. 376: Mr. Craig and Mr. Madigan.

H.R. 377: Mr. Bates, Mr. Martinez, and Mr. McGrath.

H.R. 378: Mr. Bosco, Mr. Ackerman, Mrs. Burton of California, Mr. Martinez, and Mr. Florio.

H.R. 434: Mr. Combest, Mr. Mack, Mr. Boulter, Mr. Petri, Mrs. Vucanovich, Mr. Armey, Mr. Robert F. Smith, Mr. Jeffords, and Mr. Slaughter of Virginia.

H.J. Res. 8: Mr. Cheney, Mr. Hiler, and Mr. Hyde.

H. Con. Res. 5: Mr. Fauntroy, Mr. Lipinski, Mr. Rinaldo, Mr. Lagomarsino, Mr. Levin of Michigan, Mr. Archer, Mr. Horton, Mr. Frenzel, Mr. McGrath, Mr. Roe, Mr. Evans, Mr. Saxton, Mr. Rangel, Mr. Bryant, Mr. Wilson, Mr. Jeffords, Mr. AuCoin, Mr. Robinson, and Mr. Smith of Florida.

H. Res. 14: Mr. Espy, Mr. Grant, Mr. Hochbrueckner, Mr. Johnson of South Dakota, Mr. Kennedy, and Mr. McMillan of North Carolina.

H. Res. 16: Mr. Green, Mr. Dornan of California, and Mr. Courter.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9. By the SPEAKER: Petition of the Synod of the Northeast, Presbyterian Church (U.S.A.), Syracuse, NY, relative to funding for the Contras; to the Committee on Foreign Affairs.

10. Also, petition of Peter J. Cojanis, Washington, DC, relative to a special session of Congress; to the Committee on Foreign Affairs.

11. Also, petition of the Secretary General, North Atlantic Assembly, Brussels, Belgium, relative to the 32d Annual Session of the North Atlantic Asembly; to the Committee on Foreign Affairs.

12. Also, petition of Peter J. Cojanis, Washington, DC, relative to a special session of Congress; to the Committee on Rules.

13. Also, petition of Donald L. Buresh, Millbury, MA, relative to the tax law of 1986; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

OUR NATION'S LOST TREASURE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. BIAGGI. Mr. Speaker, it is with great pride and pleasure that I reintroduce legislation to assist our Nation's gifted and talented students in reaching their full potential. It is an initiative that I firmly believe is long overdue.

This bill will target Federal assistance to support State and local programs that address the unique and pressing needs of gifted and talented children and youth. Under this legislation, $25 million is authorized in fiscal year 1988, and such sums as necessary in subsequent years, to ensure that our best, brightest, and most promising students are more effectively and specifically served by our educational system. These funds will be used to identify, and thus better serve, our gifted and talented children and youth. Highest priority will be given to those students who are at greatest risk of being unrecognized and of not being provided adequate or appropriate educational services including the economically disadvantaged, the limited English-proficient, and individuals with handicaps.

In addition, these funds will be used for preservice and in-service training and professional development activities for teachers. Teachers are entrusted with the most precious of all our natural resources—the futures and minds of our children, and ultimately, those of this Nation. It is imperative that we provide our teachers with the training, the tools, and the resources essential to any quality gifted and talented education program. Without this effort, we cannot realistically expect our crusade for excellence in the classroom to be fully successful.

And finally, this bill would establish a national center for research and development in the education of gifted and talented children and youth. This center will serve to intensify research on methods and techniques to better identify and serve gifted and talented students through innovative and stimulating gifted programs. The center will also operate as an information base on model programs and exemplary projects—instruction desperately needed if we are to successfully develop, implement, and accomplish our goal of quality gifted and talented programming. Not more than 30 percent of the funds appropriated under this legislation shall be used to conduct the activities of the national center. Clearly, the focus of this legislation is to identify and effectively serve this very special population of students.

Gifted and talented children and youth are a national resource vital to the future of this Nation and its security and well-being. Unless the special abilities of these children and youth are recognized and developed during their elementary and secondary school years, much of their special potential for contributing to the national interest is likely to be lost. This Nation is struggling with many critical problems that could define the future course of this Nation for years. We are grappling with ways to expand our economy while balancing the budget, we are searching for the means to compete more effectively in the international marketplace while working to reduce the trade deficit, and we are seeking to ensure our once undisputed preeminence in the world. We must not be shortsighted in our search for solutions to these problems. Our Nation's gifted and talented children offer us the tools by which to forge a permanent solution—advanced intelligence, creative thinking, and a bold curiousity about the world in which we live.

The challenge we must face here in Congress is to ensure an appropriate Federal commitment to gifted and talented programs. Without it, efforts to meet the needs of gifted children will fall short—a policy that is all too familiar—a policy that leads to these students never reaching their full potential. Collectively, this is a scandalous waste, a national tragedy that must not be allowed to continue.

I offer this legislation, along with 16 of my esteemed colleagues, as a critical step in our efforts to more fully develop and utilize the vast resources of this Nation, especially the minds of our gifted and talented children. The enormous potential of these children can promise our Nation a bright and successful future.

At this time, I wish to recognize the support and assistance of my esteemed colleague in the Senate from New Jersey, Mr. BRADLEY. He has made a commitment to this issue by introducing a Senate bill very similar to my own. I thank him for his efforts and for his past work on behalf of these special students.

For the benefit of my colleagues, I wish to insert the full text of the Jacob K. Javits Gifted and Talented Children and Youth Education Act. This measure is named after my respected and much-admired former colleague from New York, Senator Javits. The Senator is widely recognized for this work in the area of gifted and talented programming. In fact, he authored the Gifted and Talented Children's Education Act, which provided $6 million annually in Federal funds for these educational efforts. Unfortunately, this program was eliminated in 1981 when gifted and talented programming was folded into the chapter 2 education block grant, funding this and 29 other programs. Under chapter 2, gifted and talented programming has suffered from acute educational neglect. So it is in the spirit and memory of Senator Javits that I name this legislation and am honored and proud to do so.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be referred to as the "Gifted and Talented Children and Youth Education Act of 1986".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds and declares that—

(1) gifted and talented children and youth are a national resource vital to the future of the Nation and its security and well-being;

(2) unless the special abilities of gifted and talented children and youth are recognized and developed during their elementary and secondary school years, much of their special potential for contributing to the national interest is likely to be lost;

(3) gifted and talented children and youth from economically disadvantaged families and areas are at greatest risk of being unrecognized and if not being provided adequate or appropriate educational services;

(4) State and local educational agencies and private nonprofit schools often lack the necessary specialized resources to plan and implement effective programs for the early identification of gifted and talented children and youth for the provision of educational services and programs appropriate to their special needs; and

(5) the Federal Government can best carry out the limited but essential role of stimulating research and development and personnel training, and providing a national focal point of information and technical assistance, that is necessary to ensure that our Nation's schools are able to meet the special educational needs of gifted and talented children and youth, and thereby serve a profound national interest.

(b) STATEMENT OF PURPOSE.—It is the purpose of this Act to provide financial assistance to State and local educational agencies, institutions of higher education, and other public and private agencies and organizations, to initiate a coordinated program of research, demonstration projects, personnel training, and similar activities designed to build a nationwide capability in our elementary and secondary schools to identify and meet the special educational needs of gifted and talented children and youth. It is also the purpose of this Act to supplement and make more effective the expenditure of State and local funds, and of Federal funds expended under chapter 2 of the Education Consolidation and Improvement Act of 1981 and the Education for Economic Security Act of 1984, for the education of gifted and talented children and youth.

SEC. 3. DEFINITIONS.

(a) DEFINITIONS.—For the purposes of this Act the following terms have the following meanings:

(1) The term "gifted and talented children and youth" means children and youth who give evidence of high performance capability in areas such as intellectual, creative, artistic, or leadership capacity, or in specific academic fields, and who require services or activities not ordinarily provided by the school in order to fully develop such capabilities.

(2) The term "Secretary" means the Secretary of Education.

(3) The term "institution of higher education" has the same meaning given such term in section 435(b) of the Higher Education Act of 1965.

(4) The term "Hawaiian native" means any individual any of whose ancestors were natives prior to 1778 in the area which now comprises the State of Hawaii.

(5) The term "Hawaiian native organization" means any organization recognized by the Governor of the State of Hawaii primar-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

ily serving and representing Hawaiian natives.

(b) DEFINITION BY REFERENCE.—Any term used in this Act and not defined by subsection (a) shall have the same meaning as that term is given under chapter 3 of the Education Consolidation and Improvement Act of 1981.

SEC. 4. AUTHORIZED PROGRAMS.

(a) ESTABLISHMENT OF PROGRAM.—From the sums appropriated under section 9 in any fiscal year the Secretary (after consultation with the advisory committee established pursuant to section 7) shall make grants to or contracts with State educational agencies, local educational agencies, institutions of higher education, or other public and private agencies and organizations (including Indian tribes and organizations as defined by the Indian Self-Determination and Education Assistance Act and Hawaiian native organizations) which submit applications to assist them in carrying out programs or projects authorized by this section that are designed to meet the educational needs of gifted and talented children and youth, including the training of personnel in the education of gifted and talented children and youth or in supervising such personnel.

(b) USES OF FUNDS.—Programs and projects funded under this section may include—

(1) preservice and inservice training (including fellowships) for personnel (including leadership personnel) involved in the education of gifted and talented children and youth;

(2) establishment and operation of model projects and exemplary programs for the identification and education of gifted and talented children and youth, including summer programs and cooperative programs involving business, industry, and education;

(3) strengthening the capability of State educational agencies and institutions of higher education to provide leadership and assistance to local educational agencies and nonprofit private schools in the planning, operation, and improvement of programs for the identification and education of gifted and talented children and youth;

(4) programs of technical assistance and information dissemination; and

(5) carrying out (through the National Center for Research and Development in the Education of Gifted and Talented Children and Youth established pursuant to subsection (c))—

(A) research on methods and techniques for identifying and teaching gifted and talented children and youth, and

(B) program evaluations, surveys, and the collection, analysis, and development of information needed to accomplish the purposes of this Act.

(c) ESTABLISHMENT OF NATIONAL CENTER.—The Secretary shall establish a National Center for Research and Development in the Education of Gifted and Talented Children and Youth through grants to or contracts with one or more institutions of higher education or State educational agencies, or a combination or consortium of such institutions and agencies, for the purpose of carrying out clause (5) of subsection (b). Such National Center shall have a Director. The Director shall consult with the advisory committee appointed by the Secretary pursuant to section 7 with respect to the agenda of the National Center. The Secretary may authorize the Director to carry out such functions of the National Center as may be agreed upon through arrangements with other institutions of higher education, State or local educational agencies, or other public or private agencies and organizations.

(d) LIMITATION.—Not more than 30 percent of the funds available in any fiscal year to carry out the programs and projects authorized by this section may be used for the conduct of activities pursuant to subsections (b)(5) or (c).

SEC. 5. PROGRAM PRIORITIES.

In the administration of this Act the Secretary (and the advisory committee established pursuant to section 7) shall give highest priority—

(1) to the identification of gifted and talented children and youth who may not be identified through traditional assessment methods (including the economically disadvantaged, individuals of limited English proficiency, and individuals with handicaps) and to education programs designed to include gifted and talented children and youth from such groups; and

(2) to programs and projects designed to develop or improve the capability of schools in an entire State or region of the Nation through cooperative efforts and participation of State and local educational agencies, institutions of higher education, and other public and private agencies and organizations (including business, industry, and labor), to plan, conduct, and improve programs for the identification and education of gifted and talented children and youth.

SEC. 6. PARTICIPATION OF PRIVATE SCHOOL CHILDREN AND TEACHERS.

In making grants and contracts under this Act, the Secretary shall ensure, where appropriate, that provision is made for the equitable participation of children and teachers in private nonprofit elementary and secondary schools, including the participation of teachers and other personnel serving such children in preservice and inservice training programs.

SEC. 7. SECRETARY'S ADVISORY COMMITTEE.

(a) APPOINTMENT AND MEMBERSHIP.—The Secretary shall appoint a committee composed of at least five persons who are not Federal employees to advise on the administration of this Act, including the content of regulations governing the administration of the Act. The committee shall have as members at least one person who is a director of programs for gifted and talented children and youth in a State educational agency, one person who has substantial responsibility in an institution of higher education for preparing teachers of such children and youth, one person who is nationally recognized as an authority on research in the field of special education of such children and youth, one person who is engaged as a teacher in a special program for such children and youth, and one person who is a parent of a child enrolled in an elementary or secondary school program for such children and youth.

(b) DUTIES.—The Secretary shall meet with the advisory committee at least twice during each fiscal year for which appropriations are made to carry out this Act, and shall seek the advice and counsel of the committee with respect to—

(1) identification of the most urgent needs for strengthening the capability of elementary and secondary schools nationwide to plan and operate effective programs for the identification and education of gifted and talented children and youth, and for addressing the program priorities set forth in section 5;

(2) the kinds of programs and projects authorized by this Act that are best calculated to help meet the needs identified by the Secretary and the committee pursuant to clause (1);

(3) the assessment of the effectiveness of programs and projects funded under this Act, and of progress under the Act in expanding and improving educational opportunities and programs for gifted and talented children and youth; and

(4) such other matters related to the administration of this Act as the Secretary may find useful.

SEC. 8. ADMINISTRATION.

The Secretary shall establish or designate an administrative unit within the Department of Education to administer the programs authorized by this Act, to coordinate all programs for gifted and talented children and youth administered by the Department, and to serve as a focal point of national leadership and information on the educational needs of gifted and talented children and youth and the availability of educational services and programs designed to meet those needs. The administrative unit established or designated pursuant to this section shall be headed by a person of recognized professional qualifications and experience in the field of the education of gifted and talented children and youth.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated $25,000,000 for fiscal year 1988, and such sums as may be necessary for each of the four succeeding fiscal years, for the purpose of carrying out this Act.

WHY IS THE IRAN DEAL A SURPRISE? REAGAN HAS LONG BEEN DECEPTIVE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. RICHARDSON. Mr. Speaker, I would like to bring to the attention of my colleagues an interesting article on the Iran-Contra affair written by John B. Oakes. This thought-provoking article, which was printed in the New York Times, was brought to my attention by Julius Gassner, a constituent whose own views and perceptions have contributed to my insight on issues. Mr. Oakes' article raises some important points about the President's role and responsibility in the Iran-Contra affair. I highly commend it to my colleagues. Thank you.

WHY IS THE IRAN DEAL A SURPRISE? REAGAN HAS LONG BEEN DECEPTIVE

(By John B. Oakes)

The latest New York Times/CBS News poll shows that nearly half the American public believes that President Reagan has been lying when he denies any knowledge of the Iranian-Nicaraguan arms deal.

The sad truth is that, apart from the effect on the President's own personal reputation, it doesn't much matter. Since the beginning of his first term, he and his Administration have been engaged in so much deception, particularly in connection with foreign policy, that one more bit of evidence to that effect doesn't greatly change the score.

From its very beginnings in 1981, the Administration, including the President, has not told the truth to the public about its Nicaraguan policy. It has not told the truth about its human rights policy, especially in the Caribbean, Latin America and Africa. It has not leveled with the public on its hostages policy, on its information policy, on its anti-terrorist policy, even on some aspects of the most crucial issues of all—arms control policy.

Originally, Watergate was merely a sleazy political maneuver that was exacerbated by the shoddiness of Richard M. Nixon into a true constitutional crisis. This one is more serious than Watergate not only because it involves deception of the American people and our allies, and is a blow to American credibility throughout the world, but also because it is consistent with the pattern of an imperial Presidency that has repeatedly ignored or twisted the law whenever doing so has served its purpose. The result is that this has developed into the most dangerous Presidency in our history.

It is quite possible that President Reagan really did not know any of the details of the Iranian matter. However, it is not possible that any of the McFarlane-Poindexter-North-Casey operations now under Congressional inquiry could have occurred if Mr. Reagan's basic attitude had not been altogether clear toward overthrow of the Sandinista revolution and release of the American hostages from Lebanon.

The evidence strongly suggests that the President's immediate advisers had long understood that he was determined to oust the Sandinistas before he left office and was determined to get the hostages home before the next (last month's) election. The means—or the legality of the means—couldn't have mattered less.

It is all too reminiscent of Henry II's rhetorical question "Who will free me from this turbulent priest?"—without specifying who among his sycophants would rid him of Thomas à Becket, or how. Hence, no personal responsibility.

But here there is a responsibility. The spectacle of top Administration officials, including Secretary of State George P. Shultz, Secretary of Defense Caspar W. Weinberger and Attorney General Edwin Meese 3d, disclaiming responsibility and pointing the finger at someone else of lower rank is unedifying enough. But the direction in which they point is not toward the heart of the problem.

The heart of the problem is not even Donald T. Regan or William J. Casey, and certainly not John M. Poindexter or Oliver L. North. The heart of the problem is the man whose re-election in 1984 he apparently mistook for a coronation. The ultimate responsibility, of course, is the electorate's, but the immediate responsibility rests with the occupant of the White House and nobody else.

President Reagan's pleas that he didn't really know what was going on, that we get this thing behind us and that it was somebody else's fault anyway are all equally fatuous. It is already clear that either he himself will not come clean with the American people—until he is forced to—or that he will not accept a responsibility that is surely his.

His obvious ploy is to bring up other controversial issues to divert public attention and serve as a smokescreen behind which the Iranian-Nicaraguan scandal can be quietly smothered. It's an old public-relations trick but this time it won't work. It won't work, that is, if Congress rises above partisanship.

Many think the President deserves impeachment, but for the moment that is not practicable. What is practicable is for Congress to pursue its investigations to the bitterest end. It is the only way to rescue American honor from the sorry state to which the Reagan Administration has brought it.

SOCIAL SECURITY RECIPIENTS DESERVE EVERY PENNY OF THEIR CHECKS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. STARK. Mr. Speaker, under current law a Social Security recipient's check is rounded down to the dollar. But in the case where a person receives two checks—his or her own and a deceased spouse's—each check is rounded down so that a 2-cent shortfall in the payment level can actually result in a loss of $1.98.

Today I have introduced legislation that would have multiple Social Security checks added together first and then rounded down. Although $1.98 does not buy a lot in this day and age, it could mean breakfast or lunch for a Social Security recipient.

I urge all of my colleagues to support this bill—Social Security recipients deserve, and very often need every penny of their checks.

NUCLEAR NONPROLIFERATION IN THE 100TH CONGRESS

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. WOLPE. Mr. Speaker, as we consider our agenda for the next 2 years, I would like to draw my colleagues' attention to the following December Washington Post editorial. The crafting and maintenance of a sound nonproliferation policy in both Houses of the Congress may be the most important thing we can do to create a safe and secure future for the American people. Certainly, in the words of Leonard S. Specter, "All the world will benefit from our diligence."

A SUGGESTION FOR SENATOR GLENN

Senator John Glenn is to take over the Governmental Affairs Committee in January, and he is now considering its agenda. We have a suggestion. For years one small subcommittee of Governmental Affairs has kept a careful watch over the spread of nuclear weapons throughout the world, and the world's efforts to restrain that spread. The subject of nuclear nonproliferation has otherwise fallen out of fashion in recent years. Congressional interest is generally low, and the administration's attention is erratic. But the danger is persistent.

Senator Glenn chaired that small subcommittee in the 1970s, lifting it to a notable degree of competence. Its current chairman, Thad Cochran, has brought the same kind of serious interest to it. The time has come to expand the subcommittee's assignment. Restraints can be made to work. But they require constant attention, and recent developments have been disquieting—particularly in South Asia.

India and Pakistan have each allowed the other to become an obsession and an incitement. India exploded what it called a nuclear "device" in 1974, and currently appears to have enough plutonium to build a number of bombs. Pakistan is investing much money and talent in its attempts to match India. President Reagan, to his great credit, has warned Pakistan that it will jeopardize American aid if it proceeds to enrich uranium beyond the levels needed for civilian power reactors. But there's no sign that Pakistan has been dissuaded.

India and Pakistan are both on the short list of countries that have declined to sign the Non-Proliferation Treaty and that run nuclear facilities not open to international inspection. The others are Argentina, Brazil, Israel and South Africa. The two Latin countries' pursuit of nuclear weapons has slackened since elected governments replaced the military juntas there. That makes the world a little safer. But Israel and South Africa are both isolated in their respective regions, facing hostile neighbors, and both appear to possess nuclear weapons—in Israel's case, a substantial number of them. Nonproliferation policy touches many of the central issues of American foreign relations.

The quality of congressional oversight here has great influence on any administration's performance, just as the American government's performance has great influence on other countries. Senator Glenn knows that. His chairmanship of a powerful committee now gives him the opportunity to introduce the realities of this forbidding subject to a larger audience in the Senate and the country.

A CONGRESSIONAL SALUTE TO BONNIE M. CHRISTENSEN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to an exemplary civic leader in my district. On Thursday, January 22, as part of their 20th annual community recognition program, the San Pedro Lions Club, the San Pedro Sea Lions, and the San Pedro Lady Lions will be recognizing a truly remarkable woman, Bonnie M. Christensen, as the San Pedro Lions Citizen of the Year.

Bonnie has held countless positions of authority and responsibility in education, philanthropic organizations, and city government, among a number of civic pursuits. As community director for the Los Angeles Unified School District, region A, Bonnie distinguished herself with many innovative projects that have benefited not only the students and teachers, but the entire San Pedro community. Among these products are the Marine Biology Program in San Pedro, which not only has brought widespread attention to our harbor, but has served as the model for similar programs in Alaska, New Jersey, and Australia. In addition, Bonnie was instrumental in planning and establishing magnet schools in our community.

Bonnie's almost boundless energy and zeal for community service is also reflected in a long list of associations she has held for a diverse group of civic organizations. She was a charter member of the San Pedro Athletic and Recreation Committee and was soon elected to its board of trustees, while she was also serving as a member of Assemblyman Gerald Felando's advisory committee, a position she holds to this day. She has also served in advisory capacities to the California State University, Dominguez Hills, the districtwide assistant principal, and has held a position on the school attendance review board since 1984.

There are numerous other examples of Bonnie's generosity toward her community. We all remember what a success "Clean Up San Pedro Day" was in 1980, and, with Bonnie's efforts, has been ever since. However, she also served with distinction as a member of the San Pedro Chamber of Commerce Education Committee, and as regional director of the California Association for the Gifted. Additionally, she has lent her expertise to the San Pedro Advisory Council and was a member of the Committee To Revise the San Pedro General Plan, which is now being implemented.

It is with great appreciation for her enormous contribution to our community that I recognize the achievement of Bonnie M. Christensen on this auspicious occasion. Her efforts serve as an inspiration to us all. My wife, Lee, and I wish to express our personal gratitude to Bonnie and wish her, her husband, Victor F. Christensen, her children, Victor T. Christensen, and Ann Doornbos, her son-in-law, Robert Doornbos, and her granddaughter, Heather, continued success and all the best in the years ahead.

EAGLE SCOUT BRIAN MACK

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LIPINSKI. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues the achievements of a fine young man from my district, Brian Mack. Brian was recently honored for achieving the highest rank in Scouting, that of Eagle Scout.

The path to Eagle Scout is truly a long and difficult one. It requires an extraordinary amount of dedication and determination not usually seen in youths of this age. The tasks which must be completed to become an Eagle Scout cover virtually every realm of human experience. Some require intellectual and creative abilities while others call for physical agility and strength. Some tasks help integrate the young man into society through community action that benefits his neighborhood and world. Still other acts are performed alone to assist his growth and maturity as a person. The central challenge is, however, to set and strive for goals through initiative and dilligence.

Young men like Brian are leaders. The achievement of Eagle Scout is likely to be only the beginning of a future full of accomplishments for this young man has shown that he can perform exceptionally well without a compelling hand of authority over him. I say this not to downplay the importance of the encouragement he received from his family and Scout leaders but, rather, to assert the independence and self-motivation he has already shown.

Brian, your achievement of becoming an Eagle Scout is praised and applauded. It is with sincere pleasure that I commend you, Brian Mack, before my fellow Members of Congress.

FREEDOM FROM VERTICAL PRICE FIXING ACT OF 1987

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. RODINO. Mr. Speaker, today I am introducing, along with Mr. HYDE, legislation that reinforces longstanding congressional policy in the area of resale price maintenance.

The Freedom From Vertical Price Fixing Act of 1987 is intended to end increasing confusion in the Federal courts over the proper evidentiary standard to be applied in cases where a manufacturer, in violation of our competition laws, terminates a dealer in response to competitor complaints about the pricing policies of the dealer. As with any case dealing with allegations of conspiracy to commit illegal acts, the traditional evidentiary standard has been to recognize circumstantial evidence as an important—and often indispensable—tool in assisting juries and courts in making their findings of fact. In this sense, conspiracy law in the antitrust context is no different from conspiracy law in the criminal area. For, it is indeed the rare case—not the typical one—where we find the smoking gun or the signed, written agreement to fix prices. Circumstantial evidence, carefully weighed, is often the sole means for a jury to ferret out well-concealed combinations to violate the antitrust laws or other statutes.

Unfortunately, unnecessary confusion was injected into the body of conspiracy law by an anomalous decision issued by the Supreme Court in 1983. In the Monsanto versus Spray Rite case, the Court made statements in dicta that have led to a disturbing number of lower courts' abandoning accepted conspiracy theory and adopting a novel and virtually impossible standard of proof for vertical price fixing conspiracies involving a dealer termination. The standard announced would appear to rule out, in practical terms, the use of circumstantial evidence in supporting allegations of conspiracy so as to preclude jury consideration of such evidence. As feared at the time of the decision, we are now witnessing an unprecedented wave of summary judgment dismissals of antitrust actions brought by claimants who have asserted the requisite elements of a price fixing case sufficient to go to the jury: That a manufacturer in response to complaints from a rival dealer terminated another dealer solely for its pricing policies.

The introduced legislation is aimed at restoring the standards of evidence traditionally used in establishing anticompetitive agreements to maintain or alter prices. Utilizing the precise phrasing of prior termination decisions over the past 40 years, the bill states that a termination of a dealer by a manufacturer in response to a rival dealer's complaint is sufficient to raise the inference of a conspiracy to violate the antitrust laws' prohibition against vertical price fixing. Carefully tracking accepted jurisprudence, the standard makes clear that circumstantial evidence meeting these criteria merely raises an "inference" of a violation, and not a conclusive presumption. Under Federal practice and procedure, the effect of raising an inference is simply to shift the burden of proof to the defendant to demonstrate that its action to terminate was not a response to dealer complaints, but rather, was based on other independent, legitimate business grounds.

The traditional freedom of business people in nonmonopoly situations to deal with whomever they wish and under whatever terms and conditions that are freely bargained for is left absolutely intact by this bill. The freedom to do business or not to do business is critical to our free enterprise system and was formally enunciated in the 1919 *Colgate* decision, 250 U.S. 307. In giving Colgate full effect, the Freedom From Vertical Price Fixing Act of 1987 in no way restricts the right of defendants charged with price-fixing conspiracies to rebut the inference of conspiracy. To do so, a defendant may proffer evidence that the termination resulted solely from independent business decisions relating to individual dealer performance or to other uniformly applied internal corporate policy.

The rationale for shifting the burden of proof to the defendant once an inference of conspiracy is raised is clear: It is the defendant-manufacturer who has full and immediate access to exculpatory evidence to rebut the inference of a conspiracy. And when dealing with a business event as economically significant as a dealer termination, it is only proper that circumstantial evidence raising an inference of conspiracy, as well as evidence to the contrary, be permitted to go to the jury for evaluation. Following the Monsanto decision, however, courts in alarming numbers have precluded circumstantial evidence from going to the jury by sustaining routine motions for summary judgment based on no more than the cryptic dicta appearing in Monsanto.

The fear of such an egregious result was anticipated by the 46 State attorneys general who filed an amicus brief in the *Monsanto* case. They argued that forsaking important circumstantial evidence of conspiracy in favor of abstract justifications for illegal terminations would lead to an obvious distortion of justice and the competitive principles underpinning the antitrust laws. Their arguments carry much force, because it is the State attorneys general—and not the DOJ Antitrust Division—who have now become the undisputed frontline enforcers and protectors of our competition statutes.

The standard laid down in our bill would in no way chill desirable communications between a manufacturer and its retailers concerning the marketing of a product. Established antitrust law principles permit the supplier and individual dealer to discuss suggested retail prices as well as other nonprice terms and conditions of service that are in no way part of or connected with a price-fixing scheme.

The failure of the Justice Department to bring even a single vertical price-fixing case in 6 years has sent a disquieting message of permissiveness to potential violators. The Department's unilateral departure from congressional and Supreme Court consensus on the proper characterization of the resale price maintenance offense as a per se violation has compelled this House to act at least once a year during the past 4 years to offset the persistent efforts of the DOJ to eviscerate the rule. Twice in 4 years, Congress has found it necessary to set funding restrictions to end the Justice Department's so-called amicus intervention on behalf of defendant-manufacturers in order to file briefs seeking to overturn resale price maintenance rules. Last year, the Department promulgated a set of so-called vertical restraints guidelines that in very subtle ways attempt to effect the very same result while avoiding the literal dictates of Congress' spending restriction. In response, both Houses of Congress passed the vertical restraints guidelines resolution, House Resolution 303, during the 1st session of the 99th Congress, which expressed the sense of Congress that the guidelines do not accurately state Federal antitrust law or congressional intent, shall not be considered by the courts as binding or persuasive, and should be recalled by the Attorney General.

The time has now come to restate this principle firmly and finally in the antitrust statutes so as to convey to the courts, the business community, and the consumers that Congress' commitment to price competition in a free-moving economy is unequivocal. I am gratified by the consistently strong bipartisan support received in our efforts to ensure that congressional intent remains intact in judicial interpretations of this important area of antitrust law so vitally affecting all consumers.

IMPROPER POLITICAL SOLICITATIONS

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LOTT. Mr. Speaker, today I am reintroducing a new House rule to prohibit the solicitation of campaign contributions in the House of Representatives.

Under my proposed rule, no Member, officer, or employee of the House could solicit a Federal campaign contribution from any Federal employee, and no person could solicit such contributions in House office buildings or the House portion of the Capitol.

Ironically, Mr. Speaker, this language is nearly identical to the current statutory prohibitions found at title 18, United States Code, sections 602 and 607. However, the Justice Department uses a coercion standard as a threshold for prosecution, and our own House Committee on Standards of Official Conduct recently became "married" to that standard.

I say "recently" since the House ethics manual published by the Standards Committee in 1984 indicated that any solicitation by House Members and staff of Federal employees was illegal, and I quote:

> Members of Congress, candidates for Congress, and Federal employees are now specifically prohibited by provisions of Federal criminal statute from soliciting political contributions from Federal governmental employees, including employees of the House of Representatives.

The manual does go on to indicate that,

> The intent of the prohibition on solicitations * * * was to prevent Federal employees from being subject to any form of political assessment,

and

> protecting employees who, because of their employment and position may be subject to coercion. (Ethics Manual, 98th Cong., 2d sess., pp. 123-24.)

In other words, while the object of the statute was to prevent coercive solicitations, the means chosen to achieve that end was to prohibit all solicitations.

And yet, Mr. Speaker, just 1 year after the ethics committee published that manual, it reversed itself in its report of September 19, 1985, entitled, "Investigation of Alleged Improper Political Solicitation" (H. Rept. 99-277). The report, filed in response to a complaint which Congressman MCCANDLESS and I had filed about a solicitation received in a House office, concluded that, solicitations

> are statutorily suspect only if they are to be read as seeking coerced political contributions from Federal employees, i.e., congressional staff. (p. 13)

Under the committee's new coercion standard, for a solicitation to be considered "coercive" it must have the characteristic of a "shakedown," and involve "intimidation." Moreover, there must be the "intent or perception to coerce Federal employees—congressional staff—into making political contributions," that is, evidence of "victimization." (Report, pp. 15 and 23.)

Mr. Speaker, because the ethics committee is not retreating on its coercion standard, I agree with it that this is a matter which now "should be specifically addressed in legislation." The purpose of the new House rule I am introducing today is to once again bar the House door to political solicitors. Such activity has no business in this House or in any other Federal office building, whether it be considered coercive or voluntary. If history is any guide, we should realize that by opening that door even a crack, we open this House to all manner of possible problems, pressures, abuses, and accusations. That's what led to the enactment of the Civil Service Act in 1883 and why Congress so firmly put its foot down and issued a flat ban on political solicitations rather than attempting to define and enforce a more nebulous standard.

Mr. Speaker, clauses 1 and 2 of the House rule which I am proposing is nearly a verbatim restatement of sections 602 and 607 of title 8 of the United States Code, insofar as they apply to the House. But I want to make clear here and now that I intend for the "plain meaning rule" of statutory construction to apply to this rule, that is, it means what it says. And what it says is that no Member or employee of the House may solicit campaign contributions from other Federal employees—including other House staffers—and no person may solicit such contributions in House offices, buildings, or the House portion of the Capitol.

Clause 3 of the proposed rule codifies the longstanding interpretation that these prohibitions on solicitations do not apply to Member-to-Member requests for campaign contributions. But the clause goes on to qualify this exception by prohibiting such protected solicitations from directly or indirectly soliciting a Member's staff as well.

Mr. Speaker, I regret that it is even necessary to introduce this resolution, but unfortunately it is given the recent turn of events. The sooner we close this door that has been opened, the better off the House as an institution will be. I hope the Rules Committee will move forward expeditiously on this proposal before we regret it. I urge any colleagues who are interested to join us in cosponsoring this important rule. At this point in the RECORD, Mr. Speaker, I include a copy of the proposed rule, and a letter from Common Cause in support of my resolution. The materials follow:

H. RES. —

Resolved, That the Rules of the House of Representatives are amended by adding the following new rule:

"RULE LI.

"PROHIBITION OF POLITICAL SOLICITATIONS.

"1. A Member, officer, or employee of the House of Representatives shall not knowingly solicit any contribution within the meaning of section 301(8) of the Federal Election Campaign Act of 1971 from any officer or employee of the United States or any department or agency thereof.

"2. No person shall solicit any contribution within the meaning of section 301(8) of the Federal Election Campaign Act of 1971 in any office or building of the House of Representatives or in that part of the Capitol assigned to the use of the House.

"3. The prohibitions contained in this rule shall not apply to the solicitation of any contribution within the meaning of section 301(8) of the Federal Election Campaign Act of 1971 by a Member of Congress of another Member of Congress, provided that any such solicitation does not directly or indirectly solicit such contributions from the employees of the Member being solicited as well.".

COMMON CAUSE,
Washington, DC, December 10, 1985.

Hon. TRENT LOTT,
Rayburn House Office Building,
Washington, DC.

DEAR REPRESENTATIVE LOTT: We are writing to express our strong support for your proposal to amend the House Rules to prohibit the solicitation of political campaign contributions by House members from federal employees.

The need for such a prohibition is clear. Congressional employees and other federal workers are placed in an untenable position if Members of Congress are free to solicit campaign contributions from them. The need for this to be a flat prohibition against knowing solicitation is also clear. There is no other way to draw a line between "voluntary contributions" and "coerced contributions" and no other way to prevent the kind of implicit coercion that is bound to occur if such solicitations are allowed.

As you know, under an existing federal statute, Members of Congress are already barred from soliciting federal employees for campaign contributions. The Justice Department has said it will not proceed with a criminal prosecution under this statute, however, unless coercion can be established in the case.

The fact that Justice has established a coercion standard for bringing a criminal prosecution, however, does not vitiate the fact that a flat prohibition on such solicitations exists in the federal statute and also has been incorporated into the House ethics manual. As the ethics manual notes in explaining the application of the provision to the House, its purpose is "to prevent federal employees from being subject to any form of political assessment," and to protect "employees who because of their employment and positions may be subject to coercion."

We are aware that the House Committee on Standards of Official Conduct has said it, in effect, is "married" to the Justice Department's position that actual coercion is a necessary element of the solicitation prohibition. We believe that the Committee's interpretation is wrong and has created a serious problem.

House standards must include clear rules to prevent congressional employees and federal workers from being pressured into making campaign contributions to Members of Congress. In adopting the Justice Department's "coercion" standard for criminal prosecution of such solicitations, the Ethics Committee has, in effect, left the House without any effective prohibition in this area.

It is the responsibility of a legislative body to establish standards of conduct for its Members and employees. Such standards must be defined in terms of what is proper conduct for a public official, not in terms of what constitutes a criminal action. The House has traditionally required that its Members live up to higher standards than that of avoiding criminal conduct.

We believe it is essential for the House to move quickly to remedy this situation. Your proposal would clearly establish that Members cannot knowingly solicit any campaign contribution from a federal employee. This standard is necessary if federal employees are to be protected against undue pressure from Members in the solicitation of campaign funds. While the Ethics Committee has said it does not believe such a flat prohibition presently exists, the Committee should have no problem with the notion that such a ban should exist to protect federal employees and the integrity of the House.

We strongly support your amendment and urge the House to act on it quickly.

Sincerely,

Fred Wertheimer,
President.

H.R. 434

HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mrs. SMITH of Nebraska. Mr. Speaker, as I address the House for the first time in this historic 100th Congress, I know I am going to displease many of my colleagues. But no matter their objections, I also know that this weekend I can make the first trip back to my district this year, and I can do so with a clear conscience.

This is because I am asking, Mr. Speaker, my colleagues to join me in rejecting a pay raise.

Tuesday, I introduced H.R. 434 to freeze congressional pay for fiscal years 1987 and 1988. As a result, my bill would repeal the COLA we received January 1 and reject both the nearly 16 percent congressional pay increase recommended in the President's budget and the pay recommendations made December 15 by the quadrennial commission.

Simply, we would continue to be paid $75,100 per year.

My bill does not address the issue of pay increases for top Federal officials of the judiciary. The merits of pay increases for these public servants can and should be debated in another context.

Many of my colleagues will call my bill an unreasonably harsh proposal, but times are harsh, and it is time we, the policymakers, send a message to the taxpayers that we are serious and truly committed about turning things around.

We don't send that message by adding to our pay checks at a time when we say we are focusing efforts on reducing the deficit and regaining control of Federal spending.

With agriculture facing the worst economic conditions in 50 years, with the country's energy producing regions fighting off depression, with the economy sluggish and the trade deficit growing, with 8 to 9 million Americans searching for work, with the number of homeless on our city streets increasing, and coming off a year that saw 138 banks fail, the United States became a debtor nation, and the Federal deficit—despite Gramm-Rudman—soar to $220 billion, how can we in good conscience worry about our salaries?

I won't contest the arguments that it is expensive to live in Washington, DC; that it is costly to keep two residences; that there are extra and unusual expenses associated with this job. But, hey folks, we knew that coming in when we campaigned for the honor to serve our districts. We can get by on $75,100 despite the financial demands, and, overwhelmingly, the public expects us to.

If you agree, please join me in opposing an increase in our salaries by cosponsoring H.R. 434.

Thank you.

REFUSENIKS: GORBACHEV'S "OPENNESS" HASN'T HELPED THEM

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. COURTER. Mr. Speaker, several emminent Jewish Americans recently returned from a visit to Moscow, where they met with both Soviet Jews and various Soviet officials. I would like my colleagues to see the following summary—written for the New York Post—of their Moscow experiences.

Henry Siegman is executive director of the American Jewish Congress, and Howard Squadron is honorary president and past chairman of the Conference of Presidents of Major American Jewish Organizations.

It is evident that racial and religious discrimination still reflect official policy in the avowedly classless Union of Soviet Socialist Republics.

Moscow's Big Lie About Its Refuseniks

[From the New York Post, Nov. 20, 1986]

One week after President Reagan and Secretary of State Shultz raised the plight of Soviet Jews—particularly "refuseniks"—at Reykjavik, we were in Moscow with a small American Jewish delegation.

We spent five days meeting refuseniks in order to obtain a more current understanding of their plight. We also met with Soviet officials to get their view of the problem.

The Soviet officials insisted that the problem had been resolved in the late 1970s, when virtually all Jews who wanted to leave were allowed to do so.

More than 50,000 Jews left in 1979, the last year there was significant Soviet Jewish emigration. Those who were denied, we were told, were individuals who had access to classified information and could not leave under Soviet law for reasons of state.

These officials insisted there no longer are significant numbers of Soviet Jews who wish to leave or who have been denied permission to do so.

A different picture emerged from our meeting with the refuseniks.

In a series of meetings at their homes we saw over 150 people, from familiar names like Vladimir Slepak and Viktor Brailovsky—each of whom was exiled for five years to Siberia—and Alexander Lerner, who has been trying to leave for 17 years, to refuseniks whose names are unknown in the U.S. and who never have been visited by Americans.

We met a man who had lost his job that day because he is a refusenik; a woman who is able to work at her profession only because her employer is not aware that she is a refusenik, and a man who had been subjected to eight hours of KGB interrogation a few days earlier because he shared books on Jewish subjects with others.

We met some of those arrested in 1984 on charges of concealing firearms or drugs because they persisted in holding Hebrew classes.

We met, and with the help of one of our group who spoke Russian, arranged for the release of five young men who were arrested after participating with us in the celebration outside the Moscow synagogue on Simchas Torah.

We met countless men and women dismissed from high-level positions as academicians, scientists and engineers, now working as elevator operators and charwomen.

We met cancer patients who want treatment abroad, or just to live their remaining days in Israel.

We met many refuseniks who first applied for emigration 15 and 20 years ago and who doggedly apply again every six months.

Many began applying in 1979 when Soviet policy appeared favorable to their emigration to Israel. The Soviet government then shut the doors abruptly, leaving many Jews behind after their families already had reached Israel.

Together, they represent an aggregate of human anguish and despair to stun the imagination. Even a highly conservative extrapolation from the number of refuseniks elsewhere in Moscow and throughout the Soviet Union gives the lie to the notion that the problem has been resolved.

Clearly, those Soviet Jews who had access to classified information no longer pose any threat to the Soviet government these many years after they left or were dismissed from their jobs.

Sadly, most of them have lost their professional qualifications, having been out of work and out of touch with developments in their field.

Should they finally be allowed to leave for Israel, they will not be able to resume their careers. Their professional lives have passed them by.

When we asked these refuseniks why they applied for emigration, knowing their chances to be so slim and the consequences for their personal lives so catastrophic, they invariably replied that they would make the personal sacrifice so that their children might live full Jewish lives in Israel.

Our group traveled from Russia to Poland and visited Auschwitz and Birkenau.

There, and at other death camps, the Nazis attempted to impose their final solution to "the Jewish problem."

The monstrous evil perpetrated by the Nazis is not to be equated with any other human activity before or since; yet the question must be asked why some governments persist in creating a "Jewish problem" that requires a solution.

We also visited Romania, where half of the pre-World War II Jewish community survived.

Of that community, numbering 400,000 after the War, more than 300,000 have left for Israel with the permission of the government. The remaining Romanian Jews function openly as a religious community with the support of the government.

We argued to Soviet officials that Soviet Jews, whose applications for permission to emigrate are more than five years old, should immediately be granted permission to emigrate, and that emigration of Soviet Jews to Israel should thereafter be permitted on a regular basis.

We pointed out that such a process would have an immediate impact on the entire range of bilateral issues between the two countries.

We can only hope that message, delivered so often before, finally will be treated seriously.

INTRODUCTION OF LEGISLATION PERTAINING TO CUBAN POLITICAL PRISONERS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. RICHARDSON. Mr. Speaker, I am pleased to introduce today a bill designed to assist former and present Cuban political prisoners in getting their freedom. My bill would exempt Cuban political prisoners from certain visa restrictions. The Immigration and Naturalization Service [INS] will not presently give visas to individuals who are trying to enter this country from a third country. Cuban political prisoners who have successfully left Cuba and made it to another country such as Panama or Mexico are therefore denied visas to enter this country. This action effectively turns these individuals back over to Castro—they have left Cuba with the goal of achieving freedom in this country—and then they are denied that freedom. The policy of this administration, designed purportedly to punish Castro backfires and the people who suffer are the Cuban political prisoners who so desperately need our help.

Hearings held on human rights in Cuba late during the 99th session of Congress highlighted the dire circumstances of Cuban political prisoners. Armando Valladares, a former long-term Cuban political prisoner and author of a poignant and disturbing book on his experiences in Castro's prisons, stated that the most significant thing the United States can do for all Cuban political prisoners is to let them come to this country. My bill will ease passage into this country for a group of present and former Cuban political prisoners. It is long past time for us to do so.

I originally offered this bill as an amendment to the Immigration Reform Act of the 99th Congress. It was incorporated into the original text of the legislation and passed the House. During the House-Senate conference, it was turned into a "sense of Congress." It is good that the Congress is on record as being for facilitating the entrance of Cuban political prisoners into this country—the INS, however, still has not been legally directed by the Congress to stop its practice of denying visas to Cuban political prisoners who have braved the odds and successfully made it to other countries. This bill I am introducing today will be such a decisive step. I hope that it sees quick action, and I urge my colleagues to support it. Thank you.

TAX CREDIT FOR HOME CARE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. BIAGGI. Mr. Speaker, today I have the pleasure of introducing legislation I have authored in the past two Congresses to provide for a $500 tax credit for individuals who maintain within their household a dependent of the taxpayer who is over the age of 65. As an original member of the House Select Committee on Aging, I strongly endorse this approach both as a means of extending tax fairness to another important segment of our community but also to help us guide our policies regarding care for the elderly away from its reliance on institutional care.

Presently, approximately 11 percent of the Nation's population is over the age of 65. The number of elderly living alone has increased substantially. Additionally, the number of elderly living outside the extended family has changed drastically—23 years ago, 46 percent of those over 65 lived with their children. By 1975, this figure had dropped to 18 percent.

The number of institutionalized elderly has also risen, due to a variety of factors. In 1984, according to the National Center for Health Statistics, 22 percent of people aged 85 and older were in nursing homes, while less than 2 percent of those aged 65–74 were institutionalized. Furthermore, one in three Americans over age 85 needed some form of intensive long-term care. Currently, a majority of the elderly who need assistance with activities of daily living—bathing, dressing, feeding themselves—or with household chores receive that help at home from family members. But 1.2 million elderly persons are in nursing homes, about 5 percent of the total population aged 65 and older.

The National Center for Health Statistics estimates that the number of nursing home residents will increase by 58 percent between the years 1978 and 2003 if mortality remains constant, and by more than 115 percent if mortality declines. By the year 2030, there will be 55 million older persons aged 75 and over in our nation, representing 22 percent of the total population. These figures show how critical it is that we now consider alternatives to traditional delivery modes of health care and social services to this population. The continuum of care for this population—which should be the hub of any long-term care system that we develop in this country—should assure both access and choice to all those in need of dependent care.

Studies have shown that it is generally the family, not the government, that provides the most care for the elderly. The Health Care Financing Administration has estimated that between 60 and 80 percent of the care received by the impaired elderly is provided by family members or friends who are not compensated. In addition, information from the field clearly points to the family as the preferred provider of services to the elderly. However, I must emphasize the fact that we still fail to have a rational long-term care policy in this country that eliminates the institutional bias in our current federally funded programs.

At present, Medicaid is the largest single provider of long-term care services. This joint Federal-State health plan for the poor pays over one-half of our national long-term care bill as compared to 1.3 percent being paid for private insurance and 2 percent by Medicare. Medicare only pays for short-term stays—up to 100 days—in skilled nursing facilities for persons being discharged from hospitals. With over 1 million residents of nursing homes today relying on Medicaid to finance their health care and housing needs, we must recognize that we are talking about a significant share of our dependent care population.

Increasing the attractiveness of home care would also reduce nursing home costs, especially after 1972 when intermediate care facility care was added to the benefit package. By 1975, this change alone resulted in ICF care exceeding skilled nursing care and a concurrent doubling of the Medicaid long-term care bill to $4.3 billion. Today, Medicaid expenditures in this area have again doubled since 1975 as a result of added factors: rising costs of care as compared to number of recipients; elimination of provisions for family supplementation of nursing home payments and SSI provisions which reduce benefits to beneficiaries living with each other.

Providing a $500 tax credit for home care expenses would be an important first step to implement a national policy of long-term care. This bill cannot, however, be viewed as an isolated proposal. There must be efforts made to promote comprehensive policies that assure a continuum of care of elderly citizens.

We are beginning to receive substantial evidence of the need for both home care alternatives specifically, as this bill would provide, as well as the value of community based long-term care services now being provided on a piecemeal basis through both Medicaid as well as the Older Americans Act. A 1980

HCFA study noted that between 3.6 to 7.8 million individuals may be receiving services from family and friends—or may be in need of such services but are making it on their own.

If no preferred living arrangements can be provided for our ever-growing elderly population, these individuals will be forced into living arrangements not of choice—with the possible resultant loss of health status and emotional well-being. This brings up another important issue we must consider in this area which is how providing a tax credit of this type might in some instances lead to a reduction in the growing and serious problem of elder abuse. In testimony at hearings I have chaired of the Subcommittee on Human Services, we were advised by the specialists and even victims that one of the causes of violence against the elderly is tension caused by financial pressures related to the cost of care for the older person. In some instances this tension leads to violence.

I hope that at long last this modest and reasonable issue can get favorable attention in Congress. It is eminently fair and to a degree foresighted in that the development of alternatives to institutionalization such as advancing home care is the way we should proceed. Tax credits for home care could be the catalyst we need to move this policy along.

CONGRESSIONAL SALUTE TO JOSEPH GRANT VINCENT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to a very industrious and generous man, Mr. Joseph Grant Vincent, who is retiring after 35 years as one of CALMAT Corp.'s most productive employees.

As chairman of the Public Works and Transportation Subcommittee on Surface Transportation, I have worked with CALMAT, the largest producer of cement in California, on many occasions and can appreciate how valuable Grant is to the corporation and to the transportation industry. Grant certainly knows the ins and outs of the industry, beginning his career in 1951 as a truck driver and working his way up the corporate ladder as a batch operator, service engineer, superintendent, and finally to the operations manager of distribution in 1984. Grant is affectionately known as the premier hatchet man by his peers because of his unique ability to go in and shape up an operation for CALMAT.

A soft-spoken and hard-working manager, Grant's commitment to the cement industry and to the surface transportation of California includes his active participation in many industry and community organizations. Concerned with and dedicated to both the management and employees of CALMAT, Grant has served as a member and past president of the CALMAT Management Club and Employees Federal Credit Union. He has also been an important member and past chairman of the National Ready Mix Committee Maintenance Forum and Southern California Ready Mix and Rock and Sand Transportation Committee for more than a decade.

Mr. Speaker, Grant Vincent will be missed by his colleagues at CALMAT and his friends in the industry. He has proven himself to be one of the most respected and valued employees of his corporation and will continue his expertise when he moves to Phoenix to head up a CALMAT subsidiary.

My wife, Lee, joins me in commending and congratulating Grant Vincent on a job well done. We wish him and his wife Carol continued success and happiness in the years ahead.

RAY McDONALD COMMUNITY ACHIEVEMENT AWARD

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LIPINSKI. Mr. Speaker, it is my privilege and honor to rise today and honor the Chicago Valentine Boys and Girls Club, who have received the Ray McDonald Community Achievement Award sponsored by the Fifth Congressional Community Advisory Committee.

The Valentine Boys and Girls Club first opened its doors in 1939 through the dream and financial assistance of Mr. Louis L. Valentine whose purpose was to create opportunities for Chicago's youth and to promote their development and well-being through a philosophy of self-help designed to prepare Chicago youth to direct their lives through a setting of life standards and goals which will develop success and independence.

Today, the Chicago Boys and Girls Clubs, an example of dedication to a common goal, recognizes that its services for youth cannot be done without first concerning itself with the problems that exist in its communities of service and must actively participate in the resolution of those problems.

The Chicago Valentine Boys and Girls Club contributions to the community and its youth are to be commended and to organizations such as this that we are proud to recognize the awarding of the Ray McDonald Award.

ANTITRUST LEGISLATION TO RESTRAIN MERGERS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. RODINO. Mr. Speaker, today, joined by my colleague Congressman DON EDWARDS, I am introducing antitrust legislation that should exert a needed restraint on the unfettered merger activity that has all too often dislocated our local communities and distracted our business operations.

The package of procedural amendments contained in the legislation are aimed at making the Hart-Scott-Rodino reporting system a more effective tool in gathering information and permitting more thoughtful deliberations by the antitrust enforcement agencies on proposed merger transactions.

Last Congress, I introduced legislation that would extend the waiting period in which the antitrust agencies would have to evaluate pending mergers. The first part of the current bill follows the relevant provisions of H.R. 2735 to enable the Department of Justice and Federal Trade Commission to make careful judgments on the competitive effects of proposed transactions.

Currently, the Hart-Scott-Rodino Act provides less scrutiny time by the Department of Justice and Federal Trade Commission when the merger involves a cash tender offer, for example, a hostile takeover, than when the transaction is a friendly combination involving the mutual exchange of stock or other corporate assets. There is no current justification for such a distinction, particularly when today hostile takeover bids cause the greatest confusion and dislocation in the industrial world.

The extension period proposal first equalizes the waiting period for all types of mergers and acquisitions. It then provides that the reviewing agency may extend the waiting period for the submission of additional information for another 30-day period, or in the case of large acquisitions—over $1,000,000,000—for another 60 days.

The rationale for these extended time periods is that with so many assets and jobs at stake, there is no reason for the agencies to rush their review of complex, financial and competitive data in reaching an enforcement decision. The only beneficiaries of rushed judgments are the arbitrageurs and raiders, who do not wish to be holding stock should the transaction be challenged. For the average shareholder and the companies involved, more deliberate scrutiny should not undercut corporate productivity or the underlying value of the assets involved. Moreover, the proposed bill is purposely drawn to give the Department of Justice and Federal Trade Commission discretion to take less than the full amount of the time should they find no competitive problems in the proposed transactions.

A second area addressed by the proposed legislation concerns one of the most abused practices currently engaged in by corporate raiders and others seeking to evade the filing requirements of the Hart-Scott-Rodino Act: the so-called partnership loophole. At the time of the passage of the Hart-Scott-Rodino Act in 1976, Congress did not want to impose filing requirements on small partnerships—often family partnerships—and understandably directed its attention to the publicly held corporation. This policy choice made good sense at the time. But, with the onset of the corporate raider era in the late 1970's, the partnership exemption was increasingly exploited to avoid merger filings with the antitrust agencies.

This loophole can be easily closed by requiring that two or more separate persons who act in concert to acquire another corporation be required to file, provided that the dollar thresholds are met. This language should cover the situation of shell corporations, partnerships or trusts set up by various acquirers solely to evade the provisions of Hart-Scott-Rodino. The bill provides that any business association is required to file if it has $1 million in assets and attempts to merge with a target company having $100 million in assets. This single sentence effects two significant changes: First, it catches undercapitalized operations such as shell corporations that often have only several million dollars in assets, but also several billion dollars of credit available. Second, it requires that the target company be quite large—$100 million in size. Very few family partnerships seek to acquire such large entities; and if they do, there seems little reason that they should not be required to file under Hart-Scott-Rodino as well.

Repeatedly, the hearings conducted by the Judiciary Committee have produced testimony from State attorneys general, employees, and local officials criticizing the fact that almost no information is submitted/disclosed on the impact of mergers on the communities and people most directly affected.

Thus, a third part of the bill provides for the submission of an economic impact statement. In particular, the economic impact statement requires the acquirer to specify whether, over a projected 5-year period, it intends to close or sell any plants, terminate operations at any facility, or lay off or terminate any employees. The language also requires an estimate of revenue likely to be lost by localities in which the assets to be sold are located. Finally, the bill seeks data on the debt-to-equity ratio of the bidder, so as to determine whether the acquirer plans to use credit, junk bonds, or a liquidation of the corporation's assets to finance the transaction.

A notable feature of the bill is that the economic impact statement is to be publicly disclosed, unlike the treatment accorded other proprietary data now exempted under the Hart-Scott-Rodino Act. Such disclosure will not violate the needed confidentiality respecting product lines and market share, but will offer the public necessary information about the long-term consequences of the merger.

I believe this legislation will work needed changes in the way the antitrust agencies review proposed mergers while at the same time closing loopholes that have been seized upon by those who have skillfully exploited the financial markets for their personal gain.

I urge my colleagues to join with me in supporting and moving this measure as swiftly as possible before the next takeover wave sweeps over the American economic landscape.

BUDGET PROCESS SUNSET REVIEW ACT

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LOTT. Mr. Speaker, today, I am reintroducing the Budget Process Sunset Review Act of 1987, first introduced as H.R. 5699 on October 14, 1986. The bill would establish a bipartisan commission to study the impact of the budget process on the two branches, and recommend whether the process should be continued, modified or terminated. The bill would further require Congress to consider and act on the commission's recommendations, and, unless Congress enacts legislation to continue or modify the budget process, it would expire on March 15, 1988.

Mr. Speaker, I think I've been as strong a supporter of the budget process over the years as anyone around here. I voted for it in 1974, and I've vigorously upheld its provisions through the years as a member of the leadership and the Rules Committee. But, like many of my colleagues, I've begun to wonder just how effective it has been and how much it may be distorting and disrupting the regular authorization and appropriations processes. I've formed no final opinions on those questions, but I do think they are legitimate enough to warrant a full-scale review of the budget process by a distinguished commission comprised of Members of Congress, the public, the executive branch, and the Comptroller General. The commission would report back to us by next September 30. Our committees would then have until the end of the year to report legislation either continuing the budget process in its present or modified form, or recommend its termination.

If Congress does not enact legislation specifically extending or modifying the budget process by March 15, 1988, the acts would expire. The bill would apply to both the Congressional Budget and Impoundment Control Act of 1974, and the Balanced Budget and Emergency Deficit Control Act of 1985, the so-called Gramm-Rudman-Hollings Act.

Mr. Speaker, I appreciate that there are those who will argue that this should be strictly an internal review by the House and Senate since we are dealing primarily with the congressional budget process. But I would disagree for two reasons. First, the 1974 Budget Act provides for not only a congressional budget process, but for Presidential impoundment and deferral authority as well. And the 1985 Balanced Budget and Emergency Deficit Control Act not only amends the congressional budget act, but requires the President to submit budgets which conform with the maximum deficit amount each year, and to issue the Executive order sequestering funds if we don't meet that deficit target through the regular budget process. So, it is important that executive branch officers and employees be represented on this review commission.

Second, we must never lose sight of the fact that the way we budget in both branches ultimately affects the people and the allocation of their tax dollars for public purposes. The budget process is much bigger than the internal mechanics of the Congress and the executive branch. It is the determining force in how the people's money will be spent. As such, there should be public representatives on this commission.

Mr. Speaker, I am not suggesting that we should delegate to the commission the ultimate power to decide the future of the congressional and executive budget processes. I have not provided in my bill for an up-or-down vote on the final recommendations of the commission. Instead, I have simply required that the appropriate committees consider those recommendations and report to their respective Houses their own recommendation as to whether the budget process should be continued, modified, or terminated.

The action-forcing mechanism in all this, of course, is the sunset date which will fall some 5½ months after the commission report is submitted. If legislation is not enacted by that March 15, 1988, date, then the two budget acts covered would expire.

I know there will be those who will argue that this is an invitation to inaction by those in Congress who, for a variety of reasons, oppose one aspect or another of the current budget laws. But, I do not agree that either House will let these acts expire without taking a vote on the alternatives. The very fact of a report by a distinguished commission should provide sufficient impetus for us to consider and vote on its recommendations or any options that might be proposed by our committees. I do not think the American people would forgive us for killing the budget process by inaction.

On the other hand, if we do not put in place a sunset date as an action forcing mechanism, I fear we will continue to putter along with the present system without taking the time or trouble to seriously consider the work of the commission. I want this commission's report to be something more than a dust-collector on a shelf, for a change. The sunset review process provided in my bill is the best way to ensure that result, in my opinion.

Mr. Speaker, I urge my colleagues on both sides of the aisle to join me in this sincere attempt to examine indepth the current operation of our budget process and determine whether or how it should be continued. I think it's obvious to everyone that things are terribly out of kilter in Congress, and that the overpowering presence of the budget process is a major factor in that equation. I am hopeful this budget process sunset review proposal will point the way out of this morass.

At this point in the RECORD, Mr. Speaker, I include a brief summary of my bill. The summary follows:

BRIEF SUMMARY OF PROPOSED BUDGET PROCESS SUNSET REVEW ACT

Title: The "Budget Process Sunset Review Act of 1987".

Purpose: To establish a Commission on Budget Process Review, require congressional consideration of the Commission's recommendations, and to sunset the budget process if no action is taken to extend or modify it by March 15, 1988.

Establishment of Commission: There is established, not later than 60-days after enactment, a Commission on Budget Process Review. The Commission would cease to exist on Dec. 31, 1987.

Purpose of Commission: The purpose of the Commission is to study and review the operation and effectiveness of the Congressional Budget and Impoundment Control Act of 1974, and the Balanced Budget and Emergency Deficit Control Act of 1985 and their impact on congressional and executive operations with a view determining whether such Acts should be continued, modified, or terminated.

Membership: The Commission shall be composed of 19 members including six each appointed by the President, President pro tempore of the Senate and Speaker of the House. Two public members shall be appointed by each, and not more than four executive branch officers or employees, four Senators, and four Representatives. Not more than three members from each category of six shall be of the same political party. In addition, the Comptroller General shall serve as a member. A chairman and vice chairman shall be elected by the members.

Miscellaneous: Provisions are made for staff, per diem for non-Federal members ($150), travel, hearings, and consultants. To the maximum extent possible, the Commission would draw on existing executive and congressional staff having budgetary expertise.

Report: The Commission shall submit its final report to Congress not later than Sept. 30, 1987.

Congressional Review & Action: The report shall be referred to the appropriate committees of the House and Senate which shall conduct hearings and report their recommendations to their respective Houses not later than Dec. 31, 1987.

Sunset: Following such committee reports, unless legislation is enacted by March 15, 1988, specifically continuing or modifying the budget acts referred to above, such acts shall cease to be effective on that date.

DR. JOSEF BEGUN

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. COURTER. Mr. Speaker, it is a peculiarity of the Soviet Constitution that everyone has the right both to practice religion and to agitate against it. What they do not have is the right to teach religion.

The authorities know they cannot prevent religious feelings, even in subjects whose entire lives have been lived under Communism. But they do hope to prevent the young from infection by anti-Communist interests of their elders.

A moving account of one who has tried to teach, as well as practice, his religion has appeared in a recent Jeane Kirkpatrick column. I feel that its account of the persecution of Josef Begun deserves the attention of my colleagues.

[From the Washington Post, Dec. 22, 1986]

SHCHARANSKY'S ADVICE

(By Jeane Kirkpatrick)

It has become traditional for major newspapers in many American cities to focus in the weeks before Christmas on the most needy persons in their area in hopes that the glow of the season will stimulate special sympathy and generosity for those oppressed by poverty, old age, ill health, bad luck and bad management of their own lives.

It is a good tradition, one that illuminates the social problems of great cities—aging, isolation, child abuse, disrupted families, poverty, homelessness—by showing how they affect the lives of real persons.

Similarly, such great political abstractions as freedom, repression and pluralism also are most easily grasped when their impact is seen through the experiences of particular people. Human rights activist and former gulag inmate Anatoly Shcharansky told American audiences last week that focusing public attention on particular prisoners can make a life-and-death difference.

Anatoly Marchenko, Shcharansky said, died in a Soviet prison. The cause, he said, was not just Soviet abuse, but also Western indifference. Recalling his own long imprisonment, Shcharansky told a New York audience, "In my case there were strong campaigns all over the world; protests from the top levels and grass-roots levels. In this [Marchenko] case, the public opinion of the West reacted quite differently. The results you see yourself."

Shcharansky's view is shared by other former political prisoners—Huber Matos, Armando Valladores, Jacobo Timerman, among many others—who have credited their release and survival to international public attention. Spokesmen for Iran's Baha'i community credit public attention with the dramatic decline in government executions of Baha'i members from 100 in 1983 to three in 1986.

In this Christmas season, we should focus on just a few of the world's neediest political prisoners who are being denied their most basic human rights.

Dr. Josef Begun, a 55-year-old Soviet Citizen of Jewish descent, has been convicted three times for the crimes of teaching Hebrew, cultivating the study of Jewish culture and history, and seeking permission to emigrate to Israel. Begun, a mathematics graduate of Moscow University, first applied for an exit visa in April 1971. His application denied, he was fired from his job, barred from employment even as a manual laborer and hounded by the KGB. In 1977, Begun was arrested for giving private Hebrew lessons and convicted for leading a "parasitic way of life."

He was sentenced to two years of penal exile in Siberia and was barred from living in Moscow, where his family resided. Rearrested in 1978 for overstaying a rare 48-hour visit with his wife and son in Moscow, Begun was sentenced to Siberia for another three-year term. Again released, again rearrested, in 1983 Begun's books, papers and Hebrew writings were confiscated, and he was convicted of "especially dangerous crimes against the state." He was given the maximum sentence—seven years' imprisonment and five years of exile.

All three trials were filled with violations of regular Soviet legal procedures and of international legal standards.

During his current imprisonment, Begun has been subjected to especially harsh treatment. He has spent several periods in a special punishment cell (for giving a lecture on the Holocaust and wearing a yarmulke). His health has seriously deteriorated, his coronary heart disease exacerbated by the harsh conditions under which he must live. His daily rations and exercise periods have been cut in half. His correpondence is limited to one letter every two months.

Begun, recently hospitalized again, was never active in politics. His crimes consisted of giving Hebrew lessons when he was denied all other employment, studying Jewish history, disseminating information on Hebraic culture and seeking to emigrate to Israel.

Begun is not alone in paying a heavy price for his religious interests. Assistant Secretary of State for Human Rights Richard Schifter pointed out recently that during the past 12 months at least 90 other Soviet citizens have been sentenced to long prison terms for religious practices.

Dr. Anatoly Koryagin, 47, is the Ukrainian psychiatrist who in the late '70s exposed the Soviet practice of confining political dissidents and religious observers to psychiatric hospitals, where they are submitted to pain-inducing, mind-destroying drugs.

Now, however, it is Dr. Koryagin who needs help.

For blowing the whistle on these practices, now well documented, Koryagin was sentenced to seven years imprisonment and sent to the dreaded Christopol prison, where he has suffered repeated beatings, a grossly inadequate diet and seriously deteriorating health. Now that his sentence has been extended, his wife—who has not been allowed to visit him for more than two years—and his friends are gravely concerned for his life.

Pastor Pyotr Rumacik, 53, vice president of the Council of Evangelical Baptist Churches in the Soviet Union, has been sentenced to prison or exile four times for a total of 12 years. His crime was engaging in activities for an "unregistered" church. Currently serving a five-year sentence that was imposed in 1980 and has already been extended, he has been subjected to a grossly reduced diet, heavy labor, deprived of his Bible and repeatedly committed to a punishment cell. Pastor Rumachik also suffers heart trouble and deteriorating health.

He is the ninth Evangelical Baptist in the Soviet Union to be resentenced to prison this year.

But Soviet citizens are not the only ones who risk harsh punishment for exercising human rights guaranteed under their own constitutions and under the International Declaration of Human Rights and the Helsinki Accords. There are other prisoners in other lands.

What can we do for these and thousands of others who have been brutally denied their legal and human rights in Eastern Europe, Africa, Asia, Iran and elsewhere? Anatoly Shcharansky tells us these countries want access to Western technology and credits. Therefore, he says, "linkage can help open the gates."

So can our continuing attention.

OPPOSE THE SALE OF FEDERAL POWER MARKETING ADMINISTRATIONS

HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mrs. SMITH of Nebraska. Mr. Speaker, last year, the administration proposed the sale of the five Federal power marketing agencies.

They tried to sell their proposal as deficit reduction, sound business sense, and good government.

But in my opinion, selling the PMA's is none of those things. Selling the PMA's is unwise public policy that would sacrifice an important national resource for short-term gain.

And a majority in the Congress agreed. We voted last year to block all funding for the administration to proceed with this initiative.

In light of rumors that the administration would again assume revenues from the sale of the PMA's in the 1988 budget, 76 of my colleagues—from both sides of the aisle—joined me in writing a letter to OMB, urging the administration not to propose the PMA sale.

Despite our warning, the budget we received on Monday again does just that—but with a slight change in focus.

While last year's initiative focused on the two largest PMA's, this budget singles out the smallest. But an attack on any one PMA is an attack on the entire program.

I am introducing a sense-of-the-House resolution today in opposition to the sale of the PMA's. I ask that the text of my resolution be included in the RECORD with my statement.

Mr. Speaker, I pledge my personal support for the Federal power program in its entirety and urge my colleagues to cosponsor the resolution and join me in defeating this unwise proposal.

OUT OF MANY, ONE

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1986

Mr. SHUMWAY. Mr. Speaker, today I am introducing, on behalf of myself and 17 of my colleagues, legislation to provide for a constitutional amendment designating English the offical language of the United States.

As the voters of my State confirmed overwhelmingly this past November in their approval of proposition 63, a common language is the bond that fosters harmony out of our great diversity. America has been immeasurably enriched by her ethnic, cultural and religious diversity, and it is vital that our "melting pot" tradition be preserved. At the same time, however, a common language has been a powerful factor in forging national strength, and in promoting unity and stability.

I am deeply concerned that many existing Government policies send conflicting signals to language minorities, that they leave those with limited English proficiency isolated on the fringes of our society, and that linguistic pluralism will lead to divisiveness as it surely has in other countries.

English never has been nor should it ever be the only language spoken by Americans. Indeed, in a world growing ever more complex, I strongly encourage all Americans to learn a second, if not a third language. However, English is assuredly our native tongue, and it deserves a measure of legal protection now afforded to it by custom only. The amendment I am proposing would provide that needed protection by designating English as our official language. It does not seek to discourage the use of any foreign language for religious or ceremonial purposes, for domestic use, or for the preservation of ancestral culture. Additionally, the bill would not affect the teaching of foreign languages to American students.

I strongly urge my colleagues to join with us in sponsoring this needed measure to end existing divisiveness over language and reaffirm our national motto: E Pluribus Unum. Out of many, one.

RICE AND TRADE—ONE EXAMPLE

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LEHMAN of California. Mr. Speaker, as the 100th Congress begins its deliberations on trade, I would like to call to the attention of my colleagues an article from this month's Atlantic Monthly magazine.

Titled "The Rice Plot" and written by Atlantic's distinguished Washington editor, Mr. James Fallows, the article examines the role of rice and rice farmers in shaping Japan's political and policy approach toward its domestic agricultural and international trade policies.

Not only does the article provide insight into the cultural significance of rice in Japan and its influence on Japanese politics, but for many of us it may provide a parallel for similar difficulties which we each may face in our efforts to create a broad, national trade policy.

[From the Atlantic Monthly, January 1987]

THE RICE PLOT

(By James Fallows)

Who is really to blame for our tiresome trade problems with Japan? Everyone has heard about the usual suspects—indefatigable Japanese businessmen, big-spending American politicians, lackadaisical American workers, and so on. But there is another candidate whose significance is well recognized in Japan but barely comprehended in the United States: the doughty Japanese rice farmer.

The farmers' importance is not obvious from looking at the trade charts. Japan grows about 11 million tons a year of the distinctive gluey japonica rice that its people prize above all others. If every Japanese paddy were drained tomorrow and converted into, say, a small export-electronics shop, Japan would have to spend only about $3 billion to import rice. That would just about offset three week's surplus in Japan's balance of trade with the United States.

Nonetheless, the farmers may be the key to the trade problems, because they have such an important effect on how other Japanese live, and because their status says so much about Japan's mercantilist approach (We Sell, You Buy) to foreign trade. Their impact is indirect, and it operates through the vehicle that affects everything else about Japan—the cost and scarcity of land.

Japan is, of course, a small island nation short of everything except people. It has a population half as large as that of the United States in an area smaller than California—or, to put it another way, a population twice as large as France's in two-thirds the space. But Japan seems even more crowded than those numbers would suggest. In part that's because of the mountains, which take up two thirds of the total area, but it's also because of the farmers, who take up almost half of what's left. Japan's land area is 378,000 square kilometers, or about 151,000 square miles. Of that, 66.9 percent is mountains and forest, and another 3.1 percent is rivers and channels. Farmland takes up 14.3 percent, leaving houses, offices, factories, roads, parks, schools, and stores to be squeezed onto the remaining 15.7 percent. In contrast, the United States is twenty-five times larger to begin with, and a higher proportion of its land is usable.

The significance of the crowding is not simply that it discomfits big-boned Americans who are used to the wide open prairies but that it distorts so many other aspects of Japanese life. Because land is so expensive, people cannot afford to buy more than a tiny plot on which to build a house. Real-estate ads do not say "house on acre and a half" or even "half an acre"; they say "124.93 sq. meters." Because the price of land keeps rising, people save in order to invest in land itself—rather than in larger houses, furnishings, appliances, or other items whose purchase would stimulate economic activity and that might conceivably even come from abroad. Because the price never stops going up, no one wants to sell. Because no one wants to sell, the price goes up even more.

Kenichi Ohmae, the director of the Tokyo office of McKinsey and Company, a consulting firm, has pointed out that at current prices Japan is worth more than the United States. He is not making an abstract moral judgment—he's talking about the two countries' land. The Japanese land market has all the markings of a classic speculative bubble, in which price bears no relation to economic fundamentals. But before a bubble can burst, someone has to be eager to sell, which has not happened in Japan.

Perhaps the Japanese would still be intent on exports, rather than domestic consumption, if they had bigger houses and more money left over after paying for land. But I think the spartan nature of Japanese home life encourages salarymen to spend more time at the (comparatively) plush office, dreaming up new export plans, and at the bars, cementing those crucial work-group relationships. What's more, it reinforces the export-or-die mentality that helped Japan recover after the war but is now making problems for it and the rest of the world. The United States needs more of that anxiety-induced energy; Japan could do with less.

Therefore, anything that makes this crowded, expensive country more crowded and expensive than necessary is bad for the Japanese, since it keeps their living standard artificially low. And it's bad for everyone else, since it increases the ferocity of Japan's export drive. This brings us back to agriculture, and in particular to rice.

On the half of all that land taken by farming, more than half is taken by rice. To spell it out: one quarter of the precious habitable land in this tiny country is used to grow one crop. After a three-week train trip from the far north to the far south of Japan, I was surprised that the rice-growing proportion was not even higher. Ninety percent of Japan's farm households grow at least some rice. To the naked eye Japan seems to be carpeted with rice paddies. Although the pressure of human crowding is most intense in the cities, above all Tokyo, nearly every part of the country suggests a struggle to the death between farmland and land used for anything else. On the train routes through Japan's "rice belt," in the northern part of the main island, Honshu, the scenery alternates between mountains and rice paddies, with only an occasional factory to vary the landscape.

Tiny houses, slightly larger than the infamous "rabbit hutches" of the cities, are tucked in among the paddies, typically with only a dike-top walkway, a few feet wide, separating the house from the fields. This is the Japanese equivalent of the vast, unvarying fields of Kansas, though it is wet, hilly, miniaturized. Even in the major cities—Osaka, Kyoto, Hiroshima, Tokyo—I have seen little paddies slipped in between houses or office buildings. Hokkaido, the frontier-like northern island of Japan, is startling to visitors, because it offers something found nowhere else in the nation: flat land just sitting there, unused.

By any normal economic reasoning, Japan's insistence on devoting so much land to farming, especially rice, is insane, as if Manhattan were attempting to grow its own wheat and corn. Naturally, the farmers are hardworking and dutiful. Their yields per acre are not far behind those in the rest of the world. Paddies in Japan can produce 480 to 500 kilograms of rice on a tenth of a hectare; the average in California is 620. (I am using the metric system because Japan uses it. A kilogram is 2.2 pounds; a hectare is 2.47 acres.) But each of those hectares is so costly, and the typical farm is so small—excluding those in Hokkaido, two thirds of the farms are one hectare or smaller, and it would take 151 average-sized Japanese farms to equal one average-sized farm in the United States—that Japan's production cost per kilogram of rice is grotesquely out of line with the rest of the world's.

It's hard to make precise comparisons, since the yen had been rising rapidly in value while international farm prices have been going down. According to estimates made in the fall of 1986, Japanese rice costs somewhere around six times as much as the "highest-quality" (that is, most japonica-like) California rice and ten times as much as rice from the world's lowest-cost producer, Thailand.

Apart from returning seamen who sneak in bags of California rice, and manufacturers who use processed rice for crackers, the Japanese import not a grain of this less-expensive foreign rice. Indeed, Japan now grows more rice than its people can eat. (Production per hectare has been going up; consumption is going down.) One consequence is that Japanese families spend on food about 30 percent of all that they spend, which is about twice as much as Americans do, and clearly more than the Japanese would if they opened their markets. Because the government, which controls all sales of rice, gives the farmers an even higher price than it charges consumers, the Japanese also pay for rice farming in their taxes.

The total public cost of rice-subsidy programs is about $6 billion a year. Together with subsidies for the Japan National Railroad (which is about to be "privatized"), the rice programs help explain why Japan runs sizable budget deficits while spending next to nothing on defense. Farmland is almost exempt from tax, which further increases the burden on everyone else. These extra expenses for food, taxes, and, of course, housing help explain why many Japanese feel they are living on the margin, even as they bankrupt competitors around the world.

Kenichi Ohmae has waged a one-man campaign to show that "we salaried workers are the victims of rice farmers." He points out that the selling price of most assets bears some relation to their profitability. A business might be sold for twenty or twenty-five times its annual profit. Rice-growing land in California is typically sold for thirty times its annual profit. But in Japan, Ohmae says, paddy land may sell for 2,000 times its profit—which is to say, it scarcely sells at all. On a visit to Yamagata prefecture, a rice-growing stronghold in northern Honshu, I asked prefectural officials about recent sales of farming land. None of the men I spoke with, including one who had worked there since the 1950s, could remember any sales.

Somewhere in Japan some land is of course sold for houses, but the price is out of sight. From 1960 to 1980 the overall cost of living in Japan went up by 600 to 700 percent. The price of residential land in big cities went up by 1,800 percent, and the price of farmland by 2,700 percent. The rigidity of the land market may reflect some deep Japanese desire to cling to a family piece of soil, but the artificially prosperous rice business also has an effect. Because of rice subsidies, farmers can make a profit on land that would otherwise have to be put to some different use. Ohmae says that the ultimate solution to Japan's housing problem does not lie in public-housing schemes or lower mortgage rates.

Instead, he says, the only answer is to open up the country to rice imports, which would drive the farmers' price down. He contends, "If the price of rice in Japan became as low as in the U.S., the price of land would become one fifth the current price," assuming that land prices remained 2,000 times the annual rice profit. "Putting it another way, land for housing is costly because the government supports the price of rice." Ohmae has proposed an elaborate agricultural-reform scheme, to encourage farmers to grow other crops and prevent them from using any flat land within fifty kilometers of big cities. Even if his calculations are wildly off, and even if the price of land might fall by only one half or one fourth, his central point—expensive rice means expensive land—is hard to dispute.

Why do the Japanese put up with it? Rice farmers made up nearly half the population just after the war, but now they make up only 12 percent, and 90 percent of them hold down regular jobs and farm only part-time. Why can't the rest of the population, overtaxed and ill housed, change the system that produces the overpriced rice? Some of the answers are understandable by Western reasoning, but others hint at the enormous gulf between Japanese and Western motivations.

One part of the Japanese system is perversely "rational" in a way that Americans can easily understand. Like America's subsidies for tobacco and milk, Japan's farm policy is partly a reflection of sheer political muscle. In the gerrymandered Japanese electoral system rural votes are more than twice as important as urban votes. Because the average rural voter is older than the urban voter, he is more likely to vote. Like the retirement centers of Florida, Yamagata and Nugata prefectures muster high turnouts on election day. Every Japanese Prime Minister since 1960 has been elected by a rural constituency.

Japan's farmers are organized into a nationwide network of agricultural cooperatives, and these are tremendously important sources of money for politicians in the dominant Liberal Democratic (that is, the conservative) Party. Hard as this may be to believe, it costs politicians even more to stay in office in Japan than it does in the United States, because their official allowances are so low. In return for contributions from the coops, politicians pledge support; the "rice caucus" numbers 120 of the 511 members of the Diet's lower house. The cooperatives have their own stake in keeping things as they are: they have become multifaceted businesses, operting savings plans and selling machinery and supplies. All of this would come to a halt if the market opened up.

Many Japanese claim that they have another practical reason for growing their own, costly rice: if they didn't, they would be importing nearly all their food and would be too vulnerable to disrupted supplies. Japan is already the world's largest net importer of food, and is proportionally more dependent on imported food supplies than any other major power. It now produces only half the calories its people eat, down from 80 percent soon after the war. About a third of its farm imports come from the United States, which enjoys a number of sweetheart deals giving its wheat and beef preference over cheaper products from China, Australia, and Argentina.

Rice is practically the only major farm item for which Japan can satisfy its own demand. The rice "self-sufficiency" ratio is about 110 percent—10 percent more is grown than eaten. (This sits in warehouses and either spoils or is periodically unloaded at a loss on the export market.) Since nearly all the wheat, corn, and soybeans consumed in Japan come from America, the overall self-sufficiency ratio for grains and legumes is only 32 percent.

In a 1980 Japanese poll 75 percent of the respondents agreed that "in principle, domestic [farm] production should be increased whenever possible." Only 16 percent chose the alternative answer: "It is better to consume imported products if they are less expensive." When I have asked Japanese friends about importing rice, most of them have asked right back. "But how could we trust you to keep selling?" The main evidence of American unreliability is the hideous "Nixon shocks" of the early 1970s, in which the United States suspended soybean exports for a couple of days.

"We live on rice," Iwao Yamaguchi, the senior executive director of the national alliance of farmers' cooperatives, called Zenchu, told me. "It is outside free-trade principles. We are a hundred percent self-sufficient, and we must always be. Japan is an independent nation, and it is incumbent on us to be independent in rice supply."

If you're an outsider, it's hard to take this concern quite as seriously as the Japanese obviously do. For one thing, rice is less and less a staple in the Japanese diet. Only twenty-five years ago rice accounted for almost half of Japan's daily calorie intake. Now, as people have turned to bread and noodles, it's just above one quarter. If simply having enough food to fill people's bellies were the government's main goal, it could lay up a several years' stockpile of rice from the world market for the cost of one year's domestic subsidy. Or, as Kenichi Ohmae proposes, it could buy enough land in Arkansas to meet Japan's total rice demand for the cost of about two years' worth of subsidies.

Moreover, in any dispute grave enough that the United States would be trying to starve the Japanese, many other things would be getting scarce as well, starting with fuel to run the tractors and cook the rice. Yamaguchi gave his most heartfelt response when I asked him whether "rice security" made sense, considering Japan's many other vulnerabilities. "We can survive without fuel," he said. "In an emergency we can pull plows through the field. Our fathers did it. We can make fertilizer of our own. But without food—above all, rice—we cannot survive."

The most interesting thing about the rice-security argument is that most Japanese seem to be unaware of what its logic implies. They are saying, after all, that they cannot rely on anyone else for things that really matter to them. While food may be a more elemental need than other products, the same fears accompany international trade in any basic product—steel, cars, and, these days, semiconductor chips. If the Japanese cannot trust us to sell them rice, how can they expect us to trust them? Isn't this what the whole process of world trade, "comparative advantage," and interdependence is all about?

For forty years the Japanese have honorably made their way in the world by appealing to others' sense of comparative advantage. They have offered steadily more attractive goods, at steadily more competitive prices. They have left it to buyers in the United States, Europe, and Asia to respond. With greater or lesser degrees of resentment, other nations have accepted the consequences of Japan's success, which are dependence on foreign supplies and disruption of local businesses. They have done so not because of theoretical reverence for free trade but as a practical matter. What would happen to an American politician who now proposed to keep out all cars made in Japan?

Almost none of the Japanese I've met have seen any contradiction between their country's dependence on more-or-less open markets elsewhere and their own fierce desire to preserve the traditional, not-too-efficient patterns of home life. Rice epitomizes the traditional customs that free trade would destroy but that the Japanese are determined to preserve.

When they think of rice, even today's urbanized Japanese think of their devoted uncle or grandmother stooped over in the fields. When they go back to the home village, they want to see the same familiar paddies, green, well tended, bearing the new year's crop. At the busy commuter-railroad station near my house in Tokyo thousands of passengers push and shove each morning but tenderly avoid the boxes full of rice seedlings, pale and fresh in the springtime rains, stalks heavy with ripe golden ears during the fall monsoon. When the first Japanese settlers moved to Hokkaido, a hundred years ago, it was a land of wheat and barley but no rice. On their deathbeds, Professor Hemmi Kenzo, of Tokyo University, has said, the lonely pioneers would ask their children to place a few grains of rice in a bamboo tube and shake it, "so the parent could at least hear the sound of rice once before he or she died."

I have seen tears well up in the eyes of a no-nonsense salaryman when he recalled his meager hi-no-maru lunches of the postwar days: a rectangular arrangement of snowy white rice with a small, red sour plum in the middle, resembling the Japanese hi-no-maru flag.

If they ever let the waves of cheap foreign rice wash in, the Japanese would mourn their lost rice fields and paddy-based life—but Americans now mourn their dead steel mills and outdated machine-tool plants. Can the Japanese have it both ways?

One of the few people who do see the contradiction clearly is Iwao Yamaguchi, of Zenchu. The rice growers cannot compete with foreigners, he told me recently, and they should not have to try. The world has gotten carried away with free trade. It would destroy Japan's farmers, as it has destroyed manufacturing jobs in the United States. The root of the problem, he said, is the greed of Japanese manufacturers, deluging the world with "downpour exports." No wonder America is unhappy; he's been to Michigan and seen laid-off auto-workers. The solution is not to spread the misery to Japan's now happy farmers but to curtail free trade across the board.

Some Japanese industrialists also recognize that their long-term interests and the farmers' are at odds. The Keidanren, Japan's rough equivalent of a national chamber of commerce, periodically appeals for more farm imports, as a way of heading off anti-Japanese protectionism overseas. The headquarters of the Keidanren and Zenchu face each other in Tokyo's Ohtemachi district, and the farmers usually respond to these appeals by draping big protest banners out their windows, directed at their adversaries across the street. Most Japanese I have spoken with seem to agree in their bones (or "in the stomach," as they would put it) with the farmers, not the businessmen. Far from complaining about the price of food or land, they regard the social cost of imports as being too heavy to bear. When the U.S. Rice Millers' Association formally protested Japan's closed market last September, most Japanese seemed to see it not as a straw of hope for lower prices but as a threat to a cherished way of life.

Eventually and incompletely, the rice-farmer problem may solve itself year by year the total paddy acreage goes down, as farmers leave the land or switch to more-compact fruit- or vegetable-growing operations. Most "farmers" actually hold regular jobs in offices and factories, since rice cultivation now takes only about twenty full days of work a year. Many of the people left full-time on the farms are grandfathers and grandmothers without heirs willing to take over the work.

As they die or retire, their families do not sell the land—God forbid—but may lend or lease it to neighbors, who can then farm on a larger and more efficient scale. For half a dozen years the government has been cutting back the annual increase in rice-support prices, and the farmers' union thought it had won a great victory last summer when it merely kept the price from being cut. One agricultural economist, Yoshikazu Kano, even contends that Japanese rice can someday be truly competitive. With better breeding techniques, larger plots, and more highly educated farmers, he says, Japanese growers can match the American price. Of course, until that far-off day, they must be shielded against cut-rate foreign competition.

A few Japanese have attempted a frontal assaut. Last fall the *Sankei* newspaper published a front-page article belaboring the cost difference between Japanese and California rice. Kenichi Ohmae keeps issuing manifestos, attempting to persuade urban Japanese to complain about the high cost of food and the outrageous price of land. In a society where personal motivations approximated an economist's supply-demand chart, such a campaign might succeed. Indeed, it would never have to be launched. Do Americans need to be persuaded to buy Japanese cameras or watches? Korean or Taiwanese personal-computer "clones"? But in a mercantilist society where low-cost consumption carries less weight than other, more subjective values, such a campaign hasn't a chance.

DISALLOWANCE FOR TAX DEDUCTION PAYMENTS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. STARK. Mr. Speaker: Today I introduce a bill to disallow a tax deduction for payments made in restitution for fraud or securities law violations.

I introduced a similar bill in the 99th Congress when it became apparent that E.F. Hutton would be able to take a tax deduction for payments made in restitution for its fraudulent check-kiting scheme. In May, 1985, E.F. Hutton plead guilty to an unprecedented 2,000 felony counts of intentional mail and wire fraud. Hutton paid a $2 million fine and agreed to make restitution to the victimized banks for having taken what amounted to interest-free unsecured short-term loans. According to the tax laws, although the $2 million fine was not deductible, the restitution payments to the banks could be deducted by E.F. Hutton.

Taxpayers should not be liable to make amends for such unconscionable cases of abuse by corporations and individuals. And yet, unless we change our tax laws to disallow a deduction for restitution, all the taxpayers will continue to subsidize corporations and individuals whose greed is unrestrained by law.

The bill introduced today is expanded to cover payments made to disgorge benefits received from violation of securities laws. The Ivan Boesky affair has put insider trading on the front page of the news because of Boesky's prominant position on Wall Street and the size of the deals in which he was involved. But the problem of insider trading is a growing concern, not limited to Boesky or solved by his removal from business. Since 1981, the SEC has brought 77 insider trading cases, more than the total number of insider trading cases in the previous 47 years of the Commission's history. In the SEC case year ending September 30, 1986, the SEC brought 30 insider trading cases. From these cases, the SEC recovered approximately $30 million in illegal profits.

Ivan Boesky, the richest and best known arbitrager, agreed in November, 1986, to plead guilty to a felony count stemming from his insider trading activities. He also negotiated a settlement with the SEC to pay a fine of $50 million and a restitution payment of $50 million. As with E.F. Hutton, the fine is not deductible but the $50 million paid in restitution may be deductible for Boesky. For a high income taxpayer like Boesky, that deduction could amount to a $25 million subsidy by the taxpayers for Boesky's wrongdoing.

We can no longer tolerate tax laws that indirectly condone fraud and securities law violations. The bill to correct this situation follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DENIAL OF DEDUCTION.

Subsection (f) of section 162 of the Internal Revenue Code of 1986 (relating to fines and penalties) is amended to read as follows:

"(f) FINES AND PENALTIES, ETC.—

"(1) FINES AND PENALTIES.—No deduction shall be allowed under this chapter for any fine or similar penalty paid to a government for the violation of any law.

"(2) RESTITUTION FOR FRAUD, FOR VIOLATION OF A SECURITIES LAW, OR PURSUANT TO SETTLEMENT OF CERTAIN ACTIONS BROUGHT BY THE SECURITIES AND EXCHANGE COMMISSION.—No deduction shall be allowed under this chapter for any payment of restitution or other damages to a party—

"(A) injured by a violation of a securities law (as defined in section 21(g) of the Securities Exchange Act of 1934 (15 U.S.C. 78u(g))), or a violation of law involving fraud, with respect to which—

"(i) the taxpayer has been convicted or found civilly liable, or

"(ii) the taxpayer's pleas of nolo contendere is accepted by the court of competent jurisdiction; or

"(B) pursuant to a settlement agreement reached between the taxpayer and the Securities and Exchange Commission in an action brought against the taxpayer by the Commission under section 21(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78u(d))."

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply to amounts paid after April 30, 1986, in taxable years ending after such date.

COMPREHENSIVE CAMPAIGN FINANCE REFORM ACT OF 1987

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LEVINE of California. Mr. Speaker, today my colleague from Washington, Mr. JOHN MILLER, and I are introducing legislation known as the Comprehensive Campaign Finance Reform Act. This measure is identical to the legislation which we introduced in the 99th Congress, and is designed to increase public participation in the electoral process by providing for taxpayer financing of House general election congressional campaigns and by imposing strict, new spending and contribution limits on political action committees. Unlike other campaign reform measures, this bill not only further restricts the amount which a PAC can give to a single candidate, but also limits the total amount a PAC can contribute to all Federal candidates in an election cycle. I am confident that if this legislation is enacted, it will make elected officials more accountable to the entire public and less beholden to a few, moneyed special interest groups.

I believe that the vast majority of my colleagues share my concern about the recent proliferation of PAC's and their disproportionate role in congressional contests and legislative activities. In the 1974 election, 608 PAC's contributed $12.5 million to congressional candidates. In our recent election, 4,100 PAC's are estimated to have given more than $140 million to congressional candidates. This trend is even more troubling in light of the fact that the increase in PAC receipts has been accompanied by a relative decrease in contributions from individual citizens. Individual contributions have dropped from three-fourths (73 percent) of total House receipts in 1974 to less than half (47 percent) in 1984.

I am not so much disturbed by the existence of special interest groups as I am by the disproportionate influence they wield. What distinguishes a powerful interest group is not necessarily its membership or popularity, but rather its wealth. During the last decade, annual PAC expenditures have increased tenfold. Their capacity to influence the legislative process has grown accordingly. Yet, I am not convinced that these special interest groups are championing the interests of the public any more effectively today than they were 10 years earlier. What is clear is that enormous pressures have been placed on representatives to accommodate the interests of these well-heeled lobbying organizations.

I am also disturbed by the growth of independent groups which can spend unlimited money for or against a candidate. Because of such groups, candidates for Congress find themselves having to run against both an opponent and a formidable and unaccountable political action committee. It is no wonder that the average cost of campaigning for the House has tripled since 1974.

In order to promote equal balance between the role of PAC's and individual contributors in elections, I would like to see the House adopt the Comprehensive Campaign Reform Act of 1987. This measure limits the amount of money a congressional candidate may accept from a PAC to $100,000 per election cycle. PAC contributions to individual candidates will be reduced from $5,000 to $2,500. Unlike a number of other campaign finance reform proposals, our legislation does not raise individual contribution limits. Raising the $1,000 individual limit will affect a very small percentage of the electorate and will do nothing to give voice to the millions of Americans who already feel shut out of political process.

In order to limit the overall influence of the most active PAC's, our legislation provides that a special interest group may only contribute up to $500,000 to all candidates in an election cycle. This novel provision would force the top PACs' to curb their spending habits and perhaps limit their ability to influence legislative process. While placing a limit on overall spending by an individual PAC is an unprecedented legislative recommendation, it is based on the well-established notion that while PAC's themselves may be useful, there is something alarming about the excessive amounts of campaign money that flow from very few PAC organizations. Consequently, a limited number of special interest groups have disproportionately dominated the attention of members and the legislative process itself.

In order to make House candidates and members more accountable to the public at large, the Comprehensive Campaign Reform Act proposes public financing for House general elections similar to the system utilized in the Presidential primary race. If participating candidates agree to abide by various spending limits, including an overall $350,000 spending ceiling, then they may receive up to $100,000 in matching funds for all $100 or less in-state contributions. If one candidate does not abide by these limits, then his opponent can receive an unlimited amount of matching funds for additional small contributions raised. This $350,000 spending ceiling was carefully chosen. This spending limit is high enough to ward against protecting incumbents, and low enough to encourage active competition without excessive campaign spending.

Finally, in order to protect candidates from unlimited attacks by independent organizations, my legislation provides candidates with matching funds equal to the amount that is spent in independent advertising—excess of $5000—against them or for their opponents. Unlike other legislation, I have not proposed providing candidates with an equal amount of air time utilized by independent committees. Such a provision would chill the interests of broadcasters to air any independent political advertising. Additionally, proposals which only provide matching air time to counter independent advertising are ineffective in countering independent advertising in newspapers and direct mail.

Running for, and remaining in, Congress is an expensive proposition. We should do all we can to ensure that elected offices cannot be bought and sold and that the public does not have such a perception of our political process. If we allow campaign costs to rise continually, members and prospective candidates will only become more dependent on the support of a few moneyed interests. We have never supported a plutocratic form of government in this country and we never should. If government is to remain by the people and for the people, then Members of Congress must look for campaign support from all the people. Adoption of the Comprehensive Campaign Reform Act will help us return to that way of governing.

THE B-1 BOMBER: AN OVERWEIGHT, UNDERPOWERED, AND GROSSLY OVERPRICED THREAT TO THE NATIONAL SECURITY

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. WOLPE. Mr. Speaker, before all is said and done, the American taxpayer will have spent more than $30 billion on a fleet of B-1 bombers that appear to be nearly useless in the defense of the Nation. In its 1988 budget request, the Pentagon has requested more than $600 million for repairs to this fundamentally flawed machine. As we consider this bloated budget request and its relevance to the substantial national security needs of our Nation, I want to bring my colleagues' attention to the following analysis of the B-1's limitations, written by retired Marine Corps Lt. Col. David Evans.

THE B-1: A FLYING EDSEL FOR AMERICA'S DEFENSE?

(By David Evans)

For two decades, the B1 has stood as the pre-eminent totem of the Air Force's macho commitment to a manned bomber. It was resurrected in 1981 by the Reagan administration—after being killed by President Carter—as the crown jewel of a massive and on-going strategic nuclear weapons modernization program.

Now in production, the B1 is, at this writing without a doubt the most expensive airplane in history. That the B1 is expensive should not of itself disqualify it from inclusion in America's arsenal if the higher costs yield a more effective deterrent. But the airplane is not only expensive to buy and operate, it is not at all clear that it is a better bomber for the Air Force. Indeed, in certain respects, the B1 is a step backward.

The B1 is more expensive to operate than the B52, too heavy, underpowered and difficult to maneuver when called upon to perform its design mission as a low altitude penetrating bomber.

About two-thirds the size of the B52, the B1 costs at least five times more: at least $250 million a copy. That figure does not include the costs of integrating all the B1's computerized systems, a goodly chunk of the electronics, the training simulators or the rotary weapons launchers in the bomb bays, all of which were shoveled into other budget accounts to keep the costs within politically acceptable limits. This much is inescapably clear—when all the costs are properly lumped together, the $20.5 billion budget for 100 B1's certified to Congress by Defense Secretary Caspar Weinberger back in 1981 understates the overall cost by at least $10 billion.

The operating costs are similarly upscale. The eight-engine B52 costs about $7,000 to operate per flying hour. It might be noted that repeated calls have been made inside the Pentagon to retire the B52 because its high operating costs were gobbling up readiness funds. The four-engine B1 costs a staggering $21,000 per flying hour; most of this phenomenal increase is explained by the high price of the airplane's complex spare parts. At nearly three times the operating cost for a B1 force that is one-third the size of the current fleet of 300 B52's, each B1 has to be three times more effective for the Air Force to get its money's worth.

With the first batch of the new bombers now flying out of Dyess Air Force Base, Texas, it is fair to ask if the B1 indeed represents "New Strength for America's Defense," as proclaimed in a recent brochure published by the prime contractor, Rockwell International. A number of factors weigh against that expectation:

It's too heavy. At least 80,000 pounds were added to the original B1A design of the 1970s. Since the wings remained the same size as those on the earlier B1A, each square foot of wing must lift more dead weight than any other operational plane ever built. The technical term is "wing loading," and for the B1B it is an extraordinary 245 pounds per square foot—double that of the B52 and, for that matter, twice the wing loading of Boeing's 727 and 747 commercial jets which were not designed for maneuvering at low altitudes.

It's underpowered. The B1's four engines provide a total thrust of 72,000 pounds. Each pound of thrust has to push about six pounds of airplane through the air. This "thrust-to-weight" ratio is markedly lower than the B52, which has about the same relative power as the 727 and 747—one pound of thrust for each four pounds of gross weight.

The underpowered B1 shares the problem of the old B47, the Air Force's first heavy jet bomber, which acquired a reputation among pilots as notoriously underpowered for its weight.

The B1 can compensate somewhat by kicking its engines into afterburner, effectively doubling the available thrust. At this power level the B1 has about the same thrust-to-weight ratio as the modestly powered B52 and the 747. But on afterburner, the B1's engines also gulp 280,000 pounds of fuel an hour. For an airplane carrying only 195,000 pounds of fuel at takeoff, the implications for long range missions are obvious.

It's short-legged. The B1's inherent problems yield some perverse results. With its high wing loading, the B1 has to fly slightly nose high in order for its wings to generate enough lift. This technique creates higher induced drag. The net effect of the B1's various shortcomings in an aircraft unable to climb above 20,000 feet. It, therefore, must fly through denser air, where jet engines burn more fuel. The overall penalty is an unrefueled range at least 1,000 miles less than the B52, according to the Air Force's own published assertions. "The B1s will be suckling up to their tankers just as they cross into Soviet airspace," asserts one Pentagon official, "assuming the Evil Empire doesn't go after the tankers that now have to fly closer to Soviet borders."

It doesn't fly well. As it approaches and crosses into enemy territory, the B1B must drop to very low altitude—200 feet if possible—to stay under the coverage of ground radar. To fly this low, following narrow valleys, riverbeds and such requires a highly maneuverable aircraft, with sufficient reserve thrust. If the wing loading is double, however, the turning maneuverability is cut roughly in half. Unable to twist and turn with agility, the airplane's ability to hug the ground while flying over sharply changing terrain features is seriously constrained.

It does not work as advertised. The B1's extra weight has made the plane tail heavy. It is therefore more likely to stall pulling up to scoot over hills. The Air Force hopes to minimize the problem with a Stall Inhibitor System, which will simply prevent the pilot from making a hard pullup. A computerized Stability Enhancement System will be added later as a further refinement. Both features will cost more money, blowing another hole in the $20.5 billion cost myth. The Air Force, pointing to a fuel management system to control the plane's center-of-gravity problems, denies the aircraft is unstable. But if the B1 is so stable, these add-on systems would be unnecessary to fly the aircraft safely at its maximum weight.

Since the B1 cannot make the maneuvers necessary for ground-hugging flight at the 200-foot altitude claimed by the Air Force, it will have to fly higher. Now vulnerable to radar detection, it must rely more on its highly complex electronic jamming system to spoof Soviet defense. The problem is that not one B1 is equipped with a complete, working system. "They don't have one whole-up airplane at Dyess," claims an analyst in the Office of the Secretary of Defense. General Larry Skantz, Commander of the Air Force Systems Command, the buying agency for the B1, somewhat disingenuously describes the B1's defensive avionics as "not fully matured."

The Air Force's problem is akin to my recent trials hanging strings of Christmas tree lights. Every bulb was snugged into its socket and every strand was tested before going on the tree. After carefully weaving 10 stands from top to bottom, one set maddeningly refused to light.

The B1's avionics are like that. The pieces have been individually bench-tested, but a complete system has not yet been installed in the BI and—this is key—subjected to rigorous operational testing. Although the poor flying qualities of the airplane make it more dependent than ever on its esoteric electronics, the Air Force has virtually no idea if they'll work under mission conditions.

It cannot be fixed. There is simply no way of redressing the B1's many shortcomings. Larger wings would reduce the wing loading, but they would impose a weight penalty of their own. The added cost would be horrific.

More powerful engines would require a major redesign costing hundreds of millions more dollars. Larger engines would consume fuel at a faster rate, reducing the range further; extra fuel tanks would reduce the bomb load. The trade-offs are all bad.

How did the Air Force get into this mess? Basically, by ramrodding through an untested, paper design. The B1B, a plane so changed from the original B1-A that it must be considered a different plane, is a case study in what can happen when a fully-equipped prototype is not built and tested under operational conditions before the production go-ahead. The Pentagon committed itself to buy all 100 B1's four years before the first B1B began flight testing.

More importantly, warning signs and misgivings were ignored. The public record is dotted with skeptical press reports. An internal Air Force report of 1982, paradoxically titled the "Affordable Acquisition Approach," warned each B1 ultimately could cost 11 times more than the B52.

An Air Force briefing to Defense Secretary Caspar Weinberger and his deputy, Frank Carlucci, in March 1981, a full seven months before President Reagan authorized full production, was characterized by one participant as a "pretty fast sell" that nevertheless failed to convince a skeptical Weinberger. Weinberger went so far as to ask Sen. John Tower (R-Texas), chairman of the Senate Armed Services Committee, about the impact of not producing the B1B. But neither Weinberger nor Carlucci argued half as vigorously for cancelling the B1 as they did for money to start other programs.

However, these factors are simply spinoffs from the central problem: the B1's design concept is flawed. Richard Delauer, former undersecretary of defense for research and engineering, claimed in 1983 that the B1's wing loading was made deliberately high to take advantage of the airplane's variable-sweep wing. More speed, more lift—no problem.

To be sure, the high wing loading provides a smoother ride through low altitude turbulence, but it also prevents the aircraft from achieving an efficient cruise altitude for needed range. In defending the plane's design, Delauer avoided the point entirely that high wing loading defeats the ground-hugging maneuverability the plane needs to get to its targets undetected.

The Air Force asserts it needs the B1 to hunt down mobile Soviet ICBM's like the new SS-24 and SS-25 missiles. Finding a camouflaged, imprecisely-located missile launcher while flying 500 miles per hour a few hundred feet off the deck imposes its own problems. The crew is likely to fly over the target with too little time to shoot. In any event, using a nuclear bomb to take out a target the size of a railroad car is rather like dropping a piano to smash a rollerskate.

An air of unreality permeates the intended operational environment. The Air Force plans to send the B1 against missiles that it likely cannot find, which will have been fired hours before it gets there.

The B1 stands as another example of the Air Force's perennial fascination with "precision strike." Its rationale in this case may be a form of strategic escapism, recalling the delusions before World War II that B17's, equipped with the miraculous Norden bombsight, would drop bombs right down the smokestacks of German industry. Appalling losses quickly disabused the precision bombing enthusiasts of these notions, and the B17's were ultimately sent in huge streams to carpet bomb German cities.

Again, the Air Force has squandered its capacity to perform the one attainable mission—flattening enemy cities—essential for deterrence.

For this mission, is a manned bomber even needed? Absolutely. It is the *only* weapon in the triad—bombers, land-based and submarine-launched missiles—that can be operated safely every day. For high confidence in a retaliatory capability, the bomber is the weapon of choice. The Air Force has a valid mission, it has built effective bombers in the past, and a new bomber is earnestly needed to replace the B52. But the B1B is evidence of the service's institutional decay. Clear-headed design discipline has eroded into a preoccupation with overly-complicated technical gimmickry.

Exactly how the B1 fiasco happened may be less important than why it happened. Looking at the players, it is evident that all those who pushed the program got what they wanted. In the B1, the ideologues got a "can't miss" litmus test. What President Carter cancelled became the quintessential test of right-wing ideological purity. The party faithful got their platform plank. The Pentagon found the B1 useful for pumping up its budget. The Air Force brass got a glitzy new program. And the defense contractors in their thousands nationwide got their money.

By these standards, the B1 program is a huge success. It certainly confirms Nobel laureate James Buchanan's theory of Public Choice. Large public institutions, he said, respond primarily to concerns of bureaucratic turf and self-interest, rather than the larger public good they purportedly serve.

In the case of the B1, the burning question remains: What did the taxpayers get? If nothing else, the B1 should go a long way toward convincing the laity that much of what passes for national security activity has little to do with defense.

A successor to the B1 is right around the corner: The even more expensive "Stealth" Advanced Technology Bomber (ATB) will be priced higher than the B1 at nearly $300 million a copy. Reports are already appearing of a $2 billion overrun on this $36 billion program.

The B1 disaster occurred in the light of day, whereas the "Stealth" bomber is gestating as a highly classified "black" program. The same people and institutions that asked for trust, and delivered the B1B, are now asking for even more trust and more money to pursue the ATB program. But now, with even greater possibilities for performance shortcomings and runaway costs, the taxpayers have every right to ask if another dose of expensive weakness is necessary.

B-1 BOMBER REPAIR FUND IS REQUESTED

NEW WEAPON SUFFERS FROM MAJOR DEFECTS

(By Molly Moore)

The Air Force, struggling with major problems that officials say have weakened the capability of its new B1B strategic bomber, is seeking more than $600 million to correct some of the plane's defects, according to Pentagon officials.

Air Force officials said they need $420 million to find and repair problems with the plane's electronic defense equipment, one of the key components of the bomber, which is intended to serve as a cornerstone of President Reagan's program to upgrade the nation's nuclear forces.

In addition, the Air Force has asked for money to extend the aircraft's testing program by almost four years in an effort to identify and correct a series of problems that include flight control, terrain-following radar and missile-launching systems, Pentagon budget officials said yesterday.

The Air Force's money request, contained in the Defense Department's new fiscal 1988 budget requests to Congress, underscores the severity of the problems plaguing the $28.3 billion program to build the 100 supersonic bombers. The B1B bomber, along with the "Stealth" Advanced Technology Bomber, is considered a critical leg of America's defenses into the next century.

Some of the aircraft's deficiencies have reduced the capabilities of the bomber and have limited the flexibility strategic planners have in deploying the low-flying airplane on a full range of missions, according to Air Force officials.

"It's got limitations which we would rather not have," said Maj. Gen. Peter W. Odgers, deputy for the B1B program in the Aeronautical Systems Division at Wright-Patterson Air Force Base in Ohio. "But . . . we have high confidence that we can correct these limitations."

Some officials contend that the bomber's problems are so severe that the 31 aircraft now in the fleet would barely be able to accomplish a mission in event of a war.

"If I were on the other side, I wouldn't be too worried," said one government official familiar with the B1B problems.

Officials monitoring the program blame the setbacks on a combination of planning errors, production delays and unexpected failures in some of the plane's most sophisticated systems.

The sources note that some of the problems, especially production delays in training equipment and spare parts, will become even more acute as bombers enter the fleet at increasingly faster rates in coming months.

Odgers said that Air Force officials expect to uncover even more problems as testing continues, especially in the electronic countermeasures network, a complex system of 118 black boxes that serves as the plane's computer brain for processing and reacting to intelligence information.

"That capability is far less than what we had hoped it would be," Odgers said in a recent interview at Andrews Air Force Base. Odgers added, "To tell you the truth, we haven't gotten that far to really understand just how serious it is."

Odgers said officials are still attempting to diagnose problems in the avionics equipment to give it the capacity of meeting the Soviet threat as evaluated by the U.S. military in 1982. The general estimated that the equipment would not have full capability to meet the 1982 specifications and "a number" of the current threats for almost two years.

Reagan used the expected capability of the advanced defensive avionics equipment as one of his major selling points when he persuaded Congress five years ago to revive the B1B program, which President Jimmy Carter had canceled.

Defense Secretary Caspar W. Weinberger told a breakfast meeting of reporters yesterday that there are "always problems" with any new weapon. "The B1 is a very good bomber . . . . It will do what it is supposed to do."

Defense Department officials note that even though some subsystems of the plane have been delayed on the assembly lines, the bomber has met most of its production deadlines and the 100th plane is scheduled to be delivered from Rockwell International Corp. as scheduled in April 1988.

Defense officials blame many of the program's problems on the decision to begin producing the aircraft at the same time that research and development efforts were under way, forcing engineers to experiment with some systems before they were completely developed.

Even though engineers added 41 tons to the weight of the aircraft and included several new systems in its design, they used the aerodynamic data and flight simulators from the original B1A version of the bomber in calculating flight controls, according to Odgers.

As a result, officials discovered major flight control problems in the B1B during initial flight tests, Odgers said. The critical problem occurred as the bomber pitched up and down across the sky in aerial refueling tests, making operations virtually impossible.

The inaccurate data also left the aircraft unable to achieve its anticipated capabilities for a high angle of attack and stability in flight, according to Odgers.

Odgers said the Air Force and Rockwell International did not demand changes in data for the new bomber because "we thought we knew this aircraft aerodynamically pretty well."

"The first time we came out and tried to put this configuration on the aircraft, we did very little simulator work," Odgers said. "It was all done on a pencil and a piece of paper by engineers and computer modeling. When we went to the flight test, it was an unacceptable system."

Odgers said the Air Force is continuing efforts to correct the problems.

The Air Force request to extend the B1B test program for at least 44 more months means engineers will still be attempting to work kinks out of the system long after the 100th bomber is delivered to the service in April 1988.

Odgers said the Air Force has not yet given approval for pilots to train at the plane's lowest operational altitude of 200 feet because development is so far behind on the plane's terrain-following radar, another important component of the bomber's mission capability.

The sophisticated radar originally was to be proved in the F16 fighter program before being introduced to the B1B. Because of delays in the initial program, however, the B1B program was forced to pick up much of the development of the system, according to Odgers.

He said the bomber has achieved unlimited capability to fly at 200 feet in test programs, but that the Air Force is not completely satisfied that it is safe enough for flights by operational pilots.

While the force of B1Bs is being introduced, the Air Force is continuing to use its aged B52 bombers and plans to introduce the Stealth bomber into active service early in the next decade.

INTRODUCTION OF LEGISLATION DENYING FEDERAL CONTRACTS TO COMPANIES VIOLATING LABOR LAWS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. CONTE. Mr. Speaker, earlier this month, I introduced legislation today to deny Federal Government contracts to companies or labor groups when the Secretary of Labor certifies that they have engaged in a pattern of willful violations of Federal labor law. This legislation—balanced and fair to all parties—is very important to American workers and will ensure that the Federal Government does not reward chronic lawbreakers.

Mr. Speaker, 20 years ago, similar legislation was introduced. The report on that bill by the House Special Committee on Labor suggested that Federal contracts be denied to repeated violators of the National Labor Relations Act. Similar legislation was again introduced in the 94th Congress. In July 1977, President Carter sent to Congress a package of reform measures which included a debarment provision. And, during the 95th Congress, the House passed the labor law reform bill which strengthened NLRB remedies against repeated violators of the Labor Relations Act. An amendment offered on the House floor to strike the debarment provisions failed, 301 to 111.

The rights, duties and prohibitions set out in the National Labor Relations Act are not self-enforcing. If a company or a union fails to comply with a Board order, the Board can seek enforcement through the Federal courts. But legal rights have limited value if many years are required to enforce them. It is time for more effective remedies.

Mr. Speaker, it is time for more effective remedies. Debarment for repeated and willful violators will preserve the integrity of the Federal contracting process by withholding Federal contracts from companies or unions that willfully and systematically violate Federal court or NLRB orders. The United States should not be subsidizing those who repeatedly violate the law.

Debarment remedies are established as appropriate in the case of willful violation of other Federal statutes. Such provisions exist in the Davis-Bacon Act, Executive Order 11246, and the Walsh-Healy Act, among others.

A Supreme Court decision last February—Wisconsin versus Gould—pointed to the need for Federal legislation in this area. In Gould, the Supreme Court struck down a Wisconsin statute that prohibited the State from doing business with companies that violate Federal labor law. The court's ruling effectively set aside similar statutes in Connecticut, Ohio, Maryland, and Michigan.

Writing for the Court, Justice Blackmun noted that Congress intended that Federal labor law be enforced by the Federal Government, leaving little room for overlapping State enforcement. They ruled that the Wisconsin statute was invalid because the Federal Government—not the States—must regulate labor law.

Under the bill, the Secretary of Labor may remove or reduce the contract restrictions imposed against a company or union, if there is no other source for the materials or services or if the national interest so requires. The debarment period is for a maximum of 3 years and can only occur after a pattern of willful violations and only affects the awarding of contracts after identification by the Secretary of Labor. In no instance may an existing contract be canceled. All a company or union needs to do to avoid debarment is to obey the law.

The bill also requires the Comptroller General to provide the name of the violating person to each agency and department of the Federal Government. Because the Supreme Court's decision in Bowsher versus Synar—the Gramm-Rudman-Hollings decision—cast some question on the role of the General Accounting Office within the framework of the doctrine of separated powers, I am singling out this provision for special attention. Although the Court did not rule specifically on the constitutional status of the GAO, there was some debate on this point during the oral arguments on the Gramm-Rudman-Hollings lawsuit.

If the status of the Comptroller General is ever held unconstitutional by the courts, therefore, it is my intention that the entire statute should not fall based on this one provision. Moreover, if the Comptroller General's function is ever deemed to not be "ministerial"—within the meaning of the Bowsher versus Synar decision—it is my intention that the remainder of the statute should not be affected by such a finding.

There should be no financial incentive for those who break the law. The present procedures penalize law-abiding businesses and employees by not protecting them from the unfair competition of corporations not complying with the law.

The question is: Do we want our tax dollars spent on contracts with companies that break the law? The Office of Federal Contract Compliance estimates that 40 percent of our labor force is employed by firms that do business with the Federal Government, either directly or indirectly. This bill only assures that Federal funds will not be used to help break the law.

Mr. Speaker, in past years, legislation similar to this has gained bipartisan support because it is fair, and it is balanced. The bill only asks that corporations doing business with the Federal Government obey the law. I urge quick action on this bill by the Committee on Education and Labor.

TIGHTER AG LIMITS COMING

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. BEREUTER. Mr. Speaker, while there are a number of important issues we must address during the first session of the 100th Congress, one issue which will almost certainly be considered in the near future will be tighter restrictions on huge Federal farm subsidies going to large farming operations. Targeting farm program payments to family owned and operated farms that most need them should be our goal. However, obtaining this goal by limiting direct Federal payments to large farmers must be tempered by a recognition that we must also find a method to maintain farm program participation by the larger farm units in order to effectively reduce production. Regardless, an approach must be carefully sought.

This point is well articulated in an editorial that appeared recently in one of the leading daily newspapers in my congressional district. I commend to the attention of my colleagues the editorial, "Tighter Ag Limits Coming," from the December 12, 1986, edition of the Lincoln Journal.

[From the Lincoln Journal, Dec. 9, 1986]

TIGHTER AG LIMIT COMING

Because of the media's fascination with Reagan administration foreign-policy follies, other matters of public importance—even public interest—aren't picking up much of an audience. Case in point are comments made the other day by Sen. Patrick Leahy, D-Vt., incoming chairman of the Senate Agriculture Committee.

Leahy said, in a telling interview, that a major goal for him next year will be tighter restrictions of federal subsidies to farmers—especially the largest ones. "This is going to send some tremors through a lot of people. Some of the major agribusinesses are going to scream like mad," the chairman-designate conceded in advance.

Earlier this year Congress affixed a limit of $250,000 on direct federal payments to individual farmers. That was a concession to what was happening in the field; that is, the previous $50,000 limit was being punched full of holes.

By legally dividing farms and allocating acreage among family members or business associates, the $50,000 limit could be skirted. The trick is in the definition of a farm operator. For Leahy, the "first challenge" for the reorganized Senate Ag Committee, "is going to be to define the farm entity. Then there would be strong bipartisan support for capping payments" to individual farmers, he said.

If that were done, not only would the cost of federal farm programs decline (from the $25.6 billion spent during the fiscal year which ended Sept. 30) but Leahy believes general public support for helping the farmer would pick up.

"I think most people are very, very uncomfortable with huge subsidies going to a few people." Right he is. "We know what the problem is when we see any farming entity getting hundreds of thousands of dollars in government subsidies, and other farms, which on an individual basis are every bit as productive. . . are going bankrupt," Leahy said.

That sort of commentary should play well with a majority of active Nebraska farm operators.

TRIBUTE TO DOMENICO "NICK" STRANGIO

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LAGOMARSINO. Mr. Speaker, I rise on this occasion to announce to this Chamber the retirement of Domenico "Nick" Strangio of Oxnard, CA, the public affairs officer at the Naval Ship Weapon Systems Engineering Station for nearly 19 years.

Mr. Strangio's total Federal service will exceed 40 years. He served in the Army 8 years, the Air Force for 13 years and has been with the Port Hueneme naval facility since 1967.

Since his arrival in Ventura County, Nick has been very active in community affairs. He has served as president of the Port Hueneme

Chamber of Commerce; grand knight of the Oxnard Knights of Columbus; president of the Ventura County Council and U.S. Navy League as well as serving as a national director of the latter group; vice president and member of the executive boards of the Ventura County Council and the county council of the Boy Scouts of America; vice president of the Cabrillo Music Theater and Oxnard Shores Community Association; and as organizing member of the Oxnard Union High School District Partners in Education Program. He is also a member of the Elks and the Channel Island Yacht Club.

In recent years he has received numerous awards for his contributions to community affairs. He is the recipient of a California State resolution as well as resolutions of commendation from State Senator Gary Hart, Assemblyman Jack O'Connell, and Assemblyman Tom McClintock. In addition, he received a certificate of appreciation from Representative Bobbi Fiedler.

Mr. Strangio was presented the Herbert C. Templeman Award last April by the Navy League for continuous dedicated service to its Maritime Program.

During his more than 35 years in public relations, Nick has edited five newspapers and founded and published a monthly magazine. He also planned and developed public affairs programs in Detroit, Houston, New York, Munich, Rome, London, Paris, Madrid, and others. Key among them are the broadcast of a religious program over Vatican Radio in Rome; United States participation in the Le Bourget Air Show outside of Paris; introduction of American style football to Spaniards in Madrid; and comprehensive plans and surveys for the Jupiter Missile Program for Italy.

For his outstanding accomplishments in the area of public affairs, Mr. Strangio has received citations from the State Department, Allied forces, State and local agencies. His many awards include those for excellence and merit from the Navy Chief of Information and commendation medals from the Army and Air Force.

Prior to assuming duties at the Port Hueneme facility, he was public relations/publications director of the Sacramento Metropolitan Chamber of Commerce. At the Port Hueneme station, Strangio is credited with coining the stations' motto, "Fleet Support is Our Heritage;" designing and renaming the station newspaper, "Interface;" producing a variety of audio-visual programs and special interest publications; and forming the Plankowners Association.

Mr. Strangio was born in a small village in the province of Reggio Calabria, Italy. At the age of 6, he and his mother left Italy to join his father in Buenos Aires, Argentina, where he attended elementary school. On September 1, 1940, the family, which now included a sister born in 1936, migrated to California. The long journey by ship from Buenos Aires along the east coast of South America and through Panama Canal took 28 days.

The family settled in Sacramento where Nick began his education while learning to speak and write English and culminated with his graduation from McClatchy High School.

He went into the Armed Forces in 1946 and served on active duty for more than 20 years with the Army and Air Force. Strangio served nearly 15 years overseas, principally in Germany. His first and last duty assignments were in Berlin. His first assignment was as a member of an armored cavalry unit and his last as chief of information at Templehof Central Airport.

While raising a family, Strangio continued his education, attending Long Island University and the University of Maryland. He received his bachelor's degree in 1971 from the University of La Verne at Point Mugu, CA. He is multilingual speaking English, German, Spanish, and Italian.

Nick and his wife Jean have two married daughters; Susan, who lives in southern Germany and Linda, a professional ballet dancer, who returned to Oxnard in 1983 after living nearly 13 years in Munich where she was a soloist with the Munich National Ballet. Susan is the mother of Strangio's two grandchildren.

Nick, who has been selected to appear in "Who's Who in California," plans to remain actively involved in and supportive of local agencies and programs such as the Oxnard Community Relations Commission to which he was recently appointed.

I ask my colleagues to join me in wishing a well-earned and happy retirement to Nick and Jean Strangio, good citizens, good public servants, and good friends.

IN MEMORY OF KEITH THURSTON

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. COELHO. Mr. Speaker, later this month, a valued friend and constituent, Mr. Keith Thurston, will be honored at a retirement dinner to mark the end of many years of service to both the Modesto Bee and the Stanislaus-Tuolumne Central Labor Council.

Keith moved to Modesto in 1956, and went to work for the Bee, continuing his work in the newspaper printing business. He became active in the Modesto International Typographical Union, later serving as its president. In 1964 he was elected to the Stanislaus-Tuolumne Central Labor Council, and since 1974 has been the secretary-treasurer. His retirement on December 30, 1986 from both the newspaper and the labor council leaves a void that both institutions will be hard-pressed to fill.

Keith and his wife Louise have sold their house and purchased a motor home, and plan to spend the next several years leisurely traveling throughout the United States. Since he has been an active member of the Stanislaus County Democratic Central Committee, I will quite naturally miss Keith's presence in Modesto. Yet I want to wish him a happy retirement and happy travels, with the hope that he continues to keep in touch with his friends in the 15th Congressional District.

FREEDOM OF HOUSE BROADCASTING

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LOTT. Mr. Speaker, today I am reintroducing the "Freedom of House Broadcasting Resolution of 1987," a new House rule to ensure the complete, unedited, and uncensored broadcast coverage of all House proceedings.

Mr. Speaker, 8 years ago next March, the House began providing live audio and visual broadcast coverage of its floor proceedings to all accredited stations, networks and cable systems. Since that time we have seen our exposure from that coverage expand considerably, especially with the growth of cable systems in this country and the gavel-to-gavel coverage of our proceedings by the Cable Satellite Public Affairs Network, more popularly known as C-SPAN.

As a result of this exposure, I think the American people have benefited immensely, both in terms of learning how their democratically-elected Government operates, and of being informed on the important public policy issues of the day. The House did the right thing in opening the TV window on this Chamber to the American people. And the broadcast networks and stations, particularly C-SPAN, are to be commended on using this coverage and helping to bring our citizens that much closer to their elected Representatives and the decisionmaking process.

Nevertheless, the fact that the House opted for owning and operating the broadcast system itself posed problems both of perception and potential abuse. This potential for abuse was realized in 1984 when the Speaker, without warning, changed the camera coverage policy to show an empty Chamber while Republicans were delivering special order speeches. This set off a partisan firestorm that took some time to quell. It also renewed the old debate over who should control the cameras.

TIME FOR A CHANGE

Given the evolution of the House broadcast system, I think it is time to reassess its present operation and control with a view to assuring a more balanced and objective means of covering our proceedings. I am not proposing that we resurrect the network pool option, nor the public broadcast alternative that I thought was worth further exploration back in 1978. I think we must begin with the premise that we now have a House-owned system that is of high quality, both technically and professionally. There is no need to junk what we now have—to throw the cameras and crew out with the bathwater. Instead, we must seek ways to refine the system and properly insulate it from both the prospect and perception of partisan manipulation, control and censorship.

The resolution which I am introducing today is entitled the "Freedom of House Broadcasting Resolution" because it is designed to both free the TV system from the potential for partisan manipulation and control, and to restore the first amendment freedoms of broadcasters who should be entitled to cover this Chamber with their traditional tools, just as print journalists are permitted to record our proceedings with their tools, rather than being forced to rely on our doctored RECORD.

PROVISIONS OF RESOLUTION

Under my proposal, the Speaker would still retain ultimate authority and responsibility for the House broadcast system since under our precedents and rules, the Speaker has absolute authority over the Chamber and the galleries. However, to assist the Speaker in this responsibility, there would be created a completely bipartisan Broadcast Advisory Board consisting of the majority and minority leaders and two other Members from each party. At present the Speaker presumably has a broadcast advisory committee consisting of two Democrats and one Republican, but it was completely defunct for nearly 4 years, and, as far as I know, it hasn't met since its reconstitution in late 1984.

The other important aspect of my resolution is the provision that turns the daily operation of the broadcast system over to the executive committee of the Radio and Television Correspondents' Galleries—the group which represents all the professional broadcasters accredited to the Congress. The executive committee would have responsibility for the hiring and supervision of the broadcast system's personnel, and for establishing the daily camera coverage policies. The resolution does require, however, that coverage be gavel-to-gavel, including special orders, a view of the Chamber while Members are voting, and periodic views of the entire Chamber on a uniform basis throughout the day in conformance with acceptable standards of House dignity and decorum.

Finally, the resolution vests in the Clerk, again subject to the direction and control of the Speaker, responsibility for purchasing equipment for the system and paying its employees; and in the Library of Congress and National Archives responsibility for maintaining the recordings of our proceedings for viewing and research purposes, and for purchase by the public.

CONCLUSION

Mr. Speaker, it is my hope that the Rules Committee will give my proposal serious consideration as it exercises its oversight responsibilities for the House broadcast rule and system. I think my resolution will restore credibility to the system by freeing it from political control and restoring the first amendment freedoms of broadcasters. At the same time it will insure that coverage will continue in a manner that does not detract from the dignity and decorum of our proceedings.

At this point in the RECORD I include a brief summary of the "Freedom of House Broadcasting Resolution." The summary follows:

BRIEF SUMMARY OF LOTT FREEDOM OF HOUSE BROADCASTING RESOLUTION

Sec. 1. Title. "The Freedom of House Broadcasting Resolution of 1987."

Sec. 2. House Rules Amendments. (a) House Rule I, clause 9, the current House broadcast rule, would be stricken in its entirety; (b) a new House Rule LI would be added, entitled, "Broadcast Coverage of House Floor Proceedings."

Clause 1. Establishment of System. A House Broadcast System would be established to provide complete and unedited coverage of House proceedings while the House is in session including coverage of voting, special orders, and periodic views of the entire Chamber on a uniform basis throughout the day.

Responsibility for the implementation of the broadcast system would be vested in the Speaker who would be assisted by a completely bipartisan, six-member Broadcast Advisory Board.

The responsibility for the daily operation of the system, including the designation and supervision of employees and formulation of camera coverage policies would be vested in the Executive Committee of the Radio and Television Correspondents' Galleries.

The Clerk would be responsible for the purchase of equipment and compensation of employees,

Clause 2. Access to Coverage. All accredited broadcast stations, networks and systems would have access to live coverage, as would House members and congressional offices. Coverage or recordings could not be used for commercial or partisan political purposes.

Clause 3. Storage of Recordings. The Library of Congress and National Archives would be responsible for maintaining recordings of House proceedings for viewing and research purposes, and for purchase by the public.

SENATE REPORT: STOP STONEWALLING

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. COURTER. Mr. Speaker, there is no excuse for denying the House Select Committee on Iran the report written by the Senate Intelligence Committee. The committees are not supposed to be competitors; we should be working together in a spirit of bipartisanism and cooperation to answer the American people's questions expeditiously, as our select committee's chairman has said so eloquently. The stonewalling by the Senate Intelligence Committee should stop before further damage is done to the reputations of individuals and the integrity of the institutions of Government by leaks from the report, which we are already seeing.

When the Washington Post, the Washington Times, and the New York Post all write editorials agreeing on the need to publish the report, as they did yesterday, it should be clear that continued suppression by the new Senate majority is irresponsible and unacceptable to Democrats and Republicans across the spectrum of America.

[From the Washington Post, Jan. 7, 1987]

LET'S SEE THE REPORT

The Senate Intelligence Committee declines to make public a long, unclassified staff report on the closed hearings it conducted last month on the Iran-contra affair. There is much Democratic mumbling to the effect that the report is not only imcomplete (Vice Adm. Poindexter and Lt. Col. North did not testify, for instance) but also misleading and that publication of this particular draft would obstruct the further probes now under way. One Republican, William Cohen, joined six Democrats in questioning the fitness of the draft before the committee, whose disgruntled chairman, Dave Durenberger, then adjourned the meeting before publication of a different and presumably more acceptable draft could be considered. This action took place on Monday even while the committee was still in Republican hands.

The Democrats insist that theirs was a vote of responsible discretion, not of secrecy. But none of the objections voiced is convincing. The committee's action has inevitably fed suspicions that the reason the committee—or at least its Democratic membership—voted as it did is that the draft in question suggests that the intelligence committee, in its first sweep through the material in December, came up with nothing showing that President Reagan knew of the diversion of Iran arms sales profits to the Nicaraguan resistance.

Gratified by this measure of exoneration, the White House seized on it to assert the president's openness to congressional review and to push an onus of cover-up and partisanship upon the Democrats. It would have been strange for the White House not to seize such an opportunity. The fact is that the Democrats are in a weak position to reply.

The new Congress is just starting its work, in this matter as in others. The Democrats have many months—most of a year, if some of the more ambitious investigatory projects are approved—to add to the record that the Senate Intelligence Committee started to compile in December. No doubt the committee's opening sweep, launched in haste, was not comprehensive and thorough; it could hardly have been. But public examination of its unclassified findings would surely establish the limitations, and meanwhile other official investigations would fill in the gaps.

At this moment the most important thing is to establish the credibility of congressional inquiry. This cannot be done if the Democrats act in a way to convey the idea that only information damaging to President Reagan will be allowed to flow freely into the public domain. Lets see the report.

[From the Washington Times, Jan. 7, 1987]

THE WAR IS ON

Congressional Democrats insist they want to get the facts out on the Iran-"contra" affair. This is decent of them since the country is eyeball deep in innuendo and not a little bored. But if this were the goal, wouldn't the Democrats have demanded that the Senate Select Committee on Intelligence publish the findings of its investigation? The loyal opposition obviously has other things in mind.

Sen. Robert Byrd said the report didn't offer a "complete picture." Meaning what? That President Reagan probably didn't know about the diversion of money to Nicaragua from the Iran arms sales?

It is clear that the party of compassion wants to keep the report bottled up so it can get on with the business of tanning Ronald Reagan's hide. If Democratic leaders were truly interested in discovering the scope of American involvement in Nicaragua, they would find out who is privately funding the Sandinistas—and the Salvadoran guerrillas. They would also investigate those Americans who are in Managua working for the Communists and would try to learn what promises Daniel Ortega has extracted in exchange for, among other things, Eugene Hasenfus.

Instead, they seem interested exclusively in the right wing. The "mysterious" funding network that has kept the Nicaraguan resistance alive will be hung out for inspection in hopes that it will shrivel and die. Then the Democrats can kill official funding, thus enabling the Sandinistas to consolidate their revolution.

During the upcoming war, the Democrats can be expected to denounce trading arms for hostages, but don't they plan a more dangerous game themselves, granting Mikhail Gorbachev national security concessions each time he releases one of his innumerable hostages? Besides, have the national security implications changed, or did the Democrats support "contra" aid in the past just because Ronald Reagan asked them to? Is punishing Mr. Reagan more important than serving that national interest?

In the end, the debate will concern opposition to Communist expansion in this hemisphere, and a sizable number of Democrats are coming down on the wrong side. Unlike the president, they have turned their backs on Nicaragua and were nearly successful in abandoning El Salvador—points that need to be kept in mind in the days and weeks ahead.

[From the New York Post, Jan. 7, 1987]

WHY DEMOCRATS ARE SITTING ON IRANSCAM REPORT

Senate Democrats claim that publication of the Senate Intelligence Committee's preliminary Iranscam report isn't in the national interest. That's hogwash.

The truth, it seems, is that the report completely exonerates President Reagan. And from the standpoint of the Democrats, that's not a happy outcome.

Even more to the point, as the Democrats and some camera-hungry Republicans in Congress see it, publishing it would give the public too much too soon. They want Iranscam to drag on as long as possible.

Senate majority leader Robert Byrd, for example, wants to give the newly created select investigatory committee a far-reaching mandate—and an Oct. 31 "deadline." Byrd, in other words, wants the inquiry to continue for a full 10 months.

That, as minority leader Robert Dole points out, means that the special committee's report and recommendations wouldn't be out until well into 1988—as it happens, an election year.

Clearly, even the pretense of bipartisanship in this probe has gone out the window. The Democrats hope to use the inquiry to savage the Reagan administration, and to give their presidential candidate a leg up.

It is, of course, vital that the nation learn just what happened in the Iranscam episode—but soon. A drawn-out investigation could paralyze government.

Those on Capitol Hill who aspire to Watergate-like stardom would do well to take note of the potential riskiness of any such endeavor.

Ronald Reagan remains as exceedingly popular president. And if it becomes clear that White House communications chief Pat Buchanan is right—that "The left is not after the truth. The left is after Ronald Reagan"—it's the Democratic Party that's likely to pay the price.

MID-VALLEY UNIT ACT

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LEHMAN of California. Mr. Speaker, today I am joined by my California colleagues, the Honorable CHIP PASHAYAN, TONY COELHO, and BILL THOMAS in introducing legislation which will authorize the construction of the Mid-Valley Canal as an integrated unit of the Federal Central Valley project. Construction of the Mid-Valley Canal will provide additional surface water to help relieve the serious ground water overdrafting which exists in the Mid-Valley service area, an area which includes approximately 2.8 million acres of irrigated land located in portions of Fresno, Kings, Kern, Madera, Merced, and Tulare Counties.

This area is one of the most productive agricultural regions in the world and grows commodities ranging from almonds and alfalfa to grapes, peaches, and zucchini. Because of the semiarid nature of region, irrigated agriculture in the region has been and continues to be supported by the development of stored surface water resources and overdrafting of ground water acquifers. Virtually all environmentally sound and economically viable local, surface water resources have been developed and sophisticated irrigation technologies are being employed to maximize the present use of available water supplies.

Despite the development of local surface water supplies and use of water conserving irrigation technologies, the area still faces a serious ground water overdrafting problem that threatens its economic vitality. Hydrological studies conducted indicate that the ground water in the region is overdrafted by approximately 1.5 million acre-feet annually, and unless additional surface water is provided that over 440,000 acres of productive land may be abandoned within the foreseeable future.

The Mid-Valley Canal, in conjunction with existing facilities and through water delivery agreements, would provide the means to deliver an additional 550,000 acre-feet of water available from northern California and the Sacramento-San Joaquin Delta.

The Bureau of Reclamation has been conducting an investigation of the feasibility of this project and has completed its status report and we anticipate congressional hearings on the project early this year.

Following is a copy of the bill.

H.R. —

A bill to authorize the construction of the Mid-Valley Unit of the Central Valley Project.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mid-Valley Unit Act of 1987".

SEC. 2. FINDINGS.

The Congress finds that—

(1) there is need for a federally constructed project to serve approximately 4 million acres of irrigated agricultural lands located in Merced, Madera, Fresno, Tulare, Kings, and Kern Counties, California;

(2) there is presently an overdraft of groundwater in these counties that would be alleviated by providing irrigation, municipal, and industrial water supplies;

(3) a federally constructed project would facilitate optimum conjunctive use and reuse of surface and underground water supplies enhancing the agricultural stability of the San Joaquin Valley; and

(4) fish and wildlife resources and outdoor recreation opportunities would be enhanced by construction of a project.

SEC. 3. AUTHORIZATION.

(a) AUTHORIZATION.—The Secretary of the Interior (hereinafter in this Act referred to as the "Secretary"), acting pursuant to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), is authorized to construct, operate, and maintain, the Mid-Valley Unit, as an addition to and an integral part of, the Central Valley Project, California, upon completion of a favorable Planning Report/EIS on the San Joaquin Valley Conveyance Investigation.

(b) PRINCIPAL WORKS.—The principal works of the Mid-Valley Unit shall consist of pumping plants, pumping generator plants, power plants, power transmission facilities, canals, channels, levees, drains, flood control works, pipelines, regulating reservoirs, off-stream and on-stream storage reservoirs, deep wells and pumps, and distribution systems and facilities consistent with the recommendations of relevant planning documents. The Secretary is authorized and directed to utilize, whenever feasible, existing water supplies, conveyance and storage facilities.

(c) PROVISION OF WATER.—The Secretary is authorized to provide water supplies for the irrigation of approximately 4 million acres of land in Merced, Madera, Fresno, Tulare, Kings, and Kern Counties, as identified in the Planning Report/EIS on the San Joaquin Valley Conveyance Investigation.

SEC. 4. FISH AND WILDLIFE ENHANCEMENT AND RECREATION.

The conservation and development of the fish and wildlife resources and the enhancement of recreation opportunities in connection with the Mid-Valley Unit shall be in accordance with the provisions of the Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.) and the Federal Water Project Recreation Act (79 Stat. 213).

SEC. 5. WATER DELIVERY AND STORAGE AGREEMENTS.

The Secretary is authorized and directed to—

(1) execute a contract with the State of California for the wheeling, delivery, exchange, and storage of water through the facilities of the State Water Project of California for use in the Mid-Valley Unit; and

(2) execute contracts with the State of California for the construction or enlargement of conveyance and storage facilities for joint use.

SEC. 6. LOCAL COST-SHARING AGREEMENTS.

The Secretary may enter into agreements with the Mid-Valley Water Authority, a California Joint Powers Authority, for the provision of all or any portion of the authorized distribution facilities as the local contribution to the cost of the project.

SEC. 7. STATE AND LOCAL PUBLIC INTEREST.

In locating and designing the works and facilities authorized for construction by this Act, and in acquiring or withdrawing any lands as authorized by this Act, the Secretary shall give due consideration to relevant reports by the State of California, and shall consult with local interests who may be affected by the construction and operation of the works and facilities or by the acquisition or withdrawal of lands, through public hearings or in such manner as in his discretion may be found best suited to a maximum expression of the views of such local interests.

SEC. 8. AUTHORIZATION OF FUNDS.

There is authorized to be appropriated for construction of the Mid-Valley Unit as authorized in this Act, the sum of $, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indices applicable to the types of construction involved herein.

INTRODUCTION OF LEGISLATION MAKING PENSION RIGHTS A MANDATORY TOPIC OF BARGAINING

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. CONTE. Mr. Speaker, earlier this month, I introduced legislation which would protect the rights of retirees in collective-bargaining agreements. This legislation, which has been introduced in past Congresses, has never advanced beyond the hearing stages.

Mr. Speaker, in 1971, the Supreme Court ruled in Allied Chemical and Alkali Workers of America versus Pittsburgh Plate Glass Co. that retirees' benefits are not, under the meaning of section 8 of the National Labor Relations Act, a mandatory subject of bargaining. The Court's decision overturned an earlier decision by the National Labor Relations Board which held that the benefits of already-retired employees were a mandatory subject of bargaining as terms and conditions of employment of the retirees, themselves.

My legislation would adopt the view of the NLRB and thus overturn the Supreme Court's decision. Section 8 of the National Labor Relations Act requires, as a mandatory subject of bargaining, terms and conditions of employment. Under the Supreme Court's decision, the rights of retirees—including pension and health benefits—are apparently not included in terms and conditions of employment even though the NLRB held that the benefits of already retired employees vitally affects the terms and conditions of current employment.

The bill would make bargaining with respect to retirement benefits for retired employees a mandatory subject of bargaining. In addition, it is illegal to make unilateral changes in an area considered to be a mandatory subject of bargaining. Without my legislation, conditions affecting retired employees can be altered unilaterally by labor or management.

I believe that this legislation is necessary to protect the rights of retired employees who, in many cases, helped build the company for which they worked. To that extent, they should be able to share in the future successes of that company. Retired employees often live on fixed incomes in an inflationary economy. The cost of living has risen steadily in recent years and the cost of hospitalization has more than doubled. Yet, pension and hospitalization benefits under collective-bargaining agreements have tended to lag behind costs, in part because the adjustment of these benefits remains a permissive rather than a mandatory subject of bargaining. Absent legal compulsion, some employers and unions have voluntarily continued their practice of bargaining with regard to retirees' benefits, but others have taken the opportunity to stop serious bargaining in this area as well as to make unilateral changes in retirees' benefits.

Mr. Speaker, in years past, the Education and Labor Committee has held hearings on legislation similar to this. I would urge that this bill move beyond the hearing stage and to a markup by the full committee. I urge support for my bill.

NO END IN AFGHANISTAN

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. BEREUTER. Mr. Speaker, the troubled situation in Afghanistan has long been a concern of this Member. A recent editorial in the Sunday Lincoln Journal-Star brought home once again the plight of Afghanistan and the need to continue international pressure on the Soviets to end their occupation of this country.

The following editorial serves to focus public attention on the terrible plight of Afghanistan and, therefore, deserves to be reprinted in the RECORD.

[From the Lincoln (NE) Journal-Star, Dec. 28, 1986]

NO END IN AFGHANISTAN

The Soviet Union's occupation of Afghanistan enters its eighth year with little sign of success for either the invading Soviets or the Afghan resisters. But if there is yet no victor, there are losers aplenty.

Reportedly, close to 1 million Afghanistan citizens have been killed. Roughly 5 million, about a third of Afghanistan's population, have become refugees, seeking safety in neighboring lands.

So the country is paying a terrible price. Yet the resistance movement fights on, and effectively enough to prevent total Soviet domination.

Moscow is paying a stiff price, too. The original invasion and subsequent atrocities committed by Soviet and Afghan government troops have outraged much of the world. U.S. officials estimate Red Army troops have suffered 25,000 casualties. The Kremlin's economic investment in the war effort amounts to billions of dollars a year.

You'd think the Soviets would want out of such a costly proposition. And Mikhail Gorbachev, top man in the Kremlin, has said the government wants to end its involvement in Afghanistan. In July Gorbachev announced that six Soviet regiments would be withdrawn from Afghanistan. But it turns out that four of the regiments are anti-tank and anti-aircraft forces—not much of a sacrifice, considering that the guerrillas have no tanks and no aircraft.

Such actions speak louder than words, and other steps by Moscow suggest it is prepared for a long-term struggle. Recently the Kremlin replaced the head of the Kabul puppet government, seeking greater unity and efficiency. An aggressive new general now commands Soviet troops in the area. And Moscow is increasing pressure on Pakistan and Iran to choke off outside assistance to the guerrillas. Meanwhile, Afghan children are being subjected to Soviet-style education that presumably will make the rising generation more sympathetic to the invaders.

Moscow would give up only reluctantly its goal of a thoroughly Sovietized Afghanistan. And apparently the Soviets are deriving enough immediate benefits from this war to justify pursuing it.

It is clear that Afghanistan has become a training ground for the Soviet military. The army is learning how to fight guerilla wars, a useful skill in this age. New weapons have been tested. And geographically, Afghanistan could prove a valuable base for future Soviet adventures.

Can the West raise the cost of Moscow to a point where the balance shifts? Expected increases in aid to the guerrillas will keep the pressure on. A thoughtful U.S. policy toward Pakistan, including assistance with the refugee flood, can help Islamabad resist Soviet coercion.

An unrelenting diplomatic offensive is called for, too. At every opportunity, in every international forum where the Soviets are represented, the West ought to inject the issue of Afghanistan. A continuing effort should be made to oust the Kabul government from its seat in the United Nations. And human rights violations in Afghanistan must be widely publicized.

Moscow is not heedless of world opinion. And it should be remembered that Gorbachev was not a full member of the Politburo when the decision to invade Afghanistan was made in 1979. Given the inherited nature of his involvement and his inclinations toward reform in other spheres, Gorbachev may well be less averse than some of his comrades to a negotiated settlement of the conflict. Especially if the costs of this Soviet adventure can be made to grow.

TRIBUTE TO THEODORE HOLLIS ROCHE, JR.

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LAGOMARSINO. Mr. Speaker, it is with a heavy heart that I rise on this occasion to morn the passing of an old friend and prominent Santa Barbara, CA, attorney, Theodore Roche, Jr.

A graduate of Lowell High School in San Francisco where he was born, and of St. Ignacius College, Mr. Roche was a former partner in the law firm of Sullivan, Roche and Johnson. He opened a branch of that firm in Santa Barbara and after becoming partner emeritus, he opened his own law firm, also in Santa Barbara. For over 25 years he was the owner of the North Hollywood Lincoln-Mercury agency.

Mr. Roche was a distinguished member of the community, demonstrating his leadership by serving as a past director and president of the Santa Barbara Cancer Foundation, and former director and officer of Unity Church, Wood Glen Hall, Hillside House, Baptist

Homes and La Morada. In recognition of his outstanding service to the community and church, Ted was the recipient of the Kiwanis Club Layman's Award.

An active member of the California Republican Party, Ted was a member of the Inner Circle as well as the Senatorial and Central Committees.

An inveterate sportsman and tennis player, he was past president of the Northern California Tennis Association and was a member of the San Francisco Olympic Club, the Valley Club, Santa Barbara Club and the California Tennis Association.

I know that I speak for the citizens of Santa Barbara and all who knew him, that we will miss his charm, his wit and his graciousness. I ask my colleagues here in the House to join my wife Norma and I in offering our sincerest condolences to Ted's wife Shirley; daughter Ruth Dull, sons Theodore III, Robert, Reverend Randall, Donald and Gerald; and to his 10 grandchildren and 6 great-grandchildren.

HILMAR HIGH SCHOOL NEW CHAMPIONS

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. COELHO. Mr. Speaker, I would like to take this opportunity to congratulate the Hilmar High School football team of Hilmar, CA, on its recent championship.

After asserting itself as the winningest small-school football team in the Stanislaus district the past 5 years, the Yellowjackets of Hilmar High capped their perfect regular season record with their first Sac-Joaquin Section Championship on November 21, 1986.

Their triumph was the fruit of their years of dedication and love for the game of football. Furthermore, their success on the gridiron should serve as a living reminder of the power of perseverance in all endeavors of life. I take great pride in commending this team on their efforts.

HESS': A REGIONAL AND NATIONAL RESOURCE

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. RITTER. Mr. Speaker, it gives me great pleasure as the Congressman for the 15th District, representing the Lehigh Valley of Pennsylvania, to mark the 90th anniversary celebration of Hess' Department Stores, Inc., on Monday, January 12, 1987.

In 1888, Charles and Max Hess founded Hess', which had taken over the entire hotel on Hamilton Street in Allentown. Max Hess cultivated a three-point merchandising philosophy, which said: "Be the first; be the best; be entertaining." This philosophy creatively combines marketing with value and quality. In this way, Middle America is treated to a unique blend of fashion, excitement, and quality in products and service.

In 1968, Phil Berman bought Hess' for $16 million. With enterprising skills, vision for the future, and Hess' management team, Phil Berman opened new vistas through opening branch stores and expanding beyond the Lehigh Valley. With 5 stores in our Lehigh Valley, the year 1979 saw a total of 19 stores. In the same year, Crown American Corp. bought Hess'.

The retirement of Phil Berman in July 1985 marked the end of an era, but a new one was about to begin. Irwin Greenberg became chief executive officer as well as president. In the Hess' tradition of excitement and value, Irwin Greenberg featured the experimental "Video Shopper's Catalog" for viewing in the home—a first for a department store retailer. This was a boon especially for invalids and the homebound. By 1988, Hess' plans to grow by the addition of eight new stores which will extend as far south as Virginia and north to New York in Schenectady and Syracuse.

The enterprise of Hess' is a study in imagination. Innovation, glamour, and showmanship walk hand in hand with solid quality, reasonable prices, and customer relations that have a long tradition of cordial service.

Personally, I have not known the Hess brothers but I count Mrs. Max [Betty] Hess and Phil and Muriel Berman as friends as well as the new leader, Irwin Greenberg. I am deeply grateful for their commitment to the greatness of the Hess' chain and the high level of human talent, skill and spirit it engages. Greatness like this builds and enhances our community and our country.

REGULATORY OVERSIGHT AND CONTROL ACT

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LOTT. Mr. Speaker, today I am reintroducing the "Regulatory Oversight and Control Act of 1987," which I previously sponsored in the 98th and 99th Congresses as H.R. 3939 and H.R. 1339, respectively.

The bill was originally introduced in response to the Supreme Court decision in INS versus Chadha, and subsequent decisions, holding the one- and two-House legislative vetoes over executive actions unconstitutional.

Under my legislation, all Federal regulations subject to informal rulemaking under the Administrative Procedure Act would be submitted to Congress for up to 90 days before they could take effect. Major regulations, those which an agency estimates could cost the economy $100 million or more in any year, would have to be approved by the enactment of a joint resolution. Nonmajor regulations could be disapproved by the same means.

Mr. Speaker, in addition to the new legislative veto device provided in my bill, title I contains a regulatory reform package that is essentially the same as a compromise worked out between various parties inside and outside the House in the 97th Congress. The main feature is the requirement that agencies perform regulatory analyses on proposed major regulations and their alternatives before they make a final decision, and that they choose the most cost-effective alternative unless another is mandated by law.

Moreover, both existing and new major regulations would be subject to 1-year sunset dates, meaning they would have to be resubmitted in the same or amended form every 10 years, both through the rulemaking process, and the congressional review process which requires approval by joint resolution.

Mr. Speaker, the Rules Committee, of which I am a member, conducted extensive hearings in the 98th Congress on the effect of the Chadha decision on the Congress and on what steps we might take to rectify the loss of the traditional legislative veto. It is my hope the committee will complete its work in this Congress and make an affirmative recommendation on my proposal to establish a uniform congressional review process for all regulations. Rulemaking is lawmaking, after all, and the Congress must retain ultimate control over this important constitutional prerogative. It is too important an activity to abdicate to the unelected regulatory bureaucrats.

At this point in the RECORD I include a summary of the bill. The summary follows:

BRIEF SUMMARY OF LOTT "REGULATORY OVERSIGHT AND CONTROL ACT OF 1987"

(Amendments to the Administrative Procedure Act)

TITLE I—AGENCY RULEMAKING IMPROVEMENTS

Regulatory analysis of major rules

Agencies would be required to perform regulatory analyses of major rules and alternatives. Major rules are those which the agency or President determine would have an annual impact on the economy of $100 million or more or would otherwise have a substantial impact. The agency would be required to choose the most cost-effective alternative unless another alternative is mandated by the underlying statute. The President (or the Vice President or other Executive Officer confirmed by the Senate) would establish guidelines for compliance and would review and monitor compliance. The Comptroller General may also monitor compliance.

Regulatory agenda

Each agency shall publish in the Federal Register in April and October of each year a regulatory agenda listing all rules the agency tends to propose, promulgate, modify, repeal or otherwise consider in the next 12-months. Certain information is required to be included with each rule listed on the agenda.

Agency review of existing rules

Not later than nine months after the effective date, each agency shall publish in the Federal Register a schedule for the review of existing major rules over the next ten years. A final schedule would be published not later than six months later, after public comment. The President could add rules to this review schedule. The reviews would be subject to the same comment and analysis requirements as new major rules.

Sunset for major rules

All newly proposed and existing major rules scheduled for review shall include a date on which they shall cease to be effective, not later than 10 years after they are initially effective, in the case of new rules, and according to their sunset review schedule for existing rules.

Informal rulemaking process

The informal rulemaking process is amended to provide greater notice, information, and opportunity for oral and written public comment.

Judicial review (modified "Bumpers amendment")

When agency actions are challenged in the courts, the courts shall independently decide all relevant questions without according any presumption in favor or against the action.

Appeals of agency orders ("race to courthouse" problem)

When agency actions are challenged in two or more courts of appeals within ten days of their issuance, the Administrative Office of the U.S. Courts shall, by random selection, designate one court in which the record shall be filed.

Intervenor funding

Federal funds could not be used for public participation in agency rulemaking proceedings unless specifically authorized by law.

TITLE II—CONGRESSIONAL REVIEW OF AGENCY RULES

Submission and review of agency rules

Agencies would be required to submit most rules of general applicability to Congress for a 90-day review period. The rules would be referred to one committee of primary jurisdiction in each House or to an ad hoc committee if more than one committee has primary jurisdiction.

Congressional action on rules

Major rules could not take effect unless a joint resolution of approval is enacted within 90 days of continuous session of Congress; other rules could take effect unless a joint resolution of disapproval is enacted within the 90-day period, and could take effect sooner if neither House has acted on a resolution within 60 days or if either House has rejected a resolution.

Committee consideration of resolutions

In the case of major rules, resolutions of approval must be introduced by the chairman (or his designee) of the committee to which the rule is referred within one day after the rule is received, and the committee would be required to report the resolution not later than 45 days after receipt of the rule, or would thereafter be discharged of the resolution. Other rules would be subject to joint resolutions of disapproval which the committee could report at its own discretion or would be required to report if a "motion for consideration" is filed within 25 days after the rule is received and is signed by one-fourth of the membership of the House involved not later than 30 days after the rule is received. If the committee has not reported such a resolution within 45 days after receipt of the rule, the resolution would be discharged.

Floor consideration of resolutions

Resolutions reported or discharged would be referred to the appropriate calendar of the House involved, a motion to proceed to their consideration would be privileged and, if adopted, debate on major rules resolutions would be for two hours, and for other rules resolutions, one hour. If one House receives a resolution from the other House and has not reported or been discharged of its own resolution within 75 days after the rule is received, the resolution of the other House would be placed on the appropriate calendar.

(Amendments to the Rules of the House)

TITLE III—REGULATORY OVERSIGHT AND CONTROL AMENDMENTS TO HOUSE RULES

House regulatory review calendar

A Regulatory Review Calendar would be established in the House to which all joint resolutions of approval and disapproval would be referred once reported or discharged from committee. The Calendar would be called on the first and third Monday and second and fourth Tuesday of each month after the approval of the Journal. Priority consideration would be given to resolutions for rules whose review period would expire before the next calling of the Calendar. Motions to proceed to the consideration of a resolution would be nondebatable except for resolutions discharged pursuant to a "motion for consideration" signed by one-fourth of the membership, in which case the motion would be debated for twenty minutes.

Regulatory appropriations riders

The present House rule restricting the offering of limitation amendments to appropriations bills would be amended. At present such limitation amendments can only be offered after other amendments are disposed of and only if the House votes down a motion that the Committee of the Whole rise. Under the proposed rule change, limitation amendments could be considered during the initial amendment process with respect to regulations for which a resolution of disapproval has not been considered by the House, or has been passed but not enacted, during the specified review period.

Oversight improvements

Committees would be required to formally adopt oversight plans at the beginning of a Congress and their funding resolutions could not be considered until the plans have been submitted to the Government Operations Committee. Committees would also be required in their final oversight reports to relate their actual oversight activities and accomplishments to their original plans. The Speaker could create special ad hoc oversight committees, subject to House approval.

FEDERAL OFFENSE OF TREASONOUS ESPIONAGE

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. MOLINARI. Mr. Speaker, today I have reintroduced legislation to create a new Federal criminal offense of treasonous espionage, consisting of the unauthorized disclosure of classified information damaging to our national security for profit. Although the sensational stories regarding the Walker spy ring and other recent cases of espionages are no longer on the front pages of our newspapers, the serious nature of such action remains.

Espionage for profit, where the single motivating factor is greed, is particularly repulsive. The legislation I have introduced today would separate those who supply information for profit from those who would do so for ideological reasons. In addition, the legislation allows for a penalty of death in the case of treasonous espionage. A person who engages in this type of activity should realize that he or she is risking their own life. Such activity can put the lives of millions at risk and the penalties must be severe.

Although measures have recently been put into place to strengthen our security measures, we need strong legislation such as this to serve as a deterrent to those who would in the future contemplate disclosing for profit sensitive information damaging to our national security.

IN RECOGNITION OF GOODWILL INDUSTRIES OF BROWARD COUNTY

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. SMITH of Florida. Mr. Speaker, I rise today to honor the Goodwill Industries of Broward County, FL, and to extend my sincere congratulations upon their receiving the first J.M. Foundation "Search for Excellence" award for facility-based work adjustment programs.

Recognized for their ongoing program to prepare disabled individuals to enter the work force, Goodwill Industries of Broward was selected out of a field of 320 applicants to receive this award. This company is truly deserving of recognition, and I am pleased that Goodwill Industries of Broward has received congratulations from Vice President George Bush, from the Broward community, and now from the U.S. Congress.

Executive Director Robert Galinis, Deputy Director Steve Fleisch and their staff are to be commenced for their outstanding leadership and commitment to rehabilitation and education. I am pleased that Goodwill Industries of Broward County has been honored by the Vice President of the United States at the White House this past fall.

The dedication and devotion of the people of Goodwill Industries of Broward, has enabled many disabled adults to lead productive lives. These women and men deserve our sincere honor and respect as, year after year, they make Broward County a better place in which to work and live.

THE HOME EMPLOYMENT ENTERPRISE ACT OF 1987

HON. JIM LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LIGHTFOOT. Mr. Speaker, today Congressman DICK ARMEY and I are introducing a bill, the Home Employment Enterprise Act of 1987, which would allow workers the freedom to choose to work at home. In a country which prides itself on allowing people freedom of speech, association, and religion, it is unfortunate that some people are being denied another right—that is, the freedom to choose to work at home.

This situation exists because of outdated Department of Labor regulations which prohibit people from working at home in certain industries—embroidery, women's apparel, jewelry, gloves and mittens, buttons and buckles, and handkerchiefs. These regulations, approved over 40 years ago, have not been substantially changed since then. Last summer, the Department of Labor started the process of lifting the restrictions on these industries through the regulatory process, but it could be a long time before new regulations are promulgated.

It is, therefore, imperative that legislation be approved that would give immediate relief to the workers in these restricted industries. This legislation would lift the prohibitions of working at home in these industries, and would also extend to these workers the full protections of the Fair Labor Standards Act.

No one wants to see workers exploited or to deny them minimum wage and overtime protections. Today's workers should be guaranteed at least the minimum wage and overtime pay. But then, no one should want to stymie American creativity, ingenuity, and enterprise. Keeping these restrictions in place limits job creation and business development, especially in our Nation's more rural areas.

During the last several years, our rural communities have been hard hit by the downturn in the agricultural economy. Businesses have closed, and jobs are scarce. Many farm families have sought additional employment to help make ends meet during these difficult times. Many of these families have turned to cottage industries scattered throughout rural communities as a way to earn a few dollars.

These industries, many of them employing homeworkers, have generated needed jobs and income in rural communities. To many farm families, the opportunity to work at home has been an attractive alternative to traditional jobs in a factory or a business.

By choosing to work at home, the traditional husband/wife partnership on the farm can be maintained. Furthermore, working at home means reduced child care, clothing, and transportation expenses. It also enables these workers to set their own hours and to work as many or as few hours as they desire.

This is an important issue in my district. Many of my constituents have expressed outrage about the government's attempts to close down these cottage industries. They take offense when outsiders tell them that they are being exploited by these industries. They also find it hard to believe that the government would rather have them collecting welfare than earning a living in one of these restricted industries.

As one homeworker in a restricted industry wrote,

> It is real funny that the last 5 years we farmed and lost money the government never came in and told us we had to make minimum wage. Now we are (making minimum wage), and they're trying to stop us.

Another homeworker wrote,

> It doesn't seem fair to have restrictions in one industry and not in others. Under current law, sewing men's apparel in the home is legal, while sewing women's apparel is illegal. Furthermore, it is all right to knit sweaters in the home, but it is not all right to knit mittens and gloves.

To many in my district and to me, these regulations are inconsistent, arbitrary, and unfair. They are denying many people who want to work in their homes the right to work in their homes. And, they are preventing the creation and retention of many jobs in our Nation's rural communities. With this in mind, I urge my colleagues to take prompt action on this legislation.

THE WAR OF POINTS GOES ON

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. BOEHLERT. Mr. Speaker, since last October 25, my office has been deluged with calls from all over the country, from many of my colleagues' constituents, asking about the current status of the onerous IRS ruling on mortgage refinancing. October 25 is when the nationally syndicated columnist Ken Harney wrote the following newspaper column which I would like to submit for the RECORD.

As it will sharply affect hundreds of homeowners across America, I would like to remind my colleagues of this ruling, and invite them to cosponsor legislation I have introduced today with Mr. STALLINGS. Our legislation, H.R. 4849 or 4911 in the 99th Congress, will clarify current law and stop the IRS from skimming revenue off the impressive boom in home refinancing.

As you'll remember, last May the IRS shocked millions of homeowners with the news that the deduction for refinancing-related "points" must be taken over the life of the loan, often up to 30 years, not in the first year, as has been the common practice for as long as anyone can remember. This action was announced even though points paid on a new mortgage or a home improvement loan are deductible up front, and Congress has never—never—expressed its intent that refinancing points be treated any differently.

Our bill would cause no major revenue loss—the Treasury has never seen that revenue since taxpayers have routinely deducted home mortgage points for years. It's also worth noting that the Treasury already nets more revenue when homeowners refinance—smaller interest payments mean smaller interest deductions. The ruling also needlessly complicates the alternative minimum tax.

In short, the IRS ruling is a nasty swipe at the 2 million Americans who welcomed dropping interest rates last year by refinancing their homes. The action is an inappropriate and confusing revenue grab that runs against the principles of fairness, simplicity, and tax relief for average Americans.

When Congress adjourned last fall, our bills had nearly 200 cosponsors in the House. The list of cosponsors for our new legislation is already growing toward our new goal of 218 cosponsors, a House majority. A companion bill is being introduced in the Senate, and we seek to clarify current law before April 15.

Incidentally, Mr. Speaker, we have appealed more than once to the Secretary of the Treasury and the IRS Commissioner to review this inappropriate action, and have received no response. This ruling may affect more than 2 million families holding $150 billion in home mortgages, but we have received no response.

Congress can supply him with the response. My colleagues who are interested in helping set this straight should contact either me or Mr. STALLINGS. More information follows in the column by Mr. Harney:

[From the Washington Post, Oct. 25, 1986]

THE WAR OF POINTS

(By Kenneth R. Harney)

If you're one of the estimated 2 million American homeowners who have recently refinanced or are currently refinancing a mortgage, you need to know about the latest skirmish in the war of points of 1986.

Don't confuse this with the tax-revision war of 1986. The homeowners' fight concerns a much narrower issue, but one that may touch your bank account more deeply next April 15. It has to do with the deductibility of prepaid interest—known as "points" in mortgage parlance—that your lender subtracted from the dollars you received when you refinanced.

Your loan may have been quoted at 10 percent with three points, 9 percent with four points, or 8½ percent with five points. Whatever it was, you paid hard-earned bucks—interest in advance—to your friendly lender. Most likely the fees added up to $1,000 or more, since one point equals 1 percent of the loan amount.

The first shot in the war of points occurred in May, when the Internal Revenue Service shocked homeowners and lenders with a terse announcement. The IRS, in a warning, said it was readying a "revenue ruling" that will prohibit homeowners from deducting their refinancing points next April unless the proceeds of the new loan are used for home improvements.

Home buyers, tax lawyers, real estate brokers, accountants and mortgage lenders hit the ceiling. Why shouldn't all prepaid home-mortgage interest be deductible, they asked? Why should points on new mortgages and points on home-improvement loans be eligible for writeoffs, but not points on run-of-the-mill refinancings?

The IRS reached back to the last major tax revision—in 1976—for its answer. Since that law specifically exempted only points on new mortgages and home-improvement loans from a general ban on deductions of prepaid interest, the IRS reasoned, Congress must have intended that points on home refinancings were not deductible. They must be capitalized instead—written off in the course of the refinanced mortgage.

Wrong, said several members of Congress. The 1976 tax law didn't specifically mention refinancing, they argued, because no one on Capitol Hill thought it needed separate reference. Home-mortgage financings as a whole, including refinancing, were exempted from the prepaid interest-deduction ban a decade ago, according to the members of Congress.

The IRS refused to back off its position. So did the members of Congress. They introduced legislation that would pull the rug out from under the IRS, even if it went ahead with its controversial ruling.

One of the bills, sponsored by Rep. Sherwood L. Boehlert (R-N.Y.), quickly picked up 120 cosponsors in the House. The other bills, one each in the Senate and House, pulled in 80 more cosponsors.

With 200 legislators joining the effort to reverse its interpretation of Congress' intent 10 years ago, the IRS fell silent. It never published its ruling. Neither, however, has it publicly offered any hint that it was changing its mind.

As a result, tax lawyers and accountants across the country have been uncertain of what to tell their clients about refinancing.

The congressional sponsors of the "points-reform" bills aren't satisfied with the uncertainties created by the IRS inaction. Led by Boehlert, they've sent a letter to Treasury Secretary James A. Baker III demanding that he force the IRS either to reverse its position of last spring or to go to a neutral corner and allow Congress to clarify the law.

Backed up with a new congressional research study, the letter charges that the IRS's sudden interest in the issue was "purely a revenue grab, since so many Americans suddenly are refinancing," in the words of Dale Curtis, tax aide to Boehlert.

"How come it took them 10 years to focus on refinancing?" Curtis asked. "Because there wasn't potentially much money in it [additional tax-revenue dollars for the IRS] until this year. Otherwise, they would have let the whole thing ride."

The new congressional research cited by the members of Congress concludes that the Treasury would see net revenue gains during the coming decade by allowing the current deduction of points to continue. Although there would be an $80 million loss in 1987, the study said, from then on a pro-refinancing tax policy produces net revenue. That's because homeowners generally would be lowering their total mortgage-interest deduction by shifting to lower-rate mortgages via refinancing.

What's the outlook? Treasury Secretary Baker hasn't responded to the letter yet, and Treasury spokesmen were unavailable to comment. But Curtis is convinced that the IRS is going to be reversed—"either by Congress next year," he predicts, "or through Treasury's in-house political wisdom. The refinancing handwriting's on the wall."

JACK WATERMAN RETIRES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues the retirement of Jack Waterman as Ventura County Assessor.

Jack Marcus Waterman was born May 14, 1923, in Helena, MT, into a large family of six brothers and two sisters. After completing high school he joined the Navy in 1942 and served for 23 years and 6 months, retiring as a chief petty officer. His duties included service as aviation machinist mate and instituting and instructing schools in basic military requirements and aircraft fundamentals. He attended management schools and taught Navy leadership as well.

Jack was hired by Ventura County Assessor's office in 1962 as an appraiser trainee. After a year he was promoted to appraiser. In June 1964 he obtained his associate of arts degree from Ventura Community College and continued his education by taking classes through the University of California Extension. Promotions in the assessor's office followed, going from supervising appraiser, March 1967, assistant chief, real property, June 1973, and chief—valuation November 1975. He sought and won the position of assessor in November 1977 and retired from that position in November 1986.

Jack has earned a reputation in Ventura County for his knowledge of tax laws and sensitivity to taxpayers.

I ask my colleagues to join me in wishing a very happy retirement to Jack and his wife Eileen. They plan to spend time with their six children, Doretta, Patti, Sharon, Michelle, Tracy, and Jack III.

CONGRESSIONAL AWARD PRESENTED TO 51 YOUTHS IN 10TH DISTRICT OF VIRGINIA

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. WOLF. Mr. Speaker, on December 16 I had the honor of presenting Bronze, Silver and Gold Congressional Awards to 51 high school and college students from the 10th District of Virginia in a ceremony held in the Cannon Caucus Room and the second local congressional awards ceremony in Virginia.

I formed the 10th District Congressional Award Council 2 years ago composed of 48 community leaders representing business, education, religious, political, and youth services who recommend young people to receive congressional award medals for outstanding voluntary public service and personal achievement.

As you know, the Congressional Award Program was established by Congress in 1979 and is designed for Members and the private sector to work together to recognize initiative, achievement, and excellence of America's youth. Young people may earn awards by meeting criteria established in the areas of voluntary public service, personal development, and physical fitness. It is the only award which Congress presents to youth ages 14 to 23 in recognition of their voluntary public service and personal excellence.

Mr. Speaker, our youth are our leaders of tomorrow. This program serves the important purpose of motivating our young people to succeed and achieve personal excellence while making a contribution through service to their communities.

Murriel Price and George Layne, principal and assistant principal, respectively, at McLean High School in McLean, VA, are co-presidents of the 10th District Congressional Award Council.

Council members including Sister Majella Berg, RSHM, Rabbi Laszio Berkowits, Margaret Bocek, Anne Bumpus, Robert Butt, Leslie Butz, Michael Collins, Mark Crowley, Dan DeSomma, Bob Dix, Linda Douglas, Joseph Downs, Fred Drummond, Rev. Emmitt Eccard, Dr. Richard J. Ernst, the Honorable Nancy Falck, the Honorable Shannon Geddie, the Honorable Dorothy Grotos, Father John A. Geenan, the Honorable John F. Herrity, Fred Hetzel, Michael Horwatt, the Honorable Henry Hudson, Rev. Peter James, Dr. George W. Johnson, Rev. Neal Jones, John Koons, Jr., Nancy Kramer, Henry Lampe, Dr. Mary Anne Lecos, Rev. Aaron Mackley, Dr. Philip Mazzocchi, Jr., Leonard McDonald, Dr. Elicabeth Morgan, Anne M. Morton, the Honorable Martha Pennino, John W. Pumphrey III, William Roeder, the Honorable Kenneth Rollins, Jan Schar, the Honorable George P. Shafran, Dr. Robert Spillane, Dr. Margaret Stimfle, John M. Toups, Lorraine Whitfield, Richard E. Wiley, Earle C. Williams and Susie Wyland.

In addition to recognizing the work of the council, I would also call attention to the outstanding jobs in preparation for the awards ceremony performed by Margaret Stimpfle, award review committee chairman; Anne M. Morton, ceremony committee chairman; Bob Dix, fundraising committee chairman; William Roeder, legal committee chairman; Jan Schar, treasurer; George Layne and Murriel Price, networking committee chairmen; and Linda Douglas, public relations committee chairman.

Young people may earn a congressional award by achieving activity goals in each of the following three areas. Within standard age and time requirements:

Voluntary public service: To provide voluntary public service to community.

Personal development: To develop personal interests, social and employment skills.

Physical fitness activities: To improve health and fitness and leadership skills.

Bronze Award: Youth can be recommended for a Bronze Award if they are between the ages of 14 and 17 and have completed 200 activity hours—100 hours in voluntary public service, 50 hours in personal development and 50 hours in physical development.

Silver Award: Youth can be recommended for a Silver Award if they are between the ages of 17 and 20 and have completed 400 activity hours—200 hours in voluntary public service, 100 hours in voluntary public service, 100 hours in personal development and 100 hours in physical development.

Gold Award: Youth can be recommended for a Gold Award if they are between the ages of 20 and 24 and have completed 800 activity hours—400 hours in voluntary public service, 200 hours in personal development and 200 hours in physical development.

Recipients of the congressional award from the 10th District of Virginia are:

Bronze Award recipients: Sheila K. Brown, McLean H.S.; Adam S. Chaskin, Langley H.S.; Richard H. Epstein, Langley H.S.; Mary Beth Geiven, McLean H.S.; Delya Ghosh, McLean H.S.; Andrew C. Hee, Langley H.S.; Nicole C. Hollis, McLean H.S.; Karen Ann Derndt, McLean H.S.; David E. Kildee, Langley H.S.; Stephen E. Ling, Langley H.S.; Sarah H. Moody, St. Agnes Episcopal; Melody Yun Ng, James Madison H.S.; Ellen E. Payling-Wright, McLean H.S.; Kevin W. Stone, Langley H.S.; Beverly J. Wade, James Madison H.S.; Noelle D. Willett, W. T. Woodson H.S.; and Saeri Yuk, McLean H.S.

Silver Award recipients: John L. Bailey, Langley H.S.; Deborah Anne Berkowits, McLean H.S.; Sarah Anne Bibb, James Madison H.S.; Jisoo Cha, McLean H.S.; Debra D. Cluff, Langley H.S.; David H. Collier, McLean H.S.; Daniel S. Donahue, Washington-Lee H.S.; Chandak Ghosh, Yale University; Diana F. Glasener, James Madison H.S.; Teresa L. Hancock, Washington-Lee H.S.; Raymond R. Hoare, Langley H.S.; John Jay Jacobs, Wakefield H.S.; Amy C. Lambeth, Wakefield H.S.; Kristen L. Larson, James Madison H.S.; Rhonda E. Leavenworth, W-L H.S.; Jennifer Anne Mahar, James Madison H.S.; Mark R. Melia, Wakefield H.S.; William H. Mobley, W-L H.S.; Seung Eun Oh, Langley H.S.; John S. Pettibone, Langley H.S.; Kevin S. Reed, James Madison H.S.; Maureen E. Reilly, W-L H.S.; Deborah M. Scoffone, W-L H.S.; Margaret K. Smith, McLean H.S.; Michelle E. Staggs, Langley H.S.; Christopher D. Wells, W-L H.S.; Andre Dennard Williams, McLean H.S.; Jennifer H. Wilson, McLean H.S.; Maureen Wolthuis, McLean H.S.

Gold Award recipients: John M. Falk, Washington and Lee University; Glen David Gaddy, John Hopkins University; Kathleen Marie Gelven, College of William and Mary; Kathryn Hart, Marymount University; Heidi Joi Underwood, Marymount University.

FATHER RONALD E. KURTH

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Ms. KAPTUR. Mr. Speaker, this past November 20, the Toledo community lost one of its most passionate voices for justice, Rev. Father Ronald E. Kurth. At 49 years of age, Father Kurth had struggled valiantly against one of the most debilitating forms of cancer. Yet in this struggle, as in his entire life, he exemplified the virtues of perseverance, love and courage as well as demonstrated the full measure of human dignity.

Throughout his career, Reverend Kurth had fought to reform the institutions of society often grown cold in the face of human despair. It was his special gift of love that reached to the impoverished and to those people existing at the margins of society. His work in reforming the State and local prison systems is widely recognized.

In 1983, Father Kurth was recognized by Governor Celeste for his work in the area of civil rights. In recognition of his work as a community organizer, he won the Service to Mankind Award of the Fort Meigs Sertoma Club for his efforts in the local criminal justice system. Father Kurth considered his greatest award coming in February 1983 when a consent decree was signed in Cleveland by attorneys for Ohio, for the inmates, and by U.S. District Judge Frank Battisti, which required the eventual closing of the 87-year-old Mansfield Reformatory.

It is fitting here as a lasting tribute to quote from his own words, remembering the role of people of faith regardless of denomination, in serving justice and the potential for human dignity for all people:

> I simply argue that the cross be raised again at the center of the marketplace as well as on the steeple of the church. I am recovering the claim that Jesus was not crucified in a cathedral between two candles * * * but on a cross between two thieves; on the town garbage heap; at a crossroads so cosmopolitan that they had to write his title in Hebrew and in Latin and in Greek * * * at the kind of place where cynics talk smut, and thieves curse and soldiers gamble. Because that is where church people ought to be, and what church people should be about.

TRIBUTE TO RONALD AND MARY ELLEN KARL

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. MRAZEK. Mr. Speaker, one of the acknowledged cornerstones of the American way of life has been a traditional spirit of volunteerism.

Of course, this special trait of our people can take many forms. For many of us, the hour or so required to make a blood donation every 6 weeks serves as our contribution to the welfare of others. Others give time to deliver meals to the elderly, organize Toys for Tots campaigns or provide auxiliary assistance at the local hospital. None of these gestures should be discounted, regardless of the relative amount of time required to perform the acts.

Nevertheless, Mr. Speaker, for some members of our society, volunteerism is a way of life. As a case in point, I would offer for the edification of my colleagues the example of Ronald and Mary Ellen Karl of Eatons Neck, Long Island.

In 1983, these old friends joined the Coast Guard Auxiliary. In the interim, they have compiled a collective 4,000-plus hours as volunteers in a variety of pursuits.

Among their contributions to the auxiliary have been service as instructors, leading public education courses in boating safety and training for auxiliary members in specialized disciplines; as courtesy examiners, providing free vessel examination for the boating public; as operators, performing safety patrols aboard their own vessel *Bottomtime* and assisting a total of 141 individuals and 56 vessels in distress during the course of their service; as auxiliary coxswains, achieved by completing more than 225 practical tasks ranging from line handling and towing procedures to navigation rules; as communications specialists, monitoring distress frequencies for the Coast Guard; and as qualification examiners, assisting in training, and qualification of the membership in the Boat Crew Qualification Program.

Beyond this, Mr. Speaker, my friends, Mary Ellen and Ronnie, have found time to place first in the 1985 Third Northern Coast Guard District Boat Crew Competition. They received the 1985 Division Captains Award for outstanding service. They obtained AUXOP status within 1 year of membership, an extremely high level of achievement within the auxiliary obtained by completing seven demanding specialty courses in seamanship. And they recently graduated from the National Search and Rescue School at the Coast Guard Training Center in Cape May, NJ.

Mr. Speaker, the 4,000-plus volunteer hours which I cited as the Karls' service to the Coast Guard Auxiliary is probably a conservative estimate. I know that they have logged countless hours at night manning their radio, a last beacon of hope for mariners in distress. This vigilance extends to two mobile radio units in their cars, and to service as communications links between auxiliary vessels on patrol and the Eatons Neck Coast Guard station.

It has been my pleasure to know Mary Ellen and Ronnie for years; Mary Ellen even once served me well as a secretary and now has been appointed as an aide to the commodore of the Third Northern Coast Guard District. I therefore am pleased and proud to call their selfless efforts to the attention of my colleagues as an example for all of us.

ARTHUR C. CLARKE: THE MENACE OF CREATIONISM

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LEHMAN of Florida. Mr. Speaker, I recently had the privilege of meeting Arthur C. Clarke during a visit to Sri Lanka. Mr. Clarke, who makes his home outside the capital city of Colombo, continues to write about the world's current problems and our prospects for the future.

I was thrilled to be presented with a copy of his recent book, "1984: Spring/A Choice of Futures." In giving me this book, Mr. Clarke remarked that the most important essay in the collection was the last, entitled "The Menace of Creationism."

Mr. Speaker, I would like to share this essay with my colleagues. I am confident that they will find his words on the subject both entertaining and enlightening.

The essay follows:

THE MENACE OF CREATIONISM

> Today's mail brings a letter from a schoolteacher in Anchorage, Alaska, with the request: "My students have been interested in the debate surrounding Evolution versus Creation. I would value your opinion . . ."
>
> As it happens, my first scientific hobby was fossil-collecting, and I didn't gravitate toward astronomy until the ripe age of ten or so. But I always retained an interest in paleontology, which was considerably heightened when I met Louis and Richard Leakey during the production of *2001: A Space Odyssey.*
>
> On that occasion, Dr. Leakey confided to me that he had written a play about an anthropologist who is sent back into the past by an African witch doctor, so that he can observe the origin of man. He would have been delighted to see how close his son came to achieving this in the magical opening of *The Making of Mankind*—where, in one breathtaking sequence, it seems that the TV camera has indeed gone back to the Dawn of Man, to gaze directly into the eyes of our ancestors.
>
> But to return to the Alaskan teacher's question: the blunt answer is that Evolution versus Creationism is not a matter of *Opinion*—mine or anyone else's. Evolution is a FACT, period.
>
> What *is* a matter of opinion is Darwinism. That is a THEORY—and it's unfortunate

that many people (sometimes deliberately, sometimes ignorantly) confuse the two.

The FACT of Evolution is now almost as well established as the shape of the Earth—which, incidentally, is still denied by some religious fanatics, because there are several passages in the Bible which imply that the Earth is flat. Of course, no one can *disprove* the hypothesis that the world was created six thousand years ago—or for that matter six thousand *seconds* ago!—so that it now appears as it is, complete with faked fossils and an infinite wealth of phoney yet utterly convincing evidence indicating an age of millions of years. But such a theory is also impossible to *prove*; and why should God perpetuate such a gigantic fraud—such an insult to the intelligence which is our noblest attribute?

As a tragicomic footnote to the history of science, the nineteenth-century naturalist Philip Gosse attempted to reconcile the fossil record with Genesis, by just such intellectual contortions—but even the pious Victorians laughed his book *Omphalos* to scorn. If there *is* such a crime as blasphemy, belief in this form of "Creationism" comes close to it. Einstein summed up the situation perfectly: "The Good Lord is subtle, but never malicious."

I find it almost incredible—and indeed tragic—that any intelligent person can possibly find the slightest threat to his religious beliefs in the concept of Evolution, or the immense vistas of time opened up by geology and astronomy. On the contrary—they are infinitely more awe-inspiring and wonderful than the primitive (though often fascinating and beautiful) myths of our ancestors. Indeed, some devout Christians (e.g., the Jesuit priest Dr. Teilhard de Chardin, to give the best-known example) have made them the very basis of their own faith.

So why do people who call themselves Christians object to Evolution? I suspect that the reason isn't very flattering: it damages their ego—their sense of self-importance. That same impulse made their counterparts, four hundred years ago, refuse to accept the now indisputable facts of astronomy. That famous act of stubborn stupidity by the Catholic Church (though let's be fair—Galileo was a cantankerous genius who practically insisted on martyring himself, despite the attempts of his many clerical friends to stop him) did more than any other event in history to destroy the credibility of the Christian religion. It also brought Italian science to a full stop for centuries—a chilling reminder of what a victory for Creationism could do to American education.

And to American industry and security! It is not generally realized that there are also matters of enormous practical, commercial and even *strategic* importance involved in the Evolution-Creationism debate—it's not merely(!) a matter of religious belief. The discovery of new mineral resources and oil fields is now a branch of applied geology—a science which cannot be studied rationally without an understanding of the time scales and mechanisms involved. Although I've no doubt that there are some geologists who think that everything began around 4000 B.C., I'd invest in their companies just about as readily as I'd trust myself to an airline navigator who believes that the Earth is flat.

(Incidentally, I'm working on a theory that the attempt to persuade Americans that the world is six thousand or so years old is actually a diabolical Russian plot, because some KGB genius realizes that "Creationism" will ultimately destroy the U.S. oil and mining interests. The next move is to get Congress to pass a law making pi = 3, as is clearly stated in I *Kings* vii.23 and 2 *Chronicles* iv.2. Then Detroit will be forced to manufacture cars with elliptical wheels, etc. You can take it from there. . . .)

One of the glories of the American way of life—the very reason the United States has attracted refugees from foreign tyrannies and still continues to do so—is that every citizen is allowed to express his own opinion. But there are limits; as a wise jurist remarked, freedom of speech doesn't include the right to shout, "Fire!" in a crowded theater.

I would defend the liberty of consenting, adult Creationists to practice whatever intellectual perversions they like in the privacy of their own homes; but it is also necessary to protect the young and innocent. Though it would be absurd—and inhumane—to suggest that a teacher who sincerely believes in Creationism should be excluded from the educational system, he should not be allowed to conduct classes in biology or the earth sciences—any more than a flat-Earther should be allowed to teach geography. (Though some flat-Earthers and Creationists might well serve as devil's advocates, challenging pupils to refute their arguments, and thus begin the painful process of thinking for themselves.)

The resulting debates would probably be no more heated than those going on right now between scientists who believe in Evolution but don't believe in Darwin—a situation which has been gleefully exploited by the Creationists. Darwin's theory (repeat, THEORY) states that the force or mechanism which drives the evolutionary process is natural selection; favorable modifications or adaptations survive, while the losers in the genetic lottery die out. No one doubts that this happens, but many biologists do not believe that it can explain all the truly fantastic phenomena (and creatures) that exist in the world of living things. For even a "simple" bacterium contains a greater degree of organization than New York City (no great compliment, perhaps). The evolution of life, particularly in its complex modern forms, seems to involve far too many improbable coincidences—even if the dice are biased by natural selection.

Yet in billions of years, even the most improbable coincidence do happen. For example: only an hour after I'd started writing this article, I had a visit from one of Darwin's most vigorous latter-day critics—the astronomer Dr. Chandra Wickremasinghe, who annoyed many of his fellow scientists by appearing at the recent Arkansas trail. But he probably upset the Creationists even more, for he has no doubt of the reality of Evolution and the huge time-scales involved.

In their 1981 book *Space Travellers: The Bringers of Life*, Dr. Wickremasinghe and his colleague Sir Fred Hoyle suggest that the universe is literally infested with bacteria—perhaps originating in cometary environments, which are exceedingly rich in water, carbon and all the essentials of life. Startling though this theory is, they have now gone on to propose a far more revolutionary idea, which in a way is an updating of William Paley's "argument from design," viz., "If you find anything as complicated as a watch—there must be a watchmaker."

Hoyle and Wickremasinghe argue that the marvelously adapted life forms on Earth (including us) were planned by a superintelligence which "seeded" our galaxy with spores, carefully designed to evolve into future higher organisms. The idea that God (or whatever you like to call our Creator) was a genetic engineer working with DNA a few billion years ago seems to be quite compatible with religious faith. Incidentally, the concept is not new; it was developed in Olaf W. Stapledon's magnificent history of the next 2 billion years, *Last and First Men.* (A book which profoundly influenced my own career and writing.)

Hoyle and Wickremasinghe's theories are, to say the least, stimulating; it will not be easy to prove or refute them. Even if they are wrong, they may be valuable in opening the eyes of biologists (and astronomers) to possibilities that have been overlooked—except by science-fiction writers. . . .

Finally, I would like to express my contempt for those who refuse to face the obvious fact that we are all part of the animal kingdom, and regard this as in some way demeaning. As Thomas Huxley said to poor Bishop Wilberforce when he demolished him at the famous 1860 Oxford debate: "I would far rather have a humble ape for an ancestor, than a man who used his talents to oppose the search for truth. . . ."

Technically speaking, of course, we *don't* have apes for ancestors; we both diverged from a common stock, hence the popular use of the word "cousin" for the relationship. As one who still mourns for two deeply loved little monkeys, I would be proud to claim an even closer kinship.

When one looks at the incredibly diverse pattern of terrestrial life from the *cosmic* viewpoint, the apes and monkeys no longer seem our cousins—but our brothers and sisters.

Who, then, are our cousins? Why, of course, the flowers and the trees. . . .

Does anyone object to *that* relationship?

Soon after this article was written, I came across the following statement, issued just a few months earlier by a distinguished group of scientists:

"We are convinced that masses of evidence render the application of the concept of evolution to man and the other primates beyond serious dispute."

This should settle the matter, as far as those who call themselves Christians are concerned. For whatever their doctrinal differences, surely even the most fanatical Protestants will admit that the Vatican does speak with a certain authority on matters of faith. . . .

Yes, the Pontifical Academy of Sciences summed it up very well. Evolution is now "beyond serious dispute."

LEGISLATION CUTTING OFF AID TO THE NICARAGUAN CONTRAS UNTIL THE CONGRESSIONAL INVESTIGATING COMMITTEES HAVE REPORTED

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. LEVINE of California. Mr. Speaker, for the last 2 months our Nation has suffered through the most serious foreign policy debacle since the Bay of Pigs, and the most debilitating domestic scandal since Watergate. These twin crises were spawned by the President's decision to attempt to trade arms for hostages, and the actions of high level administration officials to use funds generated by those sales to fund the Contra war in Nicaragua. It has become increasingly clear in recent weeks that the administration has been actively involved in procuring funding for the Contras during a period when direct or indirect government assistance to the Contras was banned by law. These actions were apparently taken despite President Reagan's having said in connection with the funding for the Contras approved last year that—

> I want to state unequivocally that I will not augment this $100 million through the use of CIA or any other funds that have not been approved by Congress for this purpose.

The law demanded as much, and the President declared that he would abide by it. Yet even before the diversion of funds from the Iranian arms sale to the Contras, the administration appears to have been actively engaged in circumventing the law in order to pursue a policy repudiated by Congress.

Numerous unanswered questions remain about the extent of administration involvement in this secret aid network and the amounts of money which reached the Contras as a result of administration activities. It is totally unacceptable that the Contras should benefit from the administration's illegal activities and be subsidized by the American taxpayer. We should halt the flow of legal money until we can determine how much the Contras have received under the table through the administration's secret aid network.

The General Accounting Office continues to be unable to account for fully half of the $27 million in humanitarian aid which Congress authorized for the Contras in 1985. The Contras claim that they never saw the $10 to $30 million in profits from the Iranian arms sale. And, most recently, the Secretary of State has admitted that no one can account for the whereabouts of $10 million he solicited from the Sultan of Brunei. Numerous allegations have been made in the press about the possible whereabouts of these funds: That money was deposited in the personal bank accounts of high Contra officials in the Cayman Islands, that it has been used by the Contras to bribe Honduran officials to ease the strain of thousands of Contras remaining in armed camps inside Honduras, and that it has been used to finance drug-smuggling operations allegedly carried out by Contra associates. Whatever the truth of any of these allegations, we cannot continue sending aid to the Contras when we have no idea whether more than half of the aid we sent in 1985 has been used for any of the purposes which were used to justify our sending it.

Until the special investigating committees of Congress have had the opportunity to review the entire case, including all activities undertaken by the administration in Central America, the records of the various bank accounts involved in the diversion of the Iranian arms profits, and how the money diverted from this operation as well as previous aid to the Contras was used, we should stop sending American taxpayers' dollars to an uncertain fate in Central America.

That is why Representative JIM LEACH and I are today introducing legislation to cut off all aid to the Nicaraguan Contras until the congressional investigating committees complete their investigations of the diversion of funds from the Iran arms sales to the Contras, and until previous aid sent to the Contras is accounted for.

Until we do know how much money the Contras may have received as a result of the administration's secret and possibly illegal resupply operation, and we remain unable to account for previous, authorized aid, it would be irresponsible to continue to send more money to the Contras. Congress cannot continue to blithely authorize expenditures of taxpayers' money until we have a much more complete accounting for the money which has already been spent, and a better understanding of how those in the administration have spent other funds earmarked for the Contras. Our bill would put a halt to our legal support for the Contras until it can be determined just how much illegal support they have received with the administration's help, and what they have done with the aid we have sent before.

ERROR IN THE TAX REFORM ACT

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. SCHULZE. Mr. Speaker, one of the most glaring errors made in the Tax Reform Act of 1986, was the elimination of deductions for interest on educational loans. Interest deductions on loans are not tax loopholes. These deductions are investments in our future—investments in our children's minds and intellect.

The overriding theme of the 100th Congress is competitiveness. This is as it should be. However, denying interest deductions for educational loans, and specifically for those in lower- and middle-income classes who need them the most, is noncompetitive and counterproductive. Mr. Speaker, this should not be.

Today I am introducing legislation to reinstate interest deductibility for qualified educational expenses. I urge my colleagues to join in this effort and support America's economic and cultural future.

LATVIAN HELSINKI GROUP FORMED

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. HOYER. Mr. Speaker, I would like to call my colleagues' attention to the founding of a new Helsinki Monitoring Group founded by three citizens of Soviet-occupied Latvia. The group calls itself "Helsinki '86" and has issued a statement of principles in which it pledges to block the path of lies and terror, to grant all nations the freedom of self-determinations and to observe the Helsinki accords closing document agreed-to principles.

As my colleagues are aware, Latvia is one of the three small Baltic nations invaded and illegally occupied by the Soviet Union under Stalin in 1940. Together with Estonia and Lithuania, Latvia had been independent since the end of World War I, having thrown off the yoke of the Russian Empire. Nevertheless, Stalin used the treacherous Molotov-Ribbentrop Pact with Hitler on the eve of World War II to lay the groundwork for crushing those free and prosperous nations flourishing at the very doorstep of Stalin's enormous, yet impoverished, police state. The last prime minister of Latvia, Karlis Ulmanis, was seized by the occupation forces and disappeared into the gulag. At the same time, approximately 34,000 Latvians were shot or deported to Siberia by the occupation forces. Following the Nazi occupation and Soviet re-occupation during World War II, over 60,000 Latvians were sent to Siberia. Approximately 50,000 more were sent to eastern Russia in 1949. As a result of being located between two giant aggressor states, Latvia saw its population reduced from around 2 million in 1935 to 1.3 million in 1945.

The U.S. Government does not recognize the Soviet seizure of Latvia, nor does the U.S. adherence to the Helsinki accords change that position in the least.

Mr. Speaker, the Latvian people still long for their freedom and the rights guaranteed to them under the Helsinki accords. There are at least a dozen Latvian political prisoners in the Soviet Union of which the West is aware. When a delegation of American officials visited Riga recently, they were told, "you are our only hope." I am sure that we will continue to press for the rights of the Latvian people under the Helsinki accords, and justify the hopes that they have placed in us.

Mr. Speaker, I would like to express my gratitude to the World Federation of Free Latvians for providing the Helsinki Commission with the documents of the "Helsinki '86" group, and to Cdr. A.M. Mezmalis, U.S. Navy, retired, for their translation. At this time, I submit them for inclusion into the RECORD:

Dear Countrymen in Foreign Nations:

We are turning to you with a request to have these documents translated into international languages and to have them delivered to the addressee. Our people's situation is critical, that you know; and, our existence is not solely dependent on ourselves. Therefore, do not get tired in your endeavors to find help from the democratic nations, and at every opportunity bring more to light all of the injustices inflicted on our people. Do not be preoccupied with your overabundance; that will bring only destruction and extinction. Hold your people like god. "My nation is my God." Every Latvian must live with such a conviction. Not to lock oneself up in a narrow nationalisltic circle, but be international. . . . History shows that every nation's fundamental sovereignty is based on emigration. We, in our homeland, are able to do very little. We, who have established this group in face of our destiny . . . and nonetheless, we are speaking openly, because our nation is worth more than we.

If you have the opportunity, inquire about us where we are after half a year, a year, or only just after a few weeks. All these documents you can publish.

GROUP " 'HELSINKI' 86,"

July 1986.

(Signatories: Grantins, Linards; Bariss, Martins; Bitenieks, Raimonds.)

Taking into consideration Articles 49 and 50 of the Latvian S.S.R. Constitution, we agree to establish a group which will monitor how our people's economical, cultural and individual rights are being observed.

We agree, openly and without censure or pressure from outside, to inform international organizations about violations that are being carried out against our nation itself.

Our principle—to block the path of lies and terror.

To grant all nations the freedom of self determination. To observe the Helsinki Accords' closing documents agreed to principles.

We agree to name the group Helsinki.

"'HELSINKI' 86,"
Liepaja, Latvia.

(Signatories: Grantins, Linards; son of Alberts; born in 1950 in Omska region; working in Bosericinska region as 2nd grade "Dailradi" amber, metal jewelry craftsman; 47-8 M. Bukas St., Liepaja; Bitenieks, Raimonds; son of Ernests; born in 1944, Liepaja, Latvia; working in Liepaja's central hospital as (driver?); 102-46 (Graupes?) St., Liepaja; Bariss, Martins; son of Peteris; born in 1947 in Latvia (L. . . . .?) region, town of (L. . . .?); working in Liepaja's (G. . . . .?) enterprise.

To USSR General Secretary Mr. Gorbachev:

We petition you, Mr. Gorbachev, to help us realize Article 69 of the Latvian S.S.R. Constitution, which states that Latvian S.S.R. reserves the right to secede from the Soviet Union. Please, also respect our people's interests. Permit us in our own nation to speak and to be understood in the Latvian language. Permit us, ourselves, to determine our destiny by referendum.

Permit us, ourselves, to east our own bread, and that which is left over, to sell to others; and not the other way around, to have only leftover bones, claws and udders to be cast aside for the people who are the producers of all of the material benefits. Permit us to freely meet with all of the peoples of the world; we have done no evil to any nation, and we have not earned to be locked up and taught with whom to be friends and with whom not to be.

Your people own unimaginable land vastness, from the Baltic Sea to Japan. You are in both, the North Pole and the South Pole. You are in all of the oceans of the world, and you also own the cosmos. That is almost as much as that which belongs to God. Is all that not enough for the Russian people? Do you really need, in addition, 1.5 million Latvians and an insignificant piec of land by the Baltic Sea? Come to us as friends, and in return you will receive friendship. Respect other peoples and you will be respected. If you do not respect other nations, then you will be inflicting an irreversible evil on your own people.

We need to remember a fairy tale, one that is common to many nations, about a fisherman, a gold fish and his wife.

We want to believe you that you will build a foundation for a democracy. Everyone will benefit from that, and there will not be any losers.

GROUP "'HELSINKI' 86,"
Liepaja, Latvia, July 1986.

Signatories: Grantins, Linards; Bitenieks, Raimonds; Bariss, Martins.

Soviet Union Communist Party Central Committee:

Latvian Communist Party Central Committee:

On July 30, 1986, after entering merchandise store No. 2 on Vitols Street, Liepaja, an elderly woman asked me to explain to her the writings on the appropriate price list. The captions were written only in Russian. The old woman said, with tears in her eyes, that nowhere any longer can she go shopping alone; everything is in the Russian language. The saleswomen do not feel it necessary either to speak in the native language or to learn Latvian, explaining that Russian is the main language, that others are unnecessary, and that this is the Soviet Union. After listening to the elderly woman's story, I also wanted to know why there are no captions in Latvian. I went to see the store manageress. The store manageress declared, in a rudely bold tone, that all documentation comes to her only in the Russian language, and that there is no one to translate; I said that this can be accomplished with the help of a dictionary. The store manageress replied that such an accusation has already been dealt with, and that the trade administration has denied the use of Latvian language captions. The manageress told me not to be assertive because this here is the Soviet Union. My nation's and my own honor was offended. I tried to explain to her that the Soviet Union and the Russian federation are not one and the same thing like she is trying to tell me. There are to be two languages in Latvia, firstly Latvian and only secondly Russian. Then, the offended store manageress tried to tell me that Latvian riflemen have fought for it to be this way. I saw that there is no sense speaking with such a person, where each of her uttered words is full of chauvinism. I only know that, if conversation is about the Latvian riflemen, we were taught in school that they were fighting for freedom and an independent Latvia, where national culture, language and traditions can be cultivated in freedom; and, that the Soviet Union was joined to feel more secure and more free.

The Latvian language is one of the oldest living languages, surviving and fighting the millenia, through plagues, through wars and inquisitions; and God has not given such an authority to anyone to deny a people their own language in their own country, not to mention the "people".

1. we want to know if inside Soviet Latvia exists the right to conduct a dialogue in Latvian?

2. What will be done to preclude newcomers from using the "two-stories high" Russian language in public places, which destroys the morality of children, teenagers and also adults more than foreign pornography?

3. Will steps be taken to prevent discrimination against the Latvian language?

4. Why has here developed a situation where the majority of the new, well-built and comfortable homes are being occupied by newcomers from outside the country, while the majority of Latvians live in old, dilapidated buildings and under humanely degrading conditions? That is a secret, but deliberate creation of animosity between nations, one that neither serves the Latvian nor the Russian interests. Why does not the state security service want to be aware of such lawlessness?

5. Why is no one fighting against the inheritors of czarist Russia's ideas?

Please provide a reply to us either through the press or directly in writing.

GRANTINS, L.

(Signatories: Grantins, Linards—1950, "Dailrade", Liepaja; Bitenieks, Raimonds—1944, Liepaja's palace (illegible), (illegible), (illegible), driver; (Illegible), (illegible)—1944, Gas group (illegible), (illegible), service master; Biezais, Vilis—1954, LRSPK photographer; Andersons, Guntis—1950, LRSPK photographer; Arajs, Vilnis—1954, Liepaja's bus park; Juris (illegible)—1944, Liepajas bus park; (Illegible), Janis—1945, Liepaja's bus park; Bariss, Martins—1947, Enterprise "(illegible)"; (Illegible) (illegible)—1933, (illegible), (illegible); (Illegible), Imants—1948, RET; Skelte, Ivars; son of Augusts—1945, Gas group office; (Illegible), Janis (illegible)—1954, Gas group office; (Illegible), (illegible)—19?1, OLFLE; (Illegible), (illegible), (illegible)—1946, (illegible); (Illegible), Ernests—1916, Pensioner; (Illegible . . . . .); Starasts, Peteris (illegible)—1961, Gas office.

SEVEN WAYS TO BETTER DECISIONS

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. RITTER. Mr. Speaker, I would like to call to the attention of my colleagues the ideas put forth in David S. Broder's column in the January 7, 1986, edition of the Washington Post. Mr. Broder cites many useful concepts presented by Alice Rivlin, former director of the Congressional Budget Office and current director of economic studies at the prestigious Brookings Institute. I trust Members will find the proposals interesting, especially the idea to stop Congress' micromanagement: First, of Federal programs designed for States' jurisdiction; and, second, of big ticket defense acquisitions.

The article follows:

[From the Washington Post, Jan. 7, 1987]

SEVEN WAYS TO BETTER DECISIONS

(By David S. Broder)

Congress has once again pronounced President Reagan's budget an irrelevancy, "dead on arrival." The president, for his part, has once again declared the congressional budget process an abomination, badly in need of repair.

The reality is that neither the executive nor legislative branch has a great deal to brag about in its economic decision-making the last few years. And that underlying reality was addressed with exceptional common sense last week by Alice Rivlin, the first head of the nonpartisan Congressional Budget Office.

Since leaving that post a couple of years ago, Rivlin has been running economic studies at the Brookings Institution. She is a rare bird—an economist who writes sparklingly clear English, has a sense of humor and recognizes that her science is something less than precise or perfect. All those qualities were on display in the presidential address she gave the American Economics Association, explaining why "economic policy making in Washington in the last decade has been more frustrating, muddled and confusing than necessary."

Part of the reason, as Rivlin said, is that "political decision-makers see economists as quarrelsome folks who cannot forecast, cannot agree, cannot express themselves clearly and have strong ideological biases. Economists return the favor by regarding politicians as shortsighted, interested only in what is popular with the electorate and unwilling to face hard decisions."

Unfortunately, she added, "all of the stereotypes are partly right."

So what to do? Rivlin offered seven suggestions so sensible that they will strike many as radical. They deserve consideration, not only by professional politicians and economists but by a wider public concerned with the sloppiness of current federal economic decisions.

Her suggestions would upset existing power arrangements in both Congress and the executive branch and, some would argue, create turmoil greater than the promised gains in efficiency. But economic policy is so vital—and so badly managed—that no one can be content with the status quo. Here are her ideas:

First, she says government should "seek out decisions that should be made less frequently and arrange to do so." Put the budget on a two-year cycle, instead of the annual exercise it's been; make major revisions of the tax code even less frequently. "Big-ticket acquisitions, such as major weapons systems, should be reviewed thoroughly at infrequent intervals" and kept on a steady track, not subjected to constant starts and stops.

Second, Rivlin says, Washington officials should stop micro-managing so much. Turn more programs back to the states or substitute block grants for categorical programs. Let Congress set broad policy for defense spending, but not play armchair general or admiral.

Third, she says, let's consolidate economic decision-making in the executive branch by decision-making in the executive branch by restructuring the Treasury Department as the Department of Economic Affairs, including within it both the Council of Economic Advisers and the Office of Management and Budget. Then the basic decisions on taxing and spending would be under one roof.

Fourth, in her grand scheme, would be a simplification of the congressional budget process. Instead of the separate authorizing and appropriations committees, let there be a single committee in the House and Senate handling each major area of public spending. The tax committees would deal only with taxes, not Social Security and trade as well, and the budget committees would ensure that spending and tax decisions fit together to form a sensible fiscal policy.

To show she is ready to slaughter a sacred cow of her own profession, she suggests that the congressional "Joint Economic Committee should celebrate the important contributions it made to economic understanding . . . and then close up shop."

Fifth, she says, the independent Federal Reserve Board—which manages monetary policy and much more—should be brought closer into the dialog by "formal links" to the Department of Economic Affairs and regular reports to the congressional budget committees.

Sixth, there ought to be a single economic forecast for the government, instead of the competing, confusing and sometimes conflicting forecasts that now come out of Congress, the executive branch and the Fed.

And finally, so long as serious structural deficits persist, both Congress and the executive branch should be subjected to the discipline that is one useful feature of the Gramm-Rudman-Hollings law; every proposed increase in spending should be accompanied either by a compensating cut in another budget item or a proposal for raising the necessary revenue, so that fiscal neutrality is imposed.

Rivlin is properly modest about her prescription; she does not confuse her seven suggestions with the Ten Commandments. But they frame a necessary and long overdue debate about the processes by which Washington makes its basic economic decisions.

GETTING OUR MONEY'S WORTH FROM A SALARY INCREASE

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. GUNDERSON. Mr. Speaker, as a child, I was often reminded that bad children received nothing but a lump of coal from Santa at Christmas. Well, it appears that most of us in Congress must have been bad during the past year since we were treated to a large lump of coal—a proposal by a Presidential commission for a substantial pay raise—just before Christmas. The negative mail is already pouring in. In fact, one constituent called me at my parents' home on Christmas simply to rail against the proposal.

It is important to put this whole process in perspective for our constituents. It was the presidentially appointed Quadrennial Commission on Executive, Legislative and Judicial Salaries which recently recommended pay raises of 60 to 80 percent to equalize the compensation paid to public officials with that of their counterparts in the private sector. The President has modified the Commission's proposal—reducing, for example, the Commission's recommendation for congressional salaries from $135,000 to $89,500—and submitted it to Congress for consideration. Congress now has 30 days in which to reject that increase.

This nine-member Commission was established in 1967 after we discovered that Congress was incapable of dealing with the issue of salaries—both their own and those of other Federal executives and judges. Thus, the recent recommendations of the Commission were not and are not the ideas of proposals of Congress.

In fact, there is no issue which creates more grief for elected officials than the pay issue. No matter how you respond to it, it's a "no win" situation. Even if Senators and Congressmen worked for free, there are those who would say that we were paid too much. So, how do you determine our proper compensation?

Perhaps the flaw in the proposal of the Quadrennial Commission lies in the fact that they are basing their recommendations on comparable responsibilities in the private sector. However, this isn't private industry—it's government. If there's one thing we don't do, it's run this place like a business. There isn't a business anywhere which would continue to operate after running deficits in 23 of the last 24 years.

Yet, the more I thought about this issue over Christmas, the more I became convinced that a slight modification of the Commission's theory of basing Federal executive salaries on private industry considerations just might provide a defensible option. Why not base increased pay for Government executives on the accomplishment of certain goals just as a private business would provide incentive pay for its employees?

If the annual Federal deficit is our top national priority—and I think it is—we can make any pay raise contingent upon a balanced Federal budget. The deficit is projected to be somewhere between $150 billion and $170 billion this year. The annual interest on the national debt is in excess of $100 billion. It seems that the cost of awarding salary increases when—and only when—a balanced budget is achieved would be a small price to pay to get us out of the red ink.

And we should apply these incentives to all Government executives, not just to Congressmen and Senators. In this way, we can expect to get the cooperation of the officials who actually spend the money Congress appropriates. They surely would be more careful in their own agency spending if they knew they wouldn't get a pay raise until the Federal budget is balanced.

Accordingly, I am today introducing legislation that would prohibit any salary increases authorized through the Quadrennial Commission process from taking effect until such time as the Federal budget is balanced. I urge my colleagues to give their most serious consideration to this legislation.

A MERGER POLICY RUN AMOK

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. EDWARDS of California. Mr. Speaker, today I join with Chairman Rodino of the Judiciary Committee in introducing a bill that will restore a needed measure of balance to a merger policy run amok. In short, that policy of the Reagan administration has been no policy at all; and, the losers have been local communities, employees, and productive companies who are forced to passively witness, at their expenses, the unending corporate war games.

What is needed in this permissive atmosphere is the inclusion of other voices, those who are the most directly affected by takeover raids—local leaders, citizens, suppliers, and customers. We have heard enough of the elegant rationalizations of corporate raiders and investment bankers on the abstract virtues of uncontrolled merger activity.

In response, Mr. Rodino and I have attacked the problem by using a mechanism already in place at the antitrust enforcement agencies—the reporting and disclosure system set up by Hart-Scott-Rodino Act of 1976. What we have done in this legislation is to close the so-called partnership loophole whereby Shell corporations or temporary partnerships can set up and technically avoid the legal requirement of reporting their intentions and assets to the Department of Justice or the Federal Trade Commission. In addition, we are requiring that the assets and credit arrangements of the acquiring parties be publicly disclosed, as well as projected loss of employment and closing of plants.

There is no reason for the Federal agencies or the public to be in the dark about those aspects which cut most deeply into the fabric of American economic and social life.

Finally, we are providing the antitrust agencies with sufficient time to evaluate both the short- and the long-term implications of those proposed mergers. Rushing to judgment on a billion dollar transaction can only hurt the long-term health of American industry and add to our international competitive woes.

I am pleased that our bill has been introduced in the 1st week of the 100th Congress, for the issues addressed in this legislation are of the highest priority. I ask that you join us in preventing our industrial landscape from being further decimated by corporate strategens such as we have witnessed in the past 5 years.

TRIBUTE TO GENEVIEVE DEFIORE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. COURTER. Mr. Speaker, as representatives of Morris County, NJ, we, JIM COURTER and DEAN GALLO, rise to recognize and honor one of that county's most dedicated public servants, Mrs. Genevieve DeFiore.

Genevieve has served in the Morris County Clerk's Office for 41 years, the last 12 as chief clerk of the registry section. Rare is the public servant who maintains a high quality of performance of the length of time Ginny has. As one of the few employees with experience in each of the departments in the clerk's office, she developed a unique perspective which has proved valuable to the development of the clerk's office. During her tenure in the registry section, she has seen the volume of documents received daily for recording increase nearly twentyfold.

As Mrs. DeFiore begins a well-deserved retirement, we would like to express our gratitude for the model of service she has provided her coworkers and thank her for her role in making Morris County the place it is today. Although the residents of Morris County will miss her professionalism and expertise, we are sure they join us in wishing her the best in her retirement.

ON SITE CHILD CARE: A SERVICE SORELY NEEDED

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. BIAGGI. Mr. Speaker, today I am reintroducing the On-Site Day Care Privatization Act. This legislation is designed to encourage employers to provide quality child care for the dependents of their employees. It represents a remedy to a problem confronted by millions of families in our Nation.

The need for quality child care has increased significantly in the United States in recent years. The traditional family unit has, and will continue to undergo dramatic structural changes. Most specifically, these changes can be directly related to the increasing number of women who enter and remain in the workforce. Families now face the problem of increasing financial need, which results in two wage earners, while continuing to provide appropriate and responsible care for their children. This dilemna has forced millions of families to locate out-of-house care for their children.

In response to this rapidly growing problem, I have introduced this legislation. The On-Site Day Care Privatization Act would extend a 15-percent tax credit to businesses for all initial and on-going costs associated with employer operated day care facilities during the facility's first year of operation. During the second year, the employer would receive a 10-percent credit for all costs associated with salary expenses of workers at the day care facility. This legislation would take effect immediately after passage and sunset following 2 years.

Statistics regarding the transformation of our workplace through the increased participation of women clearly demonstrates the need for this legislation. For example, the percentage of women in the United States who work has grown from 24 percent in 1970 to 44 percent in 1984. The percentage of women in the work force with preschool children has risen from 3 percent in 1970 to 57 percent in 1984. This is not an indication of the mother with part-time employment. These figures do not represent the sometimes employed mother. Rather these statistics indicate the stark reality that 71 percent of all working mothers are employed 35 or more hours per week, and that figure is likely to increase even further as women to continue to enter the work force in record numbers. As a result, the needs of our society for child care services is quickly and recklessly careening out of control.

Quite simply, the largest and perhaps most sensible untapped resource for child care involves employer assisted projects. The House Select Committee on Children, Youth, and Families reported that of the 6 million employers in this country, only 1,500 provide some form of child care assistance to their employees. Yet studies have demonstrated that employer assisted child care operations provide numerous benefits to both workers and employees. Benefits include a significant decrease in employee absenteeism and turnover rates, a positive effect on employee attitudes resulting in heightened morale and motivation, and prehaps most importantly, a sharp rise in productivity. The employer also benefits from an increased ability to attract workers.

A study conducted by the National Employer supported child care project found that employers with day care facilities experienced increased recruitment of 85 percent. This astounding result only further provides employers with an incentive to explore the option of fulfilling the child care needs of their workers.

Unfortunately, we have witnessed only scant attention given to the issue of employer on-site day care. At this time, there is only one federally appropriated program that supports these day care services. To compound the problem, during the past several years the administration has attempted to drastically cut child day care benefits. Clearly, the need for serious consideration of employer provided day care is now more apparent than ever.

I am convinced that the private sector can provide and augment current child care services which will benefit both employers and workers. My bill is designed to encourage these employer initiatives and provide an incentive for their operation.

Studies have shown that satisfactory day care arrangements allow parents to function more effectively in the work environment. Studies have also demonstrated that arrangements provided by employers are both cost-effective and of quality nature. And finally, studies indicate that the need for responsible day care will continue to rapidly increase in this country.

This legislation addresses a need that exists for child care which neither sacrifices the quality of life for our children, nor sacrifices the ability and talents of our parents. I urge my colleagues to give their support for this family legislation and work for passage of the On-Site Day Care Privatization Act.

HONORING ANDREW WYETH

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. SCHULZE. Mr. Speaker, it gives me great pleasure to introduce legislation that will honor Andrew Wyeth, one of the finest painters of our time, by presenting him with a Congressional Gold Medal for his outstanding and enormous contribution to American culture.

Almost every American is familiar with the works of this great artist and Andrew Wyeth is internationally recognized for a lifetime of masterful works. I believe that it is time for the Congress and this Nation to honor this great painter.

The measure I am introducing already has 22 original cosponsors and I hope you will add your name to the bipartisan list of your colleagues who share my appreciation for Andrew Wyeth's works. I am confident that my colleagues will acknowledge the enormous contribution Andrew Wyeth has made to American art. Support the Andrew Wyeth Commemorative Gold Medal.

CONGRESSMAN GILMAN PAYS TRIBUTE TO DR. MARTIN LUTHER KING, JR.—A CONTINUING INSPIRATION TO US ALL

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. GILMAN. Mr. Speaker, this year on January 19, 1987, the Nation will once again take time to commemorate the birthday of one of our Nation's great leaders, Martin Luther King, Jr. I am proud to have supported the gentleman from Texas [Mr. LELAND] through cosponsoring of the legislation to create this national holiday which affords our citizens the opportunity to pause and reflect upon Dr. King's great achievements.

To list all of Dr. King's accomplishments would indeed be a difficult, extensive task; however, we have only to look at the situation in South Africa today, where there is blatant hostility and violence among the races, to appreciate the tremendous impact which Dr. King's activities have had upon this Nation and to realize that we must continually strive to protect and improve upon the situation which exists today in our Nation.

It is our duty to carry on the mission essentially begun with Dr. King's desire to achieve justice and equality through peaceful and nonviolent means. This holiday must, therefore, be not only a time to reflect upon our past, but also a time to look to the future and the changes that must be implemented to further the ideals upon which this great Nation was built: justice and liberty for all.

I would not presume to stand here and pretend that our nation is a utopia of freedom and equality. The current situation in Howard Beach in New York City is a harsh reminder of the conflicts that arise when ignorance and intolerance are allowed to persist. Although I am deeply saddened that this situation still exists in our Nation, I hope that we can learn from this tragic occurrence and continue through education and the examples set for us by Dr. King. For in the words of Dr. Martin Luther King, Jr., "If you can't fly, run. If you can't run, walk. If you can't walk, crawl. But by all means, keep on moving." Let us continue the fine tradition of Dr. King and keep on moving to ensure the perpetuation of Dr. King's ideals both through commemoration of this national holiday and through legislation which reflects the ideals which Dr. Martin Luther King, Jr. strove so diligently to achieve.

Accordingly, I implore my colleagues to encourage our constituents to join in participating in the many parades and activities which will occur in commemoration of the birthday of this great leader, Martin Luther King, Jr., and also to take time to reflect on the many great achivements of this inspirational civil rights leader.

REPEAL THE TAX ON HUMAN POTENTIAL AND OUR NATION'S FUTURE

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. TAUKE. Mr. Speaker, today I have introduced, with my colleagues, Mr. Ackerman, Mrs. Bentley, Mrs. Collins, Mr. Frank, Mr. Garcia, Mr. Gunderson, Mr. Henry, Mr. Horton, Mr. Jeffords, Mrs. Johnson of Connecticut, Mr. Kastenmeier, Mr. Lightfoot, Mr. Martinez, Mr. Miller of California, Mr. Penny, Mr. Perkins, Mr. Roe, Mr. Smith of Florida, and Mr. Whittaker, legislation restoring the deduction for interest on educational loans.

The Tax Reform Act repeals the deduction for personal interest, treating loans for educational expenses in the same way that loans for consumer goods are treated. In effect, that imposes a tax on human potential and our Nation's future, which depends upon a well-educated population. The interest on loans secured by a primary or second residence and used for educational expenses remains deductible, but this provision fails to assist families and nontraditional and graduate students who do not own their own homes.

The legislation we have introduced restores the deductibility of interest on loans for qualified educational expenses, regardless of whether or not the loans are secured by a residence. Qualified educational expenses include tuition, fees, books, supplies and equipment plus reasonable living expenses while away from home for primary, secondary, college, and graduate level education.

We urge our colleagues to join us in sponsoring this legislation.

Thank you for your attention to these comments.

EXPENSIVE BABIES

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. MILLER of California. Mr. Speaker, Medicaid, a major funding source for health care for low-income families, is once again a prime target for the administration's budget axe. The President's budget calls for drastic cuts in Medicaid of $1.25 billion in fiscal year 1988 and $19.5 billion over 5 years, despite the evidence that programs funded under Medicaid, such as prenatal care, save money and lives and contribute to family stability. Research has shown that for every $1 invested in prenatal care for high risk women, $3.38 is saved in the cost of extended neonatal care for a low birthweight infant.

Congress knows the value of this program and has acted on the evidence. Last year, a bipartisan majority expanded Medicaid, at State option, to cover prenatal care for low-income pregnant women and health care for children in families earning up to the Federal poverty level. What we find in this budget is that again, the administration is trying to undo the progress we've made to benefit low-income families.

A recent editorial in the New York Times called attention to the confused priorities inherent in this decision. While the administration proposes to save money in the short run by cutting $85 million from Medicaid payments for family planning, and transferring it to experimental programs, in the long run such policies are costly, as well as cruel.

A panel of experts at the Institute of Medicine has told us that when there are short intervals between births there is a greater likelihood of low birthweight, which is closely associated with infant mortality and the development of serious disabling conditions. They cited family planning programs, which lengthen the intervals between births, as having made a considerable contribution to reducing the infant mortality rate over the past 20 years.

Surely, the administration must see the wisdom in assuring access to family planning programs and prenatal care for low-income women. Mr. Speaker, I would like to share with my colleagues the New York Times editorial calling for a more enlightened and compassionate policy from the President.

[From the New York Times, Dec. 16, 1986]

Expensive Babies

The Reagan Administration budget maker who chose the word "expensive" to characterize low-birth-weight babies was right on the mark. The cost of treating small babies in a neonatal intensive care unit is more than $1,000 a day, and a course of treatment for the smallest of them can run as high as $170,000.

But the Administration would reduce the number of these "expenseive" babies by cutting $85 million out of Federal Medicaid payments for family planning services and putting it toward experimental programs. In brief, it plans to rob Peter to pay Paul.

Low birth weight is not only expensive but dangerous. Three-fourths of all neonatal deaths are related to the condition. Because poverty, extreme youth and poorly spaced pregnancies are among the factors putting a woman at risk of having a low-weight baby, cutting family planning programs seems a strange way to cut infant deaths. The Government's own advisory panel last year recommended more such programs for high-risk women.

Even stranger is the Administration's seeming forgetfulness about its own contribution to the birth of expensive babies. Four years ago it folded maternal and child health programs into a block grant and cut spending 18 percent. It also cut spending for community health centers by 13 percent. If such programs are better funded today, it is only because Congress has voted consistently to increase authorizations in the face of White House resistance.

Few states can boast about their support of prenatal care, either. Many obstetricians refuse to take Medicaid patients because reimbursement rates are so low—less than $300 for prenatal and postnatal care and delivery in West Virginia, for instance. Many women can't afford private insurance and either don't know about or are ineligible for Medicaid.

That so rich a country ranks below at least 12 industrialized nations in the incidence of low-weight babies is embarrassing. That it must spend billions on medical care because it didn't spend millions on prenatal care is foolish.

CAMPAIGN FINANCE REFORM

HON. JOHN R. MILLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. MILLER of Washington. Mr. Speaker, earlier this week I joined with my distinguished colleague from California, Mr. Levine, to introduce the Comprehensive Campaign Finance Reform Act of 1987. This bill would limit campaign spending and restore the balance between PAC [political action committees] and individual participation in congressional elections. This measure would increase public participation in House general elections by providing Federal matching of individual contributions through expansion of the voluntary campaign checkoff system on Federal tax returns. The bill also would impose new and stricter spending and contribution limits on PAC's.

There is an urgent need for comprehensive reform of our campaign finance laws. Campaign spending has skyrocketed out of control, making it more and more difficult to run without enormous "war chests." With the enormous cost of campaigns has come an increasing reliance on PAC's to supply these great sums of money. At the same time, individual contributions have dropped significantly.

In its recent analysis, the Democratic Study Group found that contributions from individuals dropped from 73 percent of total House campaign receipts in 1974 to only 47 percent in 1984. According to the Congressional Research Service, PAC contributions to House candidates from 1974 to 1984 increased from 17 percent of total receipts to 37 percent for all candidates and from 19 percent to 43 percent for incumbents. The average winner spent $289,000 in 1984, compared with $87,000 in 1976. House winners in close races spent an average of $498,000 with successful challengers spending an average of $514,000.

As a result of campaign finance trends, the typical Member of Congress is spending more and more time raising campaign funds and less and less time studying issues or talking with Joe and Mary Mainstreet. Spending some time raising campaign funds is all right—our bill just seeks to make sure there's a balance.

A further result of these campaign finance trends is that the typical Member of Congress spends more and more time with PAC's and single issue groups and less and less time with Joe Citizen. I believe PAC's and single issue groups have their place in our political process, but so does Joe Citizen. Our bill seeks to preserve his role, too.

The bill we are introducing today is based on concepts developed in earlier proposals for public financing of general elections and on the PAC and other restrictions found in the Boren proposal. To this structure we have added some provisions never before—to the best of our knowledge—included in reform legislation of this kind.

The public financing system we propose is both constitutional and fair. While the 1976 Supreme Court decision in Buckley versus Valeo ruled against spending limits in congressional races, it specifically allowed spending limits in Presidential elections if a voluntary public funding system was in place. Thus, public financing provides a method of controlling overall campaign costs while also encouraging small individual contributions and discouraging reliance on PAC's. It also promotes more equal access to the political arena for all candidates, thus countering the trend toward relying on personal wealth and/or interest groups as a prerequisite for political office.

The new system would allow a maximum of $100,000 in individual contributions to be matched. Taxpayer financing would be triggered when the candidate has received $10,000 in small contributions—defined as contributions under $100. The systems would be financed by increasing the current voluntary taxpayer checkoff on individual tax returns, the source of public financing currently provided in Presidential elections. Money raised after January 1 of an election year up to election day would be eligible for matching. This would give leeway to candidates with late primary dates to meet their eligibility requirements by the time they are nominated.

An overall spending limit of $350,000 would be imposed for the general election. This figure was chosen with a great deal of care after reviewing the available data. We believe it represents a realistic spending figure which will help mitigate against incumbent protection. Personal and immediate family campaign expenditures would be limited to $20,000 per candidate in the general election.

The bill adopts several important limits on PAC contributions. House candidates could accept up to $100,000 in contributions per election cycle from all political action committees. PAC's could contribute a maximum of $2,500 per election, as opposed to the current $5,000 limit. We have also added a new provision which would limit the total amount of money which can be contributed by a PAC to all candidates in an election cycle to $500,000. Just as present law limits what an individual can contribute in total, our bill would place such a limit on PAC's, at least with respect to House elections. While PAC's have their place in election financing, we want to make sure that the role of individual citizens is preserved—there must be a balance.

The legislation including a provision to address the growing problem of independent expenditures. If a candidate is the target of advertising through an independent expenditure in excess of $5,000 made either against that candidate or in support of his opponent, additional taxpayer financing would be triggered. This additional financing would equal the amount of the independent expenditure beyond $5,000.

Buckley versus Valeo made limits on independent expenditures unconstitutional. By allowing additional public financing to counter independent expenditures, the candidate who spending is directed against will have the opportunity to respond to it, and the incentive for this type of campaign expenditure will be reduced.

Finally, the bill would address the "soft money" problem by requiring the reporting of money in excess of $1,000 which crosses State lines, even money which is given to State and local committees and candidates.

The term "soft money" refers to election related money raised or spent outside the parameters of the Federal election laws. In recent elections, the national political parties have played an increasing role in directing money which could not be spent in national elections—either because the PAC or individual had reached the maximum limit or because it was corporate or labor money which is prohibited in Federal elections—to State and local political parties and campaigns where such funding is permitted, thereby undermining the spirit of the Federal election laws. Although this money is spend by State parties and campaigns, there is at least an indirect impact on Federal elections.

This spending has become a new loophole without limits. Since "soft money" is a new phenomenon, we have limited our reform to uniform, centralized disclosure; however, further data may suggest other methods for addressing this new loophole.

We believe this bill will go a long way toward correcting many of the abuses and potential for abuse in our current campaign financing system. As more and more PAC's contribute more and more money to congressional candidates and incumbents, the individual, small contributor is losing influence to group interests that all too often focus on a single issue. When this happens, we all lose. For example, over the years Members of Congress have too often voted not to benefit the general public interest of the taxpayers, but to benefit groups or interests. This is one of the major contributing factors to our $200 billion annual budget deficit. If we want to reduce the deficit, we should make sure that Members of Congress are less dependent on campaign contributions from groups and more dependent on campaign contributions from the general public. In fact, I believe with the exception of Gramm-Rudman, this proposal would do more to reduce the deficit than any other measure introduced in this Congress. I believe that it is important to listen to the PAC's and to the single-interest groups, but it is just as important to listen to Joe and Mary Mainstreet. This legislation will restore some much needed balance to campaign financing and rein in the ever-increasing costs of campaigning for Congress.

THE RENAISSANCE OF ONONDAGA LAKE DEPENDS UPON ENACTMENT OF CLEAN WATER ACT'S H.R. 1

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. WORTLEY. Mr. Speaker, in this historic 100th Congress, nothing could be more positive nor more fitting than to introduce H.R. 1 as the first bill for our consideration.

When enacted into law, this legislation to reauthorize the Clean Water Act will endure as a legacy for our childen and our children's children.

The enactment of H.R. 1 will help ensure that generations of Americans will have clean and safe water to drink and bodies of water to enjoy as nature intended, before they become contaminated with pollutants from our society's disregard of environmental protection or simply plain carelessness.

While the administration has proposed a compromise of $12 billion over 8 years to implement provisions of the Clean Water Act as compared to the $18 billion earmarked by H.R. 1, we must not succumb to the White House blandishment. We cannot afford to compromise America's environmental future and place an unconscionable burden on generations to come, to finish the cleanup of our lakes and streams.

Passage of H.R. 1 is essential for the improvement of the quality of life in my 27th Congressional District of New York State. Health and safety, recreation, and very importantly, jobs-intensive economic development depend upon enactment of the legislation we are introducing today.

The Environmental Protection Agency has identified 34 bodies of water in the Northeast and Midwest that are unacceptably contaminated with pollutants. Among these 34 is Onondaga Lake which is located near the center of metropolitan Syracuse.

Historically, Onondaga Lake has been a vital resource for the people of central New York. It was a center of industrial activity, including the salt industry, which flourished on its shores. More recently, the Allied Chemical Corp. was a major employer along the lake. Now, Allied is closed. Over 1,400 employees were displaced, but, despite both the loss of jobs and the despoilment of the lake, contributed by Allied operations, Onondaga Lake remains an outstanding resource for overall community betterment, including both economic, recreational, and cultural development.

The Syracuse Partnership, a coalition of leaders in the Greater Syracuse area, already is polishing a master plan for development in the lake's shoreline and adjacent areas. These include sites for a light industrial office park, marinas, restaurants, residential development, commercial expansion, a transportation center, a theme park, a trail extension, and an expansion of New York State's fairgrounds facilities.

In Syracuse, we have a vision of the renaissance of Onondaga Lake, the 4.5-square-mile body of water within our community. Now an ugly duckling, we are making plans for a beautiful lake where swans swim and fish thrive and our citizens enjoy and secure rewarding employment.

But before we make our visions realities, we must clean up the lake. Enactment of H.R. 1, which we are introducing today, will enable us in central New York to fashion such realities.

As the Representative of the 27th Congressional District, I can think of no greater opportunity than to be an original cosponsor of this legislation and to cast my vote for its passage.

TIME TO REEXAMINE THE GRACE COMMISSION

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. DREIER of California. Mr. Speaker, as we begin to consider the fiscal 1988 budget, we will soon revisit many of the familiar old battles pitting one program against another. Last year, our lack of priorities led to the termination of only one program, and deficit reduction of only $12 billion. This year we will need to enact roughly five times that amount in deficit cuts to meet the Gramm-Rudman target; thus our task will be certainly no less difficult.

One type of Federal spending has no constituency, however, and it should again be our first target. With the budget now over $1 trillion, we are painfully aware that a great deal of Federal money is still simply wasted through poor management. We are not being fair to the taxpayers if we do not make every effort to save money through cutting waste before even considering any cuts in essential Federal programs.

Nearly 3 years ago, the President's Private Sector Survey on Cost Control, better known as the Grace Commission, released 2,478 suggestions on how money could be saved through managing specific functions better. Many of those proposals have been adopted; in fact, about 80 Grace initiatives were adopted during the last Congress, saving an estimated $33 billion over 4 years.

Unfortunately, many Grace proposals have not been properly reviewed by Congress, and others may have become obsolete. The bottom line is that we should, once and for all, take a good hard look at the remaining Grace proposals before their potential savings slip away.

Today, along with 32 of my colleagues, I am introducing legislation directing all standing committees of the House to do just that: to review those Grace proposals within their jurisdiction, and determine their potential for enactment and deficit reduction.

I would hope all Members will join us in taking a fresh look at the most extensive report available on better managing the Government. I believe it is crucial to show the taxpayers that Congress not only seeks to spend less money, but to spend it more wisely. It is difficult to oppose better management.

DISTRIBUTION OF SURPLUS CHEESE

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1986

Mr. VENTO. Mr. Speaker, today I am introducing a bill which I previously introduced in the 99th Congress to improve the Temporary Emergency Food Assistance Program [TEFAP]. This legislation would provide for a substantial reduction in Government storage costs while, at the same time, releasing cheese to feed hungry people.

A recent report by the U.S. Conference of Mayors indicated that well over half of the emergency food centers included in the study had to turn people seeking food assistance away. With 600 million pounds of surplus cheese sitting in Government storage, there is no justifiable excuse for turning hungry people away from empty food distribution sites.

Mr. Speaker, the legislation I introduce today will respond to the needs of our Nation's hungry and at the same time will save taxpayers' dollars. The U.S. Department of Agriculture is storing, transporting, and reprocessing the 600 million pounds of surplus cheese at the expense of U.S. taxpayers. Storage alone costs taxpayers almost $50 million.

We have before us an opportunity to address the needs of the hungry, to save taxpayers' dollars, and to help struggling dairy farmers. In adopting my legislation, we assure struggling dairy farmers a market for their product, and, at the same time, we assure struggling poor families of a quality source of protein. The Commodity Credit Corporation [CCC] has received strong support in the past from both rural and urban Members of Congress because of the dual purpose it serves—providing a guaranteed market for the farmer's product, while, at the same time, generating commodities for schools, institutions, food banks, and food shelves.

I understand the need to spend Federal dollars to purchase these commodities. What I do not understand is spending taxpayers' dollars to transport, handle, and store 600 million pounds of cheese for a number of years and I do not understand spending taxpayers' dollars to reprocess the cheese to prevent it from rotting because it is stored for an average of 2.5 years. Meanwhile, thousands of Americans are undernourished and many food distribution sites are running out of cheese before all individuals that qualify for the program have received their allotment.

This legislation would amend the Temporary Emergency Food Assistance Act by requiring that excess cheese held by the CCC be made available to any State at the request of the Governor. There is general agreement that, if the individuals receiving TEFAP commodities are truly in need, commercial sales will not be displaced. This legislation requires that the Governor document the need for additional surplus cheese before the commodities are released.

I invite your cosponsorship of this legislation. The text of the bill follows:

H.R. —

A bill to amend the Temporary Emergency Food Assistance Act of 1983 to require that excess cheese held by the Commodity Credit Corporation be made available, at the request of the chief executive officer of a State, upon a showing of need, and without charge, for distribution by eligible agencies in the State.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by inserting after sections 202 the following new section:

"AVAILABILITY OF CCC CHEESE

"SEC. 202A. Notwithstanding any other provisions of law, cheese acquired by the Commodity Credit Corporation that is in excess of quantities needed for the fiscal year to carry out a payment-in-kind acreage diversion program, maintain United States share of world markets, and meet international market development and food aid commitments, shall be made available by the Secretary of Agriculture (hereinafter in this Act referred to as the 'Secretary'), at the request of the chief executive officers of the various States, upon a showing of need by such officers, and without charge or credit in such fiscal year, in a useable form, for use by eligible recipient agencies in such States.".

MRS. STONE RECEIVES SCARSDALE FOUNDATION AWARD

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. DIOGUARDI. Mr. Speaker, I am privileged to rise today and pay tribute to one of Scarsdale's finest citizens, Mrs. Jean Lawson Stone. I must admit, I am not alone in recognizing this amazing woman.

On Wednesday, January 14, 1987, at the Crowne Plaza Hotel in White Plains, NY, Mrs. Stone will be presented with the Scarsdale Bowl by the Scarsdale Foundation. Each year, the foundation bestows this award upon one citizen for their outstanding voluntary service to the community. I commend the Scarsdale Foundation for this year's selection.

Her credentials are impeccable as both volunteer and civil servant. As the mayor of Scarsdale from 1981 to 1983, Mrs. Stone presided courageously and with integrity over a number of controversial issues all the while making herself accessible to the citizens of Scarsdale. Prior to her tenure as mayor, she served several terms as a village trustee.

Among other positions, Mrs. Stone has participated in local and county organizations in the following capacities: president of the Village Club, a member of the boards of directors of the Scarsdale League of Women Voters and the Scarsdale Woman's Club, president of the Heathcote Association, vice chairman of the Scarsdale Environmental Council and a member of the Westchester County Environmental Council, a director of the Senior Personnel Employment Committee of Westchester, and a director of the Scarsdale Open Housing Association.

Currently Mrs. Stone serves the community as a board member of the Burke Rehabilitation Center, the Mental Health Association of Westchester, the Village Club, and Rollins College in Florida. Mrs. Stone is also a member of the Village's board of ethics, the Westchester County Criminal Advisory Board, the procedures committee of the Westchester Volunteer Bureau of the United Way and the halfway house committee of the New York Hospital-Cornell University Medical School. Recognizing Mrs. Stone's exceptional record on voluntarism, President Reagan appointed her to the Presidential Advisory Committee to ACTION, a national volunteer agency.

Mrs. Stone has given generously of her time and energy to the Scarsdale community. I am sure that Mrs. Stone's husband, Donald, and their four children, Todd, William, Amy, and Kate, are proud of her accomplishments. We in Westchester are privileged to claim Mrs. Jean Lawson Stone as a resident of our community, and we join the Scarsdale Foundation in acknowledging her efforts in making Westchester a better place to live.

IN COMMEMORATION OF THE ANNIVERSARY OF THE PROCLAMATION OF UKRAINIAN INDEPENDENCE ON JANUARY 22, 1918

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. BROOMFIELD. Mr. Speaker, I would like to offer my support in commemoration of the anniversary of the proclamation of Ukrainian independence on January 22, 1918.

We commemorate, today, the proclamation of Ukrainian independence not just as a notable historical event, but also as an active and important cause, which the Ukrainian people continue to pursue. It is a cause which is common to many people in our world, the struggle to free themselves from the yoke of Soviet oppression. We must not allow the world to forget the millions of Ukrainians ensnared in the Soviet police state.

Our efforts to preserve the memory of Ukrainian independence pale in comparison with the sacrifices of those who, both past and present, have resisted the persecution of their Soviet oppressors to defend the culture, religion, and freedom of the Ukrainian nation.

As we approach the bargaining table in the context of the numerous negotiations between our Nation and the Soviet Union, we must keep in mind that the United States cannot accept the status quo of Soviet imperialistic gains. It is the duty of the free and democratic countries of the world to sustain the flame of independence for the Ukrainian people.

I urge my colleagues, and the American people, to join in commemorating the proclamation of independence of the Ukrainian people. We should all take a moment to remember that those freedoms which we cherish so much are denied to many around the world.

AMERICA'S OLDEST LIVING RHODES SCHOLAR, WARREN ORTMAN AULT, HONORED

HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. SLATTERY. Mr. Speaker, I rise to pay tribute to an outstanding native Kansan who today celebrates his 100th birthday.

America's oldest living Rhodes Scholar, Warren Ortman Ault, was born in Lenexa, KS, on January 8, 1887.

He received his undergraduate education at Baker University, in Baldwin City, KS. From there, he went to Oxford University as a Rhodes Scholar. After serving as a second lieutenant in the field artillery during World War I, and receiving his Ph.D from Yale, he served for 38 years as a history professor at Boston University, chairing the department and holding the William Edward Huntington Professorship. During his career, Professor Ault has authored many distinguished scholarly books and articles concerning European history.

Professor Ault truly is an outstanding man of letters. His record of service and scholarship is a source of pride and inspiration to all Kansans. I join with the faculty and staff of Baker University in wishing Warren Ault a happy and healthy 100th birthday, and we hope he will see many more.

THE REYKJAVIK TALKS: PROMISE OR PERIL

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. FASCELL. Mr. Speaker, the administration's arms control agenda today remains essentially what it was on October 12 of last year. Then we watched an exhausted and disappointed Secretary of State relate to the world the potential agreements which President Reagan and General Secretary Gorbachev negotiated at Reykjavik. Are we more secure today than on that fateful weekend in October when the world caught its breath? I fear not. The reason lies with the possible and the surreal in the arms control process. At Reykjavik the United States and the Soviet Union almost achieved the possible, but squandered it with surrel visions of a disarmed world.

In the last 3 months, neither superpower has budged. We need to understand why, and to do that we need to know what happened at Reykjavik. After 3 months of briefings, speeches, press conference, and further talks between the superpowers, all fueling extraordinary media blitzes by both sides, the administration has rested its case. The evidence is in. Nevertheless, we are still living with the suspended animation of the talks in Reykjavik, wondering what can be salvaged from the promise and peril of the ambitious proposals tabled there. It's time for the American people to take a cold, calculated look at the Reykjavik talks.

Mr. Speaker, as chairman of the Committee on Foreign Affairs and its Arms Control, International Security and Science Subcommittee, I am releasing today a subcommittee staff report entitled, "The Reykjavik Talks: Promise or Peril." The report examines what happened at Reykjavik and sets forth some of the concerns which have emerged following the talks. Five main issues in arms control are reviewed: the reduction of strategic nuclear forces, the reduction of intermediate-range nuclear forces, the regulation of space and advanced strategic defense, limitations on nuclear testing and the overall linkage of any agreements on these issues. All of these were the subject of negotiation at Reykjavik. I highly recommend the staff report to my colleagues as a comprehensive, authoritative record of the Reykjavik talks based on the public record and as a guide for future negotiations.

Mr. Speaker, I have reached some conclusions about the arms control proposals tabled at Reykjavik.

First, achievable, realistic understandings emerged from the Reykjavik talks. The list is impressive:

Reduction within 5 years of strategic nuclear delivery vehicles to a total number of 1,600 for each side;

Reduction within 5 years of nuclear warheads—including air-launched cruise missiles—to a total number of 6,000 for each side;

Soviet acknowledgment that significant cuts would have to be made in their ICBM's;

Agreed counting procedures for bombers;

Total elimination of long-range INF in Europe and a global ceiling of 100 long-range INF for each side;

A freeze on Soviet short-range INF in Europe;

General Soviet agreement to INF verification procedures;

A 10-year nonwithdrawal period for the Anti-Ballistic Missile Treaty; and

A tacit understanding to move forward on negotiations to limit nuclear testing.

I am not convinced that these understandings were doomed to achieve only potential status at Reykjavik or later at the negotiating table in Geneva. Each one represents a concrete opportunity to move forward in the arms control process. But neither the Soviet nor American delegations at Reykjavik knew how to stop their roller-coaster surge toward fantasyland. They forgot that arms control is an incremental process, one that demands the utmost responsibility of world leaders to search and probe for the possible, rather than the improbable. Potential agreements must not be mistaken for treaty law. The former may make a headline, but the latter obligates performance. In this respect, Reykjavik will represent for years to come the failure to know when to stop, when to cut a deal for the betterment of mankind.

Second, the absence of modest but real agreements at Reykjavik means that these achievable objectives have been held hostage to ill-considered, unachievable proposals stubbornly advanced by either side at Reykjavik. The United States conditioned its compliance with the ABM Treaty for 10 years with a demand that both sides eliminate all of their strategic offensive ballistic missiles within that 10-year period and that each side comply with the administration's revisionist interpretation of the ABM Treaty. The Soviet Union countered with its own surreal proposal. General Secretary Gorbachev demanded that both countries agree to the total elimination of all nuclear weapons within 10 years, and, without explaining what he meant, insisted that research, development, and testing of an advanced strategic defense system be confined to the laboratory during that period. He also linked an agreement on any of the issues at Reykjavik with agreements on all of the issues—a certain way to kill whatever may have been achieved at Reykjavik.

It is inconceivable to me that any American negotiator would seriously propose disarming the United States of its entire ballistic missile arsenal within 10 years. As the staff report points out, the strategic imbalance that might result raises fundamental questions for which we in Congress have yet to hear satisfactory answers from the administration.

The American delegation to Reykjavik also tabled what the Soviets were certain to reject, and certain to launch a counterattack against—the administration's revisionist interpretation of the ABM Treaty, which the Congress has not adopted. In fact, we have made it crystal clear to the administration, and Secretary of State George Shultz acknowledged on October 14, 1985, that the traditional interpretation of the ABM Treaty is the operative interpretation. It was therefore disturbing to see President Reagan invoking at Reykjavik what could only be his revisionist interpretation of the treaty as the cornerstone of an arms control agreement with the Soviets. Under these circumstances, the 100th Congress may have to hold further hearings to reconfirm that this country is complying and intends to comply with the traditional interpretation of the ABM Treaty.

Equally disturbing is the President's acceptance, if only briefly, of the Soviets' mythic proposal for the elimination of all nuclear weapons in 10 years. This apparently happened at Reykjavik, even though the Warsaw Pact's massive conventional forces would leave the West exposed to unacceptable risks to its security, and even though there appears to have been no discussion about what to do with other nuclear weapons states, such as the United Kingdom, France and the People's Republic of China.

Although the Soviet delegation was shortsighted not to explain what it meant by restricting research, development and testing of a strategic defense system to the laboratory, the Soviet demand is hopefully a beginning point for further negotiations and should not become an excuse to abandon future negotiations. Many have asked this question but gotten no answer from the administration: Why didn't the President propose that the issue of strategic defense research, development and testing be handed over to a group of experts following Reykjavik for further discussion and clarification, rather than engaging in the simplistic charge that the Soviets were trying to kill SDI? There is room for negotiation on this issue, especially if the United States has any intention of complying with the traditional interpretation of the ABM Treaty. Whatever point President Reagan was trying to make with this performance in the final hour of the Reykjavik talks, I hope historians years from now will not record that he killed achievable, unprecedented arms control proposals by failing to recognize, at a critical moment in history, the important role experts could play in shaping a responsible position on SDI.

Third, I am now more concerned than ever before about the purpose of SDI. Before Reykjavik, I thought we had all agreed that SDI was a research program to determine whether an advanced strategic defense system was scientifically and technologically possible, whether it was deployable, and whether it would do the job of protecting this country from a ballistic missile attack by the Soviet Union. At Reykjavik, that logic was turned upside down, in ways which I think are dangerous for the national security. In Hofdi House SDI was suddenly transformed from a research program into a deployable defense system, one that does not yet exist. The American delegation negotiated as if SDI were a certainty. The elimination of America's most important deterrent, its ballistic missile arsenal, was almost bartered away for a presumption, and only a presumption, that SDI not only could be deployed, but that it would work. The administration argued for the deployment of SDI only after the elimination of all ballistic missiles, the very threat SDI is being developed to counter, at a projected cost of over $100 billion of taxpayers' money. U.S. officials reasoned we would need SDI to protect against Soviet cheating and the stray missile that a madman might hurl at us. Evidently, no one thought to mention that land-based strategic defenses, at substantially cheaper cost, might do a better job, or that verification of Soviet compliance must remain a top priority.

Mr. Speaker, let me emphasize that SDI is nothing more, at this moment, than a hypothesis, an unknown x on a piece of paper. To bargain away this Nation's deterrent shield today for nothing more than a hypothesis that SDI will be cost-effective, deployable and workable sometime in the future, certainly not in 10 years, would be the height of folly.

Fourth, I was particularly disturbed at the muddled outcome of discussions at Reykjavik on nuclear testing. Is there an understanding that talks will soon commence on limiting nuclear testing? Your guess is as good as mine. Despite the administration's longstanding opposition to limits on nuclear testing, the 100th Congress must hold the administration accountable to its agreement with the Congress on October 10 of last year to submit to the Senate for ratification of the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty. Nor should the administration be permitted to let whatever was discussed at Reykjavik simply fade away while more tests are conducted in the Nevada desert. We must build upon the discussions at Reykjavik to move the Soviet Union and the United States toward nuclear test talks, including the all-important objective of resuming talks on a comprehensive test ban agreement. The 100th Congress may well have to act again on the testing issue to ensure that the administration understands our concern in this vital area of arms control.

Fifth, in the weeks immediately following the Reykjavik talks, the White House stage-managed more than 100 media events by administration officials to explain what happened at Reykjavik. But U.S. officials contradicted each other, some were clearly ill-informed, and others withheld vital information behind the guise of full disclosure until they were compelled to explain in more detail to the American people just what went on in Hofdi House.

Media blitzes and spin factories are no substitutes for the hard business of arms control. The stalemate since Reykjavik proves that point. The confusion that reigned after Reykjavik has led to acrimonious, long-distance exchanges between Soviet and American officials about what had or had not been agreed to at Reykjavik. A joint communique at the end of the Reykjavik talks could have gone a long way in preventing the post-Reykjavik media fiasco. If the American delegation concluded in the closing hours of the Reykjavik talks that the negotiations had gone far beyond their original intentions, and that it was imperative to cut them off, then a joint communique may not have been advisable. In that case, however, the administration never should have conducted the media blitz it waged to hype the potential agreements. Public relations, rather than arms control, appeared to be the higher priority. Hopefully, that will not be the case in 1987.

In conclusion, Mr. Speaker, we need to build on the achievable understandings which emerged from Reykjavik, and leave far behind those which not only are unrealistic, but endanger the national security of this country and the security of our NATO allies. I applaud the historic understandings President Reagan negotiated at Reykjavik on drastic reductions in strategic nuclear weapons and intermediate-range nuclear forces. But we must use the considerable talent among our negotiators in Geneva to probe for ways to achieve those proposals tabled at Reykjavik which are both wise and achievable, without neglecting the security needs of NATO and of this country. Reykjavik can go down in history either as the beginning of a realistic reduction in nuclear armaments, or as the collapse of the arms control process. The 100th Congress will strive to work with the administration to pursue the former and avoid the latter.

"COMPREHENSIVE TRADE POLICY REFORM ACT OF 1987"

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. GEPHARDT. Mr. Speaker, as we begin this historic 100th Congress, we face a difficult challenge: the unfinished business of moving America ahead to face unprecedented international trade challenges, which pose as serious a threat to our Nation's future as any that previous Congresses have faced.

The shadow of our record trade deficit, now anticipated at $170 billion for 1986, has darkened America's horizon for an unforgivable period of time. Eight months ago, this House passed the Trade and International Economic Policy Reform Act, a bipartisan bill which presented an activist, comprehensive strategy to face the problem of restoring America's competitiveness. The bill's provisions would have: provided speedier and more certain consideration of assistance to trade-battered industries; created a war chest to help American exporters to respond to unfair predatory credits offered by other countries; provided the President with unprecedented authority to negotiate reduced trade barriers with our trading partners on a multilateral basis through the GATT; allocated $1 billion to retrain American workers hurt by foreign competition and expand education in basic literacy, vocational training, math, science, and foreign languages; aligned the dollar more competitively against foreign currencies; forced foreign countries to respect American copyrights, patents, and other intellectual property; made the debt situation of key developing countries more manageable, thus permitting them to resume importing from the United States; required the administration to negotiate with, and if not successful, act against surplus trading partners who engage in unfair trading practices which close their markets; and formed a Council in Industrial Competitiveness to develop a national consensus on policies among business, labor, government, academia, and public interest groups.

In contrast to these pragmatic measures, the administration adopted a policy towards our pressing trade problems which could be best described as benign neglect. We were told that there was nothing the Federal Government could do about the problem, or that the problem was ephemeral and would vanish once the dollar's value declined.

This has not happened. Since the legislation was passed by the House and resisted by the administration, our trade deficit has grown to a monthly average of $15 billion. To put this deficit into perspective, prior to 1983, no country in history ever topped this record for an entire year. And while the administration continued to stonewall, the American trade deficit set a new record for futility in November: $19.2 billion.

Meanwhile, more automobile workers have been laid off; more farm equipment businesses have closed down; more high-technology manufacturers and agricultural producers have found foreign markets closed by unfair trade practices.

This situation has a fundamental impact on our national security, our economic future, and our self-image as a nation. We have watched America transformed from the world's largest international lender to its largest debtor; we have watched American workers turned out of factories and into jobs in fast-food restaurants; we have watched Americans begin to doubt their ability to meet foreign competition.

We must act to reverse these trends, and we will act. This comprehensive trade legislation, which renews the measures approved by the House last year, provides a starting point for a new bipartisan effort to enhance America's ability to compete. We welcome recent signs that the administration has reversed its position of resistance, and has pledged itself to working with Congress. We appreciate the administration's belated acknowledgement that not all trade legislation merits the knee-jerk label of protectionism.

Trade deficits are not a partisan issue; they are a national challenge. We need action now, not empty rhetoric. If we fail to act, we risk the continued loss of jobs, reduced industrial and agricultural capacities, and a lowering of the standard of living for all Americans. This is a legacy we must refuse to pass on to our children.

OIL AND WATER

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. STUDDS. Mr. Speaker, the fisheries resources on Georges Bank, off the coast of New England, have helped feed our Nation—and many others—for centuries. Continuing debate over proposals for oil and gas exploration in this area must focus on the importance of Georges Bank's fishing grounds. To this end, I commend to my colleagues the following editorial, which appeared on December 5, 1986 in the Vineyard Gazette on Martha's Vineyard:

OIL AND FISH AND INSANITY

The Vineyard may only wonder—perhaps despair is a better word—at the insanity of yet another collision over the future of Georges Bank.

We are talking about the richest fishing ground in the world, a ground already in serious trouble, with catches sharply down and a domestic fishing industry belly up, the way fish float after a kill. Georges Bank is the lifeblood of the domestic fishing industry and that industry and the Vineyard and the rest of New England are synonymous. We are talking about giant oil companies and a renewed interest in Georges Bank waters they consider their playground for exploratory drilling.

By their most optimistic estimates, the experts agree the oil companies, if they strike it rich, will find only enough oil and gas on the fishing grounds of Georges Bank to fuel this nation for 25 days. Georges Bank has fed this nation and many others for centuries and will continue to do so only if these fisheries, an international treasure, are managed properly. The food of these waters is not a disposable resource, like a styrofoam cup, to be replaced once it is destroyed.

The timing of this new battle is dreadful. The arguments to drill for oil and gas and thus to risk or even threaten the fishing grounds of Georges Bank make no sense. But the federal government nevertheless tells us and the oil companies it is now open season for bidding on what is called lease sale 96, an area of water for drilling with boundaries as close as 55 miles to the Vineyard. An Island fishing boat leaving Menemsha at lunchtime would reach the edge of oil lease sale 96 in something over five hours, by dinner and before sunset—hopefully before the domestic fishing industry is dead.

Meanwhile, a U.S. government spokesman reports the only reason for delay in lease sale 96 is the market conditions of the oil industry. Canada Texaco announces it hopes to begin exploratory drilling on the Canadian side of the Georges Bank boundary next spring. What about the market conditions of the fishing industry?

Against this murky backdrop, a recent state report warns the future of the fishing industry in Massachusetts is grim; that catches of key species such as cod, flounder and herring are dramatically down through 1985, as much as 25 to 30 per cent; that statistics for this year are expected to be worse; that operating expenses for the domestic fishing fleet are way up, 300 per cent for insurance; that U.S. fishing boats are going on the auction block; that foreign fish imports from abroad are replacing the livelihood of American fishermen at home.

So what are we talking about, the selling of a long future of fish for food on Georges Bank for 25 days of fuel for profit in oil company coffers?

All oil drilling on the Bank must stop. What is needed now is the appointment of a national presidential commission to study the future of fishing on Georges Bank and to do so quickly and with a single clear goal—the protection of a resource this country and the rest of the world can ill afford to lose.

WHY CALIFORNIA'S PROPOSITION 63 WAS PASSED

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. SHUMWAY. Mr. Speaker, yesterday's Washington Times carried a very thoughtful letter to the editor, "Why California's Proposition 63 was passed," authored by the director of west coast operations for U.S. English. The letter points out that the overwhelming success of the initiative to declare English California's official language was a positive litmus test for national sentiment in this regard.

I will soon be reintroducing the so-called English language amendment [ELA], designating English as our national language. Thus, I commend the attached letter to my colleagues' attention and urge them to join with me in sponsoring this needed measure.

The letter follows:

In the wake of the landslide victory for Proposition 63 in California, I am frequently asked to assess the significance of the vote and predict what passage of the English Language Amendment means for California and the rest of the nation.

California became the first state to declare English its official language by a citizens' initiative and the second to do so by constitutional amendment, Nebraska being the other. Georgia, Illinois, Indiana, Kentucky, Tennessee, and Virginia have made English their official language by action of their legislatures.

The chief significance of the California vote lies in the sheer magnitude of approval. The 73.2 percent vote for Proposition 63 is clear evidence that the public is aware of the erosion of English and wants our common language safeguarded by law. This cannot be passed off simply as a sentiment peculiar to Californians. The 3-to-1 approval ratio strongly suggests that an initiative to declare English the official language would win in any state in which the issue were allowed to come before the voters.

Nationally, the ELA victory was widely reported and commented upon in the media. The fact that the measure won in every county in California, that it attracted a majority in all major political groups (Republicans, Democrats, and Independents), and that many language minority voters supported it, did not go unnoticed.

These indications of broad-based support will encourage citizens and politicians in other states to follow California's lead. U.S. ENGLISH—the Washington, D.C.-based membership organization leading the movement to win official protection for English—has had numerous requests from state lawmakers for assistance in introducing legislation in their states. In fact, the momentum generated by the California landslide is such that some 30 to 35 bills for the protection of English will be introduced in 1987.

The amendment will not cause upheavals in California nor inconvenience people in their daily lives. As before, anyone will be free to use any language. State government, however, is expected to eliminate the practice of printing ballots in other languages (except as required by federal law). It is also expected to initiate needed reforms in our state's bilingual education system. With this amendment now on the books, we have faith that state legislators and officials will live up to their responsibilities under the new law.

As former U.S. Sen. S.I. Hayakawa, the honorary chairman of U.S. ENGLISH and the California English campaign, has observed: "The English Language Amendment is a form of insurance that Californians will remain united by one language, not divided by two."

THE ADMINISTRATION'S ANTIHOMEOWNERSHIP POLICIES

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. MANTON. Mr. Speaker, President Reagan's budget proposal for fiscal year 1988 would impose new user fees on Federal mortgage programs and dramatically increase down payment requirements for FHA insured mortgages. This is not the first time the Reagan administration has made such proposals. Since coming to office, the Reagan administration has worked tirelessly to undermine the Federal Government's historic commitment to promote homeownership. Although Congress has repeatedly rejected these proposals, the Reagan administration appears to be undaunted in its effort to wipe out the dream of homeownership for millions of young American families.

Under the President's fiscal year 1988 budget, the down payment for an FHA insured loan would be increased from 3 percent to 5 percent for a family earning over $40,000. Furthermore, closing costs for FHA mortages would no longer be financed and would have to be paid for at the same time as the down payment. As a result, the cash needed to purchase a $70,000 home with an FHA insured loan would double from $5,000 to $10,000. Given the fact that the primary benefit of the FHA Mortgage Insurance Program is to make homeownership possible for young families that do not have vast cash reserves, these proposals would effectively kill this highly successful Government program.

Furthermore, there is simply no need to increase FHA user fees and down payment requirements. For over 50 years, FHA has operated its homeownership programs at no cost to the Federal Government. Program administration costs, as well as forclosure claims, are completely covered by existing mortgage insurance premiums.

In addition to the administration's plan to dismantle the Federal Housing Administration, the President's budget would also impose drastic new user fees on the Government National Mortgage Association which finances FHA and VA loans. These increased fees would be passed on to prospective home buyers. Furthermore, both Fannie Mae and Freddie Mac, federally sponsored secondary mortgage market institutions, would be sold to the private sector.

The administration's latest attack on homeownership comes at at time when mortgage rates are at their lowest point in more than 10 years. Although these low rates have opened the door for many families who may have not been able to afford a new home just a few years go, the administration's budget proposals would slam this door shut. President Reagan is fond of reminding the American people of the benefits associated with lower interest rates. Yet, at the same time, the administration is seeking to deny those same benefits to millions of young families trying to buy their first home.

Mr. Speaker, I urge my colleagues to once again reject the administration's anti-homeownership budget proposals and to reaffirm the Federal Government's commitment to homeownership.

H.R. 2—THE SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT OF 1987

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. ROSTENKOWSKI. Mr. Speaker, I take this opportunity to inform my colleagues that the Committee on Ways and Means on Tuesday, January 6, 1987, approved an amendment which would provide for the extension of the highway trust fund. It is the committee's intention to offer this amendment as a separate title V to H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987. The Committee on Ways and Means amendment is necessary to continue the funding for this authorizing legislation.

I wish to serve notice, pursuant to the rule of the Democratic Caucus, that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration of this title by the House of Representatives.

A BALANCED FEDERAL BUDGET

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. COLEMAN of Missouri. Mr. Speaker, while the 99th Congress passed the Gramm-Rudman legislation to reduce and eventually eliminate the Federal deficit, it also passed the largest spending bill in history. The President has just submitted to the 100th Congress the first trillion-dollar budget. Though the President's budget proposal falls within the $108 billion deficit target for fiscal year 1988, it is clear that we are far from bringing Federal spending, and the accumulated Federal debt, under control. The American people feel this should be Congress' first priority.

That is why I am again introducing, as I have each Congress since I first came to Washington, a resolution calling for a constitutional amendment to require a balanced Federal budget. This amendment provides that appropriations made by the United States shall not exceed its revenues except in times of war or national emergency. At such times, this provision may be suspended by a three-fourths majority vote of Congress. Significantly, this measure also provides that there shall be no increase in the national debt, and that our debt—whose interest alone may cost 14 cents out of every budget dollar in fiscal 1988—shall be repaid over a 100-year period.

Every year, on economic opinion polls and surveys, the citizens of the Sixth Congressional District of Missouri share with me their deep concern for the fiscal irresponsibility demonstrated by the Federal Government. They believe Congress has the authority and the responsibility not only to control Federal overspending, but also to ensure that the future of our country—the future of our children—is not mortgaged away by an enormous Federal debt. I urge my colleagues here in the House to support the resolution I have introduced today.

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. ORTIZ. Mr. Speaker, I rise today in support of the resolution to reconstitute the Select Committee on Narcotics Abuse and Control for the 100th Congress.

I learned firsthand of the drug abuse problem as a sheriff back in Texas. There I saw a need for a comprehensive plan to remedy the problem—a plan that would address the needs of treatment, education, prevention, research, and overseas eradication efforts.

The Select Committee on Narcotics Abuse and Control served as a valuable resource to committees which worked together during the last Congress to draft the "Anti-Drug Abuse Act of 1986." I am proud to have served on this select committee during the past two Congresses and look forward to continued service during the 100th Congress.

The select committee's unique jurisdiction and its accumulated expertise concerning the drug abuse industry will help the House maintain its leadership role in drug abuse prevention and control.

UNITED ACTIVITIES UNLIMITED CELEBRATES 10TH ANNIVERSARY

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. MOLINARI. Mr. Speaker, I rise to pay tribute today to an organization that has become well known to my community—United Activities Unlimited. UAU will be celebrating its 10th anniversary on January 18, 1987.

Ten years ago, a number of very special citizens banded together to fashion a program that would give our young people a place to go in the evenings. Almost every community on Staten Island was constantly complaining about large groups of young people "hanging out" in front of stores and in residential areas. By their sheer numbers the teenagers intimidated residents. Volunteers spoke to the youth and found out they were "hanging out" because there was no other place to go.

After many meetings, the first evening center was opened at Egbert Junior High School on a bitter January evening. Despite the temperature of 0°, 400 teenagers came to the center. A rather remarkable phenomenon then occurred, even though the center was only opened two evenings a week, the "hanging out" problem seemed to disappear.

The formula for success quickly became known and the voluntary group desperately sought out funding to open other centers in areas of need.

In the beginning, there were no paid personnel and only the strength and commitment of those very special people—some of whom are still involved 10 years later—was the program able to start and flourish. Today, UAU can proudly boast of a total of 19 evening centers and 3 summer day camps. There are also afterschool recreation programs and summer camp programs for developmentally disabled teenagers. They now receive substantial funding from a variety of sources who recognize the very special contribution UAU has made.

Initially, emphasis was on sporting activities, band concerts, and the like. Soon after, there were remedial courses offered to students who needed help and a variety of instructional programs: Photography, music, art, auto repair, printing, and many others. UAU sought out young people to learn what type of programs they were looking for in order to give them an alternative to being on the streets. This is a proud achievement that could happen in any town or community. In this case, it was in the borough of Staten Island, New York City.

Special plaudits must be given to the original board of directors of UAU: Robert Gigante, Michael Petrides, Dorothy and Fred Schoppmann—both of whom are still active members of the board—Dorothy Brower, Edith Dockter, Arnold Raffone, Lou Caravone, William Smith, George Hartigan, Lorraine Sorge, and Harold Otterbeck. A very special salute must be given to Robert Burrowes, now deceased. Bob Burrowes was a New York City policeman who volunteered night after night to teach our young people photography—including some teenagers who were in drug rehabilitation programs. He was uniquely qualified and his classes were well attended. While alive he never received the credit that was justly due for his dedication. He was simply a New York City policeman who wanted to help keep kids off the street and out of trouble.

I am proud to have worked alongside the men and women who have participated in this program. It has been rated by the New York City Youth Board as one of the most effective youth programs in all of New York City. There is no way of compensating the volunteers for their incredible achievement. We can, however, memorialize their efforts by paying tribute to them in the CONGRESSIONAL RECORD and giving them the recognition they so richly deserve.

CRWRC CELEBRATES 25TH ANNIVERSARY

HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. HENRY. Mr. Speaker, I would like to call the Members' attention to the 25th anniversary of the Christian Reformed World Relief Committee, the world relief agency of the Christian Reformed Church of North America. While the Christian Reformed Church is relatively small in comparison with some of the larger American protestant bodies, its achievements through this agency are well known across the globe.

In its beginning in 1962, the Christian Reformed World Relief Committee focused largely in the area of disaster relief in the countries of Taiwan, the Philippines, and Korea, and in the American Territory of Guam. It also pioneered adoption programs for Korean orphans through which several thousand Korean children have been placed with American and Canadian families.

By 1965, disaster relief efforts were expanded toward long-range developmental support programs not only in those countries, but in Bangladesh, Haiti, Mexico, Niger, Nigeria, and the Central American countries. By 1972, these efforts expanded even further in conjunction with more broadly ecumenical efforts in Central America, in particular. The Christian Reformed World Relief Committee was one of the initial forces behind the development of CEPAD, which began in response to the 1972 earthquake in Nicaragua, and in coordinated nationwide Christian developmental ministries in countries such as Honduras, Guatemala, and El Salvador.

The Christian Reformed World Relief Committee has also played an important role in facilitating the immigration of Cuban refugees fleeing Cuba in 1962, and Vietnamese refugees fleeing Vietnam in 1978. The resettlement efforts of this agency were so significant that the West Michigan area, where many members of the Christian Reformed community live, has among the largest, on a per capita basis, communities of Cuban and Vietnamese refugees.

In the 1970's, the Christian Reformed World Relief Committee also began addressing major domestic social problems. A Spanish-American housing project was established in Denver; a drug rehabilitation program in New Jersey; assistance programs in Appalachia and Mississippi. And in many areas of the country, the agency assists with disaster response programs in coordination with agencies such as the Salvation Army and the American Red Cross.

More recently, in 1980, the Christian Reformed World Relief Committee targeted Sierra Leone in a programmatic effort of comprehensive Christian ministry. Church growth, combined with community economic development and health programs helping to make these communities self-sufficient, has been the goal. In all of these efforts, the goal has been to turn development programs over to local control—to foster independence, rather then dependence—as soon as practicable. Many of the Christian Reformed World Relief Committee's early efforts are now in the hands of local persons, while the Committee works on new and other pressing areas of human need.

Mr. Speaker, I know you and the other Members of this Congress join with me in recognizing the voluntarism and Christian compassion which has so characterized this agency over its 25 years of ministry. Please join with me in wishing God's richest blessing on their continued efforts.

GARY HAYES: DEDICATED TO LAW ENFORCEMENT

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 8, 1987

Mr. FRANK. Mr. Speaker, Gary Hayes, who tragically died at the age of 40 a year and a half ago, was, despite his relative youth, one of the leaders in this country in fighting for effective law enforcement. Gary was an extremely talented, intelligent, and creative individual who decided early in his career that law enforcement work was extremely important and deserved his full talent and attention. Fortunately for the rest of us, he followed through on that early decision. After service as a police officer, Gary worked in the city of Boston as an assistant to Police Commissioner Robert DiGrazia. I was in the Massachusetts Legislature at the time, and had the benefit of Gary's personal friendship as well as of the great work he did. He was an effective assistant to the commissioner at the most critical law enforcement period in Boston's history, when the execution of a court-ordered integration plan caused a great deal of turmoil in the city. Gary's great good sense, his open and attractive personality, his high-powered intellect, and his great sense of how to work with people were enormously helpful to the city in that time.

Subsequently he became executive director of the Police Executive Research Foundation, an organization founded by several large city police chiefs dedicated to better law enforcement. Gary worked with great effectiveness as a representative from the law enforcement community to the community at large, fighting for better resources and working conditions for police officers. He also worked very effectively in conveying to people in the law enforcement field the concerns of the community at large. He had a great deal to do with what I think is an improvement in sensitivity and social concern that we have seen in many police departments. I was privileged to work closely with him during the late 1970's on the Commission for Accreditation of Law Enforcement Agencies. I saw then close up on a regular basis how important he was in mediating between law enforcement and the larger community. The isolation between law enforcement people and elements in the larger community is much less than it used to be, and Gary Hayes had a great deal to do with that.

Indicative of the enormous respect people had for Gary Hayes is the success of the newly established Gary P. Hayes Memorial Fund, in which Gary's wife Susan has played the central role. Susan Hayes is herself a talented professional who works on the U.S. Sentencing Commission. She, along with some friends, established this fund to memorialize Gary and to help carry on the important law enforcement work he began.

It was my very great privilege to be the master of ceremonies at the first annual dinner of the fund, which was held in the Cannon Caucus Room. Attorney General Edwin Meese was the main speaker of the evening, giving testimony to the important work that Gary had done. Among those who also spoke were Prof. Herman Goldstein of the University of Wisconsin Law School, a former professor of Gary's who was one of those who first got him interested in police work. Also speaking was Cornelius Behan, chief of the Baltimore County Police. And the honoree of the evening—recipient of the first Gary P. Hayes Memorial Award for outstanding and creative police work—was Capt. Thomas G. Koby of the police department of the city of Houston. It was a dinner attended by a wide range of leading officials from the police field—including former Police Commissioners Patrick Murphy of New York and Robert DiGrazia of Boston, with both of whom Gary had worked closely.

I insert the remarks delivered by Professor Goldstein and Chief Behan here. I think it is very much in our interest to have the important work of improving law enforcement which the Gary P. Hayes Memorial Fund carries on widely known to the members of Congress.

The material follows:

COMMENTS BY HERMAN GOLDSTEIN ON THE CREATION OF THE FUND AND ESTABLISHMENT OF THE ANNUAL GARY P. HAYES MEMORIAL AWARD

We will, this evening, be presenting, for the first time, the Gary P. Hayes Memorial Award. Before we do so, I have been asked to give you some background about the award—to tell you how it came into being and what it is intended to recognize.

As all of you know, Gary had a disdain for ceremony, formalities and rituals. There was no pretense about him. He liked to keep things simple. So it was not surprising that he asked—months before his death—that in lieu of the traditional ways in which friends and family express their sympathy, they be asked instead to make contributions to a fund that would be used to reward and encourage young people who are committed to working for improvement in the police field. He said that he wanted to help others get the breaks and support that he felt he had received in his own career. His decision reflected the deep gratitude that Gary always had for those who had helped him along the way. But beyond that, it reflected his view of the police as one of the highest of callings, and it reflected the enormous importance he attached to encouraging talented young people to devote themselves to the field.

Typical of Gary, he worked intensively from his hospital bed, making numerous phone calls in order to work out the details. He was always good at orchestrating things, and he handled this project with the same drive and stamina that he displayed in playing basketball, arranging a conference or conceptualizing a new PERF project.

The Gary P. Hayes Memorial Fund was incorporated last February. By that time, donations had already been received from many of Gary's relatives, friends and professional colleagues. In following up on Gary's wishes, Chief Behan, Sheriff Duffy, Susan and I were designated as trustees. Our goal was to set up an award to recognize and encourage individuals in police work who have demonstrated outstanding talent and a commitment to advancing the quality of police service.

We decided, at the outset, that the specific nature of the award might differ from year to year—that it might eventually take the form of a scholarship to an advanced training program, or a travel grant so that the recipient might benefit from the opportunity to study policing in other jurisdictions. But for the first year, we decided initially on a cash award of $500. I am pleased to announce that between the time of our initial announcement and this evening, it has been possible to double the cash value of the award for this first year, increasing it to $1,000.

In establishing the criteria for the award, we set out to identify the ideal characteristics that we would like to see in a young police leader in the 1980s. It was no surprise that we soon realized that we were looking for another Gary Hayes. That should have been obvious from the start, since all of us—from our different perspectives—were convinced that Gary was among the most effective and enlightened leaders in the police field in the past several decades. And so we asked, what made Gary stand out?

A major factor was his orientation toward policing. Gary had a superb grasp of the complexities of the police job. He was very sensitive to the unique role of the police in a democratic society. He knew how important it is that the police relate in a positive way to the diverse groups that make up our population. He was committed to reinforcing the values of freedom, equality and due process, and knew that the ability of the police to carry out their job depended to a great extent on how well the police incorporate these values in their day-to-day operations. He had a vision of policing that met the peculiar needs of our society.

But Gary's enlightened position regarding policing would have been of little value were it not for his unique ability to put his ideas into practice. He was a man of enormous energy. He had a superb imagination that enabled him to design creative solutions to problems. He had a fantastic ability to work with people—to make friends out of potential adversaries and to gain acceptance for his ideas. Gary recognized the importance of inquiry, experimentation, and openness. He was willing to take risks in advancing the field.

And so, from this review, some key characteristics emerged as criteria for selecting the person we wanted to honor: a police leader with a sophisticated understanding of the unique role of the police in our society; a person of vision and of strong commitment who is imaginative, open, willing to speak out on important matters, and able to relate to others and to enlist others in getting a job done. We thought, for a while, that we were looking for God's older brother, but we were relieved when we found our award winner among the nominees.

This is to be an annual award. As we look ahead to future years, we hope that we can do a number of things. We would like to enrich the award so that it might be possible to support an educational or travel experience. We want the award to become better known among those aspiring to positions of leadership in the police field in this country. We would like for it to become the most prestigious national award in policing—associated in people's minds with efforts to achieve the highest ideals in the field.

We hope, in this manner, that we have created a fitting tribute to Gary. With your generosity, and remaining faithful to Gary's own wishes, we have established a perpetual living memorial to a man who contributed so much to policing and who, in a more personal way, has been such an important and influential figure in each of our lives.

REMARKS BY CHIEF CORNELIUS J. BEHAN

Reverend clergy, Mrs. Susan Hayes, sons and parents of Gary Hayes, Attorney General Ed Meese, family and friends of Gary Hayes.

This is a special night for Susan Hayes. Your presence has made this a joyous, upbeat remembrance for her. I thank you all for coming and honoring the memory of Gary Hayes.

I have the easy task this evening. The awarding of the first Gary Hayes Memorial Award. I'm happy to see Mrs. Teresa Koby is here to share in this special night.

Thomas G. Koby has been a member of the Houston Police Department for 18 years. He was promoted to captain 4 years ago at the young age of 33. On becoming a captain, he was placed in charge of a substation serving an area of Houston that presents many difficult problems for the police.

From the very beginning of his new assignment as a captain, Thomas Koby placed a high priority on working with the community his officers served. He focused upon identifying the problems of concern to the various segments of his community and, in an effort to deal more effectively with these problems, took the initiative in designing new responses that made full use of all available resources. I will cite but a few examples: The first storefront office in Houston was established under his command. He made the concept work! Since that time, 20 storefront offices have been established in Houston, with the widespread feeling that they have contributed a great deal to improving the quality of police service in that community.

Truancy—and all of the side effects it produces—was among the problems of greatest concern in his area. Captain Koby created a truancy task force that has developed a well-thought-through response to the problem with the result that it has been greatly reduced in its magnitude. The program has now been adopted through the department. Faced with a collection of serious problems in a public housing project, Captain Koby took the initiative in applying the "oasis technique" to the area—a comprehensive system for addressing the physical deficiences of a neighborhood, the crime problems, and the lack of pride on the part of residents. His leadership has resulted in a dramatic change in the conditions of the area and has produced a great improvement in the quality of life enjoyed by those who live in the project.

In another area of his district, Captain Koby developed a comprehensive program to reduce inhalant abuse. The program was again multifaceted—calling for the education of abusers, the training of police officers in counselling and referral enforcement efforts directed at the suppliers, and most importantly, a whole new set of relationships with residents, merchants, school officers and church leaders—all of whom were mobilized to help deal with the problem.

Captain Koby: Your work over these past several years has demonstrated a strong commitment to improving the quality of police service. You have been open to new ideas. You have recognized the need for research and experimentation. You have demonstrated a willingness to take the risks that are almost always involved when one undertakes to explore new ways of dealing with old problems. You have an inquiring mind. You have a reputation for asking hard questions and for challenging methods which have no more than tradition to support them. You are known to respect the view of your colleagues but have no hesitancy to challenge their ideas—thereby sharpening their thinking and contributing to a better collective decision in the administrationa of your department.

You are respected for taking a clear position on those matters on which you believe even though this may be an unpopular position that places you at odds with your superiors, the command staff, and your subordinates. You are viewed as having "guts"—the ultimate testimonial in policing—not just on the firing line but in the exchange of ideas and knowledge that is so crucial to the improvement of the police field.

Commendable as these characteristics are, they often place a young police commander such as yourself in trouble with both his superior and his subordinates, but you apparently have a way of making your views known—a quiet, genuine manner—that not only results in your being persuasive and influential but wins the respect and trust of both those for whom you work and those who work for you. You are known as an excellent facilitator.

Tom, you didn't know Gary Hayes. That's unfortunate, but understandable. You and he would have "hit if off." Gary was a pioneer, innovative, tough, persuasive, and above all, honest.

Gary Hayes was "adventure" in law enforcement.

Your superiors, colleagues, and subordinates in the Houston Police Department are obviously proud of you and of what you have done. We share this sense of pride and because you have demonstrated so many of the positive traits that Gary Hayes embodied, we have chosen you to receive the first annual "Gary P. Hayes Memorial Award."

Congratulations!

SENATE—*Monday, January 12, 1987*

The Senate met at 12 noon, and was called to order by the Honorable WENDELL H. FORD, a Senator from the State of Kentucky.

Mr. FORD. The Chaplain will offer the prayer.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

God of the nations, Lord of history, this is not just another Congress—this is the 100th Congress, a critical benchmark in the life of our Nation.

Grant, Gracious Father, that these next 2 years will be 2 of the most significant, productive years in our Nation's history. May the full potential for great statesmanship and wise national leadership be realized. May truth and justice be the hallmark of debate and decision. Grant to our leaders a special dispensation of wisdom, strength and courage and to all the Members the resolve and ability to fulfill their finest aspirations for themselves, the people's trust, the welfare of the Nation and the world. We pray this in the name of Him who is love, truth, justice, and righteousness incarnate. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore (Mr. STENNIS). The Chair recognizes the Senator from West Virginia.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal be considered approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. BYRD. Mr. President, it had been my hope that the Senate could proceed today to the consideration of the bill to clean up the Nation's waters, which by general agreement has been placed on the Calendar of General Orders, and is shown on the calendar as S. 1.

Mr. DOLE, by request, has also put on the calendar S. 76, a bill to amend the Federal Water Pollution Control Act, to provide for the renewal of the quality of the Nation's waters, which he will, I presume, offer or want to offer as an amendment to the bill, S. 1, which I hope to have before the Senate on tomorrow.

I had intended to try to get to the Senate bill today but because the Governor of Mr. DOLE's State of Kansas is being inaugurated today—Mr. DOLE felt that he should be there, and I agree that he should—I will not make any effort to proceed to take up that bill this morning.

Mr. DOLE last week indicated to me that he would be back today by 5 p.m., and I will renew that discussion with him at that time. So it will not be my intention to make any motion during the time between now and 5 o'clock today in connection with the clean water bill.

Meanwhile, this morning I have been indirectly informed that Senator DOLE may not be coming back today at 5 p.m., but I have not heard from him directly on that. I hope that I will hear from the distinguished minority leader on that matter because it is my intent, as of now, to proceed to take up that bill on tomorrow. Rollcall votes may very well occur on tomorrow. There will not be rollcall votes today in view of the facts I have just outlined concerning the program.

Committees are meeting today. That is necessary if we are to progress with the work of the Senate, and get an early start on that work. The Foreign Relations Committee is meeting. The Armed Services Committee is meeting today. Other committees are meeting, and in order to carry out their oversight functions under the Constitution, committees need to meet.

Also in order to advance legislation to the calendar, committees need to meet early, conduct their hearings, and mark up early. So they are proceeding in that fashion. I want to accommodate committees as much as I can in the scheduling of the floor work, early on in the session, especially. So today there will not be any rollcall votes, and committees may meet without interruption.

Under the order, the Senate will go out no later than 2 o'clock today to reconvene at 5 p.m. this day.

AGENDA

Mr. BYRD. Mr. President, the Senate of the United States has a very full agenda in the next 60 to 90 days. I want to take this opportunity to review what that agenda will be about.

I have already indicated that it is my intent for the Senate to begin debate on the Clean Water Act on tomorrow. Much has been made of this legislation as a test case of partisanship between the Congress and the President. But if one looks at the record, and it is a very clear record at that, it is clear that this legislation has strong, deep, and broad-based support that transcends party lines.

The bill to clean up the Nation's waters is legislation that is supported in both Houses unanimously. It transcends partisanship. The Senate will vote on that legislation in that spirit. And, I have every hope that the President will receive it in that spirit.

Creating an omnibus trade bill is high on the Senate's agenda. Each of the respective committees has begun its work to fashion this important piece of legislation. It will not be "protectionist" legislation so narrowly defined that it has all the attributes of a baseball bat. Such legislation would be counterproductive to world trade. It is my hope that this comprehensive legislation will be designed to treat the causes, not just the symptoms, of our disastrous trade deficit. This omnibus package should be assembled by May 1.

It is my expectation to bring up for a vote, as soon as the Foreign Relations Committee completes its work, two longstanding test ban treaties that have yet to be ratified: The 1974 Threshold Test Ban Treaty and the 1976 Peaceful Nuclear Explosions Treaty. We must keep the arms control process moving forward. The Senate should be voting on these treaties in the last week of January or the first week of February with the cooperation of the administration.

I have every hope that in the first 60 to 90 days of this session, legislation on the very important topic of campaign finance reform will move forward.

The Senate Armed Services Committee, under the distinguished leadership of Senator NUNN, is holding important hearings on military strategy this week. And Senator PELL, chairman of the Foreign Relations Committee, is likewise beginning hearings this week on foreign policy.

I would urge my colleagues to be attentive to these important hearings. We cannot just build costly weapons systems that are not linked to a sound strategic purpose.

Mr. President, as we all are aware, much of the Nation would like to know the "how's," the "why's," and the "who" did it concerning the Iran-Contra misadventure. The issue continues to be very much in the press and each revelation seems to make it all the more complicated to understand.

It is important to know and to remember that this work must be done well if we are to rebuild the public

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

trust. Let us have patience that this process will work as it is intended.

The Senate Select Committee on Military Assistance to Iran, and the Nicaraguan Resistance is in the process of organization and will soon be ready to begin its work.

Mr. President, have my 10 minutes expired?

The PRESIDENT pro tempore. The Senator has 2 minutes 50 seconds remaining.

Mr. BYRD. I thank the Chair.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDENT pro tempore. The Senator from Alaska [Mr. STEVENS], the acting minority leader, is recognized.

Mr. STEVENS. Mr. President, both the Republican leader and our assistant leader are not in Washington yet today. I am pleased to have the chance to stand in for our leader. As Senator BYRD has mentioned, he is attending to business in his State and we expect him to be here tomorrow.

I have but one comment to make, Mr. President. I ask unanimous consent that the Republican leader's time that I do not use be yielded to the Senator from Maine when he appears on the floor.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. I thank the President pro tempore.

SENATE ARMS CONTROL OBSERVER GROUP

Mr. STEVENS. Mr. President, in the last Congress, those of us who were involved in the arms control observer group for the Senate spent a great deal of time in Geneva. I think I was there at least eight times.

I want to report to the Senate that on every occasion the group traveled to Geneva, the ranking Soviet negotiator, Ambassador Viktor Karpov, was most gracious to all of us, and particularly to me. We spent a great deal of time with Ambassador Karpov trying to make sure that the Soviet negotiators understood the role of the Senate in the treatymaking power under our U.S. Constitution.

We were not negotiators, as the Senate realizes. In fact, since 1951, Senators have not been negotiators with foreign powers in the treatymaking process. As representatives of the Senate, however, we have spent a great deal of time with Ambassador Karpov. We noted last year that the Soviet Government had created a new department related to arms control and placed Ambassador Karpov in charge of it. That was the signal to us that in all probability there would be a change in the negotiators.

As has been announced, the First Deputy Foreign Minister, Yuli Vorontsov, has been named to replace Ambassador Karpov as the chief Russian negotiator in Geneva. That has been welcomed by all of us who have participated in observing this process.

It means that the negotiator for the Soviets will come from a different portion of the Soviet Government and will have, we hope, greater access to General Secretary Gorbachev.

As the change is made in Geneva, I would like to express my gratitude to Ambassador Karpov for the courtesy and generous allocation of time he extended in Geneva to representatives of the U.S. Senate. While we welcome the opportunity to become acquainted with Mr. Vorontsov, we will miss Ambassador Karpov. Mr. Karpov has spent time, as I have stated, with us at dinners and at receptions and has been willing to enter into a toe-to-toe dialog with Members of the Senate that we found very informative and helpful. We will miss him.

We hope that we will have a chance to have a similar relationship with his successor.

As I have indicated, I would like to yield the remainder of our leader's time to my good friend, Senator COHEN.

The PRESIDENT pro tempore. The Senator from Maine.

PROPOSED STAFF REPORT OF SENATE INTELLIGENCE COMMITTEE

Mr. COHEN. Mr. President, last week, a vote concerning the proposed staff report from the Senate Intelligence Committee on the Iran affair sparked a partisan debate in this Chamber. In my judgment, that debate was unnecessary. I think it was avoidable and it was unbecoming to the Senate.

I did not object to the releasing of a staff report because I am part of any claque out to undo the President. I do not want to see the President politically paralyzed during his final 2 years of office because, if he is paralyzed, the country is similarly afflicted.

I think there is time enough for those who aspire to that high office to place themselves before the not so tender mercies of the American people and offer their own visions for the future.

The public will not tolerate a crass exploitation of the President's present difficulties for partisan political advantage.

I might add there has been no evidence of any partisan attempt to manipulate the Senate hearings in the Intelligence Committee. Frankly, based upon my experience and respect for Senator INOUYE, there will be none in the future. So I think we have little to fear in that regard.

Last week, a copy of one of the drafts prepared by the staff was leaked either by a Senator or a member of his staff to a certain television network. I would only say that a great disservice has been done to this institution by that act. Members of the press are now under tremendous pressure to acquire copies of the document as well.

Senator BOREN and I have been asked to release that report now that one network has a copy. We believe it would be a serious mistake to compound an error by repeating it in the name of journalistic equity. We would be setting a precedent that would place an even greater premium than currently exists for enterprising journalists to obtain copies of sensitive or classified documents. One leak and the walls protecting important information would have to come tumbling down.

Senator BOREN and I feel we simply cannot permit the Intelligence Committee to be placed in that position.

I favor releasing a report, one that is concise, one that is accurate, and one that fully and fairly reflects the evidence we have obtained in that committee. I would like to take just a few moments this afternoon to explain why I believe the release of that draft report was inappropriate and unwise.

First, I would point out that this entire matter seems worthy of a chapter by Lewis Carroll because I have the sensation that we have slipped through a rabbit hole into something of a fantasy land. Things are curiouser and curiouser. The President is demanding the Congress, the very institution that he avoided notifying and consulting with, must furnish him with a report describing in detail a plan that was formulated and perhaps executed either in or within a few feet of the Oval Office. This is a most curious state of affairs, in view of the fact that most of the information accumulated by the committee is readily available to the President through his Cabinet and members of his staff. Almost all of our witnesses have been from the White House or the Central Intelligence Agency.

It occurs to me that the White House has two objectives in mind. One is to shift the responsibility to Congress for disclosing the details of a major covert operation that either originated with the administration and its ally, Israel, or was initiated by Israel and subsequently approved by the President. The second objective is to insist that Congress validate the President's claim that he had no knowledge of the diversion of funds to the Contras.

I believe the Intelligence Committee can and should meet the objectives of the administration while not sacrificing its integrity or independence in the search for the truth on this entire matter.

While there are many intriguing characters who played a role in this operation, there are essentially two major issues involved:

First. Did President Reagan authorize the sale of weapons to certain groups in Iran in order to start a so-called strategic dialog and to obtain the release of our hostages being held in Lebanon?

Second. Did he know about the alleged diversion of funds to the Contras?

I should say, by way of preliminary comment, a few words about the motivation of the President and his men. There was absolutely no evidence of malice or malevolence on the part of any the individuals involved in this matter under investigation. There were dedicated public servants who sought no gain other than the welfare of our country and its citizens. I do not believe that anyone can fairly criticize President Reagan or any of the members of his administration for seeking to open a dialog with whatever factions may exist in Iran.

I have serious doubts that so-called moderates exist, but I point out that if the Ayatollah Khomeini were to depart this life today or tomorrow and a power struggle were then to begin and chaos perhaps prevail, the President and his administration would be under very severe criticism not only from the Congress but the country and the press for not having undertaken some effort to determine whether we could modify or alter our relationship with the successors to the Khomeini regime. So the President deserves to be commended for at least seeking out whatever options might be available to us in the future.

Second, no one can criticize the President for seeking the return of hostages. That is a matter that was foremost on his mind and foremost on the minds not only of the families of the hostages but members of the public and the Congress.

Everyone wanted the hostages to be returned home. So he was highly motivated in seeking the return of the hostages.

The mistake that was made is that what started out as a conceptual need to open lines of communication with so-called Iranian moderates evolved rather quickly into a predominant concern of securing the release of hostages at least at the operational level.

Again, while I would not question the President's motivation, he nevertheless undertook to privatize a foreign and covert policy: He in essence took foreign policy underground by cutting out the State Department, for all practical purposes the Defense Department, and the CIA and most specifically, Congress, and he placed the responsibility for this covert policy and its execution in the hands of a few individuals in a small office located in the White House or across the street in the Old Executive Office Building.

Unfortunately, heroes on the battlefield can become hand grenades in the field of foreign policy and international diplomacy. The President turned to amateurs instead of listening to professionals and, in my judgment, he must accept the consequences for the actions of those selected to carry out the twin goals of the administration of first sending arms to Iran and second, raising private or third party funds for the Contras in Nicaragua.

A dispute exists whether the President ever authorized the Israelis to transfer TOW missiles to Iran with the understanding that the Israelis could replace them with future purchases from the United States. There is conflicting evidence on this point, but it is my personal judgment that authority was given, since Israel would not want to incur the ill will of the United States nor risk drawing down its own weapons stocks. The issue is not a small one but it is also not a dispositive one, either, because, whether the authority was granted in advance or approved retroactively, the fact remains that the President did approve of the transfer and sale of arms to the Iranians certainly no later than by January of 1986.

I am also prepared to say without hesitation that the committee received no evidence that the President had any knowledge that the funds were diverted to the Contras. Our evidence, however, is incomplete because several key witnesses have pleaded the fifth amendment against self incrimination.

Again, in my judgment, this is an important point but not in itself a vindicating one. Because even if the President did not know, I believe he should have known. He was responsible for circumventing the institution mechanisms for the development and execution of foreign policy.

The White House is not the political equivalent of the First National Bank of Boston, and the National Security Council employees are not bank tellers. They are trustees.

The President cannot be held accountable for those acts of agents and employees who act well beyond the scope of their authority. But he surely is responsible when he sets up a mechanism that is specifically designed to eliminate the institutional checks and balances against rash or impetuous conduct in the affairs of the executive branch of Government.

Consider for a moment Lt. Col. Oliver North. Colonel North was given two essential tasks: First, to help transfer arms to Iran; and second, to raise funds for the Contras. He carried out the express wishes of the President in executing his first task. He was also responsible for raising private and third-party funds, perhaps even third-country funds, for the Contras. At some point, the twin tracks merged. Whether the idea was suggested by the Israelis or Mr. Ghorbanifar or Mr. Khashoggi or whether it originated with Colonel North, it nonetheless was foreseeable that North might seize upon the opportunity to carry out his assignments by wearing one white hat instead of two.

The PRESIDENT pro tempore. According to the agreement, the Senator's time has expired.

Mr. COHEN. Mr. President, I thank the Chair. I ask unanimous consent that I be allowed to proceed for 2 additional minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. COHEN. It is my opinion that the President must assume responsibility for those actions or excesses even though he was unaware of them.

For example, there are press reports that administration officials were asked to solicit contributions from third countries and private individuals. If so, it may be asked, how far from the scope of his assumed authority did Colonel North stray in arranging for a portion of the windfall profits from the sale of arms to the Iranians to go to the Contras?

It is possible to argue, depending upon the evidence as to who controlled the Swiss accounts, that the profits may be construed as an Israeli contribution or a Saudi contribution or an Iranian contribution or even a second contribution to the Contras. And if so, again, I suggest, the President would be hard pressed to say that he bears no responsibility for the diversion of funds if in fact funds or military equipment arrived in the hands of the Contras.

My objection to making a formal and public filing of the staff report was not that the report is in some respects inaccurate or incomplete, although it is clear to me that it is. Not one member of the committee has had an opportunity to even read it. Transcripts were not even available for 12 of the 37 witnesses. There was no index of extensive documents received by the committee.

I might point out that since the report was debated and a copy of it leaked to the press, we have discovered at least one document that evidently was not considered in the draft report.

Aside from those objections, which in my judgment are very important, my objection is that the publication of the documents contained in that report would be a fire-sale invitation for those witnesses who have yet to testify to tailor their testimony either to conform to or to contradict the preliminary evidence as it serves their interest to do so.

The care that the Intelligence Committee took to sequester witnesses, to limit their ability to discuss their testimony with others, or to review the transcripts of their testimony would be completely negated by releasing in detail what the committee was able to obtain.

It would also, in my opinion, serve as a tacit revocation of the mission of the new investigating committees in Congress to complete the search for the facts and for the truth.

That may serve the interests of the President and the Presidency. But it would not serve the interests of this institution or this country.

There is a responsible middle course to pursue—one that will advise the President and the public of an agreed-upon set of facts and some tentative conclusions.

It is my hope, and I know that Senator BOREN shares this hope, that we can publish a report within the next 2 weeks that will contain the essence of our very brief and incomplete inquiry.

One more word: There was a report today in the Washington Post that suggested that, somehow, Senator DURENBERGER was responsible for deleting certain portions from the report. That clearly was not the case. Senator DURENBERGER was only responding to objections of committee members, including myself, against releasing specific conclusions upon which there was not agreement.

For all of these reasons, I opposed a premature disclosure of a report that was unneeded and unauthorized by committee members.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin is recognized for 5 minutes.

Mr. PROXMIRE. The Senator from Oklahoma wishes to speak on the same subject the Senator from Maine did and I shall be happy to yield to him.

Mr. BYRD. Mr. President, I have 2 minutes remaining, do I not?

The PRESIDENT pro tempore. The majority leader is correct.

Mr. BYRD. Mr. President, I yield that 2 minutes to Mr. BOREN to conform to the suggestion by Mr. PROXMIRE.

Would Mr. BOREN yield to me for a unanimous-consent request?

Mr. BOREN. I am happy to yield.

MEASURE PLACED ON CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that the House message on cleaning up the Nation's waters be placed on the calendar. That measure is the same language as S. 1, which is already on the calendar.

Mr. STEVENS. Mr. President, this matter has been cleared.

The PRESIDENT pro tempore. Is there objection? The Chair hears no objection.

Mr. STEVENS. Mr. President, reserving the right to object, this matter has been cleared with the ranking member on the appropriate committee. There is no objection to placing the House bill—it is my understanding that is what it is—on the calendar.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished acting leader. I ask unanimous consent that this time not be taken out of the 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PROPOSED STAFF REPORT OF SENATE INTELLIGENCE COMMITTEE

Mr. BOREN. Mr. President, I thank the distinguished majority leader for yielding to me, and I thank the Senator from Wisconsin and others for indulging to me the opportunity to follow on the remarks just made by the distinguished vice chairman of the Intelligence Committee, the Senator from Maine.

First of all, Mr. President, I wish to associate myself with the remarks which have just been made. I think they are an indication of the determination of both the vice chairman and myself that Senate Intelligence Committee conducts itself in a completely bipartisan fashion, in a responsible fashion, to assure that the report which we make to the new special investigating committee will be as thorough, as fair, and as accurate as possible and will be one that will reflect the testimony given to our committee thus far and will be one that will be able to obtain a broad consensus from the entire membership of the Intelligence Committee as we present a report from our committee to the successor special investigating committee.

I wish to associate myself with his remarks about reports in the media today indicating that responsibility for the deleting of some information from earlier drafts of the report rest with the earlier chairman of the committee, Senator DURENBERGER from Minnesota. I also believe that those reports are not fair to the Senator from Minnesota. I do not believe that he bears individual responsibility for those deletions. I think, again, it is an example of the way in which things occur when there is an opportunity to rush through a report before it is time to finally present it and to consider all the evidence in presenting it. I think there was simply a desire to be cautious, as those from the executive branch were suggesting deletions of certain materials, that they not be included in a report that might be released to the public. I do not think it represents an attempt on the part of the Senator from Minnesota to try to keep any information from coming to the attention of those who will have responsibility for continuing the investigation.

Let me say again, Mr. President—this has been said by the vice chairman of the committee—those reports, which are draft reports which have been inappropriately apparently leaked to certain people in the media, do not represent any official report of the Senate Intelligence Committee. It appears that an earlier draft, perhaps a second draft, has been leaked to members of the press. It is very dangerous to draw any conclusions from the draft report which is apparently now under consideration in certain parts of the media. It is not complete. It is not fully accurate as to fact. It was not even the final staff draft presented to the committee last Monday, and I point out that that final staff draft was not adopted by the committee. The committee did not vote to adopt it. In fact, at the time of the meeting it had been prepared only so recently that not a single member of the committee had even had a chance to read it:

I can cite many examples as to why it is dangerous to try to draw conclusions from the fragments, bits, and pieces of information which apparently are now out in the media.

One example of an error in fact is that the draft document which is apparently out in the media has July 7, 1986, as the date of a briefing of the Vice President on the Iran program by an Israeli official in Jerusalem. In fact, the correct date of that briefing was July 29, 1986. The briefing occurred 3 days after the release of the American hostage, Father Lawrence Jenco, and the position of the two events in relation to each other had an effect upon the contents of the briefing given by that official to the Vice President.

Now, I just cite that as one example. I am not going to get into the practice of coming to this floor and correcting everything that appears in the media. I cite it as an example merely to point out again there has been no official report of the Intelligence Committee. As the vice chairman has just said, at the time of the preparation of early staff recommendations there had not been a full and complete index of all of the documents in the custody of the committee. That index is now being prepared so we can assure that all documents have been read and considered before a staff report is finally prepared.

The PRESIDENT pro tempore. I am sorry, the Senator's time has expired.

Mr. BOREN. I ask if I might be allowed 2 additional minutes to complete my remarks on this subject.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. It is so ordered.

Mr. BOREN. Second, as has been pointed out by my colleague from Maine, the testimony of at least a dozen witnesses had not even been transcribed by the staff reporter at the time these draft documents were prepared. And so, of course, it is dangerous to draw any conclusions. No final report can be prepared by our committee for submission to the new special committee until all of this information is drawn together. We are now attempting to do so.

In addition to the example of a factual error which I just cited, there are other examples that could be cited. In many cases we had testimony of only one witness as to a certain course of events, and draft staff reports stated the testimony of one witness in many cases as if that was a fact, where in fact there was no corroborating evidence, no corroborating testimony sought by the committee to make sure that the testimony of an individual was fully accurate. So there are many things that we must consider before a final report is presented, and we are doing that. We are attempting to do it in an expeditious fashion. But in trying to do that we must dust off some old-fashioned terms that deserve their place, a term like "bipartisan," so that we can make sure the report is an accurate reflection of what the committee heard, a term like "statesmanship," so that we do not rush to any kind of political judgments on this matter, terms like "thorough" and "accurate."

We have a heavy responsibility, Mr. President; the reputations of individuals in this Government are at stake. The reputation of the United States and its foreign policy is at stake around the world as others are watching us. We are determined to do a thorough, professional, and fair job of summarizing the evidence that has been presented to our committee so that it can be passed on to the new special committee. We are also, Mr. President, determined that that new committee, as the Senate directed, shall then make the decision about what shall be released to the public, because premature release of information can allow witnesses, who might be called, an opportunity to change their stories, to come up with explanations or perhaps to even destroy evidence that might be valuable to the committee if they are tipped off by the premature release of too much information too soon.

Mr. President, we are determined to do the right kind of job for the American people. I thank the Chair for its indulgence.

Mr. President, I ask unanimous consent that an article which I wrote on this subject which appeared in USA Today on January 12, this morning, appear in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the USA Today, Jan. 12, 1987]

Releasing Report Now Would Mislead Public

(By David L. Boren)

Washington.—The American people have a right to know the whole truth about the Iranian arms controversy. Congress has a duty to do its best to learn all of the facts and, once it has them, to fully and accurately share them with the public.

We must never forget that the effort to get all of the facts can be undermined by premature release of partial and fragmentary information. Such information can tip off potential witnesses about embarrassing questions that may be directed to them. It gives parties who may be involved the chance to invent explanations or to destroy potentially valuable evidence. That is why the Senate directed the new investigating committee to decide about releasing any report from the Intelligence Committee.

In addition to the threat posed to the ongoing investigation, partial and premature release of information may also mislead the public because other documents and testimony not released or not yet heard may give a very different picture of events.

The Intelligence Committee has the responsibility of providing the new special investigating committee with a summary of the evidence which it has heard. The committee must do everything possible to ensure that the summary is complete, accurate, and fair. At best, the report will be a very preliminary one, because the committee was not able to obtain testimony from key witnesses like Oliver North, John Poindexter, and Richard Secord. It is impossible to answer questions about whether the law was violated, and, if so, by whom, until the new special committee obtains additional evidence.

The Intelligence Committee has not yet completed or adopted a report. Apparently, a staff draft of suggestions for a report has been inappropriately given to the news media. Drawing any conclusions from parts of the draft is dangerous.

The draft was written before the committee made a complete index of all documents in its possession and before adequate assurance could be given that material in all documents had been considered. The testimony of at least a dozen witnesses had not even been transcribed by the committee reporter when the staff report was prepared, and representatives of the White House and other agencies were given a chance to read the staff draft, possibly suggesting changes in it before the senators on the committee received it.

The Intelligence Committee can best help in the effort to get the whole truth to the public by being careful, thorough, and bipartisan in preparing the report for the new investigating committee.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING pro tempore. Under the previous order, the Senator from Wisconsin is recognized now for 5 minutes.

CONGRESS IS PUSHING THE COUNTRY DOWN A TRAGIC ECONOMIC ROAD

Mr. PROXMIRE. Mr. President, is this country driving hellbent for a super inflation? This Senator believes that is exactly where our present policies are taking us. The inflation just over the horizon will strike precisely because the Congress, whipped on by the administration, is piling one colossal deficit on top of another. It's worse. The Federal Reserve Board is accommodating the Congress by printing the money to pay for the deficit. This is a super short-term policy. And why not? Isn't politics a super short-term business? In the short run excessive spending and the series of huge deficits expand jobs. They stretch out one of the longest uninterrupted economic recovery periods in American history. The Federal Government does all this with tax cuts. Even better it does this with no interest rate increase. In fact, interest rates fall. How come? With all that borrowing by the Federal Government, with all that explosion in the demand for credit from the American consumers whose debt in relation to income is bigger than ever before, with all the increased borrowing by American corporations, why are interest rates so much lower than they were a few years ago? Aren't interest rates simply the price of credits? Isn't demand for credit soaring? So why aren't interest rates going through the roof? Answer. The Federal Reserve Board has flooded the country in a sea of money. Every bartender and plumber knows the Congress has gone wild with our monster-size, year-after-year deficit. But almost no one—not even leading candidates for President—understands that the Federal Reserve Board has printed all the money needed to fund that deficit and then some. I challenge any Senator to find a time in American history when the Federal Reserve Board has more sharply increased the money supply in relation to the nominal gross national product than it has in the past 2 years. The guidelines announced by the Fed for each of the measures of money M1, M2, M3 are multiples of two or three times the need for money to finance transactions in the economy. The nominal GNP provides a precise measure of that transaction need.

What does all this mean? It means that this country has gone beyond unleashing the old credit card so it can live far beyond its means year after year. Congress is not just engulfing America in debt. It is worse. It is running off all the dollars it needs to pay off the credit card like an old counterfeiter. Of course when the Federal Reserve Bank prints the money, there's nothing counterfeit about it. It's strictly legal tender. And it works like magic.

Some of our leading congressional lights ask so what? What is wrong with this? They say just look at the results: Are prices up? No, indeed. Inflation is behaving like a pussy cat. How about interest rates? Interest rates are lower than they have been for 10 years. Ninety day Treasury bills have fallen from 14 percent in 1981, and 10.7 percent in 1982 to 5.65 percent today. Is that bad? Why, no, it's economic heaven. So if we get these results, why aren't these exactly the right policies? Well, in the short run they are right. They work. They are great. The country has an explosion in Federal Government spending programs. That makes millions of the beneficiaries of these programs happy. It gets better. There is no increase in taxes to pay for these explosive spending programs. That makes 100 million plus taxpayers happy and grateful. Meanwhile, the recovery continues. Inflation falls. Interest rates stay down.

All that is the short run. How about the long run? Of course, there is always the possibility that the country is writing a new chapter in economic history. Maybe this nirvana, this heaven on Earth can go on indefinitely. Will the debt burden not haunt us? Will the interest on that debt not consume an increasing share of our national income? No. That will not happen if the Federal Reserve Board continues to crank out the money. They can just print it—millions, billions, trillions of dollars. So what is wrong? What's wrong is that the time comes when time catches up with us. The time comes when there is just too much money chasing too few goods. Countries have pursued the old print-the-money policy for centuries. They always end up with inflation, super inflation. This Congress is pursuing a shameful, selfish, strictly short-term economic policy that might help incumbents win the next election. It spells long term disaster for our country.

THE SUPER-POWER MARCH TO DEATH

Mr. PROXMIRE. Mr. President, what are the most likely scenarios for nuclear war? The most obvious and undisputed fear is the specter of a sudden bolt from the blue. Today, tomorrow, or 10 years from now on a beautiful, bright, clear Washington day thousands of Soviet hydrogen bombs rain down on American cities. Within minutes the United States retaliates. Within hours both countries lie desolate, dead. This beautiful planet becomes a steaming, radioactive wasteland. Is this possible? Of course. Is it likely anytime in the next few years? No. Is this a long shot, outside possibility? It is a very long shot.

It could come through accident. Consider: Scenario I: With thousands of human and fallible Russians and thousands of human and fallible Americans manning 10,000 strategic warheads on each side, somehow, somewhere, some time through a series of misjudgments by someone—the fail-safe mechanism could trigger off.

Scenario II: A Soviet dictator without the limitations imposed on an American President by an independent Congress or a rigorous American peace movement, and with total control of the Soviet economic institutions and the Soviet press, in a fit of fury decides to institute a strike. He assumes that the United States would decide not to incinerate the world and would not strike back.

There are many other possible scenarios for a nuclear bolt from the Soviet blue but the mutual assurance of sure and swift mutual destruction makes any of them a very, very long shot.

Again what is a more likely path to a full-fledged nuclear war? How about the consequences of a conventional war in Europe? Consider: The Soviets respond to an uprising in East German with tanks and planes. They pursue rebel troops into West Germany. NATO forces respond with a prompt counterattack to repel this invasion of their own territory. The Soviets step up their offensive and bring their massive advantages in tanks and planes and personnel to bear. They sweep through Germany toward France. Now keep in mind the NATO powers have specifically refused to renounce first use of nuclear weapons. NATO has thousands of tactical nuclear weapons in place in Western Europe poised and ready to move into action. Would tactical nukes stop the Soviet offensive? Yes. Would they provoke a Soviet nuclear retaliation—low level, at first? Very possible. How would NATO respond to the Soviet nuclear counterattack? Further nuclear escalation? Just enough to stop the U.S.S.R. offensive? Very possible. The confrontation might end there. It might not. The temptation for both sides to call the other's bluff—right up to the brink—would be enormous. But over the brink? To total, full-fledged nuclear war? Maybe, maybe not.

Is the terrible momentum of conventional superpower war the likeliest path to nuclear war? No. Then what is? Answer: The development of smaller, much cheaper nuclear weapons. If the superpowers continue nuclear weapons research, if they continue the testing of new nuclear weapons that validate and assure the steady march to even more devastating and cheaper nuclear weapons, those new improved nukes will in a few years find their way into the arsenals of 10 or 15 countries that now have no nuclear arsenals. Why would the so frequently predicted and never realized proliferation of nuclear weapons suddenly come to reality? Because as the nuclear technology race moves on, the new, devastating and especially cheap nukes will be a practical, easy but for many countries that cannot now afford them. In a few more years scores of nations and even terrorist groups will secure these weapons. Why not? These weapons will offer an easy, tempting bargain—a ticket to power. For the smaller countries, the cheap, new devastating nukes will provide the equalizers. What would Qadhafi in Libya give for an antimatter bomb—that provided—pound for pound—several hundred times the destructive power of the hydrogen bomb? Think what a man like Iran's Khomeini could do with it. A few terrorists traveling in the United States could quickly and easily decapitate the U.S. Government. It could obliterate the White House, the Capitol—all of Washington and everyone in it. Terrorists could utterly destroy our major cities.

Can it happen? Mr. President, if we continue this mindless technological march into ever more destructive nuclear weapons, we will build the very force that will destroy us—all of us. This Senator is not talking about odds. I'm talking about an absolute certainty. I am saying if we don't stop, somewhere, sometime, someone will utterly destroy this proud and beautiful land of ours. And who will be responsible? We will.

I thank the Chair and yield the floor.

The PRESIDENT pro tempore. The Chair recognizes the Senator from Kentucky.

Mr. FORD. Mr. President, how much time will I have—5 minutes?

The PRESIDENT pro tempore. The Senator has 5 minutes. The statement is limited to 5 minutes.

Mr. FORD. I thank the Chair.

The PRESIDENT pro tempore. The Senator is recognized for 5 minutes.

S. 286—BUDGET PROCEDURES IMPROVEMENT ACT OF 1987

Mr. FORD. Mr. President, on October 16 of last year, near the end of the session of the 99th Congress, I spoke on the floor to the unhappy fact that we were once again entering a new fiscal year without enactment of the regular appropriation bills. I said then that at the beginning of this new Congress I would again introduce the 2-year budget bill that I first introduced in September 1981.

As promised, I am here today introducing such a bill, updated to accommodate the changes made by the enactment of the Gramm-Rudman-Hollings Act. Only where that latter act is in conflict with the scheduling provisions of the 2-year budget bill are changes in Gramm-Rudman proposed.

All of the substantive provisions of Gramm-Rudman-Hollings, including the enforcement methods, remain intact and unchanged.

Because of the difficulties we have had in past years in enacting necessary and timely continuing appropriation resolutions, the bill I am introducing today in this Congress contains one new important provision. Section 9 would establish permanent authority for continuing appropriations whenever any regular appropriation measure was not enacted prior to the beginning of a new fiscal year at the commencement of a new 2-year period. Spending for all projects and activities would remain at the levels approved for the prior fiscal year until such time as all regular appropriation measures are enacted for that 2-year cycle.

I am proposing this major statutory change in our appropriation process because I believe only permanent provision for continuing appropriations when regular authority expires can accomplish some important improvements in the process and can prevent some serious problems which arise when trying to legislate continuing appropriations ad hoc and under extreme time pressure.

We have all watched our Government close down for lack of appropriations. We have seen the efforts to add controversial nongermane provisions to continuing resolutions.

With a permanent continuing appropriation in place and ready to engage automatically when Congress fails to enact all of its appropriation bills on time, we cannot only avoid those problems but we can create a major incentive for the President and Congress to cooperate in taking timely action to enact all of the regular appropriation measures.

Even though I believe and sincerely hope that going to a 2-year budget and appropriation cycle will in itself greatly reduce the likelihood of failure of timely enactment of regular appropriation bills, there is no certainty we will not need continuing resolutions in the future. Accordingly, it is my judgment that a 2-year budget statute should contain provision for permanent continuing appropriations.

I have spoken so many times during the past 6 years about the strengths and limitations of a 2-year budget and appropriation process that I hesitate now to impose on the time of the Senate to go into further detail about this bill. I am confident that most of my colleagues are by now familiar with it. I hope our new Members will quickly undertake to become familiar with it. To facilitate this, I ask unanimous consent that the bill and a brief summary analysis of the bill's provisions be printed in the Record following my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. FORD. I thank the Chair.

Not since 1976 has Congress actually enacted all of its regular annual appropriation bills by the beginning of the new fiscal year. Even that achievement for fiscal 1977 was the only year in which all regular appropriation bills have been timely enacted since passage of the Congressional Budget Act of 1974. In each year we have struggled through the dangerous task of passing continuing resolutions, with the attendant risk of exposure to nongermane and nonrelevant amendment proposals, not to mention the risk of shutting the Federal Government down entirely.

It is clear that we cannot operate on an annual budget and appropriation cycle. With a 2-year cycle, we can do a far better job of planning, reviewing, budgeting, and appropriating for both fiscal years in the 2-year period.

We will gain time in both the executive and legislative branches for other pressing tasks. I was pleased to read in the November 14, 1986, New York Times that President Reagan was contemplating proposing a 2-year budget cycle to Congress. I hope he does indeed submit such a recommendation.

With the elimination of needless duplication and repetition, considerable more legislative oversight can be undertaken by Congress. Moreover, a 2-year appropriation period will allow our States to better plan for their own programs and budgets.

Many proponents of 2-year budgeting believe that in addition to the time saved, such a process will involve some stabilizing discipline on spending and encourage greater effort toward balancing the Federal budget. At the same time, as we have said repeatedly, we know that the 2-year budget is no panacea. It will not address many of the most severe budget, revenue, fiscal, and deficit problems which face us. But it will give us more time to deal with those problems and, I believe, increase our chances of finding solutions.

Mr. President, I now send my bill to the desk and ask unanimous consent that it remain there until January 16, so that those of my colleagues who wish may join me in cosponsoring the bill may do so.

The PRESIDENT pro tempore. Is there objection?

Mr. STEVENS. Mr. President, reserving the right to object.

Mr. FORD. Mr. President, all I am doing is laying this on the desk for cosponsoring. I am not asking for anything further than that.

Mr. STEVENS. I thank my good friend. I was conferring here.

Mr. FORD. I made my speech before I introduced the bill. I have been taught that by some of the leadership here.

The PRESIDENT pro tempore. Is there objection?

Mr. STEVENS. There is no objection.

The PRESIDENT pro tempore. The Chair hears none. It will be so ordered.

The Senator's time has expired.

Mr. FORD. Mr. President, may I ask unanimous consent for 2 additional minutes?

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

Mr. FORD. Mr. President, the distinguished ranking member of the Budget Committee, in the budget hearing last week, said that he had been skeptical of the 2-year budget, but, in talking with Director Miller at that hearing, he said he had come to the point where he thought the 2-year budget was a good idea. Then, I was very pleased to read in this morning's Washington Post the article by my good friend and colleague, the ranking member of the Senate Budget Committee, Mr. Domenici. In his article proposing certain reforms in the budget process, Senator Domenici lists as his first recommendation a 2-year budget and appropriation cycle.

Mr. President, I ask unanimous consent that this article be printed in the Record at the end of my presentation this morning.

(See Exhibit 2.)

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. FORD. Mr. President, I further ask unanimous consent that, on January 16, the bill be jointly referred to the Committees on Budget, Governmental Affairs, and Rules and Administration and that this action be deemed special for this bill only and not be deemed a precedent in any way modifying or affecting the unanimous-consent agreement of August 4, 1977, which relates to referral of proposed amendments to the Congressional Budget Act.

Mr. STEVENS. Mr. President, reserving the right to object, I want to state that because I am the ranking member of the Rules Committee now with my good friend from Kentucky as chairman, I am reluctant to do what I must do. But, on behalf of the leadership, I must object to his unanimous-consent request.

The PRESIDENT pro tempore. Objection is heard.

Mr. FORD. Mr. President, I regret my good friend must do this. It is not of his choosing. It is because he is in the leadership position this morning and he is doing so on behalf of his side of the aisle.

But I must remind the Senate that in the 97th Congress and in the 98th

Congress that was allowed. I will only say that apparently the idea's time has arrived and others now are grasping for this so they might have control of it.

The PRESIDENT pro tempore. All time has expired.

Mr. FORD. Mr. President, if I may, then, since this is not possible, let me say that I wish to announce that it is my intention, after the bill is referred, to request early hearings, consideration and reporting by the other two committees. Also, I wish to point out now that when the bill is reported to the Senate, I will then be compelled to move its referral to the Rules Committee because the bill contains so many substantial changes in the rules of procedure of the Senate.

I thank the Chair for his indulgence.

EXHIBIT 1

S. 286

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, this Act may be cited as the "Budget Procedures Improvement Act of 1987".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds and declares that the present annual Federal budgeting process—

(1) allows insufficient time for the fulfillment by the Congress of its legislative and oversight responsibilities;

(2) allows insufficient time for the review and consideration by the Congress of authorizing legislation, budget resolutions, and appropriation bills and resolutions and other spending measures;

(3) allows insufficient time for the evaluation of costly and complicated Federal programs, and thereby contributes to the unrestrained growth of the Federal budget; and

(4) allows insufficient time for agencies and State and local governments to plan for the implementation of programs.

(b) It is the purpose of this Act to establish a more thorough and timely process for the adoption of the Federal budget by—

(1) establishing a two-year cycle for the adoption of the budget;

(2) requiring the separate and distinct consideration of authorizing legislation, the budget, and appropriation bills and resolutions and other spending measures and thereby allowing full evaluation of the need for and the merits and costs of the various programs and agencies of the Federal Government;

(3) strengthening congressional procedures for the consideration of budget resolutions, reconciliation bills and resolutions, appropriation bills and resolutions, and other measures providing spending authority; and

(4) strengthening the requirement for congressional oversight of Federal programs by authorizing committees.

REVISION OF TIMETABLE

SEC. 3. Section 300 of the Congressional Budget Act of 1974 (2 U.S.C. 631) is amended to read as follows:

"TIMETABLE

"SEC. 300. The timetable with respect to the Congressional budget process for any Congress (beginning with the One-hundred-and-first Congress) is as follows:

"First Session

"On or before:	Action to be completed:
November 10 (of the preceding year.	President submits current services budget for the 2-fiscal-year budget period beginning in the succeeding even-numbered year.
January 15........	President submits his budget for the 2-fiscal-year budget period beginning in the succeeding calendar year.
April 15............	Congressional Budget Office submits report to Budget Committees with respect to the 2-fiscal-year budget period.
May 15..............	Committees and joint committees submit reports to Budget Committees with respect to the 2-fiscal-year budget period.
June 15.............	Budget Committees report first concurrent resolution on the budget for the 2-fiscal-year budget period to their Houses.
July 1................	Committees report bills and resolutions authorizing new budget authority for the 2-fiscal-year budget period.
July 31..............	Congress completes action on the first concurrent resolution on the budget for the 2-fiscal-year budget period.
September 15...	Committees report allocations of the first concurrent resolution on the budget among programs within their jurisdiction.
December 1......	Congress completes action on bills and resolutions authorizing new budget authority for the 2-fiscal-year budget period.

"Second Session

"On or before:	Action to be completed:
January 15........	President submits revised budget for the 2-fiscal-year budget period.
March 31...........	House committees report bills providing new budget authority and new spending authority for the 2-fiscal-year budget period.
March 31...........	Congressional Budget Office submits report to Budget Committees with respect to the 2-fiscal-year budget period.
April 15............	Senate committees report bills providing new budget authority and new spending authority for the 2-fiscal-year budget period.
June 15.............	Budget Committees report second required concurrent resolution on the budget for the 2-fiscal-year budget period to their Houses.

"Second Session—Continued

"On or before:	Action to be completed:
July 15..............	Congress completes action on bills and resolutions providing new budget authority and new spending authority for the 2-fiscal-year budget period.
August 1...........	Congress completes action on second concurrent resolution on the budget for the 2-fiscal-year budget period.
September 25...	Congress completes action on the reconciliation bill or resolution, or both, implementing the second concurrent resolution on the budget for the 2-fiscal-year budget period.
October 1..........	2-fiscal-year budget period begins.".

AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974

SEC. 4. (a) Section 2(2) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 621(2)) is amended by striking "each year" and inserting in lieu thereof "biennially".

(b)(1) Section 3(4) of such Act (2 U.S.C. 622(4)) is amended by striking "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period".

(2) Section 3 of such Act (2 U.S.C. 622) is further amended by adding at the end thereof the following new paragraph:

"(11) The term '2-fiscal-year budget period' means the period of 2 consecutive fiscal years beginning on October 1 of any even-numbered year.".

(c)(1) Section 202(f)(1) of the Congressional Budget Act of 1974 (2 U.S.C. 602(f)(1)) is amended—

(A) by striking "February 15 of each year" and inserting in lieu thereof "April 15 of each odd-numbered year";

(B) by striking "the fiscal year commencing on October 1 of that year" and inserting in lieu thereof "each fiscal year in the succeeding 2-fiscal-year budget period",

(C) by striking "such fiscal year" the first place it appears and inserting in lieu thereof "such 2-fiscal-year budget period"; and

(D) by striking "such fiscal year" the second place it appears and inserting in lieu thereof "each fiscal year in such 2-fiscal-year budget period".

(2) Section 202(f) of such Act (2 U.S.C. 602(f)) is further amended—

(A) in paragraph (2) by striking "paragraph (1)" and inserting in lieu thereof "paragraphs (1) and (2)";

(B) in paragraph (3)—

(i) by striking "each year" and inserting in lieu thereof "each odd-numbered calendar year",

(ii) by striking "the fiscal year ending September 30 of that calendar year" in clause (A) and inserting in lieu thereof "either fiscal year in the 2-fiscal-year budget period beginning October 1 of the preceding calendar year",

(iii) by striking "the fiscal year ending September 30 of that calendar year" in clause (B) and inserting in lieu thereof "either fiscal year of such 2-fiscal-year budget period", and

(iv) by striking "fiscal year beginning October 1 of that calendar year" and inserting in lieu thereof "succeeding 2-fiscal-year budget period";

(C) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(D) by inserting after paragraph (1) the following new paragraph:

"(2) On March 31 of each even-numbered year, the Director shall transmit to the Committees on the Budget of the House of Representatives and the Senate such revisions of the report required by paragraph (1) as may be necessary due to changing economic conditions and due to any revisions in the Budget transmitted by the President to the Congress on January 15 of that year pursuant to the last sentence of subsection (a) of section 1105 of title 31, United States Code.".

(d)(1) Section 301(a) of such Act (2 U.S.C. 632(a)) is amended—

(A) by striking "April 15 of each year" and inserting in lieu thereof "July 31 of each odd-numbered year",

(B) by striking "a concurrent resolution on the budget for the fiscal year beginning on October 1 of such year" and inserting in lieu thereof "the first concurrent resolution on the budget for the 2-fiscal-year budget period beginning on October 1 of the succeeding year",

(C) by striking "the fiscal year beginning on October 1 of such year" and inserting in lieu thereof "each fiscal year in such period", and

(D) by striking "each of the two ensuing fiscal years" and inserting in lieu thereof "each fiscal year in the succeeding 2-fiscal-year budget period".

(2) Section 301(b) (2 U.S.C. 632(b)) of such Act is amended to read as follows:

"(b) Additional Matters in Concurrent Resolution.—

"(1) Except as provided in paragraph (2) the first concurrent resolution on the budget may also require any other procedure which is considered appropriate to carry out the purposes of this Act.

"(2) It shall not be in order in the Senate or the House of Representatives to consider any first concurrent resolution on the budget—

"(A) which directs any committee to determine and recommend changes in bills, laws, or resolutions; or

"(B) which includes any matter with respect to any subject other than budget outlays, budget authority, the surplus or deficit in the budget, revenues (including off-setting receipts and off-setting collections), or the level of the public debt.

"(3) The first concurrent resolution on the budget may set forth, if required by subsection (f), the calendar year in which, in the opinion of the Congress, the goals for reducing unemployment set forth in section 4(b) of the Employment Act of 1946 should be achieved.".

(3) Section 301(d) of such Act (2 U.S.C. 632(d)) is amended by striking "February 25 of each year" and inserting in lieu thereof "May 15 of each odd-numbered year".

(4) Section 301(e) of such Act (2 U.S.C. 632(e)) is amended—

(A) by inserting "first" after "In developing the";

(B) by striking "fiscal year" in the first sentence and inserting in lieu thereof "2-fiscal-year budget period";

(C) by inserting after the second sentence the following: "On or before June 15 of each odd-numbered year, the Committee on the Budget of each House shall report to its House the first concurrent resolution on the budget referred to in subsection (a) for the 2-fiscal-year budget period beginning on October 1 of the succeeding year.";

(D) by striking "five" in paragraph (6) and inserting in lieu thereof "four";

(E) by striking "such fiscal year" in paragraph (6) and inserting in lieu thereof "the first fiscal year of such 2-fiscal-year budget period,"; and

(F) by striking "such period" in paragraph (6) and inserting in lieu thereof "such four-fiscal-year period".

(5) Section 301(f) of such Act (2 U.S.C. 632(f)) is amended—

(A) by striking "the concurrent" each place it appears and inserting in lieu thereof "the first concurrent"; and

(B) by striking "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period".

(6) Section 301(i)(1)(A) of such Act (2 U.S.C. 632(i)(1)(A)) is amended—

(A) by striking "for a fiscal year" and inserting in lieu thereof "for a 2-fiscal-year budget period", and

(B) by striking "for such fiscal year" the first place it appears and inserting in lieu thereof "for either fiscal year in such 2-fiscal-year budget period".

(7) The section heading of section 301 of such Act is amended to read as follows:

"ADOPTION OF FIRST CONCURRENT RESOLUTION ON THE BUDGET"

(8) The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking the item relating to section 301 and inserting in lieu thereof the following new item:

"Sec. 301. Adoption of first concurrent resolution on the budget.".

(e)(1) Paragraphs (1) and (2) of section 302(a) of such Act (2 U.S.C. 633(a)) are amended—

(A) by inserting "for a 2-fiscal-year budget period" after "budget" the first place it appears in each such paragraph; and

(B) by inserting "for each fiscal year in such 2-fiscal-year budget period" after "estimated allocation" each place it appears.

(2) The last sentence of section 302(b) of such Act (2 U.S.C. 633(b)) is amended—

(A) by striking "Each" and inserting in lieu thereof "By September 15 of each odd-numbered year, each"; and

(B) by striking "promptly".

(3) Section 302(c) of such Act (2 U.S.C. 633(c)) is amended—

(A) by striking "for a fiscal year" each place it appears and inserting in lieu thereof "for either fiscal year in a 2-fiscal-year budget period"; and

(B) by striking "for such fiscal year" each place it appears and inserting in lieu thereof "for such 2-fiscal-year budget period".

(4) Section 302(d) of such Act (2 U.S.C. 633(d)) is amended by inserting "or section 310" after "304".

(5)(A) Section 302 (f)(1) of such Act (2 U.S.C. 633(f)(1)) is amended—

(i) by striking "for a fiscal year" and inserting in lieu thereof "for a 2-fiscal-year budget period"; and

(ii) by striking "such fiscal year" each place it appears in the matter preceding subparagraph (A) and inserting in lieu thereof "either fiscal year in such 2-fiscal-year budget period".

(B) Section 302(f)(2) of such Act is amended—

(i) by striking "the concurrent resolution on the budget required to be reported under section 301(a) for a fiscal year" and inserting in lieu thereof "a concurrent resolution on the budget for a 2-fiscal-year budget period"; and

(ii) by striking "for such fiscal year" and inserting in lieu thereof "for such 2-fiscal-year budget period".

(f)(1) Section 303(a) of such Act (2 U.S.C. 634(a)) is amended—

(A) by striking "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period"; and

(B) by inserting "first" after "until the".

(2) Section 303(b) of such Act (2 U.S.C. 634(b)) is amended—

(A) by striking "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period"; and

(B) by striking the second sentence thereof.

(3) The section heading of section 303 of such Act is amended by striking **"CONCURRENT"** and inserting in lieu thereof **"FIRST CONCURRENT"**.

(4) The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking "Concurrent" in the item relating to section 303 and inserting in lieu thereof "First concurrent".

(g)(1) Section 304 of such Act (2 U.S.C. 635) is amended—

(A) by striking "concurrent" and inserting in lieu thereof "first concurrent";

(B) by striking "fiscal year" the first two places it appears and inserting in lieu thereof "2-fiscal-year budget period";

(C) by striking "for such fiscal year";

(D) by inserting before the period "for such 2-fiscal-year budget period"; and

(E) by adding at the end thereof the following: "Prior to the adoption of the second concurrent resolution on the budget required for a 2-fiscal-year budget period under section 310(a), it shall not be in order in the Senate or the House of Representatives to consider any concurrent resolution on the budget revising the most recently agreed to concurrent resolution on the budget for such 2-fiscal-year budget period if the concurrent resolution making such revisions—

"(1) directs any committee to determine and recommend changes in bills, laws, or resolutions; or

"(2) includes any matter with respect to any subject other than budget outlays, budget authority, the surplus or deficit in the budget, revenues (including offsetting receipts and offsetting collections), or the level of the public debt.".

(2) Section 304(b) of such Act (2 U.S.C. 635(b)) is amended—

(A) by striking "Maximum Deficit Amount May Not Be Exceeded.—" and inserting in lieu thereof "Applicability of Certain Provisions.—";

(B) by striking "301(i)" the first place it appears and inserting in lieu thereof "subsections (g), (h), and (i) of section 301"; and

(C) by striking "such section 301(i)" and inserting in lieu thereof "section 301".

(h) Section 305(b) of such Act (2 U.S.C. 636(b)) is amended—

(1) in paragraph (1) by striking "304(a)" and inserting in lieu thereof "304(a) or 310(a)";

(2) in paragraph (3)—

(A) by striking "the concurrent" and inserting in lieu thereof "a concurrent"; and

(B) by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(i)(1) Section 307 of such Act (2 U.S.C. 638) is amended—

(A) by striking the section heading and inserting in lieu thereof "COMMITTEE

ACTION ON APPROPRIATION AND OTHER SPENDING BILLS";

(B) by inserting "(a) Committee Action on Regular Appropriations Bills.—" before "On or before";

(C) by striking "June 10 of each year" and inserting in lieu thereof "March 31 of each even-numbered year";

(D) by striking "annual";

(E) by striking "fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period"; and

(F) by adding at the end thereof the following new subsection:

"(b) Reporting of Certain Measures.—

"(1) All bills and resolutions providing budget authority or spending authority described in section 401(c)(2)(C) for any 2-fiscal-year budget period—

"(A) shall be reported to the House of Representatives no later than March 31 of the year in which such period begins; and

"(B) shall be reported to the Senate no later than April 15 of the year in which such period begins.

"(2) If a committee of the House of Representatives or the Senate determines that a waiver of paragraph (1) is necessary with respect to any bill or resolution providing supplemental appropriations for any period, such committee may report, and the House or Senate may consider and adopt, a resolution waiving the application of such paragraph in the case of such bill or resolution.".

(2) The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking the item relating to section 307 and inserting in lieu thereof the following new item:

"Sec. 307. Committee action on appropriation and other spending bills.".

(j)(1)(A) Section 308(a)(1) of the Congressional Budget Act of 1974 (2 U.S.C. 639(a)(1)) is amended—

(i) in the matter preceding subparagraph (A) by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period";

(ii) in subparagraph (A) by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period"; and

(iii) in subparagraph (C) by striking "such fiscal year and each of the four ensuing fiscal years" and inserting in lieu thereof "the 4-fiscal-year period beginning with the first fiscal year in such 2-fiscal-year budget period".

(B) Section 308(a)(2) of such Act is amended by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(2) Section 308(b)(1) of such Act (2 U.S.C. 639(b)(1)) is amended—

(A) by striking "fiscal year"the first place it appears and inserting in lieu thereof "2-fiscal-year budget period";

(B) by inserting "for such 2-fiscal-year budget period" after "concurrent resolution on the budget"; and

(C) by striking "the fiscal year preceding such fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period preceding such 2-fiscal-year budget period".

(3) Section 308(c) of such Act (2 U.S.C. 639(c)) is amended—

(A) by striking "Five" in the subsection heading and inserting in lieu thereof "Four";

(B) by striking "each fiscal year" in the matter preceding paragraph (1) and inserting in lieu thereof "each 2-fiscal-year budget period";

(C) by striking "5 fiscal years beginning with such fiscal year" and inserting in lieu thereof "4 fiscal years beginning with the first fiscal year in such 2-fiscal-year budget period"; and

(D) by striking "such period" each place it appears and inserting in lieu thereof "such 4-fiscal-year period".

(k)(1) Section 309 of such Act (2 U.S.C. 640) is amended to read as follows:

"COMPLETION OF ACTION ON CERTAIN BILLS; LIMITATION ON ENROLLMENT OF CERTAIN BILLS AND RESOLUTIONS

"Sec. 309. Completion of Action Required.—(a) Except as otherwise provided pursuant to this title, not later than July 15 of each even-numbered year, the Congress shall complete action on all bills and resolutions—

"(1) providing new budget authority for the 2-fiscal-year budget period beginning on October 1 of such year, other than supplemental, deficiency, and continuing appropriation bills and resolutions, and other than the reconciliation bill for such period, if required to be reported under section 310; and

"(2) providing new spending authority described in section 401(c)(2)(C) which is to become effective during such 2-fiscal-year budget period."

Paragraph (1) shall not apply to a bill or resolution if legislation authorizing the enactment of new budget authority to be provided in such bill or resolution has not been timely enacted.

"(b) Limitation on Enrollment.—Bills and resolutions providing new budget authority for any 2-fiscal-year budget period or new spending authority described in section 401(c)(2)(C) for any 2-fiscal-year budget period shall not be enrolled until the concurrent resolution on the budget required to be reported under section 310(a) for such 2-fiscal-year budget period has been agreed to, and if a reconciliation bill or reconciliation resolution, or both are required to be reported under section 310(c) for such 2-fiscal-year budget period, until Congress has completed action on that bill or resolution, or both.".

(2) The item relating to section 309 in the table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended to read as follows:

"Sec. 309. Completion of action on certain bills; limitation on enrollment of certain bills and resolutions.".

(l)(1) Section 310 of such Act (2 U.S.C. 641) is amended by striking the matter preceding subsection (b) and inserting in lieu thereof the following:

"SECOND CONCURRENT RESOLUTION ON THE BUDGET; RECONCILIATION PROCESS

"Sec. 310. (a) Second Concurrent Resolution on the Budget.—

"(1) On or before June 15 of each even-numbered year, the Committee on the Budget of each House of the Congress shall report to its House a concurrent resolution on the budget that reaffirms or revises the concurrent resolution on the budget most recently agreed to for the 2-fiscal-year budget period beginning on October 1 of such year. Any such concurrent resolution shall, to the extent necessary to effectuate the provisions and requirements of such resolution, shall—

"(A) specify the total amount by which—

"(i) new budget authority for each fiscal year in such 2-fiscal-year budget period;

"(ii) budget authority initially provided for prior fiscal years;

"(iii) new entitlement authority which is to become effective during each fiscal year in such 2-fiscal-year budget period; and

"(iv) credit authority for each fiscal year in such 2-fiscal-year budget period, contained in laws, bills, and resolutions within the jurisdiction of a committee, is to be changed and direct that committee to determine and recommend changes to accomplish a change of such total amount;

"(B) specify the total amount by which revenues are to be changed and direct that the committees having jurisdiction to determine and recommend changes in the revenue laws, bills, and resolutions to accomplish a change of such total amount;

"(C) specify the amount by which the statutory limit on the public debt is to be changed for each fiscal year in such 2-fiscal-year budget period and direct the committee having jurisdiction to recommend such changes; or

"(D) specify and direct any combination of the matters described in subparagraphs (A), (B), and (C).

"(2) It shall not be in order in the Senate or the House of Representatives to consider any such concurrent resolution if such concurrent resolution directs any committee to determine and recommend changes in laws, bills, or resolutions directly or indirectly authorizing the enactment of new budget authority.

"(3) The provisions of subsections (g), (h), and (i) of section 301 shall apply with respect to concurrent resolutions under this subsection (and amendments thereto and conference reports thereon) in the same way they apply to concurrent resolutions on the budget under section 301 (and amendments thereto and conference reports thereon).

"(4) On or before August 1 of each even-numbered year, the Congress shall complete action of the concurrent resolution referred to in paragraph (1).".

(2) Section 310(e) of such Act (2 U.S.C. 641(e)) is amended—

(A) by striking "20 hours" in paragraph (2) and inserting in lieu thereof "100 hours"; and

(B) by adding at the end thereof the following new paragraph:

"(3) It shall not be in order in the Senate or the House of Representatives to consider any reconciliation bill or resolution or any amendment thereto or any conference report thereon which changes any provision of law other than provisions of law which—

"(A) provide new budget authority or spending authority described in section 401(c)(2)(C);

"(B) relate to revenues; or

"(C) specify the amount of the statutory limit on the public debt.".

(3) Section 310(f) of such Act (2 U.S.C. 641(f)) is amended to read as follows:

"(f) Completion of Reconciliation Process.—Congress shall complete action on any reconciliation bill or reconciliation resolution reported under subsection (b) not later than September 25 of each even-numbered year.".

(4) Section 310(g) of such Act (2 U.S.C. 641(g)) is amended by inserting "subsection (a)," after "under" the first place it appears.

(5) The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking the item relating to section 310 and inserting in lieu thereof the following new item:

"Sec. 310. Second concurrent resolution on the budget; reconciliation process.".

(m)(1) Section 311(a) of such Act (2 U.S.C. 642(a)) is amended—

(A) by striking "for a fiscal year" and inserting in lieu thereof "required to be reported under section 310(a) for a 2-fiscal-year budget period";

(B) by striking "such fiscal year" the first, second, and third places it appears and inserting in lieu thereof "a fiscal year in such 2-fiscal-year budget period";

(C) by inserting "for such fiscal year" after "outlays";

(D) by striking "most recently agreed to concurrent resolution on the budget for such fiscal year" and inserting in lieu thereof "most recently agreed to concurrent resolution on the budget for the 2-fiscal-year budget period in which such fiscal year occurs";

(E) by inserting "for such fiscal year" after "revenues" the first place it appears; and

(F) by inserting "for such fiscal year" after "set forth" the second place it appears.

(2) Section 311(b) of such Act (2 U.S.C. 642(b)) is amended—

(A) by striking "such fiscal year" the first place it appears and inserting in lieu thereof "a 2-fiscal-year budget period"; and

(B) by striking "such fiscal year" the second place it appears and inserting in lieu thereof "either fiscal year in such 2-fiscal-year budget period".

(n) Section 401(b) of such Act (2 U.S.C. 651(b)) is amended—

(1) by striking "the fiscal year which begins during the calendar year in" in paragraph (1) and inserting in lieu thereof "the first 2-fiscal-year budget period which begins after the date on";

(2) by striking "for such fiscal year" the second place it appears in paragraph (2) and inserting in lieu thereof "for the 2-fiscal-year budget period in which such fiscal year occurs"; and

(3) by inserting "for such fiscal year" after "new budget authority" the second place it appears in paragraph (2);

(o) Section 403(a) of the Congressional Budget Act of 1974 (2 U.S.C. 653(a)) is amended—

(1) by striking "4" in paragraph (1) and inserting in lieu thereof "three"; and

(2) by striking "four" in paragraph (2) and inserting in lieu thereof "three".

(p) Section 406(a) of such Act (2 U.S.C. 655(a)) is amended by striking "or section 304" and inserting in lieu thereof ", section 304, or section 310".

(q)(1) Title IV of such Act (2 U.S.C. 651 et seq.) is amended by adding at the end thereof the following new sections:

"REPORTS

"Sec. 408. (a)(1) The reports required by sections 301(c), 302(b), 308(b), and 308(c) shall contain the tables described in subsection (b).

"(2) Any—

"(A) concurrent resolution on the budget reported by the Committee on the Budget of the Senate or the House of Representatives under section 301, 304, or 310 of this Act; and

"(B) bill or resolution reported by a committee of the Senate or the House of Representatives which provides, modifies, or terminates budget authority or spending authority described in section 401(c)(2)(C), or which contains or modifies estimates of budget outlays, shall be accompanied by a report containing the tables described in subsection (b). The conference report on any bill or resolution described in clause (A) or (B) of the preceding sentence shall be accompanied by a joint statement of the managers containing such tables.

"(b)(1) The tables required by subsection (a) shall set forth estimates of budget authority, spending authority described in section 401(c)(2)(C), and budget outlays for each of the accounts (to which the report, bill, or resolution referred to in such subsection pertains) which are set forth in the Budget Accounts Listing contained in the Budget of the United States Government submitted by the President pursuant to subsection (a) of section 1105 of title 31, United States Code, during the Congress in which the report referred to in subsection (a)(1) is made or the bill or resolution described in subsection (a)(2) is reported. If any such report, bill, or resolution contains provisions involving budget authority, spending authority, or outlays for which accounts have not been included in such Budget Accounts Listing, the estimates therefor in the table required by this subsection shall be set forth in account records with account identification codes assigned by the Director of the Congressional Budget Office.

"(2) The tables described in paragraph (1) which are required to be included in the reports required by sections 301(c), 302(b), 308(b), and 308(c), and in the reports accompanying any concurrent resolution on the budget reported under section 301, 304, or 310 shall also set forth estimates for the budget authority and spending authority described in section 401(c)(2)(C) which will become available without further congressional action and estimates of the outlays that will result from such budget authority and spending authority. With respect to the reports required by sections 301(c) and 302(b), the estimates described in the preceding sentence are only required for the accounts or portions of accounts relating to the subject matter within the legislative jurisdiction of the committee submitting the report.

"ACTION ON AUTHORIZING LEGISLATION

"Sec. 409. (a) Dates for Reporting and Final Action.—

"(1) Except as otherwise provided in this section, it shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which, directly or indirectly, authorizes the enactment of new budget authority for a 2-fiscal-year budget period, unless that bill or resolution is reported in the House or the Senate, as the case may be, on or before July 1 of the odd-numbered year preceding the beginning of such 2-fiscal-year budget period.

"(2) The Congress shall complete action on all bills and resolutions directly or indirectly authorizing the enactment of new budget authority for a 2-fiscal-year budget period not later than December 1 of the year preceding the year in which such 2-fiscal-year budget period begins.

"(b) Emergency Waiver in the House.—If the Committee on Rules of the House of Representatives determines that emergency conditions require a waiver of subsection (a) with respect to any bill or resolution, such committee may report, and the House may consider and adopt, a resolution waiving the application of subsection (a) in the case of such bill or resolution.

"(c) Waiver in the Senate.—

"(1) The committee of the Senate which reports any bill or resolution may, at or after the time it reports such bill or resolution, report a resolution to the Senate (A) providing for the waiver of subsection (a) with respect to such bill or resolution, and (B) stating the reasons why the waiver is necessary. The resolution shall then be referred to the Committee on the Budget of the Senate. That committee shall report the resolution to the Senate, within 10 days after the resolution is referred to it (not counting any day on which the Senate is not in session) beginning with the day following the day on which it is so referred accompanied by that committee's recommendations and reasons for such recommendations with respect to the resolution. If the committee does not report the resolution within such 10-day period, it shall automatically be discharged from further consideration of the resolution and the resolution shall be placed on the calendar.

"(2) During the consideration of any such resolution, debate shall be limited to one hour, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees, and the time on any debatable motion or appeal shall be limited to 20 minutes, to be equally divided between, and controlled by, the mover and the manager of the resolution. In the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from the time under their control on the passage of such resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal. No amendment to the resolution is in order.

"(3) If, after the Committee on the Budget has reported (or been discharged from further consideration of) the resolution, the Senate agrees to the resolution, then subsection (a) of this section shall not apply with respect to that bill or resolution referred to in the resolution.

"(d) Certain Bills and Resolutions Received From Other House.—Notwithstanding the provisions of subsection (a), if under that subsection it is in order in the House of Representatives to consider a bill or resolution of the House, then it shall be in order to consider a companion or similar bill or resolution of the Senate; and if under that subsection it is in order in the Senate to consider a bill or resolution of the Senate, then it shall be in order to consider a companion or similar bill of the House of Representatives.

"(e) Exceptions.—

"(1) Subsection (a) shall not apply with respect to new spending authority described in section 401(c)(2)(C).

"(2) Subsection (a) shall not apply with respect to new budget authority authorized in a bill or resolution for any provision of the Social Security Act if such bill or resolution also provides new spending authority described in section 401(c)(2)(C) which, under section 401(d)(1)(A), is excluded from the application of section 401(b).

"(f) Study of Existing Spending Authority and Permanent Appropriations.—The Committees on Appropriations of the House of Representatives and the Senate shall study on a continuing basis those provisions of law, in effect on the effective date of this section, which provide spending authority or permanent budget authority. Each committee shall, from time to time, report to its House its recommendations for terminating or modifying such provisions.".

(2) The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 407 the following new items:

"Sec. 408. Reports.

"Sec. 409. Action on authorizing legislation.".

(r) Section 904(c) of the Congressional Budget Act of 1974 (2 U.S.C. 621(c)) is amended by striking "sections 305(b)(2)" and inserting in lieu thereof "sections 301(b)(2), 305(b)(2),".

AMENDMENTS TO TITLE 31, UNITED STATES CODE

SEC. 5. (a) Section 1101 of title 31, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3) 'two-fiscal-year budget period' has the meaning given to such term in paragraph (11) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11))".

(b) Section 1104(c) of title 31, United States Code, is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by striking the second and third sentences thereof; and

(3) by adding at the end thereof the following new paragraph:

"(2) The budget submitted pursuant to section 1105 for the 2-fiscal-year budget period beginning on October 1, 1990, and the estimates of outlays and proposed budget authority required to be submitted under section 1109 for such 2-fiscal-year budget period, shall be set forth in the same accounts which are set forth in the Budget Accounts Listing contained in the budget submitted for fiscal year 1989 under section 1105. Any change in the accounts used in the budget submitted under section 1105 for the 2-fiscal-year budget period beginning on October 1, 1990, or any succeeding 2-fiscal-year budget period, or in the estimates of outlays and proposed budget authority required under section 1109 for any such 2-fiscal-year budget period, from the accounts set forth in the Budget Accounts Listing contained in the budget submitted under section 1105 for fiscal year 1989 or the preceding 2-fiscal-year budget period, as the case may be, shall be made only in consultation with the Committees on Appropriations, the Committees on the Budget, and the committees having legislative jurisdiction over the programs or activities which will be affected by such changes. The provisions of this paragraph do not prohibit the inclusion of new accounts in the Budget Accounts Listing contained in the budget submitted pursuant to section 1105 solely for purposes of presenting estimates for new programs.".

(c)(1) So much of section 1105(a) of title 31, United States Code, as precedes paragraph (1) thereof is amended to read as follows:

"(a) By January 15 of each odd-numbered year, beginning with 1989, the President shall transmit to the Congress, the budget for the 2-fiscal-year budget period beginning on October 1 of the succeeding calendar year. The budget transmitted under this subsection shall include the President's Budget Message, summary data and text, and supporting detail. The budget shall set forth in such form and detail as the President may determine—".

(2) Section 1105(a)(5) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period for which the budget is submitted and the two fiscal years immediately following the second fiscal year in such 2-fiscal-year budget period".

(3) Section 1105(a)(6) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period for which the budget is submitted and the two fiscal years immediately following the second fiscal year in such 2-fiscal-year budget period".

(4) Section 1105(a)(9)(C) of title 31, United States Code, is amended by striking "the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period".

(5) Section 1105(a)(12) of title 31, United States Code, is amended—

(A) by striking "the fiscal year" in subparagraph (A) and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period"; and

(B) by striking "each of the 4 fiscal years after that year" in subparagraph (B) and inserting in lieu thereof "each of the 2 fiscal years immediately following the second fiscal year in such 2-fiscal-year budget period".

(6) Section 1105(a)(13) of title 31, United States Code, is amended by striking "the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period".

(7) Section 1105(a)(14) of title 31, United States Code, is amended by striking "that year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period for which the budget is submitted".

(8) Section 1105(a)(16) of title 31, United States Code, is amended by striking "the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period".

(9) Section 1105(a)(17) of title 31, United States Code, is amended—

(A) by striking "fiscal year following the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period following the 2-fiscal-year budget period";

(B) by striking "that following fiscal year" and inserting in lieu thereof "each such fiscal year"; and

(C) by striking "fiscal year before the fiscal year" and inserting in lieu thereof "2-fiscal-year budget period before the 2-fiscal-year budget period".

(10) Section 1105(a)(18) of title 31, United States Code, is amended—

(A) by striking "the prior fiscal year" and inserting in lieu thereof "each of the 2 most recently completed fiscal years";

(B) by striking "for that year" and inserting in lieu thereof "with respect to that fiscal year"; and

(C) by striking "in that year" and inserting in lieu thereof "in that fiscal year".

(11) Section 1105(a)(19) of title 31, United States Code, is amended—

(A) by striking "the prior fiscal year" and inserting in lieu thereof "each of the 2 most recently completed fiscal years";

(B) by striking "for that year" and inserting in lieu thereof "with respect to that fiscal year"; and

(C) by striking "in that year" each place it appears and inserting in lieu thereof "in that fiscal year".

(12) Section 1105(a) of title 31, United States Code, is further amended by adding at the end thereof the following new sentence:

"By January 15 of each even-numbered year, the President shall transmit to the Congress any revisions the President may desire to make in the Budget transmitted in the previous year.".

(d) Section 1105(b) of title 31, United States Code, is amended by striking "each year" and inserting in lieu thereof "each even-numbered year".

(e) Section 1105(c) of title 31, United States Code, is amended—

(1) by striking "fiscal year for" each place it appears and inserting in lieu thereof "2-fiscal-year budget period for";

(2) by inserting "or current 2-fiscal-year budget period, as the case may be," after "current fiscal year"; and

(3) by striking "that year" and inserting in lieu thereof "that period".

(f) Section 1105(d) of title 31, United States Code, is amended by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(g) Section 1105(e) of title 31, United States Code, is amended by striking "ensuing fiscal year" and inserting in lieu thereof "2-fiscal-year budget period to which such budget relates".

(h) Section 1105(f) of title 31, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking "a fiscal year" and inserting in lieu thereof "a 2-fiscal-year budget period", and

(B) by striking "such fiscal year" the first place it appears and inserting in lieu thereof "each fiscal year in such 2-fiscal-year budget period"; and

(2) in paragraph (2) by striking "in the budget so transmitted for any fiscal year" and inserting in lieu thereof "for a fiscal year in a budget transmitted pursuant to subsection (a)".

(i) Section 1106(a) of title 31, United States Code, is amended—

(1) by striking "fiscal year" in the matter preceding paragraph (1) and inserting in lieu thereof "2-fiscal-year budget period";

(2) by striking "that fiscal year" in paragraph (1) and inserting in lieu thereof "each fiscal year in such 2-fiscal-year budget period";

(3) by striking "the 4 fiscal years following the fiscal year" in paragraph (2) and inserting in lieu thereof "each fiscal year in the first 2-fiscal-year budget period following the 2-fiscal-year budget period";

(4) by striking "future fiscal years" in paragraph (3) and inserting in lieu thereof "each fiscal year in the first 2-fiscal-year budget period following the 2-fiscal-year budget period for which the budget is submitted"; and

(5) by striking "fiscal year" the last place it appears in paragraph (3) and inserting in lieu thereof "2-fiscal-year budget period".

(j) Section 1106(b) of title 31, United States Code, is amended by striking "the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period".

(k)(1) Section 1109(a) of title 31, United States Code, is amended—

(A) by striking "each year" and inserting in lieu thereof "each even-numbered year (beginning with 1988)";

(B) by striking "the following fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period beginning in the following even-numbered year"; and

(C) by striking "during that year" and inserting in lieu thereof "during each such year".

(2) Section 1109(b) of title 31, United States Code, is amended by inserting "even-numbered" after "each".

(l) Section 1110 of title 31, United States Code, is amended—

(1) by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period (beginning on or after October 1, 1990)"; and

(2) by striking "May 16 of the year before the year in which the fiscal year begins" and inserting in lieu thereof "May 16 of the year before the year in which the bills and resolutions setting forth such authorizations are to be reported under section 409 of the Congressional Budget Act of 1974".

(m) Section 1114 of title 31, United States Code, is amended—

(1) by striking "The" each place it appears and inserting in lieu thereof "For each 2-fiscal-year budget period, beginning with the 2-fiscal-year budget period beginning on October 1, 1990, the"; and

(2) by striking "each year" each place it appears.

TITLE AND STYLE OF APPROPRIATION ACTS

SEC. 6. Section 105 of title 1, United States Code, is amended to read as follows:

"§ 105. Title and style of appropriation Acts

"(a) The style and title of all Acts making appropriations for the support of the Government shall be as follows: 'An Act making appropriations (here insert the object) for the 2-fiscal-year budget period ending September 30 (here insert the even-numbered calendar year.).'.

"(b) All Acts making regular appropriations for the support of the Government shall be enacted for a 2-fiscal-year budget period, and shall specify the amount of appropriations provided for each fiscal year in such period.

"(c) For purposes of this section, the term '2-fiscal-year budget period' has the same meaning as in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11)).".

AMENDMENTS TO THE LEGISLATIVE REORGANIZATION ACT OF 1946

SEC. 7. (a) Section 136(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 190d(a)) is amended—

(1) by striking "Congress" in the matter preceding paragraph (1) and inserting in lieu thereof "Senate and the House of Representatives";

(2) by striking "its" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "their";

(3) by inserting "(except the Committees on Appropriations, the Committees on the Budget, the House Committee on House Administration, the House Committee on Rules, and the House Committee on Standards of Official Conduct)" after "Representatives" in the matter following paragraph (2); and

(4) by striking the second and third sentences thereof.

(b) Section 136 of such Act is further amended by striking subsections (b) and (c) and inserting in lieu thereof the following new subsections:

"(b) During the period beginning on January 15th of each odd-numbered year and ending October 1 of the following year, each standing committee of the House of Representatives and the Senate to which subsection (a) applies shall review and study—

"(1) the application, administration, execution, and effectiveness of those laws (or parts of laws) the subject matter of which is within the jurisdiction of that committee, and

"(2) the organization and operation of the Federal agencies and entities having responsibilities in or for the administration thereof,

in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, modified, or eliminated. During such period, each such committee shall also review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that committee (whether or not any bill or resolution has been introduced with respect thereto). Such committee may carry out the required reviews and studies by contract, or may require a Government agency to do so and furnish a report thereon to the committee. Such committees may rely on such techniques as pilot testing, analysis of costs in comparison with benefits, or provision for evaluation after a defined period of time. The findings and determinations made by each such committee from its oversight activities under this section in any year shall be reported to the House of Representatives or the Senate no later than October 1 of such even-numbered year, and shall constitute the basis for such committee's legislative work during the succeeding Congress.

"(c) To assist a standing committee in carrying out its responsibilities under this section, the head of each Federal agency which administers the laws or parts of laws under the jurisdiction of such committee shall provide to such committee such studies, information, analyses, reports, and assistance, including the requests for appropriations and the justifications therefor submitted by the agency to the President pursuant to section 1108 of title 31, United States Code, as may be requested by the chairman and ranking minority member of the committee, except that such request and justifications for a 2-fiscal-year budget period shall not be submitted under this subsection until after the day the President transmits the Budget to the Congress under section 1105 of such title for such period.

"(d)(1) To assist a standing committee in carrying out its responsibilities under this section, the head of any agency shall furnish without charge to such committee computer tapes or discs, together with explanatory documentation, containing information received, compiled, or maintained by the agency as part of the operation or administration of a program, or specifically compiled pursuant to a request in support of a review of a program, as may be requested by the chairman and ranking minority member of such committee.

"(2) The Committee on House Administration of the House of Representatives and the Committee on Rules and Administration of the Senate shall prescribe rules and regulations for their respective Houses which will minimize duplication of requests under paragraph (1) of this subsection.

"(e) Within thirty days after the receipt of a request from a chairman and ranking minority member of a standing committee having jurisdiction over a program being reviewed and studied by such committee under this section, the Comptroller General of the United States shall furnish to such committee summaries of any audits or reviews of such program which the Comptroller General has completed during the preceding six years.

"(f) Consistent with their duties and functions under law, the Comptroller General of the United States, the Director of the Congressional Budget Office, the Director of the Office of Technology Assessment, and the Director of the Congressional Research Service shall furnish to each standing committee of the Senate or the House of Representatives such information, studies, analyses, and reports as the chairman and ranking minority member may request to assist the committee in conducting reviews and studies of programs under this section.

"(g) This section does not require the public disclosure of matters that are specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and are in fact properly classified pursuant to such Executive order, or which are otherwise specifically protected by law. This section does not require any committee of the Senate to disclose publicly information the disclosure of which is governed by Senate Resolution 400, Ninety-fourth Congress, or any other rule of the Senate.".

AMENDMENTS TO RULES OF SENATE AND HOUSE OF REPRESENTATIVES

SEC. 8. (a) Paragraph 8 of rule XXVI of the Standing Rules of the Senate is repealed.

(b)(1) Clause 4(a)(1)(A) of rule X of the Rules of the House of Representatives is amended by inserting "odd-numbered" after "each".

(2) Clause 4(a)(2) of rule X of the Rules of the House of Representatives is amended by striking "such fiscal year" and inserting in lieu thereof "the 2-fiscal-year budget period in which such fiscal year occurs".

(3) Clause 4(b)(2) of rule X of the Rules of the House of Representatives is amended by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(4) Clause 4(f) of rule X of the Rules of the House of Representatives is amended by striking "annually" each place it appears and inserting in lieu thereof "biennially".

(5) Clause 4(g) of rule X of the Rules of the House of Representatives is amended—

(A) by striking "March 15 of each year" and inserting in lieu thereof "May 15 of each odd-numbered year";

(B) by striking "fiscal year" the first place it appears and inserting in lieu thereof "2-fiscal-year budget period"; and

(C) by striking "that fiscal year" and inserting in lieu thereof "each fiscal year in such ensuing 2-fiscal-year budget period".

(6) Clause 4(h) of rule X of the Rules of the House of Representatives is amended by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(c)(1) Subdivision (C) of clause 2(l)(1) of rule XI of the Rules of the House of Representatives is repealed.

(2) Clause 4(a) of rule XI of the Rules of the House of Representatives is amended by striking "fiscal year if reported after September 15 preceding the beginning of such fiscal year" and inserting in lieu thereof "2-fiscal-year budget period if reported after August 1 of the year in which such 2-fiscal-year budget period begins".

(d) Clause 2 of rule XLIX of the Rules of the House of Representatives is amended by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

CONTINUING APPROPRIATIONS

SEC. 9. (a)(1) Chapter 13 of title 31, United States Code, is amended by inserting after section 1310 the following new section:

"§ 1311. Continuing appropriations

"(a)(1) Except as provided in paragraph (2), if any of the regular appropriation bills for a 2-fiscal-year budget period does not become law before the beginning of such period, there are hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any project or activity, provided for in a regular appropriation Act that has become effective in accordance with section 1312 of this title for the preceding 2-fiscal-year budget period, at a rate of operations not in excess of the rate of operations provided for such project or activity for such preceding 2-fiscal-year budget period in such Act.

(2) If the rate of operations provided for a project or activity for the second fiscal year in a 2-fiscal-year budget period differs from the rate of operations provided for such project or activity for the first fiscal year in such such 2-fiscal-year budget period by reason of reductions made pursuant to an order issued under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, such project or activity shall be continued at a rate of operations not in excess of the rate of operations provided for such project or activity for such second fiscal year.

"(b) Amounts appropriated pursuant to subsection (a) with respect to a 2-fiscal-year budget period shall be available for the period beginning with the first day of such period and ending with the earlier of—

"(1) the day after the first date on which all of regular appropriations bills for such 2-fiscal-year budget period have become law, or

"(2) the last day of such 2-fiscal-year budget period.

"(c) For purposes of this section, 'regular appropriation bill' has the meaning given such term in section 307 of the Congressional Budget Act (2 U.S.C. 638).".

(2) The analysis of chapter 13 of title 31, United States Code, is amended by inserting after the item relating to section 1310 the following new item:

"1311. Continuing appropriations.".

(b)(1) Chapter 13 of title 31, United States Code, is further amended by inserting after section 1311 the following new section:

"§ 1312. Effective date of certain appropriations

"(a) Notwithstanding any other provision of law, no regular appropriation Act for any 2-fiscal-year budget period shall become effective until the later of—

"(1) the first day of such 2-fiscal-year budget period, or

"(2) the day after the first date on which all of the regular appropriation bills for such 2-fiscal-year budget period have become law.

"(b) No law may waive or limit the application of this section unless such law does so in specific terms, referring to this section, and declaring that such law waives or limits the application of this section.".

(2) The analysis of chapter 13 of title 31, United States Code, is amended by inserting after the item relating to section 1311 the following new item:

"1312. Effective date of certain appropriations.".

(c) Section 251(a)(6) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(a)(6)) is amended by adding at the end thereof the following: "For purposes of subparagraph (B), continuing appropriations made pursuant to section 1311 of title 31, United States Code, shall be treated as continuing appropriations for an entire fiscal year.".

(d)(1) The amendments made by this section shall apply to 2-fiscal-year budget periods beginning after September 30, 1990.

(2) For purposes of determining the application of section 1311 of title 31, United States Code, to the 2-fiscal-year budget period beginning October 1, 1990, any project or activity provided for in a joint resolution making continuing appropriations for the fiscal year beginning October 1, 1989, shall be treated as having been provided for in a regular appropriation Act.

(3) For purposes of determining the rate of operations for a project or activity under section 1311 of title 31, United States Code, for the 2-fiscal-year budget period beginning October 1, 1990, the rate of operations for such project or activity in each fiscal year of such 2-fiscal-year budget period shall equal the rate provided for such project or activity in a regular appropriation Act for the fiscal year beginning October 1, 1989 or a joint resolution making continuing appropriations for such fiscal year.

EFFECTIVE DATE

SEC. 10. The provisions of this Act and the amendments made by this Act shall take effect the first day of the One-hundred-and-first Congress, except that—

(1) the amendments made by section 5(k) of this Act shall take effect on November 9, 1988; and

(2) the provisions of section 11 of this Act shall take effect on the date of enactment of this Act.

FISCAL YEAR 1990

SEC. 11. (a) Notwithstanding the amendments made by sections 3, 4, 5, 6, 7, and 8 of this Act, the President shall submit to the Congress a budget for fiscal year 1990, and the estimates of outlays and proposed budget authority that would have been required under section 1109 of title 31, United States Code (as such section was in effect on November 8, 1987). The provisions of section 201 of the Budget and Accounting Act, 1921 (now 31 U.S.C. 1105), as such provisions were in effect on the day before the effective date of this Act, shall apply to the submission by the President of the budget for fiscal year 1990. The provisions of section 1109 of title 31, United States Code (as such provisions were in effect on November 8, 1987) shall apply with respect to the submission of such estimates by the President.

(b) Notwithstanding the amendments made by sections 3, 4, 5, 6, 7, and 8 of this Act, the Congress shall complete action on the concurrent resolution on the budget that would have been required for fiscal year 1990 under the provisions of the Congressional Budget Act of 1974 as such provisions were in effect on the day before the effective date of this Act. The provisions of the Congressional Budget and Impoundment Control Act of 1974 (as such provisions were in effect on the day before the date of enactment of this Act) shall apply with respect to concurrent resolutions on the budget for fiscal year 1990, bills and resolutions providing new budget authority or new spending authority for fiscal year 1990, and bills and resolutions authorizing the enactment of new budget authority for fiscal year 1990, except that—

(1) the provisions of section 301(b)(1) of such Act (as in effect on the day before the effective date of this Act) shall not apply with respect to fiscal year 1990, and the provisions of section 301(b)(2) of such Act (as in effect on the day before the effective date of this Act) shall not apply with respect to fiscal year 1990 to the extent that such provisions are inconsistent with clause (2) of this subsection;

(2) it shall not be in order in the Senate or the House of Representatives to consider any reconciliation bill or resolution for fiscal year 1990 or any amendment thereto or any conference report thereon which changes any provision of law other than provisions of law which—

(A) provide new budget authority or spending authority described in section 401(c)(2)(C) of such Act;

(B) relate to revenues; or

(C) specify the amount of the statutory limit on the public debt;

(3) section 408 of such Act, as added by section 4(q) of this Act, shall apply with respect to fiscal year 1990; and

(4) section 1104(c)(2) of title 31, United States Code, as added by section 5(b) of this Act, shall apply with respect to fiscal year 1990.

SUMMARY OF S. 286, THE "BUDGET PROCEDURES IMPROVEMENT ACT OF 1987"

Section 2 sets forth the Congressional findings and the purpose of the bill. The findings are that the current procedures and schedule do not allow sufficient time for the Congress to adequately consider measures relating to the budget of the United States Government or to fulfill its legislative and oversight responsibilities. The purpose of the bill is to address these problems by providing for a two-year budget cycle and by strengthening procedures intended to ensure adequate consideration of bills and resolutions before enactment.

Section 3 sets forth revisions to the Congressional budget timetable, as follows:

FIRST SESSION

On or before: Action to be completed.

November 10 (of the preceding session): President submits current services budget for the 2-fiscal-year budget period beginning in the succeeding even-numbered year.

January 15: President submits his budget recommendations for the 2-fiscal-year budget period beginning in the succeeding calendar year.

April 15: Congressional Budget Office submits report to the two Budget Committees with respect to the 2-fiscal-year budget period.

May 15: Committees and joint committees submit their views and estimates to the Budget Committees with respect to the 2-fiscal-year budget period.

June 15: Budget Committees report first concurrent resoluton on the budget for the 2-fiscal-year budget period to their Houses.

July 1: Committees report bills and resolutions authorizing new budget authority for the 2-fiscal-year budget period.

July 31: Congress completes action on the first concurrent resolution on the budget for the 2-fiscal-year budget period.

September 15: Committees report allocations of the first concurrent resolution on the budget among programs within their jurisdiction.

December 1: Congress completes action on bills and resolutions authorizing new budget authority for the 2-fiscal-year budget period.

SECOND SESSION

On or before: Action to be completed.

January 15: President submits revised budget recommendations for the 2-fiscal-year budget period.

March 31: House committees report bills providing new budget authority and new spending authority for the 2-fiscal-year budget period.

March 31: Congressional Budget Office submits report to Budget Committees with respect to the 2-fiscal-year budget period.

April 15: Senate committees report bills providing new budget authority and new spending authority for the 2-fiscal-year budget period.

June 15: Budget Committees report second required concurrent budget resolution on the budget for the 2-fiscal-year budget period to their Houses.

July 15: Congress completes action on bills and resolutions providing new budget authority and new spending authority for the 2-fiscal-year budget period.

August 1: Congress completes action on second concurrent resolution on the budget for the 2-fiscal-year budget period.

September 25: Congress completes action on the reconciliation bill or resolution or both, implementing the second concurrent resolution on the budget for the 2-fiscal-year budget period.

October 1: 2-fiscal-year budget period begins.

Section 4 makes date changes throughout the Congressional Budget and Impoundment Control Act of 1974, as amended by the Balanced Budget and Emergency Deficit Control Act of 1985 (Gramm-Rudman-Hollings), consistent with the two-year timetable in section 3. Additionally, this section—

(A) prohibits the inclusion in a first resolution or revisions thereto of any instructions to committees to determine and recommend changes in bills, laws, or resolutions;

(B) prohibits the inclusion in any budget resolution of any matter on any subject other than budget outlays, budget authority, the surplus or deficit in the budget, revenues (including off-setting receipts and off-setting collections), or the level of the public debt;

(C) reestablishes a two-resolution budget process, with the first or planning resolution occurring in the first session of a Congress, followed by a second and binding resolution after action is completed on spending bills in the second session;

(D) withholds enrollment of all spending measures until action is completed on the second budget resolution and a reconciliation or resolution;

(E) increases the time for debate on a reconciliation bill from 20 hours to 100 hours; and

(F) requires that certain budget-related measures and reports include or be accompanied by tables setting forth the action or recommended action with respect to the budget accounts as contained in the budget submitted by the President.

Section 5 amends Title 31, United States Code, to conform the title to the schedule set forth in section 3. Additionally, section 5 requires that changes in the budget account structure from year to year be made in consultation with the Budget Committees, the Appropriations Committees, and the committees with legislative jurisdiction over the programs funded by the accounts to be changed.

Section 6 makes changes in Title 1 of the United States Code with respect to the form of appropriation bills consistent with a two-year budget process.

Section 7 amends the provisions of the Legislative Reorganization Act of 1946 with respect to legislative oversight by establishing a two-year legislative oversight cycle. The two-year cycles correspond to Congresses, and the results of the oversight activity are intended to form the basis for legislative action in the following Congress. Reports on oversight activities are required by October 1 of each second session. Additionally, the authority of executive agencies to provide information and assistance to congressional committees is clarified, and the General Accounting Office is authorized to furnish committes with the results of audits or reviews of programs completed in the six years preceeding a congressional review of a program.

Section 8 makes amendments to the Rules of the Senate and of the House of Representatives to conform them to the budget schedule set forth in section 3.

Section 9 provides that whenever congressional action is not completed on all spending measures (including budget resolutions and reconciliation bills or resolutions, if any) for a two-year budget period prior to the beginning of the period, all programs will continue to be funded at the current statutory level until action on all such measures is completed.

Section 10 sets forth the effective date which is the first day of the 101st Congress, except that the effective date for the President's first two-fiscal-year current services budget under this bill is the November 9 immediately preceding the 101st Congress.

Section 11 contains transition provisions. During the first session of the 101st Congress, two processes will occur simultaneously. Enactment of a budget for fiscal year 1990 will occur during the first session of the 101st Congress concurrently with the first session activities pursuant to enactment of a budget for the two-fiscal-year period consisting of fiscal years 1991 and 1992.

EXHIBIT 2

[From the Washington Post, Jan. 12, 1987]

REFORMATION ROAD

(By Pete V. Domenici)

As the 100th Congress begins, the clamor for procedural reform rarely has been more vocal or more broad-based than it is now. Indeed, the president himself has joined the chorus of reform. But line-item vetoes, constitutional amendments to balance the budget, enhanced rescissions and other ideas the president may propose probably have little likelihood of being enacted.

It is easy to be skeptical of reform. The Stevenson Committee in 1976–77 was full of reforms, as were the Pearson-Ribicoff Committee in 1983 and the Quayle Committee in 1984. All were well-intentioned. None changed anything very much, maybe because ambitious change is rarely possible in an institution so strongly rooted in history, precedent and the power of individual members.

However difficult, though, it is clear that some form of "procedural restructuring" is necessary. Deadlines are regularly missed. Important budget decisions are delayed. Appropriations and other direct spending legislation is held back in committees. When appropriations bills do come to the floor, they are used regularly as vehicles for authorizations; Senate rules are ignored or overridden because these bills are viewed as the only vehicle around. Budget actions themselves, insofar as they are included in a single reconciliation bill, become a magnet for new authorizations and new programs that can, or do not otherwise, receive Senate consideration. Committees complete for jurisdiction. In the end, much of the year's legislation is compressed into a few major bills, each of them hundreds of pages in length, well beyond the individual member's ability to comprehend or influence.

Congress will face its first opportunity to consider budget process reform May 15, when the current statutory debt limits runs out. At this time, a revision of the automatic sequester process will likely be introduced, but the forum will be open for broader-reaching reform of the Gramm-Rudman law and the budget process. This may well be the next Gramm-Rudman "crisis," not a crisis of budget policy but rather a crisis of process.

Three charges dominate congressional criticism of our fiscal processes. First, they are too time-consuming and lead to catchall bills at the end of the session; second, they intrude too much of the substantive legislative jurisdiction of individual committees; third, they, and the budget process in particular, have failed to curb the deficit. There is much merit in the first two; the third is false.

The perception and reality that fiscal matters have dominated Congress is understandable. The explosive growth in the federal budget deficit and our inability to control the deficit are at the very top of the national agenda. Policy decisions, therefore, are necessarily fiscal, and almost every national need becomes a question of cost rather than policy or purpose.

Nevertheless, the fact remains that last year the conference agreement on the budget was not finished until June 26. As a practical matter, committees did not receive their budget allocations until after the July 4th recess, and direct spending legislation could not move until the last two months of the session.

Moreover, while implementing budget decisions, the budget process has too often subsumed the authorizing process. This has given rise not only to the regular practice of authorizing on appropriations bills but also to the excessive practice of amending "must do" legislation, such as the debt limit, with authorizations.

There is no reform that will substitute for the responsibility of the individual committee or member to conduct the business of government in an orderly or timely manner. But there are changes that could lessen the burdens of the current procedures, and I urge my colleagues to consider these carefully.

First, and possibly the most important, is to move to a two-year budget and appropriations cycle. All budget and appropriations would be considered in the first year, with authorizations and oversight to follow in the second. There would have to be a phase-in but, once fully operative, spending bills that affect the budget totals would have to conform to the budget limits set out the year before.

Second, it is absolutely necessary to restrict further the ability for committees or members to attach authorizing legislation to appropriations bills.

Third, we need flexibility within the two-year cycle to allow truly emergency supplemental appropriations and a simple procedure to change the budget frame-work for changes in economic or other circumstances.

Fourth, we ought to consider expedited procedures for the annual public debt limit ritual.

Amid all this change, let me emphasize the importance of retaining the goals and the parliamentary restraints of the present Gramm-Rudman law. The budget deficits, which just over a year ago the Congressional Budget Office projected to rise to nearly $300 billion by the 1990s, are now expected to fall to almost $100 billion. This means that under current policies, allowing all discretionary programs to increase with the rate of inflation and with no more spending cuts or tax increases, the budget deficit will decline almost $200 billion between FY 1986 and the early 1990s. And federal spending, which had grown 3.6 percent in real terms for the period FY 1980 to FY 1986, is in the current budget year not expected to grow at all. This is a dramatic change, which Gramm-Rudman helped bring about.

Just doing the first of these reforms—a two-year budget cycle combined with the Gramm-Rudman discipline—would bring about a profound change in the way Congress does its business. But such change would be clearly counterproductive if it were to lessen the ability of Congress to keep the deficit on the current downward path. Indeed, the temptation to modify the goals and procedural restraints in the current Gramm-Rudman law will likely be the first and, over the long term, the most important fiscal challenge to the new Democratic Senate.

The PRESIDENT pro tempore. The Senator from South Carolina is recognized.

TRADE DEFICIT FIGURES AND TEXTILE LEGISLATION IN THE 100TH CONGRESS

Mr. THURMOND. Mr. President, I am deeply disappointed over recent statistics which indicate that 1986 will be the worst trade year in U.S. history. For the first 11 months of 1986, the trade deficit was $159.1 billion. This surpasses the 1985 trade deficit of $148.5 billion. At the current rate, the year-end trade deficit for 1986 will be $173.6 billion. This will be the fifth straight record-setting annual deficit and will be the largest trade deficit experienced by any country at anytime. For the month of November 1986, the trade deficit exceeded $19 billion. The Washington Post of January 1, 1987, quoted Commerce Under Secretary Robert Ortner as saying:

> There was a time when a $19 billion deficit was horrendous for one year. Now we have to get used to thinking of it as being horrendous for one month.

I do not believe our Nation must get accustomed to transferring our economic strength to foreign countries. I do not believe we should become accustomed to the decline in American power which is caused by such huge trade deficits.

In 1816 Thomas Jefferson Said:

> To be independent, for the comforts of life, we must fabricate them ourselves. Manufacturers are now as necessary to our independence as to our comfort.

These words are as true today as they were over 170 years ago. To avoid the severe threat posed to our national economy and national security, we need a comprehensive and consistent trade policy.

I have the highest respect and admiration for President Reagan. During the course of this administration, I have been one of his strongest supporters. Nevertheless, I believe the President has in the past received bad advice on questions of trade policy. This is evidenced by the President's veto in the 99th Congress of the textile and apparel trade enforcement legislation, which I introduced along with Senator HOLLINGS. This legislation, which was designed to preserve American jobs and reduce the trade deficit, received overwhelming support. These most recent statistics clearly illustrate that in 1986 legislation which promotes fair trade in the textile and apparel industry is urgently needed.

Specifically, from January 1985, to November 1985, the trade deficit in the textile and apparel industry constituted $16.7 billion of the total deficit. For the same period in 1986, the textile trade deficit grew to $19.7 billion. This is an increase of nearly 2 billion square yards of imported textile products over the same period in 1985. The 11-month textile trade deficit already exceeds the $18 billion record set for all 1985.

Since 1980, over 350,000 American testile workers have lost their jobs to foreign imports. They have already felt the pain of the textile trade deficit. For the 4 million Americans who are still employed in either the textile industry or related industries, these recent statistics represent a grave threat to their economic security.

It is not only textile workers and their families who suffer the consequences of these tragic figures. The Defense Department ranks textiles second only to steel in importance to our National defense. However, if we continue current policies which encourage the transfer of our national industrial base to foreign countries, this virtually important domestic industry will die.

In this new year, it is my hope that the President will resolve to demonstrate his support for fairness to the American textile industry. It is essential that we restrain the unlimited growth of subsidized, cheaply produced foreign imports which threaten the strength of our national industrial base and cost thousand of American jobs each year.

As we begin the historic 100th Congress, I am deeply committed to ensuring the survival of the critically important domestic textile and apparel industry. I have no higher domestic legislative priority than the passage of a bill which promotes fair trade in this industry. Such legislation will require strong bipartisan support and cooperation. Accordingly, I look forward to working closely with Senator HOLLINGS and other distinguished colleagues from both sides of the aisle in this regard.

ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 2 p.m., with statements therein limited to 5 minutes each.

Mr. BYRD addressed the Chair.

The PRESIDENT pro tempore. The Senator from West Virginia is recognized, under section 4, for 5 minutes.

Mr. BYRD. Yes, I seek recognition during morning business, under the order.

THE PRESIDENT SHOULD APPOINT MEMBERS TO THE AVIATION SAFETY COMMISSION

Mr. BYRD. Mr. President, during the last Congress, I and a number of my colleagues on both sides of the aisle devoted a great deal of time and effort to examining the issue of aviation safety. We were concerned about a number of disturbing reports circulating from the General Accounting Office, Federal Aviation Administration officials, air traffic controllers, pilots, mechanics, engineers, and inspectors that continued to question the ability of the airways system to maintain an adequate margin of safety.

All of these reports ultimately focused on the same set of questions: What has been the impact of airline deregulation on Aviation safety? Are the FAA staffing levels sufficient, given the dramatic increase in the volume of commercial and general aviation traffic? Has the FAA recovered from the loss of 11,400 air traffic controllers who were fired following the PATCO strike in 1981? And, are the dual responsibilities of the FAA—to promote commercial aviation and to guarantee aviation safety—in conflict with one another?

The need to find answers to these questions was tragically underscored on August 31, 1986, by the collision in the skies over Los Angeles of Aeromexico flight 498, carrying 58 passengers and 6 crew members, with a single engine piper Cherokee. Both aircraft plunged to the ground killing everyone on board. To compound the tragedy, the DC-9 crashed into a Los Angeles suburb, damaging or destroying 11 homes and killing 22 residents.

A little more than 1 month prior to the AeroMexico disaster, on July 17, 1986, I testified before the Aviation Subcommittee of the Senate Committee on Commerce, Science, and Transportation. My testimony urged the subcommittee to act favorably on S. 2417, the Aviation Safety Commission Act of 1986, a bill I introduced together with 16 of my colleagues.

The objective of this legislation was to provide for an independent reexamination of the FAA, the Nation's aviation safety policy, and the impact of airline deregulation on aviation safety. It was, if you will, designed to accomplish for civilian aviation safety what the Rogers Commission had accomplished for the Space Program in the wake of the *Challenger* disaster.

S. 2417 was reported from the full Committee on Commerce, Science, and Transportation on August 7, 1986, and passed the Senate on September 11. This bill ultimately became title V of the 1987 continuing resolution (Public Law 99-591) which was signed into law on October 18, 1986.

The law requires the President to appoint a seven-member Aviation Safety Commission within 30 days of enactment. The Commission, by law, has 9 months to complete its investigation and report to the President and Congress on its findings and recommendations.

Admittedly, Mr. President, this is a short timeframe. There are two reasons for this: First, the Work of the Commission will be important to the Congress as we prepare to reauthorize the airport and airway trust fund and consider new funding levels for FAA operations. Second, and most important, the quicker we know what the faults of the system are, the quicker we can act to avoid further tragedy.

Regrettably, the administration does not seem to share this concern. I wish I could report today that the Commission was moving into its second month of work. Unfortunately, as of today, there is still no Aviation Safety Commission. Not a single member has been appointed, and the White House has been unable to say when appointments will be made.

Meanwhile, the evidence continues to mount that the Nation has an airways system in which the skies are too crowded and the margin of safety has become dangerously thin. Let me cite some examples:

In 1975, one aviation safety incident—which includes near mid-air collisions, surface operational errors, and crashes—was reported for every 12,805 air departures. By 1980, 2 years after the inception of airline deregulation, an incident was reported for every 7,377 departures, a 42-percent increase in the frequency of safety incidents during the period 1975-80. From 1980-82 the margin of safety appears to have improved, a function, I believe, of the temporary restrictions that the FAA placed on air traffic in response to the air traffic controllers' strike in 1981. These restrictions were lifted in 1983 and, not coincidentally, the frequency of safety incidents increased sharply, from one per 12,031 departures in 1982, to one per 5,323 departures in 1985, a 126-percent increase over the period.

Since airline deregulation began, the number of commercial passenger airlines has increased dramatically from 29 in 1978, to 307 in 1986. The number of commercial passenger aircraft operating has increased from 2,145 in 1978 to 3,824 in 1984. Furthermore, the number of general aviation aircraft in operation, which the FAA must also handle, has increased from 177,964 in 1978, to 220,940 in 1984.

As a result, according to the FAA, air traffic since 1978 has increased 60 percent. The FAA projects that air traffic between 1985 and 1997 will continue to increase at a rate of 7 to 10 percent per year.

Yet, during this expansion, not only has the aviation safety system not kept pace, it has fallen dangerously behind. The FAA remains understaffed, desperately in need of new technology, and preoccupied with efforts to certify new carriers rather than regulating existing ones.

For example, the FAA has not yet recovered from the 1981 air traffic controllers' strike. There are 3,677 fewer experienced air traffic controllers employed by the FAA today than there were in 1981, before the strike. According to the General Accounting Office, it will take at least 3 years for all 20 air route traffic control centers to reach the FAA's goal of 75 percent fully qualified controllers. The GAO admits that even this may be overly optimistic, given the wave of retirements expected over the next 5 years.

FAA efforts to compensate for the shortage of controllers raise even more questions. The GAO found a disturbing frequency in 6-day workweeks, use of overtime, and supervisors working traffic, the very factors that contribute to controller burnout.

Simply stated, as air traffic has been dramatically increasing, there has been a corresponding reduction in the resources and staffing levels available to the FAA. While the administration's budget request for fiscal year 1988 would appear to substantially increase funding for the FAA, keep in mind that this will only begin to compensate for the reduced spending for operations and the shortfall spending from the airport and airway trust fund that occurred in prior years. Even with the proposed increases, staffing levels will remain far short of pre-1981 levels.

Furthermore, there is evidence that the computer technology used in the terminal control areas [TCA's] to help controllers manage air traffic are deteriorating because of overloading. As part of an extensive series of articles appearing in the November 1986 issue of Spectrum, the magazine of the institute for electrical and electronics engineers, entitled, "Our Burdened Skies," authors Tekla Perry and Paul Wallich describe the effects of overloading on the IBM 9020 and automated radar tracking system [ARTS] computers used in terminal control areas:

The 9020 and arts computers were not intended to operate as close to capacity as they do, ATC controllers and technicians say. A 1980 report of the U.S. Senate Committee on Appropriations, discussing the air traffic control system, said that whenever utilization of computer central processing units and display channels exceed 50 percent, the performance of the entire system starts to degrade. Above the 60-percent range, the channel approaches saturation, which results in reduced response time to controller inquiries or a lockout. A lockout prevents controllers from entering data into the system or making any requests for information. According to technicians interviewed by Spectrum, the FAA computers at busy facilities operate at more than 90 percent of capacity.

As a result, equipment problems are mounting. Unfortunately, the FAA, through attrition, has allowed the number of technicians to fall from 11,000 5 years ago to 5,800 available today.

Another disturbing phenomenon is the declining level of pilot experience at all levels. A key indicator of pilot experience is the number of hours a pilot or first officer has spent in the cockpit. In 1983, only 8 percent of the pilots flying for commuter airlines had fewer than 2,000 flight hours. By 1985, 23 percent of commuter pilots had fewer than 2,000 hours. The major airlines face a similar problem. In 1983, pilots flying for major airlines had an average of 2,342 hours of flight experience in jet aircraft. In 1985, they had only 818 hours in jet aircraft.

Finally, Mr. President, I believe the dual responsibilities of the FAA to promote commercial aviation and regulate it are inherently contradictory. A 1985 GAO study found that FAA inspectors estimated they were spending about 82 percent of their time on certifying new airlines. This was occurring at the same time the number of FAA inspectors was being reduced by 30 percent.

Compounding this problem is an atmosphere of increasing competition. Price wars between airlines have created enormous pressure on carriers to minimize costs. According to the Department of Transportation, the primary areas for cost-cutting by the airlines are aircraft maintenence and personnel. The DOT figures show that the airlines cut the portion of their operating expenses devoted to maintenance by 30 percent during the first 6 years of deregulation.

Mr. President, the explosive industry growth caused by airline deregulation is clearly putting enormous strains on the system. In the December 7, 1986, Washington Post, an article appeared entitled "Crowded Sky is no Place for Debate." In that article, there is a quote from an FAA senior official that summarizes the problem: There is a balance we must strike between a safe air system and the free enterprise system. On a stormy Friday afternoon, with dozens of carriers in a hurry to get where the are going, that balance is put to the test.

I call on the President to act immediately and appoint members to the Aviation Safety Commission, so that we may begin the task of increasing the safety of our skies.

I ask unanimous consent that the article from the Washington Post to which I referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CROWDED SKY IS NO PLACE FOR DEBATE—LEESBURG AIR CONTROLLERS WORKING BUSY SECTOR 19 MUST STAY SHARP

(By Michael Specter)

An hour into his shift guiding airplanes through some of the busiest skies in the world, Christopher Sutherland spotted the invader.

"Sir, you are in a very busy place," the startled air traffic controller said to the pilot of the corporate jet. "I advise you to get out of there right now. Okay, sir?"

No reply.

"Sir, you gotta listen up when I'm talking," Sutherland continued, as a small crowd of suddenly attentive colleagues gathered behind him.

Finally, Sutherland got his answer and was able to usher the intruder out of Sector 19, a heavily congested three-dimensional highway that airplanes use between Washington and New York.

"Put me down for a save," Sutherland shouted. "Those little guys are kamikazes up there."

Sutherland is one of the 285 controllers who commute each day to the Washington Air Route Traffic Control Center in Leesburg, which is directing more airplane flights this year than at any time since it opened in 1963.

He usually commands Sector 19, which contains the most frequently used air routes in the Washington region. Dense with flight paths, it ranks among the most complicated of the United States' 646 controlled skyways.

Controllers assigned to the area that includes Sector 19 work long overtime hours, use more sick leave and make five times as many mistakes as controllers working elsewhere at Leesburg, according to FAA records. Through the end of October, Leesburg reported 65 "operational errors"—an FAA euphemism for planes getting dangerously close to each other—and Sector 19 was responsible for 19 of them.

When Leesburg controllers discuss "the big one," their phrase for a collision in the air, the talk turns quickly to Sector 19. Controllers there work in a tense world of crisp and often angry radio commands where everything depends on reflex and reaction and where seconds separate the routine from the disastrous.

Sector 19's problems pervade the traffic system. Rapid growth in flights, increasing delays and pressure from airlines to push more airplanes more speedily through the sky have made it difficult for controllers to keep pace.

"The traffic in our region right now is incredible," said Charles Reavis, who manages Leesburg for the Federal Aviation Administration. "Dulles, Newark and Baltimore [airports] are all booming, and [Sector] 19 connects them. It is a giant mixing bowl, and the airspace needs serious attention."

THE 90-MILE FUNNEL

Sector 19 serves as a massive funnel for thousands of aircraft that pass each day through the hectic corridor. It is shaped like a cylinder, 90 miles long and 23 miles wide, suspended between 10,000 and 27,000 feet.

Controllers assign airplanes to different altitudes, speeds and headings to keep them from running into each other and to make orderly their arrivals and departures at airports. As planes reach sector boundaries, they are "handed off" to other controllers in adjacent sectors.

"There are times you are so busy here you can hardly breathe," said Philip Kain, a soft-spoken controller who often works in Sector 19. "It's like constantly threading a needle at 600 miles per hour. Making a mistake means backing up the whole system."

"You got to waltz these guys through a pretty slim space," said Walter Simpkins, explaining the sophisticated geometry of separating airplanes. "You have to think about verticals and laterals, climbs and descents. Then you have to add the elements of time, distance and speed.

"Above all you can never do anything in the present. The present won't ever help us. Every move is 15 miles down the road."

Despite the pressures, Reavis says there is nothing the FAA cares about as such as safety. "Of course we want every aircraft flying on time, but safety really does come first," he said, "It's important to remember the facts: In 1985 we had three situations here where pilots had to take evasive action. That's three out of 2 million [flights]."

Reavis' assurances of safety are echoed at all levels of FAA management, and the statistics seem impressive. Sector 19, for example, is but one of the Washington center's 38 three-dimensional highways, and it accounts for only a fraction of the 1 million passengers who move through the nation's air traffic control system each day on more than 15,000 scheduled flights.

Sector 19 controllers choreograph flights landing at the busy New York airports with those flying from the south to Hartford, Conn., Boston and on to Nova Scotia and Europe. The job is to blend commercial traffic with private aircraft and with an ever-increasing array of military planes. Sector 19 controllers sometimes monitor more than a dozen passenger jets while keeping an eye on up to a score of smaller planes.

Only the most experienced controllers are assigned to Sector 19, and almost without exception they say they love their work. But in dozens of recent interviews at the Washington center, controllers spoke of growing frustrations as they struggle to accommodate the surge in traffic that has come in the wake of airline deregulation in 1978.

In the five years since 11,400 air traffic controllers walked off their jobs and were fired by President Reagan for doing so, the demands on the Washington center have grown more rapidly than at any of the FAA's 20 other air route centers.

In 1980, about 1.5 million scheduled flights passed through Leesburg's 200,000-square-mile territory, which extends from the Ohio River to the Atlantic Ocean and from New York to South Carolina. This year, with fewer qualified controllers working there than on Aug. 3, 1981, when the Professional Air Traffic Controllers Organization strike began, FAA officials expect the number to exceed 2.2 million.

The FAA counts controllers in several ways. "Full performance level" controllers are completely qualified to work radar. "Developmentals" are trainees. Before the strike Leesburg had 342 fully qualified controllers and 85 trainees. Today, with much more work to do, the center has 236 qualified controllers, 50 trainees and 27 "assistants," a category that did not exist before the strike.

Not one of the 33 Leesburg controllers interviewed for this article said the system is as safe as it was the day the strike began, and each of them said they handle too much traffic during the rush hours, from 4 p.m. to 8 p.m., when the center sees 65 percent of its daily workload.

Take Ron Turley, for example. After three harrowing hours of steering airplanes through Sector 19, both his shirt and chair are drenched with sweat.

"It could be 20 below in here, but I'd still be cookin'," said Turley, shaking sweat from his forehead. "Imagine driving 90 miles an hour on the Beltway during rush hour. That's what working Sector 19 is like."

When Turley rises to take break, his soaked chair goes with him. Replacements bring their own.

THE SICK LEAVE SYNDROME

A recent internal FAA memorandum identified "several patterns that reveal frequent improper use of sick leave" in the work area that includes Sector 19. Among the abuses cited in the memo were leave taken on the heaviest traffic volume days, leave taken on days for which vacation requests had been denied, and leave taken on weekends.

Such employee tactics have become more common at the busiest air traffic centers where the FAA has had trouble retraining an adequate supply of controllers.

"I've been working six-day weeks practically since the strike," Turley said. "I called downtown [to FAA headquarters] two years ago. I said I'd been working overtime since '81 and I don't see no relief in sight. I said I'd like some time off. They had nothing for me."

Despite the problems, Sector 19 carries a special status with Leesburg controllers, and so do the people who work in it. In a business powered by a strange mixture of adrenalin and contemplation, nobody has more authority than a controller juggling 17 planes carrying up to 3,000 people, all converging on an electronic beacon in New Jersey.

"Everybody caters to 19," said Samuel J. Pacifico as he delivered a staccato monolog while guiding airliners toward Newark and LaGuardia. "People adjust to us, they respect our traffic. They have to; really, we're the key to the country. When this area here gets packed too tight, we have jets spinning up and down the entire coast."

"Spinning" is a word controllers use when they order a plane to circle or detour to avoid traffic.

BIG ONES AND LITTLE ONES

Nothing gives controllers a bigger headache than making sure that small planes stay clear of passenger jetliners. On Aug. 31, moments before a small private plane collided with an Aeromexico airliner in the packed skies east of Los Angeles International Airport and killed 82 people, the controller directing the jet scolded another private pilot not involved in the collision for straying into an area where he did not belong. Investigators have speculated that the distraction kept the controller from seeing the small plane converge on the jetliner.

The FAA has begun to tighten rules for planes flying near the nation's busiest airports in the aftermath of that crash.

But the new procedures will affect only crowded airports, not the busy skyways between them, such as those in Sector 19.

It is common for the controllers of Sector 19 to call pilots and tell them to watch for smaller planes.

"TWA 890, heads up for [plane] which should be passing off your right wing now," says one controller.

The controller is lining up planes for landings in New York and tells all the pilots, "I'm going to need a good rate down to 17 [thousand feet]. And don't dog the descent, gentlemen." That means keep up the speed.

FAA officials say that more than a third of all delays in the air traffic system occur in the New York area. Almost half of those are at Newark. At 7 o'clock on a busy evening, the approach lanes to Newark are almost always clogged, with impatient pilots flying in circles at the sector boundaries.

Controllers say that in addition to the number of private aircraft passing through the system, coordinating the exchanges with other controllers and pilots that are necessary to transfer control of an airplane from one sector the next causes them their greatest frustrations.

There are times when a controller hears nothing but requests. Pilots want to speed up to gain lost time, climb to save fuel because jets are more efficient at higher altitudes, change routes to avoid heavy weather. When private pleasure pilots add their voices to the din, often seeking advice on how to stay out of the fast lane, the noise can become unbearable.

"Attention to all aircraft." The speaker is Jack Crouse, a 14-year veteran controller juggling more than a dozen planes mixing at low altitudes on a sunny October afternoon.

"Just don't call me for a minute or two. There's too much going on here. Let me call you."

Like most air traffic controllers, Crouse needs to be in the driver's seat to feel comfortable. With aircraft passing in and out of this sector—at times without his permission or without warning from his colleagues—he can get a little testy.

At 6:50, as green dots controllers call "the herd" move in syncopated clusters across the radar screen, a TWA pilot calls for the second time to complain about the delay he has been forced to make.

Crouse cuts him short. "The whole world hates a whiner, Captain."

And when a LaGuardia tower controller declines to accept one of his planes, forcing him to place it in a holding pattern that will set off a ripple of delays throughout his sector, he erupts: "Come on La Guardia, don't be a wimp."

DECISIVE PEOPLE SPEAK DECISIVELY

Most air traffic controllers do not have time to argue with pilots. They are decisive people who speak in specific, flat, declarative words.

"Verify your altitude, American 556," says one controller who asked that his name not be published. The pilot tells him he is flying at 10,000 feet.

"Your clearance was to 11,000 feet," comes the sharp reply. "Get back where you belong and never do that again."

Controllers can be punitive.

One afternoon in October, an American Airlines flight strayed above Sector 19 at 37,000 feet without switching its radio to the proper frequency. The controllers were forced to call another American Airlines plane, have its pilot radio the corporate offices, which then reached the errant jet by telex.

"There's only one thing to do with a guy like that," said the controller on duty when the pilot finally radioed his position. "Put him in the penalty box."

For the next 20 minutes the pilot was forced to fly in circles, wasting his passengers' time and hundreds of dollars of the company's fuel.

"We condition these people to be authoritarian, even dictatorial at times," said Reavis. "And thank God we do. The sky is not a place to have a debate."

Working the toughest sectors is not for everybody, and it is not required. Nobody without the inclination for a fast lane is forced to work there. Some Leesburg controllers avoid the area altogether, preferring higher altitudes where traffic is more spread out.

"I enjoy my job and I love a challenge," said Steve Kennedy, one of the relatively recent recruits at Lessburg.

"But I don't work the Woodstown sector [Sector 19], and I don't ever want to get near it. If other people want it, I say God bless 'em."

Stress, overtime and tension notwithstanding, controllers say they love their jobs. Almost every complaint is punctuated with glee; every lecture about working conditions ends in the admonition that nothing could be more thrilling or satisfying than separating air planes.

"My wife thinks I have changed in 25 years," said Edward Dishard, just a few months short of retirement. "I'm not as understanding, sympathetic or patient. But I love this job. There is such a pure sense of power in what I do.

"Sometimes I wish I was the type to sit around and read a book, but I'm not. I'm a driver. I've got to see the bottom line, and in this business we see it every day."

Welcome Mat Out for FAA Trainees

The FAA cannot put up the "Help Wanted" signs fast enough to satisfy Charles Reavis, the manager of the Washington Air Route Traffic Control Center in Leesburg.

"Our pipeline has been dry for a while," said Reavis recently. "We're getting a ton [of recruits] in the next year. I hope it's going to make a big difference here."

Within the next year, more than 100 trainees are scheduled to begin work at the Leesburg facility, one of six in the nation that the FAA lists as "critical" because of its shortage of experienced controllers.

Although none of the 19 other air route centers in the country is scheduled to get as many new controllers as is Leesburg, the controllers already working there worry that the influx will not solve the problems of understaffing that make it tough to get vacations and full weekends off and that have resulted in high use of sick leave.

One reason for this concern is that 20 percent of all controllers at Leesburg will be eligible for retirement within two years. FAA regulations permit controllers to retire with full benefits after 20 years if they are at least 50 years old. After 25 years on the job, they may take full retirement regardless of age.

"In the past, most 50-year-old controllers stuck around" said one supervisor at Leesburg who asked not to be identified. "This time things will be different." This year, more working controllers have retired than FAA officials expected, according to a recent study by the General Accounting Office.

Many at the FAA fear that trend will intensify, forcing the agency to fill the shoes of veterans with rookies. "Three years from now this place is going to have some real problems on its hands," said Ron Turley. "I just don't know where they think they are going to come up with the people they need."

There is a positive side, however. "The quality of controllers coming in today is as high as it has ever been," said Lewis McClenahan, a controller for 18 years and a former training instructor. "But you have to give people years to season. We don't have the time for that anymore."

Experts say it takes about three years to turn a new controller into one who can handle the most difficult situation, although FAA managers say that newly qualified controllers rarely work busy or complex sectors alone.

"These days [controllers] can go through training, become [fully qualified] and be working a major sector by themselves as soon as they are done," said McClenahan.

"One day you're a student, and the next day you're bringing planes into Newark."

Airlines Chafe Under FAA Rules

CARRIERS WANT PLANES ALOFT

In the aftermath of the 1981 air traffic controllers strike, the Federal Aviation Administration imposed a system of keeping flights on the ground instead of placing them in airborne holding patterns that challenge controllers.

With jet fuel costing a fortune and safety in doubt, the airlines accepted the change with a minimum of complaint. But coping with competition is tough. Air travel has grown enormously in recent years, and the industry has decided the FAA rules should be relaxed to permit more planes in less airspace.

"We have observed that bad weather clears up a lot faster than the FAA predicts," said a spokesman for the Air Transport Association, which represents most major airlines. "The result is wasted time and wasted runway capacity."

As it stands now, planes are held at an airport until the FAA can be sure there is room for them on their scheduled routes. The airline industry wants some flights that are on hold to be allowed routinely to take off. They say that this will allow planes to take advantage of unexpected holes as they develop.

Also, the industry wants to reduce the amount of space between flights. On busy routes, controllers usually require each flight to stay 20 miles behind the one in front of it, regardless of altitude.

The industry believes that this spacing is excessive, that it costs money and that it is an "inefficient use of airspace," as one industry spokesman said. The association has studied delays and has sent its recommended changes to the FAA.

The organizations said they consider the issue "sensitive" and declined to discuss it in detail.

BAD WEATHER, BAD AIR TRAFFIC—THUNDERSTORMS CONVULSE FLIGHT SYSTEM, TURN FAA CONTROL CENTERS INTO LOGISTICAL NIGHTMARE

Nothing makes a controller quake like thunder. Storms convulse the air traffic system, forcing delays and diversions wherever they strike. Pilots, fearing the unpredictable above all, will do whatever they can to avoid flying into storm systems, where hidden winds can make a ride uncomfortable at best, fatal at worst.

When a TWA pilot was told by a Leesburg controller to fly into a thunderstorm on a recent fall day, his response was swift:

"I have to fly my airplane, and I'm not taking it there."

Controllers hear this almost every day, and even though they understand that pilots are paid to make that kind of decision, they have been trained to expect obedience.

"On days when we have bad weather, it's a logistical nightmare around here," said Robert L. Mulligan, a Leesburg supervisor. "Pilots just won't go where you tell them, and I can't blame them much."

Many major accidents occur in bad weather. Violent winds can buffet even the heaviest jumbo jet as if it were made of balsa wood. Pilots know that, and they would rather risk a brief ride along a forbidden route than a certain encounter with a bad storm.

Controllers at Leesburg say that almost nothing makes them more nervous than waking up to find their airspace filled with rain. In July, for example, Leesburg controllers had thunderstorms on 27 days.

"Bad weather would make almost any smart controller a little sick," said Philip Kain, who has worked at Leesburg for six years. "It is so stressful because you just know aircraft are simply not going to fly where you tell them to fly when the weather is bad."

When the weather gets bad, controllers are taught to lengthen the distances between planes and to reduce the number of planes in the air at any one time near airports.

Such maneuvers force delays and increase the irritation for pilots and passengers and the pressure on controllers.

Since deregulation, airlines have had a growing stake in meeting timetables because they schedule many flights into the same airport at approximately the same time so passengers can connect to many cities.

"There is a balance we must strike between a safe air system and the free enterprise system," said a senior FAA official who asked not to be identified. "On a stormy Friday afternoon, with dozens of carriers in a hurry to get where they are going, that balance is put to the test."

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. GORE). The majority leader's time has expired.

Mr. BYRD. I ask unanimous consent to speak out of order.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOVIET POLICY TOWARD AFGHANISTAN

Mr. BYRD. Mr. President, about 2 weeks ago, on December 27, 1986, the seventh anniversary of the Soviet Union's invasion and occupation of the sovereign nation of Afghanistan was reached. It was not an anniversary which was the subject of much fanfare, and it probably did not receive the kind of attention that it should have received around the world. To much of the world, it is old news, 7 years old. It is, unfortunately, old news in Afghanistan as well, and it is just more of the same very bad news.

We have seen Mr. Gorbachev's public relations tryouts on the Afghan question—the word was spread that he was going to do something about it. He was going to begin a staged withdrawal of his 120,000 troops there and he was going to end that problem, because, after all, it is not his war. It did not start on his watch. It is a sure-fire loser of a foreign policy for the Soviets, and the Afghan resistance has his troops buttoned down, and there is no end in sight.

But, Mr. President, the carefully marketed, so-called staged withdrawal of some Soviet troops from Afghanistan was, clearly, just that—a stage show, a sham, and a fake. The facts are in and they are indisputable—Mr. Gorbachev is fast on his way to making this his war, because he is faking a Soviet policy of withdrawal. Despite the public relations blitz by the new razzle-dazzle Soviet leadership, despite its attempt to portray itself as reasonable and flexible in its approach to their problem in South Asia, no substantial policy change or practice has appeared. Sooner or later, flashy new Soviet imagery must give way to practical changes in policy leading to a more humane, enlightened, diplomatic and productive path.

The same kind of unproductive fakery is now being displayed by the Soviet puppet regime in Kabul, which has just announced an offer of a ceasefire to the resistance, a political policy of so-called national reconciliation, amnesty for the Mujaheddin. All this is to occur, of course, while 120,000 benign Soviet military helpers stand by. This is, of course, a trap, a transparent attempt to win through political fakery what cannot be won on the battlefield, and it is an invitation to surrender. The Mujaheddin promptly rejected the proposal, as they should have.

There is another opportunity for the Soviets to get off the dime on their Afghan policy, in early February, when the United Nations-sponsored indirect negotiations resume between representatives of the Kabul regime and the Government of Pakistan. There is only one issue in those negotiations worth talking about—a timetable for the complete Soviet withdrawal of its forces from Afghanistan. This resolution urges the Soviets to reconsider the sham of their recent withdrawal publicity policy, and get down to business.

In the meantime, Mr. President, the resolution I introduced last Tuesday, January 6, 1987, on behalf of myself, Mr. DOLE and others, and which the Senate adopted by unanimous record vote, commits the Senate to continue its policy of providing all appropriate material assistance to the people of Afghanistan against the outside invader. As Senator MOYNIHAN accurately pointed out in his remarks here on the Senate floor last Tuesday, in association with the passage of the resolution on Soviet policy in Afghanistan, this is a continuation of a policy of assistance begun in 1979, just a few weeks after the invasion occurred. The resolution renewed the Senate's condemnation of the barbaric, outrageous bullying tactics of the Soviet Union in that proud nation—a policy which constructs bombs in the shape of toys to maim children in an effort to demoralize the populace. A recent authoritative report by the United Nations stated that the war is characterized by:

> The most cruel methods of warfare and by the destruction of large parts of the country which has affected the conditions of life of the population, destabilizing the ethnic and tribal structure and disrupting family units. The demographic structure of the country has changed, since over 4 million refugees from all provinces and all classes have settled outside the country and thousands of internal refugees have crowded into the cities.

The story of Afghanistan today has to be told in graphic terms, or it loses its urgency. There is a massacre going on in Afghanistan. A country is losing its population. It is being ripped apart by the Soviet military machine.

This resolution adopted by the Senate urged the Secretary of State to continue and accelerate vigorous diplomatic efforts, and to develop multilateral diplomatic efforts whenever possible, to put pressure on the Soviet leadership to see the counterproductive nature of their policy in Afghanistan. It also urged the Secretary to put pressure on the Soviets and their Kabul puppets to allow foreign journalists full access to Afghanistan in order to report on events in that nation.

The United States should take every opportunity to increase the international visibility of what the Soviets are doing in Afghanistan. This should be done in international meetings and fora of all kinds; it should be done by increased media coverage and the use of our programming capabilities. We are, as a nation, far better at public diplomacy, far more adept at the use of public relations, than the Soviets are—and we should use those skills to bring the story of what is happening in Afghanistan to the world, particularly the Third World, continuously.

Mr. President, we should not stand by and allow Afghanistan to become another Gorky, a closed place, invisible to the West just because we have gotten tired of taking a stand.

The resolution also urged the Secretary to review our policy of recognizing the Afghan puppet regime, and determine if it is still not only in the interest of the United States, but in the interest of the people of Afghanistan, to continue that policy or discontinue that policy.

Mr. Gorbachev seems to like quick, broad-stroke solutions to problems. He tried for that at Reykjavik. If he is truly a problem solver, he will make good on the statement he made to the 27th Communist Party Congress in February of last year—he said:

> We would like, in the nearest future, to withdraw the Soviet troops stationed in Afghanistan at the request of its government.

So far, only expectations have been raised by Mr. Gorbachev.

I would anticipate, Mr. President, that in looking forward to the possibility of a pull-out of Soviet forces and the coming to power of a truly representative Afghan Government, that such a government will be the beneficiary of guarantees by both superpowers, and will be independent and neutral. I think it should be made clear to Mr. Gorbachev that the Soviet withdrawal surely could be accompanied by American guarantees of neutrality for the succeeding government.

Our purpose in passing that resolution is to hasten an acceptable, humane resolution to the Afghan situation. There is no intention in our actions to humiliate the Soviet Government. I hope that the Soviets will interpret our action in that light.

Mr. President, I ask unanimous consent that a copy of the resolution which was adopted by the Senate last Tuesday appear in the Record at the close of my remarks, and I also ask unanimous consent that an article by Mr. Philip Taubman, entitled "Kremlin Feels Strain of Afghan War," which appeared in the New York Times of January 11, 1987, appear in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. Res. 31

Whereas December 27, 1986, marked the seventh anniversary of the Soviet invasion of Afghanistan;

Whereas the Soviet occupation has been characterized by extreme brutality and a campaign of indiscriminate violence that has taken the lives of an estimated 1 million Afghans, and displaced more than 4 million others;

Whereas the Special Rapporteur of the United Nations Commission on Human Rights, in his Novmeber 5, 1985, report documented examples of a barbaric Soviet military campaign against civilians, including attacks on women and children, and in a subsequent report of February 14, 1986, found the situation unchanged and concluded that the "only solution to the human rights situation in Afghnaistan is the withdrawal of the foreign troops";

Whereas (the Soviet invasion was a major factor in the postponement of consideration by the Senate of the SALT II Treaty of 1979, and) the presence of Soviet troops in Afghanistan today continues to adversely affect the prospects for the long-term improvement of the United States-Soviet bilateral relationship in general;

Whereas the Soviet leadership appears to be engaged in a cynical and hypocritical public relations campaign aimed at protraying an ongoing staged withdrawal of Soviet troops from Afghanistan in the apparent belief that words will substitute for genuine action in shaping world opinion;

Whereas the offer by the Soviet puppet regime in Kabul for a cease-fire and amnesty in the name of "national reconciliation" is a transparent attempt to isolate the democratic resistance (the mujaheddin), confuse the populace and accomplish the surrender of the democratic resistance while the Soviet military occupation continues unabated; and

Whereas the Congress condemned Soviet policy toward and behavior in Afghanistan in Public Law 99-399, calling for appropriate provision of material support to the people of Afghanistan, so long as the Soviet military occupation continues: Now, therefore, be it.

Resolved, That the Senate hereby—

(1) renews its condemnation of the continued Soviet invasion and occupation of the sovereign state of Afghanistan, against the will of the Afghan people, an activity which violates all standards of conduct befitting a responsible nation, which contravenes all recognized principles of international law, and which has been reflected in seven United Nations resolutions of condemnation;

(2) finds that recent Soviet representations concerning withdrawal of Soviet troops have been indisputably demonstrated to be a sham, are a cynical and calculated campaign of disinformation, and do not reflect genuine reductions in the Soviet occupation force, which continues to stand at an estimated 120,000 troops inside Afghanistan, with 30,000 more positioned in contiguous areas of the Soviet Union, available for use against the Afghan population;

(3) finds that recent offers of a ceasefire, amnesty, and a government of national reconciliation advanced by the Soviet puppet regime in Kabul fail to provide the essential framework for a settlement, undermine the prospects for genuine progress, and should be spurned by the Afghan resistance so long as Soviet troops continue to occupy Afghanistan;

(4) believes that the only acceptable formula for settlement of the Afghan situation is one which results in a government genuinely representative of the Afghan people, outlines a definite timetable for the complete withdrawal of Soviet troops in the near future, and provides for the return of refugees in safety and dignity;

(5) renews its commitment, which was begun within weeks of the Soviet invasion of Afghanistan in December 1979 when the United States government began to supply light infantry weapons to Afghan freedom fighters, a fact made public by the White House on February 15, 1980, to support its people of Afghanistan through the provision of appropriate material support;

(6) urges the Secretary of State to—

(A) develop continued multilateral initiatives aimed at encouraging Soviet military withdrawal, the return of an independent and nonaligned status to Afghanistan, and a peaceful political settlement acceptable to the people of Afghanistan, including provision for the return of Afghan refugees in safety and dignity;

(B) develop a vigorous public information campaign to bring the facts of the situation in Afghanistan to the attention of the world on a frequent basis;

(C) encourage the Soviet leadership and the Soviet puppet regime in Kabul to remove the barriers erected against the entry into and reporting of events in Afghanistan by journalists;

(D) makes vigorous efforts to impress upon the Soviet leadership the penalty that continued military action in Afghanistan imposes upon the building of a long-term constructive relationship with the United States, because of the negative effect that Soviet policies in Afghanistan have on attitudes toward the Soviet Union among the American people and the Congress; and

(E) review United States policy with respect to the continued recognition of the Soviet puppet regime, and continued U.S. diplomatic presence in Kabul to determine whether such recognition and presence is in the interest of the United States and the people of Afghanistan;

(7) urges the Soviet Union to present, through its Afghan puppet representatives, an expeditious timetable of no more than four months in accord with the stated position of the government of Pakistan, for the complete withdrawal of its forces at the next session of United Nations-sponsored indirect negotiations in February 1987, with representatives of Pakistan; and

(8) urges the government of Pakistan to resist the pressure of the Soviet Union to accept anything less than such a timetable for withdrawal at those indirect United Nations-sponsored negotiations.

Kremlin Feels Strain of Afghan War

(By Philip Taubman)

The withdrawal of Soviet troops from Afghanistan is not far off, the Soviet Foreign Minister, Eduard A. Shevardnadze, announced last week. "This event," he predicted, "is not behind the mountains."

Whether Mr. Shevardnadze proves to be a better prophet than the American officials who used to speak of the light at the end of the Vietnamese tunnel remains to be seen. But it was clear last week that while Moscow is increasingly eager to reduce its involvement in Afghanistan, the route to a withdrawal is not as smooth as Mr. Shevardnadze suggested.

The Foreign Minister and Anatoly F. Dobrynin, the party secretary in charge of foreign policy, returned from a trip to Kabul, the Afghan capital, amid indications that the Soviet Union had a carefully designed plan to achieve both the reality and the appearance of progress toward a settlement.

The plan, announced with considerable fanfare by Moscow and Kabul, included a call for a ceasefire with guerrilla forces that would have started Thursday and a national reconciliation effort sponsored by Najib, the Afghan leader. The Soviet Union also agreed to set a timetable for withdrawal of its estimated 120,000 troops as part of a settlement negotiated by a United Nations mediator.

Although the guerrillas quickly rejected the terms for the reconciliation and ceasefire, the Shevardnadze-Dobrynin delegation, the highest-ranking Kremlin group to visit Kabul since Soviet troops moved into Afghanistan in 1979, suggested that other moves might be under consideration. Western diplomats speculated that these might include a unilateral reduction of Soviet forces to coincide with the Feb. 11 resumption of United Nations-sponsored negotiations in Geneva between the Afghan and Pakistani Governments. The withdrawal last year of six Soviet regiments, some 8,000 men, was considered a token gesture in the West, and United States officials have reported that the troops were replaced by new forces within days.

Moscow has plenty of reason to want to bring its troops home. The Soviet press has indicated that draft evasion is not infrequent and has written sympathetically of the plight of the disabled and troubled veterans. Graveyards across the country have monuments to the men killed in Afghanistan. There is concern that the sharp rise in drug use among Soviet young people since 1981 reported in Pravda last week, is partly the result of the involvement in Afghanistan, where narcotics are easily obtained.

A SYMBOL OF SHAME

Moreover, Moscow's role in Afghanistan has hurt its standing among Moslem nations, hampering Mikhail S. Gorbachev's efforts to increase Soviet influence in Asia and the Middle East.

"Afghanistan is to Soviet foreign policy what Sakharov was to human rights, a symbol of shame," one Western diplomat said, referring to Andrei D. Sakharov, the dissident physicist who was allowed to return to Moscow last month after nearly seven years in exile in the city of Gorky.

Sensitivity to the domestic and foreign costs of the war has been evident in Soviet press reports that increasingly depict the fighting as an "internationalist duty" by a "limited contingent" in an "undeclared war."

Despite the drawbacks, however, it is unlikely that the Soviet Union will untangle itself from Afghanistan any time soon. Mr. Najib, a former head of the Afghan secret police who was installed with Soviet help last May, has so far failed to draw his opponents into the Government, and the guerrillas have spurned his terms for national reconciliation. The rebels also rejected Mr. Najib's plan for a cease-fire, insisting on direct negotiations with Moscow.

Western analysts doubt that the Soviet Union will remove its forces until the internal situation stabilizes. "If the Soviets withdraw under present conditions, their friends will be slaughtered," a Western diplomat said last week.

In addition, Moscow has made any deal contingent on the cessation of Western aid to the rebels. But the United States is unlikely to halt the flow of money and arms unless Moscow withdraws a substantial number of troops. Although some progress was reported in the United Nations talks, the timing of a Soviet withdrawal remains an obstacle. Pakistan, with backing from the United States, has insisted that all Soviet troops be withdrawn within months, perhaps a year. Moscow has talked about three years and hinted that it might accept a two-year deadline.

Ultimately, the Russians may have to decide what sort of Government they can live with in Afghanistan. If they could accept a neutral Afghanistan, similar to the one that existed before the Soviet presence, a settlement would be easy.

But so far Moscow has given no indication that it would accept anything less than a pro-Soviet government, a condition the rebels find unacceptable.

One Western diplomat suggested that if Moscow is determined to cut its losses in Afghanistan, it might have to follow the advice that the late Senator George D. Aiken of Vermont once offered on the Vietnam War. What the United States should do, Mr. Aiken recommended then, was simply declare a victory and go home.

APPOINTMENT OF MEMBERS TO SENATE COMMITTEES

Mr. BYRD. Mr. President, I ask that the Chair at this time announce the reconstitution of the Senate Select Committee on Intelligence and also the constitution of the new select committee that was agreed to on this past Tuesday, together with any other additions to committees which are contained in memorandums which I have sent to the desk. My request has only to do with the majority members of those committees.

Mr. STEVENS. Mr. President, I ask unanimous consent that I be permitted to provide the Chair with a similar listing of Republican members of these respective committees that will be presented later today. My unanimous-consent request should include the request that our members be designated in the usual form following those listed by the distinguished majority leader. We will provide those before the close of business today.

The PRESIDING OFFICER. Without objection, the record will be held open for the designation of the minority members at the same point in the RECORD following the majority members.

SELECT COMMITTEE ON SECRET MILITARY ASSISTANCE TO IRAN AND NICARAGUAN OPPOSITION

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to the provisions of Senate Resolution 23, 100th Congress, 1st session, appoints the following Senators to the Select Committee on Secret Military Assistance to Iran and Nicaraguan Opposition:

The Senator from Hawaii [Mr. INOUYE], chairman, the Senator from Maine [Mr. MITCHELL], the Senator from Georgia [Mr. NUNN], the Senator from Maryland [Mr. SARBANES], the Senator from Alabama [Mr. HEFLIN], and the Senator from Oklahoma [Mr. BOREN].

(The following occurred later:)

The PRESIDING OFFICER (Mr. SANFORD). The Chair, on behalf of the President pro tempore, pursuant to the provisions of Senate Resolution 23, 100th Congress, 1st session, appoints the following Senators to the Select Committee on Secret Military Assistance to Iran and Nicaraguan Opposition:

The Senator from New Hampshire [Mr. RUDMAN], the Senator from Idaho [Mr. MCCLURE], the Senator from Utah [Mr. HATCH], the Senator from Maine [Mr. COHEN], and the Senator from Virginia [Mr. TRIBLE].

SELECT COMMITTEE ON INTELLIGENCE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, in accordance with Senate Resolution 400, 94th Congress, and Senate Resolution 4, 95th Congress, appoints the following Senators to the Select Committee on Intelligence:

The Senator from Oklahoma [Mr. BOREN], the Senator from Vermont [Mr. LEAHY], the Senator from Texas [Mr. BENTSEN], the Senator from Georgia [Mr. NUNN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from New Jersey [Mr. BRADLEY], the Senator from Arizona [Mr. DECONCINI], and the Senator from California [Mr. CRANSTON].

(The following occurred later:)

The PRESIDING OFFICER (Mr. SANFORD). The Chair, on behalf of the President pro tempore, in accordance with Senate Resolution 400, 94th Congress, and Senate Resolution 4, 95th Congress, appoints the following Senators to the Select Committee on Intelligence:

The Senator from Maine [Mr. COHEN], the Senator from Delaware [Mr. ROTH], the Senator from Utah [Mr. HATCH], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Nevada [Mr. HECHT], and the Senator from Virginia [Mr. WARNER].

JOINT COMMITTEE ON TAXATION

The PRESIDING OFFICER. The Chair announces the appointment of the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from New York [Mr. MOYNIHAN] to the Joint Committee on Taxation.

APPOINTMENTS BY THE VICE PRESIDENT

JOINT ECONOMIC COMMITTEE

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to section 1024 of title 15, United States Code, appoints the Senator from Montana [Mr. MELCHER] and the Senator from New Mexico [Mr. BINGAMAN] to the Joint Economic Committee.

JOINT SESSION OF THE TWO HOUSES TO RECEIVE A MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

Mr. BYRD. Mr. President, I have discussed this action which I am about to take with the distinguished acting Republican leader [Mr. STEVENS]. He is present on the floor, and I believe he concurs in the action.

I send to the desk a concurrent resolution. I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the concurrent resolution.

The legislation clerk read as follows:

H. CON. RES. 1

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall assemble in the Hall of the House of Representatives on Tuesday, January 27, 1987, at 9 o'clock post meridian, for the purpose of receiving such communication as the President of the United States shall be pleased to make to them.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

Mr. STEVENS. Mr. President, there is no objection.

The concurrent resolution was considered and agreed to.

Mr. BYRD. I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

S. 285—NATIONAL SECURITY TRADE ACT OF 1987

Mr. BYRD. Mr. President, today I am introducing the National Security Trade Act of 1987. The trade deficit for 1986 may well exceed $170 billion. We must assure that imports are not eroding our defense industrial base and putting our national security in jeopardy. I welcome the distinguished Senator from Delaware [Mr. ROTH] as cosponsor of this legislation.

Since section 232 was enacted in 1962, 16 petitions alleging a threat to national security have been filed. This is not a landslide of cases, nor should it be. The language of the statute and the legislative history are quite clear in establishing what kinds of cases rise to the urgency of a threat to national security. The statute describes in detail the factors to be weighed in deciding whether or not there exists a national security question. But it is very clear from the legislation and the history behind it that Congress intended that the statute function to effectively prevent the destruction of American industries which are vital to the national security. Indeed, section C requires that the President "recognize the close relation of the economic welfare of the Nation to our national security, and * * * take into consideration the impact of foreign competition on the economic welfare of individual domestic industries."

The legislative history provides an unmistakable indication of congressional intent. When the predecessor statute was first considered in 1955, Congress extended the reach of prior law which dealt only with issues of national defense so that the act would encompass any industry important to national security. The 1955 change was prompted by congressional concern over import injury to production of critical materials including petroleum, lead, and zinc. When the law was further refined in 1958, the Senate Finance Committee explained in its report:

> Language was further added directing attention and providing possible action whenever danger to our national security results from a weakening of segments of the economy through injury to any industry, whether vital to the direct defense or a part of the economy providing employment and sustenance to individuals or localities. The authority of the President is thereby broadened considerably but the dangers inherent in an economy suffering from unemployment, declining Government revenue, or loss of skills, and investment because of excessive imports of one or more commodities, must be recognized and avenues provided whereby they may be lessened.

In that same report, Congress noted its discontent with the ungenerous reading the statute had received:

> Considerable unfavorable comment has reached the committee about the administration of what was thought to be a strongly worded national security amendment in the 1955 extension. That section has been further strengthened so that sound results may be expected from it.

Despite a consistent effort to strengthen the statute, congressional intent remains frustrated by inaction on the part of successive administrations. For a confusing and sometimes elusive litany of reasons, Presidents have not granted relief to any industries filing petitions under section 232, with the sole exception of petroleum products. Why? Have all other petitions been groundless?

Let me discuss one case with which I am familiar. The American ferroalloys industry is among the most modern in the world. Because of the value of the dollar and predatory, antimarket practices by foreign producers such as South Africa and the Soviet Union, 60 percent of the American market is now held by foreigners. The Office of Technology Assessment, in a recent report entitled "Strategic Materials: Technology to Reduce U.S. Import Vulnerability," summarized the importance of ferroalloy products in the first paragraph of that report by saying:

> These metals are essential in the production of high-temperature alloys, steel and stainless steel, industrial and automotive catalysts, electronics, and other applications that are critical to the U.S. economy and the national defense.

The report continues by describing the dangers of our overdependence on foreign ferroalloy production and the need to diversify supply sources.

Despite these facts, the petition filed by the ferroalloys industry in December 1981 was not acted upon by the President until May 1984. In a perfunctory report, the administration denied any relief. Similarly, the machine tools industry—now devastated by imports—requested action in March 1983. It received no word from the administration until May 20, 1986. Since then, the administration has announced agreements to limit some machine tool imports. That action was doubtless encouraged by the introduction of this legislation last year, and the promise that Congress would revisit this important issue.

While the statute requires that the Commerce Department conclude its investigation within 1 year, it does not set a date for final action by the President. Of course, the authors of the statute could not have imagined that an allegation of a threat to the national security would be treated with disinterest by any President, particularly this one. But experience has shown that successive administrations are willing to wait in hopes that the problem goes away, rather than expose themselves to charges of protectionism.

Well, the problems have not gone away. But, in the case of ferroalloys and machine tools, those industries very nearly have. How is it that any President or any administration would be willing to let a vital element of our defense production base disappear without action? Our trading partners in Europe and Japan would not be so complacent. Indeed, in the case of ferroalloys, the European and Japanese Governments have in place national plans to assure the survival of critical ferroalloy production capacity.

But in the United States, I regret to say that we often refuse to see the fire until we feel the heat. Unless we are at war or otherwise face a conspicuous national crisis on the order of the gas shortage of a decade ago, our Government is often slow to recognize our defense needs. We seem doomed to repeat in every generation the mistakes that erode our defense production assets to the point that we are left scurrying to rebuild an industrial base that is the product of years of neglect. The administration's latest proposal to reduce the strategic stockpile and its inaction on the strategic petroleum reserve are recent examples of this trend.

Let me describe what this legislation would do.

First, the legislation establishes a time certain for Presidential action on any petition. Within 90 days of the time the Secretary of Commerce—and the Secretary of Defense—report their determination to the President, he must act, or state why he has refused to act on a matter that could impact upon the national security. Under present law, there is no time limit. We have seen petitions by the ferroalloys industry and the machine tools industry drag on months and months without resolution. American companies deserve the certainty of a response—and we all need to know whether the national security is threatened as a result of imports. Once an industry is gone, it is too late.

Similarly, the time which the Secretary of Commerce and the Secretary of Defense have to make such a determination is reduced to 6 months. I do not believe it is unreasonable to require that a matter which may involve national security be decided within 6 months. Again, time is of the essence.

Second, the bill enlarges the role of the Secretary of Defense. He cannot supplant the role of the Secretary of Commerce—nor should he. The Commerce Department has much of the economic data on American industries and the scope of foreign imports. But this is not a conventional trade question. The language of the statute makes clear that the threat of injury to national security must be assessed after weighing many factors—many of them within the expertise of the Department of Defense. For that reason, this legislation calls upon the Secretary of Defense to make a separate defense needs assessment within 3 months of the time a petition is initiated, and provides that this report is to be included in the Commerce Department's report to the President. Moreover, the bill requires a separate statement of concurrence or dissent from the Secretary of Defense—the chief Cabinet officer charged with responsibility for national security determinations.

Again, nothing in this legislation should be understood as undercutting the Commerce Department. The statute as it stands gives the responsibility to the Commerce Department for good reason. But I believe we need to formalize and make explicit the Defense Department's responsibility in making this national security determination. The Secretary of Defense knows the needs of the defense industrial base, and his Department should have an explicit role in making a decision on the impact of imports.

Third, my bill enumerates the available courses of action, should the President determine that a threat to the national security does exist. This is intended to broaden, not limit, the existing options. The language here closely mirrors the broad statutory authority under section 301 of the Trade Act. But it also includes a procedure whereby the President can initiate negotiations with foreign governments to resolve the problem. Remember, the statute is aimed at threats to the national security. If the President can put another country on notice that the imports are a potential danger, and that the United States will not tolerate that danger, perhaps a major problem can be solved before it does damage—to our economy or to our relationship with another country. This authority does not permit the President to bargain away any duties or other existing import limits. And if the President chooses this path, he has 6 months from the date of submission of the Commerce Department report to reach an agreement. If no agreement can be reached within that time, he must act, or publish in the Federal Register the reasons why he has declined to act.

Finally, this bill increases the visibility of the entire section 232 process. The results of the report of the Secretary of Commerce, as well as the President's final determination, are to be published in the Federal Register—excluding, of course, such information that may be classified or deemed business confidential. This increases the visibility of the entire process. The petitioning parties, the Congress, and the public at large deserve to know the basis on which such decisions are made. This statute has become a dead letter and the petitioners—the ferroalloys industry and the machine tool builders included—have lost faith in the operation of the law. If the data are not restricted for a reason, let them know why a decision has been made.

Does this bill open a broad new avenue of trade relief? It does not. However, it does create a realistic avenue of relief when vital sectors of the economy are threatened by imports. It breathes life into a moribund statute and supports the original intent of Congress: That national security be understood to encompass economic security for critical sectors of our industrial base.

Which companies can expect relief under this legislation? Certainly industries such as the ferroalloy producers should have reason for hope. In addition, crucial high-technology sectors, such as the semiconductor manufacturers, should consider how this legislation applies to their situations. Emerging technologies such as fiber optics and ceramics may be eligible. Often, foreign production in these new areas far exceeds domestic needs and the excess is targeted on the U.S. market so that emerging industries here are overwhelmed.

We need to get beyond the idea that national security is solely a function of how many troops and weapons we can field. The ability to sustain our defense production base and support our military in time of crisis is an important measure of our national security—and of our strength as a nation. The economic well-being of vital industries must be as much of a national priority as the maintenance of strong Armed Forces. I am convinced that this legislation will make an important contribution to safeguarding that production base.

I would point out to my colleagues that article XXI of the General Agreement on Tariffs and Trade [GATT] specifically allows a government to take action "necessary for the protection of its essential security interests." Nothing in this bill abridges the authority of the President. Nothing here requires the President to do anything other than make a timely determination when this country's national security is in question. But it provides an important expression of congressional confidence in a statute that should be the baseline of our trade policy. Whether Senators are devoted to a purist's view of free trade or hardened by the trade crisis, I hope they will support this important legislation.

When a version of this legislation was introduced on August 9, 1986, as an amendment to the Defense Department authorization, it was defeated on a party line vote. Indeed, this became the only major trade vote in 1986. I hope that the partisanship of an election year is behind us now. The issue of national security should never be muddied by partisan politics. This legislation is too important, and I hope it will receive strong bipartisan support.

S. 284—AMENDMENTS TO TRADE EXPANSION ACT OF 1962

Mr. BYRD. Mr. President, I send to the desk a bill to amend section 232 of the Trade Expansion Act of 1962 to improve its administration and for other purposes. I ask for its appropriate referral.

The **PRESIDING OFFICER.** The bill will be received and appropriately referred.

Mr. BYRD. Mr. President, as I have indicated to the distinguished acting Republican leader, it is my intent to introduce this same bill and, through the mechanism of rule XIV, begin its trek to the Senate Calendar.

I send this bill to the desk and ask that it be read the first time.

The **PRESIDING OFFICER.** The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 284) to amend section 232 of the Trade Expansion Act of 1962 to improve its administration, and for other purposes.

Mr. BYRD. Mr. President, I ask that the bill be read the second time.

The **PRESIDING OFFICER.** Is there objection?

Mr. STEVENS. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Objection having been heard to the second reading of the measure on this legislative day, the measure will remain at the desk pending its second reading on the next legislative day.

The text of the bill follows:

S. 284

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Security Trade Act of 1987".

SEC. 2. IMPORTS THAT THREATEN NATIONAL SECURITY.

(a) IN GENERAL.—Subsection (b) of section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862) is amended—

(1) by striking out "Upon request" and inserting in lieu thereof "(1) Upon request",

(2) by striking out ", Secretary of Commerce,",

(3) by striking out "Secretary of the Treasury" and inserting in lieu thereof "Secretary of Commerce",

(4) by striking out "within one year after receiving an application from an interested party or otherwise beginning" and inserting in lieu thereof "by no later than the date that is 6 months after the date on which the Secretary receives a request for an investigation under this section or on which the investigation otherwise begins", and

(5) by adding at the end thereof the following new paragraphs:

"(2)(A) The Secretary shall immediately notify the Secretary of Defense of any investigation initiated under paragraph (1) with respect to imports of an article. Upon receiving such notice, the Secretary of Defense shall conduct a separate defense needs assessment with respect to such article.

"(B) By no later than the date that is 3 months after the date on which the investigation under paragraph (1) of imports of an article is initiated, the Secretary of Defense shall complete the defense needs assessment conducted under subparagraph (A) with respect to such article and submit to the Secretary a report on the assessment. Such report shall be submitted by the Secretary to the President with (and be considered a part of) the report that the Secretary is required to submit to the President under paragraph (1).

"(3)(A) The report submitted by the Secretary under paragraph (1) shall include a written statement by the Secretary of Defense expressing concurrence or disagreement with the findings and recommendations of the Secretary contained in such report and the reasons for such concurrence or disagreement.

"(B) The report submitted by the Secretary under paragraph (1), or any portion of such report (including the report submitted by the Secretary of Defense under paragraph (2)(B)), may be classified only if public disclosure of such report, or of such portion of such report, would clearly be detrimental to the security of the United States.

"(C) Any portion of the report submitted under paragraph (1) which—

"(i) is not classified in accordance with subparagraph (B), and

"(ii) is not proprietary information described in paragraph (7)(A),

shall be published in the Federal Register.

"(4)(A) The President shall take action, or refuse to take action, under paragraph (1) by no later than the date that is 90 days after the date on which such report is submitted to the President.

"(B) The President shall make a written statement of the reasons why the President has decided to take action, or refused to take action, under paragraph (1) with respect to each report submitted to the President under paragraph (1). Such statement shall be included in the report published under subsection (d).

"(5) The actions which the President may take under paragraph (1) shall include, but are not limited to—

"(A) the issuance of proclamations or executive orders to impose duties, quotas, or other import restrictions, for such time as the President determines appropriate, on the products of, and fees or restrictions on the services of, any foreign country from which the imports that threatens to impair the national security are imported, or

"(B) the negotiation, conclusion, and carrying out of any agreement which limits the importation into the United States of such imports that threaten to impair national security, but does not provide for any reduction or elimination of any duty, quota, or other import restriction imposed by the United States.

"(6)(A) If—

"(i) the action taken by the President with respect to any report submitted to the President under paragraph (1) is the negotiation of an agreement described in paragraph (5)(B), and

"(ii) either—

"(I) no agreement described in paragraph (5)(B) is entered into before the date that is 6 months after the date on which the Secretary submitted such report to the President, or

"(II) any agreement described in paragraph (5)(B) that has been entered into is not being carried out is ineffective in eliminating the threat to the national security posed by imports of the article which is the subject of such report,

the President shall take such other actions as the President deems necessary to adjust the imports of such article so that such imports will not threaten to impair the national security.

"(B) If—

"(i) clauses (i) and (ii) of subparagraph (A) apply, and

"(ii) the President determines not to take any additional actions under subparagraph (A),

the President shall publish in the Federal Register such determination and the reasons on which such determination is based.

"(7)(A) Proprietary information which is provided by a person who has made a written request to the Secretary or the Secretary of Defense that such proprietary information not be disclosed to the public—

"(i) shall only be disclosed to those persons who are directly involved—

"(I) in investigations conducted under this section, or

"(II) in carrying out the provisions of this section, and

"(ii) shall not be disclosed in any statement or report which is required to be published under this section.

"(B) The Secretary is authorized to prescribe regulations that—

"(i) ensure compliance with the requirements of subparagraph (A), and

"(ii) impose sanctions against any person who violates the provisions of subparagraph (A).".

"(b) CLARIFYING AMENDMENT.—Subsection (d) of section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862) is amended by inserting "in the Federal Register" after "published".

S. 287: WE MUST REFORM OUR UNEMPLOYMENT INSURANCE SYSTEM

Mr. BYRD. Mr. President, the Nation as a whole has emerged from the destruction of the recession of 1981 and 1982. However, as most of the Nation basks in the warmth of the recovery, we must not forget that recovery will be a very long time coming to millions of Americans who lost their jobs and, in many cases, their possessions, homes, and even their health—during the past 6 years.

The recovery largely passed by major sections of our Nation—including some entire States. My own State of West Virginia serves as an example. In October 1986, the last month for which data are available, the unemployment rate calculated by the U.S. Department of Labor for West Virginia was 11.5 percent; five other States and territories had rates of 9 percent or higher. Altogether, 12 States or territories have rates of 8 percent or above—a level traditionally defined as severe.

These unemployment rates, as high as they are, do not fully reflect the magnitude of the unemployment problem in these States, because they do not count those workers who became so discouraged as a result of their unsuccessful search for work that they have dropped out of the labor force altogether.

It also is important to note that those who have been laid off since 1981 are remaining unemployed longer than they did during and after previous recessions. Nationally, in November of this year, 709,000 workers had been unemployed for a full 12 months or longer—and this figure does not count the unemployed who have not worked at all in recent years. These unemployed workers and their families are the hapless victims of our Nation's economy gone awry.

It is one of those things for which this Nation can and should be proud that unemployment insurance usually is available as a partial cushion to workers who lose their jobs. However, the unemployment insurance system did not function during the 1981-82 recession, and currently is not functioning, to provide the cushion that I believe the Congress intended. This is true primarily with respect to programs of additional benefits beyond those available through the basic unemployment insurance programs operated by the States. The system simply was overcome by the severity of the recession and the magnitude of unemployment we have experienced and continue to experience.

Although 12 of the 52 States and other jurisdictions currently have unemployment rates of 8 percent or greater, only 3 States or other jurisdiction are eligible for extended benefits—the second tier of benefits available through the unemployment insurance system. This unacceptable situation is primarily the result of the use of the insured unemployment rate as the sole State eligibility determinant for the extended benefits program.

In 1981, the Congress made two changes in the use of the insured unemployment rate. The first change increased the level of the insured unemployment rate a State must have to qualify. The second change omits from the computation of the insured unemployment rate any person receiving benefits beyond regular State benefits. The insured unemployment rate continues to omit in its computation all persons who have exhausted all available insured unemployment benefits, as it did before 1981.

Even had these changes not been made, however, use of the insured unemployment rate as the sole State eligibility determinant for the extended benefits program had undesirable results. States that are hardest hit by unemployment—particularly where the average duration of unemployment is highest—are substantially disadvantaged, because a greater proportion of their unemployed population is not counted in the insured unemployment rate. This distorting effect can be illustrated by my own State of West Virginia, where the total unemployment rate currently is 11.5 percent, but its insured unemployment rate is only 3.33 percent.

There is yet a third major problem with the portions of the unemployment insurance system that are superimposed on top of the basic State unemployment insurance programs. This problem is that virtually all who must contend with this set of programs—including program administrators, elected officials, employers who pay payroll taxes into its trust funds, taxpayers who fund some of its benefits from the treasury, and, most of all, workers who have been forced out of their jobs and badly need the help that unemployment insurance is supposed to provide—are confused by its complexity and the irrational way in which one program is related, or unrelated, to another.

The result is rather predictable. Those who believe themselves to be unfairly treated because they cannot understand the workings of one of the most complicated programs operated at any level of government in this Nation—and therefore believe themselves to be the victims of a program they thought was supposed to help those who have fallen upon hard times—become cynical and hostile toward government in general.

The unemployment insurance programs beyond State basic benefit programs are crying out for repair. The fundamental idea of such additional benefits is sound; it is, in fact essential. But these programs must be reformed so that they provide the protection they were intended to provide. They must be reformed so they will be dependable. And they must be reformed so that those who need benefits beyond those provided in basic State programs, those who pay the costs, and those who operate the programs can understand what help is available, how to obtain it, how much it costs, and how to operate the programs providing it efficiently.

These are not minor repairs. They cannot be accomplished by tinkering with the programs. The entire system of unemployment insurance beyond the basic benefit programs at the State level must be overhauled.

There are two other compelling reasons for taking action on fundamental improvements in the unemployment insurance system now rather than later. First, despite the fact that the majority of the Nation no longer is suffering from a recession, nonetheless a very substantial number of our workers have been and continue to be unable to find work.

Where are these long-term jobless workers? Some of them live in depressed sections of our large cities; some live in portions of States or entire cities where the basic economic underpinning has been devastated even though other portions of the same States may be performing economic handsprings; and some of them are residents of entire States or multi-State regions apparently left behind by the recovery or hit hard with regional recessions while much of the rest of the Nation recovers from 1981-82. These workers and their families badly need assistance beyond that provided in State basic unemployment insurance programs. None of them, except in two or three States, is eligible for additional unemployment insurance of any kind.

Second, the unemployment insurance system is not as hard pressed as it was during the peak of unemployment in late 1982 and early 1983. At that point, when the deficiencies of the system were most clearly evident, it was all the system could do to keep its head above the water. Perhaps it is not surprising that the forbidding task of reform was delayed until a calmer moment.

The time to act is now. Our economic system is cyclical. At some point we again will experience a major national recession. The unemployment insurance system again will be found wanting. And we will have no one but ourselves to blame if we have failed to make the unemployment insurance system improvements that ought to be made during a period when we have the relative luxury of time and opportunity for careful consideration and judgment.

I would like to describe the type of revised system I believe we should substitute for the current hodgepodge.

First, rather than having one program occasionally augmented by a second program, where the two operate according to conflicting standards of State eligibility and result in incomprehensible durations of benefits, there should be only one program providing benefits beyond those available through the basic programs operated by the States.

Second, rather than having, as in the current Extended Benefits Program, State eligibility requirements that dictate a State is eligible for all or nothing of the current 13-week benefit period, the program should be structured as the Supplemental Compensation Program operating until 1985 was structured—so that States with the highest levels of unemployment are eligible for the greatest number of weeks of benefits, and those benefits stage down as unemployment rates are lower.

Third, the use of the insured unemployment rate as the sole determinant of eligibility no longer is acceptable. It is well known that the total unemployment rate is not an ideal measure for this purpose. But surely it is apparent that use of the insured unemployment rate also is far from ideal.

In 1983 the Brookings Institution published a study containing a striking fact. During 1982, only 45 percent of unemployed workers received unemployment insurance benefits, compared to 78 percent during the recession year of 1975. One of the principal reasons cited by the study is that the insured unemployment rate no longer is accurate in measuring how difficult it is for unemployed workers to find jobs, and consequently is not desirable as a trigger for benefits. More recently, the U.S. Department of Labor reports that in 1985, an average of only 34 percent of the unemployed received benefits in any month of the year—the latest data available. It is my understanding this average is likely to be even lower for 1986.

As a practical matter, we should not tolerate a methodology that causes a State with 11.5 percent unemployment to receive only a very few weeks of benefits—or even no benefits—beyond those in the basic program. So, although efforts should be redoubled to find a preferable benefit duration determinant, in the meantime we should do the best we can with what we've got. We should employ a variant of the total unemployment rate—stabilized by averaging that measure over a 2-month period in each State—to assure that States and their long-term unemployed workers are treated fairly.

Fourth, and finally, the financing of the program should be arranged so that, as a State's unemployment rate increases, the Federal Government will pay an increasing share of the benefits in that State. This is justified because heavy unemployment in any State largely will be the result of economic circumstances beyond its control. It is also necessary in order to minimize future additions to the heavy debts that have been incurred by the trust funds of those States that have been hit hardest by unemployment in recent years. To ignore this situation may result in ever-increasing employer taxation in these States. This would serve as a disincentive to private sector hiring—with the greatest increases in taxes falling in the States that have had the worst unemployment and are in the greatest need of new hiring. For similar reasons, it is necessary to provide that, as a State's unemployment increases and more benefit weeks are provided to jobless workers, an increasing share of the Federal share of benefits will be paid from general revenues rather than the Federal unemployment trust fund—again to prevent employers from having to shoulder counterproductive taxes.

In 1983 I was pleased to join with the senior Senator from Pennsylvania [Mr. HEINZ] an several other Senators in introducing legislation—S. 1784—to make the improvements that badly need to be made. That legislation was refined and introduced again in the 99th Congress as S. 699. Today, I again am introducing legislation for this purpose. The bill I am introducing today is identical in most respects to the bill introduced during the 99th Congress.

States may take advantage of the new program established by the bill I am introducing whenever they are able to do so after it is enacted, but are not required to do so until several months after their legislatures adjourn after they next convene in regular session. In my State of West Virginia, should this bill be enacted today (or before any current measures of unemployment have changed), the State would be able to provide 21 additional weeks of benefits to those unemployed who exhaust the State's basic benefits (26 weeks in most States) before they are able to find new employment. Ninety percent of the cost of these additional benefits to West Virginians would be paid by the Federal Government. Other States with similarly high unemployment rates would get the same help while those States fortunate enough to have low unemployment would not—at least not immediately. However, when, at any point unemployment begins to increase for any of them—as it tragically has done over the past year in the so-called oil patch States, the additional assistance will be there for them as well, without the necessity of further action by the Congress.

During the welcome time of general economic advancement, we must not forget those who are the victims and remain the victims of long-term unemployment. We must not forget the States and regions where recovery is still fleeting or where special recessionary forces are at work. We must take steps to assure that the much vaunted cushion of unemployment assistance actually is available to those who need it. Just as important, we should act now, while the failings of the unemployment insurance system are fresh in our minds, to assure that the system will operate more fairly, dependably, and efficiently in the future.

Mr. President, I ask unanimous consent that I be allowed to insert in the RECORD immediately following my statement a fact sheet about this legislation and the text of the bill I am introducing today.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONSOLIDATION OF EXTENDED AND SUPPLEMENTAL UNEMPLOYMENT INSURANCE PROGRAMS

MAJOR PRINCIPLES EMBODIED IN S. 287 (100TH CONGRESS)

I. There should be only *one program* providing unemployment benefits beyond those available under states' basic U.I. programs—even during recessionary periods with highest unemployment, rather than two which are poorly coordinated and whose relationship to each other is inconsistent and confusing.

II. There should be an increasing number of weeks of benefits available under the consolidated program as the level of a state's unemployment increases (much as in the Supplemental Compensation program as it existed until early 1985).

III. The availability of additional weeks of benefits (beyond those in a state's basic program)—with the number of additional weeks based on the state's unemployment level—should be on a permanent stand-by basis under the consolidated program, so that it will not be necessary for the Congress to take affirmative action to set in place additional benefits as in the case of the Supplemental Compensation program, so that these additional benefits will be made available as high unemployment is experienced rather than being delayed until legislation can be enacted. Further, such additional benefits can be provided to states and multistate regions that suffer from high unemployment even when the nation as a whole is not suffering from overall high unemployment and it might be difficult to obtain enactment of legislation to establish a temporary program of additional benefits.

IV. As a state's level of unemployment increases, the federal share of costs should increase for the benefits under the consolidated program—as should the portion of the costs borne by the federal government that are paid with federal general revenues. This is true because the case of persistent high unemployment on a statewide basis almost always can be traced beyond the State's borders to national economic policy and even international economic circumstances—both far beyond the control of that state and its workers, businesses, and government. States and employers within them should not be required to bear the marginal costs of unemployment insurance when unemployment is the result of massive macroeconomic forces beyond their control.

V. The Insured Unemployment Rate (I.U.R.) has proved itself to be unsuitable as a sole determinant of state eligibility for additional unemployment benefits, excluding from eligibility many states with very high unemployment. Until a preferable determinant can be devised and the I.U.R. replaced with it, the determination of the number of weeks of benefits for which a state qualified under the consolidated program should be made both with the I.U.R. and with an alternative determinant of eligibility that better reflects the need for additional benefits beyond those provided by states' basic programs—and long-term unemployed workers in those states should be eligible for the higher number of weeks of additional benefits resulting from use of the two determinants. A variant of the Total Unemployment Rate (T.U.R.) is the best alternative currently available, and its immediate use is recommended. However, a concentrated study should be conducted to see if it is possible to devise some measure of a state's need for additional benefits that would be preferable to both the I.U.R. and T.U.R. variant.

Immediate Objectives of the Legislation:

(1) Avoid the problems with the Extended Benefits program, whereby many states with high unemployment have been ineligible to participate because of various "quirks" in the program's eligibility criteria;

(2) Relate logically to the severity of unemployment in each state the number of weeks of unemployment insurance beyond those in the state's basic program that are available in the state—so that benefit duration can be better understood by the public, by public policymakers, by businesses required to support part of benefit costs through employment taxes, and by jobless workers needing the benefits;

(3) Offer some relief to states from the terrible pressures on unemployment trust funds caused by heavy eligibility for extended benefits when those states are beset by high unemployment—now or in the future; and

(4) Remove the necessity for special Congressional action during periods of extreme economic distress to provide benefit duration beyond that in the Extended Benefits program, which results in harmful delays of additional assistance reaching the unemployed in economically distressed states.

Benefit and Financing Structure of the Program:

The proposed program replaces the Extended Benefits program and obviates the need for any Federal Supplemental Compensation program.

The following benefits will be available to each state's long-term unemployed persons, based on the state's Insured Unemployment Rate (IUR) or on a variant (described below) of its Total Unemployment Rate (TUR)—whichever results in a greater number of weeks of benefits, with costs being covered by the state and federal governments as indicated:

When a State's		Unemployed persons receive 'X' weeks of benefits	Costs split: State share/Federal share [1] (percentage)	Percent Federal share from trust fund [2] general revenue
13-week average IUR is (percentage) for 2 weeks or	TUR variant is (percentage)			
0 to 3.99	N/A	0		
4.00 to 4.99	9.0 to 9.9	7	40/60	80/20
5.00 to 5.99	10.0 to 9.9	14	30/70	60/40
6.00 to 6.99	11.0 to 11.9	21	20/80	40/60
7.00 to and above	12.0 and above	28	10/90	20/80

[1] The State share is to be paid from the State trust fund.

[2] The Federal trust fund deriving its revenues from FUTA.

Other Key Specifications of the Consolidated Program:

When a state's eligibility is determined on the basis of its IUR, benefits will be payable beginning the third week after the second consecutive week in which the state meets or exceeds the 4.00 percent IUR threshold (as a 13-week average).

A state's 13-week IUR in the week used for eligibility computations must be at least 100 percent of the average of the 13-week IUR computed in the same week in each of the prior six years (the "prior years test"). If a state fails to meet the "100 percent of prior years test," but meets a "90 percent of prior years test," it will be eligible for one tier below that for which its 13-week IUR alone would qualify it. If a state meets only an "80-percent of prior years test," it will be eligible for two tiers below that for which its 13-week IUR alone would qualify it. If a state meets only a "70 percent of prior years test," it will be eligible for three tiers below that for which its 13-week IUR alone would qualify it.

The TUR variant for any state is computed by averaging the TURs reported by the U.S. Department of Labor (USDoL) for the two most recent months for which USDoL state-by-state TUR statistics are available.

When a state's eligibility is determined on the basis of its TUR variant, benefits will be payable beginning the week after the week in which USDoL announces state-by-state TUR statistics for a month and the average of that state's TUR for that month and the preceding month equals or exceeds 9 percent.

Once a state has "triggered on" to benefits under the consolidated program, the number of weeks of benefits for which it is eligible will remain the same for a period of six weeks. At the end of every period of six weeks following commencement of benefits, the number of weeks of benefits for the next six-week period will be redetermined by using the IUR and TUR variant methods described above. At such a redetermination point, if the state's 13-week average IUR falls below 4.0 percent during the most recent week for which it has been computed and the week preceding that week, state eligibility for benefits under the consolidated program will cease at the conclusion of the third week following the second consecutive week during which the state's IUR fell below 4.0 percent unless the state qualifies under the TUR variant calculation. When the state fails to qualify under either the IUR or the TUR variant calculation, no person in the state may gain eligibility for benefits under the consolidated program.

When a person become eligible for any benefits to be paid under the consolidated program, he will be eligible for the number of weeks of benefits for which the state is eligible at the time he gains eligibility for these additional benefits, and will remain eligible for that number of weeks of benefits regardless of whether the state falls to a lower tier of benefits or becomes ineligible for continued participation in the consolidated program altogether—unless the state falls from one tier of benefit duration to a tier two or more below it during the course of the individual's eligibility for these benefits, in which case his duration of benefits will be adjusted to the proper number of weeks at that lower tier (by subtracting from the number of weeks of benefits payable at that lower tier the number of weeks of benefits under this program that previously were paid to that individual—but in no case will that number be fewer than 2 weeks). When a state rises to a higher tier of benefit duration, each individual who has exhausted the number of weeks of benefits available at the lower tier at any time during the previous 13 weeks and who remains in current benefit status will be entitled to the number of additional weeks of benefits under this consolidated program which he has received during his "benefit year" from the number of weeks of benefits for which the state is qualified in the tier to which it has newly risen—provided that no person may receive more than 28 weeks of benefits under this consolidated program during any one "benefit year." [In order to qualify for the program initially, a person must have a current "benefit year;" however, the person may continue to claim benefits for the duration of his original entitlement (or expanded entitlement if his entitlement is increased when the state rises to a higher benefit tier) even if his "benefit year" ends prior to the expiration of the entitlement.]

If a state becomes eligible again for the consolidated program after losing eligibility, a person still receiving benefits (i.e., he has not exhausted benefits from the prior period of state eligibility) will be eligible for the greater of (1) the number of weeks of benefits in this initial entitlement under the consolidated program, or (2) the number of weeks of benefits under the consolidate program for which he would be eligible in the state's new period of eligibility minus the number of weeks he already had received.

The sharing of financial responsibility for benefits between the federal and state government, and the division of the federal government's share between FUTA and general revenues, will be established at the time a person's initial claim for benefits under this consolidated program is processed, based on the tier for which the state is eligible at that time. If the beneficiary becomes eligible for additional weeks of benefits when the state later moves to a higher tier, the additional weeks will be financed in accord with the provisions for that higher tier.

While benefit duration is stated in the chart above in increments of whole weeks, the actual duration for any individual will be the lesser of the following: For the 7-week tier, 7 weeks or 27 percent of the original entitlement in the state's basic program; for the 14-week tier, 14 weeks or 54 percent of the original entitlement; for the 21-week tier, 21 weeks or 81 percent of the original entitlement; and for the 28-week tier, 28 weeks or 108 percent of the original entitlement.

If the state determines that labor market conditions in both the labor market areas in which an individual works and resides are so depressed that such efforts that are normally required likely will not result in employment, the state is granted flexibility (in accord with regulations to be promulgated by the Secretary of Labor) to modify for that individual the eligibility requirement that all applicants/recipients actively seek work and provide evidence of their search to the Employment Service.

In order to be eligible for benefits under this program, an unemployed person must participate in one week of an intensive job search program administered by the Employment Service if the Employment Service requests such participation and provides such a program that is accessible to the unemployed person.

No action taken by a state in order to bring its laws into compliance with the provisions of this Act will affect its eligibility for existing provisions of law allowing preferential treatment with respect to interest payments on federal loans to state trust funds or to the level of credit allowed against the FUTA tax imposed on employers in the state.

Transition Provisions:

The effective date of all changes noted above will vary in each state. Each may modify its program to align with the new federal requirements at any point after enactment, but must so modify its program no later than two months following the adjournment of the first session of that state's legislature that adjourns no earlier than four months after the date of the enactment of this Act. The Extended Benefits program (and any Supplemental Benefits program in effect at that time) will cease to be available to unemployed persons in that state on that date. Until that date, the state may proceed under current law (as that law may otherwise be modified in the meantime).

States may disregard the 20 percent factor in the Extended Benefits Program.

Study: The Department of Labor is required to make a study of new and more accurate measurements of unemployment for use as "triggers" in unemployment insurance programs, and to submit its findings and recommendations to the Congress no later than one year after the date of enactment of this Act.

S. 287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Extended Unemployment Compensation Act of 1987".

NUMBER OF WEEKS OF EXTENDED UNEMPLOYMENT COMPENSATION

SEC. 2. (a) Section 202(b)(1) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended—

(1) by inserting after the first sentence the following new sentence: "The amount of extended compensation payable to any individual for any eligibility period shall not exceed the amount established in such individual's account for the benefit year in which such eligibility period begins.";

(2) in subparagraph (A), by striking out "50 per centum" and inserting in lieu thereof "the applicable percentage, determined under paragraphs (2) and (3),";

(3) in subparagraph (B), by striking out "thirteen" and inserting in lieu thereof "the applicable limit determined under paragraphs (2) and (3),"; and

(4) in subparagraph (C), by striking out "thirty-nine" and inserting in lieu thereof "a number equal to 26 plus the applicable limit determined under paragraphs (2) and (3),".

(b) Section 202(b) of such Act is amended by redesignating paragraph (2) as paragraph (4) and by inserting after paragraph (1) the following new paragraphs:

"(2) The applicable percentage and applicable limit for purposes of paragraph (1) are—

"(A) 108 percent, and 28 weeks, in the case of weeks beginning in a tier IV period;

"(B) 81 percent, and 21 weeks, in the case of weeks beginning in a tier III period;

"(C) 54 percent, and 14 weeks, in the case of weeks beginning in a tier II period; and

"(D) 27 percent, and 7 weeks, in the case of weeks beginning in a tier I period,
as such periods are defined in section 203.

"(3)(A) Except as provided in subparagraphs (B) and (C), the applicable percentage and applicable limit for an individual's compensation account shall be based upon the applicable percentage and applicable limit in effect for the tier period in which such individual's eligibility period begins, and shall remain in effect with respect to such individual for the duration of such eligibility period, without regard to subsequent changes in the applicable percentage or applicable limit in effect for such State, and without regard to whether the extended benefits period (which was in effect at the beginning of his eligibility period) ends.

"(B) If, during an individual's eligibility period, the applicable percentage and applicable limit for the State fall more than one tier, the applicable percentage and applicable limit for such individual's account shall be reduced to those in effect at such lower tier, but any compensation paid to such individual by reason of the higher applicable percentage and applicable limit previously in effect shall not be considered an overpayment.

"(C) If, during an individual's eligibility period, the State was at tier II or higher, and its extended benefit period (which was in effect at the beginning of the individual's eligibility period) ends, the applicable percentage and applicable limit for such individual's account shall be reduced to 8 percent and 2 weeks, but any compensation paid to such individual by reason of the higher applicable percentage and applicable limit previously in effect shall not be considered an overpayment.

"(D) If, while an individual is receiving extended benefits or within 13 weeks thereafter, the applicable percentage and applicable limit for the State increase, the applicable percentage and applicable limit for such individual's account shall be increased to such higher percentage and limit.".

(c) Section 202(c) of such Act is amended by redesignating paragraph (3) as paragraph (4), and by inserting after paragraph (2) the following:

"(3) In the case of an interstate claim not described in paragraph (1), the applicable percentage and applicable limit shall be those in effect for the State in which the individual is filing the interstate claim.".

EXTENDED BENEFIT PERIODS; BENEFIT TIERS

SEC. 3. (a) Section 203 of the Federal-State Extended Unemployment Compensation Act of 1970 is amended to read as follows:

"EXTENDED BENEFIT PERIODS; BENEFIT TIERS

"SEC. 203. (a) BEGINNING AND ENDING.—An extended benefit period for a State shall begin with the third week after the first week for which there is a State 'on' indicator, and shall end with the third week after the first week for which there is a State 'off' indicator.

"(b) STATE 'ON' INDICATOR.—There is a State 'on' indicator for a week if—

"(1) the State's rate of insured unemployment—

"(A)(i) is 4.0 percent or greater for the 13-week period ending with such week, and for the 13-week period ending with the week preceding such week, or

"(ii) is 5.0 percent or greater for the 13-week period ending with such week, and

"(B) for the 13-week period ending with such week, equals or exceeds the necessary percentage of the average of such rate for the comparable 13-week periods in the prior 6 years in order to qualify for any benefit tier (as determined under subsection (e)(3)); or

"(2) the average of the State's total rate of civilian unemployment (unadjusted) for the 2 most recent months immediately preceding such week for which such rate is available from the Bureau of Labor Statistics is 9.0 percent or greater.

"(c) STATE 'OFF' INDICATOR.—There is a State 'off' indicator for a week if—

"(1) there is not a State 'on' indicator for such week;

"(2) such week is a redetermination week (as described in subsection (d)(2)); and

"(3) the State's rate of insured unemployment—

"(A) is less than 4.0 percent for the 13-week period ending with such week, and for the 13-week period ending with the week preceding such week; or

"(B) fails to qualify the State for any tier as determined under subsection (e)(3).

"(d) TIER PERIODS.—

"(1) INITIAL PERIODS.—An initial tier period is the first 6 weeks of any extended benefit period. The State's initial tier shall be determined on the basis of the third week preceding the tier period and shall remain the same for the 6 weeks of such period.

"(2) CONTINUING PERIODS; REDETERMINATIONS.—Three weeks after the beginning of any tier period, a redetermination shall be made of whether there is a State 'on' or 'off' indicator for such week, and whether the State's tier for such week has changed. If there is not a State 'off' indicator for such week, a new 6-week tier period shall begin with the third week following such week, and the State's tier shall be determined for such 6-week period. If there is a State 'off' indicator for such week, the extended benefit period shall end with the third week following such redetermination.

"(e) BENEFIT TIERS.—

"(1) IN GENERAL.—Subject to paragraphs (1) and (2), a State shall be at the highest tier in column A of the chart appearing below for which—

"(A) the rate of insured unemployment for the period consisting of the week of the determination or redetermination and the immediately preceding 12 weeks falls within the range shown in column B; or

"(B) the average of the total rate of civilian unemployment (unadjusted) for the 2 most recent months immediately preceding the week of the determination or redetermination for which such rate is available from the Bureau of Labor Statistics, falls within the range shown in column C.

A	B	C
Tier level	Insured rate	Total rate
I	4.0 percent or greater, but less than 5.0 percent	9.0 percent or greater, but less than 10.0 percent
II	5.0 percent or greater, but less than 6.0 percent	10.0 percent or greater, but less than 11.0 percent
III	6.0 percent or greater, but less than 7.0 percent	11.0 percent or greater, but less than 12.0 percent
IV	7.0 percent or greater	12.0 percent or greater.

"(2) SPECIAL RULE.—If a State does not qualify for any tier under the provisions of paragraph (1), but remains in an extended benefit period by reason of subsection (c)(3), such State shall be deemed to be at tier I.

"(3) REDUCTION IN TIER BASED ON 6-YEAR AVERAGE.—

"(A) In order to qualify for a tier under paragraph (1) on the basis of the rate of insured unemployment, a State's rate of insured unemployment for the 13-week period described in paragraph (1)(A) must also equal or exceed 100 percent of the average of such rate for the comparable 13-week periods in the prior 6 years.

"(B) If a State's rate does not meet the requirement of subparagraph (A), such State may nevertheless qualify for a lower tier on the basis of its rate of insured unemployment as follows:

"(i) The State shall qualify for the next lower tier (if any) if such rate for the 13-week period described in paragraph (1)(A) equals or exceeds 90 percent of the average of such rate for the comparable 13-week periods in the prior 6 years.

"(ii) The State shall qualify for the second lower tier (if any) if such rate for such 13-week period equals or exceeds 80 percent of such average.

"(iii) The State shall qualify for the third lower tier (if any) if such rate for such 13-week period equals or exceeds 70 percent of such average.

"(f) ELIGIBILITY PERIOD.—An individual's eligibility period for any benefit year shall consist of the first week in such benefit year for which he meets the requirements of section 202(a)(1) and which is in an extended benefits period, and all weeks thereafter in such benefit year for which he continues to be unemployed and meets the requirements of this Act. If, at the end of such benefit year, such individual is receiving extended compensation and has not exhausted such compensation, his eligibility period shall continue for any subsequent consecutive weeks of unemployment in which he meets the requirements of this Act until he has exhausted his extended compensation.

"(g) RATE OF INSURED UNEMPLOYMENT.—(1) For purposes of this section, the term 'rate of insured unemployment' means the percentage arrived at by dividing—

"(A) the average weekly number of individuals filing claims for regular compensation for weeks of unemployment with respect to the specified period, as determined on the basis of the reports made by the State agency to the Secretary, by

"(B) the average monthly covered employment for the specified period.

"(2) The rate of insured unemployment for any 13-week period shall be determined by reference to the average monthly covered employment under the State law for the first four of the most recent six calendar quarters ending before the close of such period.".

PAYMENTS TO STATES

SEC. 4. (a) Section 204(a) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), and by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) There shall be paid to each State an amount equal to the applicable percentage (as determined under paragraph (2)) of the sum of the sharable extended compensation and the sharable regular compensation paid to individuals under the State law.

"(2) Except as otherwise provided in paragraph (3), the applicable percentage is—

"(A) 90 percent with respect to compensation paid during a tier IV period;

"(B) 80 percent with respect to compensation paid during a tier III period;

"(C) 70 percent with respect to compensation paid during a tier II period; and

"(D) 60 percent with respect to compensation paid during a tier I period.".

(b) Section 204(b) of such Act is amended—

(1) in the heading thereof, by striking out "Shareable" and inserting in lieu thereof "Sharable"; and

(2) by striking out "subsection (a)(1)(A)" and inserting in lieu thereof "subsection (a)(1)".

(c) Section 204(c) of such Act is amended to read as follows:

"SHARABLE REGULAR COMPENSATION

"(c) For purposes of subsection (a)(1), 'sharable regular compensation' means regular compensation paid to an individual for a week of unemployment in such individual's eligibility period—

"(1) to the extent that such amount exceeds an amount equal to 26 times the average weekly benefit amount (including allowances for dependents) for weeks of total unemployment payable to such individual under the State law in the benefit year in which such eligibility period begins; and

"(2) which would qualify as 'sharable extended compensation' under subsection (b) if it were 'extended compensation'.".

(d) Section 205(3) of such Act is amended by striking out "beginning in an extended benefit period".

TRANSFERS TO EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT

SEC. 5. Section 905(b) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(4)(A) In addition to the amounts transferred into the extended unemployment compensation account pursuant to paragraph (1), there are authorized to be appropriated, without fiscal year limitation, to such account, an amount equal to—

"(i) 80 percent of the amount of the Federal payments required to be made to States under section 204(a)(1) of the Federal-State Extended Unemployment Compensation Act of 1970 with respect to compensation paid during a tier IV period; plus

"(ii) 60 percent of the amount of such Federal payments with respect to compensation paid during a tier III period; plus

"(iii) 40 percent of the amount of such Federal payments with respect to compensation paid during a tier II period; plus

"(iv) 20 percent of the amount of such Federal payments with respect to compensation paid during a tier I period.

"(B) Amounts appropriated pursuant to subparagraph (A) shall not be required to be repaid.".

JOB SEARCH PROVISIONS

SEC. 6. (a) Section 202(a)(3)(A)(ii) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by inserting after "seeking work" the following: "; except that, the State, in accordance with regulations of the Secretary, may modify the requirement of this clause to take into account any determination by the State that labor market conditions in the labor market area in which such individual last worked, and in the labor market area in which such individual resides, are so depressed that actively seeking work likely will not result in employment".

(b) Section 202(a)(3)(A) of such Act is amended—

(1) by striking out the period at the end thereof and inserting "; or"; and

(2) by adding at the end thereof the following new clause:

"(iii) unless he participates in an intensive 1-week job search program administered by the Employment Service, if requested to so participate.".

REPEAL OF FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

SEC. 7. The Federal Supplemental Compensation Act of 1982 is repealed.

EFFECTIVE DATE

SEC. 8. The amendments made by sections 2 through 6 of this Act (and the repeal made by section 7) shall become effective on the date of the enactment of this Act. Any State may choose to delay the applicability of the amendments made by sections 2 through 6 to that State until a date not later than the first day of the third month which follows the first adjournment of a session of such State's legislature, which adjournment occurs no earlier than four months after the date of the enactment of this Act.

TRANSITION PROVISIONS

SEC. 9. (a) The amendments made by this section shall apply to the Federal-State Extended Unemployment Compensation Act of 1970 only as that Act applies (without regard to any amendments made by sections 2 through 6 of this Act) to those States which choose to delay the applicability of the amendments made by sections 2 through 6 as provided in section 8.

(b) Section 203(d)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended—

(1) by striking out "March 30, 1977" and inserting in lieu thereof "the date of the enactment of the Extended Unemployment Compensation Act of 1987";

(2) by striking out "(i)"; and

(3) by striking out ", and (ii) the figure '5' contained in subparagraph (B) thereof were '6' ".

STUDY OF MEASUREMENTS OF UNEMPLOYMENT

SEC. 10. The Secretary of Labor shall conduct a study, and shall report the results of such study to Congress not later than one year after the date of the enactment of this Act, with respect to alternatives to the rate of insured unemployment, which would be available with respect to all States, which might provide a more accurate measurement of the employment and labor market situation in each State.

AMENDMENTS SHALL NOT EFFECT STATE SOLVENCY PROVISION RELATING TO LOANS

SEC. 11. For purposes of section 3302(f)(2) of the Internal Revenue Code of 1954 and section 1202(b)(8) of the Social Security Act, actions taken by a State for the purpose of meeting any requirement of this Act, or the amendments made by this Act, shall not be considered a State action which results or will result in a net decrease in the solvency of the State unemployment compensation system.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate resumes session today at 5 p.m., there be up to and not to exceed 30 minutes for the transaction of routine morning business and that Senators may be permitted to speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Reserving the right to object, I want to clarify one point with my good friend, the majority leader.

It is my understanding that the morning hour will have been completed by that time. Is that understanding correct?

Mr. BYRD. Yes.

Mr. STEVENS. I thank the distinguished majority leader for arranging for this time. There will be Senators who will be back on the floor at 5 were not here when we convened. I think it will be a convenience to them.

I have no objection.

Mr. BYRD. I thank the distinguished Senator.

SENATOR PROXMIRE, NEW CHAIRMAN OF SENATE BANKING COMMITTEE

Mr. BYRD. Mr. President, in today's Wall Street Journal there appears an article on the new chairman of the Senate Banking Committee, Senator WILLIAM PROXMIRE. The article describes Senator PROXMIRE as "* * * persistent when he latches onto an issue * * *." This is indeed the case, as I can testify.

Mr. STEVENS. Mr. President will the Senator yield?

Mr. BYRD. Yes, I yield.

Mr. STEVENS. It may be an understatement.

Mr. BYRD. I thank the distinguished acting Republican leader for his preeminently clear and succinct observation.

I am confident that the Banking Committee will vigorously pursue such matters as stock market insider trading, banking industry reforms, and merger reforms, to name but a few areas where the Banking Committee will have an impact under Chairman PROXMIRE's leadership.

I ask unanimous consent that the text of the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Jan. 12, 1987]

DEMOCRATS' HOLD ON SENATE BANKING PANEL AUGURS TOUGHER STANCE WITH BANKING, SECURITIES SECTORS

(By John E. Yang and Bruce Ingersoll)

WASHINGTON.—With Senate Democrats back in power, few segments of business are likely to notice the difference as much as the banking and securities industries.

The Senate Banking Committee will have far more active leadership from Wisconsin Democrat William Proxmire, who has succeeded GOP Sen. Jake Garn as chairman. The Utah Republican was an ardent but often ineffective champion of less regulation, while his successor is a veteran legislator with a populist approach to regulatory affairs whose own crusades have met with mixed success.

The switch comes at a time of upheaval as federal regulators struggle to keep pace with vast changes in banking and on Wall Street. They're expecting a third straight record-setting year of bank failures in 1987 while continuing to squabble with the industry over just what is and what isn't a bank and what bankers can and can't do. At the same time, a rash of corporate takeover abuses and the insider-trading transgressions of Ivan Boesky and others have provoked a clamor for tighter regulation.

Lobbyists predict the Banking Committee will be far more aggressive now that Mr. Proxmire has reclaimed the chairman's seat he held from 1975 to 1980. "It's about time," says Kenneth Guenther, executive vice president of the Independent Bankers Association of America. "It's been four long years."

Sen. Garn was unable to win enactment of a single major piece of banking or securities legislation since 1982. Much of the inaction resulted from his preference for having industry groups bring him legislation they could agree on, rather than forging compromise on his own bills.

ISSUES LEFT BY THE 99TH

Sen. Proxmire, an individualist who has never been publicity-shy, knows what he wants. He is persistent when he latches onto an issue and fights hard for his pet cause of the moment, whether it's killing a new Pentagon weapons program or closing a new Senate gymnasium. "He is a nitpicker," says the Almanac of American Politics, "not a man who can move government in a major way."

Mr. Proxmire's top priorities for the 100th Congress are items left undone by the 99th: bailing out the near-depleted federal savings and loan deposit insurance fund, curbing the spread of limited-service banks, giving banks additional powers and damping the corporate takeover frenzy. All are given good chances of congressional passage. He plans early hearings on all those topics, beginning with sessions on the banking issues Jan. 21 and 22.

In the banking industry, Mr. Proxmire's activism will probably be welcomed even by those who disagree with his goals. "The industry needs legislation," says Karen Shaw, a Washington banking consultant. "It doesn't matter what it is, as long as it's ordering in some way. Proxmire will try to do that."

In some quarters, Sen. Proxmire is regarded as a liberal foe of deregulation. On banking issues, however, he is actually more of a populist foe of concentration, more an opponent of bigness than of deregulation. Mr. Proxmire was responsible for the last broad banking deregulation bill, a 1980 law that gradually removed interest-rate restrictions.

Mr. Proxmire favors letting local bankers and business executives control the economic destiny of their community, free of interference from money-center banks. For instance, his campaign against the proliferation of limited-service banks—the so-called non-bank banks that either take deposits or give commercial loans but don't do both—stems from his fear that such giant companies as Merrill Lynch & Co. and Sears, Roebuck & Co. will eventually swallow the nation's local bankers.

CURBS ON "GREENMAIL" SOUGHT

Mr. Proxmire fondly recalls his dealings with a local bank three decades ago when he ran a printing company in Waterloo, Wis. "That bank was just perfect for our company," he says. "They knew us. . . . In many cases they'd gone to school with people who were in our company." He favors limiting how big banks grow, to protect the independence of the locally owned bank, which he calls "one of the best institutions we have."

And Mr. Proxmire opposes legislation to make it easier for federal regulators to arrange purchases of struggling banks by out-of-state buyers. "We should encourage the states to . . . solve their own problems," he says.

In the securities realm, Mr. Proxmire can count on the support of committee members Howard Metzenbaum (D., Ohio) and Donald Riegle (D., Mich.) as he seeks ways to slow the tender-offer process and curtail the excessses of takeover battles. "Greenmail"—in which a company pays a corporate raider a premium for his stock to get rid of him—is one abuse Mr. Metzenbaum hopes to halt. "It's an iniquitous practice," he asserts. Adds Mr. Proxmire: "This merger mania is plunging our corporations deeper and deeper in debt."

Lobbyists and congressional staff members expect Sen. Riegle, new chairman of the securities subcommittee, to be tougher on the securities industry—and more skeptical of investment bankers—than his predecessor, Sen. Alfonse D'Amato. The New York Republican's inaction on anti-takeover and "junk bond" bills won him Wall Street's gratitude and a gush of campaign contributions.

It isn't yet clear how Senate legislative initiatives are likely to fare on the House side. Rep. Edward Markey (D., Mass.), the odds-on favorite to become the new chairman of the Energy and Commerce Committee's subcommittee on telecommunications, consumer protection and finance, is a relative unknown on securities matters, but is expected to be as consumer-oriented as he has been on telecommunications issues.

Ultimately, Rep. John Dingell (D., Mich.), chairman of the parent committee, may decide the disposition of take-over legislation, but so far he has been noncommittal.

Securities industry lobbyists and Senate staff members expect the 100th Congress to do more than just tinker with the takeover process. At minimum, Congress appears inclined to curtail greenmail, lengthen the minimum offering period for a tender offer, and close the so-called 10-day window, which gives raiders that long to accumulate stock in a target company before publicly disclosing their holdings.

"There's mood to do something," says Sen. Metzenbaum. And if the Securities and Exchange Commission breaks another major insider-trading scandal and more lawmakers' corporate constituents are seized by raiders, the mood will be even stronger.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:42 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1. An act to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes.

MEASURES PLACED ON THE CALENDAR

By unanimous consent, the following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1. An act to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-204. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a confidential report on a foreign military assistance sale to Greece; to the Committee on Armed Services.

EC-205. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a confidential report on a foreign military assistance sale to the People's Republic of China; to the Committee on Armed Services.

EC-206. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a confidential report on a foreign military assistance sale to the Federal Republic of Germany; to the Committee on Armed Services.

EC-207. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military assistance sale to Turkey; to the Committee on Armed Services.

EC-208. A communication from the Comptroller General of the U.S. transmitting, pursuant to law, a report evaluating the Residential Conservation Service Program; to the Committee on Energy and Natural Resources.

EC-209. A communication from the Chairman of the U.S. International Trade Commission transmitting, pursuant to law, a report on trade between the U.S. and the nonmarket economy countries; to the Committee on Finance.

EC-210. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a secret report for fiscal year 1986 on the operation of the Special Defense Acquisition Fund; to the Committee on Foreign Relations.

EC-211. A communication from the Assistant Secretary of State transmitting, pursuant to law, a report on the allocation of funds for fiscal year 1987 foreign military sales financing, the military assistance program, international military education and training, the economic support fund, peacekeeping operations, and anti-terrorism programs; to the Committee on Foreign Relations.

EC-212. A communication from the Secretary of the Treasury transmitting, pursuant to law, a report on the Department's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-213. A communication from the Chairman of the Merit Systems Protection Board transmitting, pursuant to law, a report on the Board's internal accounting and administrative control programs; to the Committee on Governmental Affairs.

EC-214. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on the Department's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-215. A communication from the Secretary of Defense transmitting, pursuant to law, a report on the Department's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-216. A communication from the Secretary of Energy transmitting, pursuant to law, a report on the Department's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-217. A communication from the Chairman of the Federal Maritime Commission transmitting, pursuant to law, a report on the Commission's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-218. A communication from the Director of the U.S. Arms Control and Disarmament Agency transmitting, pursuant to law, a report on the Agency's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-219. A communication from the Chairman of the Equal Employment Opportunity Commission transmitting, pursuant to law, a report on the Commission's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-220. A communication from the General Services Administration transmitting, pursuant to law, a report on the Administration's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-221. A communication from the Chairman of the Federal Labor Relations Authority transmitting, pursuant to law, a report on the Authority's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-222. A communication from the Director of the Federal Emergency Management Agency transmitting, pursuant to law, a report on the Agency's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-223. A communication from the Director of the Federal Mediation and Counciliation Service transmitting, pursuant to law, a report on the Service's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-224. A communication from the Administrator of the Panama Canal Commission transmitting, pursuant to law, a report on the Commission's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-225. A communication from the Chairman of the National Endowment for the Arts transmitting, pursuant to law, a report on the Endowment's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-226. A communication from the Board Members of the Railroad Retirement Board transmitting, pursuant to law, a report on the Board's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-227. A communication from the Secretary of Education transmitting, pursuant to law, a report on the Department's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-228. A communication from the Director of the Administration Office of the U.S. Courts transmitting, pursuant to law, the actuarial reports on the Judicial Survivor's Annuities System and the Judicial Retirement System for 1985; to the Committee on Governmental Affairs.

EC-229. A communication from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, a report on the Agency's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-230. A communication from the Secretary of Agriculture transmitting, pursuant to law, a report on the Department's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-231. A communication from the Acting Secretary of State transmitting, pursuant to law, a report on the Department's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-232. A communication from the Special Counsel of the Merit Systems Protection Board transmitting, pursuant to law, a report on the Board's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-233. A communication from the Special Counsel of the Merit Systems Protection Board transmitting, pursuant to law, a report on the Board's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-234. A communication from the Chairman of the National Credit Union Administration transmitting, pursuant to law, a report on the Administration's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-235. A communication from the Chairman of the National Endowment for the Humanities transmitting, pursuant to law, a report on the Endowment's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-236. A communication from the Secretary of Education transmitting, pursuant to law, a report on the Department's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-237. A communication from the Administrator of NASA transmitting, pursuant to law, a report on NASA's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-238. A communication from the Administrator of the Veterans Administration transmitting, pursuant to law, a report on the Administration's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-239. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on the transfer of surplus real property for public health purposes in fiscal year 1986; to the Committee on Governmental Affairs.

EC-240. A communication from the Secretary of Transportation transmitting, pursuant to law, a report on the Department's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-241. A communication from the Clerk of the U.S. Claims Court transmitting, pursuant to law, the 1986 report required by sec. 791(c) of Title 28, U.S.C.; to the Committee on the Judiciary.

EC-242. A communication from the Chairman of the Federal Election Commission transmitting, pursuant to law, proposed regulations governing political contributions by persons and multicandidate political committees; to the Committee on Rules and Administration.

EC-243. A communication from the Secretary of Agriculture transmitting, pursuant to law, a report on commodity and country allocations for food assistance under PL480; to the Committee on Agriculture, Nutrition, and Forestry.

EC-244. A communication from the President of the United States transmitting, pursuant to law, a report on the continuance of his declaration of a state of emergency between the U.S. and Libya; to the Committee on Banking, Housing, and Urban Affairs.

EC-245. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report on HUD-Owned Multifamily Project Negotiated Sales; to the Committee on Banking, Housing, and Urban Affairs.

EC-246. A communication from the Secretary of Transportation transmitting, pursuant to law, a report on the Northeast Corridor Improvement Project; to the Committee on Commerce, Science, and Transportation.

EC-247. A communication from the chairman of the U.S. Railway Association transmitting, pursuant to law, the Association's final report on the conclusion of its affairs and its dissolution; to the Committee on Commerce, Science, and Transportation.

EC-248. A communication from the Secretary of Energy transmitting, pursuant to law, a report on the viability of the domestic uranium mining and milling industry; to the Committee on Energy and Natural Resources.

EC-249. A communication from the Assistant Secretary of Commerce transmitting, pursuant to law, a report on 1985 activities of the Economic Development Administration; to the Committee on Environment and Public Works.

EC-250. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military assistance sale to the Philippines; to the Committee on Foreign Relations.

EC-251. A communication from the Chairman of the Postal Rate Commission transmitting, pursuant to law, a report on the Commission's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-252. A communication from the Secretary of Commerce transmitting, pursuant to law, a report on the Department's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-253. A communication from the Administrator of the Veterans Administration transmitting, pursuant to law, a report on an altered Privacy Act system of records; to the Committee on Governmental Affairs.

EC-254. A communication from the USPS Records Officer, U.S. Postal Service, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-255. A communication from the Chairman of the Nuclear Regulatory Commission transmitting, pursuant to law, a report on two altered Privacy Act systems of records; to the Committee on Governmental Affairs.

EC-256. A communication from the Chairman of the Interstate Commerce Commission transmitting, pursuant to law, a report on the Commission's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-257. A communication from the Associate Director of the U.S. Information Agency transmitting, pursuant to law, a report on the Agency's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-258. A communication from the Secretary of Education transmitting, pursuant to law, a report on final regulations governing loan discounts for the college housing and academic facilities loan programs; to the Committee on Labor and Human Resources.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BYRD (for himself and Mr. Roth):

S. 284. A bill to amend section 232 of the Trade Expansion Act of 1962 to improve its administration, and for other purposes; read the first time.

By Mr. BYRD (for himself and Mr. Roth):

S. 285. A bill to amend section 232 of the Trade Expansion Act of 1962 to improve its administration, and for other purposes; to the Committee on Finance.

By Mr. FORD:

S. 286. A bill to provide for a two-year Federal budget cycle, and for other purposes; ordered held at the desk.

By Mr. BYRD:

S. 287. A bill to provide a consolidated program of extended unemployment compensation which shall replace the current extended compensation and Federal supplemental compensation programs; to the Committee on Finance.

By Mr. RIEGLE:

S. 288. A bill to improve the quality of examinations of depository institutions, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MATSUNAGA:

S. 289. A bill for the relief of Laurelee Ruth Jordan; to the Committee on the Judiciary.

S. 290. A bill for the relief of William Shu-Lai Mok and his wife Jaqueline Mok; to the Committee on the Judiciary.

S. 291. A bill for the relief of Marcelino Valdez and Gloria Valdez; to the Committee on the Judiciary.

S. 292. A bill for the relief of Goldhorn Cheng, Cheng-Hwa Lee Cheng, Shih-Chuang Cheng, Shih-Huang Cheng, and Shih-Kang Cheng; to the Committee on the Judiciary.

S. 293. A bill for the relief of Micaela Agno Rasay; to the Committee on the Judiciary.

S. 294. A bill for the relief of Da Ying Huang and Shoa Lan Huang, husband and wife, and their child, Si Jing Huang; to the Committee on the Judiciary.

S. 295. A bill for the relief of Kam Hon Wong and his wife Po Kwan Wong; to the Committee on the Judiciary.

S. 296. A bill for the relief of Masayoshi Goda, his wife Nobuko Goda, and their children Maki Goda and Eri Goda; to the Committee on the Judiciary.

S. 297. A bill for the relief of Yasumasu Muraoka; to the Committee on the Judiciary.

S. 298. A bill for the relief of Isamu Yasutomi; to the Committee on the Judiciary.

S. 299. A bill for the relief of Hee Man Cheng; to the Committee on the Judiciary.

By Mr. STAFFORD (for himself, Mr. Kennedy, Mr. Baucus, Mr. Durenberger, Mr. Chafee, Mr. Cranston, Mr. Leahy, Mr. Kasten, Mr. Weicker and Mr. Moynihan):

S. 300. A bill entitled the "New Clean Air Act"; to the Committee on Environment and Public Works.

By Mr. Heinz:

S. 301. A bill for the relief of Edmond Ing-Ming Ko, doctor of philosophy; to the Committee on the Judiciary.

By Mr. BOREN (for himself and Mr. Bingaman):

S. 302. A bill to amend the Internal Revenue Code of 1986 to impose a tax on the importation of crude oil and refined petroleum products; to the Committee on Finance.

By Mr. BRADLEY (for himself, Mr. Dodd and Mr. Inouye):

S. 303. A bill to establish a Federal program to strengthen and improve the capability of State and local educational agencies and private nonprofit schools to identify gifted and talented children and youth and to provide those children and youth with appropriate educational opportunities and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BYRD (for Mr. Inouye):

S. 304. A bill to provide for the fair and proper implementation of the cargo preference laws of the United States; to the Committee on Govermental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BYRD (for himself and Mr. Roth):

S. 284. A bill to amend section 232 of the Trade Expansion Act of 1962 to improve its administration, and for other purposes; read the first time.

S. 285. A bill to amend section 232 of the Trade Expansion Act of 1962 to improve its administration, and for other purposes; to the Committee on Finance.

(The remarks of Mr. Byrd on this legislation and the text of the legislation appear earlier in today's Record.)

By Mr. FORD:

S. 286. A bill to provide for a 2-year Federal budget cycle, and for other purposes; pursuant to the order of August 4, 1977; ordered held at the desk by unanimous consent until the close of business in January 16, 1987.

(The statement of Mr. Ford and the text of the legislation appear earlier in today's Record.)

By Mr. BYRD:

S. 287. A bill to provide a consolidated program of extended unemployment compensation which shall replace the current extended compensation and Federal supplemental compensation programs; to the Committee on Finance.

(The statement of Mr. Byrd and the text of the legislation appear earlier in today's Record.)

By Mr. RIEGLE:

S. 288. A bill to improve the quality of examinations of depository institutions, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

DEPOSITORY INSTITUTION EXAMINATION IMPROVEMENT ACT

Mr. RIEGLE. Mr. President, today I am introducing the Depository Institutions Examination Improvement Act of 1987. This bill is designed to increase the ability of our depository institution regulatory agencies to deal with continuing problems in our banking and thrift systems.

Last year there was once again a record number of bank failures. And the thrift industry continues to have problems. Safety and soundness are words we used to take for granted when they referred to our financial institutions. That is no longer the case. It is of paramount importance that we protect the safety and soundness of our financial institutions. We do this now by ensuring the strength of the Federal Savings and Loan Insurance Corporation [FSLIC], the Federal Deposit Insurance Corporation [FDIC], and the national credit union share insurance fund, and by taking appropriate actions to secure the safety and soundness of federally insured and regulated institutions. That means protecting the Office of the Comptroller of the Currency [OCC], the Federal Home Loan Bank Board [FHLBB], and National Credit Union Administration [NCUA].

Our Nation's financial institutions have become more complex in their products and services, and this trend is undoubtedly going to continue. Unfortunately, however, State and Federal examiners are being overwhelmed by their ever growing responsibility for supervising these institutions.

It is early detection followed by adequate supervision that is a key to lowering the number of bank and thrift failures. Without expert supervision, the result will be more liquidations and mergers which are extremely costly to the agencies. It is imperative that those agencies charged with the responsibility of monitoring the condition of our financial institutions have the resources to do this job in a competent and efficient manner. The legislation I am introducing today provides for needed changes in the training and compensation of bank examiners, and removes the supervisory agencies from unnecessary budgetary restrictions.

To address the compensation and training problems that currently hinder the effectiveness of the Federal examination system, the legislation provides for changes in three critical areas:

First, a personnel management demonstration project is established to give the Federal depository regulatory agencies the flexibility to compensate examiners and other employees at levels closer to parity with the private sector. Often, once a Federal bank examiner is completely trained and thoroughly competent, he or she is hired by a financial institution. Better hours, less time away from home, and higher pay combine to lure the examiner into the private sector. Implementation of this project will enable the agencies to attract and retain the highly qualified work force needed to examine and oversee the many depository institutions that have loan quality problems and increasingly complex operations. The bill would also establish more adequate compensation for living expenses for examiners on temporary duty assignments. Temporary assignment can last for a year or more, sometimes resulting in financial hardship for examiners.

Second, authority is provided to study the feasibility of further consolidating Federal examiner training and establishing a graduate degree program in financial institution examination. Use of this authority will result in better examiner training and reduced training expenses.

Third, this legislation also sets minimum standards for State bank regulators. When these standards are met, the examination reports made by State regulators will be accepted by the Federal Reserve and the FDIC for well-run State chartered institutions. This will be beneficial in two ways. First, the minimum standards will act to strengthen the State bank regulators. Second, by accepting the examination reports for healthy institutions it frees the resources of the FDIC to concentrate on troubled institutions.

Unnecessary budgetary constraints arising from certain fiscal, budgetary, and appropriation requirements are eliminated for the Federal depository institution regulatory agencies. These agencies are specifically exempted from the sequestration requirements of Gramm-Rudman-Hollings and the apportionment requirements of the Anti-Deficiency Act. These aspects of the bill are key to a healthy depository institutions industry.

With respect to apportionment requirements, financial regulatory agencies have to respond in a timely fashion to the increasingly frequent crises encountered by our Nation's banks and thrifts. Requiring Federal financial regulatory agencies to spend their funds on a specific schedule of apportionment simply makes no sense. Financial institutions do not fail on schedule. The bank and thrift regulatory agencies must have absolute flexibility to deal with such failures when they arise. Accordingly, these agencies should be exempt from the Anti-Deficiency Act. It is important to note that OMB has only recently tried to exert its authority through the Anti-Deficiency Act. Historically the FDIC and FSLIC have not been subject to apportionment and have had the freedom to spend their funds as needed to assure prompt resolution of bank and thrift problems. This bill would simply reaffirm that authority.

The agencies would also be exempt from Gramm-Rudman-Hollings. One of the special aspects of these agencies is that they are user-fee funded. Their income derives from premiums and assessments, plus interest on their trust funds. They do not receive money from the U.S. Treasury. The money sequestered from the accounts under Gramm-Rudman-Hollings would not even be returned to the Federal Treasury to reduce the deficit. On the contrary, it could mean that the fees charged to banks and thrifts would be rebated to them. Ironically, such a lowering of fees will reduce the examination services that can be provided to inspect banks and thrifts. Such a result is absurd at a time when the Federal Government is trying its hardest to reverse the record number of bank and thrift failures.

These changes do not mean that Congressional oversight will be lacking. This bill specifically reaffirms the oversight Congress now has over the financial regulatory agencies. These agencies are still subject to GAO audit. This bill simply gives the agencies the tools needed to do their jobs.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 288

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Depository Institution Examination Improvement Act of 1987".

SEC. 2. TEMPORARY ASSIGNMENTS AND TRAVEL ALLOWANCES OF FEDERAL EXAMINERS.

The Depository Institutions Examinations Council (as redesignated by section 7(a)) shall prepare guidelines for the Federal depository institutions regulatory agencies which would ensure that any Federal examiner who is temporarily assigned to a place of employment outside the region in which such examiner is regularly employed will receive—

(a) adequate compensation for living expenses incurred in connection with the temporary assignment, taking into account any higher cost-of-living in the place to which the examiner is temporarily assigned; and

(b) adequate amounts for travel expenses to and from the place to which the examiner is temporarily assigned.

SEC. 3. INDEPENDENT AGENCY STATUS OF FEDERAL DEPOSITORY INSTITUTIONS REGULATORY AGENCIES.

(a) INDEPENDENT AGENCY STATUS.—

(1) CERTAIN AGENCIES NOT SUBJECT TO BUDGET REVIEW.—Section 1105 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(g) Estimated expenditures and receipts of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and the National Credit Union Administration to be included in the budget under paragraphs (5) and (6) of subsection (a) shall be submitted to the President before October 16 of each year and included in the budget by the President without change.".

(2) AGENCIES NOT SUBJECT TO FISCAL, BUDGET AND APPROPRIATION REQUIREMENTS.—Section 1101 of title 31, United States Code, is amended by striking out "or the Supreme Court" and inserting in lieu thereof "the Supreme Court, or any agency which is subject to audit by the Comptroller General under section 714".

(3) AGENCIES NOT SUBJECT TO APPORTIONMENT OF FUNDS REQUIREMENT.—Subsection (b) of section 1511 of title 31, United States Code, is amended—

(A) by adding at the end thereof the following new paragraph:

"(4) any agency which is subject to audit by the Comptroller General under section 714.";

(B) by striking out "and" at the end of paragraph (2); and

(C) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and".

(4) BUDGET REDUCTION EXEMPTION.—

(A) IN GENERAL.—Paragraph (1) of section 255(g) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(i) by inserting after the item relating to compensation of the President the following new item:

"Comptroller of the Currency;";

(ii) by inserting after the item relating to exchange stabilization fund the following new items:

"Federal Deposit Insurance Corporation;

"Federal Home Loan Bank Board;

"Federal Home Loan Bank Board, Federal Savings and Loan Insurance Corporation;"; and

(iii) by inserting after the item relating to intragovernmental funds the following new items:

"National Credit Union Administration;

"National Credit Union Administration, central liquidity facility;

"National Credit Union Administration, credit union share insurance fund;".

(B) CERTAIN EXPENSES.—Section 256(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end thereof the following new paragraph:

"(4) Notwithstanding any other provision of law, this subsection shall not apply with respect to the following:

"(A) Comptroller of the Currency.

"(B) Federal Deposit Insurance Corporation.

"(C) Federal Home Loan Bank Board.

"(D) Federal Savings and Loan Insurance Corporation.

"(E) National Credit Union Administration.

"(F) National Credit Union Administration, central liquidity facility.".

(5) STAFFING DETERMINATIONS NOT SUBJECT TO OUTSIDE CONTROL.—The number of employees employed by any Federal depository institutions regulatory agency shall not be subject to any limitation imposed by any officer of the executive branch of the Federal Government who is not an officer of such agency.

(6) PRESERVATION OF CONGRESSIONAL OVERSIGHT POWERS.—Nothing in the Depository Institution Examination Improvement Act of 1987 shall in any way affect existing Congressional powers of oversight of any Federal depository institutions regulatory agency.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1)(A) Subsection (a) of section 714 of title 31, United States Code, is amended by striking out "and" and by inserting before the period the following: ", the Federal Home Loan Bank Board, the Federal Home Loan Banks, the Federal Savings and Loan Insurance Corporation, and the National Credit Union Administration".

(B) The heading for such section 714 is amended to read as follows:

"SEC. 714. AUDIT OF FEDERAL DEPOSITORY INSTITUTIONS REGULATORY AGENCIES AND DEPOSITORY INSTITUTIONS EXAMINATION COUNCIL.".

(2) Subsection (b) of section 7 of the First Deficiency Appropriation Act, fiscal year 1936 (15 U.S.C. 712a(b)) is amended by striking out paragraphs 1. and 11. and by redesignating paragraphs 2. through 12. as paragraphs (1) through (10), respectively.

(3) The third proviso of the provision appearing under the heading "FEDERAL HOME LOAN BANK ADMINISTRATION" in title I of the Independent Offices Appropriation Act, 1944 (12 U.S.C. 1439a) is amended by striking out", subject to subsections (a) and (b) of section 7 of the First Deficiency Appropriation Act, 1936".

(4) Paragraph (5) of section 402(c) of the National Housing Act (12 U.S.C. 1725(c)(5)) and section 19 of the Federal Home Loan Bank Act (12 U.S.C. 1439) are each amended by striking out the last sentence.

(5) Subsection (b) of section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)) is amended by adding at the end thereof the following new paragraph:

"(9) TREATMENT OF AMOUNTS RECEIVED.—Notwithstanding any other provision of law, no amount received by the Corporation pursuant to any assessment under this section or any other income of the Corporation may be construed to be Government funds or appropriated money and no authority of the Corporation to spend or otherwise obligate any such amount may be treated as budget authority, spending authority, credit authority, or as authority to obligate funds of the United States or be subject to any sequestration order or other reduction under the Balanced Budget and Emergency Deficit Control Act of 1985 or any other Act which was enacted before the date of the enactment of the Depository Institution Examination Improvement Act of 1987."

(6) Section 404 of the National Housing Act (12 U.S.C. 1727) is amended by adding at the end thereof the following new subsection:

"(j) TREATMENT OF AMOUNTS RECEIVED.—No amount received by the Corporation pursuant to any premium assessed under this section, any deposit required under this section, or any other income of the Corporation may be construed to be Government funds or appropriated money and no authority of the Corporation to spend or otherwise obligate any such amount may be treated as budget authority, spending authority, credit authority, or as authority to obligate funds of the United States or be subject to any sequestration order or other reduction under the Balanced Budget and Emergency Deficit Control Act of 1985 or any other Act which was enacted before the date of the enactment of the Depository Institution Examination Improvement Act of 1987.".

(7) The last sentence of section 19 of the Federal Home Loan Bank Act (12 U.S.C. 1439) (as amended by paragraph (4)) is amended by inserting before the period "; no amount received pursuant to such assessments or any other income of the Board may be construed to be Government funds or appropriated money and no authority of the Board to spend or otherwise obligate any such amount may be treated as budget authority, spending, authority, credit authority, or as authority to obligate funds of the United States or be subject to any sequestration order or other reduction under the Balanced Budget and Emergency Deficit Control Act of 1985 or any other Act which was enacted before the date of the enactment of the Depository Institution Examination Improvement Act of 1987."

(8) Section 18 of the Federal Home Loan Bank Act (12 U.S.C. 1438(a)) is amended by striking out subsection (a).

(9) Subsection (b) of section 18 of the Federal Home Loan Bank (12 U.S.C. 1438(b)) is amended by adding at the end thereof the following new sentence: "No amount received by the board pursuant to any assessment under this subsection or any other income of the board may be construed to be Government funds or appropriated money and no authority under this Act to spend or otherwise obligate any such money may be treated as budget authority, spending authority, credit authority, or as authority to obligate funds of the United States or be subject to any sequestration order or other reduction under the Balanced Budget and Emergency Deficit Control Act of 1985 or any other Act which was enacted before the date of the enactment of the Depository Institution Examination Improvement Act of 1987.".

(10) The Federal Credit Union Act (12 U.S.C. 1751 et seq.) is amended—

(A) by adding at the end of section 105 the following new subsection:

"(f) TREATMENT OF AMOUNTS RECEIVED.—No amount received by the Board pursuant to any fee assessed under this section and no amount referred to in subsection (e)(3) shall be construed to be Government funds or appropriated money and no authority under this Act to spend or otherwise obligate any such amount may be treated as budget authority, spending authority, credit authority, or as authority to obligate funds of the United States or be subject to any sequestration order or other reduction under the Balanced Budget and Emergency Deficit Control Act of 1985 or any other Act which was enacted before the enactment of the Depository Institution Examination Improvement Act of 1987.";

(B) in subsection (b) of section 203, by inserting after the 1st sentence the following sentence: "No amount deposited in the fund under the preceding sentence shall be construed to be Government funds or appropriated money and no authority under this Act to spend or otherwise obligate any such amount may be treated as budget authority, spending authority, credit authority, or as authority to obligate funds of the United States or be subject to any sequestration order or other reduction under the Balanced Budget and Emergency Deficit Control Act of 1985 or any other Act which was enacted before the date of enactment of the Depository Institution Examination Improvement Act of 1987."

(11) Subsection (c) of section 18 of the Federal Home Loan Bank Act (12 U.S.C. 1438) is amended—

(A) in paragraph (1), by striking out ", and subject to any limitation hereon which may hereafter be imposed in appropriation Acts.";

(B) in paragraph (5), by striking out ", and obligations and expenditures of the board and such agencies in connection with this subsection shall not be considered as administrative expenses";

(C) in the first sentence of paragraph (6), by striking out. "(A) annually prepare and submit a budget program as provided in title I of the Government Corporation Control Act with regard to wholly owned Government corporations, and for purposes of this sentence, the terms 'wholly owned Government corporation' and 'Government corporation', wherever used in such title, shall include the board, and (B)"; and

(D) in the second sentence of paragraph (6), by striking out "first budget program shall be for the first full fiscal year beginning on or after the date of the enactment of this subsection, and the".

(12) Paragraph (6) of the Reorganization Plan Numbered 6 of 1961, as ratified and affirmed by the Act entitled "An Act to prevent disruption of the structure and functioning of the Government by ratifying all reorganization plans as a matter of law" and approved October 19, 1984 (98 Stat. 2705), is hereby repealed.

(13) The provision appearing under the heading "Limitation on Administrative and Examination Expenses, Federal Home Loan Bank Board" in title II of the Independent Offices Appropriation Act, 1961 (12 U.S.C. 1438a) is amended by striking out the second proviso.

(14) Paragraph (9) of section 5(d) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(d)(9)) is amended by striking out the last sentence.

(15) Paragraph (3) of section 407(m) of the National Housing Act (12 U.S.C. 1730(m)(3)) is amended by striking out the second to last sentence.

(16) Section 408(h) of the National Housing Act (12 U.S.C. 1730a(h)(6)) is amended by striking out paragraph (6).

(17) Section 209(b) of the Federal Credit Union Act (12 U.S.C. 1789(b)) is amended by striking out paragraph (1).

(18) Paragraph (2) of section 9101 of title 31, United States Code, is amended by adding at the end thereof the following new subparagraph:

"(k) The Federal Savings and Loan Insurance Corporation".

(19) Paragraph (3) of section 9101 of title 31, United States Code, is amended by striking out subparagraph (E).

(20) Section 714 of title 31, United States Code, is amended—

(A) by striking out "insured bank" each place such term appears and inserting in lieu thereof "insured depository institution";

(B) by striking out "bank holding company" each place such term appears and inserting in lieu thereof "depository institution holding company"; and

(C) by adding at the end thereof the following new subsection:

"(e) Definitions.—For purposes of this section—

"(1) Insured depository institution.—The term 'insured depository institution' means—

"(A) any insured bank (within the meaning given to such term by section 3(h) of the Federal Deposit Insurance Act),

"(B) any insured institution (within the meaning given to such term by section 401(a) of the National Housing Act), and

"(C) any insured credit union (within the meaning given to such term by section 101(7) of the Federal Credit Union Act),

"(2) Depository institution holding company.—The term 'depository institution holding company' means—

"(A) any bank holding company (within the meaning given to such term by section 2(a)(1) of the Bank Holding Company Act of 1956); and

"(B) any saving and loan holding company (within the meaning given to such term by section 408(1)(D) of the National Housing Act)".

(21) Section 5240 of the Revised Statutes (12 U.S.C. 481 et seq.) (relating to bank examinations) is amended—

(A) in the 2nd sentence of the 2nd paragraph (12 U.S.C. 481), by inserting "without review or the approval of the Secretary of the Treasury" after "Comptroller of the Currency";

(B) in the 2nd sentence of the 3rd paragraph (12 U.S.C. 482), by inserting "without review or the approval of the Secretary of the Treasury" after "Comptroller of the Currency"; and

(C) by inserting after the 3rd paragraph (12 U.S.C. 482) the following new paragraph:

"No authority of the Comptroller of the Currency to spend or otherwise obligate any amount received pursuant to any assessment under this section or any other income of the Comptroller may be treated as budget authority, spending authority, credit authority, or as authority to obligate funds of the United States or be subject to any sequestration order or other reduction under the Balanced Budget and Emergency Deficit Control Act of 1985 or any other Act which was enacted before the date of the enactment of the Depository Institution Examination Improvement Act of 1987.".

(22) Section 328 of the Revised Statutes (12 U.S.C. 8) is amended by striking out ", to be appointed and classified by the Secretary of the Treasury,".

SEC. 4. CONSOLIDATION OF FEDERAL EXAMINER TRAINING.

(a) Congressional Policy.—It is hereby declared to be the policy of the Congress to consolidate all programs for training Federal examiners (and examiners of such States as may participate in such programs) which may otherwise be conducted by the Federal depository institutions regulatory agencies in one school established and conducted by the Council under section 1006(d) of the Federal Depository Institutions Examination Council Act of 1978 (as redesignated by the amendment made by section 7(b)(1) to the extent such consolidation is feasible and practicable and in a manner which would—

(1) provide a uniform, high quality education for the Federal examiners employed by each Federal depository institutions regulatory agency; and

(2) make money available for employing additional examiners by eliminating the current duplication of training programs conducted by the Federal depository institutions regulatory agencies in an efficient and cost-effective manner.

(b) Proposal for Implementing Consolidated Training Program.—The Council shall develop a proposal for implementing the policy of the Congress with respect to the consolidation of examiner training in one school to the extent such consolidation is feasible and practicable. In developing the proposal, the Council shall consider—

(1) whether a standard curriculum would be sufficient for training all Federal examiners or whether particular training needs exist with respect to each Federal depository institutions regulatory agency which would require additional courses for examiners employed by each such agency;

(2) whether the faculty should consist primarily of professional educators or professional examiners and the extent to which both educators and examiners should be appointed to the faculty;

(3) the manner in which the school would be administered as a consolidated training institution; and

(4) the manner in which the cost of operating the school would be distributed among the Federal depository institutions regulatory agencies.

(c) Report to Congress.—

(1) Report required.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Council shall submit a report of the Council's proposal under subsection (b) to the Committee on Banking, Finance and Urban Affairs and the Committee on Post Office and Civil Service of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on Governmental Affairs of the Senate.

(2) Contents of report.—The report shall contain—

(A) a detailed statement of the findings and conclusions of the Council with respect to the implementation of congressional policy on the consolidation of examiner training in one school;

(B) the Council's recommendation for such legislation as it considers necessary or appropriate in order to consolidate such training in the manner proposed by the Council; and

(C) the amount of money which the Council estimates each Federal depository institutions regulatory agency would save as a result of consolidating the training of Federal examiners in one school.

SEC. 5. GRADUATE DEGREE PROGRAM IN FINANCIAL MANAGEMENT ANALYSIS.

(a) In General.—The Council shall study the feasibility of establishing a graduate degree program in financial management analysis for officers and employees of Federal depository institutions regulatory agencies and State depository institutions supervisory agencies. In studying the feasibility of establishing such program, the Council shall—

(1) estimate the cost of establishing and operating such a program;

(2) consider whether—

(A) such program should be conducted directly by the Council or by a Federal depository institutions regulatory agency;

(B) such program should be conducted in conjunction with the training school referred to in section 4(a); or

(C) the Council should enter into an agreement with a private or State institution of higher education to conduct the program and issue any degree established under such program either in conjunction with a similar degree program already conducted by such institution or as a separate program; and

(3) consider what minimum requirements should be established for the admission of any individual into the program, including prerequisites relating to the undergraduate or other education of such individual, the experience such individual has had in the field of depository institution examination at the time of such admission, and the length of service with the Federal depository institutions regulatory agency or State depository institutions supervisory agency by which such individual is employed at the time of such admission.

(b) Report to Congress.—

(1) Report required.—Before the end of the 1-year period beginning on the date of the enactment of this Act, the Council shall submit a report of the Council's study of the feasibility of establishing a graduate degree program in financial management analysis to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) Contents of report.—The report required under subsection (a) shall contain—

(A) a detailed statement of the findings and conclusions of the Council with respect to such study;

(B) the Council's recommendation for such legislation as it considers necessary or appropriate in order to establish such program in the manner proposed by the Council; and

(C) the estimated cost of establishing and conducting the program in the manner proposed by the Council.

(3) Agency approval.—In addition to the information described in paragraph (2), the

report required under paragraph (1) shall indicate whether or not each Federal depository institutions regulatory agency has approved the proposal of the Council contained in such report and, if any such agency has not, the reasons given by such agency for any failure to approve (to the extent the Council has such information).

SEC. 6. MINIMUM REQUIREMENTS FOR STATE EXAMINATIONS OF FEDERALLY REGULATED OR INSURED INSTITUTIONS.

(a) CONGRESSIONAL PURPOSE.—It is the purpose of this section—

(1) to establish a uniform procedure for reviewing, with the consent of the States, the adequacy of State examinations of depository institutions which are also subject to examinations by Federal depository institutions regulatory agencies;

(2) to prohibit Federal depository institutions regulatory agencies from relying on any such State examinations in lieu of conducting their own examinations of such depository institutions if the State examinations are deemed inadequate pursuant to such review or if the State refuses to allow such review to be made; and

(3) to require Federal depository institutions regulatory agencies to accept State examinations of financially sound depository institutions if such State examinations are determined to be adequate pursuant to such review.

(b) ESTABLISHMENT OF MINIMUM REQUIREMENTS.—

(1) IN GENERAL.—In consultation with the liaison committee established by the Council pursuant to section 1007 of the Federal Depository Institutions Examination Council Act of 1978 (as redesignated by the amendment made by section 7(b)(1)), the Council shall establish minimum requirements for examinations of depository institutions by State depository institution supervisory agencies in order for any such examination of any depository institution to be deemed adequate for purposes of Federal law.

(2) CRITERIA FOR REVIEW.—In establishing the minimum requirements described in paragraph (1) for any State depository institution supervisory agency, the Council shall establish standards relating to—

(A) the frequency of examinations of depository institutions;

(B) the quality and thoroughness of such examinations;

(C) the standards and procedures for classifying loans and supervising lending practices;

(D) the ratio between the number of examiners employed by any State depository institution supervisory agency and the number of depository institutions examined by such examiners (taking into account the type of depository institution examined by such examiners);

(E) the education, training, and experience of examiners, supervisors, and other individuals employed by such agency who are involved in conducting or supervising such examinations; and

(F) such other conditions and procedures as the Council may determine to be appropriate.

(3) LIMITATION.—The requirements established under paragraph (1) for any State depository institution supervisory agency, as in effect at any time, may not exceed the minimum standards in effect for Federal examiners at such time.

(c) REQUEST FOR PERMISSION TO REVIEW.—At least once during each calendar year, the Council shall request each State depository institution supervisory agency which conducts examinations of depository institutions within such State which are also subject to examinations by a Federal depository institutions regulatory agency to allow the Council to conduct a review, in accordance with subsection (d), of the administration of such examinations by such State agency.

(d) REVIEW.—

(1) IN GENERAL.—If, pursuant to a request under subsection (c), the Council receives permission to review the administration of examinations by a State depository institution supervisory agency, the Council shall determine whether such agency meets the minimum requirements established under subsection (b) in administering such examinations.

(2) PROCEDURE.—The Council shall prescribe by regulations the procedures for conducting any review under paragraph (1).

(e) NOTIFICATION OF FAILURE TO MEET MINIMUM REQUIREMENT.—

(1) IN GENERAL.—If, at any time, the Council determines a State depository institution supervisory agency does not meet the minimum requirements established under subsection (b), the Council shall notify the head of such agency of such determination. Such determination and notice shall not be made public by the Council.

(2) DETAILED EXPLANATION.—Any notice under this subsection shall be accompanied by a report containing a detailed explanation of the circumstances by reason of which the agency was found not to be in compliance with the requirements established under subsection (b).

(3) PERIOD FOR REMEDYING THE DEFICIENCY.—Upon making a determination described in paragraph (1), the Council shall prescribe, on the basis of all the circumstances of the case, the period of time it will provide to the agency to cure the deficiency giving rise to such determination before taking any action under subsection (f). The period so prescribed may be extended by the Council in its discretion, except that the period so prescribed in any case, including any such extensions, shall not exceed 3 years.

(f) NOTICE TO FEDERAL DEPOSITORY INSTITUTIONS REGULATORY AGENCIES.—If any State depository institution supervisory agency—

(1) refuses any request by the Council under subsection (c) for permission to review the administration of examinations by such agency, or

(2) fails to remedy any deficiency giving rise to a determination under subsection (e)(1) within the period of time allowed by the Council under subsection (e)(3), the Council shall notify each Federal depository institutions regulatory agency of such refusal or failure to comply. If examinations of depository institutions which are subject to examination by such agency are actually conducted by regional banks, branches, or other offices of such agency, the agency shall notify each such bank, branch, or other office of any notice received by such agency under the preceding sentence.

(g) SOLE RELIANCE ON STATE EXAMINATIONS PROHIBITED WHILE NOTICE IS IN EFFECT.—While any notice under subsection (f) with respect to any State depository institution supervisory agency is in effect, no Federal depository institutions regulatory agency and no regional bank, branch, or other office of any such agency may rely on any report of examination by such State agency in lieu of conducting examinations otherwise required under any Federal law or any regulation prescribed by such Federal agency.

(h) SPECIAL RULES.—

(1) SEPARATE REVIEW AND NOTICE.—If a State depository institution supervisory agency has separate branches or departments each of which have authority to conduct examinations, the Council may—

(A) review each such department or branch separately under subsection (d); and

(B) limit the scope of any notice issued under subsection (f) to the department or branch in which the deficiency has been found which resulted in the notice.

(2) DEFICIENCIES RELATING TO EXAMINATIONS OF PARTICULAR TYPES OF INSTITUTIONS.—If a State depository institution supervisory agency has authority to examine more than 1 type of depository institution and the Council's determination of a deficiency which results in a notice under subsection (f) relates to the State agency's capacity to conduct examinations of a particular type of depository institution, the Council may limit the scope of the notice to examinations of that type of depository institution.

(i) ACCEPTANCE OF STATE EXAMINATIONS REQUIRED UNDER CERTAIN CIRCUMSTANCES.—

(1) INSURED BANKS.—Section 7(a)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)(2)) is amended by adding at the end thereof the following new subparagraph:.

"(C) REQUIRED ACCEPTANCE OF STATE EXAMINATIONS.—

"(i) IN GENERAL.—Except as provided in clause (ii), the Corporation shall accept any report of examination made by a commission, board, or authority described in subparagraph (A) in connection with an examination of a financially sound insured bank if, in the most recent review of such commission, board, or authority by the Depository Institutions Examination Council under section 6(d) of the Depository Institution Examination Improvement Act of 1987, the Council determined that such commission, board, or authority met the minimum requirements established under section 6(b) of such Act.

"(ii) NOTICE OF REASON FOR FAILURE TO ACCEPT.—The Corporation may refuse to accept any report of examination described in clause (i) if—

"(I) the Corporation determines that the commission, board, or authority which made the report fails to meet a requirement established under section 6(b) of the Depository Institution Examination Improvement Act of 1987; and

"(II) the Corporation notifies the commission, board, or authority of such refusal and provides a detailed explanation of the reason for such refusal.

"(iii) FINANCIALLY SOUND INSURED BANK.—For purposes of this subparagraph, the term 'financially sound insured bank' means an insured bank with a CAMEL composite rating of 1 or 2 under the Uniform Financial Institutions Rating System or an equivalent rating under a comparable rating system."

(2) MEMBERS OF, AND NONMEMBER BORROWERS FROM, HOME LOAN BANKS.—Section 8 of the Federal Home Loan Bank Act (12 U.S.C. 1428) is amended—

(A) by striking out "Sec. 8. The" and inserting in lieu thereof "Sec. 8. (a) IN GENERAL.—The"; and

(B) by adding at the end thereof the following new subsection:

"(b) REQUIRED ACCEPTANCE OF STATE EXAMINATIONS.—

"(1) In general.—Except as provided in paragraph (2), the Board shall accept any report of examination made by a commission, board, or authority having supervision of State-chartered member or nonmember borrowers under this Act in connection with an examination of a financially sound borrower if, in the most recent review of such commission, board, or authority by the Depository Institutions Examination Council under section 6(d) of the Depository Institution Examination Improvement Act of 1987, the Council determined that such commission, board, or authority met the minimum requirements established under section 6(b) of such Act.

"(2) Notice of reason for failure to accept.—The Board may refuse to accept any report of examination described in paragraph (1) if—

"(A) the Board determines that the commission, board, or authority which made the report fails to meet a requirement established under section 6(b) of the Depository Institution Examination Improvement Act of 1987; and

"(B) the Board notifies the commission, board, or authority of such refusal and provides a detailed explanation of the reason for such refusal.

"(3) Financially sound borrower.—For purposes of this subsection, the term 'financially sound borrower' means a member or nonmember borrower under this Act with a CAMEL composite rating of 1 or 2 under the Uniform Financial Institutions Rating System or an equivalent rating under a comparable rating system.".

(3) Insured thrifts.—Subsection (m) of section 407 of the National Housing Act (12 U.S.C. 1730(m)) is amended by adding at the end thereof the following new paragraph:

"(5) Required acceptance of state examinations.—

"(A) In general.—Except as provided in subparagraph (B), the Corporation (or the Federal Home Loan Bank Board on behalf of the Corporation) shall accept any report of examination made by a commission, board, or authority having supervision of State-chartered insured institutions in connection with an examination of a financially sound insured institution if, in the most recent review of such commission, board, or authority by the Depository Institutions Examination Council under section 6(d) of the Depository Institution Examination Improvement Act of 1987, the Council determined that such commission, board, or authority met the minimum requirements established under section 6(b) of such Act.

"(B) Notice of reason for failure to accept.—The Corporation (or such Bank Board) may refuse to accept any report of examination described in subparagraph (A) if—

"(i) the Corporation (or the Board) determines that the commission, board, or authority which made the report fails to meet a requirement established under section 6(b) of the Depository Institution Examination Improvement Act of 1987; and

"(ii) the Corporation (or the Board) notifies the commission, board, or authority of such refusal and provides a detailed explanation of the reason for such refusal.

"(C) Financially sound insured institution.—For purposes of this paragraph, the term 'financially sound insured institution' means an insured institution with a CAMEL composite rating of 1 or 2 under the Uniform Financial Institutions Rating System or an equivalent rating under a comparable rating system.".

(4) Insured credit unions.—Section 204 of the Federal Credit Union Act (12 U.S.C. 1784) is amended by adding at the end thereof the following new subsection:

"(e) Required Acceptance of State Examinations.—

"(1) In general.—Except as provided in paragraph (2), the Board shall accept any report of examination made by a commission, board, or authority described in subsection (d) in connection with an examination of a financially sound insured credit union if, in the most recent review of such commission, board, or authority by the Depository Institutions Examination Council under section 6(d) of the Depository Institution Examination Improvement Act of 1987, the Council determined that such commission, board, or authority met the minimum requirements established under section 6(b) of such Act.

"(2) Notice for reason for failure to accept.—The Board may refuse to accept any report of examination described in paragraph (1) if—

"(A) the Board determines that the commission, board, or authority which made the report fails to meet a requirement established under section 6(b) of the Depository Institution Examination Improvement Act of 1987; and

"(B) the Board notifies the commission, board, or authority of such refusal and provides a detailed explanation of the reason for such refusal.

"(3) Financially sound insured credit union.—For purposes of this subsection, the term 'financially sound insured credit union' means an insured credit union with a CAMEL composite rating of 1 or 2 under the Uniform Financial Institutions Rating System or an equivalent rating under a comparable rating system.".

(j) Technical and Conforming Amendments.—

(1) The eighth paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 326) is amended by adding at the end thereof the following new sentence: "The directors shall not approve any examination by any State authority while any notice under section 6(f) of the Depository Institution Examination Improvement Act of 1987 is in effect with respect to such authority.".

(2) The second sentence of section 7(a)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)(2)(A)) is amended by inserting "(other than any such commission, board, or authority with respect to which a notice under section 6(f) of the Depository Institution Examination Improvement Act of 1987 is in effect)" after "authority" the first place such term appears in such sentence.

(3) The second to last sentence of section 8(a) of the Federal Home Loan Bank Act (12 U.S.C. 1428) (as amended by subsection (i)(2)) is amended by inserting "(and any State examination with respect to which a notice under section 6(f) of the Depository Institution Examination Improvement Act of 1987 is in effect shall be deemed inadequate)" after "Home Loan Bank".

(4) Subsection (d) of section 204 of the Federal Credit Union Act (12 U.S.C. 1784(d)) is amended by inserting "(other than any such commission, board, or authority with respect to which a notice under section 6(f) of the Depository Institution Examination Improvement Act of 1987 is in effect)" after "credit union".

(k) Delayed Effective Date.—Subsection (g) and the amendments made by subsections (i) and (j) shall take effect at the end of the 3-year period beginning on the date of enactment of this Act.

SEC. 7. REDESIGNATION OF EXAMINATION COUNCIL AS DEPOSITORY INSTITUTIONS EXAMINATION COUNCIL.

(a) In General.—The Financial Institutions Examination Council established by section 1004 of the Federal Financial Institutions Examination Council Act of 1978 is hereby redesignated as the "Depository Institutions Examination Council". Any reference in any law, regulation, document, record, or other paper of the United States to the Financial Institutions Examination Council shall be deemed to be a reference to the Depository Institutions Examination Council.

(b) Technical and Conforming Amendments.—

(1) Section 1001 of the Federal Financial Institutions Examination Council Act of 1978 is amended to read as follows:

"Sec. 1001. Short Title.

This title may be cited as the 'Federal Depository Institutions Examination Council Act of 1978'.".

(2) The Federal Depository Institutions Examination Council Act of 1978 (12 U.S.C. 3301 et seq.) (as redesignated by paragraph (1)) is amended—

(A) by striking out "Financial Institutions" each place such term appears in such Act and inserting in lieu thereof "Depository Institutions"; and

(B) by striking out "financial institutions" each place such term appears in such Act and inserting in lieu thereof "depository institutions".

(3) The heading of title X of the Financial Institutions Regulatory and Interest Rate Control Act of 1978 is amended by striking out "FINANCIAL" and inserting in lieu thereof "DEPOSITORY".

(4) Paragraph (3) of section 1003 of the Federal Depository Institutions Examination Council Act of 1978 (as redesignated by paragraph (1)) is amended to read as follows:

"(3) the term 'depository institution' has the meaning given to such term by section 19(b)(1)(A) of the Federal Reserve Act.".

(5) Sections 304(f) and 310(a) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(f) and 2890) are each amended by striking out "Financial Institutions" and inserting in lieu thereof "Depository Institutions".

(6) Subsection (e) of section 1112 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3412(e)) is amended by striking out "Financial Institutions" and inserting in lieu thereof "Depository Institutions".

(7) Sections 714(a) and 718(a) of title 31, United States Code, are each amended by striking out "Financial Institutions" and inserting in lieu thereof "Depository Institutions".

SEC. 8. DEMONSTRATION PROJECT RELATING TO PERSONNEL MANAGEMENT.

(a) Definitions.—For purposes of this section—

(1) Agency.—The term "agency" means—

(A) the Office of the Comptroller of the Currency;

(B) the National Credit Union Administration;

(C) the Federal Home Loan Bank Board;

(D) the Federal Savings and Loan Insurance Corporation;

(E) the Board of Governors of the Federal Reserve System, if it provides written notice within 90 days after the date of the enactment of this Act of its intention to participate in the demonstration project under this section; and

(F) the Federal Deposit Insurance Corporation, if it provides written notice within 90 days after the date of the enactment of this Act of its intention to participate in the demonstration project under this section.

(2) Compensation.—The term "compensation" means the total value of the various forms of compensation provided, including—

(A) basic pay;

(B) bonuses;

(C) allowances;

(D) retirement benefits;

(E) health insurance benefits;

(F) life insurance benefits; and

(G) leave benefits.

(b) General Requirements.—

(1) Relation to section 4703 of title 5.—There shall be conducted under this section a demonstration project which—

(A) except as otherwise provided in this section, shall be conducted in accordance with section 4703 of title 5, United States Code; and

(B) shall, for purposes of subsection (D)(2) of such section, be counted as a single project.

(2) Project design and implementation.—The Office of Personnel Management and each agency shall jointly determine the terms and conditions under which such agency will participate in the demonstration project. In carrying out this section, the head of each agency shall be responsible for the conduct of the demonstration project with respect to such agency.

(3) Positions covered.—Subject to subsections (f) and (g) of section 4703 of title 5, United States Code, the demonstration project shall cover—

(A) any position within an agency which would otherwise be subject to—

(i) subchapter III of chapter 53 of title 5, United States Code, relating to the General Schedule;

(ii) subchapter VIII of chapter 53 of title 5, United States Code, relating to the Senior Executive Service; or

(iii) chapter 54 of title 5, United States Code, relating to the Performance Management and Recognition System; and

(B) in the case of an agency, or any unit of an agency, not covered by one of the pay systems referred to in subparagraph (A), any position within such agency, or within such unit, which would otherwise be subject to a pay system comparable to one of the pay systems referred to in subparagraph (A), as determined by the head of the agency involved.

Notwithstanding any other provision of this section, the demonstration project shall not cover positions within the Office of the Comptroller of the Currency which are not under the provisions cited in subparagraph (A)(ii) unless such Office provides written notice within 90 days after the date of the enactment of this Act of its intention to include such positions under the demonstration project.

(c) Specific Requirements.—Under the demonstration project, the head of each agency shall provide that—

(1) the rate of basic pay for a position may not be less than the minimum rate of basic pay, nor more than the maximum rate of basic pay, payable for the pay band (as referred to in paragraph (3)) within which such position has been placed;

(2) the minimum and maximum rates of basic pay for each pay band shall be adjusted at the times, and by the amounts, provided for under subsection (d);

(3) positions shall be classified under a system using pay bands which shall be established by combining or otherwise modifying the classes, grades, or other units which would otherwise be used in classifying the positions involved;

(4) employees shall be evaluated under a performance appraisal system which—

(A) uses peer comparison and ranking wherever appropriate; and

(B) affords appeal rights comparable to those which would otherwise be available with respect to the position involved;

(5)(A) the rate of basic pay of each participating employee will be reviewed annually, and shall be adjusted on the basis of the appraised performance of the employee; and

(B) subject to subsection (d)(3)(A)(i), the adjustment under subparagraph (A) in any year in the case of any employee whose performance is rated at the fully successful level or higher shall be at least the percentage recommended under subsection (d)(1)(B) for such year;

(6) appropriate supervisory and managerial pay differentials (which shall be considered a part of basic pay) shall be provided;

(7) performance-recognition bonuses, and recruitment and retention allowances, shall be awarded in appropriate circumstances (but shall not be considered a part of basic pay);

(8) there shall be an employee development program which includes provisions under which employees may, in appropriate circumstances, be granted sabbaticals, the terms and conditions of which shall be consistent with those applicable for members of the Senior Executive Service under section 3396(c) of title 5, United States Code (excluding paragraph (2)(B) thereof);

(9) payment of travel expenses shall be provided for personnel to their first post of duty in the same manner as is authorized for members of the Senior Executive Service under section 5723 of title 5, United States Code, at the discretion of the head of the agency involved;

(10) differentials (which shall not be considered a part of basic pay except for purposes of chapters 81 and 87 of title 5, United States Code) shall, at the discretion of the head of the agency involved, be provided to compensate for regional differences in costs of living; and

(11) performance awards under section 5384 of title 5, United States Code, may be paid without regard to the provisions of subsection (b)(3) of such section.

(d) Compensation Comparability.—

(1) Findings and recommendations required.—The head of each agency shall, by contract or otherwise, provide for the preparation of reports which, based on appropriate surveys—

(A) shall include findings as to—

(i) the extent to which, as of the commencement of the demonstration project, there exists any deficiency in the overall average level by compensation provided with respect to positions within such agency which are under the demonstration project, as compared to the overall average level of compensation generally provided with respect to positions involving the same types and levels of work in the private sector; and

(ii) with respect to each year thereafter, any net increase occurring during such year in the extent of the deficiency in the overall average level of compensation provided with respect to positions within such agency which are under the demonstration project, as compared to the overall average level of compensation generally provided with respect to positions involving the same types and levels of work in the private sector; and

(B) shall recommend a single percentage by which basic pay for all positions within such agency which are under the demonstration project must be increased so that, when considered in conjunction with the other forms of compensation generally provided, any net increase determined under subparagraph (A)(ii) will be eliminated.

(2) Adjustment of rates.—Whenever an agency head receives a recommendation under paragraph (1)(B), that agency head—

(A) shall increase the minimum and maximum rates of basic pay for each pay hand by the percentage recommended; and

(B) if and to the extent that funds are available for that purpose, may further increase those minimum and maximum rates to eliminate any part of any remaining deficiency, as originally determined under paragraph (1)(A)(i).

(3) Limitations on amounts payable.—

(A) In general.—Notwithstanding any other provision of this section—

(i) the maximum rate of basic pay payable under any pay band may not exceed the rate of basic pay payable for level IV of the Executive Schedule; and

(ii) the amount of basis pay, bonuses, and allowance paid during any fiscal year to any employee participating in the demonstration project may not, in the aggregate, exceed the annual rate of basic pay payable for level I of the Executive Schedule.

(B) Rules for applying limitation.—

(i) Payment of Amounts Previously Withheld.— Any amount which is not paid to an employee during a fiscal year because of the limitation under subparagraph (A)(ii) shall be paid in lump sum at the beginning of the following fiscal year.

(ii) Amount To Be Taken Into Account.—Any amount paid under this subparagraph during a fiscal year shall be taken into account for purposes of applying the limitation under subparagraph (A)(ii) with respect to such fiscal year.

(4) Total cost. —Notwithstanding any other provision of this section, the demonstration project shall be conducted in such a way so that, with respect to the 12-month period beginning on October 1, 1987, the total cost to the Government relating to providing compensation to participating employees shall not exceed the total cost which would have resulted if this section had not been enacted.

(5) Placement in a lower band.—

(A) In general.— It the minimum rate of basic pay for a pay band, after an increase under paragraph (2)(A), exceeds the rate of basic pay payable to an employee whose position would otherwise be within such pay band, the employee's position may, notwithstanding subsection (c)(1), be placed in the next lower pay band.

(B) Appealability.—Placement of a position in a lower pay band under subparagraph (A) shall not be considered a reduction in grade or pay for purposes of subchapter II of chapter 75 of title 5, United States Code, or any comparable provision of law.

(e) Conversion Rules.—

(1) Reductions prohibited.—The rate of basic pay for an employee serving in a position at the time it is converted to a position covered by the demonstration project may not be reduced by reason of the establishment of such project.

(2) Pro rata increases.—

(A) In general.—Each employee referred to in paragraph (1) shall be paid—

(i) in the case of an employee serving in a position under the General Schedule on the date the position becomes covered by the demonstration project, a lump-sum, pro rata share of the equivalent of any within-grade increase which would have been due the employee under section 5335 of title 5, United States Code, computed as provided in subparagraph (B),

(ii) in the case of an employee serving in a position subject to chapter 54 of title 5, United States Code, on such date, a lump-sum, pro rata share of the equivalent of the employee's merit increase which would have been due under such chapter, computed as provided in subparagraph (B), and

(iii) in the case of an employee serving in a position referred to in subsection (b)(3)(B), on such date, a lump-sum, pro rata share of any increase comparable to one described in clause (i) or (ii), computed as provided in subparagraph (B), taking into account the performance requirements applicable to such increase.

(B) ADMINISTRATIVE RULE.—For purposes of subparagraph (A), the pro rata share of an equivalent increase referred to in such subparagraph shall be computed through the day before the date referred to in such subparagraph.

(f) REPORTS AND EVALUATIONS.—

(1) RESPONSIBILITIES OF CONTRACTOR.—

(A) EVALUATIONS.—In carrying out section 4703(h) of title 5, United States Code, with respect to the demonstration project, the Office of Personnel Management shall provide that such project will be evaluated on an annual basis by a contractor. Such contractor shall be especially qualified to perform the evaluation based on its expertise in matters relating to personnel management and compensation.

(B) REPORTS.—The contractor shall report its findings to the Office in writing. After considering the report, the Office shall transmit a copy of the report, together with any comments of the Office and any comments submitted by any agency, to—

(i) the Committee on Banking, Finance and Urban Affairs, and the Committee on Post Office and Civil Service, of the House of Representatives; and

(ii) the Committee on Banking, Housing, and Urban Affairs, and the Committee on Governmental Affairs, of the Senate.

(2) FINAL REPORT.—The Comptroller General shall, not later than 4 years after the date on which the demonstration project commences, submit to each of the committees referred to in paragraph (1)(B) a final report concerning such project. Such report shall include any recommendations for legislation or other action which the Comptroller General considers appropriate.

(g) CONTRACTS.—The authority to enter into any contract under this section may be exercised only to such extent or in such amounts as are provided in advance in appropriation Acts.

(h) COMMENCEMENT DATE.—The demonstration project shall commence not later than January 1, 1988.

SEC. 9. DEFINITIONS.

For purposes of this Act—

(a) COUNCIL.—The term "Council" means the Depository Institutions Examination Council (as redesignated by section 7(a)).

(b) FEDERAL DEPOSITORY INSTITUTION REGULATORY AGENCIES.—The term "Federal depository institutions regulatory agencies" has the meaning given to such term by section 1003(1) of the Federal Depository Institutions Examination Council Act of 1978 (as redesignated by the amendment made by section 7(b)(1)), except that for purposes of sections 2, 3, and 5 such term also includes the Federal Savings and Loan Insurance Corporation.

(c) DEPOSITORY INSTITUTION.—The term "depository institution" has the meaning given to such term by section 19(b) (1) (A) of the Federal Reserve Act.

(d) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given to such term by section 1201(a) of the Higher Education Act of 1965.

(e) FEDERAL EXAMINER.—The term "Federal examiner" means any individual employed by a Federal depository institutions regulatory agency or a regional bank, branch, or other office of such agency whose duties involve the examination of depository institutions.

By Mr. STAFFORD (for himself, Mr. KENNEDY, Mr. BAUCUS, Mr. DURENBERGER, Mr. CHAFEE, Mr. CRANSTON, Mr. LEAHY, Mr. KASTEN, Mr. WEICKER, and Mr. MOYNIHAN):

S. 300. A bill entitled the "New Clean Air Act"; to the Committee on Environment and Public Works.

(The remarks of Mr. STAFFORD and the text of the legislation appear at another point in today's RECORD.)

By Mr. BOREN (for himself and Mr. BINGAMAN):

S. 302. A bill to amend the Internal Revenue Code of 1986 to impose a tax on the importation of crude oil and refined petroleum products; to the Committee on Finance.

EXCISE TAX ON IMPORTED CRUDE OIL AND REFINED PETROLEUM PRODUCTS

● Mr. BINGAMAN. Mr. President, I am pleased to join my distinguished colleague from Oklahoma, Senator BOREN, in introducing legislation establishing an oil import fee. We discussed this issue last session, but came to no consensus.

IMPORT FEE

Clearly, the Nation would benefit most from long-term stability in the oil market, which would in turn ensure the preservation of a strong, constant level of drilling in this country. The fee proposed in this legislation would serve to raise the price of imported oil from the levels determined by an unstable market. A fee would be applied to imports of refined and crude oil products. The existence of such a variable fee would establish a floor for domestic oil prices and help stabilize the world oil price.

Furthermore, a fee would ensure that foreign producers pay a fair tax on oil that flowed into the United States as a result of a price drop. The extremely low tariff imposed on imported oil at present, in effect, enables imports to be subsidized by the taxes paid in domestic production. A fee would also preserve the value of the Nation's strategic petroleum reserve, on which nearly $13.5 billion has been spent since 1977. A fee would discourage imports, while encouraging domestic production, and thus enable the United States to avoid a return to dangerous levels of foreign dependence.

NATIONAL SECURITY

Most important, an oil import fee would help ensure that our national security is not threatened. Without a fee to stabilize oil prices, the potential threats are significant.

REDUCED STRIPPER OIL PRODUCTION

A drop in price could eliminate over half of the Nation's production from low volume "stripper" wells, making necessary an additional $4.6 billion per year in imports. There are over 441,000 stripper wells, and they produce an average of only 3 barrels per day, or a daily total of about 1.3 million barrels. Many operate on a margin of only a few dollars per barrel.

As oil prices decline, large numbers of strippers become uneconomic and have to be shut down. Once production from a well ends, most States require that the wells be plugged and adandoned. The United States could thus lose perhaps 7 to 8 percent of its total domestic production. Furthermore, since stripper wells comprise three-fourths of the Nation's wells, they drive much of the oil-well servicing support industry, which has itself been in depression. Although stripper wells produce little individually, collectively they are a major resource for the Nation.

THE END OF ALASKAN EXPLORATION

Alaska provides 1.1 million barrels of oil per day, roughly 20 percent of total domestic production. Alaska holds nearly a third of the Nation's known oil reserves, and is estimated by the U.S. Geological Survey to contain up to a quarter of the Nation's undiscovered recoverable reserves. A drop in oil prices would preclude the chance that other Alaskan oil fields could be found and put on stream. Eliminating Alaska's rich potential would mortgage the Nation's energy future.

REDUCED OCS EXPLORATION

The U.S. Geological Survey estimates that a third of the Nation's remaining undiscovered recoverable reserves of oil lie under the waters of the Outer Continental Shelf. A fall in prices makes the deeper waters of the OCS uneconomic and ensures that much of the Nation's potential would remain locked away for years.

REDUCED NATURAL GAS DEMAND

Virtually all of the powerplant capacity and 45 percent of the U.S. industrial load can switch to residual fuel oil. If oil prices, and, therefore, fuel oil prices, continue to drop, the gas bubble may not end until the mid 1990's.

It is clear that some action must be taken in the near future, and I think an oil import fee merits serious consideration.

OPPOSITION

I am well aware of the arguments against an import fee—from the impact it would have on our friendly trading partners, such as Mexico and Canada, to the lost opportunity for economic growth because of falling prices and the potential for inflated prices in other sectors of the economy. I believe the concerns for our neighbors to the North and South are somewhat overstated. I would think that both nations would benefit from a more stable world oil market—which is what this fee is intended to encourage. However, I would suggest that any short-term losses to our economy would not compare with the devastating impact of a collapse of our domestic energy industry.

NEW MEXICO

New Mexico is the fifth largest oil- and gas-producing State in the Nation in terms of total quantity and has suffered from the decline of oil and gas prices. Oil prices have declined from $26 a barrel last January to $11 in July, with a gradual increase since then to $15. Natural gas prices fell from $2.47 a barrel in January to $1.64 in September with the current price at about $1. Revenues generated by the industry showed a 25-percent drop in 1986. The total value of New Mexico's oil and gas activity has dropped 46 percent in the past year. Employment by the industry dropped from a low of 13,200 in 1985 to 9,000 in October of 1986. The number of drilling rigs are down to an average of 29 compared with 71 last year. And of the State's bankruptcies, estimated to be 2,500 for 1986, one-fourth occurred in those counties where most of the State's oil and gas is produced. Clearly, effective action is needed to correct the decline of the industry.

ADMINISTRATION'S RULE

The President currently has the authority to impose an oil import fee under the Trade Expansion Act of 1962, but has been unwilling to recognize that it is in the national interest to do so. Unfortunately, the administration seems obvious to the potential consequences of declining prices. The President did request the Department of Energy to conduct a study of the national security implications of low oil prices and to make recommendations. Unfortunately, that study will not be completed until this spring. There does not appear to be any sense of urgency in the administration for the status of our domestic industry. Because of this attitude, it is incumbent upon the Congress to take effective action.

SUMMARY

The Congress must first take the lead in recognizing the importance of our energy needs. If enacted, an oil import fee would prevent the United States from sliding into greater dependency on foreign sources of energy. It would enable the domestic industry to remain a viable source of energy in the future. And it would preserve governmental tax revenues in the event of a fall in world oil prices, and stop the tax subsidization of imported oil. Most important, the Nation would benefit most from long-term stability in the oil market, which would in turn ensure the preservation of a strong, constant level of drilling and exploration and a viable domestic industry. We must end the complacency that currently clouds our energy future and realize the growing threat to our Nation's desire for energy independence. An oil import fee can help move us in that direction.●

By Mr. BRADLEY (for himself, Mr. DODD, and Mr. INOUYE):

S. 303. A bill to establish a Federal program to strengthen and improve the capability of State and local educational agencies and private nonprofit schools to identify gifted and talented children and youth and to provide those children and youth with appropriate educational opportunities, and for other purposes; to the Committee on Labor and Human Resources.

JACOB K. JAVITS GIFTED AND TALENTED CHILDREN AND YOUTH EDUCATION ACT

● Mr. BRADLEY. Mr. President, today I am pleased to introduce along with my colleagues, Senator DODD and Senator INOUYE, the Jacob K. Javits Gifted and Talented Children and Youth Education Act of 1987. The Federal Government began its involvement with the education of gifted and talented students over 15 years ago. In 1969, Senator Jacob Javits of New York led the fight for the passage of the Gifted and Talented Children's Education Assistance Act. This legislation focused Federal attention on talented and gifted youth, gave them priority in several Federal education programs, and directed the Commissioner of Education to report to Congress on the current status of educational programs for gifted and talented children and the unmet educational needs of these children.

In 1974, Senator Javits provided the leadership needed to appropriate $2.5 million, through Public Law 93-380, to help local educational agencies aid these children. Again in 1978, Senator Javits introduced legislation leading to the passage of title IV-D of Public Law 96-561, the Gifted and Talented Children's Education Act. Appropriations reached $6.3 million in 1980, allowing for the support of many excellent and innovative educational programs.

Since 1980, we have witnessed a major retreat in aid for the gifted and talented. In 1981, at the request of the Reagan administration, the Gifted and Talented Children's Education Act of 1978 was eliminated as a separate program and merged with 29 other education programs under a block grant—chapter 2 of the Education Consolidation and Improvement Act. In 1986, only 13 percent of school districts receiving funds under chapter 2 allocated any money at all for gifted education. These districts spend an average of only $1,000 on this special program. And in 1982, as a further retreat, the Reagan administration closed the Office of the Gifted and Talented in the U.S. Department of Education. The Federal Government now plays virtually no role in helping schools provide opportunities for the gifted and talented.

Recently, the National Commission on Excellence in Education, in its report, "A Nation at Risk: The Imperative for Education Reform," stated:

> The Federal Government, in cooperation with states and localities, should meet the needs of key groups of students such as gifted and talented, the socioeconomically disadvantaged, minority and language minority students, and the handicapped. In combination these groups include both national resources and the nation's youth who are most at risk.

While I do not believe we are doing enough to support educational opportunities for any of these children with special needs, each of these groups, with the single exception of the gifted and talented, receive significant Federal assistance.

Mr. President, the needs of the gifted and talented are real. We have nearly 2.5 million gifted and talented elementary and secondary students in the country, but 40 to 60 percent of this population has never even been identified. Further, 50 percent of the identified students achieve below their ability level, and only 20 percent of the teachers in gifted education are properly trained to design curriculum for these students. There is an unfortunate popular notion that our gifted and talented children will succeed on their own. But without special attention these young people frequently get bored and drop out.

In New Jersey there are presently at least 80,000 school age children who have been identified as gifted and talented. Few of these children receive the services that they deserve and thousands more receive no supplemental services at all. In large part this is because almost all schools are caught in a financial squeeze. Local revenues are insufficient, Federal funds are virtually nonexistent and only minimal State aid is available—for example, only $200,000 is available from the State of New Jersey for all of our State's gifted and talented programs.

By necessity, local school boards must concentrate their efforts on behalf of the majority of students. Too frequently they don't have the financial resources to provide nearly adequate services for these children. I propose that we reverse directions: The talented and gifted need more attention, not less. And to this end, today I am introducing a bill to provide national leadership to assist in the development of programs to serve the gifted and talented. I have introduced similar bills in the past two Congresses, and I am hopeful that in the 100th Congress we will finally let these special students know that we intend to help them reach their full potential.

My bill includes an authorization of $25 million for the next fiscal year and such sums as may be necessary in subsequent years to support programs at the State and local level that are designed to meet the educational needs of gifted and talented children and youth. Eligible recipients of this funding include State educational agencies, local educational agencies, schools of higher education, and other public and private organizations. Programs and projects to develop or improve the capability of schools with respect to the identification and education of gifted and talented schoolchildren is a major priority of this bill. In order to assure that inner-city children will not be left behind, half of the programs approved by the Secretary of Education must targeted at economically disadvantaged children.

In addition, preservice and inservice training and professional opportunities for teachers is also provided for under this legislation. If we are to continue or crusade for excellence in the classroom, then we must provide our Nation's teachers with the training, the tools, and the resources essential to any quality gifted and talented program.

Finally, this bill will establish a National Center for Research and Development in the education of gifted and talended youth. The purpose of this center is to stimulate high-quality research that will assist in identifying and serving gifted students in innovative ways. This center will provide the national leadership and support needed to ensure that the special potential of these students for assisting our Nation will not be lost.

I am hopeful that this year we will see progress in the effort to assist our gifted and talented children reach their full potential. Very similar legislation to the bill I am introducing has already been introduced in the House of Representatives by Congressman Mario Biaggi.

Many school districts around the country have established excellent programs for the gifted. We need to support these programs nationally. In New Jersey, the efforts underway in Montclair, Bayonne, Elizabeth, Union City, and other places need to be encouraged—not only with our best wishes, but also with our financial support. And that is why I am proposing this new legislation.

Mr. President, Federal aid can help solve problems. For example, the convocation model project set up in New Jersey to provide advanced science for the gifted was funded in 1979 through the old Federal talented and gifted legislation. Over 3,000 New Jersey students and 500 New Jersey teachers benefited from the project. Unfortunately, that program died in 1981 when funding was cut off. We need to encourage efforts such as these, not discourage them.

Mr. President, in order to move from the rhetoric of education reform to the reality of true reform, we must come to grips with the fact that children vary considerably in their abilities. It is our task to see that each and every student, including the gifted, receive a challenging education, an education designed to allow that child to reach his or her potential. That assistance cannot come at the expense of students who are struggling to learn basic skills. They need extra help as well. But neither can we continue to ignore our gifted children who quickly become bored and "nonlearners" when they are not challenged. We need to increase standards for all of our students. In sum, we need—at the Federal, State, and local level—to make a commitment to all of our students, whether they be disadvantaged, gifted, or in-between. The aid I am proposing to help talented and gifted students achieve his or her potential is one step to accomplish that goal.

Gifted and talented children represent an invaluable national resource, one that remains sadly underdeveloped. I truly believe that our leadership position in the world depends on our commitment to our youth. Our goal must be to do everything in our power to help all students reach their potential level of intellectual development. Special attention to gifted and talented students is called for if our Nation is to maintain and improve its position as a world leader in technology, the sciences, the humanities, and the arts. This legislation is a small step in the right direction to achieve this end.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 303

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be referred to as the "Jacob K. Javits Gifted and Talented Children and Youth Education Act of 1987".

FINDINGS AND PURPOSES

Sec. 2. (a) Findings.—The Congress finds and declares that—

(1) gifted and talented children and youth are a national resource vital to the future of the Nation and its security and well-being;

(2) unless the special abilities of gifted and talented children and youth are recognized and developed during their elementary and secondary school years, much of their special potential for contributing to the national interest is likely to be lost;

(3) gifted and talented children and youth from economically disadvantaged families and areas at greatest risk of being unrecognized and of not being provided adequate or appropriate educational services;

(4) State and local educational agencies and private nonprofit schools often lack the necessary specialized resources to plan and implement effective programs for the early identification of gifted and talented children and youth for the provision of educational services and programs appropriate to their special needs; and

(5) the Federal Government can best carry out the limited but essential role of stimulating research and development and personnel training, and providing a national focal point of information and technical assistance, that is necessary to ensure that our Nation's schools are able to meet the special educational needs of gifted and talented children and youth, and thereby serve a profound national interest.

(b) Statement of Purpose.—It is the purpose of this Act to provide financial assistance to State and local educational agencies, institutions of higher education, and other public and private agencies and organizations, to initiate a coordinated program of research, demonstration projects, personnel training, and similar activities designed to build a nationwide capability in our elementary and secondary schools to identify and meet the special educational needs of gifted and talented children and youth. It is also the purpose of this Act to supplement and make more effective the expenditure of State and local funds, and of Federal funds expended under chapter 2 of the Education Consolidation and Improvement Act of 1981 and the Education for Economic Security Act of 1984, for the education of gifted and talented children and youth.

DEFINITIONS

Sec. (3). (a) Definitions.—For the purposes of this Act:

(1) The term "gifted and talented children and youth" means children and youth who give evidence of high performance capability in areas such as intellectual, creative, artistic, or leadership capacity, or in specific academic fields, and who require services or activities not ordinarily provided by the school in order to fully develop such capabilities.

(2) The term "Secretary" means the Secretary of Education.

(3) The term "institution of higher education" has the same meaning given such term in section 435(b) of the Higher Education Act of 1965.

(4) The term "Hawaiian native" means any individual any of whose ancestors were natives prior to 1778 in the area which now comprises the State of Hawaii.

(5) The term "Hawaiian native organization" means any organization recognized by the Governor of the State of Hawaii primarily serving and representing Hawaiian natives.

(b) DEFINITION BY REFERENCE.—Any term used in this Act and not defined by subsection (a) shall have the same meaning as that term is given under chapter 3 of the Education Consolidation and Improvement Act of 1981.

AUTHORIZED PROGRAMS

SEC. 4. (a) ESTABLISHMENT OF PROGRAM.—From the sums appropriated under section 9 in any fiscal year the Secretary (after consultation with the advisory committee established pursuant to section 7) shall make grants to or enter into contracts with State educational agencies, local educational agencies, institutions of higher education, or other public and private agencies and organizations (including Indian tribes and organizations as defined by the Indian Self-Determination and Education Assistance Act and Hawaiian native organizations) which submit applications to assist such agencies, institutions, and organizations in carrying out programs or projects authorized by this Act that are designed to meet the educational needs of gifted and talented children and youth, including the training of personnel in the education of gifted and talented children and youth or in supervising such personnel.

(b) USES OF FUNDS.—Programs and projects assisted under this section may include—

(1) preservice and inservice training (including fellowships) for personnel (including leadership personnel) involved in the education of gifted and talented children and youth;

(2) establishment and operation of model projects and exemplary programs for the identification and education of gifted and talented children and youth, including summer programs and cooperative programs involving business, industry, and education;

(3) strengthening the capability of State educational agencies and institutions of higher education to provide leadership and assistance to local educational agencies and nonprofit private schools in the planning, operation, and improvement of programs for the identification and education of gifted and talented children and youth;

(4) programs of technical assistance and information dissemination; and

(5) carrying out (through the National Center for Research and Development in the Education of Gifted and Talented Children and Youth established pursuant to subsection (c))—

(A) research methods and techniques for identifying and teaching gifted and talented children and youth, and

(B) program evaluations, surveys, and the collection, analysis, and development of information needed to accomplish the purposes of this Act.

(c) ESTABLISHMENT OF NATIONAL CENTER.—The Secretary shall establish a National Center for Research and Development in the Education of Gifted and Talented Children and Youth through grants to or contracts with one or more institutions of higher education or State educational agencies or a combination or consortium of such institutions and agencies, for the purposes of carrying out clause (5) of subsection (b). Such National Center shall have a Director. The Director shall consult with the advisory committee appointed by the Secretary pursuant to section 7 with respect to the agenda of the National Center. The Secretary may authorize the Director to carry out such functions of the National Center as may be agreed upon through arrangements with other institutions of higher education, State or local educational agencies, or other public or private agencies and organizations.

(d) LIMITATION.—Not more than 30 percent of the funds available in any fiscal year to carry out the programs and projects authorized by this section may be used for the conduct of activities pursuant to subsections (b)(5) or (c).

PROGRAM PRIORITIES

SEC. 5. (a) GENERAL PRIORITIES.—In the administration of this Act the Secretary (and the advisory committee established pursuant to section 7) shall give highest priority—

(1) to the identification of gifted and talented children and youth who may not be identified through traditional assessment methods (including economically disadvantaged individuals, individuals of limited English proficiency, and individuals with handicaps) and to education programs designed to include gifted and talented children and youth from such groups; and

(2) to programs and projects designed to develop or improve the capability of schools in an entire State or region of the Nation through cooperative efforts and participation of State and local educational agencies, institutions of higher education, and other public and private agencies and organizations (including business, industry, and labor), to plan, conduct, and improve programs for the identification and education of gifted and talented children and youth.

(b) SERVICE PRIORITY.—In approving applications under section 4 of this Act, the Secretary shall assure that in each fiscal year one-half of the applications approved contain a component designed to serve gifted and talented children and youth who are economically disadvantaged individuals.

PARTICIPATION OF PRIVATE SCHOOL CHILDREN AND TEACHERS

SEC. 6. In making grants and contracts under this Act, the Secretary shall ensure, where appropriate, that provision is made for the equitable participation of children and teachers in private nonprofit elementary and secondary schools, including the participation of teachers and other personnel serving such children in preservice and inservice training programs.

SECRETARY'S ADVISORY COMMITTEE

SEC. 7. (a) APPOINTMENT AND MEMBERSHIP.—The secretary shall appoint a committee composed of at least five persons who are not Federal employees to advise on the administration of this Act, including the content of regulations governing the administration of the Act. The committee shall have as members at least one person who is a director of programs for gifted and talented children and youth in a State educational agency, one person who has substantial responsibility in an institution of higher education for preparing teachers of such children and youth, one person who is nationally recognized as an authority on research in the field of special education of such children and youth, one person who is engaged as a teacher in a special program for such children and youth, and one person who is a parent of a child enrolled in an elementary or secondary school program for such children and youth.

(b) DUTIES.—The Secretary shall meet with the advisory committee at least twice during each fiscal year for which appropriations are made to carry out this Act, and shall seek the advice and counsel of the committee with respect to—

(1) identification of the most urgent needs for strengthening the capability of elementary and secondary schools nationwide to plan and operate effective programs for the identification and education of gifted and talented children and youth, and for addressing the program priorities set forth in section 5;

(2) the kinds of programs and projects authorized by this Act that are best calculated to help meet the needs identified by the Secretary and the committee pursuant to clause (1);

(3) the assessment of the effectiveness of programs and projects funded under this Act, and of progress under the Act in expanding and improving educational opportunities and programs for gifted and talented children and youth; and

(4) such other matters relating to the administration of this Act as the Secretary may find useful.

ADMINISTRATION

SEC. 8. The Secretary shall establish or designate an administrative unit within the Department of Education to administer the programs authorized by this Act, to coordinate all programs for gifted and talented children and youth administered by the Department, and to serve as a focal point of national leadership and information on the educational needs of gifted and talented children and youth and the availability of educational services and programs designed to meet those needs. The administrative unit established or designated pursuant to this section shall be headed by a person of recognized professional qualifications and experience in the field of the education of gifted and talented children and youth.

AUTHORIZATION OF APPROPRIATIONS

SEC. 9. There are hereby authorized to be appropriated $25,000,000 for fiscal year 1988 and such sums as may be necessary for each of the succeeding fiscal years ending prior to October 1, 1992, to carry out the provisions of this Act.●

By Mr. BYRD (for Mr. INOUYE):

S. 304. A bill to provide for the fair and proper implementation of the cargo preference laws of the United States; to the Committee on Governmental Affairs.

CARGO PREFERENCE AMENDMENTS

● Mr. INOUYE. Mr. President, laws reserving the carriage of a percentage of Government impelled cargo are one of the cornerstones of our policy to promote the U.S. merchant marine. Indeed cargo reservation in one form or another is the rule rather than the exception in international ocean shipping.

A report prepared by the National Marine Engineers' Beneficial Association indicates the widespread existence of cargo reservation laws and other forms of maritime subsidies, and I ask unanimous consent that the report be printed in the RECORD following my remarks.

Significantly that report concludes that these and other trade barriers emanating from foreign nations are having a severe impact on the competitive position of U.S.-flag carriers.

Regrettably, the Federal agencies charged with implementing our own cargo reservation laws have been less than diligent, and the purpose of those laws—to promote the U.S. merchant marine—has been frustrated.

In an effort to ensure stricter compliance with existing law, I am introducing the following legislation. I wish to emphasize that my proposal does not expand the scope of existing preference laws; and that it is not set in concrete.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

NOT JUST SUBSIDIES: THE UNFAIR MARITIME TRADE BARRIERS OF FOREIGN SHIPPING NATIONS

(Prepared by: The National Marine Engineers' Beneficial Association)

INTRODUCTION

In response to concerns expressed by members of Congress, the National Marine Engineers' Beneficial Association has prepared this brief report on the unfair practices used by foreign governments and industries to protect their merchant fleets from world competition.

This market-distorting assistance appears in the form of direct and indirect legal and customary trade barriers, and is much more than the "acceptable" government maritime subsidies (see Attachment A) that are internationally recognized as necessary to ensure the upkeep of merchant fleets during worldwide shipping depressions. In fact, these barriers exist not to ensure the military and economic security of nations, but simply to insulate their maritime fleets from market realities.

Whether in for the form of tax penalties, rate-fixing bureaus, exorbitant cargo preference schemes, ancillary business restrictions, discriminatory port practices, and purposely laborious and complicated licensing requirements, trade barriers emanating from foreign nations are having a severe impact on the competitive position of U.S.-flag carriers.

On a regional basis, lesser developed nations in Latin America, Africa, the Middle East and the Far East employ the most abusive tactics. Especially notable are the policies of Bangladesh, India, Pakistan and Sri Lanka. These abuses are not, however, restricted to the Third World, and are frequently so subtle as to render them almost irremediable. Japan's merchant fleet, for instance, is shielded through so-called customary barriers such as high cube container restrictions and purposely complex Japanese business practices.

Similarly, the UNCTAD Code of Conduct for Liner Conferences, with its cargo division principle of 40-40-20 (40 percent of the trade for each of the trading nations, and 20 percent for cross-traders) is wreaking havoc on the U.S. merchant fleet which is not, as a result of U.S. government policy, an adherent to the liner code. Countries that have ratified or acceded to the code have done so at a rapid pace (see Attachment B). Many of our West European allies for instance, who generally have not incorporated into their policies the maritime trade abuses practiced by other nations, have acceded to the liner code. In order that the code have a "limited impact" on international shipping, however, these nations have agreed to reservations that restrict the code's use to Organization for Economic Cooperation & Development (OECD) nations and their trading partners in developing countries. Nevertheless, the Europeans, along with the developing nations, are relegating the U.S. fleet to cross-trader status for less than twenty percent of their trades.

Another problem that U.S.-flag carriers are having with the West European nations is the prevalance of "closed" liner conferences. Worse than the UNCTAD liner code, closed conferences bar outside participation on any scale. Thus, trades to which U.S. carriers should otherwise have access are closed to them entirety. At the same time, the American system of open conferences provides a convenient relief valve for the surplus liner tonnage of owners worldwide, thereby worsening our own problems of excess capacity.

The UNCTAD liner code, closed conferences and an increasing move toward restrictive bilateral shipping agreements between nations have changed the face of international shipping such that any country not engaging in at least one of these policies is placing itself at an extreme competitive disadvantage. In theory, the doctrine of free trade should provide a positive economic benefit to all parties. However, this only occurs when all of the parties strictly adhere to the rules of that doctrine. Unfortunately, in the business of ocean shipping the U.S. continues to be the "odd man out" as the only practitioner of free trade, thereby threatening not only the survival of a vital industry but the nation's military security as well.

The following pages of this report will, among other things, examine on a country-by-country basis some of the abusive trade tactics employed by competitors of the U.S.-flag fleet. This listing was compiled with information obtained from the Maritime Administration, the Federal Maritime Commission (FMC), the State Department and U.S.-flag ship operators. It is not, however, inclusive of all restrictions imposed by all maritime nations. Rather, it illustrates some of the more dominant positions taken by countries worldwide. For quick reference, the countries are listed in alphabetical order.

Following the examination of various nations' unfair trade barriers is a brief listing compiled from a 1983 study prepared by MarAd, "Maritime Subsidies," which highlights the maritime subsidies provided merchant fleets in 48 of the world's largest maritime nations (Attachment A). Those nations controlled by "centrally planned economies" are not included. Thus, the Warsaw Pact nations, China, North Korea, Yugoslavia and Cuba are examples of countries which have been omitted. (While not the subject of this report, the negative consequences of the non-market pricing practices of these countries have been widely recognized by the industrialized nations).

In the interest of brevity, the MarAd study has been greatly condensed. The utmost care was used in the scaling-down so as not to veer from the actual intent of the 1983 study. As an example, accelerated depreciation, advantageous customs duties and tax-free reserves, while warranting individual notes in the larger MarAd study, have been included in this list in one single category, "tax benefits." Similarly, smaller, less important aids such as export credits and government-operated merchant marine training academies are included in a final category, "other." More detailed information on this subject can be found in the full copy of "Maritime Subsidies," and more recent data can be obtained from the agency's upcoming publication on maritime subsidies.

At the end of this report is a list of countries that have ratified or acceded to the UNCTAD liner code (Attachment B). Many more nations engage in cargo sharing through bilateral agreements with trading partners in both liner and bulk trades.

In any case, with the growing direction of international shipping toward cargo sharing and closed liner conferences, and the increasing use of restrictive maritime trade barriers, countries that carry the "free trade" rather than "fair trade" banner are guaranteeing the demise of their merchant fleets.

MARITIME BARRIERS OF FOREIGN NATIONS

Angola

A March 1976 decree gives priority to Angola's national line for imports and exports. Foreign-flag vessels can be used only with a waiver from the government. National vessels get preferential customs treatment and port fees.

Argentina

Argentinian law reserves 100 percent of government cargo (broadly defined) to Argentinian vessels. This rule was amended in 1972 to allow participation by foreign vessels if bilateral agreements granting at least a 50% share for Argentinian vessels exist. Argentinian law asserts claim to 50% of all export cargo. Trades not covered by 50/50 bilateral agreements operate under pool agreements which give dominant cargo shares to national flags. Argentinian vessels pay reduced port fees and receive rebates of wharfage costs. Freight charges are rebated to exporters who use national-flag vessels.

Bangladesh

The Bangladesh government has established a waiver system for foreign flag carriage of free on board (f.o.b.) export cargo (The terms of sale for f.o.b. cargo allow the buyer to choose the carrier vessel. Conversely, cost, insurance and freight [c.i.f.] cargo gives the exporter the right to choose. In either case, governments that control their merchant fleets are able to use f.o.b. purchases, and c.i.f. sales as a means to steer their exports and imports to national-flag vessels). Under the waiver system, foreign vessels are limited to 350 deadweight tons (16-18 containers) per vessel from each load port. Loading of cargo beyond these limits requires a waiver from the Bangladesh government. Prior to the establishment of this system, American-flag vessels carried approximately 1400 DWT.

U.S. importers of jute and burlap are especially affected by this system. Historically, jute has been purchased f.o.b. and many U.S. importers have long term contracts with U.S. and foreign shipping lines. If a waiver cannot easily be obtained, the cargo will be forced to Bangladesh vessels to the detriment of U.S.-flag vessels and U.S. importers.

Brazil

Brazil offers concessionary tax treatment to shippers using national flag vessels. With the exception of a few Latin American nations, Brazil prohibits cross-traders in its Southbound trade. National carriers are exempt from light duties and pay reduced pilotage fees. A U.S.-Brazil maritime agreement, and pooling agreements among the carriers, allow the U.S. to carry half of the liner trade between the two countries.

Colombia

Fifty percent of imports and exports are reserved for national carriers and certain foreign-flag vessels. Foreign carriers must be granted associate status by national carriers to gain permission to discharge goods.

Colombia has agreements with Argentina and Brazil dividing cargo 50/50.

Ecuador

Fifty percent of all liner cargo and 100 percent of government cargo is reserved for national carriers. Otherwise, waivers are available on a preferential basis to foreign carriers whose nations have bilateral agreements with Ecuador. Foreign carriers are subject to a 0.952 percent freight charge (other Latin American carriers are not charged).

Egypt

A 1976 decree directs government cargo and 30 percent of all commercial imports and exports to Egyptian-flag vessels. The country's cargo allocation agency gives priority to state lines and, secondly, to Egyptian private lines. Egypt requires the use of local shipping agents by foreign operators. It is a widely held belief that local agents who represent foreign operators often work against them in favor of national-flag carriers.

Ethiopia

Although this is rarely enforced, import licenses one stamped "To be shipped in Ethiopian-flag vessels."

Ghana

Ghana's government purchasing agent imports via the state-owned Black Star Line. Import licenses require the use of the Black Star Line.

India

Import licenses are a major form of control and concern to U.S. shipping. A large portion of Indian imports from the U.S. are purchased by government-owned public sector companies. These companies have been requested to sell on a c.i.f. basis and purchase free alongside ship (f.a.s.) in order to control shipping. In the private sector, the terms of sale are between the buyer and seller. However, if goods are shipped on an Indian vessel, the freight cost does not become part of the foreign exchange allowed by India's Reserve Bank. Thus, an Indian importer may purchase more goods due to additional foreign exchange by shipping on Indian-flag vessels. Freight costs on U.S. and other foreign flag vessels are deducted from the license value.

In efforts to support their exports, the Indian government may use the government-owned steamship line to offer low freight rates for selected goods. This practice of offering low rates at uneconomic levels is considered "dumping," similar to the "dumping" of a manufactured product on the market. As a consequence, foreign vessels, particularly U.S.-flag vessels, suffer. This situation is further aggravated by a 5.64 percent freight tax levied on foreign vessels but not on Indian ships. Such a tax is not levied on Indian vessels in the U.S.

India's tax code also assumes that a profit is realized by U.S. operators. These operators, who have recently been operating in India in an income loss situation, have attempted in vain to receive a tax refund. Indian steamship lines also operating at a loss do not pay taxes.

The Government of India is considering legislation in the next session of Parliament to establish a "voucher scheme" for the purpose of enabling Indian flag vessels to carry 40 percent of India's export trade. An Indian exporter will be required to ship 40 percent of his freight on Indian vessels, and then obtain a voucher from the proper authorities to ship on foreign-flag vessels. In addition to being excluded from carrying a major share of Indian cargoes, American operators expect the procedure for obtaining a voucher to be complicated and laborious.

Indonesia

Government cargo (broadly defined) is reserved for national-flag vessels. Indonesia requires foreign carriers to use local agents at Indonesian ports when unloading cargo for forwarding. In addition, Indonesian-flag vessels receive a 50-percent reduction in port and bunkering charges (except for vessels carrying oil or natural gas). As an incentive to use Indonesian-flag vessels for exports, shippers using national vessels receive concessionary tax treatment.

Ivory Coast

The Ivory Coast has a cargo booking office which allocates cargo on a preferential basis. The 40/40/20 principle of the UNCTAD liner code, which the Ivory Coast signed in 1975, is also applied to non-conference, non-liner cargo.

Libya

Although actual implementation has been delayed, imports to Libya are required to be carried on nationally owned or chartered vessels. A 1984 decree requires translation of ship's documents, cargo manifests and crew lists into Arabic.

Japan

Despite assertions to the contrary, U.S.-flag container vessels continue to suffer because of Japanese restrictions on high cube containers. Costly and complicated application requirements, red tape and the scarcity of approved routes continues to cause U.S. high cube container vessel operators undue financial strain. The FMC is currently examining the effectiveness of Japan's assurances to end this problem.

Japanese shippers, using a fleet of high-cost Japanese vessels and low-cost, handpicked third-flag vessels, continue to dominate the U.S.-Japan automobile import trade. Recently, three Japanese automobile exporters signed single ship agreements with U.S. operators to carry imports into the U.S. Legislation pending in Congress may encourage further Japanese concessions.

Restrictions on foreign ownership of ancillary shipping services such as trucking, warehousing and stevedoring were supposedly abolished in 1979. It is clear, however, that U.S. companies continue to be dissuaded from applying for operating licenses due to the discouragement they receive when making the standard informal agency inquiries into obtaining permits. Appeals by the U.S. State Department last year appear to have encouraged the Japanese government to begin opening its licensing process to U.S. companies.

Korea

100 percent of Korean export and import liner cargo is reserved for national-flag vessels. Foreign-flag vessels may be allowed access to these cargoes through Friendship, Commerce and Navigation (FCN) Treaties or other inter-governmental agreements. Foreign carriers cannot own capital assets in Korea.

Mexico

Fifty percent of liner cargo and up to fifty percent of bulk cargo, in addition to all government cargo, is reserved for national-flag vessels. As of January 1985, Mexico has offered a 10% rebate of import duties to importers who use Mexican-flag vessels.

Pakistan

The Government of Pakistan has imposed state management control over industries such as steel and energy. Imports to these industries are routed predominately to the national flag carrier.

National flag lines are allowed to collect inward freight on imports in non-convertible rupees, whereas foreign lines must collect in remittable rupees (foreign exchange). Thus, Pakistani importers are encouraged to buy f.o.b. and pay freight in local currency. By doing so, the freight component of the import license may be used for additional purchase of goods.

U.S.-flag carriers are subject to an 8% tax on their gross Pakistan-related revenues. In principle, this tax applies to all non-resident shipping lines. However, the provisions of some bilateral tax treaties of Pakistan allow for an exemption to the 8% tax. An example is Denmark, which obtained tax relief through an exchange of notes with the Pakistan tax authorities. This situation places U.S.-flag carriers at a disdvantage to the Pakistan National Shipping Company and Maersk Line (Danish flag carrier)—the two major steamship lines in the U.S.-Pakistani trade. Collection of this tax has been temporarily suspended for U.S. carriers pending the outcomes of current U.S.-Pakistani negotiations.

Paraguay

A law enacted in 1971 reserves 100 percent of import cargo to Paraguayan-owned or chartered vessels; up to fifty percent is reserved in trades with other Latin American countries. First priority is given to state vessels in the loading of any cargo.

Peru

On February 28, 1986 the Peruvian government issued a decree that reserves 100 percent of that nation's import-export cargo for Peruvian-flag vessels unless cargo-sharing agreements exist with the trading partner. According to the decree, exceptions will be made when Peruvian vessels are unable to provide service. The FMC is currently investigating this matter on behalf of U.S. shippers and carriers affected in Peruvian crosstrades.

Philippines

Exporters using national-flag vessels are allowed to deduct 150 percent of overseas freight and port charges from their taxable income. Enterprises that are registered with the Board of Investments may deduct 200 percent.

Saudi Arabia

Saudi Arabia's central bank telexed Saudi banks in 1985 urging them to specify use of national flag vessels in letters of credit. Royal decrees direct shippers to "prefer" Saudi vessels, especially when exporting government cargo. Saudi carriers have used these decrees to pressure contractors to use their vessels, thereby causing a marked loss of cargo for U.S. carriers. Forty-percent of the country's liner trade is decreed to go via national vessels.

Sri Lanka

Sri Lanka operates a Central Freight Bureau whose function is to book Sri Lanka's exports with steamship lines. Ceylon Shipping Corporation, the national carrier, thus benefits from cargo being preferentially routed onto their ships. Similarly, the Central Freight Bureau is known to engage in the fixing of freight rates to its national carrier's advantage.

Under Sri Lanka's tax code, non-resident shipping is taxed on the basis of an assumed six percent profit of gross export freight earnings. This tax is collected whether a profit has been made or not. This provision places a further burden on shipping lines, including U.S.-flag carriers, who have been operating at a loss during the international recession. Sri Lankan shipping lines are not subject to this tax.

Taiwan

Taiwan prevents the operation of businesses such as shipping agencies, sea freight solicitation agencies and container freight stations by non-Taiwanese nations. As a result, U.S. carriers are placed at a disadvantage compared to Taiwanese-flag carriers because the latter can provide such services either directly or through their own integrated services. U.S.-carriers are also subject to a business tax which does not apply to local shipping companies.

Thailand

Thailand has enacted rules, though not fully implemented, that offer exporters a 50% deduction of transportation costs for using national-flag vessels. Freight fixing rules have also been enacted, although they too have not been fully implemented

United Arab Emirates

Priority is given to vessels flying the national-flag as well as other Arab-flag vessels. In 1983, the country's Chamber of Commerce requested banks to include preferential clauses for national carriers in letters of credit.

Uruguay

Although the U.S./Uruguayan trade is not currently affected, a 1977 law reserves fifty percent of all water borne cargo and 100 percent of imports for Uruguayan vessels. Waivers are available to some foreign-flag vessels from nations that have bilateral agreements with Uruguay, approve conference membership or practice reciprocal cargo-sharing treatment.

USSR (includes Eastern-bloc nations)

The Soviet Union engages in several discriminatory practices which limit the ability of foreign shipowners to operate in the country's trades. these methods include: discrimination in access to Soviet port facilities, particularly through berthing priorities; and requirement that foreign service firms use Russian shipping agents; government fixing of freight rates and terms of shipment through negotiations with trading partner governments; a provision for below-cost, non-commercially charged facilities for national shipping enterprises and government required f.o.b. purchases and c.i.f. sales.

Venezuela

Fifty percent of liner cargo is reserved for national carriers and 100 percent of government cargo (broadly defined) is reserved for government owned liners. Waivers are granted to associated lines. National-flag vessels pay fifty percent less for pilotage fees, and imports are exempted from duty when carried on national or associated carriers.

Zaire

Zaire's Office of Maritime Freight Management has the power to fix freight rates. Beginning in the middle of 1983, Zaire requested a deposit of U.S. $10,000 from any shipping company wishing to continue trading in that country. Similarly, a 3 percent freight tax is imposed on foreign lines. This tax is reduced to 1.2 percent in trade where Zairean vessels participate.

MARITIME SUBSIDIES OF 48 NATIONS

Operating Subsidies: Korea, Mexico, Peru, Portugal, Spain, United States.

Construction Subsidies: Argentina, Australia, Brazil, Canada, Finland, W. Germany, India, Ireland, Japan, Korea, Netherlands, Pakistan, Peru, S. Africa, Spain, Taiwan, United Kingdom.

Low Interest Loans and Loan Guarantees: Argentina, Belgium, Brazil, Denmark, Finland, France, West Germany, Greece, India, Italy, Japan, Korea, Malaysia, Netherlands, Norway, Pakistan, Peru, Philippines, Portugal, Singapore, Spain, Sweden, Switzerland, Taiwan, Turkey, United States, Uruguay.

Cargo Preference:[1] Algeria, Argentina, Australia, Brazil, Columbia, Denmark, Ecuador, Egypt, France, Ghana, Indonesia, Israel, Korea, Kuwait, Mexico, Morocco, Nigeria, Pakistan, Peru, Philippines, Spain, Taiwan, Thailand, United States, Uruguay, Venezuela.

Cabotage Restrictions: Australia, Brazil, Canada, Chile, Columbia, Ecuador, Finland, W. Germany, Greece, India, Italy, Malaysia, Mexico, Pakistan, Panama, Peru, Spain, Turkey, United States, Venezuela.

Tax Benefits: Argentina, Australia, Belgium, Brazil, Canada, Chile, Columbia, Denmark, Egypt, Finland, W. Germany, Greece, India, Indonesia, Ireland, Israel, Italy, Japan, Korea, Malaysia, Netherlands, Norway, Pakistan, Peru, Philippines, Spain, Sweden, Taiwan, United Kingdom, United States, Uruguay.

Government Ownership: Algeria, Argentina, Australia, Brazil, Chile, Egypt, Finland, Ghana, India, Indonesia, Ireland, Israel, Italy, Japan, Kuwait, Liberia, Malaysia, Mexico, Morocco, Netherlands, Pakistan, Peru, Philippines, Singapore, Spain, Taiwan, Thailand, Turkey, United Kingdom, Uruguay, Venezuela.

Other: Argentina, Australia, Belgium, Brazil, Canada, Columbia, Denmark, Finland, Germany, Greece, Italy, Israel, Japan, Korea, Mexico, Netherlands, Norway, Spain, Philippines, Peru, Singapore, Sweden, Taiwan, United Kingdom, United States, Venezuela.

CONVENTION ON A CODE OF CONDUCT FOR LINER CONFERENCES

CONCLUDED AT GENEVA ON APRIL 6, 1974

Entry into force: October 6, 1983, in accordance with article 49(1).

Registration: October 6, 1983, No. 22380.

Text: TD/Code 11/Rev. 1 and Corr. 1 and depositary notification C.N. 1984.TREATIES-2 of May 1, 1984 (Process-verbal of rectification of the English and French authentic texts).

NOTE: Adopted by a Conference of plenipotentiaries which met at Geneva from November 12 to December 15, 1973 and from March 11 to April 6, 1974 under the auspices of the United Nations Conference on Trade and Development, in accordance with resolution 3035 (XXVII) of the General Assembly of the United Nations Dated on December 19, 1972. Open for signature from July 1 to June 30, 1975.

Participant	Signature	Definitive signature (*), Ratification, accession (*), acceptance (^), approval (^^)
Algeria	June 27, 1975	
Bangladesh		July 24, 1975.*
Barbados		Oct. 29, 1980.*
Belgium	June 30, 1975	
Benin		Oct. 27, 1975.*
Brazil	June 23, 1975	
Bulgaria		July 12, 1979.*
Cameroon		June 15, 1976.*
Cape Verde		June 13, 1978.*
Central African Republic		May 13, 1977.*
Chile		June 25, 1975.*
China		Sept. 23, 1980.*
Congo		July 26, 1982.*
Costa Rica	May 15, 1975	Oct. 27, 1978.
Cuba		July 23, 1976.*
Czechoslovakia	June 30, 1975	June 4, 1979.^^
Ecuador	Oct. 22, 1974	
Egypt		Jan. 25, 1979.*
Ethiopa	June 19, 1975	Sept. 1, 1978.
France	June 30, 1975	
Gabon	Oct. 10, 1974	June 5, 1978.
Gambia		June 30, 1975.*
German Democratic Republic.	June 27, 1975	July 9, 1979.
Germany, Federal Republic of.	June 30, 1975	Apr. 6, 1983.
Ghana	May 14, 1975	June 24, 1975.
Guatemala	Nov. 15, 1974	Mar. 3, 1976.
Guinea		Aug. 19, 1980.*
Guyana		Jan. 7, 1980.*
Honduras		June 12, 1979.*
India	June 27, 1975	Feb. 14, 1978.
Indonesia	Feb. 5, 1975	Jan 11, 1977.
Iran (Islamic Republic of).	Aug. 7, 1974	
Iraq		Oct. 25, 1978.*
Ivory Coast	May 1, 1975	Feb. 17, 1977.
Jamaica		July 20, 1982.*
Jordan		Mar. 17, 1980.*
Kenya		Feb. 27, 1978.*
Lebanon		Apr. 30, 1982
Madagascar		Dec. 23, 1977.*
Malaysia		Aug. 27, 1982.
Mali		Mar. 15, 1978.*
Malta	May 15, 1975	
Mauritius		Sep. 16, 1980.*
Mexico		May 6, 1976.*
Morocco		Feb. 11, 1980.*
Netherlands		Apr. 6, 1983.*
Niger	June 24, 1975	Jan. 13, 1976.
Nigeria		Sept. 10, 1975.*
Pakistan		June 27, 1975.*
Peru		Nov. 21, 1978.*
Philippines	Aug. 2, 1974	Mar. 2, 1976.
Republic of Korea		May 11, 1979.*
Romania		Jan. 7, 1982.*
Senegal	June 30, 1975	May 20, 1977.
Sierra Leone		July 9, 1979.*
Sri Lanka		June 30, 1975.*
Sudan		Mar. 16, 1978.*
Togo	June 25, 1975	Jan. 12, 1978.
Trinidad and Tobago		Aug. 3, 1983.*
Tunisia		Mar. 15, 1979.*
Turkey	June 30, 1975	
USSR	June 27, 1975	June 28, 1979^
United Republic of Tanzania.		Nov. 3, 1975.*
Uruguay		July 9, 1979.*
Venezuela		June 30, 1975.*
Yugoslavia	Dec. 17, 1974	July 7, 1980.
Zaire		July 25, 1977.*

DECLARATIONS AND RESERVATIONS

(Unless otherwise indicated, the declarations and reservations were made upon definitive signature, ratification, accession, acceptance or approval.)

Belgium

Upon signature:

Under Belgian law, the Convention must be approved by the legislative chambers before it can be ratified.

In due course, the Belgian Government will submit this Convention to the legislative chambers for ratification, with the express reservation that its implementation should not be contrary to the commitments undertaken by Belgium under the Treaty of Rome establishing the European Economic Community and the OECD Code of Liberalization of invisible trade, and taking into account any reservations it may deem fit to make to the provisions of this Convention.

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[1] A few countries, especially those in Latin America, have particularly strident cargo preference policies. As a result of these policies, these nations are listed in the trade barrier section as well.

Brazil

Upon signature:

"In accordance with SUNAMAM's resolutions Nos. 3393, of 12/30/1972, and 4173, of 12/21/1972, which set up and structured the "Bureau de Estudos de Fretas Internacionais da SUNAMAM", and by which the "Superintendcia Nacional de Marinha Mercante (SUNAMAM)" has the authority to reject any proposal on freight rates put forward by Liner Conferences, the contents of article 14, paragraph 6, of that Convention do not conform to Brazilian Law."

Bulgaria

The Government of the People's Republic of Bulgaria considers that the definition of liner conference does not include joint bilateral lines operating on the basis of later-governmental agreements.

With regard to the text of point 2 of the annex to resolution I, adopted on April 6, 1974, the Government of the People's Republic of Bulgaria considers that the provisions of the Convention on a Code of Conduct for Liner Conferences do not cover the activities of non-conference shipping lines.

China

The joint shipping services established between the People's Republic of China and any other country through consultations and on a basis that the parties concerned may deem appropriate, are totally different from liner conferences in nature, and the provisions of the United Nations Convention on a Code of Conduct for Liner Conferences shall not be applicable thereto.

Cuba

Reservation

The Republic of Cuba enters a reservation concerning the provisions of article 2, paragraph 17, of the Convention, to the effect that Cuba will not apply said paragraph to goods carried by joint liner services for the carriage of any cargo, established in accordance with inter-governmental agreements, regardless of their orgin, their destination or the use for which they are intended.

Declaration:

With regard to the definitions in the first paragraph of part one, chapter I, the Republic of Cuba does not accept the inclusion in the concept of "Liner conference or conference" of joint liner services for the carriage of any type of cargo, established in accordance with inter-governmental agreements.

Czechoslovakia

Upon signature:

"The provisions of the Code of Conduct do not apply to joint line services established on the basis of inter-governmental agreements for serving the bilateral trade:

"Eventual one-sided regulation of the activity of non-conference lines by legislation of individual States would be considered incompatible on the part of the Czechoslovak Socialist Republic, with the main aims and principles of the Convention and would not be recognized as valid."

France

Upon signature:

Under the French Constitution, approval of the Convention is subject to authorization by Parliament.

It is understood that this approval is conditional upon compliance with the commitments undertaken by France under the Treaty of Rome establishing the European Economic Community and the Code of Liberalization of invisible trade of the Organization of Economic Co-operation and Development, taking into account any reservations which the French Government may deem fit to make to the provisions of this Convention.

German Democratic Republic

The German Democratic Republic declares that the provisions of the Convention on a Code of Conduct for Liner Conferences will not be applied to jointly operated lines established on the basis of inter-governmental agreements for the joint conduct of the bilateral exchange of goods between the respective states.

Germany, Federal Republic of

Upon signature:

"The Convention under the law of the Federal Republic of Germany, requires the approval of the legislative bodies for ratification. At the appropriate time, the Federal Republic of Germany will implement the Convention in conformity with its obligations under the Treaty of Rome establishing the European Economic Community as well as under the OECD Code of Liberalization of Current Invisible Operations."

Upon ratification:
Declarations:

1. For the purposes of the Code of Conduct, the term "national shipping line" may, in the case of a Member State of the European Economic Community, include any vessel operating shipping line established on the territory of such Member State in accordance with the EEC Treaty.

2. (a) Without prejudice to paragraph (b) [hereinafter], article 2 of the Code of Conduct shall not be applied in conference trades between the Member States of the European Economic Community or, on the basis of reciprocity, between such States and other OECD countries which are parties to the Code.

(b) Paragraph (a) [above] shall not affect the opportunities for participation as third-country shipping lines in such trades, in accordance with the principles laid down in such trades, in accordance with the principles laid down in article 2 of the Code, of the shipping lines of a developing country which are recognized as national shipping lines under the Code and which are:

(i) already members of a conference serving these trades; or

(ii) admitted to such a conference under article 1 (3) of the Code.

3. Articles 3 and 14 (9) of the Code of Conduct shall not be applied in conference trades between the Member States of the Community or, on a reciprocal basis, between such States and the other OECD countries which are parties to the Code.

4. In trades to which article 3 of the Code of Conduct applies, the last sentence of that article is interpreted as meaning that:

(a) The two groups of national shipping lines will coordinate their positions before voting on matters concerning the trade between their two countries;

(b) this sentence applies solely to matters which the conference agreement identifies as requiring the assent of both groups of national shipping lines concerned, and not to all matters covered by the conference agreement.

5. The Government of the Federal Republic of Germany will not prevent non-conference shipping lines from operating as long as they compete with conferences on a commercial basis while adhering to the principle of fair competition, in accordance with the resolution on non-conference lines adopted by the Conference of Plenipotentiaries. It confirms its intention to act in accordance with the said resolution.

India

"In confirmation of paragraph (2) of the statement filed by the Representative of India on behalf of the Group of 77 on 8 April 1974 at the United Nations Conference of Plenipotentiaries on a Code of Conduct for Liner Conferences, it is the understanding of the Government of India that the inter-governmental shipping services established in accordance with inter-governmental agreements fall outside the purview of the Convention on the Code of Conduct for Liner Conferences regardless of the origin of the cargo, their destination or the use for which they are intended."

Iraq

The accession shall in no way signify recognition of Israel or entry into any relation therewith.

Netherlands

[Same declarations, in essence, as those reproduced under "Germany, Federal Republic of", and made upon ratification.]

Peru

The Government of Peru does not regard itself as being bound by the provisions of chapter II, article 2, paragraph 4, of the Convention.* * *

FOUR COUNTRIES ACCEDE TO CODE OF CONDUCT FOR LINER CONFERENCES, FRANCE APPROVES

Four countries—Denmark, Norway, Sweden and the United Kingdom—have acceded to the Convention on a Code of Conduct for Liner Conferences. Their instruments of accession were received by the United Nations Office of Legal Affairs on 28 June. Also, France approved the Convention on 4 October.

The Convention was concluded at Geneva on 6 April 1974 by a Conference of Plenipotentiaries convened under the auspices of the United Nations Conference on Trade and Development (UNCTAD). It entered into force on 6 October 1983. The Convention brings about significant changes in the working arrangements of shipping conferences, which are associations of shipping lines active along particular trade routes. It provides for participation of national shipping lines in the trade carried by a particular conference between their countries, sets out criteria for determining freight rates, provides for stabilized freight rates, and sets up a system of mandatory international conciliation in certain types of disputes.

As of 4 October, the following 65 countries have expressed consent to be bound by the Convention: Bangladesh, Barbados, Benin, Bulgaria, Cameroon, Cape Verde, Central African Republic, Chile, China, Congo, Costa Rica, Cuba, Czechoslovakia, Denmark, Egypt, Ethiopia, France, Gabon, Gambia, German Democratic Republic, Federal Republic of Germany, Ghana, Guatemala, Guinea, Guyana, Honduras, India, Indonesia, Iraq, Ivory Coast, Jamaica, Jordan, Kenya, Lebanon, Madagascar, Malaysia, Mali, Mauritius, Mexico, Morrocco, Netherlands, Niger, Nigeria, Norway, Pakistan, Peru, Philippines, Republic of Korea, Romania, Saudi Arabia, Senegal, Sierra Leone, Sri Lanka, Sudan, Sweden, Togo, Trinidad and Tobaggi, Tunisia, USSR, United Kingdom, United Republic of Tanzania, Uruguay, Venezuela, Yugoslavia and Zaire.

FINLAND ACCEDES TO CODE OF CONDUCT FOR LINER CONFERENCES

Finland has acceded to the Convention on a Code of Conduct for Liner Conferences. Its instrument of accession was received by the United Nations Office of Legal Affairs on 31 December 1985.

The Convention was concluded at Geneva on 6 April 1974 by a Conference of Plenipotentiaries convened under the auspices of the United Nations Conference on Trade and Development (UNCTAD). It entered into force on 6 October 1983. The Convention brings about significant changes in the working arrangements of shipping conferences, which are associations of shipping lines active along particular trade routes. It provides for participation of national shipping lines in the trade carried by a particular conference between their countries, sets out criteria for determining freight rates, provides for stabilized freight rates, and sets up a system of mandatory international conciliation in certain types of disputes.

As of 31 December 1985, the following 66 countries have expressed consent to be bound by the Convention: Bangladesh, Barbados, Benin, Bulgaria, Cameroon, Cape Verde, Central African Republic, Chile, China, Congo, Costa Rica, Cuba, Czechoslovakia, Denmark, Egypt, Ethiopia, Finland, France, Gabon, Gambia, German Democratic Republic, Federal Republic of Germany, Ghana, Guatemala, Guinea, Guyana, Honduras, India, Indonesia, Iraq, Ivory Coast, Jamaica, Jordan, Kenya, Lebanon, Madagascar, Malaysia, Mali, Mauritius, Mexico, Morocco, Netherlands, Niger, Nigeria, Norway, Pakistan, Peru, Philippines, Republic of Korea, Romania, Saudi Arabia, Senegal, Sierra Leone, Sri Lanka, Sudan, Sweden, Togo, Trinidad and Tobago, Tunisia, USSR, United Kingdom, United Republic of Tanzania, Uruguay, Venezuela, Yugoslavia and Zaire.●

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. BOREN, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Vermont [Mr. STAFFORD], the Senator from Arizona [Mr. DECONCINI], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

S. 55

At the request of Mr. PRESSLER, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 55, a bill to authorize the Lyman Jones and West River rural water development projects.

S. 83

At the request of Mr. JOHNSTON, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from Rhode Island [Mr. PELL], the Senator from Indiana [Mr. LUGAR], the Senator from Tennessee [Mr. SASSER], and the Senator from Virginia [Mr. TRIBLE] were added as cosponsors of S. 83, a bill to amend the Energy Policy and Conservation Act with respect to energy conservation standards for appliances.

S.182

At the request of Mr. RIEGLE, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 182, a bill to amend title 3, United States Code, and the Uniform Time Act of 1966 to establish a single poll closing time in the continental United States for Presidential general elections.

S. 200

At the request of Mr. NICKLES, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 200, a bill to amend the Internal Revenue Code of 1954 to repeal the windfall profit tax on crude oil.

S.232

At the request of Mr. WILSON, the names of the Senator from Kansas [Mr. DOLE], the Senator from New York [Mr. MOYNIHAN], and the Senator from Washington [Mr. ADAMS] were added as cosponsors of S. 232, a bill to permit placement of a privately funded statue of Haym Salomon in the Capitol Building or on the Capitol Grounds and to erect a privately funded monument to Haym Salomon on Federal land in the District of Columbia.

SENATE JOINT RESOLUTION 1

At the request of Mr. KENNEDY, the names of the Senator from South Dakota [Mr. DASCHLE], the Senator from Georgia [Mr. FOWLER], the Senator from Texas [Mr. BENTSEN], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of Senate Joint Resolution 1, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men.

SENATE JOINT RESOLUTION 9

At the request of Mr. SARBANES, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of Senate Joint Resolution 9, a joint resolution to designate the week of March 1, 1987, through March 7, 1987, as "Federal Employees Recognition Week."

SENATE JOINT RESOLUTION 10

At the request of Mr. THURMOND, the names of the Senator from Utah [Mr. HATCH], the Senator from Arizona [Mr. DECONCINI], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of Senate Joint Resolution 10, a joint resolution disapproving and recommendations of the President relating to rates of certain officers and employees of the Federal Government.

SENATE CONCURRENT RESOLUTION 3

At the request of Mr. MOYNIHAN, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Concurrent Resolution 3, a concurrent resolution to encourage the Congress to ensure that sufficient funds are provided under title I of the Elementary and Secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981, to meet the needs of all eligible educationally disadvantaged students.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources.

The hearing will take place Tuesday, February 3 and Thursday, February 5, 1987, 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of this hearing is to receive testimony concerning the current status of the Department of Energy's nuclear waste activities.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, room SD-364, Dirksen Senate Office Building, Washington, DC 20510. For further information, please contact Mary Louise Wagner at (202) 224-7569.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Tuesday, January 20, and Wednesday, January 21, 1987, beginning at 9:30 a.m. on each day, to receive testimony from committee chairmen and ranking minority members on their fiscal year 1987 funding resolutions.

For further information concerning these hearings, please contact Carole Blessington of the Rules Committee staff on x40278.

ADDITIONAL STATEMENTS

S. 20—THE GROUND WATER PROTECTION ACT OF 1987

● Mr. MOYNIHAN. Mr. President, the text of S. 20, the ground water protection bill I introduced on the first day of the 100th Congress, was inadvertently omitted from the CONGRESSIONAL RECORD last week. I ask that the text of the bill and my accompanying floor statement be printed in today's RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE GROUND WATER PROTECTION ACT OF 1987

● Mr. MOYNIHAN. Mr. President, I rise with my distinguished chairman, Senator BURDICK, and members of the

Committee on Environment and Public Works, Senators MITCHELL, BAUCUS and LAUTENBERG in sponsoring The Ground Water Protection Act of 1987. I share my colleagues, hope that this bill will focus greater attention on ground water resources, a subject in which I have been interested for many years.

I first introduced the Sole Source Aquifer Protection Act, designed to protect underground sources for drinking water, in 1982. Many provisions of that aquifer protection bill are now incorporated in the Safe Drinking Water Act amendments, which, I am happy to report, was passed by the 99th Congress.

In addition to the Safe Drinking Water Act, a number of Federal laws affect ground water management, including the Clean Water Act, Superfund, and the Resource Conservation and Recovery Act [RCRA]. These laws overlay a complex of State statutes, which differ markedly in their treatments of ground water resources. The Ground Water Protection Act would define the role of Federal Government, in terms that will most help the States develop ground water strategies tailored to their individual needs. For example, many Eastern States have shallow aquifers with indistinct boundaries, while in the West, many States have deep and distinct aquifers. Some States rely heavily on ground water for drinking supplies, others less so.

On Long Island, 3 million New Yorkers rely on one aquifer for their drinking water, and this aquifer is now threatened by toxic chemicals. In Nassau County alone, 119 of 389 public wells have detectable levels of synthetic organic chemicals. These chemicals come from diverse sources—solvents from industries and residents' homes, pesticides from farms, nitrates from lawn fertilizers, and numerous chemicals which have leached from landfills. Officials of the State of New York and of Long Island have made significant progress in protecting this ground water resource. In 1978, the New York State Legislature stated that preventing the pollution of ground waters and protecting ground waters for use as potable water, would be the State's ground water quality goals, to guide the department of environmental conservation in establishing and updating water quality standards and classifications. Long Island has since been designated a sole source aquifer by the U.S. Envinronmental Protection Agency, and is developing a ground water management plan.

This bill would recognize that different States have different needs and find themselves at different stages in ground water planning and management. We have heard repeatedly from State officials, asking that EPA provide basic research into ground water contaminants, so States can determine how to classify their waters. Our bill would direct EPA to establish criteria for 100 contaminants and provide States with documents specifying the physical, chemical, biological and radiological properties of contaminants risk to human health at various concentrations in ground water. Our bill directs the EPA Administrator, whenever possible, to make use of research developed under other environmental statutes and cooperate with other agencies that hold toxicological data.

Armed with a common set of federally developed data, the States will set their own ambient ground water standards. In general, ambient ground water standards must be at least as stringent as those for drinking water in the Safe Drinking Water Act. But the States are free to designate "special ground water systems" with standards more or less stringent, depending on the use of the water and the threat to human health and the environment.

The bill also would require that States develop an assessment or inventory of ground water resources, in consultation with the U.S. Geological Survey. And finally, the Ground Water Protection Act would mandate that States develop management strategies to ensure Federal, State, and local coordination to protect ground water resources and guarantee compliance with State regulations.

This legislation would authorize $25 million a year for 3 fiscal years, on a 75-percent Federal, 25-percent State cost-sharing basis, for States to undertake ground water assessment. In addition, the bill would provide $50 million over 5 fiscal years, on a 50-percent matching basis, to assist States in setting States standards, developing State management strategies, and operating protection and monitoring programs.

I enthusiastically support this legislation, as a reasoned balance of Federal and State roles in ground water management. I urge my colleagues to support this bill.

As chairman of the Subcommittee on Water Resources, Transportation and Infrastructure, I will make national ground water legislation a priority for the 100th Congress. I am aware that there are different approaches to the task of protection of ground water. It is my hope that this bill will be a starting point for a bipartisan approach to ground water legislation. I, and my cosponsors welcome the advice and suggestions from other members of our committee, and from other Members of Congress.

I ask that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 20

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Ground Water Protection Act of 1987".

DECLARATION OF POLICY

SEC. 2. It is the policy of the United States to protect the quality of ground water resources for drinking and other uses.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) the term "Administrator" means the Administrator of the Environmental Agency;

(2) the term "contaminant" means any man-made or natural physical, chemical, biological, or radiological substance or matter in ground water; and

(3) the term "State" means the 50 States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, American Samoa, and the Trust Territory of the Pacific Islands.

GROUND WATER QUALITY CRITERIA

SEC. 4. (a) ESTABLISHMENT OF CRITERIA.—(1) The Administrator shall establish criteria for ground water quality with respect to those contaminants found in ground water. Such criteria shall reflect the latest scientific knowledge on—

(A) the physical, chemical, biological, and radiological properties of the contaminant;

(B) the association of the contaminant with various sources of ground water contamination; and

(C) existing and needed research relating to the contaminant.

(2) The criteria established under this subsection shall include an analysis of the risk posed by the contaminant to human health and the environment at various concentrations in ground water and with respect to various uses of the water. Such analysis for each contaminant shall include a comparison of the risks posed by such contaminant to risks posed by other ground water contaminants.

(b) FORMAT.—The Administrator shall establish and utilize a standard format for presentation of ground water criteria. The format shall be designed to facilitate State development of ground water quality standards under section 5. The format shall include a summary of the research and analysis of the contaminant which shall be understandable to public health professionals who lack training in toxicology.

(c) USE OF AVAILABLE DATA AND ADDITIONAL STUDIES.—(1) In establishing criteria under this section, the Administrator shall use, to the fullest extent practicable, any data or analysis developed, or planned to be developed, by the Agency for Toxic Substances and Disease Registry.

(2) In establishing the criteria under this section the Administrator shall consider criteria, data, and analyses developed pursuant to the Federal Water Pollution Control Act, title XIV of the Public Health Service Act (commonly referred to as the Safe Drinking Water Act), and the Toxic Substances Control Act.

(2) The Administrator shall establish criteria under this section for not less than 50 additional high priority contaminants within 30 months after the date of the enactment of this Act.

(3) The Administrator shall conduct studies to the extent necessary to establish crite-

ria under this section. Such studies may be conducted in conjunction with the Agency for Toxic Substances and Disease Registry. The Administrator may use the authorities of sections 4 and 8 of the Toxic Substances Control Act to gather data necessary to establish criteria under this section.

(d) Timetable for Establishing Criteria.—(1) The Administrator shall establish criteria under this section for not less than 50 high priority contaminants within 18 months after the date of the enactment of this Act.

(3) The Administrator shall establish criteria under this section for additional contaminants on an ongoing basis and at a rate which is consistent with the needs of the States in developing ground water quality standards under section 5.

(e) Advisory Panel.—(1) The Administrator shall, within 6 months after the date of the enactment of this Act, appoint a panel to advise him with respect to the implementation of this section, including (but not limited to) the contaminants for which criteria should be established, the rate at which the criteria should be established, and the quality and format of the criteria documents.

(2) The panel shall be chaired jointly by a senior official of the Environmental Protection Agency, to be selected by the Administrator, and a senior official of the Agency for Toxic Substances and Disease Registry, to be selected by the Secretary of Health and Human Services.

(3) The panel shall include not less than 5 representatives of State agencies involved with ground water protection, and representatives of other Federal agencies involved with ground water protection, as selected by the Administrator, with the concurrence of the Secretary of Health and Human Services.

(f) Research Activities.—The Administrator shall provide for such additional research activities as he deems necessary to support the effective development and implementation of ground water standards and protection programs. The Administrator shall provide for effective coordination of ground water-related research within the Environmental Protection Agency and among other Federal agencies.

STATE GROUND WATER PROTECTION STANDARDS

Sec. 5. (a) Ambient Ground Water Standards.—(1) Each State shall establish numerical standards for contaminants found in the ambient ground water. States may establish nondegradation standards for any contaminant or contaminants in the ambient ground water.

(2) Ambient ground water quality standards shall apply uniformly to all geographic areas in the State and all geological structures, unless the area or structure is designated by the State as a special ground water system under subsection (b).

(3) Ambient ground water quality standards shall, except as otherwise provided in subsection (b) for special ground water systems, be at least as stringent as the primary drinking water standard established under title XIV of the Public Health Service Act (commonly referred to as the Safe Drinking Water Act) for the particular contaminant (if such a standard has been established under such Act).

(b) Standards for Special Ground Water Systems.—(1) The State may identify discrete and defined ground water systems within the State and establish special ground water quality standards for such systems.

(2) Special ground water systems may be defined, to the extent possible, by a specific geographic area or geologic structure. The definition of such system shall be a part of the standard.

(3) Standards for special ground water system may vary according to the specific use of the special ground water system. Such standards shall be numerical and shall be based on an assessment of the risks to human health and the environment inherent in such uses.

(4) Special ground water system may include geographic area or geologic structures associated with uses which may require more stringent standards than those established under subsection (a) (such as recharge of a valuable ecosystem) and uses which may require less stringent standards than those established under subsection (a) (such as agriculture, waste disposal, industrial processes, and mining).

(c) Establishment of Standards.—(1) In establishing standards under subsections (a) and (b), the State shall utilize the criteria established by the Administrator under section 4, and any other data which the State determines to be appropriate.

(2) The State shall establish standards under subsections (a) and (b) for the high priority contaminants for which the Administrator has established criteria under paragraphs (1) and (2) of section 4(d), unless the State determines that such contaminant is not found in such State, and may establish standards for any other contaminants found in the State.

(d) Compliance.—(1) In establishing standards under subsections (a) and (b), the State shall establish specific procedures and methods for determining compliance with such standards.

(2) The Administrator shall publish guidance and information describing procedures and methods for determining compliance with such standards within 12 months after the date of the enactment of this Act.

(e) Timetable for Establishing Standards.—(1) The State shall propose standards for ambient ground water and for any special systems for those contaminants for which criteria have been established under section 4(d)(1) within 30 months after the date of the enactment of this Act.

(2) The State shall propose standards for ambient ground water and for any special systems for those contaminants for which criteria have been established under section 4(d)(2) within 42 months after the date of the enactment of this Act.

(3) Any ground water standards proposed by the State shall be made available for comment to the Administrator and the public for a period of 6 months. The State shall establish final standards within 12 months after the close of such 6-month comment period.

(4) The State shall review, revise, if necessary, and expand, if appropriate, the standards established under this section not less often than every 3 years. Any proposed revisions or additions to State standards shall be made available for comment to the Administrator and the public for a period of 6 months.

(f) State Standards To Apply Under Federal Programs.—Any standard established by the State under this section shall apply as the standard of cleanup or control under any Federal program relating to protection of ground water, including (but not limited to) the Solid Waste Disposal Act and the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

GROUND WATER RESOURCE ASSESSMENT

Sec. 6. (a) Requirements.—The State shall develop an assessment of ground water resources within such State. Such assessment shall—

(1) be sufficient to characterize ground water resources for management and protection purposes;

(2) provide a baseline for future monitoring of ground water;

(3) provide a basis for identification of special use ground water systems for purposes of section 5(b), and determination of contaminants present in such systems;

(4) focus on ground water quality, but may address ground water quantity if quantity will have a substantial impact on the design of programs to protect ground water quality; and

(5) be developed in consultation with the United States Geological Survey.

(b) Timetable for Assessment.—(1) The Administrator and the Director of the United States Geological Survey shall, after consultation with the States, jointly issue guidance to the States describing the appropriate content and format for assessments under subsection (a) within 12 months after the date of the enactment of this Act.

(2) The State shall complete the assessment under subsection (a) within 30 months after the date of the enactment of this Act.

(3) Upon completion of the assessment under subsection (a), the State shall certify to the Administrator that such assessment meets the requirements of this section, and shall provide copies of the assessment to the Administrator and the Director of the United States Geological Survey.

GROUND WATER MANAGEMENT STRATEGY

Sec. 7.(a) Requirements.—The State shall develop a management strategy with respect to ground water resources within such State. Such management strategy shall—

(1) identify a lead agency and provide an institutional framework for protection of ground water quality;

(2) identify major sources of ground water contamination and the contaminants associated with each such source;

(3) assure coordination among Federal, State, and local agencies involved in ground water protection; and

(4) assure coordination of ground water protection programs with surface water protection programs and with the activities of public water supply systems.

(b) Timetable for Management Strategy.—(1) The State shall complete the development of an initial ground water management strategy under subsection (a) within 24 months after the date of the enactment of this Act.

(2) Upon completion of such strategy development, the State shall certify to the Administrator that such strategy meets the requirements of this section, and shall provide a description of the strategy to the Administrator.

(3) The State shall annually review and, if necessary, revise the management strategy to reflect any relevant change in conditions, and shall provide a description of any revised strategy to the Administrator.

GROUND WATER MONITORING

Sec. 8. (a) Requirements.—The State shall establish a program of monitoring with respect to ground water resources within such State. Such monitoring program shall—

(1) be capable of assessing compliance with the standards established by the State

under section 5, including standards for special systems established under section 5(b);

(2) be designed to provide periodic assessments of ground water quality trends and to identify emerging or future ground water contaminants and contaminant sources;

(3) establish the institutional and agency responsibilities for monitoring; and

(4) establish the methods and procedures for monitoring.

(b) Timetable for Monitoring Program.—(1) The Administrator and the Director of the United States Geological Survey shall jointly prepare a report to Congress evaluating alternative designs for a national ground water quality data management system within 18 months after the date of the enactment of this Act.

(2) The Administrator and the Director of the United States Geological Survey shall jointly, and in consultation with the States, prepare a guidance document for use by States in developing ground water monitoring programs under subsection (a) within 24 months after the date of the enactment of this Act.

(3) The State shall establish a ground water monitoring program under subsection (a) within 36 months after the date of the enactment of this Act.

(4) Upon the establishment of such program, the State shall certify to the Administrator that such program meets the requirements of this section, and shall provide a description of such program to the Administrator and to the Director of the United States Geological Survey.

(c) Reports on Ground Water Quality.—(1) The State shall submit to the Administrator a report which provides a summary of ground water quality and trends in the State, and which describes the status of compliance with the standards established under section 5, including the standards for special systems established under section 5(b), within 30 months after the date of the enactment of this Act, and biennially thereafter. The State may use the ground water resource assessment submitted under section 6 in lieu of the first report otherwise required under this subsection.

(2) The Administrator may establish reasonable requirements regarding the content and format of reports required under paragraph (1) in order to assure compatability of data at the national level.

GROUND WATER PROTECTION PROGRAM

Sec. 9. (a) Requirements.—(1) The State shall establish a ground water protection program which is capable of assuring compliance with the State ground water standards established under section 5.

(2) The State ground water protection program shall include individual elements addressing each source of ground water contamination identified in the management strategy pursuant to section 7(a)(2).

(3) The State ground water protection program shall include program elements addressing the following sources of ground water contamination that are of national concern:

(A) solid waste disposal;
(B) hazardous waste disposal;
(C) underground storage tanks and pipes;
(D) subsurface sewage disposal;
(E) pesticide use; and
(F) underground injection.

States shall, to the extent practicable, review and assess the interactive effects of such sources.

(4) The State may waive the requirement to develop ground water protection program elements identified in paragraph (3) by an affirmative demonstration to the Administrator that the source of contamination is not significant in that State and that ground water quality standards may be attained without establishment of a program for the identified source of contamination.

(5) The State ground water protection program may include programs established under other Federal laws, including the Solid Waste Disposal Act, title XIV of the Public Health Service Act (commonly referred to as the Safe Drinking Water Act), the Federal Insecticide, Fungicide, and Rodenticide Act, and the Federal Water Pollution Control Act.

(6) The ground water protection program elements may utilize regulations, voluntary controls, education, and any other measures which the State deems necessary and appropriate to assure compliance with ground water standards pursuant to section 5.

(7) The Administrator shall, after consultation with the States, provide States with guidance concerning the design, structure, and format of State ground water protection programs within 12 months after the date of the enactment of this Act.

(b) Timetable for Establishing Protection Program.—(1) The State shall propose a ground water protection program addressing sources of contamination identified in section 7(a)(2) within 36 months after the date of the enactment of this Act.

(2) The State shall propose a ground water protection program addressing sources of contamination identified in section 9(a)(3) within 48 months after the date of the enactment of this Act.

(3) Proposed ground water protection plans shall be made available for comment to the Administrator and the public for a period of 6 months. The State shall establish a final ground water protection program within 6 months after the close of the 6-month comment period.

(4) The State shall annually review and, if necessary, revise the final ground water protection program to reflect any relevant change in conditions, and shall provide a description of any such revision to the Administrator.

(c) EPA Assessment of State Program.—The Administrator may conduct an assessment of a State program (or any program element thereof) developed under this section if the Administrator has reason to believe that the State program (or element) does not comply with the requirements of this section. Such assessment may include public hearings. The Administrator shall report the results of any such assessment, together with recommendations for needed actions, to the State within 6 months after initiating such assessment.

GRANTS TO STATES

Sec. 10. (a) Grants for Ground Water Resource Assessments.—(1) The Director of the United States Geological Survey shall make grants to States for the purpose of assisting the States in carrying out ground water resource assessments under section 6.

(2) There are authorized to be appropriated for grants under this subsection $25,000,000 for each of the first 3 fiscal years beginning after the date of the enactment of this Act.

(3) The amount appropriated for each such fiscal year for grants under this subsection shall be apportioned among the States by the Director on the basis of the geographic area of the State, the percentage of the population of the State relying on ground water for drinking water, and the need for development of ground water resource data in the State.

(4) Grants made under this subsection shall not exceed 75 percent of the costs of implementing the assessment in any fiscal year, and shall be made on the condition that non-Federal sources provide at least 25 percent of the costs of the activities receiving funding under this section.

(b) Grants for Planning and Program Management.—(1) The Administrator shall make grants to States for the purpose of assisting the States in the implementation of sections 5, 7, 8, and 9 of this Act.

(2) There are authorized to be appropriated for grants under this subsection $50,000,000 for each of the first 5 fiscal years beginning after the date of the enactment of this Act.

(3) The amount appropriated for each such fiscal year for grants under this subsection shall be apportioned among the States by the Administrator on the basis of the geographic area of the State, the percentage of the population relying on ground water for drinking water, and the extent and seriousness of ground water contamination in such State. The Administrator shall establish a minimum grant amount in order to assure that each State has sufficient grant assistance to develop an adequate ground water program.

(4) Grants made under this subsection must be matched by the State on a dollar-for-dollar basis with State funds to be used in carrying out sections 5, 7, 8, and 9.

(c) Limitations on Grants.—(1) States may use funds from grants made pursuant to this section for financial assistance to persons only to the extent that such assistance is related to the costs of demonstration projects.

(2) No grant shall be made to a State under this section unless the Administrator determines, on the basis of information provided by the State and from other relevant sources, that the State is implementing the provisions of this Act satisfactorily.

(3) The Administrator may request such information, data, and reports as he may deem necessary to make the determination of continuing eligibility for grants under this section.

GENERAL AUTHORIZATION

Sec. 11. (a) Grants.—There are authorized to be appropriated for grants under section 10—

(1) $75,000,000 for each of the first 3 fiscal years beginning after the date of the enactment of this Act; and

(2) $50,000,000 for each of the following 2 fiscal years.

(b) Administrative Costs.—There are authorized to be appropriated for administrative costs of implementing this Act $25,000,000 for each of the first 5 fiscal years beginning after the date of the enactment of this Act.●

JAMES L. BELZ

● **Mr. DIXON.** Mr. President, today I rise to pay tribute to and congratulate Mr. James L. Belz, the athletic director of Griffin High School in Springfield, IL, as he leaves to become a full-time scout of the St. Louis Cardinals.

On January 15, Jim Belz will be honored at a special dinner in Springfield for a tremendous 29 years of dedication and service, not only to Griffin

High School, but the entire community of Springfield, IL.

Jim was more than just an educator and successful coach. He was a man who gave of his energy, time, hopes, and dreams to the youth of our capitol city.

As a former major league baseball player, Jim learned firsthand the need for hard work and total commitment if one is to be successful in life. As a teacher and athletic director, he instilled this sense of pride and dedication to the many boys that passed through Griffin's halls.

Even though Jim is leaving Griffin High School, he will never be forgotten by the students, parents, and many friends he has made throughout the State of Illinois.●

IN MEMORY OF ROBERT OSGOOD

● Mr. SARBANES. Mr. President, it is with great sorrow that I note the passing on December 28 of Robert E. Osgood, professor and former dean of the Johns Hopkins University School of Advanced International Studies here in Washington. Dr. Osgood was not only a highly respected political scientist; he was, as the New York Times commented so thoughtfully, a "humanist, professor, policy maker, original thinker, gentle man [who] left everyone he touched better off." His death will be a great loss to all of us.

I would like to extend my deepest sympathies to Dr. Osgood's family and loved ones, and ask that the following articles be reprinted in the RECORD.

The articles follow:

[From the New York Times, Dec. 31, 1986]

Passion for Restraint

Robert Osgood, who died Monday at 65, was a teacher to teachers and a guide to foreign-policy makers. Humanist, professor, policy maker, original thinker, gentle man, he left everyone he touched better off.

A theme he developed over the years was a passion for restraint, a suspicion of unguided power. In 1957, in a book entitled "Limited War," he defended President Truman's measured approach to the Korean War: "It is sheer bellicosity to regard the pursuit of total destruction in the name of universal principles as being on a higher moral plane than the deliberate restraint and control of force for moderate political ends."

Then, in 1962, he defended American participation in NATO with a call for the alliance both to develop a military posture to "defend free peoples without obliterating them" and to cultivate "a broader entanglement for the purpose of a protracted peace."

Two warnings stand out from his book "Ideals and Self-Interest in America's Foreign Relations." "Self-deception and self-righteousness," he wrote, "reign supreme in matters of international morality, and Americans are by no means immune." And "Thus under the stress of 'cold war' America's moral fervor could become little more than a thin rationalization of a self-defeating preoccupation with American security."

His professional colleagues and his cohorts from government service will miss his wise counsel on the limits of man and war.

[From the Baltimore Sun, Dec. 31, 1986]

Robert E. Osgood Dies, Was Dean at Hopkins

Services for Robert E. Osgood, professor and former dean of the John Hopkins University School of Advanced International Studies, will be held at 11 a.m. Saturday at the Bethlehem Chapel of the Washington Episcopal Cathedral. Wisconsin and Massachusetts avenues, Washington.

Dr. Osgood, who was 65 and lived in Chevy Chase, died Sunday at Sibley Memorial Hospital following a heart attack.

Born in St. Louis, Dr. Osgood received his bachelor's degree in political science from Harvard University in 1943. He served in the U.S. Army during World War II and, after receiving his discharge in 1946, returned to Harvard for further study and earned a Ph.D. in political science in 1952.

He went to the University of Chicago in 1952 and conducted research on foreign policy issues and national security. In 1956, he began his teaching career, not only conducting classes at the University of Chicago, but also teaching at the Navy War College in 1955, the Salzburg Seminar in Austria during the winters of 1957 and 1961, and the Universtiy of Manchester in England in the spring of 1959.

In 1961, Dr. Osgood came to Johns Hopkins University as a research associate at the Center for Foreign Policy Research. Three years later, in 1964, he was appointed associate director. He became the director in 1965 and held the post for eight years, except for a brief leave of absence when he worked in the Nixon White House as a senior staff member of the National Security Council.

In 1973, Dr. Osgood was named dean of the School of Advanced International Studies and served in this capacity until 1979, when the returned to research and teaching American policy.

At the time of his death, Dr. Osgood was the co-director, of the school's Security Studies Program, which dealt mainly with U.S national security. Dr. Osgood was a member of the Council on Foreign Relations, the International Institute for Strategic Studies and the Atlantic Council of the United States. He was also the author of 12 books on U.S. foreign policy and national security.

He is survived by his wife of 40 years, the former Gretchen Anderson of Chevy Chase, and a sister, Eleanor Chessman of Granville, Ohio.

The family asks that memorial contributions be made to the Robert E. Osgood Fund, Johns Hopkins University, School of Advanced International Studies, 1740 Massachusetts Ave. N.W., Washington, D.C. 20036.

[From the Washington Post, Dec. 30, 1986]

Robert Osgood, Expert on Foreign Policy, Dies

Robert E. Osgood, 65, a professor and former dean at the Johns Hopkins University's School of Advanced International Studies who served on the National Security Council staff from 1969 to 1970, died Dec. 28 at Sibley Memorial Hospital after a heart attack. He lived in Chevy Chase.

SAIS is a Johns Hopkins University graduate school in Washington where foreign policy questions and related issues are suited. Dr. Osgood had been Christian A. Herter Professor of American Foreign Policy at SAIS since joining the school in 1961 and was the school's dean from 1973 to 1979.

From 1965 to 1973, he was director of the Washington Center of Foreign Policy Research. He also was codirector of the university's security studies program.

An authority on the interrelation of arms and foreign policy, Dr. Osgood spent a year on the staff of the National Security Council under Henry A. Kissinger during the Nixon administration. He was director of the NSC Planning Group when he resigned in 1970.

Dr. Osgood was a member of the International Institute for Strategic Studies, the Council on Foreign Relations and the Atlantic Council of the United States. He had been a consultant and lecturer at the Naval War College in Newport, R.I., and he had been a NATO visiting professor at the University of Manchester in England. He was the author or coauthor of more than a dozen books.

Dr. Osgood was born in St. Louis. He served in the Army during World War II. He earned bachelor's and doctoral degrees at Harvard University. Before coming to Washington, he was a professor of political science at the University of Chicago, where he taught from 1956 to 1961.

Survivors include wife, Gretchen Anderson Osgood of Chevy Chase, and one sister, Eleanor Chessman of Granville, Ohio.●

PUBLIC FUNDING OF ABORTION IS NOT ECONOMICALLY SOUND POLICY

● Mr. HUMPHREY. Mr. President, in a few short months Congress will have the opportunity to again retain the 11-year Hyde amendment restriction on the use of Federal Medicaid funds for abortion. I am confident that my colleagues will support the passage of the Hyde amendment and ensure that Federal moneys will not be used to destroy innocent prenatal human life.

A number of arguments are raised in opposition to the policy of denying Medicaid reimbursements for abortion costs. One such argument is that eliminating funding for abortion will cause our welfare rolls to swell, ultimately costing the American taxpayer more in public assistance than the abortion itself would cost.

I will avoid commenting on the crass and uncaring nature of this argument, and its reduction of an intensely debated moral issue to a simple issue of cost. But I ask to insert a convincing article by Jacqueline R. Kasun which appeared in the December 30, 1986, issue of the Wall Street Journal, and which concludes that in fact public funding of abortion is not economically sound policy.

The article follows:

Cutoff of Abortion Funds Doesn't Deliver Welfare Babies

(By Jacqueline R. Kasun)

The abortion-funding debate is once more in the news, with referendums designed to end state funding of abortions defeated in

Massachusetts, Oregon and Arkansas. But as debaters well know, plausibility and truth are not synonymous.

Proponents of public funding may have aided themselves in carrying the day with the argument that abortion prevents the birth of children who would become dependent on public assistance, and they offer estimates of the alleged savings thus achieved. Unfortunately, public funding's champions do not present the whole picture. With funding cut off, abortions decrease, but births decrease as well:

OUTCOME OF 3-MO. PREGNANCIES, FEBRUARY TO JULY

	1977	1978
OHIO		
Number induced abortions	3,958	2,591
Number live births (August to January)	6,156	5,932
Estimated number of miscarriages	543	523
Total pregnancies	10,657	9,046
GEORGIA		
Number induced abortions	1,474	1,164
Number live births (August to January)	6,854	6,829
Estimated number of miscarriages	604	602
Total pregnancies	8,932	8,595

The figures above are gleaned from a careful study, published in the May, June 1980 issue of the Guttmacher Institute's Family Planning Perspectives, of what happened in three states after the passage of the Hyde Amendment, which eliminated most federal funding of abortion. One of the states, Michigan, continued to pay with state funds for poor women's abortions. The other two, Ohio and Georgia, did not. Birth and abortion records of Medicaid-eligible women for all three states were studied and compared for a six-month period of 1977 (before Hyde) and a comparable period of 1978 (after Hyde).

Indeed, there was a reduction in abortions in Ohio and Georgia, apparently resulting from the cutoff of public funds. So what is to account for the decrease in births? Conceptions decreased. The decrease amounted to 4% in Georgia and a hefty 15% in Ohio. Remember that these figures come from a careful counting of birth and abortion records kept for Medicaid-eligible women in both states.

The evidence would seem to be conclusive, but it is ignored or selectively cited. As a case in point, this year Oregon's secretary of state insisted that the anti-funding ballot also contain the message that the measure would cost the state $2.4 million a year, because each abortion not paid for by the state would be replaced by the live birth of a welfare-dependent child.

Prior to making this estimate, the secretary of state had received a memorandum from Planned Parenthood estimating that only 20% of the abortions not funded by the state would end up as live births and that the other 80% would be paid for by the women themselves. That number, too, was erroneous, but not as wide of the mark as the secretary of state's.

The Planned Parenthood estimate, while based on the study cited above, used only part of the study's data. As would be expected, there was little change between the six-month periods in 1977 and 1978 in the number of abortions performed on poor women in Michigan, where state support replaced federal funding. In Georgia and Ohio, where government funding ceased, the number of abortions performed on Medicaid-eligible women declined by 21% and 35%, respectively. On the basis of these figures, together with the number of live births, the authors of the study estimated that, if the same proportion of pregnancies had been aborted in 1978 as in 1977, there would have been about 20% more abortions in both states. The next small step might seem to be obvious—that is, to conclude that the unfunded 20% of abortions must have resulted in live births. Following this reasoning, a Guttmacher Institute study of the "Public Benefits and Costs of Government Funding for Abortion," published in the May/June 1986 issue of Family Planning Perspectives, did use this apparently reasonable assumption as the basis of its cost estimates, concluding that "for every tax dollar spent to pay for abortions for poor women, about four dollars is saved in public medical and welfare expenditures."

Planned Parenthood and its former affiliate, the Guttmacher Institute (both strong advocates of public funding), are correct: Federal abortions occur when public funding for abortions is cut off. But what the statements by these agencies omit is the most interesting and significant effect: Though abortions decline, births do not increase, and therefore public assistance cannot increase, because people take steps to reduce conceptions.

This fact, though contrary to certain stereotypes of human response enshrined by the social-welfare establishment, is in perfect harmony with elementary principles of economic behavior. Faced with a price for a formerly "free good," such as an abortion, consumers turn to a less costly substitute—in this case, apparently to the prevention of pregnancy. This substitution effect, familiar to economists, has shown up in other studies of abortion. In Denmark, after abortion became more liberally available, sales of contraceptives declined sharply as rates of abortion and pregnancy rose, while the birth rate rose briefly and then resumed its long-run decline.

In her studies of American women. Kristin Luker found that the knowledge that "I can always get an abortion" played an important role in the decision to risk getting pregnant. In Minnesota a law requiring parents to be notified of minors' abortions (another way of imposing a higher "price" for the service) was followed by dramatic reductions in pregnancies, abortions and births among teenagers.

The evidence blows apart the economic arguments for public funding of abortion. Government-funded abortion provides no "cost savings" to the public. Rather, the evidence shows that people respond to its availability at public expense by using it in place of other means of birth control and that they adapt to its non-availability at public expense by using other means of limiting births.●

SOLIDARITY WITH UKRAINIAN POLITICAL PRISONERS

● Mr. LAUTENBERG. Mr. President, today Ukrainian communities in America will join together to show support for political prisoners in the Ukraine. Ukrainian Americans have set aside this day to honor these brave men and women forced to endure the hardships of Soviet prisons, labor camps, and internal exile for their commitment to human rights and personal freedoms. I join these communities in expressing solidarity with these courageous individuals.

It is fitting that January 12 has been observed as a day of solidarity with Ukrainian political prisoners. On this day in 1974, an imprisoned Ukrainian journalist, Vyacheslav Chernovil, embarked on a hunger strike to commemorate the 1972 mass arrests of more than 100 Ukrainian intellectuals. Since then, January 12 has evolved into a symbol of Ukrainians' pursuit of freedom. It has served as a reminder of Ukrainians' struggle for human, political, and religious freedoms, and of the courage and tenacity of those involved in the struggle.

Many Ukrainians have been locked in Soviet prisons for their participation in the Ukrainian Helsinki Monitoring Group. This group of private citizens, formed in 1976 when the Soviet Union signed the Helsinki Final Act, has continually sought to monitor Soviet compliance with that document. Members of the group have submitted documentation of human rights abuses to the Belgrade and Madrid Helsinki Review Conferences, and they have written letters, appeals, and statements to the Soviet Government, other governments, international organizations, and human rights groups protesting Soviet violations of the Helsinki accords. They have tirelessly sought to hold the Soviet Union responsible for the rights it guaranteed all Soviet citizens when they signed the Helsinki accords—fundamental rights like freedom of thought, conscience, religion, or belief, and the right to live with family and loved ones.

But the work of the Ukrainian Helsinki Monitoring Group has embarrassed the Soviets. And for this, the Soviets have sought to silence them and quell their pursuit of political, religious, and cultural freedoms. By locking them up in prison cells, the Soviets hope to break their spirit and kill their passion for and commitment to human rights.

For this unrelenting dedication, Ukrainian human rights activists languish in prison under deteriorating conditions. Four members have died in prison camp as a result of deliberate maltreatment since May 1984. And other members of the group continue to serve sentences under wretched conditions in prisons, labor camps, and internal exile—courageous individuals like Mykola Horabl, Vitallly Kalynychenko, Ivan Kandyba, Yaroslav Lesiv, Lev Lukianenko, Myroslav Marynovych, Mykola Matusevych, Mart Niklus, Vasyl Ovienko, Viktoras Petkus, Oksana Popovych, Mykola Rudenko, Yuri Shukhevych, Danylo Shmuk, Vasyl Striltsiv, and Yosyf Zisels.

But other Ukrainian citizens have suffered as well and have been singled out for severe treatment by Soviet authorities. Although Ukrainians account for only 20 percent of the Soviet population, they represent 40 percent of all political prisoners: of 837 known political prisoners in the Soviet Union, 254 are Ukrainians. More than half of these individuals are serving sentences of 15 years or more. Another 55 will not be released until 1999. And, more than 10 have already served some 25 to 40 years in prison to date.

The efforts of these individuals are part of an ongoing Ukrainian struggle for independence and self-determination. Ukrainians sought freedom from the Soviets in the 1920's, and they fought Nazi and Soviet domination during World War II. Still, some 40 million Ukrainians continue fighting for the fundamental human rights guaranteed in the Helsinki Final Act and other international agreements.

Today we join in solidarity with Ukrainian political prisoners, renewing our commitment to their valiant struggle for individual freedom and human dignity. We must continue to oppose Soviet violations of basic human rights today and every day. And we must work to ensure that the plight of Ukrainian political prisoners is known in every international community. We must tell the world what the Soviet Union will not allow these political prisoners to say. The Soviets have silenced Ukrainian political prisoners, but they cannot silence us. Our voice must be theirs, and their struggle must continue to be ours.●

JESSE M. ALBER—WINNER OF NFO'S ANNUAL ESSAY CONTEST

● Mr. ZORINSKY. Mr. President, the future of American agriculture ultimately is in the hands of the young. And if Jesse Alber of Blue Hill, NE, is any indication, we need not worry about the next generation of farmers at all.

A 17-year-old senior at Blue Hill Public Schools, Jesse is the winner of the annual National Farmers Organization Partners in Agriculture essay contest. He is an articulate and thoughtful young man who has maintained a 3.5 grade average while holding several farm-related jobs and participating in numerous extracurricular activities. He is looking forward to attending the University of Nebraska next fall and majoring in an agriculture-related subject.

As winner of the NFO essay contest, Jesse received a $1,000 college scholarship at the group's 31st annual convention last month in Nashville. His essay looks at today's farm crisis and the hope for improvement offered by bargaining collectively for better prices.

"All farmers are caught in a flood today as they battle to survive the high waters of the agricultural crisis," he writes. He concludes that collective bargaining offers great promise but that it can only succeed with the active participation of individual farmers. "They must unite their efforts," he says "to preserve the backbone of America—The Family Farm."

Mr. President, that is what the National Farmers Organization is all about. For more than three decades, NFO has worked hard to unite farmers and bargain effectively on their behalf. The group deserves our thanks for its efforts, for holding its annual essay contest and for selecting Jesse Alber as its contest winner this year.

I commend Jesse's essay to my colleagues and ask that it be printed in the RECORD at this point.

The essay follows:

NECESSITY THE MOTHER OF INVENTION: WHY COLLECTIVE BARGAINING FOR AGRICULTURE?

(By Jesse M. Alber)

Once long ago, in a valley not so far away, there lived a farmer named Charles. One day the area was being evacuated because of a flood. The townspeople came in a bus, but the farmer declined to leave his home saying, "I'm a good Christian, the Lord will save me." The water continued to rise to the farmer's upstairs window and a boat came by to rescue the farmer. Again he declined, saying, "I'm a good Christian, the Lord will save me." As water was climbing up to the farmer's toes, as he was standing on the chimney, a helicopter came over and a voice on a loud speaker yelled, "Charlie, grab the rope!!" but again Charles declined. The farmer drowned and when he went to heaven he asked God why he had not saved him. The Lord simply replied: "I help those who help themselves. I sent you a bus, a boat and a helicopter and you would not get on. You refused the help I sent."

The moral of that story is that poor Charles wouldn't do anything to save himself. He could have helped himself by grabbing ahold and going forward to the solution. His solution was right there.

All farmers are caught in a flood today as they battle to survive the high waters of the agricultural crisis. But many are like our friend Charles, too stubborn to reach out and grab the solution that is within their grasp. Instead we see them as they grapple and say, "I'm a good farmer, the markets will spare me." These farmers, like Charles, also go under and end up asking, "Why wasn't I saved?" And we must give them the same simple answer. "You must help yourself."

Eight or ten thousand years ago man invented agriculture and by so doing he entered upon a more secure living. That first man, back somewhere behind the mist of prehistory, who consciously planted seed and nurtured the sprouts to harvest made the highest contribution to the future of his kind. Since that time man has continually improved nearly every aspect of agriculture. What he has neglected is marketing. For centuries the farmers most common phrase in the marketplace has been "What will you give me?" As necessity forced farmers to improve their mechanization, hybridization, conservation, livestock feeding and other aspects of agriculture it now forces them to improve their system of marketing.

In the past the marketing system of supply and demand worked because there was as much or more demand for the product as there was supply, so prices became favorable. But as farmers became more efficient in production they would sell only what they had to in order to pay their bills, while holding the rest, waiting for the price to rise. Their efficiency even produced a carryover for a short time in the early 70's. The buyers, needing the commodities which the farmers were holding for a better price came up with a way to manipulate the markets to control the prices of the farmers production. They lowered the price so that the farmer had to sell more to pay his bills; they labeled the farmers products "surplus." Currently there is no surplus, but buyers find it more profitable to label commodities as surplus and thereby keep prices low.

So again we come to the agricultural crisis and the necessity for an effective marketing invention. Besides being efficient managers, today's farmers need to become businessmen and promote a marketing system that gives a farmer a fair profit. Today's marketing system is no longer dependable. The buyers have joined together to control their side of the market and manipulate commodity prices. The only way to fight this is with collective bargaining.

Forward thinking farmers in 1922 recognized the necessity to collectively work together to provide them with muscle at the marketplace. The solution was invented in the Capper-Volstead Act. The rope thrown out to them was collective bargaining. Collective bargaining is an effective way for farmers to extract a fair price from buyers and processors of raw farm materials. Collective bargaining is based on the Capper-Volstead Act of 1922. The Act simply gives farmers the privilege of organizing for the purpose of pricing their products at the farm gate and the right to collectively withhold their products from the market if they are holding for a price and are willing to sell when that price is offered.

Agriculture is the biggest single industry in the world, yet in the aspect of collective bargaining the American farmer is the most unorganized group of businessmen ever to exist. The farmers' individual options to market his products have completely run out. They must organize to stop this needless downside in farm income. Organization of farm groups and individuals in the marketplace is the only long-range solution to this crisis in rural America.

The ag crisis continues to threaten the existence of family farms. Human nature, being what it is, man devotes himself most diligently to the developing of that which is his. Therefore, a farmer works harder on his own farm to make the family farm the most efficient of all farm commodity producers.

Harison Fairfax, a colonial Virginian farmer, compares the family farm with a corporate farm in these words translated from a Roman orator. "When you inspect the farm, look to see how many wine presses and storage vats there are. Where there are none of these, you can guess what the harvest is. On the other hand, it is not the number of farm implements but what is done with them that counts. Where you find few tools, it is not an expensive farm to operate but know that with a farmer, as with a man, however productive it may be, if it has the spending habit, not much will be left over." Corporate farms have the spending habit.

Who will own the land? Only the farmers who are on the land now can answer that. They will either protect private ownership by direct action, both economical and political, or they will forfeit private ownership to corporate ownership by continuing to declare their independence and doing nothing.

During the times of America colonization many individuals immigrated from foreign countries in the hopes that they could get out from under a government or corporate controlled land ownership and have a chance to run their own farm on their own land. Thus the family farm became an American symbol and now must be defended in an American way. Each farmer is a capitalist working to improve himself and his conditions. With collective bargaining the farm economy becomes a democracy with individuals working to help the whole group receive a fair price in the marketplace.

Does such a group exist? The rope that was offered to Charles came from the helicopter. Where does collective bargaining come from? If Charles were to grab our rope of collective bargaining, he would find himself in the helicopter of the National Farmers Organization. The NFO was established in the late 50's under the ideas of collective bargaining and the Capper-Volstead Act. The NFO attempted to organize farmers and get them into a position to hold their products on the farm until the marketing system or food pipeline ran dry in a few days. Then the buyers would come to the farms to purchase commodities. At that point the farmers would refer the buyers to the headquarters of the NFO where bargaining agents would negotiate for all members. Before the sale would be final the contract would be subject to a vote of all affected members. Effective . . . Efficient . . . and Fair!!!

Today's NFO is more than collective bargaining at the marketplace. The NFO also works to join farmers emotionally and politically while dealing as a source of supply for agricultural commodities. They also work to contract commodities, offer assurance of payment to their membership, and influence prices by influencing the supply of commodities. In short, the NFO helps the farmers play the agricultural game which previously has been manipulated by buyers and speculators.

Collective bargaining is the solution but without an active membership it can accomplish nothing. So the plight of the farmer rests in his own hands.

Necessity: The Mother of Invention—Why Collective Bargaining for Agriculture? We have seen the necessity to improve our marketing, we have seen the solution to our problem, but we have not seen enough farmers accept the solution.

The final step remains the farmers. They must unite their efforts to preserve the backbone of America—The Family Farm. What will they do? What will You do? Are you like Charles? Will you go under?●

THE TRADE DEFICIT

● Mr. SIMON. Mr. President, the other day I read a column by Don C. Becker, the president and publisher of the Journal of Commerce on the trade deficit.

No one I know wants to move toward a protectionist war. No one I know wants to deprive the genuinely poor nations of the world, like Bangladesh and Mauritania, of an opportunity to sell their products or giving those countries a special break.

But we do believe that we need more common sense in the whole trade area. That's what Don Becker calls for in his column. Precisely how we handle the problems, I'm not sure. But I believe the problem must be addressed, and I believe under the leadership of Senator LLOYD BENTSEN, our colleague from Texas, that a sound proposal can emerge.

I urge my colleagues to read the Don Becker column, which I submit for the RECORD.

The material follows:

HOW TO SOLVE THE TRADE DEFICIT

(By Don C. Becker)

How do we solve the trade deficit?

The best, fairest suggestion I've heard of is for the United States to limit imports to a percentage of exports.

To illustrate, the formula could stipulate that if country "A" sells the United States $100 million worth of goods, they would have to buy $80 million in return. In the abstract, that seems reasonable and simple. In actual practice it no doubt would be exasperatingly complex to implement and a wrenching blow to certain of our trading partners.

For example, Japan this year is expected to sell $83 billion worth of goods to the United States while only buying $26 billion in return. Obviously, Japan, if it wanted to continue to export $83 billion in goods under the 80/100 proposal, would have to buy $66.4 billion in return, a gain in sales for the United States of $40 billion! And Japan would still have $17 billion trade advantage.

Clearly, to attain the 80/100 ratio, Japan would also have to reduce its exports to the United States.

The United States has tried jawboning and negotiating with the Japanese to open their markets throughout this decade and the bottom line indicates the Japanese have really done nothing. Never mind all the press releases to the contrary. The record is quite clear.

In 1980, Japan bought $20.8 billion in exports from the United States. Now, six years later, they are only buying at a $26 billion annual rate. If corrected for inflation, the 1986 number is smaller than 1980 and nearly $3 billion of the projected figure is gold. So much for opening Japanese markets!

Meanwhile, Japan's exports to the United States have exploded from $32 billion in 1980 to a projected $83 billion in 1986. It is not hard to understand why Lee Iacocca says this country has a "doormat trade policy."

Japan has been a good ally and we in return are by far their best customers. In fact, in terms of trade, Japan will only have a $20 billion trade surplus in 1986 with the rest of the world on a combined basis. Put another way, nearly 75% of Japan's estimated $80 billion trade surplus this year will be accounted for by the United States.

Frankly, I don't think that is fair and I don't think many Americans do either. Japan has got to realize it must take the responsibility for reducing its huge trade disparity with the United States. If it fails to do so, it could find itself getting clobbered by the Democratic-controlled Congress, which is expected to make the trade deficit a major issue next year. As a matter of fact, it may already be too late.

Obviously, Japan's economy would be thrown into a tailspin if we unilaterally established an 80/100 trade ratio. Perhaps the fairest way would be to phase the ratios in over five years. In that event, you can be sure of one thing, Japanese companies would be flocking here to set up manufacturing.

In fact, that process has already started. Current estimates are that Japanese companies will be manufacturing a million cars annually in the United States by the early 1990's. In any case, the result would be an improving trade picture for this country.

Gov. Bruce Babbitt of Arizona, a Democratic presidential hopeful, is sharply critical of the Reagan administration's trade policy.

"We can no longer do nothing and wait for things to even out in the end because they will not even out and there is no end," he said.

I agree with Gov. Babbitt that something has to be done. To allow current trends to continue is just plain silly. We need to act now.

A fair trade bill that leads to balanced trade around the world is going to be good for everyone in the long run. The key is shifting the responsibility to precisely those countries that are running up the largest surpluses.

Obviously, there is no one way to skin a cat and better schemes may exist. I'll be writing more on this complex issue of trade but in the meantime we welcome your thoughts.●

ORTEGA MESSAGE TO ARAFAT

● Mr. McCAIN. Mr. President, for some time now we have been preoccupied with the question of the arms sale to Iran and the probable diversion of funds to the Contras. All kinds of questions have been raised about whether laws like the Boland amendment have been violated, which Swiss bank account the money passed through, why the Sultan of Brunei would be interested in sending money to the Contras, and so forth.

However, in all the confusion over this matter I think we are losing sight of what ought to be the real question: Who are the Sandinistas in Nicaragua and what are we going to do about them?

I have here an item that I think ought to bring us back to reality. It is the text of a cable from Commandante Daniel Ortega to PLO Chief Yasir Arafat, congratulating him on the 25th anniversary of the PLO's terrorist campaign against Israel. In the message, proudly broadcast over Nicaraguan radio on January 5, Ortega sends the terrorist Arafat his "sincere and fraternal embrace" and expresses the Sandinists' "solidarity and firm support" for the PLO. I ask that text of this message be printed in the RECORD.

The material follows:

ORTEGA SENDS SOLIDARITY LETTER TO PLO'S ARAFAT

[Letter sent by President Daniel Ortega to Yasir Arafat, chairman of the PLO Executive Committee; date and place not given]

DEAR COMMANDER ARAFAT: On the occasion of the celebration of the 25th anniversary of the creation of the Palestinian armed forces for the struggle of national liberation, and on behalf of the FSLN, the people and the Government of Nicaragua, and myself, I send you our sincere and fraternal embrace.

Similarly, I am pleased to have a new opportunity to express our solidarity and firm support for the noble struggle of the Palestinian people, who fight for their legitimate and inalienable rights over the territories occupied by Israel.

On this occasion, we reiterate our most vigorous condemnation and rejection of the genocidal attacks carried out against Palestinian refugee camps in Lebanon as part of the policy of force and intimidation practiced by the Zionist regime of Israel and its regional allies.

On this memorable occasion, I take the opportunity to thank the Palestinian people's solidarity and to express our firm conviction that our peoples will defeat the unfair, illegal, and immoral aggression imposed on us because of our invincible determination to be free.

The people of Sandino send their fraternal greetings to the PLO, the legitimate representative of the Palestinian people.

Fraternally,

DANIEL ORTEGA SAAVEDRA.●

LIVING THE DREAM: LET FREEDOM RING

● Mr. RIEGLE. Mr. President, 1987 marks the second year that we as a nation will acknowledge the contributions and achievements of Rev. Martin Luther King, Jr., by celebrating a national holiday in his honor on January 19. The theme for this year's holiday is "Living the Dream: Let Freedom Ring."

As a leader, Dr. King made vital contributions in the fight for freedom and equality. Everything Dr. King did in his life, from the Montgomery bus boycott to the final march in Memphis was designed to challenge and change existing laws, customs, and power. The means he chose—passive resistence and passionate oratory—transformed and elevated this struggle for civil rights to the forefront it deserved on the national agenda. It became a process of personal reconciliation, permanently changing the lives and attitudes of both blacks and whites in this country.

Although Dr. King did not live to see his dream come true, we as a nation must continue to keep his dream and commitment to equal opportunity alive. We have made historic strides since Rosa Parks refused to go to the back of the bus. But traces of bigotry still remain in the United States. So each year on Martin Luthur King Day, let us not only recall Dr. King, but rededicate ourselves to the commandments he believed in and sought to live every day. If all of us, young and old, Republicans and Democrats, do all we can to live up to those commandments, then we will see the day when Dr. King's dream comes true, and in his words,

All of God's children will be able to sing with new meaning, land where my fathers died, land of the pilgrim's pride, from every mountainside, let freedom ring.●

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, the Senate will shortly stand in recess until the hour of 5 p.m. today. There will be no rollcall votes today. As I indicated earlier, it had been my intention and hope that the Senate would proceed to the consideration of the clean water bill, which is on the Senate Calendar. As a result of discussion between the distinguished minority leader and myself, that action will be put over until tomorrow.

I had anticipated that the minority leader would be back by 5 p.m. today. I am told that that will not be the case. I also understand that the distinguished Republican leader will be in touch with me during the afternoon.

Mr. President, I shall have more to announce with respect to the schedule of tomorrow when the Senate resumes session at 5 p.m. today.

RECESS UNTIL 5 P.M.

The PRESIDING OFFICER. Under the previous order, the morning hour having been concluded, the Senate stands in recess until the hour of 5 p.m.

Thereupon, at 1:29 p.m., the Senate recessed until 5 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SANFORD].

RECESS FOR 10 MINUTES

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for another 10 minutes.

There being no objection, the Senate recessed until 5:10 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SANFORD].

Mr. STAFFORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

NEW CLEAN AIR ACT OF 1987

Mr. STAFFORD. Mr. President, I introduce today, on behalf of myself and Mr. KENNEDY, Mr. CHAFEE, Mr. CRANSTON, Mr. BAUCUS, Mr. KASTEN, Mr. WEICKER, Mr. MOYNIHAN, and Mr. LEAHY, the New Clean Air Act of 1987.

Mr. President, the time has come for the Congress to pass, and the President to sign, a new law to curb air pollution, especially acid rain.

For 6 years, polluting industries have managed to fight the Congress to a standstill despite an overwhelming body of evidence that lakes and streams are dying, and quite possibly our forests and crops as well. I will stop short of adding humans to that list, but there is ample new evidence that air pollution at present levels is doing damage that was never suspected until only a year or two ago. It is beyond dispute that levels of air pollution are so high in many areas of the United States that millions of Americans are breathing unhealthful air.

Despite this overwhelming body of evidence that air pollution must be reduced even further, the Congress has been fought to a standstill for the past 6 years. Powerful industries have spent millions, not in controlling air pollution, but in arguing that it is too expensive to do so.

Mr. President, I think this is the Congress when that will end. I believe we will enact a bill during the 100th Congress. The only question is whether it is one which will actually reduce pollution or one which merely holds the hope of reductions. The bill which I am introducing, modeled on S. 2203 of the last Congress, would guarantee pollution reductions. These reductions would be achieved within a range of years—probably 10 to 12—but more importantly, they will be retained well into the next century.

Rather than attempt to describe the details of the bill, I ask unanimous consent to include at the end of my statement a summary, together with a comparison of this proposal with S. 2203 of the last Congress. I also ask unanimous consent that the bill be printed in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 1.)

Mr. STAFFORD. Mr. President, I would like to make only one further comment about the approach in this bill: that is attempts to reduce the air pollutants which science tells us should be curbed to the limits which technology—today's technology, not tomorrow's—demonstrate can be achieved.

Many special interest groups criticized the bill's predecessor, saying for example, that the controls it would have required for oxides of nitrogen, were too stringent and expensive. Yet they are the same controls that the Germans are installing on their powerplants today and that the Japanese required over a decade earlier. Thus the oxides of nitrogen provision is the same in this bill as in S. 2203.

Critics also said the tailpipe standards in S. 2203 for autos were too strict, even though they were based on levels actually being achieved by a few cars tested by the Environmental Protection Agency for its certification program. In response to the criticism, the bill I am introducing relaxes tailpipe emission requirements from the levels in S. 2203 to levels where substantially more vehicles are already meeting the new standards.

It is true, Mr. President, that this bill will put American industry to the test. But the bill does not require an "A" for passing, or even a "B." At most, it demands a "C+". And, Mr. President, if we have reached the point in time where that is too tough, perhaps it goes a long way toward explaining many of this country's other problems.

Mr. President, I yield the floor.

EXHIBIT NO. 1

STAFFORD BILL—MAJOR PROVISIONS

Covers 50 States.

Covers pollutants emitted by motor vehicles as well as powerplants.

Powerplants: Effective in 1991, the bill imposes differing emission limits depending on the future use of the powerplant.

Plants which are to operate for only a few more years (e.g. 10,000 operating hours, which is roughly equivalent to three years of peak loading) may continue to emit existing levels of air pollution;

Plants which are to be operated for several more years (e.g. 30,000 operating hours, which is roughly equivalent to ten years of peak loading) may emit moderate amounts of air pollution—1.5 pounds of sulfur per million Btu;

Plants which are to be operated more than 30,000 hours, but not indefinitely, must limit their pollution to moderate levels—0.9 pounds of sulfur per million Btu; and,

Plants which are to be operated indefinitely (e.g. past 30 years of age) must comply with the same emission requirements as newly-constructed facilities (the New Source Performance Standard, which is a sliding scale, depending on the type of coal being burned).

Also, plants must comply with the same emission limits for oxides of nitrogen that are now being imposed in West Germany, Japan and other members of OECD.

Motor Vehicles: Imposes new Federal emissions standards based on what vehicles are already meeting or are likely to be required to meet (e.g. by California, the only State allowed to set its own car and truck standards). For cars, the standards would be 0.4 grams per miles for oxides of nitrogen and .25 grams per mile for hydrocarbons.

Control systems on cars are required to last for 10 years or 100,000 miles (the current law requires that they last 5 years/50,000 miles).

New cars must be equipped with on-board canisters to capture gasoline vapor.

In areas where the smog standard is being violated, gasoline stations must install systems to recover gasoline vapors.

Gasoline volatility must be reduced (it has risen sharply in the last two years) by refiners in order to curb evaporation from cars and trucks.

Miscellaneous: Requires the negotiation of a U.S.-Canada-Mexico agreement for the control of air pollution in North America.

Requires the establishment of a network to monitor acid rain in the West.

Requires recommendations for the enactment of a system of tariffs to protect U.S. firms from foreign competitors not subject to pollution controls.

COMPARISON OF STAFFORD BILLS

Item	S. 2203	This bill
Stationary sources		
No limit period	3,000 hrs	10,000 hrs.
1st limit and rate	10,000 hrs, 1.5 lbs/MBtu	30,000 hrs, 1.5 lbs/MBtu.
2d limit	0.7 lbs/MBtu (annual average).	0.9 lbs MBtu (monthly average).
Lifetime	35 years	30 years.
NO_x controls	Based on OECD availability	Same.
Mobile sources		
Autos:		
HC	0.16 g/m	0.25 g/m (0.41 = current law).
CO	1.3	3.4 (3.4).
NO_x	0.25	0.4(1.0).
Particulate	0.18	0.08(0.2).
Heavy trucks (gas):		
HC	0.48 g/bhphr	existing std.
CO	2.5	Do.
NO_x	5.1	4.0 (5.0).
Heavy trucks (dsl):		
HC	0.54	existing std.
CO	1.7	Do.
NO_x	5.1	4.0 in 1991; 1.7 in 1992 (5.0).
Particulate	0.25 in 1991	0.1 in 1992 (0.1 in 1994).
buses only.	0.1 in 1991	0.1 in 1991 (same).
Light trucks:		
HC	0.19 g/m	0.5 g/m (0.8).
CO	3.0	5.0 (10.0).
NO_x	0.5	0.5 (1.7).
Particulate	0.18	0.08 (0.26).
Sulfur limit for diesel fuel.	0.05 percent	0.05 percent.
Warranty period	10 yrs/10,000 miles	10 yrs/10,000 miles.
Gasoline volatility limit.	No provision	9 lbs/sq inch.
On board vapor recovery.	do	Required in 1989.
Gas station vapor recovery.	do	Required in nonattainment areas after 1988.
Miscellaneous		
North American air pollution treaty.	Required	Required.
Acid rain monitoring in the West.	do	Do.
Environmental tariff.	do	Do.

S. 300

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "New Clean Air Act".

STATIONARY SOURCE CONTROLS

SEC. 2. (a) Section 111(a)(2) of the Clean Air Act is amended by adding the following new sentence: "The term 'new source' also includes any stationary source of emissions of sulfur or oxides of nitrogen within a category to which regulations under this section apply, on which such source construction has been completed for thirty years or more, beginning on January 1, 1991.".

(b) Part A of title I on the Clean Air Act is amended by adding the following new section:

"ACID DEPOSITION CONTROLS

"SEC. 129. (a) After December 31, 1990, each fossil-fuel-burning electric generating facility which is a major stationary source of emissions of sulphur dioxide shall operate for a total of not more than 10,000 hours, notwithstanding the remaining useful life of such source, except as follows:

"(1) in the case of any such source attaining an emission rate not exceeding 1.50 pounds of sulphur dioxide per million British thermal units of heat input (averaged on a monthly basis), such source may operate for a total of not more than 30,000 hours;

"(2) in the case of any such source attaining an emission rate not exceeding 0.90 pounds of sulphur dioxide per million British thermal units of heat input (averaged on a monthly basis), such source shall have no limit on hours of operation or other restrictions on operation in hours of peak demand under this subsection.

"(b) For purposes of determining compliance with subsection (a) and other provisions of this title, emission rates of fossil-fuel-burning electric generating facilities shall be based on measured concentrations of pollutants in post-combustion stack gases.

"(c) Not later than January 1, 1995, each major stationary source of emissions of oxides of nitrogen shall attain the degree of emission reduction attained by technology demonstrated to be available for application to existing sources, in any member country of the Organization for Economic Cooperation and Development. Not later than January 1, 1989, and no less often than every five years thereafter, the Administrator shall publish guidance documents identifying what degree of emission reduction has been demonstrated for various categories of sources.".

(d) Section 111 of the Clean Air Act is amended by adding the following new subsection:

"(k) Not later than January 1, 1989, the Administrator shall promulgate standards of performance for oil shale production and processing facilities, synthetic fuel production facilities, and other categories of major energy-production sources. Such standards of performance shall at a minimum control emissions of hydrocarbons, sulfur dioxide and oxides of nitrogen, and, notwithstanding subsection (a)(2), shall apply to any such facility on which construction or modification is commenced after January 1, 1986.".

(e) Section 111(a)(4) of the Clean Air Act is amended by inserting immediately after the phrase "method of operation" the following: "(including, but not limited to, a change in the method of combustion or primary fuel)".

MOBILE SOURCE-RELATED CONTROLS

SEC. 3. (a)(1) Part D of title I of the Clean Air Act is amended by adding at the end thereof the following new section:

"SEC. 179. In every air quality control region that fails to attain the national primary ambient air quality standard for ozone by January 1, 1988, the Administrator shall require the use, within two years of such date, of systems for gasoline vapor recovery of hydrocarbon emissions emanating from the fueling of motor vehicles.".

(2) Section 324 of the Clean Air Act is amended by striking "50,000" each place it appears and inserting in lieu thereof "10,000"; by striking, in subsection (a), all after "gallons." through the end of the subsection; and by striking "324" in subsection (c) and inserting in lieu thereof "323".

(b) Section 202(a)(6) of the Clean Air Act is amended to read as follows:

"(6) Not later than 6 months after the enactment of this paragraph, the Administrator shall promulgate regulations requiring the use of onboard hydrocarbon control technology by vehicles manufactured for any model year after model year 1988.".

(c) Section 202(b)(1)(A) of the Clean Air Act is amended by adding the following at the end thereof: "The regulations under subsection (a) applicable to emissions of hydrocarbons from light-duty vehicles and engines manufactured during and after model year 1992 shall contain standards which provide that such emissions may not exceed 0.25 gram per vehicle mile.".

(d) Section 202(b)(1)(B) of the Clean Air Act is amended by adding at the end thereof the following new sentences: "The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during and after model year 1990 shall contain standards which provide that such emissions may not exceed 0.4 gram per vehicle mile.".

(e) Section 202(b)(1) of the Clean Air Act is amended by adding the following new subparagraph:

"(D) The Adminisrtator shall promulgate regulations under subsection (a) applicable to emissions of particulates from light-duty vehicles and engines manufactured during and after model year 1991, and such regulations shall contain standards which provide that such emissions may not exceed 0.08 gram per vehicle mile.".

(f) Section 202(a)(3) of the Clean Air Act is amended by inserting after subparagraph (E) the following new subparagraphs and redesignating succeeding subparagraphs accordingly:

"(F) Regulations under paragraph (1) applicable to emissions of oxides of nitrogen from heavy duty vehicles and engines shall contain standards that provide that such emissions shall not exceed 4.0 grams per brake horsepower-hour for vehicles manufactured during and after model year 1991 and, for diesel vehicles and engines, that such emissions shall not exceed 1.7 grams per brake horsepower-hour for vehicles manufactured during and after model year 1995. Regulations applicable to emissions of particulates from heavy-duty diesel vehicles and engines shall require that such emissions may not exceed 0.1 gram per brake horsepower-hour, beginning in model year 1991 with respect to buses, and in model year 1992 with respect to other heavy-duty diesel vehicles and engines.

"(G) Regulations under paragraph (1) applicable to emissions from light-duty trucks and engines manufactured during and after model year 1990 shall contain standards which provide that such emissions may not exceed 0.5 gram per vehicle mile of oxides of nitrogen, 0.5 gram per vehicle mile of hydrocarbons, 0.08 gram per vehicle mile of particulates, and 5.0 grams per vehicle mile of carbon monoxide. For the purposes of this subparagraph, the terms 'light-duty truck' and 'light-duty truck and engine' mean any motor vehicle (including the engine thereof) with a gross vehicle weight (as determined under regulations promulgated by the Administrator) of 8,500 pound or less and a curb weight of 6,000 pounds or less (as determined under regulations promulgated by the Administrator) and which—

"(i) is designed primarily for purposes of transportation of property or is a derivation of such a vehicle,

"(ii) is designed primarily for transportation of persons and has a capacity of more than 12 persons, or

"(iii) has special features enabling off-street or offhighway operation and use.".

(f) Section 202(d)(1) of the Clean Air Act is amended by substituting for "five years or of fifty thousand" the following: "ten years or of one hundred thousand".

(g) Section 211 of the Clean Air Act is amended by adding the following new subsections:

"(h) The Administator shall promulgate regulations under this subsection requiring that the sulfur content of any motor vehicle diesel fuel shall not exceed 0.05 percent (by weight). After January 1, 1980, no manufacturer or importer of motor vehicle diesel fuel may sell, offer for sale, or introduce into commerce any fuel which does not comply with such regulations. In the case of a State standard which is more stringent than the standard under this subsection, section 211(c)(4)(A) shall not apply to regulations regarding the sulfur content of any motor vehicle diesel fuel.

"(i) The Administrator shall promulgate regulations under this subsection requiring that the Reid vapor pressure of gasoline shall not exceed 9.0 pounds per square inch. After January 1, 1989, no manufacturer or importer of gasoline may sell, offer for sale, or introduce into commerce any fuel which does not comply with such regulations.".

(h)(1) Section 211(d) of the Clean Air Act is amended to read as follows:

"(d)(1) Any person who violates subsection (a) or (f) or the regulations prescribed under subsection (c), (h) or (i) or who fails to furnish any information required by the Administrator under subsection (b) shall be subject to a civil penalty of not more than $10,000 for each and every day of such violation. Such civil penalty shall be assessed by the Administrator by an order made on the record after opportunity for a hearing. In connection with any proceeding under this section the presiding officer may issue subpoenas for the attendance and testimony of witnesses and the production of papers, books, and documents.

"(2) In determining the amount of a civil penalty, the Administrator shall take into account the gravity of the violation, the size of the violator's business, the violator's history of compliance, action taken to remedy the violation, and the effect of the penalty on the violator's ability to continue in business.

"(3) If a person fails to pay a civil penalty assessed under this subsection—

"(A) after the order making the assessment has become a final order and if such person does not file a petition for judicial review of the order in accordance with section 307, or

"(B) after a court in any action brought for judicial review has entered a final judgment in favor of the Administrator or the action has otherwise been terminated if such person has filed a petition for review under section 307, the Attorney General shall recover the amount assessed (plus interest from the date of the expiration of sixty days from the date of the order, or from the date of such final judgment, as the case may be) in an action brought in any appropriate district court for the United States. In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.".

(2) Section 211(c) is amended by adding a new paragraph as follows:

"(5) Regulations under this subsection shall prohibit any person from introducing, or causing or allowing the introduction, of a regulated fuel or fuel additive into a motor vehicle not designed for such fuel or fuel additive.".

(i) After January 1, 1989, a vehicle emission control inspection and maintenance program required by section 172(b)(11)(B) of the Clean Air Act or, in areas where there is no such program operating, an inspection program required by applicable vehicle safety laws of a State, shall require emissions testing or direct inspection of components of vehicle emissions control systems (including inspection for evidence of misfueling) and where such components have been rendered inoperative, the replacement or repair of such components for systems or components related to the control of emissions of oxides of nitrogen.

MISCELLANEOUS PROVISIONS

SEC. 4. (a) Section 114 of the Clean Air Act is amended by adding the following new subsection:

"(e) Not later than July 1, 1988, the Administrator shall implement (1) a system for monitoring dry deposition of acidic pollutants, including, in particular, monitoring in the Rocky Mountain region and other Western States, and (2) a system for monitoring lake chemistry and biological and chemical factors of watersheds, soils, and forests in portions of the Rocky Mountain region and other Western States likely to be sensitive to acid deposition.".

(b) (1) Section 126 of the Clean Air Act is amended by adding the following new subsection:

"(d) For the purpose of this section, it shall be deemed to be a violation of the prohibition of section 110(a)(2)(E)(i) if emissions of any air pollutant causes or contributes to a violation of a water quality standard established by a State under section 303 of the Clean Water Act.".

(2) Section 115 of the Clean Air Act is amended by adding the following new subsection:

"(e) For the purpose of this section, emissions of an air pollutant shall be deemed to cause or contribute to air pollution which may reasonably be anticipated to endanger public health or welfare in a foreign country if such emission causes or contributes to a violation of a water quality standard or requirement established by such foreign country.".

(c)(1) Not later than January 1, 1988, the President shall institute negotiations with Canada and Mexico for the purpose of concluding a tripartite agreement—

(A) to minimize projected and existing levels of air pollution;

(B) to create an institutional framework to control sources of transboundary air polution;

(C) to establish a North American air quality monitoring network;

(D) to encourage increased research and dissemination of information on air pollution control strategies; and

(E) to develop uniform minimum levels of protection for public health and the environment.

(2) The President shall undertake to enter into international agreements to apply uniform standards of performance for the control of the emissions of air pollutants. For this purpose the President shall negotiate multilateral treaties, conventions, resolutions, or other agreements, and formulate, present, or support proposals at the United Nations and other appropriate international forums.

(d) Not later than January 1, 1989, the Secretary of the Treasury, after consultation with the Administrator of the Environmental Protection Agency, shall submit to the Committee on Environment and Public Works and the Committee on Finance of the United States Senate and the Committee on Energy and Commerce, the Committee on Public Works and Transportation, and the Committee on Ways and Means of the United States House of Representatives, a study, together with appropriate legislative proposals, on a system of tariffs on emissions adequate to encourage reductions in emissions of precursors of acid deposition and other forms of environmental pollution.

Mr. DURENBERGER. Mr. President, I am pleased to join with Senator STAFFORD and other Members of the Senate to introduce S. 300, the New Clean Air Act of 1987. Later in the week I will be cosponsoring an acid rain control measure to be introduced by Senator MITCHELL. And early next week, I will be introducing a bill of my own to control the emission and deposition of the air pollutants which cause acid rain.

There will be many similarities in these three bills. There will also be important differences. And these bills will share features with, but also be different from, acid rain control bills which I have supported in previous years. I am confident that we will be enacting an acid rain control program in this Congress—we will have just one bill by October 1988—but at this point in the long national debate there are still several issues yet to resolve.

Mr. President, rather than focus on the specific elements of each bill with these brief comments today, I will instead mention a few principles which I believe should be satisfied by any program that we may eventually enact. Some of these principles are satisfied by the Stafford bill. Some not. The bill to be introduced by Senator MITCHELL also meets many, but not all, of these objectives. I will endeavor to incorporate all these principles in the bill that I will introduce next week, but other Members, will no doubt, see these same objectives best reached in other ways.

My nine principles for acid rain legislation are as follows, Mr. President:

First, the acid rain control program should be national in scope rather than limited to a particular region or portion of the Nation.

Second, the legislation should provide flexibility in meeting the objectives so that the States and the operators of the sources of pollution causing acid rain can achieve the necessary reductions in loadings at the least possible cost.

Third, the cost of controls should be borne by those who own and operate, or benefit from the energy generated, by the sources of pollution causing the acid rain problem.

Fourth, those who have already taken significant steps to reduce emissions of acid rain precursors should get credit for their efforts and should not be forced to pay for pollution control requirements assigned to others who have made few or no reductions to date.

Fifth, the bill should include significant reductions in nitrogen oxides as well as sulfur dioxide.

Sixth, compliance with reduction requirements should be enforceable and in place by specific deadlines leaving the least possible opportunity for litigation and delay by those who do not wish to comply with a national program.

Seventh, the reduction should be at least 10 million tons for sulfur dioxide with a cap on future growth that brings the level of sulfur emissions permanently below the 1980 base year by at least that amount. In the alternative, the initial goal for reductions should be 12 million tons of sulfur dioxide reductions.

Eighth, the distinction between new sources and existing sources, as currently contained in the Clean Air Act and with respect to stationary sources of sulfur dioxide from steam generating units, should be phased out as each existing source reaches the end of its useful life.

And ninth, the program should be implemented in phases to take advantage of low-cost control steps that can secure significant reductions in the near-term while at the same time providing for a period of further research on clean coal technologies which offer the promise of reducing the cost for a much larger rollback of emissions in the future.

As I indicated a moment ago, Mr. President, the bill we are introducing today does not meet all of these objectives. In particular, the bill does not allow any trading or bubbling of targeted emissions reductions to assure that we achieve the goal for the least possible cost. Indeed, it was the cost of the approach reflected in this bill which was most frequently heard as a criticism in the hearings held on this bill last year. The sponsors of the bill were sensitive to those views and many of the provisions have been modified to reduce the cost of compliance.

The principal advantage in this bill is the certainty that the required steps will be taken to reduce emissions. The program outlined here is enforceable in a way that many other bills are not. The source-by-source emissions limitations applying to each facility can be monitored and those facilities not in compliance can be identified and dealt with as the Clean Air Act provides. One of the major problems with bills we have considered and reported in previous years, is the uncertain nature of the intergovernmental and regulatory process that would translate national goals into enforceable requirements for specific plants.

Another advantage in this legislation is that it compensates for the distinction between existing sources and new sources as contained in the current Clean Air Act. It is said by many that the Clean Air Act is working. That it is reducing the emissions of acid rain precursors in the United States. Indeed, sulfur dioxide emissions were reduced significantly between 1970 when the clean air law was first adopted and the most recent inventory of sulfur dioxide emissions. And those reductions came even during a period when coal use was expanded significantly.

But the Clean Air Act might have accomplished much more, if existing sources, particularly electric powerplants, had been retired on a schedule more closely reflecting the useful life expected for these plants when they were first constructed. Instead, many aged powerplants have been kept online to avoid the new source pollution control provisions that would be required for their replacements. The Stafford bill fixes this problem by converting existing facilities to "new sources" for purposes of the Clean Air Act 30 years after construction was completed. This should be an especially attractive provision for those who argue that we can solve the acid rain problem by letting the Clean Air Act work.

Mr. President, I would like to express reservations with respect to two minor provisions of this bill. First, the bill sets a fuel volatility standard for gasoline fuels of 9 psi. This standard, if implemented without variance or exception, would virtually eliminate ethanol-mixed fuels like gasohol from the marketplace. Volatility is related to hydrocarbon emissions. Hydrocarbons are of concern as precursors of ozone. And ozone is a problem in many urban areas of the United States which will not be in compliance with the ambient standard as required by the end of this year. There is also a regional ozone problem which may be affecting the productivity of croplands and forests which we will need to look at during the course of hearings this year, but I am not prepared to say at this time that a fuel volatility standard at this level and without exception is a necessary and significant part of an ozone control strategy.

The second minor reservation I have with respect to this bill is also an ozone issue. The bill requires both onboard canisters and vapor recovery systems at the pump to reduce hydrocarbon emissions during refueling. My understanding is that these control systems—and even when operating at full efficiency—can only make a minor contribution to reducing hydrocarbon emissions and only at great expense. It may be that we will be forced to mandate several dozens of small steps to further reduce ozone pollution, but until we see what other elements of an ozone strategy may be available, I am not ready to mandate vapor recovery systems at the pump, even if only in nonattainment areas.

Mr. President, I am looking forward to an ambitious effort to reauthorize and renew the Clean Air Act during this Congress. The Stafford and Mitchell bills give us a good foundation for a national acid rain control program. And it is our plan to look beyond acid rain to other Clean Air Act issues including nonattainment, ozone depletion and hazardous air pollutants for other amendments which are needed to strengthen the law. As we have so many times in the past, we must again commend the Senator from Vermont, Mr. STAFFORD, for his leadership in these areas and thank him for bringing us together on important, new efforts to protect the environmental resources of this Nation.

Thank you, Mr. President.

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

THE IRAN-CONTRA AFFAIR

Mr. ARMSTRONG. Mr. President, today's newspapers are filled with trivia, and in fact often I find as I read today's newspapers that I see things in there which I wonder why they bother to print. But every now and again one encounters in the daily press an article which is just so sensible, which is so evidently on target, which sums up so well the essence of something that needs to be said that it makes you sort of stand up across the breakfast table and want to cheer.

I sort of felt that way about an item which appeared in yesterday's New York Times by one David Bar-Ilan. I do not know exactly who he is. But, Mr. President, he is described in the article as a person who writes frequently about the Middle East, and is executive director of the Jonathan Institute, a private foundation for the study of terrorism.

In any case, in his article yesterday in the Times he talks about the media uproar over the investigations and the public soul-searching occasioned by the Iran-Contra affair. He draws the conclusion which I share that the response is entirely disproportionate to what has actually occurred or even what is alleged to have occurred.

Mr. President, in a moment I will ask unanimous consent to insert the entire article in the RECORD, but I want to quote briefly from it and to associate myself at least in part with the conclusion which he so skillfully and forcefully draws.

The author, Mr. Bar-Ilan, makes the point that if the President "* * * wishes to act in secret, as he sometimes has to, particularly in the sievelike atmosphere of Washington, he must ultimately trust his feeling that he is doing the right thing and take his chances with the electorate when the inevitable revelation of his deeds occurs. There are, after all, only three major avenues for conducting foreign policy—diplomacy, covert action and war. With fiercely hostile regimes, diplomacy is often useless; and hobbling Presidential discretion in covert operations would so limit his options that he might feel reduced to choosing between war and surrender."

Then, in considering all that has happened in this Contra investigation and in the revelations about the sale of arms to the Iranians and whether or not moneys were or were not diverted to the Contras, I just want to make a couple of observations before I continue to quote from this thoughtful article.

The first is it appears to me that the President received not some very good advice but indeed some terrible advice and that he followed it. I personally think that the concept of selling arms to the Iranians for any reason is foolhardy. It is really a great mistake. But it is a reasonable judgment for the President to make even though it is one I happen to disagree with.

So far as the Contra question, I support the Contras. I think the freedom fighters as they are more properly called deserve the support of thoughtful Americans including the Congress of the United States, and indeed the Congress has reached that decision. Long after President Reagan advocated support for those patriots in Nicaragua it was the decision of the Congress of the United States after much debate, after indeed a full and exhaustive debate, to send aid to the Contras.

So for my part, I think aid to the Contras is good although there is some doubt about the means by which this aid may have been channeled. If laws have been broken, I am sure no Senator would condone such a thing, least of all would I, nor I am sure would the President of the United States which brings me to the last point I want to quote from this interesting article in the New York Times.

Mr. David Bar-Ilan says:

> This is not to say that Presidential transgressions, or even mere mistakes, should go unpunished. But the punishment must fit the offense. The leaders of America's major allies, President François Mitterrand and Prime Minister Jacques Chirac of France, Prime Minister Margaret Thatcher of Britain and Chancellor Helmut Kohl of West Germany have all been directly implicated in scandals far more serious, ethically, morally and legally, than anything the President may have had knowledge of. And they all suffered substantial, though not irreparable, political damage. But none had to endure a protracted, relentless media onslaught, a torturous parliamentary investigation, an endless diversion of legislative and executive energies and a virtual paralysis of government functions.

Mr. President, that is my great fear, not so much whether or not Mr. Reagan is being fairly or unfairly handled by his critics. My great fear is that if we become so preoccupied, so focused, indeed so obsessed, with the who knew what and when, that we will not get down to the main business, which is to legislate for the future of our country, not to conduct these endless investigations.

So, Mr. President, I commend this article to the attention of my colleagues and I send it to the desk and ask unanimous consent that the entire text of this article from the New York Times be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Jan. 11, 1987]

THE IRAN-CONTRA UPROAR: A TRAVESTY

(By David Bar-Ilan)

The media uproar, the investigations and the public soul-searching occasioned by the Iran-contra affair are being touted as an indication of how well the American system works. I submit that they are a painful demonstration of how it sometimes does not work. Even if, at worst, an illegal act has been committed—still an open question—the disproportion between the alleged infraction and the response is a travesty of the American trust in checks and balances.

Like many, I take exception to much of what the Administration had done. In dealing with Iran, it betrayed an inexcusable naivete and woeful inexperience, falling for one of the oldest Middle Eastern ruses—the "moderate" vs. "radical" good-cop bad-cop charade. It was unseemly and downright dangerous for the Administration to compromise its principles and credibility by dealing with a terrorist state after piously advocating the opposite. And it was incomprehensive that this Administration—so aware of the nature of police states and the pitfalls of appeasement—should agree to any deal with sponsors of a group that was holding American hostages while they were still in captivity.

These are serious mistakes, and the fact that the very critics who once excoriated the President's refusal to deal with terrorists are now condemning his softness and inconsistency does not diminish the severity of the error. Nor should the glaring political motives of those who savage the contra connection in order to defeat a pro-contra policy discourage legitimate questions about propriety and legality. But if Americans deny the President the right to make mistakes, if they seek not a penalty but his destruction whenever his actions are unwise or even improper, they shall undermine the office of the Presidency itself and the very foundations of their Government.

The President must have primacy in conducting foreign policy—and he must have a wide berth in pursuing it. Some of the greatest Presidents interpreted the limits of their prerogatives much more liberally than President Reagan is said to have done. Abraham Lincoln suspended habeas corpus during the Civil War. Franklin D. Roosevelt circumvented the Neutrality Act by sending 50 destroyers to Britain, and John F. Kennedy supported (albeit inadequately) an invasion, sponsored by the Central Intelligence Agency, of a country not at war with us. History exonerated such Presidential initiatives as necessary in an emergency. In the case of the aid to the contras, Congress did not wait for history to pass judgment; it endorsed the President's policy within a year.

Unlike criminal law, laws passed by Congress to delinate policy abound in gray areas. Determining where stretching ends and transgression begins is well-nigh impossible. Many, for example, believed the Boland Amendment, which prohibited aid to any group trying to overthrow the Nicaraguan Government, was unconstitutional, but there is no way for the President to get an "advisory" on such matters from the Supreme Court unless a case involving the policy comes before the Court.

What's more, if he wishes to act in secret, as he sometimes has to, particularly in the sieve-like atmosphere of Washington, he must ultimately trust his feeling that he is doing the right thing and take his chances with the electorate when the inevitable revelation of his deeds occurs. There are, after all, only three major avenues for conducting foreign policy—diplomacy, covert action and war. With fiercely hostile regimes, diplomacy is often useless; and hobbling Presidential discretion in covert operations would so limit his options that he might feel reduced to choosing between war and surrender.

This is not to say that Presidential transgressions, or even mere mistakes, should go unpunished. But the punishment must fit the offense. The leaders of America's major allies, President François Mitterrand and Prime Minister Jacques Chirac of France, Prime Minister Margaret Thatcher of Britain and Chancellor Helmut Kohl of West Germany have all been directly implicated in scandals far more serious, ethically, morally and legally, than anything the President may have had knowledge of. And they all suffered substantial, though not irreparable, political damage. But none had to endure a protracted, relentless media onslaught, a torturous parliamentary investigation, an endless diversion of legislative and executive energies and a virtual paralysis of government functions.

It is difficult to understand the American national penchant for self-flagellation. Perhaps it is a residue of the crisis of credibility caused by the traumas of Vietnam and Watergate. Perhaps it reflects a tendency to so idealize popular Presidents that we feel betrayed on discovering their human frailties. But the underlying problem is the innocence with which Americans view the world.

If the world were a tidy, peaceful place, where adversaries could settle disputes with calm cordiality, with a handshake and a smile, Americans would have the right to expect that all the Queensbury rules be meticulously observed. But in fact the world is infested with totalitarian regimes, vicious police states and medieval tyrannies, whose fondest wish is to see America crumble. As far as they are concerned, there is a permanent state of war, a dirty, undeclared but unrelenting war, often including terrorist attacks, between them and the free world. If Americans greet every misguided and improper Presidential response to this war with an orgy of self-recrimination, they shall not buttress their system but help their worst enemies achieve their goals.

THE PRESIDENT'S FISCAL YEAR 1988 BUDGET PROPOSAL

Mr. ARMSTRONG. Now, Mr. President, this is the traditional time of year at which the President of the United States sends his budget message to the Congress and the Congress immediately dismisses it. We are told in some years that the budget is dead upon arrival. In some years we have been told it was dead before transmittal. On many occasions we are told that it is irrelevant to the whole process and there ensues generally about this time each year a round of President bashing, budget bashing, and general trashing of the executive initiative in trying to set up some kind of a budget for the future of the United States.

I am indeed quite tempted to join in this because indeed having taken a little time to look into the President's budget, I find much in there with which I am concerned, in fact some things with which I thoroughly disagree. But I recall, Mr. President, as the session ended last year, that the Congress, the Senate, managed to meet the Gramm-Rudman budgetary targets not head on but in a way which really is a travesty.

We decided that the only way we could get to the $144 billion deficit target which we had set for ourselves was through the subterfuge of selling off assets. We sold off some of the loans in our portfolio and did some other things, not unworthy in themselves. In fact, there are a lot of Federal assets that I would sell and some that I would truly give away, if the facts were known.

To say that that is fiscal sense or the correct way to meet the Gramm-Rudman-Hollings budget reduction target seems to me to be illogical. But that is what we did. That is how we got a budget resolution and implementing legislation to get us to the target of $144 billion.

Senators may recall when this was under consideration I engaged the Senator from New Mexico, chairman of the Budget Committee, Mr. DOMENICI, in a colloquy in which I asked if it was compliance or lipservice. He readily admitted with his characteristic candor that we really were not going to reach the target, that we were in technical compliance but soon there would be reestimates which would show we were completely out of kilter and far from having a budget deficit of only $144 billion in the fiscal year and we would be lucky if it were not $170 billion or $180 billion.

Indeed, Mr. President, the latest revised estimates are that we will have a deficit in the current fiscal year of $173.2 billion.

That is the background or setting in which the President has sent up his budget.

Once again, I confide I do not approve of everything in the President's budget. Far from it. I note that his proposal meets the Gramm-Rudman-Hollings deficit reduction target, but does so by means which, while expedient, are not within the spirit of what we are trying to do here, to match Federal spending with the revenues which are coming in. Again, it is a case of selling off a bunch of assets and one thing and another, some of which may be desirable but which, in my opinion, do not constitute sound budgeting.

Moreover, there are a number of places where I wish the President had set different priorities. There are a lot of reasons why I could jump on the bandwagon and criticize President Reagan's budget. Indeed, I may do so. Before we reach that point, however, it seems to me incumbent upon Senators to decide what they will do.

Mr. President, I will make this prediction: I will predict that with regard to many of the Senators who are clearly excoriating the budget, who are announcing his budget dead upon arrival—I will be surprised if there is one of them who has a budget which will be as good in setting priorities, which will come as close to the mark in trying to terminate or scale down some of the extravagant and wasteful programs which have grown like Topsy than does the budget of Mr. Reagan.

For example, I will point out that Mr. Reagan's budget, for whatever other failings it may have, does provide $164 billion in deficit reduction over 3 years and over $334 billion in a 5-year period.

It reduces budget outlays by $18.7 billion in 1988 and $92 billion over a 3-year period. It does so without proposing reductions in Social Security and, in fact, in the face of a projected increase in Social Security outlays of $15 billion.

In addition, Mr. Reagan's budget proposes a 3-percent real growth for defense over 1987, an increase of $19 billion in budget authority to $312 billion, and $15 billion in outlays to $298 billion.

Some people will think this is too much of an increase. I do not share that viewpoint. I think it is about right. Indeed, I think it is modest by the standards of the threat and the needs which the Defense Department faces. And it meets these targets not in a way that is entirely satisfactory to me but in a way that avoids a major tax increase on American workers, proposing some revenue increases but mostly through spending restraint and then through some of these what might be termed golden gimmicks, the privatization of some functions and the sale of assets.

Just to keep this matter in perspective, Mr. President, I would like to submit for the RECORD a brief summary of the President's budget because I agree with the distinguished journalist David Broder who over the weekend wrote an article urging caution on the part of those who are so eager to criticize the President's budget.

In fact, he said those who are criticizing may not have read it. It contains a lot of things that are worth thinking about.

That is exactly the way I feel.

So while the budget document itself is a very formidable kind of thing, much too heavy reading for most of us, I have asked my staff to prepare a brief summary, just a few hundred words, which puts into perspective where the proposed cuts will come in Mr. Reagan's budget, where he proposes major spending increases, primarily in the area of defense, Social Security, foreign assistance, basic technology, biomedical research, coal technology, AIDS research, and a number of other areas, and where it is he proposes to make savings, in many cases by phasing out or abolishing programs which have outlived their usefullness, such as Amtrak, Conrail, UDAG, and some of those.

I hope my colleagues will take a moment to consider these.

Mr. President, I ask unanimous consent that that information be published in the RECORD in full, along with a historical perspective table which shows, by budget classification, that is, by function, the expenditures of the Federal Government for 1960, 1970, and each of the years from 1980 through the present, using actual figures, and under Mr. Reagan's proposed budget for the future through 1992. I ask unanimous consent that that information appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE PRESIDENT'S FISCAL YEAR 1988 BUDGET PROPOSAL

MAJOR FEATURES IN PRESIDENT'S PROPOSAL

Meets the fiscal year 1988 Gramm-Rudman-Hollings maximum deficit target of $108 billion.

Proposes $164.1 billion in deficit reduction over three years and $334.6 billion over five years.

Reduces budget outlays by $18.7 billion in fsical year 1988 and $92.1 billion over three years.

Proposes no reductions in Social Security benefits. Social Security outlays will increase by $15 billion.

Proposes 3% real growth for defense over fiscal year 1987 appropriated level—an increase of $19 billion in BA to $312 billion and $15 billion in outlays to $298 billion.

Rejects major tax increases on American workers. Proposes revenue increases totaling $22.4 billion in fiscal year 1988 through the privatization of Federal assets, the sale of Federal loans, user fees, credit budget reforms, and smaller tax increases.

BUDGET TABLES—THE PRESIDENT'S BUDGET AT A GLANCE

	1987	1988	1989	1990	1991	1992
Outlays	1,015.6	1,024.3	1,069.0	1,107.8	1,144.4	1,191.2
Revenues	842.4	916.6	976.2	1,048.3	1,123.2	1,191.2
Deficit	−173.2	−107.8	−92.8	−59.5	−21.3	+12.3
GRH target	−144.0	−108.0	−72.0	−36.0		

DEFICIT REDUCTION PROPOSED BY THE PRESIDENT

	1987	1988	1989	1990	1991	1992
Baseline deficit	−174.5	−150.1	−146.9	−125.7	−101.2	−78.3
Spending cuts	−0.9	−18.7	−30.8	−40.8	−49.1	−55.1
Total revenue increases	+0.4	+22.4	+20.1	+19.5	+21.5	+21.2
Privatization		+5.4	+3.7	+3.8	+6.5	+5.3
Loan asset sales		+4.2	+1.7	+0.8	+0.3	
User fees	+0.3	+3.2	+3.5	+3.6	+3.7	+3.8
Tax receipts	+0.1	+6.1	+8.0	+8.6	+8.8	+8.9
Other revenue		+3.5	+3.2	+2.7	+2.2	+3.2
Debt service savings		−1.3	−3.2	−6.0	−9.3	−14.3
Total deficit reduction	−1.3	−42.4	−54.2	−66.2	−79.9	−90.6
Proposed deficit	−173.2	−107.8	−92.8	−59.5	−21.3	+12.3

MAJOR PROPOSED SPENDING INCREASES

Proposes 3% real growth for defense over FY87 appropriated level—an increase of $19 billion in BA to $312 billion and $15 billion in outlays to $298 billion. SDI increases from $3.6 billion to $5.9 billion.

$11 billion increase in Social Security outlays.

$2.4 billion increase in FY87-88 in foreign assistance.

$1.6 billion increase in basic biomedical research over two years.

$1.1 billion increase in major medical programs.

$1 billion for clean coal technology over six years to prevent acid rain.

$534 million increase in AIDS research.

$636 million increase in job training for dislocated workers.

$300 million to implement immigration reform legislation.

$200 million increase for compensatory education for disadvantaged youth.

$500 million increase for FAA programs including purchase of doppler radar.

$85 million increase for child health care.

$24 million increase for WIC with funding level at $1.7 billion.

22% increase in NASA basic research.

18% increase in National Science Foundation research.

20% increase in adult literacy programs.

MAJOR PROPOSED SPENDING REDUCTION/PROGRAM TERMINATIONS

Terminate UDAG, ARC, EDA, EPA Sewage Treatment Grants, Agriculture Extension Service Direct Grants, Health Profession Subsidies, Interstate Commerce Commission, Legal Services Corporation, Federal Crop Insurance, Postal Subsidies, Mass Transit Discretionary Grants, Community Services Block Grants, Justice Assistance Grants.

Sell Amtrak, Naval Petroleum Reserve, Power Marketing Administrations with receipts of $4.1 billion in FY88 and $10.6 billion over three years.

Sell $11.2 billion in Federal loan assets for projected receipt of $5.3 billion.

Sell excess Federal property for receipts of $800 million in FY88.

Reduce Medicare outlays by $4.6 billion in FY88 and $13.7 billion over three years by including radiologists, anethesiologists, and pathologists (RAPs) under prospective payments system, including hospital capital costs under PPS, and increasing the premium for physician reimbursement to 35% of program costs.

Reduce farm price supports by $9 billion over three years and $23 billion over five years in part by limiting single payments to $50,000 and reducing target price supports by 10%.

Reduce guaranteed student loan subsidies by $10 billion over three years but provide unlimited unsubsidized loans.

Target child nutrition subsidies to low income families below 180% of poverty saving $800 million in FY88.

Reduce rural electrification and telephone subsidies by $5.7 billion over three years.

Reduce HUD and rural housing outlays by $11.7 billion over three years. Provide 102,000 vouchers in FY88.

Cut SPRO fill rate by 40,000 barrels per day saving $225 million per year.

Establish or increase user fees for Coast Guard services, park entrances, travel and tourism agency costs, credit agency services (Ginnie Mae, FHA).

Limit government contribution to Federal Employees Health Benefits to the average premium for all FEHBP plans saving $500 million in FY88 and $1.8 billion over three years.

Limit Civil Service Retirement COLA to CPI—1%.

Withhold Food Stamp grants to States with error rates in excess of 5% saving $800 million over three years.

Phase out EPA sewage treatment grants by 1992 saving $700 million over three years.

Reduce low income energy assistance by $600 million to account for availability of oil overcharge funds.

Eliminate Federal contribution to state vocational education programs saving $1.9 billion over three years.

MAJOR TAX INCREASE PROPOSALS

Increase IRS funding by $700 million to collect additional $2.4 billion in taxes.

Extend Medicare tax to all uncovered state and local employees raising $1.6 billion in FY 88.

Repeal exemptions from gasoline and highway taxes ($800 million).

Increase coal excise tax ($400 million).

Increase contributions to rail pension fund ($300 million).

TECHNICAL NOTES

OMB projects the FY 88 baseline deficit to be $150.1 billion. CBO projects the FY 88 deficit at $169 billion. This major difference is accounted for as follows:

(1) OMB has 3.5% real growth assumption. CBO's assumption is 3%. ($10 billion).

(2) OMB does not assume the expenditure of $4 billion in advanced farm deficiency payments in FY 88.

(3) OMB and CBO disagree on projected expenditures for Medicare ($5 billion).

In December, CBO projected the current year (FY 87) deficit to be $150.1 billion. CBO and OMB now report the FY 87 deficit will be in excess of $170 billion. The GRH target for FY 87 is $144 billion. The cause of the excess is as follows:

(1) Lower revenues than expected: $11.8 billion.

(2) Greater expenditures than expected for:

FDIC: $4.8 billion.

Farm Price Supports: $2.9 billion.

Medicare/aid: $3.0 billion.

Unemployment Compensation: $1.3 billion.

Foreign Military Sales: $900 million.

Welfare/SSI Payments: $600 million.

Defense: $300 million.

HISTORICAL BUDGET DATA: PRESIDENT REAGAN'S FISCAL YEAR 1988 BUDGET PROPOSAL

[In billions of dollars]

Federal outalys	Actual—President Reagan's proposal														
	1960	1970	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
National Defense	45.2	78.6	134.0	157.5	185.3	209.9	227.4	252.7	273.4	282.2	297.6	312.2	330.0	349.5	370.9
International affairs	3.0	4.3	12.7	13.1	12.3	11.8	13.9	16.2	14.2	14.6	15.2	18.1	17.9	18.0	17.7
Space and technology	0.6	4.5	5.8	6.5	7.2	7.9	8.3	8.6	9.0	9.5	11.4	13.2	13.5	13.8	14.3
Energy	0.5	1.0	10.2	15.2	13.5	9.4	7.1	5.7	4.7	3.8	3.3	2.9	3.2	2.9	3.1
Natural resources	1.6	3.1	13.9	13.6	12.0	12.7	12.6	13.4	13.6	13.9	14.2	15.2	15.3	14.9	14.5
Agriculture	2.6	5.2	8.8	11.3	15.9	22.9	13.6	25.6	31.4	31.1	26.3	21.8	18.2	14.7	13.0
Commerce and housing credit	1.6	2.1	9.4	8.2	6.3	6.7	6.9	4.2	4.4	9.3	2.5	0.7	1.4	0.2	−1.6
Transportation	4.1	7.0	21.3	23.4	20.6	21.3	22.7	25.8	28.1	27.0	25.5	26.7	26.4	25.8	26.2
Community development	0.2	2.4	11.3	10.6	8.3	7.6	7.7	7.7	7.2	6.2	5.5	4.4	4.0	4.2	4.2
Education/social services	1.0	8.6	31.8	33.7	27.0	26.6	27.6	29.3	30.6	29.8	28.4	28.9	28.0	27.5	26.5
Health	0.8	13.1	23.2	26.9	27.4	28.6	30.4	33.5	35.9	39.7	38.9	40.4	42.2	43.9	45.6
Medicare		6.0	32.0	42.0	46.6	52.6	57.5	65.8	70.2	71.6	73.0	81.1	87.9	95.9	104.4
Income security	18.8	48.1	86.5	99.7	107.7	122.6	112.7	128.2	119.8	124.9	124.8	128.7	133.5	138.9	143.6
Social security	11.4	30.0	119.0	139.6	156.0	170.7	178.2	188.6	198.8	207.9	219.4	232.5	246.8	261.5	275.5
Veterans	5.4	8.7	21.2	23.0	24.0	24.8	25.6	26.4	26.4	26.7	27.2	27.6	28.0	28.6	29.0
Justice	0.4	1.0	4.6	4.8	4.7	5.1	5.7	6.3	6.6	8.3	9.2	8.9	8.8	8.9	9.1
General Government	1.0	1.9	4.4	4.6	4.5	4.8	5.1	5.2	6.1	6.8	7.5	7.9	7.9	7.9	7.8
General purpose funds	0.2	0.5	8.6	6.9	6.4	6.5	6.8	6.4	6.4	1.9	1.5	1.5	1.6	1.7	1.7
Interest	8.3	18.3	52.5	68.7	85.0	89.8	111.1	129.4	136.0	137.5	139.0	141.5	139.0	134.8	122.1
Allowances											−0.8	0.5	2.8	4.9	7.1
Offsetting receipts	−2.5	−6.6	−19.9	−28.0	−26.1	−34.0	−32.0	−32.8	−33.0	−37.1	−45.4	−45.8	−48.5	−54.0	55.6
Total outlays	92.2	196.6	590.9	678.2	745.7	808.3	851.8	946.3	989.8	1,015.6	1,024.3	1,069.0	1,107.8	1,144.4	1,178.9
Total receipts	92.5	193.7	520.0	599.3	617.8	600.6	666.5	734.0	769.1	842.4	916.6	976.2	1,048.3	1,123.2	1,191.2
Surplus/deficit	+0.3	−2.8	−73.8	−78.9	−127.9	−207.8	−185.3	−212.3	−220.7	−173.2	−107.8	−92.8	−59.5	−21.3	+12.3
Gramm-Rudman targets									171.0	144.0	108.0	72.0	36.0	0	
Federal public debt	237.2	284.8	715.1	794.4	929.4	1,141.7	1,312.6	1,509.9	1,746.1	1,910.7	2,018.2	2,110.5	2,169.6	2,190.5	2,177.8

Source: Office of Management and Budget, January 5, 1987.

HISTORICAL BUDGET DATA: PRESIDENT REAGAN'S FISCAL YEAR 1988 BUDGET PROPOSAL

[In billions of dollars]

Economic assumptions	1960–69	1970–79	1980	1981	1982	1983	1984	1985	OMB 1986	OMB 1987	OMB 1988	OMB 1989	OMB 1990	OMB 1991	OMB 1992
Real GNP Growth	3.9	3.5	−0.4	−1.9	−0.9	5.5	6.8	2.7	2.7	3.1	3.5	3.6	3.6	3.5	3.4
Unemployment	4.8	6.2	7.0	7.5	9.5	9.9	7.5	7.2	6.9	6.7	6.3	6.0	5.8	5.6	5.5
Interest Rate (T-bill)	3.4	6.3	11.5	14.1	10.7	8.6	9.6	7.5	6.0	5.4	5.6	5.3	4.7	4.2	3.6
Inflation (GNP Deflator)	2.3	7.1	13.5	10.4	5.9	4.6	3.4	3.5	2.6	3.6	3.5	3.5	3.0	2.7	2.0

Source: Office of Management and Budget, January 5, 1987.

Mr. ARMSTRONG. Mr. President, I thank the Chair and I now yield the floor.

RECESS UNTIL 5:38 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate now stand in recess for 10 minutes.

There being no objection, the Senate, at 5:28 p.m., recessed until 5:38 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SANFORD].

ORDER OF BUSINESS

Mr. BYRD. Mr. President, the distinguished Republican leader called me today to state that there had been a death of a friend in the State of Kansas and the Republican leader felt that he could not be back this evening as he had indicated on last Tuesday was his intention. Naturally, this was an unforeseen circumstance. So he cannot be back today. He will not be able to return to Washington until 9 p.m. tomorrow.

He could, of course, have returned today, but that would have caused him, then, to have to fly back out to Kansas tomorrow.

So, in the light of that unusual and unforeseen extenuating circumstance, I am going to make the following unanimous-consent request, which I have discussed with the distinguished Republican leader and, in greater detail, with the distinguished acting Republican leader [Mr. SIMPSON].

I believe it will be agreed to. Nevertheless, Mr. SIMPSON is on the floor and may reserve the right to object and ask any questions he wishes. Of course, the matter of objecting or agreeing to the request is in his hands.

Mr. President, it is not my desire, under the circumstances, to inconvenience the distinguished leader on the other side of the aisle, and so there will be no effort to go to the House bill, H.R. 1, on tomorrow. Mr. DOLE will be back in town tomorrow evening, and I would hope that we could go to the House bill on Wednesday.

So, Mr. President, I make the following unanimous-consent request. I ask unanimous consent that the majority leader may at any time on Wednesday during the session of the Senate be authorized to have laid before the Senate the bill H.R. 1, and that it be made the pending business.

The PRESIDING OFFICER. Is there objection?

Mr. SIMPSON. Mr. President, reserving the right to object—I certainly do not believe that I will—first let me thank the majority leader for his accommodation of the Republican leader. That, indeed, was a situation which arose for the Senator; a dear friend passed on. He was there for the inauguration of his Governor today and then will stay for those services tomorrow, in the morning, returning here tomorrow evening, and I, indeed, appreciate the accommodation of the majority leader.

Also, since this is my first opportunity since the beginning of this session, I congratulate the majority leader on his position. I did not take that opportunity at the opening ceremonies and I do so now. I deeply appreciate the assistance and good counsel and help he gave me in my role as assistant majority leader. I look forward to that same relationship as assistant Republican leader.

I could ask what time the majority leader might intend to convene on Wednesday. We have an important caucus at 10 a.m., with very important business to conduct, and I hope there would be no business until after noon and express that to the majority leader.

Mr. BYRD. Yes. Mr. President, I can assure the distinguished acting Republican leader that if this unanimous-consent request is granted, there will be no rollcall vote on the clean water bill prior to 2 p.m. on that day or on any motion in relation thereto. And there would, of course, be no rollcall votes on that matter tomorrow.

Let me say further so that the distinguished acting Republican leader will have no concerns, on tomorrow it would be my intention to come in at 2 o'clock. Following an adjournment today over to tomorrow, I would have no intention to make any nondebatable motion on tomorrow. I will get consent later, if this consent is granted, that no motions or resolutions over under the rule come over tomorrow and that there be no call of the calendar under rule VIII on tomorrow.

I would adjourn over until tomorrow, let Senators come in and introduce bills and resolutions, and transact routine morning business.

I cannot say there will not be a rollcall vote tomorrow because, who knows, we may have to get the Sergeant at Arms to request or compel the attendance of absent Senators, but I see nothing at this time that would require a rollcall vote tomorrow. As to Wednesday I cannot say at this moment what time I would have the Senate come in.

Will the Senator repeat his question under his reservation again as to what time we could come in?

Mr. SIMPSON. Noon on Wednesday, Mr. President, because of this important caucus we have at 10 a.m.

Mr. BYRD. Yes. Mr. President, it would be my intention not to come in before the hour of noon on Wednesday, and I might not even come in at noon, because it is my desire to give committees the opportunity to meet without interruption as much as possible at this point in the session so that they can advance legislation to the calendar expeditiously.

If this request is granted, I have no intention of coming in on Wednesday before noon and it might even be 1 o'clock or 2 o'clock.

Mr. SIMPSON. Mr. President, I thank the majority leader and would ask inclusion within the unanimous-consent request "after consultation with the minority leader" as that unanimous-consent request was proposed.

Mr. BYRD. Yes. Mr. President, I ask unanimous consent that on Wednesday next the majority leader be authorized to call up at any time during the session of the Senate, H.R. 1, after consultation with the distinguished Republican leader or his designee, and that that bill, H.R. 1, be made the pending business before the Senate at that time.

The PRESIDING OFFICER. Is there objection?

Mr. SIMPSON. Mr. President, I understand we have one Member on our side of the aisle who may have an objection. I think that will dissipate, but in order to protect his rights I would ask just a bit of delay, not just but a few minutes I think, to assure that we have that completed.

Mr. BYRD. Very well. Mr. President, then if the distinguished Republican leader does not wish recognition at this time, I will suggest the absence of a quorum.

Mr. SIMPSON. That is perfectly appropriate.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I believe the distinguished Senator from Wyoming, the acting Republican leader, has reserved the right to object to my unanimous-consent request.

Mr. SIMPSON. Mr. President, it came to our attention that on this Monday it is difficult to contact approximately 14 Members. We contacted many. But we have two or three who are not prepared to go forward with this unanimous-consent request.

Let me share with the majority leader that I feel quite certain we will arrive at it. We will have our policy lunch tomorrow at noon and be ready at that time, I think, to act very favorably on the unanimous-consent request and in the context as the majority leader has just expressed, but I would respectfully at this time request perhaps that the unanimous consent be withdrawn and reproposed tomorrow at a time when we have completed our policy luncheon.

Mr. BYRD. Mr. President, I will be happy to honor the request of the distinguished acting Republican leader.

I withdraw the request.

The PRESIDING OFFICER. The request is withdrawn.

ORDERS FOR TUESDAY

ADJOURNMENT UNTIL 2 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 2 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESOLUTIONS AND MOTIONS, UNDER THE RULE

Mr. BYRD. Mr. President, in view of the fact that the distinguished Republican leader is of necessity obliged to be absent on tomorrow until 9 p.m., I ask unanimous consent, that no resolutions or motions over, under the rule, come over tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

NO CALL OF THE CALENDAR UNDER RULE VIII

Mr. BYRD. Mr. President, I ask unanimous consent that there be no call of the calendar tomorrow under rule VIII.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE AND SENATOR QUAYLE

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, following the prayer and the recognition of the two leaders under the standing order, Mr. PROXMIRE be recognized for not to exceed 5 minutes, to be followed by Mr. QUAYLE for not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there then be a period for the transaction of routine morning business tomorrow not to extend beyond the hour of 4 p.m., in view of the fact that I have stated that I will take no action on tomorrow with respect to the water bill because of the Republican leader's absence.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that notwithstanding the rule, Senators may be permitted to speak during morning business on tomorrow but not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 2 P.M. TOMORROW

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until tomorrow afternoon at 2 o'clock.

The motion was agreed to; and, at 6:11 p.m., the Senate adjourned until Tuesday, January 13, 1987, at 2 p.m.

NOMINATIONS

Executive nominations received by the Senate January 12, 1987:

IN THE COAST GUARD

The following officers of the United States Coast Guard for promotion to the grade of rear admiral (lower half):

Capt. Paul A. Welling, USCG
Capt. Walter T. Leland, USCG
Capt. Robert E. Kramek, USCG

IN THE COAST GUARD

Pursuant to the provisions of 14 U.S.C. 729, the following named commanders of the Coast Guard Reserve to be permanent commissioned officers in the Coast Guard Reserve in the grade of captain.

Sylvester G. Payne
Gordon K. Swain
Ronald E. Arbuckle
Ronald R. Reaume
Frederick C.G. Scheer
Forrest S. Bauman
Terence McCabe
Ronald A. Hassell
Anthony D. Castberg
Robert M. Hopkins
Fentress H. Munden
Charles W. Gower
Michael T. Bohlman
Howard R. North
Ronald C. Mers
Wilrose M. Duquette
George W. Direchel
Peter F. Major
Clayton L. Johnson
William H. Prather, Jr.
Thomas L. Wade III
Roger D. Batt
Samuel G. Ashdown, Jr.

The following Regular and Reserve officers of the United States Coast Guard for promotion to the grade of commander:

Daniel L. Carney
Gilbert O. Montoya
Richard F. Carlson
William R. Schleich
Frederick F. Lieder, Jr.
Edward J. Park
John G. Witherspoon
James R. Nagle II
John D. Lindgren
Dennis C. Bosso
Michael A. Wade
Gregg W. Sutton
Michael W. Mastenbrook
Joseph T. Kuchin
Norman S. Porter
David F. Wallace
Michael B. Slack
William A. Dickerson III
James L. McClinton
Mark E. Charbonneau
Gaetano Martini
Bruce I. Merchant
William A. Cassels
Russel J. Lutz
Bruce M. Wallisch
Malcolm D. Stevens
Jack L. Buri
Roger T. Argalas
Edward G. Rosenberg
Laird H. Hail
Dennis G. Beck
Benjamin J. Stoppe, Jr.
Gary L. Frago
David A. Rogers
Winston S. Jones
Richard A. Knee
James W. Norton
William R. Armstong
Thomas H. Gilmour
Arthur E. Crostick
Arthur R. Butler
Dennis D. Rome
Robert J. Wells, Jr.
James W. Gormanson
Joseph M. Kyle, Jr.
Thomas J. Meyers
Klaus Adie
Bruce W. Platz, Jr.
David B. Pascoe
Perry W. Campbell
William T. Horan
Joseph H. Thompson, Jr.
Alvin A. Sarra, Jr.
Kenneth I. Johnson
Scott H. Smith
Raymond E. Mattson
Gregory N. Yaroch
Paul C. Golden
Dennis M. Maguire
Timothy J. Flanagan
Leon D. Howell, Jr.
Robert M. Letourneau
Terry L. Lott
James H. Williams
Michael J. Haucke
Bernard P. O'Brien, Jr.
Robert A. Taylor
William R. Miller
Robert G. Vorthman, Jr.
Richard T. Bartlett
Leonard F. Bosma
William S. Davis
Stephen V. Hughes III
Larry A. Doyle
Brian G. Basel
John J.A. Murray, Jr.
Steven C. Borloz
Richard R. Mead
Dennis M. Egan
Bienvenido Abiles
Thomas P. Dolan
Stephen R. Osmer
Bruce E. Melnick
Edward J. Peak
William H. Wissman
Joseph A. Stimatz
Norman B. Henslee
Edmond P. Thompson
Terry W. Newell
John C. Malmrose
Ronald C. Gonski
Thomas G. Landvogt

The following Regular officers of the United States Coast Guard for promotion to the grade of lieutenant commander:

George R. Matthews, Jr.
Philip B. Dyer
Alan H. Moore, Sr.
Edward J. Toscano
Richard R. Kelly
Glenn W. Anderson
Steven E. Johnson
Frederik A. Nyhuis, Jr.
Loren P. Tschohl
Theodore F. Lagergren
John E. Carroll
Albert R. Stiles, Jr.
John J. Jaskot
Thomas A. Nies
Surran D. Dilks
John M. Krupa
Geoffrey L. Abbott
Ross L. Tuxhorn
Stephen M. Jacob
Wayne R. Buchanan
Glenn A. Wiltshire
David M. Keen
Stephen J. Krupa
Joel D. Fujiwara
James W. Decker
Glenn R. Gunn
Thomas G. Falkenstein
Scott E. Davis
James T. Quinn
Jay E. Hess
Douglas S. Taggart
Glenn E. Gately
Ivan T. Luke, Jr.
Marshall S. Reichenbaugh
Theodore P.A. Haenlein
Michael K. Grimes
James R. Mongold
David J. Visneski
Timothy S. Winslow
Gregory J. MacGarva
Jeffrey A. McDannold
William L. Bryant
James W. Stark
Eric R. Ness
Kim R. Wilhelm
James P. Harmon
John Astley III
Stephen T. Ciccalone
Geoffrey D. Powers
Timothy W. Goldsmith
Robert D. Williamson
Lawrence J. Bowling
Gary S. Scheer
James D. Chambers
Gary L. Jacobsen
Theodore L. Mar
Thomas R. Reilly
Michael D. Anderson
Robert W. McGarry
John A. Gentile
Gerald L. Timpe
Terrence C. Julich
John C. Miller
James S. Thomas, Jr.
Joseph A. Halsch
Scot A. Addis
Peter L. Randall
Mark S. Kern
James E. Evans
Richard D. Poore
James E. Bussey III
Brian B. Tousley
William W. Peterson, Jr.
John H. Olthuis
Brian P. Cost
Mark H. Johnson
Patrick E. Flanagan
Milton H. Ennis
James F. Murray
David G. Wilder II
Arthur H. Hanson, Jr.
David L. Kuzanek
John R. Thacker
Steven P. Wolf
Grover N. Lipe, Jr.
Thomas E. Haase
James R. Lachowicz
James M. Hasselbalch
Arn M. Heggers
Thomas J. Vanak
James D. Williamson
Michael J. Quigley
Edward A. Lane
Christopher J. Gregus
William D. Morris
Stanford W. Deno
Carl A. Crampton
Shawn M. Smith
Melvin L. Bouboulis
Dennis E. Williams
Robert W. Prior
Bryan J. Norman
Kevin L. Marshall
Raymond H. Smoyer, Jr.
Paul A. Langlois
John F. Schmied
Theodore G. Roberge
Peter A. Verrault
Daniel B. Lloyd
William F. O'Neill
Eric A. Nicolaus
Jeffry G. Way
Gilbert J. Kanazawa
Scott J. Glover
Page J. Shaw
Richard F. Viera
Thomas E. Gledhill
Anthony Barcellos
John A. Kress
Stanley A Zdun, Jr.
James O. Jaczinski
Alan D. Sine
Dennis J. Sobeck
Burton E. Carr
John P. Currier
Wayne E. Justice
William R. Webster

The following Regular officers of the United States Coast Guard for promotion to the grade of lieutenant:

Roderick E. Walker
William L. Michaels
Brian C. Conroy
Thomas O. Graham
Michael L. Thorne
Samuel E. Jeffries, Jr.
Robert R. O'Brien, Jr.
David M. Rishar
Drew R. Wojtanik
Richard W. Kuhl
Armando E. Mangahas
Larry E. Smith
Kent R. Youel
Mark A. Johnson
John R. Ochs
Ronald D. Hassler
Charles E. Booth
Kenneth D. Forslund
Robert O. MacMillan
Scott C. Schleiffer
Elmo L. Alexander II
Lewis J. Corcoran
Mark A. Rose
Timothy M. Close
William T. Devereaux
Matthew J. Glomb
Stephan A. Billian
Peter S. Simons
Gregory W. Buie
Kristin J. Arnold
Daniel P. Lynch
Jonathan C. Russell
Patricia A. Hammar
David C. Watkins
Michael A. Alfultis
Kurt B. Hinrichs
James F. Brown
John S. Welch
John S. Hurlburt
Paul H. Tingley
Michael C. Cosenza
Daniel J. McClellan
Michael R. Kelley
David A. Durham
Michael N. Parks
Douglas G. Russell
Steven D. Tarantino
Matthew L. Thomas
George P. Hannifin
Kevin M. O'Day
Bruce R. Gaudette
Morris B. Stewart
Brian D. Kelley
Michael F. Flanagan
Joseph P. Seebald
Kirk J. Beasley
Terrence W. Swanson
John W. Yager, Jr.
Dennis D. Blackall
David W. Neal
James S. Wadsworth
Andres L. Bolinaga, Jr.
Charles J. Albano, Jr.
Ekundayo G. Faux
Adolph E. Galonski
Ricki G. Benson
Raymond S. Cross
Melesio Gonzalez
Richard A. Currier
Joseph S. Martin
Timothy J. Dellot
John E. Hautala
Tomas D. Zapata
Stephen G. Kinner, Jr.
Rickey W. George
Scott H. Evans
John J. Cook
John F. Kaplan
Pamela A. Russell
Steven A. Munson
David C. Ely
Mark E. Butt
Thaddeus G. Sliwinski
Steven P. Corporon
William J. Reicks
Stephen E. Flynn
Raymond C. Engel
James Y. Poyer
Vince S. Sedwick
Peter S. Marsh
Eugene F. Cunningham
Joseph E. Mihelic
Louise A. Stewart
Steven E. Carlson
Samuel R. Watkins
Raymond J. Petow
Arthur C. Walsh
John A. Watson
Leonard Radziwanowicz
Craig A. Bennett
Gary P. Beam
Katrina D. Trexler
Thomas R. Hale
James L. McDonald, Jr.
William J. Diehl
Terry A. Bickham
Edmund H. Tupay
Thomas F. Atkin
Joseph A. Servidio
Lyman D. Smith
Edward W. Greiner
Marc L. Deacon
John M. Weber
David A. Culver
Kathleen French
George R. Feid
Robert S. Campbell
Jeffrey C. Good
Christopher A. Mebane
Jeffrey S. Griffin
Charles A. Mathieu
Mark A. Williams
John D. Delaune
Mark A. Vazquez
George P. Cummings
Fred T. White
Kimberly J. Daisher
Vincent B. Atkins
Thomas A. Abbate
Frank L. McNiff
Jeffrey S. Hammond
Charley L. Diaz
Fred M. Midgette
Ross E. Bryant
Ciaran M. Schoenauer
Mark J. Dandrea
Maureen M. Steinhouse
Drew A. Rambo
William M. Randall
Steven A. Saepoff
Evan Q. Kahler
Sandra L. Stosz
Richard L. Arnold
John M. Mahoney
Andrew J. Berghorn
Stephen P. Metruck
Thomas S. Morrison
Orlando N. Cavallo

The following cadets of the United States Coast Guard Academy for appointment to the grade of ensign:

Anita K. Abbott
Donald E. Amadee
Kyle G. Anderson
John J. Arenstam
Ronald J. Bald
George P. Benish
Mark D. Berkeley
Brian R. Bezio
Bryon L. Black
Melvin W. Bouboulis
William B. Brewer
Jeffrey S. Case
Joanna M. Collins
Caleb Corson
Matthew K. Creelman
James A. Cullinan
John T. Davis
David E. Dickey
Dana G. Doherty
Kevin P. Durand
Christian C. Fahy
Craig O. Fowler
Peter W. Gautier
Anthony R. Gentilellia
John Godek
Marvin L. Grier
Jeffrey R. Guyon
John E. Harding
Gregory P. Hitchen
Bryon T. Inagaki
Jason B. Johnson
Kirk D. Johnson
Cynthia L. Joyner
Gwen L. Killey
Andrew P. Kimos
Theodore E. Kozikowski
Karen A. Kusanke
Laura H. Lee
Gregory S. Lingle
Kevin E. Lunday
Christine L. MacMillian
Kevin F. Manalili
Dwight T. Mathers
Kevin J. McKenna
Stuart M. Merrill
Jonathan P. Milkey
Thomas J. Morgan
Christopher E. Alexander
Carlos S. Amponin
Leigh A. Archbold
Stephen V. Avallone
Edward D. Bass
Donna J. Bergeson
Melissa Bert
David R. Bird
Phyllis E. Blanton
John L. Bragaw
Christopher P. Calhoun

James M. Cash
Pauline F. Cook
Daniel S. Cramer
Donald E. Culkin
Markus D. Dausses
Scott N. Decker
John R. Disbennett
Ellyn V. Donovan
Charles E. Elias
John M. Fitzgerald
John K. Friederich
Glenn L. Gebele
Verne B. Gifford
Marc A. Gray
Edward Grzesik
Jeffrey C. Hagan
Christopher J. Hildebrand
Laurie Holmes
Gregory W. Johnson
Jennifer A. Johnson
Eric C. Jones
William G. Kelly
Han Kim
Christopher A. Kleiman
William J. Kupchin
Russell C. Laboda
William J. Lewis
Ian T. Liu
John R. Lussier
Sean M. Mahoney
Ramoncito R. Mariano
Robert J. McCaffrey
Scott A. Memmott
John J. Metcalf
Kevin S. Mirise
Matthew L. Murtha
Marc H. Nguyen
Andrew C. Palmiotto
John J. Plunkett
Raymond W. Pulver
Steven J. Reynolds
Matthew T. Ruckert
Michael S. Sabellico
Richard A. Sandoval
Donald R. Scopel
Joseph Segalla
Christopher M. Smith
Lance W. Stoddart
Tamara Suwalow
Matthew J. Szigety
Brian J. Tetreault
John J. Turner
Joseph E. Vorbach
Charles S. Webb
Robert J. Wiles
George F. Young
Patrick P. O'Shaughnessy
George E. Pellissier
Anthony Popiel
Richard J. Raksnis
Christopher M. Rodriguez
Robert C. Rupert
Richard W. Sanders
Emily M. Schnorrbusch
James W. Sebastian
Maria A. Simmons
Mary A. Spakowski
Graham S. Stowe
Craig S. Swirbliss
Robert J. Tarantino
Jonathan E. Thomas
Anthony J. Vogt
Susan K. Vukovich
James L. Weber
David A. Yarborough

DEPARTMENT OF DEFENSE

The following-named officer under the provisions of title 10, United States Code, section 154, to be Vice Chairman, Joint Chiefs of Staff:

To be Vice Chairman, Joint Chiefs of Staff

Gen. Robert T. Herres[redacted]FR, U.S. Air Force.

In the Air Force

The following-named officer, under the provisions, of title 10, United States Code, section 8034, to be Vice Chief of Staff, United States Air Force.

To be Vice Chief of Staff, U.S. Air Force

Lt. Gen. Monroe T. Hatch, [redacted]FR, U.S. Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. James A. Abrahamson, [redacted]FR, U.S. Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Gen. John L. Piotrowski[redacted]FR, U.S. Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. James P. McCarthy, [redacted]FR, U.S. Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Kenneth L. Peek, Jr., [redacted]FR, U.S. Air Force.

The following officers for appointment in the U.S. Air Force under provisions of section 624, title 10 of the United States Code:

To be major general

Brig. Gen. Joseph W. Ashy, [redacted]FR, Regular Air Force.

Brig. Gen. Thomas P. Ball, Jr., [redacted]FR, Regular Air Force.

Brig. Gen. Charles G. Boyd, [redacted]FR, Regular Air Force.

Brig. Gen. Edward R. Bracken, [redacted]FR, Regular Air Force.

Brig. Gen. George L. Butler, [redacted]FR, Regular Air Force.

Brig. Gen. Harold N. Campbell, [redacted]FR, Regular Air Force.

Brig. Gen. Vernon Chong, [redacted]FR, Regular Air Force.

Brig. Gen. Gaylord W. Clark, [redacted]FR, Regular Air Force.

Brig. Gen. Hugh L. Cox III, [redacted]FR, Regular Air Force.

Brig. Gen. John R. Farrington, [redacted]FR, Regular Air Force.

Brig. Gen. Ronald R. Fogleman, [redacted]FR, Regular Air Force.

Brig. Gen. Larry D. Fortner, [redacted]FR, Regular Air Force.

Brig. Gen. David M. Goodrich, [redacted]FR, Regular Air Force.

Brig. Gen. William J. Grove, Jr., [redacted]FR, Regular Air Force.

Brig. Gen. Trevor A. Hammond, [redacted]FR, Regular Air Force.

Brig. Gen. Paul A. Harvey, [redacted]FR, Regular Air Force.

Brig. Gen. Frank B. Horton III, [redacted]FR, Regular Air Force.

Brig. Gen. John E. Jaquish, [redacted]FR, Regular Air Force.

Brig. Gen. James D. Kellim, [redacted]FR, Regular Air Force.

Brig. Gen. Michael C. Kerby, [redacted]FR, Regular Air Force.

Brig. Gen. Albert L. Logan, [redacted]FR, Regular Air Force.

Brig. Gen. Thomas S. Moorman, Jr., [redacted]FR, Regular Air Force.

Brig. Gen. Eric B. Nelson, [redacted]FR, Regular Air Force.

Brig. Gen. Fred R. Nelson, [redacted]FR, Regular Air Force.

Brig. Gen. Robert R. Rankine, Jr., [redacted]FR, Regular Air Force.

Brig. Gen. Richard D. Smith, [redacted]FR, Regular Air Force.

Brig. Gen. Donald Snyder, [redacted]FR, Regular Air Force.

Brig. Gen. David J. Teal, [redacted]FR, Regular Air Force.

Brig. Gen. Henry Viccellio, Jr., [redacted]FR, Regular Air Force.

Brig. Gen. Charles N. Wood, [redacted]FR, Regular Air Force.

The following-named officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of sections 593, 8218, 8373, and 8374, Title 10, United States Code:

To be major general

Brig. Gen. John A. Almquist, Jr, [redacted]FG, Air National Guard of the United States.

Brig. Gen. Harold R. Hall, [redacted]FG, Air National Guard of the United States.

Brig. Gen. Francis E. Hazard, [redacted]FG, Air National Guard of the United States.

Brig. Gen. Darrell V. Manning, [redacted]FG, Air National Guard of the United States.

To be brigadier general

Col. John Anderson, Jr.[redacted]FG, Air National Guard of the United States.

Col. Ralph W. Applegate, [redacted]FG, Air National Guard of the United States.

Col. Robert E. Dastin, [redacted]FG, Air National Guard of the United States.

Col. Sam F. DeLitta, [redacted]FG, Air National Guard of the United States.

Col. James S. Forrester[redacted]FG, Air National Guard of the United States.

Col. Theodore F. Lowe, Jr., [redacted]FG, Air National Guard of the United States.

Col. Charles A. Machemehl, Jr., [redacted]FG, Air National Guard of the United States.

Col. Thomas N. McLean, [redacted]FG, Air National Guard of the United States.

Col. Frederick J. Rittershaus, 503-28-2811FG, Air National Guard of the United States.

Col. Fred D. Womack, [redacted]FG, Air National Guard of the United States.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. James M. Rockwell, [redacted] (age 58), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Robert J. Donahue, [redacted] U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Colin L. Powell, [redacted], U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. John W. Woodmansee, [redacted], U.S. Army.

IN THE NAVY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. Albert J. Baciocco, Jr., [redacted]/1220, U.S. Navy.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. Robert F. Schoultz, [redacted]/1310, U.S. Navy.

The following-named captains of the Reserve of the U.S. Navy for permanent promotion to the grade of rear admiral (lower half) in the line and staff corps, as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

UNRESTRICTED LINE OFFICERS

Larry Bruce Franklin.
Jimmie Wayne Seeley.
William Paul O'Donnell, Jr.
Wilson Falor Flagg.

ENGINEERING DUTY OFFICER

Brian Talbot Sheehan.

SPECIAL DUTY OFFICER (INTELLIGENCE)

Gene Parvon Dickey.

MEDICAL CORPS OFFICER

Paul Thomas Kayye.

SUPPLY CORPS OFFICER

Vance Hewitt Fry.

IN THE MARINE CORPS

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Stephen G. Olmstead, [redacted] U.S. Marine Corps.

The following-named brigadier generals of the Marine Corps for promotion to the permanent grade of major general, under title 10, United States Code, section 624:

Edmund P. Looney, Jr.
Michael K. Sheridan.
Orlo K. Steele.
Hollis E. Davison.
James M. Mead.
Robert F. Milligan.
Gene A. Deegan.
Joseph P. Hoar.
Royal N. Moore, Jr.
Donald E.P. Miller.

The following-named colonels of the Marine Corps for promotion to the permanent grade of brigadier general, under title 10, United States Code, section 624:

William P. Eshelman.
Lloyd G. Pool.
Donald R. Gardner.
Harry W. Jenkins, Jr.
Michael P. Mulqueen.
John P. Brickley.
Michael P. Downs.
Duane A. Wills.
Richard L. Phillips.
Robert B. Johnston.
Peter J. Rowe.
Clyde L. Vermilyea.
Francis X. Hamilton, Jr.

IN THE AIR FORCE

The following Air Force officer for appointment as permanent professor, U.S. Air Force Academy, under the provisions of section 9333(b), title 10, United States Code.

Hughes, Richard L., [redacted]

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of sections 593 and 8379, title 10 of the United States Code. Promotions made under section 8379 and confirmed by the Senate under section 593 shall bear an effective date established in accordance with section 8374, title 10 of the United States Code. (Effective dates in parentheses.)

LINE OF THE AIR FORCE

To be colonel

Wiley R. Ashley, Jr., [redacted] (8/15/86)
Shellie M. Bailey, Jr., [redacted] (6/20/86)
William S. Bailey, [redacted] (6/30/86)
Donald E. Berge, [redacted] (6/27/86)
Robert H. Boehringer, [redacted] (3/26/86)
Willie J. Cook, [redacted] (6/7/86)
Matt L. Crooks, Jr., [redacted] (6/19/86)
Paul H. Deaderick, [redacted] (6/6/86)
Richard L. Drinen, [redacted] (6/8/86)
Noel H. Duncan, [redacted] (6/21/86)
Fred E. Ellis, [redacted] (1/6/86)
John F. Flanagan, Jr., [redacted] (6/27/86)
Ralph E. Fowble, Jr., [redacted] (7/25/86)
James M. Fredregill, [redacted] (6/8/86)
Walter W. Grant, [redacted] (6/30/86)
James R. Griffin, [redacted] (6/16/86)
John T. Halsey, [redacted] (6/23/86)
Larry G. Harrison, [redacted] (11/1/86)
George E. Higginson, [redacted] (6/30/86)
Walter L. Hodgen, [redacted] (6/30/86)
David E. Hudson, [redacted] (4/12/86)
Jimmy W. Jones, [redacted] (6/8/86)
Gerald S. Kean, [redacted] (6/19/86)
Frederick R. Keith, Jr., [redacted] (4/5/86)
Harry M. Lesley, [redacted] (5/15/86)
Gregory J. Maciolek, [redacted] (6/13/86)
Donald A. Martin, [redacted] (6/30/86)
Joseph L. McLaughlin, Jr., [redacted] (6/7/86)
Melvin C. Morris, [redacted] (6/10/86)
Hobbie L. Sealy, [redacted] (6/30/86)
Harold C. Shead, Jr., [redacted] (4/19/86)
Donald B. Solwold, [redacted] (6/5/86)
Gerald W. Sorenson, [redacted] (6/21/86)
David C. Stephenson, [redacted] (6/30/86)
Kenneth M. Taylor, Jr., [redacted] (6/19/86)
Alfred Westerger, Jr., [redacted] (6/22/86)

JUDGE ADVOCATE

To be colonel

Stephen E. Cicilline, [redacted] (6/7/86)

MEDICAL CORPS

To be colonel

John P. Allen, [redacted] (6/7/86)
John S. Burrell, [redacted] (6/12/86)
Claudius R. Klimt, [redacted] (6/7/86)
Hugh E. McGee, Jr., [redacted] (6/30/86)
Robert L. Smith, [redacted] (6/8/86)
James E. Whinnery, [redacted] (6/23/86)

MEDICAL SERVICE CORPS

To be colonel

Leonard D. Dileo, [redacted] (5/8/86)

IN THE AIR FORCE

The following-named officers for permanent promotion in the U.S. Air Force, under the provisions of section 628, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force.

MEDICAL CORPS

To be colonel

Marshall, Douglas W., [redacted]
McDermott, David W., [redacted]

To be lieutenant colonel

Bautista, Efigenio L., [redacted]
Campana, Paul F., [redacted]
Carleton, Thomas B., [redacted]
Comeau, Jean C., [redacted]
Hall, Gary W., [redacted]

To be major

Accinelli, Diana M., [redacted]
Chastain, David O., [redacted]
Clark, William R., [redacted]
Fiore, Fabio F., [redacted]
Nelson, Danny A., [redacted]
Petty, Albert M., [redacted]
Strollo, Diane C., [redacted]
Viser, Timothy A., [redacted]
Wilson, Lawrence W., [redacted]

DENTAL CORPS

To be lieutenant colonel

Dixon, Dennis C., [redacted]
Messersmith, Robert P., [redacted]

To be major

Apps, Richard P., Jr., [redacted]
Dixon, Dennis C., [redacted]
Hanson, Joseph M., [redacted]
Hornbeck, Delvin D., [redacted]
Langston, Gregory G., [redacted]

The following-named officers for permanent promotion in the U.S. Air Force, under the provisions of section 628, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force.

CHAPLAIN

To be colonel

Bienvenu, Kenneth A., [redacted]

NURSE CORPS

To be major

Zayas, Janet E., [redacted]

The following-named officers for promotion in the Air Force Reserve, under the provisions of sections 593, 8362, and 8371, title 10, United States Code.

LINE OF THE AIR FORCE

To be colonel

Alves, Daniel F., Jr., [redacted]
Apgar, Henry E., Jr., [redacted]
Bailey, Thomas E., [redacted]
Bakos, Thomas M., [redacted]
Barcomb, Earl H., [redacted]
Bates, Thomas M., [redacted]
Bauer, Raymond M., [redacted]
Bell, Raymond L., Jr., [redacted]
Birkenstock, Jesse, [redacted]
Bowman, Richard L., [redacted]
Brickey, Robert E., [redacted]
Bridges, Jerry G., [redacted]
Callaway, Patrick W., [redacted]
Carle, Edward R., [redacted]
Cater, Thomas J., [redacted]
Claunch, Jon E., [redacted]
Cly, Robert P., [redacted]
Colombo, John A., II., [redacted]
Cooley, James V., Jr., [redacted]
Coronado, Jose, [redacted]
Crawford, Timothy S., [redacted]
Dandridge, Robert E., [redacted]
Dawson, Charles N., [redacted]
Degolia, Ronald J., [redacted]
Dix, Thomas J., [redacted]
Dodd, Donald B., [redacted]
Edwards, Norman B., [redacted]
Efferson, Bobby L., [redacted]
Ennis, William C., [redacted]
Fabry, John M., [redacted]
Ferraro, Louis C., Jr., [redacted]
Foster, Carl H., Jr., [redacted]
Francis, Ralph L., [redacted]
Frucht, Walter M., [redacted]
Garrison, Douglas L., [redacted]
Gassner, John F., [redacted]
Giermanski, James R., [redacted]
Gilbert, Lowell A., [redacted]
Gray, Marvin J., Jr., [redacted]
Haber, William F., [redacted]
Hall, David M., [redacted]
Hammock, Paul G., [redacted]

Hartnagel, Richard L., [redacted]
Hatton, Roger L., [redacted]
Hayes, Norman L., [redacted]
Heineck, David L., [redacted]
Heiney, Otto K., [redacted]
Henrie, Bernard G., [redacted]
Hinkle, Richard E., [redacted]
Hoffer, Leland H., [redacted]
Holliday, Jimmy C., [redacted]
Hollingshead, Craig A., [redacted]
Hood, David J., [redacted]
Hopkins, Thomas E., [redacted]
Houston, John L., [redacted]
Justice, Chester R., [redacted]
Kabel, Douglas E., [redacted]
Kenna, Thomas C., [redacted]
Kerns, Waldon R., [redacted]
Kiehle, James H., [redacted]
Laflin, Philip E., [redacted]
Langston, Morgan H., Jr., [redacted]
Leary, Richard A., [redacted]
Levisky, Joseph A., [redacted]
Lightsey, Leon G., [redacted]
Londergan, James P., Jr., [redacted]
Lovfald, Lorin O., [redacted]
Lucas, James H., [redacted]
Madden, Larry W., [redacted]
Malbasa, Joseph, [redacted]
McGill, Richard M., [redacted]
McKellar, George W., [redacted]
Miles, Richard P., [redacted]
Miller, Larry L., [redacted]
Milliman, Lloyd E., Jr., [redacted]
Moseley, Harry A., Jr., [redacted]
Nelson, Gerald A., [redacted]
Norris, Terry D., [redacted]
Nutt, Keith L., [redacted]
Oates, Ralph H., [redacted]
Owen, Kent W., [redacted]
Papa, Henry W., [redacted]
Patterson, David L., [redacted]
Patz, Daniel L., [redacted]
Peterschmidt, James J., [redacted]
Poellet, Heinz F., [redacted]
Pritchard, Cannon H., [redacted]
Renton, John B., [redacted]
Reynolds, Philip C., [redacted]
Ritzer, Allan E., [redacted]
Robichaux, Hubert R., [redacted]
Rooker, James L., [redacted]
Rymsza, Mark, T., [redacted]
Saline, Joseph P., Jr., [redacted]
Sallee, Robert J., [redacted]
Sansbury, Chester E., [redacted]
Sawyer, Alec K., [redacted]
Schorr, Robert W., [redacted]
Schredl, Michael G., [redacted]
Schreiber, Hal R., [redacted]
Schrier, Nicholas H., [redacted]
Schrock, Derel, D., [redacted]
Shanks, Theodore E., [redacted]
Sheridan, Paul R., [redacted]
Skaneski, John E., [redacted]
Skypeck, Thomas J., [redacted]
Stadheim, John, L., [redacted]
Sule, Robert J., [redacted]
Sullivan, Patricia A., [redacted]
Summers, Allen W., [redacted]
Thompson, Dennis W., [redacted]
Turner, Pierce D., [redacted]
Vonkolnitz, George F., IV, [redacted]
Ward, Wayne E., [redacted]
Wasley, Austin L. Jr., [redacted]
Weyler, Kenneth L., [redacted]
White, Edward R., III, [redacted]
Wiese, Richard R., [redacted]
Woodman, Donald K., [redacted]
Youngblood, John S., [redacted]
Ziegler, Wilfred E., [redacted]

CHAPLAIN CORPS

Endel, Thomas J., [redacted]
Lee, Paul A., [redacted]
Perrault, Arthur J. [redacted]

DENTAL CORPS

Benenati, Fred W., [redacted]
Goodman, John T., [redacted]
Leclair, Joseph A. R., [redacted]
Spelios, George L., [redacted]

JUDGE ADVOCATE

Gales, Robert R., [redacted]
Gray, Dennis M., [redacted]
Hamner, Reginald T., [redacted]
Hebinck, Bernard L., [redacted]
Hoffman, William T., III, [redacted]
Lester, John R., [redacted]
Luzzatto, Ernesto V., [redacted]
Marston, Michael V., [redacted]
Schaefer, Gene E., [redacted]
Smith, William R., [redacted]
Van Doren, Emerson B., [redacted]
Walsh, Robert A., [redacted]

MEDICAL CORPS

Abernathy, George T., [redacted]
Albelda, Louis, [redacted]
Brada, Donald R., [redacted]
Brewer, Schiele A., [redacted]
Callan, John P., [redacted]
Campbell, James M., [redacted]
Campbell, Robert L., [redacted]
Ellis, Leland R., [redacted]
Evens, Marvin A., [redacted]
Garretson, Richard H., [redacted]
Gilstad, Dennis W., [redacted]
Grosbach, Alan B., [redacted]
Houck, Richard J., [redacted]
Jahsman, David P., [redacted]
James, Vernon L., [redacted]
Jansen, George A., [redacted]
Joneslukacs, Elizabeth L., [redacted]
Lower, Dennis L., [redacted]
Nash, Peter R., [redacted]
Nave, Paul L., [redacted]
Nell, Patricia A., [redacted]
Nellis, Noel, [redacted]
Noltimier, Louis A., [redacted]
Plainer, Truman D., [redacted]
Radomski, Theodore J., [redacted]
Sutliff, Lourell E., [redacted]
Sweeney, Donal F., [redacted]
Swerdlow, Arnold B., [redacted]

NURSE CORPS

Bardley, Eileen C., [redacted]
Fontes, Shirley J., [redacted]
Holdys, Delores J., [redacted]
Lafrance, Mary S., [redacted]
Mceachern, Mary C., [redacted]
Rafai, Elizabeth H., [redacted]
Richter, Betty J., [redacted]
Sams, Elaine S., [redacted]
Sanborn, Clara B., [redacted]
Wearshing, Jane D., [redacted]
Whittemore, Kathleen, [redacted]
Wolf, Josephine L., [redacted]
Zauner, Alice A., [redacted]

MEDICAL SERVICE CORPS

Alexander, William K., [redacted]
Brown, Lesh N., [redacted]
Carroll, Robert G., [redacted]
Lerdon, Wesley E., [redacted]
Reents, Ronald R., [redacted]
Smith, Richard H., [redacted]

BIOMEDICAL SCIENCES CORPS

Butterweck, Joseph S., [redacted]
Kasselder, Charles W., [redacted]
Logsdon, Donald F., Jr., [redacted]
Thomas, Manuel A., Jr., [redacted]

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of sections 593 and 8379, title 10 of the United States Code. Promotions made under section 8379 and confirmed by the Senate under section 593 shall bear an effective date established in accordance with section 8374, title 10 of the United States Code. (Effective dates in parentheses.)

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Ramon D. Ardizzone, [redacted] (8/16/86)
Maj. Laurence V. Beall, [redacted] (8/14/86)
Maj. Ralph A. Clary, Sr., [redacted] (9/7/86)
Maj. Duane W. Clawson, [redacted] (9/4/86)
Maj. Fredric F. Francisco, [redacted] (7/12/86)
Maj. Harold M. Hobart, Jr., [redacted] (7/25/86)
Maj. Joe E. Lyle, [redacted] (8/15/86)
Maj. James W. McKinney, [redacted] (8/5/86)
Maj. Lawrence A. Millben, [redacted] (8/18/86)
Maj. Robert W. Miller, [redacted] (9/13/86)
Maj. John R. Pearl, [redacted] (8/10/86)
Maj. David D. Pettyjohn, [redacted] (9/13/86)
Maj. Robert A. Rose, [redacted] (8/17/86)
Maj. William R. Smith, Jr., [redacted] (9/16/86)
Maj. Philip A. Tennant, [redacted] (8/26/86)
Maj. Thomas J. Verso, [redacted] (9/17/86)
Maj. Larry R. Warren, [redacted] (9/7/86)
Maj. John E. Wozny, [redacted] (8/14/86)

MEDICAL SERVICE CORPS

To be lieutenant colonel

Maj. William K. Maxwell, [redacted] (8/16/86)

MEDICAL CORPS

To be lieutenant colonel

Maj. Robert W. Hollenhorst, Jr., [redacted] (9/13/86)
Maj. William H. Vaughan, Jr., [redacted] (9/6/86)

IN THE AIR FORCE

The following-named officers for permanent promotion in the U.S. Air Force, under the provisions of section 628, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force.

LINE OF THE AIR FORCE

To be lieutenant colonel

Fowler, Arthur F., [redacted]
Shull, Walter B., [redacted]

To be major

Marbury, Randal L., [redacted]

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of sections 593 and 8379, title 10 of the United States Code. Promotions made under section 8379 and confirmed by the Senate under section 593 shall bear an effective date established in accordance with section 8374, title 10 of the United States Code. (Effective dates in parentheses)

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Verne P. Burque, [redacted] (7/19/86)
Maj. Charles R. Burton, [redacted] (8/9/86)
Maj. Robert A. Cox, [redacted] (7/12/86)
Maj. Ira L. Dewitt, [redacted] (7/12/86)

Maj. Delbert L. Goodman, [redacted] (7/18/86)
Maj. Paul F. Haskell, [redacted] (8/25/86)
Maj. David N. Hipp, [redacted] (8/2/86)
Maj. Peter K. Hocknell, [redacted] (7/21/86)
Maj. Herbert R. Horne, Jr., [redacted] (8/20/86)
Maj. James L. Johnson, [redacted] (8/3/86)
Maj. James H. Koivisto, [redacted] (7/12/86)
Maj. Denis A. Lueders, [redacted] (7/19/86)
Maj. Leonard N. Masiello, [redacted] (8/15/86)
Maj. James D. McGeorge, [redacted] (7/23/86)
Maj. Terry W. McKinsey, [redacted] (7/20/86)
Maj. Dennis A. Naue, [redacted] (7/24/86)
Maj. Paul W. Nibur, [redacted] (6/27/86)
Maj. Thomas W. Pape, [redacted] (7/23/86)
Maj. Lonnie W. Parrish III, [redacted] (7/19/86)
Maj. Laurence E. Perkins, [redacted] (8/18/86)
Maj. Wayne A. Rosenthal, [redacted] (7/11/86)
Maj. Milton C. Ross, [redacted] (7/19/86)
Maj. Rex W. Tanberg, Jr., [redacted] (8/15/86)
Maj. James F. Thomasson, Jr., [redacted] (6/24/86)
Maj. Jerome T. Tisler, Jr., [redacted] (6/22/86)
Maj. Vincent R. Vairo, [redacted] (6/8/86)
Maj. Richard A. Way, [redacted] (6/13/86)
Maj. Van P. Williams, Jr., [redacted] (8/8/86)
Maj. Paul N. Woodward, [redacted] (8/2/86)

LEGAL

To be lieutenant colonel

Maj. John W. Dwyer, [redacted] (8/13/86)
Maj. Laurence S. Fedak, [redacted] (7/12/86)

MEDICAL CORPS

To be lieutenant colonel

Maj. Richard F. Dietrick, [redacted] (7/19/86)
Maj. Stephen J. Frushour, [redacted] (8/9/86)
Maj. Gerald E. Harmon, [redacted] (7/23/86)

NURSE CORPS

To be lieutenant colonel

Maj. Laura L. Willers, [redacted] (6/27/86)

IN THE AIR FORCE

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, provided that in no case shall any of the following officers be appointed in a grade higher than lieutenant colonel.

LINE OF THE AIR FORCE

McLain, Ralph J. Jr., [redacted]
Vuk, Melvin M., [redacted]

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, provided that in no case shall any of the following officers be appointed in a grade higher than lieutenant colonel.

CHAPLAIN

Malnar, Matthew G., [redacted]
Wuerffel, Theodore L., [redacted]

MEDICAL SERVICE CORPS

Spinks, Gary J., [redacted]

IN THE AIR FORCE

The following-named officers for permanent promotion in the U.S. Air Force, under the appropriate provisions of section 624, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force.

LINE OF THE AIR FORCE

To be lieutenant colonel

Abner, Howard C., [redacted]
Abravaya, Ralph I., [redacted]
Adams, Alan L., [redacted]
Adamski, John, [redacted]
Agrella, William, [redacted]
Aguirre, Ralph G., [redacted]
Ahlquist, John A., [redacted]
Ahrenholz, Gary C., [redacted]
Aiken, Richard W., [redacted]
Akana, Chang K., [redacted]
Albers, Alan K., [redacted]
Albertazzie, Thomas E., [redacted]
Albright, Robert E., [redacted]
Alchian, Allen A., [redacted]
Alford, William L., [redacted]
Allen, David E., [redacted]
Allen, Michael D., [redacted]
Allgood, James E., [redacted]
Allison, Clinton D., [redacted]
Allison, Kenneth L., [redacted]
Allison, Lavoin K., [redacted]
Almond, Daniel L., [redacted]
Alston, Howard R., Jr., [redacted]
Alt, John J., [redacted]
Anderl, Robert S., [redacted]
Anderson, Leslie C., [redacted]
Andersen, Paul C., [redacted]
Anderson, Donald C., [redacted]
Anderson, Emery D., [redacted]
Anderson, Herbert K., Jr., [redacted]
Anderson, Kenneth C., [redacted]
Anderson, Stanley K., [redacted]
Anderson, Wayne J., [redacted]
Andrus, James C., [redacted]
Anna, John W., [redacted]
Archer, Michael D., [redacted]
Armbrust, Gregory N., [redacted]
Armstrong, Ernie R., [redacted]
Armstrong, George A., III, [redacted]
Armstrong, John M., [redacted]
Arndt, Linda J., [redacted]
Arnold, Brian A., [redacted]
Arnold, Eugene F., [redacted]
Asher, Charles R., [redacted]
Ashley, Charles W., [redacted]
Ashton, David J., [redacted]
Aslakson, Thomas L., [redacted]
Atkinson, Delbert B., [redacted]
Atkinson, John M., [redacted]
Aufderheide, Edward H., [redacted]
Augustine, Charles D., [redacted]
Averitt, Donald W., [redacted]
Babbitt, Harold L., [redacted]
Backman, Stephen M., [redacted]
Backstrom, David W., [redacted]
Baethge, Jonathan D., [redacted]
Bagley, Hollis R., [redacted]
Bailey, Burnell W., [redacted]
Bailey, Larry A., [redacted]
Bailey, Michael L., [redacted]
Bain, Keith E., [redacted]
Baker, Donald L., [redacted]
Baker, Francis J., Jr., [redacted]
Baker, Glenn F., [redacted]
Baker, Robert D., [redacted]
Baker, Rodney W., [redacted]
Baker, William P., [redacted]
Baldwin, Margaret K., [redacted]
Ball, George J., [redacted]
Ballard, John A., [redacted]
Ballard, Robert L., [redacted]
Bangs, Daniel P., [redacted]
Banister, John H., Jr., [redacted]
Bankhead, James M., [redacted]
Banner, Clifden A., [redacted]
Bannon, Michael T., [redacted]
Barber, Gary N., [redacted]
Bard, Nathan R., Jr., [redacted]
Barfield, James S., [redacted]
Barnes, Gary I., [redacted]
Barnes, Michael R., [redacted]
Barnett, William H., Jr., [redacted]
Barrett, Ronald R., [redacted]
Barry, John L., [redacted]
Bartol, Thomas J., [redacted]
Barton, Harold H., Jr., [redacted]
Barton, Joseph S., [redacted]
Barton, William H. Jr., [redacted]
Bartsch, Thomas M., [redacted]
Bassett, Kenneth R., [redacted]
Bates, Rodney L., [redacted]
Bath, Thomas A., [redacted]
Batten, Albert L., [redacted]
Bauman, John V., [redacted]
Bauman, Richard A., [redacted]
Baxter, Tommy J., [redacted]
Beal, Thomas L., [redacted]
Beard, Richard E., Jr., [redacted]
Beat, Anthony M., [redacted]
Beavers, Jessie K., [redacted]
Bechtol, David A., [redacted]
Beck, Norman M., Jr., [redacted]
Becker, Donald J., [redacted]
Beckett, Mason H., Jr., [redacted]
Beckett, Richard A., [redacted]
Bedford, William A., [redacted]
Beil, Thomas I., [redacted]
Belisle, Thomas M., [redacted]
Bell, Dennis R., [redacted]
Belote, Frank L., Jr., [redacted]
Bender, Donald C., [redacted]
Bender, Richard L., [redacted]
Bennett, Robert B., [redacted]
Benzel, Douglas A., [redacted]
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Berg, Harold E., [redacted]
Berg, Thomas R., [redacted]
Berkshire, Ronald A., [redacted]
Berland, William L., [redacted]
Berlin, Rodney J., [redacted]
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Berry, Thomas J., Jr., [redacted]
Bethel, Harry E., [redacted]
Bettencourt, Manuel J., [redacted]
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Bieryla, Joseph P., [redacted]
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Bishop, Richard H., [redacted]
Black, Donald L., [redacted]
Blackwell, Jimmie A., [redacted]
Blair, Susan M., [redacted]
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Buckner, Louis W., [redacted]
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Deponte, Manuel, Jr., [redacted]
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Derosa, August I., [redacted]
Derrington, William T., [redacted]
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Dutton, Jeffrey L., [redacted]
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Fast, Dwight W., [redacted]
Faubion, Ernest R., [redacted]
Fauss, Gary E., [redacted]
Fehd, Dale F., [redacted]
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Poore, Michael F., [redacted]
Pope, Howard L., Jr., [redacted]
Pope, John P., [redacted]
Pope, Ray G Jr., [redacted]
Porter, Daniel W., [redacted]
Porter, David B., [redacted]
Portz, James A., [redacted]
Potter, Jackie C., [redacted]
Potts, David E., [redacted]
Poturalski, Richard J., [redacted]
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Prather, John L., [redacted]
Preach, Timothy P., [redacted]
Prejean, David K., [redacted]
Pretorius, Bruce L., [redacted]
Prible, John P. III., [redacted]
Pribnow, Andreas W., [redacted]
Price, Allen W., [redacted]
Price, Wayne R., [redacted]
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Prochaska, Robert D., [redacted]

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Queen, Donald J., [redacted]
Quigley, Michael A., [redacted]
Quillin, Charles M., Jr., [redacted]
Quinn, Daniel P., Jr., [redacted]
Radov, Larry G., [redacted]
Ragsdale, Rickman J., [redacted]
Rainey, Kenneth L., Jr., [redacted]
Rakestraw, David L., [redacted]
Ramsey, Cletis E., [redacted]
Ranallo, Gene P., [redacted]
Rand, Ronald T., [redacted]
Randle, Stephen D., [redacted]
Ranker, Richard A., [redacted]
Ranne, Wayne K., [redacted]
Rauhecker, David C., [redacted]
Rawie, Michael E., [redacted]
Ray, Randall L., [redacted]
Ray, Stephen M., [redacted]
Read, Michael K., [redacted]
Reckner, Robert D., [redacted]
Recknor, Wayne A., [redacted]
Redmann, Steven J., [redacted]
Reed, Lewis O., Jr., [redacted]
Reedy, John S., [redacted]
Reese, Walter L., [redacted]
Reeves, James T., [redacted]
Rehm, Danny C., [redacted]
Reid, Robert V., [redacted]
Reinheimer, Douglas R., [redacted]
Rendina, Rodney A., [redacted]
Rennekamp, David E., [redacted]
Rennell, Robert R., [redacted]
Rensema, Peter H., [redacted]
Reny, Wilfred E., [redacted]
Reuche, Michael A., [redacted]
Reynolds, James E., [redacted]
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Richter, Dale R., [redacted]
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Rindy, Kent S., [redacted]
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Rodriguez, Hector, [redacted]
Rodzianko, Michael O., [redacted]
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Rose, Reynold L., [redacted]
Rose, William C., [redacted]
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Rosso, Michael J., Jr., [redacted]
Roth, Mark A., [redacted]
Rowland, Lloyd B., [redacted]
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Royce, Charles A., [redacted]
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Rupert, Donald W., [redacted]
Russell, William D., [redacted]
Russo, Peter W., [redacted]
Ruth, Donald R., [redacted]
Rutledge, Joel C., [redacted]
Ryals, Robert E., [redacted]
Salvatoriello, Stephen D., [redacted]
Sampson, James A., [redacted]
Sanchez, Felix, [redacted]
Sanders, Bill, [redacted]
Sanders, John R., Jr., [redacted]
Saputo, Anthony A., [redacted]
Saunders, Mary L., [redacted]
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Sautter, James A., [redacted]
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Schaub, Kenneth L., [redacted]
Schaule, Norman, [redacted]
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Schedler, David W., [redacted]
Schell, William H. C., Jr., [redacted]
Scherbinske, Herbert B., [redacted]
Schlagenhauf, Rex E., [redacted]
Schlatter, Michael H., [redacted]
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Schofield, Edward G., [redacted]
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Schoonover, Kenneth, [redacted]
Schornstein, Richard H., [redacted]
Schreck, Billie J., [redacted]
Schreier, David F., [redacted]
Schroeder, Loren J., [redacted]
Schulmeister, Glenn, [redacted]
Schulte, Thomas W., [redacted]
Schur, Allan B., [redacted]
Searle, Jess E., [redacted]
See, Richard M., [redacted]
Seidenberger, Gregory J., [redacted]
Sessoms, William H., [redacted]
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Shackelford, John C., [redacted]
Shaddix, Ronald D., [redacted]
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Sharkey, Wayne A., [redacted]
Shaw, Jack W., [redacted]
Shaw, Michael E., [redacted]
Shaw, Philip R., [redacted]
Sheffer, Steven J., [redacted]
Shelby, Ben F., II, [redacted]
Sheldon, Michael L., [redacted]
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Sheley, William H., [redacted]
Shelgren, Harold R., [redacted]
Shelton, Brooks E., [redacted]
Shelton, Ramon C., [redacted]
Shelton, Richard A., [redacted]
Shepperd, Thomas G., Jr., [redacted]
Shilkitus, Michael A., [redacted]
Shinbara, David T., [redacted]
Shinoskie, John J., [redacted]
Shipman, Charles H., [redacted]
Shockey, John H., [redacted]
Shockley, James W., Jr., [redacted]
Shoemaker, Michael D., [redacted]
Sholtis, Timothy J., [redacted]
Shontz, David F., Jr., [redacted]
Shows, Robert J., [redacted]
Shroads, David A., [redacted]
Shumskas, Anthony F., [redacted]
Shunk, Harry J., Jr., [redacted]
Shurtleff, Richard W., [redacted]
Sides, John C., [redacted]
Simmons, Robert L., [redacted]
Simpson, Paul W., [redacted]
Sincoff, Steven L., [redacted]
Sinkular, Larry L., [redacted]
Sitton, William R., [redacted]
Siulte, Arunas, [redacted]
Sizemore, Daniel L., [redacted]
Skalko, David J., [redacted]
Skees, Edward J., [redacted]
Slack, Robert E., [redacted]
Slade, Robert W., [redacted]
Slater, Marshall T., Jr., [redacted]
Slaughenhaupt, Barry L., [redacted]
Sloan, David F., [redacted]
Sloan, Robert G., [redacted]
Smith, Aaron W., Jr., [redacted]
Smith, Bradley A., [redacted]
Smith, Bruce L., [redacted]
Smith, Emmerson R., Jr., [redacted]
Smith, Frederick C., [redacted]
Smith, Larry A., [redacted]
Smith, Leighton C., II, [redacted]
Smith, Lewill C., [redacted]
Smith, Martin F., [redacted]
Smith, Richard K., [redacted]
Smith, Robert F., [redacted]
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Smith, Thomas L., [redacted]
Smith, William B., [redacted]
Smith, William J., [redacted]
Smither, John W., [redacted]
Smitherman, Steven O., [redacted]
Smolen, Robert L., [redacted]
Snider, Samuel E., III, [redacted]
Snowden, Benjamin H., Jr., [redacted]
Snowden, James R., [redacted]
Snyder, Gregory B., [redacted]
Sobol, Anthony J., III, [redacted]
Sokolewicz, James P., [redacted]
Solomon, Howard L., [redacted]
Sousley, Lester D., [redacted]
Spada, Thomas A., [redacted]
Spangle, William R., [redacted]
Spatola, Michael A., [redacted]
Speer, James O., [redacted]
Spencer, Stanley R., [redacted]
Spiker, Phillip W., [redacted]
Spink, Bradley R., Jr., [redacted]
Spisak, John S., [redacted]
Spivey, Hugh M., [redacted]
Sprague, Kenneth, [redacted]
Springer, Arthur G., III, [redacted]
Springer, Charles T., II, [redacted]
Sromek, Michael E., [redacted]
Stack, David F., [redacted]
Stadler, Thomas E., [redacted]
Stafford, Lane L., [redacted]
Stafford, Max A., [redacted]
Stair, Lester A., [redacted]
Stamm, David C., [redacted]
Standridge, Jerry J., [redacted]
Stanley, Timothy D., [redacted]
Stanton, David R., Jr., [redacted]
Stanton, Mark E., [redacted]
Starling, William P., [redacted]
Stasiak, Mark, [redacted]
Staymates, David G., [redacted]
Stayton, Jack E., [redacted]
Steadman, Howell D., [redacted]
Steele, James A., [redacted]
Steele, Richard H., [redacted]
Stegman, Carl D., [redacted]

Stein, Joseph P., [redacted]
Steinbeiss, John F., [redacted]
Stendahl, Loren O., [redacted]
Stephany, Stephen H., [redacted]
Stephens, John S., [redacted]
Stevens, Dana E., [redacted]
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Stevens, Jonathan L., [redacted]
Stevenson, Lawrence H., [redacted]
Stewart, Bruce E., [redacted]
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Stiles, John L., [redacted]
Stiman, Kerry G., [redacted]
Stimpson, David F., [redacted]
St. John, Ronald C., [redacted]
Stobie, James G., [redacted]
Stockman, David M., [redacted]
Stoddard, Herbert L., [redacted]
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Stoermer, Karl W., [redacted]
Stokes, Samuel I., [redacted]
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Stone, William E., [redacted]
Stooke, Willard N., Jr., [redacted]
Storer, Richard W., III, [redacted]
Stow, Richard W., Jr., [redacted]
Stowe, Richard W., [redacted]
Straly, Miles H., [redacted]
Strawn, Charles D., [redacted]
Strickland, Michael E., [redacted]
Stuart, Donald B., [redacted]
Sturgill, George S., [redacted]
Sullivan, Francia K., [redacted]
Sullivan, James M., [redacted]
Sullivan, Kenneth J., [redacted]
Sundy, John R., [redacted]
Sutay, John G., [redacted]
Sutter, Richard R., [redacted]
Sutton, Jeanne C., [redacted]
Swain, Jerome W., [redacted]
Swason, John W., [redacted]
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Swenson, Hilmer W.S., Jr., [redacted]
Swenson, John M., [redacted]
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Swomley, Mark E., [redacted]
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Sylling, Charles O., [redacted]
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Talleur, Raymond C., [redacted]
Talley, Robert W., [redacted]
Talty, Patrick K., [redacted]
Tapaszi, Robert W., Jr., [redacted]
Taraba, Thomas S., [redacted]
Tarpley, Mark L., [redacted]
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Tashima, Alan I., [redacted]
Tauer, Truman N., [redacted]
Tayloe, Robert M., [redacted]
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Taylor, Judith A., [redacted]
Taylor, Roger E., [redacted]
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Tehee, Duane O., [redacted]
Teixeira, Leonard D.G., [redacted]
Telfeyan, Robert B., [redacted]
Teliska, Richard J., [redacted]
Temkow, Robert S., [redacted]
Temple, Lafayette P., III, [redacted]
Tepe, William A., [redacted]
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Thiel, William E., [redacted]
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Tibbetts, Gary L., [redacted]
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Tindell, Steven L., [redacted]
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Tinsley, Michael E., [redacted]
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Tomczak, Robert J., [redacted]
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Tooley, Nick T., [redacted]
Topliffe, John N., [redacted]
Torblaa, Jon N., [redacted]
Torres, Manuel T., [redacted]
Totsch, James P., [redacted]
Townsend, George H., [redacted]
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Tree, James L., [redacted]
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Tucker, Lloyd J., [redacted]
Tuggle, Timothy R., [redacted]
Tull, Edward R.S., IV, [redacted]
Tullis, John L., [redacted]
Turk, Reavis W., [redacted]
Turner, Larry A., [redacted]
Turner, Steven L., [redacted]
Turney, Daniel P., [redacted]
Tyce, Michael J., [redacted]
Tygart, Michael J., [redacted]
Uebelacker, Robert C., Jr., [redacted]
Uebelacker, Sally D., [redacted]
Uecker, Carolyn O., [redacted]
Ullom, Robert W., [redacted]
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Vanwagner, Ralph D., [redacted]
Vanwinkle, David A., [redacted]
Vaubel, Gail E., [redacted]
Vender, John T., II, [redacted]
Vera, Jose R., [redacted]
Vermeersch, Stephen J., [redacted]
Vick, James L., [redacted]
Villagran, Pamela R., [redacted]
Villines, James R., [redacted]
Virgilio, Stephen T., [redacted]
Vliet, Laurence C., [redacted]
Vogelgesang, David A., [redacted]
Vola, John A., [redacted]
Volcheff, Mark A., [redacted]
Volkman, Bryn E., [redacted]
Vollmar, Virgil F., [redacted]
Vorndam, Paul E., [redacted]
Vranish, Randolph P., [redacted]
Vuk, Melvin M., [redacted]
Wachinski, Anthony M., [redacted]
Wade, Michael E., [redacted]
Wadley, Verl D., [redacted]
Wagner, Norbert C., Jr. [redacted]
Wahlquist, John A., [redacted]
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Walding, Jerome G., [redacted]
Walker, Dale A., [redacted]
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Walker, Sims S., Jr., [redacted]
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Waller, Forrest E., Jr., [redacted]
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Watkins, Archer A., [redacted]
Watson, Robert E., [redacted]
Watson, Walter L., Jr., [redacted]
Watterson, John B., [redacted]
Waylett, Susanne M., [redacted]
Wayman, Eugene O., [redacted]
Weaver, Greggory K., [redacted]
Weaver, James L., [redacted]
Webber, Francis E., Jr., [redacted]
Webber, Richard E., [redacted]
Weber, Gary E., [redacted]
Weimer, John A., [redacted]
Weimer, Theron E., [redacted]
Weinstein, Ira D., [redacted]
Weise, Fritz A., [redacted]
Weiss, Daniel A., [redacted]
Wellington, Michael F., [redacted]
Wellman, Thomas M., [redacted]
Wells, Cecilia Salas, [redacted]
Wells, J. D., [redacted]
Wempe, Ralph E., [redacted]
Werling, Lee T., Jr., [redacted]
Wessels, Larry W., [redacted]
West, Donald W., [redacted]
West, Walter P., [redacted]
Weston, Craig P., [redacted]
Wethe, Wallace K., [redacted]
Wharton, John J., Jr. [redacted]
Wheeler, Larry L., [redacted]
Whisenhunt, Jeffery W. [redacted]
White, Gary H., [redacted]
White, Harry D., III, [redacted]
White, James C., [redacted]
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White, Wesley M., [redacted]
Wieners, Frederick L., [redacted]
Wiggins, Larry W., [redacted]
Wigington, John T., III, [redacted]
Wilbur, David M., [redacted]
Wilkerson, Thomas H., II, [redacted]
Wilkinson, John D., [redacted]
Willadsen, Lynn J., [redacted]
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Wilson, Gary S., [redacted]
Wilson, George S., [redacted]
Wilson, Jimmy H., [redacted]
Wilson, Terry L., [redacted]
Wiltz, Roland J., [redacted]

Winters, Michael P., xxx-xx-xxxx
Wintner, Kim M., xxx-xx-xxxx
Wisdom, James L., xxx-xx-xxxx
Witbracht, Ivan L., Jr., xxx-xx-xxxx
Wittenberg, Gustav D., xxx-xx-xxxx
Wittler, Richard F., xxx-xx-xxxx
Womack, Oscar, Jr., xxx-xx-xxxx
Wood, Leslie E., xxx-xx-xxxx
Wood, Walter D., xxx-xx-xxxx
Woodard, Charles D., xxx-xx-xxxx
Woods, Clinton C., xxx-xx-xxxx
Work, Lucian E., xxx-xx-xxxx
Wortham, James O., Jr., xxx-xx-xxxx
Worthington, Robert G., xxx-xx-xxxx
Wright, Bruce A., xxx-xx-xxxx
Wright, Robert M., xxx-xx-xxxx
Wright, Ted D., Jr., xxx-xx-xxxx
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Young, James M., xxx-xx-xxxx
Young, John R., xxx-xx-xxxx
Young, Patricia M., xxx-xx-xxxx
Young, Thomas T., xxx-xx-xxxx
Youngbluth, Timothy, xxx-xx-xxxx
Youngworth, Terry L., xxx-xx-xxxx
Younkin, Ross H., xxx-xx-xxxx
Yount, Joseph D., xxx-xx-xxxx
Yunag, Robert D., Jr., xxx-xx-xxxx
Zeimet, Richard H., xxx-xx-xxxx
Zeller, Dale L., xxx-xx-xxxx
Ziegler, David R., xxx-xx-xxxx
Zigment, Leonard A., xxx-xx-xxxx
Zimmerman, Alan L., xxx-xx-xxxx
Zulfer, Charles F., xxx-xx-xxxx
Zychalski, Charles A., xxx-xx-xxxx

CHAPLAIN CORPS

Beamon, Walter E., xxx-xx-xxxx
Beason, Kenneth G., xxx-xx-xxxx
Bell, Gerald, M., xxx-xx-xxxx
Bernard, Andre M., xxx-xx-xxxx
Dane, Warren T., xxx-xx-xxxx
Fahner, David W., xxx-xx-xxxx
Fey, Thomas J., xxx-xx-xxxx
Higgins, Richard B., xxx-xx-xxxx
Higgs, Gary L., Sr., xxx-xx-xxxx
Isenberg, Herbert L., xxx-xx-xxxx
Johnston, Robert F., xxx-xx-xxxx
Krauss, Robert M., Jr., xxx-xx-xxxx
Malnar, Matthew G., xxx-xx-xxxx
McAllister, Marvin, xxx-xx-xxxx
Milcetich, Paul P., Jr., xxx-xx-xxxx
Mulnix, John R., xxx-xx-xxxx
Rutkowski Edward A., xxx-xx-xxxx
Schwartzman, Joel R., xxx-xx-xxxx
Strickhausen, Leslie W., xxx-xx-xxxx
Supa, Joseph, xxx-xx-xxxx
Tibus, Andrew J., xxx-xx-xxxx
Timm, Jeffrey, T., xxx-xx-xxxx
Wilborn, James A., Jr., xxx-xx-xxxx
Williamson, Jack D., xxx-xx-xxxx
Wills, Larry E., xxx-xx-xxxx
Wuerffel, Theodore L., xxx-xx-xxxx
Zinzer, Walter W., xxx-xx-xxxx

JUDGE ADVOCATE

Beckenhauer, Charles D., xxx-xx-xxxx
Benton, William D., xxx-xx-xxxx
Bergan, Francis T., xxx-xx-xxxx
Brummett, Duane L., xxx-xx-xxxx
Camp, John H., Jr., xxx-xx-xxxx
Chachula, Bernard M., xxx-xx-xxxx
Cohen, James S., xxx-xx-xxxx
Donaldson, Howard L., xxx-xx-xxxx
Euretig, Joseph G., xxx-xx-xxxx
Fiscus Thomas J., xxx-xx-xxxx
Fox, Michael L., xxx-xx-xxxx
Fuller, Rex L., III, xxx-xx-xxxx
Haley, Johnnie M., xxx-xx-xxxx
Hammill, William B., xxx-xx-xxxx
Harte, John H., III, xxx-xx-xxxx
Hedlund, Stephen D., xxx-xx-xxxx
Kaeser, Richard R., xxx-xx-xxxx
Kelly, Lawrence W., xxx-xx-xxxx
King Vernon J., Jr., xxx-xx-xxxx
Kirschner, William H., III, xxx-xx-xxxx
Leroy Lloyd F., xxx-xx-xxxx
Lucy, Charles R., xxx-xx-xxxx
McCormack, Michael G., xxx-xx-xxxx
Orck, Charles E., xxx-xx-xxxx
Pechewlys, Charles, xxx-xx-xxxx
Pope, Willard L., Jr., xxx-xx-xxxx
Pratt, Andrew C., xxx-xx-xxxx
Roberts George K., xxx-xx-xxxx
Russell, James W., III, xxx-xx-xxxx
Shaw, Dennis H, xxx-xx-xxxx
Spencer, Robert N., xxx-xx-xxxx
Strand, Thomas L., xxx-xx-xxxx
Tepfer, Robert A., xxx-xx-xxxx
Underwood, William K., xxx-xx-xxxx
Vanzandt, Michael J., xxx-xx-xxxx
Whyte, Lynn K., xxx-xx-xxxx
Woodhouse, Terry J., xxx-xx-xxxx
Woodring, David W., xxx-xx-xxxx
Young, James A., III, xxx-xx-xxxx

NURSE CORPS

Althoetmar, Pamela A., xxx-xx-xxxx
Anderson, Naomi J., xxx-xx-xxxx
Baker, Richard D., xxx-xx-xxxx
Banziruk, Mary E., xxx-xx-xxxx
Beesinger, Carol J., xxx-xx-xxxx
Behler, Naomi A., xxx-xx-xxxx
Boone, Laura, xxx-xx-xxxx
Bossley, Virginia C., xxx-xx-xxxx
Boucher, Donald A., xxx-xx-xxxx
Bruce, Glennda L., xxx-xx-xxxx
Bush, Marian A., xxx-xx-xxxx
Cable, Damon W., xxx-xx-xxxx
Carbone, Christine J., xxx-xx-xxxx
Carver, Hazel I., xxx-xx-xxxx
Clark, David L., xxx-xx-xxxx
Collins, Wendy S., xxx-xx-xxxx
Corrow, Laura K., xxx-xx-xxxx
Creft, Brenda K., xxx-xx-xxxx
Dallemolle, Barbara A., xxx-xx-xxxx
Darnold, Jana L., xxx-xx-xxxx
Dalafosse, Jodie L., xxx-xx-xxxx
Deniz, Gloria A., xxx-xx-xxxx
Drayden, Florence E., xxx-xx-xxxx
Duckett, Margo L., xxx-xx-xxxx
Fryman, Mary K., xxx-xx-xxxx
Fullenkamp, Durelle B., xxx-xx-xxxx
Gaberel, Carol A., xxx-xx-xxxx
Hair, Barbara M., xxx-xx-xxxx
Hal, Gay P., xxx-xx-xxxx
Harrington, Karen K., xxx-xx-xxxx
Hatfield, Denzell K., xxx-xx-xxxx
Hauck, Elaine M., xxx-xx-xxxx
Howe, John J., xxx-xx-xxxx
Karaku, Ellen P., xxx-xx-xxxx
Kelley, James W., Jr., xxx-xx-xxxx
Knight, Barbara J.A., xxx-xx-xxxx
Kupchella, Diana L., xxx-xx-xxxx
Laureano, Julia Wilfredo, xxx-xx-xxxx
Lawrie, Barbara J., xxx-xx-xxxx
Love, Linda L., xxx-xx-xxxx
Massey, Vivian J., xxx-xx-xxxx
Maxse, Mary E., xxx-xx-xxxx
McCall, Lenora V., xxx-xx-xxxx
McKay, Priscilla S., xxx-xx-xxxx
Oczkowski, Jane M., xxx-xx-xxxx
Perry, Marilyn A., xxx-xx-xxxx
Price, Linda C., xxx-xx-xxxx
Reed, Charles E., xxx-xx-xxxx
Repaal, Lorena J., xxx-xx-xxxx
Rodie, Sandra M., xxx-xx-xxxx
Schermerhorn, Jan B., xxx-xx-xxxx
Sheldon, Carolyn E., xxx-xx-xxxx
Sprinkle, Bonita K., xxx-xx-xxxx
Stanley, Sandra L., xxx-xx-xxxx
Stratford, Leslie C., xxx-xx-xxxx
Sutterer, Wanda H., xxx-xx-xxxx
Tate, Marcia R., xxx-xx-xxxx
Temple, Barbara A., xxx-xx-xxxx
Thoman, Margaret A., xxx-xx-xxxx
Venderburg, Kathleen xxx-xx-xxxx
Warner, James, Jr., xxx-xx-xxxx
Williams, Sarah J., xxx-xx-xxxx
Yingling, Sue E., xxx-xx-xxxx
Yousey, Donald J., xxx-xx-xxxx

MEDICAL SERVICE CORPS

Agler, William B., III, xxx-xx-xxxx
Boone, Charles W., xxx-xx-xxxx
Camacho, David A., xxx-xx-xxxx
Chamberlain, Richard T., xxx-xx-xxxx
Deel, David I., xxx-xx-xxxx
Degracia, Daniel P., xxx-xx-xxxx
Evans, John E., xxx-xx-xxxx
Fescenmeyer, William K., xxx-xx-xxxx
Grabfelder, Michael T., xxx-xx-xxxx
Hayes, Garry D., xxx-xx-xxxx
Hosman, James V., xxx-xx-xxxx
Jenn, Donald A., xxx-xx-xxxx
Krause, William E., Jr., xxx-xx-xxxx
Liszewski, Richard S., xxx-xx-xxxx
Middleton, Allen W., xxx-xx-xxxx
Milner, Gary W., xxx-xx-xxxx
Peedin, Floyd R., xxx-xx-xxxx
Schroeder, Richard E., xxx-xx-xxxx
Seitz, Gary J., xxx-xx-xxxx
Shaw, William D., xxx-xx-xxxx
Spinks, Gary J., xxx-xx-xxxx
Storey, Richard C., Jr., xxx-xx-xxxx
Vivian, Talbot N., xxx-xx-xxxx
Young, Charles R., xxx-xx-xxxx

BIOMEDICAL SCIENCES CORPS

Artiglia, Edward W., xxx-xx-xxxx
Awalt, Suzanne J., xxx-xx-xxxx
Bloom, Richard W., xxx-xx-xxxx
Borchert, Ronald D., xxx-xx-xxxx
Cooper, James R., xxx-xx-xxxx
Crowder, Harvey R., xxx-xx-xxxx
Dehler, John H., xxx-xx-xxxx
Doane, Thomas R., xxx-xx-xxxx
Emmett, Frank E., Jr., xxx-xx-xxxx
Hagen, Carl H., xxx-xx-xxxx
Hale, Forrest B., xxx-xx-xxxx
Hindelang, Robert D., xxx-xx-xxxx
Hulse, Phillip M., xxx-xx-xxxx
Juhas, Andrew M., xxx-xx-xxxx
Kelleher, William J., xxx-xx-xxxx
Korn, Sidney H., xxx-xx-xxxx
Kreager, Robert A., xxx-xx-xxxx
Krogwold, Roger A., xxx-xx-xxxx
Krym, Robert M., xxx-xx-xxxx
Laird, Thomas B., xxx-xx-xxxx
Maher, Edward F., xxx-xx-xxxx
Marconidooley, Royetta, xxx-xx-xxxx
Martinez, Perez Roberto, xxx-xx-xxxx
McCloy, David L., xxx-xx-xxxx
McNamee, Corinne K., xxx-xx-xxxx
Meinders, Marvin D., xxx-xx-xxxx
Moyer, David A., xxx-xx-xxxx
Ostraat, Randall C., xxx-xx-xxxx
Ottinger, William E., xxx-xx-xxxx
Panyik, Robert J., xxx-xx-xxxx
Perry, Robert G., xxx-xx-xxxx
Root, Charles F., Jr., xxx-xx-xxxx
Seignious, George W., IV, xxx-xx-xxxx
Shirtz, John J., xxx-xx-xxxx
Stonecipher, Dale R., xxx-xx-xxxx
Varmecky, James R., xxx-xx-xxxx
Wall, Robert M., xxx-xx-xxxx
Weiland, William C., xxx-xx-xxxx
Young, James H., xxx-xx-xxxx

IN THE ARMY

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

To be colonel

Charles G. Cavanaugh, xxx-xx-xxxx

To be major

James M. Castle, xxx-xx-xxxx
Joseph M. Kiel, xxx-xx-xxxx

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

MEDICAL CORPS

To be colonel

David T. Baumann, [redacted]

DENTAL CORPS

To be lieutenant colonel

Earl L. Shufford, [redacted]

DENTAL CORPS

To be major

Scott Worlton, [redacted]

The following-named Army National Guard of the United States officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3385:

ARMY PROMOTION LIST

To be colonel

Beans, Joseph P., [redacted]
Brooks, Daryl T., [redacted]
Clark, Arthur C., [redacted]
Cuellar, Ruben D., [redacted]
Goett, Edward L., [redacted]
Kemnitz, Ralph A., [redacted]
Lee, Harry J., Jr., [redacted]
McGlothlin, Billy J., [redacted]
Palfreyman, Clifford D., [redacted]
Powell, Edward R., [redacted]
Rees, Raymond F., [redacted]
Southern, James C., [redacted]
Walker, George S., [redacted]

CHAPLAIN

To be colonel

Bol, Douglas J., [redacted]

MEDICAL CORPS

To be colonel

Bajar, Constantino R., [redacted]

ARMY PROMOTION LIST

To be lieutenant colonel

Allen, Robert D., [redacted]
Balliet, Richard A., [redacted]
Barrick, Timothy C., [redacted]
Baxter, George D., [redacted]
Benavides, Roberto, Jr., [redacted]
Buster, Kenneth R., [redacted]
Castle, John R., [redacted]
Cooper, James D., [redacted]
Edwards, Robert C., [redacted]
Emerson, Robert, [redacted]
Fern, Charles E., [redacted]
Franco, Alfred N., [redacted]
Frank, Ronald E., [redacted]
Griffin, Barry A., [redacted]
Groover, Donald L., [redacted]
Guthrie, Travis L., Jr., [redacted]
Hajenga, Stanley R., [redacted]
Haworth, Roderic L., [redacted]
Moorehead, Morris D., [redacted]
Mowrer, David R., [redacted]
Parrish, Gregory D., [redacted]
Pendleton, Gary H., [redacted]
Porter, William M., Jr., [redacted]
Richardson, Gerald A., [redacted]
Schuster, Michael A., [redacted]
Simmons, Milton E., [redacted]
Takano, Bernard K., [redacted]
Torres-Olmeda, Luis R., [redacted]
Whittaker, Christopher T., [redacted]
Wood, Jackie D., [redacted]
Wray, Claude E., [redacted]

MEDICAL CORPS

To be lieutenant colonel

Bedingfield, Herbert M., [redacted]
Keating, Ralph, Jr., [redacted]
Siegel, Philip S., [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

Mallires, Dean J., [redacted]
Perkins, Joe D., [redacted]

The following-named Army National Guard of the United States officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 593 and 3353:

MEDICAL CORPS

To be lieutenant colonel

McKee, Edgar G., [redacted]

The following-named Army National Guard of the United States officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3385:

ARMY PROMOTION LIST

To be colonel

Burgess, James M., [redacted]
Campbell, James W., [redacted]
Coggins, Norbert J., [redacted]
Cooper, Donald A., [redacted]
Coyne, Henry F., [redacted]
Ellsworth, Steven K., [redacted]
Engstrand, Raymond D., [redacted]
Ford, Joseph, [redacted]
Frattini, Carl P., [redacted]
Gillespie, Lawrence E., [redacted]
Pacholik, Frank G., [redacted]
Palfreyman, Clifford D., [redacted]
Riddle, Claude P., [redacted]
Rosenfeld, Michael M., [redacted]
Sargent, Richard C., [redacted]
Seymour, Joel W., [redacted]
Sordi, James J., [redacted]
Stachel, Jorg, [redacted]
Stewart, Walter L., Jr., [redacted]
Strickland, Robert D., [redacted]
Taylor, Robert V., [redacted]
Tobin, Alfred E., [redacted]
Walsh, John F., Jr., [redacted]

CHAPLAIN

To be colonel

Campbell, Jesse R., [redacted]
Johansen, Paul C., [redacted]

MEDICAL CORPS

To be colonel

O'Neal, David M., [redacted]

MEDICAL SERVICE CORPS

To be colonel

Digilio, John T., Jr., [redacted]

ARMY PROMOTION LIST

To be lieutenant colonel

Adamson, Robert S., [redacted]
Alexander, Henry C., Jr., [redacted]
Allen, Ervin, Jr., [redacted]
Barber, Dale R., [redacted]
Becker, Wayne J., [redacted]
Beckwith, Ralph G., [redacted]
Brixey, Ronald L., [redacted]
Brundage, Lucien A., [redacted]
Burger, Richard R., [redacted]
Burgraff, Bradley B., [redacted]
Caplicki, Edmund V., Jr., [redacted]
Cavallari, Felix A., [redacted]
Cooke, James L., [redacted]
Dianich, Richard H., [redacted]
Dillon, Howard A., Jr., [redacted]
Dowless, Bobby R., [redacted]
Dunbar, Martin C., [redacted]
Ehret, David L., [redacted]
Ellis, James T., III, [redacted]
Enright, John L., [redacted]
Ettleman, Fred A., [redacted]
Flett, Ronald G., [redacted]
Gaarder, James O., [redacted]
George, Dennis L., [redacted]
Gifford, Daniel W., Jr., [redacted]
Griggs, Conrad D., [redacted]
Haakenson, Daniel T., [redacted]
Hauck, Albert L., Jr., [redacted]
Hawkins, William A., [redacted]
Holbrook, David W., [redacted]
Horan, Thomas J., [redacted]
Jones, Freddie L., [redacted]
Kanan, John F., [redacted]
Klimash, Eugene J., [redacted]
Kuehne, Ronald L., [redacted]
Lacroix, Joseph J., [redacted]
Laflin, James E., [redacted]
Lawson, Lee E., [redacted]
Leeper, James E., [redacted]
Linch, Charles J., [redacted]
Lindeman, Gary A., [redacted]
Lowe, John H., [redacted]
Manzione, Philip J., [redacted]
Marshall, Alan T., [redacted]
Martinez, Matthew M., [redacted]
Mayheu, Stephen A., [redacted]
McIntosh, James D., [redacted]
Moretti, Luke J., [redacted]
Morford, Jim E., [redacted]
Murphy, Sigurd E., Jr., [redacted]
Nevin, Harold J., Jr., [redacted]
Nygaard, Christian A., [redacted]
Pasqua, Anthony R., [redacted]
Peck, Gregory C., [redacted]
Pond, William H., [redacted]
Rawlins, Eldon W., [redacted]
Rucker, Steven C., [redacted]
Ruzika, Frank R., [redacted]
Sallenger, Kenneth C., [redacted]
Schroeder, Ralph H., [redacted]
Schumacher, David L., [redacted]
Sinclair, Harry D., Jr., [redacted]
Slonina, John R., [redacted]
Stallcup, Cecil D., [redacted]
Thomson, Roy R., [redacted]
Warden, Jerry B., [redacted]
Woitkoski, Gerald S., [redacted]
Wootten, Glenn D., [redacted]

MEDICAL CORPS

To be lieutenant colonel

Fulton, Ben E., [redacted]

The following-named Army National Guard of the United States officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 593 and 3353:

MEDICAL CORPS

To be lieutenant colonel

Pollock, Charles A., Jr., [redacted]

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 3353:

MEDICAL CORPS

To be colonel

Beitia, Jose, [redacted]
Bookwater, John R., [redacted]
Brill, Aaron B., [redacted]
Ehrlich, Frank E., [redacted]
Gwinn, Byron C., II, [redacted]
Holmboe, Arthur H., [redacted]
Lambert, Gary J., [redacted]
Schatzman, Ronald C., Jr., [redacted]
Sheverini, Mohammad A., [redacted]

To be lieutenant colonel

Alger, John R., [redacted]
Alonte, Reynaldo D., [redacted]
Arnold, Hendrick J., III, [redacted]
Ball, George M., [redacted]
Batlle-Morell, Cosme R., [redacted]
Brenckman, Wayne D., Jr., [redacted]
Burton, Thomas H., [redacted]
Carter, Jimmy M., [redacted]
Chesky, Frank H., [redacted]
Curtis, Walter R.S., [redacted]
Dimanin, John V., [redacted]
Guillamondegui, Oscar M., [redacted]
Johnson, Martin, C., [redacted]

Kim, Andrew T., [redacted]
King, Dale W., [redacted]
Kingham, James D., [redacted]
Lilly, Raymond L., Jr., [redacted]
Lynch, Frank P., III, [redacted]
Messmer, James M., [redacted]
Miller, William L., [redacted]
Myint, Maung K., [redacted]
Newton, Walter M., Jr., [redacted]
O'Loughlin, Edward P., [redacted]
Ongkiko, Carlos M., Jr., [redacted]
Ortega, Bienvenido D., [redacted]
Pine, Donald K., [redacted]
Rundle, Francis W., [redacted]
Saunders, Ronald J., [redacted]
Sepulveda, Rene A., [redacted]
Shin, Hyunchul J., [redacted]
Sison, Benjamin S., [redacted]
Smith, Gerald L., [redacted]
Stinson, Harold K., [redacted]
Thomas, Joseph R., [redacted]
Weissfisch, George., [redacted]
Whitlock, Norris W., [redacted]
Wilner, George D., [redacted]

DENTAL CORPS

To be lieutenant colonel

Charbonneau, Paul C., [redacted]
Jones, John C., [redacted]

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

MEDICAL SERVICE CORPS

To be lieutenant colonel

Dennis C. Bradshaw, [redacted]

MEDICAL SERVICE CORPS

To be major

Robert G. Marslender, [redacted]

VETERINARY CORPS

To be major

Catherine D. Smith, [redacted]

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

To be major

Steven W. Hatcher, [redacted]
Thomas J. Zicharelli, [redacted]

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

MEDICAL CORPS

To be major

Kenneth R. Phillips, [redacted]
Charles M. Pitts, [redacted]

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3383:

ARMY PROMOTION LIST

To be colonel

Beeler, Alan L., [redacted]
Gaw, Michael T., [redacted]
Gordon, Joseph S., [redacted]
Phillips, Edmund J., [redacted]
Sanders, Bobby W., [redacted]
Seppa, Michael F., [redacted]

CHAPLAIN

To be colonel

Burns, Williams G., [redacted]

MEDICAL CORPS

To be colonel

Legrand, Jay, [redacted]
Lubritz, Ronald R., [redacted]
Stabenow, David L., [redacted]

MEDICAL SERVICE CORPS

To be colonel

Waaks, Norman H., [redacted]

ARMY PROMOTION LIST

To be lieutenant colonel

Anderson, John L., [redacted]
Antoniotti, Joseph, [redacted]
Bach, Robert M., [redacted]
Benshoof, Terrence, [redacted]
Bergquist, Kenneth, [redacted]
Besel, Marvin H., [redacted]
Bickel, John W., [redacted]
Bonato, James J., [redacted]
Coleman, Richard E., [redacted]
Collins, James M., Jr., [redacted]
Crawford, Vernon B., [redacted]
Erwin, Randal L., [redacted]
Foley, Timothy E., [redacted]
Gentzke, Frank S., [redacted]
Glover, Alvin D., [redacted]
Hightower, John D., [redacted]
Jaeger, Calvin D., [redacted]
Kanemoto, Wayne K., [redacted]
Kaneta, Lance T., [redacted]
Kirlin, Joseph P., [redacted]
Koenen, William A., [redacted]
Labrot, Donald V., [redacted]
Lance, Charles E., [redacted]
Lewis, John T., [redacted]
Mader, Michael R., [redacted]
Magee, Douglas M., [redacted]
Mann, Frederick H., [redacted]
Maranville, Don R., [redacted]
Mattson, Paul R., [redacted]
Mueller, Patrick A., [redacted]
Murphy, Charles R., [redacted]
Parker, James A., [redacted]
Ressler, John T., [redacted]
Schumacher, Gerald, [redacted]
Scott, John L., [redacted]
Shuman, Kenneth E., [redacted]
Simmons, Bobby G., [redacted]
Steger, Ronald F., [redacted]
Stelle, Robert T., [redacted]
Stirling, Sherry B., [redacted]
Storm, John P., [redacted]
Stupp, John P., Jr., [redacted]
Tissler, John G., [redacted]
Todd, Stephen K., [redacted]
Walker, George H., Jr., [redacted]
Wall, Charles H., [redacted]
Wallace, Steven L., [redacted]
Weiford, Thomas E., [redacted]
William, Stephen T., [redacted]

CHAPLAIN

To be lieutenant colonel

Baldwin, Robert S., [redacted]
Fauntroy, Howard B., [redacted]
Hollfelder, Eugene, [redacted]

ARMY NURSE CORPS

To be lieutenant colonel

Schmid, Marlene, M., [redacted]

MEDICAL CORPS

To be lieutenant colonel

Deshmukh, Marayan, [redacted]
Korenyi-Both, Andreas, [redacted]
Vandelden, James B., [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

Marquart, James C., [redacted]

VETERINARY CORPS

To be lieutenant colonel

Harvey, Roger B., [redacted]

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of Title 10, U.S.C., Section 3370:

ARMY NURSE CORPS

To be colonel

Bonczewski, Jean K., [redacted]
Cammermeyer, Margar, [redacted]
Chittick, Elizabeth, [redacted]
Chrietzberg, V., [redacted]
Edwards, Constance, [redacted]
Eisenkramer, Kathry, [redacted]
Frende, Joan T., [redacted]
Gero, Nancy V., [redacted]
Hodges, Beth S., [redacted]
Holodiloff, Frances, [redacted]
Margwarth, Theodore, [redacted]
Matteson, Charles L., [redacted]
McWashington, Lenor, [redacted]
Moen, Mary E., [redacted]
Natzke, Patricia, J., [redacted]
Noble, Larrie, P., [redacted]
Perry, Leslie G., [redacted]
Pierce, Joanna R., [redacted]
Rhoades, Lola, M., [redacted]
Southard, Margaret, [redacted]
Strubinger, Bernard, [redacted]
Symes, Olga S., [redacted]
Thompson, Edythe D., [redacted]
Wade, Monda S., [redacted]
Williams, Jacquelin, [redacted]
Wooding, Gayle M., [redacted]
Young, Kenneth E., [redacted]

DENTAL CORPS

To be colonel

Allen, Theodore B., [redacted]
Alton, Arthur E., [redacted]
Ashley, Charles M., [redacted]
Atkins, Robert M., [redacted]
Ballew, Dewey G., [redacted]
Blackburn, Benjamin, [redacted]
Brognand, Frank L., [redacted]
Campbell, James R., [redacted]
Carabello, John F., [redacted]
Carpenter, John B., [redacted]
Caruth, Lawrence G., [redacted]
Clausen, Howard W., [redacted]
Cobb, Charles M., [redacted]
Colbern, Robert J., [redacted]
Gay, William D., [redacted]
George, William H., [redacted]
Goetsch, Eugene R., [redacted]
Grant, Robert W., [redacted]
Healey, Kent W., [redacted]
Henderson, Herbert, [redacted]
Holdeman, George R., [redacted]
Howe, Arthur G., [redacted]
Hoyle, Wilson S., [redacted]
Hunter, William E., [redacted]
Johnson, William L., [redacted]
Jones, Leonard A., [redacted]
Jordan, Charles H., [redacted]
King, William P., [redacted]
Koss, Stanley F., [redacted]
Kraft, Thomas., E [redacted]
Kramer, Seymour, [redacted]
Lee, James L., [redacted]
Maciol, Eugene V., [redacted]
Mailshanker, Paul A., [redacted]
Margolis, Melvin B., [redacted]
Martin, John B., [redacted]
Martin, Paul J., [redacted]
Mastrocola, Ralph, [redacted]
McBride, Lindley D., [redacted]
McGee, Robert L., [redacted]
McGoodwin, Roland C., [redacted]
McGregor, Arthur J., [redacted]
Meehan, Patrick M., [redacted]
Mehlisch, David F., [redacted]
Moore, Rayburn A., [redacted]
Morford, Herbert T., [redacted]
Morrow, Hollis W., [redacted]
Mowery, Albert S., [redacted]
Murray, Granville A., [redacted]
Myers, Malcolm, [redacted]
Navarro, Richard A., [redacted]

Nersasian, Robert R., [redacted]
Noblin, Franklin J., [redacted]
Olsen, James R., [redacted]
Orton, Terrence D., [redacted]
Pankuch, Richard G., [redacted]
Puma, Joseph P., [redacted]
Ramlow, William A., [redacted]
Reed, William R., [redacted]
Rivera, Hidalgo F., [redacted]
Rodman, Harold J., [redacted]
Rutherford, Robert, [redacted]
Sanchez, Antonia M., [redacted]
Sanchezbaez, Raul, [redacted]
Schulgen, James F., [redacted]
Shearer, Robert J., [redacted]
Shubert, Burl C., [redacted]
Shuford, Gene M., [redacted]
Skidmore, Hugh P., Jr., [redacted]
Sladky, Kenneth C., [redacted]
Todd, Donald D., [redacted]
Tom, Harry K.S., [redacted]
Vierthaler, Anton A., [redacted]
Vilapescador, E., [redacted]
Warfield, David K., [redacted]
Warrick, David L., [redacted]
Weigt, Frederick C., [redacted]
Weinberg, Jacob E., [redacted]
Wiley, Wayne R., [redacted]
Wright, Gordon L., [redacted]

MEDICAL CORPS

To be colonel

Abrahams, Lawrence, [redacted]
Adams, Payson S., [redacted]
Anderson, Paul J., [redacted]
Antonelli, Mary A., [redacted]
Arrington, Harold, [redacted]
Asiaf, Joseph R., [redacted]
Babcoke, Gary A., [redacted]
Bartels, Roger J., [redacted]
Black, William L., [redacted]
Brannon, Dabney H., [redacted]
Brewington, Kenneth, [redacted]
Buckingham, William, [redacted]
Burdic, Joseph T., [redacted]
Carrasco, Jose I., [redacted]
Casper, Edmund, [redacted]
Ceriani, Philip D., [redacted]
Chamberlain, Warren, [redacted]
Chester, Charles P., [redacted]
Ciccio, Samuel S., [redacted]
Clark, Louis P., [redacted]
Cooper, John D., [redacted]
Cooper, Maxwell A., [redacted]
De Lee, Jesse C., [redacted]
Elkins, Irving E., [redacted]
Emmons, James E., [redacted]
Everett, Elwood D., [redacted]
Fewell, Ronald D., [redacted]
Fortini, Glenn E., [redacted]
Gedachian, Robert K., [redacted]
Gotlin, Ronald W., [redacted]
Gretz, Herbert F., [redacted]
Haddox, Victor G., [redacted]
Hakim, Simon Z., [redacted]
Harmon, John W., [redacted]
Hill, Charles E., [redacted]
Hutchinson, Thomas, [redacted]
Iseman, Michael D., [redacted]
Keefe, William E., [redacted]
Kelley, William A., [redacted]
Kobs, Darcey G., Jr., [redacted]
Landis, William B., [redacted]
Lebedovych, Victor, [redacted]
Lennon, Robert L., [redacted]
Lester, John B., [redacted]
Luzier, Thomas L., [redacted]
Martens, Thomas J., [redacted]
Maxwell, George D., [redacted]
Mays, Anthony W., [redacted]
McNiell, Daniel, Jr., [redacted]
Mease, Alan D., [redacted]
Mellen, John D., [redacted]
Milburn, William H., [redacted]
Mills, John C., [redacted]
Morse, James A., [redacted]
Moyer, Gerald B., [redacted]
Norris, Michael, [redacted]
Norton, Minthorne D., [redacted]
Oatfield, Robert G., [redacted]
O'Brien, John F., [redacted]
Ortiz, Maria D., [redacted]
Parisi, Herbert F., [redacted]
Patrick, Donald W., [redacted]
Pearsall, Gurney F., [redacted]
Pearson, Alfred G., [redacted]
Richmond, Isabell L., [redacted]
Riker, Sylvan H., [redacted]
Rivas, Manuel A., [redacted]
Robinson, Bernard, [redacted]
Rock, William A., [redacted]
Rohrer, Harold H., [redacted]
Roscetti, James L., [redacted]
Rutland, Eugene D., [redacted]
Ryan, James W., [redacted]
Sears, Stephen R., [redacted]
Sehorn, Samuel L., [redacted]
Shatz, Eugene M., [redacted]
Shen, Shiao W., [redacted]
Skibba, Joseph L., [redacted]
Smith, Jay D., [redacted]
Spector, Sheldon L., [redacted]
Stor, Richard A., [redacted]
Susann, Philip W., [redacted]
Swallow, Charles T., [redacted]
Templer, Jerry W., [redacted]
Tolentino, Guillerm, [redacted]
Turner, William R., [redacted]
Vagshenian, Gregory, [redacted]
Vallalba, Roman J., [redacted]
Watkins, Wilfred E., [redacted]
Welch, Roland L., [redacted]
Whittier, Frederick, [redacted]
Wicks, John C., [redacted]
Williams, Joseph P., [redacted]
Winn, James R., [redacted]
Yocum, Harold A., [redacted]

MEDICAL SERVICE CORPS

To be colonel

Clagett, Donald C., [redacted]
Digilio, John T., [redacted]
Dubose, Alfred L., [redacted]
Dumoulin, Gary C., [redacted]
Giachini, Walter R., [redacted]
Henley, Everett S., [redacted]
Holland, Paul G., [redacted]
Hudson, Billy G., [redacted]
Krumhaus, Paul A., [redacted]
Laing, Robert L., [redacted]
Lane, John T., Jr., [redacted]
Lloyd, Arthur R., [redacted]
Morse, John T., [redacted]
Mortensen, Eugene P., [redacted]
Starcher, Barry C., [redacted]
Steckler, Jay, [redacted]
Tabb, Billy, [redacted]
Wisley, Paul G., [redacted]

ARMY MEDICAL SPECIALIST CORPS

To be colonel

Baehm, Donald W., [redacted]
Elliott, Nancy A., [redacted]
Fleming, Elliott T., [redacted]
Sinha, Awadhesh K., [redacted]

VETERINARY CORPS

To be colonel

Davis, Ronald D., [redacted]
Extrand, Charles W., [redacted]

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3366:

ARMY PROMOTION LIST

To be lieutenant colonel

McGuire, John R., [redacted]
Passage, George E., [redacted]
Shuford, Franklin L., [redacted]

ARMY NURSE CORPS

To be lieutenant colonel

Abboud, Bernice, [redacted]
Allen, Alinga A., [redacted]
Alston, Cheryle L., [redacted]
Anders, Robert L., [redacted]
Augustine, Nancy J., [redacted]
Barnes, Carol G., [redacted]
Beran, Nancy D., [redacted]
Besley, Gloria A., [redacted]
Bhatia, Vajramala P., [redacted]
Bibbs, Sondra A. W., [redacted]
Biebesheimer, Ellen, [redacted]
Blackman, Diana S., [redacted]
Blair, Elizabeth J., [redacted]
Bollinger, Nora L., [redacted]
Bowman, Sheila R., [redacted]
Brenner, Sally A., [redacted]
Brooks, Shirley A., [redacted]
Brown, Nancy J., [redacted]
Bryant, Carolyn, [redacted]
Caldwell, Marian P., [redacted]
Canell, Eleanor, [redacted]
Carcio, Helen A. N., [redacted]
Carruthers, Juanita, [redacted]
Charles, Constance, [redacted]
Childers, Susan B., [redacted]
Childs, Candace, [redacted]
Cobble, Nancy A., [redacted]
Cochran, Susan I. N., [redacted]
Collins, Terry C., [redacted]
Connell, Joan T., [redacted]
Cook, Charlotte A., [redacted]
Cook, Georgina D., [redacted]
Cooke, Dorothy A., [redacted]
Cotton, Tamara T., [redacted]
Coughlan, Kathleen, [redacted]
Cullinan, Barbara J., [redacted]
Cupit, Linda G., [redacted]
Darby, Loretta A., [redacted]
Davis, Suzanne M., [redacted]
Deangelis, Rosemary, [redacted]
Deloor, Ruth M., [redacted]
Desomery, Cynthia H., [redacted]
Detterer, Teresa K., [redacted]
Diazrodriguez, Dign, [redacted]
Dippolito, Esther M., [redacted]
Donahue, Terrence R., [redacted]
Dorman, Vincent J., [redacted]
Doster, Martha R., [redacted]
Dowdell, Diane M., [redacted]
Dwire, Diane M., [redacted]
Earley, Antoinette, [redacted]
Eastman, Linda M., [redacted]
Elliston, Marilyn T., [redacted]
Elston, Marilyn R., [redacted]
Erickson, Carol L., [redacted]
Farber, Beatrice, [redacted]
Farris, Pamala J., [redacted]
Fisher, Georganne, [redacted]
Fitzgerald, Cheryl, [redacted]
Ford, Patricia E., [redacted]
Foster, Willie H., [redacted]
Fraund, Rosemarie E., [redacted]
Frazier, Catherine, [redacted]
Galla, Margaret E., [redacted]
Gallien, Patterson, [redacted]
Giles, Gary N., [redacted]
Gill, Doris Q., [redacted]
Ginieres, Stephanie, [redacted]
Glover, Linda D., [redacted]
Goolsby, Elizabeth, [redacted]
Gordon, Ella D.H., [redacted]
Greenberg, Barbara, [redacted]
Greene, Bettye L., [redacted]
Gunning, Carolyn S., [redacted]
Halter, Kathleen A., [redacted]
Hammond, Bruce L., [redacted]
Harold, Nancy J., [redacted]
Harris, Carrie M., [redacted]
Harvey, Barbara E., [redacted]
Hastings, Barbara L., [redacted]
Hatcher, Barbara, [redacted]

Hawkins, Myrtle J., [redacted]
Hayman, Joyce L., [redacted]
Headley, Rhoda L., [redacted]
Hernon, Yvette P., [redacted]
Higgins, Patricia J., [redacted]
Hilliard, Beulah H., [redacted]
Hobson, Carole E., [redacted]
Holder, Ronald R., [redacted]
Holliday, Beverly V., [redacted]
Holt, Donna F., [redacted]
Hughes, Kathleen A., [redacted]
Hulbert, Judith A., [redacted]
Huntington, Theodor [redacted]
Jackson, Jane A., [redacted]
Jaska, Mary J.C., [redacted]
Jenkins, Lynne C., [redacted]
Johnson, Karen A., [redacted]
Johnson, Preston, Jr. [redacted]
Kennedy, Sharon A., [redacted]
Kidwiler, Judy H., [redacted]
Kilburn, George W., [redacted]
Kohrs, Elizabeth A., [redacted]
Kowalczyk, Walter E., [redacted]
Kremmer, Susan M.K., [redacted]
Kruger, Dennis G., [redacted]
Kuipers, Jo Beth H., [redacted]
Labansky, Suzanne W., [redacted]
Leib, Helaine B., [redacted]
Lendaro, Marie R., [redacted]
Lensing, William A., [redacted]
Lewis, Vickie C., [redacted]
Lowrey, Margaret A., [redacted]
Lynch, Durwood D., [redacted]
Maguire, Carole A, [redacted]
Manhart, Margaret T. [redacted]
Martin, Robert J., [redacted]
Mathewson, Chapman, [redacted]
McKenna, Kathleen R. [redacted]
McKeone, Patricia A., [redacted]
McMahon Margaret M., [redacted]
Meade, Rosalinda G., [redacted]
Mechanic, Hedy F., [redacted]
Mercer, Keith E., [redacted]
Meservy, Darlene, [redacted]
Miller, Judith R., [redacted]
Moore, Joy W., [redacted]
Moorhead, James, [redacted]
Mueller, Elizabeth, [redacted]
Mumford, Karen M., [redacted]
Myrabo, Jessica D., [redacted]
Nark, Janis A., [redacted]
Nelson, Barbara M., [redacted]
Nero, Carrie L, [redacted]
Novak, Ilene W., [redacted]
O'Bannon, Freda V., [redacted]
O'Drick, Katherine [redacted]
O'Flynn, Alice I., [redacted]
O'Halloran, Virginia, [redacted]
Ollhoft, Susan C., [redacted]
O'Toole, Maureen J., [redacted]
Owen, Margaret N., [redacted]
Park, Sharon F.A., [redacted]
Pecher, Catherine V. [redacted]
Phillips, Sylvia J., [redacted]
Presler, Elizabeth [redacted]
Rice, Mary J., [redacted]
Roberts, Richard R. [redacted]
Rockwell, Kathleen [redacted]
Rodriguezalicea, R., [redacted]
Rodriguezperez, J. [redacted]
Root, Carolyn B., [redacted]
Rorick, Carolyn M., [redacted]
Rosenlund, Linda, [redacted]
Rounds, Barbara A., [redacted]
Rudder, Williams R., [redacted]
Salzer, Judith S., [redacted]
Scales, Freda S., [redacted]
Scalley, Sylvia C., [redacted]
Schoman, Lynn I., [redacted]
Seabrooks, Patricia, [redacted]
Seward, Georgia A., [redacted]
Shepard, Connie C., [redacted]
Sherbine, Elizabeth [redacted]
Sherman, Joanne R. [redacted]
Shuman, Donna J., [redacted]
Simms, Patricia H., [redacted]
Skibapowell, Helen, [redacted]
Smith, Lucy E., [redacted]
Smith, Marian R., [redacted]
Smith, Marie E., [redacted]
Smith, Mary L., [redacted]
Smith, Willie E.O., [redacted]
Sparks, Susan M., [redacted]
Spaulding, John A., [redacted]
Spencer, Linda A., [redacted]
Spratley, Katherine [redacted]
Standridge, Mary L., [redacted]
Stanfield, Margaret [redacted]
Stanton, Marietta P. [redacted]
Steadman, Emmie E., [redacted]
Stodola, Barbara A., [redacted]
Stone, Vera W., [redacted]
Sullivan, Donna M., [redacted]
Sullivan, Virginia, [redacted]
Swartz, Kathryn L., [redacted]
Sweitzer, Mabel C., [redacted]
Swint, Mary L., [redacted]
Thomson, Eleanor A., [redacted]
Thorne, Barbara G., [redacted]
Toelle, Jean F., [redacted]
Townsend, Vernon D., [redacted]
Tucker, Madeleine A., [redacted]
Turner, Joan B., [redacted]
Turner, John P., [redacted]
Tustin, Joleen, [redacted]
Vaughn, Betty A., [redacted]
Viens, Diane C., [redacted]
Wallace, Barbara V., [redacted]
Washa, Mary S., [redacted]
Washington, Margare, [redacted]
Welliver, Harry W.I., [redacted]
Whidby, Barbara L., [redacted]
White, Carolyn W., [redacted]
Will, Virginia K., [redacted]
Williams, Maebelle, [redacted]
Williams, Retha L., [redacted]
Winninghoff, Margar, [redacted]
Wright, Judith K., [redacted]
Zindlerwernet, Pat, [redacted]

DENTAL CORPS

To be lieutenant colonel

Adamson, Kenneth W., [redacted]
Assad, Joseph E., [redacted]
Banes, Jerry D., [redacted]
Banwell, Lance E., [redacted]
Barnes, Thomas A., [redacted]
Best, Edward E., [redacted]
Belvins, William R., [redacted]
Book, Glenn L., [redacted]
Boswell, William C., [redacted]
Brady, William A., [redacted]
Brown, David E., [redacted]
Brown, James L., [redacted]
Bruns, David J., [redacted]
Buller, Dale L., [redacted]
Burnham, James S., [redacted]
Caron, Philip L., [redacted]
Carpenter, Charles, [redacted]
Carpenter, Michael, [redacted]
Chili, David J., [redacted]
Collins, Keith T., [redacted]
Conrad, Paul W., [redacted]
Currie, Robert E., [redacted]
Dewitt, Robert M., [redacted]
Dilworth, Curtis M., [redacted]
Dodd, Howard T., [redacted]
Dugger, Joe M., [redacted]
English, Peter C., [redacted]
Ferguson, Ray L., [redacted]
Floyd, Louis C.J., [redacted]
Freeman, Clarence T., [redacted]
Garner, Robert T., [redacted]
Goff, George V., [redacted]
Gunderson, Duane K., [redacted]
Hanley, Michael R., [redacted]
Harre, John W., [redacted]
Hartvigsen, Rulon E., [redacted]
Hempstead, William, [redacted]
Hollaren, Vincent M., [redacted]
Jones, Terry T., [redacted]
Jordan, John R., [redacted]
Kadzik, Paul L., [redacted]
Keller, John C., [redacted]
Kemeny, John G., [redacted]
Kim, Myung Cho, [redacted]
Kordulak, John L., [redacted]
Lacy, Edward D., [redacted]
Loftus, Ronald J., [redacted]
Maddox, David L., [redacted]
Major, John T., [redacted]
Marker, James N., [redacted]
McIntosh, John R., [redacted]
McMillon, Morris, W., [redacted]
Miller, James L., [redacted]
Moore, Vernell N., [redacted]
Muenzhuber, John A., [redacted]
Murphy, James B., [redacted]
Murray, Edward B., [redacted]
Nichols, William C., [redacted]
Olberding, Nichols, [redacted]
Oldak, Stanley, [redacted]
Page, Stephen W., [redacted]
Pannebaker, William, [redacted]
Patt, Robert F., [redacted]
Paye, Mark H., [redacted]
Payne, James L., [redacted]
Poling, Kirby E., [redacted]
Primavera, John A., [redacted]
Pryor, Ronald J., [redacted]
Pultman, Mark F., [redacted]
Reams, Douglas H., [redacted]
Reiff, Gregory J., [redacted]
Roberts, Frederick, [redacted]
Robinovitz, Edward, [redacted]
Rogers, Clarence P., [redacted]
Ryan, John W., [redacted]
Selting, Wayne J., [redacted]
Sheen, Myron W., [redacted]
Sheppard, Arthur E., [redacted]
Stakis, Anthony D., [redacted]
Steinhoff, Mark H., [redacted]
Terrill, David G., [redacted]
Testa, Donald, [redacted]
Timmons, Thomas W., [redacted]
Tomsik, Leonard M., [redacted]
Toolson, Leigh B., [redacted]
Torregrosa, Jose R., [redacted]
Traub, Alan M., [redacted]
Tuomi, Jay A., [redacted]
Upp, John C., Jr., [redacted]
Vogel, Stephen J., [redacted]
Walton, Phillip G., [redacted]
Washington, Thomas, [redacted]
Weinstein, Charles, [redacted]
Wishart, James D., [redacted]
Wong, Warren, [redacted]
Wood, Gregory A., [redacted]
Young, Charles E., [redacted]
Zelson, Philip R., [redacted]

MEDICAL CORPS

To be lieutenant colonel

Adams, Hans W., [redacted]
Adams, John D., [redacted]
Adams, Peter X., [redacted]
Adcock, Eugene W., [redacted]
Adelman, Samyel, [redacted]
Ahmann, Thomas M., [redacted]
Akbiyik, Nejat H., [redacted]
Alexander, Mark V., [redacted]
Alijani, Mohammad R., [redacted]
Anderson, Theodore, [redacted]
Anderson, William E., [redacted]
Armand, Lucien, [redacted]
Arterberry, Joe F., [redacted]
Bacque, Frank R., [redacted]
Baens, Aida S., [redacted]
Baker, Shan R., [redacted]
Barbie, Ronald N., [redacted]
Baskoff, Joel D., [redacted]
Becker, Albert A., [redacted]
Becker, Robert C., [redacted]

Beg, Raihana R., [redacted]
Bell, Clifford B., [redacted]
Bellin, Bruce D., [redacted]
Bennett, Jack L., [redacted]
Bohm, Ralph A., [redacted]
Bollinger, James R., [redacted]
Boston, Gary D., [redacted]
Bourgecis, Francis, [redacted]
Braunstein, Roy Z., [redacted]
Breiling, Beamer, [redacted]
Brewer, David W., [redacted]
Brinker, Jeffrey A., [redacted]
Brinkman, Larry K., [redacted]
Broines, Tristan, [redacted]
Brown, Douglas K., [redacted]
Brownrigg, Richard, [redacted]
Bryson, Philip L., [redacted]
Burr, Robert E., [redacted]
Burran, William P., [redacted]
Bushore, John T., [redacted]
Byrne, James P., [redacted]
Cahill, James D., [redacted]
Cain, James P., [redacted]
Carroll, Ramon L., Jr., [redacted]
Charoenkul, Viratan, [redacted]
Chi, Nungja, [redacted]
Childers, Marvin A., [redacted]
Chruscicki, Robert, [redacted]
Cioffi, Francis J., [redacted]
Clark, William D., [redacted]
Clemmer, Terry P., [redacted]
Cooke, David M., [redacted]
Crais, Thomas F., Jr., [redacted]
Cross, George L.I., [redacted]
Crowley, Kevin D., [redacted]
Cuasay, Ramon S., [redacted]
Culliford, Alfred T., [redacted]
Curtis, Richard H., [redacted]
Dailey, Warren B., [redacted]
Datta, Robin, [redacted]
Dawson, Robert C., [redacted]
Dawson, Tedd E., [redacted]
Deal, Terry D., [redacted]
Delrosario, Lourdes, [redacted]
Dent, Aubrey O., [redacted]
Deveikus, Audra A., [redacted]
Dodge, David L., [redacted]
Dolman, Loren I., [redacted]
Donnerstein, Richard, [redacted]
Dorn, Ronald V., [redacted]
Doyle, Colin S., [redacted]
Duffy, Thomas J., [redacted]
Dunn, David, [redacted]
Eisenbaum, Allan M., [redacted]
Ellis, Charles T., [redacted]
Enders, John G., [redacted]
Estrada, Ruben C., [redacted]
Fane, Larry R., [redacted]
Farr, John F., [redacted]
Feaster, Marshall M., [redacted]
Feinberg, Bernard, [redacted]
Feldman, Steward L., [redacted]
Felizmena, Renato C., [redacted]
Fleming, Curtis, [redacted]
Ford, Clyde D., [redacted]
Freeman, Sharon D., [redacted]
Friedman, Harold I., [redacted]
Froehlich, Walter J. [redacted]
Froiland, John L., [redacted]
Fulkerson, Alvin R., [redacted]
Galloway, William B., [redacted]
Gavigan, Thomas J., [redacted]
Gearhart, John R., [redacted]
Geary, Francis J., [redacted]
Gifford, David B., [redacted]
Glah, Arthur F., [redacted]
Gold, Franklin O., [redacted]
Goldschlag, Irwin J., [redacted]
Golumbeck, Carl T., [redacted]
Gonzales, Eduflo, [redacted]
Goodner, David M., [redacted]
Graff, Gene E., [redacted]
Green, Horace L., [redacted]
Greenheck, Robert R., [redacted]

Greenhill, Andrew H., [redacted]
Greer, Frank R., [redacted]
Griffin, Gerald D., [redacted]
Griffith, Larry G., [redacted]
Grist, James D., [redacted]
Guinigundo, Noli, [redacted]
Gutierrez, Antonia, [redacted]
Gutierrez, Victor H., [redacted]
Haider, Yasmeen S., [redacted]
Haaithcock, William, [redacted]
Hanna, Michael I., [redacted]
Harper, William K., [redacted]
Harris, Kenton E., [redacted]
Harviel, Jay D., [redacted]
Haverkamp, John, [redacted]
Hays, James B., [redacted]
Henderson, Thomas W., [redacted]
Hill, Frank C., [redacted]
Hill, James H., [redacted]
Hitt, Jerry L., [redacted]
Holcroft, James W. [redacted]
Holman, David O., [redacted]
Holmes, Bert W., [redacted]
Howe, John F., [redacted]
Huang, Harvey M., [redacted]
Hunter, Bruce C., [redacted]
Hurdiss, Lawrence W., [redacted]
Hwang, Moo Oh, [redacted]
Jackson, Charles G., [redacted]
Jacob, Donald W., [redacted]
Jacobs, William E., [redacted]
Jalota, Renu, [redacted]
Jamaris, Joseph K., [redacted]
Jeffers, Robert G., [redacted]
Jefferson, Christin, [redacted]
Jenkins, Michael L., [redacted]
Johnson, David S., [redacted]
Jolivette, Milton J., [redacted]
Jones, Liston S., [redacted]
Joo, Yong D., [redacted]
Kadish, Sidney P., [redacted]
Kang, Soon I., [redacted]
Katz, Paul M., [redacted]
Katz, Ronald L., [redacted]
Kaur, Jasbir, [redacted]
Keller, Thomas M., [redacted]
Keyes, Michael J., [redacted]
Kies, Merrill, S., [redacted]
Killingsworth, Char, [redacted]
Kimball, Christina, [redacted]
King, Gloria D., [redacted]
Kinney, Thomas R., [redacted]
Koepke, Keith R., [redacted]
Kostin, Raymond F., [redacted]
Kramer, Jeffrey A., [redacted]
Kraus, Richard E., [redacted]
Kruger, Paul S., [redacted]
Kuck, Levan N., [redacted]
Kuehl, Alexander E., [redacted]
Kuhn, Joseph A., [redacted]
Kushi, Gerald, S., [redacted]
Kwak, Dong L., [redacted]
Lambeth, William A., [redacted]
Larsen, John W., [redacted]
Larson, Gerald M., [redacted]
Lazcano, Yolanda, [redacted]
Lee, Wei Kuo, [redacted]
Lee, Young Sun, [redacted]
Leech, David H., [redacted]
Lenehan, Joseph M., [redacted]
Leonard, Morton H., [redacted]
Lesueur, Leo M., [redacted]
Lett, Willie J., [redacted]
Lewis, Bobby R., [redacted]
Lewis, Charles C., [redacted]
Lillard, Stephen B., [redacted]
Lipron, Peter M., [redacted]
Littlefield, Ronald, [redacted]
Livers, Eric L., [redacted]
Lo Milan, Pang, [redacted]
Lomangcolob, Pablo, [redacted]
Lopez, Marco A., [redacted]
Luib, Oliva A., [redacted]
Luna, Luis E., [redacted]

MacDougall, Roderic, [redacted]
Madan, Shireen A., [redacted]
Magpoc, Norma O., [redacted]
Mahoney, Timothy M., [redacted]
Malik, Ayaz U., [redacted]
Malone, John I., [redacted]
Maman, Arie, [redacted]
Manabat, Gregorio M., [redacted]
Manougian, Edward, [redacted]
Mansour, Esber H., [redacted]
Maragh, Hallene A., [redacted]
Maragos, Nicholas E., [redacted]
Marcinkowski, Joseph, [redacted]
Margulis, Silvio, [redacted]
Martin, Hugh M., Jr., [redacted]
Martinec, Leonard W., [redacted]
Mationg, Teodulo R., [redacted]
McClinton, Cedric W., [redacted]
McCloskey, John J., [redacted]
McCormick, William, [redacted]
McGrew, Gary L., [redacted]
McKenzie, William F., [redacted]
McKinney, Harry D., [redacted]
Mead, Jay H., [redacted]
Mendoza, Jose, R., [redacted]
Metter, Earl J., [redacted]
Midgley, John C., [redacted]
Miles, Brian J., [redacted]
Milford, Donald M., [redacted]
Miller, Kenneth A., [redacted]
Miller, Thomas B., [redacted]
Millstein, Arnold, [redacted]
Minino, Sigifredo, [redacted]
Minot, Melvyn C., [redacted]
Mirandahidalgo, A., [redacted]
Moatamed, Farhad, [redacted]
Moses, Charles R., [redacted]
Mudgil, Lalta R., [redacted]
Munk, Richard L. [redacted]
Murray, William C., [redacted]
Mygatt, George G., [redacted]
Olegario, Gil F.S., [redacted]
Oliphant, John R., [redacted]
Pace, William R., [redacted]
Padgett, Robert A., [redacted]
Park, Kyung I., [redacted]
Pickard, Robert E., [redacted]
Pico, Cristobal E., [redacted]
Pomerance, Glenn N., [redacted]
Ponzi, Joseph W., [redacted]
Porter, Robert J., [redacted]
Posteraro, Robert H., [redacted]
Prakash, Andani S., [redacted]
Rahimi, Abbas, [redacted]
Ramirezcosta, A., [redacted]
Raskin, Richard J., [redacted]
Ray, Sidney C., [redacted]
Reyes, Francisco A., [redacted]
Reynolds, Rembert N., [redacted]
Riley, William J., [redacted]
Rimpila, Julian J., [redacted]
Rios, Luis M., [redacted]
Rodrigueztorrens, R., [redacted]
Rogers, Ralph W., [redacted]
Rullan, Ruben N., [redacted]
Ryan, Paul H.J., [redacted]
Ryan, Robert C., [redacted]
Rychly, Robert E., [redacted]
Sailam, Vardha, [redacted]
Savarese, Ronald P., [redacted]
Schuster, Donna L., [redacted]
Shade, Ronnie D., [redacted]
Singh, Bhawar, [redacted]
Smith, Anthony A., [redacted]
Smith, J. Stanley, Jr., [redacted]
Smith, Michael L., [redacted]
Speelman, Mark C., [redacted]
Spencer, David L., [redacted]
Staubly, Ronald T., [redacted]
Steiger, Fredric A., [redacted]
Stevenson, Thomas R., [redacted]
Street, Luther, Jr., [redacted]
Sun, Chien F., [redacted]
Sun, Jong Chill [redacted]

Taboada, Javier G., [redacted]
Tadros, Makram A., [redacted]
Tagavi, Bijan, [redacted]
Taw, Margaret T., [redacted]
Tayao, Manuel, [redacted]
Treat, Richard C., [redacted]
Tsai, Chien L., [redacted]
Tuft, Daniel S., [redacted]
Turner, Miriam C., [redacted]
Valdivel, Sakthi P., [redacted]
Vandeloen, James B., [redacted]
Vanveen, Thomas A., [redacted]
Vazquezroman, Cesar, [redacted]
Visser, Valya E., [redacted]
Vollmar, Lewis C., [redacted]
Walker, William A., [redacted]
Wallace, James O., [redacted]
Warden, Glenn D., [redacted]
Weiss, Stuart R., [redacted]
Wells, Thomas J., [redacted]
Wesley, John M., [redacted]
Wetli, Charles V., [redacted]
Williams, Nathan D., [redacted]
Williamson, Robert, [redacted]
Wingert, Richard H., [redacted]
Yamaki, Takashi, [redacted]
Young, John R., [redacted]
Zaman, Fasih Q., [redacted]
Zemlin, Richard D., [redacted]
Ziemann, Joy L., [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

Accurso, Linden J., [redacted]
Adair, Richard F., [redacted]
Adams, Michael L, [redacted]
Afflereach, Charles, [redacted]
Albaugh, David H., [redacted]
Alexander, David F., [redacted]
Anderson, Donald R., [redacted]
Anderson, Juel H., [redacted]
Arling, Gary L., [redacted]
Ballard, Donald E., [redacted]
Bentham, Jack E., [redacted]
Bilodeau, Roland A., [redacted]
Bouchard, Gerald P., [redacted]
Boyle, Michael J., [redacted]
Bradshaw, Cayton J., [redacted]
Branch, Laurence G., [redacted]
Breheny, Patrick J., [redacted]
Breslin, Terrence, [redacted]
Buckman, Edward E., [redacted]
Buckmaster, Alvin C., [redacted]
Buranosky, Bernard, [redacted]
Burgess, Billy R., [redacted]
Burke, Robert S., [redacted]
Burroughs, Willis H., [redacted]
Calvasina, Eugene J., [redacted]
Caraway, William C., [redacted]
Carlson, Dale L., [redacted]
Caskey, William A., [redacted]
Chapman, Carl B., [redacted]
Chisolm, Charles E., [redacted]
Clapp, Charles R., [redacted]
Close, Stirling S., [redacted]
Coe, Herbert E., [redacted]
Cohen, Joseph E., [redacted]
Coleman, Arthur C., [redacted]
Colligan, James T., [redacted]
Comer, William F., [redacted]
Connallon, Peter F., [redacted]
Connelly, Peter J., [redacted]
Cromartie, Abraham, [redacted]
Damron, Thomas C., [redacted]
Dial, John F., [redacted]
Dicey, Bruce B., [redacted]
Diem, Michael H., [redacted]
Diercks, James E., [redacted]
Donovan, Richard L., [redacted]
Dorn, Ted L., [redacted]
Dougherty, Brian J., [redacted]
Drill, Walter J., [redacted]
Dunham, Jerome G., [redacted]
Dyer, Curtis J., [redacted]
Emo, Dretha M., [redacted]
Erickson, Leif M., [redacted]
Ernest, Stephen J., [redacted]
Espinal, Jack L., [redacted]
Feneli, James E., [redacted]
Fonville, Gerald G., [redacted]
Ford, William H., [redacted]
Franceschi, Harold, [redacted]
Frisbie, Lee E., [redacted]
Ganschinietz, Frank, [redacted]
Garner, Carroll R., [redacted]
Glynn, Wilbert K., [redacted]
Goldberlg, Marvin, [redacted]
Good, Thomas E., [redacted]
Graham, Walter S., [redacted]
Gralian, Michael E., [redacted]
Gray, John P., [redacted]
Green, William E., [redacted]
Gregory, Michael J., [redacted]
Griffin, Bob T., [redacted]
Gross, Robert A., [redacted]
Guerriero, Joseph M., [redacted]
Hale, Troy D., [redacted]
Handly, Ralph M., [redacted]
Hayes, Larry C., [redacted]
Hays, Richard L., [redacted]
Heisig, David W., [redacted]
Henderson, Alfred J., [redacted]
Henley, Stephen W., [redacted]
Henry, Ann T., [redacted]
Herbert, Walter D., [redacted]
Hetrick, Andrew J., [redacted]
Hirschman, Don R., [redacted]
Hoerth, Randall W., [redacted]
Hoskins, George W., [redacted]
Houck, David P., [redacted]
Isler, Ronald A., [redacted]
Jacobs, Alan K., [redacted]
Johnson, Harry V., [redacted]
Kautz, Allan A., [redacted]
Kay, Robert G., [redacted]
Keel, Lyle N., [redacted]
Kelly, William L., [redacted]
King, Henry L., [redacted]
King, John L., [redacted]
Koeppel, Mary F., [redacted]
Koptowsky, Joseph I., [redacted]
Kreidler, Myron B., [redacted]
Kroening, Roger J., [redacted]
Kurtz, Robert S., Jr., [redacted]
Latcher, Gary N., [redacted]
Lasater, James E., [redacted]
Laxer, Marc A., [redacted]
Lernihan, John F., [redacted]
Little, Kerry L., [redacted]
Little, Lawrence L., [redacted]
Loomis, John A., [redacted]
Loomis, Terry L., [redacted]
Lorentzen, Thomas N., [redacted]
Maddock, David P., [redacted]
Maier, Lawrence R., [redacted]
Maloney, Alfred S., [redacted]
Marshall, Alan T., [redacted]
Martin, Andrew S., [redacted]
Marty, Thomas J., [redacted]
McAleer, Charles F., [redacted]
McClanaghan, Robert, [redacted]
McCoy, John P., [redacted]
McDonald, Kenneth A., [redacted]
McKeough, Paul K., Jr., [redacted]
McKinley, Kenneth C., [redacted]
McKittrick, Thomas, [redacted]
McManus, Albert T., [redacted]
Miller, Allan J., [redacted]
Mitchell, Philip A., [redacted]
Montgomery, Stephen, [redacted]
More, Scott T., [redacted]
Muschler, Joseph N., [redacted]
Myers, Jerry K., [redacted]
Navone, Timothy W., [redacted]
Nelson, Donald C., [redacted]
Nelson, Jon D., [redacted]
Noonan, William T., [redacted]
Novell, John O., [redacted]
Obermeyer, Boyd D., [redacted]
O'Brien, Thomas E., [redacted]
O'Connell, Courtnay, [redacted]
Oleson, Max L., [redacted]
Ondovchik, Lawrence [redacted]
O'Neal, James L., [redacted]
Osborne, Henry R., [redacted]
Paasch, Philip H., [redacted]
Patterson, Ralph C., [redacted]
Paul, John E., [redacted]
Pehrson, Kyle L., [redacted]
Peters, John N., [redacted]
Pimentel, Francisco [redacted]
Pontarelli, Joseph [redacted]
Pontcolon, Oscar F., [redacted]
Poyner, Michael T., [redacted]
Prince, Andrew E., [redacted]
Privett, Roane B., [redacted]
Puryear, Leslie A., [redacted]
Quashnock, Joseph M., [redacted]
Rapoza, John R.J., [redacted]
Reardon, John A., [redacted]
Rhoa, Gregory A., [redacted]
Richter, James A., [redacted]
Roberts, John E., [redacted]
Rocco, Vincent J., [redacted]
Roop, Karlon G., [redacted]
Rucker, Nehemiah E., [redacted]
Sailers, Don W., [redacted]
Santagata, Joseph V., [redacted]
Saunders, Theodore [redacted]
Schipul, Catherine [redacted]
Schlapper, Gerald A., [redacted]
Schwicker, Dale H., [redacted]
Semrad, Ellvin L., [redacted]
Shannon, Paul H., [redacted]
Simmons, Michael R., [redacted]
Simon, Stuart A., [redacted]
Smith, Francis N., [redacted]
Smith, Terre M., [redacted]
Southby, Richard F., [redacted]
Spears, Vernon A., [redacted]
Spell, Robert H., [redacted]
Strain, George M., [redacted]
Struab, Robert R., [redacted]
Talley, William E., [redacted]
Tallman, Stephen B., [redacted]
Tate, Fred L., [redacted]
Taylor, John W., [redacted]
Tealdi, Leo E., [redacted]
Thompson, James P., [redacted]
Thormodsgard, Paul, [redacted]
Tibbets, Paul W., [redacted]
Timm, Carl A. I., [redacted]
Timm, William V., [redacted]
Tommasi, Edoardo J., [redacted]
Tompkins, George J., [redacted]
Town, Margaret J., [redacted]
Tramp, Anton P., [redacted]
Trevor, Beverly L., [redacted]
Vanarsdale, Walton, [redacted]
Vaughn, David E., [redacted]
Velezsoto, Domingo, [redacted]
Verhagen, John R., [redacted]
Vinarci, Gregory B., [redacted]
Vines, Melvin L., [redacted]
Visnick, Allan D., [redacted]
Vokonas, William S., [redacted]
Walrath, George A., [redacted]
Walraven, Horace V., [redacted]
Warren, Larry J., [redacted]
Warren, Maxwell L., [redacted]
Weitz, William A., [redacted]
Widener, Harry M., [redacted]
Wierson, Glenn E., [redacted]
Williams, Cardell E., [redacted]
Wiltrout, Robert E., [redacted]
Wood, Norman E., [redacted]
Woods, Charles M., [redacted]
Wooldridgge, William, [redacted]
Worsham, Walter V., [redacted]
Zall, Donald S., [redacted]
Zimmerman, William, [redacted]

ARMY MEDICAL SPECIALIST CORPS

To be lieutenant colonel

Berry, Nancy R.R., [redacted]
Booth, Lenora L., [redacted]
Bowles, James V., [redacted]
Briggs, Edna, [redacted]
Buhrle, Shelton D., [redacted]
Byers, Anne L., [redacted]
Castellow, Mary J., [redacted]
Davis, Valerie H., [redacted]
Day, Judith A., [redacted]
Dezeeuw, Mary L.O., [redacted]
Friend, Gross E., [redacted]
Gallow, Myrtle L., [redacted]
Hassett, Robert B., [redacted]
Hawthorne, Marjorie, [redacted]
Herbowy, Roger W., [redacted]
Horton, Karen E., [redacted]
Jenkins, Ann L., [redacted]
Jones, Mary F., [redacted]
Kilbury, Edith L., [redacted]
Kirkwood, David E., [redacted]
McKay, James B., [redacted]
McNeill, Donna J., [redacted]
Mitchell, Rita A., [redacted]
Pope, Richard L., [redacted]
Rosenzweig, Janet K., [redacted]
Scanlon, Cornelius, [redacted]
Schwartz, Irwin S., [redacted]
Snow, Marcia B., [redacted]
Spitzer, Mary E., [redacted]
Stewart, Gloria B., [redacted]
Straus, Donald T., [redacted]
Taylor, Huitte L., [redacted]
Trom, Corliss L., [redacted]
Vandervliet, Denise, [redacted]
Yamashita, Sharon J., [redacted]

VETERINARY CORPS

To be lieutenant colonel

Alishouse, Harvel F., [redacted]
Allison, Malcom N., [redacted]
Barbee, David D., [redacted]
Cockrill, James M., [redacted]
Elwell, Paul A., [redacted]
Graham, Floyd H., [redacted]
Heltsley, James R., [redacted]
Henry, Charles W., [redacted]
Lee, Lincoln O., [redacted]
McWilliams, Paul F., [redacted]
Novick, Richard M., [redacted]
Platt, Kenneth B., [redacted]
Reid, Richard M., [redacted]
Slone, Theodore W., [redacted]
Taylor, Boyd A., Jr., [redacted]
Toia, Matthew J., [redacted]
White, Henry E., [redacted]
Zitek, Lyle E., [redacted]

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3359:

MEDICAL CORPS

To be colonel

Besanceney, Charles, [redacted]

MEDICAL CORPS

To be lieutenant colonel

George, Robert J., [redacted]
Hunter, James G., [redacted]
Keiser, John F., [redacted]
Kingham, James D., [redacted]
Lilly, Raymond L., Jr., [redacted]
Muench, Alan G., [redacted]
Pick, Terry E., [redacted]
Roben, William C., [redacted]
Shumski, Edward J., [redacted]

IN THE MARINE CORPS

The following-named Naval Reserve Officers Training Corps graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, sections 531 and 2107:

Cyr, Brian P., [redacted]
Douglass, Travis L., [redacted]

The following-named Marine Corps Enlisted Commissioning Education Program graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 531:

Lopez, James M., [redacted]
Mathews, Timothy L., [redacted]
McWilliams, Keith A., [redacted]
Reyeits, Edward L., [redacted]

The following-named Naval Reserve Officers Training Corps graduate for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, sections 531 and 2107:

Tinsley, Mark E., [redacted]

The following-named Marine Corps Enlisted Commissioning Education Program graduate for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 531:

Neuberger, Bruce W., [redacted]

IN THE NAVY

The following-named individual, under the provisions of article II, section 2, clause 2 of the Constitution, to be a commander designated by the President under article II, section 2, clause 2 of the Constitution:

To be commander

Dr. Robert Duane Ballard, U.S. Naval Reserve, [redacted]/1805.

The following-named officer for promotion to the grade indicated under the provisions of article II, section 2, clause 2 of the Constitution of the United States of America.

To be commander

Lt. Cmdr. Joseph F. Satrapa, U.S. Navy (retired), [redacted]/1313.

IN THE NAVY

The following-named Naval Reserve Officers' Training Corps Program candidates to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Schroeder, Kenneth R.
Warnement, Robert W.

The following-named Navy Enlisted Commissioning Program candidates to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Allen, Walter F.
Muller, Charles U.

The following-named Naval Reserve officers to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Bergmann, M. Greg
Cutts, Andrew W.
Davison, Michael J.
Devine, James J., Jr.
Ford, Michael J.
Geasor, David M.
Gedney, Timothy C.
Hines, Scott W.
Hyatt, Mark A.
Hyps, Craig M.
Inman, Carl R.
Maloney, Michael P.
Meier, John G., III
Milham, Peter G.
Monette, Dan W.
Reale, Thomas G.
Smith, Michael H.
Tayloe, Hinton L., Jr.

The following-named Naval Reserve officers to be appointed permanent lieutenant in the Judge Advocate General's Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Jenkins, Max B.
Scott, Roger D.

The following-named Navy officers to be appointed permanent lieutenant in the Judge Advocate General's Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

MacDonald, Bruce E.
Morriss, David M.
Styron, Jeffrey W.
Wilson, Beverly D.
Winthrop, James P.

William W. Burns, U.S. Navy officer to be appointed permanent captain in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593.

The following-named medical college graduates to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593:

Geary, Joseph E.
Komar, Vasantha A.R.
Yamodis, Nicolas D.

Robert B. Brigden, ex-U.S. Navy officer, to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593.

Bruce A. Mallin, ex-Naval Reserve officer, to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593.

The following named U.S. Navy officers to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593:

Barkhoff, Rise L.
Dizon, Pilar C.
Eninger, Larry A.
Khaw, Noeline
Lytle, Gary S.
Teddi, Raul J.

NAVY

The following-named candidates in the Navy Enlisted Commissioning Program to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Adrian, John M.
Allen, Walter F.
Allis, Gene T.
Alvey, Kelly N.
Antosz, Ignatius J.
Armstrong, Jeffrey M.
Baker, William M.
Ballard, Allan J.
Beavers, Michael P.
Beets, Raymond D.
Beirl, Matthew T.
Benjamin, Robert P.
Benke, Steven M.
Beverly, Monte S.
Bevins, Mark A.
Bishop, Timothy S.
Bohman, Scott D.
Borojevich, Mary K.
Bowen, Richard F., Jr.
Bowman, Mark D.
Brandenburg, Thomas P.
Brooks, Gary R.
Brown, Jeffrey P.
Brown, Randall L.
Bruner, Bradley D.
Carter, Andre L.
Condit, Charles L.
Cooke, Robert P.
Cotter, Paul F.
Covington, Brett A.
Covington, James H.
Derenski, Bruce A.
Dipaolo, Peter J.
Dollete, Rodolfo
Donato, Jude T.
Donohue, Christine M.
Erickson, John O.
Faxlanger, Edward A.
Feller, David
Fenz, Randy S.
Fitzgibbon, Raymond J.
Frost, Michael A.
Gilley, Bruce H.
Gilmartin, Gary M.
Glander, Matthew J.
Gody, Anthony T.
Graham, Douglas W.
Grant, Michael R.
Guyer, Michael F.
Haggard, Don E.
Hamby, David W.
Hamman, Kurt D.
Hammett, Richard D.
Henning, Timothy D.
Herrington, Noris R.
Hillstrom, Nathan D.
Hixenbaugh, Franklin D.
Honabach, David A.
Hovatter, Mark H.
Hudson, Robert E.
Hulskamp, Jeffrey W.
Huntley, Robert J.
Janczak, Gregory F.
Jimenez, Norberto G., Jr.
Johnson, Julie M.
Johnson, Scott A.
Judd, Dane S.
Kelley, John T.
Kinney, Robert L.
Kline, Daniel B.
Knapp, Randall G.
Koch, Robert W.

Larkin, Michael J.
Ledogar, James P.
Lewis, Ronald K.
Ley, William G.
Lindsey, Keith L.
Logie, Joseph J.
Longenecker, John K.
Lovell, Randall L.
Magee, Michael P.
Malsbury, John A.
Maple, Scott A.
Massidda, Todd H.
Mazzone, Michael P.
McCarthy, Clinton C.
McDougal, Sean F.
McVicker, William R.
Melchiorre, Kenneth J.
Michels, Scott T.
Miles, Steven R.
Miller, Barry L.
Miller, Gilbert L.
Miserendino, Scott B.
Moore, William C.
Moran, Keith E.
Morfa, Mario A.
Morris, Michael A.
Muhs, Kevin S.
Muller, Charles U.
Nixon, Roy L.
Noe, Gregory B.
Nowicki, Gary J.
Ocampo, Robert S.
ODonnell, David E.
Olsen, Edward
Ostrander, Steven P.
Pace, Martin E.
Parrish, David Y.
Paulus, Steven R.
Perron, Thomas M.
Pinion, Catherine J.
Pitts, Mark P.
Polillo, Steven P.
Rassler, Kenneth J.
Reed, Walter A.
Reifenberger, Robert A.
Reishus, William A.
Render, Douglas L.
Rigney, Philip A.
Roddy, Kimberly A.
Rodriguez, Michael E.
Rowan, William W.
Rudolfer, Joe
Schlachter, Dennis L.
Screptock, Robert T.
Sickman, Marianne E.
Sieber, Josh S.
Simms, Mark D.
Smith, Charles R. II
Southard, Tommy S.
Spear, Joseph M.
Spear, Paul D.
Stafford, David A.
Stevens, Mark L.
Stout, Tamela S.
Stueckemann, Daniel L.
Swindle, Edward A.
Tamburri, Robert P.
Tate, Bennie D.
Taubitz, James E.
Thompson, Eugene G.
Trenton, James K.
Tutt, Terry
Voncannon, Frederick W.
Waldron, Terry J.
Watson, Richard P.
Webb, Charles R.
Weber, Carl A.
White, George D.
Winter, Gordon H.
Wynne, Marcus B.

IN THE NAVY

The following named naval reserve officers' training corps candidates to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Abad, Glenn F.
Abitabilo, John A.
Abler, Todd A.
Abrahamson, Stuart M.
Abrams, David B.
Aclaro, Melven V.
Adair, Curtis R.
Adams, Cecilia C.
Adams, Dennis J.
Adams, Douglas R.
Adams, Quinard
Adams, Timothy W.
Admiral, Mark A.
Agan, John A.
Aglio, David G.
Ahler, John P.
Akens, Gary M.
Akers, Scott A.
Alcaro, Domenic J.
Alder, Donald C.
Aldridge, Michael T.
Alewine, Thomas C.
Alexander, John C.
Alfaro, Eric W.
Ali, Jamil W.
Allen, Douglas C.
Allen, Josef D.
Allen, Keith W.
Allen, Logan A., III
Aller, Michael D.
Allocca, David M.
Alston, Dennis L.
Alwine, Scott
Amoruso, Kenneth P.
Anders, Richard B.
Anderson, Burton H.
Anderson, David L.
Anderson, Douglas J.
Anderson, Douglas K.
Anderson, Eric B.
Anderson, James W., II
Anderson, Lori P.
Anderson, Timothy P.
Anklam, Christopher P.
Anthony, David M.
Anthony, Marlin C.
Ardaiz, Patrick J.
Arkwright, Thomas C.
Arlotto, Joseph D.
Armantrout, John T.
Armstrong, Michael T.
Armstrong, Robert A.
Arnold, Frank S.
Arnold, Ronald J.
Arostegui, Michael F.
Artim, Shane C.
Artim, Stephen A.
Aschbrenner, Roger A.
Asklar, Richard F.
Aston, Scott A.
Atala, Edward R.
Athow, Jon N.
Atkinson, Keith A.
Aubuchon, Eric
Augustine, Mark D.
Autrey, James L.
Auxer, Michael D.
Ayala, Richard
Babb, David A.
Baccanari, Patrick A.
Bailey, Michael E.
Bailey, Thomas A.
Bailey, Todd E.
Baker, Donna M.
Baker, Douglas D.
Baker, John E.
Baldwin, Donald P.
Balentine, Peter J.
Balika, Amanda E.
Ballinger, Erik L.
Baines, Gary L.
Banzhaf, Scott A.
Barbour, Edward L., III
Barclay, Todd D.
Barker, Derrick G.
Barnard, John H.
Barnard, Thomas S.
Barnes, Deborah K.
Barnes, Lamarr E.
Barnet, John H.
Barnett, John W.
Barnett, Steven B.
Barnhill, Joel A.
Barnum, Anita H.
Barr, Dean A.
Barr, Michael F.
Barrett, Michael R.
Barrie, John J.
Barron, Michael J.
Barrow Benjamin J.
Barry, Kevin M.
Barry, Michael T.
Bartro, John P.
Baskovich, John J.
Basler, David J.
Bateman, Brent W.
Bates, Tracy A.
Batura, John P.
Bauer, Daniel M.
Bauhan, Thomas L.
Bauman, Jerre F.
Baumann, Gary F.
Baxter, Alexander L.
Bay, Steven E.
Baze, Timothy F.
Bazin, Christopher P.
Beach, Michael F.
Bean, Daniel K.
Beare, Scott A.
Beatson, James M.
Beavers, George D.
Becker, Christian D.
Becker, Karl J.
Becker, Miriam D.
Belcher, Robert W.
Bell, Darren M.
Bell, Jeffrey H.
Bellinger, Josue M.
Benedict, Mary E.
Bengtson, Scott W.
Benjock, Christopher J.
Bennett, Darlene
Bennett, David A.
Bennett, Richard C.
Beno, Raymond P.
Benoit, David A.
Bensley, Stephen E.
Bergeman, Stephen P.
Bernard, Peter C.
Berneski, William A.
Bernhard, Michael A.
Bernier, Kevin F.
Bernstein, Davin D.
Bettendorf, Hugh J.
Betts, William E., Jr.
Biddle, Michael D.
Bidinger, Charles H.
Bierman, James W., Jr.
Biersack, Gregory A.
Biever, Robert E.
Bilies, Eric A.
Billings, Bruce P.
Binford, Adam C.
Binsfield, Matthew C.
Black, Dorwin C.
Blackmer, Jeffrey W.
Blanchard, Mark A.
Blank, Richard P.
Blaylock, Joseph R.
Blazewicz, Stanley J.
Blocker, Catherine
Bluff, Brian J.
Boalick, Scott R.
Bobrovsky, Natalie
Bockler, Eric D.
Boehme, Edward J.
Boehme, John J.
Boggs, Phillip W.
Bolcik, Scott D.
Bolduc, Brian A.
Bolduc, Dave J.
Bolster, Ronald E.
Bond, Phillip T.
Bonnell, Corey K.
Bonner, Joseph J.
Boone, Richard T.
Booth, Charles C.
Boova, Christopher J.
Borchert, Pamela J.
Borgnin, Russell C.
Borja, Arthur
Borlet, Brian R.
Bosley, Duncan
Boss, William J.
Bossert, Scott W.
Bothner, Jane M.
Boudreau, James S.
Bougher, Dennis L.
Boughton, John S.
Boulay, Timothy M.
Bouley, Joseph A.
Bourgeois, Michael L.
Bowers, David F.
Bowers, James H., Jr.
Bowman, Jay S.
Boyd, David A.
Boyd, Milton J.
Boyd, Robert W.
Boyer, Amy T.
Boyer, Bradley H.
Boykin, Johnny S.
Boyle, Eugene J.
Boyle, James P.
Boyle, Michael E.
Boysen, Brian L.
Brabec, Mark E.
Bracken, Christopher P.
Bradfield, Edward A.
Bradshaw, George E.
Brady, Allen R.
Brady, Jeffrey L.
Brandewie, Mark A.
Brandt, Chad A.
Bratt, Eric C.
Braun, Eric N.
Braverman, Scott H.
Braza, Albert M.
Breaux, Patrick J.
Breeding, William F.
Breitinger, James M.
Brewer, David B.
Brewster, Jon M.
Brice, Norman M.
Brickach, William A.
Brickhill, William L.
Bright, James M.
Brister, Gary L.
Brittain, Donald R., Jr.
Brockfeld, Paul E.
Brockway, Russell P.
Broderick, Patrick J.
Brose, Gary D.
Broughal, Kevin I.
Brown, Arnold O., III
Brown, Douglas R.
Brown, Ellen M.
Brown, James A.
Brown, John E.
Brown, John T.
Brown, Kenneth B.
Brown, Mark D.
Brown, Raphael P.
Brown, Scott A.
Brown, Steven T.
Brown, Todd A.
Brownell, John R.
Brubaker, Kurt J.
Bruce, Alexander J., III
Bruland, James A.
Brumwell, Matthew R.
Brunkhorst, David J.
Brunnick, Leo E., Jr.
Brunson, Kevin M.
Brusch, Matthew D.
Bryant, David W.
Buckingham, William M.
Buckles, Brian K.
Budd, William S.
Buddrius, Eric A.
Bukowski, Jeffrey D.
Buonpane, Mark V.
Burford, Ron A.
Burgess, Frederick F.
Burgess, Richard G.
Burgess, Terry C.
Burke, Brian C.
Burke, Christopher S.
Burke, James M.
Burke, James P.
Burke, Kevin D.
Burke, Michael J.
Burke, William M.
Burkett, Kurt A.
Burkholder, Gary A.
Burlingame, Stanley G.
Burnham, John J.
Burns, Liam J.
Burns, Michael L.
Burr, Timothy T.
Burton, Timothy J.
Butler, Lilla V.
Butler, Steve A.
Buzby, Robert F.
Byrd, Barry C.
Byrne, Ronda L.
Byrne, Shawn P.
Calabrese, Jeffrey C.
Calabrese, Kelly L.
Caldwell, Kenneth C.
Calkins, Michael L.
Callahan, David J.
Callahan, William E.
Calvo, Luis
Camardella, Paul T.
Cameron, Allison M.
Campbell, Glen H.
Campbell, Jeriel S.
Campbell, John C.
Campbell, John R.
Campbell, Paul D.
Campbell, Richard D.
Campbell, Scott D.
Campion, Michael J.
Campos, Edward C.
Canada, Jimmy D.
Canfield, Connie F.
Canning, Patrick J.
Cannon, James M.
Cannon, Louis T.
Capasso, Carl A.
Capecelatro, John S.
Capomaggi, John A.
Carey, Anthony J.
Carey, Shawn
Carey, William P.
Cargill, Douglas L.
Carlise, Robert J.
Carlitti, Rocco P.
Carlson, Alan L.
Carlson, Eric A.
Carlson, James F.
Carlson, Jon A.
Carlson, Kenneth J.
Carlson, Kurt W.
Carlson, Scott A.
Carne, Donald P.
Carney, John F.
Carolan, Brian P.
Carpenter, Wesley J.
Carper, Craig M.
Carpinteri, Paul A.
Carroll, Charles M.
Carter, Angus F., IV
Carter, Richard M.
Carter, Theodore N.
Carty, Peter J.
Carvalho, Ronald M.
Cashman, Dermot P.
Cason, James T.
Casper, Michael L.
Cassidy, Sean M.
Castro, Nelson C.
Catencamp, Curtis E.
Cates, Robert J.
Catlett, Walter C.
Catron, Michael
Caulfield, Christopher
Cavalier, Collette C.
Celis, Claire S.
Ceperich, Colin N.
Chacon, Victor F., Jr.
Chalmers, Dawn L.
Chapman, Neil B.
Chapman, William B.
Chase, Charles T.
Chatfield, Shoshana
Chatham, Anthony P.
Chatlin, Scott G.
Chatman, William
Chauncey, Wayne M.
Cheatham, Ira M.
Chebi, Carl P.
Check, Christopher J.
Chelsea, David E.
Chen, Paul
Chen, Stanley F.
Cherry, Jack K.
Cherry, Michael D.
Chesek, Paul K.
Cheshire, Paul A.
Chesser, Judy E.
Chester, Timothy M.
Chesterton, Gregory L.
Chiappetti, Charles F.
Chierici, Francesco A.

Chivers, Christopher J.
Choinski, Scott F.
Christensen, Marc B.
Christian, John J.
Chun, Tracy D.
Chunda, Jaime P.
Churchill, Kent A.
Cibula, Andrew L.
Cicero, Daniel M.
Cindrich, John M.
Claeys, Jeffrey D.
Clancy, David J.
Clark, David W.
Clark, Jackie K.
Clark, Kenneth C.
Clark, Lyle R.
Clark, Sean P.
Clarke, Stephen M.
Clarke, Ted K.
Clausen, John M.
Clawson, Larry A.
Clear, Stephen E., Jr.
Cobery, Steven T.
Cochran, David J.
Cochran, Felicia L.
Cockrel, Timothy S.
Cody, Shawn M.
Coester, Dean L.
Coghlan, Philip A.
Collins, Arthur
Collins, Dawn
Collins, Dean M.
Collins, Gary T.
Collins, Gordon D.
Collins, Joshua L.
Collins, Patrick C.
Collotta, Lincoln D.
Condon, Clifford G.
Condon, James R.
Conley, Michael V.
Conlon, Shawn P.
Connell, Daniel C.
Conner, Jeffrey T.
Conner, Sean A.
Conners, Kevin M.
Connors, John P.
Conoley, Roland M., Jr.
Conrad, Andrew J.
Cook, Alfred R.
Cook, Catherine D.
Cook, Edward L.
Cook, Eric L.
Cook, Jonathon P.
Cook, Thomas L.
Cook, Todd A.
Coons, Ronald D.
Coony, Thomas E.
Cooper, Gregory G.
Corbett, Mark W.
Corbitt, Scott M.
Cordek, Andrew T.
Corliss, Paul L.
Cornwall, Richard L.
Corrado, Michael C.
Corrao, Robert L.
Corrigan, Michael J.
Corrigan, Robert W.
Cory, Kevin A.
Cosgriff, Robert E.
Costello, Patrick
Cote, Johanne L.
Cotton, Derek W.
Couch, Vernon S.
Coughlin, Terence R.
Coulter, David B.
Coutant, Derek N.
Covert, Craig H.
Cox, George M.
Cox, Patrick F.
Cox, Raymond E.
Craig, Colin M.
Craig, Michael R.
Crake, Kurtis W.
Crall, Dennis A.
Crawford, Barry M.
Crombie, Kenneth M.
Cromer, Howard S.
Croskrey, Michael R.
Crowe, Kirstin M.
Crowe, Robert A.
Crudo, Eric P.
Crunelle, Trevor T.
Csencsits, Christopher J.
Cuddy, Andrew K.
Cullen, Steven J.
Cullis, Andrew S.
Cummings, Joseph D.
Cunningham, James M.
Curley, Donald E.
Curley, Owen J.
Currie, John A.
Curtin, John A.
Curto, Lisa A.
Cusano, Christopher J.
Cutting, Robert A.
Cyr, Brian P.
Dagnese, Anthony F.
Dahl, Douglas R.
Dahms, Michael D.
Dalessandro, Edward J.
Dalmas, Scott M.
Dangelo, Thomas J.
Daniels, Brendan
Danner, John P.
Dansby, Oscar F.
Dant, Joseph C.
Dantz, Christopher R.
Darby, Jack A.
Dargan, David D.
Darke, Andrew D.
Darling, William M.
Darrow, Stephen M.
Dateno, George M.
Daugharty, Jeffrey T.
David, Richard W.
Davis, April L.
Davis, Brett A.
Davis, Bruce F.
Davis, Edward P.
Davis, Eric J.
Davis, James M.
Davis, Jeffrey P.
Davis, Leonard C.
Davis, Mitchell R.
Davis, Raymond J., Jr.
Davis, Robert B.
Davis, Scott B.
Davis, Stephen C.
Davis, William J.
Davison, John W.
Davitt, Patrick J.
Dawes, Karen L.
Dawson, Michael K.
Day, Glenroy E., Jr.
Day, James P.
Day, Robert
Dean, Brian J.
Dean, Sean M.
Deaton, William R., Jr.
Debold, James R.
Debraggio, Dennis G.
Deckert, Paul B.
Deeb, Gregory P.
Deens, Stephen R.
Degeorge, Bradley T.
Dehaemer, Marc R.
Delong, Ryan H.
Delp, Warren P.
Deltoro, Moises
Demedeiros, Liberio E.
Demers, Daniel F.
Demorat, David A.
Dendy, Thomas M.
Deni, Carl J.
Denis, Michael W.
Denning, Michael L.
Dennis, Charles L.
Dennis, Michael J.
Denny, Stephen C.
Denunzio, Albert
Deppe, Mark E.
Derrough, William Q.
Desy, James F.
Devall, William S.
Devens, Thomas J.
Diamond, Kenneth J.
Dickey, David H.
Dickinson, Damon J.
Dickinson, Robert M.
Dilaturo, Frank J.
Dilossi, Stephen
Dipert, Scott F.
Dittmer, John H., Jr.
Divarco, Vincent R.
Divine, Daniel P.
Dodge, Bruce E.
Dohnanyi, Michael S.
Doig, Michael A.
Dolson, Christopher J.
Domingue, Henry J.
Donis, Peter A.
Donohue, Eugene P., III
Donovan, Brian E.
Donovan, Lawrence G.
Donovan, Michael J.
Donovan, Robert J., II
Dorion, Michael F.
Dougherty, Charles W.
Douglas, Debbie L.
Douglass, Travis L.
Dour, Christopher A.
Dowell, Samuel L.
Dowers, David A.
Downey, Patrick A.
Doyle, Timothy A.
Driscoll, Thomas P.
Drum, Eric A.
Dube, Laurent
Dudley, William M.
Dudziak, Alan J.
Duffy, Brian J.
Duffy, Matthew P.
Dugan, Christopher B.
Dugan, Craig R.
Duggan, Daniel J.
Dunegan, Philip E.
Dupre, Paul B.
Dwyer, Jon E.
Dye, Charles S.
Dyer, Patricia A.
Dyson, Robert L.
Eagan, Patrick S.
Easterby, David E.
Eastin, Mark E., IV
Eastman, David B.
Eaton, Gregory T.
Eaton, Jeffrey P.
Ebbesen, Vincent A.
Eberhart, Mark C.
Eccles, David M.
Eckhoff, Robert W.
Edgar, George N.
Edmiston, Becky C.
Edwards, Christopher
Edwards, Veronica L.
Eilers, Behrend J.
Elafandi, Ali Z.
Elder, Emily
Ellis, James E.
Ellis, Joseph K.
Ellis, William L.
Ello, Mark J.
Elseth, Robert R.
Emerson, George H.
Emswiler, Stephan M.
Engel, Kyle E.
Epperson, Julien D.
Eppes, John A.
Erde, Charles B.
Erickson, Paul R.
Erie, Richard S.
Erikson, Karl A.
Erikson, Michael S.
Escalante, Yori R.
Esposito, John M.
Estano, Benido L.
Evanoff, Thomas V.
Evans, Darin R.
Evans, Karleyton C.
Evans, Michael R.
Evans, William J.
Evergin, Anthony L.
Ewing, Gregory H.
Facchini, Lucio M.
Fahey, Michael F.
Falcone, Michael P.
Fallon, Michael P.
Farias, Philip E.
Farley, Evan T.
Farmer, Dana D.
Farrell, Mark E.
Feddersen, Dale L.
Felix, Mark H.
Ferchak, Michele
Ferguson, Robert S.
Ferrin, Todd E.
Ficarro, John C.
Fiedeldey, David R.
Fields, Richard L., Jr.
Fietz, Janet L.
Figliola, Patricia A.
Finkelstein, Jon H.
Finkelston, Robert J.
Finnegan, David M.
Fischer, Barry R.
Fischer, Gerald I.
Fishback, Edward A.
Fitts, John M.
Fitzgerald, David M.
Fitzgerald, Kevin D.
Fitzgerald, Kevin J.
Fitzsimmons, John E.
Flack, Kevin S.
Flanagan, Hugh W.
Fleck, Michael A.
Fleming, Donald D.
Fleming, Ronald N.
Fleming, Scott E.
Flock, Andrew R.
Flora, Lapthe C.
Flowers, Patrick I.
Floyd, Michael S.
Flynn, Douglas L., III
Flynn, Thomas W.
Foelker, Judd A.
Foggia, Riccardo R.
Foley, David C.
Foley, Thomas F.
Fong, Wayne K.
Fontana, Anthony J.
Fontana, Sharla L.
Forbes, Allen P.
Forbes, Frank W.
Ford, Andrew O.
Fortney, Kyle G.
Fortunato, Andrew W.
Fossett, Timothy A.
Fowler, David N.
Fowler, Ellen B.
Fowler, James F.
Fowler, Timothy N.
Fox, James P.
Fox, Stanley L., II
France, Theodore R.
Franke, Kelly J.
Franklin, Joseph A.
Franzak, Michael V.
Freddie, Erik I.
Fredrickson, Charles L.
Freedenberg, Philip J.
Freeman, Philip G.
Freiberg, Lorraine S.
French, Jacqueline R.
Frerichs, Michael J.
Frey, Daniel D.
Friedel, Daniel T.
Frieder, Thomas G.
Fry, Dave F.
Fry, David G.
Fulmer, Brett A.
Funk, Rodney A.
Furness, David J.
Fust, Paul R.
Futcher, Scott D.
Gaffe, John C.
Gage, James L. Jr.
Gaines, Willard L.
Galan, Alfonso
Galasso, Frank G.
Gallagher, Steven P.
Galvez, Carlos E.
Galvin, Robert E.
Gamache, Arthur J.
Gamble, Thomas D.
Garcia, Adrian A.
Garcia, Randall E.
Gardiner, Edward C.
Gardner, Joey E.
Garreau, Daniel S.
Garrett, Russell H.
Garrido, Thomas S.
Garwood, David
Garza, Laura R.
Gaudan, Christopher
Gavars, Guido O.
Gawne, John C. Jr.
Gear, James R. Jr.
Gearhart, Bryce E.
Getting, John G.
Gehman, Thomas E., Jr.
Genberg, Marc R.
Gerkin, Clarence
Gersh, Robert L.
Gerst, Charles A.
Gherlone, Joseph A.
Giacomin, Jon L.
Gibson, Bradley J.
Giddings, Thomas V.
Gieringer, Stephen T.
Gies, Kurt R.
Giffin, Scott R.
Gilbert, Curtis J.
Giles, Bradley S.
Gill, Andrew J.
Gillespie, Stuart M.
Gillin, Richard T.
Gillum, John T.
Gilmer, William M.
Gimber, James R.
Giscard, John C.
Gish, Donald A.
Givens, Craig S.
Glaser, Eric L.
Glass, Richard S.
Glavin, Christine M.
Glover, Dennis F.
Glover, Michael E.
Glover, Michael J.
Gluck, Scott R.
Godek, James D.
Goedeke, Christopher W.
Goetz, John R.
Goldberg, Jack
Golding, Michael J.
Goldman, Howard S.
Gonzalez, Miguel
Good, Christopher L.
Good, Michael D.
Gooding, Charles A.
Goodrich, Bruce L.
Goodwin, Bonita A.
Gordon, Robert S.
Gorman, John M.
Gorman, Mark J.
Gorski, Alan B.
Gould, Charles T.
Goulet, David G.
Gover, Scott C.
Grabowski, Stanley J.
Grady, Kelley M.
Grafe, Brain C.
Graham, Joel A.
Graham, William R.
Grant, Cynthia D.
Grant, James L.
Grant, Jeffrey G.
Graustein, Scott A.
Green, Anthony K.
Green, Christopher P.
Green, Gerald E.
Greenberg, Mark D.
Greenburg, James R.
Greene, Alan S.
Greene, Frederick J.
Greer, David R.
Greer, Gary S.
Gregg, Joseph D.
Gremmels, John P.
Gresens, Barry W.
Gribble, Peter C.
Grierson, Steve L.
Griffin, Gwynn D.
Griffin, Thomas C., Jr.
Griffith, Reade E.
Grinalds, John S., Jr.
Grindle, Clay
Grose, John H.
Grossenbacher, Kevin M.
Grothe, Robert T.
Gruber, Brooks S.
Gruendell, Brain D.
Grzelak, Thomas R.
Guarino, Gina T.
Guarino, Mark R.
Guimond, Scott F.
Gunther, Richard D.
Gunville, Mark R.
Gurr, Brian C.
Gustafson, Mark J.
Guzman, Troy A.
Haas, Carlson E.
Haas, Christopher
Haas, Robert E.
Hackler, James D.
Haegley, Daryl R.
Hagan, Charles R.
Hagan, Douglas J.
Hage, Todd W.
Hagenbuch, Lance F.

Hagins, Mark A.
Haidvogel, Richard E.
Haley, James D.
Haley, Timonthy P.
Hall, Mathew L.
Hall, Patrick L.
Halla, Brian L.
Halt, Michael A.
Halton, Christopher H.
Hamilton, Stephen C.
Hancock, Daryl R.
Hand, David B.
Hanhart, Douglas C.
Hannon, Gerald L.
Hannon, Wesley S.
Hansen, Brett E.
Hansen, Eric G.
Hansen, Eric W.
Hansen, John H.
Hansen, Peter T.
Hansen, Robert B.
Hardegree, Howard S.
Harrington, Douglas M.
Harrington, Timothy J.
Harris, Eric R.
Harris, Franklin
Harris, Mark W.
Harrison, Gregory K.
Harrop, William D., III
Hartig, Brian J.
Hartley, Ronald P.
Hartman, Thomas J.
Hatt, Patricia A.
Hauck, Stephen C.
Havelka, David P.
Hawk, Douglas G.
Hawkins, Donald F.
Haydin, John S.
Hayes, Kenneth S.
Hayes, Kevin C.
Hayes, William R.
Hayward, Richard A.
Heberly, Grayson H.
Heckman, Charles R.
Hedgebeth, Darius M.
Hehmeyer, Eric a.
Heid, LInda L.
Heimbigner, Brett C.
Henrichs, Christian C.
Helgason, Kurt A.
Helgson, Thomas R.
Helme, Ernest C., III
Hempstead, Keith D.
Henderson, Michael T.
Hendricks, Bryan K.
Hendricks, Kevin O.
Henriksen, Gregory J.
Henry, Brian F.
Henry, Roy
Hensell, James L., Jr.
Hensler, James A.
Herbert, Paul J.
Herkert, Kenneth A.
Hernandez, Andrew A.
Hernandez, Steven J.
Hernandez, Tracy W.
Hershberger, William K.
Hertlein, Robert P.
Hertzog, Earl F.
Hess, Daniel G.
Hessel, Darold M.
Hesser, William A., Jr.
Hession, Michael
Hexdall, Eric J.
Hibbert, Kirk R.
Higgins, ERic W.
High Wayne
Hilberg, Karl A.
Hildreth, Nelson P.
Hill, Michael D.
Hill, Paul D.
Hill, Richard L.
Hillebrand, Carroll J., Jr.
Hilliard, Gregg S.
Hillman, Timothy M.
Hils, John E.
Hilton, Philip G.
Hinds, Timothy B.
Hines, Wililam G.
Hinzman, David F.
Hirl, Patrick
Hitchcock, Robert B., Jr.
Hitt, James R.
Hoban, John E.
Hobbs, Virgil G., III
Hoehle, Douglas E.
Hoffler, John R., Jr.
Hogsten, David R.
Hoke, William B.
Holland, Adam C.
Hollingsworth, Diahn
Hollins, Gregory
Hollis, Pierre
Hollister, Jerry L.
Holman, Robert A.
Holmbertelsen, Gary
Holmes, James R.
Holmes, John P., Jr.
Holmes, Marion R.
Holt, Andrew S.
Holt, Joel C.
Homan, Marc D.
Hong, Mu H.
Honzik, Michael S.
Hoopes, Mark A.
Hopkins, Timothy B.
Horst, Derek M.
Horton, Dennis V.
Horton, Leroy
Horvath, Patrick L.
Hossay, Patrick R.
Hottenrott, Carol A.
Housinger, James J.
Howard, David B.
Howard, Matthew C.
Howe, James H.
Hoyle, Stephen M.
Hruska, James F.
Hudson, Ralph R., Jr.
Huff, Michael T.
Huffaker, Christiana B.
Huffman, Andrew J.
Huggins, Benjamin L.
Hughes, Edward W.
Hugill, Paul D.
Hull, Ronald L.
Humber, Stephen A.
Humphries, Wofford F
Hunt, Frederick E., III
Hunt, Kevin D.
Hurley, Patrick J.
Hurst, Kevin D.
Hussey, Michael F.
Hutchinson, Derrick
Hutchison, Allie A.
Hutnan, Mark J.
Hyder, Christopher K.
Hymas, Lisa M.
Ingulli, Robert M.
Innes, Mark T.
Irwin, Kenneth R., Jr.
Isaacson, Brent S.
Isaacson, Craig E.
Iverson, Robert R.
Jackson, Andrew B.
Jackson, David L.
Jackson, George M.
Jackson, Gerald E.
Jackson, Raymond E.
Jackson, Scott A.
Jacobs, Micah R.
Jacobsen, Douglas M.
Jacobsen, Gordon M.
Jacobson, Kara C.
Jacques, Randall J.
Jacquez, Roberto T.
Jadick, Richard H.
Jaeger, Maria I.
Janik, Frank C.
Janosky, James S.
Jardine, Timothy L.
Jasica, Anthony C.
Jazdyk, David R.
Jelescheff, Robert Y.
Jenkins, Jesse L.
Jenkins, John S.
Jenkins, Kenneth
Jennings, John C.
Jennings, Paul J.
Jennings, Thomas S.
Jensen, Keith R.
Jensen, Mark J.
Jenson, Mary C.
Jepsen, Christopher J.
Jepsky, Rosalie A.
Jessen, Peter A., Jr.
Jimenez, Edgar
Joel, Brandt J.
Joel, Timothy M.
Johannsen, David A.
Johns, William D.
Johnson, Bernt B.
Johnson, Claxton R.
Johnson, Erik N.
Johnson, James L., Jr.
Johnson, Jeffery J.
Johnson, Jeffrey M.
Johnson, Karl D.
Johnson, Kurt B.
Johnson, Mark M.
Johnson, Mark S.
Johnson, Michele M.
Johnson, Robert J.
Johnson, Rodney W.
Johnson, Steven R.
Johnson, Thomas J.
Johnson, Thurman A.
Johnson, William M.
Johnson, William P.
Jones, David R.
Jones, Maynard L.
Jones, Michael D.
Jones, Misty A.
Jones, Murray K.
Jones, Patrick E.
Jones, R.D.
Jones, Sarah K.
Jones, Timothy W.
Jordan, Deron A.
Jordan, Pernall A.
Jordan, Stephen E.
Juarez, Edward T.
Judy, John H.
Junge, Christopher D.
Junge, Curtis D.
Jurnika, Werner F.
Jussila, Michael A.
Justynski, Daniel J.
Kaculis, Michael F.
Kahle, Robert L.
Kahn, Kathryn, M.
Kaler, James H.
Kallerson, Douglas D.
Kamel, Alexandre P.
Kammerzell, Michael L.
Kamps, Larry G.
Kane, Jed C.
Kapusinski, Eric P.
Karnay, Laurie L.
Karolweics, Vincent T.
Kartoz, Barton L.
Kasiski, Peter J.
Kauffman, John C.
Kaus, Thomas M.
Kearns, Paul A.
Kearsley, Herbert J.
Keathley, Dennis E.
Keatley, Richard E.
Keech, Daniel R.
Keegan, Steven C.
Kelleher, Patrick M.
Kelley, John C.
Kelly, Brian J.
Kelly, Brian P
Kelly, Michael J.
Kelly, Michael M.
Kelly, Scott J.
Kelly, William A.
Kelsch, Geoffrey R.
Keng, Leslie L.
Kennedy, Christopher J.
Kenny, Dwight A.
Kenyon, Charles G.
Kerner, Robert T.
Kerr, Mark W.
Ketchum, Kyle R.
Kett, Tamara R.
Kidwell, Toni L.
Kiely, Denis J., III
Kiem, Douglas P.
Kilbride, Jeffrey A.
Kilgallen, Linda M.
Killeen, Sean C.
Kim, Jay R.
Kimble, Edward T., IV
Kimbrough, Barry R.
Kime, Carl M.
Kincaid, Bryant C.
King, Allan G.
King, Andrew S.
Kinger, Michael J.
Kirby, Mark R.
Kiscadden, Jay J.
Kistner, John
Kleeberger, Charles R.
Klein, Donald C.
Klicek, Rudolph
Kliewer, Etro C.P.
Kline, Theodore S.
Klongebro, Jon F.
Knaus, Daniel J.
Knueuer, Michael W.
Knight, Karl C.
Knight, Thomas J.
Kniseley, John R., II
Knodel, David C.
Knowles, Grover B.
Koehler, Stephen T.
Kohanowich, Kurt M.
Kohler, Joseph J.
Kohnle, Jeffrey A.
Kojiro, Leigh L.
Kondas, Charles E.
Kons, Thomas J.
Kontanis, Constantine
Korson, Andrew G.
Kositzke, Don P.
Kosten, Eric R.
Kotouch, Todd D.
Kotva, Dawn L.
Kowalski, Eric P.
Kozlowski, Gregory L.
Kraft, William M.
Kramer, Robert D.
Kraus, Dru E.
Krebs, Douglas R.
Kreib, Mark W.
Kreiser, Steven A.
Kreitz, Jon C.
Krejci Eric J.
Kremer, Anthony M.
Krieg, James A.
Kroeger, Christopher S.
Kropp, Beth J.
Krueger, John C.
Kudlak, David M.
Kugelman, Paul
Kuhn, Philip R.
Kula, Kenneth P.
Kunst, Frank A.
Kurita, Kurtis N.
Kurrack, Thomas S.
Kust, Paul R.
Kutlesa, Jure
Kwon, Young S.
Lacefield, Joe D.
Lacina, Douglas E.
Lamack, Joseph G.
Lamoureux, Steven B.
Landers, James W.
Landreth, Jack J.
Landry, Curt R.
Lane, Edward J.
Lang, George E.
Langdon, Michael F.
Langlois, Michael C.
Langlois, Thomas L.
Laplante, John B.
Lapointe, Todd N.
Laput, Gregory E.
Larkin, Curtis A.
Larkin, Richard M.
Larkin, Timothy H.
Larkin, Will M., Jr.,
Larock, Todd R.
Larson, Mervin D.
Lasorsa, Franklin T.
Latimer, Brandt W.
Lauber, David R.
Lawless, John C.
Lawrence, Robert P.
Lawton, Robert J.
Laxen, Mark R.
Leach, Corl W.
Leake, Jeffrey M.
Lear, William J.
Leary, Michael P.
Leaveck, Timothy E.
Leber, Jerome G.
Leblanc, Joseph J.
Lechner, James K.
Lederer, Edward B.
Lee, Adrian D.
Lee, Bradley
Lee, Daniel G.
Lee, Duhee
Lee, Michael J.
Lee, Randall S.
Lee, Rees L.
Lee, Ricky A.
Legg, Martin D.
Lehman, John A., Jr.
Leiper, Christopher S.
Leiser, Phillip B.
Lemke, Jacqueline M.
Leonard, Warren G.
Lepp, Stephen J.
Lerch, Thomas H.
Lester, John T.
Letoile, Joseph A.
Lett, Robert
Leva, Ricky A.
Levasseur, James M.
Levesque, Christopher R.
Levy, Eric R.
Lewis, Karen D.
Lewis, Robert C.
Lewis, Stanley B.
Lewis, Stuart W.
Leysath, Joseph A.
Limpin, Marvie F.
Linahan, Kirk W.
Linder, James C.
Lindsay, Richard A.
Linehan, Richard J.
Linkous, Frank S.
Lipka, Eric L.
Liston, Daniel V.
Litsch, James A.
Little, Mark A.
Lobdell, Charles A.
Lobree, Shawn W.
Logan, Timothy K.
Lohmann, James N.
Lonneman, Michael J.
Lopez, Cruz
Lopez, Victor D.
Lord, Michiyo L.
Lordi, George P.
Lorio, Samuel W.
Losefsky, Ronald W.
Lotzia, Christopher A.
Love, Daniel E.
Lovett, Alexander R.
Lozada, Alexander C.
Lucci, David P.
Luetschwager, Bruce E.
Lundin, Walter E.
Lussier, William F.
Luther, Michael S.
Lyne, Daniel L.
Lynn, Steven W.
Lyons, Ralph A.
Maak, Bradley J.
Maat, Eric W.
Mabry, Jeffrey D.
MacDonald, Thomas R.
Maciejewski, Matthew P.
Mack, William C.
MacLean, Richard J.
MacPherson, David W.
MacQuoid, Alan P.
Macry, Joseph D.
Madigan, John R.
Magoon, Kurt R.
Mahon, Michael F.
Mahoney, Christopher J.
Malecka, Jason P.
Malewicki, Paul G.
Malloy, Rodney E.
Malone, Michael L.
Maloney, David S.
Mancano, Vincent J.
Marble, Thomas F.
Marik, Steven S.
Marin, Robert G.
Marincic, Tomislav A.

Markiewitz, Robert M.
Marlowe, Kevin L.
Marmaud, Brian L.
Marr, Timothy
Marsh, Kenneth L.
Marshall, Gregory S.
Marshall, Stephen E.
Martens, Robert F.
Martier, Richard W.
Martin, Ellen K.
Martin Richard J.
Martinek, Sandra A.
Martinez, Felix A.
Martino, James J.
Marzinsky, Michael F.
Masady, Donato E.
Masciarelli, David T.
Mascone, John W.
Mason, William H., Jr.
Mason, William T.
Massman, Lauri A.
Masters, Jeffrey D.
Masters, Yvonne M.
Mastrangelo, Ralph
Mastrocola, John R.
Mathis, Bonner L.
Matkin, John T.
Matthesen, George S.
Matthews, Audwin D.
Matthews, Thomas A.
Mayberry, Thomas O.
Mayer, Michael I.
Mayoralgo, Aldie
Mays, Gregory A.
Mazzone, Frank P.
McArdle, Mark A.
McCaffrey, Phillip P.
McCalister, Cleveland S.
McCarthy, Daniel A.
McCarthy, Michael P.
McCarthy, Timothy W.
McCartney, Joan M.
McClelland, John T.
McClenney, Walter O.
McConnell, John C.
McCort, Thomas M.
McCourt, Thomas B., III
McCue, Mary K.
McCullough, William P.
McCurdy, Douglas W.
McDaniel, Michael D.
McDevitt, Brian J.
McDonald, Mark H.
McDonald, Michael K.
McDonell, Kevin J.
McFall, Monte R.
McGrath, Bryan G.
McGrath, Mark T.
McGuire, Larry L.
McKenna, Paul H.
McKenzie, Shannon P.
McKinnis, Mark A.
McLachlan, Russell T.
McLaughlin, Mark A.
McClay, Deidre L.
McLoughlin, Robert E.
McNair, William R.
McNamara Patrick K.
McNeace, John C.
McNeal, Ian C.
McRitchie, David G., Jr.
McSherry, John E.
McSteen, Raymond P.
McVeigh, James F.
Mead, George R.
Mead, William B.
Meador, Gregory A.
Meany, Edward
Meckley, John A.
Mederos, Raymond
Meizoso, Stephen C.
Melsen, Mark L.
Mencke, Kevin J.
Mendoza, Marco A.
Menk, Charles C., III
Menke, Roger L.
Mercer, Leslie F.
Mercurio, John A.
Mercurio, Steven M.
Merola, Joseph M.
Merrell, Stuart T.
Messmore, Scott T.
Meyer, Daniel P.
Meyer, David W.
Meyer, Jeanne M.
Meyers, Jeffrey G.
Michaels, Timothy R.
Michaelsen, Christopher P.
Michaelsen, Mark E.
Michalkiewicz, Bernard J.
Mickelson, Bryan D.
Middleton, Gordon, W.
Might, Daniel P.
Migliozzi, Joseph A., Jr.
Miller, Dean W.
Miller, Eric W.
Miller, Guy A.
Miller, Mark T.
Millerbarrett, Stephanie
Mills, Ralph J.
Milne, Duncan S.
Milner, Richard P.
Minke, Scott P.
Minners, John C.
Miracle, Michael B.
Mitalski, Robert G.
Mittag, Frank G.
Mizer, Michael J.
Moak, Robert G., II
Moffatt, Gregg D.
Moffatt, Van R.
Mohlenbrok, Michael J.
Monagle, Kevin P.
Monroe, Miles L.
Montgomery, Hugh C.
Moore, Brian T.
Moore, Cheryl D.
Moore, Doris L.
Moore, Kevin R.
Moore, Michael R.
Moore, Ron M.
Mooring Guilford B., II
Moothart Gerald A.
Moreland, Anne M.
Moretz, David G.
Morey, Timothy J.
Morford, Brian T.
Morgan, Joseph M.
Morgan, Michael R.
Morgan, Patricia B.
Morgan, Steven A.
Morris, Michael W.
Morris, Robert C.
Morris, Timothy J.
Morrison, David L.
Mortan, Robert F., II
Morton, John B.
Moser, Stuart R.
Moskowitz, Douglas W.
Moss, Ronald A.
Motter, Charles F.
Mouns, Frank W.
Moynihan, John J.
Mozdzer, Walter P.
Muise, Robert J.
Moladore, Stuart K.
Mullane, John G.
Mulligan, Daniel
Mullin, Richard J.
Mulvaney, Sean W.
Mundy, Timothy S.
Munroe, William M.
Murdock, John C.
Murphy, Brian P.
Murphy, Christopher X.
Murphy, Sean P.
Murphy, Sean P.
Murphy, Sylvia J.
Murray, Tom G.
Murray, Tom R., III
Murvihill, David A.
Muti, Jeffrey S.
Myers, James W.
Myers, John T.
Napoleon, David J.
Nash, David D.
Nathe, Christopher P.
Naven, Jeffrey W.
Naylor, John S.
Neckerman, Michael A.
Neff, Todd A.
Neil, Robert W.
Nelson, Christopher M.
Nelson, Matthew W.
Nemec, Russell J.
Neumann, Michael D.
Neusner, Samuel A.
Nevius, Paul
Newbold, Randal B.
Newcom, David A.
Newell, Dwight J.
Newton James P.
Newton, William C.
Nichols, David
Nieva, Fidelino E., Jr.
Nightingale, Steven A.
Nishimura, Bryan H.
Nix, David A.
Noiwan, Chinawat
Nolan, John H.
Noon, William D.
Norman, George P.
Norman, Philip L.
Northcutt, Darrien P.
Norton, David P.
Norton, Robert J., Jr.
Novack, Edward
Novaez, Guiomar
Nowadly, Francis W.
Oakes, Thomas J.
Oates, Michael W.
Oberhoffer, Edward C.
O'Bradovic, Michael J.
O'Brien, David E.
O'Brien, John J., Jr.
O'Brien, Kevin A.
O'Bryan, Stacey L.
O'Bryne, James E.
O'Connor, Michael J.
O'Conner, Sean R.
Odden, George C.
O'Dea, David P., Jr.
O'Dea, John M.
Odom, Willian D.
O'Donnell, Patrick S.
Oldfield, Mark E.
Oliver, Chris E.
Oliver, Lawrence J.
Oliver, Marie E.
Olsen, Karl R.
Olson, Eric J.
O'Mara, Kevin H.
Onda, Alex R.
O'Neal, Stephanie L.
O'Neil, Casey P.
O'Neil, Donald K.
O'Neil, Thomas E.
Oriold, Darryl W.
Ormond, Mark P.
Orne, Cynthia G.
Orosz, Mark L.
Orr, Alan L., II
Orr, Timothy S.
Oslick, Harvey R.
Otoole, Timothy R.
Ottignon, David A.
Overton, John P.
Owen, Stephen S.
Owens, Willie D.
Ozmer, Joseph W.
Pacious, Patrick S.
Paddock, Peter E.
Padgett, Douglas M.
Pagel, Donald S., Jr.
Pagiotas, John P.
Pagliaro, Anthony P., Jr.
Palermo, Joseph S.
Palm, Michael E.
Palmer, Craig E.
Palmer, Georgia L.
Palmer, Lyle R.
Palumbo, Nicholas E.
Pangelinan, Benjamin A.
Papa, Timothy L.
Papesh, Todd A.
Papp, Raymond A.
Parker, Dana M.
Parker, Donald W.
Parker, Steven D.
Parkey, Thomas J.
Parkinson, Scott L.
Parrillo, Joseph A.
Patton, Christopher D.
Patton, Jeffrey H.
Patzman, Mark A., II
Pavlioin, Robert W.
Peabody, Robert A.
Peace, William S.
Perrlman, Sheryle E.
Peck, Thomas L.
Peckham, Christopher M.
Peer, Thomas C.
Pelton, Charles O.
Pennell, George D.
Peoples, Anthony E.
Perkins, Kevin C.
Perkins, Tony L.
Perron, Robert A.
Peters, Christopher H.
Peters, Eugene M.
Peters, Sean M.
Peterschmidt, John C.
Petersen, Antonio P.
Petersen, Douglas K.
Petrowski, Michael P.
Petruccione, Peter A.
Pettigrew, Ronald
Peyton, Michael J.
Phillips, Brian R.
Phillips, Candade L.
Phillips, Michael J.
Phillips, Peters S.
Pichon, Eric J.
Picken, Edward C.
Pierce, Jerry D.
Pigeon, Raymond G.
Pinckney, John
Pipho, Stuart A.
Pippin, Ronald L.
Pizza, Michael J.
Plauga, Anna T.
Plofchan, Paul J.
Plummer, Marshall E., II
Plummer, Wendell R.
Poff, David B.
Poggenburg, Joseph D.
Polasky, Charles A.
Polgreen, Alison
Polk, Michael J.
Pollard, Todd E.
Pollock, Kevin E.
Pon, William L.
Ponte, Peter D.
Poorman, Daniel S.
Popovich, David J.
Porter, David E.
Porter, Stephen R.
Porter, Todd A.
Porubski, Richard L.
Potts, Amy J.
Preece, Joseph S.
Prell, Milton J.
Premi, Michael R.
Pevost, Nathaniel K.
Price, Deon L.
Price, Kevin T.
Price, Roderick J.
Prickett, John F.
Priest, Duncan T.
Pringle, Cedric E.
Pringle, Hebert L.
Prise, Kevin M.
Prochaska, Kurt V.
Prokopis, Michael T.
Pruitt, Rachel L.
Przybylski, John
Purdy, Edmund J., III
Purvis, Eston D.
Quenga, Silvino R.
Quigley, Thomas M.
Quinn, Paul E.
Quint, Jonathan
Quynn, Allen G.
Radulski, Matthew K.
Raffier, Mark J.
Ralph, John A.
Raman, Sanjay
Ramsay, Charles H.
Randolph, Lemuel P.
Rangel, Nicolas
Rankin, Troy M.
Rasmussen, Robert E.
Ratte, David A.
Raup, William E.
Ray, Byron J.
Raynor, Brett N.
Redrick, Patrick H.
Reed, Casey E.
Reed, Gregory L.
Reed, Kris J.
Regen, Benjamin C.
Rehor, Michael W.
Reichert, Daniel T.
Reid, Louis A.
Reilly, Michael J.
Reilly, Robert S.
Reimers, Gerald A.
Reinhart, Paul D.
Reino, John M.
Reinwald, Mary K.
Reiswig, Lora J.
Relihan, Kevin A.
Remick, Mark D.
Remington, Eric J.
Rempe, Daniel L.
Remsing, Robert A.
Reuck, Charles G.
Reyes, Cesar N.
Reynerson, Charles M.
Reynolds, John S.
Reynolds, Ralph R.
Reynolds, William F.
Rhie, Ann Y.
Rhoden, Christopher A.
Rhodes, Johnnie C.
Ricci, Ronald J.
Rich, William T.
Richardson, John W.
Richman, Paul A.
Richter, Mark W.
Rick, Paul M.
Ricks, Neal P.
Ridge, Michael A.
Riehl, Gregory J.
Riley, Bruce A.
Rinn, Kevin T.
Riordan, Robert P.
Rios, Leslie M.
Rishea, John V.
Ritchie, Wesley P.
Robbins, Greg R.
Roberts, Curtis
Roberts, Derrick J.
Roberts, Nannette S.
Roberts, Randy D.
Roberts, Stephen E.
Robins, Claren D.
Robinson, David A.
Robinson, Michael A.
Robinson, Ronald A., Jr.
Robinson, Thomas L.
Roble, Richard A.
Rock, Charles W.
Rodriguez, Edward H.
Rodriguez, Jorge A.
Roedl, Peter J.
Roelker, Randall S.
Roessler, Richard B.
Roger, Charlie P.
Rogers, Lewis C.
Rogers, Mary E.
Rogers, Philippe D.
Rogers, Scott T.
Rogers, Walter D.
Rohloff, Anthony R.
Rojas, Thomas A.
Rolland, Nicholas M.
Rollins, Lamia
Rollinson, Derek J.
Root, Christopher R.
Roper, Allen F.
Rosdahl, Thomas P.
Rose, Hoke M.
Rose, Jefferey P.
Rose, Theodore R.
Rosenblatt, Michael A.
Rosenthal, John T.
Ross, Andrew J.
Ross, Bryon G.

Ross, Gregory C.
Rossi, Christopher G.
Rossignol, Steven P.
Rossio, Michael B.
Rotert, Daniel P.
Roth, Michael B.
Roup, Mark A.
Rousseau, Michael P.
Rowe, Gary B.
Rowland, Michael D.
Rozier, Timothy D.
Roznowski, Michael B.
Rueb, Jeffrey S.
Ruhland, Charles E.
Rush, Forrest R., Jr.
Russell, John J.
Russo, Samuel J.
Ryan, Peter M.
Rydell, Edwin R.
Ryland, Freddie L.
Sacchetti, Stephen A.
Sacco, Ernest J., Jr.
Sachrison, Jon E.
Salamy, Paul S.
Salas, Paul A.
Salinsky, Steven
Sallade, Robert D.
Saltzman, Richard S.
Salva, Steven G.
Salzer, David H.
Sampson, David J.
Sanborn, Kurtis R.
Sanchez, Mario A.
Sandberg, Susan M.
Sanford, John C.
Sanford, Mark A.
Sanford, Teresa S.
Sangster, Michael J.
Santangelo, Matthew L.
Santini, Victor W.
Saporito, Vincent P.
Saunders, Mark L.
Savard, Edward E.
Scarritt, Jeffrey M.
Schaedel, Tyson P.
Schaefer, Britton H.
Scharf, Todd K.
Scheper, Nicholaus R.
Scherer, Chris A.
Schick, Kurt E.
Schierling, John G.
Schilling, Craig M.
Schimpf, Mark E.
Schimpf, Michael W.
Schimpf, Peter W.
Schluter, Robert C., Jr.
Schmalfeld, Mark R.
Schmidt, Steven J.
Schmidt, Thomas S.
Schmitt, Eric L.
Schneider, Melissa A.
Schneider, William C.
Schnoor, Barry C.
Schnorenberg, David G.
Schoenle, Michael E.
Scholz, John M.
Schommer, James E.
Schoonmaker, Curtis R.
Schrenk, Michael L.
Schroeder, Kenneth A.
Schuerman, Todd J.
Schuller, Geoffrey H.
Schultz, Robert J.
Schultz, Theodore D.
Schulz, David, S.
Schwarz, Gregory T.
Schwarz, Patrick J.
Scola, Todd H.
Scott, David J.
Scott, John G.
Seagrist, Richard P.
Sease, Earnell.
Seaton, Daniel A.
Seksinsky, Jeanne M.
Selby, Lorin C.
Selnick, Arnold P.
Selvaggi, Joseph A.
Sewall, John O.
Sewell, Donald A.
Shah, Najeeb A.
Shank, Kimberly L
Shank, William R.
Shannon, Sean M.
Shannon, Thomas F.
Sharp, Thomas E.
Shaske, Jeffrey A.
Shea, John P.
Shebroe, Adam M.
Sheehy, Kenneth M.
Sheffield, Gregory J.
Sheils, Dennis J.
Sheldon, Scott D.
Sheldon, William J.
Shelton, Kevin D.
Shephard, William L.
Shepherd, Jason W.
Sherard, Thomas J.
Shereda, Robert P.
Sherlock, Christopher W.
Sherman, Eric S.
Shilling, Edward E.
Shimp, John A.
Shinego, Stephen A.
Shinick, Stephen P.
Shipley, Guy S.
Shiring, Michael T.
Shoemaker, William H.
Shook, Dawn M.
Shows, Benjamain A.
Shuey, Karin A.
Shutt, Joseph M.
Sieg, Richard L.
Siepel, Kevin W.
Siewert, Martin P.
Sifling, Mark A.
Silk, Bradford J. III
Silk, James G.
Silkaitis, John M.
Silliker, Roy S.
Simmons, Dennis S.
Simon, Mark A.
Simon, Thomas P.
Sise, Bernard F.
Sitter, Mark E.
Skinner, James W., IV
Skolnicki, Mark W.
Skubic, Thomas J.
Slavin, Ross A.
Sleeper, Lionel J.
Sliwinski, David J.
Sloan, David E.
Small, Alvin W.
Smallwood, Gayland D.
Smietanski, Robert J.
Smith, Ande A.
Smith, Andrew H.
Smith, Brian P.
Smith, Brian S.
Smith, Brian W.
Smith, David M.
Smith, Eric M.
Smith, Jeffrey J.
Smith, John G.
Smith, Kenneth R.
Smith, Mogan H., Jr.
Smith, Scott L.
Smith, Scott M.
Smith, Stepehen J.
Smith, Terry B.
Smith, Timothy N.
Smith, Timothy R.
Smith, Tracy R.
Smucz, Joseph S.
Smyser, Walter R.
Snider, Lance A.
Snider, Thomas S.
Snyder, Christopher A.
Snyder, John M.
Snyder, Paul E.
Snyder, Steven L.
Snyder, Steven M.
Snyder, Timothy L.
Sobnosky, Robert B.
Sofet, Merrie
Solowsky, Laura
Somers, Scott C.
Sorenson, Jeffry C.
Soriano, Jacinto S.
Souchet, Brian E.
Speigle, Russell A.
Spencer, Charles C.
Spilsbury, Paul A.
Sprenger, Matthew E.
Springett, John P., II
Squire, Todd J.
Stack, Charles J.
Stafford, Joseph J.
Stahl, John M.
Stalzer, Charles E.
Stanbro, Stewart W.
Standen, Craig T.
Stanley, Reginald O.
Stapleton, Craig A.
Stark, Christopher L.
Statnick, Theodore C.
Stearns, Christopher P.
Stearrett, David H.
Steele, Christopher S.
Steele, Gary L.
Steffen, George D.
Steffens, Carol L.
Stein, Lawrence J.
Steinauer, John J.
Steinberger, John F.
Stelling, Robert E.
Stephan, Andrew O.
Stettler, Andrew
Stevens, Eric W.
Stewart, John E.
Stewart, Michael R.
Stewart, Timothy P.
Stockwell, Jeremy J.
Stoffregen, Elliott
Stojkovic, Robert
Stokvis, Richard M.
Stoltz, Steven M
Stone, James T.
Story, Douglas B.
Stott, Francis M.
Stougard, Steve E.
Stpierre, Keith A.
Stradley, Karl L.
Straka, Kevin E.
Strand, Mark C.
Strasburg, Alan M.
Stricker, Michael H.
Strong, Mark A.
Strubel, Thomas J.
Struble, Mark E.
Struckmeyer, Thomas K.
Stuckey, Scott B.
Sturm, Daniel P.
Sulc, Brian
Sullivan, James B.
Sullivan, Maureen C.
Sullivan, William G.
Sumang, Vincent J.
Summerlin, Raymond M.
Supernor, William P.
Susman, Victor S.
Sutherland, Terrence P.
Sutherlin, Thomas J.
Sutton, Mary M.
Sutton, Stephen J.
Svoboda, Scott J.
Swack, James C., III
Swan, Stuart M.
Sweaney, Robert D.
Sweeney, Patrick S.
Sweeney, Stephen P.
Swengros, Thomas
Swift, John D.
Sylvester, Patrick W.
Szymanski, Bruce H.
Taddeo, Leo
Tade, Mark E.
Tague, Brian C.
Takvorian, John H.
Tanke, Robert J.
Tankel, Adam B.
Tanuyan, Lourdes M.
Tarner, Elisabeth A.
Taylor, Bryan F.
Taylor, Emily J.
Taylor, Gregory R.
Taylor, Keith T.
Taylor, Rena H.
Taylor, Thomas
Taylor, Wayne R.
Teare, Jon S.
Teltschik, Lonnie M.
Temple, Jeff A.
Terselic, Robert J.
Theis, Jack T.
Thelen, James F.
Theres, Michael J.
Theuer, James R.
Theunissen, Caniel J.
Thibodeau, Kristopher P.
Thieme, Donald J., II
Thomas, Richard E.
Thomas, Thomas
Thomas, Tommy D.
Thome, Stephen J.
Thompson, Christopher M.
Thompson, Kevin L.
Thompson, Ritchard R.
Thompson, Stuart D.
Thomson, Patricia P.
Thomson, Robert W., Jr.
Thorpe, Mark A.
Thrash, Gervernia T.
Tiberii, David A.
Tidwell, Kevin D.
Tillman, Hugh V.
Tillman, Jesse M.
Timbol, Julius J.
Tinkler, Catherine
Tinner, Timothy G.
Tinsley, Mark E.
Tiplady, Timothy J.
Tipton, Leslie A.
Tobias, Robert J.
Tobik, Steven E.
Tobin, S.W.
Todd, Graig E.
Tokofsky, Steven
Tolley, George A.
Tomascak, Peter D.
Tomazic, Michael A.
Tordera, Virginio F.
Tormenti, Michael A.
Torres, Enrique
Torres, Nicholas A.
Townsend, William W.
Toye, Robert A.
Traffas, Gary D.
Trammell, Wilfrid C.
Tran, Van K.
Tranthien, Baoquoc
Travers, Terence R.
Trembly, Lisa A.
Treuting, William T.
Triola, Richard B.
Triou, Scott D.
Triplett, Jadel D.
Trovato, Michael R.
Tsiantas, Karen A.
Tuey, Kirk D.
Tuite, Michael L.
Turgeon, Fredrick K.
Turner, Christopher E.
Turner, Jack L.
Turner, James R.
Turner, Joseph L.
Turner, Mark L.
Turner, Ronald E.
Tyer, Jeffrey S.
Ude, Mark F.
Umphlet, Brian S.
Upton, Mark W.
Upton, Michael B.
Urbanek, John A.
Utke, Michael J.
Utz, Thomas C.
Vair, John A.
Valdez, Richard J.
Valentine, Paul D.
Vance, John C.
Vandam, Leslie B.
Vande, Matthew P.
Vanderbloomer, Geoffrey D.
Vanderhijde, Stephen D.
Vangorder, Kristil
Vansickle, Michael R.
Varani, Peter J.
Varner, Donald R.
Vaseghi, Karen E.
Veilleux, Robert L.
Vela, Oscar
Velasco, Carlos
Vena, Peter D.
Veneziano, Joseph M.
Vento, Robert J.
Veraldi, Anthony S.
Verbeck, Donald G. Jr.,
Verges, Vincent M.
Verheul, Daniel F.
Vermilyea, Scott D.
Versfelt, James E.
Villaflor, Anthony A.
Vinkavich, Michael L.
Vivar, Juan C.
Vogan, Kurt R.
Voigt, Richard K.
Voss, Mark A.
Voytko, Thomas J.
Vreeman, Steven J.
Wadkins, Douglas L.
Wagoner, Michael R.
Waite, Joseph P.
Walcher, Anthony S.
Waldrop, Marianne S.
Walker, Benjamin H., IV
Walker, Brynne V.
Walker, Charles L.
Walker, Gordon E.
Walker, Stuart J.
Walker, Thaddeus O.
Wall, Kevin J.
Wall, Mastthew B.
Walsh, Daniel T.
Walsh, Thomas F.
Walters, Mary C.
Walton, James G.
Warburton, Edward B.
Ward, Christopher L.
Ward, Michael N.
Ward, Robert R., Jr.
Ward, Torilus O.
Warfel, Tracy K.
Warn, Brian
Warnement, Robert W.
Warren, Thomas H.
Watkins, Eric D.
Watkins, James R.
Watson, Howard M.
Watson, Rodney J.
Watts, John W.
Waugh, Craig M.
Waurio, Arthur D.
Way, Frederic J.
Weaver, Albert C., III
Weaver, Michael A.
Webber, Matthew A.
Webster, Jeri L.
Webster, Timothy M.
Weck, Thomas J.
Weede, Daniel R.
Weeks, John M.
Weiding, David B.
Weigel, Henry D.
Weisbrod, Edmond J., Jr.
Weisenberger, Timothy G.
Weisz, Bradley
Welch, Charles M.
Wells, Jon M.
Wells, Shannon B.
Welsh, Mark S.
Welsh, Timothy K.
Weltz, Christopher M.
Werner, Lawrence G.
Werth, Mark A.
Wesner, Stephen M.
Western, James W.
Weston, David C.
Weston, Michael A.
Wetz, Jon H.
Wharton, Andrew S.
Wharton, Stewart B., III
Whitaker, Matthew B.
White, Charles A.
White, Curtis J.
White, Frankie L.
White, John L.
White, Kirk L.
White, William E.
Whitehouse, Thomas W.
Whiting, Philip V.
Whitney, Chris
Whitson, Mark A.
Whittaker, Jacob T.
Whitty, Richard J.
Wickline, Mary B.
Wilber, Tracy L.
Wilborn, Clifford M.
Wilbur, David A.
Wilcoxon, Kerry T.
Wilde, John W.
Wilkerson, Douglas S.

Wilkinson, Timothy C.
Willcox, Lawrence G.
Wille, Kirk C.
Williams, Bartholomew R.
Williams, Dale F.
Williams, David G.
Williams, David H.
Williams, George S.
Williams, Kenneth M.
Williams, Wendell C.
Williamson, Charles E.
Williamson, Michael D.
Williamson, William T.
Willingham, Mark C.
Willis, Marvin P.
Wingate, William B., III
Winkelman, Perrin D.
Wintermeyer, Karl A.
Wise, Robert W.
Witt, Darrell L.
Witte, Richard C., Jr.
Witzig, William P.
Wolfe, Eric R.
Wolfe, Gregory W.
Wolters, Timothy S.
Wondra, Robert J.
Wood, Fred A.
Wood, Mark C.
Woodburn, Christopher P.
Woods, Paul C.
Woodside, Mark D.
Woody, Tanis M.
Wooten, Moody G., Jr.
Worcester, Scott A.
Worthington, Julia P.
Wortman, Richard A.
Wright, Lawrence E.
Wusstig, Stefan M.
Wyllie, David A.
Yahr, Timothy E.
Yarsinske, Raymond J., Jr.
Yates, Scott D.
Yeager, Peter E.
Yokoi, David R.
York, Kevin R.
Young, Christopher G.
Young, Kyle W.
Young, Robert W.
Younger, Jeffrey M.
Zachary, Daniel S.
Zakarian, Daron
Zalek, Steven F.
Zanin, Eric F.
Zarrillo, Eugene M.
Zeamer, Matthew R.
Zecca, Louis
Zerby, Robert J., Jr.
Zimmerman, Jeffrey W.
Zimmerman, Joseph S.
Zimmerman, Kenneth A.
Zimmerman, Scott P.
Zinckgraf, Eric P.
Zolla, Matthew R.
Zolper, Andrew C.
Zonder, Howard P.
Zurray, Charles E.
Zwingle, Michael S.

IN THE NAVY

The following-named Naval Reserve officers to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Beckwith, Paul D.
Bell, Michael A.
Bettendorf, Robert J., Jr.
Boynton, Scott A.
Broschak, John P.
Brurud, Brian B.
Cho, Mansung
Correll, Richard A.
Ferretti, Vincent E., III
Fortunato, Michael J.
Gleason, Brian D.
Goggin, Jerry M.
Greenfield, Thomas J.
Harris, Peter M.
Hayden, Brian J.
Holmes, Robert E.
Horan, Michael D.
Hubek, James R.
Icenhour, Alan S.
Karlsson, Paul E.
Kirby, John F.
Kringle, Brent L.
Lancaster, Jeffrey D.
LeFere, Patrick A.
Lewis, Peter R.
Lindsey, Yancy B.
Lobur, Josehp J.
Loessberg, Coby D.
Marshall, David R.
McCarthy, Shannon E.
McConnel, Stephen P.
Miller, Kurtis B.
Nicol, Christopher C.
Page, Paul N.
Parisi, Perry
Pietrazak, John D.
Rauth, James T.
Rosebrock, Alan W.
Sad, Danny M.
Shute, Dana S.
Smith, Anthony D.
Sprecher, Jeff A.
Stacy, Steven R.

James M. Jacquet, Jr., ex-U.S. Navy officer, to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593.

The following-named U.S. Navy officers to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593:

Blackenship, Leonard C.
Hicks, James M.
Jacobs, Mark

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, January 13, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JANUARY 14

9:30 a.m.

Armed Services

To continue hearings on the national security strategy of the United States.

SR-222

Energy and Natural Resources

To hold an organizational business meeting.

SD-366

10:00 a.m.

Appropriations

To hold an organizational business meeting, to consider subcommittee assignments, committee rules of procedure for the 100th Congress, committee budget for 1987, and other pending committee business.

SD-116

Foreign Relations

To hold hearings on U.S. policy toward Iran.

SD-419

Labor and Human Resources

To hold hearings to review national education policy.

SD-430

10:30 a.m.

*Budget

To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1988 budget.

SD-608

11:00 a.m.

Judiciary

To hold an organizational business meeting.

SD-226

2:00 p.m.

Armed Services

To hold open and closed hearings on the use of operational gaming and simulation to assist strategy making.

SR-222

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

JANUARY 15

9:30 a.m.

Finance

To resume hearings on the world economy and trade issues, focusing on a U.S. response to the international trade deficit.

SD-215

Rules and Administration

Organizational meeting to consider committee budget for 1987, committee rules of procedure for the 100th Congress, and other pending committee business.

SR-301

10:00 a.m.

Commerce, Science, and Transportation

To hold an organizational meeting.

SR-253

Foreign Relations

To resume hearings on a Treaty between the United States of America and the Union of Soviet Socialist Republics on Underground Nuclear Explosions for Peaceful Purposes, and the Protocol thereto, signed in Washington and Moscow on May 28, 1976 (Ex.N, 94th Cong., 2nd Sess.).

SD-419

Labor and Human Resources

To hold hearings to review Federal efforts in AIDS research.

SD-430

11:00 a.m.

*Foreign Relations

Business meeting, to consider the committee budget for 1987-88, to adopt committee rules of procedure for the 100th Congress, and to discuss subcommittee structure and assignments.

SD-419

2:00 p.m.

Select on Indian Affairs

Business meeting, to discuss committee business, and to mark up S. 129, to authorize funds for and revise certain provisions of the Indian Health Care Improvement Act, and S. 142, to authorize funds for fiscal years 1987-1991 for the Native American Programs Act.

SR-485

JANUARY 16

10:00 a.m.

Foreign Relations

To resume hearings on U.S. policy toward Iran.

SD-419

JANUARY 20

9:30 a.m.

Armed Services

To resume hearings on the national security strategy of the United States.

SR-222

Commerce, Science, and Transportation

To hold hearings on competitiveness challenge for U.S. industry.

SR-253

Finance

To resume hearings on the world economy and trade issues, focusing on a U.S. response to the international trade deficit.

SD-215

Rules and Administration

To hold hearings on Senate committee resolutions requesting funds for operating expenses for 1987.

SR-301

10:00 a.m.

Foreign Relations

Business meeting, to consider a Treaty between the United States of America and the Union of Soviet Socialist Republics on Underground Nuclear Explosions for Peaceful Purposes, and the Protocol thereto, signed in Washington and Moscow on May 28, 1976 (Ex.N, 94th Cong., 2nd Sess).

SD-419

Labor and Human Resources

To hold hearings to review certain implications of the Chernobyl nuclear powerplant incident.

SD-430

JANUARY 21

9:30 a.m.

Agriculture, Nutrition, and Forestry

Business meeting, to consider committee budget for 1987, to adopt committee rules of procedure for the 100th Congress, and to discuss subcommittee structure and assignments.

SR-332

Armed Services

To continue hearings in open and closed sessions on the national security strategy of the United States.

SD-138

Budget

To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1988 budget.

SD-608

Energy and Natural Resources

To hold oversight hearings on the world oil outlook.

SD-366

Rules and Administration

To continue hearings on Senate committee resolutions requesting funds for operating expenses for 1987.

SR-301

10:00 a.m.

Banking, Housing, and Urban Affairs

To hold oversight hearings to review Federal Savings and Loan Insurance Corporation recapitalization, emergency bank acquisitions, nonbank banks, securities powers for bank holding companies, and bank check holds.

SD-538

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Environment and Public Works
To continue to mark up S. 185, authorizing funds for Federal highway construction programs.
SD-406

Labor and Human Resources
To hold hearings on work and welfare issues.
SD-430

JANUARY 22

9:30 a.m.
Finance
To resume hearings on the world economy and trade issues, focusing on a U.S. response to the international trade deficit.
SD-215

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue oversight hearings to review Federal Savings and Loan Insurance Corporation recapitalization, emergency bank acquisitions, nonbank banks, securities powers for bank holding companies, and bank check holds.
SD-538

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on the NASA shuttle anomaly resolution activities.
SR-253

Environment and Public Works
To continue to mark up S. 185, authorizing funds for Federal highway construction programs.
SD-406

Labor and Human Resources
To hold hearings on national equal opportunity policy.
SD-430

JANUARY 23

9:30 a.m.
Budget
To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1988 budget.
SD-608

10:00 a.m.
Foreign Relations
To resume hearings on U.S. policy toward Iran.
SD-419

JANUARY 26

9:30 a.m.
Armed Services
To resume hearings on the national security strategy of the United States.
SD-138

JANUARY 27

9:30 a.m.
Armed Services
To continue hearings in open and closed sessions on the national security strategy of the United States.
SR-222

10:00 a.m.
Foreign Relations
To resume hearings on U.S. policy toward Iran.
SD-419

2:00 p.m.
Armed Services
To continue hearings on the national security strategy of the United States.
SR-222

JANUARY 28

9:30 a.m.
Armed Services
To continue hearings on the national security strategy of the United States.
SR-222

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To resume hearings on work and welfare issues.
SD-430

JANUARY 29

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on aviation safety.
SR-253

JANUARY 30

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To continue oversight hearings on aviation safety.
SR-253

FEBRUARY 3

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings on the current status of the Department of Energy's nuclear waste activities.
SD-366

FEBRUARY 4

9:00 a.m.
Select on Indian Affairs
To hold hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1988.
SD-G50

9:30 a.m.
Foreign Relations
To resume hearings on U.S. policy toward Iran.
SD-419

10:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1988.
SR-385

FEBRUARY 5

9:30 a.m.
Energy and Natural Resources
To resume oversight hearings on the current status of the Department of Energy's nuclear waste activities.
SD-366

FEBRUARY 18

10:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

JANUARY 15

10:00 a.m.
Foreign Relations
To continue hearings on U.S. policy toward Iran.
SD-419

JANUARY 21

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on aviation safety.
SR-253

JANUARY 23

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To resume oversight hearings on aviation safety.
SR-253

SENATE—*Tuesday, January 13, 1987*

The Senate met at 2 p.m. and was called to order by the Honorable Thomas A. Daschle, a Senator from the State of South Dakota.

Mr. DASCHLE. The Chaplain will lead us in prayer.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, Wisdom of the ages, Thy word declares "righteousness exalts a nation, sin is a reproach to any people." (Proverbs 14:34). Sustain this Nation in righteousness. Help all public servants realize that truth is a fortress; deception is a house of cards. Gracious Father, cover the Congress, the Cabinet, and the White House in the beauty of holiness and in the security of integrity. Thy will be done on Earth as it is in Heaven. We ask this in His name who is truth incarnate. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore (Mr. Stennis). The Senator from West Virginia is recognized.

SCHEDULE

Mr. BYRD. Mr. President, yesterday I pursued the possibility with the distinguished acting Republican leader, Mr. Simpson, of having the House bill on cleaning up the Nation's waters, H.R. 1, be made the pending business, by unanimous consent, during the Senate session on tomorrow.

I indicated that it was my hope and intent that we proceed to that legislation tomorrow. Mr. Simpson indicated that this was a matter that he would like to take up before his party caucus which would be done on today. That has occurred. I am ready to proceed with the request, and the distinguished acting Republican leader will respond as he sees fit.

So, Mr. President, I ask unanimous consent that the majority leader be authorized to call up H.R. 1 on tomorrow at any time during the session, after consultation with the distinguished Republican leader or his designee, and that H.R. 1 be made the pending business before the Senate at that time.

The PRESIDING OFFICER. Is there objection?

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Reserving the right to object, and I shall not, I would indeed indicate to the majority leader that the Republicans did caucus at our usual policy luncheon on this date, and have no reservations to proceeding in that manner. And I did want to indicate my appreciation for his withdrawing that unanimous consent last evening, and presenting it now in that form. And we have no objection to that, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished acting Republican leader. He has committed himself to the course that he said he would take, and has carried out his promise. And I am happy to be able to say to all of our colleagues that the House bill will then be called up tomorrow.

I should say at this point that in order to facilitate the meeting of committees tomorrow morning without any interruptions, it will be my plan later in the day to get consent that the Senate come in tomorrow at circa 1 p.m., give or take a little. Several committees are meeting, and have been meeting. They met yesterday, they are meeting today, and progress is being made.

So I want to disturb those committees as little as possible. This is the reason I am coming in in the afternoons during this early period at least so as to avoid the interruptions of committee work.

So I would say, for the information of Senators, that there may be rollcall votes tomorrow. Mr. Dole, the distinguished Republican leader, will be back tomorrow. He has indicated that he will call up an amendment in the nature of a substitute. That amendment will be debated briefly or for whatever time Senators wish to discuss it. There will be a rollcall vote in relation to the amendment at some point. I hope to have the rollcall vote tomorrow if it is agreeable with the distinguished Republican leader. Perhaps there will be other amendments. I hope not.

It is my intention and desire, if at all possible, Mr. President, to have the Senate act on the bill, and to send it directly to the President so that we will not have to go to conference, so that it will be unamended, hopefully, when the Senate completes action on it here and thus expedite the final enactment into law.

But in all probability there will be a rollcall vote or rollcall votes tomorrow, and/or Thursday. If action is or is not completed on the bill by Friday, then next Monday the Congress will not be in session. That is a national holiday. I hope that we will be able to complete action on the clean water bill this week.

I thank the distinguished Republican leader.

Mr. SIMPSON. Mr. President, I thank the majority leader.

Let me express, Mr. President, that I cannot assure the majority leader as to what Senator Dole's attitude and activity will be with regard to presenting his amendment.

I can say that there are many on our side of the aisle who wish to make statements and participate in that debate. I know that the majority leader is always attentive to issues of attendance and voting. That is our business. We will have several absences of necessity on Thursday because of the Aspen Institute seminar on Soviet-American relations, which will have approximately 12 Senators involved, 6 from the majority and 6 from the minority, and other events.

I just express to you that certainly we will look to get it completed, we will not try to hinder, and we hope too that we can have full attendance here. We know the perils of this little rascal when it gets out of here, and the obvious theory that quickly a veto override will or will not be available, but we are prepared to let the majority leader go forward with—and not obstruct—the business of the Senate which he knows and does so well.

That has been my position on the floor. Let us proceed. I cannot give much more expression than that as to the progress when the legislation is on the floor. We are ready to debate it seriously and sincerely.

Mr. BYRD. Mr. President, the distinguished acting minority leader has stated his position well. It is clearly understood. I think he takes a logical position. Certainly, I have no question with respect to how he sees the matter progressing. Senators will certainly have the right to fully debate this measure if they wish.

I am pleased, therefore, to state that, with the cooperation of the distinguished acting Republican leader, for which I thank him, the Senate will be taking up this matter tomorrow.

Mr. President, I ask unanimous consent that, in view of the fact that this has been a transaction of Senate business, the time for the two leaders under the standing order not be charged with the time which has been consumed in laying out the program for tomorrow, which I have done at

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

the beginning of this session today for the accommodation of all Senators.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair.

NUCLEAR TESTING TREATIES

Mr. BYRD. Mr. President, the Senate Foreign Relations Committee today begins a series of hearings on the question of providing advice and consent to the ratification of two arms control measures which have languished for over a decade. They are the 1974 Threshold Test Ban Treaty [TTBT] and the 1976 Peaceful Nuclear Explosions Treaty [PNET]. The key question that the committee, under the chairmanship of the distinguished Senator from Rhode Island [Mr. PELL], is confronting is on the matter of verification. There is little doubt that verification of the essential terms of the treaties, particularly the observance of the 150-kiloton ceiling on underground nuclear explosions which is included in both of these treaties, must be adequately provided for.

Mr. President, the question of Soviet violations of arms control agreements is an issue of great importance in this Chamber. It is unfailingly discussed and debated whenever this body addresses the value of arms control and reduction arrangements with the Soviet Union. Thus there is, I believe, a general agreement that these treaties should be entered into only if the Senate has determined that all substantial verification issues have been—or will be—resolved. There can be no room for doubt when our basic national security is concerned.

The President has suggested to the Congress, in a letter provided on October 10, 1986, that he is prepared to:

> Make ratification of these treaties a first order of business for the Congress, with an appropriate reservation to the treaties that would ensure they would not take effect until they are effectively verifiable. I will work with the Senate in drafting this reservation.

The President went on to say that:

> Second, I intend to inform the General Secretary in Reykjavik that, once our verification concerns have been satisfied and the treaties have been ratified, I will propose that the United States and the Soviet Union immediately engage in negotiations on ways to implement a step-by-step parallel program—in association with a program to reduce and ultimately eliminate all nuclear weapons—of limiting and ultimately ending nuclear testing.

Mr. President, President Reagan has formally requested, today, that the Senate give its advice and consent to the two testing treaties, in terms which follow those of his October 10 letter fairly closely.

Mr. President, the green light given by the President to the Senate action which has been put into motion by the new chairman of the Senate Foreign Relations Committee, the distinguished Senator from the State of Rhode Island [Mr. PELL], is a very welcome development—even though it is long overdue. The Soviet Union has been effectively waging a propaganda campaign, through the tool of its unilateral moratorium on nuclear testing, to substantiate its argument to audiences in Europe and the Third World that it, the Soviet Union, is the superpower with a reasonable approach on arms control. We have not effectively countered that campaign with one of our own, to show that we are willing to move forward with sound proposals across-the-board in the arms control field.

I understand that the staff of the Senate Foreign Relations Committee has been discussing the appropriate form a reservation on onsite measurement to these treaties might take if the Senate decides that is the right direction to take. In making a final judgment, Senators will have to take into account the Soviet record of compliance. These are also issues that Senators will wish to raise regarding the adequacy of the measurement technologies that currently exist. When the Senate reaches its judgments on these matters, I would hope for early, prompt and intensive negotiations with the Soviets.

A severe threat to success in this process is the problem that the executive branch is, again, as in other aspects of arms control policy, divided—some elements of the administration have forced a Presidential decision, which we received today, that the administration thinks it would be appropriate for the Senate to ratify these treaties twice: First, now, in the form of a reservation directing the negotiation of protocols, or additional agreements, on verification; then, again later when the protocols have been negotiated. In other words, the administration is inviting the Senate to micromanage the engineering and technological aspects of whatever monitoring system is negotiated to satisfy the need for verification with the Soviets. The sin of micromanagement in foreign relations matters is one which we are frequently pilloried for by various officials in the administration. We rarely are specifically invited to so micromanage. This seems to me to be an unprecedented, unusual and unnecessarily convoluted way to go about putting into place arms control treaties.

Certainly the technical aspects of the arrangements can be negotiated by the professionals in the executive branch, following Senate guidance, without the Senate examining every technical jot, title and nuance with a magnifying glass. Surely those making these arguments in the administration are not saying that they do not trust the President to oversee the adequate development of technical verification arrangements. In any case, I expect a clear and adequate examination of all the issues by Mr. PELL's Committee on Foreign Relations, and the prompt reporting of the treaties to the full Senate for its consideration within a month.

I urged Mr. PELL sometime ago, and he joined with me, he agreed with me, that it was important that these treaties be brought out as early as possible from the committee so that the Senate could begin to act in an appropriate and objective way to take up the resolutions of ratification. I also urged the President when I visited the White House very late last fall to send up to the Senate as soon as possible in the new year the language which the President would be interested in having the Foreign Relations Committee consider in connection with verification procedures.

The President and Mr. Shultz, who at the time was in the Oval Office, assured me that that would be done. So the President has moved with regard to getting the language up. Mr. PELL indicated in the plenary conference of Democrats which was held last week that his committee had received language and were discussing it. Mr. PELL is ready to speak on that in just a moment. I will yield to him for that purpose.

I know that the other committees of the Senate with an interest in this matter, namely the Armed Services and Intelligence Committees, are aware of the schedule and are working now to provide input into this process.

I believe, Mr. President, that these measures could help galvanize an arms control process that seems today to be in a stall mode. The President, in my opinion, might well seize upon this opportunity to work productively with the Committee on Foreign Relations and the Senate to move the process along a step or two—and, if the Soviets will work with our negotiators to resolve our verification concerns in these matters in a timely and appropriate fashion, then other matters on the table in Geneva might see some renewed progress as a result.

These considerations aside, Mr. President, it would be appropriate to ask why it has taken so long for these treaties to finally be considered by the Senate. In 1977, the Senate Foreign Relations Committee held hearings on the two treaties and reported them favorably, but the reporting was delayed pending completion of committee action on and reporting of the Panama Canal Treaties, so that the two testing treaties would not precede the Panama Treaties on the calendar.

Part of that judgment was mine, feeling at the time that it was best to proceed with the Panama Canal Treaties first. It was mine as majority leader at that time. After the disposition of the Panama Treaty, the Carter administration, which was committed to a complete ban on testing through the negotiation of a comprehensive test ban treaty, asked that their consideration be delayed. In 1979, the lengthy negotiations between the United States, U.S.S.R, and United Kingdom had reached a mature stage, and almost all issues appeared resolvable. By 1979 and 1980, the testing issue became overshadowed by the SALT II debate and, again, the treaties were deferred—this time pending the outcome of the SALT II debate.

The Soviets invaded Afghanistan and that was the end of SALT II at that point as far as consideration on the Senate floor was concerned.

The Reagan administration, in a reversal of the position of the previous administration, decided not to pursue the tripartite CTB negotiations. Specifically, on the two testing treaties, the administration argued that no ratification was possible until the Soviets agreed to verification provisions. Until last summer, the Soviets rejected United States requests for discussions on expanded provisions, and argued that such discussions should follow, and not precede, ratification. Recently, the Soviets have indicated that they are willing to negotiate such provisions. We should make that effort now, through an appropriate reservation for the negotiation of verification protocols. Let us put the onus onto the Soviets, for once, on the testing issue. It is surely legitimate for the Senate to ask for verification provisions in this matter. The Soviets should appreciate that.

So, Mr. President, I commend the committee for the action it is starting today, I fully support this initiative, and I take the President at his word that he is ready to put ratification of these treaties—with verification reservations—at the top of his priority list for the 100th Congress.

Mr. President, I ask unanimous consent that the letter from the President of the United States to the Honorable BARRY GOLDWATER, who was the then chairman of the Committee on Armed Services, dated October 10, 1986, to which I referred in my statement, be printed in the RECORD immediately following my statement, and that the message which was sent to the Senate of the United States today by President Reagan, with respect to the two treaties, also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Reykjavik, October 10, 1986.

Hon. BARRY GOLDWATER,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As I meet this week with General Secretary Gorbachev in Reykjavik, Iceland, I believe it is crucial that the Congress join with me in forging a strong bipartisan consensus on a nuclear testing policy that promotes our national security interests and advances long-standing U.S. arms control objectives.

As you are well aware, the Senate and House versions of the National Defense Authorization Act of Fiscal Year 1987 contain different amendments on the nuclear testing issue. The Senate bill includes non-binding language urging me, at the earliest possible date, to request advice and consent of the Senate (if necessary, with a reservation on the subject of verification) to the Threshold Test Ban and Peaceful Nuclear Explosions Treaties (TTBT/PNET) and to propose to the Soviet Union the immediate resumption of negotiations toward conclusion of a verifiable comprehensive test ban (CTB) treaty. The House bill would mandate a one-year moratorium on U.S. nuclear tests above one kiloton in yield, provided the Soviet Union demonstrates matching restraint and agrees to reciprocal in-country monitoring arrangements.

I fully recognize the difficult challenge you have faced in trying to reconcile these differing positions in the conference on this bill. However, I do not believe it is in the best interests of our Nation for this dispute to remain unresolved. I think it may be helpful if I were to identify some basic principles upon which I believe we all agree and to outline my plans for discussing this issue in Reykjavik.

First, let me emphasize that I am committed to the ultimate attainment of a total ban on nuclear testing, a goal that has been endorsed by every U.S. President since President Eisenhower. I am determined to take practical steps in the near future toward this goal.

Second, I am sure we are in full accord that any treaties with the Soviet Union in the arms control area—whether they be treaties requiring reductions in deployed weapons or treaties I believe that the approach outlined in this letter is consistent with the broad purposes and objective of the Congress with respect to limiting nuclear testing. I hope that this communication will prove constructive in assisting you to reach final agreement on a Fiscal Year 1987 defense authorization bill and will provide a foundation for a bipartisan consensus on this important policy issue.

Sincerely,

RONALD REAGAN.

To the Senate of the United States:

Two treaties between the United States of America and the Union of Soviet Socialist Republics on (1) the Limitation of Underground Nuclear Weapon Tests, and the Protocol thereto, known as the Threshold Test Ban Treaty (TTBT) signed in Moscow on July 3, 1974, and (2) Underground Nuclear Explosions for Peaceful Purposes, and the Protocol thereto, known as the Peaceful Nuclear Explosions Treaty (PNET) signed in Washington and Moscow on May 28, 1976, were transmitted to the Senate by President Ford on July 29, 1976 with a view to receiving advice and consent to ratification. (Senate Executive N, 94th Cong., 2d Sess.) Although hearings were held a year later, the Senate itself has not acted on the treaties. I ask the Senate to consider these important treaties anew in light of developments that have taken place over the last decade.

On August 14, 1986, I transmitted to the Congress a comprehensive study which stated U.S. national security concerns as well as our views on necessary verification improvements to the TTBT and the PNET, in response to the requirements of Section 1003 of the FY 1986 Department of Defense Authorization Act (P.L. 99-145). I am enclosing a copy of this study and commend it to your attention.

The security of the United States and the entire free world, today and for the foreseeable future, depends on the maintenance of an effective and credible nuclear deterrent by the U.S. This is a considerable challenge, in light of continuing efforts by the Soviet Union to undercut the effectiveness of our deterrent. With the support of Congress we have succeeded in meeting this challenge, and together we must continue to do so in the future.

Today I am requesting per my October 10, 1986 letter that the Senate give advice and consent, subject to the condition set out below, to two pending treaties that have significant implications for Western security: the TTBT and PNET. These treaties have the common purpose of limiting individual nuclear explosions to no more than 150 kilotons. The TTBT, which prohibits nuclear weapon tests above 150 kilotons, places significant constraints on the efforts we may undertake in the U.S. nuclear test program to respond to Soviet nuclear and non-nuclear activities aimed at undercutting our deterrent. Hence, it is imperative that we have the necessary provisions that will make the TTBT effectively verifiable and thus assure ourselves that the Soviet Union is fulfilling its obligations and is thereby equally constrained.

Unfortunately, as I have frequently stated and the enclosed study makes clear, the TTBT and PNET are not effectively verifiable in their present form. Large uncertainties are present in the current method employed by the United States to estimate Soviet test yields. I have on several occasions reported to the Congress on the problems with Soviet compliance with the TTBT. Therefore, achieving Soviet agreement to improved verification measures that would provide for effective verification of these treaties has been my highest priority in the area of nuclear testing limitations.

As I stated in my March 14, 1986 letter to General Secretary Gorbachev, effective verification of the TTBT and PNET requires that we reduce the current unacceptable level of uncertainty in our estimates of the yields of nuclear tests. Indeed, leaders in previous Congresses have shared my view that the present large degree of uncertainty in such estimates is unacceptable, as well as my desire for sharp improvements. In this regard, we require—and have conveyed to the Soviets that we require—effective verification through direct, on-site hydrodynamic yield (CORRTEX) measurement of all appropriate high-yield nuclear detonations. Further, I informed General Secretary Gorbachev that, if the Soviet Union would agree to essential verification procedures for the TTBT and the PNET, I would then be prepared to request the advice and consent of the Senate to ratification of the treaties. Ratification of the treaties without such provisions would be contrary to the national security interests of the United States.

As written, the TTBT relies solely on teleseismic detection and yield measurement systems and on inadequate, and unverifiable data exchange. The Soviet Union has apparently had problems in correctly assessing the yields of United States nuclear tests. Despite our best efforts, the Soviet Union has so far not accepted our practical proposal for achieving the necessary verification improvement of the TTBT and the PNET. We have not yet found any alternative approach which equals the effectiveness of CORRTEX—we are striving to achieve a yield-estimation accuracy of about 30 percent by this method. We have, nonetheless, advised the Soviets, at three Geneva nuclear testing experts meetings in 1986, that the United States is willing to consider any other direct yield measurement method the Soviets might propose, provided it is at least as capable—in terms of accuracy and non-intrusiveness—as CORRTEX. To date, they have not been forthcoming in proposing or explaining alternative verification techniques that would meet our requirements.

Recognizing the role of the Senate in the ratification process, I am therefore requesting that the Senate give its advice and consent to ratification of the TTBT and the PNET, subject to a condition in the following form:

"The Senate's Resolution of advice and consent to ratification is subject to the condition that the President shall not proceed with ratification of the Treaty on Limitation of Underground Weapon Tests and the Treaty on Underground Nuclear Explosions for Peaceful Purposes until the President has certified to the Senate that the Union of Soviet Socialist Republics has concluded with the United States additional agreements expanding upon the obligations stated in Article II of the Treaty on Limitation of Underground Weapon Tests and including provisions for direct, accurate yield measurements taken at the site of all appropriate nuclear detonations so that the limitations and obligations of these treaties, *inter alia* the 150 kiloton limit, are effectively verifiable, and until such agreements have been submitted to the Senate, and the Senate has advised and consented to their ratification."

I am hopeful we can reach an agreement with the Soviet Union which will allow me to certify that the treaties are effectively verifiable. I will be prepared to ratify the TTBT and the PNET at such time as the condition cited above has been fulfilled.

Further, I informed the General Secretary in Reykjavik that, once our verification concerns have been satisfied and the treaties have been ratified, and in association with a program to reduce and ultimately eliminate all nuclear weapons, I would propose that the United States and the Soviet Union immediately engage in negotiations on ways to implement a step-by-step parallel program of limiting and ultimately ending nuclear testing.

The steps in this program would take into account our long-standing position that a comprehensive test ban is a long-term objective which must be viewed in the context of a time when we do not need to depend on nuclear deterrence to ensure international security and stability, and when we have achieved broad, deep, and verifiable arms reductions, substantially improved verification capabilities, expanded confidence-building measures, and greater balance in conventional forces.

Ronald Reagan.

The White House, *January 13, 1987.*

Mr. BYRD. Mr. President, I yield to the distinguished Senator from Rhode Island [Mr. Pell], whose name I have used several times in my comments.

Mr. PELL. I thank the majority leader very much indeed.

The PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

Mr. PELL. Mr. President, I thank the majority leader very much for the support he has given the current effort of the Committee on Foreign Relations to explore thoroughly the question of whether the Senate should advise and consent to the ratification of the 1974 Threshold Test Ban Treaty and the 1976 Peaceful Nuclear Explosions Treaty. Hearings began this morning and will continue this afternoon in about 7 minutes.

Regrettably, the administration has made a proposal for Senate consideration which calls for an unwieldy and unworkable dual ratification process—two bites at the apple; two steps forward, two steps backward. I regret that the President has been given some very bad advice by some of his advisors as to how best to proceed toward ratification. As bipartisan questioning and responses at the hearing this morning demonstrated, the administration proposal is, I believe, DOA—dead on arrival.

At my request, majority and minority staff members held preliminary meetings with administration representatives in an effort to see if an approach to ratification could be worked out with conditions, if any, which would gain solid bipartisan support. Unfortunately, the administration indicated today that despite these efforts, and urgings on my part, they remained committed to an approach which would make the ratification their own President has indicated he supports little more than a charade and a waste of the committee's time.

Mr. President, at the hearing this morning, it was agreed that discussions will continue. I hope very much that they will be productive. Frankly, much will depend on administration willingness to compromise to meet the real concerns of Members.

I have made arms control a high priority for the committee and consideration of the TTBT and PNET has been put at the top of the committee agenda. We should not allow anyone to frustrate an effort to deal wisely with these treaties and to move on to the negotiation of further testing constraints.

Mr. PRESSLER. Will my colleague yield?

Mr. PELL. I yield the floor.

The PRESIDING OFFICER (Mr. Reid). If the Senator will withhold, the majority leader's time has expired.

Under the previous order, the acting minority leader is recognized for 5 minutes.

Mr. PRESSLER. Will the Senator yield to me for 1 minute?

Mr. SIMPSON. Yes, Mr. President.

Mr. PRESSLER. Mr. President, there are some serious questions with these nuclear testing treaties: That the Soviets will not accept on-site inspection is one. Can we trust the Soviets without on-site inspection? What is the military benefit of these treaties?

Basically, a treaty is an instrument of trust. These are some of the questions I have been raising. My colleagues who are not present today will be raising these questions with me.

Also, there will be amendments in the Foreign Relations Committee and on the floor for additional reservations regarding these treaties.

ANOTHER TOPIC A

Mr. SIMPSON. Mr. President, I shall utilize the Republican leader's time very briefly here.

So much has occurred since our sine die adjournment with regard to the burning issue of the Iran-Contra matter. In my fascinating 8 years in this place, under President Carter and President Reagan, there have been many Topic A's in that time. We always see them. This one has a particularly roaring noise at this time in our country—and it is a serious issue. The whirring noise gets louder, kind of like an engine whine with the bearings about to go. I think people outside the beltway who go about the business of their daily lives and their jobs sometimes do not see matters in the same perspective we see the issues here. I am not belittling that issue in any way, but I think sometimes these gut issues seem a little bit different out there to our fellow citizens than they do here.

We see this spooling up of the issue. The chunks and the parts begin to fly off, the torque seems to distort. Yet this serious issue of sending arms to Iran and creating that policy, and then the diversion of funds from that sale to the Contras is a kind of story that gets all of our juices flowing. That is the job of the media, to call that to the attention of the American public.

Obviously, there have been some gaffes, some mistakes, some absurdities—some stupidities, if you will. I try to stay out of the speculation game that certainly is rampant here—the age-old "what if?" What if this had occurred? What if that had not occurred?

The "what ifs" of history could fill many a debate and I do not want to try to match the majority leader in the history of the Senate, which we shall all cherish and do cherish. But the history of "what ifs" in the world is a dazzler, too, and the subject of some later address—mine perhaps—like what if Antony had not met Cleopatra?—but we will not go into that—and some of those other things.

So we will deal fully with this issue, and I think the American public needs to be so well aware of that. And they are. That is why they are so unique. They are usually a step or two ahead of us all. We now have a special panel of very fine people. We now have the Intelligence Committees of the House and Senate, special people. We have a special counsel to the President, we have an independent counsel and a Presidential commission. There are going to be some awfully tough questions asked and the issues that we see percolating up like "Who knew what, when, and how?" that ancient litany line of Watergate, will all be answered. We have some splendid people doing that in the Senate, Chairman DAN INOUYE and Vice Chairman WARREN RUDMAN. And so all of those questions will be answered, and we will find those things out.

I think that is what we want to keep in perspective, because I hear so many observers of this issue—as it unravels and unfolds and comes forward—conjuring up the issue of Watergate, all the visual images and the national pain of that particular process. There really are few similarities, if any, witn that Watergate issue, so with the licking of the chops and the glee that goes with conjuring that up, I do not have any sense of "deja vu." And when all the shot and shell has subsided—and it will—and all the laundry washed, I do strongly feel you are not going to find any uncovering of criminal or unethical wrongdoing by this President of these United States.

I think that is something we want to keep in full and clear perspective. We have in this President, Ronald Reagan, a man of compassion, caring, and integrity, and he has a management style, one that has remained quite consistent throughout his entire political career and it is not a hands-on style. He would be the first to share that with us. The President has also been most forthcoming. I think all of that gets lost in this great process. He has already indicated he will ensure that all of the appropriate information is made available, all of it. And let us not forget one fascinating thing, that in this maelstrom of the "revelation of the day" which we find on this issue, it was Ronald Reagan and his Attorney General who did the only event that I am aware of in these last weeks that sucked all of the air out of the room—and that was when the President and his Attorney General announced the diversion of the funds. That was and is "the big revelation" in the entire thing, and who first shared that with the American public? The President of the United States.

We did not require the tireless efforts of someone in the media or in journalism to bring that forward. That came forward from the President. So it is not a hiding way, not a campaign plot, not a criminal conspiracy. We do not see those elements, and we will get to the truth. I respect those in so many areas of Washington who want to get to the bottom of it all. We all do, for Heaven's sake. The phrase "get this thing behind us" is so overworked but very appropriate.

There are cynics and pessimists and those who ply that in any trade. Keep them in perspective. After all, this is a representative government and it is up to us to follow the wishes of the people—and they want the facts. We are going to get the facts to them.

It is unfortunate, too, that some of this has given rise to a very serious delusion as to what the fifth amendment really is. It is just as important as the first amendment. So when we discuss those 10 amendments in the Bill of Rights, I think we ought to take a hard look at the fifth amendment. Admittedly, it was "McCarthyized" and given a bad name. And the guy on the street says, "that guy took the fifth and I am offended by that." But let us remember that the fifth amendment is every bit as sacred to our civil liberties, perhaps even more so for the individual, than the first amendment, because an irony of that to remember is that the first amendment is exercised usually by an industry and not by an individual. The original purpose of the first amendment was to protect some guy who was cranking out seditious literature in a basement in Philadelphia. The purpose of the fifth amendment is to protect one from the action of self-incrimination. They are both very vital. So any lawyer, Republican, Democrat or Socialist, I think would have advised these two gentlemen, Admiral Poindexter and Colonel North to assert their right under the fifth amendment.

Here were two men who lost their jobs one day. The next day they are called to testify. They have the prospect of testifying before seven or more committees in the House and the Senate, no access to their notes, their memos, or their papers in order to prepare and to protect themselves—and some having been destroyed—knowing anything they say and any conflict therein can result in seeing them incarcerated. And so they did, I think, the same thing that you or I might do; they protected themselves through the use of our Constitution.

Congress is now deeply involved in this investigation. It is not a witch hunt. It is not a lynch mob. The sad part of any history tells us that lynch mobs and witch hunts have very little respect for the Constitution.

So we have 11 fine Senators beginning their work, and I am certain, knowing the participants on that committee, that all of the rest of us will now get about our business. And we have much to do in this place. So when these things on this issue come up, we will refer them to our fine chairman, Senator INOUYE, and vice chairman, Senator RUDMAN, and get on with our work and let them do theirs—and they will do it superbly.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for 5 minutes.

CONGRESS OUT OF AMMUNITION TO FIGHT NEXT RECESSION

Mr. PROXMIRE. Mr. President, what can this Federal Government of ours do when the next recession hits? Since the end of World War II, more than 40 years ago, the answer has been simple. We made one monumental discovery about our economy during World War II. When we entered that war, our country was still stumbling and struggling with the pain of the worst depression in our Nation's history. The depression was 10 years old. Unemployment was still about 15 percent. In the words of President Franklin Roosevelt, one-third of the Nation was ill-housed, ill-fed, and ill-clothed. How about the other two-thirds? Most of the other two-thirds were scratching out a bare living. Then came World War II. The armed services and the defense plants absorbed the unemployed like magic. Within 2 or 3 years, unemployment fell to 2 percent. The war brought pain and heartbreak to the families of the thousands of young Americans who died in battle. But the back of the 10-year-long depression was at last broken, permanently broken. Why? Because the country ran a series of massive deficits, deficits in relation to a gross national product that were then four to five times greater than today's deficits. We learned that John Maynard Keynes was right. Deficits that are big enough and if continued long enough can pull a nation out of any depression.

That was the prime economic lesson of the massive World War II deficits. But it should not have been the only lesson. Deficits during an all out major war like World War II have an entirely different economic effect on a country than a country experiences in peacetime. In World War II, the exuberant wartime spending of the Federal Government was neatly balanced by huge savings by Americans in the private sector. For most of that big spending, big Federal deficit period Americans were virtually forced to save. There was no law that mandated savings. But as the Government moved heavily into its big wartime spending, Americans found their prime reasons for borrowing had disappeared. Why do most of us borrow money? Our first and by far our biggest debt goes for borrowing to buy a home. What happened to homebuilding in World War II? While the defense plants were booming, home construction and mortgage borrowing fell way behind. And what is the second biggest investment after only home buying that most of us make? It is borrowing to finance buying a car. And what happened to auto production and sales during World War II? They disappeared. So the Federal Government borrowed the huge amounts our citizens were necessarily saving. The happy economic consequences of all this followed in the years immediately after World War II. For the war years, Americans had forgone buying homes and cars, so there was a massive pent-up demand. It was even better. Americans had paid off their debts during those flush war years. They had greatly increased their savings. So they were loaded with cash. They were virtually debt free. They wanted the homes and cars they had not bought for those long depression and war years. So the momentum of that World War II injection of effective demand into the economy carried on through the fifties and into the 1960's.

How do we apply that lesson of the super deficits of World War II to the super deficits of the 1980's? Can this recent experience with massive peacetime deficits provide a stimulus for coming years for our economy? The answer is clear and emphatic. It is no way. In World War II, Federal Government deficits were matched by huge, private savings. Do we have that today? No, indeed. Private savings of Americans today are lower than they have ever been in our history in relation to income. There is an even more important distinction. During World War II, while the Federal Government was running up record debt, America's private citizens virtually eliminated their debt. They became almost debt free. How about Americans today? Today, American consumers are more deeply in debt by any measure than they have ever been in the history of our country. How does American business today compare with American business after World War II? At the end of World War II, American business was almost debt free. It is now up to its neck in debt. Result: The deficits of the 1980's have left the country in a weak condition. We are very vulnerable to the next recession. Here is why: The Federal Government cannot stimulate the economy by pursuing the usual countercyclical policy of increasing spending and cutting taxes without pushing the deficit to $300 or $400 billion or more. Such a huge deficit would deal a body blow to business and consumer confidence. We would have built up a deficit so big that many would say we could not significantly reduce it without catastrophic effects on the economy. Already over their heads in debt, many consumers would be plunged into bankruptcy in a prolonged recession. Businesses would in many cases become insolvent. The marvelous bull market of 1986 could slip into reverse with the Dow's recent climb to 2,000 falling down to 1,000 and taking millions of American investors with it.

All of this is why it is so essential that the Congress act promptly to bring effective discipline into our fiscal policy by making the painful spending cuts and taxing hikes necessary to end this nightmare of irresponsibility.

ORDER OF PROCEDURE

Mr. MATSUNAGA addressed the Chair.

The PRESIDING OFFICER (Mr. SANFORD). The Senator from Hawaii.

Mr. MATSUNAGA. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. Under the previous order, the Senator from Indiana [Mr. QUAYLE] is recognized for not to exceed 5 minutes.

Will the Senator from Indiana suspend for one moment?

TRADE EXPANSION ACT OF 1962 AMENDMENTS

The PRESIDING OFFICER. The clerk will read S. 284 for a second time.

The assistant legislative clerk read as follows:

A bill (S. 284) to amend section 232 of the Trade Expansion Act of 1962 to improve its administration, and for other purposes.

Mr. BYRD. Mr. President, I object to any further proceedings on this bill at this time.

The PRESIDING OFFICER. The bill will be placed on the Senate Calendar.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, will the distinguished Senator from Indiana yield to me briefly? I ask unanimous consent, if he does so, that the time not be charged against his time under the order.

Mr. QUAYLE. I am delighted to yield to the distinguished majority leader with that understanding.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the distinguished Senator.

NO ROLLCALL VOTES TODAY

Mr. BYRD. Mr. President, I take this occasion to state to all Senators that there will be no rollcall votes today, in view of the fact that agreement has been reached to proceed tomorrow on H.R. 1, the Clean Water Act.

THE NEW SENATE: TWO STEPS BACKWARD

Mr. QUAYLE. Mr. President, last week the Senate appointed its committees for the 100th Congress and, with apparently no lament, reversed the tentative steps toward reform of the committee system that we undertook in the 99th Congress.

I do not think such a reversal should go without comment because reform of the Senate's processes, as we all know, is so difficult that we should not readily squander the few gains that have been made. Furthermore, the underlying reasons for taking on the task of reform in the first place—a crushing workload, inability to meet statutory deadlines for budget legislation, duplication of effort, and general inefficiency in the legislative process—have not improved over the past 2 years. Just yesterday, in fact, I was at a meeting of the Armed Services Committee to hear Cap Weinberger tell us about U.S. defense strategy. Because of the size of the committee my questions were limited to 6 minutes, 1 minute more than Members in the House of Representatives receive when questioning a Cabinet member in committee session.

In 1984, the Senate appointed a temporary Select Committee to Study the Senate Committee System, a bipartisan committee which I chaired and Senator **Ford** cochaired. That committee's report stated:

> The committee believes that the Senate committee system should serve as a legislative filter and refiner. Bills should be referred to the committee of appropriate jurisdiction so that the committee members, a group of experts in their area, may carefully analyze, critique and alter proposed legislation, then report it to their colleagues on the Senate floor after thorough consideration or not report at all, as they deem best. In this way not only would poorly-crafted or ill-considered legislation be filtered out and kept off the Senate calendar, but a bill emerging from committee would be a refined product, technically sound, thoroughly understood by committee members and ready for consideration by the Senate.

After citing numerous examples, the committee unanimously concluded that "* * * the committee system is not acting as a legislative filter and refiner, and that the problems of the committee system are serious enough to require corrective action."

The key conclusion of the select committee was that "if Senators will agree to reduce their committee assignments, our committees will be better able to perform their duties and the Senate as a whole will be taken more seriously as a reliable and informed national policymaker."

We recognized that reduction of committee assignments would be difficult—that the essential for effective reform was that Senators "must consider the welfare of the Senate as an institution as our first priority, rather than our parochial interests as Senators." Mr. President, I would emphasize that the committee contemplated much more fundamental—even radical—reform proposals to address the serious problems of the U.S. Senate. Elimination of entire committees, collapsing the budget process into two rather than three separate functions, and major changes in Senate rules of procedure were all considered. We wanted to be realistic, however, and limited our suggestions to modest reductions in committee assignments as a useful step in the path of reform.

In the 99th Congress, albeit with some pain, we achieved a significant reduction of committee assignments—we reduced the number of "A" committee slots from 231 to 214 reversing a long-term trend of incremental growth. The decrease in the number of slots was accompanied by a 5-percent reduction in committee budgets. although some may disagree with me, I believe this small step was the beginning of the road toward restoring the proper priorities of the Senate.

But what have we just done in the 100th Congress? We have increased those slots to 224, thus not only halting the process of reduction but actually putting us back on the growth track.

Mr. President, some may think this is a lot of fuss to make about an increase of 10 seats on our major committees. After all, one could say the number is still less than it was before the reforms. Well, I strongly disagree with any such attempt to diminish the importance of the retrograde step we took—I disagree because that step is symptomatic of the problems of the Senate and, I fear, indicative of special problems the Senate may face in this Congress.

The basic problem of the Senate is its failure to exercise collective self-restraint. We each want more bills, more amendments, more staff, more committee assignments, more subcommittees, and more individual power and influence. We fail to recognize that as each of us appears to get more, the institution of the Senate winds up with less. We do not know how to say "no" to ourselves and, until we do, I do not believe that we can return the Senate to being the institution that it was intended to be. The increase in the number of committee assignments is a reflection of that weakness; it is another example of our collective failure to put the welfare of the Senate as an institution ahead of our individual dessire for "more."

Mr. President, at the risk of being accused of overreaching to dramatize the situation, I would also suggest that this increase in the number of committee assignments is symptomatic of what some may begin to call the "Imperial Congress." Two decades ago we were all worried about the "Imperial Presidency." But Congress, and the general public to a certain extent, reacted against the perceived overextension of Presidential power by reasserting the prerogatives of Congress. Passage of measures like the Budget Act and the War Powers Act, and the institution of congressional oversight of the intelligence community were some of the most visible consequences of this reaction.

Reassertion of the role of Congress brought with it the increase in the size of the congressional institution. Since 1953 for example, the budget of Senate committees has increased 20-fold. In 1953-54 Senate committees managed their work on a budget of $4.5 million, and increased steadily thereafter, to $10 million in 1963-64, $34.9 million in 1973-74, to a high of $93.9 million in 1983-84. The number of staff members increased from 290 to 1,182 between 1947 and 1986.

Now, as we once again resume the slow process of aggrandizement of Senate committees—which I assume will be followed shortly by increases in staff and budget—we should be careful in allowing the pendulum to swing too far in the direction of the Senate taking over functions which the Constitution and tradition have reserved for the executive or the judicial branches. This is especially true since the Senate is so inefficient at trying to do its work.

Recently, I have begun to hear some suggestions that Congress should be more assertive in the arena of foreign policy. I hope my colleagues will be very prudent and circumspect in fulfilling its proper advise and consent role in foreign policy. We are not a body that can make decisions quickly, nor are we a body that can easily reach the sort of consensus and consistency needed to shape the foreign policy of the United States—the leader of the free world. The Constitution reserves to the Senate the power to ratify treaties, for example. We should not try to circumvent this requirement by resorting to the appropriations process as we have attempted on some occasions in past years. And I think we should be very careful in forcing the executive branch to accept treaties which may not be consistent with other foreign policy objectives.

Mr. President, I would not want to suggest that the Senate has become part of the "Imperial Congress" nor that the Senate should shirk its constitutional duties regarding the budget, foreign policy, and other areas. Rather I only want to urge that we stop and think carefully about what we are doing in this historic 100th Congress. To be equal partners in setting national policy—as the framers of the Constitution intended us to be—we have to be able to formulate policy efficiently, decisively, and quickly. This we have not done in recent years—partially, as I have tried the patience of my colleagues in suggesting, because of the proliferation of committee assignment and committee staff and the concomitant bills, amendments and legislative gridlock. I am afraid that we are taking a step in the wrong direction as we once again start the process of aggrandizement of committee size, staff, and the reach of the Senate.

Mr. President, let me say in conclusion that I fear that our inability to engage in collective self-restraint in governing ourselves may portend an inability to enage in self-restraint in other matters as well. Will we have the courage to put the Nation's interest ahead of that of interest groups when we do not put the Senate's interest ahead of our own? I fervently hope so—but with a proliferation of committee and subcommittee assignments we will be ever more exposed to narrow, individual interests and have less and less time to focus on the interests of all.

And lastly, Mr. President, I fear that our self-restraint will be sorely tested in our review of the sale of arms to Iran. The Iran affair must be investigated, wrongdoing must be exposed, governmental processes that fail to work must be corrected: but we must also remember that this Nation needs an effective chief executive. We must not turn a situation that demands a thoughtful, prudent, and expeditious investigation into an orgy intended to undermine the effectiveness of our President. I trust that our collective self-restraint will keep our reaction to the Iran affair in prudent bounds—but that trust is based more on hope than on the historical record of the Senate's exercise of collective self-restraint.

Mr. President, I know how difficult a job it is to parcel out committee assignments, particularly to newly-elected Senators who want to get on the best and the most prestigious committees around here. I know that is helpful back home, helpful here, and helpful in many ways.

In 1984, Howard Baker appointed me as chairman of a temporary select committee to look at the whole committee system of the U.S. Senate. We organized, we had hearings on a bipartisan basis, and by a unanimous vote of that temporary select committee, we recommended that the number of committee assignments by individual Senators, on a committee particularly, should be reduced. We felt that each Senator serving on two A committees was sufficient.

I note that the distinguished Senator from Hawaii was a member of that select committee, a very active participant.

It was a unanimous recommendation then, in 1984, that the 99th Congress try to reduce the number of committee assignments to individual Senators. I am glad to point out that that recommendation was adhered to. We actually reduced the number of assignments on A committees from 231 to 214. We had hoped to get down to the optimum level of 200, each U.S. Senator having two A committees.

That is a lot of work. By the time you add up the responsibilities of a full committee, get down to the subcommittees, and add a B committee—or, in some cases, two B committees—each Senator is going to have a tremendous amount of responsibility and work.

I know that it is a difficult assignment, having gone through this process, though I had comments from individual Senators, saying: "Yes, we agree with the substance of the report; yes, we should have fewer committees and they would be better organized; but you know how difficult it is to give up committees."

We did that. I do not think it was terribly painful. I know that lot of Senators had to give up committees. Seventeen Senators lost committees in the 99th Congress, compared to the 98th Congress. Unfortunately, we are now going back to the direction of more committees rather than fewer. We have gone from 214 slots on A committees to 224. I hope this is only a temporary reversal of what this committee wanted to do.

Some Senators serve on 16 committees and subcommittees. I realize the amount of energy Senators have. I realize the amount on intellectual capability Senators have. But 16 committees and subcomittees—come on. There is absolutely no way you can really give the proper amount of attention to all those committees and subcommittees and really make a contribution. I do not care how many hours of the day you want to spend, how many days of the week you want to spend on those committee assignments. It is humanly, physcially impossible.

We have gone through these last couple of years, unfortunately, from my point of view, by sort of checking attendance, whether Senators show up for committees or subcommittees. Obviously, if you have two or more committees, you are going to have conflict. If you are going to try to get to 16 different committees and subcommittees, you may be able to make an appearance, but that is about all you are going to do. We are looking for making an involvement and making a contribution.

Now we are going back in the direction of the past, where each Senator has to have more committees, more subcommittees. We reduced it by 10 subcommittees from the 98th Congress to the 99th Congress. I say we will probably increase those committees, and that means more staff, more budget allotments, and that we are going to grow.

The Senate has become much more like the House of Representatives, particularly when you get into this proliferation of committees. I think it does a disservice to the institution of the Senate.

Yesterday, in the Senate Armed Services Committee, it finally dawned upon me what the difference between the House and the Senate really is. It happens to be 1 minute. Why do I say 1 minute? Because the distinguished chairman of the Armed Services Committee made a decision that I thought was correct. He said: "We are not going to be able to have 10 minutes each, as we normally do, for Senators, because we have too big a committee. I will have to reduce your questioning of Secretary Weinberger to 6 minutes."

It was a wise decision. We are now reduced to 6 minutes because of the increased size of our committee structure. In the House of Representatives, you are allowed 5 minutes. So the difference between the House and the Senate is 1 minute, 60 lousy seconds.

I say that we are going in the wrong direction and that we have not been able to discipline ourselves. I hope this is a temporary aberration and that we will be able to get back to reducing service on those committees.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 4 p.m. with statements therein limited to 5 minutes each.

The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I thank the Chair.

INTERNATIONAL TRADE

Mr. HEINZ. Mr. President, earlier today the Committee on Finance began hearings on trade legislation. These hearings which will be conducted over the next weeks and into the month of February signal the beginning of a process at the end of which we hope to produce landmark trade legislation.

As most of my colleagues are aware, there has been much discussion of trade legislation over the last 6 years, indeed ever since the 1979 Trade Act, but only in the last 2 to 4 years has there been serious attention to a major new trade bill.

I think that that effort is overdue and I support it wholeheartedly because in this Senator's judgment the time for debate on trade legislation has long since passed. We have visited and we have revisited the issue of the trade deficit, a record this year, I am sorry to say. The red ink reached $170 billion for calendar 1986.

It is time to stop pleading, it is time to stop cajoling, it is time to stop threatening in the vain hope that our trading partners will simply, because of our rhetoric, come around.

Now, it is my hope that, in the next few weeks both in our hearings and in our deliberations as we proceed to mark up, we are going to expose some of the myths about the international trading system that I believe have held us back and kept us from legislating.

I really believe that there are three principal myths or fallacies to which we should pay careful attention, to deal with and, of course, because they are myths, to dismiss them.

The first is that the current international trading system is based on the principle of free trade.

The most eloquent rebuttal to the assertion that free trade and open markets is the rule under which our trading system operates is rebutted by this administration's own report on foreign trade barriers. That is produced by the U.S. Special Trade Representative. It is some 300 pages thick. And having reviewed it carefully—I cannot say I have read every single page but I have looked carefully through it—I can tell you that just by looking at the entries for some of the countries such as Japan, Brazil, and others, it is only a partial listing of the trade barriers that have been erected against us and against commerce generally.

And what we have are 300 pages of evidence that other countries are getting away with economic murder by ignoring the law of comparative advantage.

Without question, the best known protectionist nation is Japan.

It was significant to me this morning that on both sides of the Finance Committee, Republicans and Democrats, liberals and conservatives, free traders and so-called fair traders, each took a special interest in singling out for highlighting the practices of the Government of Japan.

I do not want to bore anyone with a long list of the unfair or illegal or clearly countercompetitive trading practices, but let me just say that this country, the United States, has had a market opening or trade barrier negotiation with the Japanese on electronics, for one sector, pharmaceuticals for another, tobacco, aluminum, medical equipment, telecommunications, forest products, transportation machinery, semiconductors, leather, computers, wine and liquor, chocolate, construction services, and numerous agricultural products.

That is not only a partial list, but it is a sectoral list where those negotiations have produced at best modest benefit.

I would say, Mr. President, that we should recognize that Japan is only one example. The USTR report to which I referred lists 39 other countries, so I do not want to just single out Japan because they are the worst, but Korea, Taiwan, and Brazil. They are all in there. And we are not even talking about the Eastern bloc of countries.

So much I think for the myth that the world trading system operates on the principle of free trade.

The second myth, and it is a very prevalent one and certainly a hopeful one, and I wish it were true, is the shrinking of dollars, the weakening of dollars, and the strengthening of other currencies, are going to cure our trade deficit and other trade ills.

Before anyone swallows what is certainly good textbook economics, they need to look very hard at the facts, and the fact is that although the dollar has droped approximately 25 percent from its peak against a so-called weighted baskets of currencies, it has not dropped significantly against the number of very important currencies, such as Canada, our largest trading partner, Singapore, Korea, Taiwan, and Hong Kong, the last three being significantly tough competitors.

Against our 17 largest trading partners, the dollar has depreciated not 25 percent but only 4 percent since its peak in February 1985. And against the seven largest of those trading partners, which seven now account for 61 percent of our trade, the dollar did not go down; it actually went up 11 percent.

The situation is compounded by the fact that even in those countries where the currency has apppreciated versus the dollar, there is little interest in absorbing on the part of those countries or those industries the effects of that appreciation. Those effects might mean lost sales, lost volume, and lost jobs. And so producers even in those countries were the dollar has in fact weakened relatively continue to focus on maintaining market share rather than on profit levels.

It is true in Japan with respect to the automobile industry, their auto shipments to this country, and is especially evident in my home State of Pennsylvania, in the steel industry.

Let us take a brief snapshot of the steel industry over the last 1½ years. Over the last 14 months, Japanese steel prices declined in this country 7.5 percent while the Japanese yen appreciated by 22 percent.

Steel, of course, is only one example. The world is awash in excess capacity made worse by Government determination to maintain production for political rather than economic reasons. To continue to believe that a decline in the dollar alone can have a significant impact on reversing our current fortunes is to misunderstand totally what has been going on in the global economy.

Mr. President, the third myth, and this is a myth that I trust we will disprove by our actions, is that there is nothing Congress can or should do about what I have just described.

That remains to be seen but can hardly be taken as a given. The record of what Congress has actually enacted into law over the past 20 years is an extraordinarily responsible one. In some respects more responsible than that of administrations during the same period.

That means the case against trade legislation is hardly proved. On the other hand, the case for it must be demonstrated. The proof lies in the world trading system as it exists in reality—not in myth.

That reality is that the United States undertook, in the aftermath of World War II, a policy that was at the time very much in our self interest. We engaged in a policy of rebuilding the shattered Western World through the creation of a strong Western alliance—both economic and political. In 1945, we accounted for 60 percent of the free world's gross national product. It was in our interest to promote trade and investment—the cost to us was small and the gain great.

But over the last 40 years, that policy has succeeded without us fully understanding its implications. Other countries have developed their own paths to the mercantilist policies I have described. They have essentially caught up and gone beyond us in competitiveness at the very time our own real growth of standard of living has slowed down.

And having done so, they have neither met their new responsibilities, nor have they addressed the new problems these policies have created.

Excess capacity has become a global disease. The traditional explanations for over capacity are rising productivity and weak demand. Add to that:

Increasing government subsidies that keep the inefficient in business;

The reluctance of high technology producers to shut down costly production facilities when demand slackens;

The new obsession with maintaining market share at the expense of profits and prices;

The globalization of capital and technology movements that bring on new capacity in unexpected locations.

This is not a temporary detour on the road to free trade. Development means the continuing expansion of new producers, but it does not guarantee an equal growth of consumption. The result is gain for some at the expense of more market-oriented producers. So far the chief victim has been the United States.

Today we accept 40 percent of all Korea's exports. Of Japan's, 40 percent; of Taiwan's, 50 percent; of Canada's, 80 percent; and of LDC's, 58 percent. We have been, and we continue to be, the engine of growth for the free world.

While that was the right policy for its time, it is one we quite frankly can't afford anymore, because our engine is fueled by debt: national debt, trade debt, consumer debt, business debt, and over leveraging. It is low-octane fuel that is producing less and less horsepower to drive a lengthening train of consumption.

The consequences of all this are beginning to show. Since 1973, Americans have been living higher on the hog while they've been getting poorer.

Since 1973, real per capita manufacturing wages have declined approximately 14 percent. Real manufacturing wages today are lower than they were in 1961.

And in the present system, if we run out of gas, everybody's car stalls—unless we have a more equitable division of responsibility in the trading system. The best basis for that is the market system. That is what is behind the concern in Congress for trade legislation: The creation of a regime that really does enforce the notion of free trade. We don't have it now. And we desperately need it.

That means we have to move vigorously to attack unfair trade practices whenever we find them. Of course, it is true from an extreme short-term perspective that even the most aggressive nation will make only a modest difference in the trade deficit. But just as it took 20 or 30 years for us to get where we are now, if we really want the long-term benefits of comparative advantage and the free market it's going to take 10 or 15 years to see them, even if we could create the perfect conditions tomorrow.

All those countries that have sent their exports to us and grown as a result of these policies, will not change easily. Why should they? The current system is a brilliant success for them. We are the losers, not they. This may be why we ought not to expect too much from the new GATT round—the Economic Community, Japan, and the new industrializing countries have little more to gain—and a lot to lose—in any move toward real free trade.

Why should we do it? Because if we don't one of two things will happen:

First, either our competitive position will continue to erode and our debt continue to increase past the point where fundamentals like our national security and economic infrastructure are at risk; or

Second, there won't be a market system at all, and we will find our Government stepping in and running things.

That is what is driving trade legislation in Congress—not just frustration over the present but real concern for the future. Much of what has happened is irreversible. Jobs lost will never be regained. Dead industries will not be resurrected. That means, obviously, adjustment legislation will be a major part of what we do. That is the proper way to address the short term. But salvaging the long term will be the core of our work. That will mean many of the things that have been proposed under the umbrella of competitiveness. But it will also mean an all-out assault of trade barriers worldwide. During these hearings I will be working to shape trade legislation that addresses U.S. competitiveness and dismantles worldwide trade barriers.

Mr. President, I thank my colleagues. I just want to say that, unless we do take action in the form of a trade bill, there are going to be two things that happen: Either our competitive position is going to continue to erode and our debt continue to increase past the point where fundamentals like the national security and economic infrastructure are at risk or there will not be any market system at all. And the consequence of that for this country and for we Americans is that we will find our Government stepping in and running things across the board. I do not think any of us want that to happen.

Mr. President, I yield the floor.

CONGRATULATING THE GIANTS FOR WINNING THE NATIONAL FOOTBALL CONFERENCE CHAMPIONSHIP

Mr. LAUTENBERG. Mr. President, I send a resolution to the desk and ask for its immediate consideration, and would ask, Mr. President, the clerk to read the resolution in full.

The PRESIDING OFFICER. Without objection, the clerk will report the resolution.

The assistant legislative clerk read as follows:

S. RES. 54

Whereas the Giants have, in resounding fashion, become the National Football Conference champions;

Whereas the Giants have dominated professional football this season, compiling a record of 16 wins and 2 losses;

Whereas the Giants will be playing in their first Super Bowl;

Whereas the Giants have not been to a National Football League championship since 1963;

Whereas the Giants have made their home in East Rutherford, New Jersey since 1976;

Whereas New Jersey boy Bill Parcells coached the Giants to victory and in the process has worn more Gatorade than most people drink;

Whereas New Jerseyans Lawrence Taylor, Phil Simms and Joe Morris, and the rest of the Giants have distinguished themselves for their high quality of play all season long;

Whereas the Giants have many loyal fans throughout the states of New Jersey, New York, and Connecticut, as well as many others: Now, therefore, be it

Resolved, that the Senate of the United States joins with Giant fans throughout New Jersey, New York, Connecticut, and the nation in honoring the Giants for their championship season, and wish them well in the upcoming Super Bowl.

Mr. BYRD addressed the chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, there is no objection on this side to the immediate consideration of the resolution now that we have heard it read. I must say, however, that it was with great difficulty that I was able to get this resolution cleared on this side because there are a considerable number of Washington Redskin fans on this side of the aisle. But, recognizing that it is only in the spirit of comity that we are able to make progress in enacting the laws of this Nation, there is no objection.

May I say, reluctantly, that part of my problem in getting this cleared was with me because I was kind of pulling for the Washington Redskins in this game. And particularly may I say I thought that they did pretty well, considering the fact that the wind was against them in the first quarter.

So there is no objection to this resolution on this side of the aisle.

Mr. SIMPSON. Mr. President, it was ever more difficult to clear this issue on our side of the aisle because of the Denver Broncos. We certainly would not want to leave them out of the resolution, but obviously we must here.

I would remind my colleagues, however, there is another team playing in the Super Bowl, a very awesome band, and you must remember the good Denver Broncos, in a separate resolution, of course.

Then, in response to the majority leader, in my athletic days, when I weighed 260 pounds and had always thought beer was food, I always remembered that the wind blows both ways for 30 minutes. So, in athletics, as in the Senate, I think that is the way we are going to find that out in the minority. Thank you very much.

Mr. LAUTENBERG. Mr. President, I thank the majority leader for his reticent support of this resolution, and the acting minority leader, also.

The fact is that it took quite an engineering feat to create that wind and to make sure that it was blowing the right way at all times. But that is past history now.

All of us have a certain affection for the Washington Redskins. They played quite a good game, just as it should have been, the second best of the champions.

I am rising today to introduce this resolution to honor our Giants, who became the National Football Conference champions. I am pleased to be joined in this resolution by my senior colleague from the State of New Jersey, Senator BRADLEY.

The Giants have won this title in a most convincing fashion. In the playoffs, they outscored their opponents by a combined score of 66 to 3. They had a season record of 16 and 2.

It has been a dominant team, with a strong offense. They have been described as having the best defense in the history of the National Football League. I am sure that their last two opponents would not disagree.

The Redskins, in fairness, fought valiantly. Their fans were loyal. But, this was not to be their year. This year is the Giants' year.

Mr. President, Giants' fans have waited a long time for this. Not since the days of Frank Gifford and Y.A. Tittle have the Giants been to a championship. There were years of waiting and patient support. Today, if there are tears shed by Giants' fans, fortunately they are tears of joy.

Giants' fans applaud the fine coaching of New Jerseyan Bill Parcells, and the fine play of New Jerseyans Lawrence Taylor, Phil Simms, Joe Morris, and all the Giants. And, as you heard in the resolution, Gatorade became a shower for Coach Parcells, and I guess he is willing to endure that for the Super Bowl opportunity.

Mr. President, as a Senator from New Jersey, I am honored to have this championship in New Jersey. The Giants have made their home in our Meadowlands Stadium in East Rutherford since 1976. We welcomed the Giants with open arms and built them one of the Nation's finest football stadiums. Giants' stadium in New Jersey is their home. And if the Giants win the Super Bowl—when the Giants win the Super Bowl—that is where the Giants' fans will celebrate, Giants' stadium, New Jersey.

I had the pleasure of joining the 76,000 others at Giants' stadium to watch the championship game on Sunday. I take great pride, as do many fans in our State, in the accomplishments of the Giants. The lengthy and spirited celebration following the game clearly shows the loyalty and the type of fans that we have in our State.

Mr. President, the 21st Super Bowl will take place in 2 weeks. On January 25, I hope to be joining the thousands of fellow Giants' fans in celebrating with the Giants the Super Bowl victory.

Mr. President, as you heard, there is no objection from either side to this resolution. I would say there was less than the full enthusiasm that we were hoping for in terms of recognizing this, but I understand that.

So, I urge the adoption of this resolution. I ask unanimous consent that the text of an article from the Newark Star Ledger, our State's largest paper, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Star-Ledger, Jan. 12, 1987]

GIANTS PACK FOR PASADENA AFTER 17-0 VICTORY

(By Bill Gannon)

Go ahead, Giants fans, pinch yourselves. Pack for Pasadena. Your long, embarrassing nightmare is over.

The Giants are headed for the Super Bowl after beating the Washington Redskins 17-0 in the icy gusts of Giants Stadium in East Rutherford yesterday and reaching the National Football League championship game for the first time in a generation.

The last time the Giants won an NFL title was 30 years ago when they beat the Chicago Bears 47-7 at Yankee Stadium for the 1956 NFL championship.

Linebackers Carl Banks and Gary Reasons and linemen Jim Burt, George Martin and Leonard Marshall led a punishing defense that never allowed the Redskins inside the New York 23. The Redskins were 0-for-14 on third-down conversions and 0-for-4 on fourth-down tries.

"It was the windiest I've ever seen it in Giants Stadium," said New York quarterback Phil Simms, who threw only 14 times—just twice in the second half after leading the Giants to a 10-0 lead in the first quarter.

The Giants marched through the best the NFL could throw at them this season, running their winning streak to 11. New York ended a 14-2 regular season by beating Green Bay 55-24. The Giants beat the San Francisco 49ers 49-3 in their last playoff game. And they totally dominated Washington en route to the Super Bowl.

"You'll have to pinch me. It's unbelievable," said team captain Harry Carson, who is going to his eighth Pro Bowl in 11 NFL seasons but has never before been to a Super Bowl.

In two weeks, Jan. 25, the Giants must win one more game to become world champions when they face the Denver Broncos in Pasadena's Rose Bowl. Denver became the American Football Conference champ with a 23-20 win in overtime against the Cleveland Browns yesterday.

"This is like a dream to me," said 57-year-old Donald O'Brien of Summit as he left the stadium last night. "I've been following them and watching them lose for so long—29 years as a season ticket-holder—I don't know what it's like to be with a winner. I'm not sure I'll believe it until I wake up and smell the coffee and read the papers tomorrow morning," he said, laughing.

Other fans, hoarse and rosy cheeked after cheering through the freezing 45 mph wind, were as dumbfounded by the team's win last night as they were charmed by Giants nose tackle Jim Burt's decision to join the fans for some high fives when the game ended.

"I don't think it has really sunk in yet," said Frank Bonnano, 34, a sheet metal worker from Kearny. "People are running down the ramps here laughing and screaming: women are crying. Everybody is talking about staying around to cheer the team when they leave tonight."

"This is nothing short of history—the greatest sporting event in the history of the state. Now, for the first time ever, New Jersey will have a sports team in a world championship. My wife's novena worked again," said Montclair's Richard Alvarado, 64, a season ticket-holder for 38 years and retired history teacher.

Superstition played a role in the team's championship season, too, some fans said yesterday. Much as some of the team has followed a series of strict routines all season, a number of fans admitted they have done their part not to tempt fate, and followed their lucky ways.

Giants tackle Brad Benson and Karl Nelson, for instance, car-pool together, with Benson picking up Nelson and deliberately driving onto the Garden State Parkway through a closed exit. Benson has said he'll gladly pay any fine as long as he doesn't have to alter the routine.

Linebacker Harry Carson has stood to the left of coach Bill Parcells at the 50-yard line when the national anthem was played all season. He has even summoned Parcells to stand by him when he thought the head coach might be caught away from the right spot.

Parcells is said to be the most superstitious of all the Giants. Stories abound about his penchant for ignoring tails-up pennies or crossing a cat's path, both considered to be omens of bad luck.

Mack Hartman, 62, of Parsippany-Troy Hills has his lucky socks. Hartman, who saw his first Giants game in October 1934 at the Polo Grounds, said he has worn the same two pairs of nylon socks to every home game this year.

"These socks are lucky, that's the only way to explain it. They'll stay on right through the Super Bowl," he said.

Donna Persico of Glen Ridge said she kissed her husband four times—one for each quarter—all season long.

"The only two times I didn't kiss him before the game the team lost," the 44-year-old mother of three said as she joined her husband for yesterday's game in their upper-level seats. "Isn't that weird?"

"Nothing works better than bald fives and rubbing a dog the wrong way," said William Jennings, 52 of New Brunswick, who said he asks every pretty girl he meets on the day of a game to slap his bald head.

"But what really works is rubbing Beany, my dog, so all his hair sticks up the wrong way," he added with a grin.

"New York fans are going to have two winning teams this year," said Ann Bookbinder, 35, remembering the Mets' recent World Series win, as she celebrated among the euphoric crowds at Rusty's Restaurant on East 73d Street on Manhattan's Upper East Side.

"Mayor (Ed) Koch thinks they're from Jersey," she said of the Giants, "but I say they're definitely a New York team."

"Hallelujah," Koch said last night after he watched the game from Gracie Mansion.

"It's on to the Super Bowl, defeating Denver, and if the Maras agree, a ticker-tape parade," he said referring to the Mara family that owns the Giants. The team president, Wellington Mara, had earlier said he was pleased with the American Express offer to pay for the parade, but refused to make a decision on the parade site until yesterday.

"Not only does a parade bring everybody together, it provides a great sense of pride for New York and New Jersey," said Seth Merrin, 26, a computer softwear developer who threw a party at his West Side apartment, complete with Ballpark franks. "It doesn't even matter that the Giants belong to New Jersey; certainly everyone believes they're ours, even New Jersey."

"I never had any doubts that they were going to win," said City Council Majority Leader Peter Vallone, who earlier in the week said that the council would hold an "appropriate celebration" for the Giants, despite Koch's position, if they get into the Super Bowl, win or lose.

"No way can I see them losing," he said of their date with the Broncos.

Fans at Rusty's, who went wild in the fourth quarter when the win was assured, were just as confident.

"They talk about miracle seasons, but I think this one is long overdue," Jamie Smith, 33, of Manhattan said over the din of the crowd. A Super Bowl win "is in the cards," she said. "They can't go for as long as they have without being in the limelight."

Some fans looked for deeper meaning in the Giants' win.

> "Our 40 years in the wilderness and now we see the promised land—the Super Bowl," said Jerry Kleiner, 33, a construction company owner from Long Branch. "Our Moses—Lawrence Taylor (Giants' linebacker)—will lead us to destiny."

Mr. BRADLEY. Mr. President, I join with my colleague in saluting the Giants.

Congratulations to the New Jersey Giants on a great win over the Washington Redskins. All of New Jersey is proud of Parcells' Giants. Joe Morris, Phil Simms, Lawrence Taylor, and their teammates has made this a championship season for everybody to enjoy.

I knew that we were on our way to victory when Coach Parcells chose to kickoff and immediately establish that the Giants came to win. Their play on that opening series left no doubt as to the outcome of the game. The following quarters of Giants football were great to watch as New Jersey's own Giants were not to be denied.

Watching Jim Burt climb into the stands to celebrate the victory with the fans showed me that the Giants love their fans and much as their fans love them. I am proud to represent great fans and a great team. Our Giants are just a victory away from the Super Bowl championship—next stop, Pasadena.

Mr. President, I know that there is a small dispute as to what we call the Giants. We, in New Jersey, call them the New Jersey Giants and across the river our friends in New York call them the New York Giants. I would simply suggest that, in the spirit of unity, moving toward the Super Bowl, in the next 2 weeks we call them simply "our Giants." The next Super Bowl champions, our Giants.

Mr. MATSUNAGA. Will the Senator from New Jersey yield?

Mr. BRADLEY. Yes.

Mr. MATSUNAGA. I wish to join the Senators from New Jersey in congratulating the Giants. I will use the term "our Giants," because any team that can beat the Washington Redskins deserves to be called "our Giants" and deserves to go to the Super Bowl.

Perhaps they played a little harder, but the god or goddess of wind surely played in favor of the Giants. Had it not been for the fact that the wind was against the Redskins, I think the Redskins would be going to the Super Bowl.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

There being no objection, the resolution (S. Res. 54), was considered, and agreed to.

The preamble was agreed to.

Mr. LAUTENBERG. Thank you, Mr. President.

The PRESIDING OFFICER. I hope somebody will say a word for Cleveland. [Laughter.]

Mr. MATSUNAGA addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. MATSUNAGA. Mr. President, I ask unanimous consent that I may proceed as if in morning business for 7 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

WORLD PEACE THROUGH AN INTERNATIONAL COLLEGE CURRICULUM

Mr. MATSUNAGA. Mr. President, I rise to call to the attention of my colleagues the existence of a worldwide peace movement of which few may be aware. I refer to an undertaking by college presidents in our country as well as in the Soviet Union, Japan, and China, who have jointly endorsed a worldwide curriculum for peace.

This endorsement was the result of an international meeting of university presidents held last month in Tokyo. Its announced purpose is to foster an informed public opinion that sees arms control as an element of national security, according to one of the participants, Dr. Jean Mayer, president of Tufts University in Massachusetts. Other participants included the presidents of the University of Novosibirsk in Siberia, the People's University of Beijing, and Toki University in Japan. They all deserve commendation for their innovative initiative but they are hardly alone among their peers in seeking to broaden public understanding of the stakes involved in arms control and disarmament negotiations, which is so essential in achieving stable world peace.

According to President Mayer, in our own country such prestigious centers of higher learning as Harvard, Stanford, University of Pennsylvania, and Yale are among the institutions interested in the world curriculum for world peace.

As Dr. Mayer explained to the New York Times upon his return last month, the endless nuclear arms negotiations in Geneva have been fruitless in part because the public has lost interest—and perhaps heart, as well—so that there is no spur of informed opinion to exert pressure upon the negotiators. He is quoted as saying:

> People have given up trying to understand what is going on, and I think that is very dangerous. I am confident that if people knew enough of what was going on, this would help cut down the arms race.

Mr. President, I am in full agreement with Dr. Mayer. Informed public opinion readily influences national leaders in a democracy. While it works more slowly in the case of totalitarian regimes, it is a force to be reckoned with nonetheless.

The next step in the college president's peace effort is a second, larger Tokyo meeting comprised of 5 university presidents from the United States and Canada, 5 each from the Soviet Union and China, 3 from India, and at least 1 each of 12 Asian and Pacific countries. Its purpose would be to set an agenda for a world conference on peace studies curricula to be held in France next year.

No single curriculum is anticipated as an outcome of these sessions and the university presidents themselves will not be taking a uniform position on disarmament issues, according to Dr. Mayer. However, matters such as how to increase exchanges of professors and improve communications among universities will be addressed in the course of this planning process.

Mr. President, institutions of higher learning have an immense stake in the preservation of world peace—inextricably linked as it is in our nuclear age to the preservation of learning and civilization as we know it. It has been said that an unexamined life is not worth living. By the same token, the university presidents committed to this movement are to be commended for their recognition that it is perilous to leave arms control issues to arcane specialists—as a subject beyond the ordinary ken of educated men and women. A National War College is concerned with more than the tactics of the battlefield; its curriculum addresses geopolitical issues as well. So too with peace colleges, which must impart the arts and sciences of conflict resolution not only from a perspective of methodology but of empirical knowledge of the stakes involved. It is heartening to know that leading university presidents here and abroad recognize this, as is evident in this international undertaking in curriculum development.

This Senator for one wishes to congratulate those scholastic executives who have undertaken this bold but long overdue initiative. The recently established U.S. Institute of Peace serves as a Federal focus for this educational endeavor but the advancement of peace is the business of everyone concerned with human enlightenment in this country and throughout the world.

Mr. President, I yield the floor.

NATIONAL EMPLOYMENT GOALS

Mr. COCHRAN. Mr. President, on another subject, the Labor and Human Resources Committee is engaged in a series of hearings. Yesterday, as a member of that committee, I participated in a hearing looking at health issues. Today it was employment issues. Throughout the week there will be other issues reviewed.

It occurred to me that there is one aspect of the unemployment issue which needs the special attention of this administration and of the Senate. That is the disparity which exists among different regions of the country with respect to the availability of jobs, not only the number of jobs but the quality of jobs.

I know that the present occupant of the Chair is well aware of some of these anomalies that exist. In the Deep South, for instance, we are finding that a great number of the jobs which we have had—small factories and plants—are being lost. Plants are closing. Absentee plant owners are finding that there are more attractive wage scales in some of the other parts of the world, some of the developing countries, such as the Philippines, Mexico, Taiwan, Korea, so the minimum wage job is being lost. There has not been enough emphasis placed on using the new technologies for the purpose of creating different kinds of jobs for this displaced labor force.

I was happy to hear Secretary Bill Brock this morning describe that the administration is recommending that a new program be implemented to train the displaced worker, to try to do something to equip that displaced worker with the skills and the know-how to handle jobs that are developed by using new technologies.

I am hoping that we can see a concerted effort by the Senate to enact such a program, to approve it, so that we can provide hope for these displaced persons.

In connection with that same situation, Mr. President, there was an article in yesterday's Washington Post, in the business section, describing how in the State of Virginia unemployment is about 5 percent, about half of what it is in my State, and that it is projected that there will be a problem in Virginia of finding enough jobs for the younger workers coming into the labor force as high school graduates or college graduates.

This is the disparity I am talking about, Mr. President, between a State where we are having a great deal of difficulty in identifying jobs for new workers and another region of the country where they are having a difficult time taking advantage of the job opportunities which do exist and are projected to exist.

I know that our committee is going to be looking at this and trying to develop with the administration appropriate programs to try to do a better job of having parity in this employment area throughout the country.

I ask, Mr. President, unanimous consent that a copy of the article to which I referred, an Associated Press article in the Washington business section of the Washington Post, dated January 12, be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Virginia Tech Instructor Sees Youth Labor Shortage

Blacksburg, VA.—The United States is facing the beginning of a youth-labor shortage that is likely to raise the pay for undesirable jobs and cut enrollment at some of the nation's colleges and universities, a Virginia Tech instructor says.

Daniel Vogler, associate professor of education, said fewer than 3 million teen-agers will graduate from U.S. high schools next year, and about half of those will go to a post-secondary school. Labor Department statistics show that the United States gains about 1.5 million jobs a year, he said.

Women hold nearly half the jobs in the United States, Vogler said. And enough time has passed since the retirement age was raised for older Americans who want to work to be absorbed into the work force, he said.

"We're going to experience a labor-force shortage that could have several implications," said Vogler, coordinator of graduate programs in administration and education services. "Wages will go up. Business and industry will be competing with colleges for the same 18-year-olds. Unless colleges do something, the percentage of students they attract will go down."

The decline in 18-year-olds will last for about eight years, until students now in the fourth and fifth grades graduate, he said. Those classes are larger than the ones preceding them, said Vogler, who has conducted workshops for school administrators in Georgia, Michigan and New York.

Roy Pearson, director of the bureau of business research at the College of William and Mary, said the drop in high school graduates may coincide with an increase in productivity that could help counteract a youth labor shortage. Fewer people will be entering the workforce, he said, but businesses will have a greater percentage of skilled, experienced employes.

With roughly a 5 percent unemployment rate, Virginia has been better off than many states and might feel more of a pinch from a youth labor shortage, Pearson said. But the bureau is predicting the state's employment growth will slow during the next two years, he said.

Virginia has roughly 2.5 million nonagricultural workers this year, Pearson said. Next year, he said, the bureau estimates that the commonwealth will gain about 60,000 jobs.

Last spring, 63,113 Virginians graduated from public high schools, according to the state Department of Education. Officials did not have figures on private school graduates.

Dean Griffin, director of legislation for the American Vocational Association, said the youth job shortage will be felt more in some areas than others. With the depressed oil industry keeping unemployment rates high in Texas and Louisiana, for example, a declining number of high school graduates should not be a problem, he said.

"This also has implications for national competition," Griffin said. "There is a tendency for countries to look to other countries when they are establishing plants. If there's a continued shortage of workers here, firms are going to go to other countries."

Pearson said the declining number of young people entering the job market is being felt in Williamsburg, where the tourist industry has had some trouble filling seasonal jobs. Some businesses are hiring more full-time people and older residents as a result, he said.

Japan and West Germany have experienced youth labor shortages, Vogler said. West Germany solved the problem with migrant workers, he said, while Japan created partnerships between business and education.

Vogler believes the United States is likely to take Japanese route. Businesses will offer educational incentives to attract good young employes, he said. That will keep post-secondary enrollments up and ensure that businesses get workers increasing competency.

The declining number of high school graduates offers the United States an opportunity to improve the economic conditions of blacks and other minorities, Vogler said. The unemployment rate among black urban youth is four times the national average, he said, but schools are going to have to provide the kind of education that will make these youngsters employable.

ORDER OF BUSINESS

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Mr. President, might I inquire of the majority leader if I might proceed at this time for 10 minutes?

Mr. BYRD. Mr. President, in response to the distinguished Senator's request, I ask unanimous consent that the period for the transaction of routine morning business which is to extend beyond 4 o'clock—is that correct?

The PRESIDING OFFICER. Until 4 o'clock.

Mr. BYRD. I ask unanimous consent that the distinguished Senator from Michigan may speak for 10 minutes, notwithstanding the order of yesterday and also notwithstanding the rule against speeches during morning business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. RIEGLE. I thank the majority leader and I thank the Chair. This is the first opportunity I have had to take the floor during the new Congress and I want to begin by congratulating publicly my dear friend and colleague from West Virginia, the distinguished Senator Byrd, on his role as majority leader. I congratulate him on his national leadership role.

I might also comment on his role of leadership over a length of time, and specifically with respect to opening Senate proceedings to television so that the people of the country can follow and keep track of what is happening; his leadership now on campaign financing reform, and being aware now of the recommendation he has also made with respect to looking at the possibility of an automatic voting system for use at certain times to expedite the work of the Senate. I want to commend the Senator from West Virginia for those important procedural breakthroughs and steps of modernization in terms of the efficient working of the Senate.

Today, I speak in support of campaign financing. I very much appreciate the leading role the majority leader has taken on this issue in this 100th Congress. I hope we will make that reform.

Mr. BYRD. Will the distinguished Senator yield?

Mr. RIEGLE. I yield.

Mr. BYRD. I thank the Senator for his gracious remarks.

Mr. RIEGLE. Let me also acknowledge the current occupant of the Chair. It is a delight to see our new colleague from North Carolina serving in that capacity at the present time. I welcome him to the body where he brings so much talent, wisdom, and ability that we will greatly profit from. I am delighted to seek recognition from him.

SENATE CAMPAIGN FINANCE REFORM

Mr. RIEGLE. Mr. President, I rise today to publicly express my support for S. 2, the Senatorial Election Campaign Act, which has been devised by Senator BOREN and many of us working with him, including the majority leader, and which I am now cosponsoring. This bill amends the Federal Election Campaign Act of 1971 and provides for a voluntary system of spending limits and partial public financing of Senate general election campaigns.

I think these steps are very badly needed in the country today. I think they are important from the point of view of opening up the process to a fairer kind of broad-based participation in our system and making it possible not only for citizens to have more control directly over the electoral process but for candidates as well to have a more equal chance to present themselves for the U.S. Senate and have the opportunity to win those elections and serve the people of their States.

The trends in campaign financing and spending over the last several years are really troubling. They deserve corrective action by the U.S. Senate. If you go back to 1976, for example, the average cost of winning a seat in this Chamber was $609,000. Just 10 years later, by 1986, that figure had risen to an average of over $3 million. To win the average seat across the United States of America took a figure of over $3 million in campaign spending. Of course, that figure is rising all the time. It is one thing if a person has enormous personal wealth or is so situated by virtue of access to large amounts of contributed money. Those individuals obviously have a much greater opportunity to run for the Senate and be elected to the Senate. But for the broad base of American citizens who do not have access to those kinds of special assets, I think increasingly, the prospect of running for the U.S. Senate has been moving out of reach.

I think that is a mistake. I think the country loses when that is the case. So I want to see not only campaign spending reform which prevents wealthy candidates from outspending their opponents, but also to slow down the mechanism so that challengers have a chance to fight some of the incumbents, including this one. I think we need to take those steps and make sure the process is open so citizens across this country who may be inspired to seek election to this body may have a chance to raise the funds necessary to run a fair race.

Many have talked about the role of political action committees because they have been exploding in size and strength over the last several years. In the 1986 elections just completed, political action committees gave an estimated $140 million to Senate and House candidates. Again, those figures are on a very sharply rising curve. That figure for 1986 represented a 25-percent increase over just the last 2 years. So we have seen that phenomenon also coming on to play a larger and larger part in our campaign system.

I think there is a proper role for political action committees, but I think it ought to be a paritial role, not a dominating role. So I think something has to be done to ensure that the Senate will remain a place where devotion to legislation and careful consideration of our Nation's problems are not overlooked because of the ever-increasing need to go out and raise funds to finance ourselves in our reelection campaigns. I think this bill is an important step in dealing with this growing national problem.

Having said that, though I cosponsored this bill as the best available vehicle, it is not perfect and changes will have to come as we debate this issue and as we test out the working mechanism of this particular law.

For example, it would not cover primary elections, only general elections. That conceivably presents some major problems. What if some very wealthy self-financing candidate were to run in a primary, spend $4, $5, $6 million, establish name recognition, even run negative ads against an opponent. Then they move into the general election campaign; the spending limits might be too late. It might actually prevent the alternative candidate from responding to the huge burst of spending by the self-financing candidate. I think we have to deal with that problem.

Another problem is the timing of the public matching of funds. If you are in a situation where you have adopted the limits, which I would be inclined to do as a candidate, you might find a situation where the other candidate who has not adopted the limits is free to spend larger amounts. You in turn, as the candidate who has submitted to discipline, might be able to draw some further amount of public money. But there is a timing question. When you get down to the last several weeks of a campaign, if the opponent spends tremendous amounts of money in television, even if a candidate has the ability to go out and raise money, the ability to get it in the last few days of a campaign might not be possible. That is why I think we need to craft some solutions for those problems. I think we can. I think we should.

There is also the question of what constitutes a proper, overall ceiling amount under this law in terms of the various States. In the State of Michigan, for example, it would limit the spending on a Senate race in a general election under this bill to $2,251,000. That is a lot of money. I am prepared to submit to that kind of limit if we could work that legislative system out. But it is interesting to know that my colleague [Mr. LEVIN], when he ran in 1984, found it necessary to raise $3.9 million. I anticipate that in my upcoming election in 1988, assuming I run, I would have to raise an amount equal to or greater than that in the absence of some overall spending or reform programs on a national level.

So the question of what should be an appropriate level State by State is something we cannot answer with certainty now, but that is another area where I think we could take a look at it and decide on and set reasonable limits.

I think the limits have to be high enough so that a challenger has the ability to win. I came to the Congress 20 years ago, having defeated the incumbent in the House at that time, and I found it is very tough to win against an incumbent. I want to make sure the limits are set at a high enough level that the challenger has a fair opportunity to knock off any of us running for reelection. I would like to see that they are pegged to where they are truly competitive and this does not inadvertently become an incumbent's protection program. I think that could happen.

So as we get into the debate aspects of this legislation and hearings are held, S. 2 will provide us with a very solid road map in terms of the kind of campaign financing reform that is needed. It has the crucial elements. I think the general principles and policies that are set forth are generally sound and with the adjustments of the kind I have just spoken about, I think we can move ahead and do something that will be of great benefit and service to the American people and to our system of government.

I thank the majority leader for his time request earlier. I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. I thank the Chair for his courtesy.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, I am presently checking with the distinguished assistant Republican leader to see if there would be an objection to our beginning our session tomorrow a little earlier than I had previously indicated, possibly around 10 o'clock, so as to get an earlier start on the dabate on the clean water bill. Shortly, when I have heard from Mr. SIMPSON, I am prepared to recess the Senate over until tomorrow.

THE PEOPLE OF CHASE, MD

Mr. BYRD. Mr. President, on January 4, 1987, Amtrak train No. 94 wrecked near the community of Chase, MD. Fifteen people lost their lives, more than 170 passengers were injured, and hundreds more were left dazed and frightened.

The people of the nearby community of Chase responded to this tragedy with a courage and compassion that inspires us as individual Americans, and as a community of people.

They opened their homes, their community center, and their hearts to those in need. Members of the community rushed into the burning cars of the wreckage to pull out survivors. They provided food, clothing, and shelter to the unfortunate holiday travelers, and assisted the rescue workers on the scene. And they would not accept a penny in payment.

Typical of the outpouring of the community's altruism was the 11-year-old girl who invited survivors into her house to use the phone to call family members, and then played a piano to entertain them.

Such behavior in times of tragedy is a reflection of the goodness of the human spirit and the virtues of community life in America. I am well aware of such values because I have lived and worked in communities like Chase. I have personally witnessed people in such communities provide assistance to victims of mine explosions, floods, and other disasters. And, as I was last week, I am always impressed and inspired by how Americans can and do come together, work and share together, and care for and comfort each other in time of need.

This is what America is all about. This is what the community of Chase, MD, is all about. I applaud the people of Chase; they certainly deserve the attention they are receiving. Last Friday, ABC News justly named the entire community of Chase as its "Person of the Week." And last week, this Chamber approved a resolution in which the two distinguished Senators from Maryland, Senator SARBANES and Senator MIKULSKI, joined with the distinguished Republican leader and myself and others, commending the community of Chase, MD, for its "spontaneous outpouring of assistance" to the rescue workers and survivors of the tragedy.

I personally want the people of Chase to know that their efforts were noticed and appreciated by many more than just the victims of the Amtrak tragedy, whom they helped directly. I want them to know that the people all over this country appreciate the Good Samaritan spirit which was so well exemplified by the residents of that community. It seems to me that they exemplified the teachings of the Sermon on the Mount as they tried to help those persons who were in need of assistance.

On that train I had a grandson who was returning after the holidays to Princeton University, where he is completing his fourth year. He was in the fifth car from the rear end of the train. He lost all of his books. He had 14 books. He had to go back the next day to see if he could retrieve his books. Fortunately, he was able to get all of the books but one, which he happened to have been reading at the time of the accident. And he has spoken personally of his experiences there and about how kind and considerate the people were in that community in taking him and others into their homes. Those people will always be remembered with grateful hearts not only by individuals who were on the train at the time but also by people all over this country who witnessed, on television and through other parts of the media, the kind actions on the part of the residents of the community. Those citizens certainly have set a great example not only for the rest of us in this area and in this country but also for the world as to how Americans respond in a time of great suffering and sorrow to the needs of others. And so it is for these reasons, Mr. President, that I offer my comments again today on behalf of all of us in this body.

COMMITTEES MEETING

Mr. BYRD. Mr. President, the Budget Committee met twice last week, Wednesday to hear OMB Director James Miller on the President's fiscal year 1988 budget, and to hear Treasury Secretary James Baker. Hearings by the Armed Services Committee have occurred this week with Secretary Weinberger testifying on the fiscal year 1988 Defense budget. The Committee on Labor and Human Resoruces has been meeting. The Finance Committee has met to begin hearings on the U.S. response to the international trade deficit. The Foreign Relations Committee is meeting today to begin hearings on the two test ban treaties. The Joint Economic Committee met last Friday to review the latest unemployment data for December 1986. Other committees are scheduled to have organizational meetings this week: Banking, Armed Services, Commerce, Energy, Indian Affairs, Judiciary, and Rules. Committees are taking advantage of the early opportunity in the session to meet and to organize and to deal with legislation which can be expedited for floor action and also to conduct their oversight responsibilities under the Constitution. I commend the chairmen and ranking members on getting down to business early.

RETIREMENT OF WILLIAM J. HENNEGHAN, JR.

Mr. HOLLINGS. Mr. President, tomorrow the colleagues and friends of William J. Henneghan, Jr., will gather to wish him a well-deserved retirement from the Federal service. I want to add my personal best wishes to Mr. Henneghan and my appreciation for his 40 years service to his country, primarily as a budget officer. Serving on the Appropriations Committee I know the great work that goes into preparing the annual budget submissions and Bill is known for delivering a first class product to the committee.

Mr. Henneghan's career comes to a close after 16 years as budget officer of the National Highway Traffic Safety Administration of the Department of Transportation. Previously he served some 13 years with the Department of Commerce serving as budget officer of the former Business and Defense Services Administration as well as the Maritime Administration. His time at Commerce was interrupted for 2 years while he established the budget function of the Equal Employment Opportunity Commission.

Mr. Henneghan began his career with the Department of Labor as a GS-3 statistical clerk in the Wage and Hour Division. Bill's career path should be an inspiration to all the young people just starting out in the Federal service. He came up the hard way. When he first started at Labor he was also taking the night school courses in accounting that he needed to advance. He was soon recognized as reliable with his figures, possessing outstanding writing ability, and so quickly acquired a thorough knowledge of budget procedures that he moved along in the civil service. His outstanding work led to him being tabbed "as one of the top five budget officers in the city of Washington."

To Bill and his lovely wife, Frances, I wish a long and happy and healthy retirement. Bill shares my own strong personal interest in tennis and also enjoys fishing. As a native of Washington, he is an original Redskin fan. In addition, Bill and Frances have seven children now scattered around the country and I know a good portion of their time will be spend in visits to their children and grandchildren.

CONSIDERATION OF CERTAIN TREATIES WITH THE SOVIET UNION—MESSAGE FROM THE PRESIDENT—PM 3

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Foreign Relations:

To the Senate of the United States:

Two treaties between the United States of America and the Union of the Soviet Socialist Republics on (1) the Limitation of Underground Nuclear Weapon Tests, and the Protocol thereto, known as the Threshold Test Ban Treaty [TTBT] signed in Moscow on July 3, 1974, and (2) Underground Nuclear Explosions for Peaceful Purposes, and the Protocol thereto, known as the Peaceful Nuclear Explosions Treaty [PNET] signed in Washington and Moscow on May 28, 1976, were transmitted to the Senate by President Ford on July 29, 1976 with a view to receiving advice and consent to ratification. (Senate Executive N, 94th Cong., 2d Sess.) Although hearings were held a year later, the Senate itself has not acted on the treaties. I ask the Senate to consider these important treaties anew in light of developments that have taken place over the last decade.

On August 14, 1986, I transmitted to the Congress a comprehensive study which stated U.S. national security concerns as well as our views on necessary verification improvements to the TTBT and the PNET, in response to the requirements of Section 1003 of the FY 1986 Department of Defense Authorization Act (P.L. 99-145). I am enclosing a copy of this study and commend it to your attention.

The security of the United States and the entire free world, today and for the foreseeable future, depends on the maintenance of an effective and credible nuclear deterrent by the U.S. This is a considerable challenge, in light of continuing efforts by the Soviet Union to undercut the effectiveness of our deterrent. With the support of Congress we have succeeded in meeting this challenge, and together we must continue to do so in the future.

Today I am requesting per my October 10, 1986 letter that the Senate give advice and consent, subject to the condition set out below, to two pending treaties that have significant implications for Western security: the TTBT and PNET. These treaties have the common purpose of limiting individual nuclear explosions to no more than 150 kilotons. The TTBT, which prohibits nuclear weapon tests above 150 kilotons, places significant constraints on the efforts we may undertake in the U.S. nuclear test program to respond to Soviet nuclear and non-nuclear activities aimed at undercutting our deterrent. Hence, it is imperative that we have the necessary provisions that will make the TTBT effectively verifiable and thus assure ourselves that the Soviet Union is fulfilling its obligations and is thereby equally constrained.

Unfortunately, as I have frequently stated and the enclosed study makes clear, the TTBT and PNET are not effectively verifiable in their present form. Large uncertainties are present in the current method employed by the United States to estimate Soviet test yields. I have on several occasions reported to the Congress on the problems with Soviet compliance with the TTBT. Therefore, achieving Soviet agreement to improved verification measures that would provide for effective verification of these treaties has been my highest priority in the area of nuclear testing limitations.

As I stated in my March 14, 1986 letter to General Secretary Gorbachev, effective verification of the TTBT and PNET requires that we reduce the current unacceptable level of uncertainty in our estimates of the yields of nuclear tests. Indeed, leaders in previous Congresses have shared my view that the present large degree of uncertainty in such estimates is unacceptable, as well as my desire for sharp improvements. In this regard, we require—and have conveyed to the Soviets that we require—effective verification through direct, on-site hydrodynamic yield [CORRTEX] measurement of all appropriate high-yield nuclear detonations. Further, I informed General Secretary Gorbachev that, if the Soviet Union would agree to essential verification procedures for the TTBT and the PNET, I would then be prepared to request the advice and consent of the Senate to ratification of the treaties. Ratification of the treaties without such provisions would be contrary to the national security interests of the United States.

As written, the TTBT relies solely on teleseismic detection and yield measurement systems and on inadequate, and unverifiable data exchange. The Soviet Union has apparently had problems in correctly assessing the yields of U.S. nuclear tests. Despite our best efforts, the Soviet Union has so far not accepted our practical proposal for achieving the necessary verification improvement of the TTBT and the PNET. We have not yet found any alternative approach which equals the effectiveness of CORRTEX—we are striving to achieve a yield-estimation accuracy of about 30 percent by this method. We have, nonetheless, advised the Soviets, at three Geneva nuclear testing experts meetings in 1986, that the U.S. is willing to consider any other direct yield measurement method the Soviets might propose, provided it is at least as capable (in terms of accuracy and non-intrusiveness) as CORRTEX. To date, they have not been forthcoming in proposing or explaining alternative verification techniques that would meet our requirements.

Recognizing the role of the Senate in the ratification process, I am therefore requesting that the Senate give its advice and consent to ratification of the TTBT and the PNET, subject to a condition in the following form:

"The Senate's Resolution of advice and consent to ratification is subject to the condition that the President shall not proceed with ratification of the Treaty on Limitation of Underground Weapon Tests and the Treaty on Underground Nuclear Explosions for Peaceful Purposes until the President has certified to the Senate that the Union of Soviet Socialist Republics has concluded with the United States additional agreements expanding upon the obligations stated in Article II of the Treaty on Limitation of Underground Weapon Tests and including provisions for direct, accurate yield measurements taken at the site of all appropriate nuclear detonations so that the limitations and obligations of these treaties, *inter alia* the 150 kiloton limit, are effectively verifiable, and until such agreements have been submitted to the Senate, and the Senate has advised and consented to their ratification."

I am hopeful we can reach an agreement with the Soviet Union which will allow me to certify that the treaties are effectively verifiable. I will be prepared to ratify the TTBT and the PNET at such time as the condition cited above has been fulfilled.

Further, I informed the General Secretary in Reykjavik that, once our verification concerns have been satisfied and the treaties have been ratified, and in association with a program to reduce and ultimately eliminate all nuclear weapons, I would propose that the United States and the Soviet Union immediately engage in negotiations on ways to implement a step-by-step parallel program of limiting and ultimately ending nuclear testing.

The step in this program would take into account our long-standing position that a comprehensive test ban is a long-term objective which must be viewed in the context of a time when we do not need to depend on nuclear deterrence to ensure international security and stability, and when we have achieved broad, deep, and verifiable arms reductions, substantially improved verification capabilities, expanded confidence-building measures, and greater balance in conventional forces.

RONALD REAGAN.

THE WHITE HOUSE, *January 13, 1987.*

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

S. 284. A bill to amend section 232 of the Trade Expansion Act of 1962 to improve the administration, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-259. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a report on the status of the pilot barter program; to the Committee on Agriculture, Nutrition, and Forestry.

EC-260. A communication from the Executive Associate Director of the Office of Management and Budget, transmitting, pursuant to law, a report on the appropriation to the Veterans Administration for "Compensation and Pensions"; to the Committee on Appropriations.

EC-261. A communication from the President of the United States, transmitting, pursuant to law, a report on the results of consultations among North Atlantic Treaty Organization member nations concerning the organization's chemical deterrent posture; to the Committee on Armed Services.

EC-262. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the advantages and disadvantages of establishing a Centralized Civilian Acquisition Agency to be placed either inside or outside the Department of Defense; to the Committee on Armed Services.

EC-263. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on loan, guarantee, and insurance transactions supported by Eximbank during September 1986 to Communist countries; to the Committee on Banking, Housing, and Urban Affairs.

EC-264. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the Department's Interim Annual Report on the Neighborhood Development Demonstration Program; to the Committee on Banking, Housing, and Urban Affairs.

EC-265. A communication from the Secretary of the Department of Housing and Urban Development, transmitting, pursuant to law, a report on the Department's system of promulgating requirements for its assistance programs and changes to those requirements; to the Committee on Banking, Housing, and Urban Affairs.

EC-266. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, a report regarding increased retirement costs for fiscal years 1988-1992; to the Committee on Commerce, Science, and Transportation.

EC-267. A communication from the Director of the Department of the Interior, transmitting, pursuant to law, a report on the Department's Public Lands Day activities for 1986; to the Committee on Energy and Natural Resources.

EC-268. A communication from the Deputy Associate Director for Royalty Management of the Department of the Interior, transmitting, pursuant to law, a report regarding the refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC-269. A communication from the Deputy Associate Director for Royalty Management of the Department of the Interior, transmitting, pursuant to law, a report regarding the refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC-270. A communication from the Secretary of Commerce, transmitting, pursuant to law, an evaluation of the U.S. renewable energy industry; to the Committee on Energy and Natural Resources.

EC-271. A communication from the Chairman of the Advisory Committee on Reactor Safeguards, Nuclear Regulatory Commission, transmitting, pursuant to law, a request with respect to the annual report on the Safety Research Program of the Nuclear Regulatory Commission; to the Committee on Environment and Public Works.

EC-272. A communication from the Chairperson of the United States Architectural and Transportation Barriers Compliance Board, transmitting, pursuant to law, a report on the Board's system of internal controls and accounting procedures; to the Committee on Governmental Affairs.

EC-273. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes; to the Committee on Environment and Public Works.

EC-274. A communication from the Secretary of Transportation, transmitting drafts of proposed legislation entitled the "Essential Highway Reauthorization Amendments of 1987", the "Highway Safety Act of 1987", and the "Highway Revenue Act of 1987"; to the Committee on Environment and Public Works.

EC-275. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the interim report of the Disability Advisory Council; to the Committee on Finance.

EC-276. A communication from the Fiscal Assistant Secretary of the Treasury, transmitting, pursuant to law, the Statement of Liabilities and Other Financial Commitments of the United States Government as of September 30, 1986; to the Committee on Finance.

EC-277. A communication from the President of the United States, transmitting, pursuant to law, notice of his intention to withdraw Romania and Nicaragua and suspend Paraguay from the list of beneficiary developing countries under the Generalized System of Preferences; to the Committee on Finance.

EC-278. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the United States Government annual report for fiscal year 1986; to the Committee on Finance.

EC-279. A communication from the Secretary of Commerce, transmitting, pursuant to law, the statistical report on average annual amounts of imports of strategic and critical materials from member and observer countries of the Council for Mutual Economic Assistance; to the Committee on Foreign Relations.

EC-280. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to January 8, 1987; to the Committee on Foreign Relations.

EC-281. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, a report on the Presidential determination authorizing the furnishing of up to $15 million in emergency military assistance to the Government of Chad; to the Committee on Foreign Relations.

EC-282. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the implementation of the FY 1987 security assistance program; to the Committee on Foreign Relations.

EC-283. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, a travel advisory recently issued by the Department for Sudan; to the Committee on Foreign Relations.

EC-284. A communication from the Chairman pro tempore of the Council of the District of Columbia, transmitting, pursuant to law, the copies of D.C. Act 6-216 adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-285. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, the copies of D.C. Act 6-217 adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-286. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-212 adopted by the Council on September 23, 1986; to the Committee on Governmental Affairs.

EC-287. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-211 adopted by the Council on September 23, 1986; to the Committee on Governmental Affairs.

EC-288. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-210, adopted by the Council on September 23, 1986; to the Committee on Governmental Affairs.

EC-289. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-208, adopted by the Council on September 23, 1986; to the Committee on Governmental Affairs.

EC-290. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-209, adopted by the Council on September 23, 1986; to the Committee on Governmental Affairs.

EC-291. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-218, adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-292. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-236, adopted by the Council on November 5, 1986; to the Committee on Governmental Affairs.

EC-293. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-237, adopted by the Council on November 5, 1986; to the Committee on Governmental Affairs.

EC-294. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-234, adopted by the Council on November 5, 1986; to the Committee on Governmental Affairs.

EC-295. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-239, adopted by the Council on November 18, 1986; to the Committee on Governmental Affairs.

EC-296. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-229, adopted by the Council on November 18, 1986; to the Committee on Governmental Affairs.

EC-297. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-225, adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-298. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-235, adopted by the Council on November 5, 1986; to the Committee on Governmental Affairs.

EC-299. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-230, adopted by the Council on November 5, 1986; to the Committee on Governmental Affairs.

EC-300. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-227, adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-301. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-224, adopted by the Council on October 21, 1986; to the Committee on Governmental Affairs.

EC-302. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-238, adopted by the Council on November 18, 1986; to the Committee on Governmental Affairs.

EC-303. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-223, adopted by the Council on October 21, 1986; to the Committee on Governmental Affairs.

EC-304. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-222, adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-305. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-233, adopted by the Council on November 5, 1986; to the Committee on Governmental Affairs.

EC-306. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-232, adopted by the Council on November 5, 1986; to the Committee on Governmental Affairs.

EC-307. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-231, adopted by the Council on November 5, 1986; to the Committee on Governmental Affairs.

EC-308. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-220, adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-309. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-219, adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-310. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-221, adopted by the Council on October 7, 1986; to the Committee on Governmental Affairs.

EC-311. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-251, adopted by the Council on December 16, 1986; to the Committee on Governmental Affairs.

EC-312. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-246, adopted by the Council on November 18, 1986; to the Committee on Governmental Affairs.

EC-313. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-240, adopted by the Council on November 18, 1986; to the Committee on Governmental Affairs.

EC-314. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-241, adopted by the Council on November 18, 1986; to the Committee on Governmental Affairs.

EC-315. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-242, adopted by the Council on November 18, 1986; to the Committee on Governmental Affairs.

EC-316. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the annual report on competition; to the Committee on Governmental Affairs.

EC-317. A communication from the Administrator of the Agency for International Development, transmitting, pursuant to law, the semi-annual report of the Inspector General, Agency for International Development; to the Committee on Governmental Affairs.

EC-318. A communication from the Director of Selective Service, transmitting, pursuant to law, reports on the Agency's internal control evaluation program and the internal control improvements achieved during Fiscal Year 1986; to the Committee on Governmental Affairs.

EC-319. A communication from the Administrator of Veterans Affairs of the Veterans Administration, transmitting, pursuant to law, a report on the alteration of Veterans Administration records systems; to the Committee on Governmental Affairs.

EC-320. A communication from the Secretary of the U.S. Postal Rate Commission, transmitting, pursuant to law, notice of the institution of a mail classification case to consider certain issues pertaining to Plus publications; to the Committee on Governmental Affairs.

EC-321. A communication from the Acting Archivist of the United States, transmitting, pursuant to law, a report regarding problems involving the publication and preservation of acts of Congress; to the Committee on Governmental Affairs.

EC-322. A communication from the Chairman of the Board of Governors, transmitting, pursuant to law, the Board's annual report for 1986 regarding the compliance of the Board of Governors of the United States Postal Service with the requirements of the Act; to the Committee on Governmental Affairs.

EC-323. A communication from the Records Officer of the United States Postal Service, transmitting, pursuant to law, a report regarding a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-324. A communication from the Director of the National Science Foundation, transmitting, pursuant to law, a summary of performance of the Agency for the year 1986; to the Committee on Governmental Affairs.

EC-325. A communication from the Secretary of Labor transmitting, pursuant to law, a report on the Department's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-326. A communication from the Director of the Peace Corps transmitting, pursuant to law, a report on the Corps' systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-327. A communication from the Deputy Assistant to the President of the U.S. transmitting, pursuant to law, a report on the Executive Office of the President's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-328. A communication from the Chairman of the National Mediation Board transmitting, pursuant to law, a report on the Board's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-329. A communication from the Director of the Office of Personnel Management transmitting, pursuant to law, a report on OPM's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-330. A communication from the Attorney General of the U.S. transmitting, pursuant to law, a report on the Department of Justice's systems of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-331. A communication from the Chairman of the National Advisory Council on Indian Education transmitting, pursuant to law, the Council's 12th Annual Report; to the Select Committee on Indian Affairs.

EC-332. A communication from the Secretary of Education transmitting, pursuant to law, a notice of final priority for the Fund for the Improvement of the Postsecondary Education Lectures Program; to the Committee on Labor and Human Resources.

EC-333. A communication from the Director of the Office of Legislative Affairs, AID, transmitting, pursuant to law, a report on AID program allocations for fiscal year 1987; to the Committee on Foreign Relations.

EC-334. A communication from the Director of the Peace Corps transmitting, pursuant to law, the Corps' 1985 Annual Report; to the Committee on Foreign Relations.

EC-335. A communication from the Assistant Secretary of State transmitting, pursuant to law, the Presidential determination that without additional assistance to the Nicaraguan democratic resistance there is no reasonable prospect of achieving agreement, dialogue, cease-fire, or an end to certain constraints within that country; to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-1. Resolutions adopted by the Naval Reserve Association at their Thirty-third National Conference on September 20, 1986; to the Committee on Armed Services.

POM-2. A resolution adopted by the General Assembly of the State of New Jersey; to the Committee on Commerce, Science, and Transportation.

"Assembly Resolution No. 81

"Whereas, certain railway properties of railroads subject to reorganization pursuant to the 'Regional Rail Reorganization Act of 1973,' Pub. L. 93-236 (45 U.S.C. § 701 et seq.) were required to be transferred to the Consolidated Rail Corporation (Conrail) in accordance with a rail system plan; and

"Whereas, railroad properties that were either not required to be conveyed to Conrail by the Conrail system plan or could not otherwise be disposed of were simply abandoned by railroads subject to reorganization; and

"Whereas, the abandoned properties included railroad overhead bridges and underpasses which railroad companies operating in New Jersey are required by State law to construct, operate and maintain, or to contribute monies therefor; and

"Whereas, notwithstanding New Jersey law, Conrail has refused to assume responsibility for overhead bridges and underpasses involving Conrail railroad lines, as a result of which the condition of these public accessways are now in a state of serious deterioration; and

"Whereas, the congressional purpose of allowing the abandonment of certain railroad properties under the 'Regional Rail Reorganization Act of 1973' was to maximize the chance of success of the railroad reorganization; and

"Whereas, Conrail has since not only achieved full solvency but in successive years has declared operating surpluses; and

"Whereas, the Congress of the United States is now considering several proposals for the sale or other disposition of the federal government's interest in Conrail; now, therefore,

"*Be it resolved* by the General Assembly of the State of New Jersey:

"1. The United State Congress is respectfully memorialized:

"a. to require the Consolidation Rail Corporation (Conrail), created pursuant to the 'Regional Rail Reorganization Act of 1973,' Pub. L. 93-236 (45 U.S.C. § 701 et seq.), to comply with all applicable state laws on the construction, operation and maintenance of bridges and other passages for vehicular and pedestrian traffic over, under and across railroad rights-of-way; and

"b. to include as a condition of any sale or other disposition of Conrail railroad rights-of-way that the acquiring party shall be required to comply with all applicable state laws on the construction, operation and maintenance of bridges and other passages for vehicluar and pedestrian traffic over, under and across those rights-of-way.

"2. Duly authenticated copies of this resolution signed by the Speaker and attested by the Clerk of the General Assembly shall be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the Secretary of the United States Department of Transportation and each member of the Congress representing the State of New Jersey.

"STATEMENT

"This resolution memorializes the United States Congress to require the Consolidated Rail Corporation (Conrail) or any successor thereto, to comply with state laws on railroad bridge and under-pass operation, and maintenance of bridges or other passages over, under and across Conrail railroad rights-of-way, including provision of financial assistance therefor.

"TRANSPORTATION—RAILROADS

"Memorializes U.S. Congress to require Conrail, or any successor thereto, to comply with state laws on railroad bridge and under-pass maintenance."

POM-3. A concurrent resolution adopted by the Legislature of the State of Florida; to the Committee on Energy and Natural Resources:

"House Memorial No. 13

"Whereas, the Historical Commission of Palm Beach County has resolved to create the 'Lake Worth, Intracoastal, Heritage Corridor,' and

"Whereas, the purpose of the 'Lake Worth, Intracoastal, Heritage Corridor' is to serve as a vehicle to coordinate various historical society activities, to promote each society, to coordinate efforts and to promote a countywide effort to recognize the heritage and potential of the area, and

"Whereas, the 'Lake Worth, Intracoastal, Heritage Corridor' extends from the Indian and Loxahatchee River estuaries to the north, south to Lake Worth and Lake Boca Raton to the Hillsborough Canal, connected by the Intracoastal Waterway, and

"Whereas, the United States Congress has passed and President Ronald Reagan has signed legislation creating the Illinois and Michigan Canal, National Heritage Corridor which has revived a recreational and historic landmark, and

"Whereas, this federal legislation was the inspiration for the Palm Beach County Historical Commission to create the 'Lake Worth, Intracoastal, Heritage Corridor,' Now, therefore,

"*Be it Resolved* by the Legislature of the State of Florda:

"That the Congress of the United States is requested to take appropriate action to recognize the 'Lake Worth, Intracoastal, Heritage Corridor.'

"*Be it further resolved* That copies of this memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress."

POM-4. A resolution adopted by the 18th Guam Legislature; to the Committee on Energy and Natural Resources:

"Resolution No. 432 (LS) Substitute

"*Be it resolved* by the Legislature of the Territory of Guam:

"Whereas, the U.S. Department of State has directed that U.S. passports no longer be issued in Guam, effective October 1 of this year, although this service has been provided in Guam for more than thirty (30) years; and

"Whereas, the passport service in Guam was established because of the great distance to the nearest U.S. Passport Office in Honolulu, more than three thousand five hundred (3500) miles away. This is the furthest distance that any U.S. citizen is required to travel to the nearest passport office and the only possible mode of transportation from Guam is air travel, which is available at less than daily frequencies; and

"Whereas, Guam is the closest U.S. soil American service personnel, their dependents and other civilians based at U.S. facilities in the Asian Pacific basin, thereby serving as the nearest port for such persons who petition for U.S. citizenship. With the termination of the passport service in Guam, hundreds of new U.S. citizens annually will be deprived of U.S. passports with which to legally and proudly return to their foreign residence as U.S. citizens; and

"Whereas, Guam residents must present evidence of U.S. citizenship when entering Honolulu or the Commonwealth of the Northern Mariana Islands. Americans living in Guam will now be deprived of the most acceptable evidence of American citizenship, the U.S. passport; and

"Whereas, local residents, including U.S. service personnel and their dependents, travel frequently to foreign ports and must have a U.S. passport. Termination of the passport service in Guam will create a serious inconvenience to not only the civilian community, but to the estimated twenty thousand (20,000) service personnel as well; and

"Whereas, such inconvenience could well have an adverse effect on the regional air carrier, an American enterprise in stiff competition with foreign air carriers, because the amount of regional travel could be expected to drop considerably; and

"Whereas, residents of the Commonwealth of the Northern Marianas will also be similarly affected when the eighteen thousand (18,000) people there become American citizens upon termination of the United Nations trusteeship agreement; and

"Whereas, removal of Guam's passport office could adversely affect future negotiations concerning Guam's political status; now, therefore, be it

"*Resolved,* That the Eighteenth Guam Legislature, on behalf of all the residents of Guam, petition the President of the United

States to rescind the order to terminate passport service in Guam; and be it further

"*Resolved,* That the Eighteenth Guam Legislature request the U.S. Secretary of Interior to intercede on behalf of Guam to retain this important and vitally needed U.S. Government service; and be it further

"*Resolved,* That the Eighteenth Guam Legislature request from the Department of State an explanation for the order to close Guam's passport office; and be it further

"*Resolved,* That the Speaker certify to and the Legislative Secretary attest to the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States; to the U.S. Secretary of State; to the Speaker, U.S. House of Representatives; to the President, United States Senate; to Congressman Morris Udall, Chairman, Committee on Interior and Insular Affairs, U.S. House of Representatives; to Senator James McClure, Chairman, Committee on Energy and Natural Resources, United States Senate; to the National Committees of the Republican Party and the Democratic Party; to the U.S. Secretary of Interior; to Guam's Delegate to Congress, the Honorable Ben Blaz; to the U.S. Secretary of Defense; to Mr. Wayne Arny, Associate Director for National Security and International Affairs, Office of Management and Budget, and to the Governor of Guam; and be it further

"*Resolved,* That because of the urgency of the matter the Legislative Secretary is requested to seek permission to use the fax facilities of the U.S. Department of Interior in the PDN Building to transmit copies to all off-island addresses."

POM-5. A resolution adopted by the Common Council of the city of Greenfield, WI, favoring the passage of the Clean Water Act; to the Committee on Foreign Relations.

POM-6. A resolution adopted by the Orange County, CA, board of supervisors relative to the release of David Jacobsen; to the Committee on Foreign Relations.

POM-7. A resolution adopted by the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Foreign Relations.

"RESOLUTIONS MEMORIALIZING THE CONGRESS AND PRESIDENT OF THE UNITED STATES TO URGE THE SOVIET UNION TO ALLOW THE FAMILY OF MICHAEL FUCHS-RABINOVICH TO VISIT THE COMMONWEALTH OF MASSACHUSETTS FOR THE PURPOSE OF CELEBRATING THE BAR MITIZVAH OF MISHA RABINOVICH

"Whereas, the House of Representatives requests that the Soviet Union consider the fundamental right of freedom of religion which is violated by the failure of the Soviet Union to allow this family and thousands of other Jewish and Christian families to practice their religion freely and without inhibitions; and

"Whereas, the House of Representatives supports the efforts of the Anti-Defamation League, Governor Michael S. Dukakis, U.S. Senators John Kerry and Ted Kennedy, the Office of Bernard Cardinal Law and numerous other public, political and religious leaders who wish to see that this family be allowed to celebrate this Bar Mitzvah at Temple Beth Elohim in Wellesley in January 1987; and

"Whereas, Misha Rabinovich is suffering from a serious asthmatic condition and could benefit greatly from medical care while he is here in Massachusetts; and

"Whereas, there are many other Jewish and Christian dissidents in the Soviet Union who wish the opportunity to emigrate, the House moves to express its solidarity in conjunction with the hunger strike of Micheal Fuchs-Rabinovich beginning December 7th, 1987; therefore be it

"*Resolved,* That the Massachusetts House of Representatives hereby urges the Government of the Soviet Union to allow the family of Michael Fuchs-Rabinovich to visit the Commonwealth of Massachusetts for the purpose of celebrating the Bar Mitzvah of Misha Rabinovich; and be it further

"*Resolved,* That copies of these resolutions be forwarded by the Clerk of the House of Representatives to the Secretary of the Communist Party of the USSR, the Soviet Ambassador to the United Nations, the United States Ambassador to the Soviet Union, the President of the United States, the Speaker of the United States House of Representatives, President of the United States Senate and the Members of the United States Congress from the Commonwealth of Massachusetts."

POM-8. A resolution adopted by the General Court of the Commonwealth of Massachusetts; to the Committee on Foreign Relations:

"RESOLUTIONS MEMORIALIZING CONGRESS AND THE PRESIDENT OF THE UNITED STATES TO CONDEMN THE SOVIET UNION AND ITS UNJUST PERSECUTION AND REPRESSION OF ITS JEWISH CITIZENS

"Whereas, the Soviet Union has the third largest Jewish population in the world with approximately two million Jews; and

"Whereas, The Jewish community in the Soviet Union is suffering systematic religious, professional, and cultural repression, persecution, and harassment at the hands of Soviet authorities including: Discriminatory entrance examinations and quota systems at academic institutions, quota systems within professions and occupations, exclusion from political office and other positions of top authority or leadership, and prohibitions against Jewish communal and social organizations; and

"Whereas, Anti-semitism is promulgated and condoned by the Soviet Government through anti-semitic publications, film, and military indoctrination programs; and

"Whereas, Jews, unlike other religious groups in the USSR, are denied the opportunity by the Soviet authorities to train clergy, to form nationwide or regional organizations, to publish religious bulletins and periodicals, or to produce ritual objects; and

"Whereas, Approximately four hundred thousand Soviet Jews have taken the first step or steps in the immigration process; and

"Whereas, Despite the recent well publicized release of Jewish dissident Anatoli Shcharanski, the number of Jews who are granted exit visas has dropped drastically in recent years from fifty-one thousand three hundred in 1979 to one thousand one-hundred and forty in 1985, and thus far this year just seventy-nine exit visas have been granted; and

"Whereas, There are over fifteen thousand refuseniks in the Soviet Union, such refuseniks being Soviet Jews who have applied for exit visas and have been denied permission to leave the country by the Soviet authorities; and

"Whereas, The Soviet Government seeks to deter Soviet Jews from submitting emigration applications by targeting refuseniks and their families for special harassment including: Sentencing them to prison, labor camps, or internal exile; repeated questioning and harassment by the authorities; dismissal from employment; forced employment at menial jobs; and revocation of academic or professional credentials; and

"Whereas, Refusenik Leonid Volvovsky applied in 1974 for an exit visa and on June 28, 1985, was arrested and placed on trial for the charge of spreading fallacious and slanderous information against the Soviet state and social arrangement; and

"Whereas, Refusenik Leonid Volvovsky was sentenced on October 18, 1985, to three years in a Soviet labor camp; and

"Whereas, Refusenik Ludmila Volvovsky, Natalia Khassing, Reuven Degtyarev, and his wife Haya-Yana Bernstein, Lev Blitzstein, Ida Nudel, and Natalia Bekhman, as well as other Soviet Jews applying for exit visas, may suffer similar treatment and persecution at the hands of Soviet authorities for their desire to leave the Soviet Union; Now, therefore be it

Resolved, That the Massachusetts House of Representatives and Senate:

"(1) That we, the members of the House of Representatives and State Senate do hereby urge the Congress and the President of the United States to condemn the Soviet Union in its unjust persecution and repression of its Jewish citizens in violation of basic human rights' principles and to implore the Soviet Government to take immediate measures to end its inhumane treatment of Soviet Jews; and

"(2) That the Congress and the President of the United States take all steps necessary to urge the Soviet Government to grant exit visas of Jews wishing to leave the Soviet Union and particularly the visas of Refuseniks Ludmila and Leonid Volvovsky, Natalia Khassing, Reuven Degtyarev, Haya-Yana Bernstein, Lev Blitzstein, Ida Nudel, and Natalia Bekhman; and

"(3) That the Congress and President of the United States notify the Soviet Government that the United States is aware of the plight of Refuseniks Ludmila and Leonid Volvovsky, Natalia Khassing, Reuven Degtyarev, Haya-Yana Bernstein, Lev Blitzstein, Ida Nudel, and Natalia Bekhman and urge that the Soviet authorities refrain from any and all reprisals against named Refuseniks and other Soviet Jews requesting exit visas; and be it further

"*Resolved,* That copies of this resolution be forwarded by the Clerk of the House of Representatives to the Secretary of the Communist Party of the USSR, the Soviet Ambassador to the United Nations, the United States Ambassador to the Soviet Union, the Speaker of the United States House of Representatives, President of the United States Senate and the Members of the United States Congress from the State of Massachusetts."

POM-9. A resolution adopted by the Council of Fairview Park, OH, favoring legislation to protect retirees' benefits under the bankruptcy laws; to the Committee on Governmental Affairs.

POM-10. A concurrent resolution adopted by the Legislature of the State of Florida; to the Committee on the Judiciary.

"HOUSE CONCURRENT RESOLUTION NO. 471

"Whereas, for three decades the State of Florida has been the stage upon which one of the greatest and most noble of human dramas has unfolded, and

"Whereas, from the very Florida soil upon which you and I tread, man has taken his first step onto the soil of another world, and

"Whereas, many of the individuals responsible for the extraordinary success of the space program are our neighbors and friends, and with pride we have personally shared in their accomplishments, and today we partake of their grief, and

"Whereas, it is this personal relationship that has carved deeper the profound anguish our citizens feel with the loss of these brave space pioneers, and

"Whereas, Francis Scobee, Mike Smith, Christa McAuliffe, Judy Resnik, Ronald McNair, Ellison Onizuka and Gregory Jarvis, the astronauts aboard the space shuttle "Challenger" on Januray 28, 1986, and Virgil I. Grissom, Edward H. White II and Roger B. Chaffee, who died aboard an Apollo spacecraft on January 27, 1967, gave their lives in the service of their country and the peaceful exploration of space, and

"Whereas, their courage and dedication were in the best tradition of the American pioneering spirit: Now, therefore, be it

"*Resolved* by the House of Representatives of the State of Florida, the Senate Concurring:

"That the State of Florida supports the designation by the Congress of the United States of 'Space Pioneers Memorial Day' to be commemorated annually on January 28, and requests the Governor of the State of Florida to issue a proclamation to observe this day annually.

"*Be it further resolved,* That copies of this resolution be dispatched to the families of the astronauts so named, the President of the United States, the Florida delegation to the United States Congress and each member of the Florida Legislature."

POM-11. A petition from citizens of Lorimor, Iowa praying for a redress of grievances; to the Committee on the Judiciary.

POM-12. A resolution adopted by the National Association of State Mine Inspection Agencies relative to responsibility for administration of mine safety laws; to the Committee on Labor and Human Resources.

POM-13. A resolution adopted by the State of Iowa Commission on Aging relative to cost of living adjustments for social security recipients; ordered to lie on the table.

POM-14. A resolution adopted by the delegation of the Vietnamese Catholic refugees in the Diocese of San Jose, CA, opposing the Convention of the U.S. Catholic Bishops and the actions of the Bishop of San Jose; ordered to lie on the table.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LEAHY:

S. 305. A bill to amend the National School Lunch Act to improve the administration of the commodity distribution program, and for other purposes.

By Mr. HEINZ:

S. 306. A bill to amend Title II of the Trade Act of 1974 to provide relief from injury caused by imports; to the Committee on Finance.

S. 307. A bill to amend the Tariff of 1930 to provide a special remedy for the artificial pricing of articles produced by nonmarket economy countries; to the Committee on Finance.

By Mr. COCHRAN:

S. 308. A bill to amend the Agricultural Act of 1949 to provide certain agricultural program adjustments for soybeans, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF SENATE RESOLUTION

The following Senate resolution was read, and referred (or acted upon), as indicated:

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. Res. 54. A resolution to congratulate the Giants; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LEAHY:

S. 305. A bill to amend the National School Lunch Act to improve the administration of the Commodity Distribution Program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

COMMODITY DISTRIBUTION PROGRAM REFORM ACT

● Mr. LEAHY. Mr. President, today I am introducing legislation that will improve the administration of the U.S. Department of Agriculture Commodity Distribution Program. While this Commodity Distribution Program provides important nutritional support for our Nation's children and other Americans in need, it has been the subject of some criticism and controversy. Claims have been made that USDA commodities are inconsistent in quality; not packaged in easily usable sizes; and are not delivered on dependable, fixed schedules. In addition, the Department of Agriculture has not had the authority to assure consistent administration of the program on the State level.

In an effort to improve the Commodity Distribution Program, this legislation would provide the proper statutory base common to other food and nutrition programs. With this statutory base, the Department of Agriculture will be able to better address the administrative deficiencies and implement necessary recommendations and changes in the Commodity Program.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Commodity Distribution Program Reform Act of 1987".

SEC. 2. FINDINGS AND DECLARATION OF POLICY.

(a) FINDINGS.—Congress finds that—

(1) the Secretary of Agriculture currently distributes various foods and agricultural commodities to Federal, State, and private agencies for use in schools, child care institutions, nonprofit summer camps for children, charitable institutions, correctional institutions, nutrition programs for the elderly, other eligible recipient agencies, and for the assistance of needy persons;

(2) the distribution of various foods and commodities by the Secretary is authorized by a variety of laws, including section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes" (7 U.S.C. 612c), section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note), section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), sections 6 and 17(b) of the National School Lunch Act (42 U.S.C. 1755 and 1766(b)), section 311 of the Older Americans Act of 1965 (42 U.S.C. 5179), and section 409 of the Disaster Relief Act of 1965 (42 U.S.C. 3030a);

(3) the distribution of commodities authorized by such laws is an important part of the mission of the Secretary; and

(4) the distribution of commodities is inextricably linked to the agricultural support programs administered by the Secretary.

(b) DECLARATION OF POLICY.—It is the policy of Congress—

(1) to support the commodity distribution program as an effective means to remove surplus commodities;

(2) to provide nutritional high quality foods to recipient agencies for the assistance of needy persons;

(3) to improve the program in accordance with the findings of the "Evaluation of Alternatives to Commodity Donation in the National School Lunch Programs", and other recommendations for improvement in the administration of the commodity distribution program; and

(4) to adopt such policies as are necessary to make the commodity distribution more efficient and responsive to the eligible recipient institutions and needy persons relying on the program.

SEC. 3. COMMODITY DISTRIBUTION PROGRAM REFORMS.

Section 14 of the National School Lunch Act (42 U.S.C. 1762a) (as amended by section 4403 of the Child Nutrition Amendments of 1986 (Public Law 99-661)) is amended by adding at the end thereof the following new subsections:

"(h)(1) The Secretary shall develop specifications for commodities distributed by the Department of Agriculture that will assure products of the quality, size, and form that is most useful to eligible recipient agencies, taking into account the duty of the Secretary to remove surplus stocks of the Commodity Credit Corporation.

"(2) The Secretary shall, to the extent practicable, make food items available in optional package sizes and forms.

"(3) The Secretary shall make available the product specifications to State agencies and eligible recipient agencies.

"(4) The Secretary shall develop and implement an ongoing field testing program for present and anticipated commodity purchases to test product acceptability with program participants. Test results shall be taken into consideration in deciding which commodities, and in what form those commodities, should be provided to recipient agencies.

"(i) Food items and commodities distributed by the Secretary shall, to the maximum extent practical, be consistent with the dietary guidelines published by the Secretary of Agriculture and the Secretary of Health and Human Services.

"(j)(1) Commodities distributed to eligible recipient agencies that are not found to be in good condition shall be replaced. On receiving a commodity that is not in good condition, a recipient agency shall expeditiously notify the State agency of such condition. The State agency shall take all necessary steps to ensure that such commodity is expeditiously replaced.

"(2) The Secretary shall establish procedures governing the handling of commodity items that are not in good condition when received by recipient agencies.

"(3) The Secretary shall establish a system to monitor the age and condition of commodities that are stored by the Secretary, to assure acceptable quality.

"(k)(1) The Secretary shall establish schedules for the distribution of commodities and products consistent with the needs of eligible recipient agencies, taking into account the duty of the Secretary to remove suplus stocks of the Commodity Credit Corporation.

"(2) The Secretary shall monitor the delivery systems used by State agencies and require State agencies to implement an effective delivery system for the intrastate delivery of donated commodities and products. The Secretary shall establish a value of donated commodities and products to be used by State agencies in the allocation or charging of commodities against entitlements.

"(l) The Secretary shall distribute to all recipient agencies suggested recipes for the use of donated commodities and products. Such recipe cards shall be updated on a regular basis to take into consideration changes in the dietary guidelines and the commodities that are distributed.

"(m) The Secretary shall issue such regulations as are necessary to carry out this section, including regulations concerning—

"(1) approval of reasonable intrastate fees that are charged local recipient agencies;

"(2) performance standards;

"(3) procedures for commodity allocations;

"(4) delivery schedules; and

"(5) procedures for local recipient agencies to return commodities delivered not in conformity with product specifications of the Secretary.

"(n) The Secretary shall take such actions as are necessary to assure that regional offices of the Department of Agriculture interpret policies and regulations uniformly across the United States.".

SEC. 4. EFFECTIVE DATE.

This Act, and the amendment made by this Act, shall become effective July 1, 1987.●

By Mr. HEINZ:

S. 306. A bill to amend title II of the Trade Act of 1974 to provide relief from injury caused by imports: to the Committee on Finance.

RELIEF FROM INJURY CAUSED BY IMPORTS

Mr. HEINZ. Mr. President, this bill is a revised version of legislation I first introduced in 1983, entitled the Industrial Revitalization Act. It is identical to title III of S. 1860 of the 99th Congress, introduced on November 20, 1985. This bill and the versions that preceded it were prompted by continuing and growing dissatisfaction in both the Government and the private sector with the operation of the so-called escape clause import relief process, section 201 of the Trade Act of 1974.

That provision was designed to embody in U.S law the concepts contained in article XIX of the GATT which provide for temporary import relief in the face of injury caused by imports. The purpose of such relief is ostensibly to permit a more orderly adjustment to new competitive conditions.

In fact, the operation of current law has proved unsatisfactory from virtually everyone's perspective. In the 11 years since the Trade Act of 1974 was enacted, there have been some 56 escape clause cases concluded, with the International Trade Commission [ITC] finding injury and recommending relief in something less than half of them. In all those cases only two industries, domestic motorcycles and cedar shakes and shingles, have received substantially the relief recommended by the Commission. The motorcycle case, incidentally, appears to be a success story, which has influenced the thinking of a number of us studying the problem of industry adjustment to import competition.

In most other cases that went to the President, import relief was either denied completely, as in footwear and copper most recently or provided only in part, as in specialty steel in 1983 and footwear in 1977, to cite two notable cases. In virtually every one of those cases of partial action, the relief has proved to be ineffective, and the domestic industry has concluded the relief period without major improvement in its condition.

In the face of these facts, administrations running the program have tended to conclude it does not produce meaningful adjustment and that the industry in question, not to mention consumers, would be better off simply allowing the market to work its will. Industry in response has pointed out that the Government has rarely granted the full measure of relief determined by the Commission to be necessary, and thus it is no surprise the domestic industry has been unable to meet its targets. A classic example of this problem occurred in the domestic footwear industry in 1977 when President Carter elected to negotiate orderly marketing agreements with Korea and Taiwan instead of imposing the global restraints recommended by the ITC. What happened over the next 4 years was that imports surged from other countries, in some cases because Taiwanese producers shifted locations to other Asian nations. As a result, the industry did not have the umbrella of protection needed to organize its competitive counterattack and was therefore back before the ITC in 1984 and 1985 seeking relief again.

Of course one can argue in this case as well as others that the domestic industry had no hope of becoming competitive anyway. I do not accept that argument in this case, but even if one did, two other facts remain:

The major case in which full relief was granted appears to be having a more positive outcome, suggesting that industries can adjust to meet new competitive conditions if given the proper environment.

Even if restoration of competitiveness is not to be, time to adjust to the new size and shape of the industry in an orderly manner is still needed. That, indeed, was the intent of article XIX. Firms may close and production may cease, but workers do not disappear. They, their families, and their needs remain, imposing a major cost on State, Federal, and local government in the absence of some meaningful adjustment process.

Therefore, in my judgment, regardless of economists' assessments of an industry's chances for resuscitation, temporary import relief is appropriate to provide just such an opportunity or, at minimum, to provide time for phasing down the industry.

Unfortunately, that time is unlikely to be provided within the framework of existing law for two reasons.

First, there is no meaningful pressure on industry to deal realistically with its problems. It is human nature to blame one's problems on external forces, and it is therefore no surprise when industries come to the Government seeking relief from imports when bad management or an unrealistic labor contract may also be part of the problem. Without an effort to deal with the other parts of the problem, however, real adjustment is not going to occur, and it is safe to say that in virtually every section 201 case that the Commission has considered, imports are not the only problem the petitioning industry has.

Second, the nature of the interagency process that sends a relief recommendation to the President guarantees a least-common-denominator product that bears little or no relationship to the true needs of the industry. If one studies the workings of the Trade Policy Committee and its subgroups, as well as other Cabinet and sub-Cabinet level groups that have been involved in the relief decisionmaking process, it is clear that in most cases agencies take consistent, predictable positions. The Departments of State, Justice, and Treasury, the Council of Economic Advisors and the Office of Management and Budget almost always oppose any relief. The Departments of Labor and Commerce more frequently support relief, and the U.S. Trade Representative searches for a middle ground. It is in searching for that middle ground that the petitioning industry suffers a fatal blow, since reaching it demands a political solution rather than an economic one. The amount of relief that the opposing agencies will acquiesce in is invariably less than the industry needs if the purpose of the act is to be fulfilled. The result is a least-common-denominator solution that produces political consensus within the administration but makes no economic sense.

Let me make clear at this point, Mr. President, that these comments apply to all three administrations that have tried to implement this law. They all have poor records of providing relief when it was warranted, and all their interagency processes have been characterized by the factors I have described. Clearly in this area ineptitude is bipartisan, not to mention eternal.

Let me also suggest, Mr. President, that this is not an abstract issue of interest only to economists. As I indicated, there are thousands of workers and thousands of jobs affected by the decisions the Government makes in these cases. The jobs may vanish but the workers do not. To the extent that we fail to deal creatively with these problems we foster tremendous economic and political problems for ourselves in the future. As I have said on other occasions, one of the purposes the escape clause process serves—embodied in its very name—is to provide a safety valve for protectionist pressures, an opportunity to provide some relief and adjustment within an orderly, legal, GATT-consistent process. The consequence of our failure to make that process work is to give people nowhere to go but here—the Congress—and nothing to ask for but protection. In particular, as my colleague from Missouri, Senator DANFORTH, has pointed out with respect to the 1985 footwear decision, if we create a legal process and an industry plays by the rules Congress has established, at considerable expense, incidentally, and then at the end of that process it gets nothing, no one should be surprised when it turns to Congress for special legislation.

Defusing those political pressures as well as the economic pressures created by our failure to deal with import-impacted industries has been the motivating force behind my efforts to develop a new approach to adjustment and the escape clause. That new approach can be summarized very simply—it relies on the creation of an explicit quid pro quo between the petitioning industry and the Government, in which the industry—labor and management—makes commitments on what it will do to adjust, and the Government in turn agrees to import relief to provide the time necessary to adjust.

I will, at the conclusion of my remarks today, provide for the RECORD some additional material that discusses in greater detail how the process in this bill would work, but at this point, Mr. President, let me say a few words about how the section 201 revisions contained in this bill would change the process.

First, the new process will be optional. Petitioning industries can elect to operate under existing law and not participate in any adjustment process. What they lose by that decision, however, is any constraint on the President's actions with respect to providing relief. In other words, if the petitioning industry is not prepared to come forward with its half of a bargain, it then has no guarantee that the administation will come forward with its part; although, as in current law, that remains a possibility.

If the petitioning industry elects to enter into the new process created by this bill, it so indicates at the time it files its section 201 petition, and that action triggers the creation of a plan development process in which representatives of labor and management in the petitioning industry join together to develop an adjustment strategy along with advisors from the Departments of Commerce and Labor, the U.S. Trade Representative, and such other agencies as the USTR deems appropriate for example, if the case involved a perishable product, the Secretary of Agriculture could be included.

That group is to study the industry, assess its chances for restoring itself to competitiveness and develop a plan for either doing so or facilitating its adjustment into other avenues or simply into a smaller, more competitive industry. This process is intended to be a consensual one between labor and management, although the process is structured to allow for conflict between the parties as well as complaint from the Government.

The plan development process is intended to conclude when the Commission votes on injury. Neither the Commission's timeframe for its work nor the standard of injury that it must find are altered by this bill. The plan development process is not intended to influence the Commission's judgment on the injury question and in fact is not presented to the Commission until after the injury vote. If that vote is negative, of course, the process is terminated. Petitioners retain the option, after the plan development process is concluded, if not submitting it to the Commission.

It then falls to the International Trade Commission, in effect, to pass judgment on the adjustment plan at the same time it determines its remedy recommendation to the President. Since the plan will also, in all likelihood, indicate what form and amount of import relief is integral to its effective implementation, the Commission will have this additional guidance in developing its own remedy recommendation. The Commission is not required to follow the plan's recommendations in preparing its own remedy recommendation, although, obviously, its failure to do so in a material way could well influence the willingness of the petitioners to keep their commitments.

In reviewing the plan and other confidential commitments submitted by members of the industry, it is the Commission's task to determine whether it is likely to result in sufficient adjustment by the industry to be competitive in the absence of further import relief at the conclusion of the relief period. The term "competitive" is understood in the broader sense I have defined earlier. In making that judgment, which will of course include a review of the commitments labor and management have made as a part of the plan, the Commission is free to hear from interested parties, including the Government, which may choose to oppose the plan as unrealistic or impractical, among other things. Since the plan could well propose actions that involve subsequent Government approval or acquiescence, such as joint ventures for research and development, an administration's views will be of particular interest in the Commission's deliberations. As I indicated, administration representatives are also involved in the plan development process throughout and have presumably had some input at that point, although we cannot assume that every plan will be fully acceptable to everybody.

If the Commission concludes that the plan is likely to result in such sufficient adjustment, it then sends the plan to the President along with its own relief recommendation, unless the petitioning industry at that point requests that the plan not be forwarded. It might make such a request, for example, if the Commission's relief recommendation deviated so sharply from what the industry believed was necessary that it could no longer honor its commitments if that relief were approved.

If the Commission sends a plan to the President, then his options with respect to relief are somewhat narrower than if he does not receive a plan. Essentially, he must either provide the relief recommended by the Commission or substantially equivalent relief, or he must obtain authorization from Congress for any other action, or for no action. Such authorization request would be considered on a "fast-track" basis pursuant to section 151 of the Trade Act of 1974. Thus, while the President is not absolutely required to implement only the Commission's recommendation, the burden is clearly on him to make a convincing case to Congress that some lesser action, or no action, is warranted. If Congress does not authorize such lesser action or no action within 90 days, then the relief recommended by the Commission would go into effect.

This is a very important point, Mr. President, and one that benefited from considerable debate among those of us involved in the development of this bill. We are reluctant to tie the President's hands absolutely, and the bill does not do that. On the other hand, we believe this system will only operate effectively if there is a true quid pro quo; that is, industry will only enter into it if it has a realistic expectation of some constructive outcome at the end of the process. Regrettably, as I have detailed, the administration of this statute in the past provides no grounds for such expectations. Therefore, we have concluded that some modest limitations on the President's authority is necessary. If the President insists on a more modest course of action than that recommended by the Commission, then it is appropriate that Congress have some role in that decision, which is why we have included that in the process.

It is also worth noting that the President has available to him a somewhat broader menu of remedies than those available under current law. They include a limited antitrust exemption for joint ventures and mergers, accelerated antidumping or countervailing duty cases if unfair trade practices are involved, in which the Commission's finding in the 201 case would constitute the injury finding and the time for the dumping or subsidy finding would be shortened by 45 days, and proceeding with multilateral negotiations in those situations where a depressed world market, for example, is the problem, and it cannot be addressed successfully unilaterally. Of course, in the latter case, the bill provides some limitations on the extent to which mere negotiations could be considered a substantially equivalent alternative to the Commission's recommendation. In addition, the President could propose other legislation necessary to implement various elements of the plan, which would be considered by Congress on a fast-track basis.

These additional remedies are intended not simply to give the President more options for their own sake, but rather to permit him to take a range of actions that fit the plan that has been developed and which are appropriate to the situation in which the industry finds itself. If unfair trade practices are an important part of the problem, the accelerated dumping remedy might be appropriate. If a leaner, healthier industry is the objective, some merger activity taking into account global competition beyond the constraints of current antitrust law may be proper. These remedies, of course, are not mutually exclusive. They may also be implemented in combination with each other and with the traditional import relief remedies available now. Indeed, in most cases, the most appropriate action would be a combination of remedies.

Subsequent to the President's decision, there is a plan monitoring process established, which could lead to the termination of relief if labor or management do not honor the commitments they have made. Those commitments, incidentally, are both contained in the plan and collected separately, and confidentially, by the Commission, so it has a clear and comprehensive picture of what will actually happen once relief is granted and the adjustment process gets underway.

The legislation also contains a number of other reforms of current law, including a special fast-track for perishable products similar to that which appears in the Caribbean basin legislation; a procedure for early, temporary relief in the case of critical circumstances in the industry; and an expansion of the Commission's role with respect to studying the likely impact of the proposed relief on the economy before it is granted, and the actual impact of the relief as the plan process continues on.

Finally, Mr. President, let me say a word about the tone of the process. In my earlier bills I envisioned a cooperative, consensual process in which all parties would work together objectively for the good of an industry that no doubt found itself in very difficult circumstances. These earlier approaches were criticized for not building in adequate safeguards against the possibility that the plan development process might not move forward in good faith—that the administration might seek to block all the plans so the President would not be constrained in his decision, or that industry or labor would attempt to construct a plan with minimal or unrealistic commitments in order to obtain import relief for "free."

I continue to believe those things are not going to happen. This process is not short, and it is not cheap. Industries are not going to enter into it lightly, and I am confident all parties will take the process seriously. Nevertheless, I believe that, thanks to the input of many of my colleagues, this version of the bill contains more than adequate safeguards against bad faith possibilities, primarily through the device of having the Commission pass judgment on the plan. If it is manifestly inadequate, I have no doubt that the Commission will see that and make the appropriate conclusion. At the same time, if the administration is unhappy with the outcome, despite the fact that it has participated in its development, it will have ample opportunity to make that case to the Commission, and I have no doubt it will have a significant impact. Beyond this, analysts of the bill will find it lacking in a detailed description of precisely how the plan development process is to work and what the assessment and strategy are to contain. In part this is because industries differ significantly, and it is impossible to specify criteria that can be appropriate and applicable in every case. It is also because I deliberately want to provide the participants with some flexibility to feel their own way in this process. It is a new concept, and too much regulatory overkill will prevent it from obtaining both the objectivity and creativity of approach it needs to succeed.

With respect to the concept, I want to make clear that it is not, in any normal meaning of the term, industrial policy. As most people understand that term, it involves the Government essentially passing judgment on industries—picking winners and losers and then adopting policies to make its judgments realities. This process is different. It is based entirely on an industry identifying itself as having problems and coming to the Government in search of help. The Government has not sought it out; rather the reverse has occurred. In that situation, it is not inappropriate, in my judgment, for the Government to offer help only in return for a commitment from the industry, to help itself. That commitment, moreover, is developed by the industry, not by the Government. Thus the initiation of the process, the conceptualization of the actions necessary, and the bulk of the implementation all lie with the industry, not the Government. If anything, that is the antithesis of industrial policy.

Mr. President, this bill represents a bold step, and I suspect some of our colleagues will not be ready for it. I readily admit that my perspective on this problem has been influenced by the fact that I represent a large State with a wide variety of industrial problems. Virtually every industry that has sought escape clause relief in the past has a presence in Pennsylvania. I have been involved in a number of these cases and have been studying these problems as long as I have served in the Congress. Those of us from industrial States have a good understanding of the kinds of problems that industries likely to use this statute face, and I believe that the new process this bill proposes will significantly enhance the effectiveness of the remedies provided under the law. As the debate proceeds, I think we will find that other Members exposed to the range of import problems now impacting our manufacturing sector will support this kind of legislation. I hope that Senators who have the luxury of representing States where this is less an issue will listen carefully to the many voices of often bitter experience and support this new approach.

Mr. President, I ask that a detailed summary of the bill be printed at this point in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

RELIEF FROM INJURY CAUSED BY IMPORTS

Sections 201-203 of the Trade Act of 1974 are amended with respect to:

(a) Authority

(1) Section 202 is amended to clarify that the Trade Policy Committee is responsible for recommendations to the President on import relief. Authority to make the decision to grant relief remains with the President.

(b) Injury determination (section 201)

(1) The injury standard, imports as a "substantial cause of serious injury," to remains the same as current law.

(2) The "threat of injury" concept is expanded to include evidence of targeting, including a reduced level of R&D spending, and the entry of dumped or subsidized merchandise.

(3) In looking at domestic industry profitability, the ITC is to consider profitability of domestic production facilities.

(c) Findings and recommendations

(1) In addition to a remedy recommendation, the ITC is required to estimate the effects of the proposed remedy on consumers.

(2) The ITC is required to evaluate the effectiveness of the import relief after it has terminated.

(d) Special procedures

(1) Critical Circumstances:

(A) A procedure is established for temporary relief in the event of critical circumstances.

(B) Such relief could be revoked at any point by the President and would end automatically in the event of a negative ITC vote.

(C) Provisions for compensation authority under Section 123 of the Trade Act would apply to such relief.

(2) Perishable Commodities: A new fast track procedure is established to provide import relief for perishable commodities similar to provisions in CBI and Israel Free Trade Area legislation.

(3) Previous Affirmative Findings: Industries that received unanimous affirmative findings between 1/1/84 and 10/1/85 could, at their request, obtain an accelerated new investigation by the ITC—3 months instead of the usual 6 months.

(4) Adjustment Conditionality: An optional process is established for obtaining a quid pro quo on adjustment from industry and labor whereby:

(A) The petitioner may request the establishment of a plan development group to develop an assessment of industry problems and a strategy for enhancing competitiveness.

(B) The group will consist of representatives from industry and labor, and advisors from USTR, the Departments of Labor, and Commerce, and such other agencies USTR deems appropriate. The Administration advisors will be chaired by the representative from USTR.

(C) The plan development group will prepare an assessment and strategy on how to enhance competitiveness or promote adjustment in the industry (details specified in legislation) and submit it to the petitioners 120 days after the ITC investigation began. A month later, immediately after the ITC injury vote, the petitioners may submit the plan to the ITC. (A negative ITC vote on injury would terminate the process, as in current law.) The Commission will also obtain confidential information on how members of the industry intend to act on the assessment's recommendations; such information also to be made available to the Administration at the ITC's discretion.

(D) At the time of its remedy vote, the ITC shall also determine whether there is a reasonable expectation that the plan will lead to an industry that can be competitive without further import relief after the expiration of the relief to be provided. ("Competitive" does not necessarily mean an industry of the same size and composition as at the beginning of the case.) All interested parties, including the Administration (represented by USTR), petitioners and other representatives of the domestic industry or labor, and importers may present their views on the plan as well as the remedy question to the ITC pursuant to whatever procedures the ITC prescribes. If the ITC determines that a reasonable expectation exists, it shall forward to the plan to the President, along with its remedy recommendation, unless the petitioners ask the Commission not to forward it. (Petitioners may want to make such a request if the Commission were to recommend a remedy significantly different from the one on which the plan's assumptions and commitments are based.)

(E) In cases where a plan is forwarded to the President, if the President does not approve the ITC remedy or a remedy substantially equivalent to it, he must obtain Congressional approval, under Section 151 fast-track legislative procedures, for any other action, or a decision to take no action. If Congress does not explicitly authorize the President's proposed alternative, the ITC remedy would go into effect.

[NOTE.—In cases where a plan is not requested by petitioners, or where one is not forwarded to the President, the President would be free to deal with the industry subject to the constraints of current law, and he would not be required to obtain Congressional approval for a remedy less than that recommended by the ITC.]

(F) In cases where a plan has been prepared and commitments made, the President, in granting relief, would establish procedures for monitoring implementation and terminating or modifying relief in the event of failure by labor and industry to implement satisfactorily commitments made in the plan and confidentially submitted materials.

(e) Remedies

(1) The choice of remedies available for action by the President in addition to the tariff, quota and TAA remedies available under existing law is expanded to include:

(A) Initiation of accelerated antidumping or countervailing duty cases. ITC affirmative injury finding in the 201 case would be applied;

(B) Provision of limited antitrust exemptions for mergers or joint ventures (but not pricing agreements);

(C) Entry into multilateral negotiations to address problems not susceptible to unilateral solution, such as global oversupply or diversion of imports due to government targeting. If negotiations are not successful in one year, the President must implement the ITC-recommended relief (or substantially equivalent relief) or seek Congressional approval for an alternative action.

(2) The President would also be authorized to submit to Congress legislative proposals for achieving the plan objectives in instances where existing authority is inadequate. Such proposals would be considered under section 151 legislative fast-track procedures.

By Mr. HEINZ:

S. 307. A bill to amend the Tariff Act of 1930 to provide a special remedy for the artificial pricing of articles produced by nonmarket economy countries; to the Committee on Finance.

REMEDY FOR ARTIFICIAL PRICING OF ARTICLES PRODUCED BY NONMARKET ECONOMY COUNTRIES

Mr. HEINZ. Mr. President, for the last 7 years I have introduced legislation to address the problems of unfair trade practices by nonmarket economies. In 1984, the Senate adopted a version of my legislation, S. 1351, as an amendment to the Trade and Tariff Act of 1984, but it was subsequently dropped in conference. As a result, we continue to be faced with a problem that all concerned parties acknowledge is growing both more important and more difficult to deal with as the years pass by. I hope that this year's version will prove to be the final one, and we can, at long last, put this issue behind us.

As Senators know, both GATT rules and U.S. law have long provided standards and procedures for dealing with foreign producers and governments that engage in unfair trading practices, specifically dumping with respect to the former, and subsidies with respect to the latter. To oversimplify, dumping generally occurs when the foreign producer sells in this country at a price less than its home market price, less than its price in third country markets, or less than its cost of production. Subsidies can be either export subsidies or domestic subsidies, and the GATT Subsidies Code contains an illustrative list which is fairly comprehensive though limited by the continuing creativity of governments in inventing new ways of distorting the market system. Although there are numerous problems with the administration of these laws, some of which are addressed in other legislation I have introduced—the so-called TRAC bill (S. 1493 in the 99th Congress), the dumping and subsidy concepts accurately reflect major means of distorting the market-based trading system, and our laws against them deserve aggressive enforcement.

The fact remains, however, that these laws and GATT codes are designed to address deviations from a free market standard. It has proved difficult over the years to adapt them to cope with state-controlled economies which are, in their entirety, a deviation from the free market. To put it in practical terms, how can one determine dumping in a state-controlled economy when the producer as well as all the factors of production are controlled by the government, where the currency is not freely convertible, and prices and wages are set in such a currency by the government without any necessary reference to supply and demand? Price references are clearly of no use whatsoever, and since many nonmarkets have a history of selectively targeting export sectors to earn hard currency foreign exchange there is clear reason to suspect that increases in imports from such countries may be due to factors other than the simple operation of supply and demand.

Historically, the Government attempted to deal with this problem when a complaint was filed by looking at prices in third markets and looking at the costs of free market producers other than the United States which might be considered comparable to those of the nonmarket economy in question. These approaches foundered in the now-famous Polish golf cart case of the 1970's, where it ultimately developed that there were no third country sales, no home market sales—there are no golf courses in Poland—and no comparable third country producers. At that point, the Treasury Department, which administered the law at that time, in a fit of irrationality invented the "comparable economy" concept, in which a theoretical cost of production would be calculated in an economy judged to be comparable to that of the nonmarket. The calculation would be based on wages, costs, and prices in the third country, regardless of whether or not it actually produced the product in question. As a result the Treasury invented the cost of a fictitious golf cart in Spain, where none was manufactured, and then applied that cost to Poland, comparing it to the price of the Polish carts in the United States to determine whether or not dumping was occurring.

That this makes no sense is self-evident for at least two reasons. Determining that economies are comparable on the basis of aggregate data is notoriously unreliable and says little about differing levels of development and sophistication in specific sectors. Further, even within comparable economies, sectors can be widely divergent in levels of development. That is particularly likely in the nonmarket case, since we are often dealing with sectors that are targeted for special development for export purposes. The Poles, for example, build golf carts clearly for export purposes and have developed the industry to earn hard currency. That fact is likely both to magnify the amount of Government support the sector may have received and to make it a more sophisticated and efficient sector than that in an otherwise comparable economy.

The early forms of this legislation were developed in response to that kind of problem, but in the intervening years some additional difficulties have developed. Currently the Commerce Department has preferred using actual third country producer prices or costs where possible, but the Department has had increasing difficulty finding third country producers willing to cooperate with this kind of investigation. That is no surprise, since the producer would have to supply the U.S. Government with a great deal of obviously confidential cost and price data even though he is not a party to the case in question. Aside from the normal risks that entails, as well as the time and cost of assembling it, the third country producer is also well aware that he could be the next target of a dumping case by the domestic industry, in which event the Commerce Department would already have all the necessary information to proceed against him. As a result, more and more surrogate producers are refusing to cooperate, and the Commerce Department has moved farther and farther away from any standard of comparability in its desperate search for surrogates. Former Under Secretary of Commerce Lionel Olmer commented on this problem in his testimony on the forerunner of this bill, S. 1351, at a hearing held in 1984:

> In applying the antidumping law to NME's, we have found the present statute and regulations to be enormously burdensome and excessively complicated, in comparison to the law as applied to market economies. The results are often unpredictable and based on the commercial behavior of a producer who is not engaged in unfair trade.
>
> In enacting the current antidumping provisions in 1974, Congress recognized that home market prices in an NME cannot provide a reasonable benchmark from which dumping margins can be computed. Instead, Commerce must use a "surrogate country" methodology; i.e., we decide whether NME imports are dumped in the U.S. by comparing the NME's prices in the U.S. with prices of the same or similar merchandise sold in the home or third country markets of a surrogate market economy country that is at a level of economic development comparable to the NME. This means that we must find a surrogate country that: (1) is at a comparable level of economic development with respect to the industry at issue; (2) makes the product under investigation; and (3) is willing to cooperate in our investigation.
>
> It has proven to be extremely difficult and time consuming to find a market economy that meets all these requirements. In some cases—like chloropicrin from the People's Republic of China and montan wax from the German Democratic Republic—the product of concern is made in only a few countries, and those are not at a comparable level of economic development produce the goods concerned, there is little, if any, incentive for their producers to provide us with the detailed information we require and to allow us to verify it by examining their books and records. For example, in 1982 we persuaded Finnish carbon steel plate producers to serve as our surrogate in investigating plate from Romania. The Finns provided us information and let us verify it. Then on February 10, 1984, United States Steel Corporation filed an antidumping petition on plate from Finland, using the very same information obtained in the Romanian investigation. You can imagine how dismayed the Finns were with the results of their cooperation; and how that experience has made it difficult to find cooperative surrogates in other NME antidumping cases.

Under Secretary Olmer went on to state emphatically that the law is becoming progressively more difficult to administer with respect to nonmarket economies and that the Commerce Department supported its reform. That remains the administration's position today; indeed, this was an issue the President mentioned in his September 1985 trade speech, although details of an administration proposal in this area have not yet become public.

Given these difficulties, what kind of standard is appropriate in nonmarket economy cases? First, I would suggest several principles:

First. Nonmarket economies are as capable as free market economies of engaging in unfair trade practices, and our standard should not abandon the effort to identify and quantify.

Second. Any standard is necessarily arbitrary. Since nonmarket cost and price data is by definition unreliable, if not meaningless, there is no certain way to quantify dumping or domestic subsidies in the free market sense of the terms.

Third. A standard should be as simple to administer as possible and as certain for both producers and the domestic industry as possible. In my experience with these matters, what is worst for both parties is the sustained uncertainty in the marketplace a case provides. We should have a standard that maximizes certainty and simplicity and which is not susceptible to manipulation for political reasons.

Fourth. A standard should be fair. It is not our policy simply to exclude all nonmarket economy products from the American market. Neither can we allow them to take advantage of their command economy structure to capture market share unfairly and without regard to the dynamics of the marketplace.

Fifth. Our concept of nonmarket economy should be economic rather than political. A country is not a nonmarket economy simply because it is Communist. Neither is a Communist country inevitably and necessarily a nonmarket economy. It is in our interest to help such countries evolve toward Western economic models, and that means we should recognize the progress in that direction in some of them.

Sixth. In line with the previous principle, we should also encourage movement toward Western economic systems by including procedures in our standard for treating nonmarket economies like everyone else if they can provide data of sufficient reliability to permit it.

Taking these principles into account, the bill contains a new, more administrable standard of measurement. That is that the price of the nonmarket good in the United States would be compared to the average price of imports of the like product from the highest volume free market producer, excluding U.S. producers and those other producers who may be dumping or benefiting from subsidies. In my judgment this is a fair standard that prevents price undercutting without at the same time arbitrarily shutting all nonmarket products out of the U.S. market. It provides relative certainty and simplicity and, in my judgement and that of a number experts in this area, is eminently administrable based on shipping and customs data that is already available. The bill also provides special treatment in the exceptional situation where there are no other free market producers.

Also deleted from earlier versions is the concept of a list of nonmarket economies. The term would still be defined on the basis of economic rather than political criteria, and the nonmarket economy would be treated normally if it is able to provide sufficient and verifiable information to justify doing so. Instead of a list, the Secretary would make determinations when he sees fit to do so, probably in the context of pending petitions. Judicial review of such determinations would be precluded.

On the other hand, an addition to the bill this time involves the inclusion of a special rule for fungible products. It would permit a cost of production treatment that is probably more appropriate for those cases.

The other major change made in the bill this year is that it amends only the antidumping law and not the countervailing duty law. This change has been made to accommodate recent litigation—Continental Steel et al. versus United States—in which the court of appeals for the Federal circuit upheld the Government's position that current countervailing duty law does not apply to nonmarket economies. That case may still go to the Supreme Court, and I would not want to preempt it by legislation at this point.

In addition, in that litigation a strong argument is made not only that the law is applicable to nonmarket economies, but that certain subsidies, specifically export subsidies, are readily determinable and quantifiable just as they are in market economies. I believe this argument has merit, and, in line with our goal of treating nonmarket economies as much like free market economies as we can, if we can determine a subsidy then we ought to do so rather than to employ a standard which is admittedly arbitrary. Since a subsidy is a tool of government, it is theoretically a concept more applicable to nonmarket economies than dumping, which depends on the actions of individual producers.

Finally, amending only the dumping law solves a difficult argument over the extension of the injury test, since in the dumping context all countries receive the injury test. Were we also to amend the countervailing duty law, there would be some question about the applicability of the injury test to some countries, particularly the People's Republic of China which has not joined GATT and which has not, in the judgment of objective observers, made equivalent commitments which would warrant extension of the injury test. We insisted on such commitments from states like Israel and Mexico with whom we have historically had much closer relations, and there is no logic in not holding China to the same standard. The State Department, however, has been reluctant to do that. This year's bill obviates that debate.

As a result of this change, I should point out, the bill looks considerably different than earlier versions, since there is no need to repeat as a separate artificial pricing track all the same procedures that appear in existing law. As a result, this bill is shorter and more cleanly drafted than its predecessors.

Mr. President, this is a serious, if not well-noticed, problem which deserves prompt action—action which is overdue. I hope we will be able to move promptly on this, and I urge my colleagues to study the bill and give it their support. Mr. President, I ask that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 307

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DUMPING BY NONMARKET ECONOMY COUNTRIES.

(a) IN GENERAL.—Subsection (c) of section 773 of the Traiff Act of 1930 (19 U.S.C. 1677b) is amended to read as follows:

"(c) NONMARKET ECONOMY COUNTRIES.—

"(1) IN GENERAL. If—

"(A) the merchandise under investigation is exported from a nonmarket economy country, and

"(B) the administering authority finds that the information submitted by such country does not permit the foreign market value of the merchandise to be accurately determined under subsection (a),

the administering authority shall determine the foreign market value of the merchandise on the basis of the average price at which comparable merchandise, produced by the eligible market economy country with the largest volume of sales in the United States if the comparable merchandise is sold at arms length in the United States during the most recent period for which sufficient information is available.

"(2) NO ELIGIBLE MARKET ECONOMY PRODUCERS.—If the administering authority determines that there is no eligible market economy country, the foreign market value of the merchandise shall be the constructed value, determined in accordance with subsection (e), of comparable merchandise in any country other than a non-market economy country.".

"(3) SPECIAL RULE FOR FUNGIBLE PRODUCTS.—If the administering authority determines that the merchandise is fungible, taking into account whether it is sold by weight or volume without significant product differentiation in specifications, the foreign market value of the merchandise shall be determined from the factors of production incurred in producing the merchandise, including, but not limited to, hours of labor required, quantities of raw materials employed, amounts of energy and other utilities consumed, and representative capital cost including depreciation, which factors shall be valued from the best available evidence in a market economy or economies deemed to be appropriate by the administering authority, and to which shall be added an amount for general expenses and profit plus the cost of containers, coverings and other expenses, as required by subsection (e).

(b) NONMARKET ECONOMY COUNTRY AND ELIGIBLE MARKET ECONOMY COUNTRY DEFINED.—Section 771 of the Tariff Act of 1930 (19 U.S.C. 1677) is amended by adding at the end thereof the following new paragraphs:

"(18) NONMARKET ECONOMY COUNTRY.—

"(A) IN GENERAL.—The term 'nonmarket economy country' means any foreign country that the administering authority determines does not operate on market principles of cost or pricing structures, so that sales of merchandise in such country do not reflect the fair value of the merchandise,

"(B) FACTORS TO BE CONSIDERED.—In making determinations under paragraph (A) the administering authority shall take into account—

"(i) the extent to which the currency of the foreign country is convertible into the currency of other countries;

"(ii) the extent to which wage rates in the foreign country are determined by free bargaining between labor and management,

"(iii) the extent to which joint ventures or other investments by firms of other foreign countries are permitted in the foreign country, and

"(iv) such other factors as the administering authority considers appropriate.

"(C) DETERMINATION IN EFFECT.—

"(i) Any determination that a foreign country is a non-market economy country shall remain in effect until revoked by the administering authority.

"(ii) The administering authority may make a determination under paragraph (A) with respect to any foreign country at any time.

(D) DETERMINATIONS NOT IN ISSUE.—Any determination made by the administering authority under paragraph (A) shall not be subject to judicial review, or otherwise contested, in any investigation conducted under subtitle B.

"(19) ELIGIBLE MARKET ECONOMY COUNTRY.—The term 'eligible market economy country' means any foreign country which—

"(A) is not a nonmarket economy country,

"(B) where comparable merchandise is produced and exported, and

"(C) which the administering authority determines is appropriate for use in calculating foreign market value, taking into account factors including, but not limited to—

"(i) whether the comparable merchandise from that country is subject to an antidumping or countervailing duty order, "(ii) a suspension agreement under section 734 or 704 is in effect for such merchandise, or

"(iii) any international agreement which affects prices or level of imports is in effect for such merchandise, or

"(iv) whether the level of imports is de minimis.

"(d) SUSPENSION OF NONMARKET ECONOMY COUNTRY INVESTIGATIONS. —Section 734 of the Tariff Act of 1930 (19 U.S.C. 1673c) is amended by adding at the end thereof the following new paragraph:

"(1) SPECIAL RULE FOR NONMARKET ECONOMY COUNTRIES. —The administering authority may suspend an investigation where foreign market value is determined under Section 1677b of this title upon acceptance of an agreement with a nonmarket economy country government to restrict the volume of imports of merchandise which is the subject of investigation into the United States if the administering authority is satisfied that such agreement satisfies the requirements of subsection (d) and will prevent the suppression or undercutting of price levels of domestic products by imports of that merchandise. If the administering authority determines that an agreement accepted under this subsection no longer prevents the suppression or undercutting of domestic prices, then the provisions of subsection (i) shall be applicable.

"(e) COLLECTION OF INFORMATION.—Upon request, the Commissioner of Customs and the Commission shall provide the administering authority a copy of all public and proprietary information submitted to or obtained by them that the administering authority considers relevant to proceedings involving merchandise from nonmarket economy countries. The administering authority shall protect proprietary information obtained under this section from public disclosure, as provided in section 777.

"(f) EFFECTIVE DATES.—The amendments made by this section shall apply to investigations commenced after the date of enactment of this Act."

By Mr. COCHRAN:

S. 308. A bill to amend the Agricultural Act of 1949 to provide certain agricultural program adjustments for soybeans, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

SOYBEAN MARKETING ACT

Mr. COCHRAN. Mr. President, I rise today to advise the Senate that I am introducing the Soybean Marketing Act of 1987, which is a bill directed to the Secretary of Agriculture to implement a marketing loan program for soybeans with a loan and purchase rate of $5.02.

It is absolutely essential that we regain the export markets for agriculture which have been lost in recent years. The marketing loan program was authorized and included in the farm bill of 1985 at my request. And it has proved to be a very successful marketing tool for cotton and rice. It was authorized for other commodities as well but the Secretary of Agriculture has not seen fit to utilize it.

This bill will require the Secretary of Agriculture to implement a marketing loan program for soybeans. I think the success of the cotton and rice programs clearly indicate, Mr. President, that this is a workable program, and it will serve to increase our sales of U.S.-produced agriculture commodities in world markets.

The projections are that in the 1986-1987 crop year cotton sales will increase by 300 percent. Rice sales are 62 percent above the experience of last year. And I think everybody in the industry will agree that the reason for the success in the sales of those two commodities that are produced by our American farmers is the marketing loan program that was required by the 1985 farm bill. My suggestion is that we have seen how this program can work effectively.

We need to expand it and to extend it to the benefit of soybean producers throughout the United States.

I think it is time for us to act. The Secretary of Agriculture obviously is not going to act on his own to take advantage of this authority which he has in the 1985 farm bill.

Some have suggested that they worry about the cost of the marketing loan program. There is an up-front investment. But let me say this, Mr. President, that our experience has shown in the cotton and rice programs that as we more aggressively reclaim markets overseas and expand our market opportunities, producers from other countries reconsider their plans for planting or expanding their production. This has been true in the cotton and rice areas.

I think you can look to the decisions that have been made by Thailand in the case of rice, and Australia in the case of cotton, and find that for the first time in a long time, foreign competitors are realizing that they are going to run a big risk if they expand their production, assuming that the United States farmers will be required to cut back their production.

That is what happened under the old law.

In 1981, the Congress, in what appeared to be a wise move then, had a farm program that, over a 4-year period in the future, let everybody know throughout the world what our support price would be in every supported commodity area. So what foreign producers decided was whether or not they could make money, whether they could profitably plant cotton, rice, wheat, corn, and know that they would be able to undersell American producers and thereby claim what used to be U.S. markets.

I think that is one of the reasons why we have seen such a severe loss of export markets for U.S. agricultural commodities.

This is an export-dependent industry. Forty percent of what we produce on the farms of America is sold in the international marketplace. We are losing market share in many major commodity areas, including soybeans, wheat, corn. But in the cotton and rice commodities we are seeing an improvement in our situation, and it is because of the marketing loan program.

I suggest, Mr. President, that the Agriculture Committee as its first order of business ought to look at those parts of the 1985 farm bill which are working to help farmers to improve the outlook for profit in agriculture and let us take advantage of the experience that we are having and make that applicable to other areas.

This bill, Mr. President, will expand the program to include soybeans. I hope other Senators will review this and join as cosponsors of this bill.

One of the leading contributors to the depressed condition of farms in America is the loss of export markets for our agricultural commodities. A strong production agriculture is an essential source of wealth and strength for America, and our goal should be to maximize its contribution to the Nation's economy. This objective requires U.S. agriculture to be an effective competitor in world agricultural trade; not merely the supplier of commodities for domestic consumption.

Congress included several provisions in the Food Security Act of 1985 which can be effective in achieving our goal of a strong, production agricultural industry—one of which is referred to as the Marketing Loan Program. The Marketing Loan Program was mandatory for rice and cotton and has proven successful. I compliment the Secretary of Agriculture for his earnest and constructive efforts to implement this new program in a manner allowing it to work effectively.

The rice industry provides a good example of how a Marketing Loan Program can increase exports. U.S. exports of rice fell from 3 million metric tons in 1981 to 1.8 million in 1985. The inflexible Price Support Program in the 1981 farm bill was credited for this decline in that it allowed competing countries to easily and accurately set their prices to increase their share of world trade. Thus, the United States was forced to continue using large acreage reduction programs while foreign acreage increased. The result was that U.S. exports of rice fell 1.2 million metric tons, while Thailand rice exports increased from 2.7 million metric tons in 1980 to 4 million metric tons in 1985.

The cotton industry is seeing more impressive improvement from use of the Marketing Loan Program. In the first 2 months of operation, specific examples of positive results include: First, USDA projecting a 300-percent increase in total exports for the 1986-87 marketing year; second, U.S. textile mills are projected to increase consumption by 500,000 bales over last year; and third, carryover stocks are likely to be reduced by at least a fourth this year. All of this activity can be attributed to use of the Marketing Loan Program which allows U.S. cotton to effectively compete with any country on an equal basis regardless of their pricing system. While all commodities are not likely to experience the same rate of export response, due to differing worldwide conditions, I believe positive impacts are achievable for the soybean industry because the Marketing Loan Program allows the United States the flexibility to match competing countries pricing policies. The signal of success of the marketing loan for soybeans will be reflected in world planting decisions and corresponding adjustments in supply.

The cost of regaining lost export markets must be weighed against the benefits generated in terms of stability to the national economy in general, and the agricultural economy in particular. Furthermore, the cost of any market enhancement program will depend on the price at which commodities are traded in world markets. Since implementation of the Marketing Loan Program for rice and cotton, we have seen progressive increases in the world price of these commodities. As competing countries assess the risk of marketing increased levels of production under conditions of greater price uncertainty, we will see a reduction in their acreage. There are two consequences which result: First, the United States will regain its fair share of world trade; and second, as total world surplus is brought more in line with total world demand, commodity prices will increase and reduce the cost of the program.

Agriculture is lagging behind other segments of our economy and additional measures are necessary to restore this industry's economic stability. I believe the most effective action available to us today in the soybean industry is implementation of a Marketing Loan Program.

Mr. President, I urge my colleagues to support this bill as our best hope for restoring prosperity on the farms of the United States.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill and a copy of the bill itself be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 308

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Soybean Marketing Act of 1987".

SEC. 2. SUPPORT PRICES FOR SOYBEANS.

Effective only for each of the 1987 through 1990 crops of soybeans, section 210(i) of the Agricultural Act of 1949 (7 U.S.C. 1446(i)) is amended—

(1) in paragraph (1)—

(A) by striking out "the 1986 and 1987" and inserting in lieu thereof "each of the 1986 through 1990"; and

(B) by striking out subparagraph (C);

(2) by striking out paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

SEC. 3. MARKETING LOANS.

Effective only for the 1987 through 1990 crops of soybeans, section 201(i)(2) of such Act (as redesignated by section 2(3) of this Act) is further amended—

(1) by striking out subparagraph (A) and inserting in lieu thereof the following new subparagraph:

"(A) The Secretary shall permit a producer to repay a loan made under this subsection for a crop at a level that is the lesser of—

"(i) the loan level determined for such crop; or

"(ii) the higher of—

"(I) the loan level determined for such crop multiplied by 50 percent for the 1987 crop, 60 percent for the 1988 crop, and 70 percent for each of the 1989 and 1990 crops; or

"(II) the prevailing world market price for soybeans, as determined by the Secretary.";

(2) in subparagraph (B), by striking out "If the Secretary makes the determination described in subparagraph (A), the" and inserting in lieu thereof "The"; and

(3) by adding at the end thereof the following new subparagraph:

"(C) Whenever a producer is permitted to repay a loan for a crop of soybeans under this subsection at a level that is less than the full amount of the loan, the Secretary shall support the price of each oilseed at such level as the Secretary determines will cause the oilseed to compete on equal terms on the market.".

SEC. 4. LOAN DEFICIENCY PAYMENTS.

Effective only for the 1987 through 1990 crops of soybeans, section 201(i) of such Act (7 U.S.C. 1444e(i)) (as amended by sections 2(3) and 3 of this Act) is further amended by inserting after paragraph (2) the following new paragraph:

"(3)(A) The Secretary shall, for each of the 1987 through 1990 crops of soybeans, make payments available to producers who, although eligible to obtain a loan or purchase agreement under paragraph (1), agree to forgo obtaining such loan or agreement in return for such payments.

"(B) A payment under this paragraph shall be computed by multiplying—

"(i) the loan payment rate; by

"(ii) the quantity of soybeans the producer is eligible to place under loan.

"(C) For purposes of this paragraph, the loan payment rate shall be the amount by which—

"(i) the loan level determined for such crop under paragraph (1); exceeds

"(ii) the level at which a loan may be repaid under paragraph (2).".

SECTION-BY-SECTION ANALYSIS

Section 2 amends the Agricultural Act of 1949 to mandate the loan and purchase rate for the 1987 through 1990 soybean crops be set at $5.02.

Section 3 amends the Agricultural Act of 1949 to mandate implementation of a "Marketing Loan Program" for Soybeans (crop years 1987 through 1990) with an established minimum loan repayment rate (50% in 1987, 60% in 1988, and 70% in 1989 and 1990).

Section 4 amends the Agricultural Act of 1949 to mandate the use of the "Loan Deficiency" payment for production otherwise eligible for a nonrecourse loan for Soybeans.

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. BOREN, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

S. 38

At the request of Mr. MOYNIHAN, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 38, a bill to increase the authorization of appropriation for the Magnet School Program for fiscal year 1987 to meet the growing needs of existing Magnet School Programs, and for the establishment of new Magnet School Programs.

S. 85

At the request of Mr. JOHNSTON, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 85, a bill to amend the Powerplant and Industrial Fuel Use Act of 1978 to repeal the end use constraints on natural gas, and to amend the Natural Gas Policy Act of 1978 to repeal the incremental pricing requirements.

SENATE RESOLUTION 54—TO CONGRATULATE THE GIANTS

Mr. LAUTENBERG (for himself and Mr. BRADLEY) submitted the following resolution; which was considered and agreed to:

S. RES. 54

Whereas the Giants have, in resounding fashion, become the National Football Conference champions;

Whereas the Giants have dominated professional football this season, compiling a record of 16 wins and 2 losses;

Whereas the Giants will be playing in their first Super Bowl;

Whereas the Giants have not been to a National Football League championship since 1963;

Whereas the Giants have made their home in East Rutherford, New Jersey, since 1976;

Whereas New Jersey boy Bill Parcells coached the Giants to victory and in the process has worn more Gatorade than most people drink;

Whereas New Jerseyans Lawrence Taylor, Phil Simms and Joe Morris, and the rest of the Giants have distinguished themselves for their high quality of play all season long;

Whereas the Giants have many loyal fans throughout the States of New Jersey, New York and Connecticut, as well as many others: Now, therefore, be it

Resolved, That the Senate of the United States joins with Giant fans throughout the New Jersey, New York, Connecticut, and the nation in honoring the Giants for their championship season, and wish them well in the upcoming Super Bowl.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NUTURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources.

The hearing will take place Thursday, January 22, 1987, 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of this hearing is to receive testimony concerning the world oil outlook. The witnesses will be the Honorable James Schlesinger and the Honorable James E. Akins.

For further information, please contact Betsy Moler, senior counsel to the committee, at (202) 224-0612.

ADDITIONAL STATEMENTS

S. 21—THE SERVICE SECTOR DATA COLLECTION ACT OF 1987

● Mr. MOYNIHAN. Mr. President, S. 21—the Service Sector Data Collection Act of 1987 is of utmost importance to our understanding of the U.S. economy. The bill would require improved data collection of the service sector which, considering its growing dominance in the U.S. economy, is inadequately measured.

The service sector includes the services industry; finance, insurance and real estate; wholesale and retail trade; government; and transportation, communications and utilities. The service industry—a subset of the service sector—includes such fields as hotels, automotive repair, motion pictures, health services, business services, legal services and private education.

By contrast, the goods producing sector generally includes manufacturing, mining, and construction. Agriculture, forestry, and fishing are also sometimes grouped in the goods producing sector, but are more frequently treated as a separate category.

The service sector dominates the U.S. economy as it accounted for 69 percent of GNP and 75 percent of employment in 1985.

The service sector is also the fastest growing sector in the economy and is providing the greatest number of new jobs. From 1960 to 1985 the service sectors' share of employment has risen from 62 percent to 75 percent. From January 1980 to May 1986 almost 90 percent of the 9.2 million jobs created were in the service sector.

In addition, service sector trade now accounts for 25 percent of world trade, with the United States holding the largest share of services trade—21 percent in 1983.

And at a time when the United States is running record merchandise trade deficits—$148 billion in 1985—U.S. trade in services ran a $21 billion surplus.

Trade in services is also one of the key issues on the agenda of the new round of GATT talks.

However, despite the fact that the service sector dominates the U.S. economy, detailed information on services is lacking and available information is often inaccurate.

For example, a September 10, 1986 Office of Technology Assessment [OTA] report found that trade in services was $51 billion in surplus over the years 1982 to 1984—three times the official Federal Government figure.

And while the Federal Government collects trade statistics for about 10,000 categories of goods, it does so for only 40 categories of services.

As employment in the United States shifts substantially from the goods sector to the service sector, there is a major debate as to the desirability of that shift—that is, the quality of these new service jobs.

Some analysts claim that as employment shifts toward services, good jobs are being lost in exchange for inferior ones. A recent study prepared for the Joint Economic Committee finds that 58 percent of all net new employment between 1979 and 1984 paid annual wages of less than $7,000, compared with 20 percent during the period from 1973 to 1979.

Others argue that we are moving in the direction of promising skilled managerial and technical job opportunities. The question remains: Are we cooking each other's hamburgers and taking in each other's laundry or are we providing services in areas of U.S. international competitive advantage like banking and insurance?

I believe that we must study the service sector at least as carefully as the goods sector in order to fully understand the constant change that is characteristic of our economy and the ramifications of that change. After all, one can't know about a problem, much less do anything about it, until one learns to measure it.

The OTA report found that substantial improvements in data collection were possible at little or no additional cost—requiring as few as 2 person-years of effort to make significant progress.

My bill would direct the President to collect and disseminate information on service sector economic activity that is at least as complete and timely as information on the goods sector of the economy.

The Secretary of Commerce would be required to issue a new benchmark survey of unaffiliated service transactions including banking, computer software, brokerage, transportation, travel, tourism, engineering, and construction services. He would also be required to develop an index of leading indicators which includes measurement of service sector activity in more direct proportion to the service contribution to GNP.

Finally, the Bureau of Economic Analysis, the Census Bureau, and the Bureau of Labor Statistics would be directed to develop and implement a program to collect and disseminate a broader base of monthly information on the service sector.

My proposal would greatly enhance our data collection in a vital sector that has long been neglected and I urge my colleagues to support this legislation.

EDWARD T. HOAK TO BE HONORED BY AMERICAN LEGION

● Mr. SPECTER. Mr. President, I want to bring to the attention of my Senate colleagues the distinguished career of Mr. Edward T. Hoak, who is to be honored at an American Legion dinner this month.

Born in Westmoreland County, PA, Ed Hoak is a World War II Army veteran and for the past 23 years has served as the State adjutant of the Commonwealth's American Legion. As the chief administrator of the Legion, Pennsylvania's largest veterans organization, he has served with great dedication, as exemplified by the many distinctions he has received over the years. He was, in fact, the recipient of Pennsylvania's Meritorious Service Medal, the most coveted honor for a civilian, at the 67th State convention in Philadelphia.

For all who know him, Ed is the consummate authority on veterans' affairs in Pennsylvania. I have had the pleasure on many occasions to work with him and to benefit from his acute and comprehensive knowledge of Pennsylvania's veterans community.

It is my strong hope that Ed's testimonial dinner will encourage him to continue his exemplary service to the American Legion, Pennsylvania, and the Nation for many years to come and will be an inspiration for others to engage in such service.●

THE RULES OF PROCEDURE OF THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

● Mr. PROXMIRE. Mr. President, in accordance with paragraph 2 of rule XXVI of the Standing Rules of the Senate, I submit the "Rules of Procedure of the Committee on Banking, Housing and Urban Affairs," to be printed in the RECORD.

There have been no changes to the rules since they were last adopted by the committee on February 4, 1981, nor have there been any requests for rule changes.

The rules follow:

Rules of Procedure for the Committee on Banking, Housing, and Urban Affairs

[Adopted in executive session, Feb. 4, 1981]

RULE 1.—REGULAR MEETING DATE FOR COMMITTEE

The regular meeting day for the Committee to transact its business shall be the last Tuesday in each month, except that if the Committee has met at any time during the month prior to the last Tuesday of the month, the regular meeting of the Committee may be canceled at the discretion of the Chairman.

RULE 2.—COMMITTEE

(a) Investigations.—No investigation shall be initiated by the Committee unless the Senate for the full Committee has specifically authorized such investigation.

(b) Hearings.—No hearing of the Committee shall be scheduled outside the District of Columbia except by agreement between the chairman of the Committee and the ranking minority member of the Committee or by a majority vote of the Committee.

(c) Confidential testimony.—No confidential testimony taken or confidential material presented at an executive session of the Committee or any report of the proceedings of such executive session shall be made public either in whole or in part by way of summary, unless specifically authorized by the Chairman of the Committee and the ranking minority member of the Committee or by a majority vote of the Committee.

(d) Interrogation of witnesses.—Committee interrogation of a witness shall be conducted only by members of the Committee or such professional staff as is authorized by the Chairman or the ranking minority member of the Committee.

(e) Prior notice of mark-up sessions.—No session of the Committee or a Subcommittee for marking up any measure shall be held unless (1) each member of the Committee or the Subcommittee, as the case may be, has been notified in writing of the date, time, and place of such session at least 48 hours prior to the commencement of such session, or (2) the Chairman of the Committee or Subcommittee determines that exigent circumstances exist requiring that the session be held sooner.

(f) Prior notice of first degree amendments.—It shall not be in order for the Committee or Subcommittee to consider any amendment in the first degree proposed to any measure under consideration by the Committee or Subcommittee unless twenty written copies of such amendment have been delivered to the office of the Committee at or before 2:00 p.m. on the business day prior to the meeting. This subsection may be waived by a majority of the Members of the Committee or Subcommittee voting. This subsection shall apply only when at least 48 hours written notice of a session to mark up a measure is required to be given under subsection (e) of this rule.

(g) Cordon rule.—Whenever a bill or joint resolution repealing or amending any statute or part thereof shall be before the Committee or Subcommittee, from initial consideration in hearings through final consideration, the Clerk shall place before each member of the Committee or Subcommittee a print of the statute or the part or section thereof to be amended or repealed showing by stricken-through type, the part or parts to be omitted, and in italics, the matter proposed to be added. In addition, whenever a member of the Committee or Subcommittee offers an amendment to a bill or joint resolution under consideration, those amendments shall be presented to the Committee or Subcommittee in a like form, showing by typographical devices the effect of the proposed amendment on existing law. The requirements of this subsection may be waived when, in the opinion of the Committee or Subcommittee chairman, it is necessary to expedite the business of the Committee or Subcommittee.

RULE 3.—SUBCOMMITTEES

(a) Authorization for.—A Subcommittee of the Committee may be authorized only by the action of a majority of the Committee.

(b) Membership.—No member may be a member of more than three Subcommittees and no member may chair more than one Subcommittee. No member will receive assignment to a second Subcommittee until, in order of seniority, all members of the Committee have chosen assignments to one Subcommittee, and no member shall receive assignment to a third Subcommittee until, in order of seniority, all members have chosen assignments to two Subcommittees.

(c) Investigations.—No investigation shall be initiated by a Subcommittee unless the Senate or the full Committee has specifically authorized such investigation.

(d) Hearings.—No hearing of a Subcommittee shall be scheduled outside the District of Columbia without prior consultation with the Chairman and then only be agreement between the Chairman of the Subcommittee and the ranking minority member of the Subcommittee or by a majority vote of the Committee.

(e) Confidential testimony.—No confidential testimony taken or confidential material presented at an executive session of the Subcommittee or any report of the proceedings of such executive session shall be made public, either in whole or in part or by way of summary, unless specifically authorized by the Chairman of the Subcommittee and the ranking minority member of the Subcommittee, or by a majority vote of the Subcommittee.

(f) Interrogation of witnesses.—Subcommittee interrogation of a witness shall be conducted only by members of the Subcommittee or such professional staff as is authorized by the Chairman or the ranking minority member of the Subcommittee.

(g) Special meetings.—If at least three members of a Subcommittee desire that a special meeting of the Subcommittee be called by the Chairman of the Subcommittee, those members may file in the offices of the Committee their written request to the Chairman of the Subcommittee for that special meeting. Immediately upon the filing of the request, the Clerk of the Committee shall notify the Chairman of the Subcommittee of the filing of the request. If, within 3 calendar days after the filing of the request, the Chairman of the Subcommittee does not call the requested special meeting, to be held within 7 calendar days after the filing of the request, a majority of the members of the Subcommittee may file in the offices of the Committee their written notice that a special meeting of the Subcommittee will be held, specifying the date and hour of that special meeting. The Subcommittee shall meet on that date and hour. Immediately upon the filing of the notice, the Clerk of the Committee shall notify all members of the Subcommittee that such special meeting will be held and inform them of its date and hour. If the Chairman of the Subcommittee is not present at any regular, additional, or special meeting of the Subcommittee, the ranking member of the majority party on the Subcommittee who is present shall preside at that meeting.

(h) Voting.—No measure or matter shall be recommended from a Subcommittee to the Committee unless a majority of the Subcommittee are actually present. The vote of the Subcommittee to recommend a measure or matter to the Committee shall require the concurrence of a majority of the members of the Subcommittee voting. On Subcommittee matters other than a vote to recommend a measure or matter to the Committee no record vote shall be taken unless a majority of the Subcommittee are actually present. Any absent member of a Subcommittee may affirmatively request that his vote to recommend a measure or matter to the Committee or his vote on any such other matter on which a record vote is taken, be cast by proxy. The proxy shall be in writing and shall be sufficiently clear to identify the subject matter and to inform the Subcommittee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman of the Subcommittee any time before the record vote on the measure or matter concerned is taken, the member may withdraw a proxy previously given. All proxies shall be kept in the files of the Committee.

RULE 4.—WITNESSES

(a) Filing of statements.—Any witness appearing before the Committee or Subcommittee (including any witness representing a Government agency) must file with the Committee or Subcommittee (before noon, 24 hours preceding his appearance) 75 copies of his statement to the Committee or Subcommittee. In the event that the witness fails to file a written statement in accordance with this rule, the Chairman of the Committee or Subcommittee has the discretion to deny the witness the privilege of testifying before the Committee or Subcommittee until the witness has properly complied with the rule.

(b) Length of statements.—Written statements properly filed with the Committee or Subcommittee may be as lengthy as the witness desires and may contain such documents or other addenda as the witness feels is necessary to present properly his views to the Committee or Subcommittee. It shall be left to the discretion of the Chairman of the Committee or Subcommittee as to what portion of the documents presented to the Committee or Subcommittee shall be published in the printed transcript of the hearings.

(c) Fifteen-minute duration.—Oral statements of witnesses shall be based upon their filed statements but shall be limited to 15 minutes duration. This period may be extended at the discretion of the Chairman presiding at the hearings.

(d) Subpoena of witnesses.—Witnesses may be subpoenaed by the Chairman of the Committee or a Subcommittee with the agreement of the ranking minority member of the Committee or Subcommittee or by a majority vote of the Committee or Subcommittee.

(e) Counsel permitted.—Any witness subpoenaed by the Committee or Subcommittee to a public or executive hearing may be accompanied by counsel of his own choosing who shall be permitted, while the witness is testifying, to advise him of his legal rights.

(f) Expenses of witnesses.—No witness shall be reimbursed for his appearance at a public or executive hearing before the Committee or Subcommittee unless such reimbursement is agreed to by the Chairman and ranking minority member of the Committee or by a majority vote of the Committee.

(g) LIMITS OF QUESTIONS.—Questioning of a witness by members shall be limited to 10 minutes duration, except that if a member is unable to finish his questioning in the 10-minute period, he may be permitted further questions of the witness after all members have been given an opportunity to question the witness.

Additional opportunity to question a witness shall be limited to a duration of 10 minutes until all members have been given the opportunity of questioning the witness for a second time. This 10-minute time period per member will be continued until all members have exhausted their questions of the witness.

RULE 5.—VOTING

(a) Vote to report a measure or matter.—No measure or matter shall be reported from the Committee unless a majority of the Committee are actually present. The vote of the Committee to report a measure or matter shall require the concurrence of a majority of the members of the Committee who are present.

Any absent member may affirmatively request that his vote to report a matter be cast by proxy. The proxy shall be sufficiently clear to identify the subject matter, and to inform the Committee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman any time before the record vote on the measure or matter concerned is taken, any member may withdraw a proxy previously given. All proxies shall be kept in the files of the Committee, along with the record of the rollcall vote of the members present and voting, as an official record of the vote on the measure or matter.

(b) Vote on matters other than a report on a measure or matter.—On Committee matters other than a vote to report a measure or matter, no record vote shall be taken unless a majority of the Committee are actually present. On any such other matter, a member of the Committee may request that his vote may be cast by proxy. The proxy shall be in writing and shall be sufficiently clear to identify the subject matter, and to inform the Committee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman any time before the vote on such other matter is taken, the member may withdraw a proxy previously given. All proxies relating to such other matters shall be kept in the files of the Committee.

RULE 6.—QUORUM

No executive session of a Committee or a Subcommittee shall be called to order unless a majority of the Committee or Subcommittee, as the case may be, are actually present. Unless the Committee otherwise provides or is required by the Rules of the Senate, one member shall constitute a quorum for the receipt of evidence, the swearing of witnesses, and the taking of testimony.

RULE 7.—STAFF PRESENT ON DAIS

Only members and the Clerk of the Committee shall be permitted on the dais during public or executive hearings, except that a member may have one staff person accompany him during such public or executive hearing on the dais. If a member desires a second staff person to accompany him on the dais he must make a request to the Chairman for that purpose.●

FEDERAL-AID HIGHWAY BILL

● **MR. LUGAR.** Mr. President, one of the highest priorities of this Congress must be the swift passage of a Federal-aid highway bill. My distinguished colleague, Senator BURDICK, has placed this matter at the top of the Environment and Public Works Committee agenda and I commend him for taking decisive action.

An extended lapse in the highway program promises to have a highly negative economic impact in all regions of the country. The American Association of State Highway and Transportation Officials [AASHTO] has concluded that only about $6 billion of a potential $14 billion in obligations would actually be spent on highway projects during the current fiscal year if no bill is enacted in 1987. In Indiana alone, more than $300 million in highway spending will not take place if we do not pass a bill. That $300 million represents a lot of lost economic activity to my State. I have heard from scores of contractors who are considering laying people off or even shutting down completely for want of highway construction jobs.

I have every confidence that the Senate will pass a bill, Mr. President. I know that, with the leadership of Senator BURDICK and Senator STAFFORD, the Senate will very shortly be presented with legislation on which we can act. I strongly support their efforts. The committee's product should be as clean as possible and it is my hope the other body will follow suit so we can send a bill to the President. Highway beautification, the national speed limit and the other controversial matters which divided the conference last fall are important subjects, but they must not be allowed to dictate national transportation policy.

Every day's delay in enactment of a highway bill drives up the cost of scheduled work, pushes new projects further onto the back burner, and generally causes huge disruptions of our transportation network. Efficiency will be compromised as nonessential projects receive unexpected attention because they happen to fall in categories with sufficient carryover apportionments. There may even be cases where the public's safe enjoyment of their interstate and local highways will be at risk because necessary repairs cannot be made. Mr. President, I do not believe I am overstating the consequences we face unless we act quickly.

We need a highway bill, Mr. President, and we need it as soon as possible. If the Senate and House can sit down by the first week in February, we have an excellent chance of saving a large part of this construction season.

We also need to restore our relationship with the States. Congress continually suggests and often mandates that State government should take on more responsibility and expects them to find methods for funding. But we do not set a very good example. The Federal Government maintains the highway trust fund on behalf of the States; the money is theirs by statute. The Governors are understandably bitter that we have failed to follow through on our responsibility to return these moneys to them.

For this reason, I also advocate passage of S. 245, the Advance Construction Amendments sponsored by Senator BENTSEN and Senator BURDICK. This legislation would allow the States to let bids on all projects now, in plenty of time to start the construction season. Under S. 245, States could advance the costs of local road projects in addition to interstate projects with the promise of Federal reimbursement once a highway bill is enacted. I believe this adjustment of existing regulations would provide continuity to our highway system.

By taking these steps, Mr. President—speedy passage of the 4-year reauthorization and enactment of more liberal advance construction regulations—I believe we can put the Federal-Aid Highway Program back on track. I urge my fellow Senators to join me in support for these measures.●

SALUTE TO MERCK & CO.

● **Mr. LAUTENBERG.** Mr. President, I rise today to recognize a New Jersey company which is a world leader in the pharmaceutical industry: Merck & Co., and to commend its chief executive, P. Roy Vagelos and its employees. Recently, Fortune magazine conducted a survey of 8,200 senior corporation executives, outside directors, and financial analysts. They voted Merck the most admired company in America. Based in Rahway, NJ, Merck also rated the most admired in the categories of long-term investment value and in the ability to attract, develop, and keep talented people.

Merck's talented team is led by P. Roy Vagelos, whose scientific skills have helped propel the company to the top of the growing biotechnology industry. In the mid-1970's, Dr. Vagelos, as head of Merck's research laboratories, helped change the face of drug research. According to Fortune, Dr. Vagelos was determined "to exploit the new discoveries in medical science for pharmaceutical research. He argued that the key to developing new drugs is understanding how diseases affect the chemistry of the body. Instead of the old grind-it-up-and-test-it approach, he ordered researchers to target the biochemical reactions that a disease triggers and then devise a chemical bullet to stop them."

This strategy paid off for Merck. In the last year, the company introduced five important new products: treatments for high blood pressure, ulcers, and urinary tract infections, a powerful multipurpose antibiotic, and a genetically engineered hepatitis B vaccine. Merck is also a leader in the development of drugs to combat arthritis, glaucoma, and heart disease. Such advances in prescription drugs offer hope for the millions who suffer from debilitating health conditions.

But aside from its advances, Merck is a good place to work. The company has a reputation for drawing top scientists who contribute greatly to our growing knowledge of medicine. And Merck is one of New Jersey's most generous corporate citizens. Its employees play significant roles in State government and advisory commissions. Merck strongly supports efforts to train science and mathematics teachers by bringing teachers into its laboratories for special training, and by sending its scientists into the classrooms of public schools.

Merck clearly deserves the recognition it enjoys in the January 19, 1987, edition of Fortune. I ask that the article, "Merck Has Made Biotech Work," be printed in the RECORD.

The article follows:

MERCK HAS MADE BIOTECH WORK

(By Stuart Gannes)

Hollywood honors its stars by casting their footprints in cement. Wall Street firms put portraits of their founders in gilt frames. But at the New Jersey headquarters of Merck & Co., office corridors are lined with microscope photographs of molecules that make up the firm's blockbuster drugs. Sales of compounds whose pictures cover the walls fund the company's massive research efforts to find new candidates to memorialize. Lately Merck is running short of display space.

Chief executive P. Roy Vagelos, 57, a physician and biochemist, would have it no other way. Since taking over Merck's research labs in 1976, he has pushed the company to the front ranks of the surging biotechnology business. Just as the arrival of the computer age elevated IBM to the pinnacle of corporate stardom in the Fifties, the biotech revolution has enthroned Merck, the king of the medical molecule makers, at the summit of Fortune's list of America's most admired companies.

The flood of innovative prescription drugs from Merck's labs is the talk of the pharmaceutical industry. Drug manufacturers typically launch important new products about as often as the Navy commissions aircraft carriers. But in the past twelve months, Merck introduced five in the U.S.: treatments for hypertension, ulcers, and urinary tract infections, a powerful multipurpose antibiotic, and a genetically engineered hepatitis B vaccine. Other promising experimental drugs, including a widely hailed family of compounds that lower cholesterol in the blood, are coming down the development pipeline. "Drug companies are engines fueled by research, and right now Merck is humming on all cylinders," says longtime director John K. McKinley, former chief of Texaco.

Merck is also mesmerizing Wall Street. After boosting its dividend 13% in November 1985, the company declared a 2-for-1 stock split last May and then raised the dividend another 22% in July, to $2.20 a share. Merck's stock, the only health care-related one in the Dow Jones industrial average, jumped more than 80% last year, to $120 in late December.

Always among the most profitable drug companies, Merck is now one of the fastest growing. Revenues rose 15% in 1986 to more than $4 billion, vs. the industry average of 10%. Profits were up about 25% to $675 million. Return on equity was a steller 25% for the 12 months ended September 30, vs. a medial of 11.6% for the FORTUNE 500 in 1985. The dollar's drop helped this performance, since nearly 50% of revenues come from overseas. But Vagelos insists that the future looks even brighter than the present.

At a recent Merck presentation to security analysts, the main topic of conversation was whether the company could fully exploit its formidably rich line of new products. Says Neil B. Sweig of Prudential-Backe: "What Merck has now is what all pharmaceutical companies fantasize about—more drugs coming onto the market than the sales force can effectively handle."

Vagelos, a lean jogger and tennis player, deserves a large share of the credit. The son of Greek immigrants, Pindaros Roy Vagelos literally grew up in the shadow of Merck. As a boy he helped out at the family luncheonette in Rahway, New Jersey, six blocks from the company's headquarters. Employees often walked over for lunch, and Vagelos recalls his fascination with chemists who talked enthusiastically about the wonder drugs they were developing.

Although he resolved to make a career in medicine, Vagelos never intended to sign on with a drug company. He worked his way through the University of Pennsylvania and Columbia medical school and then won prestigious research jobs, first as a senior surgeon at the National Institutes of Health and later as head of the biological chemistry department at Washington University in St. Louis. But then Merck offered the local kid a job he couldn't refuse: senior vice president in the research division.

The family restaurant was no longer there when Vagelos returned to Rahway, but little had changed in the way the chemists did their research. It was largely a trial-and-error process. Lab technicians created thousands of compounds and then tested them to see if they produced any useful medical results. People in the industry euphemistically described the quest for new drugs as a process of discovery. Impatient investors called it a crap shoot. Inevitably every major drug company suffered new-product droughts. And in the mid-Seventies, Merck was in the middle of a sickeningly long one.

Vagelos, who combines a calm bedside manner with aggressive determination, arrived with a bold vision: to exploit the new discoveries in medical science for pharmaceutical research. He argued that the key to developing new drugs is understanding how diseases affect the chemistry of the body. Instead of the old grind-it-up-and-test-it approach, he ordered researchers to target the biochemical reactions that a disease triggers and then devise a chemical bullet to stop them.

Merck was not the only company looking for magic bullets, but it was the most committed. "We stopped doing the other kinds of research," says Vagelos. "That's not to say you cannot find another great drug by screening thousands of compounds. It was possible once, and probably is still possible. But the odds are better with the methods we have in our laboratories."

To some outsiders the odds still seemed unreasonably poor. In the early Eighties Wall Street skeptics complained that Merck was dropping its dollars down a black hole. The company was pouring hundreds of millions each year into research. And it was spending heavily to build plant capacity for drugs still in development. Analysts hoisted more red flags in 1983 when Vagelos's predecessor, John J. Horan, paid $314 million to buy a struggling Japanese pharmaceutical company. The purchase came as Merck was losing patent protection on two top-selling drugs that accounted for more than 30% of profits. The company looked like anything but a safe bet.

But Merck steadily increased its commitment to research. Already one of the least diversified pharmaceutical firms, it concentrated still further. Having sold its consumer products business—which made over-the-counter items like Sucrets throat lozenges and Calgon bubble bath—in the Seventies, Merck dumped chunks of its specialty chemicals division. Now more than 90% of revenues comes from drugs.

Partly to appease shareholders, Merck undertook a batten-down restructuring. It closed subsidiaries in half a dozen countries where returns were low. Says Vagelos: "We cut back expenses as best we could, but not the muscle. We continued to pump more money into research because we knew the new products were coming." Merck also got tough in labor relations and sweated out a four-month strike by the Oil, Chemical, and Atomic Workers union in 1984 to push through a two-tier wage structure similar to those in the airline industry. "Management really had to pay its dues," recalls director Frank T. Cary, former chairman of IBM.

By the time Vagelos became C.E.O in July 1985, the drugs coming out of his labs already were remaking Merck's image as a biotech powerhouse. "Today the transformation is complete," says Bear Stearns drug analyst Joseph P. Riccardo. "Here's a company that in 1982 had one-third of its product line as old, tired, mature items. By the end of this year those products will likely represent less than 10% of sales. Seven drugs introduced since 1982 each will account for more than $100 million in sales." The success of Vasotec, Merck's new drug to reduce hypertension, is particularly gratifying for Vagelos. In development for seven years, the compound works by blocking a chemical reaction that causes blood pressure to rise. Sales exceeded $250 million last year.

Even before Merck's research payoff was so visible, most of its competitors were moving in the same direction. But no other company—not even Genentech Inc.—has so many pieces of the biotechnology puzzle so firmly in place. Merck's research operation is among the best. Last year the company spent $460 million on R&D. Its research teams are at the leading edge of science in many fields, including biochemistry, neurology, immunology, and molecular biology. Says Pablo Valenzuela, head of research at Chiron Corp., a California biotech company that collaborated with Merck on its hepatitis B vaccine: "They're awesome. They have the resources to carry out the biggest research programs in the industry."

Merck consistently attracts and keeps top young academics. Many are drawn by the chance to work at high pay in the lavishly equipped facilities at Rahway, which some liken to a college campus in heaven. Staffers publish some 450 papers a year in scientific journals. "The whole atmosphere at Merck makes an academic scientist feel very much at home," says Richard S. Ross, Johns Hopkins University medical dean.

Hundreds of young biotech companies also promise the excitement of research projects aimed at important medical discoveries. But few start-ups can marshal the $100 million it costs to develop, test, and produce a new drug. Merck, by contrast, has nearly unlimited cash, decades of experience getting drugs through the Food and Drug Administration's approval process, and highly efficient manufacturing plants. "It's very hard to put it all together," says Vagelos. "You can build a computer in a garage. You can have a great idea for a drug. But to get the ultimate molecule takes enormous effort, and it's not going to be done in a garage."

Development is only half the story in the life of a drug. Marketing is the other half, and Merck has the largest and most intensively trained sales force. When calling on physicians, sales people carry portable lapop computers loaded with summaries of articles from medical journals about the effectiveness of various drugs. Vagelos insists that his salesmen present balanced evaluations because "that way the physician gets to trust our representatives."

Other pharmaceutical veterans can muster the resources and marketing muscle to make good on their biotech research. But none of them offer Merck's total orientation to biomedical science. Eli Lilly and Squibb also make everything from pesticides to perfume. Schering-Plough and Johnson & Johnson depend on over-the-counter health care products. Big chemical conglomerates such as Du Pont and Monsanto like biotech, but get less than 10% of their revenues from pharmaceuticals. Asks Prudential-Bache's Sweig: "How can you focus 100% on the latest developments in molecular biology when you're trying to deal with a product-tampering crisis, slumping oil sales, or the upcoming ad campaign for Coppertone?"

Because Merck needn't worry about mass merchandising or managing other businesses, it could afford to appoint a chief like Vagelos, whose business background consists of a two-week course at Harvard. He is the first to admit that the circumstances at Merck are unique: "I'm a biomedical scientist. If the board wanted to diversify, I doubt they would have chosen me. The beauty of Merck is that the head of the company can talk to the head of research, and we talk the same language."

To the surprise of some insiders—and even to members of Merck's high-powered board, which includes the chairman of TRW and former chief officers of IBM, GE, and Texaco—Vagelos also has been a quick study in the language of business. Says one director: "We were used to leaders who came up through sales or the legal side. It's fun watching a scientist like Roy dealing with these giants of industry. They ask tough questions. The thing I like is, he uses slides and a pointer at the board meetings. I feel like I'm at a very well prepared lecture." Adds Texaco's McKinley: "Roy's a good manager. He believes in planning. It's like research in the way he approaches it."

Analysts give Vagelos high marks in two other crucial areas. The first is international marketing. "We were having varied results around the world," says Vagelos. "Our products are great assets. You control them for the duration of the patent, and that has to be optimized. To get a big market share in one country and a trivial market share in another is unacceptable." Now a newly established global marketing organization is making solid gains, particularly in Japan, whose $25-billion drug market is second only to that of the U.S.

Vagelos also has been successful in propping sales of drugs whose patents have expired. When that happens, the market usually is inundated with low-cost generic products. Drug companies typically respond with deep price cuts and volume discounts for large customers. Merck steadfastly adheres to a one-price policy, even at the risk of losing big accounts. Says Vagelos: "We don't want to cut prices because we would just begin a downward spiral. Generic companies have nothing to offer but price. You can follow them down, but you'll never make it up in volume. All you do is lose your revenue faster."

Many large buyers predict that Merck will soon be forced to offer volume discounts. Says Don Holloway, who negotiates drug purchases at Humana, the Louisville-based hospital management company: "The industry is changing, and the large buying groups will have to be dealt with." For now Vagelos is relying on a less costly strategy of product differentiation. For example, new long-acting capsules have bolstered sales of the arthritis drug Indocin. Before its patents expired at the end of 1981, the product brought in $235 million a year. Security analysts estimate that 1986 Indocin sales were $200 million, a more than respectable performance.

Prolonging the life of aging mainstays like Indocin keeps investors happy. It also lets Merck spend more money on research, particularly for new drugs aimed at heart disease, cancer, and neurological disorders like Alzheimer's disease. "My excitement today is not over the products we have," says Vagelos, "but the products I know are coming. They've got to succeed because they're all rational. And the excitement permeates the company." Such optimism seems natural for Merck's idealistic leader, and for a company at the peak of success.●

NEW JERSEY'S ADMIRED COMPANIES

● Mr. LAUTENBERG. Mr. President, I should like to bring to the attention of my colleagues the January 19, 1987, edition of Fortune magazine. This issue contains the results of Fortune's annual survey of the most admired corporations in America.

Three hundred companies were ranked by 8,200 senior executives, outside directors, and financial analysts, using standards such as quality of management, quality of products or services, innovativeness, and ability to attract, develop, and keep talented people. I am happy to note that 8 of the top 10 most admired companies have operations in New Jersey: Merck & Co., No. 1; Liz Claiborne, No. 2; Boeing, No. 3; Shell Oil, No. 6; IBM, No. 7; Johnson & Johnson, No. 8; Dow Jones, No. 9; and Herman Miller, No. 10.

The pharmaceutical companies, Merck and Johnson & Johnson, have their headquarters in New Jersey. In their industry group they were rated No. 1 and 2, respectively, in the category of community and environmental responsibility.

In the field of business, recognition by one's peers is a critical factor in judging the overall success of a company. These most admired businesses have earned the respect of their competitors through their financial integrity, vision, investment in quality employees, outstanding products and services, and innovation.

I applaud these fine companies and wish them every success for continued growth.

I ask that an excerpt from this issue of Fortune be printed in the Record.

The material follows:

[From Fortune magazine, Jan. 19, 1987]

America's Most Admired Corporations

(By Edward C. Baig)

In all the first four years of Fortune's annual survey of the most admired companies in America, one corporation has reigned as No. 1. But not in the latest survey. IBM is still right up there among the top ten of 300 American companies rated by thousands of corporate officers and other experts, but it has fallen to seventh place. Big Blue is blushing a bit. "I'd much rather be first," says John Akers, IBM's chief executive, "We've gone from being perhaps too invincible to perhaps having more problems than people expected."

The new king: Merck, the New Jersey-based pharmaceutical company. Merck, fifth overall a year ago, has made news with some of the hottest new drugs on the market—including Vasotec for high blood pressure and Primaxin, an injectable antibiotic for severe bacterial infections. (For an appraisal of the strategy and future of IBM and Merck, see the following articles.)

Merck and IBM are the only companies that have appeared in the top ten in all five annual surveys. Boeing, the new No. 3, and Dow Jones, No. 9, have made the cut four straight years. Other top ten repeaters: Rubbermaid (No. 5) and J.P. Morgan (No. 4). Three companies make their first appearance at the top: Liz Claiborne, at No. 2; Shell Oil No.6; and Herman Miller, No. 10.

Competition among the elite is heating up. Exxon was squeezed out of the ten best despite a slight increase in its approval score. The oil giant is 13th, just above Coca-Cola, another dropout from last year's top ten. 3M, last year's runner-up, finds itself in 19th place this time; Procter & Gamble, No. 8 a year ago, slipped to No. 18.

The ten most admired companies have made lots of money for their stockholders. Their median return on equity for 1985 was 19.75 percent and every one bested the Fortune 500's median ROE of 11.6 percent. The most admired list's 1985 median total return to investors—stock price appreciation plus dividends—was an outstanding 49.9 percent, vs. 26.3 percent for the 500. Total return for the longer term isn't bad: The median for the top ten was 18.8 percent annually over ten years, against the 500's 17.04 percent. By contrast, total return for the ten companies on the least admired roster was dismal—a median of just 2.7 percent.

That least admired list is littered with money losers and repeaters. Seven of the bottom ten were in the red in 1985; eight out of ten have been among the botton group at least once before. And two—American Motors and Pan Am—are the antitheses of IBM and Merck: They have been among the ten least admired companies in all five surveys. Asbestos-plagued Manville is a four-time loser; Financial Corp., a savings and loan giant, has been in the botton ten three times.

LTV, BankAmerica, and Bethlehem Steel were among the least admired a year ago. And Trans World Airlines, a cellar dweller twice before, is back after a one-year absence from the survey, which is limited to the top ten companies in sales or assets for each industry. Manhattan Industries, new to the survey, and Union Carbide, new to the bottom ten, round out the list of losers. Two of last year's ten bottom fish barely escaped this time: Amax and Control Data floated up to 12th and 11th from the survey floor.

FORTUNE's corporate reputations survey ranks the ten largest companies in each of 33 industry groups that appear in the annual FORTUNE 500 and FORTUNE Service 500 directories of industrial and nonindustrial corporations. (In groups that have fewer than ten companies, fewer than ten are ranked.) The groups are based on categories established by the U.S. Office of Management and Budget. To appear in the survey, an industry group must contain at least four companies.

The latest study, which evaluates 300 companies, adds two categories to the previous list—furniture, which contained only three companies last year, and savings institutions, a split-off from the diversified financial classification. Companies are assigned to industry groups according to the business that contributed most to 1985 sales. Some umpiring is required. For example, since Trinova Corp. (formerly Libbey-Owens-Ford) did not sell off its glass business until April 1986, it is rated among building material companies rather than among industrial and farm equipment concerns, where it believes it belongs. Because Household International disposed of all its retailing operations before the start of 1986, it was eliminated from the survey.

Of the ten companies whose average point scores changed the most, only four improved. H.F. Ahmanson and Great Western Financial, both Southern California savings and loans, made the largest leaps. Largely because its profits quadrupled in 1985, Ahmanson jumped 173 places to No. 47 overall; Great Western, whose profits doubled that year, hurdled 176 places to No. 34. Increased mortgage lending, stimulated by lower interest rates, helped both S&Ls rebound from the money-losing years of the early 1980s. The two S&Ls finished first and second in the new savings institution category. A year ago, as diversified financial companies, Great Western and Ahmanson were seventh and eighth respectively.

Toymakers and vehicle manufacturers dominate the list of companies that lost the largest number of points. Hurt by a decline in popularity of some of their biggest sellers were Mattel, which makes the Masters of the Universe line, and Coleco, producer of Cabbage Patch Kids. Mack Trucks and Fruehauf skidded off the highway; GM went over a cliff, plummeting from 16th place to 109th. GM profits have sagged, Saturn small-car production has been delayed, and the company has announced that it will close nine plants and parts of two others employing some 29,000 workers in all. GM dropped in all eight attributes of reputation rated by Fortune's experts, with quality of management sinking from No. 13 a year ago to No. 153. Says David Healy, an auto analyst with Drexel Burnham Lambert: "I suppose three years ago Chief Executive Roger Smith was a hero. Today Roger Smith is a bum."

The new champion, Merck, finished first handily. It beat runner-up Liz Claiborne by 8.38 points to 8.02. Merck ranked first overall in long-term investment value and ability to attract, develop, and keep people, and finished no lower than fifth in any other attribute. "Because we're in the business of improving people's health," says P. Roy Vagelos, the M.D. who runs Merck, "our reputation is probably more important than the amount of money we make." Vasotec and Primaxin brought in around $300 million of Merck's estimated $4 billion in 1986 sales. Within its industry, Merck finished first in seven attributes and was second only to Johnson & Johnson in community and environmental responsibility.

Liz Claiborne Inc., which has helped many professional women achieve a stylish look, has tailored a nifty corporate image for itself. One of the youngest companies ever to make the Fortune 500—it got on that list after just ten years—Liz Claiborne is first in innovation and in quality of management, though you'd have a hard time convincing President Liz Claiborne of it. "We keep criticizing ourselves for how poorly we manage the company," says the boss, whose name is sewn on every label. Claiborne's management, which takes a team approach, appears to be cut from finer cloth than that of most other firms in the rag trade, a notoriously mismanaged bunch. So does its stock performance: The share price has multiplied 28 times since the company went public in 1981.

Climbing three notches to No. 3 overall, Boeing ranks third among all companies in both quality of products and services and ability to attract people, and fourth in quality of management. Boeing outdistanced its nine aerospace competitors in every attribute of reputation. In 1986 the company wrote some 340 new airplane orders worth about $19 billion, helped by the 747-400, lighter, more efficient version of its popular jumbo jet that will go into service in 1988.

J.P. Morgan has deposited itself in fourth place, up from tenth a year ago. The conservative commercial bank is second in both quality of management and ability to attract, develop, and keep talented people. It ranks fourth in wise use of corporate assets, and fifth in both value as a long-term investment and soundness of financial position. Through the third quarter of 1986, Morgan outperformed all major banks in return on assets, return on equity, and loan quality. For Chairman Lewis Preston, keeping good people around may be the hardest of the attributes to maintain. "Yuppies move faster than old types like me," says Preston. "We generally lose people to investment banks or to industry. If we lose to other banks, the fellow who moves ought to have his head examined."

No. 5 Rubbermaid's success is based on a constant stream of new products—more than 500 over the past five years, from microwave cookware to plastic patio furniture. No. 7 overall a year ago, Rubbermaid ranks third in quality of management, fifth in quality of products and services, and in the top ten for three other attributes. The company is meeting most of the goals Chairman Stanley Gault set in 1980: net income and earnings per share have grown on a compounded annual basis by at least 15 percent; sales growth falls just short at 14.5 percent.

The sixth-place ranking of Shell Oil may reflect some confidence in its parent, the Royal Dutch/Shell Group of the Netherlands and Britain. Shell Oil, which operates independently, as earnings decline more than a third during the first nine months of 1986. Despite the profitability problems afflicting its industry, Shell ranks fourth in financial soundness, fifth in use of corporate assets, and seventh in management quality, innovativeness, and ability to attract, develop, and keep good people. "You have to be willing to challenge people and always advance them a little bit sooner than you think you should," says John Bookout, Shell's chief executive. The downside of that approach: "We drill dry holes with people just like we drill dry holes looking for oil and gas." Within its industry, Shell is tops in all but three categories; rival Exxon wins out for financial soundness, value as a long-term investment and responsibility to the environment.

At IBM, the chips are down. "The short-term financial performance of the company isn't up to our expectations, the investing public's expectations, or our customers' expectations," says C.E.O. Akers. "I would expect that in the not-too-distant future, we will be back." Among all 300 companies this year IBM ranks second in financial soundness, fifth in ability to attract people, eighth in long-term investment value, ninth in quality of management, and tenth in use of corporate assets. Last year it was first in all those attributes. IBM improved in one ranking, climbing from No. 6 to No. 2 in environmental and community responsibility. The company demonstrated some of that responsibility in November. At that time IBM announced that to increase operating efficiency it would shut down a major parts-distribution center in Greencastle, Indiana. But IBM said it would lay off no employees. Instead, everyone will be offered new jobs elsewhere. IBM has proposed to give the community the 234-acre site and the 350,000-square-foot building.

"The place reputation really counts is with your customers," says James Burke, chairman of Johnson & Johnson. Eighth overall, up from 11th last year, the company ranks first in responsibility to community and environment. "We got a lot of visibility due to the Tylenol crisis," says Burke. No. 9 Dow Jones, publisher of the *Wall Street Journal* and *Barron's*, ranks highest for quality of products and services for the fourth year in a row. But sluggish national advertising at the *Journal* and other publications may account for Dow Jones's slip from third place overall last year. The company dropped from No. 3 to No. 10 in soundness of financial position, and from No. 3 to No. 11 in value as a long-term investment.

Newcomer Herman Miller, the manufacturer of office furniture, rounds out the top ten. Of the ten most admired companies, the Zeeland, Michigan, firm has the highest total return on an annual basis: 49.75 percent. Earnings have grown an average of 30 percent a year for a decade. No. 3 for innovation, Herman Miller showed its stuff in September by introducing a "silver parachute plan" under which workers with at least two years' service are entitled to a full year's severance pay in the event of a hostile takeover.

Employees of the companies at the bottom of the pile should be so lucky. LTV, least admired of the 300 companies, is barely breathing. Toiling through Chapter 11 proceedings, the stumbling steelmaker, second largest in the U.S. after USX, scored a rusty 3.11. LTV wrote off $2.1 billion in the third quarter, which could have the effect of shifting some of its pension obligations to the federal Pension Benefit Guaranty Corp. The quarterly charge against earnings was the second largest in U.S. corporate history; AT&T took a $5.5-billion hit in 1983, just before its breakup. LTV stands no higher than 294th in any attribute (quality of products or services) and comes in last, at a piddling 1.38, for value as a long-term investment and soundness of financial position. Within the metals group, LTV is the worst performer in every category except innovativeness, where Bethlehem Steel ranks last.

Additional write-offs or bankruptcies could happen at other metals companies. A possible candidate: Bethlehem, No. 295 on the survey and next to worst in the seven attributes besides innovation. The company lost $187 million through the first nine months of 1986, and Chairman Walter Williams has set no timetable for renewed profitability. "There are too darn many uncertainties ahead," he says. Since 1982 Bethlehem has shed over 30 percent of its raw steelmaking capacity, dropping to less than 16 million tons, and further cutbacks are likely. It has paid no dividends on its common stock since 1985, and last year it sold off an engineering subsidiary and several other operations not involved with making steel.

BankAmerica deposed C.E.O. Samuel Armacost and brought back an old warrior to try to reverse the corporate fortunes. More than five years after he left to head the World Bank, A.W. Clausen, 63, took the helm again in October. He has his work cut out for him. BankAmerica ranked No. 299 overall and last among commercial banks in every key attribute except community and environmental responsibility, where it came in No. 8. Through the first three quarters of 1986, BankAmerica lost $600 million and accumulated loan losses of $1.5 billion. Its loan quality was the worst among all major banks, with a 4.4 percent ratio of nonperforming assets to total assets (J.P. Morgan's was 0.89 percent). First Interstate, a bank half BankAmerica's size, is making a takeover run at the company.

American Motors is parked in a familiar spot. At No. 298, the money-losing automaker is near the bottom again. Although its Jeep models have consistently won industry-wide awards for best four-wheel-drive vehicles, AMC gets the worst mark of all companies for quality of products and services. The company expects a profit for the last quarter of 1986, and it's betting the garage on a new line of bigger Renault models produced at a $675-million plant in Canada.

Financial Corp. of America escaped the cellar, but not by much. The largest U.S. savings institution, which owns American Savings & Loan Association, is in the 297th position this time. In its category, FCA ranks tenth in every attribute. Although one of only three least admired companies to show a net profit in 1985, FCA is still losing money on an operating basis. The problem: delinquent loans. Chairman William Popejoy is putting on his best face. he expects a "meaningful" operating profit in the fourth quarter. And the best news, he says, is that just two years after FCA lost $590 million, the biggest ever for an S&L, "people don't talk about us failing anymore."

Though No. 296, Manville Corp., uses golfing great Jack Nicklaus as a spokesman in television commercials, the company is still a long way from the green despite its new management. Manville has been in Chapter 11 since August 1982, but it might finally escape in 1987. A reorganization plan that included a $2.5-billion to $3-billion trust fund for asbestos victims was approved in December by all of the company's creditors except common shareholders. (Two groups of shareholders are attacking the plan in the appeals courts.) Manville ranks last in community and environmental responsibility. "I think that perception is increasingly less deserved," says Barbara Alexander, a Salomon Brothers analyst. "But I wouldn't expect it to change until the company is operating out of the constraints of bankruptcy."

Trans World Airlines, No. 291, and Pan Am, No. 294, can't get their reputations to take off. Within the transportation industry, they fare no better than ninth in any attribute. Terrorism killed traffic on transatlantic flights, stinging Pan Am especially hard, since it sold off its Pacific routes to United in 1985. Clearer skies may be ahead. Pan Am is aggressively challenging Eastern with hourly shuttle flights between New York and Boston and Washington. TWA made what analysts think is a smart pickup in Ozark Air Lines. Under Carl Icahn, TWA is paring down. "He's probably saved the company $600 million to $800 million a year on the cost side," says Candace Browning, an airline analyst at Wertheim & Co.

The Bhopal accident late in 1984 began the poisoning of Union Carbide's reputation, and a later incident involving release of toxic gases at a Carbide plant in Institute, West Virginia, made matters worse. Then the Indian government rejected a $350-million Bhopal settlement offer from Carbide, and not long after that the company fought off a hostile takeover attempt by GAF. Carbide is No. 293 in the survey and last among chemical companies in each attribute of reputation.

Manhattan Industries joins the survey near the bottom, at No. 292. The manufacturer of Perry Ellis, John Henry, Anne Klein, and other designer clothing gets a No. 289 rating in product quality. Once a large clothing retailer, Manhattan has been selling off stores to concentrate on designing and manufacturing. Operations may break even for the year, partly because results include $5 million from insurance following the death of designer Ellis.

Old perceptions, good and bad, may be hard to change, but as IBM and others have discovered, the mold is breakable. Reputations are built on first-class management, along with high-quality products and services—the two attributes that respondents consistently consider the strongest components of a corporate image. But companies are only as strong as their latest balance sheets. Once they slip, how easy is it to climb back up the reputation ladder? "Glass, china, and reputation, are easily crack'd and never well mended," Benjamin Franklin said. The LTVs and Manvilles of corporate America would like to prove him wrong.●

OPPOSITION TO RESCISSIONS FOR UDAG & CDBG

● Mr. MITCHELL. Mr. President, I am pleased to join my colleagues today in cosponsoring Senate Resolution 52 and Senate Resolution 53, introduced by the Senator from New Jersey [Mr. LAUTENBERG], which reject the President's rescission of fiscal year 1987 funds for the Urban Development Action Grant [UDAG] Program and the Community Development Block Grant [CDBG] Program.

Less than 3 months ago, Congress agreed to fund UDAG at $225 million and CDBG at $3 billion during fiscal year 1987. While CDBG was essentially frozen, Congress agreed to reduce funding for UDAG to $225 million, a 29-percent reduction.

The decisions to freeze CDBG and reduce UDAG were not easy ones. Both programs provide moneys to States and local governments to promote urban revitalization, economic development, low-income housing, shelter for the homeless, and numerous other functions vital to our constituencies. But, in an effort to reduce the enormous size of the Federal budget deficit, we gritted our teeth and allocated less.

Throughout the Nation, States and localities adjusted to the lower allocations in CDBG and UDAG funds. It was not easy for them; it meant setting new priorities all over again—priorities that in many cases omitted some very sound and much needed projects, especially in rural communities. But, the States, like the Congress, gritted their teeth and made the tough decisions necessary to reduce the deficit and comply with the fiscal realities of today.

But what the Congress and the States were not prepared for, was to have their budget plans swept right out from underneath their feet—which is exactly the effect that a rescission causes. Congress appropriated $225 million for UDAG this year. The President has requested a rescission of $205 million—the remaining funds in the UDAG budget. In addition, the President has recommended terminating the program next year. Overnight, States and localities are expected to absorb these cuts and reorganize their priorities again.

Upon what programs do the States look to absorb such cuts? In the past, they could have looked toward revenue sharing. But we eliminated revenue sharing during our initial deficit reduction efforts. In the past, they also could have looked toward CDBG, but that program was frozen this year. And, much to their horror, freezing CDBG was not enough, for the President requested a rescission of $375 million in CDBG funds.

When Congress appropriates funds for programs, such action represents a promise to fulfill an obligation. We have told the States that they will receive less, but we have promised them that they will at least receive some. In the case of UDAG, it is like a father telling a child if he performs household chores he will receive $10. And when those chores are finished the father laughs and says not now, maybe later. But in the case of UDAG it's worse, because since the President has recommended abolishing the program, there is no later. The child may have made a list of items to purchase, and instead of receiving $10 as promised, he may receive $8. As in the case of CDBG, that $8 will not stretch to purchase the items that $10 would have allowed.

The lesson that we are teaching, if we do not reject the proposed UDAG and CDBG rescissions, is that a promise means nothing and an obligation is only a misconception. Maine received nearly $16 million in UDAG funds during the last 2 years. This spurred over $32 million in private development and promoted the creation of thousands of jobs. Maine received over $21 million in CDBG money. Much of these funds were channeled to rural communities suffering severe hardship. Other States have much more to lose.

We made a promise to the States, and I firmly believe we should keep it. While I agree with the majority of my colleagues that we need to substantially reduce the deficit, we ought not meet that end by unjustified backdoor means. During the next several months, we will be making many difficult decisions about future spending and we may again have to reorder our priorities. But, I do not think we should begin that responsibility by reneging on our promises of the past.

I urge all my colleagues to join in rejecting the rescissions affecting UDAG and CDBG.●

NUCLEAR ARMS RACE

● Mr. LEAHY. Mr. President, stopping the nuclear arms race is the foremost challenge of our time. Those of us who have repeatedly urged this administration to set an example of restraint on building and testing costly new weapons systems which only fuel the fire of the arms race, have been profoundly disappointed by the President's refusal to stop nuclear testing as long as the Soviets continue their testing moratorium. This would be a way for the President to demonstrate his genuine commitment to arms control, and a major first step toward deep reductions in the world's ever increasing nuclear arsenals.

Vermonters, like an overwhelming majority of Americans, want an end to the arms race. They understand the direct connection between the huge defense budget and record budget deficits. They also know that the less secure the Soviets feel on account of our superior military might, the greater the chance the Soviets will feel compelled to launch a first strike against us.

As early as 1982, 195 Vermont towns passed resolutions in support of a verifiable nuclear freeze. That was a powerful expression of public frustration with the hostile attitude of this administration toward arms control. It was also an expression of faith in the Government to pursue policies which reflect the popular will. Regrettably, that has not occurred with respect to arms control, nor has it occurred with respect to this administration's policies toward Nicaragua. By supporting the armed overthrow of a government with which we have diplomatic ties, the administration has again turned a deaf ear to the majority of Americans who oppose the use of U.S. military force in that volatile region.

Once again, Vermonters have made their voices heard on these issues. On October 27, 1986, the board of aldermen of the city of Burlington, VT, enacted a resolution calling for a nuclear test ban. On November 20, 1986, the Burlington City Council sent a letter to Members of Congress condemning the appropriation of $100 million to aid the Contras. That letter was mandated on election day by the voters of Burlington.

I ask that the complete text of the resolution and the letter be printed in the RECORD.

The material follows:

NUCLEAR WEAPONS FREEZE CAMPAIGN TESTING RESOLUTION

Whereas, a nuclear war would result in death, injury and disease on a scale unprecedented in human history; and

Whereas, spending for the arms race is contributing to record budget deficits that threaten our nation's economic security while programs providing essential assistance to communities throughout the country are being cutback; and

Whereas, a ban on nuclear testing would promote the security of the United States by constraining new developments in the U.S.-Soviet nuclear arms competition and by strengthening efforts to prevent the spread of nuclear weapons to non-nuclear countries; and

Whereas, a ban on nuclear testing would be a concrete and easily achievable first step towards a complete halt and deep reductions of ever expanding nuclear arsenals; and

Whereas, a ban on nuclear testing can be verified with high confidence by a worldwide network of seismic monitors, satellites and other verification technology operated by the United States and other nations: Now, therefore, be it

Resolved, That the Burlington City Council calls upon the President to immediately respond to the Soviets' unilateral halt of testing by joining them in a mutual and verifiable suspension of testing as a first step towards freezing and reversing the arms race. This body also calls upon the members of our Congressional delegation to support legislation that would enact a moratorium on nuclear testing, to be continued as long as the Soviets do not test. Copies of this resolution shall be forwarded to the President and to the Senators and Representatives comprising our Congressional delegation.

OFFICE OF THE CITY CLERK,
Burlington, VT, November 20, 1986.

DEAR MEMBER OF CONGRESS: The City Council of Burlington, Vermont express, on behalf of the citizens of the City, "our condemnation of the $100 million in "contra" aid appropriated with the intent of overthrowing the government of the Republic of Nicaragua; and further, that we see this action as irresponsible at a time when federal funding for cities has been drastically decreased, as well as immoral in that it will intensify the hardship, destruction of property, and death suffered by the people of our sister city in Puerto Cabezas, Nicaragua".

This letter of condemnation was mandated by the General Election, Tuesday, November 4, 1986, by the voters of Burlington, Vermont.

Please be advised by our protest.

Sincerely yours,

MICHELLE L. WEISS,
Assistant City Clerk.●

THE INTER-AMERICAN FOUNDATION

● Mr. LEAHY. Mr. President, during the 12 years that I have been a member of the Senate Foreign Operations Subcommittee, I have often been disappointed by our policies toward Latin America. Too often, in my judgment, we have tried to solve the deeply rooted social and economic problems in that region through the use of military aid, rather than by meeting people's basic needs like food, shelter, and education.

But one bright light throughout this period, Mr. President, should be known to all Members of Congress. The Inter-American Foundation, established by act of Congress in 1971, provides financial aid to small-scale self-help projects in the poorest regions of Latin America and the Caribbean. In the 15 years of its existence, IAF has distributed over 2,000 grants totaling $235 million in every country of the region except Cuba. These grants are used to fund projects which require the direct involvement of the people in the communities they are designed to help. In this way, IAF, even with its very modest budget, has succeeded where other aid programs have failed—by investing in the future of Latin Americans themselves, rather than simply giving money to governments with no guarantee that it will ever trickle down to the people who need it most.

In a recent edition of the Times of the Americas, the Inter-American Foundation was reviewed in depth. This special report should be required reading for all Members of Congress who question the purpose or effectiveness of our foreign aid programs. Here is one program that works. If anything is going to bring peace and economic stability to that war-torn region, it is improving the lives of the poor who have often turned to violence to obtain their rightful share of their countries' wealth. The IAF is one example of how for relatively few dollars we can help alleviate the desperation that breeds violence in Latin America.

I ask that portions of the article on the Inter-American Foundation be printed in the RECORD.

The material follows:

[From the Times of the Americas, Oct. 15, 1986]

The Inter-American Foundation

(By David Kaut)

There are now so many different organizations from all spheres—private, government, religious, and multinational—working in international development that it is hard to keep track of them all. Smaller agencies, in particular, can easily get lost in the crowd in a field full of development entities with ambitious names and fancy acronyms.

The Inter-American Foundation, a U.S. government agency that provides financial assistance to grassroots self-help projects in Latin America and the Caribbean, is a case in point. With an annual operating budget of about $27 million the Foundation gets overshadowed by larger, better-funded organizations, most notably the United States Agency for International Development (USAID), which budgets by the billions.

And yet, despite its modest, though not insignificant, resources, in 1986 the Inter-American Foundation—not USAID, not the Peace Corps—is the only official U.S. agency offering direct development aid to people in seven major Latin American countries (Brazil, Mexico, Argentina, Colombia, Venezuela, Chile and Nicaragua), which together make up more than 75 percent of the region's population.

In short, 15 years into its existence, the IAF has carved out an important niche in the U.S. development assistance effort.

Congress created the Foundation following a period in the late 1960s when there was a growing recognition that something was missing from the programs begun under the Alliance for Progress at the beginning of the decade. U.S. aid often wasn't reaching the poor it was intended to help, and when it did come, it often came late, in poorly conceived form, or with political strings attached.

So when the Foundation was born in 1971, it was seen as a means of addressing in practical terms some of these shortcomings. Although the IAF has steadily modified its approach over the past 15 years, its four basic objectives remain basically the same and can be summed up:

To help the poor of Latin America and the Caribbean help themselves at the grassroots level;

To be responsive to local project initiatives, rather than impose pre-conceived, U.S.-designed projects, and to do so in prompt fashion, without a lot of bureaucratic rigmarole;

To serve as a catalyst for innovation in the development field by identifying and developing new approaches to basic problems which have widespread applicability, and disseminating that information;

To maintain independence from the whims of short-term U.S. foreign policy objectives while working steadily for long-term development.

It is this combination of sincerity, responsiveness, flexibility, and jealously guarded independence from U.S. foreign policy which has earned the Foundation credibility and trust in many corners of Latin America and the Caribbean.

"At the beginning, I was skeptical," said Father Pio Baschirroto of Quito, who collaborated with the IAF. "You know, doubts about the CIA and so on. So I was frank with the (IAF) representative. There could be no political conditions. Now after four and a half years of working with the Foundation, I've seen a real social concern on their part, and no pressure."

Consequently, in a number of instances where other agencies aren't welcome, the IAF is still able to work constructively. This was true in the Southern Cone countries during the heyday of the military dictatorships, when political tension with the United States peaked over human rights issues. It remains true in the Chile and Nicaragua of today, where, despite highly charged political atmospheres, the Foundation continues to labor, supplying grants to groups in those countries totaling $1.2 million and $730,000, respectively.

It is these small- and medium-sized grants that constitute the IAF's basic mechanism for providing development aid to grassroots groups and private national organizations working with the poor in Latin America and the Caribbean. Since its creation, the Foundation has distributed over 2,000 grants totaling $325 million (an average size grant falls in the $80,000-$100,000 range) in every country of the region except Cuba.

Project emphasis has shifted at times over the years, but the most common types of grants went to groups fostering self-help in agriculture and rural development, with general education/training, community service, urban small enterprise, and dissemination projects also receiving considerable backing. In addition, some grants have gone toward promoting cultural development, and some money has been budgeted for graduate fellowships in development research.

Notably, 85 percent of the IAF's funds has made its way into the grant pipeline, and only 15 percent has been used up in administrative costs. This is largely because the IAF has keep its entire operation based at its Arlington, Virginia headquarters, and because since 1974, the size of the staff has been maintained between 60 and 70 employees.

Despite the basic soundness of the self-help concept underpinning the Inter-American Foundation, the IAF, in practice, has experienced its fair share of problems and failures. And because it is funded out of the U.S. treasury, these difficulties hardly go unnoticed, and, in fact, the IAF has drawn heavy criticism at times.

Part of the problem has been ideological. Conservatives have often levied the charge that the IAF has supported leftist projects. With the Foundation's Board of Directors, which sets IAF policy, now firmly in the hands of Reagan administration appointees, this criticism is less often heard.

Most likely, even if the Foundation were somehow able to achieve perfect ideological neutrality, it still likely would draw fire from one side or the other because of its commitment to working with any poor people at the grassroots level, including in countries where there is little or no ideologically safe middle ground.

A basic problem has been that sometimes, even projects that look good on paper, can go wrong. It is here that the lack of overseas staff has been a hindrance, for it's difficult to provide continuing support for a project—or even accurately monitor what's going on—during sporadic, quick trips around the region. Recognizing this problem, the Foundation is now organizing in-country support networks.

"If we're going to give this money out," said Victor Blanco, chairman of the IAF Board of Directors, "We have the obligation to provide people with the support necessary to make a project work. So what we're doing now is arranging it so that they can get technical assistance in-country" from host-country nationals.

There's also always the danger that IAF grants can be seen as hand-outs. For this reason the Foundation scrutinizes project proposals, and more often than not turns them down.

Even when it backs solid organizations in worthy causes, the Foundation faces the difficult problem of project sustainability. The IAF grant may just be a one shot deal that buys some time, or it could serve as a bridge to alternative financing or economic self-sufficiency. It is this latter hope that, according to Blanco, has led to recent emphasis on funding groups involved in job creation and small business.

Despite these difficulties, the biggest challenge remains the fact that with a budget of just $27 million, the IAF can only scratch the surface of development problems in a region where there are hundreds of millions of inhabitants and where there is a total external debt in the hundreds of billions of dollars.

But by continuing to provide people with tangible incentives to help themselves, the Inter-American Foundation is giving the people of Latin America and the Caribbean the best and most concrete assistance that the United States can offer. It's a "quality over quantity" approach.

Yet it's worth noting, that even small rocks thrown into big ponds can cause ripples felt on all shores.

The Lady Who Runs the IAF

(By Clarence W. Moore)

WASHINGTON.—Deborah Szekely took command of the Inter-American Foundation in the summer of 1984. The word is that she stopped by IAF's Washington headquarters to pick up some literature on the outfit. Asked why she wanted it, she answered: "I'm going to be the new IAF president." And that's what she has been for the past two years.

She has been able to capture the basic concept that lay behind the IAF idea when it was created by Florida Congressman Dante Fascell and some other clear-thinking legislators back in 1969. As Dante puts it: "There isn't enough money in the world to solve all these problems on a direct basis. The key is to motivate people to do things themselves."

Today, Deborah Szekely bubbles with ideas and is a pleasure to interview. "We have to be flexible, quick to move, and responsive. We're not here to sit around and plot." She has brought added significance and new ideas to the Foundation.

Her arrival in Washington in 1984 was a near disaster. She was identified as the owner of the Golden Door, a Japanese-style fat farm, where the elegant from Hollywood went to lose weight. Her nomination brought "howls of protest," with liberals saying the spa lady would be nothing more than a tool of the right. One expert is quoted as saying "she may be the least qualified person in America for the job." And she was being asked to replace knowledgeable predecessors (Bill Dyal and Peter Bell) who were professionals in the development assistance field.

Here at *The Times of the Americas*, our reaction was about the same, based on what we heard and read, although we were somewhat more gentle. Our August 1, 1984 editorial on her appointment said in part, "the choice of Ms. Szekely is so startling that intelligent comment is difficult. We will have to wait and see. It could be that she will prove to be a splendid choice."

Now two years have gone by and we have waited and seen. One conclusion is that her advance publicity was off target. For decades she has been a practicing Latin Americanist. She attended grade school near Ciudad Victoria in Mexico's Tamaupilas state, working in the local grocery store, where the rurals "brought in half a dozen eggs to trade for a package of tobacco." And she has sponsored scores of activities in Mexico through the years. Her knowledge of Latin America is not from textbooks. It's from life.

Another conclusion is that she seems to have done rather an exciting job as head of the IAF. Her staffers have complete respect for her, as do many who howled about her appointment back in 1984. They note that she has kept the group out of politics and, of all things, survived an ouster effort that came, surprisingly, not from the liberals but from the right.

As she says: "As the high hopes of the 1970s faded into dismay and disappointment, the grand solutions that have been proposed have seemed increasingly futile. It is like trying to play chess by the traditional rules when the squares are constantly changing."

One new approach is to have more of the backup technical support come from the field, just as the projects themselves do. This means less bureaucracy, more attention to the field. Like finding a University of Wisconsin graduate near Lake Titicaca who can give help to Puno Indian projects. This is "participating democracy."

Foundation resources are a mere one tenth of one percent of U.S. overseas aid, but it does good far beyond that minute percentage. Deborah again: "Never have our neighbors faced bleaker, more crushing problems. Meanwhile high expectations have been generated by a revolution in communications and transportation that transcends borders." But to counter this: "Visiting the projects we support, I find energetic and optimistic people who refuse to give up, who are finding ways out of utter poverty."

She says she brings to her job: "Enormous enthusiasm, entrepreneurial personality, management skills, and people skills." It is probable that this confidence in herself is not misplaced. And it's pretty clear that she has still more new ideas in the wings.

Right now she's in Europe, visiting several countries and talking with a score of groups who are providing help on their own for Latin America. Why don't we work together, she asks. And, you can be sure, when she gets back in a few days, all 67 staffers will be working late nights, as will she, implementing some new plans on how to help the poor help themselves.

The effort to oust her was the work of a group that thought the IAF was funding too many liberal and leftist projects. In winning this battle, she not only kept the IAF intact and out of politics, but now says that one of the ouster leaders "has now gone out of his way to be helpful." And, further, "he's a tall, handsome Cuban gentleman. That's something."

It's also something to have Deborah Szekely around the IAF. She likely has her faults, but it is apparent that she tries to get as much out of every day as she can. And she usually does.

HAITIAN WATER PROBLEM HAD A SIMPLE SOLUTION

"There are a thousand places in Haiti where you could find a little water to save, and a bit of ground to irrigate with it, and people would live better," said Bernard Etheart, who started a center, the Institut de Consultation d'Evaluation et de Formation du Personnel, to help groups of peasants plan community development activities.

He has seen relatively small projects transform many rural communities, but even he was doubtful anything would help Chambrum, a tiny community a few miles northeast of Port-au-Prince on the arid Plane de Culde-Sac.

"My solution for Chambrum," he said, "was two buses. Pack the people up and put them somewhere else."

The reason for Etheart's initial pessimism becomes clear on the approach to Chambrum. A rutted dirt road leaves the highway and follows a canal carrying irrigation runoff from the Haitian American Sugar Company plantations. The surrounding vegetation is all brush, scrub, and cactus. After a mile or so, the road veers from the canal and loses itself in trackless flats that are smooth, hard, and devoid of life.

On the far rim of the flats, the tiny dirt houses of Chambrum come into view. About 800 people live in Chambrum, sustained by the goats and sheep they raise in the arid land.

"Obviously, the problem here is water," Etheart said. "One day, Marcel Duret, a friend of mine who runs a chicken farm nearby, came to me and said we should do something for Chambrum. That's when I told him to get two buses. But he insisted.

"So we started thinking about water. It's complicated, and expensive. There's a layer of brackish water not too far down. You'd have to drill through that to a second layer of sweet water. You'd need a pump.

"The Inter-American Foundation paid to have an engineer do a feasibility study. He came out, looked everything over, and realized there was no need to drill, no need to pump. Just take the water from the runoff canal, he said.

"It turns out that the community used to get water there, but several years ago the sugar company dredged the canal and lowered the level. All that was needed was a simple dam to bring water up to the level at which it would flow into the fields."

The U.S. Agency for International Development had already provided Chambrum assistance for improving its roads and to build a bridge and a school. The Inter-American Foundation, in addition to supporting the engineer's study, provided funds for leadership training, education, and the formation of community groups. The Canadian International Development Agency granted the money for construction of the dam.

Etheart found a technician, who was familiar with irrigation projects, to work with the people of Chambrum, who organized themselves in work gangs to divert the canal so the dam could be built, and to dig the network of irrigation ditches through Chambrum's bone-dry fields. The project took four months.

The runoff water which once emptied into the sea now is directed by a V-shaped concrete dam into a 30-foot-long concrete channel and then into five-foot-wide dirt ditches. Simple metal gates control the flow.

Stretching away from the ditches are row after row of sweet potato plants, corn, sugar cane, and sorghum. A training program is introducing new crops, like tomatoes, which can be marketed in Port-au-Prince. A bit of simple technology, a few tons of concrete, and four months of digging have made Chambrum's field's blossom.

The dam at Chambrum is a classic development project. The human need was great. The problem was obvious, the solution, once a technican was called in, was simple. All that was lacking was some outside support since the community couldn't affort to build the dam on its own.

The results are impressive. The people have more food for their own consumption, and the possibility of cash crops for income. A community has been helped to survive in a harsh environment.

But given the needs of the rural people in Haiti, it is clearly only a drop in the sea. Etheart himself volunteered the information that not all his Haitian colleagues were enamoured by the Chambrum project.

"Marc Noel (a Haitian agronomist) was critical," he said, "He thought it happened too fast; that there wasn't enough organization of the people. I know what he means, but my argument was that without water there was nothing to keep the people here."

BOGOTA STREET KIDS GET CHANCE ON JUNGLE COAST

There are two "La Septima" avenues that make up this story. One is in Bogota, broad and traffic-choked in the daytime, deserted at night. Deserted, at least except for the *gamines*, the capital city's famed street urchins, who are searching for food, sharing a cigarette butt or some marijuana, or sleeping huddled together for warmth under rags in the scant shelter of a store's entrance.

The other "La Septima" avenue is near Colombia's border with Panama, just down the palmlined Caribbean beach from the sleepy town of Acandi. It runs only a few hundred yards from a cluster of whitewashed cement-block buildings out past a vegetable garden to a cattle corral. This second "La Septima" was named by the first *gamines* who came to this isolated jungle coast to carve out a new settlement and perhaps a new life for themselves.

The man principally responsible for taking hundreds of kids off Bogota's "La Septima," and putting them on the jungle footpath, is an Italian Salesian priest, Javier de Nicolo, who grew up poor in Italy and knew street kids there.

Sent to Colombia to work with poor children, Javier became critical of the kind of Christian education youngsters were getting. It was too obligatory. And when he began to work in the local jails, he made up his mind that it was society that made a bad child.

"A kid arriving in jail would be beaten by the others, robbed, and raped. I watched these kids entering and leaving the jails and I said, 'What's the point of working here? Why not work on the streets, work with them before they get here?' At the same time, I learned that you could trust them."

That trust became the rock upon which Padre Javier and the *gamines* built a unique enclave in the harsh world of the urban streets. What started as an experiment in the early 1970s, to provide academic and technical training to *gramines* entering the program voluntarily, has now, with the help of an Inter-American Foundation grant, reached into widely scattered areas of Colombia.

There is an educational system which offers a high school diploma and workshop training. Those who decide to study, join the community of La Florida, on Bogota's outskirts.

"We don't have any psychologists, any social workers," said an associate of Padre Javier. "That's because the kids are not the problem."

Perhaps the best way to be convinced of that is to leave Bogota's mean streets and journey to the other "La Septima." Up there, the kids are no longer called *gamines*, but rather *chilingos*, a name that local people, reminded of sandpipers scurrying around the beach in little flocks, gave them.

The name is apt not only because they are always on the move in bunches busy at some sort of work or recreation, but because of their transformation from street-smart urchins to confident pioneers on an isolated shore.●

ORDERS FOR TOMORROW

RECESS UNTIL 10 A.M.

Mr. BYRD. I have been advised that the distinguished acting Republican leader has no objection to the Senate's coming in tomorrow at 10 a.m. Therefore, Mr. President, I ask unanimous consent that the Senate, when it recesses today, stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders are recognized under the standing order, the following Senators be recognized for special orders of not to exceed 5 minutes each: Messrs. PROXMIRE, PRESSLER, BAUCUS, and REID.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that following the recognition of Senators under the special orders that have been entered into, there be a period for the transaction of routine morning business for not to exceed 15 minutes and that Senators may be permitted to speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD. Mr. President, it will be my intention on tomorrow, after consultation with the distinguished Republican leader, Mr. DOLE, to call up the House bill on clean water and to proceed with debate thereon as early as possible after the conclusion of routine morning business.

Mr. President, rollcall votes may occur tomorrow.

The distinguished Republican leader has an amendment which he will call up in the nature of a substitute for the House bill. Conceivably the Senate could take action on tomorrow in relation to the amendment by Mr. DOLE.

I would hope that the Senate could complete action on the House bill tomorrow. However, Senators who wish to debate the measure certainly are within their rights to do so, and the measure will be open to amendment.

RECESS UNTIL 10 A.M. TOMORROW

Mr. BYRD. Mr. President, I am authorized by the distinguished assistant Republican leader to proceed to recess over, and he has indicated that he need not come to the floor for that purpose.

So, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 10 o'clock tomorrow morning.

The motion was agreed to, and at 3:50 p.m. the Senate recessed until tomorrow, Wednesday, January 14, 1987, at 10 a.m.

SENATE—*Wednesday, January 14, 1987*

(Legislative day of Tuesday, January 13, 1987)

The Senate met at 10 a.m. and was called to order by the Honorable DAVID PRYOR, a Senator from the State of Arkansas.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Father in heaven, with gratitude we pray for all the faithful men and women serving on support staffs, without which the Senate could not function. We thank You for those who maintain buildings and grounds, for the Capitol Police, and all involved in security. We thank You for those who work in the subway, especially Bill Eschinger, as he goes to surgery this morning. We thank You for the elevator operators and the food service people—for those who serve in this Chamber, in the cloakrooms, the lobby, the reception room, and corridors. We thank You for the pages. We thank You for those who serve in the offices of the Senators—for administrative assistants, legislative aides, secretaries, clerks, receptionists. We thank You for the directors of committee staffs and their members. We thank You, Father, for the official reporters and all who produce the CONGRESSIONAL RECORD.

May all these, Thy servants, realize how greatly they are appreciated and loved, and may Thy blessings abide upon them all. We pray in the name of Him who was the servant of servants. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, January 14, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DAVID PRYOR, a Senator from the State of Arkansas, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. PRYOR thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is now recognized.

Mr. BYRD. Mr. President, I thank the Chair.

WATER QUALITY ACT OF 1987

Mr. BYRD. Mr. President, I am pleased to support, together with 74 of my colleagues, H.R. 1, the Water Quality Act of 1987. H.R. 1, and its companion bill, S. 1, are identical to the legislation that was unanimously approved by both the House and the Senate at the end of the 99th Congress. This legislation, which represents 5 years of bipartisan effort in Congress, has broad support among environmental groups, industry, State and local governments, and the people.

This bill continues a national commitment to clean up our lakes and waterways that dates back to the first water quality legislation that passed Congress in 1948. We all have a vested interest in clean water; there is simply no resource more vital to our individual and collective survival.

The administration says that we cannot afford clean water. The President says that this bill will "bust the budget." This legislation authorizes $18 billion to be spent over 9 years, with annual appropriations limited to a maximum of $2.4 billion. To put this in perspective, the President proposes in his fiscal 1988 budget to spend some $13 billion on foreign aid in 1 year while this bill would spend $18 billion for clean water over 9 years. In fact, the administration intends to increase spending for international affairs programs by $1.3 billion this year and $1 billion in fiscal year 1988. Now, that's budget busting!

Mr. President, the Environmental Protection Agency has estimated that the cost for all communities to comply with the water quality standards under existing law by the year 2000 will be $109 billion. This bill will help move State and local governments away from total reliance on Federal grants for the construction of sewage treatment facilities and toward a self-financing system. S. 1 includes $8.4 billion to capitalize State pollution control revolving funds which will allow States to loan needed funds to communities for future construction.

It is important to remember that this legislation will mean job opportunities to many of our communities. The Environmental Protection Agency has estimated that every $1 billion in construction grant expenditures creates 33,150 workyears in the building trades, manufacturing, transportation, and support services sectors of our economy. This would translate into at least 100,000 jobs per construction season.

We cannot delay any longer. States will not be able to plan water quality control efforts without a new authorization bill. Communities that face a July 1, 1988, deadline for the construction of secondary treatment facilities will lose the 1987 construction season unless Congress acts quickly. In my State of West Virginia, for example, this could have the effect of denying local governments up to $151 million in construction grants necessary to begin the work needed to meet the July 1, 1988, compliance deadline. Enforcement action could be taken against those towns and cities failing to meet the requirement, which, in turn, could result in fines and additional costs that local governments cannot afford.

In short, we cannot afford to fail to enact the clean water bill. It is a job bill, a health bill, and a commerce bill. It is an investment the people of this Nation want their Government to make.

I urge my colleagues to support H.R. 1, the Water Quality Act of 1987.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CLEAN WATER LEGISLATION

Mr. BYRD. Mr. President, the distinguished minority leader is back today, having been necessarily absent Monday and Tuesday, and the reasons were explained, may I say, during his absence. It was unavoidable, and I have recognized that the unusual and extenuating circumstances that forced absence upon the distinguished Republican leader has made it necessary for the Senate to delay acting on the clean water bill on Monday and Tuesday. Those were circumstances that could not be helped.

I will be talking with the distinguished Republican leader a little

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

later this morning, as we have talked on the phone on Monday and maintained contact through the distinguished assistant Republican leader, Mr. SIMPSON, on yesterday.

I hope we will be able to arrive at some agreed approach whereby the Senate can act on the clean water bill expeditiously. We may not be able to complete action on it today, or tomorrow or even Friday. But if we can do so, as soon as possible, I think we need to do so.

I want to accommodate the distinguished Republican leader if there are problems which he and I can discuss with respect to the timing of the legislation. I do not seek any confrontation with the White House. I do not want any confrontation with the White House. I want to cooperate with the White House. Those conversations between the two leaders will be continuing.

May I say to the distinguished Republican leader that I am happy to see him back this morning. I am sorry about the circumstances that could not be avoided as to yesterday which necessitated his absence.

As to the inauguration of his Governor on Monday, I hope that was a happy event. We have those occasions periodically in West Virginia and I try to get to them. Usually, there, the snow is falling heavily and the ice is on the ground and the temperatures are down near zero or below. But the inaugurations go forward regardless of the weather.

Mr. President, I reserve the balance of my time, if I have any remaining.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the minority leader is recognized.

Mr. DOLE. Mr. President, I thank the Chair.

Mr. President, I first want to thank the distinguished majority leader. As he indicated, on Monday we did have an inaugural in our State. It was a happy day. We do not elect too many Republican Governors in Kansas, so to have the second one in 20 years was sort of exciting to many of us.

Yesterday, by contrast, was just the opposite. It was the funeral of one of my best friends, McDill Huck Boyd, who was our national committeeman for a few years, one of the real giants in not just Kansas politics but an outstanding Kansan. I appreciate the accommodation made by the majority leader in making it possible for me to attend that service in Phillipsburg, KS, yesterday afternoon.

CLEAN WATER LEGISLATION

Mr. DOLE. Mr. President, we will have a discussion and I do hope that we can work out some accommodation on the water bill. I think, to be very candid about it, the President would rather not have to look at that until after the State of the Union Message. Maybe that is not possible, because the House did act very quickly. The vote was overwhelming, with only eight negative votes; last year there were zero.

I assume, as the distinguished majority leader has indicated, with 74 cosponsors, the result here is probably not too hard to predict. But we do have an outstanding substitute which we hope to offer. I have not been back long enough to pick up all the rumors, but there are all kinds of amendments floating around, at least I am advised, that could be offered. So I think, before indicating what they might be, I would first want to discuss all the potential problems and maybe some way to resolve them with the majority leader.

BICENTENNIAL MINUTES

Mr. DOLE. Mr. President, on the opening day of the Senate, I indicated that I would be making brief statements on a daily basis called Bicentennial Minutes, sort of looking back at things that have happened over the years as we celebrate the 100th Congress. Today, I would like to talk about something that occurred on January 14, 1868.

SENATE REJECTS PRESIDENT'S REMOVAL OF CABINET OFFICER—JANUARY 14, 1868

Mr. President, early in 1867, Congress passed the Tenure of Office Act over President Andrew Johnson's veto. Drawing on the Senate's constitutional right to consent to Cabinet nominations, this act gave the Senate the authority to block the removal of Cabinet officers. That provision was specifically designed to keep Secretary of War Edwin Stanton in office. Appointed by President Lincoln, Stanton had fallen into disfavor with President Johnson because of his sympathy with the Reconstruction aims of congressional Republicans. The so-called radical Republicans in Congress sought to impose stringent requirements on former Confederate States seeking reentry into the Union. As Secretary of War, Stanton controlled the Army, the only instrument with sufficient power to enforce Congress' Reconstruction policies.

President Johnson believed that the Supreme Court, given the opportunity, would strike down the offensive Tenure of Office Act. Accordingly, he dismissed Stanton in July 1867 while the Senate was out of session, and replaced him, by recess appointment, with the widely popular Gen. Ulysses Grant. When the Senate reconvened in December 1867, the President reported his suspension of Stanton and asked its consent. Johnson thought he had Grant's pledge to hold onto the office, regardless of the Senate's action, until the Court ruled on the act's constitutionality.

On January 13, 1868, the Senate, by a vote of 35-6, reinstated Stanton as Secretary of War. On the 14th, 119 years ago today, General Grant turned over the key to the War Department to Stanton. Not wishing to defy the Senate, Grant refused to conduct the fight for his post that would place the matter before the Supreme Court. By yielding to Stanton, he deprived a bitterly angry President of the opportunity to replace him. This accelerated the chain of events that, within several months, led to Johnson's Senate impeachment trial.

PHONY SANDINISTA CONSTITUTION

NEW SANDINISTA CONSTITUTION

Mr. DOLE. Mr. President, there was an event that occurred last week that I had not, because of my absence, had an opportunity to comment on. I would just briefly call that to the attention of my colleagues and anybody else who may have an interest. It is something that I think we look upon, as people reflect on it, as sort of an infamous event: the issuance of a new constitution by the Sandinista regime in Nicaragua.

Every time I am convinced the Sandinistas have hit a new high in chutzpah—and I think back to occasions like Daniel Ortega's appearance at the U.N. last year, when he lectured us on aggression—just when I think they have hit their high point, that they cannot do anything more outrageous, they prove me wrong.

And Daniel Ortega and his crowd have done it again. They have issued a new constitution, claiming that this piece of paper will protect the civil liberties of the Nicaraguan people—civil liberties they have spent the past several years trampling in every way imaginable.

CONSTITUTION FULL OF LIES

They issue a new constitution, guaranteeing freedom from arbitrary detention—but they continue to imprison thousands, sentenced by revolutionary courts, for the crime of opposing Sandinista oppression.

They issue a new constitution, guaranteeing freedom of expression—but La Prensa is still shut down.

They issue a new constitution, guaranteeing freedom of religion—but Bishop Vega is still barred from the country, and the Catholic Church radio is still silent.

They issue a new constitution extolling political pluralism—but within hours, Sandinista goons summon opposition leaders for interrogation, bar their political meetings, and confiscate their political banners.

And—to put the official, and final touch, on this—the ink on this new constitution is not even dry yet, when Daniel Ortega puts his pen to an executive order, suspending all these rights that this hallowed piece of paper just put into effect hours before.

TRAGEDY OF NICARAGUA CONTINUES

If the situation in Nicaragua was not so tragic—if people were not dying, deprived and rotting in Sandinista prisons—this whole affair would be a joke.

But it is not a joke. It is a very real, very tragic, and very serious situation. The freedom of an entire nation is at stake; the peace of Central America is at stake; the security of the United States, ultimately, could well be at stake.

That is the reality in Nicaragua—a much more urgent and important reality than some of the sideshow issues that have preoccupied us in recent months.

Mr. President, the new Sandinista constitution is a sham. It is not going to fool anyone. It does not change the situation inside Nicaragua, except maybe for the worse; it does not diminish the urgent need for us to keep up the pressure on Managua. It just becomes part of a list of other policies and actions which stand as a living, growing monument to Sandinista treachery and deceit.

Mr. President, I reserve the balance of my time.

TRIBUTE TO THE LIFE OF McDILL "HUCK" BOYD

Mr. DOLE. Mr. President, last Friday evening the people of Kansas lost a good friend, McDill Boyd. His friends called him "Huck," and I am one who enjoyed the rare privilege and great honor of knowing him and learning from him.

Without Huck Boyd, I might not be standing here today as a Member of the U.S. Senate. Huck helped in my first campaign back in 1959 when I ran for Congress and also managed my next campaign in 1962. He was with me every step of the way then and every day since. Huck Boyd was my mentor in politics, as well as in many other aspects of my life.

Huck was the publisher of the Phillips County Review, a weekly publication in north-central Kansas that shared the titbits of news and views important to a small, rural community. He authored a series of articles on the shortage of doctors in rural Kansas, which led to the formation of the Family Practice Department at the University of Kansas Medical School. He led the effort to keep railroad services in northwestern Kansas, too. His work as a writer, editor, and publisher earned him many honors, including the prestigious William Allen White Foundation Award for Journalistic Merit.

To Huck Boyd, what mattered to rural America and to small towns like Phillipsburg was as important, if not more important than, the great political battles of Washington. And Huck certainly knew those.

Huck managed Presidential campaigns in our State for Dwight Eisenhower and Richard Nixon. He served as the Republican National Committeeman from our State for 21 years. And in 1968, 1972, and again in 1976 Huck managed the press operations at our National Conventions.

Huck himself twice sought the governorship of Kansas, and though he was unsuccessful in both 1960 and 1964 he did not give up. He stayed active in our party and contributed much to its growth and future victories.

But for all the autographed pictures on his walls, and for all the plaques thanking him for countless good deeds, and for all the other honors bestowed on him, the real greatness and success of Huck Boyd was simply in the kind of person he was. To see him walking down the street, you would never guess that he counseled Presidents and Governors and Senators. But you could see that he was a devoted husband and a loving father.

He was a simple, decent man who had a blind faith in his fellow human beings and fellow men and women. He was never too important and was never too busy to offer a kind word to anyone, or to lend a helping hand or to do anything else that may ever have been asked of him.

Huck Boyd passed away last Friday evening after a battle with cancer. He was 79 years young, and up to his final days was still going as strong as ever, assisting in the transition efforts of a new Republican Governor. We will forever remember his great contributions to his family and his profession, his community, and our State, and to our party and our country. His wife Marie, his daughters Pat and Marsha, and other members of the family are in my thoughts and prayers, and the people of Kansas join me, I am certain in this tribute.

Huck Boyd did with astuteness, compassion, and class what the rest of us strive to do—serve the people. He leaves a large pair of shoes to fill; they may never be filled. And many of us will walk in his shadow for years to come.

Mr. BYRD. Mr. President, do I have any time remaining?

The ACTING PRESIDENT pro tempore. The majority leader.

CLEAN WATER LEGISLATION

Mr. BYRD. Mr. President, may I just comment on the distinguished Republican leader's remarks with respect to the clean water measure.

I want to do whatever I can to accommodate the President. I am not seeking to embarrass the President. As to the timing with respect to the passage of the measure and again with respect to the President's State of the Union Message, if there is some problem there, if I can just find out what it is, perhaps we can go from there and accommodate the President.

I do not seek to embarrass him. That is not the idea. I want to get this bill passed. I also would like to avoid having nongermane amendments, called up. So perhaps we could work out some agreement to preclude all amendments other than the amendment by the Republican leader. It may be impossible to get the agreement. But I want to assure the Republican leader that it is my desire to cooperate and to accommodate. But I think we have to pass this legislation. All Senators were on notice that this legislation would be before the Senate early in January.

Committees are busily meeting and are proceeding with their responsibilities. We are almost a month ahead of what we would be otherwise if we had followed the normal course of not transacting any business prior to the President's State of the Union Message. The Armed Services Committee has been meeting, the Budget Committee has had meetings, and the Foreign Relations Committee is meeting with respect to the treaties and foreign policy. The Banking and Currency Committee has been meeting. Several other committees have met, are organizing or have already organized, and are conducting hearings on legislation which will be brought out of the committees.

So we are making good progress. I hope we can expedite the business of the Nation, not have Government shut down, get out at a reasonable time daily, when possible, and at the same time be able to adjourn sine die by a reasonable date in the fall.

Mr. DOLE. Will the majority leader yield?

Mr. BYRD. Yes. I am happy to yield.

Mr. DOLE. I just wish to confirm what the majority leader stated. I think he has gotten us off to an excellent start. We are ahead of schedule. There are things happening that normally have not been the case. I congratulate the majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader. I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The ACTING PRESIDENT pro tempore. Under the previous order the distinguished Senator from Wisconsin, [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

STOP SELLING ARMS EXCEPT TO U.S. ALLIES

Mr. PROXMIRE. Mr. President, why has there been no visible challenge to the policy this country has been pursuing for many years of selling military weapons to almost any country that has the price? Is not that the real shame of the Iran-Nicaragua arms scandal? Oh, sure, this is not an exclusive Reagan administration policy. It has been a bipartisan policy of this country for years. And it is a shame, a terrible shame.

Consider: What is the purpose of military weapons? Yes, indeed. We always claim these weapons of death are sold strictly for defensive purposes. We describe them as deterrents, and as guardians of freedom. But let us face it. They have one mission. They can kill. That and that alone is why we can sell them and the purchasing country will buy them. How can we do this? How can this great peace-loving country sell military weapons of death? Now let us be realistic about this. Of course, we sell military weapons to our North Atlantic Treaty allies. And we should. We should also sell military weapons to other allies like Israel and Japan. How do we justify these sales? We justify them because these sales help provide for our own national security. We provide them for the defense of our allies and ultimately for the defense of our own country. These sales of military weapons we can support.

But there is no way we can support the sale of weapons to nations that are not our military allies. None. Just think of it. In 1984 and 1985—the latest years for which we have figures—this country sold more than $27 million worth of arms to the biggest Communist country in the world—China. At the same time we sold more than $1.5 billion worth of arms to Taiwan whose prime military opponent is China. Furthermore some of the arms we sold to China are tailor-made for an attack on Taiwan. Because of our sales thousands who would otherwise live may die. Sure we make a buck or two. But our hands are bloody.

We have sold arms to many other determined adversaries or potential adversaries: In the last 2 years, $35 million in arms to India; $500 million worth to Pakistan; $18 million in arms to Argentina; $55 million in military weapons to Brazil. There is only the smallest of exceptions to this gruesome and evil policy. The Congress has forbidden by law the sale of arms by this country to terrorist countries. In the law we list five terrorist nations to which we will no longer sell arms. One of them is Iran. But now we find that for the past 2 years while the law proscribing such sales was fully in effect the United States has been selling arms to Iran. What is so wrong with that? First, it is flatly against the law. Second, Iran is our sworn enemy. The aytollah, the fanatic Iran dictator, has called America the great Satan. Third, Iran is an active belligerent now. So we know those arms will be used to kill the Iraquis. Fourth, we are providing military intelligence to the enemy of Iran: Iraq. So we send military assistance to both sides. Fifth, our Secretary of State has been speaking in nations around the world pleading with them to embargo all sales of arms to Iran. Sixth, our announced policy has been to stop the war between these two countries as promptly as possible. Meanwhile we are egging on both sides to continue fighting by supplying both sides with military assistance. Our country will be directly responsible for the death of tens of thousands in Iraq and Iran. What monumental hypocrisy! What a cruel policy!

Mr. President, this sale of military weapons, billions of dollars of military weapons, throughout the world is worse than stupid, contradictory, hypocritical—it represents a savage attack on everything this country cherishes. All of us as Americans are proud of our freedom, our democracy, and our equality of opportunity. But our prime value is beyond any of these treasured objectives. So what is our prime value? Our prime value is human life. To us every person—black, white, American, Iranian, Chinese or Indian—is a child of God. Every life is of infinite worth. When American TOW missiles are used by Iranians to kill Iraquis that death is as evil in the eyes of God as if we conspire to kill our own brother. The sale of arms to a belligerent who is not our military ally is the epitomy of evil.

Today like every day we started this session of the Senate by bowing our heads in prayer and reverence for God. And what is the prime lesson of our Judeo-Christian faith? It is above all reverence for human life. And yet for years this body has supported or condoned this supremely evil policy of indiscriminate arms sales that can only destroy human life.

Mr. President, what should we expect from the investigation of the Iran-Nicaraguan affair by the Congress? There may or may not be criminal action taken against those who have violated our laws. But how will this tragic episode enable us to prevent this vicious disregard for this Nation's No. 1 value—the sanctity of human life—in the future? This Congress should carefully consider a policy of outlawing the sale or transfer of military weapons to any nation that is not an ally of the United States.

Mr. President, a few days before the Iran arms sale scandal broke, the New York district attorney sought an indictment of resident Americans for the sale of arms to Iran. He publicly attacked these men for one of the most vicious crimes imaginable. He called them "Merchants of Death." Dwell on that phrase for a minute, Mr. President—"Merchants of Death." And then ask yourself. Is not this exactly, and precisely what our own United States of America, the country all of us love, has become in selling arms everywhere to everyone? This Congress can and should end this criminal policy, and now.

PROXMIRE PRESENTS PRESIDENTIAL PREREQUISITE

Mr. PROXMIRE. Mr. President, I might note that the distinguished Presiding Officer, Senator PRYOR, and the Senator who is waiting to speak, Senator PRESSLER, both have a peculiar distinction which I share with them; that is, that their names start with PR. I have always thought it would be a great thing for our country if at long last we had a President of the United States whose name started with PR. Think of that. President PRYOR, President PRESSLER. I will not go on. But I think that is something we should seriously consider. That is a real qualification.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR PRESSLER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from South Dakota, Mr. PRESSLER, is recognized for not to exceed 5 minutes.

Mr. PRESSLER. Mr. President, I will not comment on that.

HUMAN RIGHTS IN CZECHOSLOVAKIA: CHARTER 77 FIGHTS ON

Mr. PRESSLER. Mr. President, human rights in Czechoslovakia and Charter 77 fight on.

The Iron Curtain has not lifted, but the flame of human concern still burns brightly in Eastern Europe. Bodies are imprisoned, mutilated, or killed, and lips are sealed, but spirits still soar. The thirst for justice cannot be quenched just yet, nor can the hunger for freedom, and hope remain for a better time.

In my judgment Czechoslovakia is a most unique country in the sense that it projects a spirit of freedom but KGB activity and the repression of thought in Czechoslovakia are greater, perhaps, than even in the Soviet Union. That is hard to believe because Czechoslovakia portrays itself as being more of a free society, with its tennis players and with its variety of cultural exchanges. But the fact of the matter is that the KGB controls the Czechoslovakian Secret Service more so than any other Eastern European country.

We Americans are so fortunate to live in a free land dedicated to "liberty and justice for all." Yet, we must not forget our brave friends who are not so fortunate, particularly those who live under the tyranny of communism. Because they cannot, we must work to lift their chains, to unseal their lips, and ease their pain.

How can we do that? Anniversaries remind us of their plight, and offer us avenues to pursue. Last fall we celebrated here in Congress several anniversaries important to the human rights struggle in Eastern Europe. Most notable were the events commemorating the 30th anniversary of the Hungarian uprising, the 10th anniversary of the implementation of the Helsinki accords and the founding of the Helsinki Watch Groups. These anniversaries were celebrated on both sides of the Atlantic, here in our own Congress and among dissident groups in various East European states united for the first time in a common cause.

This month we have another important anniversary to celebrate: The 10th anniversary of the founding of Charter 77 in Czechoslovakia, an initiative dedicated to enhancing and preserving human rights and responsibilities.

Why is Charter 77 so important to us in the West, particularly to those of us in the United States? In many ways, Charter 77 is so very valuable because of what it is not. It is not, as I have said, a formal opposition group. If it were, it probably would not exist. As it is, it leads a tenuous existence, its membership harassed, its leadership forced to rotate continuously. Yet, at the minimum, it is an extremely important manifestation of freedom. As a movement, Charter 77 works for certain democratic values, and human rights concerns are strictly promoted. However, the Charter does not advocate eliminating the present government, and they do not ask that General Secretary Husak resign. They view the events of 1968 as an unsuccessful reform experiment; as such, disgruntled Communists are Charter members, as are religious and human rights activists, environmentalists, and liberal internationalists. The fact that the Charter is not a formal opposition group probably guarantees its right to exist as a movement helping to keep the light of freedom alive in Eastern Europe.

I am not an expert on Czechoslovakia; indeed, I made my first visit to Czechoslovakia this past June as chairman of the European Affairs Subcommittee of the Committee on Foreign Relations. However, I came away extremely impressed with the Charter movement, and I am determined to do what little I can to promote its effectiveness and longevity.

I am convinced that the Charter can use all the support it can get. I was shocked recently to read a December 14, 1986, New York Times article by Kurt Vonnegut, Jr., and a newsstory by Michael T. Kaufman dated which portrayed a January 21, 1986, irrational crackdown by the government on the society of Czechoslovak jazz musicians. The arrest of eight musicians, whose only "crime" was a musical affiliation with the West, hardly bodes well for the premier human rights movement in Czechoslovakia.

I had a firsthand experience with the authoritarian nature of the Czechoslovak Communist state, and my respect for those who oppose it grew immeasurably. My staff and I personally witnessed an example of repression, in an incident that may signal the Czechoslovak Government's intention to step up controls to minimize dissident contacts with the West. In an impromptu fashion, I decided to attend a dinner meeting between a member of my staff, American Embassy political officers, and spokesmen of the Charter 77 movement. Upon arriving with an American Embassy official, we discovered that several Charter spokesmen had been prevented from leaving their homes to attend this dinner. I decided to attempt to visit them at their home, where one of my staff was already meeting with them.

At the vestibule to their apartment, we were stopped by several plainclothes policemen, who prevented me from entering. They stated that unless I was able to present my passport for identification, I could not enter. My passport was procured and we returned to the apartment building. We were then met by approximately 10 plainclothes police, who insisted that I should not enter. When asked why, they stated that the Minister of Interior forbade my entrance, citing this as an inappropriate place for a visitor to come. At that point, after some discussion, the Embassy political officer accompanying me offered to go upstairs and bring the Charter spokesmen down. This was done, but the Charter spokesmen were prevented from leaving the building with me so we had no discussion.

Embassy officials told our party that this level of interference was unusual, and that it might signal a tightening up of Czechoslovak policy toward contact with dissidents. We concluded that it was important to make the attempt, although my visit was prevented. Apparently, only United States and British parliamentarians regularly attempt to meet with dissidents, with other Western visitors eschewing such meetings.

It is in this light that I have watched with concern the 10th anniversary celebrations of the Charter's founding this January. A press conference was convened by the Charter, but several Charter 77 spokesmen and signatories were either detained or prevented from attending. The press conference was scheduled to be held in a local Prague restaurant, but it was closed by security police, who would not permit anyone to enter.

However, one of the retiring Charter spokesmen, Martin Palous, was able to arrange a "substitute" press conference in his apartment, which was attended by several foreign correspondents. Even then security policy caused a power blackout to the apartment within an hour; the meeting concluded by candlelight. Security police apparently also detained that day former Charter 77 spokeswoman Anna Marvanova, who suffers from an incurable disease of her spinal cord and who is unable to move about on her own, and Charter 77 signatory Pavla Nemcova.

During this anniversary season for Charter 77, we should warmly congratulate the three new spokesmen who will be speaking for Charter 77 in 1987. Their strength and leadership will be of great importance to the Charter and to human, religious and political rights activists throughout the Communist bloc. They are Jan Litomisky, Libuse Silhanova, and Josef Vohrysek. Their biographies and addresses are detailed at the conclusion of my remarks. I hope that all of you will give them the support, encouragement, and hope that they need to carry this great responsibility.

I expect to speak about Charter 77 and its activities throughout the year, in recognition of its 10th anniversary, and I urge my colleagues not to forget those who work for freedom in Eastern Europe and the Soviet Union. It is only by remembering what others must endure that we can fully appreciate our own privileges and freedoms.

Mr. President, I ask unanimous consent that a document entitled "New Charter 77 Spokespersons as of January 6, 1987," be printed in the RECORD at this point.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

NEW CHARTER 77 SPOKESPERSONS AS OF JANUARY 6, 1987

Litomisky, Jan, born August 19, 1943 in Prague, evangelical family, studied at the Agricultural College; since 1965 worked as agronomist; joined the catholic people's party in Ceske Budejovice; left the party in 1969 because of disagreement with its policies, after the Soviet invasion of Czechoslovakia. In 1978 became a member of VONS and in February, 1981 was detained for this activity; in the fall of the same year, Litomisky was sentenced to 3 years imprisonment and 2 years of "protective supervision". Served his sentence in Plzen-Bory prison, where he worked in a department producing custom jewelry. After his release from prison, subjected to the provision of the "protective supervision" until February, 1986. Worked as a forestry worker. Litomisky is an active member of the Czech Brethren Evangelical Church. His address is: Doudova ulice cislo 6, Praha 4.

Silhanova, Libuse, born April 10, 1929 in Vrdy, distr. Caslav into a family of a country physician. Since 1945 active in a youth movement, in the area of culture. Since 1949 worked as a journalist; married in 1951; later studied at the Charles University in Prague at the philosophical faculty; graduated in 1957; mother of three children; worked also as a teacher at a basic school, later in high school; later as an editor in publishing house "Svoboda". Since 1967 active as a scientific worker in the Institute of Social and Political Science. Her studies concerning the socializaion of youth, were published in professional magazines in Czechoslovakia and abroad. After the closing of the Institute and explusion from the communist party in 1970, Silhanova worked manually. She became ill and retired on disability pension. After she signed Charter 77, the authorities withdrew her disability pension. Retired since 1984. Address: Jeseniova ulice c.105, Praha 3.

Vohryzek, Josef, born May 17, 1926 in Prague. Studied at a gymnasium before the war; in 1940 his parents sent him to Sweden, to save him from deportation of Jews. Later he applied at the Czechoslovak government in Exile (in London) to serve in the air-force and was called to join the airforce in England. However, because of poor eyesight, he was not permitted to join. Returned to Sweden and in 1944 joined the communist party. After his return to Czechoslovakia studied at the Charles University. Later worked as an editor for the Czechoslovak Academy of Sciences and published many articles and literary thesis in magazine "Kveten" (May). Joined the Czechoslovak Communist Party, however, later was expelled for his criticism. In 1967 became a member of the section of translators of the Czechoslovak Independent Writers Association. Since 1970 worked manually. Translated about 30 works from Swedish. Address: Pocernicka ulice c.40, Praha 10.

RECOGNITION OF SENATOR BAUCUS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Montana [Mr. BAUCUS] is recognized for not to exceed 5 minutes.

AGRICULTURAL TRADE ENHANCEMENT ACT

Mr. BAUCUS. Mr. President, we do not need to look very far into our rural areas to know that our farmers desperately need help.

Our farmers need help in many areas, but what they need most right now is an aggressive program that will boost America's sagging agricultural exports.

That is the goal of the Agricultural Trade Enhancement Act of 1987 which I am introducing today.

Back in 1980, the economic health of agriculture looked pretty encouraging. Farms were in strong financial condition. Government support for agriculture amounted to only $4 billion annually—a drop in the bucket by today's standards. The future looked bright and the Government was advising farmers to plant more crops to feed a hungry world.

At the same time, we were exporting 44 billion dollars' worth of agricultural products. More than one-third of total farm income came from export sales. This strong trade performance buoyed the entire economy and pushed up prices paid to farmers.

By 1986, however, the picture had turned bleak. Agricultural debt had risen to more than $200 billion. The rates of farm foreclosures and rural bank failures were at the highest level since the Great Depression. Government expenditures to support agriculture had reached a record $26 billion. The Government was spending more to store agricultural surpluses than the entire farm program cost in 1980.

In that same year—in 1986—the United States exported only about 25 billion dollars' worth of agricultural products. That is about one-half the exports in 1980. Worse yet, the value of agricultural imports was coming very close to the value of our agricultural exports.

Why? Because more and more of America's food supply was being grown in foreign fields.

It is no coincidence that our farmers faced more financial hardships as we lost our export markets. Nor is it a coincidence that farm program costs went up by about $20 billion while the value of exports dropped by the same figure.

Plain and simple, the farm crisis is a trade crisis. The United States sells more than half of its yearly harvest of most major crops to foreign customers. The American farmers' largest markets are overseas.

Today, with the support of my colleagues, Senators ZORINSKY, BOREN, HEFLIN, BURDICK, and EXON, I am introducing a comprehensive package to remedy the agricultural trade problems that we face.

Our bill includes five major sections.

The first strengthens the sanctity of contracts assurance that we provide to our foreign customers. We want to assure our customers that they can depend on us to honor our commitments.

The second part of our bill expands the Export Enhancement Program. It grants EEP benefits to all foreign customers—especially our best customers. A program like this is essential to make our exports competitive with those from countries where farmers are heavily subsidized.

Right now the EEP is targeted at some of the worst U.S. customers. This focus has hurt the overall effectiveness of the program.

Still, there have been bright spots. In the 1985-86 marketing year, we exported just under half a million metric tons of barley. This year, largely because of the EEP, our farmers are likely to sell more than 3 million metric tons overseas.

Bright spots like this can be the rule instead of the exception. But the EEP must be used more widely and given to customers who have a record of wanting to increase purchases from the United States.

In the third section of our bill, we are urging the administration to make full use of current programs, like blended credit, guaranteed credit, the EEP, and food aid. We are also requiring the USDA and AID to report to Congress on the potential for using these programs to increase export sales.

At a time when agricultural exports are desperately in need of support, the administration is suggesting cuts in these programs. That is extremely ill-advised. We should be aggressively using these successful programs.

In the 1970's, agriculture was the bright spot in our trade picture. Now our agricultural trade surplus has shrunk to the lowest level in 20 years.

But we are not doomed to become an economy in decline. U.S. agriculture does not need to follow the path of the steel and textile industry. If we are willing to aggressively compete in the world economy, we can once again be the breadbasket for the world.

Now more than ever, it is time to compete, not retreat. This legislation is an essential step in that direction.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 310

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Agricultural Export Enhancement Act of 1987".

SEC. 2. EXPORT CONTROLS.

Section 6(m) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(m)) is amended—

(1) by inserting "(A) except in the case of exports of agricultural commodities described in clause (B)," after "certified to the Congress";

(2) by redesignating clauses (A), (B), and (C) as subclauses (i), (ii), and (iii), respectively; and

(3) by inserting before the period at the end thereof the following: "; or (B) in the case of exports of agricultural commodities, including fats and oils or animal hides or skins, that—

"(i) the controls are imported in connection with an emergency declared under section 202 of the International Emergency Economic Powers Act; or

"(ii) the United States has terminated diplomatic relations with the foreign country or countries to which exports are to be controlled".

SEC. 3. AGRICULTURAL EXPORT ENHANCEMENT PROGRAM.

(a) IN GENERAL.—Section 1127 of the Food Security Act of 1985 (7 U.S.C. 1736v) is amended to read as follows:

"SEC. 1127. AGRICULTURAL EXPORT ENHANCEMENT PROGRAM.

"(a) Definitions.—In this section:

"(1) Base period.—The term 'base period' means the most recent 12-month period ending August 15th.

"(2) Bonus.—The term 'bonus' means agricultural commodities and the products thereof acquired by the Commodity Credit Corporation that are provided under this section to promote the export of a targeted commodity to a targeted country.

"(3) Bonus period.—The term 'bonus period' means the period during which a targeted country receives a bonus, as determined in accordance with subsection (f).

"(4) Secretary.—The term 'Secretary' means the Secretary of Agriculture.

"(5) Targeted commodity.—The term 'targeted commodity' includes—

"(A) wheat, feed grains, upland cotton, rice, soybeans, corn, sorghum, and dairy products produced in the United States;

"(B) any other agricultural commodity produced in the United States that is determined by the Secretary to be in surplus supply and that may be purchased with funds available under section 32 of the Act entitled 'An Act to amend the Agricultural Adjustment Act, and for other purposes', approved August 24, 1935 (7 U.S.C. 612c); and

"(C) products of the commodities and products described in subparagraphs (A) and (B) that are processed in the United States.

"(6) Targeted country.—The term "targeted country" means a country that is eligible to receive a bonus under sections (c) and (d).

"(7) United States market share.—The term 'United States market share' means the ratio of—

"(A) the quantity of a targeted commodity imported by a country from the United States; to

"(B) the quantity of a targeted commodity imported by the country from all foreign countries.

"(b) Establishment of Program.—Notwithstanding any other provision of law, the Secretary shall formulate and carry out a program under which agricultural commodities and the products thereof acquired by the Commodity Credit Corporation are provided to United States exporters, users, and processors and foreign purchasers at no cost to encourage the export of targeted commodities to targeted countries.

"(c) Determination of Target Countries.—

"(1) List.—Not later than September 1 of each year, for each targeted commodity, the Secretary shall announce a list of the foreign countries that have shown the largest increase in the United States market share of the commodity, in order of the highest to lowest market share, by comparing—

"(A) the average United States market share of the commodity of each country during the base period; and

"(B) the average United States market share of the commodity of the country during the 36-month period ending the preceding August 15th.

"(2) Allocation of targeted commodities.—The Secretary shall allocate the targeted commodities in the from of bonuses to the maximum possible number of countries on the list required under paragraph (1), in order of the highest to lowest market share, until the total quantity is allocated, preference to be given to those countries ranked highest on the list.

"(3) Transitional bonus.—Notwithstanding paragraphs (1) and (2) of subsection (d), the secretary may provide a bonus to a country that is not targeted to receive a bonus under paragraph (2) if the Secretary determines that the bonus is necessary—

"(A) to open a major new market for a targeted commodity;

"(B) to counter an unfair trade practice of another country; or

"(C) to reward good traditional customer countries in which the United States market share is too high to allow significant market share improvement.

"(5) Treatment of other assistance.—In determining the United States market share of a targeted commodity in the case of a foreign country that has received shipments of food aid under the Agricultural Trade development and Assistance Act of 1954 (7 U.S.C. 1921 et seq.), food aid under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), or a bonus under this section, the Secretary shall exclude 50 percent of the total volume of such shipments from the total quantity of targeted commodities imported by the country from the United States.

"(d) Eligibility.—To be eligible to receive a bonus, a foreign country must—

"(1) be a traditional buyer of a targeted commodity;

"(2) during the base period, have a United States market share for the targeted commodity for which the country would receive a bonus of at least 10 percent;

"(3) maintain a trading relationship with the United States; and

"(4) during a bonus period, import at least as much of the targeted commodity from the United States as the country imported from the United States during the preceding fiscal year.

"(e) Quantity.—

"(1) In general.—Except as provided in paragraphs (2) and (3) and subsection (g), a bonus provided to a targeted country during a fiscal year as the result of the United States market share of a targeted commodity shall equal one third of the value of all imports of the commodity by the country from the United States during the base period.

"(2) Transitional bonus.—A bonus provided to a country under subsection (c)(3) during fiscal year 1988 to promote the export of a targeted commodity shall equal an amount determined by the Secretary of not to exceed 50 percent of the value of the imports of the commodity from all countries during the base period.

"(f) Bonus Period.—

"(1) In general.—Except as provided in paragraph (2), a bonus shall be distributed to a targeted country during the fiscal year following the base period.

"(2) Extension.—If a target country demonstrates to the Secretary compelling reasons why the country is unable to complete sufficient commercial purchases during the bonus period required under paragraph (1), the Secretary may extend the bonus period by not more than 6 months.

"(g) Reduction or Elimination of Bonuses.—

"(1) Conditions.—Subject to paragraph (2), the Secretary may reduce or eliminate a bonus provided to promote the export of a targeted commodity to a targeted country if—

"(A) the bonus would severely undercut the prevailing world market price for the commodity;

"(B) the bonus would have a negative effect on the volume of United States exports of the commodity;

"(C) the bonus would exceed the quantity of agricultural commodities and the products thereof acquired by the Commodity Credit Corporation that are available to carry out this section;

"(D) the increased imports of the commodity would cause disastrous impairment to the economy of the country;

"(E) the President has taken action against the country under section 301 of the Trade Act of 1974 (19 U.S.C. 2411) during the 24-month period preceding the bonus period;

"(F) trade sanctions have been imposed against the country by the United States; or

"(G) the United States market share for imports of the targeted commodity has significantly deteriorated at any time during the operation of this section.

"(2) Minimum reduction.—The Secretary shall reduce or eliminate a bonus under paragraph (1) only to the minimum extent necessary to remedy the reason for the action.

"(h) Administration.—In carrying out the program established by this section, the Secretary—

"(1) shall take such action as may be necessary to ensure that the program provides equal treatment to domestic and foreign purchasers and users of United States agricultural commodities and the products thereof in any case in which the importation of a manufactured product made, in whole or in part, from a commodity or the product thereof made available for export under this section would place domestic users of the commodity or the product thereof at a competitive disadvantage;

"(2) shall encourage increased use and avoid displacing usual marketings of United States agricultural commodities and the products thereof;

"(3) shall take reasonable precautions to prevent the resale or transshipment to other countries, or use for other than domestic use in the importing country, of agricultural commodities or the products thereof the export of which is assisted under this section; and

"(4) may provide to a United States exporter, user, processor, or foreign purchaser, under the program, agricultural commodities of a kind different than the agricultural commodity involved in the transaction for which assistance under this section is being provided.

"(i) Ineligible Countries.—

"(1) Assistance.—If a country does not meet the eligibility requirements prescribed in subsection (d) for participation in the bonus program, the Secretary may provide to such country agricultural commodities and the products thereof acquired by the Commodity Credit Corporation to the extent necessary to help such country meet such qualifications in future years.

"(2) Annual review and adjustment.—The Secretary shall review and adjust annually the quantity of commodities provided to a country under paragraph (1) in order to encourage such country to place greater reliance on increased use of commercial trade to meet the qualifications referred to in paragraph (1).

"(j) Green Dollar Export Certificates.—

"(1) In general.—In carrying out this section, the Secretary may make green dollar export certificates available to commercial exporters of United States agricultural commodities and the products thereof.

"(2) Terms and conditions.—The Secretary shall make such certificates available under such terms and conditions as the Secretary determines appropriate.

"(3) Amount.—The amount of such certificates to be made available to an exporter may be determined—

"(A) on the basis of competitive bids submitted by exporters; or

"(B) by announcement of the Secretary.

"(4) Redemption.—

"(A) In general.—An exporter may redeem a green dollar export certificate for commodities owned by the Commodity Credit Corporation.

"(B) Values.—For purposes of redeeming such certificates, the Secretary may establish values for such commodities that are different than the acquisition prices of such commodities.

"(5) Administration.—Such certificates—

"(A) may be transferred among commercial exporters of United States agricultural commodities; and

"(B) shall be redeemed within 6 months after the date of issuance.

"(k) Implementation.—The Secretary shall carry out the program established by this section through the Commodity Credit Corporation.

"(l) Price Restrictions.—Any price restrictions that otherwise may be applicable to dispositions of agricultural commodities owned by the Commodity Credit Corporation shall not apply to agricultural commodities provided under this section.

"(m) Additional Authority.—The program established under this section shall be in addition to, and not in place of, any authority granted to the Secretary or the Commodity Credit Corporation under any other provision of law.

"(n) Reports.—

"(1) In general.—Not later than 1 year after the date of enactment of this Act and each year thereafter, the Secretary shall prepare and submit a report on the effects of the operation of the bonus program carried out under this section, and the allocations under the program, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestery of the Senate.

"(2) Effects of program.—The report shall include an analysis of the effect of the bonus program on export sales, the economy of the target country, and the United States market share held by other major agricultural exporters in each target country.

"(o) Quality of Agricultural Commodities.—

"(1) Minimum and maximum qualities.—During each fiscal year that the program is in operation, the Secretary shall use agricultural commodities and the products thereof referred to in subsection (b) that are equal in value to not less than $333,000,000, and not more than $500,000,000, to carry out this section.

"(2) Value of commodities.—For purposes of paragraph (1), the value of the commodities disbursed shall be determined by using the current market value of the commodities.

"(p) Certificates.—

"(1) Form.—Agricultural commodities and the products thereof required to be provided under this section shall be disbursed in the form of certificates for commodities and products held by the Commodity Credit Corporation.

"(2) Type.—The Secretary may use either specific certificates for the specific targeted commodity, or generic certificates for other commodities, in carrying out this section.

"(q) Termination of Authority.—The authority provided under this section shall terminate on September 30, 1990.".

"(b) Application of Amendment.—The amendment made by subsection (a) shall apply to each of the fiscal years 1988 through 1990.

SEC. 3. USE OF AGRICULTURAL EXPORT AUTHORITY.

(a) Sense of Congress.—It is the sense of Congress that the President, Secretary of Agriculture, and other appropriate members of the executive branch, use the authority granted under section 101, 102, and 103 of the Agricultural Trade Development And Assistance Act of 1954 (7 U.SC. 1701, 1702, and 1703), section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)), section 4 of the Food For Peace Act of 1966 (7 U.S.C. 1707(a)(a)), section 416 of the Agricultural Act of 1949 (U.S.C. 1431), section 1127 of the Food Security Act of 1985 (7 U.S.C. 1736v), and this Act to promote and expand exports of United States agricultural commodities and the products thereof.

(b) Report.—

(1) In general.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture and the Director of the Agency for International Development shall make and submit a report to the Committee on Agriculture of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the President on the potential to expand the use of authorities referred to in subsection (a) to promote the export of agricultural commodities and the products thereof to the countries referred to in paragraph (3).

(2) Consultation.—The report required under paragraph (1) shall be prepared after consultation with the heads of government agencies, United States employees, and other interested parties in the countries referred to in paragraph (3).

(3) Countries.—This subsection shall apply to all countries that are traditional major recipients of food aid and agriculture export credit, including Mexico, Brazil, India, the People's Republic of China, Nigeria, Zaire, the Philippines, Iraq, Saudi Arabia, Turkey, El Salvador, Guatemala, Egypt, Algeria, Yemen, Morocco, Jordan, Tunisia, Benin, Romania, and Yugoslavia.

SEC. 4. COOPERATOR BONUS PROGRAMS.

(a) Establishment.—Notwithstanding any other provision of law, the Secretary of Agriculture may—

(1) provide, to bona fide overseas market development cooperator organizations, agricultural commodities acquired by the Commodity Credit Corporation, to be used to expand overseas purchases and market development for United States agricultural commodities and value-added products; and

(2) supplement commodities provided under an agreement entered into pursuant to section 101 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1701), with an additional bonus of commodities owned by the Commodity Credit Corporation in a quantity not to exceed 10 percent of the volume of commodities provided under the agreement.

(b) Eligibility.—To be eligible to receive agricultural commodities under this section, an organization must be recognized by the Secretary of Agriculture as a current or future bona fide market development cooperator organization for overseas sales.

(c) Additional Authority.—

(1) Current appropriations.—The commodities provided under subsection (a)(1) shall be in addition to current appropriations supporting market development activities carried out by bona fide overseas market development cooperator organizations.

(2) Local currency.—Foreign currency generations under subsection (a)(2) shall be in addition to the local currency generations required under title I of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1701 et seq.).

SEC. 5. FOOD FIRST POLICY.

(a) Findings.—Congress finds that—

(1) a far greater proportion of foreign assistance should be provided in the form of food aid, with the proceeds from the sale of food to be used to fund foreign assistance activities; and

(2) such a shift in policy would benefit United States agricultural producers and the recipients of foreign assistance.

(b) Sense of Congress.—It is the sense of Congress that—

(1) in the case of each program established by the United States to provide food, economic and development aid to foreign countries, the head of the agency responsible for administering the program should grant a greater proportion of total assistance under the program in the form of food aid;

(2) the proportion of the total amount of assistance provided under each program that is granted in the form of food aid should be increased until it is equal to at least 33 percent of the total amount, except in those cases in which the head of the agency determines that the action would replace private United States agricultural sales; and

(3) not later than October 1 of each year, the President should submit an annual report to Congress detailing the extent to which the foreign assistance programs of the United States are conducted in accordance with this section.

Mr. ZORINSKY. Mr. President, I am pleased to be a cosponsor of this much-needed trade legislation offered by my good friend and colleague from Montana, Senator Baucus. It is obvious that Congress must act to formulate a consistent trade policy that will help recapture lost markets and restore U.S leadership in world agricultural trade.

The United States is no longer the only country that can produce agricultural commodities for export—in fact, there are now over 25 nations that produce more than enough to meet their own domestic consumption. We must recognize that having efficient, productive farm operations is not necessarily going to translate into sales in the international marketplace, especially if the agricultural policies and/or treasuries of foreign nations stand behind the farmers we are competing with.

To be competitive, we have to play the game. That means we must be price, quality, and terms competitive. The American farmer can no longer be left on the sidelines, while its Government lets sales slip away.

Just last week, I tried to convince the State Department to allow the use of the Export Enhancement Program to make sales of United States wheat attractive to the People's Republic of China and Iraq. I believe that it is inexcusable for U.S. foreign policy or other unrelated considerations to stand as an impediment to our trade of U.S. commodities. I don't think we have to look very far to see why our agricultural exports have declined from $44 billion in 1980 to $26 billion in 1986, and why we have a total trade deficit of $169 billion projected for this year.

As the greatest capitalistic nation the world has ever known, we ought to be doing what we do best—compete economically. Perhaps we should relearn the lessons we have taught so well to other nations about how to both produce and market commodities.

This legislation targets the export enhancement program in an effort to develop strong commercial links with other countries. Although I personally support an across-the-board program to all customers, it is not inconsistent to establish priorities with good trading partners. While expansion of U.S. farm exports is a primary goal of the export bonus program, the program also serves as a challenge to unfair trade practices and encourages our trading partners to be responsive in negotiating resolutions to agricultural trade problems.

Sanctity of contracts is also furthered by this legislation. The President could only terminate contracts for the delivery of agricultural commodities if it is necessary in conjunction with a declaration of emergency or if we formally break relations with the contracting country.

In addition, the legislation encourages greater use of existing programs, and calls for the administration to increase the percentage of foreign assistance provided in the form of food aid. The Secretary of Agriculture is also authorized to provide surplus Commodity Credit Corporation commodities as a bonus to cooperators as part of commercial sales.

I urge my colleagues to join me in supporting this legislation.

Mr. BURDICK. Mr. President, the United States needs stronger action to boost agricultural exports. That's why I am pleased to join my colleagues in introducing the Agricultural Export Enhancement Act of 1987.

This measure includes several elements aimed at improving America's competitive position in world markets.

First, the bill would help assure our international customers that America will be a reliable supplier of agricultural products.

Second, the bill would revise the Export Enhancement Program to make it more attractive to our best customers.

Third, it would encourage the administration to use the existing export programs more aggressively.

Fourth, it would help boost commercial sales overseas through private market development cooperatives.

And finally, it would urge the administration to send more food aid overseas.

This is a strong package that includes the essential elements necessary to help reclaim the export markets the United States has lost.

America's farmers deserve better than the half-hearted efforts that have been made so far to increase agriculture exports. This legislation will give our export program the boost it needs.

RECOGNITION OF SENATOR REID

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Nevada [Mr. REID] is recognized for not to exceed 5 minutes.

PROTECTION OF TAXPAYERS' RIGHTS

Mr. REID. Mr. President, within the next few weeks I will be introducing legislation to improve protection for taxpayers' rights. This is not a new concern of mine; I introduced similar legislation during the last Congress in the other body which was cosponsored by 50 of my colleagues. However, I believe it is particularly relevant, in this the year of the 200th aniversary of our Constitution, to once again focus on the importance of protecting the legitimate rights of the individual from abuses of Government power.

Other governments have adopted constitutions and enacted bodies of law to define the legal authority of government, but our Nation is unique in its particular concern for protecting the individual citizen from Government abuse. At the time of adoption of our Constitution, the Founding Fathers also drew up a separate bill of rights to better define and protect individual rights. This includes:

Protecting freedom of speech and assembly; protecting the right to keep and bear arms; protecting citizens from forced quartering of military personnel; protection from unreasonable search and seizure; protection from self-incrimination; protecting the right to a speedy trial and a trial by one's peers; protection from cruel and unusual punishment; and protection of rights guaranteed by States.

These protections are as important today as they were 200 years ago. However, the area of greatest potential Government abuse today could not even have been envisioned by our Founding Fathers—this is the collection of Federal income taxes.

As the old line goes: "Nothing is certain in life but death and taxes." Unfortunately, in recent years it has also become much more certain that if a taxpayer finds him or herself in disagreement with the Government over taxes due, that taxpayer is likely to face exercises of Government power that would not be tolerated under any other condition.

That is why I believe it is vital that Congress more clearly define and more definitely limit the power of the Internal Revenue Service in their pursuit of tax collection and thereby insure the protection of legitimate individual rights. To that end, I will be introducing my taxpayer bill of rights legislation in the near future. This legislation addresses such problem areas as questionable tax enforcement practices, disclosure of rights and obligations of taxpayers, the awarding of costs to prevailing taxpayers, procedures involving taxpayer interviews, provisions of an ombudsman, GAO oversight of the IRS and an appeals process for adverse IRS decisions. One of the most important provisions of my bill would prohibit performance evaluations of IRS personnel, based upon the amounts collected from taxpayers through audit and investigation.

Last year we made the most sweeping overhaul of our tax structure in a generation. Much of the support for this tax reform effort was obtained by insuring the taxpayers of the Nation that these changes would make the tax system both fairer and simpler. I supported tax reform because I want to see the Tax Code made fairer and simpler. Now, I believe that we ought to take the next logical and consistent step and reform the process by which we collect taxes. In short, we should finish the job of tax reform by reigning in the Internal Revenue Service and insuring that our citizens have the same protections from potential abuses of power by the IRS that we guaranteed them in other areas of the law. There could be no more appropriate time to enact a taxpayers bill of rights than in the year of the 200th anniversary of our Constitution.

I urge my colleagues to carefully review this legislation when it is introduced, and I hope they will join me in supporting it.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with Senators permitted to speak therein for not to exceed 5 minutes each.

CONGRESSIONAL SALARY INCREASE

Mr. WILSON. Mr. President, it is particularly appropriate that I rise to give notice to my colleagues that I intend to offer an amendment to the Clean Water Act to prevent the proposed $12,100 increase in congressional salaries.

The legislation which the Senator from Iowa [Mr. GRASSLEY] is proposing would make a highly desirable change. I do not think it will occur in time for us to be assured by process that the law will guarantee a vote by Members of Congress on this proposed increase. So, in order to deal with the increase that is before us—or, perhaps more accurately, not before us—one that will take effect in the event that there is congressional inaction to stop it, I am proposing this action.

Mr. President, it is wrong for Congress to vote itself a pay increase when we must spend the rest of the year trying to find ways to cut spending in order to trim the deficit to the $108 billion level required by law.

Many Members of Congress more than earn the proposed increase, but that is not the point. We have jobs, good jobs, that we asked our constituents to give us. We asked to be elected, knowing what this job paid. Even though many Members, especially those with young families, could use additional money to meet their obligations, we in fact receive compensation that most American families would envy.

The challenge to us is to create an economic climate that will create jobs for other Americans. To do that, we must cut the Federal budget deficit to hold down inflation and cut interest rates. By lowering the deficit, we will bring down a dollar that is still too strong against foreign currencies and begin to make American goods affordable once again and therefore once again competitive with foreign products. That is how reducing the Federal budget deficit will cut the trade deficit and protect American jobs.

Mr. President, there should not be and will not be a general tax increase to achieve a balanced budget. To increase taxes before the ink is dry on the tax reform bill passed by Congress months ago would be patently bad faith.

Mr. President, the only way that Congress and the President can reduce the Federal budget is to reduce spending. The challenge, then, is to cut spending, which in turn imposes on us the duty to set and to keep priorities.

What do we say to those arguing for services that we will have to cut if Members of Congress are seen to set an increase in our own pay as our first priority? What do we say to workers who are being asked by employers and union leaders to forbear from asking for wage increases so that the goods they make can be priced to be competitive with foreign goods both here and abroad?

Do we in Congress tell these workers that while we are not going to raise their taxes to raise our salaries, they are going to receive less in the way of services for their tax dollar in order to increase our pay? Absolutely not.

Mr. President, I will attach this amendment to the Clean Water Act reauthorization bill or to any other bill that we can expect to be debated and passed within the 30 days before the deadline by which Congress must act, that being the 30 days after we receive the President's proposal.

The law provides that this pay increase will become law unless Congress acts within that time to prevent its taking effect.

Mr. President, I do not think more need be said. The Senator from Iowa mentioned the deficit. The connection, I think, is clear, or should be. This is clearly the wrong time for a pay increase, and it has little to do with the merits of performance. It has little to do with need of some Members. It has to do with the need for Congress to give leadership, to set an example, at a time when we are called upon to reduce the deficit in a way that may involve sacrifice for other Americans.

I hope that a number of my colleagues will see fit to cosponsor this amendment—more important, that they will support it and take an action that I think is necessary to give assurance to the American people.

RELEASE CHICAGOAN ABE STOLAR

Mr. DIXON. Mr. President, Abraham Stolar's plight should come as no surprise to the U.S. Senate. Many years ago Mr. Stolar was brought to the Soviet Union by his parents. Abe is a native of Chicago, IL.

Abe Stolar wishes to return to the United States with his family. He informed Soviet emigration authorities of this in 1974. Since that time, Abe and his family have met repeated difficulties and refusals.

Mr. President, the 100th Congress must continue to place the highest priority on the Stolar family's tragic dilemma. Soviet authorities must constantly be reminded that the fate of those who wish to leave the Soviet Union matters deeply to the United States of America.

Abe Stolar asks to depart Soviet territory with his family. He asks for the opportunity to exercise a right so fundamental it is often taken for granted by many of us.

For these reasons, Mr. President, I have written an appeal to the Soviet leadership on behalf of the Stolar family, and I respectfully ask that each of my colleagues sign this appeal. The Soviet leadership must understand the seriousness with which the United States Senate views its treatment of Abe Stolar, his family, and every prisoner of conscience in the Soviet Union.

THE LIFE OF McDILL "HUCK" BOYD

Mrs. KASSEBAUM. Mr. President, yesterday, the State of Kansas laid to rest one of its most ardent native sons, McDill Boyd, better known to those of us who admired and loved him as "Huck."

Huck died on Friday at the age of 79 after a lifetime of service to his community, his State, and the Nation. He was the publisher of the Phillips County Review in his hometown of Phillipsburg. He had served on the Republican National Committee since 1965 and was actively involved in helping to install a new Governor in office at the time of his death.

Huck Boyd held many titles and won many honors but his life was far more than the sum of offices held, awards won or duties performed. Even at age 79, Huck exuded an energy and enthusiasm that infected all those he met. And he brought to every task that he faced a vital, special quality—an honest, unshakable commitment to helping others without regard to personal recognition.

When rural areas of Kansas faced a shortage of doctors, Huck became involved in creating a program to solve the problem. When rail service in northwestern Kansas was terminated, Huck helped organize a group that now operates trains through dozens of small towns. When a person in Phillipsburg was hungry or unemployed or in need of help. Huck Boyd would quietly lend a hand.

Huck believed that good citizens are the first resort of democracy and that government, while a necessary and desirable feature of our life, should be used sparingly. He backed that belief with his own tireless personal example.

Huck also wasn't shy about his politics. He began as a Democrat but spent most of his years in service to the Republican Party. He was from the old school of politics. He was fascinated by high-tech television campaigns but believed that no amount of gimmickry could beat a sensible candidate who focused on good issues.

Huck was a partisan in the finest sense of the world. He never claimed that any one party or person had a monopoly on the truth or a corner on wisdom. But he believed that politicians should speak their minds and fight for what they considered important so that voters could make a reasoned judgment on election day.

Like any human being, Huck also had his flaws. He could be stubborn.

He could even be downright cantankerous at times. But even when you disagreed with him, it was always clear that he cared—deeply and honestly. His concern, and the time and energy he spent so freely for others, made a difference in thousands of lives and in the life in Kansas.

Those of us who knew Huck well, and counted him a good friend, will miss his sense of humor when things go wrong and his calm, steady presence when they get even worse. His example and his spirit are the legacy he left to us. None of us could leave more and Huck Boyd wasn't the kind of person to leave anything less.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

WATER QUALITY ACT OF 1987

Mr. BYRD. Mr. President, under the agreement that was entered on yesterday, the majority leader was authorized to call up the House bill on clean water at any time today, following the conclusion of routine morning business, after consultation with the Republican leader, and make that bill the pending business before the Senate.

The majority leader and the minority leader have consulted, and therefore I exercise the authority under the order and ask that the Chair lay before the Senate the House bill on clean water.

The ACTING PRESIDENT pro tempore. The clerk will now report H.R. 1.

The legislative clerk read as follows:

A bill (H.R. 1) to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes.

The Senate proceeded to consider the bill.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

Mr. BURDICK. Mr. President, I rise in strong support of the Water Quality Act of 1987. In a moment I will yield to Senator MITCHELL, chairman of the Subcommittee on Environmental Protection, who I have asked to be the floor manager of this bill. But before I do so, I want to briefly discuss why the passage of this bill is so important and so timely.

H.R. 1 is historic legislation that will expand and strengthen the Clean Water Act. This bill has been over 3 years in the making. It has been through the hearing process in two Congresses. We held extensive markups in the Environment and Public Works Committee. The bill passed the Senate and was considered in a lengthy conference with the House. H.R. 1 before us today, like its counterpart S. 1, is identical to the bill approved by the House/Senate conference committee and passed unanimously in both houses of Congress last year. The legislative history for that bill, S. 1128, from its committee report to its conference report, is the legislative history of H.R. 1.

If it were not for the President's unfortunate action in pocket vetoing this bill late last year, this exact bill would already be law.

I want to commend my colleagues on the Environment and Public Works Committee for their excellent work in the development of this legislation.

My predecessor as chairman of the committee, the distinguished Senator from Vermont, guided the committee through development of this and other vital environmental legislation over the past several years.

Senators BENTSEN and MITCHELL, during the last Congress the ranking minority members of the full committee and the Subcommittee on Environmental Pollution respectively, made tremendous contributions to this Clean Water Act reauthorization.

And I want to specifically congratulate Senator CHAFEE. He is the architect of this legislation. He chaired the hearings we held on clean water in the Environment Committee. He managed the bill on the Senate floor. And he spoke for the Senate conferees during the long and intense conference with the House on this legislation. The high quality of this legislation is largely due to his efforts.

Since its passage in 1972, the Clean Water Act has brought about a remarkable improvement in the quality of our rivers, lakes, streams, and marine waters.

A recent study of water quality conditions concluded that, between 1972 and 1982, the percentage of monitored stream miles considered clean rose from 36 to 64 percent. This represents the cleanup of roughly 47,000 miles of streams at a time when population rose by about 10 percent. We can point to similar success in cleanup of lakes and estuaries.

We have ample evidence that the Clean Water Act works. But we also have evidence that there is still a great deal of cleanup work to be done.

About 30 percent of the rivers most used for recreation and other purposes do not meet the standards we have set for them. Almost 15 percent of our most used lakes are polluted. There is evidence of serious water pollution problems in our marine bays and estuaries.

This legislation is designed to keep us moving forward in our drive to clean up our waters. It improves a number of the existing programs in the act. And, it provides new approaches to address emerging water pollution problems.

The changes to existing programs are necessary and appropriate, but the real heart of our bill are the new provisions addressing emerging problems.

The 1977 amendments to the Clean Water Act provided a major reorientation of the best available technology requirements to the control of toxic pollutants. Now we have discovered that even with the implementation of best available technology, many waters will still have serious problems of contamination with toxic pollutants. In this legislation we have developed a new program for identification of waters affected by toxic pollutants and implementation of specific controls to reduce these toxics. This will involve the adoption of numerical water quality criteria, and the development of effluent limitations to assure that water quality standards for toxic pollutants are attained.

We have developed a new program for management of nonpoint sources of pollution, such as general runoff. Nonpoint pollution is thought to cause over half of our remaining water quality problems. The bill authorizes $400 million to encourage the development of State nonpoint source management efforts.

We have developed a new program for protection of marine waters and estuaries which is based on our experience dealing with the problems of the Chesapeake Bay.

And, we have designed a new approach to assisting communities in construction of sewage treatment plants. We will continue to provide grants for several years, but will then provide Federal funds to capitalize State revolving loan funds. States will use these loan funds as a permanent resource for assisting in the financing of water quality projects. The Federal grant program will have been phased out, but sewage treatment plant construction and replacement can continue.

Let me mention just a few of the improvements to existing provisions of the Clean Water Act.

Our bill would tighten existing civil and criminal penalty provisions of the act.

It provides an improved and less burdensome process for control of discharges of stormwater, particularly for municipalities.

It provides for better monitoring and reporting of the quality of our lakes, with a demonstration program for putting lake cleanup techniques into place.

It assures that modifications of permit requirements for toxic or nonconventional pollutants will be handled only in accordance with strict new legislative guidance.

It limits circumstances in which effluent limitations achieved in permits can be weakened in subsequently issued permits.

And, it tightens provisions for waivers from secondary treatment for discharges of sewage to marine waters.

Mr. President, this is good, solid legislation, developed over a period of years by the Environment Committee and our colleagues in the House of Representatives. It has the support of the full range of industry and environmental groups.

This legislation responds to the desire of the American people for clean water and a safe environment.

I hope that every one of my colleagues will join me in voting for this bill.

(Mr. BREAUX assumed the chair.)

Mr. MITCHELL. Mr. President, I rise in support of H.R. 1, the Water Quality Act of 1987.

This legislation will extend and strengthen one of our most fundamental environmental protection laws—the Clear Water Act.

Over the past several months, we have heard and read a great deal about the many specific provisions of this bill. I would like to take a moment to step back and look at the big picture.

This bill deserves the support of every one of my colleagues in the Senate for at least three reasons.

It is bipartisan legislation; it is necessary legislation; and it has the overwhelming support of the American people.

Let me review the exceptional, bipartisan support for this legislation.

During the last Congress, the leadership and members of the Environment and Public Works Committee worked together to draft a balanced, responsible bill addressing our most pressing water quality problems. I was pleased to work with Senator CHAFEE, who was then chairman of the subcommittee of jurisdiction; Senator STAFFORD, who was then chairman of the full committee; Senator BENTSEN, who was then the ranking member of the full committee; and Senator BURDICK, who is now the chairman of the committee. Together we brought a fine bill to the full Senate, which approved it unanimously.

Senator CHAFEE served as chairman of the Senate conferees for the conference with the House. More than any other individual, he deserves credit for this legislation. Senator CHAFEE's diligence, his innovativeness, his commitment to protecting the American environment made this bill possible.

Under Senator CHAFEE's leadership, the conference adopted the more reasonable Senate approach to funding of sewage treatment projects and adopted the best of the regulatory improvements contained in both bills. Again, this effort was so successful that both the House and the Senate adopted the conference report unanimously.

Even after the President's unfortunate veto of the bill, bipartisan support remained firm. The House of Representatives recently approved a bill identical to the one before us today by a vote of 406 to 8.

In the Senate, the majority leader and the new chairman of the Environment and Public Works Committee, Senator BURDICK, have worked hard to bring the bill to the floor and assure its passage. And, Senators CHAFEE and STAFFORD have joined us in this effort, along with many other Senators—77 in all—who cosponsored the bill.

Part of the reason the bill has such broad support in Congress is that it is recognized as sound legislation addressing some of our most pressing water pollution problems.

I will later in the debate speak in great detail about many of the important provisions in the bill. I will at this point briefly comment on some of the key provisions.

The bill provides a new approach to control of toxic pollutants in water. Although the current law provides general authority for toxics control, this legislation initiates a specific process designed to identify and control these toxic substances.

The legislation requires States to identify waters that do not meet water quality standards due to the discharge of toxic pollutants; to adopt numerical criteria for the pollutants in such waters; and to establish effluent limitations for individual discharges to such water bodies.

This provision is an important addition to our ability to protect water quality and public health from increasing amounts of toxic chemicals.

Another key element of the bill provides for State programs to identify and control nonpoint source pollution. Nonpoint pollution is caused by general runoff, rather than discharge from a specific pipe. These nonpoint sources of pollution are thought to cause over half of our remaining water pollution problems.

States will identify waters affected by nonpoint sources of pollution and develop programs to implement best management practices for controlling this pollution. State programs will include a schedule for implementation and will be coordinated with related Federal projects.

Finally, the bill gives State and local governments a clear statement of future Federal involvement in treatment plant financing and allows them to finalize plans to meet the compliance deadlines established in the law. It provides for a transition from the current grant program to a program providing Federal support for State revolving loan funds.

Establishment of loan funds will provide States with a permanent resource for funding of sewage treatment and other water quality related projects.

The final reason to support the bill is it has the overwhelming support of the American people.

A wide range of industry and environmental groups support the bill. And, polls show that the public favors continued effort to improve water quality by large margins. Final enactment of this legislation is an important step toward carrying out this mandate.

The only argument advanced against this bill has been advanced by the President, who says that it is too costly; that we cannot afford it. This bill calls for the expenditure of $18 billion over 9 years to clean up America's waters. In the budget he recently proposed to the Congress, the President asks for an increase of $1.7 billion in foreign aid, which would raise that expenditure to a new record level of nearly $15 billion.

Thus, President Reagan proposes to devote nearly $15 billion in 1 year to foreign aid, while Congress proposes to spend $18 billion over 9 years to clean up America's waters.

How can the President, or anybody else, say that we cannot afford to keep America's waters clean, while at the same time proposing a multibillion dollar increase in foreign aid, proposing to spend in 1 year on foreign aid nearly as much as the Congress wants to spend in 9 years to clean up America's waters?

I do not believe that those are the right priorities for our America. I do not believe the American people share the President's priorities on this issue. They want clean water. They favor this bill overwhelmingly.

In conclusion, Mr. President, I hope that every one of my colleagues will support this bill. There are very few opportunities to vote for substantive legislation which has broad, bipartisan support, which is recognized as sound, thoughtful legislation, and which is supported overwhelmingly by the American people.

This is a winning combination which deserves the unanimous support of the Senate.

I would like to note that this bill is virtually identical to the bill approved last year by both Houses of Congress. The legislative history of this bill, therefore, includes the conference report (House Report 99-1004), and the Senate debate on the conference report, as well as the report of the Environment Committee on the committee bill, S. 1128, and the Senate debate on the committee bill.

Mr. President, I ask unanimous consent that the following staff members be accorded privileges of the floor during debate and all votes related to consideration of the Water Quality Act.

They are: Lee Fuller, Peter Prowitt, Phil Cummings, Jeff Peterson, Kate

Kimball, Nan Stockholm, Ron Cooper, Seth Mones, Kathy Cudlipp, Bob Hurley, Bailey Guard, Ron Outen, Jimmie Powell, Steve Shimberg, and Elizabeth Thompson.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I yield to my distinguished colleague, Senator CHAFEE, who as I said in my earlier remarks is the individual most responsible for the drafting and enactment of this legislation in the last Congress. He devoted nearly 2 years to this effort. The American people owe him a great debt of gratitude for his leadership.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, first I would like to thank my distinguished colleague, Senator MITCHELL, for those very kind remarks and also thank the distinguished chairman of our committee, Senator BURDICK, for his generous comments on my work in connection with this legislation.

Let me just say to start with, Mr. President, that for the efforts of Senator MITCHELL in the subcommittee where he and I worked so closely together and then when we moved to the full committee where the results of our work were pressed ahead by not only Senator MITCHELL, but Senator STAFFORD, Senator BENTSEN, and Senator BURDICK, and thus we emerged from the committee with a unanimous vote, came to the floor, and with the vigorous support of those Senators; namely, Senator MITCHELL, Senator BURDICK, Senator BENTSEN, and Senator STAFFORD, we were able to achieve an overwhelming vote here on the floor of the Senate with our original legislation.

Then we went to conference, and again the help of those Senators was so essential to the approval of this legislation. I will touch briefly as I proceed here on the differences between the two bills when we went to conference, and what we came out with.

What we are dealing with, of course, is the bill before us, H.R. 1, which, as has been mentioned, is absolutely identical to the conference report on S. 1128, which passed last October in this Senate by a vote of 96 to nothing and which was passed by the House 408 to nothing. It is pretty hard to get anything passed 408 to nothing in the House and 96 to nothing in the Senate. Possibly a motherhood resolution, but not much else will pass with those overwhelming margins.

That is a tribute to the confidence which the Members of this Congress have in this legislation. The original bill passed the Senate in June 1985 and the House bill shortly thereafter. Then we had some 15 months of conference or preconference developments. Out of that we were able to fashion this compromise. As Senators BURDICK and MITCHELL so generously commented I had the privilege of being the leader of the Senate conferees at that conference with the House. I can tell my colleagues that this is strong environmental legislation. I can also say it is fiscally responsible. Let us touch a minute on the construction grants.

The House originally passed a bill of $21 billion on construction grants, and about $6 billion in special projects and programs making a total of almost $27 billion. The Senate bill was a little less than $20 billion. We had $18 billion for construction grants, and $1.5 billion-plus for other programs. We went to conference. Here we come with the Senate bill which is little less than $20 billion, the House with $27 billion, and from the conference we emerged with a bill for a total package of $20.7 billion. In other words, it was just about at the Senate figure, and $6.2 billion below the House figure.

Despite the pleas of many of us, despite the fact that there was this overwhelming vote in both bodies on the conference report, the President chose to pocket veto the legislation. That decision came as a big disappointment to me. I had made strenuous efforts as did many others to encourage and urge the President to sign the legislation because we could see what was going to happen. We could see the scenario play out exactly as it has. I made a pledge at the time that we would come back with the same bill. So did Senator MITCHELL, Senator BENTSEN, Senator BURDICK, and others, and of course Senator STAFFORD, who also strongly urged the President to sign the measure.

So here we are. The bill is exactly the same as was passed in the conference. It has already passed the House, is now in the Senate, and will soon be passed here.

Failure to enact this legislation will seriously delay the cleanup of our rivers and streams. And it will jeopardize hundreds of projects across the Nation including many in my home State of Rhode Island.

It has been charged that this legislation is budget busting. That is simply not the case. Although $18 billion authorized in the bill for wastewater treatment projects exceeds the administration's request, it is within current funding levels and it conforms to the budget resolution. No one is dismissing $18 billion as being a petty amount of money. It is a substantial amount of money. But it is a small sum compared to the more than $75 billion that it is estimated by EPA to be required to build all the facilities that are necessary to clean up our waters. So we are coming forward not with $75 billion but with $18 billion, and, furthermore, this program ends. It is over with in 1993. That is something that the administration has sought so vigorously, and we have come forward and have done that.

I would also like to remind my colleagues of a commitment that we had from the administration in 1981 when this administration came to office. At that time, we went through some major reforms in the construction grants program. Just listen to some of them.

The 1981 amendments reduced the annual authorization for this program by more than half, from $5 billion to $2.4 billion a year. That is one thing we did. We cut out many of the eligible categories such as collector sewers. They are out. They are not permitted any more. We eliminate certain interceptor sewers. We do not provide funding for them, and we do not provide funding for certain combined sewer overflows. Furthermore, in a very major step we only provided Federal money for existing population. No State can come in to us and say we are projected to grow by 40 percent in the next 10 years, give us Federal money for that. No.

You ought to provide for that yourself. We will give you money now to clean up our rivers and streams and you are required to come up with the additional money as your growth takes place. It is not the Federal Government's duty to provide money to you for all your growth in the future.

Our goal in 1981 was to cut out any so-called pork out of the program and change the focus from growth and development projects to building facilities to clean up our waters.

What did we get in exchange? I might say this was a bitter pill for many people to swallow, but we did it, in very intense negotiations with the House of Representatives in the conference that we held at that time which I had the privilege to be chairman of.

In exchange for tightening up the program and reducing the authorization, the administration committed itself to a funding level of $2.4 billion each year for 10 years, from 1981 to 1991. This legislation lives up to that commitment, and I might say goes a step further. It phases out a very popular program after 1994. Yet we do it in a highly responsible way.

The Water Quality Act of 1987, this bill, assures compliance with a strong water quality standards program and provides for greater control over toxic, conventional, and nonconventional pollutants, as our distinguished chairman previously mentioned. It establishes a new program to control pollution from nonpoint sources, as Senator MITCHELL touched upon. Nonpoint sources, as he said, is rain which washes off from city streets, or flows off of agricultural fields and is contaminated with pesticides and insecticides. It is different from point sources, such as a discharge from a municipality or a factory.

And, as I mentioned, H.R. 1 continues funding of waste water treatment works at the $2.4 billion level annually through fiscal 1991. Thereafter, it gets into the establishments of a revolving fund to ease the transition to full State and local sufficiency.

I would like to take a few moments to touch on some of the key provisions of the bill. For a more complete explanation, I ask my colleagues to refer to last year's debate when we had this program come up, and the conference report accompanying S. 1128, which was the number of the bill last year.

The legislation strengthens several regulatory programs. One such program relates to nonconventional pollutants.

Under current law, modifications can be sought from strong discharge requirements for so-called nonconventional pollutants, many of which, as Senator BURDICK mentioned before, are highly toxic. In an effort to severely limit the circumstances in which these weaker modifications can be given, the conference report allows these modifications only for five specific pollutants. If other pollutants are to be listed for modification, EPA has to go through a special procedure. This procedure requires the Administrator to first determine whether a pollutant meets the criteria of toxic pollutant.

If it does, then the pollutant must be listed as toxic from which no variance can be received. If the pollutant is not found to be toxic, the Administrator must then determine whether it can be listed under section 301(g) as a nonconventional pollutant. If it meets that test, the Administrator must finally determine whether an applicant applying for a modification from the effluent guideline for that particular pollutant can meet the test contained in section 301(g). It is expected that each of these steps be conducted through the formal regulatory process. It is also important to note that a stay of requirements for control of pollutants other than the nonconventional pollutant for which the modification is being sought is prohibited.

The legislation also contains provisions which severely limits the opportunities for which discharges can get modifications for fundamentally different factors. A key provision under the fundamentally different factors section specifically excludes consideration of costs, independent of other eligible factors, as a basis for establishing a fundamental difference with regard to an individual facility. Section 304 of the Clean Water Act authorizes the EPA to consider the cost of achieving effluent reductions, in addition to other factors, in development of a guideline for an entire industry. The EPA needs to consider cost when developing a guideline for an industry in order to determine the best available technology for water pollution control which is economically achievable for an entire industry.

While a guideline is intended to account for economic impact on an entire industry, it is not intended to account for the economic impact on each individual facility. The 1972 Clean Water Act Conference Report stressed this point, directing EPA to make the determination of the economic impact of an effluent limitation on the basis of classes and categories of point sources, as distinguished from a plant-by-plant determination. If a facility facing higher costs than the overall industry is allowed to reduce costs then the overall industry is allowed to reduce treatment levels below the minimum level, the degree of pollution control at a facility is linked to the economic efficiency of the facility, rather than the economic ability of the industry, and the principle of an industrywide minimum level of treatment loses its meaning.

Although the act does not and should not provide a mechanism to modify the requirements of an effluent guideline on the basis of fundamentally different costs at an individual facility, section 301(c) of the act provides for modification of requirements in a case where such requirements are beyond the economic capability of the owner. Section 301(c) does not allow the Administrator to modify treatment requirements based on a showing of fundamentally different costs to an individual facility, unless these costs are beyond the economic capability of the facility and, therefore, threaten its survival. In addition, section 301(c) is subject to section 301(1), which prohibits the Administrator from modifying any requirement as it applies to a toxic pollutant. This provision assures that toxic pollutants will be controlled, regardless of the economic capability of the discharger. The new authority for treatment modifications based on fundamentally different factors contained in the bill is not subject to section 301(1).

Section 301(n)(6) provides that an application for an alternative requirement under this section shall not stay the facility's obligation to comply with the effluent limitation guideline or standard which is the subject of the application. This provision is intended to prevent EPA or the State, or the POTW in the case of indirect discharge, from delaying issuance of the permit or pretreatment mechanism during the pendency of an application.

The owner or operator of a facility seeking an FDF modification has the burden of proving to the satisfaction of the Administrator that the facility is eligible for an alternative requirement under this section. The Administrator's decision to promulgate or deny an alternative effluent limitation or standard under this subsection shall be subject to judicial review pursuant to section 509(b)(1) of the act.

The Administrator may not delegate the authority provided by this subsection to any State. In addition, the authority of this section should be exercised only by the Administrator or Assistant Administrator for Water, rather than regional or other officials. The Administrator shall obtain the concurrence of a State before approving any alternative requirements under this subsection.

The bill also contains provisions continuing the Chesapeake Bay program; it establishes a Great Lakes water quality program and sets up a new national estuary program which provides that management conferences develop control strategies to assist in the clean up of estuaries. This is especially important to the Narragansett Bay in my State of Rhode Island which suffers from degradation of water quality.

Before I finish about the Chesapeake Bay, we are making great progress in that bay. We have had extraordinary cooperation from the States involved—Maryland, Virginia, and Pennsylvania. It is just an example of what can be done with some Federal input.

Funds in this bill are also set aside for correction of combined sewer overflows which can cause serious pollution in our State's more precious natural resource, the Narragansett Bay, and other estuaries around the Nation.

As Senator MITCHELL pointed out, a new nonpoint source control program is included in the legislation. The program would authorize $400 million over 4 years for States to develop comprehensive programs to abate such pollution runoff from urban areas and from farmlands which are often contaminated with toxic and other pollutants.

I might say this is a major step forward. People have discussed nonpoint pollution for a long time. But we have not gotten into it for a variety of reasons. One of them is the fear of local communities and the States that for some reason we might be getting into zoning control in those areas. How are you going to keep a field from draining off into a stream? How are you going to control that? Is the Federal Government stepping in to say to a farmer he cannot do this or do that?

So we are moving cautiously with $400 million over 4 years for the States to develop the programs, not the Federal Government, but the States.

This legislation also beefs up the enforcement provisions of the act by increasing penalties for civil and criminal violations. It adds a new authority for the Administrator to assess administrative penalties against unpermitted discharges. The Administrator can do that, assess the penalties on violators.

EPA has new authority to assess penalties against the unpermitted discharges. I expect EPA to use this authority aggressively against illegal polluters, even if a memorandum of agreement is not concluded with the Secretary of the Army.

The corps enforcement record—and the Corps of Engineers is involved in this—shows the corps has not been vigorous enough against illegal dumpers. Now we have given EPA the authority to move against these polluters.

New paragraph 309(g)(6) sets out limitations that preclude citizen suits where the Federal Government or a State has commenced and is diligently prosecuting an administrative civil penalty action or has already issued a final administrative civil penalty order not subject to further review and the violator has paid the penalty. The same provision limits Federal civil penalty actions under subsections 309(d) and 311(b) for any violation of the Federal Water Pollution Control Act. While redundant enforcement activity is to be avoided and State action to remedy a violation of Federal law is to be encouraged, the limitation on Federal civil penalty actions clearly applies only in cases where the State in question has been authorized under section 402 to implement the relevant permit program.

A single discharge may be a violation of both State and Federal law and a State is entitled to enforce its own law. However, only if a State has received authorization under section 402 to implement a particular permitting program can it prosecute a violation of Federal law. Thus, even if a nonauthorized State takes action under State law against a person who is responsible for a discharge which also constitutes a violation of the Federal permit, the State action cannot be addressed to the Federal violation, for the State has no authority over the Federal permit limitation or condition in question. In such case, the authority to seek civil penalties for violation of the Federal law under subsections 309(d) or 311(b) or section 505 would be unaffected by the State action, notwithstanding paragraph 309(g)(6).

In addition, the limitation of 309(g)(6) applies only where a State is proceeding under a State law that is comparable to section 309(g). For example, in order to be comparable, a State law must provide for a right to a hearing and for public notice and participation procedures similar to those set forth in section 309(g); it must include analogous penalty assessment factors and judicial review standards; and it must include provisions that are analogous to the other elements of section 309(g).

Finally, section 309(g)(6)(A) provides that violations with respect to which a Federal or State administrative penalty action is being diligently prosecuted or previously concluded "shall not be the subject of" civil penalty actions under sections 309(d), 311(b), or 505. This language is not intended to lead to the disruption of any Federal judicial penalty action then underway, but merely indicates that a Federal judicial civil penalty action or a citizen suit is not to be commenced if an administrative penalty proceeding is already underway.

NOTICE OF CONSENT DECREES

This bill requires that, in connection with citizen suits, notification of proposed consent decrees be provided to the Attorney General and to the Administrator.

It was originally proposed in the Administration's bill 2 years ago. The Administration bill contained a clause which specifically disclaimed that the United States could be bound by judgments in cases to which it is not a party.

That provision merely restated current law and thus we decided that it is not necessary to include it in this bill. The amendment is not intended to change existing law that the United States is not bound, since that rule of law is necessary to protect the public against abusive, collusive, or inadequate settlements, and to maintain the ability of the Government to set its own enforcement priorities.

Compliance dates for industries for which effluent guidelines have not been promulgated have been extended to March 1989.

We have had a big problem over when you have to come into compliance because of the guidelines. EPA has not been quick enough to come out and tell industry A or industry F what they can and cannot do. So we have reluctantly given them an extension on these guidelines. The latest is March 1989, or 3 years from the date of promulgation of the guidelines by EPA, whichever is sooner. EPA is strongly encouraged to get these guidelines finalized so industry can comply with the discharge requirements as soon as possible. Until such guidelines are promulgated, the Agency is expected to proceed under its current policy with respect to noncompliance dischargers to meet the deadline.

A provision establishing a progressive storm water control program is included in the bill. Although the law now requires EPA to establish discharge requirements for the storm water point sources, EPA has been unable to develop a final permit program for these sources. This legislation sets up a program whereby EPA must issue permits for storm water point source discharges in municipalities with population of over a quarter million within 4 years of enactment.

Within 5 years of enactment, permits for storm water point sources discharges are required in cities with populations between 100,000 and 250,000. These discharge requirements are to contain control technology or other techniques to control these discharges and should conform to water quality requirements. Requirements for stormwater discharges associated with industrial activities are unaffected by this provision. The Agency has been unable to move forward with a program, because the current law did not give enough guidance to the Agency. This provision provides such guidance, and I expect EPA to move rapidly to implement this control program.

The legislation also contains the Senate provision relating to the Chicago tunnel and reservoir project. This is something that has been around for many, many years. This provision only allows funding for this project under section 201(g)(1) without regard to the limitation contained in the provision if the Administrator determines that such project meets the cost-effective requirements of section 217 and 218 of the act without any redesign or reconstruction. The Governor of Illinois must demonstrate to the satisfaction of the Administrator the water quality benefits of the project. This provision does not apply to the cost-sharing requirements under the other applicable provisions of the bill.

The legislation modifies EPA's current policy with respect to antibacksliding on best practical judgment and water quality-based permits. The thrust of this provision is to generally prohibit affected permittees from weakening their discharge requirements as a result of subsequently promulgated guidelines. Only in very narrow circumstances can backsliding be permitted, and in no event can it be permitted even if, after a discharger leaves a stream, there is an improvement in water quality, unless the antidegradation policy test is met. That test states that water quality may be lowered only if widespread adverse social and economic consequences can be demonstrated through a full intergovernmental review process.

S. 1 also embodies many of the construction grants and revolving loan fund proposals contained in the bill first passed by the Senate in 1985. In other words, this bill was passed, as I mentioned earlier, in 1985; we went to conference with the House, but we kept many of the provisions dealing with the construction grants and the revolving loan.

The bill extends the current $2.4 billion annual authorization for title II construction grants for 3 years. In fiscal years 1989 and 1990, the annual authorization for title II would be reduced to $1.2 billion. After that, there is no more; no further authorizations would be made for title II after fiscal year 1990, and the money is shifted over into the revolving grants program.

States would be provided with sufficient leadtime to begin setting up State revolving loan programs. The bill encourages the creation of these self-sustaining financing entities at the earliest opportunity by providing each State with an option of converting title II construction grants funds into capitalization grants for SRF's.

Beginning in fiscal year 1989 and continuing in fiscal year 1990, $1.2 billion a year would be authorized specifically for capitalizing SRF's under the new title VI. In fiscal year 1991, the amount would be increased to $2.4 billion. Thereafter, the SRF authorization would gradually be reduced by providing $1.8 billion in fiscal year 1992, $1.2 billion in fiscal year 1993, and $600 million in fiscal year 1994. After fiscal year 1994, all authorizations for direct Federal contributions to municipal wastewater treatment or SRF's would be ended.

[In billions of dollars]

	Construction grants (title II)	Revolving loan fund (title VI)
Fiscal years:		
1986	$2.4	
1987	2.4	
1988	2.4	
1989	1.2	$1.2
1990	1.2	1.2
1991		2.4
1992		1.8
1993		1.2
1994		.6

The total authorizations for titles II and VI amount to $18 billion and will ensure that the core treatment-related needs identified in the 1981 amendments will be met.

This approach lives up to the commitment made by Congress and the administration to support an annual appropriation of $2.4 billion over the 10-year period of 1981 through 1991 to meet the needs for construction of wastewater treatment facilities. That commitment was restated by then-EPA Administrator William Ruckelshaus at a budget hearing before the Environment and Public Works Committee in 1984. His statement is as follows:

> I think that while there may be some at OMB who would prefer not to see this kind of program continue, I have not run in personally to those people at OMB, and there is an understanding that there is an agreement with the Administration and with the Congress that for 10 years this level of funding, at least, is a commitment. If you will note, the difference between what we submitted to the President in terms of our budget and what we are now requesting is somewhat less. We went down to $2.4 billion as a result of that commitment. That was something the Administration put back into our budget over our submission.

A slight change in the allotment formula for grants to the States is contained in the bill.

The revolving loan fund embodied in this legislation presents a great opportunity for the States to eventually assume full responsibility for construction of wastewater treatment facilities in their jurisdictions.

States must first use the funds in the loan fund on projects needed to meet the 1988 municipal deadline requirement for secondary treatment. After that requirement is satisfied, loan funds may also be spent on activities eligible under the Nonpoint Pollution Program and the National Estuary Program.

In an effort to encourage cities to move forward with construction of treatment facilities to meet the 1988 deadline, the legislation allows for refinancing under the loan program of projects which were begun after March 7, 1985. Although these projects should be on the State priority list to be eligible for refinancing, prior agreements between the State and the municipality should be honored in the event the project is no longer on the priority list.

Mr. President, I would like to conclude by saying passage of this legislation gives us an opportunity to renew our commitment to the national goal of making all of our waters fishable and swimmable.

That was the goal we started out with when we started this legislation back in the early 1970's.

The Water Quality Act of 1987—this bill—strengthens the existing provisions of the Clean Water Act and establishes new cleanup programs which will greatly enable us to address a new generation of subtle—and more devastating—problems posed by toxic pollution, storm water discharges, nonpoint pollution and contamination of sludges.

As I said earlier, a few months ago, the Senate passed this clean water bill by a vote of 96 to 0. I hope my colleagues will again give this legislation the same resounding show of support and vote "yes" to continue the job of cleaning up our Nation's waters.

This bill is within the agreed-upon authorization level of $2.4 billion for wastewater treatment facilities passed by the Senate and contained in the budget resolution. It provides for the orderly phaseout of the construction grants program. And most importantly, it gives the American people what has been reflected in public opinion polls conducted across the land as cited by the distinguished Senator from Maine [Mr. MITCHELL] previously—that they want clean water.

Once again, let me say how much I do appreciate the support and work of the chairman of our full committee, Mr. BURDICK; of course, of Senator STAFFORD, who has been such a tower of strength in these matters right from the beginning; of Senator MITCHELL, the new chairman of the Environmental Pollution Subcommittee, for everything he has done ever since he has been in the Senate. He has been a real leader in environmental matters and the Nation owes him a debt of gratitude.

I thank Senator BENTSEN, who has worked so hard in this matter and was a key man in the conference we held last fall; and all the other members of the Environment and Public Works Committee who have taken such an interest in this legislation.

Finally, I wish to thank the staff: Phil Cummings, Bob Hurley, Jeff Peterson, Ron Outen, Steve Shimberg, Jimmie Powell, Cathy Cudlipp and so many others. It is dangerous for me to get into naming them, but each of them has worked very, very hard on this legislation. As one member of the committee and as has been previously stated by other speakers, we are very much indebted to them for what they have done.

I thank the Chair.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Louisiana is recognized.

Mr. BREAUX. Mr. President, as a new Member of the Senate, let me say this bill is like the legislation that I supported as a Member of the other body. The House passed that bill, which is identical to this one.

I, too, want to thank the distinguished chairman of the Senate Environment and Public Works Committee, the Senator from North Dakota [Mr. BURDICK], and also the Senator from Rhode Island [Mr. CHAFEE] for their consideration, help, and assistance to allow the junior Senator from Louisiana to be involved in developing this legislation.

I echo the comments of the Senator from Maine [Mr. MITCHELL], the distinguished chairman of the subcommittee, when he spoke of the priorities in assessing the limited amount of funds that we have as a nation. Clean water is also part of the national security of our country.

I ask the question, how much is clean water worth? How much is the knowledge that the water we drink out of a river or the water that we drink from a stream or from a lake does not contain toxic chemicals that are carcinogenic? I think that is also a part of the national security of the United States.

I take the limited time I have right now to point to merely one concern that I and, I know, the senior Senator from Louisiana [Mr. JOHNSTON] particularly have concerning some of the features of the bill before the Senate at this time. Language was added to the Senate and the House bill last year that affected basically four companies who sought to discharge a particular product into the Mississippi River. The permit applications were pending for something like over a decade and no resolution to those permits from the Environmental Protection Agency had ever been resolved. Language was added to the bill which was also included in the bill before the Senate and has already been adopted by the House that seems to require that a permit shall be issued. It is the intent of this Senator at an appropriate time to offer a concurrent resolution which would clarify the intent of that language.

The concurrent resolution will point out in the language in the bill in section 306(c) that requires a permit to be issued within 180 days, that those permits must comply with applicable standards and procedures for the issuance of the best professional judgment permits under section 402(a)(1)(b) of the act. The intent of our concurrent resolution will be to point out clearly that section 306(c) of the bill does not in any way require the Administrator of EPA to permit the discharge of gypsum or gypsum waste into the Mississippi River; nor does it affect the authority of the State of Louisiana to deny or condition certification under section 401 of the act with respect to these particular permits; nor does that section alter the right of a party to challenge the permits using established administrative and judicial appeals.

I think, Mr. President, the real intent was to get some final resolution of these permits. It is inappropriate, I think everyone can agree, that when companies seek permits, the application should be dragged on for years and years and even decades without some final resolution to the permits—either grant the permits, deny the permits, or grant the permits with modification.

But do not kill the process by delay. That was the intent of the sections that were added to the bill in the last Congress which are carried over into this Congress and contained in this bill. I think the concurrent resolution which the chairman has allowed us to offer will clarify that particular intent of the section. I thank the distinguished members of the committee and we will proceed at the appropriate time.

The PRESIDING OFFICER (Mr. Breaux). The Senator from Maine.

Mr. MITCHELL. Mr. President, earlier I gave a brief statement describing some of the key provisions in the bill. I indicated then that I would subsequently offer a detailed explanation of several additional provisions in the bill, and it is my intention to do that now.

I will, in the event other Senators desire to speak on this subject, yield during the course of this presentation.

[Mr. DASCHLE assumed the Chair.]

Mr. MITCHELL. I would like to address a number of the amendments to the act.

FUNDAMENTALLY DIFFERENT FACTORS

The bill provides for new authority for modifying control requirements for industrial facilities which are fundamentally different from other facilities in an industrial class. This provision is complicated and I would like to provide a detailed description of the provision and its objectives.

The Clean Water Act provides for the development of minimum, national, technology-based treatment requirements for industrial dischargers. These requirements address a range of industrial categories and include effluent guidelines applying to direct dischargers and pretreatment categorical standards applying to indirect dischargers.

The amendments provide the EPA Administrator with new authority to modify a minimum, national treatment requirement for an individual facility within an industry if the facility is found to be fundamentally different from other facilities within the industry on the basis of certain factors considered by the Administrator in establishing the guidelines or standards.

The new provision provides that a facility may be found to be fundamentally different based on factors identified in sections 304 (b) and (g). These factors include the age of equipment and facilities, the process employed, the engineering aspects of the types of control techniques, process changes, and other factors deemed appropriate by the Administrator.

The Clean Water Act currently provides for establishment of minimum, national technology-based requirements on an industrywide basis but does not allow modification of requirements on a plant-by-plant basis. The Administrator has been able to accommodate variation in an industry through development of different requirements for subcategories of an industry.

In addition, the Agency developed and implemented a procedure for establishing alternative treatment requirements for individual facilities based on a conclusion that the facility is fundamentally different from the industry. These regulations were recently upheld by the Supreme Court. While there is currently no basis for the regulations in the act, the conferees concluded that some expansion of the Administrator's authority in this area is an appropriate addition to the act.

This new provision provides a clearly defined and limited authority in the statute for modification of treatment requirements for individual facilities. The provision is intended to assist the Administrator in addressing variation in development and effective administration of the national effluent guidelines and standards.

The conferees intend, however, that the Administrator use the new authority in this section sparingly. Applications under this section should be assessed with the objective of accounting for unique situations encountered in implementing national, minimum treatment requirements. Unless the circumstances of a facility are unique, the Agency should accommodate fundamental differences among facilities through the establishment of subcategories within an effluent guideline. This section should not be used in place of complete definition and subcategorization of an industry.

The conferees recognize that this section will require the EPA Administrator to make difficult decisions with regard to the magnitude of differences among similar facilities within an industry. In exercising this judgment, the Administrator should place high priority on the principle that all industries within a category or subcategory are to meet national, minimum, treatment requirements. The authority of this section is intended only to provide the Administrator with the authority needed to implement this aspect of the statute effectively and should not be used to generally relax or retreat from national, minimum requirements for an industry.

This new provision places several important limits on this new authority. These limits concern consideration of costs to a facility and procedural and other limitations.

The bill specifically excludes consideration of costs as a basis for establishing a fundamental difference with regard to an individual facility. Section 304 of the Clean Water Act authorizes the EPA to consider the cost of achieving effluent reductions, in addition to other factors, in development of a guideline for an entire industry. The EPA needs to consider cost when developing a guideline for an industry in order to determine the best available technology for water pollution control which is economically achievable for an entire industry.

Individual facilities, however, may face costs which are higher than costs to the majority of other facilities in an industry. A facility might find that differences in costs cause it to be fundamentally different from other facilities and contend that these differences justify modified treatment requirements. For example, costs of labor, transport or materials might be presented as fundamentally different.

While a guideline is intended to account for economic impact on an entire industry, it is not intended to account for the economic impact on each individual facility. The 1972 Clean Water Act conference report stressed this point, directing EPA to "make the determination of the economic impact of an effluent limitation on the basis of classes and categories of point sources, as distinguished from a plant-by-plant determination."

If a facility facing higher costs than the overall industry is allowed to reduce treatment levels below the minimum level, the degree of pollution control at a facility is linked to the economic efficiency of the facility, rather than the economic ability of the industry, and the principle of an industrywide minimum level of treatment loses it meaning.

Although the act does not and should not provide a mechanism to modify the requirements of an effluent guideline on the basis of fundamentally different costs at an individual facility, section 301(c) of the act provides for modification of requirements in a case where such requirements are beyond the economic capability of the owner. Section 301(c) does not allow the Administrator to modify treatment requirements based on a showing of fundamentally different costs to an individual facility, unless these costs are beyond the economic capability of the facility and, therefore, threaten its survival.

In addition, section 301(c) is subject to section 301(l), which prohibits the Administrator from modifying any requirement as it applies to a toxic pollutant. This provision assures that toxic pollutants will be controlled, regardless of the economic capability of the discharger. The new authority for treatment modifications based on fundamentally different factors contained in the reported bill is not subject to section 301(l).

This provision is not intended to prohibit the EPA from modifying treatment requirements in a case where a fundamental difference in an aspect of a facility which is eligible for consideration—for example, age of facility, process employed—would result in a reduction in costs to a facility.

When such an eligible factor is under review, the EPA may consider the costs specifically associated with that factor, but must be able to justify a finding of a fundamental difference primarily on the basis of a substantive and technical assessment of eligible factors. The EPA shall not replace a substantive and technical assessment of eligible factors with a shortened cost test designed to indicate a fundamental difference—for example, when the costs of an eligible factor at an individual facility are twice the costs at average facilities, the factor is fundamentally different.

The reported bill specifies several procedural requirements and other limitations governing applications for modifications under this section.

Section (n)(1)(B) provides that an application be based solely on information and supporting data submitted to the Administrator during the development or revision of a guideline or on information the applicant did not have a reasonable opportunity to submit during the rulemaking. The lack of a reasonable opportunity to submit information is based solely on a lack of actual or constructive notice of the rulemaking.

This provision will assure that effluent limitations and standards are as comprehensive as possible, and thereby reduce the need for applications under this subsection. This provision will also discourage withholding of information during the rulemaking process for subsequent use in an application for treatment modification under this subsection.

In addition, where the record is already closed and an applicant has new information to present bearing on the guideline or standard, the applicant continues to have the right to petition the Administrator to reopen the rulemaking and record and consider creation of a subcategory. The Administrator's disposition of such a petition is subject to judicial review under section 509(b) of the act.

Section (n)(1)(C) provides that the alternative requirement imposed on the applicant can be no less stringent than justified by the applicants' fundamental difference from the rest of the category or subcategory with respect to eligible factors.

Section (n)(1)(D) provides that any alternative requirement shall not result in a non-water-quality environmental impact which is markedly more adverse than the impact considered by the Administrator.

Section (n)(2) requires that an application under this section shall be submitted within 180 days after the publication of the initial guideline or standard. Section (n)(3) provides that an application shall be approved by final Agency action within 180 days after submission. For the purposes of this section, final Agency action means the administrative decision issued by the EPA, following public notice and comment, as appropriate and including a statement of the basis for the decision. Section (n)(4) states that the Administrator may allow the applicant to submit clarifications with regard to information submitted in an application prior to the 180 day decision deadline.

Section (n)(5) provides that an application for an alternative requirement based on fundamentally different factors which is pending on the date of enactment may be amended by the applicant within 180 days after such date of enactment. This provision is intended to allow applicants with pending applications developed under EPA regulations pertaining to fundamentally different factors to revise the applications to reflect the requirements of this new section of the statute.

Section 301(n)(6) provides that an application for an alternative requirement under this section shall not stay the facility's obligation to comply with the effluent limitation guideline or standard which is the subject of the application.

This provision is intended to prevent EPA or the State, or the POTW in the case of indirect discharge, from delaying issuance of the permit or pretreatment mechanism during the pendancy of an application. If an application for an alternative requirement is denied by the Administrator, the applicant must comply with the limitation or standard as established or revised. This section is subject to section 301(b) and 309 as to compliance dates.

This section shall apply to existing primary and secondary national effluent limitations and categorical pretreatment standards for industrial categories, such categories as may be identified in the future, and to any revisions of guidelines or standards for such categories.

The Administrator may not use the authority of this section to modify effluent standards issued pursuant to section 307(a)(2) of this act, the general prohibited discharge standard in 40 CFR 403.5, or other requirements implementing such standards.

The owner or operator of a facility has the burden of proving to the satisfaction of the Administrator that the facility is eligible for an alternative requirement under this section. The Administrator's decision to promulgate or deny an alternative effluent limitation or standard under this subsection shall be subject to judicial review pursuant to section 509(b)(1) of the act.

This new authority is intended to provide for modifications of requirements for conventional, nonconventional, and toxic pollutants. Consistent with this objective, section 301(1) of the act, which excludes toxic pollutants from modifications under this act, is amended to allow modifications under this section for toxic pollutants. This amendment to section 301(1) does not in any way weaken the application of the section to modifications under the act other than provided under this subsection (301(n)).

The Administrator may not delegate the authority provided by this subsection to any State. In addition, it is our intention that the authority of this section be exercised only by the Administrator or Assistant Administrator for Water, rather than regional or other officials. The Administrator shall obtain the concurrence of a State before approving any alternative requirements under this subsection.

All of these provisions are to be self-implementing and are to take effect upon enactment of the Clean Water

Act Amendments of 1985. The Administrator is encouraged to amend the appropriate regulations to make them consistent with these requirements; however, the failure of the Administrator to make such revisions will not affect the implementation of these provisions.

A related provision provides new authority for the EPA to collect fees for the processing of various modifications of permits and other requirements.

Substantial Federal resources are being devoted to processing application for modifications authorized by the Clean Water Act. Section 301(o) of the reported bill requires the Administrator to establish a system of fees to recover costs of reviewing and processing these applications. Applications, including resubmitted applications, are to be accompanied by an appropriate fee, as determined by the Administrator. The Administrator may develop a tiered or sliding scale fee structure so long as the aggregate amount of fees collected reflects the Federal resources actually expended in processing such applications.

Fees collected under this section shall be deposited into a special fund in the U.S. Treasury entitled "Water Permits and Other Services." Such funds are to be available for appropriation and to remain available until expended and are to be used to carry out the Agency activity for which the fee was charged. Creation of this special fund will assure that fees charged for processing of applications will be used to support water permit related activities, rather than other activities. The existence of this fund shall not be a basis for reductions in funding levels for related program activities.

In addition, the conference report agreed to last year provides that, in the case of three cane sugar processing mills on the Hamakua coast of Hawaii, the EPA may temporarily withdraw the applicable guideline at any time, issue a best professional judgment permit to affected facilities, and then reissue the guideline with an appropriate subcategory. This portion of the conference report expresses Congress' expectation that EPA will provide environmentally sound administrative relief to these facilities.

Section 306(c) of the bill applies to four fertilizer manufacturing plants located in Louisiana. After the passage of H.R. 1 we will be asked to pass a concurrent resolution clarifying and correcting the text of section 306(c). The intent of the provision, however, will remain the same. The Administrator is directed to issue permits for these plants under section 402(a)(1)(B) of the Clean Water Act. The plants are identified in subsection (c)(1) with reference to the Administrator's proposed action with respect to the plants, and the Administrator will have completed that proposed action before acting under section 402(a)(1)(B).

There are three potential types of discharge associated with fertilizer plants of this kind—storm water, cooling water, and gypsum. Section 306(c) does not require that a permit be issued for the discharge of gypsum into the navigable waters. Under this authority, EPA could issue a permit imposing limitations on the discharges of storm water and cooling water while prohibiting the discharge of gypsum altogether.

Section 306(c) does not change the standards or procedures used by the Administrator, or increase the discretion of the Administrator, in issuing permits under section 402(a)(1)(B) of the Clean Water Act. It does not mandate that a discharge of gypsum be allowed under any permit, nor does it in any way compel the State of Louisiana to affirmatively concur in the issuance of such permits. The State retains its authority to deny or condition certification under section 401 of the act for such permits, and the Federal permits lack force or effect in the absence of such certification and affirmative concurrence by the State.

It is not the intent of this provision in any way to encourage or sanction the issuance of permits by EPA which would provide for the discharge of gypsum waste into the Mississippi River.

NONPOINT SOURCE POLLUTION CONTROL

In using grant funds under this section for the implementation of approved programs or plans, States are not to provide assistance to individuals for construction of pollution control facilities unless such assistance is in the form of a demonstration program, as determined by the Administrator. State's may include other Federal assistance programs, including programs of the Department of Agriculture involving grant and loan assistance and cost sharing, in overall programs for control of nonpoint pollution.

States may use funds available in the new State revolving loan funds for the implementation of nonpoint programs developed under this section. Loan funds must be used in a manner consistent with all the provisions of title VI of this act.

For example, once a State has assured progress toward compliance with the deadline for construction of secondary treatment facilities, the State may make loans or provide otherwise eligible assistance to nonpoint pollution related projects.

Such loan or other assistance may be made to individuals or organizations, as well as muicipalities and other governmental units. For example, a State may provide a loan to a farmer to construct a manure storage facility if such facilities are called for in the approved State nonpoint pollution control program. A State might also provide assistance to a municipality to implement programs to control urban runoff.

STATE REVOLVING LOAN FUNDS

The provision provides that the Administrator and States may enter into capitalization grant agreements under this title.

States must agree to accept payments under a schedule to be developed jointly with the Administrator, must agree to provide a 20-percent match of Federal funds, and must agree to make binding commitments for assistance in an amount equal to 120 percent of the amount of the grant payment within 1 year. Moneys contributed by a State to match Federal capitalization grants under section 602(b)(2) are to be cash and not in-kind.

The schedule under which payments are to be made by the Administrator to the State shall be developed jointly by the State and the Administrator. Such schedule shall be based on the State intended use plan and shall provide that payments be made as expeditiously as possible, consistent with such plan. At a minimum, payments shall be made not later than the earlier of 8 quarters after the date funds were obligated by the State or 12 quarters after the date such funds were allotted to the States.

In addition, the State must agree to assure, as part of the intended use plan submitted annually, that all Federal and State funds provided to the SRF will be committed in an expeditions and timely manner. This provision reinforces the requirement that States make binding commitments for funds within 1 year of any given payment to the fund.

Subsection 602(b)(5) refers to all Federal funds, in the form of capitalization grants, and all other funds in the SRF as a result of those capitalization grants, including repayments of loans originating from those grants and State funds contributed as the required match for those grants, and funds deposited in the fund under 205(m).

The State must use these funds first to assure maintainence of progress toward compliance with the enforceable deadlines, goals, and requirements of this act, including the municipal compliance deadline of July 1, 1988, or are on enforceable schedules for compliance after that date.

Progress toward compliance with enforceable deadlines, goals and requirements of the act, in the case of treatment works that are not voluntarily on a schedule to achieve compliance, may be assured through a funding commitment or through establishment of an enforceable compliance schedule.

Thus, the requirement of subsection 602(b)(5) is met if treatment works in a State are on an enforceable schedule to achieve compliance with uniform secondary treatment requirements of the act, whether or not there is a commitment to fund such treatment works from a State revolving loan fund or with a grant under title II of this act.

Governors of each State shall make the determination of progress toward compliance required under this subsection and the Administrator shall oversee such determinations.

Once a State has met the requirement of subsection 602(b)(5) funds from the SRF may be used for any other treatment works as defined by section 212 of the act—subject to the restrictions of section 602(b)(6)—programs and projects identified under the Nonpoint Source Pollution Control Program—section 319—or programs and projects identified under the National Estuaries Program—section 320.

This provision is intended to allow States the flexibility to utilize funds from the SRF to support a variety of measrues that the State determines are needed to achieve water quality goals. States are free to fund a wide range of pollution control projects, other than municipal wastewater treatment works, once the requirement for assuring progress toward compliance with the 1988 compliance date is met.

Further, a State must demonstrate that any treatment works which is constructed in whole or in part prior to fiscal year 1995 with funds directly made available by capitalization grants under this title or section 205(m), will meet the requirements of the sections 201(b), 201(g)(1), 201(g)(2), 201(g)(3), 201(g)(5), 201(g)(6), 201(n)(1), 201(o), 204(a)(1), 204(a)(2), 204(b)(1), 204(d)(2), 211, 218, 511(c)(1) and 513.

This restriction on the use of Fedeal capitalization grant funds does not apply to funds contributed by the State in accord with section 602(b)(2), monies repaid to the fund, or other money. State Governors shall assure that the requirements of this subsection are met.

Section 201(g)(1) limits assistance to projects for secondary treatment or more stringent treatment, or any cost effective alternative thereto, new interceptors and appurtenances, and infiltration-in-flow correction. This subsection also provides that State Governors may reserve 20 percent of a State's allotment for projects which meet the definition of treatment works in section 212(2) but are otherwise not eligible for assistance under this subsection. This Governor's reserve is intended to apply to funds made available under this title.

Section 201(n)(1) provides that funds under section 205 may be used to address water quality problems due to discharges of combined stormwater and sanitary sewer overflows, which are not otherwise eligible, if such discharges are a major priority in a States. This provision is intended to apply to use of funds under title VI as well as section 205.

As noted above, the fund may be used to assist publicly owned treatment works as defined by section 212 of the act, the development and implementation of a nonpoint source management program established under section 319 and development and implementation of an estuary program under section 320. This provision is intended to provide a basis for funding of projects to control nonpoint pollution and pollution to estuaries conducted by municipalities, a State, other public organizations, or individuals. All fund management provisions of this title apply to such projects.

The definition of projects eligible for funding under the loan program includes publicly owned treatment works as defined by section 212 of the act. This definition includes planning and design as defined in 212(1), treatment works as defined in 212(2), and replacement as defined in 212(3). Each of these aspects of treatment works is eligible for assistance under this title.

Funds under this title may be used to make loans as provided under section 603(d), but are not to be used to provide direct grants. If as a result of audits under this section, the Administrator finds a consistent and substantial failure to repay loans, he may take corrective action as provided under this title.

This section provides that loan funds may be used to refinance debt obligations of municipalities for eligible projects, where such obligations were incurred after March 7, 1985. This provision is a very important element of the Loan Fund Program in that it allows municipalities and States to work out financing plans which will allow a community to proceed with financing and construction as soon as possible and to achieve water quality benefits as soon as possible. Based on this authority States may agree to participate in project financing at a later date. The requirement in subsection 603(g), providing that municipal wastewater treatment projects be included on State priority lists is not intended to prevent a State from providing such refinancing assistance.

Section 603(h) limits the authority of subsection 603(d)(2) by providing that funds may not be used to make direct loans to support the non-Federal share of a project receiving assistance under title II of this act.

This limitation on direct loan assistance does not include ancillary assistance to the municipality which results in a lowering of costs of the obligation, for example, guarantee of the local share obligation, insurance of the obligation, et cetera. Such indirect assistance to support the costs of non-Federal share shall only be available to municipalities which face severe financial constraints preventing a project from proceeding.

The provision provides for the allotment of funds to States, reservation of funds for planning, and the reallotment of unobligated funds. Funds reserved for water quality management planning under this provision are to be used by the State agency which conducts environmental programs, rather than an agency established to manage the financing of projects with funds provided under this title.

Funds available to States under section 205(g) for the management of construction grant programs under title II may be used to assist the development of revolving loan funds under this title.

MARINE BAYS AND ESTUARIES

Section 210 of the amendments provides for set-aside of a small part of the construction grant fund to support projects for prevention of pollution to marine bays and estuaries resulting from combined storm water and sanitary sewer overflows. It is the intention of the conferees that, for the purposes, of this section, the term "marine bays and estuaries" shall be defined consistent with the definition of estuarine zone in section 104(n)(4) of the act.

It is not the intention of the conferees that this set-aside be used for projects at the upper reaches of tidal influence of a river which eventually enters into an estuary.

OTHER FEDERAL ASSISTANCE

Section 202(f) of the act provides that assistance made available by the Farmers Home Administration may be used to provide the non-Federal share of a construction grant project under title II of the act. This provision states the policy of the conferees that such assistance in support of a local share is acceptable, and has been acceptable in the past. The adoption of the provision shall not be construed to imply that, prior to this action, such support for a local share was not acceptable or consistent with congressional intent and policy.

REGIONAL WATER QUALITY PLANNING

Another important amendment to the act provides that States are to pass through at least 40 percent of funds made available under section 205(j)(1) to support water quality management planning at the areawide and interstate level.

The provision was modified by the conferees to assure that a Governor, with the approval of the Administrator, could provide less than 40 percent of funds to such organizations if such funding would not significantly assist in water quality management planning. The conferees do not intend to imply that funding for areawide organizations should be limited to 40 percent of funds under section 205(j)(1). It is not the intention of the conferees that the requirement for passthrough of 40 percent of funds to areawide agencies apply to section 205(j)(5) funding.

SECTION 301(i)

The amendments also provide a specific period of 180 days in which communities may apply for variances under section 301(i). The conferees intend that no application whatsoever may be made under section 301(i) after the 180-day period following enactment of the amendment. In addition, the amendment provides that communities which are on a compliance schedule are not eligible to apply for a variance under section 301(i) at any time.

This provision includes any community which is on a schedule established prior to enactment by a court order or an administrative order established by the EPA or a State agency. In addition, the Administrator has discretion in granting variances under section 301(i).

The conferees encourage the Administrator to use this discretion to deny applications for variances under section 301(i) where necessary to preserve the stable and effective implementation of the National Municipal Policy and related agency policies.

ADMINISTRATIVE PENALTIES

The amendments provide for new authority for the EPA to use administrative penalties in enforcement of the Clean Water Act. This provision will substantially increase the agency's authority to assure full enforcement of the act. The amendments provide that the EPA may use the administrative penalty authority in enforcement cases related to activities which do not have permits as required under section 404 of the act. It is the intention of the conferees that EPA use this authority to provide for full and aggressive enforcement of section 404.

It is also the intention of the conferees that the EPA and the Corps of Engineers develop a memorandum of understanding to provide for the efficient coordination of enforcement activities related to section 404. Such an MOU should be developed as soon as possible, but not later than 6 months after the date of enactment.

EPA has the authority to use administrative penalty authority prior to the development of such an MOU. In the event that the EPA and the ACE are not able to agree on an MOU, EPA retains the full authority to implement administrative penalty authority related to section 404 as provided in these amendments.

COMPLIANCE DATES

The amendments also provide new requirements for compliance with treatment requirements of the act. The conferees believe that these new dates are responsible and reasonable can be achieved in virtually all cases. In an unusual case where a date cannot be met despite the conscientious efforts by a facility, the conferees understand that the EPA is able to exercise its discretion with regard to enforcement and penalty authority.

In addition, it is the intention of the conferees that any action by a regulated industry to initiate litigation related to a control requirement which results in a delay in accomplishment of controls, is not a basis for the EPA to exercise its enforcement discretion.

Industries which choose to challenge pollution control regulations in court should not expect that the EPA will use its enforcement discretion and should expect that EPA will fully enforce requirements and compliance dates, regardless of court challenges.

Mr. President, in accordance with the previous unanimous consent I now yield to my colleague from Montana, the distinguished Senator BAUCUS, who as a member of the Committee on the Environment and Public Works played a key role in the development and enactment of this legislation last year.

Mr. BAUCUS. Mr. President, I thank the Senator from Maine. The Senator from Maine, who is now chairman of the Subcommittee on Environmental Pollution of the Committee on Environment and Public Works, has given yeoman leadership in this area. In fact, if it were not for the combined efforts and also those on the other side of the aisle, this legislation would not be before us today. I see Senator CHAFEE on the floor. The ranking minority member of the Subcommittee on Environmental Pollution of the Committee on Environment and Public Works, Senator STAFFORD, ranking member and former chairman of the committee is not here. Each of them deserve the thanks of the American people for all of the work they have done to bring this bill to the point where it is in the Senate and their help to secure its passage, and also to have the veto overridden in the event there is a veto.

Mr. President, it is fitting that H.R. 1, amendments to the Clean Water Act, is the first bill introduced and will be the first major piece of legislation acted upon by the Senate in the 100th Congress.

This legislation before us today does what the President asked for. It is fiscally responsible. It abandons any Federal role in funding the Nation's water cleanup program. The legislation has the strong support of the American public.

As recently as 5 years ago, the Federal Government contributed as much as 75 percent of the cost of the Construction Grants Program. On the other hand, the legislation before us today cuts current construction grant authorizations by more than half. The legislation, furthermore, totally phases out the Federal grants in 9 years.

After 1994, there would no longer be a Federal Sewage Treatment Construction Grant Program. The job of cleaning up the Nation's backlog of waste treatment will fall squarely on the shoulders of the States, as provided for in this bill.

Too often, Congress tends to focus on the public works provisions of the Clean Water Act and tends to forget that the Clean Water Act is an environmental law.

The Clean Water Act is first and foremost a pollution control law. Its purpose is not simply to address a sanitary engineering problem and create public works jobs—although we all realize it has been very effective in that regard.

The Clean Water Act, when developed in 1972, was based on two concepts and a compromise. A national goal was adopted calling for a twofold objective: To eliminate the discharge of pollutants, and maintain the biological integrity of our water. Then, as a compromise, an interim goal was added: To assure that water quality would at least support fish, shellfish, wildlife, body contact sports, and drinking water.

The first goal is as poignant and relevant today, as it was when it was adopted in 1972. We have made progress, but even the compromise goal euphemistically referred to as "fishable, swimmable" has not been fully achieved.

These goals are the real issues confronting us today. These are the goals for which the American public will hold us accountable. It is not a debate between $12 or $18 billion. It is a debate over what we want our lakes, rivers, and streams to be.

The problem of nonpoint source pollution was also recognized in 1985 by passage of the farm bill. Farm legislation, when fully implemented in 1995, will reduce sedimentation from cropland by as much as 80 percent.

The nonpoint pollution control program in the Clean Water Act will ensure action on the other sources of nonpoint pollution. Together the provisions go hand in glove. This legislation will provide the driving force to control water pollution from rangelands, forestlands, urban areas, and other sources of nonpoint pollution.

These two laws will provide the potential for significant improvement of our Nation's lakes, rivers, and streams. The nonpoint pollution control program in the legislation is an important element in meeting the goals of the original Clean Water Act.

The benefits of a continued commitment to an adequately funded Construction Grants Program cannot be overemphasized. But in a rural State such as Montana and throughout the entire country, the greatest benefits from this legislation will come from the nonpoint program and other regulatory aspects of the legislation.

It is in the area of environmental policy where the administration-proposed legislation would do the most harm. The administration's nonpoint program amounts to no program at all. In fact, we cannot realistically expect any State to take money from the construction program to pay for a nonpoint program when we have cut construction in half and will eliminate it completely in 9 years.

The administration proposes to retreat from this step forward. The administration's bill would make a mandatory program permissive. It would then force a State to choose between addressing a serious nonpoint source pollution problem or assisting some community in the treatment of its sewage.

On the other hand, the legislation under consideration renews a commitment to address the problem of nonpoint source pollution. To meet this end, a commitment of monetary resources as well as policy is being made.

Mr. President, when the Federal Water Pollution Control Act was enacted into law, the Federal Government adopted a goal of making the lakes, rivers, and streams of the entire country fishable, and swimmable, and reducing discharges of pollutants to zero.

In the case of those rivers and streams which were degraded, the law required cleanup. In the case of those waters which were already high quality, the law required protection.

Congress and the Federal Government entered into a commitment to the American public—to both existing and future generations—that our lakes, rivers, and streams would be clean and pure.

Coming from a State where the largest natural freshwater lake west of the Mississippi River—Flathead Lake—is still drinkable, and numerous mountain streams are pure, the value of protecting water as a national resource is readily apparent.

The Clean Water Act amendments, which were passed unanimously in the last Congress by both the House of Representatives and the Senate, build on and continue this commitment.

A commitment to a continued Construction Grant Program will ensure support for the control of community sewage. The gradual phaseout of Federal grants for construction of municipal sewage treatment facilities, combined with the authorization of State-revolving loan funds, represents a balanced but modest approach to an enormous problem.

If anything, the EPA's own needs assessment shows that these amounts are inadequate to fulfill the Nation's needs. That is the EPA. The EPA's own survey for 1986 shows a need for $75 billion by the year 2000, a figure far in excess of the $18 billion in the legislation to be made available by the Federal Government. It is irresponsible to call this legislation a budget buster. I repeat, in view of EPA's own assessment, it is irresponsible to call this legislation a budget buster.

Sewage treatment will continue to play an extremely important role in the ongoing efforts to curb water pollution, but included with the legislation is a strong commitment to address the problems caused by nonpoint source pollution and the need for special attention to maintaining the quality of our Nation's lakes.

But the real value of this legislation is the new provision representing a renewed commitment to the cleanup of nonpoint sources of pollution and establishing a national policy that programs for the control of nonpoint sources of pollution be implemented. It is this provision and other policy changes embodied in this legislation that warrant the support of this body. For this reason, I believe this legislation deserves the support of every Member of this body.

The level of funding provided in the legislation will allow States to implement nonpoint source management programs. The problem of nonpoint source pollution is a national problem requiring a national solution.

Mr. President, I yield the floor.

Mr. MITCHELL. Mr. President, under the prior agreement, I yield to the Senator from Nevada.

The PRESIDING OFFICER. Without objection, the Senator from Nevada is recognized.

Mr. REID. Mr. President, I thank the Senator from Maine for yielding.

Mr. President, I rise in strong support of H.R. 1, the Water Quality Act of 1987. As has been pointed out, this legislation is identical to the Clean Water Act reauthorization legislation adopted last year by a unanimous vote of both Houses of Congress. Unfortunately, the President chose to veto this critical environmental legislation.

In brief, H.R. 1 authorizes $18 billion for grants and loans to help build local sewage treatment plants, and gradually shifts the responsibility for these programs to State and local governments. H.R. 1 also addresses the problems of toxic water pollution and nonpoint source pollution. Other provisions in the Water Quality Act of 1987 are aimed at improving water quality and restoring fish, wildlife, and economic and recreational opportunities in the Nation's bolstering U.S. efforts to comply with the 1978 Great Lakes Water Quality Agreement; and strengthening an existing program to improve water quality in lakes.

Not only is H.R. 1 supported by the House and the Senate, it enjoys strong support from environmental, industry, and State and local government organizations.

The goal of the 1972 Clean Water Act sought the eventual elimination of all pollution discharges into the Nation's rivers, lakes, and streams. Although this goal remains unmet, we have made considerable progress. In fact, the Truckee River in northern Nevada is a good example of a river that has benefited from this landmark legislation. By investing in the objectives set forth in H.R. 1, we can realize the goals of the 1972 Clean Water Act.

As a cosponsor of S. 1, an identical bill to H.R. 1, I urge my colleagues to give H.R. 1 the overwhelming support it deserves.

I appreciate the Senator from Maine yielding.

Mr. MITCHELL. I thank the Senator.

Mr. President, under the prior consent agreement I yield to the distinguished Senator from Tennessee who since entering the Senate has been one of the leaders in protecting the American environment.

The PRESIDING OFFICER. Without objection, the Senator from Tennessee is recognized.

Mr. SASSER. Mr. President, I thank the distinguished manager of the bill for his very gracious comments.

Mr. President, I am pleased that the 100th Congress begins with consideration of one of the most important pieces of legislation that we will consider—the Water Quality Act of 1987. And I am pleased to be an original cosponsor of this very, very important legislation. Given the paramount importance of clean water to the Nation, it is appropriate that the Water Quality Act of 1987 was the first piece of legislation introduced in the 100th Congress. It is my hope that this bill will be the first one passed by this Congress as well.

It is unfortunate that we are being forced to revisit this legislation. I was frankly surprised that the President chose to veto the Water Quality Act last November. The votes in both Houses reflected overwhelming support for the bill. The need for this bill was critical in cities and towns all across the United States. The President's veto of the Clean Water Act reauthorization, I am sorry to say, demonstrated a callous disregard for the health and safety needs of literally millions of Americans.

As a result of the President's veto, some $18 billion in grants for wastewater treatment facilities have been delayed. This delay has jeopardized construction of essential sewage treatment facilities in municipalities throughout the country. Many of these cities are already under pressure from the Environmental Protection Agency to have their sewage treatment plants upgraded to secondary status by 1988. The delay caused by the administration's veto has only made it more likely that this deadline will not be reached.

In my native State of Tennessee alone, more than 53 towns and cities have been affected by the delay in passage of this bill. Because much of the $35 million slated in this bill for Tennessee sewage treatment facilities and water quality improvement programs has not been forthcoming, many of these municipalities are facing facility construction slowdowns or halts. Fortunately, those of us on the Appropriations Committee saw the wisdom of continuing to fund the Wastewater Treatment Facility Grant Program this fiscal year at $1.2 billion, in the event that this bill was not signed into law. While this has allowed some Tennessee towns, such as McMinnville, to move forward with the expansion and upgrade of their treatment plants, many other Tennessee towns have not been so fortunate.

Mr. President, funding for wastewater treatment facilities is only one of the many important features of this legislation. The bill contains new programs to identify and control toxic pollutants in rivers, lakes, and estuaries. I am particularly interested in the Clean Lakes Program set forth in the act. This Clean Lakes Program recognizes that there is presently no comprehensive analysis of the quality of lakes nationally. What we do know is that many of our lakes are becoming impaired and that we need to formulate a program to address this problem.

I have seen such problems first hand, Mr. President. Last year, I traveled to Kentucky Lake, in western Tennessee to examine reports I had received on deteriorating water quality. What I found on this journey was very disturbing. Mussel divers in the Kentucky Lake area reported harvests of mussels are dramatically down, in some cases by as much as 75 percent. Commercial fishermen showed me catfish which were literally decomposing from within. More and more fish caught in this area were not suitable for human consumption. This we fear is caused by the water quality present in this lake. These firsthand reports were echoed in panel discussions I chaired on the quality of water in Kentucky Lake.

It is clear that the drought problems we have recently experienced in the Southeast added to the problems in Kentucky Lake. It is equally clear that we do not yet know enough about the causes of the pollution in Kentucky Lake, nor about the damage from this pollution in this lake to come to a conclusion.

I have called on Federal, State, and local government bodies to work together in attacking the problems in Kentucky Lake. The Clean Lakes Program in this bill can play a critical role in this effort. Indeed, including Kentucky Lake in the Lake Water Quality Demonstration Program established under the Clean Lakes Program would go far in addressing the problems in this beautiful lake that is so vital to the commercial well-being of areas of my State and also Kentucky. It is my hope that the Administrator of the Environmental Protection Agency will work with us to see that this magnificent lake, known as Kentucky Lake, is given high priority under this demonstration program.

For this reason, Mr. President, and for many others, I, frankly, believe that it is very essential that we move swiftly on this important piece of legislation. The American people will have a right to expect that their water will be clean. The American people have a right to expect that their Government will act in such a way that the environment will be protected not just for this generation but for future generations.

So I am confident that my colleagues will once again give this legislation the resounding support that it is entitled to.

Mr. President, at this time I yield the floor.

The **PRESIDING OFFICER.** The Senator from Tennessee has yielded the floor.

Mr. **CHAFEE** addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Rhode Island is recognized.

Mr. **CHAFEE.** Mr. President, I have a chart which compares the three bills: the original Senate bill, the House bill, and the conference report. The reason that I would call them to the attention of this body is to better understand what took place in the conference. That, of course, is the bill that we have before us today.

Let me first just give the overall totals. The Senate bill which passed here originally—actually it passed on the June 13, 1985, which gives you some indication of how long we have been dealing with this clean water business, this legislation—had a total cost of $19.6 billion. That passed June 13, 1985. Along came the House with its bill, which it passed over there on July 23, 1985, the same year. That bill was not $19.6 billion, but that was $26.9 billion. That is what we went to conference with: the House bill being almost $26.9 billion, the Senate bill being about $19.6 billion.

So there is about a $7 billion difference.

The legislation that came back as a result of the conference, the bill we are considering here today, is $20.7 billion. In other words, we went up $1 billion in the Senate bill that we went into conference with, and the House came down $6.2 billion.

What happened to some of the measure?

Just to give you examples, and these are some of the special projects, these were the things that upset the administration, I believe rightfully so, and that we succeeded in eliminating.

Puget Sound, in for $1.2 billion in the House bill, zero in the Senate, and in the conference we came out with zero.

New York-New Jersey harbor, $40 million in the House bill, zero in the Senate, zero in the conference report.

San Francisco Bay, $18 million in the House bill, zero in the Senate, zero in the conference.

Newtown Creek, $300 million in the House bill, zero in the Senate, zero in the conference.

Naco, TX, $10 million in the House bill, zero in the Senate, zero in the conference.

Deer Island, Boston, $30 million in the House bill, zero in the Senate, zero in the conference.

Des Moines, $85 million in the House bill, zero in the Senate, and $50 million in the conference.

And so it goes.

I think the administration should be very grateful that we are able to beat down these amounts. Not only that, but the other key point that I would make, particularly to the administration, is that this legislation comes to an end. When we finish this in 1993, there are no more Federal appropriations for wastewater treatment facilities.

Mr. President, I ask unanimous consent that this document be printed in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

COMPARISON OF AUTHORIZATIONS IN S. 1 (CONF), H.R. 8 (7/23/85), S. 1128 (6/13/85)

Major purpose	S. 1 (Conf)	H.R. 8 (7/23/85)	S. 1128 (6/13/85)
Construction Grants and Revolving Loan Funds.	$18 billion	$21 billion	$18 billion.
Sec. 104 grants	136m	160m	88m.
State 106 grants	375m	375m	300m.
Chesapeake Bay	65m	65m	65m.
Great Lakes	55m	61m	50m.
Areawide Planning	250m?	250m	
Clean Lakes	220m	425m	150m.
Nonpoint Source	400m	750m	300m.
National Estuary Program	60m	75m	60m.
General Authorization	675m	550m	640m.
Sludge Studies	5m	15m	
Alternative Water Supply		456m	
Groundwater Program		40m	
Groundwater Grants		510m	
Puget Sound		1,261m?	
NY/NJ Harbor		40m	
Narragansett Bay		9m	
San Francisco Bay		18m	
Newtown Creek		300m	
Naco Texas		10m	
Deer Island Boston		30m	

COMPARISON OF AUTHORIZATIONS IN S. 1 (CONF), H.R. 8 (7/23/85), S. 1128 (6/13/85)—Continued

Major purpose	S. 1 (Conf)	H.R. 8 (7/23/85)	S. 1128 (6/13/85)
Boston Harbor	100m	100m	
Des Moines	50m	85m	
Oakwood Beach, NY	7m	9m	
San Diego/Tijuana (estimate)	300m	300m	
San Diego Reclamation	2m	3m	
Totals	$20,700m	$26,897m	$19,653m.

Mr. CHAFEE. I thank the Chair.

Mr. STAFFORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr STAFFORD. Mr. President, I rise in support to H.R. 1. It represents over 4 years hard work by both bodies of the Congress. It is the same bill that was passed unanimously by both Houses last fall. Unfortunately, the President pocket vetoed that bill. We are here today to reaffirm our position in favor of environmental protection by passing the bill again.

As my colleagues already know, the House of Respresentatives passed this bill last week by a vote of 406 to 8. It is my hope and expectation that the Senate will pass this bill by an equivalent margin.

When we started the long process of reauthorization 4 years ago, we discovered that there was a compelling need to make improvements in the Clean Water Act. The bill before us accomplishes that. It narrows some troubling loopholes, tightens controls on toxic pollutants, and establishes a much needed program to manage runoff or nonpoint source pollution.

Just as importantly, it provides for an orderly phaseout of Federal subsidies for construction of sewage treatment plants. This was a difficult issue, as my colleagues will recall, but gradually we succeeded in building a political concensus for phasing out the grants program amd providing an orderly transition to State revolving loan funds.

I want to remind my colleagues that the Congress gave full consideration to the President's initial proposal to phase the program our more quickly. After due consideration, the Congress decided that $18 billion—divided between traditional grants and capitalization grants for the State revolving loan funds—is the minimum amount needed.

Indeed, Mr. President, many have said on appropriate scientific evidence that the needs of the country still run something on the order of $100 billion.

So as has been said before, the amount provided in this bill is the bare minimum that can move us ahead for fishable, swimmable waters in this country over the next several years.

My colleagues are well aware that the administration wants to knock this figure down by an additional $6 billion. I would say to my colleagues that we already have reduced this program as far and as quickly as we prudently can. If an amendment is offered to reduce the program further, this Senator will oppose it vigorously. We must keep faith with the American people and with the various parties with whom we forged a political concensus—the States, cities and towns, environmental organizations, and others.

Mr. President, this is a good bill, and it is a fair bill. It's contents and its intent are well explained in the conference report and floor statements at the end of the last Congress. This Senator is proud to have been a participant in its development. Unanimous votes are rare, but this bill passed both the House and the Senate 3 months ago without a single dissenting vote. This is a testment to the widespread political support that this bill enjoys.

Mr. President, in closing I would like to make a comment about congressional intent behind passage of this law. As has been noted, this bill is the same as the bill placed before the President last year. Therefore, the statement of managers on that bill, which is found in Report No. 99-1004, contains the primary legislative history on this bill. That statement of managers, as explained by conferees on the floor of the House and Senate last October, should be viewed by courts as the most authoritative statement of congressional intent.

Mr. President a vote in favor of this bill is a vote for the environment. This Senator and his colleagues who developed it, urges his colleagues earnestly to ratify their previous vote and again support this bill.

Mr. President, I yield the floor.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. MITCHELL. Mr. President, I commend the Senator from Vermont for his statement. I would simply like to say to the Members of the Senate and to the American people that for the previous 6 years Senator STAFFORD served as chairman of the Senate Committee on Environment and Public Works. He chaired that committee as fairly, as evenhandedly, and as effectively as was humanly possible, and it is due largely to his leadership and his example that the committee, the Senate, and the Congress were able to enact so much landmark environmental law, particularly in the closing days of the recent session.

In behalf of all of the members of the committee, and more importantly all of the American people, who benefit from his leadership, I want to thank and commend the distinguished Senator, the former chairman of the committee.

Mr. STAFFORD. Mr. President, if the Senator will yield, I simply want to express my appreciation for those very kind words and to say that without his leadership on his side of the aisle and his hard work on the committee generally we would not have enjoyed the success we did. I thoroughly enjoyed being chairman of the committee in those years and I know that the committee now, with the leadership of the Senator from Maine, will have further notable accomplishments.

Mr. MITCHELL. I thank the Senator.

Mr. LAUTENBERG. I would like to address an issue which has come up recently in the municipality of Edgewater in my home State of New Jersey.

Edgewater is planning to construct a facility to provide secondary treatment of sewage. The community developed facility plans and designs, but was not ranked sufficiently high on the State priority list to receive Federal funding in a timely manner.

In an effort to construct the plant as quickly as possible, the community worked with private firms to design and construct the facility. After the community entered into a contract for construction of a facility, they learned that Federal funding could be available after all.

I am concerned that, in order to proceed with Federal grant assistance, the community may be forced to abandon the work completed to date under the private agreements.

Would the Senator agree that, to the extent possible under applicable regulations, the EPA should be encouraged to avoid duplication of this work?

Mr. MITCHELL. Yes, I agree with the Senator. To the extent regulations allow, the EPA should be flexible in allowing the community to make use of this work.

Mr. LAUTENBERG. On a related point, I am concerned that the enactment of section 204 of the Clean Water Act amendments before us today may preclude the community from pursuing resolution of difference of interpretation of various Federal procurement and project management regulations. Is it the Senator's view that enactment of section 204 would necessarily prevent the community from challenging these regulations?

Mr. MITCHELL. I do not believe that section 204 should in any way prevent the community from challenging the existing regulations in question.

Mr. LAUTENBERG. I thank the Senator for his thoughts on this issue. I hope he will work with me in resolving any further issues that may arise relating to this project.

Mr. MITCHELL. I shall be happy to do whatever I can to assist the Senator in this effort.

Mr. GRAHAM. Mr. President, while I realize the urgency in approving the Clean Water Act without amendments, I would like to emphasize the need for Lake Okeechobee to be included as a priority demonstration project under the Clean Lakes Program. This Florida lake, which is the second largest freshwater lake in the United States and which feeds the Everglades, is dangerously close to eutrophication and is indeed worthy of priority designation.

Mr. MITCHELL. Mr. President, I realize the environmental significance of Lake Okeechobee and the serious nature of the threat posed to the Lake by pollutants. Given the condition of this lake, inclusion is consistent with the intent of last year's conferees and we would direct the agency to include Lake Okeechobee as a priority demonstration project under the Clean Lakes Program.

Mr. GRAHAM. As the Senator from Maine is aware, I would have offered as an amendment the inclusion of Lake Okeechobee; however, given the need to avoid any amendments to the bill, I will accept this assurance based on the conferee's intent. I thank the Senator.

Mr. BAUCUS. Included within the legislation is an authorization for a comprehensive water quality investigation of the Clark Fork/Lake Pend Oreille system in Montana. The purpose of this study is to identify sources of pollution and to enhance the water quality of this lake and river basin. Lake Pend Oreille is the largest lake in Idaho whose waters drain approximately 22,000 square miles.

The Clark Fork River and Lake Pend Oreille are primary environmental features of western Montana and northern Idaho. The river and lake is an outstanding cultural and economic resource for the entire region.

Nutrient contamination and sedimentation from point and nonpoint sources of pollution are believed to be responsible for algae blooms, patches of floating scum and foam, and other signs of pollution in the lower rivers, reservoirs, and Lake Pend Oreille. Toxic mine runoff flowing into both tributaries and the mainstream have resulted in the designation of four Superfund sites along the river. As part of the remedial investigation being conducted under the authority of Superfund for the Silver Bow Creek site along a tributary in the upper Clark Fork River, the Environmental Protection Agency is investigating toxic contamination along approximately 60 miles of the river. Moving quickly to undertake this study will provide for a coordinated basinwide effort.

Mr. SYMMS. Mr. BAUCUS and I sponsored this amendment in recognition of the importance of this lake and river resource to the entire region. Tourism and recreation is the second largest and fastest growing industry in northern Idaho. This tourism is heavily dependent on the quality of Lake Pend Oreille.

Public concern for the protection and clean-up of the Clark Fork River and Lake Pend Oreille is broad-based and widespread in both Idaho and Montana. Recent events, including the discharge permit controversy at the Frenchtown Pulp Mill, have focused public attention on water quality degradation and a pressing need for a basinwide approach to water quality research and management.

Mr. BAUCUS. When this amendment was offered, we did not know what this study would cost; therefore, no specific authorization numbers were included in the legislation. Recently the State of Montana and the U.S. Geological Survey submitted a proposal to the Environmental Protection Agency to conduct intensive water quality investigations on the Clark Fork and Lake Pend Oreille. The State of Montana proposal for an assessment of nutrient pollution and euthrophication would require $500,000 over a 3-year period. Currently little reliable information exists to provide for the overall management of the lake and river. This portion of the study would benefit both Montana and Idaho.

Mr. SYMMS. The U.S. Geological Survey has developed a proposal for a detailed eutrophication study of Lake Pend Oreille which would require $800,000 over a 4-year period. This study, when completed, would provide a sound basis for resource decision in Montana and Idaho in order to protect the lake. It is important that both aspects of the study proceed together since they are meant to be coordinated.

Mr. MITCHELL. It is the intention of the conferees that this study be funded by EPA out of programs authorized by this legislation and any other appropriate sources of funds available to the Agency.

Mr. STAFFORD. Mr. MITCHELL is correct in his explanation of the committee's intention. It is my understanding that the Clark Fork River and Lake Pend Oreille are degraded by point and nonpoint discharges into the water. By including a specific requirement for a Clark Fork/Lake Pend Oreille study, the committee has recognized the importance of a coordinated effort to undertake this study.

Mr. BAUCUS. I thank Mr. MITCHELL and Mr. STAFFORD for their response. Much of the Clark Fork River drainage is comprised of public lands, largely part of the U.S. forest system. The U.S. Forest Service and the State of Montana have entered into a memorandum of understanding concerning the control of non-point source pollution. While the legislation requires the Environmental Protection Agency to undertake the study, am I correct in stating that it is the conferees' intention that the Forest Service fully participate in the study?

Mr. MITCHELL. Mr. BAUCUS is correct.

Mr. BAUCUS. The Upper Clark Fork River is the site of a Superfund site at Silver Bow Creek, a site at the old Anaconda smelter and at Milltown Dam just outside of Missoula. The Environmental Protection Agency is currently undertaking a remedial investigation and feasibility study of these sites. The toxic waste problem has affected a large stretch of the river. There is an opportunity to coordinate the Clark Fork River/Lake Pend Oreille study with the Superfund investigations of the river. A coordinated approach which would not delay the ongoing Superfund effort would be the most cost-effective way to address the problem and would also ensure a truly comprehensive assessment of the river.

Mr. SYMMS. Mr. BAUCUS raises an important point. All pollutants which enter the river upstream of Lake Pend Oreille have a potential to impact the lake. The importance of Lake Pend Oreille to north Idaho cannot be emphasized enough. It appears to me to be cost effective and prudent to undertake a coordinated comprehensive assessment of the basin.

Mr. MITCHELL. Both Mr. BAUCUS and Mr. SYMMS raise important points. While this legislation before us today deals with amendments to the Clean Water Act, it makes good sense to coordinate efforts undertaken under this Act with activities undertaken under other environmental statutes. These programs should be coordinated to the maximum extent possible.

Mr. BAUCUS. I thank Mr. MITCHELL and Mr. STAFFORD for their assistance.

Mr. SYMMS. I join with Mr. BAUCUS in thanking Mr. MITCHELL and Mr. STAFFORD.

Mr. DURENBERGER. Mr. President, we are today considering the Water Quality Act of 1987. This is a bill to continue and expand the Nation's Clean Water Act which has since 1972 provided environmental protection for the quality of our lakes, streams, rivers, and estuaries.

This reauthorization of the Clean Water Act has been developed over many years and reflects a blending and compromise of all views including those heard in both Houses, those expressed by members of both parties, views of the Congress and the administration, views of industry and the environmental community.

This legislation was considered by the Congress just before adjournment last year. It was adopted by the Senate 96 to 0. It was also adopted unanimously by the House of Representatives. Around here that is an almost unprecedented level of support for a major piece of legislation like this. The bill we introduce today is that same bill.

The bill adopted by the 99th Congress failed enactment due to a Presidential pocket veto. That was in my view a most unfortunate decision on the part of the President and his advisers. This legislation already includes much to accommodate the views, both budgetary and of a substantive nature, that were put forth by the administration and its representatives during the legislative process.

Our difference with the President comes down to a matter of budget priorities. I would say to the President that the Construction Grants Program has already made its contribution to deficit reduction. In 1981 when this administration came to office grants to State and local governments to build sewage treatment projects were approximately $5 billion per year. The administration insisted on a greatly reduced program and one that was restructured to eliminate many of the then eligible activities. And after a year of tough debate, a compromise was reached between the Congress and the administration to reduce and restructure the Construction Grants Program. For its part the Congress understood that compromise to include a 10-year commitment to fund the Construction Grants Program at $2.4 billion annually. And that is precisely the level of funding this bill provides.

This bill fulfills the promises made in 1981 when the Construction Grants Program was last reauthorized. One need not rely on my testimony as to the agreement reached between the Congress and the administration back in 1981. The record is replete with references to that commitment. For instance in a committee hearing on the 1985 budget proposal, Mr. William Ruckelshaus, then Administrator of the Environmental Protection Agency, described that agreement in these terms:

> There is an understanding that there is an agreement with the Administration and with the Congress that for 10 years this level of funding, at least, is a commitment. If you will note the difference between what we submitted to the President in terms of our budget and what we are now requesting is somewhat less. We went down to $2.37 billion, and it went back up to $2.4 billion as a result of that commitment. That was something that the Administration put back into our budget over our submission.

Mr. President, there you have Bill Ruckelshaus proposing a modest cut in the Construction Grants Program and somebody at OMB telling him to take it back up to $2.4 billion because the administration had committed to that level for 10 years. That's a pretty good indication that a clear and solid pledge for funding had been made as a part of the 1981 reauthorization. Mr. Ruckelshaus is no longer at EPA, of course. And there have also been changes to OMB. But changes in advisers shouldn't be cause for abandoning commitments.

So it was unfortunate that this bill failed enactment last year. And I urge the President of the United States, in light of the history of this program, to reconsider his decision to withhold his signature from this bill. It is a good bill. It has broad support. It continues a necessary and successful program of the Federal Government. It is a tribute to the two members of our party, Senator CHAFEE and Senator STAFFORD, who had such a large role in bringing it to unanimous approval in both Houses of the last Congress.

We are here today largely as a result of the tireless work of the distinguished Senator from Rhode Island [Mr. CHAFEE], who was chairman of the Environmental Pollution Subcommittee in the 99th Congress. Along with Senator MITCHELL, the previous ranking member of the subcommittee, and Senator STAFFORD, the previous chairman of our full committee, the Senator from Rhode Island has spent long hours in hearings, markup, and conference sessions and floor debate to bring this bill to this point in the legislative process. This is a major piece of legislation. It has been pending before the Congress for several years. And over that whole period, Senator CHAFEE, has been a consistent champion of the Nation's water resources. He has shown no inclination to compromise the goals of the Clean Water Act just to get a bill and today his dedication to those principles is rewarded wth an excellent piece of legislation that adds much to a law which has already been quite effective in improving the quality of the Nation's surface waters.

Before turning to the substance of this legislation, let me just mention the role of two of my fellow Minnesotans who serve in the other body and who were instrumental in developing this legislation. Both Representative STANGELAND and Representative OBERSTAR from Minnesota serve on the Water Resources Subcommittee of the House and were active members of the conference on this legislation. All of us from Minnesota are proud of the contribution they have made to this bill.

The principal feature of this bill is a reauthorization of the Municipal Wastewater Treatment Construction Grants Program. Title II of the Clean Water Act has provided more than $40 billion to the cities of our country to build sewage treatment systems over the past decade and one-half. We add another $18 billion to that commitment with the enactment of this bill. But we also begin the process of phasing out the Construction Grants Program. During the phase down period, States will convert Federal grants into revolving loan programs so that Federal dollars can be recycled and will continue to protect the Nation's waters well into the future.

One controversial aspect of this legislation was the allocation formula for the Construction Grants Program. In June 1985, when the Senate was considering this bill for the first time, I felt compelled to put together a coalition of Members representing the Great Lakes States to protest the allocation formula that was included in the bill as reported by the Environment Committee.

The formula was grossly unfair to the Great Lakes States and would have threatened our efforts through the water quality agreement of 1978, an international treaty with our closest friend in the community of nations, Canada, to restore and maintain the quality of the waters of this international treasure. I will have further comments on the Great Lakes at a later point in this statement, but for now let me simply say that I am very happy to tell the Senate today that the construction grants allocation formula in this bill is fair to the Great Lakes States.

There are several other provisions of this legislation which should be mentioned in any thorough summary of its features; the Clean Lakes Program is reauthorized and extended to problems of acid mitigation for lakes damaged by acid rain; the bill contains a provision prohibiting backsliding from effluent limitations in existing permits; there is a new estuary program and a program to further the efforts to clean up the Chesapeake Bay; and we have established a new role for Indian tribes in achieving the goals and requirements of the Clean Water Act.

There are three major provisions of the legislation relating to nonprofit sources of pollution, stormwater discharges and the Great Lakes which I will discuss at length at a later point in the debate. Before doing so, let me, if I may Mr. President, make brief comment on the antibacksliding provision of this legislation. The purpose of the antibacksliding amendment is to assure that we keep the improvements in water quality that have already been accomplished under the act. There are exceptions to the antibacksliding requirement, both for permits based on best practicable judgments and those based on water quality standards. But even with the exceptions, the intent and effect of the legislation is clear. Except in extraordinary circumstances those improvements in water quality which have been achieved as a result of permits issued under the Clean Water Act will be maintained and other factors including improvements in water quality due to additional efforts under the act, the promulgation of different and less stringent effluent guidelines, or other unrelated cases, cannot be used as a justification to shutdown pollution control technology that is in place and operating to meet effluent limitations in existing permits.

NONPOINT SOURCE POLLUTION

The legislation we are reporting today establishes a new program under the Clean Water Act to develop management programs to control nonpoint sources of pollution.

The new section 319 of the act will require each State, individually or in combination with adjoining States, to submit a proposed nonpoint source pollution management program to the Administrator of the Environmental Protection Agency within 18 months of enactment of this legislation. These State programs will have seven principal elements.

First, they will identify waters within each State which are not expected to attain water quality standards or the goals of the Clean Water Act without control of nonpoint sources of pollution.

Second, the State programs will designate categories, subcategories, or particular nonpoint sources that contribute significant pollution to those waters.

Third, the State programs will identify best management practices, so called BMP's which will be undertaken to reduce pollution in each category or subcategory taking into account the impact of the proposed practice on ground water quality.

Fourth, the programs will include nonregulatory or regulatory measures for enforcement, technical and financial assistance, education, training, technology transfer, or demonstration projects to assist in the development and implementation of BMP's.

Fifth, the program will include a schedule containing annual milestones for utilization of the measures identified and implementation of the BMP's identified at the earliest practicable date.

Sixth, the program will contain assurances that existing State laws are adequate to carry out the proposed program or contain a stated intent to seek additional needed authority.

And finally, the State programs will identify Federal financial assistance programs and Federal development projects to be reviewed by the State for their consistency with its proposed nonpoint management program.

The provision that adjoining States may develop proposed programs together is intended to promote cooperation between States. Water quality problems may result from transboundary delivery of pollutions that are not sufficient to cause identification of the water body for controls in the upstream State, but which nonetheless contribute substantially to water quality problems in the downstream State. Until those upstream sources of nonpoint pollution are brought under control, the nonpoint source pollution problem in the downstream State may not be effectively resolved, as no measure of control applied in the downstream State will affect the pollution in the upstream State. In such case, the upstream State may have little incentive to incur program costs that will result in water quality benefits primarily to the downstream State. The Administrator is given the authority to provide extra funding for such interstate cooperative efforts under the provisions of the Water Quality Act of 1987.

A joint cooperative management program may also be appropriate when the affected water body is shared by more than one State, for instance, an estuary or lake or river that forms the boundary between two or more States.

In the conference on this legislation last year, the Senate agreed to a House provision which provides for convening an interstate management conference when nonpoint pollution in one State causes water quality problems in another. Such a conference can be convened at the request of a State or by the Administrator acting on information which is available. If the conference reaches any agreement with respect to reducing nonpoint pollution in the upstream State, the program of that State shall be modified to reflect the provisions of the agreement.

This legislation requires each State to identify those waters within its boundaries which, after implementation of point source controls, will not attain or maintain water quality standards or the goals and requirements in the Clean Water Act without controlling nonpoint sources of pollution. The State need not demonstrate that the nonpoint sources of pollution are the sole cause for the water quality standards not being attained or maintained. The fact that the standards are not likely to be attained or maintained under existing conditions in the reasonably near future, and that there are loadings of pollutants from nonpoint sources of pollution that can reasonably be expected to be contributing to the water quality problems, will provide sufficient reason for a State to identify such water under this program. In identifying these waters, the State should not only focus on the immediately adjacent waters to the nonpoint sources, but also consider downstream segments, lakes, and other water bodies where such pollutants may accumulate and cause water degradation.

The reference to the water quality standards and to the goals and requirements of the Clean Water Act arises from the fact that not all water quality standards yet reflect the act's goals and requirements. In such cases, identification and control of nonpoint sources can contribute to improvement in water quality and upgrading of water quality standards.

In reference to specific nonpoint sources under section 319 the term "significant" is inserted to exclude trivial sources of pollutants or sources of pollutants which are not related to the water quality programs identified by the State program. The term "categories" in this subsection could include sources such as cropland, rangeland, pastureland, forestland, construction sites, industrial sites, mines, residential areas, streets, roads, highways, other developed land and wild areas. Within each of these categories, subcategories can be defined on the basis of characteristics such as geographical location, type of activity, size of facility, topography, and other factors. The State has broad discretion to establish categories and subcategories that are relevant and appropriate for the types of nonpoint source pollution that the State identifies and the BMP's will implement to control them. However, the categorization must be sufficiently comprehensive to include all significant sources.

Particular nonpoint sources as referenced in this section could be identified when they, in and of themselves, are significant contributors of pollutants, or in some way are sufficiently unique that they cannot reasonably be included in one of the categories or subcategories.

The term, "best management practices," is left undefined in this bill because of a concern that any definition would limit the States' flexibility and perhaps undercut existing programs in which best management practices have been identified, including conservation tillage, grassed waterways, cover crops, undisturbed field perimeters near waterways, and terracing. The selection of the appropriate BMP's in a particular instance would depend upon soil type, topography, desired crop, and other factors.

Best management practices have also been identified for reducing runoff from urban areas—including storm water containment structures—construction areas—including erosion barriers such as straw bales and dikes—silviculture areas—including careful road placement, culverting, grassing of abandoned roads and skid trails—and grazing lands—including herd and vegetation management.

States are required to consider the impact of management practices on ground water quality. Because of the intimate hydrologic relationship that often exists between surface and ground water, it is possible that measures taken to reduce runoff of surface water containing contaminants may increase transport of these contaminants to ground water. The State should be aware of this possibility when defining best management practices especially in aquifer recharge areas.

Mr. President, this legislation allows the States great flexibility to design management programs containing regulatory or nonregulatory components, or a mixture of the two. The list of possible program elements is not intended to be exclusive. It is expected that States will differ in the program strategies they adopt. However, a State program must have a clear purpose which is to achieve implementation of best management practices by the identified sources as soon as practicable so as to reduce nonpoint pollutant loadings and improve water quality within that State.

The State is expected to demonstrate that its management program will provide reasonable assurance that appropriate control measures will actually be adopted by the categories, subcategories and specific resources identified in the State's program. Further, the State is required to commit itself to a schedule containing milestones for implementation of BMP's by such source. This is a requirement that the State take responsibility for the effectiveness of its program in terms of implementing the best management practices by sources, as distinct from merely committing to carry out its identified program activities. The Administrator, in awarding subsequent program grants must consider the State's record in meeting these commitments and determine that the State is satisfactorily implementing its program.

Milestones for both program implementation and the implementation of best management practices by sources must be established to provide for implementation at the earliest practicable date. This requirement reflects the importance of nonpoint source pollution problem and is intended to demonstrate congressional intent that BMP's be implemented expeditiously. Consistent with this general requirement, States may establish different milestones for different categories of sources. No single date or statutory schedule is included in order to allow the State to take account of variations in the number and types of sources and pollutant reductions. Similarly, different States may commit to different schedules based on characteristics of the State's program.

The bill also provides that the States will identify Federal financial assistance programs and Federal development projects for which the State will review individual assistance applications and development projects for their effect on water quality to determine if they are consistent with the State's nonpoint source pollution management program.

This subsection is based on the provisions of Executive Order 12372. This Executive order, issued by President Reagan, replaces OMB Circular A-95 and establishes procedures by which State authorities may comment upon applications for Federal assistance and Federal development projects to assure that the federally supported activities and projects are consistent with State needs and objectives. This bill assures that the provisions of the Executive order, as in effect on September 17, 1983, will be applicable to the State's implementation of this review process, with respect to its nonpoint source management program, regardless of any subsequent revisions of the Executive order. The bill also allows States to designate any Federal assistance program or development project listed in the most recent Catalog of Federal Domestic Assistance, rather than just those programs and projects subject to the current Executive Order 12372. The purpose of this provision is to allow the State's to review any Federal program or project that the State determines needs to be reviewed for consistency with its nonpoint management program. This provision builds upon established procedures for State review of Federal activities. It will provide the States with an important tool to assure that proposed Federal assistance and development projects are implemented in a manner which the State deems consistent with its nonpoint source pollution management program.

In developing its program the States may use information developed under other pertinent sections of the Clean Water Act in the development of their programs, particularly the section 208(b) waste treatment management plans, if the State determines those plans to be consistent with the goals and objectives of this new section. States may also cooperate with local agencies or organizations in the development and implementation of their programs. This would include agencies receiving funding under section 205(j) of the Clean Water Act and soil conservation districts.

In many cases, information and institutional relationships developed under the section 208 planning process will be relevant to, and consistent with, the requirements and objectives of this bill. Many States relied upon regional organizations and the section 208 planning process to gather needed data about nonpoint source pollution and to promote local and regional cooperative pollution control efforts. The States are encouraged to build upon these program elements in constructing the program required by this bill. However, the bill does not require the use of section 208 plans or local agencies and organizations because some State programs have evolved well beyond the section 208 planning efforts, and also because some States gave inadequate or inappropriate attention to nonpoint sources in their 208 plans. In any case, the State has the flexibility to select the program elements that will most effectively fulfill the requirements and objectives of this bill.

The States are authorized to develop their programs on a watershed-by-watershed basis as is appropriate in a program that focuses on water bodies or segments which are not meeting water quality standards. However, this provision should not result in fragmented programs farmed out to local agencies or organizations. We are establishing State programs in this section and expect central, policy-setting direction from the States in implementing this program. In that regard, Mr. President, I would highlight a significant difference between the House and Senate bills from the last Congress. The House bill would have allowed the States to develop narrow programs for particular watersheds or categories of nonpoint pollution and satisfy the requirements of the legislation. The Senate bill included a broader scope including all water bodies within a State exhibiting nonpoint problems and all categories and subcategories contributing to those problems. This bill adopts the Senate approach.

As with any cooperative Federal-State program, this legislation includes procedures for review and approval of the State program. The Administrator shall decide whether to approve or disapprove a State program within a 6-month period after it is received. If the Administrator determines that it does not comply with the requirements of this act, he must notify the State of any modifications necessary to obtain approval. The State is then given 3 additional months to submit a revised program, to be approved or disapproved by the Administrator. If the Administrator determines that a State management program meets certain requirements he will approve the program.

If the Administrator fails either to approve or request modification of a submitted State program within 6 months of receipt, the program is deemed to be approved. Likewise, if the Administrator fails to approve or disapprove a program revised at his request within 3 months of receipt, such a revised program is deemed to be approved. This provision is intended to assure that implementation of programs to control nonpoint sources of pollution are not delayed because of inaction on the part of the Administrator.

In determining whether the proposed program meets the requirements and objectives of the Clean Water Act, the Administrator should take into account any public comments he had received, including those of downstream States that may be affected by the program. The Administrator's review should involve considerably more than a checklist of required program elements. Under this legislation, the Administrator must review submitted programs in light of the goals of the Clean Water Act and the purpose of this new section which is to achieve reduction of nonpoint source pollutant loadings by the implementation of best management practices by sources and to do so at the earliest practicable date. Before approving the program and awarding Federal grants to support its implementation, the Administrator must be persuaded that the program is capable of meeting the objectives.

If a State fails to submit a nonpoint source management program consistent with the new section 319, the Administrator is to carry out some requirements of the act on behalf of that State. The Administrator is thus required to identify waters within the noncomplying State exhibiting nonpoint pollution problems and designate categories or subcategories of significant contributors to that pollution. Any actions of the Administrator pursuant to this subsection shall be reported to Congress.

Subsection (h), (i), and (j) of the new section 319 authorized Federal grants to States to assist in implementing approved management programs and authorizes funds to be appropriated to the Environmental Protection Agency for the administration of this program. The Federal grants are not to exceed 60 percent of the costs of implementing the management program of any State. Non-Federal funds must be equal to at least 40 percent of the costs of each State program. This requirement will ensure adequate State financial involvement while providing necessary Federal financial assistance.

The Administrator is to determine the apportionment of funds among the States according to the needs of the States reflected in reports on the extent of nonpoint pollution problems and the quality and promptness of State programs to control nonpoint sources.

The legislation provides financial incentives to States to implement programs that address particularly difficult nonpoint source pollution problems. In such cases, the environmental benefits from controlling the pollution may be large, but the State may be reluctant to devote a disproportionate amount of its program funds to such problems. The Administrator is expected to use the authorized funds to achieve more effectively the objectives and requirements of this act. Additional funding to States with particularly difficult problems will result in more expeditious implementation schedules and more rapid reduction in nonpoint source pollution loadings.

Interstate nonpoint source pollution problems may be difficult to control because the program costs to control the pollution may accrue mostly in one State while the environmental benefits accrue mostly to another. In such cases, the Administrator may supply additional discretionary grants to the appropriate State, or may provide additional funding to a joint or cooperative interstate program.

In addition, these funds may be used to assess the relationship between nonpoint source pollution and groundwater quality. The conference report includes a provision of the House amendment which authorizes the Administrator to make grants to States with approved nonpoint programs to protect ground water resources from nonpoint sources of contamination.

This bill provides that any funds not obligated in the fiscal year for which they were appropriated shall be reallotted among the States in the following fiscal year.

The new section 319 provides that States may use Federal funds authorized by this bill for financial assistance to persons only insofar as the assistance is related to costs of implementing demonstration projects. These Federal funds are not to be used as a general subsidy or for general cost sharing to support implementation of best management practices by persons. However, a State is not precluded from using or directing other funds for cost sharing or other incentive programs if it so chooses.

The term "demonstration projects" includes projects designed to educate persons about the application of best management practices and to demonstrate their feasibility and utility as well as research projects to establish the feasibility or cost effectiveness of best management practices.

Initial program grants are required to be awarded to States whose programs are approved by the Administrator. Subsequent grants can only be made if the Administrator determines that the State is satisfactorily implementing its management program consistent with its commitments to schedules and milestones. This annual review and determination is important to assure that States are effectively implementing their programs and that Federal funds obligated under this section are being used to achieve the goals and requirements of the Clean Water Act.

The conference report authorizes 4 years of funding for the nonpoint program: $70 million for fiscal year 1987; $100 million for fiscal year 1988; $100 million for fiscal year 1989; and $130 million for fiscal year 1990. These funds are authorized to be appropriated for grants to the several States pursuant to the provisions of this section and for the payment of salaries and expenses of the Environmental Protection Agency necessary to administer the Agency's obligations under this new section.

Additional funding for the program is provided through set asides of funds that the States would otherwise receive under title II of the Clean Water Act. One percent or $100,000 of the construction grant funds allocated to each State shall be used to develop and implement this new nonpoint pollution program. In addition, nonpoint source control efforts may be financed by the Governor's discretionary set-aside which is 20 percent of the construction grants funds.

The bill requires each State to submit an annual report to the Administrator on its progress in meeting the schedule of milestones in its program and reductions in nonpoint source pollutant loading and improvements in water quality resulting from implementation of the management program.

The Administrator is required to transmit to the Office of Management and Budget and appropriate Federal agencies a list of the assistance programs and development projects which each State has identified for review pursuant to the authority of this bill. Beginning no later than 60 days thereafter each Federal agency is required to amend applicable regulations so that individual assistance applications and projects for the identified programs and development projects are submitted for State review. The appropriate agencies and departments of the Federal Government are required to accommodate, according to the requirements and definitions of Executive Order 12372, as in effect on September 17, 1983, concerns the State may express about consistency of assisted projects or activities with the State's Nonpoint Source Pollution Management Program.

The intent of this provision was explained partially in the comments I made a moment ago with respect to State responsibilities under this new section. Where the earlier subsection authorized the State to identify Federal programs and development projects for review, this subsection establishes the Federal responsibilities in response to such identifications by the States.

The purpose of the State review is to assure consistency of these Federal acitivities with the State's Nonpoint Source Management Program. If the State expresses a concern about consistency, the Federal agency is required to accommodate the Sate's concerns according to the requirements and definitions of Executive Order 12372 as in effect on September 17, 1983. The intent, therefore, is not to invent new procedures for Federal/

State coordination, but rather to incorporate existing procedures by reference in the Clean Water Act. This is an important provision because, without adequate State review, Federal activities over which the State has no direct authority could undercut its program and its water quality goals, possibly jeopardizing the State's ability to meet its program commitments under this section.

It is important that we clarify the meaning of the term "accommodate" in this context. It is a term of art. It means that any project proposed to be developed by a Federal agency or for which any person is seeking assistance must be in conformance with State views, policies, regulations, and laws. If a State objects to any aspect of a proposed project, then that aspect must be modified to reflect the view communicated by the State. Accommodate means modify to take into account concerns expressed by a State or local government in the review process so as to satisfy and remove those concerns.

The Administrator is to establish an information clearinghouse for information pertaining to the costs and relative efficiencies of best managment practices and the relationship between water quality improvement and the implementation of various practices. The purpose of this provision is to promote information sharing among the States and to provide the basis for technical assistance to State programs.

The Administrator is required not later than January 1, 1990, to submit to Congress a report, based on information submitted by the States and such other information as appropriate, describing the management programs being implemented by the States and their experience in adhering to schedules and implementing best management practices. This report must also describe the amount and purpose of grants awarded under this program; identify the progress made in reducing pollutant loads and improving water quality; and indicate what further actions need to be taken to reduce nonpoint source pollution in the context of the program.

The purpose of this report is to give Congress the information it will need to determine whether the approach taken in this legislation is adequate. This report will document the progress made under this approach and will provide information that will help determine the necessity of future statutory revisions.

Mr. President, this new section 319 represents a first step in controlling pollution from nonpoint sources. We have been persuaded to take a path somewhat different from that taken for point sources. States are given flexibility to identify priorities. And based on commitments made in this legislative cycle, it is the expectation of the Congress that this program will result in a significant improvement in water quality and nationwide reductions in pollutant loadings from nonpoint sources. We will, of course, revisit this question in the next legislative cycle on the Clean Water Act. And we will not find this program adequate, if real improvement in water quality has not been achieved.

The bill requires the Administrator to enter into agreements with the Secretaries of Agriculture, Interior, and Army and the heads of other appropriate departments and agencies to provide for the maximum utilization of other Federal laws and programs for the purpose of achieving and maintaining water quality through appropriate implementation of plans approved under section 208 of this act. This amendment would establish the same requirement in terms of management programs developed pursuant to the new section 319. Mr. President, I am especially interested in assuring that EPA and USDA make full use of the authority in this provision. Each year we spend hundreds of millions of dollars through USDA soil and water conservation programs. In the past, these soil conservation efforts have not given sufficient priority to improvements in water quality. It is the expectation of the Congress that this provision will give rise to a memorandum of understanding between EPA and USDA which will significantly elevate the priority assigned to water quality protection in projects assisted by the USDA soil and water conservation programs.

As I said a moment ago, Mr. President, the Administrator is directed to reserve 1 percent of a State allocation under section 205(c) or $100,000, whichever is greater for purposes of carrying out the provisions of this nonpoint program in that State. The State may request the use of any amount of the amount reserved by the Administrator. If the State identifies an amount less than the full reserved amount but greater than $100,000, the State may use remaining reserved funds for other purposes under title II of the act. For example, the State would be able to use the funds for direct grants to municipalities for construction of treatment works. The Administrator may establish such administrative and procedural requirements as necessary to assure that funds available to States under this section and section 319 are properly coordinated. Further, the Administrator may require a single application for grants under this section and section 319.

Grants under section 205(j)(5) shall meet the Federal and non-Federal cost sharing requirement set forth under section 319. In management of funds under this subsection, however, the Administrator shall not withhold any portion of funds to support special programs.

These funds are intended to be a supplement to the funds authorized by section 319, not to replace them. It is essential that adequate section 319 funds be appropriated in order to assure the development of a strong foundation of nonpoint management plans. In the event section 319 funds are not appropriated, the funds reserved under this subsection will permit modest nonpoint programs to be developed. However, the funds made available by this provision alone are too meager to support the level of program development that is needed to effectively and adequately manage nonpoint source pollution.

Mr. President, finally, let me say that this new program to control nonpoint pollution is an addition to the Clean Water Act and not a substitute for the point source programs already in place under the act. As a nation we have made great progress in reducing the pollution of our surface waters. Much of the work that remains to be done is on the nonpoint side. And we begin that work here. But this is not an excuse to reduce the effort or relax the requirements on the point source side. Reductions in pollution already achieved through point source controls are to be maintained. Point sources not yet in compliance with the law are to be pursued. And on top of that effort we now have a nonpoint program that will bring us much closer to the goal of the Clean Water Act—to eliminate the discharge of pollutants into the Nation's waters.

STORM WATER RUNOFF

Runoff from municipal separate storm sewers and industrial sites contains significant volumes of both toxic and conventional pollutants. EPA's national urban runoff study found 63 toxic pollutants, including 13 toxic metals, in the discharge from municipal separate storm sewers that were studied. Of these, lead, copper, and zinc were the most pervasive; EPA found these pollutants in at least 91 percent of its samples. The same study also estimated that municipal separate storm sewers discharge 10 times the total suspended solids that the Nation's secondary sewage treatment plants discharge.

Toxic and conventional storm water contaminants may adversely affect public health, harm fish and other aquatic life, and prevent or retard water quality improvements even when the best available pollution controls are installed on other point sources.

The Federal Water Pollution Control Act of 1972 required all point sources, including storm water discharges, to apply for NPDES permits within 180 days of enactment. Despite this clear directive, EPA has failed to require most storm water point sources to apply for permits which would control the pollutants in their discharge.

The conference bill therefore includes provisions which address industrial, municipal, and other storm water point sources. I participated in the development of this provision because I believe that it is critical for the Environmental Protection Agency to begin addressing this serious enviornmental problem.

The bill establishes priorities, deadlines, and permit requirements for storm water point sources. It affords municipal and nonindustrial dischargers some relief from the 1972 permit application requirements.

With respect to municipal separate storm sewers, the bill establishes three permitting priorities: First, those systems serving a population of 250,000 or more; second, those which contribute pollutants to a stream segment which does not attain or maintain a water quality standard; and third, those which are a significant contributor of pollutants to any waters of the United States. If a municipal separate storm sewer or storm sewer system meets any of these criteria, EPA or the State, where the State administers the NPDES Permit Program, must require the source to apply for a permit within 3 years of enactment of these 1987 amendments. EPA or the State should use any available water quality or sampling data to determine whether the latter two criteria are met, and should require additional sampling as necessary to make these determinations.

If a source is required to obtain a permit, EPA or the State must also act to issue or deny the permit application within 1 year of the application deadline. If no permit application is submitted by the deadline, or if the submitted application is denied, EPA or the State must commence immediate enforcement action against the owner of the sewer system.

A permit for a municipal separate storm sewer may, where appropriate, be issued on a systemwide or jurisdictionwide basis. In writing any permit for a municipal separate storm sewer, EPA or the State should pay particular attention to the nature and uses of the drainage area and the location of any industrial facility, open dump, landfill, or hazardous waste treatment, storage, or disposal facility which may contribute pollutants to the discharge. Storm water permits shall include requirements to effectively prohibit nonstorm water discharges to municipal separate storm sewers. Non-stormwater discharges to municipal separate storm sewers are illegal under current law.

Permits issued under this section will provide for compliance as expeditiously as practicable, but in no event later than 3 years from the date the permit is issued and shall require controls to reduce the discharge of pollutants to the maximum extent practicable. Such controls include management practices, control techniques and systems, design and engineering methods, and such other provisions, as the Administrator determines appropriate for the control of pollutants in the storm water discharge.

Within 4 years of enactment or earlier if the water quality data warrants, EPA will commence a control program for storm sewer systems servicing communities with a population between 100,000 and 250,000. This schedule reflects the continuing need to control storm water runoff, but gives EPA flexibility, in the first 4 years after enactment, to order its permitting priorities around those sources which are believed to be the most significant. However, it should be clear that all storm sewer systems including those serving populations of 100,000 or less must be covered by the first round of permits where they contribute to water quality problems or contribute significantly to pollution of the waters of the United States.

After October 1, 1992, all remaining, unpermitted storm water point sources will return to current law status and will be required to obtain permits under section 402 of the Clean Water Act. Obviously, Congress will be taking another look at this whole question before that date and will be informed by the experience with storm water controls which have been established for larger communities under the provisions we adopt here.

EPA and the States should provide adequate opportunity for public participation in the development of any permit for a storm water point source.

The bill also requires EPA to submit to Congress a study of any storm water discharge or class of discharges which are not required to obtain a permit within the first 6 years of enactment. This study is to determine the nature and extent of pollutants in such discharges and procedures and methods to control such discharges. This study will enable Congress to determine whether permitting of the remaining storm water point sources should be expedited beyond the schedule provided in this bill.

GREAT LAKES

Mr. President, the Great Lakes are the heart of our continent. Over the last 200 years they have been the focal point for development of two great nations. They have been the source of food and drinking water. They are a mode of transportation. They are a reservoir of power and a vast resource for recreation and wildlife; 63 million Americans visit a park on the shores of the lakes each year.

All of these demands have taken their toll. The water quality of the Great Lakes has declined sharply. Unfortunately, the natural unity of the lakes has been overlaid by a fragmentation of State and local governments that have been unable to work together to effectively to protect what nature has provided.

In 1972 and again in 1978, the United States and Canada signed Great Lakes water quality agreements. These agreements provided that both nations would install adequate wastewater treatment facilities for the sewered population on each side of the border. Canada has met this requirement for 99 percent of its population. At last count, the United States was less than two-thirds of the way to this goal.

In 1982 the General Accounting Office published a report on U.S. compliance with other aspects of the Great Lakes Water Quality Agreement. The report concluded that the United States is failing to meet its commitments, especially with respect to toxic chemicals and nonpoint source pollution. This is due in part to the absence of a comprehensive U.S. strategy to implement the Great Lakes Water Quality Agreement. We hope to correct that failing with the new Great Lakes Water Quality Program which is authorized by this bill.

Mr. President, this legislation contains at section 404 a new program to restore and maintain the quality of the waters in the Great Lakes. This program owes much to the work of the Senator from Wisconsin [Mr. KASTEN], and was sponsored in committee by the Senator from New York [Mr. MOYNIHAN] and myself. Representative NOWAK, the new chairman of the Water Resources Subcommittee in the House, also played a major role in crafting this provision.

The objective of this new provision of the Clean Water Act is to achieve the goals embodied in the Great Lakes Water Quality Agreement of 1978. The legislation establishes the Great Lakes National Program Office within the Environmental Protection Agency and specifies the duties and responsibilities of the program office.

The program office is to develop and implement action plans to carry out the duties of the United States under the Great Lakes Water Quality Agreement of 1978; establish a systemwide surveillance network; coordinate the activities of the Environmental Protection Agency with respect to the Great Lakes; and to work with other Federal agencies to achieve the objectives of the 1978 agreement.

The program office will develop a 5-year plan for reducing the amount of nutrients that enter the Great Lakes and will incorporate in that plan management programs for nonpoint sources of pollution developed pursuant to the new section 319 of this the Clean Water Act.

The program office is to conduct a 5-year study of methods to remove toxic pollutants from the Great Lakes with emphasis on the removal of toxic pollutants from bottom sediments. Certain demonstration projects at specific sites are mentioned in the legislation. These projects are to be given high priority, but the Administrator is authorized to sponsor other projects and this section is not a guarantee that those projects named in the bill will be funded.

The annual budget submission of the Environmental Protection Agency to the Congress is to include a line item for the Great Lakes Program Office. At the end of each fiscal year the Administrator is to submit to the Congress a comprehensive report on the achievements of the program office during the preceding fiscal year.

The conference substitute establishes a Great Lakes Research Office in the National Oceanic and Atmospheric Administration. The research office is to identify issues with respect to Great Lakes water quality on which research is needed and is to compile an inventory of ongoing research on those questions. The research office is to develop a comprehensive data base for the Great Lakes system and may conduct research and monitoring activities itself.

For each fiscal year the program office and the research office are to prepare a joint research program. The head of each Federal department, agency, or instrumentality which is engaged in programs or activities which may have an impact on the water quality of the Great Lakes will submit an annual report to the Administrator of the Environmental Protection Agency with respect to those activities and their effect on compliance with the Great Lakes Water Quality Agreement of 1978.

The conference substitute provides an authorization to the Administrator of the Environmental Protection Agency of $11,000,000 for each of the fiscal years 1987 through 1991 to carry out the provisions of this section. Of the amounts appropriated, 40 percent is to be used by the program office to demonstrate the control and removal of toxic pollutants; 7 percent is to be used for nutrient monitoring; and 30 percent is to be transferred to the research office for its programs. As discussed on the floor of the House when this bill was considered there, these funds are in addition to the resources already committed to the Great Lakes program and are to carry out the new activities which are authorizing.

Mr. BAUCUS. Mr. President, section 506 of the Senate bill I would allow Indian tribes under certain circumstances to be treated as States. The Administrator is required to promulgate regulations which specify how Indian tribes shall be treated as States for purposes of this act. In promulgating these regulations, the Administrator is to consider the effects of differing water quality permit requirements on upstream and downstream dischargers, economic impacts, and present and historical uses and quality of the water subject to such standards.

Throughout Montana and much of the West, many Indian reservations are home to both Indians and non-Indians. Ranching, with its dependence on scarce water supplies, has led to an intertwining of both Indian and non-Indian water users. In one instance, a stream will originate on an Indian reservation and flow off the reservation on to either land within a State or land on an adjacent reservation.

Longstanding patterns of water user have evolved in the West. How will this provision affect these existing water rights?

Mr. BURDICK. It is not in any way to be construed as an impediment or a restriction on existing water rights or laws, either that of the various States or that of individual citizens.

Nothing in this act shall affect or interfere with any existing water quantities rights, their specific elements, uses, or methods of acquisition, whether within or without the borders of any Indian reservation or any state.

Private lands and water rights owners within boundaries of Indian reservations are not to be additionally affected by this act.

Those water quality standards set by Indian tribes and accepted by EPA will not be used off reservation borders.

Mr. MITCHELL. As the floor manager for the bill, I would like to reiterate that the interpretation of Mr. Burdick is correct.

Mr. BAUCUS. I thank Mr. Burdick and Mr. Mitchell for their response.

Mr. ADAMS. I would like to ask the distinguished manager of the Clean Water Act to help me clarify an issue of concern to some of my constituents. Concerns have been raised that the Indian provisions of the Clean Water Act might alter the existing balance of water rights between Indians and non-Indians. My colleagues in the House, Representatives Morrison and Foley, raised this issue with Representative Udall, the distinguished Chairman of the House Interior and Insular Affairs Committee. Their concerns were addressed by a memorandum written to Representative Udall that included the following conclusion:

> Enactment of H.R. 1, with the Indian provisions will not expand or diminish any water rights Indian tribes may have nor will it expand or diminish any liability the United States, States, or third parties may have for impairing those rights.

I ask unanimous consent to have the memorandum in its entirety printed in the Record, and ask the manager of the bill what his sense is of how this bill affects the question of Indian water rights.

Senator Burdick. I thank Senator Adams for giving me the opportunity to clarify this point. I appreciate the sensitivity of water rights questions throughout the Western United States. This bill does not alter the current state of the law on questions of the relative water rights between Indians and non-Indians. It maintains the status quo. Its intent is to provide clean water for the people of this Nation, and it is not in any way to be construed as an impediment or a restriction on existing water rights or laws.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

Memorandum

To: Morris K. Udall, chairman, Committee on Interior and Insular Affairs.

From: Ducheneaux/Broken Rope.

Subject: Indian provisions of the clean water bill.

You have directed us to address the objections raised by constituents of Mr. Foley and Mr. Morrison to the Indian provisions, of H.R. 1, legislation to amend the Clean Water Act. As you know, you strongly supported the inclusion of those provisions in the bill passed and vetoed by the President in the 99th Congress.

It appears that the objections being raised to the Indian provisions assert that these provisions either—

(1) expand the substance of existing Indian water rights;

(2) expand the mechanism available to Indian tribes to enforce those rights both within and without their reservation boundaries; or

(3) both.

CLEAN WATER ACT

I. Substance of Indian water rights

There is nothing in the existing law nor in the proposed amendments in H.R. 1 which in anyway expands the substantive rights of an Indian tribe to a quantity of quality of water. In fact, section 101 (g) of the existing law which is specifically made applicable to Indian tribes by the proposed Indian provisions of H.R. 1, specifically preserves the allocation or qualification of water rights which are otherwise legal under state law.

In like manner, there is nothing in the existing law or in the proposed amendments which impairs or is intended to impair any way existing substantive water rights of any Indian tribe.

Many Indian tribes have certain water rights deriving from treaties or other Federal law wholly apart from the Clean Water Act. These rights, often undetermined, include rights to certain quantities of water and rights to a certain quality of water, it is beyond question that Indian water rights include a right to some quantity of water.

There seems to be some doubt that this right extends to a right to a certain quality of water and the case law on this is somewhat sparse.

However, in the 1980 decision of the Federal district court in *U.S.* v. *Washington*, 508 F. Supp. 187, this very issue was addressed. The tribes asserted that their treaty fishing right included the right to environmental protection.

". . . It is well established that the scope of an impliedly-reserved right may not be broader than the minimal need which gives rise to the implied right . . . Thus, the scope of the State's environmental duty must be ascertained by examining the treaty secured fishing right rather than by selecting a desirable standard that has been imposed by Congress in a different context. . . . The treaties reserve to the tribes a sufficient quantity of fish to satisfy their moderate living needs. . . . That is the minimal need which gives rise to an implied right to environmental protection of the fish habitat. Therefore, the correlative duty imposed upon the State (as well as the United States and third parties) is to refrain from degrading the fish habitat to an extent that would deprive the tribes of their moderate living needs."

While the Circuit Court subsequently vacated the lower court's summary judgment on the environmental issue and remanded the case, it did so solely on the grounds of the proof necessary to show that the State had violated the tribes' fishing right through environmental degradation.

See also *U.S.* v. *Anderson* (1979), where the federal court held that the reserved water right included a minimum stream flow to preserve native trout. It also addressed a water quality issue, holding that this right required that the water temperature be maintained at 68 degrees F. or less for fishing purposes.

As noted, these water rights, whether asserted as to quantity or quality or both, exist separate and apart from the Clean Water Act. Either the tribes or the United States or both can have recourse to the Federal courts to enforce those rights.

Enactment of H.R. 1, with the Indian provisions will not expand or diminish any water rights Indian tribes may have nor will it expand or diminish any liability the United States, states, or third parties may have for impairing those rights.

II. Enforcement conflict resolution mechanisms.

There seems to be a concern that enactment of H.R. 1 with the Indian provisions will somehow expand or strengthen the power of an Indian tribe to act to protect its water rights, whether as to quantity or quality. That is not accurate.

A. Indian tribes are self-governing, exercising limited powers of inherent sovereignty within their reservations.

B. In the exercise of that power, Indian tribes have the right to regulate lands and other natural resources within the reservation, including non-Indian owned fee lands or resources.

C. States have no power to assert its laws within an Indian reservation to regulate lands or other resources unless Congress has specifically so provided. In fact, in *Washington* v. *EPA*, the Circuit Court upheld a decision of EPA denying the State environmental regulatory jurisdiction under the Resource Conservation and Recovery Act, over Indian lands. The court said, "States are generally precluded from exercising jurisdiction over Indian Country unless Congress has clearly expressed an intention to permit it.".

D. Conversely, Indian tribes, except in extremely limited cases, have no power to project their regulatory authority beyond the boundaries of the reservations.

E. The Clean Water Act establishes Federal standards for water quality. States are empowered to assume primacy for water quality regulation within the state by developing and having approved by EPA a Plan establishing State water quality standards which are which are no less stringent than those adopted by EPA. States may then issue State permits permitting certain water pollution activities which meet that State's water quality standards.

F. Where two or more states, sharing a common water body, have plans approved by EPA with differing standards of water quality, the Act does provide mechanisms for resolving inter-state conflicts. However, there is nothing in the existing Act or in the proposed amendments which gives EPA the power to force one state to changes its approved water quality standards or those valid activities done in accordance with its plan in order to accommodate the water quality needs of another state or states. The aggrieved state or states might have recourse against the offending state through litigation under other applicable law.

G. Recognizing the existing right of Indian tribes to regulate their environment within their reservation boundaries, the Indian provisions in H.R. 1 would permit those Indian tribes who have met certain exacting standards, to assume primacy for water quality regulation within their reservations. The provisions provide that tribes for limited purposes of the Act, would be treated as a State.

H. The Indian provisions of H.R. 1 require the Administrator of EPA to promulgate regulations to specify how Indian tribes will be treated as States for purposes of the Act. In doing so, he is required to consult with affected States charging common water bodies with tribes and to provide a mechanism for the resolution of unreasonable consequences that may arise as a result of differing water quality standards that may be set by States and tribes. However, just as in inter-state conflicts, nothing in that requirement, in the existing Clean Water Act, or in any other provision of H.R. 1 gives the EPA administrator or the tribes the power to force States to alter their approved water quality standards or their operations under an approved Plan in order to accommodate higher tribal water quality standards. Nor is there anything in the existing law or proposed amendments which would permit Indian tribes to project their internal regulations beyond the boundaries of their reservation.

We can find nothing in the Clean Water Act, as proposed to be amended by H.R. 1 which would in any way expand substantive Indian water rights or which would expand or enhance the power of Indian tribes to affect off-reservation activity which might degrade or despoil on-reservation water quality

January 7, 1987.

Mr. LAUTENBERG. Mr. President, I rise in strong support of H.R. 1, the Clean Water Act Amendments of 1987. This same legislation was unanimously adopted by both the House and Senate at the close of the last Congress. We knew then and we know now that this bill is a significant step forward in protecting this Nation's waterways, and deserves our support.

With its construction grants components, its Nonpoint Source Pollution Program, its tightening of toxic discharge controls, and storm water permitting program, this legislation will do much to address major environmental challenges.

Unfortunately, President Reagan pocket-vetoed this legislation. The administration asserted that the bill's authorization for construction grants was excessive. But this claim does not take account of the high costs of sewage treatment construction. It has been estimated that $109 billion is needed to finance such construction throughout the Nation, including $4.5 billion in my State of New Jersey.

Compared to these large needs, the bill before us is no budget buster. It is a rational downpayment on a major national problem. This legislation spreads $18 billion over 9 years for its Construction Grants Program. This sum is gradually allocated. And almost half of it—$8.4 billion—is targeted for State revolving loan funds. Such State loan funds will help create a self-sustaining source of money for States to finance local construction.

A strong construction grants program is essential for economic development across this Nation. If we do not have the sewage treatment facilities to handle the wastes resulting from economic development, we cannot move aggressively forward with such development.

Mr. President, the costs of not enacting this legislation—the harm to our environment, the burdens on our States and localities, and the damage to economic development—far exceed those of this measure.

Mr. President, some are arguing today that the administration substitute bill (S. 76) should be adopted instead of H.R. 1. But S. 76 is no substitute for a strong clean water bill.

The administration's bill would steal from this Nation the opportunity to make real progress in cleaning up our waterways. The substitute reduces by $6 billion the funding for communities' sewage treatment, including over a $200 million reduction in funds for my State. It also abolishes the mandate for establishing revolving loans, the component designed to allow our States independently to fund projects. And it limits States discretion in using funds for revolving loans.

The substitute eliminates the authorization and strength of the Nonpoint Pollution Control Program. S. 76 specifically removes the $400 million authorization of H.R. 1, and makes many of its important requirements, such as State nonpoint pollution assessments, simply optional.

Mr. President, the administration bill is a classic example of being "Penny wise and pound foolish." It is a haphazard and simplistic approach to a complex problem. It ignores the hard work and careful consideration this Congress has given to H.R. 1, and I urge my colleagues to oppose it.

The time for debate is over. We have the bill to do the job. Let's pass H.R. 1, and get on with the task of protecting and cleaning up this Nation's waterways.

Mr. President, it is clear that this is a nation committed to the principles embodied in this measure. In the early 1970's, the people of this country made a fundamental decision that they wanted a concerted effort to clean up the Nation's waters—waters that are used for fishing, swimming, recreation, and drinking water.

This decision was made because of our growing awareness of and concern about water pollution. News accounts told us about Lake Erie being dead, the polluted Cuyahoga River in Ohio so filled with oil and debris that it caught fires, millions of gallons of raw wastewaters being dumped into the country's major rivers, such as the Hudson River, and many fishkills and oilspills.

The Congress responded by passing the Federal Water Pollution Control Act Amendments of 1972. This act established a goal—to restore and maintain the integrity of the Nation's waters—which captured the essence of the Nation's desire for clean water.

During the 13 years this act has been implemented, impressive strides have been made in cleaning up our Nation's waters. But much remains to be done. The Clean Water Act Amendments of 1987 include a number of provisions which address problems which are preventing us from achieving the goal of the Clean Water Act.

Also of great importance is future funding for the Construction Grants Program. Since passage of the Clean Water Act in 1972, Federal, State, and local sources have invested more than $56 billion in municipal wastewater treatment facilities resulting in the construction or improvement of approximately 3,500 treatment facilities. Properly running sewage treatment facilities are an essential component for cleaning up the Nation's waters. For example, sewage treatment plants in 1983 were removing 65 percent more of the two principal conventional pollutants—suspended solids and biological oxygen demand—than they were a decade earlier.

Yet it is clear that the existing Construction Grants Program is inadequate to meet remaining national needs. According to EPA, eligible construction needs through the year 2000 total $53 billion. Ineligible needs, those needs not eligible for Federal funding under the Clean Water Act, are more than $50 billion. According to estimates, New Jersey alone has $4.5 billion in eligible funding needs. New Jersey only receives approximately $100 million per year in existing Federal construction grant funding. Therefore it is imperative that we implement a new method of financing sewage facilities. A creative framework, which had its origins in New Jersey, is the concept of revolving loans.

The Clean Water Act Amendments of 1987 adopted this concept and will move us closer to the goal of providing an adequate source of stable funding for sewage treatment facilities. H.R. 1 would authorize $18 billion over 9 years for Federal sewer construction grants and loans. Under the bill, the Federal Government will gradually reduce categorical grants for sewage treatment facilities as it phases in a program of grants for States to capitalize State revolving loan funds.

These funds will provide the capital for municipal wastewater treatment facilities in the future. States can make low or no interest loans available to communities for construction of treatment facilities. As loans are repaid to the State revolving loan funds, the funds will be able to loan money to additional communities.

In addition, Mr. President, this bill will help spur the construction of needed sewerage facilities. In the case of municipalities which proceed to begin construction with their own funds, refinancing is permitted from a State revolving loan fund. Presently, most municipalities wait until it is their turn to receive Federal construction grant funding before they begin constructing needed facilities. This refinancing feature of the Revolving Loan Program would eliminate the disincentive for municipalities to move ahead quickly with construction that now exists with the grants program.

Municipalities are facing a 1988 deadline for installing sewage treatment facilities which provide secondary treatment. EPA has threatened to restrict development in municipalities which are not in compliance with the 1988 deadline. New Jersey imposed sewer bans in many municipalities and has warned others that they face such bans if the discharge from their sewage plants will not comply with requirements of the Clean Water Act. The reimbursement provisions in the conference report to S. 1128 should stimulate cities to meet the 1988 deadline.

Under the bill, States will have to enact legislation to give a legal entity of the State the powers prescribed in the act. During consideration of this legislation during the last Congress, the Environmental Pollution Subcommittee agreed that this legal entity can be an existing or new State entity or agency. When the States enact legislation to implement State revolving loan funds, they will have the flexibility to determine how the fund will operate subject to the requirements of this provision of the Clean Water Act.

For example, States would be able to establish loan terms based on the financial needs of municipalities with easier loan terms available to poorer municipalities. States can decide to initiate their loan funds prior to fiscal year 1989, the year they are required to do so. When States enact revolving loan legislation, they can determine whether to begin using their construction grant funds to capitalize their revolving loan funds prior to fiscal year 1989 and if so, under what terms.

Mr. President, I believe that the revolving loan concept contained in the bill will provide a stable source of funding for the construction of sewerage facilities while providing States with the flexibility to minimize the financial burden of these facilities on local municipalities.

The Clean Water Act amendments only slightly revised the allocation formula for construction grants. I would have preferred the Senate approach during the last Congress, which would have provided New Jersey with $15 million more in grant funds. But New Jersey stands to receive approximately the same amount it has been receiving—up to about $100 million this year—in such funds under H.R. 1. And the State will receive about $650 million over the life of the bill.

H.R. 1 also includes the Raw Sewage Abatement Act of 1985. This legislation which I sponsored, limits the discharge of raw sewage by New York City. At the time I introduced this legislation, New York City was the only major municipality in the country which still discharged raw sewage and wastewater into surrounding waters, without preliminary treatment of its wastes. It did so because of the absence of sewage treatment facilities in two major drainage areas in New York City. Two court ordered deadlines to cease this practice were disregarded by the city.

The provision that I sponsored imposed a cap on raw sewage discharges from the drainage areas in New York City which were without treatment plants, if the city failed to meet the deadlines for achieving advanced preliminary treatment contained in its current consent decree. If these deadlines were met, the cap would be unnecessary because all raw sewage discharges will cease. If the city failed to meet these deadlines, a cap was to be imposed in the drainage area in violation of the decree. It was to stay in effect until the city brought the affected plant online and it operated successfully for 6 months.

The imposition of a cap on raw sewage discharges upon a violation of the consent decree, in effect, said to the city of New York, "You cannot continue to grow without restraint if you cannot treat your wastes".

Upon violation of the cap, the city would be subject to the enforcement provisions in section 309 of the Clean Water Act. These penalties would be in addition to those provided for violation of the consent decree. They include tough civil and criminal penalties, and would enable EPA to seek a temporary or permanent injunction against the city, to bring civil actions against the city and to initiate criminal prosecution in cases of negligence or falsification of records.

With the changes adopted in the conference report, to section 309 of the Clean Water Act, a violation of the cap imposed by this amendment could result in substantial penalties of up to $50,000 a day. A violation stemming from a criminal conviction could lead to imprisonment.

Finally, Mr. President, the legislation states that it is the sense of the Congress that EPA should not extend the deadlines in the city's existing consent decree any further.

I am pleased to note that following my amendment, New York City finally began to comply with court-ordered schedules for construction of its North River and Red Hook sewage facilities. North River is currently on schedule to attain secondary treatment by 1991. Red Hook is on schedule to attain primary treatment by 1989. While Red Hook is on schedule, the fact that it is not operational means that discharge of raw sewage into the East River still continues. This legislation will ensure that New York's facilities stay on present compliance schedules, with no more extensions, and move us toward eliminating the dumping of raw sewage in the waterways of New York and New Jersey.

New Jersey has had its share of water quality problems. But treatment plants in northern New Jersey are all achieving primary treatment, and most of the major plants serving northern New Jersey are achieving secondary treatment, or are under construction to do so.

The New Jersey Department of Environmental Protection has imposed numerous sewer hookup bans in a number of New Jersey municipalities to improve compliance with the Clean Water Act. Several communities may finance the upgrading of their sewage treatment plants to secondary treatment without any Federal or State aid. In some cases, the Department of Environmental Protection in New Jersey required private sector parties to contribute to local efforts to upgrade sewage treatment facilities as the price of securing a sewer hookup permit and proceeding with planned development.

Mr. President, New Jersey and New York do not need to grow at each others' expense. Regional growth is good for both States. By the same token, Mr. President, this growth should be accompanied by appropriate environmental protection. It must not come at the expense of the environment. It must not come at the expense of New Jersey's tourist and commercial and recreational fishing industries.

These provisions in H.R. 1 will provide strong incentives for New York City to keep complying with its consent decree and bring its sewage treatment plants online as quickly as possible.

H.R. 1 contains a number of other provisions which will strengthen this Nation's effort to clean up its water. These include:

Establishing a new program for cleaning up toxic "hot spots"—waters that will not meet water quality goals even after industrial dischargers have installed the best available cleanup technologies required under existing law;

Requiring States to develop plans for combating nonpoint source pollution, such as polluted runoff from city streets and farmland. Conferees agreed on a $400 million authorization to help States implement the plans;

Restricting the use of fundamentally different factor waivers from national discharge standards;

Prohibiting, except in certain narrowly defined circumstances, so-called "backsliding," or weakening of cleanup standards when industrial and municipal discharge permits are renewed or reissued;

Establishing a national estuary program to solve pollution problems in interstate estuaries such as Delaware Bay and the Hudson-Raritan Estuary;

Requiring EPA to establish toxic contaminant criteria for sewage sludge use and disposal and to establish a public health and environmental protection basis for these criteria;

Authorizing a total of $85 million for lake water quality activities, including demonstration projects at New Jersey's Deal Lake, Belcher Creek, and Greenwood Lake, as well as $15 million for acid mitigation projects;

Retaining the existing law's requirement that discharge permits be renewed every 5 years. The House bill would have extended the permit term to 10 years for certain discharges.

Mr. President, I believe that enactment of the Clean Water Act Amendments of 1987 represents a positive step in the Nation's effort to clean up its water resources, and I urge that we pass this legislation today.

Mr. MITCHELL. Mr. President, I yield to the Senator from New York [Mr. MOYNIHAN].

The PRESIDING OFFICER (Mr. WIRTH). The Senator from New York.

Mr. MOYNIHAN. Mr. President, I thank the Senator.

I am happy to join my colleagues and associates in support of H.R. 1, and S. 1, the identical measure which we have introduced on this side.

I want to express particularly the pleasure which we all share that this measure has received strong bipartisan support in the 100th Congress. I wish to pay tribute to the distinguished senior Senator from the State of Vermont, our neighbor, the former chairman of the Committee on Environment and Public Works, Mr. STAFFORD, under whose leadership this legislation was first enacted by the Senate and ultimately by Congress.

The Water Quality Act of 1987 is a successor to the original legislation passed in 1972 which had as its laudable goal the cleanup of the waters of the United States to the point where they would be swimmable and fishable. In the great complexity of legislative language, I think it worth noting that when Congress established a standard, we confined it to terms that were tangible, immediate, and definable—"swimmable and fishable."

We did not want this to be an indefinite program, and it is not. The bill we have before us was the product of a 2-year conference with the House of Representatives. I was a member of this conference and can attest that it was a 2-year effort. Our bill provides that the Constitution Grants Program—which has funded the upgrading of our water treatment plants and thus has enabled remarkable progress in improving water quality—end in 4 years' time. Thereafter, a revolving loan fund will be established that municipalities can use for financing. It will be a self-sustaining arrangement that will not require Federal appropriations. We are talking about an appropriate end to a program begun in 1972, with the goal in sight.

What is this goal? It is the time when our waters are swimmable and fishable.

The year 1972 is not all that long ago, in terms of time. But I wonder if some of our memories of that previous period are not already fading—the period before the enactment of the Clean Water Act.

Senator STAFFORD, the distinguished former chairman of the Environment and Public Works Committee, told a story at the press conference that we held on January 6, the first day of the Congress where a bipartisan group of Senators from the committee assembled to introduce the measure. Senator STAFFORD is a naval person, a yachtsman who has been known to make his way through the Champlain sections of the Erie Canal at Lake Champlain which the sovereign States of New York and Vermont share—even on the coast of Maine. On that occasion last week the Senator noted that there was a time that if you fell into the Potomac River, there really was not much point in swimming back to the surface—there was no cure for that kind of exposure.

In turn, I told of a time when I went to a NATO meeting in Brussels which convened the Committee on Challenges of Modern Society, a committee which still exists. Here was an instance where the United States had brought the environmental issue to Europe, which had equal if not worse problems. In the tradition of American hyperbole—or so it might have seemed, but it happened to be fact—I said to the NATO Conference that the United States could make many claims which no doubt other members present could equal, but I did not think anyone could equal our claim to having a river which had just caught on fire. That river was the Cuyahoga River which flows through Cleveland, which had become so polluted that one night it actually caught fire, requiring the local fire department to extinguish a burning river.

That is a past not too far behind us but one already receding from our memory because we have a program here that worked. Did it require resources? Of course, it required resources. Was it worth it? Of course, it was worth it. One of the sensible transitions we are trying to encourage in the Environment and Public Works Committee is that of cleaning up waste from the past and preventing waste in the future. We have followed that general strategy in the Superfund legislation. With respect to toxic wastes left in the Earth, we are cleaning them up and isolating them so that their harmful effects are neutralized. Simultaneously we want to see an end to the production of toxic waste, which is a product of industrial life and one that can be managed and recycled. We can clean up the problems of the past and not create more problems for the future. We have understood that principle, and that is nowhere better demonstrated than with respect to the Clean Water Act.

We started out not 14 years ago and since then we have quite literally transformed the quality of this country's rivers and lakes. You can swim in the Potomac and you can fish in the Potomac. In any case you do not have to live in mortal fear of falling into the Potomac—and the Cuyahoga River has not caught fire since this legislation was enacted.

Now, what are we asking here? We are asking to bring to an orderly termination a program that began with a fixed goal, a goal which we have not yet attained but which we are certainly approaching. It is a goal which the American people certainly understand and support. We had a difficult lengthy conference with the House because of issues that are specific to many programs at this time. But in the end and in good time—96 hours before the end of the 99th Congress if I recall correctly, we reached agreement so that in both bodies the bill passed almost unanimously.

Mr. President, a few weeks later I was, as most of us were, back in New York or our respective States involved in the campaign, and I inquired of my Washington office, where was the bill and when was the President going to sign it? It seemed a very proper opportunity for the President to sign this bill and take his share of the credit for it. After all, it cannot become law without his signature, and surely he would want to do that prior to the election.

Then I learned something that was cause for apprehension. I learned that the Speaker had signed the bill and the bill had made its way to the Senate, but it had not yet received the signature of the President pro tempore and therefore had not made its way to the White House. Only when the bill leaves the Congress is it that the 10-day period commences during which a bill must be vetoed if Congress is in session or else it becomes law. Alternately, Congress having adjourned, if no action is taken, it is in effect vetoed by the absence of any action by the President, which we have come to call the pocket veto.

I leaned to my disappointment that something had happened in the Senate, that the bill had not reached the White House until such time that the 10-day period would not expire until after the election.

I took the liberty, Mr. President, of calling a press conference in New York State to discuss this unexplained delay. New York has a very great interest in this legislation; a formidable portion of the raw sewage that is discharged into navigable waters in the United States enters the Port of New York from the Hudson and East Rivers. It is our responsibility to halt this discharge, and we have not yet fulfilled it, but we will in this last phase of the program. Now, I asked at the time, could not the President assure us that he was going to support this measure and sign it before the election? And I offered the gratuitous advice that candidates of his party could take credit for the Clean Water Act after the President signed it, or he could ask them to the White House for a signing ceremony, give them pens, pictures to take home, spots on television, all that paraphernalia of a campaign.

Well, silence came. And then I held yet another press conference to say, "Look, the silence is ominous. It can only suggest that the President's advisers are saying, Don't sign this bill. Because if he were going to sign it, the clock running as it was, we would have heard quickly back, Don't worry; the bill is going to be signed Monday, Saturday, or whatever. And then in fact I did send a message, whom it reached, I do not know—saying, "Mr. President, sign the bill. Do not let your advisers do you a disservice. This is a bill that passed unanimously in both Houses of Congress. You can sign it now in a spirit of cooperation or it will come back to you in January in another spirit."

The election came and went and then, of course, the majority changed in this body so that we could be perhaps just a little more certain of cooperating with the majority in the other body. In any event, this has been a bipartisan effort, led in the previous Congress by the Republican majority.

I issued my last plaintive plea to the White House, to say to the President, "Why don't you just sign that bill, and avoid starting out the next Congress with this problem?"

Again, advisers prevailed, and here we are today. But we are here in a bipartisan spirit without any measure of vindictiveness. I am a little disappointed that we have to go through this once again, but actually not that much time has expired.

It seems to me, even so, that we should get this matter completed expeditiously. Now we have before us H.R. 1. The House, making a special effort, stayed in session long enough to pass the bill in its first week. That is not the normal pattern of the House, as the distinguished Presiding Officer [Mr. WIRTH] knows. They tend to swear in their new Members and then recess for a period in January. They swore in their new Members and then stayed to pass H.R. 1; a bill with pride of place in that body. I think only the Speaker of the House could decide which bill should hold the honor of being H.R. 1.

I know that in the Senate, only the majority leader has the personal privilege of assigning the first 10 numbers; and our distinguished majority leader, upon hearing the suggestion, said that the Clean Water Act would be S. 1; the bill with the pride of place in the Senate.

So we have H.R. 1 on our desks. There it is—H.R. 1—identical to the bill adopted in the closing days of the last Congress, and the first bill to appear before us in this Congress. S. 1 is no doubt being printed of this time. It is an identical bill.

Both bodies adopted the Clean Water Act by nearly unanimous vote in the last Congress. If memory serves, in the House it was adopted as near to unanimous as makes no matter—406 to 8. The Senate passed it by 96 to 0, unanimously. I cannot but think it will have the same outcome this year.

With that expectation, I would like to move forward. We are ready. We are in session. We are giving good and fair notice that this is our purpose.

The Committee on Environment and Public Works met Tuesday morning of last week, before the 100th Congress convened to declare that this would be our first order of business. Here we are. So can we not conduct some business? The always loyal and indefatigable Senator from Vermont is on the floor. The distinguished senior Senator from Maine, who is the chairman of the subcommittee with jurisdiction over this matter is present. We are ready.

I understand that the minority leader would like to offer, as a substitute for H.R. 1, the proposal prepared by the Office of Management and Budget, and that is fine. If he wants a vote on that, that is fine. But we want a vote on H.R. 1; we want to get it to the President, and to get the matter over with. There is nothing to be gained from beginning this 100th Congress in a spirit of confrontation. The virtually unanimous approval of the Clean Water Act is a decision Congress has made, and one which the President will surely abide by once he becomes aware of the true measure of support this bill enjoys. I cannot imagine the President was thinking about this in those last days of the campaign. He was campaigning very hard. He has had other matters on his mind since. Here is a chance for the President to get in step with the legislative agenda of the 100th Congress and get a piece of work done; a good, clean piece of work, in the name of clean water. It is doable and, so far as I am concerned, can be done this afternoon. If not this afternoon, why not tomorrow? Then we can get on with the business of this Congress by concluding the unfinished business of the last Congress.

Mr. President, I thank the Chair for its courtesy in this matter, and I thank my friends from Vermont and from Maine.

I see that the distinguished senior Senator from Maryland is on the floor, and wishes to speak to this matter, as anyone with jurisdiction over the Chesapeake Bay would. As someone with jurisdiction over the Hudson River, I share his concern for the quality of our Nation's rivers and estuaries.

I would like to take a moment to express my pleasure in addressing Mr. SARBANES as the senior Senator from Maryland. It is the first occasion I have had to do that. I congratulate him on this honor, and can testify to the excellence which he brings to his new position. I thank him for his patience.

Mr. President, I have a formal statement on the matter which details the specifics with reference to my State in the Clean Water Act. I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR DANIEL PATRICK MOYNIHAN

Mr. President, I rise today to urge quick passage of the Clean Water Act Amendments of 1987, H.R. 1, a priority of the 100th Congress. This legislation, approved unanimously at the close of the 99th Congress, is important to our nation, and to my State of New York. Passage of this legislation has become a bipartisan goal of the new Congress. We cannot afford to wait any longer to send the funds to the states for their water pollution programs. Therefore we are requesting that our colleagues not offer amendments to the bill which is before us, which is identical to the Conference Report passed by the 99th Congress.

When the President allowed the legislation to expire by reason of the so-called pocket veto on November 6, 1986, he placed in jeopardy 14 years of good, hard work. Congress is acting today to finish the task it began with passage of the original Clean Water Act of 1972—to clean up the nation's waters. The sum of 18 billion dollars authorized by the bill over eight years will enable the states to ameliorate the worst cases of water pollution which threaten our drinking water particularly and our water resources generally. After four years, the construction grants program which funds sewers and treatment plant on a 55% federal, 45% state basis, will be converted into a revolving loan program, which will be self-sustaining. Therefore, this is not another huge federal subsidy with no end in sight; rather, it is a targeted effort which ultimately will be self-perpetuating. As such it leverages federal funds, providing seed money for the states' own revolving loan pools.

CLEAN WATER IN NEW YORK

If this legislation passes, which we have every confidence it will, New York will receive $268 million annually in federal grants through 1990, or nearly $1.1 billion of the $18 billion authorized across the nation. This is the highest annual amount received by any state. (California is the next highest recipient at $173 million annually; New Jersey receives $99 million, and Connecticut $30 million).

Without this legislation, a number of New York treatment facilities will be unable to meet the July 1, 1988 deadline mandated under the Act for secondary treatment. The Office of the Attorney General of New York has already begun to notify municipalities which may not be able to meet their compliance schedules.

I need not remind New Yorkers of our dependence on clean water. The striped bass in the Hudson are too contaminated to be eaten safely. Long Island's aquifer which is the drinking water for three million people is being depleted and polluted. And under New York City's streets old leaky water mains reluctantly disburse water to city residents.

Passage of the Clean Water Act Amendments of 1987 must be the cornerstone of our federal water policy. The 99th Congress passed the Safe Drinking Water Act, which strengthened EPA's capacity to protect and to improve our country's drinking water supplies. The Safe Drinking Water Act contains the Sole Source Aquifer Protection Act, which I first introduced in 1982, designed to protect irreplaceable aquifers and such as the one on Long Island. Together with national groundwater legislation, which I am also introducing in the 100th Congress, these statutes will provide a comprehensive approach to maintaining and improving our water. We cannot afford to wait until these waters are polluted. It is much more expensive to clean up water—particular groundwater—after contamination than to prevent it in the first place.

Mr. President, allow me to review the goals of the Clean Water Act

GOALS OF 1972 CLEAN WATER ACT

The Federal Water Pollution Control Act was enacted in 1972 with an exuberantly optimistic set of goals. By 1983 the Act envisioned clean rivers throughout the Nation; by 1985 it sought to eliminate altogether the discharge of pollutants into our waters.

Two major strategies were embodied in the act to achieve these goals. First, a large Federal grant program was established to help local areas construct sewage treatment plants. According to the Congressional Budget Office, $52 billion (in 1984 dollars) total has been spent by the federal government on this construction grant program since 1972.

Second, the act required that all municipal and industrial wastewater be treated before being discharged into waterways, to remove pollutants ranging from organic materials, bacteria, and viruses to toxic chemicals and heavy metals.

Under the act's National Pollutant Discharge Elimination System the Environmental Protection Agency established limits on the maximum allowable discharge of specific pollutants from treatment plants and industrial facilities. These limits were based on available detection and control technologies, and took into account the compliance costs to the regulated community. They are written into permits issued to all such discharging facilities.

Significant progress has been made towards cleaning up the nation's waters. According to EPA's 1984 National Water Quality Inventory, many of the most severe pollution problems of the 1960s and 1970s have been abated. Moreover, despite substantial growth in the nation's population, industry, and development, overall water quality remained roughly stable between 1972 and 1982—a major accomplishment. A 1984 study by the Association of State and Interstate Water Pollution Control Administrators found that of 350,000 miles of streams and rivers monitored during this period, water quality improved in 13%, stayed the same in 84%, and declined in only 3%. We have been doing something—several things—right.

The Clean Water Act Amendments of 1987 strengthen and add to our current statutes. I will review briefly the most important provisions in these amendments.

CONSTRUCTION GRANTS FOR SEWAGE TREATMENT PLANTS

H.R. 1 authorizes 18 billion dollars in federal support over eight years for the construction grants program, on a 55% federal, 45% state basis. This program enables construction and upgrading of sewage treatment plants. The goal is to have all sewage treatment plants achieve secondary treatment by 1988 (a process which removes 85% of solid and organic matter). In 1989, the revolving fund plan begins, the goal of which is to convert the states' construction grants program into a self-financing program. Such an approach has worked extremely well in Texas and other states. The governor will have the discretion to apportion grant funds and loan funds in order to meet the particular needs of his or her State. With wise planning, the states should make this transition without any disruption in their current schedules of priority work.

I am pleased that the current allocation formula for construction grants has been left virtually in place. This formula, which is based on the current EPA needs survey, correctly reflects the immediate needs in our urban areas in the Great Lakes and

Chesapeake Bay regions. Our older cities place the greatest population pressures on the water systems, which also tend to be the oldest systems. New York receives $268 million annually under this allocation.

NONPOINT SOURCE POLLUTION

This bill provides $400 million to initiate the first national program to control nonpoint source pollution, primarily runoff from agriculture and urban areas. Scientists at EPA have determined that nonpoint source pollution (pollution not from a single pipe or outfall) is a significant contributor to degradation of water quality. This includes runoff contaminated by fertilizers and other chemicals, as well as runoff from city streets which often contains high levels of salts and oils.

As part of this effort, conferees worked diligently with cities and counties as well as with environmental groups to devise a stormwater permit system that would improve water quality without being too costly or too cumbersome for EPA to administer. A recent court decision had ordered EPA to issue permits for virtually all storm sewers, which would have required EPA to issue 50,000 more permits on top of the 65,000 point source permits EPA already issues. This would have diverted EPA personnel efforts from control of toxic contaminants in water to a paper shuffling exercise that would not result in environmental improvements in most cases. The Conference agreed on a provision which would require permits from industrial discharges to storm sewers, and from cities over 250,000 in population where those discharges are significant contributors to pollution.

CLEAN LAKES PROGRAM

H.R. 1 provides 85 million dollars for a Clean Lakes program which States can use to clean up silted lakes, and to lime acidified lakes.

ESTUARIES PROGRAM

The bill provides 48 million dollars for an estuary research program, which identifies several estuaries of national importance, including New York and New Jersey Harbor. Under this provision EPA can offer up to 10 million dollars per year on a 50 percent matching basis to States to study and implement cleanup in the New York-New Jersey Harbor area.

BAN ON DUMPING OF SLUDGE IN THE NEW YORK BIGHT

The bill bans as of December 1987 any additional users from dumping sewage sludge in the New York Bight 12 miles off Sandy Hook, N.J. The bill also restricts the use of the site 106 miles off the coast to those currently using the 12-mile site.

FUNDS FOR BOSTON TREATMENT PLANTS

H.R. 1 includes 100 million dollars to fund sewage treatment plants in Boston Harbor, assisting Boston in complying with its court ordered directive to stop dumping sludge in the ocean.

GREAT LAKES OFFICE

The conferees agreed to establish a Great Lakes International Coordination Office within EPA to focus on control of toxic pollutants and achievement of goals in the Great Lakes Water Quality Agreement of 1978. The bill also establishes a Great Lakes Research Office with the National Oceanic and Atmospheric Administration to carry out a comprehensive Great Lakes research program, with special attention to sediment control projects.

The Great Lakes Office program includes a $11 million annual authorization from 1987 to 1991 for a data base for monitoring and clean up of the water quality of the lakes, and for priority cleanups of contaminated sediments in five target areas in the nation, one of which is the Buffalo River in New York.

TOXIC HOTSPOTS

The Clean Water Act Amendments of 1987 establish a new "toxic hotspot" program which requires EPA and the States to work together to identify toxic hotspots which require special attention and additional controls. EPA has already tentatively identified 34 of these areas which may require more stringent controls than the "best available technology" standard currently mandated by the Act. Albany, Rochester, and Syracuse were areas in New York listed by EPA for this priority attention. In addition, the International Joint Commission has identified 42 areas of concern for toxic pollutants in the Great Lakes. These include the Buffalo River, Eighteen Mile Creek, Rochester Embayment, Oswego River, Niagara River and St. Lawrence River in New York. EPA will review the IJC's recommendations in augmenting its toxic hotspot program.

All in all, this is a most worthy bill. I join my Chairman, Senator Burdick, Subcommittee Chairman Senator Mitchell, and colleagues on the Environment and Public Works Committee, and other cosponsors in urging its immediate consideration and passage. I ask that an Appendix listing priority water projects in New York State be included in the RECORD at this point.

APPENDIX A.—ESTIMATE OF FEDERAL CONTRIBUTION TO PRIORITY WATER TREATMENT FACILITIES IN NEW YORK STATE

	Estimated total cost	Estimated Federal share
Ft. Covington (St. Lawrence County)	$2,726,000	$1,499,300
Village of Oxford (Chenango County)	4,610,600	2,535,830
Village of Gowanda (Cattaraugus County)	9,700,000	5,335,000
Village of Croghan (Lewis County)	2,700,000	1,485,000
Schuylerville (Washington County)	1,268,500	697,675
Cuba (Allegany County)	2,900,000	1,595,000
Cedar Creek Sewage Plant (Nassau County)	48,000,000	36,000,000
Mamaroneck Sewer District (Westchester County)	8,625,000	4,743,750
Dewey Eastman Tunnel (Monroe County)	24,300,000	13,365,000
City of Gloversville (Fulton County)	6,170,000	3,393,500
Batavia (Genesee County)	28,776,000	15,826,000
Buffalo (Erie County)	5,589,565	3,074,261
South Glens Falls (Saratoga County)	3,500,000	1,925,000
Chautauqua (Chautauqua County)	440,477	310,457
Binghamton (Broome County)	11,831,300	6,507,215
Cheektowaga (Erie County)	872,765	654,564
Cheektowaga (Erie County)	263,050	144,678
Great Neck (Nassau County)	16,277,681	8,952,724
Great Neck (Nassau County)	2,990,776	1,644,927
Westchester County (New Rochelle)	650,000	487,000
Greece (Monroe County)	1,043,500	573,925
Rochester (Monroe County)	13,500,000	10,125,000
LeRoy (Genesee County)	437,333	328,000
Owls Head (Brooklyn)	14,816,963	11,112,722
Owls Head (Brooklyn)	48,588,494	36,441,370
Owls Head (Brooklyn)	53,119,363	39,839,523
Oakwood Beach (Staten Island)	49,000,000	26,950,000
Oakwood Beach (Staten Island)	5,000,000	3,750,000
Project (after 1987):		
Oakwood Beach (Staten Island)	100,000,000	NA
Owls Head (Brooklyn)	87,000,000	NA
Coney Island (Brooklyn)	280,000,000	NA
Bay Park (Nassau County)	53,000,000	NA
Mamaroneck (Westchester County)	116,000,000	NA
Rochester (Monroe County)	27,000,000	NA
Oriskamy Falls (Oneida County)	4,300,000	NA
Stillwater (Saratoga County)	1,300,000	NA
Bolivar (Allegany County)	2,2000,000	NA

Ms. MIKULSKI. Mr. President, I am very pleased that my first remarks on the floor of the U.S. Senate are on an issue of enormous importance to Maryland and the Nation—the Water Quality Act of 1987.

It is altogether fitting that this important piece of legislation is the first item on the agenda for the 100th Congress. It is with great pleasure that I rise in support of this bill.

I worked very closely on this bill as a Member of the House of Representatives in the 99th Congress. By passing this legislation, we will once again send a strong message to the administration, corporations and citizens alike: That this Congress knows that good environment is good business; and there is no conflict between the two.

What does this bill do? It does a number of important things for America and for the State of Maryland. Of particular interest to the State of Maryland is its significant impact on the cleanup of the Chesapeake Bay.

Mr. President, we in Maryland are proud of our bay. It is part of our history and our heritage. We have the bluest crabs, the finest oysters, and the best watermen to be found anywhere. That is the legacy we want to pass on to our children and our grandchildren. This legislation will help us do that in Maryland and in every area of this country where important estuaries exist.

This bill will do much more, however, than just clean up the Chesapeake Bay and other estuaries. It will help pay for construction of new sewage treatment plants that our growing communities must have—and it will modernize existing sewer systems which our older towns and communities already have. As a result of this legislation, the State of Maryland will receive $59 million each year for sewage treatment improvements. This is a public investment that is good government and good business. It will lead to rational growth and development and will help communities help themselves.

For the first time, this bill will require States to develop and implement programs to control nonpoint source pollution into our rivers, streams, and bays. Oil and grease runoff from city streets, pesticide runoff from farms, and polluted runoff from new construction sites must be stopped and the States are in the best position to implement controls to do just that.

Scientists confirm that 50 percent of the pollution in the upper areas of the Chesapeake Bay comes from nonpoint pollution, mostly in the form of farm runoff. Earlier this year, we had a great tragedy in Maryland—a very severe drought. While the drought hurt farmers, it helped the cleanup of the Chesapeake Bay by reducing farm runoff. Mr. President, the cleanup of our Nation's estuaries should never have to depend on natural disasters. We must take control of the problem ourselves and correct it. This legislation will do that.

One final point, Mr. President. The Water Quality Act of 1987 also includes provisions for the National Estuary Program. This program is modeled after the Chesapeake Bay Program which unites the effort of Maryland, Virginia, Pennsylvania, and the District of Columbia in cleaning up the Chesapeake Bay. The offices for the Chesapeake Bay Program are located in Annapolis, MD, and receive $3 million a year in funding under this legislation. That is money well spent because it is used to monitor the Federal expenditures used for bay cleanup efforts, making sure that money is spent wisely and effectively. What we have learned in this region about cleaning up the Chesapeake Bay will be of valuable assistance nationwide as other States and regions work to clean up their polluted waters.

By saving a great estuary life in the Chesapeake Bay, we are saving existing jobs and creating new ones—from the watermen out on their skipjacks who bring in the crabs to the waiters who serve them at Phillips restaurant in Baltimore's inner harbor.

But it is more than just restaurant jobs that we save by saving our estuaries; it is the whole gamut of real estate jobs from salespersons to developers and it is thousands of jobs related to the tourism industry from desk clerks to summer lifeguards. In voting for this legislation, we are voting for a balance between good business and good environment—and that is good government.

This bill will result in public investments that will generate private sector jobs. It will secure to future generations of watermen and the industries they support a livelihood and a way of life. It will save for us all and our children an irreplaceable natural resource otherwise threatened by destruction.

This is not an ill-conceived spending bill. Rather, it is an investment that will help get Maryland and our country ready for the future; an investment that will yield dividends for generations to come.

Unless we want the Chesapeake Bay and other estuaries from Maine to Florida, from New York to California, to become 20th century Sargasso Seas, then we must pass this legislation.

I urge my colleagues to vote yes on the Water Quality Act of 1987 and I thank the leadership of the Senate for bringing this most important bill to a vote so early in this session.

I yield the floor.

Mr. SARBANES. Mr. President, I rise, first, to congratulate my very able and distinguished colleague from Maryland for her very effective floor speech in behalf of the Water Quality Act of 1987. It is her maiden speech on the floor of the U.S. Senate and obviously augurs well for the future, because it was a very well structured, highly effective presentation of the case for this legislation.

My colleague has had a longstanding interest in the clean water issue, particularly as it affects the Nation's greatest estuary, Maryland's Chesapeake Bay.

While as a Congresswoman for 10 years she has represented an urban district, she has been extremely sensitive to the environmental considerations involved in the clean water bill and has recognized that good environment is good business and that there need be no conflict between the two. I think it is a reflection of the longstanding interest she has had in this matter that she should on her first occasion to take the floor of the Senate to speak in such strong and effective terms in support of this legislation. I congratulate her on her first statement to the Members of the Senate, and predict that her effective advocacy is going to have a very strong influence on the thinking of the Members of this body.

Mr. President, I am pleased to join my colleague, Senator MIKULSKI, in strong support of H.R. 1, the Water Quality Act of 1987, to reauthorize and improve the Clean Water Act.

This legislation is identical to S. 1, which I joined in cosponsoring, and it is identical with the legislation which passed both Chambers last fall. It was agreed upon between the two bodies and then was unfortunately pocket vetoed by President Reagan—after the adjournment of the Congress.

Passage of this legislation is one of the highest legislative priorities I set for this session, and is certainly one of the highest priorities for the State of Maryland and for those who use its waterways.

I want to thank Senators BURDICK, STAFFORD, MITCHELL, and CHAFEE and other members of the Environment and Public Works Committee for their leadership in bringing this legislation so expeditiously to the floor of the Senate.

Let me focus on the legislation for a moment from the Maryland point of view because it contains several provisions critical to our continuing efforts to clean up the Nation's largest and most productive estuary, the Chesapeake Bay.

The bill recognizes the critical importance of the bay and authorizes $52 million over a 4-year period for the State-Federal Chesapeake Bay Program.

The bill provides $3 million a year to support the Office of Chesapeake Bay Programs in the Environmental Protection Agency, an office located in Annapolis, MD, and in addition provides $10 million a year in cost-shared grants to the bay area States. It will, therefore, help to ensure the continuation of a multistate program which our former colleague, Senator Mathias, had so much to do in putting into place.

Second, this legislation reauthorizes the municipal sewage treatment construction program, a vital part of any effort to improve the Nation's water quality. While the $13 million a year to which I just referred for the specific Chesapeake Bay Program itself is important, we cannot successfully improve the water quality of the Chesapeake Bay without the sewage treatment construction program.

More than 1,000 sewage treatment plants discharge directly or indirectly into the bay and their effluent represents a substantial part of the total pollutant load to the bay, including approximately 60 percent of the total phosphorous load. Through comprehensive sewage treatment, significant reductions in nutrients and toxic pollution have been achieved since the passage of the Clean Water Act in 1972 but continued progress toward construction and upgrade of sewage facilities throughout the bay watershed is necessary.

The State of Maryland alone needs at least $60 million a year to meet the goals of the Clean Water Act and to reduce nutrients and toxics currently being discharged into the Chesapeake Bay. Under this legislation funds for treatment plants would still be available on a formula basis and would be recycled as States repaid loans under a revolving fund loan program. This will enable the States to move toward financial self-sufficiency for waste water treatment construction.

Third, the bill establishes a very important new program to control nonpoint source pollution such as runoff from farmland and from city streets and authorizes a total of $400 million over 4 years to help States carry out nonpoint pollution control and related ground water protection activities.

Nonpoint source pollution has been identified as a key factor in maintaining water quality. The EPA 7-year Chesapeake Bay study underscored the importance of addressing the nonpoint source pollution problem, and I welcome the program contained in this legislation as a major effort to come to grips with this issue.

In addition, this legislation contains a number of other provisions which will strengthen our efforts to clean up our Nation's waters, including permits for municipal and industrial storm water discharges, provisions to prohibit backsliding; that is, the relaxation of cleanup requirements when a discharge permit is renewed or rewritten and a new program to combat toxic hot spots, waters which will not meet water quality goals even after the best available cleanup technologies required by law have been installed.

Mr. President, I again commend the committee and its leadership for very quick action in bringing this measure to the floor. It should already have been law because with a vote of 96 to 0 in the Senate and 408 to 0 in the House last session, it was obviously sent to the President not only with overwhelming congressional support but unanimous congressional support. Unfortunately, the President chose to pocket-veto the legislation. It is, therefore, necessary for us to reenact it.

The measure before us is exactly the measure that was cleared by the last Congress and which had such overwhelming and unanimous support from the membership.

I would hope that the President would see his way clear to signing the legislation this time. If not I very much hope that Congress will enact it into law, the veto of the President notwithstanding.

This is a very important piece of legislation, one of the most significant that will come before this body in the 100th Congress. It addresses a pressing national problem. In addition, it addresses a problem of keen and critical importance to us in the State of Maryland.

I urge its enactment, and I close by again congratulating my colleague from Maryland for her opening speech, which was enormously effective and which obviously was the forerunner of many similar such presentations which I think it will be the privilege of this body to hear in the coming months and years.

Mr. President, I yield the floor.

Mr. **MITCHELL.** Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER** (Mr. BURDICK). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **MITCHELL.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The Senator from Colorado.

Mr. **WIRTH.** Thank you, Mr. President.

This is an enormously important piece of legislation.

I want to join my fellow Senators in commending the distinguished Senator from Maine and the distinguished Senator from Vermont for their expeditious handling of this very important bill.

From my region of the country, it is no mystery that water is the lifeblood of that whole area. We have spent most of our history talking about how we might store and use water. That era has slowly but surely come to an end and the issue now has become how do we preserve that water and how do we assure that that water is as clean as it can be.

This legislation goes a long way toward helping us with that second great challenge that we face now in the second century of my State's history.

We also are deeply concerned, Mr. President, about the economics of water in the State of Colorado and in my whole region. It is very clear that increasingly our economy is dependent upon recreation, tourism, sports—other very important uses of our water.

And if we do not have clean water, it is going to be extremely difficult for us to maintain not only the health of our economy but the quality of our life.

For those reasons I once again urge my colleagues' expeditious handling and passage of this important legislation and once again commend my colleagues for moving this bill as rapidly as they have.

This bill is essential to protecting the health and safety of American families who rely upon our lakes, rivers, and streams for their drinking water. Toxic water pollutants frequently accumulate in stream sediments and in aquatic life. As a result, these hazardous substances will persist for many years. We must get on with the task of eliminating these discharges from the Nation's waterways now.

Water pollution also threatens the natural environment. Each of us is poorer for the loss of valuable wildlife habitat to the steady effects of water pollution, regardless of whether the source of that pollution is an industry, an urban area, or an abandoned mine. The strengthening amendments in the bill before us today will give EPA and the States the tools they need to protect water quality and to clean up those streams and rivers that are still polluted.

Finally, Mr. President, this bill makes good economic sense for my State. Recreation and tourism is now the second largest industry in Colorado. Last year, nearly 1 million anglers spent a total of nearly 10 million recreation days fishing in Colorado. Colorado's untamed rivers were used by tens of thousands of people for recreational boating and rafting. And snowmaking made it possible for skiers from around the world to ski earlier and longer than they otherwise could have.

The Clean Water Act, which was first enacted in 1972, has achieved many of its purposes. Industrial and municipal pollution have been reduced. As a result, the water quality of many streams has improved, in some cases dramatically. Atlantic salmon are being reintroduced to cold water streams along the northeastern Atlantic coast. Lake Erie and Lake Ontario are reviving. And the majority of lakes and streams in this country support sport fish populations.

But challenges remain. In many parts of the country, including my State of Colorado, there are toxic pollution hotspots that threaten our health and our environment. The Federal and State environmental agencies have understood for some time that some major sources of pollution have been ignored, especially storm water runoff from urban areas, mining sites, and agricultural lands. And many cities still do not have adequate waste water treatment facilities.

The bill that is before the Senate today will provide Federal and State environmental agencies with the tools they need to significantly reduce the discharge of toxics into the Nation's waterways.

Even in small quantities, pollutants like arsenic, lead, and PCB's threaten human health and environmental quality. In Colorado, the release of toxic chemicals such as these from mining sites is polluting major rivers and killing fish for miles downstream. This bill will strengthen the ability of Colorado officials to clean up these pollution sources. Once we have done that, we can reintroduce trout and other fish to the rivers, while reassuring downstream communities that their drinking water supplies are safe.

This bill also establishes a new Federal-State program to control pollution from diffuse sources such as city streets and open farmland. While the effect of this so-called nonpoint source pollution may not be immediately evident, the pollution accumulates in lakes, reservoirs, and estuaries and causes serious environmental problems. In fact, many experts have said that these nonpoint sources account for nearly half of all water pollution. The bill before us will give the States and the Environmental Protection Agency a mandate to address this serious problem.

H.R. 1, to reauthorize and strenthen the Clean Water Act, will enable Colorado and other Western States to protect their water resources, their environment, and their economies. This is a good bill, Mr. President, and I urge its swift passage.

PROPOSED UNANIMOUS-CONSENT REQUEST

The **PRESIDING OFFICER** (Mr. WIRTH). The Senator from West Virginia.

Mr. **BYRD.** Mr. President, the distinguished Republican leader and I and others on both sides of the aisle have been discussing a time agreement which will allow for the distinguished Republican leader to call up an amendment equivalent to the bill which presently is on the calendar and is shown as S. 76. The agreement if entered into, will allow the Republican leader to such an amendment properly styled so as to conform to the requirements of its being a substitute amendment or an amendment in the nature of substitute for the House bill.

He would call his amendment up at around 2:30 p.m. today and debate would proceed thereon. If the agreement is entered into, there would be no amendment in order to the Republican leader's amendment. He would have modified it in certain ways which we have already discussed and which we will discuss further in a moment.

He would call up the amendment around 2:30 today. There would be no votes thereon today. The Senate, then, when it has concluded its business today, would go over until Friday. The Senate would come in at noon on Friday, for the purpose of having routine morning business, introduction of bills and resolutions, statements by Senators and so on, with no rollcall votes on Friday, with the Senate then going over until Tuesday next. This would be in conformity with the schedule already announced, Monday being a national holiday.

On Tuesday next, the Senate would come in at 2 o'clock. On that day, we could work out an agreement for the control of time, so that time would be equally divided and controlled on that day, Tuesday afternoon, with no rollcall votes that afternoon, with one exception. If it is necessary in order to get a quorum and we have to have the Sergeant at Arms proceed to help establish a quorum, we might have to have a rollcall vote, but hopefully not.

Then, the Senate, on Wednesday, would proceed at 4 o'clock in the afternoon to vote on the amendment by Mr. DOLE, as modified, without any motion to commit being in order and with a vote to occur on final passage of the House bill, H.R. 1, as amended, if amended—hopefully it will not be amended—but with that vote to occur immediatately without any intervening action. So that, indeed, there would be two rollcall votes back to back beginning at 4 o'clock Wednesday afternoon. Then, immediately following action on H.R. 1, the Senate would take up a concurrent resolution, which would contain the substance of House Concurrent Resolution 24. There would be a short time agreement on that resolution, which would be part of this overall agreement, with no amendments thereto and no motion to recommit.

That is, in broad form, what the agreement would accomplish if it is entered into. I have not proposed the agreement, but I am ready to do so, if no Senators have any questions concerning the general outline of the agreement and what it would accomplish.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Thank you, Mr. President. If the majority leader would yield for a question, as he has indicated he is prepared to do, I do have a question that I would ask him to entertain.

This morning, I made a speech during morning business indicating my intention to introduce an amendment to the Clean Water Act that would disapprove the proposal by the President for congressional pay raises. I am obviously very much concerned that we have the opportunity to vote on that question within the 30 days after receipt of the President's proposal. I have the amendment to the Clean Water Act that I intended to introduce.

My question, very simply, is that the agreement which the majority leader has just described would, of course, preclude any other amendments than that being offered by the distinguished Republican leader. What assurance do those like me and, I think, Senator THURMOND, who has a similar measure, although it is broader in scope, what assurance do we have that, if we do not seek to amend the Clean Water Act, there will, in fact, be an opportunity for this body to register our disapproval prior to the lapsing of the 30 days?

Mr. BYRD. Mr. President, the distinguished Senator from California has posed a pertinent question. I can understand his concern and I will attempt to provide him with assurance at this point.

I hope that the clean water bill, H.R. 1, will not be amended in any form, so that the bill may go directly to the President for his signature. Therefore, I have to state at the beginning that I am opposed to any amendment to the bill.

The Senator is quite right, if the agreement is entered into, there will be no amendment in order except the amendment by Mr. DOLE.

I can assure the Senator—and without any reservation I will assure him—that if no amendment is offered dealing with the recommended salary increases to the clean water bill, the Senate will have an opportunity to vote on that matter within the 30-day time period.

Anticipating that the Senator or a Senator might want assurance on this point, I discussed earlier this morning with the distinguished chairman of the committee which would have jurisdiction over that subject matter—and I have reference to Mr. GLENN—the fact that I was pursuing a time agreement and that this question might come up; if not the question, an amendment might be offered. Senator GLENN is in agreement with me that there will be a vote and there should be a vote on the subject matter that the Senator has raised. The Senator from California may rest fully assured that the Senate will have the opportunity to address that matter within the time period that is allowed under the law. Therefore, I hope that the Senator will not offer his amendment to this bill.

Mr. WILSON. Mr. President, let me say to the distinguished majority leader that his personal assurance would be quite good enough for me if he is able to include within that assurance that it is possible, given his knowledge of the rules and his skill as a parliamentarian, to overcome any possible objection that some Senator, unbeknownst to him at this present moment, might pose by interjecting the withholding of unanimous consent. Is there a means whereby we can be assured that this question will be put to a vote that does not depend upon unanimous consent?

Mr. BYRD. Mr. President, I can give the Senator assurance that a vehicle can be brought before the Senate without debate on proceeding thereto, and the Senate, therefore, will have an opportunity to address the subject matter and it will be my intention to see that that is done. Senator GLENN was in no position today to say what action his committee will take. He will be discussing that, I am sure, with other members of the committee. The committee may bring out a resolution or it may not. If it does not, and all other efforts fail, we have rule XIV available. And I can assure the Senate that rule XIV will be utilized if it is the last resort.

A motion can be made at the proper time that is not debatable. The Senate then would vote on taking up a resolution which by then will be on the calendar. When the resolution is called up before the Senate it is open to amendment just like any other resolution.

Mr. WILSON. I thank the majority leader. I do appreciate his taking the time to be specific in terms of the options that are available. I think it is important that we understand it as precisely as possible because it is an important question.

Based on the assurance that he has given me—and I know his word is good, and his knowledge of the rules is just as good—I will not, as I had intended, offer this amendment at this time nor will I withhold consent to his proposed request.

Mr. BYRD. May I say in responding to the distinguished Senator that the distinguished Republican leader has already gone into this matter very carefully with me. And this is one of the questions that he raised on behalf of his colleagues on that side of the aisle. I gave the Republican leader the same assurance, and I am confident that he will help me in every way to carry out the promise that I have just committed myself to; namely, that we do get a disapproval resolution on the pay raise recommendations up before the Senate. So my commitment will have been kept.

Mr. WILSON. I thank the majority leader. I appreciate his gracious comments. I thank the Republican leader for his acting as good shepherd on behalf of myself and the other Senators who are interested in this question.

Mr. DOLE. Mr. President, will the distinguished majority leader yield?

Mr. BYRD. Yes. I yield. I yield the floor, Mr. President. I have not yet proposed the request. But I will shortly, after the distinguished Republican leader has yielded the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, I have listened carefully to the distinguished majority leader. I think his presentation takes care of the discussions we had earlier. It covers, I think, every aspect of it. I am pleased that there will not be other amendments either to the bill or to the substitute. The substitute would be a bit different from what I introduced earlier. I have shown both the distinguished Senator from Maine and the majority leader those changes.

There are four or five projects to be added plus a technical correction that would affect a project in Kansas. I think those are the only changes that are made in the substitute. I would be prepared to offer that substitute I hope by 2:30, no later than 3 o'clock today. I am prepared based on the informal description whenever the majority leader is ready to agree that we ought to get the agreement.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD. Mr. President, I thank the able Republican leader. I, therefore, now shall propound the unanimous-consent request.

Mr. President, I ask unanimous consent that the distinguished Republican leader proceed not later than 3 o'clock today to offer, as an amendment to H.R. 1, S. 76 which was put on the calendar by Mr. Dole as modified—and the modifications will be identified by the distinguished Republican leader in a moment precisely for the record—and that he be authorized to call up his amendment properly styled so as to conform with the requirements of a complete substitute or an amendment in the nature of a substitute—because it is on the calendar now as a bill;

That there be no amendments in order to the amendment by Mr. Dole;

That there be no other amendments in order to the bill, H.R. 1;

There be no motions to table the amendment offered by Mr. Dole; and

That the Senate upon its completion of business today adjourn over until the hour of 12 o'clock noon on this coming Friday;

That no action occur on the amendment or the bill on Friday except that debate may ensue thereon;

That the Senate on the completion of its business on Friday adjourn over until Tuesday next at the hour of 2 o'clock p.m.;

That on Tuesday the Senate operate under controlled time for debate on the measure and on the Dole amendment which would be pending;

That such controlled time be determined by the distinguished Republican leader and myself after discussions with the managers involved;

That a vote occur on the amendment by Mr. Dole, as modified—in accordance with the identifications that will be made shortly—at 4 o'clock p.m. on Wednesday; that a vote occur immediately, then, thereafter on H.R. 1, as amended, if amended, without any intervening action or further debate;

That no motions to commit or recommit be in order whether with instructions or otherwise;

That there be no time on any motion to reconsider the vote on H.R. 1;

That paragraph 4 of rule 12 be waived;

That upon the disposition then of H.R. 1, as amended, if amended, the Senate proceed immediately without any intervening debate or motion or point of order, to a concurrent resolution, the substance of which would be as shown in House Concurrent Resolution 24;

That on such concurrent resolution there be a time limitation of 20 minutes to be equally divided and controlled between Mr. Mitchell and Mr. Chafee;

That no amendment be in order to the concurrent resolution;

That no motion to commit with or without instructions be in order.

Mr. President, I think the agreement that I have proposed covers all the bases. If the distinguished minority leader would not mind at this time before the agreement is entered into, he could identify for the record the modifications that he has sent to the desk, and which would be in the amendment which he will call up no later than 3 o'clock today.

Mr. DOLE. Mr. President, I thank the distinguished majority leader. I think the agreement propounded does express the intent of both the Republican and Democratic leaders. S. 76 was the substitute or the bill I introduced which at that time I think I indicated in my statement was offered as a substitute.

I modified S. 76 in the following ways: section 212, certain improvement projects; section 215, the Chicago Tunnel and Reservoir project; section 521, San Diego, CA; section 522, Oakwood Beach project in New York; section 525, Boston Harbor and adjacent waters; section 524, waste water reclamation demonstration; section 525, Des Moines, IA; section 526, study of de minimis discharges; section 527, amendment to the Water Resources Development Act.

Those modifications have been shown to both the distinguished Senator from Maine, Senator Mitchell, and the distinguished majority leader. What has not been given them is the amendment to the Water Resources Development Act. That concerns a project in Kansas.

Mr. MITCHELL. Will the distinguished Senator yield for a question?

Mr. DOLE. I am happy to yield.

Mr. MITCHELL. Section 212, entitled "Improvement Projects," as I understand it is identical to the similar section in S. 1. If I might now state for the record the specific projects which are included within the general category of approved projects to confirm their identical nature, those are specific projects in Avalon, CA; Walker and Smithfield Townships, PA; Taylorsville, KY; Nevada County, CA; Wanaque, NJ; Lena, IL; Wyoming Valley Sanitary Authority, PA; and Altoona, PA.

Mr. DOLE. Correct.

Mr. MITCHELL. I thank the Senator.

Mr. DOLE. If the Senator will yield, he had a question on sections 5 through 7. That will be the technical correction related to a project in Great Bend, KS.

Mr. BYRD. Mr. President, two further provisos with respect to the concurrent resolution, being namely these: that there be no time for debate on any motion to reconsider the final vote on that concurrent resolution, and, furthermore, that no motion to table that concurrent resolution be in order.

Mr. HUMPHREY. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. HUMPHREY. I want to express concern about the pay raise situation. It seems to me that if the Senate agrees to the unanimous-consent request as it now stands, we might well be giving the House an opportunity to avoid a vote altogether on the pay raise issue. If we attach the matter to the Clean Water Act as proposed by Senator Wilson, then the House would be forced to vote on it. If instead, to accommodate other matters, we agree to this request and Senator Wilson is foreclosed from offering his amendment on the promise that it could be brought up as a separate matter, then the House will obviously have the opportunity of just ignoring it, and the pay raise will go into effect automatically. What is the date?

Mr. WILSON. February 5.

Mr. HUMPHREY. February 5.

I am sorry I was not here for the whole discussion. Was there a stipulation of by what date would the free-standing resolution be brought up?

Mr. WILSON. Will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. WILSON. The Senator is correct. The date on which this would become effective, as I understand, would be February 5. In the hypothetical situation that he poses, were that to actually occur, it is my understanding that it is possible thereafter to bring an amendment to any other legislation that could undo the enactment of that pay increase. I will tell the Senator from New Hampshire right now that if necessary I will undertake that, I am sure with his support and the support of others. I quite agree that the preferable way to go about this is to not let it become law, rather than having to subsequently undo it. But that option is available if the House approves.

Mr. HUMPHREY. I will make a point in response to that, that the House in having the opportunity to ignore such a resolution would have even more motivation to do so inasmuch as the money is in the bank, so to speak.

Has the majority leader indicated by some date certain that he would support the offering by some date certain of whatever it takes to block this automatic measure? Has that been discussed?

The clock is running. We have been asked to give up our very best opportunities today. The clock will continue to run. It will be harder and harder to undo this thing. It is not really a humorous matter. It may very well involve a constitutional issue. I believe it does. I have joined in a lawsuit on that basis. It is backdoor and in my opinion not the legal way to raise the pay of Members of Congress. That is my opinion.

I guess I have to defer to Senator WILSON on this but it would be helpful for me to know that by some date certain the leadership will support the resolution or whatever it is going to take to block or rescind the pay raise.

Mr. BYRD. I am not sure that I can say today just when that matter would be before the Senate. I have talked with Senator GLENN, who is chairman of the Government Operations Committee. This is a matter that comes within the jurisdiction of that committee. I will be talking with him further.

I can assure the Senator that the Senate will vote on the matter. I made that statement publicly when I was on television not too long ago with the distinguished Republican leader. I made that commitment to the people. I have renewed that commitment here today. I cannot say that it will be done by tomorrow or next week, but it will be done certainly within the period as set forth by the law.

Mr. HUMPHREY. I wonder if the majority leader will permit me to consult with the Republican leader before the Chair rules on this request.

Mr. President, I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request made by the majority leader? The Chair hears none.

Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the Republican leader for his cooperation in working out this time agreement. I thank Senators MITCHELL, CHAFEE, BURDICK, STAFFORD, and all other Senators who have had a part in this matter. I thank Senator WILSON and Senator HUMPHREY for their cooperation.

The text of the agreement follows:

Ordered, That during the consideration of H.R. 1, an act to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes, the only amendment in order be a substitute amendment offered by the Senator from Kansas [Mr. DOLE], against which no motion to table be in order: *Provided,* That on Friday, January 16, 1987, the bill be considered for debate only, with no action permitted thereon: *Provided further,* That upon resumption of the bill on Tuesday, January 20, 1987, time for debate be controlled as determined by the majority and minority leaders: *Provided further,* That a vote occur on the amendment at 4 p.m. on Wednesday, January 21, 1987, followed immediately thereafter by a vote on H.R. 1, as amended, if amended, with no intervening debate or action, no motion to commit with or without instructions, and no debate on a motion to reconsider to be in order: *Provided further,* That rule XII, paragraph 4, be waived.

Ordered further, That immediately upon the disposition of H.R. 1, the Senate proceed without intervening debate or motion to the consideration of a concurrent resolution containing the substance as shown in House Concurrent Resolution 24 and that there be 20 minutes of debate thereon, to be equally divided and controlled by the Senator from Maine [Mr. MITCHELL] and the Senator from Rhode Island [Mr. CHAFEE]: *Provided,* That no amendments, no motions to table, no motions to recommit the resolution, and no debate on a motion to reconsider the resolution be in order.

ORDERS FOR FRIDAY, JANUARY 16, 1987

ROUTINE MORNING BUSINESS AND CONSDERATION OF H.R. 1

Mr. BYRD. I ask unanimous consent that when the Senate comes in on Friday under the agreement, following the two standing orders for the recognition of the leaders, and following any other special orders that may be entered into in the meantime, there be a period for the transaction of routine morning business for not to exceed 1 hour and that Senators may be permitted to speak during that morning business, not withstanding the rule to the contrary, for not to exceed 5 minutes each; and that at the conclusion of morning business or no later than at the conclusion of the morning hour, whichever is the earlier, the Senate resume its consideration of the House bill, H.R. 1, and the amendment which will be then pending by Mr. DOLE.

The PRESIDING OFFICER (Mr. ADAMS). Is there objection? Without objection, it is so ordered.

NO RESOLUTIONS UNDER THE RULE—WAIVER OF CALL OF CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that on Friday of this week, at the conclusion of routine morning business, no resolutions come over under the rule and that the call of the calendar under rule VIII be waived. I make the same request with regard to procedures of the Senate on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 3 P.M. TODAY

Mr. BYRD. Mr. President, I ask unanimous-consent that the Senate stand in recess until the hour of 3 p.m. today.

There being no objection, the Senate, at 2:05 p.m., recessed until 3 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SHELBY].

WATER QUALITY ACT OF 1987

Mr. MITCHELL. Mr. President, the distinguished minority leader has just entered the Chamber. He is ready to present his substitute amendment.

AMENDMENT NO. 1

Mr. DOLE. Mr. President, I send an amendment to the desk in the nature of a substitute in accordance with the unanimous consent agreement and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes an amendment in the nature of a substitute numbered 1.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is printed in today's RECORD under amendments submitted.

Mr. DOLE. Mr. President, I will just take a few moments at this time to touch on the substitute. As I understand from the agreement, there will be additional time for debate. We might do that maybe on Friday or maybe on next Tuesday or Wednesday.

Mr. President, this is the 100th Congress, a very important Congress. The

Democrats have the majority. As I have done many times, I congratulate them on their splendid victories last November, particularly of our distinguished chairman, the Senator from Maine, the chairman of their campaign committee, who played a vital role in that election.

Being in the majority, the Democrats will have the right to select the only bill to be numbered S. 1 and to select the first bill for floor consideration. They have chosen a good topic and a good issue—clean water.

The debate today is not whether any Senator, I assume, is for or against clean water. Both the administration's proposal and the bill vetoed last year make credible advances in improving water quality.

AFFORDABLE

The question before the Senate comes down to what we can afford, what we can afford with record deficits, and the one staring us in the face in this year of 1987 and beyond.

The construction of waste water treatment facilities—primary, secondary, and tertiary treatment facilities—is an extremely costly proposition. There is no question that many times the $12 billion or even $18 billion could be wisely spent for this construction. The question is, can we afford it?

Why are we stopping at $18 billion in S. 1? Why not go for $20, $30, or $100 billion? The why is that we simply cannot afford it.

Last year, the administration simply took itself out of the debate. The $6 billion it was prepared to accept was simply too low. But before anyone decides the administration is still not a player, take at least a cursory view of the offer this year.

ADMINISTRATION BILL

The President has met us half way on money, increasing the acceptable level from $6 billion to $12 billion, or half way between the original $6 and our $18 billion. The President has agreed to our environmental and regulatory provisions. And, the President has agreed to meet us more than half way on extending the authorization, offering 7 years as opposed to our 8 years.

It is a dramatic improvement, it is credible and I would hope it might be acceptable. This substitute responsibly addresses water quality and proposes a responsible Federal portion of the cost of water quality.

The amendment I am proposing does modify the administration's proposal in two ways. The special projects identified by the conferees after almost countless months of negotiations are protected by this substitute. A prime example of this is the so-called San Diego/Tijuana project that will help clean up pollution flowing into the United States from Mexico. This problem was not created by the State of California or local communities, and it seems only fair not to force them to pay the cost of the cleanup.

It also contains a technical correction to Public Law 99-662, the Water Resources Development Act that passed last October. As a result of an unintentional error in the drafting with regard to cost sharing, local communities are responsible for railroad relocations This was intended to be an exception, and the language contained in this amendment would make that correction. The Environment and Public Works Committee is already aware of this error and hopes to make the same correction bill later this year. As a result of this omission in the language of H.R. 6, which passed in the 99th Congress, the community of Great Bend, KS, would be responsible for an additional $5 million as part of its local cost share, which is beyond the city's financial reach.

DIFFERENCES

There are a few important differences in the two proposals. The first is the issue that we have all heard the most about—money, about 6 billion dollars worth of money. I do not have an amendment here for a balanced budget amendment to the Constitution or on the Gramm-Rudman-Hollings fix—maybe I should. I have not seen anything in S. 1 that repeals Gramm-Rudman-Hollings, the targets are still law, as far as this Senator knows. This is $6 billion that will not be available for other worthy causes—education, health, the homeless, defense, and many others.

Another important difference is the nonpoint source pollution program. S. 1 proposes Federal land use planning. My substitute leaves it to the States. I am not certain I want the EPA Administrator to tell my farmers what and where to plant. Maybe the Secretary of Agriculture has not done a good job at it, but I am not sure the solution is to let EPA do it.

The substitute does save $400 million by requiring nonpoint source projects be funded through the State allotments—at the discretion of the States. It also saves money in the establishment of revolving loans by the States. However, like the nonpoint source provisions, the revolving loan program in the bill provides greater discretion to the States.

The substitute is also able to ratchet down on outlays by paying bills when they are due, not before. The so-called payment schedule allows us to reduce deficits, not by reducing authorizations but by imposing good fiscal sense. It may be that those who support S. 1 would want to make this change to their bill—I don't know, but it would be a good improvement.

As we rush to judgment, let me also remind my colleagues of another extremely important matter in S. 1—the Louisiana gypsum matter. The entire Louisiana delegation—both in the Senate and in the House—supports a new compromise to this potentially devastating situation. Originally, at the request of Representative BOB LIVINGSTON of Louisiana, I included the compromise in this substitute. Now, however, I understand we will consider a concurrent resolution to correct this problem.

The House is scheduled to consider a resolution—House Concurrent Resolution 24—to make this change during the enrollment of the bill. But the House will not get to the resolution until next week. If we were to act today without amending the bill, we risk the potential of worsening water quality. All the amendment says is no special breaks—grandfather this issue as it was.

Mr. President, I have certainly taken into account the votes. Last year, as I recall, it was unanimous in both the House and the Senate. Just last week, the House, by an overwhelming vote, passed the same bill that passed last year unanimously. I think there were eight negative votes against the so-called clean water bill. So I harbor no delusions about an overwhelming victory for the substitute.

I am going to vote for it. I think it is responsible. I think it does at least indicate that the first bill we consider in the U.S. Senate is being looked at very carefully, not just by the administration but by those of us who are concerned about the ever-growing Federal deficit.

Will the substitute prevail? It is doubtful. But at least in my view, if we have enough opportunity, and we will have, and I hope we could postpone additional debate until that time, I would like very much to discuss in greater detail the substitute on Tuesday, maybe again on Wednesday before the final vote. I hope by that time, there may be other of my colleagues who will be prepared to do the same.

I am suggesting as I stated, that I believe the administration has come a long way. I share the view expressed by the majority leader this morning. This is not an effort to embarrass the administration. There was some question earlier whether we would rush to this vote before the President's State of the Union Message to force the President to veto it, to embarrass the President. That will not happen. Under the unanimous-consent agreement, the President will still have a number of days after the State of the Union Message before he makes a determination whether or not to veto.

I understand those who support the bill that passed last year want no changes. It took a long, long time to reach the stage that they reached. They do not want to go back to conference, do not want any amendments. I guess I can understand that, having had that responsibility as a committee chairman. So I hope that we could begin this session with a strong vote on a substitute.

As I have said, there is no doubt the administration has come a long way. If it is a question of money, we have gone from $6 billion to $12 billion. Some believe it ought to be $18 billion. I guess overall, there has been a lot of progress made in the past several months.

I thank the distinguished Senator from Maine and I thank the distinguished majority leader. I do look forward to discussing this in greater detail later.

● Mr. GRAHAM. Mr. President, I would like to emphasize the need to approve H.R. 1, the Clean Water Act. The administration amendment authorizes only $12 billion for the sewage contruction treatment grants program through 1994. This represents a decrease of $6 billion from the $18 billion authorization in the clean water bill before us today. Florida's sewage construction needs alone will surpass $3 billion by the year 2000. Under H.R. 1, Florida is to receive $532.5 million for construction treatment through 1994. With this amount falling far short of our State's needs, we cannot afford to decrease national authorizations further, as the administration proposal suggests.

The proposed $18 billion authorization level includes sewage treatment revolving loan fund set-asides in the Clean Water Act. The administration amendment does not include these set-asides, thus eliminating Federal assistance to the States prematurely without an appropriate period of transition.

Since States are being asked to take on a greater share of the burden in many funding areas, it is important that Federal assistance for these programs be phased out gradually. In this way we can ensure that vital environmental protection efforts will not be abruptly terminated or scaled back so drastically that they are no longer effective.

The State/Federal partnership in the protection of our clean water is vital to the Nation. Federal capitalization grants with which to start up State revolving loan funds will give States the capability to continue funding sewage treatment on their own.

Major growth States such as my home State of Florida, are particularly vulnerable to problems of pollution and the sensitivity of finite natural resources. Florida is now the fifth most populous State in the Nation and is predicted to be third largest by the end of this century. Sewage treatment and the protection of clean water are very real concerns in Florida.

Given the planned phase-out of the construction treatment program under H.R. 1, the States will be provided an adequate transition period in which to increase fiscal capabilities to make these programs their own. States and localities must be given the capacity to absorb full responsibility of sewage treatment funding. H.R. 1 accomplishes this.

In 1970, as a member of the Florida House of Representatives, I worked to pass a bill which gives the State authority to set up revolving loan funds. Florida also has a grants program which funds about 45 percent of sewage treatment construction for small communities.

However, the State does not have the fiscal capacity to grant money for such large scale projects to major cities, nor to adequately build up a revolving loan fund which could keep pace with Florida's growth. For many of Florida's most vibrant communities, the kind of Federal/State partnership those setaside moneys represent is the difference between access to a system of water quality control and unnecessary degradation of the environment.

We in Florida care deeply about clean water and the complex ecosystems which provide it. We take seriously our stewardship of the lakes and rivers and bays and coastal fisheries which define our State. As Governor of Florida, I issued an executive order to direct the cleanup of Lake Okeechobee. This executive order assumes Federal participation in the Lake Okeechobee cleanup project. Such continued participation is critical to the long-term health of Federal investments, particularly Everglades National Park. The beauty of Florida is an attribute we are proud to share with the Nation and with visitors from all over the world.

We can cite several examples of effective sewage treatment projects in Florida. In Orange County, the Lake Tohopekaliga facility was discharging 40 million gallons of effluent daily into the lake. The effuent is now being spray irrigated, relieving the lake entirely of that daily pollution.

The Iron Bridge Sewage Treatment Plant near Orlando was converted to an advanced waste treatment system which sanitizes over 23 million gallons of effluent a day.

The St. Petersburg plant discharged 49 million gallons a day into Tampa Bay—and the bay was rapidly dying. With the use of spray irrigation, Tampa Bay's water quality has dramatically improved and the marine life is coming back.

In general, our monitoring of the State's 12,000 miles of streams shows a discernible improvement in 887 of those miles and a maintenance of constant levels in 7,000 miles of streams threatened by pollution from rapid-growth communities. Much of this prevention and improvement is attributable to decreased sewage effluent into the State's lakes and streams.

Particularly in Florida, the existence of urban communities is directly dependent on the continued vigor of large and complex freshwater systems. We appreciate the care we must take to shield those systems from the damage rapid growth can generate. And other areas of the country are no less concerned for the quality of their water.

Very briefly, I would also like to mention the administration's exclusion of nonpoint source pollution program authorizations. The authorization in the clean water bill of $400 million in State grants is necessary to further prevent the degradation of our Nation's waters from nonspecific sources of water pollution, such as runoff from fields and parking lots. Many States do not have a nonpoint source program in place. Florida is fortunate to have an existing nonpoint program; however, funds are only available to issue permits for new nonpoint source discharges. Existing discharges are exempt from the permit process merely because the funds are not available. Nonpoint source discharges are a major source of water pollution, and must be addressed if we are to preserve our water quality.

In light of the water quality protection needs of the State of Florida and the United States as a whole, I urge my colleagues to vote "no" to the administration amendment thus casting a "yes" vote for an unamended Clean Water Act reauthorization.

Mr. MITCHELL. Mr. President, the distinguished minority leader has submitted his proposed substitute amendment and suggested, appropriately in my judgment, that further debate occur on next Tuesday and Wednesday prior to the vote on the bill. I would like now to make a brief statement as we evaluate the substitute and the legislation itself. I think it is important, in order to do that, that we go back and look briefly at the history of the Federal Water Pollution Control Program, with specific reference to the events that occurred early in this administration.

In 1948, the U.S. Government began, for the first time, a national program to control pollution into our Nation's waters and to clean up those waters. The American people were disgusted and sickened by the fact that most major rivers in this country had become stinking, open sewers, not suitable for swimming, fishing, or boating. Indeed, in many cases you could smell an American river long before you could see it.

From 1948 to 1972, a modest Federal program existed in an effort to stem the tide of water pollution, with limited success.

In 1972, Congress passed what is the modern version of the Clean Water Act, which significantly increased the

Federal effort and as a result significantly increased the degree of success that was occurring in cleaning up our Nation's water. As a result of that legislation, Federal investment in clean water rose dramatically, reaching a peak of $5 billion a year in 1979 and 1980.

The results of course are there for everyone in the country to see. There is not a State in this Union that has not experienced, not one or two but several bodies of water which have been cleaned up as a result of this program, where Americans can now fish, swim, or boat and use what are public properties for public purposes. This is, in fact, one of the most spectacularly effective Federal programs ever instituted.

In 1981, shortly after taking office, President Reagan proposed that there be no further funding for this program. He said to the Congress, "I do not want any more money for clean water in this country unless you reduce the size of the program, reduce the scope of the program, and reform the program."

And so in 1981, this Congress and the Senate Committee on Environment and Public Works, which had jurisdiction, on which I served and which was chaired by the distinguished Senator from Vermont, responded to the President's request. At the President's request, the level of funding for the Clean Water Program was reduced from $5 billion a year to $2.4 billion a year, less than half of what it was. At President Reagan's request, Congress reduced the types and numbers of projects which were eligible for Federal funding. And at the President's request, Congress reduced from 75 to 55 percent the Federal share of those projects which remained eligible for Federal assistance.

So the Congress responded directly to the President's request in major ways: Reducing the level of funding, reducing the types of projects eligible for Federal assistance, and reducing the amount of Federal assistance for each project.

In exchange for that, the President and his administration agreed to continue to support funding for the Clean Water Program for 10 years at a level of spending of $2.4 billion a year. That was the President's agreement. I wish to quote now from the words of the administration spokesman on these matters, the then Administrator of the Environmental Protection Agency, William Ruckelshaus, whom the President, when he introduced him to the country, praised, saying he would be the administration spokesman. This is what Mr. Ruckelshaus said in public at a hearing before the Congress.

> There is an understanding, there is an agreement with the administration, with Congress that for 10 years this level of funding at least is a commitment. We went down to $2.4 billion as a result of that commitment.

Those are the words of the President's spokesman on this issue. He said, "There is an understanding, there is an agreement, there is a commitment."

And so, Members of the Senate, President Reagan's veto of this bill last year and this substitute amendment today initiated by the administration is a breach of that understanding; it is a violation of that agreement; it is a reneging on that commitment. Now we have a substitute which says we will propose a level of spending that is in each of the 8 years covered by the substitute amendment lower than the amount to which the administration made a solemn commitment just a few years ago.

Based on that record, what Member of this Senate can now accept the administration's word regarding the 8 years in the substitute agreement? Who here believes that 8 years would elapse before the administration would come back again and propose a new termination, a new reduction, a new violation of a solemn agreement, understanding, and commitment, all words used not be me, not be any other proponent of this bill, but used by the spokesman for the administration on this matter.

The fact is, of course, this is a lot of money, but the American people have made it overwhelmingly clear they want clean water, and they are prepared to pay the cost of clean water.

The fact is, while we are on the subject of money, the President, who says we cannot afford clean water, who said in effect, "I cannot afford to keep my word to you, the Congress and the American people," is proposing in the very same budget a massive, multibillion dollar increase in foreign aid. The President proposes to spend in 1 year on foreign aid nearly what the Congress wants to spend in 9 years to clean up our Nation's water.

Are those the priorities of the American people? I do not believe so. I believe that the people of this country want clean water. They have seen the remarkable success of this program to date, and they want it continued.

The irony of this whole matter is that the President could well and accurately have declared a victory with respect to the clean water program. The level of funding was reduced at his request. The type and number of projects eligible for Federal assistance were narrowed as a result of his request. The amount of Federal funding for each project was reduced at his request. And in exchange for doing all of that, the administration made a promise; it made a commitment. There was an agreement, there was an understanding, which the President now proposes to break. His veto said to the American people, "Although I made that agreement, although I made that promise, although I made that commitment, I am not going to keep them because we cannot afford it." Instead, what he wants to do is to have several billion dollars more going for foreign aid.

Well, I say, if the United States of America can afford to say yes to President Reagan's request for billions of dollars more for foreign aid, the United States of America can afford to clean up the waters of this country. We can afford to keep agreements that were made. We can afford to maintain understandings that were made, and we can afford to keep the commitment that was made.

On the subject of money, it should be made clear, as I will detail much more specifically in the debate on Tuesday, the amount of money in this bill is far less than the amount of money needed to actually clean up the Nation's water. It is itself a compromise. It is a significant compromise. Members of the committee, led by the distinguished chairman from Vermont, who is here today, and the distinguished chairman of the subcommittee, Senator **CHAFEE**, who was here earlier, were acutely conscious of the budget problems, and as a result we significantly reduced the amount of money in this bill, below that which is absolutely necessary to clean up the Nation's waters. We significantly reduced the amount of money which was proposed by the House of Representatives. We accepted a compromise. And all during those 2 years when we worked at this day after day, week after week, month after month, the President's position was "Nothing. No cooperation. No assistance"—simply taking a position of no new project starts and a $6 billion level of funding to complete projects underway, which everyone acknowledged was unrealistic.

So I say to my colleagues that we have compromised. I say to my colleagues that we have been concerned with the budget effects, and in fact this level of funding is within the budget resolution. The budget buster would be the multibillion dollar increase in foreign aid that the President proposes when he says that we cannot afford to spend this level of money to clean up the Nation's waters.

So I hope very much that the Senate will reject this substitute amendment, which really ought not be taken seriously, and proceed to enact this legislation again by an overwhelming margin.

I note the presence of my distinguished colleagues, so I will conclude by saying that there will be a further debate on Tuesday. There are many other reasons to oppose this substitute, which omits or undermines most of the major substantive improvements in the bill, wholly apart from the question of money. I will discuss them in more detail on Tuesday.

I yield now to my distinguished colleague.

The PRESIDING OFFICER. The Chair recognizes the Senator from Vermont.

Mr. STAFFORD. Mr. President, with regret that the situation has developed the way it has, I rise in strong opposition to the amendment offered by my good friend and colleague, Senator DOLE, the Republican leader. It should come as no surprise that I do so, because this morning I made an extensive speech supporting H.R. 1.

My distinguished friend, Senator DOLE, would ask us to substitute this administration bill for a bill that Congress developed with over 4 years of work. The Committee on Environment and Public Works, which I was privileged to chair during the last three Congresses, labored many, many hours to bring before this body the bill that this amendment would seek to displace. The Clean Water Act conference bill was passed unanimously by both the Senate and the House last October.

Mr. President, every Member of this body who was here last year voted for the underlying bill, H.R. 1. Every Member voted for it. Why? Because it is a good bill and is very strongly supported by the American people and is needed by the American people.

In passing the clean water bill last fall, we recognized that it is time for the Federal Government to end the Construction Grants Program for sewage treatment plant construction. But we must end it gradually in order to prevent chaos, and we must provide for an orderly transition to a self-supporting State revolving loan fund. H.R. 1 does these things. The proposed amendment does not. It would shortchange the environment by lopping $6 billion off the amount that Congress decided unanimously last year is the minimum needed to phase out the program in an orderly fashion.

When we began the reauthorization of the Clean Water Act several years ago, there were many who did not want to see the construction grants program ended at all. That is not surprising, when you realize that there still is $100 billion of unmet need in this area, in this country. The President, on the other hand, wanted to see it ended almost immediately. Gradually, we were able to forge a compromise—a political consensus that the program should be ended over a period of several years, with a transition to revolving loan funds.

This political consensus was not easily achieved, but we did achieve it. As a result, the bill passed by the Congress last year was supported by all the interest groups: States, cities, environmental organizations, the construction industry, and others. Many of these people were not too happy about it, but they were willing to accept it as the best we could do. None of these groups would support abandoning the consensus bill in favor of an amendment that would reduce funding by an additional $6 billion, which is what the Republican leader's amendment proposes.

Mr. President, H.R. 1 represents the minimum acceptable commitment of Federal support. It is the final payment due on commitments made over the last 15 years. It represents a fair compromise among competing interests, and it is broadly supported. This body should stand by its product and support H.R. 1 by rejecting this amendment.

I very much regret that the President is putting this body through this debate. I believe this amendment will be defeated, and I believe that if the President again vetoes the Clean Water Act, his veto will be overridden. This Senator urged last fall that the President not pocket veto the bill. Many other Senators did the same, from both sides of the aisle. We were joined in this plea by individuals and organizations from all across the political spectrum and from all sides of the water pollution issue. This Senator stated then that a pocket veto would only lead to a political confrontation early in the 100th Congress, a confrontation that the President would not win.

Unfortunately, the President got some bad advice from his most senior advisers, with the result that today this body must again pass a clean water bill, and pass it over a veto if it comes to that.

This Senator would have preferred to have avoided this necessity, but now that it has been thrust upon us, this body must deal with it in the right way. I urge my colleagues to join me in putting the Clean Water Act back on track. Cast a vote for the environment. Vote "no" on this amendment, and then vote "yes" on the underlying bill.

The PRESIDING OFFICER. The Chair recognizes the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, first, I should like to say that I applaud the statements of my distinguished colleagues—the former chairman, Senator STAFFORD, and the present chairman of the Environment Subcommittee, the Senator from Maine [Mr. MITCHELL]. Both have made powerful statements in connection with this piece of legislation.

Mr. President, I hope that the President will not veto this legislation. First of all, I think that the substitute as brought forth for the administration by our Republican leader does not do the job.

The programmatic changes are sufficient. In other words, as I understand his legislation, the parts dealing with water cleanup standards and with treatment of toxics are all the same as they are under H.R. 1. The major difference, of course, is in the amount that is provided.

The argument might be made: "We are trying to meet you halfway. We, the administration, had a bill for $6 billion." That was not accepted last fall, when we were doing this in conference. Indeed, as I mentioned this morning, this goes way back to 1985. The Senate bill was passed in June of 1985, and at that time, the administration had its $6 billion bill.

Now, in the spirit of comity, I suppose, they might be saying, "Well, you were at 18, we are at 6; we will meet you halfway at 12." The only problem with that is that amount is not sufficient to do the job; and H.R. 1, as was pointed out before, does not cover the situation perfectly—the $18 billion. There is no suggestion that that is going to meet all the problems of the Nation. The problems of the Nation are in excess of $75 billion.

H.R. 1 is a House-Senate bill, it is the conference committee report that, as has been said before, passed both Houses unanimously in October.

As I mentioned, the Senate passed its version in June of 1985. In July 1985 the House passed its version. Then it took us a long, long time to thrash out the differences, basically coming to the Senate bill.

We came down, at least the House did, and it is to their credit. They recognized the necessity to save what money is possible and so the total amount that is involved in this was some $7 billion less than the House bill.

Now, what is the matter with the difference between $18 and $12 billion? The difference of $6 billion is very, very important. And furthermore, this legislation provides not only that $2.4 billion that was agreed upon in 1981 when, as Senator MITCHELL previously said, we went through these very dramatic cuts in the program, and this was in response to the new administration that had come in and I had the privilege of being the chairman of that conference committee. The House was not enthusiastic about making these cuts, but we did them because we felt that the budget had to be brought under control. We did our part and, as I mentioned this morning and quoted from the testimony of Mr. Ruckelshaus, who was the head of the EPA at the time in 1984—he said yes, there was an agreement, $2.4 billion for 10 years, and that is what we have here.

Now, we extended a little bit longer but in that extra period we go into building this so-called revolving fund which is for the States to cover the difference between $18 and $75 billion, which are the needs, and let the burden fall on the States at that time but they will have this revolving fund which will be extremely helpful.

So that is where we are. I feel badly. Obviously I do not think any Republican or Democrat, certainly Republicans do not like to go against the desires of an administration. There is a sense of reaching out and trying to reach an accommodation. And certainly no one likes to override vetoes of a President. He starts with plusses, he starts with our desire to cooperate, he starts with the realization that he has large responsibilities that sometimes we as individuals cannot fully recognize but at the same time we have responsibilities and we have the ability to see the problems of the Nation sometimes when he is not in specific sectors, such as this clean water area, where the President has a multitude of problems he has to pay attention to and perhaps cannot devote as much of his time to this matter as we have.

It is our belief that the wisest course of action is for the President to not only support this legislation but to applaud it and to say it is a good move, that, yes, you have made dramatic changes in 1981, you have scaled down the program and, furthermore, in this legislation you reach one of my, meaning the President's, views, that you are bringing the program to a close and that is something that I, meaning the President, have fought for, and we have provided that for him.

We bring the program to a close with the last appropriation—this is an authorization bill—but it is hopeful that the Appropriation Committee will follow us. The last amount provided under this bill is $600 million in 1994.

Although we mentioned it this morning, I am not sure everyone fully appreciates the changes that have been made in this Clean Water Act. In 1980 the total amount authorized was in the neighborhood of $5 billion, $5 billion in 1980 dollars, not in 1987 dollars. And we said all right, Mr. President, we will scale the program down to $2.4 billion.

That is a dramatic drop right there, cut in half, and we have not increased it a nickel since then, not a nickel for the construction grants program since 1981. And, clearly, the inflation factor has brought that down perhaps 30 percent, I am not certain, but the 1987 dollars no one will question are equal to 1981 dollars.

That is what has been accomplished, plus going to the revolving loan program.

So it is my plea, and this is a plea that I made to the White House when we finished this act. There were threats, suggestions of veto at the time, pocket veto, as we left here and I think it was around the 15th or 16th of October last year, and went home, having just passed this bill. This was one of the last acts we did here, sent it down to the White House and I called the White House and talked with the officials there and urged them to stress to the President that this is a good bill, it is a good bill not only in dollars but it is a good bill in what we call the programmatic features, that is the features that deal with what we are doing about cleaning up the waters of the Nation and urged that the President sign it then, and I did all I could as the chairman of our committee, the distinguished chairman, the Senator from Vermont [Mr. STAFFORD] did likewise, but unfortunately to no avail.

There is one other feature that I would like to mention before closing and trust we will get into this to a greater extent than we are now. We have started in on an area that we did not get into before which seems to me is vital for clean water and that is the so-called nonpoint sources.

It is pretty widely recognized the achievements we have made in point sources. Now what are point sources? Point sources are discharges from a factory, discharges from a municipal plant, and we have really made extraordinary achievements in that area.

But are our lakes and streams and rivers perfect? No.

What is the problem? You clean up the factories, you clean up the cities, municipals' discharges. Then why is everything not perfect? The problem is the so-called nonpoint sources.

Senator MITCHELL touched on this in his remarks this morning. We are talking about the flow from streets. We are talking about parking lots, the greases that accumulate there. We are talking about insecticides and pesticides that flow off from fields.

This bill starts tackling that problem. We do not solve it. The amount of money in there annually is limited, about $400 million over a 4-year period, but it's a start.

We are experienced enough to know that this is a very touchy area with the States and as soon as you bring up the phrase "land planning," it is a red flag to all municipalities, to all States. They do not want the Federal Government getting involved with that.

So we provide for the States to do it, to come up with a plan, and we have incentives in there for them to do it, and that is not beyond reason. They can do it, and I think they will do it.

As I mentioned this morning, one of our proudest achievements under this legislation over the years has been what is taking place in the Chesapeake Bay and that involved getting Pennsylvania, Maryland, Virginia, to do something about these nonpoint sources, and they have done that.

So, all in all, I share the pride of the members of the Environment Committee who have worked so hard on this, and as generously was stated by others, I was very active in this, and I think we have a good bill. It is never too late, I say to the administration, to come on join, jump aboard. This is not an exclusive party. It is very inclusive and there is no one we would rather have aboard on this train that is leaving the station than the President of the United States and there is room for him. We will make it the Reagan bill. Who has pride of authorship? I am certainly delighted to have this the Reagan bill. And there is room there for his signature. We will leave plenty of room for his signature at the end of this bill and I hope he will invite us all down for a big signing ceremony. That will be very nice and we could end with three rounds of cheers for the President in recognizing that this is good legislation and we hope he will come aboard.

Thank you, Mr. President.

The PRESIDING OFFICER. The Chair recognizes the Senator from Maine.

Mr. MITCHELL. Mr. President, I commend the Senator from Rhode Island on his remarks. He said that as a Republican he would, of course, not want to have to vote to override the President's veto, and I will just say that speaking for the Democrats we have the same view.

The President does not need this fight. We do not want this fight. The American people will not benefit from this fight. The American people want clean water. They overwhelmingly support this program. They overwhelmingly support this legislation. I hope very, very much that the President can see his way clear to signing this bill when it reaches his desk.

As Senator Chafee said, it is a bill that is in the interests of our country and will help continue the remarkable progress that has been made in this Nation over the past decade or two in cleaning up our Nation's water.

Mr. President, I suggest the absence of a quorum.

Mr. CHAFEE. Mr. President, will the Senator withhold?

Mr. MITCHELL. Yes.

The PRESIDING OFFICER. The Chair recognizes the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, in case there is any confusion, and I am sure there is not, but while I do not want to get into a situation where we are overriding the President's veto, I do not want anybody to be under any illusions. If the President vetos this bill, I certainly will vote to override it. The happier situation would be not to have that occur. But if the situation comes up, as others have mentioned previously, I will vote to override the President's veto if he should veto this legislation.

I do not think there was any doubt about that, but I did not want any confusion.

I suggest the absence of a quorum, Mr. President.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. **LEVIN.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. Dixon). Without objection, it is so ordered.

JAILED PRIEST IN SOUTH AFRICA

Mr. **LEVIN.** Mr. President, I want to bring to the attention of the Senate and the country an outrageous situation involving the Transkei, black homeland controlled by South Africa. The situation is this: Officials in the Transkei are holding in jail an American priest who has been working for years with the people of that area. For nearly a month, he has been held without charges. Since the Transkei was created by—and is now financed and maintained by—the Government of South Africa, the imprisoned priest, the Rev. Casimir Paulsen, is, in effect, a prisoner of South Africa.

Father Paulsen, who grew up in Michigan and has family there, is a member of the Marianhill Mission. He has been doing the work of his church in southern Africa for some 20 years. He is an outspoken critic of apartheid and other forms of injustice. And since December 17 he has been in custody in the Transkei, one of several homelands created for blacks under South Africa's policy of racial segregation.

Yesterday, after being told of this situation, I talked by telephone with United States officials in South Africa. I talked with our No. 2 official there, Deputy Chief of Mission Richard Barkley and with our consul general in Durban, Martin Cheshes. I talked again today with Mr. Cheshes. And so far today, efforts by our officials to see Father Paulsen apparently continue to be rebuffed by the Transkei. According to one press report, Transkei authorities say we must deal through South Africa.

Just a short time ago, I talked to the South African Ambassador here, Herbert Beukes. Mr. Beukes said he had been told that U.S. officials would be given access to Father Paulsen. Ambassador Beukes said he would convey my concerns to the proper authorities. And he said he would see what could be done to accomplish the release of Father Paulsen, and would get back to me.

Mr. President, I have heard speculation that South Africa, which created Transkei and continues to maintain it, is tolerating, if not encouraging the Transkei in this situation, to show resistance to U.S. efforts to end apartheid. I hope that is not the case. Americans will not readily tolerate any government depriving one of our citizens of his freedom without a trial.

I hope that South Africa will do the right thing in this situation. In the meantime, I have been encouraged by our own officials in South Africa to bring the situation to the attention of the world.

I hope our colleagues will join in urging that the government of South Africa use the power it has to gain freedom for Father Paulsen. Repeatedly in the past, we have seen what happens when Americans are used as barter for the objectives of other countries.

Mr. President, I yield the floor.

Mr. **DOLE** addressed the Chair.

The **PRESIDING OFFICER.** The minority leader.

Mr. **DOLE.** Mr. President, I ask unanimous consent to proceed out of order.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

JANUARY 15, (1929): BIRTHDAY OF MARTIN LUTHER KING, JR.

Mr. **DOLE.** Mr. President, although we will celebrate a national holiday next Monday, January 19, in honor of the Rev. Dr. Martin Luther King, Jr., tomorrow, January 15, is the actual anniversary of his birth 58 years ago. Dr. King had little direct connection with the Senate—he testified only once before a Senate committee—but he was influential in the Senate's passage of one of the most significant pieces of legislation in this century—the Civil Rights Act of 1964. Therefore, I would like to commemorate Dr. King as part of my bicentennial minutes on the U.S. Senate.

In 1963, when civil rights legislation seemed hopelessly mired in Congress, Dr. King announced that he would lead a March on Washington. Many Members of the Senate and House expressed anger and concern that the March was intended to intimidate them into voting for the bill, and that it would turn violent and destructive. Even President Kennedy counseled against the demonstration. But Dr. King persisted, and on August 28, 1963, some 200,000 people arrived in Washington, where they marched peacefully to the Lincoln Memorial and heard Dr. King's now famous "I Have A Dream" oration.

The success of that march, and the massive, nonviolent protest Dr. King led against the institution of segregation, helped to break the resistance against the Civil Rights Act. As Senate Republican Leader Everett M. Dirksen declared when he announced his support, it was an idea whose time had come. The passage of the Civil Rights Act of 1964 effectively ended segregation in the United States. For this accomplishment, and a lifetime of achievement—as short as that life was—Dr. King was awarded the Nobel Prize for Peace in 1964. Four years later he died of an assassin's bullet, but his spirit and his inspiration will never die. In the Senate and in the Nation we honor his memory.

SUBCOMMITTEE ASSIGNMENTS, COMMITTEE ON APPROPRIATIONS, 100TH CONGRESS

Mr. **STENNIS.** Mr. President, the Committee on Appropriations held its organizational meeting today, January 14. Among other business conducted, the subcommittee assignments for the 100th Congress were approved and I submit for printing in the Record, a list of the subcommittees and the assignments for this Congress.

I ask unanimous consent that the subcommittee assignments be printed in the Record.

There being no objection, the subcommittee assignments were ordered to be printed in the Record, as follows:

U.S. SENATE COMMITTEE ON APPROPRIATIONS

ONE HUNDREDTH CONGRESS

John C. Stennis, Mississippi, Chairman; Robert C. Byrd, West Virginia; William Proxmire, Wisconsin; Daniel K. Inouye, Hawaii; Ernest F. Hollings, South Carolina; Lawton Chiles, Florida; J. Bennett Johnston, Louisiana; Quentin N. Burdick, North Dakota; Patrick J. Leahy, Vermont; Jim Sasser, Tennessee; Dennis DeConcini, Arizona; Dale Bumpers, Arkansas; Frank R. Lautenberg, New Jersey; Tom Harkin, Iowa; Barbara A. Mikulski, Maryland; and Harry Reid, Nevada.

Mark O. Hatfield, Oregon, Ranking; Ted Stevens, Alaska; Lowell P. Weicker, Jr., Connecticut; James A. McClure, Idaho; Jake Garn, Utah; Thad Cochran, Mississippi; Robert W. Kasten, Jr., Wisconsin; Alfonse M. D'Amato, New York; Warren Rudman, New Hampshire; Arlen Specter, Pennsylvania; Pete V. Domenici, New Mexico; Charles E. Grassley, Iowa; and Don Nickles, Oklahoma.

SUBCOMMITTEE ASSIGNMENTS

SENATOR STENNIS

Agriculture and Related Agencies, Defense (Chairman), Energy and Water Development, HUD-Independent Agencies, Transportation and Related Agencies.

SENATOR BYRD

Defense, Energy and Water Development, Interior and Related Agencies (Chairman), Labor, Health and Human Services, Education, and Related Agencies, Transportation and Related Agencies.

SENATOR PROXMIRE

Defense, HUD-Independent Agencies (Chairman), Labor, Health and Human Services, Education, and Related Agencies, Military Construction, Treasury, Postal Service, and General Government.

SENATOR INOUYE

Commerce, Justice, State, and Judiciary, Defense, Foreign Operations (Chairman), Labor, Health and Human Services, Education, and Related Agencies, Military Construction.

SENATOR HOLLINGS

Commerce, Justice, State, and Judiciary (Chairman), Defense, Energy and Water Development, Interior and Related Agencies, Labor, Health and Human Services, Education, and Related Agencies.

SENATOR CHILES

Agriculture and Related Agencies, Commerce, Justice, State, and Jiuiciary, Defense, Labor, Health and Human Services, Education, and Related Agencies (Chairman), Transportation and Related Agencies.

SENATOR JOHNSTON

Defense, Energy and Water Development (Chairman), Foreign Operations, HUD-Independent Agencies, Interior and Related Agencies.

SENATOR BURDICK

Agriculture and Related Agencies (Chairman), Energy and Water Development, Interior and Related Agencies, Labor, Health and Human Services, Education, and Related Agencies.

SENATOR LEAHY

Defense, Foreign Operations, HUD-Independent Agencies, Interior and Related Agencies.

SENATOR SASSER

Agriculture and Related Agencies, Commerce, Justice, State, and Judiciary, Defense, Energy and Water Development, Military Construction (Chairman).

SENATOR DE CONCINI

Defense, Energy and Water Development, Foreign Operations, Interior and Related Agencies, Treasury, Postal Service, and General Government (Chairman).

SENATOR BUMPERS

Agriculture and Related Agencies, Commerce, Justice, State, and Judiciary, Interior and Related Agencies, Labor, Health and Human Services, Education, and Related Agencies, Legislative Branch (Chairman).

SENATOR LAUTENBERG

Commerce, Justice, State, and Judiciary, District of Columbia, Foreign Operations, HUD-Independent Agencies, Transportation and Related Agencies (Chairman).

SENATOR HARKIN

Agriculture and Related Agencies, District of Columbia (Chairman), Foreign Operations, Labor, Health and Human Services, Education, and Related Agencies, Transportation.

SENATOR MIKULSKI

Foreign Operations, HUD-Independent Agencies, Legislative Branch, Treasury, Postal Service and General Government.

SENATOR REID

District of Columbia, Interior and Related Agencies, Legislative Branch, Military Construction.

SENATOR HATFIELD

Commerce, Justice, State, and Judiciary, Energy and Water Development (Ranking), Foreign Operations, Labor, Health and Human Services Education and Related Agencies, Legislative Branch.

SENATOR STEVENS

Commerce, Justice, State, and Judiciary, Defense (Ranking), Interior and Related Agencies, Labor, Health and Human Services, Education and Related Agencies, Military Construction.

SENATOR WEICKER

Commerce, Justice, State, and Judiciary, Defense, Interior and Related Agencies, Labor, Health and Human Services, Education, and Related Agencies (Ranking), Transportation.

SENATOR MC CLURE

Agriculture and Related Agencies, Defense, Energy and Water Development, Interior and Related Agencies (Ranking), Labor, Health and Human Services, Education, and Related Agencies.

SENATOR GARN

Defense, Energy and Water Development, HUD-Independent Agencies (Ranking), Interior and Related Agencies, Military Construction.

SENATOR COCHRAN

Agriculture and Related Agencies (Ranking), Defense, Energy and Water Development, Interior and Related Agencies, Transportation and Related Agencies.

SENATOR KASTEN

Agriculture and Related Agencies, Commerce, Justice, State, and Judiciary, Defense, Foreign Operations (Ranking), Transportation and Related Agencies.

SENATOR D'AMATO

Defense, Foreign Operations, HUD-Independent Agencies, Transportation and Related Agencies (Ranking), Treasury, Postal Service, and General Government.

SENATOR RUDMAN

Commerce, Justice, State, and Judiciary (Ranking), Defense, Foreign Operations, Interior and Related Agencies, Labor, Health and Human Services, Education, and Related Agencies.

SENATOR SPECTER

Agriculture and Related Agencies, Energy and Water Development, Foreign Operations, Labor, Health and Human Services, Education, and Related Agencies, Military Construction (Ranking).

SENATOR DOMENICI

Energy and Water Development, HUD-Independent Agencies, Labor, Health and Human Services, Education, and Related Agencies, Treasury, Postal Service and General Government (Ranking).

SENATOR GRASSLEY

Agriculture and Related Agencies, District of Columbia, HUD-Independent Agencies, Legislative Branch (Ranking).

SENATOR NICKLES

District of Columbia (Ranking), Foreign Operations, HUD-Independent Agencies, Interior and Related Agencies.

SUBCOMMITTEES

Senator Stennis, as chairman of the Committee, and Senator Hatfield, as ranking minority member of the Committee, are ex officio members of all subcommittees of which they are not regular members.

AGRICULTURE AND RELATED AGENCIES

Senators Burdick,† Stennis, Chiles, Sasser, Bumpers, Harkin, Cochran,* McClure, Kasten, Specter, Grassley. (6-5).

COMMERCE, JUSTICE, STATE, AND JUDICIARY

Senators Hollings,† Inouye, Bumpers, Chiles, Lautenberg, Sasser, Rudman,* Stevens, Weicker, Hatfield, Kasten. (6-5).

DEFENSE

Senators Stennis,† Proxmire, Inouye, Hollings, Chiles, Johnston, Byrd, Leahy, Sasser, DeConcini, Stevens,* Weicker, Garn, McClure, Kasten, D'Amato, Rudman, Cochran. (10-8).

DISTRICT OF COLUMBIA

Senators Harkin,† Lautenberg, Reid, Nickles,* Grassley. (3-2).

ENERGY AND WATER DEVELOPMENT

Senators Johnston,† Stennis, Byrd, Hollings, Burdick, Sasser, DeConcini, Hatfield,* McClure, Garn, Cochran, Domenici, Specter. (7-6).

FOREIGN OPERATIONS

Senators Inouye,† Johnston, Leahy, DeConcini, Lautenberg, Harkin, Mikulski, Kasten,* Hatfield, D'Amato, Rudman, Specter, Nickles. (7-6).

HUD-INDEPENDENT AGENCIES

Senators Proxmire,† Stennis, Leahy, Johnston, Lautenberg, Mikulski, Garn,* D'Amato, Domenici, Grassley, Nickles. (6-5).

INTERIOR

Senators Byrd,† Johnston, Leahy, DeConcini, Burdick, Bumpers, Hollings, Reid, McClure,* Stevens, Garn, Cochran, Rudman, Weicker, Nickles. (8-7).

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION

Senators Chiles,† Byrd, Proxmire, Hollings, Burdick, Inouye, Harkin, Bumpers, Weicker,* Hatfield, Stevens, Rudman, Specter, McClure, Domenici. (8-7).

LEGISLATIVE BRANCH

Senators Bumpers,† Mikulski, Reid, Grassley,* Hatfield. (3-2).

MILITARY CONSTRUCTION

Senators Sasser,† Inouye, Proxmire, Reid, Specter,* Garn, Stevens. (4-3).

TRANSPORTATION

Senators Lautenberg,† Stennis, Byrd, Chiles, Harkin, D'Amato,* Cochran, Kasten, Weicker, (5-4).

TREASURY, POSTAL SERVICE, GENERAL GOVERNMENT

Senators DeConcini,† Proxmire, Mikulski, Domenici,* D'Amato. (3-2).

† Subcommittee chairman

* Ranking minority member.

RULES OF THE COMMITTEE ON APPROPRIATIONS, 100TH CONGRESS

Mr. STENNIS. Mr. President, I submit, for printing in the CONGRESSIONAL RECORD, the rules of the Committee on Appropriations, adopted at the organizational meeting of the committee held earlier today, January 14. These rules were adopted and submitted as required by the rules of the Senate.

I ask unanimous consent that they be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES *

I. Meetings.—The Committee will meet at the call of the Chairman.

II. Quorums.—1. Reporting a bill. A majority of the members must be present for the reporting of a bill.

2. Other business.—For the purpose of transacting business other than reporting a bill or taking testimony, one-third of the members of the Committee shall constitute a quorum.

3. Taking testimony.—For the purpose of taking testimony, other than sworn testimony, by the Committee or any subcommittee, one member of the Committee or subcommittee shall constitute a quorum. For the purpose of taking sworn testimony by the Committee, three members shall constitute a quorum, and for the taking of sworn testimony by any subcommittee, one member shall constitute a quorum.

III. Proxies.—Except for the reporting of a bill, votes may be cast by proxy when any member so requests.

IV. Attendance of staff members at closed sessions.—Attendance of Staff Members at closed sessions of the Committee shall be limited to those members of the Committee Staff that have a responsibility associated with the matter being considered at such meeting. This rule may be waived by unanimous consent.

V. Broadcasting and photographing of committee hearing.—The Committee or any of its subcommittees may permit the photographing and broadcast of open hearings by television and/or radio. However, if any member of a subcommittee objects to the photographing or broadcasting of an open hearing, the question shall be referred to the Full Committee for its decision.

VI. Availability of subcommittee reports.—When the bill and report of any subcommittee is available, they shall be furnished to each member of the Committee twenty-four hours prior to the Committee's consideration of said bill and report.

VII. Points of order.—Any member of the Committee who is floor manager of an appropriation bill, is hereby authorized and directed to make points of order against any amendment offered in violation of the Senate Rules on the floor of the Senate to such appropriation bill.

* Adopted pursuant to Rule XXVI, paragraph 2, of the "Standing Rules of the Senate."

CONGRATULATIONS TO THE DENVER BRONCOS

Mr. ARMSTRONG. Mr. President, in a moment I am going to send to the desk a resolution which will draw the attention of the Senate and the world to an event which will occur a week from Sunday on the west coast. It is the Super Bowl game in which the Denver Broncos will become the undisputed world champions in football.

Mr. President, I am not going to call for its immediate adoption, although Senators no doubt will want to stampede to do this. My colleague, Senator WIRTH, and I offer this amendment for consideration by the Senate.

In fact, the only reason I am not going to press for its immediate adoption is that we have not fulfilled the formal clearance process. We will ask the Cloakrooms on both sides to run their hot lines and perhaps clear the resolutions up today and tomorrow.

Mr. President, my larger purpose is related to that.

After many long, arduous hours of preparation, and after the competitive forces have separated the best from the very good, it is that time of the year again when the United States and a significant number of people throughout the world become gripped with fanatical emotion about a particular professional football team playing in the Super Bowl. Today it is a great privilege for me to stand before you and talk of the accomplishments of the American Football Conference Champions, and a football sports organization from Colorado, the Denver Broncos.

The Denver Broncos are not just a football team on their way to the Super Bowl XXI, they are not just a team that has sold-out Mile-High Stadium for more than 15 years, and they are not just a team with five players going to the Pro Bowl. The Denver Broncos are much more than that.

The Denver Broncos are recognized as one of the most active sports organizations in the area of community service. Many individual players contribute a substantial amount of personal time to youth counseling, antidrug programs and many other worthwhile community services.

Mr. President, when all is said and done, and after the seats are empty in Pasadena, CA, win or lose, the Denver Broncos will remain champions. At the moment, however, I hope the New York Giants and their fans realize that I am predicting they will suffer a crushing defeat.

Mr. President, my statement recognizes the preeminence of the Denver Broncos with their long, arduous hours of preparation, the wonderful season that they have had, the tremendous contribution that they have made to the sporting life and youth life of America, the inspiration that they have been to the young people not only of Colorado but the entire Western World, and that they be commemorated; that we will, in due course by adopting this resolution, give full recognition to the contribution they have made to the economy of the city of Denver and the State of Colorado and to the wonderful emphasis it has given to civic pride and sportsmanship wherever their name is known.

You all know, of course, that the Denver Broncos are more than just a team that has sold out the Mile High Stadium on every occasion in the last 15 years.

The Broncos are recognized as the most active sports organization in the area of community service. The individual players have an extraordinary record of concern for antidrug programs, for youth counseling, and many other worthwhile community services.

They are in every respect, on and off the field, true champions.

First, Mr. President, I would like to send to the desk this resolution and ask that it be held and taken up in routine course after it has been cleared by the respective Cloakrooms. I send this on behalf of myself and my colleague, Senator WIRTH.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

A resolution (S. Res. 59) congratulating the Denver Broncos.

S. RES. 59

Whereas on January 25, 1987, the Denver Broncos, the American Football Conference Champions, will play the New York Giants, the National Football Conference Champions in the twenty first Super Bowl in Pasadena, California; and

Whereas the Denver Broncos' fans deserve their reputation as the most enthusiastic in professional sports; and

Whereas the Denver Broncos have 132 consecutive ticket sellouts for home games; and

Whereas the Denver Broncos have five players elected to play in the 1987 Pro Bowl; and

Whereas the Denver Broncos won the Western Division Title of the Americn Football Conference with 11 wins and 5 losses and defeated the New England Patriots and the Cleveland Browns in AFC playoff games to become AFC Champions and Super Bowl contender; and

Whereas the Denver Broncos actively participate in community service programs, such as youth counseling and anti-drug programs: Now, therefore, be it

Resolved, that it is the sense of the Senate that the Congress commends the superior achievements of the Denver Broncos organization.

The PRESIDING OFFICER. Without objection, the resolution will be held at the desk. I assume the Senator from New York will not object to that request.

Mr. D'AMATO. Mr. President, I certainly would not object to the resolution. The content therein may be somewhat doubtful as to the accomplishments that will be spelled out on a Sunday from now.

We would like, Mr. President, if my distinguished colleague has an opportunity to put in further discourse on this RECORD, to respond.

Mr. ARMSTRONG. I thank my friend from New York.

Mr. President, this brings me to the main reason that I wanted personally to come to the floor to express my heartfelt condolences, indeed my dismay, at the tragedy which is about to befall my colleagues from New York, Senator D'AMATO, Senator MOYNIHAN, and our two dear friends from the State of New Jersey.

What is going to happen to their team, the blow that this is going to be to the morale of the people of the greater New York area—New York and New Jersey—is really awesome to contemplate.

Mr. President, I feel bad about it. In many ways, one could argue that neither Mr. D'AMATO nor Mr. MOYNIHAN, Mr. LAUTENBERG, nor Mr. BRADLEY has done anything to be saddled with the kind of setback, the humiliating defeat, which is in prospect a week from Sunday. I want to say that I hope that in due course, after contemplating this event for 6 months or a year afterward, eventually, they will be able to recover their sense of balance and their sense of prespective about things in the world.

On the other hand, it does occur to me that while my colleagues are not responsible for this, neither are they entirely without blame for what is about to transpire. I would like to have it on the record of this body that at this very moment, the Senator from New York [Mr. D'AMATO] is on the verge of transgressing not only the rules of the Senate but, indeed, he comes close to offending the highest and best standards of interior design and architecture by erecting in the Hart Senate Office Building a monstrosity of an object which is posted in his window, in some way trying to glorify this team that is going to go out west to Pasadena a week from Sunday. Not only does it violate standards of good taste but it threatens to distract public attention from the tasteful object of art which has been erected in my own office window celebrating the fame of the Denver Broncos.

Moreover, Mr. President, I would have to say that not only is Senator D'AMATO at risk of debasing public property in this way, but it is probably only the mayor of New York who really has the right handle on this. He has declined to give a ticker-tape parade for this team—no doubt due to the evident schizophrenia with respect to the team. I think we should not go forward with this Super Bowl game out in California until we have some clarification whether this is a New York team or a New Jersey team. How can they expect to compete with the world-famous Denver Broncos if they do not even know where they are coming from?

Mr. President, you will never hear any doubt about where the Broncos are from. You never hear them referred to as the Nebraska Broncos, or the Wyoming Broncos. Honest to Pete, Mr. President, it is a little embarrassing for me, as a representative of the State which is proud to be the home of the most outstanding football team of our time, to be forced to go into competition with a team which is either the New York Giants or the Meadowlands, New Jersey, Giants; we are not sure which.

Finally, Mr. President, it is with a certain degree of humility, a certain sense of consternation that I must report to the Senate and to my colleagues that my friend from New York [Mr. D'AMATO] has suggested a most unsuitable wager, which I have agreed to only with the greatest reluctance, in which it is suggested that, if I am willing to back my faith in the Denver Broncos with a generous ration of Colorado beef, he is willing to suggest as his part of the wager a Long Island duck.

Mr. D'AMATO. Which has survived.

Mr. ARMSTRONG. Mr. President, I just do not think that if I were a supporter of a team like those Giants, I would want to do that, because I think the team will be a dead duck after a week from Sunday. [Laughter.]

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York [Mr. D'AMATO].

Mr. D'AMATO. Mr. President, I might point out the history of this duck. He is called Lucky Duck. Three months ago, not many people would venture an opinion that Lucky Duck would be here to be wagered, double or nothing, as he survived the World Series and the challenge to the New York Mets by the team from Boston. Yet, Lucky Duck is here once again. Fame and fortune have come his way, irrespective of the fact that the mayor of New York City, my dear friend, Ed Koch, may not have realized for the moment that they were the New York Giants, who have given hope and fame to the entire region.

We know that Lucky Duck will survive and be with us once again. Our office will feast on the opulence of Denver steer. I wish we could have thrown in some Coors beer with it to wash it down. But we will provide the Genesee ale from New York.

Mr. President, I would like, if I might, to give tribute to those noble warriors, the Giants, and also fair warning to their gallant foes.

The first time they met, in last fall's icy breeze
The Giants brought Denver to their knees
So we're giving fair warning to Broncos who must:
Stay home from the Superbowl or you'll be crushed.

John Elway should simply use this occasion
To take a relaxing Bermuda vacation
And place-kicker Karlis should use all his power
To make sure he doesn't come out of the shower!

Or else they'll find Little Joe Morris there in a rush
To turn Denver's defense from Orange Crush into slush
With Taylor and Carson, Reasons and Burt,
The whole Bronco offense will surely eat dirt.

With Phil Simms as General, this awesome attack
Will see Mark Bavaro pass right through the cracks!
There's only one problem—the Giants will find
The scoreboard will only go up to ninety-nine.

I'm betting my duck against Bill Armstrong's steer
For udder disaster is now drawing near!
They'll be no dead ducks here when Denver is beaten
And you'd better believe that his cow will be eaten.

So after Parcells gets his Gatorade shower
We'll have a parade, no matter the place or the hour!
We'll eat Bronco meat, cause the Giants are chief
So, tell me, Bill Armstrong, Where's the Beef?

[Laughter.]

Mr. ARMSTRONG. Mr. President, I am dumbfounded by the statement which I have heard, by the temerity of my colleague. I am moved to state this parliamentary inquiry: Is it in order for a Senator to seek unanimous consent to revise a Senator's remarks?

The PRESIDING OFFICER. If the Senator would care to, I am sure that can be arranged.

Mr. ARMSTRONG. Would it be in order for me to move to revise the remarks of the Senator from New York?

The PRESIDING OFFICER. It would not be in order, I am afraid.

Mr. ARMSTRONG. Alas. I shall come back to that on another occasion. I thank my friend from New York.

Mr. D'AMATO. I thank my friend from Colorado and look forward to a continuation of this lively combat that only adds luster to the Senate and to the sports annals of America.

Mr. ARMSTRONG. Hear, hear.

Mr. PROXMIRE. Mr. President, will the Senator from New York yield?

Mr. D'AMATO. Certainly, Mr. President.

Mr. PROXMIRE. Mr. President, I must say the Senator from New York has surpassed the chutzpah that even he so excels in. After all, he does not represent the Jersey Mets or the Jersey Giants. There is only one Senator present who represents the Super Bowl champions. He is sitting in the chair. The Super Bowl champions are the Chicago Bears. They are almost as good as the Green Bay Packers.

I must say to my good friends I have been entertained by this. I hope they will not be swept away and feel that somehow, one of these two is going to represent the Super Bowl champions. No, they will not, either, because it is going to be LAUTENBERG, and BRADLEY, of course. Either LAUTENBERG or BRADLEY or BILL ARMSTRONG is going to represent a Super Bowl champion 2 weeks from now.

But at the present time, as I say, ALAN DIXON and PAUL SIMON represent the real Super Bowl champions, the Bears.

Mr. D'AMATO. Hear, hear.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PROXMIRE). Without objection, it is so ordered.

Mr. DIXON. Mr. President, I thank the distinguished senior Senator from Wisconsin for his eloquent remarks which so obviously stated the clear fact that the Super Bowl champions are the great Chicago Bears, who had a very difficult time recently because of some quarterback troubles but we will certainly be back again next year. I expect to make a similar speech to those made by the distinguished Senators from Colorado and New York when we sweep past the Green Bay Packers and others and again establish the fact that the Chicago Bears are the greatest football team in the world.

THE TENOR OF NEWLY INTRODUCED BILLS

Mr. ARMSTRONG. Mr. President, there is a line in one of Shakespeare's plays to the effect "And where I did begin, there I shall end." Somehow that expresses a great human truth that we should not lose sight of as this session of the 100th Congress begins. I am dismayed to report that upon reviewing the first day's proceedings of the Senate, not less than 359 bills were introduced and the general tone and tenor of those bills, with some exceptions, of course, is not one which gives promise of a highly productive session for 1987 and 1988.

Among these bills were proposals to create new Government agencies and offices, bills to start new spending programs and to enlarge those which already exist, and even, I am dismayed to report, a bill to repeal the Gramm-Rudman spending restraint plan.

Now, Mr. President, sprinkled in among these 359 bills, I am glad to say, are some measures which I fully support, such as that to deny a pay raise for Members of Congress, a bill not to repeal but to strengthen Gramm-Rudman, and a constitutional amendment requiring a balanced budget.

Mr. President, I think as we begin this session of Congress we ought to think seriously about where we are. I urge my colleagues to reflect very carefully before, in the enthusiasm of the new session, with a new majority in control of this Chamber, we enact the kind of legislation which is overwhelmingly represented in the bills introduced during this first week of the session.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DIXON). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO FRANK P. SAMFORD, JR.

Mr. HEFLIN. Mr. President, it was with great sadness and a personal sense of loss that I recently learned of the passing of my friend, Frank P. Samford, Jr., of Brimingham, AL. Frank was truly an outstanding individual. Not only was he an innovative, imaginative businessman and a caring, concerned member of his community, but he was also a loving, devoted husband and father and a trusted friend. He will be missed by all who knew him and by those many people who were touched by his special manner.

Frank Samford was born on January 29, 1921, to a family which has had a long history of achievement and public service to the State of Alabama. His great-grandfather served in the U.S. House of Representatives, and then as Governor of my State in 1900. His grandfather, Judge William H. Samford, was a judge in the Alabama Court of Appeals, and his father was a devoted civic leader and respected businessman who fostered many great causes through his life, including the establishment of Samford University.

Frank was born in Montgomery, attended Auburn University and then received his bachelors degree from Yale College in 1942. After graduating from college, he married Virginia Suydam, with whom he had attended public school. In that same year, he answered the call of his Nation, and served as an officer in the U.S. Navy during World War II, stationed on a destroyer which had tours in both the Atlantic and Pacific theaters of conflict. Upon his return, Frank enrolled in the University of Alabama Law School, where he graduated first in his class. We were classmates in law school and it was there that our friendship began.

After graduating from law school, Frank became a securities analyst with the Liberty Naitonal Life Insurance Co., of Birmingham, where his father was president and chief executive officer. Frank became president of Liberty National in 1960, succeeded his father as chief executive officer in 1967, and as chairman of the board in 1973. In 1979, he led the forming of Torchmark Corp., a holding company which diversified into such businesses as investments and aircraft leasing. Under his direction, the Liberty National Life Insurance Co., became one of the Nation's leading financial services conglomerates. In recognition of his ability and success, Frank was twice awarded The Silver Award of The Wall Street Transcript, as a runner-up to the outstanding chief executive in the life insurance industry. In addition to the guidance that he offered to Liberty National, Frank served on the corporate boards of various companies in Alabama, such as the BellSouth Co., Golden Enterprises, Inc., the Southern Co., and South Central Bell. He also served as director of the Birmingham Branch of the Federal Reserve Bank. Thus, he was responsible in no small way for the economic well-being of my State through his efforts in directing the affairs of so many businesses.

Throughout his life, Frank also devoted himself to organizations and efforts which provided a direct benefit to his community and State. He offered essential leadership to learning institutions such as Auburn University and Samford College, which was named for his father. Other groups enjoyed his support as well. He served as chairman of the Jefferson County United Appeal, and as a trustee of the Jefferson County Community Chest.

Mr. President, the example of citizenship and involvement which Frank Samford has left is one which should be examined and emulated by all. He fulfilled his duty to his fellow man in an outstanding capacity, and forever worked to offer others many of the advantages that he, himself, had enjoyed. In this and other ways, Frank Samford embodied the definition of a true gentleman. I will miss the special friendship that he offered.

Mr. President, I ask unanimous consent that articles from the Birmingham Post-Herald and the Birmingham News be printed in the CONGRESSIONAL RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

BUSINESSMAN FRANK SAMFORD DIES

(By Andrew Kilpatrick)

Frank P. Samford, Jr., one of the nation's outstanding businessmen and longtime chairman of the board and chief executive officer of Torchmark Corp. in Birmingham, died Saturday morning.

He died at his home in Hilton Head, S.C., after a long battle with cancer. He was 65.

He was chairman of the executive committee of Torchmark, an insurance services company in Birmingham. The firm is the parent company of Liberty National Life Insurance Co.

In 1984, Samford received The Wall Street Transcript Gold Award as the nation's top insurance chief executive.

"He was one the most productive citizens in our state," Gov. George Wallace said Saturday. "He was a fine citizen. I feel a sense of personal loss."

Torchmark was created in 1979 from Liberty National Life Insurance Co. and Samford, who spent his entire career with Liberty National company, led Torchmark through a series of acquisitions that paid enourmous dividends over the years.

"It was Frank's vision to form a diversified insurance and financial services company that led to the formation of Torchmark," said R.K. Richey, now chairman and chief executive officer of Torchmark.

For years Samford has been a major business and civic leader in Birmingham.

In 1984, Samford was named one of Birmingham's top community leaders in a Birmingham Post-Herald survey.

He joined Liberty National in 1947 as a securities analyst, succeeding his father, Frank P. Samford Sr., as president in 1960, and as chairman in 1973.

Samford an his father guided Liberty National and later Torchmark for 50 years as the business grew in assets from less then $1 million to more than $3.4 billion

Samford attended Auburn University and was graduated from Yale University in 1942.

After serving as a U.S. Navy officer for three years, he returned to the University of Alabama's law school where he graduated first in his class.

Samford was a major benefactor of Samford University, which was named for Samford's father.

Samford's grandfather served on the Court of Appeals of Alabama and his great-grandfather was governor of Alabama from 1900–1901.

Samford is survived by his wife, the former Virginia Suydam, whom he married in 1942, and four children: Frank P. Samford III of Atlanta; Laura S. Armitage of Washington D.C.; John S.P. Samford of Birmingham; and Mae S. Robertson of New Rochelle, N.Y.

Memorial services well be held at the Independent Presbyterian Church on Highland Avenue at 11 a.m. tomorrow.

Private interment will be in the family plot at Elmwood Cemetery, Ridout's Southside directing.

The family asks that any memorials be made to Samford University, Auburn University or the Jefferson County United Way.

[From The Birmingham News, Dec. 7, 1986]

FRANK SAMFORD JR., BUSINESS COMMUNITY LEADER, DIES AT 65

(By Kent Faulk)

Frank Samford Jr., the man credited with transforming Birmingham-based Liberty National Life Insurance Co. into one of the nation's leading financial services conglomerates, died Saturday of cancer.

Samford, 65, died in Hilton Head, S.C. At the time of his death, he was chairman of the executive committee of Torchmark Corp., parent company of Liberty National and one of the largest insurance organizations in the nation.

Samford was elected a director of Liberty National Life Insurance Co. in 1950, became president in 1960 and succeeded his father, Frank P. Samford Sr., in 1967 as chief executive officer and as chairman of the board in 1973.

In 1979, he led the forming of Torchmark Corp., a holding company. Beginning that year, Torchmark diversified into such businesses as investments and aircraft leasing.

Samford served as president, chief executive officer and later chairman of the board of Torchmark. He relinquished the top position recently but retained his position as a director.

He twice received the Silver Award of The Wall Street Transcript as a runner-up to the outstanding chief executive in the life insurance industry. He also held positions on a number of corporate and non-profit boards, including BellSouth Corp., South Central Bell and Auburn University.

Samford attended Auburn University and graduated from Yale University in 1942. After serving in the U.S. Navy during World War II, he graduated from the University of Alabama Law School.

Some of Samford's friends and associates remember him as a "free-spirit" who didn't follow trends.

He wore a beard when it wasn't fashionable for executives, and he was involved in many activities outside the business world.

"He was very innovative," said Brant Beene, director of advertising and sales promotion for Liberty National.

Nelson Cole, a friend of 20 years, said Samford was very involved in physical fitness and ran in foot races. "He used to ride a bicycle to work . . . and was probably very instrumental in getting the fitness center for employees in the Liberty National building," he said.

Ira Burleson, who retired as vice chairman of the board of Torchmark earlier this year, said Samford was "highly capable" of any job that he undertook. "He was a true gentleman in every respect. He was soft-spoken but quite firm in the direction he wanted to go," he said.

Samford is survived by his wife of 42 years, the former Virginia Suydam; two sons, Frank P. Samford III of Atlanta, Ga., and John S.P. Samford of Birmingham; and two daughters, Laura S. Armitage of Washington, D.C., and Mae S. Robertson of New Rochell, N.Y.

Memorial services will be held Tuesday at 11 a.m. at the Independent Presbyterian Church on Highland Avenue. A private burial will be in the family plot at Elmwood Cemetery, with Rideout's Southside directing.

The family suggests memorials be made to Samford University, Auburn University or the Jefferson County United Way.

TRIBUTE TO ROLAND ROBISON

Mr. HATCH. Mr. President, as the new year begins and as the holiday season ends, the majority of Americans and people around the world typically tend to reflect on the personal and professional accomplishments and challenges of both the year past and in the year ahead.

In this vein, I would like to take the opportunity to express my thanks and admiration for a professional employee of the Bureau of Land Management, whose contributions in 1986 and many years preceeding have been exemplary and have gone far beyond the call of duty.

Mr. Roland Robison, originally from Morgan County, UT, is currently the State BLM director in the State of Utah. In a State in which 70 percent of the lands are controlled by the Federal Government, the BLM director's job is, to put it mildly, enormous in scope and in ramification.

He is called upon to balance the interests of ranchers, miners, power projects, and environmental concerns on a daily basis. It would be difficult to imagine how any director could walk this fine line in a more equitable and practical matter than does this fine public servant.

An excellent example of his leadership has been the successful transfer of lands owed to the State of Utah since statehood. Because of the many controversies surrounding the questions of land values, efforts to complete this transaction had been stymied since 1972. Under Mr. Robison's guidance, 93,000 acres were successfully completed in 1983, and since that time, an additional 25,000 acres have been transferred to the State with total satisfaction of the claims planned in the near future.

In 1985, Mr. Robison received the department of the interior's Meritorious Service Award in recognition of his achievements, both as State BLM director and throughout his career.

This award highlights characteristics that Roland has exemplified over a public career which has spanned the range of deputy assistant secretary for land and water resources, assistant solicitor for energy and resources for the Department of the Interior, and as deputy attorney general for the State of Utah.

In these positions Mr. Robison has not only been a participant, but a contributor to decisions affecting national farm programs, industrial efforts, national electric power potential and land and mineral rights. While Mr. Robison is not the kind of man to seek attention or recognition, his commitment to excellence, his unique ability to communicate with individuals outside as well as inside government, and his dedication to his job warrant recognition.

Mr. President, the State of Utah is truly fortunate to have such a land manager at the head of the BLM State office, and I believe virtually every official, interest group, and members of the general public would agree.

TRIBUTE TO STEVE E. TONDERA

Mr. HEFLIN. Mr. President, it is with great honor that I rise today to pay tribute to Steve Ernest Tondera, of Huntsville, AL, who has provided the people of my State and the people of America with outstanding leadership, direction, and guidance in many different areas of life.

Originally a native of Waco, TX, Steve Tondera served for 2 years in the U.S. Army after attending Texas A&M University, and receiving a B.S. degree in mathematics and physics from Baylor University. While he was in the Army, Steve was stationed at Redstone Arsenal in Huntsville. After his discharge, he was employed by the U.S. Army Ballistic Command, and when NASA was formed in 1961, he obtained a transfer into that organization, where he has remained for more than 25 years.

In addition to his work with NASA, Steve owns the Diamond T Ranch outside of Huntsville, where he successfully runs a herd of Santa Gertrudis cattle. For many years, he has been active in the leadership of various cattle associations. He was elected as the first president of the Alabama Purebred Beef Breeder's Council, the president of the Santa Gertrudis Association, and various other cattle organizations. Last February, he was elected the 41st president of the Alabama Cattlemen's Association. During his tenure, he has worked to increase membership, to enlist the support and participation of youngsters in the 4-H and FFA programs, and to provide the cattle industry with energetic and imaginative leadership. Steve and the entire Alabama Cattlemen's Association have accomplished many great things in the last year, and I know that they will continue on this path in 1987. I, for one, will need their help in representing the cattle producers of my State. I applaud Steve's efforts on behalf of the cattlemen of Alabama.

Steve is also very active in the Baptist circles in Alabama. Last year, he was elected vice president, and this year, president of the Alabama Baptist Convention, becoming the first layman to hold the post of president since 1970. As president of the Alabama Baptists, Steve provides both strong leadership, and an open forum in which those who wish may express their views. In addition to his position as president of the State Convention of Baptists, Steve is a member of, and serves as chairman of deacons at First Baptist Church of Huntsville.

In a president's report to the members of the Alabama Cattlemen's Association, Steve pointed out that there are two kinds of people in this world, men of words and men of deeds. Steve Tondera is a man of deeds, but, even more importantly, he is a man who leads others through the example of his own actions. This is a rare and valuable man, in this day and age, but one from whom we can all learn.

I salute Steve Tondera for all that he has done to cultivate excellence in each of his endeavors—as a professional for NASA, as president of the Alabama Cattlemen's Association, and as president of the Alabama Baptist Convention. He is a great citizen who has worked toward the benefit of others. I look forward to the future, as he becomes involved in many other organizations, and groups, and to watch as his efforts bear plentiful fruit, as I know that they will.

Mr. President, I ask unanimous consent that the article from the Montgomery Advertiser be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NASA EMPLOYEE ELECTED PRESIDENT OF STATE'S BAPTISTS

MOBILE.—Steve Ernest Tondera, a 53-year-old cattle rancher and NASA employee from Huntsville, was elected president of the Alabama Baptist Convention on Wednesday, becoming the first layman to hold the post since 1970.

At a news conference, Tondera said he does not consider his politics as conservative or liberal, but he said it was "just wonderful" that Gov.-elect Guy Hunt is a practicing Primitive Baptist minister. "I do feel like that's a real asset."

As for his religious beliefs, Tondera said, "I think my theology is very conservative."

Tondera had been acting president since Nov. 1, when the Rev. Lewis Marler resigned as president for health reasons. Tondera was elected to a one-year term over the Rev. Glenn Weekley of Jasper during the closing session of the convention. Tondera, also president of the Alabama Cattlemen's Association, received 729 votes to 285 for Weekley.

The president's job is non-paying and in recent years has gone to a minister.

Elected first vice president was the Rev. Robert C. Pitman of Muscle Shoals and the Rev. Ralph Jones of Clanton was chosen second vice president of the convention.

A committee to the convention killed a resolution regarding the role of women in the pulpit, but the 1,400 delegates voted to condemn the teaching of humanism in schools.

Bob Duck, a convention spokesman, said the issue of women clerics would probably resurface when the church meets next year in Montgomery.

The motion to acknowledge women as equals, sponsored by the Music and Education Association, said women should share the respect and privileges inherent in God's work.

The Rev. Henry Cox, chairman of the resolutions committee which killed the measure Tuesday, said the wording could be interpreted to support the ordination of women.

"We felt the need to examine the controversial and potentially divisive issue more closely," Cox said. "Ordination of women is a local church matter."

At his news conference, Tondera agreed that the issue belongs in the local church because the Baptist denomination gives each church autonomy. "I can't legislate that. That would not be the thing to do," said Tondera.

Supporters said the intent of the resolution was not to push for ordination of women.

"It's a simple statement that women have a place in ministry. This is a resolution recognizing that," said Rev. Otis Brooks, pastor of Vestavia Hills Baptist Church. "I think it would pass if people understood what it means. We have women working with children, as missionaries and teachers."

On the issue of secular humanism, convention delegates, or "messengers," overwhelmingly objected to "direct or indirect indoctrination of humanism" and the omission of Christianity's role in history in textbooks.

Tondera said he does not have "any views at all" on religion in the classroom. But he said growing up in Texas, prayer and Bible reading were commonplace. He said his wife Bonnie, grew up in Colorado where the situation was just the opposite.

"I want my children when they go to school to learn to read and write," said Tondera.

The textbook resolution arose from a federal lawsuit filed in Mobile by some 600 parents and teachers who maintain some Alabama textbooks advance secular humanism while traditional religions are excluded.

Athough the motion did not mention the case, it indicated substantial support among Baptists for the fundamentalist Chirstian parents, many of them Southern Baptists, who sued the State Board of Education. A federal judge who presided in the trial of the case in Mobile has yet to rule.

During discussion of the humanism resolution, one speaker objected to talk of banning such books as "The Diary of Anne Frank."

"These books have a place in the schools," he said. Yet a voice vote indicated little objection to the resolution.

"I think most Baptists support the trial in the general sense. It's the immorality that folks don't like and the leaving out of religion," said Rev. Andrew W. Tampling, pastor of First Baptist Church of Birmingham.

The three-day meeting was the state organization's 164th annual convention. The messengers represent more than 1 million Southern Baptists in Alabama.

CONGRATULATIONS TO TOM SCARRITT

Mr. HEFLIN. Mr. President, I was delighted to learn that Tom Scarritt had been appointed as the new editorial page editor of the Birmingham News, and wish to take this opportunity to congratulate him on this honor. I know that he will continue to provide the leadership and example that has been the trademark of the News since it was established.

Tom has a long history of association with the newspaper business. His father, the late Charles W. Scarritt, was a fine newspaperman and a professor of journalism at the University of Alabama. His mother was also a reporter, and I suppose you could say that Tom was born in the business and raised between the rows. Tom graduated Phi Beta Kappa from the University of North Carolina at Chapel Hill School of Journalism. Before joining the News, he worked for the University of North Carolina student newspaper and the Chapel Hill newspaper. He interned at the Birmingham News the summer before he graduated.

Tom joined the Birmingham News in 1975, when he started as a general assignment reporter. After supervising coverage of the 1978 Alabama elections, the year in which I was elected to this august body, he served as the Washington correspondent for the News from 1979 until 1983. During this time, I found him to be extremely capable, fair, objective, and professional. I enjoyed working with him, and developed a great respect for his professionalism. In 1983, he returned to Birmingham to become news editor, and in March 1985, he became associate editorial page editor.

As a reporter, Tom has been presented with various newswriting awards, including one from the Alabama Press Association, and one from the State chapter of the Society of Professional Journalists, Sigma Delta Chi. He has also won the Troy State University Hector Award for editorial writing, and has twice won the Big N Award, offered by the News, itself, for journalistic excellence.

I would like to wish Tom Scarritt the best of luck in the next few years, and I am certain that he will provide the Birmingham News with great guidance objectivity as editorial page editor. I know that he will serve the public interest in an outstanding capacity, and that all will benefit from his efforts.

Mr. President, I ask unanimous consent that an article from the Birmingham News regarding Tom Scarritt's promotion, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE NEWS PUTS EDITORIAL PAGES UNDER DIRECTION OF TOM SCARRITT

Tom Scarritt, associate editorial page editor of the Birmingham News, has been named editorial page editor following the retirement of James R. McAdory, Jr.

Publisher Victor H. Hanson II announced Scarritt's new assignment, saying that although McAdory's place will not be easily filled, he has "great faith in Tom's skills and depth of knowledge. I have the utmost confidence in Tom Scarritt."

Scarritt, 33, was formerly Washington correspondent from 1979 to 1983, and has reported and edited for the News since 1975. He started as a general assignment reporter in 1975, was a westside metro reporter, then became metro editor.

As special projects editor, his next position, Scarritt supervised coverage of the 1978 Alabama elections and directed an in-depth report on the Tennessee-Tombigbee Waterway.

After more than four years as the newspaper's Washington correspondent, Scarritt moved back to Birmingham to become news editor in 1983. In that job, he decided what stories were used and where they were placed in the newspaper.

In March 1985, he became associate editorial page editor.

Editor James Jacobson said he is "confident that Tom Scarritt will bring thoughtful and energetic leadership to the editorial page of the Birmingham News."

"Under his direction," Jacobson said, "I expect the editorial page of this newspaper to play an important and constructive role in helping Alabama and Alabamians confront issues and think through the decisions that will determine how well we succeed in realizing our state's enormous potential."

Scarritt's work has won newswriting awards from the Alabama Press Association and the state chapter of the Society of Professional Journalists, Sigma Delta Chi. He has won the Troy State University Hector Award for editorial writing and twice won the News' Big N Award for journalistic excellence.

He grew up in the profession, as son of the late Charles W. Scarritt, a newspaperman and University of Alabama journalism professor. His mother was also a reporter, Scarritt said.

Scarritt is a Phi Beta Kappa graduate of the School of Journalism at the University of North Carolina at Chapel Hill and a member of the Society of Professional Journalists, Sigma Delta Chi, and the journalistic honorary Kappa Tau Alpha.

Before joining the News, he worked for the University of North Carolina student newspaper and the Chapel Hill Newspaper. He interned at the News the summer before he graduated.

Scarritt said he is looking forward to his new position.

"I think we're about to have some exciting times in Alabama with the total change in the executive branch, as well as the crises in education and economic development," he said. "I hope the News can have a positive role."

Scarritt and his wife Kathy, a lead systems analyst for the administrative computer center at the University of Alabama at Birmingham, have a 3-year-old daughter, Sara.

TRIBUTE TO JAMES R. McADORY, JR.

Mr. HEFLIN. Mr. President, it is my honor to rise, today to pay tribute to Mr. James R. McAdory, Jr., who recently retired as the editorial page editor of the Birmingham News, after spending 40 years with the company.

Throughout these years with the News, Mr. McAdory has labored above all else to better his community, his State, and his Nation. He has always served the public interest with the greatest integrity, and he is regarded by his colleagues and associates with the highest esteem. Furthermore, he has provided an indispensable and important service to the citizens of our State and Nation by helping to keep them better informed and knowledgeable of the important issues and matters which we constantly face together as a country. This service is often taken for granted, but Jimmy McAdory's extended efforts have not passed unnoticed.

Mr. McAdory, who is a native of Birmingham, received a degree in liberal arts from my alma mater, the Birmingham-Southern College. I was a classmate of Jimmy, and developed a friendship that has lasted throughout our lives. After serving for almost 2 years in the merchant marines during World War II, he performed graduate work at Columbia University in New York City, and then joined the staff of the Birmingham News as a police reporter in 1947. During his employment with the News, Mr. McAdory has worked in various different positions, including copy editor, makeup editor, book editor, Sunday editor, assistant managing editor, editor of what is now the life style section, and editor of several special sections. Above all else, he has said that he enjoys the writing jobs best.

Through the years, Mr. McAdory says that he has developed a conservative philosophy which I believe is interesting to note here. He believes that there is now a lack of rapport between the media and the Government, and that it will work to the detriment of society as a whole. He also says that he is worried about the intrusion of Government into the marketplace and the downfall of the American family.

Though Mr. McAdory has retired from the newspaper business, he plans to continue writing fiction. I believe that his experience, his dedication, and his expertise will provide the reading world with many great works. Any forthcoming books will be a welcome addition to his many existing efforts and accomplishments, for which we are already thankful.

James McAdory is an excellent, responsible journalist who has provided leadership through his example. He has worked to improve and enrich the lives of the citizens of my State, and I feel that his actions have helped to encourage the great degree of excellence that exists at the Birmingham News.

Mr. President, I ask unanimous consent that an article from the Birmingham News, which describes James McAdory's contributions, be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

McADORY RETIRES, BUT NOT FROM WRITING

(By Susan Cullen)

When James R. McAdory, Jr. came to work for The Birmingham News in 1947 as a police reporter, he made $27.50 a week, and he says he could "almost" live on it then.

"For years, I ate lunch for under 50 cents. The most I ever paid for a pair of shoes was $12. There were nice prices then, but the salary was commensurate," he said, laughing.

Last week, after 40 years at The News, McAdory retired as editorial page editor. Since 1947, he has been copy editor, makeup editor, book editor, Sunday editor, assistant managing editor, editor of what is now the Lifestyle section, and editor of several special sections.

"I've done every job on this paper except sports," he said, adding that the writing jobs were his favorite. Although the majority of his years were spent in administration, McAdory said it wasn't as much fun as writing.

"Administration is a pain in the you-know-what," he said.

McAdory, a native of Birmingham, said journalism has changed a good bit since he started in the business.

"There's a lack of rapport between the media and government," he said "It's going to work to the detriment of society as a whole."

McAdory said sources used to confide in reporters and trust them with information. "Now reporters go in with the attitude that everything's on the record," he said.

"Skepticism is one thing," he said, "but I don't think they should project hostility. Civility is a thing of the past, and it's cutting your nose off to spite your face."

McAdory, 65, was editorial page editor from 1972 until his retirement Thursday. He said writing editorials isn't so different from writing news stories, because both require reporting skills.

"Editorials are both interpretation and reporting," he said. "It's encapsulating a story in a series of opinions."

McAdory said he came by his conservative philosophy by experiencing the real world.

"I saw what worked and what didn't work," he said. "The problem with the liberal agenda is that their solutions create more problems than they solve.

"They just shore up the original intrusion of the government into the marketplace."

McAdory said welfare, for example, has stripped people of their independence and decision-making power, and has been "one of the most destructive forces" in the downfall of the American family. Many young couples don't marry because they'll lose their benefits, he said.

His conservatism has grown slowly over the years, McAdory said. "After World War II, I was as liberal as the rest of them," he said. "It was something in the air, like a virus," he said with a laugh.

He said he has stayed with the Birmingham News for so long partly because of the newspaper's growth over the years. "The company's been growing, and I've been a part of that growth," he said. "I wanted to hang around and see where it went."

There was a lot less to cover in Birmingham when McAdory started out, he said. "We used to have about one murder a month when I was a police reporter," he said, "and it was a very big deal."

He said it amazes him now to see the murders "stacked on top of each other" in the crime column of the newspaper.

He was graduated from Birmingham-Southern College with a degree in liberal arts, and did graduate work at Columbia University in New York City. He served 40 months in the Merchant Marine during World War II.

He plans to write a book now that he's retired, he said, "probably an adventure novel."

He has already written one, but said it's sitting on a shelf because the publisher said it needed "salacious material" before it could be printed. McAdory said he doubts he'll put any steamy stuff in his next book, "unless it comes as part of the plot.

"I'm not just going to dump it in there," he said.

He also plans to do some woodworking in his new-found spare time, he said, and give his house a long-overdue painting, inside and out.

His wife Addie Lee is looking forward to having him home, McAdory said. They have two children, Carmen and James III, and two grandchildren.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. Res 55. An original resolution authorizing expenditures by the Committee on Banking, Housing, and Urban Affairs; referred to the Committee on Rules and Administration.

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. Res. 56. An original resolution authorizing expenditures by the Committee on Energy and Natural Resources; referred to the Committee on Rules and Administration.

By Mr. NUNN, from the Committee on Armed Services, without amendment:

S. Res. 57. An original resolution authorizing expenditures by the Committee on Armed Services; referred to the Committee on Rules and Administration.

By Mr. STENNIS, from the Committee on Appropriations, without amendment:

S. Res. 58. An original resolution authorizing expenditures by the Committee on Appropriations; referred to the Committee on Rules and Administration.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRASSLEY (for himself and Mr. Wilson):

S. 309. A bill to prevent increases in the rates of pay of Members of Congress and certain other officers and employees of the Federal Government under the Federal Salary Act of 1967 without the approval of Congress; to the Committee on Governmental Affairs.

By Mr. BAUCUS (for himself, Mr. Boren, Mr. Burdick, Mr. Zorinsky, Mr. Exon, and Mr. Heflin):

S. 310. A bill to amend the Export Administration Act of 1979 to promote the export of United States agricultural commodities and the products thereof, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ZORINSKY:

S. 311. A bill to amend the Internal Revenue Code of 1986 to preclude all corporations engaged in farm product processing with gross receipts in excess of $100,000,000 from using cash accounting; to the Committee on Finance.

By Mr. STAFFORD (for himself, Mr. Moynihan, and Mr. Symms) (by request):

S. 312. A bill to authorize appropriations for certain highways in accordance with title 23, United States Code, and for other purposes; to the Committee on Environment and Public Works.

By Mr. SASSER:

S. 313. A bill to make permanent the duty-free importation of hatter's fur; to the Committee on Finance.

By Mr. PRESSLER (for himself, Mr. Matsunaga, Mr. Inouye, Mr. Heinz, Mr. Dodd, Mr. Stafford, Mr Cochran, and Mr. Simon):

S. 314. A bill to require certain telephones to be hearing aid compatible; to the Committee on Commerce, Science, and Transportation.

By Mr. DIXON (for himself and Mr. Simon):

S. 315. A bill to amend and extend the authorization for the Urban Mass Transportation Act of 1964; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. WALLOP (for himself, Mr. Durenberger, and Mr. Zorinsky):

S.J. Res. 18. A joint resolution to authorize and request the President to issue a proclamation designating June 1 through June 7, 1987 as "National Fishing Week"; to the Committee on the Judiciary.

By Mr. WARNER (for himself, Mr. Pell, Mr. Matsunaga, Mr. Chafee, Mr. Hollings, Mr. Trible, Mr. Heinz, Mr. McClure, Mr. Burdick, Mr. Johnston, Mr. Quayle, and Mr. Glenn):

S.J. Res. 19. A joint resolution to designate March 20, 1987 as "National Energy Education Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs:

S. Res. 55. An original resolution authorizing expenditures by the Committee on Banking, Housing, and Urban Affairs; to the Committee on Rules and Administration.

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources:

S. Res. 56. An original resolution authorizing expenditures by the Committee on Energy and Natural Resources; from the Committee on Energy and Natural Resources; to the Committee on Finance and the Committee on Rules and Administration, jointly.

By Mr. NUNN, from the Committee on Armed Services:

S. Res. 57. An original resolution authorizing expenditures by the Committee on Armed Services; to the Committee on Rules and Administration.

By Mr. STENNIS, from the Committee on Appropriations:

S. Res. 58. An original resolution authorizing expenditures by the Committee on Appropriations; to the Committee on Rules and Administration.

By Mr. ARMSTRONG (for himself and Mr. Wirth):

S. Res. 59. A resolution congratulating the Denver Broncos; ordered held at the desk.

By Mr. MURKOWSKI (for himself, Mr. Cranston, Mr. Simpson, Mr. Thurmond, Mr. Stafford, Mr. Specter, Mr. Matsunaga, Mr. DeConcini, Mr. Mitchell, Mr. Rockefeller, and Mr. Graham):

S. Con. Res. 7. A concurrent resolution to express the sense of the Congress regarding its opposition to reductions in Veterans' Administration funding levels to pay for health care for certain categories of eligible veterans; to the Committee on Veterans' Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for himself and Mr. Wilson):

S. 309. A bill to prevent increases in the rates of pay of Members of Congress and certain other officers and employees of the Federal Government under the Federal Salary Act of 1967 without the approval of Congress; to the Committee on Governmental Affairs.

PREVENTING AUTOMATIC PAY INCREASES FOR MEMBERS OF CONGRESS AND CERTAIN OTHER FEDERAL OFFICIALS

Mr. GRASSLEY. Mr. President, my purpose in speaking this morning is to introduce a bill that will change the method by which Members of Congress, the Cabinet, and other officials will now receive automatic pay raises. I am, of course, opposed to the pay raise that Congressmen are about to receive if Congress does not take negative action; but more important than my opposition to the pay raise per se is my opposition to the method by which that pay raise will be granted.

The heart of the problem is that current legislative procedure is rigged to allow pay raises to go into effect without a vote. The pay raise for top Government officials suggested in the President's budget will go into effect unless both Houses of Congress pass a resolution of disapproval within 30 days.

The legislation which I am introducing is very simple and straightforward. It requires that both Houses of Congress vote on a pay raise within 30 days of its submission by the President. The raise cannot go into effect unless Congress votes on it—yes or no.

I have concluded that the 30-day limit in my legislation is necessary so that Congress cannot dodge its responsibilities by including a pay raise in an omnibus spending bill at the end of the session. Congress is responsible for voting on any other increase in Federal expenditures. Congress has to approve every other dollar that is spent by the Federal Government. We are accountable to the voters for our decisions to increase or decrease other budget items. There is no reason why Congress should be able to duck its responsibilities on the pay raise issue.

Maybe we can learn something from history. During the Great Depression, Congress cut its pay by 10 percent to set an example for other Government agencies. Given the size of the Federal budget deficit today, I do not believe it is asking too much to require Congress to have a rollcall vote on a pay raise. I am not asking Congress to take a pay cut; I am simply asking that we vote on the issue.

In conclusion, Mr. President, in addition to this proposition of whether or not we should vote on a pay raise, we should consider: Do the people think we deserve a pay raise? I think that in these times of massive budget deficits, the answer is "No."

If we succeed with Gramm-Rudman and balance the budget by 1991, I would think that the people of this Nation would applaud Congress very much for its accomplishment. At that time, there might be more public support for a pay raise as a reward for accomplishing that goal.

So, Mr. President, I send this bill to the desk.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

Mr. WILSON. Mr President, I ask unanimous consent that my name be added as a cosponsor of the measure of the distinguished Senator from Iowa.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WILSON. Mr. President, I was unaware when I came to the floor this morning that the distinguished Senator from Iowa was going to make the presentation he has just concluded. I commend him for doing so. I join him and hope for its success.

By Mr. BAUCUS (for himself, Mr. BOREN, Mr. BURDICK, Mr. ZORINSKY, Mr. EXON, and Mr. HEFLIN):

S. 310. A bill to amend the Export Administration Act of 1979 to promote the export of U.S. agricultural commodities and the products thereof, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

(The remarks of Mr. BAUCUS and the text of the legislation appear earlier in today's RECORD.)

By Mr. ZORINSKY:

S. 311. A bill to amend the Internal Revenue Code of 1986 to preclude all corporations engaged in farm product processing with gross receipts in excess of $100,000,000 from using cash accounting; to the Committee on Finance.

ABUSIVE USE OF CASH ACCOUNTING BY LARGE FOOD PROCESSORS

● Mr. ZORINSKY. Mr. President, today I am introducing legislation to close an expensive and abusive tax loophole. Through this loophole, multimillion-dollar food processing companies call themselves "family farms" and thereby qualify for over half a billion dollars worth of tax breaks.

Current law allows certain large food processors to use the cash method of accounting instead of the accrual method. This provision is meant for small family farmers who cannot afford to employ the accountants needed to use the accrual method. By using cash accounting, these large companies deduct expenses in the current year that should be deducted in later years. This effectively allows the company to postpone paying its taxes. In one case, a company deferred $26 million of its taxes 1 year. Another company deferred $4 million.

This is obscene. My bill would end the charade by placing an income test on the relevant provision of the tax laws. No company with revenues of over $100 million would be allowed to call itself a family farm and thereby qualify to use cash accounting. Companies that play in these big leagues can afford to hire a few accountants and use the accrual method.

Some defenders of this loophole contend that it helps the small chicken farmers who do business with the companies that exploit the loophole. I find it difficult to take this argument seriously. It is far from clear that the farmers receive any benefit from the loophole. Chicken farmers associated with the processors who use cash accounting are in about the same economic situation as farmers associated with processors who do not use this loophole. The tax break goes to the company owners, not the farmers.

Even if some benefit does trickle down to the chicken farmers, why should we give a tax break to one farmer over another when they do the exact same thing? Are chicken farmers connected with Tyson's more deserving of a tax break that chicken farmers associated with Holly Farms? Each farmer works equally hard and they should be treated the same under the Tax Code. The playing field should be leveled. And, if truly we want to provide a tax break to the farmers, there is no need to filter that break through these mammoth processors. We can just give the break directly to the farmers.

But, this tax break doesn't really concern the chicken farmers. They are just a convenient cover for the big companies. And it's those big companies who have benefitted all these years. I am sorry, but Congress simply cannot afford to ladle out this kind of largesse anymore.

On November 6, 1986, I inserted into the CONGRESSIONAL RECORD 12 articles highlighting the inequity of this loophole. (The articles begin on page S. 17418.) To demonstrate how widespread outrage over this provision is, simply look at the diversity of sources for these articles: Newsweek, Forbes, the Washington Post, the Boston Globe, the Arkansas Gazette, the Arkansas Democrat, the Salisbury [Maryland] Daily Times, the Memphis Commercial Appeal, and the Omaha World-Herald. I commend all of the articles to my colleagues. The reading is truly enlightening.

I believe we missed a great opportunity during tax reform to close this loophole. However, we can redress that wrong by taking action this year. At a time when we are cutting funds to the poor, the ill, the elderly, and true family farmers, Congress should not dole out half a billion dollars to a handful of undeserving companies.

I urge my colleagues to give close consideration to this legislation. I particularly welcome input from those who are affected. Everyone should be on notice, however, that this is a change whose time has come.

I ask unanimous consent that the bill be printed at the close of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 311

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DENIAL OF USE OF CASH ACCOUNTING FOR ALL CORPORATIONS ENGAGED IN FARM PRODUCT PROCESSING WITH GROSS RECEIPTS IN EXCESS OF $100,000,000.

(a) IN GENERAL.—Section 447 of the Internal Revenue Code of 1986 (relating to method of accounting for corporations engaged in farming) is amended by adding at the end thereof the following new subsections:

"(i) Subsections (c) and (h) Only To Apply To Corporations Engaged in Farm Product Processing Having Gross Receipts of $100,000,000 or Less.—A corporation engaged in farm product processing shall not be treated as being described in subsection (c)(1) or (2) or subsection (h) unless such corporation meets the requirements of subsection (e), except that subsection (e) shall be applied—

"(1) by substituting '$100,000,000' for '$1,000,000', and

"(2) by substituting '1986' for '1975'.

"(j) Corporations Engaged in Farm Product Processing.—

"(1) General rule.—For purposes of this section, a corporation shall be treated as engaged in farm product processing if such corporation, including any person related to such corporation or any partnership in which such corporation or related person is a partner, engages in the slaughter, evisceration, processing, or other transformation of any crop, animal, or other farm product.

"(2) Related person.—For purposes of paragraph (1), a person is a related person to another person if—

"(A) the relationship between such persons would result in a disallowance of losses under section 267 or 707(b), or

"(B) such persons are corporations and the members of the same 3 or fewer families own at least 50 percent of the total combined voting power of all classes of stock entitled to vote or at least 50 percent of the total value of shares of all classes of stock of each such corporation.".

(b) Modification of Coordination With Section 481.—Section 447(f) of the Internal Revenue Code of 1986 (relating to coordination with section 481) is amended by adding at the end thereof the following new sentence:

"In the case of any change in method of accounting required by subsection (i), paragraph (3) shall be applied by substituting '4 taxable years' for '10 taxable years'."

(c) Conforming Amendment.—Section 447(d) of the Internal Revenue Code of 1986 (relating to members of the same family) is amended by striking out "subsection (c)(2)" and inserting in lieu thereof "subsections (c)(2) and (j)(2)".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1987.●

By Mr. STAFFORD (for himself, Mr. Moynihan, and Mr. Symms) (by request):

S. 312. A bill to authorize appropriations for certain highways in accordance with title 23, United States Code, and for other purposes; to the Committee on Environment and Public Works.

ESSENTIAL HIGHWAY REAUTHORIZATION AMENDMENTS

● Mr. STAFFORD. Mr. President, because highway legislation was not completed last year, the Committee on Environment and Public Works plans to consider a highway bill as quickly as possible. For that reason, I ask unanimous consent that the highway legislation I am introducing today by request for the administration be printed in the Record. I also ask unanimous consent that the attached section-by-section analysis and the transmittal letter from Secretary Dole also be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 312

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Essential Highway Reauthorization Amendments of 1987".

TITLE I

SHORT TITLE

Sec. 101. This title may be cited as the "Federal-Aid Highway Act of 1987".

AUTHORIZATIONS

Sec. 102. (a) The following sums are hereby authorized to be appropriated out of the Highway Account of the Highway Trust Fund:

(1) For the Federal-aid Interstate-primary program $8,160,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990, and such sums as may be necessary to carry out the minimum apportionment requirements of section 104(d)(1)(A)(iii)(IV).

(2) For the Interstate substitution program $500,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(3) For the bridge replacement and rehabilitation program $1,250,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(4) For carrying out the territorial highway program under section 215(a) of title 23, United States Code—

(A) for the Virgin Islands, $5,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(B) for Guam, $5,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(C) for American Samoa, $1,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(D) for the Commonwealth of the Northern Mariana Islands, $1,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(5) For carrying out the Federal Lands Highways Program under section 204 of title 23, United States Code—

(A) for forest highways, $75,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(B) for public lands highways, $25,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990;

(C) for Indian reservation roads, $75,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990;

(D) for park roads and parkways, $75,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990.

(6) For carrying out highway safety programs under section 402 of title 23, United States Code, by the Federal Highway Administration, $10,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990.

(7) For projects for the elimination of hazards of railway-highway crossings on any public road under section 130 of title 23, United States Code, $190,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990.

(8) For projects for elimination of hazards under section 152 of title 23, United States Code $175,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990.

(9) For the minimum apportionment under section 104 of title 23, United Sttes Code, such sums as may be necessary not to exceed $500,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990.

(10) For projects for emergency relief under section 125 of title 23, United States Code, $100,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990.

(b) There is authorized to be appropriated out of the Highway Account of the Highway Trust Fund for administrative expenses for Motor Carrier Safety $24,744,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990.

(c)(1) For each fiscal year, the authorization for the Federal-aid Interstate-primary program shall be increased by the amount that the average annual net highway tax receipts into the Highway Account of the Highway Trust Fund for the fiscal years 1987 through 1990, as estimated by the Secretary of the Treasury for the mid-session review immediately preceding the year of authorization, exceed the average annual net highway tax receipts into the Highway Account of the Highway Trust Fund for the fiscal years 1987 through 1990, as estimated by the Secretary of the Treasury in January of 1987 for the President's 1988 Budget.

(2) For each fiscal year that average annual net highway tax receipts into the Highway Account of the Highway Trust Fund for the fiscal years 1987 through 1990, as estimated by the Secretary of the Treasury in the mid-session review immediately preceding the year of authorization are less than average annual net highway tax receipts into the Highway Account of the Highway Trust Fund for the fiscal years 1987 through 1990, as estimated by the Secretary of the Treasury in January of 1987 for the President's 1988 Budget, authorizations will be reduced by the amount of such difference proportionately from the authorizations for the Highway Block Grant, the Federal-aid Interstate-primary program and the bridge replacement and rehabilitation program.

MAIN PUBLIC ROADS

Sec. 103. Section 101(a) of title 23, United States Code, is amended by adding the following: "the term 'main public road' means a public road that is not on a Federal-aid system and that is a rural major collector route, or a high traffic volume arterial and collector route in an urban area, including a route which provides access to an airport or other transportation terminal.".

INCOME FROM RIGHTS-OF-WAY

SEC. 104. Section 102 of title 23, United States Code, is amended to read as follows:

"§ 102. Income from rights-of-way

"States shall charge, as a minimum, fair market value, with exceptions granted at the discretion of the Secretary for social, environmental, and economic mitigation purposes, for the sale, use, lease or lease renewals, other than for utility use and occupancy, of right-of-way airspace acquired as a result of a project under this chapter. This section applies to new airspace usage proposals, renewals of prior agreements, arrangements, or leases entered into by the state subsequent to the effective date of this section. The federal share of net income from the revenues obtained by the State for sales, uses or leases under this section shall be used by the State for projects eligible under this chapter or chapter 5.".

FEDERAL-AID SYSTEMS

SEC. 105. Section 103 of title 23, United States Code, is amended to read as follows:

"§ 103. Federal-aid systems

"(a) The Federal-aid primary system is established and continued pursuant to this section and shall consist of an adequate system of connected main routes important to interstate, statewide, and regional travel, consisting of rural arterial routes and their extensions into or through urban areas. The Federal-aid primary system shall be as designated by each State acting through its State highway department. The Secretary shall have authority to approve in whole or in part the Federal-aid primary system as and when such system or portions thereof is designated, or to require modifications or revisions thereof.

"(b)(1) The Interstate System is established and continued, shall be designated within the United States, including the District of Columbia, and shall not exceed forty-three thousand miles in total extent. It shall be so located as to connect by routes, as direct as practicable, the principal metropolitan areas, cities, and industrial centers, to serve the national defense, and to the greatest extent possible, to connect at suitable border points with routes of continental importance in the Dominion of Canada and the Republic of Mexico. The routes of this system, to the greatest extent possible, shall be selected by joint action of the State highway department of each State and the adjoining States. All highways or routes included in the Interstate System as finally approved if not already coincident with the primary system, shall be added to said system. The Interstate System may be located both in rural and urban areas. After the date of enactment of the Federal-Aid Highway Act of 1987, the Secretary may not designate any mileage as part of the Interstate System pursuant to this paragraph or under any other provision of law. The preceding sentence shall not apply to a designation made under section 139 of this title.

"(2)(A) Sums made available to the Secretary under section 103(e)(4) of this title, before October 1, 1986, in substitution for withdrawn Interstate routes or portions thereof, shall be available to the Secretary to incur obligations for the Federal share of either public mass transit capital projects, highway construction projects on a Federal-aid system or on any main public road, or for activities provided in sections 134 and 307, which will serve the area or areas from which the Interstate route or portion was withdrawn, which shall be selected by the responsible local officials of the area or areas to be served, and which are submitted by the Governors of the States in which the withdrawn route was located, except if the withdrawn route was not within an urbanized area or did not pass through and connect urbanized areas, substitute projects shall be selected by the Governor or the Governors of the State or the States in which the withdrawn route was located, in consultation with the responsible local officials of the area or areas to be served. Federal-aid highway construction projects constructed with funds under this paragraph shall be subject to all provisions of this title applicable to the appropriate Federal-aid system. Off system highway construction projects constructed with funds under this paragraph shall be subject to the provisions of this title applicable to Federal-aid primary system, projects: *Provided,* That highway block grant procedures under chapter 5 may be used at the discretion of the Secretary.

"(B) Approval by the Secretary of the plans, specifications, and estimates for a substitute project shall be deemed to be a contractual obligation of the Federal Government.

"(C) Funds available for expenditure to carry out the purposes of this paragraph shall be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964, as amended. The provisions of section 3(e)(4) of the Urban Mass Transportation Act of 1964, as amended, shall apply in carrying out this paragraph.

"(C) Notwithstanding any other provision of law, upon approval of any Federal-aid system withdrawal, deletion, or location modification—

"(1) a State shall not be required to refund to the Highway Account of the Highway Trust Fund any sums paid to the State for intangible costs;

"(2) a State shall refund to the Highway Account of the Highway Trust Fund the costs of construction items, materials, and rights-of-way, except that, subject to the approval of the Secretary, a refund will not be required if such items, materials, and rights-of-way have been or will be applied by the State or political subdivision thereof to a transportation project under this title within ten years from the date of approval of such system action;

"(3) nothing in this subsection shall in any way alter rights under State law of persons owning property within the right-of-way immediately prior to such property being obtained by the State; and

"(4) the Federal share of the cost of construction items, materials, and rights-of-way sold, transferred to previous owners under State law, or otherwise not used for a transportation project shall be refunded and credited to the State's unobligated balance for the Federal-Aid Interstate-Primary Program.".

APPORTIONMENT AND ALLOCATION

SEC. 106. Section 104 of title 23, United States Code, is amended to read as follows:

"§ 104. Apportionment and allocation

"(a) On October 1 of each fiscal year, or as soon thereafter as is practicable, the Secretary shall deduct not to exceed 3¾ per centum of the sums authorized to be appropriated for expenditure for any purpose under this chapter for that fiscal year for the purpose of administering the provisions of law to be financed from appropriations for this chapter and for carrying on the research authorized by subsections (a) and (b) of sections 307 and 403. In making a determination, the Secretary shall take into account the unexpended balance of any sums deducted in prior years. The sum deducted shall be available for expenditure until expended from the unexpended balance of any appropriations made at any time for expenditure for this chapter.

"(b)(1) On October 1 of each fiscal year, or as soon thereafter as is practicable, the Secretary, after making the deduction authorized by subsection (a) shall deduct one-half per centum of the remaining funds authorized to be appropriated for the Federal-aid Interstate-primary program for that fiscal year for the purpose of carrying out the objective of section 134.

"(2) Funds deducted under paragraph (1) shall be apportioned to the States in the ratio which the population in urbanized areas or parts thereof, in each State bears to the total population in urbanized areas in all the States as shown by the latest available census, except that no State shall receive less than one-half per centum of the amount apportioned.

(3) The funds apportioned to any State under paragraph (2) shall (A) in urbanized areas of two hundred thousand population or more be made available by the State to the metropolitan planning organizations designated as being responsible together with the State for carrying out the objective of section 134, and (B) in urbanized areas with population between fifty and two hundred thousand be available to the State for carrying out the objective of section 134 except that a State receiving the minimum apportionment under paragraph (2) may, in addition, subject to the approval of the Secretary, use the funds apportioned to finance transportation planning outside of urbanized areas. These funds shall be matched in accordance with section 120 unless the Secretary determines that the interests of the Federal-aid highway program will be best served without such matching.

"(4) The distribution within any State of the planning funds made available under paragraph (3) shall be in accordance with a formula developed by each State and approved by the Secretary which shall consider but not necessarily be limited to or include, population, status of planning, and urbanized area transportation needs.

"(c) On October 1 of each of the fiscal years, ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990, and September 30, 1991, or as soon thereafter as is practicable, the Secretary, after making deductions authorized by subsections (a) and (b), shall deduct one-quarter per centum of the remaining funds authorized to be appropriated for that fiscal year for the Federal-aid Interstate-primary, bridge replacement and rehabilitation, Interstate substitution, railway-highway crossings, and the hazard elimination programs for the purpose of carrying out the objectives of the Strategic Highway Research Program under section 133.

"(d)(1) On October 1 of each fiscal year, or as soon thereafter as is practicable, the Secretary, after making the deductions authorized by subsections (a), (b) and (c) shall apportion sums authorized to be appropriated for that fiscal year for the Federal-aid

Interstate-primary, bridge replacement and rehabilitation, Interstate substitution, railway-highway crossings, and hazard elimination programs among the several States in the following manner:

(A) For the Federal-aid Interstate-primary program—

(i) For each of the fiscal years 1987, 1988, 1989, and 1990, $2,000,000,000 shall be apportioned in the ratio which the estimated cost of completing the Interstate System in each State bears to the sum of the estimated cost of completing the Interstate System in all of the States as established in the Interstate Cost Estimate transmitted to the Congress in January of 1987 *provided* that the Secretary shall, as soon as is practicable, adjust the 1987 Interstate Cost Estimate to reflect previous allocations of Interstate discretionary funds and; *Provided* That no State shall receive more than its total cost to complete as contained in the adjourned 1987 Interstate Cost Estimate.

"(ii) 55 per centum of the sums remaining after the apportionment in paragraph (i) shall be apportioned (I), 55 per centum in the ratio that lane miles on the Interstate routes designated under sections 103 and 139(c) (other than those on toll roads not subject to a Secretarial agreement) in each State bears to the total of all such lane miles in all States and (II), 45 per centum in the ratio that vehicle miles traveled on lanes on the Interstate routes designated under sections 103 and 139(c) (other than those on toll roads not subject to a Secretarial agreement) in each State bears to the total of all such vehicle miles in all States. No State shall receive less than one-half per centum of the total apportionment under this paragraph.

"(iii) 45 per centum of the sums remaining after the apportionment in paragraph (i) shall be apportioned in accord with this paragraph:

"(I) The Secretary shall determine for each State the higher of the amount which would be apportioned under a formula where (aa) two-thirds would be apportioned, one-third in the ratio which the area of each State bears to the total area of all the States, one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all the States as shown by the latest available Federal census, and one-third in the ratio which the mileage of rural delivery routes and intercity mail routes where service is performed by motor vehicles in each State bears to the total mileage of rural delivery and intercity mail routes where service is performed by motor vehicles as shown by a certificate of the Postmaster General, which shall be made and furnished annually to the Secretary, and one-third would be apportioned in the ratio which the population in urban areas in each State bears to the total population in urban areas in all the States as shown by the latest Federal census with no State (other than the District of Columbia) to receive less than one-half per centum of each year's apportionment and the amount which would be apportioned to such State under a formula where (bb) each State would be apportioned one-half in the ratio which the population of rural areas of each State bears to the total population of rural areas in all the States as shown by the latest Federal census.

"(II) The Secretary shall total the amounts determined for each State under paragraph I and shall determine the ratio which the 45 per centum apportioned under paragraph (iii) bears to such total.

"(III) The amount which shall be apportioned to each State under paragraph (iii) shall be the amount determined for such State under paragraph (I) multiplied by the ratio determined under paragraph (II).

"(IV) No State shall receive an apportionment under paragraph (iii) which is less than the lower of (aa), the amount which the State would be apportioned under the formula in paragraph (I)(aa), and (bb), the amount which the State would be apportioned under the formula in paragraph (I)(bb). No State shall receive less than one-half per centum of the total apportionment under paragraph (iii).

"(B)(i) From authorizations for the bridge replacement and rehabilitation program the Secretary shall set aside $250,000,000 per fiscal year on October 1 of each of the fiscal years 1987 through 1990, or as soon thereafter as is practicable, for the discretionary bridge replacement and rehabilitation program.

"(ii) The remaining sums authorized to be appropriated for those fiscal years shall be apportioned by placing each deficient bridge on the Federal-aid primary system (other than Interstate System) in category (I), Federal-aid primary system (other than Interstate System) bridges eligibile for replacement, or (II), Federal-aid primary system (other than Interstate System) bridges eligible for rehabilitation. The square footage of deficient bridges in each category shall be multiplied by the respective unit price on a State-by-State basis, as determined by the respective unit price on a State-by-State basis, as determined by the Secretary; and the total cost in each State divided by the total cost of the deficient bridges in all States shall determine the apportionment factors. No State shall receive more than 10 per centum or less than 0.25 per centum of the total apportionment for any fiscal year. The Secretary shall make these determinations based upon the latest available data, which shall be updated annually.

"(C) For the Interstate substitution program 75 per centum of the funds authorized to be appropriated for each fiscal year shall be apportioned in the ratio that the withdrawal value for substitute projects for a State less amounts previously made available to that State for substitute projects bears to the withdrawal value for substitute projects for all the States less amounts previously made available to all the States for substitute projects.

"(D) For the railway-highway crossings program as follows:

"(i) 25 per centum: (I), one-third in the ratio which the area of each State bears to the total area of all the States, (II), one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all of the States as shown by the latest available Federal census, and (III), one-third in the ratio which the mileage of rural delivery and intercity mail routes where service is performed by motor vehicles, as shown by a certificate of the Postmaster General, which shall be made and furnished annually to the Secretary, in each State bears to the total mileage of rural delivery and intercity mail routes where service is performed by motor vehicles in all the States. No State (other than the District of Columbia) shall receive less than one-half per centum of the apportionment under this paragraph:

"(ii) 25 per centum: in the ratio that the population in urban areas, or parts thereof, in each State bears to the total population in urban areas, or parts thereof, in all States as shown by the latest available Federal census. No State shall receive less than one-half per centum of the apportionment under this paragraph; and

"(iii) 50 per centum in the ratio that total railway-highway crossings in each State bears to the total of such crossing in all the States.

"(E) For the hazard elimination program—apportionments shall be made as provided in section 402(c).

"(2) As soon as is practicable in each fiscal year the Secretary shall, after making the deductions authorized by subsections (a), (b), and (c) and the apportionments required by paragraphs (d) (1) (B) and (C), allocate sums authorized to be appropriated for the bridge replacement and rehabilitation program and the Interstate substitution program in the following manner:

"(A) The set-aside for the discretionary bridge replacement and rehabilitation program shall be allocated pursuant to the regulations in section 650 of title 23, Code of Federal Regulations, subpart D, as may be amended, for projects for primary system (other than Interstate System) highway bridges the replacement or rehabilitation cost of each of which is more than $10,000,000, and for projects for primary system (other than Interstate System) highway bridges the replacement or rehabilitation cost of which is less than $10,000,000 if such cost is at least twice the amount apportioned to the State in which such bridge is located under paragraph (d) (1) (B) for the fiscal year in which application is made for a grant for such bridge.

"(B) For the Interstate substitution program unapportioned funds shall be allocated at the discretion of the Secretary: *Provided,* That the Secretary shall give priority to withdrawal areas that have ready-to-go substitute projects that will complete their programs.

"(e)(1) On October 1 of each fiscal year, or as soon thereafter as is practicable, the Secretary shall apportion among the States amounts sufficient to insure that a State's percentage of the total apportionments in such fiscal year and allocations for the prior fiscal year from the Highway Account of the Highway Trust Fund, except for the minimum apportionment under this paragraph and apportionments or allocations for forest highways, Indian reservation roads, and parkways and park roads under section 202, highway related safety grants authorized by section 402, nonconstruction safety grants authorized by sections 402, 406, and 408, and Motor Carrier Safety Grants authorized by section 404 of the Surface Transportation Assistance Act of 1982, shall not be less than 85 per centum of the percentage of estimated tax payments attributable to highway users in that State paid into the Highway Account of the Highway Trust Fund in the latest fiscal year for which data are available: *Provided,* That total apportionments under this paragraph shall not exceed $500,000,000 per fiscal year for each of the fiscal years 1987, 1988, 1989 and 1990 and that eligible States shall receive a proportionate share of that sum in those fiscal years. Any funds which are withheld, reduced, or reserved from apportionment in a fiscal year by reason of failure to comply with a provision of this title or any other provision of law shall be treated as being apportioned in such year for purposes of calculating the apportionment under this paragraph.

"(2) Amounts apportioned under paragraph (1) may be obligated for highway construction projects on a Federal-aid system or on any main public road and shall be available for obligation under section 118. Federal-aid system projects constructed with funds under this subsection shall be subject to all provisions of this title applicable to the appropriate Federal-aid system. Off system projects constructed with funds under this subsection shall be subject to the provisions of this title applicable to Federal-aid primary system projects: *Provided*, That highway block grant procedures under chapter 5 may be used at the discretion of the Secretary.

"(f) On October 1 of each fiscal year, or as soon thereafter as is practicable, the Secretary shall certify to each of the States the sums apportioned and deducted in that fiscal year under this section. To permit the States to develop adequate plans for the utilization of apportioned sums, the Secretary shall, if possible, advise each State of the amount that will be apportioned each year under this section not later than ninety days before the beginning of the fiscal year of apportionment.

"(g) Not more than 40 per centum of the amount apportioned in any fiscal year to each State under paragraphs 104(d)(1)(B), 104(d)(1)(D), and 104(d)(1)(E) may be transferred from the apportionment under one paragraph to the apportionment under any other of such paragraphs if a transfer is requested by the State highway department and is approved by the Secretary as being in the public interest. The Secretary may approve the transfer of 100 per centum of the apportionment under one paragraph to the apportionment under any other of the paragraphs if a transfer is requested by the State highway department, and is approved by the Secretary as being in the public interest, and if the Secretary has received satisfactory assurances from the State highway department that the purposes of the program from which the funds are to be transferred have been met.".

ADVANCE ACQUISITION OF RIGHTS-OF-WAY

SEC. 107 (a) Section 108(c)(2) of title 23, United States Code, is amended by (1) striking ", without interest," and (2) adding at the end the following: "Advances for projects on the Interstate System shall be without interest. A State shall pay interest on other advances at the "current value of funds rate" used for Highway Trust Fund investments as prescribed and published by the Secretary of the Treasury, in effect at the time funds are advanced to the State and shall remain in effect until such advance is repaid.".

(b) Section 108(c)(3) of title 23, United States Code, is amended by striking the period at the end and inserting in its place "and in an amount equal to the interest due for deposit in and credit to, the Highway Account of the Highway Trust Fund.".

AGREEMENTS RELATING TO USE OF RIGHTS-OF-WAY

SEC. 108. Section 111 of title 23, United States Code, is amended by striking out the period at the end of the second sentence and inserting in lieu thereof ": *Provided, however*, That deliveries of duty free store merchandise to motor vehicle occupants at United States border crossings are allowable for the sole purpose of facilitating United States Customs Service supervision of exports, when the deliveries will not impair the full use and safety of the highways.".

LETTING OF CONTRACTS

SEC. 109. Section 112(b) of title 23, United States Code, is amended by inserting "or that an emergency situation exits" before the period at the end of the first sentence.

CONSTRUCTION

SEC. 110. (a) Section 114 of title 23, United States Code, is amended to read as follows:

"§ 114. Construction

"(a) The construction of any highway located on a Federal-aid system shall be undertaken by the respective State highway departments or under their direct supervison. The Secretary shall establish procedures for the Federal inspection and approval of construction. The construction work and labor in each State shall be performed under the laws of the State and applicable Federal laws. The State hghway department shall not erect any informational signs other than official traffic control devices conforming with standards approved by the Secretary on any project.

"(b) Convict labor shall not be used in construction except where performed by convicts on parole, supervised release, or probabtion.".

(b) The second sentence of section 121(c) of title 23, United States Code, is amended by striking out the words "following inspections".

MAINTENANCE

SEC. 111. Section 116 of title 23, United States Code, is amended by adding subsection (f) as follows:

"(f) The Secretary shall issue guidelines describing criteria applicable to the Interstate System in order to insure that the condition of these routes is maintained at the level required by the purposes for which they were designed and each State shall establish a program for maintaining the Interstate System in accordance with the guidelines. Each State shall certify, on January 1 of each year, that it has a maintenance program and that the Interstate System is being maintained under that program. If a State fails to certify as required, or if the Secretary determines that a State is to adequately maintaining the Interstate System, then the next apportionment of funds to the State for the Federal-aid Interstate-primary program shall be reduced by amounts of not more than 10 per centum of the amount which would otherwise be apportioned. If, within one year from the date of a reduction, the Secretary determines that the State is maintaining the Interstate System under the guidelines the apportionment of the State shall be increased by an amount equal to the reduction. If the Secretary does not make a favorable determination, within one year of a reduction, the amount of the reduction shall be reapportioned to all other eligible States"."

CERTIFICATION ACCEPTANCE

SEC. 112. (a) Section 117(a) of title 23, United States Code, is amended by (1) inserting "with an estimated cost of construction of less than $1,000,000" after "to projects" and by (2) striking ", except the Interstate System".

(b) Section 117(b) of such title is amended by striking "shall make a final inspection of each such project upon its completion and".

(c) Section 117(f) of such title is repealed.

SEC. 113. Section 118 to title 23, United States Code, is amended to read as follows:

"§ 118. Availability

"(a) On and after the date that the Secretary has certified to each State the sums apportioned or allocated under this title the sums shall be available for obligation.

"(b)(1) Sums apportioned for the Federal-aid Interstate-primary program in a State shall remain available for obligation in that State for a period of three years after the close of the fiscal year for which the sums are authorized and any amounts remaining unobligated at the end of the period shall lapse.

"(2)(A) Sums apportioned for bridge replacement and rehabilitation in a State shall remain available for obligation in that State for a period of three years after the close of the fiscal year for which the sums are authorized and any amounts apportioned remaining unobligated at the end of the period shall be allocated by the Secretary under section 104.

"(B) Sums allocated for bridge replacement and rehabilitation in a State shall remain available for obligation in that State until the close of the fiscal year of allocation and any amount remaining unobligated at the end of the period shall be reallocated by the Secretary under section 104.

"(3) Sums apportioned or allocated for the Interstate substitution program in a State shall remain available for obligation in that State for one year after the close of the fiscal year in which the sums are apportioned or allocated and any amounts remaining unobligated at the end of the period shall be reapportioned or reallocated, as the case may be, among those States which have obligate all sums apportioned or allocated, as the case may be, to them.

"(4) Sums apportioned for the minimum apportionment program in a State shall remain available for obligation in that State for three years after the close of the fiscal year in which the sums are apportioned and any amounts remaining unobligated at the end of the period shall lapse.

"(5) Sums authorized for emergency relief shall remain available for obligation for two years after the close of the fiscal year for which they are authorized and any amounts remaining unobligated at the end of the period shall lapse.

"(6) Sums apportioned or allocated for a particular purpose for any fiscal year shall be deemed to be obligated if a sum equal to the total of the sums apportioned or allocated to the State for that purpose for that fiscal year and previous fiscal years is obligated. Any funds released by the payment of the final voucher or by the modification of the formal project agreement shall be credited to the same class of funds previously apportioned or allocated to the State and be immediately available for obligation.

"(d) Funds made available to the State of Alaska under this title may be expended for construction of access and development roads on a Federal-aid system that will serve resource development, recreational, residential, commercial, industrial, or other like purposes.".

FEDERAL SHARE PAYABLE

SEC. 114. Section 120 of title 23, United States Code, is amended as follows:

"§ 120. Federal share payable

"(a) The Federal share payable on account of any project, financed with Federal-aid Interstate-primary program funds, on the Federal-aid primary system (other than the Interstate System as designated in sections 103(b) and 139(c) and as designated prior to March 9, 1984, in section 139(a) and (b)), or with bridge replacement and rehabilitation program funds shall either (1) not exceed 75 per centum of the cost of construction, except that in the case of any State containing nontaxable Indian lands, individual and tribal, and public domain lands (both reserved and unreserved), exclusive of national forests and national parks and monuments, exceeding 5 per centum of the total area of all lands therein, the Federal share may be increased by a percentage of the remaining costs equal to the percentage that the area of all such lands in such States, is of its total area, or (2) not to exceed 75 per centum of the cost of construction, except that in the case of any State containing nontaxable Indian lands, individual and tribal, public domain lands (both reserved and unreserved), national forests, and national parks and monuments, the Federal share may be increased by a percentage of the remaining cost equal to the percentage that the area of all such lands in such States is of its total area, except that the Federal share payable on any project in a State shall not exceed 95 per centum of the total cost of any such project. In any case where a State elects to have the Federal share provided in clause (2), the State must enter into an agreement with the Secretary covering a period of not less than one year, requiring such State to use solely for highway construction purposes (other than paying its share of projects approved under this title) during the period covered by the agreement the difference between the State's share as provided in clause (2) and what its share would be if it elected to pay the share provided in clause (1) for all projects subject to the agreement.

"(b) The Federal share payable on account of any project financed with Federal-aid Interstate-primary program funds on the Interstate System, as designated in sections 103(b) and 139(c) and as designated prior to March 9, 1984, in sections 139(a) and (b) shall not exceed 90 per centum of the total cost, plus a percentage of the remaining 10 per centum of the cost in any State containing unappropriated and unreserved public lands and nontaxable Indian lands, individual and tribal, exceeding 5 per centum of the total area of all lands therein, equal to the percentage that the area of the lands in the State is of its total area, except that the Federal share payable on any project in any State shall not exceed 95 per centum of the total cost of the project.

"(c) The Federal share payable on account of any project financed with Interstate substitution program funds shall not exceed 85 per centum of the cost.

"(d) The Secretary may rely on an annual statement to be provided by the Secretary of the Interior on the area of the lands referred to in subsections (a) and (b).

"(e) The Federal share payable on account of any project, financed with emergency relief funds under section 125, on the Federal-aid primary system (other than the Interstate System designated in section 103(b)) shall not exceed the Federal share payable provided in subsection (a) and on the Interstate System shall not exceed the Federal share payable provided in subsection (b): *Provided*, That the Federal share payable for eligible emergency repairs to minimize damage, protect facilities or restore essential traffic accomplished within thirty days after the actual occurrence may amount to 100 per centum of the cost: *And Provided*, That the Federal share payable on account of any project on Federal roads pursuant to section 204 and forest development and public lands development roads may amount to 100 per centum of the cost. The total cost of a project may not exceed the cost of repair or reconstruction of a comparable facility. As used in this section with respect to bridges and in section 144, 'a comparable facility' shall mean a facility which meets the current geometric and construction standards required for the types and volume of traffic which the facility will carry over its design life.

"(f) The Federal share payable on account of any project under this title in the Virgin Islands, Guam, American Samoa, or the Commonwealth of the Northern Mariana Islands shall not exceed 100 per centum of the total cost of the project.

"(g) The Federal share payable on account of any project financed under sections 104(b) and 307(c) shall not exceed 85 per centum, except that in the case of any State containing nontaxable Indian lands, individual and tribal, and public domain lands (both reserved and unreserved) exclusive of national forests and national parks and monuments, exceeding 5 per centum of the total area of all lands therein, the Federal share may be increased by a percentage of the remaining cost equal to the percentage that the area of all such lands in such State is of its total, area, except that the Federal share payable on any project in any State shall not exceed 95 per centum of the total cost of the project.

"(h) The Federal share payable on account of a project financed with minimum apportionment funds off the Federal-aid systems or on the Federal-aid primary system (other than the Interstate System) shall not exceed the Federal share payable provided in subsection (a) and on the Interstate System shall not exceed the Federal share payable provided in subsection (b).

"(i)(1) The Federal share payable on account of a project, financed with railway-highway crossings funds or hazard elimination funds shall not exceed 90 per centum of the cost of construction.

"(2) The Federal share payable on account of any project for the elimination of hazards of railway-highway crossings financed with Federal-aid Interstate-primary program funds, as more fully described and subject to the conditions and limitations set forth in section 130(a), may amount to 100 per centum of the cost of construction of the projects, except that not more than 75 per centum of the right-of-way and property damage costs, paid from public funds, on any such project, may be paid from sums apportioned in accordance with section 104(d)(1)(A): *Provided*, That not more than 10 per centum of all the sums apportioned for any fiscal year in accordance with section 104(d)(1)(A) shall be used under this paragraph.

"(j) The Secretary is authorized to cooperate with the State highway departments and with the Department of the Interior in the construction of Federal-aid highways within Indian reservations and national parks and monuments under the jurisdiction of the Department of the Interior and to pay the amount assumed therefor from the funds apportioned under section 104 to the State where the reservations and national parks and monuments are located.

"(k) A State may contribute an amount in excess of its normal share for any project under this title so as to decrease the Federal share payable on the project: *Provided*, That the use of this provision shall be subject to criteria established by the Secretary.

"(l) The Federal share payable on account of any project, financed with Federal Lands Highways funds under section 202 and 204, may amount to 100 per centum of the cost.".

EMERGENCY RELIEF

SEC. 115. Section 125 of title 23, United States Code, is amended to read as follows:

"§ 125. Emergency relief

"(a) Funds authorized for this section shall be available for obligation by the Secretary under the provisions of this title for the repair or reconstruction of highways which the Secretary shall find have suffered serious damage as the result of (1) a natural disaster over a wide area such as by floods, hurricanes, tidal waves, earthquakes, or severe storm, or (2) a catastrophic failure from any external cause, in any part of the United States. In no event shall funds be used pursuant to this section for the repair or reconstruction of bridges which have been permanently closed to all vehicular traffic by the State or responsible local official because of imminent danger of collapse due to structural deficiencies or physical deterioration. The Secretary may expend from any funds heretofore or hereafter appropriated for expenditure in accordance with the provisions of this title including existing Federal-aid appropriations, such sums as may be necessary for the immediate execution of the work herein authorized, such appropriations to be reimbursed from appropriations for emergency relief when made.

"(b) The Secretary may expend funds authorized for this section for the repair or reconstruction of highways on the Primary System including the Interstate System, under the provisions of this chapter: *Provided*, That obligations for projects under this section, including those on highways and roads mentioned in subsection (c), resulting from a single natural disaster or a single catastrophic failure shall not exceed $30,000,000 in any State. Actual and necessary costs of maintenance and operation of ferryboats providing temporary substitute highway traffic service, less the amount of fares charged, may be expended from the funds authorized for this section on the Interstate System and Primary System. Except as to highways, mentioned in subsection (c) of this section, no funds shall be expended unless the Secretary has received an application from the State highway department, and unless an emergency has been declared by the Governor of the State and concurred in by the Secretary, except that if the President has declared the emergency to be a major disaster for the purposes of the Disaster Relief Act of 1974 (Public Law 93-288) concurrence of the Secretary is not required.

"(c) The Secretary may expend funds from the funds authorized for this section, either independently or in cooperation with any other branch of the Government, State agency, organization, or person, for the repair or reconstruction of roads under section 204, for forest development roads and for public lands development roads.

"(d) For purposes of this section, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands shall be considered to be States and part of the United States, and the chief executive officer of each territory shall be considered to be a Governor of a State. The Secretary may expend funds from the sums authorized for this section for the repair or reconstruction of highways eligible for assistance under section 215: *Provided*, That obligations for projects under this subsection shall not exceed $5,000,000 in any fiscal year.".

VEHICLE WEIGHT LIMITATIONS—INTERSTATE SYSTEM

SEC. 116. Section 127(a) of title 23, United States Code, is amended by striking "authorized to be appropriated for any fiscal year under provisions of the Federal-aid Highway Act of 1956 shall be apportioned" and inserting in lieu thereof "shall be apportioned under section 104(d)(1)(A) of this title" and by (b) adding after the word "lapse" the following: "if not released and obligated within the availability period specified in section 118(b)(1) of this title".

TOLL ROADS, BRIDGES, TUNNELS, AND FERRIES

SEC. 117. (a) Section 129(g)(5) of title 23, United States Code, is amended by inserting "and operations between the State of Maine and its off-shore islands" after "Washington".

(b) Section 129 is further amended by addition of subsection (j) as follows:

"(j) Federal-aid Interstate-primary program funds may be obligated for an Interstate 4R project on a toll road designated as part of the Interstate System if an agreement satisfactory to the Secretary has been reached with the State highway department and any public authority with jurisdiction over the toll road prior to the approval of the project that the toll road will become free to the public upon the collection of tolls sufficient to liquidate the cost of the toll road or any bonds outstanding at the time constituting a valid lien against it, and the cost of maintenance and operation and debt service during the period of toll collections. The agreement referred to in the preceding sentence shall contain a provision requiring that if, for any reason, a toll road receiving Federal assistance under this subsection does not become free to the public upon collection of sufficient tolls, as specified in the preceding sentence, Federal funds used for projects on the toll road under this subsection shall be repaid to the Federal Treasury. The repayment shall be deposited in the Highway Account of the Highway Trust Fund.".

RAILWAY-HIGHWAY CROSSINGS

SEC. 118. Section 130 of title 23, United States Code, is amended to read as follows:

"§ 130. Railway-highway crossings

"(a) Except as provided in section 120, the entire cost of construction of projects for the elimination of hazards of railway-highway crossings, including the separation or protection of grades at crossings, the reconstruction of existing railroad grade crossing structures, and the relocation of highways to eliminate grade crossing may be paid from Federal-aid Interstate-primary program funds apportioned under section 104. In any case when the elimination of the hazards of a railway-highway crossing can be effected by the relocation of a portion of a railway at a cost estimated by the Secretary to be less than the cost of the elimination by one of the methods mentioned in the first sentence of this section, then the entire cost of the relocation project, except as provided in section 120, may be paid from Federal-aid Interstate-primary program funds apportioned under section 104.

"(b) The Secretary may classify the various types of projects involved in the elimination of hazards of railway-highway crossings, and may set for each classification a percentage of the costs of construction which shall represent the net benefit to the railroad or railroads for the purpose of determining the railroad's share of the cost of construction. The percentage determined shall not exceed 10 per centum. The Secretary shall determine the appropriate classification of each project.

"(c) Any railroad involved in a project for the elimination of hazards of railway-highway crossings paid for in whole or in part from sums made available for expenditure under this title, shall be liable to the United States for the net benefit to the railroad determined under the classification of the project made under subsection (b). Liability to the United States may be discharged by direct payment to the State highway department of the State in which the project is located, in which case the payment shall be credited to the cost of the project. The payment may consist in whole or in part of materials and labor furnished by the railroad in connection with the construction of the project. If any railroad fails to discharge liability within a six-month period after completion of the project, it shall be liable to the United States for its share of the cost, and the Secretary shall request the Attorney General to institute proceedings against the railroad for the recovery of the amount for which it is liable under this subsection. The Attorney General is authorized to bring proceedings on behalf of the United States, in the appropriate District Court of the United States, and the United States shall be entitled to recover the sums adjudged by the court. Any amounts recovered by the United States under this subsection shall be credited to the project.

"(d) Each State shall conduct and systematically maintain a survey of all highways to identify those railroad crossings which may require separation, relocation, or protective devices, and establish and implement a schedule of projects for this purpose. At a minimum, a schedule shall provide signs for all railroad-highway crossings.

"(e) Funds authorized to carry out this section may be expended for projects for the elimination of hazards of railway-highway crossings on any public road and shall be available for obligation in the same manner as Federal-aid Interstate-primary program funds. At least half of the funds authorized and expended for this section shall be available for the installation of protective devices at railway-highway crossings.".

STRATEGIC HIGHWAY RESEARCH PROGRAM

SEC. 119. Title 23, United States Code, is amended by adding section 133 as follows:

"§ 133. Strategic highway research program

"The sums provided by sections 104 and 501 shall be available for obligation when deducted to implement the Strategic Highway Research Program (SHRP). The Secretary is authorized to carry out the SHRP in cooperation with the State highway departments, as represented by the American Association of State Highway and Transportation Officials (AASHTO). The Secretary shall set standards to use the funds to conduct research, development and technology transfer activities determined to be strategically important to the national highway transportation system. The Secretary may provide grants to, and enter into cooperative agreements with either AASHTO or the National Academy of Science or both to conduct appropriate portions of the SHRP. Advance progress payments may be made as necessary. No State matching share is required. The funds shall be combined and administered by the Secretary as a single fund which shall be available for obligation for the same period as funds apportioned for the Federal-aid Interstate-primary program.".

TRANSPORTATION PLANNING IN CERTAIN URBAN AREAS

SEC. 120. Section 134 of title 23, United States Code, is amended to read as follows:

"§ 134. Transportation planning in certain urban areas

"(a) It is declared to be in the national interest to encourage and promote the development of transportation systems embracing various modes of transportation in a manner that will serve the States and local communities efficiently and effectively. The Secretary shall cooperate with State and local officials in accomplishing this objective. The responsible public officials of any urbanized area of fifty thousand population or more shall be consulted and their views considered with respect to the selection, corridor, location, and design of highway projects in the areas.

"(b) In urbanized areas of two hundred thousand population or more, the Secretary shall cooperate with State and local officials in carrying out a planning process including development of transportation plans and programs which are formulated on the basis of transportation needs with due consideration to comprehensive long-range land use plans, economic development, environmental, and system performance goals and objectives, and with due consideration to their probable effect on the future development of the urbanized areas. The planning process shall also include an analysis of alternative transportation system management and investment strategies to make more efficient use of existing transportation facilities. The process shall consider all appropriate modes of transportation and shall be continuing, cooperative, and comprehensive to the degree appropriate based on the complexity of transportation problems. The Secretary shall ensure that projects in any urbanized area of two hundred thousand or more are based on a continuing comprehensive transportation planning process carried on cooperatively by States and local communities acting through a metropolitan planning organization in conformance with the objective stated in this section.

"(c) Designation of metropolitan planning organizations shall be by agreement among the units of general purpose local government and the Governor.".

SKILL TRAINING

SEC. 121. (a) Section 140(a) of title 23, United States Code, is amended by (1) striking "subsection (a) of section 105 of this title" and inserting in lieu thereof "section 105", by (2) striking "He shall require that each" and inserting in lieu thereof, "Each", by (3) striking "he considers it", by (4) striking "which will enable him" and by (5) striking "he shall deem".

"(b) Section 140(b) of such title is amended by (1) striking "104(b) of this title" and inserting in lieu thereof "104", by (2) striking "such sums as he may deem necessary, not to exceed $2,500,000 for the transition quarter ending September 30, 1976,", by (3) striking $10,000,000" and inserting in lieu thereof "2,500,000" and by (4) striking "to the Secretary".

"(c) Section 140(c) of such title is amended by (1) striking "subsection 104(a) of this title" and inserting in lieu thereof "section 104", by (2) striking "such sums as he may deem necessary," and by (3) striking "to the Secretary".

"(d) Section 140(b) is further amended effective October 1, 1986, by adding at the end thereof the following:

"A State may obligate for skill training 0.1 per centum of the funds apportioned to it under section 104.".

(e) Section 140(b) is further amended effective September 30, 1988, by striking "Whenever apportionments are made under section 104, the Secretary shall deduct not to exceed $2,500,000 per fiscal year, for the administration of this subsection. The sums deducted shall remain available until expended.".

HIGHWAY BRIDGE REPLACEMENT AND REHABILITATION PROGRAM

SEC. 122. Section 144 of title 23, United States Code, is amended to read as follows:

"§ 144. Highway Bridge Replacement and Rehabilitation Program

"(a) Congress finds and declares it to be in the vital interest of the Nation that a highway bridge replacement and rehabilitation program be established to enable the States to replace or rehabilitate Federal-aid primary system (other than Interstate System) highway bridges over waterways, other topographical barriers, other highways, or railroads when the States and the Secretary find that a bridge is significantly important and is unsafe because of structural deficiencies, physical deterioration, or funcational obsolescence.

"(b)(1) The Secretary, in consultation with the States, shall (A), inventory all those highway bridges on public roads which are bridges over waterways, other topographical barriers, other highways, and railroads; (B), classify them according to serviceability, safety, and essentiality for public use; (C), based on that classification, assign each a priority for replacement or rehabilitation; and (D), determine the cost of replacing each bridge with a comparable facility or of rehabilitating the bridge. A current inventory of all bridges subject to the National Bridge Inspection Standards shall be maintained by the State.

"(2) The Secretary may, at the request of a State, inventory bridges on and off the Federal-aid systems, for historic significance.

"(c) Whenever a State makes an application to the Secretary for assistance in replacing or rehabilitating a highway bridge which the priority system under subsection (b) shows to be eligible and which is on the Federal-aid primary system (other than Interstate System) the Secretary may approve Federal participation in replacing the bridge with a comparable facility or in rehabilitating the bridge. The Secretary shall determine the eligibility of highway bridges for replacement or rehabilitation for each State based upon the unsafe highway bridges in the State. In approving projects under this section, the Secretary shall give consideration to those projects which will remove from service highway bridges most in danger of failure.

"(d) Notwithstanding any other provision of law, the General Bridge Act of 1946 (33 U.S.C. 525-533) shall apply to bridges authorized to be replaced, in whole or in part, by this section, except that subsection (b) of section 502 of the Act of 1946 and section 9 of the Act of March 3, 1899 (30 Stat. 1151) shall not apply to any bridge constructed, reconstructed, rehabilitated, or replaced with assistance under this title, if the bridge is over waters which are not used and are not susceptible to use in their natural condition or by reasonable improvements as a means to transport interstate or foreign commerce and which are not used by recreational boats, fishing vessels and other small craft twenty-six feet or greater in length.

"(e) As used in this section the term "rehabilitate" in any of its forms means major work necessary to restore the structural integrity of a bridge as well as work necessary to correct a major safety defect.".

FEDERAL-AID INTERSTATE-PRIMARY PROGRAM

SEC. 123. Section 146 of title 23, United States Code, is amended to read as follows:

"§ 146. Federal-aid Interstate-primary program

"(a) It is the national policy to bring all elements of the primary system up to standards established pursuant to section 109. To accomplish this policy the Federal-aid Interstate-primary program shall consist of projects for the construction, reconstruction, rehabilitation, restoration, and resurfacing or improvement of the primary system as designated in section 103(a) and the Interstate System as designated in sections 103(b)(1) and 139.

"(b) In approving projects under this section, the Secretary shall give priority consideration to projects to complete essential gaps in the Interstate System and for the reconstruction, rehabilitation, restoration and resurfacing of existing Interstate highway facilities. Reconstruction may include, but is not limited to, the addition of travel lanes and the construction and reconstruction of interchanges and overcrossings along existing completed Interstate routes, including the acquisition of right-of-way where necessary.".

FEDERAL LANDS HIGHWAYS PROGRAMS

SEC. 124. (a) Section 202(a) of title 23, United States Code, is amended to read as follows:

"(a) On October 1 of each fiscal year, or as soon thereafter as is practicable, the Secretary shall allocate the sums authorized to be appropriated for such fiscal year for forest highways within the Forest Service regions and States according to the relative needs of the various elements of the National Forest System taking into consideration the need for access as identified through renewable resource and land use planning and the impacts of such planning on existing transportation facilities. Relative need is expressed in terms of the following formula: one-half attributed to resource production consisting of the sum of timber volume planned to be sold and planned recreation use for each Forest Service Region expressed as a percent of the total for the National Forest System with equal weight being given to these two values; and one-half attributed to the forest traffic related construction cost for each Forest Service region expressed as a percent of the total for all forest highways. Forest traffic shall be expressed as the amount of vehicle traffic and miles of travel on forest highways to accomplish the management and use of the national forest system. The Secretary and the Secretary of Agriculture shall periodically and jointly determine the values used in the formula.".

(b) The third sentence of section 203 of such title is amended to read as follows: "The Secretary of the Department charged with administration of such funds has authority to approve a project which is part of a program of projects, and approval shall be deemed a contractual obligation of the United States for payment of the cost of the project.".

(c) Section 204(a) of such title is amended by inserting "(including policies concerning planning, research, design, construction, and maintenance)" after "Federal-aid systems,".

(d) The first and second sentences of section 204(b) of such title are amended to read as follows: "Funds available for forest highways shall be used by the Secretary and funds available for park roads and parkways, and Indian reservation roads shall be used by the Secretary and the Secretary of the Interior to pay for transportation planning, research and development, engineering, force account construction and competitive bid construction. Funds available for public lands highways shall be used by the Secretary to pay for construction.".

TERRITORIAL HIGHWAY PROGRAM

SEC. 125. Section 215(f) of title 23, United States Code, is amended to read as follows:

"(f) The provisions of chapter 1 that are applicable to Federal-Aid Interstate-Primary Program funds and to projects on the Federal-aid primary system other than the Interstate System shall apply to funds authorized, to funds obligated and to projects carried out under this section except as determined by the Secretary. A territorial Federal-aid highway system shall be designated in each territory which will include all highways eligible for funding under this section. The system shall be designated by the highway department of the territory subject to the approval of the Secretary. Funding provided under this section shall be available for highway construction projects on the territorial Federal-aid system.".

RESEARCH AND PLANNING

SEC. 126. (a) Section 307(c) of title 23, United States Code, is amended to read as follows:

"(c)(1) Not less than 1½ per centum of the sums apportioned each fiscal year to any State under section 104(d)(1) (A) and (B) shall be available for expenditure by the State highway department with the approval of the Secretary for the following purposes:

"(A) Engineering and economic surveys and investigations:

"(B) Planning of future highway programs and local public transportation systems, and their financing;

"(C) Studies of the economy, safety, operational efficiency and convenience of highway usage and their desirable regulation and equitable taxation;

"(D) Research and development necessary in connection with the planning, design, construction, traffic operations and maintenance of highways and highway systems, and the regulation and taxation of their use;

"(E) Study research and training on engineering standards and construction materials, including the evaluation and accreditation of inspection and testing; and

"(F) Technology transfer activities.

"(2) Sums made available under paragraph (1) shall be matched by the State under section 120 unless the Secretary determines that the interests of the Federal-aid highway program would be best served without such matching.

"(3) The sums provided under paragraph (1) of this subsection shall be combined and administered by the Secretary as a single fund which shall be available for obligation for the same period as funds apportioned for the Federal-aid Interstate-primary program.".

(b) Section 307(e) of such title is amended to read as follows:

"(e) The Secretary shall report to the Congress, in January of each year ending in an odd number, estimates of the future highway needs of the Nation, bridge projects approved under this title, current bridge inspections under this title, and recommendations for improvement of the bridge replacement and rehabilitation program.".

NATIONAL HIGHWAY INSTITUTE

Sec. 127. Section 321 (b) and (c) of title 23, United States Code, are amended to read as follows:

"(b) Not to exceed one-quarter per centum of all Federal-aid Interstate-primary program funds, apportioned to a State under section 104, shall be available for expenditure by the State highway department, subject to approval by the Secretary, for payment of not to exceed 75 per centum of the cost of tuition and direct educational expenses (but not travel, subsistence, or salaries) in connection with the education and training of State and local highway department employees as provided in this section.

"(c) Education and training of Federal, State, and local highway employees authorized by this section shall be provided by the Secretary at no cost to the States and local governments for those activities which result from Federal requirements, or, in the case where such education and training is to be paid for under subsection (b), by the State, subject to the approval of the Secretary, through grants and contracts with public and private agencies, institutions, individuals and the Institute.".

DONATIONS

Sec. 128. Section 323 of title 23, United States Code, is amended by inserting "(a)" immediately before the first sentence and by adding the following:

"(b)(1) A gift or donation under this section may be made at any time during the development of a project. A donation made prior to the approval of an environmental document prepared pursuant to the National Environmental Policy Act shall be made conditioned that—

"(A) all alternatives to a proposed alignment will be studied and considered pursuant to the National Environmental Policy Act;

"(B) donation of property will not influence the environmental processing of a project, the decision relative to the need to construct the project or the selection of a specific location; and

"(C) any property acquired by donation will be revested in its grantor or his successors in interest if the property is not required for the alignment chosen after completion of the environmental document.".

REGULATION OF TOLLS

Sec. 129. (a) Section 4 of the Bridge Act of 1906 (34 Stat. 85; 33 U.S.C. 494), as amended, is further amended by deleting the last sentence thereof.

(b) Section 17 of the Act of June 10, 1930 (46 Stat. 552; 33 U.S.C. 498a), as amended, is repealed.

(c) Section 1 of the Act of June 27, 1930 (46 Stat. 821; 33 U.S.C. 498b), as amended, is repealed.

(d) Sections 1-5 of the Act of August 21, 1935 (49 Stat. 670; 33 U.S.C. 503-507), as amended, are repealed.

(e) Sections 503 and 506 of the General Bridge Act of 1946 (60 Stat. 847, 848, 33 U.S.C. 526, 529), as amended, are repealed.

(f) Section 133 of Public Law 93-87 (87 Stat. 267; 33 U.S.C. 526a) is repealed.

(g) Section 6 of the International Bridge Act of 1972 (86 Stat. 732, 33 U.S.C. 535d) is repealed.

(h) Section 6(g)(4) of the Department of Transportation Act (80 Stat. 937, 49 U.S.C. 1655(g)(4)) is repealed.

INTERSTATE SYSTEM WITHDRAWALS

Sec. 130. Section 107(e) of the Federal-Aid Highway Act of 1978 is repealed.

BRIDGE CONSTRUCTION

Sec. 131. Section 530 of title 33, United States Code (chapter 753, title V, section 507 of the General Bridge Act of 1946, 60 Stat. 849), is amended to read as follows:

"§ 530. Bridges included.

"The provisions of section 525 of this title shall apply to bridges over the navigable waters of the United States constructed under the authority of said section and to all bridges heretofore constructed under authority granted by Congress, notwithstanding any conflicting toll provisions or other provisions in any Act authorizing the construction of such a bridge.".

INTERIM AMENDMENTS

Sec. 132. (a) Unobligated balances of Interstate construction funds available to a State on October 1, 1986, shall be available for obligation for Interstate construction projects or to convert Advance Construction Interstate projects until October 1, 1989. Whenever amounts available exceed the estimated cost of completing that State's portion of the Interstate System, the excess amount shall be eligible for expenditure for the Federal-aid Interstate-primary program. Unallocated Interstate discretionary funds shall be available for allocation until October 1, 1989.

(b) Unobligated balances apportioned to a State under section 104(b)(1) and (b)(5)(B) of title 23, United States Code, shall be available for obligation for projects under section 146 of such title.

(c) Unobligated balances apportioned to States for the Federal-aid secondary and urban systems may be obligated for highway construction projects on any main public road. Projects constructed with funds under this subsection shall be subject to the provisions of this title applicable to Federal-aid primary system projects provided that highway block grant procedures may be used at the discretion of the Secretary.

(d) Unobligated balances apportioned to a State for bridge replacement and rehabilitation shall be available for obligation under section 144 of title 23, United States Code.

(e) Notwithstanding sections 144 and 104(d)(2)(A) of title 23, United States Code, bridges that have been partially funded under discretionary bridge replacement and rehabilitation provisions of such title are eligible for funding from the discretionary bridge fund.

(f) Unobligated balances apportioned to the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands under the provisions of section 108 of the Highway Improvement Act of 1982 shall be considered to have been authorized to carry out the provisions of section 215 of title 23, United States Code.

(g) Unobligated balances apportioned to a State under section 203 of the Highway Safety Act of 1973 shall be available for projects under section 130 of title 23, United States Code.

TECHNICAL AND CONFORMING AMENDMENTS

Sec. 133. (a) Title 23, United States Code, is amended as follows:

(1) The tables of sections for chapters 1, 2, 3, and 4 are amended by (A) striking out "102. Authorizations." "118. Availability of sums apportioned." "119. Interstate resurfacing." "126. Diversion." "133. Repealed." "135. Traffic operations." "137. Fringe and corridor parking facilities." "143. Economic growth center development highways." "146. Repealed." "147. Priority primary routes." "148. Development of a national scenic and recreational highway." "150. Allocation of urban system funds." "151. Pavement marking demonstration program." "155. Access highways to public recreation areas on certain lakes." "156. Highways crossing other Federal projects." "157. Minimum allocation." "201. Authorizations." "211. Timber access road hearings." "213. Rama Road." "219. Safer of-system roads." and "322. Demonstration project-rail crossings.", and by (B) inserting in lieu thereof, respectively, "102. Income from rights-of-way." "118. Availability." "119. Repealed." "126. Repealed." "133. Strategic highway research program." "135. Repealed." "137. Repealed." "143. Repealed." "146. Federal-aid Interstate-primary program." "147. Repealed." "148. Repealed." "150. Repealed." "151. Repealed." "155. Repealed." "156. Repealed." "157. Repealed." "201. Repealed." "211. Repealed." "213. Repealed." "219. Repealed.", and "322. Repealed.".

Section 101 (a) is amended by (A) striking out "The term 'apportionment' in accordance with section 104 of this title includes unexpended apportionments made under prior acts.", by (B) striking out "subsection (b) of section 103" and inserting in lieu thereof "section 103(a)", by (C) striking out "The term 'Federal-aid secondary system' means the Federal-aid highway system described in subsection (c) of section 103 of this title.", by (D) striking out "The term 'Federal-aid urban system' means the Federal-aid highway system described in subsection (d) of section 103 of this title.", by (E) striking out "subsection (e) of section 103" and inserting in lieu thereof "section 103(b)", by (F) amending the definition of the term "park road" to read "The term 'park road' means a public road that is located within, or provides access to, an area in the national park system, with title and maintenance responsibilities vested in the United States." and by (G) amending the definition of the term "public lands highways" by striking "main highways" and inserting in lieu thereof "main public roads and roads on a Federal-aid system" and by striking ", which are on the Federal-aid systems".

(3) Section 105 is amended as follows:

(A) By striking out subsection (a) and inserting the following:

"(a) As soon as practicable in each fiscal year, the State highway department of any State desiring to avail itself of the benefits of this chapter shall submit to the Secretary for approval a program or programs of proposed projects for the utilization of the funds apportioned to the State under this chapter. The Secretary shall act upon programs submitted as soon as practicable and may approve a program in whole or in part.".

(B) By striking out subsection (b).

(C) By striking out subsection (c).

(D) By striking out subsection (d).

(E) By inserting a new subsection (b) as follows:

"(b) In approving programs for projects in urbanized areas the Secretary shall require that the projects be selected under section 134.".

(F) By relettering subsections (e), (f), (g), and (h) as subsections (c), (d), (e), and (f).

(4)(A) Subsection (b) of section 106 is repealed and subsections (c) and (d) are relettered as subsections (b) and (c).

(B) Relettered subsection (b) of section 106 is amended by striking out "10" and inserting in lieu thereof "15", and by striking out "estimate" and inserting in lieu thereof "estimated", and by striking the second sentence.

(5) Section 107(a)(2) is amended by striking out "10 per centum of the costs incurred by the Secretary, in acquiring such lands or interests in lands, or such lesser percentage which represents" and by striking out "as determined in accordance with subsection (c) of section 120 of this title".

(6)(A) Sections 109 (c) and (m) are repealed.

(B) Sections 109 (d), (e), (f), (g), (h), (i), (j), (k), and (l) are relettered as (c), (d), (e), (f), (g), (h), (i), (j), and (k) and 109 (n) and (o) are relettered as (l) and (m).

(7) Section 112(e) is repealed.

(8) Section 113 is amended by (A) striking "the Federal-aid systems, the primary and secondary, as well as their extensions in urban areas, and the Interstate System," and inserting in lieu thereof "on the Federal-aid primary and Interstate systems," and by (B) striking "267a" and inserting in lieu thereof "276a".

(9)(A) Section 115(a)(1) is amended by striking "funds apportioned or allocated to it under section 103(e)(4), 104 or 144 of this title, other than Interstate funds," and inserting in lieu thereof "Interstate substitute, Federal-aid Interstate-primary or bridge replacement and rehabilitation program funds apportioned or allocated to it under section 104"; by striking "funded under section 104(b)(5) of this title"; and by striking "103(e)(4), 104, or 144, respectively" and inserting in lieu thereof "104".

(B) Section 115(a)(2) is amended by striking "for section 103(e)(4), 104, or 144 of this title, as the case may be."

(C) Section 115(c) is amended by striking "103(e)(4), 104, or 144" and inserting in lieu thereof "104".

(10) Section 116 is amended by striking "on the Federal-aid secondary system, or within municipality," and inserting in lieu thereof "within a municipality".

(11) Section 119 is repealed.

(12) Section 121(d) is amended by striking "10" and inserting in lieu thereof "15", and by striking the third sentence.

(13) The first sentence of section 122 is amended to read as follows: "Any State that shall use the proceeds of bonds issued by the State, county, city, or other political subdivision of the State for the construction of one or more projects on the Federal-aid primary or Interstate System or for substitute projects may claim payment of any portion of the sums apportioned to it for expenditure on such system or on substitute projects to aid in the retirement of the principal of such bonds the proceeds of which were used for projects on the Federal-aid primary system or for substitute projects and the retirement of the principal and interest of such bonds the proceeds of which were used for projects on the Interstate System at their maturities, to the extent that the proceeds of such bonds have been actually expended in the construction of one or more of such projects.".

(14) Section 124(b) is amended by striking the last sentence.

(15) Section 126 is repealed.

(16) Section 128(b) is amended by inserting "or other record as prescribed by the Secretary" after "transcript".

(17) Section 135 is repealed.

(18) Section 137 is repealed.

(19)(A) Section 139(a) is amended by striking "103(e)" and inserting in lieu thereof "(103(b)(1)" and by striking the last sentence.

(B) Section 139(b) is amended by striking "paragraph 1 of subsection (e) of section 103" and inserting in lieu thereof "section 103(b)(1)", by striking "103(e)" and inserting in lieu thereof "103(b)(1)" and by striking the fourth sentence.

(C) Section 139(c) is amended by striking "103(e)(1)" and inserting in lieu thereof "103(b)(1)" and by striking the last sentence.

(20)(A) Section 141(b) is amended by striking "the Federal-aid urban system, and the Federal-aid secondary system,".

(B) Section 141(d) is amended by striking "104(b)(5)" and inserting in lieu thereof "104(d)(1)(A)" the two places "104(b)(5)" appears and by striking the word "Interstate".

(21)(A) Section 142(a) is amended by (i) striking "(a)(1)" and inserting in lieu thereof "(a)", (ii) inserting "or allocated" after "apportioned", (iii) striking "104(b)" and inserting in lieu thereof "104", and (iv) striking paragraph (a)(2).

(B) Section 142(b) is amended by (i) inserting "or allocated" after "apportioned" and (ii) striking "paragraph (5) of subsection (b) of".

(C) Section 142 is amended by (i) striking subsections (c), (d), (h), (i), (j), and (k) and by (ii) relettering subsections (f) and (g) as (d) and (e).

(D) Section 142(e) is amended by (i) relettering it as 142(c), (ii) by striking "(a)(1)" in paragraph (1) and inserting in lieu thereof "(a)", (iii) by striking paragraph (2), and (iv) by relettering paragraph (3) as paragraph (2).

(22) Section 143 is repealed. Unobligated balances of any funds authorized for this section are rescinded.

(23) Section 147 is repealed. Unobligated balances of any funds authorized for this section are rescinded effective October 1, 1987.

(24) Section 148 is repealed. Unobligated balances of any funds authorized for this section are rescinded effective October 1, 1987.

(25) Section 150 is repealed.

(26) Section 151 is repealed. Unobligated balances of any funds authorized for this section are rescinded effective October 1, 1987.

(27) Section 152 is amended by (A) striking the period at the end of subsection (c) and inserting in lieu thereof "and shall be available for obligation in the same manner and to the same extent as if the funds were Federal-Aid Interstate-primary program funds apportioned under section 104, except that the Secretary is authorized to waive provisions that are inconsistent with the purposes of this section." by, (B) striking subsections (d) and (e) and by, (C) relettering subsections (f), (g) and (h) as subsections (d), (e), and (f).

(28)(A) Section 154(f) is amended by striking "each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of this title in an aggregate amount of up to 5 percent of the amount to be apportioned for the following fiscal years, in the case of fiscal years 1982 and 1983, and up to 10 percent, in the case of subsequent fiscal years." and inserting in lieu thereof "section 104(d)(1)(A) in an amount of up to 10 percent of the amount to be apportioned for any fiscal year.".

(29) Section 155 is repealed. Unobligated balances of any funds authorized for this section are rescinded effective October 1, 1987.

(30) Section 156 is repealed. Unobligated balances of any funds authorized for this section are rescinded effective October 1, 1987.

(31) Section 157 is repealed.

(32)(A) Section 158(a)(1) is amended by striking "each of the sections 104(b)(1), 104(b)(2), 104(b)(5) and 104(b)(6) of this title on the first day of the fiscal year succeeding the fiscal year beginning after September 30, 1985" and inserting in lieu thereof "section 104(d)(1)(A) on October 1, 1986".

(B) Section 158(a)(2) is amended by striking "each of sections 104(b)(1), 104(b)(2), 104(b)(5) and 104(b)(6) of this title on the first day of the fiscal year succeeding the second fiscal year beginning after September 30, 1985" and inserting in lieu thereof "section 104(d)(1)(A) on October 1, 1987".

(33) Section 301 is repealed.

(34) Section 204(e) is amended by striking "88 Stat. 2205" and inserting in lieu thereof "88 Stat. 2203".

(35) Section 210(g) is amended by striking "Commerce" and inserting in lieu thereof "Transportation".

(36) Section 211 is repealed.

(37) Section 213 is repealed. unobligated balances of any funds authorized for this section are rescinded effective October 1, 1987.

(38) Section 215(a) of title 23, United States Code, is amended by striking from the first sentence the words "and American Samoa" and inserting in lieu thereof "American Samoa, and the Commonwealth of the Northern Mariana Islands".

(39) Section 217 is amended by (A) striking "paragraphs (1), (2), and (6) of section 104(b)" the two places it appears and inserting in lieu thereof "section 104(d) (1) (A)" and by (B) striking "100 per centum" the two places it appears and inserting in lieu thereof "as provided in section 120".

(40) Section 219 is repealed. Unobligated balances of any funds authorized for this section are rescinded effective October 1, 1987.

(41) Section 302 is amended by, (A) striking "(a)", (B), striking "among other things, the organization shall include a secondary road unit." and (C), striking subsection (b).

(42) Section 311 is amended by striking "(b)" and inserting in lieu thereof "(d)(1)(A)".

(43) Section 315 is amended by striking "204(d), 205(a), 207(b) and 208(c)" and inserting in lieu thereof "204(f) and 205(a)".

(44) Section 322 is repealed. Unobligated balances of any funds authorized for this section are rescinded effective October 1, 1987.

(45) Section 401 is amended by striking "and American Samoa." and inserting in lieu thereof "American Samoa and the Commonwealth of the Northern Mariana Islands.".

(46) Section 402(c) is amended by, (A) striking "For the fiscal years ending June 30, 1967, June 30, 1968, and June 30, 1969, such funds shall be apportioned 75 per centum on the basis of population and 25 per centum as the Secretary in his administrative discretion may deem appropriate and thereafter such" and inserting in lieu thereof "the" and by (B), striking "After December 31, 1969, the" and inserting in lieu thereof "The".

(47) Section 406(c) is amended by striking out the first two sentences.

(b)(1) Section 108(b) of the Federal-Aid Highway Act of 1956 is amended by (A) inserting "and" before "for the fiscal year ending September 30, 1987", by (B) inserting a period after "1987", and by (C) striking ", and the additional sum of $4,000,000,000 for the fiscal year ending September 20, 1988, the additional sum of $4,000,000,000 for the fiscal year ending September 23, 1989, and the additional sum of $4,000,000,000 for the fiscal year ending September 23, 1990.".

(2) Section 163 of the Federal-Aid Highway Act of 1973 is repealed. Unobligated balances of funds appropriated for this section shall remain available until expended.

(3) Section 203 of the Highway Safety Act of 1973 is repealed.

(4) Sections 118 and 119 of the Federal-Aid Highway Amendments of 1974 are repealed. Unobligated balances of funds authorized or appropriated for these sections are rescinded effective October 1, 1987.

(5) Section 146(c) of the Federal-Aid Highway Act of 1975 is repealed.

(6) Sections 105 and 141 of the Federal-Aid Highway Act of 1978 are repealed. Unobligated balances of funds authorized or appropriated to carry out section 141 are rescinded effective October 1, 1987.

(7) Section 215 of the Highway Safety Act of 1978 is repealed.

(8) Sections 105(d), 121(b), and 146 of the Highway Improvement Act of 1982 are repealed.

TITLE II

SHORT TITLE

SEC. 201. This title may be cited as the "Highway Block Grant Act of 1987".

HIGHWAY BLOCK GRANT

SEC. 202. Title 23, United States Code, is amended by adding at the end thereof a new chapter.

"CHAPTER 5—HIGHWAY BLOCK GRANT

"Sec. 501. Apportionment.
"Sec. 502. Payments.
"Sec. 503. Allocations to urbanized areas.
"Sec. 504. Eligible projects.
"Sec. 505. Federal share payable.
"Sec. 506. Assurances.
"Sec. 507. Nondiscrimination.
"Sec. 508. Compliance.
"Sec. 509. Applicability of other law.

"§ 501. Apportionment

"(a)(1) On October 1 of each fiscal year, or as soon thereafter as is practicable, the Secretary shall deduct not to exceed 3¾ per centum of the amounts authorized to carry out this chapter for that fiscal year for the purpose of administering the provisions of law to be financed with authorizations for this chapter. In making a determination, the Secretary shall take into account the unexpended balance of any sums deducted in prior years.

"(2) On October 1 of each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990, and September 30, 1991, or as soon as is practicable, the Secretary shall, after making the deductions authorized by paragraph (a)(1), deduct one-quarter per centum of the remaining amounts authorized to carry out this chapter for that fiscal year for the purpose of carrying out the objectives of the Strategic Highway Research Program under section 133.

"(b) The Secretary, after making the deductions authorized by subsection (a) of this section, shall on the first day of each fiscal year, or as soon as is practicable, apportion 25 per centum and shall on January 1 of each fiscal year, or as soon thereafter as is practicable, apportion 75 per centum of the remaining amounts authorized to carry out this chapter for that fiscal year among the several States in the following manner:

"(1) 35 per centum in the ratio which the population in urban areas, or parts thereof, in each State bears to the total population in urban areas, or parts thereof, in all States as shown by the latest available Federal census. No State shall receive less than one-half per centum of the apportionment under this paragraph.

"(2) 30 per centum as follows: One-third in the ratio in which the area of each State bears to the total area of all States; one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all the States as shown by the latest available Federal census; and one-third in the ratio which the mileage of rural delivery and intercity mail routes where service is performed by motor vehicle, as shown by a certificate of the Postmaster General, which shall be made and furnished annually to the Secretary, in each State bears to the total mileage of rural delivery and intercity mail routes where service is performed by motor vehicles in all the States. No State (other than the District of Columbia) shall receive less than one-half per centum of the apportionment under this paragraph.

"(3) 35 per centum based upon the needs of bridges not eligible for assistance under chapter 1 but maintained in the inventory required by section 144. The bridges shall be placed in category (A), bridges eligible for replacement or (B) bridges eligible for rehabilitation. The square footage of bridges in each category shall be multiplied by the respective unit price on a State-by-State basis as determined by the Secretary; and the total cost in each State divided by the total costs in all the States shall determine the apportionment factors. No State shall receive more than 10 per centum or less than 0.25 per centum of the apportionment under this paragraph. The Secretary shall make needed determinations based upon the latest available data, which shall be updated annually.

"(c) The apportionment of funds under this section shall be deemed a contractual obligation of the Federal Government for the payments required in section 502.

"§ 502. Payments

The Secretary shall make progress payments to a State in a manner that provides to the State funds as they are needed to pay for costs incurred under the block grant program. Such payments shall be made to such official or officials or depository as may be designated by the State highway department and authorized under the laws of the State to receive public funds of the State.

"§ 503. Allocation to urbanized areas

"The funds apportioned to any State under section 501(b)(1) of this chapter that are attributable to population in urbanized areas of two hundred thousand population or more shall be made available for expenditure in the urbanized areas for projects selected by the appropriate local officials under the planning process of section 134 and with a fair and equitable formula developed by the State which formula has been approved by the Secretary. The formula shall provide for fair and equitable treatment of incorporated municipalities of two hundred thousand or more population. Whenever a formula has not been developed and approved for a State, the funds which are attributable to urbanized areas having a population of two hundred thousand or more shall be allocated among urbanized areas within the State in the ratio that the population within each urbanized area bears to the population of all urbanized areas, or parts thereof, within the State. In the expenditure of funds allocated under the preceding sentence, fair and equitable treatment shall be accorded incorporated municipalities of two hundred thousand or more population. Funds allocated to an urbanized area under the provisions of this section may, at the request of the Governor and upon approval of the appropriate local officials of the area, be transferred to the allocation of another such area in the State or to the State for use in any urban area.

"§ 504. Eligible projects

"Funds apportioned under section 501(b) may be expended for highway construction projects on any main public road, for bridge replacement or rehabilitation projects on a bridge maintained in the inventory under section 144, other than a bridge on the Interstate or primary systems, or for activities as provided in sections 134 and 307(c). Apportionments may not be expended as State matching funds for Federal assistance or for costs incurred prior to the effective date of the Highway Block Grant Act of 1987. Funds allocated under section 503 may be expended for Federal-aid urban system projects which were eligible for funds under section 142 before the enactment of this section.

"§ 505. Federal share payable

"Payments under this chapter shall not exceed 75 per centum of the cost of eligible projects. The State match may include cash, real estate, or in kind services.

"§ 506. Assurances

"Each State shall provide annual written assurance that the State government—

"(a) will make funds available to urbanized areas for expenditure on eligible projects under section 503;

"(b) will expend payments made available under this chapter in accordance with the requirements of this chapter;

"(c) will appropriate and expend the payments received in accordance with the laws and procedures applicable to the expenditure of its own revenues;

"(d) will provide an opportunity for the public to comment on the proposed expenditure of these funds;

"(e) will comply with the requirements of section 507;

"(f) will provide to the Secretary and the Comptroller General, upon reasonable notice, access to and the right to inspect such books, documents, papers, records and construction sites as the Secretary or the Comptroller General reasonably require to review compliance and operations under this chapter;

"(g) will consult with local governments on major policy decisions and program choices involving the use of Highway Block Grant funds;

"(h) will comply with the requirements of "The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970" and the "Single Audit Act of 1984";

"(i) will insure that all laborers and mechanics employed by contractors or subcontractors on construction work performed under this chapter shall be paid wages at rates not less than those prevailing on the same type of work in the immediate locality as determined by the Secretary of Labor in accordance with the Act of August 30, 1935, known as the Davis-Bacon Act (40 U.S.C. 276a); and

"(j)(1) will comply with the policies of the National Environmental Policy Act of 1969 (42 U.S.C.A. § 4321 et seq.) and other Federal environmental laws and Executive Orders (as specified in regulations issued by the Secretary). The Secretary, in lieu of the environmental protection procedures otherwise applicable, may under regulations provide for the approval of projects by recipients of assistance under this chapter who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would apply to the Secretary if such projects were undertaken as Federal projects. The Secretary shall issue regulations to carry out this subsection only after consultation with the Council on Environmental Quality.

"(2) will submit an annual certification under the procedures authorized by this paragraph (j). Such certification shall—

"(A) be in a form acceptable to the Secretary,

"(B) be executed by the chief executive officer or other officer of the recipient of assistance under this chapter qualified under regulations of the Secretary,

"(C) specify that the recipient of assistance under this chapter will fully carry out its responsibilities as described in paragraph (1), and

"(D) specify that the certifying officer (i) consents to assume the status of a responsible federal official under the National Environmental Policy Act of 1969 (42 U.S.C.A. § 4321 et seq.) and each provision of law specified in regulations issued by the Secretary insofar as the provisions of the Act or other such provision of law apply pursuant to paragraphs (1) and (ii) is authorized and consents on behalf of the recipient of assistance under this chapter and the certifying officer to accept the jurisdiction of the Federal courts for the purpose of enforcement of the certifying officer's responsibilities of such an official.

"(3) agrees that the Secretary's approval of any certification shall satisfy the Secretary's responsibilities under the National Environmental Policy Act of 1969 (42 U.S.C.A. § 4321 et seq.) and other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the approval of projects by recipients under this chapter.

"§ 507. Nondiscrimination

"(a) For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under title IX of the Education Amendments of 1972, or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964, programs and activities that receive Federal financial assistance under this chapter are deemed to be programs and activities receiving Federal financial assistance.

"(b) No person shall on the ground of sex be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity that receives Federal financial assistance under this chapter: *Provided, however,* That this chapter shall not be read as prohibiting any conduct or activities permitted under title IX of the Education Amendments Act of 1972.

"§ 508. Compliance

"If the Secretary determines that a State or local government has failed to comply substantially with any provision of this chapter, the Secretary shall notify the State that, if it fails to take corrective action within sixty days from the receipt of the notification, the Secretary will withhold future payments under this chapter until the Secretary is satisfied that appropriate corrective action has been taken.

"§ 509. Applicability of other law

"Except as provided in section 504, payments expended under this chapter are not Federal funds for the purpose of determining the applicability of any Federal statute not specified in section 506 or 507. The definitions in section 101(a) of this title apply to this chapter. Chapters 1 through 4 of this title do not apply to this chapter except as specifically provided in this chapter.".

TECHNICAL AMENDMENT

SEC. 203. The table of chapters at the beginning of title 23, United States Code, is amended by adding:

"5. Highway block grant...................... 501.".

AUTHORIZATION

SEC. 204. There is authorized out of the Highway Account of the Highway Trust Fund to carry out chapter 5 of title 23, United States Code, $2,200,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

SECTION-BY-SECTION ANALYSIS—ESSENTIAL HIGHWAY REAUTHORIZATION AMENDMENTS OF 1987

TITLE I—FEDERAL-AID HIGHWAY ACT OF 1987

SECTION 101—SHORT TITLE

This section provides that Title I may be cited as the "Federal-Aid Highway Act of 1987."

SECTION 102—AUTHORIZATIONS

This section authorizes the appropriation of sums from the Highway Account of the Highway Trust Fund for various Federal-aid programs.

Paragraph (a)(1) provides authorizations for the Interstate-primary program of $8.16 billion for each fiscal year 1987 through 1990 and of such sums as may be necessary for the primary minimum part of the apportionment formula.

Paragraph (a)(2) provides authorizations for the Interstate substitution program, both highway and transit, of $500 million for each fiscal year 1987 through 1990.

Paragraph (a)(3) provides annual authorizations for the bridge replacement and rehabilitation program of $1.25 billion for each fiscal year 1987 through 1990.

Paragraph (a)(4) provides each of the territories (the Virgin Islands, Guam, American Samoa, and the Northern Marianas) with an annual authorization under the Territorial Highway Program for fiscal years 1987 through 1990 of $5 million, $5 million, $1 million and $1 million, respectively.

Paragraph (a)(5) provides annual authorizations for each of the components of the Federal lands highways program for fiscal years 1987 through 1990 as follows: forest highways $75 million, public lands highways $25 million, Indian Reservation roads $75 million, and park roads and parkways $75 million.

Paragraph (a)(6) provides annual authorizations for highway related safety grants by FHWA for the fiscal years 1987 through 1990 of $10 million.

Paragraph (a)(7) provides annual authorizations for rail-highway crossings for fiscal year 1987 through 1990 of $190 million.

Paragraph (a)(8) provides annual authorizations for hazard elimination for fiscal years 1987 through 1990 of $175 million.

Paragraph (a)(9) provides authorizations for fiscal years 1987 through 1990 for the minimum apportionment of such sums as may be necessary.

Paragraph (a)(10) provides annual authorizations for fiscal years 1988 through 1990 for highway emergency relief of of $100 million. $100 million is already available for fiscal year 1987.

Subsection (b) provides authorizations out of the Highway Account of the Highway Trust Fund to administer Motor Carrier Safety.

Subsection (c) provides for an annual adjustment in the authorizations if the Treasury Department's mid-year review of Highway Trust Fund receipts immediately preceding the year of authorization indicates that the receipts to the Highway Account of the Highway Trust Fund for that fiscal year will be different than was estimated by the Department of Treasury in January 1987 for the President's Fiscal Year 1988 Budget. If the mid-year review estimate of receipts for that fiscal year is higher, the Interstate-primary authorization for that fiscal year will be increased by the amount of the difference. If the estimated receipts are lower, the authorizations for the Highway Block Grant, the Interstate-primary and the bridge replacement and rehabilitation programs will be reduced with the reduction for each program being in proportion to the authorizations for these programs.

SECTION 103—MAIN PUBLIC ROADS

This section defines "main public roads" to include roads not on a Federal-aid system that are either rural major collector routes or high traffic volume arterial and collector routes in an urban area including routes which provide access to an airport or other transportation terminal. Highway construction projects on a main public road are made eligible for funding from the minimum apportionment, Interstate substitution and Highway Block Grant programs by other sections of this Act. Unobligated urban and secondary system funds may also be used for highway construction projects on main public roads. The definition includes the type of routes formerly eligible for inclusion on the Federal-aid secondary and urban systems.

SECTION 104—INCOME FROM RIGHTS-OF-WAY

This section requires that the States obtain at least the fair market value for permitted non-highway uses of highway right-of-way airspace. This section also requires that any net revenues, after deducting the cost of sale or cost of issuing and maintaining the joint use agreements, obtained by a State or political subdivision for the use of the airspace of right-of-way of a Federal-aid project by non-highway facilities shall be applied to highway projects eligible under the provisions of chapters one and five of Title 23. The term right-of-way airspace would include space, both above and below ground. The charges and disposition of fees for utility use and occupancy of right-of-way will continue to be governed by 23 C.F.R. 645. The term utility includes publicly, privately, and cooperatively owned utilities.

SECTION 105—FEDERAL-AID SYSTEMS

This section amends section 103 of title 23 to establish the primary system, consisting of rural arterial routes and their extensions, and the 43,000 mile Interstate System as the systems of national significance. The prohibition of designation of additions to the Interstate System, except under 23 U.S.C. 139, is continued.

The Federal-aid secondary and urban systems are not part of this system of national significance and financing for projects which were previously on these systems will come from the highway block grant established as Chapter 5, title 23 by this Act.

Section 103(b)(1) establishes the Interstate system mileage as a combination of the system mileage authorized by current law in paragraphs (1), (2), and (3) in section 103(e) of title 23. The Interstate System mileage is also retained as part of the Federal-Aid Primary System and, as is provided in current law, the Secretary is prohibited from designating any new Interstate System mileage except under section 139 of title 23.

Section 103(b)(2) replaces section 103(e)(4) of title 23, contains the provisions of the Interstate withdrawal-substitution program, and continues the funding of substitution projects (highway or transit) with funds made available by Interstate System withdrawals approved before October 1, 1986.

The revision continues the administration of substitute highway and substitute transit programs by FHWA and UMTA, respectively with highway and transit substitution funds authorized from the Highway Account of the Highway Trust Fund.

All current provisions concerning eligibility for withdrawal and the request and approval of withdrawals have been eliminated. The revision eliminates the September 30, 1983 deadline for approval of substitute projects and clarifies the roles of responsible local officials and the Governor in the selection and submission of substitute projects.

The requirement of a substitution cost estimate and apportionment and allocation provisions are in section 105 of this Act. The period of availability is extended for apportioned and allocated funds to 2 years in section 112 of this Act.

The types of projects eligible for funding remain the same as in current law with the added flexibility that substitute funds may be used for substitute highway construction projects on any main public road (definition in section 101 of title 23) and for transportation planning and research under 23 U.S.C. 134 and 23 U.S.C. 307. The Federal share on substitute projects is retained at 85 percent.

Current law (section 103(e) (5), (6), (7), (8), and (9) of title 23) permits the Secretary to waive the repayment of Federal funds expended on withdrawn Interstate segments under various circumstances.

Section 103(c) replaces the current law with a provision that requires, in the case of an Interstate or primary system action, the repayment of Federal funds expended on construction items, materials, and rights-of-way if such items, materials, and rights-of-way are not applied to a transportation project within 10 years.

The provision retains the rights of previous owners and provides that repaid funds shall be credited to the State's unobligated balance of federal funds for use on other projects.

The provision replacing the repayment provisions for Interstate withdrawals allows waiver of the repayment of Federal funds only in those instances where the State proposes a transportation reuse and extends the provision to similar situations where system actions are taken on the Federal-aid primary system. This provision will narrow the situations on Interstate projects where waiver is permitted and apply the same policy to system actions on the Federal-aid primary system.

The provisions would apply to actions where an entire segment of the Federal-aid system is terminated or changed. This provision is not intended to cover certain kinds of property disposition such as excess right-of-way resulting from changes to project plans, deletions of open-to-traffic segments, individual project phases which do not advance to the next phase within the time limits of the Federal-aid project agreement or items purchased but found unnecessary to completion of an individual project all of which will continue to be handled under the policy and regulations of the FHWA.

SECTION 106—APPORTIONMENT AND ALLOCATION

This section replaces the existing section 104 in title 23, consolidating provisions relating to the distribution of authority among the States and eliminates archaic references which no longer apply to the Federal-aid program. (Unless otherwise noted the references below are to 23 U.S.C. 104, as amended.)

Subsection (a) essentially incorporates the current administrative takedown.

Subsection (b) provides a process for distributing Federal planning assistance funds to States and urbanized areas. Federal assistance for planning activities in areas with a population of 200,000 or more will continue to be made available as currently provided in section 104(f) of title 23. For the urbanized areas with populations between 50,000 and 200,000, the funds will be made available to the State for use by or for the benefit of these areas. These amendments are being made in concert with those in section 120 of this bill which amend 23 U.S.C. 134.

This subsection requires designation of a metropolitan planning organization (MPO) only for those urbanized areas with population of 200,000 or more. Urbanized areas with populations between 50,000 and 200,000 would continue to be required to meet the objective of 23 U.S.C. 134, but would not be required to follow federally prescribed planning requirements contained therein.

Nothing in these amendments is intended to preclude State and local officials from continuing their planning process or an MPO, or both, in urbanized areas with populations between 50,000 and 200,000.

These amendments also retain the current apportionment formula; each State's funds are determined by the ratio its urbanized area population bears to the total urbanized area population of the Nation.

Subsection (c) provides for a deduction in fiscal years 1987 through 1991 (net of administration and metropolitan planning) from the Federal-aid Interstate-primary, bridge replacement and rehabilitation, highway Interstate substitution, the railway-highway crossings and the hazard elimination programs to carry out the purposes of the Strategic Highway Research Program created by section 119 of this bill as 23 U.S.C. 133. A deduction from the Highway Block Grant for SHRP is also provided in title II of this Act.

Paragraph (d)(1) prescribes the apportionments of Federal-aid categories.

Paragraph (A) provides a formula for the new Interstate-primary program which combines the existing Interstate-4R formula (55 percent on Interstate lane miles and 45 percent on Interstate vehicle miles traveled) with the existing dual primary formula in the 1982 STAA. Paragraph (A) also provides for the apportionment of the Interstate construction funds part of the new program. The Secretary will administratively adjust the 1987 ICE prior to making the fiscal year 1987 apportionment. The adjusted ICE will be the basis for apportioning funds for the remaining fiscal years with no further adjustment.

Paragraph (B) changes the apportionment for bridge replacement and rehabilitation by (1) increasing the set-aside for discretionary bridges from $200 million annually to $250 million annually for fiscal years 1987 through 1990, and (2) modifying the formula to apportion funds on the basis of cost estimates for only primary system bridges (excluding the Interstate). The current 10-percent maximum and one-quarter percent minimum for an individual State's share of total apportionment is maintained.

Paragraph (C) provides for the apportionment of 75 percent of the Interstate substitution authorizations based on an administratively adjusted cost estimate (ISCE).

Paragraphs (D) and (E) provide for apportionment of railway-highway crossing and hazard elimination authorizations as in current law.

Paragraph (d)(2) provides for the allocation of bridge discretionary and Interstate substitution discretionary funds. The criteria for bridge discretionary funds remains essentially unchanged from current law. Only high-cost primary system bridges are to be considered. Bridge discretionary funds will be allocated under the provisions of 23 CFR 650, Subpart D, as provided in section 161 of the Surface Transportation Assistance Act of 1982. (A conforming amendment has been incorporated to make eligible for further discretionary funding high-cost non-primary system bridges that have already received partial funding under the previous bridge replacement and rehabilitation program). Twenty-five percent of Interstate substitution program funds will be allocated at the discretion of the Secretary with the Secretary to give priority to ready-to-go substitute projects that will complete substitution programs.

Subsection (e) provides for a minimum apportionment (previously known as minimum allocation). The provision is established permanently with funds to be made available the first day of each fiscal year. The calculation is to be based on apportionments including Highway Block Grant apportionments for that fiscal year and allocations made in the previous fiscal year from the Highway Account of the Highway Trust Fund except for the minimum apportionment and apportionments or allocations for forest highways, Indian reservation roads, parkways and parkroads, highway related safety grants, nonconstruction safety grants and Motor Carrier Safety grants. For purposes of the minimum apportionment any funds withheld, reduced or reserved from apportionment as a penalty shall be treated as having been apportioned. There is a maximum cap of $500 million per fiscal year for the minimum apportionment.

Paragraph (e)(2) provides that the minimum apportionment will be eligible for highway construction on any main public road or on a Federal-aid system. Applicable program requirements and Federal share correspond to the system on which used. The provisions of Chapter 1 applicable to primary system projects apply to off-system projects except that highway block grant procedures under Chapter 5 of title 23 may be used to the extent determined appropriate by the Secretary. A minimum State match of 25 percent is required for off-system projects.

Subsection (f) provides for 90-day advance notice of apportionments, when possible, as well as certification of apportionments and deductions on October 1 of each fiscal year.

Subsection (g) retains the right to transfer funds between the bridge replacement, hazard elimination, and railroad-highway crossing apportionments.

SECTION 107—ADVANCE ACQUISITION OF RIGHTS-OF-WAY

This section provides for interest on advances made for the purchase of rights-of-way, except purchases for Interstate construction projects.

SECTION 108—AGREEMENTS RELATING TO USE OF RIGHTS-OF-WAY

This section amends 23 U.S.C. 111 to enable deliveries on Interstate right-of-way of duty free store merchandise to motor vehicle occupants at U.S. border crossings. The provision is limited to facilitating U.S. Customs Service supervision of exports and the exception to provisions prohibiting commercial establishments on Interstate right-of-way applies only when such deliveries will not impair the full use and safety of the highways.

SECTION 109—LETTING OF CONTRACTS

This section amends 23 U.S.C. 112(b) to permit the Secretary to waive competitive bidding on a construction contract where an emergency situation exits.

SECTION 110—CONSTRUCTION

This section makes conforming and technical amendments to 23 U.S.C. 114 and provides for inspections of Federal-aid projects as prescribed by the Secretary. The statute now requires a final inspection on every Federal-aid project. The section also incorporates current law with regard to convict labor.

SECTION 111—MAINTENANCE

This section combines the provisions of section 109(m) and 119(b) of title 23, United States Code, and places them in section 116 of title 23. Provisions that require a reduction of a State's Interstate apportionments by 10 percent for failure to maintain the Interstate System adequately are changed to permit a reduction of not more than 10 percent of a State's Interstate-primary apportionment at the discretion of the Secretary.

SECTION 112—CERTIFICATION ACCEPTANCE

This section modifies 23 U.S.C. 117 to permit certification acceptance for any project, including Interstate projects, costing less than $1 million and repeals a requirement for a final inspection upon completion of construction. Certification acceptance will not be applicable for projects costing $1 million or more.

SECTION 113—AVAILABILITY

This section consolidates provisions concerning availability in section 118 of title 23. The following identifies changes from current law. References are to 23 U.S.C. 118, as amended.

Paragraph (b)(1) provides 4-year availability for the Interstate-primary program, with any unobligated funds lapsing at the end of the period.

Paragraph (b)(2) clarifies the availability of bridge replacement and rehabilitation funds. Apportioned funds remain available for obligation in a State for 4 years with unobligated funds reallocated as bridge discretionary funds. Bridge discretionary funds remain available for obligation in a State during the year of allocation with unused authority available to the Secretary for further reallocation.

Paragraph (b)(3) clarifies Interstate substitution availability, making both apportioned and allocated funds available for obligation in a State for 2 years. Unobligated funds shall be reapportioned or reallocated.

Paragraph (b)(4) establishes an availability period for minimum apportionment funds. The funds remain available for obligation for 4 years with any unobligated funds lapsing at the end of the period.

Paragraph (b)(5) continues the current 3-year availability period for highway emergency relief funds.

SECTION 114—FEDERAL SHARE PAYABLE

This section revises section 120 of title 23, United States Code, by consolidating Federal share provisions corresponding to program changes and removing archaic provisions. The significant changes follow. (Unless otherwise noted, the references that follow pertain to 23 U.S.C. 120, as amended). In each instance, permissive language is used to specify a maximum Federal share rather than a fixed percentage. The objective is to permit States to request a Federal matching share less than the maximum amount shown in title 23 and to permit adjustment in the matching ratio not to exceed the maximum specified rate.

Subsection (a) provides for a Federal share for Interstate-primary funds used on the primary system (other than the Interstate) and for bridge replacement and rehabilitation funds of not to exceed 75 percent of the cost of construction. These percentages may be increased under the sliding scale provisions of current law. Previously, the Federal share for bridge projects was contained in 23 U.S.C. 14 and fixed at 80 percent.

Subsection (b) provides that Interstate projects will have a Federal share of not to exceed 90 percent. Routes designated as Interstate under section 139(a) and 139(b) of title 23 prior to March 9, 1984, and under 23 U.S.C. 139(c) will be able to be improved at a 90-percent Federal share. These percentages may be increased in certain circumstances under current law.

Subsection (c) provides a maximum Federal share of 85 percent for Interstate substitution projects. The increased share of 100 percent for traffic control signalization substitution projects has been deleted.

Subsection (e) limits the Federal share for emergency relief (ER) projects to the normal rate for a project on a system. The Federal share may be increased based on sliding scale rates. Emergency repairs within 30 days of the occurrence of the emergency may be 100 percent. ER Federal lands highway projects may be 100 percent regardless of their location on a Federal-aid system.

Subsection (i) retains a maximum Federal share of 90 percent for the safety construction categories. The special increased shares of up to 100 percent for projects financed from system funds for traffic control signalization, pavement marking, and commuter carpooling and vanpooling have been eliminated. Rail-highway crossing projects financed with system funds will continue to be eligible for 100-percent funding.

Subsection (k) reiterates the intent of a maximum Federal share as described above.

SECTION 115—EMERGENCY RELIEF

This section amends section 125 of title 23, United States Code, to remove archaic provisions and to transfer authorization provisions and availability provisions to more appropriate settings. The territories are made eligible for emergency relief with a $5 million cap on obligations during any one fiscal year.

SECTION 116—VEHICLE WEIGHT LIMITATIONS—INTERSTATE SYSTEM

The current penalty provision in 23 U.S.C. 127(a) is revised to provide that any withheld funds lapse upon expiration of the 4-year availability period.

SECTION 117—TOLL ROADS, BRIDGES, TUNNELS AND FERRIES

This section adds the State of Maine to States that may operate Federal-aid ferry boats in international waters, and codifies section 105 of the Federal-Aid Highway Act of 1978.

SECTION 118—RAILWAY-HIGHWAY CROSSINGS

This section amends section 130 of title 23, United States Code, to add the provisions of section 203 of the Highway Safety Act of 1973 to title 23, United States Code. References that follow are to 23 U.S.C. 130, as amended.

Subsection (a) provides that Federal-aid Interstate-primary program funds apportioned under section 104 of title 23 may be used to pay for the entire cost of construction of projects for the elimination of hazards at railway-highway crossings (including relocation of a portion of a railway if determined to be less costly than other alternate methods) except as provided in section 120 of title 23.

Subsection (d) requires that States conduct and systematically maintain a survey of all railway-highway crossings and establish and implement projects for their separation, relocation, or protection. At a minimum, adequate signing would be provided for all crossings.

Subsection (e) provides that funds authorized to carry out section 130 may be used for projects to eliminate hazards at railway-highway crossings on any public road and are to be available for obligation in the same manner as Federal-aid Interstate-primary program funds. At least half of the funds authorized and expended for this section are to be used for the installation of protective devices at railway-highway crossings.

The amendments also retain provisions of 23 U.S.C. 130 pertaining to railroads share of project cost. A provision of 23 U.S.C. 130 concerning the local matching share is deleted and a report to the Congress is deleted.

SECTION 119—STRATEGIC HIGHWAY RESEARCH PROGRAM [SHRP]

This section adds a provision for SHRP to title 23, United States Code. The SHRP will be funded by deducting ¼ of 1 percent for five fiscal years from funds authorized for the programs specified in sections 104(c) and 501(a)(1) of title 23, United States Code. The Secretary will carry out the SHRP in cooperation with State highway departments and will set standards for the use of the funds to conduct research, development and technology transfer activities determined to be strategically important to the national highway transportation system. The Secretary may provide grants to and enter into compensation agreements with the American Association of State Highway Transportation Officials or the National Academy of Science or both to conduct appropriate portions of SHRP. Advance payments may be made under the SHRP program. No State matching share is required for the SHRP and the funds will remain available for 4 years.

SECTION 120—TRANSPORTATION PLANNING IN CERTAIN URBAN AREAS

Section 134 of title 23, United States Code, provides that all levels of government—Federal, state and local—engage in a continuing, cooperative, and comprehensive (3C) process of planning transportation facilities in urban areas of more than 50,000 population.

This section would amend section 134 by raising the population threshold for urbanized areas that are required to have a 3C process from that of more than 50,000 to 200,000 or more. Urbanized areas with population between 50,000 to 200,000 would not be required to follow federally prescribed planning requirements.

Section 134 is further amended to delete certain factors from consideration in carrying out the 3C process and provides the Secretary with greater flexibility in ensuring that the provisions of this section are met.

These amendments are made in concert with those proposed in section 106, amending section 104(f) of title 23, United States Code. Nothing in these amendments is intended to preclude State and local officials from continuing their planning process or a metropolitan planning organization, or both, in urbanized areas with population between 50,000 and 200,000.

Section (b)(1) and (c) from the existing section 134 are no longer needed and are eliminated.

SECTION 121—SKILL TRAINING

This section makes technical amendments to 23 U.S.C. 140, reduces the skill training program set aside in 23 U.S.C 140(b) from $10,000,000 per fiscal year to $2,500,000 per fiscal year for the fiscal years 1987 and 1988 and repeals the skill training program set aside effective September 30, 1988. An amendment is added to permit States to use not more than 0.1 percent of their apportioned Federal-aid highway funds for skill training beginning with the fiscal year 1987.

SECTION 122—HIGHWAY BRIDGE REPLACEMENT AND REHABILITATION PROGRAM

The Highway Bridge Replacement and Rehabilitation Program remains essentially the same, except for restructuring. The inventory of all highway bridges on public roads is required with a current inventory of all bridges to be maintained by the State. Section 144(d), which replaces section 144(h), adds a new criterion that will allow both tidal and nontidal navigable waterways to be exempt from the requirements for a Navigational Permit if the waterways are not used by small craft 26 feet or greater in length. In this context, "use is meant to mean regular or seasonal use as compared with occasional use. The off-system bridge program is deleted to become a part of the highway block grant. The requirement for an annual bridge report to the Congress is deleted from section 144 and added to the biennial highway needs report required in 23 U.S.C. 307(e).

SECTION 123—FEDERAL-AID INTERSTATE-PRIMARY PROGRAM

This section amends section 146 of title 23 to establish the Federal-Aid Interstate-Primary Program. The Interstate-primary program will stress bringing all elements of the primary system to acceptable standards of operation and safety. The program will consist of both new construction and 4R work on the primary system and the Interstate System (including under section 139). As such, the Interstate-primary program will include traditional primary program projects, Interstate construction projects, and Interstate resurfacing, restoration, rehabilitation and reconstruction projects.

The designated Interstate System in all the States will command priority attention in maintaining its high level of serviceability. At the same time, there is sufficient flexibility to allow States to concentrate on neglected primary routes and other primary routes which have developed into significant interstate traffic carriers.

SECTION 124—FEDERAL LANDS HIGHWAYS PROGRAM

Subsection (a) amends 23 U.S.C. 202(a) to provide a formula for the allocation of forest highways funds.

Subsection (b) amends 23 U.S.C. 203 to clarify the point of obligation.

Subsection (c) amends 23 U.S.C. 204(a) to include planning, research, design and construction as eligible activities under the Federal lands highways program.

Subsection (d) gives the Secretary of Transportation added authority over park roads and parkways and Indian reservation roads.

SECTION 125—TERRITORIAL HIGHWAY PROGRAM

This Act returns the Territorial Highway Program to its status prior to passage of the 1982 STAA except that (1) territorial highway funds will continue to come from the Highway Account of the Highway Trust Fund rather than the general fund and (2) the program will remain a contract authority program rather than revert to budget authority.

Subsection (f) of section 215 is amended to clarify that the provisions of Chapter 1 of title 23 which are applicable to Interstate-primary program funds and the primary system are applicable to the Territorial Highway Program. It also authorizes a Federal-aid system in each territory similar to the primary system established by the provisions of the 1982 STAA and provides that the Secretary may determine the applicability of the provisions of Chapter 1.

SECTION 126—RESEARCH AND PLANNING

This section amends section 307(c) of title 23, United States Code. Section 307(c)(1), as amended, requires that not less than 1 and ½ percent of the sums apportioned each fiscal year to any State for the Federal-aid Interstate-primary and the bridge replacement and rehabilitation programs are to be used for highway planning and research activities. The list of activities specifically eligible to be funded under section 307(c) has been expanded to include technology transfer activities. The optional one-half percent planning funds takedown provided by former subsection 307(c)(3) of title 23, United States Code, has been eliminated.

Section 307(e) is amended to include the annual bridge report, formerly in section 144, in the biennial highway needs report.

SECTION 127—NATIONAL HIGHWAY INSTITUTE

This section modifies 23 U.S.C. 321 to direct the Secretary to provide training at no cost to States and local governments for activities which result from Federal requirements and to allow the States to use Federal-aid funds to pay 75 percent of the cost of education and training purchased from any source including the National Highway Institute.

SECTION 128—DONATIONS

The section provides procedural safeguards to insure that early donations do not prejudice the full assessment of alternatives required by such laws as the National Environmental Policy Act of 1969, as amended.

SECTION 129—REGULATIONS OF TOLLS

This section amends various Federal statutes to eliminate the authority of the Federal Highway Administrator to regulate the rate of tolls on bridges by determining the reasonableness of those tolls. States and toll authorities would be given greater flexibility in operating toll facilities. Federal oversight of the reasonableness of tolls has proven to be administratively burdensome, legally unproductive, and has interjected the Federal Government in the role of a mediator in disputes which could more appropriately be settled at the State and local level.

SECTION 130—INTERSTATE SYSTEM WITHDRAWALS

This section provides for the repeal of section 107(e) of the Federal-Aid Highway Act of 1978 which provided the September 30, 1986, deadline for commencing construction of all Interstate segments and on all substitute projects if sufficient Federal funds are available. The deadline has been met on all Interstate segments and sufficient funds are not available for substitute projects.

SECTION 131—BRIDGE CONSTRUCTION

This section provides an amendment to eliminate the need for special legislation to amend prior acts of Congress in connection with the construction, reconstruction, maintenance, or operation of bridges authorized prior to August 2, 1946.

SECTION 132—INTERIM AMENDMENTS

Subsection (a) provides for unobligated balances of Interstate construction funds.

Subsection (b) makes the unobligated balances previously apportioned to a State under subsections 104(b)(1) (primary system program) and 104(b)(5)(B) (Interstate-4R program) of title 23, United States Code, as they existed prior to enactment of this legislation available for obligation for projects under section 146 (Federal-aid Interstate-primary program) of title 23, United States Code, as amended by this bill.

Subsection (c) provides that unobligated balances under the Federal-aid secondary and urban programs shall be used for highway construction projects on any main public road.

Subsection (d) provides that unobligated balances previously apportioned to a State for bridge replacement and rehabilitation will be available for obligation under section 144 of title 23, United States Code.

Subsection (e) provides that off-system bridges, including bridges previously on the urban or secondary systems that were partially funded under the discretionary bridge replacement and rehabilitation provisions of title 23 will be eligible for discretionary funds under section 104(d)(2)(A) of title 23, United States Code.

Subsection (f) makes the unobligated balances of funds apportioned to the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands under the provisions of section 108 of the Highway Improvement Act of 1982 available for obligation under the provisions of section 215 of title 23, United States Code.

Subsection (g) makes the unobligated balances of funds apportioned to a State under section 203 of the Highway Safey Act of 1973 available for projects under section 130 of title 23, United States Code.

SECTION 133—TECHNICAL AND CONFORMING AMENDMENTS

Paragraph (a)(1) makes conforming amendments by amending the table of Sections for chapters 1, 2, 3, and 4.

Paragraph (a)(2) strikes references to the urban and secondary systems and other dated and unnecessary language. It also clarifies the definitions of "park road" and "public lands highways" in section 101(a) of title 23, United States Code.

Paragraph (a)(3) amends section 105 of title 23, United States Code, to conform to changes made to other sections of title 23, United States Code, by this bill.

Paragraph (a)(4) amends section 106 of title 23, United States Code, by increasing the maximum allowable amount for construction engineering from 10 to 15 percent and making conforming amendments.

Paragraph (a)(5) revises paragraph 107(a)(2) of title 23, United States Code, to make a conforming amendment.

Paragraph (a) (6) repeals subsection 109(c) and (m) of title 23, United States Code, and makes conforming amendments. Subsection 109(c) is unnecessary since the secondary system is being eliminated. The requirements of 109(m) are being incorporated into section 116 of title 23. Section 109 is relettered to conform to the changes made by this bill.

Paragraph (a)(7) repeals subsection 112(e) of title 23, United States Code. Subsection 112(e) pertains to the secondary system which is being eliminated by this bill.

Paragraph (a)(8) makes conforming amendments (eliminates reference to the secondary and urban systems) to section 113 of title 23, United States Code, and corrects a reference to title 40 of the United States Code.

Paragraph (a)(9) makes conforming amendments to section 115 of title 23, United States Code. All apportionments and allocations of funds for programs on which advance construction is permitted are now made under section 104 of title 23.

Paragraph (a)(10) makes conforming amendments to section 116 of title 23, United States Code, by eliminating the reference to the secondary system.

Paragraph (a)(11) makes a conforming amendment by repealing section 119 (Interstate System resurfacing) of title 23, United States Code. The Interstate 4R and primary program are being merged to give the States greater flexibility. The combined program is covered in section 146 of title 23.

Paragraph (a)(12) makes an amendment to section 121 of title 23, United States Code, by raising the limitation on construction engineering from 10 percent to 15 percent.

Paragraph (a)(13) amends section 122 of title 23, United States Code, to include repayment of bonds used for Interstate substitute projects.

Paragraph (a)(14) makes a conforming amendment to subsection 124(b) of title 23, United States Code. Reference to the Interstate withdrawal substitution provisions is eliminated since the deadline for such actions will have passed by the effective date of the bill.

Paragraphs (a)(15, (17), and (18) repeal sections 126 (Diversion), 135 (Traffic operations improvement programs), and 137 (Fringe and Corridor Parking facilities) of title 23, United States Code. Section 126 contains outdated language that is no longer meaningful since current State funding for highway programs far exceeds the level of revenues for State user taxes on June 18, 1934. Special funding for the TOPICS program has not been provided for a number of years. TOPICS type improvements are eligible for regular Federal-aid funds under the definition of construction in section 101 of title 23. Fringe and Corridor parking facilities no longer warrant special emphasis; they continue to be eligible for Interstate-primary program funds under the definition of construction in section 101 of title 23.

Paragraphs (a) (16), (19), and (20) make clarifying and conforming amendments to sections 128, 139, and 141 of title 23, United States Code.

Paragraph (a)(21) makes conforming amendments to section 142 of title 23, United States Code.

Paragraphs (a)(22) through (a)(26) repeal sections 143 (Economic Growth Center Development Highways), 147 (Priority Primary Routes), 148 (Development of a National Scenic and Recreational Highway), 150 (Allocation of Urban System Funds), and 151 (Pavement Marking Demonstration Program) of title 23, United States Code. The programs under sections 143, 147, 148, and 151 no longer warrant special emphasis. The construction activities for these programs will continue to be eligible for Federal-aid funds under the definition of construction in section 101 of title 23. Section 151 is no longer needed since the urban system program is being eliminated. The guaranteed "pass-through" provision for urbanized areas over 200,000 population is incorporated into the highway block grant. Any unobligated funds authorized for section 143 are rescinded. Unobligated balances of authorizations for section 147 shall remain available until October 1, 1987.

Paragraph (a)(27) makes conforming amendments to section 152 of title 23, United States Code.

Paragraph (a)(28) repeals subsection 154(c) of title 23, United States Code, which contains outdated language and makes conforming amendments to subsection 154(f) of title 23, United States Code.

Paragraphs (a) (29), (30), and (31) repeal sections 155 (Access highways to public recreation areas on certain lakes), 156 (Highways crossing Federal Projects), and 157 (Minimum Allocation) of title 23, United States Code. The programs under sections 155 and 156 no longer warrant special emphasis. The construction activities for these programs continue to be eligible for Federal-aid funds under the definition of construction in section 101 of title 23. Revised Minimum Allocation provisions are included in subsection 104(e) of title 23. Unobligated balances of authorizations for sections 155 and 156 shall remain available until October 1, 1987.

Paragraph (a)(32) makes conforming amendments to section 158 of title 23, United States Code.

Paragraph (a)(33) repeals section 201 (Authorizations) of title 23, United States Code, which contains outdated language.

Paragraph (a) (34) and (35) make conforming amendments to sections 204 and 210 of title 23, United States Code.

Paragraph (a)(36) repeals section 211 (Timber Access Road Hearings) of title 23, United States Code.

Paragraph (a)(37) repeals section 213 (Rama Road) of title 23, United States Code, and provides for the disposition of unobligated balances of authorizations for that section. This program has been inactive for a long time.

Paragraphs (a) (38) and (39) make conforming amendments to section 215 (Territorial highway program) and 217 (Bicycle transportation and pedestrian walkway) of title 23, United States Code, and change the Federal share payable for projects under section 217 from 100 percent Federal share to 75 percent Federal share. Bicycle transportation and pedestrian walkway projects no longer warrant special emphasis.

Paragraph (a)(40) repeals section 219 (Safer off-system roads). The safer off-system roads program is not a program of major Federal interest. The activities funded under this program will be eligible under the highway block grant. Unobligated balances of authorizations for section 219 shall remain available until October 1, 1987.

Paragraphs (a) (41), (42), and (43) make conforming amendments to sections 302, 311, and 315 of title 23, United States Code.

Paragraphs (a)(44) repeals section 322 (Demonstration Project-rail crossings) of title 23, United States Code. Unobligated balances of authorizations for section 322 shall remain available until October 1, 1987.

Paragraphs (a) (45), (46), and (47) make conforming amendments to sections 401, 402, and 406 of title 23, United States Code.

Paragraph (b)(1) repeals outstanding Interstate construction authorizations in section 108(b) of the Federal-Aid Highway Act of 1956.

Paragraph (b)(2) repeals section 163 of the Federal-Aid Highway Act of 1973 and provides that unobligated appropriations for that section shall remain available until expended.

Paragraph (b)(3) repeals section 203 of the Highway Safety Act of 1973. The major provisions of section 203 are codified in section 130 of title 23.

Paragraph (b)(4) repeals sections 118 and 119 of the Federal-Aid Highway Amendments of 1974 and provides that unobligated balances of authorizations for the sections shall remain available until October 1, 1987.

Paragraphs (b) (5), (6), (7), and (8) repeal section 146(c) of the Federal-Aid Highway Act of 1976, sections 105 and 141 of the Federal-Aid Highway Act of 1978, section 215 of the Highway Safety Act of 1978, and sections 105(d), 121(b), and 146 of the Highway Improvement Act of 1982. These sections contain provisions that are outdated, relate to programs that no longer warrant special emphasis, are not in conformance with the provisions of this bill, or are contrary to the objective of giving the States greater flexibility in the use of their funds. Unobligated balances of funds authorized or appropriated to carry out section 141 of the Federal-Aid Highway Act of 1978 are rescinded effective October 1, 1987.

TITLE II—HIGHWAY BLOCK GRANT ACT OF 1987

SECTION 201—SHORT TITLE

This section provides that Title II may be cited as the Highway Block Grant Act of 1987.

SECTION 202—HIGHWAY BLOCK GRANT

This section adds a new chapter (Chapter 5) to title 23, United States Code. This new chapter contains the provisions of the highway block grant established by this Act. References that follow are to Chapter 5.

Section 501 specifies the apportionment procedures. Deductions for administrative expenses may be made before apportionment. Prior to apportionment of the funds authorized for fiscal years 1987 through 1991 and after the deduction for administrative expenses, the Secretary is required to deduct ¼ of 1 percent of the remaining funds for the purpose of carrying out the SHRP under section 133 of title 23, United States Code.

Thirty-five percent of the funds are apportioned to the States on the basis of the present urban system apportionment formula with no State receiving less than ½ of 1 percent of this 35 percent. Thirty percent of the funds are apportioned to the States on the basis of the current secondary system formula with no State (except the District of Columbia) receiving less than ½ of 1 percent of this 30 percent. The last 35 percent of the funds are apportioned to the States on the basis of nonprimary system bridge needs as determined from the inventories required under section 144 of title 23, United States Code. No State is to receive more than 10 percent or less than one-quarter percent of this 35 percent.

Apportionment of funds under this section will be an obligation of the Federal Government for their payment under section 502. Apportionment is to be made 25 percent on October 1, and 75 percent on January 1 of each fiscal year to allow for sequestration, if any, under Gramm-Rudman-Hollings.

Section 502 provides the method of payment to the States of funds apportioned under section 501. The States will be paid as work progresses.

Section 503 provides that funds which are apportioned to a State based on that State's urbanized areas having a population of 200,000 or more are to be allocated to the State's urbanized areas of 200,000 population or more. This section provides that local officials decide how funds apportioned under this section are to be spent. However, projects must have been developed in accordance with the planning process of section 134.

Section 504 provides that funds may be expended for highway construction projects on any main public road, for off-system bridge projects, and for activities provided in sections 134 and 307(c) of title 23, United States Code. Only costs incurred after the effective date of this Act would be eligible. Attributable funds allocated to urbanized areas may also be used for Federal-aid urban system projects previously eligible under 23 U.S.C. 142.

Section 505 provides that the Federal share for eligible projects cannot exceed 75 percent. The State or local matching share may consist of cash, real estate or inkind services.

Section 506 contains requirements and assurances to consult with local governments, to comply with audit law, to utilize environmental and relocation assistance procedures, to allow inspections to comply with nondiscrimination requirements, and others.

Section 507 provides that the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under title IX of the Education Amendments of 1972, or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964 apply to programs and activities that receive Federal financial assistance under Chapter 5. No person on the basis of sex is to be excluded from participation in, be denied benefits of or be subject to discrimination under, any program or activity that receives Federal financial assistance under Chapter 5. However, this does not prohibit any conduct or activities permitted under title IX of the Education Amendments Act of 1972.

Section 508 provides for withholding payments under Chapter 5 if the Secretary finds that a State or local government has failed to comply substantially with any provision of Chapter 5. Payments are to be withheld until appropriate corrective action is taken.

Section 509 provides that only the laws specified in sections 506 and 507 apply to funds expended under Chapter 5, that the definitions in section 101(a) of title 23, United States Code, apply to Chapter 5, and that the remainder of Chapters 1 through 4 of title 23, United States Code, do not apply to Chapter 5 unless specifically provided by Chapter 5.

SECTION 203—TECHNICAL AMENDMENT

This section provides a necessary technical amendment.

SECTION 204—AUTHORIZATION

This section authorizes $2.2 billion per fiscal year out of the Highway Account of the Highway Trust Fund for each of the fiscal years 1987 through 1990 to carry out the highway block grant.

SECRETARY OF TRANSPORTATION,
Washington, DC, January 5, 1987.

Hon. GEORGE BUSH,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: I am submitting for your consideration draft bills entitled "Essential Highway Reauthorization Amendments of 1987", "Highway Safety Act of 1987", and "Highway Revenue Act of 1987".

These bills represent a major modification of the draft legislation I submitted on February 5, 1986. Because Congress adjourned last year without providing any new funds for highway construction and highway safety, enactment of highway reauthorization legislation is needed immediately. I am urging speedy enactment of basic reauthorizing legislation and would recommend that the President veto any legislation that includes costly special interest provisions.

We will transmit shortly a separate bill to reauthorize the transit program, which has sufficient appropriations from the General Fund for fiscal year 1987 and carryover of Trust Funds from previous years to fund the program in the near term.

The enclosed highway bill will provide approximately $53.5 billion in total authorizations for the highway construction and highway safety construction programs over the four-year period from fiscal year fiscal year 1987 to fiscal year 1990. All of the funding will come from user fees paid into the Highway Trust Fund (HTF). User fees will not be increased under our proposal, athough we do propose to end virtually all current tax exemptions.

We are proposing a combined Interstate/primary program composed of the Interstate construction, Interstate 4R, and primary programs. The combined program will be authorized at approximately $8.2 billion for fiscal year 1987 through fiscal year 1990. The formula for the combined program will be based on the current Interstate construction, 4R and primary formulas, thus retaining the relative distribution of these funds to the various States, but the States will decide how much will be spent on Interstate construction and reconstruction and primary construction and reconstruction.

State flexibility also will be increased by creating a block grant for other highway programs (urban, secondary, and nonprimary system bridges). This streamlined program will be authorized at a level of $2.2 billion per year for fiscal year 1987 through fiscal year 1990. The formula for the block grant will be based on the formulas for the programs being replaced so that each State will receive the same relative share of the funds. Detailed Federal reviews will be replaced by assurances of compliance from the States, thus providing a simpler, more efficient mechanism for delivery of these funds.

Substantial funding will continue to be made available for reconstruction of bridges on the primary system. Because of the continued need to improve safety on the Nation's highways, the hazard elimination and highway-railroad grade crossing programs will be retained as separate programs. The bill would also strengthen the Department's safety efforts by continuing our highway safety program while eliminating Federal earmarking of funds.

The Department believes user fee levels should not be increased and therefore, the revenue bill continues the current highway user fee tax structure. However, we have included provisions to end all major exemptions. The total amount made available to the States by the highway bill equals the amount currently projected to be paid into the Highway Account of the HTF over the four-year life of the highway bill. The authorizations are based on the average annual tax receipts projected for fiscal year 1987 through fiscal year 1990 period. A provision is included to permit the authorizations for certain programs for a particular fiscal year to be adjusted up or down if revised tax receipt projections indicate the receipts will be higher or lower. These provisions will ensure that the legislation is "deficit neutral" while at the same time permitting the authorizations to be increased if receipts increase.

These features are described in greater detail in the first enclosure. The second enclosure describes how much funding each state would receive under our proposal in the first year.

The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the submittal of this legislative proposal to Congress, and that its enactment would be in accord with the program of the President.

Sincerely,

ELIZABETH HANFORD DOLE.

Enclosure:—(1) Detailed Summary of Bills, (2) Estimated Highway Apportionments by State, (3) Bill and section-by-section analysis—the "Essential Highway Reauthorization Amendments of 1987", (4) Bill and section-by-section analysis—the "Highway Safety Act of 1987", (5) Bill and section-by-section analysis—the "Highway Revenue Act of 1987".●

By Mr. SASSER:

S. 313. A bill to make permanent the duty-free importation of hatter's fur, and for other purposes; to the Committee on Finance.

DUTY-FREE IMPORTATION OF HATTER'S FUR

● Mr. SASSER. Mr. President, today I am introducing legislation to make permanent the duty-free importation of hatter's fur. This bill is similar to legislation I introduced in the 99th Congress and which would have been included in last year's miscellaneous tariff bill.

The provisions in this tariff bill correct an inequity of current law. At present, these furskins are imported at a duty rate of 15 percent, substantially higher than the rate on semifinished hats. That is unfair to the U.S. hat producers who must compete with imported semifinished hats. The high duty on hatters' fur, together with the very low rate of duty on finished and semifinished hats threatens the viability of the industry's efforts to continue production in the United States of semifinished and finished hats from imported fur.

I want to point out that this measure will not harm American fur producers. The type of fur used in the manufacture of these hats is not found in the United States.

The measure will be of great assistance, however, to those workers whose livelihood depends on the hatmaking industry. One such facility is located in Winchester, TN. Winchester is a small community, Mr. President. Its people are dependent on a small number of businesses, such as the hatmaking factory, for their jobs. This is a rural area. There are few comparable jobs to which workers may transfer their skills. Many of these workers are prevented by family obligations from moving to a new area.

I urge my colleagues on the Finance Committee to again include this measure in the miscellaneous tariff bill and I look forward to its early consideration in the Senate.●

By Mr. PRESSLER (for himself, Mr. MATSUNAGA, Mr. INOUYE, Mr. HEINZ, Mr. DODD, Mr. STAFFORD, Mr. COCHRAN, Mr. SIMON, and Mr. D'AMATO):

S. 314. A bill to require certain telephones to be hearing aid compatible; to the Committee on Commerce, Science, and Transportation.

HEARING AID COMPATIBLE PHONES

Mr. PRESSLER. Mr. President, I raise today on behalf of myself and Senators MATSUNAGA, INOUYE, HEINZ, DODD, D'AMATO, STAFFORD, COCHRAN, and SIMON, to introduce legislation which will ensure that many of the hearing impaired members of our society will have access to telephone communications in the future. The Hearing Aid Compatability Act of 1987 would provide that all new telephones coming into service in the United States be hearing aid compatible.

The Hearing Aid Compatability Act of 1987 is a straightforward bill. The measure provides that any telephone manufactured, sold, rented, or otherwise distributed in the United States be hearing aid compatible. The measure applies only to telephones manufactured 6 months after the enactment of this act, and those telephones which must be registered with the FCC under 47 CFR 68.

This measure is virtually identical to an amendment I offered, along with 10 cosponsors, to the continuing resolution at the end of the 99th Congress. That amendment was adopted by the full Senate without objection, but was not accepted by the House in conference committee. The amendment itself was a simplified version of S. 402, a bill I introduced early in the last Congress which garnered 28 cosponsors. The broad base of support the measure generated both inside and outside the Senate indicate the necessity of hearing aid compatability legislation and encouraged me to offer the measure again in this Congress.

The need for this important legislation is clear. There are currently over 2 million hearing impaired people who can use only hearing aid compatible telephones. Hearing aid compatible technology has been available for over 35 years. However, since the breakup of the telephone industry the U.S. market has been flooded with incompatible telephones, thereby creating a crisis for the hearing impaired. Many of the telephones manufactured overseas are not hearing aid compatible, but compete with U.S.-manufactured telephones. If this trend continues the hearing impaired will become increasingly isolated from the mainstream of our society.

A hearing aid compatibility requirement would ensure that the hearing impaired would have equal access to voice telephones. This requirement would have little economic effect on the purchasers of telephone equipment. According to the Under Secretary of Commerce for International Trade:

> Telephone sets which are hearing aid compatible are not necessarily any more expensive either to produce, or in retail price, than sets which are not hearing aid compatible.

Previous legislative efforts have resulted in only token progress toward the goal of providing the hearing impaired with equal access to telephone communications. The Telecommunications for the Disabled Act of 1982 directed the Federal Communications Commission to create a category of hearing aid compatible "essential telephones." However, the result of the FCC regulations was the creation of a second class of citizens who are restricted to using only certain telephones.

The legislation I am introducing today will correct this inequity. By requiring all new telephones to be hearing aid compatible there will come a time when all members of our society will have free and equal access to telephone communication.

Mr. President, there is no cost to the Federal budget; no cost to anybody. It will end the flooding of our market with poorer telephones that do not meet these standards. I urge adoption of this legislation.

Mr. President, I send the bill to the desk and ask that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 314

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hearing Aid Compatibility Act of 1987".

SEC. 2. (a) Subject to the provisions of section (b), all telephones sold, rented, or distributed by any other means in the United States shall be hearing aid compatible, as defined in regulations promulgated by the Federal Communications Commission.

(b) The provisions of subsection (a) shall not apply to any telephone—

(1) that is manufactured before the effective date of this Act; or

(2) which is not required to be registered under 47 C.F.R. 68.

(c) The provisions of this Act shall be effective six months after the date of enactment of this Act.

By Mr. DIXON (for himself and Mr. SIMON):

S. 315. A bill to amend and extend the authorization for the Urban Mass Transportation Act of 1964; to the Committee on Banking, Housing, and Urban Affairs.

URBAN MASS TRANSPORTATION ACT

● Mr. DIXON. Mr. President, together with my distinguished colleague from Illinois, Senator SIMON, I am today introducting the Urban Mass Transportation Act of 1987.

I would like to say at the outset that this legislation is far from perfect. While the authorizations are structured to allow some possibility of higher funding from the mass transit account—if gas tax receipts and interest income are sufficient—the basic authorization levels it proposes are very modest. Except in the interstate transfer area, the authorization totals proposed are identical to those in the transit bill that passed the Senate last year by voice vote.

Further, the bill does not address many of the program issues that I believe need to be addressed. The transit program has worked well, but I think that it needs reform to help make it more efficient and to help ensure that major investments in transit systems are as cost-effective as possible.

There is not time, however, to undertake a comprehensive review of the transit program now. Federal highway and transit programs have expired, creating serious and rapidly growing problems for State departments of transportation and transit operators around the Nation. We must act as quickly as possible, therefore, to reauthorize transit and highway legislation.

This legislation, therefore, is basically nothing more than an attempt to reauthorize Federal transit assistance for through fiscal 1990, and to resolve a few modest issues that have been pending for some time.

The bill does not restructure the two major transit programs. The section 3 Discretionary Grant Program—used to finance construction of new transit systems, to fund major repair and rehabilitation of existing rail systems, and to finance major bus purchases and bus facilities—and the Section 9 Formula Grant Program—used to finance routine capital and operating assistance needs—are not changed in any major way.

The bill does propose a major change, however, in the way those two programs are financed. Currently, the section 3 program is funded solely from the mass transit account—the gas tax—while section 9 is supported solely by appropriated general revenue funds. I am proposing that we merge these revenue sources so that both major programs are financed from both revenue sources.

There are two fundamental reasons, it seems to me, that this approach is very desirable. First, it ensures that the bulk of transit assistance will continue to be provided by formula. The bill proposes that 70 percent of transit funds should be distributed under the section 9 formula, while 30 percent is allocated to the Section 3 Discretionary Grant Program.

The Formula Grant Program needs this type of protection. Because it is funded out of general revenues, and because the transportation budget has been so tight in recent years, appropriations for section 9 have steadily declined in recent years. On the other hand, because the one penny Federal gas tax allocated to transit provides an income source that has grown steadily since it was created in 1982, section 3 funding has been relatively more stable, and there are a number of proposals to increase it significantly.

It is important to remember that transit already has the largest discretionary program in the Federal Government. It is also important to remember that many small- and medium-sized cities are ill-equipped to compete with the large transit systems for discretionary grants. Weakening the Formula Grant Program, therefore, tends to undermine the ability of the majority of transit systems in cities and towns around the country to meet their public transportation needs. However, strengthening the Formula Assistance Program by giving it access to more stable funding source—the mass transit account—provides the kind of certainty and reliability that are so important to small- and medium-sized transit systems, and indeed, to all transit systems.

In fiscal 1983, the Congress chose to allocate all gas tax revenues under the section 9 formula. The legislation I am introducing builds on that precedent. It guarantees that the bulk of transit assistance—at whatever overall funding level Congress chooses—will go out under the Formula Program, providing the kind of stability and predictability that most transit systems so badly need. That is why this concept is supported by many organizations representing local governments.

There is a second reason, though, for apportioning some of the gas tax money under the Formula Program. The gas tax is widely seen to be a type of user fee, rather than a general tax, such as the income tax. Some have suggested, therefore, that these "user fees" should be spent only in the State where they are raised. I will not take the time of the Senate to discuss this argument in detail; that can wait for another, more appropriate, time. I do want to say at this time that I do not share that view. I think it reflects an overly narrow approach to the issue involved.

For example, Illinois does well under both the Federal transit and highway programs. However, when all Federal assistance is considered, Illinois receives only about 68 cents for evey tax dollar it sends to Washington.

Even if you look at only the transit and highway programs, the equities do not lead to the conclusion that mass transit account funds should be spent only in the States where they are raised, regardless of their transit needs. I can illustrate this point with an example from my own State of Illinois. Cook County, which includes the city of Chicago, has the second largest transit system in the Nation. It is a very large population center. Its residents own almost 40 percent of the vehicles registered in the State of Illinois, but Cook County received only about 23 percent of the Federal highway money spent in Illinois. Some would say that the actual situation is even worse. If Federal interstate transfer-highway assistance is excluded—by law, this program operates only in the Chicago metro area—the county receives less than 10 percent of the regular Federal highway assistance provided to Illinois.

Of course, the situation is not really that inequitable. The Chicago area receives major Federal transit assistance, which results in a more equitable apportionment of transportation resources in my State—and that is the point. The transit and highway programs must be reviewed together.

Having said all that, however, I do think it makes sense to use at least some of the gas tax revenues to support the transit program that supports the largest number of transit systems. I would not propose that mass transit account funds should be allocated to States without regard to transit needs, but I do think it is appropriate to send gas tax money to every State to meet its transit needs under the section 9 formula. I would urge those of my colleagues who have expressed an interest in this issue in the past to examine this proposal. It should resolve some of their concerns, and it does so in a manner that does not do violence to the transit program.

There is a lot more I could say, Mr. President, about this issue and about a number of other provisions in the bill, but I will raise only two issues before I conclude.

First, I want to reiterate how important it is to act as quickly as possible to enact a highway-transit reauthorization bill as quickly as possible. I deeply regret that we failed to do so before the last Congress ended. We cannot afford further delay.

Second, it is my intention, after action on reauthorization legislation is completed, to seek hearings in the Senate Banking Committee, on which I serve, to examine a number of transit program issues. As I stated earlier, I believe it is long past time to take a look at the transit program, with a view toward restructuring it in a way that will improve its efficiency and its cost effectiveness. I think we need to take a close look at the way applications for construction of new transit systems are approved and financed. I think we need to see what kinds of incentives can be built into the transit program that will encourage transit operators to improve their efficiency. I think we need to examine how rail modernization needs might be met through a formula, rather than the current ad hoc system.

This comprehensive review can begin once we get the transit program and the highway program reauthorized. I urge my colleagues to work with me and with my colleagues on the Senate Banking Committee to achieve quick action on reauthorization legislation. I believe the bill I am introducing today can provide the basis for that action.

Mr. President, I ask unanimous consent that a summary of some of the major provisions of the bill and a copy of the bill be included at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 315

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Urban Mass Transportation Authorization Act of 1987".

AUTHORIZATIONS

Sec. 2. (a) Section 21 of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"AUTHORIZATION

"Sec. 21. (a)(1) There is hereby authorized to be appropriated to carry out the provisions of sections 9 and 18 of this Act not to exceed such sums as are necessary for fiscal year 1987.

"(2) There shall be available from the Mass Transit Account of the Highway Trust Fund only to carry out section 3, 4(i), 8, and 16(b) of this Act $1,100,000,000 for the fiscal year 1986 and $1,000,000,000 for the fiscal year 1987.

"(b)(1) To carry out sections 3 and 9 of this Act, there are authorized to be appropriated not to exceed $1,690,000,000 for the fiscal year 1988, $1,693,000,000 for the fiscal year 1989, and $1,696,000,000 for the fiscal year 1990.

"(2) To carry out sections 3(j) and 9 of this Act, there shall be available from the Mass Transit Account of the Highway Trust Fund—

"(A) $1,300,000,000 for each of the fiscal years 1988 through 1990, plus

"(B) for each of the fiscal years 1988, 1989, and 1990, any annual income (including interest) attributable to the Mass Transit Account in excess of the (i) amount authorized by subparagraph (A) for each such year, and (ii) the amount authorized by subsection (e)(2); *Provided, however,* That in any fiscal year any such increase shall not exceed $100 million above the total amount provided from the Mass Transit Account in the previous fiscal year.

"(c) Of the amount made available under subsection (b)(1)—

"(A) during fiscal year 1988, 68 per centum shall be available for grants under sections 9, and 32 per centum shall be available for grants under sections 3; and

"(B) for fiscal years 1989 and 1990, 70 per centum shall be available for grants under section 9, and 30 per centum shall be available for grants under section 3.

"(d) Of the amount made available under subsection (b)(2)—

"(A) during fiscal year 1988, 68 per centum shall be available for grants under section 9, and 32 per centum shall be available for grants under section 3(j); and

"(B) for fiscal years 1989 and 1990, 70 per centum shall be available for grants under section 9(p), and 30 per centum shall be available for grants under section 3(j).

"(e)(1) For substitute mass transportation projects under section 103(e)(4) of title 23, United States Code, there are authorized to be appropriated—

"(A) such sums as are necessary for the fiscal year 1987;

"(B) $200,000,000 for fiscal year 1988;

"(C) $200,000,000 for fiscal year 1989; and

"(D) $200,000,000 for fiscal year 1990;

"(2) In addition to the amounts appropriated under paragraph (1), there shall be available for each such year from the mass Transit Account of the Highway Trust Fund, the sum of $50,000,000 if the annual income (including interest) attributable to that Account exceeds the amounts made available by subsection (b)(2) for that year.

"(f) During each of fiscal years 1987 through 1990, 2.93 per centum of the total funds available under section 9 shall be available to carry out section 18; provided, however, that all amounts for section 18 shall be drawn from appropriated funds.

"(g) Out of the funds made available under subsection (a)(2) of this section, not to exceed $46,000,000 shall be available for the purposes of Section 8 of this Act in fiscal year 1987. Out of the funds made available under subsections (b)(1) and (b)(2) of this section for the purposes of Section 3, $46,000,000 for each of the fiscal years 1988 through 1990 shall be available for the purposes of Section 8 of this Act. Nothing herein shall prevent the use of additional funds available under this subsection for planning purposes.

"(h) There is hereby authorized to be appropriated to carry out section 6, 10, 11(a), 12(a) and 20 of this Act not to exceed such sums as may be appropriated for fiscal year 1987, and $46,000,000 for each of the fiscal years 1988 through 1990. Sums appropriated pursuant to this subsection for financing projects funded under section 6 of this Act shall remain available until expended.".

SECTION 3 AMENDMENTS

Sec. 3. Section 3 of the Urban Mass Transit Act of 1964 is amended by adding at the end thereof the following:

"(i) of the amounts available for grants and loans under this section for fiscal years 1987, 1988, 1989, and 1990—

"(1) 45 percent shall be available for rail modernization;

"(2) 40 percent shall be available for construction of new fixed guideway systems and extensions to fixed guideway systems; and

"(3) 15 percent shall be available for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities.

"(j)(1) Funds made available under section 21(b) to carry out this subsection shall be made available as otherwise provided by this section.

"(2) Approval by the Secretary of a grant under this subsection shall be deemed a contractual obligation of the United States for the Federal share of the cost of the project.".

BLOCK GRANT PROGRAM AMENDMENTS

Sec. 4. (a) Funding of Partial Programs of Projects—Section 9(e)(2) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new sentence: "A grant may be made under this section to carry out, in whole or in part, a program of projects.".

(b) Transit Advertising Revenues.—

(1) Exclusion from operating revenues.—Section 9(k)(1) of such Act is amended by inserting after the third sentence the following new sentence: "For the purposes of the preceding sentence, 'revenues from the operation of a public mass transportation system' shall not include the amount of any revenues derived by such system from the sale of advertising and concessions which is in excess of the amount of such revenues derived by such system from the sale of advertising and concessions in fiscal year 1985.".

(2) Annual report.—Section 9(e) of such Act is amended by adding at the end thereof the following new paragraph:

"(4) Annual report to secretary.—Each recipient (including any person receiving funds from a Governor under this section) shall submit to the Secretary annually a report on the revenues such recipient derives from the sale of advertising and concessions.".

(c) Apportionments With Respect to Small Urbanized Areas.—

(1) Availability to governors.—Section 9(m)(2) of such Act is amended to read as follows:

"(2) Small urbanized areas.—Sums apportioned under subsection (d) with respect to any urbanized area with a population of less than 200,000 shall be made available to the Governor for expenditure in such area.".

(2) Transfers.—Section 9(n)(1) of such Act is amended to read as follows:

"(n) Transfer of Funds.—

"(1) Small urbanized areas.—The Governor may transfer an amount apportioned under subsection (d) for expenditure in an urbanized area of less than 200,000 population to supplement funds apportioned to the State under section 18(a) of this Act or to supplement funds apportioned to other urbanized areas within the State. The Governor may make such transfers only after approval by responsible local elected officials and publicly owned operators of mass transportation services in each area with respect to which the funding was originally apportioned pursuant to subsection (d); except that, if the period of availability under subsection (o) of the funds proposed to be transferred will end within 90 days, the Governor may make such transfer without such approval if no approvable grant application is pending under this section for any project in such area. The governor may transfer an amount of the State's apportionment under section 18(a) to supplement funds apportioned for expenditure in the State under subsection (d). Amounts transferred shall be subject to the capital and operating assistance limitations applicable to the original apportionments of such amounts.".

(3) Conforming amendment.—Subsection (d) of section 9 of such Act is amended by striking out "which urbanized areas" and inserting in lieu thereof "which an urbanized area".

(d) Date of Apportionment.—Section 9 of such Act is further amended by adding at the end thereof the following new subsection:

"(u) Date of Apportionment.—Funds appropriated to carry out this section for any fiscal year shall be apportioned in accordance wth the provisions of this section not later than the tenth day following the date on which such funds are appropriated or October 1 of such fiscal year, whichever is later.".

(e) Technical Amendments.—(1) Section 9(e) of such Act is amended by adding at the end thereof the following new paragraph:

"(5) Acceptance of certification.—No grant shall be made under this section to any recipient in any fiscal year unless the Secretary has accepted a certification for such fiscal year submitted by such person pursuant to this subsection.".

(2) Section 9(g) of such Act is amended by striking out paragraph (4).

NEWLY URBANIZED AREAS

Sec. 5. The last sentence of section 9(k)(2) of the Urban Mass Transportation Act of 1964 is amended by inserting "authorized" after "its".

LEASED PROPERTY

Sec. 6. Section 9(j) of the Urban Mass Transportation Act of 1964 is amended by inserting after the first sentence the following: "Grants for construction projects under this section shall also be available to finance the leasing of facilities and equipment for use in mass transportation service, subject to regulations limiting such grants to leasing arrangements which are more cost effective than acquisition or construction. The Secretary shall publish regulations under the preceding sentence in proposed form in the Federal Register for public comment not later than 60 days after the date of enactment of this sentence, and shall promulgate such regulations in final form not later than 120 days after such date of enactment.".

SMALL URBANIZED AREA PROGRAM RESPONSIBILITY

SEC. 7. Section 9(m)(2) of the Urban Mass Transit Act of 1964 is amended by adding at the end thereof the following: "Responsibility for overall implementation and administration of this paragraph for urbanized areas of less than 200,000 shall remain vested in the Secretary.".

USE OF TRANSIT ACCOUNT FUNDS

SEC. 8. Section 9 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsections:

"(p) Approval by the Secretary of a grant under this section shall be deemed a contractual obligation of the United States for the Federal share of the cost of the project, up to the lesser of—

"(1) the total amount of a recipient's capital grants under this section; or

"(2) the percentage of the recipient's apportionment which is the ratio of the funds available under Section 21(b)(2) to the sum of the funds made available under Section 21 (b)(1) and (b)(2).".

"(q) Notwithstanding any other provision of this section, the Secretary shall—

"(1) reapportion funds available under section 21(b)(1) so that, to the extent practicable—

"(A) the amount made available from such funds to a recipient whose apportionment of such funds is less than the amount described in subsection (k)(2) is increased to not exceed the amount so described; and

"(B) the amount made available from such funds to a recipient whose apportionment of such funds is more than the amount described in subsection (k)(2) is reduced to not less than the amount so described; and

"(2) reapportion funds available under section 21(b)(2) so that the total amount of funds made available under this section to each recipient is not affected by the reallocation pursuant to paragraph (1).

If the total amount available to be reallocated pursuant to paragraph (1)(A) is insufficient to ensure that each recipient receives allocations under Section 21(b)(1) up to the level permitted by Section 9(k)(2), the difference shall be ratably shared by all recipients.".

CERTIFICATION REGARDING USE OF FUNDS

SEC. 9. Section 9 of the Urban Mass Transit Act of 1964 is amended by adding at the end thereof the following:

"(r) Not later than the close of the fiscal year succeeding the first fiscal year for which funds are appropriated under this section, a recipient shall certify to the Secretary that it is the intent of the recipient to use such funds as have not been obligated as of the date of certification. Any apportionments for the recipient not subject to such certification shall lapse as of the close of such fiscal year.".

REPORT ON SECTION 9 INCENTIVE TIER

SEC. 10. Section 9 of the Urban Mass Transit Act of 1964 is amended by adding at the end thereof the following:

"(s) Not later than June 1, of each year, the Secretary shall report to the Congress on the effect of subsections (b)(3) and (c)(3) on the apportionment of funds to each formula grant recipient.".

ADVANCE CONSTRUCTION

SEC. 11. (a) Section 3 of the Urban Mass Transit Act of 1964 is amended by adding at the end thereof the following new subsection:

"(k) ADVANCE CONSTRUCTION.—

"(1) APPROVED PROJECT.—Upon application of a state or local public body which carries out a project described in this section or a substitute transit project described in section 103(e)(4) of title 23, United States Code, or portion of such a project without the aid of Federal funds in accordance with all procedures and requirements applicable to such a project and upon the Secretary's approval of such application, the Secretary may pay to such applicant the Federal share of the net project costs if, prior to carrying out such project or portion, the Secretary approves the plans and specifications therefor in the same manner as other projects under this section or such section 103(e)(4), as the case may be.

"(2) BOND INTEREST.—

"(A) ELIGIBLE COST.—Subject to the provisions of this paragraph, the cost of carrying out a project or portion thereof, the Federal share of which the Secretary is authorized to pay under this subsection, shall include the amount of any interest earned and payable on bonds issued by the State or local public body to the extent that the proceeds of such bonds have actually been expended in carrying out such project or portion.

"(B) LIMITATION ON AMOUNT.—In no event shall the amount of interest considered as a cost of carrying out a project or portion thereof under subparagraph (A) be greater than the excess of—

"(i) the amount which would be the estimated cost of carrying out the project or portion if the project or portion were to be carried out at the time the project or portion is converted to a regularly funded project, over

"(ii) the actual cost of carrying out such project or portion (not including such interest).

"(C) CHANGES IN CONSTRUCTION COST INDICES.—The Secretary shall consider changes in construction cost indices in determining the amount under subparagraph (B)(i).".

(b) Section 9 of such Act is amended by adding at the end thereof the following new subsection:

"(t) ADVANCE CONSTRUCTION.—

"(1) APPROVED PROJECT.—When a recipient has obligated all funds apportioned to it under this section and proceeds to carry out any project described in this section (other than a project for operating expenses) or portion of such a project without the aid of Federal funds in accordance with all procedures and all requirements applicable to such a project, except insofar as such procedures and requirements limit a State to carrying out projects with the aid of Federal funds previously apportioned to it, the Secretary, upon application by such recipient and his approval of such application, is authorized to pay to such recipient the Federal share of the costs of carrying out such project or portion when additional funds are apportioned to such recipient under this section if, prior to carrying out such project or portion, the Secretary approves the plans and specifications therefor in the same manner as other projects under this section.

"(2) LIMITATION ON PROJECTS.—The Secretary may not approve an application under this subsection unless an authorization for this section is in effect for the fiscal year for which the application is sought beyond the currently authorized funds for such recipient. No application may be approved under this subsection which will exceed—

"(A) the recipient's expected apportionment under this section if the total amount of funds authorized to be appropriated to carry out this section for such fiscal year were so appropriated, less

"(B) the maximum amount of such apportionment which could be made available for projects for operating expenses under this section.

"(3) BOND INTEREST.—

"(A) ELIGIBLE COST.—Subject to the provisions of this paragraph, the cost of carrying out a project or portion thereof, the Federal share of which the Secretary is authorized to pay under this subsection, shall include the amount of any interest earned and payable on bonds issued by the recipient to the extent that the proceeds of such bonds have actually been expended in carrying out such project or portion.

"(B) LIMITATION ON AMOUNT.—In no event shall the amount of interest considered as a cost of carrying out a project or portion under subparagraph (A) be greater than the excess of—

"(i) the amount which would be the estimated cost of carrying out the project or portion if the project or portion were to be carried out at the time the project or portion is converted to a regularly funded project, over

"(ii) the actual cost of carrying out such project or portion (not including such interest).

"(C) CHANGES IN CONSTRUCTION COST INDICES.—The Secretary shall consider changes in construction cost indices in determining the amount under subparagraph (B)(i).".

UNIVERSITY TRANSPORTATION CENTERS

SEC. 12. (a) Section 11(b) of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"(b) UNIVERSITY TRANSPORTATION CENTERS.—

"(1) GRANTS FOR ESTABLISHMENT AND OPERATION.—In addition to grants authorized by subsection (a) of this section, the Secretary shall make grants to one or more nonprofit institutions of higher learning to establish and operate one regional transportation center in each of the ten Federal regions which comprise the Standard Federal Regional Boundary System.

"(2) RESPONSIBILITIES.—The responsibilities of each transportation center established under this subsection shall include, but not be limited to, the conduct of infrastructure research concerning transportation and research and training concerning transportation of passengers and property and the interpretation, publication, and dissemination of the results of such research. The responsibilities of one of such centers may include research on the testing of new model buses.

"(3) APPLICATION.—Any nonprofit institution of higher learning interested in receiving a grant under this subsection shall submit to the Secretary an application in such form and containing such information as the Secretary may require by regulation.

"(4) SELECTION CRITERIA.—The Secretary shall select recipients of grants under this subsection on the basis of the following criteria:

"(A) The regional transportation center shall be located in a State which is representative of the needs of the Federal region for improved transportation services and facilities.

"(B) The demonstrated research and extension resources available to the grant recipient for carrying out this subsection.

"(C) The capability of the grant recipient to provide leadership in making national and regional contributions to the solution of both long-range and immediate transportation problems.

"(D) The grant recipient shall have an established transportation program or programs encompassing several modes of transportation.

"(E) The grant recipient shall have a demonstrated commitment to supporting ongoing transportation research programs with regularly budgeted institutional funds of at least $200,000 per year.

"(F) The grant recipient shall have a demonstrated ability to disseminate results of transportation research and educational programs through a statewide or regionwide continuing education program.

"(G) The projects which the grant recipient proposes to carry out under the grant.

"(5) MAINTENANCE OF EFFORT.—No grant may be made under this section in any fiscal year unless the recipient of such grant enters into such agreements with the Secretary as the Secretary may require to ensure that such recipient will maintain its aggregate expenditures from all other sources for establishing and operating a regional transportation center and related research activities at or above the average level of such expenditures in its two fiscal years preceding the date of enactment of this subsection.

"(6) FEDERAL SHARE.—The Federal share of a grant under this subsection shall be 50 percent of the costs of establishing and operating the regional transportation center and related research activities carried out by the grant recipient.

"(7) NATIONAL ADVISORY COUNCIL.—

"(A) ESTABLISHMENT; FUNCTIONS.—The Secretary shall establish in the Department of Transportation a national advisory council to coordinate the research and training to be carried out by the grant recipients, to disseminate the results of such research, to act as a clearinghouse between such centers and the transportation industry, and to review and evaluate programs carried out by such centers.

"(B) MEMBERS.—The council shall be composed of the directors of the regional transportation centers and 19 other members appointed by the Secretary as follows:

"(i) Six officers of the Department of Transportation one of whom represents the Office of the Secretary, one of whom represents the Federal Highway Administration, one of whom represents the Urban Mass Transportation Administration, one of whom represents the National Highway Traffic Safety Administration, one of whom represents the Research and Special Programs Administration, and one of whom represents the Federal Railroad Administration.

"(ii) Five representatives of State and local governments.

"(iii) Eight representatives of the transportation industry and organizations of employees in such industry.

A vacancy in the membership of the council shall be filled in the manner in which the original appointment was made.

"(C) TERM OF OFFICE; PAY; CHAIRMAN.—Each of the members appointed by the Secretary shall serve for a term of five years. Members of the council shall serve without pay. The chairman of the council shall be designated by the Secretary.

"(D) MEETINGS.—The council shall meet at least annually and at such other times as the chairman may designate.

"(E) AGENCY INFORMATION.—Subject to subchapter II of chapter 5 of title 5, United States Code, the council may secure directly from any department or agency of the United States information necessary to enable it to carry out this subsection. Upon request of the Chairman of the council, the head of such department or agency shall furnish such information to the council.

"(F) TERMINATION DATE INAPPLICABLE.—Section 14 of the Federal Advisory Committee Act shall not apply to the council.

"(8) ADMINISTRATION THROUGH OFFICE OF SECRETARY.—Administrative responsibility for carrying out this subsection shall be in the Office of the Secretary.

"(9) ALLOCATION OF FUNDS.—The Secretary shall allocate funds made available to carry out this subsection equitably among the Federal regions.

"(10) TECHNOLOGY TRANSFER SET-ASIDE.—Not less than 5 percent of the funds made available to carry out this subsection for any fiscal year shall be available to carry out technology transfer activities.".

(b) Section 21 of such Act is amended by adding at the end thereof the following new subsection:

"(i) UNIVERSITY TRANSPORTATION CENTERS.—

"(1) AMOUNT OF FUNDS.—There shall be available to the Secretary to carry out section 11(b) of this Act for each of fiscal years 1987, 1988, 1989, 1990, and 1991 $5,000,000 out of the Highway Trust Fund (other than the Mass Transit Account) and $5,000,000 out of such Mass Transit Account.

"(2) CONTRACT AUTHORITY.—Notwithstanding any other provision of law, approval by the Secretary of a grant with funds made available by paragraph (1) shall be deemed a contractual obligation of the United States for payment of the Federal share of the cost of the project.

"(3) PERIOD OF AVAILABILITY.—Funds made available by this subsection shall remain available until expended.".

(c) Section 11(a) of such Act is amended by inserting "GRANT PROGRAM.—" before "The Secretary".

SOLE SOURCE PROCUREMENTS

SEC. 13. Section 12(b) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new paragraph:

"(3) SOLE SOURCE PROCUREMENT CONTRACTS.—Any recipient of a grant under section 9 of this Act who is procuring an associated capital maintenance item under section 9(j) of this Act may, without receiving prior approval of the Secretary, contract directly with the original manufacturer or supplier of the item to be replaced if such recipient first certifies to the Secretary—

"(A) that such manufacturer or supplier is the only source for such item; and

"(B) that the price of such item is no higher than the price paid for such item by like customers.".

BUS REMANUFACTURING AND OVERHAULING OF ROLLING STOCK

SEC. 14. (a) Section 12(c)(1) of the Urban Mass Transportation Act of 1964 is amended by inserting "(A)" after "such term also means" and by inserting before the semicolon at the end thereof the following: ", (B) any bus remanufacturing project which extends the economic life of a bus eight years or more, and (C) any project for the overhaul of rolling stock (whether or not such overhaul increases the useful life of the rolling stock)". (b) The second sentence of section 9(j) of such Act is amended—

(1) by striking out "and materials" and inserting in lieu thereof ", tires, tubes, materials, and supplies"; and

(2) by striking out "1 per centum" and inserting in lieu thereof "one-half of 1 percent".

(c) Section 9(j) of such Act is amended—

(1) by inserting "(1)" before "Grants"; and

(2) by adding at the end thereof the following:

"(2) A project for the reconstruction (whether by employees of the grant recipient or by contract) of any equipment and materials each of which, after reconstruction, will have a fair market value no less than one-half of 1 percent of the current fair market value of rolling stock comparable to the rolling stock for which the equipment and materials are to be used shall be considered a project for construction of an associated capital maintenance item under this section.".

(d) The first sentence of section 9(k)(1) of such Act is amended by striking out "shall not exceed" the first place it appears and inserting in lieu thereof "shall be".

(e) Subparagraph (A) of section 3(a)(2) of such Act is amended to read as follows:

"(A) No grant or loan shall be provided under this section unless the Secretary determines that the applicant—

"(i) has or will have the legal, financial, and technical capacity to carry out the proposed project;

"(ii) has or will have satisfactory continuing control, through operation or lease or otherwise, over the use of the facilities and the equipment; and

"(iii) has or will have sufficient capability to maintain the facilities and equipment, and will maintain, such facilities and equipment.".

(f) The first sentence of section 9(k)(1) of such Act is further amended by striking out "(including capital maintenance items)" and inserting in lieu thereof "(including any project for the acquisition or construction of an associated capital maintenance item)".

PRIVATIZATION

SEC. 15. The Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"PRIVATIZATION

SEC. 23. (a) It is the continuing intent of Congress, in authorizing Federal assistance under this Act, that the Federal Government should remain fully neutral on the question of public versus private operation of mass transportation services and activities.

"(b) In making grants or otherwise providing assistance under this Act, the Secretary shall neither regulate local decisions regarding service providers, nor require recipients of assistance under this Act to comply with any policy which—

"(1) mandates inclusion of any particular type of service provider on local transit policy or governing boards or planning entities;

"(2) provides for Federal review of local processes and procedures for determining service providers; or

"(3) in any other way bases the granting or withholding of Federal assistance under this Act on the nature of the local process used to decide, or the decisions made, on the providers of mass transportation services and activities.

"(c) Nothing in this section shall be construed—

"(1) to prevent the Secretary from making grants for planning, demonstration, or technical assistance purposes which are intended to improve or develop the role of private companies in mass transportation; or

"(2) to affect any other provision of law governing procurement procedures where such procedures are utilized.".

PROJECT MANAGEMENT OVERSIGHT

SEC. 16. The Urban Mass Transportation Act of 1964 is amended by inserting at the end thereof the following new section:

"PROJECT MANAGEMENT OVERSIGHT

"SEC. 24. (a)(1) The Secretary may use as much as is necessary of the funds made available for each fiscal year by sections 21(a)(1), 21(a)(2)(B), and 4(g) of this Act, and section 14(b) of the National Capital Transportation Act of 1969 to contract with any person for the performance of project management oversight. Any contract entered into under this subsection shall provide for the payment by the Secretary of 100 percent of the cost of carrying out the contract.

"(2) Each recipient of assistance under this Act or section 14(b) of the National Capital Transportation Act of 1969 shall provide the Secretary and a contractor chosen by the Secretary in accordance with paragraph (1) such access to its construction sites and records as may be reasonably required.

"(b) As a condition of Federal financial assistance for a major capital project under this Act or the National Capital Transportation Act of 1969, the Secretary shall require the recipient to prepare, and, after approval by the Secretary, implement a project management plan which meets the requirements of subsection (c).

"(c) A project management plan may, as required in each case by the Secretary, provide for—

"(1) adequate recipient staff organization complete with well-defined reporting relationships, statements of functional responsibilities, job descriptions, and job qualifications;

"(2) a budget covering the project management organization, appropriate consultants, property acquisition, utility relocation, systems demonstration staff, audits, and such miscellaneous payments as the recipients may be prepared to justify;

"(3) a construction schedule;

"(4) a document control procedure and recordkeeping system;

"(5) a change order procedure which includes a documented, systematic approach to the handling of construction change orders;

"(6) organizational structures, management skills, and staffing levels required throughout the construction phase;

"(7) quality control and quality assurance functions, procedures, and responsibilities for construction and for system installation and integration of system components;

"(8) materials testing policies and procedures;

"(9) internal plan implementation and reporting requirements;

"(10) criteria and procedures to be used for testing the operational system or its major components;

"(11) periodic updates of the plan, especially with respect to such items as project budget and project schedule, financing, ridership estimates, and where applicable, the status of local efforts to enhance ridership in cases where ridership estimates are contingent, in part, upon the success of such efforts; and

"(12) the recipient's commitment to make monthly submissions of project budget and project schedule to the Secretary.

"(d) The Secretary shall promulgate such regulations as may be necessary to implement the provisions of this section. Such regulations shall be published in proposed form for comment in the Federal Register and shall be submitted for review to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate not later than 60 days after the date of enactment of this section, and shall be promulgated in final form not later than 120 days after the date of enactment of this section. Such regulations shall, at a minimum, include the following:

"(1) A definition of the term 'major capital project' for the purpose of subsection (b). Such definition shall exclude projects for the acquisition of vehicles or other rolling stock, or for the performance of vehicle maintenance or rehabilitation.

"(2) A requirement that, in order to maximize the transportation benefits and cost savings associated with project management oversight, such oversight shall begin during the preliminary engineering stage of a project. The requirement of this paragraph shall not apply if the Secretary finds that it is more appropriate to initiate such oversight during another stage of the project.

"(e) The Secretary shall approve a plan submitted pursuant to subsection (b) within 60 days following its submittal. In the event that approval cannot be completed within 60 days, the Secretary shall inform the recipient of the reasons therefor and as to how much more time is needed for review to be completed. If a plan is disapproved, the Secretary shall inform the recipient of the reasons therefore.".

ADDITIONAL AMOUNT FOR SUBSTITUTE TRANSIT PROJECTS COST TO COMPLETE ESTIMATE

SEC. 17. (a) In addition to the total amount available to the Secretary under section 103 (e)(4)(B) of title 23, United States Code, there is authorized to be appropriated to the Secretary for fiscal years beginning after September 30, 1986, $100,000,000 to incure obligations under such section for the Federal share of either public mass transit projects, or the purchase of passenger equipment, described in such section.

(b) Any funds appropriated pursuant to paragraph (1) may only be obligated for projects substituted for any segment of interstate route the approval of which is withdrawn under section 103(e)(4) of such title before January 1, 1986.

(c) Notwithstanding section 103(e)(4) of such title, funds appropriated pursuant to paragraph (1) shall be made available in accordance with the apportionment factors contained in the committee print numbered 100-2 of the Committee on Public Works and Transportation of the House of Representatives.

SUMMARY OF MAJOR PROVISIONS—URBAN MASS TRANSPORTATION AUTHORIZATION ACT OF 1987

AUTHORIZATIONS

[In millions of dollars]

Program	Fiscal year—			
	1987	1988	1989	1990
Section 3	1,100			
Section 9	(1)			
Sections 3 and 9 general revenue		1,690	1,693	1,696
Mass Transit Acc't		1,300+	1,300+	1,300+
Interstate Transfer general revenue	(1)	200	200	200
Mass Transit Acc't		50	50	50
Section 18	(2)	(2)	(2)	(2)
Section 8	46*	46*	46*	46*
Sections 6, 10, 11(a), 12(a), and 20	(1)	50	50	50
University Centers	5*	5*	5*	5*

[1] Such sums.

[2] 2.93% of the total available to section 9 from all sources, but drawn from general revenues only.

Notes: (1) In 1988 through 1990, general revenues and mass transit account funds will be blended to finance both the Section 3 and the Section 9 program. (2) Mass Transit Account authorizations for Sections 3 and 9 in fy '88 through '80 could be increased above the $1,3 billion level, if annual income to the trust fund (including interest) is sufficient to support higher spending levels, that is if income from the gas tax and interest income total more than $1.35 billion annually. However, such increase would be limited to $100 million above the previous year's level. (3) Section 8 funding comes out of the total amount available for Section 3. (4) University transportation center funding will be drawn from the Mass Transit Account.

SECTION 3 AND 9 FINANCING

Currently, the Section 3 discretionary grant program is funded entirely out of the Mass Transit Account (1 cent of the federal gasoline tax is allocated to transit), while the section 9 formula grant program is funded entirely from general revenues (appropriated funds).

The bill funds both major programs out of both major funding sources. It establishes a 68-32 ratio between the Section 9 and Section 3 programs in fiscal '88, and a 70-30 ratio in fiscal '89 and '90. That means that in fiscal '90, for example, 70% of Mass Transit Account funds, and 70% of appropriated funds would be used to finance Section 9, and 30% of the funds from each of those sources would be used to finance Section 3. With the overall funding levels proposed in the bill, Sections 3, 9, and 18 would be financed as follows:

Section 9—general revenues, $1,125.8 million (70.% of $1.696 billion minus $61.4 million for Section 18).

Mass Transit Account Funds, $910 million (70.% of $1.3 billion).

Total, $2,035.8 million.

Section 3—general revenues, $508.8 million (30% of $1.696 billion).

Mass Transit Account Funds, $390 million (30% of $1.3 billion).

Total, $898.8 million.

Section 18—$61.4 million (2.93% of 2,097.2 million, the total Section 9 funding, including Section 18).

This example assumes Mass Transit Account funding of $1.3 billion.

Note on Operating Assistance:

The bill continues the prohibition on spending Mass Transit Account funds for operating assistance purposes. However, it contains a mechanism to assure that all recipients have general revenue sufficient to fund operating assistance up to their operating caps. The bill apportions funds from each source to each individual recipient. If any individual recipient's general revenue allocation is insufficient to fund operating assistance up to the cap in Section 9(k)(2), then general revenue funds would be reallocated from those with general revenue allocations in excess of their operating assistance needs. Communities receiving these reallocated general revenues would lose an identical amount of Mass Transit Account allocations, which would go to recipients who had their general revenue allocations lowered.

Therefore, the overall formula allocation for every recipient would not change. However, composition of that allocation would not necessarily be identical for all recipients. If a recipient's operating assistance cap is a very high proportion of his overall formula allocation, that recipient would receive a higher proportion of general revenue in his overall allocation. In the main, though, the ratio of general revenue to Mass Transit Account funds for each recipient will depend on the amounts available from the two funding sources.

SELECTED ADDITIONAL PROVISIONS

Allocation of Section 3 Funds—allocates Section 3 discretionary grant program funds into the following major categories: new starts, 40%; rail modernization, 45%; and bus, 15%.

University Transportation Centers—establishes regional transportation research centers to do highway and transit research.

Sole Source Procurement—permits limited sole source procurement for capital maintenance items.

Bus Remanufacturing and Overhaul—expands the availability of capital grants for major bus overhaul-related activities.

Privatization—ensures that the federal government remains neutral on the question of public vs. private operation of mass transit services and activities.

Project Management Oversight—creates a project management oversight system to help better manage major capital projects.

Interstate Transfer—Adds $100 million to the cost-to-complete estimate for Interstate Transfer-Transit projects, in order to make up for inflation since 1982 when the transit program was last reauthorized.

By Mr. WALLOP (for himself, Mr. DURENBERGER, and Mr. ZORINSKY):

S.J. Res. 18. Joint resolution to authorize and request the President to issue a proclamation designating June 1 through June 7, 1987 as "National Fishing Week"; to the Committee on the Judiciary.

NATIONAL FISHING WEEK

● Mr. WALLOP. Mr. President, today I am introducing a Senate joint resolution requesting and authorizing the President to proclaim June 1-7, 1987, as "National Fishing Week."

Fishing is a time honored and respected activity. In addition to providing protein-rich food, fishing has been a mainstay of the American culture. Millions of people enjoy the mental and physical benefits of fishing, following in the footsteps of the pioneers and native American Indians. One-third of all adults in the United States went fishing in 1985. Moreover, a recent Gallup Poll determined fishing was the second most popular national activity of Americans. In my family, it is the most popular recreational activity. We rejoice in it. We are rejuvenated by it and we anticipate it.

Sport fishing contributes in many ways to the health and well-being of our Nation. Not only our fishermen benefit from the great American outdoors, but nonfishermen can appreciate the economic 600,000 jobs and $25 billion per year that the sport fishing trade generates.

Last year, Congress and the President helped recognize the contributions of fishermen to our society by proclaiming a National Fishing Week. Across the country, people of all ages went to fishing clinics, participated in fishing tournaments, and environmental seminars. The topics of these activities ranged from catching and cooking to fishing laws and ethics.

The National Wildlife Federation, Optimists International, civic clubs, and manufacturers sponsored "Take a Kid Fishing" activities. Thirty-five State Governors issued free fishing day proclamations, which provided an avenue for nonfishermen to try the sport, to remind people who have not fished in a while of the joys of fishing, and to encourage families to fish together. The U.S. Fish and Wildlife Service held open houses, tournaments, and special exhibits.

It seems clear that a National Fishing Week provides a wonderful opportunity for children, handicapped persons, older Americans, and families to learn about our rich natural resources and the benefits of fishing. Children were encouraged to "Get hooked on fishing—not on drugs." Everyone was urged to "Take Pride in America," and work to enhance our environment.

Again, I would like each of you to join me in setting aside the first week in June to recognize the pleasure, nourishment, and economic strength that fishing brings to the American public.●

By Mr. WARNER (for himself, Mr. PELL, Mr. MATSUNAGA, Mr. CHAFEE, Mr. HOLLINGS, Mr. TRIBLE, Mr. HEINZ, Mr. MCCLURE, Mr. BURDICK, Mr. JOHNSTON, Mr. QUAYLE, and Mr. GLENN):

S.J. Res. 19. Joint resolution to designate March 20, 1987, as "National Energy Education Day"; to the Committee on the Judiciary.

NATIONAL ENERGY EDUCATION DAY

● Mr. WARNER. Mr. President, I rise to bring to the attention of my colleagues the importance of energy education in our Nation's schools, and to ask that they join me in designating March 20, 1987, as "National Energy Education Day" [NEED].

The task of increasing our students' awareness of energy issues and conservation efforts will be a long one, but one to which we must dedicate ourselves.

This important commemorative day will bring deserved attention to the growth of energy education during the past year.

Our Nation's schools are best equipped to accomplish this goal, and many have taken an innovative step and included energy education programs in their curriculum.

I expect that approximately 10,000 schools across the country will culminate months of planning and preparation with several days of activities celebrating the NEED '87 theme, "Energy Changes and Challenges."

Through energy education and a better understanding of the many choices and limitations that face our energy future, our children will be more prepared to make informed choices to promote our energy independence and security in the years ahead.

Since Congress started NEED in 1980 to highlight the importance of energy education, thousands of schools have benefited from the yearly program.

A network of thousands of State, regional, and local NEED committees have organized to provide energy educators with information on energy issues and to encourage and recognize their efforts.

Mr. President, I urge my colleagues to join me in cosponsoring this resolution so that we may spread the word of the NEED Program through celebrations and activities on March 20, 1987.

ADDITIONAL COSPONSORS

S. 1

At the request of Mr. MITCHELL, the names of the Senator from Mississippi [Mr. STENNIS], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Missouri [Mr. BOND] were added as cosponsors of S. 1, a bill to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes.

S. 2

At the request of Mr. BOREN, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multi-candidate political committees, and for other purposes.

S. 51

At the request of Mr. HATCH, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of S. 51, a bill to prohibit smoking in public conveyances.

S. 58

At the request of Mr. DANFORTH, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 58, a bill to amend the Internal Revenue Code of 1986 to make the credit for increasing research activities permanent and to increase the amount of such credit.

S. 69

At the request of Mr. Trible, the name of the Senator from Nevada [Mr. Hecht] was added as a cosponsor of S. 69, a bill to amend the Internal Revenue Code of 1986 to repeal the basis recovery rule for pension plans.

S. 185

At the request of Mr. Burdick, the name of the Senator from Minnesota [Mr. Durenberger] was added as a cosponsor of S. 185, a bill to authorize appropriations for certain highways in accordance with title 23, United States Code, and for other purposes.

S. 225

At the request of Mr. D'Amato, the names of the Senator from Montana [Mr. Melcher], and the Senator from Nevada [Mr. Reid], were added as cosponsors of S. 225, a bill to amend title II of the Social Security Act to protect the benefit levels of individuals becoming eligible for benefits in or after 1979 by eliminating the disparity—resulting from changes made in 1977 in the benefit computation formula—between those levels and the benefit levels of persons who become eligible for benefits before 1979.

S. 250

At the request of Mr. Humphrey, the name of the Senator from California [Mr. Wilson] was added as a cosponsor of S. 250, a bill to prevent fraud and abuse in HUD programs.

S. 265

At the request of Mr. Humphrey, the name of the Senator from California [Mr. Wilson] was added as a cosponsor of S. 265, a bill to require executive agencies of the Federal Government to contract with private sector sources for the performance of commercial activities.

S. 266

At the request of Mr. Humphrey, the name of the Senator from Nevada [Mr. Hecht] was added as a cosponsor of S. 266, a bill to amend the Service Contract Act to reform the administration of such act, and for other purposes.

SENATE JOINT RESOLUTION 5

At the request of Mr. D'Amato, the names of the Senator from South Carolina [Mr. Thurmond], the Senator from Michigan [Mr. Levin], the Senator from New York [Mr. Moynihan], the Senator from Iowa [Mr. Grassley], the Senator from Kansas [Mr. Dole], the Senator from Nevada [Mr. Reid], the Senator from Oklahoma [Mr. Nickles], the Senator from South Dakota [Mr. Pressler], the Senator from Virginia [Mr. Trible], and the Senator from Idaho [Mr. Symms] were added as cosponsors of Senate Joint Resolution 5, a joint resolution designating June 14, 1987, as "Baltic Freedom Day."

SENATE JOINT RESOLUTION 9

At the request of Mr. Sarbanes, the names of the Senator from Arkansas [Mr. Bumpers], the Senator from Arkansas [Mr. Pryor], the Senator from Indiana [Mr. Lugar], the Senator from South Dakota [Mr. Daschle], the Senator from Nebraska [Mr. Zorinsky], the Senator from California [Mr. Wilson], and the Senator from Rhode Island [Mr. Pell] were added as cosponsors of Senate Joint Resolution 9, a joint resolution to designate the week of March 1, 1987, through March 7, 1987, as "Federal Employees Recognition Week."

SENATE JOINT RESOLUTION 15

At the request of Mr. Pressler, the names of the Senator from Illinois [Mr. Dixon], the Senator from Virginia [Mr. Warner], the Senator from Ohio [Mr. Metzenbaum], and the Senator from Illinois [Mr. Simon] were added as cosponsors of Senate Joint Resolution 15, a joint resolution designating the month of November 1987 as "National Alzheimer's Disease Month."

SENATE CONCURRENT RESOLUTION 2

At the request of Mr. Pressler, the name of the Senator from Nebraska [Mr. Zorinsky] was added as a cosponsor of Senate Concurrent Resolution 2, a concurrent resolution expressing the sense of the Congress regarding the need for the negotiation of an international agricultural conservation reserve treaty.

SENATE RESOLUTION 52

At the request of Mr. Lautenberg, the names of the Senator from North Dakota [Mr. Burdick], the Senator from Illinois [Mr. Simon], the Senator from Hawaii [Mr. Inouye], the Senator from New York [Mr. Moynihan], the Senator from Maryland [Mr. Sarbanes], the Senator from Pennsylvania [Mr. Specter], the Senator from Michigan [Mr. Levin], the Senator from Massachusetts [Mr. Kerry], the Senator from Maine [Mr. Mitchell], and the Senator from New Jersey [Mr. Bradley] were added as cosponsors of Senate Resolution 52, a resolution to express the sense of the Senate regarding the Urban Development Action Grant Program.

SENATE RESOLUTION 53

At the request of Mr. Lautenberg, the names of the Senator from North Dakota [Mr. Burdick], the Senator from Illinois [Mr. Simon], the Senator from Hawaii [Mr. Inouye], the Senator from New York [Mr. Moynihan], the Senator from Maryland [Mr. Sarbanes], the Senator from Pennsylvania [Mr. Specter], the Senator from Michigan [Mr. Levin], the Senator from Massachusetts [Mr. Kerry], the Senator from Maine [Mr. Mitchell], and the Senator from New Jersey [Mr. Bradley] were added as cosponsors of Senate Resolution 53, a resolution to express the sense of the Senate regarding the Community Development Block Grant Program.

AMENDMENTS SUBMITTED

WATER QUALITY ACT

DOLE AMENDMENT NO. 1

Mr. DOLE proposed an amendment to the bill (H.R. 1) to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

TABLE OF CONTENTS

(a) Short Title.—This Act may be cited as the "Water Quality Act of 1987".

(b) Table of Contents.—

Sec. 1. Short title; table of contents; amendments to Federal Water Pollution Control Act; definition of Administrator.
Sec. 2. Limitation on payments.

TITLE I—AMENDMENTS TO TITLE I

Sec. 101. Authorizations of appropriations.
Sec. 102. Chesapeake Bay.
Sec. 103. Great Lakes.
Sec. 104. Research on effects of pollutants.

TITLE II—CONSTRUCTION GRANTS AMENDMENTS

Sec. 201. Eligibilities, CSOs, Dispute Resolution, Limitations.
Sec. 202. Federal share.
Sec. 203. Agreement on eligible costs.
Sec. 204. Design/build projects.
Sec. 205. Grant conditions; user charges on low-income residential users.
Sec. 206. Allotment formula.
Sec. 207. Rural set aside, Innovative and alternative projects, and Nonpoint source programs.
Sec. 208. Regional organization funding.
Sec. 209. Authorization for construction grants.
Sec. 210. Grants to States for making water pollution control loans.
Sec. 211. Ad valorem tax dedication.
Sec. 212. Improvement Projects.
Sec. 213. Chicago Tunnel and Reservoir Project.

TITLE III—STANDARDS AND ENFORCEMENTS

Sec. 301. Compliance dates.
Sec. 302. Modification for nonconventional pollutants.
Sec. 303. Discharges into marine waters.
Sec. 304. Filing deadline for treatment works modification.
Sec. 305. Innovative technology compliance deadlines for direct dischargers.
Sec. 306. Fundamentally different factors.
Sec. 307. Coal remining operations.
Sec. 308. Individual control strategies for toxic pollutants.
Sec. 309. Pretreatment standards.
Sec. 310. Inspection and entry.
Sec. 311. Marine sanitation devices.
Sec. 312. Criminal penalties.
Sec. 313. Civil penalties.
Sec. 314. Administrative penalties.
Sec. 315. Clean lakes.
Sec. 316. Management of nonpoint sources of pollution.

Sec. 317. National estuary program.
Sec. 318. Unconsolidated quaternary aquifer.
TITLE IV—PERMITS AND LICENSES
Sec. 401. Stormwater runoff from oil, gas, and mining operations.
Sec. 402. Additional pretreatment of conventional pollutants not required.
Sec. 403. Partial NPDES program.
Sec. 404. Anti-backsliding.
Sec. 405. Municipal and industrial stormwater discharges.
Sec. 406. Sewage sludge.
Sec. 407. Log transfer facilities.
TITLE V—MISCELLANEOUS PROVISIONS
Sec. 501. Audits.
Sec. 502. Commonwealth of the Northern Mariana Islands.
Sec. 503. Agricultural stormwater discharges.
Sec. 504. Protection of interests of United States in citizen suits.
Sec. 505. Judicial review and award of fees.
Sec. 506. Indian tribes.
Sec. 507. Definition of point source.
Sec. 508. Special provisions regarding certain dumping sites.
Sec. 509. Ocean discharge research project.
Sec. 510. Limitation on discharge of raw sewage by New York City.
Sec. 511. Study of de minimis discharges.
Sec. 512. Study of effectiveness of innovative and alternative processes and techniques.
Sec. 513. Study of testing procedures.
Sec. 514. Study of pretreatment of toxic pollutants.
Sec. 515. Studies of water pollution problems in aquifers.
Sec. 516. Great Lakes consumptive use study.
Sec. 517. Sulfide corrosion study.
Sec. 518. Study of rainfall induced infiltration into sewer systems.
Sec. 519. Dam water quality study.
Sec. 520. Study of pollution in Lake Pend Oreille, Idaho.
Sec. 521. San Diego, California.
Sec. 522. Oakwood Beach and Red Hook Projects, New York.
Sec. 523. Boston Harbor and Adjacent Waters.
Sec. 524. Wastewater Reclamation Demonstration.
Sec. 525. Des Moines, Iowa.
Sec. 526. Study of De Minimis Discharges.
Sec. 527. Amendment to the Water Resources Development Act.

(c) AMENDMENT OF FEDERAL WATER POLLUTION CONTROL ACT.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Water Pollution Control Act.

(d) DEFINITION.—For purposes of this Act, the term "Administrator" means the Administrator of the Environmental Protection Agency.

SEC. 2. LIMITATION ON PAYMENTS.

No payments may be made under this Act except to the extent provided in advance in appropriation Acts.

TITLE I—AMENDMENTS TO TITLE I

SEC. 101. AUTHORIZATIONS OF APPROPRIATIONS.

(a) RESEARCH AND INVESTIGATIONS.—Section 104(u) is amended—

(1) in clause (1) by striking out "and" after "1975,", after "1980,", and after "1981,", and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and not to exceed $22,770,000 per fiscal year for each of the fiscal years 1986 through 1990,";

(2) in clause (2) by striking out "and" after "1981," and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and $3,000,000 per fiscal year for each of the fiscal years 1986 through 1990,"; and

(3) in clause (3) by striking out "and" after "1981," and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and $1,500,000 per fiscal year for each of the fiscal years 1986 through 1990,".

(b) GRANTS FOR PROGRAM ADMINISTRATION.—Section 106(a)(2) is amended by inserting after "1982" the following: ", such sums as may be necessary for fiscal years 1983 through 1985, and $75,000,000 per fiscal year for each of the fiscal years 1986 through 1990".

(c) TRAINING GRANTS AND SCHOLARSHIPS.—Section 112(c) is amended by striking out "and" after "1981," and by inserting after "1982," the following: "such sums as may be necessary for fiscal years 1983 through 1985, and $7,000,000 per fiscal year for each of the fiscal years 1986 through 1990,".

(d) AREAWIDE PLANNING.—Section 208(f)(3) is amended by striking out "and" after "1974," and after "1980," and by inserting after "1982" the following: ", and such sums as may be necessary for fiscal years 1983 through 1990".

(e) RURAL CLEAN WATER.—Section 208(j)(9) is amended by striking out "and" after "1981," and by inserting after "1982," the following: "and such sums as may be necessary for fiscal years 1983 through 1990,".

(f) INTERAGENCY AGREEMENTS.—Section 304(k)(3) is amended by inserting after "1983" the following: "and such sums as may be necessary for fiscal years 1984 through 1990".

(g) CLEAN LAKES.—Section 314(c)(2) is amended by striking out "and" after "1981," and by inserting after "1982" the following: ", such sums as may be necessary for fiscal years 1983 through 1985, and $30,000,000 per fiscal year for each of the fiscal years 1986 through 1990".

(h) GENERAL AUTHORIZATION.—Section 517 is amended by striking out "and" after "1981," and by inserting after "1982" the following: ", such sums as may be necessary for fiscal years 1983 through 1985, and $135,000,000 per fiscal year for each of the fiscal years 1986 through 1990".

SEC. 102. CHESAPEAKE BAY.

Title I is amended by adding at the end the following new section:

"SEC. 117. CHESAPEAKE BAY.

"(a) OFFICE.—The Administrator shall continue the Chesapeake Bay Program and shall establish and maintain in the Environmental Protection Agency an office, division, or branch of Chesapeake Bay Programs to—

"(1) collect and make available, through publications and other appropriate means, information pertaining to the environmental quality of the Chesapeake Bay (hereinafter in this subsection referred to as the "Bay");

"(2) coordinate Federal and State efforts to improve the water quality of the Bay;

"(3) determine the impact of sediment deposition in the Bay and identify the sources, rates, routes, and distribution patterns of such sediment deposition; and

"(4) determine the impact of natural and man-induced environmental changes on the living resources of the Bay and the relationships among such changes, with particular emphasis placed on the impact of pollutant loadings of nutrients, chlorine, acid precipitation, dissolved oxygen, and toxic pollutants, including organic chemicals and heavy metals, and with special attention given to the impact of such changes on striped bass.

"(b) INTERSTATE DEVELOPMENT PLAN GRANTS.—

"(1) AUTHORITY.—The Administrator shall, at the request of the Governor of a State affected by the interstate management plan developed pursuant to the Chesapeake Bay Program (hereinafter in this section referred to as 'the plan'), make a grant for the purpose of implementing the management mechanisms contained in the plan if such State has, within 1 year after the date of the enactment of this section, approved and committed to implement all or substantially all aspects of the plan. Such grants shall be made subject to such terms and conditions as the Administrator considers appropriate.

"(2) SUBMISSION OF PROPOSAL.—A State or combination of States may elect to avail itself of the benefits of this subsection by submitting to the Administrator a comprehensive proposal to implement management mechanisms contained in the plan which shall include (A) a description of proposed abatement actions which the State or combination of States commits to take within a specified time period to reduce pollution in the Bay and to meet applicable water quality standards, and (B) the estimated cost of the abatement actions proposed to be taken during the next fiscal year. If the Administrator finds that such proposal is consistent with the national policies set forth in section 101(a) of this Act and will contribute to the achievement of the national goals set forth in such section, the Administrator shall approve such proposal and shall finance the costs of implementing segments of such proposal.

"(3) FEDERAL SHARE.—Grants under this subsection shall not exceed 50 percent of the costs of implementing the management mechanisms contained in the plan in any fiscal year and shall be made on condition that non-Federal sources provide the remainder of the cost of implementing the management mechanisms contained in the plan during such fiscal year.

"(4) ADMINISTRATIVE COSTS.—Administrative costs in the form of salaries, overhead, or indirect costs for services provided and charged against programs or projects supported by funds made available under this subsection shall not exceed in any one fiscal year 10 percent of the annual Federal grant made to a State under this subsection.

"(c) REPORTS.—Any State or combination of States that receives a grant under subsection (b) shall, within 18 months after the date of receipt of such grant and biennially thereafter, report to the Administrator on the progress made in implementing the interstate management plan developed pursuant to the Chesapeake Bay Program. The Administrator shall transmit each such report along with the comments of the Administrator on such report to Congress.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated the following sums, to remain available until expended, to carry out the purposes of this section:

"(1) $3,000,000 per fiscal year for each of the fiscal years 1987, 1988, 1989, and 1990, to carry out subsection (a); and

"(2) $10,000,000 per fiscal year for each of the fiscal years 1987, 1988, 1989, and 1990, for grants to States under subsection (b).".

SEC. 103. GREAT LAKES.

Title I is amended by adding at the end the following new section:

"SEC. 118. GREAT LAKES.

"(a) FINDINGS, PURPOSE, AND DEFINITIONS.—

"(1) FINDINGS.—The Congress finds that—

"(A) the Great Lakes are a valuable national resource, continuously serving the people of the United States and other nations as an important source of food, fresh water, recreation, beauty, and enjoyment;

"(B) the United States should seek to attain the goals embodied in the Great Lakes Water Quality Agreement of 1978 with particular emphasis on goals related to toxic pollutants; and

"(C) the Environmental Protection Agency should take the lead in the effort to meet those goals, working with other Federal agencies and State and local authorities.

"(2) PURPOSE.—It is the purpose of this section to achieve the goals embodied in the Great Lakes Water Quality Agreement of 1978 through improved organization and definition of mission on the part of the Agency, funding of State grants for pollution control in the Great Lakes area, and improved accountability for implementation of such agreement.

"(3) DEFINITIONS.—For purposes of this section, the term—

"(A) 'Agency' means the Environmental Protection Agency;

"(B) 'Great Lakes' means Lake Ontario, Lake Erie, Lake Huron (including Lake St. Clair), Lake Michigan, and Lake Superior, and the connecting channels (Saint Mary's River, Saint Clair River, Detroit River, Niagara River, and Saint Lawrence River to the Canadian Border);

"(C) 'Great Lakes System' means all the streams, rivers, lakes, and other bodies of water within the drainage basin of the Great Lakes;

"(D) 'Program Office' means the Great Lakes National Program Office established by this section; and

"(E) 'Research Office' means the Great Lakes Research Office established by subsection (d).

"(b) GREAT LAKES NATIONAL PROGRAM OFFICE.—The Great Lakes National Program Office (previously established by the Administrator) is hereby established within the Agency. The Program Office shall be headed by a Director who, by reason of management experience and technical expertise relating to the Great Lakes, is highly qualified to direct the development of programs and plans on a variety of Great Lakes issues. The Great Lakes National Program Office shall be located in a Great Lakes State.

"(c) GREAT LAKES MANAGEMENT.—

"(1) FUNCTIONS.—The Program Office shall—

"(A) in cooperation with appropriate Federal, State, tribal, and international agencies, and in accordance with section 101(e) of this Act, develop and implement specific action plans to carry out the responsibilities of the United States under the Great Lakes Water Quality Agreement of 1978;

"(B) establish a Great Lakes system-wide surveillance network to monitor the water quality of the Great Lakes, with specific emphasis on the monitoring of toxic pollutants;

"(C) serve as the liaison with, and provide information to, the Canadian members of the International Joint Commission and the Canadian counterpart to the Agency;

"(D) coordinate actions of the Agency (including actions by headquarters and regional offices thereof) aimed at improving Great Lakes water quality; and

"(E) coordinate actions of the Agency with the actions of other Federal agencies and State and local authorities, so as to ensure the input of those agencies and authorities in developing water quality strategies and obtain the support of those agencies and authorities in achieving the objectives of such agreement.

"(2) 5-YEAR PLAN AND PROGRAM.—The Program Office shall develop, in consultation with the States, a five-year plan and program for reducing the amount of nutrients introduced into the Great Lakes. Such program shall incorporate any management program for reducing nutrient runoff from nonpoint sources established under section 316 of this Act and shall include a program for monitoring nutrient runoff into, and ambient levels in, the Great Lakes.

"(3) 5-YEAR STUDY AND DEMONSTRATION PROJECTS.—The Program Office shall carry out a five-year study and demonstration projects relating to the control and removal of toxic pollutants in the Great Lakes, with emphasis on the removal of toxic pollutants from bottom sediments. In selecting locations for conducting demonstration projects under this paragraph, priority consideration shall be given to projects at the following locations: Saginaw Bay, Michigan; Sheboygan Harbor, Wisconsin; Grand Calumet River, Indiana; Ashtabula River, Ohio; and Buffalo River, New York.

"(4) ADMINISTRATOR'S RESPONSIBILITY.—The Administrator shall ensure that the Program Office enters into agreements with the various organizational elements of the Agency involved in Great Lakes activities and the appropriate State agencies specifically delineating—

"(A) the duties and responsibilities of each such element in the Agency with respect to the Great Lakes;

"(B) the time periods for carrying out such duties and responsibilities; and

"(C) the resources to be committed to such duties and responsibilities.

"(5) BUDGET ITEM.—The Administrator shall, in the Agency's annual budget submission to Congress, include a funding request for the Program Office as a separate budget line item.

"(6) COMPREHENSIVE REPORT.—Within 90 days after the end of each fiscal year, the Administrator shall submit to Congress a comprehensive report which—

"(A) describes the achievements in the preceding fiscal year in implementing the Great Lakes Water Quality Agreement of 1978 and shows by categories (including judicial enforcement, research, State cooperative efforts, and general administration) the amounts expended on Great Lakes water quality initiatives in such preceding fiscal year;

"(B) describes the progress made in such preceding fiscal year in implementing the system of surveillance of the water quality in the Great Lakes system, including the monitoring of groundwater and sediment, with particular reference to toxic pollutants;

"(C) describes the long-term prospects for improving the condition of the Great Lakes; and

"(D) provides a comprehensive assessment of the planned efforts to be pursued in the succeeding fiscal year for implementing the Great Lakes Water Quality Agreement of 1978, which assessment shall—

"(i) show by categories (including judicial enforcement, research, State cooperative efforts, and general administration) the amount anticipated to be expended on Great Lakes water quality initiatives in the fiscal year to which the assessment relates; and

"(ii) include a report of current programs administered by other Federal agencies which make available resources to the Great Lakes water quality management efforts.

"(d) GREAT LAKES RESEARCH.—

"(1) ESTABLISHMENT OF RESEARCH OFFICE.—There is established within the National Oceanic and Atmospheric Administration the Great Lakes Research Office.

"(2) IDENTIFICATION OF ISSUES.—The Research Office shall identify issues relating to the Great Lakes resources on which research is needed. The Research Office shall submit a report to Congress on such issues before the end of each fiscal year which shall identify any changes in the Great Lakes system with respect to such issues.

"(3) INVENTORY.—The Research Office shall identify and inventory Federal, State, university, and tribal environmental research programs (and, to the extent feasible, those of private organizations and other nations) relating to the Great Lakes system, and shall update that inventory every four years.

"(4) RESEARCH EXCHANGE.—The Research Office shall establish a Great Lakes research exchange for the purpose of facilitating the rapid identification, acquisition, retrieval, dissemination, and use of information concerning research projects which are ongoing or completed and which affect the Great Lakes system.

"(5) RESEARCH PROGRAM.—The Research Office shall develop, in cooperation with the Coordination Office, a comprehensive environmental research program and data base for the Great Lakes system. The data base shall include, but not be limited to, data relating to water quality, fisheries, and biota.

"(6) MONITORING.—The Research Office shall conduct, through the Great Lakes Environmental Research Laboratory, the National Sea Grant College program, other Federal laboratories, and the private sector, appropriate research and monitoring activities which address priority issues and current needs relating to the Great Lakes.

"(7) LOCATION.—The Research Office shall be located in a Great Lakes State.

"(e) RESEARCH AND MANAGEMENT COORDINATION.—

"(1) JOINT PLAN.—Before October 1 of each year, the Program Office and the Research Office shall prepare a joint research plan for the fiscal year which begins in the following calendar year.

"(2) CONTENTS OF PLAN.—Each plan prepared under paragraph (1) shall—

"(A) identify all proposed research dedicated to activities conducted under the Great Lakes Water Quality Agreement of 1978;

"(B) include the Agency's assessment of priorities for research needed to fulfill the terms of such Agreement; and

"(C) identify all proposed research that may be used to develop a comprehensive environmental data base for the Great Lakes System and establish priorities for development of such data base.

"(f) INTERAGENCY COOPERATION.—The head of each department, agency, or other instrumentality of the Federal Government which is engaged in, is concerned with, or has authority over programs relating to research, monitoring, and planning to maintain, enhance, preserve, or rehabilitate the environmental quality and natural resources of the Great Lakes, including the Chief of Engineers of the Army, the Chief of the Soil Conservation Service, the Commandant of the Coast Guard, the Director of the Fish and Wildlife Service, and the Administrator of the National Oceanic and Atmospheric Administration, shall submit an annual report to the Administrator with respect to the activities of that agency or office affecting compliance with the Great Lakes Water Quality Agreement of 1978.

"(g) Relationship to Existing Federal and State Laws and International Treaties.—Nothing in this section shall be construed to affect the jurisdiction, powers, or prerogatives of any department, agency, or officer of the Federal Government or of any State government, or of any tribe, nor any powers, jurisdiction, or prerogatives of any international body created by treaty with authority relating to the Great Lakes.

"(h) Authorizations of Great Lakes Appropriations.—There are authorized to be appropriated to the Administrator to carry out this section not to exceed $11,000,000 per fiscal year for the fiscal years 1987, 1988, 1989, 1990, and 1991. Of the amounts appropriated each fiscal year—

"(1) 40 percent shall be used by the Great Lakes National Program Office on demonstration projects on the feasibility of controlling and removing toxic pollutants;

"(2) 7 percent shall be used by the Great Lakes National Program Office for the program of nutrient monitoring; and

"(3) 30 percent shall be transferred to the National Oceanic and Atmospheric Administration for use by the Great Lakes Research Office.".

SEC. 104. RESEARCH ON EFFECTS OF POLLUTANTS.

In carrying out the provisions of section 104(a) of the Federal Water Pollution Control Act, the Administrator shall conduct research on the harmful effects on the health and welfare of persons caused by pollutants in water, in conjunction with the United States Fish and Wildlife Service, the National Oceanic and Atmospheric Administration, and other Federal, State, and interstate agencies carrying on such research. Such research shall include, and shall place special emphasis on, the effect that bioaccumulation of these pollutants in aquatic species has upon reducing the value of aquatic commercial and sport industries. Such research shall further study methods to reduce and remove these pollutants from the relevant affected aquatic species so as to restore and enhance these valuable resources.

TITLE II—CONSTRUCTION GRANTS AMENDMENTS

SEC. 201. ELIGIBILITIES, CSOs, DISPUTE RESOLUTION, LIMITATIONS.

(a) Section 201(g)(1) is amended by striking out the third sentence and inserting in lieu thereof: "Notwithstanding the preceding sentence, the Administrator is authorized to make grants to States for the provision of loans to municipalities or intermunicipal or interstate agencies for the construction of publicly owned treatment works, as provided under section 220. On and after October 1, 1987, grants under this section shall first be made for projects within the categories listed in the preceding sentence that are necessary to maintain progress, as determined by the Governor, to meet the enforceable deadlines, goals, and requirements of the Act.

(b) Section 201(n) is repealed and subsection 201(o) is redesignated 201(n).

(c) Section 201 is amended by adding at the end thereof the following new subsection:

"(o) Time Limit on Resolving Certain Disputes.—In any case in which a dispute arises with respect to the awarding of a contract for construction of treatment works by a grantee of funds under this title and a party to such dispute files an appeal with the Administrator under this title for resolution of such dispute, the Administrator shall make a final decision on such appeal within 90 days of the filing of such appeal.".

(d) Section 204(c) is amended by inserting "awarded a grant before October 1, 1990," immediately after "such facility and interceptors".

SEC. 202. FEDERAL SHARE.

(a) Section 202(a)(1) is amended by striking out the period at the end thereof and inserting in lieu thereof ", for any such grants made before October 1, 1990.".

(b) Projects Under Judicial Injunction.—Section 202(a)(1) is amended by adding at the end thereof the following: "Notwithstanding the first sentence of this paragraph, in the case of a project for which an application for a grant under this title has been made to the Administrator before October 1, 1984, and which project is under judicial injunction on such date prohibiting its construction, such project shall be eligible for grants at 75 percent of the cost of construction thereof.".

(d) Biodisc Equipment.—Section 202(a)(3) is amended by adding at the end thereof the following: "In addition, the Administrator is authorized to make a grant to fund all of the costs of the modification or replacement of biodisc equipment (rotating biological contactors) in any publicly owned treatment works if the Administrator finds that such equipment has failed to meet design performance specifications, unless such failure is attributable to negligence on the part of any person, and if such failure has significantly increased capital or operating and maintenance expenditures.".

(e) Innovative Process.—The activated bio-filter feature of the project for treatment works of the city of Little Falls, Minnesota, shall be deemed to be an innovative wastewater process and technique for purposes of section 202(a)(2) of the Federal Water Pollution Control Act and the amount of any grant under such Act for such feature shall be 85 percent of the cost thereof.

(f) Availability of Certain Funds for Non-Federal Share.—Notwithstanding any other provision of law, Federal assistance made available by the Farmers Home Administration to any political subdivision of a State may be used to provide the non-Federal share of the cost of any construction project carried out under section 201 of the Federal Water Pollution Control Act.

SEC. 203. AGREEMENT ON ELIGIBLE COSTS.

Section 203(a) is amended by inserting "(1)" after "(a)", by designating the last sentence as paragraph (3) and indenting such sentence as a paragraph, and by inserting before paragraph (3) as so designated the following:

"(2) Agreement on eligible costs.—

"(A) Limitation on modifications.—Before taking final action on any plans, specifications, and estimates submitted under this subsection after the 60th day following the date of the enactment of the Water Quality Act of 1987, the Administrator shall enter into a written agreement with the applicant which establishes and specifies which items of the proposed project are eligible for Federal payments under this section. The Administrator may not later modify such eligibility determinations unless they are found to have been made in violation of applicable Federal statutes and regulations.

"(B) Limitation on effect.—Eligibility determinations under this paragraph shall not preclude the Administrator from auditing a project pursuant to section 501 of this Act, or other authority, or from withholding or recovering Federal funds for costs which are found to be unreasonable, unsupported by adequate documentation, or otherwise unallowable under applicable Federal cost principles, or which are incurred on a project which fails to meet the design specifications or effluent limitations contained in the grant agreement and permit pursuant to section 402 of this Act for such project.".

SEC. 204. DESIGN/BUILD PROJECTS.

Section 203 is amended by adding at the end the following new subsection:

"(f) Design/Build Projects.—

"(1) Agreement.—Consistent with State law, an applicant who proposes to construct waste water treatment works may enter into an agreement with the Administrator under this subsection providing for the preparation of construction plans and specifications and the erection of such treatment works, in lieu of proceeding under the other provisions of this section.

"(2) Limitation on projects.—Agreements under this subsection shall be limited to projects under an approved facility plan which projects are—

"(A) treatment works that have an estimated total cost of $8,000,000 or less; and

"(B) any of the following types of waste water treatment systems: aerated lagoons, trickling filters, stabilization ponds, land application systems, sand filters, and subsurface disposal systems.

"(3) Required terms.—An agreement entered into under this subsection shall—

"(A) set forth an amount agreed to as the maximum Federal contribution to the project, based upon a competitively bid document of basic design data and applicable standard construction specifications and a determination of the federally eligible costs of the project at the applicable Federal share under section 202 of this Act;

"(B) set forth dates for the start and completion of construction of the treatment works by the applicant and a schedule of payments of the Federal contribution to the project;

"(C) contain assurances by the applicant that (i) engineering and management assistance will be provided to manage the project; (ii) the proposed treatment works will be an operable unit and will meet all the requirements of this title; and (iii) not later than 1 year after the date specified as the date of completion of construction of the treatment works, the treatment works will be operating so as to meet the requirements of any applicable permit for such treatment works under section 402 of this Act;

"(D) require the applicant to obtain a bond from the contractor in an amount determined necessary by the Administrator to protect the Federal interest in the project; and

"(E) contain such other terms and conditions as are necessary to assure compliance with this title (except as provided in paragraph (4) of this subsection).

"(4) Limitation on application.—Subsections (a), (b), and (c) of this section shall not apply to grants made pursuant to this subsection.

"(5) Reservation to assure compliance.—The Administrator shall reserve a portion of the grant to assure contract compliance until final project approval as defined by the Administrator. If the amount agreed to under paragraph (3)(A) exceeds the cost of designing and constructing the treatment works, the Administrator shall reallot the amount of the excess to the State in which such treatment works are located for the fiscal year in which such audit is completed.

"(6) Limitation on obligations.—The Administrator shall not obligate more than 20 percent of the amount allotted to a State for a fiscal year under section 205 of this Act for grants pursuant to this subsection.

"(7) Allowance.—The Administrator shall determine an allowance for facilities planning for projects constructed under this subsection in accordance with section 201(l).

"(8) Limitation on federal contributions.—In no event shall the Federal contribution for the cost of preparing construction plans and specifications and the building and erection of treatment works pursuant to this subsection exceed the amount agreed upon under paragraph (3).

"(9) Recovery action.—In any case in which the recipient of a grant made pursuant to this subsection does not comply with the terms of the agreement entered into under paragraph (3), the Administrator is authorized to take such action as may be necessary to recover the amount of the Federal contribution to the project.

"(10) Prevention of double benefits.—A recipient of a grant made pursuant to this subsection shall not be eligible for any other grants under this title for the same project.".

SEC. 205. GRANT CONDITIONS; USER CHARGES ON LOW-INCOME RESIDENTIAL USERS.

(a) Inclusion of Project in Areawide Plan.—Section 204(a)(1) is amended to read as follows:

"(1) that any required areawide waste treatment management plan under section 208 of this Act (A) is being implemented for such area and the proposed treatment works are included in such plan, or (B) is being developed for such area and reasonable progress is being made toward its implementation and the proposed treatment works will be included in such plan;".

(b) Continuing Planning Process.—Section 204(a)(2) is amended to read as follows:

"(2) that (A) the State in which the project is to be located (i) is implementing any required plan under section 303(e) of this Act and the proposed treatment works are in conformity with such plan, or (ii) is developing such a plan and the proposed treatment works will be in conformity with such plan, and (B) such State is in compliance with section 305(b) of this Act;".

(c) User Charges on Low-Income Residential Users.—Section 204(b)(1) is amended by adding at the end thereof the following: "A system of user charges which imposes a lower charge for low-income residential users (as defined by the Administrator) shall be deemed to be a user charge system meeting the requirements of clause (A) of this paragraph if the Administrator determines that such system was adopted after public notice and hearing.".

(d) Effective Date.—This section shall take effect on the date of the enactment of this Act, except that the amendments made by subsections (a) and (b) shall take effect on the last day of the two-year period beginning on such date of enactment.

SEC. 206. ALLOTMENT FORMULA.

(a) Formula.—

(1) Extension of existing formula for 1986.—Section 205(c)(2) is amended by striking out "and September 30, 1985," and inserting in lieu thereof "September 30, 1985, and September 30, 1986,".

(2) Fiscal years 1987-1990.—Section 205(c) is amended by adding at the end the following new paragraph:

"(3) Fiscal years 1987-1990.—Sums authorized to be appropriated pursuant to section 207 for the fiscal years 1987, 1988, 1989, and 1990 shall be allotted for each such year by the Administrator not later than the 10th day which begins after the date of the enactment of this paragraph. Sums authorized for such fiscal years shall be allotted in accordance with the following table:

"States:	
Alabama	.011309
Alaska	.006053
Arizona	.006831
Arkansas	.006616
California	.072333
Colorado	.008090
Connecticut	.012390
Delaware	.004965
District of Columbia	.004965
Florida	.034139
Georgia	.017100
Hawaii	.007833
Idaho	.004965
Illinois	.045741
Indiana	.024374
Iowa	.013688
Kansas	.009129
Kentucky	.012872
Louisiana	.011118
Maine	.007829
Maryland	.024461
Massachusetts	.034338
Michigan	.043487
Minnesota	.018589
Mississippi	.009112
Missouri	.028037
Montana	.004965
Nebraska	.005173
Nevada	.004965
New Hampshire	.010107
New Jersey	.041329
New Mexico	.004965
New York	.111632
North Carolina	.018253
North Dakota	.004965
Ohio	.056936
Oklahoma	.008171
Oregon	.011425
Pennsylvania	.040062
Rhode Island	.006791
South Carolina	.010361
South Dakota	.004965
Tennessee	.014692
Texas	.046226
Utah	.005329
Vermont	.004965
Virginia	.020698
Washington	.017588
West Virginia	.015766
Wisconsin	.027342
Wyoming	.004965
American Samoa	.000908
Guam	.000657
Northern Marianas	.000422
Puerto Rico	.013191
Pacific Trust Territories	.001295
Virgin Islands	.000527".

(b) Costs of Administration.—Section 205(g)(1) is amended by striking out "October 1, 1985" and inserting in lieu thereof "October 1, 1994".

(c) Control of Pollutants From Storm Sewers.—Section 211(e) is amended by striking out "1985," and inserting in lieu thereof "1990,".

SEC. 207. RURAL SET ASIDE, INNOVATIVE AND ALTERNATIVE PROJECTS, AND NONPOINT SOURCE PROGRAMS.

(a) Section 205(h) is amended by inserting after "October 1, 1978" the following: "and ending before October 1, 1987".

(b) Section 205(i) is amended by inserting after "beginning after September 30, 1981" the following: "and ending before October 1, 1987".

(c) Section 205 is amended by adding at the end thereof the following:

"(1) The Administrator is authorized to reserve for any fiscal year beginning on or after October 1, 1987 and ending before October 1, 1991, at the request of the Governor, a portion of the sum allotted and available for obligation to each State under this section, not to exceed 3.50 per centum for the fiscal year ending September 30, 1988; 5.32 per centum for the fiscal year ending September 30, 1989; 6.25 per centum for the fiscal year ending September 30, 1990; and 10.83 per centum for the fiscal year ending September 30, 1991. Sums so reserved shall be available for making grants to the States for nonpoint source management programs and groundwater quality protection activities under section 319 of this Act. Sums so reserved shall be available for making such grants for the same period as sums are available from State allotments under subsection (d) of this section, and any such grant shall be available for obligation only during such period. Any grant made from sums reserved under this subsection which has not been obligated by the end of the period for which available shall be added to the amount last allotted to such State under this section and shall be immediately available for obligation in the same manner and to the same extent as such last allotment.".

SEC. 208. REGIONAL ORGANIZATION FUNDING.

Section 205(j)(3) is amended by adding at the end thereof the following: "In giving such priority, the State shall allocate at least 40 percent of the amount granted to such State for a fiscal year under paragraph (2) of this subsection to regional public comprehensive planning organizations in such State and appropriate interstate organizations for the development and implementation of the plan described in this paragraph. In any fiscal year for which the Governor, in consultation with such organizations and with the approval of the Administrator, determines that allocation of at least 40 percent of such amount to such organizations will not result in significant participation by such organizations in water quality management planning and not significantly assist in development and implementation of the plan described in this paragraph and achieving the goals of this Act, the allocation to such organization may be less than 40 percent of such amount.".

SEC. 209. AUTHORIZATIONS FOR CONSTRUCTION GRANTS.

Section 207 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: "; and for the fiscal year ending September 30, 1986, not to exceed $1,800,000,000; for the fiscal year ending September 30, 1987 and for the fiscal year ending September 30, 1988, not to exceed $2,000,000,000; for the fiscal year ending September 30, 1989, not to exceed

$1,900,000,000; for the fiscal year ending September 30, 1990, not to exceed $1,600,000,000; for the fiscal year ending September 30, 1991, not to exceed $1,200,000,000; for the fiscal year ending September 30, 1992, not to exceed $1,000,000,000; and for the fiscal year ending September 30, 1993, not to exceed $500,000,000."

SEC. 210. GRANTS TO STATES FOR MAKING WATER POLLUTION CONTROL LOANS.

Title II is amended by adding at the end thereof the following new sections:

"SEC. 220. GRANTS TO STATES FOR MAKING WATER POLLUTION CONTROL LOANS.

"(a) General Authority.—Subject to the provisions of this title, the Administrator may make grants under this section to each State from the sums allotted to such State under section 205, for the purpose of (1) providing loans for construction of treatment works (as defined in section 212 of this Act) which are publicly owned, (2) implementing a management program under section 319, and (3) developing and implementing a conservation and management plan under section 320.

"(b) Schedule of Grant Payments.—The Administrator and each State shall jointly establish a schedule of payments under which the Administrator will pay to the State the amount of each grant to be made to the State under this section. Such schedule shall be based on the State's intended use plan under section 223(c). Such schedule shall provide for payments no more frequent than once per quarter year, in amounts and over periods that result in an outlay rate that approximates the rate for payments made under section 201(g)(1) grants, as determined by the Administrator. The average outlay rate for State grant payments under this section shall not exceed the average outlay rate for section 201(g)(1) grant payments.

"(c) Grant Agreements.—

"(1) General rule.—To receive a grant with funds made available under this section, a State shall enter into an agreement with the Administrator.

"(2) Specific requirements.—Any agreement entered into by the Administrator under this section shall include, but not be limited to, the provisions listed below, and, in addition, such agreement may be entered into only after the State has established to the satisfaction of the Administrator that—

"(A) the State will accept grant payments with funds to be made available under this section in accordance with a payment schedule established jointly by the Administrator and the State under subsection (b);

"(B) the State will make available from State moneys an amount equal to at least 20 percent of each grant payment made under this section on or before the date on which each such payment will be made to the State;

"(C) the State will enter into binding commitments to provide assistance in accordance with the requirements of this section in an amount equal to 120 percent of the amount of each such grant payment within 1 year after the receipt of such grant payment;

"(D) all funds resulting from grants under this section, i.e. grant funds, matching funds, and loan repayment funds, will be expended in an expeditious and timely manner;

"(E) all such funds resulting from grants under this section will first be used to assure maintenance of progress, as determined by the Governor of the State, toward compliance with enforceable deadlines, goals, and requirements of this Act, including the municipal compliance deadline, in accordance with section 201(g)(1);

"(F) treatment works eligible under sections 201(g)(1) and 221(c) which will be constructed in whole or in part before fiscal year 1995 with funds from grants under this section will meet the requirements of sections 201(b), 201(g)(1), 201(g)(2), 201(g)(3), 201(g)(5), 201(g)(6), 201(n), 204(a)(1), 204(a)(2), 204(b)(1), 204(d)(2), 211, 218, and 511(c)(1) in the same manner as treatment works constructed with assistance under section 201(g)(1) other than by loans;

"(G) in addition to complying with the requirements of this title, the State will commit or expend each grant payment which it will receive under this title in accordance with laws and procedures applicable to the commitment or expenditure of revenues of the State;

"(H) in carrying out the requirements of section 223, the State will use accounting, audit, and fiscal procedures conforming to generally accepted government accounting standards;

"(I) the State will require as a condition of making loans from grants under this section that the recipients of such assistance will maintain project accounts in accordance with generally accepted government accounting standards; and

"(J) the State will make annual reports to the Administrator on the actual use of funds in accordance with section 223 of this title.

"(d) Applicability of Title II Provisions.—Except to the extent explicitly provided in this section and sections 221 and 223, other provisions of title II shall not apply to grants made under this section.".

"SEC. 221. WATER POLLUTION CONTROL LOANS.

"(a) Requirements for Obligation of Grant Funds.—Before a State may receive a grant under section 220 with funds made available under this title, the State shall first certify that it will comply with the requirements of this section.

"(b) Administration.—Grant funds received under section 220 shall be administered by the State to satisfy the requirements and objectives of this Act.

"(c) Projects Eligible for Assistance.—The Administrator is authorized to make grants under section 220 to States (1) for the provision of loans to municipalities or intermunicipal or interstate agencies for the construction of publicly owned treatment works for the eligible costs defined in 201(g)(1) and once such deadlines, goals and requirements have been addressed, loans may then be made for any projects within the definition of section 212 of this Act, (2) for the implementation of a management program established under section 319, and (3) for development and implementation of a conservation and management plan under section 320. The State shall make repayments from loans available in perpetuity for providing such financial assistance.

"(d) Types of Assistance.—A water pollution control grant to a State under this section may be used only—

"(1) to make loans, on the condition that—

"(A) such loans are made at or below market interest rates, including interest free loans, at terms not to exceed 20 years;

"(B) annual principal and interest payments will commence not later than 1 year after completion of any project and all loans will be fully amortized not later than 20 years after project completion;

"(C) the recipient of a loan will establish a dedicated source of revenue for repayment of loans;

"(D) the State will be credited with all payments of principal and interest on all loans; and

"(E) the State ensures that the total amount loaned from any fiscal year authorization shall not exceed, in the aggregate, the total amount that the projects funded would otherwise have received from Federal grants under section 201(g)(1).

"(2) to buy or refinance the debt obligation of municipalities and intermunicipal and interstate agencies within the State at or below market rates, where such debt obligations were incurred after March 1985;

"(3) as a source of revenue or security for the payment of principal or interest on revenue or general obligation bonds insured by the State if the proceeds of the sale of such bonds will be used to make loans.

"(e) Limitation To Prevent Double Benefits.—If a State makes, from its grant under section 220, a loan which will finance the cost of facility planning and the preparation of plans, specifications, and estimates for construction of publicly owned treatment works, the State shall ensure that if the recipient of such loan receives a grant under section 201(g) for construction of such treatment works and an allowance under section 201(l)(1) for non-Federal funds expended for such planning and preparation, such recipient will promptly repay such loan to the extent of such allowance.

"(f) Consistency With Planning Requirements.—A State may provide financial assistance from funds resulting from its grant under section 220 only with respect to a project which is consistent with plans, if any, developed under sections 205(j), 208, 303(e), 319, and 320 of this Act.

"(g) Priority List Requirement.—The State may provide financial assistance from funds resulting from its grants under section 220 only for projects on the State's priority list under section 216 of this Act. Such assistance may be provided regardless of the rank of such projects on such list.

"SEC. 222. CORRECTIVE ACTION.

"(a) Notification of Noncompliance.—If the Administrator determines that a State has not complied with its agreement with the Administrator under section 220 or any other requirement of this title, the Administrator shall notify the State of such noncompliance and the necessary corrective action.

"(b) Withholding of Payments.—If a State does not take corrective action within 60 days after the date a State receives notification of such action under subsection (a), the Administrator shall withhold additional payments to the State until the Administrator is satisfied that the State has taken the necessary corrective action.

"(c) Reallotment of Withheld Payments.—If the Administrator is not satisfied that adequate corrective actions have been taken by the State within 12 months after the State is notified of such actions under subsection (a), the payments withheld from the State by the Administrator under subsection (b) shall be made available for reallotment in accordance with the formula for allotment of funds under this title in effect at the time of such reallotment.

"SEC. 223. AUDITS, REPORTS, AND FISCAL CONTROLS; INTENDED USE PLAN.

"(a) Fiscal Control and Auditing Procedures.—Each State accepting a grant under section 220 shall establish fiscal controls and accounting procedures sufficient to assure proper accounting during appropriate accounting periods for such grants:

"(1) payments received;

"(2) disbursements made; and

"(3) balances at the beginning and end of the accounting period.

"(b) Annual Federal Audits.—The Administrator shall, at least on an annual basis, conduct or require each State to have independently conducted reviews and audits of grant funds received under section 220 as may be deemed necessary or appropriate by the Administrator to carry out the objectives of this section. Audits of the use of funds shall be conducted in accordance with the auditing procedures of the General Accounting Office, including chapter 75 of title 31, United States Code.

"(c) Intended Use Plan.—After providing for public comment and review for each fiscal year that the State expends grant funds under section 220, the State shall prepare a plan identifying the intended use of the grant amounts available. Such intended use plan shall include, but not be limited to—

"(1) a list of those projects for construction of publicly owned treatment works on the State's priority list developed pursuant to section 216 of this Act and a list of activities eligible for assistance under sections 319 and 320 of this Act;

"(2) a description of the State's short- and long-term water pollution control goals and objectives;

"(3) information on the activities to be supported, including a description of project categories, discharge requirements under titles III and IV of this Act, terms of financial assistance, and communities served;

"(4) assurances and specific proposals for meeting the requirements of paragraphs (C), (D), (E), and (F) of section 220(c)(2) of this title; and

"(5) the criteria and method established for the distribution of funds.

"(d) Annual Report.—For each fiscal year that the State expends grant funds under section 220, the State shall provide an annual report to the Administrator describing how the State has met the goals and objectives for the previous fiscal year as identified in the plan prepared for the previous fiscal year pursuant to subsection (c), including identification of loan recipients, loan amounts, and loan terms.

"(e) Annual Federal Oversight Review.—The Administrator shall conduct an annual oversight review of each State plan prepared under subsection (c), each State report prepared under subsection (d), and other such materials as are considered necessary and appropriate in carrying out the purposes of this title. After reasonable notice by the Administrator to the State or the recipient of a loan, the State or loan recipient shall make available to the Administrator such records as the Administrator reasonably requires to review and determine compliance with this title.".

SEC. 211. AD VALOREM TAX DEDICATION.

For the purposes of complying with section 204(b)(1) of the Federal Water Pollution Control Act, the ad valorem tax user charge systems of the town of Hampton and the city of Nashua, New Hampshire, shall be deemed to have been dedicated as of December 27, 1977. The Administrator shall review such ad valorem tax user charge systems for compliance with the remaining requirements of such section and related regulations of the Environmental Protection Agency.

SECTION 212. IMPROVEMENT PROJECTS.

(a) Avalon, California.—The Administrator shall make a grant of $3,000,000 from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of California for fiscal year 1987 to the city of Avalon, California, for improvements to the publicly owned treatment works of such city.

(b) Walker and Smithfield Townships, Pennsylvania.—Out of funds available for grants in the State of Pennsylvania under the third sentence of section 201(g)(1) of the Federal Water Pollution Control Act in fiscal year 1987, the Administrator shall make grants—

(1) to Walker Township, Pennsylvania, for developing a collector system and connecting its wastewater treatment system into the Huntington Borough, Pennsylvania, sewage treatment plant, and

(2) to Smithfield Township, Pennsylvania, for rehabilitating and extending its collector system.

(c) Taylor Mill, Kentucky.—Notwithstanding section 201(g)(1) of the Federal Water Pollution Control Act or any other provision of law, the Administrator shall make a grant of $250,000 from funds allotted under section 205 of such Act to the State of Kentucky for fiscal year 1986 to the city of Taylor Mill, Kentucky, for the repair and reconstruction, as necessary, of the publicly owned treatment works of such city.

(d) Nevada County, California.—Out of funds available for grants in the State of California under the third sentence of section 201(g)(1) of the Federal Water Pollution Control Act in fiscal year 1987, the Administrator shall make a grant for the construction of a collection system serving the Glenshire/Devonshire area of Nevada County, California, to deliver waste to the Tahoe-Truckee Sanitary District's regional wastewater treatment facility.

(e) Treatment Works for Wanaque, New Jersey.—In fiscal year 1987 and succeeding fiscal years, the Administrator shall make grants to the Wanaque Valley Regional Sewerage Authority, New Jersey, from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of New Jersey for such fiscal year, for the construction of treatment works with a total treatment capacity of 1,050,000 gallons per day (including a treatment module with a treatment capacity of 350,000 gallons per day). Notwithstanding section 202 of such Act, the Federal share of the cost of construction of such treatment works shall be 75 percent.

(f) Treatment Works for Lena, Illinois.—The Administrator shall make grants to the village of Lena, Illinois, from funds allotted under section 205 of the Federal Water Pollution Control Act to the State of Illinois for fiscal years beginning after September 30, 1986, for the construction of a replacement moving bed filter press for the treatment works of such village. Notwithstanding section 202 of the Federal Water Pollution Control Act, the Federal share of the cost of construction of such project shall be 75 percent.

(g) Priority for Court-Ordered and Other Projects.—The State of Pennsylvania, from funds allotted to it under section 205 of the Federal Water Pollution Control Act, shall give priority for construction of—

(1) the Wyoming Valley Sanitary Authority Secondary Treatment project mandated under Federal court order, regardless of the date of start of construction made pursuant to the court order; and

(2) a project for wastewater treatment for Altoona, Pennsylvania.

SECTION 213. CHICAGO TUNNEL AND RESERVOIR PROJECT.

The Chicago tunnel and reservoir project may receive grants under the last sentence of section 201(g)(1) of the Federal Water Pollution Control Act without regard to the limitation contained in such sentence if the Administrator determines that such project meets the cost-effectiveness requirements of section 217 and 218 of such Act without any redesign or reconstruction and if the Governor of the affected State demonstrates to the satisfaction of the Administrator the water quality benefits of such project.

TITLE III—STANDARDS AND ENFORCEMENTS

SEC. 301. COMPLIANCE DATES.

(a) Priority Toxic Pollutants.—Section 301(b)(2)(C) is amended by striking out "not later than July 1, 1984," and inserting after "of this paragraph" the following: "as expeditiously as practicable but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989".

(b) Other Toxic Pollutants.—Section 301(b)(2)(D) is amended by striking out "not later than three years after the date such limitations are established" and inserting in lieu thereof "as expeditiously as practicable, but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989".

(c) Conventional Pollutants.—Section 301(b)(2)(E) is amended by striking "not later than July 1, 1984," and inserting in lieu thereof "as expeditiously as practicable but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989, compliance with".

(d) Other Pollutants.—Section 301(b)(2)(F) is amended by striking "not" after "subparagraph (A) of this paragraph" and inserting in lieu thereof "as expeditiously as practicable but in no case", and by striking "or not later than July 1, 1984," and all that follows through the end of the sentence and inserting in lieu thereof "and in no case later than March 31, 1989.".

(e) Stricter BPT.—Section 301(b) is amended by adding at the end the following new paragraph:

"(3)(A) for effluent limitations under paragraph (1)(A)(i) of this subsection promulgated after January 1, 1982, and requiring a level of control substantially greater or based on fundamentally different control technology than under permits for an industrial category issued before such date, compliance as expeditiously as practicable but in no case later than three years after the date such limitations are promulgated under section 304(b), and in no case later than March 31, 1989; and

"(B) for any effluent limitation in accordance with paragraph (1)(A)(i), (2)(A)(i), or (2)(E) of this subsection established only on the basis of section 402(a)(1) in a permit issued after enactment of the Water Quality Act of 1987, compliance as expeditiously as practicable but in no case later than three years after the date such limitations are established, and in no case later than March 31, 1989.".

(f) Deadlines for Regulations for Certain Toxic Pollutants.—The Administrator shall promulgate final regulations establishing effluent limitations in accordance with sections 301(b)(2)(A) and 307(b)(1) of the Federal Water Pollution Control Act for all toxic pollutants referred to in table 1 of Committee Print Numbered 95-30 of the Committee on Public Works and Transportation of the House of Representatives which are discharged from the categories of point sources in accordance with the following table:

Category	Date by which the final regulation shall be promulgated
Organic chemicals and plastics and synthetic fibers.	December 31, 1986.
Pesticides..........	December 31, 1986.

SEC. 302. MODIFICATION FOR NONCONVENTIONAL POLLUTANTS.

(a) Listing of Pollutants.—Section 301(g) is amended by redesignating paragraph (2) (and any references thereto) as paragraph (3) and by striking out all that precedes subparagraph (A) of paragraph (1) and inserting in lieu thereof the following:

"(g) Modifications for Certain Nonconventional Pollutants.—

"(1) General authority.—The Administrator, with the concurrence of the State, may modify the requirements of subsection (b)(2)(A) of this section with respect to the discharge from any point source of ammonia, chlorine, color, iron, and total phenols (4AAP) (when determined by the Administrator to be a pollutant covered by subsection (b)(2)(F)) and any other pollutant which the Administrator lists under paragraph (4) of this subsection.

"(2) Requirements for granting modifications.—A modification under this subsection shall be granted only upon a showing by the owner or operator of a point source satisfactory to the Administrator that—".

(b) Procedure for Listing Additional Pollutants; Removal.—Section 301(g) is further amended by adding at the end thereof the following new paragraphs:

"(4) Procedures for listing additional pollutants.—

"(A) General authority.—Upon petition of any person, the Administrator may add any pollutant to the list of pollutants for which modification under this section is authorized (except for pollutants identified pursuant to section 304(a)(4) of this Act, toxic pollutants subject to section 307(a) of this Act, and the thermal component of discharges) in accordance with the provisions of this paragraph.

"(B) Requirements for listing.—

"(i) Sufficient information.—The person petitioning for listing of an additional pollutant under this subsection shall submit to the Administrator sufficient information to make the determinations required by this subparagraph.

"(ii) Toxic criteria determination.—The Administrator shall determine whether or not the pollutant meets the criteria for listing as a toxic pollutant under section 307(a) of this Act.

"(iii) Listing as toxic pollutant.—If the Administrator determines that the pollutant meets the criteria for listing as a toxic pollutant under section 307(a), the Administrator shall list the pollutant as a toxic pollutant under section 307(a).

"(iv) Nonconventional criteria determination.—If the Administrator determines that the pollutant does not meet the criteria for listing as a toxic pollutant under such section and determines that adequate test methods and sufficient data are available to make the determinations required by paragraph (2) of this subsection with respect to the pollutant, the Administrator shall add the pollutant to the list of pollutants specified in paragraph (1) of this subsection for which modifications are authorized under this subsection.

"(C) Requirements for filing of petitions.—A petition for listing of a pollutant under this paragraph—

"(i) must be filed not later than 270 days after the date of promulgation of an applicable effluent guideline under section 304;

"(ii) may be filed before promulgation of such guideline; and

"(iii) may be filed with an application for a modification under paragraph (1) with respect to the discharge of such pollutant.

"(D) Deadline for approval of petition.—A decision to add a pollutant to the list of pollutants for which modifications under this subsection are authorized must be made within 270 days after the date of promulgation of an applicable effluent guideline under section 304.

"(E) Burden of proof.—The burden of proof for making the determinations under subparagraph (B) shall be on the petitioner.

"(5) Removal of pollutants.—The Administrator may remove any pollutant from the list of pollutants for which modifications are authorized under this subsection if the Administrator determines that adequate test methods and sufficient data are no longer available for determining whether or not modifications may be granted with respect to such pollutant under paragraph (2) of this subsection.".

(c) Deadline for Approval of Modifications.—Section 301(j) is amended—

(1) in paragraph (2) by striking out "Any" and inserting in lieu thereof "Subject to paragraph (3) of this section, any"; and

(2) by adding at the end thereof the following new paragraphs:

"(3) Compliance requirements under subsection (g).—

"(A) Effect of filing.—An application for a modification under subsection (g) and a petition for listing of a pollutant as a pollutant for which modifications are authorized under such subsection shall not stay the requirement that the person seeking such modification or listing comply with effluent limitations under this Act for all pollutants not the subject of such application or petition.

"(B) Effect of disapproval.—Disapproval of an application for a modification under subsection (g) shall not stay the requirement that the person seeking such modification comply with all applicable effluent limitations under this Act.

"(4) Deadline for subsection (g) decision.—An application for a modification with respect to a pollutant filed under subsection (g) must be approved or disapproved not later than 365 days after the date of such filing; except that in any case in which a petition for listing such pollutant as a pollutant for which modifications are authorized under such subsection is approved, such application must be approved or disapproved not later than 365 days after the date of approval of such petition.".

(d) Conforming Amendments.—(1) Paragraph (3) of section 301(g), as redesignated by subsection (a) of this section, is amended by inserting "Limitation on authority to apply for subsection (c) modification.—" before "If an owner" and by aligning such paragraph with paragraph (4) of such section, as added by such subsection (c).

(2) Paragraph (2) of section 301(g) (as designated by subsection (a) of this section) is amended by realigning subparagraphs (A), (B), and (C) with subparagraph (A) of paragraph (4), as added by subsection (b) of this section.

(e) Application.—

(1) General rule.—Except as provided in paragraph (2), the amendments made by this section shall apply to all requests for modifications under section 301(g) of the Federal Water Pollution Control Act pending on the date of the enactment of this Act and shall not have the effect of extending the deadline established in section 301(j)(1)(B) of such Act.

(2) Exception.—The amendments made by this section shall not affect any application for a modification with respect to the discharge of ammonia, chlorine, color, iron, or total phenols (4AAP) under section 301(g) of the Federal Water Pollution Control Act pending on the date of the enactment of this Act; except that the Administrator must approve or disapprove such application not later than 365 days after the date of such enactment.

SEC. 303. DISCHARGES INTO MARINE WATERS.

(a) Consideration of Other Sources of Pollutants.—Section 301(h)(2) is amended by striking out "such modified requirements will not interfere" and inserting in lieu thereof the following: "the discharge of pollutants in accordance with such modified requirements will not interfere, alone or in combination with pollutants from other sources,".

(b) Limitation on Scope of Monitoring.—

(1) General rule.—Section 301(h)(3) is amended by inserting before the semicolon at the end thereof the following: ", and the scope of such monitoring is limited to include only those scientific investigations which are necessary to study the effects of the proposed discharge".

(2) Limitation on applicability.—The amendment made by subsection (b) shall only apply to modifications and renewals of modifications which are tentatively or finally approved after the date of the enactment of this Act.

(c) Urban Area Pretreatment Program.—Section 301(h) is amended by redesignating paragraphs (6) and (7), and any references thereto, as paragraphs (7) and (8), respectively, and by inserting after paragraph (5) the following new paragraph:

"(6) in the case of any treatment works serving a population of 50,000 or more, with respect to any toxic pollutant introduced into such works by an industrial discharger for which pollutant there is no applicable pretreatment requirement in effect, sources introducing waste into such works are in compliance with all applicable pretreatment requirements, the applicant will enforce such requirements, and the applicant has in effect a pretreatment program which, in combination with the treatment of discharges from such works, removes the same amount of such pollutant as would be removed if such works were to apply secondary treatment to discharges and if such works had no pretreatment program with respect to such pollutant;".

(d) Primary Treatment for Effluent.—

(1) General rule.—Section 301(h) is amended by striking out the period at the end of paragraph (8) (as redesignated by subsection (c) of this section) and inserting in lieu thereof a semicolon and by inserting after such paragraph (8) the following new paragraph:

"(9) the applicant at the time such modification becomes effective will be discharging effluent which has received at least primary or equivalent treatment and which meets the criteria established under section 304(a)(1) of this Act after initial mixing in the waters surrounding or adjacent to the point at which such effluent is discharged.".

(2) PRIMARY OR EQUIVALENT TREATMENT DEFINED.—Such section is further amended by inserting after the second sentence the following new sentence: "For the purposes of paragraph (9), 'primary or equivalent treatment' means treatment by screening, sedimentation, and skimming adequate to remove at least 30 percent of the biological oxygen demanding material and of the suspended solids in the treatment works influent, and disinfection, where appropriate.".

(e) LIMITATIONS ON ISSUANCE OF PERMITS.—Section 301(h) is further amended by adding at the end thereof the following new sentences: "In order for a permit to be issued under this subsection for the discharge of a pollutant into marine waters, such marine waters must exhibit characteristics assuring that water providing dilution does not contain significant amounts of previously discharged effluent from such treatment works. No permit issued under this subsection shall authorize the discharge of any pollutant into saline estuarine waters which at the time of application do not support a balanced indigenous population of shellfish, fish and wildlife, or allow recreation in and on the waters or which exhibit ambient water quality below applicable water quality standards adopted for the protection of public water supplies, shellfish, fish and wildlife or recreational activities or such other standards necessary to assure support and protection of such uses. The prohibition contained in the preceding sentence shall apply without regard to the presence or absence of a causal relationship between such characteristics and the applicant's current or proposed discharge. Notwithstanding any other provisions of this subsection, no permit may be issued under this subsection for discharge of a pollutant into the New York Bight Apex consisting of the ocean waters of the Atlantic Ocean westward of 73 degrees 30 minutes west longitude and northward of 40 degrees 10 minutes north latitude.".

(f) APPLICATION FOR OCEAN DISCHARGE MODIFICATION.—Section 301(j)(1)(A) is amended by inserting before the semicolon at the end thereof the following: ", except that a publicly owned treatment works which prior to December 31, 1982, had a contractual arrangement to use a portion of the capacity of an ocean outfall operated by another publicly owned treatment works which has applied for or received modification under subsection (h), may apply for a modification of subsection (h) in its own right not later than 30 days after the date of the enactment of the Water Quality Act of 1987".

(g) GRANDFATHER OF CERTAIN APPLICANTS.—The amendments made by subsections (a), (c), (d), and (e) of this section shall not apply to an application for a permit under section 301(h) of the Federal Water Pollution Control Act which has been tentatively or finally approved by the Administrator before the date of the enactment of this Act; except that such amendments shall apply to all renewals of such permits after such date of enactment.

SEC. 304. FILING DEADLINE FOR TREATMENT WORKS MODIFICATION.

(a) EXTENSION.—The second sentence of section 301(i)(1) is amended by striking out "of this subsection." and inserting in lieu thereof "of the Water Quality Act of 1987.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall not apply to those treatment works which are subject to a compliance schedule established before the date of the enactment of this Act by a court order or a final administrative order.

SEC. 305. INNOVATIVE TECHNOLOGY COMPLIANCE DEADLINES FOR DIRECT DISCHARGERS.

(a) EXTENSION OF DEADLINE.—Section 301(k) is amended by striking out "July 1, 1987," and inserting in lieu thereof "two years after the date for compliance with such effluent limitation which would otherwise be applicable under such subsection,".

(b) EXTENSION TO CONVENTIONAL POLLUTANTS.—Section 301(k) is amended by inserting "or (b)(2)(E)" after "(b)(2)(A)" each place it appears.

SEC. 306. FUNDAMENTALLY DIFFERENT FACTORS.

(a) GENERAL RULE.—Section 301 is amended by adding at the end the following new subsections:

"(n) FUNDAMENTALLY DIFFERENT FACTORS.—

"(1) GENERAL RULE.—The Administrator, with the concurrence of the State, may establish an alternative requirement under subsection (b)(2) or section 307(b) for a facility that modifies the requirements of national effluent limitation guidelines or categorical pretreatment standards that would otherwise be applicable to such facility, if the owner or operator of such facility demonstrates to the satisfaction of the Administrator that—

"(A) the facility is fundamentally different with respect to the factors (other than cost) specified in section 304(b) or 304(g) and considered by the Administrator in establishing such national effluent limitation guidelines or categorical pretreatment standards;

"(B) the application—

"(i) is based solely on information and supporting data submitted to the Administrator during the rulemaking for establishment of the applicable national effluent limitation guidelines or categorical pretreatment standard specifically raising the factors that are fundamentally different for such facility; or

"(ii) is based on information and supporting data referred to in clause (i) and information and supporting data the applicant did not have a reasonable opportunity to submit during such rulemaking;

"(C) the alternative requirement is no less stringent than justified by the fundamental difference; and

"(D) the alternative requirement will not result in a non-water quality environmental impact which is markedly more adverse than the impact considered by the Administrator in establishing such national effluent limitation guideline or categorical pretreatment standard.

"(2) TIME LIMIT FOR APPLICATIONS.—An application for an alternative requirement which modifies the requirements of an effluent limitation or pretreatment standard under this subsection must be submitted to the Administrator within 180 days after the date on which such limitation or standard is established or revised, as the case may be.

"(3) TIME LIMIT FOR DECISION.—The Administrator shall approve or deny by final agency action an application submitted under this subsection within 180 days after the date such application is filed with the Administrator.

"(4) SUBMISSION OF INFORMATION.—The Administrator may allow an applicant under this subsection to submit information and supporting data until the earlier of the date the application is approved or denied or the last day that the Administrator has to approve or deny such application.

"(5) TREATMENT OF PENDING APPLICATIONS.—For the purposes of this subsection, an application for an alternative requirement based on fundamentally different factors which is pending on the date of the enactment of this subsection shall be treated as having been submitted to the Administrator on the 180th day following such date of enactment. The applicant may amend the application to take into account the provisions of this subsection.

"(6) EFFECT OF SUBMISSION OF APPLICATION.—An application for an alternative requirement under this subsection shall not stay the applicant's obligation to comply with the effluent limitation guideline or categorical pretreatment standard which is the subject of the application.

"(7) EFFECT OF DENIAL.—If an application for an alternative requirement which modifies the requirements of an effluent limitation or pretreatment standard under this subsection is denied by the Administrator, the applicant must comply with such limitation or standard as established or revised, as the case may be.

"(8) REPORTS.—Every 6 months after the date of the enactment of this subsection, the Administrator shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the status of applications for alternative requirements which modify the requirements of effluent limitations under section 301 or 304 of this Act or any national categorical pretreatment standard under section 307(b) of this Act filed before, on, or after such date of enactment.

"(o) APPLICATION FEES.—The Administrator shall prescribe and collect from each applicant fees reflecting the reasonable administrative costs incurred in reviewing and processing applications for modifications submitted to the Administrator pursuant to subsections (c), (g), (i), (k), (m), and (n) of section 301, section 304(d)(4), and section 316(a) of this Act. All amounts collected by the Administrator under this subsection shall be deposited into a special fund of the Treasury entitled 'Water Permits and Related Services' which shall thereafter be available for appropriation to carry out activities of the Environmental Protection Agency for which such fees were collected.".

(b) CONFORMING AMENDMENT.—Section 301(l) is amended by striking out "The" and inserting in lieu thereof "Other than as provided in subsection (n) of this section, the".

(c) PHOSPHATE FERTILIZER EFFLUENT LIMITATION.—

(1) LIMITATION ON APPLICABILITY.—The effluent limitation established by the Administrator pursuant to section 301(b) of the Federal Water Pollution Control Act for the phosphate subcategory of the fertilizer manufacturing point source category shall not apply to facilities which had commenced construction on or before April 8, 1974, and for which the Administrator is proposing to revise the applicability of such limitations to exclude such facilities.

(2) ISSUANCE OF PERMIT.—As soon as possible after the date of the enactment of this Act, but not later than 180 days after such date of enactment, the Administrator shall

issue permits under section 402(a)(1)(B) of the Federal Water Pollution Control Act with respect to the facilities described in paragraph (1). Such permits shall remain in effect until, after such date of enactment, issuance of a permit under effluent guidelines applicable to discharges for the phosphate subcategory.

SEC. 307. COAL REMINING OPERATIONS.

Section 301 is amended by adding at the end thereof the following:

"(p) MODIFIED PERMIT FOR COAL REMINING OPERATIONS.—

"(1) IN GENERAL.—Subject to paragraphs (2) through (4) of this subsection, the Administrator, or the State in any case which the State has an approved permit program under section 402(b), may issue a permit under section 402 which modifies the requirements of subsection (b)(2)(A) of this section with respect to the pH level of any pre-existing discharge, and with respect to pre-existing discharges of iron and manganese from the remined area of any coal remining operation or with respect to the pH level or level of iron or manganese in any pre-existing discharge affected by the remining operation. Such modified requirements shall apply the best available technology economically achievable on a case-by-case basis, using best professional judgment, to set specific numerical effluent limitations in each permit.

"(2) LIMITATIONS.—The Administrator or the State may only issue a permit pursuant to paragraph (1) if the applicant demonstrates to the satisfaction of the Administrator or the State, as the case may be, that the coal remining operation will result in the potential for improved water quality from the remining operation but in no event shall such a permit allow the pH level of any discharge, and in no event shall such a permit allow the discharges of iron and manganese, to exceed the levels being discharged from the remined area before the coal remining operation begins. No discharge from, or affected by, the remining operation shall exceed State water quality standards established under section 303 of this Act.

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) COAL REMINING OPERATION.—The term 'coal remining operation' means a coal mining operation which begins after the date of the enactment of this subsection at a site on which coal mining was conducted before the effective date of the Surface Mining Control and Reclamation Act of 1977.

"(B) REMINED AREA.—The term 'remined area' means only that area of any coal remining operation on which coal mining was conducted before the effective date of the Surface Mining Control and Reclamation Act of 1977.

"(C) PRE-EXISTING DISCHARGE.—The term 'pre-existing discharge' means any discharge at the time of permit application under this subsection.

"(4) APPLICABILITY OF STRIP MINING LAWS.—Nothing in this subsection shall affect the application of the Surface Mining Control and Reclamation Act of 1977 to any coal remining operation, including the application of such Act to suspended solids.".

SEC. 308. INDIVIDUAL CONTROL STRATEGIES FOR TOXIC POLLUTANTS.

(a) IN GENERAL.—Section 304 is amended by adding at the end thereof the following new subsection:

"(l) INDIVIDUAL CONTROL STRATEGIES FOR TOXIC POLLUTANTS.—

"(1) STATE LIST OF NAVIGABLE WATERS AND DEVELOPMENT OF STRATEGIES.—Not later than 2 years after the date of the enactment of this subsection, each State shall submit to the Administrator for review, approval, and implementation under this subsection—

"(A) a list of those waters within the State which after the application of effluent limitations required under section 301(b)(2) of this Act cannot reasonably be anticipated to attain or maintain (i) water quality standards for such waters reviewed, revised, or adopted in accordance with section 303(c)(2)(B) of this Act, due to toxic pollutants, or (ii) that water quality which shall assure protection of public health, public water supplies, agricultural and industrial uses, and the protection and propagation of a balanced population of shellfish, fish and wildlife, and allow recreational activities in and on the water;

"(B) a list of all navigable waters in such State for which the State does not expect the applicable standard under section 303 of this Act will be achieved after the requirements of sections 301(b), 306, and 307(b) are met, due entirely or substantially to discharges from point sources of any toxic pollutants listed pursuant to section 307(a);

"(C) for each segment of the navigable waters included on such lists, a determination of the specific point sources discharging any such toxic pollutant which is believed to be preventing or impairing such water quality and the amount of each such toxic pollutant discharged by each such source; and

"(D) for each such segment, an individual control strategy which the State determines will produce a reduction in the discharge of toxic pollutants from point sources identified by the State under this paragraph through the establishment of effluent limitations under section 402 of this Act and water quality standards under section 303(c)(2)(B) of this Act, which reduction is sufficient, in combination with existing controls on point and nonpoint sources of pollution, to achieve the applicable water quality standard as soon as possible, but not later than 3 years after the date of the establishment of such strategy.

"(2) APPROVAL OR DISAPPROVAL.—Not later than 120 days after the last day of the 2-year period referred to in paragraph (1), the Administrator shall approve or disapprove the control strategies submitted under paragraph (1) by any State.

"(3) ADMINISTRATOR'S ACTION.—If a State fails to submit control strategies in accordance with paragraph (1) or the Administrator does not approve the control strategies submitted by such State in accordance with paragraph (1), then, not later than 1 year after the last day of the period referred to in paragraph (2), the Administrator, in cooperation with such State and after notice and opportunity for public comment, shall implement the requirements of paragraph (1) in such State. In the implementation of such requirements, the Administrator shall, at a minimum, consider for listing under this subsection any navigable waters for which any person submits a petition to the Administrator for listing not later than 120 days after such last day."

(b) JUDICIAL REVIEW.—Section 509(b)(1) is amended—

(1) by striking out "and (F)" and inserting in lieu thereof "(F)"; and

(2) by inserting after "any permit under section 402," the following: "and (G) in promulgating any individual control strategy under section 304(l),".

(c) GUIDANCE TO STATES; INFORMATION ON WATER QUALITY CRITERIA FOR TOXICS.—Section 304(a) is amended by adding at the end the following new paragraphs:

"(7) GUIDANCE TO STATES.—The Administrator, after consultation with appropriate State agencies and on the basis of criteria and information published under paragraphs (1) and (2) of this subsection, shall develop and publish, within 9 months after the date of the enactment of the Water Quality Act of 1987, guidance to the States on performing the identification required by section 304(l)(1) of this Act.

"(8) INFORMATION ON WATER QUALITY CRITERIA.—The Administrator, after consultation with appropriate State agencies and within 2 years after the date of the enactment of the Water Quality Act of 1987, shall develop and publish information on methods for establishing and measuring water quality criteria for toxic pollutants on other bases than pollutant-by-pollutant criteria, including biological monitoring and assessment methods.".

(d) WATER QUALITY CRITERIA FOR TOXIC POLLUTANTS.—Section 303(c)(2) is amended by inserting "(A)" after "(2)" and by adding the following new subparagraph:

"(B) Whenever a State reviews water quality standards pursuant to paragraph (1) of this subsection, or revises or adopts new standards pursuant to this paragraph, such State shall adopt criteria for all toxic pollutants listed pursuant to section 307(a)(1) of this Act for which criteria have been published under section 304(a), the discharge or presence of which in the affected waters could reasonably be expected to interfere with those designated uses adopted by the State, as necessary to support such designated uses. Such criteria shall be specific numerical criteria for such toxic pollutants. Where such numerical criteria are not available, whenever a State reviews water quality standards pursuant to paragraph (1), or revises or adopts new standards pursuant to this paragraph, such State shall adopt criteria based on biological monitoring or assessment methods consistent with information published pursuant to section 304(a)(8). Nothing in this section shall be construed to limit or delay the use of effluent limitations or other permit conditions based on or involving biological monitoring or assessment methods or previously adopted numerical criteria.".

(e) MODIFICATIONS OF EFFLUENT LIMITATIONS.—

(1) IN GENERAL.—Section 302(b) is amended to read as follows:

"(b) MODIFICATIONS OF EFFLUENT LIMITATIONS.—

"(1) NOTICE AND HEARING.—Prior to establishment of any effluent limitation pursuant to subsection (a) of this section, the Administrator shall publish such proposed limitation and within 90 days of such publication hold a public hearing.

"(2) PERMITS.—

"(A) NO REASONABLE RELATIONSHIP.—The Administrator, with the concurrence of the State, may issue a permit which modifies the effluent limitations required by subsection (a) of this section for pollutants other than toxic pollutants if the applicant demonstrates at such hearing that (whether or not technology or other alternative control strategies are available) there is no reasonable relationship between the economic and social costs and the benefits to be obtained (including attainment of the objective of this Act) from achieving such limitation.

"(B) REASONABLE PROGRESS.—The Administrator, with the concurrence of the State, may issue a permit which modifies the effluent limitations required by subsection (a) of this section for toxic pollutants for a single period not to exceed 5 years if the applicant demonstrates to the satisfaction of the Administrator that such modified requirements (i) will represent the maximum degree of control within the economic capability of the owner and operator of the source, and (ii) will result in reasonable further progress beyond the requirements of section 301(b)(2) toward the requirements of subsection (a) of this section.".

(2) CONFORMING AMENDMENTS.—Section 302(a) is amended—

(A) by inserting "or as identified under section 304(l)" after "in the judgment of the Administrator"; and

(B) by inserting "public health," after "protection of".

(f) SCHEDULE FOR REVIEW OF GUIDELINES.—Section 304 is amended by adding at the end the following new subsection:

"(m) SCHEDULE FOR REVIEW OF GUIDELINES.—

"(1) PUBLICATION.—Within 12 months after the date of the enactment of the Water Quality Act of 1987, and biennially thereafter, the Administrator shall publish in the Federal Register a plan which shall—

"(A) establish a schedule for the annual review and revision of promulgated effluent guidelines, in accordance with subsection (b) of this section;

"(B) identify categories of sources discharging toxic or nonconventional pollutants for which guidelines under subsection (b)(2) of this section and section 306 have not previously been published; and

"(C) establish a schedule for promulgation of effluent guidelines for categories identified in subparagraph (B), under which promulgation of such guidelines shall be no later than 4 years after such date of enactment for categories identified in the first published plan or 3 years after the publication of the plan for categories identified in later published plans.

"(2) PUBLIC REVIEW.—The Administrator shall provide for public review and comment on the plan prior to final publication.".

(g) WATER QUALITY IMPROVEMENT STUDY.—

(1) STUDY.—The Administrator shall study the water quality improvements which have been achieved by application of best available technology economically achievable pursuant to section 301(b)(2) of the Federal Water Pollution Control Act. Such study shall include, but not be limited to, an analysis of the effectiveness of the application of best available technology economically achievable pursuant to such section in attaining applicable water quality standards (including the standard specified in section 302(a) of such Act) and an analysis of the effectiveness of the water quality program under such Act and methods of improving such program, including site specific levels of treatment which will achieve the water quality goals of such Act.

(2) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Administrator shall submit a report on the results of the study conducted under subsection (a) together with recommendations for improving the water quality program and its effectiveness to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 309. PRETREATMENT STANDARDS.

(a) EXTENSION OF COMPLIANCE DATE BY POTW.—Section 307 is amended by adding at the end the following:

"(e) COMPLIANCE DATE EXTENSION FOR INNOVATIVE PRETREATMENT SYSTEMS.—In the case of any existing facility that proposes to comply with the pretreatment standards of subsection (b) of this section by applying an innovative system that meets the requirements of section 301(k) of this Act, the owner or operator of the publicly owned treatment works receiving the treated effluent from such facility may extend the date for compliance with the applicable pretreatment standard established under this section for a period not to exceed 2 years—

"(1) if the Administrator determines that the innovative system has the potential for industrywide application, and

"(2) if the Administrator (or the State in consultation with the Administrator, in any case in which the State has a pretreatment program approved by the Administrator)—

"(A) determines that the proposed extension will not cause the publicly owned treatment works to be in violation of its permit under section 402 or of section 405 or to contribute to such a violation, and

"(B) concurs with the proposed extension.".

(b) INCREASE IN EPA EMPLOYEES.—The Administrator shall take such actions as may be necessary to increase the number of employees of the Environmental Protection Agency in order to effectively implement pretreatment requirements under section 307 of the Federal Water Pollution Control Act.

SEC. 310. INSPECTION AND ENTRY.

(a) UNAUTHORIZED DISCLOSURE.—

(1) IN GENERAL.—Section 308(b) is amended by striking out all that follows "Code" and inserting in lieu thereof a period and the following: "Any authorized representative of the Administrator (including an authorized contractor acting as a representative of the Administrator) who knowingly or willfully publishes, divulges, discloses, or makes known in any manner or to any extent not authorized by law any information which is required to be considered confidential under this subsection shall be fined not more than $1,000 or imprisoned not more than 1 year, or both. Nothing in this subsection shall prohibit the Administrator or an authorized representative of the Administrator (including any authorized contractor acting as a representative of the Administrator) from disclosing records, reports, or information to other officers, employees, or authorized representatives of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act.".

(2) CONFORMING AMENDMENT.—Section 308(a)(B) is amended by inserting "(including an authorized contractor acting as a representative of the Administrator)" after "or his authorized representative".

(b) ACCESS BY CONGRESS.—Section 308 is amended by adding at the end the following new subsection:

"(d) ACCESS BY CONGRESS.—Notwithstanding any limitation contained in this section or any other provision of law, all information reported to or otherwise obtained by the Administrator (or any representative of the Administrator) under this Act shall be made available, upon written request of any duly authorized committee of Congress, to such committee.".

SEC. 311. MARINE SANITATION DEVICES.

(a) STATE REGULATION OF HOUSEBOATS.—Section 312(f)(1) is amended by striking out "After" and inserting in lieu thereof "(A) Except as provided in subparagraph (B), after" and by adding at the end thereof the following:

"(B) A State may adopt and enforce a statute or regulation with respect to the design, manufacture, or installation or use of any marine sanitation device on a houseboat, if such statute or regulation is more stringent than the standards and regulations promulgated under this section. For purposes of this paragraph, the term 'houseboat' means a vessel which, for a period of time determined by the State in which the vessel is located, is used primarily as a residence and is not used primarily as a means of transportation.".

(b) STATE ENFORCEMENT.—Section 312(k) is amended by adding at the end the following: "The provisions of this section may also be enforced by a State.".

SEC. 312. CRIMINAL PENALTIES.

Section 309(c) is amended to read as follows:

"(c) CRIMINAL PENALTIES.—

"(1) NEGLIGENT VIOLATIONS.—Any person who—

"(A) negligently violates section 301, 302, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or any requirement imposed in a pretreatment program approved under section 402(a)(3) or 402(b)(8) of this Act or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State; or

"(B) negligently introduces into a sewer system or into a publicly owned treatment works any pollutant or hazardous substance which such person knew or reasonably should have known could cause personal injury or property damage or, other than in compliance with all applicable Federal, State, or local requirements or permits, which causes such treatment works to violate any effluent limitation or condition in any permit issued to the treatment works under section 402 of this Act by the Administrator or a State;

shall be punished by a fine of not less than $2,500 nor more than $25,000 per day of violation, or by imprisonment for not more than 1 year, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $50,000 per day of violation, or by imprisonment of not more than 2 years, or by both.

"(2) KNOWING VIOLATIONS.—Any person who—

"(A) knowingly violates section 301, 302, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or any requirement imposed in a pretreatment program approved under section 402(a)(3) or 402(b)(8) of this Act or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State; or

"(B) knowingly introduces into a sewer system or into a publicly owned treatment works any pollutant or hazardous substance which such person knew or reasonably should have known could cause personal injury or property damage or, other than in compliance with all applicable Federal, State, or local requirements or permits, which causes such treatment works to violate any effluent limitation or condition in a permit issued to the treatment works under section 402 of this Act by the Administrator or a State;

shall be punished by a fine of not less than $5,000 nor more than $50,000 per day of violation, or by imprisonment for not more than 3 years, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $100,000 per day of violation, or by imprisonment of not more than 6 years, or by both.

"(3) Knowing endangerment.—

"(A) General rule.—Any person who knowingly violates section 301, 302, 303, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State, and who knows at that time that he thereby places another person in imminent danger of death or serious bodily injury, shall, upon conviction, be subject to a fine of not more than $250,000 or imprisonment of not more than 15 years, or both. A person which is an organization shall, upon conviction of violating this subparagraph, be subject to a fine of not more than $1,000,000. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment shall be doubled with respect to both fine and imprisonment.

"(B) Additional provisions.—For the purpose of subparagraph (A) of this paragraph—

"(i) in determining whether a defendant who is an individual knew that his conduct placed another person in imminent danger of death or serious bodily injury—

"(I) the person is responsible only for actual awareness or actual belief that he possessed; and

"(II) knowledge possessed by a person other than the defendant but not by the defendant himself may not be attributed to the defendant;

except that in proving the defendant's possession of actual knowledge, circumstantial evidence may be used, including evidence that the defendant took affirmative steps to shield himself from relevant information;

"(ii) it is an affirmative defense to prosecution that the conduct charged was consented to by the person endangered and that the danger and conduct charged were reasonably foreseeable hazards of—

"(I) an occupation, a business, or a profession; or

"(II) medical treatment or medical or scientific experimentation conducted by professionally approved methods and such other person had been made aware of the risks involved prior to giving consent;

and such defense may be established under this subparagraph by a preponderance of the evidence;

"(iii) the term 'organization' means a legal entity, other than a government, established or organized for any purpose, and such term includes a corporation, company, association, firm, partnership, joint stock company, foundation, institution, trust, society, union, or any other association of persons; and

"(iv) the term 'serious bodily injury' means bodily injury which involves a substantial risk of death, unconsciousness, extreme physical pain, protracted and obvious disfigurement, or protracted loss or impairment of the function of a bodily member, organ, or mental faculty.

"(4) False statements.—Any person who knowingly makes any false material statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act or who knowingly falsifies, tampers with, or renders inaccurate any monitoring device or method required to be maintained under this Act, shall upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than 2 years, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $20,000 per day of violation, or by imprisonment of not more than 4 years, or by both.

"(5) Treatment of single operational upset.—For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.

"(6) Responsible corporate officer as 'person'.—For the purpose of this subsection, the term 'person' means, in addition to the definition contained in section 502(5) of this Act, any responsible corporate officer.

"(7) Hazardous substance defined.—For the purpose of this subsection, the term 'hazardous substance' means (A) any substance designated pursuant to section 311(b)(2)(A) of this Act, (B) any element, compound, mixture, solution, or substance designated pursuant to section 102 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, (C) any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act (but not including any waste the regulation of which under the Solid Waste Disposal Act has been suspended by Act of Congress), (D) any toxic pollutant listed under section 307(a) of this Act, and (E) any imminently hazardous chemical substance or mixture with respect to which the Administrator has taken action pursuant to section 7 of the Toxic Substances Control Act.".

SEC. 313. CIVIL PENALTIES.

(a) Violations of Pretreatment Requirements.—

(1) General rule.—Section 309(d) is amended by inserting ", or any requirement imposed in a pretreatment program approved under section 402(a)(3) or 402(b)(8) of this Act," after "section 404 of this Act by a State,".

(2) Savings provision.—No State shall be required before July 1, 1988, to modify a permit program approved or submitted under section 402 of the Federal Water Pollution Control Act as a result of the amendment made by paragraph (1).

(b) Increased Penalty.—

(1) General rule.—Section 309(d) is amended by striking out "$10,000 per day of such violation" and inserting in lieu thereof "$25,000 per day for each violation".

(2) Increased penalties not required under state programs.—The Federal Water Pollution Control Act shall not be construed as requiring a State to have a civil penalty for violations described in section 309(d) of such Act which has the same monetary amount as the civil penalty established by such section, as amended by paragraph (1). Nothing in this paragraph shall affect the Administrator's authority to establish or adjust by regulation a minimum acceptable State civil penalty.

(c) Factors To Consider in Determining Penalty Amount.—Section 309(d) is amended by adding at the end thereof the following: "In determining the amount of a civil penalty the court shall consider the seriousness of the violation or violations, the economic benefit (if any) resulting from the violation, any history of such violations, any good-faith efforts to comply with the applicable requirements, the economic impact of the penalty on the violator, and such other matters as justice may require. For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.".

(d) Violations of Section 404 Permits.—Section 404(s) is amended—

(1) by striking out paragraph (4);

(2) by redesignating paragraph (5) as paragraph (4); and

(3) in paragraph (4), as so redesignated—

(A) by striking out "$10,000 per day of such violation" and inserting in lieu thereof "$25,000 per day for each violation";

(B) by adding at the end thereof the following: "In determining the amount of a civil penalty the court shall consider the seriousness of the violation or violations, the economic benefit (if any) resulting from the violation, any history of such violations, any good-faith efforts to comply with the applicable requirements, the economic impact of the penalty on the violator, and such other matters as justice may require.".

SEC. 314. ADMINISTRATIVE PENALTIES.

(a) General Rule.—Section 309 is amended by adding at the end thereof the following:

"(g) Administrative Penalties.—

"(1) Violations.—Whenever on the basis of any information available—

"(A) the Administrator finds that any person has violated section 301, 302, 306, 307, 308, 318, or 405 of this Act, or has violated any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or in a permit issued under section 404 by a State, or

"(B) the Secretary of the Army (hereinafter in this subsection referred to as the 'Secretary') finds that any person has violated any permit condition or limitation in a permit issued under section 404 of this Act by the Secretary,

the Administrator or Secretary, as the case may be, may, after consultation with the State in which the violation occurs, assess a class I civil penalty or a class II civil penalty under this subsection.

"(2) Classes of penalties.—

"(A) Class I.—The amount of a class I civil penalty under paragraph (1) may not exceed $10,000 per violation, except that the maximum amount of any class I civil penalty under this subparagraph shall not exceed $25,000. Before issuing an order assessing a civil penalty under this subparagraph, the Administrator or the Secretary, as the case may be, shall give to the person to be assessed such penalty written notice of the Administrator's or Secretary's proposal to issue such order and the opportunity to request, within 30 days of the date the notice is received by such person, a hearing on the proposed order. Such hearing shall not be subject to section 554 or 556 of title 5, United States Code, but shall provide a reasonable opportunity to be heard and to present evidence.

"(B) Class II.—The amount of a class II civil penalty under paragraph (1) may not exceed $10,000 per day for each day during which the violation continues; except that the maximum amount of any class II civil penalty under this subparagraph shall not exceed $125,000. Except as otherwise provided in this subsection, a class II civil penalty shall be assessed and collected in the same manner, and subject to the same provisions, as in the case of civil penalties assessed and collected after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code. The Administrator and the Secretary may issue rules for discovery procedures for hearings under this subparagraph.

"(3) Determining amount.—In determining the amount of any penalty assessed under this subsection, the Administrator or the Secretary, as the case may be, shall take into account the nature, circumstances, extent and gravity of the violation, or violations, and, with respect to the violator, ability to pay, any prior history of such violations, the degree of culpability, economic benefit or savings (if any) resulting from the violation, and such other matters as justice may require. For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.

"(4) Rights of interested persons.—

"(A) Public notice.—Before issuing an order assessing a civil penalty under this subsection the Administrator or Secretary, as the case may be, shall provide public notice of and reasonable opportunity to comment on the proposed issuance of such order.

"(B) Presentation of evidence.—Any person who comments on a proposed assessment of a penalty under this subsection shall be given notice of any hearing held under this subsection and of the order assessing such penalty. In any hearing held under this subsection, such person shall have a reasonable opportunity to be heard and to present evidence.

"(C) Rights of interested persons to a hearing.—If no hearing is held under paragraph (2) before issuance of an order assessing a penalty under this subsection, any person who commented on the proposed assessment may petition, within 30 days after the issuance of such order, the Administrator or Secretary, as the case may be, to set aside such order and to provide a hearing on the penalty. If the evidence presented by the petitioner in support of the petition is material and was not considered in the issuance of the order, the Administrator or Secretary shall immediately set aside such order and provide a hearing in accordance with paragraph (2)(A) in the case of a class I civil penalty and paragraph (2)(B) in the case of a class II civil penalty. If the Administrator or Secretary denies a hearing under this subparagraph, the Administrator or Secretary shall provide to the petitioner, and publish in the Federal Register, notice of and the reasons for such denial.

"(5) Finality of order.—An order issued under this subsection shall become final 30 days after its issuance unless a petition for judicial review is filed under paragraph (8) or a hearing is requested under paragraph (4)(C). If such a hearing is denied, such order shall become final 30 days after such denial.

"(6) Effect of order.—

"(A) Limitation on actions under other sections.—Action taken by the Administrator or the Secretary, as the case may be, under this subsection shall not affect or limit the Administrator's or Secretary's authority to enforce any provision of this Act; except that any violation—

"(i) with respect to which the Administrator or the Secretary has commenced and is diligently prosecuting an action under this subsection,

"(ii) with respect to which a State has commenced and is diligently prosecuting an action under a State law comparable to this subsection, or

"(iii) for which the Administrator, the Secretary, or the State has issued a final order not subject to further judicial review and the violator has paid a penalty assessed under this subsection, or such comparable State law, as the case may be,

shall not be the subject of a civil penalty action under subsection (d) of this section or section 311(b) or section 505 of this Act.

"(B) Applicability of limitation with respect to citizen suits.—The limitations contained in subparagraph (A) on civil penalty actions under section 505 of this Act shall not apply with respect to any violation for which—

"(i) a civil action under section 505(a)(1) of this Act has been filed prior to commencement of an action under this subsection, or

"(ii) notice of an alleged violation of section 505(a)(1) of this Act has been given in accordance with section 505(b)(1)(A) prior to commencement of an action under this subsection and an action under section 505(a)(1) with respect to such alleged violation is filed before the 120th day after the date on which such notice is given.

"(7) Effect of action on compliance.—No action by the Administrator or the Secretary under this subsection shall affect any person's obligation to comply with any section of this Act or with the terms and conditions of any permit issued pursuant to section 402 or 404 of this Act.

"(8) Judicial review.—Any person against whom a civil penalty is assessed under this subsection or who commented on the proposed assessment of such penalty in accordance with paragraph (4) may obtain review of such assessment—

"(A) in the case of assessment of a class I civil penalty, in the United States District Court for the District of Columbia or in the district in which the violation is alleged to have occurred, or

"(B) in the case of assessment of a class II civil penalty, in the United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which such person resides or transacts business,

by filing a notice of appeal in such court within the 30-day period beginning on the date the civil penalty order is issued and by simultaneously sending a copy of such notice by certified mail to the Administrator or the Secretary, as the case may be, and the Attorney General. The Administrator or the Secretary shall promptly file in such court a certified copy of the record on which the order was issued. Such court shall not set aside or remand such order unless there is not substantial evidence in the record, taken as a whole, to support the finding of a violation or unless the Administrator's or Secretary's assessment of the penalty constitutes an abuse of discretion and shall not impose additional civil penalties for the same violation unless the Administrator's or Secretary's assessment of the penalty constitutes an abuse of discretion.

"(9) Collection.—If any person fails to pay an assessment of a civil penalty—

"(A) after the order making the assessment has become final, or

"(B) after a court in an action brought under paragraph (8) has entered a final judgment in favor of the Administrator or the Secretary, as the case may be,

the Administrator or the Secretary shall request the Attorney General to bring a civil action in an appropriate district court to recover the amount assessed (plus interest at currently prevailing rates from the date of the final order or the date of the final judgment, as the case may be). In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review. Any person who fails to pay on a timely basis the amount of an assessment of a civil penalty as described in the first sentence of this paragraph shall be required to pay, in addition to such amount and interest, attorneys fees and costs for collection proceedings and a quarterly nonpayment penalty for each quarter during which such failure to pay persists. Such nonpayment penalty shall be in an amount equal to 20 percent of the aggregate amount of such person's penalties and nonpayment penalties which are unpaid as of the beginning of such quarter.

"(10) Subpoenas.—The Administrator or Secretary, as the case may be, may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, or documents in connection with hearings under this subsection. In case of contumacy or refusal to obey a subpoena issued pursuant to this paragraph and served upon any person, the district court of the United States for any district in which such person is found, resides, or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the administrative law judge or to appear and produce documents before the administrative law judge, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(11) Protection of existing procedures.—Nothing in this subsection shall change the procedures existing on the day before the date of the enactment of the Water Quality Act of 1987 under other subsections of this section for issuance and enforcement of orders by the Administrator.".

(b) Reports on Enforcement Mechanisms.—The Secretary of the Army and the Administrator shall each prepare and submit a report to the Congress, not later than December 1, 1988, which shall examine and analyze various enforcement mechanisms for use by the Secretary or Administrator, as the case may be, including an administrative civil penalty mechanism. Each of such reports shall also include an examination, prepared in consultation with the Comptroller General, of the efficacy of the Secretary's or the Administrator's existing enforcement authorities and shall include recommendations for improvements in their operation.

(c) Conforming Amendment.—Section 505(a) is amended by inserting "and section 309(g)(6)" after "Except as provided in subsection (b) of this section".

SEC. 315. CLEAN LAKES.

(a) Establishment and Scope of Program.—Section 314(a) is amended to read as follows:

"(a) Establishment and Scope of Program.—

"(1) State program requirements.—Each State on a biennial basis shall prepare and submit to the Administrator for his approval—

"(A) an identification and classification according to eutrophic condition of all publicly owned lakes in such State;

"(B) a description of procedures, processes, and methods (including land use requirements), to control sources of pollution of such lakes;

"(C) a description of methods and procedures, in conjunction with appropriate Federal agencies, to restore the quality of such lakes;

"(D) methods and procedures to mitigate the harmful effects of high acidity, including innovative methods of neutralizing and restoring buffering capacity of lakes and methods of removing from lakes toxic metals and other toxic substances mobilized by high acidity;

"(E) a list and description of those publicly owned lakes in such State for which uses are known to be impaired, including those lakes which are known not to meet applicable water quality standards or which require implementation of control programs to maintain compliance with applicable standards and those lakes in which water quality has deteriorated as a result of high acidity that may reasonably be due to acid deposition; and

"(F) an assessment of the status and trends of water quality in lakes in such State, including but not limited to, the nature and extent of pollution loading from point and nonpoint sources and the extent to which the use of lakes is impaired as a result of such pollution, particularly with respect to toxic pollution.

"(2) Submission as part of 305(b)(1) report.—The information required under paragraph (1) shall be included in the report required under section 305(b)(1) of this Act, beginning with the report required under such section by April 1, 1988.

"(3) Report of administrator.—Not later than 180 days after receipt from the States of the biennial information required under paragraph (1), the Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the status of water quality in lakes in the United States, including the effectiveness of the methods and procedures described in paragraph (1)(D).

"(4) Eligibility requirement.—Beginning after April 1, 1988, a State must have submitted the information required under paragraph (1) in order to receive grant assistance under this section.".

(b) Demonstration Program.—Section 314 is amended by adding at the end thereof the following new subsections:

"(d) Demonstration Program.—

"(1) General requirements.—The Administrator is authorized and directed to establish and conduct at locations throughout the Nation a lake water quality demonstration program. The program shall, at a minimum—

"(A) develop cost effective technologies for the control of pollutants to preserve or enhance lake water quality while optimizing multiple lakes uses;

"(B) control nonpoint sources of pollution which are contributing to the degradation of water quality in lakes;

"(C) evaluate the feasibility of implementing regional consolidated pollution control strategies;

"(D) demonstrate environmentally preferred techniques for the removal and disposal of contaminated lake sediments;

"(E) develop improved methods for the removal of silt, stumps, aquatic growth, and other obstructions which impair the quality of lakes;

"(F) construct and evaluate silt traps and other devices or equipment to prevent or abate the deposit of sediment in lakes; and

"(G) demonstrate the costs and benefits of utilizing dredged material from lakes in the reclamation of despoiled land.

"(2) Geographical requirements.—Demonstration projects authorized by this subsection shall be undertaken to reflect a variety of geographical and environmental conditions. As a priority, the Administrator shall undertake demonstration projects at Lake Houston, Texas; Beaver Lake, Arkansas; Greenwood Lake and Belcher Creek, New Jersey; Deal Lake, New Jersey; Alcyon Lake, New Jersey; Gorton's Pond, Rhode Island; Lake Washington, Rhode Island; Lake Bomoseen, Vermont; Sauk Lake, Minnesota; and Lake Worth, Texas.

"(3) Reports.—The Administrator shall report annually to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate on work undertaken pursuant to this subsection. Upon completion of the program authorized by this subsection, the Administrator shall submit to such Committees a final report on the results of such program, along with recommendations for further measures to improve the water quality of the Nation's lakes.

"(4) Authorization of appropriations.—

"(A) In general.—There is authorized to be appropriated to carry out this subsection not to exceed $40,000,000 for fiscal years beginning after September 30, 1986, to remain available until expended.

"(B) Special authorizations.—

"(i) Amount.—There is authorized to be appropriated to carry out subsection (b) with respect to subsection (a)(1)(D) not to exceed $15,000,000 for fiscal years beginning after September 30, 1986, to remain available until expended.

"(ii) Distribution of funds.—The Administrator shall provide for an equitable distribution of sums appropriated pursuant to this subparagraph among States carrying out approved methods and procedures. Such distribution shall be based on the relative needs of each such State for the mitigation of the harmful effects on lakes and other surface waters of high acidity that may reasonably be due to acid deposition or acid mine drainage.

"(iii) Grants as additional assistance.—The amount of any grant to a State under this subparagraph shall be in addition to, and not in lieu of, any other Federal financial assistance.".

(c) Lake Restoration Guidance Manual.—Section 304(j) is amended to read as follows:

"(j) Lake Restoration Guidance Manual.—The Administrator shall, within 1 year after the date of the enactment of the Water Quality Act of 1987 and biennially thereafter, publish and disseminate a lake restoration guidance manual describing methods, procedures, and processes to guide State and local efforts to improve, restore, and enhance water quality in the Nation's publicly owned lakes.".

(d) Conforming Amendments.—Section 314 is further amended—

(1) in subsection (b) by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (a) of this section";

(2) in subsection (c)(1) by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (b) of this section" and by striking out "this section" the second place it appears and inserting in lieu thereof "subsection (a) of this section"; and

(3) in subsection (c)(2) by striking out "this section" the first place it appears and inserting in lieu thereof "subsection (b) of this section" and by striking out "this section" the second place it appears and inserting in lieu thereof "subsection (a) of this section".

SEC. 316. MANAGEMENT OF NONPOINT SOURCES OF POLLUTION.

(a) In General.—Title III is amended by adding at the end the following new section:

"SEC. 319. NONPOINT SOURCE MANAGEMENT PROGRAMS.

"(a) This section shall apply only to programs funded in whole or in part with sums reserved under section 205(l) of this Act.

"(b) State Management.—

"(1) In general.—The Governor of each State, for that State or in combination with adjacent States, may, after notice and opportunity for public comment, prepare and submit to the Administrator a management program which such State proposes to implement in the first four fiscal years beginning after the date of submission of such management program for controlling pollution added from nonpoint sources to the navigable waters within the State and improving the quality of such waters.

"(2) Specific contents.—Each management program proposed for implementation under this subsection should include each of the following:

"(A) An identification of the best management practices and measures which will be undertaken to reduce pollutant loadings resulting from each category, subcategory, or particular nonpoint source designated under paragraph (b)(1)(B), taking into account the impact of the practice on ground water quality.

"(B) An identification of programs (including, as appropriate, nonregulatory or regulatory programs for enforcement, technical assistance, financial assistance, education, training, technology transfer, and demonstration projects) to achieve implementation of the best management practices by the categories, subcategories, and particular nonpoint sources designated under subparagraph (A).

"(C) A schedule containing annual milestones for (i) utilization of the program implementation methods identified in subparagraph (B), and (ii) implementation of the best management practices identified in subparagraph (A) by the categories, subcategories, or particular nonpoint sources designated under paragraph (b)(1)(B). Such schedule shall provide for utilization of the best management practices at the earliest practicable date.

"(D) A certification of the attorney general of the State or States (or the chief attorney of any State water pollution control agency which has independent legal counsel) that the laws of the State or States, as the case may be, provide adequate authority to implement such management program or, if there is not such adequate authority, a list of such additional authorities as will be necessary to implement such management program. A schedule and commitment by the State or States to seek such additional authorities as expeditiously as practicable.

"(E) Sources of Federal and other assistance and funding (other than assistance provided under subsections (i) and (j)) which will be available in each of such fiscal years for supporting implementation of such practices and measures and the purposes for which such assistance will be used in each of such fiscal years.

"(F) An identification of Federal financial assistance programs and Federal development projects for which the State will review individual assistance applications or development projects for their effect on water quality pursuant to the procedures set forth in Executive Order 12372 as in effect on September 17, 1983, to determine whether such assistance applications or development projects would be consistent with the program prepared under this subsection; for the purposes of this subparagraph, identification shall not be limited to the assistance programs or development projects subject to Executive Order 12372 but may include any programs listed in the most recent Catalog of Federal Domestic Assistance which may have an effect on the purposes and objectives of the State's nonpoint source pollution management program.

"(3) Utilization of local and private experts.—In developing and implementing a management program under this subsection, a State should, to the maximum extent practicable, involve local public and private agencies and organizations which have expertise in control of nonpoint sources of pollution.

"(4) Development on watershed basis.—A State should, to the maximum extent practicable, develop and implement a management program under this subsection on a watershed-by-watershed basis within such State.

"(d) Grant Program.—

"(1) Grants for implementation of management programs.—Upon submission by a State of a management program under subsection (b), the Administrator may make grants, subject to such terms and conditions as the Administrator considers appropriate, under this subsection to such State for the purpose of assisting the State in implementing such management program.

"(2) Applications.—An application for a grant under this subsection in any fiscal year shall be in such form and shall contain such other information as the Administrator may require, including an identification and description of the best management practices and measures which the State proposes to assist, encourage, or require in such year with the Federal assistance to be provided under the grant.

"(3) Limitation on use of funds.—States may use funds from grants made pursuant to this section for financial assistance to persons only to the extent that such assistance is related to the costs of demonstration projects.

"(4) Maintenance of effort.—No grant may be made to a State under this subsection in any fiscal year unless such State enters into such agreements with the Administrator as the Administrator may require to ensure that such State will maintain its aggregate expenditures from all other sources for programs for controlling pollution added to the navigable waters in such State from nonpoint sources and improving the quality of such waters at or above the average level of such expenditures in its two fiscal years preceding the date of enactment of this subsection.

"(5) Request for information.—The Administrator may request such information, data, and reports as he considers necessary to make the determination of continuing eligibility for grants under this section.

"(j) Grants for Protecting Ground Water Quality.—

"(1) Eligible applicants and activities.—Upon submission by a State of a plan under subsection (b), the Administrator shall make grants under this subsection to such State for the purpose of assisting such State in carrying out groundwater quality protection activities which the Administrator determines will advance the State toward implementation of a comprehensive nonpoint source pollution control program. Such activities shall include, but not be limited to, research, planning, groundwater assessments, demonstration programs, enforcement, technical assistance, education and training to protect the quality of groundwater and to prevent contamination of groundwater from nonpoint sources of pollution.

"(2) Applications.—An application for a grant under this subsection shall be in such form and shall contain such information as the Administrator may require.

"(k) Consistency of Other Programs and Projects With Management Programs.—The Administrator shall transmit to the Office of Management and Budget and the appropriate Federal departments and agencies a list of those assistance programs and development projects identified by each State under subsection (b)(2)(F) for which individual assistance applications and projects will be reviewed pursuant to the procedures set forth in Executive Order 12372 as in effect on September 17, 1983. Beginning not later than sixty days after receiving notification by the Administrator, each Federal department and agency shall modify existing regulations to allow States to review individual development projects and assistance applications under the identified Federal assistance programs and shall accommodate, according to the requirements and definitions of Executive Order 12372, as in effect on September 17, 1983, the concerns of the State regarding the consistency of such applications or projects with the State nonpoint source pollution management program.

"(l) Collection of Information.—The Administrator shall collect and make available, through publications and other appropriate means, information pertaining to management practices and implementation methods, including, but not limited to, (1) information concerning the costs and relative efficiencies of best management practices for reducing nonpoint source pollution; and (2) available data concerning the relationship between water quality and implementation of various management practices to control nonpoint sources of pollution.

(b) Policy for Control of Nonpoint Sources of Pollution.—Section 101(a) is amended by striking out "and" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and by adding at the end thereof the following:

"(7) it is the national policy that programs for the control of nonpoint sources of pollution be developed and implemented in an expeditious manner so as to enable the goals of this Act to be met through the control of both point and nonpoint sources of pollution.".

(c) Conforming Amendment.—Section 304(k)(1) is amended by inserting "and nonpoint source pollution management programs approved under section 319 of this Act" after "208 of this Act".

SEC. 317. NATIONAL ESTUARY PROGRAM.

(a) Purposes and Policies.—

(1) Findings.—Congress finds and declares that—

(A) the Nation's estuaries are of great importance for fish and wildlife resources and recreation and economic opportunity;

(B) maintaining the health and ecological integrity of these estuaries is in the national interest;

(C) increasing coastal population, development, and other direct and indirect uses of these estuaries threaten their health and ecological integrity;

(D) long-term planning and management will contribute to the continued productivity of these areas, and will maximize their utility to the Nation; and

(E) better coordination among Federal and State programs affecting estuaries will increase the effectiveness and efficiency of the national effort to protect, preserve, and restore these areas.

(2) Purposes.—The purposes of this section are to—

(A) identify nationally significant estuaries that are threatened by pollution, development, or overuse;

(B) promote comprehensive planning for, and conservation and management of, nationally significant estuaries;

(C) encourage the preparation of management plans for estuaries of national significance; and

(D) enhance the coordination of estuarine research.

(b) Management Program.—Title III is amended by adding at the end thereof the following new section:

"SEC. 320. NATIONAL ESTUARY PROGRAM.

"(a) Management Conference.—

"(1) Nomination of estuaries.—The Governor of any State may nominate to the Administrator an estuary lying in whole or in part within the State as an estuary of national significance and request a management conference to develop a comprehensive management plan for the estuary. The nomination shall document the need for the conference, the likelihood of success, and information relating to the factors in paragraph (2).

"(2) Convening of conference.—

"(A) In general.—In any case where the Administrator determines, on his own initiative or upon nomination of a State under paragraph (1), that the attainment or maintenance of that water quality in an estuary which assures protection of public water supplies and the protection and propagation of a balanced, indigenous population of shellfish, fish, and wildlife, and allows recreational activities, in and on the water, requires the control of point and nonpoint sources of pollution to supplement existing controls of pollution in more than one State, the Administrator shall select such estuary and convene a management conference.

"(B) Priority consideration.—The Administrator shall give priority consideration under this section to Long Island Sound, New York and Connecticut; Narragansett Bay, Rhode Island; Buzzards Bay, Massachusetts; Puget Sound, Washington; New York-New Jersey Harbor, New York and New Jersey; Delaware Bay, Delaware and New Jersey; Delaware Inland Bays, Delaware; Albemarle Sound, North Carolina; Sarasota Bay, Florida; San Francisco Bay, California; and Galveston Bay, Texas.

"(3) Boundary dispute exception.—In any case in which a boundary between two States passes through an estuary and such boundary is disputed and is the subject of an action in any court, the Administrator shall not convene a management conference with respect to such estuary before a final adjudication has been made of such dispute.

"(b) Purposes of Conference.—The purposes of any management conference convened with respect to an estuary under this subsection shall be to—

"(1) assess trends in water quality, natural resources, and uses of the estuary;

"(2) collect, characterize, and assess data on toxics, nutrients, and natural resources within the estuarine zone to identify the causes of environmental problems;

"(3) develop the relationship between the inplace loads and point and nonpoint loadings of pollutants to the estuarine zone and the potential uses of the zone, water quality, and natural resources;

"(4) develop a comprehensive conservation and management plan that recommends priority corrective actions and compliance schedules addressing point and nonpoint sources of pollution to restore and maintain the chemical, physical, and biological integrity of the estuary, including restoration and maintenance of water quality, a balanced indigenous population of shellfish, fish and wildlife, and recreational activities in the estuary, and assure that the designated uses of the estuary are protected;

"(5) develop plans for the coordinated implementation of the plan by the States as well as Federal and local agencies participating in the conference;

"(6) monitor the effectiveness of actions taken pursuant to the plan; and

"(7) review all Federal financial assistance program and Federal development project in accordance with the requirements of Executive Order 12372, as in effect on September 17, 1983, to determine whether such assistance program or project would be consistent with and further the purposes and objectives of the plan prepared under this section.

For purposes of paragraph (7), such programs and projects shall not be limited to the assistance programs and development projects subject to Executive Order 12372, but may include any programs listed in the most recent Catalog of Federal Domestic Assistance which may have an effect on the purposes and objectives of the plan developed under this section.

"(c) Members of Conference.—The members of a management conference convened under this section shall include, at a minimum, the Administrator and representatives of—

"(1) each State and foreign nation located in whole or in part in the estuarine zone of the estuary for which the conference is convened;

"(2) international, interstate, or regional agencies or entities having jurisdiction over all or a significant part of the estuary;

"(3) each interested Federal agency, as determined appropriate by the Administrator;

"(4) local governments having jurisdiction over any land or water within the estuarine zone, as determined appropriate by the Administrator; and

"(5) affected industries, public and private educational institutions, and the general public, as determined appropriate by the Administrator.

"(d) Utilization of Existing Data.—In developing a conservation and management plan under this section, the management conference shall survey and utilize existing reports, data, and studies relating to the estuary that have been developed by or made available to Federal, interstate, State, and local agencies.

"(e) Period of Conference.—A management conference convened under this section shall be convened for a period not to exceed 5 years. Such conference may be extended by the Administrator, and if terminated after the initial period, may be reconvened by the Administrator at any time thereafter, as may be necessary to meet the requirements of this section.

"(f) Approval and Implementation of Plans.—

"(1) Approval.—Not later than 120 days after the completion of a conservation and management plan and after providing for public review and comment, the Administrator shall approve such plan if the plan meets the requirements of this section and the affected Governor or Governors concur.

"(2) Implementation.—Upon approval of a conservation and management plan under this section, such plan shall be implemented. Funds authorized to be appropriated under titles II and VI and section 319 of this Act may be used in accordance with the applicable requirements of this Act to assist States with the implementation of such plan.

"(g) Grants.—

"(1) Recipients.—The Administrator is authorized to make grants to State, interstate, and regional water pollution control agencies and entities, State coastal zone management agencies, interstate agencies, other public or nonprofit private agencies, institutions, organizations, and individuals.

"(2) Purposes.—Grants under this subsection shall be made to pay for assisting research, surveys, studies, and modeling and other technical work necessary for the development of a conservation and management plan under this section.

"(3) Federal share.—The amount of grants to any person (including a State, interstate, or regional agency or entity) under this subsection for a fiscal year shall not exceed 75 percent of the costs of such research, survey, studies, and work and shall be made on condition that the non-Federal share of such costs are provided from non-Federal sources.

"(h) Grant Reporting.—Any person (including a State, interstate, or regional agency or entity) that receives a grant under subsection (g) shall report to the Administrator not later than 18 months after receipt of such grant and biennially thereafter on the progress being made under this section.

"(i) Authorization of Appropriations.—There are authorized to be appropriated to the Administrator not to exceed $12,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991 for—

"(1) expenses related to the administration of management conferences under this section, not to exceed 10 percent of the amount appropriated under this subsection;

"(2) making grants under subsection (g); and

"(3) monitoring the implementation of a conservation and management plan by the management conference or by the Administrator, in any case in which the conference has been terminated.

The Administrator shall provide up to $5,000,000 per fiscal year of the sums authorized to be appropriated under this subsection to the Administrator of the National Oceanic and Atmospheric Administration to carry out subsection (j).

"(j) Research.—

"(1) Programs.—In order to determine the need to convene a management conference under this section or at the request of such a management conference, the Administrator shall coordinate and implement, through the National Marine Pollution Program Office and the National Marine Fisheries Service of the National Oceanic and Atmospheric Administration, as appropriate, for one or more estuarine zones—

"(A) a long-term program of trend assessment monitoring measuring variations in pollutant concentrations, marine ecology, and other physical or biological environmental parameter which may affect estuarine zones, to provide the Administrator the capacity to determine the potential and actual effects of alternative management strategies and measures;

"(B) a program of ecosystem assessment assisting in the development of (i) baseline studies which determine the state of estuarine zones and the effects of natural and anthropogenic changes, and (ii) predictive models capable of translating information on specific discharges or general pollutant loadings within estuarine zones into a set of probable effects on such zones;

"(C) a comprehensive water quality sampling program for the continuous monitoring of nutrients, chlorine, acid precipitation dissolved oxygen, and potentially toxic pollutants (including organic chemicals and metals) in estuarine zones, after consultation with interested State, local, interstate, or international agencies and review and analysis of all environmental sampling data presently collected from estuarine zones; and

"(D) a program of research to identify the movements of nutrients, sediments and pollutants through estuarine zones and the impact of nutrients, sediments, and pollutants on water quality, the ecosystem, and designated or potential uses of the estuarine zones.

"(2) Reports.—The Administrator, in cooperation with the Administrator of the National Oceanic and Atmospheric Administration, shall submit to the Congress no less often than biennially a comprehensive report on the activities authorized under this subsection including—

"(A) a listing of priority monitoring and research needs;

"(B) an assessment of the state and health of the Nation's estuarine zones, to the extent evaluated under this subsection;

"(C) a discussion of pollution problems and trends in pollutant concentrations with a direct or indirect effect on water quality, the ecosystem, and designated or potential uses of each estuarine zone, to the extent evaluated under this subsection; and

"(D) an evaluation of pollution abatement activities and management measures so far implemented to determine the degree of improvement toward the objectives expressed in subsection (b)(4) of this section.

"(k) Definitions.—For purposes of this section, the terms 'estuary' and 'estuarine zone' have the meanings such terms have in section 104(n)(4) of this Act, except that the term 'estuarine zone' shall also include associated aquatic ecosystems and those portions of tributaries draining into the estuary up to the historic height of migration of anadromous fish or the historic head of tidal influence, whichever is higher.".

SEC. 318. UNCONSOLIDATED QUATERNARY AQUIFER.

Notwithstanding any other provision of law, no person may—

(1) locate or authorize the location of a landfill, surface impoundment, waste pile, injection well, or land treatment facility over the Unconsolidated Quaternary Aquifer, or the recharge zone or streamflow source zone of such aquifer, in the Rockaway River Basin, New Jersey (as such aquifer and zones are described in the Federal Register, January 24, 1984, pages 2946-2948); or

(2) place or authorize the placement of solid waste in a landfill, surface impoundment, waste pile, injection well, or land treatment facility over such aquifer or zone.

This section may be enforced under sections 309 (a) and (b) of the Federal Water Pollution Control Act. For purposes of section 309(c) of such Act, a violation of this section shall be considered a violation of section 301 of the Federal Water Pollution Control Act.

TITLE IV—PERMITS AND LICENSES

SEC. 401. STORMWATER RUNOFF FROM OIL, GAS, AND MINING OPERATIONS.

(a) Limitation on Permit Requirement.—Section 402(l) is amended by inserting "(1) Agricultural return flows.—" before "The Administrator" and by adding at the end thereof the following:

"(2) Stormwater runoff from oil, gas, and mining operations.—The Administrator shall not require a permit under this section, nor shall the Administrator directly or indirectly require any State to require a permit, for discharges of stormwater runoff from mining operations or oil and gas exploration, production, processing, or treatment operations or transmission facilities, composed entirely of flows which are from conveyances or systems of conveyances (including but not limited to pipes, conduits, ditches, and channels) used for collecting and conveying precipitation runoff and which are not contaminated by contact with, or do not come into contact with, any overburden, raw material, intermediate products, finished product, by-product, or waste products located on the site of such operations.".

(b) Conforming Amendments.—Section 402(l) is further amended—

(1) by inserting "Limitation on Permit Requirement.—" after "(l)"; and

(2) by indenting paragraph (1) of such section, as designated by subsection (a) of this section, and aligning such paragraph with paragraph (2) of such section, as added by such subsection (a).

SEC. 402. ADDITIONAL PRETREATMENT OF CONVENTIONAL POLLUTANTS NOT REQUIRED.

Section 402 is amended by adding at the end thereof the following new subsection:

"(m) Additional Pretreatment of Conventional Pollutants Not Required.—To the extent a treatment works (as defined in section 212 of this Act) which is publicly owned is not meeting the requirements of a permit issued under this section for such treatment works as a result of inadequate design or operation of such treatment works, the Administrator, in issuing a permit under this section, shall not require pretreatment by a person introducing conventional pollutants identified pursuant to section 304(a)(4) of this Act into such treatment works other than pretreatment required to assure compliance with pretreatment standards under subsection (b)(8) of this section and section 307(b)(1) of this Act. Nothing in this subsection shall affect the Administrator's authority under sections 307 and 309 of this Act, affect State and local authority under sections 307(b)(4) and 510 of this Act, relieve such treatment works of its obligations to meet requirements established under this Act, or otherwise preclude such works from pursuing whatever feasible options are available to meet its responsibility to comply with its permit under this section.".

SEC. 403. PARTIAL NPDES PROGRAM.

(a) Partial Permit Program.—Section 402 is amended by adding at the end the following:

"(n) Partial Permit Program.—

"(1) State submission.—The Governor of a State may submit under subsection (b) of this section a permit program for a portion of the discharges into the navigable waters in such State.

"(2) Minimum coverage.—A partial permit program under this subsection shall cover, at a minimum, administration of a major category of the discharges into the navigable waters of the State or a major component of the permit program required by subsection (b).

"(3) Approval of major category partial permit programs.—The Administrator may approve a partial permit program covering administration of a major category of discharges under this subsection if—

"(A) such program represents a complete permit program and covers all of the discharges under the jurisdiction of a department or agency of the State; and

"(B) the Administrator determines that the partial program represents a significant and identifiable part of the State program required by subsection (b).

"(4) Approval of major component partial permit programs.—The Administrator may approve under this subsection a partial and phased permit program covering administration of a major component (including discharge categories) of a State permit program required by subsection (b) if—

"(A) the Administrator determines that the partial program represents a significant and identifiable part of the State program required by subsection (b); and

"(B) the State submits, and the Administrator approves, a plan for the State to assume administration by phases of the remainder of the State program required by subsection (b) by a specified date not more than 5 years after submission of the partial program under this subsection and agrees to make all reasonable efforts to assume such administration by such date.".

(b) Return of State Permit Program to Administrator.—

(1) In general.—Section 402(c) is amended by adding at the end thereof the following new paragraph:

"(4) Limitations on partial permit program returns and withdrawals.—A State may return to the Administrator administration, and the Administrator may withdraw under paragraph (3) of this subsection approval, of—

"(A) a State partial permit program approved under subsection (n)(3) only if the entire permit program being administered by the State department or agency at the time is returned or withdrawn; and

"(B) a State partial permit program approved under subsection (n)(4) only if an entire phased component of the permit program being administered by the State at the time is returned or withdrawn.".

(2) Conforming amendment.—Section 402(c)(1) is amended by striking out "as to those navigable waters" and inserting in lieu thereof "as to those discharges".

SEC. 404. ANTI-BACKSLIDING.

(a) General Rule.—Section 402 is amended by adding at the end thereof the following new subsection:

"(o) Anti-Backsliding.—

"(1) General prohibition.—In the case of effluent limitations established on the basis of subsection (a)(1)(B) of this section, a permit may not be renewed, reissued, or modified on the basis of effluent guidelines promulgated under section 304(b) subsequent to the original issuance of such permit, to contain effluent limitations which are less stringent than the comparable effluent limitations in the previous permit. In the case of effluent limitations established on the basis of section 301(b)(1)(C) or section 303 (d) or (e), a permit may not be renewed, reissued, or modified to contain effluent limitations which are less stringent than the comparable effluent limitations in the previous permit except in compliance with section 303(d)(4).

"(2) Exceptions.—A permit with respect to which paragraph (1) applies may be renewed, reissued, or modified to contain a less stringent effluent limitation applicable to a pollutant if—

"(A) material and substantial alterations or additions to the permitted facility occurred after permit issuance which justify the application of a less stringent effluent limitation;

"(B)(i) information is available which was not available at the time of permit issuance (other than revised regulations, guidance, or test methods) and which would have justified the application of a less stringent effluent limitation at the time of permit issuance; or

"(ii) the Administrator determines that technical mistakes or mistaken interpretations of law were made in issuing the permit under subsection (a)(1)(B);

"(C) a less stringent effluent limitation is necessary because of events over which the permittee has no control and for which there is no reasonably available remedy;

"(D) the permittee has received a permit modification under section 301(c), 301(g), 301(h), 301(i), 301(k), 301(n), or 316(a); or

"(E) the permittee has installed the treatment facilities required to meet the effluent limitations in the previous permit and has properly operated and maintained the facilities but has nevertheless been unable to achieve the previous effluent limitations, in which case the limitations in the reviewed, reissued, or modified permit may reflect the level of pollutant control actually achieved (but shall not be less stringent than required by effluent guidelines in effect at the time of permit renewal, reissuance, or modification).

Subparagraph (B) shall not apply to any revised waste load allocations or any alternative grounds for translating water quality standards into effluent limitations, except where the cumulative effect of such revised allocations results in a decrease in the amount of pollutants discharged into the concerned waters, and such revised allocations are not the result of a discharger eliminating or substantially reducing its discharge of pollutants due to complying with the requirements of this Act or for reasons otherwise unrelated to water quality.

"(3) Limitations.—In no event may a permit with respect to which paragraph (1) applies be renewed, reissued, or modified to contain an effluent limitation which is less stringent than required by effluent guidelines in effect at the time the permit is renewed, reissued, or modified. In no event may such a permit to discharge into waters be renewed, reissued, or modified to contain a less stringent effluent limitation if the implementation of such limitation would result in a violation of a water quality standard under section 303 applicable to such waters.".

(b) Limitations on Revision of Certain Effluent Limitations.—Section 303(d) of the Act is amended by adding at the end thereof the following new paragraph:

"(4) Limitations on revision of certain effluent limitations.—

"(A) Standard not attained.—For waters identified under paragraph (1)(A) where the applicable water quality standard has not yet been attained, any effluent limitation based on a total maximum daily load or other waste load allocation established under this section may be revised only if (i) the cumulative effect of all such revised effluent limitations based on such total maximum daily load or waste load allocation will assure the attainment of such water quality standard, or (ii) the designated use which is not being attained is removed in accordance with regulations established under this section.

"(B) Standard attained.—For waters identified under paragraph (1)(A) where the quality of such waters equals or exceeds levels necessary to protect the designated use for such waters or otherwise required by applicable water quality standards, any effluent limitation based on a total maximum daily load or other waste load allocation established under this section, or any water quality standard established under this section, or any other permitting standard may be revised only if such revision is subject to and consistent with the antidegradation policy established under this section.".

(c) Study.—The Administrator shall study—

(1) the extent to which States have reviewed, revised, and adopted water quality standards in accordance with section 24 of the Municipal Wastewater Treatment Construction Grant Amendments of 1981; and

(2) the extent to which modifications of permits issued under section 402(a)(1)(B) of the Federal Water Pollution Control Act for the purpose of reflecting any revisions to water quality standards should be encouraged or discouraged.

The Administrator shall submit a report on such study, together with recommendations, to Congress not later than 2 years after the date of the enactment of this Act.

(d) Conforming Amendment.—Section 402(a)(1) is amended by inserting "(A)" after "either" and by inserting "(B)" after "this Act, or".

SEC. 405. MUNICIPAL AND INDUSTRIAL STORMWATER DISCHARGES.

(a) Section 402 is amended by adding at the end thereof the following new subsection:

"(p) Municipal and Industrial Stormwater Discharges.—

"(1) General rule.—Prior to October 1, 1992, the Administrator or the State (in the case of a permit program approved under section 402 of this Act) shall not require a permit under this section for discharges composed entirely of stormwater.

"(2) Exceptions.—Paragraph (1) shall not apply with respect to the following stormwater discharges:

"(A) A discharge with respect to which a permit has been issued under this section before the date of the enactment of this subsection.

"(B) A discharge associated with industrial activity.

"(C) A discharge from a municipal separate storm sewer system serving a population of 250,000 or more.

"(D) A discharge from a municipal separate storm sewer system serving a population of 100,000 or more but less than 250,000.

"(E) A discharge for which the Administrator or the State, as the case may be, determines that the stormwater discharge contributes to a violation of a water quality standard or is a significant contributor of pollutants to waters of the United States.

"(3) Permit requirements.—

"(A) Industrial discharges.—Permits for discharges associated with industrial activity shall meet all applicable provisions of this section and section 301.

"(B) Municipal discharge.—Permits for discharges from municipal storm sewers—

"(i) may be issued on a system- or jurisdiction-wide basis;

"(ii) shall include a requirement to effectively prohibit non-stormwater discharges into the storm sewers; and

"(iii) shall require controls to reduce the discharge of pollutants to the maximum extent practicable, including management practices, control techniques and system, design and engineering methods, and such other provisions as the Administrator or the State determines appropriate for the control of such pollutants.

"(4) Permit application requirements.—

"(A) Industrial and large municipal discharges.—Not later than 2 years after the date of the enactment of this subsection, the Administrator shall establish regulations setting forth the permit application requirements for stormwater discharges described in paragraphs (2)(B) and (2)(C). Applications for permits for such discharges shall be filed no later than 3 years after such date of enactment. Not later than 4 years after such date of enactment, the Administrator or the State, as the case may be, shall issue or deny each such permit. Any such permit shall provide for compliance as expeditiously as practicable, but in no event later than 3 years after the date of issuance of such permit.

"(B) Other municipal discharges.—Not later than 4 years after the date of the enactment of this subsection, the Administrator shall establish regulations setting forth the permit application requirements for stormwater discharges described in paragraph (2)(D). Applications for permits for such discharges shall be filed no later than 5 years after such date of enactment. Not later than 6 years after such date of enactment, the Administrator or the State, as the case may be, shall issue or deny each such permit. Any such permit shall provide for compliance as expeditiously as practicable, but in no event later than 3 years after the date of issuance of such permit.

"(5) Studies.—The Administrator, in consultation with the States, shall conduct a study for the purposes of—

"(A) identifying those stormwater discharges or classes of stormwater discharges for which permits are not required pursuant to paragraphs (1) and (2) of this subsection,

"(B) determining, to the maximum extent practicable, the nature and extent of pollutants in such discharges; and

"(C) establishing procedures and methods to control stormwater discharges to the extent necessary to mitigate impacts on water quality.

Not later than October 1, 1988, the Administrator shall submit to Congress a report on the results of the study described in subparagraphs (A) and (B). Not later than October 1, 1989, the Administrator shall submit to Congress a report on the results of the study described in subparagraph (C).

"(6) Regulations.—Not later than October 1, 1992, the Administrator, in consultation with State and local officials, shall issue regulations (based on the results of the studies conducted under paragraph (5)) which designate stormwater discharges, other than those discharges described in paragraph (2), to be regulated to protect water quality and shall establish a comprehensive program to regulate such designated sources. The program shall, at a minimum, (A) establish priorities, (B) establish requirements for State stormwater management programs, and (C) establish expeditious deadlines. The program may include performance standards, guidelines, guidance, and management practices and treatment requirements, as appropriate.".

SEC. 406. SEWAGE SLUDGE.

(a) Identification and Regulation of Toxic Pollutants.—Section 405(d) is amended—

(1) by inserting "(1) Regulations.—" before "The Administrator, after";

(2) by striking "(1)", "(2)", and "(3)" and inserting in lieu thereof "(A)", "(B)", and "(C)", respectively; and

(3) by adding at the end the following new paragraphs:

"(2) Identification and regulation of toxic pollutants.—

"(A) On basis of available information.—

"(i) Proposed regulations.—Not later than November 30, 1986, the Administrator shall identify those toxic pollutants which, on the basis of available information on their toxicity, persistence, concentration, mobility, or potential for exposure, may be present in sewage sludge in concentrations which may adversely affect public health or the environment, and propose regulations specifying acceptable management practices for sewage sludge containing each such toxic pollutant and establishing numerical limitations for each such pollutant for each use identified under paragraph (1)(A).

"(ii) Final regulations.—Not later than August 31, 1987, and after opportunity for public hearing, the Administrator shall promulgate the regulations required by subparagraph (A)(i).

"(B) Others.—

"(i) Proposed regulations.—Not later than July 31, 1987, the Administrator shall identify those toxic pollutants not identified under subparagraph (A)(i) which may be present in sewage sludge in concentrations which may adversely affect public health or the environment, and propose regulations specifying acceptable management practices for sewage sludge containing each such toxic pollutant and establishing numerical limitations for each pollutant for each such use identified under paragraph (1)(A).

"(ii) Final regulations.—Not later than June 15, 1988, the Administrator shall promulgate the regulations required by subparagraph (B)(i).

"(C) Review.—From time to time, but not less often than every 2 years, the Administrator shall review the regulations promulgated under this paragraph for the purpose of identifying additional toxic pollutants and promulgating regulations for such pollutants consistent with the requirements of this paragraph.

"(D) Minimum standards; compliance date.—The management practices and numerical criteria established under subparagraphs (A), (B), and (C) shall be adequate to protect public health and the environment from any reasonably anticipated adverse effects of each pollutant. Such regulations shall require compliance as expeditiously as practicable but in no case later than 12 months after their publication, unless such regulations require the construction of new pollution control facilities, in which case the regulations shall require compliance as expeditiously as practicable but in no case later than two years from the date of their publication.

"(3) Alternative standards.—For purposes of this subsection, if, in the judgment of the Administrator, it is not feasible to prescribe or enforce a numerical limitation for a pollutant identified under paragraph (2), the Administrator may instead promulgate a design, equipment, management practice, or operational standard, or combination thereof, which in the Administrator's judgment is adequate to protect public health and the environment from any reasonably anticipated adverse effects of such pollutant. In the event the Administrator promulgates a design or equipment standard under this subsection, the Administrator shall include as part of such standard such requirements as will assure the proper operation and maintenance of any such element of design or equipment.

"(4) Conditions on permits.—Prior to the promulgation of the regulations required by paragraph (2), the Administrator shall impose conditions in permits issued to publicly owned treatment works under section 402 of this Act or take such other measures as the Administrator deems appropriate to protect public health and the environment from any adverse effects which may occur from toxic pollutants in sewage sludge.

"(5) Limitation on statutory construction.—Nothing in this section is intended to waive more stringent requirements established by this Act or any other law.".

(b) Manner of Sludge Disposal.—Section 405(e) is amended to read as follows:

"(e) Manner of Sludge Disposal.—The determination of the manner of disposal or use of sludge is a local determination, except that it shall be unlawful for any person to dispose of sludge from a publicly owned treatment works or any other treatment works treating domestic sewage for any use for which regulations have been established pursuant to subsection (d) of this section, except in accordance with such regulations.".

(c) Implementation Through Permits.—Section 405 is further amended by adding at the end thereof the following:

"(f) Implementation of Regulations.—

"(1) Through section 402 permits.—Any permit issued under section 402 of this Act to a publicly owned treatment works or any other treatment works treating domestic sewage shall include requirements for the use and disposal of sludge that implement the regulations established pursuant to subsection (d) of this section, unless such requirements have been included in a permit issued under the appropriate provisions of subtitle C of the Solid Waste Disposal Act, part C of the Safe Drinking Water Act, the Marine Protection, Research and Sanctuaries Act of 1972, or the Clean Air Act, or under State permit programs approved by the Administrator, where the Administrator determines that such programs assure compliance with any applicable requirements of this section. Not later than December 15, 1986, the Administrator shall promulgate procedures for approval of State programs pursuant to this paragraph.

"(2) Through other permits.—In the case of a treatment works described in paragraph (1) that is not subject to section 402 of this Act and to which none of the other above listed permit programs nor approved State permit authority apply, the Administrator may issue a permit to such treatment works solely to impose requirements for the use and disposal of sludge that implement the regulations established pursuant to subsection (d) of this section. The Administrator shall include in the permit appropriate requirements to assure compliance with the regulations established pursuant to subsection (d) of this section. The Administrator shall establish procedures for issuing permits pursuant to this paragraph.

"(g) Studies and Projects.—

"(1) Grant program; information gathering.—The Administrator is authorized to conduct or initiate scientific studies, demonstration projects, and public information and education projects which are designed to promote the safe and beneficial management or use of sewage sludge for such purposes as aiding the restoration of abandoned mine sites, conditioning soil for parks and recreation areas, agricultural and horticultural uses, and other beneficial purposes. For the purposes of carrying out this subsection, the Administrator may make grants to State water pollution control agencies, other public or nonprofit agencies, institutions, organizations, and individuals. In cooperation with other Federal departments and agencies, other public and private agencies, institutions, and organizations, the Administrator is authorized to collect and disseminate information pertaining to the safe and beneficial use of sewage sludge.

"(2) Authorization of appropriations.—For the purposes of carrying out the scientific studies, demonstration projects, and public information and education projects authorized in this section, there is authorized to be appropriated for fiscal years beginning after September 30, 1986, not to exceed $5,000,000.".

(d) Enforcement.—(1) Section 308(a)(4) is amended by inserting "405," before "and 504".

(2) Section 505(f) is amended by striking out "or" before "(6)", and by inserting before the period "; or (7) a regulation under section 405(d) of this Act,".

(3) Section 509(b)(1)(E) is amended by striking out "or 306" and inserting in lieu thereof "306, or 405".

(e) Removal Credits.—The part of the decision of Natural Resources Defense Council, Inc. v. U.S. Environmental Protection Agency, No. 84-3530 (3d. Cir. 1986), which addresses section 405(d) of the Federal Water Pollution Control Act is stayed until August 31, 1987, with respect to—

(1) those publicly owned treatment works the owner or operator of which received authority to revise pretreatment requirements under section 307(b)(1) of such Act before the date of the enactment of this section, and

(2) those publicly owned treatment works the owner or operator of which has submitted an application for authority to revise pretreatment requirements under such section 307(b)(1) which application is pending on such date of enactment and is approved before August 31, 1987.

The Administrator shall not authorize any other removal credits under such Act until the Administrator issues the regulations required by paragraph (2)(A)(ii) of section 405(d) of such Act, as amended by subsection (a) of this section.

(f) Conforming Amendments.—Section 405(d) is further amended—

(1) by inserting "Regulations.—" after "(d)";

(2) by indenting paragraph (1) (as designated by subsection (a)(1) of this section) and aligning such paragraph with paragraph (3), as added by subsection (a)(3); and

(3) in such paragraph (1) by aligning subparagraphs (A), (B), and (C) (as designated by subsection (a)(2) of this section) with subparagraph (C) of paragraph (2), as added by subsection (a)(3) of this section.

SEC. 407. LOG TRANSFER FACILITIES.

(a) Agreement.—The Administrator and Secretary of the Army shall enter into an agreement regarding coordination of permitting for log transfer facilities to designate a lead agency and to process permits required under sections 402 and 404 of the Federal Water Pollution Control Act, where both such sections apply, for discharges associated with the construction and operation of log transfer facilities. The Administrator and Secretary are authorized to act in accordance with the terms of such agreement to assure that, to the maximum extent practicable, duplication, needless paperwork and delay in the issuance of permits, and inequitable enforcement between and among facilities in different States, shall be eliminated.

(b) Applications and Permits Before October 22, 1985.—Where both of sections 402 and 404 of the Federal Water Pollution Control Act apply, log transfer facilities which have received a permit under section 404 of such Act before October 22, 1985, shall not be required to submit a new application for a permit under section 402 of such Act. If the Administrator determines that the terms of a permit issued on or before October 22, 1985, under section 404 of such Act satisfies the applicable requirements of sections 301, 302, 306, 307, 308, and 403 of such Act, a separate application for a permit under section 402 of such Act shall not thereafter be required. In any case where the Administrator demonstrates, after an opportunity for a hearing, that the terms of a permit issued on or before October 22, 1985, under section 404 of such Act do not satisfy the applicable requirements of sections 301, 302, 306, 307, 308, and 403 of such Act, modifications to the existing permit under section 404 of such Act to incorporate such applicable requirements shall be issued by the Administrator as an alternative to issuance of a separate new permit under section 402 of such Act.

(c) Log Transfer Facility Defined.—For the purposes of this section, the term "log transfer facility" means a facility which is constructed in whole or in part in waters of the United States and which is utilized for the purpose of transferring commercially harvested logs to or from a vessel or log raft, including the formation of a log raft.

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. AUDITS.

Section 501(d) is amended by inserting at the end the following new sentences: "For the purpose of carrying out audits and examinations with respect to recipients of Federal assistance under this Act, the Administrator is authorized to enter into noncompetitive procurement contracts with independent State audit organizations, consistent with chapter 75 of title 31, United States Code. Such contracts may only be entered into to the extent and in such amounts as may be provided in advance in appropriation Acts.".

SEC. 502. COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

(a) Defined as a State.—Section 502(3) is amended by inserting "the Commonwealth of the Northern Mariana Islands," after "Samoa,".

(b) Defined as Part of United States.—Section 311(a)(5) is amended by striking out "the Canal Zone," and inserting in lieu thereof "the Commonwealth of the Northern Mariana Islands,".

SEC. 503. AGRICULTURAL STORMWATER DISCHARGES.

Section 502(14) (relating to the definition of point source) is amended by inserting after "does not include" the following: "agricultural stormwater discharges and".

SEC. 504. PROTECTION OF INTERESTS OF UNITED STATES IN CITIZEN SUITS.

Section 505(c) is amended by adding at the end thereof the following new paragraph:

"(3) Protection of interests of United States.—Whenever any action is brought under this section in a court of the United States, the plaintiff shall serve a copy of the complaint on the Attorney General and the Administrator. No consent judgment shall be entered in an action in which the United States is not a party prior to 45 days following the receipt of a copy of the proposed consent judgment by the Attorney General and the Administrator.".

SEC. 505. JUDICIAL REVIEW AND AWARD OF FEES.

(a) Location; Deadline for Appeal.—Section 509(b)(1) is amended—

(1) by striking out "transacts such business" and inserting in lieu thereof, "transacts business which is directly affected by such action"; and

(2) by striking out "ninety" and "ninetieth" and inserting in lieu thereof "120" and "120th", respectively.

(b) Venue; Award of Fees.—Section 509(b) is amended by adding at the end thereof the following new paragraphs:

"(3) Venue.—

"(A) Selection procedure.—If applications for review of the same agency action have been filed under paragraph (1) of this subsection in 2 or more Circuit Courts of Appeals of the United States and the Administrator has received written notice of the filing of one or more applications within 30 days or less after receiving written notice of the filing of the first application, then the Administrator shall promptly advise in writing the Administrative Office of the United States Courts that applications have been filed in 2 or more Circuit Courts of Appeals of the United States, and shall identify each court for which he has written notice that such applications have been filed within 30 days or less of receiving written notice of the filing of the first such application. Pursuant to a system of random selection devised for this purpose, the Administrative Office thereupon shall, within 3 business days of receiving such written notice from the Administrator, select the court in which the record shall be filed from among those identified by the Administrator. Upon notification of such selection, the Administrator shall promptly file the record in such court. For the purpose of review of agency action which has previously been remanded to the Administrator, the record shall be filed in the Circuit Court of Appeals of the United States which remanded such action.

"(B) Administrative provisions.—Where applications have been filed under paragraph (1) of this subsection in two or more Circuit Courts of Appeals of the United States with respect to the same agency action and the record has been filed in one of such courts pursuant to subparagraph (A), the other courts in which such applications have been filed shall promptly transfer such applications to the Circuit Court of Appeals of the United States in which the record has been filed. Pending selection of a court pursuant to subparagraph (A), any court in which an application has been filed under paragraph (1) of this subsection may postpone the effective date of the agency action until 15 days after the Administrative Office has selected the court in which the record shall be filed.

"(C) Transfers.—Any court in which an application with respect to any agency action has been filed under paragraph (1) of this subsection, including any court selected pursuant to subparagraph (A), may transfer such application to any other Circuit Court of Appeals of the United States for the convenience of the parties or otherwise in the interest of justice.

"(4) Award of fees.—In any judicial proceeding under this subsection, the court may award costs of litigation (including reasonable attorney and expert witness fees) to any prevailing or substantially prevailing party whenever it determines that such award is appropriate.".

(c) Conforming Amendment for Citizen Suit Actions.—The first sentence of section 505(d) is amended by inserting "prevailing or substantially prevailing" before "party".

SEC. 506. INDIAN TRIBES.

Title V is amended by redesignating section 518, and any references thereto, as section 519 and by inserting after section 517 the following new section:

"SEC. 518. INDIAN TRIBES.

"(a) Policy.—Nothing in this section shall be construed to affect the application of section 101(g) of this Act, and all of the provisions of this section shall be carried out in accordance with the provisions of such section 101(g). Indian tribes shall be treated as States for purposes of such section 101(g).

"(b) Assessment of Sewage Treatment Needs; Report.—The Administrator, in cooperation with the Director of the Indian Health Service, shall assess the need for sewage treatment works to serve Indian tribes, the degree to which such needs will be met through funds allotted to States under section 205 of this Act and priority lists under section 216 of this Act, and any obstacles which prevent such needs from being met. Not later than one year after the date of the enactment of this section, the Administrator shall submit a report to Congress on the assessment under this subsection, along with recommendations specifying (1) how the Administrator intends to provide assistance to Indian tribes to develop waste treatment management plans and to construct treatment works under this Act, and (2) methods by which the participation in and administration of programs under this Act by Indian tribes can be maximized.

"(c) Reservation of Funds.—The Administrator shall reserve each fiscal year beginning after September 30, 1986, before allotments to the States under section 205(e), one-half of one percent of the sums appropriated under section 207. Sums reserved under this subsection shall be available only for grants for the development of waste treatment management plans and for the construction of sewage treatment works to serve Indian tribes.

"(d) Cooperative Agreements.—In order to ensure the consistent implementation of the requirements of this Act, an Indian tribe and the State or States in which the lands of such tribe are located may enter into a cooperative agreement, subject to the review and approval of the Administrator, to jointly plan and administer the requirements of this Act.

"(e) Treatment as States.—The Administrator is authorized to treat an Indian tribe as a State for purposes of title II and sections 104, 106, 303, 305, 308, 309, 314, 319, 401, 402, and 404 of this Act to the degree necessary to carry out the objectives of this section, but only if—

"(1) the Indian tribe has a governing body carrying out substantial governmental duties and powers;

"(2) the functions to be exercised by the Indian tribe pertain to the management and protection of water resources which are held by an Indian tribe, held by the United States in trust for Indians, held by a member of an Indian tribe if such property interest is subject to a trust restriction on alienation, or otherwise within the borders of an Indian reservation; and

"(3) the Indian tribe is reasonably expected to be capable, in the Administrator's judgment, of carrying out the functions to be exercised in a manner consistent with the terms and purposes of this Act and of all applicable regulations.

Such treatment as a State may include the direct provision of funds reserved under subsection (c) to the governing bodies of Indian tribes, and the determination of priorities by Indian tribes, where not determined by the Administrator in cooperation with the Director of the Indian Health Service. The Administrator, in cooperation with the Director of the Indian Health Service, is authorized to make grants under title II of this Act in an amount not to exceed 100 percent of the cost of a project. Not later than 18 months after the date of the enactment of this section, the Administrator shall, in consultation with Indian tribes, promulgate final regulations which specify how Indian tribes shall be treated as States for purposes of this Act. The Administrator shall, in promulgating such regulations, consult affected States sharing common water bodies and provide a mechanism for the resolution of any unreasonable consequences that may arise as a result of differing water quality standards that may be set by States and Indian tribes located on common bodies of water. Such mechanism shall provide for explicit consideration of relevant factors including, but not limited to, the effects of differing water quality permit requirements on upstream and downstream dischargers, economic impacts, and present and historical uses and quality of the waters subject to such standards. Such mechanism should provide for the avoidance of such unreasonable consequences in a manner consistent with the objective of the Act.

"(f) Grants for Nonpoint Source Programs.—The Administrator shall make grants to an Indian tribe under section 319 of this Act as though such tribe was a State. Not more than one-third of one percent of the amount appropriated for any fiscal year under section 319 may be used to make grants under this subsection. In addition to the requirements of section 319, an Indian tribe shall be required to meet the requirements of paragraphs (1), (2), and (3) of subsection (d) of this section in order to receive such a grant.

"(g) Alaska Native Organizations.—No provision of this Act shall be construed to—

"(1) grant, enlarge, or diminish, or in any way affect the scope of the governmental authority, if any, of any Alaska Native organization, including any federally-recognized tribe, traditional Alaska Native council, or Native council organized pursuant to the Act of June 18, 1934 (48 Stat. 987), over lands or persons in Alaska;

"(2) create or validate any assertion by such organization or any form of governmental authority over lands or persons in Alaska; or

"(3) in any way affect any assertion that Indian country, as defined in section 1151 of title 18, United States Code, exists or does not exist in Alaska.

"(h) Definitions.—For purposes of this section, the term—

"(1) 'Federal Indian reservation' means all land within the limits of any Indian reservation under the jurisdiction of the United States Government, notwithstanding the issuance of any patent, and including rights-of-way running through the reservation; and

"(2) 'Indian tribe' means any Indian tribe, band, group, or community recognized by the Secretary of the Interior and exercising governmental authority over a Federal Indian reservation.".

SEC. 507. DEFINITION OF POINT SOURCE.

For purposes of the Federal Water Pollution Control Act, the term "point source" includes a landfill leachate collection system.

SEC. 508. SPECIAL PROVISIONS REGARDING CERTAIN DUMPING SITES.

(a) Finding.—The Congress finds that the New York Bight Apex is no longer a suitable location for the ocean dumping of municipal sludge.

(b) General Rule.—Title I of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1401 et seq.) is further amended by inserting after section 104 the following new section:

"SPECIAL PROVISIONS REGARDING CERTAIN DUMPING SITES

"Sec. 104A. (a) New York Bight Apex.—(1) For purposes of this subsection:

"(A) The term 'Apex' means the New York Bight Apex consisting of the ocean waters of the Atlantic Ocean westward of 73 degrees 30 minutes west longitude and northward of 40 degrees 10 minutes north latitude.

"(B) The term 'Apex site' means that site within the Apex at which the dumping of municipal sludge occurred before October 1, 1983.

"(C) The term 'eligible authority' means any sewerage authority or other unit of State or local government that on November 2, 1983, was authorized under court order to dump municipal sludge at the Apex site.

"(2) No person may apply for a permit under this title in relation to the dumping of, or the transportation for purposes of dumping, municipal sludge within the Apex unless that person is an eligible authority.

"(3) The Administrator may not issue, or renew, any permit under this title that authorizes the dumping of, or the transportation for purposes of dumping, municipal sludge within the Apex after the earlier of—

"(A) December 15, 1987; or

"(B) the day determined by the Administrator to be the first day on which municipal sludge generated by eligible authorities can reasonably be dumped at a site designated under section 102 other than a site within the Apex.

"(b) Restriction on Use of the 106-Mile Site.—The Administrator may not issue or renew any permit under this title which authorizes any person, other than a person that is an eligible authority within the meaning of subsection (a)(1)(C), to dump, or to transport for the purposes of dumping, municipal sludge within the site designated under section 102(c) by the Administrator and known as the '106-Mile Ocean Waste Dump Site' (as described in 49 F.R. 19005).".

SEC. 509. OCEAN DISCHARGE RESEARCH PROJECTS.

(a) In General.—Notwithstanding any other provision of law, the Administrator is authorized to issue a research permit to the Orange County, California, Sanitation Districts for the discharge of preconditioned municipal sewage sludge into the ocean for the purpose of enabling research to be conducted in assessing and analyzing the effects of disposing of sewage sludge by pipeline into ocean waters—

(1) if the Administrator is satisfied that such local governmental agency is actively pursuing long-term land-based options for the handling of its sludge with special emphasis on remote disposal alternatives set forth in the 1980 LA/OMA sludge management project and on reuse of sludge or use of recycled sludge; and

(2) if the Administrator determines that there is no likelihood of an unacceptable adverse effect on the environment as a result of issuance of such permit and that such permit would meet the requirements of paragraph (2) of section 301(h) of the Federal Water Pollution Control Act, as amended by this Act, and of the sentences following the first sentence of such section if such permit were being issued under such section.

(b) Permit Terms.—

(1) Period.—The permit for the discharge of sludge shall be for a period of 5 years commencing on the date of such discharge and shall not be extended or renewed.

(2) Monitoring.—Such permit shall provide for monitoring (including whole effluent monitoring) of permitted discharges and other discharges into the ocean in the same area and the effects of such discharges (including cumulative effects) in conformance with requirements established by the Administrator, after consultation with appropriate Federal and State agencies, and for the reporting of such monitoring to Congress and the Administrator every 6 months.

(3) Volume of discharge.—Such permit shall provide that the volume of such local agency's sludge disposed of by such experimental pipeline shall be no more than one and one-half times that being disposed of by such remote disposal and alternatives for the reuse of sludge and the use of recycled sludge. In no event shall the agency dispose of more than 50 percent of its sludge by the pipeline.

(4) Termination.—The permit shall provide for termination of the permit if the Administrator determines that the disposal of sewage sludge is resulting in an unacceptable adverse impact on fish, shellfish, and wildlife. The Administrator may terminate a permit issued under this section if the Administrator determines that there has been a decline in ambient water quality of the receiving waters during the period of the permit even if a direct cause and effect relationship cannot be shown. If the effluent from a source with a permit issued under this section is contributing to a decline in ambient water quality of the receiving waters, the Administrator shall terminate such permit.

(c) Limitation on Precedence.—The facts and circumstances described in subsection (a) present a unique situation which will not establish a precedent for the relaxation of the requirements of the Federal Water Pollution Control Act applicable to similarly situated discharges.

(d) Report.—Such districts shall report the results of the program and an analysis of such program to Congress under this section not later than four and one-half years after issuance of the permit.

SEC. 510. LIMITATION ON DISCHARGE OF RAW SEWAGE BY NEW YORK CITY.

(a) In General.—

(1) North river plant.—If the wastewater treatment plant identified in the consent decree as the North River plant has not achieved advanced preliminary treatment as required under the terms of the consent decree by August 1, 1986, the city of New York shall not discharge raw sewage from the drainage area of such plant (as defined in the consent decree) into navigable waters after such date in an amount which is greater for any 30-day period than an amount equal to 30 times the average daily amount of raw sewage discharged from such drainage area during the 12-month period ending on the earlier of the date on which such plant becomes operational or March 15, 1986 (as determined by the Administrator), except as provided in subsection (b).

(2) Red hook plant.—If the wastewater treatment plant identified in the consent decree as the Red Hook plant has not achieved advanced preliminary treatment as required under the terms of the consent decree by August 1, 1987, the city of New York shall not discharge raw sewage from the drainage area of such plant (as defined in the consent decree) into navigable waters after such date in an amount which is greater for any 30-day period than an amount equal to 30 times the average daily amount of raw sewage discharged from such drainage area during the 12-month period ending on the earlier of the date on which such plant becomes operational or March 15, 1987 (as determined by the Administrator), except as provided in subsection (b).

(b) Waivers.—

(1) Interruption of plant operation.—In the event of any significant interruption in the operation of the North River plant or the Red Hook plant caused by an event described in subparagraph (A), (B), or (C) of paragraph (5) occurring after the applicable deadline established under subsection (a), the Administrator shall waive the limitation of subsection (a) with respect to such plant, but only to such extent and for such limited period of time as may be reasonably necessary for the city of New York to resume operation of such plant.

(2) Increased precipitation.—In the event that the volume of precipitation occurring after the applicable deadline established under subsection (a) causes the discharge of raw sewage to exceed the limitation under subsection (a), the Administrator shall waive the limitation of subsection (a) with respect to either or both such plants, but only to such extent and for such limited period of time as the Administrator determines to be necessary to take into account

the increased discharge caused by such volume of precipitation.

(3) VARIATIONS IN CERTAIN NORTH RIVER DRAINAGE AREA DISCHARGES.—In the event that an increase in discharges from the North River drainage area constituting a violation of subsection (a)(1) is due to a random or seasonal variation, and that any sewer hookup occurring, or permit for a sewer hookup granted, after July 31, 1986, is not responsible for such violation, the Administrator shall waive the limitation of subsection (a)(1), but only to such extent and for such limited period of time as the Administrator determines to be reasonably necessary to take into account such random or seasonal variation.

(4) VARIATIONS IN CERTAIN RED HOOK DRAINAGE AREA DISCHARGES.—In the event that an increase in discharges from the Red Hook drainage area constituting a violation of subsection (a)(2) is due to a random or seasonal variation, and that any sewer hookup occurring, or permit for a sewer hookup granted, after July 31, 1987, is not responsible for such violation, the Administrator shall waive the limitation of subsection (a)(2), but only to such extent and for such limited period of time as the Administrator determines to be reasonably necessary to take into account such random or seasonal variation.

(5) CIRCUMSTANCES BEYOND CITY'S CONTROL.—The Administrator shall extend either deadline under paragraph (1) or (2) of subsection (a) to such extent and for such limited period of time as may be reasonably required to take into account any—

(A) act of war,

(B) unanticipated grave natural disaster or other natural phenomenon of an exceptional, inevitable, and irresistible character, the effects of which could not have been prevented or avoided by the exercise of due care or foresight, or

(C) other circumstances beyond the control of the city of New York, except such circumstances shall not include (i) the unavailability of Federal funds under section 201 of the Federal Water Pollution Control Act, (ii) the unavailability of funds from the city of New York or the State of New York, or (iii) a policy decision made by the city of New York or the State of New York to delay the achievement of advanced preliminary treatment at the North River plant or Red Hook plant beyond the applicable deadline set forth in subsection (a).

(c) PENALTIES.—Except as otherwise provided in subsection (b), any violation of subsection (a) shall be considered to be a violation of section 301 of the Federal Water Pollution Control Act, and all provisions of such Act relating to violations of such section 301 shall apply.

(d) CONSENT DECREE DEFINED.—For purposes of this section, the term "consent decree" means the consent decree entered into by the Environmental Protection Agency, the city of New York, and the State of New York, on December 30, 1982, relating to construction and operation of the North River and Red Hook wastewater treatment plants.

(e) COOPERATION.—The Administrator shall work with the city of New York to eliminate the discharge of raw sewage by such city at the earliest practicable date.

(f) SAVINGS CLAUSE.—Nothing in this section shall be construed as modifying the terms of the consent decree.

(g) SENSE OF CONGRESS.—It is the sense of Congress that the Administrator should not agree to any further modification of the consent decree with respect to the schedule for achieving advanced preliminary treatment.

(h) TERMINATION DATES.—

(1) NORTH RIVER PLANT.—The provisions of this section shall remain in effect with respect to the North River drainage area until such time as the North River plant has achieved advanced preliminary treatment (as defined in the consent decree) for a period of six consecutive months.

(2) RED HOOK PLANT.—The provisions of this section shall remain in effect with respect to the Red Hook drainage area until such time as the Red Hook plant has achieved advanced preliminary treatment (as defined in the consent decree) for a period of six consecutive months.

(i) MONITORING ACTIVITIES.—The Administrator shall promptly establish and carry out a program within available funds to implement the monitoring activities which may be required under subsection (a).

(j) ESTABLISHMENT OF METHODOLOGIES.—The Administrator shall establish the methodologies, data base, and any other information required for making determinations under subsection (b)—

(1) for the North River drainage area (as defined in the consent decree) by July 31, 1986, unless the requirements of subsection (h)(1) have been satisfied, and

(2) for the Red Hook drainage area (as defined by the consent decree) by July 31, 1987, unless the requirements of subsection (h)(2) have been satisfied.

(k) VIOLATIONS.—In carrying out this section, if the Administrator finds that a violation of subsection (a) has occurred, the Administrator shall also determine, within 30 days after such finding, whether a provision of subsection (b) applies. If the Administrator requires information from the city of New York in order to determine whether a provision of subsection (b) applies, the Administrator shall request such information. If the city of New York does not supply the information requested by the Administrator, the Administrator shall determine that subsection (b) does not apply. The city of New York shall be responsible only for such expenses as are necessary to provide such requested information. Enforcement action pursuant to subsection (c) shall be commenced at the end of such 30 days unless a provision of subsection (b) applies.

SEC. 511. STUDY OF DE MINIMIS DISCHARGES.

(a) STUDY.—The Administrator shall conduct a study of discharges of pollutants into the navigable waters and their regulation under the Federal Water Pollution Control Act to determine whether or not there are discharges of pollutants into such waters in amounts which, in terms of volume, concentration, and type of pollutant, are not significant and to determine the most effective and appropriate methods of regulating any such discharges.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study along with recommendations and findings concerning the most effective and appropriate methods of regulating any discharges of pollutants into the navigable waters in amounts which the Administrator determines under such study to be not significant.

SEC. 512. STUDY OF EFFECTIVENESS OF INNOVATIVE AND ALTERNATIVE PROCESSES AND TECHNIQUES.

(a) EFFECTIVENESS STUDY.—The Administrator shall study the effectiveness on waste treatment of innovative and alternative wastewater treatment processes and techniques referred to in section 201(g)(5) of the Federal Water Pollution Control Act which have been utilized in treatment works constructed under such Act. In conducting such study, the Administrator shall compile information, by State, on the types of such processes and techniques utilized, on the number of facilities constructed with such processes and techniques, and a description of such processes and techniques which have not performed to design standards. The Administrator shall also determine which States have not obligated the full amount set aside under section 205(i) of such Act for such processes and techniques and the reasons for each such State's failure to make such obligations.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study, along with recommendations for providing more effective incentives for innovative and alternative wastewater treatment processes and techniques.

SEC. 513. STUDY OF TESTING PROCEDURES.

(a) STUDY.—The Administrator shall study the testing procedures for analysis of pollutants established under section 304(h) of the Federal Water Pollution Control Act. Such study shall include, but not be limited to, an analysis of the adequacy and standardization of such procedures. In conducting the analysis of the standardization of such procedures, the Administrator shall consider the extent to which such procedures are consistent with comparable procedures established under other Federal laws.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit a report on the results of the study conducted under this subsection, together with recommendations for modifying the test procedures referred to in subsection (a) to improve their effectiveness, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 514. STUDY OF PRETREATMENT OF TOXIC POLLUTANTS.

(a) STUDY.—The Administrator shall study—

(1) the adequacy of data on environmental impacts of toxic industrial pollutants discharged from publicly owned treatment works;

(2) the extent to which secondary treatment at publicly owned treatment works removes toxic pollutants;

(3) the capability of publicly owned treatment works to revise pretreatment requirements under section 307(b)(1) of the Federal Water Pollution Control Act;

(4) possible alternative regulatory strategies for protecting the operations of publicly owned treatment works from industrial discharges, and shall evaluate the extent to which each such strategy identified may be expected to achieve the goals of this Act;

(5) for each such alternative regulatory strategy, the extent to which removal of toxic pollutants by publicly owned treat-

ment works results in contamination of sewage sludge and the extent to which pretreatment requirements may prevent such contamination or improve the ability of publicly owned treatment works to comply with sewage sludge criteria developed under section 405 of the Federal Water Pollution Control Act; and

(6) the adequacy of Federal, State, and local resources to establish, implement, and enforce multiple pretreatment limits for toxic pollutants for each such alternative strategy.

(b) Report.—Not later than 4 years after the date of the enactment of this Act, the Administrator shall submit a report on the results of such study along with recommendations for improving the effectiveness of pretreatment requirements to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

SEC. 515. STUDIES OF WATER POLLUTION PROBLEMS IN AQUIFERS.

(a) Studies.—The Administrator, in conjunction with State and local agencies and after providing an opportunity for full public participation, shall conduct studies for the purpose of identifying existing and potential point and nonpoint sources of pollution, and of identifying measures and practices necessary to control such sources of pollution, in the following ground water systems and aquifers:

(1) the ground water system of the Upper Santa Cruz Basin and the Avra-Altar Basin of Pima, Pinal, and Santa Cruz Counties, Arizona;

(2) the Spokane-Rathdrum Valley Aquifer, Washington and Idaho;

(3) the Nassau and Suffolk Counties Aquifer, New York;

(4) the Whidbey Island Aquifer, Washington;

(5) the Unconsolidated Quaternary Aquifer, Rockaway River area, New Jersey;

(6) contaminated ground water under Litchfield, Hartford, Fairfield, Tolland, and New Haven counties, Connecticut; and

(7) the Sparta Aquifer, Arkansas.

(b) Reports.—Not later than 2 years after the date of the enactment of this Act, the Administrator shall submit to Congress a report on the studies conducted under this section.

(c) Authorization of Appropriations.—There is authorized to be appropriated $7,000,000 for fiscal years beginning after September 30, 1986, to carry out this section.

SEC. 516. GREAT LAKES CONSUMPTIVE USE STUDY.

(a) Study of Consumptive Uses.—In recognition of the serious impacts on the Great Lakes environment that may occur as a result of increased consumption of Great Lakes water, including loss of wetlands and reduction of fish spawning and habitat areas, as well as serious economic losses to vital Great Lakes industries, and in recognition of the national goal to provide environmental protection and preservation of our natural resources while allowing for continued economic growth, the Secretary of the Army in cooperation with the Administrator, other interested departments, agencies, and instrumentalities of the United States, and the 8 Great Lakes States, is authorized to conduct a study of the effects of Great Lakes water consumption on economic growth and environmental quality in the Great Lakes region and of control measures that can be implemented to reduce the quantity of water consumed.

(b) Matters Included.—The study authorized by this section shall at a minimum include the following:

(1) a review of the methodologies used to forecast Great Lakes consumptive uses, including an analysis of the sensitivity of key variables affecting such uses;

(2) an analysis of the effect that enforcement of provisions of the Federal Water Pollution Control Act relating to thermal discharges has had on consumption of Great Lakes water;

(3) an analysis of the effect of laws, regulations, and national policy objectives on consumptive uses of Great Lakes water used in manufacturing;

(4) an analysis of the associated environmental impacts and of the economic effects on industry and other interests in the Great Lakes region associated with individual consumptive use control strategies; and

(5) a summary discussion containing recommendations for methods of controlling consumptive uses which methods maximize benefits to the Great Lakes ecosystem and also provide for continued full economic growth for consuming industries as well as other industries which depend on the use of Great Lakes water.

(c) Great Lakes States Defined.—For purposes of this section, the term "Great Lakes States" means Minnesota, Wisconsin, Illinois, Ohio, Michigan, Indiana, Pennsylvania, and New York.

(d) Authorization of Appropriations.—There is authorized to be appropriated for fiscal years beginning after September 30, 1986, $750,000 to carry out this section. Sums appropriated under this section shall remain available until expended.

SEC. 517. SULFIDE CORROSION STUDY.

(a) Study.—The Administrator shall conduct a study of the corrosive effects of sulfides in collection and treatment systems, the extent to which the uniform imposition of categorical pretreatment standards will exacerbate such effects, and the range of available options to deal with such effects.

(b) Consultation.—The study required by this section shall be conducted in consultation with the Los Angeles City and County sanitation agencies.

(c) Report.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit a report on the results of the study, together with recommendations for measures to reduce the corrosion of treatment works, to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(d) Authorization of Appropriations.—There is authorized to be appropriated $1,000,000 to carry out this section for fiscal years beginning after September 30, 1986.

SEC. 518. STUDY OF RAINFALL INDUCED INFILTRATION INTO SEWER SYSTEMS.

(a) Study.—The Administrator shall study problems associated with rainfall induced infiltration into wastewater treatment sewer systems. As part of such study, the Administrator shall study appropriate methods of regulating rainfall induced infiltration into the sewer system of the East Bay Municipal Utility District, California.

(b) Report.—Not later than one year after the date of the enactment of this Act, the Administrator shall submit to Congress a report on the results of such study, along with recommendations on reasonable methods to reduce such infiltration.

SEC. 519. DAM WATER QUALITY STUDY.

The Administrator, in cooperation with interested States and Federal agencies, shall study and monitor the effects on the quality of navigable waters attributable to the impoundment of water by dams. The results of such study shall be submitted to Congress not later than December 31, 1987.

SEC. 520. STUDY OF POLLUTION IN LAKE PEND OREILLE, IDAHO.

The Administrator shall conduct a comprehensive study of the sources of pollution in Lake Pend Oreille, Idaho, and the Clark Fork River and its tributaries, Idaho, Montana, and Washington, for the purpose of identifying the sources of such pollution. In conducting such study, the Administrator shall consider existing studies, surveys, and test results concerning such pollution. The Administrator shall report to Congress the findings and recommendations concerning the study conducted under this section.

SEC. 521. SAN DIEGO, CALIFORNIA.

(a) Purpose.—The purpose of this section is to protect the economy, public health, environment, surface water and public beaches, and water quality of the city of San Diego, California, and surrounding areas, which are endangered and are being polluted by raw sewage emanating from the city of Tijuana, Mexico.

(b) Construction Grants.—Upon approval of the necessary plans and specifications, the Administrator is authorized to make grants to the Secretary of State, acting through the American Section of the International Boundary and Water Commission (hereinafter in this section referred to as the "Commission"), or any other Federal agency or any other appropriate commission or entity designated by the President. Such grants shall be for construction of a project consisting of—

(1) defensive treatment works to protect the residents of the city of San Diego, California, and surrounding areas from pollution resulting from any inadequacies or breakdowns in wastewater treatment works and systems in Mexico; and

(2) treatment works in the city of San Diego, California, to provide primary or more advanced treatment of municipal sewage and industrial waste from Mexico, including the city of Tijuana, Mexico.

(c) Limitation on Grants.—Notwithstanding subsection (b), the Administrator may make grants for construction of treatment works described in subsection (b)(2) only if, after public notice and comment, the Administrator determines that treatment works in Mexico, in conjunction with any defensive treatment works constructed under this or any other Act, are not sufficient to protect the residents of the city of San Diego, California, and surrounding areas from water pollution originating in Mexico.

(d) Operation and Maintenance.—The Commission or such other agency, commission, or entity as may be designated under subsection (b) is authorized to operate and maintain any treatment works constructed under subsection (b) in order to accomplish the purposes of this section.

(e) Approval of Plans.—Any treatment works for which a grant is made under this section shall be constructed in accordance with plans developed by the Commission or such other agency, commission, or entity as may be designated under subsection (b), in consultation with the city of San Diego, and approved by the Administrator to meet the construction standards which would be applicable if such treatment works were being constructed under title II of the Federal Water Pollution Control Act.

(f) Federal Share.—Construction of the treatment works under subsection (b) shall be at full Federal expense less any costs paid by the State of California and less any costs paid by the Government of Mexico as a result of agreement negotiated with the United States.

(g) Ocean Outfall Permit.—Notwithstanding section 301(j) of the Federal Water Pollution Control Act, upon application of the city of San Diego, California, the Administrator may issue a permit under section 301(h) of such Act which modifies the requirements of section 301(b)(1)(B) of such Act to permit the discharge of pollutants for any ocean outfall constructed with Federal assistance under this section if the Administrator finds that issuing such permit is in the best interests of achieving the goals and requirements of such Act. The Administrator may waive the requirements of section 301(h)(5) of such Act with respect to the issuance of such permit if the Administrator finds that such waiver is in the best interests of achieving the goals and requirements of such Act.

(h) Treatment of San Diego Sewage.—If any treatment works constructed pursuant to this section becomes no longer necessary to provide protection from pollution originating in Mexico, the city of San Diego, California, may use such treatment works to treat municipal and individual waste originating in the city of San Diego and surrounding areas if the city of San Diego enters into a binding agreement with the Administrator to pay to the United States 45 percent of the costs incurred in the construction of such treatment works.

(i) Definition.—For purposes of this section, the terms "construction" and "treatment works" have the meanings such terms have under section 212 of the Federal Water Pollution Control Act.

(j) Authorization of Appropriations.—There is authorized to be appropriated for fiscal years beginning after September 30, 1986, such sums as may be necessary to the Administrator to make grants under this section and such sums as may be necessary to the Commission or such other agency, commission, or entity as the President may designate under subsection (b), to carry out this section.

SEC. 522. OAKWOOD BEACH AND RED HOOK PROJECTS, NEW YORK.

(a) Relocation of Natural Gas Facilities.—Notwithstanding any provision of the Federal Water Pollution Control Act, the Administrator shall pay, to the extent provided in appropriation Acts, in the same proportion as the Federal share of other project costs, all expenses for the relocation of facilities for the distribution of natural gas with respect to the entire wastewater treatment works known as the Oakwood Beach (EPA Grant Numbered 360392) and Red Hook (EPA Grant Numbered 360394) projects, New York.

(b) Authorization of Appropriations.—There is authorized to be appropriated for fiscal years beginning after September 30, 1986, not to exceed $7,000,000 to carry out this section.

SEC. 523. BOSTON HARBOR AND ADJACENT WATERS.

(a) Grants.—The Administrator shall make grants to the Massachusetts Water Resource Authority for purposes of—

(1) assessing the principal factors having an adverse effect on the environmental quality of Boston Harbor and its adjacent waters;

(2) developing and implementing a management program to improve the water quality of such Harbor and waters; and

(3) constructing necessary waste water treatment works for providing secondary treatment for the areas served by such authority.

(b) Federal Share.—The Federal share of projects described in subsection (a) shall not exceed 75 percent of the cost of construction thereof.

(c) Emergency Improvements.—The Administrator is authorized and directed to make grants to the Massachusetts Water Resource Authority for a project to undertake emergency improvements at the Deer Island Waste Water Treatment Plant in Boston, Massachusetts. The Federal share of such project shall not exceed 75 percent of the cost of carrying out such improvements.

(d) Authorization of Appropriations.—There is authorized to be appropriated $100,000,000 to carry out this section for fiscal years beginning after September 30, 1986, to remain available until expended. Such sums shall be in addition to and not in lieu of any other amounts authorized to be appropriated under title II of the Federal Water Pollution Control Act.

SEC. 524. WASTEWATER RECLAMATION DEMONSTRATION.

(a) Authority to Make Grants.—The Administrator is authorized to make a grant to the San Diego Water Reclamation Agency, California, to demonstrate and field test for public use innovative processes which advance the technology of wastewater reclamation and which promote the use of reclaimed wastewater.

(b) Federal Share.—The Federal share of grants made under this section shall be 85 percent of the costs of conducting such demonstration and field test.

(c) Authorization of Appropriations.—There is authorized to be appropriated not to exceed $2,000,000 to carry out this section for fiscal years beginning after September 30, 1986.

SEC. 525. DES MOINES, IOWA.

(a) Grant.—The Administrator is authorized to make a grant to the City of Des Moines, Iowa, for construction of the Central Sewage Treatment Plant component of the Des Moines, Iowa, metropolitan area project. The Federal share of such project shall be 75 percent of the cost of construction.

(b) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section not to exceed $50,000,000 for fiscal years beginning after September 30, 1986. Such sums shall be in addition to and not in lieu of any other amounts authorized to be appropriated under title II of the Federal Water Pollution Control Act.

SEC. 526. STUDY OF De MINIMIS DISCHARGES.

(a) Study.—The Administrator shall conduct a study of discharges of pollutants into the navigable waters and their regulation under the Federal Pollution Control Act to determine whether or not there are discharges of pollutants into such waters in amounts which, in terms of volume, concentration, and type of pollutant, are not significant and to determine the most effective and appropriate methods of regulating any such discharges.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the results of such study along with recommendations and findings concerning the most effective and appropriate methods of regulating any discharges of pollutants into the navigable waters in amounts which the Administrator determines under such study to be not significant.

SEC. 527

The Water Resources Development Act of 1986 is amended by adding the following after the last sentence in Section 103(i): "For the purpose of this section, the term "lands, easements, rights-of-way, dredged material disposal areas, and relocations" shall not pertain to railroad relocations."

DISABILITY COMPENSATION

MURKOWSKI (AND STAFFORD) AMENDMENT NO. 2

(Referred to the Committee on Veterans' Affairs.)

Mr. MURKOWSKI (for himself and Mr. Stafford) submitted an amendment intended to be proposed by them to the bill (S. 240) to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and the rates of dependency and indemnity compensation for surviving spouses and children of veterans; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE AND REFERENCES

(a) Short Title.—This Act may be cited as the "Veterans' Compensation Cost-of-Living Adjustment Act of 1987".

(b) References.—Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. DISABILITY COMPENSATION

(a) In General.—Section 314 is amended—

(1) by striking out "$69" in subsection (a) and inserting in lieu thereof "$72";

(2) by striking out "$128" in subsection (b) and inserting in lieu thereof "$133";

(3) by striking out "$194" in subsection (c) and inserting in lieu thereof "$202";

(4) by striking out "$278" in subsection (d) and inserting in lieu thereof "$289";

(5) by striking out "$394" in subsection (e) and inserting in lieu thereof "$410";

(6) by striking out "$496" in subsection (f) and inserting in lieu thereof "$516";

(7) by striking out "$626" in subsection (g) and inserting in lieu thereof "$652";

(8) by striking out "$724" in subsection (h) and inserting in lieu thereof "$754";

(9) by striking out "$815" in subsection (i) and inserting in lieu thereof "$848";

(10) by striking out "$1,355" in subsection (j) and inserting in lieu thereof "$1,411";

(11) by striking out "$1,684" and "$2,360" in subsection (k) and inserting in lieu thereof "$1,753" and "$2,457", respectively;

(12) by striking out "$1,684" in subsection (l) and inserting in lieu thereof "$1,753";

(13) by striking out "$1,856" in subsection (m) and inserting in lieu thereof "$1,932";

(14) by striking out "$2,111" in subsection (n) and inserting in lieu thereof "$2,198";

(15) by striking out "$2,360" each place it appears in subsections (o) and (p) and inserting in lieu thereof "$2,457";

(16) by striking out "$1,013" and "$1,509" in subsection (r) and inserting in lieu thereof "$1,055" and "$1,571"; respectively; and

(17) by striking out "$1,516" in subsection (s) and inserting in lieu thereof "$1,578".

(b) Special Rule.—The Administrator of Veterans' Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 3. ADDITIONAL COMPENSATION FOR DEPENDENTS

Section 315(1) is amended—

(1) by striking out "$82" in clause (A) and inserting in lieu thereof "$85";

(2) by striking out "$138" and "$44" in clause (B) and inserting in lieu thereof "$144" and "$46", respectively;

(3) by striking out "$57" and "$44" in clause (C) and inserting in lieu thereof "$59" and "$46", respectively;

(4) by striking out "$67" in clause (D) and inserting in lieu thereof "$70";

(5) by striking out "$149" in clause (E) and inserting in lieu thereof "$155"; and

(6) by striking out "$126" in clause (F) and inserting in lieu thereof "$131".

SEC. 4. CLOTHING ALLOWANCE FOR CERTAIN DISABLED VETERANS

Section 362 is amended by striking out "$365" and inserting in lieu thereof "$380".

SEC. 5. DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES

Section 411 is amended—

(1) by striking out the table in subsection (a) and inserting in lieu thereof the following:

"Pay grade	Monthly rate	Pay grade	Monthly rate
E-1	$518	W-4	$743
E-2	534	O-1	656
E-3	548	O-2	677
E-4	583	O-3	725
E-5	598	O-4	766
E-6	611	O-5	844
E-7	641	O-6	951
E-8	677	O-7	1,029
E-9	[1] 707	O-8	1,127
W-1	656	O-9	1,210
W-2	682	O-10	[2] 1,326
W-3	702		

"[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be $763.

"[2] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be $1,421.";

(2) by striking out "$58" in subsection (b) and inserting in lieu thereof "$60";

(3) by striking out "$149" in subsection (c) and inserting in lieu thereof "$155"; and

(4) by striking out "$73" in subsection (d) and inserting in lieu thereof "$76";

SEC. 6. DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN

Section 413(a) is amended—

(1) by striking out "$251" in clause (1) and inserting in lieu thereof "$261";

(2) by striking out "$361" in clause (2) and inserting in lieu thereof "$376";

(3) by striking out "$467" in clause (3) and inserting in lieu thereof "$486";

(4) by striking out "$467" and "$94" in clause (4) and inserting in lieu thereof "$486" and "$98", respectively.

SEC. 7. SUPPLEMENTAL DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN

Section 414 is amended—

(1) by striking out "$149" in subsection (a) and inserting in lieu thereof "$155";

(2) by striking out "$251" in subsection (b) and inserting in lieu thereof "$261"; and

(3) by striking out "$128" in subsection (c) and inserting in lieu thereof "$133".

SEC. 8. EFFECTIVE DATE

The amendments made by this Act shall take effect on December 1, 1987.

● Mr. MURKOWSKI. Mr. President, I am today, along with the distinguished former chairman of the Committee on Veterans' Affairs, Senator Simpson, and committee member Senator Stafford, offering an amendment to legislation which I introduced on January 6 to provide a cost-of-living adjustment [COLA] for the disability compensation paid to veterans with disabilities incurred or aggravated while they were on active military duty and the dependency and indemnity compensation [DIC] paid to the survivors of service members who die while on active duty or veterans who die as a result of disabilities which were incurred or aggravated while on active duty. The increase would be effective December 1, 1987. It would also apply to the additional compensation received by certain severely disabled veterans, the clothing allowance paid to veterans who, as a result of a service-connected disability, use prosthetic devices which tend to wear out clothing, and to the additional compensation or DIC which is paid when a veteran has dependents.

Mr. President, the original bill, S. 240, which I introduced on January 6 of this year, would have provided a 3.9-percent COLA for these benefits. On the same day that S. 240 was introduced, the Congressional Budget Office sent a letter to the Budget Committee which included revised economic assumptions including an increase, from 3.9 to 4.1 percent, in the projected increase in the cost of living for fiscal year 1987. The amendment we are introducing today reflects these revised economic assumptions and would provide a 4.1-percent COLA for these veterans' disability and survivors' benefits.

The recipients of the benefits which this legislation would protect from projected inflation include former service members who were injured in the performance of duty and the survivors of service members injured or killed in the performance of duty. This amendment would assure these deserving Americans that the benefits upon which they depend will be increased with a COLA large enough to provide complete protection from inflation. The changes in economic assumptions which require a revised bill illustrate how difficult it is to ensure this important task is accomplished. This legislation would fulfill the duty of the Nation and the Congress to protect the income of these veterans and their survivors. I urge my colleagues to join me in support of this legislation.●

SENATE CONCURRENT RESOLUTION 7—OPPOSING REDUCTIONS IN CERTAIN VETERANS' ADMINISTRATION FUNDING LEVELS

Mr. MURKOWSKI (for himself, Mr. Cranston, Mr. Simpson, Mr. Thurmond, Mr. Stafford, Mr. Specter, Mr. Matsunaga, Mr. DeConcini, Mr. Mitchell, Mr. Rockefeller, and Mr. Graham) submitted the following concurrent resolution; which was referred to the Committee on Veterans' Affairs:

S. Con. Res. 7

Whereas the title XIX of Public Law 99-272, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Congress established three categories of veterans' hospital-care and nursing-home-care eligibility;

Whereas under the above law, the Veterans' Administration is required to furnish needed hospital care and may furnish needed nursing home care to veterans in category A for service-connected disabilities, for certain special categories of veterans, and for non-service-connected veterans who have incomes not greater than $15,195 (as adjusted on January 1 of each year) for veterans with no dependents;

Whereas the Veterans' Administration may furnish needed hospital and nursing home care to veterans in category B, who are veterans with non-service-connected disabilities who have incomes not greater than $20,260 (as adjusted on January 1 of each year) for veterans with no dependents, to the extent that resources and facilities are available;

Whereas the Veterans' Administration may furnish needed hospital and nursing home care to veterans in category C, who are veterans with non-service-connected disabilities who have incomes above $20,260 (as adjusted on January 1 of each year) for veterans with no dependents, and who agree to pay a modest copayment, to the extent that resources and facilities are otherwise available;

Whereas the Veterans' Administration budget request for fiscal year 1988 proposes that funding be eliminated for the care of those veterans in category C for the last five months of fiscal year 1987 and for the entire fiscal year 1988;

Whereas the Congress, in enacting Public Law 99-272, did not intend to eliminate care to category C eligible veterans; and

Whereas even if a policy were adopted to eliminate care for category C veterans, its implementation would be extremely difficult and would result in a general reduction of hospital and nursing home care for veterans in all three eligibility categories: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress rejects the proposal that funding be eliminated for the care of veterans in category C and strongly opposes any policy of excluding any category of eligible veterans from receiving Veterans' Administration hospital and nursing home care through a reduction in current funding levels.

● Mr. MURKOWSKI. Mr. President, I rise today, as ranking minority member of the Committee on Veterans' Affairs, to introduce, along with the distinguished chairman of the Senate Veterans' Affairs Committee, Senator ALAN CRANSTON, and all other members of the Veterans' Affairs Committee, a concurrent resolution rejecting the administration's proposal that funding be eliminated for certain veterans in need of hospital and nursing home care and expressing strong congressional opposition to a proposal to exclude any category of eligible veterans from receiving Va hospital and nursing home care through a reduction in current funding levels.

I fully recognize the need to bring spending and revenues into line if we hope to control burgeoning deficits year after year and to begin the process of reducing an incomprehensible national debt. All Americans—veterans and nonveterans alike, as well as future generations of Americans—will suffer if we do not succeed. Toward this worthy and essential administration goal, I am fully in agreement. How we accomplish this goal is another question. After reviewing the VA budget proposal for fiscal year 1988 as it relates to medical care, I find that I cannot support and will not support this proposal designed to reduce the size of the VA's medical-care system through the elimination of funding for the category of non-service-connected veterans with incomes over $20,260. This proposal is simply not fair and it is inconsistent with the landmark legislation the Congress passed last year.

In title XIX of Public Law 99-272, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Congress established three categories of veterans' health-care eligibility. The law provides that the Veterans' Administration [VA] shall furnish needed hospital care and may furnish needed nursing home care to eligible veterans in category A. Veterans in category A include veterans who have service-connected disabilities, certain special categories of veterans, and veterans who have non-service-connected disabilities and who have annual incomes not greater than $15,195 for veterans with no dependents. The VA may furnish needed hospital and nursing home care to veterans in category B, to the extent that resources and facilities are available. Veterans in category B include veterans who have non-service-connected disabilities and who have annual incomes not greater than $20,260 for veterans with no dependents. The VA may also furnish needed hospital and nursing home care to veterans in category C, to the extent that resources and facilities are otherwise available, if the veteran agrees to pay a modest copayment. Veterans in category C include veterans who have non-service-connected disabilities and who have annual incomes above $20,260 for vetearns with no depedents.

During the development of the legislation that culminated in Public Law 99-272, the administration originally proposed a VA health-care means-test which would require a spend-down provision, similar to Medicaid, for non-service-connected veterans who have annual incomes above a certain threshold. The Congress categorically rejected that approach and instead adopted an approach which is more equitable to veterans. Public Law 99-272 specifically provides that veterans who have non-service-connected disabilities and whose incomes exceed certain specified amounts, annually adjusted for inflation, may receive hosptial or nursing home care for those disabilities on a space-available basis, if they agree to make a modest copayment. This legislation was intended to provide that all categories of eligible veterans could continue to receive VA hospital and nursing home care if existing resources and space are available. By taking this approach, the Congress intended to provide hospital and nursing home care, to the extent possible without expanding the current size of the VA medical care system, for veterans in category C.

In light of the intent of Congress regarding categories A, B, and C, the administration's proposal contained in the VA's fiscal year 1988 budget request, as well as the administration's proposed recission for fiscal year 1987, which would eliminate funding for health care to category C veterans, is totally unacceptable.

The administration's proposal states that, although funding would not be provided for category C veterans, the implementation of this proposal would not change the eligibility nor the possibility of a non-service-connected disabled veteran earning more than $20,260, from receiving VA hospital or nursing home care in locations where resources remain available. This is not a reasonable or realistic position. If the administration's proposed funding reductions are enacted, the VA's medical-care budget would be reduced by 3 percent, the approximate percentage of category C veterans that were furnished VA health care since July 1986. I do not believe it is reasonable to expect that only category C veterans would be affected by implementing such a funding reduction. For all practical purposes, reductions would have to be made in a manner which would affect all eligible veterans seeking VA health care. So, not only would the availability of VA health care be essentially eliminated for category C veterans, but category A and B veterans would certainly find a reduction in their access to health care as well.

The Congress did not intend that the VA health care system would be expanded to ensure treatment for category C veterans. Category C veterans are not entitled to VA hospital nor nursing home care under the law. However, the Congress expects that, as in the past, veterans in all three eligibility categories will continue to seek VA medical care. It is conceivable that some VA hospitals might only have room to treat category A and B veterans, even though it is my understanding that there are VA hospitals throughout the country which have excess bed capacity. Under the administration's proposal to cut back VA medical care funding, hospitals treating only, or mostly, category A and B veterans would most likely be forced to reduce services and treatment to these high priority categories of veterans.

Mr. President, because of my strong opposition to the administration's proposed elimination of funding for the care of category C veterans, I have introduced this concurrent resolution to express congressional opposition to any such policy. I have communicated with my good friend and colleague, G.V. (SONNY) MONTGOMERY, chairman of the House Veterans' Affairs Committee, who shares my strong feelings on this issue and who is planning to introduce a similar resolution on this matter in the House. I am pleased that all my colleagues on the committee are joining myself and Senator CRANSTON as original cosponsors of this important resolution.

Mr. President, I urge my colleagues to consider carefully the impact of a 3-percent reduction in funding for VA medical care for our Nation's veterans, and to join with me in supporting this concurrent resolution which will send a message of strong congressional opposition to such a proposal.●

Mr. CRANSTON. Mr. President, as the chairman of the Committee on Veterans' Affairs, I am delighed to join with my friend from Alaska [Mr. MURKOWSKI], the committee's ranking minority member, and our other colleagues on the committee, Senators MATSUNAGA, DECONCINI, MITCHELL, ROCKEFELLER, GRAHAM, SIMPSON, THURMOND, STAFFORD, and SPECTER, in introducing Senate Concurrent Resolution 7, a resolution expressing the opposition of the Congress to certain reductions proposed by the administration in its fiscal year 1988 budget in appropriations for the Veterans' Administration's medical care account for both fiscal year 1987 and fiscal year 1988.

Mr. President, the administration's budget proposes reductions of approximately 4,000 FTEE's and approximately $220 million in associated funding for fiscal year 1988. These reductions are described in the budget as being based on the elimination of funding for care for a certain category of veterans—so-called category C veterans—who are veterans who have no service-connected disabilities and who have annual incomes above $20,260 in the case of those with no dependents. For fiscal year 1987, the administration has proposed a rescission of $75 million in the VA's medical care account in order to achieve a proportionate decrease in staffing—1,400 FTEE—and services in the last 5 months of this fiscal year.

In the Consolidated Omnibus Budget Reconciliation Act of 1985—Public Law 99-272—the Congress established three categories of veterans for the purpose of determining eligibility for VA hospital care. Category A veterans—principally those with service-connected conditions, those in certain special categories, and those with no service-connected conditions with limited incomes, below $15,195 for veterans with no dependents—are entitled to receive VA hospital care. Category B veterans—those with no service-connected conditions and with incomes below $20,260—are eligible, but not entitled, to receive such care to the extent that resources are available. Category C veterans—whom I earlier described—are also eligible to receive such care if VA resources are otherwise available and if they agree to make a modest copayment to the VA in connection with their care.

Mr. President, the proposal in the budget on which the cutbacks are premised, that is, the reduction of staff in connection with the treatment of one category of veteran-patients, is unrealistic. Any reductions in staff and funding for the VA health care system will affect all veterans seeking VA care, including those with service-connected disabilities as well as those who are eligible for such care on the basis of their incomes. The proposed cuts are simply that—cutbacks in the available resources to treat veteran patients in the guise of a targeting that is not possible. As is set forth explicitly in the resolution we are introducing today, the Congress, in enacting Public Law 99-272, did not intend to eliminate care to category C veterans.

Mr. President, as the chairman of the Veterans' Affairs Committee, I intend to work very actively, in conjunction with our ranking minority member, Senator MURKOWSKI, and other members of our committee, in having the proposed cutbacks, including both the fiscal year 1987 proposed rescission and the fiscal year 1988 cutbacks, rejected and the current staffing level—194,140 FTEE—for the VA health care system maintained. Maintaining reliable, consistent support for the VA medical program is essential if the agency is to continue to fulfill its mission or providing quality care to our Nation's veterans.

Mr. President, the demand for VA health care services continues to rise as large numbers of World War II veterans encounter ever greater health care needs associated with their advancing years and turn to the VA for care. Although it is true that productivity gains in recent years have enabled the VA to provide health care for increasing numbers of veterans within its limited resources, the already-increasing demand for services by the aging veteran population coupled with decreased staffing resources could cause undue hardship for many eligible veterans. Even at the approximately 194,000 FTEE level in fiscal year 1985, a VA Department of Medicine and Surgery survey reported that approximately 9,000 veterans in need of care were turned away by the VA during the survey week in April 1985. That factors out to more than 36,000 per month.

Our committee has worked very closely with the Appropriations Committee over the years in an effort to achieve and maintain a stable staffing level within the VA's Department of Medicine and Surgery. In the current fiscal year, as in each of the prior 2 years, we have been successful in that effort, maintaining health care staffing across the VA system at the level of approximately 194,000 FTEE. I am confident that the Congress will continue to provide such support.

Mr. President, our committee will hold a hearing on the administration's budget on Wednesday, February 18, beginning at 9:30 a.m. in SR-418. At that time, we will continue to pursue this issue, and I am confident that the members of our committee, all of whom have cosponsored this resolution, will reject the cutbacks proposed by the administration for fiscal year 1988. I also intend to work closely with the Appropriations Committee to achieve a rejection of the rescission for fiscal year 1987. Indeed, I will shortly be sending a letter, with Senator MURKOWSKI, to the Appropriations Committee and its Subcommittee on HUD-Independent Agencies Appropriations, urging that the proposed rescission be soundly rejected, as it should be.

SENATE RESOLUTION 55—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs, reported the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 55

Resolved, That in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under Rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of Rule XXVI of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs is authorized from March 1, 1987 through February 28, 1988, in its discretion (1) to make expenditures from the contingent fund of the Senate (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the Committee under this resolution shall not exceed $1,760,512 of which amount (1) not to exceed $1,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such act.)

SEC. 3 The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1987.

SEC. 4. Expenses of the Committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the Committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the Committee from March 1, 1987, through February 28, 1988, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations".

SENATE RESOLUTION 56—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON, from the Committee on Energy and Natural Resources, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 56

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rules XXV of such rules, including holding hearings, reporting such hearings and making investigations as authorized by paragraphs 1 and 8 rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources is authorized from March 1, 1987, through February 29, 1988, in its descretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on the reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $2,405,168, of which amount (1) not to exceed $2,000 may be expended for the training of professional staff of such committee (under procedures specified by section 202(j) of such act).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1988.

SEC. 4. Expenses of the Committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1987, through February 29, 1988, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 57—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON ARMED SERVICES

Mr. NUNN, from the Committee on Armed Services, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 57

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rules XXV of such rules, including holding hearings, reporting such hearings and making investigations as authorized by paragraphs 1 and 8 rule XXVI of thie Standing Rules of the Senate, the Committee on Energy and Natural Resources is authorized from March 1, 1987, through February 29, 1988, in its descretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on the reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $2,271,039, of which amount (1) not to exceed $25,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $4,000 may be expended for the training of professional staff of such committee (under procedures specified by section 202(j) of such act).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1988.

SEC. 4. Expenses of the Committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1987, through February 29, 1988, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 58—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON APPROPRIATIONS

Mr. STENNIS, from the Committee on Appropriations, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 58

Resolved, that, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on Appropriations is authorized from March 1, 1987 through February 28, 1988, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the proper consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the Committee under this resolution shall not exceed $4,119,856, of which (1) not to exceed $135,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202 (i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $8,000 may be expended for the training of the professional staff of such Committee (under procedures specified by section 202 (j) of such Act).

SEC. 3. The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but no later than February 28, 1988.

SEC. 4. Expenses of the Committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the Chairman of the Committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

Mr. STENNIS. Mr. President, I send to the desk a resolution authorizing expenditures by the Committee on Appropriations. This resolution was approved by the committee at its organizational meeting, today, January 14, and is reported by me after committee approved and with the concurrence of the Senator from Oregon [Mr. HATFIELD], the ranking member of the committee.

SENATE RESOLUTION 59—CONGRATULATING THE DENVER BRONCOS

Mr. ARMSTRONG (for himself and Mr. WIRTH) submitted the following resolution; which was ordered to be held at the desk by unanimous consent:

S. RES. 59

Whereas on January 25, 1987, the Denver Broncos, the American Football Conference Champions, will play the New York Giants, the National Football Conference Champions in the twenty first Super Bowl in Pasadena, California; and

Whereas the Denver Broncos' fans deserve their reputation as the most enthusiastic in professional sports; and

Whereas the Denver Broncos have 132 consecutive ticket sellouts for home games; and

Whereas the Denver Broncos have five players elected to play in the 1987 Pro Bowl; and

Whereas the Denver Broncos won the Western Division Title of the American Football Conference with 11 wins and 5 losses and defeated the New England Patriots and the Cleveland Browns in AFC playoff games to become AFC Champions and Super Bowl contender; and

Whereas the Denver Broncos actively participate in community service programs, such as youth counseling and anti-drug programs: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Congress commends the superior achievements of the Denver Broncos organization.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry will hold an organizational meeting on Wednesday, January 21, 1987, at 9:30 a.m. in SR-332 to complete action on subcommittee assignments, adopt the committee rules and the committee budget for this year.

The committee will also hold a budget oversight hearing on Wednesday, February 4, 1987, at 10 a.m. in SR-385. Secretary Lyng is scheduled to testify.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, January 14, 1987, at 10 a.m. to hold hearings, on United States policy toward Iran.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, January 14, 1987, at 2 p.m. to hold open and closed hearings on the use of operational gaming and simulation to assist strategy making.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, January 14, 1987, at 9:30 a.m. to continue hearings on the national security strategy of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Wednesday, January 14, 1987, at 9:30 a.m. to hold hearings to review national education policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, January 14, 1987, at 9:30 a.m. to hold closed hearings on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

REPEAL OF THE FUEL USE ACT AND INCREMENTAL PRICING

● Mr. BINGAMAN. Mr. President, I am pleased to join my distinguished colleague, Senator JOHNSTON, in introducing legislation to repeal the Power Plant and Industrial Fuel Use Act of 1978, and the incremental pricing system. The repeal of the Fuel Use Act is long overdue. The act currently prohibits the burning of oil and gas in new powerplants and bars the building of plants without alternate fuel capacity. These restrictions make little sense in light of today's gas surplus and low oil prices. The incremental pricing system also needs to be replaced. Under incremental pricing, "low priority users," such as fuel switchable industries, must pay the highest share of a pipeline's gas purchase costs. This system is no longer necessary.

The Fuel Use Act of 1978, by imposing restrictions on the use of oil and natural gas to fuel industrial or utility boilers, reduced the demand for natural gas, which was then a vastly underpriced commodity. Years of regulation had kept the price of natural gas low in relation to other fuels, which artificially stimulated the demand for natural gas, especially among residential users. This situation did nothing, however, to encourage exploration, drilling, and production of natural gas.

As a result of the passage of the Fuel Use Act, large volume consumers of natural gas shifted to alternative energy sources such as coal. This action improved supplies of natural gas so much that in 1981 the provisions in the act prohibiting the use of natural gas in existing powerplants and utilities was repealed. New plants, however, are still prevented from using oil or natural gas. Now, at a time of soaring surpluses of oil and gas—which historically, because of its competitive market price, has been the target of the Fuel Use Act—is the time to repeal the prohibitions on the use of both natural gas and oil. This restriction has inhibited market forces by dictating fuel choices for utilities and industrial users. We should now return the choice to marketplace forces.

This is part of a long-term effort that will help relieve the strain imposed on the energy-producing States by the current oil price decline and the resultant oversupply. There will be other legislation to provide more direct and immediate relief to the energy industry and protection for our national security interests, but this is an important first step to ensure that our domestic producers stay in the business of finding and producing oil and natural gas.

I encourage my colleagues to review this measure carefully, giving all consideration to the need to maintain our domestic production capability for reasons of both national and economic security.●

CATASTROPHIC HEALTH INSURANCE

● Mr. DURENBERGER. Mr. President, one of the most pressing issues of the 100th Congress will be catastrophic health insurance. I believe the proposal submitted by Secretary Bowen to the President is an important beginning, and there is substantial bipartisan interest in addressing this important national policy issue. As well there should be—we all have seen or know of American families who are financially and emotionally devastated by a catastrophic illness, and that's wrong. I look forward to working with my colleagues in Congress and with the administration in crafting a workable program that can pass this Congress.

The proposals considered in Congress will focus mainly on catastrophic coverage for acute care expenses, but of course the health care needs of an aging American extend beyond hospital walls and into nursing home and home-care needs. I believe there is wide agreement both inside and outside Government that the private sector must play a significant role in addressing and solving the problems of the huge costs of long-term care. With an estimated 50 million Americans needing nursing home care within 25 years—5 times the number today—and the cost of nursing home care averaging $20,000 per year, we all have our work cut out for us.

Northwestern National Life Insurance Co., headquartered in Minneapolis, has started to address the issue of managing long-term care costs. Its unique Life Scope plan is developing an interrelated program of benefits to meet the insurance and financial planning needs of people during both their working and retirement years.

Recently the Minneapolis Star and Tribune reported on LifeScope. I encourage my colleagues to read about this important initiative. It serves as an important example of the commitment and interest that exists in the private sector to get on top of this growing societal issue and actively participate in finding solutions. I ask that the article on LifeScope be printed in the RECORD.

The article follows:

[From the Minneapolis Star and Tribune, Oct. 20, 1986]

INSURANCE PLAN WOULD ASSURE HEALTH CARE FOR LIFE

LIFESCOPE CONCEPT INVOLVES SAVING NOW FOR LATER NEEDS

(By Joe Blade)

One of the great unpleasant surprises of later life can be finding out what Medicare doesn't cover. That discovery can destroy the savings of a lifetime in a few months.

Many people are unaware that Medicare doesn't pay for long-term nursing home care. It covers only 100 days in a nursing home after a person is hospitalized. Basically that is nursing-home care that follows short-term, acute illnesses.

Patients so feeble or ailing that they need to spend the rest of their lives in a nursing home must pay the bill themselves or have it paid by Medicaid.

But Medicaid finances health care only for the poor. That means nursing-home patients who aren't poor must "spend down" their assets until they become poor. Then Medicaid begins picking up the tab.

(Minnesota has recently modified its spend-down rules for Medicaid recipients so a spouse of a nursing-home patient is able to retain most of his or her assets.)

The growing number of elderly Americans is straining the resources available to pay those costs, for both private citizens and the government. For example, total expenditures on nursing homes are doubling every five years, even when adjusted for inflation.

In a 1984 study, the Health Insurance Association of America concluded that government probably could not meet the future health-care needs of the elderly. The organization asked businesses to seek solutions.

Northwestern National Life Insurance Co. has responded. The company is working on an innovative concept called LifeScope. Not yet a policy or even a detailed plan, it would be sold to companies as a fringe benefit for their employees to provide health care throughout the employees' life, both before and after retirement.

The LifeScope concept is built around this idea;

Workers, and possibly their employers, would deposit money in a special account during their working years. When they retire, the accumulated funds plus interest would be available to finance health care for the rest of their lives.

It isn't certain just how that money would be used. Perhaps the total amount would be turned over to the insurance company, and LifeScope would assume responsibility for every aspect of the participants' health care. Perhaps different levels of care would be available with differing premiums that buyers could pay out of the accumulated funds.

As now conceived, LifeScope also would provide:

Health insurance during the employees' working years. The health care would include wellness programs, which advise people how to stay healthy.

Financial planning to help employees save money for their later years.

Retirement planning. Pensions and retirement income might be tied in.

Research to develop "life style profiles" that would reveal how different living patterns affect health and longevity.

All aspects of health care during retirement. For example, some elderly people enter nursing homes because they no longer are strong enough to cook and do chores around their homes. Perhaps they need a daily medical check on their condition.

LifeScope's coverage would include home health care, such as visiting nurses and chore services, to keep people in their homes. That almost always costs less than nursing homes charge.

Coverage would be integrated with Medicare, health maintenance organizations and other private insurance.

"It's a fascinating concept to me," said Daniel Detzner, coordinator of aging studies at the University of Minnesota. As the population ages, he said, "the costs on a national basis have become even more prohibitive." The national government can't continue to be the provider of last resort, Detzner said.

He sees the alternatives to a nursing-home stay as one of LifeScope's most desirable benefits.

"Everyone wants independent living," he said. "That is the protection that will be most attractive to older people." It also will help families do what they want to do, which he said is to help older parents to continue to live independently.

"LifeScope is the ultimate choice in employee benefit plans," said Don Henyan, who is leading the effort as executive vice president of Northwestern Life's group insurance division. "We're really talking about total managed care."

The company is no stranger to employee benefits. It started in the business in 1917 and today is probably among the country's 10 largest providers of employee benefit plans, according to Virginia Patrick, director of group division communications.

There are many gaps in today's health coverage for the elderly, Patrick said. Medicare focuses on acute ailments. Medicaid is for the poor. Employer-provided health insurance for retirees is being threatened by soaring costs. Nursing-home insurance is in its infancy and has an uncertain future.

Instead of concentrating on specific services, such as hospitalization, Northwestern Life decided to try to cover lifetime health needs.

The most serious barrier facing the plan may be Americans' disinclination to save. Congress has just cut the tax benefits of Individual Retirement Accounts (IRAs) because few low-income wage earners were saving through them.

Business Insurance magazine queried several employee-benefit experts about LifeScope. They were enthusiastic about the concept but skeptical that the savings aspect could be carried out unless it were shielded from taxes. For LifeScope to work, Congress may have to reverse course and give the savings plan an IRA-like tax break.

Will Americans be willing to set money aside in their 20s, 30s and 40s to pay for health care in their 70s and 80s? At the moment, that seems unlikely. A recent survey of professionals between the ages of 25 and 39 found that they have no faith that Social Security and Medicare will exist when they retire. Nor will they save for their retirement. They expect the worst, but do nothing about it.

Henyan has no illusions about the difficulty of reversing those attitudes. The current trends are all in the wrong direction, he concedes. His hope is that people will change their minds when they realize the consequencies of inaction.

Most people don't want to become paupers to get their nursing-home bills paid, he said.

"There's going to come a time," he added, "when people realize, 'I've got to save because if I don't, no one's going to take care of me.'"

LifeScope is in the first year of a three-year planning process. The company hopes to complete a business plan by year's end that will finalize some details.

Next year Northwestern Life will try a model of the plan with about 5,000 employees at two or three Minnesota companies. Minnesota's wide variety of health-care facilities and its openness to new ideas make the state a natural for such an experiment, Henyan said.

"There are an awful lot of questions for which we need answers to do this effectively," he said. He estimated that it might take two years to fine-tune the program and eliminate the bugs.

In an effort to pinpoint some of the problems, Northwestern Life sponsored a seminar last January that probed the ideas of seven specialists on the aged. The participants agreed on the growing difficulty of financing health care but felt that solutions are possible. Best of all, said Henyan, they also agreed that private insurers could play a role.

"It gave us the courage to continue and the belief we're headed in the right direction," he said

Northwesten Life made two videotapes of the seminar and is distributing them to interested groups. It also has begun an advertising campaign to introduce LifeScope in very general terms.

The company also is mounting a joint venture with two other insurance companies to work on developing various alternative health-care systems. Nearly $100 million is to be invested by Northwestern Life, John Hancock Mutual Life Insurance Co. and Hartford Insurance Group. The venture is not directly related to LifeScope, said Henyan, but its findings may be useful to LifeScope.●

THE GIANTS' VICTORY IN THE NFC CHAMPIONSHIP GAME

● Mr. MOYNIHAN. Mr. President, this past Sunday, the New York Giants dominated the Washington Redskins by a score of 17 to 0, and in turn won their first title since 1956. This victory lifted the NFC champions' record to 16-2 and qualified them for their first trip to the Super Bowl. They will face the AFC champion Denver Broncos at the Super Bowl in Pasadena, CA on January 25 in what promises to be an extraordinary athletic event.

Where would a professional sports team be in the 1980's without its share of nicknames and superstars, Mr. President? The Giants are no exception. The defensive unit has been renamed the Big Blue Wrecking Crew, the offensive line the Suburbanites. There is Joe Morris and Phil Simms from the offense, Harry Carson and Jim Burt from the defense. And one cannot overlook LT, Lawrence Taylor, the Associated Press Most Valuable Player this season, or Head Coach Bill Parcells, named the National Football League's Coach of the Year. Quite an honor for both these men.

This tribute, Mr. President, is not just for the team—even though they deserve all the accolades bestowed upon them—but it is especially for the devoted and longstanding Giants fans. One only had to glance at film clips from the game, to notice the blizzard of shredded programs whipping through Giants Stadium, not caused by the weather, but by over 76,000 joyous fans. Some of those fans on hand for Sunday's game remember the 1956 season, when the Giants last won a championship. Since then they have suffered through several years of "rebuilding," but the fans have remained dedicated. From 1958 in Yankee Stadium to the present time in Giants Stadium, there has not been an unsold seat. A fine example of the loyalty of these fans. Now as a reward to this loyalty, the team is going to the Super Bowl.

Mr. President, as we await the outcome of the Super Bowl, I take this opportunity to thank and congratulate the New York Giants, and their fans, for giving us a thrilling season. We look forward to an equally exciting Super Bowl. Good luck to all you Giants fans.●

ISRAEL AND AMERICA

● Mr. LUGAR. Mr. President, our colleague, Senator PRESSLER, spoke to the Zionist Organization of America on December 7, 1986, on the occasion of that organization's presentation of the prestigious Justice Louis D. Brandeis Award to John Loeb, Jr. Mr. Loeb is the former American Ambassador to Denmark. In addition to several hundred other guests, the event was attended by Denmark's Ambassador to the United States, Eigel Jorgensen, and the Danish Consul General in New York, Willads Willadsen.

Other Members of the Senate may wish to read Senator PRESSLER'S thoughtful remarks, and I ask that Ambassador Loeb's remarks be printed in the RECORD following those of Senator PRESSLER.

The material follows:

ISRAEL AND AMERICA: PARTNERS FOR DEFENSE OF DEMOCRACY

Thank you for inviting me to speak here tonight. It is, indeed, an honor to be a small part of this program honoring Ambassador John Loeb. He served America well as our Ambassador to Denmark. In every way, his service to our nation exemplifies the high standard of justice and the ideals we associated with Justice Brandeis. He is an outstanding citizen who is deeply attached to Israel, and he has served the United States well. While attending Harvard Law School, John, I became a great admirer or Justice Brandeis. This can be one of the great awards of your life. It makes me very proud to be just a small part of it.

It has been my privilege to serve as Chairman of the European Affairs Subcommittee of the Foreign Relations Committee for the past two years. As a second term member of the United States Senate, I've had a chance to observe firsthand the performance of many of our ambassadors. In fact, I have chaired over 40 hearings of new ambassadors who come before the Senate for approval. Having observed these ambassadors over the years, it is clear to me that our honoree this evening has truly been one of the most outstanding.

As a member of the Senate Foreign Relations Committee, I have followed his career closely from the day I presided over his confirmation hearings His confirmation was unanimously approved. We appreciate how effectively he served during his tenure as our Ambassador to Denmark. Although we have close ties with Denmark, there are also many problems in the relations between our two countries. John's assignment coincided with a period of unprecedented domestic debate in Denmark over policies for the defense of Western Europe and the role of American bases in Greenland. He demonstrated great skill in communicating American policy on these issues to Danish authorities, and conducted a vigorous personally directed program of outreach to the Danish people to improve their understanding of the Soviet threat, disarmament negotiations, and the undiminished need for strong Western defenses.

Upon Ambassador Loeb's departure from Denmark, the Queen presented him with one of Denmark's most prestigious awards, the Grand Cross of the Order of Danneborg. Under our law, an American diplomat may accept a foreign decoration only if the State Department rules that his service has been unusually meritorious, which was certainly true in John's case.

There are two other reasons I am pleased to be here tonight:

(1) The Zionist Organization of America is a leader in the effort to maintain strong American ties to Israel. As a friend of Israel, I know how essential it is to have the kind of effective, unified effort your organization makes on behalf of this important American-Israeli relationship. I congratulate you for your successful work in this area.

(2) In addition to honoring my good friend, John Loeb, this occasion gives me the opportunity to offer some brief comments on some of the important issues affecting U.S. and Israeli interests in the Middle East.

There is good reason to be concerned about the long-term security and economic interests of the U.S. and Israel. The scourge of terrorism continues, and the U.S. and Israel have been the principal actors in the effort to come to grips with this problem. In recent weeks, we have been reminded again of the seriousness of this danger. The failure of some of our European allies to cooperate in important anti-terrorist actions suggests that terrorism could expand in the years ahead. A strong U.S.-Israeli anti-terrorism program needs the support of other key nations of the world. As a U.S. representative to the United Nations General Assembly session this fall, I was especially disappointed to see the General Assembly adopt a Libyan resolution condemning the U.S. retaliation against Libyan terrorist installations. We can count on Israel to help us out, but that isn't true with other countries in some parts of the world. We must redouble our efforts to secure the support of all civilized nations for an end to this era of bomb-throwing by terrorists masquerading as diplomats and peacemakers.

One astounding and little appreciated fact is the tremendous return the U.S. obtains from its small economic and security assistance contribution to Israel. The $3 billion in U.S. aid to Israel pales in comparison with the $130 billion we spend in defense of NATO countries. At a time when the U.S. spends more in defense of Japan than the Japanese themselves spend on their defense, more Americans need to be told about the returns we obtain from our modest investment in Israel.

The U.S. Defense Department has calculated that the return on our defense research and development (R&D) investment in Israel is between two and three times the cost. For example, it was the Israelis who developed the fuel tank system which extended the range of our fighter aircraft by 500 miles. And they proved that it would work under actual combat conditions. They have done the same in other areas of defense technology and weapons development. We station no troops in Israel. The over 300,000 American troops stationed in Europe create thousands of jobs for Europeans, produce tax revenue for Europe, and add substantially to our trade deficit. Our partnership with Israel produces no comparable burden. And Israel supports the United States in the United Nations more than our allies in Europe and Japan. The point I am making is that, in terms of contributing to improvements in our own defense, our assistance to Israel is a highly productive bargain.

The defense of Israel, perhaps America's most important defense ally anywhere in the world, remains in question. Already heavily outnumbered by its adversaries in terms of manpower, Israel must contend with Soviet and other suppliers' continued expansion of the hostile Syrian and PLO arsenals. From my perspective as a member of the Senate Foreign Relations Committee, I am concerned about the great danger of irresponsible military actions by Syria against Israel. With regard to this situation, I would like to briefly discuss an area that will become increasingly important to Israel and the U.S. in the years ahead.

Most people think of the Strategic Defense Initiative only in terms of an exotic and costly complex of space-based or space-directed anti-missile devices designed to ward off a Soviet ICBM attack against the United States. In fact, it is far more than that. It could have critical significance for the defense of Israel and American Middle East interests. Israel is an important participant in research on SDI. In fact, we probably will get more return from our research investment there than from other research. That participation could lead to a stronger Israel. The Middle East military balance would be strengthened in Israel's favor if effective defenses could be erected against Soviet-supplied Syrian missiles which threaten Israeli airfields and other defense installations only miles or minutes away.

SDI research may not lead to an exotic Star Wars scenario. In fact, I am one who doubts very much that it will lead to that. However, there is increasing evidence that it could lead to major technological spinoffs with conventional military and commercial applications. The SDI includes research on technologies that would protect against short-range missiles of the kind Syria possesses in increasing numbers.

SDI means applying computers, optics, electronics and directed energy systems to the task of defense against missiles as well as other offensive weapons. Israel's involvement in SDI research, which was ratified by the U.S.-Israeli agreement of May 1986, means that Israel will be in on the ground floor in the development of defensive systems which could be applied against attack aircraft, tanks, enemy soldiers and other targets. Israel's defense industry, like America's, will develop the technological capacity to combine what is already known about lasers and other beam weapons for defensive purposes. Every aspect of this research should have some valuable spinoffs for conventional defense needs, including the spinoff of improved electronics for command, control and communications functions.

Why is this subject so important? Because it can lead to the enhancement of Israel's ability to deter aggression by Syria or other countries. Because the United States can learn much from Israeli defense science and technology. And because a stronger Israel means more stability in the Middle East and an important addition to the defense of NATO's southern flank. Although it is not a NATO member, in many respects Israel's strength is an attribute that must be counted in the calculation of the West's ability to deter aggression by the Warsaw Pact.

Last, but not least, any strengthening of the defense relationship between Israel and the U.S. is helpful to both nations. The partnership would grow, and with it the commitment to the survival of both in a frequently hostile world. The SDI program will remain controversial for many years to come. What I have tried to suggest here tonight is that it offers the potential to enhance the capacity for national survival. And I am happy to see that the U.S. and Israel are partners in this effort.

Many other problems confront these nations. Economic survival is a prerequisite for effective defense. As a strong supporter of U.S. for Israel, I am glad to note the dramatic improvement in the Israeli economic situation in recent years. The recently elected new Congress should be as supportive as the last regarding this assistance. However, none of us should forget the federal deficit problem. This is the Damocles sword hanging over all federal programs, including foreign aid.

I should also note that negotiations continue on the details of the U.S.-Israeli free trade agreement. Again, both nations will benefit from a partnership in which both are treated equally. Both can grow economically through the fair competition that is the foundation of a free trade relationship. Perhaps the success of a U.S.-Israeli free trade program will demonstrate to other nations—principally Japan and the Common Market countries—that it is possible to move away from the dangerous protectionist course we are now on.

Let me say in conclusion that I am very honored and pleased to be a small part of this evening because what you are doing is very important. It is important for the United States of America. My wife Harriet couldn't be here this evening, but she wanted me to extend her greetings. This is one of the great honors of my life to be a small part of this event because you represent what is best in America.

Thank you very much.

AMBASSADOR JOHN LOEB, JR.'S REMARKS UPON RECEIVING THE LOUIS D. BRANDEIS AWARD FROM THE ZIONIST ORGANIZATION OF AMERICA—DECEMBER 7, 1986

I have listened with much pleasure, and I confess, some embarassment to the kind words that have been spoken about me. Before anyone rises to dispute them, I want to accept this great honor and to say how moved I am to receive this award in the name of one of the greatest men America has ever produced—Supreme Court Justice Louis D. Brandeis.

I am proud of my Jewish heritage and I am proud to be identified as a friend of Israel. Practically all American Jews and a great majority of the American people are today supportive of the State of Israel.

But when I was a young man, this was not so. Zionism was not a popular cause—indeed, anti-Semitism was common in the United States.

But not only anti-Semites attacked the idea of Israel. Justice Brandeis, who for thirty years was the preeminent leader of American Zionism, had many critics—often hostile critics—even in the Jewish community. To these critics, sympathy with Zionism suggested a dilution of one's American allegiance, a hyphenated condition which threatened one's American authenticity.

For me as a son of the American Revolution whose family has served and fought in every American war since then, divided loyalty was never an issue.

As Israel emerged from the ashes of the Holocaust, as it demonstrated its strength of purpose, as it proved to be what Justice Brandeis foresaw it would be—a bastion of democratic ideas and ideals—then almost all American Jews and, indeed almost all Americans came to embrace her.

My own personal experiences with anti-Semitism as a child and my Aunt Dorothy Lehman Bernhard's work in bringing more than 200 distant cousins of ours, to the United States during the 30's, made me deeply interested in what seemed then the impossible dream—the recreation of the ancient State of Israel.

I made my first visit to Israel in 1953. The terrifying pictures of the Holocaust were still vivid memories. I remember my overwhelming emotions when I set foot in Israel, a Jewish state, and saw the land and the people redeemed. It is an experience most of us here have known.

And all of us here have in one way or another given support, moral and material, to Israel. I know we will continue to do so. For it is an obligation of the spirit that we cannot escape. The fact is that as Jews and Americans, we have a stake in Israel's future.

Justice Brandeis and the ZOA—the first organization in America to promote and support the idea of a Jewish state—always understood this.

I want to say to you members and leaders of the Zionist Organization of America—your work and accomplishments are inspiring. I salute you, I thank you.●

JOBS PROGRAM

● Mr. SIMON. Mr. President, the Rock Island Argus is known as a conservative newspaper, but it recently had an editorial calling for action on a jobs program.

That newspaper knows what it is talking about because in the area of Rock Island County, IL, we have a substantial unemployment problem.

It is an area with great potential, and it is suffering not because of a lack of local leadership but because of National Government trade policies and fiscal policies.

The Federal Government simply should not shrug its shoulders and say, "that's tough."

We ought to come up with something constructive, and I am pleased to say this editorial endorses movement on the jobs front along the line I am calling for.

I ask consent to insert this in the RECORD.

The editorial follows:

ON THE JOB

It's a point we have tired to make several times over the last several years. Now that U.S. Sen. Paul Simon, D-Ill., is taking up the refrain, perhaps something will come of the idea.

Simon is proposing an $8 billion national jobs program similar to President Franklin D. Roosevelt's Works Progress Administration (WPA). The WPA put three million Americans to work in the 1930s.

"Since we're not going to let people starve," says Simon, "we face the choice of paying people for doing nothing or paying people for doing something. I think it makes infinitely more sense to pay people for doing something—to let them be productive."

Simon's philosophy seems to echo that of President Reagan, who has championed the concept of "workfare," a system that requires welfare recipients to work in order to remain eligible for benefits.

The work ethic has taken a beating in America in recent years, but most of us still believe that most people want to work, that they want to have a job to do, that they want that feeling of belonging that productivity provides.

Under Simon's proposal, which he plans to introduce in the next session in Congress, people would be guaranteed a 32-hour work week. People could be used for day care, to repair sidewalks, plant trees, install telephones in the homes of the needy and many other jobs.

At a cost of $8 billion a year, the program would constitute less than 1 pecent of the total federal budget.

Simon estimates that this plan would put three million people to work and permit up to two members from the same family to participate. Roosevelt's WPA limited participation to one person per family.

"There are a great many people who now view unemployment as something like the weather," Simon says. "There's nothing you can do about it."

The Illinois Democrat rejects that notion, and so do we.

We hope the Congress and the administration can work together to support Simon's proposal to help put Americans back to work.●

LATIN AMERICA'S DEBT CRISIS

● Mr. SIMON. Mr. President, the Chicago Tribune recently published an article by Sol Linowitz and Galo Plaza on the debt crisis.

We know Sol Linowitz for his leadership on the American business scene and for his leadership in a great many foreign policy thrusts, particularly the Panama Canal Treaty.

Galo Plaza once served as President of Ecuador and was Secretary-General of the Organization of American States.

They have written an article that makes as much sense to me as anything I have seen.

It is a combination of factors we have to consider as we go about solving this problem. And make no mistake about it, we had better move on a solution, or we are inviting the crumbling of some shaky democracies in Latin America.

I ask that the article by Sol Linowitz and Galo Plaza be inserted in the RECORD, and I urge my colleagues to read it.

The article follows:

A DEBT CRISIS THAT GOES ON AND ON

(By Sol M. Linowitz and Galo Plaza)

The debate over what to do about Latin America's debt crisis goes on and on as decisions and actions that could resolve the crisis continue to be put off.

Payments on an accumulated debt of more than $380 billion are crippling Latin America's economic prospects. The region is exporting capital at a rate twice that of Germany's war reparations following World War I. Without the resources to invest in their own economic development or to meet basic human needs, many Latin American nations are plagued by historically high levels of unemployment and inflation, deteriorating housing and public services, food shortages and rising street crime.

In this situation, three things stand out clearly:

Latin America's debt and growth crisis can be ended, but this will require decisive political leadership by the United States on several fronts.

A broad consensus already exists on the basic elements of a solution. U.S. action must draw on these fundamentals.

Key to any solution is sustained economic growth, which is possible only if Latin American countries get greater access to outside capital and continue to reform the management of their economies.

Tragic as the failure to act has been for Latin America, it also has serious political and economic consequences for the United States, with its immense stake in the region. The United States has already lost export markets, worsening our trade deficit and eliminating as many as a million U.S. jobs. We have forfeited investment opportunities. The default of a major Latin debtor would badly damage the U.S. banking system.

Economic paralysis in Latin America, moreover, heightens pressures for migration to the United States and frustrates efforts to control drug trafficking by preventing the development of alternatives to the earnings narcotics provide.

Most important, the progressive weakening of Latin American economies inevitably threatens to reverse the region's democratic gains. If the fragile process of consolidating democracy is undone, the best hope ever of building a community of free nations in this hemisphere will have been lost.

Treasury Secretary James Baker's debt plan of late 1985 reflected the widely agreed view, first, that only through sustained growth can Latin America escape the debt trap and, second, that such growth will only occur if it is nourished by more external financing and nurtured by better economic management.

Latin American countries have undertaken many of the economic reforms called for in the Baker plan. In varying degrees they have expanded the role of the private sector, given greater emphasis to exports, devalued their currencies, cut public spending and lowered inflation. With these changes, the countries are now far better prepared to make effective use of external capital.

But the capital has not been forthcoming. The Baker proposals remain only that—proposals. They need to be implemented. Baker called on the commerical banks to increase their lending to debtor countries by a modest 2½ percent a year, but instead the banks reduced their lending even further in 1986.

The Baker proposals also need to be supplemented. They do not, as formulated, offer enough capital to take Latin America very far toward recovery. The amount of new capital needed—$20 billion per year by informed estimates—must come mainly from commerical banks, without which no debt management program can succeed.

Getting the banks to cooperate is the first task of political leadership. Over four years, the banks have steadily upgraded their financial positions. They are in better shape to provide the new loans that Latin American countries are now better able to use. Making this happen, however, will require that the United States and other industrial countries take a more direct and active role in international debt negotiations.

The U.S. and other governments must not only spur the banks toward additional lending to Latin America. They must also encourage them in other vital directions, such as restructuring existing debt, increasing debt-equity swaps and writing off some loans to countries that cannot cope otherwise.

Governments must revise banking rules that inhibit these initiatives. Banks have to be able to capitalize interest payments without penalty and absorb losses over extended periods on loans they have written down. And the United States and other creditor nations must share some of the final risks if they are to mobilize commerical bank resources. They can do so by offering loan guarantees, cofinancing and similar incentives.

A second objective for leadership involves the international financial institutions—the World Bank, the International Monetary Fund and the Inter-American Development Bank. By raising their commitments to these critically important organizations, the United States, along with Japan and Western Eruope, can reassure the commerical banks that official agencies are sharing the lending burden.

Finally, there is the most central issue of all: trade policy. Latin America needs expanded overseas markets, not further restrictions. But in the United States and elsewhere, pressures for protectionism are rising. The administration and Congress must deal with a huge trade deficit and its negative impact on workers and businesses. But they must find ways to do so without erecting new obstacles to Latin American exports.

Restoring economic vitality to Latin America is imperative. It is also possible. A year ago, the world saw in the Baker plan a U.S. commitment to active political leadership in dealing with a debt problem like that which confronts Latin America. The time to assert that leadership is now.●

NAUM AND INNA MEIMAN: A DELICATE SITUATION

● Mr. SIMON. Mr. President, as I announced to my colleagues last week, Inna Meiman was told in December that she would be permitted to leave the Soviet Union to obtain medical treatment for her cancer in the West.

Unfortunately, Inna still remains in Moscow, waiting for the bureaucracy to process her visa.

I remain extremely concerned that Naum, Inna's husband, has not received permission to travel with Inna. A cancer patient needs the support of her family to maximize her chances of living. Allowing Inna to leave without Naum is both a blessing and a curse.

There are some positive indications that Inna's case may be resolved this week. I would heartily welcome the news that both Inna and Naum have been granted permission to leave.

I strongly urge the Soviets to resolve this case in a speedy manner.●

ORDER FOR RECOGNITION OF SENATOR PROXMIRE

Mr. BYRD. I ask unanimous consent that Mr. PROXMIRE be recognized for not to exceed 5 minutes on Friday, following the standing orders for the recognition of the two leaders.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM FOR FRIDAY

Mr. BYRD. Mr. President, the distinguished Republican leader may yet wish to have something to say, but we are ascertaining that right now. Until we have done that, let me proceed with a statement of the program for Friday.

Under the orders entered, Mr. President, the Senate will come in on Friday at 12 noon. Following the recognition of the two leaders under the standing order, Mr. PROXMIRE will be recognized for not to exceed 5 minutes, after which there will be a period for the transaction of routine morning business for not to exceed 1 hour, during which time Senators will be permitted to speak for not to exceed 5 minutes each.

At the conclusion of routine morning business, the Senate will resume consideration of H.R. 1 and the pending question at that time will be the amendment that has been offered by the Republican leader, Mr. DOLE. There will be no rollcall votes on Friday in connection with the legislation. The only reason for any rollcall vote, if such should occur, would be dealing with the establishment of a quorum insofar as I can foresee. No resolutions will come over under the rule. The call of the calendar under rule 8 has been waived. When the Senate completes its business on Friday, it will go over until Tuesday next at 2 p.m.

Meanwhile, committees are urged to take the opportunity to press forward on committee business.

ADJOURNMENT UNTIL FRIDAY, JANUARY 16, 1987

Mr. BYRD. Mr. President, the distinguished Republican leader has indicated to me that he has no further business to transact today, that he has no further statement that he wishes to make, and that he will not be coming to the floor for the adjournment over. Therefore, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until 12 noon on Friday next.

The motion was agreed to; and, at 4:40 p.m., the Senate adjourned until Friday, January 16, 1987, at 12 noon.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, January 15, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JANUARY 16

10:00 a.m.

Foreign Relations

To resume hearings on U.S. policy toward Iran.

SD-419

JANUARY 20

9:30 a.m.

Armed Services

To resume hearings on the national security strategy of the United States.

SR-222

Commerce, Science, and Transportation

To hold hearings on competitiveness challenge for U.S. industry.

SR-253

Finance

To resume hearings on the world economy and trade issues, focusing on a U.S. response to the international trade deficit.

SD-215

Rules and Administration

To hold hearings on Senate committee resolutions requesting funds for operating expenses for 1987.

SR-301

10:00 a.m.

Foreign Relations

Business meeting, to consider two treaties between the United States of America and the Union of Soviet Socialist Republics on (1) the Limitation of Underground Nuclear Weapon Tests, and the Protocol thereto, known as the Threshold Test Ban Treaty (TTBT) signed in Moscow on July 3, 1974, and (2) the Underground Nuclear Explosions for Peaceful Purposes, and the Protocol thereto, known as the Peaceful Nuclear Explosions Treaty (PNET) signed in Washington and Moscow on May 28, 1976 (Ex. N, 94th Cong., 2nd Sess.).

SD-419

Labor and Human Resources

To hold hearings to review certain implications of the Chernobyl nuclear powerplant incident.

SD-430

2:00 p.m.

Armed Services

To hold hearings on the relationship between resource constraint and U.S. military strategy.

SD-342

JANUARY 21

9:30 a.m.

Agriculture, Nutrition, and Forestry

Organizational meeting, to consider committee budget for 1987, to adopt committee rules of procedure for the 100th Congress, and to discuss subcommittee structure and assignments.

SR-332

Armed Services

To continue hearings in open and closed sessions on the national security strategy of the United States.

SD-138

Rules and Administration

To continue hearings on Senate committee resolutions requesting funds for operating expenses for 1987.

SR-301

10:00 a.m.

Environment and Public Works

Business meeting, to mark up S. 185, authorizing funds for Federal highway construction programs.

SD-406

Governmental Affairs

Business meeting, to consider pending committee business.

SD-342

Labor and Human Resources

To hold hearings on work and welfare issues.

SD-430

10:15 a.m.

Banking, Housing, and Urban Affairs

To hold oversight hearings to review Federal Savings and Loan Insurance Corporation recapitalization, emergency bank acquisitions, nonbank banks, securities powers for bank holding companies, and bank check holds.

SD-538

JANUARY 22

9:30 a.m.

Energy and Natural Resources

To hold oversight hearings on the world oil outlook.

SD-366

Finance

To resume hearings on the world economy and trade issues, focusing on a U.S. response to the international trade deficit.

SD-215

10:00 a.m.

Banking, Housing, and Urban Affairs

To continue oversight hearings to review Federal Savings and Loan Insurance Corporation recapitalization, emergency bank acquisitions, nonbank banks, securities powers for bank holding companies, and bank check holds.

SD-538

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold oversight hearings on the NASA shuttle anomaly resolution activities.

SR-253

Environment and Public Works

To continue to mark up S. 185, authorizing funds for Federal highway construction programs.

SD-406

JANUARY 23

9:30 a.m.

Budget

To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1988 budget.

SD-608

Environment and Public Works

Environmental Pollution Subcommittee

To hold oversight hearings to review problems posed by ozone depletion, the greenhouse effect, and climate change.

SD-406

Finance

Social Security and Income Maintenance Programs Subcommittee

To hold hearings on welfare reform.

SD-215

10:00 a.m.

Banking, Housing, and Urban Affairs

To continue oversight hearings to review Federal Savings and Loan Insurance Corporation recapitalization, emergency bank acquisitions, nonbank banks, securities powers for bank holding companies, and bank check holds.

SD-538

Foreign Relations

To resume hearings on U.S. policy toward Iran.

SD-419

JANUARY 26

9:30 a.m.

Armed Services

To resume hearings on the national security strategy of the United States.

SD-138

10:00 a.m.

Special on Aging

To hold hearings on catastrophic health care costs.

SD-628

JANUARY 27

9:30 a.m.

Armed Services

To continue hearings in open and closed sessions on the national security strategy of the United States.

SR-222

10:00 a.m.

Foreign Relations

To resume hearings on U.S. policy toward Iran.

SD-419

2:00 p.m.

Armed Services

To continue hearings on the national security strategy of the United States.

SR-222

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

JANUARY 28

9:30 a.m.

Armed Services

To continue hearings on the national security strategy of the United States.

SR-222

10:00 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Labor and Human Resources

To resume hearings on work and welfare issues.

SD-430

JANUARY 29

9:30 a.m.

Commerce, Science, and Transportation

Aviation Subcommittee

To hold oversight hearings on aviation safety.

SR-253

JANUARY 30

9:30 a.m.

Commerce, Science, and Transportation

Aviation Subcommittee

To continue oversight hearings on aviation safety.

SR-253

FEBRUARY 2

10:00 a.m.

Joint Economic

To hold hearings on the state of the economy.

SD-628

FEBRUARY 3

9:30 a.m.

Energy and Natural Resources

To hold oversight hearings on the current status of the Department of Energy's nuclear waste activities.

SD-366

FEBRUARY 4

9:00 a.m.

Select on Indian Affairs

To hold hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1988.

SD-G50

9:30 a.m.

Foreign Relations

To resume hearings on U.S. policy toward Iran.

SD-419

10:00 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1988.

SR-385

FEBRUARY 5

9:30 a.m.

Energy and Natural Resources

To resume oversight hearings on the current status of the Department of Energy's nuclear waste activities.

SD-366

FEBRUARY 18

10:00 a.m.

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

SENATE—*Friday, January 16, 1987*

The Senate met at 12 noon and was called to order by the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

*God * * * hath made of one blood all nations of men, for to dwell on all the face of the earth, and hath determined the dates before appointed and the bounds of their habitation * * *.*—Acts 17: 24, 26.

Gracious God and Father of all peoples, as we remember the life and dream of Martin Luther King, Jr., we recall the fundamental conviction of our Founding Fathers: "We hold these truths to be self-evident, that all men are created equal and that they are endowed by their Creator with certain inalienable rights, among which are life, liberty, and the pursuit of happiness." Thank You, Father, for this transcendant view of life as You gave it.

And forgive us, patient Father, for our failure to follow through on this indisputable truth. Grant that we may learn to take seriously this fundamental belief at the heart of the American way.

Help us, Lord, to honor this basic precept upon which our political system is built. Help us to be grateful for the diversity in the very nature of our being and greatness as a nation. Give us wisdom to see that diversity is the very essence of unity—that uniformity is destructive of unity. Teach us to respect and honor our racial differences, to see racial minorities as God sees them, and deliver us from ever becoming the tyranny of a white majority. Let truth and justice prevail in our national life. We pray in the name of Him who is universal love. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. What is the pleasure of the Senate?

Mr. BYRD. Mr. President, I believe the standing order calls for the majority leader to be recognized.

The PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

Mr. BYRD. I thank the Chair.

SCHEDULE

Mr. BYRD. Mr. President, the Senate is meeting today and will go over after today to next Tuesday. An order has been previously entered for action on next Wednesday on the House bill dealing with clean water.

Today, there will be routine morning business; bills and resolutions may be introduced; Senators may speak. There will be no rollcall votes today.

On Tuesday next, there will be continuing debate, as there will be this afternoon, on the bill to clean up the Nation's waters. I would hope that today we could get an agreement that would provide for the control and division of time for debate on Tuesday and on Wednesday.

As I indicated the day before yesterday, we would need to get that agreement, perhaps by next Tuesday. I think we can do that today. I will discuss that with the distinguished minority leader.

Mr. President, on Wednesday, the pending question, at 4 o'clock, will be on the amendment by Mr. DOLE to the House bill dealing with clean water. Following the disposition of the amendment by Mr. DOLE, the Senate then will immediately vote on the House bill. Following the action on the House bill, the Senate will immediately go to the concurrent resolution which was provided for in the course of the agreement on the day before yesterday.

On the day before yesterday, I say to the distinguished Republican leader, we entered an order for controlled time on the concurrent resolution, 20 minutes to be equally divided. We provided that no amendments would be in order, no motions to commit would be in order, and that any motion to reconsider would have no time for debate thereon. I think we should provide that at the expiration of the 20 minutes or the yielding back thereof, the vote occur immediately on the concurrent resolution. If the distinguished minority leader is not disagreeable to that, I will ask that now.

Mr. DOLE. I have no objection.

Mr. BYRD. Mr. President, I make the request.

If the Chair would like me to formulate the request, I ask unanimous consent that on Wednesday, upon the expiration or yielding back of the time ordered on the concurrent resolution, a vote then occur immediately and without any intervening motion or further action.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair, and I thank the Republican leader.

Mr. President, how much time do I have remaining under the order?

The PRESIDENT pro tempore. The Senator from West Virginia has 6 minutes remaining.

SOVIET HUMAN RIGHTS REPRESSION CONTINUES

Mr. BYRD. Mr. President, the beginning of the 100th Congress, and this year's bicentennial of the Constitution reaffirm the wisdom, durability, and vitality of our American democracy.

Yet, as we demonstrate the strength of our system of government and the unique value of the individual freedoms upon which it was founded, we should remember that many nations do not enjoy the basic human liberties we cherish.

Few nations embody the denial of individual human rights so clearly as does our major adversary in the world arena—the Soviet Union.

It is for these reasons that the democratically elected—and I stress the words "democratically elected"—representatives of the American people make it an important priority of the new Congress to condemn continuing Soviet human rights abuses and to dedicate themselves to support the full provision of human rights to all Soviet citizens.

It is for these reasons that I and the able Republican leader will introduce today a concurrent resolution to reemphasize the strong protest of Congress against the denial of human rights in the Soviet Union.

Our resolution highlights the plight of Soviet Jewry, and other minorities in the U.S.S.R., who have suffered so much under Soviet oppression.

We know that there have been positive developments recently in some well-known human rights cases in the Soviet Union. The Congress appreciates that Andrei Sakharov and his wife have been freed from internal exile, for example, and that, David Goldfarb was allowed to emigrate.

However, hundreds of thousands of Soviet Jews have indicated their desire to leave the U.S.S.R. for Israel, and fewer than 1,000 were permitted to emigrate in 1986—the second lowest total in many years.

Newly published Soviet emigration regulations, which actually limit the number of individuals eligible to emigrate, became effective on January 1.

Last Sunday's New York Times carried another report about the continuing restrictions the Soviets impose on emigration, especially regarding Jews seeking exit visas. I shall insert this article—headlined "No Easing of Exit-Visa Battles for Many in Soviet"—into the Record at the conclusion of my remarks.

The Soviet Union still denies basic human rights to many other citizens on religious, political, ethnic, and cultural grounds.

In recognition of this continued repression, the resolution by Mr. Dole and myself further calls upon the Soviets, as a good faith measure, to immediately release several prisoners of conscience and to immediately permit several "refuseniks" to emigrate.

Congress must underscore to the Soviets that continued human rights abuses seriously affect the atmosphere for productive negotiations on other aspects of bilateral relations between our nations, and make more difficult the reaching of viable agreements between us.

Mr. President, the distinguished Republican leader and I will introduce, as I say, this resolution today to underscore these congressional sentiments, which reflect the sentiments of the American people, and to give our colleagues the opportunity to cosponsor this important measure.

We intend to bring this resolution before the Senate in the near future. I am confident that the Senate will send a strong and unmistakable message to the Soviet Union about human rights.

As soon as the Republican leader has had an opportunity to speak under the standing order I will then submit the concurrent resolution on behalf of Mr. Dole and myself.

I ask unanimous consent that the New York Times article about continuing Soviet emigration restrictions be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, Jan. 11, 1987]

No Easing of Exit-Visa Battles for Many in Soviet

(By Felicity Barringer)

Moscow, January 10.—In the last two weeks Naum Meiman has made many visits to Soviet Government offices, spending hours in the bitter cold chasing evanescent assurances that the next piece of paper he obtains will secure the promised exit visa for his cancer-stricken wife.

While Mr. Meiman, 74 years old, goes from office to office seeking precise information on the requirements that his wife must fulfill, Alexander Ioffe, 48, sits at home on the outskirts of Moscow, in the midst of a hunger strike to force visa authorities to reverse themselves and grant his 23-year-old son an exit visa.

The tug-of-war between these two veterans of a decade of emigration battles and their old adversaries, the state visa authorities, provides a profile of what has not changed in the Soviet Union, at a time when rhetorical and substantive changes in Soviet human rights policies seem to occur with startling frequency.

380,000 APPLICATIONS PENDING

"As far as Jews are concerned, I think things are, if anything, a little worse than they were," Mr. Meiman said on Friday evening, shortly after he arrived home with a questionnaire authorities say his wife must complete.

The National Conference on Soviet Jewry said in Washington on Thursday that 914 Jews were allowed to leave the Soviet Union last year, a 20 percent drop from the figure of 1,140 in 1985 and far below the total of 51,000 in 1979, the peak year of a wave of emigration that began in the détente of the mid-1970's.

The figures are compiled in Vienna, the first stop in the West for all Jews leaving the Soviet Union, according to association officials.

The group's report said 380,000 Jews had pending exit applications.

Group spokesmen have acknowledged the dramatic impact of the well-known cases that were resolved last year, including the East-West exchange that gave freedom last February to Anatoly B. Shcharansky, who has since taken the name Natan Shcharansky. Other prominent cases involved the departure of a veteran dissident, David Goldfarb, with Armand Hammer in October, and the release from exile of Andrei D. Sakharov and his wife, Yelena G. Bonner.

Myrna Shinbaum, associate director of the organization, said, "We feel that 1986 was a year of dramatic developments, but for Soviet Jews it was very disappointing.

Mr. Ioffe, sitting in a track suit in his kitchen said: "Not much has changed. There hasn't been an arrest in months, and that is good. But I can't see that much else has changed."

Mr. Ioffe's son Dmitri applied for emigration permission in August and was refused. Mr. Ioffe says he believes that official anger over his own 10-year struggle for emigration was reflected in his son's refusal—although, given emigration statistics, the chances for refusal of any application are high.

Mr. Ioffe, a mathematician, said on Friday that his employers had recently begun the process of taking away his job; he has been refused permission to emigrate several times since his first application in 1976.

Authorities have the option of reconsidering earlier refusals, and just such reconsideration was promised for Naum Meiman by the Soviet Foreign Minister, Eduard A. Shevardnadze, in a meeting with Senator Gary Hart last month. Mr. Shevardnadze also guaranteed Inna Meiman's right to seek treatment in the West.

But Mrs. Meiman, suffering from an inoperable tumor of the neck, said the bureaucratic delays could render ineffective whatever new treatments might be available in the United States.

For some days after Mr. Hart brought word of the guarantee, Mrs. Meiman rejected the idea of leaving without her husband, one of the original members of a Soviet human rights monitoring group in the 1970's

Eventually, she said on Friday, "he convinced me that if I could be cured and helped, it would be better for everybody."

"But," she said, "to hear different things every day—'you're going,' 'you're not going,' 'you're going'—it's awful."

Mr. BYRD. Mr. President, I yield the floor.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The Senate recognizes the distinguished minority leader.

Mr. DOLE. Mr. President, I thank the distinguished Presiding Officer.

Let me say that it is always an inspiration to see the distinguished Senator from Mississippi, particularly in his new role, and we certainly look forward to many happy days on the Senate floor and congratulate again the distinguished Presiding Officer.

RESOLUTION ON DECEPTIVE SOVIET EMIGRATION REGULATIONS

Mr. DOLE. Mr. President, I join with the distinguished majority leader, as he has indicated, in the introduction of the resolution exposing the Soviet Union's deceptive new emigration regulations and demanding Soviet observance of internationally recognized human rights.

As the majority leader has indicated, I hope that all Senators will take note of this resolution and become cosponsors so we may send a clear signal to the Soviets how we view human rights and how we view this deception.

I am also saddened that we need to have another resolution. We have addressed this issue in the Senate before. Each year we have the international outrage expressed and the sentiments grow stronger over the Kremlin's trampling of the fundamental human rights of its citizens. Each year international concern and the concern of the Senate grow deeper over the plight of thousands of Jews denied the basic right to emigrate, a right the Soviets are pledged and obligated to observe. And each year international demands and demands of the Senate grow louder for the Soviets to finally do what is right and what is humane.

STANDING WITH FREE PEOPLE EVERYWHERE

By this resolution, we stand once again with free people around the world, to demand of the Kremlin: let these people go. Let them join their families and friends. Let them return to their religious and cultural homeland, or other chosen lands. Let them find their freedom.

And what has been the Soviet answer so far? In 1986, with hundreds of thousands seeking to leave, less than 1,000 were permitted to do so. Many others continued to suffer punishment, directly or indirectly, even for asking for the right to leave.

And, now, on top of that, the Soviets promulgate new emigration regulations, which will tighten the clamps even more and then add insult to injury by trumpeting these regulations as reform and liberalization.

ENOUGH OF SOVIET DUPLICITY

Enough of this kind of duplicity. Let's call this Soviet maneuver just what it is—a barbaric deception. We're not fooled by it. We're not going to stand for it.

And let us further make clear to the Soviet leadership that we will never be able to carry on truly normal relations, until the Soviets demonstrate—in deed as well as word—their intention to observe internationally recognized human rights standards. Until that time, their deplorable record will continue to poison the air and undermine the prospects for achieving acceptable agreement on the many issues which divide our two countries.

I would like to include in the RECORD a telling statement on this subject recently released by the National Conference on Soviet Jewry and its chairman, Morris B. Abram.

I happened to watch the Larry King Show last night, and there was a Russian representative from the Soviet Embassy here who was talking about their liberalization, about a new era in the Soviet Union. If, in fact, that is the case, and I hope it is, then I think we have had enough of this kind of duplicity. If, in fact, there is a change, if Mr. Gorbachev is changing not only the way he looks at the world but the way the Soviet Union looks at people who would like to leave that country, then I think there is certainly a number of ways they can demonstrate that. There are hundreds of thousands of ways that they could demonstrate that, as I have indicated before.

ANSWER TO SHCHARANSKY'S CALL

Mr. President, in conclusion, I would recall for the Senate the appearance in Washington several weeks ago of Anatoly Shcharansky, who was here to help us observe Human Rights Day. His message on that occasion was simple, straightforward and eloquent: We can't stop pushing until the human rights of the Soviet people—all the Soviet people—are fully restored. We can't stop pushing until every Soviet citizen who wants to is permitted to exercise his right of emigration.

Mr. President, let us demonstrate our determination to keep pushing by passing this resolution, with 100 cosponsors.

So I thank the distinguished majority leader for letting me join with him and I ask unanimous consent that along with my statement a news release from the National Conference on Soviet Jewry be printed in the RECORD along with a statement of the National Conference on Soviet Jewry, an analysis of the decree on emigration issued by the Supreme Soviet on November 6, 1986.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NEW SOVIET REGULATIONS ON EMIGRATION ARE DENOUNCED AS "DECEPTION" BY MORRIS B. ABRAM, CHAIRMAN OF NATIONAL CONFERENCE ON SOVIET JEWRY

NEW YORK, November 25, 1986.—The Soviet Union's newly-issued regulations on emigration were denounced today as "propaganda designed to deceive the West."

Morris B. Abram, chairman of the National Conference on Soviet Jewry and of the Conference of Presidents of Major American Jewish Organizations, told a news conference:

"The decree of the USSR's Council of Ministers, issued November 6, offers little hope for an early rise in emigration from the Soviet Union, now at its lowest level in 15 years.

"The decree ignores Soviet commitments, solemnized in the Universal Declaration of Human Rights and the Helsinki Accords, to permit emigration of its citizens as a matter of right.

"The decree restricts the conventional interpretation of family ties and thus could be used to justify still further cutbacks in the emigration of Soviet Jews to Israel.

"Soviet affairs specialists and Jewish leaders with whom I have consulted join me in the conclusion that the new Soviet regulations, presented by the Kremlin as easing the process of leaving the country, were issued not as the legal basis for increasing emigration but as a restrictive measure crafted as propaganda designed to deceive the West and silence the growing volume of international protests against the cruel policy of the Soviet regime in matters of Jewish emigration, culture and religion," Mr. Abram said.

VIENNA CONFERENCE

Mr. Abram spoke on the eve of his departure for Vienna, where he will serve as a public member of the U.S. delegation to the follow-up conference on the Helsinki Accords. He will participate in discussions on "Basket III" of the agreement, dealing with human rights.

"In Vienna, Mr. Abrams said, "Soviet representatives will have to answer for their country's failure to comply with the human rights provisions of the Helsinki Accords.

"The new decree has been prepared to meet this criticism, but it offers neither hope nor encouragement to the hundreds of thousands of Jews who have expressed their desire to emigrate to Israel," he said.

Mr. Abram told the news conference, "The new decree makes no mention of emigration as a right and thus leaves Soviet authorities with absolute power to reject applications for emigration.

"The new decree spells out no less than nine reasons for denying requests for emigration, especially a catch-all provision that gives Soviet authorities the right to reject applications on grounds of "insuring the protection of social order, health or the morals of the population.

"The new decree is a codification of restrictive Soviet practices gradually put into effect since 1979, and confirms the view of Secretary of State George Shultz who, in assessing the USSR's policy on Jewish emigration last month, stated: 'The situation is bleak and deteriorating.' "

PERFORMANCE NOT PROPAGANDA

Mr. Abram added: "If the Soviet Union wants to demonstrate a new and human face to the world and demonstrate that it lives up to its solemn international commitments, it need only free the Prisoners of Conscience whom it has incarcerated for teaching Hebrew and insisting on the right to be repatriated to Israel; grant visas to the thousands of refuseniks, many of whom have been waiting for 10 years or more to emigrate; and start issuing visas to the hundreds of thousands of Soviet Jews who have initiated the emigration procedure by requesting and receiving invitations from their relatives in Israel.

"We would dearly like to be proven wrong in our assessment of the recent Soviet decree," Mr. Abram said. "Let them stop harassing, intimidating and arresting Jewish activists. And let them let our people go.

"Until that happens, we can only regard the issuance of the Nov. 6 regulations as still another Soviet effort to deceive the West into relaxing its demands.

"Soviet performance is what the Jewish community and the free world are waiting for. We will carefully monitor the implementation of the new regulations, and we will judge the Soviet Union by its results. The campaign for Soviet Jewry, with repatriation to Israel as its primary goal, continues with undiminished strength and determination.

ANALYSIS OF DECREE ON EMIGRATION ISSUED BY THE SUPREME SOVIET—NOVEMBER 6, 1986

1. The new decree, which updates a 1970 statute on entry into the USSR, for the first time recognizes that departures by ordinary citizens is acceptable rather than criminal.

2. Emigration is not a Soviet norm, in contradiction to Western practices. The new decree follows that tradition, and merely creates some possibility for limited numbers of people to leave.

3. The decree, enlisting formal new rules on who may leave, offers little hope for hundreds of thousands, mostly Jews, known to be seeking the right to leave. This includes over 11,000 Jewish refuseniks who have applied and have been refused permission to go to Israel.

4. The decree codifies existing restrictive practices operational since 1980. This practice allowed Jews to leave on the basis of family reunification only, rather than as a fundamental human right. It also restricted the conventional interpretation of family to that of the nuclear family, condemning hundreds of thousands of people from ever applying, much less receiving permission, to leave.

5. The new decree disregards many of the human rights provisions of three international documents, notably the Universal Declaration on Human Rights, the International Covenant on Civil and Political Rights, and the more recent Helsinki Accords, to which the Soviet Union is a signatory. This selective interpretation of international agreements to which the Soviet Union is a signatory casts doubt on the full adherence by the Soviet Union to other international covenants or accords in the future.

6. The codification of existing restrictive emigration procedures has been welcomed by some critics who maintained that practice has been arbitrary and secret. While this effort to legitimize through codification could be progressive, it actually violates the spirit as well as the letter of international laws and practice in regard to the right to leave one's country, to join relatives and friends in other countries as one chooses, and to live where conscience decrees.

7. The public release of the decree masks the reality of Soviet emigration practices at a time when it faces public criticism for human rights violations, at the current Review Conference of the Helsinki Final Act underway in Vienna.

8. The decree continues the Soviet practice of withholding permission from those who have "knowledge of State secrets". While a state may have legitimate security concerns, and limit exit permits to those exposed to military secrets, the decree does

not define the term and has no ceiling on time. This vagueness is consonant with Soviet practice of arbitrarily denying the right to repatriate to Israel to hundreds of families, many of whom have been waiting over fifteen years. Forgotten was Communist Party General Secretary Mikhail Gorbachev's promise in Paris, over a year ago, that such cases would be resolved within five years or, at a maximum, ten years.

9. While the decree deals essentially with procedure in an apparent effort to conform to international standards and law, many loopholes still exist. We can only demand performance. The Soviet Union seeks respectability and to divert reasonable criticism of emigration practices. The issue is whether Moscow will answer the legitimate aspirations and questions of hundreds of thousands of Soviet Jews who seek repatriation to Israel, and reunification with relatives, or are they seeking to arbitrarily limit the number of people who want to leave.

10. The decree restricts the conventional interpretation of family ties, and could be used to justify still further cutbacks in the emigration of Soviet Jews to Israel.

11. The new decree makes no mention of emigration as a right, and continues to leave Soviet authorities with absolute power to reject applications for emigration.

12. The new decree spells out nine reasons for denying requests for emigration, especially a catch-all provision that gives authorities the right to reject applications on grounds of "insuring the protection of social order, health or the morals of the population".

13. The new decree is a codification of restrictive Soviet practices gradually put into effect since 1979, and confirms the view of Secretary of State George Shultz who, in assessing the USSR's policy on Jewish emigration last month stated: "The situation is bleak and deteriorating."

If the Soviet Union wants to demonstrate a new and human face to the world and demonstrate that it lives up to its solemn international commitments, it need only free the Prisoners of Conscience whom it has incarcerated for teaching Hebrew and insisting on the right to be repatriated to Israel; grant visas to the thousands of refuseniks, many of whom have been waiting ten years or more to emigrate; and start issuing visas to the hundreds of thousands of Soviet Jews who have initiated the emigration procedure by requesting and receiving invitations from their relatives in Israel.

CURRENT HUMAN RIGHTS POLICIES OF THE SOVIET UNION

Mr. BYRD. Mr. President, I thank the Republican leader for his excellent statement in support of the concurrent resolution. It has been cleared by both sides in the Foreign Relations Committee and I, therefore, now send it to the desk.

I ask unanimous consent that it be placed on the calendar and that Senators may have the privilege of adding their names as cosponsors throughout the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. We can have it read at a later time.

Mr. DOLE. I thank the majority leader.

I urge my colleagues on both sides to become cosponsors of this concurrent resolution.

Mr. PROXMIRE. Mr. President, if the Senator will yield for that purpose, I ask unanimous consent that I be made a cosponsor of the resolution.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The text of the concurrent resolution follows:

S. CON. RES. 8

Whereas the Soviet Union has been waging a concerted campaign against teachers of Hebrew and other Jewish activists, continues to incarcerate prisoners of conscience, and still denies basic human rights to many of its citizens on religious, political, ethnic, and cultural grounds;

Whereas the Union of Soviet Socialist Republics has recently adopted deceptive emigration regulations which—

(1) do not permit emigration for religious, national or political reasons;

(2) codify the previous pretexts for denying emigration permits even in cases involving the reunification of immediate families; and

(3) substantially limit the number of individuals eligible for emigration; and

Whereas nearly 400,000 Soviet Jews have, at considerable personal risk, indicated their desire to leave the Union of Soviet Socialist Republics for Israel, but during 1986 less than 1,000 Jews have been allowed to emigrate: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby—

(1) strongly protests the continued human rights repression in the Soviet Union, especially the new emigration regulations, despite Soviet attempts to appear to be in compliance with its international human rights obligations while continuing to violate the Final Act of the Conference on Security and Cooperation in Europe (also known as the "Helsinki Final Act") and other international human rights agreements;

(2) declares that the Soviet Union's continued human rights abuses, especially its refusal to permit all those who wish to emigrate to do so, seriously affect the atmosphere for productive negotiations on other aspects of bilateral relations between the United States and the Union of Soviet Socialist Republics and make more difficult the reaching of viable agreements with the Soviet Union;

(3) calls upon the Soviet authorities, as a good faith measure, immediately to release Iosif Begun, Yuli Edelshtein, Iosif Berenshtein, Aleksandr Ogorodnikov, Levko Lukyanenko, Father Alfonsas Svarinskas, Viktor Valter, and Mart Niklus, and immediately to permit Ida Nudel, Vladimir Slepak, Aba Taratuta, Janis Rozhkalns, Serafim Evsyukov, their families, and other "refuseniks" to emigrate; and

(4) dedicates itself as a priority in the One Hundredth Congress to support the restoration of human rights to all Soviet citizens and, especially, the internationally recognized right of all those Soviet Jews and others who have requested exit permits to emigrate.

BICENTENNIAL MINUTE

JANUARY 16, (1837): SENATE REVERSES CENSURE OF PRESIDENT

Mr. DOLE. Mr. President, today marks a notable anniversary in the Senate's history. One hundred and fifty years ago the Senate voted to expunge from its Journal a resolution of censure against the President. Three years earlier, this body administered an unprecedented rebuke to President Andrew Jackson in a resolution declaring that he had "assumed upon himself authority and power not conferred by the Constitution and the laws, but in derogation of both."

This conflict began in 1832 when the Chief Executive vetoed legislation to renew the Bank of the U.S. Federal Charter. Since 1816, this private financial institution had exercised exclusive control over the Government's deposits. Jackson and his Senate supporters, led by Missouri Democrat Thomas Hart Benton, argued that the Bank was unconstitutional, and they also believed that it aided commercial interests in the Northeast at the expense of the rest of the Nation. After Jackson defeated Henry Clay, a strong Bank ally, in the 1832 Presidential election, he withdrew Government funds from the Bank. Subsequently, Jackson refused a Senate request for bank-related documents that he considered privileged. This prompted the Senate's antiadministration majority in 1834 to censure the President.

Senator Benton worked tirelessly over the next 3 years to have this blot removed from Jackson's record. Finally on January 16, 1837, as the ailing President was preparing to leave office, the Democrats, with a new majority in the Senate, achieved Benton's wish. By a vote of 24 to 19, the Senate directed its Secretary to draw heavy black lines around the censure notation in its 1834 Journal. The Democrats thrilled to their great symbolic victory while Henry Clay, dressed in black to mourn the Constitution, concluded: "The Senate is no longer a place for any decent man."

PAUL NITZE'S BIRTHDAY

Mr. DOLE. Mr. President, today is the anniversary of another outstanding American, Paul Nitze. We have all known Paul Nitze either personally or known of his work for many Presidents in both parties.

I am pleased to join my colleagues today in expressing this body's admiration for a dedicated American. Paul Nitze has served his country with distinction during his many years of public service.

He has traveled the globe on behalf of nine Presidents in the quest to find solutions to the ever present danger of the nuclear arms race. It has never been an easy task, but Paul has given much of his life to this high stakes mission.

Mr. President, I ask my colleagues to join me in sending this special 80th birthday greeting to a distinguished American, Paul Henry Nitze.

POW/MIA RESOLUTION

Mr. DOLE. Mr. President, during the 99th Congress, I introduced legislation with the intention of raising the American consciousness on the issue of our servicemen who are unaccounted for, and still missing, from Southeast Asia. I pledged that we would never forget the sacrifices of those brave soldiers, and I further assured their families that we would never rest until a satisfactory accounting of all our POW's and MIA's had been made. Today, in recognition of the courage and dedication of these special families, I would like to reintroduce legislation to display the "National League of Families" POW/MIA flag in the Capitol rotunda.

Mr. President, the display of this flag is the least we can do for our servicemen and their families.

Mr. President, I send the concurrent resolution to the desk and ask for its appropriate referral.

The PRESIDING OFFICER (Mr. WIRTH). The concurrent resolution will be appropriately referred.

The concurrent resolution (S. Con. Res. 9) reads as follows:

S. CON. RES. 9

Whereas America can never forget the sacrifices of our brave servicemen who are still missing in action, nor the heroic suffering of our prisoners of war;

Whereas the families of these Americans, having suffered greatly themselves, have joined together as the National League of Families to further the awareness of POW/MIA issues;

Whereas the official National League of Families POW/MIA flag symbolizes the nationwide recognition that is justly deserved by the missing and unaccounted for servicemen of all armed conflicts; and

Whereas the POW/MIA flag is an effective means of further raising public consciousness on this key American issue:

Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the National League of Families POW/MIA flag may be displayed in the Capitol Rotunda until a satisfactory accounting of all Vietnam POW/MIA's has taken place. The POW/MIA flag so displayed shall be in such size and at such place as the Architect of the Capitol, the Speaker and the Minority Leader of the United States House of Representatives, and the Majority and Minority Leaders of the United States Senate shall designate.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

TIME FOR CONGRESS TO ACT ON BANK REGULATION

Mr. PROXMIRE. Mr. President, on December 29, 1986, the Wall Street Journal in a front page story reported that the Comptroller of the Currency, the FDIC, and the Fed are all permitting the Nation's commercial banks to enter underwriting, real estate, and insurance in ways that clearly violate both the spirit and the letter of the Nation's basic banking laws. Why? Because the banks argue that they have lost more and more of the market for business loans. At the end of 1984 Federal Reserve data indicates that the Nation's banks had only about one-fourth of the country's commercial credit market. The other three-fourths say the banks, is being financed by insurance companies, mutual funds, securities firms, and others. At the end of 1984, commercial banks had barely more than half of the deposits and money market holdings of household businesses and governments, compared with 64 percent at the end of 1974—10 years. Five of the six biggest banks in the world are Japanese.

So what are the regulators doing about it? Well, get this—from the Wall Street Journal, "the comptroller's office is actively working with banks for new dodges of the old slate of banking laws. The Comptroller has even put together a unit to concoct new organizational structures for banks." Think about that one for a minute. What does it mean? It means the bank regulators are devoting this regulatory zeal—not to enforcing the law, but to actively work with the banks for "new dodges." This is outrageous.

Richard Fitzgerald, the Comptroller of the Currency's Counsel, is reported as saying, "We work with banks all the time to find a way to get an interpretation that gives them—the banks—more freedom." Now how about that? As if the banks cannot hire their own slick lawyers and smart accountants, the regulator of all 5,000 federally chartered banks reports that that office, set up to enforce the law and regulate banking under the law, is devoting its time and resources to helping the banks go under, over and inside the law. Here is a classic shocking conflict of interest, if ever there was one. What is the Comptroller's job? Isn't it to enforce the spirit as well as the letter of the law? Has the Comptroller been given the authority to regulate the federally chartered banks in order to enable them to evade the law? This is akin to a police department that ignores a city's traffic laws and devotes itself to instructing the public on how to evade the laws—how to sneak through red-traffic lights, how to evade the 55 mile per hour speed limit and zoom up to speeds of 70 and 75 miles per hour without getting caught.

Now it may well be that the Glass-Steagall Act and the Bank Holding Company Act should be revised. If so, let the Comptroller and the Fed and the FDIC come before the Senate and House Banking Committees and tell us exactly how they think we should revise the law. The committees will listen carefully. They will also hear the views of the regulators. It may well be that after 50 years we need to revise these banking laws. Maybe they should be repealed. The Congress will be given every opportunity to do this. But meanwhile these laws are the law of the land. Banks should obey them. And certainly the bank regulators should enforce them. Should banks underwrite securities? Should banks deal in real estate? Should banks sell insurance?

These issues are not complicated. The law on the books at this time denies banks the right to exercise each of these powers. This Senator believes we should modify the law in some respects. Such modification can and should stay within the spirit of the Glass-Steagall and Holding Company Acts. But we can modify both statutes to preserve the safety and soundness of our commercial banks and prevent unfair conflict of interest. At the same time we can also provide a chance for banks to compete in some specific, limited cases of securites underwriting, insurance, and other closely related to banking.

But this should not be determined by a conspiracy between the banks that, of course, want all the powers they can get and their regulators who are falling all over themselves to accommodate them. The Constitution gives the Congress the authority to regulate interstate commerce. The Congress has exercised that authority in basic legislation that has endured for many years. Whether and how the laws should be changed is strictly the prerogative of the Congress. It is certainly not the prerogative of the regulated industry or those charged by the Congress with regulating the industry. As the Wall Street Journal so well documents, the regulators have established themselves as supine handmaidens of the banks they are supposed to regulate. It is true that Congress has not acted for many years. It is true that the needs of the capital markets and the nature of our financial institutions have changed during that period. Now it's time for the Congress to act. It is also time for the regulators to regulate in strict accordance with the law.

I ask unanimous consent that the article to which I refer from the December 29 issue of the Wall Street Journal be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Dec. 29, 1986]

U.S. REGULATORS MOVE TO LET BANKS ENTER SEVERAL NEW BUSINESSES

(By Monica Langley)

WASHINGTON.—A few months ago over lunch, Federal Reserve Board Chairman Paul Volcker and Treasury Undersecretary George Gould discussed threats by several major U.S. banks to avoid federal regulation by dropping their bank charters.

"We asked ourselves, 'What if the 10 biggest banks left the system—what would happen?'" says Mr. Gould. "We had a spirited conversation, and it became clear that we didn't want to preserve regulations while losing the regulated."

The big U.S. banks, facing overseas competition and the loss of their best corporate borrowers to alternative financing methods, want badly to expand into long-prohibited fields such as securities underwriting, real estate and insurance. The prospect that such giants as Chase Manhattan, Citicorp or Bankers Trust might give up their banking charters in order to branch out has gotten regulators' attention. "These threats have the potential to re-create the financial system of the 1920s, and the regulators would lose control," says Karen Shaw, a Washington financial consultant. "The regulators are scared to death."

NEW LINES

Thus, though banks' rivals claim the threats are a bluff, the regulators are moving rapidly to open the way for banks to enter a host of new businesses. Most notable are recent decisions by the Federal Reserve to permit Bankers Trust New York Corp.'s banking and commercial-lending units to find buyers for corporations' shortterm notes. The Fed also has decided to hold a rare public hearing on some banks' bid for authority to underwrite (rather than merely place) such commercial paper, as well as to underwrite mortgage-backed securities, municipal revenue bonds and consumer-related receivables.

Another branch of the bank regulatory apparatus, the comptroller of the currency, probably will issue a new legal interpretation permitting banks to underwrite municipal bonds. And the Federal Deposit Insurance Corp., which also is involved, is preparing to let banks invest in real estate and to ease a proposed rule on sharing facilities with insurance companies.

In trying to keep the big banks happy, the regulators are acting informally, as well, Mr. Volcker "is on the cocktail circuit" reminding bankers that as a young economist he advocated letting banks underwrite revenue bonds, says Richard deCair, the director of a trade group called the Dealer Bank Association. Comptroller Robert Clarke recently commiserated over breakfast with executives of some big banks about their flat profits. And FDIC Chairman William Seidman has agreed to "explore" a long wish list given him by Charles Sanford Jr., the president of Bankers Trust.

OLD LAWS

The new activity contrasts with the regulators' previous stand that banks should look to Congress for wider authority. The restrictions derive from federal statutes like the Bank Holding Company Act and, in particular, the 1933 Glass-Steagall Act, which split commercial banking from securities underwriting. But even though the banking laws are widely considered out of date now, Congress hasn't been able to agree on comprehensive changes, partly because of lobbying by securities and insurance interests seeking to protect their turf.

"The longer Congress doesn't act," concedes William Proxmire, soon to be the Senate Banking Committee chairman, "the more pressure on regulators . . . to help the big banks."

The banks contend that what is at stake is whether they can remain profitable when they are being challenged by nonbank rivals in this country and by foreign banks that aren't bound by the same regulations. Since 1975, says the American Bankers Association, U.S. banks "have experienced a decline in market share of financial assets held by financial institutions, while insurance companies, mutual funds, securities firms and others have made significant gains." Fed data show that at the end of 1984, commercial banks had barely more than half of the deposits and money-market holdings of households, businesses and governments, compared with 64% at the end of 1974.

JAPANESE THREAT

The competition comes at a time when some big banks are weakened by sour foreign, real-estate, farm or energy loans. The ABA is predicting flat or slightly lower bank earnings next year.

One major threat comes from Japan, whose banks don't face the same strict rules on maintaining capital reserves and, in addition, can raise money more cheaply because of low rates on deposits. Five of the world's 10 biggest banks (in assets) now are Japanese, a recent Salomon Brothers study shows, and this year Dai-Ichi Kangyo overtook Citicorp as the largest of all.

Commercial banks accounted for only about one-quarter of the total credit market at the end of 1984, Fed data show. One problem is that large corporations that once were their best borrowers now often bypass them by raising money in overseas markets or issuing commercial paper. Some big banks, notably Bankers Trust Co., have compensated by becoming commercial-paper sales agents. The Fed now has decided that this activity doesn't violate the ban on commercial-bank underwriting because the bank doesn't make a public offering of the paper. Last week a federal appeals court also accepted this reasoning.

But not surprisingly, banks' competitors strongly oppose it. The Securities Industry Association is expected to appeal the court ruling. The big banks' threat to give up their charters rather than face continued restrictions is just "a scare tactic," says Thomas Quinn, a Washington lawyer who represents the association. He adds: "The banks are waving a red flag because they have failed by legitimate means to get the new lines of business they want."

The banks aren't talking of switching from federal to state charters but of operating without a bank charter at all. Doing so would get them out from under federal banking laws, but it would force them to choose between making commercial loans and accepting demand deposits.

Moreover, it is doubtful they could go quietly. "Any major bank would face problems of tremendous magnitude to try to leave the system." says John D. Hawke Jr., a Washington lawyer and a former Fed general counsel. "If any major banks tried to do this, it would precipitate legislation that would stall their plans for years."

The regulators nevertheless worry that losing the stability of major, diversified banks could undercut the safety and soundness of a resulting smaller federal banking system. "It does make us edgy," concedes Richard Fitzgerald, the comptroller's general counsel. "I rarely have a conversation now where this whole issue of the big banks evaluating their options doesn't come up."

MANY APPLICATIONS

The comptroller's office, which regulates all of the nation's 5,000 federally chartered banks, is actively working with banks for new dodges of the old slate of banking laws. "We welcome creative proposals," Mr. Fitzgerald says. "We work with banks all the time to find a way to get an interpretation that gives them more freedom." The office recently put together a unit to concoct new organizational structures for banks.

The Fed, which regulates bank holding companies and some state-chartered banks, is almost certain to grant broad new securities-underwriting authority for banks—stopping just short of the full-blown underwriting barred by the Glass-Steagall Act. For two years it has had applications for such powers from some of the nation's biggest banks. Also before it is an application by J.P. Morgan & Co. to offer customers an investment advisory service; this would go beyond a service for sophisticated investors that the Fed recently permitted. And Security Pacific National Bank has asked for authority to set up an options exchange.

Fed watchers predict that the central bank will grant most of the applications, perhaps with some limitations. "We're seeing a shift in the Fed's attitude," says Anthony Cluff, the executive director of Reserve City Bankers, a Washington trade group. "Lately I've seen Volcker shift to be more and more accommodating whenever it becomes obvious that the frustration level of the banks goes up a notch." Last week the Fed, and Mr. Volcker in a separate statement, publicly urged Congress to revise the statute banning underwriting by commercial banks.

The FDIC, meantime, plans to ease a proposed regulation requiring separate names and buildings for banks' securities subsidiaries. And the agency is likely to let banks invest directly in real estate. The Fed recently proposed allowing bank holding companies to do so in a limited way.

The regulators are making room for banks to get into insurance as well. The Fed had twice denied them authority to underwrite first-mortgage life insurance, but recently gave the go-ahead. It also has written rules letting banks sell general insurance in small towns. The comptroller of the currency has gone even further recently by ruling that banks can sell insurance anywhere in the U.S. from small branch offices. Insurance underwriters have sued to stop the ruling.

A BANKER FOR THE FED?

Besides entering new businesses, big banks want to reduce their expenses, which they contend are higher because of compliance with all the regulations. In response, the comptroller has just issued a new fee schedule and even eliminated some application fees.

With Japanese banks coming on strong, major American banks are asking their regulators to help in the international arena as well. The regulators are responding. FDIC Chairman Seidman, Comptroller Clarke and Fed Vice Chairman Manuel Johnson recently traveled to Europe to meet with their international counterparts to urge them, particularly the Japanese, to reduce differences in banks' regulations. "Especially on how much capital a bank must keep on hand, our banks have much stricter rules, which can affect international market share," Mr. Seidman says.

Even the White House is taking note of the big banks' demands. It might nominate a banker for one of the two open seats on the Federal Reserve Board. "The White House is looking for a governor with banking experience because it now sees a need to focus on the realities and operations of the banking system," says Margery Waxman, a Washington lawyer and former Treasury deputy general counsel.

Though the regulators insist they won't become cheerleaders for the banks, officials admit a sensitivity to their concerns. As lobbyists gathered in the Fed's opulent board room recently to hear it announce approval of certain new banking activities, Michael Bradfield, the Fed's general counsel, equipped to one lobbyist for big banks, "Well, are you happy now?"

PROGRESS ON CAMPAIGN FINANCE REFORM

Mr. PROXMIRE. Mr. President, the majority leader made my day earlier this week when he announced that he expected action on campaign finance reform before the summer. Good news is always welcome and that was good news, indeed.

The case for reform is compelling. Look at the huge sums of money that are solicited and spent on Senate campaigns. They start earlier, last longer, and cost more. The Federal Election Commission has yet to complete its final tally of the cost of the 1986 Senate election, but it will clearly set another dubious record.

This money is used more and more to buy television time and to produce commercials to fill it. The television "spot" has replaced shoe leather as the lifeblood of political campaigns. Good advertising is substituting for good campaigning.

What is wrong with this trend? Many observers of the last election remarked that it was noticeably nasty. When asked to cite examples, they almost always pointed to this or that commercial. These spots all too often turn nasty. A major public policy issue—what to do about the deficit as an example—cannot be encapsulated into a 30-second TV commercial. But that period of time will suffice to ridicule some aspect of an opponent's record. That such spots are misleading is besides the point. They grab the voters' attention, and insinuate doubts about the opponent.

Ultimately, this style of campaigning comes back to haunt the winner and the country. Legislation is drafted, brought to the floor, and voted on all with a wary eye on its potential to become grist for a negative 30-second campaign commercial. We pass fewer bills, but those we do pass are larger, catch-all bills. Such legislation cannot be easily characterized. In obfuscation lies safety.

Raising the money to pay for these commercials takes time. That, in turn, means that the Senate has less time to conduct the people's business. This Senator remembers that last year the majority leader remarked several times that the Senate was ending its business early so that Members could attend to fund raising. This took place even though the Senate had not finished its fundamental business—appropriating money to keep the Government in business.

These trends make me wonder whether the tail is wagging the dog. Are we at the stage where campaigning is more important than governing? Perhaps not, but we are sure heading in that direction.

Mr. President, for the last two Congresses, I have offered a comprehensive campaign finance reform bill. But this year I am not going to offer a bill of my own. Instead, I am going to cosponsor the bill offered by Mr. Boren and the majority leader. That bill contains the fundamentals of reform which promise to work.

What are those fundamentals? First, it limits the amount of money which could be spent on a Senate campaign. Second, in order to make this limit constitutional, it provides for a form of public financing. And third, it limits the influence of the special interests by limiting the role of political action committees.

As the majority leader and Mr. Boren pointed out when they introduced this bill, a number of details are still to be worked out. A number of Members may want to offer amendments dealing with those details. But in this Senator's opinion, the fundamentals in this bill are dead solid perfect. I hope it passes overwhelmingly.

CONGRATULATING SENATOR WIRTH

Mr. PROXMIRE. Mr. President, I congratulate the Presiding Officer. This may be his first experience presiding over the U.S. Senate. Yesterday, two Senators debated the Super Bowl Broncos and Giants. I am delighted to see that our Presiding Officer is representing the team that is probably going to be the Super Bowl winners for 1987.

ROUTINE MORNING BUSINESS

The **PRESIDING OFFICER.** Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond 1 hour with Senators permitted to speak therein for not to exceed 5 minutes.

Mr. HEFLIN addressed the Chair.

The **PRESIDING OFFICER.** The Chair recognizes the Senator from Alabama.

A DISTINGUISHED PUBLIC SERVANT RETIRES

Mr. BYRD. Mr. President, among our national parks and historic restorations, Harpers Ferry, WV, is a gem. Annually, thousands trek to that site of John Brown's raid to view a community where the clock and calendar have turned backward to recapture things as they might have been during the prelude clash to the "war between the States."

But Harpers Ferry, WV, is more than an extended museum. Nearly 500 citizens reside in Harpers Ferry. As in any community, Harpers Ferry has its own complexity of problems and civic demands.

For nearly two decades, the mayor of Harpers Ferry has been the Honorable Bradley D. Nash. Having served in both the Hoover and Eisenhower administrations, Mayor Nash has offered his neighbors conscientious and experienced leadership.

Now 86 years old, Mayor Nash is retiring from office. On behalf of his fellow West Virginians and fellow Americans, I thank Mayor Nash for the service that he has rendered to all of us as the leading elected official of one of our country's most significant historical towns, and I wish him well as he enters a deserved retirement.

In recognition of that retirement, The Charleston (WV) Gazette, ran a thoughtful tribute in its editorial columns this week. I ask unanimous consent that that editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Good Man Packs It In

Other West Virginia mayors may have been in office as long as has Bradley D. Nash of Harpers Ferry—nearly two decades—but none has served his community any more conscientiously than has this 86-year-old Harvard University graduate. With the New Year Nash resigned his office.

Would that all public servants in our miserably governed state had been as diligent in attending to the public's business. Were this so, governmentally speaking West Virginia wouldn't be the country's armpit.

If President Ronald Reagan had read Nash's "Organization and Staffing of the Presidency"—a paper written in 1952 that warned American chiefs of state to watch their subordinates—Reagan might not be reaping the whirlwind of an illegal and incredibly idiotic Iranian arms sale.

The essay was reprinted in 1980. Ironically, one reviewer whose favorable notice was quoted on the back cover urged Reagan and his transition team to read Nash's advice and take heed.

A staunch Republican, Nash served in the administrations of Presidents Herbert Hoover and Dwight D. Eisenhower. Since

1950 he has off and on in one capacity and another served Harpers Ferry, a small, fewer than 500 residents, historical town.

Recently Nash told Tim Rowland, reporter for *the Morning Herald* of Hagerstown, Md.: "I suppose that's one thing about being the mayor of a small town. Unlike the current president, you generally know about something when it happens. Sometimes before."

What has set Nash apart from too many mayors is his strong opinions, dedicated service and old-fashioned conviction that a public office is a public trust.

S. 318—SENATE CONFIRMATION ACT OF 1987

Mr. BYRD. Mr. President, I am introducing legislation today to breathe new life and meaning into the advice and consent clause of the U.S. Constitution as it relates to Presidential appointments. The legislation is entitled the "Senate Confirmation Act of 1987." This is one of a series of bills I will be introducing this year designed to increase the accountability of the Government and to increase the faith and trust of the American people in our Government.

Article II, section 2 of the Constitution provides that a President "shall nominate, and by and with the advice and consent of the Senate, shall appoint" certain officers of the United States. This provision reflects a compromise between those framers of the Constitution who wanted the appointment power to reside exclusively in the executive, and those who argued that the appointments should only be made by the Senate. The compromise which was finally arrived at, and which I have just read, prompted Alexander Hamilton to remark (Federalist No. 76):

> It is not easy to conceive a plan better calculated than this to promote a judicious choice of men for filing the offices of the Union.

Alexander Hamilton was most deliberate in his choice of words. I note that he said only that the plan was "calculated" to achieve the result he described. The success of that endeavor has always depended and will always depend upon the care and seriousness with which the Members of this body choose to exercise our responsibility under the Constitution.

Over the years, under Presidents of both political parties, we have learned one very important lesson. Our advice and the granting or withholding of our consent are only good as the information that we have available to us.

We have witnessed situations in which nominees have been confirmed by the Senate but later had to resign from office when information, that was previously undisclosed, provided the basis for subsequent investigation. In some instances the new investigation even resulted in criminal charges being brought. And, as it turned out, some of the information which became the focus of the investigations should have been known to the executive branch and communicated to the Senate at the time the original confirmation hearings were held. In those cases, it may not be fairly said that the Senate's original judgment with respect to confirmation was always an informed judgment.

It is the purpose of the first part of my proposed legislation to ensure that the Senate may always have the full information which is available, with respect to a nominee's background and qualifications, so as to ensure a full and adequate Senate inquiry and hearing concerning a nominee's fitness to hold the high office for which he has been nominated. The legislation which I am introducing would require that any and all information developed by the Federal Bureau of Investigation, which is in the hands of the White House, must be made available to the Senate committee which has jurisdiction and which is handling the nomination of any high-level nominee being considered in that particular instance.

I recognize that even with that requirement, there still might be a situation where new information comes to light after an individual has been confirmed which was not known, even to the FBI, at the time of the original confirmation hearing. Sometimes that might happen as the result of shortcomings in the original background investigation which was conducted. On other occasions, it might involve information about something questionable which was done by a high-level official after he was confirmed. Whichever is the case, that kind of information might bear upon an individual's fitness and qualifications to hold high office. For that reason, I am also including a "fail-safe" provision in my bill. This provision would require that whenever any President is reelected to a second term, the top 20 officials of his administration would have to be reconfirmed by the Senate if the relected President wanted them to serve in the same positions during his second term. In that way, at a second confirmation hearing, the Senate would be able to take into account any new information which came to light subsequent to the original confirmation.

It seems to me that this is nothing but fair. After all, a President who is elected for a second term has to go before the bar of judgment, before the American people. They pass judgment as to his election for a second term. They look at his record for his first term, and make their judgment based on that record. I do not think it is asking too much for his Department heads and various agency heads to be likewise subjected to scrutiny for the second time. As I say, if, in the judgment of a President, he wishes to have those same individuals continue to serve in his second administration, they likewise should be subjected to review based on their record of performance. It seems to me that it is a protection to the American people that is owed them.

There is also another important reason for the reconfirmation provision. When the American people vote to reelect a President, they do so for any number of reasons—far more reasons, I am sure, than any pollster has yet been able to figure out. But such a reelection, while reflecting a majority's desire to have an incumbent President continue to serve as our Nation's leader, does not necessarily mean that everyone who voted for a President's reelection wants the same individual to serve as say, Attorney General, or CIA Director, or in any other particular office for that matter, for those 4 additional years. Therefore, the peoples' will should be reflected by a vote of the Senate on such reconfirmation.

Mr. President, the framers of the Constitution established a shared responsibility for appointments to high office. Hamilton said, in Federalist No. 77:

> If an ill appointment should be made, the executive, for nominating, and the Senate, for approving, would participate, though in different degrees, in the opprobrium and disgrace.

Mr. President, that participation must be active, it must be meaningful, and it must be informed. I believe that enactment of my legislation would go a long way toward accomplishing that end. I hope for the expeditious processing and the ultimate adoption by the Senate of the legislation which I introduce.

I ask unanimous consent that a list of the Department and agency heads affected by the bill, along with the text of the legislation, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LIST OF COVERED OFFICIALS

THE CABINET

The Secretary of Agriculture.
The Secretary of Commerce.
The Secretary of Defense.
The Secretary of Education.
The Secretary of Energy.
The Secretary of Health and Human Services.
The Secretary of Housing and Urban Development.
The Secretary of the Interior.
The Attorney General.
The Secretary of Labor.
The Secretary of State.
The Secretary of Transportation.
The Secretary of the Treasury.
Secretary of the Air Force.
Secretary of the Army.
Secretary of the Navy.
Director of the Office of Management and Budget.
Director of Central Intelligence.

Director of the Arms Control and Disarmament Agency.

U.S. Trade Representative.

S. 318

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Senate Confirmation Act of 1987".

SEC. 2. (a) Notwithstanding any other provision of law, except as provided in subsection (c), the Federal Bureau of Investigation shall conduct a background investigation with respect to the fitness and qualifications of all persons nominated to be officers of the United States who are required to be appointed by the President by and with the advice and consent of the Senate.

(b) All information obtained in the course of an investigation made pursuant to subsection (a) which is transmitted or communicated to the President or his designee, or to the President-elect or his designee, shall be transmitted to the Senate, or appropriate committee thereof, with respect to—

(1) any person nominated to an office listed in section 5312 or section 5313 of title 5, United States Code;

(2) any person nominated to be Chief Justice, associate justice, circuit judge, or district judge; and

(3) any other person nominated to be an officer of the United States who is required to be appointed by the President by and with the advice and consent of the Senate, upon request by the Senate or appropriate committee thereof.

(c) Subsection (a) shall not apply to any person nominated to be an ambassador, or an officer in the military or foreign service.

SEC. 3. No person who—

(1) is an appointee to a position listed in section 5312 of title 5, United States Code, or to the position of Secretary of the Air Force, Secretary of the Army, Secretary of the Navy, Director of the Office of Management and Budget, Director of Central Intelligence, or Director of the Arms Control and Disarmament Agency; and

(2) has served in such position for the last year of a Presidential term,

may serve in the same position during the next succeeding Presidential term unless and until such person is reappointed to such position by the President, by and with the advice and consent of the Senate.

Mr. BYRD. Mr. President, I ask for its appropriate referral.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, I hope that other Senators who may have statements to be made in routine morning business—the time has almost expired under the order—will let us know so that both leaders may provide for additional time. If Senators have bills and resolutions which they wish to introduce during morning business, if they could let our respective Cloakrooms—or coat rooms, may I say, as they have been referred to in the not-too-distant past—know, the two leaders will act accordingly.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that the period for the transaction of routine morning business be extended for an additional 10 minutes under the same conditions as were heretofore ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, while awaiting the arrival of other Senators who may wish to speak briefly, I ask unanimous consent that I may speak in excess of 5 minutes if necessary.

The PRESIDING OFFICER. Without objection, it is so ordered.

WELCOME TO THE "CLASS OF 1986"

Mr. BYRD. Mr. President, as the majority leader, it is a pleasure and a privilege for me to welcome our new colleagues—the "Class of 1986."

I congratulate these new U.S. Senators upon their election victories. I already have had the pleasure of working with them, and I look forward to continuing to do so.

The "Class of 1986" is a remarkable collection of talent, knowledge, and background. As I look upon them, as I have looked upon so many previous classes, I am reminded of the words of Alexis de Tocqueville, that famous Frenchman who visited the American shores a century and a half ago. Writing about the U.S. Senate in the 1830's, the famous French traveler and observer of the American scene noted:

> Scarcely an individual is to be seen in it [the Senate] who has not had an active and illustrious career: The Senate is composed of eloquent advocates, distinguished generals, wise magistrates, and statesmen of note, whose arguments would do honor to the most remarkable parliamentary debates of Europe.

What active and illustrious careers our new colleagues have had.

From Alabama, we welcome Senator RICHARD SHELBY. He is an attorney and a small businessman who served in the State Senate of Alabama. More recently, he served four terms in the U.S. House of Representatives where he was on the Energy and Commerce Committee and was chairman of the Housing and Memorial Affairs Subcommittee of the House Veterans' Affairs Committee.

From Colorado, we welcome Senator TIMOTHY WIRTH. With a doctorate degree in education, this former White House fellow has been a small businessman and a special assistant to the Secretary of the Department of Health, Education, and Welfare. He was a member of the U.S. House of Representatives where he served on the Budget Committee and the Science and Technology Committee and was chairman of the Telecommunications, Consumer Protection and Finance Subcommittee of the House Energy and Commerce Committee.

From Florida, we welcome Senator BOB GRAHAM. A graduate of Harvard Law School, he is a cattle and dairy farmer and has been the vice president of Graham Co. and chairman of the board of Sangra Development Corp. He has served in the Florida House of Representatives and the Florida State Senate and was the Governor of his State for two terms.

From Georgia, we welcome Senator WYCHE FOWLER, Jr. He is a veteran of the U.S. Army and an attorney who served on the Atlanta Board of Aldermen and was president of the Atlanta City Council. As a member of the U.S. House of Representatives since 1977, he chaired a subcommittee of the House Intelligence Committee and served on the House Ways and Means Committee. I understand that he was a teenage country singer. We also have a fiddle player in this Chamber of some sorts, and so we might have the makings of a country music band.

From Louisiana, we welcome Senator JOHN BREAUX. He, too, is an attorney, and when he was elected to the House of Representatives in 1972, at the age of 28, he was the youngest member of that body. He served seven terms as a Congressman and served on the House Public Works and Transportation Committee and chaired the fish and wildlife panel of the House Merchant Marine and Fisheries Committee. He also served on the Democratic Steering and Policy Committee.

From Maryland, we welcome Senator BARBARA MIKULSKI, first female Democrat to ever have been elected to both the House of Representatives and the Senate. A former social worker, she served in the U.S. House of Representatives for five terms, where she was on the House Energy and Commerce Committee and chaired the Oceanographic Subcommittee of the House Merchant Marine and Fisheries Committee.

From Nevada, we welcome Senator HARRY REID. He is a lawyer who has served in the Nevada State Assembly and was the Lieutenant Governor of that State. He was in the U.S. House of Representatives for two terms where he served on the House Foreign Affairs and Science and Technology Committees and on the Select Committee on Aging.

From North Carolina, we welcome Senator TERRY SANFORD. He was an Army officer who saw action in five campaigns during World War II and was in the Battle of the Bulge. Now an attorney, he has been a special agent for the FBI, a member of the North Carolina State Senate, the Governor of North Carolina, a candidate for the

Democratic nomination for President, and he has served as president of Duke University.

From North Dakota, we welcome Senator KENT CONRAD. He was the tax commissioner of his State and has served as chairman of the multi-State tax commission and as president of the Midwestern States Tax Association.

From South Dakota, we welcome Senator TOM DASCHLE. A former Air Force officer and aide to Senator James Abourezk, he was his State's only Member in the U.S. House of Representatives. In the House, he served on the Agriculture, Post Office and Civil Service, and Veterans' Affairs Committees, and on the Select Committee on Hunger.

From the State of Washington, we welcome Senator BROCK ADAMS. An economist and a graduate of Harvard Law School, he was appointed U.S attorney for the Western District of Washington by President Kennedy. He served in the U.S. House of Representatives for 12 years, was chairman of the House Budget Committee, and served on the Interstate and Foreign Commerce Committee where he became an expert on transportation matters. Consequently, no one was surprised when President Jimmy Carter named him to be his Secretary of Transportation.

I am especially pleased to welcome these 11 new Democratic Senators; their election victories and their presence here today enables the Democratic Party to regain control of this body at a critical time in our Nation's history.

I also wish to welcome the new Members on the other side of the aisle and extend to them my sincere congratulations and greetings.

From Arizona, we welcome Senator JOHN MCCAIN. A graduate of the U.S. Naval Academy and the War College, he is a career Navy officer who survived 6 years as a prisoner of war in North Vietnam. He most recently served in the U.S. House of Representatives for two terms.

From Missouri, we welcome Senator CHRISTOPHER "KIT" BOND. He is a lawyer who served as Assistant Attorney General under then-Attorney General, now our esteemed colleague, Senator DANFORTH, and as State auditor for the State of Missouri. He was elected Governor of Missouri at the age of 33, becoming the youngest chief executive in the history of that State.

What a wealth of talent and experience we gain with the "class of 1986." Collectively, we gain:

Nine former Members of the House of Representatives, 2 former Governors, a former Lieutenant Governor; a State tax commissioner; 8 lawyers; 3 military officers, 3 businessmen, an economist, a doctor of education, a university president; a Presidential cabinet member; a social worker, an FBI special agent, and a country singer.

I certainly look forward to working with these Senators as we tackle the Nation's problems and strive to create a better future for our children.

I have now served in this Chamber for 28 years, and have served as the Senate Democratic leader for 10 years. During this time, it has never ceased to fascinate me how 100 people of diverse backgrounds and viewpoints can come together for the good of the Nation. While upholding our individual, social, and political philosophies, and while representing the best interests of our individual States, I have consistently been impressed with how often and how well 100 Senators come together in the best interests of the Nation—how well they can and do work together for the common good and to make this a more perfect union.

I am confident that this Chamber, this Nation, and their individual States will benefit by the presence of these new members. I look forward to learning from them. And I expect and hope that they, too, will find the Senate to be a learning experience as well as a place in which they can make a contribution to our Nation and the world.

In August 1898, in an article in North American Review, Senator W.A. Peffer explained:

> The Senate is a school. The world's history is its text book. The record of a single day's proceedings frequently shows a range of work as wide as christendom. No man well made up can be there long, if he will but listen, without himself becoming wiser and better. His opportunities for usefulness multiply as the new days come to him; his intellectual horizon expands, his view broadens and he grows stronger.

As our new colleagues join the rest of us in governing the nation, and in meeting the challenges of today and tomorrow, and building a future for the generations of Americans to come, their input will be vitally needed and their contributions will be extremely important.

Mr. President, I also take occasion to note with pride that my colleague from West Virginia, Mr. ROCKEFELLER, is presiding over this august body at this moment. He, too, is a relative newcomer in this body, having been elected in 1984 to serve West Virginia in the U.S. Senate. He, too, is a former college president, a former Governor, a former member of a State legislature, and a former secretary of state. He comes to the Senate well equipped, and today is his first stint, I believe, at presiding over the Senate. He presides with a degree of skill and professionalism and poise that is so "rare as a day in June."

I thank the Chair. I applaud all these new Senators as they have come to this body to serve; and especially does the future augur bright for them as we stand here today, in the 200th year of the life of the Constitution of the United States, the greatest document of its kind that was ever written.

I commend all these new Members on both sides of the aisle, of both political parties, and I look forward to working with them to lead this great Nation forward in the days and months ahead.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER (Mr. ROCKEFELLER). The Senator from Maine.

Mr. MITCHELL. Mr. President, this may be a spectacular act of ill timing; but, with the distinguished majority leader seated to my side and the distinguished junior Senator from West Virginia seated in the chair, I am about to introduce acid rain control legislation.

Mr. BYRD. Mr. President, will the distinguished Senator from Maine yield?

Mr. MITCHELL. I certainly yield.

Mr. BYRD. Mr. President, under the rules, I could object to the Senator's introduction of the bill today. I wish to make this point very clear for the RECORD, so that my friend will understand that I indeed am his friend.

Should I object to the bill's introduction today, the distinguished Senator would not be able to introduce his bill or joint resolution until the next "legislative" day; and, being the majority leader, it is within my small realm of influence to delay the occurrence of another "legislative" day for weeks or even months. History will show that upon a few occasions a single legislative day has extended over a period of several months.

So, if it were in my body and soul to have a slight twist of meanness, I might very well prolong that second legislative day until the end of this year, until the Senate has adjourned sine die, and the Senator would not have an opportunity to introduce his bill this year.

But I recognize his reasons and the fact that he is trying to serve his State and his country sincerely and with good conscience and in a conscientious manner.

Therefore, Mr. President, I will not object to his introducing the bill today. I do so reluctantly but, nevertheless, I think that, in fairness, I should not make an objection.

Mr. MITCHELL. I am grateful to the distinguished majority leader. Let us hope that this is the first step toward ultimate resolution of this issue, which is important for all concerned and represents some differences in regional outlook.

(The remarks of Mr. MITCHELL relating to the introduction of legislation are printed in today's RECORD under

Statements on Bills and Joint Resolutions.)

EXTENSION OF ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, at the request of the majority leader, I ask unanimous consent that the period for the transaction of routine morning business be extended for 20 minutes under the same conditions as have been heretofore ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CONTRIBUTION BY AMBASSADOR PAUL HENRY NITZE TO THE SECURITY OF THE UNITED STATES ON THE OCCASION OF HIS 80TH BIRTHDAY

Mr. STEVENS. Mr. President, this matter has been cleared with the majority leader and with the minority leader.

I send a resolution to the desk on behalf of Mr. BYRD, Mr. DOLE, Mr. NUNN, Mr. LUGAR, Mr. WARNER, Mr. PELL, and myself and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

A resolution (S. Res. 62), to recognize the contribution that Ambassador Paul Henry Nitze has made to the security of the United States on the occasion of his 80th birthday.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. STEVENS. Mr. President, we seek to honor Ambassador Paul Nitze on the occasion of his 80th birthday.

Ambassador Nitze has been the linchpin of our national arms control policy for as many years as I can remember.

Paul Nitze has contributed to our Nation's arms control efforts in so many ways and for so many years that it is really hard to write a resolution like this except to just make it barebone, which is what we have done.

I am pleased to see that other Members of the Senate who are vitally interested in arms control have joined in cosponsoring this resolution.

It is hard to find any arms control history over the past 40 years in terms of trying to define our relationships with the Soviets or with the rest of the world, for that matter, that does not have Paul Nitze's fingerprints on it.

Paul has been especially generous of his time and has shared his knowledge with those of us who form the Senate arms control observers group. We have spent many, many mornings and afternoons with him as he has counseled with us and tried to discuss with us the nuances of our arms control policies, the Soviet's proposals, the positions of our allies, and most importantly the whole history of the development of arms control.

Despite his extremely busy schedule, Paul Nitze has taken the time to meet with our Senate group on every occasion we have requested him to come meet with us, and I think I speak for the entire group when I thank him for his contribution.

Paul Nitze's mind and his memory of his experiences are a national treasury. He is a man who has lived now and served our country through nine Presidents, and in his 40 years of public service he has a worldwide reputation for honesty and integrity, for devotion to his task and above all for scholarship and his basic intelligence.

It is with this background that I have offered this resolution to express to Ambassador Paul Nitze the best wishes of the Senate on the occasion of his 80th birthday which we will celebrate tonight.

I ask for immediate passage of the resolution.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 62

Whereas, Paul Henry Nitze has served the United States for over 40 years under nine different Presidents; and

Whereas, Paul Henry Nitze has received the Medal for Merit and the Medal of Freedom for his accomplishments and contributions to the United States and is distinguished by virtue of the continuity and institutional knowledge he lends to national security issues; and

Whereas, Paul Henry Nitze has made a substantial contribution to the security of the United States and the world through his accomplishments in the field of Arms Control; and

Whereas, Paul Henry Nitze has played an essential role in the formulation and development of Arms Control policy, serving as a member to the Strategic Arms Limitation Talks, as the head of the U.S. negotiating team to 1981-1984 Arms Control Talks in Geneva, and as a Special Advisor to the President on arms control matters; and

Whereas, Paul Henry Nitze celebrates his 80th birthday on the 16th of January, 1987: Therefore, be it

Resolved, That the Senate of the United States commends and acknowledges the continuing contributions of Ambassador Paul Nitze to the security and prestige of the United States on the occasion of his 80th birthday.

CONGRATULATIONS TO THE DENVER BRONCOS

Mr. STEVENS. Mr. President, there is a resolution, on behalf of Mr. ARMSTRONG and Mr. WIRTH, at the desk, Senate Resolution 59, which has been cleared by the majority leader, and he has requested me to state again for the RECORD that this has been cleared on both sides.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 59) congratulating the Denver Broncos.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution with its preamble is as follows:

S. RES. 59

Whereas on January 25, 1987, the Denver Broncos, the American Football Conference Champions, will play the New York Giants, the National Football Conference Champions in the twenty first Super Bowl in Pasadena, California; and

Whereas the Denver Broncos' fans deserve their reputation as the most enthusiastic in professional sports; and

Whereas the Denver Broncos have 132 consecutive ticket sellouts for home games; and

Whereas the Denver Broncos have five players elected to play in the 1987 Pro Bowl; and

Whereas the Denver Broncos won the Western Division Title of the American Football Conference with 11 wins and 5 losses and defeated the New England Patriots and the Cleveland Browns in AFC playoff games to become AFC Champions and Super Bowl contender; and

Whereas the Denver Broncos actively participate in community service programs, such as youth counseling and anti-drug programs: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Congress commends the superior achievements of the Denver Broncos organization.

SOVIET HUMAN RIGHTS POLICY

Mr. ARMSTRONG. Mr. President, I wonder if Senators remember what happened when one of the comrades asked Mr. Lenin how they should finally dispose of the capitalists. He said at that time, "We shall hang them."

"How," he was asked, "shall we hang them?"

He answered, "They will sell us the rope."

I remind my colleagues of this in the light of an article which appears in this morning's newspaper of the Washington Post. "U.S. Lifts Control on Export of Drilling Gear to the Soviet Union."

I want to quote just a paragraph from this article by Anne Swardson:

The Reagan administration, responding to pressure from the domestic oil and gas industry, yesterday lifted controls on the export of drilling equipment to the Soviet Union that had been imposed in 1978 to force a change in that nation's human rights policy.

Mr. President, I, for one, am very much sympathetic for the plight of the oil and gas industry. They are in terrible straits.

But the action by the administration today is far, far off the mark. It transmits, in my judgment, the worst possible kind of message not only to the people of the Soviet Union, not only to the leaders of the U.S.S.R., not only those who suffer the brutalities and the tyranny of that tragic country, but to everyone around the world who cares about human rights.

It appears to me that this is just another in a long series of episodes in which we talk tough, in which we bluster, in which we throw down the gauntlet, and then in due course slink away from our solemn responsibility.

In 1978 President Carter imposed the ban in response to the jailing of several specific dissidents and other human rights violations.

While a few of the dissidents including Natan Shcharansky have been released, Andrei Sakharov, of course has been returned from exile, the overall human rights record of the Soviet Union has not improved and indeed has worsened.

This is not just my opinion. This is a fact which has been documented by the State Department and by independent human rights organizations.

In 1979, 51,320 Soviet Jews were permitted to emigrate from the Soviet Union. In 1986, 914 out of an estimated 380,000 who would like to do so, according to a report of the Union of Councils for Soviet Jews.

The State Department country report of 1985 makes the following observations, and I quote:

> Soviet performance in the realm of human rights fails to meet even the most elementary standard accepted international behavior.

I quote further:

> The regime confines those attempting to exercise their rights to prison camps, labor camps, or psychiatric hospitals.

Still quoting:

> Mistreatment of political prisoners, continued beatings, inadequate food, clothing, and shelter, heavy manual labor, unsatisfactory medical care, isolation, extended interrogation and threats against prisoners' families were characteristic abuses. Human rights monitors, religious beliefs, proponents of greater culture and political rights for ethnic minorities, peace activists all were subject to arrest and imprisonment.

Again quoting from the State Department country report:

> Abroad the Soviet Union continues its occupation of Afghanistan and support of its Vietnamese occupation of Cambodia.
>
> There has been evidence that the Soviet Union has been responsible for the use of chemical warfare in Afghanistan, Laos, and Cambodia.

The thing I cannot quite understand, Mr. President, is what in the world we are thinking about lifting the ban on the export of a product which was imposed for human rights violations in the first place?

My concern, frankly, is not whether we do or do not export this particular product, and I am not naive enough to think that cutting off the United States supply of this or probably any other product is going to deny ultimately the Soviet Union the right to purchase that, nor am I just an unrelenting hard-liner who is looking for an excuse to criticize the Soviet Union. In fact, recently, I had occasion to write Soviet leaders congratulating them on their humane handling of a particular human rights violation case that I have been interested in for a number of years.

There are some signs of progress. But, in the overall, the Soviet Union has not moved to any significant degree and, in fact, it appears, based upon the record, based upon the monitoring by independent organizations and by our own official reports, that the situation is very bad and probably growing worse in the overall, despite celebrated examples to the contrary.

Under the circumstances, I believe the action by the Secretary of Commerce, though undoubtedly well intended, is a very, very serious mistake.

Mr. President, before I yield the floor, I will send to the desk an article from the Chicago Tribune, under the headline, "Soviet Refugee Describes Forced Labor on Pipeline," and also an article from the New York Times, written by Yuri Belov, who happens to be a member of the International Society for Human Rights, which is an organization that I have participated in for a number of years and an organization which has held hearings that I have participated in in various parts of the world, in which the atrocities, the tragedies, and the human rights violations have been carefully documented. His article from the Times is entitled "Forced To Work on the Siberian Pipeline."

Also, Mr. President, I send to the desk an article from the Reader's Digest, "'Made in U.S.S.R.'—By Forced Labor."

I send these to the desk, along with this morning's article from the Washington Post, in which there is an explanation of the reasons that we are lifting this ban on drilling gear to the Soviet Union, and ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune]

SOVIET REFUGEE DESCRIBES FORCED LABOR ON PIPELINE

(By John Maclean)

WASHINGTON.—A Lithuanian geologist who was sentenced to internal exile in the Soviet Union says he routinely saw political prisoners among the forced labor gangs working in Russia's natural-gas fields.

The geologist, Antanus Pronskevicius, and his family later were allowed to emigrate to the United States. In a recent interview in Chicago, Pronskevicius unwound a tale that began with a Siberian exile, wandered along Russia's northern frontier and ended in a drawn out battle with Soviet bureaucrats. Each chapter in his story has prison labor gangs toiling through the Russian winter.

State Department officials say interviews with the geologist have provided the first reliable eyewitness account that has reached the United States of the use of forced labor on the Soviet gas pipeline that will go to Western Europe.

The United States, while it was trying earlier this year to win support for its economic sanctions against the Soviet pipeline, charged the Soviets with using forced labor on the project, but Western European governments argued that earlier the refugee accounts that confirmed the U.S. accusation were fragmentary and unreliable.

Soviet officials have denied the Lithuanian's story. They say he left the gas fields in 1979 a year before work was begun on the gas pipeline for the West.

Pronskevicius says that, on the contrary, the gas pipeline to the West includes segments of an older pipeline originally intended to go to a northern seaport. He says he worked along that line and along many smaller lines that will feed into the big pipeline to the West.

The Lithuanian says he was in the northern gas fields from 1975 until he was fired from his job in 1979 for trying to emigrate. He then lived in Leningrad until he was allowed to leave this November.

As he and his fellow geologists went on expeditions to look for oil and gas, it was routine to see temporary prison camps built along pipeline rights of way, he said. The prisoners wore uniforms of different sorts, varying from striped for the worst criminals to black for the least serious cases.

"We saw them on practically every trip," Pronskevicius said through an interpreter, Paul Zumbakis, a lawyer who often deals with Lithuanian emigré problems.

"Everywhere you go, you see them working. They weren't chained but walked in a column six or seven across. The areas where they worked were fenced in and had armed guards and dogs around them."

The Lithuanian said the forced laborers were used only for the early stages of pipeline building. The Soviets employed what they called a "zero cycle" system whereby all traces of forced labor were wiped out after the work was done.

Temporary camps were set up as a first step, then forced laborers were brought in from a central prison. They did the heavy work of clearing the pipeline path. The camps were moved along the lines as work progressed, but sometimes prisoners had to walk as far as 25 miles to begin clearing forests.

The prisoners mostly used picks and shovels, but once in a while a bulldozer was seen.

Before paid labor was brought in to do more sophisticated jobs, such as putting together the pipeline, the temporary camps and fences were dismantled, the geologist said.

Pronskevicius became especially knowledgeable about the process, he said, because his wife gave language lessons to some prisoners in the town.

He said he and others were aware that the Soviets have a major camp for political prisoners at Mordevia. He said there was a network of "work rehabilitation camps" in the gas fields, including a massive facility at Vetlosjan. He said the camps contained many thousands of prisoners.

Soviet officials have acknowledged that they hold 874 political prisoners. Amnesty International, a human-rights organization, puts the number at 10,000.

Pronskevicius also knew of labor camps from his youth. He spent 5 years in forced labor, until he was 15, when his family was in Siberia for political crimes during the Stalin era. He says he did light field work.

Conditions now are much more humane, he said. In the 1970s, he saw no "institutionalized brutality," and prisoners no longer are shot "out of meanness."

He said, nonetheless, that conditions are difficult and cruel. Prisoners often work through the winter, nutrition is poor and clothing inadequate.

Pronskevicius had another chance to see forced labor in the mid-1960s after he was graduated as a geologist. He worked along the northern reaches of the Soviet Union and saw forced-labor gangs on many big industrial projects there.

In one chilling episode, he said, he and some friends uncovered an old coal mine in the far northeastern corner of the Soviet Union and came upon a shaft containing many skeletons. Two of them had chains attaching them to coal barrows.

The skeletons may have dated from the Stalin era. He speculated that the mines had been sealed with the prisoners still alive inside.

Pronskevicius taught at the University of Vilnius until 1974, when he refused to sign a petition condemning dissident writer Alexander Solzhenitsyn, he said. He then was forced into internal exile and began working in the gas fields.

After 1979, when he began applying for permission to emigrate, he took up dissident activities in Leningrad and became part of a group of intellectuals attempting to publish their writing in a journal called the St. Petersburg Almanac.

State Department officials say they find his story credible at first analysis, but neither they nor Pronskevicius can explain why Soviet authorities would allow him to emigrate at this time with his wife and daughter.

He said he and his fellow dissidents became aware that the Soviets, about five years ago, began a new wave of political arrests. The prisoners later turned up in the forced-labor camps, he said.

He smuggled 1,200 pages of the almanac out of the Soviet Union and is attempting to get it published here. He said it includes poetry and other literary writing, not political essays.

[From the New York Times, Sept. 1, 1982]

FORCED TO WORK ON THE SIBERIAN PIPELINE

To the Editor:

I welcome the United States Government's outspoken opposition to the Siberian natural gas pipeline. The reasons, as I understand them, are politics, finance and defense.

But there are other, for me far more important reasons to denounce the project: construction of the pipeline means the destruction of all standards of morality and humanitarianism.

I spent 15 years of my life in a Soviet gulag. During that time, I saw many, many people in locations all over the Soviet Union who were being forced to work as virtual slaves in hard-labor camps. For almost the entire term of my imprisonment, I was one of them. I can testify to the horrible violations of human rights that are occurring daily in order to construct the pipeline.

And I have received reports from various points in the Soviet Union that more and more prisoners sentenced to hard labor are being used to construct the pipeline. Their number is now estimated at 100,000, many of them sentenced for political or religious activities.

During the past two years, a great number of new hard-labor camps have been set up along the route of the pipeline. In Usty-Ischim alone, there are eight. Others are in Urengoi, Surgut, Tavda and Tyumen, Irbit and Lysva. Prisoners are housed in wagons that offer no real protection from the elements. Winter temperatures can be as low as minus 40 degrees Fahrenheit.

The engineers who have been brought in from West Germany have no contact with the workers. In Borovski, for example, the skilled German personnel are housed in a hotel and are under constant K.G.B. watch. Western journalists are allowed to observe construction only after the initial hard labor (such as excavation work) is completed.

Following is an excerpt from a letter I received from the parents of a Russian woman imprisoned for illegally printing Bibles:

"Our daughter has seven remaining months until the completion of her sentence. You can well imagine how terrible the conditions in prison are for her, and her health has been greatly affected.

"She spent many months in a penitentiary and now is in a prison camp which is the worst of the camps for women in the Soviet Union. It is not possible to describe it in writing. One must see it with one's own eyes.

"The camp is located in the Taiga, far from any human settlements, and it is in a state of total disrepair. Built to hold 600 prisoners, it now holds 250,000.

"Indescribable filth reigns over the camp. There are millions of lice and other bugs. The camp does not have its own water supply, and there is always a serious shortage. The prisoners receive only a bucket of water a week.

"The food rations are so small as to barely keep the women from dying of hunger. The daily workload is immense. There are three shifts, and the women must also work at night. The climate is very cruel: terrible storms and other horrible weather. This is only a short summary of the conditions under which our daughter must live now . . ."

By supporting the pipeline, European governments also support a total disregard of all standards of human rights and, in effect, abet the virtual enslavement of many innocent people for political and economic reasons.

It is my hope that these massive violations of human rights are widely exposed. This is a matter of greatest moral concern, a matter that must be acted upon now. The Soviet Union's greatest fear is that its action will be known in the West.

YURI BELOV,
Frankfurt, July 23, 1982.

[From Readers' Digest, September 1983]

"MADE IN U.S.S.R."—BY FORCED LABOR

(By Joseph A. Harriss)

Western nations need to take a closer look at their Soviet imports. Many were manufactured at a terrible price in human suffering.

In Frankfurt, West Germany, I was interviewing some recent inmates of Soviet forced-labor camps. One woman pointed at the wooden folding chair that I was sitting on. "That's a souvenir from the Gulag," she said. On the bottom was marked "Made in U.S.S.R.," followed by the code 133340, indicating the camp where it was produced. The United States last year imported hundreds of such chairs, part of our multimillion-dollar trade in which we buy the products of Soviet convict labor, in contravention of U.S. law.

In February of this year, the U.S. State Department exposed Russian labor camps in a detailed study concluding that "Soviet authorities still exploit forced labor on a large scale . . . for both domestic and Western export markets."

There can be little doubt now that much of today's Soviet economy is built on the backs of the wretched men, women and children who toil in nearly 2000 Russian prisons and forced-labor camps. What is less well known is that importing the products of forced labor violates an explicit American law, the Smoot-Hawley Tariff Act of 1930. Section 307 states: "All goods, wares, articles and merchandise mined, produced or manufactured wholly or in part in any foreign country by convict labor or forced labor . . . shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited."

Until recently, few realized the extent to which the Soviet Union still depends on convict labor—the only major industrialized nation that makes it a mainstay of its economy. To be sure, many Americans remember that Stalin built spectacular projects like the Volga-Don canal, the second Trans-Siberian railway and entire new towns at the cost of hundreds of thousands of lives. Thousands more forced laborers died in the Kolyma gold fields of Siberia in the 1930s. Nobel Prize-winning Russian author Alcksandr Solzhenitsyn documented this nearly a decade ago in his monumental work *The Gulag Archipelago.*

But it took the controversy between the United States and its NATO allies over the Siberian gas pipeline to Europe to focus attention on continued Soviet dependence on this practice. The State Department report drew on CIA intelligence, including satellite photos, and suggested that the Soviets had indeed used forced labor on the pipeline, especially for clearing forests and building roads. Commented Sen. William L. Armstrong (R., Colo.), who originally requested the study, "This is a shameful situation beyond the comprehension of most Americans."

The number of convict laborers in the U.S.S.R. is down from its peak of 15 million under an estimated four million, and the conditions under which they work are hardly less nightmarish. Far from fulfilling Marx's promise to free workers from their chains, the Soviet system has systematically enslaved them.

GRAVEYARD SOUP

Goading the West's conscience on the forced-labor issue are the International Society for Human Rights, based in Frankfurt, and the International Sakharov Committee in Copenhagen. Last fall in Bonn the two groups sponsored an international tribunal of parliamentarians, labor leaders and academics that heard former prisoners graphically portray brutal working conditions in sub-zero temperatures, with inmates picking lichen off trees for nourishment. The tribunal concluded that "prisoners, among them women and children, are forced to work under conditions of extreme hardship." The tribunal chairman declared, "We have presented the truth to the world, and no one can say, 'I did not know.'"

Details of what the world must know are spelled out by such former camp inmates as Julia Voznesenskaya, 43, a frail dissident author from Leningrad. She was arrested by KGB security police after she boldly scrawled on a wall, "You strangle our freedom, but you can't chain people's souls." Charged with "anti-Soviet slander," she spent three years in prison and Siberian camps. One of her main tasks was making work clothes and uniforms for the Red Army. Shifts stretched to 12 hours to meet impossibly high production quotas. Those who failed to meet them had their meager food ration cut. With gallows humor, she and her fellow laborers called the thin, half-putrid fish broth served every day "graveyard soup"—it contained nothing but bones. Prisoners with tiny children often looked on helplessly as the toddlers sickened and died.

Yuri Belov, 42, spent 15 years in prisons, camps, and banishment and psychiatric hospitals. He was first arrested in 1963 for writing "subversive" poems and founding a community of Catholic believers. The charge: "anti-Soviet agitation and propaganda." He was sent to camp ZhKh 385/11 in Mordovia, 200 miles southeast of Moscow.

Here, 2000 convicts each assembled 140 wooden chairs per shift, which were sent to a "free" factory in Minsk. There, finishing touches were put on before the chairs were exported to the West. Thus the Kremlin could claim the goods were made by "free" workers.

Belov remembers with a sardonic smile the political commissar who told ZhKh 385/11 inmates to be proud because their work earned the motherland hard currency and cost almost nothing. Indeed! The motherland paid Belov and his fellow convicts 60 rubles a month—"free" workers got about 100 rubles—but withheld 75 percent to pay for the minimal camp food, clothing and maintenance.

SEMANTIC GAME

Frequently those in Soviet forced-labor camps are there on flimsy pretexts such as "hooliganism" or "parasitism" (being unemployed). Vladimir Bukovsky, a scientist who spent 11 years in the Gulag, writes, "Such a high percentage of criminality is artifically maintained by the state for economic motives."

One of the first signs of a big new Soviet construction project is an anti-crime campaign. Police round up men and women for the forced-labor pool, sometimes resorting to primitive entrapment. Vladimir Borisov, an exiled founder of the underground free labor union SMOT, who now lives in France, told me of a friend of his, Ivar Jukovski. As Jukovski was shopping in a Riga clothing store, an old lady asked him to try on a jacket to see if it would fit her son. Police promptly arrested him for shoplifting, and the "corrective labor colonies" had another worker.

The Ministry of Internal Affairs (MVD) runs the forced-labor system, supplying workers to other state agencies. Because workers under armed guard are not suitable for outdoor work, convicts are often put on parole or probation on condition that they perform compulsory labor. Much of the Soviet chemical industry was constructed this way in the 1960s—so today all such workers are known in camp slang as *khimiki*, or "chemists." In the big oil and gas fields, they can amount to some 20 percent of the adult population. This forced labor without confinement enables the Kremlin to play semantic games and deny that convicts are used, for instance, on the pipeline to Europe.

Political dissidents, however, are seldom released even conditionally. Their "crimes" often fall under the infamous Article 70 of the Soviet Criminal Code, which penalizes "anti-Soviet agitation and propaganda"—a catchall ban on saying, writing or disseminating anything critical of the government.

This was the technique the Kremlin used to crush the Helsinki monitoring group, founded in May 1976 in Moscow to foster compliance with the human-rights provisions of the Helsinki accord. Nine months later, two of its cofounders, Yuri Orlov, a physicist, and Alexander Ginzburg, a journalist, were arrested and charged with violating Article 70. By last year 34 group members had been arrested, and the group's remaining three members disbanded it.

Ginzburg was sent to ZhKh 385/1 in Mordovia. Released in April 1979, he now lives in Paris, where I interviewed him. "We cut and polished glass for chandeliers," he said. "The room was full of abrasive dust. Men spat blood and got silicosis." Their quota: 75 to 90 pieces a day each, far higher than the quota in a "free" factory. (The Department of Commerce says we import articles of glass from the Soviet Union, but is unable to confirm if this includes chandeliers.)

Orlov and other well-known members of the Helsinki monitoring group, such as Anatoly Shcharansky, are still at forced labor. Orlov works as a lathe operator in a camp set up in the Perm region, near the Ural Mountains. Shcharansky, despite failing eyesight, laboriously handweaves eight potato sacks a day in his dimly lit cell at Chistopol Prison 540 miles east of Moscow.

The tortures of hunger and cold drive many Gulag prisoners to desperation. Some chop off their own fingers to get hospitalized. Suicide is often a way out. One method is to race for the barbed wire in full view of a guard. MVD guards shoot to kill; they get an extra week of leave for bagging an escaping prisoner.

BITTER FRUITS

Despite such blatant human-rights violations, we and other Western nations continue to buy the fruits of forced labor. Specifically, the United States in 1982 imported:

Chemicals, $118-million worth, particularly anhydrous ammonia for fertilizer. Several Russian chemical plants are integral parts of industrial prison compounds.

Uranium, $10-million worth. Uranium is mined by forced labor at Zheltyye Vody in the Ukraine. Exile sources add a Ukranian camp at Novaya Borovaya, several Siberian camps at Krasnoyarsk, and another in Central Asia at Uchkuduk. Persistent rumors tell of uranium death camps where workers without protection from radiation last only a few months.

Gold, $4.2-million worth. The CIA notes that forced laborers mine gold at Zeravshan in Centeral Asia. Exiles say convicts also mine or refine it in nearby Muruntau, and in Siberia at Bodaibo, Artemovsk, Taishet and along the Yenisei River.

Wood and wood products, $3.5-million worth. Logging and wood processing is done in some 350 camps in the Urals, the Northwest, the Volga-Vyatka and Siberia. Women fell trees around Kirov and Lake Baikal. Children from 14 to 18 make shipping cases at Novaya Lyalya in the Sverdlovsk region.

Tractors, $500,000 worth. The main model imported by the United States is the Belarus, a light tractor. Parts are made at a Mordovian forced-labor camp.

WE'LL ENFORCE IT

Section 307 of the Tariff Act of 1930 is thus being largely ignored in Washington. Incredibly, I was unable to find a single official there concerned with trade who showed awareness of its relevance to our Russian imports.

Yet the law is clear. It provides that any citizen who suspects a violation can contact the Customs Service, which is required to open an investigation. If available information "reasonably" indicates a violation, the goods must be impounded. To have them released, the importer must produce a certificate from the foreign seller attesting that no forced labor was employed in any stage of production or any component of the merchandise.

Why doesn't the United States uphold the law? "The question of Soviet goods has just never come up", says a high Customs official in Wshington. "But if someone shows us that Russian goods entering this country are made with forced labor, we'll enforce it."

Our allies in Europe import far more Russian goods than we do. Last year West Germany alone bought $4.7-billion worth. French imports amounted to $3.1 billion. The Siberian gas pipeline will raise these figures.

Few other countries have a law prohibiting importation of convict-made goods, but most Western nations are parties to the Universal Declaration of Human Righs and other international treaties. They should join with the United States to raise this issue in the U.N.

The time has come to expose before the world Russia's economic exploitation of its citizens. But first we must ensure that our own law, intended to prevent complicity in such barbarity, is enforced.

[From the Washington Post, Jan. 16, 1986]

U.S. LIFTS CONTROLS ON EXPORT OF DRILLING GEAR TO SOVIETS

(By Anne Swardson)

The Reagan administration, responding to pressure from the domestic oil and gas industry, yesterday lifted controls on the export of drilling equipment to the Soviet Union that had been imposed in 1978 to force a change in that nation's human rights policy.

Officials emphasized that the Soviets had shown no improvement on human rights. Instead, Commerce Secretary Malcolm Baldrige said the controls were being lifted because they "have lost their impact in the force of widespread foreign availability of like products" and have had a "debilitating effect" on the U.S. oil and gas industry.

The restrictions were imposed by President Carter in response to the jailing of disidents Anatoly Shcharansky—who has since been allowed to emigrate to israel—and Alexander Ginzburg, and other human-rights violations.

Baldrige said the decision to lift the controls was made in conjunction with Secretary of State George P. Shultz.

Baldrige said the step was taken "despite our dissatisfaction with Soviet human rights efforts." He noted that the number of

Soviet Jews permitted to emigrate from the Soviet Union declined last year. But, Baldrige said, "it is no longer in our national interest" to maintain the unilateral controls.

Hyman H. Bookbinder, special representative for the American Jewish Committee, said he was disappointed that the administration had lifted the controls without obtaining in return a Soviet promise for freer emigration and better treatment of Soviet Jews.

"We've gone from 51,000 allowed to emigrate in 1979 to less than 1,000 last year," Bookbinder said. While he said he had no detailed knowledge of the economic reasons for lifting the restrictions, "I'm sure most of us will feel disappointed that it is not accompanied by some meaningful improvement in human rights."

The end of the controls on the drilling equipment came after heavy pressure from legislators from oil-producing states, where the local economies are in a tailspin as a result of the decline in petroleum prices.

Sen. Lloyd Bentsen (D-Tex.), who hailed the end of the export curbs, said in a statement that a study by the Central Intelligence Agency found that nearly all kinds of oil equipment and technology were "freely available to the Soviets from the countries which do not have these export controls.

"I am pleased that the administration has heeded my repeated request to end these controls, which have done great damage to the U.S. industry but have not prevented the Soviet Union from getting all of the equipment it wants," Bentsen said.

Alexander B. Trowbridge, president of the National Association of Manufacturers, said the controls had cost U.S. companies $2 billion in lost business, and their elimination could add 46,000 jobs to the oil industry, according to The Associated Press.

Their removal will provide aid to an industry that "really needs the help," and will end a policy that "no longer has any relevance," Trowbridge said. Oil and gas industry groups also praised the decision.

The Soviet Union is the largest foreign market for oil and gas drilling equipment—drills, bits and rigs, among other items—and has the world's largest crude oil reserves and 40 percent of the world's natural gas reserves, according to industry executives.

The controls cost the United States a sizable chunk of that market. According to Bentsen, the United States once had 35 percent of Western sales to the Soviets but that share has shrunken to 0.4 percent. In 1983, according to industry figures, the Soviets bought $1.7 billion in oil and gas equipment from noncommunist nations, most of it from West Germany and Italy.

The decision to lift the restrictions followed by a day the release of a report by the National Academy of Sciences that said all export controls cost the U.S. economy $9 billion and almost 200,000 jobs a year, without significantly improving national security. Commerce officials said, however, that the timing was coincidental: The Export Administration Act requires that the president renew the curbs each year or they will expire. The deadline was Jan. 20.

Other controls on exports, such as those of high-technology and military-related goods to the Soviet Union and of a wide range of goods to South Africa and Libya, were retained yesterday.

The end of the curbs comes as Congress is preparing to write legislation attempting to shrink the nation's trade deficit, which is expected to set a record of more than $170 billion in 1986 when final figures are in. Congressional leaders have expressed their intention to force other nations to open their markets further to American exports. The administration would have been open to criticism that it was restricting U.S. exports if it had continued the drilling controls.

In 1983, the Reagan administration ended its opposition to supplying equipment for a Siberian natural-gas pipeline and lifted a ban on exports to the Soviets of oil and gas pipe-laying equipment.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SIMON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask that morning business be closed.

The PRESIDING OFFICER. If there is no further morning business, morning business is closed.

WATER QUALITY ACT OF 1987

The PRESIDING OFFICER. The clerk will report the unfinished business.

The legislative clerk read as follows:

A bill (H.R. 1) to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DOLE. Mr. President, I thank the Presiding Officer.

THE TRADE DEFICIT

Mr. DOLE. Mr. President, earlier this morning I commented on two or three topics, and I want to add to that discussion some comments dealing with the trade deficit.

There is no question about it: The plunging dollar has continued to focus attention on the urgency of our trade problems and how they are linked to our overall world economic posture.

It has, moreover, underlined the need for the Congress to understand the trade crisis in its full economic context and to begin to craft creative policies to address it.

The Senate Finance Committee met again yesterday to examine this subject. Senator BENTSEN is to be congratulated for his swift start.

I am pleased the administration plans to submit legislation. Presumably we will find out more about it in the President's State of the Union speech later this month.

And I know that Senator BENTSEN is hoping to draft legislation which can provide the basis for a Finance Committee bill.

Both efforts—that of the administration and that of Senator BENTSEN—are laudable, and we must hope that they are successful.

But to be successful, legislation must command support of both parties, and of both branches of Government.

This seems like a tall order. For there is a tendency to think that, as on many issues, the parties and the branches are far apart.

I do not think that is the case. Rather, I believe we are closer together than many believe.

We are all in favor of preserving American jobs.

We are all in favor of providing consumers the best products at the best prices.

We are all in favor of restoring America's productivity, record of innovation, and competitive edge.

And so dealing with trade comes down to a question of means, not ends—solutions, not goals.

As a result, those of us in Congress are coming to recognize that there is much truth in the position of the President: That the real answers to our trade problems are to be found in larger economic policies, rather than with a mere tinkering with trade laws.

And I think that increasingly the administration is coming to realize that those economic policies need to be devised and pursued: It is clear that many of the administration's policies during the last year or so—its exchange rate policies; its efforts to improve economic growth abroad; its concern about global debt—have been influenced by the threat of congressional trade action.

It does not surprise me that Senator BENTSEN is actively seeking bipartisan cooperation for a trade bill, despite the fact that many Democrats asserted in the past election that there was a wide gap between their positions and those of Republicans.

As a consequence, there is reason for hope. There is reason to believe that the administration, the Republicans, the Democrats alike will come together on this very important issue that affects many people in my State of Kansas, and everyone across the country.

If you have lost your job or if you have lost your farm or you cannot find markets for your product because of artificial barriers to the markets of other countries, or if you are competing with countries which provide not only subsidies to their producers but indirect subsidies to exporters, then it creates a real problem.

We hear a lot of talk about free trade. I doubt that anybody really believes that we can ever have "free" trade, but perhaps we can have fair trade, and perhaps we can be a bit more aggressive when we find unfair trade practices. That would find a great deal of support in this country, not along party lines but along nonpartisan lines.

So it would seem to me that we have at least started off with a statesmanlike approach toward the trade crisis. That is the necessary approach. We may not only achieve a trade bill, but with some perseverance and a lot of work and a lot of discussion perhaps we can bring a solution to the trade crisis sometime soon.

I would say as one Member of the Senate on this side of the aisle that we are certainly prepared to cooperate with the leadership, to cooperate with the President. I believe his initiative must be addressed.

I understood the distinguished majority leader to indicate that hopefully by May 1 there might be a trade bill ready for action on the Senate floor. I want to cooperate with the majority leader. If we can achieve that it would be very remarkable, to get that far and not get bogged down in some long, long filibuster.

I stand ready to work with the distinguished majority leader.

Again, I want to applaud Senator BENTSEN, the chairman of the Senate Finance Committee, who has long been known for his expertise in the trade area, and Senator ROTH, Senator PACKWOOD, and others on the Republican side who have been working with Senator BENTSEN and with each other over the years.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader for his offer of support with respect to bringing the trade legislation to the floor and getting action on it by the Senate at an early date.

I welcome his assistance and certainly we need it. I am grateful for his offer.

MEASURES REFERRED

The following bill, which was being held at the desk by unanimous consent, was, pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs:

S. 286. A bill to provide for a two-year Federal budget cycle, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations, without amendment:

S. Res. 60. An original resolution authorizing expenditures by the Committee on Foreign Relations; referred to the Committee on Rules and Administration.

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, without amendment:

S. Res. 61. An original resolution authorizing expenditures by the Committee on Commerce, Science, and Transportation; referred to the Committee on Rules and Administration.

By Mr. BOREN, from the Select Committee on Intelligence, without amendment:

S. Res. 63. An original resolution authorizing expenditures by the Select Committee on Intelligence; referred to the Committee on Rules and Administration.

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, without amendment:

S. Res. 64. An original resolution authorizing expenditures by the Committee on the Judiciary; referred to the Committee on Rules and Administration.

By Mr. MELCHER, from the Special Committee on Aging, without amendment:

S. Res. 65. An original resolution authorizing expenditures by the Special Committee on Aging; referred to the Committee on Rules and Administration.

By Mr. BUMPERS, from the Committee on Small Business, without amendment:

S. Res. 66. An original resolution authorizing expenditures by the Special Committee on Small Business; referred to the Committee on Rules and Administration.

By Mr. BURDICK, from the Committee on Environment and Public Works, without amendment:

S. Res. 67. An original resolution authorizing expenditures by the Committee on Environment and Public Works; referred to the Committee on Rules and Administration.

By Mr. MATSUNAGA (for Mr. CRANSTON), from the Committee on Veterans Affairs, without amendment:

S. Res. 68. An original resolution authorizing expenditures by the Committee on Veterans' Affairs; referred to the Committee on Rules and Administration.

By Mr. CHILES, from the Committee on the Budget, without amendment:

S. Res. 69. An original resolution authorizing expenditures by the Committee on the Budget; referred to the Committee on Rules and Administration.

By Mr. INOUYE from the Select Committee on Indian Affairs:

S. Res. 70. An original resolution authorizing expenditures by the Select Committee on Indian Affairs; referred to the Committee on Rules and Administration.

By Mr. BENTSEN, from the Committee on Finance, without amendment:

S. Res. 71. An original resolution authorizing expenditures by the Committee on Finance; referred to the Committee on Rules and Administration.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PROXMIRE (for himself, Mr. SIMPSON, Mr. HUMPHREY, Mr. DECONCINI, Mr. D'AMATO, Mr. REID, and Mr. BOSCHWITZ):

S. 316. A bill to amend the Clean Air Act to provide for reductions in acid deposition and sulfur emissions; to the Committee on Environment and Public Works.

By Mr. HEINZ (for himself and Mr. SPECTER):

S. 317. A bill to amend and reauthorize programs under the Urban Mass Transportation Act of 1964; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BYRD:

S. 318. a bill to ensure that all relevant information bearing upon a nominee's fitness and qualifications is made available to the U.S. Senate in cases where the Senate is required to give its advice and consent, and to require reappointment and reconfirmation of certain senior officials of the executive branch during a President's second consecutive term; to the Committee on Government Affairs.

By Mr. BYRD (for Mr. BRADLEY (for himself and Mr. DODD)):

S. 319. A bill to provide a program of planning grants, demonstration grants, and formula grants to assist local educational agencies to improve the basic skills of economically disadvantaged secondary school students, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. PELL (for himself, Mr. CHAFEE, Mr. STENNIS, Mr. STAFFORD, Mr. HEINZ, Mr. LAUTENBERG, Mr. MOYNIHAN, Mr. SIMON, Mr. BRADLEY, Mr. METZENBAUM, Mr. KENNEDY, Mr. GLENN, Mr. SARBANES, Mr. SANFORD, Mr. MITCHELL, Mr. KERRY, Mr. RIEGLE, and Mr. ROCKEFELLER):

S. 320. A bill to authorize the Secretary of Education to make grants to local educational agencies for dropout prevention and reentry demonstration projects; to the Committee on Labor and Human Resources.

By Mr. MITCHELL:

S. 321. A bill to amend the Clean Air Act to better protect interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes; to the Committee on Environment and Public Works.

By Mr. SARBANES (for himself, Ms. MIKULSKI, Mr. HEINZ, Mr. BRADLEY, Mr. FORD, Mr. CHAFEE, Mr. PROXMIRE, Mr. HOLLINGS, Mr. BUMPERS, Mr. MOYNIHAN, Mr. KENNEDY, Mr. BURDICK, Mr. LEVIN, Mr. GORE, Mr. LAUTENBERG, Mr. MATSUNAGA, Mr. METZENBAUM, Mr. LUGAR, and Mr. HEFLIN):

S. 322. A bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia; to the Committee on Rules and Administration.

SUBMISSION ON CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PELL from the Committee on Foreign Relations:

S. Res. 60. An original resolution authorizing expenditures by the Committee on Foreign Relations; to the Committee on Rules and Administration.

By Mr. HOLLINGS from the Committee on Commerce, Science, and Transportation:

S. Res. 61. An original resolution authorizing expenditures by the Committee on Commerce, Science, and Transportation; to the Committee on Rules and Administration.

By Mr. STEVENS (for himself, Mr. BYRD, Mr. DOLE, Mr. NUNN, Mr. LUGAR, Mr. WARNER, Mr. PELL and Mr. GORE):

S. Res. 62. A resolution to recognize the contribution that Ambassador Paul Henry Nitze has made to the security of the United States on the occasion of his 80th birthday; considered and agreed to.

By Mr. BOREN from the Select Committee on Intelligence:

S. Res. 63. An original resolution authorizing expenditures by the Select Committee on Intelligence; to the Committee on Rules and Administration.

By Mr. BYRD (for Mr. BIDEN) from the Committee on the Judiciary:

S. Res. 64. An original resolution authorizing expenditures by the Committee on the Judiciary; to the Committee on Rules and Administration.

By Mr. MELCHER from the Special Committee on Aging:

S. Res. 65. An original resolution authorizing expenditures by the Special Committee on Aging; to the Committee on Rules and Administration.

By Mr. BUMPERS from the Committee on Small Business:

S. Res. 66. An original resolution authorizing expenditures by the Committee on Small Business; to the Committee on Rules and Administration.

By Mr. BURDICK from the Committee on Environment and Public Works:

S. Res. 67. An original resolution authorizing expenditures by the Committee on Environment and Public Works; to the Committee on Rules and Administration.

By Mr. MATSUNAGA (for Mr. CRANSTON), from the Committee on Veterans' Affairs:

S. Res. 68. An original resolution authorizing expenditures by the Committee on Veterans' Affairs; to the Committee on Rules and Administration.

By Mr. CHILES, from the Committee on the Budget:

S. Res. 69. An original resolution authorizing expenditures by the Committee on the Budget; to the Committee on Rules and Administration.

By Mr. INOUYE, from the Select Committee on Indian Affairs:

S. Res. 70. An original resolution authorizing expenditures by the Select Committee on Indian Affairs; to the Committee on Rules and Administration.

By Mr. BENTSEN, from the Committee on Finance:

S. Res. 71. An original resolution authorizing expenditures by the Committee on Finance; to the Committee on Rules and Administration.

By Mr. BYRD (for himself, Mr. DOLE, Mr. PELL, Mr. PROXMIRE, Mr. LEVIN, and Mr. NICKLES):

S. Con. Res. 8. A concurrent resolution relating to the current human rights policies of the Soviet Union.

By Mr. DOLE (for himself, Mr. THURMOND, Mr. WARNER, and Mr. WILSON):

S. Con. Res. 9. A concurrent resolution to provide for the display of the National League of Families POW/MIA flag in the Capitol Rotunda; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE (for himself, Mr. SIMPSON, Mr. HUMPHREY, Mr. DECONCINI, Mr. D'AMATO, Mr. REID, and Mr. BOSCHWITZ):

S. 316. A bill to amend the Clean Air Act to provide for reductions in acid deposition and sulfur emissions; to the Committee on Environment and Public Works.

ACID DEPOSITION AND SULFUR EMISSIONS REDUCTION ACT

Mr. PROXMIRE. Mr. President, today, along with Senators SIMPSON, HUMPHREY, D'AMATO, REID, DECONCINI, and BOSCHWITZ, I am reintroducing the acid rain bill I introduced with Senator HUMPHREY as S. 2813 in the last Congress. This two-stage bill reduces emissions of sulfur dioxide by about 10 million tons below 1980 levels by 1997. The bill represents a moderate, cost-effective approach to one of the most troubling environmental problems facing the United States.

The 31 States east of or bordering the Mississippi River would reduce their statewide average rates of sulfur dioxide emissions from steam generating units to 2 pounds of sulfur dioxide per million Btu of heat input by 1993 and to 1.2 pounds by the end of 1997. It reduces nitrogen oxide emissions by about 3 million tons below 1980 levels by 1997 and allows sources free choice of methods for meeting reduced levels of both pollutants.

New clean coal technologies, coal cleaning, fuel switching, scrubbers, energy conservation, cogeneration and select use of natural gas would all be available options under the bill. This wide choice of control options greatly reduces the total cost of compliance with the bill making it one-fourth as expensive to consumers as the most expensive bill introduced in the Senate.

The bill requires installation of continuous emission monitoring devices on all powerplants, improving implementation of the bill's standards and establishing an accurate baseline for trading.

It also includes modest auto emission controls for nitrogen oxide modeled on those contained in last year's House bill H.R. 4567, but set at slightly less stringent levels for cars, but with more standards for trucks.

The acid deposition and sulfur emissions reduction bill provides equitable protection for all consumers by favoring a least-cost approach to emission control which leaves many decisions to utilities.

Since the bill closely parallels last year's House bill both in structure and cost and the bill could easily be reconciled with the most likely House vehicle in conference.

In addition, the bill encourages State use of energy conservation as part of emission control programs by providing an optional method for calculating reduction requirements that fully credits energy conservation efforts.

The bill's phased approach encourages the development of new clean coal technologies which burn high sulfur coal cleanly and cheaply. It does not rule out these technologies by requiring early compliance dates or requirements that all plants install expensive scrubbers.

Unlike the House bill, my bill follows the polluter-pays principle, requiring no taxes and no subsidies. This economically efficient approach lets producers and consumers make decisions based on the cost of the resources they use, including the cost of pollution controls.

Its two-phased design makes the bill more flexible, by allowing for adjustments in emissions requirements in phase two based on research obtained during phase one. Such adjustments go into effect only with the approval of Congress.

In addition, the bill encouraged cost-saving emission trading between plants, utilities, and States. Trading achieves the same environmental benefits at a lower cost to consumers by concentrating industry efforts on plants where cleanup is less costly.

Finally, this bill enjoys the support of the Alliance for Acid Rain Control, a coalition of Governors, corporate leaders, academics, and environmentalists which works actively for its passage.

My own State of Wisconsin, one of the leaders in environmental protection, recently enacted the toughest acid rain law in the country but we can't do it alone. Emissions from other States cause acid deposition in Wisconsin yet we have no control over their behavior. Only comprehensive legislative can save our lakes and forests from acid rain damage. I look forward to working with members of the Environment and Public Works Committee in any way I can to help fashion an effective acid program for the Nation.

Mr. President, I ask unanimous consent that a copy of the bill, and a section-by-section analysis, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 316

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Acid Deposition and Sulfur Emissions Reduction Act".

ACID DEPOSITION AND SULFUR EMISSIONS REDUCTION

SEC. 2. Title I of the Clean Air Act is amended by adding at the end thereof the following new part:

"PART E—ACID DEPOSITION AND SULFUR EMISSIONS REDUCTION

"FINDINGS AND PURPOSES

"SEC. 180. (a) The Congress finds that—

"(1) the long-range transport of pollutants and their transformation products is an interstate and international problem;

"(2) current levels of emissions of air pollutants from existing sources as well as increased emissions from new and existing sources threaten public health and welfare and the environment in States and countries other than the States and countries from which the emissions are made;

"(3) reductions in total regional atmospheric loading of pollutants such as sulfur oxides and nitrogen oxides will enhance protection of public health and welfare and the environment;

"(4) more effective regulation of the interstate transport of air pollutants is needed in order to protect the health and welfare of the citizens of downwind States and is properly a Federal concern;

"(5) a phased reduction strategy will provide additional time to demonstrate, on a commercial scale, innovative technologies, such as limestone injection and fluidized bed combustion and other precombustion, combustion, and postcombustion technologies, which eventually will provide sources of air pollution with a wider choice of cost-effective alternatives to reduce the atmospheric loading of pollutants;

"(6) creation of a two-phase pollution control program, with an evaluation period of new research efforts prior to implementation of the second phase, will allow the second phase of the program to be revised by Congress as necessary to incorporate the results of the research and produce increased protection of sensitive areas and increased mitigation of environmental damage; and

"(7) in particular—

"(A) the deposition of acid compounds from the atmosphere is causing and contributing to widespread long-term ecosystem degradation including damage to aquatic and terrestrial resources;

"(B) the principal sources of the acid compounds in the atmosphere, and their precursors, is the combustion of fossil fuels;

"(C) the problem of acid deposition is of national and international significance and cannot be addressed adequately without Federal intervention;

"(D) control strategies and technology for precursors to acid deposition exist now that are economically feasible; and

"(E) current and future generations of Americans will be more adversely affected by delayed action, so that efforts to remedy the problem should commence now.

"(b) The purposes of this part are to—

"(1) initiate a program to protect public health and welfare and the environment from any actual or potential adverse effect caused by ambient concentrations or deposition of sulfur dioxide and nitrogen oxides, including the products of atmospheric transformation of pollutants;

"(2) enhance the ability of States to protect the public health and welfare and the environment of their citizens from air pollution originating in other States;

"(3) provide for State flexibility in the design of a pollution control program in order to encourage the use of the most cost-effective emission reduction techniques;

"(4) achieve a just and efficient solution to the problem of acid deposition by requiring those responsible for pollution to pay for its control; and

"(5) identify and protect areas which are sensitive to ozone and to sulfate and nitrate deposition, including but not limited to, aquatic and terrestrial resources.

"APPLICABILITY TO NEW SOURCES AND CONVERSIONS

"SEC. 181. Nothing in this part shall be construed to limit emissions from any major stationary source defined as a 'new source' in section 111(a)(2) of this Act.

"ESTABLISHMENT OF REGION

"SEC. 182. There is established an acid deposition impact region (hereafter in this part referred to as the 'region'), which shall consist of the States of Alabama, Arkansas, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin, and the District of Columbia. The Administrator may include additional States within the region and may exclude States from the region as provided by section 185(b) herein.

"STATE PLANS TO CONTROL EMISSIONS

"SEC. 183. (a) Not later than 24 months after the date of the enactment of this section, the Governor of each State within the region shall submit to the Administrator a plan establishing emission limitations and compliance schedules for controlling emissions of sulfur dioxide and oxides of nitrogen from major stationary sources in the State. The plan shall meet the requirements of subsections (b) and (c).

"(b)(1) The emission limitations and compliance schedules contained in the plan under this section shall be adequate to ensure that by January 1, 1993, and thereafter, the annual statewide average rate of emissions of sulfur dioxide from the total of all fossil fuel fired electric utility steam generating units in the State not defined as new sources under section 111(a)(2) of this Act, shall not exceed 2.0 pounds per million Btu of heat input.

"(2)(A) If the Governor certifies to the Administrator that a program encouraging the conservation of electricity will be implemented as part of the State plan under this section and that such program will result in a reduction in sulfur dioxide emissions, then the plan shall comply with the requirements of subparagraph (B) in lieu of complying with the requirements of paragraph (1).

"(B) The emission limitations and compliance schedules contained in the State plan under this section shall be adequate to ensure that by January 1, 1993, and thereafter, aggregate statewide emissions of sulfur dioxide from the total of all fossil fuel fired electric utility steam generating units in the State, not defined as new sources under section 111(a)(2) of this Act, shall not exceed an aggregate statewide sulfur dioxide emissions ceiling. Such aggregate emissions ceiling for each State shall be equal to the total amount of sulfur dioxide emitted by all fossil fuel fired electric utility steam generating units in the State in 1980, not defined as new sources under section 111(a)(2) of this Act, minus the aggregate amount of sulfur dioxide emitted by such plants in excess of 2.0 pounds per million Btu of heat input in the State in 1980.

"(3) The emission limitations and compliance schedules contained in the State plan under this section shall be adequate to ensure that by January 1, 1992, and thereafter, the annual statewide average rate of emissions of sulfur dioxide from the total of all fossil fuel fired steam generating units in the State (other than fossil fuel fired electric utility steam generating units), not defined as new sources under section 111(a)(2) of this Act, shall not exceed 2.0 pounds of sulfur dioxide per million Btu of heat input.

"(c)(1) The emission limitations and compliance schedules contained in the State plan under this section shall be adequate to ensure that by December 31, 1997, and thereafter, the annual statewide average rate of emissions of sulfur dioxide from the total of all fossil fuel fired electric utility steam generating units in the State not defined as new sources under section 111(a)(2) of this Act shall not exceed 1.2 pounds per million Btu of heat input.

"(2)(A) If the Governor certifies to the Administrator that a program encouraging the conservation of electricity will be implemented as part of the State plan under this section and that such program will result in a reduction in sulfur dioxide emissions, then the plan shall comply with the requirements of subparagraph (B) in lieu of complying with the requirements of paragraph (1).

"(B) The emission limitations and compliance schedules contained in the State plan under this section shall be adequate to ensure that by December 31, 1997, and thereafter, aggregate statewide emissions of sulfur dioxide from the total of all fossil fuel fired electric utility steam generating units in the State, not defined as new sources under section 111(a)(2) of this Act, shall not exceed an aggregate statewide sulfur dioxide emissions ceiling. Such aggregate emissions ceiling for each State shall be equal to the total amount of sulfur dioxide emitted by all fossil fuel fired electric utility steam generating units in the State in 1980, not defined as new sources under section 111(a)(2) of this Act, minus the aggregate amount of sulfur dioxide emitted by such plants in excess of 2.0 pounds per million Btu of heat input in the State in 1980.

"(3) The emission limitations and compliance schedules contained in the State plan under this section shall be adequate to ensure that by January 1, 1993, and thereafter, the annual statewide average rate of emissions of sulfur dioxide from the total of all fossil fuel fired steam generating units in the State (other than fossil fuel fired electric utility steam generating units), not defined as new sources under section 111(a)(2) of this Act, shall not exceed 1.2 pounds of sulfur dioxide per million Btu of heat input.

"(d)(1) The Administrator shall identify all fossil fuel fired steam generating units in the region which can achieve by December 31, 1997 at least an annual emission rate of 0.6 pounds of nitrogen oxides per million Btu's of heat input annual emission rate through the use of burner retrofit technology or other means that can be utilized at a comparable cost per ton of nitrogen oxides removed. For those categories of boilers which cannot achieve such an annual emission rate using such technologies, the Administrator shall identify an annual emission rate which such categories of boilers can achieve (using any means) at a cost per ton of nitrogen oxides removed comparable to that of boilers which can meet at least an emission rate of 0.6 pounds of nitrogen oxides per million Btu's of heat input using burner retrofit technology. Not later than 24 months after enactment of this Act, the Administrator shall transmit to each State in the region a statement containing a calculation of the total nitrogen oxide emission reduction that can be achieved through utilization of such technologies in that State.

"(2) Not later than 48 months after enactment of this Act, the Governor of each State shall submit to the Administrator a plan establishing emission limitations and compliance schedules for emissions of nitrogen oxides from fossil fuel fired steam generating units. Such State plan may include any emissions limitations and compliance schedules, applicable to such steam generating units within the State, which the State deems appropriate and which are adequate to ensure that, by December 31, 1997, the aggregate annual reductions in emissions of nitrogen oxides from the total of such sources located in the State will be at least equal to the total statewide emission reduction identified by the Administration under paragraph (1) of this subsection.

"ACCELERATED RESEARCH PROGRAMS

"SEC. 184. (a) An accelerated research program to examine the pattern of effects of atmospheric loading of pollutants such as sulfur oxides and nitrogen oxides shall be implemented by the Acid Precipitation Task Force (established under section 703 of the Acid Precipitation Act of 1980), under the direction of the Administrator of the National Oceanic and Atmospheric Administration. Results of such research program shall be made freely available to the States. Such research program shall include but shall not be limited to—

"(1) high terrain modeling;

"(2) research on the health effects resulting from emissions of sulfur dioxide and nitrogen oxides;

"(3) regional tracer studies to identify source receptor relationships in the continental United States, Mexico, and Canada;

"(4) research on the impacts of emissions of sulfur dioxide and nitrogen oxides and their transformation products on visibility and air quality related values in the continental United States, with particular emphasis on such impacts as they affect national parks and high mountain areas of the western United States;

"(5) the identification of sulfate and nitrate sensitive geographic areas in the continental United States; and

"(6) the identification of the causes of aquatic, terrestrial, and materials air pollution damage in the United States, including an examination of the relative role of emissions of sulfur dioxide, nitrogen oxides, hydrocarbons, and their transformation products, individually and in combination, and the role of natural stress factors and other potential causes of such damage.

"(b) The Administrator shall conduct a study of air pollution problems associated with the long-range transport of pollutants in the portions of the continental United States not within the region. The study shall give particular attention to examining, within such portions, the possibility of damage from acid deposition to health and the environment in high mountain areas in the western United States, and to national parks, wilderness areas, and national monuments. The study shall determine the causes and consequences of such potential or actual damage, and make recommendations as to means to prevent or control such damage. Each Federal agency responsible for administering Federal lands is directed to make available to the Administrator, at his or her request, such personnel, resources, and equipment as are necessary to collect the data required by the Administrator concerning the natural and cultural resources of these areas which will allow the Administrator to form an adequate scientific basis for estimating the effects of long distance pollutant transport, particularly that of acid precursors, on these areas. To the extent possible, the Administrator shall design and implement this study to complement the research program authorized in subsection (a).

"(c) The accelerated research program shall expand on the research being conducted pursuant to sections 701 through 706, section 711, and section 712 of the Acid Precipitation Act of 1980 (Public Law 96-294). The authorization for appropriations for the accelerated research program under subsection (d) is intended to supplement and not to replace funds authorized and appropriated pursuant to such Act and subsequent laws.

"(d) To implement the accelerated research program, there are authorized to be appropriated not in excess of $25,000,000 for each fiscal year beginning after September 30, 1986, and ending before October 1, 1991. The Administrator of the National Oceanic and Atmospheric Administration shall submit to Congress a comprehensive report on the accelerated research program by no later than January 1, 1991.

"(e) The accelerated research program shall be completed no later than January 1, 1991.

"(f)(1) An intensive evaluation of the results of the accelerated research program required under this section shall be conducted by the Administrator during a period beginning no later than January 1, 1991, and ending no later than July 1, 1992.

"(2) To carry out the evaluations required under paragraph (1) of this subsection, there are authorized to be appropriated $1,000,000 for each of the fiscal years beginning after September 30, 1990, and ending before October 1, 1992.

"REVIEW OF PHASE II REQUIREMENTS

"SEC. 185. (a) Taking into consideration the research conducted under section 184, other available research, and the evaluation conducted pursuant to section 184(f), the Administrator may recommend to Congress no later than July 1, 1992, that changes should be made in the phase II sulfur dioxide requirements and the nitrogen oxide requirements of section 183 of this part.

"(b) Pursuant to subsection (a), the Administrator is authorized to recommend changes in phase II of the program only in the following respects on the basis of findings made pursuant to subsection (c):

"(1) Requiring States which were not included in the region in the first phase of the program to comply with the phase II sulfur dioxide emission reduction requirements of section 183(c).

"(2) Exempting States in the region from the phase II sulfur dioxide requirements of section 183(c).

"(3) Increasing the individual State annual average sulfur dioxide emission rate required for States in the region, or the individual State maximum aggregate emission ceiling required, if applicable.

"(4) Decreasing the individual State annual average sulfur dioxide emission rate required for States in the region, or the individual State maximum aggregate emission ceiling required, if applicable.

"(5) Requiring States which are not in the region to comply with the nitrogen oxide emission reduction requirement of section 183(d).

"(6) Exempting States which are in the region from complying with the nitrogen oxide emission reduction requirement of section 183(d).

"(7) Increasing the individual State annual nitrogen oxide emission reduction requirement of section 183(d) for States in the region.

"(8) Decreasing the individual State annual nitrogen oxide reduction requirement of section 183(d) for States in the region.

"(c)(1) The Administrator shall not recommend to the Congress that a State in the region be exempt, pursuant to subsection (b)(2), from the requirements of section 183(c) or that an individual State's required annual emission rate of sulfur dioxide or required maximum aggregate emission ceiling of sulfur dioxide be increased in phase II of the program, pursuant to subsection (b)(3), unless the Administrator finds and reports to Congress that emissions of sulfur dioxide originating in that State are not causing damage, and are not reasonable anticipated to cause damage, to areas sensitive to sulfate deposition (including but not limited to aquatic and terrestrial resources) identified by the research program under section 184.

"(2) The Administrator shall not recommend to Congress that a State outside the region comply, pursuant to subsection (b)(1), with the requirements of section 183(c) or decrease an individual State's required annual average emission rate of sulfur dioxide or required maximum aggregate emission ceiling of sulfur dioxide, if applicable, in phase II of the program pursuant to subsection (b)(4), unless the Administrator finds and reports to Congress that emissions of sulfur dioxide are causing, or are reasonably anticipated to cause, damage to areas sensitive to sulfate deposition (including but not limited to aquatic and terrestrial resources) identified by the research program under section 184 which will not be adequately mitigated by full compliance with the annual average sulfur dioxide emission rates required under section 183.

"(3) The Administrator shall not recommend to Congress that States outside the region comply, pursuant to subsection (b)(5), with the requirements of section 183(d) or recommend an increase in an individual State's nitrogen oxide emission reduction requirement pursuant to subsection (b)(7), unless the Administrator finds and reports to Congress that emissions of nitrogen oxide originating in that State are causing, or are reasonably anticipated to cause, damage to areas sensitive to nitrate deposition or ozone identified by the research program under section 184 which will not be adequately mitigated by full compliance with the annual average nitrogen oxide emission reductions required under section 183(d).

"(4) The Administrator shall not recommend to Congress to exempt a State in the region, pursuant to subsection (b)(6), from the requirements of section 183(d) or to decrease an individual State's annual nitrogen oxide emission reduction requirement, pursuant to subsection (b)(7), unless the Administrator finds and reports to Congress that emissions of nitrogen oxide originating in that State are not causing damage, and are not reasonably anticipated to cause damage, to areas sensitive to nitrate deposition or ozone (including but not limited to aquatic and terrestrial resources) identified by the research program under section 184.

"(d) The recommendations of the Administrator for changes in the requirements of sections 183 (c) and (d), made pursuant to subsection (a) of this section, shall not take effect unless the Congress enacts into law legislation before December 31, 1993, providing that such recommendations shall take effect.

"GENERAL PROVISIONS APPLICABLE TO STATE PLANS

"SEC. 186. (a) The Governors of any two or more States within the region may by agreement reallot among agreeing States the reductions required under section 183 if the total aggregate tonnage emissions reduction equals the total that would otherwise be achieved under section 183.

"(b) Revisions to measures to achieve the emission reductions required by this part may be submitted to the Administrator by the Governor of each State in the region at any time.

"(c) If the Congress enacts into law changes to phase II requirements, the Governor of each State shall submit revised measures to achieve emission reductions to the Administrator within 270 days following the date of the enactment into law of such changes, or by September 1, 1994, whichever first occurs; except that, if Congress, by law, increases a State's phase II sulfur dioxide average emission rate, decreases its aggregate sulfur dioxide emission ceiling (if applicable), or decreases its nitrogen oxide reduction requirement, the Governor of that State may elect not to submit revisions to measures submitted previously pursuant to section 183.

"(d) Review and approval of measures submitted under this part shall be as provided in section 110(a)(3). The Administrator shall approve within four months measures submitted by the Governor of a State under sections 183 and 186 if, taking into consideration the comments of Governors of other States in such region, the Administrator finds that such measures—

"(1) contain enforceable requirements for continuous emission reduction, or alternate measures permitted under section 187;

"(2) contain requirements for monitoring by the source and enforcement agencies, including but not limited to, the installation of continuous emission monitors by all fossil fuel-fired electric utility steam generating units, to assure that the emission limitations are being met;

"(3) are adequate to achieve the sulfur dioxide emissions rate and nitrogen oxide emissions reduction required by this part within the time period specified by section 183; and

"(4) contain requirements for the establishment of an actual State sulfur dioxide and nitrogen oxide emissions baseline and a baseline capacity factor for each electric steam generating unit in the State.

"(e) The enforceable measures adopted under this section shall include schedules for compliance which specify actions to be performed leading toward final compliance and increments of progress to be achieved by dates in advance of the dates by which the State requires each particular source to comply with the emission limitation necessary to attain the reductions in each phase for such State under section 183. The State in adopting such measures and the Administrator in reviewing such measures shall stage or phase such compliance dates so that to the maximum extent practicable the largest amount of emissions reductions occurs in the early years of each phase.

"(f) Each emission limitation in effect under this part and each requirement of a State plan approved or promulgated by the Administrator under this part shall be treated for purposes of sections 113, 114, 116, 120, and 304 as a requirement of an applicable implementation plan.

"(g)(1) The Administrator may commence a civil action for permanent or temporary injunction, or may assess a civil penalty of not more than $10,000 per day of violation, or both, on any person who violates any requirement of a State plan, regulation, or measure promulgated under this part. Such civil penalty shall be assessed by the Administrator by an order made on the record after opportunity for a hearing. In connection with any proceeding under this section the presiding officer may issue subpoenas for the attendance and testimony of witnesses and the production of papers, books, documents, and records.

"(2) In determining the amount of a civil penalty, the Administrator shall take into account the gravity of the violation, the size of the violator's business, the violator's history of compliance, action taken to remedy the violation, and the effect of the penalty on the violator's ability to continue in business.

"MAJOR STATIONARY SOURCE SULFUR DIOXIDE REDUCTION REQUIREMENTS

"SEC. 187. (a) In any State in the region which has not in accordance with section 183 adopted measures to achieve the reduction required by such section within 30 months after the date of the enactment of this part or which has not had such measures approved by the Administrator under section 186(d) within 42 months after the date of the enactment of this part, each fossil-fuel fired steam generating unit which is a major stationary source which is not subject to section 111(a) shall comply with an emission limitation of 2.0 pounds of sulfur dioxide per million BTU of heat input on an annual average by January 1, 1993, and an emission limitation of 1.2 pounds of sulfur dioxide per million BTU of heat input on an annual average by December 31, 1997.

"(b) The owner or operator of each such facility shall submit to the Administratkr a plan and schedule of compliance for achieving such emission limitation or equivalent emission reduction in accordance with section 187, not later than three years after the date of the enactment of this part or six months after the date on which such owner or operator becomes subject to such emission limitation, whichever is later. The Administrator shall approve such plan and schedule for compliance if it—

"(1) contains enforceable requirements for continuous emission reduction or alternate measures permitted under section 186;

"(2) contains requirements for monitoring by the source and enforcement agencies, including but not limited to the installation of continuous emission monitors by all fossil-fuel fired electric utility steam generating units, to assure that the emission limitations are being met;

"(3) is adequate to achieve the sulfur dioxide emissions rate and nitrogen oxide emissions reduction required by this part within the time period specified by section 183; and

"(4) provides for the establishment of an actual sulfur dioxide and nitrogen oxide emissions baseline for each such source and a baseline capacity factor for each electric steam generating unit owned or operated by said owner or operator.

"(c) Failure of such owner or operator to submit such approvable plan and schedule within the time provided in this section, failure to comply with the plan and schedule of compliance, or failure to achieve the emission limitations required by this section at the earliest practicable date, but no later than March 1, 1995, shall be violations of emission limitations for the purposes of sections 113, 120, and 304.

"ALTERNATIVE PROGRAMS FOR ENFORCEABLE EMISSION REDUCTIONS

"SEC. 188. For the purposes of maintaining the limitation on emissions required by section 183, or attaining emission reductions required by section 183, 186, or 187, the following methods or programs for net emission reduction may be used, in addition to enforceable continuous emission reduction measures by a State or the owner or operator of a source, if emission limitations under such methods or programs are enforceable by the Federal Government, States other than those in which the emissions occur, and citizens under section 304—

"(1) least emissions dispatch to meet electric generating demand at existing generating facilities;

"(2) retirement of major stationary sources at an earlier date than provided in schedules on file with the Federal Energy Regulatory Commission, the Internal Revenue Service, or State utility regulatory agencies;

"(3) investments in the conservation of electricity, which are likely to contribute to reductions in emissions;

"(4) precombustion cleaning of fuels;

"(5) fuel substitution including but not limited to the use of lower sulfur coal and the select use of natural gas; and

"(6) trading of emission reduction requirements and actual reductions on a State utility system, or regional basis, where the total aggregate tonnage emissions reduction is no less than the total that would be achieved under section 183 absent such trading. Trading of reduction requirements and of actual reductions shall be limited to situations where actual reductions of emissions occur as a result of fuel substitution, enforceable continuous emission reduction techniques, precombustion cleaning of fuels, or plant retirement. The States and the Administrator are authorized to establish emission reduction banks, a system of marketable emissions permits or brokerage institutions to facilitate such trading, and shall consider emissions and capacity factor baselines established under section 186(d)(4) of this Act as well as the actual monitored emissions and capacity factors achieved by sources when implementing such trading.".

SMELTERS

SEC. 3. Section 119(c)(2) of the Clean Air Act is amended by adding the following at the end thereof: "Each primary nonferrous smelter which has applied for, or been granted, a second order under this section with respect to an emission limitation or standard for sulfur oxides under the applicable implementation plan shall be in compliance with such limitation or standard by January 2, 1988. No order under section 113 and no action under any authority contained in this Act or in any other provision of law (including any State implementation plan) and no order of any court shall permit any extension or delay of the effective date of such compliance beyond January 2, 1988. Within 180 days after the date of the enactment of this sentence, the Administrator shall complete action on all applications for an order under this section which are pending on such date. Within 60 days after the date of the enactment of this sentence, the Administrator shall amend each order in effect on such date under this section to require final compliance by the primary nonferrous smelter before January 2, 1988, with the emission limitations and standards for sulfur oxides under the applicable implementation plan.".

INTERNATIONAL COOPERATION

SEC. 4. (a) The Congress expresses its concern and sense of urgency regarding the ongoing and prospective environmental impacts of transboundary air pollution between the United States and Mexico, particularly from existing and future point sources of sulfur dioxide in both countries. The Congress finds that the progress of the United States in negotiating an Annex concerning transboundary air pollution to the August 4, 1983, United States-Mexico Border Environmental Agreement has been unsatisfactory and therefore directs the Secretary of State and the Administrator of the Environmental Protection Agency to, with all due dispatch, conclude with the Government of Mexico an Annex concerning transboundary air pollution to the 1983 Border Environmental Agreement. All feasible efforts shall be made to conclude a final version of said Annex as soon as possible and in no case later than 3 months after enactment of this section.

(b)(1) In negotiating the Annex referred to in subsection (a), the Secretary shall give special emphasis to ensuring that an agreement is concluded that will ensure that the Nacozari smelter in Mexico will meet pollution control standards that are at least as stringent as new source performance standards under the Clean Air Act (40 CFR Part 60, subpart p), preferably before startup of that smelter but in no case later than January 1, 1988.

(2) In negotiating such Annex the Secretary shall ensure that an agreement is concluded that will ensure that the Cananea smelter in Mexico will—

(A) at a minimum, achieve a level of pollution control for any increased emissions before any proposed expansion that is at least as stringent as new source performance standards under the Clean Air Act (40 CFR Part 60, subpart p); and

(B) if technically feasible, achieve that level of pollution control for the entire source before any expansion.

(3) In negotiating such Annex the Secretary shall ensure that an agreement is concluded for a mutually acceptable arrangement for monitoring, inspection, and enforcement of pollution control standards for copper smelters in both countries in the air quality control region (within 100 kilometers in each direction from the border) encompassing the copper smelters at Douglas, Arizona; Nacozari, Sonora; and Cananea, Sonora.

(4) In negotiating such Annex the Secretary shall promote a final version that in its other provisions is in no case less stringent in terms of absolute emissions and ambient air quality standards, and in the schedule for coming into force of such standards, than set out in the July 18, 1985, joint communique of the national coordinators of the 1983 Border Agreement.

(c) The Secretary of State and the Administrator of the Environmental Protection Agency shall submit a report to Congress no later than 6 months after enactment of this section, on their implementation of subsections (a) and (b) of this section.

(d) The Environmental Protection Agency shall perform atmospheric field experiments to determine the effects of emissions of sulfur dioxide from the Nacozari smelter in Mexico, before and after implementation of pollution controls, on concentrations of oxides of sulfur and deposition thereof in the States of Arizona, Colorado, Idaho, Montana, New Mexico, Utah, and Wyoming. The experiments shall place particular emphasis on the effects of the smelter, before and after implementation of pollution controls, on acid rain and visibility in the above-mentioned States.

(e) The Secretary of State, in consultation with the Administrator of the Environmental Protection Agency, shall establish a duly constituted international agency, or make use of an already constituted international agency to prepare and report on the effects of transboundary air pollution originating from copper smelters on public health and welfare in the United States and in Mexico. The study and report shall address, to the extent available data permit, the magnitude and effects of transborder pollution by sulfur dioxide, including pollution expected from further industrial expansion. The report shall make a finding as to whether such transborder pollution by sulfur dioxide originating from copper smelters may reasonably be expected to endanger public health and welfare in the territories of the United States and in Mexico and shall make recommendations for prevention or elimination of such endangerments as may be documented in the report.

SEC. 5. EMISSIONS OF OXIDES OF NITROGEN.

(a) NO_x EMISSIONS FROM CERTAIN MOTOR VEHICLES.—Section 202 of the Clean Air Act is amended by adding the following new subsection at the end thereof:

"(g) NO_x EMISSIONS FROM CERTAIN MOTOR VEHICLES.—Effective with respect to the model years specified in table 1, the regulations under subsection (a) applicable to emissions of oxides of nitrogen from the motor vehicles specified in table 1 shall contain standards which provide that such emissions may not exceed the level specified in table 1:

TABLE 1

NO_x Emissions From Certain Passenger Cars and Trucks

Vehicle type	Model year	Standard
Passenger cars	1990 and after	0.8 gpm.
Gasoline-powered trucks weighing up to 8,500 lbs.	1989 and after	1.1 g/Bhp-hr.
Gasoline-powered trucks weighing from 8,500 up to 14,000 lbs.	1989 and after	5.0 g/Bhp-hr.
Diesel trucks weighing up to 6,000 lbs.	1989 and after	5.0 g/Bhp-hr.
Diesel trucks weighing from 6,000 to 8,500 lbs.	1989 and after	5.0 g/Bhp-hr.

The weights specified in the first column of table 1 (and in table 2 of subsection (h)) shall be based upon the gross vehicle weight rating determined by the Administrator.

THE 1987 PROXMIRE-SIMPSON ACID RAIN CONTROL BILL: SECTION BY SECTION SUMMARY

Section 1: Short Title: "The Acid Rain and Sulfur Emissions Reduction Act."

Section 2 of the bill amends the Clean Air Act by adding the following new sections:

Section 180: Findings and Purposes. Congress declares that the long-range transportation of pollutants is a serious problem threatening public health and welfare and the environment. This bill intends to reduce the emissions of pollutants which cause acid rain.

Section 181: Applicability to New Sources. This program does not apply to plants which are defined as "new sources" in the Clean Air Act; only "existing" sources are covered.

Section 182: Establishment of Region. The emission reduction program applies to the 31 States east of or bordering the Mississippi and the District of Columbia, which are defined as the "acid deposition impact region."

Section 183: State Plans to Control Emissions. This section establishes requirements for reducing emissions of sulfur dioxide and nitrogen oxides. The Governor of each State in the region must submit an emission control plan and compliance schedules to the EPA Administrator within 24 months after the new enactment of this Act.

Sulfur Dioxide Emission Rate Requirements. By January 1, 1993, the annual average rate of emissions of sulfur dioxide (SO_2) must be reduced to 2.0 pounds per million Btu of heat input in each State. By December 31, 1997, the annual average rate of emissions of SO_2 must be reduced to 1.2 pounds per million Btu of heat input in each State.

Separate Utility and Non-Utility Requirements. These average rates of SO_2 emissions must be achieved separately by the pool of "existing" electric utility sources and by the pool of "existing" non-utility fossil-fuel fired steam generating units.

Conservation Option. If the Governor certifies to the Administrator that the State plan includes a conservation program that will help reduce emissions, then electric utility sources in the State may comply with an SO2 tonnage emission reduction requirement, rather than an emission rate. The 1993 reduction requirement would be set at the amount of emissions in excess of 2.0 lbs per million Btu from "existing" utility sources in the state in 1980; the 1997 reduction requirement would be set at the amount of emissions in excess of 1.2 lbs per million Btu from "existing" utility sources in the state in 1980.

Tonnage Cap. After the second phase deadline (December 31, 1997), statewide aggregate emissions from non-NSPS sources shall not exceed their 1980 levels minus emissions in excess of 1.2 lbs per million Btu. The size of this cap will be permanently reduced as non-NSPS plants are retired. The reduction in the cap's size will be based on the retiring plants average yearly emissions over its last five years of operation. The provision applies to both states which elect to use the conservation and those who do not.

Nitrogen Oxides. The Administrator must identify all sources in the region that can reduce their emissions rate to 0.6 lbs of NO_x per million Btu's or lower by 1997 using burner retrofit technology or using other means at a comparable cost per ton of NO_x removed. For those classes of boilers which cannot achieve such a rate, the Administrator is to identify an annual average emission rate such classes can achieve (using any means) at a cost per ton of NO_x removed comparable to that of boilers which can meet an emission rate of 0.6 lbs of NO_x per million Btu's or lower using burner retrofit technology. By 1989, the Administrator must transmit to each State a calculation of the total amount of NO_x emission reduction that can be cost-effectively achieved in this way. The Governor's emission control plan must achieve that amount of NO_x reduction by 1997.

Section 184: Accelerated Research Programs. An accelerated research program is to be conducted by the Acid Precipitation Task Force (in the National Oceanic and Atmospheric Administration), in addition to the other research being conducted by that Task Force. The research program will include high terrain modeling, regional tracer studies, research on the relative importance of different air pollutants in environmental damage, identification of sulfate and nitrate sensitive geographic areas, and research on health effects. The research is to focus especially on the long range transport and deposition of pollutants in the Western U.S. The research should be completed by January 1, 1990; $25 million is authorized for the program annually in fiscal years 1988, 1989, 1990, and 1991.

The EPA Administrator must conduct an intensive evaluation of the results of the research and of the effects of the first phase emission reductions. The evaluation is to be conducted between January 1, 1991 and July 1, 1992, and $1 million is authorized annually for it in fiscal years 1991 and 1992.

Section 185: Review of Phase II Requirements. The EPA Administrator may recommend changes in the Phase II emission control requirements based on the research and evaluation conducted under section 184 and other available research. By no later than July 1, 1992, the Administrator may recommend requiring States to comply with Phase II of the program that were not included in Phase I; exempting States included in Phase I from complying with Phase II; or increasing or decreasing an individual State's SO_2 or NO_x reduction requirements. The Administrator may recommend such changes only if they are supported by scientific evidence, and the recommendations shall take effect only if they are enacted into law by the Congress before January 1, 1994.

Section 186: General Provisions Applicable to State Plans.

Interstate Trading. The Governors of any two or more States may agree to reallot reductions requirements among the States, or to permit interstate trading of reduction requirements, as long as the total aggregate tonnage emission reduction achieved is the same as it would have been otherwise.

Revisions to State Plans. Governors may submit revisions to measures in their States' emission reduction plans at any time. If the Congress enacts changes in the Phase II requirements for any State, then the Governor must submit revised measures to achieve emission reductions within 9 months of enactment or by September 1, 1994 (whichever is earlier). However, if Congress eases a State's requirements, then the Governor may opt not to submit revised measures.

Criteria for Approving State Plans. In order to be approved, State measures to achieve emission reductions must include requirements for monitoring by the source and enforcement agencies including the installation of continuous emission monitors on all fossil-fired electric utility units; must be adequate to achieve the required reductions; and must establish a State baseline for SO_2 and NO_x emissions and baseline capacity factors for each electric unit. If the state's plan meets these criteria, the EPA Administrator shall approve the measures submitted by the Governor of a State within four months, taking into consideration the comments of Governors of other States. State plans shall also specify compliance schedules and incremental progress requirements, and to the extent practicable shall phase compliance dates so that larger amounts of emission reductions occur earlier. Emission limitations and requirements of State plans shall be treated as requirements of an applicable "implementation plan."

Enforcement and Penalties. The EPA Administrator may sue for a permanent or temporary injunction against violators of any requirement or measure of a State plan. The Administrator may also assess a civil penalty of up to $10,000 per day on any violator, by an order made on the record after opportunity for a hearing.

Section 187: Major Stationary Source Sulfur Dioxide Reduction Requirements—"Default" Provisions. If any State in the region fails to adopt measures to achieve the required reductions or fails to have such measures approved by the EPA Administrator within 42 months after the enactment of this bill, then every "existing" fossil fuel fired steam generating unit which is a "major source" in the State must achieve an annual average sulfur dioxide emission rate of 2.0 lbs per million Btu by 1993, and 1.2 lbs per million Btu by 1997. The owners or operators of each source are then responsible for submitting plans and measures to the EPA Administrator that will achieve the required reductions, establish baselines, and install continuous emission monitors on all electric generating units.

Section 188: Alternative Programs for Enforceable Emission Reductions. Emission reductions may be achieved using enforceable continuous emission reduction measures, or using alternative means including: least emissions dispatch of electric generating units; early retirement of major stationary sources; investments in conservation of electricity; precombustion cleaning of fuels; fuel substitution; select use of natural gas; and trading.

Trading of emission reduction requirements is permitted if the total aggregate tonnage emissions reduction is no less than the total that would be achieved absent such trading. Trading schemes may credit emissions reductions resulting from enforceable continuous emission reduction techniques, fuel substitution, precombustion cleaning of fuels, or early plant retirement. The States and the EPA Administrator are authorized to facilitate trading by establishing emissions reduction banks, brokerage institutions and marketable permits, and shall consider emissions and capacity factor baselines and the actual monitored emissions and capacity factors achieved when implementing trading.

Section 3: Smelters. Section 3 of the bill is appended to § 119(c)(2) of the Clean Air Act. This section requires each primary nonferrous smelter, which has applied for or been granted a second order extending deadlines for complying with sulfur dioxide emission limitations or standards, to be in compliance by January 2, 1988. No administrative or court order may extend the compliance deadline beyond this date. The EPA must complete action on all pending applications within 180 days of the enactment of this bill, and within 60 days of enactment must amend all orders already in effect to provide for compliance by January 2, 1988.

Section 4: International Cooperation. Congress expresses its concern and sense of urgency about transboundary air pollution between the U.S. and Mexico. Congress directs the Secretary of State to conclude an Annex concerning transboundary air pollution with Mexico with all due dispatch. Congress directs the Secretary of State to ensure that the new Nacozari smelter and any expansions to the existing Cananea smelter will meet standards at least as stringent as new source performance standards under the Clean Air Act. The Secretary of State is to negotiate a mutually acceptable arrangement for monitoring, inspecting, and enforcing pollution control standards near the border, and with the EPA Administrator, is to report to Congress on the results of research by the EPA and international agencies on the effects of transboundary air pollution from copper smelters on public health and welfare in the U.S. and Mexico. (This section is identical to the international provision in H.R. 4567.)

Section 5: Emissions of Oxides of Nitrogen. Nitrogen oxide emissions standards are tightened to 0.8 grams per mile for passenger cars in model year 1990 and after; to 1.1 grams per brake-horse-power-hour for light-duty gasoline-powered trucks in model year 1989 and after; and to 5.0 grams per brake-horse-power-hour for heavy-duty gasoline-powered trucks and diesel trucks in model year 1989 and after.

Mr. SIMPSON. Mr. President, I believe congressional action on acid rain legislation is long overdue and maybe close at hand. Whether the Congress acts during this session or during the next session I believe it is important to now begin the debate in earnest. There are several bills in Congress which address the acid rain problem by taking what I believe extreme approaches. This Nation cannot afford to reduce acid deposition in a manner that is not economically feasible. For that reason I have decided to cosponsor this bill and to encourage all Senators to begin to think carefully about acid rain legislation.

This acid rain legislation utilizes a two-phased approach to acid rain controls. The bill mandates new standards for the 31 State acid rain impact region and allows State flexibility in determining how best to meet these standards and goals. By January 1, 1993, annual statewide average emission rates for sulfur dioxide would not exceed 2.0 pounds per million Btu's. By December 31, 1997, annual statewide average emission rates for sulfur dioxide shall not exceed 1.2 pounds per million Btu's. The result will be a 10-million-ton reduction in yearly sulfur dioxide loading.

In addition to sulfur dioxide controls the bill mandates limitations in nitrogen oxide which can catalyze the formation of atmospheric acid rain precursors. All sources of nitrogen oxide would be required to lower emission rates in order to meet a standard of 0.6 pounds of nitrogen oxide per million Btu's by January 1, 1997.

This acid rain legislation makes every attempt to provide flexibility to the States in the acid rain region. The bill establishes firm goals for emissions reductions but allows for more cost-effective approaches to the acid rain problem. States would be able to develop the most efficient methods for dealing with emissions reductions and will be able to take into account the unique situations within the areas involved. This translates into decreased cost for emission reductions and negates the need for Federal subsidies for sulfur dioxide cleanup efforts.

The bill also deals with smelter emissions in the West. In addition, this legislation directs the Secretary of State and the EPA Administrator to expedite negotiations with Mexico in order to develop an agreement regarding the reduction of emissions from the Nacozari smelter in Mexico which is now belching its pollution across the United States border.

I trust the introduction of this bill will stimulate much debate and discussion as the acid rain issue begins to mature. I believe the two-phased cost-effective approach directed in the bill makes eminent good sense and I trust many of my colleagues on the Environment Committee and in the Senate will agree.

Mr. BOSCHWITZ. Mr. President, I am pleased to again join with my colleagues, Senator PROXMIRE and Senator HUMPHREY in introducing the "Acid Rain and Sulfur Emissions Reduction Act." This bill that I propose deals with the critical problem of acid rain, which not only currently affects large parts of our country, but which also has many implications for our future generations. I feel that this bill deals with the problem of acid rain in the most efficient, flexible, and reasonable means available and I am hopeful that the Senate will be given the opportunity to address it this year.

The bill that I am cosponsoring today is designed to reduce sulfur dioxide emissions in the 31 Eastern States by 10 million tons per year after it is phased in, and to do so in a way that gives States and industry the flexibility they need to accomplish these reductions in an efficient way. One way our legislation provides flexibility is by phasing in a cap on the statewide average sulfur dioxide emissions over a period of years. A second way is that it gives States great flexibility in determining actually how to reduce emissions. For example, rather than requiring that all company's reduce emissions by a set amount, this bill gives States the ability to negotiate separately with company's to determine an appropriate emission level considering the company's current efforts and its ability to cutback further on emissions. This would allow States to consider the age and type of plants that are causing the pollution, and would give them the option of choosing any one of several methods for reducing it.

This bill also allows for interstate agreements to give even greater flexibility to pollution problems along State borders.

Finally, the bill incorporates the idea of "polluter pays," an economically efficient approach that lets producers and consumers make decisions based on the economic costs of the resources they use, including the cost of environment controls.

Mr. President, I am particularly enthusiastic about this bill for the following reasons:

First, the bill recognizes the work already done by each individual State;

Second, the bill allows for the greatest amount of flexibility possible through bubbling and trading, which allows for the meeting of reduction goals within a region, rather than at every utility or other plants; and

Third, the bill is economically feasible and efficient.

Mr. President, as you know, the State of Minnesota depends upon its 10,000 lakes for recreation as well as for our economy. And of course, there is nothing more important to our basic needs than clean water. The problem of acid rain is still in its developing stage, yet we now have the means to control this problem before it is fully matured. We must face this problem now, before it is too late, and I urge my colleagues to join our efforts.

Mr. HUMPHREY. Mr. President, I am pleased to join Senators PROXMIRE, SIMPSON, and others in introducing acid rain control legislation. I believe that this bill, almost identical to the Proxmire-Humphrey bill introduced during the 99th Congress, provides a practical and effective strategy for significantly reducing those chemical emissions which contribute to the formation of acid rain.

It is my hope that Senator SIMPSON and his colleagues on the Environment and Public Works Committee will make every possible effort to end the stalemate which has characterized acid rain debate and to reverse the trend toward acidification of our environment. Mr. President, the Proxmire-Simpson-Humphrey acid rain bill deserves thoughtful consideration and support as a fair and cost-effective approach to control the threat posed by acid rain.

During the 98th and 99th Congresses, it was my privilege to sit on the Environment and Public Works Committee. As a member of the committee, I participated in many hearings and discussions on acid rain control options; however, no real progress toward the reduction and control of acidic deposition has been made. During the hearings, scientists testified that a casual relationship does link sulfur emissions produced by burning fossil fuels with the formation of acid rain. As each year passes, more lakes die, more fish die and more trees die due to the chemical reactions which lead to increased acidic wet and dry deposition. Our natural resources deserve and require protection from the devastating effects of acid rain.

Our bill takes a two phase approach to acid rain control and mandates new standards for an acid rain impact region consisting of 31 States. By January 1, 1993, annual statewide average rate of emissions for sulfur dioxide shall not exceed 2 pounds per million Btu of heat input. By December 31, 1997, annual statewide average rate of emissions for sulfur dioxide shall not exceed 1.2 pounds per million Btu of heat input. These emission standards translate into a yearly emissions reduction of approximately 10 million tons of sulfur dioxide. In addition, all sources of nitrogen oxide must meet the new source performance standard annual emission rate of 0.6 pounds of nitrogen oxides per million Btu's of heat input by December 31, 1997. Most plants can meet this standard by using low nitrogen oxide burners.

The Proxmire-Simpson-Humphrey bill would accelerate and refocus acid rain research. Our bill allows for a midcourse review and alteration of the provisions laid out in the bill if, at the conclusion of the first phase, new research suggests the need for changes. After taking into consideration the research conducted under the bill and other available research, the Administrator of the Environmental Protection Agency may recommend to Congress that changes be made in the emissions requirements for sulfur dioxide and nitrogen oxide. The Administrator's recommendations will not take effect unless the Congress enacts legislation to impose the recommended changes.

In addition, this bill would require that all fossil fuel fired plants install continuous emissions monitors on stacks. This small provision is vital for an accurate reading of emission baselines, chemical composition and emission reduction rates.

Automobiles and other mobile sources of air pollutants contribute significantly to the percentage of nitrogen oxide and other chemicals in our air. The mobile source emissions provision contained in our bill provides a first step toward combatting the problems caused by the emission of excessive amounts of nitrogen oxide. I believe that mobile source controls should be further examined and considered to be an important part of any acid rain control program.

Many of the witnesses who presented testimony during Environment and Public Works Committee hearings on acid rain expressed the view, as stated here by Governor Kean of New Jersey, that "States must be given the flexibility to choose among a variety of options to provide reductions as cheaply and quickly as possible." The relative flexibility incorporated into Proximire-Simpson-Humphrey is one of its great strengths. While establishing firm goals for emissions reduction, the bill allows for a reduction strategy that is cost effective. Our bill would allow both inter- and intrastate trading and would not mandate the use of a specific emissions reduction technology. This means that States may develop the most cost-effective method for dealing with the problems and circumstances which are unique to their State or area. The flexibility allowed within this bill will significantly decrease the cost of emission reductions. Cost estimates have predicted that other acid rain control bills with more stringent and inflexible standards will probably lead to excessive use of scrubbers and exorbitant cost increases to utilities and consumers.

Scientists have conclusively determined that acid rain is killing our lakes, rivers and fish populations. The 1986 report by the national research council, "Acid Deposition: Long Term Trends," concludes that "there is a cause-and-effect relationship between SO_2 emissions and stream sulfate fluxes." Recent testimony before the Environment and Public Works Committee has presented evidence that sulfur dioxide emissions lead to reduced visibility. Acidic deposition accelerates the destruction and deterioration of our buildings, monuments, and other manmade materials as well as our forests and natural resources. A trip through New Hampshire's White Mountain peaks provides startling and disturbing evidence that red spruce and other trees are dying at an alarming rate.

Problems related to acidic deposition are not just national, but international. For this reason, I would encourage international cooperation and a 50 State emissions reduction program. Many acid rain proposals set emission reduction standards for the entire United States. Ultimately, I believe that a national program will be necessary to ensure adequate acid rain control.

Mr. President, I appreciate the opportunity to work with Senator PROXMIRE, Senator SIMPSON, and other Members of Congress to develop a feasible and cost-effective solution to the critical environmental problems caused by acid rain. I urge my colleagues to join our effort to reduce the effects of acid rain and to preserve our natural resources. The 100th Congress must enact Federal legislation to reduce acid deposition. I believe the approach proposed in the Proxmire-Simpson-Humphrey bill is a means by which to reach that goal.

By Mr. HEINZ (for himself and Mr. SPECTER):

S. 317. A bill to amend and reauthorize programs under the Urban Mass Transportation Act of 1964; to the Committee on Banking, Housing, and Urban Affairs.

FEDERAL MASS TRANSIT REAUTHORIZATION ACT OF 1987

● Mr. HEINZ. Mr. President, today I am introducing legislation that would reauthorize for 4 additional years Federal mass transit assistance programs that expired on September 30, 1986. This bill would provide the steady and predictable source of Federal funds we need to maintain a mass transit network that millions of people rely upon for an affordable means of transportation. The bill would also fine-tune certain provisions of current law to ensure that the Federal Transit Program can most effectively meet this need.

Over the past several years, there has been much discussion about whether we should reduce or eliminate the Federal commitment to mass transit. I and others have argued that these programs serve an essential function for an increasing number of our Nation's people that are using mass transit. In 1984, our Nation's buses, trains, and trolleys generated 8.5 billion fares, an increase of 25 percent since 1972. Nine out of every ten Americans live in areas served by mass transit.

Mass transit also provides clear public benefits to many people who do not use its services directly. By providing an alternative means of transportation for large numbers of people, it reduces congestion for the motorist, and air pollution caused by automobiles. It saves travel time for users and nonusers alike, cutting the economic costs created by lost hours at work. Mass transit services also save taxpayer money by reducing wear and tear on our already overburdened roads and bridges, and by lessening the need for expensive highway projects. A recent event in my State demonstrates these needs in a dramatic way. During the transit workers' strike this past spring in Philadelphia, the chamber of commerce estimated a loss of $2 million a day in lost retail sales and higher absenteeism.

Mass transit plays an important role in my State of Pennsylvania. Transit systems carry 485 million riders per year. Mass transit supports nearly 70,000 jobs, employing many in areas in my State that have not shared in our national economic recovery—cities like Altoona, Erie, Johnstown, and Allentown. The legislation we are introducing today will provide less than a dime for each person living in these four metropolitan areas. While this may seem like a modest amount of money, it will be in the form of Federal operating assistance, which makes a significant contribution to the total budgets of these smaller transit authorities, and without which fares would rise as much as 100 percent for the people in these and hundreds of other cities in the United States served by small transit authorities. The retention of operating assistance should enable them to retain existing levels of service and employment and to keep fares at a reasonable level.

Last year, this Senate reaffirmed the Federal commitment to mass transit when it voted unanimously to pass the highway bill, which reauthorized mass transit programs for 4 years at $3 billion per year. The bill I am introducing today is similar in many respects to last year's Senate-passed bill. First, it would provide funding for the formula operating and capital assistance programs that are financed by general revenues at the level of last year's Senate bill and the continuing resolution. In addition, it contains many of the programmatic changes that the Senate approved last year.

My bill differs from last year's legislation in one important way. It would provide for an increase in the gas tax-funded section of the mass transit program from $1 to $1.374 billion, which is the level that the administration has requested for fiscal year 1988; $1 billion of these funds would be spent on the existing section 3 program that funds major capital programs. The remaining $374 million of the funds would be spend as follows: Two-third of the funds would be distributed to all transit authorities based on the existing formula, and one-third of the funds would be spent on the major capital programs. As a result, two-thirds of the total funds authorized in this bill would be distributed to all transit authorities under the formula program.

This modification attempts to respond to concerns that were expressed by some Senators during last year's floor debate—that a small number of major transit authorities received the great majority of gas tax funds.

To put the funding levels in this legislation in perspective, I would remind my colleagues that since 1981, we have reduced spending for mass transit programs by 24 percent. These cuts have necessitated an increase in local support for mass transit. But this year, many transit authorities in my State and others will suffer from the elimination of the General Revenue Sharing Program. In Allegheny County, PA, for example, GRS had comprised three-fourths of the local share of mass transit assistance, totaling $12 million per year. Further cuts in mass transit in light of the termination of GRS would devastate Pittsburgh's transit authority and the many others who relied on this source of funds.

This legislation would hold the line on further cuts in the Federal Mass Transit Program. It would help our Nation's transit authorities avoid service reductions and fare increases that would price mass transit out of reach for the millions who depend upon it to get to work, to schools, and to hospitals.

I hope that this bill will be an important step toward enactment of mass transit legislation early in the 100th

Congress, and I pledge to work with my colleagues on the Banking Committee and with other Senators who have an interest in this subject to produce a reauthorization bill in short order.

Mr. President, the time is now to reaffirm the Federal commitment to mass transit. I urge my colleagues to support this legislation. I ask unanimous consent that a copy of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 317

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Federal Mass Transit Reauthorization Act of 1987".

AGREEMENTS FOR ADVANCE CONSTRUCTION

Sec. 2. Section 3(a)(4) of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"(4)(A) Notwithstanding any other provision of law, the Secretary is authorized, in connection with the initial funding of a project under this section, to establish a basis for multi-year financing of such project through the issuance of a multi-year project obligation to the recipient. At least 30 days prior to the issuance or amendment of any such obligation under this paragraph, the Secretary shall notify, in writing, the Committee on Public Works and Transportation of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, of the proposed issuance of such an obligation.

"(B) An obligation issued under this paragraph shall stipulate the Secretary's maximum future participation in the financing of a defined project, including an estimated annual rate of participation, and the total amount so stipulated shall, when issued for a new fixed guideway project, be sufficient to complete an operable segment. The total amount of future Federal expenditures contained within all such multi-year obligations shall not exceed 75 per centum of the aggregate contract authority amounts authorized in section 21(a)(2)(B), nor shall the amounts estimated for use in any fiscal year exceed 75 per centum of the amounts authorized for that fiscal year. Amounts necessary to finance continued commitments to projects defined in subparagraph (C) shall be subtracted from such percentage. The total amount covered by such multi-year obligations shall not exceed any limitation that may be specified in an appropriations Act. Nothing in this paragraph affects the validity of Letters of Intent or Full Funding Contracts issued prior to the date of enactment of the Federal Mass Transit Reauthoriaztion Act of 1986.

"(C) Funding for projects covered by letters of intent or letters of commitment issued, and full funding contracts executed prior to the date of enactment of the Federal Public Transportation Act of 1982 may be funded under this section while not precluding the funding of a portion of such projects using section 9 capital funds unless such funding would impair the recipient's ability to fund routine capital projects under this section. The Secretary shall, as part of the approval of the use of such funds, determine that sufficient funds exist for the recipient to complete and place into revenue service an operable segment. Notwithstanding the provisions of section 4(a), the Federal share of any project under this section covered by a full funding contract, Letter of Intent, or Letter of Commitment in effect on the date of enactment of the Federal Public Transportation Act of 1982, or those projects within the federally agreed upon scope for the Washington, District of Columbia, metropolitan area transit system (as of such date) shall not be altered.

"(D) Ninety days prior to the commencement of each fiscal year, the Secretary shall publish in the Federal Register a table indicating the aggregate and annual estimated amounts contained in all outstanding multi-year obligations entered into as of that date. Based on this table, the Secretary shall prepare and publish, prior to the commencement of the fiscal year, an apportionment of funds necessary to sustain projects approved under subparagraph (A) for the coming year. Such funds shall be released to the recipients on the first day of the fiscal year and may be obligated by the recipients to meet project costs or to be applied to the payment of principal and interest on bonds, notes, or other obligations issued by the recipients to finance project costs. Federal obligations under this paragraph shall be charged to the budget year in which funds are released to recipients.".

NEW START PROJECTS

Sec. 3. Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(i) No grant or loan for construction of a new fixed guideway system or extension of any fixed guideway system may be made under this section unless the Secretary has first ensured that the applicant has prepared an evaluation of the proposed project. The evaluation shall include at least the following information:

"(1) The results of complete alternatives analysis and preliminary engineering studies.

"(2) A cost-effectiveness evaluation.

"(3) The anticipated local economic development resulting from the construction and operation of the proposed project, including local provisions to capture the benefits of such development for the long-term benefit of mass transit services through the use of special assessment districts or other value capture mechanisms.

"(4) Documentation of the local financial commitment to participate in the construction, maintenance, and operation of the system or extension.

In identifying the data to be assembled for the evaluation required under this section, the Secretary shall also consider such other factors as the Secretary deems appropriate. The Secretary shall, not later than 180 days after the date of enactment of this subsection, issue guidelines for the preparation of information necessary to assist in evaluating projects. Such guidelines shall be developed in full consultation with public mass transportation interests, and shall be submitted at least 60 days before implementation to the Committee on Public Works and Transportation of the House of Representatives, and to the Committee on Banking, Housing, and Urban Affairs of the Senate. None of the provisions of this section shall apply to projects to enhance a fixed guideway system unless the contemplated project will result in an extension of the fixed guideway of more than one mile for revenue service purposes. Nothing in this subsection shall be interpreted to provide for a numerical ranking of proposed projects or for comparing one project with another in any report assembled with data prepared pursuant to this subsection.".

SUBSTITUTE PROJECTS

Sec. 4. Section 4(g) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "and" after "1985,"; and

(2) by inserting "and such sums as may be necessary for fiscal years 1987, 1988, 1989, and 1990," after "1986,".

LIMITATION OF APPROPRIATIONS

Sec. 5. Section 4(i) of the Urban Mass Transportation Act of 1964 is amended by striking out "using sums available pursuant to section 4(c)(3)(A) of this section" and inserting in lieu thereof "using sums not to exceed $9,000,000 in each of fiscal years 1987, 1988, 1989, and 1990".

USE OF LAPSED SECTION 5 FUNDS

Sec. 6. Section 5(o) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new sentence: "Sums apportioned under this section after October 1, 1982, and remaining unobligated at the end of fiscal year 1986 shall be added to the amount available for apportionment under section 9 of this Act for fiscal year 1987, and made available as provided by section 9(p).".

FUNDING OF PARTIAL PROGRAM OF PROJECTS

Sec. 7. Section 9(e)(2) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new sentence: "A grant may be made under this section to carry out, in whole or in part, a program of projects.".

LEASED PROPERTY

Sec. 8. Section 9(j) of the Urban Mass Transportation Act of 1964 is amended by inserting after the first sentence the following: "Grants for construction projects under this section shall also be available to finance the leasing of facilities and equipment for use in mass transportation service, subject to such regulations limiting such grants to leasing arrangements which are more cost effective than acquisition or construction as the Secretary shall prescribe not later than 90 days after the date of enactment of the Federal Mass Transit Reauthorization Act of 1987.".

DEFINITION OF ASSOCIATED CAPITAL ITEM

Sec. 9. The last sentence of section 9(j) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "and materials" and inserting in lieu thereof ", tires, tubes, and materials"; and

(2) by striking out "1 per centum" and inserting in lieu thereof "one-half of 1 per centum".

REVENUE RETENTION

Sec. 10. Section 9(j) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following: "Net income received from the use, lease, or sale of airspace or adjacent property acquired as a result of a project funded under this section or section 3(a)(1) or such income derived from the disposal of fungible items such as gravel, rail ties, or rail and excluding rolling stock, which have been fully depreciated over their useful lives shall be totally retained by the recipient for projects eligible under this section or section 3(a)(1) of this Act. The Secretary may not award any grant or make any loan under this Act on the condition that such net income must be used to finance a part of any project for which funding is sought under this Act, or to reimburse the United States for grants or loans made pursuant to this Act. Nor shall the Secretary use such net income in any calculation of net project cost under section 4(a).".

OPERATING ASSISTANCE FOR SMALL URBANIZED AREAS

SEC. 11. The first sentence of section 9(k)(2) of the Urban Mass Transportation Act of 1964 is amended by striking out "95 per centum" and inserting in lieu thereof "100 per centum".

NEWLY URBANIZED AREAS

SEC. 12. Section 9(k)(2) of the Urban Mass Transportation Act of 1964 is amended by striking all that follows the word "use" in the last sentence and inserting in lieu thereof: "from its annual apportionments, the same amount of funds for operating assistance in fiscal years 1986, 1987, 1988, 1989, and 1990 as was available to it during fiscal year 1985.".

OVERHAUL-RECONSTRUCTION

SEC. 13. (a) Section 12(c)(1) of the Urban Mass Transportation Act of 1964 is amended by inserting "(A)" after "such term also means" and by inserting before the semicolon at the end thereof the following: ", (B) any bus remanufacturing project which extends the economic life of a bus eight years or more, and (C) any project for the overhaul of rolling stock (whether or not such overhaul increases the useful life of the rolling stock)".

(b) Section 9(j) of such Act is amended—

(1) by inserting "(1)" before "Grants"; and

(2) by adding at the end the following new paragraph:

"(2) A project for the reconstruction (whether by employees of the grant recipient or by contract), of any equipment and materials each of which, after reconstruction, will have a fair market value no less than one half of 1 percent of the current fair market value of rolling stock comparable to the rolling stock for which the equipment and materials are to be used shall be considered a project for construction of an associated capital maintenance item under this section.".

(c) The first sentence of section 9(k)(1) of such Act is amended by striking out "shall not exceed" the first place it appears and inserting in lieu thereof "shall be".

(d) Section 3(a)(2)(A)(iii) of such Act is amended by inserting before the period the following: ", and will maintain such facilities and equipment".

AUTHORIZATION OF APPROPRIATIONS

SEC. 14. (a) Section 21(a)(1) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "and" after "1985"; and

(2) by inserting ", $2,000,000,000 for fiscal year 1987, $2,000,000,000 for fiscal year 1988, $2,000,000,000 for fiscal year 1989, and $2,000,000,000 for fiscal year 1990" after "1986".

(b) Section 21(a)(2)(B) of such Act is amended by striking out the period and inserting in lieu thereof ", and $1,374,000,000 in each of fiscal years 1987, 1988, 1989, and 1990. Of the funding authorized under this subparagraph, excluding amounts made available in accordance with sections 3(a)(7), 4(i), 8, 16(b)(2), and 11(b), $1,000,000 shall, in each fiscal year, be allocated as follows:

"(i) Not less than 10 per centum shall be available for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities.

"(ii) Not less than 40 per centum shall be available to finance grants and loans for rail modernization.

"(iii) Not less than 40 per centum shall be available to finance grants and loans for construction of new fixed guideway systems and extensions to fixed guideway systems.

"(iv) Not less than 10 per centum shall be available to finance grants and loans for any purpose under section 3 of this Act.".

(c) Section 21(a)(2) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"(D)(i) During each of the fiscal years 1987, 1988, 1989, and 1990, $374,000,000 of the funds made available under subparagraph (B) shall be made available by the Secretary only to those recipients that certify that they have exhausted their available funds under section 9 of this Act or that have identified projects to be funded under section 9 consistent with existing programs of projects under section 8(c).

"(ii) All such funds shall be available for obligation in the year in which they first become available and shall remain available for obligation during the next succeeding fiscal year.

"(iii) Funds described in paragraph (1) shall be apportioned so that 2/3 of such funds shall be available for use in accordance with section 9, and 1/3 of such funds shall be made available in accordance with section 3 and shall be subject to the provisions of subsection (a)(2)(C).".

(d) Section 21(a)(4) of such Act is amended by inserting "1987, 1988, 1989, and 1990" after "1986,".

(e) Section 21(a)(5) of such Act is amended—

(1) by striking out "and" after "1985,";

(2) by inserting ", and $63,750,000 shall be used in each of the fiscal years 1987, 1988, 1989, and 1990" after "1986"; and

(3) by adding at the end thereof the following new sentence: "Not less than 85 per centum of funds available under this paragraph shall be directly apportioned to, and made available to, all urban areas of more than 50,000 population.".

(f) Section 21(b) of such Act is amended—

(1) by striking out "and" after "1985,"; and

(2) by striking out the period after "1986" and inserting in lieu thereof ", $50,000,000 in each of fiscal years 1987, 1988, 1989, and 1990.".

(g) Section 21(a)(2) of such Act is amended by adding at the end thereof the following new subparagraph:

"(D) Appropriations made available pursuant to subparagraph (B) of this paragraph shall be obligated in a manner so that the amount of the total budget authority which remains available to the Secretary at the beginning of the last quarter of any fiscal year does not exceed 30 per centum of the total amount available. Not more than 15 per centum of the total amount available pursuant to subparagraph (B) shall be obligated during any month in the last quarter of each fiscal year. The Secretary may waive the requirements of the preceding sentences if the Secretary determines that such action is necessary to avoid a serious disruption in carrying out programs or activities financed by subparagraph (B) of this paragraph.".

FEASIBILITY STUDY OF ABANDONED TROLLEY SERVICE

SEC. 15. (a) The Secretary, in cooperation with the city of Philadelphia, Pennsylvania, shall conduct a study of the feasibility of restoring trolley service to corridors on which trolley service has been abandoned in such city.

(b) Not later than one year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a).

BUY AMERICA

SEC. 16. (a)(1) Section 165(b)(3) of the Urban Mass Transportation Act of 1964 is amended by striking out "50" and inserting in lieu thereof "85".

(2) The amendment made by paragraph (1) shall not apply to procurements made pursuant to contracts entered into before June 1, 1986.

(b) Paragraph (4) of section 165(b) of such Act is amended by striking "10 per centum" and all that follows through the period at the end of such section and inserting in lieu thereof "25 percent.".●

By Mr. BYRD:

S. 318. A bill to insure that all relevant information bearing upon a nominee's fitness and qualifications is made available to the U.S. Senate in cases where the Senate is required to give its advice and consent, and to require reappointment and reconfirmation of certain senior officials of the executive branch during a President's second consecutive term; to the Committee on Government Affairs.

(The remarks of Mr. BYRD and the text of the legislation appear earlier in today's RECORD.)

By Mr. BYRD (for Mr. BRADLEY, for himself and Mr. DODD):

S. 319. A bill to provide a program of planning grants, demonstration grants, and formula grants to assist local educational agencies to improve the basic skills of economically disadvantaged secondary school students, and for other purposes; to the Committee on Labor and Human Resources.

SECONDARY SCHOOL BASIC SKILLS ACT

● Mr. BRADLEY. Mr. President, I am pleased to be reintroducing the Secondary School Basic Skills Act today with my colleague, Senator DODD. I am hopeful that in the 100th Congress this bill, which specifically addresses the problems of high school students who have not mastered basic reading and math skills, will be enacted into law. I am convinced that one of the reasons students drop out of high school is that they lack basic skills. They are—to use the current jargon—"functionally illiterate" and they can't even get to first base with the high school academic curriculum. Functional illiteracy is widespread. An estimated 13 percent of American adults have inadequate reading, writing and comprehension skills for every day functioning. Functional illiteracy among minority youth may run as high as 40 percent. Thus, a fair proportion of our youth have trouble reading a newspaper, a recipe, instructions on a package of prepared food, or filling out a job application. Many lack the computational skills needed to balance a checkbook. Imagine how intimidating a tax form must be.

Results from the congressionally mandated national assessment of education progress reinforce this rather bleak picture: between 1970 and 1980 the educational achievement of 17-year-old students declined in every basic skills area. The situation is particularly dismal for low-achieving secondary school students. While 9- and 13-year-old low-achieving students have shown substantial gains in reading and mathematics, 17-year-old low-achievers showed a decline in reading ability and a negligible increase in mathematics. Similarly, while younger students in disadvantaged urban schools showed gains in reading scores between 1971 and 1980, 17-year-olds in these schools showed a loss and lagged well behind students in advantaged urban schools.

Considering the frustration, discouragement, and humiliation that many of these students must experience, it's not surprising that leaving school seems like an appealing alternative. In my home State of New Jersey, approximately 18,500 youths dropped out of school in the 1984–85 school year. During that same year, only 90,000 young people graduated from our public schools. In some urban schools in this country the dropout rate is greater than 50 percent, and that does not count the many students who are officially enrolled in school but attend irregularly.

The consequences of dropping out for the individual student, and the costs to this Nation, are well known. Nearly four out of every ten 16- to 24-year-olds in this country who have dropped out of school are unemployed. A recent study completed by the Educational Testing Service found that students completing high school scored substantially higher on a series of tests measuring abilities linked to good job performance than did those dropping out after junior high or early in high school.

We could force young people to stay in school. But this is clearly not an adequate solution. First, it's only likely to increase truancy. Second, unwilling students do not learn, and they often disrupt the learning of others. We obviously need to go further, examine the causes, and then to formulate public policy that goes to the source of the problem.

Even among students who go on to college, there are many who have not fully mastered basic skills. In New Jersey, of over 50,000 entering freshmen in 1984 who took the New Jersey college basic skills test, less than a third were proficient in verbal skills and basic math, and only 12 percent were proficient in elementary algebra.

So far most of the important educational reforms that are being implemented across the country have not addressed directly the problems of the high school student who has not mastered basic skills. Many States, including my own State of New Jersey, have increased academic course requirements for graduation. Also, New Jersey has developed a more rigorous higher level basic skills test which recently replaced their minimum competency examination.

We must set high standards for our students. Excellence in education cannot be compromised. But without sufficient support, the higher standards may well cause an even greater rise in the number of students who drop out of schools, because they consider their prospects for meeting those standards too remote to keep trying. Indeed, there is evidence that this is already occurring.

Throughout the country considerable efforts are being made to provide remedial instruction to high school students who are achieving at a low level. In New Jersey, for example, a group of teachers in Middlesex County developed a comprehensive basic skills program designed to help teachers manage classrooms, evaluate students' skill levels, and plan education programs to meet individual students' needs. Repeated evaluations of this program, Project Climb, show that it is successfully raising students' basic skill levels. The program is currently being disseminated to high schools in other States. But such efforts to develop and disseminate basic skills training are grossly underfunded at the secondary level. Less than 10 percent of Federal compensatory education funds are currently spent at the high school level.

The hard work has to be done in the schools themselves. But I believe that the Federal Government can and should support local efforts by making sure that schools have access to information about approaches that work, and by providing funds to enable schools to effectively implement these approaches.

Mr. President, our experience with chapter 1 has shown us that considerable achievement gains are made by disadvantaged children at the elementary school level when Federal funding is provided to assist schools in meeting these students' special needs. I am convinced that the same gains would result from an equivalent commitment to our Nation's high school students. And I believe that we must make that commitment.

Our commitment to solving the dropout problem can and should be approached from many different directions. Toward this end, I am also today joining my colleague, Senator PELL, in introducing another bill targeted to attacking the school dropout problem. The School Dropout Demonstration Assistance Act would authorize $50 million to allow schools to establish demonstration projects to identify potential dropouts, to find ways to prevent dropping out, and to help dropouts reenter schools. Successful prevention and reentry programs would be disseminated to other schools. The bill would also authorize a 1-year study of the nature and extent of the dropout problem.

My basic skills bill would provide funds to develop approaches to teaching basic skills at the high school level, and then to disseminate those techniques to all schools. In the first phase, for each of the next 2 years, $100 million would be made available on a competitive basis to secondary schools with large concentrations of low-income students to help them find the most effective means of teaching basic skills to high school students who haven't mastered them. These programs would be carefully evaluated.

The techniques used in the most successful programs would be widely disseminated in the second phase. During the second phase, $800 million would be made available to State departments of education to distribute to schools with disadvantaged populations on a formula basis. This is approximately the amount of money that is needed to bring high schools up to the same level of Federal funding for basic skills that is currently provided in chapter 1 for elementary and junior high schools.

But the funds I propose would only be continued to schools which can prove that they are making progress in reducing their drop-out rate. After the first 2 years of funding, schools must show an increase in the number of students passing a State-approved minimum competency test or a decrease in their drop-out rate. During later years, continued funding would be contingent upon maintenance of earlier gains.

Some schools are doing a great job in making sure that all students master basic skills. They deserve our praise. Some schools have been less successful. They need to have access to the expertise others have developed, and they need financial support to implement changes that will result in improved academic skills. I believe that this legislation will help meet these needs.

Mr. President, I ask unanimous consent that a summary of the bill and the bill itself be printed in the RECORD.●

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 319

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Secondary School Basic Skills Act".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to furnish financial assistance to local educational agencies having especially high concentrations of children from low income families to enable such agencies to provide more effective instruction in basic skills for economically disadvantaged secondary school students.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "basic skills" includes reading, writing, mathematics computational proficiency as well as comprehension and reasoning;

(2) the term "economically disadvantaged secondary school students" means students, aged 14 to 17, inclusive, who are counted under section 111(c) of the Elementary and Secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981;

(3) the term "institution of higher education" has the same meaning given that term under section 1201(a) of the Higher Education Act of 1965;

(4) the term "local educational agency" has the same meaning given that term under section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

(5) the term "panel" means the national secondary school basic skills panel of the National Institute of Education of the Department of Education established under section 12;

(6) the term "secondary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(7) the term "Secretary" means the Secretary of Education;

(8) the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands; and

(9) the term "State educational agency" has the same meaning given that term under section 198(a)(17) of the Elementary and Secondary Education Act of 1965.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4. There are authorized to be appropriated to carry out the provisions of this Act—

(1) $100,000,000 for the fiscal year 1988 of which—

(A) $1,000,000 shall be available for the activities of the panel under section 12;

(B) $2,000,000 shall be available for planning grants described in section 7;

(C) $1,000,000 shall be available for the national assessment under section 13(a); and

(D) $96,000,000 shall be available for demonstration grants under section 8;

(2) $100,000,000 for the fiscal year 1989 of which—

(A) $1,000,000 shall be available for activities of the panel under section 12;

(B) $1,000,000 shall be available for the national assessment under section 13(a); and

(C) $98,000,000 shall be available for demonstration grants under section 8;

(3) $800,000,000 for the fiscal year 1990 of which—

(A) $1,000,000 shall be available for the national assessment under section 13(a);

(B) $10,000,000 shall be available for the dissemination activities described in section 13(b); and

(C) $789,000,000 shall be available for formula grants pursuant to section 9; and

(4) $800,000,000 for each of the fiscal years 1991, 1992, 1993, and 1994 of which—

(A) $10,000,000 shall be available for dissemination activities described in section 13(b); and

(B) $790,000,000 shall be available for formula grants under section 9.

ELIGIBILITY

SEC. 5. A secondary school is eligible to receive assistance under this Act for planning grants, for demonstration grants and for formula grants only if at least 10 children aged 14 to 17, inclusive, are enrolled in such school and are counted under section 111(c) of the Elementary and Secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981.

USES OF FUNDS

SEC. 6. Funds made available under this Act for planning grants, demonstration grants, and formula grants, shall be used for the planning for, the development of new approaches to, and for carrying out educational services and activities designed specifically to raise the basic skills of low achieving economically disadvantaged secondary school students.

PLANNING GRANTS

SEC. 7. (a)(1) From funds appropriated pursuant to section 4(1)(B) for fiscal year 1988 the Secretary is authorized, in accordance with the provisions of this section to make grants—

(A) to local educational agencies on behalf of eligible secondary schools, and

(B) to institutions of higher education and other public agencies and nonprofit private organizations on behalf of eligible secondary schools,

for the purpose of assisting eligible secondary schools to prepare proposals for demonstration grants.

(2) The Secretary shall carry out the functions of this section through the National Institute of Education.

(b) No planning grant may be made under this section unless—

(1) an application is submitted at such time, in such manner, and containing or accompanied by such information as the Secretary deems necessary; and

(2) each local educational agency, institution of higher education, public agency, or nonprofit private organization submits a separate application for each eligible secondary school.

(c) No grant made under this section may exceed $2,000.

(d) Any local educational agency, institution of higher education, public agency, or private nonprofit organization which receives a planning grant under this section and does not submit a demonstration proposal in accordance with section 8 shall within 60 days after the end of the fiscal year 1988 refund the amount received under this section to the Secretary.

DEMONSTRATION GRANTS

SEC. 8. (a)(1) From the amounts appropriated pursuant to section 4(1)(D) for fiscal year 1988, and section 4(2)(C) for fiscal year 1989, the Secretary is authorized, in accordance with the provisions of this section, to make demonstration grants to enable eligible secondary schools to develop new approaches to achieving improved basic skills instruction of low-achieving economically disadvantaged secondary school students.

(2) The Secretary shall carry out the functions of this section through the National Institute of Education.

(b) No grant may be made under this section unless—

(1) an application is submitted at such time, in such manner, and containing or accompanied by such information as the Secretary deems necessary;

(2) the application is made—

(A) by the local educational agency on behalf of an eligible secondary school, or

(B) by an institution of higher education, a public agency, or a private nonprofit organization on behalf of an eligible secondary school if the institution, agency, or organization will provide educational services or will conduct educational activities for educationally disadvantaged students subject to the proposal for which the assistance is sought;

(3) the application contains assurances that the applicant will participate in the national assessment required by section 13(a);

(4) the proposal described in the application was prepared with the participation of administrators and teachers in the eligible secondary school; and

(5) the application was submitted to the appropriate State educational agency for review and comment prior to submittal to the Secretary under this subsection.

(c) In approving applications under this section the Secretary shall assure that—

(1) at least one demonstration grant is made in each State in each fiscal year; and

(2) no demonstration grant made under this section exceeds $500,000 in any fiscal year.

FORMULA GRANTS; ALLOTMENTS

SEC. 9. (a) From amounts appropriated pursuant to sections 4(3)(C) and 4(4)(B), the Secretary shall, in accordance with the provisions of this Act, make formula grants to States to enable local educational agencies within the State to carry out educational programs and activities to improve the basic skills of low-achieving economically disadvantaged secondary school students in eligible secondary schools.

(b)(1) From the sums available for formula grants under this Act for each fiscal year, the Secretary shall reserve—

(A) not to exceed 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, and

(B) 0.5 percent for payments for children enrolled in Indian schools,

to be allotted in accordance with their respective needs.

(2) The remainder of the amount available under this Act for forumla grants for each fiscal year, the Secretary shall allot to each State an amount which bears the same ratio to such percent as the number of the children aged 14 to 17, inclusive, who are counted for the purpose of section 111(c) of the Elementary and Secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981, for the fiscal year preceding the fiscal year for which the determination is made in the State bears to the number of such children in all States.

(3) For the purpose of this subsection, the term "States" includes the fifty States, the District of Columbia, and the Commonwealth of Puerto Rico.

(c) Each State educational agency shall allocate from the State allotment to local educational agencies and to institutions of higher education, public agencies, and private nonprofit organizations within the State having applications approved under section 11 on behalf of eligible secondary schools based upon the relative number of the children aged 14 to 17, inclusive, in such schools who were counted for the purpose of section 111(c) of the Elementary and Secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981.

STATE ASSURANCES

SEC. 10. Each State which desires to receive formula grants under this Act shall file with the Secretary an application containing assurances that—

(1) the State educational agency will be designated as the State agency responsible for the administration and supervision of programs assisted under this Act;

(2) the State will use formula grants made under this Act—

(A) so as to supplement the level of funds that would, in the absence of such grants, be made available from non-Federal sources for the purposes of the program for which assistance is sought; and

(B) in no case to supplant such funds from non-Federal sources; and

(3) the State educational agency will furnish technical assistance necessary to local education agencies, institutions of higher education, public agencies, and private nonprofit organizations applying on behalf of eligible secondary schools within the State to carry out their responsibilities under this Act;

(4) that the State will expend not more than 1 percent of the State's allotment for the purpose of administration, technical assistance, coordination, and planning;

(5) the State shall, subject to clause (6), distribute its allotment under section 9(b) of this Act to local educational agencies, institutions of higher education, public agencies, and private nonprofit organizations applying on behalf of eligible secondary schools within the State in accordance with the provisions of section 9(c);

(6) the State will not expend more than 10 percent of the allotment of the State to make payments to institutions of higher education, public agencies, and private nonprofit organizations submitting applications on behalf of eligible secondary schools; and

(7) the application of each local educational agency, institution of higher education, public agency, and private nonprofit organization applying on behalf of eligible secondary schools for funds under this Act will not be denied without notice and opportunity for a hearing before the State educational agency.

(b) The Secretary shall not disapprove the application filed by the State educational agency without affording notice and opportunity for a hearing.

LOCAL APPLICATIONS

SEC. 11. (a) Each local educational agency and each institution of higher education, public agency, and private nonprofit organization applying on behalf of an eligible secondary school may receive payments for any fiscal year in which it files with the State educational agency an application. Each such application shall—

(1) describe the eligible secondary schools and the programs to be conducted at the eligible secondary schools for carrying out the purposes of section 6;

(2) provide assurances that the program for which assistance is sought is of sufficient size, scope, and quality as to give reasonable promise of substantial progress toward improving the basic skills of low-achieving economically disadvantaged secondary school students;

(3) provide assurances that the program for which assistance is sought was designed and will be implemented in consultation with parents and teachers of the low-achieving economically disadvantaged secondary school students;

(4) describe, in the case of a local educational agency, the procedures which the local educational agency will follow with respect to subcontracting to any private nonprofit organization, any program or activity to be conducted in an eligible secondary school for low-achieving economically disadvantaged secondary school students if the agency determines that the alternative education program to be offered by such organization will best serve the interests of such students;

(5) provide assurances that the agency will cooperate with State efforts to evaluate the effectiveness of the programs assisted under this Act; and

(6) provide such other assurances as the State educational agency may require.

(b) An application filed under subsection (a) of this section may be amended annually as may be necessary to reflect changes without filing a new application.

NATIONAL SECONDARY SCHOOL BASIC SKILLS PANEL

SEC. 12. (a) There is established in the National Institute of Education of the Department of Education, a national secondary school basic skills panel of 12 members appointed by the Secretary. The panel shall be composed of—

(1) a secondary school teacher,

(2) two individuals who serve as principals, guidance counselors, and similar personnel in secondary schools,

(3) one individual representative of the National Diffusion Network, and

(4) the remaining members shall be representative of educational researchers who have established reputations in the area of basic skills education of the secondary school level.

(b) The panel shall meet as soon as practicable after the appointment by the Secretary.

(c) Each State panel shall—

(1) identify specific models throughout the United States which show promise of being effective in teaching basic skills to low-achieving economically disadvantaged secondary school students and identify the individuals associated with the successful models identified under this clause;

(2) furnish requests for proposals directly to local educational agencies in which there is at least one eligible secondary school;

(3) review and advise the Secretary with respect to planning grants under section 7; and

(4) review proposals for demonstration grants under section 8 and advise the Secretary with respect to—

(A) the feasibility of the proposal;

(B) the promise for effectiveness in raising achievement levels of students lacking basic skills;

(C) the level of concentration of economically disadvantaged secondary school students;

(D) support from teachers and parents; and

(E) the cost effectiveness of the proposal.

(d) The provisions of part D of the General Education Provisions Act, relating to secretarial advisory councils, shall apply to the panel authorized by this section.

ADMINISTRATION

SEC. 13. (a) The Secretary shall conduct a national assessment of the effectiveness and the implementation of the demonstration grants made under section 8.

(b) The Secretary shall disseminate to local educational agencies having eligible secondary schools the results of the assessment made under subsection (a) of this section.

(c) The Secretary shall monitor grants made under this Act and shall carry out procedures for the coordination of activities assisted under this Act with other research activities conducted by the Office of Educational Research and Improvement in the Department.

PAYMENTS; RESTRICTIONS

SEC. 14. (a) The Secretary shall make payments under planning grants and distribution grants as expeditiously as possible after the approval of applications under section 7 and section 8.

(b)(1)(A) No formula grant may be made to any local educational agency or to any institution of higher education, public agency, or private nonprofit organization with respect to any eligible secondary school for the third or fourth fiscal year in which the school is, but for this subparagraph, eligible to receive such a grant unless there is an improved performance of the economically disadvantaged secondary school students at such school on a State approved basic skills test or there is a decrease in the dropout rate at such school.

(B) No formula grant may be made to any local educational agency or to any institution of higher education, public agency, or private nonprofit organization with respect to any eligible secondary school for the fifth such fiscal year unless the performance of economically disadvantaged school students at such school is maintained at the highest level of performance achieved during the period of the first three fiscal years in which a formula grant was made with respect to that school or the lowest dropout rate during such period.

(2) The Secretary shall prescribe regulations to carry out the provisions of paragraph (1) of this subsection.

By Mr. PELL (for himself, Mr. CHAFEE, Mr. STENNIS, Mr. STAFFORD, Mr. DODD, Mr. HEINZ, Mr. LAUTENBERG, Mr. MOYNIHAN, Mr. SIMON, Mr. BRADLEY, Mr. METZENBAUM, Mr. KENNEDY, Mr. GLENN, Mr. SARBANES, Mr. SANFORD, Mr. MITCHELL, Mr. KERRY, Mr. RIEGLE, and Mr. ROCKEFELLER):

S. 320. A bill to authorize the Secretary of Education to make grants to local educational agencies for dropout prevention and reentry demonstration projects; to the Committee on Labor and Human Resources.

SCHOOL DROPOUT DEMONSTRATION ASSISTANCE ACT

Mr. PELL. Mr. President, today I am introducing the School Dropout Demonstration Assistance Act, which signifies the first education initiative I have introduced in this, the 100th Congress. It is so chosen because I consider the high number of school dropouts to be the most pressing problem facing our schools today—on a problem which demands immediate Federal attention. I am particularly proud to be joined by 18 of my colleagues in introducing this important legislation.

The School Dropout Demonstration Assistance Act is basically the reintroduction of legislation we introduced in the last Congress, S. 1525 the Dropout Prevention and Reentry Act. I deeply regret that we were unable to cut on this initiative last session. The very detailed work required by reauthorization of the Higher Education Act prevented us from turning to this legislation.

As I look to the agenda of the 100th Congress, however, I regard this dropout legislation as one of our highest priorities. It is a bill that we will place on a fast track. Since hearings were held on this legislation in the last Congress, I hope to move it to subcommittee and full committee markup without undue delay.

To my mind, the dropout disease is the most pernicious affliction invading school aged youth today, for it strikes 1 out of every 4 students each year. For well over two decades now we have lived with a situation in which 25 percent of students entering school in the ninth grade drop out before graduating. Quite simply this means that we are failing to reach and educate well over 1 million students annually.

There is no question but that we must work immediately to turn this situation around. While the national dropout rate is 25 percent, in some States it reaches as high as 40 percent. In many urban areas, it is close to 50 percent. Black students are almost twice as likely to drop out as are white students, and 70 percent of Hispanic students in urban schools are likely to leave.

This is truly an unacceptable situation in a society which condemns many of the uneducated or undereducated to a permanent condition of poverty. In this regard, I am reminded of the words of Sir Thomas More:

> If you suffer your people to be ill educated, and then punish them for those crimes to which their first education disposed them * * * you first make them thieves and then punish them.

Dropping out of school all but extinguishes the hope of making it in our competitive economy. There is an inextricable link between dropping out of school and drug abuse. There is an horrible bond between dropping out of school and illiteracy. And, there is an indisputable relationship between dropping out of school and unemployment.

While this situation handicaps the future of an individual, it is of lethal consequence to our society. The high national percentage of school dropouts is a staggering drain on our economy. It sentences us to the ever-increasing price of welfare, unemployment, and crime. Failing to invest now in programs which will keep students in school forces us to pay a price many times over in later years—the price of crime, of unemployment, of welfare, and loss of productivity.

These costs are considerable. A study by UCLA estimates that each "class" of school dropouts represents an annual cost of $200 million, and over their lifetime that figure mushrooms to $200 billion.

The economic fallout from this disaster strikes every aspect of our society. Structural unemployment is the first blow. The greatest single contributor to youth unemployment is the lack of a high school degree. Over 36 percent of high school dropouts are unemployed, compared to 21 percent of those with high school degrees. In the city of New York alone, youth unemployment carries a price tag of $12 million a year.

Those who do obtain employment begin their jobs in need of basic skills instruction. Each year business and industry pay $40 billion to provide the work force with remedial instruction. The Defense Department yearly spends $100 million for basic skills training for new recruits.

Many dropouts, without skills and unemployed, turn to crime. The majority of inmates in correctional facilities are without a high school diploma—about 59 percent of white inmates, and 63 percent of black inmates.

It is sadly true that it is cheaper to send a youth to Yale than it is to send that same student to jail. For example, the cost of incarceration in Rhode Island for each inmate is $21,000 per year, well over the Yale tuition of $16,000.

Clearly, we cannot continue to leave this situation unattended. The School Dropout Demonstration Assistance Act we are introducing today provides Federal direction and assistance to address immediately the crisis at hand.

This legislation authorizes $50 million for discretionary grants to LEA's for model and demonstration programs. This money would be divided into four tiers according to the population of the LEA. Twenty percent will be reserved for LEA's with an enrollment of 250,000 or more; 25 percent for LEA's with an enrollment between 50,000 and 250,000; 25 percent for LEA's with enrollments between 20,000 and 50,000; and 30 percent for LEA's of less than 20,000.

Grants may be awarded in this last tier to a consortia of not more than five LEA's, and this consortia may include the State educational agency as well. We have furthermore made specific provision in this bill for the special needs of rural school districts by reserving 20 percent of funds in the last tier for grants to LEA's with enrollments of less than 2,000.

One of the most critical features of this legislation is the provision that $500,000 be reserved for a national study. This study would provide uniform data on the numbers and demographics of the dropout population. Far too little is known about the dropout problem. Schools are uneven in their reporting, and once a student drops out of school it is all but impossible to track him. We need better information on the factors which encourage students to leave school, and most importantly, we need solid data on how best to meet the needs of students at risk of dropping out.

To my mind, a $50 million authorization for dropout prevention and reentry demonstration programs represents a critical and prudent investment in our future. Our legislation addresses the dropout problem in the most serious and responsible of manners. This bill does not throw money at the situation. Rather, it provides funds for demonstration programs, the most successful of which will serve as models for more comprehensive programs in future years.

Considering the fact that this situation has been with us for more than one quarter of a century, I am deeply disturbed by the fact that we have no foolproof answer for meeting it head-on. Without such answers, it is therefore imperative that we make provision for pilot programs before we launch a full-blown assault.

Projects funded through this act could well make the difference in breaking the cycle of poverty that families of these young Americans have endured for generations. If that can be accomplished, the result will most certainly be a strengthened American economy, and a greatly enriched nation.

To my mind, the clear choice at hand is whether we as a nation will uphold our commitment to education for all, or whether we will continue to keep the door of opportunity shut on one quarter of our high school population. For, in the words of Horace Mann, it is "education which beyond all other devices of human origin, is the great equalizer of the conditions of men—the balance wheel of the social machinery."

I commend the legislation we are introducing today to my colleagues on both sides of the aisle and urge them to join us in cosponsoring this very important bill.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 320

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "School Dropout Demonstration Assistance Act of 1987".

PURPOSE

SEC. 2. The purpose of this Act is to reduce the number of children who do not complete their elementary and secondary education by providing grants to local educational agencies to establish and demonstrate—

(1) effective programs to identify potential dropouts and prevent them from dropping out;

(2) effective programs to identify and encourage children who have already dropped out to reenter school and complete their elementary and secondary education; and

(3) model systems for collecting and reporting information to local school officials on the number, ages, and grade levels of the children not completing their elementary and secondary education and the reasons why such children have dropped out of school.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. There are authorized to be appropriated to carry out this Act $50,000,000 for fiscal year 1988 and such sums as may be necessary for fiscal years 1989 and 1990.

GRANTS TO LOCAL EDUCATIONAL AGENCIES

SEC. 4. (a) ALLOTMENT TO CATEGORIES OF LOCAL EDUCATIONAL AGENCIES.—From the amount appropriated under section 3 for any fiscal year, the Secretary shall allot the following percentages to each of the following categories of local educational agencies:

(1) Local educational agencies administering schools with a total enrollment of 250,000 or more elementary and secondary school students shall be allotted 20 percent of the amount appropriated.

(2) Local educational agencies administering schools with a total enrollment of at least 50,000 but less than 250,000 elementary and secondary school students shall be allotted 25 percent of the amount appropriated.

(3) Local educational agencies administering schools with a total enrollment of at least 20,000 but less than 50,000 elementary and secondary school students shall be allotted 25 percent of the amount appropriated.

(4) Local educational agencies administering schools with a total enrollment of less than 20,000 elementary and secondary school students shall be allotted 30 percent of the amount appropriated. Grants may be made under this paragraph to intermediate educational units and consortia of not more than 5 local educational agencies with a total enrollment of less than 20,000 elementary and secondary students. Such units and consortia may apply in conjunction with the State educational agency. Not less than 20 percent of funds available under this paragraph shall be awarded to local educational agencies administering schools with a total enrollment of less than 2,000 elementary and secondary school students.

(b) AWARD OF GRANT.—From the amount allotted for any fiscal year to a category of local educational agencies under subsection (a), the Secretary shall award as many grants as practicable within each such category to local educational agencies whose applications have been approved by the Secretary for such fiscal year under section 5 and whose applications propose a program of sufficient size and scope to be of value as a demonstration. The grants shall be made under such terms and conditions as the Secretary shall prescribe consistent with the provisions of this Act.

(c) MAXIMUM NUMBER OF GRANTS.—A local educational agency may receive no more than one grant for each of three fiscal years under this title.

(d) AMOUNT; FEDERAL SHARE.—The amount of a grant awarded under this section to a local educational agency for any fiscal year, to the extent practicable, shall be proportionate to the extent and severity of the local dropout problem, except that the amount of the grant shall not exceed 90 percent of the total cost of a project during the project's first fiscal year, 80 percent of such cost during the project's second fiscal year, and 70 percent of such cost during the project's third fiscal year.

APPLICATION

SEC. 5. (a) IN GENERAL.—A grant under this title may be made only to a local educational agency which submits an application to the Secretary containing such information as may be required by the Secretary by regulation. Each such application shall—

(1) provide documentation of (A) the number of children formerly enrolled in the applicant's schools who have not completed their elementary or secondary education, and (B) the percentage that such number of children is of the total school-age population in the applicant's schools;

(2) include a plan for the development and implementation of a dropout information collection and reporting system for documenting the extent and nature of the dropout problem, in accordance with standards established by the national school dropout study under section 9;

(3) include a plan for the development and implementation of a project which will—

(A) implement comprehensive identification, prevention, outreach, and reentry programs for dropouts and potential dropouts,

(B) address the special needs of school-age parents,

(C) disseminate information to students, parents, and the community related to the dropout problem,

(D) include coordinated activities involving at least one high school and its feeder junior or middle schools and elementary schools for those local educational agencies having such feeder systems,

(E) as appropriate, include coordinated services and activities with programs of vocational education, adult basic education, and programs under the Job Training Partnership Act,

(F) as appropriate, provide mechanisms which focus on the importance of developing occupational competencies which link job skill preparation and training with other employee training programs and genuine job opportunities,

(G) establish annual procedures for (i) evaluating the effectiveness of the project, and (ii) where possible, determining the cost-effectiveness of the particular dropout prevention and reentry methods used and the potential for reproducing such methods in other areas of the country,

(H) establish an advisory council which is broadly representative of the entire community and the dropout populations to be served, and

(I) use the resources of the community and parents to help develop and implement solutions to the local dropout problem; and

(4) contain such other information as the Secretary considers necessary to determine the nature of the local needs, the quality of the proposed project, and the capability of the applicant to carry out the project.

(b) SPECIAL CONSIDERATIONS.—For the purpose of approving applications under this section, the Secretary shall give first priority within each category under section 4(a) to applicants that have either very high numbers or very high percentages of school dropouts.

(c) REVIEW OF PROJECTS.—In any application from a local educational agency for a grant to continue a project for the second or third fiscal year following the first fiscal year in which a grant was awarded to such local educational agency, the Secretary shall review the progress being made toward meeting the objectives of the project. The Secretary may refuse to award a grant if the Secretary finds that sufficient progress has not been made toward meeting such objectives, but only after affording the applicant notice and an opportunity for a hearing.

AUTHORIZED ACTIVITIES

SEC. 6. Grants under this Act shall be used to carry out plans in applications approved under section 5. In addition, grants may be used for educational, occupational, and testing services and activities, including the following:

(1) to establish systemwide or school-level policies, procedures, and plans for dropout prevention and school reentry;

(2) to provide ombudsman or mentor services;

(3) to develop and implement activities, including extended day or summer programs, to address poor achievement, language deficiencies, or course failures, in order to assist students at risk of dropping out of school and students reentering school;

(4) to establish or expand work-study, apprentice, or internship programs;

(5) to use the resources of the community, including contracting with public or private entities or community-based organizations of demonstrated performance, to provide services to the grant recipient or the target population;

(6) to evaluate and revise program placement of students at risk;

(7) to review curriculum relevancy;

(8) to implement activities which will improve student motivation and the school learning environment;

(9) to provide training for school staff on strategies and techniques to identify children at risk of dropping out, to intervene in the instructional program with support and remedial services, to develop realistic expectations for student performance, and to improve student-staff interactions;

(10) to study the relationship between drugs and dropouts and between youth gangs and dropouts, and to coordinate dropout prevention and reentry programs with appropriate drug prevention and youth gang prevention community organizations; and

(11) to provide other educational, occupational and testing services and activities which directly relate to the purpose of this Act.

DISTRIBUTION OF ASSISTANCE; LIMITATION ON COSTS

SEC. 7. (a) DISTRIBUTION OF ASSISTANCE.—The Secretary shall assure that in approving grant applications under this Act—

(1) not less than 30 percent of the amount available for grants in each fiscal year be used for activities relating to dropout prevention;

(2) not less than 30 percent of the amount available for grants in each fiscal year be used for activities relating to persuading dropouts to return to school and assisting former dropouts with specialized services once they return to school.

(b) ADMINISTRATIVE COSTS.—Not more than 15 percent of any grant may be used for administrative costs.

GENERAL PROVISIONS

SEC. 8. (a) TIMELY AWARD OF GRANTS.—To the extent possible, for any fiscal year the Secretary shall award grants to local educational agencies under this Act not later than July 1 preceding such fiscal year.

(b) GRANTS MUST SUPPLEMENT OTHER FUNDS.—A local educational agency receiving funds under this Act shall use the Federal funds only to supplement the funds that would, in the absence of such Federal funds, be made available from non-Federal sources for activities to prevent students from dropping out of elementary and secondary school and to persuade dropouts to reenter school and complete their education.

(c) COORDINATION AND DISSEMINATION.—The Secretary shall require local educational agencies receiving grants under this Act to cooperate with the coordination and dissemination efforts of the National Diffusion Network and State educational agencies.

(d) ANNUAL REPORT.—Not later than January 1 of each year, the Secretary shall submit to the appropriate committees of the Congress an annual report concerning activities under this Act during the preceding fiscal year.

(e) AUDIT.—The Comptroller General shall have access for the purpose of audit and examination to any books, documents, papers, and records of any local educational agency receiving assistance under this Act that are pertinent to the sums received and disbursed under this title.

(f) WITHHOLDING PAYMENTS.—Whenever the Secretary, after reasonable notice and opportunity for a hearing to any local educational agency, finds that the local educational agency has failed to comply substantially with the provisions set forth in its application approved under section 5, the Secretary shall withhold payments under this Act in accordance with section 453 of the General Education Provisions Act until the Secretary is satisfied that there is no longer any failure to comply.

NATIONAL SCHOOL DROPOUT STUDY

SEC. 9. (a) IN GENERAL.—From amounts appropriated to the Secretary for fiscal year 1986, the Secretary shall use not more than $500,000 to conduct a one-year study of the nature and extent of the dropout problem in the United States. In conducting the study, the Secretary shall—

(1) establish a standard definition of a school dropout;

(2) develop a standard list of reasons why children are dropping out of school, including major factors that contribute to children dropping out;

(3) develop a model dropout information collection and reporting system;

(4) develop minimum reporting system requirements;

(5) identify the numbers of children and the general reasons for their dropping out of school among population groups with particularly high dropout rates;

(6) identify the characteristics of children who appear to be at risk of dropping out of school;

(7) identify the factors or policies which may attract children who have dropped out to reenter school and complete their elementary and secondary education;

(8) identify methods and techniques being used successfully to reduce the number of school dropouts; and

(9) provide recommendations for activities and policies which can be implemented at each level of government and in communities to ameliorate the dropout problem.

(b) OTHER REQUIREMENTS.—Recipients of grants under this title shall cooperate with the Secretary in carrying out the study under subsection (a) by providing data and information on the nature and extent of the dropout problem and the effectiveness of techniques used to address the problem.

DEFINITIONS

SEC. 10. As used in this Act—

(1) the term "community-based organization" means a private nonprofit organization which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community;

(2) the term "Secretary" means the Secretary of Education; and

(3) the terms "State educational agency", "local educational agency", "elementary school", and "secondary school" have the same meanings given those terms in section 198 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3381).

● Mr. MOYNIHAN. Mr. President, I am pleased to cosponsor the School Dropout Demonstration Assistance Act of 1987, which my distinguished colleague, Senator PELL, is introducing today. The purpose of this bill is to reduce the number of high school dropouts in this country. This bill addresses this critical problem by providing funds for demonstration programs designed to prevent students from dropping out of school and to encourage those that have already left school to return.

As my colleagues are aware, on the first day of the 100th Congress, I introduced S. 19, the Educational Achievement Incentive Act of 1987, a bill which seeks to accomplish the same goal which I share with my colleague from Rhode Island: the full education of all our children. I look forward to working closely with Senator PELL in forging a comprehensive plan to deal with the dropout problem and hope that the proposals incorporated in my bill will be a contribution to that effort.

The value of education to individuals and to society as a whole cannot be underestimated. Without basic education—the ability to read, understand and apply what one has learned—an individual is deprived of the most valuable tool by which they can support themselves and their families. Education means opportunity in the job market; without it, one has very limited abilities to support oneself and one's family. Studies have shown that the unemployment rate among those that have completed high school education is half that of those who dropped out. This means that just finishing the last 2 years of high school, one decreases one's chances of unemployment by 50 percent.

According to a study of families in poverty, issued by the House Ways and Means Committee, those with a high school education earn more than 50 percent more than those without. Mothers who received a high school diploma earn almost 90 percent more than those who did not.

Society is also a beneficiary of an educated work force. There is a strong correlation between a level of education among workers and our international competitiveness. In order to decrease unemployment and increase productivity, we must take active steps to decrease the dropout rate. The School Dropout Demonstration Assistance Act of 1987 will do just that.

Specifically, this bill authorizes $50 million to be distributed by the Secretary of Education to local educational agencies. This money will be distributed on the basis of the size of the school district and priority will be given to those school districts with the most serious dropout problem.

In addition, this bill mandates for dropout prevention projects and no less than 30 percent should be awarded for projects to encourage dropouts to return to school. The remaining funds will be allocated at the discretion of the Secretary. In this way, this bill attacks both sides of the dropout equation: It encourages those in school to remain and those who have left to return. With legislation such as this, I believe we can keep our Nation's young in school and equip them with that most valuable of human resources—education.●

● Mr. MITCHELL. Mr. President, I am pleased to join Senator PELL as an original cosponsor of the School Dropout Demonstration Assistance Act, a bill designed to reduce the number of high school dropouts by providing grants to local educational agencies for dropout assistance demonstration programs and exemplary projects.

At a time in our history when society demands a highly educated and well-trained work force, truancy and failure to complete high school continue to be serious problems. In my home State of Maine, students are quitting and skipping school at increasingly younger ages.

This is a critical concern for the future of our Nation.

During the past year, the Maine Department of Educational and Cultural Services established the commissioner's advisory committee on truants, dropouts and alternative programs in an effort to study truancy and failure to complete high school in Maine.

According to the committee's findings, high school dropouts account for 30 percent of Maine's adult population, 40 percent of the Maine State Prison and Maine Correctional Center, and are more likely to be on welfare and unemployment rolls.

The committee found that there is no consistency in reporting nor is there an adequate mechanism for collecting information on students who drop out before finishing high school. It is also unclear whether reporting of students who transfer within the public school system is consistent.

High school dropouts who participated in the committee's study told members that they quit school for a number of reasons including the lack of relevance of what was being taught, alienation between students and teachers and a failure to achieve success in the classroom.

The report, soon to be released by the commissioner's advisory committee, includes a number of recommendations to the State on ways to address the dropout problem. I am pleased that the bill we are introducing today, the School Dropout Demonstration Assistance Act, addresses several of the Maine committee's recommendations including allocation of funds to school districts with the highest truancy and dropout rates and the development of model systems for reporting and collecting data on students who have dropped out.

We must continue to examine the critical problems in American education. Our children must be prepared for an increasingly complex and technological society and be able to successfully interact and compete with our business and trading partners in the world.

This Nation has a proud history of excellence in education, a tradition which we must protect. We cannot afford to waste the minds of our youth because of boredom and failure to succeed in the classroom. Educators must search for innovative ways to hold and nurture all of our children so that each may develop his or her own maximum potential and make a positive contribution to society.●

● Mr. CHAFEE. Mr. President, I am pleased to join with my colleagues, Senators PELL, STAFFORD, and others, in reintroducing legislation intended to reduce this Nation's alarmingly high dropout rate.

The bill, the Dropout Assistance Demonstration Act, is a slight modification of legislation we first introduced in the 99th Congress, as S. 1525. The House version was passed on August 7, 1986, but unfortunately it was never taken up in the Senate.

The intent of this bill is twofold: to prevent potential dropouts from leaving school and to draw back those who have already dropped out. The bill will do this through a system of competitive grants to local educational agencies, thus lending much needed support to promising dropout prevention programs in every part of the country.

This Nation's dropout rate—estimates of which reach as high as 50 percent—takes a tremendous toll on society, on the economy, and on our ability to compete in world markets. The connection between our educational system and our competitive position in the world cannot be overemphasized: How successfully we deal with the nearly 1 million children who now drop out of high school each year will determine how well we will fare as a nation in the balance of this century. These children are part of our future—we simply cannot continue to write them off.

As repeated studies have shown, the lack of a high school diploma becomes a lifelong handicap. Dropouts show significantly higher unemployment rates, and those who do hold jobs earn far less than high school graduates. Each year, dropouts cost the Nation about $75 billion in welfare benefits and lost tax revenues. Most disturbing of all are estimates by the Justice Department that approximately 60 percent of prison inmates are high school dropouts. It is all too clear that the consequences of our high-dropout rate are tragic, both for dropouts themselves and for the society to which most of them are unable to make a real contribution.

As school districts across the country are instituting more rigorous standards, more students are, regrettably, being left behind. That is why we must take a two-pronged approach: Even as we insist on a higher standard of excellence, we must redouble our attention to those who are likely to become discouraged by the increasing demands of school. If we fail in this, the widening gap between the educational "haves" and "have-nots" can only widen even further.

The young people who drop out of our schools are those who, for a variety of reasons, have lost their motivation to learn the skills they need to succeed as adults. The bill we are introducing today will help local school systems restore that motivation by supporting programs which they design to keep kids enrolled in school.

It will do this by providing grants for model dropout programs—$50 million in fiscal year 1988 and such sums as may be necessary in the 2 succeeding years. The kinds of programs the bill will fund should be designed not only to reach existing dropouts, but also to identify potential dropouts and help to keep them from leaving school. And, since potential dropouts can often be identified well before the ninth grade, these programs should also coordinate dropout prevention activities between high schools and their feeder junior high schools and elementary schools. Where appropriate, programs may also coordinate activities with vocational education programs.

Projects funded under this act will address the special needs of high-school age parents, a group with pressing family and financial responsibilities and thus, under particular pressure to leave school. In addition, grantees must make available to other educational agencies any valuable information they gain about the dropout problem as a result of these demonstration projects.

Finally, the bill calls for a national study of the school dropout problem while these demonstration projects are underway. Despite the gravity of the dropout problem, surprisingly little is known about which students are leaving school, what kinds of schools they are leaving, and what has prompted them to drop out. This study, together with the results of the demonstration projects, will help determine where future efforts should be concentrated.

Right now, in every part of the country, our best thinkers, teachers, and administrators are applying their expertise to the dropout problem and are coming up with innovative ways to keep kids in school. The Federal grants that this bill provides will reward and support those efforts, and will get us on the road to solving the dropout problem.

I urge the Senate to waste no time in considering and approving this bill.●

By Mr. MITCHELL (for himself, Mr. STAFFORD, Mr. CHAFEE, Mr. MOYNIHAN, Mr. BAUCUS, Mr. LAUTENBERG, Mr. DURENBERGER, Mr. LEAHY, Mr. KENNEDY, Mr. DODD, Mr. PELL, Mr. KASTEN, and Mr. RUDMAN):

S. 321. A bill to amend the Clean Air Act to better protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes; to the Committee on Environment and Public Works.

ACID DEPOSITION CONTROL ACT

Mr. MITCHELL. Mr. President, as I have in each Congress since I joined the Senate, I am today introducing acid rain legislation. I hope this is the last time I will have to do so.

This legislation adds several new elements to my earlier bills. I previously introduced legislation requiring a 10-million-ton reduction in emissions of sulfur dioxide in the 31 Eastern States. But the current data persuade me that acid rain is a national problem. Acid rain is associated with more, not less, damage to our health, aquatic life, forests, and buildings, than we previously believed. As time has passed, the case for tough, national acid rain controls is more, not less, convincing. Accordingly, this bill would require a national reduction of 12 million tons of sulfur dioxide.

While I favor removing even more sulfur dioxide from the atmosphere, I remain dedicated to providing as much flexibility as possible to the States and those industries which will be required to achieve reductions. Under the legislation I am introducing today, each State is given 2 years to develop a plan for controlling emissions. The plan must provide for a statewide annual average emissions rate of 0.9 pounds of sulfur per million Btu. The plan must also commit the State to reduce its sulfur dioxide emissions by the States share of emissions in excess of 0.9 pounds of sulfur per million Btu, in an amount sufficient for the States in the aggregate to achieve the 12 million-ton-reduction figure. In this way States are given flexibility to achieve necessary reductions, and at the same time reductions are assured.

I believe that States can achieve these reductions. I prefer that they do so on the basis of State-developed plans. But if a State does not develop a plan within 2 years, then specific requirements will take effect—they will mandate that each source within the State meet a 0.9 standard and an emissions rate sufficient to achieve the States share of the national 12-million-ton reduction. This could be a more costly method of achieving the necessary reductions. It is an option I hope and expect that the States will choose to avoid by developing adequate plans within the prescribed 2-year time period.

Nitrogen oxide emissions from stationary sources are also required to be reduced to a statewide annual average equivalent to the 0.6 pounds per million Btu 3-hour standard, which is the new source performance standard promulgated in 1978. This should achieve a 2-million-ton reduction in nitrogen oxide emissions.

Mobile sources are required to achieve a nitrogen oxide emissions rate of 0.4 grams per vehicle mile by 1990, which is the standard now applied in California. Nitrogen oxide emissions are required to be reduced 4 million tons overall, from both stationary and mobile sources. Much of the acid precipitation problem in the Western United States is caused by emission of nitrogen oxides. To deal with that region's problems, there must be reduction in such emissions.

The bill includes other important provisions, including requirements that the President seek agreements with Canada and Mexico to reduce their emissions of acid rain precursors.

In some respects this bill is more stringent than those I have introduced in the past. But the need is more urgent than ever. I will schedule in the near future a new and thorough series of hearings on acid rain. I will seek comments from members of the Senate Environment and Public Works Committee, other Senators and interested parties. This is the beginning of a process that I hope will conclude with passage of acid rain legislation in this Congress.

Mr. President, I ask unanimous consent that the bill and a summary be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 321

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Acid Deposition Control Act of 1987".

Section 2. Title I of the Clean Air Act is amended by adding the following new part:

"PART E—INTERSTATE TRANSPORT AND ACID PRECURSOR REDUCTION

"FINDINGS AND PURPOSES

"SEC. 180. (a) The Congress finds that—

"(1) the long-range transport of pollutants and their transformation products is an interstate and international problem;

"(2) current levels of emissions of air pollutants from existing sources as well as increased emissions from new and existing sources threaten public health and welfare and the environment in States and countries other than those in which emitted;

"(3) reduction of total regional atmospheric loading of pollutants such as sulfur oxides and nitrogen oxides will enhance protection of public health and welfare and the environment;

"(4) more effective regulation of the interstate transport of air pollutants is needed in order to protect the health and welfare of the citizens of downwind States and the economic growth opportunities of downwind States; and

"(5) in particular—

"(A) the deposition of acid compounds from the atmosphere is causing and contributing to widespread long-term ecosystem degradation;

"(B) the principal source of the acid compounds in the atmosphere, and their precursors, is the combustion of fossil fuels;

"(C) the problem of acid deposition is of national and international significance and cannot be addressed adequately without Federal intervention;

"(D) control strategies and technology for precursors to acid deposition exist now that are economically feasible; and

"(E) current and future generations of Americans will be more adversely affected by delayed action, so that efforts to remedy the problem should commence now.

"(b) The purposes of this part are to:

"(1) protect public health and welfare and the environment from any actual or potential adverse effect caused by ambient concentrations or deposition of air pollutants, including the products of atmospheric transformation of pollutants; and

"(2) preserve the rights and responsibilities of States to protect the public health and welfare and the environment of their citizens from air pollution originating in other States.

"GOAL OF PART E

"SEC. 181. Not later than January 1, 1996, there shall be achieved a reduction in annual emissions of sulfur dioxide of 12,000,000 tons and in annual emissions of oxides of nitrogen of 4,000,000 tons, from the total actual annual level of such emissions between January 1, 1980, and December 31, 1980.

"ACID PRECURSOR CONTROLS

"SEC. 182. (a) Not later than January 1, 1996, each State shall achieve within its borders an annual Statewide average rate of emissions of—

"(1) sulfur dioxide not greater than 0.9 pounds per million British thermal units of heat input, and

"(2) oxides of nitrogen not greater than that determined by the Administrator to be equivalent to 0.6 pounds per million British thermal units of heat input on a three-hour average,

for all major stationary sources that are fossil fuel fired steam generating units, including both electric utility and non-utility units, that were in operation during any part of calendar year 1980.

"(b)(1) Not later than two years after the date of enactment of the Acid Deposition Control Act of 1987, each State shall adopt—

"(A) enforceable measures adequate to achieve the reduction in emissions required by subsection (a), applicable to each source subject to such subsection, including emission limitations and schedules of compliance for such sources and additional means of emission reduction in accordance with section 184 of this Act; and

"(B) such additional enforceable measures, including, but not limited to, controls on other stationary sources in such State, as are necessary, taking into account the requirements of subsection (a), section 110, section 111, and Title II of this Act, to achieve within its borders a reduction in annual emissions of (i) sulfur dioxide equal to that fraction of 12,000,000 tons that is the ratio of all the actual utility emissions in such State in excess of 0.9 pounds of sulfur dioxide per million British thermal units of heat input to the total in all States of all the actual utility emissions in excess of 0.9 pounds of sulfur dioxide per million British thermal units of heat input, and (ii) oxides of nitrogen equal to that fraction of 4,000,000 tons that is the ratio of all the estimated actual emissions of oxides of nitrogen in such State to the total in all States of all the estimated actual emissions of oxides of nitrogen. Such additional enforceable measures shall include emission limitations and schedules of compliance for such sources.

The Governor of such State shall submit such measures to the Administrator for review in accordance with paragraph (2) of this subsection.

"(2) The Administrator shall approve within six months such measures submitted under paragraph (1) of this subsection if the Administrator finds that such measures (A) contain enforceable requirements for continuous emission reduction, including for each source limitations on emission rate, assumed rates of operation, and limitations on aggregate annual emissions consistent with such assumed rates of operation, (B) contain requirements for the installation and operation of continuous emission monitoring by the source and additional monitoring by enforcement agencies to assure that the emission limitations are being met, and (C) are adequate to achieve the reduction in emissions for such State required by this section within the time specified.

"(3) Each emission limitation, schedule for compliance or other measure adopted and approved under this section shall be deemed a requirement of the State implementation plan approved or promulgated for such State under section 110 of this Act.

"(4)(A) Not later than three years after the enactment of this part, the owner or operator of each stationary source subject to an emission limitation under this part shall certify to the State the means by which such source intends to comply with such emission limitation, identifying the extent to which it will rely on fuel substitution, installation of a system of continuous technological emission reduction, retirement of existing facilities, implementation of enforceable energy conservation measures, or a combination thereof.

"(B) Not later than five years after the enactment of this part, each stationary source (i) for which certification is not provided within the time required by subparagraph (A), or (ii) that certifies that it will comply with an emission limitation established under this subsection or section 183 in whole or in part through the use of fuel substitution, shall be in compliance with such emission limitation.

"(C) Not later than five years after the enactment of this part, each major stationary sources that certifies pursuant to this section that it will comply with an emission limitation established under this subsection or section 183 through the installation of technological system of continuous emission reduction, the retirement of existing facilities, the implementation of enforceable energy conservation measures, or a combination thereof, shall enter into binding contractual commitments to acquire, install, construct, or retire such system or facilities, or provide such services as needed to implement any energy conservation measure.

"(D) Not later than January 1, 1996, each stationary source subject to an emission limitation under this part shall be in compliance with such emission limitation.

"(E) No major stationary source in operation before January 1, 1981, or which begin operation after January 1, 1981, shall increase its actual rate of emissions of sulfur dioxide or oxides of nitrogen over that experienced by such source during the calendar year 1980, unless there has been identified for such source in accordance with section 184 of this Act a simultaneous net reduction in emissions of such pollutant at one or more points in excess of the proposed increase in emission rate, and not otherwise required by a State implementation plan under section 110 or 111 of this Act or under this section or section 183 of this part.

"DEFAULT REQUIREMENTS AND SPECIAL RULE FOR GROWTH

"SEC. 183. (a) In the case of any State that does not have enforceable measures in accordance with section 182(b)(1) approved by the Administrator within two years and six months after the date of enactment of the Acid Deposition Control Act of 1987, the owner or operator of each fossil fuel fired steam generating unit in such State which is a major stationary source of emissions of sulfur dioxide shall comply not later than January 1, 1996, with an emission limitation for each such facility not greater than 0.9 pounds of sulfur dioxide per million British thermal units of heat input on a monthly average.

"(b)(1) On and after January 1, 1996, sources of sulfur dioxide in each State shall comply with the requirements of either paragraph (2)(A) or paragraph (2)(B) of this subsection. Each State shall determine which requirements shall apply within such State, and submit enforceable measures to implement such requirements, as part of the enforceable measures adopted and submitted pursuant to section 182(b), not later than two years after the enactment of this part.

"(2)(A) Any fossil fuel fired steam generating unit (including any utility or non-utility unit) on which construction has been completed for thirty years or more shall comply with an emission limitation not greater than 0.9 pounds of sulfur dioxide per million British thermal units of heat input on a monthly average. This subsection shall take effect January 1, 1996.

"(B) On and after January 1, 1996, aggregate Statewide emissions of sulfur dioxide shall not exceed an aggregate emissions ceiling for such State, equal to the actual annual emissions in such State between January 1, 1980, and December 31, 1980, minus the reduction in annual emissions determined under section 182(b)(1)(B)(i). For the purpose of such aggregate emissions ceiling, when a fossil fuel fired electric utility steam generating unit permanently ceases operation, such ceiling shall be reduced by an amount equal to the annual average emissions of sulfur dioxide from such unit in the preceding five year period.

"ENFORCEABLE EMISSION REDUCTION PROGRAMS

"SEC. 184. (a) For the purpose of attaining emission reductions required by section 182 of this Act on maintaining the limitation on emissions required by subsection (b)(4)(E) of such section, the following methods or programs for net emissions reduction may be used, in addition to enforceable continuous emission reduction measures, by a State or the owner or operator of a source, if emission limitations under such methods or programs are enforceable by the Federal Government, States other than those in which the emissions occur, and citizens under section 304 of this Act:

"(1) programs for energy conservation where enforceable reductions in emissions can be identified with such programs;

"(2) least emissions dispatch to meet electric generating demand at existing generating capacity;

"(3) retirement of major stationary sources at an earlier date than provided in schedules on file with the Federal Energy Regulatory Commission, the Internal Revenue Service, or State utility regulatory agencies;

"(4) trading of emission reduction requirements and actual reductions on a State or substate basis, for which States and the Administrator are authorized to establish emission banks or brokerage institutions to facilitate such trading; and

"(5) precombustion cleaning of fuels.

"(b) It shall be a first priority under this part to achieve the reductions in emissions required by section 182 through conservation of electricity. If the Governor of any State certifies to the Administrator, as part of the measures submitted under section 182(b), that a program encouraging or requiring the conservation of electricity will be implemented in such State and that such program will result in a reduction in emissions of sulfur dioxide or oxides of nitrogen, then such State may calculate the extent of the emissions reduction accomplished by such program of conservation, and may comply with the requirements of sections 181 and 182 by substituting such emissions reduction for a portion of the total emissions reductions attributable to the emissions rate limitations of section 182(a). Such emissions rate limitations may be adjusted to reflect such substitution.

"(c) Interstate trading of emission reduction requirements and actual reductions or limitations on emissions under section 182(b)(4)(E) shall not be allowed under this part.".

SIP AMENDMENT

SEC. 3. Section 110(a)(2)(E) of the Clean Air Act is amended by inserting after "visibility," the following: "or (III) contribute to atmospheric loadings of pollutants or their transformation products which may reasonably be anticipated to cause or contribute to an adverse effect on public health or welfare or the environment in any other State or foreign country".

SMELTER CONTROLS

SEC. 4. Section 119 of the Clean Air Act is hereby repealed, and any primary nonferrous smelter order issued under such section shall terminate as of January 1, 1988. Any primary nonferrous smelter to which such an order was issued shall be in compliance with the applicable emission limitation or standard no later than January 1, 1988. No order under section 113 or other provision of the Clean Air Act, nor the order of any court, shall permit any extension or delay in such compliance beyond January 1, 1988.

MOBILE SOURCE CONTROLS

SEC. 5. (a). Section 202(b)(1)(B) of the Clean Air Act is amended by adding at the end thereof the following new sentence: "The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during and after model year 1990 shall contain standards which provide that such emissions may not exceed 0.4 grams per vehicle mile.".

(b) Section 202(a)(3) of the Clean Air Act is amended by inserting after subparagraph (E) the following new subparagraphs and redesignating succeeding subparagraphs accordingly:

"(F) Regulations under paragraph (1) applicable to emissions from heavy-duty vehicles and engines manufactured during and after model year 1991 shall contain standards which provide that such emissions may not exceed 4.0 grams per brake horsepower-hour of oxides of nitrogen. Regulations under paragraph (1) applicable to heavy-duty vehicles and engines manufactured during and after model year 1995 shall contain standards which provide that such emissions may not exceed 1.7 grams per brake horsepower-hour of oxides of nitrogen.

"(G) Regulations under paragraph (1) applicable to emissions from light-duty trucks and engines manufactured during and after model year 1990 shall contain standards which provide that such emissions may not exceed 0.5 gram per vehicle mile of oxides of nitrogen. For the purposes of this subparagraph, the terms light-duty truck and engine mean any motor vehicle (including the engine thereof) with a gross vehicle weight (as determined under regulations promulgated by the Administrator) of 8,500 pounds or less and a curb weight of 6,000 pounds or less as determined under regulations promulgated by the Administrator) and which—

"(i) is designed primarily for purposes of transportation of property or is a derivation of such a vehicle,

"(ii) is designed primarily for transportation of persons and has a capacity of more than 12 persons, or

"(iii) has special features enabling off-street or offhighway operation and use.".

(c) Section 202(d)(1) of the Clean Air Act is amended by inserting after "occurs" the following: ", except that with respect to any catalytic converter or other component designed for emission control, for the purposes of section 207(a)(3), useful life shall be a period of use of ten years or of one hundred thousand miles, whichever first occurs".

(d) Section 206(b)(2)(A) of the Clean Air Act is amended by adding the following new clause:

"(iii) A certificate of conformity shall be suspended or revoked under clause (i) if less than 90 percentum of the new vehicles or engines tested in any sample or sampling period conform with the regulations with respect to which the certificate of conformity was issued.".

(e) After January 1, 1988, a vehicle emission control inspection and maintenance program required by section 172(b)(11)(B) of the Clean Air Act or, in areas where there is no such program operating, any inspection program required by applicable vehicle safety laws of a State, shall require emissions testing or direct inspection of components of vehicle emissions control systems (including evidence of misfueling) and, where such components have been rendered inoperative, the replacement or repair of such components, for systems or components related to the control of emissions of oxides of nitrogen.

(f) Section 211 of the Clean Air Act is amended by adding the following new subsection:

"(h) After July 1, 1988, the sale of diesel fuel for use in motor vehicles, which fuel has a sulfur content in excess of the average sulfur content of gasoline sold in the United States during 1985, shall be prohibited. No later than January 11, 1988, the Administrator shall publish a determination of the allowable level of sulfur in diesel fuel under this subsection. Unless and until such determination is published, such allowable level of sulfur shall be 0.05 percent by weight.".

INTERNATIONAL COOPERATION

SEC. 6. (a) Not later than January 1, 1988, the President shall institute negotiations with Canada and Mexico for the purpose of concluding a tripartite agreement—

(1) to minimize projected and existing levels of air pollution;

(2) to create an institutional framework to control sources of transboundary air pollution;

(3) to establish a North American air quality monitoring network;

(4) to encourage increased research and dissemination of information on air pollution control strategies; and

(5) to develop uniform minimum levels of protection for public health and the environment.

(b) The President shall undertake to enter into international agreements to apply uniform standards of performance for the control of the emissions of air pollutants. For this purpose the President shall negotiate multilateral treaties, conventions, resolutions, or other agreements, and formulate, present, or support proposals at the United Nations and other appropriate international forums.

(c) In the negotiations with Canada pursuant to this section, or in any bilateral negotiations with Canada involving transboundary air pollution and controls on precursors to acid deposition, the President shall seek to assure that prior to the effective date of the control provisions of Part E of Title I of the Clean Air Act, Canada shall adopt and enforce reductions in sulfur dioxide emissions comparable to those undertaken in the United States, including the appropriate installation of technological systems of continuous emission reduction.

(d)(1) The Secretary of State and the Administrator of the Environmental Protection agency shall, with all due dispatch, conclude with the Government of Mexico an Annex concerning transboundary air pollution to the August 4, 1983, United States-Mexico Border Environmental Agreement. All feasible efforts shall be made to conclude a final version of said Annex as soon as possible and in no case later than 3 months after enactment of this subsection.

(2) In negotiating the Annex referred to in paragraph (1), the Secretary shall seek to assure that the Nacozari smelter in Mexico will meet pollution control standards that are at least as stringent as new source performance standards under the Clean Air Act, preferably before startup of that smelter but in no case later than January 1, 1988.

(3) In negotiating such Annex the Secretary shall seek to assure that the Cananea Smelter in Mexico will—

(A) at a minimum, achieve a level of pollution control for any increased emissions before any proposed expansion that is at least as stringent as new source performance standards under the Clean Air Act; and

(B) if technically feasible, achieve that level of pollution control for the entire source before any expansion.

(4) In negotiating such Annex the Secretary shall assure that an agreement is concluded for a mutually acceptable arrangement for monitoring, inspection, and enforcement of pollution control standards for copper smelters in both countries in the air quality control region (within 100 kilometers in each direction for the border) encompassing the copper smelters at Douglas, Arizona; Nacozari, Sonora; and Cananea, Sonora.

(5) In negotiating such Annex the Secretary shall promote a final version that in its other provisions is in no case less stringent in terms of absolute emissions and ambient air quality standards, and in the schedule for coming into force of such standards, than set out in the July 18, 1985, joint communique of the national coordinators in the 1983 Border Agreement.

(6) The Environmental Protection Agency shall perform atmospheric field experiments to determine the effects of emissions of sulfur dioxide from the Nacozari smelter in Mexico, before and after implementation of pollution controls, on concentrations of oxides of sulfur and deposition thereof in the States of Arizona, Colorado, Idaho, Montana, New Mexico, Utah, and Wyoming. The experiments shall place particular emphasis on the effects of the smelter, before and after implementation of pollution controls, on acid rain and visibility in the above-mentioned States.

EMISSION TARIFF STUDY

SEC. 7. Not later than January 1, 1989, the Secretary of the Treasury, after consultation with the Administrator of the Environmental Protection Agency, shall submit to the Committee on Environment and Public Works and the Committee on Finance of the United States Senate and the Committee on Energy and Commerce, the Committee on Public Works and Transportation, and the Committee on Ways and Means of the United States House of Representatives, a study, together with appropriate legislative proposals, on a system of tariffs on emissions adequate to encourage reductions in emissions of precursors of acid deposited and other forms of environmental pollution.

ACID RAIN BILL SUMMARY

OVERVIEW

This legislation requires a national 12 million ton reduction in sulfur dioxide (SO_2) emissions and a 4 million ton reduction in nitrogen oxide ((NO_x) emissions by 1996.

STATIONARY SOURCES

Sulfur Dioxide

The legislation mandates a 12 million ton reduction in sulfur dioxide ((SO_2) emissions from 1980 levels by 1996, which is slightly less than a 50% reduction in emissions. Within 2 years, each State is to develop a plan implementing the requirements of this bill, and EPA is given 6 months to review such plan. The plan must be incorporated into the State Implementation Plan (SIP). Only preparation of a plan is required within the 2 year deadline.

The plan must meet two requirements: (1) it must establish a statewide, annual average emissions rate of 0.9 pounds of SO_2 per million British thermal units (lbs/MMBtu); (2) it must further reduce the State's emissions to achieve the State's share of a 12 million ton reduction. This share is calculated on the State's utility emissions in excess of 0.9 lbs/MMBtu. The State plan must include source-specific emissions requirements.

The first requirement of a state annual average of 0.9 lbs/MMBtu is expected to achieve a 10.4 million ton reduction, and the second requirement will produce the 12 million ton reduction required in the bill.

If a State fails to have an approved plan within 2½ years, then a default provision applies. This provision requires that each source within a State meet a monthly average emissions rate of 0.9 lbs/MMBtu.

Nitrogen Oxides (NO_X)

The bill mandates a 4 million ton reduction in NO_x emissions, from both stationary and mobile sources by 1996. The bill requires stationary sources to meet an annual Statewide average NO_X emissions rate equivalent to the 0.6 lbs/MMBtu 3 hour New Source Performance Standard (NSPS). It is estimated that this will achieve approximately a 2 million ton reduction in NO_x emissions.

General Provisions

The bill states that as of 1996 the ordinary useful life of a plant is 30 years, after which a plant must meet a monthly average emissions rate of 0.9 lbs/MMBtu of SO_2 or the State must meet a statewide emissions cap.

A continuous emissions monitoring system is required. Conservation is encouraged by permitting reduced demand for electricity to count toward emissions reductions. Also included are provisions requiring sources to fuel switch or sign a contract for adequate emissions control technology 5 years after enactment.

Mobile Sources

The Mitchell bill uses the California standard and requires light-duty vehicles to meet a 0.4 grams per vehicle mile standard by 1990. This provision is identical to last year's bill, S. 2200. NO_x for light-duty trucks is 0.5. For heavy-duty trucks the standard is 4.0 grams per brake horsepower-hour, and 1.7 in 1995. The warranty requirement for emissions control equipment is extended from 5 years/50,000 miles to 10 years/100,000 miles. This sulfur content in diesel fuel is limited to 0.05 percent.

International

The President is required to enter into tripartite negotiations with Canada and Mexico for controlling air pollution. The President is directed in negotiations with Canada to assure that prior to 1996, Canada adopts and enforces reductions in SO_2 emissions comparable to those undertaken in the U.S.

The bill also directs the Secretary of State and EPA Administrator to reach agreement with Mexico requiring the Nacozari smelter, which has no air pollution control equipment, to meet Clean Air standards either before the smelter begins operation, or in no case later than January 1, 1988. EPA is also directed to monitor emissions in the US from Nacozari.

Emissions Tariff Study

This provision requires the Secretary of Treasury and EPA to submit a study on emissions tariffs to encourage reduction in emissions of air pollutants. The study, to be provided in EPW and Finance Committees in the Senate, is due by January 1, 1989.

Mr. CHAFEE. Mr. President, as one who has stongly advocated a Federal program to control acid rain, I am pleased to join my colleagues in introducing the Acid Deposition Control Act of 1987. On Monday, January 12, several of us introduced S. 300, the New Clean Air Act, a bill designed mainly to combat the problems of acid rain.

These bills are very similar in purpose and scope. They differ primarily in the methods used to achieve and assure reductions in air pollution from powerplants. The bill being introduced today would set stringent emission limits for all States. State implementation plans [SIP's] would be used to assure that powerplants in each State, taken together, comply with the statewide limits. The other bill, S. 300, would require that each powerplant in every State meet emission limits on a case-by-case basis. Thus, the bill introduced today takes a statewide approach to emissions, whereas S. 300 assigns standards to each plant, depending upon a variety of factors.

Both bills set a sliding scale of progressively more stringent limits for powerplants that are going to operate and pollute for many years to come. The longer the life of the powerplant, the cleaner it has to be. This will put an end to the practice of avoiding tough new performance standards simply by extending the life of old dirty plants.

Both bills would control emissions of sulphur dioxide as well as nitrogen. Similarly, both bills deal with the problems of acidic deposition, dry as well as wet, snow as well as rain.

Recognizing that cars and trucks contribute to the problems of acidic deposition, both bills would impose new controls to reduce pollution from these mobile sources, including diesel trucks.

It should come as no surprise that those of us here today are advocates of an acid rain control program. We have sponsored such legislation in the past and will continue to press the issue.

We know enough to act and must act to reduce pollution that causes acid rain. Since we first developed acid rain control legislation in 1979 and 1980, report after report has proven the case for imposition of controls.

A report released in 1985 concluded that four out of five of Rhode Island's cleanest waterways are either dying or being endangered by acid rain. At least two have acid levels high enough to kill fish.

A report released last year by the National Academy of Sciences concluded that a "causal relationship" does link sulphur emissions from the burning of fossil fuels with acid rain and increased levels of acid in lakes and streams.

The bill we are introducing today and the bill we introduced on Monday, S. 300, are based on scientific evidence that has been developed since 1979. This new information tells us not only that our proposals in the early 1980's were sound but that we were being too conservative.

For 7 years, the Congress has been engaged in a debate called "acid rain," with the common belief that the pollutants are new and so are the arguments. In fact, both the pollutants and the debates are echoes from the 1960's and the 1970's and even earlier.

What has changed since then is the level of scientific certainty. Acid rain has killed lakes and streams; and it continues to cause other damage. One scientific report after another has made this so clear that, if the Congress were a court of law, the jury would have no difficulty returning a verdict of guilty.

It has become increasingly clear that more is at stake here than just lakes and streams which are adversely affected by acid rain. Congress took action 16 years ago to protect the health of Americans, as well as wildlife and plant life, by enacting the Clean Air Act. Today, science has indicated that those judgments of 16 years ago were not only correct, but that the Congress did not go far enough. More—much more—is now needed, and the acid rain debate has made this clear.

We have made great progress in the United States chiefly because of laws enacted in the 1970's to meet challenges which arose in the 1950's and 1960's. This is a new era and it demands new solutions.

These bills would require that:

All powerplants should ultimately be as clean as those few which now utilize the fuels and technology of 1987.

All new cars and trucks should be as clean as technology allows them to be built.

All citizens should be protected from the pollution produced by dirty smoke stacks and exhaust pipes.

Together, these two new bills, the Mitchell Acid Deposition Control Act of 1987 and S. 300, the Stafford New Clean Air Act, set the stage for enactment of an acid rain control bill during these next 2 years. The committee hearings and debate will focus on these bills.

I urge all of our colleagues to examine these bills and to cosponsor one or both of them. Either one would be effective but at least one of them is needed. I am confident that under the diligent, able leadership of Senators MITCHELL and STAFFORD, we will break the impasse that has prevented enactment of an acid rain control bill so far.

Mr. BAUCUS. Mr. President, today I am joining with Senator MITCHELL, in sponsoring legislation to being what I hope will lead to a reauthorization of the Clean Air Act during this Congress. Earlier this week, I cosponsored acid rain legislation introduced by Senator STAFFORD. While both bills include provisions that I cannot wholeheartedly embrace at this time, I believe it is important that we move forward and begin the debate. It has been 10 years since the Clean Air Act was reauthorized. The problems facing the Nation's air require congressional attention. This attention needs to expand far beyond acid rain to include all pollutants emitted into the air impacting health and the environment.

During the past three sessions of Congress, clean air legislation has found itself captive to interregional fighting and disagreement. A grid lock has developed. The 100th Congress needs to break this logjam and the American people are demanding this action.

The administration and Congress have tended to focus almost exclusively on long-range transportation of air pollutants to the exclusion of all other air pollution problems. These other air pollution problems have continued to expand and now overwhelm the clean air debate.

Scientific evidence now exists demonstrating our health-based primary air quality standards are not protecting public health. EPA has had the national primary standard for sulfur dioxide under review for over 3 years, yet no action is proposed.

For almost a decade, the Japanese have utilized selective catalytic reduction technology to control emissions of nitrous oxide. Germany is now requiring application of this technology for every powerplant in that country. Yet in the United States only a few limited applications have occurred, and these have occurred only in response to State action. Technology developed in the United States has been placed in production in Japan and is being marketed worldwide.

What was meant to be a technology-forcing law to protect the public health and environment has become a timid program stuck in a slow stall. Congress must work with EPA to get this program moving forward once again.

By the end of this year, approximately 45 million people will find themselves in areas which have not attained compliance with the national primary—health—standard for ozone. We will be telling a vast proportion of our population that we have failed in making their air healthful.

These ozone nonattainment areas will find themselves in violation of the law. These communities will face the loss of Federal funding. A great hue and cry about the cost and unfairness of sanctions can be expected. Congress can be expected to be called upon to relax these sanctions. Congress must not act hastily in this regard but must first ensure that steps are put in place to move toward attainment.

Sections 108 and 109 of the Clean Air Act require the administrator to establish ambient air quality standards "to protect the public health while allowing an adequate margin of safety * * *"

This congressional mandate of an ends-oriented goal shaped the debate of 1976 and 1977. Congress now finds itself at an important juncture. With the prospect of these areas of the country facing ozone nonattainment, Congress must directly confront the issue of the basic goal of the Clean Air Act once again. The goal is as correct today as it was when the original Clean Air Act was enacted. What is needed is a recommitment to meeting this goal.

Environmental opinion polls show that while the American public is only paying low-key attention to environmental problems, there is nearly unanimous agreement that contamination problems are getting more serious. The American public's impatience in addressing these issues is now beginning to show. In May of last year by a big 79 to 17 percent majority, the public stated they were convinced that "pollution from acid rain is a serious problem." They indicated a similar level of concern over toxics.

This legislation represents a solid beginning. Other alternatives have been proposed and they need to be investigated thoroughly. But, we must move forward.

This bill contains an important principle in that the polluter will be rquired to pay the cost of pollution control. This principle is a longstanding principle in the existing law. Continuing this approach is correct. In meeting immediate reductions from existing facilities, a least-cost approach will be used, allowing States and utilities flexibility in attaining reductions.

Considerable concern has been raised over the placement of a useful life on all powerplants. Since this requirement would force all powerplants into the rigid straightjacket of "new source performance standards."

The requirement that all new powerplants employ continuous emission control technology without limiting emissions to an amount easily and readily achievable is a policy which we must recognize has actually exacerbated the acid rain problem.

EPA projected, when it promulgated regulations to implement new source performance standards, that emissions of sulfur dioxide would slightly increase in the Midwest. These emissions have now been implicated as the source of New England's acid rain.

In the West, stringent emission limitations have helped to protect visibility and maintain high air quality. The West by EPA's own survey is highly susceptible to acid rain damage. A high level of protection is warranted. The question of continuous emissions controls has long been settled in Montana.

Montana has required continuous emissions controls prior to any Federal requirement. Montana has led the way in showing what can be achieved to maintain clean air. The most recent powerplant constructed in Montana, has achieved an emission rate of 0.07 pounds sulfur dioxide per million british termal units. One does not need to be a great analyst to understand what type of air quality the country would have if all plants nationwide were this clean.

Montana has paid a high price for this level of protection. It is a cost which our children and grandchildren in Montana will appreciate. The Rocky Mountain West has been determined to be at high risk from acidic deposition. Since much of the precipitation in the West occurs as snow, there is a large potential for snowmelt in the freshet to compound adverse effects. Stringent emission controls are necessary and appropriate. Montanans have willingly accepted this cost.

The real question which must be confronted is, Does the Nation share Montana's commitment? Can the basic goal of the Clean Air Act be achieved nationwide, when the current law provides differential protection between the East and the West? I doubt it.

While lost jobs opportunities in the western and eastern low-sulfer coal fields are the readily identifiable result of this type of policy, the real loser is the citizen living in the Eastern United States. He must live with dirty air.

One reason an acid rain control program is needed, is because existing powerplants are not being retired, as we originally thought they would be. Part of the cause for powerplant life extensions can be tied to the disincentives of new source performance standards. Acid rain control legislation will ensure that these emission reductions are achieved.

The goal orientated approach of the Clean Air Act necessitates a continuous introspection and review of the standards in the law. The intent of Congress was to have these standards reexamined on a periodic basis. As technology advances and public health needs become apparent, additional actions must be taken. We must work to reduce emissions until public health and the environment are protected.

A clarification of the goals of the Clean Air Act must be seriously considered. Emissions in the future must continue to move downward. It is this reemphasis on protecting public health and welfare that must become the preeminent motivation driving the Clean Air Act reauthorization.

Until public health and welfare are protected, the mandate of the Clean Air Act will not be fulfilled. Recent court cases make it encumbent upon Congress to reexamine these goals and to redefine them in a way that ensures continual movement toward their achievement.

The need for additional measures to protect public health and the environment must drive congressional action to reauthorize the Clean Air Act. This proposal is a good beginning. It is only a beginning. I plan to work actively with Senator MITCHELL and the entire committee to ensure a fair, equitable and protective Clean Air Act.

Mr. LAUTENBERG. Mr. President, I rise today to join Senator MITCHELL in introducing the Acid Deposition Control Act of 1987. This legislation addresses one of the primary environmental problems facing this Nation and nations around the world: acid rain.

The bill mandates a 12-million-ton reduction in sulfur dioxide [SO_2] emissions and a 4-million-ton reduction for nitrogen oxide [NO_x]. It would achieve these reductions by requiring by 1995 each State to attain annual average statewide emission rates for fossil fueled utility and nonutility steam generating units of 0.9 pounds per million Btu of SO_2 and 0.6 of NO_x.

Two years after enactment each State must promulgate emissions limitations for each unit adequate to achieve these annual average statewide rates. In addition, each State must promulgate an emission reduction plan, with compliance schedules for industrial process emitters and sources, adequate to attain the State share of the goal. This must be incorporated in the State implementation plan [SIP].

For plants operating for up to 30 years, the bill envisions a statewide, not a plant-by-plant approach to emission reduction. After 30 years, each unit must meet the 0.9 pounds per million Btu standard or the State must impose an emission cap.

If a statewide plan adequate to attain the mandated statewide average is not approved by 2½ years after enactment, each unit must meet an emission rate of 0.9 pounds per million Btu of SO_2. The purpose of this default mechanism is to give States strong incentives to produce a timely and complying plan. The bill provides a flexible statewide regulation only to those States that earn this flexibility.

Dramatizing the need for this measure is the fact that 100,000 tons of sulfur dioxide pollution is spewed out over our cities, our forests, rivers, and lakes every day. It is clear that the people of this Nation want this to stop. And it is equally clear from EPA studies, that left unchecked, these emissions will increase in the years ahead.

In the late 1970's acidified lakes in the Adirondacks began to draw the attention of citizens around the country. In 1984, the Office of Technology Assessment reported that 9,000 lakes and 117,000 miles of streams are at risk in States east of or bordering the Mississippi. And scientists are now discovering that the problem extends west to Colorado, California, and the State of Washington.

Red spruce from Maine to North Carolina are on the decline. The Ohio River Valley has experienced damage and death of its white pines. California's white firs and ponderosa pines also have been affected. Evidence suggests that this forest damage is linked to acid-rain-related pollutants.

My home State of New Jersey also has seen the effects of acid rain and its related pollutants. Decreased growth and foliage changes in pitch pine and shortleaf pines in the States pine barrens may be attributable to pollutants. Correlation of acidified streams and reduced productivity of pines in the Lebanon State Forest was the first indication on the eastern seaboard that acid rain may be damaging our forests. Also, in New Jersey's Kittatinny Mountains three lakes are threatened. Acidity levels endanger trout and bass breeding.

As was underscored by witnesses who testified before the Environment and Public Works Committee last June, the evidence is building on the health effects of air pollutants related to acid rain. Some recent studies indicate that more people die prematurely from airborne sulfates each year than die on our Nation's highways. Evidence suggests that chronic coughing is more common in regions with higher sulfur dioxide and particulate pollution, and that serious respiratory problems result from increased ozone concentrations.

The ozone problem is of particular significance to New Jersey. According to EPA, New Jersey, like many other populous areas, will not meet the 1987 Federal deadline for reducing this health-threatening pollutant. According to the State Department of Environmental Protection, a contributing factor to New Jersey's ozone problem is the prevailing westerly winds that carry the components of ozone—nitrogen oxides, hydrocarbons, and other chemicals—from Midwestern States, with less stringent controls on their power and industrial stacks.

Another contributing factor is NO_x from mobile sources. In addition to regulating NO_x from powerplants, the bill before us today attacks NO_x emissions from mobile sources, such as cars and light- and heavy-duty trucks.

The Acid Deposition Control Act is indeed a significant step toward dealing with acid rain and its related problems. I look forward to working with Senator Mitchell and my other colleagues on the Environment and Public Works Committee to perfect this legislation, and to move this Nation ahead in the battle to protect our forests, lakes, and health from these insidious forms of pollution.

By Mr. SARBANES (for himself, Ms. Mikulski, Mr. Heinz, Mr. Bradley, Mr. Ford, Mr. Chafee, Mr. Proxmire, Mr. Hollings, Mr. Bumpers, Mr. Moynihan, Mr. Kennedy, Mr. Burdick, Mr. Levin, Mr. Gore, Mr. Lautenberg, Mr. Matsunaga, Mr. Metzenbaum, Mr. Lugar, and Mr. Heflin):

S. 322. A bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr. in the District of Columbia; to the Committee on Rules and Administration.

Mr. SARBANES. Mr. President, on January 19, this coming Monday, the United States, for the second time, will celebrate a national holiday to commemorate the birthday of Dr. Martin Luther King, Jr. When this event was celebrated last year for the first time, it marked a culmination of an 18-year effort to give appropriate recognition to Dr. King as one of our Nation's great leaders, a giant figure in the evolving history of the United States.

In conjunction with last year's celebration, Alpha Phi Alpha, Inc., the oldest black fraternity in the United States, began an effort to establish a Martin Luther King Memorial in the District of Columbia. I am today reintroducing legislation, along with 17 of my colleagues who are joining in cosponsoring: Senators Mikulski, Heinz, Bradley, Ford, Chafee, Proxmire, Hollings, Bumpers, Moynihan, Kennedy, Burdick, Levin, Gore, Lautenberg, Matsunaga, Metzenbaum, and Lugar. I am joining with them in reintroducing legislation to authorize Alpha Phi Alpha, this very distinguished fraternity, to establish a monument to Martin Luther King, Jr., on Federal land in the District of Columbia. This legislation provides that the monument be estabished at no cost to the United States, and requires that it be subject to the approval of the Secretary of the Interior, the Commission on Fine Arts, and the National Capital Park and Planning Commission.

The Alpha Phi Alpha Fraternity, of which Dr. King was a member, having joined on June 22, 1952, at Sigma Chapter in Boston, MA, will coordinate the design and funding of the monument. The Federal and local planning agencies to which I have made reference, the Commission on Fine Arts, the Department of the Interior, and the National Capital Park and Planning Commission shall select the site and approve the design.

Alpha Phi Alpha was founded in 1906 at Cornell University. It now has 700 chapters across the country, and counts among its almost 100,000 members many prominent citizens, including Supreme Court Justice Thurgood Marshall and a number of our Nation's mayors. The fraternity has formally endorsed the Martin Luther King, Jr. Memorial project and has committed its considerable human resources to its development.

Twenty-one years ago, Dr. Martin Luther King, Jr., led 20,000 freedom marchers from Selma to Montgomery, seeking voting rights long denied. Through the long efforts to achieve equal treatment for all Americans, Martin Luther King, Jr., remained devoted to nonviolent means of achieving his goals; and he inspired thousands—indeed millions—to adopt and follow the principles of nonviolence.

A memorial to Dr. King erected in the Nation's capital will provide continuing inspiration to all who visit it, particularly to the thousands of students and young people who come to Washington, DC every year. These young people have no personal memory of the condition of civil rights in America before Dr. King, nor of the struggle in which he was the major figure. They do understand, however, the importance of that struggle to our Nation's heritage and the fact that much remains still to be done.

Dr. King's wife, Coretta Scott King, said:

> Young people in particular need nonviolent role models like him. In many ways, the Civil Rights movement was a youth movement. Young people of all races, many of whom were jailed, were involved in the

struggle, and some gave their lives for the cause. Yet none of the youth trained by Martin and his associates retaliated in violence, including members of some of the toughest gangs of urban ghettos in cities like Chicago and Birmingham. This was a remarkable achievement. It had never been done before; it has not been duplicated since.

Mr. President, what we hope is that the young people who visit the monument will come to understand that it recognizes not only the enormous contribution of this great leader, but also two very basic principles for the healthy functioning of our democratic society. One is that change, even very fundamental change, is to be achieved through nonviolent means; that this is the path down which we should go as a nation in resolving some of our most difficult problems. And the other basic principle is that the reconciliation of the races, the inclusion into the mainstream of American life of all its people, is essential to the fundamental health of this Nation. Dr. King preached, taught, and practiced these essential principles, and in doing so gave the Nation outstanding leadership.

I urge my colleagues to support this legislation, and I will be contacting them in the days ahead asking them to join as cosponsors. Congressman WALTER FAUNTROY will introduce a similar bill in the House of Representatives. I am hopeful that we can enact this legislation quickly so that planning for this monument to Dr. Martin Luther King, Jr., on a plot of land in the Nation's Capital in the District of Columbia can proceed forthwith.

Mr. HEFLIN. Mr. President, will the distinguished Senator add my name as a cosponsor.

Mr. SARBANES. I will be very pleased to do so, Mr. President.

● Mr. METZENBAUM. Mr. President, I rise today to cosponsor legislation to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Dr. Martin Luther King, Jr., on Federal land in Washington, DC.

The Alpha Phi Alpha Fraternity is the oldest black fraternity in the Nation. Its more than 100,000 members include many prominent Americans, such as Supreme Court Justice Thurgood Marshall, U.S. Representative WILLIAM GRAY, and Mayor Andrew Young of Atlanta. This year, the fraternity will push to see the establishment of a memorial to one of its own, Dr. Martin Luther King, Jr., and I am proud to lend my support to their effort by cosponsoring this measure.

It is only appropriate for this legislation to be introduced at this time, as we are about to observe Dr. King's birthday as a national holiday. A memorial to Dr. King would serve as inspiration to the thousands of people who visit the Nation's Capital each year. It would stand as a tribute to a principle that Dr. King exemplified—achieving one's goal through nonviolent protest. Additionally, this memorial would remind generations of Americans of the many accomplishments of this great leader.

Dr. King's strong leadership in the civil rights movement has changed the course of American history. He inspired thousands to join him in his efforts to vigorously oppose the oppressive, discriminatory practices in this country. I was personally moved by Dr. King, and I am proud to have been a participant in his famous march from Selma to Montgomery.

It is truly tragic that this Nation lost such a fine leader to an assassin's bullet—it is a loss that profoundly impacted the entire Nation. At the time of Dr. King's death, the Nation mourned, because it had lost another of its greatest citizens. Now, we can look at his accomplishments and know that this country is far better because he did live.

His victories for civil rights have had far-reaching implications that have made our society far greater today, and will continue to influence our future. Through Dr. King's actions, the country came to realize that it must accept all people as equals, regardless of race, creed, or color. Additionally, his actions were recognized throughout the world, as Dr. King was awarded the Nobel Peace Prize.

Dr. King once said:

> Our cultural patterns are an amalgam of black and white. Our destinies are tied together. There is no separate black path to power and fulfillment that does not have to intersect with white roots. Somewhere along the way, the two must join together, black and white together, we shall overcome, and I still believe it.

This moving statement applies as much today as it did in the 1960's; I firmly believed it then, and I still firmly believe it today.

In his most famous speech, Dr. King told the Nation that he had a dream. He dreamed that one day his children would be judged by the content of their character, and not by the color of their skin. I share Dr. King's dream; it is a dream that we must all strive to make reality. I know that the establishment of a memorial in Dr. King's honor would help our Nation as it moves to fulfill this goal.

I am proud to join my colleague from Maryland in cosponsoring this measure, and I urge my colleagues to join us.●

● Mr. MOYNIHAN. Mr. President, I am pleased to join my colleagues in introducing a bill permitting a memorial to be built in the District of Columbia in honor of Dr. Martin Luther King, Jr.

That this bill is being introduced today is no coincidence. Yesterday, this Nation marked the anniversary of his birth; Monday is the Federal holiday officially set aside to allow "Americans to reflect on the principles of racial equality and nonviolent social change espoused by Martin Luther King, Jr."

A memorial in the Nation's Capital would be an ever-present reminder of the principles associated with Dr. King. Just as the monuments of other great leaders are part of the backdrop of this city—inspirations to all—a memorial to Martin Luther King is not only befitting, but necessary. Such a tribute would serve as a testament to this country's continuing commitment to civil rights and human dignity, at a time when that commitment is called into question.

However, a memorial is but one way we can pay tribute to this man of great honor. Just as Dr. King's memory endures undiminished, so does the need for the forces it evokes. "The final test of a leader," Walter Lippmann wrote, "is that he leaves behind him in other men the conviction and the will to carry on." Martin Luther King was a living inspiration for a generation of people. As one who knew him, I can attest to this fact. During his life, his actions left an indelible imprint on millions of Americans, including myself. Nearly 20 years after his tragic death, his presence, his influence continues.

Indeed, the eradication of all discrimination would be the most meaningful way to honor his memory. To that end, each of us must erect a memorial to Martin Luther King in our hearts. Let his visions and peaceful ways capture our spirits and inspire our own actions.

To fulfill his dream, the dream he shared with millions of Americans during his famous 1963 speech in this very city, we should carry on his crusade for justice. A memorial in Washington will embody his spirit and this Nation's total dedication to civil rights for all.

I urge my colleagues to support this bill, and take immediate action necessary for its enactment into law.●

ADDITIONAL COSPONSORS

S. 65

At the request of Mr. HECHT, the names of the Senator from Utah [Mr. GARN], the Senator from North Carolina [Mr. HELMS], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of S. 65, a bill entitled the "Highway Speed Modification Act of 1987."

S. 69

At the request of Mr. TRIBLE, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 69, a bill to amend the Internal Revenue Code of 1986 to repeal the basis recovery rule for pension plans.

S. 308

At the request of Mr. COCHRAN, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 308, a bill to amend the Agricultural Act of 1949 to provide certain agricultural program adjustments for soybeans, and for other purposes.

SENATE JOINT RESOLUTION 9

At the request of Mr. SARBANES, the names of the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Oklahoma [Mr. NICKLES], the Senator from Nevada [Mr. REID], the Senator from Pennsylvania [Mr. SPECTOR], the Senator from Tennessee [Mr. SASSER], the Senator from Oklahoma [Mr. BOREN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Arizona [Mr. DECONCINI], the Senator from Kansas [Mr. DOLE], the Senator from South Carolina [Mr. HOLLINGS], the Senator from New York [Mr. MOYNIHAN], the Senator from Georgia [Mr. NUNN], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of Senate Joint Resolution 9, a joint resolution to designate the week of March 1, 1987, through March 7, 1987, as "Federal Employees Recognition Week."

SENATE JOINT RESOLUTION 10

At the request of Mr. THURMOND, the names of the Senator from South Dakota [Mr. PRESSLER] and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of Senate Joint Resolution 10, a joint resolution disapproving the recommendations of the President relating to rates of certain officers and employees of the Federal Government.

SENATE RESOLUTION 52

At the request of Mr. LAUTENBERG, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Tennessee [Mr. GORE], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of Senate Resolution 52, a resolution to express the sense of the Senate regarding the Urban Development Action Grant Program.

SENATE RESOLUTION 53

At the request of Mr. LAUTENBERG, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Tennessee [Mr. GORE], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of Senate Resolution 53, a resolution to express the sense of the Senate regarding the Community Development Block Grant Program.

AMENDMENT NO. 1

At the request of Mr. DOLE, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of Amendment No. 1 proposed to H.R. 1, a bill to amend the Federal Water Pollution Control Act to provide for the renewal of the quality of the Nation's waters, and for other purposes.

SENATE CONCURRENT RESOLUTION 8—RELATING TO THE CURRENT HUMAN RIGHTS POLICIES OF THE SOVIET UNION

Mr. BYRD (for himself, Mr. DOLE, Mr. PELL, Mr. PROXMIRE, Mr. LEVIN, and Mr. NICKLES) submitted the following concurrent resolution; which was placed on the calendar:

S. CON. RES. 8

Whereas the Soviet Union has been waging a concerted campaign against teachers of Hebrew and other Jewish activists, continues to incarcerate prisoners of conscience, and still denies basic human rights to many of its citizens on religious, political, ethnic, and cultural grounds;

Whereas the Union of Soviet Socialist Republics has recently adopted deceptive emigration regulations which—

(1) do not permit emigration for religious, national or political reasons;

(2) codify the previous pretexts for denying emigration permits even in cases involving the reunification of immediate families; and

(3) substantially limit the number of individuals eligible for emigration; and

Whereas nearly 400,000 Soviet Jews have, at considerable personal risk, indicated their desire to leave the Union of Soviet Socialist Republics for Israel, but during 1986 less than 1,000 Jews have been allowed to emigrate: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby—

(1) strongly protests the continued human rights repression in the Soviet Union, especially the new emigration regulations, despite Soviet attempts to appear to be in compliance with its international human rights obligations while continuing to violate the Final Act of the Conference on Security and Cooperation in Europe (also known as the "Helsinki Final Act") and other international human rights agreements;

(2) declares that the Soviet Union's continued human rights abuses, especially its refusal to permit all those who wish to emigrate to do so, seriously affect the atmosphere for productive negotiations on other aspects of bilateral relations between the United States and the Union of Soviet Socialist Republics and make more difficult the reaching of viable agreements with the Soviet Union;

(3) calls upon the Soviet authorities, as a good faith measure, immediately to release Iosif Begun, Yuli Edelshtein, Iosif Berenshtein, Aleksandr Ogorodnikov, Levko Lukyanenko, Father Alfonsas Svarinskas, Viktor Valter, and Mart Niklus, and immediately to permit Ida Nudel, Vladimir Slepak, Aba Taratuta, Janis Rozhkalns, Serafim Evsyukov, their families, and other 'refuseniks' to emigrate; and

(4) dedicates itself as a priority in the One Hundredth Congress to support the restoration of human rights to all Soviet citizens and, especially, the internationally recognized right of all those Soviet Jews and others who have requested exit permits to emigrate.

SENATE CONCURRENT RESOLUTION 9—TO PROVIDE FOR THE DISPLAY OF THE NATIONAL LEAGUE OF FAMILIES POW/MIA FLAG IN THE CAPITOL ROTUNDA

Mr. DOLE (for himself, Mr. THURMOND, Mr. WARNER, and Mr. WILSON) submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 9

Whereas America can never forget the sacrifices of our brave servicemen who are still missing in action, nor the heroic suffering of our prisoners of war;

Whereas the families of these Americans, having suffered greatly themselves, have joined together as the National League of Families to further the awareness of POW/MIA issues:

Whereas the official National League of Families POW/MIA flag symbolizes the nationwide recognition that is justly deserved by the missing and unaccounted for servicemen of all armed conflicts; and

Whereas the POW/MIA flag is an effective means of further raising public consciousness of this key American issue: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the National League of Families POW/MIA flag may be displayed in the Capitol Rotunda until a satisfactory accounting of all Vietnam POW/MIA's has taken place. The POW/MIA flag so displayed shall be in such size and at such place as the Architect of the Capitol, the Speaker and the Minority Leader of the United States House of Representatives, and the Majority and Minority Leaders of the United States Senate shall designate.

SENATE RESOLUTION 60—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. PELL, from the Committee on Foreign Relations, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 60

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Foreign Relations is authorized from March 1, 1987, through February 29, 1988, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $2,442,798, of which amount not to exceed

$25,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

Sec. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1988.

Sec. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

Sec. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1987, through February 29, 1988, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 61—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. Res. 61

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Commerce, Science, and Transportation is authorized from March 1, 1987, through February 29, 1988, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

Sec. 2. The expenses of the committee under this resolution shall not exceed $3,322,736, of amount (1) not to exceed $14,572 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $8,704 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

Sec. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1988.

Sec. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

Sec. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1987, through February 29, 1988, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations".

SENATE RESOLUTION 62—TO RECOGNIZE THE CONTRIBUTION THAT AMBASSADOR PAUL HENRY NITZE HAS MADE TO THE SECURITY OF THE UNITED STATES ON THE OCCASION OF HIS 80TH BIRTHDAY

Mr. STEVENS (for himself, Mr. Byrd, Mr. Dole, Mr. Nunn, Mr. Lugar, Mr. Warner, and Mr. Pell) submitted the following resolution; which was considered and agreed to:

S. Res. 62

Whereas, Paul Henry Nitze has served the United States for over 40 years under nine different Presidents; and

Whereas, Paul Henry Nitze has received the Medal for Merit and the Medal of Freedom for his accomplishments and contributions to the United States and is distinguished by virtue of the continuity and institutional knowledge he lends to national security issues; and

Whereas, Paul Henry Nitze has made a substantial contribution to the security of the United States and the world through his accomplishments in the field of Arms Control; and

Whereas, Paul Henry Nitze has played an essential role in the formulation and development of Arms Control policy, serving as a member to the Strategic Arms Limitation Talks, as the head of the U.S. negotiating team to 1981-1984 Arms Control Talks in Geneva, and as a Special Advisor to the President on arms control matters; and

Whereas, Paul Henry Nitze celebrates his 80th birthday on the 16th of January, 1987: Therefore, be it

Resolved, That the Senate of the United States commends and acknowledges the continuing contributions of Ambassador Paul Nitze to the security and prestige of the United States on the occasion of his 80th birthday.

SENATE RESOLUTION 63—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE SELECT COMMITTEE ON INTELLIGENCE

Mr. BOREN from the Select Committee on Intelligence, submitted the following original resolution; which was referred to the Committee on Rules and Administration:

S. Res. 63

Resolved, That, in carrying out its powers, duties, and functions under S. Res. 400, approved May 19, 1976, in accordance with its jurisdiction under section 3(a) of such resolution, including holding hearings, reporting such hearings, and making investigations as authorized by section 5 of such resolution, the Select Committee on Intelligence is authorized from March 1, 1987 through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

Sec. 2. The expenses of the Committee under this resolution shall not exceed $1,926,804.00 of which amount (1) not to exceed $41,000.00 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

Sec. 3. The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1988.

Sec. 4. Expenses of the Committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the Chairman of the Committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

Sec. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the Committee from March 1, 1987 through February 28, 1988, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 64—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

Mr. BYRD (for Mr. Biden), from the Committee on the Judiciary, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. Res. 64

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on the Judiciary is authorized from March 1, 1987, through February 29, 1988, in its discretion (1) to make expenditures from the contingent funds of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

Sec. 2. The expenses of the Committee under this resolution shall not exceed $4,373,629, of which amount (1) not to exceed $75,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

Sec. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1988.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE RESOLUTION 65—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE SPECIAL COMMITTEE ON AGING

Mr. MELCHER, from the Special Committee on Aging, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 65

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Special Committee on Aging is authorized from March 1, 1987, through February 29, 1988, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $1,077,424, of which amount (1) not to exceed $33,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $800 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such act).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1988.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1987, through Febrary 29, 1988, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 66—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS (from the Committee on Small Business) reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 66

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Small Business is authorized from March 1, 1987, through February 29, 1988, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the Committee under this resolution shall not exceed $981,173.

SEC. 3. The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1988.

SEC. 4. Expenses of the Committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the Committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE RESOLUTION 67—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BURDICK, from the Committee on Environment and Public Works, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 67

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Environment and Public Works is authorized from March 1, 1987, through February 29, 1988, in its discretion (1) to make expenditures from contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $2,447,791,00, of which amount (1) not to exceed $8,000.00 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $2,000.00 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such act).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1988.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1987, through February 29, 1988, to be paid from the Appropriations account for "Expenses of Inquires and Investigations."

SENATE RESOLUTION 68—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON VETERANS' AFFAIRS

Mr. MATSUNAGA (for Mr. CRANSTON), from the Committee on Veterans' Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 68

Resolved, That, in carrying out its powers, duties and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from March 1, 1987, through February 29, 1988, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $907,901.

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1988.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1987, through February 29, 1988, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations".

SENATE RESOLUTION 69—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITEE ON THE BUDGET

Mr. CHILES, from the Committee on the Budget, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 69

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on the Budget is authorized from March 1, 1987, through February 29, 1988, in its discretion (1) of make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $2,982,255 of which amount not to exceed $22,660 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended.)

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1988.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE RESOLUTION 70—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE, from the Select Committee on Indian Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 70

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Select Committee on Indian Affairs is authorized from March 1, 1987, through February 29, 1988, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $916,954.00, of which amount (1) not to exceed $9,000.00 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000.00 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such act).

SEC. 3. The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1988.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1987, through February 29, 1988, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 71—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON FINANCE

Mr. BENTSEN, from the Committee on Finance, reported the following original resolution; which was referred to the Committee on Finance:

S. RES. 71

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Finance is authorized from March 1, 1987 through February 29, 1988, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use in a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the Committee under this resolution shall not exceed $2,455,654, of which amount (1) not to exceed $30,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $10,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such act).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1988.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1987 through February 29, 1988, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

NOTICES OF HEARINGS

SPECIAL COMMITTEE ON AGING

Mr. MELCHER. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Special Committee on Aging.

The hearing will take place Monday, January 26, 1987, 10 a.m. in room SD-628 of the Senate Dirksen Office Building in Washington, DC.

The purpose of this hearing is to receive testimony regarding catastrophic health care costs.

For further information, please contact Max Richtman, staff director, at 202-224-1467.

Mr. President, I would like to announce for the public that a joint hearing by the Senate Special Committee on Aging and the House Select Committee on Aging has been scheduled.

The hearing will take place Wednesday, January 28, 1987, 2 p.m. in room 345 of the Cannon House Office Building in Washington, DC.

The purpose of this hearing is to receive testimony from the Health and Human Services' Secretary, Dr. Otis R. Bowen, on catastrophic health care costs.

For further information, please contact Max Richtman, staff director, at 202-224-1467.

ADDITIONAL STATEMENTS

SECTION 232—TRADE

Mr. ROTH. Mr. President, in 1587, Sir Francis Drake, the great British naval commander sounded the knell of defeat for the Spanish Armada. And while I would take nothing away from Drake's strategy in battle, I would point out that Prof. Garrett Mattingly, in his book, "The Armada," points to another cause in the defeat of Spain. According to Mattingly, that great country had become to dependent upon other countries for much of its materiel—in this case barrels—simple wooden barrels.

Understanding the dependency ships have on barrels, Drake earlier intercepted a Spanish Fleet and burned the barrels, rendering the most powerful navy in the world vulnerable to the English.

Ironically, England fell into the same trap years later, when it tried to crush the power of Napoleon. Like

Spain and her barrels, the English Navy became dependent on Scandinavia for tar and rope. Consequently she found herself expending wasted time, money, and manpower to keep the shipping lanes opened so the flow of these precious defense commodities would not be disturbed.

While it's not my intent to teach history this morning, I think the lessons of the past bear repeating. As it's said, we must learn from history lest we become vulnerable to the same errors.

Clearly, America's dependency of foreign imports must never threaten or impair the security of our Nation. Now, more than ever, as the tide of foreign imports rises on our shores we must not lose perspective of our vital defense needs. We must not become hostage to the whim of trading partners, or foreign aggressors who could so easily place a kink in our lifeline.

For these reasons, I have been working with my distinguished colleague, Senator BYRD, as the chief cosponsor of amendments to section 232 of the Trade Expansion Act of 1962—the section which authorizes the President to restrict imports if they threaten our security. These amendments were introduced in this 100th Congress on Monday, January 12, 1987, as S. 284.

Recent history has demonstrated the weaknesses of this section as it now stands. There's little doubt that machine tools are a vital component of our country's defense. This industry has long been recognized by defense experts as essential to military production. In fact, every ship, every missile, every plane, every tank and transport vehicle begins on machine tools. But in the last 3 years, at least 25 percent or machine tool companies that were in existence in 1983 either went out of business, were purchased by other companies, or moved their operations overseas.

And all this happened while a section 232 machine tool petition waited to be acted upon. It happened while our Secretary of Commerce warned that machine tool imports were threatening our security. If happened while America allowed herself to grow dependent upon others for her own well-being.

Any why did it take so long? Because the debate within the administration became a standard trade dispute between free trade and protectionism, the kind of debate you would expect when a case is brought under section 201—the section that covers simple requests for import protection. It happened because both sides of the machine tool debate lost the focus of section 232, that of national security.

The amendment that Senator BYRD and I offer today requires that the President make a decision on a section 232 petition within 90 days after receiving a recommendation from the Department of Commerce. It speeds up Commerce's investigation of the petition by shortening the current deadline for commerce action from 1 year to 6 months. To strengthen the focus on national security, it requires the Secretary of Defense to provide the Security of Commerce with a defense needs assessment within 3 months after a petition is accepted. And it requires that the report submitted by the Secretary of Commerce to the President include a written statement by the Secretary of Defense expressing concurrence of disagreement with the Commerce investigation and recommendation.

It must be remembered that the General Agreement on Tariffs and Trade recognizes the need for defense and thus allows its members to take trade actions that are considered necessary for security reasons. One well-known scholar on the GATT, Prof. John Jackson, maintains that it, quote: "Explicitly gives the right of determining necessity to each individual government."

Additionally, this amendment includes provisions which enable the public to more closely monitor the facts and debate in section 232 petitions by increasing the availability of information on each case unless it's classified for confidential business or security reasons.

Mr. President, let me assure this distinguished body that I am in favor of liberal trade practices. The record speaks for itself. However, I'm also a proponent of a strong America, possessing a defense capability second to none. For these reasons, I'm joining Senator BYRD on this amendment. We must secure an industrial base that can support our security needs.

MORE JOBS—ANOTHER WPA

● Mr. SIMON. Mr. President, the Chicago Defender serves not only the south and west sides of Chicago, but has been the voice for black America for decades.

The publisher of that newspaper, John Sengstacke, has provided leadership, not only on the journalistic front, but on a variety of other fronts.

Recently, the Defender ran an editorial urging action the jobs front.

Clearly, that is something we can do and we should do. There is no excuse for the kind of unemployment we tolerate in our Nation today.

I ask unanimous consent that the Chicago Defender editorial be placed in the RECORD, and I urge my colleagues to read it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago Defender, Dec. 20, 1986]

U.S. NEEDS MORE JOBS, ANOTHER WPA

The United States needs a new federal workers program that will create more jobs. That's the feeling of Senator Paul Simon and we wholeheartedly agree. He notes that it should be one similar to the national jobs plan implemented by the Workers Progress Administration (WPA). President Franklin Roosevelt's administration created the WPA in response to the Great Depression. Americans needed jobs and the federal government responded.

The WPA offered Americans a relatively easy transition into jobs. From 1935 to mid-1943, more than 8,500,000 men and women were employed. The agency created jobs to improve buildings, bridges and other structures throughout America. But it didn't stop with construction jobs. There were other types of public service employment available. Writers, artists and the theatrical workers were also hired in droves.

The agency outlasted the Great Depression and had it not been for the WPA, millions of Americans would not have had the opportunity to work, as opposed to receiving handouts or starving outright during those years.

The unemployment rate in America is still at an unacceptably high level. "The unpleasant reality, but the reality we have to face, is that unemployment is a permanent part of the American scene," said Simon. The senator is right, but it doesn't always have to be at the high level that it presently is, particularly if the government can institute some form of the WPA program.

Simon has recommended that the federal government should invest $8 billion a year to create the jobs for the unemployed. Individuals would then be guaranteed a 32-hour-a-week job. The annual cost of the program, according to the senator, is less than one percent of the federal budget. That is definitely a bargain?

As a nation, we must stop pretending that the large number of people who are out of work is acceptable. The United States Department of Labor defines an unemployed person as one who has been actively looking for work within three months to a year prior to the time the government's unemployment report is finalized. The federal government does not count as unemployed the millions of jobless individuals who, for over a year, have not been actively looking for work. Many of these are low skilled workers who are willing to work but too disillusioned to continue going through the application and interview processes for exceptionally long periods of time.

The nation, however, has not been callous toward many of the unemployed in that welfare, food stamps, general assistance and other programs exist to help many of them through the financial hard times which might otherwise beset them. But welfare and general assistance, for the most part, should be programs which help people for short-term periods. Individuals should not have to live generation after generation on such programs. There should be some viable alternatives and they should be easily accessible to those individuals who want to work.

"Since we're not going to let people starve, we face the choice of paying people for doing nothing or paying people for doing something," said Simon. "I think it makes infinitely more sense to pay people for doing something, to let them be productive," he continued. That's it exactly. Not only will a new national jobs bill help the nation by creating more taxes for federal, state and local government coffers, it can give many of those who want to work, but who are currently unemployed, a feeling of self-worth that might not otherwise exist.

therefore, when a person works, the whole community can benefit.

REPRESENTATIVE BEILENSON'S POLL

● Mr. SIMON. Mr. President, as many of us know, one of the finest Members in the House of Representatives is Representative ANTHONY C. BEILENSON.

I have tended to be very skeptical of polls taken by Members of the House and Senate because most of them have answers that are all too obvious.

Congressman BEILENSON sent a questionnaire to the people in his district, and the results are interesting.

The questionnaire was sent out in late July and the results were compiled in early fall of 1986. Obviously, some things have happened since the questionnaire was put out, but the returns should be of interest to Members of both bodies.

I was particularly interested to note that only 7 percent of the people favor leaving the present system of financing campaigns as it is.

The public senses that we have to change, and the Beilenson poll is simply one more verification of that reality.

I ask that the Beilenson poll be printed in the RECORD at this point, and I urge my colleagues to read it.

The material follows:

1. NICARAGUA

Earlier this year the Senate approved President Reagan's request of $100 million in additional aid to the "contra" rebels who are fighting to overthrow the Sandinista government of Nicaragua. The House of Representatives recently passed similar legislation, and the two different versions will be reconciled by a congressional conference committee later this summer.

Supporters of aid to the contras say that Nicaragua has become a Marxist state closely allied with Cuba and the Soviet Union, and that it threatens to export communism throughout Central America. The Sandinista government has betrayed the revolution which brought it to power and now censors journalists, represses religious groups, and disregards the rights of the Nicaraguan people.

Opponents argue that the contras, who have repeatedly been accused of brutalities against the Nicaraguan people, are no more disposed to democratic rule than are the Sandinistas—and that even the Reagan Administration acknowledges they can't win. Instead of funding them, we would better protect our own security by supporting our allies in Central America, who are attempting to negotiate a treaty that calls for: reducing troop levels; expelling all foreign military advisers (both Cuban and American); negotiating verifiable agreements to respect national boundaries; and prohibiting interference in the internal affairs of neighboring countries.

Should the United States provide aid to the contras?

	Percent
Yes	28
No	72

2. THE STRATEGIC DEFENSE INITIATIVE ("STAR WARS")

One of President Reagan's top defense priorities is the accelerated development of a Strategic Defense Initiative (SDI), often referred to as "Star Wars," a trillion dollar plan to defend the United States in the event of a nuclear war.

Supporters of the President's proposal argue that it would help deter a Soviet nuclear attack because the Soviets could not be sure how many of their missiles would reach their targets, and that it would also enhance our retaliatory ability by protecting our missile silos.

Opponents say it will not be possible, even with the expenditure of hundreds of billions of dollars, to develop the sophisticated technologies and immensely complicated computer programs necessary to make the system 100% effective; if even 1% or 2% of the Soviet missiles penetrate our defensive system, the United States would be devastated. Racing ahead with a full-scale SDI program will destroy the chance we have right now to enhance our own security by making impossible the negotiation of major reductions in the number of Soviet nuclear missiles.

Do you support the President's Star Wars proposal?

	Percent
Yes	35
No	65

3. CAMPAIGN FINANCING REFORM

Political Action Committee (PAC) contributions to candidates for Congress have risen sharply in the last decade, from $12 million in the 1974 elections to $102 million in 1984. Critics charge that these contributions greatly increase the influence of special interest groups over Congress.

Legislation has been introduced to diminish the role of PAC money in general elections, either by limiting the amount of PAC contributions that a candidate may accept, or by eliminating PAC funding entirely and instead financing congressional elections totally with public funds, the way presidential elections are now funded.

Which of these alternatives comes closest to your view? (Choose one.)

	Percent
(A) Leave things as they are, with no limit on the total amount a candidate may receive	7
(B) Limit the total PAC contributions that each congressional candidate may receive to $100,000 per election	40
(C) Provide public funding for congressional elections through a voluntary $1 check-off on income tax forms, just as presidential campaigns are financed now. Each major party congressional candidate who agrees not to accept private or special interest contributions would receive $200,000 for campaign expenses	53

4. THE FEDERAL BUDGET DEFICIT

During each of the last four years, the federal government has run a budget deficit of about $200 billion—triple the size of any annual deficit prior to 1981. It took the U.S. more than 200 years to accumulate a national debt of $1 trillion but, in just five years, the debt has doubled to $2 trillion because of these deficits. Interest payments on the debt, which now account for 14 percent of all federal spending, will cost American taxpayers $140 billion this year.

It was the government's failure to reduce deficit that led to passage last year of the Gramm-Rudman-Hollings Act requiring the budget to be balanced by 1991. To comply with the law, Congress must lower next year's deficit by at least $40 billion.

The most reasonable way to meet this target, according to economists and independent observers, is to 1) slow the rate of growth in all areas (including defense and entitlement programs) and 2) raise taxes. However, it has been difficult to reach a political agreement on these steps because: President Reagan opposes slowing the growth of defense and is also against raising any new taxes; both he and many members of Congress have been unwilling to touch Social Security, our largest entitlement program; and a majority in Congress of both parties believes that domestic programs have already been cut to the bare essentials.

Listed below are some of the most frequently-discussed major steps that could be taken to reduce the deficit. Which of them would you favor to reduce next year's deficit by at least $40 billion? (Choose as many as necessary to add up to $40 billion.)

POSSIBLE SPENDING CUTS

[Dollars in billions]

	1987 savings	Percent of poll
A. Defense Spending (27% of the budget):		
(1) Freeze (i.e., no increases for inflation)	$5	31
(2) Cut by 3 percent	7	60
B. Entitlement Programs (42% of the budget):		
Skip cost-of-living increase for one year for entitlement programs, which include Social Security, Medicare, military and civilian retirement pensions, veterans benefits, etc	7	41
C. Domestic Programs (17% of the budget): (includes education, job training, national parks, health research, airline safety regulation, housing, highways and mass transit, FBI and drug enforcement, immigration control, space programs, etc.)		
(1) Freeze (i.e., no increase for inflation)	3	42
(2) Cut by 3%	5	17
D. Interest Payments (the remaining 14% of the budget). (Cannot be cut).		

POSSIBLE TAX INCREASES

[Dollars in billions]

	1987 revenue gain	Percent of poll
A. As part of income tax reform, lower the top individual rate to either 28% or 29%, rather than to 27% as proposed in the Senate tax bill.		
(1) Lower the top individual rate to 28% (instead of to 27%)	$6	21
(2) Lower the top individual rate to 29% (instead of to 27%)	12	46
B. As part of income tax reform, lower the top corporate rate to either 34% or 35%, rather than to 33% as proposed in the Senate tax bill.		
(1) Lower the top corporate rate to 34% (instead of to 33%)	2	11
(2) Lower the top corporate rate to 35% (instead of to 33%)	4	65
C. Raise the federal tax on gasoline.		
(1) By 10¢ a gallon	10	39
(2) By 20¢ a gallon	20	15
D. Double the federal tax on cigarettes, from 16¢ to 32¢ a pack	5	83
E. Raise the federal tax on liquor by 62¢ per quart	1	78
F. Raise the federal tax on wine by 57¢ per bottle and on beer by 49¢ a six-pack	$6	75
Your total deficit reduction		

5. IMMIGRATION REFORM

The U.S. Customs Bureau estimates that between three and six million illegal immigrants now live and work in the United States. The House of Representatives will soon be considering a bill, already passed by the Senate, that is designed to control illegal immigration by making it unlawful, for the first time, for employers to knowingly hire illegal workers, and by providing amnesty (or "legalization") to those aliens who have already been in the country for several years.

Opponents of the reform bill contend that the new penalties for hiring illegals would lead to discrimination against Hispanics and other minorities. Many business groups oppose the penalties because they do not believe employers should be responsible for enforcing the law. And other critics contend that granting amnesty would reward lawbreakers by allowing illegal aliens to remain in this country, often taking jobs needed by American workers.

Supporters of the bill maintain that we have a right and a duty to control our borders, and that the only possible way to do so is to eliminate the magnet—jobs—that draws so many illegals to the U.S. Advocates also say that the legalization program is needed because it is impossible to locate and deport all the illegal aliens who have been here for a long time—we should allow Federal authorities to concentrate instead on halting illegal immigration at the border. Finally, many argue that it is not fair to continue to ignore illegal immigration while so many people are waiting patiently to immigrate legally.

The final immigration bill is virtually certain to include both employer penalties and some type of legalization, because both are considered integral to an effective immigration reform plan.

Would you support a bill to control illegal immigration that included both a strict prohibition against hiring illegal aliens and some form of legalization, if the choice were between such a bill and no action at all to deal with the problem?

	Percent
Yes	80
No	20

6. UNIVERSAL NATIONAL SERVICE

The United States relies on paid volunteers to fill the ranks of the military; however, some experts predict an eventual shortage of recruits. Meanwhile, cuts in Federal spending for domestic programs have left a growing list of unmet public needs such as park maintenance, health care, housing rehabilitation, remedial education, child care, and assistance to the elderly.

It has been suggested that the Federal Government create a program of national service to help meet both the defense and the domestic needs of our country. Such a program would require young Americans—both men and women—to spend one or two years in either military service or some type of civilian service along the lines of the Civilian Conservation Corps, VISTA, or the Peace Corps.

Supporters argue that such a period of service would impress upon young people that citizenship entails responsibilities as well as rights, and that it would provide the U.S. with a pool of recruits who could perform badly needed public services.

Opponents believe that conscription is inappropriate in a democracy, especially when there is no national emergency. Furthermore, an unwieldy bureaucratic structure would be required in order to implement such a program.

Do you support requiring a period of national service for all young Americans, who would have the option of choosing between military or civilian service?

	Percent
Yes	61
No	39

●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. BOSCHWITZ. Mr. President, unfortunately, once again, in the 100th Congress, the need for a Soviet Jewry Congressional Call to Conscience persists. What purpose does the Call to Conscience serve? Do the Soviet authorities see these statements submitted to the floor? Do they care? Do they change their attitude? The answers to these questions is probably not. But it is not the purpose of the Congressional Call to Conscience to change the Soviet point of view regarding Soviet Jewry and Jewish refuseniks, although it would be great if it did. In fact, the purpose is to keep this issue in the forefront of our attention and concern, yours and mine and the people who can make a difference, the people of the United States.

The plight of Soviet Jewry is not new. The treatment of Soviet Jews has gotten worse, not better, since 1979, when 50,000 refuseniks were allowed to emigrate to Israel. Horrifying reports of refuseniks being beaten, arrested, beaten again, denied medical treatment, visits from loved ones, food and clothing, continue to mount daily on my desk, and your desks as well. Although Secretary Gorbachev has conveniently allowed a few well known refuseniks to leave the Soviet Union, we know that they are just pawns in the media propaganda game, an empty attempt to demonstrate to the West that the Soviets are changing their hard approach to human rights.

So what are we do to? Continue to write to Soviet authorities, of course. But writing letters and sending telegrams is not enough. Phone calls, and marches and protests, sit-ins and marathons and media attention need to be mounted repeatedly until we can make the Soviets see that we are serious about human rights in the Soviet Union. The Helsinki accords cannot continue to be ignored.

As a Senator and an American Jew, I Feel a responsibility to those locked in despair in the Soviet Union. As a U.S. Senator I should have the power to make a difference. As Senators you and I must try to make a difference. Regularly a different refusenik's suffering will be highlighted in the CONGRESSIONAL RECORD. An estimated 400,000 Soviet Jews now depend on us to take a stand. Let us all join forces so that this 100th Congress will make a difference in the quality of life for Soviet Jews, all Prisoners of Conscience and indirectly, human rights around the world.●

DETENTION OF REVEREND FARISANI

● Mr. SIMON. Mr. President, we have all heard and read of the great number of human rights violations taking place in South Africa. The accounts of these abuses are so many and so constant that it is easy to become numb to the suffering and misery which so many South Africans are being subjected to every day.

Among the many reports of detention, torture, violence, and injustice, there are some cases which stand out and hit us with the full impact of their reality. The detention of Rev. Tshenuwani Simon Farisani in Venda, South Africa, is one of these cases.

Reverend Farisani is South African Lutheran pastor who is internationally renowned for his great faith, his strength of character, and his crucial role as a key leader against apartheid. In the late evening of November 21, 1986, 20 Venda security police broke into the Beuster church center. Reverend Farisani, his wife and three children, ages 2 to 7, barricaded themselves in their bedroom for about 7 hours before the pastor turned himself over to the police. No one but his captors has seen him since November 22.

This is not the first time Reverend Farisani has been detained by the Venda security police. In November 1981, he was taken into custody and held for 2 months. During this time he was beaten, abused, and treated with electric shocks. As a result of this torture he suffered two heart attacks and was hospitalized for several months when he was released in January 1982.

Reverend Farisani has testified before Congress about the South African situation and his detention experiences. I was fortunate enough to have met with him when he visited Washington in September. I escorted him to the gallery to witness the Senate tell the White House, South Africa, and the world that apartheid must end and that the United States should impose sanctions against South Africa until substantive progress is made in the dismantling of apartheid.

Now Reverend Farisani is once again detained and his life is in danger. He has already been sighted in an area hospital at least twice, although prior to his arrest he was neither ill nor injured. Reverend Farisani has begun a hunger strike and is reportedly very weak. Further torture may kill him.

Reverend Farisani's detention is only part of a larger pattern of similarly disturbing detentions which have occurred in South Africa. Father Hortop, a 57-year-old Catholic priest, has been detained since June 10, 1986, in a prison in Soweto, South Africa; Rev. Molefe Tsele, an Evangelical Lutheran Church pastor and publicity secretary of the National Education

Crisis Committee, has been detained since December 12, 1986, when his Johannesburg home was raided; Sister Bernard Ncube, executive and president of the Federation of Transvaal Women, has been detained in Transvaal, South Africa since June 12, 1986; and Donovan Nadison, the Church Youth Work representative on the Youth Council of the World Council of Churches, has been detained since July 7, 1986, in Johannesburg. These are just a few of the many cases of human rights violations in South Africa.

I will be working with Congressman Gunderson on a concurrent resolution regarding Reverend Farisani's detention. I urge all my colleagues to take the time to take a closer look at the increasingly distressing human rights conditions in South Africa and join me in the effort to secure fair and humane treatment for Reverend Farisani.●

MISREADING THE JOBS MACHINE

● Mr. BOSCHWITZ. Mr. President, I rise today to note that on December 9, 1986, the Joint Economic Committee [JEC] published a report entitled "The U.S. Jobs Machine." It has been brought to my attention that the findings of this report are disputed by the Department of Labor's Bureau of Labor Statistics [BLS] and others. The Washington Times recently ran an insightful commentary by Warren Brookes on this matter, and I would like to ask that it be printed in the Congressional Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Misreading the Jobs Machine?

The American left has been deeply embarrassed by the total failure of the social-welfare nations of Europe to generate new jobs, contrasted with the The U.S. Jobs Machine.

That is the title of another badly misleading report from the Joint Economic Committee of Congress which readily admits, "the U.S. has been in the enviable position of producing more new jobs than most of the rest of the industrialized nations, combined.

"Leaders of the Common Market have been so impressed by U.S. employment gains that they have sent delegations across the Atlantic to learn what they can from this apparent success."

Unfortunately, instead of emulating this good example, the two very leftish professors who wrote this JEC study, Barry Bluestone of the University of Massachusetts, and Bennett Harrison from the Massachusetts Institute of Technology, devote their considerable talents to arguing that most of the jobs we are creating aren't very good jobs! They ask:

"Underneath the appearance of substantial overall job creation since 1973, is America proliferating low-wage jobs and perhaps even shifting toward an increasingly polarized labor market structure?" They answer with a big "Yes!"

They say that "from 1979-1984, the net new employment created has occurred disproportionately at the low extreme of the wage and salary distribution," with 58 percent of the new jobs created falling in the "low-income category." This is a new version of their own much-publicized "vanishing middle class" thesis.

The JEC has at least one big problem with this new study:

It's called the Labor Department, specifically the Bureau of Labor Statistics, the most professionally competent and non-ideological source of economic data in the government today.

Over the last year and a half, its top occupational statistical analysts, Neal Rosenthal, Ronald Kutscher, and John Tschetter, have all taken hard looks at this "vanishing middle class," or "McJobs" thesis, and, to a very large degree, have debunked it in the BLS's own professional publication, *The Monthly Labor Review*.

When they look at the share of workers in each of the three major job categories by earnings, high, middle, and low, they discovered, as Mr. Rosenthal wrote back in March 1985, "a shift of workers from the low to the middle and high earnings levels, with *the middle having the largest increase.*" (Emphasis ours.)

Mr. Rosenthal's data shows that the top earnings category had increased its share of total jobs from 27.7 percent in 1973 to 29.0 percent in 1982, while the bottom category dropped from 43.4 percent to 37.6 percent, and the middle rose from 28.9 to 33.4 percent.

How, then, can the JEC study by Mr. Bluestone and Mr. Harrison reach almost the opposite conclusion? Much of the answer seems to lie in their (the JEC's) statistical methodology.

First, they used the Consumer Price Index as the "deflator" to get constant *income* measures, in spite of the CPI's very large and well-recognized exaggeration of inflation during this 1973-84 period, which had to be officially corrected in 1983. Such an exaggeration would deliberately depress (by 9 percent) the "real earnings" of the latest years.

To avoid this, they could have used what is called the BLS's CPI-X experimental index, which eliminates this error for those years, or, better still, the more reliable Personal Consumption Expenditure inflation index (PCE). By using the old CPI, the JEC study overinflates the 1984 "constant-dollar median income" by about $1,000, automatically throwing more jobs into the "low income" category.

In October, BLS's John Tschetter sent a memo to the professors to this effect, and suggesting that if they used the PCE index the "difference might be sufficient to reverse your findings."

In response, the JEC report says they tried using the PCE but it "did not materially affect the overall results." Yet they didn't show their PCE-adjusted numbers. One good reason: they did precisely what Labor had predicted: they "reversed the findings." (See table.)

Instead of showing a 1973-84 shift to low-income jobs, the PCE-adjusted numbers show a modest shift to high-income jobs! For example, in 1984 the PCE-adjusted numbers show 17.5 percent in high-income jobs, compared with only 14.9 percent by the JEC study—a 5 percent *increase* over 1973 compared with JEC's 10 percent *decrease!*

While it is true the latest 1979-1984 period still shows relatively more lower-wage job creation, the PCE-adjusted numbers were substantially less alarming, showing an 11 percent *plus* share for high-income jobs, where the JEC had showed a 5 percent *loss*, and for new low-income jobs, a 37 percent share instead of 58 percent!

These are *not* "immaterial differences," as JEC suggests!

More important, by selecting the 1979-1984 period as their key "target," JEC included *two* recessions (1980, 1982), and the period when women, entering the work force in record numbers, secured 76 percent of all new jobs. Since wages are a function of job experience, it was inevitable that this period would show the poorest wage performance, especially since from 1979-1981 (all Carter-budget years, incidentally) real weekly wages went down 10 percent!

In spite of this largely demographic "blip," the overall wage pattern is still clearly more "upscale" in 1984 than in 1973. So, the "vanishing middle" is still a myth, and yet another JEC study is badly misleading and deeply flawed left-wing propaganda.●

RULES OF THE COMMITTEE ON ENERGY AND NATURAL RESOURCES

● Mr. JOHNSTON. Mr. President, in order to meet the requirements of Senate Rule XXVI, I ask that the Rules of the Committee on Energy and Natural Resources be published in the Record at this point.

The rules follow:

Rules of the Senate Committee on Energy and Natural Resources

GENERAL RULES

Rule 1. The Standing Rules of the Senate as supplemented by these rules, are adopted as the rules of the Committee and its Subcommittees.

MEETINGS OF THE COMMITTEE

Rule 2. (a) The Committee shall meet on the third Wednesday of each month while the Congress is in session for the purpose of conducting business, unless, for the convenience of Members, the Chairman shall set some other day for a meeting. Additional meetings may be called by the Chairman as he may deem necessary.

(b) Business meetings of any Subcommittee may be called by the Chairman of such Subcommittee, Provided, That no Subcommittee meeting or hearing other than a field hearing, shall be scheduled or held concurrently with a full Committee meeting or hearing, unless a majority of the Committee concurs in such concurrent meeting or hearing.

OPEN HEARINGS AND MEETINGS

Rule 3. (a) Hearings and business meetings of the Committee or any Subcommittee shall be open to the public except when the Committee or such Subcommittee by majority vote orders a closed hearing or meeting.

(b) A transcript shall be kept of each hearing of the Committee or any Subcommittee.

(c) A transcript shall be kept of each business meeting of the Committee or any Subcommittee unless a majority of the Committee or the Subcommittee involved agrees that some other form of permanent record is preferable.

HEARING PROCEDURE

Rule 4. (a) Public notice shall be given of the date, place, and subject matter of any hearing to be held by the Committee or any Subcommittee at least one week in advance of such hearing unless the Chairman of the full Committee or the Subcommittee involved determines that the hearing is noncontroversial or that special circumstances require expedited procedures and a majority of the Committee or Subcommittee involved concurs. In no case shall a hearing be conducted with less than twenty-four hours notice.

(b) Each witness who is to appear before the Committee or any Subcommittee shall file with the Committee or Subcommittee, at least 24 hours in advance of the hearing, a written statement of his or her testimony in as many copies as the Chairman of the Committee or Subcommittee prescribes.

(c) Each member shall be limited to five minutes in the questioning of any witness until such time as all Members who so desire have had an opportunity to question the witness.

(d) The Chairman and ranking Minority Member of the ranking Majority and Minority Members present at the hearing may each appoint one Committee staff member to question each witness. Such staff member may question the witness only after all Members present have completed their questioning of the witness or at such other time as the Chairman and the ranking Majority and Minority Members present may agree.

BUSINESS MEETING AGENDA

Rule 5. (a) A legislative measure or subject shall be included on the agenda of the next following business meeting of the full Committee or any Subcommittee if a written request for such inclusion has been filed with the Chairman of the Committee or Subcommittee at least one week prior to such meeting. Nothing in this rule shall be construed to limit the authority of the Chairman of the Committee or Subcommittee to include legislative measures or subjects on the Committee or Subcommittee agenda in the absence of such request.

(b) The agenda for any business meeting of the Committee or any Subcommittee shall be provided to each Member and made available to the public at least three days prior to such meeting, and no new items may be added after the agenda is so published except by the approval of a majority of the Members of the Committee or Subcommittee. The Staff Director shall promptly notify absent Members of any action taken by the Committee or any Subcommittee on matters not included on the published agenda.

QUORUMS

Rule 6. (a) Except as provided in subsections (b), (c), and (d), seven Members shall constitute a quorum for the conduct of business of the Committee.

(b) No measure or matter shall be ordered reported from the Committee unless ten Members of the Committee are actually present at the time such action is taken.

(c) Except as provided in subsection (d), one-third of the Subcommittee Members shall constitute a quorum for the conduct of business of any Subcommittee.

(d) One Member shall constitute a quorum for the purpose of conducting a hearing or taking testimony on any measure or matter before the Committee or any Subcommittee.

VOTING

Rule 7. (a) A roll call of the Members shall be taken upon the request of any Member. Any Member who does not vote on any roll call at the time the roll is called, may vote (in person or by proxy) on that roll call at any later time during the same business meeting.

(b) Proxy voting shall be permitted on all matters, except that proxies may not be counted for the purpose of determining the presence of a quorum. Unless further limited, a proxy shall be exercised only upon the date for which it is given and upon the items published in the agenda for that date.

(c) Each Committee report shall set forth the vote on the motion to report the measure or matter involved. Unless the Committee directs otherwise, the report will not set out any votes on amendments offered during Committee consideration. Any member who did not vote on any roll call shall have the opportunity to have his position recorded in the appropriate Committee record or Committee report.

(d) The Committee vote to report a measure to the Senate shall also authorize the staff of the Committee to make necessary technical and clerical corrections in the measure.

SUBCOMMITTEES

Rule 8. (a) The number of Members assigned to each Subcommittee and the division between Majority and Minority Members shall be fixed by the Chairman in consultation with the ranking Minority Member.

(b) Assignment of Members to Subcommittees shall, insofar as possible, reflect the preferences of the Members. No Member will receive assignment to a second Subcommittee until, in order of seniority, all Members of the Committee have chosen assignments to one Subcommittee, and no Member shall receive assignment to a third Subcommittee until, in order of seniority, all Members have chosen assignments to two Subcommittees.

(c) Any Member of the Committee may sit with any Subcommittee during its hearings and business meetings but shall not have the authority to vote on any matters before the Subcommittee unless he is a Member of such Subcommittee.

SWORN TESTIMONY AND FINANCIAL STATEMENTS

Rule 9. Witnesses in Committee or Subcommittee hearings may be required to give testimony under oath whenever the Chairman or ranking Minority Member of the Committee or Subcommittee deems such to be necessary. At any hearing to confirm a Presidential nomination, the testimony of the nominee and, at the request of any Member, any other witness shall be under oath. Every nominee shall submit a statement of his financial interests, including those of his spouse, his minor children, and other members of his immediate household, on a form approved by the Committee, which shall be sworn to by the nominee as to its completeness and accuracy. A statement of every nominee's financial interest shall be made public on a form approved by the Committee, unless the Committee in executive session determines that special circumstances require a full or partial exception to this rule. Members of the Committee are urged to make public a statement of their financial interests in the form required in the case of Presidential nominees under this rule.

CONFIDENTIAL TESTIMONY

Rule 10. No confidential testimony taken by or confidential material presented to the Committee or any Subcommittee, or any report of the proceedings of a closed Committee or Subcommittee hearing or business meeting, shall be made public, in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee at a business meeting called for the purpose of making such a determination.

DEFAMATORY STATEMENTS

Rule 11. Any person whose name is mentioned or who is specifically identified in, or who believes that testimony or other evidence presented at an open Committee or Subcommittee hearing tends to defame him or otherwise adversely affect his reputation may file with the Committee for its consideration and action a sworn statement of facts relevant to such testimony or evidence.

BROADCASTING OF HEARINGS OR MEETINGS

Rule 12. Any meeting or hearing by the Committee or any Subcommittee which is open to the public may be covered in whole or in part by television broadcast, radio broadcast, or still photography. Photographers and reporters using mechanical recording, filming, or broadcasting devices shall position their equipment so as not to interfere with the seating, vision, and hearing of Members and staff on the dais or with the orderly process of the meeting or hearing.

AMENDING THE RULES

Rule 13. These rules may be amended only by vote of a majority of all the Members of the Committee in a business meeting of the Committee: Provided, That no vote may be taken on any proposed amendment unless such amendment is reproduced in full in the Committee agenda for such meeting at least three days in advance of such meeting.●

THE MAYO CLINIC

● Mr. BOSCHWITZ. The Mayo Clinic, one of the most renowned medical institutions in our Nation, began in Rochester, MN. Charlie and Will Mayo—the Mayo brothers—founded the Mayo Clinic in the 1880's with a strong commitment to teaching and research and with a great emphasis on patient care. Abiding by those same high standards yet today, the Mayo Clinic has recently opened a satellite clinic in Jacksonville, FL, and will soon begin another clinic in Scottsdale, AZ. Undoutedly, the Mayo Clinic will continue to make an important and vital contribution to the medical community.

When surgeons from the Mayo Clinic were called upon recently to operate on President Reagan, an article describing the evolution of the Mayo Clinic appeared in the Washington Post. Mr. President, I ask that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 6, 1987]

THE "MIRACLE" OF THE MAYO CLINIC

WHY PRESIDENTS TURN TO DOCTORS OUT IN CORN COUNTRY

(By Victor Cohn)

ROCHESTER, MINN.—It all started with a little country doctor boiling urine in a teaspoon.

The doctor was William Worrall Mayo, the time was the 1860s, and the simple urine test he was performing led in time to the birth here of the huge and renowned medical complex known as the Mayo Clinic.

When President Reagan was operated on yesterday, his doctors were from the Mayo Clinic or trained there, just as Mayo doctors operated on President Johnson in 1965 and '66.

Why Mayo doctors? Why surgeons from a clinic in a small city in the corn lands of southern Minnesota, of all places?

To many in the medical community, the Mayo Clinic is "the standard" against which other medical centers are judged. Dr. Charles Edwards, Mayo trained, a former federal assistant secretary for health, now head of San Diego's excellent Scripps Clinic, has called Mayo care "pound for pound, the best in the world."

Still, the fact that Mayo doctors have been chosen to treat presidents has been partly chance. Lyndon Johnson trusted and took the medical advice of an old Texas friend who had become a Mayo doctor. Nancy Reagan sought and took the advice of her late father's friend, another Mayo doctor.

But the advice was not without a sound basis. It was the Mayo Clinic that invented team medicine or "group practice," in which specialists of many kinds pool their knowledge.

Doctors had consulted with each other and worked together before. But they had never done so as the closely coordinated team that Mayo and his sons developed as part of one single-minded institution. The great university medical centers had, and have, many expert doctors, but their main reasons for existence are teaching and research, using patient care as a vehicle.

The main goal of the Mayo Clinic—and the hundreds of clinics modeled with it—is patient care, with teaching and research designed to further that goal. The Cleveland Clinic, Boston's Lahey Clinic, New Orleans' Ochsner Clinic, Scripps and others, including the expanding Kaiser clinics, all followed the Mayo model.

And the creation of the country doctor and his two sons, Will and Charlie, has now become a place of 1,700 doctors treating more than 1,000 new patients a day from every state and 150 foreign countries every year.

Is calling Mayo care the world's "best" an exaggeration? Many Mayo doctors believe it is.

But Mayo is the nation's "only brand name of medicine," says Dr. Paul Elwood, a keen health care analyst.

In a day in which the federal government, health insurors and employers are pressing doctors and hospitals to care for patients faster and cheaper, in effect, to do less, there is a growing danger that less care will mean poorer care. The role of a Mayo clinic—if it continues to cling to the highest standard—may become ever more important as a model against which everyone's medical care may be judged.

Now the Mayo Clinic is also exporting that care, last year to a new satellite clinic in Jacksonville, Fla., next June to another in Scottsdale, Ariz., with other sites being studied.

Why did all this happen to "the Mayos," as doctors elsewhere still refer to this clinic? Why this unlikely birthplace of modern group medicine, instead of New York, Chicago or Washington?

Start again with William Worrall Mayo. You can't understand this place without understanding its history, a kind of living history that Mayo doctors often tell you about when they try to explain how and why they do things.

"W.W." was 5-foot-4, bright, stubborn, peppery. It was an era of doctors who guessed, of cults and quacks. He went to a medical school for only four months. But he tested that urine sample for sugar and albumin, mortgaged his house to buy a microscope and sought better ways.

His boys, Will and Charlie, had to sweep his office. They also looked after his horses, put on bandages and casts and peered through doors at kitchen-table operations. When another doctor, giving the anesthetic, fainted while W.W. was removing an ovarian tumor, he unhesitatingly kicked a cracker box toward the table and told teen-age Charlie, "You stand on this and give the anesthetic."

In 1883—Charlie still in high school, young Will just out of medical college—a tornado struck Rochester, and W.W., a Protestant asked some Catholic sisters to help him treat the injured. In 1889 the sisters started St. Mary's Hospital (now one of two huge Mayo hospitals). Other Protestant doctors refused to work with these "papists," so the Mayos became the exclusive staff of this soon growing hospital.

Perhaps because they did work in Rochester, a small town, the Mayo brothers began tirelessly traveling everyplace to see—and copy and often improve on—the new, safer surgery that Lister's antisepsis had just made possible. In 1895 the Mayo brothers did only 12 appendectomies. In 1905, already the best known surgeons in a large territory, they did 1,000.

In 1899 Will sent a medical journal a report on 109 gall bladder operations, in that day another astounding number. The editor found Rochester, Minn., had just 6,000 population and skeptically rejected the article. But surgeons elsewhere, hearing of the Mayo's 50 or 100 or 200 operations for this or that, began traveling to Rochester to see for themselves, and they, not the Mayos, first began talking of "the Mayo clinic."

Swamped, the Mayos began recruiting other doctors. Gradually a medical specialist, rather than a surgeon, began seeing each patient before—or instead of—surgery. One, an inventive genius named Henry Plummer, developed a masterful system of phones, lights, case histories and conveyor belts to carry histories and specimens—in short, a system to make the growing group practice work. This had its start in the years 1900 to 1910. Henry Ford was creating his assembly line.

Will was elected president of the American Medical Association, and later Charlie was, too. In 1912 there were 15,000 Mayo patients; by 1919, there were 60,000. Newspaper and magazine stories began multiplying, extolling the Mayos and their "surgical Mecca," their "Supreme Court of the Sick."

Prospering, the Mayos began putting aside at least half their income each year "to return to the people" by way of financing two new Mayo ventures, medical education and research. As new specialties began splitting off from old, the Mayos and deans at the University of Minnesota, 90 miles away, produced another innovation: three or more years of formal graduate training for young MDs, leading to a PhD in some Specialty. The brothers gave the university $2 million to endow a foundation to supervise this training, and soon signed overall their properties to a nonprofit trusteeship.

It was an act of huge generosity, though in return the young trainees served as the Mayo doctors' assistants, helping care for their patients.

"Dr. Will" was the executive-minded builder, dignified, distinguished. But not humorless. A patient once asked, "Are you the head doctor here?" He said with some accuracy, "No, my brother is the head doctor. I'm the belly doctor."

"Dr. Charlie" was a medical Will Rogers, fully of homey sayings like "an ounce of taffy is worth a pound of epitaph-y." He sat on patients' beds and talked away their jitters. He said, "Medicine is a profession for social service."

Both brothers died in 1939, and some medical critics said the clinic would wither. But by 1959 there were 166,000 patients, by 1985, 282,000, and there now have been more than 4 million since the Mayos began counting in 1907.

Farmers and executives, actors and sheiks. Billy Graham, Muhammad Ali, Ernest Hemingway, Johnny Cash, then Chief Justice Warren Burger, Justice Lewis, Powell, oil Sheik Yamani, Sen. Thomas Eagleton, David Niven, Bill Cosby, officials of 450 companies who fly or drive to Rochester for physicals.

In 1962 Danny Kay was piloting his own plane someplace. A medical buff, he felt a pain in his side, correctly diagnosed it as appendicitis, changed his course for Rochester and was operated on that night.

Most of the patients, however, are ordinary citizens, 80 percent of them from within 500 miles of Rochester, all seeking something they—or their doctors—feel they can't find at home, perhaps what President Dwight Eisenhower called "the Mayo Miracle."

Mayo doctors decry such effusiveness. "There are no miracles here," they tell you. "There are many other good doctors."

"What we do have," almost every Mayo doctor tells you in almost the same words, "is a system," a way of practicing together easily and readily. Also, "a heck of a lot of experience."

When you visit the clinic as a patient, you usually see an internist first, and he or she becomes and remains "your doctor," responsible for your whole visit. At any time, often within minutes, that doctor can ask one of a myriad of specialists of more than 80 brands and sub-brands to "drop into my office" for a consulation. Every surgeon, for example, has designated days to be available for these ready "consults."

Every doctor gets only a fixed salary. There are no bonuses for seeing more patients, no penalties for seeing fewer, though there is a quota: four new patients a day, plus consultations, "returns" (seeing patients again after tests or other procedures) and any former patients who make appointments with the doctor directly. This can mean a dozen or so patients a day, but still allows plenty of time for each patient, commonly an hour or more for an initial interview and examination.

The main reqards, then, for clinic doctors—beyond very adequate salaries (often less than salaries in successful private practice but still upwards of $100,000 after some initial years)—are the esteem of their colleagues, the satisfaction of patients and the opportunity to practice medicine in what one called "a collegial atmosphere where we're all interested in the same thing—good medicine."

In today's increasingly competitive medical world, a physician elsewhere recently told a reporter. "Medicine today is too fragmented and disorganized. It's too easy to lose responsibility for patients. . .Everybody is trying to survive by cannibalizing each other. . .At the Mayo Clinic there is no sense of competition between [physicans] because they can focus first on the patient."

"We think we do good work, but we don't want to exaggerate. We can all fall down sometimes," said Dr. W. Eugene Mayberry, a genial Tennessean who as chief executive officer comes as close to being "boss" as anyone, though his term is limited and almost everything is really decided by committees and consensus.

Talk to clinic patients and you mostly hear the same story. "This is a great place". . ."They take so much time". . ."I've never had a better physical" . . . "They've told me what was wrong—I never found out at home." Still, you also sometimes hear "they don't know what's wrong either" or "they make you wait too long" (a physical examination usually takes two to four days, including waiting for test results and appointments) or "I wouldn't come back here—my doctor was a cold fish."

The last is rare, however. And the "system" virtually guarantees that patients will be seen by more than one doctor if they have a serious problem.

The clinic also has all the best equipment for analyzing the human body. While most medical centers are happy to have one million-dollar CAT scanner to make computerized X-ray views of your insides, the Mayo institutions have 12.

Most of the doctors at the clinic are Mayo-trained. Mayo residents, the specialists in training, spend three to eight years learning both medicine and the system.

Not every doctor fits into all this collegiality. There are few places for either superstars or prima donnas and none for medical entrepreneurs who want to make their fortune. As one senior physician, Dr. Richard Weeks, put it, "You either buy in or you don't stay."

Mayo doctors are all conservatively dressed. Several years ago, when heavy collared storm coats were Minnesota winter wear, several Mayo doctors wore them to a Chicago medical meeting. "Great Scot," said a Chicago doctor, "the Mayos have got them in uniform now."

"Yes, we give up some individuality," a young staff man once said. "But in ordinary practice you find yourself considering many economic factors . . . Can you afford help and equipment? Will you lose your patient if you send him to another specialist? . . . I can call any man on the staff, day or night. If I have a patient with a tricky thyroid cancer, I might have him seen by a thyroidologist, endocrinologist, radiologist, physicist and surgeon . . . When we find a patient who needs several hours' attention, we give it. Then I can say to myself, 'I have done everything for this patient that can be done.' "

As Dr. Robert Waller, an eye doctor and vice chairman of the clinic's board of governors, sums up, "For us, it's team medicine. For the patient, it's one-stop shopping."

"We do get good at what we're doing." said Dr. Charles Moertel, cancer specialist and, particularly, a specialist in one rare type of cancer. "An oncologist elsewhere might see one of these cases in 10 years. I see one or two each day," referred by doctors elsewhere.

There may be no superstars, said another doctor, "but in each section"—the doctors are divided into modest-sized, manageable sections—"there are one or two internationally known and respected people." And any doctor here can call on them.

All this takes place in a concentrated collection of 37 buildings, including a few parking ramps. But for the patient, most of the action takes place in a few buildings, and most of that in a 19-story, cross-shaped white marble diagnostic building. There, seeing other specialists is just a matter of going from floor to floor or maybe a short walk away through an underground walkway. The walkways connect clinic buildings and help take the sting out of Minnesota's bracing winters.

There have been other Mayo contributions besides care and a system. They have included cortisone, World War II development of successful G-suits and oxygen masks, successful use of a heart-lung machine for open heart surgery, the first post-operative recovery room, computerized intensive care units, computer-guided brain surgery, chemical dissolution of gallstones and a new system to salvage and recycle patients' own blood during surgery.

Now the clinic is pioneering in "telemedicine": a microwave link between Rochester and Jacksonville (and other future satellite clinics) so doctors in two or several places can simultaneously look at X-rays and lab results and even at a patient on an examining table. Such "teleconferences" have already started.

Mayberry calls them "the glue that will tie all our satellites together."

Or so he hopes.

Is Mayo medicine really transplantable? The Mayo success story is almost without equal, but the clinic, as never before, faces many challenges.

There are indeed good doctors almost everyplace today. HMOs in every part of the country are signing up more and more patients, and they make it difficult for them to get reimbursed for outside "consults," including consultations at the Mayo Clinic.

In 1986 the clinic saw no more patients than it did in 1985, an almost unprecedented failure to see a sizable annual increase. Mayo officials say the main reason is that "we transferred doctors to Jacksonville, and we couldn't keep up with demand. We had to tell a lot of patients we couldn't see them right away."

Another factor, however, is that the nation's major growth is not in the Mayos' Midwest but in the South and Sun Belt. Hence, of course, the new Mayo satellites. But bigness, and now a clinic spread across the nation, also pose challenges. Moertel mentioned just one problem: "We're very good at unusual diseases and difficult diagnoses. But am I becoming so specialized that I might miss something else?"

There is no easy answer to this. Except the system.

Like all of medicine, the Mayo institutions are being challenged to give care faster and cheaper. That, too, could cut into Mayo quality.

"We think not," Mayberry said. "We think our size and system and efficiency will continue to enable us to do what we are already doing—keeping people out of the hospital and actually delivering care more cheaply than it is delivered elsewhere."

A non-Mayo study of 1982 federal Medicare expenditures in several cities showed the average Rochester expenditure per patient (adjusted for extraneous factors) to be 24 percent less than the national average—25 percent less than Baltimore's (Washington was not studied), 11 percent less than Chicago's, 40 percent less than Los Angeles', 65 percent less than Miami's.

A Mayo cardiologist in training—a young doctor currently studying a newly found heart hormone and possible applications to treatment of heart disease—said last week:

"True, there is emphasis now on cost-cutting. This is a big organization, and there are many pressures. But whatever you do at this place, the bottom line is, 'What will it do for the patient?' "

ORGANIZATIONAL STRUCTURE OF THE COMMITTEE ON ENERGY AND NATURAL RESOURCES

● Mr. JOHNSTON. Mr. President, on Wednesday, January 14, the Committee on Energy and Natural Resources held its organizational meeting. One of the items adopted was the committee's organizational structure. I ask that this information, together with subcommittee assignments of members, be printed in the Record at this point.

The material follows:

Proposed Subcommittee Structure

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Full committee issues

Jurisdiction of the Full Committee includes oversight and legislative responsibilities for strategic petroleum reserves; intergovernmental relations; Outer Continental Shelf leasing; investigation and oversight; international energy affairs; natural gas pricing and regulation; utility policy; nuclear waste and insurance programs; territorial affairs including Commonwealths; Free Associated States; and Antarctica. (In addition, other issues are retained in the Full Committee on an ad hoc basis. Generally, these are issues which (1) require extremely expeditious handling or (2) substantially overlap two or more subcommittee jurisdictions, or (3) are of exceptional national significance in which all Members wish to participate fully.)

Jurisdiction of subcommittees

Subcommittee on Energy Regulation and Conservation

Jurisdiction of the Subcommittee includes oversight and legislative responsibilities for Federal energy conservation programs; energy information; commercialization of new technologies (e.g., wind, solar, ocean thermal energy conversion); liquified natural gas projects; oil and gas pipelines and pipeline regulation including regulation of Alaska Natural Gas Transportation System, Trans-Alaska Pipeline System, and other oil or gas pipeline transportation systems within Alaska (e.g., the Trans-Alaska Gas line system); regulatory functions of ERA; refinery policy; gasoline rationing; emergency preparedness; petroleum allocation; and coal conversion.

Subcommittee on Energy Research and Development

Jurisdiction of the Subcommittee includes oversight and legislative responsibilities for nuclear R & D; coal and synfuels R & D; nuclear and nonnuclear energy commercialization projects; nuclear fuel cycle policy, including uranium resources; new technologies R & D (e.g., conservation, solar, OTEC, and MHD); nuclear facilities siting; and breeder reactor development.

Subcommittee on Mineral Resources Development and Production

Jurisdiction of the Subcommittee includes oversight and legislative responsibilities for energy and nonfuel mineral resources; Federal mineral leasing; national mining and minerals policy and general mining laws; surface mining, reclamation and enforcement; coal production, distribution and utilization; oil and gas production and distribution; mining education and research; minerals exploration, development and production from public and acquired lands; mineral conservation; royalty management; coal severance tax, Naval Petroleum and Oil Shale Reserves; deep water ports; and deep seabed mining.

Subcommittee on Public Lands, National Parks and Forests

Jurisdiction of the Subcommittee includes oversight and legislative responsibilities for the public lands administered by the Bureau of Land Management; National Forest System; National Park System; National Wilderness Preservation System; Wild and Scenic Rivers System; National Trails System; establishment of wildlife refuges on public lands; Alaska Native Claims Settlement Act; Alaska National Interest Lands Conservation Act; reserved water rights; military land withdrawals; national recreation areas; national monuments; historic sites; military parks and battlefields; Land and Water Conservation Fund; historic preservation; renewable resources; outdoor recreation resources; and on the public domain; preservation of prehistoric ruins and objects of interest.

Subcommittee on Water and Power

Jurisdiction of the Subcommittee includes oversight and legislative responsibilities for irrigation; reclamation projects, including related flood control purposes; power marketing administrations (e.g., Bonneville Power, Alaska Power, Southwestern Power, Western Area Power, Southeastern Power); energy development impacts on water resources; groundwater resources and management; small power producers; hydroelectric power; and low head hydro.

SUBCOMMITTEE ASSIGNMENTS [1]

Energy Regulation and Conservation: Metzenbaum (Chairman), Bradley, Bingaman, Fowler, Nickles (Ranking), Weicker, and Evans.

Energy Research and Development: Ford (Chairman), Fowler (Vice Chairman), Bumpers, Metzenbaum, Melcher, Domenici (Ranking), Evans, Weicker, and Hecht.

Mineral Resources Development and Production: Melcher (Chairman), Wirth (Vice Chairman), Ford, Bingaman, Conrad, Hecht (Ranking), Nickles, Wallop, and Murkowski.

Public Lands, National Parks, and Forests: Bumpers (Chairman), Bingaman (Vice Chairman), Melcher, Bradley, Wirth, Fowler, Conrad, Wallop (Ranking), Weicker, Hatfield, Domenici, Murkowski, and Hecht.

Water and Power: Bradley (Chairman), Conrad (Vice Chairman), Bumpers, Ford, Metzenbaum, Wirth, Evans (Ranking), Hatfield, Murkowski, Wallop, and Nickles.

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[1] Chairman Johnston and Ranking Minority Member McClure are Ex Officio Members of each Subcommittee.●

A COMMON THREAD LINKING STAR WARS

● Mr. BOSCHWITZ. Mr. President, I ask to place in the RECORD a most insightful article by Gregory Fossedal, a media fellow at the Hoover Institute and a nationally syndicated columnist. The piece, entitled "A Common Thread Linking Star Wars," provides several examples of leaders with defensive visions who, despite criticism, "stuck to their guns" and were proven to be correct. Concerning the SDI, as Mr. Fossedal points out, the thing to do is to ask some people who say it can work to show us how.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A COMMON THREAD LINKING STAR WARS

(By Gregory Fossedal)

Reports persist that Ronald Reagan will soon consider actual deployment of a Star Wars shield against nuclear weapons. Yet the program retains powerful opponents, from scientists who say a leakproof shield can never be built, to the Joint Chiefs of Staff, who argue that if we defend ourselves, it may provoke the Soviet Union. How is a leader to decide?

History answers. Several times in this century, leaders have plowed ahead to build systems like Star Wars amid even greater controversy.

In the 1930s, opponents of a British defense against German attack argued that a few firebombs could result in a "total holocaust" of London, as one member of Parliament put it. "The bomber will always get through," said Prime Minister Stanley Baldwin. Hence, they argued, any defense was useless.

Winston Churchill, then a discredited backbencher, saw the folly of this reasoning and decided, given that no defense is ever perfect, to see what kinds of defenses could be built. "Science is always able to provide something," he wrote in a memo in 1935.

The key, he said, was not scientific at all, but political. "General tactical considerations, and what is technically feasible, act and react upon one another. Thus, the scientists should be told what facilities the air force would like to have, and airplane design be made to fit into and implement a definite scheme of warfare."

Thanks to Mr. Churchill's efforts, private scientists were able to design and build defenses—despite furious objection from the Air Ministry bureaucracy. By seeing the strategic error of demanding perfection of defense, Mr. Churchill knew that the opinion of scientists who opposed him wasn't so much wrong as it was irrelevant. In fact, British air defense concentrated on rapidly deploying what was available, knowing that more exotic technologies, such as radar, would come along later.

The invention of the tank, that Star Wars technology of World War I, involves a similar story—also centered on Mr. Churchill. He argued that exotic "steam tractors . . . covered with armor" could puncture the German lines and end the senseless carnage of the trenches.

Lord Kitchener and the army called the scheme "Winston's folly," so in 1915 a secret program was set up at the navy, under the guise of designing a "land ship" to transport water to Russia. Later the term was changed to "tank."

The British never did build an effective tank, but by 1918, the French, focusing on mass production of deployable technologies, had produced a sizable fleet. On Aug. 8, Allied troops using tanks blasted through the sacred Hindenberg Line at Amiens. Historian A.J.P. Taylor limns the impact: "Amiens shattered the faith in victory which, until that moment, carried the Germans forward."

Tragically, the lesson of mobility was ignored by the French. In 1932 and 1934, an obscure French officer published several lectures calling for deployment of an advanced, active defense, driven by tanks and other rapid vehicles and capable of striking at attacking German supply lines. The French government, however, hypnotized by the prospect of a theoretically leakproof series of forts, the Maginot Line, scorned the plan. It took another war to prove the colonel—Charles DeGaulle—right.

Many modern writers misstate the error of the Maginot Line in terms of a reliance on "defense" as against "offense." Yet in most respects, it is today's proponents of nuclear retaliation strategies who resemble the French establishment battling for the Maginot Line. Our nuclear weapons, like the French forts, are vulnerable, largely fixed, and increasingly easy to target. Our forces rely on obsolescing technologies and on a single brand of punitive deterrence—while our opponent employs a broad array of offense and defense, high-tech and low-tech weapons.

In another historical story, some cite Dwight D. Eisenhower's warnings about the military-industrial complex as an indication that Ike would be against technical risk-taking. Yet it was Ike who deployed the nation's first nuclear-tipped missiles, or ICBMs, and our first nuclear-armed submarines.

Such experts as Vannevar Bush had proclaimed that an ICBM would be "impossible for many years." Yet others, such as John Von Neumann, said it could be done. Ike knew how to find out: he appointed Von Neumann to head a commission on how to deploy an ICBM. The missiles were in production before Ike left office.

Similarly, when John F. Kennedy wanted to put a man on the moon, he didn't propose research into whether it could be done. He had Vice President Lyndon Johnson consult with top scientists—such as Wernher von Braun—who claimed that, whatever the conventional wisdom, they could design a lunar craft. Weeks later, President Kennedy announced that the United States would be on the moon "within the decade," and in 1969, we were.

The common thread here involves leaders who listened to people outside of government, people who said a bold change in technology was possible. Even some Star Wars critics, writing recently for *The New York Times*, support the idea of such a Star Wars panel.

Can America defend against nuclear weapons? The thing to do is to ask some people who say we can to show us how.●

THE B-1B

● Mr. GLENN. Mr. President, as you know, I have been and remain a strong and vocal supporter of the B-1B bomber program. Nevertheless, I am growing increasingly concerned over the continuing media criticism of the B-1B, a program that the Air Force has described as one of the most successful major acquisition efforts it has ever conducted. Of equal concern has been the failure of the Department of Defense and of the Air Force to adequately and publicly respond to this criticism.

In response to a written inquiry last September, Air Force Chief of Staff General Welch assured me that the B-1B would meet its initial operational capability [IOC] and that major development problems had been or were being corrected. In December, Brig. Gen. James W. Evatt of the Air Staff, reconfirmed this position and provided me with an update on the actions being taken to correct such matters as the Electronic countermeasures [ECM] deficiencies, and problems both in stability enhancement and with the terrain-following radar system. General Evatt also indicated that he felt confident that the Air Force could satisfactorily answer the criticisms being made in the press if called upon to do so.

Unfortunately, lacking adequate Department of Defense assurances to the public, media criticism has continued unabated. In a January 4, 1987, article in the Washington Post, a former Pentagon analyst, who purports to have an insider's knowledge of the B-1B's problems, characterized the B-1B's as a flying Edsel, and claimed among other things that the B-1B's operating costs were triple those of the B-52. On January 7, in another Washington Post article, the Air Force deputy B-1B program manager was quoted as saying that the "[ECM] capability is far less than what we hoped it would be."

I trust that neither the Department of Defense nor the Air Force believes that the B-1B is a flying Edsel. Unfortunately, as a result of unanswered media criticism, many American taxpayers may well believe it, regardless of the fact that the B-1B demonstrably is a superior aircraft for its designated mission. Also of great significance to us in these days of delays and cost overruns, is that the B-1B program achieved its IOC on schedule, and that the total program today remains on schedule and under cost.

Mr. President, as a consequence of what I consider to be a deplorable situation and an affront to all who have supported the B-1B program, in a recent letter to the Secretary of Defense I strongly urged that he personally ensure that adequate steps are taken by the Department of Defense to officially and publicly respond to the major criticisms of the B-1B program, including those described in the above articles. From a Senate standpoint, I am hopeful that a possible Senate Armed Services Committee hearing to review the B-1B program will provide another opportunity to objectively review the B-1B program.

Mr. President, subsequent to my letter to Secretary Weinberger, in a letter to the editor of the Washington Post published on January 12, Air Force Secretary Aldridge and Chief of Staff General Welch provided the first substantive response to the media criticism.

In their letter, they point out that:

> The central fact is the B-1B, the most advanced bomber in the world, is today on alert at Dyess AFB, TX, fulfilling its intended mission of deterring conflict by being capable—this moment—of carrying out its mission.

Secretary Aldridge and General Welch also state that although there are some deficiencies in the B-1B that require correction, there is no indication that required work will exceed the $20.5 billion cost ceiling established in 1981.

Mr. President, I believe that it is essential that Americans throughout the country have the opportunity to read for themselves the facts on the status of this critical strategic weapons system. I therefore ask unanimous consent that Secretary Aldridge's and General Welch's letter be entered into the record.

Thank you, Mr. President.

THE B1 IS FULFILLING ITS MISSION

David Evans' article on the B1 in the Jan. 4 Outlook section is flat wrong. The central fact is that the B1, the most advanced bomber in the world, is today on alert at Dyess Air Force Base, Texas, fulfilling its intended mission of deterring conflict by being capable—this moment—of carrying out its mission.

As is the case with most new aircraft or other weapons systems at this stage of their lives, there are some deficiencies in the B1 that require correction to realize the full, long-term potential. Most will be corrected in the short term. One or two will take longer.

There is no indication that required work will exceed the $20.5 billion cost ceiling. Because of congressional cuts, current funding is about $750 million below that ceiling. The Air Force will ask that a substantial part of those cuts be restored to complete needed work. Considering that the B1 will be a key contributor to deterrence for the next 30 years, that maturing process is reasonable and no cause for alarm. Only the most impatient or uninformed would suggest these are fatal flaws in existing capabilities or future prospects.

Some of the most outrageous allegations in the article warrant brief comment.

Using measures irrelevant to strategic bombers, Mr. Evans characterizes the aircraft as "a step backward." Such measures as wing loading and thrust-to-weight and maximum thrust fuel consumption are of interest for highly maneuverable fighter aircraft but have little to do with strategic bombers. The B1 has the full specified range capability, which is considerably greater than the B52's. It penetrates enemy airspace under all-weather conditions at markedly lower altitudes and at speeds more than 50 percent faster than the B52. It carries a substantially larger bomb load, which it delivers with much improved accuracy, and it has a radar cross section a hundredth of that of the B52. These are the relevant measures for the utility of a penetrating bomber aircraft, and the B1 is a success story on each count.

Mr. Evans compares the cost of a modern 1980s bomber with the acquisition cost of a 1950s bomber. A similar comparison of fighter aircraft or automobiles would yield similar results and is irrelevant. There is still every reason to expect that we will buy the full planned number of B1 aircraft with planned capabilities within the planned $20.5 billion-dollar ceiling. While it is true that the training simulator is not included in that cost—which has never been a secret to anyone—the simulator acquisition cost is just over $200 million, a far cry from Mr. Evans' $10 billion figure.

As to flying-hour costs, at this early stage of operation in any new system, operating costs are inflated by a number of well-understood factors associated with the initial limited scope of operations while building the logistics support system. These costs include funding initial spares for the full 100 aircraft at the front end of the production. The projection is that the life-cycle cost of operating a B1 will be some 15 percent to 25 percent more than a B52. For that price, the difference in effectiveness is absolute. The B1 will perform the penetrating bomber role in the next decade, and the B52 cannot. The capability to penetrate Soviet airspace and locate and attack targets deep in the Soviet Union is an absolutely essential element of a credible deterrent force.

Despite Mr. Evans' tortured use of an assortment of miscellaneous data to arrive at unwarranted conclusions, the facts are straightforward. The B1 is a well-conceived bomber that is being developed and fielded within agreed to, clearly stated cost constraints to perform missions vital to the defense of this nation. The B1 can deliver large conventional or nuclear payloads over intercontinental ranges, with high-speed, low-altitude penetration of sophisticated defenses. The B1 can perform these missions now, and work continues at a rapid pace to mature the system and bring it to its full potential performance, which will contribute greatly to deterrence for several decades.

LARRY D. WELCH
General and Chief of Staff, U.S. Air Force.
E.C. ALDRIDGE, JR.,
Secretary, U.S. Air Force, Washington.●

INNA MEIMAN ALLOWED TO LEAVE

● Mr. SIMON. Mr. President, I am pleased to inform my colleagues of the very good news that my friend, Inna Meiman, will leave the Soviet Union for cancer treatment here in Washington, DC. Inna arrives on Monday, January 19, 1987.

I welcome this news and look forward to welcoming Inna to our great Nation.

The good news about Inna is tempered greatly, however, by the Soviets denial of a visa to her husband, Naum, to join her. As any physician knows, the support of a patient's family is crucial during treatment for serious illness.

Many of my colleagues worked tirelessly on behalf of the Meimans, most notably former Senator GARY HART. The Soviet's decision to allow Inna to obtain medical treatment demonstrates the importance and effectiveness of congressional involvement.

I have spoken to the Soviet Ambassador about the Meimans and I encourage him to act speedily to allow Naum to join Inna here in Washington.●

TIME FOR FILING COMMITTEE REPORTS

Mr. BYRD. Mr. President, while awaiting the arrival of the distinguished Republican leader, I shall make the following unanimous con sent requests: I ask unanimous consent that the RECORD may be left open today for committees to file reports until 5 o'clock p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, JANUARY 20, 1987

RECOGNITION OF CERTAIN SENATORS

Mr. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, following the recognition of the two leaders, the following Senators be recognized each for not to exceed 5 minutes: Messrs. PROXMIRE, SASSER, and LEVIN.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that, upon the completion of the special orders for the recognition of Senators on Tuesday next, there be a period for the transaction of routine morning business of not to exceed 30 minutes, and that Senators be permitted to speak for not to exceed 5 minutes each therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD. Mr. President, on Tuesday next, the Senate will convene at 2 o'clock p.m., the order having already been entered. Was the order entered to provide for an adjournment over?

The PRESIDING OFFICER. The order was entered.

Mr. BYRD. I thank the Chair.

After the two leaders are recognized under the standing order there will be 5-minute orders for the recognition of Senators PROXMIRE, SASSER, and LEVIN, after which there will be a period for the transaction of routine morning business for not to exceed 30 minutes with Senators permitted to speak therein for not to exceed 5 minutes each.

Upon the conclusion of morning business, the Senate will resume consideration of the House bill to clean up the Nation's waters, H.R. 1. The pending question at that time will be on the adoption of the amendment by Mr. DOLE, in the nature of a substitute. No amendments to that amendment will be in order. No other amendments to the bill will be in order. Debate will ensue during the afternoon and, upon the completion of business that day, the Senate will adjourn over until Wednesday.

At 4 o'clock on Wednesday afternoon, the Senate will proceed, under the order previously entered, to vote up or down on the amendment that has been offered by Mr. DOLE, which is in the nature of a substitute for the bill, H.R. 1, the Clean Water Act. Upon the disposition of the amendment by Mr. DOLE, with no other amendments to the bill in order, with no motions to recommit in order, and no motion to table, the Senate will proceed to third reading and immediately to final passage of the bill.

ORDERING OF YEAS AND NAYS

Mr. BYRD. If the distinguished Republican leader would have no objection, I would like to ask at this time that it be in order to order the yeas and nays on both the amendment by Mr. DOLE and on the passage of the bill with one show of seconds.

I ask unanimous consent that it be in order to order the yeas and nays on both the amendment by Mr. DOLE and the final passage of H.R. 1 with one show of seconds.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, the yeas and nays have been ordered now on the amendment by Mr. DOLE, in the nature of a substitute and also on the passage of the bill, H.R. 1.

Upon the passage of H.R. 1, as amended, if amended, on Wednesday, the Senate then will proceed to the concurrent resolution which was discussed on the day before yesterday. Twenty minutes have been provided for the debate thereon, no amendments are in order, no motions to commit are in order, and immediately upon the expiration of the time or upon the yielding back thereof, the Senate will then vote on the resolution.

APPROVAL OF THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal be approved to date.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that Senators may speak out of order notwithstanding the Pastore rule.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT—H.R. 1

Mr. BYRD. Mr. President, I ask unanimous consent that, on Tuesday, when the Senate resumes consideration of H.R. 1, the clean water bill, there be a limitation of 3 hours thereon for debate, the time to be equally divided and controlled by Senator DOLE and myself, or our designees.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, in accordance with Senate Resolution 30, announces the appointment by the majority leader of the following Senators as members of the U.S. Senate Arms Control Observer Group: the Senator from Georgia [Mr. NUNN], cochairman; the Senator from Rhode Island [Mr. PELL], cochairman; the Senator from Massachusetts [Mr. KENNEDY]; the Senator from New York [Mr. MOYNIHAN]; the Senator from Tennessee [Mr. GORE]; and the Senator from West Virginia [Mr. BYRD], ex officio.

The Chair, on behalf of the President pro tempore, in accordance with section 301(b)(1)(D) of Public Law 99-371, appoints Ms. Gertrude Galloway, of Maryland, to the Commission on Education of the Deaf, vice Mr. Jack Brady, resigned.

The Chair, on behalf of the President pro tempore, in accordance with section 2(b)(1)(B) of Public Law 98-183, appoints Blandina Cardenas Ramirez, of Texas, to the U.S. Commission on Civil Rights.

RECORD TO REMAIN OPEN UNTIL 4 P.M. TODAY

Mr. BYRD. Mr. President, I ask unanimous consent that Senators may have until 4 p.m. today to include statements in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL TUESDAY, JANUARY 20, 1987, AT 2 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent, if there be no further business to come before the Senate, that the Senate stand in adjournment until the hour of 2 p.m. on Tuesday, January 20, 1987.

There being no objection, the Senate, at 1:55 p.m., adjourned until Tuesday, January 20, 1987, at 2 p.m.